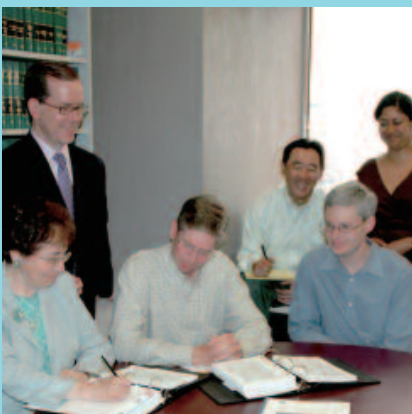


CORPORATE GOVERNANCE



MANAGEMENT PRINCIPLES AND ACTIVITY GUIDELINES

The “Sumitomo Business Spirit” underlies Sumitomo Corporation’s Management Principles and Activity Guidelines. The Sumitomo Business Spirit is the basis of our business operations and advocates such universal values as “integrity and sound management,” “never pursue easy gains,” and “a spirit of challenge that anticipates change.”

Management Principles and Activity Guidelines

Based on the Sumitomo Business Spirit, Sumitomo Corporation formulated its Corporate Mission Statement in 1998. This statement is presented in today’s terms, rewording the original spirit statement and incorporating phrases more suitable to a company operating globally. Our Management Principles describe our corporate mission “to achieve prosperity and realize dreams through sound business activities” as well as our fundamental management policies “to place prime importance on integrity and sound management with utmost respect for the individual,” while we are working “to foster a corporate culture full of vitality and conducive to innovation.” The Activity Guidelines apply to everyday operations and are based on the Management Principles.

We are working to further share the Management Principles and Activity Guidelines among all Group officers

and employees. Through these endeavors, we aim to be a global organization that contributes broadly to society.

SC VALUES

To ensure that all officers and employees share and practice the values advocated in the Management Principles and Activity Guidelines, we also drafted the SC VALUES. The SC VALUES consist of nine values, including Integrity and Sound Management, Integrated Corporate Strength, Vision, Change and Innovation, Commitment, Enthusiasm, Speed, Human Development, and Professionalism. These values are respected in human resource development, work performance evaluation, and our multidimensional assessment system (job performance assessment of supervisors by their subordinates).

Sumitomo Business Spirit Embodied in “Business Principles” (Formulated in 1891)

Article 1: Sumitomo shall achieve strength and prosperity by placing prime importance on integrity and sound management in the conduct of its business.

Article 2: Sumitomo shall manage its activities with foresight and flexibility in order to cope effectively with the changing times. Under no circumstances, however, shall it pursue easy gains or act imprudently.

Corporate Mission Statement

We aim to be a global organization that constantly stays a step ahead in dealing with change, creates new value, and contributes broadly to society.

Management Principles

- To achieve prosperity and realize dreams through sound business activities
- To place prime importance on integrity and sound management with utmost respect for the individual
- To foster a corporate culture full of vitality and conducive to innovation

Activity Guidelines

- To act with honesty and sincerity on the basis of the Sumitomo Business Spirit and in keeping with the Management Principles
- To comply with laws and regulations while maintaining the highest ethical standards
- To set high value on transparency and openness
- To attach great importance to protecting the global environment
- To contribute to society as a good corporate citizen
- To achieve teamwork and integrated corporate strength through active communication
- To set clear objectives and achieve them with enthusiasm

SC VALUES

1. Integrity and Sound Management:

To comply with laws and regulations while maintaining the highest ethical standards

2. Integrated Corporate Strength:

To create no boundaries within the organization; always to act with a company-wide perspective

3. Vision:

To create a clear vision of the future, and to communicate to share it within the organization

4. Change and Innovation:

To accept and integrate diversity in values and behavior, and to embrace change as an opportunity for action

5. Commitment:

To initiate, own, and achieve organizational objectives

6. Enthusiasm:

To act with enthusiasm and confidence, and to motivate others through such action

7. Speed:

To make quick decisions and act promptly

8. Human Development:

To fully support the development of others’ potential

9. Professionalism:

To achieve and maintain high levels of expertise and skills

CORPORATE GOVERNANCE SYSTEM

Our corporate governance is embodied in the “Sumitomo Corporation Corporate Governance Principles,”* which were established in April 2003 on the basis of the “Sumitomo Business Spirit” and “Management Principles.”

We have stipulated in our Corporate Governance Principles that, ultimately, we view corporate governance as “improving management efficiency” and “maintaining sound management,” as well as “securing the high level of management transparency” required to achieve the first two goals.

Features of Our Corporate Governance System

Sumitomo Corporation has established a corporate governance structure that comprises the General Meeting of Shareholders, which serves as the Company’s supreme decision-making body, the Board of Directors, which makes important management decisions and the Board of Corporate Auditors and Corporate Auditors, who monitor the performance of Directors.

