

October 15, 2021

Sumitomo Life Insurance Company

Membership in the Net-Zero Asset Owner Alliance, an international initiative

-Further action to address the growing urgency of global warming-

Sumitomo Life Insurance Company (President & CEO: Yukinori Takada; hereinafter “Sumitomo Life”) has joined the Net-Zero Asset Owner Alliance (AOA), an international initiative that aims to achieve net-zero greenhouse gas (GHG) emissions from members’ asset portfolios by 2050.

Sumitomo Life promotes responsible investment with the aim of realizing a sustainable society while enhancing investment returns over the medium-to long-term at the same time. In particular, we consider climate change to be an important and urgent social issue. In April 2021, we announced our aim to achieve net-zero GHG emissions by 2050 and in June 2021, we set reduction targets for 2030 concerning GHG emissions from our asset portfolio, as part of our active efforts to realize a decarbonized society*¹.

On the other hand, the situation of the global environment is becoming increasingly severe, and the urgency of the issue is ever intensifying, as shown by IPCC’s Sixth Assessment Report*² released in August 2021, which indicates that global warming is accelerating faster than expected.

In light of this situation, we have decided to join the AOA based on the recognition that we are required to take further action as a responsible institutional investor. Through this initiative, we will work together on a global scale toward the realization of a decarbonized society and ramp up our efforts by learning from best practices and other advanced approaches.

We will further strengthen our efforts to achieve our current reduction target for 2030 concerning GHG emissions. However, based on the AOA’s policies and future discussions, we will consider revising the target and measures within the next one year, and if we revise them, any revisions will be announced separately.

*1 For details of Sumitomo Life’s activities related to responsible investment, please refer to the “2021 Report on Responsible Investment Activities” (in Japanese only now, English version will be posted soon).

*2 Climate Change 2021: The Physical Science Basis by the Working Group I of the Intergovernmental Panel on Climate Change (IPCC)

[Overview of AOA]

The AOA is an international initiative that aims to achieve the Paris Agreement's goal of limiting temperature rise to 1.5°C through the cooperation of asset owners and requires members to commit to transitioning their asset portfolios to net-zero GHG emissions by 2050. Under the leadership of the United Nations Environment Programme Finance Initiative (UNEP FI) and the Principles for Responsible Investment (PRI), the AOA has been active since 2019, with 49 members and more than USD 7 trillion in assets under management (as of October 2021). The AOA is one of the major initiatives under the Glasgow Financial Alliance for Net Zero (GFANZ)^{*3} umbrella, which aims to bring the financial industry together to achieve net zero.

*3 The GFANZ was launched in April 2021. It oversees a number of net-zero related initiatives in the financial industry and aims at more ambitious goals.

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