

U.S. RESOLUTION PLAN

PUBLIC SECTION • DECEMBER 17, 2021 SUBMISSION



SMFG SUMITOMO MITSUI
FINANCIAL GROUP

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Executive Summary

Sumitomo Mitsui Financial Group, Inc. (“SMFG”) is a joint-stock corporation with limited liability incorporated under the laws of Japan and is headquartered in Tokyo, Japan. SMFG lists its stocks on Tokyo Stock Exchange and Nagoya Stock Exchange. SMFG also lists its American Depositary Receipts (ADRs) on the New York Stock Exchange. SMFG has an established global presence and offers a diverse range of financial services, centered on banking operations, leasing services, securities, consumer finance, system development, data processing, and asset management. SMFG directly owns 100% of the issued and outstanding shares of Sumitomo Mitsui Banking Corporation (“SMBC”), one of the three largest commercial banks in Japan.

SMFG and SMBC are U.S. bank holding companies. In May 2013, SMFG and SMBC became financial holding companies for purposes of the U.S. Bank Holding Company Act. In general, a financial holding company may engage in a broader spectrum of activities than a bank holding company that is not also a financial holding company. SMFG conducts multiple types of business in the U.S., including:



These operations are executed through different legal entities, many of which are subsidiaries of SMBC. SMFG additionally has operations in Canada, Mexico, and Brazil. SMFG’s entities in the U.S., Canada, Mexico, and Brazil together with the operations described in the immediately succeeding paragraph comprise SMFG’s “Americas Division”.

SMBC currently maintains uninsured state-licensed branch offices in New York, Los Angeles, and San Francisco, of which the New York Branch constitutes the largest portion of SMFG’s U.S. operations. It also has a service center in Jersey City, NJ, and representative offices in: White Plains, NY; Dallas, TX; Houston, TX; Silicon Valley, CA; Chicago, IL; Bogotá, Colombia; León, Mexico; Mexico City, Mexico; Lima, Peru; and Santiago, Chile. Additionally, SMFG and SMBC control Manufacturers Bank, an insured California state non-member bank located in Los Angeles, California.

This U.S. Resolution Plan is being filed pursuant to 12 CFR § 243 and 12 CFR § 381 (the “Regulation”). SMFG is the Covered Company under the Regulation because SMFG is a foreign bank or company that is treated as a bank holding company as defined under Section 8(a) of the International Banking Act of 1978 (12 U.S.C. 3101(7)) that has \$250 billion or more in total consolidated assets, and is the top-tier of the multi-tiered holding company structure. In accordance with the Regulation, SMFG has regularly submitted a U.S. Resolution Plan with the last submission being submitted in December of 2018. This submission is the first submission under the revised Regulation. SMFG is filing this submission as a Category II banking organization, which is required to submit a U.S. Resolution Plan on December 17, 2021. In

accordance with the Regulation, SMFG’s 2021 submission is required to address the informational requirements of a Targeted Resolution Plan. This 2021 Resolution Plan was developed to meet that requirement as outlined in 12 CFR 243.6(c) and 12 CFR 381.6(c).

The Regulation requires each Covered Company to periodically submit to the Federal Reserve Board of Governors (the “Federal Reserve”) and the Federal Deposit Insurance Corporation (the “FDIC”) (together, the “Regulators”) a plan for such company’s rapid and orderly resolution in the event of material financial distress or failure. The Regulation requires that the Resolution Plan provide a strategic analysis by the Covered Company of how it can be resolved under the U.S. Bankruptcy Code or other applicable insolvency regime in a way that would not pose systemic risk to the financial stability of the U.S. In doing so, the Covered Company must map its Core Business Lines and Critical Operations, if any, to Material Entities and provide integrated analyses of its corporate structure, credit and other exposures, funding, capital, and cash flows, the domestic and foreign jurisdictions in which it operates, and its supporting information systems. The key building blocks of any resolution plan, therefore, are the identification of Core Business Lines, Critical Operations, and Material Entities, each of which are identified below. SMFG, on behalf of itself and its subsidiaries, submits this public section of the 2021 U.S. Resolution Plan in compliance with the Regulation.

The key building blocks of the Resolution Plan are the identification of Core Business Lines, Critical Operations, and Material Entities, each of which are identified below.

The 2021 U.S. Resolution Plan is focused on planning for the resolution of SMFG’s U.S. operations. SMFG, on behalf of itself and its subsidiaries, submits this public section of the 2021 U.S. Resolution Plan in compliance with the Regulation.

Except as otherwise specifically required by the Regulation, the information contained in the 2021 U.S. Resolution Plan relates to the “subsidiaries, branches and agencies, Critical Operations and Core Business Lines, as applicable, that are domiciled in the United States or conducted in whole or material part in the United States.”¹ SMFG is subject to regulation by financial regulators in multiple jurisdictions. Requirements of the non-U.S. financial regulators relating to recovery and resolution planning differ from those under the Regulation. In particular, the 2021 U.S. Resolution Plan is focused on planning for the resolution of SMFG’s U.S. operations, whereas plans being formulated in other jurisdictions, including SMFG’s home jurisdiction, Japan, also contain plans for the recovery of SMFG in the event of financial distress. Accordingly, the definitions used for, and approach taken in, the 2021 U.S. Resolution Plan may differ from those used/taken with similar plans with non-U.S. regulators.

¹ See 12 CFR § 243 & 12 CFR § 381

Material Entities

Material Entities are defined in the Regulation as “a subsidiary or foreign office of the covered company that is significant to the activities of an identified Critical Operation or Core Business Line, or is financially or operationally significant to the resolution of the covered company.”² While the Material Entities listed below have been designated for resolution-planning purposes, such entities do not represent the universe of legal entities that constitute SMFG and contribute to its success.

SMFG has designated the following subsidiaries and branches as Material Entities for purposes of the 2021 U.S. Resolution Plan (“SMFG U.S. Material Entities”):

Table 1: Material Entities and Core Business Lines

Classification	Material Entity	Core Business Line
Material U.S. Operating Entity	Sumitomo Mitsui Banking Corporation, New York Branch (“SMBC New York Branch”)	Corporate Banking & Treasury
	SMBC Capital Markets, Inc.	Swap Dealer
	SMBC Nikko Securities America, Inc.	Broker-Dealer
Material Service Entity	JRI America, Inc.	-

SMBC New York Branch

SMBC New York Branch is a New York-licensed uninsured state branch of SMBC and is subject to supervision and regulation by the New York State Department of Financial Services (“NYDFS”) and the Federal Reserve. SMBC New York Branch is primarily engaged in corporate banking (e.g., deposit taking and corporate lending) and treasury (e.g., providing funding for its operations, asset and liability management, and sales and trading) activities. As of fiscal year-end March 31, 2021 SMBC New York Branch had total assets of approximately \$138 billion and total liabilities of approximately \$129 billion under U.S. Generally Accepted Accounting Principles (“U.S.-GAAP”).

SMBC Capital Markets, Inc.

SMBC Capital Markets, Inc. was incorporated in the State of Delaware on December 4, 1986. In 1989, SMBC Capital Markets, Inc. was approved by the Federal Reserve to act as agent, adviser, and principal with respect to interest-rate and currency swaps and related transactions. SMBC Capital Markets, Inc. was provisionally registered as a swap dealer with the Commodity Futures Trading Commission (“CFTC”) on December 31, 2012 and, as such, became a member of the National Futures Association (“NFA”). SMBC Capital Markets, Inc. is a market maker for swaps

² *Id.*

including, but not limited to, agreements, contracts or transactions that are options of any kind for the purchase or sale, or based on the value, of one or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind. As of fiscal year-end December 31, 2020, SMBC Capital Markets, Inc. had total assets of \$4.5 billion and total liabilities of \$2.8 billion under U.S.-GAAP.

SMBC Nikko Securities America, Inc.

SMBC Nikko Securities America, Inc. is a Delaware incorporated, Securities and Exchange Commission (“SEC”) registered broker-dealer and Financial Industry Regulatory Authority (“FINRA”) regulated entity. SMBC Nikko Securities America, Inc. is also registered with the Municipal Securities Rulemaking Board (“MSRB”). SMBC Nikko Securities America, Inc., among other things, (i) engages in underwriting services of debt and equity securities, (ii) enters into repurchase and reverse repurchase agreements, (iii) engages in trading of U.S. government securities, corporate debt securities, and asset-backed securities, (iv) provides corporate buy-back services to corporate clients for the purchase of clients’ own stocks (v) acts as selling agent by selling Japanese Domestic Equity Offerings to clients, (vi) acts as an originator, placement, and administrative agent in connection with the origination and servicing of asset-backed, secured lending, and asset purchase transactions on behalf of an affiliate, (vii) produces and distributes globally branded research reports, and (viii) provides merger and acquisition advisory services. The primary targets for these services are corporate issuers, and sophisticated institutional investors, such as asset management companies, investment trusts, hedge funds, and trust banks.

The primary targets for SMBC Nikko Securities America, Inc.’s services are corporate issuers, and sophisticated institutional investors, such as asset management companies, investment trusts, hedge funds, and trust banks.

