

Message

Message from the Chief Human Resource Officer (CHRO)



Takumi Fujisawa
Managing Executive Officer CHRO
SuMi TRUST Group

The Group has established a virtuous circulation that “realizes well-being for all stakeholders” and “enhances corporate value.” This circulation is designed to address the evolving needs of customers and address pressing social issues by leveraging the Power of Trust.

We firmly believe that human capital is the most important foundation for management that supports this “virtuous circulation.” In today’s rapidly globalizing and technologically innovating world, our competitiveness and sustainable growth stem from the autonomous behavior of each employee as they strive to create new value based on our Purpose, “Trust for a flourishing future.”

To continuously strengthen our human capital, we launched a new personnel system at our core subsidiary, SuMi TRUST Bank, in fiscal 2025. The new system will empower employees to shape their careers and foster an environment where diverse talent, regardless of gender or age, can embrace challenges and contribute based on their wills and skills. This system is designed to enhance the professional growth of each individual and ensure optimal placement within the organization.

Moving forward, we will continue to advance our human capital strategy further to ensure that diverse, specialized talent continues to deliver new value to our customers and society by leveraging their strengths and mutually enhancing one another.

1. Human Capital Strategy to “Trust for a flourishing future”

Human capital is an important part of realizing SuMi TRUST Group’s Purpose, promoting a virtuous circulation of funds, assets, and capital through initiatives that address social issues, and achieving growth through creation of new markets.

The Group’s human capital strategy is to create an environment where each employee can act autonomously, as they aspire to “Trust for a flourishing future,” take on the challenge of creating new value, and play an active role. This approach enables them to showcase their unique skill sets and contribute to the organization’s overall strength.

The Group has defined “Well-being for our employees” as a key objective in its Medium-Term Management Plan, which began in fiscal 2023. To that end, the Group has initiated a series of initiatives aimed at expanding the profes-

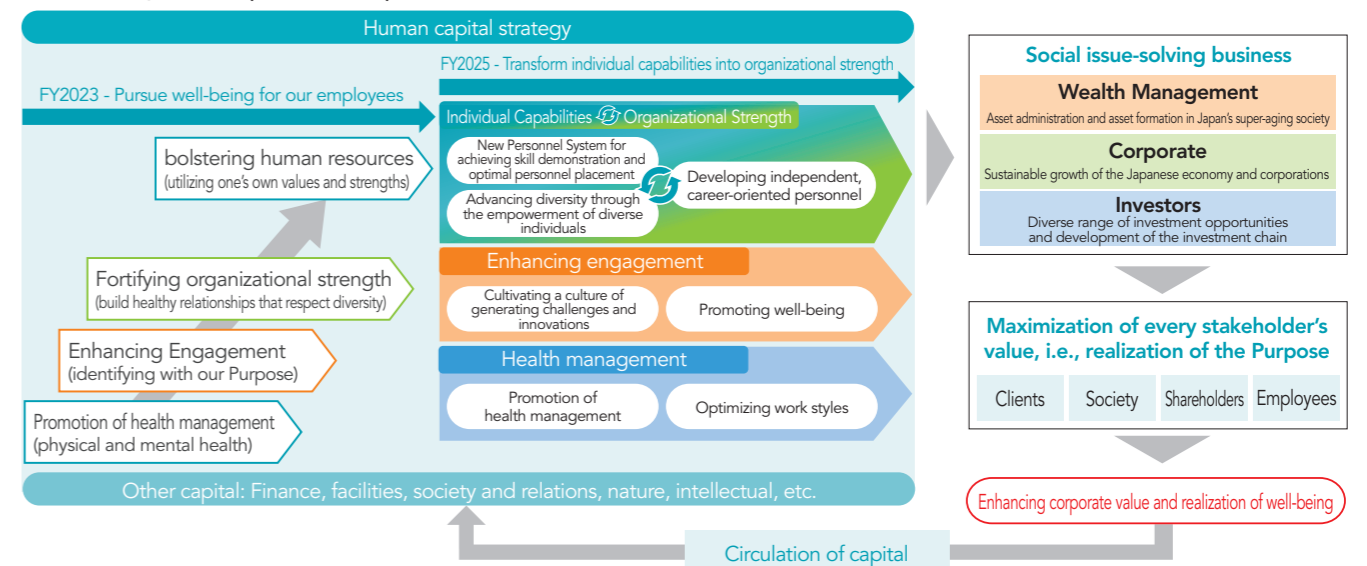
sional competencies of each employee. In fiscal 2025, the final year of the Medium-Term Management Plan, we will “Transform individual capabilities into organizational strength.” We will implement a new personnel system at SuMi TRUST Bank and promote a culture of challenge and innovation. We will accomplish this by focusing on our purpose and values and updating our communication methods. The objective is to enhance employee engagement.

Additionally, in fiscal 2025, the Group established a Human Capital Committee, chaired by the CHRO, as an advisory body to the Executive Committee. The committee reviews and oversees human capital initiatives across the entire Group, thereby enhancing the effectiveness of human capital strategies.

Well-being for our employees

Be of healthy mind and body, identify with our Purpose, build healthy relationships that respect diversity, and feel and pursue wellness in their own work by utilizing their own values and strengths.

