



Sumitomo Mitsui Trust Holdings, Inc.

IR DAY

February 16th, 2022

Sumitomo Mitsui Trust Holdings, Inc.

Today's agenda

1. Retail total solution services business

Sumitomo Mitsui Trust Holdings, Inc.
Executive Officer
Seiji Iwakuma

2. Wholesale total solution services business

Sumitomo Mitsui Trust Holdings, Inc.
Executive Officer
Shigeki Tanaka

1 Retail Total Solution Services Business

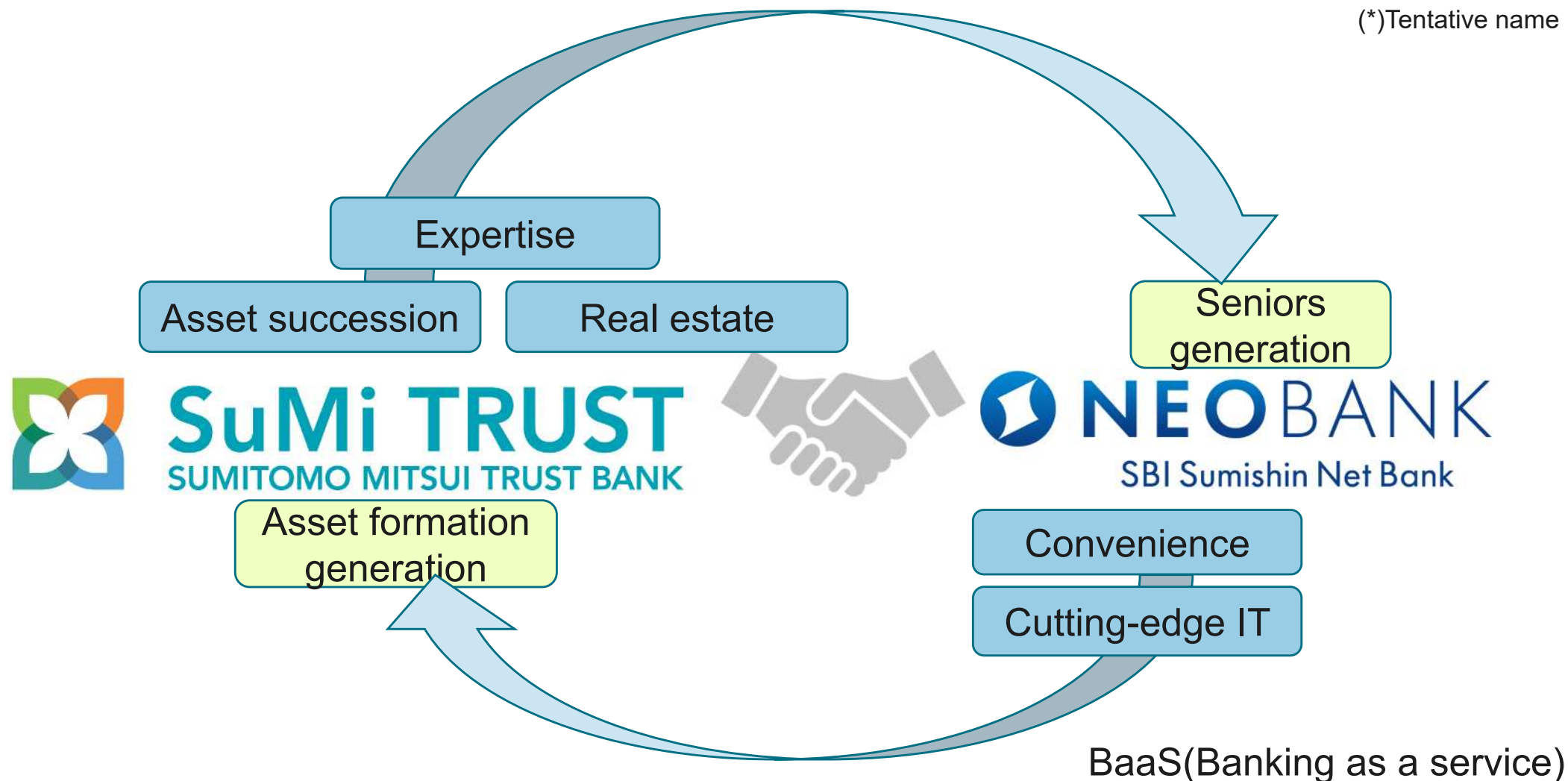
Sumitomo Mitsui Trust Holdings, Inc.
Executive Officer

Seiji Iwakuma

Reference: The Latest News Release regarding collaboration with SSNB

Considering implementation of “SuMiTB NEOBANK” (*) by utilizing “NEOBANK®” services provided by Sumishin SBI Net Bank (“SSNB”) with aim to expand our business base with value-added services to our clients

