

Management Commitment



Continuing to solve numerous social issues as a provider of trust schemes that facilitates a safe and secure society.

Two years have passed since the COVID-19 pandemic spread to all corners of the globe and even now it continues to wreak havoc with still no end in sight. I pay my respects to those who have lost their lives to COVID-19 and offer my deepest condolences to their families. I also express my heartfelt sympathy to those currently afflicted, to their families, as well as to the many people whose livelihoods and businesses have been deeply affected by the pandemic.

One of the SuMi TRUST Group's key measures is to strengthen sustainability in management and society and we are therefore working to enhance the creation of value in the Group. We have published this Sustainability Report so that readers can gain an understanding of some of the aspects of our approach. As with last year, this year's Sustainability Report again employs the common metrics for measuring stakeholder capitalism that were announced at the conclusion of the World Economic Forum (Davos Summit) in January 2020 and provides an overview of the Group's initiatives from four perspectives: Principles of Governance, Planet (Environment), People (Society), and Prosperity (Economy). It also serves as the second report and self-assessment concerning the Principles for Responsible Banking (PRB) as required of signatories to the PRB, and fulfils our disclosure requirements regarding our progress towards achieving sustainability targets.

As the fight against COVID-19 continues to rage, interest in climate change and various other social issues are escalating rapidly on a global scale. People's values are changing drastically and the carbon neutrality movement, in particular, will most likely gain increased momentum going forward.

At the COP26 summit held in the UK in November 2021, an agreement that further builds on the objectives of the Paris Agreement was reached in the form of the Glasgow Climate Pact. The pact aims to have every countries in the world work together in fighting climate change and pursue efforts to limit the global average temperature increase to 1.5°C above pre-industrial levels. Even before the agreement was reached at the COP26 summit, in October 2021 we announced the Carbon Neutral Commitment for the SuMi TRUST Group with the aim of reducing greenhouse gas emissions from our own business activities and in investment and loan portfolios overall to net zero. An enormous amount of capital is required to achieve the goal of carbon neutrality. We see this as an opportunity for the SuMi TRUST Group to actively invest in hydrogen, storage batteries, renewable energy, and fields that contribute to the reduction of greenhouse gases, as well as sectors related to the building of new infrastructure. Alongside the Group's new investments, we hope to tackle climate change and other social issues head-on and lead the way in creating a virtuous circulation of funds, assets, and capital in Japan by providing a mechanism that facilitates the circulation of funds for investors and individuals or households confronted with a challenging asset management environment.

Another aspect of climate change is that it is triggering large-scale natural disasters and so the longing for a more secure, safer, and sustainable society is growing increasingly stronger. Ever since our establishment and over the course of our long history, the Group has continued to contribute to the development of Japan by solving various social challenges as demanded by the changing times based on strong relationships of trust with our clients. We think an environment of shifting values and growing uncertainties in society is the opportune time for the Group to come into its own as a purveyor of trust schemes that can help deliver a safe and secure society.

Guided by the Group's "Purpose" to create new value with the power of trusts and let prosperous future for our clients and society bloom, we intend to further enhance our ability to adapt to change and do everything in our power to hand over a more prosperous society to the next generation.

I look forward to the continued warm support of all our stakeholders.

February 2022

Sumitomo Mitsui Trust Holdings, Inc.
Director, President

A handwritten signature in black ink that reads "Tomu Takakura". The signature is written in a cursive, flowing style.