

Sumitomo Mitsui Finance and Leasing Company, Limited

**Medium-Term Management Plan (FY2026–FY2028)**

Sumitomo Mitsui Finance and Leasing Company, Limited (President: Tetsuro Imaeda, hereinafter “SMFL”) hereby announces that it has formulated its Medium-Term Management Plan covering the three-year period from fiscal year 2026 to fiscal year 2028 (hereinafter the “new MTMP”).

Regarding the business environment surrounding our Group, while the global economy is expected to sustain growth driven by the expansion of AI-related investments, it has been noted that economic slowdowns and market disruptions stemming from escalating tensions in the Middle East, among other factors, could impact future economic growth. Domestically, although capital investment remains resilient, uncertainty clouds the outlook for corporate earnings and domestic demand due to rising costs associated with increasing prices and interest rates. In this environment, we believe that the need for more sophisticated and diverse solutions that help customers solve their challenges will intensify further going forward.

In light of these circumstances, the SMFL Group has established the following theme for the new MTMP: “Growing together with customers and society as a business company with strengths in a wide range of financial functions and DX.” Our major inherent strengths are financial functions, expertise in physical assets, and DX. By combining them, we will provide a broad range of unique solutions and contribute powerfully to the growth of our customers and society. Simultaneously, by driving the growth of the Group itself, we aim to realize Our Vision for 2030. Details regarding Our Vision; the focus areas (scopes), the 10 strategies, and the financial and non-financial targets of the new MTMP are as follows:

**1. Our Vision**

Please visit our corporate website to review Our Vision as defined in the SMFL Way.

SMFL Way: <https://www.smfl.co.jp/english/corporate/about/smflway/>

**2. New MTMP: Four Scopes and 10 Strategies**

Under the new MTMP, we will execute four scopes and ten interlocking strategies.

**Four Scopes****I. Taking on new businesses and strengthening existing businesses**

We will drive the evolution of our business models. Specifically, to enhance asset efficiency, all business units will accelerate asset-turnover business models. Furthermore, to address growing

investment needs for alternative assets, we will fully launch our asset management business in aircraft-related sectors and real estate businesses. We will also restructure our organization and frameworks for business investments and new business development to strengthen our investment-related businesses. Additionally, centered on our global environmental business, we aim to achieve both social value creation and economic value expansion.

## II. Global and Group collaboration

We will integrate our sales business units, which primarily handle domestic business, to establish a newly formed Wholesale Unit. In addition, we will integrate the Transportation Business Unit and Global Business Unit into a new Global Business Unit to consolidate global business expertise and resources. Along with collaboration within business units, we will promote synergy across business units, Group companies, shareholders, and partners to deliver the ultimate service to our customers.

## III. Thorough utilization of digital technologies

In addition to providing digital-related solutions, as we have been doing since the previous MTMP (FY2023–FY2025), we will move to the next stage by shifting the development and provision of AI-driven solutions into high gear, thereby accelerating the rollout of our “finance × business × DX” business model.

## IV. Ongoing initiatives to strengthen the business foundation

To align with our global and Group-based business expansion, we will focus on securing and developing human resources, building appropriate risk management frameworks, and fostering a culture of compliance. Furthermore, we will strengthen corporate governance by transitioning to a company with an Audit and Supervisory Board, reviewing the composition of the Board of Directors (including the appointment of independent outside directors), and introducing a CxO system.

## 10 Strategies

- Integrated management of domestic business including Group companies
- Fundamental reform of global business structure
- Persistent evolution of business models in all business domains
- Expansion of alternative asset management in collaboration with shareholders and partners
- Upgrading of strategic investment
- Restructuring of new business development system
- Deepening efforts to create social value
- Creation of added value by maximizing the use of AI and digital technologies
- A renewed approach to Human Capital Management
- Strengthening of risk management and compliance system for global and Group operations and establishment of a governance system

### 3. Financial and Non-Financial Targets

The financial targets for the final fiscal year of the new MTMP (FY2028) are outlined below.

We aim for sustainable growth by emphasizing business growth potential, management efficiency, asset profitability, and financial soundness.

#### FY2028 Financial Targets (Consolidated Basis)

Ordinary profit*1	JPY 220.0 billion	ROA*3	2.0% or higher
Profit attributable to owners of parent*1	JPY 125.0 billion	ROE	10% or higher
Base overhead ratio*2	Approx. 40%	Equity ratio	10% or higher

\*1 1 USD = 150 JPY

\*2 Base overhead ratio:  $\text{Base overhead} / (\text{Gross profit} + \text{Equity in gains (losses) of affiliates})$

Base overhead is operating expenses less growth investments and upfront investments.

