

1. Addressing the age of 100-year life —Tackling a declining population and a super-aging society—



Tips for living in the age of 100-year life

Special Discussion

Mr. Yoshiharu Habu and Mr. Koichi Sato

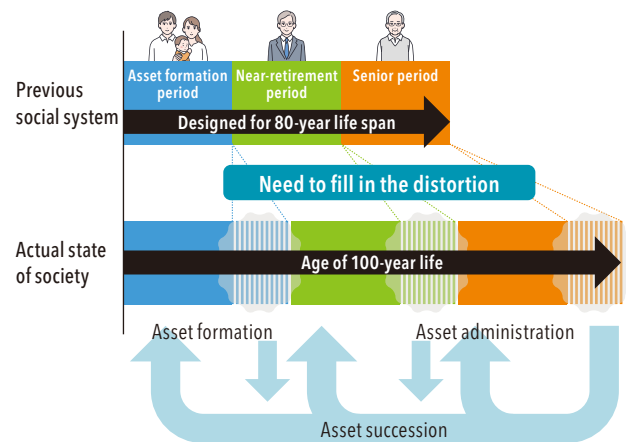
Please refer to the SuMi TRUST Bank website for a discussion between Mr. Yoshiharu Habu and Mr. Koichi Sato.

<https://www.smtb.jp/special/specialtalk8> (Japanese text only)



According to a UC Berkeley cohort study, the average life expectancy for Japanese people born in 2000 is 104 years. In addition, according to the 2021 Simple Life Table of the Ministry of Health, Labour and Welfare, 27.5% of men and 52.0% of women will live to the age of 90, indicating that Japan has already entered the age of 100-year life.

The social system, which has been based on the assumption of an 80-year life span, has been distorted in various ways and is in the process of being updated to meet the needs of this new age. SuMi TRUST Group will leverage the power of trusts in the three areas of asset formation, asset administration, and asset succession to help clients achieve FINANCIAL WELL-BEING in the age of 100-year life.



Asset formation	In addition to providing a lineup of services that contribute to asset formation, which is important for people to live a prosperous life in the age of 100-year life, we will help improve financial literacy through new initiatives including education.
Asset administration	We provide clients with a customized combination of options to ensure that they can live a fulfilling life in their own way even when they lose the ability to make decisions from dementia or other causes.
Asset succession	With the know-how and broad-ranging services accumulated at SuMi TRUST Bank over many years, we support our customers in realizing their diversifying "end of life planning" and "aspirations to inherit to the next generation."

100-Year Life Solution Department

In 2019, SuMi TRUST Bank established the 100-Year Life Solution Department with the aim of creating new value through the power of trusts in response to the various issues that could arise to clients and society in an age of 100-year life, and offers a wide range of products and services.

Sumitomo Mitsui Trust Financial Education Institute

In the age of 100-year life, we believe that it is more important than ever to disseminate information and educate people about financial literacy, and in 2019 we established the Sumitomo Mitsui Trust Financial Education Institute. We undertake broad-ranging initiatives to disseminate information to the public, such as providing opportunities for individuals to internalize financial affairs and educational programs for the financial education field (See page 126 for examples of initiatives).



Anshin Support Corporation

Established in 2018 by SuMi TRUST Bank, Anshin Support Corporation provides asset administration services to the elderly as part of the Bank.



2. Addressing asset formation

Helping with Future Asset Formation

Smart Life Designer app

Based on the concept of “designing the money necessary for the age of 100-year life together with our clients and creating the future of money,” the Smart Life Designer app for individual clients offers life plan simulations, a household accounting function to collectively manage household finances and assets, and a collection of information on asset formation.

The app is available to everyone free of charge.



Future Asset Health Checkup

Based on the belief that it is essential for individuals to have the opportunity to internalize financial affairs, we developed a tool that enables clients to check their household financial health and financial literacy level. We have made the tool available to employees of business partners.

Respondents can answer the questions online from their smartphones or PCs, and their household financial health will be determined based on their answers, and their financial literacy level will be shown as well.

In addition, by comparing the results of individual responses to a survey of 10,000 people conducted separately by Sumitomo Mitsui Trust Financial Education Institute and providing visual information, this tool will help foster awareness of asset formation among individuals and encourage them to work on asset formation.

We will continue to develop the tool for more widespread and convenient use.

