

Fundamental approach to social contribution activities

SMFG and its Group companies, due to the public service nature of the financial services industry, recognize the importance of using business operations to contribute to the development of society. In addition to this contribution to society through day-to-day business operations, we must also act as a responsible corporate citizen by engaging in activities that help lay the foundations for a better society in the future. In the spirit of corporate citizenship, SMFG and its Group companies will fulfill their social obligations through a broad range of activities.

Policy on social contribution activities

SMFG and its Group companies understand their role as responsible corporate citizens, and undertake activities that contribute to the realization of a prosperous and sustainable society. We maintain an extensive social contribution program by planning and executing social contribution activities at the corporate level, as well as encouraging employees to volunteer for worthwhile activities.

The central elements of our social contribution activities

SMFG and its Group companies position the following four sectors as the core fields for social contributions: 1) social welfare; 2) local and international communities; 3) environment; and 4) culture, art and education.

Social Welfare Contribution Activities

Group companies organize and participate in a wide range of social welfare activities, and also support organizations devoted to such causes to help create a more benevolent society.

● Donations of Voided Post Cards, Unused Prepaid Telephone Cards, Used Postage Stamps

SMBC collects voided post cards and exchanges them for new postal stamps, which are donated to volunteer organizations to cover their correspondence fees.

In addition, SMBC collects unused prepaid telephone cards from employees each year, and donates them to volunteer organizations. Sumitomo Mitsui Card collects used postage stamps and prepaid cards from employees, while SMBC Friend Securities collects used postage stamps. These are all donated to volunteer organizations.

● Sign-Language Courses



SMBC has been offering sign-language courses annually to its employees since fiscal 1997, to help employees communicate better with hearing-impaired customers and improve service, while simultaneously

enabling SMBC to make a social contribution through its business activities. In fiscal 2006, 100 bank employees enrolled in the course. In fiscal 2005, the bank held a lecture, at which a hearing-impaired guest speaker, assisted by an interpreter, shared her impressions of daily life using sign language. This annual event was held again in the following, and for a third time this April, with the attendance of 930 employees. After completing the course,

employees use what they have learned in various ways, such as in dealing with customers at the bank, or by participating in volunteer activities in which sign language is used, and also by teaching sign-language classes for beginners.

● Events for Experiencing Volunteer Activities

SMBC holds events for its staff after working hours as well as on weekends and holidays, enabling them to experience volunteer activities. SMBC also provides employees with information on various volunteer activities, and encourages their participation in such events. The following initiatives were undertaken in fiscal 2006.



*SMBC holds sessions, with the participation of parents and children, to increase understanding among members of the public regarding guide dogs for people with visual and hearing impairments, and assistance dogs for people with physical disabilities. These sessions also teach children about society's needs to provide support for disabled people.



*SMBC held an international goodwill event for parents and their children. Participants learned about children in developing countries where natural disasters, wars and poverty cause considerable hardship. The participants also sorted foreign coins collected at SMBC branches for donations to assist these children.



*After a seminar held by people with hearing disabilities, participants watched a Japanese movie with Japanese subtitles and no sound. This event, sponsored jointly by SMBC, several other

companies and a university, gave people a better understanding of the challenges posed by the loss of hearing.



*SMBC, together with several companies and a university, sponsored a charity concert to raise awareness of the need to remove landmines. At this event, donations were collected for this worthy cause.

● Donations for Organizations that Assist Seniors

SMBC Friend Securities launched an investment trust in April 2007 with a focus on companies that offer services for Japan's aging population. The company donated part of its earnings from this trust to an organization that helps seniors lead healthy and fulfilling lives.

Contribution Activities for Local and Overseas Communities

We undertake a variety of activities which contribute to the development of local communities in Japan, and international communities overseas.

● SMBC Volunteer Fund

The SMBC Volunteer Fund makes donations to volunteer organizations. This fund is raised by SMBC employees who make a voluntary contribution of ¥100 each month. About 11,000 employees were participating in the program as of July 2007.

Major Donations by the Fund in Fiscal 2006:



*Donations for primary schools in impoverished areas of Cambodia to build toilets and make other repairs, and to set up libraries with study rooms.