\*3 ROA:  $\text{Ordinary profit} / (\text{Operating assets} + \text{Investment-related assets})$

To ensure that initiatives related to the Group's material issues function effectively and to steadily enhance corporate value over the long term, we aim to achieve the following non-financial targets:

#### Non-Financial Targets

Material Issues	Material Issue KPIs
Environment	- Group consolidated GHG emissions: Achieving carbon neutrality in 2050 (Reducing Scope 1 and 2 emissions by 42% from FY2024 levels by FY2030)
	- Targets to contribute to Scope 3 reduction: <ul style="list-style-type: none"> <li>✓ By FY2030, 80% + new technology fleet</li> <li>✓ Implementation of calculation and disclosure of Scope 3 Category 13 for real estate owned by SMFL + SMFL MIRAI Partners by FY2030</li> </ul>
	- Targets to contribute to reducing GHG emissions in society: By FY2030, 1.5 GW equivalent shares in domestic solar power generation capacity
	- Sustainability-related businesses: Cumulative JPY1.0 trillion in contract value in the five years to FY2030* (Cumulative contract value since FY2020: JPY2.0 trillion)
Coexistence with Society	- Continued initiatives to promote coexistence with local communities and to address poverty and inequality affecting children, who will shape the next generation
	- Ratio of women in management positions: 20% by FY2030
Diversity and Human Rights	- Paternity leave utilization rate: 100% (maintained)

	- Average paid leave utilization rate: 90% or higher (maintained)
	- Engagement survey score: 70 or higher (maintained)
	- Number of employees completing training in priority areas (e.g., global business, finance) (global, finance, etc.): Cumulative total over three years by FY2028: 3x or higher (vs. the FY2023–2025 level)
Innovation	- Number of companies provided with DX solutions: Achieve 3,500
Governance	- Further enhancement of the effectiveness of oversight functions and strengthening of appropriate and efficient execution frameworks
	- Continued initiatives to enhance compliance awareness

\*Previous targets through FY2029 have been revised to FY2030.

For more details, please refer to the attached document, “Medium-Term Management Plan (FY2026–FY2028).”

# Medium-Term Management Plan (FY2026–FY2028)

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- 1. Achievement Levels for Targets in the Previous Medium-Term Management Plan (FY2023–FY2025)**
- 2. Achievement Levels for the Previous Medium-Term Management Plan (FY2023–FY2025) and Issues to Address**
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# 1. Achievement Levels for Targets in the Previous Medium-Term Management Plan (FY2023–FY2025)

- We achieved all four of our financial targets and all six of our non-financial targets.

Financial targets		Previous MTMP targets	FY2025 results
Growth potential	Ordinary profit	JPY145.0 billion	<b>JPY189.6 billion</b>
Efficiency	Base overhead ratio <sup>*1</sup>	Approx. 40%	<b>37.0%</b>
Profitability	ROA <sup>*2</sup>	1.7% or more	<b>2.1%</b>
Soundness	Equity ratio	10% or more	<b>11.1%</b>

<sup>\*1</sup> Base overhead ratio: Base overhead / (Gross profit + Equity in gains (losses) of affiliates)  
Base overhead are operating expenses excluding growth and up-front investments

<sup>\*2</sup> ROA: Ordinary profit / (Operating assets + Investment-related assets)

<sup>\*3</sup> GHG emissions: Non-consolidated locations achieved net zero in FY2022. Figures for GHG emissions on a Group consolidated basis are pending. We expect that our efforts to voluntarily offset emissions through the J-Credit Scheme and utilize non-fossil certificates will enable us to achieve net zero on a Group consolidated basis.

Non-financial targets	
GHG emissions <sup>*3</sup>	Target Net zero >>> <b>Achieved Net zero</b>
Sustainability-related <sup>*4</sup> businesses	Target FY2020–FY2025 cumulative contract value of JPY1 trillion >>> <b>Achieved ¥1 trillion</b>
Education expenses	Target JPY600 million >>> <b>Achieved JPY700 million</b>
Percentage of women in managerial positions	Target 15% or higher >>> <b>Achieved 16%</b>
Number of electronic contracts	Target 42,000 >>> <b>Achieved 80,000</b>
Percentage of men taking childcare leave <sup>*5</sup>	Target 100% >>> <b>Achieved 105%</b>

<sup>\*4</sup> Businesses that contribute to addressing social issues such as climate issues, including supporting customers in their decarbonization efforts.

<sup>\*5</sup> Percentages may exceed 100%, as there are cases where employees whose spouses have had children in past fiscal years take childcare leave and related leave in the period in question.

## 2. Achievement Levels for the Previous Medium-Term Management Plan (FY2023–FY2025) and Issues to Address

- While the strategies of the previous MTMP were executed as planned, business expansion has opened up new challenges in both the operating foundation and the business foundation.

