

# 2 Planet

## —Environmental Considerations

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”*

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# The Group's Approach to Environmental Issues

With regard to the three elements of a sustainable society, namely the economy, society, and the environment, the spread of COVID-19 demonstrated how social dysfunction can cause immeasurable damage to the economy, while also highlighting how global environmental issues such as climate change can undermine the very foundation of society's existence. This implies that an economy can function only in a healthy society, and that society must stay within the limits of the environment. Based on this perspective, we have established an environmental policy that considers global environmental issues in relation to the economy, and we are accelerating our various environmental initiatives.

## 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.

\*The Action Guidelines for Mitigating Climate Change (see page 66) and the Action Guidelines for Preserving Biodiversity (see page 74) are specific guidelines that were drawn up based on this Environmental Policy.

## Related Materiality

### Impact Materiality

Materiality	Risk/Opportunity	Key Stakeholders	Main Responses
Pursuing sustainability-themed business opportunities	Opportunity	Clients, communities	Maximization of positive impact through business (e.g., development of innovative financial products that contribute to solving environmental issues, and engagement that encourages positive behavioral change among borrowers and investees)
Considering impacts on society and the business environment of companies to whom we extend investments and loans	Risk	Clients, communities, NPOs	Minimization of negative impact through business (e.g., investment and loan operations in line with policies for specific sectors and ESG guidelines, engagement that encourages the reduction of negative environmental impacts of borrowers and investees)
Climate change	Risk/Opportunity	Clients, shareholders/investors, governments, international organizations, employees, NPOs	Development of climate-conscious governance, finalization of strategies, enhancement of risk management, establishment of metrics and goals, information disclosure in line with TCFD, and pursuit of business opportunities

Highly  
Relevant  
SDGs

