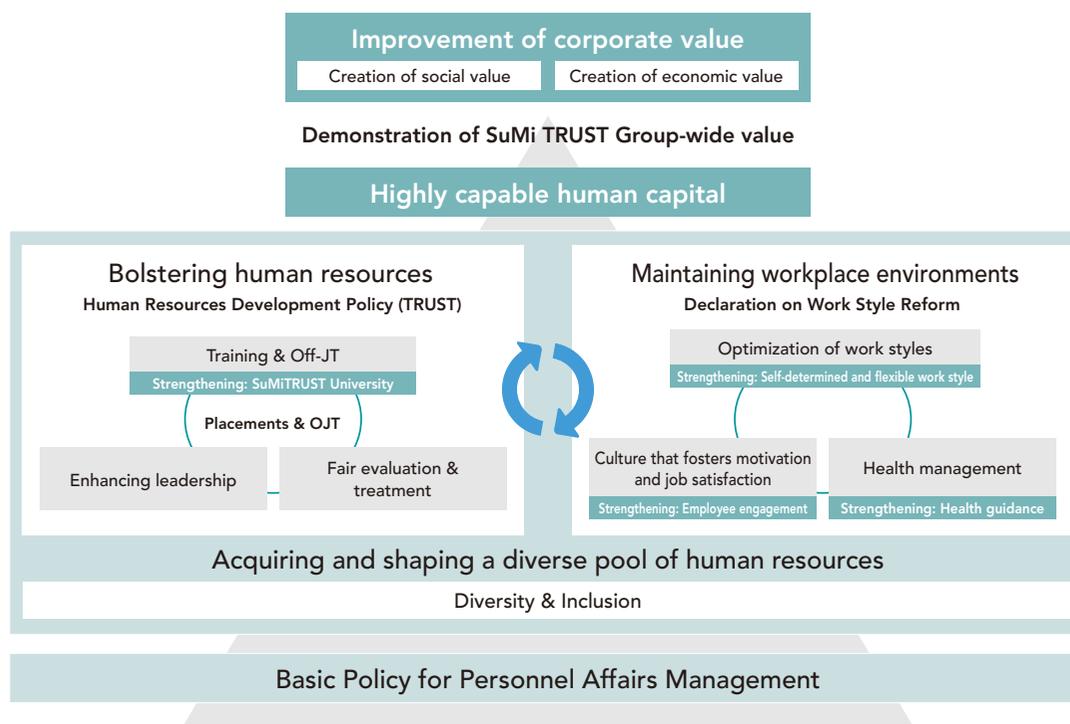


Human Resources Strategy

We consider employees to be one of the key capitals (human capital) at the source of value creation for the SuMi TRUST Group. We also believe them to be the stakeholders to whom the Group delivers direct impacts. In line with the Group's Basic Policy for Personnel Affairs Management and driven by the two-pronged approach of bolstering human resources and maintaining workplace environments based on our principles of diversity and inclusion, we aim to improve the skills of our workforce to deliver total solutions and contribute to the enhancement of corporate value.



Status of the Group of Personnel that Provides Comprehensive Solutions

<p>Number of financial consultants (number of female consultants shown in parentheses)</p> <p>March 31, 2019: 264 (9) March 31, 2020: 267 (17)</p>	<p>Fellows ("SEI-KAIIN") of the Institute of Actuaries of Japan</p> <p>March 31, 2019: 44 March 31, 2020: 43</p>	<p>Number of registered real estate transaction agents</p> <p>March 31, 2019: 5,638 March 31, 2020: 5,611</p>
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Bolster Human Resources

<p>Number of hours of training held</p> <p>FY2018: 5,145 hours FY2019: 5,705 hours</p>	<p>Number of applicants for voluntary training</p> <p>FY2018: 1,105 FY2019: 1,338</p>	<p>Status of positions of female employees (March 31, 2020)</p> <table border="1"> <tr> <td>Executives:</td> <td>General manager level postings:</td> <td>Section manager level postings:</td> </tr> <tr> <td>4</td> <td>12</td> <td>135</td> </tr> </table>	Executives:	General manager level postings:	Section manager level postings:	4	12	135
Executives:	General manager level postings:	Section manager level postings:						
4	12	135						