As of fiscal year-end December 31, 2020, SMBC Nikko Securities America, Inc. had total assets of \$4.7 billion and total liabilities of \$3.7 billion under U.S.-GAAP.

JRI America, Inc.

JRI America, Inc., a Delaware corporation, is a wholly owned subsidiary of The Japanese Research Institute, Ltd., a Japanese corporation which is wholly owned by SMFG. The Japanese Research Institute, Ltd. is a company that provides information systems services to SMFG entities. JRI America, Inc. is a service entity that provides services only to SMFG entities and whose main business is system implementations, maintenance services, the enhancement of existing software from external vendors, and providing a wide range of Information Technology services to the North America and Europe, Middle East, and Africa regions. As of fiscal year-end December 31, 2020, JRI America, Inc. had total assets of \$46 million under U.S.-GAAP.

Description of Core Business Lines

Core Business Lines are defined in the Regulation as a “business line of the covered company, including associated operations, services, functions and support, that, in the view of the covered company, upon failure would result in a material loss of revenue, profit, or franchise value.”³

SMFG identified four Core Business Lines for purposes of the 2021 U.S. Resolution Plan:

1	Corporate Banking
2	Treasury
3	Swap Dealer
4	Broker-Dealer

The Corporate Banking and Treasury Core Business Lines are operated through SMBC New York Branch. The Swap Dealer Core Business Line is housed within SMBC Capital Markets, Inc. The Broker-Dealer Core Business Line is housed within SMBC Nikko Securities America, Inc.

Corporate Banking

Corporate Banking includes a wide spectrum of commercial banking products and services, including corporate loans, project finance, lease finance, foreign exchange, and trade finance.

Although the Corporate Banking business line covers a range of products, the business has eight primary business departments, which account for the vast majority of the Core Business Line’s activities.

The Corporate Banking Core Business Line has eight primary business departments, which account for the vast majority of the Core Business Line’s activities.

These eight departments are as follows:

- Japanese & Asian Corporate Banking Department, Americas Division (“JDAD”) provides the full range of Corporate Banking services primarily to subsidiaries of Japanese customers.

³ 12 CFR§ 243 & 12 CFR § 381

- Corporate and Investment Banking Coverage (“CIBC”) is responsible for SMBC’s relationships with U.S. corporations and provides a range of financing solutions to companies across various industries.
- Specialized Finance Department, Americas Division (“SDAD”) manages and promotes business related to transactions primarily with infrastructure funds, private equity and corporate sponsors mainly focusing on project finance, asset finance solutions and non-recourse real estate finance in the North American region, which involve syndicated bank loans and project bonds (with SMBC Nikko Securities America, Inc.). SDAD also provides mostly unfunded backstop letter of credit facilities in support of debt issuance of US state and local governments, authorities and essential service providers to fund general operations or specific projects. In Latin America, Latin Americas Department, Americas Division (“LADA”) manages and promotes business related to transactions mainly focusing on corporate finance, project finance and other products such as loan syndications, debt capital markets, FX & derivatives, trade finance, agency finance, among others, in collaboration with other departments and affiliates.
- Subscription Secured Finance Department (“SSFD”) provides a suite of fund financing solutions for the alternative investment management sector with a focus on private equity, infrastructure, credit and real estate managers. The team is structured around transaction origination and execution, portfolio management and special projects. SSFD partners with the coverage and product banking teams within the SMBC umbrella to deploy capital in a strategically efficient manner.
- Strategic Credit Products Department, Americas Division (“SCAD”) is responsible for the businesses of (1) Lender Finance, an asset based financing business which lends to direct lenders in the middle market space; and (2) Leveraged Finance, which includes global sponsor coverage of key North American domiciled sponsors and a middle-market leveraged finance effort. SCAD teams are organized around deal origination, deal execution and portfolio management. In the middle market sector, SCAD partners with loan capital markets teams to structure, underwrite, arrange and syndicate transactions.
- Loan Capital Markets, Americas Division (“LCM”) originates and distributes syndicated loan transactions by proposing, underwriting, structuring and arranging primary loan syndications and trades secondary loans. It also provides agency services for syndicated transactions. LCM’s Special Credits Group (“SCG”) manages the workout of distressed loans.
- Global Financial Institutions Group (“GFIG”) is responsible for SMBC’s relationships with global financial institutions. In addition to centralizing the global coverage of financial institution clients, GFIG provides various forms of financing to banks, broker-dealers, funds & asset managers, insurers, and specialty finance companies.
- Global Trade Finance Department, New York (“GTFD”) manages and promotes trade finance using various working capital and risk mitigation structures to global clients of the Americas Division, primarily through four business lines: financial institutions trade, corporate trade solutions & supply chain finance, structured trade & commodity finance, and export & agency finance, as well as collaborating with different departments and regional GTFD offices to provide solutions through various stages of the clients’ export and import trade flow.

Treasury

Treasury's primary activities include funding SMBC New York Branch's operations, asset and liability management, and sales and trading.

The Treasury Core Business Line's primary activities include funding SMBC New York Branch's operations, asset and liability management, and sales and trading.

Additionally, Treasury is responsible for executing the contingency funding plan for SMBC New York Branch. In the U.S., Treasury is divided into four departments:

- Treasury Department, New York ("TSD-NY") focuses on cash and off-balance sheet money position management and the funding operations for SMBC New York Branch.
- Trading Department, New York ("TDD-NY") primarily focuses on trading foreign exchange spot and derivatives for market making and cover transactions. The group faces customers through Global Market Marketing Department, New York.
- Global Market Marketing Department, New York ("GMMD-NY") is focused on facing customers of the Americas Division and does not take any risk positions since they are passed on to relevant traders.
- Planning Department, Treasury Unit, New York ("PDT-NY") is responsible for general activities including market research for Treasury. PDT-NY is engaged in management of credit lines for collateralized derivative transaction under Credit Support Annex's ("CSAs"). While Business Control Department, Americas Division ("BCDAD") processes operations for negotiation and transfer of collateral, PDT-NY provides any necessary instruction requested by BCDAD.

Swap Dealer

The Swap Dealer business is the front-office business of SMBC Capital Markets, Inc., which is a dealer and market maker in interest-rate, currency, and commodity derivatives.

SMBC Capital Markets, Inc. was provisionally registered as a swap dealer with the CFTC on December 31, 2012 and, as such, became a member of the NFA. SMBC Capital Markets, Inc. provides advisory services related to the timing of transactions and market information (upon request) in the derivatives and securities (government bonds) markets to the international customers of SMFG and its subsidiaries.

SMBC Capital Markets, Inc. consists of two major businesses:

- Derivative Products Group ("DPG") represents the principal business line of the Swap Dealer as a global dealer and market maker in derivatives. SMBC Capital Markets, Inc. manages its derivative products business line on a portfolio basis. The derivative products portfolio consists of interest rate swaps, currency swaps and other derivative products.

- Core Group represents secondary business line of the Swap Dealer and encompasses both: (1) long-term investment holdings and lending agreements, and (2) cash/interest rate risk management associated with short-and long-term corporate treasury operations.

The Swap Dealer Core Business Line is a dealer and market maker in interest-rate, currency, and commodity derivatives.

The front office of the Swap Dealer is organized under the following departments:

- The Marketing Department, which is comprised of the Advisory/Affiliate, Corporates (Japanese, North American and Latin American (“LATAM”) Corporates), Corporate Strategy, and Project Finance Groups, is responsible for developing and maintaining business clients through client contact and business promotion.
- The Trading Department, which is comprised of the Rates Trading, Options Trading, LATAM Trading, and X-Valuation Adjustment (“XVA”) Hedging, and Investor Sales Groups, provides market coverage for the derivative products market in addition to performing portfolio monitoring and hedging. The Trading Department also consists of the Trading Execution and Support Group which provides trading and execution support to the other groups within the department.
- The Strategists Department which provides front office support is comprised of the Strategic Project Management, Electronic Trading, Quantitative Research (Quantitative Strategists and Library Research), and Front Office Technology Groups.

Broker-Dealer

The Broker-Dealer business line is the front-office business of SMBC Nikko Securities America, Inc. The Federal Reserve has granted SMBC Nikko Securities America, Inc. the authority to act as a Broker-Dealer subsidiary of SMFG. The Broker-Dealer is registered in the U.S. with the SEC. Moreover, SMBC Nikko Securities America, Inc. is a member of FINRA and MSRB.

The Broker-Dealer is housed within SMBC Nikko Securities America, Inc. and is authorized by the Federal Reserve to act as a Broker-Dealer subsidiary of SMFG. The subsidiary is registered with the SEC and SMBC Nikko Securities America, Inc. is a member of FINRA and MSRB.

The Broker-Dealer Core Business Line is comprised of the following groups:

- The Debt Capital Markets Group (“DCM”), High Yield Capital Markets Group (“HYCM”), and Debt Syndicate Group (“DS”) underwrite and coordinate sales through a syndicate function, as well as make referrals for, the group’s main business products: firm

commitment offerings and best effort offerings. An additional role is to handle private placement of securities.