*Publishing costs for a book of Cambodian folktales entitled *Good Times for Khmer Children*, as well as the cost of hosting training seminars on reading for teachers in Cambodia, where books for children are extremely scarce.



*Donations to set up school libraries in Laos, where books for children are scarce, and also operating costs for children's cultural centers for art education.



*Scholarships for elementary school students in Laos, where many children are unable to attend school for economic and other reasons, and funding for a health care and hygiene project in that country.



*Scholarships for girls in rural areas of China, where many children are unable to attend school for economic and other reasons.



*Medical costs for people in Northern Afghanistan who have been injured in conflicts or by land mines.



*Donations for replacement of testing equipment, and installation of equipment for emergency obstetrics treatment at a hospital in an impoverished district of Nepal.



*Donations for a project in Myanmar that improves the living environment for mothers and their children by providing healthcare services, training in hygiene, and education to raise the literacy level.



*Donations to cover the expenses involved in running a tractor cooperative in Eritrea on the Horn of Africa, which helps farming households, headed by women who have returned from refugee camps.



*Donations for programs in Bangladesh to assist women at the bottom of the economic ladder to increase their incomes and improve their lives in other ways.



*Donations to the African nation of Benin to operate a business to process cassava, a primary source of nutrition in that country, to help make residents of the country more economically self-sufficient.



*Donations in Indonesia for surgery expenses for children with cleft palates or cleft lips, and scholarships for street children.

*Emergency Disaster Relief

- Donations for victims of the major earthquake that hit central Java in May 2006
- Donations for victims of floods and landslides in Japan in July 2006
- Donations for victims of the Noto Peninsula earthquake in Japan in March 2007
- Donations for victims of the Solomon Islands earthquake and tsunami in April 2007

●Opening of account for donations to disaster victims

When a major natural disaster happens, either in Japan or overseas, SMBC opens a special account and allows anyone wishing to donate money to the victims to make a deposit free of charge. We also solicit donations for such causes from employees of SMBC and JRI.

●YUI — an SMBC Volunteer Organization

At SMBC, we actively support YUI, an in-house volunteer organization. As members of YUI, SMBC employees plan and carry out a variety of welfare activities. The name derives from the Japanese word *yui*, a term describing a mutual support system among farmers that dates back to the Edo Period. The name indicates the group's desire to cultivate ties with people from all walks of life. YUI undertook the following activities in fiscal 2006:



*Since fiscal 2001, YUI has held an annual bazaar, selling items collected from employees. Proceeds are donated to volunteer organizations.

*Since fiscal 2002, the organization has been offering computer courses for school children with impaired hearing every six months. These children are instructed using pen and paper and also sign language.

●Supporting UNICEF

*As a member of the steering committee for UNICEF's "Change for Good" program, SMBC cooperates in the organization's fundraising activities. Foreign coin collection boxes are placed at SMBC branches and offices in Japan, to encourage donations by the general public. The collected coins are sorted by currency with the cooperation of SMBC Green Service Co., Ltd., one of our Group companies, before being sent to the Japan Committee for UNICEF. In fiscal 2006, about 400,000 foreign coins (approximately 1.8 tons) and 14,000 foreign currency bills were collected at SMBC branches, airports throughout Japan, and other locations. Donations included about ¥4 million in Japanese coins and bills. The total amount of donations reached ¥720 million since 1992, when the program started. (Please see photos and captions below.) SMBC has also implemented the UNICEF Donation Account program, through which customers donate their net interest to UNICEF and SMBC donates a matching amount.



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*Through its World Present points service for members of the VISA Japan Association, Sumitomo Mitsui Card collects donations from VISA cardholders every year and presents them to the Japan Committee for UNICEF. Total donations have reached over ¥200 million since the start of the program in 1992. From April 2007, we have also begun donating funds to the Japanese National Commission for UNESCO and the WWF-Japan (World Wildlife Fund). Sumitomo Mitsui Card also issues cards incorporating donations to specific charities, such as the UNICEF VISA Card and the Red Feather VISA Card (offered in cooperation with the Central Community Chest of Japan). The company makes its own donations to the working funds of all these organizations from its card business revenues.

