

CSR REPORT 2010

Sumitomo Mitsui Financial Group CSR Report

【Digest version】



SMFG SUMITOMO MITSUI
FINANCIAL GROUP

Editorial Policy

This report has been created in an effort to convey to our stakeholders the variety of our initiatives and the roles the Group is fulfilling as we work to create a sustainable society.

We have aimed to present the information clearly so that readers may understand our attitude that the fulfillment of CSR is the essence of business itself, and our initiatives to act upon this.

This year, we are making our CSR report available as a digest version. Containing more concise reports of the Group's CSR activities, it has a focus on specific activities of interest.

Also available are the full version of this report (CSR report (online version)) and a digest version with examples of activities and statistical performance (online PDF file) – a separate publication with details of activities at each stakeholder, and a statistical summary of environ-

mental performance in areas that are the subject of frequently asked questions.

We welcome comments and impressions from our readers.

Throughout this report, “**Sumitomo Mitsui Financial Group**” or “**SMFG**” refers to the holding company alone. “**The Group**” refers to the holding company and its primary domestic and international subsidiaries and affiliates.

Group companies are as follows.

SMBC: Sumitomo Mitsui Banking Corporation

FGCC: SMFG Card & Credit, Inc.

SMCC: Sumitomo Mitsui Card Company, Limited

SMFL: Sumitomo Mitsui Finance and Leasing Co., Ltd.

JRI: The Japan Research Institute, Limited

SMBC Friend: SMBC Friend Securities Co., Ltd.

Nikko: Nikko Cordial Securities Inc.

Our CSR reporting

At Sumitomo Mitsui Financial Group, three kinds of CSR report are compiled.

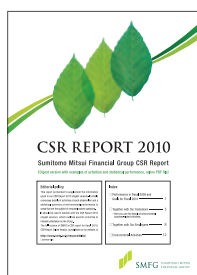


Printed booklet

CSR report 2010 (digest version)

Covers CSR baselines and CSR activities at SMFG Group companies, centered on specific examples

CSR disclosure through specific examples



Booklet

CSR report 2010 (digest version with examples of activities and statistical performance, online PDF file)

Covers environment-related statistical data and gives more detailed information on CSR activities

Comprehensive disclosure of CSR activities



Website

CSR report (online version, Japanese only)

This is the official version of our CSR report. Covers the full spectrum of CSR activities at SMFG

Enriched CSR disclosure

In addition, Sumitomo Mitsui Banking Corporation (SMBC) publishes a report on diversity (Diversity Report, Japanese only).

About Our Website

Sumitomo Mitsui Financial Group

<http://www.smfg.co.jp/responsibility/> (Japanese site)



- ▶ **Thinking about CSR in the financial sector:** A dialogue with our stakeholders
- ▶ **CSR information** (interviews, SAFE environmental magazine)
- ▶ **Commitment from the Top**
- ▶ **Overview of SMFG** (Our Mission / Company Overview / Financial Information)
- ▶ **Editorial policy** (editorial policy for our CSR report, and scope and period of application of the report / our CSR publications at a glance)
- ▶ **Toward a sustainable society**
 - The role of financial institutions in realizing a sustainable society (SMFG's role with regard to issues facing humankind and their solution, the public nature and responsibility of a financial institution, contributing to creation of a sustainable society through our core business, and our "strengths and challenges")
 - Our contribution toward creation of a sustainable society through our core business (leveraging financial technology and know-how to protect the environment, supporting environment-friendly enterprises, creating environmental businesses, supporting environmental venture businesses)
 - Building a new future (baselines for the evolution of CSR at SMFG, realization of a low-carbon society, protecting biodiversity, returning to the community the fruits of academic research, measures to deal with a "super-aged" society)
- ▶ **CSR at SMFG**
 - Approaches to CSR at our Company (aiming to contribute to the sustainable development of society as a whole, basic CSR policy, key points of CSR initiatives, integrated pursuit of CSR and business growth strategies)
 - CSR management (SMFG stakeholders and target identity, management approach for target achievement, improvements to the CSR report and our CSR activities)
 - Performance in fiscal 2009 and measures for fiscal 2010
- ▶ **Initiatives toward a customer-centric business and compliance framework** (progress to date, measures at SMBC, measures at each Group company)
- ▶ **Group Management Systems** (corporate governance, internal auditing system, compliance, risk management)
- ▶ **Together with Our Customers** (basic approaches, mechanisms enabling our customers' opinions to trigger improvement in our operations, greater convenience for customers, measures to improve accessibility, "Better Communication with the Retail Customer" Project, measures to improve security, measures to improve customer satisfaction and quality levels at SMBC)
- ▶ **Together with Our Shareholders and the Market** (strengthening disclosure and communication, inclusion in SRI (Socially Responsible Investment) indexes, creating a sustainable society through SRI, disclosure policy)
- ▶ **Together with Our Employees** (Five Goals of SMBC's Human Resource Management, training staff with specialized professional skills, support for employees' individual career development, creating a corporate culture that derives strength from diversity, measures for realization of a healthy and contented lifestyle, heightening awareness of individual rights, current status of work-life balance systems at major Group companies, staff profile at major Group companies)
- ▶ **Social Contribution Activities** (basic policy on social contribution activities, measures taken through our core business (financial education, etc.), overseas initiatives, activities contributing to social welfare, contribution activities for local and overseas communities, environmental activities, and contributing to cultural, artistic and educational activities)
- ▶ **Environmental activities** (approach to environmental activities, reducing environmental impact, managing environmental risk, environmental PR, promoting environmental businesses, performance and targets at five major Group companies)
- ▶ **CSR activities at overseas units**
- ▶ **Third-party opinion**
- ▶ **Index of GRI (Global Reporting Initiative) Guidelines** (includes supplementary material by specific financial service type)
- ▶ **CSR questionnaire**
- ▶ **CSR reports: back numbers**
- ▶ **Diversity Report**

INDEX

Editorial Policy	1
About Our Website	2
Commitment from the Top	3
What we can do for society as a comprehensive financial group	5
Building a New Future: Baselines for the evolution of CSR at SMFG	7
Our Mission and CSR at SMFG	9
Specific Examples of CSR Activities by Stakeholder	
Together with Our Customers	11
Together with Our Shareholders and the Market	14
Together with Our Employees	15
Environmental Activities	17
Social Contribution Activities	21
Third-Party Opinion	25
Corporate Outline	26

Forward-looking: Building a sustainable future – What financial institutions need to do now, and what the SMFG Group is uniquely capable of doing

One of the basic policies of the SMFG Group for fiscal 2010 is to be “forward-looking,” transforming our business model for steady growth in a new regulatory and competitive environment. In our CSR activities likewise, our goal is to become a “globally competitive financial services group worthy of the highest trust,” through a forward-looking approach and a business model in which CSR is an integral part.



Teisuke Kitayama

President of Sumitomo Mitsui Financial Group

A new juncture in environmental issues

The global economy has been recovering gradually after the onset of the financial crisis in 2007, thanks to governments' large-scale stimulus policies. However, the recovery has not been regionally uniform, and unquestionably remains fragile. Moreover, fiscal consolidation is becoming a major issue in view of significant levels of sovereign debt and there are concerns that the road to resolution of issues such as poverty, overpopulation and environmental degradation will remain a very long one.

Against this backdrop, the world has arrived at a new juncture, particularly with regard to environmental issues. In Japan, the government made significant progress toward the creation of a low-carbon society by setting in 2009 sweeping targets for reduction of emissions of greenhouse gases. Prompted by the enactment of the amended Act on the Rational Use of Energy and a package of environmental regulations for Tokyo at the beginning of this year, companies have been implementing energy conservation measures on a full-scale basis. In October 2010, with Nagoya hosting the 10th Conference of the Parties to the Convention on Biological Diversity (COP10), Japanese commitments in the environmental arena will come under global scrutiny. At the same time, with the planned adoption of ISO26000, a set of social responsibility standards for companies and organizations, a framework is being created within the international community for establishment of a sustainable society.

A new juncture for the SMFG Group, too

The Group likewise faces a new juncture. First, in the second half of fiscal 2009, we welcomed Nikko Cordial Securities Inc. as a new member of the Group. This integration of one of Japan's leading securities houses has broadened our options for contributing to society as a business group through our core financial operations.

The Group has also made progress in its growth strategy of expanding operations in overseas markets, especially in Asia, as a global player. We are also thinking globally about CSR activities as we seek measures to solve problems facing society. I believe we should actively engage in this commitment by asking ourselves what the Group can do to spur the development of the whole Asian region by working through environmental businesses and social contribution activities rooted in local communities. In addition, we have embarked on final preparations ahead of our listing on the New York Stock Exchange in fiscal 2010. By accessing the world's largest stock market, we will increase the number of our investors and other stakeholders significantly, and greatly broaden the scope of our social responsibility activities.

In the last five or 10 years, the working environment faced by individual employees of the Group has also changed greatly. More mid-career employees are being hired for career-track jobs, we are bringing together people of differing backgrounds, and diversity has been deepened. Our goal for the future is to be a corporate group that sees diversity as a strength, and to achieve this, we need to change the mindset of every single employee of the Group. To this end, we are reviewing our employees' operational efficiency and work practices, and instilling throughout the Group a mindset that prioritizes a sound work-life balance.

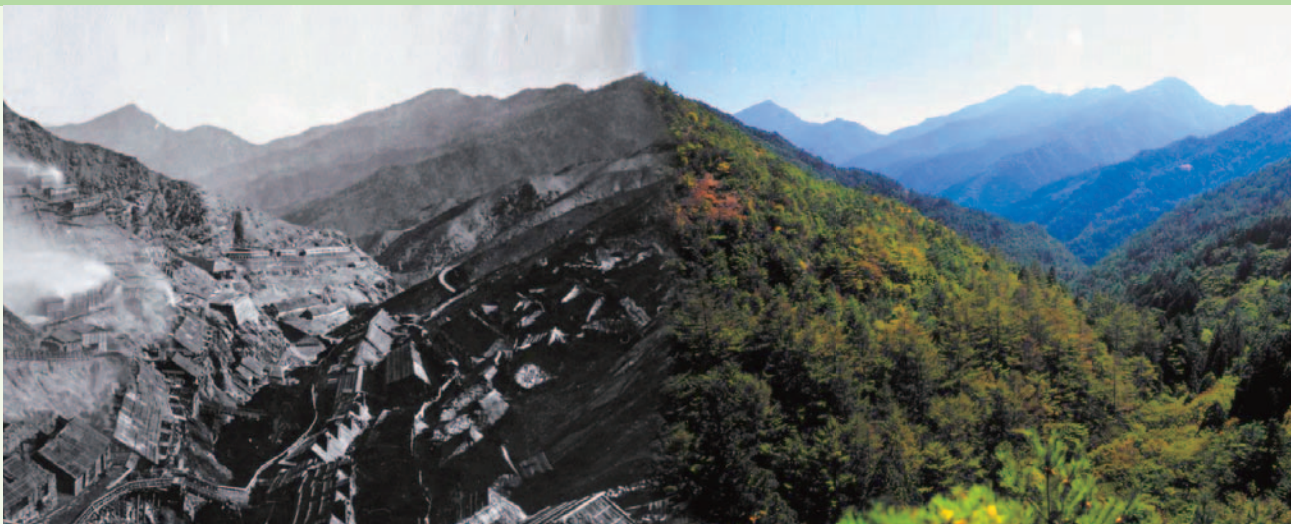
What a financial institution can do for a better future

We are facing sweeping changes in our business environment. We are keenly aware that we will have to address a diversifying range of issues as a financial institution. For example, in recent years, with the enactment of new regulations, it has become more important to re-inforce the "defensive" side of our operations, including enhancing compliance, customer-focused marketing, and risk management. At the same time, we believe it is essential to go on the "offensive" to foster greater innovation and productivity, and deepen customer trust, as we strengthen our business in overseas markets, particularly in Asia, under our growth strategy.

