

# Social Contribution Activities

## Fundamental approach for social contribution activities

SMFG and its Group companies recognize that it is important to consider the public nature of the financial institution and contribute to the development of society through business operations. In addition to the contribution to society through daily business operations, we should act as a “responsible corporate citizen” by engaging in activities which may assist in making the better society in the future. SMFG and its Group companies will pursue diverse social contribution activities in order to fulfill responsibilities as a “responsible corporate citizen.”

## Policy for social contribution activities

SMFG and its Group companies fully understand their roles as responsible corporate citizens, and perform social contribution activities for realizing a prosperous and sustainable society. We continue to plan and execute social contribution activities as the corporate citizen while supporting volunteer activities of employees, in order to proactively perform social contribution activities.

## The backbone for our social contribution activities

SMFG and its Group companies consider the following four areas as the core areas for social contributions activities:

**1) social welfare; 2) local and international communities; 3) the environment; and 4) cultures, arts and education.**

### Social Welfare Activities

#### ● Collection and Donation of Mistakenly-Written Postage-Prepaid Postcards and Recycling of Other Used Items

SMFG collects mistakenly-written postage-prepaid postcards from employees of the Group companies, exchanges them for new postage stamps, and donates the stamps to volunteer organizations to help them cover their postage costs. In addition, SMBC collects unused prepaid telephone cards, and Sumitomo Mitsui Finance and Leasing (“SMFL”), SMBC Nikko Securities, Sumitomo Mitsui Card, Cedyne, and SMBC Consumer Finance collect PET bottle caps. SMBC Nikko Securities, SMBC Friend Securities, Sumitomo Mitsui Card, and SMBC Consumer Finance collect used postage stamps from employees, donating them to volunteer organizations. SMBC and SMBC Friend Securities also donate products given by the companies to their shareholders.

#### ● Group Blood Donation Program

SMBC, SMBC Nikko Securities, Sumitomo Mitsui Card, and SMBC Consumer Finance encourage employees to donate their blood at the workplace. The total of 796 employees from four companies participated in this program in fiscal 2012.

#### ● Installation of Charitable Vending Machines

The head office of SMBC is installed with vending machines for the program which make contributions to welfare organizations every time a drink is purchased from these vending machines. The bank also sells products made by organizations which assist and support the physically-challenged.

### Local and Overseas Communities

#### ● SMBC Volunteer Fund

SMBC has a system for volunteering employees to have ¥100 deducted from their monthly salaries to donate to volunteer organizations. More than 11,000 employees participate in this program, as of May 2013. The organizations are selected based on thorough investigations and discussions by the panel of experts and volunteering employees. In fiscal 2012, donations were made to 34 organizations which are supported by the volunteer employees

and work to resolve issues for economical difficulties in Japan and overseas.

#### Overseas

- The establishment of literacy education environment for women and children in Cambodia; the establishment of libraries in refugee camps in Thailand; providing support for schools attended by orphans in Zambia infected with AIDS, as well as other projects.

#### Japan

- The operations of counseling program for children who are victims of abuse, repairing the hospices facilities for children, medical support for homeless, and support projects for vision- and hearing-impaired to be able to become self-sustaining.

935 employees of the Group company, Sakura KCS (approximately 80% of the company's total employees), have volunteered (as of May 2013) for welfare and environmental contribution activities.



#### ● Opening of Emergency Accounts and Accepting Donations for Major Disasters

SMBC has set up an account having no transfer charges through which clients may make donations in the event of major disasters in Japan and overseas. Concurrently, it encourages employees of SMBC and the Group to make donations. Since fiscal 2012, we have been consistently accepting donations for damages caused by the rainstorm in Kita-Kyushu, typhoons in Philippines, and for the damages caused by Great East Japan Earthquake. We also accepted donations from SMBC and SMBC Nikko Securities for the damages caused by the hurricane, “Sandy” in U.S.

#### ● SMBC Pro Bono Project

The bank is also engaged in pro bono activities in which volunteers offer their business and professional expertise and skills for the public. The bank set up the new “SMBC Pro Bono

Project” in fiscal 2012 by taking advantage of characteristics of financial institutions. The Pro Bono Team, made up of volunteer employees, supported three NPOs, which support child-raising process in Tokyo, by giving advices to strengthen the NPOs’ business infrastructure such as organization and improvement of necessary bookkeeping and administrative procedures for handling donations and expenses, and information and data management of contributors. Since fiscal 2011, the bank has supported nonprofit organizations dedicated to revitalizing the economy of the Kansai region and resolving social issues through employees offering their time for pro bono activities. In fiscal 2012, the team of volunteer employees supported three NPOs through participation and sponsorship.