- The Japan Equities Group (“JPEQ”) provides equity sales and trading services mainly to U.S. investors. Specifically, this group provides buy-side corporate and institutional investors with investment opportunities in various stocks and equity products. JPEQ’s services include, among others, brokerage services with sales and trading functions of permitted equity products.
- The U.S. Equities Group (“USEQ”) provides equity research and sales services to institutional investors. Specifically, this Group provides analysis of companies, industries, and markets to assess the investment outlook in equities. The Group’s services include brokerage services with sales functions of permitted equity products, arranging deal and non-deal roadshows and various corporate access events.
- The Fixed Income Sales & Trading Group (“FIST”) undertakes business to fulfil client bond investment needs. Traders facilitate clients’ management of bond portfolios.
- The Structured Finance Group (“SFG”) is engaged in the following businesses and functions:
 - Origination and Structuring: SFG provides origination, arrangement, and advisory services of structured finance solutions for SMFG customers. Programs structured by SFG include asset-backed commercial paper, asset-backed loans or asset-backed securities. Concerning asset-backed commercial paper, the group typically arranges such transactions through the Manhattan Asset Funding Company LLC.
 - Facilitation of Distribution: SFG facilitates distribution of structured finance products to various types of investors. SFG structures asset backed loans by funding from SMBC. SFG also structures term securitizations for the private placement debt capital market including referral activities in collaboration with the Debt Capital Markets Group.
- The Equity Capital Markets Group (“ECM”) functions as the New York-based syndicate for global and domestic equity offerings by Japanese issuers, coordinating with the ECM groups of SMBC Nikko Capital Markets Limited. and SMBC Nikko Securities Inc. with the support of SMBC Nikko Securities America, Inc.’s JPEQ and Corporate Access Team. ECM also provides origination and execution of U.S. equity and equity-linked convertible products for security underwritings in the U.S. and engages in At-The-Market Offerings.
- The Investment Banking Group (“IBG”) is responsible for:
 - Originating a wide range of financial services including, but not limited to, M&A advisory, underwriting business, advising on or facilitating debt or equity securities offerings through a private placement or a public offering, and any other activities through close collaboration with SMBC Nikko Securities America, Inc.’s other departments, SMBC Nikko Securities Inc. and SMBC
 - Providing M&A advisory services to primarily U.S. and Japanese clients by itself or by collaborating with SMBC Nikko Securities Inc.
 - Providing services, among other items, to advise concerning mergers, acquisitions, securities issuances, structuring, sales and divestitures
 - Providing fairness and valuation opinions as well as advice on takeover defense, recapitalizations, joint ventures and management buyouts.

- The Relationship Management Group (“RMG”) conducts business activities that include but are not limited to soliciting underwriting business, advising on or facilitating debt or equity securities offerings through a private placement or a public offering, and any other activities which may require that the registration as a broker-dealer under the Securities and Exchange Act or necessitate sponsorship by a FINRA member. RMG is comprised primarily of “Dual-Hat” employees, or personnel that are employed by SMBC Capital Markets, Inc. or SMBC New York Branch but have obtained a securities license through SMBC Nikko Securities America, Inc. and are performing business activities for the Broker-Dealer.

Summary Financial Information Regarding Assets, Liabilities, Capital, and Major Funding Sources

The assets, liabilities, capital, and major funding sources of the consolidated organization are set forth in SMFG’s Annual Report for the fiscal year ended March 31, 2021 (the “Annual Report”).⁴ The consolidated balance sheet for SMFG as of March 31, 2021 is presented below. Figures have been prepared in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”).

Table 2: SMFG Consolidated Balance Sheets as of March 31, 2021

Assets:	(\$ Millions)
Cash and due from banks	655,486
Call loans and bills bought	23,064
Receivables under resale agreements	50,268
Receivables under securities borrowing transactions	52,637
Monetary claims bought	42,139
Trading assets	59,698
Money held in trust	3
Securities	330,133
Loans and bills discounted	768,971
Foreign exchanges	19,630
Lease receivables and investment assets	2,135

⁴ Sumitomo Mitsui Financial Group, Inc., Annual Report for the fiscal year ended March 31, 2021. (<http://www.smfg.co.jp/english/investor/financial/annual.html>)

Figures in parenthesis indicate the amount of loss or decrease.

Other assets	77,597
Tangible fixed assets	13,178
Assets for rent	4,201
Buildings	3,347
Land	4,136
Lease assets	213
Construction in progress	157
Other tangible fixed assets	1,124
Intangible fixed assets	6,673
Software	4,294
Goodwill	1,332
Lease assets	7
Other intangible fixed assets	1,040
Net defined benefit asset	5,108
Deferred tax assets	270
Customers' liabilities for acceptances and guarantees	90,131
Reserve for possible loan losses	(5,953)
Total assets	2,191,169

Liabilities and net assets:	(\$ Millions)
Liabilities:	
Deposits	1,282,867
Negotiable certificates of deposit	113,545
Call money and bills sold	12,361
Payables under repurchase agreements	143,809
Payables under securities lending transactions	21,871
Commercial paper	15,233
Trading liabilities	48,394
Borrowed money	159,694

Foreign exchanges	10,054
Short-term bonds	5,284
Bonds	81,682
Due to trust account	20,967
Other liabilities	69,927
Reserve for employee bonuses	809
Reserve for executive bonuses	40
Net defined benefit liability	319
Reserve for executive retirement benefits	10
Reserve for point service program	223
Reserve for reimbursement of deposits	90
Reserve for losses on interest repayment	1,271
Reserve under the special laws	35
Deferred tax liabilities	4,807
Deferred tax liabilities for land revaluation	267
Acceptances and guarantees	90,131
Total liabilities	2,083,689
Net assets:	
Capital stock	21,148
Capital surplus	6,261
Retained earnings	58,645
Treasury stock	(124)
Total stockholders' equity	85,931
Net unrealized gains (losses) on other securities	18,920
Net deferred gains (losses) on hedges	133
Land revaluation excess	327
Foreign currency translation adjustments	365
Accumulated remeasurements of defined benefit plans	1,148
Total accumulated other comprehensive income	20,893
Stock acquisition rights	16

Minority interests	640
Total net assets	107,479
Total liabilities and net assets	2,191,169

Funding

SMFG's funding is derived primarily from deposits placed with SMBC by its corporate and individual customers, interbank borrowing, bills sold (interbank promissory notes), repurchase agreements, negotiable certificates of deposit issued by SMBC to domestic and international customers, commercial paper, cash collateral on securities and bond issuances by SMFG and SMBC. SMFG and SMBC closely monitor maturity gaps and foreign exchange exposure in order to manage its liquidity profile.

SMFG has invested the excess balance of deposits against loans and advances primarily in marketable securities and other highly liquid assets, such as Japanese government bonds. SMBC's Treasury Unit actively monitors the movement of interest rates and the maturity profile of its bond portfolio as part of SMBC's overall risk management. The bonds can be used to enhance liquidity. When needed, they can be used as collateral for interbank borrowing or other money market funding or short-term borrowings from the Bank of Japan.

Secondary sources of liquidity include short-term debts, such as call money, bills sold, and commercial paper issued at an interbank or other wholesale market. SMFG also issues long-term debts, including both senior and subordinated debts, as additional sources of liquidity. With short- and long-term debts, SMFG can diversify its funding sources and effectively manage funding costs and enhance capital adequacy ratios when appropriate.

SMFG sources funding in foreign currencies primarily from financial institutions, general corporations, and institutional investors, through short-term and long-term financing. Even if there are declines in SMFG's credit quality or that of Japanese government in the future, SMFG expects to be able to purchase foreign currencies in sufficient amounts using the JPY funds raised through the domestic customer base. As further measures to support foreign currency liquidity, SMFG holds foreign debt securities, maintains credit lines and swap facilities denominated in foreign currencies, and pledges collateral to the Federal Reserve Banks.

Capital Management

Regarding capital management, SMFG strictly abides by the capital adequacy guidelines set by the Japanese Financial Services Agency ("JFSA"). Japan's capital adequacy guidelines are based on the Basel Capital Accord, which was proposed by the Basel Committee on Banking Supervision for uniform application to all banks which have international operations in industrialized countries. SMFG banking subsidiaries outside of Japan are also subject to the local capital ratio requirements.

On a consolidated basis, the table below presents summary capital information for SMFG.

Table 3: SMFG (Consolidated) Summary Capital Information as of March 31, 2021 (International Standard)

Capital Components	JPY Billions (Except Percentages)
Common Equity Tier 1 capital	10,562
Additional Tier 1 capital	636
Tier 1 capital	11,199
Tier 2 capital	1,090
Total capital	12,289
Common Equity Tier 1 risk-weighted capital ratio	16.00%
Tier 1 capital ratio	16.96%
Total capital ratio	18.61%
Risk-weighted assets	25.82%

Description of Derivative and Hedging Activities

SMFG makes use of derivatives to proactively and flexibly manage its risks, including market risks, interest-rate risks, credit risk, and foreign currency risks. The use of derivatives helps minimize unplanned fluctuations in earnings, fair values of assets and liabilities, and cash flows caused by interest-rate, foreign currency, and other market value volatility. Furthermore, SMFG undertakes derivative transactions to meet customers' hedging needs and to make a profit on fluctuations in interest rates, foreign exchange rates, etc. One of SMFG's U.S. Material Entities, SMBC Capital Markets, Inc., engages in a level of swap dealing activities sufficient to require registration with the CFTC as a "swap dealer".