	Achievement levels for the previous MTMP	Challenges identified in the previous MTMP
Creation of new core businesses	<ul style="list-style-type: none"> <li>● Expanded our business scope through inorganic strategy growth</li> <li>● Diversified sales and grew earnings through asset turnover initiatives</li> <li>● Promoted infrastructure businesses that help facilitate GHG reductions, such as storage battery business</li> </ul>	<ul style="list-style-type: none"> <li>● Strengthening asset management business</li> <li>● Establishing new businesses as the next primary sources of revenue</li> </ul>
Fundamental transformation of existing business	<ul style="list-style-type: none"> <li>● Built new business foundation through unified operations domestically and internationally</li> <li>● Expanded earnings base through collaboration with Group companies</li> <li>● Promoted the digitization of contracts</li> </ul>	<ul style="list-style-type: none"> <li>● Strengthening collaboration with overseas businesses</li> <li>● Balancing AI utilization and governance</li> </ul>
Solve further social issues	<ul style="list-style-type: none"> <li>● Established the Global Environment Business Unit to achieve a circular economy</li> <li>● Provided and expanded the DX solution business</li> <li>● Implemented pro bono activities, the employee donation program, and other initiatives</li> </ul>	<ul style="list-style-type: none"> <li>● Further expanding businesses that fuse the creation of social value and expansion of economic value</li> </ul>
Establish business foundation	<ul style="list-style-type: none"> <li>● Expanded investments in human resource development</li> <li>● Evolved management of liquidity risk and took other steps to strengthen the risk-management framework</li> <li>● Built a new core system and promoted data-driven management</li> </ul>	<ul style="list-style-type: none"> <li>● Building a governance structure for global and Group operations</li> <li>● Continually advancing and refining risk management</li> </ul>

### 3. Our Awareness of the Business Environment

- The rapidly changing business environment is impacting the company in increasingly diverse ways.

#### Our Awareness of the Business Environment



- Upward trends in prices
- Upward trends in interest rates
- Trends of expansion in the Japanese lease market



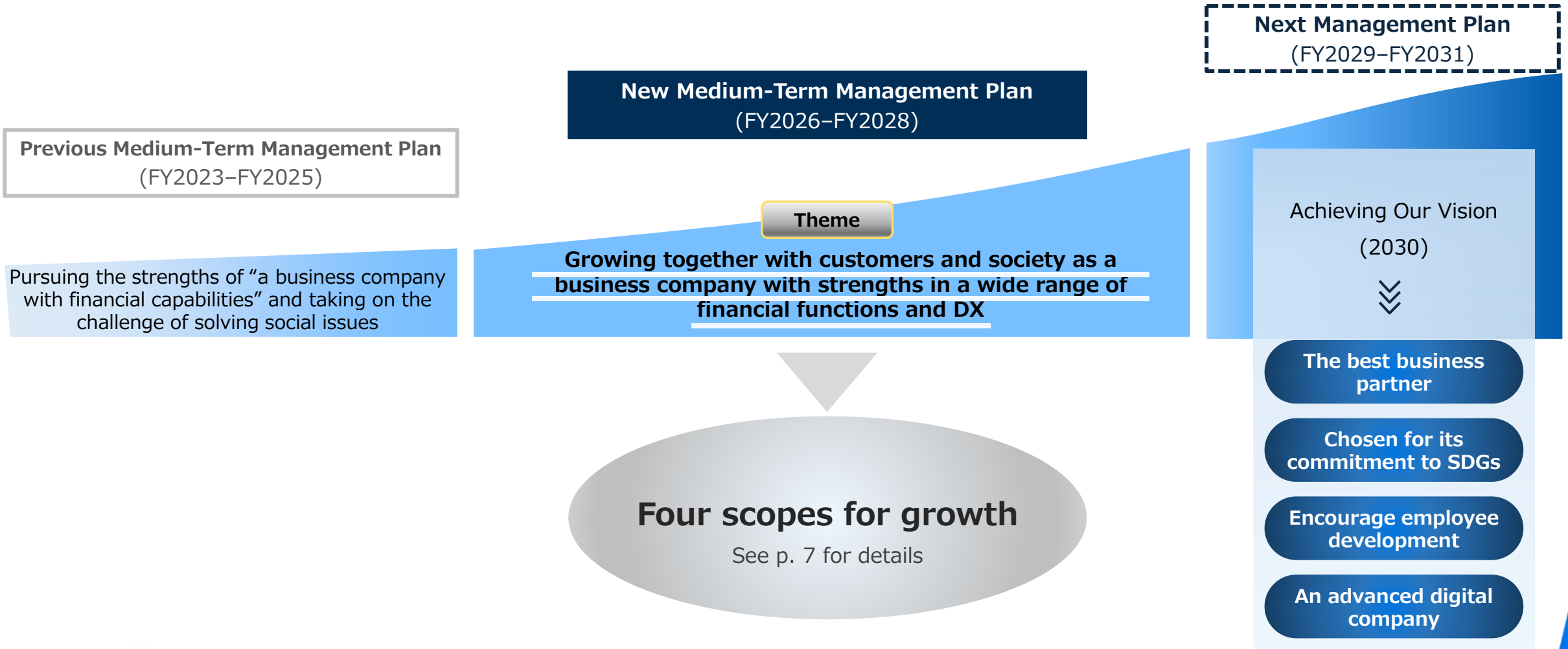
- Close eye on prices and interest rates in Europe and the US
- Growing need for inflation-resistant alternative investments
- Trends of expansion in the international lease market

