


Corporate Governance

Our 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. We are working toward effective corporate governance as we consider the strengthening and enhancement of corporate governance to be one of our top priorities in realizing “Our Mission.”

Initiatives for Improving Corporate Governance

- 
- 2002
 - Establishment of Sumitomo Mitsui Financial Group
 - Voluntary establishment of Nominating Committee, Compensation Committee, and Risk Committee as internal committees of the Board of Directors
 - ▼
 - 2005
 - Voluntary establishment of Audit Committee as internal committee of the Board of Directors
 - ▼
 - 2006
 - Formulation of “Basic Policy on Internal Control Systems” through internal control resolution made based on “Our Mission” and “Code of Conduct” in order to establish frameworks for ensuing appropriate operations
 - ▼
 - 2010
 - Listing of shares on the New York Stock Exchange in order to improve transparency of financial reporting, increase convenience for investors, and diversify fund procurement methods
 - ▼
 - 2014
 - Appointment of independent directors and independent auditors based on stipulations of the Tokyo Stock Exchange
 - ▼
 - 2015
 - Establishment of the “SMFG Corporate Governance Guideline”
 - Increase in the number of outside directors to five and the number of outside corporate auditors to three
 - ▼
 - 2016
 - Strengthening of Group governance by appointing the Chairman of SMBC Nikko Securities as a director of Sumitomo Mitsui Financial Group along with the President of SMBC
 - Commencement of evaluations of the effectiveness of the Board of Directors
 - ▼
 - 2017
 - Transition to a Company with Three Committees; increase in the number of outside directors to seven; establishment of voluntary Risk Committee together with legally mandated Nomination Committee, Compensation Committee, and Audit Committee; and appointment of outside directors as chairmen of three legally mandated committees
 - Institution of new Group governance system through introduction of group-wide business units and CxO system

Sumitomo Mitsui Financial Group's Corporate Governance System

We have set forth a “Code of Conduct” to serve as action guidelines across all business activities with the aim of sharing the principles of “Our Mission” throughout the Group. In addition, the “SMFG Corporate Governance Guideline,” a guideline for corporate governance, has been formulated and disclosed. We are promoting awareness and understanding regarding these guidelines among all SMBC Group officers and employees.

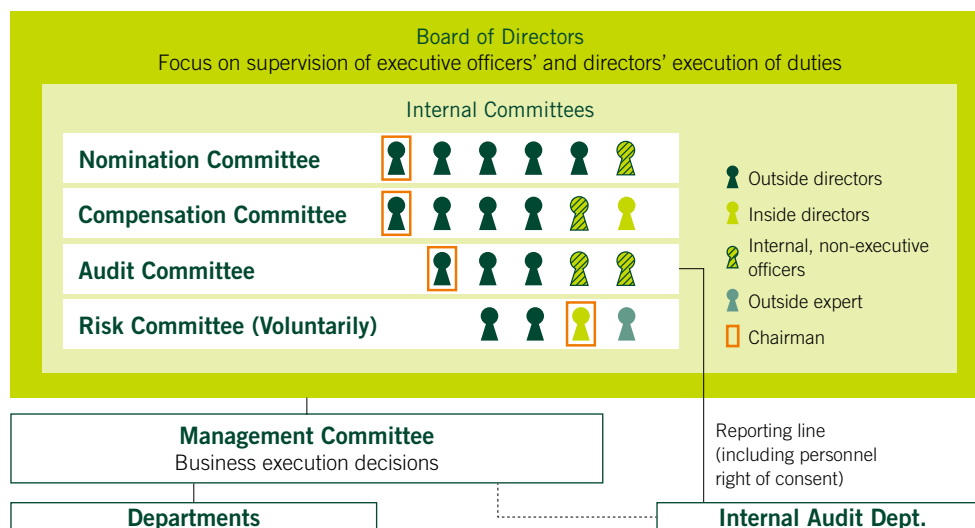
We had previously employed a board of corporate auditors governance system. In order to establish a corporate governance system that is globally recognized and is aligned with international banking regulations and supervision requirements and achieve enhanced oversight of the exercise of duties by the Board of Directors and expedite this exercise of duties, we transitioned to a Company with Three Committees following approval at our Ordinary General Meeting of Shareholders held in June 2017.

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.

