

Human rights



Policy and Concept

In May 2020, we established the "Sumitomo Corporation Group's Human Rights Policy" that represents our commitment to respect human rights through human rights due diligence, stakeholder engagement, education and so on, in order to fulfil our corporate social responsibility and to grow sustainably with society.

Sumitomo Corporation Group's Human Rights Policy

Sumitomo Corporation declares in its management principles that it aims to be a global organization that contributes broadly to society and places prime importance on utmost respect for the individual. We will respect human rights to fulfill our corporate social responsibility, and pursue sustainable growth with society.

Sumitomo Corporation became a signatory in 2009 to the "Ten Principles of the United Nations Global Compact", which advocates for values common to its own management principles, including those regarding human rights and labor. We also respect the "International Bill of Human Rights" and the International Labor Organization's "Declaration on Fundamental Principles and Rights at Work", and we operate in accordance with the "United Nations Guiding Principles on Business and Human Rights".

1. Scope of application

Sumitomo Corporation endeavors to ensure that all executives and employees within its group fulfill their responsibility to respect human rights. In addition, we encourage our suppliers and business partners to accept, understand and practice this policy so that we can work together to fulfill our social responsibilities, including respect for human rights in the relevant value chain.

2. Human rights due diligence

Sumitomo Corporation strives to identify and to prevent or mitigate any adverse impact on human rights through the application of human rights due diligence processes. Where we identify that our group's practices have caused or contributed to an adverse impact on human rights, we will endeavor to take appropriate remedial measures.

3. Compliance with relevant laws

Sumitomo Corporation will comply with national and regional laws and regulations applicable to its group operations. When those laws and regulations are incompatible with internationally recognized human rights, we will seek to employ measures to respect international human rights norms.

4. Stakeholder engagement

Sumitomo Corporation will seek to improve and progress human rights measures through engagement and dialogue with relevant stakeholders.

5. Education

Sumitomo Corporation will appropriately educate its executives and employees within its group in order to ensure that this human rights policy is understood and implemented effectively.

6. Reporting

Sumitomo Corporation will disclose appropriate information regarding its efforts to respect human rights.

Human rights



Human Rights Due Diligence

In accordance with the Sumitomo Corporation Group Human Rights Policy, Sumitomo Corporation began human rights due diligence in 2020 so that we can identify, prevent, mitigate and account for how we address any adverse human rights impact that the Group business activities may cause or contribute to.

Our human rights due diligence is conducted through a process in accordance with international guidelines including the United Nations Guiding Principles on Business and Human Rights, United Nations Guiding Principles Reporting Framework, and OECD Due Diligence Guidance for Responsible Business Conduct. As a first step in 2020, we identified salient human rights issues that should be addressed with priority so that we can assess impacts concerning human rights throughout the Group.

<Process of Identification of Salient Human Rights Issues>

The Sumitomo Corporation Group's business activities extend to various industries and regions. We started by conducting a desktop survey to confirm the Group's businesses and their value chains, and developed a hypothesis on businesses that may be exposed to high risks and human rights issues that are closely related to the value chains in those businesses. For the survey, we referenced and analyzed international human rights indices and data, benchmarks relating to human rights including the Corporate Human Rights Benchmark and Know the Chain, and examples of human rights risks recognized globally including those involving other companies. We also interviewed stakeholders including outside experts concerning business and human rights and exchanged opinions regarding the results of the analysis of the desktop survey as well as the Company's initiatives to respect human rights.

We next hired outside experts and conducted interviews between July and November 2020, on 12 internal business teams to compare the desktop survey results with the understanding of those at the business sites. We also discussed the status of managing anticipated human rights risks.

Through these surveys and consultations, we classified the human rights issues according to the likelihood of these issues emerging in the Group's business and also the degree of severity in case they emerge. As a result, we identified eight salient human rights issues within the Sumitomo Corporation Group. The entire process and the results were reported to the Management Council and Board of Directors.

Identification and Assessment of Human Rights Risks and Impacts

- Desktop survey
 - Interviews of experts on business and human rights
 - Internal interviews
- **Identification of salient human rights issues**

Prevention and Mitigation of Human Rights Risks

- Incorporation in risk management systems

Follow-Up and Monitoring

- Assessment of initiatives concerning human rights

Disclosure

Periodic disclosure of initiatives concerning human rights and their effects

Remediation

In cases where an adverse impact on human rights is identified, an appropriate remedial measure is investigated in cooperation with the responsible departments

Human rights



Human Rights Due Diligence

<Salient Human Rights Issues>

Through the process described in the previous page, we identified the following eight salient human rights issues within the Group.



We believe that the human rights of workers throughout the supply chain including Group employees is essential as the foundations of business. In addition to the freedom of association and collective bargaining rights, forced labor and child labor, and discrimination and harassment, which are related to the four core labor standards of the International Labour Organization (ILO), we also take action to address labor conditions and occupational health and safety. The Group engages in business with strong ties in local communities centered on the infrastructure business and resource development, and we have a responsibility to protect the health and safety of local residents and land rights. Moreover, since the Group engages in wide-ranging business, we have positioned the personal information and privacy of stakeholders including customers as priority issues.

Examples of Potential Human Rights Risks Associated with

Our Businesses

Business Unit	Sector	Risk							
		Labor conditions	Freedom of association Right to collective bargaining	Forced labor Child labor	Occupational health and safety	Health and safety of local residents	Land rights	Discrimination Harassment	Personal information Privacy
Metal Products	Steel Products Processing								
Transportation & Construction Systems	Automobile Parts Manufacturing								
Infrastructure	Power, Industrial Parks								
Media & Digital	Tel-communications, e-commerce								
Living Related & Real Estate	Food, Textile								
	Healthcare								
Mineral Resources, Energy, Chemical & Electronics	Mining								

<Future Initiatives and Issues>

For each of these issues, the Group will investigate and carry out action plans to prevent and mitigate specific risks with priority on areas of high risk in the Group's business. In individual businesses, we will monitor initiatives to respect human rights that are already underway and periodically disclose the results. Based on the results of risks assessments, we will also incorporate human rights into the overall risk management cycle including supply chain management and work to make improvements.

The social environment in which we find ourselves is changing and transforming on a daily basis due to advances in digital technologies, effects from COVID-19, and other factors. In conjunction with this, the status of value chains and human rights issues in various businesses are continuously changing. The Group will periodically confirm relevant human rights risks and effects involved in the conduct of our diverse businesses around the world through dialogue with different stakeholders and other means and strive to gain an accurate and detailed understanding.

Human rights



Activities

<Discrimination and harassment>

- See Page 81 for information on harassment training.
- See Page 118 for information on the Speak-Up System.

<Personal information and privacy>

- See Page 122 for information on Information Security Policy and internal education.

Business description

Supplier Management in the Foods Business

We also urge suppliers and other trading partners as well as business partners to take action in order to promote respect for human rights throughout entire value chains related to Sumitomo Corporation Group businesses.

As a specialized food and food products trading company that is involved in all processes from product development to selection of production areas in regions around the world, procurement of ingredients, production and processing management, logistics, and domestic distribution, SC Foods Co., Ltd. conducts supply chain management so that it can provide safe, reassuring, and high-quality products that take into consideration sustainability including respect for human rights.

When selecting new suppliers, SC Foods conducts data surveys, and when determined to be necessary, also performs on-site visits. With regard to existing suppliers, more detailed questionnaire surveys are conducted of suppliers of products such as coffee, sugar, and sesame seed from certain countries with high human rights risks to confirm that there are no issues.

To strengthen these management cycles even further, SC Foods introduced a system of implementing on-site inspections once every five years, even with respect to existing suppliers, in 2019, and these inspections have been completed for approximately 20% of suppliers. During the COVID-19 pandemic, it has been difficult to conduct on-site inspections, so SC Foods will investigate alternate methods such as remote inspections in the future.

See P.93 for information on acquisition of certification.

Related Salient Human Rights Issues

Labor conditions	Freedom of association and right to CB	Forced labor and child labor	Occupational health and safety
Health and safety of local residents	Land rights	Discrimination and harassment	Personal information and privacy



Business description

Human Rights Initiatives at Fyffes

Fyffes, one of our group companies and, one of the world's leading companies in the production and wholesaling of fresh produce, completed its first ever corporate-wide Human Rights Impact Assessment in January 2020, through its partner BSR. The human rights impact assessment was conducted through reviews of existing Fyffes policies and procedures and interviews with internal and external relevant stakeholders, including NGOs, employees and customers. In addition, Fyffes chose five countries to do an in-depth analysis – Belize, Colombia, Costa Rica, the Dominican Republic, and Honduras. The countries were chosen due to their importance to Fyffes as well as their potential risk profile.

The Assessment highlights the 13 most relevant human rights risks for Fyffes and Fyffes Global Sustainability Steering Committee has endorsed the Company's Human Rights Mitigation and Management Plan which provides a framework to manage, mitigate and help resolve identified risks. Out of 13 identified human rights risks, 3 priority areas emerged from Fyffes analysis for its immediate action: 'access to a grievance mechanism', 'child labor' and 'migrant worker labor violations and forced labor'. Regarding a grievance mechanism, Fyffes has already implemented a global, independent grievance mechanism, available in the language of our employees via telephone or online since April 2019. In accordance with the mitigation plan, it was agreed to run a broader campaign internally to make sure that all employees were aware of the hotline.

Fyffes does not tolerate any forced labor nor migrant human rights violations and continues to conduct and participate in internal and third-party ethical and social audits, including Sedex Members Ethical Trade Audit (SMETA) audits throughout a large proportion of its supply chain, such as Fyffes owned farms, various grower partners and ripening facilities. In the UK, Fyffes Group Ltd has regular audits on its labor providers and investigates any signs of forced labor, e.g. retention of passports etc. Fyffes has formed a Human Rights Core Team and they are responsible for implementing 11 mitigation measures to address the 13 salient human rights risks.

Related Salient Human Rights Issues

Labor conditions	Freedom of association and right to CB	Forced labor and child labor	Occupational health and safety
Health and safety of local residents	Land rights	Discrimination and harassment	Personal information and privacy



Human rights



Activities

Business description

Human Rights Audit Implemented at Thailand Chicken Processing Plants

In March 2019, with the appointment of external experts, Sumitomo Corporation implemented a human rights audit at three chicken processing plants operated by Thai business partners. Cases have come to light in Thailand of infringement of the human rights of foreign workers in labor-intensive industries such as poultry rearing, seafood processing, and garment manufacture. We make periodic visits to the processing plants of its business partners to check that regulations on human rights and other areas are stringently observed. This audit was carried out with particular focus on the work environment of foreign employees.

The audit team visited the plant and the employees' dormitory to check for forced overtime working, confiscation of identification documents, and labor health and safety issues, which are cited as common human rights risks in the poultry industry. In addition, employees of non-Thai nationality from Cambodia, Myanmar, and other countries were randomly selected for interview. The audit found no human rights issues relating to foreign workers at any of the three locations and the processing plants demonstrated proactive communication with us and a strong commitment to further improvement of operations. To fulfill its social responsibility in the supply chain, Sumitomo Corporation Group will continue to address human rights issues in its relationships with important suppliers and to carry out audits, taking account of local conditions and industry practices in those countries and regions with concerns over human rights risk.

