

Sustainability Report 2019



Contents

SMBC Group has not published a booklet version of Sustainability Report, instead disclosing information on our website. (In order to improve convenience, we post a PDF version of our website, what we call Sustainability report.) This Report identifies and discusses key issues that should be addressed by the SMBC Group, as well as providing useful links within pages so that readers can view information relevant to their purpose. The name of the Report has changed in fiscal 2019 from the "CSR Report" to the "Sustainability Report."

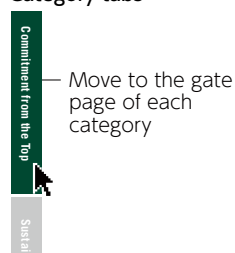
Looking ahead, the Group will focus on maintaining a dialogue with stakeholders by enhancing its communication activities.

Editorial Policy	002	Diversity & Inclusion	097
Commitment from the Top	004	Message from the Group CEO	101
Sustainability at SMBC Group	007	Outline of Diversity Promotion	102
Sustainability management	009	Diversity Management	106
Process to Identify Key Priority Issues	011	Work-life balance support	108
Interaction with Stakeholders	013	Empowerment of women	115
Dialogue with Stakeholders	015	LGBT Inclusion	121
Participation in Initiatives and Reference Guidelines	019	Global HR Development	125
Respect for Human Rights	023	Empowerment of senior employees	127
SMBC Group's activities for the future	026	Empowerment of people with disabilities	129
Environment	028	Work style reform	132
Management approach -Environment-	032	Health management	136
Promotion of Environmental Businesses	035	Activity Performance and Goals of SMBC Group	139
Management of Environmental Risks	042	List of Company Data	165
Reduction of Environmental Impacts	044	SMBC Group Businesses and SDGs	208
Response to climate change (Working on TCFD Recommendations)	052	Recognition and Accreditation for SMBC Group sustainable initiatives	212
SMBC Group Green Bond	057	Recognition and Accreditation	213
SMFG Green Bond Framework	059		
Next Generation	061		
Management Approach -Next Generation-	064		
Support for Growth Industries	065		
Approaches for resolution of social issues in Emerging countries	068		
Promotion of Financial Literacy Education	070		
Community	076		
Management approach -Community-	080		
Contribution to Achieving and Developing Safe and Secure Communities	082		
Promotion of Social Inclusion in Collaboration	090		
Support for Reconstruction in Areas Impacted by Large-scale Natural Disasters	094		

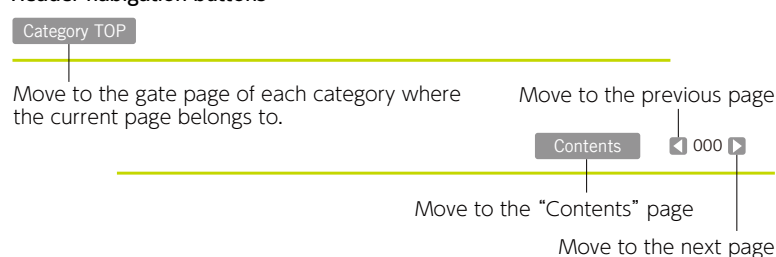
How to Use this Report

You can move between the pages of this report using the category tabs, navigation buttons and link buttons.

Category tabs



Header navigation buttons



Editorial Policy

Sustainability Website Editorial Policy

This website has been created for the purpose of communicating to stakeholders the roles played by the SMBC Group in helping to realize a sustainable society, as well as its initiatives.

The website compiles characteristic initiatives, including the latest examples, centering on policies, systems, and programs related to Sustainability at SMBC and the holding company SMBC Group. We aim to continue to enhance the range of information disclosed. Effective links are also provided to information disclosed on the websites of individual Group companies in connection with examples of initiatives at those companies.

The sustainability report is a PDF file version of this site and allows stakeholders to review the sustainable initiatives of the SMBC Group in a single document.

Note on Company Names

Sumitomo Mitsui Financial Group, Inc. is referred to on this site and in the CSR report as the "holding company SMBC Group" or "SMBC Group," and the overall corporate group that includes the main Group companies is referred to as the "SMBC Group."

Scope of this Report

- Sumitomo Mitsui Financial Group, Inc.
- Sumitomo Mitsui Banking Corporation
- SMBC Trust Bank Ltd.
- Sumitomo Mitsui Finance and Leasing Company, Limited
- SMBC Nikko Securities Inc.
- SMBC Friend Securities Co., Ltd.(*1)
- Sumitomo Mitsui Card Company, Limited
- Cedyne Financial Corporation
- SMBC Consumer Finance Co., Ltd.
- The Japan Research Institute, Limited
- Sumitomo Mitsui Asset Management Company, Limited(*2)

*1SMBC Friend Securities has formed a merger with SMBC Nikko Securities in January 2018

*2Sumitomo Mitsui Asset Management and Daiwa SB Investments merge to form Sumitomo Mitsui DS Asset Management Company in April 2019

Reporting period and other information

Reporting Period

The fiscal 2018 period, the 12-months from April 1, 2018 to March 31, 2019

* The Report contains additional information including certain up-to-date data as well as future prospects where considered October 2018.

Month of Issue

September 2019 (Previous issue: July 2018)

Reference Guidelines

We refer to GRI "Sustainability Reporting Guideline (G4)."

* GRI (Global Reporting Initiative): Established as an international standard for sustainability reporting, compliers set up an international organization GRI in 1997 to encourage its adoption worldwide.

External Verification

Data on fiscal 2017 CO₂ emissions by main Group companies under Scope 1, 2 and 3 (Category 6: Business Travel) has been independently certified by the Japan Quality Assurance Organization to ensure its reliability.

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Diversity Reports

At the SMBC Group, we create Diversity Reports and carry out external transmission of information.



[Click here for the 2018 SMBC Group Diversity Report](#)



[Click here for SMBC Group Diversity Report back numbers \(2017- \)](#)

Downloadable Content



[ESG Data Book](#)



["SAFE" Corporate
Environmental
Magazine](#)



[Communication
Book](#)



[Sustainability
Repot](#)

Commitment from the Top

As a global financial group, we will take the lead in developing a sustainable society.

Social Responsibility Expected of a Global Financial Group

Global moves to realize a sustainable society

The world currently faces a range of social issues, including human rights issues and global climate change-related environmental issues caused by global warming. Against this backdrop, the international community has instituted common goals, with the United Nations adopting a range of Sustainable Development Goals (SDGs) as targets for 2030. Moreover, the Paris Agreement has come into force, with the stated aim of restricting global average temperature rises to no more than 2°C. In response, companies have initiated efforts aimed at developing a more sustainable society.

Other aspects are essential to building corporate value, notably ESG (environmental, social and governance) initiatives to nurture the three factors deemed critical to long-term enterprise growth; and continuous dialogue with stakeholder groups such as customers, shareholders and employees.

In July 2017, the Government Pension Investment Fund (GPIF) announced plans to allocate a portion of its equity investment portfolio based on a new ESG index. Today, ESG investment is a rapidly growing trend worldwide.



SMBC Group will fulfill its roles as a global financial group, with a view to contributing to the sustained development of society as a whole.

Sustainability Management at the SMBC Group

Amid international adoption of ESG/SDG-related initiatives, we set up the Corporate Sustainability Committee in October 2018. Chaired by the Group CEO, this body oversees efforts across the SMBC Group to realize a sustainable society. SMBC Nikko Securities is involved in the issuance of Green Bonds, which are designed specifically to fund environmental initiatives, as well as Social Bonds, which raise capital to help address social issues. The company has created the SDGs Finance Dept. to promote these types of securities further.

Provision of financial services that adapt to international society

The SMBC Group participates in various initiatives to fulfill our responsibility as a member of the global community. We are a signatory to the United Nations Environmental Programme Finance Initiative (UNEP FI), which undertakes research and disseminates information to promote financing of environmental protection and social sustainability programs. We are also a signatory to the United Nations Global Compact (UNGC), a set of ten principles for the realization of sustainable growth. In February 2019, we also endorsed the UNEP FI Principles for Responsible Banking, which are in alignment with major ESG goals such as the SDGs and the Paris Agreement.

Looking ahead, there will be more opportunities for companies to supply new technology and services aimed at achieving the SDGs or the targets of the Paris Agreement, and these markets are forecast to grow. In the face of such changes in society, we acknowledge our social responsibility as a global financial group to follow one of the group's missions to "grow and prosper together with our customers, by providing services of greater value to them." To this end, we will actively promote sustainability management with a strategic focus on ESG/SDGs.

Environment, Next Generation, Community: Three Priority Issues Addressed Through Business

We have designated the three priority issues for the SMBC Group from an ESG perspective as the "Environment," the "Next Generation," and "Community." By facing these three issues through business, we will seek to address environmental issues while contributing to the development of safe and secure communities to allow the next generation to thrive.

E (Environment): Addressing environmental issues based on three main pillars

For the issue of the "Environment," we are addressing environmental problems based on the three pillars of "environmental business," "managing environmental risks," and "reducing environmental impact" through our business.

Amid growing interest in eco-friendly finance, we are especially focusing on the environmental business sector. For example, SMBC is providing financial products to assist customers with their environmental management. We are also issuing green bonds that are structured to raise dedicated funds for environment-related projects. In addition, reflecting the significant impact of climate change, in June 2018 we tightened our policy on coal-fired power stations to restrict funding to high-efficiency projects. This is just one example of how we can help the environment through our business.

Other measures in which the SMBC Group is tackling climate change include our support for the Paris Agreement and the Task Force on Climate-related Financial Disclosures (TCFD), a financial reporting framework proposed by the Financial Stability Board (FSB). In this regard, we have analyzed the impact of climate change on business financing, publishing the results in May 2019. Going forward, we plan to conduct further analyses and disseminate related findings.

S (Society): Developing the next generation and supporting a prosperous society

For the priority issue of the "Next Generation," we are focusing on improving financial literacy by leveraging our financial functions and knowledge so that each generation can cultivate required financial knowledge and decision-making capabilities. SMBC Group companies are engaged in programs to promote financial and economic education according to their line of business and to organize workplace tours.

Overseas, we provide scholarships to international students through domestic and overseas foundations set up by SMBC. In addition, SMBC is engaged in addressing issues in emerging countries-providing job training in Indonesia and teacher training in Myanmar, among other measures. In May 2018, SMBC received a Medal of Honor with a Dark Blue Ribbon from the Japanese government in recognition of the teacher training program provided in collaboration with UNICEF in Myanmar.

We are also promoting measures to create resilient workplaces that can adapt to changing conditions. We ensure our HR systems promote the physical and mental health of employees while enabling people to fulfil their potential. Besides developing systems to enable flexible work styles, we are providing career support for female employees, alongside measures to balance work with childcare or nursing care responsibilities. We are also working to reform employee awareness in relevant areas. Since human resources are our most important asset of all management resources, making the most of our diversity enables us to provide customers with value-added services and achieve sustainable growth with various stakeholders. We will position diversity and inclusion as the group's core growth strategy and promote it group-wide.

For the final priority issue of "Community," we are undertaking various initiatives to help realize a safe, secure and prosperous society focusing primarily on the regions and fields in which we conduct business. In Japan, we have added facilities and services to enable a wide variety of customers, including the elderly, people with disabilities, and people with cognitive impairments, to feel more comfortable using our services. In disaster-affected areas in Tohoku, Kyushu and Western Japan regions, our activities support local recovery and reconstruction needs. SMBC also conducts social contribution activities by working in partnership with organizations involved in solving social issues in Japan and overseas using a volunteer fund comprising donations from its employees.

G (Governance): Building a management base that is healthy and strong

Alongside promoting initiatives that aim to create social value by focusing on the three priority issues of "Environment," "Next Generation," and "Community," the SMBC group is working to develop an advanced management infrastructure that forms the basis for all corporate activities.

We are reinforcing our ability to service a variety of customer requirements in line with our corporate governance policy as described in the SMBC Group Corporate Governance Guideline. Some specific measures include transitioning to a governance structure with a nominating committee, introducing a Chief Officer (CxO) system and group-wide business units. We are also promoting integrated group management with the SMBC Group playing a core role as a holding company. We do not believe there is any perfect form of corporate governance structures, but we will continually strive toward the strengthening and enhancement of corporate governance.

In March 2018, amid rapid advances in the field of IT, the SMBC Group formulated "Declaration of Cyber Security Management." Recognizing the importance of proactive implementation of cybersecurity measures from the perspectives of both value creation and risk management as one of our management priorities, we are continuing to strengthen the SMBC Group's cybersecurity defenses against increasingly serious and sophisticated cyberattacks.

The SMBC Group has published various statements in support of protecting a range of human rights for everybody. As a signatory to the UNGC, we remain committed to fulfilling the social responsibilities that are expected of us as a global financial group to create a society that is built on the utmost respect for human rights as directed by the "Universal Declaration of Human Rights," the "ILO Declaration on Fundamental Principles and Rights at Work," the "ISO 26000" guidelines on the social responsibilities of organizations, and the "Guiding Principles on Business and Human Rights" advocated by the UN Human Rights Council in 2011.

Our goal is a society that offers a comfortable life to people, communities, and companies

Realizing our business philosophy through achieving the SDGs

To accelerate our progress in pursuing sustainability management, we are incorporating relevant SDGs into the business plans of the SMBC Group's four business units aiming to achieve the SDGs through core business activities. The SDGs are focused on 17 areas such as poverty, education, employment and environmental issues. From these, the SMBC Group has selected seven goals to strive for in its business activities, with another three goals to be achieved by reinforcement of its management base.

Besides organizing training and study sessions to deepen the understanding of the SDGs among all SMBC Group employees, we have instituted the "SDGs Award" as an internal award program as part of a range of proactive measures to recognize outstanding initiatives that contribute to achieving the SDGs. The entire SMBC Group has been making effort to encourage every employee to understand the SDGs correctly and take ownership of these activities.

The SDGs are goals that demand action not only of governments and international institutions, but also of every nation and corporation. Going forward, we will not only work proactively to achieve the SDGs, but also strive to promote new SDG-related initiatives unique to the SMBC Group, working in partnership with customers so we can make our corporate philosophy a reality over time.

Our aim is to "become a global financial group that, by earning the highest trust of our customers, leads the growth of Japan and the Asian region." As we fulfill this role, we will work for the sustained development of society as a whole and to raise our own corporate value by promoting ESG- and SDGs-related initiatives. I look forward to your continued understanding and support as we endeavor to reach our goals.

August 1, 2019
Sumitomo Mitsui Financial Group, Inc.
Director President (Representative Executive Officer)
and Group CEO
Jun Ohta



Sustainability at SMBC Group

Contributing to the Sustainable Development of Society



The world currently faces a range of social issues, including human rights issues and global climate change-related environmental issues caused by global warming. In Japan, advanced aging coupled with a shrinking working population are creating various issues linked to changing social structures.

At the SMBC Group, we view our corporate social responsibility as contributing to the overall sustainable development of society by providing increased value to stakeholders via our business activities.

Basic plan for promoting sustainability



SMBC Group's Group-wide Philosophy Business ethics

1. Satisfactory Customer Services

We intend to be a financial services group that has the complete trust and support of our customers.

For this purpose, we will always provide services that meet the true needs of our customers to assure their satisfaction and earn confidence in the Group.

2. Sound Management

We intend to be a financial services group that maintains fair, transparent, and sound management based on the principle of self-responsibility.

For this purpose, along with earning the firm confidence of our shareholders, our customers, and the general public, we take a long-term view of our business and operate it efficiently, and actively disclose accurate business information about the Group. Through these activities, we work to maintain continued growth based on a sound financial position.

3. Contributing to Social Development

We intend to be a financial services group that contributes to the healthy development of society.

For this purpose, we recognize the importance of our mission to serve as a crucial part of the public infrastructure and also our social responsibilities. With such recognition, we undertake business operations that contribute to the steady development of Japan and the rest of the world, and endeavor, as a good corporate citizen, to make a positive contribution to society.

4. Proactive and Innovative Corporate Culture

We intend to be a financial services group for which all officers and employees work with pride and commitment.

For this purpose, we respect people and develop employees with extensive professional knowledge and capabilities, thereby creating a proactive and innovative corporation culture.

5. Compliance

We intend to be a financial services group that always keeps in mind the importance of compliance.

For this purpose, we reflect our awareness of Business Ethics in our business activities at all times. In addition, we respond promptly to directives from auditors and inspectors. Through these actions, we observe all laws and regulations, and uphold moral standards in our business practices

More detailed information



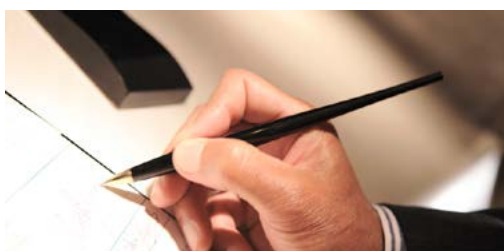
Sustainability management

This section outlines our systems and frameworks for promoting sustainability management and managing related progress.



Interaction with Stakeholders

We hold a continuous dialogue with stakeholders to promote sustainability.



Participation in Initiatives and Reference Guidelines

As a member of the global community, we endorse various initiatives in Japan and overseas.



Respect for human rights

This section outlines SMBC Group's approaches to human rights, including initiative policies and promotion structures

Sustainability management

What is sustainability management?



Sustainability management is about ensuring that our business activities consider the sustainability of society from environmental, economic and other perspectives.

Amid growing concerns about social issues with the adoption of the UN Sustainable Development Goals (SDGs) and international agreement to restrict climate change in line with the Paris Agreement, sustainability management has become a mandatory approach for corporations.

We understand the SMBC Group has a critical role and responsibility in the overall development of society as a global financial services provider. We are aiming to achieve an improvement of our corporate value while solving social issues and promoting sustainability management.

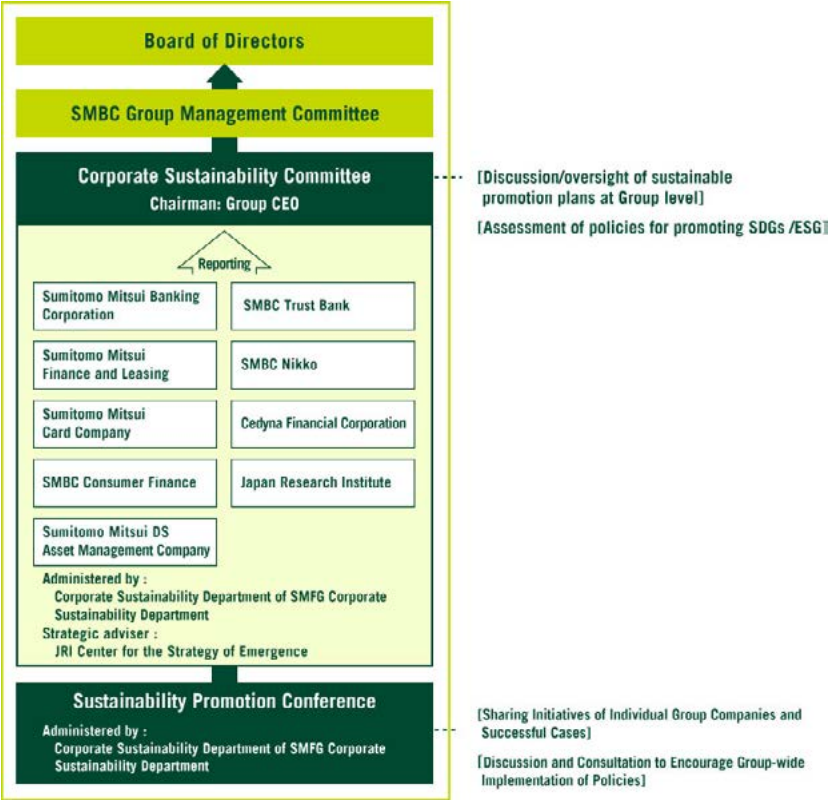
SMBC Group systems for promoting sustainability

SMBC Group

In the SMBC Group, SMFG Corporate Sustainability Dept. undertakes the planning execution of activities to promote SDGs and ESG for the entire Group, including measures to deal with climate change, under the supervision of [the Group CSO](#), who is a board member.

In addition, the promotion of plans and the important plans are discussed and decided in the "Corporate Sustainability Committees" headed by chairperson, the Group CEO.

Discussions regarding promotion and planning for sustainability and progress management systems



[Click to enlarge](#)

➤ Activity Performance and Goals of SMBC Group

➤ Interaction with Stakeholders

Process to Identify Key Priority Issues

Process

SMBC Group

In light of constantly changing social trends and in consideration of stakeholder viewpoints, SMBC Group reviewed our existing priority issues in fiscal 2013 and have derived three new themes – "Environment," "Next Generation," and "Community" – as our medium- to long-term priority issues.

Specifically, the Group identifies and prioritizes issues and decides which ones are key priority issues by consulting with experts. The issues thus identified were reported to, and approved by the SMBC Group Management Committee. Thereafter, the Group continues to review the issues by consulting with experts and through internal and external questionnaire surveys to gather opinions on the issues.

✓ **Step 1**
Selection
and
prioritization
of issues

✓ **Step 2**
Reexamination
and
identification
through dialog
with experts

✓ **Step 3**
Reporting to
Group top
management,
and receiving
approval

✓ **Step 4**
Review
through
engagement

Step 1 Selection and prioritization of issues

We derived around 150 wide-ranging CSR issues from the GRI Guidelines (G4), utilizing the ISO 26000 framework, and based on the participation of each of the Group companies.

We then assigned an order of priority to these issues from the standpoint of our stakeholders. They were first placed into two categories - "our medium-to long term priority issues (environment, next generation, and community)," and "key issues to be addressed on solid management base."

Standards used for reference in prioritization	
Importance to Stakeholders <ul style="list-style-type: none"> International frameworks such as the GRI Guidelines Items to be researched or pointed by the Socially Responsible Investing (SRI)-related institutions Suggestions from the strategy advisor to the SMBC Group CSR Committee 	Importance to SMBC Group <ul style="list-style-type: none"> Priority issues from 10 Group companies Conformity with SMBC Group's Business Mission, business ethics, and medium-term management plan Assessment of risks and possible business opportunities (potential for enhancing enterprise value) in line with pursuit of sustainability

Step 2 Reexamination and identification through dialog with experts

In February 2014, we conducted a dialog with selected group of experts on our "issues thought likely to be important over the medium-to-long term," and "issues that must be effectively addressed in order to construct a solid management base" to check, from the perspective of social nature, environment and global issues whether sufficient consideration and recognition had been given to all the issues that should be put forward as candidate priority issues, and to ensure that no important issues had slipped through the net.

After carrying out step 2, we conducted revision in line with the opinions expressed, and identified the priority issues to be addressed by SMBC Group after receiving the approval of the experts.

Step 3 Reporting to Group top management, and receiving approval

In March 2014, the Group's Management Committee gave approval for the priority issues (Materiality) that SMBC Group should address through the Group CSR Committee and the Corporate Sustainability Meeting.

Moreover, approval was received for the examination of specific methods of addressing priority issues after discussion and review with stakeholders both within and outside the Group and each Group company.

Step 4 Review through engagement

From July 2014 we have collected opinions from in and outside our Group through employee surveys held during internal training and external surveys in our CSR report, which contains the priority issues (Materiality) that SMBC Group should address.

As for other efforts, we are holding a dialogue with stakeholders with the aim of reviewing issues we should concentrate on that are relevant to the time we live in.

Fiscal 2015: [Realizing the "Ten-Year Vision"](#)

Fiscal 2016: [Verifying Validity of Issues to Be Addressed within Priority Issues \(Materiality\)](#)

Fiscal 2017: [Roles and Expectations for Financial Institutions in Terms of the SDGs and ESG Investments](#)

Refer to the following for details on the stakeholder dialogue.

➤ Interaction with Stakeholders

➤ Priority Issues (Materiality)

➤ Sustainable Development Goals (SDGs)

Interaction with Stakeholders

Basic policy of SMBC Group



The SMBC Group's Contribution to the Sustainable Development of Society Through Building Relationships with Stakeholders

Build relationships with four sets of stakeholders: customers, shareholders/markets, society and the environment, and employees

- Customers: We shall advance together with our clients by providing highly valued products and services.
- Shareholders and the market: We shall strive to maintain a sound management and maximize shareholder value by having appropriate disclosure of information and improving the internal control system.
- The environment and society: We shall strive to contribute to the society and preserve the earth's environment by consistently and proactively involving and participating in the social and environmental activities and programs.
- Employees: We shall promote free-spirited and open-minded business culture under which individual employees are respected and allowed to exercise each individual's full potential.

Interaction with Stakeholders



Relationship with Customers

 [SMBC: Initiatives to Increase Customer Satisfaction \(CS\) \(Japanese only\)](#)

Relationship with Shareholders and the Market

- [IR Calendar](#)
- [IR Events & Presentations](#)

Relationship with the Environment and Society

- [Dialogue with Stakeholders](#)

Relationship with Employees

- [Creating a Corporate Culture That Derives Strength from Diversity and Inclusion \(Promoting Diversity and Inclusion\)](#)
- [Creating a Pleasant Work Environment for All Employees \(Work-Life Balance\)](#)

Report on stakeholder dialogue



We convened the stakeholder dialogue for fiscal 2017 on January 18, 2018. A panel of three experts was invited to discuss the role and responsibilities of the SMBC Group relating to the Sustainable Development Goals (SDGs) and Environmental, Social, and Governance (ESG) investment.

➤ **Dialogue with Stakeholders**

Dialogue with Stakeholders

SMBC Group held a Stakeholder Dialog session annually, as an opportunity to communicate with our stakeholders about the CSR initiatives that we should be pursuing as a financial group.

✓ Back Number

FY2017 Dialog: Toward a Sustainable Society-Expected Actions on SDGs and ESG for Financial Institutions (January 18, 2018)



To understand and reaffirm our expected role, and the worldwide trend to achieve SDGs (Sustainable Development Goals) and ESG (Environment, Social, and Governance from the investor's perspective), we received lectures from experts in respective areas, followed by a panel discussion.

* Participant's name of company and titles are as of the time of the event.

Experts who participated in the dialog



Mr. Keisuke Ota
General Manager
Global Compact
Network Japan



Mr. Seiichiro Uchi
Managing Director
MSCI Japan



Ms. Kaori Kuroda
Executive Director
CSO Network Japan

SMBC Group participating companies

Sumitomo Mitsui Financial Group	Cedyna
Sumitomo Mitsui Banking Corporation	SMBC Consumer Finance
SMBC Trust Bank	The Japan Research Institute
Sumitomo Mitsui Finance and Leasing	
SMBC Nikko Securities	
Sumitomo Mitsui Card	



Understanding current situation and issues for approaches to SDGs and ESG

The session began with the three experts giving presentations containing analysis and opinions on how companies should approach to SDGs and ESG.

Summary of the presentations

Mr. Ota: “Transforming Our World: The 2030 Agenda for Sustainable Development (SDGs)”

- The 17 goals of SDGs have a correlation between respective goals, affecting each other, therefore, companies need to view the big picture consider how to achieve them comprehensively.
- The key to approaching the SDGs is to first understand them, and then follow these steps in order: make priority decisions → determine objectives → integrate them into managements → disclose information.
- Expectations for the financial sector are extremely high, so we expect positive influences from financial sector to other non-financial sector companies.



The 17 goals of SDGs

Mr. Uchi: “Background of ESG Investment expansion”

- ESG is a crucial concept for protecting the interests of shareholders over the long term. When the sustainability of society increases, the beneficiaries are not only limited to shareholders, but also the people that obtain economic benefit from it. As a result, such approach contributes to make the entire society better.
- Although banks would prefer to emphasize their superior approaches of ESG, the products being provide are not always taking ESG into account. Simultaneously, it should be understood actively pursuing SDGs doesn't necessarily lead to a high ESG evaluation of the company.

Ms. Kuroda: “Expectations for Companies approaches toward SDGs and ESG”

- Right now, the number of countries preparing national action plans in order to implement the U.N. Guiding Principles for Business and Human Rights are increasing, including Japan. As a member of a citizens' organization, we are urging companies in various sectors to cooperate.
- It's important for companies achieve SDGs through their main business, but simultaneously, we must always mind the impact to the most vulnerable members of society. Sometimes we cannot take care of such issues just through business. We therefore need to cooperate with various other sectors, including NPOs to creating links between business and social contribution activities.

Panel discussion following the presentations

During the panel discussion, the panelists responded to our various questions, by providing us valuable opinions and insights.

Questions from SMBC Group and the experts' answers

Q.1 After setting goals for materiality (priority issues), how should we approach and work toward the SDGs?

Mr. Ota:

Ultimately, you need to incorporate them into your management. Through the lens of the SDGs, you need to focus on how to interpret your corporate philosophy in your own way. I think a way of using SDGs is to bring them to life in your day-to-day business and operations.

Q.2 SMBC Group has a long history facilitating social contributions activities, but our focus tends to be influenced by the direction of our main business. When the social issues cannot be solved through our main business, how should we balance the mixture of our business itself and our social contribution activities?

Ms. Kuroda:

It is the best if initiatives in your main business and community service are conducted on the same axis with a view to creating sustainable value. For issues that cannot be integrated into your main business, you should work with other companies, local governments, or NGOs. Otherwise, it is impossible to ensure “no one is left behind.”

Q.3 How do shareholders and capital markets view and evaluate the idea of companies engaging in non-business-related activities?

Mr. Uchi:

Investors obviously want you to take action that will improve your main business. In the case of social contribution activities, it's important to make clear what the ultimate purpose of them are. The best is to make it clear that they are being conducted for the sake of the main business, and will become easier to organize the company's actions eventually.

Q.4 How important is it to incorporate social contribution activities into figures such as KPIs (Key Performance Indicators)?

Mr. Uchi:

Investors managing huge portfolios can only evaluate a company using quantitative data. But sometimes the quantitative data doesn't match the actual impression that the company has of itself, and in such cases, it's effective for the company to disclose its “current situation and the vision it is striving to achieve for itself in the future.” Ultimately, that can serve as investment information.

Q.5 How should we handle actions on climate change and disclosures on related issues?

Mr. Uchi:

In the context of ESG investment, overseas investors place particular emphasis on “climate change”, and based on the understanding that the current pace of activity is not enough, countries are stepping up their efforts. If Japanese companies are slow to adapt, they will have to pay the cost of that, so their enterprise value globally will decline, and investment in companies that can't follow that strategy will fall. The first thing you need to understand is that investors are not particularly sympathetic to the unique circumstances of Japan.

Q.6 Looking at the SDGs, I feel that a lot of them relate to overseas issues, but most of our group companies do most of their business in the domestic market, so it's sometimes difficult to visualize them. For example, problems such as the rapid aging of Japan are not covered by the SDGs. The MDGs were focused on developing countries, but the SDGs also encompass advanced countries, but how should we view them?

Mr. Ota:

You can view the SDGs as being rooted in the MDGs, the idea of which was to help the most vulnerable people first. For Japan, too, it's important not only for companies, but also for the national government to get involved by pulling everyone together to tackle tasks that are highly relevant to and can contribute to Japan.

Ms. Kuroda:

I feel that when they go onto the international stage, countries are getting better at putting on a good show about what they are doing. I really wonder whether Japan can just carry on like this. I sometimes think it'll be difficult to do that unless Japan shows a more proactive attitude to get involved in rule-making. Japanese people should be made more aware of the rapid pace with which other Asian countries are moving to achieve the SDGs.

In response to the opinions

To meet the expectations, and to fulfill our role as a financial group, especially to achieve them through our main businesses, it will be important to get people actually in charge of business to understand them and get on board. Since adopting a proactive stance to tackling various social issues is a clear worldwide trend, top management are also conscious of the issues and will be aiming to pull everyone in our Group together to move forward in addressing them.

I also felt strongly that going forward it will be important to regularly communicate to the society and stakeholders about the action we are taking.



Masahiko Oshima
Senior Managing Executive Officer
Sumitomo Mitsui Banking Corporation

The opinions I've heard today were extremely valuable, and I feel that we've been told exactly what we need to do as a financial institution. We are engaged in various businesses, and with our customers working to achieve SDGs and meet ESG criteria, we also need to acquire knowledge, otherwise we will not be able to properly identify their needs. I also felt that within the Group, we need to make each and every employee aware of what needs to be done in the area of SDGs and ESG.



Takanobu Suehiro
General Manager, CSR Dept., Corporate Planning Dept.
Sumitomo Mitsui Financial Group

Back Number

Dialogue with Stakeholders 2016

- FY2017 Dialog: Toward a Sustainable Society-Expected Actions on SDGs and ESG for Financial Institutions (January 18, 2018)

Dialogue with Stakeholders 2015

- Clarifying Matters and Issues That SMFG Should Address in Order to Get to "Where We Want to be Ten Years from Now" (May 12, 2015)

Dialogue with Stakeholders 2013

- External Assessment Committee 4: SMBC Environmental Assessment Loan/Private Placement Bond aimed at developing solutions for customers through core financial businesses. (July 26, 2013)

Participation in Initiatives and Reference Guidelines

The significance of taking part in, and supporting initiatives in Japan and overseas



The term "initiative" means taking a leading role, and refers to companies' principles and codes of conduct. SMBC Group supports a range of initiatives in Japan and overseas, such as the United Nations Global Compact.

Seamless cooperation between various organizations is essential to solve problems on a global scale and create a sustainable society. Mindful of the social impact of financial institutions, the Bank declares its intentions to society by taking part in these initiatives and takes an active role as a member of the global community.

Initiatives supported by the SMBC Group



1. United Nations Global Compact

Ten principles proposed by the United Nations concerning human rights, labor, environment and corruption prevention.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

[➤ Links to related website](#)



2. Sustainable Development Goals (SDGs)

The SDGs are a set of 17 goals and 169 targets for achieving human and global prosperity adopted at the "United Nations Sustainable Development Summit." SMBC Group will contribute to the achievement of these goals as a member of the Global Compact Network Japan.

Please refer to the following link for information about SMBC Group's initiatives on the SDGs.

[> Links to related website](#)

[> Priority Issues \(Materiality\)](#)



3. UNEP Finance Initiative (UNEP FI)

Organization which pursues, develops and promotes the ideal financial institutions which pay attention to the environment and sustainability.

[> Links to related website](#)

Signatory of:



Responsible investment Principles (PRI)

The principle which is intended to improve long-term investment performance by incorporating environmental, social and corporate governance (ESG) issues into investment decision making for customers and the beneficiaries.

Announced in April 2006 by UN Secretary-General Kofi Annan (at that time).

[> Links to related website](#)

Founding Signatory of:



Principle of Responsible Banks (PRB)

The principle which is intended to promote transparent disclosure.

Signatories is encouraged to set goals and strategy in line with the social goals set out in the SDGs and the Paris Agreement to achieve sustainable development of society.

[> Links to related website](#)



4. Task Force on Climate-related Financial Disclosures (TCFD)

The Financial Stability Board established this task force in April 2015. The task force seeks individual companies to use financial reporting to disclose the impact of climate change. The SMBC Group declared its support for the One Planet Summit held in Paris in December 2017

[> Links to related website](#)



5. CDP

Initiatives which measures, manages and reduces effects of climate changes by prompting institutional investors and business managers to have dialogues regarding such climate changes.

[> Links to related website](#)



6. Equator Principles

Environmental and social standards which are set forth based on the International Finance Corporation (IFC) guidelines for large-scale project finance projects.

[> Links to related website](#)



7. Principles for Financial Action toward a Sustainable Society (Principles for Financial Action for the 21st Century)

Principles of action for financial institutions in Japan adopted in October 2011 for the purpose of expanding and improving the quality of environmental finance.

*As of November 2019, the principles had been signed by 283 financial institutions, including companies from SMBC Group; SMBC, Sumitomo Mitsui Finance and Leasing, and SMBC Nikko Securities and Sumitomo Mitsui DS Asset Management. SMBC has participated since fiscal 2012 as a steering member and co-chairman from fiscal 2018 for the Steering Committee of the principle.

[> Links to related website](#)

Guidelines Used for Reference

SMBC Group

The Group refers to the following guidelines in its promotion development, and information disclosure for Sustainability

ISO26000

This is the "guidance document" with respect to social responsibilities. It consists of basic principles and seven core subjects (governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development).

At the Group's Corporate Sustainability Meeting, comprising departments responsible for CSR at each Group company, the Group started ISO 26000 study groups in December 2010, and has now formulated its own checklist, which is used by the Group companies to evaluate their own activities.

Please refer to the following link for information about SMBC Group's promotion system, including the Corporate Sustainability Meeting.

[> Sustainability management](#)

GRI Guidelines

"Sustainability Reporting Guidelines (G4)" of GRI (Global Reporting Initiative) is referred to for editing of Sustainability website and preparation of Sustainability reports.

United Nations Global Compact, COP (Communication on Progress), Advanced Level Criteria

SMBC Group supports the 10 principles of the "United Nations Global Compact," in the areas of human rights, labor standards, environment and anti-corruption measures. We also refer to the 24 criteria presented for achieving "Advanced Level" in creating Communication on Progress reports for the execution status of the principles.

Respect for Human Rights

Approach to Respecting Human Rights (SMBC Group)

The SMBC Group supports the 10 principles of the "United Nations Global Compact," in the areas of human rights, labor standards, environment and anti-corruption measures. We comply with laws and regulations in the regions and countries where we do business, protect and respect human rights in accordance with international human rights standards, and work to prevent complicity in human rights violations.

Policy on Human Rights (SMBC Group)

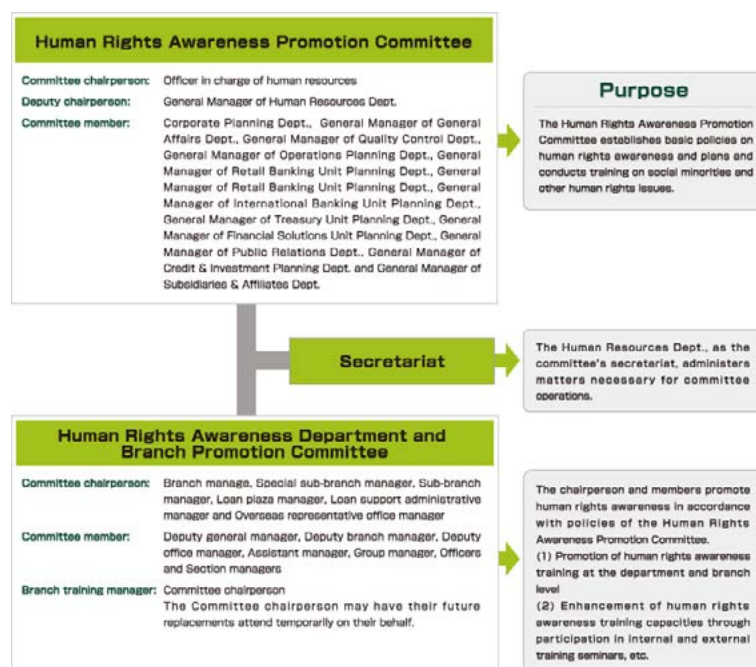
The SMBC Group has formulated "Statement on Human Rights" as its basic policy on Human Rights.



Statement on Human Rights (107KB)

System for Promoting Human Rights Awareness (SMBC)

SMBC has implemented in its corporate principles of action the statements that "we will respect the individual human dignity of our clients and employees" and "we will not allow any discrimination." Led by the Human Rights Awareness Promotion Committee, the bank conducts initiatives to raise awareness of human rights among all employees.



Enhancing Awareness for Human Rights (SMBC Group)

The SMBC Group supports the 10 principles of the "United Nations Global Compact," in the areas of human rights, labor standards, environment and anti-corruption measures. The Group implements initiatives to raise awareness for human rights by conducting human rights awareness seminars at Group companies and inviting employees to come up with human rights promotion statements.

Human Rights Awareness Seminars (SMBC)

SMBC conducts the following initiatives to raise awareness of human rights among all employees.

(1) Human rights awareness training through group training

Seminars on human rights are held during new recruit training and level-based training, etc. Seminars were held between fiscal 2016 and fiscal 2018 as follows.

(Person)

Training eligibility	FY2016	FY2017	FY2018
New recruit training	1,916	1,534	823
New manager/new executive training	882	904	955
New branch manager training	137	132	144

(2) Human Rights Awareness Department and Branch Promotion Committee Training Seminar (for Department and Branch Managers)

This seminar is led by experts in the field and is held once a year for all department and branch managers and HR managers at Group companies.

Examples of Training Themes	Creating LGBT-Friendly Workplaces
	Assimilation Issues and Human Rights: Elimination of discrimination against the Burakumin
	Barrier Value: Converting Disability into Value

(3) Department and Branch Human Rights Training Seminar and Confirmation Test

The Department and Branch Human Rights Training Seminar is held twice a year for discussions on human rights and is led by department and branch managers. Confirmation tests are held periodically over the Intranet to confirm the degree of dissemination of human rights awareness.