Code of Conduct

- To strive to increase shareholder value whilst also maintaining healthy relationships with customers, employees, and other stakeholders. To give utmost consideration to the trust which people have in the firm, to abide by all laws and regulations, to maintain a high ethical standard, and to act fairly and sincerely;
- To continue improving our knowledge and capability and, at the same time, to raise our productivity in order to provide superior financial services at competitive prices;
- To establish a top brand global financial group by understanding the needs of each customer and by providing valuable services which meet those needs;
- To be selective and focused in the implementation of our business strategy, to define and develop the competitive advantages which we have over our competitors and, by allocating managerial resources strategically to those businesses, to become a top player in our selected markets;
- To be creative, proactive, and courageous in order to be in a leading position in all business areas and always a step ahead of our competitors;
- To build a strong organization based on market practice and sound principles whilst reflecting our diverse values. To delegate internal authority under an efficient and effective management system which facilitates speedy decision-making and execution;
- To support our business growth and the development of our employees by setting challenging targets within an evaluation and compensation framework which emphasizes their capabilities and achievements.

Corporate Governance System



Board of Directors

■ Role of the Board of Directors

The Board of Directors of the Company is primarily responsible for making decisions on the matters that are within its legally mandated scope of authority, such as basic management policies, as well as for overseeing the exercise of duties of executive officers and directors. Authority for execution decisions other than those legally required to be made by the Board of Directors will, in principle, be delegated to executive officers. The purpose for this delegation is to enhance the oversight function of the Board of Directors and to expedite the exercise of duties.

The Board of Directors works toward the realization of “Our Mission” and the long-term growth of corporate value and the common interests of the shareholders. Any action that may impede those objectives will be addressed with impartial decisions and response measures.

Furthermore, the Board of Directors is responsible for establishing an environment that supports appropriate risk taking by executive officers. It will develop a system for ensuring the appropriateness of SMBC Group’s business operations pursuant to the Companies Act and other relevant legislation in order to maintain sound management. Another responsibility of the Board of Directors is to exercise highly effective oversight of executive officers from an independent and objective standpoint. Accordingly, the Board of Directors endeavors to appropriately evaluate company performance and reflect these evaluations in its assessment of executive officers.



■ Composition of the Board of Directors

The Board of Directors is comprised of directors with various backgrounds and diverse expertise and experience. The Company strives to maintain the appropriate number of directors in order to enable the Board of Directors to function with the greatest degree of effectiveness and efficiency. In addition, the Board of Directors is to be comprised of at least two directors, and more than one-third of all directors should be outside directors designated as independent directors based on the stipulations of the Tokyo Stock Exchange.

As of June 28, 2018, the Board of Directors was comprised of 17 directors. Ten of the 17 directors did not have business execution responsibilities at the Company or its subsidiaries, with seven of these 10 directors being outside directors. The chairman of Sumitomo Mitsui Financial Group, who does not have business execution responsibilities, served as the chairman of the Board of Directors. This membership ensures an objective stance toward supervising the exercise of duties by executive officers and directors.

Outside directors serve as chairmen and members of the Company’s legally mandated and voluntarily established committees. When necessary, outside directors will request reports on compliance, risk management, or other matters from the relevant divisions in order to promote appropriate coordination and supervision.

Board of Directors Statistics

	Fiscal 2016	Fiscal 2017
Meetings	14	10
Agenda items	144	82

Internal Committees

■ Nomination Committee

The Nomination Committee is responsible for preparing proposals regarding the appointment and dismissal of directors to be submitted to the general meeting of shareholders. This committee also deliberates on matters regarding personnel decisions pertaining to officers of the Company and major subsidiaries and the selection of successors to the President of SMBC. The Nomination Committee is comprised of one internal director and five outside directors. In order to ensure transparency in deliberations on officer personnel decisions, an outside director has been appointed to serve as the chairman of this committee.

■ Compensation Committee

The Compensation Committee is responsible for deciding policies for determining the compensation of executive officers and directors of the Company as well as compensation amounts of individual executive officers and directors of the Company based on those policies. In addition, this committee deliberates on the policies for determining the compensation of the executive officers of major subsidiaries and the compensation amounts of individual executive officers of the Company. The Compensation Committee is comprised of two internal directors and four outside directors. In order to ensure transparency in deliberations on officer compensation, an outside director has been appointed to serve as the chairman of this committee.

■ Audit Committee

The Audit Committee is responsible for the auditing of the execution of duties by the executive officers and directors of the Company, preparation of audit reports, and determination of the content of proposals for election, dismissal, or non-reelection of the accounting auditor to be submitted to the general meeting of shareholders. Committee members are appointed by this committee to perform audits of the operations and assets of the Company and its subsidiaries. The Audit Committee is comprised of two internal directors and three outside directors. An outside director has been appointed to serve as the chairman of this committee in order to guarantee the objectivity of audits and independence from business execution. In principle, at least one member of this committee is to possess specialized expertise in finance.

■ Risk Committee

The Risk Committee is responsible for deliberation on matters relating to environmental and risk awareness, the operation of the Risk Appetite Framework, and the implementation of risk management systems as well as other important matters pertaining to risk management and reporting to the Board of Directors on these matters. The Risk Committee is comprised of one internal director, two outside directors, and one external expert.