In both our "defensive" and "offensive" activities, our fundamental belief remains the same — leverage our core strengths of our "Spirit of Innovation," "Speed" and "Solution & Execution," and gain the highest level of trust from the community, our customers and other stakeholders. As a financial institution, I am confident that we can develop platforms for responding to and serving our stakeholders, through actions based on consideration from both offensive and defensive perspectives, and build a new future.

Moving forward, we will continue to conduct our CSR activities under the following three principles. First, proactively reflect in our management the various opinions of our stakeholders — that is to say, become even more sensitive to their expectations and wishes and respond to them. Second, seek out potential new businesses that could help solve problems faced by society and spur innovation. Third, raise the basic level of social infrastructure through CSR activities, creating a virtuous circle. For example, I believe we should and can fully leverage the Group's capabilities to realize a low-carbon society and to address Japan's low birthrate and aging society.

Forward-looking. This means closely scanning the horizons and accurately drawing the roadmap to the future in order to contribute to the creation of a sustainable society.



Besshi copper mine in the Meiji era

And today

What we can do for society as a comprehensive financial group

CSR: In our DNA for 400 years

Over its long history, mankind has made astonishing strides in the arenas of politics, economics and culture. At present, humanity is facing new and serious challenges, which pose major threats to the sustainable development of society. What kind of contribution can we make as a comprehensive financial group to resolve the various issues facing humanity? We believe that continually asking ourselves this question and acting upon the answers is the essence of our corporate social responsibility (CSR) as a group.

Similar thoughts were running through our mind 400 years ago. From that time, the Sumitomo and Mitsui conglomerates have remained true to their original business spirit. In the past, the Sumitomo Group undertook large-scale afforestation programs to solve the problem of pollution around the Besshi copper mine, the group's starting venture on Shikoku Island. In order to return devastated mountainsides around the mine complex to their natural state, they invited experts to compile an afforestation plan with annual planting of over one million saplings.

Meanwhile, the Mitsui Group established the Mitsui Charity Hospital in Tokyo in the Meiji era (late 1800s) to provide basic medical services for those too poor to be covered by the health insurance system. Since then, the institution has evolved over the generations into today's Mitsui Memorial Hospital.

SMFG has carried this DNA down to the present. We believe that we have further roles to play in resolving social issues through our core financial services business.

SMFG's public role and responsibility as a financial institution

Financial institutions conduct business of a highly public nature, including financial intermediation through settlement and deposits and lending, fulfilling an important social infrastructure function. There is a saying in Japan that "companies are the public institutions of society," and as SMFG is a comprehensive financial group based on core financial institutions, we believe it is necessary for us to become more highly aware of our role as a public institution.

The first thing that the Group must do to fulfill this important public role is to firmly maintain sound business management, and then provide our customers with higher value products and services on a stable basis. SMFG ranks among Japan's representative comprehensive financial groups, and as a company bearing the names Sumitomo and Mitsui, each with nearly 400 years of history, we believe it is our responsibility to fulfill an active role toward ensuring the sustainable development of society as a whole.

Helping to build a sustainable society through our core business

It is important for the Group to meet these responsibilities through its business operations. We regard CSR as the foundation of our business growth strategy, and position it as an integrated unit with that business growth strategy, in order to achieve our business objectives. This means ensuring that the directions of our business growth strategy



Mitsui Charity Hospital at its establishment

match our business objective of “winning the highest trust,” and constantly assessing our activities against the standards outlined in SMFG’s Basic CSR Policy. At the same time, we ensure that the customer and social needs we learn of by feedback are reflected in our CSR activities.

We believe fulfilling our CSR imperatives is “the very essence of our business,” and seriously engaging in CSR is the shortest path to achieving our business objectives.

Under the “LEAD THE VALUE” corporate slogan, we committed ourselves to contributing to our customers and society through our business, by “increasing the quality and comprehensive strength (value) of the entire Group by every one of us maximizing our strengths (our Spirit of Innovation, Speed, and Solution & Execution), and aiming to continue to lead the development of our customers and society by providing value for our customers and society.”

In our CSR activities likewise, we will contribute to creation of a sustainable society through “Spirit of Innovation,” “Speed” and “Solution & Execution.”

Basic CSR Policy and Business Growth Strategy



Column

Dialogue with our stakeholders What are the social responsibilities of a financial institution?

What responsibility does SMFG have as a financial institution in helping create a sustainable society?

The Group is engaged in a wide range of CSR activities. On May 10, 2010, we organized a dialogue session with stakeholders, involving outside experts, as part of our commitment to find solutions to the increasingly complicated and deep-rooted problems facing society. It was titled “What are the social responsibilities of a financial institution?”



Selected participant comments

- Takejiro Sueyoshi, Special Advisor to United Nations Environment Program Finance Initiative in the Asia-Pacific region

The question of financing flows — where should funding be channeled to — will ultimately affect broader trends within society as a whole. I hope financial institutions will live up to this important obligation.

- Professor Noriko Hama, Graduate School of Business, Doshisha University

It is extremely important that financial institutions achieve an appropriate balance between their public role and their quest for profit. I expect financial institutions to emphasize this balance in their operations.

- Katsuhiko Masumoto, General Manager of Corporate Communications & Investor Relations Department, Benesse Holdings, Inc.

It is important that private sector should provide things that cannot be provided by public entities and that CSR activities be woven into a business activities.

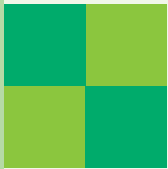
- Professor Yoshihiro Fujii, Graduate School of Global Environmental Studies, Sophia University

The thing that society expects most of all from companies is long-term employment. I also hope financial institutions can in future skillfully manage the risk and return balance.

- Takeshi Kunibe, Senior Managing Director, SMBC
- Koichi Miyata, Senior Managing Director, SMFG
- Nobuaki Kurumatani, Managing Director, SMBC
- Makoto Takashima, General Manager, Corporate Planning Dept., SMFG (Director and General Manager, Corporate Planning Dept., SMBC)
- Seiichi Jo, General Manager, Group CSR Dept., SMFG (and General Manager, CSR Dept., SMBC)

< Moderator >

- Eiichi Adachi, Research Chief, Head of ESG Research Center, The Japan Research Institute, Limited



Building a New Future:

Baselines for the Evolution of CSR at SMFG

A word **from** our CSR staff

***What can SMFG do to help resolve the problems facing societies around the world?
We will devote ourselves wholeheartedly to each and every activity we undertake, following clear guidelines for the evolution of our CSR activities to help build a new future.***

Seiichi Jo, General Manager, Group CSR Dept., Sumitomo Mitsui Financial Group, Inc.

With society faces deepening problems, what is Japan's role and how can it help?

At the beginning of the 21st century, the international community confronts a range of increasingly intractable problems such as poverty, overpopulation and environmental degradation. Japan is no exception. It faces a range of issues such as high external energy and resource dependence, a low level of food self-sufficiency and an aging population combined with low birth rate. But Japan, considered a front-line state in this regard, is in a position to set an example to the world in addressing such challenges, based on its high level of technology and long years of experience in their management. Such engagement is also important for Japan to uphold its international competitiveness and ensure sustainable growth.

What should SMFG do as a comprehensive financial group?

As one of Japan's leading financial institutions, SMFG should progressively and proactively act to help resolve the issues that are having such a dramatic impact on society.

While generating benefits for both companies and society, this commitment should mean not only helping resolve issues, but also making proposals to build a new future.

This will enhance the quality and comprehensive strength of the Group and provide value to customers and society through a focus on the three values of "Spirit of Innovation," "Speed" and "Solution & Execution," and will realize the spirit of our corporate slogan LEAD THE VALUE (leading the development of the customer and society) through integration of business and CSR activities.

Baselines for the evolution of CSR at SMFG

The Group aims to help build a new future through a wide range of initiatives. These include not only fostering environmental businesses, but also returning to the community the fruits of academic research (such as the commercialization of induced pluripotent stem (iPS) cell research). Based on our mission and Code of Conduct, in our Credit Policy that clearly indicates the general and basic concept, guidelines, and standards for credit operations, we have clearly stated that credit for production of cluster munitions is an example of funding purposes that are prohibited.

Looking ahead, the Group will further engage in a wide range of initiatives to help build a new future. In terms of general baselines, we believe we can, as a comprehensive financial group, play our role most effectively by stepping up commitments in the following three areas.



1 Further promote environmental businesses

Current situation and future directions

Environmental businesses form one area where SMFG, as a comprehensive financial group, can most effectively play a role. SMFG has long focused efforts on this area.

Many issues remain to be resolved in the environmental arena. The Group is stepping up its efforts not only to usher in a low-carbon society, but also to find solutions in issues such as water and soil pollution, asbestos disposal, energy use and biodiversity.

SMFG is determined to identify potential environmental businesses, and foster their growth from the seed stage. We will also help encourage the sharing of environmental expertise developed in Japan around the world (particularly in the Asian region).

Measures taken to date

Financial intermediary role

Fostering and supporting environmental businesses, promotion of carbon-credit related businesses, and provision of environment-friendly financial products and services

PR role

Publication of the environmental magazine SAFE, arranging environmental seminars, organizing environmental business matching, participation in various exhibitions, etc.