#### ● Activities of YUI, SMBC’s Volunteer Organization

SMBC also provides support through the volunteer activities of YUI, an in-house volunteer organization which provides opportunities for SMBC employees to plan and perform volunteer activities. YUI regularly performs volunteer activities in the community, including social events at schools for the hearing impaired, beach cleaning, and the singing performances for senior citizens.

#### ● Contributing to Local Communities

SMBC has been promoting and performing volunteer activities planned by its branches and other offices in Japan to contribute to local communities. These activities include branch tours, clean-ups of the local environment of such as parks and other areas in the vicinity of SMBC branches, and participation in local festivals and events. Similarly, SMBC Nikko Securities is proactively involved in local clean-ups and volunteer activities.

#### ● Development of “Customer Service Plaza”

SMBC Consumer Finance Co., Ltd. conducts business activities which appropriately respond to the needs of society and clients in the local community, while serving as the center for communication for the local community. It strives to sustainably develop with the society, through providing household budget counseling and financial education for local residents and students, or having proactive measures to vitalize the local community.

#### ● Donation Boxes for Foreign Currency Coins

SMBC cooperates in fundraising activities by UNICEF. As a member of the UNICEF foreign currency coin donation committee, it installs donation boxes for foreign currency coins at the entrances of all manned branches and offices in Japan, encouraging clients to donate, and it sorts such collected coins by each currency for delivery to UNICEF.

#### ● Support through Products and Services

SMBC offers clients an ordinary deposit account of which the accrued interest (after tax) is donated to the UNICEF Donation Account, and SMBC also matches the donations to the amount donated by its clients. Sumitomo Mitsui Card collects donations from cardholders through the World Gifts Point Service of VJA group companies, and it also provides matching donations to UNICEF, Japan Red Cross Society, UNESCO, the World Wildlife Fund Japan and the World Food Program, in addition to donations given directly to UNICEF by the company. It also accepts online credit card donations and credit card payments

of other social contributions and donates a portion of credit card payments made by clients to charitable organizations. Cedyne contributes to the Japan National Council of Protective Care Homes for Children and other organizations by issuing social contribution credit cards such as the ATOM Card, which supports “Realizing children’s dreams.” It also collects donations from cardholders using “points” accumulated from their purchases, and also accepts online donations.

#### ● Participation in the “TABLE FOR TWO” Program

The head offices of SMBC, SMFL, and Sumitomo Mitsui Card participate in the program which provides donations to the non-profit organization of the “TABLE FOR TWO International” to fund school meals in developing countries, for every low-calorie meal ordered for lunch. In fiscal 2012, SMBC improved the structure which enables all SMBC branches to participate in this program. SMBC, SMFL, SMBC Nikko Securities, SMBC Friend Securities, and Sumitomo Mitsui Card have also installed vending machines which sell drinks donating part of their sales to TABLE FOR TWO International.

#### ● Social Contribution Activities of In-House Foundations

SMBC Global Foundation, based in the United States, has provided scholarships to more than 6,000 university students in Asian countries since its establishment in 1994. In the United States, it supports educational trips to Japan organized by a high school located in Harlem, New York City, and the participation in school beautification programs by volunteers from SMBC and Japan Research Institute (JRI). The foundation also provides matching gifts for SMBC employees. SMBC Foundation for International Cooperation, which was established in 1990, strives to assist in developing human resources required to achieve sustainable growth in developing economies as well as to promote international exchange activities. Since its establishment, the foundation has provided financial support for 7-8 students from Asian countries every year, enabling them to attend universities in Japan. The foundation also offers subsidies to research institutes and researchers undertaking projects which results to economic development of underdeveloped countries.

### Environmental Activities

#### ● Participation in Environmental Preservation Initiatives

SMFG organizes “SMFG Clean-Up Day” on which Group employees volunteer to clean up beaches. In fiscal 2012, approximately 350 employees and their family members participated in this activity in Arakawa in Tokyo and Suma Beach in Hyogo. The Minato Bank independently organized the beach-cleaning activities at Suma Beach with 58 people participation; staff of Kansai Urban Banking Corporation participated in the clean-up activities along the shore of Lake Biwa in Shiga Prefecture. JRI participated in the Osaka Marathon clean-up program, concurrently conducted with the Osaka Marathon. Since autumn of 2010, SMBC Nikko Securities has designated a “Green Week” for enhancement of environmental protection and social contribution activities. In fiscal 2012, 7,265 employees and their family members in total participated in the clean-up



and collection of PET bottle caps. Sumitomo Mitsui Finance and Leasing, Cedyne and SMBC Consumer Finance continuously conduct the clean-up activities in the vicinity of their offices.

