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(Translation)

Securities Code 8316

June 7, 2018

To Shareholders with Voting Rights

Takeshi Kunibe  
Director President  
Sumitomo Mitsui Financial Group, Inc.  
1-2, Marunouchi 1-chome, Chiyoda-ku,  
Tokyo, Japan

## NOTICE OF CONVOCATION OF THE 16<sup>th</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

You are cordially invited to attend the 16<sup>th</sup> Ordinary General Meeting of Shareholders of Sumitomo Mitsui Financial Group, Inc. (the “Company”), which will be held as stated below.

If you are unable to attend the meeting, you can exercise your voting rights by mail or via the Internet. Please review the “Reference Documents for the General Meeting of Shareholders” and exercise your voting rights by following the instructions on page 2.

### Particulars

- 1. Date and Time:** 10:00 a.m. on Thursday, June 28, 2018 (Japan time)
- 2. Place:** the Head Office of the Company (Sumitomo Mitsui Banking Corporation Head Office Building) at 1-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
- 3. Agenda of the Meeting:**
  - Matters to be reported:** (1) Business Report, Consolidated Financial Statements for the 16<sup>th</sup> Fiscal Year (from April 1, 2017 to March 31, 2018) and results of the audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit Committee
  - (2) Non-Consolidated Financial Statements for the 16<sup>th</sup> Fiscal Year (from April 1, 2017 to March 31, 2018)
  - Proposals to be resolved:**
    - Proposal No. 1:** Appropriation of Surplus
    - Proposal No. 2:** Election of Seventeen Directors

The Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements, official copies of the Accounting Auditor’s reports and the Audit Committee’s report to be provided to shareholders upon notice of the Ordinary General Meeting of Shareholders are as stated in the attached “Business Report for the 16<sup>th</sup> Fiscal Year.”

“Matters regarding Stock Acquisition Rights, etc. of the Company” in the Business Report, the notes to the Consolidated Financial Statements and the notes to the Non-Consolidated Financial Statements are available on the Company’s website on the Internet (<http://www.smfg.co.jp>) in accordance with laws, regulations, and Article 25 of the Articles of Incorporation, and therefore are not included in “Business Report for the 16<sup>th</sup> Fiscal Year.”

The Consolidated Financial Statements and the Non-Consolidated Financial Statements contained in “Business Report for the 16<sup>th</sup> Fiscal Year” are part of the Consolidated Financial Statements and the Non-Consolidated Financial Statements that were subject to audit by the Accounting Auditor for the purpose of the Independent Auditors’ Report.

The Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements contained in “Business Report for the 16<sup>th</sup> Fiscal Year” are part of the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements that were subject to audit by the Audit Committee for the purpose of the Audit Report.

If the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and the Non-Consolidated Financial Statements are amended, the amended items will be announced on the Company's website on the Internet (<http://www.smfg.co.jp>).

## **【Guidance on the Exercise of Voting Rights】**

### **If you are able to attend the Ordinary General Meeting of Shareholders**

Date and Time of the Ordinary General Meeting of Shareholders: 10:00 a.m. on Thursday, June 28, 2018 (Admission begins at 8:30a.m.)

General Meeting of Shareholders: (Japan time)

Those attending in person are requested to present the enclosed **Attendance Sheet** at the reception desk without detaching the Voting Rights Exercise Form on arrival at the meeting.

### **If you are unable to attend the Ordinary General Meeting of Shareholders**

#### **Exercise of Voting Rights by Post**

Voting Deadline: Voting Rights Exercise Form must reach our share register agent no later than 5:10 p.m. on Wednesday, June 27, 2018 (Japan time).

Please indicate your approval or disapproval of each proposal on the enclosed Voting Rights Exercise Form and return it by post to reach our share register agent no later than the above voting deadline.

Please use the enclosed personal information security sticker.

#### **Exercise of Voting Rights via the Internet**

Voting Deadline: No later than 5:10 p.m. on Wednesday, June 27, 2018 (Japan time)

Please access the voting website (<https://www.web54.net>) managed by our share register agent using the login ID and password printed on the enclosed Voting Rights Exercise Form. Please indicate your approval or disapproval for each proposal no later than the above voting deadline, following the instructions on the screen.

You can also exercise your voting rights once without entering your login ID or password by scanning the “Voting Rights Exercise Website Login QR Code for Smartphones” printed on the Voting Rights Exercise Form.

Please be advised that there are system constraints for security purposes. For further information, please contact Web Support at the telephone number below.

### **Inquiries regarding Exercise of Voting Rights via the Internet:**

Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Agency Web Support

Phone: 0120-652-031 (toll free within Japan)

Hours: 9:00 a.m. to 9:00 p.m. (Japan time)

#### **Notes**

- If you vote more than once via the Internet, your last vote will be treated as effective.
- If you vote both by post and via the Internet, your vote via the Internet will be treated as effective.
- Any access fees to internet service providers, communications fees to communications carriers and other fees for use of the website for voting shall be borne by shareholders.
- The above voting website is available in Japanese only.

## **【The Electronic Voting Platform for Institutional Investors】**

The Electronic Voting Platform, operated by ICJ, Inc., is available for institutional investors that have applied in advance to use the platform.

## Reference Documents for the General Meeting of Shareholders

### Proposals, Reasons and References

#### Proposal No. 1: Appropriation of Surplus

The Company's capital policy is to realize sustainable growth in shareholder value by balancing securing financial soundness, enhancing shareholder returns and investing for growth. Considering this policy, economic and financial climates forecasted for the future, and business results for the current fiscal year, we propose the dividend of surplus at the end of the fiscal year as described below.

It should be noted that we do not propose any other appropriation of surplus.

