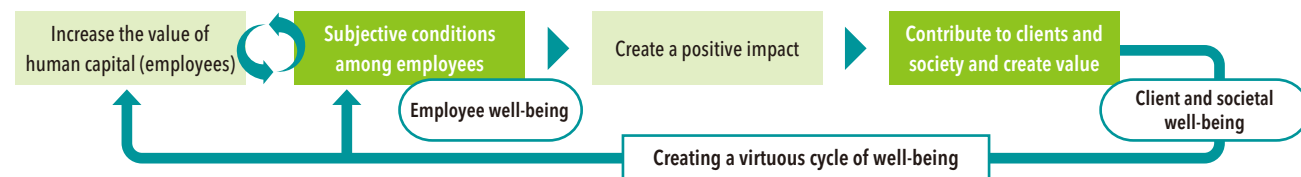


# Human Resources Strategy

Human  
Capital

## Human Resources Strategy and Enhancing Well-being

Non-financial capital, particularly human capital, is an important part of realizing our Purpose, promoting a virtuous cycle of funds, assets and capital through initiatives that address social issues, and achieving growth through market creation. Employees are an important source of value creation (as human capital), and play an essential role in creating social and economic value. By investing in human capital and enhancing the well-being of our employees, we are able to create value for our clients and society, which leads to improved well-being for every member of society. This results in societal growth and improved corporate value for the Group, and we believe that this allows us to build a “virtuous cycle” that raises well-being for every employee through improved motivation, pride, and fulfillment.

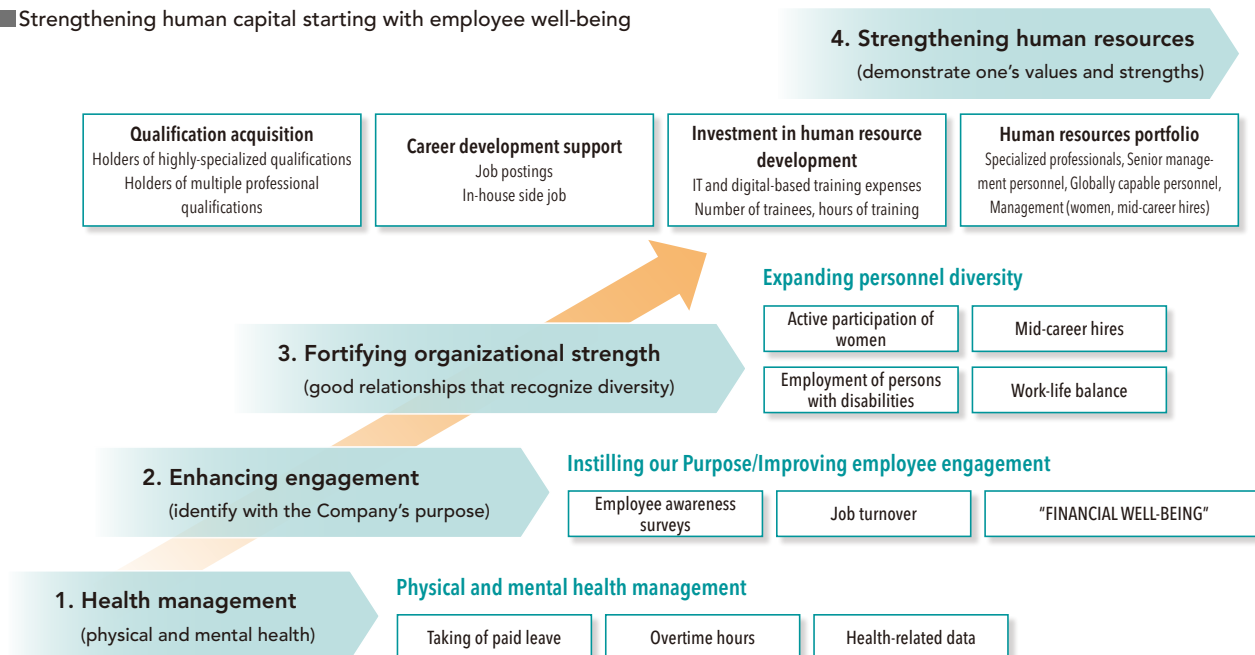


Value creation starts with employee well-being, and the Group has defined well-being as the condition in which employees: 1. are of healthy mind and body; 2. identify with the Company's purpose; 3. build good relationships that recognize diversity; and 4. demonstrate their own values and strengths in their pursuit of work they can enjoy. We will increase the value of our human capital by pursuing better employee well-being.