Sumitomo Mitsui Trust Fund Wrap / Jinsei Anshin Package

The Sumitomo Mitsui Trust Fund Wrap is a discretionary investment management product in which SuMi TRUST Bank makes investment decisions, buys and sells, and manages funds on behalf of clients based on a discretionary investment trust agreement. Amidst increasing uncertainty, we provide our clients with the peace of mind that comes from enjoying the benefits of medium- to long-term growth in the global economy. In addition, clients who apply for the fund wrap can apply for the Jinsei Anshin Package, a service that includes insurance (cancer, nursing care, and personal accident) free of charge, subject to age and other criteria.

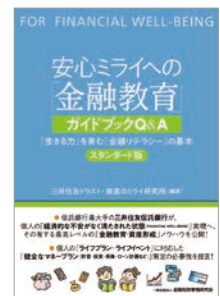
Financial education support

SuMi TRUST Bank is leveraging the advanced investment education know-how accumulated through its pension business to improve the financial literacy of company employees at their work places. In addition, in light of the fact that financial education is now included in the school curriculum guidelines for high school home economics in 2022, we are providing financial education materials and courses for higher education.

Financial Education Q&A Guidebook for Financial Well-being Compiled and edited by Sumitomo Mitsui Trust Financial Education Institute (Published April 2023)

Based on SuMi TRUST Bank’s investment education know-how, we published a book that presents a new standard of financial literacy that fosters a zest for life.

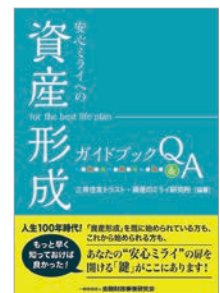
In it, we advocate the necessity of developing a sound money plan (savings, investment, insurance, and loan plans) that addresses life plans and life events in order to help individuals achieve financial well-being.



Asset Formation Q&A Guidebook for Financial Well-being Compiled and edited by Sumitomo Mitsui Trust Financial Education Institute (Published October 2020)

We published a Q&A guidebook that addresses the concerns of individuals about asset formation in the age of 100-year life and serves as a recipe for a worry-free future.

We analyze and summarize the historical background and economic conditions in which people in each generation have lived so that each individual can internalize the idea of retirement.



Helping with Home Asset Formation

Mortgage loans

SuMi TRUST Bank offers mortgage loan plans with a variety of interest rate options and services that can be selected according to the client's life plan. We aim to be a long-lasting partner by providing personalized support for borrowing and repaying loans.

Household budget support plan

As part of our offering designed to foster a prosperous future for mortgage loan clients, we provide a Household Budget Support Plan that reduces the interest rate on mortgage loans when clients apply for certain transactions, such as installment investments.

Child-rearing support service "Junior Support"

We offer a 0.1% annual discount on mortgage loan interest rates for one year for clients who are celebrating the birth of a child, their child's 6th birthday, or their child's 15th birthday during their loan term if they meet certain conditions.

Special guarantee against the eight major diseases

The eight major diseases refer to the three major diseases of cancer, acute myocardial infarction, stroke, and the five severe chronic diseases of high blood pressure, diabetes, chronic kidney failure, cirrhosis of the liver, and chronic pancreatitis. SuMi TRUST Bank offers a variety of insurance policies to meet client needs, protecting against the eight major diseases and unemployment during their loan term.

Special guarantee against natural disasters

We provide an insurance policy that covers the monthly loan payment in the event that clients are unable to live in their home as a result of total, major, or partial destruction caused by a natural disaster or earthquake during their loan term.

Housing assistance loan for seniors aged 60 and older (i.e., Rokumaru)

