

September 30, 2016

To whom it may concern

Sumitomo Mitsui Trust Holdings, Inc.

Policies regarding the Fiduciary Duties of the Sumitomo Mitsui Trust Group

Sumitomo Mitsui Trust Holdings, Inc. (President: Kunitaro Kitamura) hereby announces the establishment of the ‘Policies regarding the Fiduciary Duties of the Sumitomo Mitsui Trust Group’ (hereinafter, the “Policies”) as its policies for “client-oriented” initiatives.

The Sumitomo Mitsui Trust Group has established, as its corporate ideal (Vision), that “based on the “Fiduciary Spirit” and with significant expertise and comprehensive capabilities, the Sumitomo Mitsui Trust Group will create distinct values by leveraging a new business model, combining its banking, asset management and administration, and real estate businesses”, and this is based on the management principle that it will “adhere to the principles of sound management based on a high degree of self-discipline with the background of “Fiduciary Spirit” and establish strong credibility from society” (Mission). To this end, its executives and employees share in the Codes of Conduct (Values) – which include the imperative to be ‘Completely Client-oriented’ – and the Sumitomo Mitsui Trust Group has striven to put its fiduciary duties into practice.

With demands in recent years for financial institutions to become even more thoroughly client-oriented, we have now established these Policies in order to make the Codes of Conduct (Values) of the Group more concrete and to provide products and services that serve the best interests of our clients.

Under these Policies, Sumitomo Mitsui Trust Bank, Ltd. and other members of the Group will share the “client-oriented” stance and act for the comfort and satisfaction of our clients, while Sumitomo Mitsui Trust Holdings, Inc. will co-ordinate the management of these initiatives at each of the Group companies, so that the Group as a whole will further enhance the performance of the fiduciary duties.

End.

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Policies regarding the Fiduciary Duties of the Sumitomo Mitsui Trust Group

Background

•Fiduciary duty is the cornerstone concept of the trust. Since our founding in 1924 we have conducted business with this concept embedded in our management principles of ‘Truthfulness and Loyalty’ ‘Dedication and Development’ and ‘Trust and Creativity’.

•The Sumitomo Mitsui Trust Group has established, as its corporate ideal (Vision), that “*based on the “Fiduciary Spirit” and with significant expertise and comprehensive capabilities, the Sumitomo Mitsui Trust Group will create distinct values by leveraging a new business model, combining its banking, asset management and administration, and real estate businesses*”, and this is based on the management principle that it will “*adhere to the principles of sound management based on a high degree of self-discipline with the background of “Fiduciary Spirit” and establish strong credibility from society*” (Mission). To this end, its executives and employees share in the Codes of Conduct (Values), – which include the imperative to be ‘*Completely Client-oriented*’ - and the Sumitomo Mitsui Trust Group has striven to put its fiduciary duties into practice.

•We believe that, in order to give effect to the fiduciary duty to pursue the best interests of clients, it is of prime importance that our consulting services are a source of significant expertise that our clients can rely on, and present our clients with optimal choices, in accordance with their respective needs.

•With respect to our individual clients, we leverage the consulting and asset management know-how that we have cultivated in the field of pension administration, to provide client-oriented products and services such as investment trust and insurance sales, and management services for Fund Wrap programs.

•Furthermore, with respect to our corporate clients, based on our experience in corporate banking transaction, we have had the opportunity through consulting services to gain a shared understanding of our clients’ needs, and we have provided products and services, such as pension trusts, investment trusts, securitization trusts, real estate trusts, that are useful to our clients and that also serve as economic and social infrastructure.

•As an independent trust bank group that has a wide range of functions – such as product development, asset management, sales, asset administration, asset preservation – that must meet our clients’ needs in step with structural changes to the Japanese economy and society, Sumitomo Mitsui Trust Bank and each entity in our group will continue to provide products and services that accord with our clients’ best interests and, in order to give thorough effect to our fiduciary duties across the entire business of our Group, we will proceed with the elaboration and publication of these Policies, and other initiatives for the provision of products and services that are ever more ‘client-oriented’.

Domestic Companies that will implement initiatives based on these Policies

Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Trust Asset Management, Nikko Asset Management, Japan Trustee Services Bank, Sumitomo Mitsui Trust Wealth Partners, Sumitomo Mitsui Trust Realty, Sumitomo Mitsui Trust Real Estate Investment Management, Sumitomo Mitsui Trust Research Institute, Sumitomo Mitsui Trust Investment

The above nine companies will comply with the <Group Basic Policy (Principles of Action)> described below.