Internal Committee Composition

◎ Chairman ○ Member

		Nomination Committee (1 inside director, 5 outside directors)	Compensation Committee (2 inside directors, 4 outside directors)	Audit Committee (2 inside directors, 3 outside directors)	Risk Committee (1 inside director, 3 outside directors and outside experts)
Masayuki Matsumoto	Outside director	○		◎	
Arthur M. Mitchell	Outside director	○	○		
Shozo Yamazaki	Outside director			○	○
Masaharu Kohno	Outside director	○			○
Yoshinobu Tsutsui	Outside director	◎	○		
Katsuyoshi Shinbo	Outside director		◎	○	
Eriko Sakurai	Outside director	○	○		
Koichi Miyata	Chairman of the Board	○	○		
Takeshi Kunibe	Director President		○		
Jun Ohta	Director Deputy President and Executive Officer				◎
Toshiyuki Teramoto	Director			○	
Toru Mikami	Director			○	
Hirohide Yamaguchi*	Outside expert				○

* Chairman of the Advisory Board of Nikko Research Center, Inc., former Deputy Governor of the Bank of Japan

Meetings Only Attended by Outside Directors

As described in the “SMFG Corporate Governance Guideline,” outside directors may hold meetings that only outside directors may attend to serve as forums for building consensus and exchanging information with regard to matters pertaining to corporate governance and businesses from an independent and objective standpoint. In fiscal 2017, two such meetings were held. During these meetings, outside directors engaged in vigorous discussion regarding topics such as the necessary role of the Board of Directors given recent corporate governance trends, the ideal procedures for selecting agenda items based on the role of the Board of Directors, means of improving proceedings of the Board of Directors, and requests for management. The results of these discussions were communicated to management.



Support Systems for Outside Directors

The Company recognizes that outside directors require an in-depth understanding of the Group’s business operations and business activities. Accordingly, we endeavor to continually supply outside directors with the information and insight on business activities that is necessary to supervise management while also providing the opportunities needed to fulfill their roles.

Initiatives to support directors in fiscal 2017 included the following.

- Lectures by business units, tours of bases of Group companies, and discussions with presidents of Group companies for facilitating a greater understanding of business operations and business activities
- Explanatory forums on Board of Directors’ meeting agenda items prior to Board meetings to assist in understanding of items
- Study sessions for outside directors led by external lecturers on topics such as recent corporate governance trends
- Small meetings with institutional investors to provide opportunities for understanding the perspectives of stakeholders
- Training through SMBC Academy training website for employees
- Distribution of PCs to outside directors for use in timely and effective provision of information such as details on the proceedings of internal meetings

Outside Director and Corporate Auditor Independence Standards

In order for an outside director or outside corporate auditor (“Outside Director or Corporate Auditor”) of the Company to be classified as independent, they must not fall under, or have recently fallen under, any of the following categories:

1	Major Business Partner	<ul style="list-style-type: none"> • An entity that has the Company or SMBC as a major business partner or an executive director, officer, or other person engaged in the execution of business of such an entity. • An entity that is a major business partner of the Company or SMBC or an executive director, officer, or other person engaged in the execution of business of such an entity.
2	Specialist	<ul style="list-style-type: none"> • A legal expert, accounting expert, or consultant who has received money or other property from the Company or SMBC averaging more than JPY 10 million per year over the last three years, in addition to any compensation received as a director or corporate auditor. • A member of a Juridical Person, etc. or other organization that provides specialist services, such as a law firm, accounting firm, or consulting firm, which has received large amounts of money or other property from the Company or SMBC.
3	Donations	A person who has received – or an executive director, officer, or other person engaged in the execution of business of an entity which has received – on average over the last three years, donations or other payments from the Company or SMBC in excess of the greater of JPY 10 million per year and 2% of the recipient’s annual revenue.
4	Major Shareholder	A major shareholder of the Company or an executive director, officer, or other person engaged in the execution of business of a major shareholder (including anyone who has been a major shareholder, or an executive director, officer, or other person engaged in the execution of business of a major shareholder, within the last three years).
5	Close Relative	<ul style="list-style-type: none"> • A close relative of any person (excluding non-material personnel) who falls under any of the following: <ol style="list-style-type: none"> (1) A person who falls under any of 1 through 4 above; or (2) A director, corporate auditor, executive officer, or other person engaged in the execution of business of the Company or a subsidiary thereof.