Positioning our Group’s Human Capital in the Value Creation Process



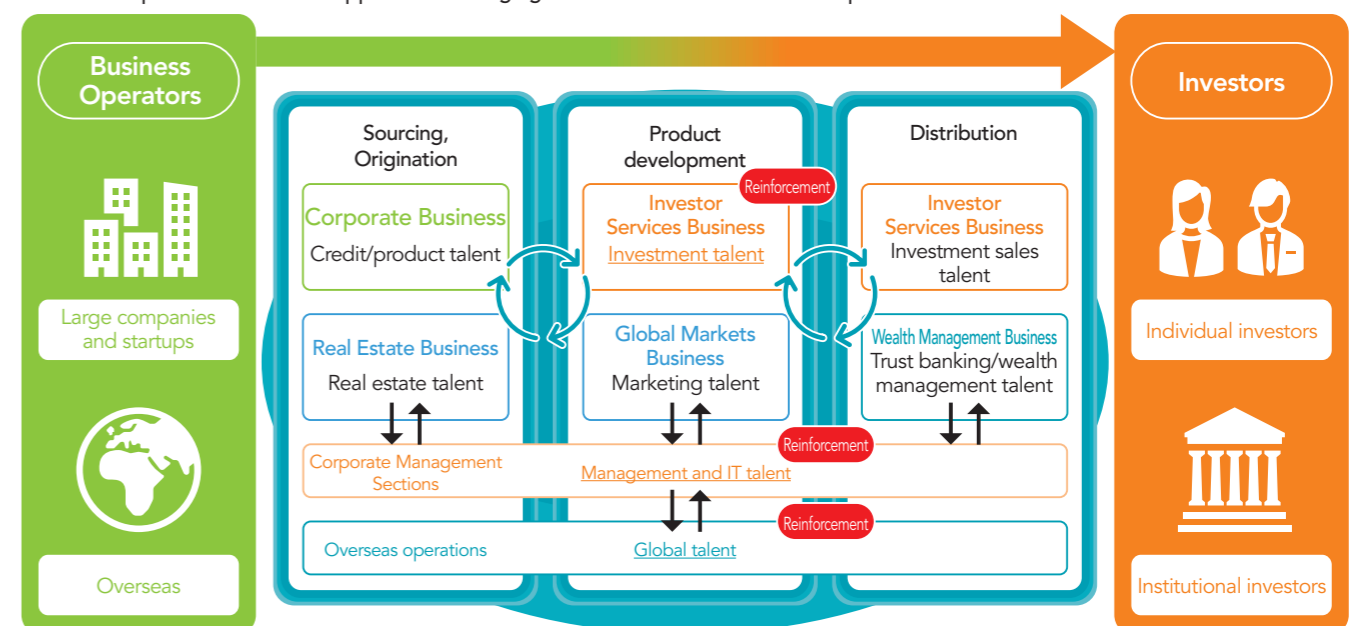
2. Developing a Workforce Portfolio to Execute Management Strategies: Transform Individual Capabilities into Organizational Strength

To sustainably maintain and strengthen our human capital in order to realize our management strategy, the Group is building a diverse, specialized workforce to support our extensive range of functions and business portfolio.

Our focus is on human resource development and providing career development support, with the objective of enabling each employee to evolve into an “autonomous career-oriented person” who considers their future aspirations and takes action to achieve them.

We will enhance our personnel system, evaluation processes, placement procedures, promotion management, and human resource development programs in a flexible manner. Our objective is to establish a work environment in which each employee can contribute meaningfully. This environment will provide fair and equitable support based on career stage and life events, thereby maximizing each individual’s capabilities to contribute to the organization.

Our Group’s workforce that supports wide-ranging functions and diverse business portfolios

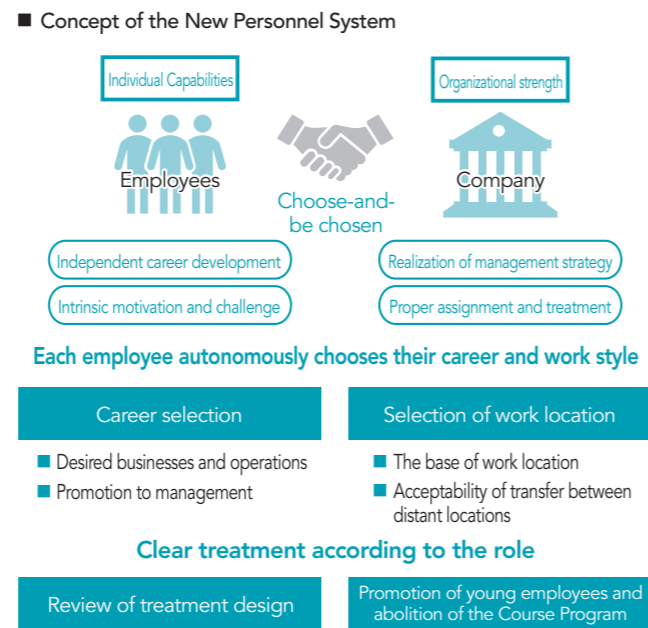


Create a diverse and specialized workforce unique to the Trust Group by managing assignments and transfers across businesses

(i) The new personnel system designed to effectively demonstrate employees' skills and ensure optimal placement

The personnel evaluation system of SuMi TRUST Group is "self-participatory." Employees discuss with their supervisors to set specific task objectives, and at the end of the fiscal year, they review the outcome and the process for achieving them, to ensure a high level of satisfaction regarding their appraisal.