(*)Tentative name

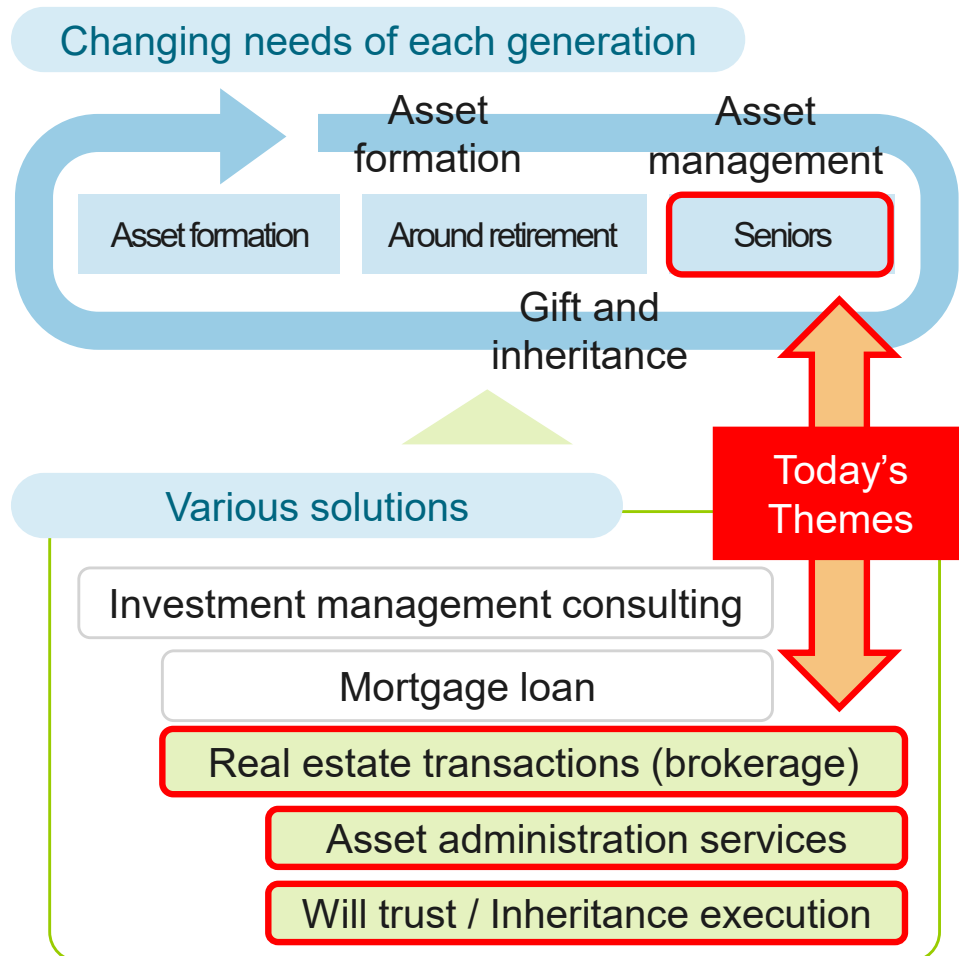


1. Summary of Retail total solution services business

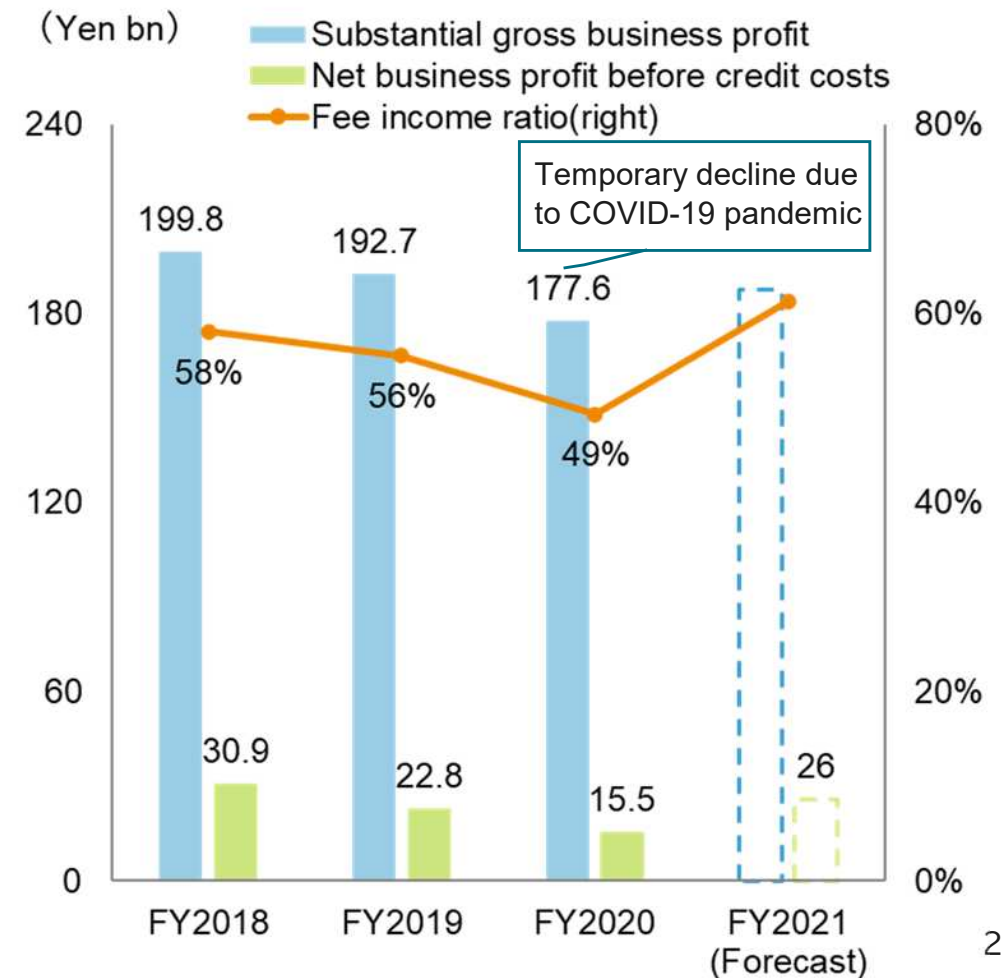
Goal of Retail total solution services business

