



Prosperity

—Economic Considerations

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

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

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The Group's Approach to Prosperity (Economic Considerations)

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

Definition of "Prosperity"

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

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

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

Related Materiality

Impact Materiality

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

Management Foundation Materiality

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

Highly Relevant SDGs



Creation of Employment and Wealth

Companies are capable of creating significant economic value for employees, shareholders, and wider society through job creation and investing in the productive capacity of the economy. Job creation, employee retention, and investing in society are key to overcoming risk, like the economic crisis triggered by the COVID-19 pandemic, for example. These investments contribute to better living standards and wealth creation over the long term. As a result, strong economic prosperity drives a more educated workforce and higher workforce productivity, as well as greater buying power for the company's customer base, which then triggers a chain reaction of economic value creation through renewed economic growth. From this point of view, the World Economic Forum has identified absolute number and rate of employment, economic contribution, and financial investment contribution as the common metrics for measuring employment and wealth creation.

1) Absolute Number and Rate of Employment

Employment and job creation are key drivers of economic growth, dignity and, prosperity and provide a basic indication of a company's capacity to attract diverse talent, which is key to innovate new products and services.

One of our top commitments is to offer a workplace where the diversity and creativity of its employees are more fully utilized to add value to the organization and where employees can have pride and be highly motivated in fulfilling their missions. Specifically, we are working to (1) achieve diverse work styles and work-life balance, (2) support health improvement through measures such as boosting health awareness and appropriately managing work hours, and (3) provide opportunities for all employees to grow while participating actively with motivation. We believe we have been able to maintain a low turnover rate as a result of these initiatives.

■ Total Number and Rate of New Employee Hires

FY2018: 402 / 2.94%

FY2019: 396 / 2.94%

■ Total Number and Rate of Employee Turnover

FY2018: 301 / 2.23%

FY2019: 285 / 2.10%

2) Economic Contribution

Economic contribution provides a basic indication of how a company has created wealth for stakeholders. This is represented as direct economic value generated and distributed (EVG&D), which covers the basic components of the organization's global operations.

(¥100mn)			
Components measured	Category	FY2018	FY2019
Revenues	Total gross business profit	6,786	6,908
Operating costs	General and administrative expenses	4,279	4,309
Employee wages and benefits	Labor costs	1,899	1,902
Payments to providers of capital	Total dividends + total amount of share repurchases	584	740
Payments to government*	Payable taxes	606	756
Community investment	Donations, project implementation costs, etc.	1.5	2.4
Financial assistance received from the government*	Tax breaks, subsidies, investment grants, etc.	0.1	0

*"Contribution to government" is calculated as "payments to government" less "financial assistance received from the government."

3) Financial Investment Contribution

Financial investment is a key driver of an economy's growth and a company's capacity to expand its operations and create additional employment.

■ Total Capital Expenditures Minus Depreciation

FY2018: ¥5.8bn (¥42.4bn – ¥36.6bn)

FY2019: ¥13.1bn (¥48.3bn – ¥35.2bn)

■ Share Buybacks Plus Dividends

FY2018: ¥58.4bn

FY2019: ¥74.0bn

4) Infrastructure Investments and Services Supported

As a financial institution, one role of the SuMi TRUST Group is to support the building of a sustainable and prosperous society as a facilitator of investments and loans. With regard to project finance for infrastructure indispensable to people's livelihoods, such as energy, water, and transport, we have signed on to the Equator Principles and the Poseidon Principles and we take into full account the impacts infrastructure projects have on the natural environment and communities when we extend investments and loans. In addition, we are working to realize a carbon-free society together with clients by providing new products and services.

Also, to assist regional economies grappling with an aging society, a shift in the working population to urban centers, and the overseas relocation of production sites, we are working together with regional financial institutions to gain an understanding of regional resources and issues so that we can better promote lending and primary business support (ESG regional finance) based on a medium- to long-term view of the ESG risks and opportunities linked to these regions and the companies based there.

5) Significant Indirect Economic Impacts

In terms of climate change issues, we believe we must assume even greater responsibility as a financial institution because the investments and loans we extend to clients have a direct impact of financing on their economic activities, whilst indirect impacts also arise from investee companies and their projects. In 2018 we established a policy on coal-fired power generation and clarified our stance on not engaging in project finance for any new coal-fired power generation projects. Meanwhile, we have continued to extend project finance to many more renewable energy projects with the broader goal of transitioning to a low-carbon society. We aim to support the creation of new business models by our clients so that we can work towards the establishment of a society with net-zero carbon emissions.

Providing Value to Clients

Innovative Products and Services

Product Development Capabilities Supporting Total Solutions

In order to leverage the flexibility and expertise of its various financial and trust functions as a financial group specialized in trust banking, and put together an extensive lineup of unique and sophisticated products and services that are essential to providing total solutions, the SuMi TRUST Group focuses on promoting Group-wide initiatives that combine the expertise of each business and Group company, rather than simply using their strengths and know-how. In this manner, the SuMi TRUST Group is creating a product development system that carries out medium-term, ongoing research activities on themes that would be difficult to categorize within the domains of individual businesses or Group companies.

Specifically, SuMi TRUST Bank has established a product development department in each business, as well as the Business Research and Development Department, and a product development off-site meeting as its product development organization. The product development departments in each business analyze the client needs that have been collected in the course of business, and engage in improvement and development, mainly of products for immediate application, including reviews of existing products and design of new products. In addition, the Business Research and Development Department, which was established as a ded-

icated unit primarily for the development of trust products, serves as the engine that drives product development and provides development support for each business, while carrying out planning, development, and promotion of medium- to long-term development projects across businesses. Furthermore, the product development offsite meeting has been established as a forum for discussion among executive officers and general managers, where regular exchanges of opinion are held regarding product development, not only at a practical working level, but also based on management strategy from a medium- to long-term viewpoint.

The SuMi TRUST Group also focuses its efforts on nurturing human resources who are capable of flexible thinking that sustains product development. At SuMi TRUST Bank, product development experience is included in the new employee training curriculum, and human resource development seminars on product development are held twice each year for product development personnel with little experience. At these seminars, groups engage in exhaustive discussions on the topic of new products to satisfy target client needs that are assigned in advance, with the goal of enabling participants to acquire an understanding of breakthrough points and problem-solving methods in product development.

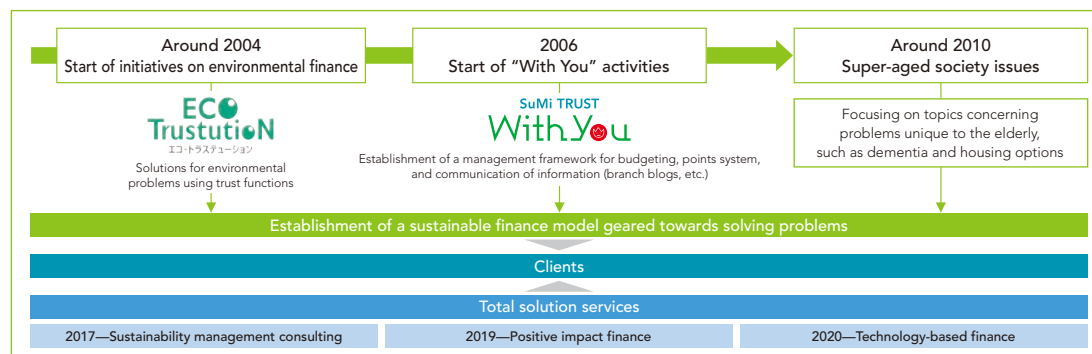
Sustainability-Related Product Development

We are currently beefing up our businesses that seek to solve social issues. Accordingly, the development of sustainability-themed products is gaining increased momentum in each of our businesses and we hope to strengthen this approach going forward. At the same time, the joint development of innovative sustainability products with stakeholders in Japan and overseas is being spearheaded by mainly the Sustainability Management Department.

This department is at the heart of executing our sustainability governance—for example, the construction of the Group's value creation process and the promotion of materiality management—but considering its experience in this field, it started offering ESG and integrated report consulting services in 2017. The department's lineup of services was further expanded thereafter and by 2020 it

had grown to also encompass sustainability management consulting. Also, in March 2019, in collaboration with the United Nations Environment Programme Finance Initiative (UNEP FI), the department developed the world's first positive impact finance agreement with a business operator whereby the use of loaned funds is unspecified. There is a strong likelihood that impact analysis will become a key concept in sustainable finance in the future and the department will therefore assume an R&D role for related businesses. Further, some technology-based finance initiatives kicked off within the Sustainability Management Department in 2020. Technology is indispensable to the transition to a sustainable society and engineers in specialist fields will extend their support to client companies so their cutting-edge technology can be deployed throughout society.

Development of Products and Services (Main Initiatives) by the Sustainability Management Department (current name)



Client-Oriented Initiatives

In recent years, financial institutions have been urged to be even more client-oriented. In the SuMi TRUST Group too, as a financial institution underpinned by our fiduciary spirit, we consider our client-oriented approach and fiduciary duties to be the most important items of materiality. Here we provide some information about the client-oriented initiatives and client protection management practices we undertake with the aim of being our clients' "Best Partner."

1. Providing Value to Clients

In these extremely turbulent times, the asset formation, management, reexamination, and succession needs of both individual and corporate clients are growing increasingly complex, while the need for trustworthy financial institutions is also growing stronger. The SuMi TRUST Group aims to be the "Best Partner" for providing maximum value to both individual and corporate clients by accurately ascertaining their needs and offering total solutions in the form of various highly specialized products and services best suited to solving client issues. To this end, we not only endeavor to be completely client-oriented, but we have also established a sophisticated conflict of interest man-

agement framework so as to effectively utilize our comprehensive capabilities derived from the amalgamation of various trust and banking functions as Japan's only independent financial group specialized in trust banking.

With the aim of further evolving client-oriented practices and client satisfaction as a source of differentiation, in April 2020 we merged the organization tasked with client-oriented business operations (fiduciary duties) with the organization responsible for enhancing client satisfaction. Going forward, we will strengthen initiatives geared towards improving our ability to manage the quality of operations.

Group Initiatives in Recent Times

2016	September	Development of Policies regarding the Fiduciary Duties of the Sumitomo Mitsui Trust Group
	October	Establishment of Fiduciary Duties Planning and Promotion Department (also established at SuMi TRUST Bank)
		Establishment of Fiduciary Duties Discussion Panel
2017	January	Development of Policy for Enhancement of the Conflict of Interest Management Structure relating to the Asset Management Operations at SuMi TRUST Bank
	April	Establishment of Conflicts of Interest Management Enhancement Committee (executive side and at SuMi TRUST Bank)
	May	Amendments to Management Policy Concerning Conflicts of Interest (enhancement of conflict of interest management framework)
	June	Amendments to Policies regarding the Fiduciary Duties of the Sumitomo Mitsui Trust Group in light of the FSA's March 2017 publication of Principles for Customer-Oriented Business Conduct
		Announcement of KPIs for Initiatives Aimed at Becoming our Clients' "Best Partner"
	July	Establishment of Conflicts of Interest Committee as an advisory body to the Board of Directors
2018	September	Announcement of Shared KPIs on Investment Trusts and Initiatives of Sumitomo Mitsui Trust Bank
2019	June	Announcement of Voluntary Declaration of Consumer-Orientation
2020	April	Addition of CS promotion function to Fiduciary Duties Planning and Promotion Department and establishment of Fiduciary Duties and Customer Satisfaction Planning and Promotion Department (FD & CS Planning and Promotion Department) (the FD & CS Planning and Promotion Department at SuMi TRUST Bank was established through a merger of the Fiduciary Duties Planning and Promotion Department and the Customer Satisfaction Promotion Department)
	September	Announcement of results of initiatives based on Voluntary Declaration of Consumer-Orientation

2. Implementing a Client-Oriented Approach

So that we can provide our clients with the products and services best suited to meet their genuine interests as their “Best Partner” and in order to carry out and instill fiduciary duties across all our business operations, in September 2016 we formulated and released our Policies regarding the Fiduciary Duties of the Sumitomo Mitsui Trust Group (“Policies”) and since then we have continued to further strengthen our initiatives by revising them whenever necessary. The SuMi TRUST Group has put in place an extensive organizational structure from the management level

to the working level, and strives constantly to enhance its initiatives in this area (please see page 136 for enhancement of the conflict of interest management framework).

In order to clearly communicate to our clients the results of these initiatives, we periodically publish a report entitled KPIs for Initiatives Aimed at Becoming Our Clients’ “Best Partner” (see page 133). These KPIs include those commonly used by financial institutions regarding investment trust sales.