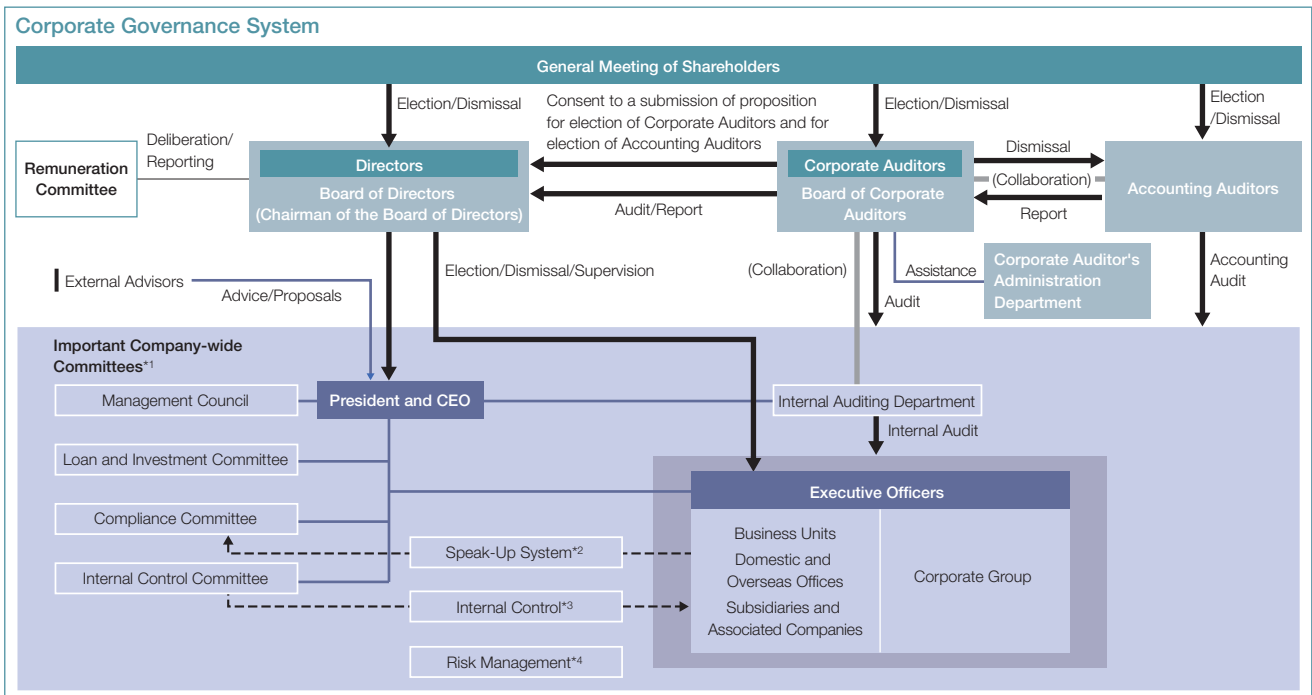
The size of the Board of Directors has been optimized to ensure its maximum effectiveness, and the term of each Director has been limited to one year to fortify the corporate

governance function. We have also introduced an executive officer system, with the objectives of clarifying responsibilities and the authority for business execution and reinforcing the monitoring function of the Board of Directors.

We have five Corporate Auditors, three of whom are external appointments. To enhance the auditing function, we are developing our internal control system and strengthening collaboration with Corporate Auditors.

In addition, by appointing external advisors, we are incorporating a diversity of perspectives into our management.

*Please refer to the following Web page for the Corporate Governance Principles: URL: http://www.sumitomocorp.co.jp/english/company_e/governance/index.shtml.



*1 As Company-wide committees, in addition to the above, we have Corporate Social Responsibility Committee, IR Committee, Human Resources Committee, Global Environment Committee, Information Security Committee, Disclosure Committee, and others.

*2 Officers and employees are allowed to inform the information regarding compliance issues directly to Compliance Committee regardless of their respective chains of command.

*3 According to the framework of COSO Internal Control, the status of internal management at each organization is regularly and comprehensively self-assessed on a consolidated basis, which is then followed by a review conducted by administrative departments.

*4 (1) We divide various risks associated with business activities into two types, namely “quantifiable risks” for those including market risks, investment risks, and credit risks, and “non-quantifiable risks” for those including natural disasters, mistakes in the execution of work, and unauthorized conduct, and manage them accordingly. For “quantifiable risks,” we make diligent efforts to manage the total quantity of risks and pursue returns for risks through the adoption of the concept of “risk asset management.” For “non-quantifiable risks,” we endeavor to restrain such risks through company-wide countermeasures.

(2) Each department within the Corporate Group is building a framework on Company-wide level of risk management (internal rules, policies, methods and guidelines of risk management, etc.), and conducting monitoring and implementing necessary improvements regarding risk management pertaining to its respective areas of work responsibility, while departments of business operation, such as Business Units, implement risk management necessary to execute specific work under the framework of the whole company.

CORPORATE GOVERNANCE SYSTEM

Optimization of Size and Limiting of Terms of Board of Directors

In order to facilitate substantial and active discussion as well as to promote greater efficiency and effectiveness in the decision-making process, we halved the number of Board members from 24 in June 2003. As of July 2007, the Board has 12 members.