Black Economic Empowerment Act in South Africa

Due to the history of apartheid in South Africa, there are policies that aim to reduce inequality in rights and opportunities for black people to participate in economic activities and to improve their social status. It is required to include at least a certain number of black companies in a business project and to give back part of the profits to the community.

In South Africa, Dorper on-land wind power generation company in which we have an investment offers cooperation in improving the living environment of local residents and creating new jobs, in line with such policies. Specific efforts include repair of buildings of kindergartens, schools and hospitals located close to the power plant, provision of machinery to them, and support to restaurants operated by black women.

In these activities, we use local companies as much as possible. About 10% of the stocks of this company are owned by an NPO operated by local residents. It is planned to launch various projects that meet the demand from local residents with the dividends as a capital in the future.

Business description

Dialogue with Local Residents in Mining Projects

In promoting resource development projects, understanding of local areas is essential. In the development project of the Ambatovy nickel mine in Madagascar, we have taken the initiative in having dialogues with the government and local residents, in cooperation with the diplomatic corps and lending banks group since the start of the development. We use these dialogues to share our belief that "this project is extremely important to the future of Madagascar" and deepen the mutual understanding of the significance of the project. In the Ambatovy project, we also promote the employment of people in Madagascar and improve their skills. In FY2019, 93% of all workers are Madagascar people, and we are systematically working on technology transfer and human resource development for them.

We have a complaint system to receive any kind of complaints, including human rights violations, in cooperation with local communities, in order to prevent accidents associated with the project and address them if they occur. Employees and external stakeholders are eligible to access this system. Project staff appropriately respond to complaints while protecting personal information. Since 2016, the Ambatovy project has joined the Voluntary Principles on Security and Human Rights (VPSHR) program in partnership with NGOs, the Madagascar government and other countries' embassies.



Job creation (Central Purchasing Center)



An elementary school built within the project site

Human rights



Activities

Respect for the Rights of Children

As the world population is mostly made up of children and younger generations, the Sumitomo Corporation Group is aware that its corporate activities have an impact on the lives of children both directly and indirectly. For companies, children are family members of employees, as well as important stakeholders who will play future roles in the sustainable development of society. Based on this recognition, we signed the United Nations Global Compact in its support of the Ten Principles, and respect Children's Rights and Business Principles. We are committed to preventing the violation of children's rights through our business and social contribution activities.

Respect for the Rights of Indigenous Peoples

As part of its commitment to respect human rights, the Sumitomo Corporation Group respects global standards pertaining to the rights of indigenous peoples, including the United Nations Declaration on the Rights of Indigenous Peoples, and the principle of "free, prior and informed consent (FPIC)." In business operations in areas where indigenous peoples reside, we recognize their unique culture and history and comply with applicable laws and regulations of each country or region.

Concept Concerning the Use of Security Companies

In the operation of its business in countries around the globe, the Sumitomo Corporation Group uses security companies to protect the safety and security of its employees. When necessary, we may use armed security personnel, recognizing the human rights risks involved and complying with laws and regulations of the countries in which we operate. We select security companies in accordance with the Voluntary Principles on Security and Human Rights and the Basic Principles on the Use of Force and Firearms by Law Enforcement Officials.

For more information on social and environmental risk management, see page 120.

We have put in place a companywide framework to apply when starting new businesses, including review and periodic monitoring, in order to appropriately manage the social and environmental impacts including human rights.

Sumitomo Corporation Group Statement for UK Modern Slavery Act 2015

We set out the steps Sumitomo Corporation Group has taken to help ensure that modern slavery and human trafficking are not taking place in SC Group's business or supply chains. The statement is approved by the board of directors of Sumitomo Corporation as the parent company of Sumitomo Corporation Group.

 [Statement for UK Modern Slavery Act 2015](#)

Training Seminars on Human Rights

Sumitomo Corporation Group's business activities cover a wide range of countries, regions and industrial fields. We therefore consider that it is necessary for the Group to cooperate with suppliers, customers and business partners, instead of acting alone, in promoting the entire supply chain to promote CSR throughout the entire supply chain. Since FY2014, we have held seminars with external experts and e-learning on human rights issues that need special attention in business activities. The seminars cover a wide range of topics, including the relationship between companies and human rights issues, actual cases of reputational risks from human rights and how to assess the influence of human rights. Comments from seminar participants include "Since the Group is engaged in diverse business activities all around the world, we should continue awareness-raising activities so that as many employees as possible can better understand relevant issues".

Establishment of Sustainability Consultation Desk

We opened a consultation desk in our website to receive any opinions or requests on sustainability-related issues such as human rights or environment from our stakeholders. Any opinions or requests will be promptly shared internally through Corporate Sustainability Department that specializes in addressing sustainability-related issues, and necessary actions will be taken to resolve issues. As set forth in the mid-term goals of key social issues, having risk assessments through human rights due diligence and sustainability-related comments from our stakeholders, we are aiming to establish a more effective grievance mechanism for our stakeholders.

Work health and safety / Health and productivity management



Policy and Concept

Basic Policy

"To achieve prosperity and realize dreams through sound business activities" is one of the management principles of the Sumitomo Corporation Group. Based on this principle, our mission is to ensure the economic and spiritual prosperity of people around the world, including our employees, shareholders, clients, and local communities, and to fulfill their dreams. We also believe that in order for every employee to maximize his/her performance, good physical and mental health is essential, without which it is not possible to continuously create new value. Based on this, the Sumitomo Corporation Group formulated the Declaration of Iki-iki Waku-waku Health and Productivity Management. The Group implements various efforts based on this declaration and by taking into account the actual situation of each group company. We will continue to promote health management with a focus on three aspects: "improvement of health literacy" to enable employees to continue working in good health, "reassurance in emergencies" to be well-prepared for unexpected illness, and "global medical support," which is unique to integrated trading companies. Also, Medium-Term Management Plan SHIFT 2023 positions health management at the core of our human resources strategy.



[Declaration of Iki-iki Waku-waku Health and Productivity Management](#)

Safety Measures in Uranium Mining

Our Groups development of uranium mines, production and sales of uranium concentrates^(*1), and trading of various kinds of nuclear fuels containing radioactive materials comply with each country's laws and regulations based on the IAEA (International Atomic Energy Agency) standards. With our highest priority on HSSE (Health, Safety, Security and Environment), we place the utmost importance in ensuring the safety of onsite employees and local residents. Specific measures taken in production and sales of uranium concentrates include the measurement of radiation exposure of all those entering and leaving the plant, and the management and monitoring of cumulative radiation doses in employees^(*2). Furthermore, the uranium concentrates and various kinds of nuclear fuels we deal in are all used for peaceful purposes such as power generation. Our relevant activities comply with security trade control-related laws and regulations.

^(*1)Products manufactured in the said business are natural uranium concentrates, and waste materials produced in mines and refining plants are limited to a small amount of low-level (naturally occurring) radioactive waste derived from the refining process. Such waste materials are appropriately treated in accordance with IAEA standards and Kazakhstan's laws. Furthermore, no high-level radioactive waste or medium-level radioactive waste has been produced in the business for the two years from FY2019 to FY2020. In addition, a management structure for ensuring safety and quality has been put in place.

^(*2)We have established an internal standard for the maximum permissible exposure of workers that is stricter than the laws and regulations of Kazakhstan, where we conduct the business, and we are compliant with such standard. Further, no external radiation leaks have occurred in the two years from FY2019 to FY2020.

Declaration of Iki-iki Waku-waku Health and Productivity Management

The Sumitomo Corporation Group aims to be a company in which all employees work with energy (Iki-iki), excitement (Waku-waku), and in good health, taking on challenges to create new value.

Our Group's Corporate Mission is: "To achieve prosperity and realize dreams through sound business activities." In order to fulfill this mission, it is necessary for all employees to perform at their highest level and to continue to create new value. To this end, it is crucial that each employee maintain good health.

As a human resources strategy, the Sumitomo Corporation Group will engage in "health and productivity management" that allows employees to work with energy, excitement, and good health, and creates value by further enhancing existing measures for maintaining and promoting employee health.

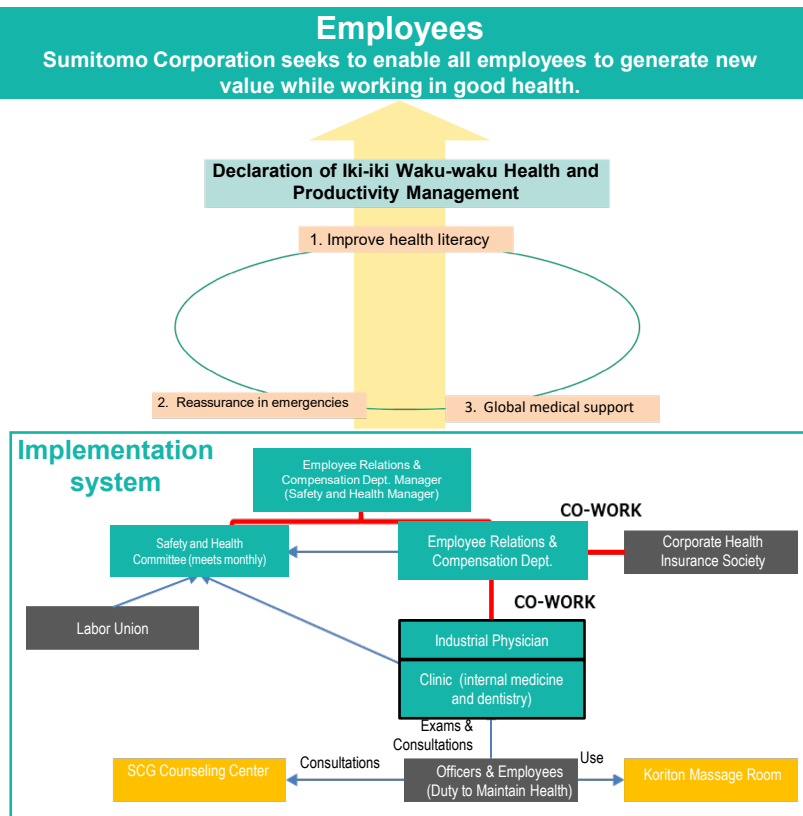
Work health and safety / Health and productivity management



System

Health Management Promotion Systems

Health management is carried out through the following system to maintain and enhance the health of employees under the direction of the Assistant CAO who serves as the Safety and Health Manager.



Employee Engagement: Health and Safety Committee

Sumitomo Corporation holds a monthly health and safety committee meeting, which is attended by labor union officials on behalf of employees, to receive reports on worksite patrols by an industrial physician and discuss health promotion for employees and better work environments. A roundtable conference on work styles is also held twice a year by management and the union, where participants exchange opinions with a view to improving work styles qualitatively and quantitatively in terms of working hours for union members.