“Best Partner” for our clients in the age of 100-year life

Business model

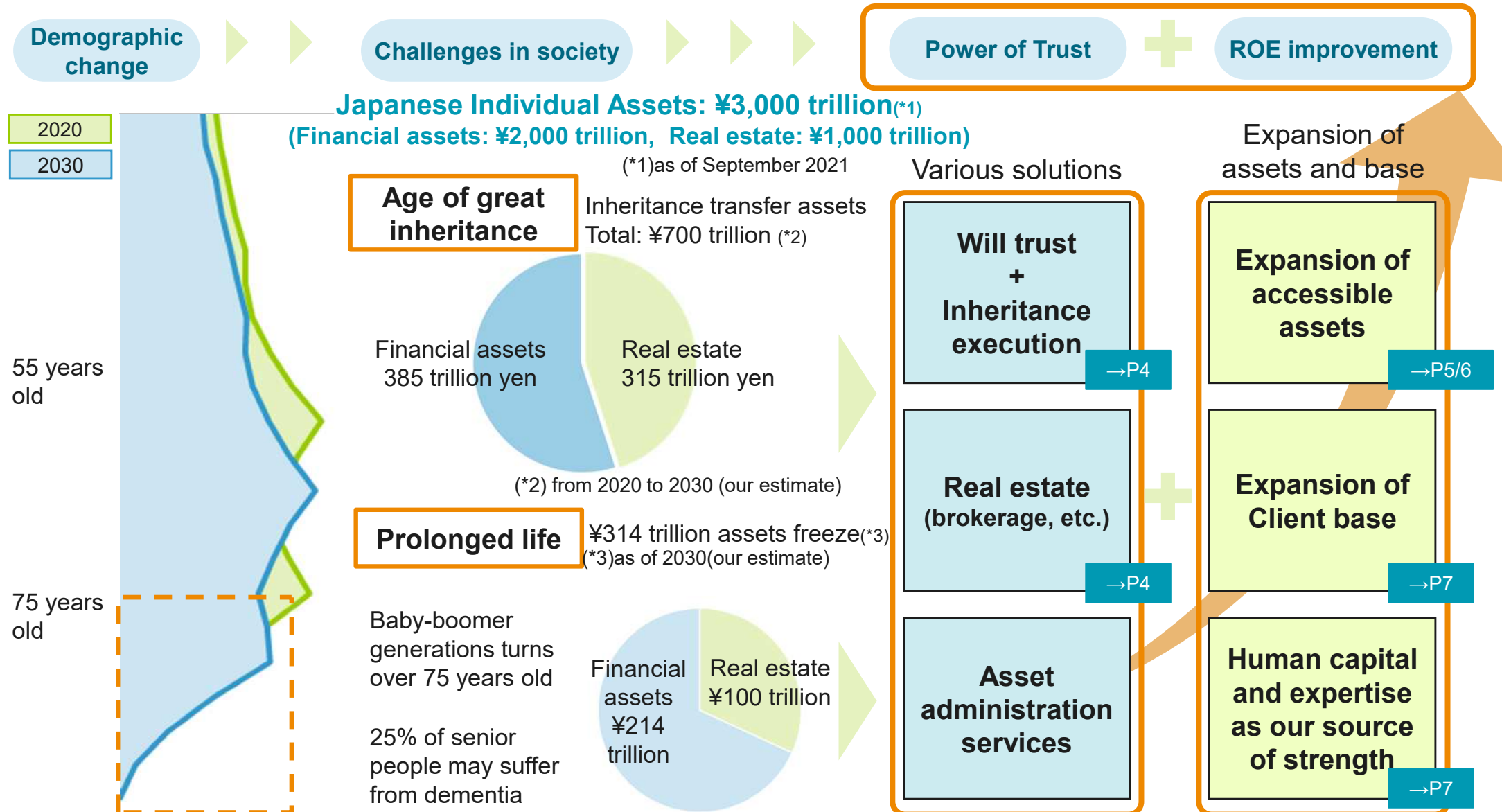


Business profit (consolidated)



2. Growth strategy

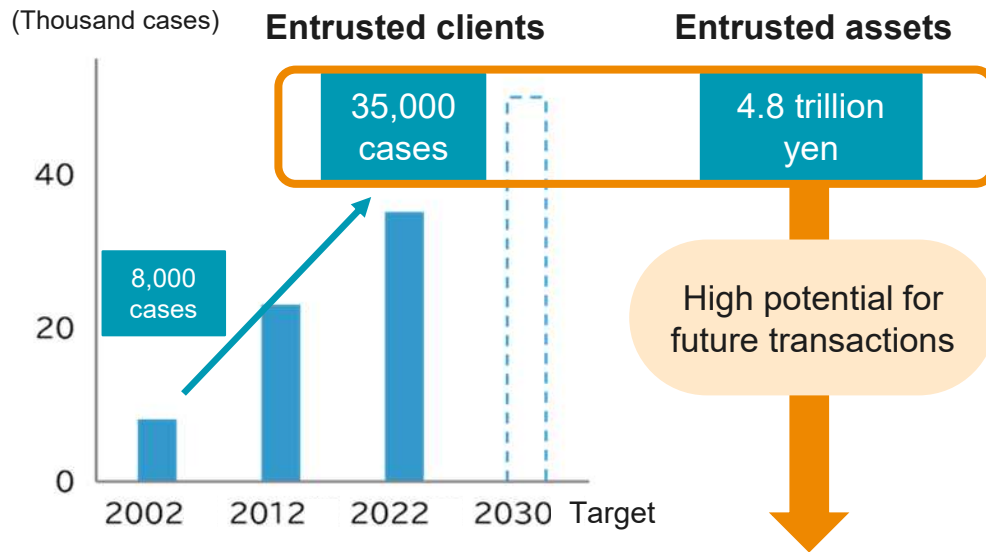
Providing solution to clients' challenges in changing society with the Power of Trust and improve ROE through profit growth



3. Asset succession and Real estate (retail) businesses

Our typical services representing the “Power of Trust”: Asset succession (Will Trust) and Real estate businesses

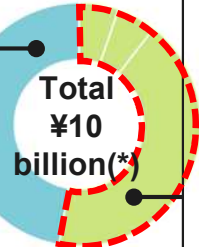
Asset succession (will trust + ancillary transactions)



Profit from will trust and ancillary transactions

Profit from Will trust (Execution)

Approx. ¥4.5 billion



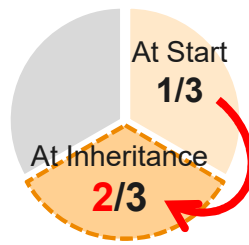
Profit from Ancillary transactions

Approx. ¥5.5 billion

Real estate, mortgage loan, investment management, etc.

*Revenues from will trust clients in FY2019

Our AUC as a proportion of total clients' financial assets

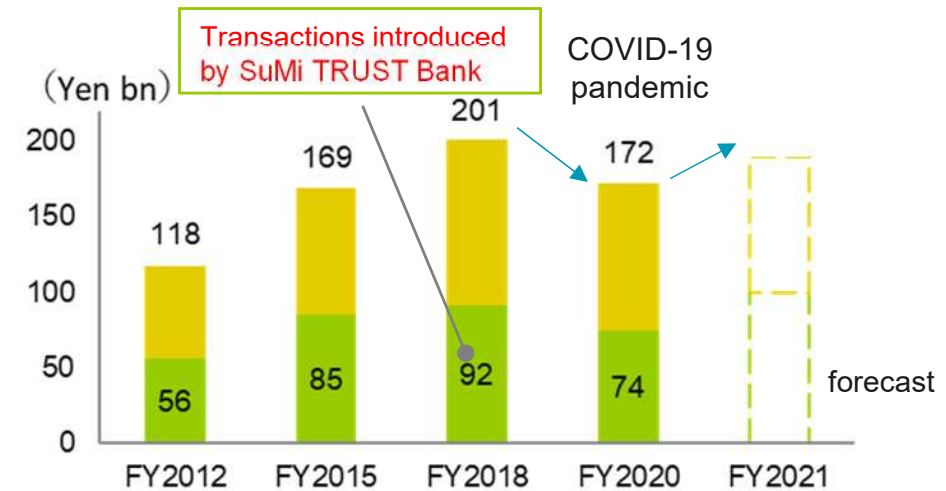


Expand AUC and pass on to the next generation

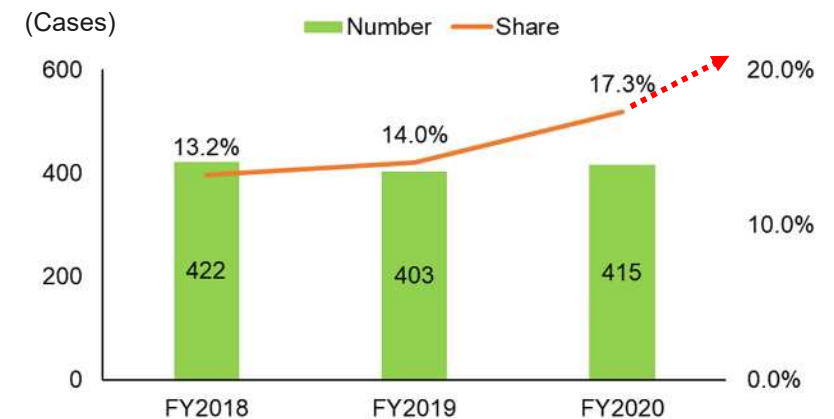
AUC: Asset Under Custody

Real estate (SuMi TRUST Realty : real estate)