(Please see Pages 17-20 for more details)

Areas where further action is needed

Reduction of greenhouse gases, further support for businesses in the new energy, water and resource fields, deeper commitment to protection of biodiversity, strengthened PR role (help globally spread information and expertise relating to environmental businesses)



2 Prepare for dramatically increased numbers of elderly

Current situation and future directions

By 2050, 35% of the population of Japan will be at least 65 years old*, meaning it will have become a “super-aged” society. An ever-increasing elderly population is a problem faced by countries all over the world, but Japan will be the first to experience a demographic situation where more than 20% of the population is 65 or older. And with more elderly people now living alone, there is an urgent need for the rapid establishment of means of enabling them to get by comfortably.

SMFG will support the creation of mechanisms enabling the elderly to live active lives without undue worry. Moreover, with many of the Group’s employees expecting to become care providers themselves at some point, we aim to create corporate frameworks and a culture in which the needs of work and care-giving can be balanced.

*Population estimates are from National Institute of Population and Social Security Research.

Measures taken to date

Organization of a wide range of seminars

Courses to train support staff for people with dementia, old-age experience simulation and hands-on experience of using wheelchair, etc.

Universal design and service, etc.

Encouragement to obtain Service Care Attendant qualifications (Please see Page 21 for more details)

Support for care-related businesses

Areas where further action is needed

Support for businesses involved health, medical treatment and care services, possible launch of financial products and services for the elderly (asset management for the aged, etc.), promotion of a better work-life balance



3 Solutions for global problems facing society

Current situation and future directions

“Strengthen CSR activities on a global scale”

To help solve the problems facing society, SMFG needs to pursue CSR activities on a global scale, too. In overseas areas where the Group has branches or offices, we have promoted environmental businesses and regional contribution activities in the local area in question, and channeled our CSR commitment into support for the activities of NPOs and NGOs. However, areas remain where we have not been able to take a direct approach.

At the same time, the Group is stepping up its initiatives as a global player, with a particular focus on the Asian region. Getting involved in new areas as a global player means that we need to be sure of the trust of local communities, and proactively meet our social responsibilities in those regions. We should embrace the problems of the world as a matter of direct concern to the Group.

“Internal Globalization”

The process of “internal globalization” is underway within Japan as well, with overseas visitors coming to Japan and staying in increasing numbers. Since financial services are one of the linchpins of our daily life, we need to likewise provide highly convenient and worry-free financial services for such visitors.

The Group will continue to provide a wide range of financial services including for visitors from overseas.

Measures taken to date

CSR activities based on overseas offices, CSR activities in overseas locations in the form of support for NPO and NGO activities.

(Please see Pages 23 and 24 for more details)

Areas where further action is needed

Strengthen support for global dissemination of expertise from Japan about CSR, improve the standard of financial services in Japan, promote diversity





Our Mission and CSR at SMFG

Our Mission

- To provide optimum added value to our customers and together with them achieve growth
- To create sustainable shareholder value through business growth
- To provide a challenging and professionally rewarding work environment for our dedicated employees

SMFG's Definition of CSR

In the conduct of its business activities, SMFG fulfills its social responsibilities by contributing to the sustainable development of society as a whole through offering higher added value to (i) customers, (ii) shareholders and the market, (iii) the environment and society, and (iv) employees.

Common SMFG CSR Philosophy: Business Ethics

I. 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.

II. 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.

III. 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.

IV. Free and Active Business Environment

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 free and active business environment.

V. Compliance

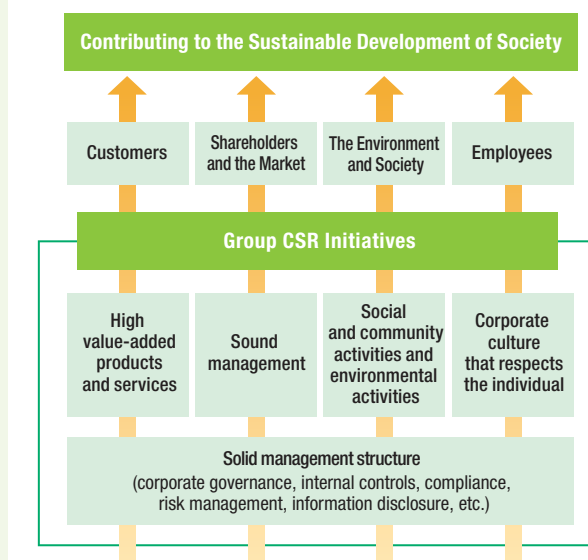
We intend to be a financial services group that always keeps in mind the importance of compliance. For this purpose, we reflect our awareness of Business Ethics in our business activities at all times. In addition, we respond promptly to directives from auditors and inspectors. Through these actions, we observe all laws and regulations, and uphold moral standards in our business practices.

Key points of CSR activities

The focus of the Group's CSR activities is to deliver better value based on a sound business base through our four stakeholder groups, and contribute to the sustainable development of society as a whole.

- We endeavor to develop and prosper with our customers by offering top-quality, high value-added products and services.
- We maintain sound management through disclosing appropriate information, designing and operating robust internal control systems, and managing to increase shareholder value.
- We implement initiatives on a continuing and active basis to contribute to society and preserve the natural environment.
- We work to foster a free and active business environment that emphasizes respect for individuals and allows employees to realize their full potential.

The SMFG CSR Concept



Management approach for target achievement

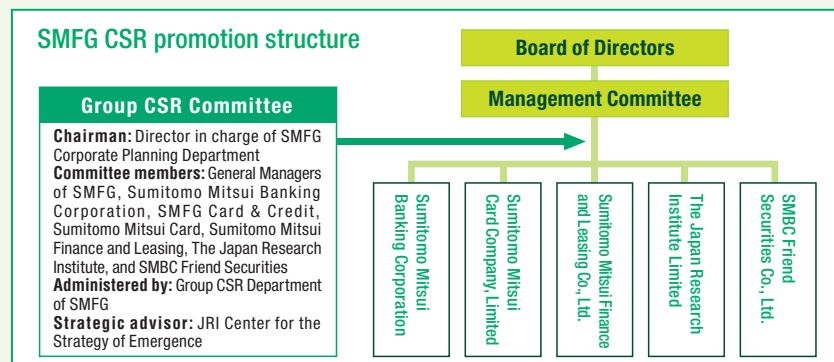
We have established the Group CSR Committee, administered by the Group CSR Department, to assess the CSR implementation plans of the whole Group, and manage progress.

Specifically, departments are assigned responsibility for each target, and the Group CSR Department and assigned departments jointly conduct annual reviews of progress made in these initiatives. The

results of these reviews are reported to the Group CSR Committee. The Group CSR Department and assigned departments also conduct a joint examination of plans for the following financial year, the findings of which are subsequently assessed by the Group CSR Committee.

In this way, we use the PDCA cycle in our CSR initiatives.

SMFG CSR promotion structure



CSR activities and the PDCA cycle



International initiatives of the Group

Recent years have seen a range of international initiatives to deal with threats to the sustainability of the global environment. As a global citizen, the Group, mindful of its societal influence as a financial institution, follows guidelines and principles of the following initiatives and organizations:

● United Nations Global Compact

The 10 principles advocated by the United Nations in the areas of human rights, labor standards, the environment, and anti-corruption measures

● The United Nations Environment Programme Finance Initiative (UNEP FI)

The global partnership between the UNEP and financial institutions who are signatories to the UNEP FI Statements seeks to identify, promote, and ensure best environmental and sustainability practice at all operational levels of financial institutions

● Carbon Disclosure Project (CDP)

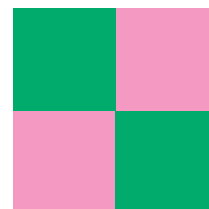
An initiative to measure, manage and alleviate climate change by encouraging sustained dialog with institutional investors and business leaders on this issue

● Equator Principles

A set of guiding principles for managing social and environmental issues in project finance, based on the guidelines of the International Finance Corporation (IFC)

Together with Our Customers

For further details, please see our website.



A word from our CSR staff

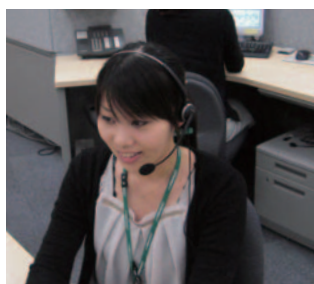
“I aim to make our customers’ daily lives more secure and convenient.”

Kosuke Takaya, Corporate Planning Dept. & CSR Promotion Sec., Sumitomo Mitsui Card Company, Limited

Response to the amended Money Lending Business Act

The growing number of people who are heavily in debt has become a serious social problem in recent years. To address this issue, the Japanese government carried out a radical revision of the Money Lending Business Act in 2006, and all the provisions of the amended act went into effect on June 18, 2010.

In line with the phased implementation of the revised legislation, at Sumitomo Mitsui Card (SMCC) we have taken steps to create a healthy consumer finance market. These steps include lowering interest-rate ceilings, enforcing more rigorous internal supervision, and drawing up rules governing the solicitation of loans and the delivery of contractual documents.



In preparation for the coming into force of all provisions of the amended Money Lending Business Act, we have taken all the necessary steps to ensure that our lending operations are in line with the law. These include: 1) enforcing restrictions on the total amount of loans to

any single individual; 2) implementing a system of extensions for loan repayments based on the “10 Measures to Be Taken from the Standpoint of Borrowers” proposed by the Project Team on Money-Lending Systems (composed of members from the Financial Services Agency, the Consumer Affairs Agency, and the Ministry of Justice); and 3) providing loans to self-employed persons in exceptional circumstances even when the total loan amount ceiling has been exceeded.

Supporting customers’ environmental activities

Japan has recently enforced legislation strengthening regulations on environmental matters, such as the amendment to the Act on the Rational Use of Energy. This comes against the background of rising concern over environmental issues among society at large and pressure on companies to help preserve the environment.

In fiscal 2010 three Group companies – SMBC Consulting, Sumitomo Mitsui Finance and Leasing (SMFL), and Japan Research Institute (JRI) – commenced a service that leverages the comprehensive capabilities of the entire Group to offer consulting on eco-friendly energy conservation methods and ways of reducing CO₂ emissions.

In this way, the Group offers a one-stop environmental consulting solutions service that provides closely tailored consulting services meeting a wide range of customer needs. These services do not merely enable our customers to passively meet legal requirements in the environmental field; they also help them make active investments aimed at energy conservation and reducing CO₂ emissions.