Promoting/Supervising Structure of the Group

SuMi TRUST Holdings	Organization		Initiatives
SuMi TRUST Bank	Board of Directors	Conflicts of Interest Committee	<ul style="list-style-type: none"> Supervise Conflict of Interest management for the group, monitor FD* progress
	Executive Committee	Conflict of Interest Management Enhancement Committee	<ul style="list-style-type: none"> Discuss important cases Guide improvement to relevant departments
	Department in charge	Fiduciary Duties Planning and Promotion Dept.	<ul style="list-style-type: none"> Promote FD* within organization
		Compliance Dept.	<ul style="list-style-type: none"> Enhance Conflict of Interest management
Group Companies	Group-wide	Fiduciary Duties Discussion Panel	<ul style="list-style-type: none"> Consult with external experts, Implement within company

*FD: Fiduciary duties

Establishment of Specialist Organization

In order to raise awareness about, and implement, the Group’s fiduciary duties, we established the FD & CS Planning and Promotion Department as a specialist organization. It not only provides advice, guidance, and training to Group companies, but also collects information and engages in planning and development con-

cerning the improvement of conflict of interest management. This department regularly compiles reports for the Board of Directors based on its monitoring of specific initiatives implemented at each Group company in line with the Policies.

Establishment of Group Company Action Plans

The Group companies subject to the application of the Policies examine and implement initiatives according to the nature of their business operations.

Of the Group companies, SuMi TRUST Bank, Sumitomo Mitsui Trust Asset Management, Nikko Asset Management, and Sumitomo Mitsui Trust Life Partners are engaged in the asset management, product development, sales, and asset administration businesses that form the core of fiduciary duties. These Group companies have adopted the Principles for Customer-Oriented Business Conduct

and have established and made public specific initiatives relating to fiduciary duties (“action plans”). Progress updates are reported regularly to their respective Board of Directors, whilst the action plans are revised whenever necessary. Reviews of actions plans and a summary of the KPIs are also made public on a regular basis. Furthermore, Sumitomo Mitsui Trust Asset Management and Nikko Asset Management, as asset managers, make their respective KPIs publicly available.

Fiduciary Duties Discussion Panel

In order to further enhance the initiatives at Group companies engaged in the business of asset management, product development, sales, and asset administration, we have established a Fiduciary Duties Discussion Panel together with Sumitomo Mitsui Trust Bank, Sumitomo Mitsui Trust Asset Management, Nikko Asset Management, Sumitomo Mitsui Trust Life Partners, and the Mutual Fund & Insurance Research Institute.

The Discussion Panel comprises directors and executive officers, as well as general managers responsible

for promoting fiduciary duties at each of the aforementioned Group companies, with the FD & CS Planning and Promotion Department serving as secretariat. Each company reports on the matters listed below, shares successful case examples, and discusses how to ensure practices that reflect fiduciary duties take root at each Group company.

- Improvements in expertise
- Appropriate collaboration on product development and sales at each company
- Enhancement of risk management

Policies Regarding the Fiduciary Duties of the Sumitomo Mitsui Trust Group

Group Companies That Undertake Initiatives Based on the Policies

SuMi TRUST Bank	Sumitomo Mitsui Trust Asset Management	Nikko Asset Management	Sumitomo Mitsui Trust Life Partners		
Adoption of Principles for Customer-Oriented Business Conduct as a business operator engaged in asset management, product development, sales, and asset administration					
Observance of action principles and implementation of initiatives based on the Policies according to the nature of their business operations					
Mutual Fund & Insurance Research Institute	Sumitomo Mitsui Trust Wealth Partners	Sumitomo Mitsui Trust Realty	Sumitomo Mitsui Trust Real Estate Investment Management	Sumitomo Mitsui Trust Research Institute	Sumitomo Mitsui Trust Investment
Observance of action principles and implementation of initiatives based on the Policies according to the nature of their business operations					

Principles of Action Policies on Fiduciary Duties

(1) Implementation of a client-oriented consulting practice

In order to provide products and services suited to the true benefit of our clients, we will strive, through high-quality consulting, to gain a shared understanding of the asset and liability position of our clients, which will change with their lifecycle, and their corresponding needs.

(2) Easily understandable provision of information

To assist in our clients' investment decisions, we will strive to provide explanations about product characteristics, risks, and fees, etc. in a manner understandable by clients, based on the complexity of the products and services, and the importance of the information to be provided, and to take proper action that fits with our clients' understanding.

(3) Development and provision of products and services that meet the diverse needs of our clients

In order to meet the diverse needs of our clients, we will make available a broad-range of high-quality products and services that accord with the needs of our clients, based on the various voices and opinions of our clients and through activities such as cooperation and joint-development of products and services with a broad-range of asset management companies and insurance companies, etc.

(4) Enhancement of our client-oriented focus and expertise

(i) Establishment of a corporate culture with the aim of becoming our clients' "Best Partner"

Through measures such as training and discussion at each Group company, we will aim for thorough penetration of decisions and practices that are based on these Policies. Further, we will give thorough effect to our fiduciary duties by developing frameworks for performance evaluation and targets that value initiatives that contribute toward the implementation and penetration of client-oriented actions, and every one of our officers and employees will proceed with the establishment of a corporate culture with the aim of becoming our clients' "Best Partner."

(ii) Improvements to expertise in the area of support for client-oriented consulting, etc.

Through measures such as training of officers and employees and support for the acquisition of specialist qualifications, we will increase knowledge and specialist skills regarding market conditions, products and services.

(5) Provision of financial services that leverage the diverse functions of the trust bank group

As a trust bank group, while remaining thoroughly attentive to conflict of interest management, we will fully mobilize our diverse and flexible functions, such as the banking business, asset management and administration business, real estate business, etc., and quickly and accurately provide optimal and total solutions for our clients, whether they are individuals or corporate entities.

(6) Client comfort and satisfaction, and contribution to the economy and society

(i) Provision of new products and services that are responsive to economic and social changes

As well as providing products and services that bring comfort and satisfaction to our clients, we will contribute to the economy and society by utilizing our investment functions, etc., and through the creation of new products and services that respond to structural changes to the economy and society.

(ii) Proactive initiatives for financial education and investment education

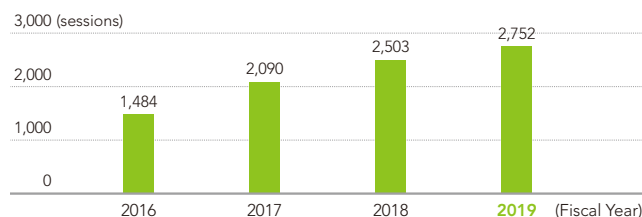
To enable clients to proactively and rationally select financial products, and engage in sound asset formation, we will pursue activities in connection with improvement of financial education and literacy, etc., including life planning, by utilizing our know-how regarding investment education, etc. cultivated by experience with the defined contribution pension business, etc., and through our regular consulting activities and seminars, etc.

3. KPIs Concerning Initiatives Aimed at Becoming Our Clients' "Best Partner"

The SuMi TRUST Group regularly makes public indicators that allow confirmation of the status of initiatives aimed at becoming our clients' "Best Partner." These indicators are revised periodically as we promote and enhance these activities.

Initiatives for Improving Clients' Financial and Economic Education and Literacy

Total Number of Seminars

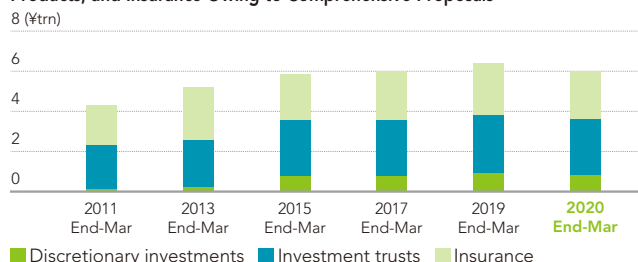


*Number of various seminars held by SuMi TRUST Bank for individual clients.

Various seminars on asset management, inheritance measures, and other topics are offered to clients as a way of communicating useful and specialized information in an easy-to-understand way.

Offering a Broad Range of Products and Services to Meet Various Client Needs

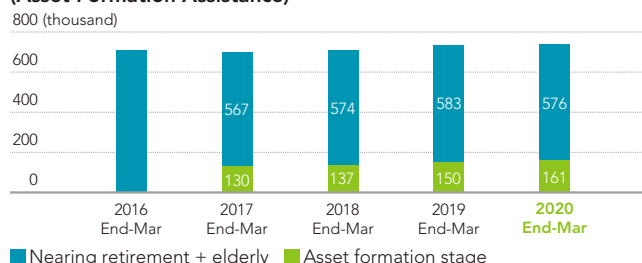
Growth in Balance of Investment Trusts, Discretionary Investment Management Products, and Insurance Owing to Comprehensive Proposals



SuMi TRUST Bank has investment trusts, discretionary investment management products, insurance products, and a broad-ranging lineup of high-quality products and services to meet the diverse needs of clients.

Asset Formation Assistance for Clients

Number of Clients Holding Managed Financial Products (Asset Formation Assistance)



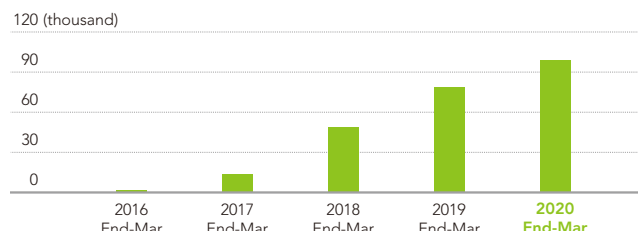
*Number of SuMi TRUST Bank clients that hold a managed financial product.

Managed financial products: investment trust, discretionary investment management product, life insurance, foreign currency deposits

Owing to the provision of various managed financial products and trust-related products, transactions are expanding with clients in the asset formation stage of life and clients nearing retirement or older.

Client-Oriented Proposals Suited to Client Needs

Number of Clients Holding an Installment Investment Contract

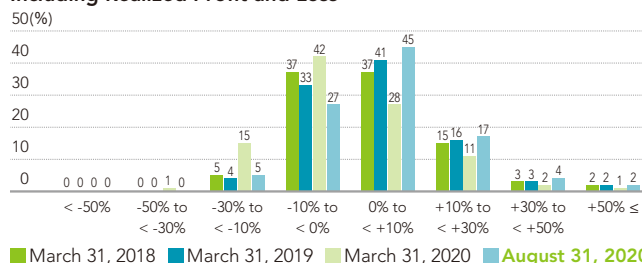


*Number of SuMi TRUST Bank clients that have entered into an installment investment contract (investment trust automatic purchasing plan).

To address the long-term asset formation needs of clients, SuMi TRUST Bank offers installment investment contracts (investment trust automatic purchasing plan) as a method for contributing to long-term investment, diversification, and stability. The number of clients continues to steadily increase.

Improving Investment Returns for Clients

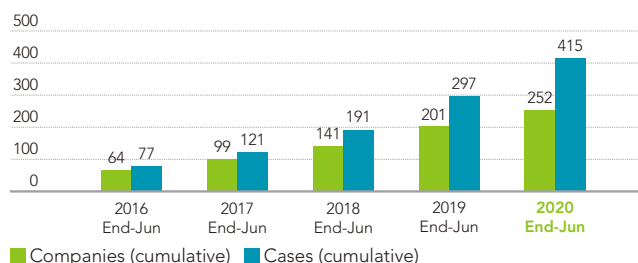
Spread of Clients with Investment Trust Gains/losses, Including Realized Profit and Loss



While investment gains/losses fluctuate depending on market trends and other factors, we make every effort to improve returns and realized profits/losses for clients. To this end, when SuMi TRUST Bank proposes investment products to clients, it emphasizes the importance of carefully following up on their intentions in light of major life events and changes in the market environment. In this way, it strives to maintain an ongoing dialogue with clients. The spread of clients with investment gains/losses as of the end of March 2020 decreased in response to the impact of share price declines as a result of the markets being roiled by the COVID-19 pandemic. However, the markets have recovered and investment performance has improved since then with the weighting of clients with investment returns in positive territory as of the end of August increasing to 68% in investment trusts.