Crisis Management System

On a consolidated basis, the Company employs around 75,000 workers around the world. In order to prepare for the incidents, accidents and disasters that will inevitably continue to occur within and outside Japan, each employee needs to be aware of crises and proper safety measures on a day-to-day basis. Meanwhile, each organization also needs to develop infrastructure for safety measures to prepare for an emergency. Also, in the event of an emergency, we need to understand the situation with speed as it is critical to build a support system and promptly resume business operations.

We have therefore centralized reports on all emergency cases, within and outside Japan, within Disaster Response and Safety Management Dept. and ensure speedy reporting to the president by appointing the executive in charge of human resources, general affairs and legal affairs as General Manager of Emergency measures. This system also enables provision of necessary support in a timely and unified manner. If a major natural disaster occurs, our fundamental policy is to prioritize (1) protecting human life, (2) mutual assistance, and (3) prompt recovery of business operations. We have stated this in manuals and inform employees.

Excellent Health and Productivity Management Enterprise

Sumitomo Corporation's efforts relating to employee health have been recognized, and the company was certified as a member of the White 500 category by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi for the fourth consecutive year.



[Recognized as an excellent health and productivity management enterprise in the White 500 category](#)

Work health and safety / Health and productivity management



System

Reporting of Work-related Accidents

We take measures to prevent work-related accidents. If an accident occurs, it must be immediately reported to the Employee Relations & Compensation Department. The numbers of work-related accidents reported in Sumitomo Corporation alone are as follows:

Number of work-related accidents

FY2016	FY2017	FY2018	FY2019	FY2020
1 accident	2 accidents	1 accident	3 accidents	2 accidents

No fatal accidents were reported. If a work-related accident or disaster occurs at Sumitomo Corporation or any of its affiliated companies despite our prevention efforts, it must be immediately reported to the Disaster Response and Safety Management Information Liaison Committee led by Representative Director/Senior Managing Executive Officer as chairman. Managers of major departments of the Corporate Group serve as members the Disaster Response and Safety Management Information Liaison Committee. At the end of every month, they are required to submit a monthly report to the Manager of the Planning & Coordination Department of each Business Unit (Executive Officers, Directors) to keep executives informed of the current situation. Measures to address work-related accidents, such as investigations and responses to relevant issues, and prevent them from recurring are taken appropriately. Important issues are determined by the Disaster Response and Safety Management Information Liaison Committee and particularly important ones are reported to the Management Council by Chairman (Representative Director/Senior Managing Executive Officer) to discuss and decide upon.

OHSAS 18001-certified Facilities

Consolidated subsidiaries that have already obtained OHSAS 18001 are transitioning to the standard ISO 45001, which was issued in March 2018.

As of December 2020, following 4 of 372 Sumitomo Corporation consolidated companies, or 1.1%, have been certified to OHSAS 18001 certification.

Edgen Murray (Middle East, Asia Pacific)

FUJIWA MACHINERY INDUSTRY (HUBEI) CO., LTD.

Infinite Energy Holdings Pty Ltd.

Minera San Cristóbal S.A.

Work health and safety / Health and productivity management



Activities: Employee Health Management

Clinic

Sumitomo Corporation has set up an in-house clinic (internal medicine and dentistry) to support employees' health management on a day-to-day basis. The internal medicine department is open five days a week for outpatients, with specialists in lifestyle diseases such as diabetes and hyperlipidemia, infectious diseases, and the liver, kidney and respiratory organs. The department also provides employees at high risk of developing lifestyle diseases with ongoing support, including nutrition counseling by registered dietitians and collaboration between specialists in diabetes and nurses, as well as regular blood tests. At the dentistry department, checkups are provided twice a year in addition to regular treatment. Dental and oral hygiene education is also offered on an individual basis as needed.



SCG Massage Room "Koriton"

The "Koriton" massage room was opened in the Harumi Triton Square in April 2008 as a place where SCG employees can receive relaxing therapy. We have received many favorable comments, such as "It's very convenient to keep in good shape in a break from working" and "The efficiency of my work after massage was improved." The total approximately 3,000 people have used the service (Results for FY2019).



Subsidies for Costs of Health Checkups and Complete Physical Examination

The in-house clinic provides services such as periodic health checkups (for those under 35), health checkup immediately after joining the company, and health checkup before and after overseas transfer. Employees aged 35 and older are required to undergo a complete physical examination at an external medical facility. Its cost can be covered by the corporate health insurance society. The percentage of those who received a periodic health checkup, including complete physical examination at an external medical facility, in FY2018 was 100%. Based on results of a periodic health checkup and complete physical examination at an external medical facility, the internal clinic provides detailed follow-up care, and the corporate health insurance society provides specific health guidance. These services help employees prevent disease and detect disease at an early stage.

Reimbursement of Influenza Vaccination Expenses

As a part of efforts to prevent infectious disease, the corporate health insurance society reimburses the full amount of flu vaccination expenses for insureds and their dependents.

Health Results Indicators

Indicator	Target	FY2016	FY2017	FY2018	FY2019	FY2020
Percentage of Employees Undergoing Health Checkups	Keep 100% every year	98.7%	100%	100%	-	100%
Stress check Implementation rate	90% by the fiscal year ending March 2021	92.2%	90.2%	88.1%	88.5%	89.9%
Smoking rate	10% by the fiscal year ending March 2021	-	-	-	18.0%	—
Rate of female employees under 35 years old who undergo gynecological exams	15% by the fiscal year ending March 2022	-	-	-	4.6%	2.9%

Work health and safety / Health and productivity management



Activities: Declaration of Health and Productivity Management (1): Improve Health Literacy

Employee Health Awareness Survey Conducted

After the Declaration of Iki-iki Waku-waku Health and Productivity Management was announced in October 2018, a health awareness survey has conducted annually starting in 2019 to measure the effects of performing health management and to measure presenteeism(*). The survey covered all employees, and the latest response rate was 86% (increased 8% compared with last year). The survey starkly revealed that a decline in productivity as a result of mental disorders, poor sleep, and general malaise or fatigue is a particular problem. Countermeasures to eliminate these causes including health seminars are being implemented. The survey will be conducted periodically in the future to verify the effects of health management.

(*) A condition where an employee reports to work but experiences a decline in the work performance that should be demonstrated as a result of some physical or psychological problem.

Health Guidance for Younger Employees by Public Health Nurses Expanded

Health guidance is provided by a public health nurse from the clinic to younger officers and employees (under 35 years old) who have shown deterioration of health data or physical changes since joining the Company or in conjunction with changes in their living environments. A program is being created so that pre-symptomatic personnel at high risk of developing lifestyle diseases can independently change their lifestyles through discussions with a public health nurse.

Health Guidance Process

Initial
Interview
(Goal Setting)

Observation
Over Time (1st
month)

Continuous
Over Time
(2nd month)

Final Interview
(3rd month)

Expansion of Health Management Seminars

The health awareness survey starkly revealed that a decline in productivity as a result of mental disorders, poor sleep, and general malaise or fatigue is a particular problem. Seminars are held to eliminate these causes. Seminars on seven topics were held through January 2021. These seminars will continue to be held to raise employee health literacy.

List of Seminars Conducted

	Seminar Title	Number of participants
January 2018	Stretching Seminar	147
March 2019	Women's Health Seminar	34
May 2019	Smoking Cessation Seminar	5
July 2019	Eyestrain Seminar	95
August 2019	Acidophilus Seminar	67
October 2019	Sleep Improvement Seminar	94
January 2021	Women's Wellness Issues and Corporate Life Seminar	138

Healthy Lunches Offered at Tokyo Head Office Building Employee Cafeteria

The employee cafeteria began offering healthy lunches in July 2019. The specific meal compositions and value settings were supervised by a clinic nutritionist based on the Smart Meal* standards. In September 2019, the company received Healthy Meal and Food Environment certification as a business enterprise that provides healthy meals (smart meals).

Work health and safety / Health and productivity management



Mental Healthcare

We provide training on mental health several times a year, including self-care education and training for managers. Through these comprehensive programs taught by external instructors, trainees are able to comprehensively learn key points about their own mental healthcare and that of others. About 450 employees (including those from Group companies), mainly young employees and managers, take this training in the form of 10 sessions per year. We have also set up a counseling center “for everything, with confidentiality totally protected,” which is used by a total of over 1,600 employees annually (result of FY2020). In addition, we conduct an annual stress checkup, which is extended to employees working overseas. The health consultation office within the in-house clinic, also covering mental health, is also available to employees working abroad. To prevent the progression of mental illness and help employees return to work, the in-house clinic also has a specialist in psychosomatic medicine available three days a week.

Expanded Measures Supporting Women's Health

Since the incidence and death rates of breast cancer and uterine cancer have been increasing among younger women in recent years, and we started providing information on a gynecological exam subsidy program during periodic health checkups. In conjunction with Pink Ribbon month, every October we distributed information on health issues unique to women to all domestic female employees from 2019. Other informational measures include setting up a Woman's page on the intranet health management site to provide information on women's health. Also, in January 2021, we held Women's Wellness Issues and Corporate Life Seminar.

Support for Quitting Smoking

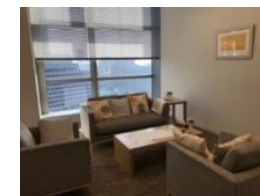
On the occasion of the relocation of the Head Office in September 2018, we designated office floors of the Head Office as non-smoking areas. We have also supported for smoking, including a subsidy to those who want to quit smoking to buy antismoking gums and an anti-smoking support program provided by the clinic.

Activities: Management Declaration (2): Reassurance in Emergencies

SCG Counseling Center

The Sumitomo Corporation Group is an organization that supports its employees so they can work with enthusiasm, and provides the SCG Counseling Center in the Harumi Triton Square, where Sumitomo Corporation's Head Office is located. This center is staffed with multiple counselors to help solve various problems and concerns. Since its establishment in April 2005, confidentiality has been well protected, and employees have become used to consulting staff about any problems at this center with ease of mind. (Approximately 1,600 consultation inquiries are made annually.)

Service provider	Services	Eligible users	Activities
SCG Counseling Center	Counseling in person	Mainly for employees in Tokyo	Qualified counselors provide counseling to employees in Japan and overseas. Qualifications of the counselors include senior industrial counselors, clinical psychotherapists, career consultants, and family consultants.
	Counseling by phone	All employees	
	Counseling by visiting the employee's site	Employees in offices and outside of Tokyo including overseas	
	Various seminars	All employees	Implementing seminars for managers, general employees, employees overseas, and employees' families
	Consultation	Management	Consultation for managers regarding how to respond to their subordinates
External contracting company	Counseling in person Counseling by phone, by visiting the employee's site	All employees	Contracting external companies to provide counseling in person, by e-mail, phone, and visiting the employee's site.



