

Process 3

CSR Activities to Enhance Trust and Strengthen the Business Base



Creating Shared Value

Corporations contribute to society along various themes. The Group has been stepping up its activities especially in the following three areas: (1) support for the environment and living creatures, (2) support for "successful aging," and (3) contributions to local communities and society. Although some social values pursued in these activities may not be directly connected to the Group's business, we believe that continuing these activities will enhance the trust our clients and local communities place in us and consequently strengthen the Group's business base.



Activities across Japan

Sumitomo Mitsui Trust Bank (SuMiTB) promotes social contribution activities rooted in local communities, known as "With You" activities, primarily through its local business offices located across Japan.

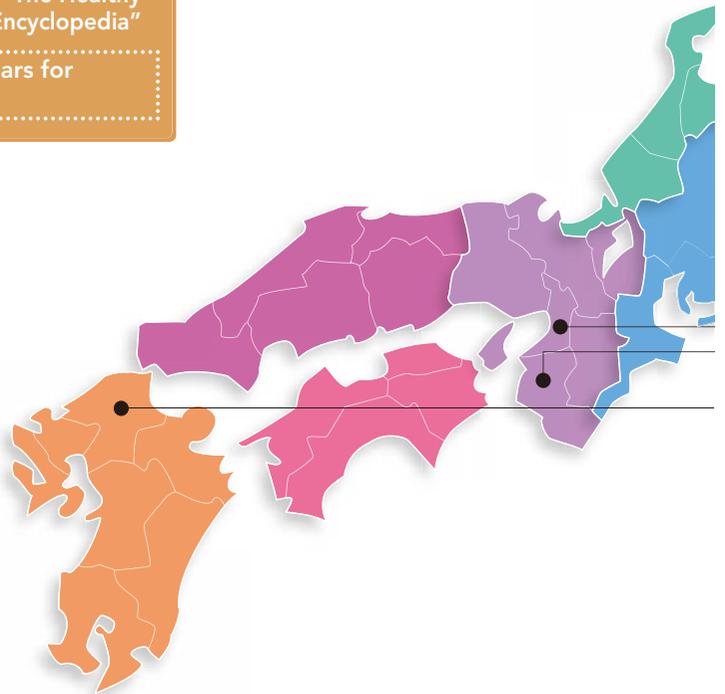


Activities All Branches are Carrying Out across Japan

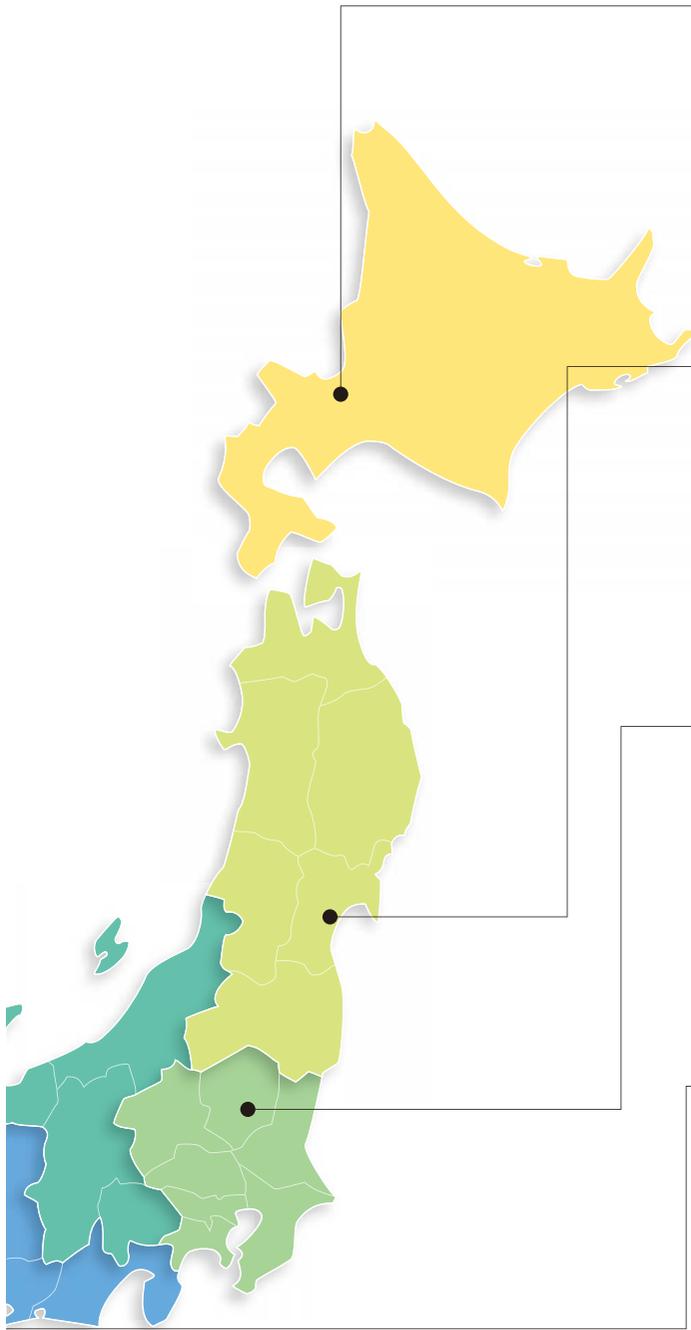


Money preparation seminars for the elderly

We held seminars on money preparation for the elderly at 12 branches across Japan during the year. Moreover, we are running seminars on the same theme for clients of our 16 branches around the Yamanote Line in Tokyo. We plan to convene seminars at more branches and departments.



Regional activities at our branches across Japan



● Sapporo and Sapporo-Chuo Branches

Conservation and Restoration Tour of Japan's Northernmost Beech Forest



The native beech forest in Kuromatsunai-cho is designated a national natural monument as the northern limit of native beech habitat in Japan. Since 2011, the Sapporo and Sapporo-Chuo Branches have been organizing an annual "Conservation and Restoration Tour of Japan's Northernmost Beech Forest" in order to protect the region's beech forest.

● Sendai and Sendai-Aoba Branches

Breeding Killifish



Cooperating with the "Killifish's Foster Home" project led by Miyagi University of Education and Sendai Yagiya Zoological Park since September 2013, the Sendai and Sendai-Aoba Branches have bred killifish and held lobby exhibitions. In August 2014, some eggs hatched successfully, and we were able to see baby fish.

