

Helping Invigorate Communities and Society

Direct and Indirect Support (Cash Conversion)

Companies directly contribute to communities through investments and various services to society, but also indirectly through taxes paid to help finance government services for those communities. From this point of view, the World Economic Forum has identified total tax paid and total social investment as the common metrics for measuring community and social vitality.

(1) Indirect Support: Total Tax Paid

The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.

Taxes are important sources of government revenue and are central to the fiscal policy and macroeconomic stability of countries. They are also a key mechanism by which companies

indirectly support social infrastructure because government revenues support public infrastructure and services.

Total tax paid

	FY2019	FY2020
Corporate taxes and other taxes	¥87.3 bn	¥67.8 bn

(2) Direct Support: Total Social Investment

Total social investment is a metric summing up all resources (operational expenses, staff time, etc.) that the company uses for mainly "S" in ESG efforts. It seeks to capture the multiple ways in which companies can demonstrate their investment in social activities beyond traditional charitable giving. We categorized our activities into three groups: (1) charitable donations; (2) community investments (in a narrow sense); and (3) cost of strategic activities.

	FY2019	FY2020
(1) Charitable donations	227	489
(2) Community investments	342	294
(3) Cost of strategic activities	36	9
Total	605	792

(¥ mn)

Total social investment by the Group in fiscal 2020 came to around ¥800 million, some ¥500 million of which was associated with actual cash payments.

- (1) Charitable donations: The total amount of donations for accounting purposes (excluding those related to sustainability)
- (2) Community investments: The total amount of membership fees in various organizations like UNEP FI and the Biodiversity in Good Company initiative, running costs for the UN-driven Education for Sustainable Development (ESD) project, and personnel costs in connection with the "With You" activities (personnel costs are estimated based on a number of assumptions).
- (3) Cost of strategic activities: The total amount of sustainability-related donations, such as those to the Network for Economic Education and UWC ISAK Japan*, plus the cost of running "With You" activities and other projects.

See page 164 for more information about ESD.

*UWC ISAK: A school that unearths and nurtures "changemakers" from disadvantaged backgrounds. See page 162 for more information about their activities.

Launch of industry-academia consortium for solving issues in society

In June 2021, SuMi TRUST Bank entered into an agreement with Keio Research Institute at SFC and NES Inc. to utilize their respective networks in setting up a consortium that aims to solve social issues through collaboration between industry and academia.

As the advancement of digital technology and the development of technology for realizing decarbonization-focused energy policies hold sway over Japan's international competitiveness, projects that seek to demonstrate how new technology can be adopted in society are crucial. Domestically too, there is a mountain of economic, social, and environmental issues that need fixing; for example, structural problems like growing population density in the greater Tokyo area and regional districts beset by

dwindling economic activity owing to population decline, as well as the building of sustainable social infrastructure that can cope with Japan's super-aging society. And in many cases, the initiatives of public services and business operators alone are not enough to deliver solutions.

Under this agreement, the parties will aim to build a cross-industry network that brings industry and academia closer together whereby the technological knowledge of the Keio Research Institute at SFC is bound together with the finance functions of SuMi TRUST Bank with the objective of properly addressing social issues faced by each region and contributing to the creation of vibrant regions and the development of up-and-coming business entrepreneurs.

Financial Inclusion Initiatives (for a fair and inclusive economy)



According to the World Bank, financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs—transactions, payments, savings, credit, and insurance—delivered in a responsible and sustainable way. Furthermore, financial inclusion has been identified as a key enabler for eight of the 17 SDGs. Also, the promotion of financial inclusion can drive more global, inclusive economic growth and support the attainment of a wider range of goals.

(1) Improving accessibility by expanding online transactions and the use of digital technology

The ongoing COVID-19 pandemic has prompted more clients to avoid face-to-face meetings and other direct contact and instead request online consultations as a way of preventing the spread of infections. The SuMi TRUST Group has long offered high value-added face-to-face consulting services as a financial group specialized in trust banking, but given the spread of COVID-19, we have deployed a system through which we can deliver trust consulting and trust services even without meeting in person by making use of online consultations. In July 2021, we started an online “consultation plaza” service at SuMi TRUST Bank. This service makes it possible for a client to join an online meeting to discuss preparatory measures in the event their decision-making capacity turns to decline as a result of dementia or other illness, and also offers far away family members the opportunity to participate in online sessions to discuss inheritance or asset administration matters.

The number of online consultations in the first half of fiscal 2021 increased by more than 200% from the second half of fiscal 2020. In particular, there was an even bigger jump in the number of online consultations for family members not living together, so much so that they made up nearly half of all online consultations in the first half of fiscal 2021. With families not being able to meet so easily during the pandemic, we are using online means to provide opportunities

Japan has one of the highest bank account ownership ratios in the world, but people living in remote areas, as well as the elderly, still require support in terms of access to their account and properly benefiting from account services.

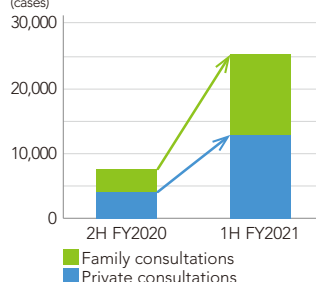
The OECD too has listed people living in outlying regions and the elderly as those impacted by the COVID-19 pandemic. With infections spreading once again, it is becoming increasingly important that digital technology is used to maintain and improve accessibility to financial services.

for all family members to benefit from our consultation services at the same time.

As the pandemic has continued unabated, more people are working from home and commuting less, which is driving demand for consultations during the daytime. We are also seeing an increase in clients wanting to consider and discuss a broad range of life planning matters concerning property, inheritance, and asset management. For workplace clients, SuMi TRUST Bank opened a virtual branch in fiscal 2020 and the number of inquiries it fielded in the first half of fiscal 2021 grew 30% year on year—a telltale sign that this service has been favorably received.

We have also developed a new asset administration app for smartphones, which we plan to release in spring 2022.

Number of online consultations (cases)



Number of virtual branch inquiries

1H FY2021

+30%
(vs. 2H FY2020)

Initiatives at SBI Sumishin Net Bank

SBI Sumishin Net Bank is an online-only bank that was launched in September 2007 as a joint venture between SuMi TRUST Bank and SBI Holdings. Since its foundation, the bank has concentrated its resources on providing 24-hour, 365-day internet banking that offers the most easy-to-use and attractive products and services. In February 2021, SBI Sumishin Net Bank's cumulative value of mortgage loans surpassed ¥6.5 trillion, and as of the end of March 2021, total deposits held across 4.51 million

accounts stood at a little over ¥6.29 trillion. In recent years, for the purpose of delivering more convenience to society by integrating banking functions stripped back to the bare essentials into various industry sectors without relying on a physical branch network, SBI Sumishin Net Bank has been promoting its NEOBANK® business and the unparalleled client experiences that accompany it through the provision of BaaS (banking as a service) financial infrastructure.

(2) Initiatives in line with the G20 Fukuoka Policy Priorities

The Global Partnership for Financial Inclusion (GPFI) and the OECD together identified global issues pertaining to aging. To provide support for addressing such challenges, in June 2019 the organizations jointly presented eight key priorities in a report entitled *G20 Fukuoka Policy Priorities on Aging and Financial Inclusion*. The G20 Fukuoka Policy Priorities are measures that will sow the seeds of a prosperous future for both current generations of older people and future generations. Considering that the reason for existence, or purpose, of the SuMi TRUST Group is to create new value with the power of trusts and let prosperous future for our clients and society bloom, in June 2019 we threw our support behind the G20 Fukuoka Policy Priorities and have been undertaking related initiatives ever since.

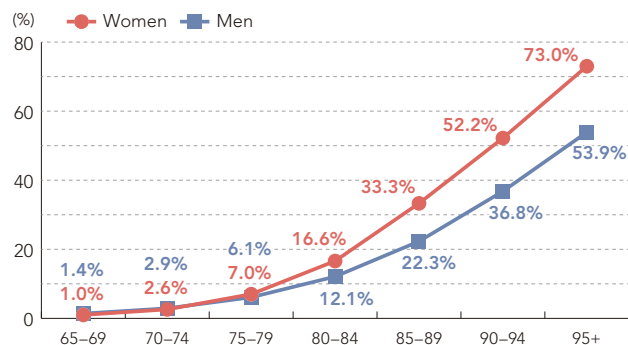


Utilizing data and evidence

In this so-called age of centenarians, longevity is a trend currently sweeping the globe and a worldwide increase in the elderly population in the future is, for the most part, a foregone conclusion. In Japan, the weighting of the elderly population is more than 7% above what is considered a super-aged society (21%) and therefore represents a society of longevity unlike any other country on the planet, or in human history for that matter. In order to foresee what kind of unprecedented challenges lie ahead, the provision of products and services based on the utilization of data and evidence will be vital going forward.

For example, it is said that dementia is a key factor in life and asset planning under the assumption of a long life expectancy. Even the data shows that the likelihood of someone suffering from dementia is far greater if they live to 100 instead of 80, which is why people must make preparations to start planning their life and management of assets beforehand on the assumption that a time will come in their life when dementia or some other illness hobbles their decision-making capacity. In doing so, they can live happily with peace of mind in their later years.

Dementia Incidence Rate



Source: Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology (2012 comprehensive assessment of dementia)

An impaired judgment brought on by dementia or the like makes decision-making for contractual matters more difficult, and in some cases, it could mean a person no longer has access to their own savings or other assets—in other words, their assets are at risk of being frozen. For this reason, it is important that advance planning preparations are undertaken beforehand, with the use of a guardianship or trust fund, for example.

In fact, SuMi TRUST Bank is actively exchanging information with the operators of housing and care facilities for seniors and acquiring regional information databases for each municipality and senior housing databases containing information about each elderly home or facility. The Bank is using these databases to build market analysis tools and programs for calculating business operation expenditures.

SuMi TRUST Bank's research, based on various data, indicates that by the year 2030 the amount of financial assets held by people with dementia will have reached ¥214 trillion, while homes and other real estate is expected to be worth ¥100 trillion.

To address these issues, SuMi TRUST Bank is implementing the following measures to sow the seeds of a prosperous aging society in Japan in an era during which many people will likely live to be 100 years old.



Strengthening digital and financial literacy

There is a need to support the digital and financial literacy skills of older people, to help them keep up with the pace of change and avoid risk factors that could influence their financial well-being. Also, older people are more likely to need tailored provision of up-to-date knowledge and information presented in an appealing, jargon-free way—taking into account their diverse preferences and needs, physical and cognitive capacities and the rapidly changing financial landscape.

SuMi TRUST Bank has produced documents that are easier on the eyes of elderly clients and it is also making use of cartoon strips and pictures so that the content of such material is more easily understandable. It also launched its own YouTube channel in September 2021.

In light of the Group's ambition to be the "Best Partner" for our clients in this age of centenarians, we put a lot of effort into making sure that employees acquire knowledge of gerontology and master the methods needed to properly explain and provide information to elderly clients based that knowledge. Since 2014, it has been mandatory for all branch managers, deputy general managers, and section managers in the Retail Total Solution Services Business of SuMi TRUST Bank to obtain "Gerontology Concierge" accreditation, and the Bank also encourages all employees in this same business to take and pass the Bank Gerontologist exam, a test of gerontology and medical topics as they relate to financial services that was jointly developed by the Decision-Making

Support Organization of Japan (DMSOJ) and the Kinzai Institute for Financial Affairs in January 2021. As of October 2021, more than 60% of employees had already passed the Bank Gerontologist exam.

In addition, since 2012 the head office and each branch office have continued to collaborate on hosting Silver College seminars in order to provide easy-to-understand information about gerontology to the senior generation and our clients that currently assist them.

Related accreditations (as of end-Dec 2021)

No. of dementia support training participants	3,773
Gerontology exam*	834
Bank Gerontologist exam	3,495

*Employees that pass the exam are awarded "Gerontology Concierge" accreditation by the Society for Applied Gerontology Japan.

These initiatives mean our employees can explain our products and services in a way that is easily understood by elderly clients, and together with online consultations and other experiences described on page 151, can contribute to the enhancement of both financial literacy and digital skills.



Supporting lifetime financial planning

The G20 Fukuoka Policy Priorities report states that lifetime financial planning support should be provided by illustrating financial needs in old age, explaining the relevance of starting young, and providing access to the tools and services that make it possible. Such measures may be particularly relevant for women and younger people from the view point of financial inclusion.

SuMi TRUST Bank provides generation plans that detail the needs and events of each generation, as well as the Lifecycle-Navi simulation tool. And every season it uses a dedicated checklist sheet to run a periodic health check of client assets to ensure they are being properly managed, much like a regular health checkup.

The Bank also offers a digital final letter of instruction as part of its Funeral Trust product, as well as housing wills (free will custody service) for mortgage loan clients. These offerings provide clients the opportunity to kick off advance planning from a relatively young age.

For loans too, SuMi TRUST Bank provides housing assistance and reverse mortgage loans for seniors to help elderly clients finance a new or refurbished home.

COLUMN

Opening of Centenarian Anshin Plaza

Sumitomo Mitsui Trust Life Partners, the insurance sales arm of SuMi TRUST Bank, opened its second Centenarian Anshin Plaza in Nagoya in June 2021 after the first one was opened in Shinjuku. The plazas serve as a new face-to-face consulting channel primarily focusing on clients that are currently part of the working generation by blending SuMi TRUST Bank's specialist products, services, and consulting capabilities with insurance consulting know-how. The Group will look to utilize this consulting channel to promote the kind of insurance business model only a trust bank can deliver—one that offers comprehensive proposals while taking into account taxation, social security, and pension systems. In this way, we aim to be the financial institution chosen by our clients as their "Best Partner" in this age of 100-year living.

Please visit our website for more information.

<https://www.smtb.jp/-/media/tb/personal/news/2021/pdf/20210603.pdf>



Customizing

While it is important that financial inclusion policies and approaches address the diverse financial needs of older consumers in a customized way, it is also important to recognize that future generations of older people may not have the same requirements as those of today. As explained in the aforementioned section about utilizing data and evidence, the incidence rate of impaired decision-making as a result of dementia or other illness is

now on a completely different dimension compared to when people were expected to live to the age of 50 or 80, for example. In 2019, SuMi TRUST Bank developed and started offering its Centenarian Support Trust (100-Year Passport) to combat dementia and then in fiscal 2021 it released the 100-Year Passport+ product for contracted fund wrap clients, which allows a representative nominated in advance to draw down managed assets when the client's cognitive capacity has deteriorated.

Cancellation options dependent on health for 100-Year Passport+

	Fund wrap only	Fund wrap & 100-Year Passport+
When healthy	○	○
With dementia	Freeze	○
Inheritance	Freeze	○

Investments need to be closed out (liquidated) at an earlier time → Long-term management is possible because assets can be liquidated

Furthermore, as a way of supporting the elderly who are worried about their beloved pet in the event that they should pass away, in June 2021 we developed a special pet clause for our trust products and will trusts so that our clients can feel comfortable about keeping a pet in old age.

Also, by making full use of our partnership with the Anshin Support Corporation, we have other trust products available to meet the wide-ranging needs of clients, such as the Anshin Support Trust (money trust-type and fund wrap-type) that can be paired with a discretionary guardianship.



Innovating

SuMi TRUST Bank has adopted the use of tablet devices for consulting, and as explained already in the section above about improving accessibility by expanding online transactions and the use of digital technology, it is pushing ahead with online client consultations and transactions. It is also furthering the exhaustive use of technology by providing an SMS-based monitoring service for the Funeral Trust—a product that takes care of after-death matters as stated in the client's final letter of instruction.

Moreover, with the aim of expanding decision-making support for the elderly, SuMi TRUST Bank is a full member of the Decision-Making Support Organization Japan and is currently helping promote innovation by undertaking R&D into innovative digital technology that uses algorithms. For more information, please refer to the supplementary materials accompanying the JFSA Strategic Priorities publication, as well as the research project of the New Energy and Industrial Technology Development Organization (NEDO) to develop digital technology to further refine regulations.

Collaborating with COLTEM on decision-making support

SuMi TRUST Bank is implementing dementia-related initiatives by collaborating with COLTEM (collaboration center of law, technology, and medicine for autonomy of older adults), which receives assistance from MEXT's Japan Science and Technology Agency, as well as the post-graduate school of Kyoto Prefectural University of Medicine, a leader in dementia research (in particular, Professor Jin Narumoto). The publication of our Guide for Dementia Friendly Financial Services in September 2017 is one accomplishment of this initiative. We have also contributed to improving the entire financial industry's response to dementia issues by taking the lead in hosting symposiums with a focus on finance and dementia. The knowledge gained from these alliances have greatly helped SuMi TRUST Bank develop its own products and services.

Also, the Bank has focused its efforts on improving the entire financial industry's response to dementia issues by hosting a working group to discuss issues on responding to elderly clients at financial institutions. SuMi TRUST Bank also helped establish the Decision-Making Support Organization Japan, the succeeding organization to COLTEM, and contributed to the creation of the Bank Gerontologist certification exam in January 2021.