#### Top risks

Risk type	Top risks
Geopolitical	<ul style="list-style-type: none"> <li>➤ Rising military tensions, escalating conflict</li> <li>➤ Hardline US policies</li> </ul>
Market	<ul style="list-style-type: none"> <li>➤ Larger budget deficits both in Japan and overseas</li> <li>➤ Sudden deterioration in fundraising conditions, emergence of a financial crisis</li> </ul>
Credit	<ul style="list-style-type: none"> <li>➤ Japan's long-term economic stagnation</li> </ul>
Legal/regulatory/governance	<ul style="list-style-type: none"> <li>➤ Regulatory changes</li> <li>➤ Legal violations, compliance framework deficiencies</li> <li>➤ Governance failures within our Group and in investees</li> </ul>
Other	<ul style="list-style-type: none"> <li>➤ Growing threats in cyberspace</li> <li>➤ Increase in severe infectious disease outbreaks, disasters such as large-scale earthquakes</li> </ul>

## 4. Role of the New Medium-Term Management Plan (FY2026–FY2028)

- The new MTMP aims at propelling improvements and focusing on creating a solid foundation on the path toward making **Our Vision** for 2030 a reality.
- We have established four scopes for sustainable growth, considering emerging challenges in addition to the risk and environmental factors we recognized before.



## 5. Summary of the New Medium-Term Management Plan

- The new MTMP involves initiatives on four scopes and ten strategies.

### Four Scopes

#### Scope I

Taking on new businesses and strengthening existing businesses

#### Scope II

Global and Group collaboration

#### Scope III

Thorough utilization of digital technologies

#### Scope IV

Ongoing initiatives to strengthen the business foundation

### 10 Strategies

- ◆ Integrated management of domestic business including Group companies
- ◆ Fundamental reform of global business structure
- ◆ Persistent evolution of business models in all business domains
- ◆ Expansion of alternative asset management in collaboration with shareholders and partners
- ◆ Upgrading of strategic investment
- ◆ Restructuring of new business development system
- ◆ Deepening efforts to create social value
- ◆ Creation of added value by maximizing the use of AI and digital technologies
- ◆ A renewed approach to Human Capital Management
- ◆ Strengthening of risk management and compliance system for global and Group operations and establishment of a governance system

## 6. Main Strategies in the New Medium-Term Management Plan

### Integrated management of domestic business including Group companies

- Integrating relevant business units into Wholesale Unit to strengthen collaboration among domestic business units
- Promoting collaboration not only within the Wholesale Unit but also with other business units, Group companies, shareholders, partners, and others

#### Organizational framework



#### Strategy

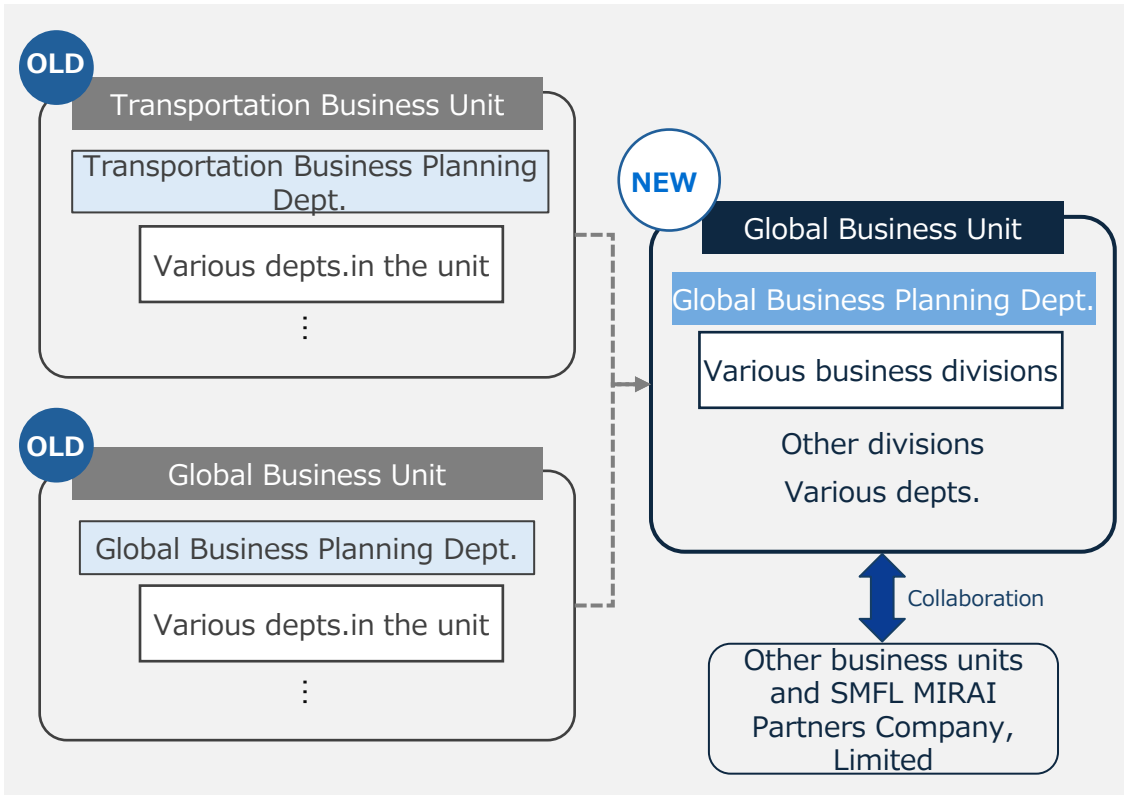
Strategy	Details
Collaborating with core partners	<ul style="list-style-type: none"> <li>➤ Create core partners</li> <li>➤ Strengthen collaboration with existing partners</li> </ul>
Collaborating within the company	<ul style="list-style-type: none"> <li>➤ Strengthen collaboration within business units</li> <li>➤ Collaborate and co-create with Group companies</li> <li>➤ Strengthen collaboration with the Global Business Unit</li> </ul>
Building the earnings base	<ul style="list-style-type: none"> <li>➤ Strengthen DX solutions, consulting (subsidiary management, etc.), financial solutions, and more</li> <li>➤ Create new businesses</li> </ul>
Strengthening the business foundation	<ul style="list-style-type: none"> <li>➤ Enhance governance</li> <li>➤ Strengthen human capital</li> </ul>