##### (1) Dividend type

Cash

##### (2) Allocation of dividend and aggregate amount to be distributed

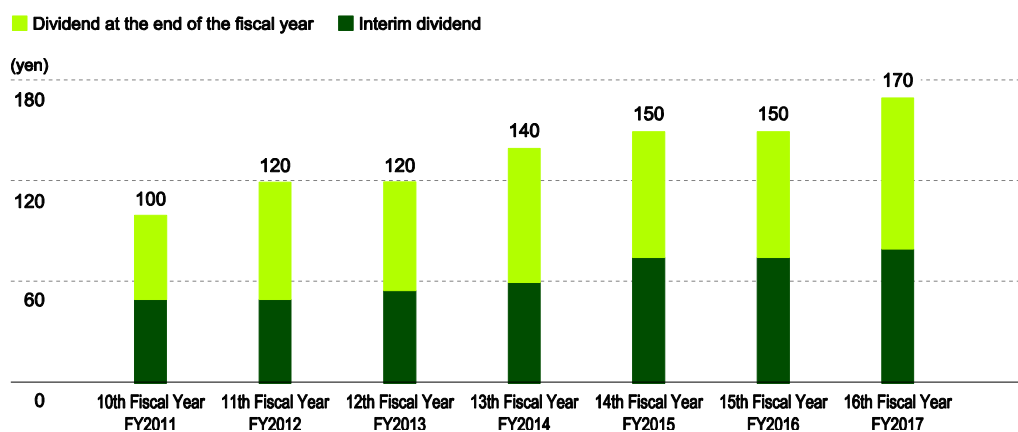
Common stock	¥90 per share	Total ¥126,950,257,980
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As we have already paid an interim dividend of ¥80 per share of Common Stock, the annualized dividend will be ¥170 per share, which is an increase of ¥20 per share compared with the preceding fiscal year.

##### (3) Effective date of dividend of surplus

June 29, 2018

#### (Reference) Dividend per share of Common Stock



**Proposal No. 2: Election of Seventeen Directors**

The terms of office of all seventeen Directors will expire at the conclusion of the meeting. Accordingly, on this occasion, the election of the following seventeen Directors (seven of whom will be Outside Directors) is proposed.

The candidates to serve as Directors, based on the decision of the Nominating Committee, are as follows.

Candidate No.	Name	Positions and responsibilities at the Company	Attendance of the Board of Directors meeting held in the fiscal year (attendance rate)
1	Koichi Miyata (Reelection)	Chairman of the Board Member of the Nominating Committee Member of the Compensation Committee	Attended all 10 meetings (100%)
2	Takeshi Kunibe (Reelection)	Director President (Representative Corporate Executive Officer) Group CEO Member of the Compensation Committee	Attended all 10 meetings (100%)
3	Makoto Takashima (Reelection)	Director	Attended all 8 meetings held after appointment as Director (100%)
4	Kozo Ogino (Reelection)	Director Deputy President and Corporate Executive Officer Group CRO Officer in charge of Corporate Risk Management Department, Credit & Investment Planning Department	Attended all 10 meetings (100%)
5	Jun Ohta (Reelection)	Director Deputy President and Corporate Executive Officer (Representative Corporate Executive Officer) Group CFO, Group CSO Officer in charge of Public Relations Department, Corporate Planning Department, Financial Accounting Department, Subsidiaries & Affiliates Department	Attended all 10 meetings (100%)
6	Katsunori Tanizaki (Reelection)	Director Senior Managing Corporate Executive Officer Group CIO, Group CDIO Officer in charge of IT Planning Department, IT Innovation Department, Data Management Department, Operations Planning Department	Attended all 10 meetings (100%)
7	Toshikazu Yaku (Reelection)	Director Senior Managing Corporate Executive Officer Group CCO, Group CHRO Officer in charge of Human Resources Department, Quality Management Department, General Affairs Department, Administrative Services Department	Attended all 8 meetings held after appointment as Director (100%)