### Employee well-being

- 1. Be of healthy mind and body; 2. identify with the Company's purpose; 3. build good relationships that recognize diversity; and 4. demonstrate one's own values and strengths in the pursuit of work one can enjoy.**

#### ■ Strengthening human capital starting with employee well-being



## 1 Health Management (physical and mental health)

The Group aims to improve its human capital by ensuring employees remain healthy, happy, and capable of continuously demonstrating their abilities.

### (1) Optimizing work styles

The Group has established the Work Style Reform Headquarters, led by the President, and formulated the Declaration on Work Style Reform.

We are actively engaged in building a comfortable working environment to enable diverse work styles and a good work-life balance. The average monthly overtime (i.e., the time that exceeds legal working time) for employees at SuMi TRUST Bank is 21.9 hours, and no employees worked more than 60 hours of overtime (in FY2021). We encourage employees to take one day of leave a month, and in the last three years, the rate of employees taking paid holiday and number of days taken has increased. We are also promoting staggered working hours, and working from home and at satellite offices, in order to make work styles more flexible.

To further optimize working styles, we will expand the break between work shifts from 9 hours to 11 hours during FY2022.

### Declaration on Work Style Reform

SuMi TRUST Group hereby declares it a top management commitment 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. The Group as a whole will work towards the following goals.

- 1. Achieving diverse work styles and work-life balance**
- 2. Supporting health improvement through measures such as boosting health awareness and appropriately managing work hours**
- 3. Providing opportunities for all employees to grow while participating actively with motivation**

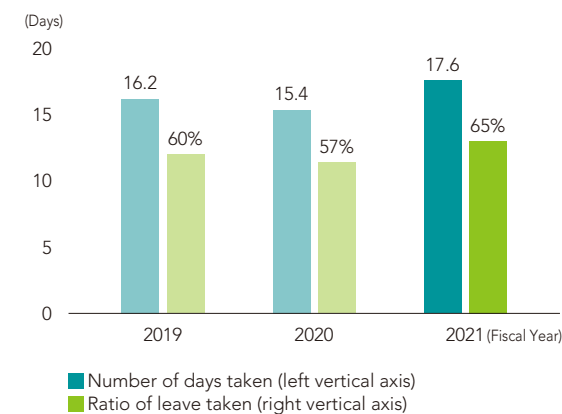
Through the enthusiastic work of each individual employee, we will continue to be a corporate group that contributes to the benefit of clients and is useful to society.

### (2) Health management

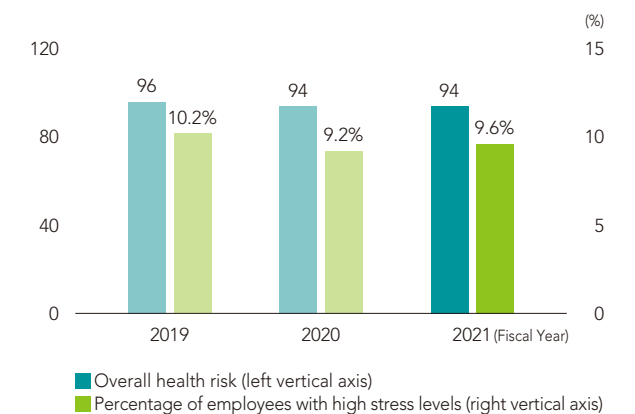
The Group has been recognized for the fifth year running for its initiatives to promote physical and mental health among all of its employees with the White 500 designation for organizations promoting outstanding health and productivity management. To promote physical health, SuMi TRUST Bank conducts annual health checkups, prohibits smoking in all buildings, has lowered the minimum age for breast and cervical cancer screening, and more. Individual guidance is provided to ensure that all employees who, based on their

health checkup results, require treatment at medical facilities get the treatment they need, and recent re-examination rates are from 60% to 70%. We work to help maintain mental health among employees by understanding their condition through measuring stress levels, presenteeism, and absenteeism, and by holding seminars dealing with mindfulness, mental health, and other topics. The Bank will continue to put more effort into guiding employee health and promoting health management suited to the era of 100-year life.