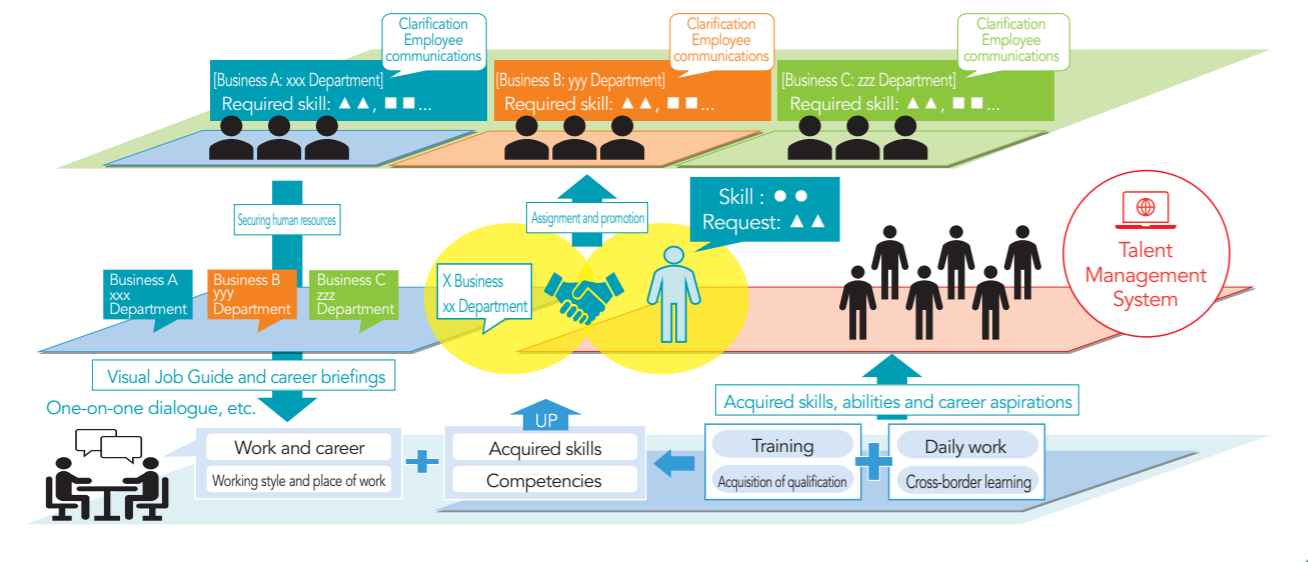
SuMi TRUST Bank has implemented a new personnel system in fiscal 2025 in response to recent changes in the human capital environment, including a declining labor force, intensifying competition for human resources, and diversifying work styles. Employees and the company build an equitable relationship through a "choose-and-be chosen" approach, fostering shared growth and development. Employees are empowered to make independent career and work style choices, while the company assigns and promotes employees based on their "will" and "skills." The company offers a clear treatment system according to the roles employees play, thereby maximizing each employee's abilities, optimizing the allocation of human resources, and enhancing the "Organizational Strength."



"Choose-and-be chosen" relationship between employees and the company

In the "choose-and-be chosen" relationship between employees and the company, employees are expected to embody their aspirations and form of working, and to acquire and improve their skills and abilities (competencies) to realize them. At the same time, the company is developing an environment in which diverse employees can play an active role and take on various roles through one-on-one dialogue. The company is also disseminating information, such as the "Visual Job Guide" and the "Skill Map," to help employees understand their desired jobs and the necessary skills. The company recognizes that managers are often occupied with daily tasks and guiding their staff members through the measurement of presenteeism. To support employees' career development, the company is implementing several initiatives. These include optimizing the scale of organizations and increasing the number of managers. The company is also placing in-house career consultants.

In addition, our new Talent Management System to be introduced will enable employees to recognize their skills and work experience, understand the gap between their current situation and their career goals, and identify the learning and work experience needed to achieve those goals, fostering autonomous career development. The company will also use the system to identify the workforce needed to achieve its management strategies, optimize personnel placement for growth, and improve assignment management.



(ii) Developing independent, career-oriented personnel

Self-selection and self-determination of employees are important for developing independent, career-oriented personnel. To this end, the Group will support the efforts and challenges of each and every employee to realize their "Aspiration" through the expansion of options as well as the development of systems and environments that enable employees to make their own choices and self-determination.

Progress in job postings (SuMi TRUST Bank)

	FY2022	FY2023	FY2024
Number of internal job posting system applicants	377	425	415
Percentage of employees who qualified through the job posting system	33%	32%	33%
Average age of applicants for job postings	31.6	32.6	30.8

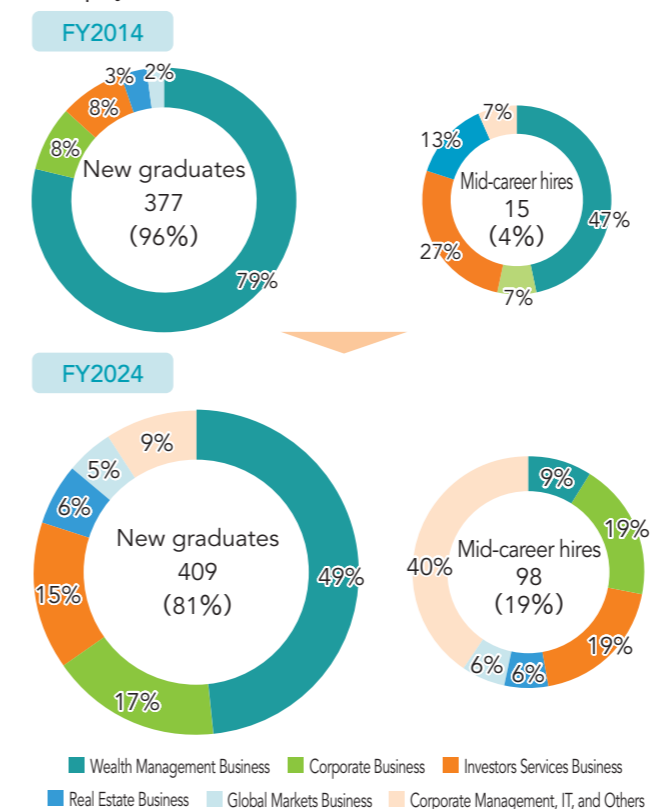
Examples of in-house side job projects (SuMi TRUST Bank)