Examples of Training Themes	Creating Comfortable Workplaces for All
	Business and Human Rights
	Workplace harassment and human rights

(4) Human Rights Slogan Contest for Employees

Every year SMBC conducts a human rights slogan contest for all employees, including Group companies, as a part of Human Rights Week.

Initiatives for Improving Workplace Environment (SMBC)

SMBC has established Counseling Dept. to serve as a dedicated department for consultations by employees. The bank also has a whistleblower system that includes an external hotline to an attorney's office to rapidly detect and rectify legal violations, violations of bank rules, and cases of sexual harassment or abuse of power. In addition, a workplace questionnaire is administered each year for all employees to help improve the workplace environment.

Participating "Human Rights Due Diligence Workshop" (SMBC)

With human rights considerations becoming more important in international CSR guidelines such as the UN's Human Rights Framework, ISO 26000, and OECD Guidelines for Multinational Enterprises, SMBC participates in the Nippon CSR Consortium's "Human Rights Due Diligence Workshop." This workshop was established for the purpose of raising the competitiveness of Japanese companies through CSR activities, and is sponsored by the Nippon CSR Consortium. Through its participation in the workshop, SMBC surveys and researches future approaches to human rights issues.

Modern Slavery Act 2015 (SMBC)

In response to the Modern Slavery Act 2015 of the United Kingdom, SMBC has published a "Slavery and Human Trafficking Statement", which provides disclosure concerning our efforts to address the issues of slavery and human trafficking.



Slavery and Human Trafficking Statement 2019 (312KB)

SMBC Group's activities for the future

Priority Issues (Materiality) that SMBC Group Should Address

SMBC Group

We have reviewed our priority issues and derived three new themes - "Environment," "Next Generation," and "Community" - as our medium- to long-term priority issues that form the core of the SMBC Group's activities. For each theme, we are also focusing on "where we want to be ten years from now" by clarifying matters and issues to be addressed and taking action on them.



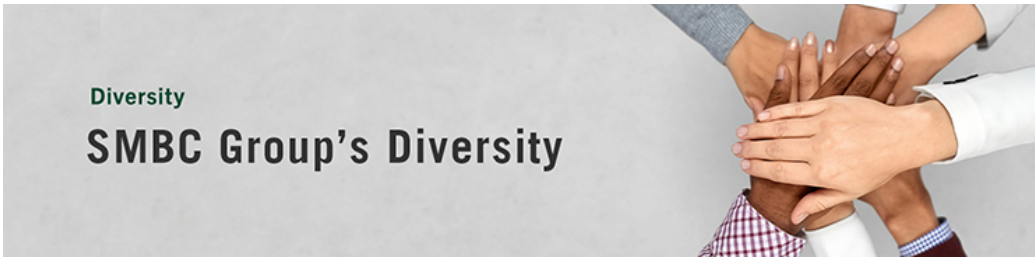
Review of Priority Issues (Materiality)

SMBC Group

In light of constantly changing social trends and a reassessment of the relative importance of the Group's priority issues among its stakeholders, and in order to adapt our activities to these developments, in fiscal 2013 SMBC Group reviewed our priority issues and have derived three new themes - "Environment," "Next Generation," and "Community" - as our medium- to long-term priority issues that form the core of the SMBC Group's activities. In identifying these priority issues, we made use of the G4 sustainability reporting guidelines issued by the Global Reporting Initiative (GRI), and with participation from all Group companies, we derived an order of priority for various social issues. We also engaged in dialog with experts to assess the relative importance assigned by our stakeholders to the issues.

➤ [Process to Identify Key Priority Issues](#)

Diversity & Inclusion



Environment

SMBC Group's Commitment

SMBC Group



With diverse organizations working to protect the global environment, private-sector companies are also playing an active role by developing environmentally friendly products, services and technologies.

We also believe that moving forward together with customers by providing financial services that benefit the environment constitutes a way of contributing, as a bridge to the future, to the realization of a sustainable world.

Through these activities, we will contribute to achieving SDGs No.7 (Affordable and Clean Energy) and No 13 (Climate Action).



Management
➤ approach
-Environment-

Promotion of
➤ Environmental
Businesses

Management of
➤ Environmental
Risks

Reduction of
➤ Environmental
Impacts

Response to
➤ climate change
(Working on TCFD
Recommendations)

➤ SMBC Group
Green Bond

Contributing to regions and societies

1. Issuing "SAFE," an environmental magazine
2. Issue of Chikyuni Yasashii Card for Environmental Contributions through Credit Cards
3. CSR Promotion/ Activities During CSR Promotion Month
4. SMBC Group clean up campaigns
5. Environmental Activities at China Sites

1. Issuing "SAFE," an environmental magazine

SMFG

Since 1996, the holding company SMFG has published this magazine containing interviews with top management of environmentally advanced companies, analyses of business and regulatory trends, and other beneficial information for corporate environmental activities. Moreover, from 2015 we have started issuing "JUNIOR SAFE" a magazine targeting children; who bear the future of the earth, to acknowledge the link between finance and the environment, and other activities to improve the environment. Published in December 2018, "JUNIOR SAFE No. 4" contained a special feature entitled, "What We Can Do for the Future, Our SDGs." It featured the ideas of children who had made the world a better place, along with examples of companies taking up this challenge. For further details about the corporate environmental magazine SAFE and JUNIOR SAFE, please refer to the following link.



["SAFE," an environmental magazine](#)

2. Issue of Chikyuni Yasashii Card for Environmental Contributions through Credit Cards

Cedyna

Cedyna issues the Chikyuni Yasashii Card to allow people to make donations for the environment through simple, everyday use. The company issues 14 types of cards based on specific themes related to global environmental protection. When people use the Chikyuni Yasashii Card for shopping, Cedyna automatically donates 0.5% of the card usage amounts to protection and research organizations based on those themes through The Defense of Great Earth Foundation.

For details regarding various activities, please refer to the following website.



Chikyuni Yasashii Card

[Cedyna: Initiatives for the environment through business activities \(Japanese only\)](#)

3. CSR Promotion/ Activities During CSR Promotion Month

SMBCCF

At SMBC Consumer Finance, each department has appointed a CSR Promotion Leader to provide information on environmental impact reduction initiatives, waste separation and other matters as part of promoting internal involvement in CSR and Environmental Management System (EMS)-related activities.



4. SMBC Group clean up campaigns

SMBC Group

The SMBC Group conducts cleanup events through the efforts of officers and employees of Group companies.

In fiscal 2018, cleanups were held in Fujimae-higata tidal flats (Nagoya) on October 21st, Arakawa (Tokyo) on November 11th. A total of 510 officers and employees from SMBC Group companies and their families took part in the activities, working beyond workplace and company boundaries, to help protect the environment.



5. Environmental Activities at China Sites

SMBC conducts environmental protection activities over a broad region at its affiliates and branches in China as well.

Guangzhou Branch: Tree-Planting Activities

SMBC

A special tree-planting event was held on May 5, 2018 at Guangzhou Sculpture Park as part of the branch's CSR activities. A total of 160 employees and family members participated.

On the day, participants worked together to plant a total of 57 saplings, enabling people to refresh while enjoying the new foliage.

Future CSR activities are also being planned.



Dalian Branch: Community Clean-up and Lights-out Events

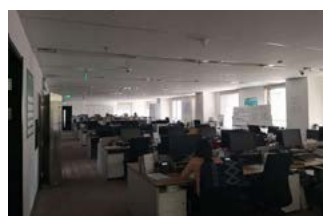
SMBC

A community clean-up event was held on July 1, 2018 as part of the branch's CSR activities.

A total of 35 people gathered at Dalian Labor Park, the city's oldest and most picturesque public space with a history of over 120 years, to remove litter from paths. The branch is planning further CSR activities in future to help improve the bank's presence in the community.

The branch also held a lights-out event during the lunch break on March 29, 2019. Employees were encouraged to do the same at their homes over the weekend of March 30.

By enlisting the cooperation of all employees, the branch plans to continue undertaking activities that contribute to improving the environment.



SMBC Group CSR Activities **(SMFL Beijing Branch, Promise Tianjin, SMBC (China) Beijing Branch, SMBC (China) Tianjin Branch)**

SMBC Group

On November 4, 2018, staff from four sites (SMFL Beijing Branch, Promise Tianjin, SMBC (China) Beijing Branch, SMBC (China) Tianjin Branch) jointly participated in clean-up events in Beijing and Tianjin. In Tianjin, employees and family members removed litter ranging from paper scraps and cigarette butts to garbage found in flower beds or the roadside in the Wu Da Dao ("Five Great Avenues") area of the city, which is popular with tourists. In Beijing, the event was held at Beijing Zoo and employees and family members worked to pick up trash while watching the animals and deepen relationships. These kinds of activities will continue to build unity within the SMBC Group while contributing to local communities.



Chongqing Branch: Clean-up Event

SMBC

A clean-up event was held on November 10, 2018 as part of the branch's CSR activities. A total of 50 employees and family members participated. The children who took part learned the importance of keeping public spaces beautiful, and separating waste through picking up litter. Further CSR activities are planned to raise awareness among employees.



Management approach -Environment-

Management Approach

Recognition of Social Issues

Since the Paris Agreement, an international accord aimed at restricting climate change, came into force in 2016, the world has responded by accelerating moves to transition to a low-carbon or carbon-free society. Moreover, the United Nations' Sustainable Development Goals (SDGs) and the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board also address long-term environmental issues such as climate change, energy and biodiversity, requiring companies to raise their contribution through their businesses. In the financial services field, environmental risk assessments must be conducted on financing and investment targets, and emphasis is placed on funding for projects capable of resolving environment issues on a global scale and environmental education for the employees that promote these assessments.

The Group Environmental Policy

SMBC Group

Basic concepts

Recognizing the importance of realizing a sustainable society, SMBC Group is continuously making efforts to harmonize environmental preservation and pollution control with corporate activities, in order to support the economy and contribute to the betterment of society as a whole.

The Group Environmental Policy

1. We provide environment-friendly financial products, information and solutions which support our clients in their efforts to preserve the eco-system.
2. We devise means to reduce environmental risks posed by our own activities and the society.
3. We are determined to fulfill our social responsibilities through the conservation of resources and energy, and the reduction of waste.
4. We strictly comply with environment-related laws and regulations.
5. We practice the highest level of information disclosure related to the Group's environmental activities and consistently improve our efforts to contribute to environmental preservation by communicating with our staff as well as the third parties.
6. We place high priority on thoroughly educating our staff about our environmental principles to ensure that they conform to these principles in the performance of their work.
7. We actively and effectively implement "environmental management," and make continuous efforts to improve our system to deal with environmental issues by setting goals and targets for every fiscal year and reviewing them as deemed necessary.
8. These policies are disclosed on the Group's website, and the printed version is available upon request

Environmental Policies of SMBC Group Companies

Close

SMBC Environmental Policy (Japanese only)

Sumitomo Mitsui Finance and Leasing Environmental Policy (Japanese only)

SMFL Rental Company, Limited Environmental Policy (Japanese only)

SMBC Nikko Securities Environmental Policy (Japanese only)

Sumitomo Mitsui Card Company Environmental Policy (Japanese only)

Cedyna Financial Corporation Environmental Policy (Japanese only)

SMBC Consumer Finance Environmental Policy

Japan Research Institute Environmental Policy (Japanese only)

SMBC Group's Approach

Having recognition of social issues, in order to contribute to the realization of a sustainable society, SMBC group has set forth a long-term vision toward 2050 that we as a global financial group will promote financial services consistent with the country's goals to counter global warming, and contribute to global environmental protection by leveraging its financial functions.



SMBC Group's Management

- The SMBC Group regards three pillar points as the environment for consideration: "Environmental Business" "Environmental risk" and "Reduction of Environmental Impacts". Every year, effect sets environment targets for reducing greenhouse gas emissions and conserving resources, and promotes global warming countermeasures in accordance with the PDCA cycle.
- Main Indicator: Projects for renewable energy: 49 (FY2018)
Cumulative number of "assessment loan" for corporation customers and amount: Approximately 970 cases, exceeding 2.2 trillion yen (As of the end of September 2019)



Environmental Management System (EMS)

SMBC Group

The SMBC Group has developed an original structure for promoting Environmental Management System (EMS) that meets the requirements of ISO 14001* adoption across the Group led by the Corporate Planning Department, including environmental officer (i.e. the director responsible for the Corporate Planning Department).

Our EMS is operated in SMFG and its major companies (SMBC, Sumitomo Mitsui Finance and Leasing (including SMFL Rental), SMBC Nikko Securities, Sumitomo Mitsui Card, Cedyna, SMBC Consumer Finance and The Japan Research Institute).

*In 1998, SMBC was the first bank in Japan to obtain the environmental management certification of ISO14001. Since then, it has been expanded to the group companies and continued to be operated, and the certification has been maintained through an examination by an external organization. Although certification has been withdrawn, we have continued our own EMS that meets the requirements of ISO14001 and continue to promote environmental efforts. All SMBC Group companies are also engaged in environmental education. SMBC conducts an EMS test every year aimed at employees trying to raise the environmental awareness of individuals. In addition, newsletters and reports compiled by the Environment Analysis Department are distributed to increase employee awareness of environmental risks along with sharing information on the latest trends on global environment and noteworthy environment risks. Other activities being undertaken for the permeation of environmental and social risk assessment processes within the company include implementation of a variety of internal training programs, such as group training at overseas bases and online courses.

Cedyna promotes environmental education to help ensure that all employees understand the importance of engaging in environmental activities and do so voluntarily as a part of their day-to-day work. Cedyna's environmental education has two pillars: awareness education, which provides all employees with basic environmental knowledge, and specialized education, which is for departmental staff in charge of promoting environmental matters and involves training personnel to lead environmental management activities through the acquisition of specialized knowledge related to environmental management systems. In addition, all employees receive monthly newsletters on environmental activities and other related topics to further enhance their environmental awareness.

Environmental Compliance

SMBC

There were no breaches during Fiscal 2018.

Promotion of Environmental Businesses

SMBC group considers that environmental businesses are means to preserve and improve the global environment while each company pursues its core business operations as a financial institution.

We will outline environmental businesses being conducted by SMBC Group companies, including solar power-based renewable energy operations and investment projects with a positive environmental contribution, as well as other environment-related products and services.

Main Measures

[1. Environmental business creation▼](#)

[2. Initiatives for Environmental Conservation Through Financial Products▼](#)

[3. Initiatives for Environmental Protection Through Investment▼](#)

1. Environmental business creation

Initiatives Towards Realizing a Low-Carbon Society

SMBC

As part of its initiatives to realize a low-carbon society, SMBC has promoted business activities related to emissions credits since 2005.

Specifically, SMBC provides financial support for energy conservation and renewable energy development projects conducted overseas with environmental technologies from Japan in connection with the Joint Crediting Mechanism (JCM), a new framework promoted by the Japanese government in the post-Kyoto Protocol era. Since fiscal 2010, the bank has conducted various business surveys for over thirty projects, primarily in Asia and Central and South America, while planning and developing financing schemes. Going forward, SMBC intends to utilize JCM to support overseas application of exceptional Japanese environmental technologies. It will take on environmental issues such as climate change, and continue to contribute to the development of a sustainable society.

*A mechanism utilized to achieve Japan's reduction targets that involves quantitatively assessing Japan's contribution to greenhouse gas reduction and absorption realized through promotion of low-carbon technologies, an area of specialty for Japanese companies, in developing countries and contributing to measures to combat global warming at the global level.

Please click on the link below for details regarding emissions credits and specific related initiatives.

 [SMBC: Emissions credit business \(Japanese only\)](#)

Initiative Examples	Content
Study on Energy-Saving Systems for Caustic Soda and Chlorine Manufacturing Processes	Caustic soda and chlorine manufacturing facility in Central and South America. The study focused on converting from the conventional, energy-inefficient mercury-based process to the highly energy efficient ion exchange membrane method. The ion exchange membrane method is environmentally friendly, and conserves energy while also helping reduce use of mercury. Use of mercury in the manufacturing process for caustic soda and chlorine will be banned beginning in 2025 under the Minamata Convention on Mercury, which goes into force in August 2017. Thereafter, mercury use is expected to decrease as worldwide caustic soda and chlorine manufacturing plants convert from a mercury-based process to ion exchange membranes.
Study on Capture, Utilization and Storage of Carbon Dioxide	In fiscal 2015 and fiscal 2016, SMBC investigated the feasibility of carbon capture, utilization and storage (CCUS) projects utilizing bilateral credit mechanisms in the Mideast and Central America. Such projects would utilize Japan's carbon capture technologies to capture carbon dioxide emitted from power stations from other gases to prevent its emission into the atmosphere and effectively utilize the captured carbon dioxide. The projects are expected to contribute to the achievement of new greenhouse gas reduction goals established in the Paris Agreement, which went into effect at the end of 2016.

Project Financing for Renewable Energy

SMBC

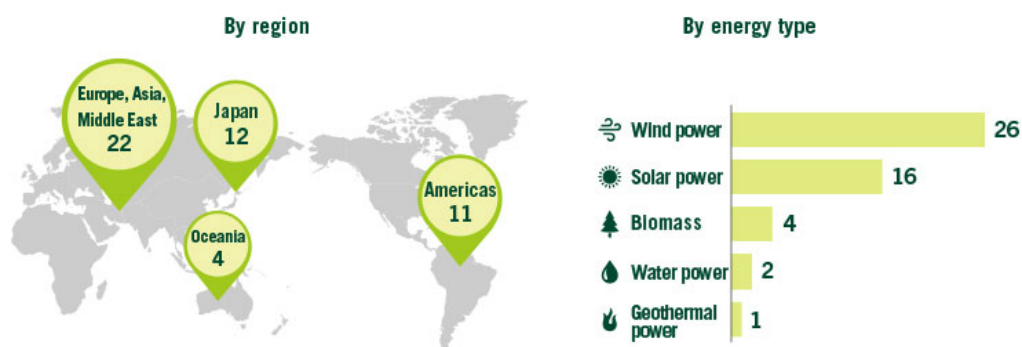
For many years now, SMBC has been providing project finance for renewable energy businesses such as solar power generation and wind power generation in Japan and overseas. The bank has a strong track record in this area. Since no carbon dioxide is emitted in renewable energy in principle, these operations are deemed to reduce CO2 emissions because the power they generate can replace energy from non-renewable sources such as coal, oil and natural gas. Support for such projects contributes to reductions in CO2 emissions and environmental impact.

For further details on project finance, please refer to the following website.

[SMBC: Project Finance \(Japanese only\)](#)

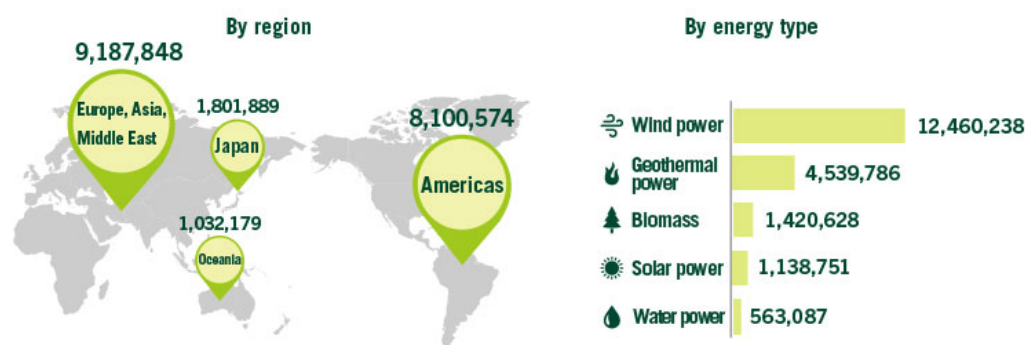
Fiscal 2018 results

SMBC has conducted **49** renewable energy projects in fiscal 2018.



FY2018: CO2 emissions reductions from renewable energy projects (*)

Renewable energy projects in fiscal 2018 contributed to total reductions in CO2 emissions equivalent to **20,122,490 tons**.



*CO2 reductions are calculated by determining annual estimated power generation based on the type of renewable energy and on generating capacities and facility utilization ratios, etc. at the target facilities in each country and then multiplying that value by the electric power emissions factors of each of the countries. The calculations do not take into account the proportion of financing provided by SMBC with respect to total project costs (financing share).

Source: Facility utilization ratios for wind power use figures for onshore and offshore wind farms from the European Wind Energy Association.

Solar, hydro and geothermal figures are from the "Report on Verification of Power Generation Costs, etc. to the Long-term Energy Supply and Demand Subcommittee" dated May 26, 2015. Figures for biomass power are calculated based on information disclosed by project operators.

Emissions factors are from the IEA's "CO2 Emissions from Fuel Combustion 2017 Edition."

Initiatives for Renewable Energy Through Business

SMBC Trust

SMBC Trust Bank conducts renewable energy business initiatives that include receiving on trust for solar power facilities and site usage rights (ownership, leasehold, and surface rights) and managing them as trust assets as the trustee paying dividends to beneficiaries on income from the electricity sold.

Initiatives for leasing "solar sharing" projects that combine agriculture with power generation

SMFL

Sumitomo Mitsui Finance and Leasing provides leases for solar power generation equipment used in a solar sharing project where support columns are erected on farmland for the installation of solar panels while leaving space underneath to farm. The project is generating solar power on unused farmland in Fukushima Prefecture, while enabling production of ginger crops. Sales of electricity supplement the crop production to ensure a reliable income stream. This approach is attracting attention as a potential way to develop farmland in Japan, where many farmers are elderly and young people are moving to cities rather than take up farming.



Solar panels attached to pillars built on farmland by Toyo Energy Farm Co., Ltd.

Initiatives for Growth Sectors

SMBC

SMBC has identified six specific growth sectors as a growth industry cluster: new energy/energy management, the environment, infrastructure, healthcare, agriculture, and digital society to promote the creation of new business opportunities in these sectors for customers. Drawing on broad-ranging knowledge and networks developed through industry-government- academia alliances in Japan and overseas, the bank provides business support in respective areas.

Initiative Examples	Content
Smart Grid Demonstration Project in Poland	A smart grid demonstration project utilizing Japan's grid stabilization and power storage technologies has been carried out in Poland by SMBC and other Japan-affiliated companies since fiscal 2016 on a contract from the New Energy and Industrial Technology Development Organization (NEDO). While renewable energies are being utilized at an accelerating pace, their power output varies depending on weather conditions, so as the amount of renewable energy sources increase, problems arise related to the power grid; specifically, maintaining the balance of power supply and demand on distribution networks and dealing with overloads. The demonstration project seeks to solve these grid issues by utilizing Japanese technologies to expand use of renewable energies in Poland and create a grid stabilization system that simultaneously reduces capital investment in power infrastructure and stabilizes the power grid.
Study on Utilization of Green Climate Fund	The Green Climate Fund (GCF) is a multilateral fund established based on the United Nations Framework Convention on Climate Change in order to support reductions to greenhouse gases and measures to address the impact of climate change in developing countries. SMBC conducted a feasibility study in fiscal 2016 and fiscal 2017 with multiple Japan-affiliated companies on geothermal power projects using the GCF in Papua New Guinea under the sponsorship of the Ministry of Economy, Trade and Industry. Going forward, through further studies and other initiatives, SMBC will work to form projects that utilize the GCF and support measures to address climate change in developing countries.

Initiatives for Recycling and Reusing Through Leases

SMFL

SMFL promotes the leasing of low-carbon emission equipment which meets the criteria set forth by the Ministry of the Environment by utilizing the subsidies provided by the Ministry for such leases. In addition, property with expired leases, or machinery and equipment purchased from customers are sold to other customers based on their needs. SMFL strives to become a leasing company that is environmentally friendly by implementing these initiatives to recycle and reuse through the purchasing and selling of secondhand machinery.

Consultation for Environment-Related Business

JRI

Environmental Advisory Business

It engages in numerous environmental projects mainly in the energy and smart community fields.

It strives to contribute to the resolution of global-warming issues and development of environment-friendly businesses by the creation of new businesses.

JRI

Proposals for Energy-Related Policies

The Great East Japan Earthquake led to the substantial review of the Japan's energy policy. JRI makes recommendations and proposals for energy systems of next-generation and energy strategies for Japan. For detailed examples from JRI, please refer to the following website.

 **JRI: Economy & Policy report(Environment, Energy) (Japanese only)**

Overseas Alliances Related to Environmental Business

SMBC

In emerging countries, the need for economic development that is balanced with the global environment is driving remarkable progress in local environmental business markets. SMBC has signed multiple memorandums of understanding (MOUs) for building bridges with Japanese companies with environmental technologies in emerging countries, financing environment-related projects, and providing know-know on emissions credit trading. Through these and other efforts, the bank continues to work to strengthen its environmental business networks with emerging countries.

Going forward, we will utilize our environmental business knowledge and experience as a diverse financial group to meet a variety of needs in environment and energy and other fields.

List of Service Agreements

Close 

Provision Period	Country	Content
October 2014	Chile	A business collaboration agreement was signed with Chilean government organization and Production Development Corporation (CORFO) to collaborate on the procurement of funds for renewable energy and mining projects.
July 2014	Mexico	A Memorandum of Understanding (MOU) was concluded with Petróleos Mexicanos (PEMEX), Mexico's largest state-owned company, relating to cooperation in environmental sectors (to reduce greenhouse gas emissions).
March 2013	Colombia	In partnership with the Japan Bank for International Cooperation (JBIC), SMBC instituted a JBIC Green credit line for Banco de Bogotá, the second-largest commercial bank in Colombia. This helped to fund local projects that contribute to greenhouse gas reduction in a two-step loan format.
March 2013	Mongolia	An MOU was concluded with Mongolia's largest commercial bank, Khan Bank, to forge an alliance related to cooperation in areas ranging from resource and infrastructure development, financing for renewable energy and new energy sectors, and trade finance, customer referrals, and exchange of market entity related information, etc.
March 2012	Mexico	An MOU was concluded with Petróleos Mexicanos (PEMEX), Mexico's largest state-owned company, aimed at providing support initiatives for reduction of greenhouse gases at the company's own facilities.

March 2012	Mongolia	An MOU was concluded with Mongolia's only state-affiliated development bank, Development Bank of Mongolia (DBM), to support cooperation in the financing of environmental businesses and infrastructure projects that target greenhouse gas emissions reductions.
June 2011	Estonia	An MOU was concluded with Enterprise Estonia, a government institution that handles foreign investment incentives and trade promotion in the Republic of Estonia, in connection with a business alliance to provide financial services to local companies and Japanese-owned companies entering the Estonian market. The alliance will also target the acquisition of new business opportunities in the environmental sector, including development projects in Estonia and emissions-trading ventures.
February 2011	Uzbekistan	An MOU was concluded with the National Bank for Foreign Economic Activity of the Republic of Uzbekistan, the country's largest state-run bank in terms of assets, in connection with a business alliance to provide various trade financing related to trade between Japan and Uzbekistan and the provision of financial services to Japanese-owned companies entering the Uzbekistan market and local companies. The alliance will target the acquisition of new business opportunities in the environmental sector, including development projects in Uzbekistan and emissions-trading ventures, and to strengthen a collaborative framework for yen settlement operations.

2. Initiatives for Environmental Conservation Through Financial Products

SMBC Group

SMBC Group develops and supplies financial solutions and products for customers engaged in addressing various social issues, notably climate change and other environmental issues through promotion of energy and resource conservation and countermeasures for global warming.

Please visit the link below for more details on SMBC Group's financial solutions lineup

[➤ SMBC Group Businesses and SDG](#)

3. Initiatives for Environmental Protection Through Investment

SMBC

In October 2017, SMBC invested in Tokyo Green Bonds (*) issued by the Tokyo Metropolitan Government, an initiative for contributing to society through asset management.

*Green bonds are bonds issued to raise funds for green projects. Tokyo Green Bonds have been assessed by an independent institution as being consistent with the characteristics of "green bonds" as defined by the International Capital Market Association (ICMA).

The bank plans to allocate funds raised through the issue of Tokyo Green Bonds to environmental measures, urban development projects based on smart energy and a vision of the cool, clean and pleasant city, and projects for adapting to the impact of climate change.

Bond name	Tokyo Green Bond (5-yr. / 30-yr.), first issue
Ratings	A+(S&P)
Total amount issued	¥10.0 billion

SMBC will continue to contribute to the sustained development of society as a whole through initiatives for the environment, which SMBC Group has specified as one of its key priority issues, and will continue to work to secure investment income and raise corporate value through diverse investment initiatives for more highly advanced, multifaceted forms of investment and by demonstrating its core functions as an institutional investor.



SMBC: Invested in Tokyo Green Bonds issued by the Tokyo Metropolitan Government (Japanese only)

Management of Environmental Risks

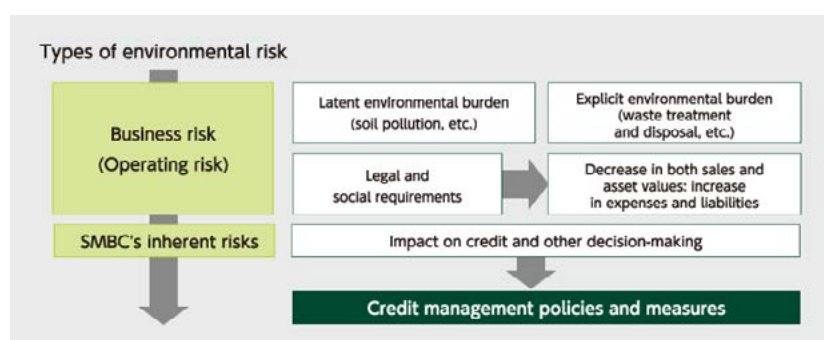
Managing environmental risks is one of the SMBC Group's three key environmental themes. As a global financial group, SMBC is working to strengthen its structure for managing environmental and social risks.

Environmental Risks that Financial institutions should Address

Financial institutions confront various types of environmental risk including:

- Credit risks associated with a deterioration in the customer's debt repayment capability. This can be attributed to such factors as the suspension of business operations due to a breach of environmental regulations and restoration expenses incurred as a result of soil pollution.
- The risk of a decline in the value of assets due to the disclosure of soil pollution or asbestos in real estate as collateral.
- Lender liability risks that accrue to the lender in connection with business and other loan proceeds that adversely impact the environment.
- Reputation risks attributable to any of the aforementioned.

SMBC has adopted the Equator Principles, a set of principles for determining, assessing and managing social and environmental risks in finance to large-scale development projects and has established the Environment Analysis Department (ENAD) to assess the social and environmental risks in accordance with the principles.



Establishing policies for each business

SMBC Group

We believe it is important to consider the environmental and social risks when conducting credit assessment. Therefore, in the Credit Policy of SMBC, which contains our overall financing policy, guidelines and rules, we declare that we will cease to provide financial support to borrowers engaged in businesses contrary to public responsibility, or which may have a significant negative impact on the global environment.

For large-scale projects, which may potentially exert a major impact on the environment and society, we will continue to comply with Equator Principles, a set of guidelines developed by private-sector financial institutions for managing environmental and social risks related to financing large-scale projects, and conduct appropriate environmental and social risk assessments through our Environment Analysis Department. Set out below are our approaches for specific sectors, considering the impact to the environment and the society.

SMBC Group companies (SMBC Nikko Securities, SMFL, and SMBC Trust Bank) also introduced policies for each business to strengthen their risk management structures further.

For details, please visit the Equator Principles' official website below.

[Working with the Equator Principles](#)

1. Defense manufacturing, cluster munitions, and other armament

In light of the massive loss of life caused by cluster bombs, we prohibit financial support for manufacturers of cluster munitions. For other slaughter weapons, we confirm that the respective loans are not being utilized for the purpose of those manufacturing.

2. Palm oil plantation developments

As part of our efforts towards conservation of forest resources and biodiversity as well as prevention of human rights violations, we will not provide financial support to Palm Oil plantation companies that are involved in illegal logging and/or human rights violations such as child labor. We will check that internationally accepted external certifications such as RSPO (Roundtable on Sustainable Palm Oil), or other equivalent standards are obtained or expected to be obtained to support sustainable palm oil development. For clients who are not certified yet, we will recommend and support their effort in obtaining such certification.

3. Deforestation

We will not provide financial support to projects which are involved in illegal logging and/or land clearing activities that do not safeguard environmental protection or which are against local laws and regulations.

For large-scale development projects, we will continue to review and evaluate the environmental risks, including if they entail clearing of primary forests and/or the destruction of local ecosystems in accordance with the Equator Principles.

4. Coal-fired power plants

As part of our efforts to combat climate change, we have established a policy for financing coal-fired power plant projects. According to IEA's report, in some Asian countries, new constructions of coal-fired power plants are still recognized, since in such regions, coal is still positioned as an important energy source to their economy for reliable electricity access. However, in advanced countries, the transition to a low carbon society is progressing and the Japanese Government has announced the 80% reduction of GHG emission target by 2050.

To ensure a smooth transition to a low carbon society, our policy for new financing will be limiting financial support to only coal-fired power plants that use USC (*) or more advanced technologies which are considered highly efficient.

For projects which we have already committed support; from the perspective of energy shortage solution in emerging countries, or when the Japanese government or Multilateral Development Banks support are confirmed will be considered prudently as exceptions.

(*) Ultra-supercritical (i.e., with a steam pressure > 240 bar and ≥ 593°C steam temperature) or Emissions < 750 g CO₂/kWh

Simultaneously, we will continue supporting our client's improvement of existing facilities and introduction of advanced clean technologies such as generation plants equipped with CCS (Carbon Capture and Storage), etc., as part of our efforts toward the reduction of GHG emission. We will continue to pay attention to government policies and efforts toward climate change, and review our policy on a regular basis.

5. Soil contamination and asbestos

To mitigate the risk of soil contamination at real estate collateral, we require soil contamination risk assessment to be performed on real estate collateral that meets certain conditions. For collateral for which the risk is determined to be high, an amount equivalent to the level of risk is deducted from the valuation. The same approach is used for asbestos risk.

For concerns about asbestos risk at collateral properties, an amount equivalent to the risk is deducted from the valuation based on conditions stipulated by SMBC, and we recommend our clients to conduct an investigation. We perform investigations related to asbestos risk for our own branch properties, and once asbestos is found, appropriate removal work is conducted.

Reduction of Environmental Impacts

The three pillars of the environmental activities of the SMBC Group are Promotion of Environmental Businesses, Management of Environmental Risks, and Reduction of Environmental Impact. Each group company sets targets for Reduction of Environmental Impact and implements diverse measures.

Main Measures

1. [SMBC Group Environmental Data ▼](#)
2. [Reducing Energy Consumption ▼](#)
3. [Reducing Environmental Impact Through Our Businesses ▼](#)
4. [Paper less initiatives ▼](#)
5. [Environmental Features in Buildings ▼](#)
6. [Other Initiatives to Reduce Environmental Impact ▼](#)

1. SMBC Group Environmental Data

SMBC Group

The SMBC Group is working to further promote environmental activities by visualizing them. As a part of this process of visualization, we have disclosed environmental impact data from company office activities. We have obtained third-party certification of our data from the Japan Quality Assurance Organization. As well, SMBC has expanded the scope of disclosure to environmental accounting.

➤ [Environmental Impact Data of SMBC Group Companies](#)

➤ [Environmental Accounting at SMBC](#)



Fiscal 2018 Greenhouse Gas Emissions Verification Report (188KB)

Total CO₂ Emissions of SMBC Group

Measurement Items		Units	Fiscal 2016	Fiscal 2017	Fiscal 2018
Direct energy consumption	City gas	Thousand m ³	2,406	2,479	2,225
		t-CO ₂	5,400	5,566	4,993
	Liquefied petroleum gas (LPG)	t	11	10	10
		t-CO ₂	32	31	29
	Heavy fuel oil	kl	106	131	94
		t-CO ₂	287	355	256
	Light oil	kl	5	3	1
		t-CO ₂	14	7	1
	Kerosene	kl	45	46	44
		t-CO ₂	112	114	109
	Gasoline (automobile)	kl	4,721	4,759	4,013
		t-CO ₂	10,958	11,047	9,316
Indirect energy Consumption	Electricity(*3)	Thousand kWh	326,851	323,731	291,043
		t-CO (emission coefficient)	165,103	162,148	135,916
	Steam	GJ	28,670	30,538	30,785
		t-CO ₂	2,117	2,200	2,235
	Hot water	GJ	2,994	3,600	3,397
		t-CO ₂	210	244	232
	Cold water	GJ	38,866	45,680	48,986
		t-CO ₂	2,411	2,834	3,022
Other energy consumption	CO ₂ emissions from business trips(*4)	t-CO ₂	17,402	17,780	18,432
	Water supply	Thousand m ³	31	34	36
	Sewage	Thousand m ³	33	33	36
	Total water and sewage	Thousand m ³	2,658	2,594	2,662
		t-CO ₂	1,195	1,165	1,195

Measurement Items		Units	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total	Direct energy CO ₂ emissions	t-CO ₂	16,803	17,120	14,703
	Indirect energy CO ₂ emissions	t-CO (emission coefficient)	169,841	167,426	141,424
	Other CO ₂ emissions	t-CO ₂	18,597	18,945	19,628
	Total CO ₂ emissions	t-CO ₂ (emission coefficient)	205,241	203,490	175,755
	Total CO ₂ emissions (per m ²)	t-CO ₂ /Thousand m ² (emission coefficient)	123	119	106

[Scope of data]

* Each item is simply the sum of the values of the following group companies. Sumitomo Mitsui Banking Corporation, SMBC Trust Bank, Sumitomo Mitsui Finance and Leasing, SMBC Nikko Securities, SMBC Friend Securities(*1), Sumitomo Mitsui Card Company, Cedyna Financial Corporation, SMBC Consumer Finance, The Japan Research Institute, Sumitomo Mitsui DS Asset Management Company, THE MINATO BANK(*2), and Kansai Urban Banking Corporation(*2)

(*1) Merged with SMBC Nikko Securities as of January 2018.

(*2) Excluded from the Group as of April 2018.

[CO₂ conversion method]

(*3) Actual emission factor for each electric business company is used.

(*4) Uses conversion factors from MINISTRY OF THE ENVIRONMENT's "Database on emission intensity for organization such effect as greenhouse gas emissions from calculate through supply chain (ver 2.2)".

(*5) Others uses "Support tool of Calculating CO₂ Emissions from Energy Use" provided by the Agency for Natural Resources and Energy.

[Third party verification]

These data are being tested third-party certification from the Japan Quality Assurance Organization.

2. Reducing Energy Consumption

Medium/Long-Term Reduction Target for Electricity Consumption

SMBC

Approximately 90% of the energy used by SMBC is electricity. The bank is therefore prioritizing efforts to reduce power consumption in order to lower its overall energy consumption. Since fiscal 2013, SMBC has conducted these initiatives with a target of reducing its electricity consumption intensity (electricity consumption / total floor area) in fiscal 2020 by 10.5% compared to fiscal 2009. This target has been established by the Japanese Bankers Association for the banking industry as a whole in the Japan Business Federation's "Commitment to a Low-Carbon Society" action plan. In fiscal 2015, a new target was established, reducing the electricity consumption intensity (electricity consumption / total floor area) in fiscal 2030 by 19.0% compared to fiscal 2009. SMBC is continuing its efforts to conserve electricity and achieve the target.

SMBC Nikko

SMBC Nikko Securities has set an environmental goal to reduce the amount of electricity used per 1 m² of floor space by more than 10% by fiscal 2020 as compared against fiscal 2009, and reduce usage by more than 20% by fiscal 2030. This goal is a standard set for the securities industry by the Japan Securities Dealers Association in their Securities Industry Action Plan for Environmental Issues.

Compliance with Amended Energy Saving Act

SMBC

As a company (enterprise) with annual energy consumption (crude oil equivalent) of 1,500 kiloliters or more, under the Energy Saving Act SMBC is required to develop an energy management system, create a medium/long-term plan and reduce its energy consumption intensity by 1% or more each year. SMBC is not only firmly fulfilling these obligations but also conducting measures that include management practices based on the act and reduction of energy consumption at individual branches and offices.

Publication of Carbon Reduction Report for Small and Medium-Sized Facilities

SMBC

Global warming countermeasures at offices and branches in Tokyo are reported along with CO₂ emissions in accordance with the Tokyo Metropolitan Government's Tokyo Carbon Reduction Reporting Program.



Bureau of Environment, Tokyo Metropolitan Government: Tokyo Carbon Reduction Reporting Program for small and medium-sized (Data of SMBC) (Japanese only)

3. Reducing Environmental Impact Through Our Businesses

Environmental Considerations in Leasing

SMFL

Sumitomo Mitsui Finance and Leasing is completely in compliance with environment-related laws and regulations to prevent contamination of the environment due to illegal disposals of industrial waste materials triggered by the expiration of leases. In addition, multi-phased assessments of disposal contractors, mainly in terms of compliance, local research and interviews, are conducted annually in order to prudently select the most appropriate company that handles transportation and disposing of waste materials at the time of the expiration of a lease.

For details regarding various activities, please refer to SMFL's website.



