

Sumitomo Mitsui Finance and Leasing Company, Limited

**Establishment of the New Environmental Targets “SMFL Group Sustainability Action Plan”**

Sumitomo Mitsui Finance and Leasing Company, Limited (President: Tetsuro Imaeda; hereinafter “SMFL”) is pleased to announce that, building on the achievements of its “Medium- to Long-term Environmental Targets” established in fiscal year 2022, it has established new environmental targets entitled the “SMFL Group Sustainability Action Plan” in order to further accelerate its initiatives toward achieving carbon neutrality.

**Background to the Formulation**

To date, SMFL has promoted initiatives to realize a decarbonized society based on its “Medium- to Long-term Environmental Targets,” for which fiscal year 2025 is set as the final year. In recent years, the need to accelerate our response to climate change has intensified, and corporate sustainability has become one of the most critical management priorities.

Against this backdrop, the SMFL Group has taken its previous targets a step further by setting goals aligned with more transparent international standards, specifically the Paris Agreement’s 1.5°C pathway. In addition, the SMFL Group is shifting its focus from voluntary offsetting through carbon credits to the direct reduction of greenhouse gas (GHG) emissions, thereby promoting more effective and impactful initiatives.

Under the new environmental targets, priority is placed on goals centered on the reduction of GHG emissions. Meanwhile, targets related to the expansion of sustainability-related businesses under the previous “Medium- to Long-term Environmental Targets” have been transferred to the SMFL Group’s material Issue KPIs.

**New Environmental Targets “SMFL Group Sustainability Action Plan”**

As an interim target toward 2030, the SMFL Group aims to achieve a 42% reduction in Scope 1 and Scope 2 GHG emissions on a consolidated basis (compared to fiscal year 2024), together with targets that contribute to the reduction of Scope 3 and GHG emissions in society. Through these initiatives, the SMFL Group seeks to achieve carbon neutrality by 2050.

With respect to targets contributing to the reduction of Scope 3 and GHG emissions in society, the SMFL Group aims to raise the proportion of new technology fleet to 80% or more in its transportation business. In the real estate business, SMFL and its strategic subsidiary, SMFL MIRAI Partners Company, Limited, will work to calculate and disclose GHG emissions (Scope 3, Category 13) associated with properties owned by SMFL and SMFL MIRAI Partners. In addition, in the global environment business domain, the SMFL Group aims to promote the widespread adoption of renewable energy and contribute to GHG emission

reductions by achieving 1.5GW of domestic solar power generation capacity on an equity interest basis.

Under its action plans designed to contribute to GHG emission reductions, the SMFL Group will promote the measurement of GHG reduction contributions in its circular economy business, as well as initiatives related to Sustainable Aviation Fuel (SAF) business through collaboration across departments and Group companies. Through these efforts, the SMFL Group will advance effective initiatives across the entire SMFL Group toward the realization of a decarbonized society.

Through the implementation of the “SMFL Group Sustainability Action Plan,” the SMFL Group will contribute not only to the reduction of its own GHG emissions, but also to reductions across the entire supply chain and society as a whole, thereby contributing to the realization of a sustainable society.

### SMFL Group Sustainability Action Plan

2030	Reduction of Scope 1 and 2 by 42% (compared to FY2024) across the consolidated group					
	Targets contributing to the reduction of Scope 3 and GHG emissions in society.	Targets to contribute to Scope 3 reduction				
		<table border="0"> <tr> <td style="padding-right: 10px;"><b>Aircraft</b></td> <td>• Increasing the ratio of new technology fleet to 80% or more</td> </tr> <tr> <td><b>Real estate</b></td> <td>• Implementation of calculation and disclosure of Scope 3 Category 13 for real estate owned by SMFL+SMFL MIRAI Partners</td> </tr> </table>	<b>Aircraft</b>	• Increasing the ratio of new technology fleet to 80% or more	<b>Real estate</b>	• Implementation of calculation and disclosure of Scope 3 Category 13 for real estate owned by SMFL+SMFL MIRAI Partners
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Action plan for contributing to GHG reduction	Targets to contribute to reducing GHG emission in society					
	<table border="0"> <tr> <td style="padding-right: 10px;"><b>Global Environment</b></td> <td>• Achieving 1.5 GW of domestic solar equity power generation output</td> </tr> <tr> <td></td> <td>• Measuring the contribution to GHG reduction in Circular Economy Business</td> </tr> <tr> <td></td> <td>• Promoting the SAF business initiatives through inter-divisional and inter-group cooperation</td> </tr> </table>	<b>Global Environment</b>	• Achieving 1.5 GW of domestic solar equity power generation output		• Measuring the contribution to GHG reduction in Circular Economy Business	
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	• Measuring the contribution to GHG reduction in Circular Economy Business					
	• Promoting the SAF business initiatives through inter-divisional and inter-group cooperation					
2050	Achieving carbon neutrality (Scope 1, 2, 3)					

【For press inquiries】

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