Derivatives handled by SMFG include foreign exchange futures, futures, forwards, swaps, and options related to interest rates, currencies, equities, bonds, and commodities, and credit and weather derivatives. Major risks associated with derivatives include market risk, liquidity risk, and credit risk arising from nonperforming of contractual obligations due to deterioration in the counterparty's financial conditions. SMFG has in place a risk management framework that properly monitors and manages these risks.

Memberships in Material Payment, Clearing, and Settlement Systems

Certain entities in SMFG are members of numerous payments, clearing, and settlement systems (Financial Market Utilities, or "FMUs"). The table below provides the FMU memberships used for products of SMBC New York Branch, SMBC Capital Markets, Inc., and SMBC Nikko Securities America, Inc. JRI America, Inc. does not use any FMUs.

Table 4: Memberships in Material Payment, Clearing and Settlement Systems

FMU	Description
BNYM Broker-Dealer Clearance	Used for the settlement of Fed Wire-eligible securities such as U.S. Treasuries and Repo
BNYM Global Securities Processing	Used for the settlement of DTC eligible securities such as U.S. Corporate Bonds
Broadridge – Impact/Gloss	Used to facilitate trade processing supporting middle/back office for most Fixed Income and Japanese Equities
CHIPS	USD payment system
Continuous Linked Settlement Bank International	FX Payment Versus Payment settlement system
Depository Trade and Clearing Corporation – Global Trade Repository	Global trade repository
Federal Reserve Check Clearing	Nationwide check clearing house
Fedwire	USD payment system, U.S. clearing securities settlement, and financial institution depository
FICC	U.S. clearing and settlement system
London Clearing House	Clearing for swaps
NetX360	Back-office system for some corporate bonds (DTC and Euroclear base settlement) and U.S. equities (Pershing)
SWIFT	Interbank financial telecommunication

Global Operations

SMFG is a global financial group that has operations in a wide range of fields, including banking, leasing, securities, credit cards, and consumer finance. SMFG was established on December 2, 2002, as a holding company through a statutory share transfer of all the outstanding equity securities of SMBC in exchange for SMFG’s newly issued securities. Upon formation of SMFG and completion of the statutory share transfer, SMBC became a direct, wholly owned subsidiary of SMFG.

Globally, SMBC offers commercial banking services to a wide range of customers. In Japan, SMBC accepts deposits from, makes loans to, extends guarantees to, and provides other products and services to individuals, corporations, governments, and governmental entities. SMBC also underwrites and deals in bonds issued or guaranteed by the Government of Japan and local government authorities and acts in various administrative and advisory capacities for select types of corporate and government bonds. In the overseas market, SMBC operates through a network of branches, representative offices, subsidiaries, and affiliates.

The following table identifies SMFG’s principal subsidiaries in Japan. Entities that are also a consolidated subsidiary of SMBC are shaded in green.

Table 5: SMFG's Principal Subsidiaries in Japan (as of March 31, 2021)

Company Name	Main Business
Sumitomo Mitsui Banking Corporation	Commercial banking
SMBC Trust Bank Ltd.	Trust service and commercial banking
SMBC Nikko Securities, Inc.	Securities
Sumitomo Mitsui Card Company, Limited	Credit card services
SMBC Finance Service Co., Ltd.	Credit card, installment businesses, and transaction businesses
SMBC Consumer Finance Co., Ltd.	Consumer loans
The Japan Research Institute, Limited	System engineering, data processing, management consulting, and economic research
Sumitomo Mitsui DS Asset Management Company, Limited	Investment management
SMBC Guarantee Co., Ltd.	Credit guarantee
SMBC Mobit Co., Ltd.	Consumer lending
JAIS, Limited	System engineering and data processing
Alternative Investment Capital Limited	Investment management and advisory services
NCore Co., Ltd.	Data processing service and e-trading consulting
Plus Medi Corp.	Information services
SMBC VALUE CREATION CO., LTD.	Data processing service and e-trading consulting
SMBC GMO PAYMENT, INC.	Settlement agent
SMBC Venture Capital Co., Ltd.	Venture capital
SMBC Consulting Co., Ltd.	Management consulting and seminar organizer
Japan Pension Navigator Co., Ltd.	Defined contribution plan administrator
SMBC Loan Business Planning Co., Ltd.	Management support services
SMBC ReSolutions Inc.	Real estate management
Plari Town, Inc.	Platform management
SMBC Servicer Co., Ltd.	Servicer
SMBC Electronic Monetary Claims Recording Co., Ltd.	Electronic monetary claims recording
SMBC Staff Service Co., Ltd.	Fee-based headhunting services and contracting of human resources-related procedures
SMBC Learning Support Co., Ltd.	Seminar organizer
SMBC PERSONNEL SUPPORT CO., LTD.	Banking clerical work
SMBC OPERATION SERVICE CO., LTD.	Banking clerical work
SMBC Green Service Co., Ltd.	Banking clerical work
SMBC Real Estate Appraisal Service Co., Ltd.	Collateral real estate survey and appraisal
SMBC REIT Management Co., Ltd.	Asset management
SMBC Capital Partners Co., Ltd.	Investments
Polarify, Inc.	Biometric Authentication Platform as a Service
SMBC CLOUDSIGN, INC.	Cloud-based electronic contract services
SMBC HUMAN CAREER CO., LTD.	Job introduction and staffing

The following table identifies SMFG's principal subsidiaries outside of Japan. Entities that are also a consolidated subsidiary of SMBC are shaded in green.

Table 6: SMFG's Principal Subsidiaries Outside Japan (as of March 31, 2021)

Company Name	Country	Main Business
SMBC Bank International plc	U.K.	Commercial banking
Sumitomo Mitsui Banking Corporation (China) Limited	China	Commercial banking
PT Bank BTPN Tbk	Indonesia	Commercial banking
SMBC Americas Holdings, Inc.	U.S.	Management of the U.S. BHC and U.S. BHC subsidiaries
Manufacturers Bank	U.S.	Commercial banking
Banco Sumitomo Mitsui Brasileiro S.A.	Brazil	Commercial banking
JSC Sumitomo Mitsui Rus Bank	Russia	Commercial banking
SMBC Bank EU AG	Germany	Commercial Banking
Sumitomo Mitsui Banking Corporation Malaysia Berhad	Malaysia	Commercial banking
SMBC Leasing and Finance, Inc.	U.S.	Leasing, investments, deferred payment services
SMBC Rail Services LLC	U.S.	Leasing, money lending, selling used lease property and maintenance, and other related business
SMBC Nikko Securities America, Inc.	U.S.	Securities, investments
SMBC Nikko Capital Markets Limited	U.K.	Derivatives and investments, securities services
SMBC Capital Markets, Inc.	U.S.	Derivatives and investments, leasing
SMBC Cayman LC Limited	Cayman Islands	Credit guarantee, bond investment
TT International Asset Management Ltd.	U.K.	Investment management
SMBC Asset Management Services (UK) Limited	U.K.	Stock holding
SMBC DIP Limited	Cayman Islands	Loans, buying/selling of monetary claims
SFVI Limited	British Virgin Islands	Investments
SMBC, S.A.P.I. DE C.V., SOFOM, E.N.R.	Mexico	Money lending business, services related to leasing and used lease properties
SMBC International Finance N.V.	Curaçao	Finance
Sumitomo Mitsui Finance Dublin Limited	Ireland	Finance
Sakura Finance Asia Limited	Hong Kong	Investments
SMBC Capital Partners LLC	U.S.	Holding and trading securities
SMBC Derivative Products Limited	U.K.	Derivatives and investments
SMBC Advisory Services Saudi Arabia LLC	Saudi Arabia	Consulting

The following table identifies SMFG's principal affiliates. Entities that are also an affiliate of SMBC are shaded in green.

Table 7: SMFG's Principal Affiliates (as of March 31, 2021)

Company Name	Main Business
The Japan Net Bank, Limited ⁵	Commercial banking
PT Oto Multiartha	Automotive financing
PT Summit Oto Finance	Motorcycle financing
Vietnam Export Import Commercial Joint Stock Bank	Commercial banking
ACLEDA Bank Plc	Commercial banking
The Bank of East Asia, Limited	Commercial banking
Sumitomo Mitsui Finance and Leasing Company, Limited	Leasing
Sumitomo Mitsui Auto Service Company, Limited	Leasing
SMBC Aviation Capital Limited	Leasing
SBI NEOMOBILE SECURITIES CO., LTD.	Securities services
POCKET CARD CO., LTD.	Credit card services
JSOL CORPORATION	System engineering and data processing
Sakura Information Systems Co., Ltd.	System engineering and data processing
SAKURA KCS Corporation	System engineering and data processing
Brees Corporation	Information processing services
China Post & Capital Fund Management Co., Ltd.	Investment management
Daiwa Securities SMBC Principal Investments Co., Ltd.	Investments, fund management
Spring Infrastructure Capital Co., Ltd.	Investments
BrainCell, Inc.	Marketing

Material Supervisory Authorities

As discussed above, SMFG is a global financial institution with operations across the globe. The subsections below identify the material supervisory authorities both for SMFG in Japan as well as in the U.S.

