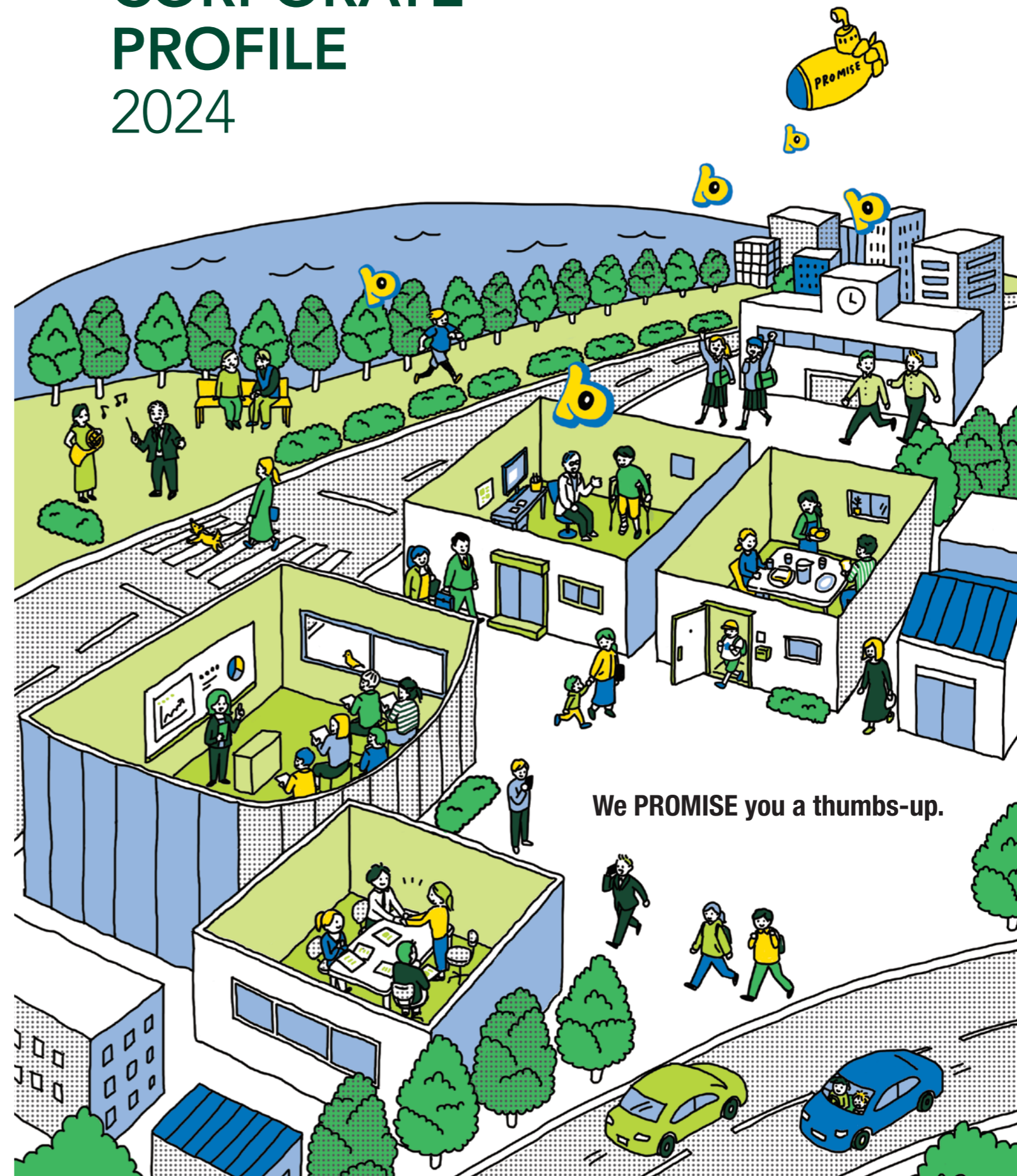


CORPORATE PROFILE 2024



<https://www.smbc-cf.com/english/corporate/index.html>



We PROMISE you a thumbs-up.

SMBC Consumer Finance Co.,Ltd.

2-2-31, Toyosu, Koto-ku, Tokyo, 135-0061, Japan
Public Relation Sec.
TEL.03-6887-1274

2024.11



SMBC
CONSUMER FINANCE

We aim to become the No.1 consumer finance brand that continues to be chosen by customers.

Since our establishment in March 1962, we have striven to offer consumer financial services that promptly meet the diverse needs of our customers, by developing and providing safe and convenient personal loan products that allow our customers to satisfy their funding needs with peace of mind, and building a system for dealing with customer inquiries and loan applications while keeping pace with changes in people's lives and lifestyles.

In April 2012, marking the 50th anniversary of our founding, we became a member of the SMBC Group. In July of the same year, while retaining the "PROMISE" service brand, we changed our company name to SMBC Consumer Finance Co., Ltd. and shifted to a structure that enables us to drive further growth by strengthening our main businesses, including the financing, loan guarantee, overseas, and loan management businesses, as the core company of the SMBC Group's consumer finance business in cooperation with Sumitomo Mitsui Banking Corporation and other SMBC Group companies.

While these efforts have generally received a positive evaluation, the environment surrounding us has been changing rapidly in recent years due to factors such as the progress of digitalization,

the accelerating pace of technological innovation, and the entry of companies from different industries into the financial sector. It is therefore essential to constantly reform and improve our services to customers in response to these changes.

In light of these changes in the business environment, we have formulated a medium-term management plan with four pillars: "expansion of market share in core businesses," "further strengthening the management foundation," "business expansion into new business areas," and "pursuit of social value." Based on this plan, we will work to build a sound consumer finance market by providing optimal services and support tailored to customers' specific needs. We will also proactively take action to resolve social issues and contribute to building a sustainable society through our business activities.

Thanks to the support of our customers, business partners, and other stakeholders, we were able to reach the milestone of our 60th anniversary in March 2022. Towards becoming "the No.1 consumer finance brand that continues to be chosen by customers," we will continue to conduct our business as professionals with high ethical standards and integrity.



President and Representative Director,
Chief Executive Officer

Terumasa Takahashi

Our 60 years of history of transforming the consumer finance industry

Established in March 1962 as “Kansai Finance,” our company celebrated its 60th anniversary in March 2022. Here we would like to introduce our 60-year journey of transforming the consumer finance industry, along with the key events in the industry and the world.

Aiming for further customer satisfaction and sustainable growth

We celebrated our 60th anniversary in March 2022. We have always wished to be a reliable partner for our customers by staying close to them and sharing their feelings. We will continue to pursue customer satisfaction and strive to achieve sustainable growth in order to become the “No. 1 consumer finance brand that continues to be chosen by customers.”

Company history →
Events in the industry and the world →

1962– The origin of our company

Ryoichi Jinnai, the founder of our company, established Kansai Finance (company name at the time) in March 1962. At that time, the supplier side held an absolute dominant position over consumers. Mr. Jinnai worked to develop a new consumer finance system from the consumer's perspective, with the aim of making it easier for consumers to access loans and repay them. Believing the best finance from the customer's perspective is one with no interest, no repayment deadline, and no collection calls, he set up his own consumer finance business to commercialize this idea.



Founder Ryoichi Jinnai

1962
Kansai Finance established in Osaka City

1963– Thoughts behind the company name

In February 1963, the year after its establishment, the company name was changed to “Kansai Promise.” The new name was chosen based on the idea that “lenders and customers are on equal footing and should engage in fair and transparent transactions while keeping their promises to each other.” Although this is no longer the company's name, “Promise” is still widely recognized as our service brand.