● Utsunomiya Branch

Removal of Weeping Lovegrass



The gravel bars of the Kinugawa River are a treasure trove of precious plants and animals. However, plants native to the land have been threatened in recent years by alien species. The Utsunomiya Branch has been continually participating in work to remove an alien species of weeping lovegrass as part of its environmental conservation activities.

● Yao Branch

Breeding rhodeus ocellatus kurumeus (Nippon baratanago)



An endangered species rhodeus ocellatus kurumeus is a freshwater fish unique to Japan; they live in only limited habitats, such as Yao city, Osaka Prefecture. The Yao Branch is breeding them in cooperation with Nippon Baratanago Takayasu Kenkyukai N.P.O.

● Fukuoka and Fukuoka-Tenjin Branches

Participation in the "Love Earth Clean-up"



The "Love Earth Clean-up" is a campaign that citizens, companies, and local governments work together to clean the local community spaces. It has started in Fukuoka city and now spread across Japan. The Fukuoka and Fukuoka-Tenjin Branches jointly took part in the cleaning activities.

● Wakayama Branch

Weed clearing in Trust Forest



Utilizing the "Company Forests" project promoted by Wakayama Prefecture, SuMiTB has regularly carried out forest conservation activities since 2007. Participants, including employees and their families, came from branches nationwide as well as the Wakayama Branch and conducted weed clearing.

Initiatives to Promote “With You” Activities

What are “With You” activities?

In order to build strong relationships of trust with community members, Sumitomo Mitsui Trust Bank (SuMiTB) engages in social contribution activities rooted in local communities, which are known as “With You” activities. “With You” activities are promoted with a focus on the following three areas: (1) support for the environment and living creatures, (2) support for “successful aging,” and (3) contributions to local communities and society.