Japan

Pursuant to Japan's Banking Act, the JFSA has the authority in Japan to supervise banks, bank holding companies, and banks' principal shareholders, meaning bank shareholders having 20% (or 15% in some cases) or more of the voting rights of a bank. The Bank of Japan also has supervisory authority over banks in Japan based primarily on its contractual agreements and transactions with Japanese banks. Only companies licensed by the Prime Minister of Japan are defined as banks under the Banking Act, and licenses may be granted only to a joint-stock corporation, with paid-up capital of ¥2 billion or more.

United States

As a result of its operations in the U.S., SMFG and SMBC are subject to federal and state banking

⁵ Japan Net Bank, Limited was renamed PayPay Bank Corp.

and securities supervision and regulation. SMBC engages in U.S. banking activities directly through its branches in Los Angeles, San Francisco, and New York, and through its representative offices in White Plains, NY; Dallas, TX; Houston, TX; Chicago, IL; Silicon Valley, CA; Bogotá, Colombia; León, Mexico; Mexico City, Mexico; Lima, Peru; and Santiago, Chile. SMFG and SMBC also have a service center in Jersey City, NJ.

The following table identifies the primary supervisors and regulators of SMFG's Core Business Lines and Material Entities.

Table 8: Primary Supervisors

Regulatory Agency	SMBC New York Branch	SMBC Capital Markets, Inc.	SMBC Nikko Securities America, Inc.	JRI America, Inc.
Federal Reserve	◆	◆	◆	◆
CFTC		◆		
FINRA – New York			◆	
NYSDFS	◆			
NFA		◆		
U.S. SEC			◆	
MSRB			◆	

The following table identifies additional supervisors and regulators with significant supervisory or regulatory authority over SMFG's Material Entities.

Table 9: Other Supervisors

Regulatory Agency	Entities
Federal Reserve Bank of Dallas	SMBC New York Branch (Houston & Dallas Representative Office)
Federal Reserve Bank of San Francisco	SMBC Los Angeles Branch SMBC San Francisco Branch SMBC New York Branch (Silicon Valley Representative Office)
California Department of Financial Protection and Innovation	SMBC Los Angeles Branch SMBC San Francisco Branch SMBC New York Branch (Silicon Valley Representative Office)
Illinois Department of Professional and Financial Regulation	SMBC New York Branch (Chicago Representative Office)

Regulatory Agency	Entities
State of New Jersey Department of Banking and Insurance	SMBC New York Branch (Service Center at the Harborside facility)
Texas Department of Banking	SMBC New York Branch (Houston & Dallas Representative Office)
Federal Deposit Insurance Corporation	Reviewers of the 2021 U.S. Resolution Plan

The following table identifies foreign supervisors and regulators with significant supervisory or regulatory authority over SMFG's Material Entities.

Table 10: Foreign Prudential Supervisors

Regulatory Agency	Entities
Japanese Financial Services Agency	SMBC New York Branch SMBC Capital Markets, Inc. SMBC Nikko Securities America, Inc.
Bank of Japan	SMBC New York Branch
Central Reserve Bank of Peru	SMBC New York Branch (Lima, Peru Representative Office)
Banco Central de Chile	SMBC New York Branch (Santiago, Chile Representative Office)
Banco de México	SMBC New York Branch (Mexico City, Mexico, and León, Mexico Representative Offices)
Comisión Nacional Bancaria y de Valores	SMBC New York Branch (Mexico City, Mexico, and León, Mexico Representative Offices)
Banco de la República, Colombia	SMBC New York Branch (Bogotá, Colombia Representative Office)

Principal Officers

The following table lists SMFG's Board of Directors and Executive Officers as of June 30, 2021.

Table 11: SMFG Board of Directors and Executive Officers (As of June 30, 2021)

■ Directors and Executive Officers (as of June 30, 2021)