Examples of measures taken

- We drew up in-house regulations relating to money-lending business operations and comprehensive intermediation services for the purchase of credit, and took steps to ensure that all executives and employees of the company were fully familiar with these regulations.
- We ensure that borrowers are provided with the required documentation before any contract is signed and at each time a cash loan is made.
- We have assigned staff members at each of our branches with special responsibility for handling money-lending operations. We ensure that there is at least one such specialist for every 50 employees at each workplace.
- We have established an automatic limit of one-third of annual income on the total amount of cash loans outstanding (including from other companies) for any individual borrower.
- When total loans taken out by one borrower reach one million yen, the interest rate is reduced to 15%.
- We have abolished the validity of the deemed settlement provision.

Explanation of the current law

- **The Amendment of Money Lending Business Act**
The objective of the Money Lending Business Act is to regulate the operations of moneylenders such as consumer finance companies and credit card companies, and to protect the interests of borrowers.

Nature of revision

1. **Restrictions on total loan amount**
No new loans may be made when the existing amount outstanding exceeds one-third of the borrower’s annual income.
2. **Lowering of interest-rate ceiling**
The statutory limit on loan interest rates was lowered from 29.2% to 20%.
3. **Stricter regulations applied to moneylenders**

Examples of our environmental solutions

- Support tools for drawing up legally mandated reports
- Revision of energy generation methods (support for adoption of electricity generated by wind power or biomass)
- Proposals and support for improved operation methods for offices
- Integrated energy conservation proposals for hospitals, schools, factories, etc.
- Support for installation of energy-saving equipment (initial cost reduction through leasing)

Explanation of the current law

- **Amended Act on the Rational Use of Energy**
In April 2010, the amended Act on the Rational Use of Energy came into effect, and as a result, the standard unit for evaluation of energy management was changed from the individual factory or office building to the entire company. Officially designated companies using 1,500kl or more of energy (crude oil equivalent) per annum are now required to establish an energy consumption management system and draw up medium- to long-term plans for improving energy efficiency, with the aim of reducing the volume of energy consumed by at least 1% per year.

Explanation of SMBC's Eco-Factoring Service



Services for mid-sized companies and SMEs

Under its slogan “One Bank, One SMBC,” Sumitomo Mitsui Banking Corporation (SMBC) aims to meet its customers’ expectations and contribute to the growth and development of their business operations through the provision of optimal solutions, which are characterized by our three strengths – “Spirit of innovation,” “Speed,” and “Solution & Execution” made possible by the Bank’s deep understanding of the wide range of needs and management issues that its corporate customers face.

For example, business succession is a major concern for many mid-sized companies and SMEs as their top management members approach retirement age. To find optimal solutions for the Bank’s customers, such issues are handled not only by the Corporate Business Office, but also through collaboration with branch staff belonging to the Consumer Banking Unit and specialist staff at the Private Advisory Business Dept. In this way, SMBC is able to address the needs of its customers both as corporations and as individual business owners, and to support them through the provision of effective advice^{*1}.

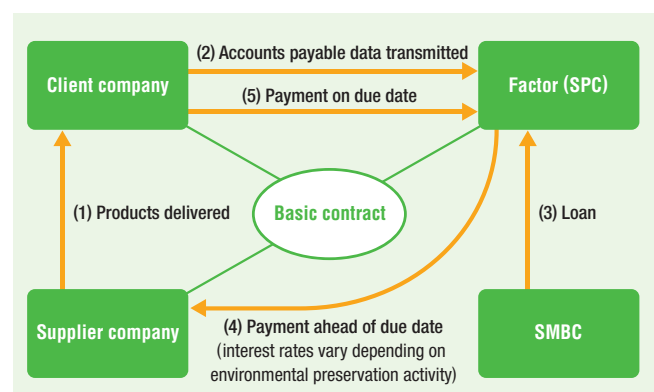
One of the most important social responsibilities of a financial institution is to supply corporate customers with the funds they need, and on this basis SMBC has developed services that enable it to leverage its unique capabilities as a major financial institution to contribute to environmental preservation activities by society as a whole. For example, in the case of suppliers to major corporations, we not only support these suppliers’ cash



management (with the cooperation of the major companies concerned), we also offer financial products that enable the suppliers to engage in environmental preservation efforts^{*2}.

^{*2} Factoring is a financial transaction whereby a company sells its accounts receivable (i.e., invoices) to a factoring company (factor) at a discount, in exchange for immediate cash. In SMBC’s eco-factoring service, the Bank assesses the environmental preservation measures taken by a supplier company to a client company of the Bank for compliance with standards set out by the client. Depending on the results of the assessment, the supplier can take advantage of a factoring service whereby the factor pays its accounts receivable ahead of the due date. SMBC funds the transaction through a loan to the factor at favorable interest rates.

^{*1} We provided advice in over 5,000 cases in the 2007-2009 period.





"I want to help our customers make their dreams come true."

Tetsuya Kawashima, CSR Dept., Sumitomo Mitsui Banking Corporation

Communicating with customers at our branches

At SMBC, we are conducting a project to develop methods of communicating with customers at our branches, with the aim of making a visit to an SMBC branch an even more rewarding experience.

We received complaints from users of our branches that the way advertising brochures and leaflets were displayed was confusing and unhelpful, with too many different materials crammed together in a small space. In response, since fiscal 2007 we have begun reorganizing displays of advertising materials to make it easier for customers to select the ones they need, and to find their way around in the branch.

As part of this effort, SMBC staff themselves carry out surveys at their branches, using questionnaires and so on, to ascertain customers' preferences regarding the layout of our branch offices. Based on this, we then utilize visual merchandising* techniques developed in the retail sector to redesign our branches to promote more lively communication between staff and customers. This includes the arrangement of advertising materials and the placing of furniture such as sofas and counters for customers to fill in forms, with unique solutions being adopted for each branch.

We aim to ensure that customers whose interest has been aroused by our advertising materials are smoothly directed to the appropriate counter in our branches. To this end, since fiscal 2009 we have been further reinforcing coordination and liaison among branch staff to ensure that customers



can easily receive the advice they are seeking.

These measures have revitalized communication between SMBC staff and customers at our branches, and are also helping improve the consulting capabilities of branch staff.

* Visual Merchandising: Method of store layout and merchandising that emphasizes the visual impression made on the customer.

Examples of measures

To showcase the major products of each branch, after moving or getting rid of unneeded fixtures and adjusting layouts to unblock sightlines inside the premises, we harmonized posters and positioned related pamphlets so that they could be easily picked up by customers. An increase in customer queries showed that we have improved channels of communication at the branch.

Before



After



Before



After



Before



After



After observing customer circulation within the branch, we relocated counters for customers to fill in forms at into more visible positions. By making the branch easier for customers to find their way around, we reduced the number of queries about procedural matters.



Together with Our Shareholders and the Market

A word from our CSR staff

*“Through the financial market,
I hope to be of use in creating a system to ensure a brighter future.”*

Noriko Izumitani, CSR Dept., Sumitomo Mitsui Banking Corporation

Measures to deepen trust

To ensure still sounder relations between the Group and its shareholders and the market, we not only undertake disclosure as required by law, but have also voluntarily expanded the scope of information disclosed to include details of financial position, management policy, and operational strategy, based on frameworks we have put in place for such disclosure. In recent years, the composition of our shareholders has changed greatly, with the proportion of shareholders that are overseas investment institutions or individuals rising. To reflect this new pattern of investor opinion in our management, we are further strengthening communication with shareholders.

Inclusion in SRI indexes

Shares of SMFG are included in the following major global SRI indexes (as of the end of March 2010).



Building a sustainable society through socially responsible investment (SRI¹)

At SMFG, in pursuit of the long-term goal of creating a sustainable society, we believe that financial institutions have an important responsibility to build systems that enable the market to evaluate the proactive efforts made by corporations to solve a wide range of social issues. We have chosen to use SRI funds as a means of encouraging market players to adopt this approach. For example, JRI conducts surveys and studies of CSR activities initiated by corporations, and the data accumulated through these studies is widely employed as the base data for the creation of SRI funds². In addition, to provide support for investors who wish to realize solutions to social issues through their investments, Nikko Cordial Securities (Nikko) and other members of the Group offer financial products that incorporate the concepts of CSR, such as SRI funds and “green bonds”³. SMFG makes multifaceted and complex proposals to companies with respect to their CSR activities. The proposals range from market research through the sale and intermediation of financial products. In this way, we work together with our shareholders and the market as a whole to help build a sustainable society.

¹ Socially responsible investment (SRI) is an investment process that considers, in addition to the pursuit of its core business, the social fulfillment of the responsibilities expected of it by society as a whole, i.e. in the fields of legal compliance, corporate ethics, environmental preservation activities, etc. Other factors that may be taken into account include respect for human rights, employment practices, and steps to ensure customer satisfaction.

² A total of nine publicly-offered SRI investment trusts as of the end of March 2010 with a total balance of approximately ¥94 billion. (Figures for number of SRI investment trusts and total balance compiled by JRI on basis of “SIF-Japan: List of publicly-offered SRI investment trusts as of March 31, 2010 [see <http://www.sifjapan.org/document/sri.pdf>, Japanese only]).

³ “Green bonds” is the generic name used for various bonds offered by Nikko whose purpose is to promote environmental preservation.

The Group's Principal SRI Funds

(¥ million)

Date of opening	Official name of fund	Nickname	Sold by	Balance at March 31, 2010
Aug. 20, 1999	Nikko Eco Fund	—	Nikko Cordial Securities	16,379
Mar. 14, 2006	Six-Asset Balanced Fund (distribution type, growth type)	Double Wing	Sumitomo Mitsui Banking Corporation	31,300
Dec. 20, 2006	Nikko DWS New Resource Fund	Rising Tomorrow	Nikko Cordial Securities	48,600
Aug. 31, 2007	UBS (JP) Climate Change Fund	Cool Earth	Nikko Cordial Securities	21,144
Aug. 31, 2007	DWS New Resources Technology Fund	Global Shift	Sumitomo Mitsui Banking Corporation	6,800
Apr. 28, 2009	Nikko World Trust – Nikko Green New Deal Fund (JPY Non-hedged Class)/(JPY Hedged Class)	—	Nikko Cordial Securities	38,100
Feb. 19, 2010	SMBC Nikko World Bank Bond Fund	The World Bank Green Fund	Nikko Cordial Securities/ Sumitomo Mitsui Banking Corporation	16,096
June 30, 2010	UBS (JP) Global Smart Grid Fund	—	Nikko Cordial Securities	—

Together with Our Employees

For further details, please see our website.



A word from our CSR staff

“My goal is to create a workplace where each and every employee can achieve continuous growth.”

