

May 28, 2024

To whom it may concern

Sumitomo Mitsui Trust Holdings, Inc.
(Securities Code: 8309 TSE, NSE)

Notice regarding Changes to the Performance-Based Stock Compensation System for Directors, etc. (RS Trust) and Determination on matters relating to the Acquisition of Shares

As announced in the press release “Notice regarding Introduction of a Performance-Based Stock Compensation System for Directors, etc.” dated August 29, 2019, Sumitomo Mitsui Trust Holdings, Inc. (Director, President & CEO: Toru Takakura, hereinafter “SuMi TRUST Holdings”) operates a stock compensation system (hereinafter the “System” ; the trust already established for the introduction of the System shall hereinafter be referred to as the “Trust”) that applies to its directors and other specified officers, and the directors and other specified officers of Sumitomo Mitsui Trust Bank, Limited (hereinafter “SuMi TRUST Bank”) and Sumitomo Mitsui Trust Asset Management Co., Ltd. (hereinafter “SuMi TRUST AM”), which are core companies of the Sumitomo Mitsui Trust Group (hereinafter the “SuMi TRUST Group”).

SuMi TRUST Holding now hereby announces that, at the meeting of the Compensation Committee held on May 27, 2024, it resolved to make partial change to the content of the System (changes to the performance targets, etc., increase in the stock compensation amounts) and that, at the meeting of the Board of Directors held today, it resolved, regarding the System, to make additional entrustment of money for additional acquisition of shares of SuMi TRUST Holdings by the trustee of the Trust.

1. Content of the System

(1) Structure of the System

The System is a stock compensation system whereby the Trust acquires shares of SuMi TRUST Holdings, and shares of SuMi TRUST Holdings that correspond in number to the number of points granted to eligible persons under the System are to be delivered to each of the Directors, etc. via the Trust. (Note, the eligible persons under the System after the changes, as described in (3) below, are referred to below as “the Directors, etc.”)

(2) Timeline of Events to Date

As announced in the press release “Notice regarding Introduction of a Performance-Based Stock Compensation System for Directors, etc.” dated August 29, 2019, SuMi TRUST Holdings initially introduced the System as a stock compensation system for officers in office during the four fiscal years from the fiscal year ending March 31, 2020 to the fiscal year ending March 31, 2023, and resolved, at the meeting of the Compensation Committee held on August 24, 2023, to continue the System for the subsequent three fiscal years as well.

Subsequently, at the Compensation Committee meeting held on February 26, 2024, SuMi TRUST Holdings resolved to make partial changes to the content of the System, and it has continued the operation of the System to date.

(3) Changes to the System

The changes to the System made by resolutions of the Compensation Committee meeting held on February 26, 2024 and the Compensation Committee meeting held on May 27, 2024 are as follows. (The underlined portions indicate changes.)

		Before February 2024 Change	After February and May 2024 Change
①	<i>*changes in February*</i> Eligible persons under the System	<u>SuMi TRUST Holdings</u> - directors (excluding (i) directors who are Audit Committee members and (ii) external directors) and executive officers <u>SuMi TRUST Bank</u> - directors (excluding (i) directors who are Audit and Supervisory Committee members and (ii) external directors) and executive officers <u>SuMi TRUST AM</u> - directors (excluding (i) directors who are Audit and Supervisory Committee members and (ii) external directors) and executive officers	<u>SuMi TRUST Holdings</u> - directors (excluding (i) directors who are Audit Committee members and (ii) external directors) and executive officers <u>and executive managers</u> <u>SuMi TRUST Bank</u> - directors (excluding (i) directors who are Audit and Supervisory Committee members and (ii) external directors) and executive officers <u>and executive managers</u> <u>SuMi TRUST AM</u> - directors (excluding (i) directors who are Audit and Supervisory Committee members and (ii) external directors) and executive officers
②	The relevant Period	The four fiscal years from the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2026	The three fiscal years from the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2026

③	<p><i>*changes in May*</i></p> <p>The upper limit on the total amount of money to be contributed during the Period in ②, by SuMi TRUST Holdings, SuMi TRUST Bank, and SuMi TRUST AM, as funds necessary for acquiring shares of SuMi TRUST Holdings that are to be delivered to the eligible persons under ①</p>	<p><u>One thousand four hundred and seventy million yen</u> (JPY<u>1,470,000,000</u>) in total</p>	<p><u>Three thousand two hundred million yen</u> (JPY<u>3,200,000,000</u>) in total</p>
④	<p><i>*changes in May*</i></p> <p>In the event that the Period is further extended, the upper limit on the total amount of money to be contributed during the extended Period, by SuMi TRUST Holdings, SuMi TRUST Bank and SuMi TRUST AM, as funds necessary for acquiring shares of SuMi TRUST Holdings that are to be delivered to the eligible persons</p>	<p>The total amount obtained by multiplying the number of fiscal years of the extended Period by <u>three hundred and seventy million yen</u> (JPY<u>370,000,000</u>)</p>	<p>The total amount obtained by multiplying the number of fiscal years of the extended Period by <u>one thousand five hundred and seventy million yen</u> (JPY<u>1,570,000,000</u>)</p>
⑤	<p><i>*changes in May*</i></p> <p>Upper limit on the aggregate number of points that may be granted to the eligible persons under ①</p>	<p><u>200,000</u> points per fiscal year</p>	<p><u>1,067,000</u> points per fiscal year</p>