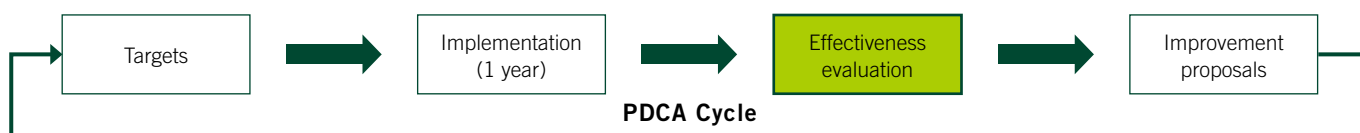
➔ Please see Reference 6 of the “SMFG Corporate Governance Guideline” for more information.
http://www.smfg.co.jp/english/aboutus/pdf/cg_guideline_e.pdf

Evaluation of the Board of Directors' Effectiveness

The "SMFG Corporate Governance Guideline" contains provisions on evaluating the effectiveness of the Board of Directors. In accordance with these provisions, annual analyses and evaluations are conducted by the Board of Directors to determine whether or not it is executing its duties in line with the guideline, and the results of these analyses and evaluations are disclosed.

In fiscal 2017, the evaluation focused on the four areas described below, which are areas for which provisions exist in Japan's Corporate Governance Code and the "SMFG Corporate Governance Guideline." All outside directors were asked for

their opinions regarding these areas at meetings of the Board of Directors held in April and May 2018, and interviews of internal directors were conducted thereafter. Discussions based on the findings took place at Board of Directors' meetings in June, after which analyses and evaluations were carried out to determine whether or not the Board of Directors was executing its duties in line with the "SMFG Corporate Governance Guideline." We plan to work to improve the functionality of the Board of Directors based on the results of these evaluations. Moreover, reviews by external consulting firms are received at each stage of the evaluation process.



Overview of Evaluation Results

Composition of the Board of Directors

- As of March 31, 2018, the Board of Directors consisted of 17 directors, seven of which were outside directors. Accordingly, outside directors represented over 40% of all directors.
- It was once again acknowledged that the outside directors represented a diverse range of expertise, genders, and nationalities and that the Board of Directors features an atmosphere conducive to outside directors voicing opinions regarding management.
- There is a need to continue evaluating and revising the number of members and the composition of the Board of Directors to ensure that the Board of Directors is suitable as a Company with Three Committees.

Role of the Board of Directors

- Constructive discussions continue to be held while taking advantage of the highly specialized expertise of the outside directors. These discussions were geared toward medium- to long-term improvements in corporate value based on the interests of various stakeholders while incorporating important matters related to business strategies to contribute to the fulfillment of "Our Mission."
- Based in part on the discussions at the Management Committee, matters related to business plans and other basic management policies as well as the status of the business execution were presented and reported to the Board of Directors on several occasions. As a result, effective deliberations on these matters were able to take place and oversight functions were exercised properly.
- For the purpose of facilitating the exercise of oversight functions by the Board of Directors that are appropriate as a Company with Three Committees, ongoing examination and revision is needed with regard to measures for enabling deeper discussion on important management themes from a medium- to long-term perspective.

Proceedings of the Board of Directors

- The number and content of agenda items as well as the amount of time dedicated to discussion of agenda items were more or less around the appropriate level.
- Discussions were livelier than in the previous fiscal year due to efforts to stimulate deeper discussions by having directors provide overviews of agenda items.
- The following measures were taken to encourage frank discussion at meetings of the Board of Directors.
 - Allocation of time to discussion of topics not included in agenda
 - Seating arrangement-related measures
 - Clearer explanations of the points to be discussed

Support Systems for Outside Directors

- Information necessary for making flexible management decisions in a changing operating environment and for exercising effective oversight functions continued to be supplied to Board of Directors members in an appropriate and timely manner.
- The Company continued to provide systems for effectively supporting the Board of Directors in making management decisions through venues such as study sessions for outside directors and forums for discussions between outside directors and internal directors, executive officers, and the accounting auditor.
- It is desirable for the Company to continue promoting initiatives for utilizing the insight of outside directors (such as by holding additional "Meeting Only Attended by Outside Directors" or arranging forums for informal exchanges of information).

Compensation Program

We revised the executive compensation program and introduced new Stock Compensation Plans as a part of the executive compensation program, for the purpose of:

1. Providing more appropriate incentives for executives, strengthening linkage with our short-, medium- and long-term performance, and
2. Further aligning the interests of executives with those of shareholders, by increasing the weight of stock compensation and enhancing the shareholding of our executives.

We will also introduce the malus (forfeiture) of restricted stock and the claw-back of vested stock allocated to the executives under the Plans to restrain excessive risk-taking and foster a prudent risk culture expected of a financial institution.

