

# Stock Transfer Agency Services Business



We provide support for stock-related matters using our high-level expertise and reliable administrative execution

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Sumitomo Mitsui Trust Bank, Limited

## 1. Business Outline

Our Stock Transfer Agency Services Business undertakes stock-related services on behalf of clients, allowing clients to outsource stock-related services, increase their administrative efficiency and rationalize their administration. As an “agent of record for listed companies” provided for in the Companies Act, we ensure swift and accurate execution of a multifaceted array of corporate actions, assumed on behalf of stock-issuing clients and all done in accordance with legal and taxation rules. These services encompass annual tasks, namely, maintaining shareholder lists, sending out voting notices and invitations to shareholders’ general meetings, and calculating and distributing dividends, in addition to corporate events including mergers, share exchanges, and the transfer of shares.

Professional services by the SuMi TRUST Group, with many specialized staff possessing a wealth of experience, have helped enhance its reputation. The SuMi TRUST Group accounts for more than 40% of the shareholders and listed companies under management in Japan’s stock transfer agency services market. We provide legal support concerning stock-related matters for clients, offer the timely provision of information on stock-related matters, hold regular seminars, and publish practical guides on stock-related matters, etc. We also take advantage of vast amounts of information from our extensive client base, as well as our domestic and overseas networks, to provide fine-tuned

support for corporate clients’ IR (investor relations) and SR (shareholder relations) operations. In addition, our specialized staff provides legal consulting services to clients pursuing initial public offerings (IPOs) from the IPO preparation stage, conducting practical IPO support services from SuMi TRUST Group’s own unique vantage point, which differs from those of securities companies and auditing firms.

The issues concerning stock-related matters that customers are facing are becoming increasingly complicated. The ability to provide consulting and information as well as significant expertise and accurate operational capabilities are more important than ever. The issues include responses to revisions in relevant laws, such as the Companies Act and the Financial Instruments and Exchange Act, compliance with the Corporate Governance Code, stock-related matters pertaining to M&As, means for ascertaining the shareholdings of foreign institutional investors and individual shareholders, etc. The SuMi TRUST Group recognizes this and is currently focused on providing trust-based products and services, such as a Japanese version of ESOPs, share-awarding ESOPs and the Board Benefit Trusts, apart from the consulting on anti-takeover measures. The SuMi TRUST Group seeks to become a partner in investor and shareholder strategies as well as in stock and capital strategies, rather than just a clerical agent, to support the improvement of its clients’ enterprise value.

## 2. Product and Service Outline

### Legal Consulting Services for Stock-Related Matters

#### Support for handling shareholders' meetings

We provide fine-tuned consulting services for a variety of stock-related matters, including the handling of shareholders' meetings, reorganization strategies, capital policies and introduction of anti-takeover measures. The SuMi TRUST Group employs experienced legal affairs consultants at its three major operating bases in Tokyo, Osaka and Nagoya. These consultants hold seminars for business owners on chairing shareholders' meetings as well as various seminars and study sessions on an individual basis on such themes as the handling of the general shareholders' meeting, the Companies Act and the Corporate Governance Code.

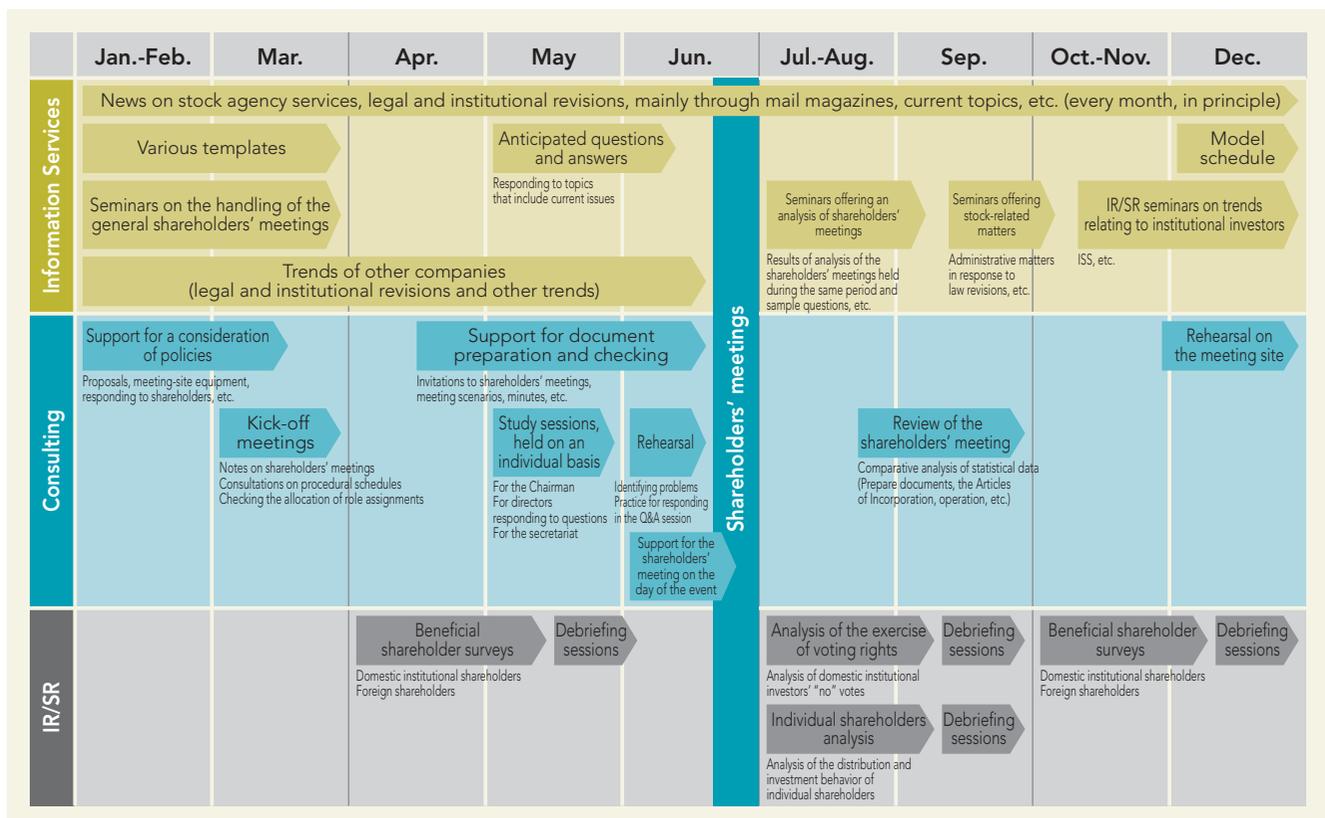
#### Support for companies adopting audit and supervisory committee-based governance structure