DIRECTORS AND CORPORATE EXECUTIVE OFFICERS	EXECUTIVE OFFICERS			
<p><i>Chairman of the Board</i> Takeshi Kunibe <i>Director President</i> <i>(Representative Executive Officer)</i></p> <p>Jun Ohta Group CEO</p> <p><i>Director</i> Makoto Takashima <i>Director Senior Managing Executive Officers</i></p> <p>Toru Nakashima Group CFO and Group CSO Public Relations Dept., Corporate Planning Dept., Business Development Dept., Financial Accounting Dept., Digital Strategy Dept.</p> <p>Teiko Kudo Group CRO Corporate Risk Management Dept., Risk Management Dept., Americas Division, Credit & Investment Planning Dept.</p> <p><i>Directors</i> Atsuhiko Inoue Toshihiro Isshiki Yasuyuki Kawasaki Masayuki Matsumoto ⁽¹⁾ Arthur M. Mitchell ⁽¹⁾ Shozo Yamazaki ⁽¹⁾ Masaharu Kohno ⁽¹⁾ Yoshinobu Tsutsui ⁽¹⁾ Katsuyoshi Shinbo ⁽¹⁾ Eriko Sakurai ⁽¹⁾</p> <p><i>Deputy President and Executive Officers</i> <i>(Representative Executive Officers)</i> Masahiko Oshima Co-Head of Wholesale Business Unit</p> <p>Toshikazu Yaku Group CHRO General Affairs Dept., Human Resources Dept., Quality Management Dept., Administrative Services Dept.</p> <p><i>Senior Managing Executive Officers</i> Katsunori Tanizaki Group CDIO Digital Solution Division Digital Strategy Dept.</p> <p>Tetsuro Imaeda Group CCO Compliance Dept.</p> <p>Fumiharu Kozuka Group CAE Audit Dept.</p> <p>Masamichi Koike Head of Global Markets Business Unit</p> <p>Shoji Masuda Group CIO IT Planning Dept., System Security Planning Dept., Data Management Dept., Operations Planning Dept.</p> <p>Ryuji Nishisaki Co-Head of Global Business Unit (Head office departments (Global Business Unit), Asia Pacific Division, East Asia Division)</p> <p>Akihiro Fukutome Co-Head of Global Business Unit (Americas Division, Europe, Middle East and Africa Division)</p> <p>Muneo Kanamaru Co-Head of Wholesale Business Unit (Head office departments (Wholesale Business Unit))</p> <p>Takashi Yamashita Head of Retail Business Unit</p> <p>⁽¹⁾ Mr. Matsumoto, Mr. Mitchell, Mr. Yamazaki, Mr. Kohno, Mr. Tsutsui, Mr. Shinbo and Ms. Sakurai satisfy the requirements for an "outside director" under the Companies Act.</p>	<p><i>Senior Managing Executive Officers</i> Iwao Kawaharada Transaction Business Planning Dept.</p> <p>Toru Sawada Credit & Investment Planning Dept.</p> <p><i>Managing Executive Officers</i> CHOW Ying Hoong Co-Head of Asia Pacific Division</p> <p>Naoya Ishida Wholesale Business Unit</p> <p>Nobuyuki Kawabata Global Business Unit Business Development Dept.</p> <p>Kazuhiro Notsu Group Deputy CSO</p> <p>Hitoshi Minami Deputy Head of Global Business Unit</p> <p>Takaki Ono Deputy Head of Wholesale Business Unit</p> <p>Yoshihiro Hyakutome Head of Americas Division</p> <p>Toshihiro Sato Deputy Head of Global Markets Business Unit</p> <p>Takeshi Omoto Group Deputy CIO</p> <p>Hironari Shoji Wholesale Business Unit</p> <p>Eiichi Sekiguchi Wholesale Business Unit</p> <p>Kenichi Hida Deputy Head of Retail Business Unit Head of Wealth Management Division</p> <p>Airo Shibuya Head of Digital Solution Division</p> <p>Shinya Inose Group Deputy CCO</p> <p>Hiroshi Irie Head of East Asia Division</p> <p>Yoshiaki Kagayama Co-Head of Asia Pacific Division</p> <p>Nobu Sakamoto Deputy Head of Retail Business Unit Head of Private Wealth Division</p> <p>Hideki Sakamoto Deputy Head of Wholesale Business Unit</p> <p>Keiichiro Nakamura Head of Europe, Middle East and Africa Division</p> <p>Yuichi Nishimura Deputy Head of Americas Division</p> <p>Fumihiko Ito Group CSuO Public Relations Dept., Corporate Planning Dept., Business Development Dept., Financial Accounting Dept., Wholesale Business Unit (Sustainable Business Promotion Dept., Planning Dept., Wholesale Business Unit)</p> <p>Hirofumi Otsuka General Manager, Planning Dept., Global Business Unit</p> <p>Takashi Kobayashi General Manager, Human Resources Dept.</p> <p>Shunshi Kira Group Deputy CFO</p> <p>Seiichi Inaba Group Deputy CHRO</p> <p>Tatsuya Suzuki Deputy Head of Wholesale Business Unit</p> <p>Tetsuya Shindo Retail Business Unit</p> <p>Katsuyuki Tokuda Deputy Head of Retail Business Unit Head of Payments & Consumer Finance Division</p> <p>Shinsuke Ushijima Group Deputy CDIO and Group Deputy CSuO</p> <p>Jun Uchikawa IT Planning Dept., System Security Planning Dept., Data Management Dept., Operations Planning Dept.</p> <p>Tomohiro Ohisa Wholesale Business Unit</p> <p>Shuji Yoshioka Global Business Unit, Wholesale Business Unit</p> <p>Fumito Yoshioka Wholesale Business Unit</p> <p>Takafumi Tsuji Wholesale Business Unit (Specialized Finance Dept.)</p> <p><i>Executive Officers</i> Nobuaki Nakamura Global Markets Business Unit</p> <p>Yoshiyuki Gono General Manager, Corporate Risk Management Dept.</p>	<p>Hideyuki Omokawa Group Deputy CSO</p> <p>Natsuhiko Samejima General Manager, Planning Dept., Americas Division</p> <p>Yukihiko Mabuchi Wholesale Business Unit (Planning Dept., Wholesale Business Unit)</p> <p>Teruya Sugino Group Deputy CRO</p> <p>Koji Matsumoto Global Business Unit</p> <p>Tetsuro Yoshino Group Deputy CAE General Manager, Audit Dept.</p> <p>Terumasa Takahashi General Manager, Planning Dept., Retail Business Unit</p> <p>Tatsuya Okumura General Manager, Administrative Services Dept.</p> <p>Hideki Takamatsu General Manager, IT Planning Dept.</p> <p>Hideki Tahara General Manager, Public Relations Dept.</p> <p>Akio Uemura General Manager, Planning Dept., Retail Business Unit</p> <p>Kenji Kawabata General Manager, Credit & Investment Planning Dept.</p> <p>Hideo Kawafune General Manager, Strategic Planning Dept., Europe, Middle East and Africa Division</p> <p>Akihiro Kawara General Manager, Planning Dept., Global Markets Business Unit</p> <p>Carl Adams Deputy Head of Americas Division</p> <p>Yukiko Yoritaka Group Deputy CHRO</p> <p>Katsuya Fujita General Manager, Planning Dept., Global Markets Business Unit</p> <p>Eiichi Takasaki General Manager, Specialized Finance Dept.</p> <p>Daiji Nakata General Manager, Planning Dept., Wealth Management Division</p> <p>Tomonari Inoue General Manager, Planning Dept., Wholesale Business Unit</p> <p>Shinsuke Yoshioka Deputy Group CIO</p> <p>Kazuyuki Anchi General Manager, Corporate Planning Dept.</p> <p>Kazuya Ikeda General Manager, Planning Dept., Asia Pacific Division</p> <p>Takeshi Kimoto General Manager, Asia Growing Markets Dept.</p> <p>Naoki Shiraishi General Manager, Digital Strategy Dept.</p> <p>Honami Matsugasaki General Manager, Learning and Development Institute, Human Resources Dept.</p> <p>Haruyuki Yoshikawa General Manager, General Affairs Dept.</p> <p>Kim P. Olson Regional CRO (Americas) Co-General Manager, Risk Management Dept., Americas Division</p> <p>Richard A. Eisenberg Deputy Head of Americas Division</p> <p>[REFERENCE] Group CxO/Head of Business Units (as of June 30, 2021)</p> <table border="0"> <tr> <td> <p><i>Group CxO</i> Group CEO Jun Ohta Group CFO and Group CSO Toru Nakashima Group CRO Teiko Kudo Group CCO Tetsuro Imaeda Group CHRO Toshikazu Yaku Group CIO Shoji Masuda Group CDIO Katsunori Tanizaki Group CSuO Fumihiko Ito Group CAE Fumiharu Kozuka</p> </td> <td> <p><i>Head of Business Units</i> Head of Retail Business Unit Takashi Yamashita Co-Head of Wholesale Business Unit Masahiko Oshima Co-Head of Wholesale Business Unit Muneo Kanamaru Co-Head of Global Business Unit Ryuji Nishisaki Co-Head of Global Business Unit Akihiro Fukutome Head of Global Markets Business Unit Masamichi Koike</p> </td> </tr> </table>	<p><i>Group CxO</i> Group CEO Jun Ohta Group CFO and Group CSO Toru Nakashima Group CRO Teiko Kudo Group CCO Tetsuro Imaeda Group CHRO Toshikazu Yaku Group CIO Shoji Masuda Group CDIO Katsunori Tanizaki Group CSuO Fumihiko Ito Group CAE Fumiharu Kozuka</p>	<p><i>Head of Business Units</i> Head of Retail Business Unit Takashi Yamashita Co-Head of Wholesale Business Unit Masahiko Oshima Co-Head of Wholesale Business Unit Muneo Kanamaru Co-Head of Global Business Unit Ryuji Nishisaki Co-Head of Global Business Unit Akihiro Fukutome Head of Global Markets Business Unit Masamichi Koike</p>
<p><i>Group CxO</i> Group CEO Jun Ohta Group CFO and Group CSO Toru Nakashima Group CRO Teiko Kudo Group CCO Tetsuro Imaeda Group CHRO Toshikazu Yaku Group CIO Shoji Masuda Group CDIO Katsunori Tanizaki Group CSuO Fumihiko Ito Group CAE Fumiharu Kozuka</p>	<p><i>Head of Business Units</i> Head of Retail Business Unit Takashi Yamashita Co-Head of Wholesale Business Unit Masahiko Oshima Co-Head of Wholesale Business Unit Muneo Kanamaru Co-Head of Global Business Unit Ryuji Nishisaki Co-Head of Global Business Unit Akihiro Fukutome Head of Global Markets Business Unit Masamichi Koike</p>			

The following table lists SMBC's executive officers as of June 30, 2021.

Table 12: SMBC Board of Directors, Directors, Members of the Audit and Supervisory Committee and Executive Officers⁶ (As of June 30, 2021)

Board of Directors, Directors, Members of the Audit and Supervisory Committee and Executive Officers
(as of June 30, 2021)

BOARD OF DIRECTORS

Chairman of the Board

Koichi Miyata

President and Chief Executive Officer (Representative Director)

Makoto Takashima*

Director and Deputy Presidents (Representative Directors)

Masahiko Oshima*

Co-Head of Wholesale Banking Unit
Head of Global Corporate Banking Division

Toshikazu Yaku*

General Affairs Dept., Human Resources Dept.,
Human Resources Development Dept.,
Quality Management Dept., Administrative Services Dept.

Keiji Kakumoto*

Located at Osaka

Director and Senior Managing Executive Officers

Toru Nakashima*

Public Relations Dept., Corporate Planning Dept.,
Business Development Dept., Financial Accounting Dept.,
Digital Strategy Dept.

Tetsuro Imaeda*

Compliance Dept.

Shoji Masuda*

IT Planning Dept., System Security Planning Dept.,
Data Management Dept., Operations Planning Dept.,
Inter-Market Settlement Dept.

Teiko Kudo*

Corporate Risk Management Dept., Risk Management Depts.,
Americas Division, Europe, Middle East and Africa Division and Asia,
Credit & Investment Planning Dept., Credit Depts.,
Americas Division, Europe, Middle East and Africa Division and Asia Pacific
Division, Global Credit Dept.

Directors

Paul Yonamine⁽¹⁾

Isao Teshirogi⁽¹⁾

* These Directors are appointed as Executive Officers also.

⁽¹⁾ Mr. Yonamine and Mr. Teshirogi satisfy the requirements for an "outside director" under the Companies Act.

DIRECTORS, MEMBERS OF THE AUDIT AND SUPERVISORY COMMITTEE

Toshiaki Nakai

Shuji Yabe

Hiroshi Takahashi⁽²⁾

Sonosuke Kadonaga⁽²⁾

Masaaki Oka⁽²⁾

Michiko Kuboyama⁽²⁾

Atsuhiko Inoue

⁽²⁾ Mr. Takahashi, Mr. Kadonaga, Mr. Oka and Ms. Kuboyama satisfy the requirements for an "outside director" under the Companies Act.

⁶ Mr. Koichi Miyata stepped down from chairman of the Board. Mr. Takeshi Kunibe, chairman of the Board of SMFG became chairman of the Board of SMBC as well.

Table 12: SMBC Board of Directors, Directors, Members of the Audit and Supervisory Committee and Executive Officers (As of June 30, 2021) - Continued

DEPUTY CHAIRMEN

Manabu Narita
Gotaro Michihiro

EXECUTIVE OFFICERS

Senior Managing Executive Officers

Katsunori Tanizaki

Digital Solution Division
Digital Strategy Dept.

Ryuji Nishisaki

Co-Head of Global Banking Unit
(Head office departments (Global Banking Unit), The Asia Pacific Division, East Asia Division)

Iwao Kawaharada

Private Advisory Division, Transaction Business Division

Toru Sawada

Credit & Investment Planning Dept.
Deputy Head of Wholesale Banking Unit
(Corporate Credit Dept., Credit Administration Dept., Trust Services Dept.)
Corporate Research Dept.