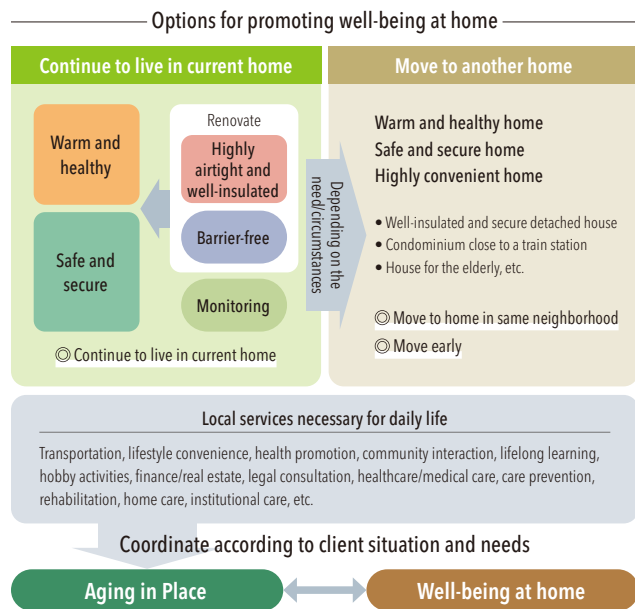
The Rokumaru is a non-recourse mortgage that can be used by clients aged 60 and older. Retirees with limited income can use the funds to purchase a new home or renovate their home.

Digest report for seniors (considering senior-generation housing)

Aging in Place* is an important factor in achieving well-being in the age of 100-year life. In the digest report for seniors (considering senior-generation housing), we introduce the information and steps needed to ensure a healthy, safe, and secure home, which is the foundation for Aging in Place.

In particular, we provide in-depth information on how to create a warm home through renovation or other measures, as well as how to move into a safer, more secure, and more convenient home that meets individual needs and circumstances.

*Aging in Place: The act of continuing to live in a familiar neighborhood for as long as possible, regardless of problems associated with aging or changes in mental or physical conditions.



3. Addressing asset administration

Helping with Asset Administration

In the age of 100-year life, many people will experience a decline in their ability to make decisions due to dementia and other factors. With a person’s decision-making ability declines, it becomes difficult for a person to withdraw savings or manage their home and real estate on their own. SuMi TRUST Bank provides services to support asset administration in old age, and offers clients the best combination of services according to their circumstances.

100-Year Life Solution Trust
 <100-Year Passport> <100-Year Passport Plus>

The 100-Year Passport is a money trust that offers a host of useful features to combat the problems elderly clients may face, such as withdrawing from their bank account, when their ability to make decisions has declined.

The 100-Year Passport Plus provides clients the option of combining fund management with investment trusts and Sumitomo Mitsui Trust Fund Wrap, enabling them to continue asset management even when their decision-making ability and health are uncertain.

Civil trust support services

We provide financial services like trust accounts for the trustees of civil trusts (Please consult with a specialist in legal and tax affairs when setting up a civil trust).

Support menu

- Opening of accounts
- Term deposits & money trusts
- Investment trusts & discretionary investments
- Trustee Visa cards
- Dedicated civil trust securities general accounts (financial instruments intermediary services)
- Apartment loans
- Real estate brokerage, etc.

Security trust

The Security Trust is a money trust that safeguards client assets from financial crimes, which are on the rise and becoming more sophisticated, by only allowing funds to be withdrawn after obtaining approval by a previously designated consenting party.

Guardianship System Support Trust

The Guardian System Support Trust is structured so that money not ordinarily used among the assets of a person receiving assistance under the legal guardianship system is entrusted to the trust bank. The trust bank safeguards the client’s assets pursuant to instructions of the family court to prevent guardian dishonesty.

Discretionary Guardianship System Support Trust

This money trust supports the discretionary guardianship system by managing the assets of its users. It protects assets held in the money trust because after the discretionary guardianship contract takes effect, funds can only be released with the consent of the discretionary guardianship supervisor. Funds required for day-to-day living expenses can also be released periodically, which alleviates the burden of asset management on the discretionary guardian.

Anshin Support Trust

The Anshin Support Trust offers clients customized asset management, with SuMi TRUST Bank acting as trustee for their precious assets. SuMi TRUST Bank will preserve assets for clients who have difficulty managing their own assets and provide necessary funds for living, medical treatment, study, etc., in accordance with the purpose of the trust. Clients can also leverage the structure of this trust to make regular donations to their alma maters, charitable organizations, and other organizations.

Digest Report for Seniors (Considering the Problems of Dementia—V3.0)

SuMi TRUST Bank published a digest report for seniors (Considering the Problems of Dementia—V3.0), which provides an easy-to-understand explanation of effective options for preparing for asset management. The report includes an overview of the adult guardianship system and other public support mechanisms, as well as financial products and services that complement these systems, along with examples of how they are combined. It also offers voice assistant function with high-quality voice synthesis*, which provides voice guidance available on your smartphone, by scanning the two-dimensional barcode found on each page. Speed and tone can also be adjusted to make the voice easier to understand. We provide optimal advance preparations by offering easy-to-understand information tailored to our clients.