Maintaining Workplace Environments

<p>Number of leave days used</p> <p>FY2018: 14.9 days FY2019: 14.6 days</p>	<p>Supporting work-life balance</p> <table border="1"> <tr> <td>Childcare leave:</td> <td>Nursing care leave:</td> <td>Childcare leave for male employees:</td> <td>Cancer treatment leave:</td> </tr> <tr> <td>356</td> <td>177</td> <td>164</td> <td>37</td> </tr> <tr> <td>(March 31, 2020)</td> <td>(cumulative total for FY2019)</td> <td>(cumulative total for FY2019)</td> <td>(cumulative total for FY2019)</td> </tr> </table>	Childcare leave:	Nursing care leave:	Childcare leave for male employees:	Cancer treatment leave:	356	177	164	37	(March 31, 2020)	(cumulative total for FY2019)	(cumulative total for FY2019)	(cumulative total for FY2019)	<p>Number of users of the internal job posting system</p> <p>FY2018: 494 FY2019: 595</p>
Childcare leave:	Nursing care leave:	Childcare leave for male employees:	Cancer treatment leave:											
356	177	164	37											
(March 31, 2020)	(cumulative total for FY2019)	(cumulative total for FY2019)	(cumulative total for FY2019)											

(All figures are actual results of SuMi TRUST Bank)

1. Diversity & Inclusion

Guided by the SuMi TRUST Group's management principles (mission), we seek to harness the diversity and creativity of each and every individual—the very concept behind diversity and inclusion—and our Basic Policy for Personnel Affairs Management aims to add value to the organization by making full use of the diversity and creativity of all employees. The business model of a trust bank group should aim to offer added value to its clients by leveraging the breadth of diversity throughout the organization. While we have always believed in respecting diversity as an organization, we consider it vital that our employees reaffirm the strengths of the Group so that we can continue to enhance our diversity. SuMi TRUST Holdings and SuMi TRUST Bank have each established a Diversity & Inclusion Office (D&I Office) within the Human Resources Department. SuMi TRUST Bank's D&I Office comprises dedicated employees from the Human Resources Department and business supervising departments. In addition to promoting the diversification of work styles for individual employees, the D&I Office implements measures that best suit the situation of each business with the aim of enhancing corporate value.

	Total	Women	Men
Number of employees (SuMi TRUST Bank)			
March 31, 2020	13,527	7,577	5,950
Number of new graduates hired (SuMi TRUST Bank)			
FY2020	400	261	139

(1) Initiatives for Active Participation and Advancement of Women

Guided by its general employer action plan commitment under Japan's Act of Promotion of Women's Participation and Advancement in the Workplace, SuMi TRUST Bank aimed to have 300 female employees in managerial positions (section manager or higher) by the end of March 2020. This target was achieved ahead of schedule in October 2019 with 357 female employees appointed to such positions. And from April 2020, with the goal of increasing the number of women in decision-making positions, SuMi TRUST Bank formulated a new action plan to have more than 12% of female employees appointed to section manager or higher and more than 30% in charge of management operations by the end of March 2023. Pipeline models have been formulated to facilitate the planned nurturing of employees in each business, while measures are being implemented to bolster their systematic development with a view to future appointments and support career planning. Such measures include rank-based training for women in leadership positions, career design workshops to assist self-determined career planning, and seminars for female employees in which executive officers deliver lectures. In addition, an unconscious bias training session for senior executives was also held as one way of instigating a change in mindset among the management team.

Meanwhile, at branch offices and departments, a bottom-up approach to D&I was adopted by providing opportunities to female employees to think about their own careers by interacting with female employees from other companies.