Project	Details
Well-being promoter	Plans internal and external promotion of well-being (event planning, internal and external social activities and information dissemination)
Life plan consulting	Offers life plan consulting services for occupational clients (an online portal, strategic planning for the asset formation generation)
My Future Project	Administrative staff at Corporate Business to tackle challenges at other departments in their own area of business
Robotic Process Automation builder	Builds Robotic Process Automation and promotes automation of the affiliated business
Sustainability	Planning and developing measures for sustainability work at Group companies
University of Tokyo Joint Research Dispatch (Zero Carbon)	Participation in joint research with the University of Tokyo (examination of supply of funds and investment that contribute to solving social issues)
Digital Marketing	Examining the enhancement of marketing by advanced technology-enabled analytics in collaboration with major tech companies

(1) Strategic human resource assignment and multiple specialties across businesses

Our Group aims to maximize the potential of employees through strategic personnel placement. SuMi TRUST Bank has established a development program for young employees, in which employees gain experience in multiple businesses within five years of joining the company, so that they can determine their own aptitude for the business through their work experience, and a work challenge system (applicants assigned to specific business areas based on their application) for new graduate hires with the aim of promoting the autonomous career of employees. In addition, the Bank holds in-house business briefings (1,106 participants in FY2024) as an opportunity for employees to learn more about each business area and have an opportunity to consider their own future career development, after which job openings are posted. Approximately one-third of applicants is engaged in a business or department of their choice.

Changes in initial assignments of new graduates and mid-career employees (SuMi TRUST Bank)



(2) Expanding HR development content

In addition to group training aimed at improving employees' skills and abilities (competencies), our internal university, TRUST University, provides employees with opportunities to study liberal arts and learn about globalization, sustainability, and other topics. Our Group is committed to fostering independent professional growth for all employees. In FY2022, we launched a learning management system called "University+," which aims to create new value through seminars in which employees who have no interaction in the ordinary course of business gather for discussions and studies and also have opportunities to exchange opinions and see things from each other's perspective.

Investment in HR development (Training cost per person, FY2024)

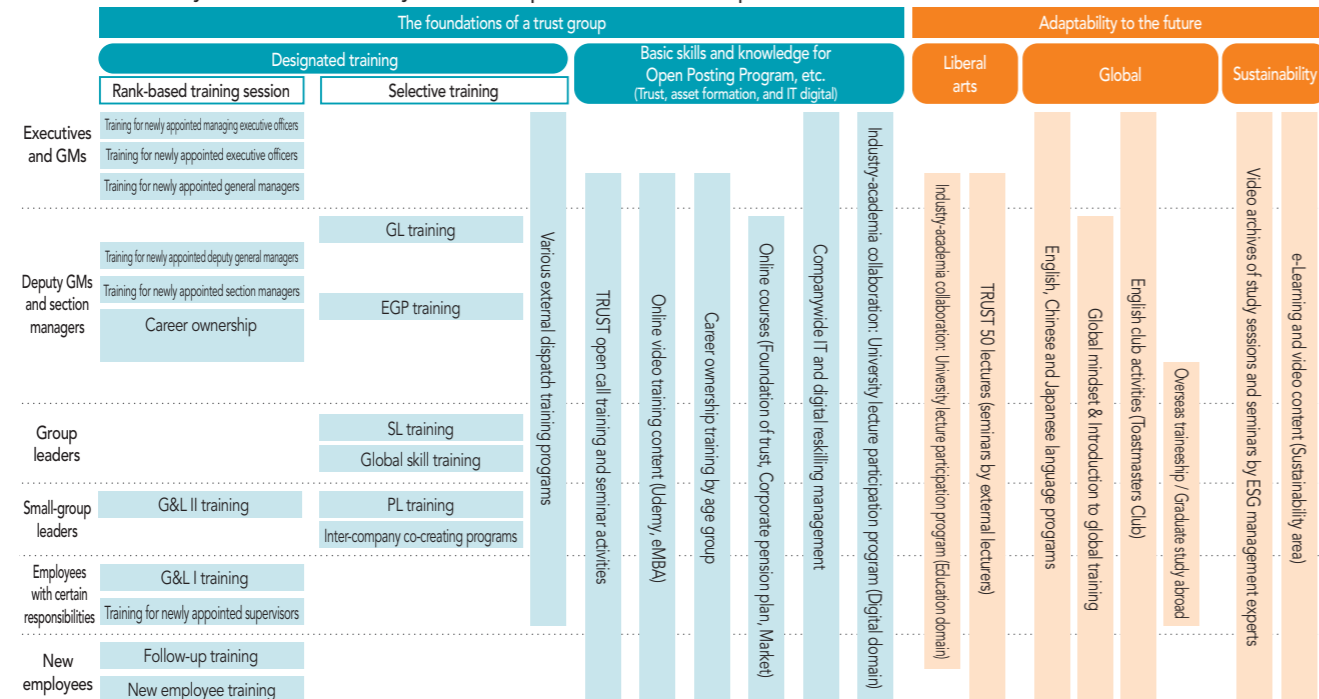
SuMi TRUST Bank	SuMiTAM	Nikko AM
JPY 140 thousand	JPY 72 thousand	JPY 124 thousand

Transition of training activities (SuMi TRUST Bank)

	FY2022	FY2023	FY2024
Total number of trainees	16,781	49,444	54,674
Group training hours	6,759	5,769	5,275

Since FY2023, we have expanded online content that can be learned through personal choice, such as IT and digital topics, and streamlined overlapping content from group training with a focus on internal knowledge. Consequently, while the total number of training participants has significantly increased, the time allocated for group training has decreased.