Work health and safety / Health and productivity management



Advanced Healthcare Expense Program Introduced

An advanced healthcare expense program (the “Program”) was introduced in October to cover conditions that give rise to substantial economic burdens as a result of treatment not covered by insurance. The Program was introduced as a part of efforts to provide “reassurance during emergencies,” of the three pillars of the health management declaration, so that employees can feel reassured even if they become ill. The program is not limited to specific conditions such as cancer, but also covers advanced medical treatment* and treatment not approved as advanced medical treatment (treatment requested by the patient). By broadly covering treatment not covered by health insurance, the program is intended to support employees who become ill receive treatment with reassurance and return to work at the earliest possible time or continue working while receiving treatment.



* Advanced medical treatment refers to cutting-edge and advanced treatment methods that have been determined by the Ministry of Health, Labor and Welfare to be effective and safe and are under consideration for coverage by health insurance. Patient requested treatment is a program whereby healthcare institutions can use unapproved medications and so on at the request of the patient.

Activities: Health Management Declaration (3): Global Medical Support

Health Support Services to Employees Stationed Overseas

Sumitomo Corporation has more than 1,000 employees and their family members stationed in 65 countries and regions (as of March 2021). We provide these expatriates working in an environment different from Japan with health care services to maintain their health, such as an annual health checkup. Counseling services provided by a clinic and the SCG Counseling Center are also available for those with mental and physical disorders. We have a contract with Emergency Medical Assistance Services, which cover a wide range of support services from health counseling offered by an external doctor, public health nurse and other healthcare professionals to emergency transfers. We provide information on necessary vaccinations, local safety conditions, how to prevent infectious disease and other important issues to employees before overseas business trip and transfer and their family members.

Measures Against Global Health Problems

Currently, many countries around the world are struggling with serious health issues, including HIV (AIDS), tuberculosis and malaria, not limited to COVID-19. The Sumitomo Corporation Group is determined to take active measures against these global health problems.

In order to ensure that officers and employees of our Group have accurate information about and protect themselves from these infectious diseases, the Company provides health checkups in advance for officers and employees who are assigned overseas and, when necessary, encourages them to be vaccinated against infectious diseases. We also provide a variety of training before their assignments. Moreover, we started organizing e-learning and seminars on safety measures in FY2017 in response to requests by employees about to go on their first overseas business trip as well as those looking for the latest information on infectious diseases. These programs aim to enhance awareness of crisis management and disseminate accurate and up-to-date information. We make these programs available to officers and employees not only of Sumitomo Corporation but also of the entire Group within and outside Japan. Through these activities, we support employees' health and safety while they are overseas.

Work health and safety / Health and productivity management



Activities

Education on Crisis Management

Sumitomo Corporation provides various trainings and seminars in order to encourage each employee to have crisis awareness and to acquire necessary knowledge.

As a countermeasure against natural disasters, each year we conduct emergency response drills of the Crisis Management Team and on each floor of the Tokyo Head Office in anticipation of an earthquake under the Tokyo Metropolitan region. Throughout the Group, we also promote the development of impact based BCPs that can be used to respond to multiple disasters, including not just earthquakes, but also typhoons, floods, and pandemics.

We organize over 90 seminars on safety measures a year, dividing the programs into 4 grades and 6 courses so that participants can join according to their experience and learning levels. Also, manuals on safety measures which each office has prepared is shared with Disaster Response and Safety Management Dept., in order to ensure a prompt and effective initial response when a contingency occurs. We have built a system to provide prompt and effective relief and support through cooperation within and outside the country in times of emergency.

We also develop safety net systems as part of our regular practice. For example, we have a system that obtains real-time information on troubles around the world (e.g., terrorism, major accidents, severe weather, natural disasters, etc.) and forwards it in push type to employees who are working on assignment in or taking a business trip to various places. Another example is a system to provide support when emergency medical care is needed.

Business description

Measures Taken in Logging of Raw Wood

The incidence of occupational accidents in the forestry industry is higher than those in other industries. The ratio of serious accidents, including deaths, is also very high. To cope with this situation, we comply with the international safety management standards required for Forest Stewardship Council (FSC) certification by OAO Terneyles in Russia in which we invest. If we receive instructions as a result of an audit for the renewal of the certificate, we take improvement measures immediately.

We have thus been certified consecutively since 2004. We have also implemented various measures to prevent occupational accidents. Our efforts to reduce occupational safety and health-related risks include: inclusion of safety management rules into the internal regulations; inclusion of safety-related items in a job description contract with an employee; establishment of the Safety Management Department; and onsite inspection by the Safety Management Department at plants and work sites of the company.

When the Safety Management Department determines it necessary to make improvements, each onsite manager is required to develop an improvement plan and report it to the president. After completing the improvement, the manager also must report its result. The Safety Management Department is required to make a list of occupational accidents that have occurred in the last month based on reports provided by each site and report it to the president. If necessary, the department develops an improvement plan and give each site an instruction to implement improvement measures.

Business description

PT FUMAKILLA INDONESIA

Under the slogan of “protecting people's lives,” Fumakilla Limited entered the Indonesian market where protection of people from infections is a major concern in their living environment. Over the last 30 years, the company has made slow but steady efforts in spreading its mosquito repellent coils with high medical effects in every corner of the region. As a result, it has now the largest share in the Indonesian market, contributing to the Indonesian market, contributing to addressing one of the major local social issues. In terms of social contribution, not only the product performance but also the marketing method applied there (a business model called BOP to deliver products directly to general users in emerging countries) are significant. Since its foundation in 1990, we have been continuing our investment (current share of 20%). Our employees assigned there also support the local operation of Fumakilla.



Mosquito repellent coil of Fumakilla

Work health and safety / Health and productivity management



Activities

Business description

Continuing and developing the health and safety management system we have cultivated over the years

The Metal Products Business Unit continues to develop globally in various industries, and in all of its business activities, the unit places the utmost importance on ensuring the health and safety of its employees, implementing several key measures in support of this philosophy. Typical examples are the global initiatives for zero accidents in Steel Service Center Business Groups (Steel products related business) and the global HSSE management system for eliminating occupational and environmental accidents in the tubular products business.

The Steel Service Center Business Groups (Steel products related business) conducts business in more than ten countries, including Japan, and in a wide variety of industries including automobiles, electrical machinery, electronics, and building materials. In each case, safety measures are tailored according to the conditions of each Steel Service Center Business Group. Central to the implementation of these safety measures, at each of the sites, is the Safety & TQM Promotion Team in the Steel Products Business Planning Dept, of Sumitomo Corporation Global Metals Co., Ltd., which performs that role of an internal advisor and provides support for the elimination of occupational accidents.

Specifically, we encourage the introduction of Total Quality Management (TQM) at each company in order to

establish the foundations of an effective safety system and further instill a culture of safety in all aspects, from the management that leads the company to the manufacturing sites of business companies. We constantly seek to improve the quality of management and ensure consistency individual targets as well as striving to enhance awareness of safety and incentives by continuously monitoring and communicating the status of these defined targets.

An example of support activities is the support for provided periodic self-audits conducted by companies based on a 150-item safety checklist provided by the Safety & TQM Promotion Team responsible for visiting major customers, formulating action plans for identified areas of improvement and following up on the status of improvement (during the COVID-19 pandemic, this activity has been conducted by online conferencing).

In the tubular products related business, we have established a 12-item HSSE management system based on the slogan “Beyond Zero Harm”(Eradication of Occupational and Environmental Hazards) to promote and establish HSSE as a part of the organizational culture. In order to put this into practice we assigned ISO 45001 experts to major overseas bases and developed an IT system which enables lessons learnt and good practices to be shared globally across the group.

Going forward, we will continue to fulfill our social mission by building a better working environment, aiming for “Zero Accidents” in both the steel and tubular products business.



HSSE Management System PDCA Cycle

Work health and safety / Health and productivity management



Activities

Business description

“G-CMSD HSE Initiatives” Aiming to achieve Zero Serious Incidents by combining the expertise of the Global Construction and Mining Systems Division

The Global Construction & Mining Systems Div. (G-CMSD) established the G-CMSD HSE Promotion Office in 2018. By making full use of its global human resources, the HSE Promotion Office started implementing Health, Safety & Environment (HSE) activities with the aim of eliminating serious industrial incidents and improving HSE activities at all G-CMSD Group companies.

The office formulated a vision and HSE standards, publishes a monthly Safety News, issues Safety Alerts to share findings and corrective actions of incidents, and conducts safety inspections (gap analysis) of the Group companies. It also conducts safety training for new division members and all employees who are dispatched overseas. With a focus on continuous improvement, in March 2021 the office created a portal to facilitate communications within the Group and encourages further activities such as the introduction of Safety Awards.



Safety Alerts are used to share information about findings and corrective actions of incidents.



Safety inspections are conducted at each company. Best practices are identified and shared for other Group companies to emulate.

“Zero Harm” to people and environment



Construction
Machinery Business



Activities are implemented by using HSE experts from Group companies

Construction Equipment Rental Business Expanded Globally

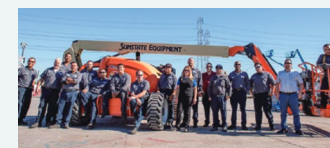
In Japan and the United States, which are advanced construction equipment rental countries, we are developing the business through TAIYOKENKI RENTAL CO., LTD., and Sunstate Equipment Co., LLC, respectively. Because customer needs are growing more diverse with increased awareness of workplace safety and productivity, we aim to provide new value by upgrading services utilizing IT and DX, such as enhancement of rental products and offering of various rental apps.

In addition, we acquired Aver Asia (S) Pte Ltd., which has operations throughout Southeast Asia, in December 2020 in order to expand into this area where mechanization and rental demand are expected to increase in conjunction with economic growth. We will take advantage of the knowledge of business operations cultivated in Japan and the United States while also efficiently allocating managerial resources between group companies.

By providing and promoting the use of highly reliable and economically efficient machinery, we will contribute to the realization of a sustainable circular economy.



Machinery yard at Sunstate Equipment



Corporate culture of people and teamwork

Human resources management



Policy and Concept

Basic Policy on Human Resources Management

The Sumitomo Corporation Group is addressing human rights issues. While complying with laws and regulations in our countries of operation, we support and respect the Ten Principles of the UN Global Compact, as well as the International Labour Organization's core labor standards of eight conventions in four areas: freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labor, effective abolition of child labor, and elimination of discrimination in employment and occupation. With regard to the elimination of discrimination in particular, we have clearly stated that no person should be discriminated against due to human race, nationality, gender, religion, creed, age, origin, physical or mental disability, or other reasons that are not related to business operations. We are also complying with minimum wage requirements based on the labor standards and labor conventions of each country.

