

Process for the balanced creation of both social value and economic value

To achieve the balanced creation of both social value and economic value, we need to organically combine the process of creating positive impact while maximizing stakeholder value based on our reason for existence (“Purpose”) with the process of sustainably strengthening our own financial and non-financial management foundation (six types of capital). Additionally, we must establish a system to appropriately manage these processes at the management level. We call this system the “value creation process.”

The SuMi TRUST Group has identified high-priority issues (materiality) that affect our value creation process over the medium-to-long-term, and we have classified them into three categories: (1) impact materiality—issues that are conducive to the generation of social value from social issue-solving business; (2) governance and management foundation materiality—issues that have an impact on the core elements of our value creation; and (3) financial materiality—issues that directly affect our financial performance. We implement materiality management so as to appropriately control the impacts of these issues within the constructs of a risk appetite framework (RAF). See page 43 for more details.