Furthermore, each of these companies will proceed with initiatives based on the <Policies by Function>, corresponding to their areas of business operation.

Sumitomo Mitsui Trust Bank

1. Sales; 2. Asset Management and Product Development; 3. Asset Administration; 4. Other Trust Business, etc.

Sumitomo Mitsui Trust Asset Management

2. Asset Management and Product Development

Nikko Asset Management

2. Asset Management and Product Development

Japan Trustee Services Bank

3. Asset Administration

Sumitomo Mitsui Trust Wealth Partners

1. Sales*

Sumitomo Mitsui Trust Realty

4. Other Trust Business, etc.*

Sumitomo Mitsui Trust Real Estate Investment Management

2. Asset Management and Product Development*

Sumitomo Mitsui Trust Research Institute

2. Asset Administration and Product Development *

Sumitomo Mitsui Trust Investment

2. Asset Management and Product Development*

* Implementing the initiatives set forth in the applicable items.

Basic Group Policies

•At the Sumitomo Mitsui Trust Group, we are driven by client comfort and satisfaction, with the reliance placed in us as a creditor and trustee as a foundation for action. In providing appropriate products and services that serve the best interests of our clients, we will, together with establishing the following Group principles for action, proceed to develop Group structures so as to give effect to our fiduciary duties.

1. Principles for Action

(1) Implementation of a client-oriented approach to consulting and the provision of information

•In order to provide products and services that serve the best interests of our clients, we will strive, through high-quality consulting, to gain a shared understanding of the asset and liability position of our clients, which will change with their lifecycle, and their corresponding needs.

•To assist in our clients' investment decisions, we will strive to provide easy-to-understand explanations about product characteristics, risks, and fees, etc., and to take proper action that fits with our clients' understanding.

(2) Development and provision of products and services that meet the diverse needs of our clients

•In order to meet the diverse needs of our clients, we will make available a broad-range of high-quality products and services that accord with the needs of our clients, based on the various voices and opinions of our clients and through activities such as cooperation and joint-development of products and services with a broad-range of asset management companies and insurance companies, etc.

(3) Enhancement of our client-oriented focus and expertise

•Through training and discussion, etc. at each Group company, we aim for thorough penetration of decisions and practices that are based on these Policies.

•Through measures such as training of executives and employees and support for the acquisition of specialist qualifications, we will increase the knowledge and specialist skills about market conditions, products and services.

(4) Provision of financial services that leverage the diverse functions of the trust bank group

•As a trust bank group, while remaining thoroughly attentive to conflict of interest management, we will fully mobilize our diverse and flexible functions, such as the banking business, asset management and administration business, real estate business, etc. and quickly and accurately provide optimal and comprehensive solutions for our clients, whether they are individuals or corporations, etc.

(5) Client comfort and satisfaction, and contribution to the economy and society

•As well as providing products and services that bring comfort and satisfaction to our clients, we will contribute to the economy and society by utilizing our investment functions, etc., and through the generation of new products and services that respond to structural changes to the economy and society,

- To enable clients to independently and rationally select financial products, and engage in sound asset building, we will pursue activities in connection with improvement of financial education and literacy, etc.

2. Governance Structure

(1) Establishment of a dedicated organization

- We will newly establish, in Sumitomo Mitsui Trust Holdings, the Fiduciary Duties Planning and Promotion Department as a dedicated organization, and build a structure to promote the thorough penetration of fiduciary duties throughout the Group as a whole.

(2) Enhancing conflict of interest management

- The Compliance Department and the Fiduciary Duties Planning and Promotion Department will work together and pursue the enhancement of conflict of interest management within the Group.

(3) Ensuring the independence of the management and operation of the asset management business

- Not only at the Holding Company, but also each of the Group companies that conduct asset management business – Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Trust Asset Management and Nikko Asset Management – will appoint independent external directors. In this way, we will proceed with building the structure for ensuring the independence of the management and operation of asset management companies from the Group's sales companies.