Note: CEO: Chief Executive Officer

CRO: Chief Risk Officer

CFO: Chief Financial Officer

CSO: Chief Strategy Officer

CIO: Chief Information Officer

CDIO: Chief Digital Innovation Officer

CCO: Chief Compliance Officer

CHRO: Chief Human Resources Officer

Candidate No.	Name	Position and responsibility at the Company	Attendance of the Board of Directors meeting held in the fiscal year (attendance rate)
8	Toshiyuki Teramoto (Reelection)	Director Member of the Audit Committee	Attended all 10 meetings as Director or Corporate Auditor (100%)
9	Toru Mikami (Reelection)	Director Member of the Audit Committee	Attended all 10 meetings as Director or Corporate Auditor (100%)
10	Tetsuya Kubo (Reelection)	Director	Attended all 10 meetings (100%)
11	Masayuki Matsumoto (Reelection) (Outside and Independent)	Director Member of the Nominating Committee Member of the Audit Committee (Chairman)	Attended all 8 meetings held after appointment as Director (100%)
12	Arthur M. Mitchell (Reelection) (Outside and Independent)	Director Member of the Nominating Committee Member of the Compensation Committee	Attended all 10 meetings (100%)
13	Shozo Yamazaki (Reelection) (Outside and Independent)	Director Member of the Audit Committee	Attended all 8 meetings held after appointment as Director (100%)
14	Masaharu Kohno (Reelection) (Outside and Independent)	Director Member of the Nominating Committee	Attended all 10 meetings (100%)
15	Yoshinobu Tsutsui (Reelection) (Outside and Independent)	Director Member of the Nominating Committee (Chairman) Member of the Compensation Committee	Attended 7 out of 8 meetings held after appointment as Director (87%)
16	Katsuyoshi Shinbo (Reelection) (Outside and Independent)	Director Member of the Audit Committee Member of the Compensation Committee (Chairman)	Attended all 8 meetings held after appointment as Director (100%)
17	Eriko Sakurai (Reelection) (Outside and Independent)	Director Member of the Nominating Committee Member of the Compensation Committee	Attended all 10 meetings (100%)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
1	Koichi Miyata (November 16, 1953)  Reelection	<p>Career summary:</p> <p>April 1976      Joined Mitsui Bank</p> <p>June 2003      Executive Officer of Sumitomo Mitsui Banking Corporation (“SMBC”)</p> <p>October 2006    Managing Executive Officer of SMBC</p> <p>April 2009      Director and Senior Managing Executive Officer of SMBC</p> <p>April 2010      Senior Managing Executive Officer of the Company</p> <p>June 2010      Director of the Company</p> <p>April 2011      Director and President of the Company</p> <p>                    Director of SMBC</p> <p>April 2017      Chairman of the Board of the Company (to present)</p> <p>                    Chairman of the Board of SMBC (to present)</p> <p>Position and responsibility at the Company:</p> <p>Chairman of the Board</p> <p>Member of the Nominating Committee</p> <p>Member of the Compensation Committee</p> <p>Significant concurrent positions:</p> <p>Chairman of the Board of SMBC</p> <p>Director of SONY CORPORATION</p> <p>Corporate Auditor of Isetan Mitsukoshi Holdings Ltd.</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings (100%)</p> <p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Koichi Miyata has extensive business experience, ability and insight through his involvement in treasury markets, public relations, corporate planning, financial accounting, risk management, etc. over a long time. In addition, he has led the Company as Director and President since April 2011 and has ruled the Board of Directors of the Company as Chairman of the Board since April 2017, thus he is intimately familiar with the business of the group of the Company (the Group). We believe that he will continue to contribute to the Group’s further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	29,651 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
2	Takeshi Kunibe (March 8, 1954)  Reelection	<p>Career summary:</p> <p>April 1976      Joined Sumitomo Bank</p> <p>June 2003      Executive Officer of SMBC</p> <p>October 2006   Managing Executive Officer of SMBC</p> <p>April 2007      Managing Executive Officer of the Company</p> <p>June 2007      Director of the Company</p> <p>April 2009      Director and Senior Managing Executive Officer of SMBC</p> <p>April 2011      President and Chief Executive Officer of SMBC</p> <p>April 2017      President of the Company</p> <p>Resigned as Director of SMBC</p> <p>June 2017      Director President of the Company (to present)</p> <hr/> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>President (Representative Corporate Executive Officer)</p> <p>Group CEO</p> <p>Member of the Compensation Committee</p> <p>Significant concurrent positions:</p> <p>Director of NEC Corporation</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings (100%)</p> <p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Takeshi Kunibe has extensive business experience, ability and insight through his involvement in corporate planning, financial accounting, public relations, administration of group companies, etc. over a long time. In addition, he had led SMBC as President of SMBC since April 2011 and has led the Company as President of the Company since April 2017, thus he is intimately familiar with the business of the Group. We believe that he will continue to contribute to the Group's further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	49,839 (Common stock)



Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
3	Makoto Takashima (March 31, 1958)  Reelection	<p>Career summary:</p> <p>April 1982      Joined Sumitomo Bank</p> <p>April 2009      Executive Officer of SMBC</p> <p>April 2012      Managing Executive Officer of SMBC</p> <p>April 2014      Senior Managing Executive Officer of SMBC</p> <p>December 2016   Director and Senior Managing Executive Officer of SMBC</p> <p>April 2017      President of SMBC (to present)</p> <p>June 2017      Director of the Company (to present)</p> <hr/> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>Significant concurrent positions:</p> <p>President of SMBC</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 8 meetings held after appointment as Director (100%)</p> <p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Makoto Takashima has extensive business experience, ability and insight through his involvement in international banking, corporate planning, etc. over a long time. In addition, he has led SMBC as President of SMBC since April 2017, thus he is intimately familiar with the business of the Group. We believe that he will continue to contribute to the Group's further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	24,195 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
4	Kozo Ogino (May 9, 1958)  Reelection	<p>Career summary:</p> <p>April 1981      Joined Mitsui Bank</p> <p>April 2010      Executive Officer of SMBC</p> <p>April 2011      Managing Executive Officer of SMBC</p> <p>April 2013      Managing Executive Officer of the Company</p> <p>June 2013      Director of the Company</p> <p>April 2014      Director and Senior Managing Executive Officer of SMBC</p> <p>April 2017      Director and Deputy President of the Company Director and Deputy President of SMBC (to present)</p> <p>June 2017      Director Deputy President and Corporate Executive Officer of the Company (to present)</p> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>Deputy President and Corporate Executive Officer</p> <p>Group CRO</p> <p>Officer in charge of Corporate Risk Management Department and Credit &amp; Investment Planning Department</p> <p>Significant concurrent positions:</p> <p>Director and Deputy President of SMBC</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings (100%)</p> <p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Kozo Ogino has extensive business experience, ability and insight through his involvement in risk management, corporate banking, internal audit, etc. over a long time, thus he is intimately familiar with the business of the Group. We believe that he will continue to contribute to the Group's further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	17,119 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
5	Jun Ohta (February 12, 1958)  Reelection	<p>Career summary:</p> <p>April 1982      Joined Sumitomo Bank</p> <p>April 2009      Executive Officer of SMBC</p> <p>April 2012      Managing Executive Officer of SMBC</p> <p>April 2013      Managing Executive Officer of the Company</p> <p>April 2014      Senior Managing Executive Officer of the Company</p> <p>                     Senior Managing Executive Officer of SMBC</p> <p>June 2014      Director of the Company</p> <p>April 2015      Director and Senior Managing Executive Officer of SMBC</p> <p>April 2017      Director and Deputy President of the Company</p> <p>                     Resigned as Director of SMBC</p> <p>June 2017      Director Deputy President and Corporate Executive Officer of the Company (to present)</p> <p>March 2018      Director and Deputy President of SMBC (to present)</p> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>Deputy President and Corporate Executive Officer (Representative Corporate Executive Officer)</p> <p>Group CFO, Group CSO</p> <p>Officer in charge of Public Relations Department, Corporate Planning Department, Financial Accounting Department, Subsidiaries &amp; Affiliates Department</p> <p>Significant concurrent positions:</p> <p>Director and Deputy President of SMBC</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings (100%)</p> <p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Jun Ohta has extensive business experience, ability and insight through his involvement in corporate planning, public relations, financial accounting, administration of group companies, investment banking, etc. over a long time, thus he is intimately familiar with the business of the Group. We believe that he will continue to contribute to the Group's further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	18,919 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
6	Katsunori Tanizaki (April 12, 1957)  Reelection	<p>Career summary:</p> <p>April 1982      Joined Sumitomo Bank</p> <p>April 2010      Executive Officer of SMBC</p> <p>April 2011      General Manager of IT Planning Department of the Company</p> <p>April 2013      Managing Executive Officer of SMBC</p> <p>April 2015      Senior Managing Executive Officer of the Company</p> <p>                    Director and Senior Managing Executive Officer of SMBC (to present)</p> <p>June 2015      Director of the Company</p> <p>April 2017      Director and Senior Managing Executive Officer of the Company</p> <p>June 2017      Director Senior Managing Corporate Executive Officer of the Company (to present)</p> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>Senior Managing Corporate Executive Officer</p> <p>Group CIO, Group CDIO</p> <p>Officer in charge of IT Planning Department, IT Innovation Department, Data Management Department, Operations Planning Department</p> <p>Significant concurrent positions:</p> <p>Director and Senior Managing Executive Officer of SMBC</p> <p>Director of The Japan Research Institute, Limited</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings (100%)</p> <p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Katsunori Tanizaki has extensive business experience, ability and insight through his involvement in system planning, operations planning, IT innovation, etc. over a long time, thus he is intimately familiar with the business of the Group. We believe that he will continue to contribute to the Group's further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	14,675 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
7	Toshikazu Yaku (March 3, 1962)  Reelection	<p>Career summary:</p> <p>April 1984      Joined Sumitomo Bank</p> <p>April 2012      General Manager of Human Resources Department of the Company Executive Officer of SMBC</p> <p>April 2014      Managing Executive Officer of SMBC</p> <p>April 2016      Managing Executive Officer of the Company</p> <p>March 2017      Director and Managing Executive Officer of the SMBC</p> <p>April 2017      Senior Managing Executive Officer of the Company Director and Senior Managing Executive Officer of SMBC (to present)</p> <p>June 2017      Director Senior Managing Corporate Executive Officer of the Company (to present)</p> <p>Position and responsibility at the Company:</p> <p>Director Senior Managing Corporate Executive Officer Group CCO, Group CHRO Officer in charge of Human Resources Department, Quality Management Department, General Affairs Department, Administrative Services Department</p> <p>Significant concurrent positions:</p> <p>Director and Senior Managing Executive Officer of SMBC</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 8 meetings held after appointment as Director (100%)</p> <p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Toshikazu Yaku has extensive business experience, ability and insight through his involvement in human resources, quality management, general affairs, legal affairs, administrative services, etc. over a long time, thus he is intimately familiar with the business of the Group. We believe that he will continue to contribute to the Group's further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	15,849 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
8	Toshiyuki Teramoto (September 15, 1958)  Reelection	<p>Career summary:</p> <p>April 1981      Joined Mitsui Bank</p> <p>April 2008      Executive Officer of SMBC</p> <p>April 2011      Managing Executive Officer of SMBC</p> <p>April 2014      Director and Senior Managing Executive Officer of SMBC</p> <p>April 2015      Senior Managing Executive Officer of the Company</p> <p>June 2015      Director of the Company</p> <p>April 2016      Director of SMBC</p> <p>June 2016      Standing Corporate Auditor of the Company</p> <p>                    Corporate Auditor of SMBC (to present)</p> <p>June 2017      Director of the Company (to present)</p> <hr/> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>Member of the Audit Committee</p> <p>Significant concurrent positions:</p> <p>Corporate Auditor of SMBC</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings as Director or Corporate Auditor (100%)</p> <p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Toshiyuki Teramoto has extensive business experience, ability and insight through his involvement in credit administration, corporate banking, risk management, etc. over a long time, thus he is intimately familiar with the business of the Group. We believe that he will continue to contribute to the Group's further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	8,500 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
9	Toru Mikami (August 27, 1960)  Reelection	<p>Career summary:</p> <p>April 1984      Joined Sumitomo Bank</p> <p>April 2006      General Manager of Legal Department of SMBC</p> <p>April 2013      Co-General Manager of General Affairs Department of the Company</p> <p>April 2015      Senior Manager of Head Office of SMBC</p> <p>June 2015      Standing Corporate Auditor of the Company</p> <p>June 2017      Director of the Company (to present)</p> <hr/> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>Member of the Audit Committee</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings as Director or Corporate Auditor (100%)</p> <p>Reasons for nomination as a candidate for Director:</p> <p>Mr. Toru Mikami has extensive business experience, ability and insight through his involvement in legal affairs and general affairs over a long time, thus he is intimately familiar with the business of the Group. We believe that he will continue to contribute to the Group's further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	1,300 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
10	Tetsuya Kubo (September 24, 1953)  Reelection	<p>Career summary:</p> <p>April 1976      Joined Sumitomo Bank</p> <p>June 2003      Executive Officer of SMBC</p> <p>July 2006      Managing Executive Officer of SMBC</p> <p>April 2008      Managing Executive Officer of the Company</p> <p>April 2009      Senior Managing Executive Officer of the Company</p> <p>Director and Senior Managing Executive Officer of SMBC</p> <p>April 2011      Deputy President and Executive Officer of the Company</p> <p>Director and Deputy President of SMBC</p> <p>Director of SMBC Nikko Securities Inc. (“SMBC Nikko”)</p> <p>June 2011      Director of the Company</p> <p>March 2013      Resigned as Director of the Company</p> <p>Resigned as Director of SMBC</p> <p>April 2013      Representative Director, President &amp; CEO of SMBC Nikko</p> <p>April 2016      Representative Director, Chairman of SMBC Nikko (to present)</p> <p>June 2016      Director of the Company (to present)</p> <p>Position and responsibility at the Company: Director</p> <p>Significant concurrent positions: Representative Director, Chairman of SMBC Nikko</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate): Attended all 10 meetings (100%)</p> <p>Reasons for nomination as a candidate for Director: Mr. Tetsuya Kubo has extensive business experience, ability and insight through his involvement in international banking, investment banking, public relations, corporate planning, financial accounting, etc. over a long time. In addition, he has led SMBC Nikko as Representative Director, President &amp; CEO of SMBC Nikko since April 2013 and as Representative Director, Chairman of SMBC Nikko since April 2016, thus he is intimately familiar with the business of the Group. We believe that he will continue to contribute to the Group’s further growth from the perspective of effectively enhancing the decision making and supervisory functions of the Board of Directors. Based on the above, we have judged that he will be appropriate as a Director of the Company, and propose his election.</p>	7,731 (Common stock)



Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
11	Masayuki Matsumoto (April 14, 1944)	<p>Career summary:</p> <p>April 1967      Joined the Japanese National Railways</p> <p>April 1987      Joined Central Japan Railway Company</p> <p>June 1992      Director and Manager of the Secretariat of Central Japan Railway Company</p> <p>June 1996      Executive Director of Central Japan Railway Company</p> <p>June 1998      Senior Executive Director of Central Japan Railway Company</p> <p>June 2000      Executive Vice President and Representative Director of Central Japan Railway Company</p> <p>June 2004      President and Representative Director of Central Japan Railway Company</p> <p>April 2010      Vice Chairman and Representative Director of Central Japan Railway Company</p> <p>January 2011    Resigned as Director of Central Japan Railway Company</p> <p>January 2011    President of Japan Broadcasting Corporation</p> <p>January 2014    Retired from Japan Broadcasting Corporation</p> <p>April 2014      Special Advisor of Central Japan Railway Company (to present)</p> <p>June 2015      Director of SMBC</p> <p>June 2017      Director of the Company (to present)</p> <p>Retired as Director of SMBC</p>	300 (Common stock)
	<p>Reelection</p> <p>Outside and Independent</p>	<p>Position and responsibility at the Company:</p> <p>Director</p> <p>Member of the Nominating Committee</p> <p>Member of the Audit Committee (Chairman)</p> <p>Significant concurrent positions:</p> <p>Special Advisor of Central Japan Railway Company</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 8 meetings held after appointment as Director (100%)</p> <p>Term of Office as Outside Director:</p> <p>11 months</p> <p>Reasons for nomination as a candidate for Outside Director:</p> <p>Mr. Masayuki Matsumoto plays a leading role in the field of corporate management, and has extensive experience as an executive of corporations with public interests and specialized knowledge in corporate management. Accordingly, we believe that he will continue to timely and adequately provide opinions to the management as well as instruct and supervise them by comprehending the essence of the Company's issues from the viewpoint of overall management of the Company. Based upon the above, we have judged that he will be appropriate as an Outside Director of the Company, and propose his election.</p> <p>Matters concerning independence:</p> <p>1. Mr. Masayuki Matsumoto meets the "Independence Standards for Outside Directors" set forth by the Company. In addition, the Company has designated him as an Independent Director in accordance with the requirements of the financial instruments exchanges in Japan, such as Tokyo Stock Exchange, Inc.</p> <p>2. Mr. Masayuki Matsumoto currently serves as Special Advisor</p>	

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
11	Masayuki Matsumoto (April 14, 1944)  Reelection  Outside and Independent	<p>of Central Japan Railway Company; however, the amount of transactions between the company and the Group for FY2017 was less than 1% of both the company's consolidated net sales and the Company's consolidated gross profit. In addition, outstanding loans from SMBC, the Company's subsidiary, to Central Japan Railway Company accounted for less than 0.1% of consolidated total assets of the Company. Furthermore, although Central Japan Railway Company holds common stock of the Company, its holdings represent less than 1% of the Company's total number of shares issued. Thus, we believe that he fully satisfies the requirements for the independence as an Outside Director.</p> <p>Other: Mr. Masayuki Matsumoto had served as Outside Director of SMBC, the Company's subsidiary, for the period from June 2015 to June 2017.</p>	