Furthermore, at the General Meeting of Shareholders held in June 2005, the term of Directors was reduced from two years to one year. By asking shareholders for a vote of confidence on Directors every year, we are undertaking to strengthen the function of our corporate governance.

Establishment of the Remuneration Committee

With the aim of enhancing the transparency and objectivity of the decision-making processes with regard to the remuneration of Directors and Executive Officers, we established the Remuneration Committee on April 1, 2007. Functioning as an advisory body to the Board of Directors, the Committee consists of six committee members, three of whom are from outside the Company—one is an external auditor concurrently serving as a Corporate Auditor and two are external specialists.

Introduction of the Executive Officer System

We have introduced the executive officer system with the aim of clarifying the responsibilities and authority for execution and strengthening the monitoring function of the Board of Directors. We currently have about 30 Executive Officers, including general managers of Business Units, who also serve concurrently as Directors. In this way, we aim to prevent gaps between decisions made at Board of Directors meetings and the execution of those decisions.

Enhancement of Corporate Auditing Framework

The Board of Corporate Auditors and each Corporate Auditor audit the performance of Directors. The Board of Corporate Auditors has five members, including three external auditors—two legal experts (a former Public Prosecutor General and a former Supreme Court Justice) and one accounting expert—providing an auditing system incorporating a diversity of perspectives.

Corporate Auditors attend meetings of the Board of Directors and all other important internal meetings, in order to obtain information necessary for proper auditing.

Corporate Auditors also meet the Chairman of the Board of Directors and the President and CEO every month

to exchange opinions on material issues regarding management policy and auditing.

We have been placing dedicated staff to assist Corporate Auditors, so that the auditing system functions effectively.

Seeking to further enhance the auditing function, we organized the Corporate Auditor's Administration Department with dedicated staff in May 2006. The Internal Auditing Department also assists Corporate Auditors by providing information on a frequent basis.

Appointment of External Advisors

To incorporate outside perspectives into our management, we have appointed four specialists (as of April 1, 2007), from outside the Company as external advisors. At meetings with Board members, the external advisors provide us with advice from diverse perspectives on various themes regarding management issues. They also give speeches and lectures in their respective areas of expertise, such as leadership and career development.

Limits on Terms of the Chairman of the Board of Directors and the President and CEO

In principle, the terms of the Chairman of the Board of Directors and the President and CEO are each limited to six years. We have thus eliminated the possibility of governance problems by limiting the tenure of top management.

Future Policy

Under the former Commercial Code, since April 2003 Japanese companies have been able to adopt a company with a committee based system of corporate governance. However, we believe that the best way for us to improve the effectiveness of our corporate governance is to maintain our existing corporate auditor system, while enhancing and reinforcing it by incorporating an outside perspective into our management through auditing based on a diversity of external viewpoints and with opinions and advice from additional external advisors.

We will preserve our corporate culture as a Japanese company, while watching global trends and legislation concerning companies. At the same time, we will observe the benefits of different corporate governance frameworks in other countries.

Thus, Sumitomo Corporation will continually study the most appropriate corporate governance system.

INTERNAL CONTROL

Sumitomo Corporation Group has been implementing the Internal Control Program in order to “improve the quality of business operation” on a global consolidated basis. We believe that constant monitoring and upgrading of the groupwide internal control system is indispensable to our sustained growth and development. As a result of its two-year implementation since 2005, the Internal Control Program has been expanded and rooted across the entire Group as important infrastructure for monitoring our groupwide internal control system.

Background to the Introduction of the Internal Control Program and Initiatives Taken to Date

Thorough Assessment of Our Internal Control on Global Consolidated Basis

It is essential that the Sumitomo Corporation Group maintains a uniform standard for the quality of business operations, irrespective of the business sector or geographical region where they take place. Moreover, such standards must meet the expectations of our stakeholders.

From this perspective, in July 2005, we compiled a checklist based on the COSO Framework,* which serves as an international standard for internal control. Using this checklist, we set about making a thorough assessment of the current status and effectiveness of our internal controls. The checklist covers points pertaining to general operations that should be common to operations across the Group, including risk management, accounting, and financial controls and compliance.

Through the implementation of the Internal Control Program, we are undertaking assessments at around 500 domestic and overseas operations that are aimed at conducting assessments of all Group operations, irrespective of industry field, region, or size. The Planning and Administration Department in each Business Unit and other relevant departments are reviewing the assessment results while supporting the formulation, establishment, and implementation of necessary improvement measures.

Progress in Fiscal 2006

Reflecting assessment results in fiscal 2005, to address the issues identified through the Internal Control Program in individual organizations, we have implemented such initiatives as operational flow reassessments and system upgrades during the fiscal year under review. Meanwhile, the Corporate Group, in cooperation with other organizations, has established or renewed relevant rules, reviewed the method of internal control-related systems for Group companies and executed other necessary measures from a Groupwide perspective.