Participating in the University of Tokyo's Institute of Gerontology (IOG)

SuMi TRUST Bank is participating as a main player in the establishment of a new "finance & law" field for conceptualizing new ways of monitoring and providing living assistance to the elderly mainly with the use of guardianship, trust, and reverse mortgage schemes. The Bank aims to shoulder more of a load as a fiduciary and contribute to urban development in Japan's super-aged society on the way to building a lasting and comprehensive support system offering mainly financial, real estate, healthcare, nursing care, and community services so that clients can continue to live out their twilight years in familiar surroundings in this age of centenarians.



Protecting the elderly

Addressing the problems of financial abuse and fraud of older people is definitely essential to financial inclusion. A study by the IOSCO found that there was an almost unanimous view among participating regulators that older investors are at greater risk than other investors of losing money to fraud or being taken advantage of.

To protect the elderly from scams, SuMi TRUST Bank provides money trusts and security trusts from which the withdrawal of funds requires the approval of a previously nominated consenting party. These trusts charge no management fees and their functions can also be packaged with the Centenarian Support Trust (100-Year Passport).



Encouraging stakeholder engagement

Given the multiple dimensions of the issue and the wide range of approaches and interventions that are needed, it is important that organizations from financial and non-financial sectors work together to support the financial inclusion of the elderly.

In November 2020, SuMi TRUST Bank entered into an agreement with the Tokyo Bar Association to refer clients wanting to discuss matters concerning the use of a civil trust. Also, in August 2019 the Bank was the first in the finance industry to form a partnership with the Daini Tokyo Bar Association to introduce visiting lawyers.

Further, the SuMi TRUST Group is a member of ILC-Japan, the Japanese branch of the International Longevity Center, a global alliance of organizations focused on gerontology. And since 2017 we have also chaired an industry-government-academia research group that studies societies characterized by longevity.

Not only does SuMi TRUST Bank work closely with the Anshin Support Corporation to provide its Funeral Trust product and other money trusts, but it also collaborates with companies that arrange funerals, burials, the cleanup of belongings, and other post-mortem services. The Bank also partners with veterinary hospitals and retirement homes for senior dogs in connection with will trusts that have a special pet clause attached.

In this way, the Group pursues partnerships through trusts that extend beyond the framework of financial services.



Targeting key audiences

Supporting these groups is particularly important as combinations of disadvantageous conditions are likely to increase vulnerability to financial and social exclusion and isolation.

To manage and safeguard a ward's estate under the guardianship system—for which demand is growing as a result of an increase in dementia and other conditions—SuMi TRUST Bank developed the Guardianship System Support Trust. Thanks to close collaboration with family courts and other relevant parties by each branch office and department, this trust product is by far the most widely used of its kind in the finance industry.

Also, for the trust purpose of contributing to sound living arrangements in the future for not only the elderly, but also people with disabilities, SuMi TRUST Bank offers a Special Donation Trust through which it can deliver, as the trustee, tax-free payments up to ¥60 million or ¥30 million to a disabled person even after a client's decision-making capacity has deteriorated or in the event of their death.

Given that more and more senior citizens are living alone in Japan's super-aged society, the Bank offers trust products well suited to the circumstances of clients and their households, including security trusts, the 100-Year Passport, and the Funeral Trust.

(3) Flexible approach to mainly terms of repayment on loan transactions

Responding to COVID-19

To handle inquiries about SuMi TRUST Bank loan repayment terms mainly in connection with the economic impacts wrought by the COVID-19 pandemic, the Bank has set up a dedicated hotline for individual clients wishing to discuss their loan repayment obligations. Clients can also still visit their transacting branch to discuss such matters.

In addition, in response to the spread of COVID-19 infections, in November 2020 SuMi TRUST Bank started offering additional mortgage loan repayment insurance coverage to mortgage loan clients insured for the eight major diseases in the event they become unemployed. The unemployment coverage means SuMi TRUST Bank will cover the client's monthly mortgage loan repayments for up to three months if their employer goes bankrupt or if they are laid off.

Flexible approach to mainly terms of repayment on loan transactions (initiatives for financial facilitation)

SuMi TRUST Bank believes that the smooth supply of necessary funds to clients is the most important role of a financial institution. In order to actively give full swing to this financial intermediary function, the Bank established a Basic Policy on Facilitation of Financing (excerpt shown below).

Basic Guidelines Concerning Facilitation of Financing

- When a client seeks to discuss or apply for a loan, or discuss or apply for changes to borrowing conditions, we will make every effort to address the client's request seriously and reach a solution appropriately and promptly after taking the client's circumstances into full consideration.
 - When a client, for whom borrowing conditions had been changed, seeks to discuss or apply for a loan of necessary funds, we will address the client's request seriously and not reject it solely based on the fact that the client's borrowing conditions had been changed.
 - When a client applying for changes to be made to borrowing conditions has transactions with other financial institutions, we will make every effort to protect the client's privacy and exercise due care in handling the client's personal information when collaborating closely with the financial institutions the client transacts with, provided we have been given the client's consent.
 - When, for unavoidable reasons, we must turn down a client's request to discuss or apply for changes to borrowing conditions, we will make every effort to provide sufficient explanations to the client with as much time to spare as possible by referencing the client's hitherto transactions in order to gain the client's understanding and agreement.
 - We will make every effort to appropriately and promptly respond to client inquiries, consultations, opinions, requests, or complaints about loans.
 - When we receive a confirmation from a specified certified dispute resolution business operator (pursuant to paragraph 24 of Article 2 of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities) to whom an SME client has requested the execution of specified certified dispute resolution procedures (pursuant to paragraph 25 of Article 2 of the Act; hereafter the "Turnaround ADR Procedures") whether we will make a request for the execution of the Turnaround ADR Procedures or not, we will make every effort to make the request so that a prompt dispute resolution can be reached.
 - When we receive a debt factoring application from the Regional Economy Vitalization Corporation of Japan (REVIC) or the Great East Japan Earthquake Business Revitalization Support Agency, or when we receive a request for approval on claims management or disposal in accordance with a business revitalization plan, we will make every effort to respond appropriately.
- We will also make every effort to appropriately cooperate on changing borrowing conditions for the business revitalization plan for which our approval is sought.
- We will actively provide business consultation services to clients and support initiatives aimed at improving business management of clients.
 - We will make every effort to provide training and guidance to employees so that they may improve their capabilities for appropriately assessing the business value of clients.
 - We will respect our Guidelines for Management Guarantee and make every effort to sincerely and flexibly respond to cases where we conclude a guarantee agreement with a client.

Guided by the basic guidelines above, SuMi TRUST Bank promptly and politely responds to clients seeking to discuss changes to loan repayment terms if the loan has become difficult to repay because of financial circumstances. Individual and corporate clients can visit their transacting branch to discuss

their situation in person, while mortgage loan and business loan clients can also make use of our toll-free number.

The table below shows the number of loan claims received the requests for changes to borrowing conditions as of the end of March 2021.

Number of Loan Claims Received the Requests for Changes to Borrowing Conditions

► In the Case of SMEs

	End of March 2021
Number of loan claims for which restructuring of loan conditions, etc. was requested	4,909
Of which, number of loan claims regarding implementation	4,524
Of which, number of loan claims regarding refusal	109
Of which, number of loan claims under examination	7
Of which, number of loan claims regarding withdrawal	269

► In the Case of Housing Loan Clients

	End of March 2021
Number of loan claims for which restructuring of loan conditions, etc. was requested	7,580
Of which, number of loan claims regarding implementation	5,802
Of which, number of loan claims regarding refusal	383
Of which, number of loan claims under examination	114
Of which, number of loan claims regarding withdrawal	1,281

Using Trusts to Promote Community Investments

Charitable Trusts

A charitable trust is a system in which funds are entrusted to a trust bank that administers and manages the funds to carry out charitable activities in a pre-determined way. For example, these trusts may be used by individuals wishing to provide funds for charitable activities or by companies that wish to return a portion of their profits to society. They have been used in a wide range of fields, including the provision of academic scholarships, support of environmental protection activities, and promotion of international cooperation and international exchanges.

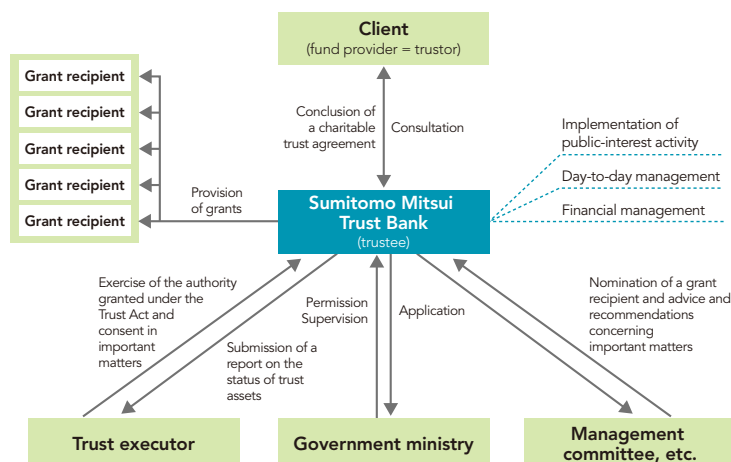
Charitable trusts are often named for the trustor, so his or her aspirations can be remembered for years to come by many people. Moreover, to ensure the public interest is served in accordance with the client's intentions, a charitable trust can

be "order made" to fit the client's instructions. What public interest is it to serve and what sort of granting process will it implement? The trust can be arranged to reflect the client's instructions on the monetary size of the grants (scholarships), the number, the regional scope, or the terms of eligibility.

Since launching its first charitable trust in 1977, SuMi TRUST Bank has served the public interest in various fields, supported by the good intentions of both individual and corporate clients.

As of March 2021, the Bank had accepted 174 charitable trust mandates worth ¥31.9 billion. In fiscal 2020, charitable trusts were used to pay a total ¥1.15 billion in grants (scholarships) to 2,507 organizations (including individuals).

Mechanism of Charitable Trusts



List of Charitable Trusts by Donation Type (as of March 2021)

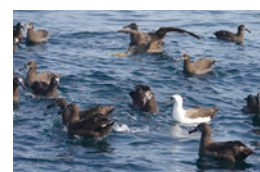
Type	Number of trusts under management
Scholarship	61
Promotion of natural science research	33
Promotion of human science research	4
Promotion of education	17
Social welfare	9
Promotion of arts and culture	9
Protection and propagation of animals and plants	1
Conservation of the natural environment	6
Development and maintenance of the urban environment	18
Promotion of international cooperation and exchanges	11
Other	5
Total	174

TOPIC

Keidanren Nature Conservation Fund

In recognition of the fact that protection of the natural environment is a serious and lasting issue on a global scale, the Keidanren Committee on Nature Conservation commissioned the establishment of the Keidanren Nature Conservation Fund in 2000 for the purpose of taking concrete action to address this issue.

The Fund accepts donations from Keidanren member corporations, private sector firms, and individuals and extends approximately ¥200 million in grants every year to nature conservation activities carried out by NPOs and NGOs in Japan and emerging regions.



Short-tailed albatrosses observed by members of the Yamashina Institute for Ornithology

TOPIC

Suntory Fund for Bird Conservation

The Suntory Fund for Bird Conservation was established by Suntory Holdings Limited in 1990; its goal is to promote bird conservation, and thereby contribute to the preservation of the global environment. The Fund supports bird conservation activities both in Japan and overseas, providing grants worth approximately ¥40 million per year. It is comprised of three categories: the Bird Conservation Groups Activities Grant category; the Regional Bird-watching Activities Grant category; and the Waterfront Large Bird Conservation category.



Grey-faced buzzard conservation education activities take place at an elementary school in a poaching settlement in the Philippines

Helping Invigorate Communities and Society

Initiatives for donations

In order to respond to the social contribution needs of its donation-minded clients, SuMi TRUST Bank has long provided testamentary trusts and money trusts.

In recent years, due to the coronavirus pandemic and to an increasing awareness of SDGs activities, the needs of both individuals who wish to give donations and organizations wishing to receive donations are expanding.

Social Contribution Donation Trusts

SuMi TRUST Bank offers social contribution donation trusts (also referred to as “Bridge to Tomorrow”) intended to make donations to charitable organizations etc. engaged in social contribution activities. Through the trust, clients can choose donation recipients from a list of organizations that SuMi TRUST Bank provides and donate one-fifth of the original trust principal once a year. (Donors can change donation

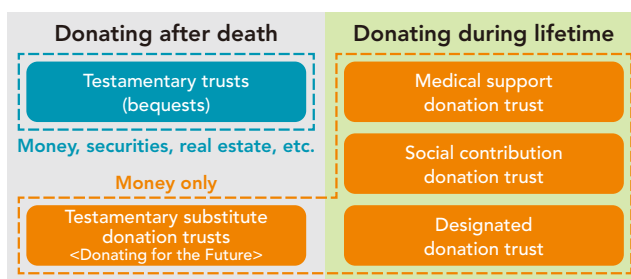
List of Donation Recipients (as of August 14, 2019)

Environment	World Wide Fund for Nature Japan (WWF Japan)
Environment	Ecosystem Conservation Society-Japan
Education	National Federation of UNESCO Associations in Japan
Medicine	Japan Cancer Society
Medicine	Center for iPS Cell Research and Application, Kyoto University
Medicine	Médecins Sans Frontières Japan
Social welfare	Japan Guide Dog Association
Academics	The Japan Prize Foundation
Culture	Japan Arts Council
Disaster reconstruction support	Central Community Chest of Japan
Support for children	The Nippon Foundation
Support for sports for people with disabilities	Special Olympics Nippon Foundation
Humanitarian support	Japan for the Office of the United Nations High Commissioner for Refugees (UNHCR)

Trusts for Managing Loaned-Out Shares

SuMi TRUST Bank offers trusts for managing loaned-out shares so shareholders can donate dividend income tax free to public interest foundations etc. Using this trust, shareholders lend shares without compensation to NPOs, etc. in a scheme that enables them to offer ongoing support to the designated stock borrower in the form of tax free dividend income from the shares.

Main donation-related solutions



recipients each year.) These clients receive reports from the recipient on how the donations were used and what activities were conducted.

SuMi TRUST Bank supports activities regarding not only the environment but also various themes including education, medical care, academia, and culture through social contribution donation trusts.

Examples of items received from donation recipients

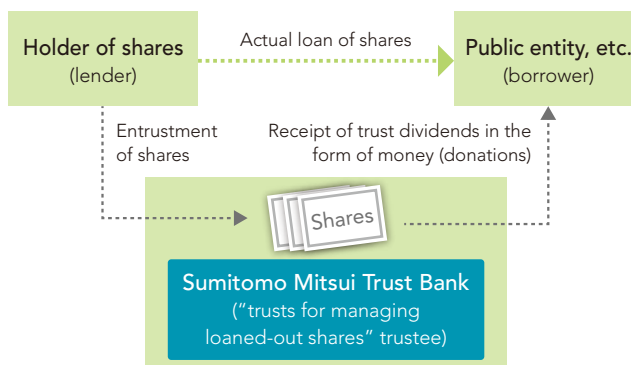
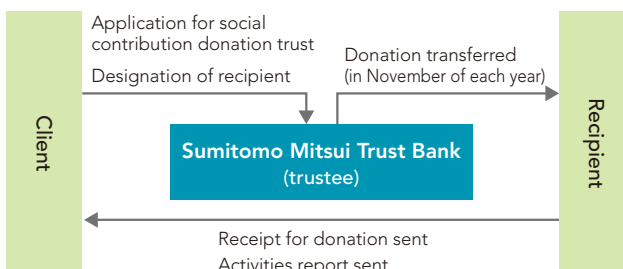


Gifts of nature
Eco-friendly towel and almanac of Japan's living things



Reports
Trust reports

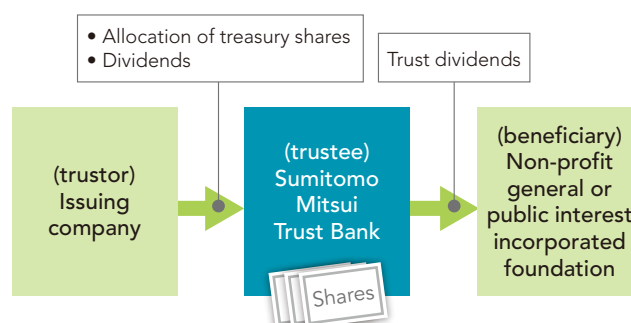
Mechanism of Social Contribution Donation Trusts



Social Contribution Scheme Using Treasury Shares

SuMi TRUST Bank offers trust schemes for companies to donate dividend income from their treasury holdings to public interest foundations etc., as a way to contribute to society.

In fiscal year 2014, SuMi TRUST Bank implemented this scheme between Toyota Motor Corporation (trustor) and the Toyota Mobility Foundation (beneficiary). In this case, the dividend income is used to tackle many issues, such as eliminating the mobility disparity in emerging and developing nations, activities that promote the healthy development of the auto industry, and the funding of research into cutting-edge technology and systems in developed markets.



Designated Donation Trusts

Based on a scheme established following amendments to Japan's taxation system in fiscal year 2011, SuMi TRUST Bank also offers a "designated donation trust." Investment gains in the trust are tax free and together with the trust principal can

be donated to a charitable organization. Donations can be made regularly over a 5-year or 10-year period to any organization, not just those listed by SuMi TRUST Bank.