Enhancement of Asset Management

Corporate Action—No. of Companies and No. of Cases



As a responsible institutional investor, Sumitomo Mitsui Trust Asset Management (SMTAM) carries out engagement activities (purposeful dialogue with investee companies to encourage the enhancement of their corporate value and sustained growth) with a view to enhancing medium- to long-term corporate value and stewardship activities such as the exercise of voting rights. In this way, SMTAM seeks to maximize medium- to long-term investment returns for clients. The number of corporate action cases is also increasing—415 in total so far. Corporate action demonstrates that SMTAM's engagement activities have been taken on board by the investee company.

R&I Customer-Oriented Investment Trust Sales Company Rating



SuMi TRUST Bank Has Earned an R&I Customer-Oriented Investment Trust Sales Company Rating of "S" for two consecutive years.

The rating is based on R&I's neutral third-party evaluation of banks, securities companies, and other financial enterprises engaged in the sale of investment trusts. The rating assesses their "customer-oriented business operations" and their policies and initiatives in this area. The SuMi TRUST Group will continue to pursue client-oriented initiatives and promote their adherence as we strive to be a "Best Partner" whom our clients entrust with their business for many years to come.

*The "R&I Customer-oriented Investment Trust Sales Company Rating" ("the rating") is not a statement of fact. Rather, it represents R&I's opinions regarding the "customer-oriented business operation" initiatives of companies engaged in the trust investment sales business. Though R&I uses information that it deems to be reliable when carrying out the rating, it does not independently verify the accuracy of this information. Furthermore, R&I, etc. does not guarantee the accuracy or integrity of this information, nor does it endorse the purchase, sale or holding of any specific product nor guarantee the future performance of any such product. All intellectual property rights (copyrights, etc.) and any other rights pertaining to the rating belong to R&I, and any reproduction or republication without permission is prohibited.

4. Shaping Corporate Culture to Become Our Clients' "Best Partner"

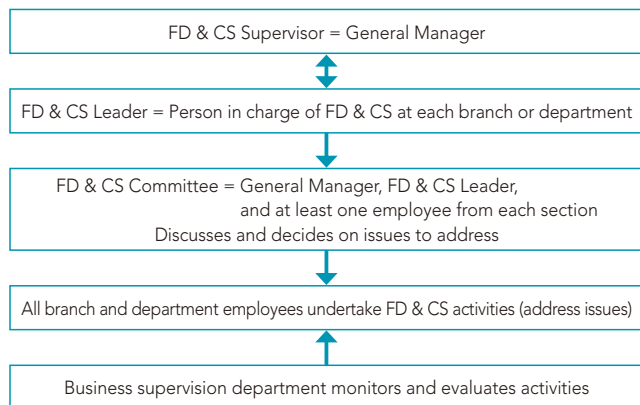
SuMi TRUST Bank has established FD & CS Committees at its branch offices and departments and each and every employee is working hard to improve client satisfaction and deliver client-oriented services by engaging in improvement

Establishment of FD & CS Committees

For the purpose of enhancing FD in each branch office and department and improving CS, we have revised the activities of the CS Committees undertaken thus far and launched a new set of activities under a new FD & CS Committee system. The FD & CS Committees are actively undertaking a whole host of activities according to the characteristics of each branch office or department.

Example of FD & CS Committee System

- Discussions relating to client-oriented business operations and improving CS
- Improvement activities based on client opinions
- Sharing of successful examples and improvement activities based on issues identified in cases subject to review



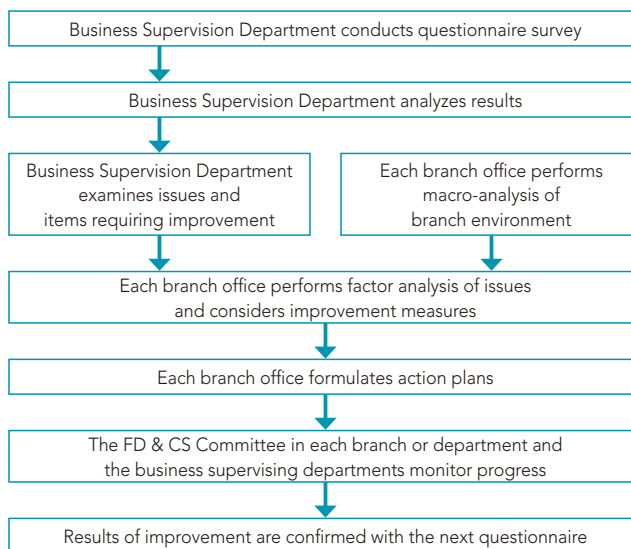
*Example of FD & CS Committee in the Retail Total Solution Services Business

activities based on the opinions of clients, improvement activities to address issues identified in client questionnaires, and by taking part in various training sessions and discussions.

Use of Client Questionnaires

For each of our businesses, we survey both corporate and individual clients with a questionnaire so that we can better manage and improve the quality of our services. We utilize the questionnaire results to identify issues in our business undertakings and subsequently implement initiatives that reflect measures for improving those issues.

Example of Utilizing CS Questionnaire at Each Business



Initiatives in Line with Our Voluntary Declaration of Consumer-Oriented

By constantly striving to improve client satisfaction, be completely client-oriented, and help solve super-aging society issues and other problems in society, we aim to gain the trust of clients and society and continue to grow alongside each other. To this end, in June 2019 we drafted and made public our Voluntary Declaration of Consumer-Oriented. In September 2020 we published the results of our initiatives undertaken in fiscal 2019

in line with the Voluntary Declaration of Consumer-Oriented.

*Voluntary Declaration of Consumer-Oriented

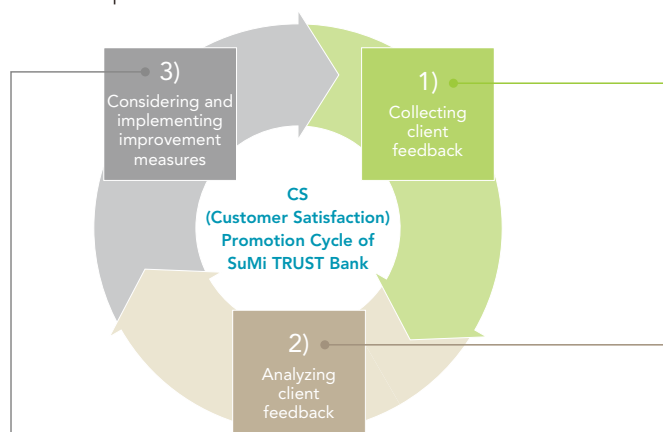
The Voluntary Declaration of Consumer-Oriented is the Group's declaration for the approach toward consumer-oriented management (a business activity respecting general consumers' viewpoints and gaining consumer trust as the providers of a sound market, while being aware of its social responsibilities, and working toward the creation of a sustainable and desirable society) as promoted by the Consumer Affairs Agency and others.

Examples of Initiatives to Enhance Awareness about Becoming Our Clients' "Best Partner"

No	Item	Description
1	Study sessions for improving CS awareness	Training sessions focused on upholding FD, improving CS awareness, sharing complaints and VOC items, and business manners are held for newly appointed branch managers, new recruits, and other employee ranks.
2	e-Learning	e-Learning-based FD & CS training for all employees aimed at upholding FD and improving awareness of CS, as well as client support management training for employees to learn about the client support management system.
3	Improving complaint management	Strengthening monitoring of complaints and improvement activities. Sharing VOC items to generate awareness of complaints and prevent occurrence.
4	Improving client questionnaires	Strengthening the improved PDCA cycle based on client evaluations by endeavoring to standardize the evaluation items in each questionnaire, enhancing our analyses, and sharing measures for improvement.
5	Collecting and making better use of daily client feedback	Promoting collection and analysis of VOC items and improvement and development of products and services.
6	CS lectures	Annual lectures for Group employees featuring a guest speaker. Topics include development of organizational and human resources, and communication.

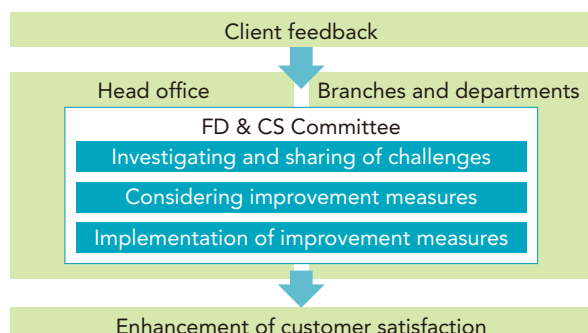
5. Initiatives to Link "Voice of Customers" to Enhanced Customer Satisfaction

The Retail Total Solution Services Business of SuMi TRUST Bank collects feedback from clients at its branches and departments nationwide. Opinions and requests are also received from many clients via the Customer Services Promotion Office, in Voice of Customers Questionnaires, and through Sumitomo Mitsui Trust Direct. This feedback and information is used to improve client satisfaction.



3) Considering and Implementing Improvement Measures

The branch offices and the head office work together to examine and analyze the reasons behind client opinions and requests with the aim of understanding problem areas. The results of this process are used to come up with improvement measures in an effort to provide better products and services.



1) Collecting Client Feedback

SuMi TRUST Bank received approximately 360,000 valuable opinions and requests from clients in fiscal 2019 at its nationwide branch offices and departments, via its call center, website, or other means of communication, such as the Voice of Customers Questionnaires available at all branches.

Moreover, in aiming to further advance client-oriented activities and improve client satisfaction, SuMi TRUST Bank sends a client questionnaire to some 1.5 million clients with term deposits or investment trusts to assess their level of satisfaction with the Bank's services.

[Main Ways Hear from the Voice of Customers]

- Record comments from customers we receive in branches and over the phone in a dedicated system
- Share inquiries, requests, complaints, and opinions we receive from customers over the phone with relevant departments
- Collect information from the "Voice of the Customers Questionnaires"
- Collect information via our letter and home page
- Implement a variety of questionnaires and surveys

2) Analyzing Client Feedback

In order to realize customer satisfaction by utilizing hundreds of thousands cases of feedback we receive each year, we use the "CS Voice of Customers Portal," a system to analyze client feedback. We are striving to meet clients' needs by making client feedback "visible" so that we can better "recognize" client needs.



6. Enhancement of Conflict of Interest Management Framework for the Entire Group

The Group makes publicly available an overview of its Management Policy Concerning Conflicts of Interest^{*1} (following approval of the Board of Directors) and engages in appropriate management by identifying and categorizing in advance transactions that could lead to conflicts of interest so that the interests of our clients are not harmed unfairly when our Group companies or authorized parties offer their various services.

We also have in place a system to ensure that necessary improvements and guidance are implemented on an ongoing basis. Our Compliance Department—which functions as a conflict of interest management control department independent from our sales departments—periodically examines the effectiveness of the Group's overall conflict of interest management and reports the results to the Conflicts of Interest Management Enhancement Committee, Executive Committee, and the Board of Directors.

Moreover, for the purpose of improving the effectiveness of our conflict of interest management framework, its appropriateness is assessed by the Conflicts of Interest Committee, an advisory body to the Board of Directors

comprised of mainly external members. The Conflicts of Interest Committee not only evaluates the Group's conflict of interest management framework as required by law, it also discusses the best practices of the framework and how fiduciary duty initiatives are being implemented for the purpose of being a “best partner” capable of earning the reassurance and trust of our clients. To this end, the Committee has convened 16 meetings thus far (in principle, four annually). The Committee also makes a summary of its meeting minutes publicly available on an ongoing basis^{*2}.