1963

- Changed company name to Kansai Promise
- Started consumer finance business by utilizing PC (Promise Check) system



2011

- Became a consolidated subsidiary of SMFG
- Acquired At-Loan

2012

- Became a wholly owned subsidiary of SMFG
- Changed company name to SMBC Consumer Finance

2011 Great East Japan Earthquake

2010 Full enforcement of Money Lending Business Act

2010

- Established Customer Service Plaza
- Acquired Sanyo Shinpan

2008 Global financial crisis

2013 Started four Promise subsidiary companies in China

2014 Changed Mobit to a wholly owned subsidiary

2015 Social Security and Tax Number (My Number) System commenced

2018 Adopted SMBC Group's unified logo

2021 Acquired 49% interest in FE Credit in Vietnam

2007– Merger with Sanyo Shinpan

The company merged with Sanyo Shinpan to better respond to the changing business environment and promote growth strategies.

2004 Signed a broad business and capital alliance agreement with Sumitomo Mitsui Financial Group (SMFG)

2005 Started PROMISE (THAILAND) in Thailand

2006

- Supreme Court Judgment on “Refund of Interest on Settlement”
- Amended Money Lending Business Act passed and promulgated

2007 Japan Financial Services Association established

2003 Entered guarantee business

2001 Established PAL Servicer (now Abilio Servicer)

2000 Established joint-venture loan company Mobit (now SMBC Mobit) with Sanwa Bank (now MUFG Bank) and APLUS

1999 Changed the Promise logo



1997 Five Consumer Finance Companies Liaison Committee launched

1995 Great Hanshin-Awaji Earthquake

1996

- Commenced “Promise Essay Contest”
- Listed on the First Section of the Tokyo Stock Exchange

1993 Registered common stock with the Japan Security Dealers Association shares as over-the-counter stock

1989– Overseas expansion

In August 1989, the company entered the automobile installment sales business in Taiwan. In February 1992, PROMISE (HONG KONG) Co., Ltd. was established as our first overseas consumer finance business subsidiary.

1983– The industry's first automated credit assessment system commenced operation

In August 1983, by fundamentally revising our existing credit system that had been continuously improved since the company's founding, we introduced the industry's first automated credit system that utilizes past customer transaction data through state-of-the-art computer systems.

1964 Tokyo Olympic Games

1969 Japan Consumer Finance Association (JCFA) established by 11 companies

1969 Expanded business into Tokyo with the establishment of Tokyo Promise

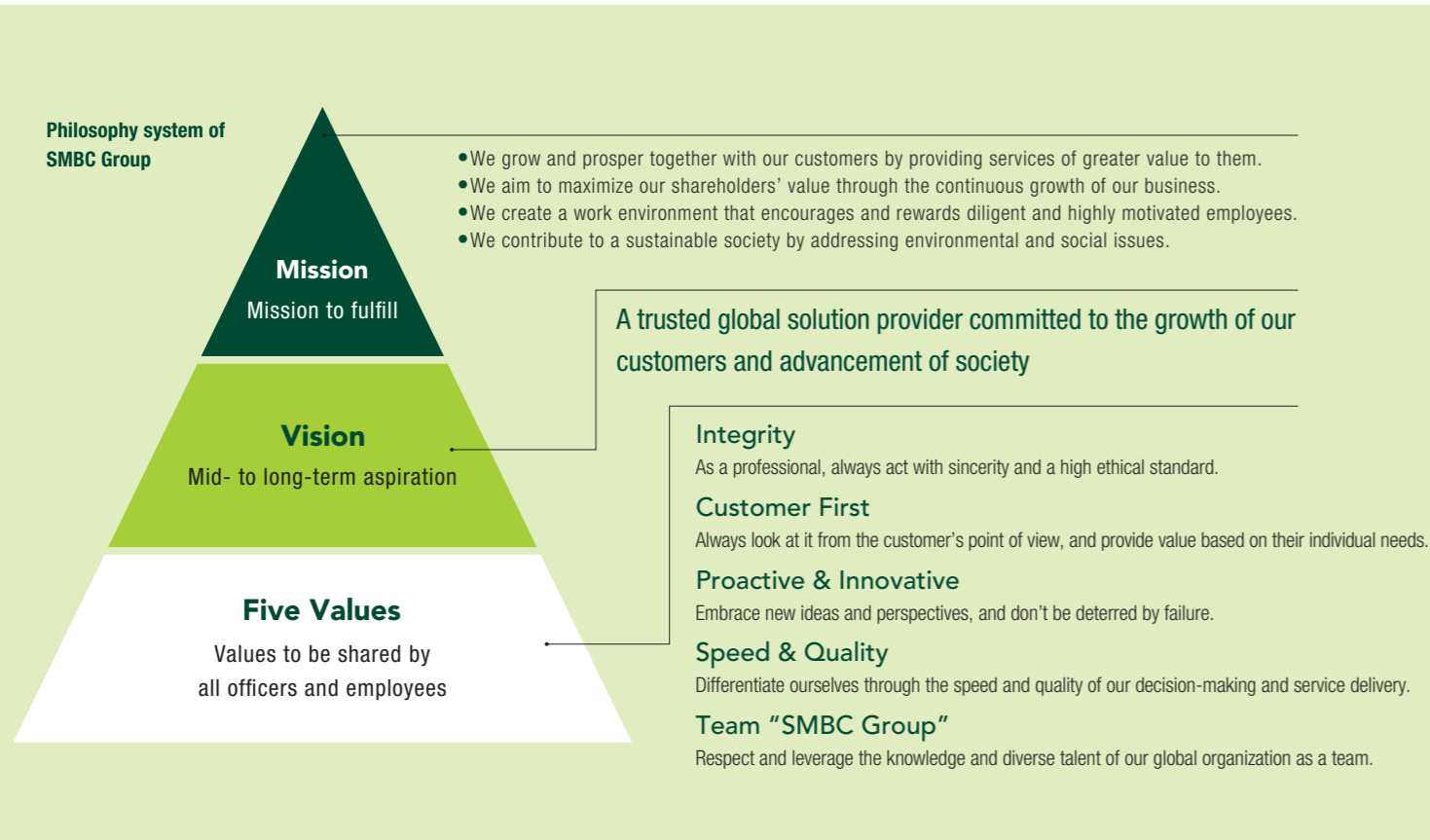
1974 Merger of Kansai Promise and Tokyo Promise; trade name changed to Promise Trust

1980 Changed company name to Promise

1983 Act for Controls in the Money Lending Business took effect

As a Member of the SMBC Group

The SMBC Group launched a new group management structure in April 2017, introducing a business division system to further enhance its ability to serve customers in an integrated manner as a united group. In April 2018, “SMBC” was designated as the Group’s master brand. In addition to introducing a new group name and group brand logo, the Group unified its group companies’ corporate logos in an effort to enhance group brand recognition and brand value. Furthermore, the SMBC Group has established a philosophy system consisting of the “Mission,” which serves as the foundation for all of its corporate activities and describes the primary missions that the Group aims to fulfill for all stakeholders; the “Vision,” which describes the Group’s mid- to long-term aspiration; and the “Five Values,” a set of values to be shared by all officers and employees of the Group.



Steadily Moving Forward and Taking on Further Challenges



As a pioneer in consumer finance

On March 20, 1962, Kansai Finance, the predecessor of Promise, was established in Miyakojima-ku, Osaka City, and in February 1963, the company name was changed to Kansai Promise. On April 1 of the same year, the company started a consumer finance business specializing in small unsecured loans by introducing a finance system using a checkbook modeled after the promissory note system, which was the predecessor to the current revolving system.

In August 1983, 20 years after our establishment, we became the first consumer finance company in Japan to introduce an automated credit system. This system is capable of automatically setting credit limits based on customer information obtained during the screening process and through inquiries to credit information agencies, along with customer attributes and transaction data accumulated since our establishment.