Freedom of association and the effective recognition of the right to collective bargaining	Freedom of Association and Protection of the Right to Organise Convention (No. 87) Right to Organise and Collective Bargaining Convention (No. 98)
Elimination of all forms of forced or compulsory labor	Forced Labour Convention (No. 29) Abolition of Forced Labour Convention (No. 105)
Effective abolition of child labor	Minimum Age Convention (No. 138) Worst Forms of Child Labour Convention (No. 182)
Elimination of discrimination in employment and occupation	Equal Remuneration Convention (No. 100) Discrimination (Employment and Occupation) Convention (No. 111)

Relations with Employees (Labor Union)

Based on the collective agreement with the Sumitomo Corporation Labor Union, Sumitomo Corporation provides its employees with explanations of its management policy and the status of its business, as well as opportunities to discuss wages, labor conditions, personnel affairs, safety and health, and employee benefits on a regular basis. The agreement defines that the company must maintain and improve employment conditions and ensure stable lives for employees, and the labor union must keep order and discipline at work and make an effort to increase labor efficiency, and both parties must cooperate with each other in developing the company's business. To achieve this objective, we make every effort to have serious and sufficient discussions on each specific project, while ensuring mutual understanding and trust. In addition to matters for collective bargaining and negotiations on an official level, we hold various meetings to share opinions on a wide range of issues, such as informal meetings with the president, round-table discussions on business performance and related issues, Human Resources Strategy and personnel systems, and work styles, and work style improvement seminars and town hall meetings with the president organized jointly with the labor union. Sumitomo Corporation adopts a union shop system in which all employees are required to participate, excluding executives above a certain level and employees classified as non-union members based on an individual agreement taking into account the nature of their jobs. As of March 2021, the number of members of the Sumitomo Corporation Labor Union is 3,065, accounting for 59.2% of all employees of Sumitomo Corporation.

Activities

Employee Awareness Survey Results

The Sumitomo Corporation Employee Awareness Survey conducted in 2019 determined that items indicating a high level of satisfaction with the company remained at high levels and that engagement remains high.

	5th Survey (FY2016)	6th Survey (FY2019)	Comparison to Previous Survey
Feeling of satisfaction with the company	3.9	3.9	±0
Work-life management (level of satisfaction & practice)	3.3	3.4	+0.1

* Subjects: All employees (excluding employees on leave, etc.)

* Respondents selected the response that they believe most closely applies on a five-point scale (five is the highest score).

Human resources management : Global HR Management Policy



Policy and Concept

Global Human Resources Management Policy

Sumitomo Corporation established the Sumitomo Corporation Group Global Human Resources Management Policy in September 2020. This policy sets forth the vision and concept of human resources management on a global basis with the aim of achieving human resources management for the creation of new value. It is used as the foundation for each HR initiative.

Outline of the Policy

1. Why we established this policy

Objective of establishing this policy

2. What we aim for

“SC people” “SC organization”

3. Diversity and Inclusion

Creating value through a mix of wisdom

4. How we realize this aim

The Mindset we value in HR Management

(1) Talent recruitment

Attraction of diverse talents

(2) Talent development and training

Promote a Spirit of continuous learning

(3) For talent success-Performance management-

Evaluate to foster individual and organizational growth

(4) For talent success -Right person in right place-

Deploy the right person to the right place on a global basis

(5) Fair treatment

Incentivize the pursuit of “external reward” and “internal reward”

(6) Work environment and workplace culture that support talents

Create an environment where individuals can exercise their abilities to the fullest

- STRATEGY DRIVEN
- GEMBA ORIENTED
- FAIR & OBJECTIVE
- TRANSPARENT & CONSISTENT
- RESPONSIBLE & ACCOUNTABLE
- RESPECTFUL IN COMMUNICATION
- ETHICAL & COMPLIANT

5. Who takes responsibility for HR management

Autonomous growth of individuals, and people management capabilities



Global Human Resource Management Policy

Human resources management : Human resource recruiting



Policy and Concept

Basic Policy on Hiring

As a company that engages in global business, Sumitomo Corporation requires human resources who have high aspirations and a continuous intrinsic motivation with Enterprising Spirit and create new value on a global scale. our basic policy is to conduct fair recruitment that respects fundamental human rights, and hires employees based solely on the aptitude and abilities of applicants regardless of nationality, gender, disabilities, race, region or sexual orientation.

In addition to hiring new graduates, we consider mid-career hiring as an integral part of strategic recruitment, and we continue to hire talented employees throughout the year.

Activities

Basic Measures Relating to Hiring: Internships

The company hold various seminars relating to hiring and creates numerous opportunities to support career development by students.

■ Next Leaders' Camp

We offer "Next Leaders' Camp", a career support project by Sumitomo Corporation. With the aim of engaging in true career development that goes beyond just recruiting activities, we hope to help resolve the doubts and concerns that students may have when considering their careers, and to help them think their own careers. Next Leaders' Camp comprises "Business", "Global", and "Sustainability" sections. In the "Business" section in particular, participants deepened their understanding of the role of business and the value that should be demonstrated through lectures on the significance of business and thinking frameworks, and business analysis work using our company's case studies. One participating student commented, "I was able to notice important values when thinking about my own career"

<Number of Past Participants>

FY2018: 794 / FY2019: 591 / FY2020: 1,322

■ Internships for University and Graduate Students

We offer internships to university and graduate students every year in order for them to experience business of an integrated trading company. In FY2020, we conducted a program on new project development that used Sumitomo Corporation's electric power EPC business as the subject matter. The program is designed to be similar to actual business operations including group work on contract negotiations. We support the career development of students by enabling them to experience the business of a real integrated trading company, and we expect the program will deepen understanding of our new value creation process by having them create business plans in agreement with our Material issues.

<Number of Past Participants>

FY2018: 87 / FY2019: 190 / FY2020: 164

Recruitment of Mid-career Human Resources

The business environment surrounding us is changing rapidly. In order to survive the competition in this age of tremendous changes, we need to take on the challenge of doing business in new fields while expanding and advancing our existing businesses. To this end, we recruit mid-career workers who have great expertise and knowledge from outside the company, in addition to making effective use of our in-house human resources. Our mid-career hires have different backgrounds and include lawyers, public accountants and those with other qualifications as well as those who have experience in the manufacturing, financial, media, IT and other industries. They are making use of the expertise they have gained in their respective fields for the benefit of our company. Sumitomo Corporation recruits mid-career workers not only for their expertise, however. We expect these employees who have diverse backgrounds, to revitalize the company with their ways of thinking, work methods, out-of-box ideas and different viewpoints and help us enhance our competitive strength. Sumitomo Corporation will continue to foster mid-career recruitment along with the employment of new graduates for the retention of a diverse workforce.

Human resources management : Human resources development

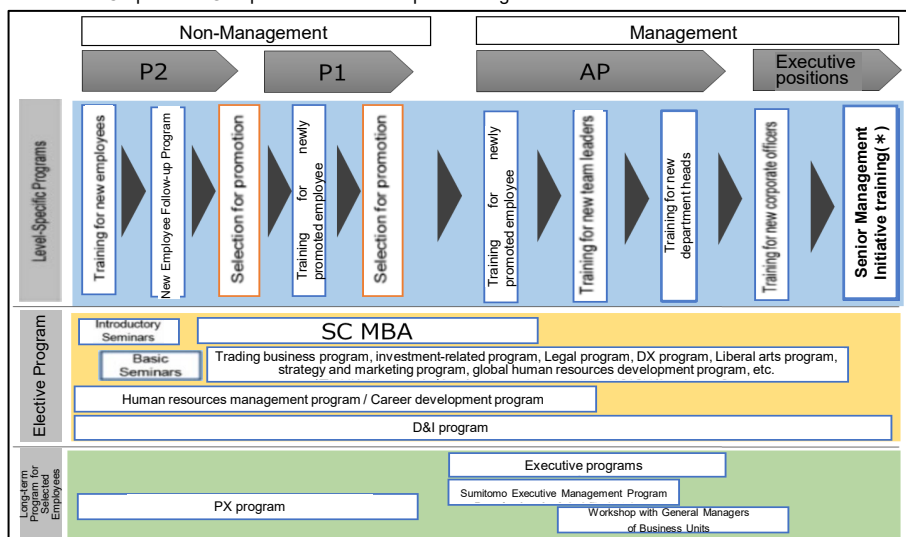


Policy and Concept

Basic Concept

For the Sumitomo Corporation Group, human resources are the most important managerial resource. The Global Human Resource Management Policy established in 2020 describes that the “ideal individual” as “a person who is creating new value on a global scale, sharing SC Group's vision and mission, and maintaining high aspirations and a continuous intrinsic motivation with Enterprising Spirit”. The most important thing to achieve this is the individuals enhance abilities those are effective in globally. And this abilities refer “expertise”, and “professionalism”. To develop a group of top-tier professions with this expertise and professionalism, OFF-JT makes it possible to engage in more advanced work by “generalizing and conceptualizing” experiences through “introspection and reflection” on work successes and failures and by acquiring skills and knowledge necessary for work.

Sumitomo Corporation Group Personnel Development Programs



(*) Training for senior management to discuss ideal decision-making and behavior from a high perspective

Activities

Our Personnel Development Programs

As Sumisho Business College (SBC), we organize 250 courses of OFF-JT training a year and that offers individuals various types of programs to acquire the knowledge and skills needed to be active in each field. In addition, we believe human resource development based on individual career perspectives, experiences, aptitudes, and issues is important, and therefore, we focus on career development training to ensure that as many people as possible can work with high motivation and comprehensively demonstrate their professionalism. Moreover, there are training programs those enhances people management skills and promote diversity and inclusion (D&I) so that supervisors can address and motivate team members and unite diverse human resources to link organizational and individual growth. We also offer Long-Term Programs for Selected Employees that allows employees to acquire the knowledge and skills necessary for business management. Many of those completing the program have been playing a leading role in managing associated companies in Japan and abroad. In our efforts to enhance the development of human resources, we make effective use of external high level training programs, such as overseas executive programs, in addition to in-house training programs.

Number of Hours for Ability Development Training in FY2020

Total number of training participants	12,211 employees
Total number of training hours	50,806 hours
Number of training hours per employee	9.72 hours



Human resources management : Human resources development



Human Resources Development Programs

1. Level-Specific Programs

At the time of promotion, we arrange training programs that offers understanding to the internal rules and literacy necessary for conducting business. From new employee to senior management, Participants in the training will understand what is expected of them and what roles they should fulfill, thereby acquiring tips on how to transform themselves. We offer Level-Specific Programs for the entire Sumitomo Corporation Group. Through the program participation, they build a rich network within the Sumitomo Corporation Group. In these programs, emphasis is placed on fostering leadership that can contribute to society through business, and programs that enable participants to gain awareness for independent personal growth are provided.

2. Elective Programs

More than 90 different selective programs are available, covering comprehensive knowledge and skills, from basic to advanced levels, that will be needed to play a leading role as an executive who can contribute to society through business. After completing the Introductory Seminars and the Basic Seminars where employees can acquire the basic skills and general knowledge (standard skills and knowledge) required to work for an integrated trading company, employees can choose any of the programs where they can learn about knowledge and skills required for them to do their work. Among these programs, in the course "SC MBA," participants can study and have discussions on subjects that are generally covered in an MBA program. This course is open to any employees and they can take any course regardless of direct relation to their department, so it can support their continuing effort to learn. Through the course, participants learn the literacy and fundamental theories and frameworks required to be a managerial.

