Corporate Governance

Basic Approach

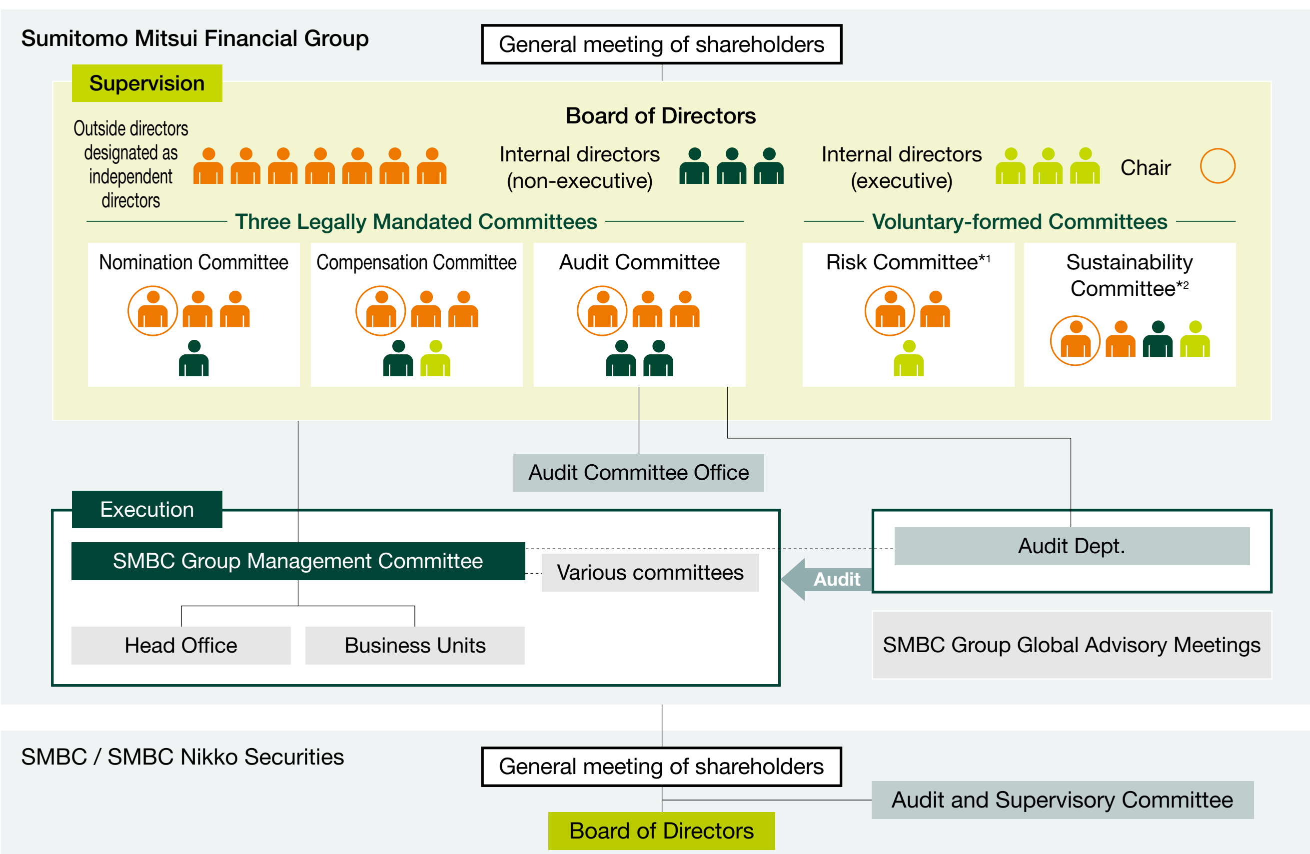
We position "Our Mission" as the universal philosophy underpinning the management of SMBC Group and as the foundation for all of our corporate activities. To achieve the approach outlined in "Our Mission," we consider the strengthening and enhancement of corporate governance a top-priority issue as we pursue effective corporate governance.