SMFL: Environmental Activities (Compliance with Environment-Related Laws and Regulations) (Japanese only)

Initiatives for Reducing Environmental Impact of Credit Cards

Cedyna

For a material to make its credit cards, Cedyna actively uses a resin called PET-G that releases no harmful gases when burned. In addition, when cards are disposed of, a recycling process is used to extract the rare metals contained in the IC chips.

4. Paper less initiatives

Paperless Initiative Through Devices in Store Operations

Paperless application procedures not only reduce environmental impact and raise customer convenience, they also eliminate the risk of information leaks connected with disposal of paper application forms. Rigorous management of the digitized data through access restrictions and other measures also further strengthens protection of customers' personal information. There are advantages in terms of administrative efficiency as well, such as a smoother screening process, so a number of Group companies are actively involved in this initiative.

SMBC

SMBC has been undertaking efforts to improve hospitality by implementing paperless branches that utilize cutting-edge technology to improve services for our customers. The Ginza branch that was reopened inside GINZA SIX in April 2017 achieved digitalization of store services by using in-store transaction navigation, electronic signatures, and electronic seals.

In addition, this initiative was evaluated by the Japan Institute of Information Technology and received an award of excellence in the Service & Hospitality Awards from the Institute in 2017, and the highest award of merit for the same program in 2018.



Eliminating Paper through electronic contract service (SMBC Brazil)

SMBC Brazil promotes electronic contract, where we used to have paper contract. This initiative contributes not only to paperless, but also to reduce processing time.

SMBC Brazil intend to continue raising customer satisfaction, and reducing environmental impact.

Paperless Application Procedures

SMBC

Cedyna

SMBCCF

Cedyna has been promoting conversion from conventional duplicate application forms to paperless credit card application tools that reduce environment impact. The company provides affiliated merchants with systems and so forth for completing applications using Internet products and tablet devices, such as the online credit system Cedyna C-Web, which enables applications to be completed online, and the Digital Pen ECO pen with an infrared camera, which is used with a specialized contract form (application form). When a tablet device is used, the entry method is simple, corrections are easy, and member application procedures are simplified, which reduces the burden on customers as well.

SMBC Consumer Finance is improving customer convenience through digitalization as well as reducing the consumption of resources by actively expanding the App Loans service to promote cardless transactions. The SMBC account opening app for smartphones allows customers to open an account easily with just ID and a smartphone. All of these services not only offer greater convenience to our customers, but help to cut usage of paper resources.



Paperless Statements

SMBC

SMCC

Cedyna

SMBCCF

SMBC, SMCC, Cedyna and SMBC Consumer Finance encourages customers to switch to the "Web Account Statement Service" and "Web passbook" which allow customers to view their statements online rather than receiving a paper version by mail, as a way for them to participate in environmental initiatives.

SMBC provides an e-report service that enables customers to use the Internet to view reports that would normally be sent in the mail, such as for investment products and loan products.

5. Environmental Features in Buildings

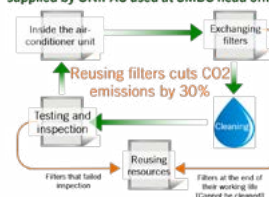
SMBC

Implementing company rules to reduce environmental impact

SMBC actively selects buildings with environmental features for its branches and offices. The head office building has rainwater storage tanks, solar power facilities, a rooftop garden and human sensors, and makes use of recycled materials. These various environmental features and facilities are designed to give the building 30% lower annual CO₂ emissions than the average leased office building in Tokyo.

For example, SMBC has reduced 187 tons in carbon per year as a result of recycling high efficiency filters for air conditioning systems and energy-saving effects.

Cleaning and recycling system for air-conditioner filters supplied by UNIPAC used at SMBC head office



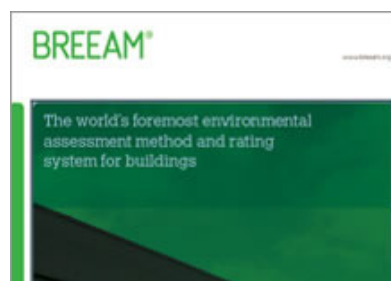
SMBC East Tower, which opened in the summer of 2015, has the environmental features on the head office building with the addition of all LED lighting and improved exterior wall performance. These features enable a 35% reduction in annual CO2 emissions compared to the average leased office building in Tokyo. Thanks to these environmental facilities and features, the building has earned an "S" rank in the CASBEE rating system for building environmental performance and a "Platinum" rating from LEED-CI, an international environmental certification program.



The Osaka head office building underwent a major renovation that finished in fiscal 2015. We installed high performing exterior wall frames, LED lighting, and solar panels to substantially improve the environmental performance while retaining the original charm of the facilities.



Initiatives are also being conducted overseas to select and use buildings with environmental features and facilities. The Brussels Branch in Belgium is housed in a building certified through the BREEAM method (Building Research Establishment Environmental Assessment Method) for assessing building environmental performance.



6. Other Initiatives to Reduce Environmental Impact

Implementing company rules to reduce environmental impact

SMBC

SMBCCF

SMBC is promoting initiatives to conserve resources at every stage, from product purchase to use, disposal and recycling. For example, for copy paper, which is used in large quantities by banks, SMBC purchases paper that is environmentally considerate and conforms with the Act on Promoting Green Purchasing. To do this, the bank confirms that the paper has been produced appropriately and that its raw materials have been procured appropriately based on the environmental policies disclosed by suppliers. At the usage stage, SMBC works to reduce consumption by promoting paper-free meetings and maintaining its Basic EMS Rules*. At the disposal and recycling stages as well, initiatives are promoted based on targets set for paper waste reduction.

*Overview of Basic EMS Rules

When using copiers and printers:

- Print only the necessary number of sheets by reducing the size, using double-sided copying, etc.

For saving energy:

- Set moderate temperatures: 28°C or above for air conditioning, 20°C or below for heating

SMBC Consumer Finance implements measures to conserve resources, save energy, and separate waste based on its own Eco Rules*.

*Examples of Eco Rules

- Promote meetings that are paperless
- Turn off your monitor when leaving your desk and shut your PC down if you are absent for a long period.

Green Purchasing

SMBC Nikko

SMBC Nikko promotes the practice of "green" purchasing when it buys office supplies and other items. This involves closely considering the necessity of the purchase in light of the environmental impact and then selecting items that minimize the impact to the extent possible.

Utilizing monitors and recycling office supplies

SMBC Trust

SMBC Trust Bank uses monitors and other means to undertake initiatives to conserve resources and reduce waste matter, such as using double-sided printing to condense the quantity of paper used for printing and setting up recycling boxes for office supplies, to utilize limited resources with maximum efficiency.

Response to climate change(Working on TCFD Recommendations)

Climate change is one of the primary global issues to be addressed in the 21st century. Based on this recognition, the Paris Agreement was adopted and came into force in 2016. In order to attain the long-term goals set under this agreement, including restricting the rise in average global temperature to within two degrees Celsius above preindustrial levels, countries have presented their greenhouse gas emission reduction targets to the United Nations and are implementing relevant measures. Developed countries are pressing forward with measures to create a decarbonized society while according to the report by International Energy Agency (IEA), constructions of new coal-fired power plants are still underway in some Asian countries. In addition, the Japanese government has set the target of reducing the country's greenhouse gas emissions by 80% by 2050.

We have announced our support of the TCFD (*1) at the "One Planet Summit" held in Paris in December 2017. Simultaneously, we will continuously support our customers in their efforts to reduce greenhouse gas emissions by such measures as promoting the introduction of environment-friendly technologies through their business operations. Being committed to reducing greenhouse gas emissions, we will conduct business in a manner that contributes to the growth of both our customers and society, and will further enhance our actions towards climate change.

(*1) The Task Force on Climate-related Financial Disclosures (TCFD) was established by the Financial Stability Board(FSB) in April 2015 to urge individual companies to disclose their impact on climate change in their financial reports.

[Working on the Task Force on Climate-Related Financial Disclosures \(TCFD\) Recommendations ▼](#)

[Governance on Climate Change ▼](#)

[Impact of Climate-Related Risks and Opportunities on the Organization's Businesses ▼](#)

[Management of Climate-Related Risks ▼](#)

Working on the Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations ▼

We have summarized our thinking on climate change, which has also been categorized into the four thematic areas of disclosure set out by the TCFD (Governance, Strategy, Risk Management, and Metrics and Targets).

Content and Location of Disclosure Consistent with TCFD Recommendations

Overview of TCFD Recommendations	References (click on link to relevant page)
Disclose the organization's governance regarding climate change-related risks and opportunities.	
Describe the board's oversight of climate change-related risks and opportunities.	<ul style="list-style-type: none"> • Governance on Climate Change • Sustainability Management
Describe management's role in assessing and managing climate change-related risks and opportunities.	<ul style="list-style-type: none"> • Governance on Climate Change • Sustainability Management
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning where such information is material.	

Describe the climate-related risks and opportunities that the organization has identified over the short, medium, and long term.	<ul style="list-style-type: none"> • Impact of Climate-Related Risks and Opportunities on the Organization's Businesses • Promotion of Environmental Businesses • SMBC Group Green Bond
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<ul style="list-style-type: none"> • Impact of Climate-Related Risks and Opportunities on the Organization's Businesses • Promotion of Environmental Businesses • SMBC Group Green Bond
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<ul style="list-style-type: none"> • Impact of Climate-Related Risks and Opportunities on the Organization's Businesses
Disclose how the organization identifies, assesses, and manages climate-related risks.	
Describe the organization's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> • Management of Environmental Risks
Describe the organization's processes for managing climate-related risks.	<ul style="list-style-type: none"> • Management of Environmental Risks
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<ul style="list-style-type: none"> • Management of Climate-Related Risks
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> • Reduction of Environmental Impacts
Disclose greenhouse gas emissions and the related risks of Scope 1, Scope 2, and Scope 3 if appropriate.	<ul style="list-style-type: none"> • Reduction of Environmental Impacts
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<ul style="list-style-type: none"> • Reduction of Environmental Impacts

Governance on Climate Change

Our Group Environmental Policy recognizes the importance of realizing a sustainable society. To this end, the SMBC Group is making continuous efforts to harmonize environmental preservation and pollution prevention with corporate activities.

Our policies on climate change are reflected in our business strategy based on discussions of the Corporate Sustainability Committee and Management Committee, while details of our sustainability initiatives are regularly reported to the Board of Directors. Under this structure, we capture business opportunities and control the risks presented by climate change.

Impact of Climate-Related Risks and Opportunities on the Organization's Businesses

[Physical Risks]

There is a risk that the increase in extreme weather associated with climate change will negatively affect our customers' business. In light of frequent climate change-related natural disasters in Japan in recent years, SMBC performed a climate change scenario analysis for physical risks to assess impacts through 2050.

Our analysis specifies as the risk event water disasters such as storms and flooding, which account for the majority of climate change-related natural disasters. We apply the RCP (*2) 2.6 (2°C scenario) and RCP8.5 (4°C scenario) scenarios used by the Intergovernmental Panel on Climate Change (IPCC) as greenhouse gas concentration pathways used as the basis for research. SMBC uses this analysis to calculate the estimated increase in credit-related costs for its corporate customers associated with water disasters in Japan through 2050, taking into consideration the effects on collateral held by SMBC and customers' financial condition as well as the probability of a water disaster occurring (*3) in each climate change scenario. Based on our analysis, the estimated increase in credit-related costs through 2050 was 30-40 billion yen, or a simple annual average of approximately 1.0 billion yen. We thus conclude that at this stage, climate change-related water disasters will have a limited impact on SMBC's financial condition in a particular year.

The results of the above calculations are tentative, based on certain assumptions for natural disasters and analysis targets. Going forward we intend to analyze risk volume in greater detail while expanding the scope of analysis.

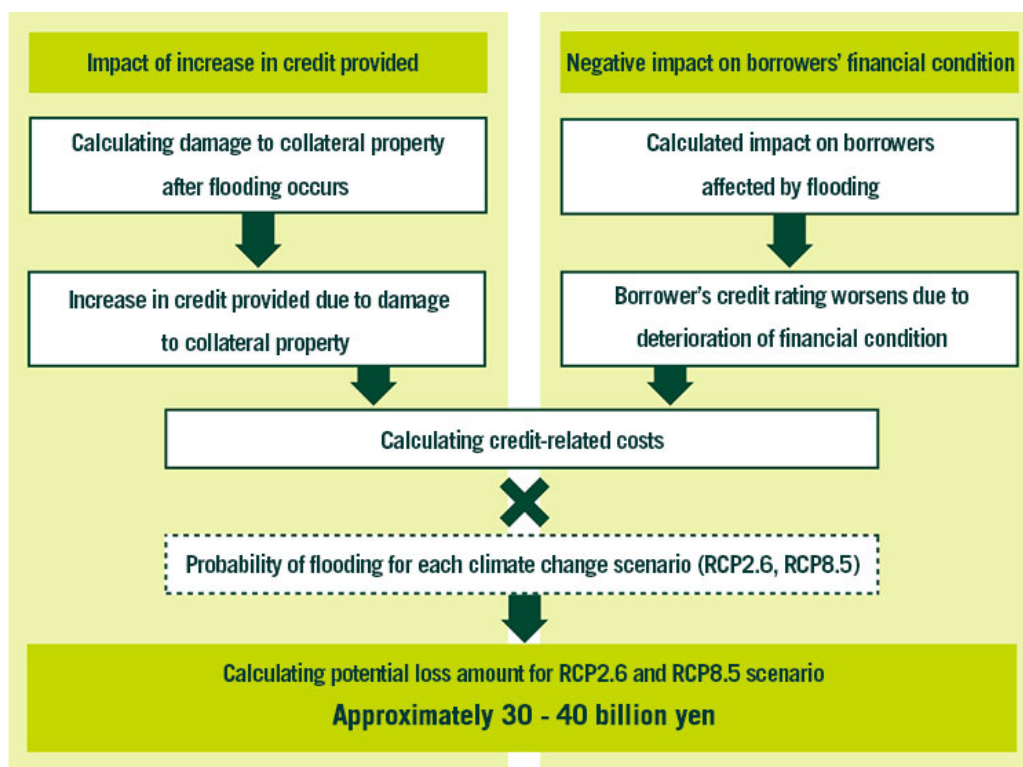
(*2) Representative Concentration Pathways Scenario

For example, RCP2.6 assumes radioactive forcing (the difference between energy absorbed by the earth and radiated back into space, which influences changes to the earth's climate system) is 2.6w/m2.

(*3) Based on data from the paper below

"Hirabayashi Y, Mahendran R, Koirala S, Konoshima L, Yamazaki D, Watanabe S, Kim H and Kanae S (2013) Global flood risk under climate change. Nat Clim Chang., 3(9), 816-821. doi:10.1038/nclimate1911.

< Process of Analyzing Physical Risks >

**[Transition Risks]**

In the process of transition to a low-carbon society, we anticipate risks of a decline in the value of affected assets (asset stranding). SMBC conducted a climate change scenario analysis for transition risks based on Carbon-related assets^{(*)4}, which account for 7.8% of all loans by SMBC. In this analysis, We apply Stated Policies Scenario ^{(*)5} and 2°C Scenario ^{(*)6}, which are stated by the International Energy Agency (IEA).

In addition, by estimating the impact on credit risk of each sector from the expected changes in resource prices and demands including crude oil and natural gas, and power generation costs ^{(*)7} in each scenario, total credit costs expected by 2050 is estimated. Under the 2°C scenario, estimated credit costs are expected to increase approximately 2~10bn yen per fiscal year on or before 2050, compared with stated policy scenarios. This is first step in the scenario analysis, and SMBC Group will continue to strive to enhance it.

In the future, we will support for the customers' efforts to their climate change resilience in the period of transition to a low-carbon society.

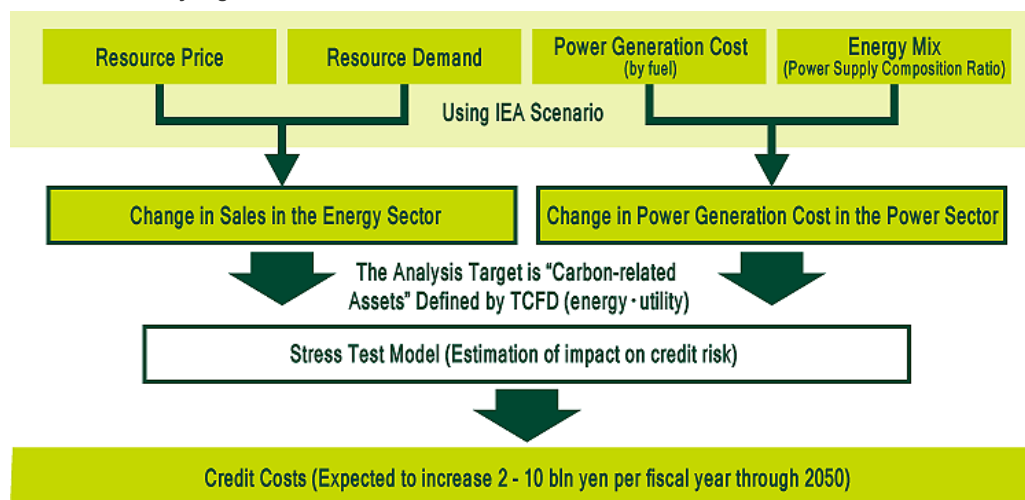
^{(*)4} TCFD: The Task Force on Climate-related Financial Disclosures defines carbon-related assets as those of the energy and utilities industries (excluding water companies, independent power producers, and renewable energy companies) in the Global Industry Classification Standard (GICS).

^{(*)5} A scenario assuming that energy plans currently stated by governments will be implemented

^{(*)6} A scenario in which the global average temperature increase from before the Industrial Revolution to 2100 is held to 2°C with a probability of at least 50%

^{(*)7} In Japan, the restarting of nuclear power plant is considered in align with the IEA scenario.

< Process of Analyzing Transition Risks >



[Opportunities]

As we work toward realizing a low-carbon society, we support businesses that help mitigate the effects of climate change such as renewable energy and green building projects, the creation of cities and regions with infrastructures resilient to natural disasters, and efforts to build sustainable lifestyles. Amid expectations that the market for these climate change-related businesses will grow, we arranged project finance of around 520 billion yen in renewable energy in fiscal 2018. We are actively supporting these projects, having made it to the top of the Project Finance league table (*8) in this category.

We also issue Green Bonds in accordance with the green bond framework pursuant to the Green Bond Principles established by the International Capital Market Association (ICMA) and Green Bond Guidelines published by the Ministry of the Environment, Japan, as a way to contribute toward the promotion of environmental businesses and reduce environmental impact in Japan and overseas. We will continue our efforts to work with our customers to solve climate change-related problems by supporting the issue of Green Bonds by our customers and providing investment support services.

(*8) Results of IJ Global's 2018 Project Finance League Table

Physical Risks	Transition Risks	Opportunities
Physical Risks Based on Scenario Analysis (Credit-related costs expected to increase) 30-40 billion yen (Accumulated through 2050)	Transition Risks Based on Scenario Analysis 2~10 billion yen (Per year through 2050) Exposure to carbon-related assets (As of March 2019) 7.8%	Value of renewable energy projects financed 520 billion yen

Management of Climate-Related Risks

As a framework for risk management, SMBC Group follows the procedures of PDCA (Plan, Do, Check, Act) to identify external environmental and risk events, analyze their impact, and establish a system to undertake necessary management.

Recently, events related to climate change, such as the occurrence of large-scale disasters due to extreme weather and the deterioration of carbon-related assets in accordance with transition to a low-carbon society, have been newly selected as top risks. Under this framework, efforts to strengthen scenario analysis and consider countermeasures at the management level have begun. These measures are reported to the Management Committee and the Risk Committee and reviewed by external directors at Board of Directors meetings.

Going forward we remain aware of the increasing emergence of the effects of climate change, strive to understand the external environment and the risks on our business, and take action as appropriate.

SMBC Group Green Bond

Sumitomo Mitsui Banking Corporation (SMBC) Group is a major issuer of green bonds both domestically and in international markets. SMBC Group strives to further contribute to the sustainability and improvement of the global environment through green bonds issuance.

SMBC Group applies the net proceeds of green bonds to finance qualifying renewable energy generation and energy efficiency projects.

SMBC Group has a strong track record in providing project finance for renewal energy (solar energy, wind energy, etc.) both domestically and internationally.



Track Record of Green Bond Issues

In October 2015, SMBC, SMBC Group's main operating bank, issued USD denominated green bonds. It was the first green bond issuance among Japanese private financial institutions. Since then, SMBC Group regularly issues green bonds; as of June 2019, the outstanding amount of the five issuances stands at USD 1.9 billion equivalent.

 [Green Bonds Issued by SMBC Group](#)

Green Bond Framework

The green bonds were issued and managed by SMBC Group in accordance with its green bond framework pursuant to "Green Bond Principles" established by the International Capital Market Association (ICMA) and "Green Bond Guideline" published by the Ministry of the Environment, Japan.





Framework	Opinion
 SMBC Group Green Bond Framework	 SMBC Group Green Bond Framework-opinion

Annual Reporting

As of Mar. 2019

Issuer	Investor Report	External Reviews	Management Assertion
Sumitomo Mitsui Financial Group	 FY3/2019 Annual Report	 Sustainalytics Annual Review SMFG 2017	 Management Assertion SMFG
Sumitomo Mitsui Banking Corporation		 Sustainalytics Annual Review SMBC 2018  KPMG Assurance Report SMBC 2015	 Management Assertion SMBC

Allocation of Proceeds and Impact Assessment Report

Reporting Archive Close			
SMFG green bonds			
As of	Disclosure date	Review report	Allocation and impact report
March 31, 2018	July 31, 2018	 Annual Review 2018	➤ SMFG Green Bonds Monitoring Report (As of March 31, 2018)
SMBC green bonds			
As of	Disclosure date	Assurance report	Green impact report
March 31, 2016	October 12, 2016	 KPMG assurance report (3.210KB)	➤ SMBC Green Bonds impact Report 2016
March 31, 2017	August 25, 2017	 KPMG assurance report (1.261KB)	➤ SMBC Green Bonds impact Report 2017
March 31, 2018	September 5, 2018	 KPMG assurance report (467KB)	➤ SMBC Green Bonds impact Report 2018

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SMFG Green Bond Framework

SMBC Group i) sets criteria for eligible Green Project, ii) evaluates and selects Eligible Green Projects, iii) manages green bond proceeds, and iv) publishes relevant reporting, under the green bond framework detailed below.

1. Eligibility criteria to qualify as a green project

To qualify as an Eligible Green Project, a project must meet all of the following conditions.

- (1) The project is categorized as at least one of the Eligible Green Project Categories (A) to (E) below.
- (2) The project is categorized as Category (B) or Category (C) under the Equator Principles as published by the Equator Principles Association.
- (3) An existing or new project which SMFG (or, SMBC, as the case may be) has agreed to lend (a) during the 24 months prior to the relevant issue date of a green bond or (b) after the issue date of a green bond.

Eligible Green Project Categories

(A) Renewable energy	Projects to develop, construct and operate solar, wind, geothermal and biomass power generation facilities (restricted to sustainable feedstock and/or waste materials) and small-scale renewable hydropower generation facilities with capacity of 25 megawatts or less
(B) Energy efficiency	Projects related to energy conservation equipment, such as LED lighting, efficient HVAC, building insulation materials and power consumption control systems
(C) Green buildings	Projects to construct and repair green buildings with a rating of at least Gold by LEED, ^{*1} Excellent by BREEAM ^{*2} or A Level by CASBEE ^{*3}
(D) Clean transportation	Projects related to public transportation, rail transport, non-motorized transport (automobiles, etc.), manufacturing of electric vehicles and the development, operation and upgrade of infrastructure/technology for the expansion and improvement of integrated transport
(E) Pollution prevention and control	Projects related to the development, construction and operation of facilities for pollution prevention and waste management, such as waste recycling and power generation from waste

*1 LEED: Leadership in Energy and Environmental Design

*2 BREEAM: Building Research Establishment Environmental Assessment Methodology

*3 CASBEE: Comprehensive Assessment System for Built Environment Efficiency

For clarification purposes, the following are excluded from the Green Bond Framework: fossil fuel based assets, fossil fuel based transportation / infrastructure and transportation with the main objective of transporting fossil fuel, defense and security, palm oil, wood pulp, nuclear power generation, coal-fired power generation as well as all mining and tobacco sectors.

2. Project evaluation and selection process

SMFG's Corporate Treasury Department and SMBC's Planning Department, Treasury Unit worked together with SMFG's Corporate Sustainability Department to establish the criteria for Eligible Green Projects, including Project Categories (A) to (E) above, in conjunction with the support provided by The Japan Research Institute (JRI), the think tank subsidiary of the group with extensive experience and knowledge in environmental fields. SMBC's Structured Finance Department selects the projects which meet the criteria. SMFG's Corporate Treasury Department and SMBC's Planning Department, Treasury Unit decide the eligible project for the green bond. Net proceeds of the green bond are to be allocated to selected eligible projects

SMBC's credit policy, which describes underlying principles in making credit decisions and incorporates environmental risk, stipulates the bank's determination not to lend to projects that may seriously damage the environment. For large-scale projects, SMBC conducts social and environmental risk assessment based on the Equator Principles and implements environmental monitoring through the Environment Analysis Department.

3. Management of bond proceeds

SMBC uses the net proceeds to finance existing or new Eligible Green Projects. The pending allocations will be invested in short-term financial instruments until allocated to Eligible Green Projects.

Also, any of green bond proceeds allocated to projects that have been sold, prepaid, amortised or otherwise become ineligible will be reallocated to other Eligible Green Projects. Further, the payment of principal and interest of relevant green bonds will be made from general funds of SMFG and will not be directly linked to the performance of related Eligible Green Projects.

4. Reporting

(1) Reporting on proceeds allocation

During the term of any relevant green bonds, SMFG/SMBC will publish on a dedicated website information regarding the allocation of bond proceeds and keep such information available at any time. The information shall be updated at least annually until the bond proceeds are fully allocated to Eligible Green Projects and as necessary thereafter in the event of any new development.

The information includes i) allocation amount and loan execution date for each funded Eligible Green Project, and ii) management assertions that bond proceeds are duly allocated to Eligible Green Projects or invested in short-term financial instruments.

(2) Impact reporting

As long as any relevant green bonds are outstanding, SMFG will quantify and publish on a dedicated website the environmental impact of funded Eligible Green Projects, such as the amount of CO₂ reduced, with the support of The Japan Research Institute (JRI). SMFG will keep such information available at any time and update it annually.

Next Generation

SMBC Group's Commitment

SMBC Group

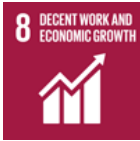


For the development of a sustainable society, it is essential that children, the bearers of the next generation, are raised and educated soundly, that new industries are created, and that healthy economic growth takes place in emerging countries and elsewhere

To realize this, the society must firmly pass on and utilize the wisdom, technologies and assets it possesses to support the growth of the next generation. As a bridge to the future we intend to maximize use of our network to create mechanisms for this.

Through these activities we will contribute to achieving SDGs No 4 (Quality Education), No 8 (Decent work and Economic Growth) and No.9 (Industry, Innovation and Economic Growth).

Some of our initiatives to support the next generation through financial education and collaboration with other organizations are outlined below. Further information on initiatives related to business activities and other programs can be found at the following links.



Management
➤ approach
- Next Generation -

➤ Support for
Growth Industries

➤ Approaches for
resolution
of social issues in
Emerging countries

Promotion of
➤ Financial
Literacy Education

Contributing to regions and societies

1. [SMBC Group Financial Park Day, a financial and career education program](#) ▼
2. ["Hello! Money" Financial Education App](#) ▼
3. [Finance and Economics Seminars for Forming a Sound Consumer Finance Market](#) ▼
4. [Support for Young Artists](#) ▼
5. [Supporting training program for school teachers in Myanmar](#) ▼

1. SMBC Group Financial Park Day, a financial and career education program

SMBC Group

SMBC Group works together to provide financial and career education to enhance the life skills of children who are our future.

In December 2018, SMBC organized SMBC Group Financial Park Day for Tokyo public junior high school students at the Shinagawa Financial Park, which is operated by financial education organization Junior Achievement Japan. Students who took part were each allocated a character (age, family composition, annual income, etc.) for a life simulation exercise, such as choosing a home, buying clothes and food, and other consumption choices related to daily life, learning how to spend money and make decisions. They also engaged in group discussions with SMBC employees about the meaning of work and what makes their careers worthwhile.



2. "Hello! Money" Financial Education App

SMCC

SMCC has released the "Hello! Money" allowance management learning tool, a free app for parents and children for financial education. It helps children to learn the basics of personal finance through the management of their own allowances from an early age. It also provides parents and their children the opportunity to learn together the basics of money-spending, saving and increasing-in a fun way in order to help foster financial literacy in young people.



"Hello! Money" app screen



3. Finance and Economics Seminars for Forming a Sound Consumer Finance Market

SMBCCF

SMBC Consumer Finance holds finance and economics education seminars on topics such as managing household finances, loans and credit, and financial pitfalls. This initiative aims to provide students, the bearers of the future, and local residents accurate knowledge about money to enable them to make appropriate decisions. The seminars are provided primarily at 18 Customer Service Plazas nationwide. As the seminars are designed to meet the needs of local communities and educational institutions, they are requested by many organizations every year. Since their start in 2011, the seminars have been held over 15,000 times and over 880,000 people have participated (as of March 31, 2019).



4. Support for Young Artists

SMBC Trust

SMBC Trust Bank supports the activities of young artists by displaying works created by students from Joshibi University of Art and Design at the Bank's Head Office, as well as works created by students from Osaka University of Arts in Osaka representative offices.

5. Supporting training program for school teachers in Myanmar

SMBC

SMBC supports a UNICEF-run teacher training program in Myanmar to improve the quality of education in the country and nurture human resources to support its development.

In recognition of these initiatives, the Cabinet Office of Japan conferred the Medal with Dark Blue Ribbon on SMBC in May 2018.



Management Approach -Next Generation-

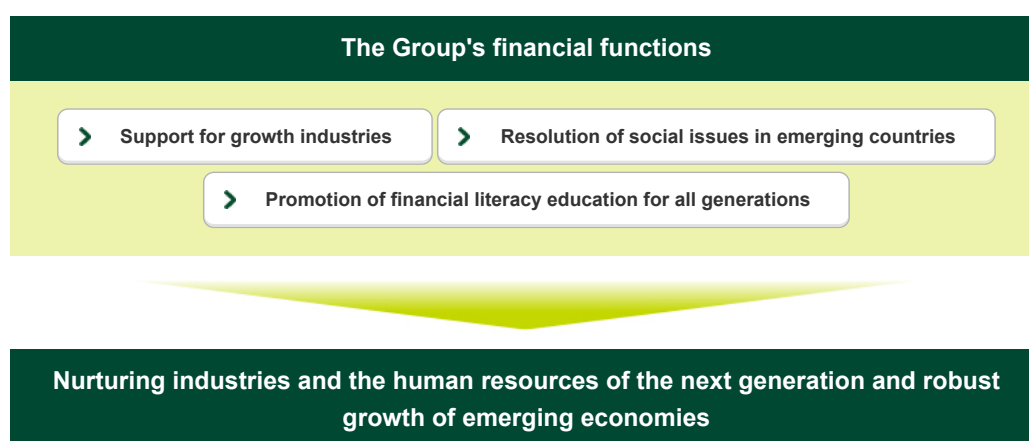
Management Approach

Recognition of Social Issues

Many issues remain that must be resolved to create a vibrant and sustainable society. In developed countries, these include personnel and successor shortages and economic stagnation caused by low birthrates and aging populations, while emerging countries are facing the widening gap between rich and poor in connection with rapid economic development and urbanization, among other issues. The UN's Sustainable Development Goals (SDGs) aimed at addressing global social needs including education, health, social protection and employment opportunities were accepted.

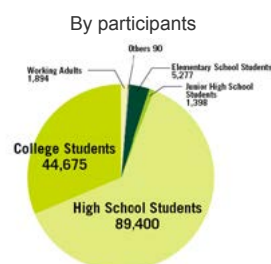
In the financial services field, we are being called upon to promote capacity expansion and financial inclusion through business activities and conduct social risk assessments that include human rights considerations in connection with financing and investing projects.

SMBC Group's Approach



SMBC Group's Management

- In financial services, we promote business activities based on guidelines and principles including the UN Global Compact and Equator Principles initiatives. To improve financial literacy, we are promoting initiatives to increase executive and employee participants in financial and economics education programs.
- Main Indicator : Number of participants in financial and economic education courses run by SMBC Group companies Approx.140,000(cumulative number)



Support for Growth Industries

SMBC Group is working on various measures to foster the next generation to build a vibrant society that strikes a balance between maturity and growth. One of these is support for growth industries, helping new businesses create new technologies and services.

Main Measures

1. [Promote cashless transactions to SMEs around the country ▼](#)
2. [Establish state-of-the-art SMBC Startup Hub to support new startups ▼](#)
3. [Supporting Commercialization as the Foundation of Japan's Growth Strategy ▼](#)
4. [Real Tech Fund: Support for R&D Ventures ▼](#)
5. [Social Impact Bond ▼](#)

1. Help small and medium enterprises (SMEs) adopt cashless transaction systems

SMCC

We support SMEs around the country in adopting cashless payment systems by promoting a payments service provided by U.S. business alliance partner Square, Inc.

Square readers connected to smartphones and tablets provide a simple card payment system that can be installed anywhere, from retail stores to outdoor events. Signing up for the service is also simple, and the system can be used on the same day at the earliest. Payments clear on the next business day at the earliest, making the service almost the same as cash. By installing Square's POS register, user companies can benefit from easy links to inventory management, sales analysis, and accounting software, helping to grow their business by streamlining payments and settlement.

SMBC Group will continue to support Japan's transition to a cashless society by supporting the uptake of cashless payment systems by SMEs.



2. Establish state-of-the-art SMBC Startup Hub to support new startups

SMBC Group

The SMBC Group has established SMBC Startup Hub, an activity base in Shibuya (home to many startups) to improve and develop services for startups where we can work closely with them. SMBC Group head office employees with specialist knowledge of supporting startups are deployed in Shibuya to help startups that are potential global players of tomorrow by providing a range of services dedicated to these companies and offer collaborative open innovation opportunities for startups, major corporations, and overseas organizations.

3. Supporting Commercialization as the Foundation of Japan's Growth Strategy

SMBC

JRI

The Japan Research Institute (JRI) and SMBC has launched the "Incubation & Innovation Initiative," a business consortium of cross-sector alliances, together. The consortium will support the commercialization of highly progressive technologies and business ideas that will form the foundation of Japan's growth strategy. The consortium will also research factors that inhibit innovation and make policy recommendations, for example on designing legal systems and making regulatory reforms that reflect actual conditions, thereby contributing to the further invigoration of Japan's economy.

Please see below for details.

 **Incubation & Innovation Initiative**

(You will be transferred to the Incubation & Innovation website.)

4. Real Tech Fund: Support for R&D Ventures

SMBC Nikko

The Real Tech Fund supported by SMBC Nikko is a venture capital fund created in April 2015 with euglena Co., Ltd. and Leave a Nest Co., Ltd. The aim of the fund is to address environmental and human issues, lend further vitality to the Japanese economy and promote greater investment in Japan by providing comprehensive support-in the form of people, goods and funds-for venture companies with exceptional technologies.

The fund targets venture companies seeking to integrate into society innovative, R&D-oriented technologies ("real tech") that address environment and human issues, in fields such as robotics, biotechnology, the environment and energy, agriculture, new materials and IoT. It plans to conduct investment and development using 7.5 billion yen billion in funds contributed by private-sector companies from various industries.



5. Social Impact Bond

SMBC SMBC Trust

Mitsui Sumitomo Banking Corporation and SMBC Trust Bank began undertaking a Social Impact Bond (SIB) initiative for the purpose of resolving societal issues. In July 2017, SMBC arranged a funding procurement scheme for Japan's first full-scale SIB for a program introduced by Kobe City to prevent exacerbation of diabetic kidney disease and others.

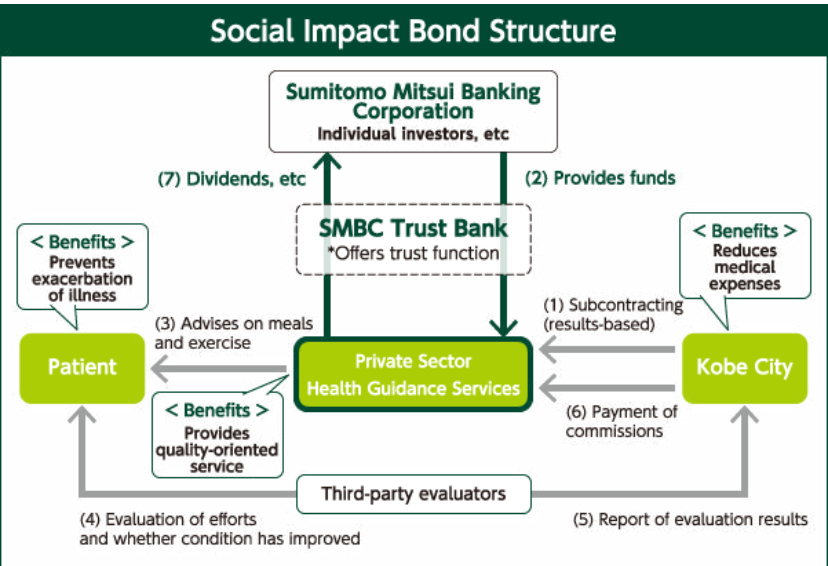
The SIB uses funds collected from private contributors, private businesses then carry out a public service by accepting commissions from an administrative body, etc, and then dividends are returned to the contributors based on results.

Through this funding scheme, we provide financial support for societal issues that impact modern society and regional communities.

< Anticipated Resolution of Societal Issue >

Provide a funding procurement scheme ⇒ Creates opportunities for investment

Health guidance from the private sector ⇒ Prevents exacerbation of illness for diabetic patients ⇒ Medical expenses for Kobe City are reduced



Approaches for resolution of social issues in Emerging countries

SMBC Group views training of the next generation of leaders in emerging countries as crucial for promoting the further development of emerging countries as part of its Asia-centric strategy outlined in its Medium-term Management Plan. The SMBC Group is conducting human resource training programs in collaboration with business partners from Japan and overseas or with NPOs/NGOs and providing scholarship funding support through foundations in each country. Developing human resources who will become global leaders contributes to financial inclusion and development for the entire society.

Main Measures

[1. Signing a Memorandum of Understanding on CSR Activities with Indonesian Company \(SMBC\) ▼](#)

[2. Promoting CSR Activities in Myanmar \(SMBC\) ▼](#)

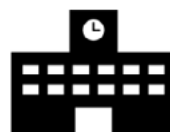
1. Signing a Memorandum of Understanding on CSR Activities with Indonesian Company (SMBC)

SMBC

In Indonesia, SMBC is promoting vocational training programs at the national and regional government level for the purpose of economic development and business skill development for younger generations. On March 26, 2015, SMBC and PT Bank Sumitomo Mitsui Indonesia signed a memorandum of understanding on promotion of CSR activities in Indonesia with the Djarum Foundation in the Djarum Group, one of Indonesia's major corporate conglomerates. With the signing of the memorandum, the two banks have collaborated to support training program improvements and made monetary donations, or employees have donated items, to vocational schools in various types of industries, including maritime, nursing and animation schools, contributing in the education field. In 2017, the respective training schools were recognized as model cases in the country, and SMBC's initiatives were evaluated favorably at their locations. Going forward, we intend to carry out CSR activities in various fields, such as supporting human resource development and Japanese language education.



Supported vocational schools 6 curricula



Number of enrolled students Approx. 2,400 (total)



2. Promoting CSR Activities in Myanmar

SMBC

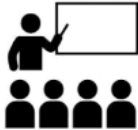
SMBC obtained approval to open a branch in Yangon, which began operations in April 2015. In November 2015, SMBC signed a memorandum of understanding with the Japan Committee for UNICEF ("UNICEF Japan") related to support for a teacher training program being conducted by the Myanmar office of the United Nations Children's Fund ("UNICEF").

Myanmar teachers face a variety of issues such as classes in regions where Burmese is not the mother tongue and combined classes in which a single teacher simultaneously teaches students of different ages and levels. This program provides training to raise skill levels with respect to how to teach in multi-language settings and how to handle mixed-grade classes will therefore help to improve the quality of instruction given to children and also significantly contribute to the development of human resources for the country's future development.

We received a medal of honor with a dark blue ribbon from the Japanese Cabinet Office for this CSR activity. SMBC will continue to be actively engaged in helping develop human resources through teachers, and thereby contribute to the country's further development.



Number of faculty members enrolled in training
Approx. 8,000 (total)



Number of students who received guidance
Approx. 100,000 (total)



Details on the memorandum of understanding related to support for the teacher training program in Myanmar can be found at the following link.