The automated credit system is constantly reviewed and upgraded to provide credit in light of the business environment. We have also built a credit system that can calculate appropriate credit limits for customers in compliance with the relevant laws and regulations of each country and region—not only within Japan but also in other countries/regions where we are operating. In 2018, we rebuilt a credit model by utilizing AI technology to analyze customers’ transaction status. By leveraging the strengths of our credit system and digital technologies, we are working to improve credit assessment accuracy so that customers can make transactions safely and with peace of mind.

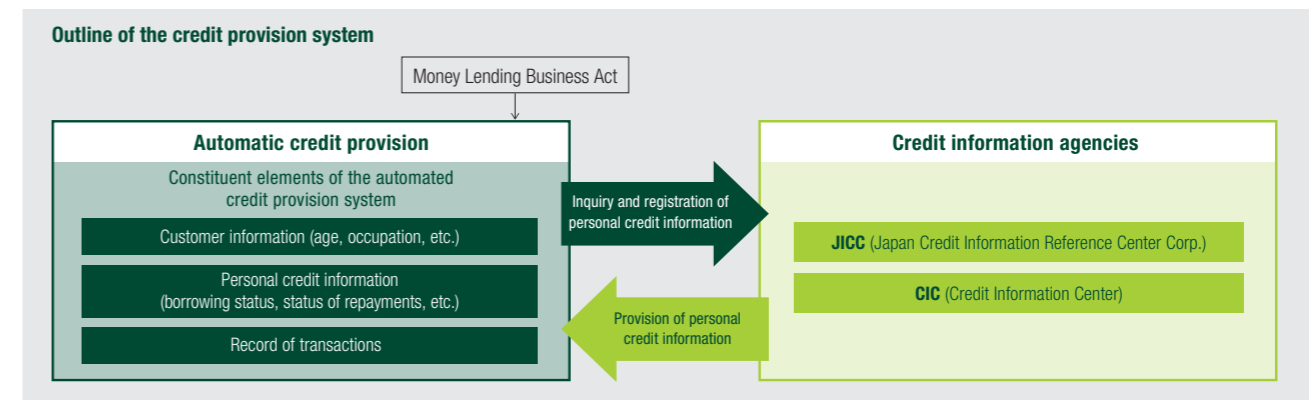
The key to our business operations is our credit expertise. We inquire with credit

information agencies, not only during the credit screening process but also on a regular basis after the contract is concluded, to understand changes in customers’ situations and check their individual transactions one by one to ensure they do not overstretch themselves. The characteristics of the consumer finance business can be expressed by four Ss: Speed, Simple, Secret, and Safety. Based on these four Ss, we have been providing services that enable customers to borrow money with peace of mind. Leveraging our business model featuring the four Ss and our credit expertise cultivated through consumer finance business, we are expanding our business by promoting guarantee business alliances with financial institutions, developing overseas businesses in Taiwan, Hong Kong, Thailand, mainland China, and Vietnam, and promoting the servicer business.

As a pioneer in consumer finance, we will continue to develop and provide services to further improve customer convenience and safety and will strive to meet diverse financial needs of our customers by promoting various businesses while fully utilizing our expertise.

SMBC CONSUMER FINANCE Group Companies

Company Name	Established	Principal Business	Company Name	Established	Principle Business
Abilio Servicer Co., Ltd.	March 1999	Loan management and collection	PROMISE (SHENYANG) CO., LTD.	December 2010	Small loans (Consumer finance)
SMBC Guarantee Co., Ltd.	July 1976	Credit guarantee	Promise Consulting Service (Shenzhen) Co., Ltd.	July 2012	Outsourcing for the operation of group companies, system development and planning
PROMISE (HONG KONG) CO., LTD.	February 1992	Consumer finance	PROMISE (CHENGDU) CO., LTD.	November 2013	Small loans (Consumer finance)
Liang Jing Co., Ltd.	August 1989	Loan management and collection	VPBank SMBC Finance Company Limited	February 2015	Consumer finance
Promise Asset Management Co., Ltd.	April 2014	Loan management and collection			
PROMISE (THAILAND) CO., LTD.	March 2004	Consumer finance			
PROMISE (SHENZHEN) CO., LTD.	May 2007	Small loans (Consumer finance)			





Financing Business

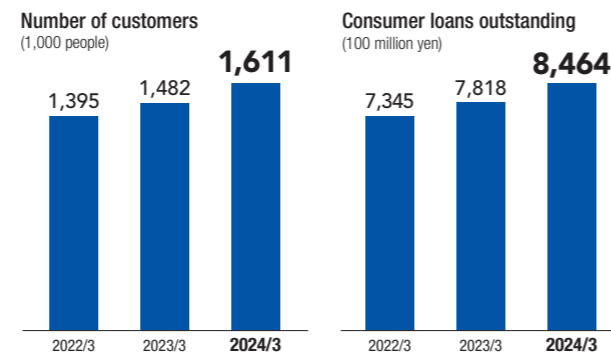
Providing Better Services to More Customers

Financing services that provide greater convenience for customers

Promise is one of our financing business arms. Its main offering is Free Cashing (revolving loans), which meets the various borrowing needs of individual customers. Other offerings include Card Loans for the Self-employed, which meet the funding needs of self-employed individuals, and Consolidation Loans, which aim to ease the burden on those who are repaying multiple loans. In recent years, we have introduced various new services, including App Loans using our official app Promise as a platform, the V Point system, a shared point reward service for the SMBC Group, and issuance of Promise Visa cards with a credit function provided by Sumitomo Mitsui Card Co., Ltd. In October 2023, we renewed our brand logo and slogan and launched new advertising to embody our new brand concept of supporting everyone's lifestyle (Promise = Lifestyle Support Brand).

Furthermore, starting in January 2024, in order to respond to customers' financial needs more quickly and enhance convenience, we have introduced a service that allows customers to submit their income information via Seven Bank ATMs using their My Number Card and a "digital screening" service that completely digitizes the process from application to borrowing.

PROMISE



Various channels available to meet different customer needs

We have established a network of various channels in order to promptly meet the needs of customers wishing to use services anytime and anywhere with peace of mind, as well as the expectations of potential customers who have concerns about borrowing money.

At our Customer Service Centers, located in eastern and western Japan, we receive and screen loan applications and provide consultation and guidance on borrowing and repayment through contactless channels, including automated loan contracting machines, the Internet, and telephone. We have also introduced customer support systems such as AI chatbot and FAQ to ensure that customers use our services with peace of mind. The Customer Service

Centers have established a system that centrally holds information related to individual customers' transactions and provides all kinds of support to allow customers to make transactions with peace of mind. The Centers' constant efforts to improve customer response quality have resulted in 11 consecutive years of COPC[®]* certification (an international quality assurance standard for contact centers) since 2013.

*The COPC[®] CX Standard for CSPs Release 7.0. It is a global quality assurance standard developed specifically for contact center operations to improve customer satisfaction and ensure efficient operations. It certifies contact centers that have fulfilled and maintained the prescribed standards to an excellent level, particularly in relation to customer response performance.



Cooperation Business

Providing Services to Meet Diverse Funding Needs

Expanding collaboration business by leveraging our expertise

We are engaged in the collaboration business by leveraging our accumulated expertise in credit and loan management. In the loan guarantee business, when our partner financial institution receives an application for an unsecured personal loan from a customer, it screens the application, and then we,

as the loan guarantee company, conduct guarantee screening. Based on the results of our guarantee screening, the financial institution provides the loan to the customer. If the customer becomes unable to repay the loan, we will repay the financial institution on behalf of the customer.