■ TRUST University, our internal university, fosters independent career development



(3) The foundations of a trust group

Many SuMi TRUST Bank employees have qualifications, such as real estate transaction agents, securities analysts and other certifications that are closely related to trust businesses. The employees enhance their expertise and comprehensive capabilities unique to a trust bank by gaining practical experience through their job assignments. In addition, the Bank has highly specialized employees with qualifications, such as pension actuaries, real estate appraisers, and other specialized qualifications, all of whom contribute to increasing the number of professionals in the Group.

■ Number of personnel with certain qualifications (SuMi TRUST Bank, as of the end of March 2025)

Real estate transaction agent	6,541
Securities analyst	763
Real estate transaction agent & securities analyst	554
Financial planner - 1st grade	765
Pension actuary	46
Personnel who passed the real estate appraiser examination	173
In-house lawyer	35
Certified public accountant	15
Licensed tax accountant	13

(4) Ability to change with the times

Since April 2023, SuMi TRUST Bank has established concrete key performance indicators (KPIs) for its IT and digital human resources development that are essential to promoting the trust business. The company has also conducted training and strengthened support for obtaining qualifications. In addition to expanding the pool of global human resource candidates by acquiring foreign language skills through language training, etc., employees with no overseas work experience are dispatched to work abroad and systematically assigned to global operations in Japan.

■ Current human resource portfolio (SuMi TRUST Bank)

	FY2022	FY2023	FY2024
Core IT proficient human resources*	—	245	854
Global talent	650	739	753

* Core IT proficient human resources is a newly established metric aligned with the Medium-Term Management Plan (FY2023–FY2025), and there are no actual figures for FY2022.



Selective training for Group employees (dispatched to overseas business schools)

(5) Senior management personnel (next-generation leaders)

Our Group is committed to identifying critical positions that significantly impact management continuity and to systematically cultivating and managing successors. In partnership with universities in Japan and overseas, we hold training for selected personnel each year, such as GL training (Global & General Leader training: For deputy general managers) and SL training (Strategic Leader training: For section managers). For the participants of these programs, we promote the development of the next generation of leaders and secure a pool of necessary management personnel by offering opportunities to put their learning into practice through promotion, reassignment, and other means. In addition, we are supported by management personnel unique to a trust bank, who possess a diverse range of business experience and are capable of cross-sectional value creation, which is attainable by cross-business personnel assignments unique to a trust bank.

■ Pool of necessary management personnel (SuMi TRUST Bank)

	FY2022	FY2023	FY2024
Number of participants in selective training (cumulative)	419	497	574

■ Progress in securing management personnel (SuMi TRUST Bank, as of the end of March 2025)



The numbers in parentheses in the chart represent the number of employees with the position as of March 31, 2025. GL and SL training participants are the cumulative total of employees with the position and the training experience.

(iii) Advancing diversity through the empowerment of diverse individuals

Our Group implements a variety of initiatives, driven by the conviction that cultivating a diverse pool of human resources, boasting a range of experience and competencies, is pivotal to the long-term growth and success of specialized, professional businesses within a trust group.

(1) Women's active participation promotion / Work-life balance support

Our Group has established key performance indicators (KPIs) in alignment with the Keidanren's "#HereWeGo203030" initiative, with the objective of enhancing the percentage of women in section manager or above positions to a minimum of 26% by the end of March 2028. The long-term goal is to achieve a minimum of 30% representation of women officers by 2030.

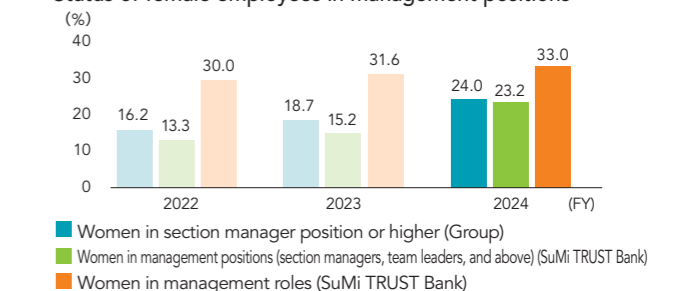
In accordance with the Act on the Promotion of Women's Active Engagement in Professional Life, SuMi TRUST Bank has formulated a general business owner action plan. The plan aims to increase the number of women in management positions to 30% or more by 2030. It establishes KPIs of 26% or higher for the ratio of women section managers and 34% or higher for women in management roles by the end of March 2028. This will strengthen the pipeline for women's advancement and accelerate the appointment of women to higher decision-making positions. As part of these efforts, we are actively supporting the career development of women by implementing two programs: "Executive Support" is a program in which directors are responsible for fostering female employees; and "Women Leadership