#### ■ Paid leave taken (SuMi TRUST Bank)



#### ■ Stress checks (SuMi TRUST Bank)



\* Comprehensive health risk: Standard population = 100, lower scores denote more favorable levels.

2 Enhancing Engagement (Identifying with the Company's Purpose)

The Group is enhancing engagement to help employees identify with the Company's Purpose and to actively address management issues and our societal mission.

(1) Instilling our Purpose

The Group has a Purpose: creating new value with the power of trusts and let a prosperous future for our clients and society bloom. SuMi TRUST Bank has held an event called the President's Caravan 26 times (with approximately 12,000 participants), to further instill our Purpose by having the President himself communicate his thoughts on the topic to employees. The Bank also has provided online lectures by the President to all section managers and team leaders that aim to increase understanding of the Purpose and our management strategy and achieve two-way communication that emphasizes dialogue.

(2) A culture that fosters motivation and job satisfaction

The Group is working to build a culture that encourages all employees to learn and challenge themselves, and encourages two-way communication, in order to provide them with fulfillment and opportunities for active growth. At SuMi TRUST Bank, branch managers lead seminars during which they communicate their own experiences and the things they have

learned, and the Bank has also introduced one-on-one coaching to improve communication skills among management, all as a part of our quest to build an open workplace environment where employees feel emotionally protected. In addition, the Bank has introduced employee awareness and pulse surveys to help management get a better understanding of employee opinions. The awareness survey measures satisfaction and vitality levels, which serve as a guideline by which to measure employee engagement, and the Bank has maintained a benchmark of 60 points in each. The Bank has also maintained high scores on questions that measure the degree to which employees identify with our Purpose. Through initiatives such as there, the number of indefinite-term employees who left their jobs for personal reasons in FY2021 remained at 458 individuals.

Moreover, the Bank is currently considering the introduction of stock compensation (in the form of an RS trust\*) in order to help employees align their vectors with the Company and pursue medium to long-term growth together.

\* RS trust: A system that combines the advantages of share delivery trusts and restricted stocks.

Employee awareness survey (of satisfaction/vitality levels) (SuMi TRUST Bank)



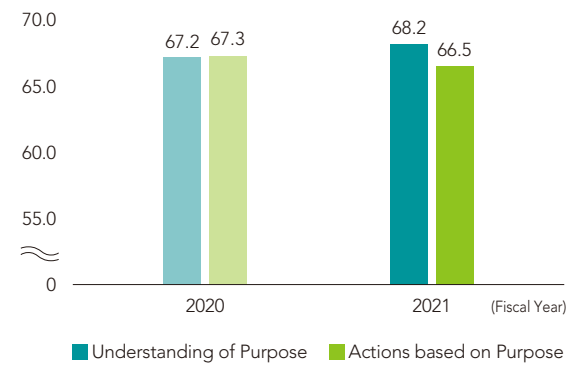
(3) Promoting well-being

In April 2021, the Group established officers in charge of well-being. As a part the "Well-being Initiative" hosted by Nikkei Inc., we have been participating in collaborative sessions between industry, government, and academic bodies, and we have been strengthening internal and external

well-being promotion activities.

Officers in charge of well-being communicate personally to employees about the meaning and significance of the term "well-being" with the aim of instilling a culture conducive to it. More than 10,000 employees participated in 34 such "online caravan" events held in FY2021.

Employee awareness survey (of identification with our Purpose) (SuMi TRUST Bank)



Providing Employees with "FINANCIAL WELL-BEING"

The Group is striving to contribute to "FINANCIAL WELL-BEING"\*, one of the ways in which we are working to build the prosperous future that is the goal of our Purpose, and aim to become best partner in the era of 100-year life. As we move towards achieving our Purpose, we consider "FINANCIAL WELL-BEING" to be a part of the value we are creating for the overall well-being of our clients and society as a whole, and we offer every individual client options tailored to their continued happiness over 100 years of life.