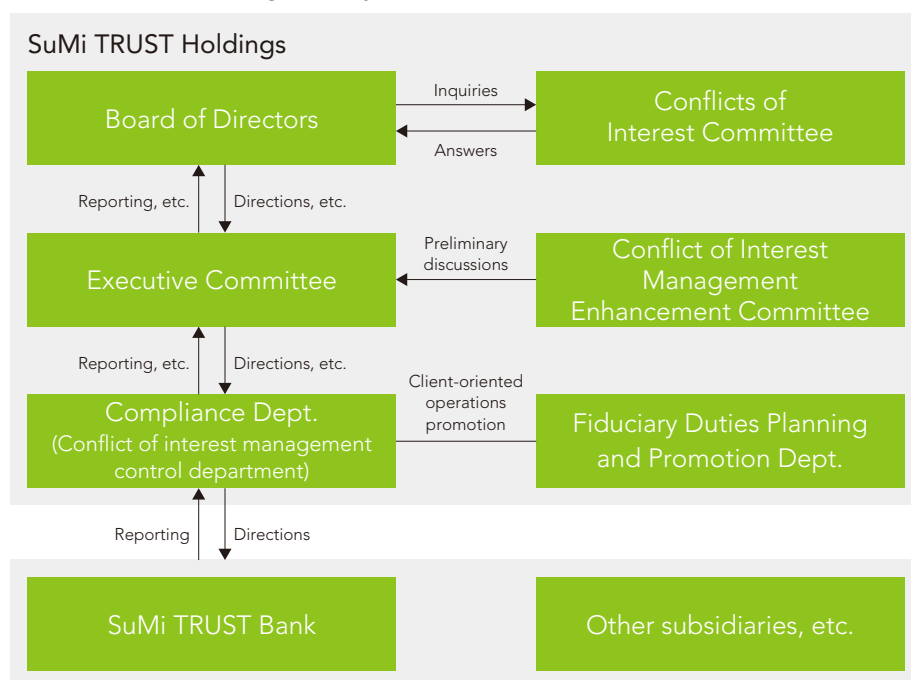
Also, in regards to the conflict of interest management system for stewardship activities, under the umbrella of the Conflicts of Interest Committee, we have established a Stewardship Subcommittee^{*3} for the purpose of sharing information about stewardship activities across the entire Group and strengthening oversight of stewardship activities at Group asset management companies.

^{*1} <https://www.smth.jp/en/coi/index.html>

^{*2} https://www.smth.jp/en/about_us/management/index.html

^{*3} A subcommittee comprising all members of the Conflicts of Interest Committee and members of committees related to stewardship activities at Group asset management companies.

Conflict of Interest Management System^{*1}



Conflicts of Interest Committee Members

Chairperson: Hideki Kanda^{*2}

Professor, Law School at Gakushuin University
Emeritus Professor, University of Tokyo

^{*2} External Director, SuMi TRUST Bank

Member: Takeshi Suzuki

External Director, SuMi TRUST Holdings

Member: Akiko Hosokawa

Partner, Baker & McKenzie

Member: Yutaka Nishida

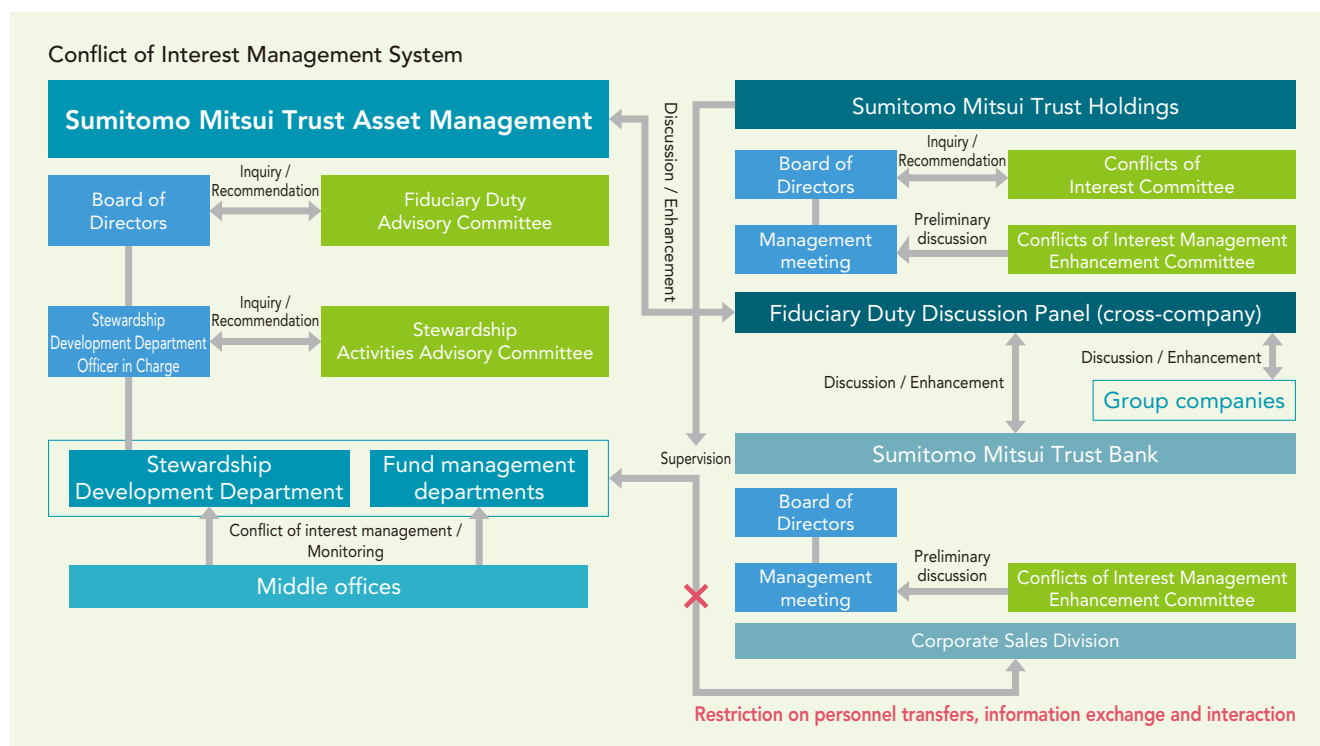
Senior Managing Executive Officer, SuMi TRUST Holdings

^{*1} For roles and responsibilities of each management structure and main departments, please refer to page 131.

7. Enhancement of Conflict of Interest Management Framework for Stewardship Activities

Sumitomo Mitsui Trust Asset Management (SMTAM) integrated the investment management function of SuMi TRUST Bank on October 1, 2018. It also added more independent external directors, shifted to a company with an audit and supervisory committee system, and beefed up its middle office operations. The integration means SMTAM has more independence from the Group's corporate divisions (lending, etc.), while its conflict of interest management is much more transparent. Given that the

management of conflicts of interest is particularly important to the exercise of voting rights, SMTAM has established a Stewardship Activities Advisory Committee comprised mostly of external experts. The officer in charge of the Stewardship Development Department—the person responsible for the exercise of voting rights—exercises voting rights in a highly transparent manner by giving the fullest possible consideration to the recommendations of the Advisory Committee.



Nikko AM (NAM) has established appropriate risk management and compliance frameworks to ensure that the interests of clients and beneficiaries are the top priority and that such conflicts of interest are appropriately managed if they arise. Fund managers and analysts aim to avoid the occurrence of any conflicts of interest in compliance with NAM's internal regulations. If there is a heightened risk of conflicts of interest arising, all known facts are immediately reported and steps are taken quickly to resolve any issues.

NAM also established its Stewardship and Voting Rights Policy Oversight Committee in June 2016 in order to increase transparency in its stewardship activities and strengthen its governance. From its perspective as a body composed of a majority of external members with

no special interests in NAM, the Stewardship and Voting Rights Policy Oversight Committee monitors and oversees whether NAM's exercising of voting rights and other stewardship activities are in line with its objectives and whether it is making the proper efforts to fulfill its fiduciary duties consistently. The committee also provides necessary advice from a fair and neutral standpoint.

NAM envisages that conflicts of interest may arise when it exercises voting rights in regard to its parent company, distributors, and client companies. In order to avoid conflicts of interest and enable objective decision making in its exercise of voting rights, it has established a control framework to maintain appropriate voting decisions pursuant to its Guidelines on Exercising Voting Rights.

Client Protection Management

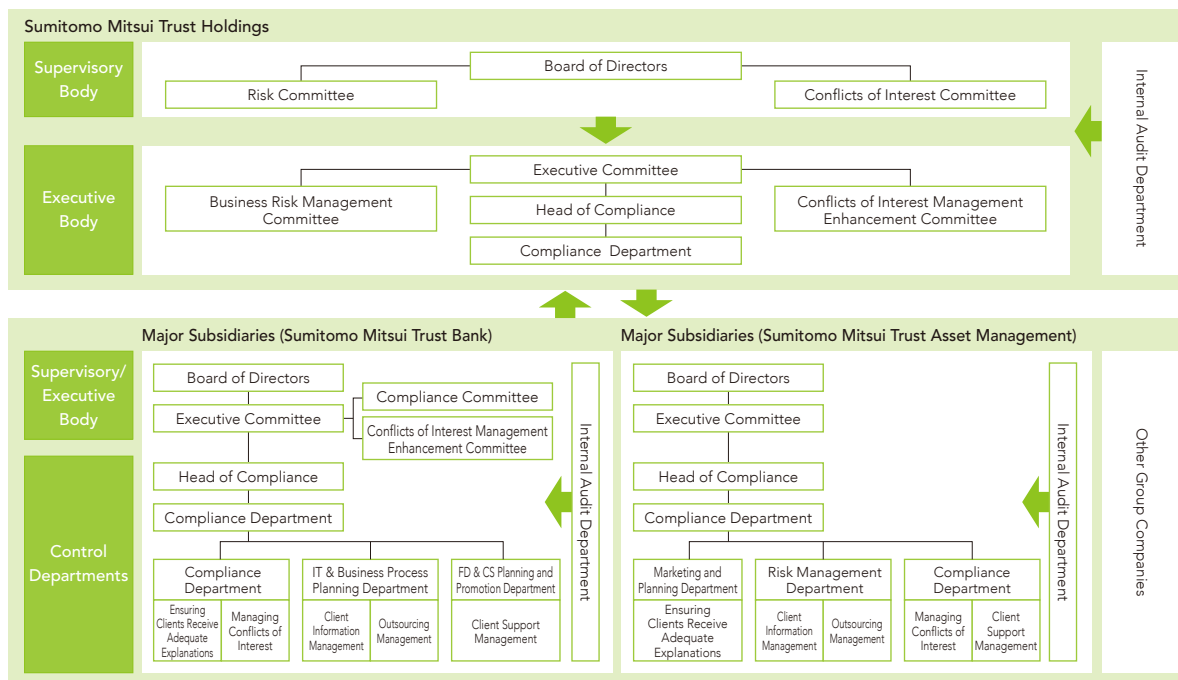
Basic Initiative Policy

The Group considers client protection to be a top management priority. We have put in place a basic policy aimed at enhancing client protection and convenience in the Group's regulations* concerning policies for acting in the best interests of clients (approved by the Board of Directors) in order to develop an appropriate client protection management framework that reflects the business attributes of each Group company.

At each Group company, a supervising department to oversee client protection management and function-specific control departments have been established in accordance with the Group's basic policy. The supervising department

manages overall client protection management by primarily drawing up annual plans concerning client protection, periodically reporting to the Board of Directors, and maintaining internal regulations. The control departments are tasked with establishing a system through the development of internal rules for their respective functions. They also endeavor to ensure appropriateness and sufficiency for each function by providing guidance to relevant departments and improving the content of employee training.

*Principle-based guidelines designed to meet the expectations and trust our clients place in each SuMi TRUST Group company. With the aim of earning the long-term trust of clients and enhancing sustained corporate value by having Group directors, officers, and employees pursue the best interests of clients, these guidelines set out a management framework for that very purpose and so client protection and convenience can be improved.



Client Explanation Management

When offering financial products and services to our clients, we make sure to provide appropriate and sufficient explanations and easy-to-understand information based on the client's knowledge, experience, assets, and purpose of transactions so that we gain their understanding and consent.

Specifically, we have made our policy on the solicitation and sale of financial products and services publicly available, we properly enforce the suitability rule*¹ and maintain a manual on providing explanations to our clients about matters such as appropriate information disclosure, and we have a system in place for improving employee training. On top of this, in an effort to ensure the fair solicitation and sales of financial products from the standpoint of our clients based on the action principles outlined in our Policies regarding the Fiduciary Duties of the Sumitomo Mitsui Trust Group*², we implement client-oriented consulting*³, provide easy-to-understand information*⁴, and take steps to expand

the content of training sessions with the aim of increasing the knowledge and expertise of officers and employees regarding financial markets, products, and services.

In particular, we monitor whether our explanations to clients about risky financial products, such as investment trusts and life insurance, are up to standard. We leverage the results of the aforementioned initiatives to maintain a system that guarantees a high standard of client consulting and explanations and so that we can revise our solicitation rules when necessary.

*1 The suitability rule prohibits financial institutions from soliciting clients in ways that are inappropriate in light of the client's knowledge, experience, assets, and transaction purpose.

*2 https://www.smth.jp/en/about_us/management/customer/fiduciaryduty/index.html

*3 This involves client proposals in line with their needs by utilizing (1) easy-to-understand materials describing case examples of life planning that reflect life events and asset management methods based on investment objectives and duration, and (2) simulation tools incorporating the client's assets, family structure, and life events.