Contributions to donations

In part due to the effects of the spread of COVID-19, Japanese individuals are now reported to be donating in excess of ¥1 trillion per year. SuMi TRUST Bank has offered a social contribution donation trusts entitled "Bridge to Tomorrow" since April 2011; in May 2020, it opened an account to accept donations for the development of vaccines and treatments for COVID-19, which received a total of ¥260 million in donations; in April 2021, it launched a medical support donation trust, and a testamentary substitute donation trust entitled "Donating for the Future," with the goal of providing support to universities carrying out medical research. In this way, the Bank is utilizing the power of trusts—namely to transform ability, time, and assets—to eliminate factors that prevent people from making donations, and so to support the transformation of good will and a desire to contribute to society into concrete donations. SuMi TRUST Bank manages 35,000 testamentary trusts, and helps the precious assets of its clients to be handed over according to their wishes via the provision of a will-making consultation service, and by accurately executing its role as a will executor.

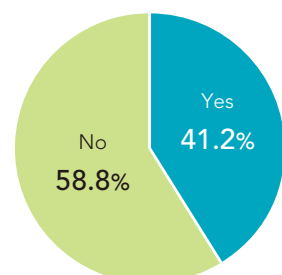
Testamentary trust partners (assisting bequeathal donations through the provision of testamentary trusts)

Partners	Number of partners
Incorporated educational institutions	116
Social welfare and medical care	47
International humanitarian aid	13
Scholarships and education	10
Promotion of art and culture	15
Other (environment, local public bodies, etc.)	11
Total	212

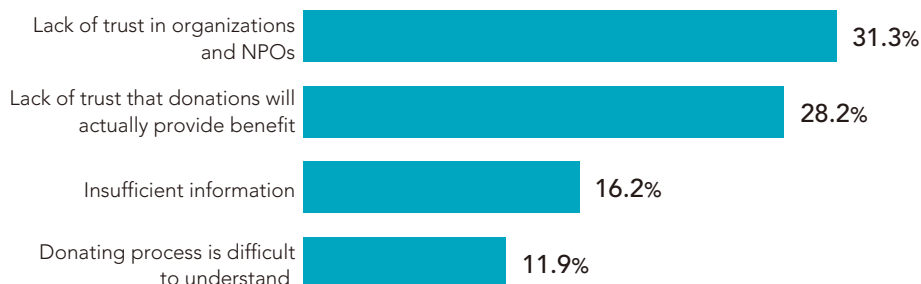
Number of partners

Fiscal year	Number of partners
FY2018	173
FY2019	183
FY2020	196
FY2021	212

Have you donated before?



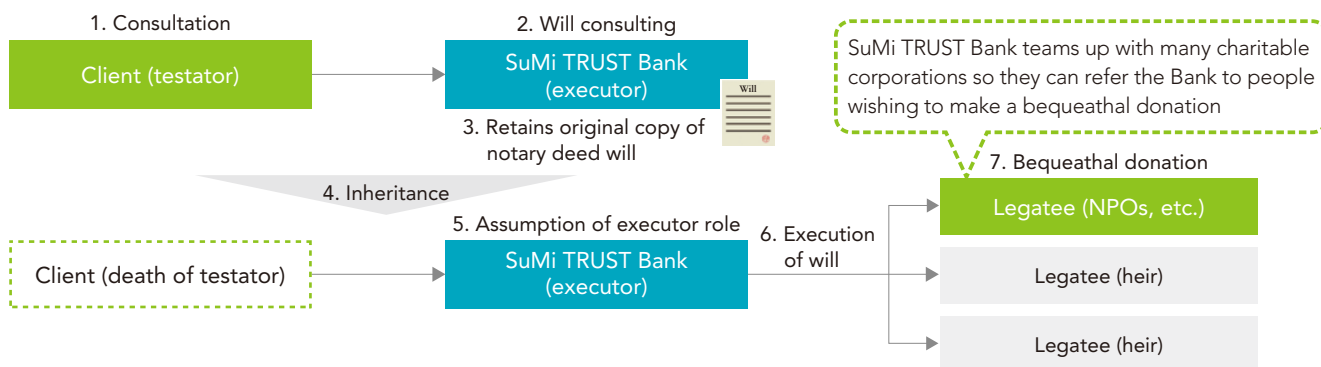
Reasons for not donating



"FY2016 Survey into social contributions by citizens," Cabinet Office

Helping Invigorate Communities and Society

Overview of Bequeathal Donations Using Will Trusts



List of organizations receiving donations from medical support donation trusts (as of November 8, 2021)

Hokkaido University	Hospital Yume (Youth and Medicine) Fund
Tohoku University	Future Medicine and Health Care Design: establishing medical examination models for Japan
The University of Tokyo	Future Medicine and Health Care Development Project
The Kitasato Institute	Standing Up to Infection: Omura Satoshi Memorial Institute Fund
Tokyo University of Science	Data Science x Medical Care
Nagoya University	University hospital support project
Kyoto University	Research into overcoming and treatment of cancer and other intractable diseases
Osaka University	COVID-19 infection countermeasures fund
Kobe University	Utilizing ICCRC in our hospital research
Okayama University	Support for operating accommodation facilities for families of pediatric patients
Hiroshima University	Project to create a strong Japan against infectious disease
Ehime University	Project to extend healthy life expectancies based on understanding and controlling aging mechanisms
Kyushu University	Developing medical care and establishing medical care systems for realizing a healthy and secure society
Tokyo Institute of Technology	Research project into overcoming COVID-19

TOPIC

In December 2021, the Hiroshima Branch of SuMi TRUST Bank held the Hiroshima University Lobby Exhibition in collaboration with Hiroshima University.

In April 2021, the SuMi TRUST Bank began offering a medical support donation trust to help connect individual clients wishing to contribute to resolving social issues presented by COVID-19 with universities wishing to resolve social issues through their research; Hiroshima University is one of the recipients of donations from these trusts. This lobby exhibition featured a poster for the medical support donation trust, which was jointly produced with Hiroshima University to support the university's Project to Create a Strong Japan against Infectious Disease, and introduced the donor trust. The exhibition also displayed historical photos of Hiroshima University, and broadcast DVDs. Visitors to the exhibition voiced their support for Hiroshima University, and viewed with nostalgia the history of the university that had evolved hand-in-hand with the city itself. Through such initiatives, SuMi TRUST Bank intends to assist university research and carry out activities aimed at increasing the number of university supporters. Going forward, the Bank will continue to contribute to society through the provision of trust-based solutions.



Participation in Social and Community Activities



Significance of Participating in Social and Community Activities

SuMi TRUST Group integrates an SDG viewpoint into the array of community and regional contribution initiatives it implements in communities where the Group and Group companies, including SuMi TRUST Bank, has office branches. Providing value helps support the soundness of our business foundation, and some also believe it is necessary as a social license to operate a business.



SUMI TRUST GROUP INITIATIVES 01

Supporting Education for Children to Grow into Next-Generation Leaders



We Support UWC ISAK's Goal of Empowering Changemakers*1

The Group is a proponent of the educational philosophy of United World College ISAK Japan (abbreviated UWC ISAK), which is to "Empower Changemakers." Since 2013, we have been supporting a two-week summer school program aimed at junior high school students on the ISAK Japan campus. Many of the students who participate in the summer school are from developing countries and impoverished socio-economic backgrounds. Each year the Group pays the tuition fees and other expenses of one scholarship student participating in the summer school from a developing country such as India.



The summer school was run from July 21 to August 2 in fiscal year 2021, with 80 junior high school students from 16 countries around the world attending.

*1 A "changemaker" is a leader who helps transform the next generation of society.

Advance to Universities in Japan or Abroad/Gap Year*2

International baccalaureate (IB) diploma
Japanese high school diploma



United World College ISAK Japan (UWC ISAK Japan)



Selection



Selection

Summer School

Main supporter

Every year SuMi TRUST Group pays the tuition fees for one scholarship student.

Selection

Accept Applications from Junior High Students from Countries Worldwide



Karuizawa

*2 Gap year: A period when high school students who have received a letter of acceptance to a university gain various life experiences without immediately proceeding to higher education. During the period, individual students pursue social experiences such as volunteer activities and internships, study abroad programs, and travel.

TOPIC 01

About UWC ISAK, the School We Support

UWC ISAK, a campus in the wilderness of Karuizawa, is a boarding-only high school that fosters changemakers who can play an active part in the international community. The school accepts students from 73 countries around the world. Of the approximately 200 students who attend the school, about 70% are overseas students. Many of the students are from economically disadvantaged backgrounds, and about 70% of the student body is on scholarships that do not require repayment. UWC ISAK's greatest attraction is living in dormitories with colleagues from all over the world. Students from a variety of social and economic backgrounds, as well as nationalities, become keenly aware of each other's viewpoints and cultures in an environment of sharing. In this environment, students grow up into adults who understand and respect different values and beliefs, rather than denying or rejecting them.



Karuizawa campus

Students SuMi TRUST Group Have Supported Since 2013


2013



 Vietnam
Hong Lien
Ngyuen

2014



 India
Thulasi Priya
Ramesh

2015



 India
Thanuja
Ramesh

2016



 Mexico
Eduardo
Bautista

2017



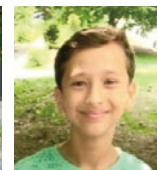
 India
Prashanth
Babu

2018



 India
Prathana
Himalachi

2019




 India
Hemant
Sharma



In fiscal year 2020, we were unable to provide the same level of support as before due to the COVID-19 pandemic, but in fiscal year 2021 we provided a full scholarship for one student and a partial scholarship for one student.

The COVID-19 pandemic meant that this year's summer school was mainly attended by students living in Japan. Multiple new programs that are not usually held were run, such as classes thinking about whether we all need to learn the same language.



 Australia
Niko Carter

Niko, who was born and raised in Sydney, Australia, came to Japan at nine years old and has since been attending a Japanese school. With schools switching to remote classes due to the pandemic, she exhibits leadership by holding English classes for children in the local community with a lot of time on their hands. As a good listener, she is also skilled at talking to those around her with compassion and building relationships of trust. After those around her asked her about her presence as someone who is half-Japanese, she began to think deeply about her identity. She became interested in global human rights problems and LGBTQ issues, developing a desire to work

to realize a society free of discrimination. Thanks to her upbringing with a diverse background, she understands what she wants to be. She took initiative leading the conversation at the summer school's "speak to someone of a different gender project." Reading the atmosphere in the classroom, where it was difficult to express what one really thought, she shared her own painful experience as someone who is half-Japanese, creating an environment where people could open up what they felt inside. School staff were surprised at how mature she acted despite being a junior high school student.



 Vietnam
Khanh Chi Luu

Chi, who was born in Ho Chi Minh City, Vietnam, also goes to school in Japan. Out of the belief that one's own personal growth is the most necessary thing in order to change society, she is multi-faceted, speaking three languages, organizing classes to teach Vietnamese and English to children living in the area, and teaching herself programming. By living in Japan as a foreign resident, she has become aware of all types of issues. In particular, she would like to work to improve the labor environment and conditions of non-Japanese laborers working in Japan. She is quick to help when she sees someone in need, is proactive in reaching out to others, and

makes friends easily with anyone. Despite this bright and intelligent personality, she said she was very nervous at the start of the summer school. She came out of her shell after singing in front of everyone on the day of the karaoke night and became able to engage with those around her while being herself. Helped by the understanding of those around her and the positive environment, she overcame her dislike of English, expressed her own opinions in her own words, and became able to confidently give presentations. She said that the summer school planted a sense of self-affirmation in her and significantly boosted her motivation to express herself in English.



We hope that the support of the Group will help the two of them to spread their wings powerfully on the global stage. We sincerely hope that Niko's and Chi's dreams come true in the near future.

TOPIC 02

Displays in Branch Lobbies Nationwide

Starting in fiscal year 2017, an ISAK lobby display toured branches across Japan. During the panel exhibition, UWC ISAK Japan founder Lin Kobayashi told us, "Three of the students you have supported to date at our high school are from India. I would like to express our appreciation for your deep involvement in helping to establish the first steps in changing the lives of these students. I sincerely hope that when they return to their home country in the near future, they will transform their society without succumbing to the disadvantages they face and will be able to make a significant contribution to society."

©Jun Toyosaki



Founder Lin Kobayashi



Based on the thinking that providing value to the community represents a social license to operate, the SuMi TRUST Group integrates SDG viewpoints into the array of social and regional contribution initiatives we undertake in the communities where we have an office presence. Our policy going forward will be to engage in the very business of addressing the SDGs and strengthen our initiatives so that we can constantly maintain a sound business foundation. In this section of the report we provide information about the ESD initiatives of SuMi TRUST Bank.

SuMi TRUST Bank's ESD* Project and the SDGs

Guided by the belief that problems concerning the environment and biodiversity are fundamental issues companies ought to address, SuMi TRUST Bank has, since 2003, continued to champion sustainability initiatives through its own business operations, financial products, and services in an effort to help solve these issues. ESD is one such initiative—a program endorsed by the United Nations that aims to educate and nurture leaders of a sustainable society.

To achieve a sustainable society, every single one of us must recognize that the environment we live in is irreplaceable and that we must change how we conduct ourselves on a daily basis. However, it must also be said that we will

struggle to achieve a truly sustainable society if all we do is just protect the land that is currently on the verge of crisis. Thus, SuMi TRUST Bank believes that this goal can be achieved by leveraging future foresight and nurturing people who understand the value of nature. Since 2012 the Bank has undertaken various ESD projects with the aim of educating the next generation of children about the environment. One requirement in selecting a hosting site for an ESD project is that it must be nearby a SuMi TRUST Bank branch office. Each branch is working to build their own local brand through PR activities together with administrative agencies.

*ESD Stands for Education for Sustainable Development

Embracing Challenges in the "New Normal"

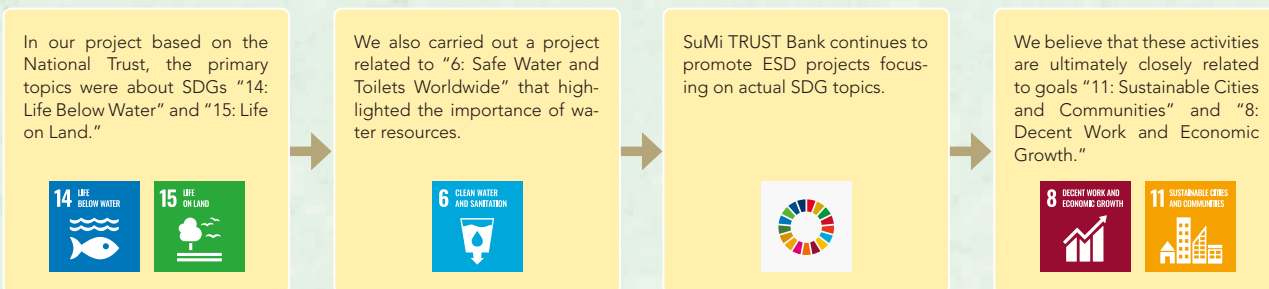
Since fiscal year 2020, we have been continuing to utilize ICT to take up new challenges in the new normal out of consideration for the COVID-19 pandemic, such as remote training sessions and class programs where participants and instructors are connected remotely.

In the first half of fiscal year 2020, an ESD leadership training session for teaching staff in Aichi Prefecture. The session was held online so that the participants from Aichi's schools could connect remotely with the Tokyo-based instructor, who delivered a lecture about incorporating ESD and the SDGs into classwork. In the second half of the same year, Online Dialogue with SDGs Specialists was held for third-year students of Saga Ryukokugakuen Ryukoku Junior High School in Saga City, Saga Prefecture. During this event, students engaged in direct online dialogue with experts active in their fields in order to enable them to explore the SDGs in more depth and detail, and

to think independently about how to solve social issues of interest to them.

In the first half of fiscal year 2021, SDGs Class: Envisioning the Earth and Us Ten Years From Now was held for fourth-year students of Chinzei Keiai Gakuen Keiai Elementary School in Kitakyushu City, Fukuoka Prefecture. During this event, students were provided with original video materials featuring small organisms, and were asked to raise issues and present solutions to familiar social issues. In the second half of the same year, for first-year students of Kanazawa Municipal Takaoka Junior High School in Kanazawa City, Ishikawa Prefecture, Kanazawa branch employees instructed a class on Work, Money, and SDGs, interview videos of two local people working on a project to preserve Kaga Yuzen silk dyeing and revitalize the local community, and support was provided for Career Education to Foster Future Leaders of Urban Development.

Changes in ESD project topics



Initiatives over the Past Years



SuMi TRUST Bank received an award from the Biodiversity Action Award 2015 (sponsored by the United Nations Decade on Biodiversity 2011-2020).



For a summary of the ESD projects implemented thus far, please scan the following QR code.



