

December 22, 2023

To whom it may concern

Sumitomo Mitsui Trust Holdings, Inc.

**Notice Regarding Initiatives for the enhancement of Sumitomo Mitsui Trust Group's
Asset Management Business**

Sumitomo Mitsui Trust Holdings, Inc. (Director, President: Toru Takakura; hereinafter “SuMi TRUST Holdings”) would like to announce an update to Sumitomo Mitsui Trust Group’s (hereinafter “SuMi TRUST Group”) policy regarding initiatives towards the enhancement of its asset management business.

1. Overview of SuMi TRUST Group’s asset management business

With “Trust for a flourishing future” as our purpose, SuMi TRUST Group is working to realize a virtuous circulation of funds, assets and capital by utilizing broad trust functions while working to create new value for society.

In particular, in our asset management and asset administration business, as the largest asset management group in Asia, we are working to create added value befitting of a trust group by fusing our platform which supports a virtuous circulation of asset administration functions, together with advisory functions which support our clients’ decision-making based on our unique expertise and ability to make proposals.

2. Initiatives towards enhancement of asset management business

In working towards enhancing our asset management business, we will advance the autonomous improvement of asset management capabilities at SuMi TRUST Group’s core subsidiaries, namely Nikko Asset Management Co., Inc., Sumitomo Mitsui Trust Asset Management Co., Ltd., and Sumitomo Mitsui Trust Bank, Limited. At the same time, we will advance partnerships with a variety of asset management companies which possess strong track records, and work on constructing the “Multi-affiliate model” which connects these entities within the Group.

Given this, we will (1) establish a “Strategic investment facility for asset management” and by fiscal year 2030 actively invest up to 500 billion yen (cumulative basis), primarily in global inorganic strategies, emerging asset managers, and more. At the same time, in order to realize the “Multi-affiliate model,” we will also (2) bolster initiatives to further advance governance and enhance asset management capabilities.

(1) Establish “Strategic investment facility for asset management” and invest up to 500 billion yen (cumulative basis) by fiscal year 2030

• Global inorganic strategy initiatives

We will advance investments in inorganic areas such as domestic and global private assets, provide investors with highly profitable investment opportunities, and tackle the challenges of diversifying our product lineups and developing a domestic private asset market.

- Initiatives towards investment in emerging asset managers and others

We will promote a fund cultivation program which leverages SuMi TRUST Group's strengths such as BPO services in the asset administration field. We will also work on improving SuMi TRUST Group's active asset management capabilities by developing emerging asset managers who possess investment strategies with a competitive edge and by incorporating them into our affiliates.

(2) Bolstering systems to realize the "Multi-affiliate model"

- Sophisticate of governance at SuMi TRUST Holdings and core subsidiaries

Originating from SuMi TRUST Group's global management talent and expert insight, we will work on the continuous sophistication of governance and enhancement a management system which bands together autonomous asset management companies.

- Initiatives toward enhanced asset management capabilities

We will introduce original evaluation and remuneration systems of asset management companies which are conscious of global standards, and provide opportunities for active involvement by actively utilizing seed money, and more. At the same time, we will enhance asset management capabilities through the active recruitment and appointment of external asset management professionals.

Through these initiatives, SuMi TRUST Group will realize a virtuous circulation of funds, assets and capital and contribute to solving social issues. Furthermore, we will aim to achieve a ROE of 10% or above as early as possible.

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