Takeshi Sawayama, Human Resources Dept., Sumitomo Mitsui Banking Corporation

SMFG's approach to realizing a good work-life balance

Our aim at SMFG is to meet the diverse needs of our corporate customers and work together with them to improve their and our business performance. To realize this, we believe it is of overriding importance to create a workplace where many different types of employees – each of whom possesses a unique viewpoint – can demonstrate the full range of their abilities. In other words, we believe the Group must adopt a flexible attitude toward people of different backgrounds and with different values.

Over the years, we have created a variety of systems and taken numerous measures in the human resources field in response to changes in social circumstances and the expressed wishes of our employees. For example, at SMBC the number of female employees in managerial positions rose three-fold over a period of five years, to reach 584 at the end of March 2010, while the number of employees taking leave for child-rearing recorded an increase of 370%, to 331 at the end of March 2010.

SMFG and its Group companies are taking another look at their traditional employment systems with the aim of raising staff productivity while realizing a better work-life balance. Measures taken include the establishment of a “No Overtime Day,” encouraging employees to go home earlier, and making changes to the working environment to make it easier for former employees

to return to work, such as female staff who have left their jobs to bear children. From here onward, SMFG will make still further efforts to become a corporate group whose strength lies in the diversity of its workforce. To this end, we will encourage our employees to understand our attitude to personnel matters, and to take advantage of the opportunities available. In so doing, we will be able to raise productivity and realize a better work-life balance at the same time, enabling us to respond effectively to our customers' diverse needs.

Column

Dialogue with our stakeholders “The Work-Life Balance Concept”

We recently held a meeting of executives from major Group companies to confirm that they are coordinating their policies with regard to the promotion of a better work-life balance.

At the meeting, the opinions were voiced that the concept of a company's productivity being underpinned by long working hours was outmoded, and that the image of the “corporate warrior” prepared to work all hours of the day should be consigned to the pages of history. Rather, it was now time to switch to an emphasis on working efficiently. These opinions, in turn, raised a number of important questions.

The meeting ended with unanimous agreement that it was vital for the Group's future management strategy to find ways of motivating employees so as to enhance labor productivity.



Measures by Group companies

All Group companies already operate systems for parental leave, leave for taking care of sick children, shorter working hours, restricted overtime work, and exemption from late-night work. All these systems provide employee benefits exceeding those mandated by law. In addition, SMBC, SMCC, and JRI provide child-care subsidies, while SMBC, SMCC, and SMFL operate a system for the rehiring of former employees. These systems all help realize a good work-life balance for the Group's employees. SMBC, SMCC, and JRI have all received the *Kurumin* certification from the Japanese Ministry of Health, Labour and Welfare in recognition of their activities in support of child rearing.

Children's Visitation Day and Family Visitation Day

To help improve Group employees' work-life balance and deepen understanding of the workplace by their family members, SMFG holds a Children's Visitation Day and Family Visitation Day to give children the chance to see their father's or mother's workplace.

At SMBC, children first attended a class where they learned about the basics of working at a bank. Then, using toy banknotes, they practiced handling an account, working at a teller's window, and other bank-related activities. The children were also shown aspects of a bank branch that the customer does not normally see, such as the inside of a vault and the reverse side of an ATM. SMCC enabled its employees' children to gain a better grasp of their parents' jobs through simulating the making of a purchase using NTT DoCoMo's iD mobile phone credit card service, and guided tours of the offices where the parents work. SMFL printed business cards for the children as a souvenir of their visit, and the children enjoyed exchanging cards with the company's employees. At JRI, children experienced such novelties as teleconference rooms and server rooms while taking part in a "stamp rally" (a kind of race game in which the players collect rubber stamps on their cards for each location visited). They also enjoyed talking to their mother or father (who were in a different office) via a PC using a video-conferencing system. SMBC Friend arranged for employees' children to learn about the basic structure of the economy at the Tokyo Stock Exchange, and also provided guided tours of its Head Office dealing room and customer service counters at its branches.

Our employees' children enjoyed these days very much, as they gave them a chance to see a side of their parents different from the one they are used to in their everyday lives. And at the end the day, the whole family went home together. We believe that these various measures enable the member companies of SMFG to help improve their employees' work-life balance.



Go Home Early to the Family Day

In fiscal 2009 SMBC held a "Go Home Early to the Family Day," in which around 1,500 employees participated. The employees' family members were invited to visit the Bank, and when work was over they all went home together. We believe that this event fulfilled an extremely important role. It was aimed both at deepening understanding of each employee's job on the part of his or her spouse and children, and at increasing employees' awareness of the necessity of realizing a good work-life balance by reminding them that each of their co-workers is not just a unit in the corporate machine, but also a member of a family, for whom they are very important.

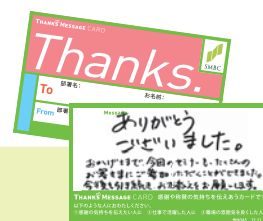
The response to this event from our employees' family members was very positive. Many of them who took part made comments such as: "I'm glad I had the chance to see my husband's place of work," and "It makes me want to thank my Mom!" As for our employees themselves, many said that it gave them renewed motivation to do their jobs well.



The "Thank You Cards"

Employees of SMBC are conducting a campaign – sending the "Thank You Cards" – to communicate their gratitude to fellow employees, including both subordinates and superior officers. In this campaign, Bank staff use intranet emails or special message cards to express the gratitude they feel on a day-to-day basis. Staff are encouraged to look around and ask themselves: "Who should I thank?" Employees tend to take one another for granted in the course of everyday work. We believe this campaign gives them an opportunity to take a step back and rediscover their indebtedness to their fellow employees.

As of the end of August 2010, about 15,000 employees of SMBC had already taken part in this campaign. Typical comments by the recipients of such 'thank you cards' include: "I was more pleased than I had expected" and "These messages have helped make the working environment at our offices even better than before."





Artist's rendition of Tianjin Eco-City when completed

A word **from** our CSR staff

"I want to make proposal for passing on a more beautiful world to our children."

Kenya Kato, Corporate Staff, The Japan Research Institute, Limited

Environmental Activities

For further details, please see our website.



Advisory services for the Tianjin Eco-City project

The Tianjin Eco-City project is a large-scale eco-friendly urban development project being undertaken in China at the national government level, as one of China's most important state policies. The development of the Eco-City is guided by 22 quantitative key performance indicators which are set at high levels, such as a renewable energy utilization rate of 20% or higher and a green building* rate of 100%, in order to harmonize human activities with the natural environment, conserve natural resources, and efficiently recycle resources.

JRI has drawn up the plan for achieving the renewable energy utilization rate of 20% or higher, including the technologies and their implementation methodology.

SMBC, meanwhile, has signed a business alliance agreement with Tianjin Eco-City Administrative Committee, together with Sumitomo Mitsui Banking Corporation (China) Limited, JRI, and The Japan Research Institute (Shanghai) Consulting Co., Ltd., to attract Japanese companies to the Tianjin Eco-City project.

Moving forward, SMBC will further reinforce services for Japanese companies

involved in the environmental equipment sector setting up operations in the area, by enhancing collaboration with both Tianjin City and the Tianjin Eco-City project. JRI will actively promote initiatives for launching environment- and energy-related projects not only in the Tianjin Eco-City, but in many other parts of China, too.

*Buildings with low environmental impact due to a greener lifestyle

Participation in the Eco-Products International Fair

This international fair is held every year to promote the growth of environmental businesses in the Asia-Pacific region and increase their global competitiveness by making their supply chains more eco-friendly. SMBC was a member of the Preparatory Committee in 2009 and 2010 (fifth and sixth fairs). The sixth Eco-Products International Fair, held in March 2010 in Jakarta, Indonesia, was the largest ever with 164 Japanese companies and other Asian companies and organizations participating, and more than 90,000 visitors during the 4-day event.

At the international conference held parallel to the fair, lectures were given

and panel discussions by world leaders and specialists on environmental issues from many countries were held. Participants were made aware of issues in Indonesia such as renewable energy, re-afforestation, biodiversity, and the carbon credit business, and lively discussions covered advanced-level case studies in Japan and other countries and the development role of financial institutions.

SMBC and JRI participated in a session on “Eco Business and Climate Change,” and representatives of the two companies made presentations on the outlook for and initiatives on carbon credits business in Asia.



President Teisuke Kitayama of SMFG, and Preparatory Committee chairman, explains SMBC's carbon credit business to Muhaimin Iskandar, Minister of Manpower and Transmigration of Indonesia.

Preserving biodiversity through the Gobaimidori initiative

Alongside global warming, the loss of biodiversity is a major issue faced by all societies, and this issue must therefore be addressed by all companies. The United Nations declared 2010 to be the International Year of Biodiversity,



Greenery at the Ymats Hiroo Bldg. in Tokyo (the building houses the Yamatane Museum of Art)



A Gobaimidori gabion cube

and in October the 10th Conference of the Parties to the Convention on Biological Diversity, also known as COP 10, was held in Nagoya, Aichi Prefecture. At SMFG, too, we believe that one of the most important roles of financial institutions is to ensure funds flow smoothly in support of initiatives to preserve biological diversity, thereby realizing a brighter future for our descendants.

In line with this stance, SMBC has been providing support through grants for joint research by Keio University and Gobaimidori Division of Annex Co., Ltd. Annex was the winner of the SMBC Prize at the eco japan cup 2007 for its “Satoyama Hozen” urban greening activities (“Satoyama” means the border zone between mountain foothills and arable flat, and “Hozen” protection), principally through its urban ecological preservation and biodiversity project utilizing *Gobaimidori* (“five times green”) gabion growing boxes, which allow greenery to grow not only out of the top but also the four sides. This joint research, which was concluded in March 2010, achieved significant results in terms of improving our knowledge of greenery in “satoyama” areas and intellectual property research.

The management of the Ymats Hiroo Bldg. in Hiroo, Tokyo, to which the Yamatane Museum of Art had moved in October 2009, selected types of plants native to the Kanto satoyama biome for use in the building's greenery.



Initiatives at SMBC Park Sakae

At SMFG, we believe that the responsibilities of financial institutions extend to the provision to the general public of information regarding proposed solutions to the various issues facing society.

As a COP10 Partnership Project, in collaboration with Toyooka City in Hyogo Prefecture, from April to August 2010 SMBC held a series of five seminars at the SMBC Park Sakae event space in Nagoya, on the theme of “The Preservation of Biodiversity and Corporate Activities.”

At these seminars, the relationship between biodiversity and the activities of business corporations

and communities was discussed and illustrated with actual examples. The aim was to familiarize participants with the problems threatening the world's biological diversity in the hope that this will increase active participation in initiatives for the preservation of biodiversity.

