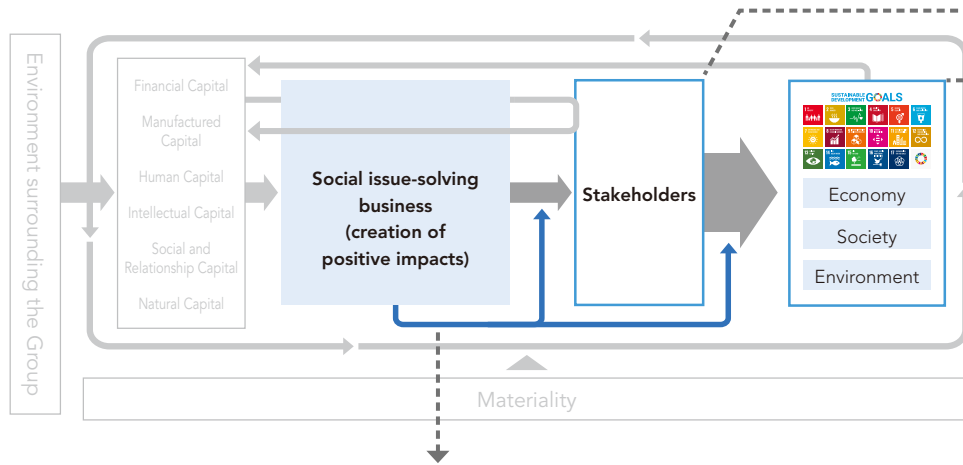


Creation of Impacts



Creation of Positive Impacts

Balanced creation of both social value and economic value has been placed at the very core of our management philosophy in our Medium-Term Management Plan. While there are cases in which social value is generated by our Group's corporate activities, the majority of such value is formed through a chain reaction where one stake-

holder has an impact on the next. In other words, examining in detail the logic (impact considerations) of how our initiatives can ultimately have a positive impact on social issues—as well as how we can limit the negative impacts—serves as a guide to the creation of social value.

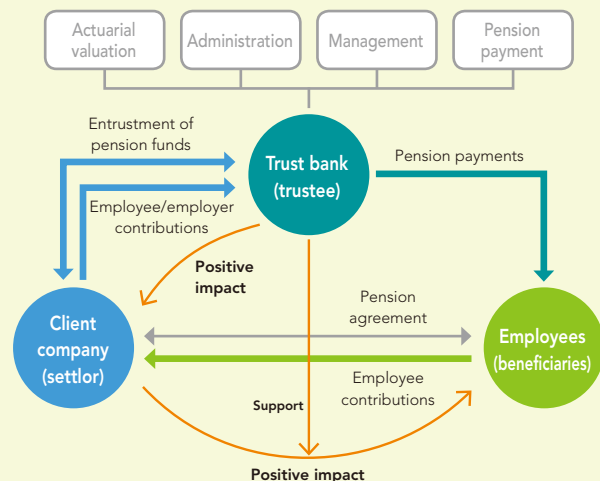
Creation of impacts and ecosystem optimization

Based on our trust banking platform, the SuMi TRUST Group aims to establish mutual and inseparable relationships (ecosystem) with various stakeholders. We make every effort to create positive impacts and limit the negative ones for our stakeholders by drawing on the functions of this ecosystem in terms of the three components that comprise social value:

economy, society, and the environment. However, the impacts are not just limited to those that have a direct effect; we must also take into account the indirect impacts one stakeholder may have on another. We therefore need to chart a course that leads to the creation of social value, and ultimately even the achievement of the SDGs.

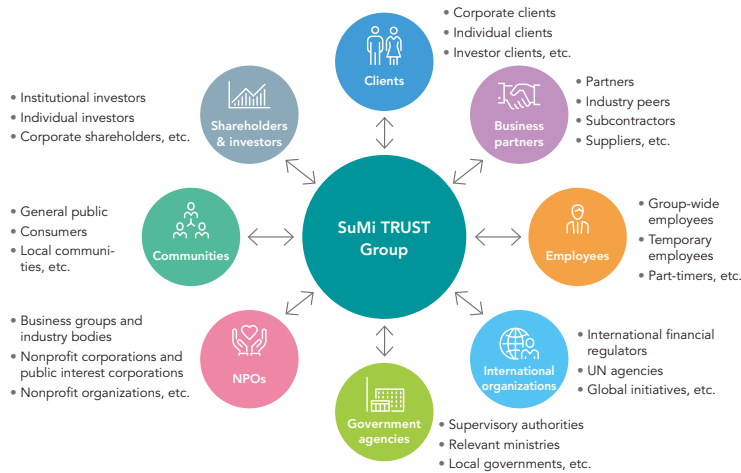
— Our trust business has impact considerations already built in —