*VOXX audio assistant is provided by REMEM Inc.
 *Scan the two-dimensional barcode to receive audio guidance for page 5, "Optional systems and products for people with dementia."

4. Addressing asset succession

End-of-Life Assistance

Solitary Trust

The Solitary Trust is a service in which Anshin Support Corporation takes care of postmortem affairs such as arranging funeral services, internment of ashes, sorting out belongings, and sending obituary notices. The service enables clients to conduct postmortem affairs in accordance with their wishes through a final letter of instruction that clients can use to record their wishes and revise them depending on changes in their circumstances and feelings, and through the segregated asset management function of trusts that ensure the safe deposit of postmortem administrative expenses and donations.

“The Best End of Life” Practical Q&A Guidebook Toward a Successful Life from Age 50 (First edition: March 2023)

We compiled the end-of-life support know-how accumulated by SuMi TRUST Bank and published it as a book, using specific examples with a Q&A approach to address the challenges and concerns of end-of-life activities in the age of 100-year life.

The book is available at bookstores nationwide, including online stores.



Helping with Smooth Planning for Inheritances

Estate Planning

Estate Planning is a service that provides support (consulting) aimed at securing the client's future living expenses, sorting out their wishes regarding the succession of their assets for the next generation, and drawing up a specific plan for asset succession.

Drawing on our long-accumulated know-how, SuMi TRUST Bank offers a variety of consulting services for general inheritance matters, including wills and estate liquidation.

Will Trusts

The Will Trusts service offers assistance with drafting, safe-keeping, and periodic review of wills, and SuMi TRUST Bank will act as executor to ensure that our client's wills are carried out. When preparing a will, we leverage our many years of experience as an executor to provide consulting services with an eye toward executing the will according to our client's wishes. In addition, we also accept holographic wills under the Ministry of Justice's holographic will storage system.

Will Trusts (with special clause for pet care)

This service supports pet lovers so that they can live with their pets in peace even in old age (released in June 2021). In addition to bequeathing property under the condition that the pet beneficiary takes possession of the pet in the will, Anshin Support Corporation handles the transfer of the pet.

Online will trust service

The online will trust service is a free service enabling clients to prepare their own draft will by following instructions and entering their family structure and assets.

Smart Will

The Smart Will service makes it relatively easy to create a will by limiting the assets and contents of the will to meet the growing needs for inheritance planning. We will help ensure smooth asset succession in the age of 100-year life by taking on the wishes of our many clients through Will Trusts, which provide personalized and sophisticated inheritance solutions for a wide range of assets, and Smart Will, which provides simple inheritance solutions.

Housing Will

The Housing Will service is a free holographic will custody service provided to our mortgage loan clients to ensure that their wishes will be conveyed to their loved ones in the event of an inheritance.

One-Stop Inheritance Service (Estate Liquidation Services)

For those who find inheritance procedures burdensome and would like to entrust it to someone else, SuMi TRUST Bank offers the following services and support to facilitate the complicated inheritance procedures.

- Confirmation of the legal heirs, investigation and identification of inherited property
- Advice in discussions concerning the division of the estate
- Change of name on savings and securities and/or their conversion into cash
- Change of name on real estate
- Advice concerning allowances to pay tax obligations, such as income tax and inheritance tax

Initiatives that Address Environmental and Social Issues

Business tie-up with Escrow Agent Japan Trust (service for change of name for inherited real estate)

With the registration of inherited real estate becoming mandatory from April 2024, we have entered into a business tie-up with EAJ Trust to meet the needs of our clients who wish to leave the name change procedures of their real estate to professionals. We will help prevent home abandonment and contribute to a sustainable society by providing new services in cooperation with EAJ Trust.

Harnessing social networking sites to disseminate information

SuMi TRUST Bank created an official YouTube channel to provide information and tips on asset management and end-of-life procedures tailored to each individual client.

In this age of 100-year life, it is necessary to consider the possibility that one day you will be alone. In episode 01, "Concerned about End-of-Life Procedures Today," we discuss not only what happens after death, but also end-of-life procedures of today.