*4 To provide easy-to-understand information, we are working to improve descriptions about risks and fees, politely following up on clients in consideration of market developments, and improving seminar content and hosting more sessions.

Conflict of Interest* Management

The Group makes publicly available an overview of its Management Policy Concerning Conflicts of Interest (following approval of the Board of Directors) and engages in appropriate management by identifying and categorizing in advance transactions that could lead to conflicts of interest so that the interests of our clients are not harmed unfairly when our Group companies or authorized parties offer their various services.

Notably, each Group company identifies in advance transactions that have the potential to cause conflicts of interest in their business operations and establishes management methods for such transactions. The Group attempts to prevent the harmful effects of conflicts of interest in the event those transactions are carried out by following predetermined methods for conflict of interest management or developing business execution systems. If new transactions with the potential for conflicts of interest are anticipated, they shall be identified as such and managed before they are executed with the established conflict of interest management methods.

Outsourcing Management

When outsourcing its operations, the Group takes measures to ensure that the outsourced operation is consigned to a contractor capable of: (1) establishing regulations for the appropriate management of risks from unexpected losses incurred by the Group or its clients, (2) recognizing problems related to the quality of service and the reliability of service continuity, and (3) implementing the operation accurately, fairly, and efficiently. From the viewpoint of preventing the intervention of and transactions with anti-social forces, before concluding new contracts and on an ongoing basis, we check that our contractors are not classified as anti-social forces.

At our core subsidiary SuMi TRUST Bank, the IT & Business

In order for the Group to appropriately manage conflicts of interest, the Compliance Department—which functions as a conflict of interest management control department—maintains the framework for the entire Group and periodically examines its effectiveness. It then reports the results on a regular basis to the Conflicts of Interest Management Enhancement Committee, the Executive Committee, and the Board of Directors, before adopting necessary steps for improvement.

Moreover, from the perspective of upholding our fiduciary duties, we constantly strive to enhance our conflict of interest management framework based on the idea of maintaining a “best practice” system for managing conflicts of interest as outlined in our Policies regarding the Fiduciary Duties of the Sumitomo Mitsui Trust Group. Please refer to page 136 for enhancement of our conflict of interest management framework.

*A conflict of interest refers to a situation where there are conflicting interests between the Group and its clients, or between clients of the Group.

Process Planning Department—which functions as the outsourcing management department—screens and monitors appropriate contractors within the Group pursuant to our outsourcing management regulations and periodically reports on how outsourcing is being managed to the Board of Directors. Moreover, each business designates a department to oversee operations outsourced to contractors and evaluates whether they are performing their assignments properly in accordance with relevant rules and their consignment contracts through confirmation of the status of consigned operations both on an ongoing periodic basis and in response to emerging situations. These departments also monitor contractors when necessary.

Solicitation Policy (Sumitomo Mitsui Trust Bank)

1. Explain the basic policy

Sumitomo Mitsui Trust Bank, Limited (SuMi TRUST Bank) practices its Codes of Conduct (“Value”) that calls for “completely client-oriented” service and “strict compliance with applicable laws and regulations,” and recommends financial products and services based on this solicitation policy so that clients can decide for themselves what is most appropriate for them.

2. Recommend financial instruments suited to clients

SuMi TRUST Bank recommends financial products and services suited to clients according to their “knowledge,” “experiences,” “asset situation” and “the purpose of their transactions.”

3. Explain the contents of financial products and services in an easy-to-understand manner

SuMi TRUST Bank explains not only the contents and merits of financial products and services we provide but also risks and fees in an appropriate, easy-to-understand manner so that they can be fully understood.

4. Offer appropriate explanations and conduct appropriate solicitations

SuMi TRUST Bank does not make explanations or conduct solicitation activity that may mislead clients, such as communicating false information or providing definitive explanations concerning uncertain matters.

5. Strive to conduct solicitation activity convenient for clients

SuMi TRUST Bank strives to conduct solicitation activity via telephone or visit at a time, place and means convenient for clients.

6. Strive to improve in-house systems

SuMi TRUST Bank strives to improve in-house systems so that we can provide financial products and services suited to clients. SuMi TRUST Bank also strives to acquire accurate knowledge and master ways of providing easy-to-understand explanations.

7. Created a consultation contact point for clients

Client Information Management

In the SuMi TRUST Group we have established a Declaration for the Protection of Personal Information to make doubly sure we protect the personal information of clients. We make sure that client information is managed appropriately, but if it is shared within the Group, we only do so in accordance with privacy laws, finance sector guidelines on personal information protection, and other related laws and regulations.

As the department tasked with information security risk management, the IT & Business Process Planning Department oversees all operations concerning client information management pursuant to our Information Security Risk Management Rules formulated for the purpose of appropriately managing the Group's information assets. The IT &

Business Process Planning Department periodically assesses the circumstances and effectiveness of information security risk management and reports its findings to the Board of Directors. Also, in addition to appointing general managers as supervisors of information management and administration at branch offices and in each head office department, all employees must submit a signed pledge concerning information management and attend two training sessions every year to ensure they have a clear understanding of matters relating to confidentiality information management, particularly with regard to sensitive information containing personal data obtained through the course of their duties.

Client Support Management

So we can properly respond to client inquiries, requests, complaints or disputes, we have established a basic policy in our Group's client support management regulations in an effort to improve operations and provide better services.

In addition, our Compliance Department and the FD & CS Planning and Promotion Department work together to sincerely and quickly respond to complaints from our clients, aiming to reach outcomes with as much understand-

ing and satisfaction as possible. These departments also work to improve operations by collecting and managing information under a complaints reporting system, regularly reporting to management, and analyzing the root causes of complaints with the use of our CS Voice of Customers Portal (see page 135).

In fiscal year 2019 SuMi TRUST Bank received a total of 7,576 complaints.

Sumitomo Mitsui Trust Group Privacy Policy

We at the SuMi TRUST Group, in the utmost effort to protect the personal information of our clients and shareholders, have established the following policies, and we declare to abide by this policy.

1. Compliance with all Applicable Laws and Regulations, etc.

The companies in the Group shall comply with the laws pertaining to the protection of personal information, laws concerning the use of numbers to identify a specific individual for public administration procedures (e.g., the "My Numbers Act), and guidelines set forth by government agencies including other standards.

2. Appropriate Acquisition

The companies in the Group shall obtain personal information from clients, specific personal information, etc. only to the extent necessary for our operations and only through proper and legal means.

3. Purpose of Use

The companies in the Group shall notify or announce how the personal information shall be used, and shall only use it within the confines of the prescribed purpose except as otherwise provided by laws and regulations, and shall not use it for any other purpose. With regards to specific personal information, use shall be limited to the scope stipulated in relevant laws and regulations.

4. Consignment

If the companies in the Group consign the handling of the personal information as well as specific personal information, then the consignee shall be properly supervised to promote safe management of personal information.

5. Offering to Third Parties

The companies in the Group shall not provide to any third party personal information held for clients without obtaining prior consent from the client except in cases specified by laws and regulations. However, if the companies in the Group provide a client's personal information

consequent to the succession of business in a merger or otherwise or if it is shared with a specified party set forth separately, then the personal information held for the client may be provided to the third party without obtaining the client's consent.

With regards to specific personal information, we shall not provide this to third parties irrespective of whether the person concerned has or has not consented, apart from cases where it is stipulated by laws concerning the use of numbers to identify a specific individual for public administration procedures.

6. Responding to Inquiries from Clients, etc.

The companies in the Group shall establish the procedures for correcting and disclosing personal information, and any inquiries concerning questions, suggestions or inquiries and corrections of content, etc. related to personal information and specific personal information shall be handled quickly and accurately.

7. Safety Measures

The companies in the Group, in their approach to managing personal information and specific personal information, take appropriate safety measures in terms of their organizations, personnel affairs, and systems to manage personal information so as to prevent leaks etc. and have put into place a framework of responsibility necessary to protect personal information.

8. Continuous Improvement

The companies in the Group continually review and strive to improve the compliance program for protecting personal information. All executives and employees are trained to understand the importance of protecting personal information and to appropriately handle personal information and specific personal information.

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.

Total corporate taxes FY2018: ¥60.6 bn
 FY2019: ¥75.6 bn

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.

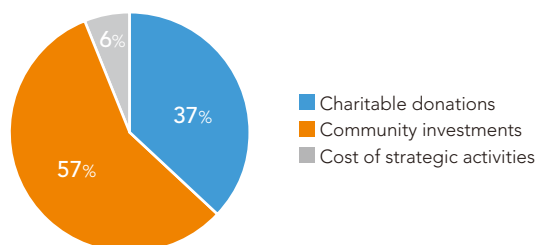
2) Direct Support: Total Social Investment

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
(1) Charitable donations	227
(2) Community investments	342
(3) Cost of strategic activities	36
Total	605

(¥ mn)

Breakdown of Total Community Investments



Total social investment by the Group in fiscal 2019 came to around ¥600 million, some ¥240 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 152 for more information about ESD.

*UWC ISAK: A school that unearths and nurtures “changemakers” from disadvantaged backgrounds. See page 150 for more information about their activities.

Financial Inclusion Initiatives (for a Fair and Inclusive Economy)

Financial Inclusion Initiatives at the SuMi TRUST Group

1. Improving accessibility mainly through expansion of online transactions
2. Providing charitable trust schemes to facilitate social contributions
3. Financial inclusion initiatives for various types of loans
4. Initiatives based on the G20 Fukuoka Policy Priorities on Aging and Financial Inclusion
5. Flexible approach to mainly terms of repayment on loan transactions (initiatives for financial facilitation)

Target 8.10 of the SDGs seeks to “strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.” This kind of concept is known as financial inclusion—it refers to the support extended to people excluded from utilizing financial services because of poverty, discrimination, or other reasons so that they may gain

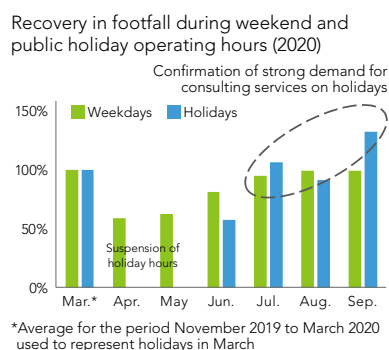
access to such basic financial services in order to alleviate economic instability in their lives.

The Group is working with external partners and harnessing our various trust bank functions in an effort to accelerate our initiatives on financial inclusion with a particular focus on problems unique to Japan.

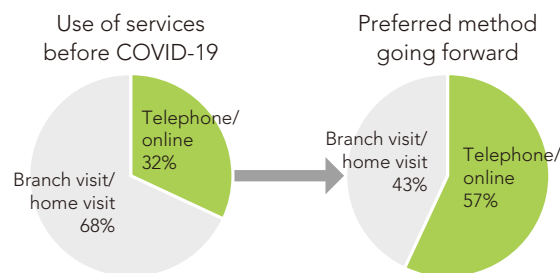
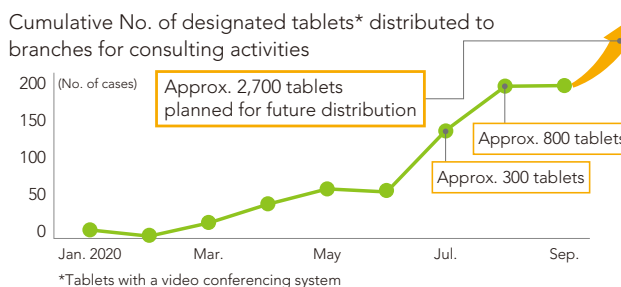
1. Improving Accessibility Mainly Through Expansion of Online Transactions

As the COVID-19 pandemic continues unabated, more and more clients are requesting online consultations as a way of preventing further infections. The SuMi TRUST Group offers high value-added face-to-face consulting services as a financial group specialized in trust banking, but given the spread of COVID-19, we are currently rolling out a system through which we can deliver trust services even without meeting in person by making use of online consultations.

The use of our online consultation system will make it possible for a client to sit down (albeit, over the internet) at the same time with their family who lives far away, for example. Nor will they have to worry about contracting COVID-19 or travelling long distances.



We are also providing more opportunities for clients to make use of our consulting services on weekends and public holidays with the intention of offering more flexibility to clients.



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 endeavored to improve client services by striving to realize its goal of providing 24-hour, 365-day internet banking that offers the most easy-to-use and attractive products and services. It is now Japan's leading online-only bank with both total deposits and the cumulative amount

of mortgage loans handled exceeding the ¥6 trillion mark.