3. Long-Term Programs for Selected Employees

Long-term programs for selected employees are intended to foster a management perspective and for acquisition of the skills for self-directed learning and practical leadership that can be difficult to obtain through short-term programs. Participants in each program are selected from among those who are demonstrating their abilities at the forefront of business and those who are expected to take on leadership roles in the future. These Long-term programs contribute develop the foster of top-tier professionals to be active in various fields.

■ PX (Personal Transformation) Program

This is a new program created in 2021 for non-managerial personnel. The 10-session program, conducted over seven months, is intended to be aware of personal and company strengths and its issues for more growth through dialogue with business leaders from the same age and people in different industries. Moreover, this program encourage personal transformation by completing the processes of new business creation (strategy formulation and execution), and participants acquire abilities as professional human resources capable working outside the company.



■ Workshop with General Managers of Business Units

This workshop targets general manager and assistant general manager class personnel who are expected to hold executive positions in the future and seek companywide managerial perspectives. Participants acquire the broad perspectives, thinking, and attitudes required of management by participating in extensive dialogues and discussions with senior management. Each year, about 30 employees participate, attending eight sessions over four months and giving a companywide presentation on the future of the company.



Human resources management : Human resources development



Human Resources Development Programs

3. Long-Term Programs for Selected Employees

■ Sumitomo Executive Management Program

Targeting team leader (department managers) who have the potential to become executive managers in the future, this program provides the knowledge and skills needed by executives and fosters managerial perspectives and philosophy to create executive management human resources who can contribute to society through business. Approximately 25 employees participate each year, attending 30 sessions over about 10 months. At the conclusion of the program, participants give a presentation to executives on the ideal state of Sumitomo Corporation and their own managerial vision.

Overseas training at INSEAD (conducted online in FY 2021)

As one session of the Executive Management Program, a customized program is conducted with INSEAD business school on "introspection and behavioral reform." The program provides an opportunity for participants to examine more deeply their own axes, values, and leadership.



■ Participation in Domestic and Overseas Executive Programs at the Company's Expense

Department and division managers who are potential candidates for executive management positions in their respective organizations are sent to executive programs at domestic and overseas business schools at the company's expense.

At least 30 employees participate in the domestic program with a focus on business schools in Japan, and for the overseas program, at least 30 employees are sent to leading overseas business schools with the objectives of fostering awareness and thinking as a future executive, acquiring comprehensive management knowledge and executive decision-making capabilities, and growing through interactions with other personnel and executives.

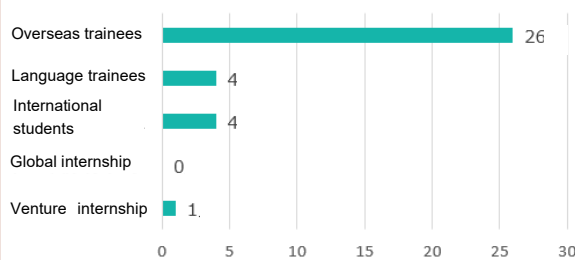
4. Overseas and Domestic Programs

As a global business group, the Sumitomo Corporation Group also conducts many overseas dispatch programs to develop employees who can work effectively around the world.

Sumitomo Corporation has various training programs that enable young employees to work overseas including a trainee program designed to develop human resources who can play an active role in the global field, a language training program that develops language and area specialists, a global intern program that focuses on business in emerging countries, and a study abroad program primarily for acquisition of an MBA. Each year, 80 to 100 young employees are dispatched to different regions of the world to work.

We also introduced a "venture internship" program intended to develop individual skills, through the experience from perspective of managerial at a domestic start-up company (we call it venture), creating business from R&D and promote sales. Through these trainee programs in Japan and overseas, we are developing employees' highly specialized knowledge or diversified experience.

The number of trainees dispatched in FY2020



* The number of people dispatched in FY2020 decreased due to the impact of COVID-19

5. In-house Education and Awareness-raising on Respect for Human Rights

As a global organization contributing broadly to society, the Sumitomo Corporation Group employs Management Principles that place prime importance on integrity and sound management with utmost respect for the individual. Based on this principle, the Group developed the "Human Rights Policy" and the "CSR Action Guidelines for Supply Chain Management" that take into consideration human rights and other various issues. We will respect human rights to take our social responsibility and pursue sustainable growth with society.

With the above considered, we have established a committee to promote human rights and Dowa issues, and we have a forum to discuss internal issues on human rights such as Dowa issues, such as Buraku discrimination, people with disabilities, foreign residents, Human rights violations on the Internet and other issues related to human rights every year. We also invite external lecturers to conduct annual human rights training to raise employee awareness of human rights issues.

In FY 2020, we also distributed e-learning content on respecting human rights in business and conducted other internal educational programs for further action.

In addition, training seminars on mental health and human resources management, and training on sexual and power harassment for all managers have been conducted. In Level-Specific Programs for managers, programs on harassment prevention have also been added to maintain a harassment-free work environment and to provide suggestions on how to address harassment if it occurs. Through these efforts, we provide employees with education and raise their awareness to thoroughly prevent human rights violations at work.

Human resources management : Human resources development



Activities

Sumitomo Corporation Global HRD Center

A training center to develop global talent as well as to be used as a strategic multipurpose facility

The Sumitomo Corporation Global HRD Center in Ginza, Tokyo serves as a training center to develop global talent as well as a strategic multipurpose facility. As a training center, it is used to further strengthen the development of a global and diverse talent. International colleagues from different organizations and countries all over the world meet at this facility for intensive discussions on the future visions and strategies of the Sumitomo Corporation Group.



Sumitomo Corporation
Global HRD Center

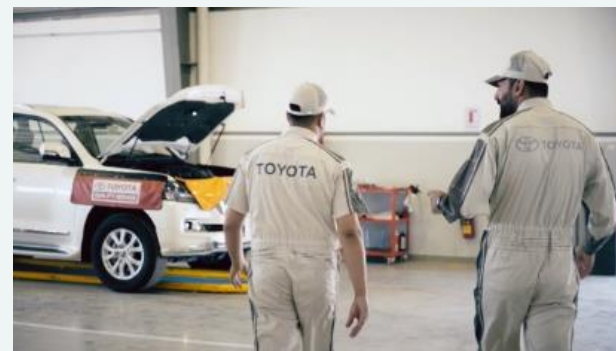
Career Adviser

Since April 2007, Career Advisors (CA) have been available at each organization with the aim of improving employees' career development and reinforcing the organization through providing assistance to individuals and organizations. CAs have three key roles: providing consultation to individual employees (subordinates) and supporting problem solving, providing advice and proposals to organizational management (supervisors) to improve workplace environments, and providing support for communications among individuals and organizations. By performing these roles, they support the creation of work environments where employees can demonstrate their full skills and characteristics as well as career development.

Business description

Job Training Programs at Toyota Iraq

Sumitomo Corporation conducts job training programs through Toyota Iraq, a subsidiary, to create local opportunities for stable employment and enhance the skills of job seekers. Prolonged conflict in Iraq has had tremendous impacts on the people, and more than 3 million people have been forced to leave their homes and have become internally displaced persons (IDPs). The impact on young people has been particularly large, and creating educational and employment opportunities is an urgent matter. Since 2016, Toyota Iraq has worked with the UNDP to conduct six job training programs for such IDPs, and to date, 68 persons have completed the programs. Starting in 2020, Toyota Iraq has worked with the International Organization for Migration to conduct similar programs for persons other than IDPs. Sumitomo Corporation hopes to achieve sustainable development of local communities through these programs and will continue to support the creation of job opportunities and skill enhancement in Iraq through these business activities.



Trainees receiving training on vehicle maintenance, parts warehouse management and customer services

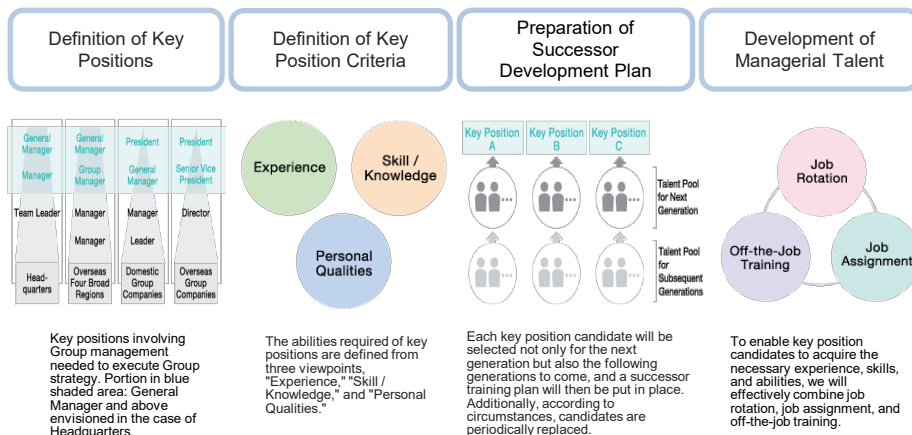
Human resources management : Utilization of human resources (Allocation)



Activities

Enhancement of Talent Management

Talent cannot be developed overnight. There is a need to envision, develop and deploy human resources required for the growth of each business in the medium- to long-term. In order to allocate human resources strategically in line with business strategies continuously and on a global basis, the Sumitomo Corporation Group implements the measures below to help all employees play an active role, regardless of whether Sumitomo Corporation non-consolidated, overseas offices or associated companies.



Create a global human resources database

To visualize what kind of human resources we have and where, we will build a Group human resources database including overseas human resources.

Introduce the Global Mobility Policy

Common Groupwide rules on employment conditions and welfare packages to be applied in the case of transfer between overseas bases.

Introduce the Global Grading System

To compare what level of human resources are present across the Group, we will consider introducing a common Groupwide personnel grading system.

Advancing Global Measures to Develop Human Resources

Aiming to recruit and develop personnel who can lead global business operations, the Sumitomo Corporation Group is focusing on promoting and developing locally hired employees in its overseas offices and Group companies.

As part of these efforts, we conduct training programs for locally hired employees at different career levels, such as senior executives, managers, and senior staffs. These training programs establish a shared sense of the Sumitomo Corporation Group's corporate DNA and strengthen the sense of unity among employees as members of the Group by reaffirming participants' understanding of Sumitomo's business philosophy and the Group's Management Principles.

Human Resources Globally Playing a Leading Role

Sumitomo Corporation Group promotes placing the right person in the right position at the right timing on a global basis, regardless of nationality and affiliation. Based on this policy, locally hired staff and employees of associated companies are transferred beyond the borders of countries and companies. We positively appoint local staff to executive positions of overseas offices to promote our policy of placing the right person in the right place on a global basis.