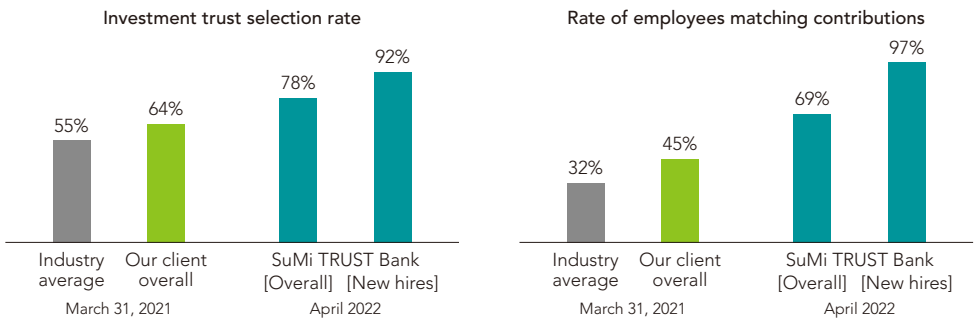
\* "FINANCIAL WELL-BEING" refers to when an individual has prepared the money and assets they may need for contingencies and for the future, allowing them to have peace of mind.

SuMi TRUST Bank is strengthening its asset-formation support for employees, who are creators of value, to help them gain their own "FINANCIAL WELL-BEING". The Bank aims to achieve this by building it as a mechanism for both employees and the Company to pursue medium- to long-term growth by reviewing the possibility of introducing a stock compensation system for all employees, and expanding defined contribution pension trusts, stock ownership plans, variety of insurance, and other company welfare plans. Moreover, the Bank aims to return to our employees the high-quality investment education know-how gained through its pension business and for workplace businesses.

Regarding defined contribution pension trusts, more than 70% of employees selected the investment trust option, and approximately 70% also match those contributions using matching contributions. New employees who joined the Group in 2022 were offered the opportunity to take part in educational programs that harnessed the know-how of the Sumitomo Mitsui Trust Financial Education Institute, the Pension Division, and Sumitomo Mitsui Trust Life Partners (a Group company), which resulted in more than 90% of them choosing to take part in the investment trust and matching contributions.

During FY2022, the Bank will promote better financial literacy and autonomous asset formation by providing all employees training focused on "FINANCIAL WELL-BEING" and other educational programs that will stand as the best financial education in the country.

Utilization of defined contribution pension trusts (corporate)



3 Strengthening the Organization (through good relationships that recognize diversity)

The Group upholds the concept of diversity and inclusion by utilizing the diversity and creativity of each individual in management as its management principles ("Mission"), and our aim is to increase our human capital by making full use of that diversity and creativity as added value for the organization.

(1) Initiatives for active participation and advancement of women

The Group has signed on to the Keidanren "Here We Go Year 2030 30%" project, under which companies aim to have 30% or more of their female executives by the year 2030, and we have established a KPI that will increase the ratio of women in management positions (section managers, team leaders, and above) to 20% or more by the end of March 2025 (currently at 15% as of March 2022).

As a part of its general business owner action plan to promote the active participation and advancement of women, SuMi TRUST Bank set a goal of increasing the number of women in management positions (section managers, team leaders, and above) to 300 by the end of March 2020, and the Bank was able to achieve that ahead of schedule in 2019. The Bank has formulated a new plan which aims 20% or more of women in management positions (section managers, team leaders, and above) (and 30% by 2030), and 30% or more of women in management

roles (and 34% by 2030) by the end of October 2024. The Bank has implemented training for all employees, and rank-based training for female leaders, and offered support for independent career development. In FY2021, the Bank introduced the Support Executive Program through which executives support female management, and all Managing Executive Officers were involved in providing career development support to 40 women in management roles over the course of roughly one year.

(2) Promoting active participation by diverse human resources

• Empowering mid-career hires

In order to establish new growth fields while maintaining the broad business fields unique to a trust bank group, it is essential to employ individuals with a diverse range of experience and skills. SuMi TRUST Bank hires mid-career employees from a wide array of backgrounds, and they account for approximately 20% of all employees, including at the management level. In recent years, the Bank has been working to have a positive impact that will lead to a more sustainable society through such efforts as launching a Technology-based Finance team which works to find new areas of growth staffed by individuals who hold master’s degrees and PhDs in science and engineering.

