

Management Commitment



Materiality 1

Dialogue with Stakeholders

Materiality 2

Materiality 3

“By integrating the diverse functions that are unique to a trust bank group, we will work toward the creation of shared value.”

We wish to convey our deepest sympathy to all the people affected by the Great East Japan Earthquake, and we sincerely hope that the affected areas can achieve the quickest possible recovery.

On April 1, 2011, Chuo Mitsui Trust Holdings, Inc., and The Sumitomo Trust and Banking Co., Ltd., carried out management integration, and established "Sumitomo Mitsui Trust Holdings, Inc." When the unprecedented disaster occurred in Japan immediately prior to the merger, both banks immediately decided to make donations to help the victims of the disaster, and also set up a special account at their respective branches into which the public could make donations. Japan's recovery from the disaster is the most pressing challenge facing the nation today. We will continue doing our utmost to assist with recovery efforts.

On a global level, meanwhile, there are concerns about diminished social sustainability attributable to the worsening of a variety of problems. These include climate change, the loss of biodiversity, and increases in poverty and health hazards. For companies, factors such as these have a detrimental effect on their business operations and impede sustainable growth. Against this backdrop, in recent times the international community has come to view companies as having an obligation to play a positive role in building a sustainable society. We at Sumitomo Mitsui Trust Group position working toward a sustainable society as the most important goal of our corporate social responsibility (CSR) activities.

In promoting this sort of CSR, we are guided by the concept of "creating shared value" as advocated by Harvard Business School's Professor Michael E. Porter. This concept of creating shared value involves companies creating economic value in a way that also creates value for society by addressing its needs and challenges. In the "Basic Policy on the Social Responsibility of Sumitomo Mitsui Trust Group," drawn up at the time of the manage-

ment integration, we declared that we would "integrate the diverse functions that are unique to a trust bank group, and develop new business models and innovative products and services to help solve social and environmental problems." This is precisely our strategy for creating shared value.

When implementing this policy, it is important that we have specific strategies for enhancing social value, identifying which problems we are solving and by what means. Working in collaboration with our various stakeholders, we will endeavor to enhance social value by leveraging a distinctive total solutions model that combines the banking, asset management and administration, and real estate businesses.

The finance industry in Japan is also beginning to change. In October 2011, after one year of discussions, more than 30 financial institutions established "Principles for Financial Action towards a Sustainable Society." As suggested by the title, financial institutions in Japan have signaled their intention of playing an active role in creating a sustainable society. Going forward, Sumitomo Mitsui Trust Group wants to foster the creation of a sustainable society by taking a leadership role in promoting further change in Japanese financial circles.

In this sense too, we must first lead by example. All Group executives and employees must take every opportunity to enhance shared value. We look forward to your continuing support and cooperation.

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Hitoshi Tsunekage, Chairman (right)



Kazuo Tanabe, President (left)