Female executives and managers at SuMi TRUST Bank

	March 31, 2018	March 31, 2019	March 31, 2020
(1) Executives	2 (2.8%)	2 (2.9%)	4 (5.7%)
(2) Women in general manager level positions	6 (2.4%)	9 (3.7%)	12 (4.8%)
(3) Women in section manager level positions	130 (11.3%)	134 (11.8%)	135 (11.7%)
(4) Women in section manager or higher decision-making positions ((2)+(3))	136 (9.7%)	143 (10.3%)	147 (10.5%)
(5) Women in charge of management operations	1,369 (22.6%)	1,423 (23.9%)	1,570 (25.8%)

*Ratio of women shown in parentheses. Executive officers included in (1). Women in assistant manager or higher positions shown in (5), which also includes (4).

(2) Initiatives on Supporting Work-Life Balance

SuMi TRUST Bank has introduced two new leave systems: (1) workplace reassignments for employees whose spouse has been relocated; and (2) leave for employees when their spouse has been transferred overseas. The use of either system will help employees continue their careers without being disrupted by major life events.

Number of system users	
Workplace reassignments in Japan as of March 31, 2020	System for taking leave to accompany spouse transferred overseas, as of March 31, 2020
150	14

Alongside the periodic provision of information to employees on maternity or childcare leave, we are working to create an environment in which employees can actively balance both child-rearing and work by organizing seminars aimed at facilitating their smooth return to work and supporting career development thereafter.

As for balancing work with nursing care, we have distributed a handbook about this subject and hosted a seminar together with the employees' union. Also, in the action plan that kicked off from April 2020, we set a goal of achieving at least 60 evaluation points (considered a positive assessment) in an annual awareness survey on nursing care schemes and corporate culture. In this way, we are working to improve nursing care schemes and foster a corporate culture in which such schemes are more user-friendly. We also have in place a framework that supports diverse work styles; for example, we lend our support to employees requiring cancer treatment so they can balance their hospital visits with work duties, and we also encourage the use of teleworking.

(3) Promoting Active Participation by Diverse Human Resources

• Promoting active participation by disabled persons

The Group aims to be a place where employees can work with motivation and display their talents to the fullest as members of the workplace, whether or not they are disabled. At SuMi TRUST Bank, employees with disabilities work alongside their colleagues at branch offices where they have contact with clients or perform back-office tasks at head office. The Bank also makes efforts to interview employees after they start work to respond to concerns or requests that arise after starting work, and uses the points brought up in the interviews to create an easier working environment from physical and mental perspectives.

• Promoting active participation of global employees

SuMi TRUST Bank offers training every year to locally hired employees working at its overseas branches and overseas subsidiaries to deepen their understanding of the Group and its operations and to also strengthen networks among participants and respective business lines. In order to facilitate smoother communication with employees of other nationalities, the Bank also organizes a Japanese language course with lessons to assist the learning of Japanese and holds intercultural communication training for supervisors of foreign national employees. With the aim of encouraging the active participation and promotion to management of employees hired at overseas offices, the Bank organizes transfers to offices in different countries or long-term postings to Japan.

Employees also have the opportunity at the end of this training to put into practice what they have learned primarily through promotion and job rotation.

Disabled person employment ratio
(as of March 31, 2020)

2.29%

Branch offices and departments with employees with disabilities
(as of March 31, 2020)

108 branch offices and departments

(SuMi TRUST Bank)

External Evaluation (as of June 30, 2020)

Sumitomo Mitsui Trust Holdings, Inc.



Selected as Nadeshiko Brand by Ministry of Economy, Trade and Industry (METI) and Tokyo Stock Exchange (TSE)



2020
健康経営優良法人
Health and productivity
ホワイト500

Selected in the White 500 for the third year running by METI and Nippon Kenko Kaigi as an organization having outstanding health and productivity management



Selected by Bloomberg in Bloomberg Gender-Equality Index for second year running

Sumitomo Mitsui Trust Bank, Limited



Selected by METI among winners of New Diversity Management Selection 100 project



Obtained "Platinum Kurumin" certification from Ministry of Health, Labour and Welfare



In recognition of its work to address LGBT issues, SuMi TRUST Holdings, SuMi TRUST Bank (awarded Gold in 2017 and 2018) and Sumitomo Mitsui Trust Asset Management collectively received the Gold rating in wwP's Pride Index. Nikko Asset Management was recognized individually.