We have also identified especially important daily operational matters in the Internal Control Program checklist as “Primary Monitoring Check Items” and compiled the “Essence of Controls,” a manual that explains the rationale

behind laying out control processes and points that require special attention. These actions helped us to a great extent in conducting highly reliable assessments.

We apply the same principle to subsidiaries to be established and external corporations to be acquired. By performing adequate internal control assessments for these entities, we make sure that they have a certain level of internal control standards in place and in operation and that these standards are on a par with those embraced by the Group as a whole.

Fulfillment of Legal Requirements

The new Japanese Company Law, which came into effect in May 2006, calls for companies to establish “systems ensuring that the execution of duties by directors conforms to legal regulations and their Articles of Incorporation as well as systems ensuring that business processes are handled appropriately.” Having previously established various systems and frameworks, the Sumitomo Corporation Group already fulfills the requirements of the new Company Law.

The Internal Control Program has the task of monitoring these systems, periodically and comprehensively, to ensure that they are functioning adequately and making any necessary improvements.

Looking ahead, we are working to secure compliance with internal control-related rules stipulated in the Financial Instruments and Exchange Law, which will take effect in fiscal 2008. We will achieve this goal by channeling fruitful outcomes from the implementation of the Internal Control Program and taking full advantage of our already established internal control promotion structure. Pursuing absolute compliance with the said law, we aim to further improve our quality of business operation.

As described above, tireless reviews and constant improvements of our control processes based on the Internal Control Program collectively constitute an irreplaceable pillar supporting the Sumitomo Corporation Group’s sustained growth.

*COSO Framework:

The COSO Framework defines internal control as a process required for the achievement of three objectives, which are reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. It was announced by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 1992.

COMPLIANCE

Sumitomo Corporation regards compliance with laws and regulations as a basic premise for all corporate activity and has implemented a company-wide system that ensures such compliance.

Policies and the Reporting Structure of Corporate Compliance

To promote compliance within the company, Sumitomo Corporation established the Compliance Committee in November 2000, under the direct supervision of the President and CEO. Among its various duties, the Compliance Committee is responsible for drafting the Company's *Compliance Manual* in April 2001, its subsequent revisions in December 2003 and July 2005 and its distribution to all officers and employees. The *Compliance Manual* covers the following 19 Guiding Principles, to ensure the Company's bottom line: "If there is even a trace of doubt, don't do it." It is our policy that employees should never risk transgression in pursuit of profit for the Company. If a potential compliance problem is detected, we continuously encourage our employees to report it to their supervisors or the relevant departments immediately, so that the best countermeasures can be taken swiftly.

Compliance Training and Education

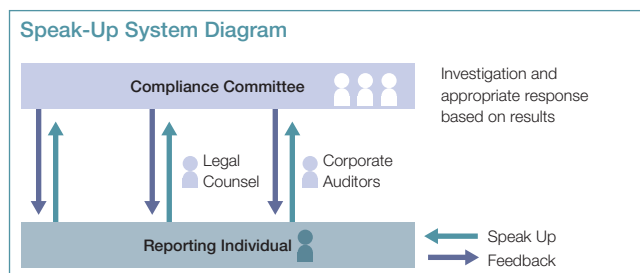
Employees have access to the latest version of the *Compliance Manual* and other manuals detailing applicable laws and regulations on the Company's intranet. We also offer various training programs and educational activities on compliance, including: programs for specific groups such as new employees, managers and corporate officers; seminars provided by each Business Unit; seminars targeted at all officers and employees; and seminars for overseas offices and Group companies. We also make use of various domestic and overseas conferences for compliance education. In fiscal 2006, 65 seminars and conferences on compliance were held for members of the company and Group companies, and

approximately 3,100 participants attended. In addition, in the fiscal year under review, two e-learning compliance seminars open to employees from all levels were held. An additional two e-learning seminars are planned for fiscal 2007.

Speak-Up System

If an employee becomes aware of a possible compliance problem, he or she is expected to pass the information along through the chain of command. As a supplement to this system, in November 2000, the Company adopted the "Speak-Up System," which allows an individual to report a potential problem directly to the Compliance Committee. Outside legal counsel and the Company's corporate auditors were included as additional points of contact within the Speak-Up System in August 2003.

Although, in principle, the reporting individual is asked to identify him/herself, our system ensures that both the identity of the individual and the nature of the information provided are kept confidential and that there will be no negative repercussions for the employee arising from the reporting. The Compliance Committee is responsible for handling all the information it receives in an appropriate manner. As of March 2007, this system has been implemented in approximately 140 domestic Group companies.