With a view to promoting these activities systematically, SuMiTB introduced a point system in fiscal year 2012 as a guideline that establishes standards for these activities, dividing activities into categories and measuring their degree of difficulty and effectiveness. The point system

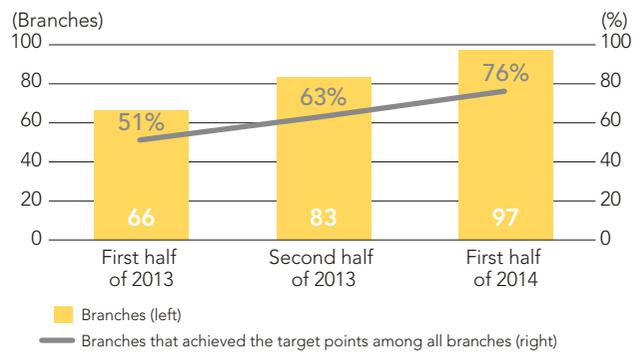
assesses each branch against a baseline point target of the year on “sales results,” “environmental load reduction,” “brand image improvement,” and “information delivery” as well as how they rose sales, shared their contribution to the communities, and posted on the “With You” blog. The branches have been steadily achieving the targets since beginning of the system, and are using “With You” activities as one of the effective ways of marketing.

Furthermore, branches that have generated outstanding results overall from “With You” activities are recognized through the “With You Excellence Award” and “With You Special Award.” We are actively developing “With You” activities by sharing these award-winning initiatives at branches nationwide.

Goals of “With You” Activities



Branches that achieved the target points



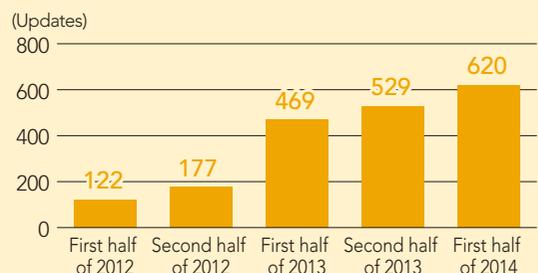
Branch Blog With You Website URL: <http://branchblog.smtb.jp/>

SuMiTB launched the “Branch Blog With You” site with the goal of interacting more closely with local people by publishing information unique to each community in real time and by allowing our branch employees to express in their own words their thoughts about contributing to the local community. In addition to regularly introducing “With You”

activities at branches around the country, the blog provides information about seminars and panel exhibitions being held, and is used as a means of communication with customers. With the number of posts increasing at each branch every year, the “With You” blog has become an important tool for communicating with local communities.



Updates of the branch blog



With You Excellence Award for the first half of FY2014

Meguro Branch

Since the opening in October 2013, Meguro Branch has proactively and seriously engaged in With You activities such as running Silver College, Nursing Home Seminars, and lobby exhibitions.

The branch held four Silver College seminars in a half year and welcomed 115 participants. The Silver College lectures are on preparation for a secure and comfortable retirement by leading experts of the related subjects.

Moreover, the branch also opened Nursing Home Seminars at private nursing homes in collaboration with TOKYU CORPORATION. The seminars provided lectures on smooth succession planning and Long-Term Care Insurance as well as nursing home visits with meal tastings, which were favorably received. Other activities of the branch include the GMT Lobby Exhibitions, which show well-known local products and places, and participation in the Meguro SUN Matsuri (Festival).



A Silver College class



The GMT Lobby Exhibition



A Nursing Home Seminar

These activities are highly approved to win the With You Excellence Award for the first half of FY2014 because of the wide coverage and continuous efforts in addition to the deep understanding and development of themes.

With You Excellence Award for the first half of FY2014

Shin-Yurigaoka Branch

Shin-Yurigaoka Branch, which opened in November 2013, held four Silver College seminars by first-rate experts on asset management, adequate nutrition intake, retirement housing, and dementia. The seminars attracted as many as 178 participants. After the class, some participants gave us favourable comments such as "Rarely other banks provide such satisfying services in terms of quality and quantity."

Furthermore, the branch cooperates with the Asao

Themes of Silver College seminars

	Seminar name
Seminar 1	Secure and comfortable retirement
Seminar 2	Retirement housing
Seminar 3	Dementia
Seminar 4	Succession to the next generation



A Silver College Class. All classes were filled with audience.