■ Number of mid-career hires (SuMi TRUST Bank)

	FY2019	FY2020	FY2021	FY2022 (Planned)
Number of mid-career hires	116	118	139	200

■ Percentage of mid-career hires (SuMi TRUST Bank)

Regular hires	Mid-career hires
79%	21%

• Promoting the active participation by disabled persons

The Group aims to build a working environment where all employees, regardless of their disability, can work with motivation as members of the workplace. At SuMi TRUST Bank, employees with disabilities work at 103 departments (as of end of March 2022) where they have contact with clients or perform back-office tasks. In addition to supporting employees with physical disabilities, starting in FY2022, the Bank has begun promoting projects aimed at expanding hiring of individuals with intellectual and developmental disabilities. (The plan is promoted by employees who participate voluntarily through the internal job posting system.)

■ Employment of individuals with disabilities (SuMi TRUST Bank)

	March 31, 2020	March 31, 2021	March 31, 2022
Employment ratio of disabled persons	2.29%	2.32%	2.23%
Number of departments with disabled persons	108	111	103

• Empowerment of employees of other nationalities

SuMi TRUST Bank employees approximately 80 individuals with other nationalities in Japan, and more than 700 at overseas offices, with approximately 70% of management positions at overseas offices filled by local staff. For employees working at overseas branches and subsidiaries, the Bank conducts training aimed at giving a better understanding of the Group and its operations, and at strengthening networks between employees in different countries. The Bank also engages in personnel exchanges between overseas offices through long-term business trips.

• Initiatives on supporting work-life balance

In April 2021, SuMi TRUST Bank extended its retirement age from 60 to 65 years as part of the effort to create a working environment that allows employees to work actively in line with the increase in average life and healthy life expectancy. In addition, the Bank is also working to enhance various systems and foster a culture of work-life balance so that people can find the working style best suited to them, and can continue to develop their careers even when experiencing major life events. In FY2022, the Bank established a new leave program for parents with newborns that allows male employees to take long-term childcare leave before and after a baby is born, encouraging employees to take a month’s leave. The Bank will continue to provide employees with more options than simply “career or family,” and will support their independent career development.

■ Expanding systems to support work-life balance (SuMi TRUST Bank)

Fiscal Year	Issue	Measure
2016	Relocation due to spouse job transfer	Established new system for workplace reassignments
2017	Accompanying spouse on overseas transfer	Established new system for employees to take leave to accompany spouses on overseas transfers
2019	Balancing between cancer treatments and work	Established cancer treatment leave
2021	Balancing between fertility treatments and work	Established the Fertility Counselling Office
2022	Promoting childcare leave for male employees	Established new childcare leave

■ Current state of work-life balance support (SuMi TRUST Bank)

	FY2019	FY2020	FY2021
Number of employees taking childcare leave	356	393	449
Number of male employees taking childcare leave	164	168	213
Percentage of male employees taking childcare leave	103%	105%	113%
Number of employees taking nursing care leave	177	180	244
Number of employees taking cancer treatment leave	35	31	50
Number of employees with workplace reassignments	150	201	255
Number of employees taking leave to accompany spouses on overseas transfers	18	14	21

\* Calculated for fiscal year to date. Workplace reassignments are cumulative and calculated from the time the system was implemented.

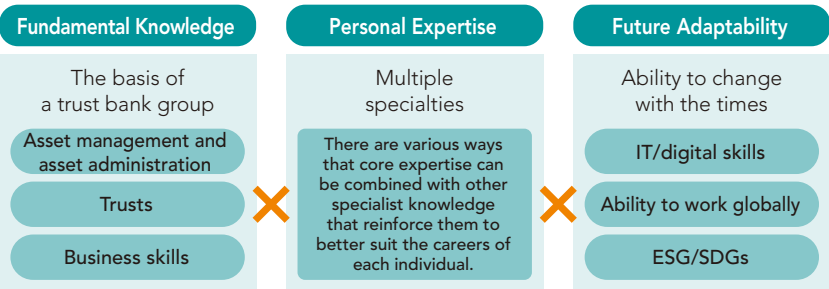
4 Bolstering Human Resources (demonstrating one’s own values and strengths)

The Group established the Human Resources Development Policy in April 2018 with the aim of becoming the No. 1 financial group for human resource development. Based on that policy, we aim to enhance our human capital by focusing on cultivating “independent, career-oriented personnel,” employees who think about where they want to be in the future and act on their own to make it happen.