Executive Compensation Program (Stock Compensation Plans)

Compensation Components	Payment Standards (Range of Variation)	Payment Method																
Base salary	Fixed compensation	• Cash																
Bonus (cash)	Compensation determined based on SMFG's annual performance (0%–150%)	• Cash: 70%																
Bonus (Stock Compensation Plan II)	Standard levels × annual performance of SMFG and SMBC as well as on the performance of the executive	• Restricted stock: 30%																
Stock Compensation Plan I	Compensation determined based on SMFG's medium-term performance, etc. (0%–150%)	• Restricted stock																
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	(Performance Indices)																	
	<table border="1"> <thead> <tr> <th>Category</th> <th>Performance Indices</th> </tr> </thead> <tbody> <tr> <td>Capital Efficiency</td> <td>ROE/RORA</td> </tr> <tr> <td>Cost Efficiency</td> <td>Overhead ratio</td> </tr> <tr> <td>Financial Soundness</td> <td>Common equity tier 1 capital ratio</td> </tr> <tr> <td>Growth</td> <td>Growth (rate/amount) of net profit</td> </tr> <tr> <td>Shareholder Value</td> <td>Total shareholder return</td> </tr> <tr> <td></td> <td>Dividend per share</td> </tr> <tr> <td>Customer Value</td> <td>Customer satisfaction surveys, etc.</td> </tr> </tbody> </table>		Category	Performance Indices	Capital Efficiency	ROE/RORA	Cost Efficiency	Overhead ratio	Financial Soundness	Common equity tier 1 capital ratio	Growth	Growth (rate/amount) of net profit	Shareholder Value	Total shareholder return		Dividend per share	Customer Value	Customer satisfaction surveys, etc.
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Customer Value	Customer satisfaction surveys, etc.																	
Stock Compensation Plan III	(Promotion reward plan)	• Restricted stock																



- Providing more appropriate incentives for executives
- Further aligning the interests of executives with those of shareholders

Applicable to malus and claw-back provisions

- Foster a prudent risk culture expected of a financial institution

Executive Management Systems

■ Management Committee

The Management Committee is set up under the Board to serve as the top decision-making body. The Management Committee is chaired by the President of Sumitomo Mitsui Financial Group with other members including executive officers and other officers designated by the president. The President of Sumitomo Mitsui Financial Group considers important matters relating to the execution of business in accordance with the basic policies set by the Board of Directors and based on discussions held by the committee members.

■ Group-Wide Business Units and CxO System

In April 2017, the Company introduced group-wide business units and the CxO system with the aim of enhancing Group management. The group-wide business unit structure entailed the creation of the Retail Business Unit, the Wholesale Business Unit, the International Business Unit, and the Global Markets Business Unit. The goal of this structure is to heighten our ability to address the various needs of customers on a group-wide basis by enabling the business units to formulate and implement business strategies based on their respective customer segments. The CxO system entails the appointment of nine Group chief officers in charge of specific areas in addition to the Group CEO (President of Sumitomo Mitsui Financial Group). This system is meant to improve Group management capabilities centered on the holding company. The heads of business units as well as the chief officer positions will, in principle, be filled with executive officers of the Company, with the one exception being the Group Chief Audit Executive (CAE). Individuals appointed to these positions are expected to exercise their duties as the person responsible for overseeing their business unit or head office division and report on the execution of their duties to the Board of Directors.

Outside Director Interview



Masayuki Matsumoto

Director

Sumitomo Mitsui Financial Group, Inc.

Q What do you see as your role as an outside director?

I joined Japanese National Railways in 1967. After this organization was broken up and privatized, I worked in general affairs and human resources divisions at Central Japan Railway Company. Over the period from 2004 to 2010, I served as president of this company. I resigned from the position of representative director and vice chairman of this company in 2011 to become chairman of Japan Broadcasting Corporation, a position I filled until 2014.

Given this background, I was a bit surprised when SMBC asked me to become an outside director in 2015. The financial sector was a whole new world for me, I was doubtful of my ability to utilize my experience and insight in this new world.

However, SMBC reassured me that, in the midst of the substantial changes that were being seen in the structures of financial businesses, I would be able to contribute with opinions that are not bound by industry conventions. This company also stated that they were in need of a third-party perspective grounded in experience from managing highly public enterprises. I was thus convinced to accept this position. For this reason, I see the most important part of my role as an outside director to be offering opinions from a third-party perspective at meetings of the Board of Directors and other venues.

Having actually taken part in the management of a financial business, I now know that there are some big similarities with

the businesses I have engaged in previously. One similarity is the need for operations to be anchored on credibility. Another is the quantity and complexity of the regulations that must be complied with. The railroad and broadcasting businesses I was involved in previously had close ties to regulatory authorities. In this respect, I believe that there is room for me to utilize my experience and insight at SMBC Group.

In 2017, I became an outside director at Sumitomo Mitsui Financial Group, the holding company. While my position may be a little different, my role remains the same. Following the Company's transformation into a Company with Three Committees, I became chairman of the Audit Committee and a member of the Nomination Committee. As I mentioned, I have a long history in general affairs and human resources departments, and I have been deeply involved in risk management over the years. Calling upon this experience, I hope to contribute to the reinforcement of corporate governance structures through the activities of these committees.