Human resources management : Utilization of human resources



Activities

Optimal Allocation Under New Human Resource System

Under the new human resource system, to achieve the “Intrinsic motivation/Great Place to Work” described in the Global Human Resource Management Policy, we conduct personnel transfers and allocation in agreement with the company's expectations and the individual's career aspirations after engaging in communication between supervisors and subordinates even more than in the past in terms of both quality and quantity. As an integrated trading company, continuous development of talent who combine a variety of knowledge and specialization is essential for the steady creation of solutions (added value) tailored to the social issues of the times, and we will continue rotations to expand this human resource pool. To develop the top-tier professionals specified in the policy, however, rather than uniform rotations as in the past, diverse rotations are needed, and we anticipate cases where assignments in a singled field will be lengthy to raise specialization in that field.

Human Resource Shifts Under SHIFT 2023

As we re-allocate company-wide managerial resources, in addition to the financial aspects, we are addressing human resource aspects by undertaking optimal allocation of human resources in conjunction with the reconstruction of the business portfolio as well as strategic human resource allocation to businesses covered by the strategic investment fund. As we undertake this re-allocation, we are accelerating the human resource shift while gaining an overall and company-wide understanding of shifts in human resources during the term of the new medium-term plan, strongly encouraging matching based on organizational human resource needs and individual aptitudes and aspirations, and expanding in-house recruiting systems.

Succession Planning/Enhancement of Human Resources Database

To continuously realize strategic HR assignment on a global basis, HR development and appointment of managerial talents according to our business strategies, we undertake succession planning covering the next and after-next generations for key positions (approximately 380 positions equivalent to the level of general manager in HQ and above) including overseas regional offices and group companies. To ensure that candidates for key positions are equipped with the necessary experience, skills, and other requirements, we develop their capabilities accordingly, so that we can enhance the talent pool both quantitatively and qualitatively.

In addition, we are working to create a job grading system to enable comparison of job size on a global basis and a HR database including overseas regional offices and group companies. We have also made the Global Mobility Policy as our groupwide rule stipulating compensation and benefit packages for international assignment. This will serve as a platform to promote assignment of talents across countries and regions.

Human resources management : Utilization of human resources (Diversity & Inclusion)



Policy and Concept

Promotion of Diversity & Inclusion

The business environment surrounding the Sumitomo Corporation Group has been rapidly changing and the regions and business fields in where we operate and business models have also been rapidly diversified. In order for the Group to address such changes and continue to develop in a sustainable way, it is essential to include Diversity & Inclusion in its management strategy.

Based on this environmental understanding, the Sumitomo Corporation Group positions diversity and inclusion as a source of value creation, innovation and competitiveness in its Global Human Resource Management Policy and seeks to eliminate all barriers that impede Diversity & Inclusion and leverage the mix of diverse wisdom to achieve its vision.

In addition, in order to promote Diversity & Inclusion in accordance with this policy, we are reinforcing human resources management under the Medium-Term Management Plan SHIFT 2023 by implementing various measures at sites in Japan and overseas according to the local D&I context.

To survive this revolutionary world where business is becoming more diverse and challenging, it is essential to effectively use a mixture of diverse wisdom from diverse individuals to improve our competitiveness. With a focus on the diversity of our global talents, especially on each individual's strengths, we will combine our forces to further accelerate our growth strategies. As a basis for achieving this, what is important here is the concept of inclusion, or creating an atmosphere that recognizes different individualities and respects and accepts the differences. Based on this concept, we need to practice inclusion and make effective use of differences as a source of competitiveness.

Simply focusing on visible diversity and eliminating systems and mechanisms that impede inclusion based on nationality, gender, age, sexual orientation, gender identity and so on, is not enough. We believe that it is also important to focus on deep diversity that includes different opinions, ideas, values, abilities, skills and experiences, and the elimination of the unconscious bias based on psychological barriers. We will respect the differences mentioned above, and aim to find the right direction through mutual contribution of wisdom and thorough discussions among a diverse team

with shared aspiration, principles and vision, and turn decisions into actions by bringing out the cooperation of all.

In promoting the growth strategy for all the employees of the Group, it is necessary to promote the allocation of the right talents to the right places on a global basis and strategic talent and organization development, and to nurture a culture and awareness to support these points, while taking into consideration the deep diversity. Under the common vision set forth in the Global Human Resources Management Policy, we will collaborate with the overseas organizations to pursue Diversity & Inclusion in the Group on a global consolidated basis.

Encouraging More Active Participation of Female Employees in Business

Sumitomo Corporation sees the active participation of female employees in business as an important pillar of Diversity & Inclusion, and we have formulated action plans with the aim of advancing this further. Specifically, we have set targets to increase the ratio of women in managerial positions to at least 20% and the ratio of female general managers to at least 10% by FY 2030 and, in agreement with the Japan Business Federation's goal of at least 30% female executives by 2030 announced in March 2021, we set a target of at least 30% female directors and audit & supervisory board members by FY 2030. To achieve these targets, we are reinforcing talent development, allocation, and recruitment centered on the new HR system introduced in FY2021 and are working to create an environment where each individual can demonstrate their full potential. In addition, in order to support our employees to balance life events and career development, we have reinforced tangible aspects including the establishment of internal policies that go beyond regulatory requirements and have addressed the intangible elements such as correcting long working hours, encouraging employees to take paid leave, and reforming employee awareness with the aim of creating an environment that facilitates active participation in the company after childbirth and childcare.


[Action Plan \(PDF/74KB\)](#)

(Japanese language only)

Human resources management : Utilization of human resources (Diversity & Inclusion)



Activities

Support for Balancing Work and Child-rearing

Sumitomo Corporation offers various options that are available both for men and women with the aim of creating a work environment where diversified employees who have entered the life stage of child-rearing can exert their maximum performance abilities. The Human Resources Department's staff interviews an employee who is to take a child care leave and her direct supervisor to provide information on relevant programs to facilitate her taking the leave and returning to work.

Childcare Consulting Services

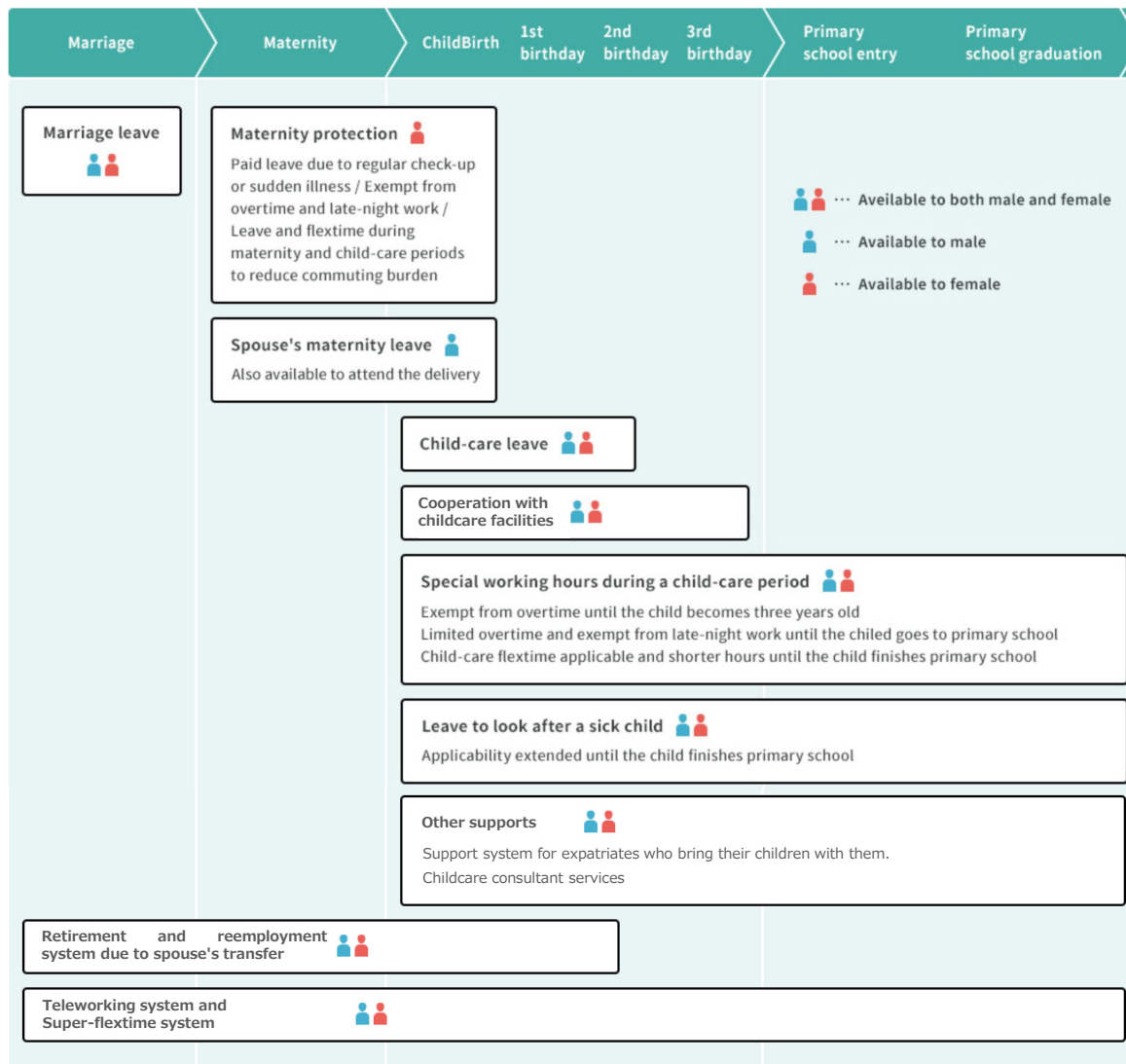
As part of our efforts to support employees to achieve childcare-work balance, we have adopted childcare consulting services provided by Poppins to which we outsource the operation of the in-house nursery.

Re-employment of Former Employees who had to Leave the Company due to their Spouse's Transfer

A re-employment program is available for former employees who had to leave the company due to their spouses overseas transfer if they meet certain conditions.

Maternity and Child-Care Related Programs at Sumitomo Corporation

Attaching great importance to diverse values and lifestyles in personal work-life management fulfillment, we offer various optional programs and are flexible and supportive in helping employees eliminate any problems or concerns.



Human resources management : Utilization of human resources (Diversity & Inclusion)



Activities

Support for Balancing Work and Long-term Care

Sumitomo Corporation offers various programs to help its caregiving employees work without anxiety. We are working to create a work environment where employees who have entered the life stage of caregiving can play an active role at work. We hold seminars on caregiving issues and individual consultation sessions on caregiving issues (once a month). We distributed the “Handbook for Managing Work-Caregiving Balance” to all employees.

