

Human Resources Strategy

Basic Policy on Human Resources — Developing Teams Offering Top Quality

Sumitomo Trust is taking active steps to establish itself as a financial institution driven by highly specialized and strongly interconnected services. Under the Sumitomo Trust brand, our teams of specialists provide customers with high value-added services in areas such as pensions, real estate, asset securitization, corporate finance consulting, and private banking.

Our personnel system focuses on three approaches to developing and utilizing highly qualified human resources: (1) provide more “choice,” allowing employees to shape their career paths based on individual goals and offering a supportive workplace environment; (2) align employee compensation/promotion system and human resource portfolios to the business strategies and attributes of different business groups through greater cooperation between the Personnel Department and business divisions; and (3) foster “true professionals” able to fully compete in the marketplace.

We take pride in our unsurpassed dedication to securing and developing highly specialized human resources. As part of our efforts, we have introduced a career system which gives employees adequate flexibility to choose their career paths. We also have established an “internal job recruitment system” through which employees can proac-

tively shape their own careers based on individual commitment. All employees are evaluated under an equal personnel framework that seeks to uncover real capabilities, including levels of specialization and skill, while considering individuals’ career paths and motivation. This system encourages sound competition among individuals and assists us in finding the best-qualified personnel for promotion regardless of age or gender. Also, we make sure that mid-career employees are not at a disadvantage.

Personnel Strategy to Support Business Group Strategies — Enhancing Customer Value

through Greater Specialization

Sumitomo Trust provides its business groups the necessary flexibility to execute their respective strategies. One manifestation of this approach is that business group intentions are strongly reflected in mid-career recruitment as well as staff assignment and remuneration. Our basic policy is to educate employees through on-the-job training. In addition, we seek to enhance managerial skills through external training and e-learning, and encourage leadership development by way of training, exchange programs, and personnel transfers. Mid-career employees can take advantage of our induction training programs and in-house trainee systems within each business group, which allow them to share their experiences and know-how with other

employees and quickly make the greatest contribution possible as a member of “Team Sumitomo Trust.”

We are reinforcing our cross-divisional marketing activities to maximize the integrated strength of “All-Sumitomo Trust,” closely intertwining our specialist know-how in many business lines such as real estate and pensions with our relationship management expertise, as well as the cross selling of banking and trust services. For example, our Fiduciary Services Group (Pension Department) has dispatched 50 pension consultants to 12 locations across Japan, including Tokyo and Osaka, where they are working closely with our Wholesale Financial Services Group.

Entering fiscal year 2005, we will continue efforts to expand our personnel significantly so as to support company-wide endeavors to broaden our customer base and further enhance the quality of our products and services.