#### ● SMBC Environmental Program NPO C.C.C Furano Field

SMBC also provides support to the environmental project in Furano in Hokkaido implemented by screenwriter Soh Kuramoto. SMBC is providing support for forestation in the closed-down golf course in Furano. It also supports environmental education programs under which children explore nature by using their five senses.

#### ● Support for the EARTH PHOTO CONTEST

SMFL supports a photography contest for communicating the importance of resolving environmental problems and encouraging people to take action. The company presents the Sumitomo Mitsui Finance and Leasing Prize for outstanding photographic entries.

#### ● Support for Junior Eco Clubs' All-Japan Festival

SMBC supported the 2012 Junior Eco Club's All-Japan Festival, organized by Japan Environment Association, by providing an information booth at the event.

### Contributing to Cultural, Artistic, and Educational Activities

#### ● SMBC Charity Concert



Since 2006, SMBC has been holding musical concerts for charity performed by volunteer employees to support underprivileged children worldwide, where our clients are invited for free of charge. The donations are collected from the audiences of concerts and also from the sales of employees' handcrafted products. In fiscal 2013, donations were sent to children affected by the Great East Japan Earthquake and to children in Cambodia

and Vietnam. In addition, people taking refuge in Tokyo from the earthquake were also invited to the concerts.

#### ● Musical Concerts Held in the Reception Lobbies of Branches

At the SMBC Tokyo Head Office, Osaka Head Office, KUBC's Head Office and Biwako Main Office, lobby concerts are held for the general public with free of charge.

#### ● Support for Cultural and Artistic Ventures

SMBC Friend Securities supports cultural and artistic activities by sponsoring special art exhibitions at the Yamatane Museum of Art. For supporting Kabuki and other traditional performing arts in Japan, Sumitomo Mitsui Card donates stage curtains to the National Theatre and the National Engei Hall. The company also supports the development of classical arts and talented performers by co-sponsoring children's Kabuki performances. SMBC, SMBC Nikko Securities and Cedyne support the promotion of music culture by sponsoring classical music concerts.

#### ● Financial and Economic Education

SMBC and SMBC Nikko Securities organize vocational workshops for elementary school students to experience working in the financial industry. In addition to inviting students of elementary school up to high school to visit the office as well as having a special tour program of "Natsuyasumi Kodomo Ginko Tankenta" participated by elementary school students, the bank supports diverse financial and economic educational activities, including publishing a book titled "What Does a Bank Do?," providing financial, educational games on the SMBC website, co-sponsoring Kidzania (a vocational experience theme park for children), and supporting Shinagawa Financial Park (economic training programs for junior high school students). SMBC Consumer Finance organized the event of card games for elementary school students to teach the origin and the functions of money and offered lectures on finance for students and adults, primarily at its "Customer Service Plaza" offices. A total of 2,137 of such events were organized in fiscal 2012. Kansai Urban Banking Corporation organizes a tour for elementary school students, and also offers a work experience program. SMBC, SMFL, SMBC Nikko Securities, Sumitomo Mitsui Card, JRI, and Minato Bank also sent instructors to teach classes at universities.

### Contributions Made to Local Communities by Overseas Offices

Overseas offices of the Group support projects which contribute to resolving poverty in developing countries, supporting education and medical services, and supporting women for advancement or achieving equal treatment, through contributions made to non-profit and non-governmental organizations, including SMBC's Volunteer Fund, in addition to independent initiatives tailored to specific issues and cultures of individual countries and regions.

- SMBC (China) established a scholarship program for students of Zhejiang University, Sun Yat-sen University, Soochow University, East China Normal University, Shanghai International Studies University and Tianjin Foreign Studies University.
- SMBC (China) conducted forestation activities in Shanghai, Beijing, Suzhou, Tianjin and Guangzhou.
- SMBC's Hong Kong Branch gave donations to support an orchestra made up of young Asian musicians.
- SMBC's Seoul Branch gave donations to the "National Japanese Drama Competition for Students" to provide opportunities for Korean students to learn Japanese and further understand Japanese cultures.
- SMBC's Hanoi Branch provided international school students with vocational experiences.
- SMBC's Sydney Branch participated in volunteer and donation activities associated with children, intractable diseases, refugees and earthquake disasters, provided by its CSR committee.
- Manufacturers Bank employees participate in events which raise awareness for the prevention of heart disease and make donations to event-sponsoring groups.
- Employees of Sumitomo Mitsui Banking Corporation Europe (SMBCE) conducted volunteer activities in their spare time. SMBCE contributes to charitable organizations through an in-house fund, and also uses a matching-gift program under which it donates a certain amount for every donation made by its employees.
- SMBCE provided opportunities for students to gain work experience and business skills and also provided opportunities for underprivileged young people to participate in the student work experience program.