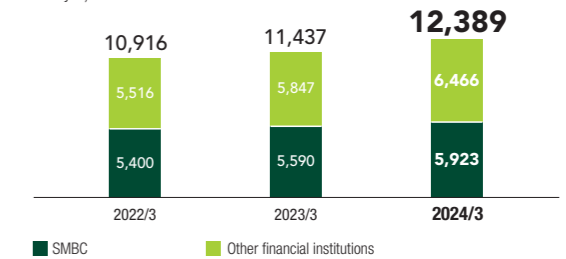
Partner financial institutions across Japan (as of March 31, 2024)

Banks	72
Credit unions	79
Credit associations	33
Others	4

Partner financial institutions to which loan guarantee is provided

188

Guaranteed loans outstanding (100 million yen)



Our Guarantee Centers, located in Tokyo and Fukuoka, are entrusted with application reception and guarantee screening for unsecured personal loans provided by our partner financial institutions. In October 2018, the Centers received COPC[®] certification, an international quality assurance standard, for the first time in Japan as a guarantee center that provides BPO* services.

*Business Process Outsourcing. It refers to continuous entrustment of a series of business processes from outside companies.



Implementing joint advertising in the loan guarantee business

Launching a new advertising service model to improve promotional efficiency at partner financial institutions

On October 2, 2023, in the loan guarantee business, we started a service in which we provide creatives produced by our company to our partner financial institutions for use in their advertising and promotional activities.

[Advertising campaign featuring actress Mayu Matsuoka]

We have launched advertisements featuring actress Mayu Matsuoka, who has been active in a variety of fields, including TV dramas, movies, and commercials, and who is popular among both men and women of all ages. Through the natural and friendly image of Ms. Matsuoka, we express the idea that financial institutions are there for their customers and can be of assistance.

Poster



Business card size card



Expansion of areas of business collaboration and creation of new businesses and services

Setting the goal of "expanding into new business areas" in our medium-term management plan starting in fiscal 2023, we are striving to create new businesses and services while at the same time working to further expand our loan guarantee business by providing solutions designed for financial institutions.

As solutions for financial institutions, we (1) provide the Loan Operations Digitization Platform and (2) promote planning and sales activities that contribute to the expansion of areas of business collaboration.

By utilizing the expertise we have cultivated in consumer finance, we also (3) provide affiliated loans that can contribute to the revitalization of general business companies' core businesses and their business diversification, thereby aiming to develop new business models.

(1) Provision of the Loan Operations Digitization Platform

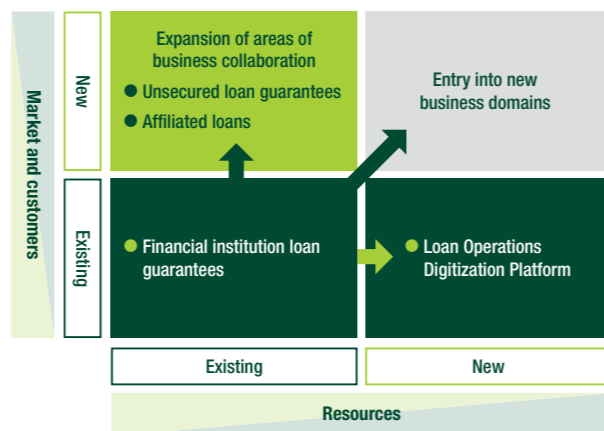
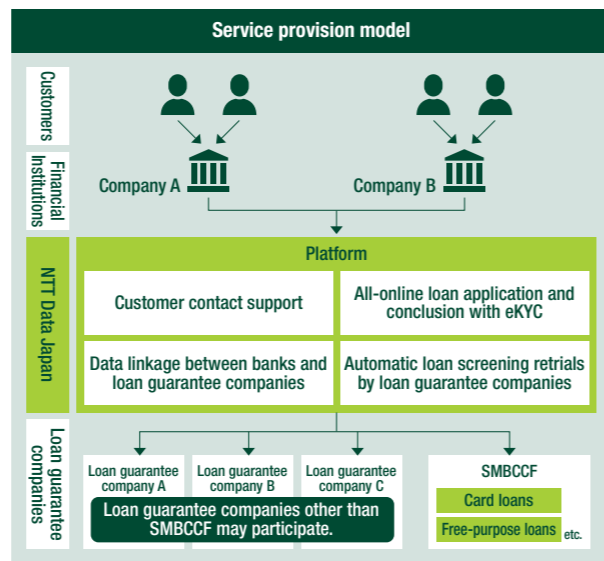
In collaboration with NTT Data Japan Corporation, we have built a platform that supports the digitalization of overall operations regarding loans, and we have begun providing the platform to financial institutions. In the personal loan business, financial institutions and loan guarantee companies are faced with inflated system costs and more complicated administrative operations. By resolving these issues through the realization of digital transformation and providing new value to financial institutions and users, we aim to contribute to the expansion of the personal loan market and become the industry standard.

(2) Expansion of areas of business collaboration

We are promoting new loan guarantee partnerships with money lending companies as a new business domain, by utilizing our credit and loan management expertise accumulated in the loan guarantee business.

(3) Affiliated loans

We are promoting collaboration and co-creation with corporate customers, mainly based on the SMBC Group's customer base. For affiliated loans, points are awarded to customers who enter into contracts through general business companies, and a portion of the interest income is returned to the affiliated general business companies.



Overseas business

Providing Reliable and Secure Financial Services Worldwide

Consumer finance services expanding in Asia

Leveraging the credit, loan management, business operation, and marketing expertise we have developed in Japan, we have established local subsidiaries in Taiwan, Hong Kong, Thailand, and mainland China and conduct business in those countries and regions. Our overseas business started in Taiwan in 1989. In 1992, we established PROMISE (HONG KONG) CO., LTD. as our first consumer finance subsidiary outside Japan.

Overseas bases (as of March 31, 2024)

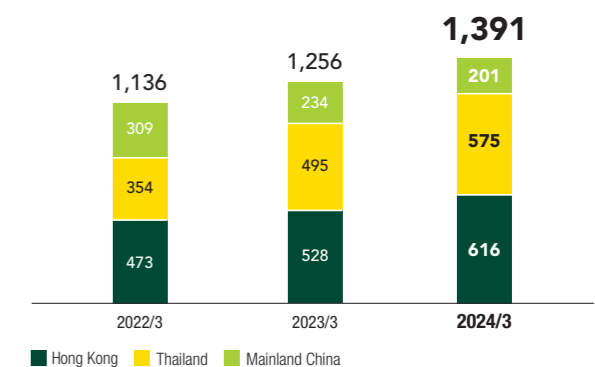


PROMISE (HONG KONG) offers small unsecured and unguaranteed loans to individual customers, as we do in Japan, and has 15 staffed branches throughout Hong Kong. In response to recent growing needs for online transactions, PROMISE (HONG KONG) introduced an all-online service in November 2014 to strengthen its online application reception function. This is just one example of PROMISE (HONG KONG)'s efforts to quickly grasp customer needs and provide highly convenient services. Based on our track record at PROMISE (HONG KONG), we established PROMISE (THAILAND) in 2004. PROMISE (THAILAND) operates 100 service points throughout Thailand and strives to enhance sales promotions through TV commercials and Internet advertising, aiming to become an accessible personal loan company.

After gaining experience in running PROMISE (HONG KONG) and PROMISE (THAILAND), we have established local subsidiaries in several cities in mainland China. In China, we use a service brand called Bo Min Kuai Yi Dai. In addition to local network expansion by sales staff, we are striving to improve customer convenience by promoting personal authentication on an online platform and the digitalization of contract documents, with the aim of provid-

ing services selected by local customers. In 2021, as part of SMBC Group's Asian multi-franchise strategy, we acquired a 49% stake in FE Credit, the largest consumer finance company in Vietnam. We aim to contribute to FE Credit's further development by leveraging the consumer finance know-how we have cultivated over many years in Asian countries. We also aim to strengthen the growth strategies of both companies by absorbing FE Credit's advanced digital methods and other resources.