*The video of the workshop can be viewed at "ESD in Video." <https://www.smtb.jp/about/sustainability/esd>

Nov. 2012 Wakayama Prefecture Tanabe Daisan Elementary School Nature and biodiversity in Tenjinzaki	Sept. 2013 Kanagawa Prefecture Miura Municipal Koyo Elementary School Koajiro Forest where the red-clawed crab lives	Sept. 2014 Okayama Prefecture Okayama City Municipal Tsunoyama Elementary School Learning about the source of water in Okayama	Jan. 2015 Kanagawa Prefecture Kamakura City Shichirigahama Elementary School Studying Oyatsu Forest, the birthplace of the National Trust
June 2015 Osaka Prefecture Yao Municipal Nakatakayasu Elementary School Nature of Yao City, where the Japanese rosy bitterling fish lives	Jan. 2016 Fukui Prefecture Fukui Municipal Yashironishi Elementary School Studying the Nakaikemi Wetlands	July 2016 Aichi Prefecture Aichi Prefectural Kisogawa High School Lessons about local life and the future from the deepbody bitterling, an endangered fish	Feb. 2017 Chiba Prefecture Chiba Prefectural Funabashi Shibayama High School Lessons about the "web of life" from the Shibayama Wetlands
July 2017 Niigata Prefecture Niigata Municipal Akatsuka Junior High School Lessons about building communities that coexist with nature from Sakata Lagoon, a wetlands registered under the Ramsar Convention	Feb. 2018 Shiga Prefecture Shiga Prefectural Moriyama Junior & Senior High School Water source forest: Lessons for community and living from Lake Biwa and the SDGs	Aug. 2018 Ibaraki Prefecture Edogawa Gakuen Toride Junior & Senior High School Lessons for sustainable societies/SDGs from Japan's forests	Mar. 2019 Hokkaido Prefecture Sustainable Local High School event in Sapporo How SDGs and tourism make Sapporo a sustainable city
Aug. 2019 Kanagawa Prefecture Teaching staff of Kanagawa Prefectural junior/high schools SDGs seminar for teachers	Nov. 2019 Toyama Prefecture Toyama Prefectural Tonami High School Life planning and the SDGs	Aug. 2020 Aichi Prefecture Teaching staff of elementary, junior, and high schools in Aichi Prefecture ESD leadership training session	Mar. 2021 Saga Prefecture Saga Ryukokugakuen Ryukoku Junior High School Online dialogue with SDGs specialists
Sept./Oct. 2021 Fukuoka Prefecture Chinzei Keiai Gakuen Keiai Elementary School SDGs class: Envisioning the earth and us ten years from now	Oct./Nov. 2021 Ishikawa Prefecture Kanazawa Municipal Takaoka Junior High School Career education to foster future leaders of urban development		

SUMI TRUST GROUP INITIATIVES 03

Our Activities Supporting National Trusts



A movement that traces its origins to nineteenth-century England, the National Trusts acquires sites with natural value and historical buildings via donations from citizens. Its conservation activities protect private-sector sanctuaries as "trust land," highlighting this approach as an effective way to steadfastly protect natural capital. The National Trusts as a movement in Japan goes back to 1960, and the scope of its activities has broadened to now include over

50 regions across Japan.

SuMi TRUST Bank recognizes that increasing National Trusts landholdings is an investment in the foundation supporting our livelihoods, and through land acquisitions, environmental education, and our products using the trust system, we support its activities, which are rooted in the characteristics of each site.

Forest where Tsushima leopard cats live

The Tsushima leopard cat is an endangered wildcat living exclusively on Tsushima Island, Nagasaki Prefecture, with its population now down to just around 100. In addition to programs for Kuromatsunai town and Amami Oshima, SuMi TRUST Bank administers a donation program for funding purchases of National Trusts landholdings through social contribution donation trusts.

Nakaikemi Wetlands

The roughly 25-hectare Nakaikemi wetlands, surrounded by mountains on three sides, are rich with nature and designated under the Ramsar Convention. SuMi TRUST Bank has produced a video on the wetlands highlighting the 3,000 species of flora and fauna that call it home despite its proximity to a city center. The video is to be used for environmental education in Fukui Prefecture.

Northernmost Beech Forest

The Beech Forest in Kuromatsunai town is the most northern habitat of native beech. Moreover, the forest is valuable for awakening us to the environmental changes caused by global warming. Employees of the Sapporo Branch and Sapporo-Chuo Branch planted beech saplings on the National Trusts site and are active in regular activities to conserve the beech trees.

Oyatsu Forest

Oyatsu Forest spreads out behind the Tsurugaoka Hachimangu shrine. To protect this forest, the Kamakura Environment Conservation Society was established in 1964 as the first National Trusts chapter in Japan. SuMi TRUST Bank sponsored an environmental education class in Kamakura City to mark the 50th anniversary of the Society's founding.

Forest where Amami-no-kurousagi (Amami Rabbit) lives

SuMi TRUST Bank has joined the Trust Campaign run by the Association of National Trusts in Japan to protect the rare Amami Rabbit, whose sole habitats are the islands of Amami Oshima and Toku-no-shima. The Kagoshima Branch donated a sum commensurate to that needed to purchase 8,066 m² of forest lands for the rabbit.

Tenjinzaki

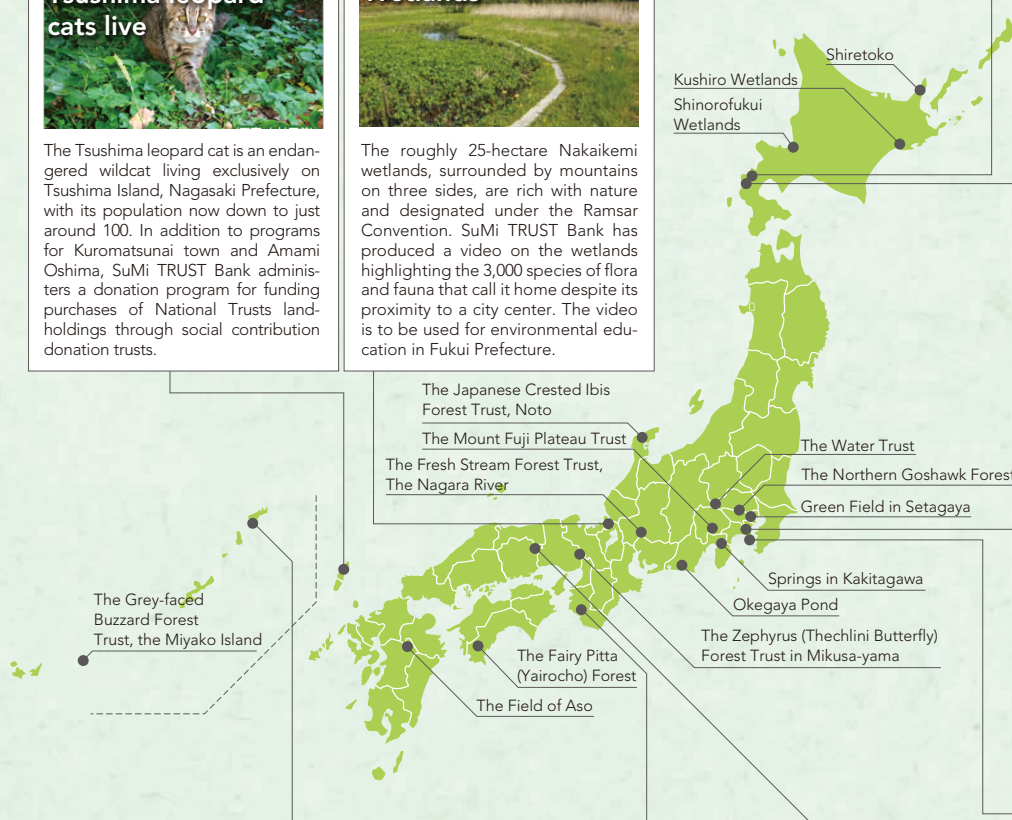
Tenjinzaki is a promontory in Tanabe City, Wakayama Prefecture. Despite its location near a city center, the site is home to a rich natural environment. SuMi TRUST Bank produced education videos from interviews conducted by students of a nearby elementary school, and used these for environmental education classes.

Water Head in Mimasaka Forest Trust

The water head for the Yoshii River watershed is in a 62 hectare forest where nature has been preserved in a pristine state. SuMi TRUST Bank created educational materials on the water head forest and used them to teach environmental education classes to elementary school students, prompting the students to think about the importance of water.

Koaji Forest

Koaji Forest, located near the tip of the Miura Peninsula, has been preserved by the activities of the National Trust chapter in Kanagawa Prefecture. SuMi TRUST Bank, in collaboration with Green TV Japan, interviewed experts for an education video it produced for use in environmental education classes at elementary schools.





**Utsai Bog,
Hokkaido's Oldest**

SuMi TRUST Bank joined a campaign led by the Association of National Trusts in Japan to protect the Utsai Bog, the oldest high-elevation marshland in Hokkaido with a history that goes back 24,000 years. The donation of the Sapporo Branch and Sapporo-Chuo Branch for the Utsai Bog is commensurate to the sum needed to purchase 1,500 m² of the site.

Employees in Branches Nationwide Are Learning About the National Trust and Mori-No-Boen To Promote Awareness Among Stakeholders

Since the start of the COVID-19 pandemic, SuMi TRUST Bank branches have been relearning about themes that they have been working on for many years through online in-house study sessions and proactively expanding activities to raise awareness among clients of the Retail Total Solutions Services Business and other members of the local community.

In fiscal 2020, we ran online study sessions themed around the National Trust, a nature conservation movement that traces its origins to the United Kingdom, and Mori-no-boen*, a cemetery made using its methods. Participants learned about summaries of the National Trust and Mori-no-boen as well as information that would be useful when clients ask for advice on real estate, end-of-life procedures, and inheritance.

*Mori-no-boen (forest cemetery): Opened by the Ecosystem Conservation Society-Japan in February 2016 in the town of Chonan in Chiba Prefecture. In order to naturally regenerate the land on which the forest was destroyed by sand excavation, the National Trust method is being used to turn the land into a cemetery by planting native tree saplings as grave markers. No man-made items such as gravestones are used in the cemetery, so for this reason it is attracting attention as a new type of cemetery business where a natural forest is expected to cover the entirety of the burial grounds in the future.



Branches nationwide are running lobby exhibitions exhibiting panels about various themes.

Fiscal year 2020 lobby exhibition results

Mori-no-boen: 53 branches

National Trust: 56 branches

Overview of Fiscal Year 2020 Online in-house Study Sessions

Month	September 2020	December 2020
Theme	Mori-no-boen	National Trust
Instructor	Ecosystem Conservation Society-Japan	The Association of National Trusts in Japan
Participation	261 participants from 51 branches and departments	328 participants from 76 branches and departments
Content	<p>Recent situation and problems surrounding end-of-life procedures, overview of Mori-no-boen, and sharing needs for end-of-life procedures and inheritance</p>  <p>Online in-house study session on Mori-no-boen</p>	<p>The history of the National Trust, the company's leading initiatives, and sharing needs related to real estate and inheritance</p>  <p>Online in-house study session on the National Trust</p>

Supporting National Trusts' Activities through Donations for Acquiring Land

Land is the foundation of natural capital in terrestrial ecosystems. While development has destroyed nature, another problem in recent years is that those lands whose succession rights have been relinquished or unregistered have grown sharply due to Japan's shrinking population. We believe that preventing the spread of mountain forests and farmland whose owner is unknown, while putting more land under management to sustain its nature, is an effective approach to arrest the degradation of Japan's natural capital.

SuMi TRUST Bank supports those groups, including the Association of National Trusts in Japan, which promote the activities to acquire high-value sites and land with bountiful nature through contributions from citizens and corporations. The Bank has donated funds to purchase those lands where endangered species live and of academically important. In 2014, the Bank donated funds toward the acquisition of forest land (equivalent to about 8,000 m²) in Amami Oshima, Kagoshima Prefecture, to conserve habitat for the endangered Amami

rabbit. In 2015, the Bank donated funds toward the acquisition of the Utsai bog (equivalent to about 1,500 m² of the site), located within Kuromatsunai town, Hokkaido, to conserve the high-elevation wetland, one of the oldest in Hokkaido.

In addition, "social contribution vending machines" that donate a percentage of their sales to the Association of National Trusts in Japan have been installed in the Nakano Branch, the Tokorozawa Branch, the Tokorozawa-Ekimae Branch, and the Omori Branch. By October 2021, they had donated funds equating to the acquisition cost of 3,530 m² of forest land in Chichibu, a source region for water supply to the greater Tokyo metropolitan area.



A "social contribution vending machine" at the Nakano Branch

Challenge for SDGs!

Every company and individual person can contribute to achieving the SDGs. The Group seeks to achieve the 17 SDGs with our businesses and the "With You" activities!

As a financial institution, we have a major role to play in promoting concrete initiatives to achieve the SDGs (Sustainable Development Goals) advocated by the United Nations, as well as in spreading awareness of the SDGs to local communities.

In the SuMi TRUST Group, each and every employee comes up with plans to assume responsibility for raising awareness about the SDGs. In this way, all employees take action to facilitate greater understanding of, and implement initiatives towards achieving, the SDGs.

2018
October

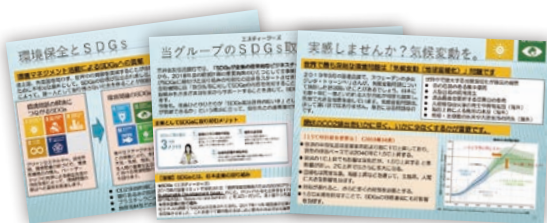
The Group's newsletter featured a special article about the SDGs, explaining the significance of addressing them and how each of the Group's businesses are connected.



Group newsletter Future Bloom
(October 2018 issue)

2018
December
onwards

An e-Learning course for all directors, officers, and employees has been run every year in an effort to further promote understanding of the SDGs and call for specific initiatives to be implemented.



e-Learning (from left: December 2018 training, December 2019 training, December 2020 training)

2018
Second
half

Internal SDGs study session held at all 134 branches and departments across Japan

Internal SDGs study session

3,112 participants
(November 2018-March 2019)

2019
March
onwards

All employees of the SuMi TRUST Group started wearing an SDGs badge

Number of SDGs badges distributed
Approximately 22,000
(March 2019-December 2021)

2019
March

Started to display posters raising awareness of SDGs



2019
August

All 134 branch offices in Japan formulated their own SDGs Declarations (see page 171), which were published on branch blogs and websites

2020
March

All 134 branch offices in Japan display their own SDGs Declarations posters



See here for branch blogs.
<https://branchblog.smtb.jp>

At new employee training, which is held every April, Sustainability Management Department employees served as instructors and explained in detail the Group's initiatives related to sustainability and SDGs.

In addition, since the start of the COVID-19 pandemic, SuMi TRUST Bank branches have been relearning about themes that they have been working on for many years through online in-house study sessions and proactively expanding activities to raise awareness among clients of the Retail Total Solutions Services Business and other members of the local community.



With You Eco Festival

The Group is focusing on initiatives related to the environment and biodiversity, with efforts including disclosure of information related to natural capital initiatives and formulating the SuMi TRUST Group Zero Plastic Waste Declaration that aims to realize zero plastic waste—that is, plastic discarded without being recycled—by 2030.

Under the slogan Think Globally, Act Locally, in fiscal year 2021, employees of SuMi TRUST Bank branch offices learned about natural capital and marine plastic garbage, and lobby exhibits and online study sessions were held to proactively raise awareness among Retail Total Solution Services

Branches nationwide are running lobby exhibitions exhibiting panels about various themes.

Aiming to raise the overall level of the Group's activities, the internal intranet offers an environment where users can freely view archived content such as documents and videos from various internal study sessions, posters from lobby exhibits, exemplary store initiatives, and e-mail newsletters distributed by other Group companies. The SDG activities of branches and departments across Japan are occasionally posted on the "With You" branch blog website.

Business clients and other members of the local community.

From October, in tandem with the announcement of the carbon neutral declaration, we have been running the With You Eco Festival that develops new activities around the theme of eco (the environment). This is a plan to boost the interest of each and every employee in eco (environment) related social issues and visualize the results of activities. Concrete results of activities related to decarbonization, ecological networks, the issues of food loss and plastic waste, energy saving, and various recycling activities are posted on the "With You" branch blog with the heading "Eco Festival."

Overview of Fiscal Year 2021 Online in-house Study Sessions

Month	June 2021	September 2021
Theme	Natural capital	How to deal with plastic
Instructor	The Association of National Trusts in Japan Sustainability Management Department employees	Sustainability Management Department employees
Participation	439 participants from 81 branches and departments	492 participants from 81 branches and departments
Content	<p>The concept of natural capital, the Group's policy for initiatives and specific cases, and what we can do as a trust bank</p>  <p>Natural capital online study session</p>  <p>Lobby exhibit</p>	<p>Problems with plastic, how to deal with plastic moving forward, and the initiatives of the Group</p>  <p>How to deal with plastic online study session materials</p>  <p>Lobby exhibit</p>



SuMi TRUST Bank

"With You" Activities Carried Out across Japan

The SDGs have also attracted attention in the business world. A variety of industries and companies across the globe are practicing business with the SDGs in mind. The new demand for funding thus creates an opportunity for the finance business.

SuMi TRUST Bank Seeks to Achieve the 17 SDGs with the "With You" Activities!



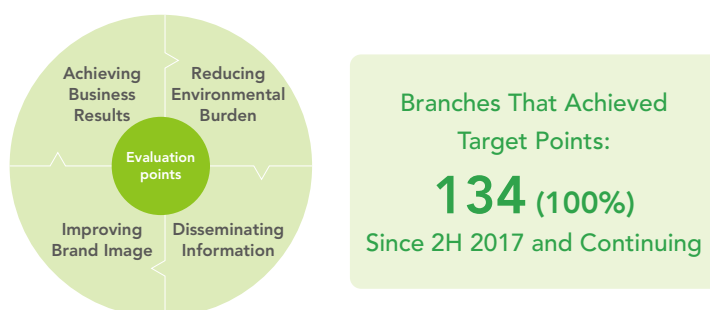
Initiatives Common to All Branches across Japan

To build strong relationships of trust with community members, SuMi TRUST Bank engages in social contribution activities rooted in local communities, which are known as “With You” activities.