[!\[\]\(9c2e8d1b5bd77cb5c9f83b7a9cff79fd_img.jpg\) **SMBC: Memorandum of understanding concluded with UNICEF Japan on education support in Myanmar \(Japanese only\)**](#)

Please see the link below for the Dark Blue Ribbon Honorable Award

[!\[\]\(f60b7a900783ac3fd531bfd9c111be6d_img.jpg\) **SMBC: Dark Blue Ribbon Honorable Award for the support to teacher training program in Myanmar \(Japanese only\)**](#)

Promotion of Financial Literacy Education

Our awareness of money is changing amid a widening gap between rich and poor and shifting economic conditions. Various problems related to money such as multiple debts and financial crime have emerged in recent years. SMBC Group seeks to create a society where everyone can live safely, equipped with an accurate knowledge of money, by providing financial literacy education for all ages as a group-wide program. Featured below is our hands-on accounting tool and some of our finance and economics education programs for all age groups available online.

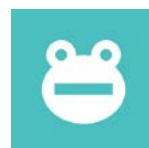
Financial information media and personal finance tools

SMBC Group

SMBC Group publishes articles on personal finance and provides a personal finance tool over the Internet.



➡ **Sumitomo Mitsui Banking Corporation:**
Money VIVA, a Place to Enjoy Learning about Money (Japanese only)
Learn about money and take a step forward toward the future.



➡ **SMBC Nikko:**
Investing information service "Nikko FROGGY" that allows you to buy stocks from the articles (Japanese only).



➡ **Sumitomo Mitsui DS Asset Management Company:**
Learning (Japanese only)
Providing useful information for asset management, such as the basics of investment and financial systems

Financial and Economic Education

SMBC Group

Initiatives of SMBC Group companies

➡ **SMBC: Financial and Economic Education (Japanese only)**

➡ **SMBC Nikko: Financial and Economic Education**

➡ **SMCC : Financial Education (Japanese only)**

➡ **SMBCCF: The Realization of a Lively Society and a Happy and Healthy Lifestyle for People (Japanese only)**

For Elementary School Students

Initiatives for Elementary School Students

Close 

Events for Elementary school Students

SMBC Group Tankentai

SMBC Group

SMBC Group holds the SMBC group Tankentai event in which children and families of employees visit their workplaces and learn about the finance business through experience. The events in fiscal 2018 were held at the Tokyo and Osaka head offices of the SMBC and the head office of SMBC Nikko Securities (Shinmaru Building), with the participation of 293 people from 115 teams in Group companies. During the guided visit at the bank offices, visitors were brought to a bank vault normally unseen by customers and experienced the weight of 100 million yen in real bills, after attending lessons on the finance business and how to count paper money. The guided visit at SMBC Nikko Securities included an encounter with the Paralympic sport of blind soccer and workplace visits. Employees' families were able to better understand what their work entails by actually experiencing the workplace.



Natsuyasumi Kodomo Ginko Tankentai

SMBC

SMBC has conducted the "Natsuyasumi Kodomo Ginko Tankentai" program since 2006. The program that allows elementary school students to learn about and experience actual banking activities. On a tour of the bank, the students take classes from employees and are provided the opportunity to study the basics of finance and banking by experiencing bank teller operations and visiting the ATM and bank vault areas. In fiscal 2018, the program was conducted at three sites, in Tokyo, Osaka, and Fukuoka, and a total of 121 students in 51 groups participated.



 **SMBC: Natsuyasumi Kodomo Ginko Tankentai Bank Tour Program (Japanese only)**

Nikko Family Exciting Experience Day

SMBC Nikko

SMBC Nikko Securities has held the "Nikko Family Exciting Experience Day," a special hands-on social learning program, during children's summer break at its nationwide branches since 2006.

For the program, elementary school students and their families visit the company's branches and learn about the economy, money flows, the social role of financial institutions and more in a fun and exciting way through quizzes, hands-on experiments using information terminals and talks by employees.

Visiting Lectures

SMBC Nikko

SMBC Nikko Securities has sent employees to elementary schools since 2016 to give visiting lectures and get children interested in the economy and finance. Elementary school is considered to be the time when children gradually come to understand the importance and role of money, and through various experiences begin to form a foundation for thriving in society in the future. Employees conduct classes using textbooks and experiential classes using card games for children in fourth through sixth grade.

Bank Tours and Vocational Workshops at Branches

SMBC

SMBC promotes independently planned local community contribution activities by sales branches, and branches around the country hold bank tours, conduct cleanup events around branches and at other outside locations, and participate in community events and other activities.

Support for Finance Seminars, etc,

Support for Student City, an Economics Education Program for Elementary School Student

SMBC Trust

SMBC Trust Bank supports an economics education program called Student City targeted towards elementary school students, with mock bank exhibits featured at institutions and employees dispatched as volunteer staff.

Through this initiative, we support finance and economics education, and cultivate human resources who will bear responsibility for the future.

Support for KidZania Tokyo and KidZania Koshien

SMBC

As an official sponsor of KidZania Tokyo and KidZania Koshien, SMBC Group offers a vocational experience of banking for children. At KidZania Tokyo (in Koto Ward, Tokyo), SMBC has been a sponsor of the company since the park's completion in October 2006, and operates a bank branch that issues the KidZania currency, "kidZos." At the KidZania Koshien branch, which opened in March 2008, in addition to issuing the currency, the bank also runs a program that lets children experience the jobs of bank employees in a fun and interesting way.



For further details, please refer to the following link.

 [KidZania \(Japanese only\)](#)

Parent-Child Financial Seminars at F. League Matches

SMCC

SMCC has held CSR-related events like financial education seminars at Japan Futsal League (F. League) matches since fiscal 2016. The events are for elementary school children and their parents or guardians, with programs that utilize skits to convey the importance of using money in a balanced manner and using it according to a plan in a way that is easy for children to understand. Futsal events are also held. Going forward, SMCC will continue conducting activities to help raise financial literacy while also enlivening local communities through sport.

Submitting a Tool Related to Finance and Economics Education

Hello! Money" Financial Education App

SMCC

SMCC has released the "Hello! Money" allowance management learning tool, a free app for parents and children for financial education. It helps children to learn the basics of personal finance through the management of their own allowances from an early age. It also provides parents and their children the opportunity to learn together the basics of money-spending, saving and increasing-in a fun way in order to help foster financial literacy in young people.



SMCC: "Hello! Money" allowance management learning app for parents and children for financial education (Japanese only)



Publication of "What Does a Bank Do?"

SMBC

In May 2007, in cooperation with Gakken Co., Ltd., we published "What Does a Bank Do?" as a part of a series on learning through comic books and donated copies to approximately 23,000 elementary schools and 3,000 public libraries throughout Japan. "What Does a Bank Do?" uses a comic book format to provide basic explanations of the social roles and history of banks, centering on the three main operations of a bank, deposits, loans, and currency exchange.



For Junior High School and High School Students

Initiatives for Junior High and High School Students

Close 

Hosting Seminars

Cooperation with Company Tours and Visiting Instructors

SMBC

SMBC cooperates with junior high and high schools by providing tours for students and sending employees to serve as visiting instructors. On the tours, students learn about bank operations and the banking vocation through tours of branch operations and the dealing rooms of market sales divisions.

Finance and Economics Seminars for Forming a Sound Consumer Finance Market

SMBCCF

SMBC Consumer Finance holds finance and economics education seminars on topics such as managing household finances, loans and credit, and financial pitfalls. This initiative aims to provide students, the bearers of the future, and local residents accurate knowledge about money to enable them to make appropriate decisions. The seminars are provided primarily at 18 Customer Service Plazas nationwide. As the seminars are designed to meet the needs of local communities and educational institutions, they are requested by many organizations every year. Since their start in 2011, the seminars have been held over 15,000 times and over 880,000 people have participated (as of March 31, 2019).



Cooperating with Educational Facilities

Support for Financial Park

SMBC Group SMBC

SMBC has supported the activities of Financial Park, which offers economic training programs for junior high school students operated by the economic education organization Junior Achievement Japan. Financial Park is a fictitious town where partner companies in various sectors, such as finance, telecommunications, restaurants, and supermarkets, and use specialized facilities to set up booths that simulate actual offices, branches and stores. Students experience and learn about various economic activities through the booths set up within the park to develop their economic understanding. Following the Shinagawa Financial Park that opened in June 2005, a new Financial Park opened in Iwaki City, Fukushima Prefecture in June 2014, and SMBC has set up a booth there as well. In 2018, SMBC Group organized SMBC Group Financial Park Day for Tokyo public junior high school students, offering experiential learning and group discussions with SMBC Group employees about the meaning of work and what makes their careers worthwhile.



For College Students

Initiatives for University Students
Close

Internships and Lecturer Dispatch

Internships for University Students

SMBC

Since 2006, SMBC has been accepting internships as an opportunity for students to consider options for their future occupations. In fiscal 2018, 98 students from 87 universities participated in internships where they experienced on-the-job training in the investment banking business, individual business planning, and market trading.

Visiting Instructors

SMBC

SMBC sends employees to various universities to serve as instructors. They provide lectures based on the needs of each university, ranging from specialized case studies such as environment-related structured finance to topics like women's empowerment. In fiscal 2018, we presented lectures to approximately 4,600 students at 68 universities.

Collaborating with Educational Institutions

Creating Newly Added Value by Cultivating Data Scientists and the Use and Application of Data

SMBC Trust

SMBC Trust Bank, along with the Sumitomo Mitsui Financial Group, concluded an agreement with Shiga University in September 2017 for collaboration and cooperation in education and research fields related to data science. SMBC is also cultivating human resources with expertise and skills in data science by jointly establishing Japan's first data science department with Shiga University in April 2017, dispatching lecturers to the university and accepting student internships. The Group is also undertaking initiatives to create newly added value by the use and application of data collected through shared research in business fields.

Seminar at Kyoto Women's University

SMBC Trust

SMBC Trust Bank held a "Trusts and the Trust Business" lecture at Kyoto Women's University as part of an endowed course.

For Working Adults

Initiatives for Working Adults
Close

Company Tours and Training Sessions

SMBC Nikko

SMBC Nikko Securities provides company tours and training for students and the general public to help them deepen their knowledge of finance and economics. Through program seminars, tours of the company's head office, branches, overseas offices, and other facilities, participants deepen their understanding of lifestyle and money in our society and acquire a variety of knowledge about the role of financial institutions and financial transactions.

Community

SMBC Group's Commitment

SMBC Group



We are committed to working as a citizen of the country and the community to help create a society where senior citizens and people with disabilities can live with complete peace of mind and safe communities where members help and support one another in times of disaster.

Recognizing that the role of a global financial group is to be a bridge to the future, we work with various organizations involved in social issues both in the regions where we do business and more broadly and intend to continue voluntary, employee-led social contribution activities in diverse fields such as finance and education.

Through these activities, we will contribute to achieving SDGs No.1 (No Poverty), No.11(Sustainable Cities and Communities).

Below are SMBC Group's main activities that support communities through volunteer work and donations by employees.



**Management
➤ approach -
Community-**

**Contribution to
Achieving and
➤ Developing Safe
and Secure
Communities**

**Promotion of Social
➤ Inclusion in
Collaboration**

**Support for
Reconstruction in
➤ Areas Impacted by
Large-scale Natural
Disasters**

Contributing to regions and societies

- [1. SMBC Group Pro Bono Project](#) ▼
- [2. SMBC Volunteer Fund](#) ▼
- [3. Annual Participation in FIT Charity Run](#) ▼
- [4. Holding a vocational program products sale](#) ▼
- [5. Fair Trade Products Sale](#) ▼
- [6. "Yakusoku no Mori" Initiatives](#) ▼
- [7. Volunteer Activities During "CSR Promotion Month"](#) ▼
- [8. Activities of SMBC businesses in China](#) ▼

1. SMBC Group Pro Bono Project (SMBC Group)

SMBC Group

The SMBC Group Pro Bono* Project is an initiative to provide support for NPOs that are working to address social issues. The SMBC Pro Bono Project began at SMBC in fiscal 2011 and since fiscal 2014 the scope of participation has been extended to employees of SMBC Group companies. Through the program, SMBC Group provides advice and proposals to organizations seeking to acquire and maintain NPO status, which gives tax benefits to donors. The advice covers establishing and enhancing work flows needed for donation and expense management and improving administration infrastructure such as the organization of donor information. We also conduct marketing research and analysis, which provides foundational data for solutions to social issues and for medium- and long-term growth strategies.

In fiscal 2018, 10 volunteer employees from SMBC Group companies divided into two teams conducted a market research; to increase individual donations and established an "accounting management framework" to reinforce the management of the NPOs.

For reporting on fiscal 2018 activities, please refer to the following.



➤ [FY2018 CSR Activity Report \(Japanese only\)](#)

➡ [SMBC Group Pro Bono Project \(Japanese only\)](#)

(You will be transferred to the website of the NPO Service Grant.)

*What is Pro Bono?

"Pro bono" is from the Latin "pro bono publico," meaning "for the public good." In practice it is a volunteer activity in which people in the working world utilize the skills and experience they have acquired through sales, planning, development, marketing, PR, and other areas to provide support from a business standpoint, which tends to be a weakness of NPOs. People who lend their talents in this way are said to work pro bono, and in Japan the practice is drawing attention as a new form of social contribution by businesspeople that also raises awareness.

2. SMBC Volunteer Fund

SMBC

The SMBC Volunteer Fund is funded by deducting certain amounts from the monthly salaries of executives and employees who have joined the program. The bank administers the fund as a matching gift program in which an amount corresponding to the amount of money raised is added to the total each year. As of March 2019, around 10,000 people are participating.

The fund allows participating executives and employees to be actively involved in selecting donation recipients while also enabling the participation of outside institutions and experts to incorporate a specialized perspective. The charities receiving donations are able to come and give reports on how the funds are being used and to provide direct feedback. There has also been an initiative since fiscal 2013 enabling the executives and employees to participate in the charities' activities. Donations in fiscal 2018 totaled ¥20.1 million.

➡ [SMBC : SMBC Volunteer Fund \(Japanese only\)](#)

3. Annual Participation in FIT Charity Run

SMBC Trust

SMBC Nikko

SMBC Trust Bank and SMBC Nikko participate in the FIT for Charity Run (Financial Industry in Tokyo For Charity Run), established and managed by volunteers working in companies in the financial services industry and related industries. Through sponsorship of the FIT for Charity Run and employee participation fees, SMBC Trust Bank and SMBC Nikko support organizations that are doing meaningful activities for society but unable to secure sufficient funding due lack of recognition and other issues.

4. Holding a vocational program products sale

SMFL

SMFL has held special sales of vocational program products produced by the Setagaya Community Workshop and Cookie Studio Orange house for a total of 16 times since fiscal 2015, and each time many employees have purchased their products.

Vocational program products are products produced as a part of work training programs at local community centers and facilities for people with disabilities. A portion of the sales proceeds from the products is used to pay the wages of the people with disabilities who make them, and so the program also helps the workers establish independence. Through purchases of vocational training products by employees, SMFL will continue this effort to help build a society where everyone can live together safely and securely.



5. Fair Trade Products Sale

Cedyna

Cedyna partnered with Wakachiai Project Inc. to hold its fair trade products sale since 2016 to help address societal problems in developing countries, including issues related to human rights, the environment, and child labor. The company will continue holding the sale to deepen understanding of fair trade among employees and contribute to the international community by aiding the expansion of the fair trade market.



6. "Yakusoku no Mori" Initiatives

SMBCCF

SMBC Consumer Finance introduced the "Yakusoku-no-Mori" donation matching program* in 2007 to enable employees to think about and participate in social contributions in a more familiar way. Through the "Yakusoku-no-Mori" program, support is provided for grants to children's homes that help children, the bearers of the future, (Zenkoku Jido Yougo Shisetsu Kyogikai), for assistance in helping children become self-reliant (Zenkoku Jiritsu Enjo Home Kyogikai), and for the breeding and training of hearing assistance dogs (Japan Hearing Dogs for Deaf People). In addition, nine "donation vending machines" have been installed in the company's offices, and a portion of their takings are donated to support Japan Hearing Dogs for Deaf People.

* "Yakusoku-no-Mori" is a donation matching program that enables the company's employees to determine donation recipients and the amount of monthly contributions. Money is raised by making deductions from employees' salaries, and the company provides an additional gift of a certain amount on top of that. The total is then donated to the recipient organization.

7. Volunteer Activities During "CSR Promotion Month"

SMBCCF

SMBC Consumer Finance has established "CSR Promotion Month" as a month each year to strengthen local contribution activities. During this month, volunteer employees from throughout Japan take the initiative and engage in volunteer activities.

8. Activities of SMBC businesses in China

Charity donation program

SMBC

The Suzhou Branch of Sumitomo Mitsui Banking Corporation (China) Limited launched a charity donation campaign on September 5, 2018, as the Suzhou municipal government has made September of each year "Suzhou Charity Month." All donations collected over a week's campaign period were presented at the Suzhou Charity General Assembly.

The Bank will continue to support local communities through these regular, long-term programs.



SMBC Runs Group Charity Bazaar

SMBC

On November 5, 2018, the SMFL Beijing Branch and Sumitomo Mitsui Banking Corporation (China) Limited Beijing Branch held a joint charity bazaar. Employees offered various items and artwork for sale in a meeting room on the day and donated the proceeds to welfare organizations.

SMBC Group will continue to work together on these activities to reinforce its group identity.



Donation of Books to Local Children

SMBC

The Chongqing Branch of Sumitomo Mitsui Banking Corporation (China) Limited collected donations internally to purchase books for local children, which were donated through the Chongqing Association of Enterprises with Foreign Investment (CQAEFI).

The Chongqing Branch will continue these activities to support the local community.



Management approach -Community-

Management approach

Recognition of Social Issues

The survival of local communities in Japan and other countries is under threat due to phenomena such as natural disasters of unprecedented severity and the outflow of young people. There is a need to build communities that can mitigate the impact of natural disasters and bounce back from such disasters through mutual help and support. In Japan, along with the rapidly aging population, creating a society where senior citizens and people with disabilities can live safely and securely and also actively participate, as exemplified by enactment in April 2016 of the Act on the Elimination of Discrimination against Persons with Disabilities, have become society-wide issues.

The financial services sector is being called to recognize its responsibilities and take action not only in the areas where it has operations, but in wider communities including borrowers and investees.

SMBC Group's Approach

The Group recognizes that it is important to consider the public nature of 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 assist in making a better society in the future by pursuing diverse social contribution activities in order to fulfill responsibilities as a "responsible corporate citizen."

To effectively promote these activities, we have identified the following three issues that SMBC Group should address.

- Contribution to achieving and developing safe and secure communities
- Promotion of social inclusion in collaboration with NGOs and NPOs
- Support for reconstruction in areas impacted by large-scale natural disasters

SMBC Group's Management

In order to lead the form of social participation by each of our officers and employees, we emphasize their leadership roles, aiming to increase the number participating in volunteer activities by engaging in social contribution activities.

Main Indicator

Total time of volunteering activities by employees



Number of officers and employees participating as volunteers



Breakdown of the activities

Clean-up activities	3,794
Sports-related	1,037
Participation in NPO/NGO-sponsored activities	425
Volunteering in disaster-affected areas	216
Pro bono service	10
Other (participation in regional activities, etc.)	1,293

Policy for Social Contribution Activities

SMBC Group 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 a corporate citizen while supporting volunteer activities of employees, in order to proactively perform social contribution activities.

Contribution to Achieving and Developing Safe and Secure Communities

SMBC Group is also promoting better branch design so that the elderly and people with disabilities can feel comfortable using these facilities. Below are some examples of group companies' branch design initiatives, including employee education and introduction of universal design services.

Main Initiatives

1. Policy recommendation

Public policy for a super-aging society

JRI

The year 2025, when baby boomers reach the age of 75, is fast approaching. Japan continues to see its population shrink and the percentage of elderly people increase. The government is establishing an integrated community care system so that elderly people can live out their lives in their familiar communities and extend their lifespans so that all citizens can stay healthy throughout their lives.

To achieve these goals, a complex structure is needed that involves not only social security systems such as healthcare and long-term care, but also health promotion and disease prevention, working style and employment systems, and social infrastructure such as housing and transport.

With the theme of "public policy for a super-aging society," the Japan Research Institute harnesses the knowledge of both public researchers and consultants on social security, long-term care and businesses targeting senior citizens, medicine and healthcare, urban planning, etc., to promote recommendations and implementation of new policies and business.

 Japan Research Institute: Public policy for a super-aged society

Next-generation nation-building symposiums held for JRI's 50th anniversary

JRI

In February 2019, JRI commemorated its 50th anniversary with a series of three symposiums.

First Symposium	"Japan as a society of many deaths: How we can adapt healthcare, long-term care, urban planning, and businesses so that each person can die peacefully"
Second Symposium	"A consumption tax rate of 10% is not enough for sustainable social security"
Third Symposium	"Digital transformation of agriculture driven by smart farming"

The Group will continue with its policy recommendation activities focused on public policy for next-generation nation-building.

2. Employee education

SMBC Group

The SMBC works to create branches that can be visited with confidence by seniors and people with disabilities by incorporating universal design principles and conducting a variety of other initiatives. We also put particular emphasis on training employees who directly interact with customers so that our branches and services can be used with total peace of mind. We have approximately 2,800 care service assistants, who undergo service care cast training, universal etiquette and other training to ensure appropriate assistance is provided. Since fiscal 2014, we have also engaged in full-scale training of cognitive impairment supporters to prepare for the aging of society. As of March 31, 2019, there are approximately 14,000 specialized staff members to assist people with cognitive impairment assigned mostly at its branches.



Number of Seminar Participants (Cumulative)
for the Cognitive Impairment Supporter Seminar



*The decline in FY 2018 is due to two major subsidiaries being removed from the list of Group companies.

3. Implementation of Universal Design and Universal Service at Branches

SMBC Group

SMBC is working to advance universal design compliance at branches. When installing new equipment or facilities at branches, we check whether it will be easy for people with disabilities to use them during the development stage, and also ask for feedback from customers after installation. SMBC Trust Bank is also conducting Web-based training for all bank employees regarding universal manners, as we work to improve services as a group.

Customer feedback and specific service examples can be found at the following link.

[SMBC: Utilizes Customer Feedback in its Operations \(Japanese only\)](#)

Universal Design (Equipment Response)

- ✓ [Pictogram Display](#) ✓ [Braille Blocks for Visually Impaired](#) ✓ [ATMs for the Visually-Impaired](#)
- ✓ [Improvement of Reception Number Display Devices \(EQ displays\)](#) ✓ [Writing Tools](#)
- ✓ [More Convenient Form Entry](#) ✓ [Installation of Automated External Defibrillators \(AEDs\)](#)
- ✓ [Universal Design Introduction - Enhancing Facilities that All People Can Use with Ease](#)

Pictogram Display

SMBC

Visual indicators related to barrier-free information are posted in the branch information section of the SMBC website as well as at branch entrances to allow customers to confirm in advance when using branch facilities.



Braille Blocks for Visually Impaired

SMBC

Guidance tiles and rivets are placed to mark the path from a branch's entrance to its ATM area to assist people with visual impairments to enter and use the branch.

(Installed at 433 of 433 branches as of March 31, 2019)

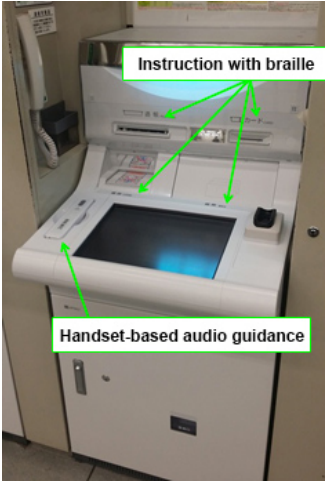


ATMs for the Visually-Impaired

SMBC

All ATMs at domestic branches and in non-branch locations are equipped with handset-based audio guidance to serve customers with visual impairments.

More information on upgrading to ATMs for people with disabilities can be found at the following link.



 [SMBC: ATM Upgrades for People with Visual Impairments \(Japanese only\)](#)

Improvement of Reception Number Display Devices (EQ displays)

SMBC

We received feedback that reception number display devices were difficult to read, so we installed EQ display devices that incorporate universal design principles for color, making them easier to read for seniors and people with visual impairments.



Writing Tools

SMBC

Writing tools are also made available at branches to ensure that we are able to accurately and smoothly determine the needs of customers with hearing impairments



Writing board



Guidance plate with "ear" mark



Communication board displays customer procedures in pictograms



More Convenient Form Entry

SMBC

Branches also make available cane and umbrella holders and lap tables for filling out forms so that customers can comfortably use both hands when filling out forms and operating devices.



Cane holders



Lap tables for writing



Installation of Automated External Defibrillators (AEDs)

SMBC

Cedyna

We have progressively installed AEDs in staffed ATM areas since August 2007 and are utilizing our nationwide branch infrastructure to help people in emergency situations. Even though AEDs are now more readily available, there have been few cases of them being used by the general public, and awareness of first aid techniques has become a society-wide issue. Cedyna holds basic life-saving classes to strengthen its in-office crisis management system and has been increasing the number of personnel who have acquired life-saving certification, which allows them to perform life-saving procedures using an AED.



AED



Basic life-saving class

Universal Design Introduction - Enhancing Facilities that All People Can Use with Ease

SMBC Nikko

Since May 2015, we have been installing a desktop communication support system called "comuoon (Commune)" on service counters at branches. "comuoon" is developed and manufactured by Universal Sound Design Inc. (Headquarters: Minato-ku, Tokyo, Representative Director: Shinichiro Nakaishi). It is a communication support system that improves communication with people with hearing difficulties. Its high-performance microphone accurately picks up the speaker's voice, and the system then creates sounds that are easy for hearing-impaired people to hear through its egg-shaped speakers.

In addition, we have installed gently-sloped ramps and writing boards at all branches nationwide. We are also installing cane holders as well as customer service counters, interphones, and other objects at heights that are easy for people in wheelchairs to use.

Universal Service

- ✓ [Braille Services](#) ✓ [Voice recognition password card](#) ✓ [Lower Fees for Counter Transfer Orders](#)
- ✓ [Reading and Writing Assistance](#) ✓ [Utilizing Customer Feedback](#)
- ✓ [Acquisition of "Omotenashi Standard Certification 2019"](#) ✓ [Introduction of multilingual support tools](#)
- ✓ [Establishment of global branches](#)

Braille Services

SMBC

We also have Braille versions of contractual terms for regular and time deposits, etc., end-of-month balance notices and time deposit transaction notices.

Voice recognition password card

SMBC

SMBC provides voice recognition password cards to customers with vision impairments.

 [For more information on voice recognition password cards, visit: \(Japanese only\)](#)

Lower Fees for Counter Transfer Orders

SMBC

When customers who have difficulty ordering bank transfers using an ATM machine, such as customers with visual impairments, visit the bank and order a transfer at a teller counter, after the customer's intention is confirmed, the same fee as the fee charged for ATM transfers is applied.

Reading and Writing Assistance


SMBC

Procedures have also been established to provide reading and writing services for customers who are not able to read a contract or enter their signatures due to a disability (how this is handled differs depending on the nature of the transaction).

Utilizing Customer Feedback

SMBC

We conduct various initiatives to sincerely consider customer feedback and provide greater levels of customer satisfaction.

 **SMBC: Utilizes Customer Feedback in its Operations (Japanese only)**

Acquisition of "Omotenashi Standard Certification 2019"

SMBC Nikko

Omotenashi Standard Certification is a certification system established by the Ministry of Economy, Trade and Industry to promote and revitalize Japan's service industry and regional vibrancy. Companies from sectors other than the service sector are also obtaining this certification. SMBC Nikko received the Omotenashi Standard Certification in 2019 in recognition of efforts to improve the quality of services and to develop branches where all people can use services with ease.



Introduction of multilingual support tools

SMBC

We provide multilingual communication boards and leaflets on how to open an account, etc., to help foreign customers understand registration procedures.



Communication board
(Example: Chinese)



Leaflets about opening an account, etc.
(Example: Chinese)

Establishment of global branches

SMBC Trust


We have positioned the Akasaka and Hiroo branches as "global branches" for customers with global businesses. These branches offer English-language pamphlets and product brochures to customers who wish to make transactions in English, as well as providing competent consultations about products and services in English.

Establishing an Inquiry Desk for People with Disabilities

▼ [Dedicated forms for customers with visual or language impairments](#) ▼ [Sign language / written inquiry](#)


Dedicated forms for customers with visual or language impairments
SMBC


Dedicated inquiry forms are made available for customers that have visual or language impairments.

 **SMBC: Dedicated forms for customers with visual or language impairments (Japanese only)**

Sign language / written inquiry
SMCC

SMCC provides a sign language and written inquiry service that uses a specialized video communication system for people who have difficulty with phone conversations due to a hearing or speech disability.

 **SMCC: Sign language and written inquiry service for those with hearing and speaking disabilities. (Japanese only)**

 **SMCC Sign Language and Written Inquiry Service (Japanese only)**

(You will be transferred to Plusvoice's website.)

Promotion of Social Inclusion in Collaboration

Social inclusion is a principle whose objective is for all people to live healthy lives as members of their local community by ensuring that no one is left behind in employment and community relations. The SMBC Group runs diverse programs aligned with this principle, such as regional revitalization and other businesses and community contributions through sports, food, and sponsorships, as shown below.

Main Measures

1. [Contributing to Communities through Main Business ▼](#)
2. [Contributing to Communities through Sports ▼](#)
3. [Contributing to Communities through Food ▼](#)
4. [Supporting Communities through Fundraising and Sponsorships, etc. ▼](#)

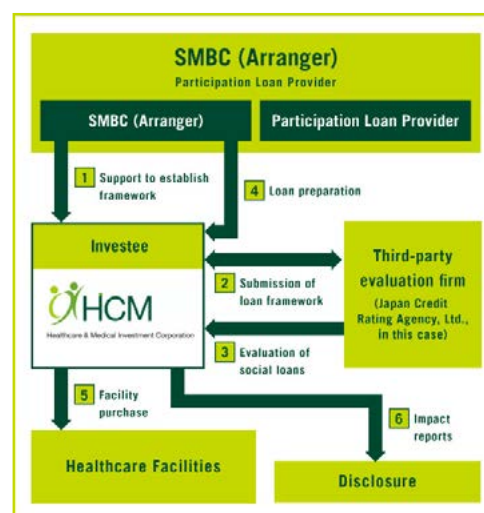
1. Contributing to Communities through Main Business

SDGs Social Loans

SMBC

SMBC has launched Japan's first SDG social loan. These loans are meant to provide funding to projects that help resolve social issues. Through a scheme entailing impact reports that measure impacts on society and third-party evaluations, we are working together with customers to resolve social issues.

For example, utilizing funds loaned to Healthcare & Medical Investment Corporation, a Japanese real estate investment trust specializing in healthcare facilities, we are helping supply such facilities. These efforts are largely contributing to resolving the various issues that face the rapidly aging Japanese society, by lowering the burden placed on the families of individuals requiring nursing care, reducing the number of people who are unable to receive such care, and promoting women's participation in the workforce.



Regional Revitalization Business

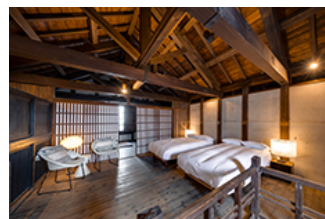
SMBC Trust

SMFL

SMBC Trust Bank received the land and buildings of an aquarium in trust and is involved in a regional revitalization business through the design, management, and operational support of the aquarium.

In January 2019, Sumitomo Mitsui Finance and Leasing established Dazaifu Co-Creation through joint investment with Nishi-Nippon Railroad Co., Ltd., and The Bank of Fukuoka, Ltd. Dazaifu Co-Creation, and operates a dispersed traditional Japanese dwelling lodging business via coordination with Dazaifu City, Fukuoka Prefecture, and Dazaifu Tenmangu Shrine, which entails renovating traditional Japanese dwellings located throughout the region to function as lodging facilities and restaurants. Sumitomo Mitsui Finance and Leasing supports this business by leasing interior fixtures, lodging facilities, kitchen equipment, and equipment and machinery used in restaurants and by providing other financial services.

SMBC Group is supporting tourism and subsequently the development of regional economies by participating in such tourism projects as a partner and by providing leasing and various other financial services.



Traditional Japanese dwelling converted into lodging facility

Handling of ESG Investment Trusts and Social Contribution Bonds

SMBC Nikko

In June 2016, SMBC Nikko launched sales of the Schroder Asia Pacific Excellent Companies Fund, a mutual fund that invests in stocks in the Asia Pacific region with a focus on ESG (Environment, Social, Governance).

The fund is the first ESG fund with Asia-Pacific stocks and received the Outstanding Fund Award in the domestic equity (global) category at the Morningstar Award Fund of the Year 2017. Since 2017, the company has been donating a portion of obtained profits through funds to support sports development and provide financing for disabled sports (para-sports). In July 2019, the company donated 2,849,108 yen to the Japan Sports Association and Japanese Para-Sports Association. In addition, Nikko Asset Management provides opportunities for investing in environmentally and socially conscious companies through its handling of green bonds and other social contribution bonds.

Nikko MiRun Normalization Training Initiative

SMBC Nikko

SMBC Nikko established Nikko MiRun Inc. in April 2015 to create an environment that enables people with disabilities to work with confidence over a long period of time and to further increase opportunities for employment.

The company was certified as a special subsidiary in January 2016, a first for a securities company. Since fiscal 2016, employees with and without disabilities have done agricultural work together as a part of a training program for facilitating understanding of normalization and to take down the psychological barriers people may have.

Social Contribution Through Credit Card Use

Cedyna

Cedyna also issues a credit card for social contribution for conducting social contribution activities through its credit card operations together with cardholders. When card members use their cards, a portion of the money spent is donated to organizations at no cost to the card member. The "Atom Card" issued since 2003 makes ongoing donations to charities that conduct activities that qualify as "activities that make children's dreams come true" and "activities that help children." Approximately 2.67 million yen was donated in fiscal 2018, with a cumulative total of approximately 53.0 million yen donated in all.



2. Contributing to Communities through Sports

Support for GoalBall

SMBC Trust

SMBC Trust Bank is a supporter of the Japan GoalBall Association as a part of its work to support sports for persons with disabilities. SMBC Trust Bank supports the expansion and further development of sports for people with disabilities by hosting trial sessions, sending employee volunteer staff to tournaments, and other efforts.

Donation to Japanese Para-Sports Association (JPSA)

SMBC Trust

SMBC Trust Bank has been donating to the Japan Para-Sports Association (JPSA) since fiscal 2016 with the aim of contributing to the spread and development of sports for people with disabilities.

JPSA trains and develops players who can be active on the global stage, and the association is also a member of the GoalBall Association, which the bank supports. Through JPSA, donations are used to support the smooth operation of the athletic bodies that partner with the Japanese Paralympic Committee, to improve programs, to train and develop candidate athletes, and other initiatives.

Support for Blind Soccer

SMBC Nikko

SMBC Nikko is supporting blind soccer as one example of its support for sports for people with disabilities in advance of the 2020 Tokyo Paralympic Games. The Japan Blind Football Association envisions realizing a society through blind soccer in which people with and without visual impairments interact with each other as a matter of course, and this aspiration matches SMBC Nikko's management philosophy of respect for diversity and its stance towards diversity. SMBC Nikko and the Japan Blind Football Association have concluded a partnership agreement, and company executives and employees volunteer as staff at tournaments and at kids' training events.



3. Contributing to Communities through Food

Participation in the "TABLE FOR TWO" Program

SMBC

SMFL

SMBC Nikko

SMCC

SMBCCF

JRI

"Table for two" means two people sharing the same table for a meal, and based on this concept the TFT movement seeks to bring health both to children in developing countries suffering from hunger or a lack of nutrition and people in developed countries suffering from lifestyle diseases such as obesity. When employees purchase one of the healthy meal options at the staff cafeteria, a donation of 20 yen, worth one school lunch in a developing country, is made via the NPO "TABLE FOR TWO International." SMBC has introduced this program at all of its domestic offices and branches and its New York Branch*. Sumitomo Mitsui Card has done likewise at five offices including the head office, while SMBC Consumer Finance and Japan Research Institute have introduced this program at their respective head offices.

In addition, "Global Connection TABLE FOR TWO" vending machines make it possible to donate just by buying a low-calorie drink, sports drink or other high-function beverage or a vegetable juice or healthy 100% juice drink, for example. The vending machines have been installed at SMBC group companies, including SMBC, SMFL and SMBC Nikko Securities.

* Participates through a bento lunch box sales provider that is a partner company of TFT

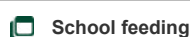


Donation to WFP School Meal Programs

SMBC Trust

SMBC Trust Bank donates a portion of sales from beverage vending machines (10 yen per drink) located in both the Higashi-Shinjuku Office and the Okinawa Office to the School Meals Program* operated by the United Nations World Food Programme (WFP)

*The United Nations WFP School Meals Program has provided school meals in developing countries for more than 40 years. A donation of 30 yen provides a day's worth of meals, and providing these meals improves the nutritional status of children. In addition, parents can send their children to school because they can eat free meals there, which also leads to better learning opportunities for children.



School feeding

4. Supporting Communities through Fundraising and Sponsorships, etc.

Co-sponsoring Shiki Theatre's "Kokoro no Gekijo"

SMBC Nikko

"Kokoro no Gekijo" (Theatre of the Heart) is a project that the Shiki Theatre Company has been running since 2008. Under this project, children from all over Japan are invited to theaters for free, where through drama they learn the importance of life, compassion, and the joy of trusting other people, among other important lessons for life. SMBC Nikko has been a special sponsor since August 2015, and employees volunteer to provide operational support and venue set-up assistance for performances held near SMBC Nikko offices and branches.



Photographer: Atsutoshi Shimosaka

Co-sponsorship of Promise Essay Contest for a Future Filled with Smiles

SMBCCF

SMBC Commercial Finance has co-sponsored the Promise Essay Contest held by the Sankei Shimbun since the first time it was held in 1996. The contest was started based on the idea of re-examining life and the importance of human relationships in contemporary society and reaffirming the importance of promises. The contest solicits essays on promises, whether promises to oneself, promises to loved ones, or promises for the future. Over 6,000 essays are submitted each year from students and others in a wide range of age groups. In fiscal 2018, the SMBC Group established the Promise Customer Service Plaza Award to contribute toward regional revitalization and inspire young people.



Promise Essay Contest Website (Japanese only)



Support for Reconstruction in Areas Impacted by Large-scale Natural Disasters

SMBC Group offers support to areas affected by major natural disasters from various perspectives. Employees take part in support programs as well as the Bank supporting disaster-affected communities through its main business, such as loans to support reconstruction and helping people rebuild their lives by assisting with loan repayments.

Main Measures

[1. Support for People Affected by Disasters through Core Business](#) ▼

[2. Support from Employees](#) ▼

1. Support for People Affected by Disasters through Core Business

Supporting the Reconstruction of Areas Affected by Earthquakes through Loan Business

SMBC Group SMBC

SMBC has been working through its core business to support the reconstruction of the areas affected by earthquakes by providing housing loans with special interest rates for individual customers and special funds for corporate customers. We will continue to support projects for reconstructing and revitalizing disaster-affected areas.

Please refer to the following links for more information on SMBC's disaster-related initiatives.

[SMBC: SMBC's Response to the Great East Japan Earthquake \(Japanese only\)](#)

[SMBC: SMBC's Response to the 2016 Kumamoto Earthquake \(Japanese only\)](#)

Aid Donations through Funds

SMBC Nikko

To support people affected by natural disasters throughout the world, SMBC Nikko Securities donates a portion of its income from funds connected with regions where disasters have occurred in addition to voluntary donations of relief provisions. The company also opens disaster support bank accounts and encourages executives and employees to make donations, working together with employees to make a difference.

Free Ex-Lease Vehicles for the Disaster Affected Area

Cedyna

In support of people impacted by the 2016 Kumamoto Earthquake and the July 2018 heavy rain disaster, Cedyna provides ex-lease vehicles that had been used for sales at no charge through an affiliated company as a part of its support for the "Disaster Area Car Sharing Project" being conducted by the Japan Car Sharing Association. The vehicles provided by the company are used by people in disaster affected areas when they are needed.



Support for rebuilding of lives through repayment program

SMBCCF

To support peoples' life and to remove anxiety, SMBC Consumer Finance provides services such as method to revise the repayment period or to reduce interest according to the damage level, and supporting loans that enable debt without interest for a certain period.

