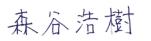
Sumitomo Mitsui Trust International (SMTI) SMTI - Legal Entity TCFD report

Purpose

This is Sumitomo Mitsui Trust International (SMTI) first annual entity-level report setting out how SMTI takes climate-related risks and opportunities into account when administering investments on behalf of clients and consumers. This entity report should be read in conjunction with Sumitomo Mitsui Trust Asset Management (SMTAM) TCFD report which is referenced as SMTAM – TCFD Report 2023/24 (https://uk.sumitrust-am.com/responsible-investment#tcfd-report) throughout this document.

Compliance statement

The disclosures in this report, including any group disclosures cross-referenced in it with respect to SMTI, comply with the TCFD recommendations for entity reporting requirements set out in chapter 2 of the FCA's Environment, Social and Governance sourcebook.



Signed: Name: Hiroki Moritani Title: Managing Director

Reporting period

This report is prepared as at 31 December 2023 and covers the reporting period from 1 January 2023 to the reporting date.

Delegations and reliance on SMTAM's group TCFD report

Sumitomo Mitsui Trust International (SMTI) is a wholly owned subsidiary of Sumitomo Mitsui Trust Asset Management (SMTAM), which is itself wholly-owned by the parent company, Sumitomo Mitsui Trust Holdings (SMTH).

SMTAM oversees SMTI's management and performance, promotes long-term success, defines strategic priorities, monitors management's performance, and ensures effective controls and adequate resources. As a constituent of the SMTH group, SMTAM produces climate-related financial disclosures consistent with TCFD Recommendations and Recommended Disclosures. These disclosures are relevant to SMTI (which follows a consistent approach on climate risks and opportunities at legal entity level) and cover the assets managed by SMTI that fall within its TCFD inscope business under the FCA rules.

Governance

Disclose the organisation's governance around climate-related risks and opportunities.

Governance:

The Board of SMTI fully recognises the imperative of establishing and testing high governance standards for climate-related risks and opportunities. This critical initiative involves developing robust policies and procedures to ensure compliance with regulatory requirements for climate change and other ESG responsibilities.

As sustainability-related matters continue to gain significance for firms and investors, it is crucial that SMTI proactively addresses these issues. Through diligent review of reports and engaging in discussions to drive progress and innovative implementation ideas, the Board effectively steers SMTI's approach to climate change and other ESG matters, integrating this into SMTI's Board Terms of Reference.

Further details about group governance are addressed in the Governance section of the SMTAM – TCFD Report 2023/24. Please also see 'Delegations' section above and SMTAM – TCFD Report 2023/24 (<u>https://uk.sumitrust-am.com/responsible-investment#tcfd-report</u>) (pages 5-6) Climate-related governance, which highlights how SMTAM's Board/Committee are structured and how they oversee climate-related risks and opportunities.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.

Strategy: These recommendations are addressed in the Strategy of SMTAM – TCFD Report 2023/24, and a consistent approach is adopted at SMTI entity level. (<u>https://uk.sumitrust-am.com/responsible-investment#tcfd-report</u>) (pages 6-9).

Risk Management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

Risk management: These recommendations are addressed in the Risk management section of SMTAM – TCFD Report 2023/24, and a consistent approach is adopted at SMTI entity level. (<u>https://uk.sumitrust-am.com/responsible-investment#tcfd-report</u>) (pages 10-26).

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Metrics and targets: Our overarching metrics and targets are provided in the Metrics and target section of SMTAM – TCFD Report 2023/24. (<u>https://uk.sumitrust-am.com/responsible-investment#tcfd-report</u>) (pages 27-29).

As a responsible institutional investor, we are dedicated to reducing greenhouse gas emissions in the companies we invest in. We do this through engaging with and using our voting rights, collaborating with stakeholders such as asset owners and government agencies, improving our investment strategies, and offering investment opportunities with ESG aspects on client requests. Our goal is to support our investee companies in achieving net zero greenhouse gas emissions by 2050, which aligns with our commitment. SMTI does not set specific metrics, however engagement activities are provided to Senior Management at least monthly, and Climate-related risks are monitored as part of the SMTI's Risk Management Framework.