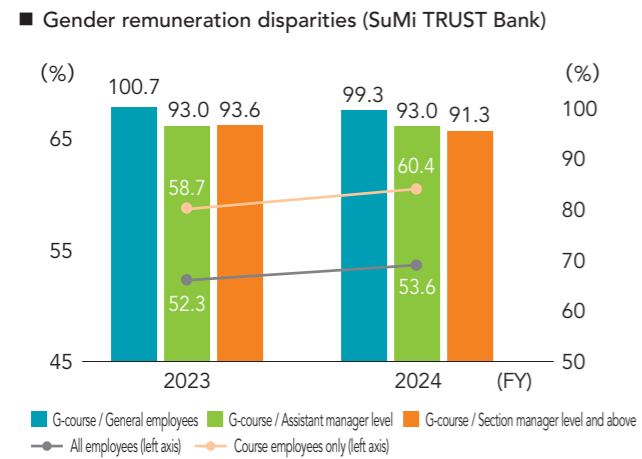
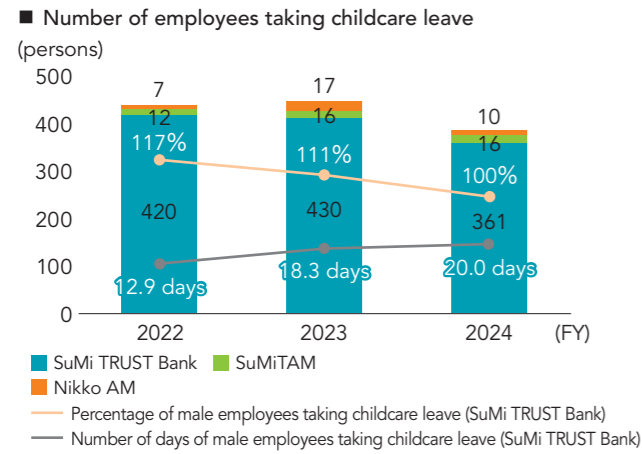
Training" is a training program designed for candidates for management positions.

In recognition of these initiatives, SuMi TRUST Bank has made the promotion of diversity, equity, and inclusion (DE&I) one of its management strategies. The company was honored with the grand prize in the J-Win Diversity Award 2025- Advanced Category, recognizing companies that consistently produce women leaders.

In addition, we are focusing on enhancing our work-life balance support program and cultivating a workplace culture that enables flexible working styles tailored to each employee's lifestyle. We also aim to provide career development support that is not influenced by life events. SuMi TRUST Bank actively encourages male employees to take childcare leave, and the average number of days taken has increased to over 20. Furthermore, we encourage male employees to participate in childcare by offering them "baby care leave," which allows them to take an extended leave for childcare purposes.

■ Status of female employees in management positions





Gender remuneration disparities among all employees and course employees (about 75% of all employees) are influenced by factors such as the higher concentration of men in managerial roles in higher-paying G-course positions. In G-course, gender remuneration disparities for each position exceed 90%. However, as the remuneration gap tends to widen at the level of managers and above where women's life events occur, we are promoting women to managerial positions, and simultaneously implementing measures to minimize women's career breaks, such as support for their early return to work.

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

FY	Issue	Action
FY2017	Accompanying spouse on overseas transfer	Established new system for employees to take leave to accompany spouses on overseas transfers
FY2019	Balancing cancer treatment and work	Established cancer treatment leave
FY2021	Balancing between fertility treatments and work	Established the Fertility Counselling Office
FY2022	Commencing childcare leave for male employees	Established new childcare leave
FY2023	Support for early return to work	Increased the number of affiliated childcare facilities and introduced a work-life balance support system including household assistance services
FY2024	Further promoting childcare leave for male employees	Reinforce initiatives designed to motivate male employees to take a month of childcare leave

■ Number of employees using systems to optimize work-life balance

	FY2022	FY2023	FY2024
Number of employees taking nursing care leave	284	320	367
Number of employees taking cancer treatment leave	50	40	56
Number of employees taking leave of absence to accompany family members overseas	17	22	45



2025 J-Win Diversity Award Commendation Ceremony

(2) Promoting the success of persons with disability

SuMi TRUST Group aims to create a working environment where all employees, regardless of their disability, can work with sense of fulfilment as members of the workplace. At SuMi TRUST Bank, employees with disabilities work at 118 departments (as of March 31, 2025) where they have contact with clients at the sales branch departments or perform administrative tasks at the head office. In FY2022, we established the "DE&I Lab" within the Human Resources Dept. dedicated to promoting the active participation of employees with intellectual and mental (developmental) disabilities, and this initiative has now been adopted in Osaka as well. The employment rate for persons with disabilities as of April 2025 is 2.52%.

(3) Empowerment of employees of many nationalities

Employees of many nationalities play active roles in our Group, and the number in management positions is increasing every year. SuMi TRUST Bank conducts training aimed at giving a better understanding of our Group and its operations and strengthening our human network. The Bank also promotes personnel exchanges through long-term overseas business trips and posting.

■ Status of foreign national employees (as of March 31, 2025)

	Number of foreign national employees (Japan)	Number of local employees hired at overseas offices	Percentage of management positions at overseas offices filled by local staff
SuMi TRUST Bank	96	826	59%
SuMiTAM	7	13	50%
Nikko AM	60	294	97%

3. Enhancing Engagement

Our Group is committed to strengthening employee engagement to ensure that all employees are aligned with our corporate purpose of "Trust for a flourishing future." This initiative fosters intrinsic motivation, enabling employees to tackle management issues and social missions with a shared sense of purpose. We are also focusing on creating

(i) Cultivating a culture of generating challenges and innovations

In aiming to communicate our corporate Purpose and provide opportunities so that all employees can play an active role and grow with motivation, we are committed to cultivating a culture that encourages employees to take on challenges and pursue growth opportunities, while also enhancing communication effectiveness. The level of satisfaction and vitality in the employee awareness survey has remained at a high level, exceeding the passing mark of 60 points. However, it is important to note that the level of activity is not growing in proportion to the level of satisfaction. Additionally, while there is a high level of understanding and action related to the Purpose, these metrics are showing a slight downward trend. We have observed that many employees are at a stage where they are becoming more and more aware of the concept of the Purpose, but are facing difficulties in realizing it in their daily work and actions.