The creation of positive impacts that takes into account stakeholders beyond our clients demonstrates a high degree of compatibility with our trust business. For example, the pension trust scheme was created mainly for the purpose of helping stabilize people's lives and improving their well-being, and we are entrusted by client companies (settlers) to perform actuarial valuations and manage pension assets on behalf of their employees (the beneficiaries). In other words, the direct positive impacts on our client companies are accomplished with the creation of indirect positive impacts on their employees. In much the same way, our will trust business and stock transfer agency services business deliver positive impacts to heirs and shareholders, respectively. As a financial group specialized in trust banking, the consideration of impacts is part of the SuMi TRUST Group's DNA and the source of our ability to generate value. Recognizing the beneficiaries among the stakeholders one step removed from our clients in all of our business operations yields added value that is unlike that at the commercial banks.



Stakeholders of the Group

In the Group's management principles, or mission, as well as in our Basic Policy on the Social Responsibility (Sustainability Policy), we identified stakeholders to be our clients, shareholders, investors, employees, business partners, communities, NPOs, government agencies, and international organizations. Listening to the opinions of stakeholders and gaining an understanding of how our Group depends on them and what kind of impacts our corporate activities are having on them is the starting point of our management that can generate social value and contribute to the building of a sustainable society.



Positive Impacts Designed to Create Social Value

The Sustainable Development Goals (SDGs) are a collection of 17 goals intended to be achieved by the year 2030. In developing the SDGs, the United Nations identified the most pressing social issues the international community faces in terms of economy, society, and the environment. The creation of social value is one initiative contributing to the achievement of many of the SDGs, whilst setting off a chain reaction of positive impacts among multiple stakeholders.

It also enhances value for the economy (increase in wealth), society (improvement in people's well-being*), and the environment (sustaining the earth's natural capital). We think social value generated is the sum total of the increases in these three types of value.

*The World Health Organization (WHO) defines health as a state of complete physical, mental and social well-being.

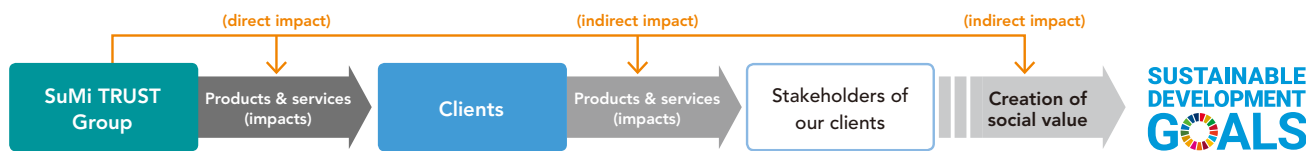
Social issues we need to address and focus

The following topics have been incorporated into the Group's Medium-Term Management Plan as social issues that warrant our attention.

- Individual clients: Asset administration suited for Japan's aging society and asset formation of individuals.
- Corporate clients: Sustainable growth of the Japanese economy and corporations (addressing both financial and non-financial issues).
- Investors: Diverse range of investment opportunities and development of the investment chain.

These topics need to be solved through collaboration between the public sector and private financial institutions.

In addressing the issues outlined in our Medium-Term Management Plan together with sustainability topics such as climate change, the recycling of resources, poverty, and infectious diseases, we aim to construct the financial infrastructure with which the SDGs can be achieved by fully leveraging the functions of a financial group specialized in trust banking to develop and deliver to clients the products and services that facilitate the smooth supply of funds.



	Examples of positive impact (promoting)	Examples of negative impact (avoiding)
Direct impact	Investments and loans to renewable energy projects	Sales of property funds with high investment weightings in buildings that are not environmentally friendly
Indirect impact	Consulting on information disclosure that clearly demonstrates processes for achieving the SDGs	Investments and loans to projects that contribute to increased greenhouse gas emissions in the long run