With a view to promoting these activities systematically, SuMi TRUST Bank introduced a point system in FY2012 as a guideline that establishes standards for these activities, dividing activities into categories and measuring their degree of difficulty and effectiveness. The point system sets a baseline point target for each year and assesses each branch from the standpoint of “achieving business results,” “reducing environmental burden,” “improving brand image,” and “disseminating information” as well as on the basis of its ingenuity in achieving sales results and disseminating relevant information, and posts on its “With You” branch blog. The branches have been steadily achieving their targets since the system began, and use of “With You” activities as an effective marketing approach has taken hold.

Furthermore, the “With You Excellence Award,” “With You Special Award,” “With You ‘Shine Activities’ Award,” or “SDGs Declaration Award” are awarded to branches and departments that have achieved outstanding results from “With You” activities. We are actively developing “With You” activities by sharing these award-winning initiatives at branches and departments nationwide.

Goals of “With You” Activities



SDGs Declarations

The Declarations are a strategy to raise the visibility of the specific “With You” sustainability activities focused on by the local branch offices, while using the SDGs as a common language. Each branch office decides on its own course of action and develops concrete activities to achieve two SDGs: SDG 17 plus one extra SDG of the branch’s choosing.

<https://www.smtb.jp/about/sustainability/sdgs/declaration>



One of the Goals 1-16



Decided by all
134 branches

Specific
Actions

Communication

SuMi TRUST Bank engages in social contribution activities rooted in the community centered on branch offices in regions nationwide to build strong trust-based relationships with local communities.

To communicate our branch office activities widely with everyone nationwide, we focus on sending out information using various forms of media.

“With You” Branch Blogs

SuMi TRUST Bank launched the “With You” branch blog site in 2012, and branches nationwide introduce their CSR activities (With You activities) on their blogs and update them as needed. Moreover, we use them as a tool to communicate with local clients such as by offering a timely guide to CSR seminars and panel exhibits. With the number of blog posts by each branch increasing every year, the branch blog has emerged as an important tool for disseminating information to local communities.

Since November 2018, SuMi TRUST Bank has been working to publicize branches’ “With You” activities in connection with the 17 SDGs. In August 2019, all our 134 branch offices

nationwide formulated “SDGs Declarations,” with the aim of instilling the SDGs in local communities and linking them to community revitalization. In October 2021, we established our overseas bases blog, and have also been focusing on disseminating information about overseas initiatives.

Website URL: <https://branchblog.smtb.jp>

Total Number of Blog Posts

14,283

(As of January 12, 2022)

Helping Invigorate Communities and Society

Quarterly Report SuMi TRUST With You (Fiscal Year 2021 With You Report)

We publish our quarterly report SuMi TRUST With You (Fiscal Year 2021 With You Report) four times per year to our clients nationwide. This report plays the role of an information dissemination tool offering coverage on topics of interest to seniors as well as seasonal topics. In fiscal year 2020, we posted a series of special articles on the theme of “living in an age of 100-year life.” In fiscal year 2020, “Life Design in the Age of 100-Year Life in Numbers,” a special article written by the Sumitomo Mitsui Trust Future Assets Institute was published, offering useful information and hints to leading a more abundant life based on the results of an original survey of 10,000 people up to age 64.



Branch-Produced “With You” Booklets

In addition to disseminating information via posts on their “With You” branch blogs and each branch publishes an original branch booklet called “With You.” It is planned and produced so local communities and the branches where they are located can get to know each other in greater depth. The booklet features employee self-introductions, introduces branch features, includes special feature columns on “With You” activities and CSR plans, and the distinctive traits of each branch such as collaboration with prefectural government offices and municipal halls and preparations of public relations columns on distinctive regional features and attractions.



A Digest Report for Seniors

The topic of “an age of 100-year-life” has been the subject of increasing interest, boosted by the media. Mitsui Sumitomo Trust Group, acting as “Your Last Bank” has been focusing on providing seniors with information about ways to lead an affluent senior life.

Considering Senior-Generation Housing

The Sumitomo Mitsui Trust Group wants to be the bank that people can entrust their housing matters to with peace of mind in the last phases of their lives, in addition to managing their precious assets and their inheritance. “A Digest Report for Seniors - Considering Senior-Generation Housing 3.0,” which we published in April 2021, is a booklet that presents three important options to consider concerning housing for seniors: (1) Keep living in your current home, (2) Move to somewhere that is easier to live in, and (3) Move to a home for the elderly. Branches offices nationwide display posters introducing this report to encourage people to take time to think about the best housing for senior generations, and offer assistance and consultation to help all people live a better life in their senior years (see page 131).



Lobby exhibit poster

<https://www.smth.jp/-/media/th/sustainability/report/2020/all5.pdf>

Considering the Problems of Dementia

In Japan, which is a super-aging society, one in four people aged 65 or above is said to have dementia or its early signs. “A Digest Report for Seniors - Considering the Problems of Dementia 2.0,” which we published in August 2019, is a booklet that provides concrete information on what the disease of dementia actually is, the kinds of support its sufferers require, and what we can do to help. Sumitomo Mitsui Trust Bank has developed a lineup of asset management products adapted to dementia, and provides consulting that stands in our clients’ shoes (see page 125). Our branches nationwide introduce this booklet in lobby displays, to allow people to take their time considering their health and futures.



Lobby exhibit

<https://www.smth.jp/-/media/th/sustainability/report/2019/all5.pdf>

Introduction of Branch Initiatives

Silver College Seminars

Silver College seminars are a place of learning for seniors among our clients to lead their second life with reassurance and contentment. Leading authorities from different business sectors talk about the thorough preparations needed to carry on a second life that is safe and enriching. There are many issues facing us as human life spans often exceed the century mark. In addition to seminars with fixed participants covering four basic topics (health, safety and security; late-life housing; the issue of dementia; how to lead an enriched life in old age), each branch plans and hosts its own distinctive Silver College seminars.



Face-to-face seminars have been suspended since February 2020 as a result of the COVID-19 pandemic, and a limited-time video edition has been produced.



Activities to Support the Environment and Living Things

Sumitomo Mitsui Trust Bank works on sustainability activities (we call them "With You activities") at our branches nationwide. Based on the idea that "our lives are affluent because we are blessed with natural capital," we have set "Activities to Support the Environment and Living Things" as one of the themes of our diverse With You activities, which we do with the participation of our employees. As part of that effort, some branches are working on activities to conserve Japan's unique organisms. In August 2016, our Ichinomiya branch received approval from the Ministry of the Environment, and started the first private-sector exhibition of the Itasenpara

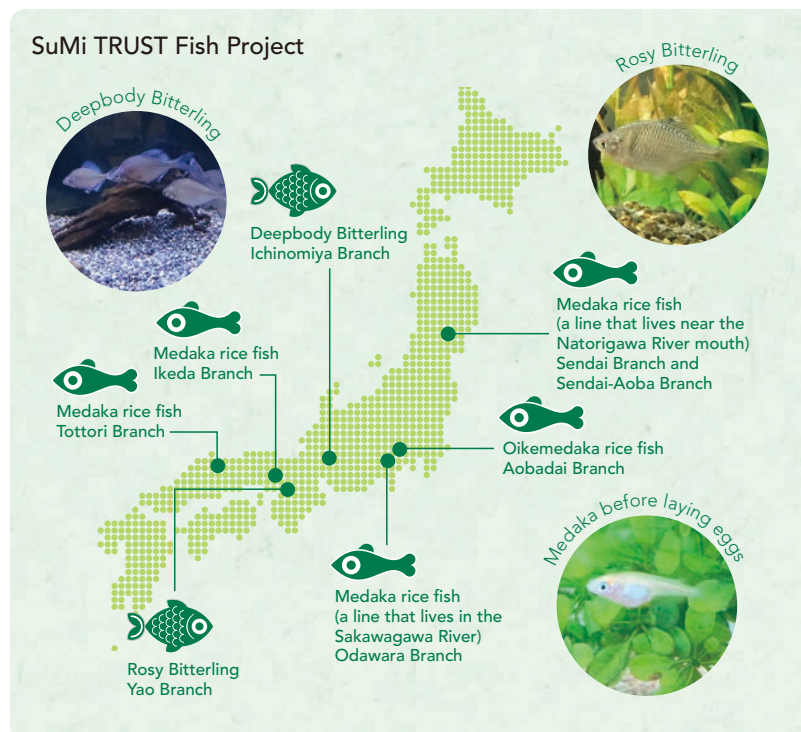
bitterling (*Acheilognathus longipinnis*), an endangered species. From September 2021, we have taken on the challenge of breeding the Itasenpara bitterling for the sixth time. The conservation activities are spreading in the region, with our collaborator Ichinomiya Shogyo High School being added to the "Kiso San River Basin Eco-Net Support Group," a group to which the Ichinomiya branch belongs.

Since August 2005, the Yao branch has been continuously involved in the breeding of the endangered Rosy Bitterling. In August 2020, we installed a new information panel in the show window to raise awareness of this initiative.



Raising Itasenpara in our Ichinomiya branch

SuMi TRUST Fish Project



*Gene differentiation has been confirmed for medaka rice fishes depending on the water area of their habitats, and preservation activities of indigenous medaka rice fishes have been promoted in each respective region using systems such as foster care.

SuMi TRUST Bank “Inheritance from Me” Series

The SuMi TRUST Bank “Inheritance from Me” Series are 400-character stories and reasons related to “people, things, and matters” that are uniquely important in a person’s heart. It was started in 2013 as part of CSR activities.

Precisely in this age of information overload and rapid change, we need to reevaluate what is important to us, and continue our activities as a way to preserve the connections with people and the things and matters that are being lost as shared assets for the future and the next generation. In our eighth content, we received over 8,200 entries.

The winning and runner-up pieces are put together in a pamphlet and handed out at branch lobbies nationwide and featured on the SuMi TRUST Bank website, newspapers, and other media.

“Inheritance from Me” is also a project that contributes to school education and local communities. We received many applications for the first contest from young children, students, and whole schools, so from the second contest, we established the “School Award” and started taking group applications from schools. In our eighth content, we received over 3,396 entries from 84 schools. From the sixth contest, we established the “Heart’s Hometown Award” and have been asking for entries on one’s town, village, and “Heart’s Hometown” they want to convey. Ako City in Hyogo Prefecture was the stage for the 6th content, Oita City in Oita Prefecture for the 7th, and Goto City in Nagasaki Prefecture for the 8th, which were all covered by the local media and received positive feedback. We plan to announce winners of the ninth contest in March 2022.



Good Examples of Community Cooperation

As a financial institution, we are taking concrete action towards the attainment of the SDGs (Sustainable Development Goals) announced by the UN, but we also take on the important role of educating and informing local communities about the SDGs, and promoting the initiatives together with them. Based on the “SDGs Declaration” (see page 171) formulated by branches and departments and the needs of respective regions, branch offices nationwide are working on activities and events in co-operation with local communities.

Obtaining Recognition under Regional Revitalization SDGs Statement, Registration, and Certification Systems



Local governments have established Regional Revitalization SDGs Statement, Registration, and Certification Systems with the goals of: 1) visualization of companies contributing to the SDGs for local development, 2) promote support by local stakeholders and lay the foundation for the formation of an autonomous virtuous circle. SuMi TRUST Bank is proactively working to obtain recognition under the SDGs Statement, Registration, and Certification Systems of various regions, with the Yokohamaeki-Nishiguchi Branch and the Yokohama Branch obtaining the highest Y-SDGs certification of Supreme. In collaboration with various stakeholders, we are contributing to the expansion of efforts for local development driven by the SDGs. Key examples of branches and departments that have obtained recognition under the Statement,

Registration, and Certification Systems are the Kawasaki Branch obtaining certification and the Kumamoto Branch, Kumamoto-Chuo Branch, and Kita-Kyushu Branch registering. As of September 14, 2021, there are a total of 34 municipalities that have established systems for registration and certification, with 7 statement systems, 25 registration systems, and 2 certification systems.



Obtaining the highest rank (Supreme) in Y-SDGs, Yokohama City’s SDGs certification system



Food Loss Initiatives, Children's Cafeteria Support Activities

Japan generated a total of 25.31 million tons of food waste, etc., a year, of which 6 million tons a year is thrown away despite still being edible (according to fiscal year 2018 estimates). Food loss has become a major social issue in Japan, with the total food loss per person per year approximately 47 kilograms. However, with the COVID-19 pandemic causing the suspension of school meals due to the closure of elementary and junior high schools and temporary closures of children's cafeterias, people who need food support are facing difficult circumstances.

A food drive is an activity in which people bring surplus food from their homes and workplaces and distribute it to local welfare organizations, facilities, and children's cafeterias that need food support. Taking the lead in starting these food drive initiatives in 2019, our Namba and Namba-Chuo Branches donated food collected every month to Osaka Palcoop in cooperation with clients. This initiative has spread to branches and departments throughout the company, with branches participating in the Yokohama Food Drive Campaign (Konandai Branch) and the Shiga Prefectural Office Food Drive (Kyoto Branch, Kyoto-Shijo Branch, Otsu Branch).

In October 2021, the Saga branch planned and organized a lobby exhibit about food loss and food drives, calling for

people to bring instant food, canned goods, and seasonings in addition to daily-use items that they no longer needed. Local media covered employees donating the collected items to Food Drive Saga. In September 2021, the Yokohamaeki-Nishiguchi Branch and Yokohama Branch donated unused fans to local children's cafeterias. This project was launched after a volunteer at the cafeteria mentioned at an online conference organized by the prefecture that they were having trouble due to a broken fan. Users of the fan sent us a thank you note with a photograph.



Donation to Food Drive Saga



Items donated to children's food cafeteria

Fujisawa Branch, Fujisawa-Chuo Branch, Osaka Business Department II

Fujisawa Sustainable Smart Town Cultural Festival 2021



As the only financial institution as part of a joint project with leading Japanese companies (Panasonic, Mitsui & Co., Mitsui Fudosan Residential, Tokyo Gas, Dentsu, etc.), SuMi TRUST Bank is participating in a town building project on the site of a former Panasonic Group factory (Fujisawa City). The Fujisawa SST Cultural Festival, a local community event held every year, always attracts a large number of participants. In fiscal year 2020, it was held online in order to prevent the spread of COVID-19.

The theme of the cultural festival held in November 2021 was "energize people, energize the town," and SuMi TRUST Bank participated in the program themed "saving the world by breaking away from plastic waste?!" The program was moderated by two new employees from the Fujisawa Branch and Fujisawa-Chuo Branch, who gave quizzes and explanations to the audience about how it is up to humans whether the beautiful seas of the Fujisawa area can be preserved for the future, working to reduce plastic waste as a matter of personal relevance by proactively using eco-bags and personal bottles, and the importance of 3R+Renewable. In addition, Tumbler in the Forest Fujisawa SST Models, made using high density cellulose fiber developed by Panasonic, were given out as presents to the audience, which were very well received.



New employees participating in Fujisawa SST Cultural Festival



Tumbler in the Forest

**Yokohama Branch,
Yokohamaeki-Nishiguchi Branch**

Period Poverty Initiatives

SuMi TRUST Bank has partnered with Kanagawa Prefecture, which established a headquarters to promote support for those struggling due to COVID-19, to launch initiatives aimed at tackling period poverty. The Kanagawa Prefectural Government's Policy Bureau's Life and Future Strategy Headquarters Office has started distributing free sanitary towels at three universities in the prefecture, using advertising revenue from supporting companies. SuMi TRUST Bank was one of the first to endorse this initiative, supporting the production of the first batch to be distributed in December 2021 (approximately 5,000 bags). The Yokohama Branch and the Yokohamaeki-Nishiguchi Branch are working to raise awareness of period poverty issues by representing branches and departments in the prefecture to hold lobby exhibits and other activities.



Distributing with SuMi TRUST Bank advertisements

Kita-Kyushu Branch

Producing Eco-friendly Goods in Partnership with Local NPO

The Kita-Kyushu Branch is focusing on promoting sustainability activities through producing eco-friendly goods in partnership with a local NPO.

NPO Wakuwa-ku, which supports people with handicaps in finding jobs, runs events with the concept of creating places where local people can visit freely and the recycled paper initiative KAMIKURU Project. The KAMIKURU Project collects used paper from local schools, companies, and city halls, and sorts and processes it into "upcycled" products. One of the main features of this project is that it creates a circulatory society and employment for people with disabilities by using the paper generated in the community to create new products. The Kita-Kyushu Branch utilizes original message cards, notebooks, and paper files made in cooperation with the NPO to deepen collaboration with the local community.