Membership

Sumitomo Mitsui Trust Asset Management



Thirty Percent Coalition member
30% Club UK, 30% Club Japan Investor Group member

2. Bolstering Human Resource



The SuMi TRUST Group Human Resources Development Policy

The SuMi TRUST Group will maintain its workplace environment and bolster its human resources based on a development spirit consisting of “TRUST,” for the growth and career development of the employees who will create our future.

- T**alentTalent (individuality) can blossom
- R**espectRespect each individual
- U**niquenessDevelop true professionals
- S**upportMake mutual teaching and support our motto
- T**ryPraise small, daily challenges

Based on the “fiduciary spirit of TRUST,” the SuMi TRUST Group aims to contribute to our clients and the continuous development of society through the growth of our employees, thereby maximizing the creation of shared value and becoming the corporate group that is chosen by society.

Having set the goal of being the “No. 1 financial group for human resource development,” the Group established its Human Resources Development Policy (TRUST) in April 2018. We will also strive to be the “No. 1 financial group for human resource participation,” where diverse human resources can play active roles based on this Human Resources Development Policy.

(1) Skill-Raising Human Resource Assignment and OJT*

The SuMi TRUST Group views OJT as the foundation for human resource development. We also focus on assigning employees to roles that awaken their passion for growth and allow them to display their abilities to the maximum extent. In fiscal year 2018, SuMi TRUST Bank introduced a program that enables younger employees to experience multiple work domains within a fixed period. We are also advancing initiatives such as a trust internship program aimed at developing human resources who possess a “high degree of expert knowledge in trust operations” and a “deep understanding of the fiduciary spirit.”

* OJT: On-the-Job Training. OJT is a process whereby workplace supervisors and senior employees teach subordinates the knowledge, skills, and duties required of them via their daily tasks.

(2) Enhancing Training and Other Off-JT* Programs

The SuMi TRUST Group has established the SuMiTRUST University to offer group training with the objective of improving employee business skills and management abilities. In addition, many opportunities in the self-development programs encourage employees to continue improving their skills. The company’s president serves as the dean of SuMiTRUST University, while the executive officer in charge of the Human Resources Department and an external expert serve as vice deans. The university is a group-wide program that also receives advice regarding management from the graduate school of Hitotsubashi University. From FY2020 we plan to turn SuMiTRUST University into a platform through which employees can discover their own appetite for learning, connect with others around them, and learn from each other. We also intend to enhance the content offered and strengthen the university’s infrastructure so that it is more user-friendly.

*Off-the-job training: Workshops, training, and other methods are utilized to provide employees with the knowledge and skills that cannot be acquired through OJT.

(3) Enhancing Leadership

SuMi TRUST Bank offers a program to develop next-generation executive candidates in cooperation with Hitotsubashi University’s Graduate Programs. Candidates receive instruction on the values, general liberal arts knowledge, and MBA elements they need for management, and through sessions and courses, they complete the program by presenting a proposal to senior executives. The Bank also provides a leadership development program for female employees to step up to management through various rank-based training. After the employees complete their training, operations are conducted such as providing them with opportunities to practice what they have learned during training in a variety of environments, primarily through promotion and job rotation.

(4) Fair Evaluations and Treatment

Fair and just evaluations and treatment in accordance with abilities, roles, and results form the basis of SuMi TRUST Bank’s performance evaluation system. The system used is based on a participatory model, in which employees communicate closely with their supervisors on a daily basis to establish and review specific goals. The process focuses not only issues related to the performance of duties, but formulates and provides feedback on future career development. Also, as a means of obtaining a multifaceted view of personnel, we have introduced an anonymous survey through which subordinates and others can rate the day-to-day management actions of line managers (general managers, deputy general managers, section managers, etc.). By conducting this survey, we can encourage management action reform and foster a culture of interactive communication.