(4) Group companies to convene a regular discussion panel

- Among each of the Group companies that conduct asset management, product development, sales, asset administration business, for which fiduciary duties are a focus, Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Trust Asset Management, Nikko Asset Management, Japan Trustee Services Bank, and the Holding Company, will establish a fiduciary duties discussion panel and, based on these discussions, while utilizing and reflecting the knowledge of external experts, will pursue the following in each of the said Group companies:

- Improvement of our expertise
- Enhancement of stewardship activities
- Enhancement of risk management, etc.

Policies by Function

•The Policies by Function are based on the Basic Group Policies (Principles for Action) and make the content thereof specific for each function. Even if a matter is not specified in the Policies by Function, we will respond in accordance with the nature of the matter, based on the purport of the basic principles and the Policies by Function.

1. Sales

(1) Putting a client-oriented approach to consulting into practice

•In order to provide products and services that serve the best interests of our clients, we will strive, through high-quality consulting, to gain a shared understanding of the asset and liability situation of our clients, which will change with their lifecycle, and their corresponding needs.

•When proposing a product or services, we will strive to present the optimal options in accordance with the needs of the client, based on the content of the consultation, and in light of the client's knowledge, experience, asset position and investment objectives.

•We will continue to develop structures that value the promotion of operations centered on consultation services that contribute to the best interests of the client.

•Through measures such as training of executives and employees and support for the acquisition of specialist qualifications, we will strive to improve knowledge and specialist skills regarding market conditions, products and services.

(2) Provision of information that is easy-to-understand

•To assist in our clients' investment decisions, we will strive to provide easy-to-understand explanations about product characteristics, risks, and fees, etc., and to take proper action that fits with our clients' understanding.

For example, where we have been entrusted with responsibility for asset management with respect to a Fund Wrap program, we will proceed with initiatives such as making clear the thinking behind our fees.

•To assist in our clients' investment decisions, we will strive to provide proper follow-up services, such as – in addition to regularly providing information regarding market movements and the management status of products held – providing timely information regarding market movements and market forecasts, when a major market event does occur.

(3) Provision and development of a broad-range of products and services that meet the diverse needs of our clients

•In order to meet the diverse needs of our clients, we will make available a broad-range of high-quality products and services that accord with the needs of our clients, based on the various voices and opinions of our clients, and through activities such as cooperation and joint-development of products and services with a broad-range of asset management companies and insurance companies, etc.

•We will provide products that contribute to our clients' asset formation-up, with a focus on “long-term – diversified – stable” structured investment products, including accumulation-type products suited for

ongoing investment. Further, we will adopt a fee system that accords with the long-term asset formation of our clients.

- We will pursue the provision of services that meet a diverse range of the needs of clients, such as defined contribution pensions that contribute to long-term asset formation, and internet transaction that are highly-convenient.

- We will develop structures such as performance evaluation systems that promote proposals that contribute to our clients' asset formation, regardless of whether our Group is otherwise involved.

(4) Provision of financial services that leverage diverse functions

- As a trust bank group, while remaining thoroughly attentive to conflict of interest management, we will fully mobilize our diverse and flexible functions, such as the banking business, asset management and administration business, real estate business, etc. and quickly and accurately provide optimal and comprehensive solutions for our clients, whether they are individuals or corporate entities.

(5) Client comfort and satisfaction; Contribution to society and the economy

- To enable clients to independently and rationally select financial products, and engage in sound asset building, we will pursue activities in connection with improvement of financial education and literacy, etc. for our clients, who consist of a broad range of age-groups; in addition to holding seminars etc., we will do this via joint initiatives activities with other organizations.

- We will pursue the making of materials and documents responsive to the literacy of our clients.

2. Asset Management and Product Development

(1) Enhancement of asset management

- We will strive to maintain an appropriate asset management system by establishing a clear and logical investment policy, and implement PDCA circulation which sets forth asset management processes.

- For both active management and passive management, we will seek to increase the sophistication of ongoing asset management by initiatives such as expansion etc. of engagement activities, based on Japan's Stewardship Code, initiatives aiming at efforts toward implementation of ESG, by increasing the sophistication of investment methods, aiming for the maximization of our clients' profits.

- Regarding assets entrusted to us, we will strive to execute transactions on the best conditions for our clients.

(2) Provision and development of a broad-range of products and services that meet the diverse needs of our clients

- In order to resolve issues concerning management of our clients' assets, we will strive to expand the line-up of high-quality products and services, both within and external to the Group.

- We will strive to develop and provide products and services fully utilizing know-how, functions and networks within and external to the Group.