Next Generation Transfer Assistance

Annual Donation Support Trust

This service supports the implementation of procedures for lifetime donation to relatives, such as compilation of a donation contract. Each year at a set time, SuMi TRUST Bank will send clients a donation contract, which is required for making a donation, so that clients do not miss any opportunities to make a donation. In addition, SuMi TRUST Bank sends a donation report to both the donor and recipient once a year. Donations can be made in Japanese yen or a foreign currency.

Social Contribution Donation Trust

We offer products and services designed to help clients fulfill their wish to contribute to solving social issues through donations. One of these, the Social Contribution Donation Trust, is a money trust product designed to make donations to organizations engaged in social contribution activities. Clients can select the organizations they wish to support from a list provided by SuMi TRUST Bank, and SuMi TRUST Bank will handle the donation remittance procedures on their behalf.

Tuition Fund Endowment Trust (Mago-e-no-omoi)

As a tax incentive, lump-sum donations for tuition and other educational expenses to grandchildren under the age of 30 are exempt from gift tax up to 15 million yen. SuMi TRUST Bank pays out from a money trust based on receipts and other documents that confirm payment of education expenses, thereby ensuring that the money is used for education purposes in accordance with the donor's wish.

Medical Support Donation Trust

This money trust product is designed to support universities conducting medical research. Clients can contribute to medical care by selecting a recipient from a list provided by SuMi TRUST Bank.

Wedding and Child-Rearing Support Trust (Tsunagu-omoi)

As a tax incentive, up to 10 million yen can be given as a tax-free lump-sum donation for wedding or child-rearing purposes to a child or grandchild who is at least age 20 up until he or she turns age 50. As disbursements are made from a "money trust" that requires receipts confirming payments for wedding or child-rearing purposes, this product can clearly be the answer for donors who want their gifts to be used for marriage or child-rearing purposes.

Special Donation Trust

The special donation trust is a product for the purpose of contributing to stable living into the future for specified persons with disabilities. With this trust, funds donated are managed securely by SuMi TRUST Bank through jointly operated designated money trusts and other instruments, and disbursed to the specified person with disabilities by the Bank on behalf of the client.

Clients can establish a special donation trust with SuMi TRUST Bank for the purpose of stabilizing the lives of specified persons with disabilities. Special persons with disabilities may receive up to 60 million yen tax-free in periodic installments to cover living costs or medical expenses, while other specified persons with disabilities may receive up to 30 million yen without paying tax.

Family Consideration Trust (Lump Sum)

The Family Consideration Trust (Lump Sum) is a money trust product that, in the event of a client's death, makes a lump-sum payment of deposited assets in trust to a recipient designated in advance by the client from among their family members.

This provides funds for interim expenses, funeral expenses, and other immediate needs in the event of an emergency.

Charitable Trust

A charitable trust is a system in which individuals or companies entrust a portion of their property or profits to a trust bank that administers and manages the funds to carry out charitable activities in accordance with the purposes specified in the charitable trust agreement. Since the first one was established in 1977, it has been used in a broad-ranging field such as for providing scholarships, funding research in the natural sciences and humanities, subsidizing activities to protect the natural environment, as well as for promoting international cooperation and exchanges.

Designated Donation Trust

Based on a designated donation trust agreement, the initial trust principal is donated once a year in installments to the recipient designated by the client. In addition, there are tax benefits whereby earnings gained from managing a designated donation trust are exempt from taxation, and all investment gains will be donated to the recipient along with the trust principal.

Testamentary Donation

Testamentary donations refer to donations made by individuals to public interest corporations, non-profit organizations, schools, national universities, or other organizations or institutions, in whole or in part, through their wills. SuMi TRUST Bank partners with public interest corporations, which refer those who wish to make testamentary donations, and we help them fulfill their wishes by providing will trust functions.

5. Other FINANCIAL WELL-BEING initiatives

We began offering our new LIFE & FINANCIAL WELL-BEING Service on Monday, May 8, 2023. With the aim of helping clients achieve FINANCIAL WELL-BEING, we will provide a variety of opportunities to learn and experience physical, financial, and home health.

*This service is available to Platinum Stage and Gold Stage clients of the Trust Premium Service.

Examples of services offered

- Achieving healthy longevity through frailty prevention!
Practical diet and training
- Protecting your home! Disaster prevention techniques seminar
- Generation-specific life planning seminar