Real estate Fee income



Increase of inheritance-related transactions



4. Expansion of accessible assets ~ Beyond our asset succession business ~

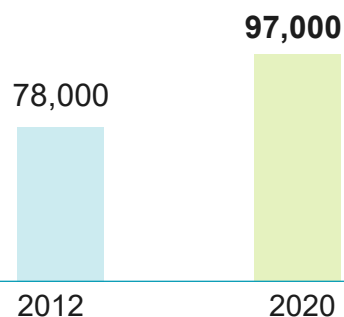
Increase profits by expanding clients and AUC in asset succession business in the coming great inheritance era

AUC: Asset Under Custody

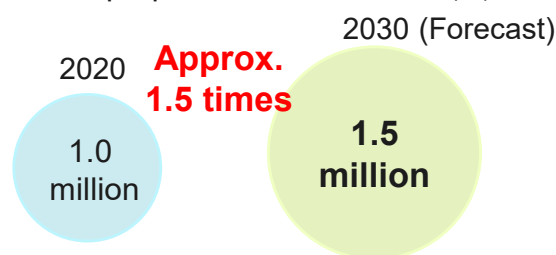
Expansion of entrusted assets with social changes as a tailwind

Growth of the will trusts market

Number of new notarized will trust per year (*1)



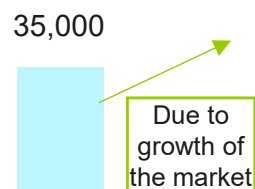
Number of people who have prepared notarized wills (*2)



(*1) Japan National Notaries Association
(*2) Our estimates based on MIC Statistics Bureau and Ministry of Justice

SuMi TRUST's Will trust business

Number of entrusted cases (Cumulative)



Due to growth of the market

Entrusted asset (Cumulative)



Due to multiple lines of transactions

Strategies for profit growth

Before inheritance

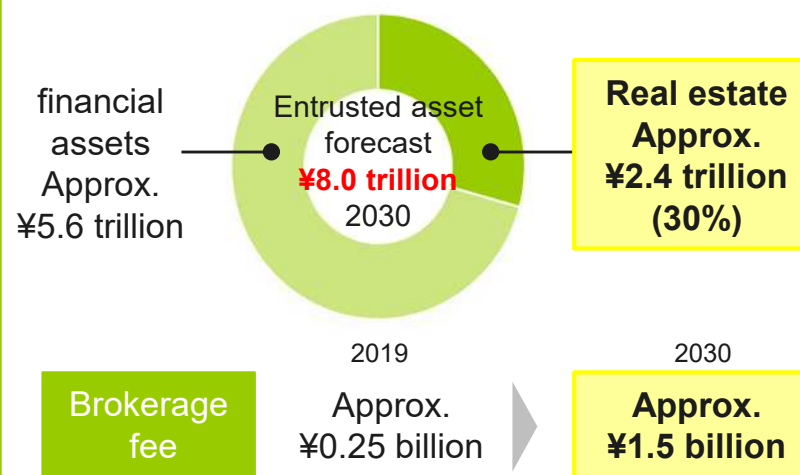
① Growth from increase of ancillary transactions(*)



(*) Real estate brokerage, mortgage loans, investment management, etc.

After inheritance

② Growth from increase of real estate transactions



Increase the percentage of transaction closings after inheritance, from 7% to 10%

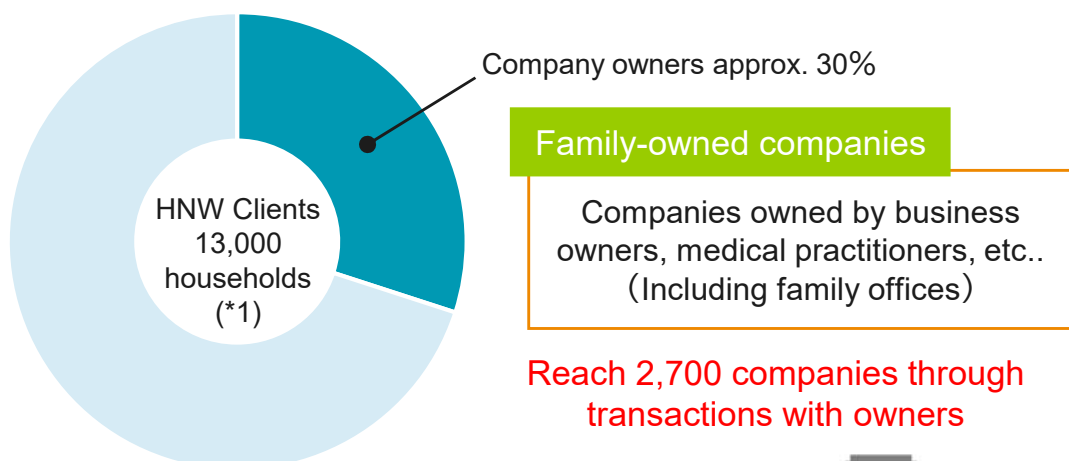
4. Expansion of accessible assets ~Through support for company owners and civil trust~

Expanding access to assets held by owners in the name of companies and supporting civil trust to address the risk of declining cognitive abilities due to increasing longevity