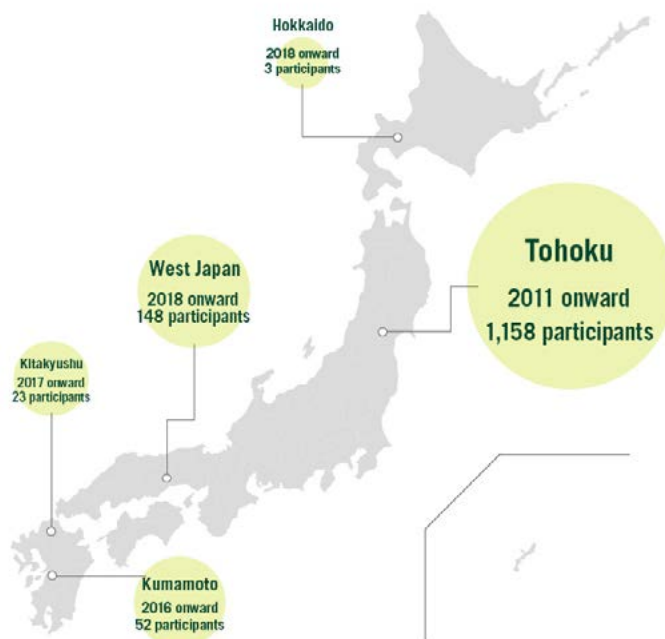
2. Support from Employees

Activities by Entire SMBC Group

SMBC Group

SMBC Group employees are carrying out a variety of activities to provide support in areas in Tohoku and Kyushu impacted by disasters.


From 2011 until the end of fiscal 2018, a cumulative total of 1,384 SMBC Group employees and their family members have participated in volunteer activities.



Initiatives at SMBC

SMBC

SMBC established the "Great East Japan Earthquake Support Fund" soon after the disaster occurred for making donations to the disaster affected areas by deducting ¥400 from employee's monthly salaries. Since November 2013, SMBC has been an sponsor every year for Tour de Tohoku, an event set up to support the reconstruction and recovery of Tohoku by having people cycle around the disaster-hit areas so they can see the current situation for themselves. SMBC also holds regular social meetings to interact with the people evacuated to Tokyo from disaster affected areas, led by members of SMBC's volunteer society YUI.

 **SMBC: YUI volunteer society (Japanese only)**

Initiatives at SMBC Nikko Securities

SMBC Nikko

East Japan

At SMBC Nikko, from 2011 to 2013, new professional employees (Class II) and executives and employees in leading roles visited the affected areas and carried out reconstruction support activities such as agricultural support and coastal clean-ups. From 2014, SMBC Group companies have been jointly dispatching support volunteers to help in affected areas.

Kumamoto

Seiya Norimatsu, an SMBC Nikko employee-athlete (2016 Rio Paralympic Games bronze medalist in wheelchair rugby) visited temporary housing in Mashiki Town and Mifune Town in Kumamoto Prefecture. He showed attendees his bronze medal, and spoke about his life and dreams as an athlete. Through these visits, he strengthened ties with local residents in disaster affected areas.

Initiatives at JRI

JRI

JRI supports the reconstruction by administrating the "Imokoji" discussion group for people affected by the nuclear disaster, which is sponsored by the NPO Ukifuneno-sato.

 [Ukifuneno-sato \(specified non-profit corporation\) \(Japanese only\)](#)

 [Imokoji discussion group \(Japanese only\)](#)



▼ Message from the Group CEO	▼ Outline of Diversity Promotion	▼ Support for various work styles	▼ Interviews
▼ SMBC Group initiatives in figures	▼ SMBC Group company initiatives	▼ Diversity-related topics	

SMBC Group regards "Diversity and Inclusion" as an important strategy for growth. Management is promoting greater diversity and inclusion to create a working environment where people from various backgrounds can fulfill their potential based on strong mutual respect, and where synergy borne of diversity generates new value. In this way, we can help to create greater value for customers.



SMBC Group Message from the Group CEO

Diversity Is Possibility

Sumitomo Mitsui Financial Group, Inc.
Director President and Group CEO
(Representative Executive Officer)



▶ Message from the Group CEO

SMBC Group
Outline of Diversity Promotion

A workplace where all employees can continue to grow with high motivation

▶ Outline of Diversity Promotion





Creating a corporate culture which derives strength from diversity

Creating conditions for diverse human resources to support growth

SMBC Group sees diversity in its workforce as a source of growth. We are developing a range of activities to ensure our workplace culture thrives on diversity and enthusiasm. Below we will introduce programs from some of the SMBC Group companies.



▶ Work-life balance support



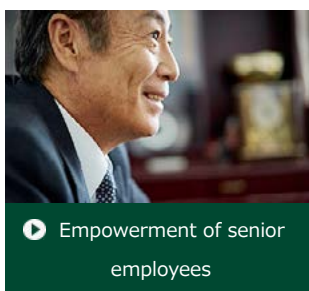
▶ Empowerment of women



▶ LGBT inclusion



▶ Global HR development



▶ Empowerment of senior employees



▶ Empowerment of people with disabilities

Creating a dynamic workplace that maximizes the strengths of employees

To maximize the strengths of individual employees, nurture motivation and foster growth, SMBC Group strives to promote healthy work-life balance, workplace reforms and health management.



▶ Work style reforms






▶ Health management




Interview

Diversity as a source of competitiveness

We see diversity as a source of unlimited potential and organizational competitiveness. We look to promote work style reforms to ensure that every employee is healthy in mind and body and strongly motivated so the organization can benefit from the diversity of individuals. Below we introduce the reflections of employees and related Group actions.


<div>Work-life balance support</div> <div></div> <div><p>A workplace where I can work as I am, without giving up childcare, nursing care, or my career</p><p>Sumitomo Mitsui Finance and Leasing Vice President, Shintoshin Business Dept. Atsushi Funai</p></div>	<div>Empowerment of women</div> <div></div> <div><p>Women's empowerment is a measuring stick for how companies promote diversity</p><p>Head Office, Sumitomo Mitsui Banking Corporation Hanano Yokokawa, Customer Consultations Section Manager</p></div>	<div>Health management</div> <div></div> <div><p>"All employees are positive and motivated about work." That is the goal of health management."</p><p>Health Management/Human Resources Department, SMBC Nikko Securities Tomoko Aikawa, Section Manager</p></div>
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Special



Women's Dreams Lead Indonesia into the Bright Future

Ratih Rachmawaty
President Director, BTPN Syariah

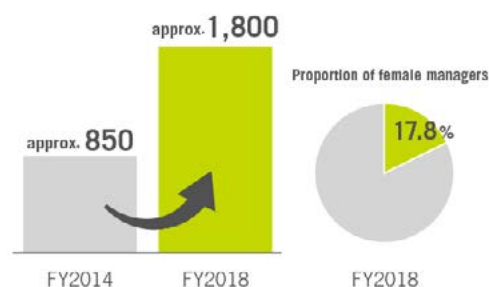
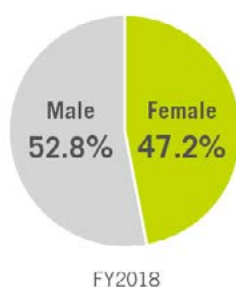
 [Read more](#)



SMBC Group initiatives in figures

Five statistics taken from our ESG Data Book

These figures provide an insight into the promotion of diversity by the SMBC Group.



03 The number of employees taking childcare leave increases every year (men and women)



04 About 70% of paid leave is taken

71%

FY2018

05 Numbers of female / non-Japanese executives



*Including outside directors
As of April 30, 2019

[▶ Link to details in ESG Data Book](#)



[▶ Click to see historical diversity data](#)

SMBC Group company initiatives

SUMITOMO MITSUI BANKING CORPORATION	SMBC TRUST BANK	Sumitomo Mitsui Finance and Leasing
SMBC NIKKO	SUMITOMO MITSUI CARD	CEDYNA FINANCIAL CORPORATION
SMBC CONSUMER FINANCE	Japan Research Institute	Sumitomo Mitsui DS Asset Management



SMBC Group employs more than 100,000 people working in about 40 countries and regions worldwide. The Group is comprised of many companies, each having unique culture with highly diverse employees. This "diversity of people" is our greatest asset.

The environment surrounding the financial industry is changing at a very rapid pace.

Against this backdrop, what is expected of us is to create new values without being encumbered by past practices or fixed ideas.

Innovations towards the future will not be borne by only having employees with diverse background, such as gender, age, or nationalities. Innovations will be borne by collision and mixture of diverse thoughts and values of those employees.

Diversity is indeed the key to unlimited possibilities.

We aspire to be a vibrant corporate group where every employee enjoys good health, thinks freely and proactively challenges towards respective dreams or goals.

To realize this, my mission is to establish a corporate culture and workplace that embeds full diversity and inclusion, so that we can make the best use of diverse thoughts and values of our employees.

Sumitomo Mitsui Financial Group, Inc.

Director President and Group CEO

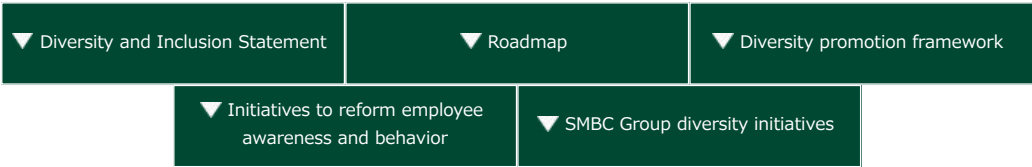
(Representative Executive Officer)

Jun Ohta



What does it take for a company to have employees who are highly motivated to achieve growth hand in hand with their organization?

We believe that "diversity" is the biggest key for achieving this, and is essential for the advancement of our organization.



Diversity and Inclusion Statement

At SMBC Group, our most valued resource is our people.

Our Mission Statement reflects this conviction: "We create a work environment that encourages and rewards diligent and highly motivated employees."

Ours is an organization in which employees of different backgrounds treat one another with respect and can apply their skills, express their individuality, and experience growth and fulfillment through their work, regardless of race, nationality, age, gender, sexual orientation or gender identity, religion, culture, disability, prior career or lifestyle. This is the source of SMBC Group's competitive strength.

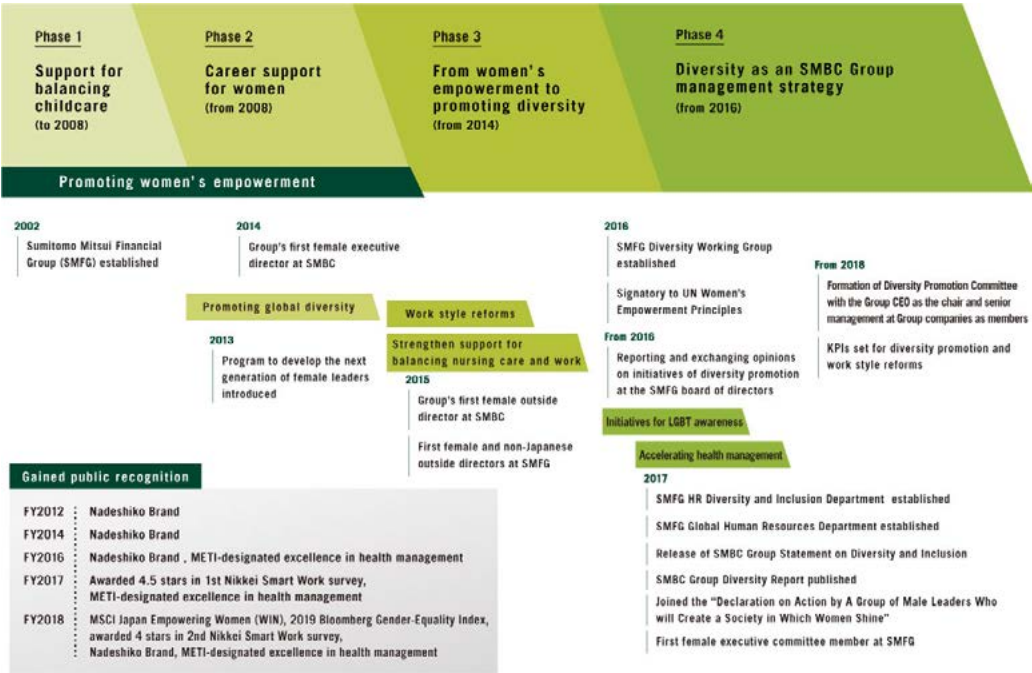
We believe that institutions that promote diversity and encourage their employees to contribute through their varied experience and talents are more dynamic and innovative than institutions in which employees tend to share only similar backgrounds and perspectives.

In order to offer our clients new and higher-value services and to continue to grow with our stakeholders, we are promoting diversity and inclusion throughout SMBC Group as the core to our growth strategy.

▶ Approach and initiatives for human rights



Roadmap



Diversity promotion system

SMBC Group companies are undertaking various internal diversity and inclusion initiatives. At the holding company (SMFG), efforts are focused on reinforcing diversity promotion across the Group. To that end, the SMFG Diversity Working Group was set up in 2016, and the HR Diversity Promotion Office was established as a specialized unit in SMFG in 2017.

The SMFG Diversity Promotion Committee was set up in 2018. It is chaired by the Group CEO and its members comprise senior managers from SMBC Group companies. Based on a strong management commitment, the committee is overseeing efforts to accelerate promotion of diversity across the entire SMBC Group.



Reforming employee awareness and behavior

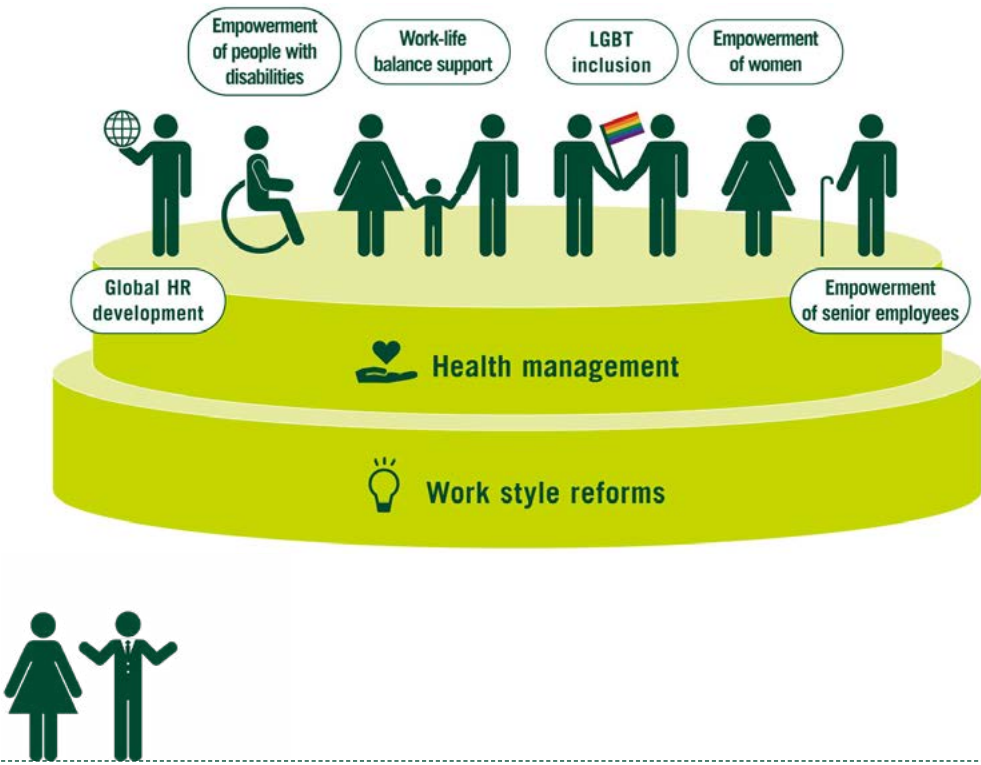
At the SMBC Group, we are working to change employee awareness and behavior to realize a corporate culture where diversity is changed as a source of competitiveness.



[Human resources development](#) >

SMBC Group diversity initiatives

Across the SMBC Group, alongside measures to boost participation by people of various backgrounds and foster related growth, we are promoting efforts to cultivate an environment that makes it easier for individual employees to work.





To make diversity and inclusion a reality, it is essential to base leadership and management on correct managerial thinking.

Managers must respect differences in gender, nationality, age, values, and work styles.

We are working to diffuse "diversity management" to maximize organization performance by supporting the growth of every individual.

Managerial evaluation

Diversity (defined as creating original value based on differences among staff and junior staff) is a factor used to evaluate managerial performance at SMBC.

IkuBoss Declaration

Sumitomo Mitsui Card has joined the IkuBoss Corporate Alliance to promote the IkuBoss concept as part of improving managers' awareness and vitalization of communication. Rather than focusing exclusively on work-life balance, the initiative utilizes various measures to help and encourage employees to combine an active life outside the company with hard work on the job.

As part of this, 100 managers, including the CEO, all executives and department heads, attended an IkuBoss seminar at which every manager committed to the "IkuBoss Declaration."



Upgrading management skills

We hold training courses tailored to each level of management that teach managers about the importance of diversity and inclusion, work style reforms and managing diversity within a team, along with ways to communicate effectively and provide feedback. We also organize special seminars where experts in the field can educate managers.

We are also introducing a training program to help managers better recognize unconscious bias and learn how to deal with this important aspect of diversity management appropriately.

	Engaging Others <ul style="list-style-type: none">• Managing diversity in a team• Achieving a 'Customer First' mentality throughout the entire team• Cultivating a great team ethos	Achieving Results <ul style="list-style-type: none">• Setting appropriate goals• Making appropriate decisions• Promoting risk management and operations
Manage Self	Understanding unconscious bias Understanding personal weaknesses	Operations/project management skills Understanding delegation to develop people and boost efficiency
Manage Others	Mental health care for line managers Learning and understanding coaching skills Compliance to eliminate harassment at work Understanding and improving communication skills	How to share vision and goals with subordinates Understanding and building skills in giving feedback to subordinates Lessons on being a leader or follower

(Example: SMBC)





System and initiatives for work-life balance support

Balancing work and childcare

In addition to a maternity and childcare leave system that exceeds statutory requirements, we have various training programs and systems in place at each company to support career formation and a smooth return to work for those who took childcare leave.

[Click for details](#)▼



Balancing work and nursing care

We have prepared a system to assist employees balancing a career with care responsibilities for other family members. We organize nursing care seminars and distribute materials on this topic to build employee awareness in this area. Our focus is to help people balance continuing work with care duties.

[Click for details](#)▼




Interview

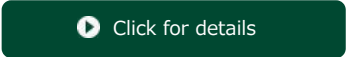


A workplace where I can work as I am, without giving up childcare, nursing care, or my career

Our systems aim to support employees who want to devote themselves to childcare and work, or nursing care and work, without giving up either. We would like to convey the current situation of work-life balance support through an interview to employee of Sumitomo Mitsui Finance and Leasing.

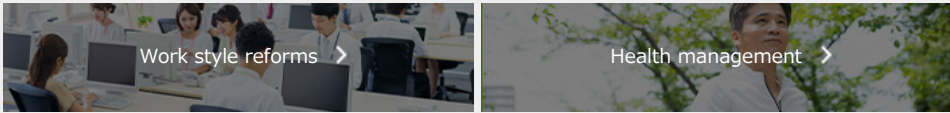
Sumitomo Mitsui Finance and Leasing
Shintoshin Business Dept. Atsushi Funai, Vice President





Creating an environment for all employees to thrive

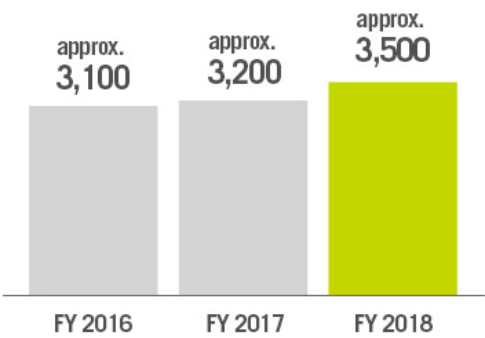
At the SMBC Group, we are working on health management and workplace reforms to give every employee the opportunity to fulfil their potential through strong productivity and enthusiasm for work.



Balancing work and childcare

SMBC Group provides training and support systems to help employees balance work and family commitments. We have also developed a range of initiatives to facilitate a smooth return to work from maternity leave or childcare leave as part of career development. These include programs across Group firms to support men in childcare participation.

Number of employees taking childcare leave



▶ [Link to ESG Data Book for details](#)



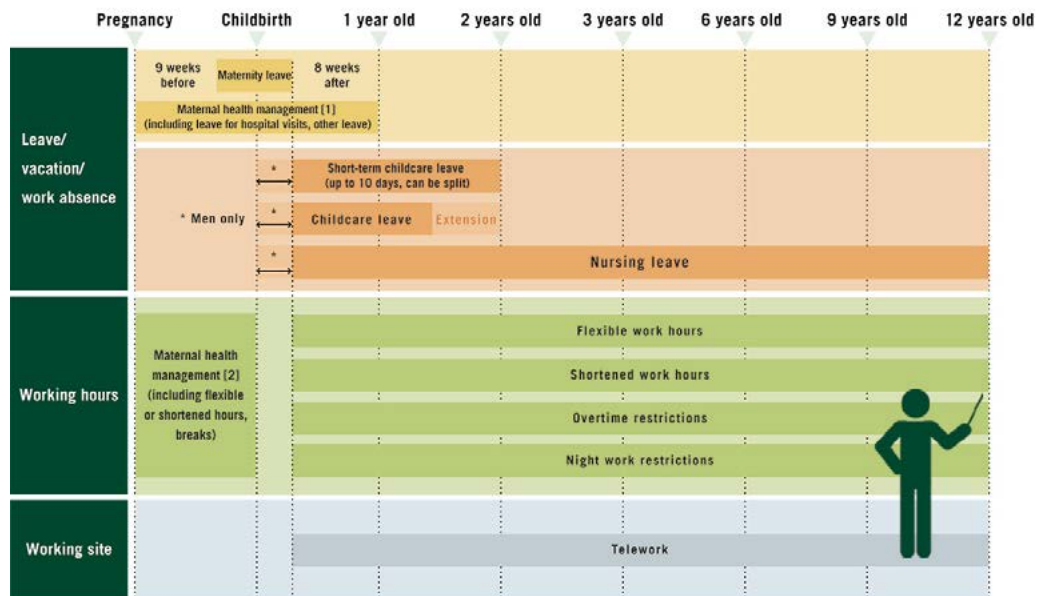
Major systems to support balancing work and childcare

We have introduced systems to provide economic assistance and other support to employees with pre-school children as part of creating workplaces that facilitate balancing work with childcare responsibilities.

Work-related systems

Systems that support a smooth return to work from maternity or childcare leave include childcare leave, leave to care for sick children, and flexible working practices.

Systems to support balancing work and childcare



(Example: SMBC)

Partnership with a company-led childcare service provider

SMBC is partnering with NICHIIIGAKKAN to develop a business to operate company-led childcare facilities in Tokyo and Osaka within bank-owned properties. The facilities provide childcare services to bank employees as well as local companies and residents. The partnership also covers a further company-led 70 childcare facilities across Japan operated by NICHIIIGAKKAN, providing additional support to SMBC employees in returning to work.



Economic support for childcare

We offer allowances to assist employees with the costs of taking care of children outside of normal hours, including babysitting fees and the subsidy system aim to reduce burden of caring for sick children. The system provides economic assistance in other ways, such as allowing employees to access babysitting services at discounted rates based on contracts between the Group and babysitting agencies.

Relocation and re-hiring arrangements

We operate a system allowing employees to change work location in the event of marriage or a partner's work relocation. There is also a system whereby employees who leave the company due to marriage, childbirth, child rearing, nursing care or the relocation of a partner can be re-hired. These arrangements seek to accommodate the life plans of each employee.

Major Initiatives to Balance Career and Childcare

Training and seminars

We have developed training on balancing career and childcare for employees in managerial positions. Training is designed to help employees planning to take maternity leave, those on childcare leave, and those who have returned from childcare leave.

Consultations with a superior are also organized for those employees either going on, or returning from, maternity and childcare leave.



Training to support work-life balance
("Mama and Papa" Forums)

Development of guidebooks

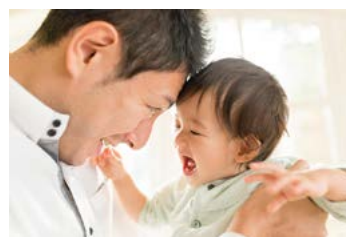
We have created the "SMBC Group Career Guidebook for Mothers." Distributed to female employees, aiming to help them in preparing for the next stage of life.

The Group has also created a special management guidebook containing communication pointers to distribute to managers with subordinates engaged in raising children.



Promoting male participation in childcare

We aim to cultivate a workplace culture that supports active childcare irrespective of gender. The SMBC Group's internal reporting line, "SMBC Group Alarm Line" for whistle-blowers is ready to receive information about any workplace discrimination shown against male employees who take paternity leave. We also encourage men to take advantage of the short-term childcare leave system, and organize management training sessions on this topic.



Encouraging an understanding of work within employees' families

To help employees' family members gain a better understanding of their work, we organize Family Days so that children can visit their parents' workplace. We also encourage employees to take leave in the summer holiday season and promote leaving the office earlier in the summer months.



External evaluation and accreditation

Platinum Kurumin accreditation

SMBC, Sumitomo Mitsui Card Company and Japan Research Institute have all been granted "Platinum Kurumin" accreditation by the Minister of Health, Labour and Welfare in recognition of the high level of support for childcare that they provide as companies.



▶ External evaluation/accreditation

Balancing work and nursing care

Even if it becomes necessary for an employee to care of a family member, our aim at the SMBC Group is to ensure employees do not have to leave the company or sacrifice their career out of a desire to provide care. We have put in place a range of support systems for careers, and we also provide opportunities for employees to gain information about nursing care. Our aim is to provide environment where employees can continue to work with peace of mind while being able to prepare for nursing care.

Major initiatives to balance work with nursing care for family members

We provide support to help employees continue working without giving up their career due to their nursing care responsibilities. The main support systems include nursing care leave and shortened working hours for these employees.

▶ Systems to Support Work-Life Balance at SMBC Group Companies

Amount of work	Type of system*
Maintenance	<ul style="list-style-type: none">●Flexible working●Night time work restrictions●Overtime work restrictions●Overtime work exemptions
Reduction	<ul style="list-style-type: none">●Shortened work hours
Zero	<ul style="list-style-type: none">●Days off for nursing care<ul style="list-style-type: none">➡ Half day leave also possible●Existing leave●Work absence for nursing care
	<ul style="list-style-type: none">●Existing leave●Work absence for nursing care●Nursing care leave<ul style="list-style-type: none">➡ Can also be taken in multiple blocks

(Example: SMBC)

Major Initiatives to Balance Career and Nursing Care

Training/seminar development

We have organized special seminars on nursing care every year since 2015. These events are held on Saturdays or weekday evenings so all employees can participate easily, including those who already have nursing care responsibilities while working. Family members are also encouraged to take part. With expert lecturers invited to present, the events aim to provide the basic knowledge required while helping those facing this challenge learn more.



Guidebook production

We have created guidebooks on how to balance nursing care responsibilities with a career. At SMBC, a book on this topic has been distributed to all employees. The book is divided into four sections on preparation, implementation, success stories, and advice. It is packed with useful information on balancing a career with nursing care responsibilities including articles on nursing care in Japan; a checklist of how to prepare for providing nursing care; details of various support systems and nursing care insurance services; case studies of providing nursing care at home, or through service providers located at a distance; and relevant contact numbers for use in emergency situations.



Nursing care help desk established

We have created a help desk to provide consulting services on nursing care to employees or family members. The desk is available 24 hours a day, 365 days a year.

Initiatives of Diversity Promotion

▶ Work-life balance support

▶ Empowerment of women

▶ LGBT inclusion

▶ Global HR development

▶ Empowerment of senior employees

▶ Empowerment of people with disabilities

▶ Work style reforms

▶ Health management

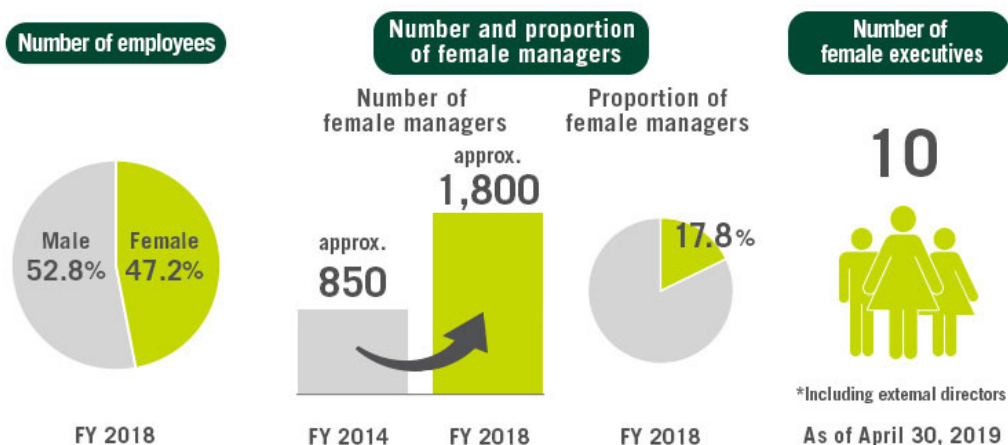




With women comprising around half of employees, the SMBC Group realizes that empowering women is essential to corporate growth. We are actively developing measures to support the careers of female employees.

SMBC Group's women's empowerment in figures

Women comprise a high proportion of employees at the SMBC Group. We are actively promoting the appointment of more women in managerial positions.



[Link to details in ESG Data Book](#)





Numerical targets/plans for Group companies

The Group has been proceeding with unified response when the Act on Promotion of Women's Participation and Advancement in the Workplace came into force on April 1, 2016.

To solidify these initiatives, Group companies are posting numerical targets, such as the proportion of female managers, and action plans.



<Proportion of female managers>

	Sumitomo Mitsui Banking Corporation	SMBC Trust Bank Ltd. (*1)	Sumitomo Mitsui Finance and Leasing Company, Limited	Sumitomo Mitsui Card Company, Limited	Cedyna Financial Corporation	SMBC Consumer Finance Co., Ltd. (*2)
March 31, 2019	24.0%	34.9%	6.4%	10.1%	10.2%	19.5%
[Target] March 31, 2020	At least 25%	At least 34%	10%	10%	10.5%	At least 20%

*1 Ratio of female managers at section chief level

*2 Ratio of female managers to full-time female employees

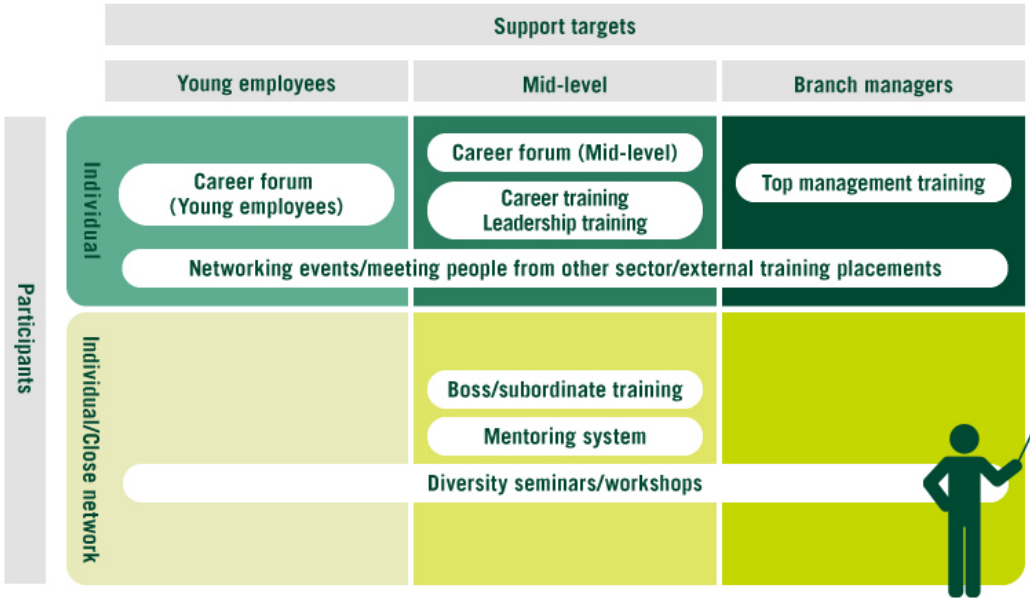
Numerical targets/plans related to the promotion of women into managerial positions

SUMITOMO MITSUI BANKING CORPORATION	SMBC TRUST BANK	Sumitomo Mitsui Finance and Leasing
SMBC NIKKO	SUMITOMO MITSUI CARD	CEDYNA FINANCIAL CORPORATION
SMBC CONSUMER FINANCE	Japan Research Institute	Sumitomo Mitsui DS Asset Management

Key Initiatives to Support Women's Empowerment

Career development support

Overview of support framework (Concept)



Career support training

We hosted the SMBC Group joint women's career development forum for young female employees every year since 2013, with the aim of helping women gain "a stable axis for work" early on in their careers. The event features lectures on work styles and other work-related issues faced by women, along with group discussions.



Leadership training

In 2013, SMBC established the Women's Leader Program, a leadership seminar for upper management positions, aiming to develop a base to produce future female directors. The company established the Women's Leader Program Next for mid-level leaders, in order to build a "pipeline to the next generation" for women's career advancement to higher levels. In the program, top management members attend each session, creating an opportunity for the top management to directly communicate their expectations for participants and provide advice and support, chiefly through giving feedback to participants' commitment.



Mentoring systems

SMBC and SMBC Nikko Securities have introduced mentoring systems so that senior female employees can provide guidance to junior female colleagues with the aim of cultivating women with high-class management skills and a managerial perspective. These Group companies are all actively seeking to develop female managers to assume leadership positions as branch managers or executives.



Support for continued employment



Interview



Women's empowerment is a measuring stick for how companies promote diversity.

I want to succeed through my own efforts, regardless of gender or attributes. SMBC Group's initiatives support these aspirations, and we would like to convey our thoughts on women's empowerment through an interview with an employee at SMBC.

Customer Consultation Section, Head Office,
Sumitomo Mitsui Banking Corporation
Hanano Yokokawa, Consultation Section Manager



Click for more details

External evaluation and awards

Our efforts to promote the empowerment of women have received positive external recognition from various sources. SMBC has been selected as a "Nadeshiko Brand" company by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange for four times in the past, the most for our industry sector. SMBC also acquired "Eruboshi" rankings for companies certified by the Minister of Health, Labour and Welfare as having excellent initiatives in place to promote active participation by women.



Bloomberg Gender-Equality Index



Developed by Bloomberg in 2017, the BGEI ranks firms according to their actions on gender equality, as well as related disclosures and outcomes.

Nadeshiko Brand



Listed companies jointly selected by the Ministry of Enterprise, Trade and Industry and Tokyo Stock Exchange for excellence in promoting active participation by women

Eruboshi



Companies certified by the Minister of Health, Labour and Welfare as having excellent initiatives in place to promote active participation by women (*Acquired Second rank: SMBC, Cedyne; third rank: SMBC Trust Bank, JRI)

Catalyst Special Award



Received the Catalyst Special Award hosted by Catalyst, a non-profit organization established in the United States to globally support efforts to promote women's participation

▶ Recognition and Accreditation

Initiatives of Diversity Promotion

▶ Work-life balance support

▶ Empowerment of women

▶ LGBT inclusion

▶ Global HR development

▶ Empowerment of senior employees

▶ Empowerment of people with disabilities

▶ Work style reforms

▶ Health management





SMBC Group is working to deepen understanding of LGBT issues and provide support, while also ensuring our systems facilitate proper working environments.

Main initiatives to make it easier for LGBT employees to work

Statement on LGBT Inclusion

In accordance with the SMBC Group's Statement on Human Rights, we will strive to create working environment that are free of any harassment based on sexual orientation or gender identity, as well as any discriminatory recruitment or promotion processes.

Educational activities

All our employees receive training and attend study seminars to promote better understanding of sexual minorities, and to encourage greater awareness and behavioral changes towards LGBT issues.

Revision of work regulations

SMBC and SMBC Nikko Securities have revised their work regulations to create a more comfortable working environment for LGBT employees. The revisions enable LGBT employees to register a same-sex partner so the latter can make use of the corporate welfare system designed to assist spouses and other family members.



Establishment of consultation desks

SMBC Group companies have set up internal and external consultation desks to provide employees with the opportunity to consult any issues relating to workplace harassment.

Sponsorship of Tokyo Rainbow Pride 2019

In April 2019, the SMBC Group sponsored Tokyo Rainbow Pride, the largest LGBT event in Asia. We are undertaking further educational activities through the voluntary participation of employees from Group companies.



External evaluation and accreditation

PRIDE index "Gold" rank

In October 2019, the volunteer organization "work with Pride" granted the highest rank of "Gold" in its PRIDE Index in recognition of the bank's LGBT-related initiatives.



▶ Recognition and Accreditation

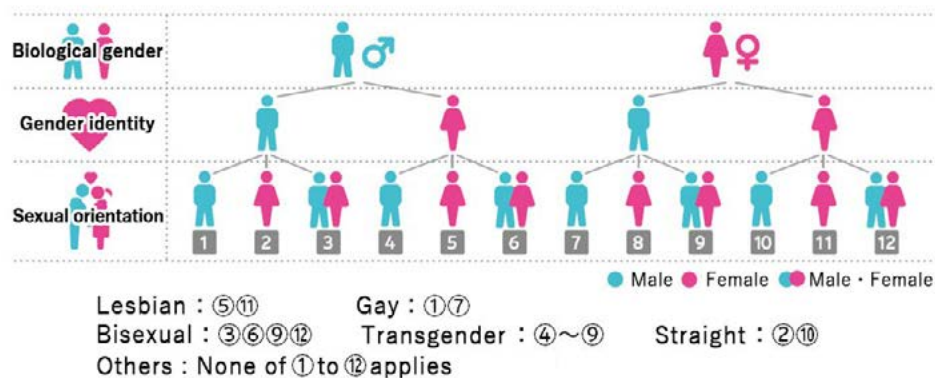
Understanding the LGBT community

Toward a society where sexual diversity is widely accepted.

LGBT is an acronym that stands for lesbian, gay, bisexual and transgender, and is used as a generic term to refer to sexual minorities. In addition to LGBT, there are various other sexual minorities in society.

Recently in the international community, a range of measures have been fostered to ensure that the human rights of LGBT people are respected and to eliminate unfair discrimination against them. In 2011, the United Nations made its first resolution on the human rights of LGBT, which Japan supported. Subsequently in 2015, the Olympic Charter clearly prohibited discrimination due to gender and sexual orientation.

Also, in Japan, spearheaded by the issuance of “partnership certificates” to same-sex partners by Shibuya City, Tokyo in 2015, municipalities across the country have been improving their legal framework to protect the rights of LGBT people. Companies are also building a corporate culture and systems to foster employees’ understanding of LGBT, including providing internal training and establishing a same-sex partner registration system under which partners are entitled to enjoy welfare benefits on an almost equal footing with married couples. In order to accept sexual diversity and thereby enhance overall organizational strength, companies are working to make reforms in line with the principle of diversity and inclusion.



In DDL's proprietary "sexuality map," sexuality is classified into biological gender, gender identity and sexual orientation. Respondents other than those who answered "straight" (heterosexuals whose biological gender at birth matches their gender identity = (2) and (10)) are defined as LGBT, which includes "Questioning" (those who are questioning or have not yet determined their own gender identity and sexual orientation) and other sexual minorities.

Source: Sexuality map created by Dentsu Diversity Lab (DDL)

Initiatives of Diversity Promotion

▶ Work-life balance support

▶ Empowerment of women

▶ LGBT inclusion

▶ Global HR development

▶ Empowerment of senior employees

▶ Empowerment of people with disabilities

▶ Work style reforms

▶ Health management





SMBC Group is focusing efforts on cultivating human resources that support rapid business globalization.

This includes personnel exchanges between Japan and overseas, international training events, helping employees gain experience in cross-cultural communication, and building a corporate culture that treats diversity as a source of competitiveness.

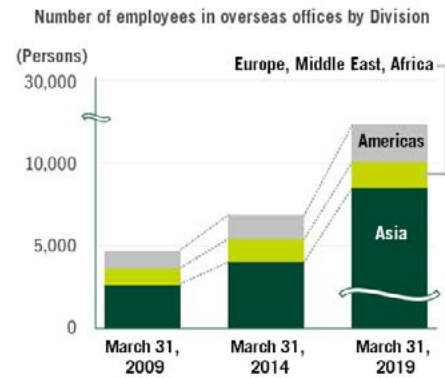
Various training systems

We offer a wide range of global training programs for employees, such as support system for self-development language training including English for employees hired in Japan, leadership courses designed in collaboration with a top international business schools for domestic and international employees, and joint training aimed at mid-level and younger employees.



Global HR Department

SMBC and SMBC Nikko Securities set up a Global HR Office in FY2014 and FY2017, respectively, to oversee integrated global HR functions including evaluation, training and recruitment. This approach is supporting the overall development of the SMBC Group's global business operations.



Note: Figures are for SMBC and its major subsidiaries
Note: The number of overseas employees in the Asia region rose substantially in FY2018 due to the mergers with BTPN (PT Bank Tabungan Pensiunan Nasional Tbk) and PT Bank Sumitomo Mitsui Indonesia.