Masamichi Koike

Head of Treasury Unit

Akihiro Fukutome

Co-Head of Global Banking Unit
(The Americas Division, Europe, Middle East and Africa Division)

Tomofumi Saeki

Deputy Head of Wholesale Banking Unit (in charge of West Japan)

Muneo Kanamaru

Co-Head of Wholesale Banking Unit (Head office departments (Wholesale Banking Unit))
Corporate Advisory Division

Takashi Yamashita

Head of Retail Banking Unit

Managing Executive Officers

Nobuyuki Kawabata

Deputy Head of Global Banking Unit
Business Development Dept.

CHOW Ying Hoong

Co-Head of The Asia Pacific Division

Takaki Ono

Deputy Head of Wholesale Banking Unit
Head of Corporate Banking Division

Kotaro Hagiwara

Deputy Head of Global Corporate Banking Division
Nagoya Corporate Banking Division (Nagoya Corporate Banking Dept.)
Head of Nagoya Middle Market Banking Division

Yoshihiro Hyakutome

Head of The Americas Division and President of SMBC Americas Holdings, Inc.

Akira Ueda

Deputy Head of Global Corporate Banking Division
Tokyo Corporate Banking Division
(Tokyo Corporate Banking Depts. II, VIII and IX)

Hiroshi Irie

Head of East Asia Division and
Chairman of Sumitomo Mitsui Banking Corporation (China) Limited

Hiroyuki Kamimoto

Head of Corporate Advisory Division and Deputy Head of Financial Solutions Division

Takeshi Mikami

Internal Audit Dept., Credit Review Dept.

Masatsugu Kojima

Deputy Head of Wholesale Banking Unit

Airo Shibuya

Head of Digital Solution Division

Ryoichi Tanaka

Deputy Head of Corporate Advisory Division

Yoshiaki Kageyama

Co-Head of The Asia Pacific Division

Keiichiro Nakamura

Head of Europe, Middle East and Africa Division and CEO of SMBC Bank International plc

Yuichi Nishimura

Deputy Head of The Americas Division

Fumihiko Ito

Public Relations Dept., Corporate Planning Dept.,
Business Development Dept., Financial Accounting Dept.
Deputy Head of Wholesale Banking Unit (Sustainable Business Promotion Dept., Planning Dept., Wholesale Banking Unit)

Katsufumi Uchida

Deputy Head of Europe, Middle East and Africa Division and Deputy Head of Financial Solutions Division

Hirofumi Otsuka

General Manager, Planning Dept., Global Banking Unit

Takashi Kobayashi

General Manager, Human Resources Dept.

Rajeev Veeravalli Kannan

Deputy Head of The Asia Pacific Division and General Manager,
Corporate Banking Dept., Asia Pacific Division

Takayuki Inoue

Credit Depts., Americas Division, Europe, Middle East and Africa Division and Asia Pacific Division, Global Credit Dept.

Jun Uchikawa

IT Planning Dept., System Security Planning Dept., Data Management Dept., Operations Planning Dept., Inter-Market Settlement Dept.

Shinji Ono

Deputy Head of Global Corporate Banking Division
Tokyo Corporate Banking Division
(Tokyo Corporate Banking Depts. III and X)

Tomohiro Ohisa

Deputy Head of Wholesale Banking Unit

Shuji Yoshioka

Deputy Head of Global Banking Unit, Deputy Head of Wholesale Banking Unit

Takanori Kato

Deputy Head of Global Corporate Banking Division
Tokyo Corporate Banking Division
(Tokyo Corporate Banking Depts. IV and VI)

Yoshiyuki Ogata

Deputy Head of Global Corporate Banking Division
Osaka Corporate Banking Division
(Osaka Corporate Banking Depts. I, II and III)

Takafumi Tsuji

Head of Financial Solutions Division
Specialized Finance Dept.

Hiroyuki Fukuda

Deputy Head of Global Corporate Banking Division
Tokyo Corporate Banking Division
(Tokyo Corporate Banking Depts. I, V and VII)

Table 12: SMBC Board of Directors, Directors, Members of the Audit and Supervisory Committee and Executive Officers (As of June 30, 2021) - Continued

Executive Officers

Stanislas Roger

Deputy Head of Europe, Middle East and Africa Division

Antony Yates

President of SMBC Nikko Capital Markets Limited

Nobuaki Nakamura

General Manager, Planning Dept., Treasury Unit

Alan Krouk

Deputy Head of Global Banking Unit

Hiroyuki Kaneko

Deputy Head of Retail Banking Unit

Yoshiyuki Gono

General Manager, Corporate Risk Management Dept.

Akihiro Yasuda

Head of Higashinohon Daisan Middle Market Banking Division

James Fenner

General Manager, Specialised Products Dept., Europe, Middle East and Africa Division

Noriyuki Watanabe

Deputy Head of Wholesale Banking Unit (Credit Dept., Wholesale Banking Unit), Deputy Head of Retail Banking Unit (Retail Credit Dept.)

Akio Isowa

Head of Transaction Business Division

Akihiro Ueda

Deputy Head of Retail Banking Unit

Nobuo Ozawa

Deputy Head of Corporate Advisory Division

Katsuya Fujita

General Manager, Global Markets Solution Dept.

Hitoshi Miyake

General Manager, Sydney Branch

Natsuiro Samejima

General Manager, Planning Dept., Americas Division

Hideki Niyama

Head of Higashinohon Daigo Middle Market Banking Division

Kazuhiro Fukuda

General Manager, Hong Kong Branch

Yukihiro Mabuchi

General Manager, Planning Dept., Wholesale Banking Unit

Richard John Miles

General Manager, Corporate Banking Dept. -II, Europe, Middle East and Africa Division

Yuichi Hirano

Head of Kobe Middle Market Banking Division

Takashi Kakiuchi

President of Sumitomo Mitsui Banking Corporation (China) Limited

Hideomi Shigematsu

Country Head of Thailand and General Manager, Bangkok Branch

Terumasa Takahashi

Deputy Head of Retail Banking Unit

Tatsuya Okumura

General Manager, Administrative Services Dept.

Yasuhiro Shirai

General Manager, Osaka Corporate Banking Dept. I

Hideki Takamatsu

General Manager, IT Planning Dept.

Hideki Tahara

General Manager, Public Relations Dept.

Daisuke Nakamura

Head of Higashinohon Daiichi Middle Market Banking Division

Akio Uemura

General Manager, Planning Dept., Retail Banking Unit

Kenji Kawabata

General Manager, Credit & Investment Planning Dept.

Hideo Kawafune

General Manager, Strategic Planning Dept., Europe, Middle East and Africa Division

Akihiro Kawara

SMBC Capital Markets, Inc.

Carl Adams

Deputy Head of The Americas Division

Toshihiro Michioka

Head of Kyoto Hokuriku Middle Market Banking Division

Eiichi Takasaki

General Manager, Specialized Finance Dept.

Daiji Nakata

Deputy Head of Retail Banking Unit

Tomomi Izawa

General Manager, Marunouchi Corporate Business Office

Tomonari Inoue

General Manager, Planning Dept., Wholesale Banking Unit and Global Corporate Banking Dept., Planning Dept., Wholesale Banking Unit

Ichiro Okawara

General Manager, Corporate Credit Dept.

Seiichi Katsuyama

General Manager, Akasaka Corporate Business Office

Toshihiko Kato

SMBC Nikko Securities Inc.

Mikiko Hyodo

Deputy Head of Retail Banking Unit

Kazuyuki Anchi

General Manager, Corporate Planning Dept.

Kazuya Ikeda

General Manager, Planning Dept., Asia Pacific Division

Takeshi Kimoto

General Manager, Asia Growing Markets Dept.

Katsuyuki Kubo

General Manager, Structured Finance Dept.

Naoki Shiraishi

General Manager, Digital Strategy Dept.

Arihiro Nagata

General Manager, Global Investment Dept.

Honami Matsugasaki

General Manager, Learning and Development Institute, Human Resources Dept.

Haruyuki Yoshikawa

General Manager, General Affairs Dept.

Hitoshi Ryoji

General Manager, Strategic Corporate Banking Dept.

Kim P. Olson

Co-General Manager, Risk Management Dept., Americas Division

Paul Derek Gibbon

Co-General Manager, Loan Capital Markets Dept., Europe, Middle East and Africa Division

Richard A. Eisenberg

Deputy Head of The Americas Division and Co-General Manager, Corporate and Investment Banking Coverage Dept., Americas Division

For a more detailed list of directors, officers, and senior management of SMFG, please see SMFG's 2021 Annual Report.