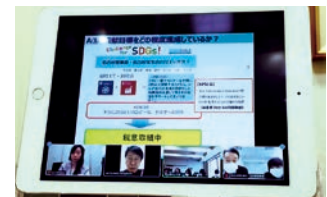
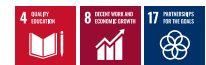


Products made in cooperation with NPO Wakuwa-ku (Files, notebooks, and message cards)

**Nagoya Business Department,
Nagoya Sakae Branch**

Holding SDGs Interview Sessions in Cooperation with High Schools in the Prefecture

The Nagoya Business Department and Nagoya Sakae Branch are enthusiastically working to spread awareness of the SDGs through education, with activities including running a remote ESD project for Aichi prefectural teaching staff in collaboration with the Nagoya LA Department and SDGs interview sessions with high schools in the prefecture. An interview session was held in February 2021 upon the request of Nanzan Girls' Senior High School. In response to a request for an interview about SuMi TRUST Bank's SDGs initiatives as part of extracurricular classes, the school was connected online with the Tokyo Sustainability Management Department and the Nagoya Business Department, where original materials were used to explain the work of SuMi TRUST Bank and the initiatives of departments and branches. We also answered questions from the students.



SDGs interview sessions

Himeji Branch

Participating in a City-run Biodiversity Project

The Himeji Branch participates in "Biodiversity Project: Learning from Living Things—Raising Chinese Windmill Butterflies" run by Himeji City Environmental Bureau Environment Policy Office. Based on the Himeji Biodiversity Strategy, this project is a hands-on initiative for third-year elementary school students in the city to learn about the Chinese windmill butterfly, which is designated as the city butterfly of Himeji City, as part of their "raising butterflies" science curriculum. In September 2021, the branch ran a panel exhibition of Chinese windmill butterfly observation diaries kept by third-year elementary school students in cooperation with students from elementary schools in Himeji City. In addition, in order to make Himeji a city where Chinese windmill butterflies thrive like around 400 years ago, we are also participating in an activity to grow a plant called "Aristolochia debilis" which is eaten by the larvae of the Chinese windmill butterfly.



Panel exhibition of Chinese windmill butterfly observation diaries



Chinese windmill butterfly

Abenobashi Branch, Abeno Branch

Partnering with Public Interest Association to Communicate Information on Health



In June 2020, the Abenobashi Branch and the Abeno Branch entered into a business alliance with the Japan Stroke Association to serve as the reception desk for the "donation by bequest system." Cerebrovascular disease, most notably stroke, is one of the three biggest diseases. Based on the belief that it is socially significant to make employees and clients more aware of stroke and to take appropriate preventive measures to prepare for the onset of stroke, the branch planned and ran a lobby exhibit and an internal study session for employees. The lobby exhibit was designed to allow visiting clients to freely browse a pamphlet on the 10 Principles for Stroke Prevention, which was met with great acclaim.



"Stroke prevention tips to use from today" lobby exhibit

Shizuoka Branch, Shizuoka-Chuo Branch

Organizing a Lobby Exhibit to Promote the Appeal of the Area



With fewer people heading outside due to the COVID-19 pandemic, the Shizuoka Branch and the Shizuoka-Chuo Branch planned and ran "Cheering on the Local Area!! Do Your Best, Shizuoka!! Kouyamachi Shopping Street Then and Now Photo Exhibition" with the aim of rediscovering the appeal of traditional local Shizuoka towns and communicate it to the local people. Held in cooperation with the Kouyamachi Shopping Street Office, the photo exhibition ingeniously displayed 11 valuable photo panels from the 1950s, and was very well received by clients who know the history of the region and was covered by the local media several times.



Cheering on the Local Area!! Do Your Best, Shizuoka!! Kouyamachi Shopping Street Then and Now Photo Exhibition

Nakano Branch

Partnering with a Local NPO to Hold Lobby Exhibit Showcasing the Work of People with Disabilities



The Nakano Branch, together with members of local companies, has been participating in the Nakano Mirai Project organized by the Nakano City Office. By participating in this project, the branch is running several activities to promote local relations, such as creating an activity plan to dynamize Nakano. As one of these activities, we have been running the Art Brut Exhibition in partnership with Social Welfare Organization Aiseikai since 2013. Art Brut, sometimes described as "living art," refers to works created without formal art education, using original ideas and methods without being influenced by established artistic schools or trends. Since 2011, Aiseikai has been focusing on activities to promote Japanese Art Brut works both in Japan and abroad with the aim of raising awareness and understanding of people with disabilities and the participation of diverse people in society. Two or three times every six months, artwork of different styles are lent out to us.



Art Brut artwork exhibition



Initiatives at Overseas Offices

New York Branch

From the 17 SDGs, the New York branch has selected “climate action,” “quality education,” and “gender equality” as priority areas. In addition to action taken in the course of its business, the branch has conducted the following initiatives so far in fiscal year 2021 in order to encourage action among each and every individual employee.

Initiative 01 Green Loans



A Green Loan (financing with use limited to businesses that contribute to improving the environment, such as renewable energy and environmentally friendly property) was concluded on August 12, with Invenergy Renewables Group and three onshore wind power generation projects in Japan (Ibaraki, Inaniwa, and Rusutsu) as the initial recipients. Invenergy is a U.S.-based global developer and operator of renewable energy projects. This loan complies with the Green Loan Principles, and has received the highest possible “Green 1” rating in the Japan Credit Rating Agency (JCR) Green Loan Evaluation.

Initiative 02 Tree Program



Trees curb CO₂ emissions, improve air quality, prevent stormwater runoff, and contribute to creating a local community that is good for the environment and our health. More than 50 employees engaged in activities such as obtaining trees suitable for their respective housing environments for their homes, colleagues and friends, and donating more than 100 trees to forests. These activities are expected to reduce CO₂ emissions by an estimated 1.9 tons and prevent 100m³ of stormwater runoff. Another expected result is a modest energy saving of \$350 per year (reduced air-conditioning costs through planting trees).



Initiative 03 Virtual Honey Harvesting Event



Bees are crucial to healthy crops, and their rapid decline is a threat to global food security. Twenty-four employees participated in an experiential event using VR headsets, where they learned about bees and the importance of regenerative agriculture. It was possible to donate upward of 3,000 bees per capita to farms in developing countries.



Initiative 04 Back to School Project



Economically deprived families are on the rise in New York, particularly during the COVID-19 pandemic. It is not easy for homeless children to get the required academic supplies for their school lives, such as stationery, scissors, glue, rulers, and calculators. To this end, the New York branch elicited donations by employees, and along with a donation by the company (double the amount of employee donations), it delivered rucksacks filled with the necessary supplies to a total of 315 children.



Initiative 05 Distributing SDGs Boxes to Foster Awareness Among Employees



Employees themselves filled boxes with products that help lead sustainable lifestyles (reusable food storage bags, shopping bags, wool dryer balls that can be placed in the washing machine to save electricity and time, etc.), and sent them to all employees. Small mindset changes among each employee are expected to become a driving force for breaking free from disposable culture and realizing a sustainable society.



SDGs box

Initiative 06 Encouraging Employee ESG Investments Through 401k Pension Plans



The sustainable investment fund Fidelity U.S. Sustainability Index Fund (an investment trust benchmarked against an ESG score called the MSCI USA ESG Index), was added to the lineup of 401k defined contribution corporate pension plans for locally hired employees. This enables employees to use their existing pension plans to support U.S. companies that are more advanced in ESG initiatives than other companies in their industry through investments at no additional cost.

London Branch

Initiative 01 Charity Run Participation

The Standard Chartered Great City Race was held on July 20, 2021 in London.

This event is run by Standard Chartered every year, and donations from participants, sponsor companies, and others along with part of the entry fees are utilized for an education and entrepreneurship support program aimed at reducing economic disparity and promoting the financial inclusion of youth.

While the event was held just after a COVID-19 lockdown was lifted, approximately 30 employees of the London branch participated, both at the venue and virtually. Due to the COVID-19 pandemic, it was not possible for everyone to gather and run together as they do every year, but participants all ran wearing the same t-shirts, which helped deepen unity among employees.



Commemorative photo of the members who participated in the charity run

Initiative 02 Donations to Great Ormond Street Hospital

Since 2011 the London branch has made yearly donations to the Great Ormond Street Hospital instead of sending out Christmas cards. Founded in 1852, the Great Ormond Street Hospital is London's most famous hospital for children. It is also a charity organization. The hospital was a pioneer in the field of pediatrics by achieving numerous world firsts, including the first-ever successful bone marrow transplant in a patient with severe combined immunodeficiency. British author J.M.

Barrie famously donated the copyrights to *Peter Pan* to the hospital, and the hospital is also well-known for being the place where *Charlie and the Chocolate Factory* author Roald Dahl worked on a collaborative effort to develop a medical shunt valve.

Donations received from the London branch and other donors are used for research on a number of life-saving treatments and for the operation of the hospital itself.



Initiative 03 Establishment of a Climate Change WG

The Europe, Middle East and Africa Division established a climate change WG as an official branch committee in July 2021. The local financial authority (PRA) has long been encouraging financial institutions to introduce climate change risk management frameworks, which has also been designated as one of PRA's Priorities every year.

Given these circumstances, approving the activities that have been carried out in the branch as a formal committee is intended to further invigorate activities.

Chaired by the Europe, Middle East and Africa Division general manager, the climate change WG has two sub WGs: risk management and business strategy formulation and promotion. It is composed of members contributing from all areas of the branch.

This activity is also coordinated with the Climate Change Response Promotion PT at Head Office, and is expected to provide information mainly on the latest trends in response to climate change-related regulations by European financial institutions.



Hong Kong Branch

At the Hong Kong branch, a Social Value Committee (SVC) primarily comprising local employees was formed in the previous fiscal year. During this fiscal year, its second year, the committee is focusing more on initiatives that involve the participation of all employees, and has been working proactively as follows. These initiatives are introduced in the With You branch blog by local employees in their own voices.

Initiative 01 Collaborating with Domestic Branches to Hold Online Exchange Between Local Staff and Japanese Junior High and High School Students



In March 2021, an online exchange with Saga Ryukokugakuen was held in collaboration with the Saga branch of SuMi TRUST Bank.

This event saw students interact with Hong Kong branch employees through opinion exchange about graphic postcards the school made in collaboration with the Saga branch under the theme of SDGs. In the first half of the session, locally hired employees mainly answered questions about SDGs initiatives, while in the second half, employees posted to Hong Kong from Japan answered questions about working and living overseas. In response to a question about what people should work on when they are a student, branch employees gave the advice that people who immersed themselves in something will thrive as working adults and to search for something that you can become absorbed in. It was heard that one student was

inspired by the event, and took up a new challenge.

A branch employee said, "I will be happy if I have been able to contribute to the globalization of Japan by conveying local information in an easy-to-understand manner about working overseas, which has been difficult in recent years due to the COVID-19 pandemic." It is hoped that this exchange event will be of some reference to school students about understanding cultural differences with other countries and the satisfaction of working in global society and become a first step to getting closer to future dreams.



Hong Kong branch employees explaining as best they can despite nerves



Students enthusiastically presenting

Initiative 02 LGBTQ Seminar by Local NPO



In August 2021, the branch invited an instructor from the NPO "Rainbow of Hong Kong," which has been running LGBTQ awareness raising and support activities for over 20 years in the area, to hold an LGBTQ seminar as part of SDGs activities and D&I promotion.

On the day of the seminar, 44 branch employees, five Head Office employees, and eight employees of other overseas offices (total 57) participated. The seminar covered topics such as understanding of LGBTQ concepts, things to be aware of, and challenges in the local area. While the content was basic, the instructor (who has come out as a member of the LGBTQ community) had a sincere and open personality, and the session was lively with many questions from participants.

Local employees of SVC took the lead in the entire process of

planning and announcing the event, as well as running it on the day. Prior to the event, the management staff felt uneasy about using LGBTQ, which is not usually explored, as a theme. However, branch employees were highly interested, and this first step ended in success.

The recent Olympic and Paralympic Games Tokyo 2020 were reported to have more out LGBTQ athletes than ever before. With global interest high, the branch would like to continue engaging with LGBTQ issues in some way.



Many employees participated in the online hybrid event



High interest was evident, with many participants asking questions to the instructor

Initiative 03 Participating in Food Donation Program FOOD-CO



In September 2021, SVC decided to participate in the food donation program FOOD-CO promoted by the local NPO St. James' Settlement in response to the growing momentum to reduce food loss in the region, establishing a food donation week in the branch and placing collection boxes for food donations in three locations throughout the branch.

During donation week, many branch employees donated 110 products (approximately 25 kg) including rice, snacks, moon cakes, and instant foods.

SVC members directly delivered the large amount of donated food to the NPO, keenly aware of how heavy it was and the thought that went into it. A letter of thanks arrived from the NPO at a later date.

It is said that there are 3,600 tons of food waste in the area every day. That is equivalent to one 500 ml plastic bottle per capita per day. At the same time, over one million people in the area have inadequate access to food. The Hong Kong

government recently announced that the poverty level in 2020, assuming no support from the government, was approximately one-quarter of the total population, marking the worst level in years.

In response to these problems, the branch hopes to continue to regularly run this kind of activity to contribute insofar as is possible, while understanding that it is difficult for the branch alone to significantly improve the situation.



Various donations from many employees

Directly delivering the food donated by branch employees to the NPO

Initiative 04 Participating in a Workshop to Support Mental Healthcare



In November 2021, a total of 16 branch employees attended a workshop run by local mental health NPO The Mental Health Association of Hong Kong (MHAHK), as part of SDGs activities and well-being promotion.

The workshop was held at a facility where people with mental illness and physical disabilities (trainees) are actually trained to participate in and return to society. In this workshop, we directly participated in the final stage of the manufacture of leather products (this time, electronic money card folder with initials) that the trainees usually make for commercial sale. It took numerous participants around two hours to complete just one product.

Trainees provided careful support during the workshop. While those with mental illnesses find it difficult to communicate smoothly and to have good conversations, their enthusiasm for communicating was palpable, and combined with their high level of technical skills, all the participants worked earnestly and with great enjoyment.

The company bought all the completed products and gave them to those that made them. Many of the participants commented that they were happy to see their societal contribution taking shape. SVC is planning activities to contribute to employee wellbeing early next year.



Participants earnestly working on the workshop



The actual finished product from this workshop



Commemorative photo with the card folders made by each participant. Good memories

Singapore Branch

Initiative 01 Participating in POSB PAssion Run for Kids



The POSB PAssion Run for Kids was held in Singapore in November 2021. This is an annual event co-hosted by POSB*¹ (Post Office Savings Bank) and PAssion*² (People's Association). A portion of donations and participation fees from participants and sponsors are used to support the POSB PAssion Kids Fund, which organizes events and programs that contribute to the education and development of the youth.

Since 2012, many of the Singapore branch employees and their families have participated in the event, and the branch continues to donate through the running event. Due to the COVID-19 pandemic, the event has been held since last year in a virtual participation format whereby participants download a smartphone app and register

the distance they ran. With this year seeing a high level of health-consciousness due to work from home and other factors, many branch employees ran in support of the charity. They registered the distance they ran at their own pace in the app, and it was a valuable opportunity for them to support the activities of POSB PAssion Kids Fund, and use the app to encourage each other and interact with people in the community.

*1 POSB (Post Office Savings Bank) is the oldest bank in Singapore, and is currently under DBS Bank, a comprehensive business partner of SuMi TRUST Bank.

*2 PAssion is the common name of The People's Association, a government organization.



Plaque for past participation

Initiative 02 Holding Online Seminar on ESG/SDGs



Given the United Nations climate change countermeasures conference the 26th UN Climate Change Conference of the Parties (COP26) held in Scotland in the UK in November 2021, the Singapore branch invited instructors from the NPO Singapore Environment Council*¹ on November 12 to hold an online*² seminar on the theme of Environmental, Social and Governance (ESG)/Sustainable Development Goals (SDGs) in order to deepen the understanding of branch employees on environmental issues and other matters.

The instructors introduced the impact of climate change on Singapore, the urban heat island phenomenon, the history of greening in the area and future plans, and the contribution of plants to improved indoor air

quality in workplaces and homes. Participants said that they became more interested after learning of greening initiatives in familiar places and that they were able to gain a concrete understanding of the impact of climate change on Singapore and the current state of response.

The seminar was a meaningful experience, deepening participants' understanding of the impact of climate change in Singapore and government-led measures to address global warming, and providing an opportunity for them to learn what they can and should do on a personal level.

*1 An NPO/NGO leading initiatives to address local environmental problems in Singapore.

*2 The event was run in an online format based on government regulation banning gatherings in offices due to the COVID-19 pandemic.

SuMi TRUST Consulting (Beijing)

Initiative 01 Sponsoring Event Run by the Green Development League of NETDZs



SuMi TRUST Consulting (Beijing) Co., Ltd. registered as a sponsor company for the Green Innovation Cup Green Technology Competition held with the Green Development League of National Economic & Technological Development Zones (NETDZs), which was jointly established by 36 of China's approximately 230 NETDZs that are advanced in green development and international cooperation.

In addition to the SuMi TRUST Group, which is focusing on ESG, the green technology field in China is also an area of focus for Japanese companies entering the Chinese market. Through this sponsorship, the company aims to contribute to the business development of Japanese companies in the green field.



General Manager Kishigami participating in a Green League conference

Sumitomo Mitsui Trust (Ireland) Limited

Initiative 01 Electronic Signature System (DocuSign)



Our Irish subsidiary has introduced eSignature, an electronic signature system provided by DocuSign.

Using eSignature has made it possible to centrally manage tasks in the electronic signature process for documents such as reports, contracts, and approval requests via the system from any location using PC or smartphone. These tasks include requesting signatures from signers, electronic signatures, and management of approved documents. This has removed the need to print paper, fax or scan signed documents, mail them, or store them.