Employees of Shin-Yurigaoka Branch joined the goldband lily planting activity.

Goldband Lily Planting and Promotion Association in nature maintenance activities. With the aim of bringing back the goldband lily to a local area, where the plant once grew naturally, employees of the branch mowed grass and bagged lily buds.

Shin-Yurigaoka Branch was awarded the With You Excellence Award for the first half of FY2014, as it drew large audiences to Silver College and the lectures were highly qualified. The lily maintenance activities also won recognition, because the branch enabled it to blend well in the local communities, in addition to the lobby exhibitions on goldband lily planting.

Support for National Trust

National Trust is an activity in which trust organizations conserve the beautiful nature as well as historic environments with measures such as acquisitions and preservation agreements to pass them down. Companies and citizens can entrust their lands and buildings to these trust organizations and also donate money. SuMiTB supports these activities in various ways including joint programs with Green TV Japan of environment education on Trust places in Japan.

The Forest where Amami-no-kurousagi (Amami Rabbit) inhabits

SuMiTB has joined the Trust Campaign run by the Association of National Trust in Japan to protect rare Amami Rabbit, which inhabits only on the island of Amami Oshima and Toku-no-shima. SuMiTB's Kagoshima Branch donated funds for purchasing 8,066 m² of forest lands for the animal.

The Northernmost Beech Forest

The Beech Forest in Kuromatsunai-cho is the most northern habitat of native beech. Moreover, the forest makes us notice environmental changes caused by the global warming. Employees of Sapporo and Sapporo-Chuo Branches planted beech saplings in the trust place and keep regular conservation activities.

Oyatsu Forest

Oyatsu Forest spreads behind the Tsurugaoka Hachimangu shrine. To protect this forest, the Kamakura Environment Conservation Society was established in 1964 as the first National Trust organization in Japan. SuMiTB will hold an environment education class in Kamakura to mark the 50th anniversary of the Society.

The Forest where Tsushima leopard cats inhabit

The Tsushima leopard cat is an endangered wildcat living exclusively on Tsushima Island, Nagasaki Prefecture, and has reduced the number to only 100. To fund purchases of trust places, SuMiTB provides a donation program through social contribution donation trusts in addition to programs for Kuromatsunai-cho and Amami Oshima.

Tenjinzaki

Tenjinzaki is a promontory in Tanabe City, Wakayama Prefecture. Despite the location near to city center, it keeps rich natural environment. SuMiTB made educational films from interview recordings of nearby elementary school children and used the materials for environment education.

The Waterhead Forest Trust in Mimasaka

This 62 hectare Waterhead Forest grows around the Yoshii River headstream, keeping the pristine nature. SuMiTB created educational materials on the waterhead forest and lectured on the environment at elementary school. In the class, children thought about the importance of water.

Koajiro Forest

Koajiro Forest is located near the tip of the Miura Peninsula and preserved by the activities of National Trust in Kanagawa Prefecture. SuMiTB, in collaboration with Green TV Japan, interviewed to experts and made educational materials, which were used for environment education classes at elementary school.

Other locations on the map: Shiretoko, Kushiro Wetlands, Shinorofukui Wetlands, The Grey-faced Buzzard Forest Trust, the Miyako Island, The Japanese Crested Ibis Forest Trust, Noto, The Mount Fuji Plateau Trust, The Water Trust, The Northern Goshawk Forest, The Fresh Stream Forest Trust, The Nagara River, Nakaikemi Wetlands, Green Field in Setagaya, Springs in Kakitagawa, Okegaya Pond, The Zephyrus (Thechlini Butterfly) Forest Trust in Mikusa-yama, The Fairy Pitta (Yairocho) Forest, The Field of Aso.

Education for Sustainable Development

SuMiTB is engaged in activities to promote and raise awareness of the National Trust among children, who are bearers of the future, by collaborating on an Education for Sustainable Development (ESD) project with Green TV Japan, an Internet broadcaster specializing in the environment.

In this project, SuMiTB made educational films on Trust places at Tenjinzaki, Wakayama Prefecture, in 2012 and at Koajiro Forest, Kanagawa Prefecture, in 2013. Furthermore, SuMiTB delivered lectures using them to elementary schools.