(1) Independent, career-oriented personnel

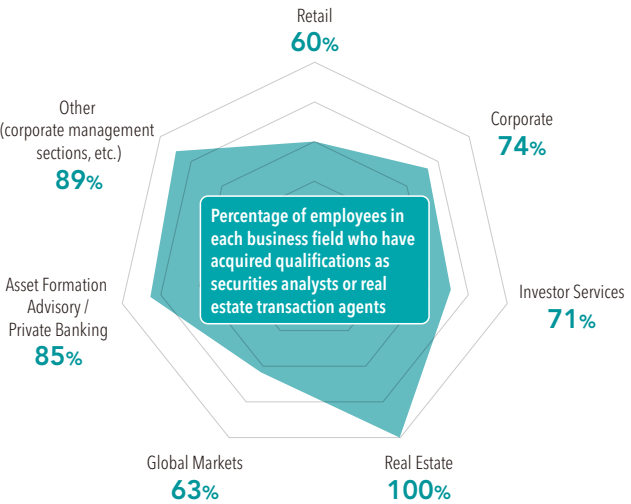
In its human resource development efforts, the Group defines independent, career-oriented personnel as, “personnel with the fundamental knowledge of trusts who combine multiple specialties, think about where to focus and about what expertise to merge together as they build their own careers.”

Today’s social systems are becoming increasingly interdependent and complex, with various issues and risk elaborately intertwined, making multi-faceted responses necessary. We will create personnel capable of adapting to the future by harnessing the comprehensive abilities that arise from fusing together expertise gained over a career with the fundamental skills each person holds.



• The basis of a trust bank group

Many SuMi TRUST Bank employees have qualifications as real estate transaction agents, securities analysts, and other such professions that are deeply tied to the trust business. By assigning such employees to each business area in a balanced way, and by allowing them to gain more expertise through their



■ The Human Resources Development Policy

**SuMi TRUST Group Human Resources Development Policy**

SuMi TRUST Group will maintain its workplace environment and bolster its human resources based on a career development spirit consisting of “TRUST,” for the growth and career development of the employees who will create our future.

**Talent**.....Talent (individuality) can blossom  
**Respect**.....Respect each individual  
**Uniqueness**.....Develop true professionals  
**Support**.....Make mutual teaching and support our motto  
**Try**.....Praise small, daily challenges

Based on the “fiduciary spirit of TRUST,” SuMi TRUST Group aims to contribute to our clients and the continuous development of society through the growth of our employees, thereby maximizing the creation of shared value and becoming the corporate group that is chosen by society.

■ Number of personnel with certain qualifications (SuMi TRUST Bank)  
(As of March 2022)

Real estate transaction agent	6,370
Securities analyst	793
Real estate transaction agent & securities analyst	597
Financial planner - 1st Grade	788
Pension actuary	47
Actuary	43
Real estate appraiser/assistant appraiser	159
In-house lawyer	33
CPA	10
Licensed tax accountant	9
Labor and social security attorney	40
PhD	14



Human Resources Strategy

• Multiple specialties

SuMi TRUST Bank is working to visualize the quality and size of its human resources portfolio, and employees are assigned to or strategically rotated between positions with the aim of giving them the opportunity to demonstrate their abilities to the fullest and to play active roles, based on the assessment.

In addition, the Bank has implemented a “work challenge system” (allowing applicants to be assigned to specific business areas or jobs) for new hires, and has run a training and development program for young employees so that new recruits can experience multiple businesses within their first five years with the company, all in order to promote independent career-development among employees. The Bank

has also expanded its job posting system and holds business briefings where attendees can learn more about each business and get an opportunity to think about their own future career development, after which jobs are posted. (In FY2021, 549 individuals attended business briefings.) Roughly 25% of employees who applied through the job posting system work in the job or department they selected.

The Bank launched its in-house side job system in FY2021, with the aim of integrating human resources and know-how in a way that transcends traditional operational boundaries, promoting skill development and innovation through engaging in side projects that interest employees once a week.

■ Career development support (SuMi TRUST Bank)

	FY2019	FY2020	FY2021
Number of internal job posting system users	595	339	359
Percentage who passed hiring phase	24%	32%	27%
Average age of applicants	—	32.6	30.8

\* Open positions were posted twice in FY2019, and once a year thereafter.