Furthermore, concerning the environment, DocuSign

has announced that digitization of signature tasks by users of the eSignature system it provides has reduced the use of paper by approximately 837 tons (equivalent to approximately 14,230 trees). By using this system, our Irish subsidiary is contributing to environmental protection.

In this way, DocuSign eSignature is an electronic document management and signature system that can promote operational efficiency improvements and consideration for the environment. This is a major component of promoting green initiatives recommended in Ireland, and an important step under the "Green Boardroom" initiative proposed last year.

Initiative 02 Culture Working Group



A culture working group has been formed at our Irish subsidiary. This working group includes members from the Risk Management Department, the Compliance Department, the Human Resources Department, the Corporate Governance Department, the Operations Division, and employees dispatched from SuMi TRUST Bank. It regularly discusses and reviews culture and sustainability activities.

Four subgroups have been created to focus on "diversity and inclusion," "employee surveys," "mission, vision, value," and the "SMT brand." A survey was

conducted anonymously among all employees on October 22, 2021, with each subgroup proposing the content of the survey from its own perspective. Based on the results of the survey, the culture working group will consider its next action.

The field of culture and conduct will continue to be a priority field for the Central Bank of Ireland, and the culture working group will continue to conduct activities toward promoting the dissemination of corporate culture and sustainability activities.

Initiative 03 Step Challenge



Our Irish subsidiary introduced the step challenge program in 2021 as part of employee engagement initiatives. This Step Challenge aims not only to promote health but also to encourage exchange between colleagues who might not usually communicate during their daily duties by having challenge participants post photos and trip records in the internal newsletter. By

doing so, the challenge also aims to improve employee happiness and camaraderie. To date, we have held three Step Challenges, with a total of 16,400 km walked by participants. During the Step Challenge, participants submitted beautiful scenery from different parts of Ireland.



Beautiful scenery from different parts of Ireland submitted by participants

Sumitomo Mitsui Trust Bank (Thai)

Initiative 01 Contributing to the Realization of a Sustainable Society Through Mangrove Planting and Conservation Activities



Sumitomo Mitsui Trust Bank (Thai) Public Company Limited is planning to go to a mangrove forest to plant trees, release fish, and pick up trash in January next year as an ESG activity that involves the participation of all employees for this fiscal year. Although the activity has been delayed due to the COVID-19 pandemic, the recent decrease in the number of cases in the area has finally provided an environment to conduct the activity.

In addition to absorbing more CO₂ than tropical rainforests, mangroves are essential for forming a cyclical natural environment that sustains fish and other ecosystems. Ahead of the actual ESG activities in mangrove forests, Sumitomo Mitsui Trust Bank (Thai) Public Company Limited has launched an ESG project team and run a study session. The study session helped foster an ESG mindset in employees and boost motivation. Rather than being a one-off event, this activity will be

run on an ongoing basis. Through its future ESG activities, Sumitomo Mitsui Trust Bank (Thai) aims to contribute to the local community and be a presence loved and recognized by the local people.



Study session by ESG project members

Zijin Trust

Initiative 01 Ongoing Charitable Trust Initiatives



Ever since its founding, Zijin Trust Co., Ltd. ("Zijin Trust") establishes a charitable trust every year. The charitable trusts established to date total 9.7 million yuan (approximately ¥1.72 million), providing support to upward of a total of 600 children from impoverished families with serious illness. In 2021, a hybrid online establishment ceremony was held on November 28 in tandem with the establishment of the 11th charitable trust.

To make trust-based social contribution take root in China, Zijin Trust will continue to promote charitable trusts.



Scenes of the 11th charitable trust establishment ceremony



Children supported by charitable trusts

Initiatives at Group Companies

Nikko Asset Management

Initiative 01 Initiatives as a Carbon Neutral Company



Since 2018, Nikko Asset Management has evaluated (calculated and analyzed) the amount of greenhouse gas emissions of Group companies, and obtained carbon credits to offset these emissions. Thanks to these efforts, it has been designated a carbon neutral company for three consecutive years. In 2021, the Environmental Policy, which sets forth initiatives that take into consideration the environmental impact of the Group's overall business activities, was updated. It set a target*

reducing its own greenhouse gas emissions for the entire Group by 40% per employee by 2030, compared to 2019. Moving forward, Nikko Asset Management will commit to monitoring progress and disclosing it regularly in reports such as their annual TCFD and Sustainability Reports.

*Covers direct and indirect emissions by the company under Scope 1 and 2 (emissions from fuel combustion, electricity supply, and other uses) as defined in the Greenhouse Gas Protocol, as well as some indirect emissions under Scope 3 (emissions from fuel and energy activities and business trips not included in Scope 1 and 2). The Greenhouse Gas Protocol is an international initiative established to develop and promote globally recognized standards for calculating and reporting greenhouse gas emissions.

Initiative 02 Promoting the Advancement of Women



In pursuit of diversity & inclusion, Nikko Asset Management has continually worked to create inclusive workplaces. In February 2021, it further accelerated its initiatives to promote the advancement of women, setting a new target of raising the ratio of female employees in management positions across the entire Nikko Asset Group, including overseas offices, to 30% by 2030. By setting a clear target for the ratio of female employees in management positions, it aims to secure transparency in progress toward achievement, further enhance initiatives to promote the advancement of women, and boost employee awareness about diversity. Moving forward, Nikko Asset Management will report the progress of this initiative in its yearly Sustainability Report and other materials.



To commemorate the establishment of the target, selfies of employees with hashtags were collected.

Please click here to view the 2022 Sustainability Report.

<https://en.nikkoam.com/files/pdf/esg/sustainability-report-2022-en.pdf>

Please click here to view the 2020 TCFD Report.

https://en.nikkoam.com/files/pdf/esg/tcfid_eng.pdf



Sumitomo Mitsui Trust Asset Management

Initiative 01 Participation in the Net-Zero Asset Managers initiative

In July 2021, Sumitomo Mitsui Trust Asset Management participated in Net-Zero Asset Managers initiative, a global by asset managers aiming for net zero greenhouse gas emissions in their investee companies by 2050. Through collaboration with international ESG promotion organizations across a variety of fields, we will contribute to a smooth transition to a low-carbon and carbon-free society through engagement, exercise of voting rights, appropriate product structuring, and other efforts by appropriately

identifying risks and opportunities related to climate change issues. In addition, as part of these initiatives, Sumitomo Mitsui Trust Asset Management (hereinafter SMTAM) listed its first exchange traded fund (ETF), the SMT ETF Carbon Efficient Index Japan Equity, on the Tokyo Stock Exchange in June 2021.



David Semaya, Executive Chairman and Representative Director

Initiative 02 Signing the Financial Sector Commitment Letter on Eliminating Commodity Driven Deforestation Released at COP26*

On November 2, 2021, SMTAM signed the Financial Sector Commitment Letter on Eliminating Commodity Driven Deforestation released at COP26*.

Over 30 global financial institutions (with total assets of \$8.7 trillion) have signed this commitment letter, and SMTAM was the only Japanese asset management firm to sign. SMTAM has been engaging with a variety of stakeholders, including not only companies it deals with, but also local authorities and NGOs, as well as related companies, for the conservation of tropical rainforests in the Amazon and Southeast Asia. Leveraging the opportunity of participating in this initiative, SMTAM will further strengthen engagement with target companies, countries, and related institutions and work to prevent deforestation. In addition, on the evening of November 2, SMTAM

Chairman Semaya, gave a speech on behalf of the signatory management companies at a reception co-hosted by Charles, Prince of Wales in Glasgow.

* 26th UN Climate Change Conference of the Parties



Executive Chairman and Representative Director David Semaya gives speech on behalf of signatory management companies at a reception for signing the COP26 forest preservation declaration.



Charles, Prince of Wales at the reception



Speaking on a panel at the World Climate Summit on November 8 (Mr. Semaya is second from right)

Initiative 03 Third Year of Participation in Company Forest

Since July 2019, SMTAM has supported the Tokyo Metropolitan Government's Bureau of Waterworks' "Action Plan for Community-based Cultivation of Water Resource Forest" and entered into an agreement for the "Tokyo Waterworks Company Forest (naming rights)" project, which is now in its third year. Participating again this fiscal year on October 29, 11 employees entered the

SMTAM Forest in Koshu City, Yamanashi Prefecture, under clear autumn skies to plant broadleaf tree seedlings, as part of activities to preserve and nurture the water supply source forest.



In front of the SMTAM Forest sign

Initiative 04 Discussing Sustainable Investment at an International Finance Conference

In January 2021, SMTAM participated in the 14th Asian Financial Forum. In light of the significantly changing environment due to the COVID-19 pandemic, the forum was held with the theme "Reshaping the World Economic Landscape." Held in an online format, the conference was a great success, attracting approximately 63,000 viewers from upward of 70 countries. SMTAM President Hishida appeared as the only speaker from the Japanese financial industry. At a panel discussion themed around sustainable investments,

he exchanged opinions with top management from financial institutions from the United States, the United Kingdom, France, Switzerland, and Asia. SMTAM will continue to bolster its international presence and strive to improve the sophistication of its asset management related to sustainable investment.



The panel discussion

Please click here to view the 2021/2022 Stewardship Report. <https://www.sumitrust-am.com/responsible-investment>

Sumitomo Mitsui Trust Club

Initiative 01 Efforts to Provide High Quality Customer Experiences Recognized by Third-Party Organization

Call Center Awarded Three Stars in Monitoring Category of HDI Benchmarking Assessment for Two Consecutive Years

Under HDI Benchmarking, judges assess companies from customer perspectives in accordance with assessment standards established based on international standards by HDI, one of the world's largest membership associations for the support services industry. Assessments have four levels, ranging from zero stars to three stars.



Sumitomo Mitsui Trust Club has consecutively obtained three-star ratings in the monitoring category. In this category, judges listen to actual recordings of customer support, and assess companies under five items including service structure and communication. How the customer feels is an important perspective in the assessment.

Sumitomo Mitsui Trust Club received the following assessment from HDI-Japan (excerpt).

- Sincerely respectful, courteous, and flexible, providing speedy support as the situation demands.
- Provides a sense of security through response that works to resolve needs by focusing on the content of customer inquiries and the background to their questions.
- Aware of using language and expressions that are easy for customers to understand, and concise explanations. Calm and dependable response.
- Not only contributes to prompt resolution, but also provides adequate emotional care for customers with a sense of empathy and closeness.

Received the Fiscal Year 2021 CRM Best Practice Award for Establishing and Operating Customer Management System CREST

CREST, which went into operation in 2019, is a system that centrally manages customer information collected at multiple customer touch points and returns it to customer service.

Run by the CRM Association Japan, the CRM Best Practice Award aims to realize customer-centric relationship management by awarding companies, government bodies, and organizations for building relationships with customers from the perspectives of strategy, operations, and organization. The purpose of the award is to create model cases for CRM promotion and to provide an opportunity for human resource development. Below are selected comments.



<Special Service Model for Individual Customers>

Sumitomo Mitsui Trust Club is the only company in Japan to issue and operate Diners Club Cards, which is an international credit card brand. Given the characteristics of the business, the company has a variety of information on cardholder tastes, but it was unable to effectively utilize all of its information in cardholder touchpoints. By building an integrated CRM platform to resolve this issue and transform it into a strength, the company was able to promote the provision of high added value services from a customer perspective, realizing improved customer satisfaction and engagement. The company has also succeeded in providing more personalized "special service" by instilling a customer-centric relationship approach throughout the company. Moving forward, expectations are high for the development of new, more evolved services from the perspective of the individual customer using AI.

The new normal is seeing interactions between people and between people and companies continue to change drastically. Against this backdrop, Sumitomo Mitsui Trust Club will provide unique services, continually striving to serve our clients in a meticulous manner with our reliable discernment and support skills honed by history and experience for the benefit of its clients.

Initiative 02 Ongoing Initiatives

Diners Club provides clients with opportunities to contribute to society through activities to protect valuable cultural assets that must be passed on to future generations. Additionally, under the slogan "There are things that can only be found here," the brand provides clients with opportunities to leverage their experienced eye to spot young talent and provide support.

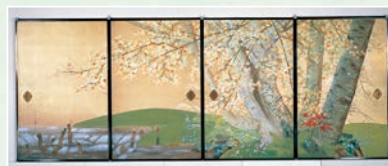
Daigoji Cultural Assets Restoration Project

In February 2021, as part of the restoration of the statue of Kongoyasha Myoo, the restoration of Godai Myoo was completed. The restoration of a painting on a 44-panel sliding paper door by Insho Domoto, a master of Japanese painting, is newly beginning. The long-term restoration project of the ancient documents and holy scriptures of Daigoji Temple

(National Treasure) is also underway in parallel.

Artist Support Program

After more than a year of not being able to perform to clients due to the COVID-19 pandemic, it was possible to hold the long-awaited grand concert at Suntory Hall on October 22, 2021. Young artists and Diners Club members came together to create a vibrant and inspiring excitement.



Part of the Insho Domoto sliding door painting, for which restoration work is beginning

Sumitomo Mitsui Trust Panasonic Finance

Initiative 01 Green Bond Issuance

Based on the Green Finance Framework* that was formulated in September 2021, Sumitomo Mitsui Trust Panasonic Finance issued its first green bonds in October. Funds raised through green bonds will be used to finance or refinance the installation, etc., of facilities and equipment that contribute to higher energy efficiency and renewable energy equipment.

Moving forward, we will proactively utilize green finance, including this green bond issuance, for the necessary funding to promote support for measures to

address climate change, and further contribute to the realization of a sustainable society.



*See here for more details on the Green Finance Framework.

Initiative 02 New Establishment of ESG Promotion Section

In April 2021, Sumitomo Mitsui Trust Panasonic Finance established a new ESG Promotion Section in its Planning Department.

As part of internal training, the section regularly issues an ESG Newsletter, which is an information magazine on the theme of ESG, with the aim of boosting employee ESG mindsets.

For example, by deepening employee understanding from basic content such as what ESG means to international frameworks such as the Paris Agreement, the section is cultivating a macro perspective on ESG throughout the entire company. It will continue to contribute to the realization of a sustainable society through a variety of initiatives.



Initiative 03 One-Stop Services for Demolition and Disposal of Plant Equipment for Asset Valuation

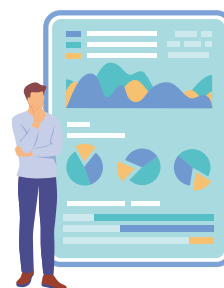
Japan Machinery Leasing and Sales, which is a subsidiary of Sumitomo Mitsui Trust Panasonic Finance, concluded a business alliance agreement with ENVIPRO HOLDINGS and ECONECOL to provide one-stop services for demolition and equipment disposal for asset valuation.

Recent initiatives have utilized the ECONECOL's many years of know-how in scrap processing and demolition and Japan Machinery Leasing and Sales' expertise in objects, including the assessment and trading functions of machinery and equipment, to provide integrated services from valuation of fixed assets to resale and

recycling of unneeded machinery and other assets.

Sumitomo Mitsui Trust Panasonic Finance and Japan Machinery Leasing and Sales have stated in their sustainability policy that they aim to contribute to solving social and environmental problems through their business and to build a circulatory society.

By providing this service, we will promote recycling of machinery and equipment, reduce waste generation, and work to realize a sustainable society together with clients.



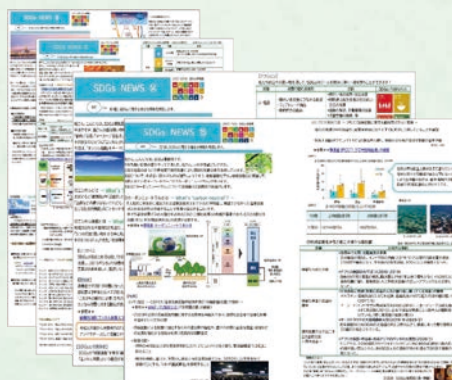
Sumitomo Mitsui Trust General Service

Sumitomo Mitsui Trust General Service engages in management and property administration of buildings in which SuMi TRUST Bank and affiliated companies are tenants. In each of its operations, the company engages in SDG-conscious initiatives that include energy consumption reduction, disaster prevention, and health-related initiatives.

Initiative 01 Regular Publication of SDGsNEWS



In order to promote awareness of the SDGs, we have been distributing a monthly newsletter to all employees, based on the concept of providing familiar information on the SDGs as part of our efforts to deepen employees' understanding of the SDGs, and will continue to do so this fiscal year. Since September 2021, this news has been archived on the intranet of SuMi TRUST Bank, recently covering themes such as ethical consumption, carbon neutrality, food loss, and Nobel Prizes and SDGs. Moving forward, we will continue to run awareness raising activities that help promote even more specific initiatives.



Initiative 02 Switching to Renewable Energy for Owned Buildings Electricity Procurement (Leasing Business Department)



As part of carbon neutrality initiatives of SuMi TRUST Bank Group, Sumitomo Mitsui Trust General Service plans to contribute to the resolution of global-scale challenges by switching from fossil fuels to renewable energy sources for owned building electricity procurement.