Guiding Principles

Business Activities

- Observing Antimonopoly Laws
- Security Control
- Customs/Controlled Items
- Compliance with Applicable Laws
- Respecting and Protecting Intellectual Property Rights
- Prohibition of Unfair Competition
- Information Management
- Preservation of the Environment
- Overseas Business Activities

Corporate Citizen as a Member of Society

- Prohibition on Giving Bribes
- Prevention of Unlawful Payments to Foreign Governmental Officials
- Political Contributions
- Confrontation with Antisocial Forces

Maintenance of a Good Working Environment

- Respect for Human Rights*
- Prohibition of Sexual Harassment
- Prohibition on Abuse of Authority

*Complied with the Universal Declaration of Human Rights

Personal Interests

- Insider Trading
- Conflict of Interest
- Proper Use of Information System

COMMUNICATION WITH SHAREHOLDERS AND OTHER INVESTORS

By enhancing corporate value and ensuring proper return to shareholders, we are striving to respond the expectations and trust placed in us by shareholders and other investors. We are actively pursuing the voluntary disclosure of detailed information in addition to the disclosure of information required by law. By placing particular emphasis on interactive communication, we are continuously working to upgrade our IR activities.

Return to Shareholders

We adhere to a basic policy of ensuring long-term, stable dividend payments. In the second half of fiscal 2004, we complemented this basic policy with a policy of reflecting our consolidated financial results in dividends. Under this new policy, we set the dividend payout ratio at around 20% when determining the dividend amount. In fiscal 2006, consolidated net income amounted to ¥211.0 billion and the annual dividend per share was ¥33, increased by ¥8 compared with that of the previous fiscal year.

Communicating with Shareholders and Other Investors

With the aim of achieving openness in our general meetings of shareholders, we are implementing various initiatives to invigorate the meetings and facilitate the exercise of voting rights. One such initiative is the early delivery of our Notice of Convocation. We send out the notice to shareholders three weeks prior to the general meetings of shareholders. For the convenience of overseas shareholders, we also provide an English translation of the notice on our website. We started offering our shareholders the option of exercising their voting rights via the Internet using personal computers in 2004 and via the Internet using mobile phones in 2005. This year, we introduced an Electronic Voting Platform operated by Investor Communication Japan, Inc. (ICJ), a joint venture instituted by Tokyo Stock Exchange Inc. and others, that allows institutional investors sufficient time to thoroughly examine the propositions to be resolved at the meeting.

Our Corporate Governance Principles state, "In an effort to bring an accurate understanding of the Company's

management policies and business activities to all stakeholders, the Company shall strive to make full disclosure, not limiting itself to the disclosure of information required by law but also actively pursuing the voluntary disclosure of information." Based on this principle, we are proactively promoting IR activities. The IR section of our corporate website provides various materials that may be useful in making investment decisions in a timely manner. These materials include financial results, *Yukashokenhoukokusho* (Japanese annual securities reports), and other Tokyo Stock Exchange filings as well as streaming and related documents of various meetings, and *Sustainability Reports*. Moreover, we distribute to our shareholders our *Annual Report*, and *SC NEWS*, our public relations news magazine and endeavoring proactive disclosure.

In order to ensure direct communication between shareholders and other investors, we hold quarterly meetings to provide information on our financial results for analysts and institutional investors with the top management in attendance. Also, we periodically visit the U.S., the U.K., and other countries in Europe and Asia to hold one-on-one meetings with investors in each region. Having started in fiscal 2004, we regularly hold meetings with individual investors in major cities throughout Japan. In fiscal 2006, we held such meetings in five cities, with a total of 1,570 individual investors attending.

Going forward, we will strive to enhance our relationship of mutual trust with our shareholders and other investors through commitment to achieving our targets, while continually raising management transparency.

Two-way communication with shareholders and other investors is indispensable to IR activities. We are working to improve our management transparency through proactive and timely information disclosure. At the same time, we keep ourselves open to opinions and requests, responses to which are incorporated into measures to upgrade the quality of our management. Responding to the opinions and requests heard at the meetings with individual investors, we changed the number of shares in one voting unit from 1,000 shares to 100 shares. We will strive to enhance our relationship of mutual trust with shareholders and other investors by maximizing our corporate value and conducting proactive disclosure.

Nobuhide Nakaido
Director, Executive Vice President
General Manager, Corporate Planning & Coordination Office



HUMAN RESOURCES MANAGEMENT

To ensure sustained growth, it is essential to improve the quality of our human resources and workstyles. Under the GG Plan, we will strategically take various proactive steps aimed at promoting personal growth and activating all Group employees. Such initiatives include strengthening recruitment for both graduates and mid-career workers, extending education programs, promoting both the appointment of younger employees and utilization of senior employees, and reforming workstyles.

Our Concept of Human Resources Management

In April 2006, we renovated our Human Resources Management System. The new system is based on the concept that the development of human resources strengthens the power of an organization and that this power, in turn, leads to the further growth and development of the Group. Therefore, we are emphasizing the enhancement of the strength of our human resources and the activation of all employees. The major feature of the revised system is the introduction of “expected role,” which sweeps away the concepts of age and promotion. “Expected role” defines the roles that employees must perform to ensure the Group’s sustained growth and the achievement of their respective organizations’ targets. The “expected role” and its achievement will be reflected in the evaluation and treatment of each employee. Moreover, we regard an employee’s first 10 years after entering the Company as an important period for training and development. We also reviewed our systems and policies to increase opportunities for senior employees to further develop their abilities.