In the ESD project carried out in September 2014, classes using videos about water supply to Okayama City were held for all students at Okayama City Tsunoyama Elementary School to encourage thinking about the importance of water. The children watched a video filmed at Waterhead Forest in Mimasaka and learned that nearby rivers were linked to upstream forests, that protecting the forests nurtures creatures living in the water and makes our own lives richer, and that the water retention function of

the forests plays a role in preventing flooding and other problems downstream.

Scenes from the class were shown at a booth set up at an event in Okayama City, which was held in connection with the UNESCO World Conference on ESD in November. The exhibition was a hit, attracting crowds of children.

SuMiTB plans to run another ESG project in Kamakura City, the place of the first National Trust activity in Japan.



Booth at event in Okayama City, held in conjunction with the ESD conference

A part of the ESG history themed National Trust

2012



Local elementary school learned about natural creatures at Tenjinzaki, Wakayama Prefecture.

2013



Interview with an expert about conservation activities of the Koajiro Forest in Kanagawa Prefecture

2014



National Trust staff talked on-site in the Waterhead Forest in Mimasaka, Okayama Prefecture.



Video teaching material made from the films recorded on the sites



SuMiTB employees acted as facilitators to conduct classes using the video teaching material

through the share with local people

National Trust Promotion

- at home** Children talk with the family about what they learned.
- on the web** The day's recordings are uploaded.
- at branch lobbies** Videos including the class recordings are shown.

Reconstruction Support for the Great East Japan Earthquake-afflicted Regions

The Project of Making Great Forest Wall with Debris

The Project of Making Great Forest Wall with Debris started by the request of Dr Akira Miyawaki, Professor Emeritus at Yokohama National University. He lectured as a special speaker at an opening seminar of the new location of Sendai and Sendai-Aoba Branches in December 2012 with the theme of "Forest resurrects the region—reconstructing and regenerating the region in harmony with the nature".

Under his concept of "making great forest wall with debris", the project plans to build a 300 kilometer-long wall of mounds along the Sanriku Coast. The construction uses earth mixed with earthquake rubble after decontamination treatment, and broadleaf trees are planted on the mounds. The wall will be a forest safeguard based on the regional flora. It is expected to reduce tsunami power while planted trees prevent slope failure of the mounds. Moreover, the tidal-wave shield draws attention as a new approach to cope with earthquake ruins.

Following the participation in 2013, Sendai and Sendai-Aoba Branches continued to join the project. Employees of the Group including the Branches and their families planted trees. Both Branches will carry on the activity to support reconstructing the region and preventing disasters in the future.



A tree-planting activity, which 59 people participated in



A newly planted sapling

The Fukushima Organic Cotton Project

In the Fukushima Organic Cotton Project since fiscal year 2012, more than 5,000 participants in total have grown cotton plants without using artificial chemicals in idled fields damaged by sea salt of tsunami and by rumor after the nuclear accident. Cotton is said to be salt tolerant and have a low cesium uptake rate. Moreover, the project is also a Fukushima's attempt to create new cotton farming and the industry in Japan, where the self-sufficiency rate of fiber, including cotton, is zero per cent.

In June 2014 a volunteer group of 43 SuMiTB employees visited Iwaki City, Fukushima Prefecture, in one of the activities. They were not able to sow cotton as planned in advance because of heavy rain in the previous days, but instead, they went around the city by bus to see afflicted areas and the progress of reconstruction. After that, they brought Cotton Babes, cotton dolls attached with cotton seeds, back home to grow the plants. In December, the group collected harvested cotton wools and send them to Fukushima. People in Fukushima use cotton to produce items such as T-shirts and Cotton Babes for supporting the reconstruction.



Cotton Babes (dolls made from organic cotton balls with seeds)



A cotton plant grown at an employee's home

The cycle of the project



Harvested cotton wools

Education Support for Children through ISAK

Supporting Children Receiving Education at Shanti Bhavan

The International School of Asia, Karuizawa (ISAK), opened in August 2014 as the first international boarding school in Japan that is intended to foster next-generation leaders. ISAK operates on a small-class system, with each class comprised of 10 to 18 students and all lessons are given in English. ISAK has been approved as a candidate school to offer the International Baccalaureate (IB) Diploma Programme, which means graduates of ISAK are qualified to apply for enrollment in universities in countries around the world.

