

# 4 Prosperity

## —Economic Considerations

Companies perform better when their employees are well-trained, diverse and financially secure. The inclusion of prosperity as the fourth pillar takes this project's work beyond simply "ESG," highlighting the importance of prosperous societies and the role of businesses in fueling economic growth, innovation, and shared wealth.

From the World Economic Forum White Paper "Measuring Stakeholder Capitalism"

134

- 135 The Group's Approach to Prosperity  
(Economic Considerations)
- 136 Creation of Employment and Wealth
- 138 Providing Value to Clients
- 150 Helping Invigorate Communities and Society
- 196 Trust Future Forum
- 197 The Sumitomo Foundation

# The Group's Approach to Prosperity (Economic Considerations)

In the World Economic Forum's white paper Measuring Stakeholder Capitalism—Towards Common Metrics and Consistent Reporting of Sustainable Value Creation, which this report references, the following definition of "prosperity" is quoted from the UN Secretary-General's Synthesis Report.

## Definition of "Prosperity"

- Economic growth, built upon decent employment, sustainable livelihoods, rising real incomes, social protection, and access to financial services for all people
- Innovation and transforming business models to create shared value, including investments in sustainable and resilient infrastructure, settlements, industrialization, SMEs, energy, and technology
- Shared prosperity and equitable growth, based on sustainable production and consumption

In other words, the idea of prosperity is not about how prosperous a company has become—it is a measure of how prosperous a company has made society. Accordingly, this would obviously include a company's business contributions to society and the economy, as well as its employment program, tax payments, community investments, participation in social activities, and initiatives such as financial inclusion. More specifically, and based on this thinking, in this section of the report we provide information about the SuMi TRUST Group's initiatives in line with the following three themes.

Creation of employment and wealth	We create significant economic value for employees, shareholders, and wider society through job creation and investing in the productive capacity of the economy.
Providing value to clients	We more broadly create economic value and social value for clients and society by providing suitable and innovative products and services to meet our clients' changing needs and desires.
Helping invigorate communities and society	We endeavor to invigorate the societies and communities in which we operate, through investment in communities, promotion of, and participation in social activities, and indirectly through taxes paid to help finance government services for those communities. Also, we contribute to the enhancement of buying power in the community through equitable and inclusive economic development.

## Related Materiality

### Impact Materiality

Materiality	Risk/Opportunity	Key Stakeholders	Main Responses
Pursuing sustainability-themed business opportunities	Opportunity	Clients, communities	Maximizing positive impacts through core businesses Individual clients: Asset formation for the people Corporate clients: Contributing to sustainable growth of the Japanese economy and corporations/regional revitalization Investors: Contributing to investment chains that give rise to virtuous cycles between individuals and corporate entities
Financial inclusion	Opportunity	Clients, governments, communities	Providing products and services to the financially vulnerable, guaranteeing access to finances for clients with dementia and other problems, and developing frameworks for returning assets to society and circulating money for the purpose of eliminating disparities
Technological innovation	Risk/Opportunity	Clients, employees	Improving user friendliness for clients (development of IT-driven financial services, expanding non-face-to-face channels, etc.), using IT to make operations more efficient, preventing system issues, and promoting system upgrades

### Governance and Management Framework Materiality

Materiality	Risk/Opportunity	Key Stakeholders	Policies
Client-orientated approach/fiduciary duty	Risk/Opportunity	Clients	Initiatives aimed at being our clients' "best partner" and initiatives concerning fiduciary duty
Protection of personal information and client data	Risk	Clients	Client protection management (including client information protection)
Stability of financial system	Risk	Governments, international organizations	Ensuring ample shareholders' equity, qualitatively and quantitatively, and strengthening our sound financial base

Highly Relevant SDGs