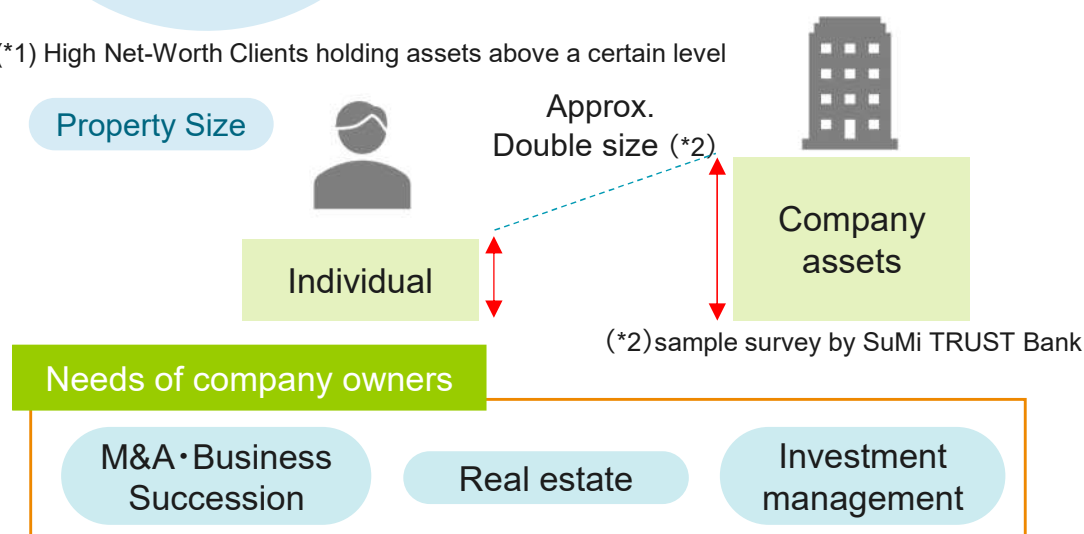
Expand our AUC through support for company owners

AUC: Asset Under Custody

Transactions with family-owned companies



(*1) High Net-Worth Clients holding assets above a certain level

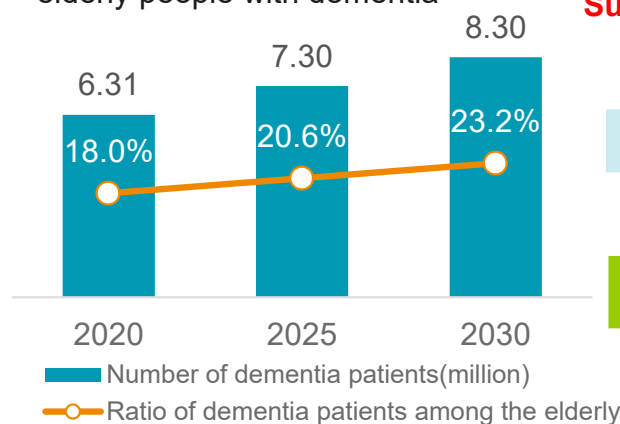


Expand assets through civil trust(*3)

(*3) Trust with family as trustee

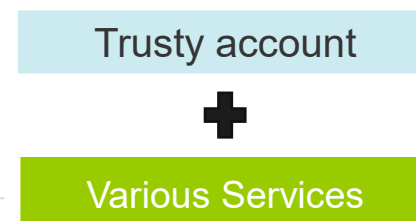
Increase of dementia risk

Future estimates of elderly people with dementia



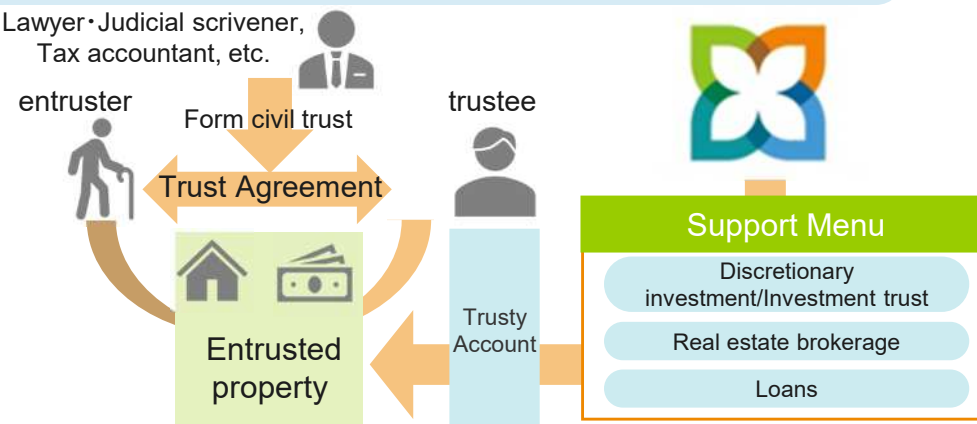
Support for civil trust

SuMi Trust is a leading company in the field of civil trust



Expand access by providing civil trust support menu

Lawyer・Judicial scrivener,
Tax accountant, etc.



5. Expansion of Client base/Human capital and expertise as our source of strength

- Expand client base through collaboration with diverse business partners
- Enhance human capital and expertise as our source of sophisticated services

Expansion of client base

Build win-win relationship with business partners



Example of collaboration with business partners

Example of collaboration with Professionals (*) by civil trust etc.

New clients ratio approx. **80%**

(*) Lawyer, Judicial scrivener, Tax accountant, etc.

Business partners
to be strengthened

- Regional banks
- UBS
- IFA
- Department stores
- Housebuilders

Human capital & expertise to enhance service quality

Human capital supporting the Power of Trust

Expertise and qualification	Number of people
Financial consultant	250
Financial planner 1 st grade holder	510
Real Estate Transaction Specialist	2,680
Banking gerontologist	3,500

Financial consultant

Experts for individual clients to provide our unique one-stop and custom-made services

Future initiatives

- Focus on allocating financial consultants in areas where high-net-worth clients are concentrated
- Increase the number of employees in charge of asset succession and asset administration business
- Collaborate with academic and research institutions to achieve financial inclusion

APPENDIX

		At present	2030	
		Quantitative results	Quantitative Image (Planning) (*2)	Concept
Asset succession	Number of will trust	35 thousand	60 thousand	Increase of transactions before inheritance by expanding our AUC
	Entrusted assets	¥4.8 trillion	¥8.0 trillion	
	Profit (A) (Profit from will trust and ancillary transactions excluding real estate etc.)	¥10.0 billion	¥16.0 billion	
Real Estate	Increase the percentage of transaction closings after inheritance	7%	10%	Increase of transactions before inheritance by expanding our AUC Expansion of accessible assets by supporting company owners and civil trust
	Profit (*1) (B)	¥10.0 billion	¥13.0 billion	
Other	Profit (C) (transactions with Family-owned companies, etc.)	¥0.5 billion	¥4.0 billion	Expansion of accessible assets by supporting company owners and civil trust
Profit	Total (A+B+C)	¥20.0 billion	¥33.0 billion	Improve ROE by increasing profit with social changes as a tailwind

(*1) SuMi TRUST Realty's profit (Real estate)