## 6. Main Strategies in the New Medium-Term Management Plan

### Fundamental reform of global business structure

- Integrating the Transportation Business Unit and Global Business Unit into a new Global Business Unit to consolidate global business expertise and resources
- Driving strategies from a Company-wide standpoint perspective, drawing on stronger collaboration with other business units, Group companies, shareholders, partners, and other parties

#### Organizational framework



#### Strategy

Strategy	Details
Unifying strategies	<ul style="list-style-type: none"> <li>➤ Formulate strategies from a Company-wide standpoint</li> <li>➤ Determine focus areas and manage the portfolio</li> </ul>
Expanding business	<ul style="list-style-type: none"> <li>➤ Strengthen cross-selling efforts</li> <li>➤ Secure missing parts</li> </ul>
Evolving management	<ul style="list-style-type: none"> <li>➤ Manage information centrally</li> <li>➤ Integrate corporate functions</li> <li>➤ Share expertise for managing subsidiaries and locations</li> </ul>

## 6. Main Strategies in the New Medium-Term Management Plan

### Expansion of alternative asset management in collaboration with shareholders and partners

- Further accelerating asset-turnover businesses
- Fully launching asset management business for aircraft, real estate, and other alternative assets

	 <b>Continuation</b>	<b>Accelerating and promoting asset-turnover businesses</b>	 <b>Full-scale launch</b>	<b>Expanding alternative asset management businesses</b>				
Initiative goals		<ul style="list-style-type: none"> <li>➤ Controlling assets on the balance-sheet and ensuring sound balance-sheet management</li> <li>➤ Capturing capital gains</li> </ul>		<ul style="list-style-type: none"> <li>➤ Maximizing the value of investor assets</li> <li>➤ Expanding fee businesses</li> </ul>				
Target assets		 Lease receivables	 Aircraft	 Helicopters	 Ships	 Real estate	 Infrastructure	 Environment and energy
Approach/measures		<ul style="list-style-type: none"> <li>➤ Sell assets with an eye to market trends and optimal timing</li> <li>➤ Expand the range of target assets and evolve the structure</li> </ul>		<ul style="list-style-type: none"> <li>➤ Outreach to investors in cooperation with the companies of the Sumitomo Mitsui Financial Group</li> <li>➤ Collaborate with global sponsors (funds, etc.)</li> </ul>				





## 6. Main Strategies in the New Medium-Term Management Plan

### Deepening efforts to create social value

- Continuing to promote society-wide decarbonization society-wide, waste reduction, and material recycling
- Driving efforts to tackle social issues beyond the reach of our business, thereby contributing a sustainable society

### ■ Accelerating the commercialization of CN x CE x DX to realize GX

Combining and using digital expertise for decarbonization of our customers and society, and for reducing waste and recycling materials, create businesses that align social value creation with economic value expansion

Item	Strategy	DX
 Advancing SMFL's unique CE model	➤ Expand presence through stronger external relations	Leverage DX
 Securing a position for the renewable energy business	➤ Generate more non-FIT projects through development-driven efforts	
 Promoting adoption of SAF	➤ Form a partnership with companies in a variety of fields to help establish SAF	
 Expanding the storage battery business	➤ Leverage expertise from early market entry toward expanding business	