Consumer loans outstanding (100 million yen)





Loan management business

Strengthening Each Business by Leveraging our Expertise

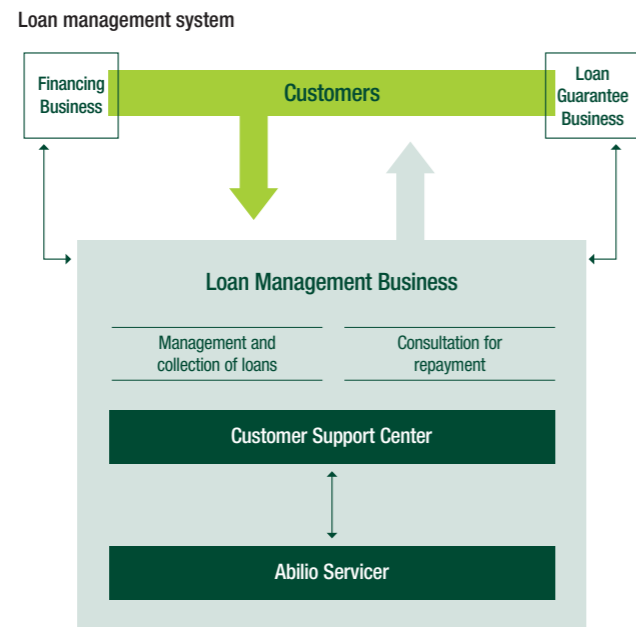
Loan management system that supports our businesses

Our loan management expertise, which is one of our major strengths along with credit know-how, supports our business operations. Our loan management operations are carried out by the Customer Support Center and subsidiary company Abilio Servicer. These two organizations work together to build an optimal loan management system.

The Customer Support Center was established in April 2021 by integrating two centers to leverage their strengths: the "Counseling Center," which offered customer-oriented repayment consultations by staff members with specialized knowledge on loan repayment, and the "Loan Administration Center," which was in charge of the management and collection of long-overdue loans in the financing business and reimbursement claims in the loan guarantee business, the handling of settled-interest reimbursement claims, and legal

matters. Customer Support Center staff communicate with customers to understand their situation and needs and address their repayment concerns head-on. The Center aims to support customers both today and in the future by providing proposals and guidance to solve their problems while pursuing "genuine" repayment consultation that earns customer trust.

Abilio Servicer manages and collects small and large claims purchased from or entrusted by financial institutions nationwide. With an extensive network of five operating bases across Japan, Abilio Servicer is providing services to more than 2,200 financial institutions, including banks and credit unions. Abilio Servicer is also taking on new challenges, such as business revitalization projects and collaboration with other SMBC Group companies.



Sustainability at SMBC Consumer Finance

SMBC Consumer Finance is involved in activities for the realization of a sustainable society in accordance with the SMBC Group Statement on Sustainability.

SMBC Group Statement on Sustainability

As a corporate group with roots in Mitsui and Sumitomo, the SMBC Group will inherit the commitment to sustainability that our predecessors valued and take actions toward the realization of sustainability, setting priority social issues we will focus on.

Definition of Sustainability

The SMBC Group defines sustainability as "creating a society in which today's generation can enjoy economic prosperity and well-being and pass it on to future generations."

Definition and Basic Policy for Sustainability at SMBC Consumer Finance

Definition

At SMBC Consumer Finance, we define sustainability as creating, providing, and sharing economic and social value for all stakeholders to earn the trust of society and continuously grow together with society.

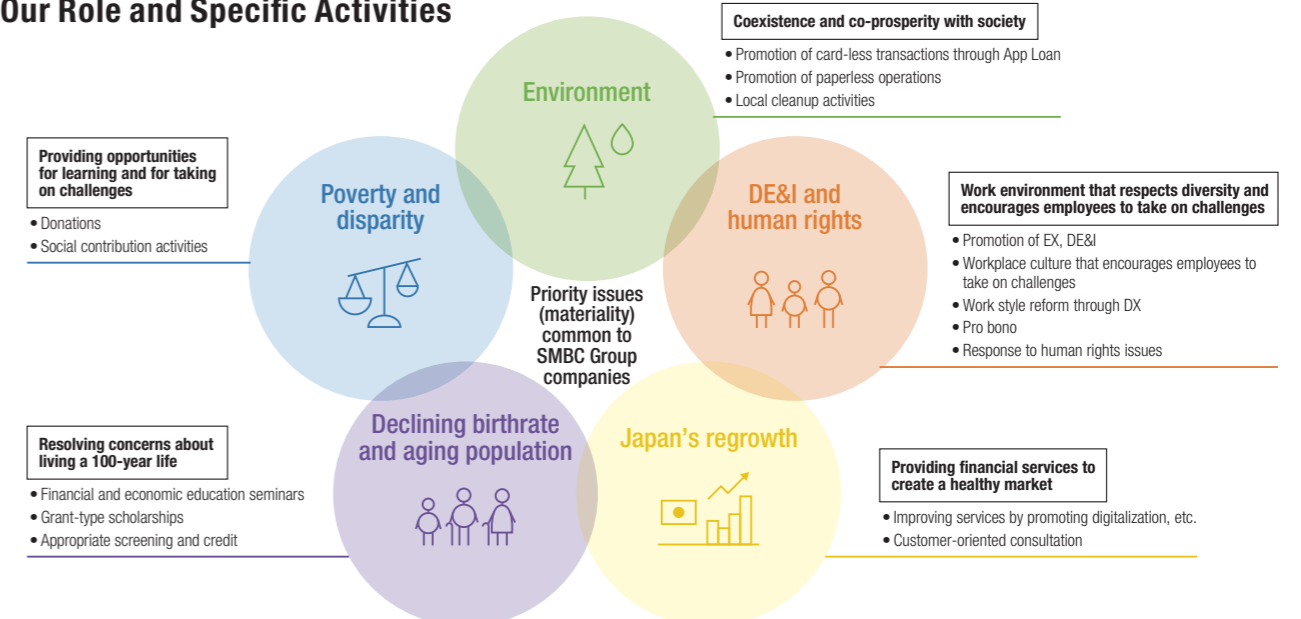
Basic policy for practicing sustainability

Based on the principles of "establishing a stable management base" and "ensuring thorough compliance," we strive to secure appropriate profits while working actively to solve various issues in society through sound business activities.

To enhance our corporate brand value, all our employees are committed to quickly identifying and sincerely addressing the expectations and demands of society while thinking carefully about "What is the value to customers and society?" and "What can we do because of who we are?" We will implement our activities one by one in a responsible manner as a corporate citizen.

We aim to become a global consumer finance company that earns the highest level of trust from our customers.

Our Role and Specific Activities



Social Contribution Activities

Initiatives to improve financial literacy

The SMBC Group aims to create a society where everyone can live with peace of mind, equipped with proper knowledge of money. To this end, the Group provides a variety of financial and economic education for a wide range of generations by leveraging the knowledge and expertise possessed by individual Group companies. As a member of the SMBC Group, we offer financial and economic education to students who will lead the future as well as local residents.

Our education activities started in 2011, and our seminars have been attended by a cumulative total of over 1.8 million people by March 2024. Our financial and economic education activities have been supported by the Ministry of Education, Culture, Sports, Science and Technology and won the Judging Committee's Encouragement Award at the Awards for Companies Promoting Experience-based Learning Activities for Youth.



Cooperation in the planning of Financial Literacy Certification exams and collaborative production of textbooks

The Financial Literacy Certification aims to motivate people to acquire financial knowledge (financial literacy) that can be practically applied in daily life, such as planned asset building and avoidance of financial problems.

Financial Literacy Certification exams are created based on the contents of finance literacy courses in the high school curriculum. Exams are created and operated by the Kinzai Institute for Financial Affairs, a general incorporated association that specializes in examinations for financial institutions, including the Certified Skilled Professional of Financial Planning Test.

We cooperate in the planning of certification exams and the creation of textbooks.



Future Support Scholarship

As part of our commitment to contributing to the development of a sustainable society, we offer grant-type scholarships to university students who will lead the future.