- Kanto region: Shinbashi Sansen Building,
Ikebukuro Higashiguchi Building
October 2021 Switchover completed
- Kansai region: Shijo Karasuma Building,
Himeji Kitaguchi Building
February 2022- Switchover start scheduled
(agreed in October 2021)



Shijo Karasuma Building



Shinbashi Sansen Building

Initiative 03 Promote Food Drive for Emergency Supplies (Senri)



Emergency food nearing its best-before date, at SuMi TRUST Bank Senri Building, was donated to the Toyonaka City Council of Social Welfare in October 2021. The donated food will be used by the council of social welfare to help food supply to people in need and children's cafeterias. Moving forward, we

will continue to work to reduce food loss.



Donated emergency foods



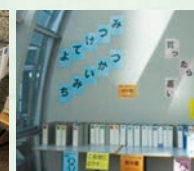
Initiative 04 Reusing Stationery Goods (Shiba, Fuchu, Kiba)



A reuse corner was set up in a location after a tenant raised the issue of disposing of a large amount of stationery. This initiative started from the Shiba location, and has spread to the Fuchu location and the Kiba location to great acclaim. We will continue to work on reducing waste through reuse and operate locations in an environmentally-conscious manner.



Shiba location



Fuchu location



Kiba location

Sumitomo Mitsui Trust Business Service

Initiative 01 ▶ Becoming the Tenth Company in Japan to Receive Platinum Eruboshi Certification



In February 2021, Sumitomo Mitsui Trust Business Service became the tenth company in Japan to receive Platinum Eruboshi certification established by the Ministry of Health, Labour and Welfare.

"Eruboshi (level 3)" and "Platinum Eruboshi" certification*¹ are the highest level*².

Sumitomo Mitsui Trust Business Service has been working on a daily basis to provide mutual support so that people can continue to play an active role even after major life events. As a result, as one example, 25% of regular female employees use maternity leave, childcare leave, and shorter working hours systems, and some employees are active as team managers and leaders while making use of shorter working hours, and the proportion of female team managers is approximately 80%. At training for employees scheduled to return to the workplace, employees who have finished maternity or childcare leave are provided opportunities to hear about the company's expectations as well as the efforts of senior employees at work and at home to ensure prompt catch-up. This is a company where young employees find it easy to imagine how they can balance work and home life.

As a system to broaden the work scope of various employees in different generations, the company enriches a system to provide a gateway for staff-level employees (mainly on fixed-term contracts) to become regular employees. To meet the needs of intending to be engaged

in management duties, the company initiated this system to regular employees in fiscal year 2018. In fiscal year 2021, 45 employees became regular employees as of October 1.

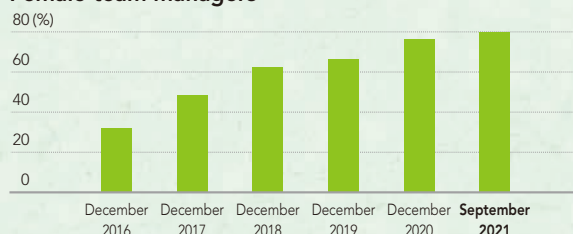
The company will keep striving to create a workplace in which each employee accepts each other while being conscious of diversity.

*1 Platinum Eruboshi certification is given to companies that meet the higher level requirements of the Eruboshi (level 1 to 3) certification, based on their efforts to promote the advancement of women.

*2 The Ministry of Health, Labour and Welfare's "General Site for Supporting Women's Activities and Work-Life Balance" will soon feature an interview article on Sumitomo Mitsui Trust Business Service.



Female team managers



Sumitomo Mitsui Real Estate Investment Management

Initiative 01 ▶ Obtained GRESB Real Estate Assessment



In October 2021, Shiba Wind Avenue GK (investment property: NEC Head Office Building), for which Sumitomo Mitsui Real Estate Investment Management is entrusted with asset management services, participated in the GRESB Real Estate Assessment for the first time. The company received a three star GRESB rating, which is a five-level rating based on the global ranking of the overall score.

GRESB is an annual benchmarking assessment, which measures the environmental, social and governance (ESG) considerations of real estate companies and funds, and the name of organization that manages it. GRESB data is widely used in the selection of potential investments and in dialogue with them. In Japan, many institutions use the results of GRESB assessments, including the Government Pension Investment Fund (GPIF). A total of 1,520 listed

and private real estate companies and funds across the world participated in the 2021 GRESB Real Estate Assessment.

Sumitomo Mitsui Real Estate Investment Management believes that formulating and encouraging of responsible investment management strategy that considers ESG and endeavors to achieve continuous reduction in environmental degradation from our investment property eventually maintains and increases asset value, and maximizes shareholder value. Therefore, we have established our ESG Property Investment Management Policy and put this policy into our daily practice.



See here for the ESG Property Investment Management Policy of Sumitomo Mitsui Real Estate Investment Management.
<https://www.smtreim.jp/policy/ESG.pdf>

Sumitomo Mitsui Trust Realty

Initiative 01 Support for the Protection of Endangered Species



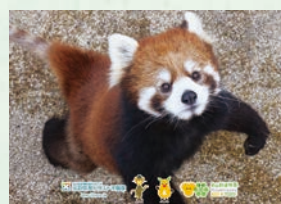
Chubu Head Office - Support for Higashiyama Zoo and Botanical Gardens

Sumitomo Mitsui Trust Realty's Chubu Head Office sponsors the spring and fall festivals of Higashiyama Zoo and Botanical Gardens every year. This fiscal year, we ran original animal underlay sheet making. On the surface of the sheets were photographs of endangered animals in the Higashiyama Zoo and Botanical Gardens, while the back featured pictures for coloring in and explanations of the animal. A hard laminate was then applied to create underlay sheets. Both spring and fall events were met with great acclaim, attracting the participation of a large number of visitors. We believed that making underlay sheets would help boost interest in the animals over a long period of time.

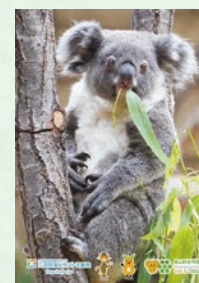
In tandem with the underlay sheet making, we also distributed 2,000 copies each of animal-themed clear files in the spring and the annual animal calendar in the fall. This was also well received, with many visitors saying that they look forward to it every year. We will continue our activities to support Higashiyama Zoo and Botanical Gardens.



2022 animal calendar



Red panda underlay sheet



Koala underlay sheet

Contributing to the preservation of endangered species by supporting Higashiyama Zoo and Botanical Gardens.

Kyushu Head Office - Support for Fukuoka City Zoo

Sumitomo Mitsui Trust Realty's Kyushu Head Office is a sponsor of the Fukuoka City Zoo.

Inspired by Trust-san, the mascot of Sumitomo Mitsui Trust Realty and a supporter of Fukuoka City Zoo, there is a large information panel (2.4 m x 1.2 m) explaining the distribution of tigers in the world in front of the tiger house where Kai, an Amur tiger, is kept. Amur tigers are one of the largest types of tiger, with each tiger requiring a large expanse of forest. However, they are in danger of extinction due to factors such as destruction of nature.

Zoos are facilities where you can feel the movement and smell of animals up close, and be impressed by both their power and cuteness. Learning about how animals live and their current situation encourages us to think about the environment and ecosystems in which animals live. Zoos

also play an important role in the preservation of species and other activities, but their operation is becoming more and more difficult due to the decline in wild animals and rising prices.

We support the cost of feed for animals in the zoo as an animal supporter. We hope that this activity contributes, even if just a little, to the preservation and survival of species and the education of children.



Kai, a male Amur tiger at the Fukuoka City Zoo



A large-scale panel donated to Fukuoka City Zoo giving details about the tigers of the world



Sumitomo Mitsui Trust Systems & Services

Initiative 01 ▶ Running Online Programming Classes for Elementary School Students



As an IT company based in Fuchu City, Tokyo, Sumitomo Mitsui Trust Systems & Services runs initiatives to help develop children's programming thinking skills through hands-on activities to create the IT talent of the future at the Fuchu Citizens Festival every November.

Due to the COVID-19 pandemic, the festival was once again held online, following on from 2020. We hosted an online programming class for elementary school students using the videoconference tool Zoom and the programming language Scratch.

On the day, 29 parent-child groups participated from their homes using the videoconference tool. Employees of Sumitomo Mitsui Trust Systems & Services (a total of 20) served as instructors for the class, giving individual lessons based on the level and pace of the participants, from low to high grades of elementary school.

The children were absorbed in creating their own programs using the methods they were taught, and had a great time. The guardians who participated gave numerous comments, with some saying that their

children have stayed interested even after the classroom and are having fun interacting with code, while others said that their children said that they will continue the rest themselves and seem to be interested. We felt that this class was a great opportunity for the children to gain an interest in programming, and we also gained a great sense of fulfillment.

Going forward, we will continue to monitor the needs of the times and the local community, and continue our activities as a good corporate citizen to stay close to the local community.



Online programming class



Initiative 02 ▶ "Platinum Kurumin" and "Eruboshi (Level 2)" Certification



In November 2020, Sumitomo Mitsui Trust Systems & Services received Platinum Kurumin certification for being an outstanding company conducting childcare support initiatives to a high standard.

Sumitomo Mitsui Trust Systems & Services is working to create an employment environment in which anyone, regardless of gender or age, can play an active role in their own way, and in which it is easy to create a work-life balance. In June 2021, the company was certified as an outstanding company in terms of promoting the advancement of women, meeting four of the five criteria for recruitment, continuous employment, working hours and other work styles, and the ratio of women in management positions, receiving "Eruboshi (level 2)" certification.

Moving forward, we will continue to study and promote these initiatives so that they are not only focused on women, but are also measures that enable both women and men to play active roles.



People in charge of promoting the advancement of women and supporting the development of the next generation



Sumitomo Mitsui Trust Life Partners

Initiative 01 Donations and Contributions to Parents House by Organizing a Bazaar



Participating in the social contribution activities of the Associates Association, which consists of Aflac agents, Sumitomo Mitsui Trust Life Partners ran a bazaar by all employees.

Proceeds from the bazaar were donated to the Children's Cancer Association of Japan and items on the wish list from Aflac Parents House* were also donated to the Parents House with the cooperation of employees.

For the donations, a wish list from Parents House was made available to the employees, which included items that were individually requested, calling for donations of food items such as retort foods and canned foods, daily necessities such as detergents and paper towels, as well as futon dryers, dolls, and other items that are used daily at Parents House.

Thanks to the cooperation of many employees, a variety of items were brought to the bazaar, including stuffed animals, paperback books, CDs, bags, and clothing, and there was a sense of how each and every employee wanted to get close to Parents House.

In addition, the bazaar was also an activity that contributes to SDGs activity "12. Responsible Consumption

and Production," facilitating the effective use of resources such as goods that are not currently being used in each employee's home.

By continually working on this sort of activity, we would like to make social contribution activities a natural activity (for Sumitomo Mitsui Trust Life Partners).

*An accommodation facility for children with intractable diseases and their families operated by Children's Cancer Association of Japan and supported by Aflac. It is mainly used by children and their families who have to go to hospitals far from their homes for treatment of pediatric cancer and other diseases.



Tokyo Securities Transfer Agent

Initiative 01 Hosted a TCFD-Themed Seminar for Entrustees



Japan's Corporate Governance Code was revised in June 2021, and from April 2022, companies listed on the prime market of the Tokyo Stock Exchange will be newly required to collect and analyze necessary data on the impact of climate change-related risks and earnings opportunities on their business activities, earnings, etc., and to disclose such data within the framework of TCFD, etc. TCFD refers to recommendations published in June 2017 by the Task Force on Climate-Related Financial Disclosures, which was organized in 2015. It is not something that corporate stock practitioners are very familiar with, and we imagined that many practitioners would not know what to disclose and how to disclose it.

To that end, Tokyo Securities Transfer Agent held an online seminar themed around an overview of TCFD about TCFD-based disclosure to entrustees of stock transfer agency services, inviting MS&AD InterRisk Research & Consulting Senior Researcher Kosuke Terasaki to be instructor. Following on from 2019 and

2020, this marks the third seminar for entrustees themed around sustainability. The seminar started with TCFD background and recommendations, followed by an easy-to-understand explanation of actual disclosure examples and scenario analysis. Similarly to the previous two seminars, it was met with great acclaim.

Climate change is currently a huge global issue. In order to realize a sustainable society, response is required not only from the government, but also on a company and group level. For this reason, Tokyo Securities Transfer Agent will continue to provide information on sustainability.



Cover and table of contents of the Tokyo Securities Transfer Agent online seminar materials

SBI Sumishin Net Bank

Initiative 01 Hosted the Online Economics Koshien Tournament

This quiz event is billed as the “Economics Koshien” and aims to make learning about finance and economics enjoyable for high school students across Japan.

Following on from last year, SBI Sumishin Net Bank hosted the Online Economics Competition, a preliminary for the all-Japan contest, for students to compete in the quiz via the Internet. Teams compete based on their knowledge about a wide range of finance and economics-related topics such as current events and money-related trivia, with the winning team able to proceed to the all-Japan contest. In the ninth Online Economics Competition, 113 teams participated, with the winning team from Kaisei Senior High School appearing in the all-Japan contest. We

will continue to sponsor this event as a way to encourage more high school students to participate and learn more about finance and economics.



The National Economics Koshien Tournament

Winning team
Kaisei Senior High School (Tokyo)

Runner-up
Rakuhoku Senior High School (Kyoto)

Third place team
Takanawa Senior High School (Tokyo)

Initiative 02 Implementing SENSEI Yononaka Gaku

SBI Sumishin Net Bank has developed educational materials for financial and economic education for high school students in collaboration with ARROWS Corporation. The materials are packaged with a script and manual for teachers, making it easier for teachers themselves to provide financial and economic education that expands on the content of the textbook and is useful in real life. All materials are provided free of charge to schools and teachers who wish to use them, and we were able to offer classes to approximately 2,000 students in fiscal year 2019, the first

year, and approximately 5,000 students in fiscal year 2020. Many schools have applied for the materials in fiscal year 2021, and we plan to offer classes to approximately 10,000 students, which is double the amount of last fiscal year.



Classes in fiscal year 2020

Initiative 03 Launch of Smartphone App T NEOBANK

SBI Sumishin Net Bank partnered with T-money Co., Ltd. to launch the new financial service T NEOBANK in March 2021.

T NEOBANK is an online bank account specifically designed for use in a smartphone app. Basic bank services such as bank deposits, borrowing, and transfers are provided in the app, where users can also enjoy government-controlled gambling sports and sports lotteries. Users are also given T-points in accordance with their transactions, which can be used to repay credit card loans and purchase

sports lottery tickets.

SBI Sumishin Net Bank will continue to strive to provide even better services utilizing cutting-edge technology.



Visualization of NEOBANK

Initiative 04 Received the Excellence Award in the Best Customer Support of The Year for the Second Consecutive Year

Through the analysis of client feedback (VOC*1/NPS*2 surveys), SBI Sumishin Net Bank has introduced features such as Smart Authentication NEO and ATM via App that allow clients to use services comfortably and without stress. These initiatives were well received, and in July 2021 we were awarded with the Excellence Award in the fiscal year 2021 Best Customer Support of The Year run by the Japan Institute of Information Technology. This is the second

consecutive year to win the Excellence Award, following on from last year.

Moving forward, we will utilize technology to provide highly convenient services and contribute to sustainable global environment, economic and social development.

*1 Abbreviation of Voice of Customer. Refers to client feedback and client perception

*2 Abbreviation of Net Promoter Score. Refers to an indicator to measure customer loyalty



Trust Base

Initiative 01 Promote DX Without Being Bound by Existing Frameworks



Trust Base Co., Ltd. (Trust Base) was established in April 2021 as a digital strategic subsidiary 100% owned by Sumitomo Mitsui Trust Holdings in order to accelerate the promotion of digital transformation (DX) of the Sumitomo Mitsui Trust Group.

Trust Base will single-handedly be in charge of the DX strategy across Group companies and SuMi TRUST Bank businesses, and accelerate digitization. In addition, in the rapidly changing digital field, we will build a system to succeed amidst fierce competition by creating our own system development environment and simplifying business rules to achieve quickly adaptable business operations.

An employee in his 30s was appointed as the Director and CEO of Trust Base through open internal hiring at

SuMi TRUST Bank. In addition to creating an environment that attracts a wide range of DX talent, not just from the financial industry, we will work to create new value with a diverse group of colleagues from major IT companies such as Microsoft Japan Company and Cybernetica of Estonia, as well as other leading overseas technology companies.

Moving forward, we will continue to carry on the Sumitomo Mitsui Trust Group's management principles, while at the same time creating a new culture within the Group with flexible ideas unconstrained by conventional wisdom.



Tanaka, Director and CEO,
Trust Base Co., Ltd.



BIDV-SuMiTRUST Leasing

Initiative 01 Supporting Medical Facilities in Ho Chi Minh City

By the end of April 2021, there were very few cases of COVID-19 in Vietnam and a relatively calm situation had been continuing. However, from May, there was a rapid increase in infections of the Delta variant around Vietnam. In order to support medical practitioners, BIDV-SuMiTRUST Leasing donated supplies such as masks, rubbing alcohol, medical protective clothing, and gloves to medical facilities in Bắc Giang province in northern Vietnam, where many infections had occurred from May,

and in Ho Chi Minh City, where the biggest outbreak had occurred from August.



Bringing in support supplies
(Bắc Giang province [left],
Ho Chi Minh City [right])