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SMBC Group is developing a workplace that enables older workers to be active longer by making the most of their rich experiences and skills

Career autonomy program

The Japan Research Institute runs a 3-year career autonomy program involving training sessions and interviews for employees. Based on messages from management, case studies and group discussions, the training stimulates thinking about future career choices. Participants continue to consult with their superiors after the training, while also gaining access to meetings with external career counselors.

Training to promote empowerment of seniors

Every year, SMBC Consumer Finance organizes training to promote the empowerment of employees who are approaching 55 and 60 years of age. As well as explaining systems for re-hiring employees who have reached the statutory retirement age, the program offers an opportunity for the Group and employees to consider, including rehiring, emotional readiness, and shifting to a necessary perspective.

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SMBC Group has developed various types of administrative processes and work environments to enable employees with disabilities to make the best use of their skills and aptitudes.

Numerical targets for Group companies

Each SMBC Group company has set a numerical target for the employment of people with disabilities.



	Sumitomo Mitsui Banking Corporation	SMBC Trust Bank	Sumitomo Mitsui Finance and Leasing Company	SMBC Nikko Securities	Sumitomo Mitsui Card Company	Cedyna Financial Corporation	SMBC Consumer Finance	Japan Research Institute
March 31, 2019	2.47%	2.51%	2.05%	2.38%	2.45%	2.32%	2.43%	2.27%
[Target] March 31, 2020	At or above statutory employment rate (2.2%, as of April 2019)							

Provision of an environment where employees with disabilities can demonstrate their abilities

SMBC Green Service

Green Service Co., Ltd., a special subsidiary of SMBC, employs about 450 people with disabilities at eight sites across Japan. The company handles a range of back office operations such as telephone services for preparation of checks and promissory notes, and data-input processes. The Minister for Health, Labour and Welfare officially commended the company in September 2014 as an "Excellent Workplace for People with Disabilities."



Preparing checks and promissory notes
(SMBC Green Service)

Nikko MiRun

Headquartered in Nihonbashi-Koamicho, the SMBC Nikko Securities special subsidiary Nikko MiRun Inc. has 15 employees with disabilities who do light work duties for other Group firms. The company also operates the MiRun Farm in Ichihara, Chiba Prefecture, where 22 employees with disabilities cultivate vegetable crops under the guidance of eight farming supervisors. The farm also hosts "normalization training," where SMBC Nikko Securities employees undertake manual farm labor alongside their colleagues with disabilities.



This initiative was selected as an example of best practice in March 2016 by the body* promoting the Principles for Financial Action for the 21st Century by Ministry of the Environment.

*Formulated by Japan's Ministry of the Environment, the principles provide a guide for financial institutions in the responsibilities and roles they must follow to help realize a sustainable society.

Employing athletes with disabilities

The workforce of SMBC Nikko Securities includes many athletes with disabilities competing at the elite level in Japan and abroad. The company supports these athletes, and also organizes lecture events as part of promoting deeper understanding of people with disabilities. SMBC signed an affiliation agreement with leading wheelchair tennis player Yui Kamiji in April 2019.



Initiatives of Diversity Promotion

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SMBC Group actively undertakes work style reforms to create working environments that foster enthusiasm and stimulate the motivation of every employee, including those working restricted hours. Reforms also aim to improve overall productivity.

Numerical targets for SMBC Group companies



To ensure steady progress in introducing work style reform initiatives, SMBC Group companies have set targets for overtime hours and the acquisition rate for paid leave.

Overtime hours worked (average, per month)

	SMBC Trust Bank	Sumitomo Mitsui Card Company	Cedyna Financial Corporation	SMBC Consumer Finance (*1)	Japan Research Institute
March 31, 2019	11.2 hours	14 hours	5.6 hours	21.7 hours	14.4 hours
[Target] March 31, 2020	~11 hours	~15 hours	6 hours	5% less than Fiscal 2016 figure	10% less than Fiscal 2015 figure

Ratio of paid leave acquisition

	Sumitomo Mitsui Banking Corporation	SMBC Trust Bank	Sumitomo Mitsui Finance and Leasing	SMBC Nikko	Sumitomo Mitsui Card Company	Cedyna Financial Corporation	SMBC Consumer Finance (*1)	Japan Research Institute
FY2018	69.8%	85.7%	80.7%	61.7%	81.9%	78.2%	80.0%	78.6%
[Target] FY2019	70%	~90%	80%	65%	80%	70%	75%	At least 70%

*1 Including employees on short-term contracts, part-time employees

Main initiatives for increasing productivity and motivation to work

Complying with laws and regulations and improving labor conditions

SMBC Group complies with all applicable laws and regulations, and improves labor conditions across the Group, by regularly monitoring working conditions and working hours. All companies are compliant with the requirements in the Act on the Arrangement of Related Acts to Promote Work Style Reform that went into force in Japan in April 2019.

[Monitoring items]

Overtime agreement violations

Minimum wage violations

No. of industrial accidents, etc.

Rectifying long working hours

Each company regularly monitors the numbers of overtime hours and employees working long hours as part of ongoing efforts to improve the working conditions across the Group.

We are also working to reduce long working hours via the introduction of robotic process automation (RPA) for increased administrative efficiency, along with the management of total work hours by setting times for people to leave offices and designating days when workers are encouraged to leave early.



More flexible working hours

SMBC Group companies are utilizing a variety of systems to increase flexibility, including flextime, staggered start times, variable working hours, and discretionary working arrangements for planned or professional duties.

Work site flexibility

All SMBC Group companies have systems to enable working from home. In April 2019, SMBC also introduced work using satellite offices*.

*Specially designated office spaces within SMBC facilities, or contractually hired off-site facilities



Initiatives to increase work style reform awareness and productivity

In their messages to staff, managers at the Japan Research Institute often emphasize the importance of work style reforms and management. Seminars to raise awareness toward work style reforms are also organized to help create a workplace that is comfortable for every employee, regardless of gender or life stage, and that is designed to support high productivity by various employees at different stages of life. Success in boosting productivity has been added to the performance evaluations across all departments of Sumitomo Mitsui Finance and Leasing.

At Sumitomo Mitsui Card Company, productivity-boosting workshops aim to raise productivity and the value added by business processes. The company also consults with external advisors to identify related issues, define measures for addressing them, and formulate action plans.

Flexibility on work attire

Sumitomo Mitsui Finance and Leasing revised its guidelines on work attire in fiscal 2018, with a view to creating an open working environment and a corporate culture that helps individual employees demonstrate their abilities to the fullest. Sumitomo Mitsui Card also revised its guidelines on work attire in fiscal 2019 to give employees more flexibility on work attire.

Creating more innovative workplaces

In September 2017, the SMBC Group established "hoops links tokyo" as an innovation space located in Shibuya, Tokyo. Bringing together a variety of people from start-ups and larger firms, government, academia, research institutions and NPOs, the aim of this initiative is to forge connections to support the creation of dynamic, innovative businesses and services with a focus on addressing societal issues.



External evaluation and accreditation

4.5 stars (Top 50 Companies) awarded in the 3rd Nikkei "Smart Work Management" survey

In November 2019, SMFG was awarded 4.5 stars (Top 50 Companies) in the 3rd Nikkei "Smart Work Management*" survey conducted by Nikkei Inc.



* "Smart Work Management" refers to maximizing the potential of workers through varied and flexible work styles, and developing strategies to maximize productivity and the broader performance of the organization using positive feedback loops, thereby fostering innovation and new market development.



▶ Recognition and Accreditation

Initiatives of Diversity Promotion



▶ Work-life balance support

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SMBC Group is undertaking health management to help support the physical and mental health and motivation of employees to underpin the continual provision of high value-added for customers.

Main initiatives to promote and accelerate health management

Statement on Health Management; Appointment of CHO

SMBC Nikko Securities has instituted a Statement on Health Management that positions promotion of employee health as a management issue. The firm has also appointed a Chief Health Officer (CHO) and established a Health Promotion Office as part of systematic efforts to maintain and promote the health of employees and family members.

Stress checks and creation of mental health consultation desk

Efforts by SMBC Group companies to support the physical and mental health of employees include stress checks conducted for all employees, establishment of a mental health consultation desk, and health promotion programs.

Health promotion programs

As one of the seminars and events designed for health promotion, SMBC held the "SPORTS DAYS at offices" event. It was held in an office meeting room to help employees overcome inactivity and develop positive mindsets. Specifically, participants did physical exercises such as yoga and kicking exercises led by the professional instructors invited to the event. We encouraged those who do not regularly do physical exercise to start to do so through the event.



Interview



"All employees happy and motivated at work." That is the goal of health management.

"Employee health is a critical part of being able to continue delivering great value for customers." Our initiatives in this area are grounded in this concept. This feedback from an employee of SMBC Nikko Securities illustrates the company's commitment to health management.

SMBC Nikko Securities Health Management/
Human Resources Department
Tomoko Aikawa, Section Manager



 Click for details

External evaluation and accreditation


Recognized as a 2019 Certified Health and Productivity Management Organization (large enterprise category) by the Ministry of Economy, Trade and Industry

In February 2019, SMFG was recognized for the third year running as a 2019 Certified Health and Productivity Management Organization (large enterprise category) by the Ministry of Economy, Trade and Industry.



Note: Since FY2016, METI's Certified Health & Productivity Management Outstanding Organizations Recognition Program has recognized organizations with outstanding records in health management, based on their engagement with local community health initiatives or health promotion activities promoted by the Nippon Kenko Kaigi.



 Recognition and Accreditation

Initiatives of Diversity Promotion

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Activity Performance and Goals of SMBC Group

Performance Data and Goals of SMBC Group Companies

SMFG and its Group companies work diligently to bolster CSR activities across the entire Group as a comprehensive financial services group.

SMBC Group's CSR activity performance in fiscal 2018 and its goals in fiscal 2019 are presented below.

✓ Sumitomo Mitsui Financial Group (SMFG)	✓ Sumitomo Mitsui Banking Corporation (SMBC)	✓ SMBC Trust Bank (SMBCTB)
✓ Sumitomo Mitsui Finance and Leasing (SMFL)	✓ SMBC Nikko Securities (SMBC Nikko)	✓ Sumitomo Mitsui Card Company (SMCC)
✓ Cedyne Financial Corporation (Cedyne)	✓ SMBC Consumer Finance (SMBCCF)	✓ The Japan Research Institute (JRI)
✓ Sumitomo Mitsui DS Asset Management Company (SMDAM)		

Please refer to the link below for environmental impact data of SMBC group companies.

➤ [Environmental Impact Data of SMBC Group Companies](#)

Sumitomo Mitsui Financial Group (SMFG)

Results and Targets

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> Operated an environment management system (ISO 14001 acquisition at seven main Group companies) 	<ul style="list-style-type: none"> Expand policies for each business with environmental and social risks to Group companies Continue operating an environment management system
Next Generation	<ul style="list-style-type: none"> Implemented a continuous, group-wide financial education program Published magazine with SDGs as a theme for children (JUNIOR SAFE issue no. 4) 	<ul style="list-style-type: none"> Continue group-wide financial education program
Community	<ul style="list-style-type: none"> Promoted acquisition of various qualifications, including cognitive disorder supporters Support provided through donations and volunteering by executives and employees, including pro bono work Tohoku: Support volunteering activities conducted centering on reconstruction and revitalization (Western Japan) Employee volunteer program in areas affected by floods 	<ul style="list-style-type: none"> Promoted acquisition of various qualifications Support through volunteer fund donation and pro bono work

Sumitomo Mitsui Banking Corporation (SMBC)

Results and Targets

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> • Issued Green Bonds for individual investors • Conducted financing based on environmental assessments, involved in renewable energy project • Implemented and completed TCFD scenario analysis 	<ul style="list-style-type: none"> • Disclosed TCFD scenario analysis • Expand scope of environmental data (expand overseas data)
Next Generation	<ul style="list-style-type: none"> • Conduct renewable and new energy project initiatives (hydrogen, etc.) • Started providing ESG/SDGs assessment loans and SDGs social loans • Awarded Dark Blue-Ribbon Medal by Cabinet Office for Myanmar human resource training project • Vocational training programs supported by SMBC in Indonesia approved by Indonesian government as model case 	<ul style="list-style-type: none"> • Conduct renewable and new energy project initiatives • Started providing ESG/SDGs assessment loans and SDGs social loans • Consider expanding support for human resources development in emerging countries
Community	<ul style="list-style-type: none"> • Introduced voice recognition password cards for customers with vision impairment • Support for Olympics and Paralympics through Table for Two initiative 	<ul style="list-style-type: none"> • Conduct measures for "universal service" • Sustained support program for Olympics and Paralympics through donations and volunteer activities by employees and directors
Management Base	<ul style="list-style-type: none"> • Aim to increase the ratio of female managers (attained target of 20% in fiscal 2020 early) • Released Declaration of Cyber Security Management 	<ul style="list-style-type: none"> • Increase the ratio of female managers • Promoting work style reforms

Environmental goals and performance data

○: target achieved
△: target not achieved

Environmental Businesses

Goals for fiscal 2018	Performance in Fiscal 2018	Result
Promoting environmental businesses thorough finance	<ul style="list-style-type: none"> • Considered new products and product improvements from a CSR perspective in light of environmental changes • Created projects and provided timely information by promoting initiatives in renewable and new energy and environment fields • Conducted internal study seminars • Ran newspaper advertisements • Promotional activities through taking part in environmental exhibitions 	○
Promoting transaction banking business	<ul style="list-style-type: none"> • Various promotions to encourage use of Internet banking and foreign exchange, overseas money transfer, electronically recorded monetary claims, and other services for enterprises 	○
Promoting digitalization of loan process	<ul style="list-style-type: none"> • Promotions to encourage use of electronic contracts and online overdraft facility services 	○
Promoting use of SMBC Direct	<ul style="list-style-type: none"> • Expanded SMBC Direct features • Set targets for digital channel usage rate 	○

Managing Environmental Risks

Goals for fiscal 2018	Performance in Fiscal 2018	Result
Appropriate approaches to environmental and social risks	<ul style="list-style-type: none"> • Revised lending policy relating to environmental and social risks for each business • Published reports to raise awareness of, and educate customers about environmental and social risks • Ran internal training programs to improve employees' understanding of environmental and social risks 	○

Promote Reduction of Environmental Impact

Goals for fiscal 2018	Performance in Fiscal 2018	Result
Reduce per-unit power consumption in fiscal 2030 by 19.0% versus fiscal 2009 (power consumption divided by approximate floor area)	<ul style="list-style-type: none"> On track to cut power consumption by 19.0% versus fiscal 2009 	○
Ensure that the volume of final combustible waste after separation at the four head office buildings is kept below 122t	<ul style="list-style-type: none"> 121.7t 	○

SMBC Trust Bank (SMBCTB)

Results and Targets

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> Promoted environment-related businesses <ul style="list-style-type: none"> Renewable energy business (management under trust of solar power generation facilities) Promoted measures to reduce environmental impact <ul style="list-style-type: none"> Set up recycling bins for stationery Eliminate paper by utilizing monitors Set up waste-sorting bins at each site Environment-related social contribution activities <ul style="list-style-type: none"> Continue participation in SMBC Group Clean-up Day Participated in "Water Sprinkling Day" event organized by Tokyo Metropolitan Government 	<ul style="list-style-type: none"> Promoted environment-related businesses <ul style="list-style-type: none"> Renewable energy business Promoted measures to reduce environmental impact <ul style="list-style-type: none"> Set up recycling bins for stationery Eliminate paper by utilizing monitors Set up waste-sorting bins at each site Environment-related social contribution activities <ul style="list-style-type: none"> Continue participation in SMBC Group Clean-up Day Participated in "Water Sprinkling Day" event organized by Tokyo Metropolitan Government

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Next Generation	<ul style="list-style-type: none"> ● Initiatives promoting enhanced financial literacy - Support Student City, an economics education program for elementary school students, dispatch volunteers - Endow chair at Kyoto Women's College - Partnership agreement with Shiga University <ul style="list-style-type: none"> > Conduct training for data scientists > Internships for college students, Dispatch instructors ● Support young artists by holding exhibitions of works by art college students ● Set up JUNIOR SAFE sales branch ● Continued to hold Family Day event ● Developed asset management and succession planning services <ul style="list-style-type: none"> - Developed foreign currency-denominated investment trusts suitable for succession planning - Developed luxury car trusts, etc. 	<ul style="list-style-type: none"> ● Initiatives promoting enhanced financial literacy - Support Student City, an economics education program for elementary school students, dispatch volunteers - Endow chair at Kyoto Women's College - Partnership agreement with Shiga University <ul style="list-style-type: none"> > Conduct training for data scientists > Internships for college students, Dispatch instructors ● Support for painting and music by young artists ● Set up JUNIOR SAFE sales branch ● Continued to hold Family Day event ● Develop and promote asset management and succession service in anticipation of average life expectancy reaching 100 years ● Promote access to banking transactions and financial services

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Community	<ul style="list-style-type: none"> ● Promote regional revitalization business (management under trust of provincial aquarium and Shinko Kobe project) ● Conducted disaster and reconstruction support activities <ul style="list-style-type: none"> - Organized Tohoku Charity Walk and made donation - Volunteer program to assist areas affected by the flooding disaster in western Japan ● Support sports for people with disabilities <ul style="list-style-type: none"> - Continued to support Japan GoalBall Association - Held workshops, supported events and dispatched volunteers - Employ athletes with disabilities - Donate to Japanese Para-Sports Association ● Donate and co-sponsor FIT Charity Run ● Participate in SMBC Group's volunteer activities ● Participate in SMBC Group Pro Bono Project ● Collect and donate used stamps and spoiled postcards 	<ul style="list-style-type: none"> ● Promote regional revitalization business (by utilizing real estate trust and asset management functions) ● Conducted disaster and reconstruction support activities <ul style="list-style-type: none"> - Volunteer activities in disaster-affected areas - Support sports for people with disabilities - Support for Japan GoalBall Association - Held introductory workshops, supported events, and dispatched volunteers - Employ athletes with disabilities - Donate to Japanese Para-Sports Association ● Donate and co-sponsor FIT Charity Run ● Participate in SMBC Group's volunteer activities ● Participate in SMBC Group Pro Bono Project ● Collect and donate used stamps and spoiled postcards
Management Base	<ul style="list-style-type: none"> ● Raise employee awareness and increase understanding of SDGs <ul style="list-style-type: none"> - Ran internal study groups and online training programs ● Promote customer-oriented business operations <ul style="list-style-type: none"> - Received "S" rating by Rating and Investment Information, Inc. (R&I) as customer-centered investment trust sales company ● Call center acquired 3-star monitoring rating, the highest offered, from HDI ● Continue promotion of D&I and work style reforms <ul style="list-style-type: none"> - Accredited by the Tokyo Metropolitan Government as a company that has made a work style reform declaration - Utilize telecommuting, satellite office programs 	<ul style="list-style-type: none"> ● Promote SDGs initiatives ● Promote customer-oriented business operations ● Continue promotion of D&I and work style reforms ● Expand range of employees participating in CSR activities

Sumitomo Mitsui Finance and Leasing (SMFL)

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> • Reduce electricity use by 1% from previous year • Paper use: reduced by 48% from fiscal 2010 level • Held EMS study sessions • Conducted first tests to confirm EMS study sessions 	<ul style="list-style-type: none"> • Electricity use: Maintain fiscal 2018 level (after taking into account change in office floor area) • Reduce power consumption to below fiscal 2018 level • Continued initiative to collect daily contact lens cases
Next Generation	<ul style="list-style-type: none"> • Promote diversity and work style reforms - Have women account for 30% of new graduates hired for managerial track positions - Promote Smart Work 	<ul style="list-style-type: none"> • Promote diversity and work style reforms - Have women account for 30% of new graduates hired for managerial track positions - Set Smart Work targets - Rigorous attendance management
Community	<ul style="list-style-type: none"> • Social contribution activities - Held six sales of vocational training products - List on internal notice boards, display posters, and solicit attendance on the day of the sale - Added support facility for vocational aid products (Osaka) - Continue to provide information utilizing information boxes 	<ul style="list-style-type: none"> • Social contribution activities - Organized six sales of products made by welfare workshops - Consider adding to the list of facilities supported - Continue to publish information about products in information boxes
Management Base	<ul style="list-style-type: none"> • Enhanced PR and IR activities - Revised corporate brochure to reflect reorganization in January 2019 - Complete corporate site integration work 	<ul style="list-style-type: none"> • Enhanced PR and IR activities - Renewed corporate brochure - Discussed renewal of corporate website - Perform compliance survey

Environmental goals and performance data

○: target achieved
△: target not achieved

Environmental Businesses

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Supporting corporate customers	Promote environmentally friendly lease transactions	<ul style="list-style-type: none"> Promote energy projects other than solar power Contracts concluded for four overseas energy saving projects 	○

Managing Environmental Risks

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Disposal of leased property	Secure and manage appropriate disposal route for end-of-lease items	<ul style="list-style-type: none"> Reduce waste products by changing the way yards operate Create workflow charts of internal processes for returned lease items 	○

Promote Reduction of Environmental Impact

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Energy usage (curbing CO ₂ emissions)	Electricity usage: Maintain usage equivalent to fiscal 2017 level	Electricity usage: 99% of the fiscal 2017 level	○
Paper usage	Achieve 50% reduction compared to fiscal 2010	Reduced to 48% of the fiscal 2010 level	○
Employee education	Raise awareness of reducing environmental impact through employee education	<ul style="list-style-type: none"> Conducted CSR lecture during induction training for new recruits Held EMS study meetings at all departments Held compliance training 	○
Continue conducting environmental contribution activities	Spread environmental awareness among directors and employees through environmental contribution programs	Continued providing notifications on SMBC Group volunteer activities and promoted employee participation	○

SMBC Nikko Securities (SMBC Nikko)

Results and Targets

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> • Environmental contributions through business <ul style="list-style-type: none"> - Strengthened underwriting and sales structure for SDGs-related finance such as Green Bonds (established SDGs Finance Office) - Increased range of ESG-related funds sold (began sales of BlackRock's governance-focused funds and global SDGs equity funds) • Reduce environmental impact <ul style="list-style-type: none"> - Operations based on ISO14001 certification (changed certified facility due to office relocation) - Achieved environmental target for power consumption • Performed environment-related community service activities <ul style="list-style-type: none"> - Riverbank cleanup and other volunteer activities by head office and branch offices nationwide 	<ul style="list-style-type: none"> • Environmental contributions through business <ul style="list-style-type: none"> - Promoted SDGs-related finance - Strengthened ESG initiatives • Reduce environmental impact <ul style="list-style-type: none"> - Discussed specific actions to reduce power consumption and copy paper use - Raised environmental awareness among employees • Environment-related community service activities <ul style="list-style-type: none"> - Continued volunteer activities such as riverbank cleanup
Next Generation	<ul style="list-style-type: none"> • Continued to promote financial literacy <ul style="list-style-type: none"> - Organized company tours for students of various schools and "Exciting Family Experience Day" for elementary school students (approximately 1,982 people from 134 branches took part) - Provided endowed chair to a university - Received the 12th Kids Design Award, a first for a securities company 	<ul style="list-style-type: none"> • Continued to promote financial literacy <ul style="list-style-type: none"> - Promote financial literacy education for all age groups - Implement effective finance and economics education using different teaching materials for different generations

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Community	<ul style="list-style-type: none"> ● Enhanced convenient services for all customers, including senior citizens and people with disabilities - Acquired OMOTENASHI Japan service quality certification - Trained dementia supporters and service care attendants ● Promote CSR activities rooted in each community - Volunteer activities in areas impacted by disasters (ongoing support for reconstruction in Tohoku and western Japan) ● Working with other organizations to solve social issues - Continue support for blind soccer - Responded to JSDA's call to take part in Cabinet Office program Children's Future Support Fund book donation project 	<ul style="list-style-type: none"> ● Enhanced convenient services for all customers, including senior citizens and people with disabilities - Programs for senior citizens based on knowledge of financial gerontology ● Promote CSR activities rooted in each community - Strengthened regional revitalization business - Long-term program of activities to support disaster-stricken areas ● Working with other organizations to solve social issues - Expanding volunteer activities in collaboration with NPOs and other groups
Management Base	<ul style="list-style-type: none"> ● Promote customer-oriented business operations ● Promote work style reforms and diversity - Improved business efficiency through the use of IT, such as RPA and chatbots ● Strengthen corporate governance system - Clarified the roles of individual lines to establish internal control framework based on 3 Lines of Defense ● Consider and implement measures for raising awareness of CSR activities internally and externally - CSR Council (comprising Management Council members) established in fiscal 2019 to start discussions of CSR as part of management strategy - Established internal CSR awards program designed to raise CSR awareness among employees - Implementing CSR activities that are easy to participate in 	<ul style="list-style-type: none"> ● Promote customer-oriented business operations ● Deepen work style reform ● Strengthen corporate governance system ● Implemented CSR activities for sustainable growth - Strengthen effective internal/external communications for CSR activities - Put into action measures for promoting SDGs

Environmental goals and performance data

○: target achieved
△: target not achieved

Promote Reduction of Environmental Impact

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Reduce power consumption	<ul style="list-style-type: none"> Keep power consumption down to 195kWh/m² every year through 2020 Reduce power consumption to 174kWh/m² in 2030 	150.6kWh/m ²	○
Promote initiatives to rectify culture of excessive overtime	Deliver labor management-related information to all departments and offices, and draw their attention to the issue	Share labor management-related information with all departments and offices, and draw their attention to the issue as required	○
Eliminate redundant work by preventing administrative errors and accidents	Distribute and post information on the intranet related to prevention of administrative errors	Distribute content related to preventing mistakes on intranet	○
	Helped to reduce road accidents by holding driving instruction sessions	Distribute road accident prevention lectures and related information	○
	Distribute content related to prevention of complaints and errors	Distribute content and positive case studies related to prevention of complaints and errors	○
	Distribute compliance manual and hold business ethics workshops	Distribute compliance manual, hold tests to check employees' understanding, and hold business ethics workshops	○
	Provide compliance training for young employees	Run multiple compliance training sessions for young employees and managers responsible for instructing young employees	○

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Promotion of work efficiency	Plan and promote introduction of latest information technologies	Introduce the latest information technologies and implement IT-related measures that contribute to streamlining	○
	Establish business bases outside Tokyo in departments that require travel between locations	Open Western Japan business base to improve convenience and streamline operations	○
	Revise training materials and manuals	Publish new materials and ensure employees know about existing materials	○
Reduction of environmental impact (CO ₂ emission reduction)	Reduce the use of air travel for business by 30% in departments that travel frequently for customer meetings	Use of air travel to visit customers increased from last year	△
	Of all company cars due for replacement, 90% were replaced by fuel-efficient and hybrid vehicles.	Approximately 95% of company cars due for replacement were replaced with low- emissions vehicles.	○
Promotion of paperless operation and work efficiency	Promote smartphone app use for opening new accounts	Inform customers through advertising and on the company website, run an account opening campaign, etc.	○
	Guidance to Direct Course	Increase leads by direct mail and campaigns	○
	Encourage customers to register their email address and apply for email service	Encourage customers to register their email address and apply for email service through campaigns and new account promotions	○
	Promote electronically delivered contracts	Encourage customers to register their email address and apply for email service through campaigns and new account promotions	○
	Reduce workload of entering data into company systems and processing of account opening applications	Reduce workload by revising work flows, use of RPA, etc.	○
	Make sales office reports paperless	Make multiple business processes paperless	○

Sumitomo Mitsui Card Company (SMCC)

Results and Targets

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> • Continue compliance with environmental laws and regulations (Amended Energy Saving Act) • Promotion of environmental businesses <ul style="list-style-type: none"> - Promote Web account statements (for members and affiliates) - Promote online sign-up - Conduct tree-planting activities through point exchange - Continue to use environmentally friendly products • Continue to conduct workshops aimed at enhancing environmental awareness • Continue implementation of system for encouraging acquisition of the Eco Test qualification • Handle regular ISO 14001 inspections 	<ul style="list-style-type: none"> • Continue compliance with environmental laws and regulations (Amended Energy Saving Act) • Promotion of environmental businesses <ul style="list-style-type: none"> - Promote Web account statements (for members and affiliates) - Promote online sign-up - Conduct tree-planting activities through point exchange - Continue to use environmentally friendly products • Continue to conduct workshops aimed at enhancing environmental awareness • Continue implementation of system for encouraging acquisition of the Eco Test qualification • Conduct environmental beautification and conservation activities (regional cleanup activities)
Next Generation	<ul style="list-style-type: none"> • Strengthen financial literacy training for younger people <ul style="list-style-type: none"> - Promote allowance book app for elementary school students - Conducted financial education seminars for elementary school students at Japan Futsal League matches - Conduct financial seminars at the venues of sports events participated in by elementary school students - Conduct financial education seminar for parents and children during summer vacation • Participate in team teaching on cashless settlement with home economics teachers at municipal middle schools • Conduct financial literacy education for high school, university, and vocational college students • Hold company tours for children • Promote non-credit payments (prepaid and debit cards) 	<ul style="list-style-type: none"> • Strengthen financial literacy training for younger people <ul style="list-style-type: none"> - Promote allowance book app for elementary school students - Offer financial education at a summer vacation event for elementary school students and their parents run by newspaper - Conduct financial seminars at the venues of sports events participated in by elementary school students - Conduct financial education seminar for parents and children during summer vacation • Conduct financial literacy education for senior high school students in view of revision of Civil Law Act to change legal adult age • Conduct financial literacy education for middle/high school students, college students, and vocational school students • Conduct company tours for children • Promote non-credit settlement (prepaid/debit)

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Community	<ul style="list-style-type: none"> ● Community service activities through main business - Handle donations via online collection and point exchange - Issue social contribution cards - Expand small-cap business, regional expansion of card settlement - Respond to Act for Eliminating Discrimination against Persons with Disabilities - Conduct regional revitalization using sites for foreign visitors ● Support community through sponsorship of the Japan Futsal Federation ● Conduct regional development by co-sponsoring sports events for elementary school students ● Continue CSR activities by regional sales departments ● Continue support for post-quake reconstruction ● Continue the Table for Two program ● Hold training for Olympic volunteers 	<ul style="list-style-type: none"> ● Community service activities through main business - Handle donations via online collection and point exchange - Issue social contribution cards - Expand small-cap business, regional expansion of card settlement - Respond to Act for Eliminating Discrimination against Persons with Disabilities - Conduct regional revitalization using sites for foreign visitors ● Conduct regional development by co-sponsoring sports events for elementary school students ● Continue CSR activities by regional sales departments ● Continue support for post-quake reconstruction ● Continue the Table for Two program ● Hold training for Olympic volunteers
Management Base	<ul style="list-style-type: none"> ● Ensure all employees know about SDGs - Hold study sessions, utilize internal SNS, internal newsletters, questionnaires ● Promote various initiatives related to diversity and work style reforms ● Promote initiatives designed to improve CX ● Further improve internal content and continue dissemination of compliance-related information through training programs, etc. 	<ul style="list-style-type: none"> ● Promote SDGs initiatives - Incorporate SDGs into business plans - Improve employees' knowledge and awareness of the SDGs by utilizing study sessions, internal SNS and newsletters and questionnaires ● Promote various initiatives related to diversity and work style reforms ● Promote initiatives designed to improve CX ● Disseminate compliance-related information through training programs, internal content, etc., and further improve compliance mindset

Environmental goals and performance data

○: target achieved
△: target not achieved

Environmental Businesses

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Providing services	Promote Web account statements Approximately 60% of customers registered for Web account statements at end of fiscal year	59.6% (as of March 2019)	△
	Promote online enrollment 818,700 enrollments per year	891,500 enrollments (as of March 2019)	○
	Promote enrollment of iD members 753,500 enrollments per year	791,900 enrollments (as of March 2019)	○

Promote Reduction of Environmental Impact

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Reducing electricity usage	Electric power: 0.5% reduction compared with fiscal 2017 in usage volume per unit area	△2.1% (as of March 2019)	○
Reducing paper usage	1% reduction compared with fiscal 2017 in copier paper usage volume per employee	△6.1% (as of March 2019)	○
Increase operational efficiency	Make transparent energy reductions from administrative streamlining	Achieve streamlining in all departments	○
Promote purchasing of green products	Maintain ratio of green product purchasing for stationery at 90% or above	94% (as of March 2019)	○
Employee education	Thoroughly raise awareness of response to environmental issues through education and training	<ul style="list-style-type: none"> • Held workshops for CSR Committee members (May 2018) • Participated in internal ISO 14001 auditor training course (August-September 2017) • Held workshops and check tests for each department (August 2018) 	○

Cedyna Financial Corporation (Cedyna)

Results and Targets

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> ● Promote Environmental Management System (EMS) based on ISO 14001 certification - Promoted integration with business - Respond to renewal assessments ● Continue promotion of environment-related products and services - Promote Web account statements to cardholders - Promote online credit card applications ● Promote measures to reduce environmental impact - Promoted initiatives through eco-rules - Promote initiatives for raising productivity (BPR activities) - Visualize record of initiatives to reduce environmental impact ● Conduct environmental beautification and conservation activities (regional clean-up activities) - Conduct clean-ups near the Shinagawa and Kikukawa offices - Participated in cleanup activities sponsored by Fukuoka Love the Earth and SMFG 	<ul style="list-style-type: none"> ● Continue initiatives based on SMBC Group EMS - Promote initiatives consistent with business attributes of each department - Continue companywide education program ● Continue promotion of environment-related products and services - Promote enrollment for Web account statements - Promote online credit card applications ● Promote measures to reduce environmental impact - Promoted initiatives through eco-rules - Promote initiatives for raising productivity (BPR activities) - Visualize activities to reduce environmental impact - Continue green purchasing of office supplies ● Conduct environmental beautification and conservation activities (regional clean-up activities) - Conduct cleanups near the Shinagawa and Kikukawa offices - Participated in cleanup activities sponsored by Fukuoka Love the Earth and SMFG
Next Generation	<ul style="list-style-type: none"> ● Provided work experience opportunities through internships 	<ul style="list-style-type: none"> ● Strengthen financial literacy training - Work experience day for junior high school students - Conduct financial education seminar for parents and children during summer vacation

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Community	<ul style="list-style-type: none"> ● Community service activities through main business <ul style="list-style-type: none"> - Continue donations and subsidies from socially contributing credit cards - Donate through point exchange and promotion of online solicitations - Provide products and services for solving social issues ● Conduct social contribution activities with employees <ul style="list-style-type: none"> - Proactively participate in SMBC Group-run social contribution activities - Develop social contribution activities for the Olympics and Paralympics - Promoted social contribution activities in each region - Run community service activities in the form of home delivery of books by volunteers 	<ul style="list-style-type: none"> ● Community service activities through main business <ul style="list-style-type: none"> - Continue donations and subsidies from socially contributing credit cards - Donate through point exchange and promotion of online solicitations - Provide services that help improve convenience of alliance partners ● Conduct social contribution activities with employees <ul style="list-style-type: none"> - Proactively participate in SMBC Group-run social contribution activities - Develop social contribution activities for the Olympics and Paralympics - Continue to promote community service activities at each business base - Continue with community service activities with companywide participation ● Continue support activities in disaster-affected areas
Management Base	<ul style="list-style-type: none"> ● Customer satisfaction ● Rigorous compliance ● Enhanced awareness of human rights ● Promote diversity ● Improve work-life balance measures ● Rigorous risk management and information management ● Shut out associations with anti-social forces ● Prevent money laundering ● CSR (SDGs) promotion initiatives <ul style="list-style-type: none"> - Promote CSR activities integrated with business activities - Conduct CSR seminar - Conduct CSR education by level - Expand communication channels for information related to CSR activities 	<ul style="list-style-type: none"> ● Customer satisfaction ● Rigorous compliance ● Enhanced awareness of human rights ● Promote diversity ● Improve work-life balance measures ● Rigorous risk management and information management ● Shut out associations with anti-social forces ● Prevent money laundering ● CSR (SDGs) promotion initiatives <ul style="list-style-type: none"> - Promote CSR activities integrated with business activities - Conduct education and training to spread information on SDGs - Continue distributing CSR activity information to spread knowledge of SDGs

Environmental goals and performance data

○: target achieved
△: target not achieved

Environmental Businesses

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Providing services	Promote Web service enrollment Total online enrollments: 3 million	2,928,000 enrollments (as of March 2019)	△
	Promotion of C-Web (online application for shopping credit service) Percentage of online enrollments: 50%	52.5% (as of March 2019)	○

Promote Reduction of Environmental Impact

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Reducing electricity usage	Maintained reduced paper usage by 10% compared with fiscal 2010	△11.9% (as of March 2019)	○
Reducing copier paper usage	Maintained 6% reduction compared with fiscal 2013	△17.4% (as of March 2019)	○
Green purchasing	Green purchasing ratio: 85%	91.1% (as of March 2019)	○
Employee education	Provide employee education in all departments and branches	Conducted EMS workshops and comprehension tests at all departments and branches	○

SMBC Consumer Finance (SMBCCF)

Performance and Goals

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> Promote environmental management system (EMS) <ol style="list-style-type: none"> 1. Improve productivity using AI and RPA <ul style="list-style-type: none"> - Promoted automated chat service using AI (12, 210 chat users as of February 28, 2019) - Promoted initiatives using RPA (As of February 28, 2019) 2. Improve customer convenience by digitalization <ul style="list-style-type: none"> - Promoted Web account statements (70% of customers registered for Web account statements as of February 28, 2019) - Promoted cardless transactions using app loans (Percentage of cardless transactions: 7.0%) (As of February 28, 2019) 3. Further increase environmental awareness by educating employees <ul style="list-style-type: none"> - Ran study groups and discussions for all employees - Further improved environmental awareness by conducting tests to check employees' understanding <ul style="list-style-type: none"> Response to ISO 14001 revision Continue to promote energy and resource conservation, etc. <ul style="list-style-type: none"> - Promoted initiatives through eco-rules - Conducted CO₂ reduction/writedown campaign Community service activities <ul style="list-style-type: none"> - Organized cleanups at each business base 	<ul style="list-style-type: none"> Promote environmental management system (EMS) Continued energy-saving and resource-saving initiatives <ul style="list-style-type: none"> - Promoted initiatives through eco-rules Environmental initiatives through business activities <ul style="list-style-type: none"> - Promoted Web account statements - Promoted cardless transactions using app loans Promoted initiatives for streamlining by raising productivity <ul style="list-style-type: none"> - Achieved shift to high value-added processes by active use of RPA Community service activities <ul style="list-style-type: none"> - Continued to organize cleanups at each business base

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Next Generation	<ul style="list-style-type: none"> ● Initiatives promoting enhanced financial literacy <ul style="list-style-type: none"> - Held seminars, etc. for students and community members to improve their financial literacy, led by Customer Service Plazas at 18 nationwide locations (1,478 seminars held in fiscal 2018; 120,217 people participated) ● Digital transformation initiatives <ul style="list-style-type: none"> - Improved customer convenience through digitalization - Promoted automated chat service using AI ● Support for cultural education activities <ul style="list-style-type: none"> - Sponsored Promise Essay Award 	<ul style="list-style-type: none"> ● Initiatives promoting enhanced financial literacy <ul style="list-style-type: none"> - Continued financial education activities mainly for young people ● Digital transformation initiatives <ul style="list-style-type: none"> - Improved customer convenience through digitalization - Promote automated chat service using AI ● Support for cultural education activities <ul style="list-style-type: none"> - Sponsored Promise Essay Award
Community	<ul style="list-style-type: none"> ● Community service activities <ul style="list-style-type: none"> - CSR activities rooted in local communities at 18 Customer Service Plazas nationwide - Donation activities with employee participation and matching gift "Yakusoku no Mori" supporting social welfare corporations Zenyokyo (national council of children's homes) and Japan Hearing Dogs for Deaf People, and Zenjienkyo (Japan association of homes for working youth unable to live with their families) - Take part in food aid program for developing countries through Table for Two program - Continued to organize cleanups at each business base - Participation in SMBC Group's volunteer activities 	<ul style="list-style-type: none"> ● Continued community service activities <ul style="list-style-type: none"> - CSR activities rooted in local communities at 18 Customer Service Plazas nationwide - Continued donation activities with employee participation and matching gift "Yakusoku no Mori" - Continue implementation of Table for Two - Continued to organize cleanups at each business base - Participation in SMBC Group's volunteer activities ● Financial inclusion in Asia <ul style="list-style-type: none"> - Expanded financial services in Asia (including Thailand, mainland China, Hong Kong, and Taiwan)

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Management Base	<ul style="list-style-type: none"> • Rigorous compliance • Promote diversity and inclusion <ul style="list-style-type: none"> - Promote women's success in the workplace and work style reforms • Initiatives to improve CS <ul style="list-style-type: none"> - Promote CS activities through CS leader system - Promote activities to improve CS based on customer feedback and employees' suggestions • Increase understanding of SDGs <ul style="list-style-type: none"> - Hold SDG seminars - Hold SDG study groups for all employees 	<ul style="list-style-type: none"> • Rigorous compliance • Promote diversity and inclusion <ul style="list-style-type: none"> - Promote women's success in the workplace and work style reforms • Initiatives to improve CS <ul style="list-style-type: none"> - Promote CS activities through CS leader system - Promote activities to improve CS based on customer feedback and employees' suggestions • Start SDGs initiatives

