

Support for Mid-Sized Corporations and SMEs, Vitalization of Local Regions in Japan

Services for Corporations

Through the Area Corporate Office, SMBC provides services to mid-sized corporations and SME clients. The Area Corporate Office has in place a system for providing specialized services utilizing the networks of SMBC Group companies to address customers' funding needs, wide-ranging financial needs, and management issues. We are also supporting customers' business continuity through funding assistance via means such as setting up a special fund specifically for mid-sized corporations and SME clients impacted by the COVID-19 pandemic.

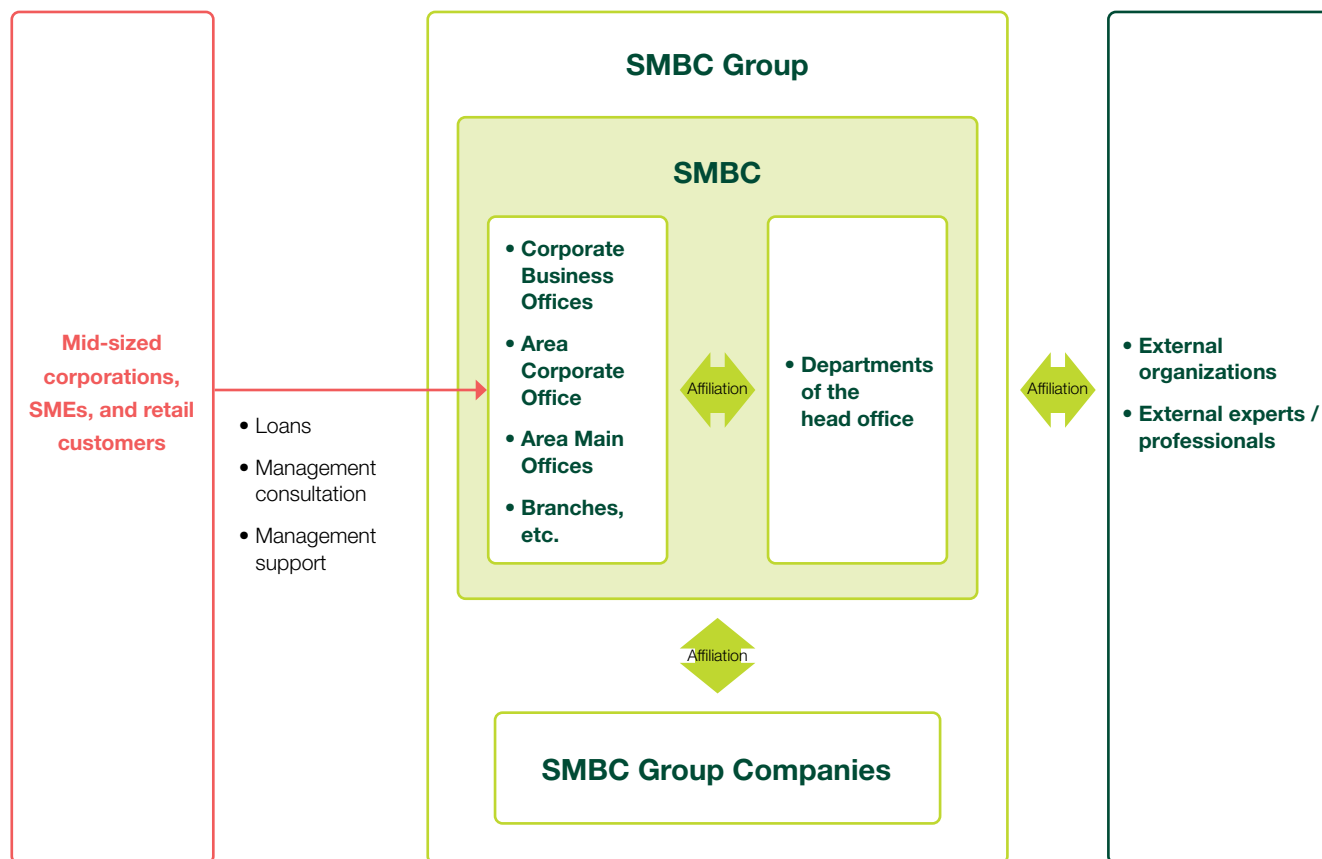
Going forward, we will continue to fulfill our social responsibility as a financial institution by providing support based on the customer's standpoint.