- We will be receptive to a broad-range of clients' needs, including those of institutional investors, such as pension funds, as well as their evaluations and opinions regarding our asset management services, and we will utilize methods such as evaluation by external bodies, where necessary, in order to pursue enhancement of the asset management services and strengthen the relevant systems.

(3) A client-oriented approach to consulting and the provision of information

- In order to provide products and services that serve the best interests of our clients, we will strive, through high-quality consulting, to gain a shared understanding of the asset and liability situation of our clients, which will change with their lifecycle, and their corresponding needs.

- When proposing a product or service, we will make proposals that are in accordance with the needs of the client, based on the content of the consultation, and in light of the client's knowledge, experience, asset position and contracting objectives.

- When proposing a product or service, we will strive to provide appropriate information, in light of the client's knowledge, experience, asset position and contracting objectives, to obtain the understanding of the client.

- To assist in our clients' investment decisions, we will strive to provide proper follow-up services, such as, in addition to regularly providing information regarding market movements and the management status of products held, providing timely information regarding market movements and market forecasts, when a major market event does occur.

- To assist in our clients' investment decisions, we will provide easy-to-understand explanations about product characteristics, risks, and fees, etc.

(4) Enhancement of our expertise

- We will strive to ensure the continued and stable development of asset management professionals responsible for provision of comprehensive solutions that combine "high-quality investment consulting" and "a rich selection of high-quality products", and overall maintenance of personnel and the continuity and replicability of operations.

(5) Building and strengthening the governance structures that ensure independence

- With respect to Group asset management companies, in order to strengthen the structure that give top priority to the interests of our clients, we will proceed to build structures for ensuring the independence of management and operations from the Group's sales companies, by, for example, installing independent external directors.

- In accordance with Japan's Stewardship Code, we will proceed to enhance our systems for management of conflicts of interest in matters such as exercise of voting rights. For example, regarding exercise of voting rights, in the Group companies, we will strive to ensure transparency through checks etc. by external experts.

3. Asset Administration

(1) Maintaining and improving the reliability and speed of our asset administration services

- Aiming to improve the reliability and speed of the office operations that form the cornerstone of asset administration services, we will conduct appropriate resource distribution of personnel, office basics, and systems, etc.
- We will strive to develop the human resources that possess the significant expertise in the legal and tax systems, etc. relating to securities and settlement of funds that is required for asset administration services.

(2) Enhancing our office functions and systems, etc. as social infrastructure to meet our clients' needs

- In order to meet the asset management needs of our clients, who are increasingly globally diverse and sophisticated, we will pursue the enhancement of our offices and systems, etc.

(3) Enhancing the information-provision and services that contribute to our clients' investment activities and middle/back office operations

- In order to contribute to the enhancement of our clients' investment activities and middle/back office operations, we will strive to timely provide – in addition to various reports, etc. – high-added-value information (legal, tax and market-related) based on information from our overseas Group affiliate companies and custodians, etc.
- As a specialized trust bank, we will utilize our banking know-how, striving to provide services that contribute to the increased efficiency and sophistication of our clients' middle and back office operations.

4. Other Trust Operations, etc.

(1) Thorough execution of our responsibilities as a trustee

- As a trustee of trusts, and not limited to our asset management and asset administration operations, for our clients who are beneficiaries, we will faithfully discharge our trustee responsibilities, including the duty of care as a good manager, the duty of loyalty, and the duty of segregated management of assets, and conduct the trust operations by giving the top priority to the interests of our clients.

(2) Preservation, etc. of client assets, and initiatives for safety and comfort

- For our elderly clients in particular, based on the increasing need to ensure peace-of-mind regarding asset preservation, etc., and to secure succession of assets, we will strive to develop and provide products and services that firmly meet our clients' needs with respect not only to asset management, but also regarding asset preservation and succession
- We will proceed with implementation of various initiatives aiming at creation of an environment for clients that is easy to use, so that anyone can feel comfortable using our services. Initiatives will include employee education about services from the client perspective and distribution of qualified personnel, and improvements to the usability of various channels.

(3) Initiatives for a client-oriented approach in real estate operations

- Real estate may be said to be the largest asset for individual clients, and in real estate brokerage operations, we will strive to provide proper and easy-to-understand explanations that will allow clients to engage in transactions with peace-of-mind.