The bank has been actively rolling out new services that harness cutting-edge information technology. For example, it launched a robo-advisor by integrating the API of a fintech company, introduced an AI screening model for home loans, and started up transaction lending for corporate clients. Up ahead, it will continue to work on further improving its services and enhancing user convenience.

2. Providing Charitable Trust Schemes to Facilitate Social Contributions

SuMi TRUST Bank provides charitable trusts as a scholarship scheme for students with no financial means to further their education. Charitable trusts are used as one way

of returning some of the assets of benefactor clients back to society for the good of the community.

Examples of Charitable Trusts Designed to Supply Scholarships

Name of charitable trust fund	Beneficiaries
The Society of Mary St. Joseph Scholarship Fund	Elementary, junior high, and high school students who face difficulties entering a school due to financial reasons
Hisao Iwai Memorial Tokyo Scholarship Fund	Students with Japanese citizenship studying science and engineering at a university or graduate school located in Tokyo who face difficulties paying tuition fees
Kenji Yamauchi Memorial Osaka Scholarship Fund	High school students in Osaka Prefecture who come from a disadvantaged learning environment due to financial reasons

Characteristics of the Society of Mary St. Joseph Scholarship Fund

- (1) Can be combined with other scholarships
- (2) For all elementary, junior high, and high school students, irrespective of age or nationality
- (3) Period of eligibility

Elementary school students:	Three years. Otherwise, limited to the minimum number of years studied for applicants in year four or higher of elementary school.
Junior high and high school students:	Until graduation from the same school at the time of application (but limited to the minimum number of years studied).
- (4) Scholarship payments: ¥20,000 per month for either elementary, junior high, or school students.

3. Financial Inclusion Initiatives for Various Types of Loans

(1) Special home loan guarantee against the eight major diseases + unemployment insurance

Cancer, acute myocardial infarction, stroke, and the five serious chronic diseases of high blood pressure, diabetes, chronic kidney failure, cirrhosis of the liver, and chronic pancreatitis are what are known as “the eight major diseases.” The number of people affected by these ailments in Japan is growing as the population ages. For cases where clients with unpaid principal on their home mortgage are diagnosed with one of the eight major diseases, SuMi TRUST Bank offers a guarantee service for the remainder of their home mortgage. And in light of the COVID-19 pandemic, in November 2020 we started adding unemployment insurance to sickness insurance in order to expand the scope our guarantee service.

(2) Card loans

SuMi TRUST Bank has two types of card loans available for home loan clients only. These products can meet the various future capital needs of clients because the funds can be used for any purpose other than running a business. Funds can be borrowed with no transaction fee from SuMi TRUST Bank branch ATMs or from the ATMs of Japan Post Bank, Seven Bank, and E-net. Clients can also easily borrow funds via Sumitomo Mitsui Trust Direct (internet banking portal).

(3) Housing assistance loan for seniors

SuMi TRUST Bank offers non-recourse* mortgage loans to clients aged 60 or older who require capital to purchase a new home or to finance a home renovation.

*A non-recourse loan means that even if the amount of money from the sale of real-estate collateral is not enough to repay the loan in full after the contract expires as a result of the contracting party's death, their heir will not be requested to make any payments.

Approach to Asset Management for Clients with Dementia

Once a person loses his or her ability to make decisions because of dementia or some other reason, they struggle to manage their deposits and savings or stay on top of various financial agreements. They may also end up signing a contract for a transaction that is not in their best interests or become easy targets for bank-transfer scams or unscrupulous business practices.

In asset management, needless to say, protecting assets must be prioritized before anything else. What is required next is daily living support in order to manage money needed for day-to-day living. And offering support to help them communicate their intentions is also key. Even though someone may have dementia, what they want to do or what they want done remains the same. For this reason, we need to devise a way for them to communicate their intentions and ensure their wishes are fulfilled under a private contract while they are still capable of making decisions.

SuMi TRUST Bank offers various products and services in line with this thinking (see page 115 for details).



4. Initiatives Based on the G20 Fukuoka Policy Priorities on Aging and Financial Inclusion

The world's population continues to rapidly age and there are fresh concerns that conventional financial services will be unable to meet their needs. Through much discussion about the topics of aging and financial inclusion, the Global Partnership for Financial Inclusion (GPFI*) and the OECD jointly prepared and adopted the G20 Fukuoka Policy Priorities on Aging and Financial Inclusion at the G20 plenary meeting of finance ministers and central bank

governors in June 2019. The document sets out eight key priorities to help the international community address the challenges of aging populations.

SuMi TRUST Bank fully supports the priorities and therefore set out and announced the following initiatives to address each of the eight priorities.

*The GPFI is an inclusive platform for all G20 countries, interested non-G20 countries, and relevant stakeholders to carry forward work on financial inclusion, including implementation of the G20 Financial Inclusion Action Plan.

Summary of Specific Initiatives to Address the Eight Priorities

G20 Fukuoka Policy Priorities	The Group's leading initiatives
 Customize —address the diverse needs of older people	Centenarian Support Trust (100-Year Passport): An estate management-type trust product that can also help clients with dementia owing to its features for safeguarding, utilizing, and transferring funds Other: Anshin Support Trust (fund wrap-type)
 Protect —tackle financial abuse and fraud of older people	Mandatory passing of gerontology exam run by the Society for Applied Gerontology Japan: Retail section managers and higher must acquire necessary knowledge of healthcare, nursing care, and social insurance, as well as issues concerning the physical and mental wellbeing of the elderly, their lifestyles, and communities. Other: Trusts designed to prevent fraud; submission of content to Guide for Dementia Friendly Financial Services and placement of this booklet at all branches
 Support lifetime financial planning	Housing assistance and reverse mortgage loans for seniors aged 60 and older: These products help elderly clients finance a new or refurbished home. Other: Use of Lifecycle-Navi simulation tool; investment products and insurance, etc.
 Encourage stakeholder engagement —a multi-sectoral approach	Partnership with Daini Tokyo Bar Association to introduce visiting lawyers: This service introduces home-visiting lawyers that can address the various needs of clients, such as monitoring to prevent incidents or matters concerning discretionary guardianship. Other: Agreement with the Tokyo Bar Association to use civil trust consulting services
 Strengthen digital and financial literacy	Seminars on topics like asset management, "second life," DC plans, inheritance, and business succession: Each seminar is designed to address the needs of each generation and held at different times, in different locations, and for different occupations. Other: Silver College seminars; establishment of Sumitomo Mitsui Trust Future Assets Institute
 Innovate —harness inclusive technologies	Introduction of new system when visiting clients: We have introduced tablet devices for consulting. The use of tablets encourages the use of online client consulting and transactions. Other: Practical application of inheritance platform architecture; use of AI in asset management; web-based consulting, etc.
 Target key audiences —address vulnerabilities	Guardianship System Support Trust and Discretionary Guardianship System Support Trust: Products that manage and safeguard a ward's estate under the respective legal guardianship and discretionary guardianship systems Other: Special donation trusts; rules on writing/reading on behalf of clients; response quality checks by examiners for disabled persons, etc.
 Use data and evidence (priority item mainly for policymakers)	Issuance of research reports: Analyzing and estimating trends in household assets based on official data from public agencies and other organizations Other: Responding to public agency surveys; collecting and analyzing client voices; in-store surveys by external research agencies, etc.

5. 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 2020.

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

► In the Case of SMEs

	End of March 2020
Number of loan claims for which restructuring of loan conditions, etc. was requested	4,799
Of which, number of loan claims regarding implementation () is the loan ratio	4,431
Of which, number of loan claims regarding refusal () is the refusal ratio	105
Of which, number of loan claims under examination () is the ratio of claims under examination	4
Of which, number of loan claims regarding withdrawal () is the ratio of claims withdrawn	259

*As of the end of March 2020, the figures include claims regarding trust accounts as follows.
Request: 1, Implementation: 1, Refusal: 0, Under examination: 0, Withdrawal: 0
Claims regarding trust accounts refer to loan claims for which SuMi TRUST Bank received requests for restructuring of loan conditions, etc. from clients among those entrusted to SuMi TRUST Bank from other financial institutions, etc. for securitization and other purposes. SuMi TRUST Bank, a trustee, responds to them based on judgments by multiple people involved in trusts pursuant to the provisions of trust agreements.

► In the Case of Housing Loan Clients

	End of March 2020
Number of loan claims for which restructuring of loan conditions, etc. was requested	6,706
Of which, number of loan claims regarding implementation () is the loan ratio	5,139
Of which, number of loan claims regarding refusal () is the refusal ratio	332
Of which, number of loan claims under examination () is the ratio of claims under examination	67
Of which, number of loan claims regarding withdrawal () is the ratio of claims withdrawn	1,168

*As of the end of March 2020, the figures include claims regarding trust accounts as follows.
Claims concerning trust accounts are as follows (tallied with a base date of March 31, 2020).
Housing loan clients—Request: 55, Implementation: 44, Refusal: 9, Under examination: 0, Withdrawal: 2
Claims regarding trust accounts refer to loan claims for which SuMi TRUST Bank received requests for restructuring of loan conditions or other matters from clients among those entrusted to SuMi TRUST Bank from other financial institutions for securitization and other purposes.

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.

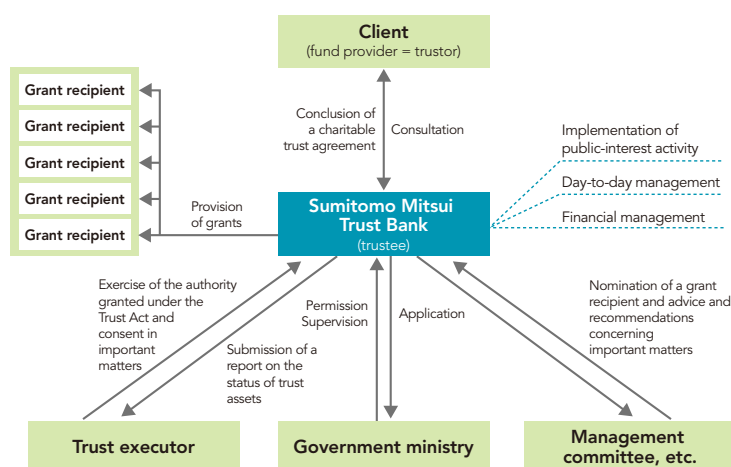
Charitable trusts are often named for the trustor, so his or her aspirations can be remembered for years to come by many people. Moreover, to ensure the public interest is served in accordance with the client's intentions, a charita-

ble 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 2020, the Bank had accepted 178 charitable trust mandates worth ¥32.7 billion. In fiscal 2019, charitable trusts were used to pay a total ¥1.23 billion in grants (scholarships) to 2,673 organizations (including individuals).

Mechanism of Charitable Trusts



List of Charitable Trusts by Donation Type (as of March 2020)

Type	Number of trusts under management
Scholarship	64
Promotion of natural science research	33
Promotion of human science research	4
Promotion of education	18
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	178

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.



People from the Yamashina Institute for Ornithology watching short-tailed albatrosses

TOPIC

ENEOS Hydrogen Trust Fund

Japanese petroleum company Eneos Corporation commissioned the establishment of the ENEOS Hydrogen Trust Fund in 2006 for the purpose of contributing to the realization of a hydrogen energy-powered society by assisting fundamental research concerning the supply of hydrogen, a source of environmentally-friendly energy.

The fund is one of the largest in Japan, providing grants of up to 10 million yen per project. Each year, the fund invites the researchers who are receiving a grant and those who have received a grant in the previous year to an awards ceremony where they present their research results.



Due to COVID-19, the FY2020 briefing session and awards ceremony was held online via Zoom

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

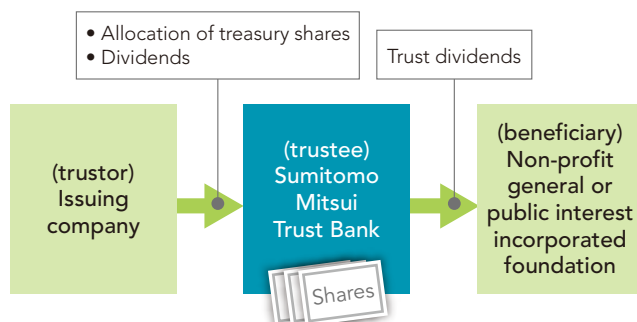
List of Donation Recipients (as of August 14, 2019)

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)

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.

