

【NEWS RELEASE】

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Sumitomo Mitsui Financial Group

SMBC Group to Reform its Accounting Procedures by Introducing a
Standardized Group Accounting System

TOKYO, May 11 2021 --- Sumitomo Mitsui Financial Group, Inc. (President and Group CEO: Jun Ohta, hereinafter, the group is collectively referred to as “SMBC Group”) will introduce a uniform group accounting system in order to improve operational efficiency through the standardization and consolidation of accounting procedures. This initiative will also strengthen SMBC Group’s business foundations as set forth in the Medium-Term Management Plan.

1. Overview

In order for SMBC Group to provide high-quality total solutions that meet diversifying customer needs, its business management framework must be strengthened on a group-wide basis. As the business environment surrounding the financial industry remains severe, SMBC Group must continue with its strict cost control efforts while allocating sufficient resources to growth sectors.

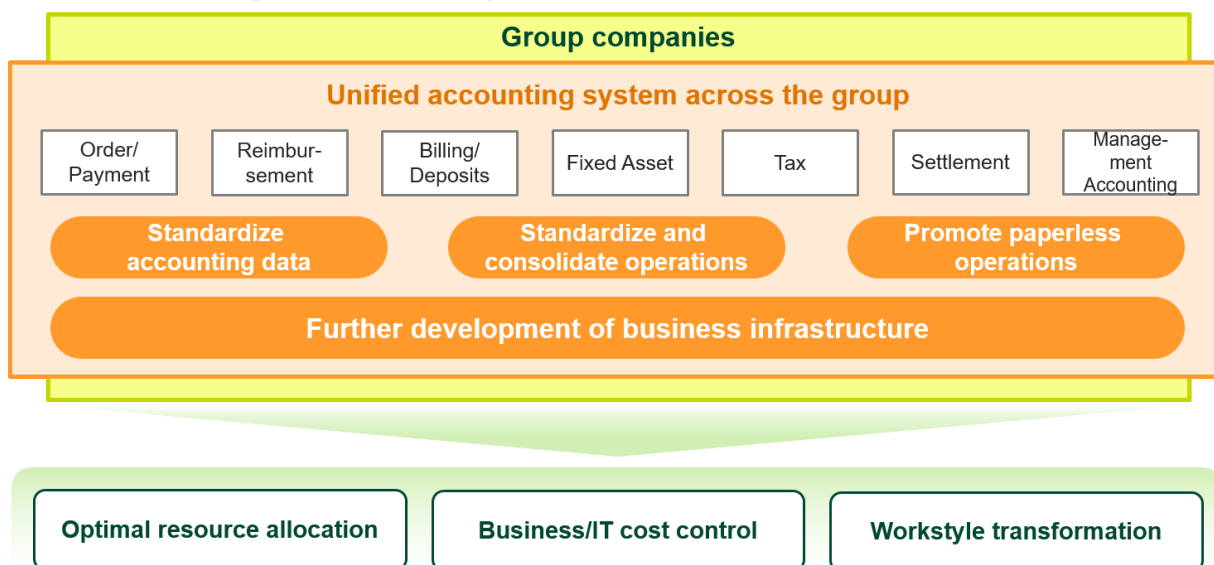
Given such a business environment, SMBC Group will standardize and consolidate the respective accounting systems and procedures of its group companies to create synergies, increase productivity, and further enhance group-based business management. Such steps will eventually enhance the corporate value of SMBC Group as a whole.

The following four points are the key aims of this initiative.

- Realize the optimal allocation of resources by standardizing accounting data on an SMBC Group basis to strengthen profitability management, cost control, etc.
- Reduce indirect operational costs by consolidating standardized accounting operations to a shared service center.
- Enhance IT governance and control IT costs by introducing a standardized SMBC Group accounting system.
- Work style transformation, including the promotion of remote working, by promoting paperless operations.

As its standardized accounting system, SMBC Group will adopt Oracle Corporation Japan’s (Corporate Executive Officer, President: Toshimitsu Misawa) “Oracle Fusion Cloud ERP,” which has a proven global track record. SMBC Group aims to achieve the smooth introduction of the system while controlling development costs by taking full advantage of standardized functions.

Improve operational efficiency through the standardization and consolidation of accounting functions and strengthen SMBC Group's business foundations



2. Going Forward

SMBC Group launched this initiative as part of investments laid out in the Medium-Term Management Plan to realize future growth. The said system will be introduced to SMBC Group companies in a phased manner starting FY2023.

Through this initiative, SMBC will further accelerate group-based business management, realize business and IT transformation, strengthen SMBC Group's business foundations, transform employees' workstyles, and improve engagement.

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