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
12	Arthur M. Mitchell (July 23, 1947)  Reelection  Outside and Independent	<p>Career summary:</p> <p>July 1976 Registered as an attorney at law, admitted in New York, the U.S.A. (to present)</p> <p>January 2003 General Counsel of the Asian Development Bank</p> <p>September 2007 Joined White &amp; Case LLP</p> <p>January 2008 Registered as Foreign Attorney in Japan (to present)</p> <p>Registered Foreign Attorney in Japan at White &amp; Case LLP (to present)</p> <p>June 2015 Director of the Company (to present)</p> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>Member of the Nominating Committee</p> <p>Member of the Compensation Committee</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings (100%)</p> <p>Term of Office as Outside Director:</p> <p>2 years and 11 months</p> <p>Reasons for nomination as a candidate for Outside Director:</p> <p>Mr. Arthur M. Mitchell plays a leading role in the field of international legal affairs, and has extensive experience as an attorney at law, admitted in New York and as a Registered Foreign Attorney in Japan, and specialized knowledge of international legal affairs in general. Accordingly, we believe that he will continue to timely and adequately provide opinions to the management as well as instruct and supervise them by comprehending the essence of the Company's issues from the viewpoint of overall management of the Company. Based upon the above, we have judged that he will be appropriate as an Outside Director of the Company and is capable of properly performing the responsibilities of an Outside Director, and therefore propose his election.</p> <p>Matters concerning independence:</p> <p>Mr. Arthur M. Mitchell meets the "Independence Standards for Outside Directors" set forth by the Company. In addition, the Company has designated him as an Independent Director in accordance with the requirements of the financial instruments exchanges in Japan, such as Tokyo Stock Exchange, Inc.</p>	100 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
13	Shozo Yamazaki (September 12, 1948)  Reelection  Outside and Independent	<p>Career summary:  November 1970 Joined Tohmatsu Awoki &amp; Co. (currently Deloitte Touche Tohmatsu LLC)  September 1974 Registered as a certified public accountant (to present)  July 1991 Representative Partner of Tohmatsu &amp; Co. (currently Deloitte Touche Tohmatsu LLC)  June 2010 Retired from Deloitte Touche Tohmatsu LLC  July 2010 Chairman and President of The Japanese Institute of Certified Public Accountants  July 2013 Advisor of The Japanese Institute of Certified Public Accountants (to present)  April 2014 Professor of Tohoku University Accounting School  June 2017 Director of the Company (to present)</p> <p>Position and responsibility at the Company  Director  Member of the Audit Committee  Significant concurrent positions:  Director of EBARA CORPORATION  Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):  Attended all 8 meetings held after appointment as Director (100%)  Term of Office as Outside Director:  11 months  Reasons for nomination as a candidate for Outside Director:  Mr. Shozo Yamazaki plays a leading role in the field of corporate accounting, and has extensive experience as a certified public accountant and specialized knowledge related to accounting in general including corporate accounting. Accordingly, we believe that he will continue to timely and adequately provide opinions to the management as well as instruct and supervise them by comprehending the essence of the Company's issues from the viewpoint of overall management of the Company. Based upon the above, we have judged that he will be appropriate as an Outside Director of the Company and is capable of properly performing the responsibilities of an Outside Director, and therefore propose his election.  Matters concerning independence:  Mr. Shozo Yamazaki meets the "Independence Standards for Outside Directors" set forth by the Company. In addition, the Company has designated him as an Independent Director in accordance with the requirements of the financial instruments exchanges in Japan, such as Tokyo Stock Exchange, Inc.</p>	100 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
14	Masaharu Kohno (December 21, 1948)  Reelection  Outside and Independent	<p>Career summary:</p> <p>April 1973      Joined Ministry of Foreign Affairs of Japan</p> <p>August 2005    Director-General of Foreign Policy Bureau in Ministry of Foreign Affairs of Japan</p> <p>January 2007    Deputy Minister for Foreign Affairs (in charge of economy) of Ministry of Foreign Affairs of Japan</p> <p>February 2009   Ambassador of Japan to Russia</p> <p>May 2009       Ambassador of Japan to Russia, Armenia, Turkmenistan and Belarus</p> <p>March 2011     Ambassador of Japan to Italy</p> <p>May 2011       Ambassador of Japan to Italy, Albania, San Marino and Malta</p> <p>September 2014 Retired from office</p> <p>June 2015       Director of the Company (to present)</p> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>Member of the Nominating Committee</p> <p>Significant concurrent positions:</p> <p>Director of DOUTOR・NICHIREN Holdings Co., Ltd.</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings (100%)</p> <p>Term of Office as Outside Director:</p> <p>2 years and 11 months</p> <p>Reasons for nomination as a candidate for Outside Director:</p> <p>Mr. Masaharu Kohno plays a leading role in the field of diplomacy, and has extensive experience as a diplomat and specialized knowledge in international affairs. Accordingly, we believe that he will continue to timely and adequately provide opinions to the management as well as instruct and supervise them by comprehending the essence of the Company's issues from the viewpoint of overall management of the Company. Based upon the above, we have judged that he will be appropriate as an Outside Director of the Company and is capable of properly performing the responsibilities of an Outside Director, and therefore propose his election.</p> <p>Matters concerning independence:</p> <p>Mr. Masaharu Kohno meets the "Independence Standards for Outside Directors" set forth by the Company. In addition, the Company has designated him as an Independent Director in accordance with the requirements of the financial instruments exchanges in Japan, such as Tokyo Stock Exchange, Inc.</p>	0 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
15	Yoshinobu Tsutsui (January 30, 1954)  Reelection  Outside and Independent	<p>Career summary:  April 1977      Joined Nippon Life Insurance Company  July 2004      Director of Nippon Life Insurance Company  January 2007   Director and Executive Officer of Nippon Life Insurance Company  March 2007    Director and Managing Executive Officer of Nippon Life Insurance Company  March 2009    Director and Senior Managing Executive Officer of Nippon Life Insurance Company  March 2010    Representative Director and Senior Managing Executive Officer of Nippon Life Insurance Company  April 2011    President of Nippon Life Insurance Company  June 2017    Director of the Company (to present)  April 2018    Chairman of Nippon Life Insurance Company (to present)</p> <p>Position and responsibility at the Company:  Director  Member of the Nominating Committee (Chairman)  Member of the Compensation Committee</p> <p>Significant concurrent positions:  Chairman of Nippon Life Insurance Company  Director of Imperial Hotel, Ltd.  Director of Panasonic Corporation  Audit &amp; Supervisory Board Member of West Japan Railway Company</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):  Attended 7 out of 8 meetings held after appointment as Director (87%)</p> <p>Term of Office as Outside Director:  11 months</p> <p>Reasons for nomination as a candidate for Outside Director:  Mr. Yoshinobu Tsutsui plays a leading role in the field of corporate management, and has extensive experience as an executive of financial institution and specialized knowledge in corporate management. Accordingly, we believe that he will continue to timely and adequately provide opinions to the management as well as instruct and supervise them by comprehending the essence of the Company's issues from the viewpoint of overall management of the Company. Based upon the above, we have judged that he will be appropriate as an Outside Director of the Company, and propose his election.</p> <p>Matters concerning independence:  1. Mr. Yoshinobu Tsutsui meets the "Independence Standards for Outside Directors" set forth by the Company. In addition, the Company has designated him as an Independent Director in accordance with the requirements of the financial instruments exchanges in Japan, such as Tokyo Stock Exchange, Inc.  2. Mr. Yoshinobu Tsutsui currently serves as Chairman of Nippon Life Insurance Company; however, the amount of transactions between the company and the Group for FY2017 was less than 1% of both the company's consolidated ordinary income and the Company's consolidated gross profit. In addition,</p>	0 (Common stock)