(*2) Estimation on today's subject by Retail total solution services business

2 Wholesale total solution services business

Sumitomo Mitsui Trust Holdings, Inc.
Executive Officer
Shigeki Tanaka

1. Summary of Wholesale total solution services business

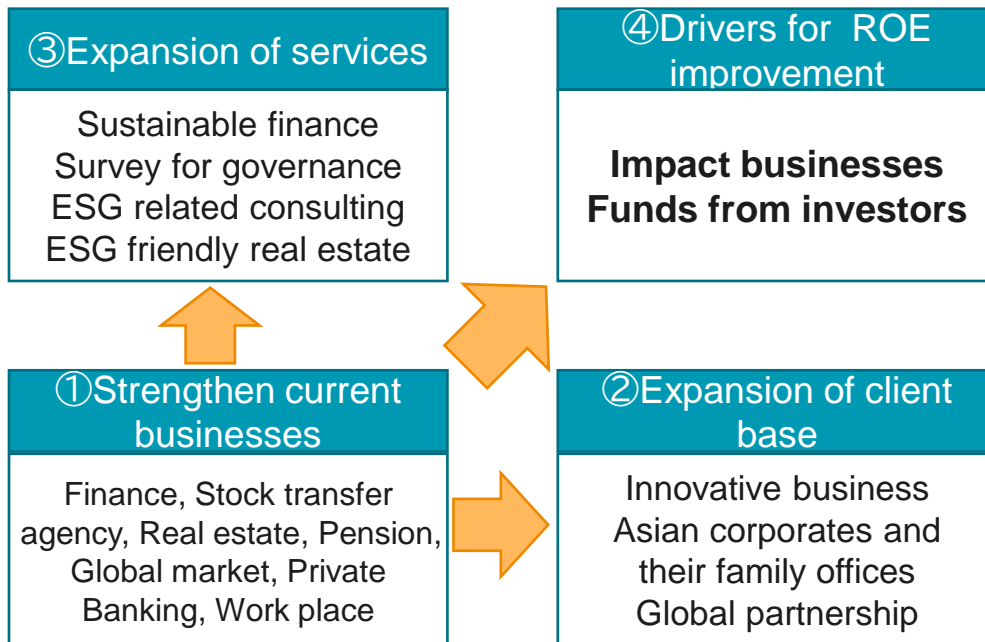
Goal of Wholesale total solution services business

“Best partner for clients and society”

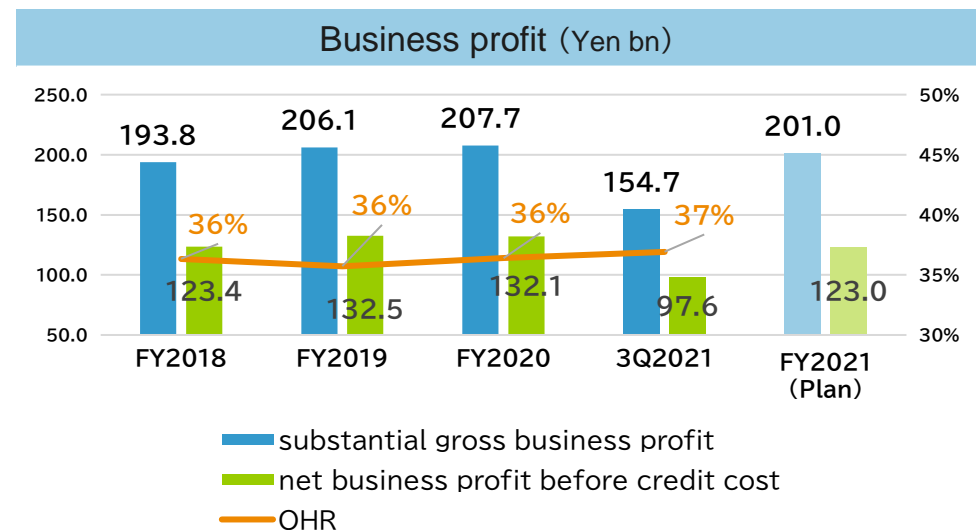
<Client> Partner to confront business and social issues together with the power of trusts and finance to realize sustainable management and society

<Society> Working together to provide solutions to social issues by developing virtuous circulations of Funds, Assets, and Capital

Direction of business enhancement



Develop business as a nexus that leverages contacts with diverse economic entities and stakeholders

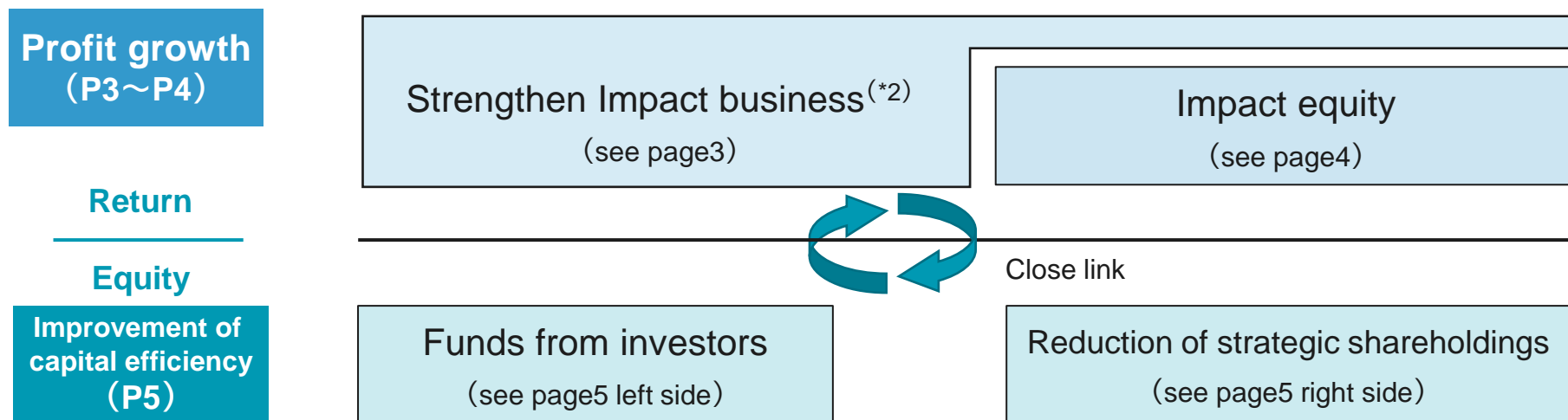


2. Strategic focus

- Contribute to enhancing our corporate value by ROE improvement through (1)profit growth and (2)improvement of capital efficiency

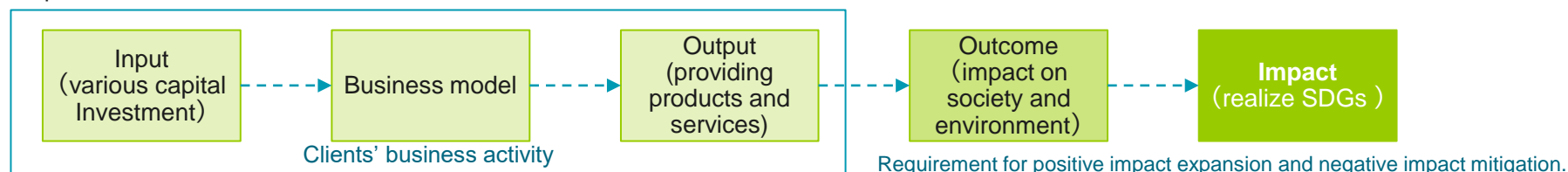
Measures to enhance ROE

Corporate Clients ROE(*1)
Further improvement from 9.2%(1H21)