In addition to financial support, the scholarship recipients are provided with opportunities to improve their financial literacy through educational programs that incorporate the financial and economic education know-how that we have cultivated over the years.

Pro bono

As another opportunity for employees to participate in volunteer activities, we have introduced a pro bono program, which allows employees to use part of their work time to support NPOs, etc. working to resolve social issues.

* The term pro bono is derived from the Latin phrase "Pro Bono Publico," meaning for the public good. Pro bono refers to volunteer activities where working adults provide skills and experience gained through their work (in the areas of sales, planning, development, marketing, public relations, etc.) to help solve social issues from a business perspective, which is often lacking in NGOs.

Support for cultural and educational activities

We are a long-standing sponsor of the Promise Essay Contest. The contest marked its 28th edition in 2023. Every year, the contest receives entries from a wide range of age groups, with many entries from junior and senior high school students, including school-based entries. The contest is widely recognized in the educational community as many teachers use the contest to teach essay writing in Japanese language classes.



Donation activities

We have introduced an in-house donation system called "Yakusoku no Mori" to encourage employees to think about and participate in social contribution more actively. To support children who will lead the future, we make donations through this system to the children's home subsidy project (National Council of Homes for Children), children's self-reliance support project (National Council of Youth Independent Assistance Homes), and the hearing dog training project (Japan Hearing Dogs for Deaf People).

We also provide support through the SMBC Group Rising Fund for executives and employees of SMBC Group companies.

Student Sustainability Adviser system

With the aim of solving diverse social issues, in order to incorporate new perspectives from outside the company, rather than being bound by conventional viewpoints, we have introduced the Student Sustainability Adviser (hereinafter SSA) system, which allows us to exchange opinions with current students.

By inviting young people who are highly interested in social issues and have flexible ideas and perspectives as SSAs, we hold active discussions on various topics.



Environmental management system

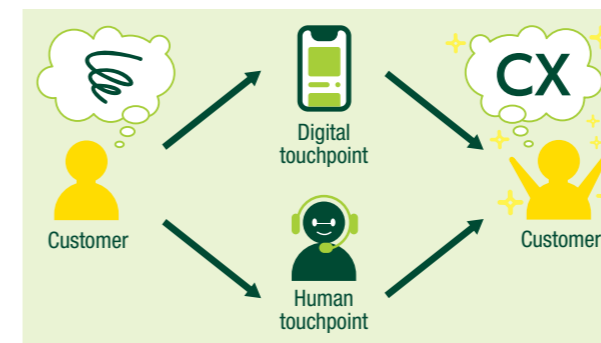
In October 2014, we formulated an environmental policy and established an environmental management system to contribute to the environment through our business, such as increasing customer convenience through digitalization and promoting card-less transactions and the use of web statements.

For Customer Satisfaction

CX (Customer Experience)

Initiatives to improve services through a thorough customer-first approach

We have striven to improve CX since our founding by consistently providing customer-oriented services, including App Loans, which allow customers to complete the entire loan process, from application to borrowing, on their smartphones, and V Points, which can be used conveniently in their daily lives. We are promoting effective, company-wide CX initiatives under the basic policy of enhancing CX initiatives that focus on the provision of "services that exceed customer expectations" and pursuing desired results. We aim to provide the best possible service that meets the needs of individual customers at both digital and human touchpoints.



Company-wide improvement activities to exceed customer expectations

We identify issues and areas for improvement on a daily basis based on customer feedback received directly from our customers and internal suggestions for service and operational improvement that our employees perceive in their daily work.

The identified issues and areas for improvement are discussed from various perspectives by staff members from the customer service department and the relevant head office divisions, and specific solutions are determined.

Customer feedback and the status of improvement measures are promptly shared with all employees, as well as management, through meetings and web-based internal newsletters. The determined measures are implemented collaboratively by the relevant departments with a sense of urgency.

Examples of the improvements we have made based on customer feedback are available on our website.



<https://www.smbc-cf.com/voice/>

BPR* (Business Process Re-engineering)

Company-wide BPR promotion

We have established the Operations Service Division (Operations Service Planning Dept., Innovation Support Promotion Dept.) in order to improve customer satisfaction and gain a competitive advantage over our competitors. The Department is promoting company-wide operational reforms through BPR by functioning as a cross-organizational department responsible for BPR planning and promotion for the entire group.

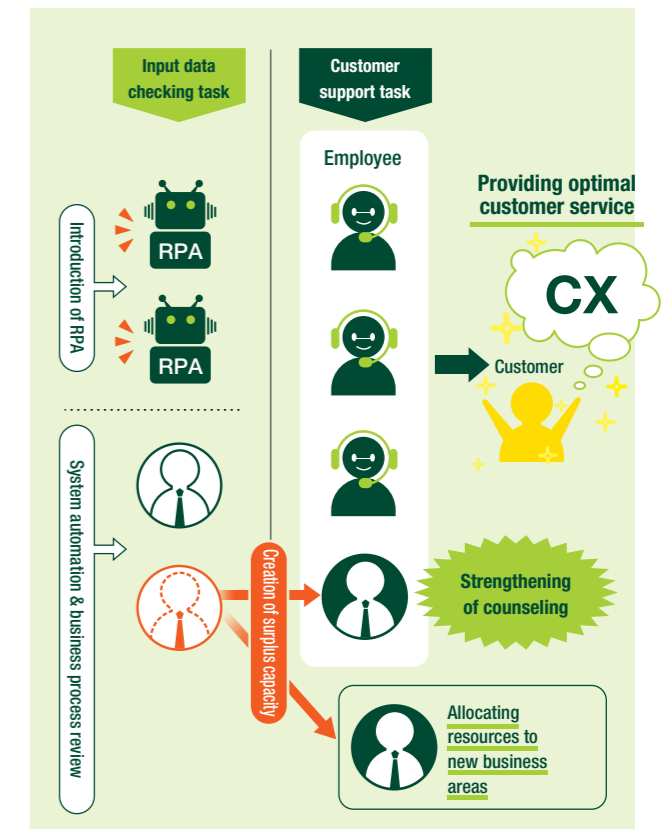
* Reviewing and restructuring business operations with the aim of improving efficiency or productivity

Linking BPR to corporate growth

We define the ultimate goal of BPR as achieving corporate growth by allocating the surplus capacity that becomes available through BPR promotion to "improve EX," "improve CX," and "enter growth areas." The BPR promotion leaders* appointed in each department, the Operations Service Division (Operations Service Planning Dept., Innovation Support Promotion Dept.) and other related departments in the head office form a team and work closely together to identify areas requiring BPR and implement improvement measures.

* BPR promotion leaders are responsible for sharing the details of company-wide efforts and disseminate information in order to activate BPR activities.

Example of CX improvement through BPR promotion



Initiatives for Employees

Our approach to employees

We regard our employees as “human capital” and based on the idea of “supporting the growth of each individual employee,” we are actively engaged in employee education with the aim of developing self-motivated human resources who can work independently and as part of a team by providing support and encouragement to all employees to pursue diverse challenges and maximize their potential. More specifically, we focus on developing human resources who can “perceive what is needed now in light of changes and trends in the internal and external environment,” “think carefully about what to do,” and “take on the challenge of transformation to create new value.”

Diversity initiatives

We are committed to promoting diversity, with the aim of creating a work environment in which everyone, regardless of gender, age, nationality, disability, or employment status, can fully demonstrate their capabilities and feel fulfilled in their work. For example, we have introduced a region-specific employment system (which allows employees to work in the region of their choice) and a reduced working hours system to support a balance between work and childcare. In addition, we are implementing various other initiatives, such as training programs to promote active participation of female and senior employees, LGBTQ awareness-raising activities, and personnel system revision. In addition, we have appointed engagement ambassadors in each department to promote employee mindset reform and the creation of a rewarding work environment. Through these efforts, we aim to create an environment where diverse talents can work with a sense of fulfillment and a desire to grow.