Accepting foreign students mainly from the Asia-Pacific region, ISAK provides support so that students with various backgrounds can have equal access to education. As SuMiTB strongly supports ISAK's ideal, it has acted as a foster parent for foreign students



Miss Thulasi Priya Ramesh



ISAK school building located in Karuizawa

participating in its summer school since 2013, providing financial assistance to cover their travel, stay and school expenses. Miss Thulasi Priya Ramesh for which SuMiTB acted as a foster parent in 2014, is receiving education at Shanti Bhavan, an educational institution for children who are in an economically disadvantaged position. SuMiTB intends to continue consistent support so that bright students at this school can learn at ISAK.



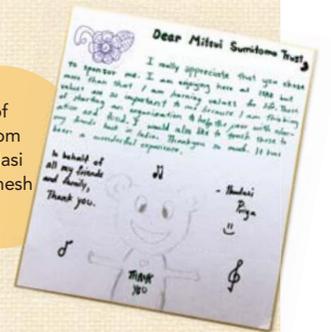
Children participating in a summer school



Scenes from the 2014 summer school



A letter of thanks from Miss Thulasi Priya Ramesh



Mission of Educational Institution "Shanti Bhavan"

Shanti Bhavan is intended to foster children who are in the most disadvantaged position socially and economically under India's hereditary caste system. This school provides the best education program and helps to cultivate global values under a boarding system in a rich natural environment in order to enable children to find the types of jobs they desire and to facilitate their career development. Shanti Bhavan's education program gives hope to children in the lowest caste under the caste system and leads them to success.

Dr. Abraham George, who is the school's founder, believed that in order to improve the situation of people who are in a disadvantaged position under the caste system and break the negative cycle extending to the next generation, the most important thing to do is educate children.

If children in the lowest caste receive education in the best living environment and grow into leaders, it will save many people, including their families, producing a positive impact on the next generation. If many schools implement education programs similar to those provided at Shanti Bhavan, it will become possible to abolish discrimination based on the caste system that has continued for 2,000 years.



Children learning at Shanti Bhavan

CSR Activities at Group Companies

Nikko Asset Management

Nikko Asset Management works for various CSR activities as it places a high value on contributing to global environment and development of a sustainable society.

In addition to proactively managing the Nikko AM Employee Charity Program, which is a social contribution program by employees, Nikko AM has signed up for United Nations Environment Programme Finance Initiative (UNEP FI), Principles for Responsible Investment (PRI), and the Principles for Financial Action for the 21st Century—Financial Action Towards a Sustainable Society—to cope with CSR activities through the core business. It was one of the first members of the drafting committee of the Principles for Financial Action for the 21st Century and now co-chairs the administration committee.

FIT for Charity Run

Financial Industry in Tokyo (FIT) for Charity Run is a charity event created by financial service companies in Tokyo and draw participants across the industry with the aim of supporting non-profitable organizations in Japan.

Nikko AM has joined the event every year as a corporate sponsor and an executive committee member since the second Run in 2006.

Regular Gatherings for Child Wheelchair Maintenance

Nikko AM has participated in regular gatherings for child wheelchair maintenance held by a non-profitable organization which sends child wheelchairs to abroad. The NPO is one of the beneficiaries of the Nikko AM Employee Charity Program. In the hands of the NPO, second-hand child wheelchairs, no longer used in Japan, take maintenance work to become gifts to children in developing countries. From Nikko AM, eight volunteers took part in the event in October 2014 to prepare and pack about 30 wheelchairs.



Employees joined a regular gathering for child wheelchair maintenance.



Changing parts and shining a second-hand wheelchair.

WFP Walk the World

Nikko AM was engaged in a charity initiative Walk the World held by the United Nations World Food Programme (WFP). A part of the enrolment fees provided funds for WFP's School Meals Programmes. In 2014, the number of the participants was 3,879, and 36,260,200 yen from their fees was used for reducing child hunger in developing countries.