●SMBC Global Foundation

The primary activity of the SMBC Global Foundation is the provision of scholarships to university students in Asian countries. Since 1994, the foundation has distributed scholarships to more than 5,000 students in five countries. In 2006, the foundation extended its activities to Malaysia and Vietnam. Activities also encompass the United States and Canada, where the foundation supports many community activities, mostly involving education

and culture. Overall, the foundation's programs represent an important part of SMBC's international social contribution activities.

● SMBC Foundation

The SMBC Foundation, established 16 years ago, aims to help nurture the human resources necessary to achieve sustainable development in developing economies, as well as promote international exchange activities. The Foundation has thus far provided financial support for 39 students from Asian countries to enable them to attend universities in Japan. The Foundation also provides subsidies to research institutes and researchers undertaking projects related to developing countries.

Environmental Contribution Activities

We conduct numerous environmental preservation activities.

● Neighborhood Cleanup Programs



*In April each year since 2004, bank employees have been taking part in a cleanup held along the banks of the Arakawa River in Tokyo. Participants also test the quality of the water as part of the event. In April 2007, approximately 460 employees and volunteers took part in the event.



*At SMBC Leasing Company, Limited, the staff at the Osaka headquarters make extensive efforts to beautify the surrounding area. Such efforts include a regular neighborhood cleanup conducted along Midosuji Street, a major thoroughfare. In May 2007, many employees volunteered to participate in a trash collection and cleanup event to celebrate the 70th anniversary of the completion of Midosuji Street.

*JRI and JRI Solutions extend support for the International Beach Cleanup Campaign. During fiscal 2006, employees of the two companies and their family members took part in cleanup events held in the spring and fall at Kugenuma Beach and Suma Beach. Employees of these two companies also participated in the 70th anniversary cleanup of Osaka's famous Midosuji Street. In addition, volunteers from the two companies responded to requests from municipalities to help keep their neighborhoods clean, particularly around the companies' head office buildings in Tokyo and Osaka.

● Support for Private Nature Conservation Groups

JRI studies the environmental activities of various companies to determine companies that are suitable for inclusion in the

investment portfolio of the Eco Fund, an investment trust that targets environmentally responsible companies. The institute donates part of the fees received for performing this research to private-sector nature conservation groups.

Contribution Activities for Culture, Art and Education

We also sponsor cultural, artistic and educational events.

● Charity Concert for Grown-Ups and Kids



In May 2006, SMBC sponsored a charity concert, the proceeds of which went to help children all over the world who have been injured in wars and natural disasters. The concert was performed

by members of the bank's own Music Club, including a chorus, a chamber orchestra, and a brass band. They performed music to suit the tastes of both adults and children, ranging from the classics to songs from popular animation programs and movies. In addition to donations collected from the audience, charity funds were also obtained through the sale of goods in the foyer. The event also featured a display of drawings and paintings by children from all around the world. In June 2007, SMBC held the second such concert. Many adults and children were invited to this event, which took place at Nihon University Casals Hall in Tokyo.

● Educational Activities for Finance and Economics



SMBC engages in many educational activities involving finance and economics. The bank issued a book titled *What Do Banks Do?*; is a sponsor of the Kidzania Tokyo job-experience theme park

for children; gives elementary school students tours of bank branches during summer vacation; sponsors the "Finance Park," an educational program on economics for junior high and high school students in Tokyo's Shinagawa Ward; holds finance and economics seminars at universities; and conducts other programs.

● Student Intern Program

JRI started an intern program in 1999, recognizing the importance of giving students the opportunity to spend time in different workplaces prior to their graduation. JRI Solutions began participating in this program in 2006. Thus far, about 400 university students have spent time at one of these companies as interns. To provide exposure to a diverse range of jobs and activities, the interns were assigned to IT systems, consulting, think tank and many other operations.

● Support for Exhibitions at Yamatane Museum of Art

SMBC Friend Securities provides support for the Yamatane Museum of Art, which displays works of modern and contemporary Japanese art. These works were collected by the late Taneji Yamazaki, founder of Yamatane Securities, which is a predecessor of SMBC Friend Securities.