Sumitomo Mitsui Financial Group's Corporate Governance System

SMFG Group employs the Company with Three Committees structure. This structure was adopted in order to build a corporate governance system that is globally recognized and is aligned with international banking regulations and supervision requirements, as well as to achieve enhanced oversight of the exercise of duties by the Board of Directors and to expedite the exercise of duties. Core subsidiaries SMBC and SMBC Nikko Securities employ the Company with Audit and Supervisory Committee system described in the Companies Act.

Through the implementation of effective corporate governance systems, we aim to prevent corporate misconduct while also achieving ongoing growth and medium- to long-term improvements in corporate value. We realize that there is no perfect form for corporate governance structures. Accordingly, we will continue working toward the strengthening and enhancement of corporate governance in order to realize higher levels of effectiveness.

As of June 30, 2026



*1 Hirohide Yamaguchi (Chairman of the Advisory Board of Nikko Research Center, former Deputy Governor of the Bank of Japan) and Tatsuo Yamasaki (Specially appointed professor of International University of Health and Welfare) serve as members of the Risk Committee in the capacity of external experts.

*2 Yukari Takamura (Professor, the University of Tokyo Institute for Future Initiatives), Tetsuyuki Kagaya (Professor, Graduate School of Business Administration, Hitotsubashi University), and Eiichiro Adachi (Fellow, Japan Research Institute) serve as members of the Sustainability Committee in the capacity of experts.

Activities of Internal Committees (FY2025)

	Main role	Number of meetings (average attendance rate)	Activities
Nomination Committee	The Nomination Committee is responsible for determining the contents of proposals regarding the election and dismissal of directors to be submitted to the general meeting of shareholders. It deliberates on matters including top management succession and personnel matters concerning officers of major subsidiaries	5 meetings (100%)	• Deliberated on the profile of officers suited to supporting the management foundations of the Company and its subsidiaries, and the succession plan for top management • Continuously deliberated on and approved personnel proposals for the presidents of Group companies
Compensation Committee	The Compensation Committee is responsible for setting policies for determining the compensation of directors, corporate executive officers and executive officers of the Company as well as individual remuneration for directors and corporate executive officers of the Company. It deliberates on policies for setting the compensation of the executive officers of major subsidiaries	7 meetings (100%)	• Deliberated on the revision to the executive compensation programs at the Company and SMBC in preparation for the launch of the new Medium-Term Management Plan in FY2026 • Deliberated on further expanding the eligibility for the Stock Compensation Plans for executives of SMBC Group companies to enhance the Group's competitiveness
Audit Committee	The Audit Committee is responsible for auditing the execution of duties by directors and executive officers of the Company, preparing audit reports, and determining the content of proposals related to the accounting auditor to be submitted to the general meeting of shareholders	15 meetings (100%)	• In accordance with audit policy, audited the execution of duties by directors and executive officers by attending key meetings, interviewing directors and executive officers, receiving reports from internal departments, and conducting site visits at each location • Reported the results of deliberations in the Audit Committee to the Board of Directors and issued recommendations and opinions to executive officers, etc. where necessary
Risk Committee	The Risk Committee is responsible for deliberation on important matters relating to risk management, including environmental and risk awareness, operation of the Risk Appetite Framework, and implementation of risk management systems, and provides counsel to the Board of Directors on these matters	4 meetings (100%)	• Taking into account changes in the domestic and international environment, the Risk Committee discussed the SMBC Group's top risks and, in connection with the formulation of the new Medium-Term Management Plan, deliberated on risk appetite and response policies in the event risks materialize, based on the results of stress testing • Deliberated on measures to strengthen early-warning monitoring, assuming financial crises triggered by non-bank institutions, and initiatives for prompt business recovery during crises
Sustainability Committee	The Sustainability Committee is responsible for deliberating on the progress of measures to create social value, domestic and overseas conditions surrounding sustainability, and other important matters. It reports to and advises the Board of Directors	2 meetings (100%)	• Reviewed the status of initiatives aimed at creating social value, and deliberated on measures for further expanding these initiatives as well as which direction we should head in for measuring and disclosing their impact • Deliberated on the need to revise SMBC Group strategies and tactics in light of changes in the external sustainability landscape, and on enhancing initiatives for the decarbonization of the real economy