In light of these circumstances, our Group is promoting the development of a culture that ensures psychological safety and encourages employees to take on new challenges. This initiative is designed to instill this Purpose in each employee and lead to concrete actions to achieve this goal.

In 2024, our Group celebrated 100 years since its founding, and 443 employees (as of the end of March 2025) from 23 affiliated companies were selected as ambassadors to mark the 100th anniversary of the company's founding. These employees proactively promoted the company's business, contributing to the cultivation of a rewarding workplace culture. In fiscal 2025, as the culmination of our 100th anniversary activities, we held the "Action Challenge Award," a company-wide, employee-participatory event in which each employee presented his or her own challenging ideas and was awarded for their efforts. Group employees have declared over 10,000 "challenging ideas," and we are currently developing an action plan to implement these ideas.

In addition, to encourage behavioral changes among employees, SuMi TRUST Bank introduced a new system for evaluating individual goals in fiscal 2025. This evaluation system prioritizes employees' adherence to the "Group's Values (Code of Conduct)." Additionally, the Management School and Dojo have been held on a continuous basis by

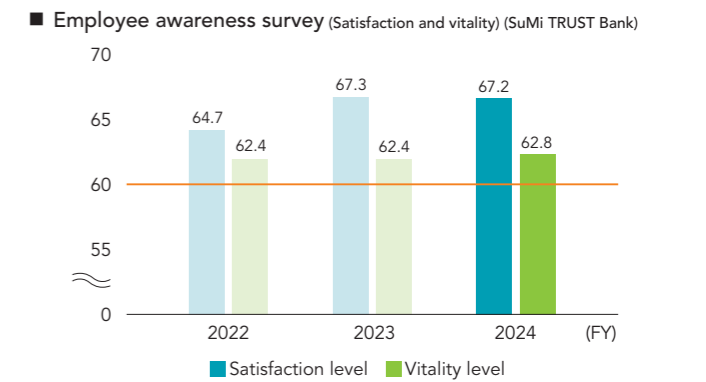
an environment that fosters challenge and innovation.

Our Group is also committed to fostering collaboration between industry, government, and academia. Our objectives are to promote well-being, facilitate effective internal and external communication, and enhance branding.

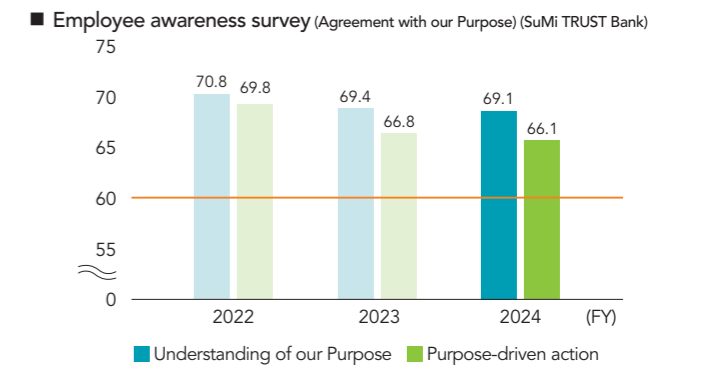
branch and department managers to share their experiences and lessons learned.

■ Number of voluntary resignations and turnover rate (FY2024)

	Number of voluntary resignations	Turnover rate
SuMi TRUST Bank	487	4.6%
SuMiTAM	31	6.4%
Nikko AM	22	3.6%



* Any score over 60 is assessed as generally positive



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Creating a culture that embraces challenges (Action Challenge Award)

The "Action Challenge Award" is a company-wide event commemorating 100 years of the company's business. During this event, each employee announces their personal challenge and recognizes their achievements. In addition to self-contained actions such as the acquisition of qualifications and volunteer activities, various challenges contributing to organizational change have been declared. These include the use of AI in business operations, the review of business processes, the development of new products, and the launch of new businesses. The World Café event held in June 2025 and workshops conducted within each affiliated department are instrumental in developing action plans and providing organizational support, ultimately leading to the successful resolution of challenges faced by each employee.

In fiscal 2025, we initiated the "Officers' Commitment," in

which officers declare their challenges. We will accelerate the development of a "corporate culture that embraces challenges" by demonstrating that management takes the initiative in taking on challenges.



(ii) Promoting well-being

The Group administers employee awareness surveys to understand employee opinions on complex internal operations and procedures, inefficient work, and formalized operations without substance. We believe that business process reform and productivity improvement are material issues for promoting the behavior of each employee and fostering a corporate culture that encourages people to take on challenges.

SuMi TRUST Bank has launched "Future X" in FY2024 and has been initiating a company-wide business process reform.

Going forward, we will continue to enhance human capital by creating time for each employee's value creation.

In addition, our Group has newly appointed an executive officer in charge of promoting well-being. We have been promoting in-house and external well-being activities through participation in several collaborative industry-government-academia sessions such as the "Well-being Initiative" hosted by Nikkei Inc. Furthermore, in recent years, we have been focusing not only on external branding but also on enhancing employee engagement via external promotions.