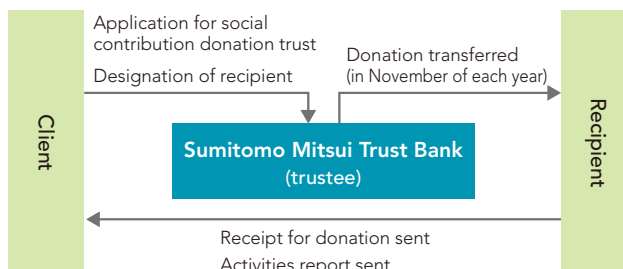


donation recipients each year.) These clients receive reports from the recipient on how the donations were used and what activities were conducted.

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.

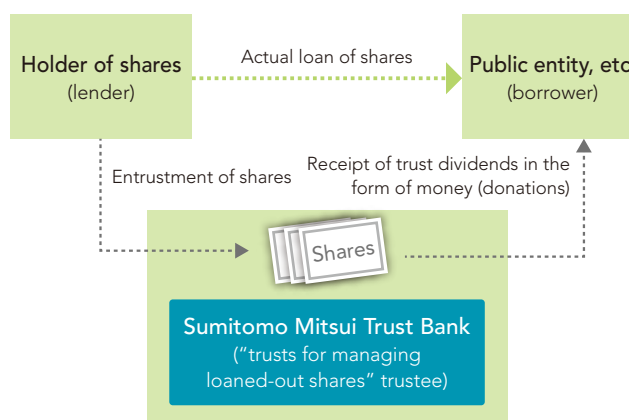


Mechanism of Social Contribution Donation Trusts



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.



Designated Donation Trust

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.

Cooperative Social Contributions

Questionnaire about Bequeathal Donations

SuMi TRUST Bank helps clients that wish to leave their assets for public benefit and the good of society by using will trusts to make bequeathal donations.

In recent years, more and more assets have reverted to the state because of the absence of any legal heirs. Accordingly, demand is gradually increasing for bequeathal donations whereby people decide on who or which organizations receives their assets after death.

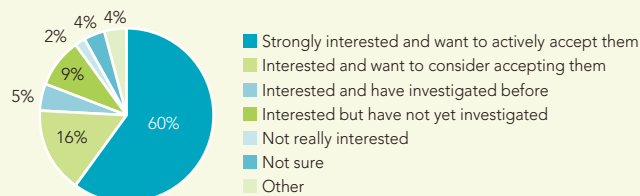
In order to obtain more information about this field, between March and April 2020, SuMi TRUST Bank partnered with the NPO Service Grant Japan to survey NPOs and community organizations about donations and bequeathals.

The questionnaire fielded a broad range of questions mainly about how interested organizations are in bequeathals and will trusts, what percentage of their income is derived from donations, whether they demonstrate their gratitude to donors, whether they have successor candidates to continue activities, and their plans for the reversion of remaining assets in the event activities are discontinued.

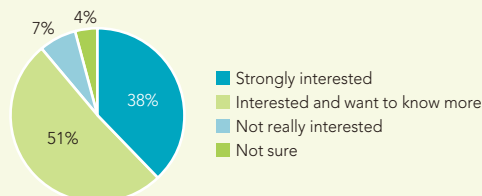
The results of this questionnaire will be used in a variety of ways. For example, to improve marketing related to bequeathal donations or to examine different ways of resolving issues faced by charitable organizations.

Excerpt of Questionnaire about Donations, Including Bequeathals

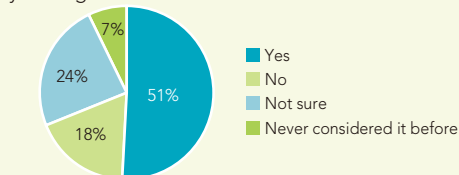
Degree of interest in bequeathals



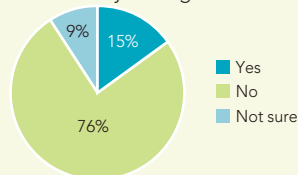
Degree of interest in bequeathals using will trusts



Do you have successor candidates to carry on your organization's activities?

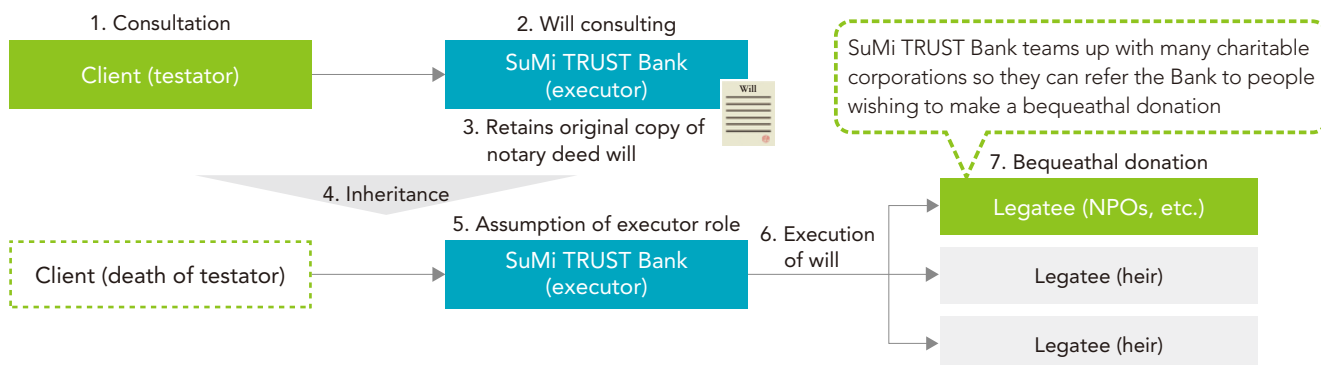


Have you thought about the reversion of remaining assets in the event that your organization's activities no longer continue?



Questionnaire period: March to April 2020; Respondents: 45 organizations previously supported by Service Grant Japan

Overview of Bequeathal Donations Using Will Trusts



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 2019 summer school ran from July 21 to August 3 and accepted 81 junior high school students from 34 countries around the world.

*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

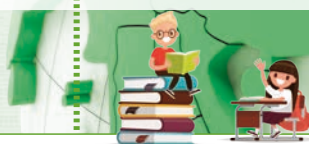
Summer School

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 83 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

In fiscal 2020 we were unable to support the program as usual because of the impact of the COVID-19 pandemic, but the Group will continue to support the initiatives of UWC ISAK going forward.

Students SuMi TRUST Group Have Supported Since 2013

2013



Vietnam
Hong Lien
Ngyuen

2014



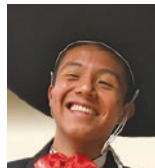
India
Thulasi Priya
Ramesh

2015



India
Thanuja
Ramesh

2016



Mexico
Eduardo
Bautista

2017



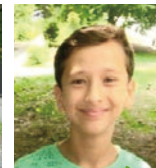
India
Prashanth
Babu

2018



India
Prathana
Himalachi

2019



India
Hemant
Sharma



A Thank-You Letter from Hemant



My hobbies are soccer, watching movies, music, and getting along with many types of people. Thanks to your support, my life has become full of possibilities. I am deeply grateful for the fact that I am here now thanks to your support. Thank you very much.

Hemant is a 13-year-old boy who joined the summer school from Shanti Bhavan in India. He got to know all the students who the Group had supported in the past and said, "I'm really happy to be here this year, and I appreciate your continued support."

In the "Finding Purpose" group discussion we visited, Hemant demonstrated leadership that inspired everyone in the room.

"If you know how the economy works, you should be able to support yourself, your family and your country," he said confidently about his dream of becoming a certified public accountant. We hope that Hemant's dream comes true in the near future.



Summer school photo opportunity with a representative from the Sustainability Management Department

©Jun Toyosaki



Founder Lin Kobayashi

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 Shanti Bhavan. 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."



Display in the lobby of the Kawasaki branch

TOPIC 02

Support for the Children in Shanti Bhavan

The Shanti Bhavan school was established for the purpose of educating children who are the most socially and economically disadvantaged under the caste system, which has persisted for 2,000 years in India. All the summer school students from India that we support with scholarships are from Shanti Bhavan. They are highly interested in issues such as discrimination, poverty, and the human rights of women, and they strongly hope to improve their homeland. We will continue to watch after these future changemakers as they take action to abolish the caste system.



A vicious cycle of despair for children living in slums who don't have an opportunity to receive an education

SUMI TRUST GROUP INITIATIVES 02

Education for Sustainable Development (ESD) Project



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

Nagoya ESD project held online

Embracing Challenges in the "New Normal"

In August 2020, SuMi TRUST Bank organized an ESD leadership training session for around 40 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 first half of the session, after listening to a lecture on the topic of learning about the SDGs, the participants watched a video and then shared opinions based on their own work or group work. A lively discussion then ensued, mainly focusing on the topic of how to best reflect the SDGs into inquiry-based learning time in the classroom. In the second half, Principal Masaharu Sumita of Hie Elementary School in Yokohama gave an invaluable talk about how to bear responsibility in a sustainable society based on the topic of how to incorporate the SDGs into

educational activities by citing specific case examples of how to best teach children about the SDGs and how to address questions that have no correct answer.

This training session—comprising a lecture, discussion, sharing, and conclusion—was the first time an ESD project had been held entirely online and all of the participants benefitted from smoothly experiencing a new learning format.



Principal Masaharu Sumita delivering a lecture from Hie Elementary School in Yokohama

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



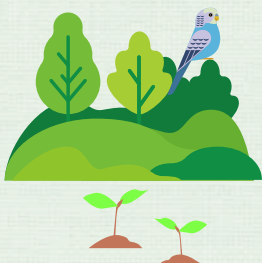
*A short video about the training session can also be viewed online.



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).



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

Changes in ESD project topics

In our project based on the National Trust, the primary topics were about SDGs "14: Life Below Water" and "15: Life on Land."



We also carried out a project related to "6: Safe Water and Toilets Worldwide" that highlighted the importance of water resources.



From 2020 and 2021 respectively, the SDGs are expected to be incorporated into Japan's curriculum guidelines for elementary schools and junior high schools. SuMi TRUST Bank continues to promote ESD projects focusing on actual SDG topics.



In the end, with regard to humans we believe this has a close connection to SDG "11: Sustainable Cities and Communities."



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.



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.



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.



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.



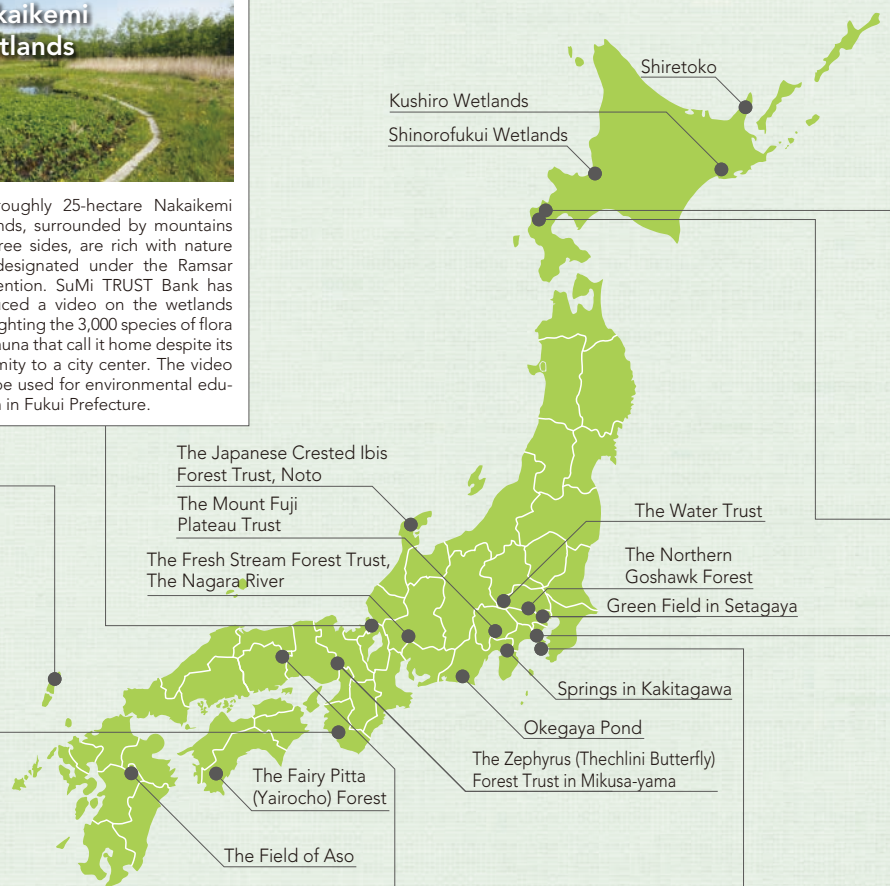
Tenjinzaki is a promontory in Tanabe City, Wakayama Prefecture. Despite its location near a city center, the site is home to a rich natural environment. SuMi TRUST Bank produced education videos from interviews conducted by students of a nearby elementary school, and used these for environmental education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



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, 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.