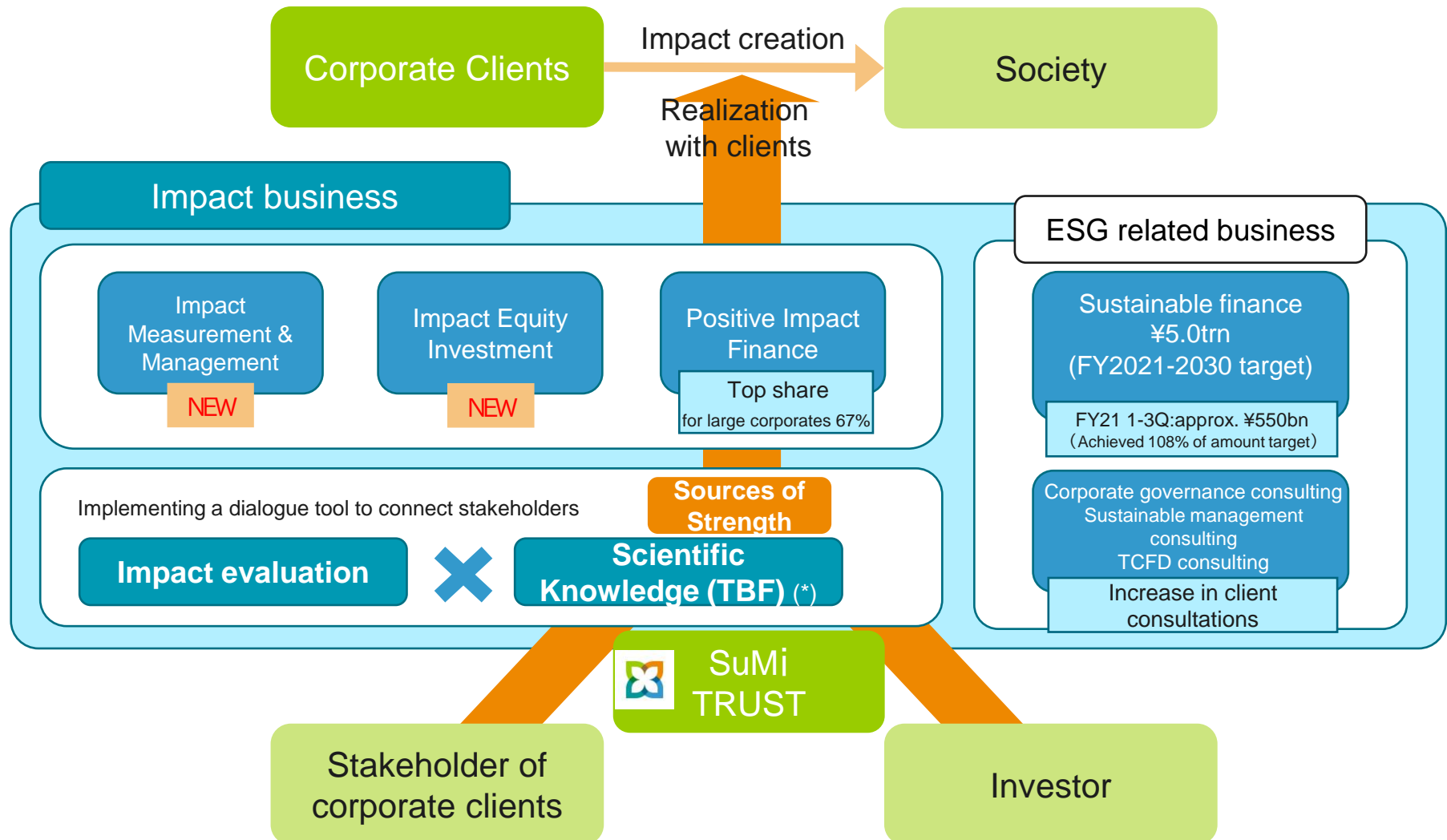
(*1) ROE by business segment (Managerial accounting base) Corporate clients include Wholesale TS, Wholesale AM, Stock transfer agency, Real estate (excluding SuMi TRUST Realty), Fiduciary, Asset management business. Compared with 13.0% disclosed Investor meeting material (P59) in Nov.2021, the following adjustment was made (1) Basel 3 finalization base, (2) including strategic shareholdings

(*2) Impact business: Services evaluating impact created by corporate clients includes provision of functions to external parties, as well as investment or loan focusing on impact.



3. Strengthening Impact business 【Profit growth】

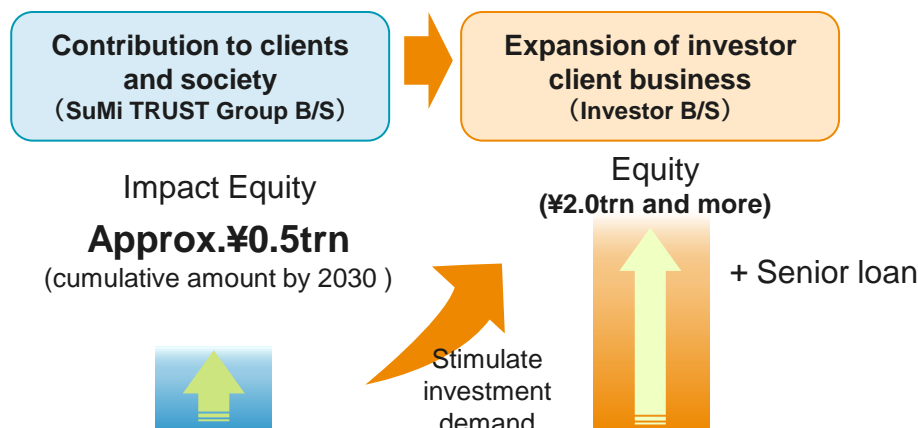
- Develop impact business as a focal point among stakeholders, using “impact evaluation” and “TBF” as sources of strength



4. Impact Equity Investment [Profit growth]

Direction of Impact Equity Investment

- Utilize capital surplus generated by reduction of strategic shareholdings
- Redefine relationships with clients through collaboration in solving social issues
- Become starting point for creating circulation of funds