### ■ Contribution to solving social issues beyond the reach of our business



#### Expanding sustainability partnerships

Expanding customer co-creation	Aiming to serve as a hub for inter-company sustainability collaboration
Expanding scope of support	Working together to expand the scope of social issues to tackle and organizations to support

#### Contributing to society on a broader scale

Expanding opportunities for employees to get involved	Expanding the range of pro bono opportunities
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Note: GX: Green transformation; CN: Carbon neutrality; CE: Circular economy; DX: Digital transformation

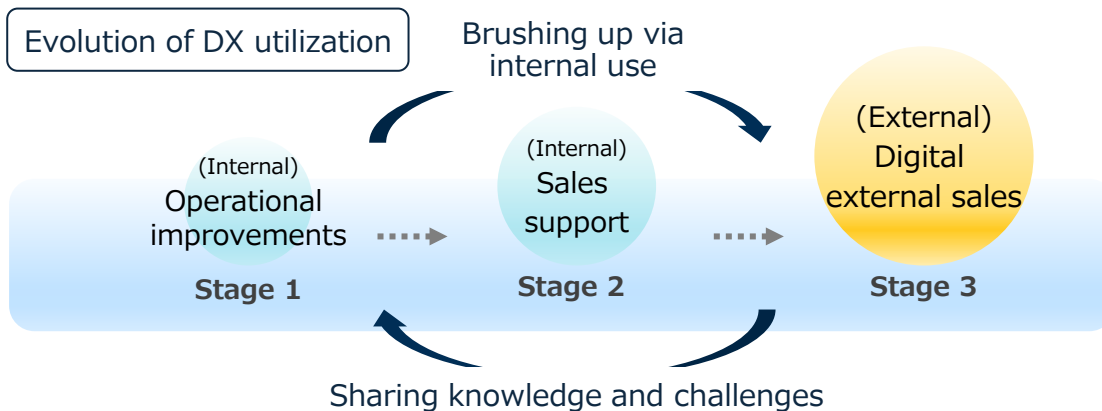
## 6. Main Strategies in the New Medium-Term Management Plan

### Creating added value by maximizing the use of AI and digital technologies

- Shifting development of DX products into high gear to follow up on the success of the in-house DX solution “assetforce,” a cloud-based asset-management service
- Pushing efforts to streamline operations via AI-driven in-house DX solutions and collecting expertise and success stories to translate into external sales

#### ■ Digital strategy

Offer unique solutions by combining our strength in **finance**, which has been maintained since our inception, with new strengths in **business** and **DX**



#### ■ AI strategy: AI transformation

##### Promoting internal AI use

- **Task-specific:**  
Use in-house AI models and cutting-edge AI technologies from Silicon Valley and other hubs to develop AI apps that play vital roles in executing Company-wide/unit-specific strategies

▶ To external sales

- **Utilization of general-purpose AI systems:**  
Streamline work processes on an individual employee level via commercially available generative AI software

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##### AI governance

- **Creation of the AI Committee:**  
Centrally oversee AI efforts and deliberate on relevant governance issues

## 6. Main Strategies in the New Medium-Term Management Plan

### Strengthening the risk management and compliance system for global and Group operations and establishing a governance system

- Putting ourselves in position for sustainable growth by taking a variety of steps in FY2026: transitioning to a company structure with a Audit & Supervisory Board, appointing independent outside directors, and introducing the CxO system, among others

#### ■ Changes in the governance structure

##### Change 1

### Audit & Supervisory Board

Transition to a company structure with a Audit and Supervisory Board

Further enhance the effectiveness of governance through efforts to strengthen the auditing framework

##### Change 2

### Board of Directors

Appoint independent outside directors and revise the composition of the Board of Directors in order to improve the transparency of management

##### Change 3

### Introduction of the CxO system

Clarify leadership responsibility for corporate functions that require global and Group-based information consolidation, management, and unified decision-making

#### ■ New CxO framework

CEO	Chief Executive Officer
CFO	Chief Financial Officer
CSO	Chief Strategy Officer
CTO	Chief Transformation Officer
CRO	Chief Risk Officer
CCO	Chief Compliance Officer
CHRO	Chief Human Resources Officer
CIO	Chief Information Officer
CISO	Chief Information Security Officer
CAE	Chief Audit Executive

# 7. Financial and Non-Financial Targets in the New Medium-Term Management Plan

## Financial targets

	Financial targets	FY2025 results (1 USD = 159.90 JPY)	FY2028 targets (1 USD = 150 JPY)
Growth potential	Ordinary profit	JPY 189.6 billion	JPY 220.0 billion
	Profit attributable to owners of parent	JPY 120.1 billion	JPY 125.0 billion
Efficiency	Base overhead ratio*1	37.0%	Approx. 40%
Profitability	ROA *2	2.1%	2.0% or higher
	ROE	10.2%	10% or higher
Soundness	Equity ratio	11.1%	10% or higher

\*1 Base overhead ratio: Base overhead / (Gross profit + Equity in gains (losses) of affiliates)  
Base overhead is operating expenses less growth investments and upfront investments.