## Measures for Addressing Decreasing Birth Rate and Aging Population

### ● Implementation of Universal Design and Universal Service at branches

The following initiatives were undertaken to assist clients at branches of SMBC, Minato Bank and KUBC. SMBC has completed in March 2013 the complete conversion of all ATMs in domestic branches and ATMs located outside of SMBC branches to the ones which can respond to vision- and hearing-impaired clients.

- Installation of ATMs for the visually-impaired
- Installation of communication boards and similar devices for writing messages for those clients having difficulties hearing
- Installation of Automated External Defibrillators (AEDs)\*
- Installation of hearing aids at branches (SMBC and Minato Bank)
- Installation of walking-stick holding brackets (SMBC and Minato Bank)
- Establishment of priority seating for senior citizens and mobility-impaired people (Minato Bank)

\* AEDs are also installed at SMBC Nikko Securities and SMBC Friend Securities

Additionally, staffs, trained in the knowledge and the means to support senior citizens and physically-challenged clients, are allocated to all branches of SMBC and Minato Bank.

### ● Business development for accommodating the society with extremely large number of senior citizens

SMBC has clarified guidelines for collateral management and other matters to support building of rental housing for senior citizens, demand for which is expected to increase hereafter. In May 2013, we started to offer loans (loans affiliated with nursing-care facilities) especially made for real estate properties of pay nursing homes or serviced elderly homes.

We plan to assist and support in developing the system for senior citizens to have safe and meaningful lives by adapting to the needs of the society.

### ● Stakeholders dialogue on the subject of “Japan’s declining birth rate”

In January 2013, SMBC discussed the issues and countermeasures regarding this concept. The internal system needs to be improved and it is critical to make some kind of approach to the greater society, taking into consideration the opinions received from intellectual and influential individuals.

## Supporting the Recovery after the Great East Japan Earthquake

### ● Volunteer Activities for the areas affected by the Great East Japan Earthquake

In April 2011, SMBC established the “special leave of absence for disaster relief volunteer activities,” and it began allowing executives and staff to regularly go to the disaster affected areas for volunteering activities in May that year. Volunteer activities are still ongoing at Ishinomaki, Watari-cho and Higashi-Matsushima in Miyagi Prefecture. Approximately 280 staff participated in total during fiscal years of 2011 and 2012. In August 2012,

approximately 30 families or 90 people in total participated in the programs.

SMBC Nikko Securities implemented the volunteer vacation system in April 2011, and in July 2011, 350 newly-hired employees and attending staff participated in the volunteer activities in the disaster-hit areas.



### ● Support for the Affected Areas by staff of “Customer Service Plaza”

SMBC Consumer Finance made good use of the “Service Plaza” (“SP”) to serve clients in the affected areas. SP conducted seminars, at the public conference rooms temporarily constructed for the people living in the vicinity, on the subject of “financial awareness to avoid fraudulent activities.” At 18 SP locations nationwide, the meeting room is provided to support the disaster-hit areas.

### ● Donation Activities by Redeeming Points Accumulated from Using Credit Cards

Sumitomo Mitsui Card and Cedyna accepted donations from clients using their credit cards, and also donated to the disaster affected areas by redeeming the points accumulated by clients from using credit cards.

### ● Support Fund for Great East Japan Earthquake

SMBC established the system of “Great East Japan Earthquake Support Fund” for making donations to the disaster affected areas by deducting ¥400 from employee’s monthly salaries. In fiscal 2012, we made donations collected from our employees and the matching donations made by the bank to volunteer centers and NPO foundations in the disaster-hit areas, in addition to the volunteer activities conducted by executives and staff.

### ● Donation for Disaster Affected Area

Sumitomo Mitsui Card donated 15 music instruments they have been using within their company club to “Swing Dolphins,” a jazz orchestra group formed by junior high and elementary school students of Kesennuma-city, Miyagi.

### ● Volunteering for interaction with evacuees in Tokyo

The interaction meetings for the people evacuated to Tokyo from disaster affected areas have been regularly held, participated by volunteering employees of SMBC in addition to the staff of the YUI volunteer organization.

### ● “Charity Film-Screening” events

Kansai Urban Banking Corporation held a charity film-screening event as part of its support for the disaster-hit areas. Contributions collected from participants for the film-screening event and the matching contributions made by the bank were donated to Fukushima, Iwate and Miyagi prefectures.