WFP Walk the World in Yokohama, May 2014

Oxfam Trailwalker Light

Oxfam Trailwalker is a charity event in which teams of four people participate. Nikko AM took part in the May 2014 event to walk 43 kilometers from Minamiashigara City, Kanagawa Prefecture, to Yamanaka-ko Village, Yamanashi Prefecture. Donation money is used for international cooperation activities such as emergency aid for victims of disasters and conflicts as well as education and agriculture support in developing countries.



The four members of a team progresses towards the Yamanaka-ko goal.

Sumitomo Mitsui Trust Realty

In October 2014, Sumitomo Mitsui Trust Realty signed a contract with Nagoya City to collaborate and cooperate on the plan to regenerate Higashiyama Zoo and Botanical Gardens. The company exchanged a memorandum with the city in the previous fiscal year and has donated funds for various purposes. The contract aimed to continue the company's support for advancing the renewal plan and improving services for visitors. At the ceremony to sign the agreement, Sumitomo Mitsui Trust Realty donated 15 wheelchairs to the city. Under the contract, the company annually evaluates the supporting work to improve the effectiveness. For example, it will assess the way to donate goods and equipment.

Furthermore, in October of the year of the contract, the company held an event of Grandchildren's Day in the zoo to help the public institute. More than 150 families then applied for the free photo shooting service for families with grandchildren.



The Mayor of Nagoya Takashi Kawamura and President of Sumitomo Mitsui Trust Realty Toshifumi Aga show each signature.



SuMiHD's mascot Trust-san and the mascot of Higashiyama Zoo and Botanical Gardens Zoobo-kun also joined the ceremony.

SBI Sumishin Net Bank

SBI Sumishin Net Bank held the Regional Challenge Contest 2013 in June 2013. The contest invited ideas of how to make people in their region happy from children and students at elementary and middle to high school. Among the 194 applications, an idea of Miyagi Prefectural Agricultural High School students won the first prize. SBI Sumishin Net Bank supported the contest in multiple aspects including meetings with students and teachers in advance as well as logistics assistance to open the event.

Moreover, in November 2013, the company convened the Online Economics Competition where high school students across the country answered quizzes on financial knowledge through the internet. Using the internet platform, SBI Sumishin Net Bank will continue releasing messages as an internet bank to share future happiness with people and progress towards the future of the society.



The project logo of SBI Sumishin Net Bank: Challenge Action for Tomorrow, aka CAT



Students at Miyagi Prefectural Agricultural High School



Among the participating students in the Online Competition, two students from Kwansei Gakuin Senior High School won the entry to the National Championship.

Other “With You” Activities

Inheritance from Me

Since June 2013, SuMiTB started inviting 400-character stories on precious people, things, and matters which the writer wants to pass on to the next generations. The bank names them “Inheritance from Me”. Works awarded the Grand Prize and the Second Grand Prize are compiled to deliver to the lobbies at SuMiTB Branches across the country. Among as many as 4,956 entries for the first competition, most of which were about their memories of families, teachers, or friends, three stories won the Grand Prize and 20 episodes received the Second Grand Prize.



The Assortment of Information: Happy and Healthy at a Hundred

SuMiTB collaborates with ILC-Japan, which studies ageing societies from an international point of view, and publishes a mini-handbook, *Happy and Healthy at a Hundred*. The booklet contains assorted information of ageing and is distributed to clients at seminars and branch lobbies across Japan. The revised edition of September 2014 introduces themes on population and lifestyles as well as health, medical care, and nursing care to plainly explain the situation of the elderly in Japan using graphs, tables, and pictures.



Tools to Introduce “With You” Activities

Social Contribution Activities Report “SuMi TRUST With You”

SuMiTB engages in social contribution activities that are rooted in local communities, primarily through its local business offices located across Japan, in order to build a strong relationship of trust with community members. In its social contribution activities report “SuMi TRUST With You,” SuMiTB introduces such “With You” activities being carried out at each branch.

Website URL: <http://smth.jp/csr/report/>



Green TV

Green TV Japan has more than 1,000 videos available for viewing free of charge, including a large selection of overseas videos as well as videos produced independently in Japan.

SuMiTB has supported Green TV Japan as a media sponsor since it was first established in 2007. We have collaborated on various projects including producing environment-related video content and promoting ESD.

Website URL: <http://www.japangreen.tv/>