Environmental goals and performance data

○: target achieved
△: target not achieved

Environmental Businesses

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Improve customer convenience through digitalization	<ul style="list-style-type: none"> • Reduce paper use by utilizing the internet • Reduce environmental impact by not issuing cards 	<ul style="list-style-type: none"> • Percentage of customers registered for Web account statements: 100.7% • Percentage of customers not issued cards: 121.7% 	○

Promote Reduction of Environmental Impact

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Reducing copier paper usage	Reduce head office building's use of copy paper by 5% versus fiscal 2017 (scope: Head Office building)	99.2% compared against target	○
Reducing electric power usage	Reduction in electric power usage compared with fiscal 2015 (scope: Head Office building)	97.1% compared against target	○
Further increase environmental awareness by educating employees	Continue to conduct workshops related to EMS and EMS self-check tests	Conducted EMS workshops for all employees, and EMS self-checks	○
Improve productivity using AI and RPA	<ul style="list-style-type: none"> Streamline business operations using chat service Improve productivity using AI and RPA 	Attainment rate: 114.9%	○

The Japan Research Institute (JRI)

Results and Targets

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> Promoted environmental business <ul style="list-style-type: none"> Supported business model construction in Post-FIT era Supported entry by Japanese companies into environmental business in emerging economies Conducted verification tests in Tianjin Eco-city and on energy conservation in Guangdong Province, China Supported corporate evaluations for environmentally friendly loans Support corporate evaluations for biodiversity funds 	<ul style="list-style-type: none"> Continue promotion of environmental businesses Create smart infrastructure market and solution business Supported corporate evaluations for environmentally friendly loans Support corporate evaluations for biodiversity funds

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Next Generation	<ul style="list-style-type: none"> Continued operation of the "Incubation & Innovation Initiative," to promote open innovation Developed activities aimed at revitalization of Japanese agriculture through next-generation agriculture, launched consortium to develop the DONKEY farming support robot Supported development of programs for advancing the role of women <ul style="list-style-type: none"> Supported advancement of women's roles through Nadeshiko loans Company assessments incorporated ESG to promote sustainable economic activities <ul style="list-style-type: none"> Enhanced communications to promote SDGs Made policy proposals for the creation of a sustainable society <ul style="list-style-type: none"> Three symposiums to commemorate 50th anniversary of JRI <ul style="list-style-type: none"> @ "Japan as a society of many deaths: How we can adapt healthcare, long-term care, urban planning, and businesses so that each person can die peacefully" (September 2018) A "A consumption tax rate of 10% is not enough for sustainable social security" (November 2018) B "Digital transformation of agriculture driven by smart farming" (March 2019) 	<ul style="list-style-type: none"> Continue implementation of "Incubation & Innovation Initiative" Revive Japanese agriculture through agricultural industrialization Propose policies for advancing the role of women and vitalizing local economies Promote sustainable economic activities by incorporating ESG into company assessment Symposiums
Community	<ul style="list-style-type: none"> Continue support for recovery and reconstruction efforts following the Great East Japan Earthquake <ul style="list-style-type: none"> Participate in volunteer activities in support of areas affected by disasters organized by SMBC Group Continue locally rooted reconstruction support projects (Support resident community-building) Launched regional platform for providing products and services to vulnerable ("gap") seniors Created new community mobility infrastructure using self-driving technology Newly participate in the Table for Two program 	<ul style="list-style-type: none"> Continue support for recovery and reconstruction efforts following the Great East Japan Earthquake <ul style="list-style-type: none"> Participate in volunteer activities in support of areas affected by disasters organized by SMBC Group Continue locally rooted reconstruction support projects (Support resident community-building) Create private-sector service market in ultra-aging society Regional revitalization through next-generation mobility Continue the Table for Two program

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Management Base	<ul style="list-style-type: none"> ● Raised security level of SMBC Group overall - Implemented various measures to reinforce security led by JRI security department in order to tackle the increase and sophistication of cyber-attacks ● Continued upgrading and expansion of compliance systems, and of in-house education and training ● Further promoted measures for work-life balance - Continued promoting activities for reform of work styles at frontline level 	<ul style="list-style-type: none"> ● Raise security level for overall SMBC Group - Provide technical support for system security at SMBC Group companies ● Continue upgrading and expansion of compliance systems, and of in-house education and training ● Further promote measures for work-life balance

Environmental goals and performance data

○: target achieved
△: target not achieved

Promote Reduction of Environmental Impact

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Energy usage (curbing CO ₂ emissions)	Reduce CO ₂ emissions from annual energy use (Reduce usage by area by 3% compared with fiscal 2015)	Reduced usage by area by 1.9% compared with fiscal 2015	△
Paper usage	Reduce copier paper usage per employee (6% reduction compared with fiscal 2015)	Reduced paper use per employee by 29.4% compared with fiscal 2015	○
Employee education	Conduct ongoing environmental education and training for employees while increasing environmental awareness	<ul style="list-style-type: none"> ● Conducted EMS comprehension survey via the intranet ● Environmental Management Promoter Liaison Committee (August 2017) 	○

PR Activities, etc

	Goals for fiscal 2018	Performance in Fiscal 2018	Result
Information dissemination	Awareness-raising activities through distribution of environment-related information	<ul style="list-style-type: none"> ● Organized two ESG study sessions for media ● Distributed 101 items of environment-related (ESG) information 	○

Sumitomo Mitsui DS Asset Management Company (SMDAM)

Topic	Performance in Fiscal 2018	Goals for Fiscal 2019
Environment	<ul style="list-style-type: none"> Utilized IT to make internal meetings paperless and made all internal processes such as reports and applications electronic Made all investment reports issued to customers electronic Clothing reuse activities 	<ul style="list-style-type: none"> Started use of electronic approval system after introducing from electronic reports and applications Began transition to electronic internal control audit reports issued to clients Continued clothing reuse activities
Next Generation	<ul style="list-style-type: none"> Financial education and instruction program for elementary and junior high school students using card game Economica Donation to Kotsuiji Ikueikai (a foundation that supports children who have lost a parent to road accidents) to provide financial assistance for further education Promote initiatives to tackle companies' ESG challenges through ESG investment Provided funding through publicly offered investment trust for next-generation technologies such as self-driving and biotechnology 	<ul style="list-style-type: none"> Held Economica-related event in collaboration with universities and companies in other sectors Continued self-driving technology seminars and Kotsuiji Ikueikai donation program Introduced new beverage vending machines with donation feature Strengthened ESG investment research team Provided funds through publicly offered investment trust for next-generation technologies such as self-driving and biotechnology
Community	<ul style="list-style-type: none"> Volunteered to help run a marathon event organized by the City Office in Minato-ku Volunteer activities at local schools, such as classes by visiting employees 	<ul style="list-style-type: none"> Volunteered to help run a marathon event organized by Minato City Office Volunteer activities at local schools, such as classes by visiting employees
Management Base	<ul style="list-style-type: none"> Provide an environment to facilitate working, including teleworking, satellite offices, and half-day leave Health improvement initiatives such as counselling by professionals and programs to encourage walking 	<ul style="list-style-type: none"> Introduced flextime and increased scope of application of parental leave and elder-care leave to enable more flexible ways of working Encourage employees to engage in community service by introducing volunteer leave

List of Company Data

Main initiatives

- [1. Environmental Impact Data of SMBC Group Companies ▼](#)
- [2. SMBC Group Company Employee Data ▼](#)
- [3. Main systems for achieving a work-life balance at SMFG Group companies ▼](#)
- [4. Environmental accounting at SMBC ▼](#)

1. Environmental Impact Data of SMBC Group Companies

The figures of direct and indirect energy CO₂ emissions are calculated by each group companies, based on the method of amended energy saving act.

Figures of other energy consumption are based on respective group company's methodology.

Please refer to the link below for environmental performance data and goals of SMBC Group companies.

➤ [Performance Data and Goals of SMBC Group Companies](#)

✓ Sumitomo Mitsui Financial Group (SMFG)

✓ Sumitomo Mitsui Banking Corporation (SMBC)

✓ SMBC Trust Bank (SMBCTB)

✓ Sumitomo Mitsui Finance and Leasing (SMFL)

✓ SMBC Nikko Securities (SMBC Nikko)

✓ SMBC Friend Securities (SMBC Friend)

✓ Sumitomo Mitsui Card Company (SMCC)

✓ Cedyna Financial Corporation (Cedyna)

✓ SMBC Consumer Finance (SMBCCF)

✓ The Japan Research Institute (JRI)

✓ Sumitomo Mitsui DS Asset Management Company (SMDAM)

Sumitomo Mitsui Financial Group (SMFG)

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	0.0	0.0	0.0
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	0.0	0.0	0.0
	Other CO ₂ emissions	t-CO ₂	91.9	175.1	185.1
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	91.9	175.1	185.1
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	91.9	175.1	185.1

Sumitomo Mitsui Banking Corporation (SMBC)

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	9,472.5	9,227.9	8,410.9
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	82,679.0	81,335.2	74,996.8
	Other CO ₂ emissions	t-CO ₂	8,986.6	8,634.8	9,324.9
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	101,138.2	99,197.9	92,732.6

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Direct energy consumption	City gas	Thousand m ³	1,890.4	1,903.6	1,760.5
		t-CO ₂	4,238.0	4,270.9	3,818.5
	Liquefied petroleum gas (LPG)	t	10.7	10.3	4.8
		t-CO ₂	32.1	30.9	14.4
	Heavy fuel oil	kl	7.3	7.0	8.5
		t-CO ₂	19.8	19.0	23.0
	Light oil	kl	3.2	0.6	0.5
		t-CO ₂	8.3	1.6	1.3
	Kerosene	kl	4.8	5.9	6.6
		t-CO ₂	12.1	14.7	16.4
	Gasoline (automobile)	l	2,223,191.1	2,106,332.0	1,954,048.5
		t-CO ₂	5,162.2	4,890.9	4,537.3
Indirect energy Consumption	Electricity	Thousand kWh	158,359.3	158,558.1	155,701.4
		t-CO ₂ (emission coefficient)	79,967.8	78,581.5	72,085.5
	Steam	GJ	23,540.0	22,412.8	23,969.4
		t-CO ₂	1,824.8	1,737.4	1,858.1
	Hot water	GJ	1,905.9	1,897.4	1,958.9
		t-CO ₂	147.7	147.1	151.9
	Cold water	GJ	9,529.5	11,213.1	11,627.0
		t-CO ₂	738.7	869.2	901.3
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	7,861.5	7,540.3	8,185.6
	Total water and sewage	Thousand m ³	2,500.3	2,432.2	2,531.7
		t-CO ₂	1,125.1	1,094.5	1,139.3

SMBC Trust Bank (SMBCTB)

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	120.6	107.6	159.5
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	3,736.0	3,895.0	4,413.0
	Other CO ₂ emissions	t-CO ₂	378.1	461.0	520.5
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	4,234.7	4,463.6	5,093.0
Direct energy consumption	City gas	Thousand m ³	50.9	42.8	65.1
		t-CO ₂	117.0	98.0	149.0
	Gasoline (automobile)	l	1,544.0	4,137.0	4,510.8
		t-CO ₂	3.6	9.6	10.5
Indirect energy Consumption	Electricity	Thousand kWh	6,717.1	7,013.4	8,146.1
		t-CO ₂ (emission coefficient)	3,541.0	3,696.0	4,248.0
	Steam	GJ	209.3	283.2	176.1
		t-CO ₂	12.0	16.0	10.0
	Hot water	GJ	103.0	173.3	136.9
		t-CO ₂	6.0	10.0	8.0
	Cold water	GJ	3,098.2	3,037.3	2,585.9
		t-CO ₂	177.0	173.0	147.0

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	375.6	459.0	516.7
	Water supply	Thousand m ³	3.8	3.7	5.8
	Sewage	Thousand m ³	3.7	3.7	5.8
	Total water and sewage	Thousand m ³	7.5	7.4	11.6
		t-CO ₂	2.4	2.0	3.8

Sumitomo Mitsui Finance and Leasing (SMFL)

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	852.0	854.6	741.7
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	926.2	901.3	1,037.4
	Other CO ₂ emissions	t-CO ₂	1,314.9	1,388.7	1,424.0
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	3,093.1	3,144.6	3,203.1
Direct energy consumption	City gas	Thousand m ³	23.5	20.5	19.0
		t-CO ₂	52.0	45.2	42.0
	Light oil	kl	2.2	2.0	-
		t-CO ₂	5.8	5.3	0.0
	Gasoline (automobile)	kl	342.1	346.4	301.4
		t-CO ₂	794.2	804.1	699.7
Indirect energy Consumption	Electricity	Thousand kWh	1,819.7	1,770.7	2,038.1
		t-CO ₂ (emission coefficient)	926.2	901.3	1,037.4
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	1,314.9	1,388.7	1,424.0

SMBC Nikko Securities (SMBC Nikko)

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	3,627.8	4,102.9	3,256.5
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	16,813.1	18,852.0	13,684.2
	Other CO ₂ emissions	t-CO ₂	3,524.7	3,825.0	4,181.2
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	23,965.6	26,779.9	21,121.9
Direct energy consumption	City gas	Thousand m ³	101.6	105.5	17.0
		t-CO ₂	227.0	235.7	38.0
	Heavy fuel oil	kl	2.2	5.9	-
		t-CO ₂	6.0	16.0	-
	Gasoline (automobile)	kl	1,463.3	1,660.0	1,387.3
		t-CO ₂	3,394.9	3,851.2	3,218.5
Indirect energy Consumption	Electricity	Thousand kWh	30,037.6	30,889.5	26,727.0
		t-CO ₂ (emission coefficient)	15,506.1	17,300.4	13,684.2
	Air conditioning systems	GJ	22,930.5	27,221.1	9,540.0
		t-CO ₂	1,307.0	1,551.6	543.8
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	3,500.1	3,799.2	4,165.0
	Water supply	Thousand m ³	26.1	28.6	18.0
	Sewage	Thousand m ³	28.6	28.6	18.0
	Total water and sewage	Thousand kWh	54.7	57.3	36.0
		t-CO ₂	24.6	25.8	16.2

SMBC Friend Securities (SMBC Friend)

* SMBC Friend Securities has formed a merger with SMBC Nikko Securities in January 2018.

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	57.3	41.2	-
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	2,508.7	1,837.5	-
	Other CO ₂ emissions	t-CO ₂	766.6	473.8	-
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	3,332.6	2,352.5	-
Direct energy consumption	City gas	Thousand m ³	25.0	18.0	-
		t-CO ₂	57.3	41.2	-
Indirect energy Consumption	Electricity	Thousand kWh	4,512.0	3,304.8	-
		t-CO ₂ (emission coefficient)	2,508.7	1,837.5	-
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	766.6	473.8	-

Sumitomo Mitsui Card Company (SMCC)

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	518.5	516.2	484.9
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	4,268.4	4,200.0	3,690.0
	Other CO ₂ emissions	t-CO ₂	703.7	726.1	801.9
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	5,490.6	5,442.3	4,976.8
Direct energy consumption	City gas	Thousand m ³	190.0	187.0	173.3
		t-CO ₂	426.4	419.6	388.9
	Gasoline (automobile)	kl	39.7	41.6	41.4
		t-CO ₂	92.1	96.5	96.0
Indirect energy Consumption	Electricity	Thousand kWh	8,420.3	8,390.7	8,106.7
		t-CO ₂ (emission coefficient)	4,268.4	4,200.0	3,690.0
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	676.7	700.2	776.4
	Total water and sewage	Thousand m ³	60.0	59.1	58.1
		t-CO ₂	27.0	25.9	25.5

Cedyna Financial Corporation (Cedyna)

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	844.0	778.2	707.1
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	4,235.0	4,074.0	3,833.4
	Other CO ₂ emissions	t-CO ₂	937.1	921.2	827.8
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	6,016.1	5,773.4	5,368.2
Direct energy consumption	Gasoline (automobile)	kl	363.8	335.1	304.5
		t-CO ₂	844.0	778.2	707.1
Indirect energy Consumption	Electricity	Thousand kWh	8,361.1	8,265.9	8,149.4
		t-CO ₂ (emission coefficient)	4,235.0	4,074.0	3,833.4
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	937.1	921.2	827.8

SMBC Consumer Finance (SMBCCF)

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	0.0	0.0	0.0
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	1,713.3	1,928.9	1,709.9
	Other CO ₂ emissions	t-CO ₂	668.9	698.9	790.1
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	2,382.2	2,627.8	2,500.0
Indirect energy Consumption	Electricity	Thousand kWh	2,376.1	2,376.3	2,171.7
		t-CO ₂ (emission coefficient)	1,188.1	1,154.9	1,031.6
	Steam	GJ	0.0	0.0	0.0
		t-CO ₂	0.0	0.0	0.0
	Hot water	GJ	577.3	656.6	480.4
		t-CO ₂	32.9	37.4	27.4
	Cold water	GJ	8,636.7	12,923.3	11,420.5
		t-CO ₂	492.3	736.6	651.0
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	668.2	698.2	789.4
	Total water and sewage	Thousand m ³	2.2	2.3	2.2
		t-CO ₂	0.7	0.7	0.7

The Japan Research Institute (JRI)

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	496.0	567.8	477.0
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	40,358.9	37,956.2	34,814.7
	Other CO ₂ emissions	t-CO ₂	1,089.0	1,063.0	1,127.7
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	41,943.9	39,587.0	36,419.5
Direct energy consumption	City gas	Thousand m ³	50.2	52.3	47.7
		t-CO ₂	112.7	117.4	107.0
	Heavy fuel oil	kl	92.8	116.8	87.4
		t-CO ₂	251.4	316.5	236.8
	Kerosene	kl	33.9	34.5	37.2
		t-CO ₂	84.4	85.9	92.6
	Gasoline (automobile)	kl	20.4	20.7	17.5
		t-CO ₂	47.4	48.0	40.6
Indirect energy Consumption	Electricity	Thousand kWh	80,347.0	77,169.2	74,926.5
		t-CO ₂ (emission coefficient)	40,358.9	37,956.2	34,814.7
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	1,089.0	1,063.0	1,127.7

Sumitomo Mitsui DS Asset Management Company (SMDAM)

*1 Started from 2017, due to the reorganization.

*2 Sumitomo Mitsui Asset Management and Daiwa SB Investments merge to form Sumitomo Mitsui DS Asset Management Company in April 2019.

Measurement Items		Unit	Fiscal 2016	Fiscal 2017	Fiscal 2018
Total CO ₂ emissions	Direct energy CO ₂ emissions	t-CO ₂	-	186.8	186.2
	Indirect energy CO ₂ emissions	t-CO ₂ (emission coefficient)	-	484.5	476.0
	Other CO ₂ emissions	t-CO ₂	-	452.5	434.4
	CO ₂ emissions total	t-CO ₂ (emission coefficient)	-	1,123.8	1,096.6
Direct energy consumption	City gas	Thousand m ³	-	80.8	80.4
		t-CO ₂	-	181.4	180.4
	Gasoline (automobile)	l	-	2,332.0	2,490.0
		t-CO ₂	-	5.4	5.8
Indirect energy consumption	Electricity	Thousand kWh	-	996.9	979.4
		t-CO ₂ (emission coefficient)	-	484.5	476.0
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	-	452.5	434.4

2. SMBC Group Company Employee Data

Sumitomo Mitsui Asset Management changed the name in April 2019 to Sumitomo Mitsui DS Asset Management Company after merger with Daiwa SB Investments

✓ Numerical Targets and Results Relating to Diversity Promotion and Work Style Reforms

✓ Data for Employees

✓ Data for Executives/Managers

✓ Data for Recruitment

✓ Data for HR systems and leave

Numerical Targets and Results Relating to Diversity Promotion and Work Style Reforms

Ratio of female manager

	Result			Target March 31, 2020
	March 31, 2017	March 31, 2018	March 31, 2019	
Sumitomo Mitsui Banking Corporation	18.8%	21.0%	24.0%	At least 25%
SMBC Trust Bank (*1)	32.9%	33.5%	34.9%	At least 34%
Sumitomo Mitsui Finance and Leasing	4.7%	4.8%	6.4%	10%
Sumitomo Mitsui Card Company	5.3%	6.2%	10.1%	10%
Cedyna Financial Corporation	7.3%	8.7%	10.2%	10.5%
SMBC Consumer Finance (*2)	16.6%	19.3%	19.5%	At least 20%

*1 Ratio of female managers at section chief level

*2 Ratio of female managers to full-time female employees

Overtime hours worked (average, per month)

	Result			Target March 31, 2020
	March 31, 2017	March 31, 2018	March 31, 2019	
SMBC Trust Bank	9.1 hours	11.1 hours	11.2 hours	~11 hours
Sumitomo Mitsui Card Company	15.0 hours	13.7 hours	14.0 hours	~15 hours
Cedyna Financial Corporation	7.1 hours	6.2 hours	5.6 hours	6 hours
SMBC Consumer Finance(*1)	23.2 hours	22.5 hours	21.7 hours	5% less than Fiscal 2016 figure
The Japan Research Institute	18.5 hours	16.3 hours	14.4 hours	10% less than Fiscal 2015 figure

*1 Including employees on short-term contracts, part-time employees

Ratio of paid leave acquisition

	Result			Target Fiscal 2019
	Fiscal 2016	Fiscal 2017	Fiscal 2018	
Sumitomo Mitsui Banking Corporation	65.6%	67.5%	69.8%	70%
SMBC Trust Bank	80.8%	82.5%	85.7%	~90%
Sumitomo Mitsui Finance and Leasing	74.2%	78.0%	80.7%	80%
SMBC Nikko Securities	59.0%	58.7%	61.7%	65%
Sumitomo Mitsui Card Company	76.7%	81.6%	81.9%	80%
Cedyna Financial Corporation	60.9%	65.0%	78.2%	70%
SMBC Consumer Finance(*1)	75.1%	78.0%	80.0%	75%
The Japan Research Institute	72.0%	78.2%	78.6%	At least 70%

*1 Including employees on short-term contracts, part-time employees

Ratio of employees with disabilities

	Result			Target March 31, 2020
	March 31, 2017	March 31, 2018	March 31, 2019	
Sumitomo Mitsui Banking Corporation	2.28%	2.38%	2.47%	At or above statutory minimum rate (2.2%, as of April 2019)
SMBC Trust Bank	1.87%	1.96%	2.51%	
Sumitomo Mitsui Finance and Leasing	2.23%	2.18%	2.05%	
SMBC Nikko Securities	2.25%	2.16%	2.38%	
Sumitomo Mitsui Card Company	2.32%	2.32%	2.45%	
Cedyna Financial Corporation	2.14%	2.39%	2.32%	
SMBC Consumer Finance	2.23%	2.32%	2.43%	
The Japan Research Institute	2.68%	2.40%	2.27%	

Status of employees

(No. of people, %)

		March 31, 2017	March 31, 2018	March 31, 2019
Sumitomo Mitsui Banking Corporation	Number of employees (*1)	27,904	27,935	27,154
	Male	13,261	12,989	12,471
	Ratio	47.52%	46.50%	45.93%
	Female	14,643	14,946	14,683
	Ratio	52.48%	53.50%	54.07%
	Average age	37 yrs 1 mos.	37 yrs 1 mos.	37 yrs 5 mos.
	Male	40 yrs 7 mos.	40 yrs 5 mos.	40 yrs 4 mos.
	Female	33 yrs 11 mos.	34 yrs 2 mos.	34 yrs 10 mos.
	Average years of service	13 yrs 0 mos.	13 yrs 1 mos.	13 yrs 6 mos.
	Male	15 yrs 9 mos.	15 yrs 10 mos.	15 yrs 11 mos.
	Female	10 yrs 5 mos.	10 yrs 9 mos.	11 yrs 4 mos.
	Voluntary separation rate	2%	2%	3%
	Ratio of employees with disabilities (As of March 1 of each year)	2.28%	2.38%	2.47%
	Total training hours/year	-	-	559,743 hours
	Average training per person (hours)	-	-	20.7 hours
	Annual training expenses	-	-	2,404 million yen
	Average training per person (hours)	-	-	88,968 yen

			March 31, 2017	March 31, 2018	March 31, 2019
SMBC Trust Bank	Number of employees (*1)		1,930	1,937	1,985
	Male		875	907	948
		Ratio	45.34%	46.82%	47.76%
	Female		1,055	1,030	1,037
		Ratio	54.66%	53.18%	52.24%
	Average age		41 yrs 1 mos.	42 yrs 5 mos.	44 yrs 7 mos.
	Male		44 yrs 5 mos.	44 yrs 4 mos.	46 yrs 11 mos.
	Female		40 yrs 2 mos.	40 yrs 9 mos.	41 yrs 4 mos.
	Average years of service		8 yrs 7 mos.	9 yrs 1 mos.	7 yrs 3 mos.
	Male		8 yrs 7 mos.	8 yrs 6 mos.	6 yrs 3 mos.
	Female		8 yrs 11 mos.	9 yrs 7 mos.	8 yrs 2 mos.
	Ratio of employees with disabilities (As of March 1 of each year)		1.87%	1.96%	2.51%

		March 31, 2017	March 31, 2018	March 31, 2019
Sumitomo Mitsui Finance and Leasing	Number of employees (*1)	1,678	1,683	2,434
	Male	1,067	1,072	1,581
	Ratio	63.59%	63.70%	64.95%
	Female	611	611	853
	Ratio	36.41%	36.30%	35.05%
	Average age	40 yrs 2 mos.	40 yrs 6 mos.	40 yrs 7 mos.
	Male	42 yrs 2 mos.	42 yrs 5 mos.	42 yrs 8 mos.
	Female	36 yrs 7 mos.	37 yrs 1 mos.	37 yrs 2 mos.
	Average years of service	14 yrs 10 mos.	15 yrs 0 mos.	15 yrs 0 mos.
	Male	16 yrs 8 mos.	16 yrs 10 mos.	16 yrs 11 mos.
	Female	11 yrs 5 mos.	11 yrs 11 mos.	11 yrs 10 mos.
	Voluntary separation rate	2%	3%	2%
	Ratio of employees with disabilities (As of March 1 of each year)	2.23%	2.18%	2.05%

		March 31, 2017	March 31, 2018	March 31, 2019
SMBC Nikko Securities	Number of employees (*1)	8,705	10,678	10,394
	Male	5,283	6,579	6,411
	Ratio	60.69%	61.61%	61.68%
	Female	3,422	4,099	3,983
	Ratio	39.31%	38.39%	38.32%
	Average age	40 yrs 1 mos.	40 yrs 0 mos.	40 yrs 7 mos.
	Male	41 yrs 3 mos.	41 yrs 4 mos.	41 yrs 9 mos.
	Female	38 yrs 4 mos.	37 yrs 11 mos.	38 yrs 8 mos.
	Average years of service	13 yrs 11 mos.	11 yrs 10 mos.	12 yrs 6 mos.
	Male	14 yrs 7 mos.	12 yrs 1 mos.	12 yrs 8 mos.
	Female	13 yrs 0 mos.	11 yrs 5 mos.	12 yrs 3 mos.
	Ratio of employees with disabilities (As of March 1 of each year)	2.25%	2.16%	2.38%

		March 31, 2017	March 31, 2018	March 31, 2019
Sumitomo Mitsui Card Company	Number of employees (*1)	2,439	2,482	2,495
	Male	1,140	1,151	1,141
	Ratio	46.74%	46.37%	45.73%
	Female	1,299	1,331	1,354
	Ratio	53.26%	53.63%	54.27%
	Average age	38 yrs 9 mos.	39 yrs 0 mos.	39 yrs 6 mos.
	Male	40 yrs 9 mos.	41 yrs 0 mos.	41 yrs 5 mos.
	Female	36 yrs 11 mos.	37 yrs 4 mos.	37 yrs 10 mos.
	Average years of service	14 yrs 5 mos.	14 yrs 8 mos.	15 yrs 0 mos.
	Male	15 yrs 8 mos.	15 yrs 11 mos.	16 yrs 2 mos.
	Female	13 yrs 4 mos.	13 yrs 8 mos.	14 yrs 0 mos.
	Ratio of employees with disabilities (As of March 1 of each year)	2.32%	2.32%	2.45%

		March 31, 2017	March 31, 2018	March 31, 2019
Cedyna Financial Corporation	Number of employees (*1)	3,389	3,425	3,349
	Male	1,998	1,971	1,897
	Ratio	58.96%	57.55%	56.64%
	Female	1,391	1,454	1,452
	Ratio	41.04%	42.45%	43.36%
	Average age	42 yrs 1 mos.	42 yrs 8 mos.	43 yrs 0 mos.
	Male	44 yrs 6 mos.	44 yrs 10 mos.	45 yrs 2 mos.
	Female	38 yrs 8 mos.	39 yrs 7 mos.	40 yrs 2 mos.
	Average years of service	18 yrs 0 mos.	18 yrs 2 mos.	18 yrs 6 mos.
	Male	20 yrs 2 mos.	20 yrs 6 mos.	20 yrs 9 mos.
	Female	14 yrs 11 mos.	15 yrs 1 mos.	15 yrs 7 mos.
	Voluntary separation rate	2%	2%	2%
	Ratio of employees with disabilities (As of March 1 of each year)	2.14%	2.39%	2.32%

			March 31, 2017	March 31, 2018	March 31, 2019
SMBC Consumer Finance	Number of employees (*1)		2,078	2,134	2,263
	Male		1,366	1,386	1,425
		Ratio	65.74%	64.95%	62.97%
	Female		712	748	838
		Ratio	34.26%	35.05%	37.03%
	Average age		40 yrs 5 mos.	41 yrs 0 mos.	41 yrs 2 mos.
	Male		42 yrs 1 mos.	42 yrs 7 mos.	42 yrs 8 mos.
	Female		37 yrs 5 mos.	38 yrs 1 mos.	38 yrs 8 mos.
	Average years of service		16 yrs 4 mos.	16 yrs 8 mos.	16 yrs 4 mos.
	Male		18 yrs 2 mos.	18 yrs 7 mos.	18 yrs 1 mos.
	Female		12 yrs 10 mos.	13 yrs 3 mos.	13 yrs 6 mos.
	Voluntary separation rate		2%	3%	2%
	Ratio of employees with disabilities (As of March 1 of each year)		2.23%	2.32%	2.43%

				March 31, 2017	March 31, 2018	March 31, 2019	
The Japan Research Institute	Number of employees (*1)			2,296	2,357	2,427	
	Male				1,677	1,710	1,773
		Ratio	73.04%			72.55%	73.05%
	Female				619	647	654
		Ratio	26.96%			27.45%	26.95%
	Average age			40 yrs 6 mos.	40 yrs 6 mos.	40 yrs 9 mos.	
	Male			41 yrs 3 mos.	41 yrs 4 mos.	41 yrs 6 mos.	
	Female			38 yrs 5 mos.	38 yrs 6 mos.	38 yrs 10 mos.	
	Average years of service			12 yrs 3 mos.	12 yrs 6 mos.	12 yrs 8 mos.	
	Male			12 yrs 7 mos.	12 yrs 10 mos.	13 yrs 1 mos.	
	Female			11 yrs 5 mos.	11 yrs 7 mos.	11 yrs 10 mos.	
	Ratio of employees with disabilities (As of March 1 of each year)			2.68%	2.40%	2.27%	

			March 31, 2017	March 31, 2018	March 31, 2019
Sumitomo Mitsui DS Asset Management Company	Number of employees (*1)		538	551	552
	Male		382	388	386
		Ratio	71.00%	70.42%	69.93%
	Female		156	163	166
		Ratio	29.00%	29.58%	30.07%
	Average age		43 yrs 10 mos.	44 yrs 1 mos.	44 yrs 7 mos.
	Male		45 yrs 6 mos.	45 yrs 10 mos.	46 yrs 3 mos.
	Female		39 yrs 7 mos.	39 yrs 10 mos.	40 yrs 6 mos.
	Average years of service (*2)		7 yrs 11 mos	8 yrs 5 mos	9 yrs 3 mos
	Male		8 yrs 4 mos	8 yrs 10 mos	9 yrs 9 mos
	Female		6 yrs 11 mos	7 yrs 5 mos	8 yrs 2 mos

*1 The number of full-time employees. The following list of employees is deducted from the total number of employees: executive officers, part-time employees, employees of temporary employment agencies, and national staff at overseas branches.

*2 Service for any personnel inherited with merger counted from date of merger

Data for Executives/Managers

			(No. of people)		
			June 30, 2017	June 30, 2018	June 30, 2019
Sumitomo Mitsui Financial Group (SMFG) (*1)	Directors/executives	Total (of whom are female)	21 (1)	21 (1)	23 (1)
		Outside directors (of whom are female)	7 (1)	7 (1)	7 (1)
	Executive officers	Total (of whom are female)	46 (2)	51 (2)	52 (2)
Sumitomo Mitsui Banking Corporation (*2)	Directors	Total (of whom are female)	13 (0)	11 (0)	18 (1)
		Outside directors (of whom are female)	3 (0)	3 (0)	5 (1)
	Executive officers	Total (of whom are female)	76 (3)	82 (3)	85 (3)
	Corporate auditors	Total (of whom are female)	6 (0)	6 (0)	-
		Outside corporate auditors	3 (0)	3 (0)	-

*1 New holding company-based management structure adopted in April 2017; governance shifted to Company with Committees model in June 2017

*2 Transitioned to the Company with Audit and Supervisory Committee in June 2019

			(No. of people, %)		
			March 31, 2017	March 31, 2018	March 31, 2019
Sumitomo Mitsui Banking Corporation (*1)	No. of managers	Dept. head level	1,165	1,190	1,163
		Female	52	66	82
		Ratio	4.5%	5.5%	7.1%
		Section chief level	3,420	3,332	3,309
		Female	601	630	722
		Ratio	17.6%	18.9%	21.8%
		Subsection chief level	270	336	369
		Female	258	326	360
		Ratio	95.6%	97.0%	97.6%
		Total no. of managers	4,855	4,858	4,841
		Female	911	1,022	1,164
		Ratio	18.8%	21.0%	24.0%
	Newly appointed managers	Total	557	527	548
		Female	227	213	215
		Ratio	40.8%	40.4%	39.2%
SMBC Trust Bank	No. of female managers (Ratio)		97 (28.0%)	90 (29.3%)	95 (28.1%)

		March 31, 2017	March 31, 2018	March 31, 2019
Sumitomo Mitsui Finance and Leasing	No. of managers	401	419	407
	Female	19	20	26
	Ratio	4.7%	4.8%	6.4%
SMBC Nikko Securities	No. of female managers	154	166	171
Sumitomo Mitsui Card Company	No. of female managers (Ratio)	40 (5.3%)	48 (6.2%)	89 (10.1%)
Cedyna Financial Corporation	Total no. of managers	854	866	863
	Female	62	75	88
	Ratio	7.3%	8.7%	10.2%
SMBC Consumer Finance	Total no. of managers	821	879	900
	Female	96	112	118
	Ratio	11.7%	12.7%	13.1%
The Japan Research Institute	Ratio of female manager	10.6%	11.0%	12.0%
Sumitomo Mitsui DS Asset Management Company	No. of female managers (Ratio)	8 (8.1%)	10 (9.2%)	9 (8.3%)

*1 Data for March 31, 2017 include revisions to some titles with April 2016 organizational changes

Recruitment Status

(No. of people, %)

		April, 2017	April, 2018	April, 2019
Sumitomo Mitsui Banking Corporation	New graduate recruits	1,347	803	667
	Management track	684	595	574
	Number of newly employed female graduates	842	372	269
	Management track	179	164	176
	Ratio of newly employed female graduates	62.5%	46.3%	40.3%
	Ratio of newly employed female graduates in managerial positions	26.2%	27.6%	30.7%
	Number of career hires	115 (Fiscal 2016)	32 (Fiscal 2017)	16 (Fiscal 2018)
SMBC Trust Bank	New graduate recruits	56	54	44
	Newly employed female graduates	26	28	18
	Ratio of newly employed female graduates	46.4%	51.9%	40.9%
	Number of career hires	208 (Fiscal 2016)	35 (Fiscal 2017)	28 (Fiscal 2018)
Sumitomo Mitsui Finance and Leasing	New graduate recruits	49	56	76
	Number of newly employed female graduates	25	28	43
	Ratio of newly employed female graduates	51.0%	50.0%	56.6%
	Number of career hires	10 (Fiscal 2016)	7 (Fiscal 2017)	16 (Fiscal 2018)

		April, 2017	April, 2018	April, 2019
SMBC Nikko Securities	New graduate recruits	516	354	325
	Number of newly employed female graduates	285	133	114
	Ratio of newly employed female graduates	55.2%	37.6%	35.1%
	Number of career hires	123 (Fiscal 2016)	89 (Fiscal 2017)	59 (Fiscal 2018)
Sumitomo Mitsui Card Company	New graduate recruits	86	69	54
	Number of newly employed female graduates	46	42	28
	Ratio of newly employed female graduates	53.5%	60.9%	51.9%
	Number of career hires	21 (Fiscal 2016)	22 (Fiscal 2017)	16 (Fiscal 2018)
Cedyna Financial Corporation	New graduate recruits	58	60	51
	Number of newly employed female graduates	23	38	25
	Ratio of newly employed female graduates	39.7%	63.3%	49.0%
	Number of career hires	0 (Fiscal 2016)	0 (Fiscal 2017)	0 (Fiscal 2018)
SMBC Consumer Finance	New graduate recruits	49	55	48
	Number of newly employed female graduates	27	24	24
	Ratio of newly employed female graduates	55.1%	43.6%	50.0%
	Number of career hires	1 (Fiscal 2016)	1 (Fiscal 2017)	1 (Fiscal 2018)

		April, 2017	April, 2018	April, 2019
The Japan Research Institute	New graduate recruits	103	105	110
	Number of newly employed female graduates (General hires)	32	32	30
	Ratio of newly employed female graduates	31.1%	30.5%	27.3%
	Number of career hires	32 (Fiscal 2016)	33 (Fiscal 2017)	46 (Fiscal 2018)
Sumitomo Mitsui DS Asset Management Company	New graduate recruits	10	11	15
	Number of newly employed female graduates	5	5	6
	Ratio of newly employed female graduates	50.0%	45.5%	40.0%
	Number of career hires	24 (Fiscal 2016)	32 (Fiscal 2017)	15 (Fiscal 2018)

Data for HR Systems and Leave Acquisition

		(No. of people, %)		
		Fiscal 2016	Fiscal 2017	Fiscal 2018
Sumitomo Mitsui Banking Corporation	Number of people taking childcare leave (*1)	2,183	2,217	2,370
	Number of male employees	332	223	316
	Number of male employees taking childcare leave	53.0%	33.5%	53.7%
	Paid leave acquisition rate	65.6%	67.5%	69.8%
	Average paid leave taken (days)	13.1 days	13.5 days	14.0 days
	Overtime (average hours/month)	17.6 hours	17.4 hours	17.3 hours
	Proportion of employees working over 60 hours of overtime per month (*2)	0%	0%	0%
SMBC Trust Bank	Number of people taking childcare leave	95	94	95
	Number of male employees	1	1	33
	Number of male employees taking childcare leave	2.9%	3.4%	91.7%
	Paid leave acquisition rate	80.8%	82.5%	85.7%
	Overtime (average hours/month)	9.1 hours	11.1 hours	11.2 hours
Sumitomo Mitsui Finance and Leasing	Number of people taking childcare leave (*1)	81	69	44
	Number of male employees	48	35	17
	Number of male employees taking childcare leave	100.0%	56.5%	48.6%
	Paid leave acquisition rate	74.2%	78.0%	80.7%
	Overtime (average hours/month)	13.4 hours	12.3 hours	13.8 hours

		Fiscal 2016	Fiscal 2017	Fiscal 2018
SMBC Nikko Securities	Number of people taking childcare leave (*1)	303	399	409
	Number of male employees	18	62	64
	Ratio of paid leave acquisition	59.0%	58.7%	61.7%
Sumitomo Mitsui Card Company	Number of people taking childcare leave (*1)	172	187	202
	Number of male employees	19	29	33
	Number of male employees taking childcare leave	37.3%	64.4%	70.2%
	Paid leave acquisition rate	76.7%	81.6%	81.9%
	Overtime (average hours/month)	15.0 hours	13.7 hours	14.0 hours
Cedyna Financial Corporation	Number of people taking childcare leave (*1)	137	136	180
	Number of male employees	2	3	32
	Number of male employees taking childcare leave	3.9%	6.4%	74.4%
	Paid leave acquisition rate	60.9%	65.0%	78.2%
	Overtime (average hours/month)	7.1 hours	6.2 hours	5.6 hours