Recruiting, Developing and Utilizing Human Resources

Under the GG Plan, we will further enhance recruiting, developing, and utilizing human resources. In addition to strengthening recruiting activities targeting graduates and mid-career workers and locally hired staff overseas, we will focus on further promoting both the appointment of younger employees and utilization of senior employees. To this end, in fiscal 2007 we began appointing career advisors to each Business Unit and Corporate Group, tasking them with supporting organizational management on the front lines. Their activities include facilitating supervisor-subordinate

communication, advising individual employees, and proposing ways of changing the workplace so that each employee can develop his or her ability. Furthermore, our “re-employment system” offers temporary staff positions to all employees who wish to continue working after reaching the mandatory retirement age of 60. More than 80% of employees who reached the retirement age during fiscal 2006 rejoined the Company and continued working.

As for employee training and educational programs, the Sumisho Business College (SBC), a company-wide educational system, has extended its range of courses and programs so that employees can acquire the knowledge and skills they need as employees of an integrated trading company in an effective manner that is responsive to their will to learn. We will also enhance the programs for locally hired staff. In fiscal 2007, we will invite approximately 200 Group employees to Tokyo to join training courses for different positions, such as manager or staff, in order to foster leadership and to share management policies and strategies.

Reforming Workstyles

Based on the idea that realizing a good balance between their working and private lives enables each employee to utilize their capabilities to the maximum, we are working on creating more worker-friendly environments and also promoting a change in employee consciousness. Especially under the GG Plan, we will focus on promoting various measures to realize Work-Life Balance, including pursuing greater flexibility in work schedules and locations as well as improving working conditions and environments for female employees. In addition, we will continually strive to reduce overtime work and to promote further use of the paid leave system.

I believe that a productive cycle driven by the growth of individuals, which consequently leads to the maximization of an organization’s added-value, is a prerequisite for the sustained growth of the Sumitomo Corporation Group. I also believe that the enrichment of employees’ working and private lives will be the driver of new value creation. To sum up, it can be said that achieving corporate growth and development and ensuring employees’ personal life enrichment are inextricably linked; they are elements that together generate synergistic effects. We are committed to realizing these ideals through the collective efforts.

Noriaki Shimazaki
Director, Executive Vice President
Responsible for Human Resources Development & Information Management Group



ENVIRONMENTAL INITIATIVES

Based on the Sumitomo Corporation Group Environmental Policy, we have set basic guidelines for trading, business development, and investment and are working to implement the Group's environmental management procedures based on those guidelines.

Sumitomo Corporation Group Environmental Policy

Our environmental policy is as follows.

Sumitomo Corporation Group Environmental Policy	
<p>I. Basic Policy</p> <p>The Sumitomo Corporation Group recognizes that the environmental issues are global in scale and that they are long-range concerns affecting future generations. As a global organization, Sumitomo Corporation Group, through sound business activities, will strive to achieve sustainable development aimed at symbiosis between social and economic progress and environmental preservation.</p>	
<p>II. Basic Guidelines</p> <p>In pursuing its diversified business activities both within Japan and overseas, The Sumitomo Corporation Group shall comply with the following guidelines, and, through cooperation between its Group companies, work to achieve the aims of its basic environmental policy</p>	
<p>1. Basic stance with regard to the environment:</p> <p>To attach great importance to protecting the global environment as a good corporate citizen in keeping with the Sumitomo Corporation's Activity Guidelines</p>	<p>5. Contributing to the building of a recycling-oriented society:</p> <p>To endeavor to help build a recycling-oriented society by reducing waste, and reusing and recycling resources</p>
<p>2. Compliance with environmental legislation:</p> <p>To strictly observe legislation related to environmental matters not only in Japan but also overseas and abide by any agreements undertaken by the Group companies</p>	<p>6. Promotion of businesses that contribute to environmental preservation:</p> <p>To utilize our integrated corporate strength to promote businesses and projects, which contribute to environmental preservation and reduction of the impact of society on the natural environment</p>
<p>3. Caring for the natural environment:</p> <p>To protect the natural environment and preserve biodiversity</p>	<p>7. Establishment of environmental management:</p> <p>To use an environmental management system to prevent environmental pollution and set environmental objectives and targets which are regularly reviewed and continuously upgraded</p>
<p>4. Efficient use of resources and energy:</p> <p>To be mindful of the finite availability of resources and energy and strive to use them both efficiently and effectively</p>	<p>8. Disclosure of the Environmental Policy:</p> <p>To communicate this Environmental Policy to all people who are working for or on behalf of the Sumitomo Corporation Group, as well as disclosing it externally</p>

Environmental Management Systems

The environmental management activities of the Sumitomo Corporation Group are comprehensively supervised by Sumitomo Corporation's President and CEO. All such activities are conducted in accordance with an ISO 14001-based environmental management system (EMS) under the

multiple-site system, a method of managing many different offices and organizations under one environmental policy. Sumitomo Corporation's Tokyo and Osaka offices obtained ISO 14001 certification in June 1999. In June 2007, the scope of the system included all domestic locations and 40 Group companies, for a total of approximately 13,000 participants.