Q From your perspective as an outside director, what do you see as the strengths and weaknesses of SMBC Group?

I see SMBC Group's ability to respond to change with swift action as one of its strengths. For example, I thought it would require a substantial amount of time for the group-wide

business units, which were introduced in 2017, to take hold within the Group. This was because the injection of cross-company functions would mean that people would need to change how they worked and would thus create a lot of friction. Contrary to my expectation, however, what I hear at meetings and other junctures suggests that the business units are well aware of the duties assigned to them through the introduction of the group-wide system and that the benefits of this system are already appearing. While there may be some small issues here and there, the overall speed at which this system has become entrenched at the Group is exceeding my expectations.

Another example of swift action by the Group came during the period of the previous Medium-Term Management Plan. After the initially unexpected slowdown in the Asian economy and negative interest rate policy instituted by the Bank of Japan created a difficult operating environment, the Group changed its focus, in the middle of the plan no less, from topline growth to bottom-line profits. Rather than stubbornly adhering to the existing plan, SMBC Group was able to make flexible changes to the plan, even implementing bold revisions to its measures.

The Group's risk management systems are also exceptional functionally. However, there can be no greater factor supporting the various strengths of SMBC Group than the quality of its people.

As for weaknesses, one cannot deny that the Group's operations in certain fields are smaller in terms of scale and earnings than those of other companies. Turning this around, you could also say that the Group has room to grow in these fields. Given the talented human resources and organizational might of SMBC Group, I feel confident in the Group's ability to turn this situation into an opportunity for growth.

Q What will SMBC Group need to do in order to continue growing in the future?

Becoming the global financial group described in SMBC Group's medium- to long-term vision will be absolutely essential to future growth. As described in the medium-term management plan, it will be important for the Group to set its sights on fields in growing markets that have the potential to lead to the creation of highly profitable businesses. At the same time, it will be crucial for the Group to maintain a conservative viewpoint by effectively practicing risk management and other precautions. As the Group aggressively develops businesses in which it can utilize its accumulated track record and expertise, it will also be important to carefully evaluate those businesses

in which these strengths are not viable and make decisions regarding its involvement in these businesses accordingly.

It is easy to become preoccupied with the aggressive aspect of growth strategies. For this reason, an important duty of outside directors is to turn attention to the conservative aspects of operations. I have no doubt that, so long as SMBC Group keeps itself well grounded as it moves forward, it is certain to reach its goal of becoming a global financial group.

Q Lastly, what do you see as most important to improving the effectiveness of the Board of Directors?

I think it is most important to ensure that effective discussions take place at meetings of the Board of Directors. For example, in the past, the Board of Directors has been engaged in ongoing discussion of capital measures. It is crucial for capital measures to be prefaced on the Company's sustainability and ability to grow. This sustainability and growth is also of great importance to shareholders and all other stakeholders. With this in mind, we moved forward with discussions of these measures.

Specifically, we looked at matters such as the vision for SMBC Group's future and the investment that would need to be conducted to realize this vision. Each of these matters was evaluated to set priorities. In establishing the overarching direction for capital measures, the Board meetings functioned as a forum for exchanging various opinions. It was because we went through this process of discussion that, in the end, we were able to set dividend policies and define a position for share buybacks that everyone could agree with.

During the course of discussions, I and the other outside directors brought attention to various matters. The Group CFO kindly explained the circumstances surrounding those matters. Furthermore, we were provided with a sufficient amount of information prior to Board meetings, ensuring that discussions at meetings were fruitful.

Another benefit of outside directors is their ability to voice frank opinions based on their own experience without being limited by the circumstances within the Group that led to a given situation. Such openness can spark new discussion or inspire us to reevaluate previously made decisions, thereby leading to more active discussion at Board meetings. This factor also contributes to the meaningfulness of having outside directors.

Personally, I plan to continue to voice opinions and offer suggestions while valuing outside perspectives and remaining mindful of all stakeholders. I hope to contribute to increased effectiveness for the Board of Directors through this approach.