\*2 ROA: Ordinary profit / (Operating assets + Investment-related assets)

\*3 Businesses that contribute to addressing social issues such as climate issues, including supporting customers in their decarbonization efforts.

\*4 Previous targets through FY2029 have been revised to FY2030.

## Non-financial targets

Material Issues	Target
Environment	<ul style="list-style-type: none"> <li>● <b>Group consolidated GHG emissions:</b> <b>Achieving carbon neutrality in 2050</b> (Reducing Scope 1 and 2 emissions by 42% from FY2024 levels by FY2030)</li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Targets to contribute to Scope3 reduction:</b> Increasing the ratio of <b>new-technology fleet to 80% or more</b> by FY2030 / Implementation of <b>calculation and disclosure of Scope 3 Category 13</b> for real estate owned by SMFL + SMFL MIRAI Partners by FY2030</li> </ul>
Coexistence with Society	<ul style="list-style-type: none"> <li>● <b>Targets to contribute to reducing GHG emissions in society:</b> By FY2030, <b>1.5 GW</b> equivalent shares in domestic solar power generation capacity</li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Sustainability-related businesses:</b> *3 Cumulative contract value target of <b>JPY 1 trillion</b> in five years by FY2030 (Cumulative contract value target of JPY 2 trillion from FY2020) *4</li> </ul>
Diversity and Human Rights	<ul style="list-style-type: none"> <li>● Continued initiatives to promote <b>coexistence with local communities and to address poverty and inequality affecting children</b>, who will shape the next generation</li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Ratio of women in management positions:</b> Achieving <b>20%</b> by FY2030</li> </ul>
Innovation	<ul style="list-style-type: none"> <li>● <b>Paternity leave utilization rate:</b> Maintain <b>100%</b> by FY2030</li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Average paid leave utilization rate:</b> Maintain <b>90% or higher</b></li> </ul>
Governance	<ul style="list-style-type: none"> <li>● <b>Engagement survey score:</b> Maintain a score of <b>70</b> or above</li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Number of employees completing training in priority areas (e.g., global business, finance):</b> Cumulative total over three years by FY2028 to be at least <b>three times higher</b> than FY2023-2025</li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Number of companies provided with DX solutions:</b> <b>Achieve 3,500 companies</b></li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Further enhancement of the effectiveness of oversight functions and strengthening of appropriate and efficient execution frameworks</b></li> </ul>
	<ul style="list-style-type: none"> <li>● <b>Continued initiatives to enhance compliance awareness</b></li> </ul>

# Appendix 1: Revising the SMFL Way

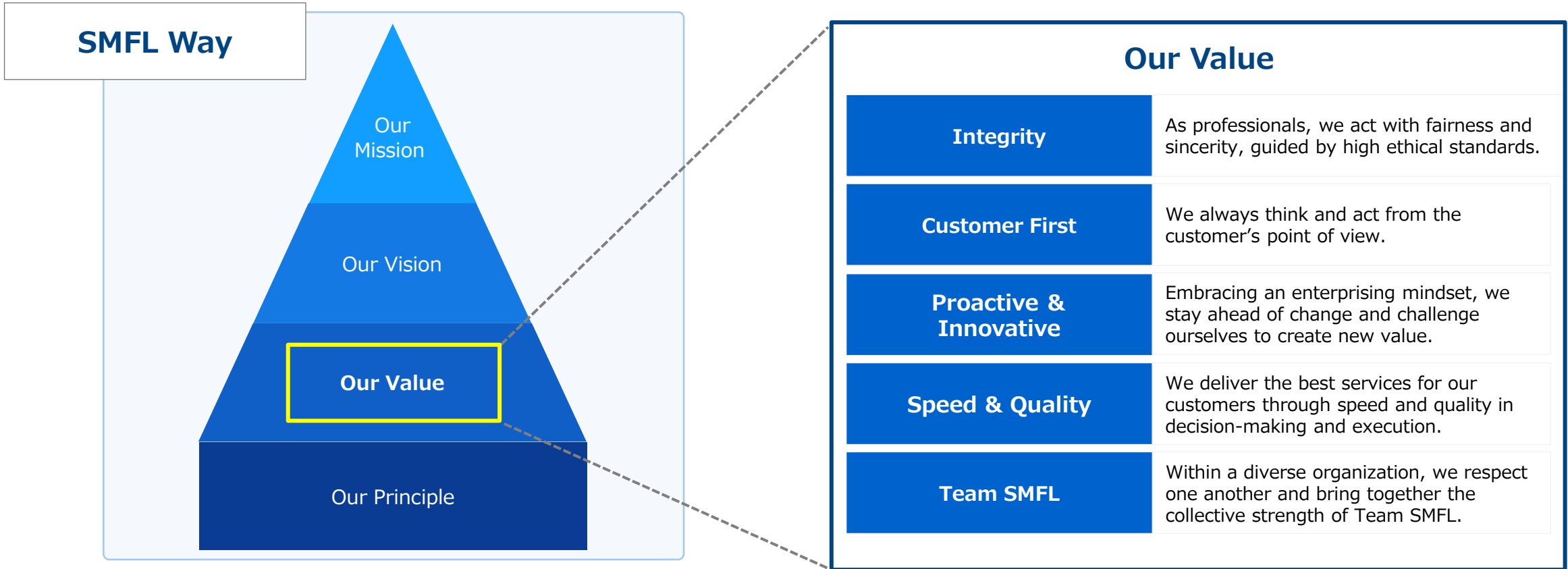
- Revised the **Our Value** portion of the **SMFL Way**, which lays out our management philosophy, management policies, values, and principles in a structured way.