3. Upholding Positive Workplace Environments

Declaration on Work Style Reform

The SuMi TRUST Group hereby declares it a top commitment to offer a workplace where the diversity and creativity of its employees are more fully utilized to add value to the organization and where employees can have pride and be highly motivated in fulfilling their missions. The Group as a whole will work towards the following goals.

1. Achieving diverse work styles and work-life balance
2. Supporting health improvement through measures such as boosting health awareness and appropriately managing work hours
3. Providing opportunities for all employees to grow while participating actively with motivation

Through the enthusiastic work of each individual employee, we will continue to be a corporate group that contributes to the benefit of clients and is useful to society.

In terms of maintaining workplace environments, we have set up the Work Style Reform Headquarters headed by the presidents of both SuMi TRUST Holdings and SuMi TRUST Bank, and have also formulated a Declaration on Work Style Reform to which the company's management team is committed to achieving. The initiatives we have implemented under this declaration have been rated favorably by numerous organizations (see page 94).

(1) Optimizing Work Styles

With the aim of achieving diverse work styles and work-life balance, SuMi TRUST Holdings actively develops workplace environments in which employees can work at ease and still maintain a good balance between work and personal life. In addition to enhancing its various systems related to childbirth and childcare, including encouraging male employees to take childcare leave (103.2% of eligible male employees took childcare leave in FY2019), SuMi TRUST Bank introduced a new leave system in FY2019 to help employees balance cancer treatment and work.

This fiscal year too we will continue to reduce the volume of work at our branches mainly by expanding the functionality of our internal systems. A reduction in work volume means we can reassign employees with the capacity for an increase in workload to strategic areas and further broaden client interaction by streamlining functions across multiple branches.

(2) Health Management

The SuMi TRUST Group's active initiatives to promote better physical and mental health of all Group employees have been recognized for the third year running with our selection in the White 500 as an organization having outstanding health and productivity management. With regard to physical health, we provide health examinations every year and make reexamina-

tions mandatory. The Human Resources Department and others follow up on every individual to ensure that everyone who requires treatment at a healthcare institution receives it. From FY2020 we plan to focus our efforts more than ever before on health guidance and with the establishment of health promotion centers and other pieces of infrastructure, we will endeavor to engage in a style of health and productivity management befitting of the age of 100-year life. With regard to mental health, we provide line management-based care and carry out stress checks once a year. Group results are provided to the employees' union, and we discuss improvements in workplace environments and make efforts to further improve them.

Specific initiatives

- Establish and adhere to rules for taking breaks between work shifts
- Thoroughly implement attendance management and prevent overwork among all Group employees
- Prohibit smoking in all buildings

(3) A Culture that Fosters Motivation and Job Satisfaction

We work to build a climate that supports challenges and learning and activates bi-directional dialogue toward "providing opportunities for all employees to grow while participating actively with motivation." The SuMi TRUST Group has always encouraged activities that create opportunities for learning, such as circles formed by groups both in-house and outside, and has regularly held lectures by outside instructors. SuMi TRUST Bank encourages employees to independently and voluntarily shape their own careers through changes in job position or through an internal job-posting system. Since fiscal year 2018, we have promoted activities for employees to shape their own futures, which solicit ideas from employees for the creation of new businesses and services. We received a total of 267 ideas from 499 employees group-wide in fiscal year 2019, which has helped improve employee motivation. In order to spread and maintain this culture, it is essential to have good bi-directional dialogue between executives and employees. SuMi TRUST Bank held 31 consultation meetings and informal meetings between union and management in fiscal year 2019. The Bank also uses occasions when employees gather, such as rank-based training, as opportunities for discussion and questions about management policies, leadership, and other topics by the president and other executives.



Seminar by executives

4. Human Rights

(1) Human Rights Management

• Basic philosophy

The SuMi TRUST Group's human rights management is based on the "Guiding Principles for Business and Human Rights," which was adopted by the United Nations Human Rights Council in June 2011. We have established the Human Rights Policy along with the Basic Policy on the Social Responsibility of Sumitomo Mitsui Trust Group (Sustainability Policy) to respect the human rights of all stakeholders.