Initiatives to improve employee satisfaction

In addition to improving customer satisfaction, we are making efforts to create a work environment with a high level of employee satisfaction. As part of such efforts, we have introduced a range of work-life balance initiatives to help our employees balance work and life events. Such initiatives include introducing a region-specific employment system and a reduced working hours system, providing information to employees who have taken maternity leave and childcare leave, and holding seminars for those planning to return to work. For employees who wish to pursue self-improvement, we have introduced correspondence courses to support the acquisition of qualifications (e.g. a qualification for Chief of Money Lending Operations) and skill improvement. Furthermore, regarding employee benefit programs, we are working to enhance the quantity and quality of our benefit menu by introducing a cafeteria plan*1 that can be used to suit the changing lifestyles of each employee.



We are also carrying out various activities to strengthen our EAP*2 system, including providing support for employees on leave and returning to work, planning and promoting mental health education, improving collaboration with industrial physicians and industrial health staff, setting up a healthcare room, and holding safety and health committee meetings.

*1 An employee benefit system in which eligible employees are awarded points each year and are allowed to choose their desired benefits from a menu of options using the points they have received.
*2 Employee Assistance Program

Health and productivity management initiatives

In order to maintain and improve the health of employees who support our business operations and their families, we are promoting health and productivity management in accordance with our Health & Productivity Declaration Statement by appointing the President and Representative Director as the Chief Health Management Officer. In March 2024, we were certified as a White 500 (large enterprise category) company under the 2024 Certified Kenko Investment for Health Outstanding Organizations Recognition Program, jointly operated by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi.



Health & Productivity Declaration Statement

SMBC Consumer Finance is committed to “Health & Productivity Management” to enable every employee to continue working energetically in good physical and mental health and delivering customer-oriented services for the realization of its Vision for the Future: Aiming to become a highly trustworthy global consumer finance company.

SMBC Consumer Finance also declares that it is working closely with its health insurance society to actively encourage employees and their families to take the initiative and maintain and improve their own health.

Corporate Governance

Basic stance on corporate governance

We believe that effective corporate governance is integral to the prosperous coexistence of SMBC Consumer Finance and its group companies with society as a trusted corporate citizen. To this end, we constantly strive to strengthen our management structure, improve our internal control and audit systems, and further improve the efficiency, soundness, and transparency of management through the prompt and fair disclosure of corporate information on a pillar of ethical and legal compliance.

Risk management

We are working to strengthen our risk management system with proactive involvement of the executive team in order to properly manage and control various risks surrounding our company and its group companies, maintain the soundness and appropriateness of our organizational operations, and continuously improve our corporate value. We have established a Compliance and Risk Management Committee to centrally identify and appropriately address risks and compliance-related issues and to maintain sound business operations and management by taking flexible measures across the entire company when any risk is actualized. As part of our efforts to establish a risk-sensitive management system, we have introduced the Risk Appetite Framework, a common framework for the SMBC Group, to enhance our business management system.

Compliance

Positioning thorough compliance as one of our most important management issues, we are committed to ensuring that our actions are not merely in compliance with laws and regulations, but are supported by society at large, including social norms, by making it a principle to act with high ethical standards and sincerity as professionals, based on a spirit of integrity. We are working to enhance and strengthen our compliance system through the development of internal regulations and an organizational structure, in-house education, and ongoing awareness-raising activities.

Our organizational structure for compliance consists of the Compliance Planning Department, which serves as a compliance supervisory department, the compliance promotion unit, which is responsible for promoting internal controls in operations divisions, and compliance officers appointed in each department. They all work to ensure compliance with relevant laws and regulations and social norms. The Internal Audit Department regularly audits these systems and activities from an independent standpoint to verify their appropriateness.

Furthermore, we have also set up consultation desks both inside and outside the company to enhance our self-cleaning function through the early detection and correction of violations of laws and regulations. We are working to enhance our internal reporting system in accordance with the Whistleblower Protection Act.

Response to antisocial forces

We have established a basic policy* against antisocial forces and have put in place a system to reject any relationships with antisocial forces in order to maintain public trust in our company and ensure appropriate business operations.

* We have formulated the Regulations for the Elimination of Antisocial Forces, which set out specific basic policies for dealing with antisocial forces.

Countermeasures against money laundering and terrorism financing

Based on requests from international organizations such as FATF* and countries concerned, as well as the laws and regulations of Japan and other countries, we are taking steps to prevent the violation of regulations on money laundering and terrorism financing and to ensure appropriate business operations. In addition, to combat fraudulent transactions, etc., we have established a company-wide framework and are considering and implementing various measures in cooperation with public institutions.

* Financial Action Task Force

BCP (Business Continuity Plan)

We have established rules and regulations on emergency preparedness and response in order to ensure a prompt and appropriate response in the event of a disaster or other emergency. In addition, we have formulated a Business Continuity Plan (BCP) to ensure business continuity and early recovery in the event of a disaster. We regularly conduct BCP training, in which various drills are carried out, including initial response in the event of a major disaster (e.g. earthquake). We are working to enhance our emergency response system by considering improvement measures for any issues identified in the drills.

Information

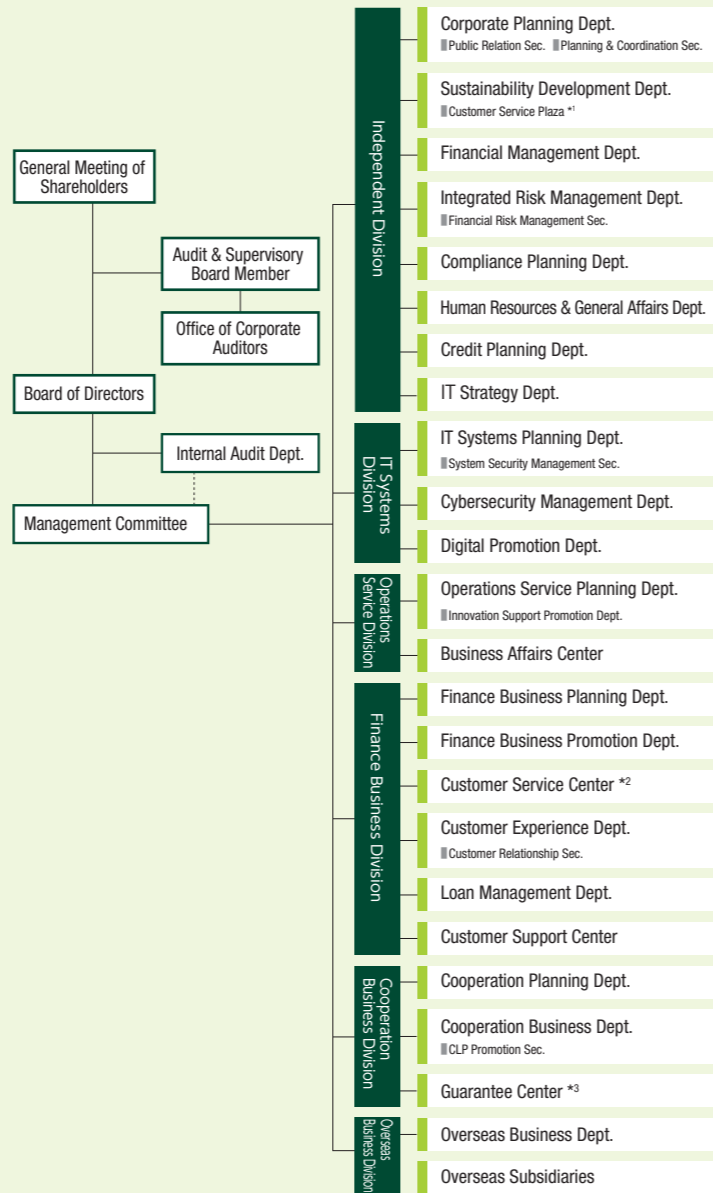


Exterior of head office

Trade Name	SMBC Consumer Finance Co., Ltd.
Date of Establishment	March 20, 1962
Paid-in Capital*	140,737 million yen
Fiscal Year	April 1 to March 31
Shareholder	Sumitomo Mitsui Card Company, Limited
Head Office	2-2-31 Toyosu, Koto-ku, Tokyo 135-0061, Japan 03-6887-1515
Principal Business*	Consumer finance, Guarantee
Employees*	2,083
Average Age of Employees*	43.6 years old
Association Membership	- Japan Financial Service Association - Japan Credit Card Association - Japan Business Federation
Service Channels*	447 ※These are all (unstaffed) stores equipped with automated contract machines.