## Background

Changes in corporate culture and an increasingly diverse officer and employee makeup, even in our organizational foundation, amid an expanding scale and range of business

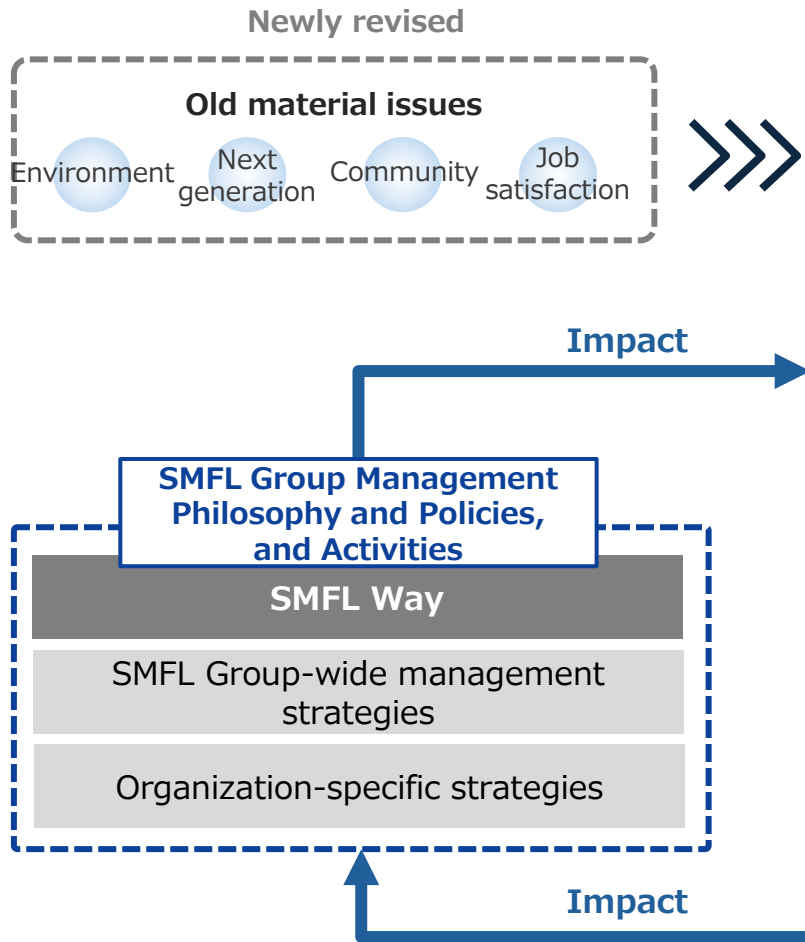
## Purpose

Revise the “Integrity” portion of Our Value—the most important value linking all officers and employees across the Group—to ensure that it continues to take root even as business domains expand



## Appendix 2: Establishing Material Issues

- Defined our material issues as “Issues that are important to the sustainable development of both the SMFL Group and society” and established a new set of five material issues <sup>\*1</sup>
- Set “Our Goals” and “Material Issue KPIs (non-financial targets)” for each issue in order to strengthen awareness and promotion efforts Group-wide



### SMFL Group Material Issues and Our Goals

Issues that are important to the sustainable development of both the SMFL Group and society



**Environment**

- ✓ Contribution to carbon neutrality
- ✓ Contribution as a platformer for the circular economy
- ✓ Conservation of natural capital



**Innovation**

- ✓ Promotion of innovation through co-creation
- ✓ Improving operational efficiency and productivity through DX



**Coexistence with society**

- ✓ Solving regional issues and building sustainable communities
- ✓ Contribution to the sustainable development of countries around the world
- ✓ Contribution to the growth of the next generation



**Governance**

- ✓ Sound management through compliance and governance



**Diversity and human rights**

- ✓ Development of talent who take on challenges and the creation of fulfilling workplaces
- ✓ Building organizations that leverage diversity as a strength and enhancing well-being
- ✓ Respect for the human rights of all stakeholders