At the first seminar, held on April 26, 2010, Professor Shirou Wakui of Tokyo City University gave the keynote lecture and Muneharu Nakagai, Mayor of Toyooka City, introduced some examples of initiatives taken by regional communities and business corporations. Further examples were introduced at the subsequent seminars, and in each case this was followed by lively panel discussions.



The SMBC Park Sakae seminars

- 1st Seminar (April 26, 2010): Introduction
- 2nd Seminar (May 14, 2010): Examples #1
- 3rd Seminar (June 11, 2010): Examples #2
- 4th Seminar (June 25, 2010): Examples #3
- 5th Seminar (August 6, 2010): Examples #4

*“I want to create a zero-emission society
through greater reuse of industrial facilities.”*

Naoki Onogi, Corporate Planning Department, Sumitomo Mitsui Finance and Leasing Co., Ltd.



SMFG Environmental Business Forum at Eco-Products 2009 (December 10-12, 2009, Tokyo Big Sight)

SMFG Environmental Business Forum at Eco-Products 2009

The Eco-Products exhibition, held each December, is one of Japan's largest environmental exhibitions. In a Groupwide endeavor, SMFG held the SMFG Environmental Business Forum, a unique event in terms of leveraging the networks that a financial institution has available.

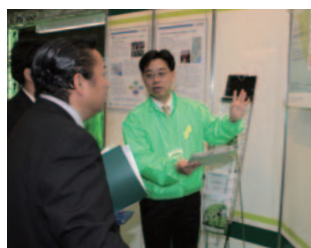
Targeting many different types of stakeholder, such as those seeking to newly enter the environmental business field, those looking to expand their marketing channels, and those examining their options regarding information gathering, SMFG conducted business matching, set up booths with catalogs, and held lectures, seminars, and other programs. By these means, SMFG provided forums for representatives of companies in the environmental field to meet and exchange information, thereby giving rise to new business opportunities.

Over the three-day duration of the exhibition, we held 17 seminars on



Some 400 companies used spaces set aside for business discussions, and some 500 “business-matching” agreements were reached.

various topics, as well as panel discussions. About 500 cases of business matching were arranged, and 41 companies had booths showcasing their products and services. In all, the SMFG Environmental Business Forum hosted a large number of business negotiations on new environmental technologies, products, and services.



eco japan cup “A Contest for Unearthing and Growing Seeds of Green Business”

SMBC jointly organizes the “eco japan cup,” an environmental business contest, together with the Ministry of the Environment, the Ministry of Internal Affairs and Communications, Environmental Business Women, and Development Bank of Japan Inc. The organizers thus cover four major categories – business, culture, lifestyle, and policy-making – all of which are intimately bound up with the economy. In the business category, which mainly involves early-stage ventures, SMBC participates as a leading member in the examinations carried out as part of the contest. SMBC

provides support for the further development of outstanding ideas in the field of environmental technology or promising business concepts that have been awarded prizes in the eco japan cup contest. This support comes in various forms, including arranging joint research with Japanese universities and providing grants to fund such research.



Awards ceremony for eco japan cup 2009
(December 2009, at the Tokyo Bay Ariake Washington Hotel)

Winners of the eco japan cup 2009 Environmental Business Venture Awards

•Grand Prize

Myfarm Co., Ltd.

"My Farm" hands-on farming experience aiming to reduce the area of unused agricultural land and improve understanding of environmental issues

•Fighting Spirit Award

Japan Biomass Corporation

Newly-developed form of microalgae that absorbs CO₂ and electricity generation business using solid biomass fuel

•The SMBC Award

Seiwa Kogyo

SWAD electric power automatic shutoff device for various equipment and machinery

•Environmental Business Women Award

A DANSÉ Co., Ltd.

Marketing businesses for soap made from shea butter from the seeds of shea trees in plantations managed by local forest management groups in Burkina Faso

•The JP (Japan Post)

Regional Coexistence Business Award

Nakadasubyoen (limited company)

Restoring biodiversity in cities using seeds and seedlings unique to each region

•The GE (General Electric)

Technical Adjudicators' Special Award

HYPER DRIVE Corporation

World's first high-efficiency, low-cost wave-power electricity generation system – Artificial Muscle Wave-Power

<http://www.eco-japan-cup.com>

SMBC Environmental Assessment Loan

The promotion of environmental businesses is a highly effective means by which the financial institutions like us can contribute to the fight against global warming and help bring about a low-carbon society. At SMBC, since October 2008 we have been making environmental assessment loans as a way of supporting our customers' environmental preservation efforts. To be eligible for these loans, an applicant company must undergo an environmental evaluation using assessment standards drawn up by JRI. Loan terms are determined on the basis of the evaluation results.

To help the applicant company improve its environmental management, JRI discloses the results of the assessment to the company. This helps the company pinpoint the environmental issues it needs to tackle, and also serves as material for its public relations efforts in the environmental field. As of March 31, 2010 approximately 30 companies – from mid-sized firms to large corporations – were making use of SMBC Environmental Assessment Loan.

In June 2009 we expanded this environmental assessment method from loans only to privately-placed bonds*. This loan/bond product won the Nikkei Veritas Award for Superiority at the 2009 Nikkei Superior Products and Services Awards organized by Nikkei Inc.

* In contrast to publicly-offered bonds, which are offered for sale via a securities company for the general public, privately-placed bonds are corporate bonds sold to a small number of specifically chosen investors. These bonds are marketable securities, and, unlike the borrowing of funds from banks (indirect financing), they constitute one method of direct fund procurement from the capital markets (direct financing).

Column

Dialogue with our stakeholders

Aiming at financing that helps preserve and improve the environment

For the purpose of listening to the opinions of specialists – so as to develop new solutions to environmental issues and thereby both improve the administration of SMBC Environmental Assessment Loan and facilitate proactive involvement in environmental management by our customers – on March 11, 2010 we held a meeting of the External Assessment Committee.

Principal opinions expressed at the meeting

The assessment of environmental initiatives should cover not only environmental remediation activities such as the cleanup of polluted soil, but also initiatives to improve the environment through comprehensive management policies.

Forms used in the survey contain some extremely detailed questions, some of which would be difficult to answer for the managements of SMEs. Consideration should be given to adapting the survey format to the scale of the applicant company.

We have high hopes for the effectiveness of such environmental assessment-linked financial products in terms of raising the level of achievement in the environmental field of cash-strapped smaller enterprises with limited human resources.

Participants in the meeting

Hideo Ohta, Attorney at Law, Baker & McKenzie GJB Tokyo Aoyama Aoki Koma Law Office

Risa Tanaka, Director Vice President and Head of Editorial Department, Sendenkaigi Co., Ltd.

Dr. Hideo Tabata, Chairman & CEO, IDEA Consultants, Inc.

Yoshihiro Fujii, Professor, Graduate School of Global Environmental Studies, Sophia University

Takeshi Mizuguchi, Professor, Department of Economics, Takasaki City University of Economics

Nobuaki Kurumatani, Managing Director and General Manager, Corporate Planning Dept., Sumitomo Mitsui Banking Corporation

Fumihiko Okuno, General Manager, Small and Medium Enterprises Marketing Dept., Sumitomo Mitsui Banking Corporation

Yumi Fujisaki, Vice President, Small and Medium Enterprises Marketing Dept., Sumitomo Mitsui Banking Corporation

Eiichiro Adachi, Research Chief, Head of ESG Research Center, The Japan Research Institute, Limited

Moderator

Kenji Sawami, Partner, Ernst & Young ShinNihon LLC



Social Contribution Activities

For further details, please see our website.



A word **from** our CSR staff

“I aim to help bring about a healthy society filled with the spirit of volunteerism.”

Kenichi Matsubayashi, Corporate Planning Dept., SMBC Friend Securities Co., Ltd.

Fundamental approach to social contribution activities

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

Policy on social contribution activities

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

The central elements of our social contribution activities

SMFG and its Group companies position the following four sectors as the core fields for social contributions: 1) social welfare, 2) local and overseas communities, 3) the environment, and 4) culture, the arts and education. Activities are undertaken in two main categories: social contribution activities (community support through company resources) and social enterprises and investments (development of social services).

Socially beneficial business operations and investment through the commercialization of induced pluripotent stem (iPS) cells

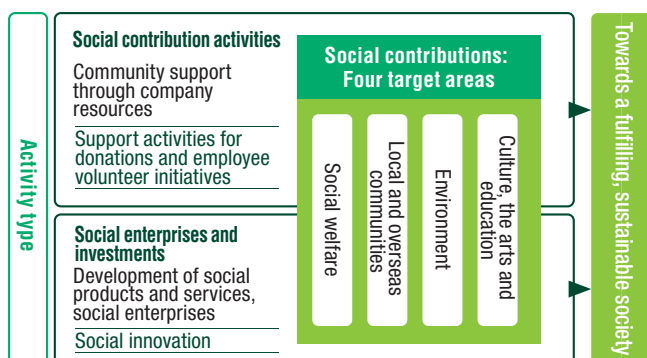
SMBC is undertaking an initiative to apply research into iPS cells for the benefit of society through the commercialization of the research results. In a process created by Professor Shinya Yamanaka and his colleagues at Kyoto University in 2006, iPS cells are a new kind of stem cell based on reprogramming of human adult cells and hold out high promise in areas such as a regenerative medicine, new drug development and pathology. With the goal of realizing practical social benefits from this research, in June 2008 SMBC teamed up with Kyoto University, Daiwa Securities Group Inc., NIF SMBC Ventures Co., Ltd. (now split into Daiwa Corporate Investment Co., Ltd. and SMBC Venture Capital Co., Ltd.) to set up the preparatory company iPS Holdings and iPS Academia Japan, Inc., which handles intellectual property management and applications. Through its multifaceted support for these two companies, SMBC aims to help commercialize the successes of iPS cell research.

Universal design and universal service

The aging of Japan's population exceeds that of all other nations, while at the same time, lifestyles continue to become more diverse. Because of these two factors, in the future we believe that we will have to provide services that take the needs of many different types of customers carefully into consideration.

In the 1990s SMBC introduced ATMs designed for the visually impaired, and in 2006 the Bank opened a barrier-free model branch office at Chigasaki in Kanagawa Prefecture. Various other steps were also taken to make SMBC's branches easier to use for the aged and people with disabilities, including the introduction of numbering displays for electronic queuing (EQ). In addition to addressing the issue with equipment improvements, we have also been making improvements to our customer service methods. These include the stationing of qualified Service Care Attendants to all our branches, to ensure all customers' needs are met. As of March 2010, over 1,200 SMBC staff had received this qualification. To enhance the level of customer service provided by employees without this qualification, we have also held a series of awareness-raising sessions in which employees personally experience some of the difficulties encountered by our more elderly customers, as well as the hands-on experience using wheelchair. From here onward, we will continue to study ways of incorporating the concepts of universal design and service into our financial products and services.