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
15	Yoshinobu Tsutsui (January 30, 1954)  Reelection  Outside and Independent	outstanding loans from SMBC, the Company's subsidiary, to Nippon Life Insurance Company accounted for less than 0.1% of consolidated total assets of the Company. Furthermore, although Nippon Life Insurance Company holds common stock of the Company, its holdings represent less than 1% of the Company's total number of shares issued. Thus, we believe that he fully satisfies the requirements for the independence as an Outside Director.	

Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
16	Katsuyoshi Shinbo (April 8, 1955)  Reelection  Outside and Independent	<p>Career summary:  April 1984 Registered as an attorney at law (to present)  November 1999 Attorney at law at Shinbo Law Office (currently Shinbo &amp; Partners) (to present)  June 2015 Corporate Auditor of SMBC  June 2017 Director of the Company (to present)  Resigned as Corporate Auditor of SMBC</p> <p>Position and responsibility at the Company:  Director  Member of the Audit Committee  Member of the Compensation Committee (Chairman)</p> <p>Significant concurrent positions:  Corporate Auditor of Mitsui Chemicals, Inc.</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):  Attended all 8 meetings held after appointment as Director (100%)</p> <p>Term of Office as Outside Director:  11 months</p> <p>Reasons for nomination as a candidate for Outside Director:  Mr. Katsuyoshi Shinbo plays a leading role in the field of corporate legal affairs, and has extensive experience as an attorney at law and specialized knowledge of legal affairs in general. Accordingly, we believe that he will continue to timely and adequately provide opinions to the management as well as instruct and supervise them by comprehending the essence of the Company's issues from the viewpoint of overall management of the Company. Based upon the above, we have judged that he will be appropriate as an Outside Director of the Company and is capable of properly performing the responsibilities of an Outside Director, and therefore propose his election.</p> <p>Matters concerning independence:  Mr. Katsuyoshi Shinbo meets the "Independence Standards for Outside Directors" set forth by the Company. In addition, the Company has designated him as an Independent Director in accordance with the requirements of the financial instruments exchanges in Japan, such as Tokyo Stock Exchange, Inc.</p> <p>Other:  Mr. Katsuyoshi Shinbo had served as Outside Director of SMBC, the Company's subsidiary, for the period from June 2015 to June 2017.</p>	300 (Common stock)



Candidate No.	Name (Date of birth)	Career summary, position, responsibility, significant concurrent positions and others	Type and Number of shares of the Company held
17	Eriko Sakurai (November 16, 1960)  Reelection  Outside and Independent	<p>Career summary:</p> <p>June 1987      Joined Dow Corning Corporation</p> <p>May 2008      Director of Dow Corning Toray Co., Ltd.</p> <p>March 2009    Chairman and Chief Executive Officer of Dow Corning Toray Co., Ltd. (to present)</p> <p>May 2011      Regional President -Japan/Korea of Dow Corning Corporation</p> <p>February 2015 President and Representative Director of Dow Corning Holding Japan Co., Ltd (currently Dow Silicones Holding Japan Co., Ltd.) (to present)</p> <p>June 2015      Director of the Company (to present)</p> <p>Position and responsibility at the Company:</p> <p>Director</p> <p>Member of the Nominating Committee</p> <p>Member of the Compensation Committee</p> <p>Significant concurrent positions:</p> <p>Chairman and Chief Executive Officer of Dow Corning Toray Co., Ltd.</p> <p>President and Representative Director of Dow Silicones Holding Japan Co., Ltd.</p> <p>Director of SONY CORPORATION</p> <p>Attendance of the Board of Directors meeting held in the fiscal year (attendance rate):</p> <p>Attended all 10 meetings (100%)</p> <p>Term of Office as Outside Director:</p> <p>2 years and 11 months</p> <p>Reasons for nomination as a candidate for Outside Director:</p> <p>Ms. Eriko Sakurai plays a leading role in the field of corporate management, and has extensive experience as an international business executive and specialized knowledge in corporate management. Accordingly, we believe that she will continue to timely and adequately provide opinions to the management as well as instruct and supervise them by comprehending the essence of the Company's issues from the viewpoint of overall management of the Company. Based upon the above, we have judged that she will be appropriate as an Outside Director of the Company, and propose her election.</p> <p>Matters concerning independence:</p> <ol style="list-style-type: none"> <li>Ms. Eriko Sakurai meets the "Independence Standards for Outside Directors" set forth by the Company. In addition, the Company has designated her as an Independent Director in accordance with the requirements of the financial instruments exchanges in Japan, such as Tokyo Stock Exchange, Inc.</li> <li>Ms. Eriko Sakurai currently serves as Chairman and Chief Executive Officer of Dow Corning Toray Co., Ltd.; however, the amount of transactions between the company and the Group for FY2017 was less than 1% of both the company's consolidated net sales and the Company's consolidated gross profit. In addition, outstanding loans from SMBC, the Company's subsidiary, to Dow Corning Toray Co., Ltd. accounted for less than 0.1% of consolidated total assets of the Company. Furthermore, Dow Corning Toray Co., Ltd. is not a shareholder of the Company. Thus, we believe that she fully satisfies the requirements for the independence as an Outside Director.</li> </ol>	500 (Common stock)