Realizing employees' "FINANCIAL WELL-BEING"

SuMi TRUST Group is striving to contribute to FINANCIAL WELL-BEING^{*1}, one of the ways in which we are working to build a prosperous future that is the goal of our Purpose, and aim to become the best partner in the age of 100-year life. SuMi TRUST Bank is committed to strengthening support for its employees, who play a critical role in our customers' value creation, in achieving their own FINANCIAL WELL-BEING.

Regarding defined contribution pension trusts, more than 80% of employees selected investment trusts, and approximately 70% of employees also have access to a matching contribution scheme.

In addition, in FY2022, the RS Trust^{*2} was introduced for all employees as a new equity incentive plan. This initiative was implemented to help employees align their interests with the company's goals and pursue medium- to long-term growth together. More than 10,000 employees received shares. Furthermore, the financial incentive offered by the Shareholding Association was increased to 20% from 8%, and the annual contribution to the program increased 2.25 times^{*3} as a result. By age group, the growth rate of young and midlevel employees in their 20s and 30s stands out. The purpose of this system is to share the management philosophy of our Purpose with employees and to

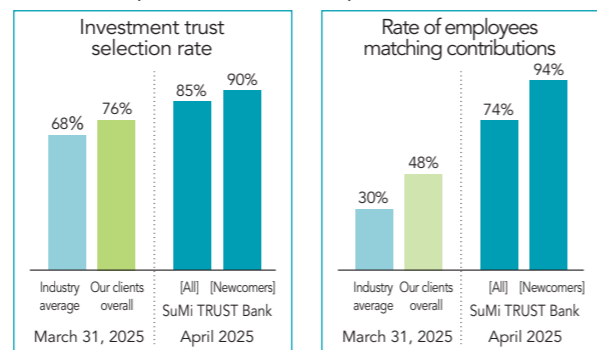
promote awareness of medium- to long-term growth. We believe that this system will lead to resolving social issues and pave the way for the growth of our Group.

^{*1} 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"

^{*2} Employees' stock-based compensation plan that combines the advantages of an Employee Stock Ownership Plan (ESOP) and restricted stock (RS) (RS: Restricted Stock)

^{*3} Comparison of the amount of annual reserves between FY2021 and FY2024

Utilization of corporate defined contribution pension trusts (SuMi TRUST Bank)



4. Health Management

Physical and mental health is the foundation of well-being for our employees and the driving force behind added value creation. At SuMi TRUST Group, we are promoting various initiatives to create an organization where employees can feel healthy and happy and work with vitality. Since FY2022, we have been measuring presenteeism among employees

and focusing on promoting physical and mental health for all of them to enhance their vitality levels. These initiatives have been highly evaluated, and the Group has been certified as "Health & Productivity Management Outstanding Organizations – White 500" for eight consecutive years since 2018.

(i) Promoting health management

In July 2024, the Group established a "declaration on health management" to accelerate investment in the physical and mental health of our employees. For the promotion of physical and mental health, we conduct awareness activities through training and have assigned occupational physicians at our business sites to provide detailed health management and guidance.

At SuMi TRUST Bank, in addition to annual health check-ups, we have implemented a health management system to provide individual guidance to employees, resulting in an increased follow-up examination rate. Furthermore, we implement stress checks and assess presenteeism and absenteeism to evaluate employees' well-being. We have established an in-house counseling room and organized various seminars to support our employees' mental health. Moving forward, we will continue to prioritize the maintenance and enhancement of our employees' well-being, promoting health management strategies that are tailored to the age of 100-year life.

Declaration on health management

SuMi TRUST Group believes that the well-being of our employees is of the utmost importance in order to realize our mission of "Trust for a flourishing future."

The vision for health management is for each employee's healthy and vibrant work to create value for our clients and society through our services, which in turn fosters employee engagement and results in a virtuous circulation.

We will continue to execute health management while sustaining work style reforms from the following perspectives.

- Supporting health promotion through health investment initiatives
- Achieving diverse work styles and work-life balance
- Providing opportunities for employees to thrive and grow with a sense of purpose

Stress check (SuMi TRUST Group)

	FY2022	FY2023	FY2024
Overall Health Risk*	93	90	89
Percentage of Employees with High Stress	10.3%	10.1%	9.9%

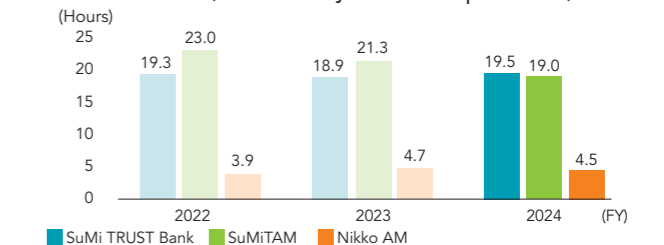
* The average of the standard population is 100, and the lower the value, the better.

(ii) Optimizing work styles

With the aim of "achieving diverse work styles and work-life balance," SuMi TRUST Group is implementing initiatives to enhance productivity through strategic IT investments and process transformation, reducing overtime work, and promoting flexible work styles such as staggered working hours and telecommuting.

SuMi TRUST Bank has introduced an 11-hour break between work shifts and is encouraging employees to take planned leave. As a result, the number and percentage of paid leave days taken are both increasing. To further optimize our work styles, we will consider the implementation of an 11-hour break between work shifts across the entire Group. Additionally, we will be establishing a target for the percentage of paid leave to be acquired.

Overtime hours (non-statutory work hours per month)



Status of taking paid leave (number of days taken)