Sumitomo Mitsui Financial Group Directors (As of June 28, 2018)



Koichi Miyata

Chairman of the Board
Chairman of the Board of SMBC

1976 Joined Mitsui Bank
2003 Executive Officer of SMBC
2006 Managing Executive Officer of SMBC
2009 Director and Senior Managing Executive Officer of SMBC
2010 Senior Managing Executive Officer of the Company
Director of the Company

2011 Director and President of the Company
Director of SMBC
2017 Chairman of the Board of the Company (to present)
Chairman of the Board of SMBC (to present)



Takeshi Kunibe

Director President (Representative Corporate Executive Officer) and Group CEO

1976 Joined Sumitomo Bank
2003 Executive Officer of SMBC
2006 Managing Executive Officer of SMBC
2007 Managing Executive Officer of the Company
Director of the Company

2009 Director and Senior Managing Executive Officer of SMBC
2011 President and Chief Executive Officer of SMBC
2017 President of the Company
Resigned as Director of SMBC
Director President of the Company (to present)



Makoto Takashima

Director
President of SMBC

1982 Joined Sumitomo Bank
2009 Executive Officer of SMBC
2012 Managing Executive Officer of SMBC
2014 Senior Managing Executive Officer of SMBC

2016 Director and Senior Managing Executive Officer of SMBC
2017 President of SMBC (to present)
Director of the Company (to present)



Koza Ogino

Director Deputy President and Corporate Executive Officer and Group CRO
Director and Deputy President of SMBC

1981 Joined Mitsui Bank
2010 Executive Officer of SMBC
2011 Managing Executive Officer of SMBC
2013 Managing Executive Officer of the Company
Director of the Company
2014 Director and Senior Managing Executive Officer of SMBC

2017 Director and Deputy President of the Company
Director and Deputy President of SMBC (to present)
Director Deputy President and Corporate Executive Officer
of the Company (to present)



Jun Ohta

Director Deputy President and Corporate Executive Officer
(Representative Corporate Executive Officer), Group CFO and Group CSO
Director and Deputy President of SMBC

1982 Joined Sumitomo Bank
2009 Executive Officer of SMBC
2012 Managing Executive Officer of SMBC
2013 Managing Executive Officer of the Company
2014 Senior Managing Executive Officer of the Company
Senior Managing Executive Officer of SMBC
Director of the Company

2015 Director and Senior Managing Executive Officer of SMBC
2017 Director and Deputy President of the Company
Resigned as Director of SMBC
Director Deputy President and Corporate Executive Officer
of the Company (to present)
2018 Director and Deputy President of SMBC (to present)



Katsunori Tanizaki

Director Senior Managing Corporate Executive Officer, Group CIO and Group CDIO
Director and Senior Managing Executive Officer of SMBC
Director of The Japan Research Institute, Limited

- 1982 Joined Sumitomo Bank
- 2010 Executive Officer of SMBC
- 2011 General Manager of IT Planning Department of the Company
- 2013 Managing Executive Officer of SMBC
- 2015 Senior Managing Executive Officer of the Company

- Director and Senior Managing Executive Officer of SMBC (to present)
- Director of the Company
- 2017 Director and Senior Managing Executive Officer of the Company
- Director Senior Managing Corporate Executive Officer of the Company (to present)



Toshikazu Yaku

Director Senior Managing Corporate Executive Officer, Group CCO and Group CHRO
Director and Senior Managing Executive Officer of SMBC

- 1984 Joined Sumitomo Bank
- 2012 General Manager of Human Resources Department of the Company
- Executive Officer of SMBC
- 2014 Managing Executive Officer of SMBC
- 2016 Managing Executive Officer of the Company

- 2017 Director and Managing Executive Officer of SMBC
- Senior Managing Executive Officer of the Company
- Director and Senior Managing Executive Officer of SMBC (to present)
- Director Senior Managing Corporate Executive Officer of the Company (to present)



Toshiyuki Teramoto

Director
Corporate Auditor of SMBC

- 1981 Joined Mitsui Bank
- 2008 Executive Officer of SMBC
- 2011 Managing Executive Officer of SMBC
- 2014 Director and Senior Managing Executive Officer of SMBC

- 2015 Senior Managing Executive Officer of the Company
- Director of the Company
- 2016 Director of SMBC
- Standing Corporate Auditor of the Company
- Corporate Auditor of SMBC (to present)
- 2017 Director of the Company (to present)



Toru Mikami

Director

- 1984 Joined Sumitomo Bank
- 2006 General Manager of Legal Department of SMBC
- 2013 Co-General Manager of General Affairs Department of the Company
- 2015 Senior Manager of Head Office of SMBC
- Standing Corporate Auditor of the Company
- 2017 Director of the Company (to present)



Tetsuya Kubo

Director
Representative Director, Chairman of SMBC NIKKO

- 1976 Joined Sumitomo Bank
- 2003 Executive Officer of SMBC
- 2006 Managing Executive Officer of SMBC
- 2008 Managing Executive Officer of the Company
- 2009 Senior Managing Executive Officer of the Company
- Director and Senior Managing Executive Officer of SMBC
- 2011 Deputy President and Executive Officer of the Company
- Director and Deputy President of SMBC

- Director of SMBC Nikko Securities Inc. ("SMBC NIKKO")
- Director of the Company
- 2013 Resigned as Director of the Company
- Resigned as Director of SMBC
- Representative Director, President & CEO of SMBC NIKKO
- 2016 Representative Director, Chairman of SMBC NIKKO (to present)
- Director of the Company (to present)

