

March 26, 2015

Sumitomo Mitsui Financial Group, Inc.  
Sumitomo Mitsui Banking Corporation

**Increase in the Number of Outside Directors and Corporate Auditors at  
Sumitomo Mitsui Financial Group, Inc. & Sumitomo Mitsui Banking Corporation**

Sumitomo Mitsui Financial Group, Inc. (“SMFG”; President: Koichi Miyata) and Sumitomo Mitsui Banking Corporation (“SMBC”; President & CEO: Takeshi Kunibe) announce that we have decided to increase the number of outside directors and outside corporate auditors (“Outside Directors and Corporate Auditors”) by a total of eight, and to take steps to further enhance the supervisory functions of the Board of Directors, as part of our effort to strengthen and improve corporate governance with the aims of further increasing managerial transparency and fairness and increasing our corporate value over the medium to long term.

**1. Purpose of the Increase in the Number of Outside Directors and Corporate Auditors**

SMFG and SMBC consider Outside Directors and Corporate Auditors to be “representatives of our shareholders and other various stakeholders,” and in welcoming officers with broad-ranging knowledge and rich experience from their activities in a number of different fields, we have seen these diverse perspectives reflected in management.

Currently, in the context of a changing business environment – including the growth of Asia’s emerging countries, the aging and shrinking Japanese population and the global financial regulatory reform – SMFG and its Group companies have adopted a ten-year vision of becoming “a global financial group that, by earning the highest trust of our customers, leads the growth of Japan and the Asian region.” Looking to the future corporate expansion of SMFG and SMBC, we believe that the further inclusion of diverse and international perspectives in management will be essential, and we have therefore decided to increase the number of Outside Directors and Corporate Auditors.

With a view to ensuring diversity and incorporating a broader range of “outside perspectives” into the management, we have selected candidates with diverse knowledge and experience – a lawyer and a former diplomat with rich practical experience working on the international stage, female corporate leaders from the front lines of business, high-ranking managers from some of Japan’s top firms and organizations, and accounting and legal experts with outstanding experience and knowledge.

## **2. Summary of the Increase in the Number of Outside Directors and Corporate Auditors**

SMFG and SMBC have in the past elected a total of six Outside Directors and Corporate Auditors (three outside directors and three outside corporate auditors) to serve concurrently at both companies, but we have now decided to remove the concurrent service system and have each Outside Director or Corporate Auditor focus their efforts on one of the two companies. In addition, as part of our move to strengthen and improve corporate governance as detailed below, SMFG and SMBC have decided to increase the number of nominated Outside Directors and Corporate Auditors by a total of eight.

As a result, SMFG will have five outside directors and three outside corporate auditors – a total of eight Outside Directors and Corporate Auditors – and SMBC will have three outside directors and three outside corporate auditors – a total of six Outside Directors and Corporate Auditors. (Outside Directors and Corporate Auditors: six currently serving increased to a total of 14.) With this increase, outside directors will come to represent more than one-third of directors at SMFG. (The matter of the election of the Outside Directors and Corporate Auditors is to be put before the Ordinary General Meetings of the Shareholders of SMFG and SMBC, to be held on June 26, 2015.)

### **(1) SMFG: New Outside Director and Corporate Auditor candidates**

#### *1. New outside director candidates:*

Arthur M. Mitchell (Attorney at Law, admitted in New York)  
Masaharu Kohno (Previous Ambassador of Japan to the Republic of Italy)  
Eriko Sakurai (Chairman and Chief Executive Officer of Dow Corning Toray Co., Ltd.)

#### *2. New outside corporate auditor candidates:*

None. (Composition of SMFG Corporate Auditors, please refer to page 4.)

### **(1) SMBC: New Outside Director and Corporate Auditor candidates**

#### *1. New outside director candidates:*

Masayuki Matsumoto (Senior Special Adviser of the Central Japan Railway Company)  
Yuko Nakahira (Executive Director of 3M Japan Limited)

#### *2. New outside corporate auditor candidates:*

Hiroshi Takahashi (Certified Public Accountant)  
Katsuyoshi Shinbo (Attorney at Law)  
Masaaki Oka (Attorney at Law)

### **3. Further strengthening and improving corporate governance**

SMFG already has four internal committees within its Board of Directors – the Auditing Committee, the Risk Management Committee, the Compensation Committee and the Nominating Committee – all of which outside directors are members of. In this way we have built a system that enables objective deliberation which is separate from the execution of business.

Following the upcoming increase in the number of Outside Directors and Corporate Auditors, we will continue to have outside directors sit on all internal committees. We will continue to build our objective deliberation system from a more multifaceted perspective, and, through improvements in deliberation, further strengthen the supervisory function of the Board of Directors, and build a management system that is highly efficient, transparent and trustworthy.