We answer various queries from companies related to the adoption of audit and supervisory committee-based governance structures, while providing support to ensure the procedures of such adoption go smoothly.

#### Support for selection of external directors

We provide support, in collaboration with external expert organizations, to companies in need of selecting candidates for external directors.

### • One-Year Timeline Showing Types of Support Provided for Stock-related Matters (for companies settling in March)



### IR/SR\* Consulting Services

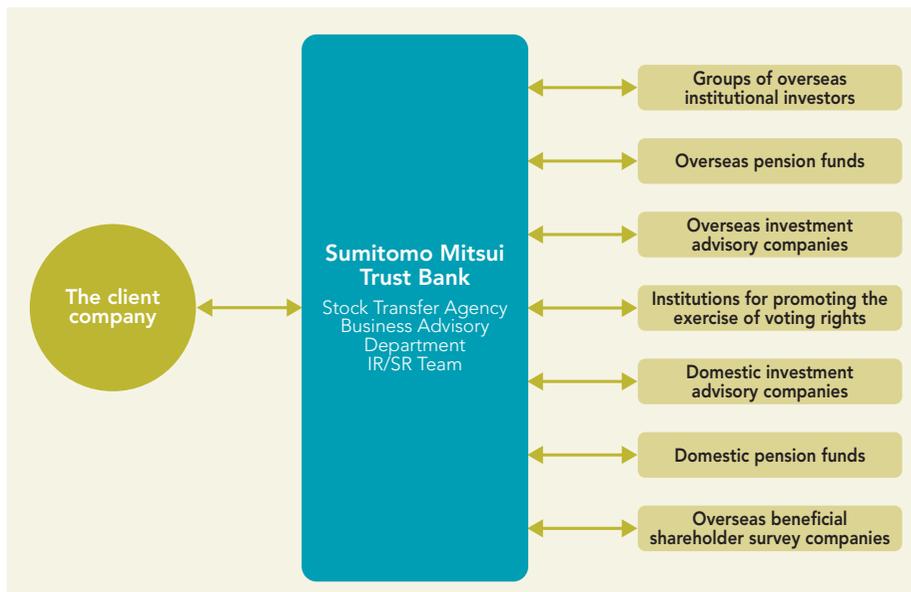
The SuMi TRUST Group has a “dedicated IR/SR team to provide IR/SR support” in the Stock Transfer Agency Business Advisory Department, and provides IR and SR support services, taking maximum advantage of the stock transfer agency’s proprietary know-how and distinctive features in order to allow clients to realize efficient and effective IR and SR activities.

\* Investor Relations (IR) and Shareholder Relations (SR)  
Investor relations (IR) refers to public relations activities that target investors, specifically the full range of activities by which corporations provide to shareholders and investors the information they need to make investment decisions in a timely, fair, and ongoing manner. Shareholder relations (SR) refers to those activities targeting shareholders.

