

October7, 2022

Sumitomo Mitsui Financial Group, Inc.  
Sumitomo Mitsui Banking Corporation

Report submission order by the Financial Services Agency

On September 28, the Securities Exchange Surveillance Commission announced that based on the results of its investigation into SMBC Nikko Securities Inc. (President and CEO: Yuichiro Kondo, hereinafter SMBC Nikko), it recommended to the Prime Minister and the Commissioner of the Financial Services Agency that administrative disposition be taken against it. Today, Sumitomo Mitsui Financial Group, Inc. (Director President and Group CEO: Jun Ohta, hereinafter SMFG) and Sumitomo Mitsui Banking Corporation (President and Chief Executive Officer: Makoto Takashima, hereinafter SMBC) received a report submission order from the Financial Services Agency of Japan (hereinafter FSA), pursuant to Article 56-2, Paragraph 2 of the Financial Instruments and Exchange Act and Article 52-31, Paragraph 1 of the Banking Act of Japan, Article 24, Paragraph 1 of the Banking Act of Japan, respectively, in regard to employees of SMBC Nikko receiving confidential information from SMBC.

We sincerely apologize for any inconvenience or concern this situation may have caused our customers and other stakeholders.

SMFG and SMBC take this incident very seriously and will continue to take all the necessary measures to make improvements and prevent recurrence on a company-wide basis to restore the trust of customers and other parties concerned.

Details of the report submission order from FSA:

1. SMFG, pursuant to Article 56-2, Paragraph 2 of the Financial Instruments and Exchange Act, Article 52-31, Paragraph 1 of the Banking Act, reports
  - (1) Cause analysis (including root causes in the background) and awareness of the issues based on the analysis, as a Specified Major Shareholder of a Financial Instruments Business Operator and as a Banking Holding Company
  - (2) Effective measures on a group-wide basis to prevent recurrence, based on the analysis and awareness above, including the following points:
    - enhancement of business management governance and customer information management
    - fostering and enhancing compliance awareness of customer information management
  - (3) Also, report progress on (2) in writing within 15 days after the end of each quarter, for the time being
  
2. SMBC, pursuant to Article 24, Paragraph 1 of the Banking Act, reports
  - (1) Facts and cause analysis (including root causes in the background), and awareness of the issues based on the analysis
  - (2) Confirmation of the absence of similar cases and verification of the validity for the method and scope of the investigation (including the implementation plan and status of investigation, if any)
  - (3) Effective measures to prevent recurrence based on the analysis and awareness above, including the following points:
    - enhancement of a business management governance and customer information management
    - fostering and enhancing compliance awareness of customer information management
  - (4) Also, report progress on (2), only if it is ongoing or its complementation is under consideration, and (3) in writing within 15 days after the end of each quarter, for the time being