Sumitomo Mitsui Financial Group Directors (As of June 28, 2018)



Masayuki Matsumoto

Director
Special Advisor of Central Japan Railway Company

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| <ul style="list-style-type: none"> 1967 Joined Japanese National Railways 1987 Joined Central Japan Railway Company 1992 Director and Manager of the Secretariat of Central Japan Railway Company 1996 Executive Director of Central Japan Railway Company 1998 Senior Executive Director of Central Japan Railway Company 2000 Executive Vice President and Representative Director of Central Japan Railway Company 2004 President and Representative Director of Central Japan Railway Company | <ul style="list-style-type: none"> 2010 Vice Chairman and Representative Director of Central Japan Railway Company 2011 Resigned as Director of Central Japan Railway Company
President of Japan Broadcasting Corporation 2014 Retired from Japan Broadcasting Corporation
Special Advisor of Central Japan Railway Company (to present) 2015 Director of SMBC 2017 Director of the Company (to present)
Retired as Director of SMBC |
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Arthur M. Mitchell

Director
Attorney at law, admitted in New York, the U.S.A. and Foreign Attorney in Japan

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| <ul style="list-style-type: none"> 1976 Registered as an attorney at law, admitted in New York, the U.S.A. (to present) 2003 General Counsel of the Asian Development Bank 2007 Joined White & Case LLP | <ul style="list-style-type: none"> 2008 Registered as Foreign Attorney in Japan (to present)
Registered Foreign Attorney in Japan at White & Case LLP (to present) 2015 Director of the Company (to present) |
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Shozo Yamazaki

Director
Certified public accountant

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| <ul style="list-style-type: none"> 1970 Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC) 1974 Registered as a certified public accountant (to present) 1991 Representative Partner of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) | <ul style="list-style-type: none"> 2010 Retired from Deloitte Touche Tohmatsu LLC
Chairman and President of The Japanese Institute of Certified Public Accountants 2013 Advisor of The Japanese Institute of Certified Public Accountants (to present) 2014 Professor of Tohoku University Accounting School 2017 Director of the Company (to present) |
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Masaharu Kohno

Director
Former diplomat

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| <ul style="list-style-type: none"> 1973 Joined Ministry of Foreign Affairs of Japan 2005 Director-General of Foreign Policy Bureau in Ministry of Foreign Affairs of Japan 2007 Deputy Minister for Foreign Affairs (in charge of economy) of Ministry of Foreign Affairs of Japan 2009 Ambassador of Japan to Russia
Ambassador of Japan to Russia, Armenia, Turkmenistan and Belarus | <ul style="list-style-type: none"> 2011 Ambassador of Japan to Italy
Ambassador of Japan to Italy, Albania, San Marino and Malta 2014 Retired from office 2015 Director of the Company (to present) |
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Yoshinobu Tsutsui

Director
Chairman of Nippon Life Insurance Company

- 1977 Joined Nippon Life Insurance Company
- 2004 Director of Nippon Life Insurance Company
- 2007 Director and Executive Officer of Nippon Life Insurance Company
Director and Managing Executive Officer of Nippon Life Insurance Company
- 2009 Director and Senior Managing Executive Officer of Nippon Life Insurance Company
- 2010 Representative Director and Senior Managing Executive Officer of Nippon Life Insurance Company
- 2011 President of Nippon Life Insurance Company
- 2017 Director of the Company (to present)
- 2018 Chairman of Nippon Life Insurance Company (to present)



Katsuyoshi Shinbo

Director
Attorney at law

- 1984 Registered as an attorney at law (to present)
- 1999 Attorney at law at Shinbo Law Office (currently Shinbo & Partners) (to present)
- 2015 Corporate Auditor of SMBC
- 2017 Director of the Company (to present)
Resigned as Corporate Auditor of SMBC



Eriko Sakurai

Director
Chairman and Chief Executive Officer of Dow Corning Toray Co., Ltd.

- 1987 Joined Dow Corning Corporation
- 2008 Director of Dow Corning Toray Co., Ltd.
- 2009 Chairman and Chief Executive Officer of Dow Corning Toray Co., Ltd. (to present)
- 2011 Regional President -Japan/Korea of Dow Corning Corporation
- 2015 President and Representative Director of Dow Corning Holding Japan Co., Ltd (currently Dow Silicones Holding Japan Co., Ltd.) (to present)
Director of the Company (to present)

Note: Messrs. and Ms. Matsumoto, Mitchell, Yamazaki, Kohno, Tsutsui, Shinbo and Sakurai satisfy the requirements for an "outside director" under the Companies Act.

➔ Please see page 117 for SMBC directors and corporate auditors.