Resolution Planning Corporate Governance Structure and Processes Related to Resolution Planning

Ultimate responsibility for governance of SMFG worldwide, including the U.S. resolution planning process, lies with SMFG's Board of Directors. As permitted by the Regulation, approval of the 2021 U.S. Resolution Plan was delegated by SMFG's Board of Directors under express authority to the Director/Executive Officer in charge of Global Business Unit. Planning Department, Americas Division has consulted and reviewed with Corporate Planning Department and Corporate Risk Management Department as well as Planning Department, Global Business Unit to ensure alignment with Group Pre-Resolution Contingency Plan in advance of the approval of the plan. Utilizing this approval delegation, the 2021 U.S. Resolution Plan was approved on December 15, 2021. A detailed explanation of the corporate governance of SMFG is set forth in the Corporate Governance section of the Annual Report.⁷ In the U.S., senior management of the Americas Division is responsible for the overall steering and control of U.S. resolution planning, and a project team under the governance framework specified hereafter.

SMFG Board of Directors

SMFG's Board of Directors is located at the head office in Tokyo, Japan. The Board of Directors meets on a monthly basis and was notified of the approval of the 2021 U.S. Resolution Plan.

SMBC Board of Directors

As the entity that led the drafting efforts for the 2021 U.S. Resolution Plan, SMBC's Board of Directors was notified of the completion and approval of the 2021 U.S. Resolution Plan.

Americas Division Management

From a governance body perspective, the Executive Management Committee which reports directly to the CEO of SMBC's Americas division, is tasked with reviewing the contents of the U.S. Resolution Plan as well as overseeing the development process. The SMBC Americas Holdings, Inc. Board of Directors reviews the plan as well and provides guidance and advice as necessary. SMBC and SMFG management in Tokyo are actively involved in the U.S. resolution plan development and receive regular updates on the efforts. Ultimately, the SMFG and SMBC Board of Directors are the most senior governance bodies responsible for SMFG's U.S. resolution plan. Following approval by the SMBC Americas Division Management, the U.S. Resolution Plan was submitted to the Director/Executive Officer in charge of Global Business Unit, which is the designated approver on behalf of SMFG's Board of Directors.

⁷ *Id.*

Regional Compliance Working Group

The Regional Compliance Working Group (“RCWG”) tracks topics, issues, and regulatory concerns across all functions geographically located in the U.S. As such, the RCWG is responsible for a formal escalation process and will use its authority to make recommendations that will mitigate major governance and control risks for SMBC’s U.S. Operations. The RCWG is involved in staying informed about U.S. resolution planning requirements as well as the development of the U.S. Resolution Plan.

Resolution Plan Working Group

The SMBC Resolution Plan Working Group project team is the team with primary responsibility for U.S. resolution planning on a day-to-day basis, consisting of project managers and project members. Managers are responsible for the U.S. enterprise-wide oversight (across all departments and legal entities) of the Resolution Plan project. In this capacity, they review and approve data provided by SMFG U.S. Material Entities and Core Business Lines in support of the U.S. Resolution Plan, review and approve report drafts and final reports, assist with the follow-up on management’s responses, as appropriate, and report U.S. Resolution Plan-related matters to management and/or internal audit.

The Resolution Plan Working Group project team members are accountable for the successful implementation of the Resolution Plan project and the day-to-day management of resolution planning activities. In this capacity, they develop project plans, develop and review weekly status reports, provide subject matter advice, and identify and share relevant documents. They are also responsible for identifying and documenting project issues, risks, and change requests in accordance with documented processes.

Planning Department, Americas Division⁸ is responsible for coordinating and sustaining for this and future versions of the U.S. Resolution Plan.

Description of Material Management Information Systems

SMFG uses information technology and management information systems (“MIS”) to support a variety of business functions. These systems include applications to conduct business activities across SMFG’s financial products, as well as to generate accounting, financial, operations, regulatory, and risk management reports.

⁸ Due to organizational change occurred in October 2021, currently Governance Planning Department, Americas Division is responsible for coordinating and sustaining for this and future versions of the U.S. Resolution Plan

Planning Department, Americas Division⁹ maintains a centralized database of all MIS reporting for regulatory purposes. In the event of distress, this database can be leveraged for further information.

High-Level Description of Resolution Strategy

The 2021 U.S. Resolution Plan provides a strategic analysis for the rapid and orderly resolution of each of SMFG's U.S. Material Entities and Core Business Lines. There are no regulator-designated or self-identified Critical Operations. If the SMFG-wide recovery efforts fail, given the integration of the U.S. branches and subsidiaries within SMBC and short period of time available for recovery efforts, for purposes of the 2021 U.S. Resolution Plan, SMFG assumed that it would not be able to sell any of its U.S. Material Entities or Core Business Lines, individually or together, as a going concern. Accordingly, SMFG believes that the resolution strategies outlined in this 2021 U.S. Resolution Plan demonstrate how the Material Entities and Core Business Lines may be resolved in a way that would not pose a threat to the financial stability of the United States.

SMFG believes that the resolution strategies demonstrate the Material Entities and Core Business Lines may be resolved in a way that would not pose a threat to the financial stability of the United States.

For the purposes of the 2021 U.S. Resolution Plan, SMFG assumes that an idiosyncratic event occurs during severely adverse economic conditions that threatens the solvency of SMFG. It is assumed that the idiosyncratic event did not cause failure of the Material Entities overnight, allowing a seven-day runway period prior to entering resolution proceedings. During the runway period, it is expected that some liquid assets will be sold by the Material Entities, and that SMBC Capital Markets, Inc. may utilize the uncommitted credit facility it has with SMBC New York Branch. It is also expected that SMFG in Tokyo will not provide any additional support to SMFG U.S. Material Entities and Core Business Lines during the runway period.

SMFG believes that it would be difficult and highly unlikely to be able to identify a buyer and effectuate a sale of SMBC New York Branch, SMBC Capital Markets, Inc., SMBC Nikko Securities America, Inc., JRI America, Inc., or any of their Core Business Lines (individually or together) to a competitor during the runway period or in resolution given the strong integration of the branches, subsidiaries, and business into SMFG. The level of integration would also make it impossible to reorganize them separately from SMFG. Additionally, SMBC New York Branch provides numerous support services to most of the affiliated entities in the U.S. and divesting SMBC New York Branch would not facilitate the orderly unwind of other U.S. entities. Accordingly, as in previous years, SMFG's resolution strategy for the Material Entities and Core Business Lines is to wind down operations in a coordinated and integrated manner with the resolution of SMFG in

⁹ Due to organizational change occurred in October 2021, currently Governance Planning Department, Americas Division maintains a centralized database of all MIS reporting for regulatory purposes.

Japan under the authority of the JFSA. SMFG, which conducts no Critical Operations and has a relatively small footprint in the U.S., has concluded that a wind-down strategy of the Material Entities and Core Business Lines would not pose any material adverse impact on the financial stability of the U.S.

SMFG believes going into resolution after the expiration of this seven-day runway period would be financially prudent as it would allow implementation of the U.S. Resolution Plan with the most cash on hand. There are four Material Entities in the U.S. that will need to be resolved: SMBC New York Branch, SMBC Capital Markets, Inc., SMBC Nikko Securities America, Inc., and JRI America, Inc.. The SMBC New York Branch houses two of the four Core Business Lines, Corporate Banking and Treasury. SMBC Capital Markets, Inc. houses the Swap Dealer Core Business Line, and SMBC Nikko Securities America, Inc. houses the Broker-Dealer Core Business Line. JRI America, Inc. houses no Core Business Lines.

SMFG's resolution strategy is to wind down operations of the U.S. Material Entities and Core Business Lines. Only SMBC New York Branch and SMBC Capital Markets, Inc. would need to be resolved pursuant to formal insolvency proceedings. This will entail coordinated insolvency proceedings under the NYBL and Chapter 11 of the U.S. Bankruptcy Code and coordination and cooperation with the JFSA, SMFG's primary regulator. It is expected that SMBC Nikko Securities America, Inc. will have sufficient liquidity to close out all of its positions and wind down operations without needing to enter into insolvency proceedings. JRI America, Inc. will continue operating in accordance with applicable service level agreements until the Material Entities that rely on its services no longer require its services. Once JRI America, Inc.'s services are no longer needed, JRI America, Inc. will be wound down and resolved in accordance with state corporate law.

Material Changes to SMFG Since Its 2018 Submission

Board of Directors Changes

Since SMFG's 2018 U.S. Resolution Plan submission, the membership of SMFG's Board of Directors has changed. For a detailed list of SMFG's current Board of Directors, please see above for a complete table of the Board of Directors or refer to the SMFG 2021 Annual Report.

Organizational Material Changes

On January 1, 2019, SMBC Americas Holdings, Inc. became a U.S. bank holding company upon its acquisition of Manufacturers Bank, SMBC's California-chartered banking subsidiary. Prior to that date, Manufacturers Bank was directly owned by SMBC. SMBC Americas Holdings, Inc. is a wholly-owned Delaware subsidiary of SMBC, and was previously known as SMBC Financial Services, Inc. SMBC Americas Holdings, Inc. also directly owns two Material Entities – SMBC Capital Markets, Inc. and SMBC Nikko Securities America, Inc. Centralizing the ownership and management supervision of numerous U.S. subsidiaries of SMBC (including the above-referenced Material Entities) under SMBC Americas Holdings, Inc. is expected to improve the

ability to separate SMFG's U.S. operations from those in Japan and improve the resolvability of the U.S. operations.