Target area	Next-generation energy such as renewable energy, Next-generation healthcare, Manufacturing digitalization, Smart mobility, Smart living, Fintech, etc.
Target return	Portfolio return IRR above 10% /year (Approximation of risk-return hurdle rate) ①small to medium risk IRR above 4~5% ②medium to large risk IRR above 15~20%

Recent example

Established an investment fund for renewable energy business
(news release Dec.10, 2021)

General partner	Sumitomo Mitsui Trust Investment
Limited partners	NTT Anode Energy Corporation(47.5%) Tokyo Century Corporation(47.5%) SuMi TRUST Bank(5.0%)
Total commitment amount	Approx. ¥20bil
Target asset	Investment in anonymous associations for renewable energy projects, including solar power generation projects

Joint investment in renewable energy business
(news release Feb.14, 2022)

The company	Japan Renewable Energy Corporation (JRE)
Joint investment partners	ENEOS (94.9%) Forest E (0.1%)(*1) SuMi TRUST Bank(5.0%)
Overview of the company	Leading renewable energy company in Japan Providing comprehensive services from power development to operation and maintenance of power plants Renewable energy generation capacity (including under construction): approx.708kkw(*)

(*1) Godokaisha investmented by ENEOS

(*2) capacity equivalent to JRE's equity interest

5. Funds from investors, Reduction of strategic shareholdings [Improvement of capital efficiency]

Funds from investors

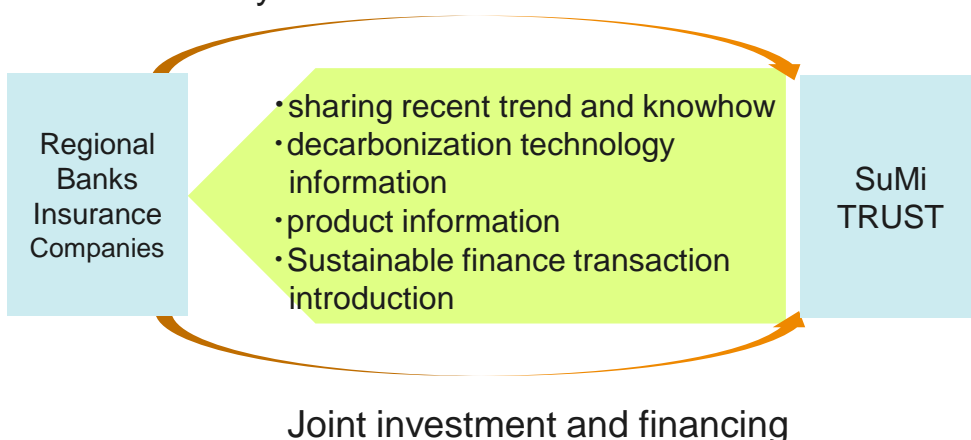
- Provide investment opportunities that meet investors' need
- Effective use of capital through appropriate B/S utilization

Example

ESG Regional Finance and Decarbonization study group

(Participants) Regional banks, Insurance companies, etc. 80 companies
 (Theme) ESG regional finance, Decarbonization, Sustainable management
 (Purpose) Strengthen cooperation among participating institutions through sharing information on the latest trends, and concrete activities for realization of ESG regional finance and decarbonized society

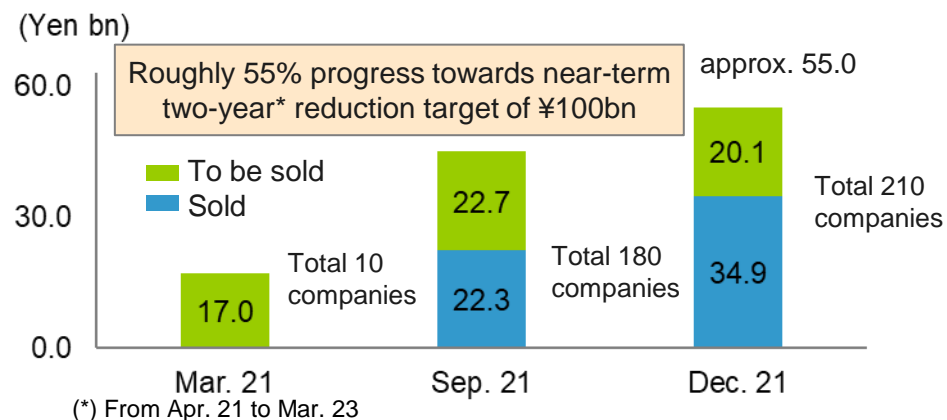
Community-driven ESG/SDGs-related Information



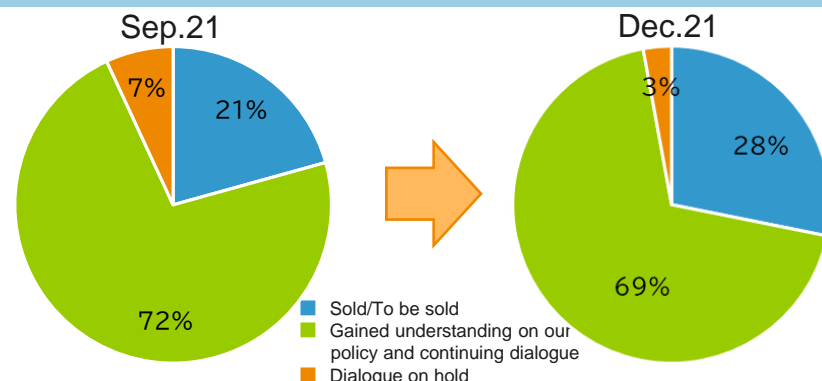
Reduction of strategic shareholdings

- Steady progress in dialogue with clients, based on our new policy regarding strategic shareholdings
- Amount sold/to be sold reached approx.55% of the two-year target(¥100bn)

Amount sold/ to be sold (cost basis) (consolidated basis)



Dialogue with clients



APPENDIX

		Mar. 2021	FY2030	
		Quantitative results	Quantitative Image (Under review)	Concept
on B/S	Credit for corporates (JPY)	JPY15.2trn	Profitability enhancement From corporate to product related loans	
	Credit for corporates (Foreign currency)	USD55bil		
	Equity	JPY0.2trn	Increase(*1)	Virtuous circulation of funds From strategic shareholdings to impact equity
	Strategic shareholdings (at cost)	JPY0.7trn	Reduction	
off B/S	AUM(Senior loan)	JPY2.5trn(*2)	Expansion	Creation of social and economic value
	AUM(Impact equity)	—	JPY2.0trn	Virtuous circulation of funds
flow	Sustainable finance (senior)	—	JPY5trn or more	Achieve leading position Impact creation
	Impact equity	—	JPY0.5trn	

(*1) Increased by impact equity, (*2) Loan distribution to financial institutions