Environment Management Structure	
<p>President and CEO</p> <p>Global Environment Committee*1</p> <p>Environment Management Representative*2</p> <p>Global Environment Department</p>	
<p>Sumitomo Corporation</p> <ul style="list-style-type: none"> General Managers of Business Units and Corporate Groups General Managers of Planning & Administration Departments of the Business Units General Managers of Regional Business Units, Presidents of domestic subsidiaries, General Managers of Branches and Offices <p>EMS Promoters*4</p> <p>General Managers of Departments</p> <p>Eco Leaders*5</p>	<p>Group Companies</p> <ul style="list-style-type: none"> Top management level EMS Officers*3 General Managers of Business Units, Corporate Groups and Divisions, etc. EMS Promoters*4 General Managers of Departments Eco Leaders*5

*1 Global Environment Committee: A committee that considers comprehensive environmental issues for the Sumitomo Corporation Group as a whole and reviews the Environment Management System (EMS). The chairman is appointed by the President and CEO of Sumitomo Corporation.

*2 Environment Management Representative: A manager of EMS of the Group, undertaken by the General Manager of the Global Environment Department.

*3 EMS Officer: A manager of EMS of each Group company, who plays the same role as Sumitomo Corporation's General Manager of the Global Environment Department.

*4 EMS Promoter: A person who promotes the operation of EMS at each site. At Sumitomo Corporation, each Business Unit, Regional Business Unit and branch has one or more EMS Promoters.

*5 Eco Leader: A person who carries out environmental management activities in each department, following the guidance of the EMS Promoter.

PHILANTHROPY

As stated in our Activity Guidelines, we endeavor to “contribute to society as a good corporate citizen.” While our fundamental contribution to society is through our business activities, as a corporate citizen we are proactively engaged in an array of philanthropic activities. We thus aim to realize “prosperity and dreams” for all stakeholders.

Principles and Policies

We conduct various social contribution activities based on the following Principles and Policies of Social Contribution.

Sumitomo Corporation's Principles and Policies of Social Contributions

Principles

Corporations and their employees are now required to make positive contributions to society, if they are to be considered good corporate citizens in the global community. Sumitomo Corporation, as one of its corporate management principles, promotes social contribution activities at a company level, as well as at an individual employee.

Policies

Fields

- 1) Supporting lifelong education
- 2) Supporting the development of mentally and physically sound social environments
- 3) Cooperating with local communities

Action Principles

- 1) Social contribution activities must be independent from business activities.
- 2) Social contribution activities must not support specific individuals.
- 3) Social contribution activities must not involve any religious activities.

Individual Principles

- 1) Positively and continuously take part in activities
- 2) Take global-minded actions
- 3) Take actions with a view to touching people's heart

the meeting are accordingly put into action. Issues under deliberation by the meeting are posted on the Company's intranet for the purpose of sharing information and promoting philanthropic activities throughout the Company.

Philanthropy Committee

Chairperson:	Executive Officer in charge
Vice-chairperson:	General Manager, Corporate Communications Dept.
Members:	General Managers of the following Departments: Corporate Planning & Coordination Dept. Investor Relations Dept. Human Resources Dept. Corporate Legal & General Affairs Dept. Global Strategy & Research Dept. Planning & Administration Dept. of each Business Unit Planning & Administration Dept. of Kansai and Chubu Regional Business Units

Major Social Contribution Activities

We established the Sumitomo Corporation Scholarships program in 1996. Through this program, we have awarded scholarships to approximately 8,000 students of universities and graduate schools in developing countries in Asia. In fiscal 2006, approximately 900 students from 38 universities in 11 countries received the scholarships.

Also, since 1992, we have been supporting the Junior Philharmonic Orchestra (JPO), which is composed of young musicians ranging from ten years old to college students. In addition to these culturally oriented support activities, we provide assistance for reconstruction efforts in domestic and overseas disaster sites.

In fiscal 2006, we started new philanthropic activities. We endowed a chair at Nankai University in Tianjin City, China, for the study of corporate social responsibility. In the city of Danang, Vietnam, we began providing Japanese language educational programs for local residents.

Social Contribution Activity Promotion Structure

As part of our 50th anniversary project, in January 1996 Sumitomo Corporation established the Philanthropy Committee and the Philanthropy Task Force (currently the Philanthropy Team under the Corporate Communications Dept.) to centrally coordinate social contribution activities, which had until then been conducted separately by individual organizations.

At the meeting of the Philanthropy Committee, which is a company-wide cross-divisional organization, reports on the previous fiscal year's activities and plans for the upcoming year's activities. Plans that are approved for execution at



Sustainability Report

For details of our environmental initiatives and social contribution activities, please refer to our Sustainability Report.

The report is available on our website.