■ Examples of in-house side job project (SuMi TRUST Bank)

Project	Details
Well-being Promotion	Handles internal and external promotion of well-being (through producing newsletters, booklets, branding activities, etc.)
Life Plan Consulting	Offers life plan consulting services for occupational clients (through an online portal)
My Future Project	Administrative staff at Corporate Business challenge other departments in their own area of business
Digital Academy	Plans and operates digital-based human resources training within the Digital Academy
RPA Building	Produces RPA (UiPath) and promotes automation of operations

• Ability to change with the times

SuMi TRUST Bank is focusing on re-skilling by expanding IT and digital skills training and expanding its support for employees acquiring IT and digital qualifications in order to strengthen its skillset of IT and digital-related technologies to better promote the trust business. In FY2022, the Bank is significantly increasing investment in re-skilling focused on IT and digital technologies, offering fundamental training in AI and cloud computing and skills training for DX and RPA builders, and dispatching employees to universities and other research institutions working in the fields of blockchain technology and information security. The Bank is promoting businesses that adapt to

changes in the environment and client needs using digital technologies, and working to improve operational efficiency through analysis and visualization of operational processes.

The Bank is also supporting the acquisition of knowledge and skills outside the IT and digital technology realms that will help build a better future, and giving back to its employees the high-quality investment educational know-how honed through its work in the pension business and consulting for occupational clients, and by doing so, the Bank is able to promote financial education and better understanding of ESG and SDGs. By giving people the ability to change with the times, the Bank aims to ensure its employees can adapt to the future.

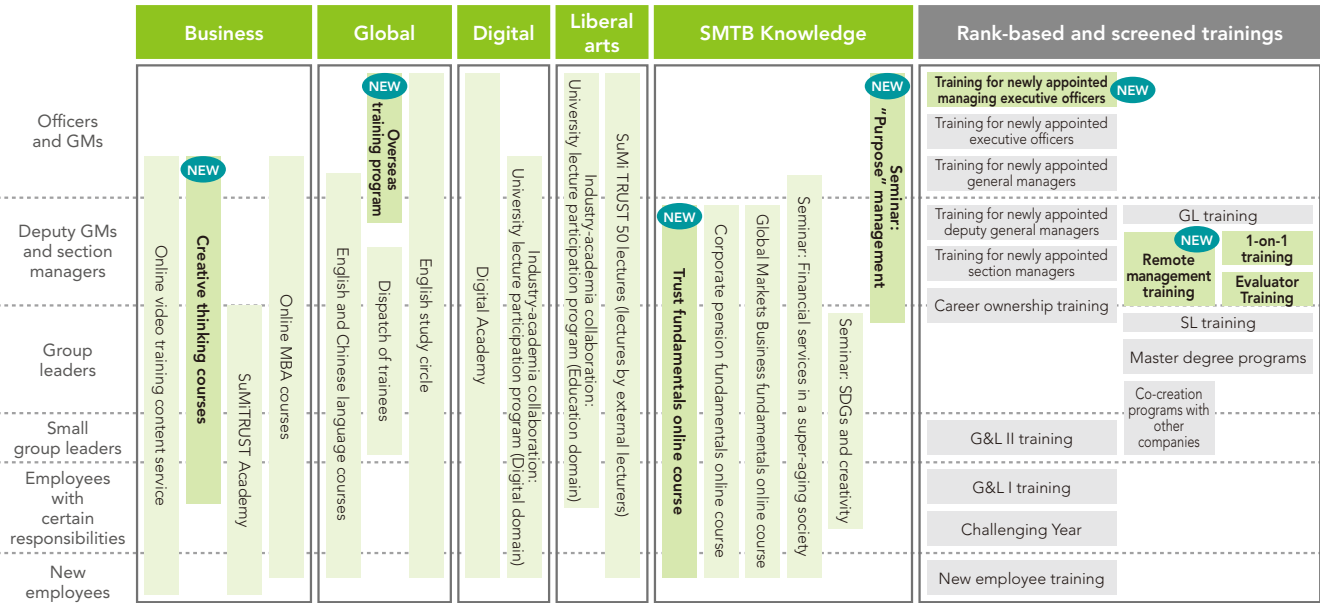
(2) Expanding investment in human resources development

The Group aims to be the No. 1 financial group for human resource development, and we are striving to bolster human resources by expanding investment in human resource development. SuMiTRUST University is an internal training program that provides group training to improve operational skills and management abilities, in addition to offering numerous options for independent study for self-improvement. The officer in charge of Human Resources serves as president of SuMiTRUST University while an outside expert serves as vice-president, and the cross-group program is run

on the management advice of university professors and other individuals. Since FY2020, SuMiTRUST University has been expanding its online and other content to transform it into “a platform for discovering the motivation to learn, for connecting with and learning from others.”