Approach to social contributions



Through our social enterprise and investment and social contribution activities, we provide support in four areas, as we contribute to the emergence of a more fulfilling, sustainable society.

SMBC receives commendation from Tokyo Metropolitan Governor

In January 2010 SMBC received a commendation from the Governor of Tokyo for contributions to an initiative to make Tokyo into a city with a high level of social welfare services.

This was in recognition of SMBC's various measures to promote the use of universal design and provide universal service throughout Japan.

Initiatives in Japan

Activities contributing to social welfare

Sign-language courses



To enhance the ability of our employees to communicate with and offer high-level services to hearing-impaired customers, SMBC holds sign-language courses and seminars for interested employees. In fiscal 2009, these courses were also attended by employees of SMCC, JRI,

and SMBC Friend. SMBC also held training sessions for employees to improve their communication skills, which included using basic sign language, and learning about consideration for the needs of hearing-impaired customers and others. These courses were also attended by employees of other Group companies and Nikko. SMBC also held courses on various volunteer activities which were attended by SMBC employees and family members. Blood donation drives were also held at SMBC and SMCC.

Collection and donation of voided postcards, unused prepaid telephone cards, and used postage stamps

SMFG collects voided postcards from Group employees, exchanges them for new postage stamps, and donates the stamps to volunteer organizations to help them cover their postage costs. In addition, SMFL collects PET bottle caps, SMBC Friend collects used postage stamps, and SMCC collects used postage stamps and used prepaid cards from employees, donating them to volunteer organizations.

Donations to organizations assisting senior citizens

Every year, SMBC Friend donates part of the income from a fund that invests in companies contributing to the betterment of the aging population to organizations that assist and provide nursing care for the elderly.

Contribution activities for local and overseas communities

Volunteer fund

SMBC has a system in which employees who volunteer have ¥100 deducted from their salaries each month to fund donations to organizations that perform volunteer work in Japan and other countries. As of July 2010, 12,281 employees were participating in this program. (Please see pages 23 and 24 for some of the activities funded by the SMBC Volunteer Fund in fiscal 2009.) At Group member SAKURA KCS Corp., as of June 2010, approximately 900 employees (around 80% of the company's total staff) had enrolled in their volunteer fund since fiscal 2009.

Opening of accounts for donations to disaster victims

When major natural disasters occur, SMBC opens special accounts to collect donations for relief efforts without the usual fund transfer charges. SMBC also solicits donations for such causes from its own employees and those of other Group companies including Nikko. Following the Haiti earthquake in January 2010, SMCC collected donations made by customers using its credit cards.

Regional contribution by Group employees

SMBC and Nikko have been promoting and carrying out activities planned by their branches and other offices throughout Japan to contribute to their respective local communities, including guided tours of workplaces and local cleanup campaigns. Kansai Urban Banking Corporation holds concerts in the lobbies of its branches. In fiscal 2009 members of SMBC's in-house volunteer organization YUI from branches in Tokyo and Osaka conducted tree-planting activities on the slopes of Mount Fuji, marking the 10th anniversary of the organization's formation.

Support for UNICEF

SMBC cooperates in fundraising activities by UNICEF. SMBC places collection boxes for foreign currency coins in its branches and sorts donated coins by currency before delivering them to UNICEF. SMBC also operates ordinary deposit accounts in which accrued interest (after tax) is donated to UNICEF, and SMBC itself makes donations matching the amounts donated by its customers. SMCC collects donations from cardholders through the World Present point service of VJA group companies and provides a matching donation. It also issues credit cards that automatically make donations to specific charities.

Environmental activities

Neighborhood cleanup programs

SMFG holds an "SMFG Clean-up Day" in which Group employees volunteer to pick up litter on beaches. SMBC Friend holds its own beach cleanup events. In addition, employees of SMFL, JRI, and Kansai Urban Banking Corporation regularly participate in cleanup activities in the areas around their offices and branches.



Preserving the natural environment

SMBC provides support to the environmental program NPO C.C.C. Furano Field in Hokkaido for planting seedlings at a country club that had been shut down for reforestation of the area. SMFL has regularly participated in the holding of a photography contest on the theme of environmental preservation, while Kansai Urban Banking Corporation makes donations every year to an environmental preservation organization based on the level of the term-end balance of environment-related time-deposits.

Contributing to cultural, artistic and educational activities

Charity concert held

SMBC has been arranging a charity concert, "A Toy Box of Favorite Works," every year to support children worldwide who have suffered from wars and natural disasters. The concerts are performed by SMBC employee music ensembles, and organized by bank staff.



Financial and economic education

SMBC welcomes school field trips to bank branches and other locations. Other financial and economic education activities include a publication called *What Does Bank Do?*, a financial education game on the SMBC website, support for Kidzania (job-experience theme park for children), internship programs, and many other programs. SMCC, SMFL, JRI, Nikko, THE MINATO BANK, and Kansai Urban Banking Corporation provide instructors for classes at universities.

At its places of business overseas, SMFG carries out social contribution activities that address the issues faced in each country or region, and that are adapted to each unique local culture. Donations are also made to NPOs and NGOs by funds set up within SMFG on a voluntary basis to support projects aimed at alleviating poverty, providing education and medical treatment, and promoting improvements in the social status of women in developing countries. (All donations were made via the SMBC Volunteer Fund (below, the "Fund"), and those marked with ★ are fiscal 2009 donations.) Other emergency relief activities include opening of accounts for donations to disaster victims, collection of donations made by customers using credit cards, support for UNICEF, and participation in "TABLE FOR TWO."

For further details, please see our website.



1 Europe: Employees' volunteer activities and donations

- Employees of Sumitomo Mitsui Banking Corporation Europe voluntarily carry out social contribution activities at hospitals, schools, etc. on their days off, and donate money to organizations that operate children's hospices.
- The European office of JRI makes donations to a Japanese-language speech contest held annually in London.



2 Burkina Faso: School meals program

By arranging provision of school meals (through the Fund), we enable children of this African country to eat more nutritiously, leading to better health and boosting concentration in the classroom. ★



3 Niger: Providing medicine for children and pregnant mothers



The Republic of Niger, in West Africa, has one of the world's highest rates of maternal deaths, and one child in four dies before the age of five. To provide medical assistance for infants and pregnant mothers, SMBC makes donations through the Fund to facilitate immunization programs, the distribution of childbirth kits, and the provision of drugs to combat infectious diseases. ★

4 Sudan: Improving school water supplies and hygiene

Through the Fund, we are building wells and toilets at elementary schools and teaching local residents appropriate maintenance methods in this country, where improvement of water supplies and hygiene is a pressing task. ★



5 Mozambique: Clean-water and hygienic environment for children

SMBC operates a unique program called "Climate & Children Supporters" to assist UNICEF's efforts to help communities adapt to climate change and ameliorate its effects.



(C) UNICEF/MOZA01534/G.Pirozzi

6 Pakistan: Medical assistance for refugees repatriated

We have provided support for the operation of a clinic (including medical staff and ambulances) in the Buner District of Pakistan, using donations made through the Fund, to meet the emergency treatment needs of the large numbers of refugees repatriated in that part of the country. ★



7 Nepal: Support for children's education projects

Using donations made through the Fund, we have helped enable the carrying out of a basic survey of the social and economic conditions in Nepal, to find ways of making it possible for all Nepalese children to attend school. We have also provided school supplies such as uniforms, stationery, school bags, and sandals. ★



8 Bangladesh: Support and microfinancing for women

We have helped with microfinancing and professional training for women at the most impoverished levels of rural society, using donations made through the Fund. ★



9 People's Republic of China: Support for students, and disaster relief

- Sumitomo Mitsui Banking Corporation (China) Limited established a scholarship program for students of Suzhou University, Shanghai International Studies University, and other universities.
- SMBC gave donations for the relief of victims of the 2010 Yushu earthquake.
- SMBC's Hong Kong Branch gave donations to fund performances by an orchestra composed of young Asian musicians.
- The SMBC Global Foundation, based in New York, provides scholarships for college students.

10 Myanmar: Support for the elderly and persons with disabilities



Donations made through the Fund have provided livelihood support for the most vulnerable members of Myanmar society – those who are bedridden as a result of disabilities or age. ★

11 Thailand: Livelihood and educational assistance for children

- In cooperation with other banks, SMBC's Bangkok Branch donates money for the repair of facilities for the care of children suffering from poverty, as well as to pay for their schooling. The Bangkok Branch also arranged lectures at the Thammasat University's business school by an SMBC senior economist.
- Organic farming and fish-farming programs are arranged at elementary and junior high schools in Thailand to improve nutrition for children and help people become economically self-reliant (through the Fund). ★
- The SMBC Global Foundation, based in New York, provides scholarships for college students.



14 Vietnam: Support for doctors providing free medical care

- SMBC's Hanoi Branch makes donations in support of a group of Japanese doctors who are providing free treatment at an eye clinic.
- The SMBC Global Foundation, based in New York, provides scholarships for college students.



15 Malaysia: Scholarships awarded

The SMBC Global Foundation, based in New York, provides scholarships for college students.

16 Indonesia: Healthcare for infants, and scholarships awarded

- We make available scholarships for middle school and high school students and arrange infant-care programs, using donations made through the Fund. ★
- The SMBC Global Foundation, based in New York, provides scholarships for college students.



17 Philippines: Support for better living conditions for mothers and children



- This project aims to increase the self-sufficiency of mothers and their children through reading classes and organic farming training, using donations made through the Fund. ★
- The SMBC Global Foundation, based in New York, provides scholarships for college students.

18 South Korea: Support for South Korean students' Japanese-language theater competition

As a way of increasing understanding of Japanese culture, SMBC's Seoul Branch donates funds to make possible the holding of a competition involving theatrical performances in the Japanese language by South Korean students of Japanese.

19 Japan: Scholarships and research grants

Since 1990, SMBC Foundation for International Cooperation has been providing financial support for students from other Asian countries enabling them to attend universities in Japan, as well as giving grants to research institutes and individual researchers engaged in studying developing nations.

20 New York: Scholarships, donations, and volunteer activities

- Since 1994, SMBC Global Foundation has awarded scholarships to more than 5,000 university students in Asian countries (see 9, 11, 14, 15, 16, and 17). It also supports study trips to Japan organized by a high school in the Harlem area of New York, awards scholarships to students at Japanese schools in the U.S., and makes various donations, including for disaster relief.
- Employees of SMBC and JRI participate in beautification programs at public schools in New York and other volunteer activities throughout the year.