		Fiscal 2016	Fiscal 2017	Fiscal 2018
SMBC Consumer Finance	Number of people taking childcare leave	75	63	53
	Number of male employees	0	3	3
	Number of male employees taking childcare leave	0.0%	6.5%	6.8%
	Paid leave acquisition rate	70.7%	74.3%	77.5%
	Overtime (average hours/month)	25.0 hours	24.7 hours	23.5 hours
The Japan Research Institute	Number of people taking childcare leave	69	64	75
	Number of male employees	24	21	30
	Number of male employees taking childcare leave	35.8%	35.0%	46.9%
	Paid leave acquisition rate	72.0%	78.2%	78.6%
	Overtime (average hours/month)	18.5 hours	16.3 hours	14.4 hours
Sumitomo Mitsui DS Asset Management Company	Number of people taking childcare leave	19	11	10
	Number of male employees	0	1	0
	Number of male employees taking childcare leave	0.0%	8.3%	0.0%
	Paid leave acquisition rate	45.0%	58.3%	64.9%
	Overtime (average hours/month)	20.5 hours	17.0 hours	17.0 hours

*1 Including short-term childcare leave

*2 Excluding management supervisors and discretionary laborers

3. Main systems for achieving a work-life balance at SMFG Group companies

✓ Sumitomo Mitsui Banking Corporation (SMBC)	✓ SMBC Trust Bank (SMBCTB)
✓ Sumitomo Mitsui Finance and Leasing (SMFL)	✓ SMBC Nikko Securities (SMBC Nikko)
✓ Sumitomo Mitsui Card Company (SMCC)	✓ Cedyne Financial Corporation (Cedyne)
✓ SMBC Consumer Finance (SMBCCF)	✓ The Japan Research Institute (JRI)
✓ Sumitomo Mitsui DS Asset Management Company (SMDAM)	

Sumitomo Mitsui Banking Corporation

Parental leave	Until 1 year and 6 months of age Until 2 years of age maximum in the case that daycare is unavailable
Leave for taking care of sick children	Until March 31 for a child in 6th grade of elementary school (10 days per annum per child, 20 days for two or more children)
Shorter working hours	Until March 31 for a child in 6th grade of elementary school Employees can choose shorter working hours for each day or fewer days worked per week
Restrictions on overtime	Until March 31 for a child in 6th grade of elementary school
Exemption from late-night work	Until March 31 for a child in 6th grade of elementary school
Other principal systems	<ul style="list-style-type: none"> • Short-term childcare leave • Work relocation • Childcare subsidies • Leave for nursing care • Shorter working hours allowed for nursing care • System for rehiring former employees • Half-day paid leave • Telecommuting • Flextime system

SMBC Trust Bank

Parental leave	<p>Until 1 year of age</p> <p>Until 1 year and 6 months of age maximum in the case that daycare is unavailable</p> <p>Until 2 years and 2 months of age maximum, subject to certain conditions</p>
Leave for taking care of sick children	<p>Until entry into middle school</p> <p>(5 days per annum per child, 10 days for two or more children)</p>
Shorter working hours	<p>Until entry into elementary school</p> <p>Employees can set working hours at a minimum 6 hours per day and a minimum 60% of the standard working hours per week</p>
Restrictions on overtime	<p>Until entry into elementary school</p>
Exemption from late-night work	<p>Until entry into elementary school</p>
Other principal systems	<ul style="list-style-type: none"> • Fixed work periods • Elective working hours system • Telecommuting program • Maternity leave for men (3 days) • Leave for nursing care • Shorter working hours allowed for nursing care • Nursing care leave (paid) • Family care leave • Short-term childcare leave • Time-based salary payment system

Sumitomo Mitsui Finance and Leasing

Parental leave	Until 1 year of age Until 2 years of age maximum in the case that daycare is unavailable
Leave for taking care of sick children	Until entry into elementary school (5 days per annum per child, 10 days for two or more children)
Shorter working hours	Until March 31 for a child in 6th grade of elementary school Employees can reduce daily working hours to a minimum of 5 hours 30 minutes
Restrictions on overtime	Until entry into elementary school
Exemption from late-night work	Until entry into elementary school
Other principal systems	<ul style="list-style-type: none"> • Work relocation • System for rehiring former employees • Short-term childcare leave • Leave for nursing care • Shorter working hours allowed for nursing care • Half-day paid leave • Staggered start times • Nursing care leave • Flextime system • Telecommuting program

SMBC Nikko Securities

Parental leave	Until 3 years of age
Leave for taking care of sick children	Until entry into middle school (5 days per annum per child, 10 days for two or more children)
Shorter working hours	Until March 31 for a child in 6th grade of elementary school Employees may reduce daily working hours in increments of 30 minutes up to 2.5 hours
Restrictions on overtime	Until March 31 for a child in 6th grade of elementary school
Exemption from late-night work	Until March 31 for a child in 6th grade of elementary school
Other principal systems	<ul style="list-style-type: none"> • Short-term childcare leave • Discounted rates for contracted daycare service • Leave for nursing care • Special days off for nursing care • Shorter working hours allowed for nursing care • Short-term leave for nursing care • Staggered working hours (working in shifts) • System for rehiring former employees • Childcare subsidies • Telecommuting program

Sumitomo Mitsui Card Company

Parental leave	Until 1 year and 6 months of age Until 2 years of age maximum in the case that daycare is unavailable
Leave for taking care of sick children	Until March 31 for a child in 6th grade of elementary school (5 days per annum per child, 10 days for two or more children)
Shorter working hours	Until March 31 for a child in 3rd grade of elementary school Employees can choose between reducing daily working hours (by 30/60/90 minutes) and reducing number of days worked per week
Restrictions on overtime	Until March 31 for a child in 3rd grade of elementary school
Exemption from late-night work	Until March 31 for a child in 3rd grade of elementary school
Other principal systems	<ul style="list-style-type: none"> • Work relocation • Staggered start times • Half-day paid leave • Special occasion leave (partner giving birth) • Childcare subsidies • Leave for nursing care • Shorter working hours allowed for nursing care • System for rehiring former employees

Cedyna Financial Corporation

Parental leave	Until 3 years of age
Leave for taking care of sick children	Until a child finishes 6th grade in elementary school (40 hours per annum per child, 80 hours for two or more children)
Shorter working hours	Until a child finishes 3rd grade in elementary school Employee can choose to work 5, 6 or 7 hours per day.
Restrictions on overtime	Until entry into elementary school
Exemption from late-night work	Until entry into elementary school
Other principal systems	<ul style="list-style-type: none"> • Maternity leave and work • Short-term childcare leave • Leave for nursing care • Shorter working hours allowed for nursing care • System for rehiring former employees • Maternity leave for men • Nursing and nursing care leave (time-based)

SMBC Consumer Finance

Parental leave	Until 1 year and 6 months of age Until 2 years of age maximum in the case that daycare is unavailable
Leave for taking care of sick children	Until entry into elementary school (5 days per annum per child, 10 days for two or more children)
Shorter working hours	Until March 31 for a child in 6th grade of elementary school Employee can choose to work 5, 6 or 7 hours per day.
Restrictions on overtime	Until entry into middle school
Exemption from late-night work	Until entry into middle school
Other principal systems	<ul style="list-style-type: none"> • Region-limited employment system • Retiree rehiring system • Grace period system for job rotation • Leave for nursing care • Shorter working hours allowed for nursing care • Paid leave by the hour/Half-day paid leave • Childcare convalescence leave • Childcare leave (2 days) • School visitation leave (2 days a year) • Rehiring of former employees who quit jobs for childcare or care-giving • Maternity leave (for men) (3 days) • Paid sabbatical • Nursing care leave • Variation of start/finish times

■ The Japan Research Institute

Parental leave	Until 1 year and 6 months of age Until 2 years of age maximum in the case that daycare is unavailable
Leave for taking care of sick children	Until March 31 for a child in 6th grade of elementary school (5 days per annum per child, no upper limit)
Shorter working hours	Until March 31 for a child in 3rd grade of elementary school Employee can choose to work 4, 5, 6 or 7 hours per day (can also be combined with flextime arrangements)
Restrictions on overtime	Until entry into elementary school
Exemption from late-night work	For employees who are pregnant or have given birth within previous 12 months
Other principal systems	<ul style="list-style-type: none"> • Childcare subsidies • Telecommuting • Flextime system • Leave for nursing care • Shorter working hours (for nursing care, etc.) • Short-term reduction in working hours • Nursing/nursing care leave system • Special leave (for spouse's childbirth) • Paid leave for initial 15 days of childcare • Half-day paid leave

Sumitomo Mitsui DS Asset Management Company

Parental leave	Until 1 year of age Until 3 years of age maximum in the case that daycare is unavailable
Leave for taking care of sick children	Until entry into elementary school (5 days per annum per child, 10 days for two or more children)
Shorter working hours	Until March 31 for a child in 6th grade of elementary school Employee can choose to work 5.0, 6.0, or 6.5 hours per day.
Restrictions on overtime	Until March 31 for a child in 6th grade of elementary school
Exemption from late-night work	Until March 31 for a child in 6th grade of elementary school
Other principal systems	<ul style="list-style-type: none"> • Special leave (for spouse's childbirth) • Nursing care leave • Shift in work hours for childcare or care-giving reasons • Special half-day annual leave • Telecommuting • Leave for nursing care • Shorter working hours allowed for nursing care • QoL leave • Paid leave for initial 15 days of childcare • Time-based annual leave • Flextime system • Childcare cost subsidies • Allowance for third child • Leave for spouse relocation

4. Environmental accounting at SMBC

SMBC tracks environmental protection costs, notably the costs of installing more energy-efficient lighting and air-conditioning equipment, as well as the environmental benefits accrued due to reduced energy consumption.

1. Environmental Conservation Costs

Figures here reflect initiatives at four head office buildings (Tokyo, East Tower, Osaka and Kobe head offices).

(Millions of yen)

Cost Category	Description of Key Actions Taken	2016 Fiscal	2017 Fiscal	2018 Fiscal	YoY change (*1)
(1) Business area costs	-	377	1,125	2,178	1,053
Breakdown	(1)-1 Pollution prevention	104	11	310	299
	(1)-2 Global environmental conservation	242	1,085	1,841	756
	(1)-3 Resource re-use/recycling	31	29	27	-2
(2) Upstream and downstream	-	-	-	-	-
(3) Administrative costs	Development and operation of environmental management framework, disclosure of environmental information, etc.	18	17	16	-1
(4) Research and development costs	-	-	-	-	-
(5) Social activity costs	Donations related to environmental protection, etc.	50	50	50	0
(6) Environmental damage repair costs	-	-	-	-	-
Total		445	1,192	2,244	1,052

*1 Year-on-year change = FY2018 - FY2017. A negative figure indicates a cost decrease.

2. Environmental Conservation Benefits

Figures here reflect initiatives at our 507 domestic branches.

Measurement Items		Unit	2016 Fiscal	2017 Fiscal	2018 Fiscal	YoY change (*2)
Direct energy consumption	City gas	Thousand m ³	1,890.4	1,903.6	1,760.5	-143
	Liquefied petroleum gas (LPG)	t	10.7	10.3	4.8	-6
	Heavy fuel oil	kl	7.3	7.0	8.5	2
	Light oil	kl	3.2	0.6	0.5	0
	Kerosene	kl	4.8	5.9	6.6	1
	Gasoline (commercial vehicle, etc.)	kl	2,223	2,106	1,954	-152
Indirect energy consumption	Electricity	Thousand kWh	158,359.3	158,558.1	155,701.4	-2,857
	Steam	GJ	23,540.0	22,412.8	23,969.4	1,557
	Hot water	GJ	1,905.9	1,897.4	1,958.9	62
	Cold water	GJ	9,529.5	11,213.1	11,627.0	414
Other energy consumption	CO ₂ emissions from business trips	t-CO ₂	7,861.5	7,540.3	8,185.6	645
	Total water and sewage	Thousand m ³	2,500.3	2,432.2	2,531.7	99

*2 Year-on-year change = FY2018 - FY2017. A negative figure indicates a decrease in consumption.
Both cost and consumption decreases show data by SMBC.

SMBC Group Businesses and SDGs

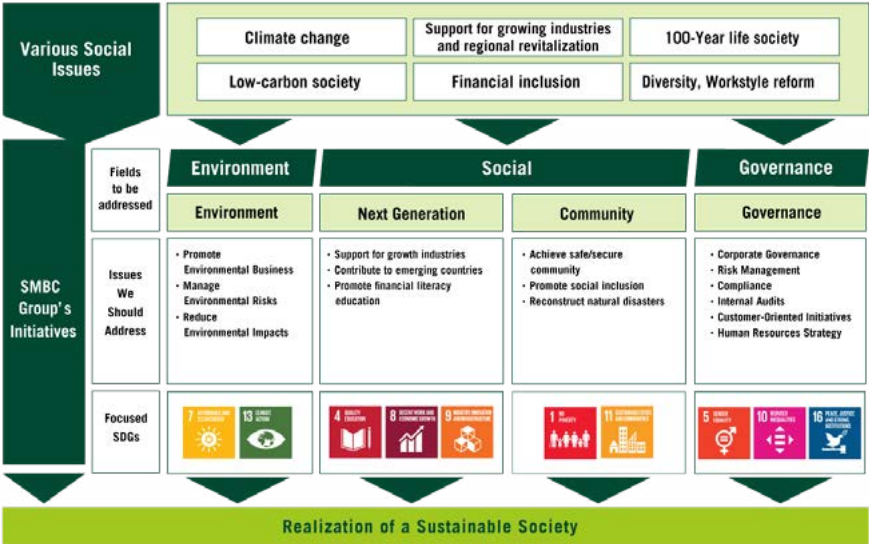
About SDGs

"SDGs" stand for "Sustainable Development Goals." They are a set of global goals enshrined under the 2030 Agenda for Sustainable Development, which was unanimously adopted at the United Nations Summit in September 2015. With the above 17 goals that are further subdivided into 169 targets, the Agenda is aimed at delivering a world where "No one is left behind" by 2030.



SDGs for SMBC Group

SMBC Group has designated 10 goals from among the United Nations Sustainable Development Goals (SDGs) as areas of focus in 2018, addressing them within the three priority issues of "Environment," "Next Generation," and "Community." Under the strong commitment of top management, SMBC Group will seek to contribute to the resolution of social issues around the world to accomplish the SDGs through its business activities as a global financial group.



Project case studies (Note: Job assignments and titles are as of the time of the initiative)

Green bond

Support projects that will lead to reducing greenhouse gas emissions from a financial aspect

"SMFG green bond", a type of bond that is used to collect funds to be exclusively allocated to eco-friendly projects.

The Paris Agreement, which targets keeping global temperature rise within 2°C above pre-industrial levels, has taken effect. In response, the world is accelerating its movement toward a low-carbon/non-carbon-based society.

Under these circumstances, the Sumitomo Mitsui Financial Group (SMFG) has issued green bonds in overseas markets. The funds procured from these bonds are used for environmentally friendly projects such as solar power or wind power generation.

Track Record of Green Bond Issues

Issuance date	Issuer	Issue amount
October 20, 2015	SMBC	USD500 million
October 11, 2017	SMFG	EUR500 million

Sumitomo Mitsui
Financial Group
Corporate Treasury Dept.
Shoma Aosaki



Point 1 Road show for European investors



For the issuance of SMFG green bonds, we organized a roadshow and visited European investors who have a keen interest in ESG.

Point 2 Environmental impact of reduction of CO₂ emissions

An annual reduction in CO₂ emissions of approximately 4.2 million tons, achieved by projects to which funds procured by green bonds are used. Of these, financing by SMFG green bonds led to the equivalent of an annual reduction in CO₂ emissions of 440,000 tons.



*Calculated by proration of financing amount. The reduction effect is an estimate as of the end of March 2018.

Point 3 Contribution through capital markets



SMBC Nikko also originates and sells green bonds, and promotes ESG investment. We will actively work on solving social issues through our business in the financial and capital markets.

Promoting a credit guarantee system in Myanmar.

Creating a credit guarantee system to nurture the financial market in Myanmar!

"Credit guarantee system" that supports financing of SMEs in emerging country.

Myanmar, where democracy has been rapidly spreading since 2011, is dubbed the "last frontier." However, social infrastructure, including the financial sector, is still underdeveloped compared to that of neighboring countries owing to economic sanctions imposed on the nation until recently.

In response to a request from the government of Myanmar, SMBC started to provide support for building a credit guarantee system* from 2013 for the promotion of lending to small and medium-sized enterprises.

*A system that supports financing of SMEs by financial institutions by the credit guarantee association becoming a public guarantor

Sumitomo Mitsui
Banking Corporation
Planning Dept., Asia
Pacific Division. (Yangon)
Kenichi Izumi



Point 1
First, drafting laws

Approximately 800 policies are issued as "bankruptcy insurance" for a national insurance corporation. For the establishment of a credit guarantee association in the future, the government committee has created a draft bill, and preparation is under way for parliamentary deliberation.



Point 2
Burmese is my "tool for work"

I travel the length and breadth of Myanmar to spread lending to small and medium-sized businesses. But rural Burmese people do not speak English. So I have now become fluent in Burmese, although I never imagined I would become trilingual.



Point 3
Support improvement of child education

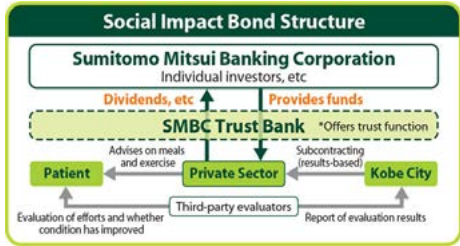


SMBC supports a training program for teachers in Myanmar organized by UNICEF. Through this program, we support improvement of the quality of child education, and the further development of talent that will sustain the development of Myanmar in the future.

Social Impact Bond

We are working on the social issue of aging, in collaboration with the public and private sectors

Supported funding for the "Diabetes Nephropathy and Other Diseases Prevention Program" introduced by the city of Kobe, through Japan's first "Social Impact Bond"



In modern society, a wide range of fields require solutions to social issues, such as medical care, nursing care and education. The public and private sectors should work as one to deal with these issues while taking advantage of their respective areas of expertise.

Sumitomo Mitsui Banking Corporation and SMBC Trust Bank supported financing through Japan's first full-fledged "Social Impact Bond".

Through this approach, the prevention of serious illnesses among patients and reduction in medical costs of the city are expected.

Person in charge of the project

Sumitomo Mitsui Banking Corporation
Growth Industry Cluster
Dept.
Yu Nakazawa



Point 1
Provide new investment opportunities

Through this approach, public services are implemented based on collected funds, and the profits are returned to investors according to the outcome. Investors can contribute to the resolution of social issues through "Social Impact Bonds."

Point 2
Support for appropriate medical expenses in local governments

In Kobe City, it is expected that medical costs can be reduced by giving health guidance such as food and exercise advice and preventing the aggravation of diabetes patients by private-sector companies.

Point 3
Provide Trust Function



SMBC Trust Bank
Product Planning Dept.
Toshimitsu Senga

By providing a trust function to this scheme, SMBC Trust will clarify investment risk in the scheme, establish a strong asset management structure and investor protection system, and enable fund raising from a wide range of investors.

Recognition and Accreditation for SMBC Group sustainable initiatives

Recognition and Accreditation






A list of external recognition and awards for SMBC Group's sustainable initiatives.




Recognition and Accreditation

SMFG and its Group companies have earned recognition for their sustainable activities in the form of various certifications and awards, detailed below.

SMFG's Inclusion in ESG Indices

SMBC Group's proactive sustainable activities have been well-received by the markets. SMFG is included in the world's major ESG indices as shown below.

Index	Details
<p>■FTSE4Good Global 100 Index</p>  <p>FTSE4Good</p>	<p>The FTSE 4 Good Global Index Series was created by FTSE International Limited, a joint venture set up by the Financial Times newspaper of the United Kingdom and the London Stock Exchange</p> <div>  FTSE4Good Global 100 Index </div>
<p>■FTSE Blossom Japan Index</p>  <p>FTSE Blossom Japan</p>	<p>This index comprises Japanese stocks with relatively high ESG ratings from among the 500 top ranking Japanese companies in terms of market capitalization. The Government Pension Investment Fund (GPIF) of Japan has selected the index as a core ESG benchmark</p> <div>  FTSE Blossom Japan Index </div> <div> <p>Detail: Close </p> <p>This verifies that FTSE Russel has included SMFG Group in the FTSE Blossom Japan Index, having met the conditions for inclusion based on an independent survey. The FTSE Blossom Japan Index is created by the global index provider FTSE Russel. It is designed to measure the performance of Japanese companies that have made an outstanding response to environment, social, and governance (ESG) issues. FTSE Blossom Japan Index is widely used in the creation and evaluation of sustainable investment funds and other financial products.</p> </div>

<p>■MSCI Japan ESG Select Leaders Index</p> 	<p>An index created by US company MSCI (Morgan Stanley Capital International), comprising stocks of companies that are highly evaluated from an ESG perspective.</p> <p>➡ MSCI Japan ESG Select Leaders Index</p> <div> <p>Disclaimer Close</p> <p>THE INCLUSION OF SUMITOMO MITSUI FINANCIAL GROUP IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF SUMITOMO MITSUI FINANCIAL GROUP BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.</p> </div>
<p>■SNAM Sustainability Index</p>  <p>Member of SNA Sustainability Index 2019</p>	<p>An ESG asset management index created by Sompo Japan Nipponkoa Asset Management</p> <p>➡ SNA Sustainability Index (Japanese only)</p>
<p>■Bloomberg Gender-Equality Index</p> 	<p>An index developed in 2017 by Bloomberg that assesses initiatives, attitude to information disclosure, results, etc., of companies regarding gender equality</p>


For other details, please see the link below.

[➡ Investor Relations](#)

Awards and Certifications (SMBC Group)

Cs and Quality

Certification Received

Recipient company	Certification	Details
SMBC Nikko Securities	COPC® Customer Service Provider (CSP) Standard	Obtained certification upon meeting requirements for the COPC® CSP Standard, an international standard for contact center operations.
SMBC Consumer Finance	COPC® CX Standard for Customer Service Providers (CSPs), Release 6.0a	Obtained certification for three customer service centers in Japan (Tokyo, Osaka, Fukuoka) upon meeting requirements for the COPC® CX Standard for Customer Service Providers (CSPs), Release 6.0a, an international standard for contact center operations, as the first company in the Japanese non-bank sector (including credit sales and credit card providers). The two Guarantee Centers in Tokyo and Fukuoka have obtained COPC® Customer Experience (CX) Standard for Customer Service Providers (CSPs) Release 6.0a certification, a global standard for contact center and business process outsourcing (BPO)* operations. SMBC is the first company in Japan to obtain COPC® certification for BPO operations.
Sumitomo Mitsui Banking Corporation	COPC® CSP Standard Release 5.2	Obtained certification for two call centers in Japan (Kobe, Fukuoka) for the international quality assurance standard "COPC® Standard Release 5.2" as the first Japanese bank to acquire the standards
SMBC Nikko Securities	Obtained certification as 5-Star Recognized Center under the HDI Five-Star Certification Program provided by HDI-Japan. 	In the HDI Five-Star Certification Program provided by HDI-Japan, the Japanese affiliate of the Help-Desk Institute, an international organization in the support-service industry, the company was the first in Japan to obtain certification in two divisions: the inquiry-desk segment, which evaluates call-center in-call telephone reception, and the Web-support portal segment, which evaluates Web support.

Awards and Certification Received

Year received	Recipient company	Name of award/commendation	Details of award/commendation
2019	Sumitomo Mitsui Card Company	Awarded a three-star rating in Japan for two consecutive years since 2018 in the Quality Monitoring category of the HDI-Japan Monitoring-Desk Ratings	Quality of call center operator response




Year received	Recipient company	Name of award/commendation	Details of award/commendation
2018	Sumitomo Mitsui Card Company	Won silver award in Best Customer Service category of Contact Center World Awards competition (sponsored by Contact Center World.com)	Call center operation reform measures centered on strengthening and improving customer experience (CX)
2018	Sumitomo Mitsui Banking Corporation	Awarded grand prize in Japan Institute of Information Technology's Service Hospitality Awards 2018	Initiatives to improve hospitality by using the latest digital technologies to provide paperless stores
2018	Sumitomo Mitsui Banking Corporation	Recognized as a "Tokyo Barrier-free Mindsets Support Corporation" by the Tokyo Metropolitan Government	Initiatives to promote barrier-free mindset among employees
2018	Sumitomo Mitsui Banking Corporation	Ranked first three years running in J.D. Power Japan's Retail Banking Customer Satisfaction Study (Japanese bank sector)	Customer satisfaction rating among asset management customers
2017	Sumitomo Mitsui Banking Corporation	Received Universal Manners Award 2017 (Sustainability division)	Initiatives such as hardware that incorporates universal design and promoting employment of disabled people by the SMBC Group
2017	Sumitomo Mitsui Banking Corporation	Awarded "highly commended" prize in Japan Institute of Information Technology's Service Hospitality Awards 2017	Initiatives to improve hospitality by using the latest digital technologies to provide paperless stores
2017	Sumitomo Mitsui Banking Corporation	Received gold awards at the Contact Center World Awards in Technology Innovation and Outbound Campaign categories at the Global Conference sponsored by ContactCenterWorld.com	Technology Innovation: Initiatives to streamline operations and improve customer satisfaction and employee satisfaction by the use of AI in contact centers Outbound Campaign: Initiatives involving strategy, planning, and human resources to ensure the success of outbound operations
2017	Sumitomo Mitsui Banking Corporation	Obtained "highly commended" prize in Best Customer Support of the Year held by the Japan Institute of Information Technology	Initiatives to improve customer satisfaction, contribute to sales activities, and streamline operations using remote channels
2017	Sumitomo Mitsui Banking Corporation	Awarded Technology category prize in the Call Center Awards 2017 run by RIC Telecom Co., Ltd.'s Computer Telephony Editing Department, publisher of "Computer Telephony" magazine	Initiatives to streamline contact centers and improve customer satisfaction by the use of technology
2017	Sumitomo Mitsui Banking Corporation	Obtained certification as 3-Star Recognized Center (top ranking in Japan) under the HDI-Japan Certification Program in the inquiry desk and Web support portal divisions.	Inquiry desk: Survey of inquiry desk quality and performance Web support portal: Survey of Web support features and performance

Year received	Recipient company	Name of award/commendation	Details of award/commendation
2017	Sumitomo Mitsui Banking Corporation	J.D. Power Asia Pacific's Call Center Satisfaction Study 2017 Ranked first among national banks in Japan	Customer satisfaction, including call center response to customers
2015	Sumitomo Mitsui Banking Corporation	Received a gold award at the Contact Center World Awards, Asia-Pacific Conference, and a silver award at the Global Conference sponsored by ContactCenterWorld.com	Initiatives to link branches and contribute to sales activities using remote channels
2015	Sumitomo Mitsui Banking Corporation	Received an award in the CRM Best Practice Award sponsored by CRM Association Japan for the second consecutive year since 2014.	Initiatives to link branches and contribute to sales activities using remote channels
2015	Sumitomo Mitsui Banking Corporation	Awarded judges' special prizes in the "Call Center Awards 2015" held by RIC Telecom Co., Ltd.'s Computer Telephony Editing Department, publisher of Computer Telephony magazine.	Initiatives to improve customer satisfaction, contribute to sales activities, and streamline operations using remote channels
2015	Sumitomo Mitsui Banking Corporation	Obtained recommendation prize under the Best Customer Support of The Year held by the Japan Institute of Information Technology for the second consecutive year since 2014.	Initiatives to improve customer satisfaction, contribute to sales activities, and streamline operations using remote channels.
2014	SMBC Nikko Securities	Received a silver award at the Contact Center World Awards, Asia-Pacific Conference sponsored by ContactCenterWorld.com, for the fourth successive year since 2011.	For operating methods at contact centers and contributions to increasing customer satisfaction and management
2013	SMBC Nikko Securities	Certified as a Gold Rank Company designated by the Japan Telegraph and Telephone Users Association	Quality of telephone service at contact centers
2013	SMBC Nikko Securities	Received an Award for Excellence, the highest honor, in the Best Contact Center of the Year Awards sponsored by the Japan Institute of Information Technology, for the fourth successive year since 2010.	Operating method of contact centers, enhanced customer satisfaction, and contribution to management
2013	SMBC Nikko Securities	Received an award in the CRM Best Practice Award sponsored by CRM Association Japan, for the sixth successive year since 2008.	Sales business model using contact centers
2013	SMBC Nikko Securities	Received an award in the Nationwide Telephone Service Contest sponsored by the Japan Telegraph and Telephone Users Association, for the ninth successive year since 2005.	Quality of telephone service at contact centers
2013	SMBC Nikko Securities	Received an award in the Nationwide Corporate Telephone Service Contest sponsored by the Japan Telegraph and Telephone Users Association, for the fifth successive year since 2009.	Quality of telephone service at contact centers

Year received	Recipient company	Name of award/commendation	Details of award/commendation
2013	SMBC Nikko Securities	Received a Three-Star Prize, the highest evaluation in Japan, in the HDI-Japan Inquiry-Desk Ratings, for the eighth successive year since 2006.	Quality of telephone service at contact centers
2012	Sumitomo Mitsui Banking Corporation	In the 2012 Japan Investor Satisfaction Study conducted by J.D.POWER SMBC ranked highest in customer satisfaction in the full-service bank segment.	Levels of customer satisfaction for account offerings, customer interaction, etc.
2010	SMBC Nikko Securities	Judge's special prize in the 2010 Contact Center Awards sponsored by the monthly Computer Telephony	Operating methods at contact centers and contributions to increasing customer satisfaction and management
2010	SMBC Nikko Securities	Okinawa Prefecture IT Business Award sponsored by Okinawa Prefecture	Contribution to the development of information and communications industries in Okinawa Prefecture

The Environment

Awards and Certification Received

Year received	Recipient company	Name of award/commendation	Details of award/commendation
2018	Sumitomo Mitsui Financial Group	<p>Won Principles for Financial Action for the 21st Century* Special Award</p> <p>*Financial action initiatives that aim to create a sustainable society devised by the Ministry of the Environment and over 250 financial institutions and other organizations</p> 	Environmental magazine JUNIOR SAFE
2016	Sumitomo Mitsui Financial Group	<p>Received the Kids Design Award in the category of designs that develop children's creativity and shape their future at the Tenth Kids Design Award</p> 	Environmental magazine JUNIOR SAFE
2013	Sumitomo Mitsui Banking Corporation	<p>Pronounced regional winner Asia/Pacific category of the Sustainable Bank of the Year category of the Sustainable Finance Conference & Awards 2013 sponsored by the Financial Times (FT) in conjunction with the IFC</p> 	Contributions, through corporate activity and business, to sustainability in the three fields of the environment, society, and governance

Year received	Recipient company	Name of award/commendation	Details of award/commendation
2012	Sumitomo Mitsui Banking Corporation	Nominated for shortlist in the Asia/Pacific segment of the Sustainable Bank of the Year category of the Sustainable Finance Conference & Awards sponsored by the Financial Times (FT) in conjunction with the International Finance Corporation (IFC).	All initiatives to achieve sustainability in the three fields of the environment, society, and governance
2011	Sumitomo Mitsui Finance and Leasing Company	Received the highest-rank rating in the DBJ Environmental Ratings, for which the Development Bank of Japan undertakes environmentally responsible management evaluation and provides financing at preferential interest rates in accordance with the resultant credit ratings.	Environmental management
2011	Sumitomo Mitsui Banking Corporation	Nominated for shortlist in the Cross-Regional segment of the Sustainable Bank of the Year category of the Sustainable Finance Awards sponsored by the Financial Times (FT) in conjunction with the International Finance Corporation (IFC).	All initiatives to achieve sustainability in the fields of environment, society, governance
2011	Sumitomo Mitsui Banking Corporation	Green IT Promotion Council Chairman Award at the 2011 METI Green IT Awards (Commends services/systems with excellent energy-conservation impact)	ATM Journal electronic storage system (Reduces paper use by 28 million A4 sheets per year)
2010	Sumitomo Mitsui Banking Corporation	7th Eco Products Awards Eco-service Environment Minister's Prize (eco-products grand prize)	SMBC Environmental Assessment Loan/Private Placement Bond
2010	Sumitomo Mitsui Banking Corporation	The IT General Award, one of the IT Awards sponsored by the IT Institute (Japan Institute of Information Technology)	"CUTE" next-generation branch system
2009	Sumitomo Mitsui Banking Corporation	Nikkei Veritas Superiority Award (Nikkei Superior Products and Services Awards)	SMBC Environmental Assessment Loan/Private Placement Bond
2009	Sumitomo Mitsui Banking Corporation	Review Board Special Award at the 2009 METI Green IT Awards (jointly with NEC and Oki)	"CUTE" next-generation branch system (Reducing paper use by 3 million A4 sheets per year)
2009	Sumitomo Mitsui Banking Corporation	At the 18th Global Environmental Awards, sponsored by the Fuji Sankei Group, the Fuji Sankei Communications Group Prize for excellence	Emission-rights business and all other environment-related initiatives

Security Compliance

Certification Received

Recipient company	Certification	Details
Sumitomo Mitsui Card Company		Acquisition of authorization for the Japan Institute for Promotion of Digital Economy and Community (JIPDEC) Privacy Mark granted to enterprises that have systems for devising appropriate measures to protect personal information
Cedyna Financial Corporation		
Japan Research Institute		
SMBC Consumer Finance		

Awards and Certification Received

Year received	Recipient company	Name of award/commendation	Details of award/commendation
2018	SMBC Consumer Finance	Award for companies that contribute to the PrivacyMark system	Recognized for many years of maintaining and improving measures to protect personal information as an enterprise granted use of the PrivacyMark and efforts to promote the PrivacyMark system
2011	Sumitomo Mitsui Banking Corporation	Nominated for shortlist for 2011 Compliance Innovator of the Year in the 7th Annual Compliance Awards sponsored by Thomson Reuters.	Initiatives to strengthen stances with regard to money laundering and the severing of relations with anti-social forces





Social Contribution Activities






Awards and Certification Received






Year received	Recipient company Name of award/commendation	Name of award/commendation	Details of award/commendation
2017	Sumitomo Mitsui Banking Corporation	SMBC received a letter of appreciation from the Tokyo Metropolitan Board of Education as a "Fiscal Year 2017 Company contributing to the Tokyo Teaching Committee"	Achievement in after school activity such as support in Tokyo Metropolitan Special Support School District
2009	Sumitomo Mitsui Banking Corporation	Received certificate of commendation from the governor of Tokyo for contributions to a Tokyo metropolitan social welfare initiative.	Meritorious service to enhance the welfare of the Tokyo metropolis

Employees

Awards and Certification Received




Year received	Recipient company	Name of award/commendation	Details of award/commendation
2019	Sumitomo Mitsui Financial Group	<p>Acquired 4.5stars (Top 50 Companies) at "3rd Nikkei Smart Work Management Survey" that Nihon Keizai Shimbunsha evaluates companies' initiatives for Smart Work management</p>  <p>* "Smart Work Management" refers to maximizing the potential of workers through varied and flexible work styles, and developing strategies to maximize productivity and the broader performance of the organization using positive feedback loops, thereby fostering innovation and new market development.</p>	Implementation of Smart Work management
2019	Sumitomo Mitsui Financial Group	<p>Acquired the highest "Gold" rank in 'PRIDE index' where the arbitrary organization "work with Pride" evaluates initiatives related to sexual minority issues.</p> 	Creating a workplace where the people of LGBT can work comfortably
2019	Sumitomo Mitsui Financial Group	<p>Selected as a "Nadeshiko Brand" in the Ministry of Economy, Trade and Industry (METI) and Tokyo Stock Exchange (TSE) Nadeshiko Brand Initiative for the purpose of selecting and publicizing enterprises that encourage women's success in the workplace</p> 	Initiatives to encourage women's success in the workplace
2019	Sumitomo Mitsui Financial Group, Sumitomo Mitsui Banking Corporation, SMBC Nikko Securities, Cedyne Financial Corporation, Japan Research Institute	<p>Recognized as a 2019 Certified Health and Productivity Management Organization (large enterprise category)</p> 	Recognized for adopting business management approach to employees' health management and taking strategic measures to address it

Year received	Recipient company	Name of award/commendation	Details of award/commendation
2018	Sumitomo Mitsui Financial Group	Acquired 4stars at "2nd Nikkei Smart Work Management Survey" that Nihon Keizai Shimbunsha evaluates companies' initiatives for Smart Work management 	Implementation of Smart Work management
2018	Sumitomo Mitsui Banking Corporation	Acquired the highest "Gold" rank in 'PRIDE index' where the arbitrary organization "work with Pride" evaluates initiatives related to sexual minority issues. 	Creating a workplace where the people of LGBT can work comfortably
2018	Sumitomo Mitsui Financial Group	Recognized as 2018 Certified Health and Productivity Management Organization (large enterprise category)	Acquired Recognized as 2018 Certified Health and Productivity Management Organization (large enterprise category) from the Ministry of Economy, Trade and Industry to companies with particularly outstanding health management practices
2018	Sumitomo Mitsui Financial Group	Acquired 4.5 stars (Top 40 Companies) at "1st Nikkei Smart Work Management Survey" that Nihon Keizai Shimbunsha evaluates companies' initiatives for Smart Work management 	Implementation of Smart Work management
2017	Sumitomo Mitsui Banking Corporation	Acquired the highest "Gold" rank in 'PRIDE index' where the arbitrary organization "work with Pride" evaluates initiatives related to sexual minority issues. 	Creating a workplace where the people of LGBT can work comfortably
2017	Sumitomo Mitsui Banking Corporation	Received the Catalyst Special Award hosted by Catalyst, a non-profit organization established in the United States to globally support efforts to promote women's participation 	Strong commitment from top management to promoting participation by women, development of measures suited to each operating unit, and initiatives focused on improving flexibility of work styles

Year received	Recipient company	Name of award/commendation	Details of award/commendation
2017	Sumitomo Mitsui Financial Group	Selected as a "Nadeshiko Brand," which are listed companies jointly selected by the Ministry of Enterprise, Trade and Industry and Tokyo Stock Exchange for excellence in promoting active participation by women 	Initiatives to promote active participation by women
2017	Sumitomo Mitsui Financial Group	Recognized as 2017 Certified Health and Productivity Management Organization (large enterprise category)	Acquired Recognized as 2017 Certified Health and Productivity Management Organization (large enterprise category) from the Ministry of Economy, Trade and Industry to companies with particularly outstanding health management practices
2015	Sumitomo Mitsui Banking Corporation	Received the "Diversity Management Selection 100" from the Ministry of Economy, Trade and Industry to companies with particularly outstanding diversity management practices 	Appraised that SMBC is promoting and considering diversity as a part of important corporate management.
2015	Sumitomo Mitsui Financial Group	SMFG was designated a "Nadeshiko Brand" by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as an excellent listed company encouraging women to play active roles in the workplace 	Initiatives for promoting women's roles in the workplace
2013	Sumitomo Mitsui Financial Group	SMFG was designated a "Nadeshiko Brand" by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as an excellent listed company encouraging women to play active roles in the workplace. 	Initiatives for promoting women's roles in the workplace
2012	Sumitomo Mitsui Banking Corporation	Named one of the best 25 companies to work for in Japan in the "Great Place to Work" ranking conducted by the Great Place to Work® Institute Japan. 	Internal systems and corporate culture

Development of the Next Generation

Certification Received

Recipient company	Certification	Details
Sumitomo Mitsui Banking Corporation	<p>"Kurumin" certification for the next generation</p> 	Received "Kurumin" certification awarded by prefectural labor bureaus to companies recognized to be taking active steps to support the development of the next generation.
Sumitomo Mitsui Finance and Leasing Company		
SMBC Nikko Securities		
Sumitomo Mitsui Card Company		
Cedyna Financial Corporation		
SMBC Consumer Finance		
Japan Research Institute		
Sumitomo Mitsui Banking Corporation	"Platinum Kurumin Certification" platinum kurumin mark	In addition to the previous "Kurumin Certification," SMBC and JRI acquired the "Platinum Kurumin Certification" for companies certified by the Minister of Health, Labour and Welfare as taking the lead in supporting the nurturing of the next generation at an even higher level, including numbers of men using children raising leave systems. (T The color differs by company. Light Green: SMBC; Light Blue: JRI; Yellow : SMCC)
Sumitomo Mitsui Card Company		
Japan Research Institute		
Sumitomo Mitsui Banking Corporation	Eruboshi (second rank) certification based on the Act on Promotion of Women's Participation and Advancement in the Workplace	Acquired "Eruboshi" for companies certified by the Minister of Health, Labour and Welfare as having excellent initiatives in place to promote active participation by women (*Second rank: SMBC, Cedyna; third rank: JRI,SMBC TB)
Cedyna Financial Corporation		
Japan Research Institute	Eruboshi (third rank)	
SMBC Trust bank		

Awards and Certification Received

Year received	Recipient company	Name of award/commendation	Details of award/commendation
2018	SMBC Nikko Securities	12th Kids Design Award	Received the12th Kids Design Award for finance and economic education in the category of designs that develop children's creativity and shape their future, a first for a securities company

*Commendation titles and the like are those used at the time they were bestowed.