**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.

Panel Exhibition in Branch Lobbies Nationwide

In fiscal 2019 a panel exhibition was on display in the lobbies of 43 branches nationwide. The theme of the exhibition was the National Trust, a nature conservation movement that traces its origins to England.

A forest cemetery called Mori-no-boen was 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 grave-stones 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. After starting with six branches in Chiba Prefecture (where the cemetery is located) in fiscal 2017, a panel exhibition featuring this business has been circulating other branch lobbies. In fiscal 2019, 28 branches hosted the exhibition.

In September 2020 during an online in-house study session featuring Director Sayama from the Ecosystem Conservation Society-Japan, sustainability officers from branch offices all over Japan learned about the circumstances and issues regarding the cemetery's end-of-life procedures conducted the previous year, as well as information that will likely prove useful when discussing end-of-life and inheritance services with clients.



Display in the lobby of the Chiba Branch & Chiba-Ekimae Branch



Study sessions about the Mori-no-boen cemetery were also held at branches and departments

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 2020, they had donated funds equating to the acquisition cost of 3,190 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. In October 2018, 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. Also, since December 2018, 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. This e-Learning module has also been expanded to include overseas offices.

In fiscal 2019, all employees of the SuMi TRUST Group started wearing an SDGs badge. Meanwhile, initiatives at each Group company continue to be carried out (see pages 169–176).



Group newsletter
Future Bloom
(Oct. 2018 issue)



e-Learning (rolled out in December 2018, 2019, and 2020)



Employee Integrated Report (May 2018 and May 2020 issues)

In the second half of 2018 an internal SDGs study session was held at all branches and departments across Japan so that “With You” activities could be implemented with the aim of achieving the SDGs. A total of 3,112 employees participated.

Furthermore, in August 2019 all 134 branch offices in Japan formulated their own SDG declarations with the goal of spreading the word about the SDGs and contributing to regional revitalization in their local community.

Currently, each branch and department is undertaking initiatives geared towards achieving their own SDG declaration and the Sustainability Management Department shares success cases with the aim of raising the overall level of activities at all branches and departments.

The SDG activities of branches and departments across Japan are occasionally posted on the “With You” branch blog website.



Please visit the following address for
the branch blog website.
<https://branchblog.smtb.jp>



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!



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.



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. These activities are promoted with a focus on the following three areas: (1) support for this generation of seniors, (2) support for the environment and living creatures, and (3) contributions to local communities and society.

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 Special Award (New)” 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



Branches That Achieved Target Points:

134 (100%)

Since 2H 2017 and Continuing

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.

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

Total Number of Blog Posts

12,176

(As of January 12, 2021)

"With You" Quarterly Reports on Our Local Contribution Activities

We publish the social contribution activities report SuMiTRUST With You 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 FY2020, we posted a series of special articles on the theme of "living in an age of 100-year-life." Our introductions to issues such as Aging in Place and Happy Elderly Housing, which included specific examples, drew a great response nationwide.



Branch-Produced "With You" Booklets

In addition to disseminating information via posts on their "With You" branch blogs and publishing social contribution activity reports, 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 2.0



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 2.0," which we published in August 2018, 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. Our branches nationwide introduce this book in lobby displays, to allow people to take their time considering the best options for their senior years. They also offer help and consultation to assist everyone on making the most of their senior life (see p. 123).



A lobby display

Website URL: <https://www.smth.jp/csr/report/2018/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 p. 115). Our branches nationwide introduce this booklet in lobby displays, to allow people to take their time considering their health and futures.



A lobby display

Website URL: <https://www.smth.jp/csr/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.



The Kanazawa and Kanazawa Chuo branch Silver College event

ive Silver College seminars.

We invited Mr. Daisuke Sakashita, who participated in the Japanese Antarctic Research Expedition, toured all over Japan as the “Antarctic Teacher,” and currently serves as the principal of the Hokuriku Architectural Skills Training School, as a lecturer at our Kanazawa and Kanazawa Chuo branches to hold a Silver College seminar under the theme of “Housing Experienced through Wintering in Antarctica” to learn about housing for a long and healthy life. At the Shizuoka and Shizuoka Chuo branches, Dr. Kondo, Associate Professor of Musicology at Tokai University’s College of Liberal Arts, gave an interesting talk on “How the silver generation can better enjoy music” under the theme of “Music for the Silver Generation.” The event included a piano performance and everyone in the audience sang along. In such ways, each branch provides a variety of information on how seniors can live well in their golden years. The seminars have all been well received by participating clients. However, in-person seminars have been suspended since February 2020 due to the COVID-19 pandemic.



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 2020, we have taken on the challenge of breeding the Itasenpara bitterling for the fifth 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.

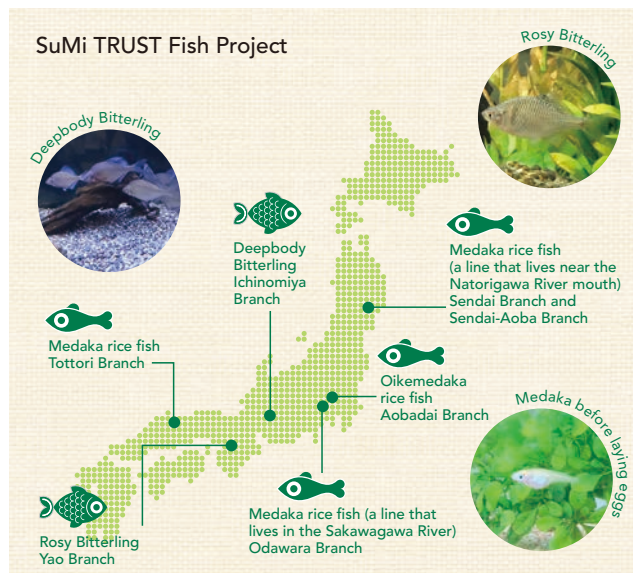
Since August 2005, the Yao branch has been continuously involved in the breeding of the endangered Rosy Bitterling. In August 2020, we installed a new information panel in the show window to raise awareness of this initiative.



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

Since June 2013, SuMi TRUST Bank has invited clients to share stories with an "Inheritance from Me" theme. These stories, up to around 400-characters in length, are on the precious "people, things, and matters" the writer wants to pass on as an "Inheritance from Me" legacy for future generations. Each time, the stories selected for the Grand Prize and the Second Grand Prize are published as a collection in a booklet that is available at our branch lobbies across Japan and shared on the company's website. The Grand Prize winner in the first year was a story entitled "A life-sustaining ten-yen coin." It describes how a ten-yen coin helped form a bond of trust between a teacher and students. The story appealed to many, even inspiring Aki Yashiro, a well-known Japanese enka (folksong) singer, to turn the story into a song. The generations of entrants have diversified every year, and in our seventh contest, we received over 7,200 entries.

"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. They participated as classes, school years, after-school club activities, and school units, as part of their educational activities, and by the 7th contest, we had received 4,136 works from 57 schools.

We saw that many of the entries were on the topic of "Furusato" (home town), so from the sixth contest, we established the "Heart's Hometown Award" and have been asking for entries on "Heart's Hometown" about "my wonderful town or village." We plan to announce winners of the eighth contest in March 2021.



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" (P.158) formulated by all branch offices nationwide, we are working on activities and events in cooperation with local communities.

Umeda Branch/ Hankyu Umeda Branch

Conducting Online Training for the Support Staff of Disabled Persons



The Umeda Branch and Hankyu Umeda Branch are focusing on activities to strengthen their ability to support the elderly and people with disabilities.

The branches were certified as an Osaka City "Orange Partner"^{*1} in September 2018 and as an Osaka City "Ai Support Company/Organization"^{*2} in October 2019. After April 2020, as the COVID-19 pandemic was unfolding, internal study sessions and training programs had to be suspended. However, since these activities are related to human rights, the Umeda Branch and Hankyu Umeda Branch wanted to continue them. Upon consultation with the Osaka Consultation Support Center for Persons with Disabilities (an affiliated organization of the City of Osaka) on how to carry out the programs, the branches decided to carry out online training sessions.

To be a true "Best Partner" for our clients, it is important to have an organization-wide approach, and through this training, all employees in these branches were able to collec-

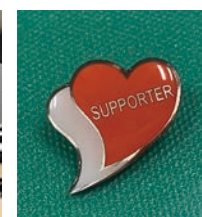
tively gain respectable knowledge on disabilities. The Umeda Branch and Hankyu Umeda Branch have a cumulative total of 60 employees who are "Ai Supporters," striving to provide the finest service to a variety of clients.

^{*1} Orange Partner: Companies and organizations that implement dementia-friendly initiatives.

^{*2} Ai Support Company/Organization: A company or organization that implements disability-friendly initiatives. The City of Osaka launched the "Ai Support Movement" in November 2017, and certified four companies and six organizations, including the Umeda Branch and Hankyu Umeda Branch, as "Ai Support Companies/Organizations" for the first time in October 2019.



Online training sessions



Ai Supporter badge

**Meiekininami Branch/
Nagoya-Ekimae Branch**

Strengthening Collaboration with Community-Based Comprehensive Support Center



The Meiekininami Branch and Nagoya-Ekimae Branch have been working to strengthen cooperation with the community-based comprehensive support center, which is a comprehensive consultation service for the community. In Nagoya City, there are about 40 community-based comprehensive support centers. The branches avoided the three Cs (closed spaces, crowds, and close contact) and held an online information exchange event to make sure there were opportunities to exchange information amid the COVID-19 pandemic. Each branch will aim to contribute to the local community through networking with local organizations and institutions such as the community-based comprehensive support centers.



Online meeting

Yachiyo Branch

Holding a Photo Exhibition in Cooperation with the Local Museum



The Yachiyo Branch, in cooperation with the Yachiyo Municipal Museum of History, held the "Yachiyo-dai no Mukashi Photo Exhibition" to introduce the changes in the cityscape from the post-war development of residential complexes to the present through photographs. Pamphlets and booklets on local historical sites provided by the museum were placed in the lobby, and were very well received by clients who know about the history of the area, which led to the decision to hold a second event. This lobby exhibition was featured on local media along with interviews with employees.



The first lobby exhibition



The second lobby exhibition

Saga Branch

Lobby Exhibition to Promote Local Appeal, Local Media Appearances, etc.



The Saga Branch proactively reaches out to local stakeholders who are focusing on the SDGs and is carrying out joint projects. In addition to holding a lobby exhibition of SDG-themed paintings and calligraphy created by students of Ryukoku Gakuen, the branch is also focusing on publicizing its initiatives externally through guest appearances by employees in local newspapers and on local radio stations.

Aside from these activities, the branch also holds lobby exhibitions based on the research topic (local history, rare agricultural products, etc.) of professors from Saga University and Nishi-Kyushu University to continuously promote local appeal.

In addition, all branch employees have internalized the SDGs and are actively disseminating information about it through the branch blogs titled "We're all doing our best! Saga!" and "Do you know about Saga?"



Original
SDGs
postcards



Guest appearance on Ebisu FM

**Nanba Branch/
Nanba-Chuo Branch**

Promotion of Food Drive Activities



The world's volume of staple food to developing countries is 390 tons, while Japan's volume of food waste is 6.43 Mtons, around 1.6 times as much. Enough still-edible food to fill 1,760 trucks is thrown away every day, and food loss has become a major social problem.

Keen to take action in "Osaka - the town bursting with food," our Nanba and Nanba-Chuo branches are focusing their efforts on food drives (activities to encourage households to donate their surplus food at their workplaces and elsewhere, for donation to local welfare groups and facilities). The branches organize lobby presentations to convey the current food loss situation and details of their food drives, and encourage their customers to join in as branch employees regularly make donations. The donated food items are channeled through Food Bank Kansai and Pal Coop Children's Food Bank, which run food drives. The recipients are local children's canteens and welfare groups and facilities.



Making the donation