*As of March 31, 2024

Organization



*1 Eleven Customer Service Plazas in Sapporo, Sendai, Tokyo, Kanazawa, Nagoya, Osaka, Hiroshima, Matsuyama, Fukuoka, Kagoshima, and Naha
*2 Two Customer Service Centers serving the Higashi-Nihon and Nishi-Nihon
*3 Two Guarantee Centers (Tokyo and Fukuoka)

(As of October 1, 2024)

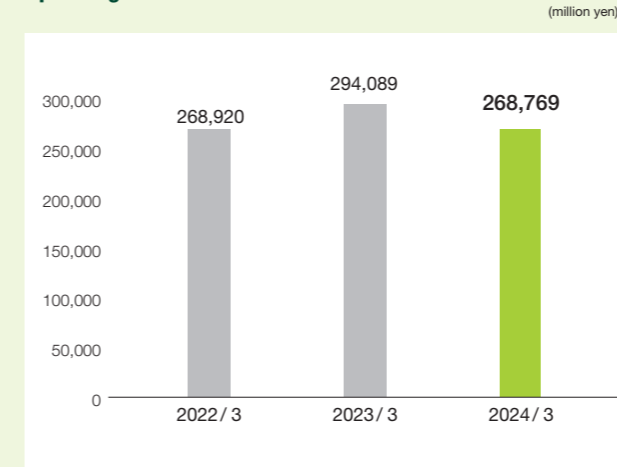
List of Officers

Chairman of the Board	Ryohei Kaneko	Managing Executive Officer	Norihisa Miyashita	Executive Officer	Atsushi Uematsu
President and Representative Director, Chief Executive Officer	Terumasa Takahashi	Managing Executive Officer	Hikaru Maruyama	Executive Officer	Shuichiro Takubo
Director, Managing Executive Officer	Hiroshi Kikugawa	Managing Executive Officer	Yoshiyuki Ohmi	Executive Officer	Kenji Ito
Director	Yukihiko Onishi	Executive Officer	Masafumi Ogawa	Executive Officer	Takeshi Kubo
Audit & Supervisory Board Member	Hideki Yamaguchi	Executive Officer	Hiroshi Kato	Executive Officer	Kazuhiro Takeuchi
Audit & Supervisory Board Member	Akira Sato	Executive Officer	Tomoichiro Muneno	Executive Officer	Toshihiko Nakatani
Audit & Supervisory Board Member	Toshiki Amano	Executive Officer	Yoshiyuki Kawamoto	Executive Officer	Takashi Asada
Senior Managing Executive Officer	Katsuyuki Tokuda	Executive Officer	Takayuki Okada	Executive Officer	Takeo Furutachi
Managing Executive Officer	Takeyoshi Enomoto	Executive Officer	Nobuhiko Kobayashi		

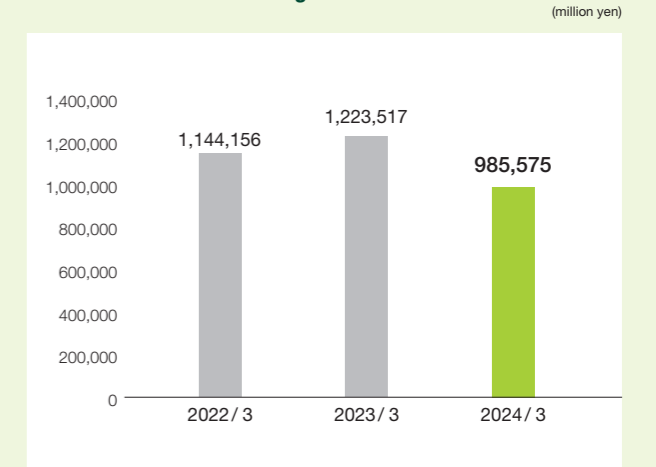
(As of October 1, 2024)

Financial Highlights (Consolidated)

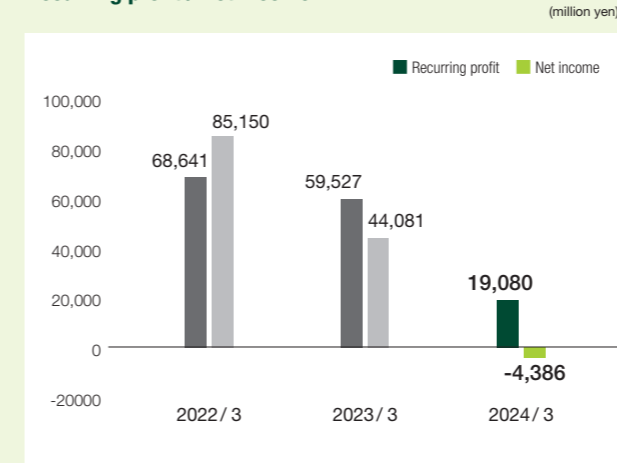
Operating income



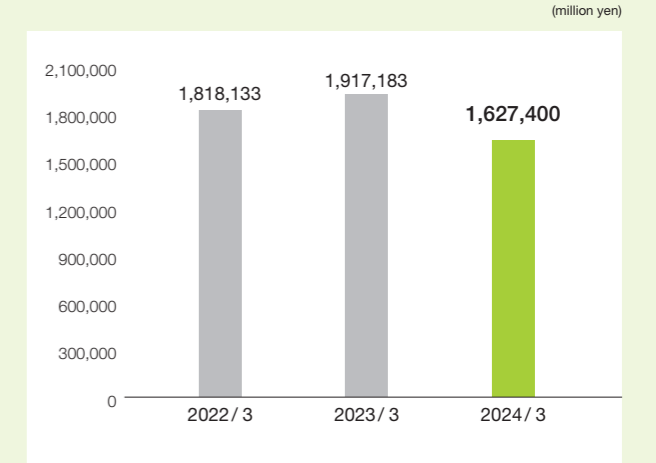
Consumer loans outstanding



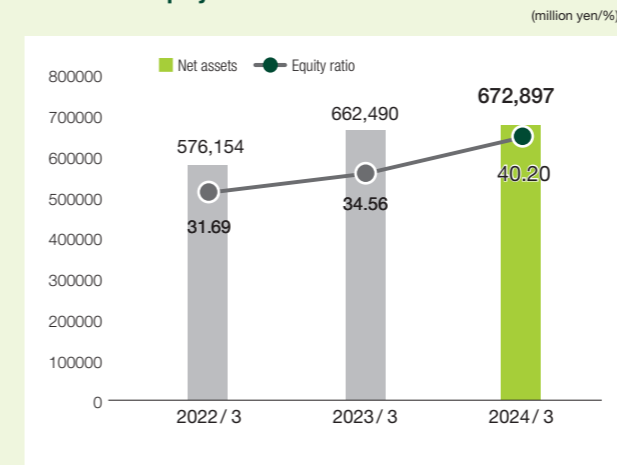
Recurring profit / Net income



Total assets



Net assets / Equity ratio



Interest-bearing debt