In the Final Proposal of Japan’s Corporate Governance Code (the “Final Proposal”) – recently prepared by a Council of Experts under a joint Secretariat comprising the Financial Services Agency and the Tokyo Stock Exchange – “corporate governance” has been defined as “a structure for transparent, fair, timely and decisive decision-making by companies, with due attention to the needs and perspectives of shareholders and also customers, employees and local communities.”

SMFG views stronger, better corporate governance as one of the principal tasks facing management, and plans to formulate and announce its fundamental views and policy on corporate governance based on the principles contained in the Final Proposal. We will continue to work towards sustained growth and the further increase of SMFG’s corporate value over the medium to long term.

End.

**Reference: Composition of SMFG Directors (scheduled)**

After the Ordinary General Meetings of the Shareholders of June 2015

Position title	Name	Remarks
Chairman of the Board	Masayuki Oku	
President	Koichi Miyata	Director of SMBC
Director	Takeshi Kunibe	President and CEO of SMBC
Director	Yujiro Ito	Deputy President of SMBC
Director	Kozo Ogino	Senior Managing Director of SMBC
Director	Toshiyuki Teramoto	Senior Managing Director of SMBC
Director	Jun Ohta	Senior Managing Director of SMBC
Director	Katsunori Tanizaki	Senior Managing Director of SMBC
Director (Outside Director)	Yoshinori Yokoyama	Project Professor at The University of Tokyo
Director (Outside Director)	Kuniaki Nomura	Attorney at Law
Director (Outside Director)	Arthur M. Mitchell	Attorney at Law admitted in New York
Director (Outside Director)	Masaharu Kohno	Previous Ambassador of Japan to the Republic of Italy
Director (Outside Director)	Eriko Sakurai	Chairman and CEO of Dow Corning Toray, Ltd.

**Reference: Composition of SMFG Corporate Auditors (scheduled)**

After the Ordinary General Meetings of the Shareholders of June 2015

Position title	Name	Remarks
Corporate Auditor	Koichi Minami	Corporate Auditor of SMBC
Corporate Auditor	Kazuhiko Nakao	
Corporate Auditor	Toru Mikami	
Corporate Auditor (Outside Corporate Auditor)	Ikuo Uno	Executive advisor to the Board of Nippon Life Insurance Company
Corporate Auditor (Outside Corporate Auditor)	Satoshi Itoh	Certified Public Accountant
Corporate Auditor (Outside Corporate Auditor)	Rokuro Tsuruta	Attorney at Law

**Reference: Composition of SMBC Directors (scheduled)**

After the Ordinary General Meetings of the Shareholders of June 2015

Position title	Name	Remarks
Chairman of the Board	Teisuke Kitayama	
President and CEO	Takeshi Kunibe	Director of SMFG
Director	Koichi Miyata	President of SMFG
Vice Chairman of the Board	Shuichi Kageyama	
Deputy President	Yujiro Ito	Director of SMFG
Deputy President	Seiichiro Takahashi	
Deputy President	Nobuaki Kurumatani	Deputy President of SMFG
Deputy President	Masaki Tachibana	
Senior Managing Director	Kozo Ogino	Director of SMFG
Senior Managing Director	Toshiyuki Teramoto	Director of SMFG
Senior Managing Director	Jun Ohta	Director of SMFG
Senior Managing Director	Yasuyuki Kawasaki	Senior Managing Director (Executive Officer) of SMFG
Senior Managing Director	Katsunori Tanizaki	Director of SMFG
Senior Managing Director	Yukihiko Onishi	Senior Managing Director (Executive Officer) of SMFG
Director (Outside Director)	Shigeru Iwamoto	Certified Public Accountant
Director (Outside Director)	Masayuki Matsumoto	Special Advisor of the Central Japan Railway Company
Director (Outside Director)	Yuko Nakahira	Executive Director of 3M Japan Limited

**Reference: Composition of SMBC Corporate Auditors (scheduled)**

After the Ordinary General Meetings of the Shareholders of June 2015

Position title	Name	Remarks
Corporate Auditor	Makoto Hiura	
Corporate Auditor	Mitsuru Ono	
Corporate Auditor (Outside Corporate Auditor)	Hiroshi Takahashi	Certified Public Accountant
Corporate Auditor (Outside Corporate Auditor)	Katsuyoshi Shinbo	Attorney at Law
Corporate Auditor (Outside Corporate Auditor)	Masaaki Oka	Attorney at Law
Corporate Auditor	Koichi Minami	Corporate Auditor of SMFG