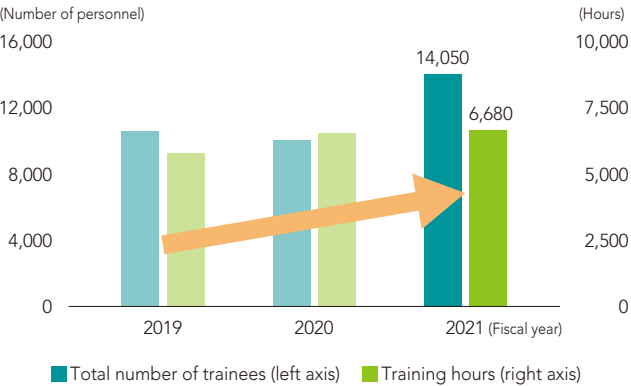
Management training involves rank-based options for newly appointed personnel, one-on-one training, remote management training, and evaluator training, all of which help bolster organizational management aimed at each and every employee.

■ Concept Image of SuMiTRUST University



\* Overseas training program: Candidates for management positions are sent to business schools overseas to take short-term programs that give them managerial skills applicable worldwide.  
\* Seminars: Experts from inside and outside the company lead seminars that focus on discussion and output. Seminars typically have 10-20 participants, and they run for three to six months.

■ Training status (SuMi TRUST Bank)



■ Investment in HR development (SuMi TRUST Bank)

	FY2021
Total number of trainees	14,050
Including number of selected or nominated trainees	188
Training hours	6,680
Training days	212
Training costs	540 million yen
Training costs (including personnel expenses)	(1.04 billion yen)
Training cost per person	53,000 yen

### (3) Human resources portfolio

SuMi TRUST Bank is working to identify which personnel will be important in further promoting the Group's business model through assessments connected to visualization of its human resources portfolio. The Bank will continue to expand that portfolio through independent career development, gaining of experience, and strengthening its investment in human resource development.

#### • Specialized professionals (fellows)

Employees with significant contributions to corporate earnings and for the value they have added using their advanced expertise are certified as a fellow. Fellows include financial consultants and front office staff, but also personnel from the middle and back offices. Previously, fellows were selected from senior personnel who had been evaluated highly for the experience they had cultivated over the years, but from FY2022, SuMi TRUST Bank will be certifying fellows from a wide range of groups regardless of age, as the Bank strives to expand its pool of specialized professional.

#### • Senior management personnel

SuMi TRUST Bank holds training for select personnel each year to continuously develop future management candidates through GL training (for global and general leaders) and SL training (for strategic leaders.) The goal of GL training is to develop the next generation of senior management

candidates, while SL training aims to develop the next generation of leaders. Under the guidance of external invitee lecturers, the Bank provides the training to learn the necessary perspectives for management and strategic thinking.

The Bank also holds training sessions for newly-appointed managing executives and officers to enhance their management skills.

#### • Globally capable personnel

This initiative is aimed at developing personnel who will drive global business. In addition to expanding its pool of potential global talent through training to improve language skills, employees who have never worked overseas are given hands-on experience by being dispatched to overseas offices or being assigned to global businesses in Japan. SuMi TRUST Bank also conducts personnel exchanges by bringing local staff from overseas offices and subsidiaries to Japan, and through long-term business trips.

#### • Women and mid-career hires in management

Diversity is a source of innovation, and in order to understand the wishes of our clients and give them shape, it is important to build a corporate culture that ensures and accepts diversity. In order to fully harness the diversity and creativity of individual personnel as added value for the organization, SuMi TRUST Bank is increasing the number of women and mid-career hires in posts of section manager and higher.

#### ■ Current human resource portfolio (SuMi TRUST Bank)

	End of March 2022
Specialized professionals (number of certified fellows)	172
Senior management personnel (number of select training participants)	393
Globally capable personnel	610
Percentage of women in section manager posts or higher	13%
Percentage of mid-career hires in section manager posts or higher	21%