

1. Basic Philosophy

Amidst the growing numbers of financial products with complex mechanisms and unique characteristics, there is a strong need for financial institutions to properly and fully explain to clients the risks and other aspects of such products, and gain their understanding. Moreover, the need to respond appropriately to client complaints and requests and the importance of managing client information are greater than ever before.

Under these circumstances, as a trust bank grounded in the two core principles of “Confidence and Integrity” (the essence of the trust business) and “Placing Prime Importance on Credibility and Sound Management” (Sumitomo’s basic business principle), Sumitomo Trust is positioning improved client response (“Client Protection”) alongside compliance as its most important management task and strives to strengthen its efforts with the aim of enhancing customer satisfaction.

2. Putting This Philosophy into Practice

(1) Building a Client First Organization

Aiming to practice a client first management system, Sumitomo Trust established a policy (the Client Protection Management Policy) on the development and establishment of a system aimed at enhancing client protection and convenience. Based on the Client Protection Management Policy, in fiscal year 2007, Sumitomo Trust has made organizational reforms, including the establishment of the Customer Satisfaction Promotion Department, and formulated a manual for the provision of explanations to clients, which requires full compliance with the “suitability rule” and specifies the appropriate procedures for the provision of information. We will continue efforts to foster an institution-wide awareness of the importance of client protection through training courses to better establish the client protection management system and have it more deeply ingrained throughout the institution through a relevant PDCA cycle.

In addition, we will enhance our arrangements and procedures for managing conflicts of interest in light of the progress made in financial-sector deregulation.

(2) Employee Action Guides

The employees of Sumitomo Trust follow the “Social Activity Charter” and an “Ethics Charter” of Sumitomo Trust for use as conduct guidelines. We publicized a “Promise to Clients,” which spells out our policy concerning solicitation and sales of financial products at our branches and on our website. In addition, by means such as development of company rules and enhanced trainings, we conduct thorough and adequate solicitation and sales of financial products from the client’s standpoint. Moreover, in keeping with our “Declaration for the Protection of Personal Information,” we are developing an internal system for the appropriate protection and use of personal information, and thoroughly implementing guidelines on handling personal information of clients at external outsourcing contractors.

(3) Efforts to Use Client Feedback to Improve Services

Sumitomo Trust strives to use feedback from clients, such as inquiries, complaints and requests in order to improve our operations and enhance services, with the Customer Satisfaction Promotion Department playing the central role in this respect. The Compliance Committee checks the status of response to feedback from clients and its use for the improvement of services and submits to the Board of Directors and other relevant parties recommendations and reports regarding policies for response to feedback.

Although the way feedback from clients is handled may vary from business to business according to the characteristics of clients and business, in the Retail Financial Services Business, we are actively proceeding with efforts to improve customer satisfaction by constructing an organizational operation system that thoroughly collects client complaints and service improvement proposals and studies concrete measures. In other businesses also, in the light of the characteristics of our business operations, we developed a system of gathering “Voice of Clients,” for service improvement.

By putting in place thorough client protection and improving convenience through such measures, as well as by raising our management framework to a higher level, Sumitomo Trust is responding to the expectations and mandate from the society as a financial institution and linking this to the widening of clients’ support.