- Notes: 1. Messrs. and Ms. Masayuki Matsumoto, Arthur M. Mitchell, Shozo Yamazaki, Masaharu Kohno, Yoshinobu Tsutsui, Katsuyoshi Shinbo and Eriko Sakurai are candidates to serve as Outside Directors.
2. Mr. Yoshinobu Tsutsui has been appointed as an Outside Director of Panasonic Corporation. Panasonic Corporation and Panasonic Avionics Corporation (PAC), one of its U.S. subsidiaries, were investigated for suspicion of violating the Federal Foreign Corrupt Practices Act and other U.S. securities laws regarding specified contracts with airlines and the appointment of sales agents and consultants pertaining to such contracts. In May 2018, Panasonic Corporation and PAC entered into agreements with the U.S. Securities and Exchange Commission and the U.S. Department of Justice to pay punitive fines to the U.S. government and to take various measures to improve compliance. Although Mr. Yoshinobu Tsutsui was not aware of these facts, from the viewpoint of legal compliance, he conducted his duties through the Board of Directors, and made efforts so that business would not be conducted in violation of laws and regulations. Also, after becoming aware of these facts, he ordered a thorough investigation and efforts to prevent recurrences and fulfilled his duties by reviewing the details of such efforts.
3. The Company entered agreements with Messrs. and Ms. Masayuki Matsumoto, Arthur M. Mitchell, Shozo Yamazaki, Masaharu Kohno, Yoshinobu Tsutsui, Katsuyoshi Shinbo and Eriko Sakurai pursuant to Paragraph 1 of Article 427 of the Companies Act (the Act) to limit their liability under Paragraph 1 of Article 423 of the Act. The maximum amount of liability for damages under these liability limitation agreements is ¥10 million or the minimum amount of liability for damages stipulated in Paragraph 1 of Article 427 of the Act, whichever is higher.
4. If this proposal is approved and passed, members and chairman of each committee will be as follows.
- |                         |  |
|-------------------------|--|
| Nominating Committee:   | Yoshinobu Tsutsui (Chairman), Koichi Miyata, Masayuki Matsumoto, Arthur M. Mitchell, Masaharu Kohno, Eriko Sakurai |
| Audit Committee:        | Masayuki Matsumoto (Chairman), Toshiyuki Teramoto, Toru Mikami, Shozo Yamazaki, Katsuyoshi Shinbo                  |
| Compensation Committee: | Katsuyoshi Shinbo (Chairman), Koichi Miyata, Takeshi Kunibe, Arthur M. Mitchell, Yoshinobu Tsutsui, Eriko Sakurai  |

(Reference) “Independence Standards for Outside Directors” of the Company are stated on the next page.

## **(Reference) “Independence Standards for Outside Directors” of the Company**

In order for Outside Directors to be judged as independent by the Company, it is necessary that they do not fall under or have not recently <sup>(Note 1)</sup> fallen under any of the following:

### **1. Major Business Partner** <sup>(Note 2)</sup>

- (1) A person who has the relationship with the Company or the Sumitomo Mitsui Banking Corporation (the Company, etc.) as a major business partner, or a person engaged in the execution of business thereof;
- (2) A person who is a major business partner of the Company, etc., or a person engaged in the execution of business thereof.

### **2. Specialist**

- (1) A legal expert, accounting expert or consultant who has received money or other property from the Company, etc. averaging more than ¥10 million per year over the last three years, in addition to any compensation received as a Director or a Corporate Auditor;
- (2) A member of a juridical person or other organizations that provides specialist services, such as a law firm, accounting firm or consulting firm, which has received large amounts of money or other property <sup>(Note 3)</sup> from the Company, etc.

### **3. Donations**

A person who has received – or a person engaged in the execution of business thereof – on average over the last three years, donations or other payments from the Company, etc., in excess of the greater of ¥10 million per year or 2% of the recipient’s annual sales.

### **4. Major Shareholder**

A major shareholder of the Company, or a person engaged in the execution of business thereof (including anyone who has been a major shareholder, or a person engaged in the execution of business thereof within the last three years).

### **5. Close Relative** <sup>(Note 4)</sup>

A close relative of any person (excluding non-material <sup>(Note 5)</sup> personnel) who falls under any of the following:

- (1) A person who falls under any of 1 through 4 above; or
- (2) A Director, Corporate Auditor, Corporate Executive Officer, Executive Officer or employee of the Company or a subsidiary thereof.

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Note 1. “Recently” denotes a time that can be deemed to be substantively the same as the present; for example, a person is not independent if that person was a major business partner at the time when the proposal electing that person as an Outside Director to the General Meeting of Shareholders was decided.

Note 2. A “Major Business Partner” denotes a person who falls under either or both of the following:

- A person who has the relationship with the Company, etc. as major business partners  
The ratio of said person’s sales from transactions with the Company, etc. exceeds 2% of the person’s consolidated net sales; and
- A major business partner of the Company, etc.  
Said person receives loans from the Sumitomo Mitsui Banking Corporation in excess of 1% of the Company’s consolidated total assets.

Note 3. “Large amounts of money or other property” denotes money or other property in excess of 0.5% of the Company’s consolidated ordinary income.

Note 4. “Close relative” denotes a spouse or family member within the second degree of kinship.

Note 5. Examples of “material” personnel

- A director, corporate auditor, or manager-level employee of each company; or
- In the case of an accounting or legal expert: a Certified Public Accountant, attorney at law, or holder of a similar professional qualification.