Human Rights Policy:

https://www.smth.jp/en/csr/management/human_rights_policy/index.html

• Human rights management system based on the guiding principles for business and human rights

The SuMi TRUST Group works to improve the quality of its human rights management in a PDCA cycle, in order to foster a corporate culture and workplace environment that respects the basic human rights of all stakeholders, by respecting individual human rights and diverse values, while eliminating discrimination. The SuMi TRUST Group has not had any cases of infringement of human rights in the past three years.

Commitment	Establishment of the Human Rights Policy.
Implementation of human rights due diligence*1	Once a year, the Human Rights Due Diligence Self-check List*2 is distributed to all branches, departments, and affiliates both at home and abroad as a tool to check the status of respect for human rights at each unit.
Access to redress	The Personnel Consultation Desk in the Human Resources Department serves as a contact point.

*1 Human rights due diligence refers to a series of initiatives to identify actual or potential impacts on human rights, resulting from the activities of the Group or related outside parties, to develop measures for the prevention or mitigation of such impacts, and to continuously verify and disclose the effectiveness of such measures.

*2 A check list serves to verify the progress in each department concerned with the Human Rights Management System, such as the status of implementation of human rights due diligence, compliance with the Human Rights Policy, and occurrence of human rights violations.

• Human Rights Due Diligence Liaison Committee

The Human Rights Due Diligence Liaison Committee, chaired by the head of the Sustainability Management Department of the Corporate Planning Department, was established as a joint organization by SuMi TRUST Holdings and SuMi TRUST Bank. The committee investigates how human rights are being addressed at all Group companies, including overseas entities, identifies issues and risks that need to be addressed, and discusses and implements measures for improvement. Based on discussions by the committee, the Corporate Planning Department formulates objectives and plans for the development and reinforcement of the framework of initiatives, and the Human Rights Education

Committee chaired by the Head of Human Resources engages in the formulation and implementation of various training programs and education activities concerning human rights issues at all Group companies, branches, and departments.

Training aimed at raising awareness about human rights was held at 261 departments in FY2019. Together with lectures delivered during rank-based training sessions, 403 hours in total were dedicated to human rights, reaching 24,177 participants.

*Refer to pages 160–161 in our 2019/2020 ESG Report for more information on human rights due diligence.

(2) Protecting Various Human Rights

• Initiatives to address Dowa and foreign residents issues

The SuMi TRUST Group regards tackling discrimination against the Dowa caste as a particularly important theme in the promotion of human rights education, and has worked to completely eliminate prejudiced or discriminatory views against the Dowa caste. With regard to foreign residents issues, we make all employees aware of giving consideration to the human rights of foreign residents, including the handling of personal authentication documents and respecting privacy.

• Prevention of sexual harassment and power harassment

Actions such as sexual harassment and power harassment are prohibited at the SuMi TRUST Group. In the event harassment does occur, advice is sought and complaints are registered via the Harassment Prevention Committee representative in each branch and department, or directly by the Personnel Consultation Desk (LGBT Consultation Desk) within the Human Resources Department. Stringent corrective measures or punishment are implemented against the perpetrators.

The Personnel Consultation Desk (LGBT Consultation Desk) responds to various consultations related to human rights and, in cases where a negative impact on human rights is evident, cooperates with the related departments to promptly take measures as needed. In fiscal year 2019, the Personnel Consultation Desk received 68 consultations, of which 27 were situations involving concerns about human rights violations, including harassment. Five of these situations remain unresolved, and we are working with the related departments to settle these cases.

• Initiatives to prevent discrimination against LGBT people

We strive to ensure thorough prevention of discrimination against sexual minorities such as LGBT in hiring or performing their work. Our Personnel Consultation Desk (LGBT Consultation Desk) addresses this issue as an ally (supporter).

• Investments and loans related to cluster bombs

The SuMi TRUST Group refuses to provide loans to foreign or domestic companies that produce cluster bombs, which are recognized as a weapon raising strong humanitarian concerns.