(URL: http://www.sumitomocorp.co.jp/english/environmental_e/index.shtml)

DIRECTORS AND CORPORATE AUDITORS

(As of July 1, 2007)



Nobuhide Nakaido
Executive Vice President

Motoyuki Oka
Chairman of
the Board of Directors

Kenzo Okubo
Executive Vice President

Susumu Kato
President and CEO

Noriaki Shimazaki
Executive Vice President

DIRECTORS AND CORPORATE AUDITORS

Chairman of
the Board of Directors
Motoyuki Oka

President and CEO
Susumu Kato

Director
Kenzo Okubo

Director
Noriaki Shimazaki

Director
Nobuhide Nakaido

Director
Iwao Okamoto

Director
Makoto Shibahara

Director
Kazuo Ohmori

Director
Shingo Yoshii

Director
Takahiro Moriyama

Director
Takashi Kano

Director
Yoshiyuki Matsuoka

Standing Corporate Auditor
(Full-Time)
Shigemi Hiranuma

Corporate Auditor
(Full-Time)
Tetsuro Fukumoto

Corporate Auditor
(Lawyer)
Itsuo Sonobe*

Corporate Auditor
(Certified Public Accountant)
Koji Tajika*

Corporate Auditor
(Lawyer)
Akio Harada*

Notes: 1. All Directors are Representative Directors.

2. Outside Corporate Auditors are indicated by an asterisk (*).

EXECUTIVE OFFICERS

President and CEO

Susumu Kato

Executive Vice Presidents

Kenzo Okubo

General Manager,
Metal Products Business Unit

Noriaki Shimazaki

Responsible for Human Resources
Development & Information
Management Group
Responsible for Financial
Resources Management Group

Nobuhide Nakaido

General Manager,
Corporate Planning &
Coordination Office

Senior Managing Executive Officers

Michio Ogimura

General Manager for
Southeast & Southwest Asia

Michihisa Shinagawa

General Manager for
the Americas
President and CEO,
Sumitomo Corporation of America

Iwao Okamoto

General Manager,
Mineral Resources & Energy
Business Unit

Makoto Shibahara

General Manager,
Financial & Logistics Business Unit

Shuichi Mori

General Manager for Europe
CEO,
Sumitomo Corporation
Europe Group
President and CEO,
Sumitomo Corporation Europe
Holding Limited
President and CEO,
Sumitomo Corporation
Europe Limited

Kazuo Ohmori

General Manager,
Transportation & Construction
Systems Business Unit

Managing Executive Officers

Yoshi Morimoto

General Manager,
Kansai Regional Business Unit

Shingo Yoshii

General Manager,
Media, Network &
Lifestyle Retail Business Unit

Kentaro Ishimoto

Assistant General Manager,
General Products & Real Estate
Business Unit
General Manager,
Food Business Division

Shunichi Arai

Assistant General Manager,
Metal Products Business Unit
General Manager,
Planning & Administration
Department,
Metal Products Business Unit

Nobuo Kitagawa

General Manager for China
CEO,
Sumitomo Corporation
(China) Group
President and CEO,
Sumitomo Corporation (China)
Holding Ltd.
President and CEO,
Sumitomo Corporation (China)
Limited

Yoshihiko Shimazu

General Manager for CIS
Assistant General Manager
for Europe

Kenji Kajiwara

General Manager,
Chubu Regional Business Unit

Makoto Sato

Assistant General Manager,
Transportation & Construction
Systems Business Unit
General Manager,
Automotive Division, No. 1

Toyosaku Hamada

General Manager,
Financial Resources
Management Group

Takahiro Moriyama

General Manager,
Infrastructure Business Unit

Ichiro Miura

General Manager,
Human Resources Development &
Information Management Group

Takashi Kano

General Manager,
General Products & Real Estate
Business Unit

Kuniharu Nakamura

General Manager,
Corporate Planning &
Coordination Department

Executive Officers

Shinichi Sasaki

Deputy General Manager for China
President,
Sumitomo Corporation
(Shanghai) Limited

Takuro Kawahara

Responsible for Internal
Auditing Department
Assistant General Manager,
Corporate Planning &
Coordination Office
(in charge of Legal Affairs)

Yoshio Osawa

General Manager,
Media Division

Yoshiyuki Matsuoka

General Manager,
Chemical & Electronics
Business Unit

Mitsuhiko Yamada

General Manager,
Mineral Resources Division No. 1

Kazuhisa Togashi

General Manager,
Iron & Steel Division, No. 2

Kazuhiro Takeuchi

General Manager,
Financial Service Division

Shinichi Ishida

General Manager,
Construction & Mining
Systems Division

Takafumi Sone

General Manager,
Telecommunication, Environment &
Industrial Infrastructure
Business Division

Makoto Nakamura

Assistant General Manager,
Financial Resources
Management Group
General Manager,
Finance Department

Naoki Hidaka

General Manager,
Metal Products for Automotive
Industries Division

Shigeru Ohashi

General Manager,
Lifestyle & Retail Business Division

Yasuo Kumagai

General Manager,
Materials & Supplies Division

Masayuki Doi

Assistant General Manager,
Southeast & Southwest Asia
President and CEO,
PT. Sumitomo Indonesia

Toru Furihata

General Manager,
Mineral Resources Division No. 2