### IR Support Services

The SuMi TRUST Group provides support for the entire range of its clients’ IR activities aimed at domestic and overseas institutional investors and individual investors. Specifically, we utilize “FOCUS CLUB,” our membership-based information services that use our domestic and overseas institutional investor networks, to conduct beneficial shareholder surveys to identify domestic and overseas institutional investors not listed in shareholders’ registries. Additionally, we offer “engagement and support-type IR consulting” to encourage dialogue between a company and its shareholders in order to facilitate understanding of company proposals for proxy votes and enhance the rate of approval votes at shareholders’ meetings. We also provide individual shareholder analysis reports as an IR strategy tool for individual investors and various reports focusing on analyses of shareholders’ registries, as well as making arrangements for IR on the themes of “ESG” (Environment, Society, Governance) on an individual basis for domestic and overseas institutional investors. We thus offer wide-ranging services, making maximum use of stock transfer agency functions to support clients’ IR and SR activities.

#### • Wide and Close-knit Network with Domestic and Overseas Institutional Investors



### SR Support Services

Taking advantage of a wealth of information based on a wide-ranging client base and know-how on stock-related matters, we support clients in their planning and implementation of shareholder strategies aimed at increasing the number of individual shareholders and creating a stable shareholder base. Specifically, we undertake the administration of stock option systems as well as handling questionnaires for individual shareholders and facilitating their visits to manufacturing plants. We also support the introduction of measures to deflect hostile takeovers and the handling of emergencies, such as proxy fights.

### Consulting on Stock and Capital Strategies

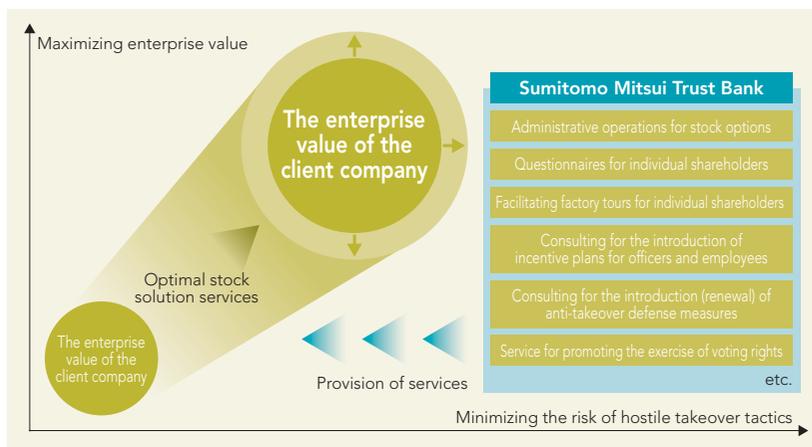
#### Support for the introduction of incentive plans for officers and employees

SuMi TRUST Bank is also focused on providing incentive plans for officers and employees, such as the Board Benefit Trusts, a Japanese version of ESOPs, share-awarding ESOPs along with consulting on the introduction of stock options, that are designed to facilitate the alignment of interests between management (officers) and shareholders for enhanced corporate value, as well as to reactivate employees shareholding associations and promote a sense of employee participation in management.

#### Capital market support

SuMi TRUST Bank, in collaboration with securities companies, provides support to customers with funding needs such as raising finance for capital increases and other purposes.

#### • Support for Enhancing Enterprise Value



### IPO Support Services

Our specialized staff possess a wealth of experience. They provide procedural support for client corporations planning IPOs in a fine-tuned manner. These support services include preparing shareholders' registries, articles of incorporation and other company rules, and capital policies required for capital increases, stock splits, and introduction of stock options, etc.

### 3. Group Companies

#### Tokyo Securities Transfer Agent Co., Ltd.

Tokyo Securities Transfer Agent specializes in stock transfer agency services. For about 50 years since its founding in 1962, it has provided clients with useful services from the clients' perspective as a specialized stock transfer agency. As an agent of record for listed companies, the company offers comprehensive stock-related consulting services, which include providing support to clients preparing for IPOs, and working closely with clients to offer fine-tuned consulting services unique to a stock transfer agency.

#### Sumitomo Mitsui Trust TA Solution Co., Ltd.

Sumitomo Mitsui Trust TA Solution commenced operations in 2002 as a company specializing in administration and systems operations for the entire range of stock transfer agency services with the aim of enhancing the efficiency and competitiveness of these services. It is working to raise the level of administration for shareholders' registries through the development of more efficient business flows, while moving forward assertively in the Business Process Outsourcing (BPO) market and working to create new value.

#### Japan Securities Agents, Ltd.

Japan Securities Agents specializes in stock transfer agency services. For about 60 years since its founding in 1950, it has been providing stock transfer agency related services and securities/financial industry platforms, giving top priority to fine-tuned services based on abundant practical experience and expertise, while processing clerical work promptly and accurately. The company also performs securities business operations to put clients' investment trusts and general claims in its account at Japan Securities Depository Center, Inc., and undertakes the administration, clearance and settlement thereof on behalf of clients.

#### Japan Stockholders Data Service Company, Limited

Japan Stockholders Data Service was established in collaboration with Mizuho Trust & Banking Co., Ltd. in 2008 to undertake back-office operations for stock transfer agency services after the shift to the electronic share certificate system in January 2009. It undertakes the administration of the shareholders' registry and the special account on stock transfer agency operations, as well as system development and management for related services.