Collaboration with Local Credit Guarantee Corporations

SMBC offers Business Select Loans, a loan service that offers unsecured and unguaranteed financing, and also provides jointly guaranteed loans and support for using prefectural financing systems in Japan through collaboration with local credit guarantee corporations, enabling it to meet the funding needs of customers impacted by the COVID-19 pandemic.

| Credit Guarantee Corporation | Name |
|---|--|
| Credit Guarantee Corporation of Tokyo | SMBC Strengthen Management Base Guarantee (SDGs, electronic contracts) |
| Credit Guarantee Corporation of Kanagawa | Kanagawa Asset 200 |
| Credit Guarantee Corporation of Osaka | CS Next Guarantee |
| Credit Guarantee Corporation of Hyogo-Ken | HIYAKU |

Support System for Mid-Sized Corporations and SMEs



Support for Improved Management, Business Turnaround, and Business Transformation

Along with its efforts to fulfill its financial intermediary function smoothly, SMBC seeks to provide solutions to management issues, putting itself in the position of the client to devise optimum proposals based on the nature of the issues and the client's stage in life. Examples include offering a full range of loan products designed to meet funding needs and address management issues. We also provide solutions in such areas as business matching, overseas business development, and business succession.

Our assistance in business operating improvements and regeneration involves links with external experts / professionals^{*1} and external organizations^{*2} to provide support in drawing up plans for improvement and advice in such areas as cost cutting and asset sales.

For clients that have suffered damage in natural disasters or have been impacted by the COVID-19 pandemic, we propose optimal solutions and support the implementation of rebuilding lives and business.

*1 SMBC Consulting, certified tax accountants, certified public accountants, etc.

*2 Council supporting revitalization of SMEs, Regional Economy Vitalization Corporation of Japan, etc.

Involvement in Regional Revitalization

Regional revitalization continues to be a key theme for the Japanese government. Related "regional comprehensive strategy" plans drawn up by local government entities are in their second phase.

It is becoming more important for regions to exercise their overall capabilities. There are thus high expectations for contributions that financial institutions can make by leveraging their wide-reaching information networks.

SMBC Group has entered into cooperation agreements with local government entities as part of its efforts to assist in local industrial development. Based on these agreements, we are making contributions to regional revitalization from various angles based on specific issues and needs of individual local government entities and regions across Japan. By coordinating with local government entities, regional financial institutions, and private-sector companies, we provide a wide variety of support services. For example, we leverage the functions of SMBC Group companies to help enhance regional infrastructure, attract domestic and overseas tourists, promote tourism by utilizing historic cultural heritage sites, accomplish the United Nations Sustainable Development Goals, and increase popularity of regional specialties in Tokyo.

We will continue to work with local government entities and regional financial institutions across Japan, drawing on SMBC Group's network to contribute to local economies through regional revitalization.



Ceremony commemorating the conclusion of a cooperation agreement for transforming Yokohama into a futuristic city compatible with the Sustainable Development Goals

Measures for Finance Facilitation

SMBC's "Basic Policy for Finance Facilitation" underlies efforts to be diligent and thorough in the provision of funding and consultation.

"Basic Policy for Finance Facilitation"

1. Conduct appropriate review of applications submitted for a new loan or requests to modify loan conditions
2. Provide appropriate management consultation and guidance for clients and appropriate support for management improvements
3. Strive to improve the ability to assess the value of a client's business appropriately
4. Provide appropriate and thorough explanations to clients in consultations and applications for new loans or modification of loan conditions
5. Respond appropriately and adequately to client inquiries regarding new loan and modification consultations and applications and to consulting requests or complaints
6. Liaise closely with other financial institutions involved in applications for modifying loan conditions, applications for support through public and third-party institutions, or other applications
7. Respond appropriately in respect of personal guarantees in accordance with the "Guidelines for Personal Guarantee Provided by Business Owners"