12 Cambodia: Establishment of orphanage and educational assistance

- Donations made through the Fund have supported the construction of an orphanage. ★
- As a result of the civil war, Cambodia faces problems regarding the transmission of Khmer culture to succeeding generations. To address this issue and support children's education, donations were made through the Fund supporting release of a CD containing recordings of Khmer folk tales and a training course for librarians. ★



13 Laos: Establishing school libraries and supporting cultural education

In fiscal 2009 using donations made through the Fund, we helped establish another four libraries at elementary schools in Laos, bringing the total number of libraries established since 2002 to 19. This is part of a project to improve the transmission of knowledge in such fields as music, the visual arts, and handicrafts. ★



SMBC set up special accounts (without transfer fees) to handle donations for the assistance of victims of natural disasters in the countries indicated on the above map with a ♦, i.e. Japan, the Philippines, Indonesia, Samoa, Haiti and Chile. SMBC also called on its customers and employees to make contributions.

Third-Party Opinion



Takejiro Sueyoshi

Special Advisor
United Nations Environment Programme
Finance Initiative (UNEP FI)

Since the onset of the financial crisis in 2007, public attitudes toward financial institutions the world over have been growing more critical with each passing year. Under these circumstances, the measures being taken by the SMFG Group in the area of CSR assume considerable importance, as it is one of the leading representatives of the Japanese financial sector. It was thus with the greatest interest that I opened this CSR Report.

First, I would like to comment on the “Commitment from the Top” section. Mr. Kitayama states that against the background of a growing worldwide movement toward the realization of a sustainable society, the SMFG Group, while solidifying its position as a global player in the financial markets, hopes to contribute to the creation of a better future in the 21st Century by developing solutions to social issues. This is a clear and uncompromising expression of the Group’s commitment based on a sound stance toward the future of the global community. I was particularly impressed by the passage in which he speaks about the Group aiming to earn “the highest trust” of society. Indeed, in a time such as this, financial institutions must seek to build a new relationship with society as a whole through the reestablishment of trust.

To earn such trust, the Group, which is the heir to the 400-year-old tradition of corporate social responsibility that fostered the growth of the great houses of Sumitomo and Mitsui, and which is one of the leading financial services groups in Japan, fully recognizes the heavy duty it bears because of the public nature of its operations, and hopes to contribute to the sustainable growth of society as a whole through the performance of its core businesses. This is a significant statement. The Group offers a wide spectrum of financial services, including banking, securities, credit card, leasing, consulting, and think-tank services. They extend into every corner of society, and they are so vital that their success or failure is directly linked to the success or failure of society’s development. For these reasons, I hope the Group regards doing “what it is uniquely capable of doing” as a pledge to society.

In my quest to learn more about the Group’s fundamental stance on CSR, I was immediately attracted to the sections on “Children’s Day” and “Go Home Early to the Family Day.” This is because I believe that only when its employees achieve a good work-life balance will it be able to deliver the sort of financial services that people acknowledge as being truly of value to society.

Regarding the future of the Group’s CSR activities, I am particularly interested in the descriptions contained in the “baselines for the evolution of CSR.” In Japan, there has been a strong tendency for CSR activities to remain a sort of charitable undertaking, unconnected with a company’s core business. In contrast to this attitude, SMFG believes that solving global and Japanese structural problems through the pursuit of the Group’s core businesses will create a win-win relationship between the Group and society. In this way, it has set itself a CSR target of uniting into one single framework the effort to meet society’s needs with the pursuit of the Group’s business growth. I believe it deserves high marks for identifying the attainment of its CSR goals with the attainment of its overall management goals. Ways in which the Group is pursuing a course worthy of its status as a leading group in the Japanese financial sector include initiatives in fields that will be at the center stage of the 21st Century. These encompass the environmental business, solutions to the issues created by the “super-aged” society, and research into applications of iPS cells.

In the “Response to the Third-Party Opinion” in the 2009 CSR Report, the Group states: “. . . we will continue to refine our proposals for social solutions that lead to the building of a new society.” From that perspective, on reading this year’s report, I found it highly commendable that the Group has made a start on diverse new measures in a large number of areas. Having said that, when one looks at the reality, not only in Japan but also around the world, one sees that the problems are both growing in number and becoming increasingly severe, and it seems that we are further away than ever from finding effective solutions. Most notably, efforts to reduce global warming have turned into a race against time. In light of this, the realization of social solutions has become all the more vital. Against this background, and in view of the high aims that the Group has set itself, society is watching closely to see if it can fully realize its potential capabilities and meet the expectations placed on it.

The SMFG Group has taken up the challenge of creating a sustainable future.

Response to the Third-Party Opinion



This is the sixth year since the SMFG Group began its CSR activities on a full-scale basis. The Group carries the DNA of a 400-year-old tradition of corporate social responsibility. Mindful of that venerable history, we are bringing our financial intermediary function to bear to foster new social developments, for example by supporting environmental businesses and research into the uses of iPS cells. In such ways, we are effectively fulfilling the corporate social responsibilities that society expects of us.

In the Third-Party Opinion above, Mr. Sueyoshi has given us a positive evaluation of our CSR activities. He also says that he hopes that

Koichi Miyata

Director of CSR, Sumitomo Mitsui Financial Group

we will do what we are “uniquely capable of doing” and that society is watching closely to see if we can realize our full potential and meet the expectations placed on us. We intend to continue proactively conducting CSR activities that make a valuable contribution to society. As one of the leading financial services groups in Japan, entrusted with the vital public function of financial intermediation, we are acutely aware of the social responsibility that we bear.

To realize our goals, we will continue to enhance communications with all other members of society, and steadily translate into practical reality new, concrete ideas generated within the Group. It is this kind of forward-looking approach that will open up a new era of CSR activities.

Group Outline (as of March 31, 2010)

Sumitomo Mitsui Financial Group (SMFG) is a comprehensive financial services group providing banking, credit card services, leasing, securities services, systems engineering and data processing.

Corporate Outline (as of March 31, 2010)

Company Name : Sumitomo Mitsui Financial Group, Inc.
Established : December 2, 2002
Head Office : 1-2 Yurakucho 1-chome, Chiyoda-ku, Tokyo, Japan (As of October 18, 2010: 1-2 Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan)
Chairman of the Board : Masayuki Oku (Concurrent President at Sumitomo Mitsui Banking Corporation)
President : Teisuke Kitayama (Concurrent Chairman of the Board of Directors at Sumitomo Mitsui Banking Corporation)
Capital : ¥2,337.8 billion
Number of Group Employees : 57,888 (SMFG consolidated basis)
Business Description : Management of banking subsidiaries (under the stipulations of Japan's Banking Law) and of non-bank subsidiaries, as well as performance of ancillary functions
Stock Exchange Listings : Tokyo Stock Exchange (First Section) Osaka Securities Exchange (First Section) Nagoya Stock Exchange (First Section)

Segmental Ordinary Income (Fiscal 2009)

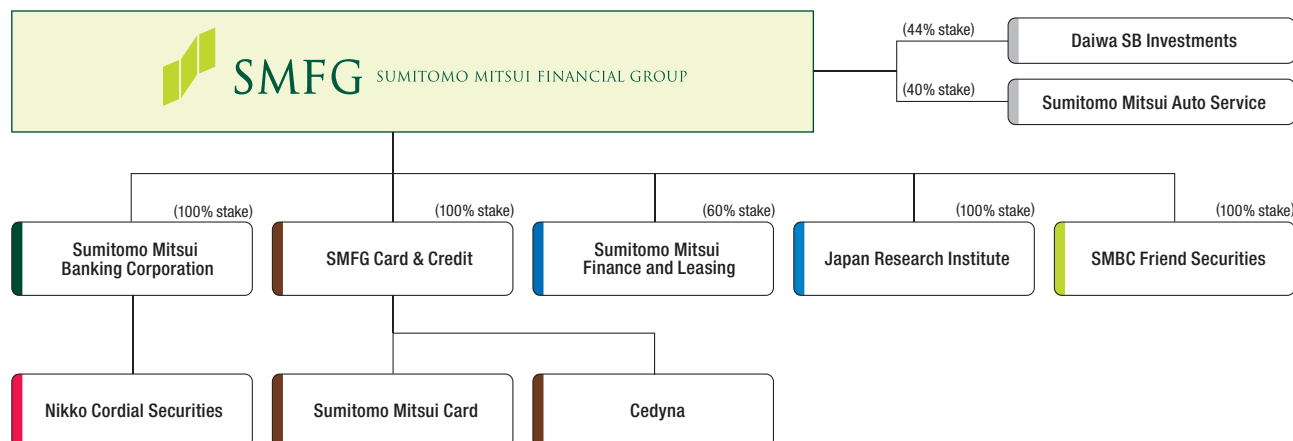
By Business Segment	Unit: Millions of yen / percentage of total
Banking business	2,328,562 (67%)
Leasing business	328,176 (10%)
Other business	804,319 (23%)
Total	3,461,058

By Geographic Segment	Unit: Millions of yen / percentage of total
Japan	2,728,905 (83%)
The Americas	311,232 (9%)
Europe and Middle East	128,763 (4%)
Asia and Oceania	132,072 (4%)
Total	3,300,973

*Ordinary income is presented as a counterpart of sales of companies in other industries.

**As figures for ordinary income by business segment and geographic segment are those recorded prior to elimination of intersegmental sales, the sums of segmental items do not equal the totals.

Structure of Sumitomo Mitsui Financial Group (as of April 1, 2010)



Reference Guidelines

GRI (Global Reporting Initiative) Guidelines 2006 (G3)

GRI: International organization established in 1997 with the aim of formulating and promoting globally shared guidelines for sustainability reports

Scope of this Report

- Sumitomo Mitsui Financial Group, Inc.
- Sumitomo Mitsui Banking Corporation
- SMFG Card & Credit, Inc.
- Sumitomo Mitsui Card Company, Limited
- Sumitomo Mitsui Finance and Leasing Co., Ltd.
- The Japan Research Institute, Limited
- SMBC Friend Securities Co., Ltd.
- Other Group companies: Nikko Cordial Securities Inc., THE MINATO BANK, LTD., Kansai Urban Banking Corporation and others

Period Covered by this Report

April 1, 2009 to March 31, 2010 ("Fiscal 2009")

Notes: Certain items in this report refer to activities taking place after April 2010.
For Nikko Cordial Securities, activities after October 2009 are reported.

Publication Date of Japanese Document

September 2010 (previous report published August 2009; next report due to be published August 2011)

Contact

Group CSR Department,
Sumitomo Mitsui Financial Group, Inc.
1-2 Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0006
TEL: +81-3-3282-8111

www.smfg.co.jp