

October 25, 2024

To whom it may concern

Sumitomo Mitsui Trust Group, Inc.

**Notice Regarding Publication of Proposal to Establish ETF for Crypto Assets in Japan**  
**by our subsidiary**

Please be informed that Sumitomo Mitsui Trust Bank, Limited, a subsidiary of Sumitomo Mitsui Trust Group, Inc. today announced the attached press release.

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For further information, please contact:

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Telephone : +81-3-3286-8354

October 25, 2024

To whom it may concern

Sumitomo Mitsui Trust Bank, Limited

### **Regarding Publication of Proposal to Establish ETF for Crypto Assets in Japan**

Sumitomo Mitsui Trust Bank, Limited (President: Kazuya Oyama, hereinafter “SuMi TRUST Bank”) hereby announces it has published a “Proposal to Establish an ETF for Crypto Assets in Japan” (hereinafter “the proposal”) with participating members of the “Japan Crypto Asset ETF Study Group” (hereinafter “the study group”), which includes cryptocurrency exchanges, securities companies, asset managers, trust banks, and legal/tax experts.

The U.S. and other countries have seen a growing number of ETFs (Exchange-Traded Funds) that invest in crypto assets being established. Within Japan’s public and private sectors, there have also been active discussions about this, such as in the white paper from the Liberal Democratic Party's Headquarters for the Promotion of a Digital Society Web3 project team (\*).

SuMi TRUST Bank will invest in Japan Digital Asset Trust Preparatory Company, Inc. (Representative Director and President: Noriyuki Hirose, “JADAT”), which was established as a trust for digital assets, including the crypto assets of bitbank, Inc. (Representative Director and President: Noriyuki Hirose, hereinafter “bitbank”). To securely manage these assets, SuMi TRUST Bank is looking into starting a digital asset custody service that combines its extensive experience and knowledge of trust management with bitbank's state-of-the art and high-level digital asset management technology.

In addition, Sumitomo Mitsui Trust Group, Inc.'s (Director and President(CEO): Toru Takakura) DX subsidiary Trust Base Co., Ltd. (Director and CEO: Satoshi Tanaka) will expand its digital asset initiatives, such as proceeding with a study of next-generation digital trust concepts, from a Web3 perspective, that utilize blockchain/distributed ledger technology.

Through digital asset initiatives starting with custody services, SuMi TRUST Bank will continue to expand the range of products and services it provides its clients.

For further details, please refer to the attached document.

(\*)According to the Liberal Democratic Party's Headquarters for the Promotion of a Digital Society Web3 project team's “web3 White Paper 2024”

<https://www.taira-m.jp/2024/04/web3-3.html>

End

(Attachment • Joint Press Release)

## **Publication of Proposal to Establish ETF for Crypto Assets in Japan**

Participated in the Japan Crypto Asset ETF Study Group,  
and made three proposals including for system reform

Sumitomo Mitsui Trust Bank, Limited (President: Kazuya Oyama) hereby announces it has published a “Proposal to Establish an ETF for Crypto Assets in Japan” with participating members of the “Japan Crypto Asset ETF Study Group,” which includes cryptocurrency exchanges, securities companies, asset managers, trust banks, and legal/tax experts.

### **Background and Purpose of Proposal**

The public at large has increasingly started treating certain crypto assets, such as bitcoin, as an appropriate investment, with actual crypto asset holdings growing throughout Japan, and the trend toward longer holding periods. From a total market value and performance perspective, these crypto assets also display the characteristics of assets that contribute to mid- to long-term asset building.

In addition, the introduction of ETFs (Exchange-Traded Funds) that invest in crypto assets in the U.S. and overseas has brought about an increased shift into these types of assets.

However, because crypto assets are not among the designated assets that investment trusts in Japan can invest in, these types of ETFs have not been established.

The purpose of the proposal is to summarize the issues to be discussed to establish ETFs for crypto assets in Japan, and, with a consensus(\*) of the members participating in the study group, to propose how to develop the various systems needed to facilitate their creation.

The proposal also includes a recommendation for the types of major crypto assets that would be in an ETF, as well as for the implementation of various measures, including tax reforms, needed for its formation.

Please refer to the link below for details.

[Proposal for Formation of Crypto Asset ETF in Japan \(in Japanese\)](#)

(\*) Recommendations are made as a consensus of the members participating in the Japan Crypto Asset ETF Study Group, and do not represent the individual opinions of each participating member or the opinions of the industry as a whole. Hence, the content of the proposal may differ from the opinions expressed by individual companies or the industry.

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