⑥	<p><i>*changes in May*</i></p> <p>Criteria for granting points</p>	<p><u>SuMi TRUST Holdings and SuMi TRUST Bank</u></p> <p>Grant of points calculated by multiplying a number determined in accordance with job rank, etc. and a performance-based coefficient (*2) that varies depending on the degree of achievement, progress status, <u>and qualitative evaluation</u> of the performance targets (*1).</p> <p>(*1) ① consolidated net business profit before credit costs, ② consolidated net income attributable to owners of the parent, ③ consolidated return on shareholder equity, ④ consolidated CET 1 ratio (common equity tier 1 ratio), ⑤ consolidated OHR (overhead ratio), ⑥ comprehensive ESG evaluation</p> <p>(*2) The upper limit of the range is 130%, and the lower limit is 0%</p>	<p><u>Eligible persons (excluding executive managers) of SuMi TRUST Holdings and SuMi TRUST Bank</u></p> <p>Grant of points calculated by multiplying a number determined in accordance with job rank, etc. and a performance-based coefficient (*2) that varies depending on the degree of achievement and progress status of the performance targets (*1).</p> <p>(*1) ① consolidated net business profit before credit costs, ② consolidated net income attributable to owners of the parent, ③ <u>relative total shareholder return</u> ④ consolidated return on shareholder equity, ⑤ consolidated CET 1 ratio (common equity tier 1 ratio), ⑥ consolidated OHR (overhead ratio), and ⑦ comprehensive ESG evaluation</p> <p>(*2) The upper limit of the range is 130%, and the lower limit is 0%</p> <p><u>Eligible persons (limited to executive managers) of SuMi TRUST Holdings and SuMi TRUST Bank</u></p> <p><u>Grant of points determined in accordance with job rank and</u></p>
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⑦	<i>*changes in February*</i> Timing of delivery of shares	- <u>At the time of retirement</u>	- <u>During the term of office (in principle, each fiscal year)</u>
⑧	<i>*changes in February*</i> Transfer restrictions	- <u>None</u>	- <u>Yes (in principle, until the date on which the person ceases to be a Director, etc.)</u>

(4) Transfer Restriction Agreement regarding the Shares of SuMi TRUST Holdings to be Delivered to the Directors, etc.

A transfer restriction agreement (hereinafter “the Transfer Restriction Agreement”) that includes the content below shall be entered into between SuMi TRUST Holdings and the Directors, etc. regarding the shares of SuMi TRUST Holdings to be delivered to the Directors, etc. in proportion to the points to be granted under the System. (For each of the Directors, etc., receipt of delivery of the shares of SuMi TRUST Holdings will be subject to the condition that they enter in the Transfer Restriction Agreement.)

- ① The Directors, etc. shall not transfer, grant security interest in, or otherwise dispose of the shares of SuMi TRUST Holdings that they have received delivery of under the System, from the date of receipt of the delivery until the date on which the person ceases to be a Director, etc.

- ② If certain event(s) occur, SuMi TRUST Holdings shall acquire the shares of SuMi TRUST Holdings without consideration.
- ③ Content of terms for removal of transfer restrictions, etc. determined in advance by the Compensation Committee.

In the case where shares of SuMi TRUST Holdings are to be delivered to a Director, etc. under on the System on or after the date on which the person ceases to be a Director, etc., the shares of SuMi TRUST Holdings shall be delivered without transfer restrictions.

2. Overview of the Trust

(1) Name	Trust for Delivery of Shares to Directors, etc. (RS trust)
(2) Trustor	SuMi TRUST Holdings
(3) Trustee	SuMi TRUST Bank (trust account) (Re-entrustment trustee: Custody Bank of Japan, Ltd. (trust account))
(4) Beneficiaries	Directors, etc. who satisfy the beneficiary requirements.
(5) Trust Administrator	A third party that is independent of the SuMi TRUST Group
(6) Exercise of Voting Rights	Throughout the period of the trust, the voting rights of SuMi TRUST Holdings shares held in the Trust will not be exercised.
(7) Type of Trust	Trust of money other than “money trust” (kinsen-shintaku) (third-party-benefit trust)
(8) Date of Trust Agreement	September 17, 2019
(9) Date of Additional Entrustment of Monies	June 4, 2024 (scheduled)
(10) Date of Termination of the Trust (after continuation)	End of September 2026 (scheduled)

3. Matters regarding the Acquisition of the Shares by the Trustee of the Trust

(1) Class of Shares to be Acquired	Ordinary shares
(2) Total Amount for Acquisition of Shares	JPY3,495,000,000 (upper limit) *The above monetary amount is the aggregate of the additional entrustment by SuMi TRUST Holdings (JPY3,196,000,000) and the portion allocated from the balance of the monies in the trust property prior to the additional entrustment (JPY299,000,000).
(3) Total Number of Shares to be Acquired	2,326,000 shares (upper limit)

(4) Method of Acquisition of Shares	Acquisition through stock market transactions (including after-hours trading)
(5) Term for Acquisition of Shares	From June 4, 2024 to June 19, 2024 (scheduled)

End

For further information, please contact:

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