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Planet

—Environmental Considerations

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Without a healthy planet to provide the clean air, fresh water, agriculture, forests and fisheries on which human life depends, societies cannot succeed and companies cannot create long-term value.

From the World Economic Forum White Paper “Measuring Stakeholder Capitalism”

065 The Group’s Approach to Environmental Issues

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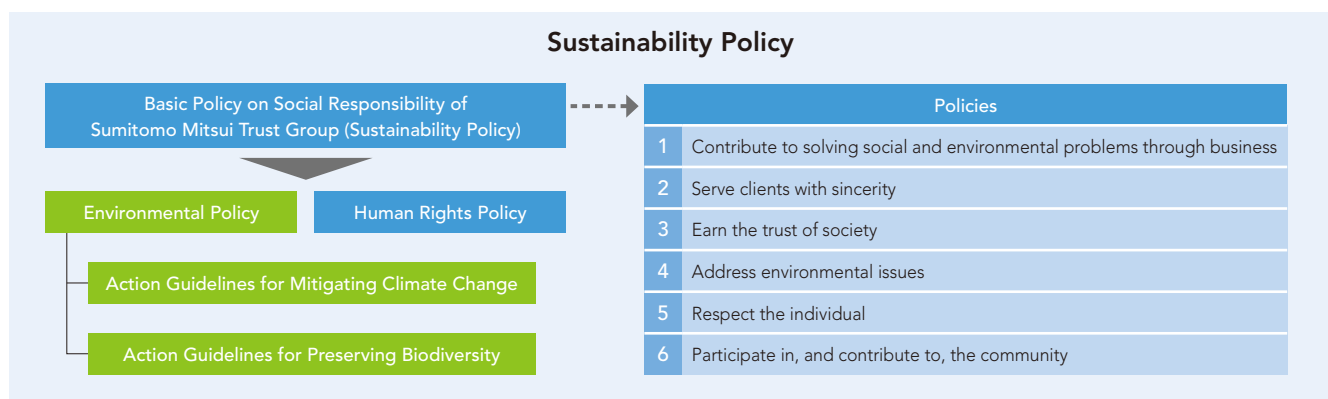
The Group's Approach to Environmental Issues

The fact that environmental issues are undermining the very foundations of societal survival, as evidenced by large-scale natural disasters triggered by abnormal weather patterns and enduring issues with energy sources due to the protracted crisis in Ukraine, has been attracting attention. This suggests that the economy cannot function unless society is managed in a sound manner, and such a society should not place undue burdens on the environment. In light of this perspective, the Company has been viewing global environmental issues as they relate to the economy, establishing environmental policies, and accelerating multifaceted initiatives.

Policies Regarding the Sustainability of The Sumitomo Mitsui Trust Group

In its Medium-Term Management Plan, the Group places the "balanced creation of both social value and economic value" at the core of its management, and has declared generating positive impacts geared towards solving social issues to be one of its basic strategies. It identifies social issues that each business or Group company should

prioritize and makes responding to these issues a core business strategy. Sustainability issues, including the issue of climate change, are positioned as important social issues that the Group should prioritize, and it is formulating strategies and promoting Group-wide efforts while cooperating with international organizations and other entities.



Under our Sustainability Policy, we have established the following Environmental Policy, Action Guidelines for Mitigating Climate Change, and Action Guidelines for Preserving Biodiversity.

Sumitomo Mitsui Trust Holdings Environmental Policy

1. Provision of Products and Services

We will strive to reduce environmental risks and enhance environmental value for the society as a whole by providing financial products and services that contribute to the preservation of the global environment and the realization of a sustainable society.

2. Environmental Burden Reduction

We will strive to preserve the environment and realize a sustainable society through efforts toward energy conservation, resource conservation, and resource recycling based on the recognition of the burden imposed on the environment by the consumption of resources and the discharge of wastes involved in our business activities.

3. Pollution Prevention

We will strive to ensure continuous verification and improvement of our environmental activities and make efforts to prevent pollution.

4. Regulatory Compliance

We will comply with the laws, regulations, rules, and agreements concerning the preservation of the environment.

5. Monitoring

We will strive to ensure the continuous improvement of our environmental activities by setting and periodically reviewing and revising environmental objectives and targets.

6. Education & Training

We strive to ensure group-wide awareness of compliance with the Environmental Policy and to provide appropriate environmental education.

7. Information Disclosure

We will strive to promote activities to preserve the environment through communications with external organizations by publicly disclosing the Environmental Policy.

Related Materiality

Impact Materiality

Materiality	Risk/Opportunity	Key Stakeholders	Main Responses
Environmental, Social, and Governance/Sustainability Management	Risk/Opportunity	Society, clients, and employees	Addressing climate change, biodiversity, recycling of resources and the circular economy, and atmospheric/water/soil pollution, and supporting Environmental, Social, and Governance management at the companies to whom we extend investments and loans

Related Action Guidelines

Action Guidelines for Mitigating Climate Change

1. Implementation of Measures and Support to Help Mitigate Climate Change

In addition to actively taking measures to reduce greenhouse gas emissions in our own business operations, we are making efforts, as a corporate citizen, to support activities that mitigate and adapt to climate change.

Sumi TRUST Group Carbon Neutral Commitment

- (1) Contribute to achieving carbon neutrality in society by leveraging a trust bank group's wide-ranging and flexible functions
- (2) Target net-zero greenhouse gas emissions in investment and loan portfolios by 2050
To achieve net-zero emissions by 2050, a milestone target for 2030 will be formulated in FY2022 in line with the framework of the NZBA*
- (3) Achieve net-zero greenhouse gas emissions in SuMi TRUST Group by 2030

*Our commitment has been announced in October 2021

2. Provision of Products and Services

We are committed to developing and providing products and services that help mitigate climate change, such as using our financial functions to promote the use of renewable energy and carbon offset products.

3. Collaboration with Stakeholders

We engage in dialogue and cooperation with our stakeholders as we work to mitigate climate change.

4. Education and Training

We will ensure that these guidelines are fully implemented at Group companies, and will actively conduct education and training to mitigate climate change.

5. Information Disclosure

We will actively disclose information related to our efforts to mitigate climate change.

Action Guidelines for Preserving Biodiversity

1. Implementing Measures and Providing Support for Biodiversity Preservation

We will proactively engage in the protection of endangered species, and in our capacity as a corporate citizen, we will support activities aimed at conserving biodiversity.

2. Providing Products and Services

We will strive to develop and provide products and services that contribute to the conservation of biodiversity, such as promoting the sustainable use of biological resources through financial functions that include appropriate economic and social evaluations of ecosystems.

3. Collaboration with Stakeholders

We will engage in dialogue and cooperation with our stakeholders while working to preserve biodiversity.

4. Education and Training

We will ensure thorough implementation of these action guidelines at all Group companies and will work to provide education and training aimed at the preservation of biodiversity.

5. Information Disclosure

We will actively disclose information about our efforts to preserve biodiversity.