	Program	Eligibility criteria	Frequency/period
Consultation on caregiving issues	Seminars on caregiving issues	Sumitomo Corporation employees	Once or twice/year
	Consultation sessions on caregiving issues		Once monthly
Caregiving while working	Flex-time work system	When any of the following people needs long-term care: spouse, parent, child, grandparent, sibling, grandchild, or spouse's parent	_____
	Short working hours		Under the flex-time work system, daily work hours can be shortened by a maximum of 120 minutes.
	Exemption of overtime work		_____
	Exemption of late night work		_____
	A leave of absence for nursing care		Thirty days for one case as a rule * It can be taken per hour
Taking a leave of absence for a certain period of time for caregiving	Short term	When any of the following people needs long-term care: grandparent, sibling, grandchild, or spouse's parent	Five days annually for one person Ten days annually for two or more persons * It can be taken per hour
	Long term	When any of the following people needs long-term care: spouse, parent, child, grandparent, sibling, grandchild, or spouse's parent	Three times/person Up to 365 days in total

Other services available

Long-term care-related support services

<http://www.seacare.or.jp>

Free consultation services for issues related to long-term care, such as how to use long-term care insurance services, how to get along with care managers and professional caregivers, and how to choose care facilities; and support services for long-distance care and balancing work and long-term care.
*Payment by users. Those working in Japan can use “Cafeteria Plan” points.

Elderly home monitoring services

(Reference: HR intranet > Work-life management)

For those with a family member living separately who needs long-term care or those stationed in an overseas office who have a family member living in Japan who needs long-term care, home monitoring services provided by SECOM Co., Ltd. or CENTRAL SECURITY PATROLS Co., Ltd. are available.

Cafeteria Plan

(Reference: HR intranet > Employee benefits > Cafeteria Plan > User's manual)

“Cafeteria Plan” points can be used for the purposes below:

- to partially cover caring costs
- to partially cover costs for care products

Human resources management : Utilization of human resources (Diversity & Inclusion)



Activities

Support for Senior Employees' Activities

In terms of securing human resources to ensure the sustainable growth of the organization, Sumitomo Corporation has been improving the work environment to achieve active involvement of all employees regardless of age. The aim is to provide all employees with opportunities to play an active role at work. As part of this effort, we adopted in April 2006 an employment extension system that is available for all employees who reach the mandatory retirement age of 60 and want to continue working to the age of 65.

CLP (Career & Life Planning) Training

CLP training is provided to employees 45 years of age or older to give them an opportunity to look back on their experience of working at Sumitomo Corporation and develop their career and life plans for further improvement in the future, regardless of internally or externally.

In this training, we explain the company's employment extension system and retirement benefits, public pension plans, long-term care and other insurance systems, and other relevant programs, thereby providing information on financial planning, which is necessary when considering life planning.

Career Assessment Interviews

Employees 45 or older can consult on post-retirement career and life planning when they conduct their annual interview with their supervisor. In interviews conducted two years before mandatory retirement, employees who wish to continue working after the mandatory retirement age are informed by a supervisor about their likely assignment and salary. By creating an early opportunity to compare the desires of the employee with the expectations of the organization, we provide support so that employees can make independent decisions regarding the flexible work styles that they want after retirement.

Support to Find a New Job Outside the Company

For employees looking for new job opportunities outside the company, we provide re-employment support services such as consulting with a specialist career consultant from a re-employment support firm under contract with the company.

Promotion of the Employment and Retention of people with disabilities

As part of its efforts in corporate social responsibility and toward diversity, Sumitomo Corporation has been promoting the employment of people with disabilities. In 2014, we established Sumisho Well Support Co., Ltd., a special subsidiary company, to promote the employment, retention and career development of people with disabilities. Employees of Sumisho Well Support are engaged in various tasks, such as supplying office stationery, in-house mail delivery, making name cards, and converting data into PDF files to promote paperless transactions. In conjunction with the expansion of business, the number of employees has increased, and we had 56 employees (including 39 people with disabilities) as of July 2021. We will continue to work together with people with disabilities and help them grow and encourage them to be independent. Sumitomo Corporation Group as a whole will strive to achieve the legal employment rate and expand job opportunities for people with disabilities.

Raising Understanding of LGBTQ* Employees

The Sumitomo Corporation Group Compliance Policy (established March 2019) and the Employment Rules codify that no fear or discomfort shall be caused through sexualized speech or conduct, harassment, slander or defamation, intimidation, violent behavior, or the like on the basis on sexual orientation or gender identity.

We believe that acquiring appropriate knowledge concerning LGBTQ(*) individuals is important and provide information to employees through various training. We also created an LGBTQ consultation desk, set out employment rules that enable the same sex partners of employees to enjoy certain employee programs, and are taking various other measures to create work environments free from any discrimination to LGBTQ employees.

(*) LGBTQ : L= Lesbian, G=Gay, B= Bisexual, T=Transgender, Q= Questioning, Queer

Human resources management : Creation of work environment



Policy and Concept

Creation of an Environment Where Diverse Individuals can Demonstrate their Fullest Abilities

Sumitomo Corporation formed the company-wide “Work-life Balance Promotion Project Team” in April 2005. Since its launch, the team has implemented various efforts. In December 2015, the team's name was changed to “Work-Life Management” in order to clarify our underlying idea that employees should promote a smart work style over a medium- to long-term perspective and proactively manage work life balance. How to manage work-life balance depends on individual values and lifestyles. We believe a fulfilling life as a whole, both at work and in private life, produces vitality, which serves as a driving force to create new value. In this context, Sumitomo Corporation offers various kinds of options to help employees address various issues. We also use and promote an output-oriented approach to work, which generates high added value.

Reduction of Overtime

- Training and seminars on Labor Management
- Regularly holding labor-management roundtable discussions
- Awareness raising efforts

Encouragement to Use Entitled Leaves

- Promoting to have paid leave utilization
- Initiatives for “Premium Fridays”
- Spouse maternity leave , Refresher leave, Volunteer leave

Promotion of Flexible Work Styles

- Teleworking system
- Super flexible work hours system
- Dress Code Modified

Activities

Reduction of Overtime

Sumitomo Corporation has promoted a smart work style with smart distinction and switchover between “work with full energy” and “enjoy private life.” As business is becoming diverse and sophisticated, job types and tasks are also becoming diverse. Under these circumstances, the management of working hours by reducing them quantitatively and uniformly does not suit the current situation. Merely working long hours does not necessarily result in better achievement. In terms of improving global competitiveness, company-wide efforts will be continued to pursue an output-focused work style that generates added value. We have programs for employees to share information on efforts to raise awareness and other useful information. Examples are shown below:

Training and Seminars on Labor Management

We provide training on labor management as a part of the new manager training and new team leader management programs. In 2019, we conducted a seminar on labor management for all employees to provide cautionary information relating to labor management in conjunction with legislation on work style reforms coming into effect in April of that year. We undertake ongoing educational activities to raise awareness regarding labor management.

Human resources management : Creation of work environment



Activities

Encouragement to Use Entitled Leaves

Sumitomo Corporation promotes a smart work style with the aim of improving productivity to achieve the maximum results in a limited time. Efforts to achieve this goal include the setting of a company-wide target number of paid leaves to be taken from 2016 to 2019. The number of days of paid leave taken has steadily increased, and the target was achieved. Starting in 2020, rather than setting a company-wide target that applies uniformly to all employees, we adopted a policy of allowing each organization and individual to perform independent management.

Targets and Results of Paid Leaves Taken by Employees

- 2016 : each employee taking at least 12 days/ 92.7%
- 2017 : each employee taking at least 14 days / 95.7%
- 2017 : each employee taking more than 16 days on average / 100%
- 2018 : each employee taking at least 14 days / 94.3%
- 2018 : the non-binding target set to 16 days / 64.8%
- 2019 : each employee taking 16 days off / 82.7%

Creation of a Work Environment to Realize Self-sustaining and Flexible Workstyles

Teleworking System

In November 2018, we adopted a teleworking system, which offers three options: working at home, working from a satellite office, and mobile working. This system applies to about 4,000 employees working for Sumitomo Corporation in Japan. As a rule, eligible employees are entitled to up to 14.5 hours (equivalent to the work hours for two days) of teleworking per week. They are allowed to work at home or any of more than 100 satellite offices mainly located in Tokyo, which is helpful for them to expand the work area flexibility. There are no particular restrictions on use, in general. Employees in different circumstances, such as providing childcare and long-term care, throughout the company, are provided an opportunity to work proactively and flexibly. Since March 2020, the existing two days per week limit was eliminated in response to the COVID-19 pandemic, and the system has been operated with consideration for work-life management such as allowing teleworking while performing childcare or family care at home. In October 2021, we proposed a best-mix work style that uses both in-office and at-home work according to what is best for each organization and individual to maintain both employee safety and business continuity. As a result of these types of initiatives, the average in-office attendance rate in FY2020 was 24.5%.

Super Flexible Work Hours System

In November 2018, we abolished the flexible work hours system, under which employees were required to be present during the fixed core hours from 11:00 to 15:00, and newly adopted the "super flexible work hours system." The new system has no core hours. Employees can start and end their work at any time during the flexible time band from 5:00-22:00. This system allows individual employees to design and manage their own work style, leading to further improvement of the performance both of the organization and each employee.

Human resources management : Creation of work environment



Activities

Creation of a Work Environment to Realize Self-sustaining and Flexible Workstyles

Dress Code Modified

As a part of our efforts to develop flexible work environments that promote employee autonomy, we focused on work sites and times and introduced the teleworking system and the Super flexible work hours system 2018. To build on these systems, in April 2020, we reviewed the dress code to promote changes in individual and organizational awareness and further promote autonomous work styles. After organizing current rules on attire, we eliminated dress codes within the scope of common sense appropriate for the work and workplace at the company according to TPO.

MIC Selects Sumitomo Corporation for Telework Pioneer 100

MHLM Selects Sumitomo Corporation for the Excellence Prize of Telework Promotion Company Award

Sumitomo Corporation introduced the teleworking system in November 2018 as a part of its workstyle reforms and has focused efforts on new work styles. These efforts have been recognized, and the Ministry of Internal Affairs and Communications (MIC) selected Sumitomo Corporation for inclusion in the Top Hundred Telework Pioneers for FY2019. Through Top Hundred Telework Pioneers, MIC recognizes companies and organizations with sufficient achievements that are advancing the introduction and utilization of telecommuting. In 2019, we implemented an initiative entitled Work Style Transformation 2019 with the aim of further promoting new work styles that make use of new systems. Our efforts in including continuously informing personnel about teleworking by sharing officers' accounts of their experience of teleworking via internal newsletters and videos and companywide implementation of teleworking were highly evaluated, and we received the Award for Excellence as the most outstanding company in fiscal 2020 in the Minister of Health, Labour and Welfare's awards for enterprises that promote telework (Kagayaku Telework Award).

Going forward, we will implement additional workstyle reforms to promote paperless operations furthermore, enhance employee IT literacy, improve operational flows, and make other improvements.



Supply chain



Policy and Concept

The Sumitomo Corporation Group is engaged in globally-oriented business in a wide range of fields. It is our responsibility to appropriately manage impacts caused by our business activities, including extensive supply chains, on society and environment. The Sumitomo Corporation Group has established the CSR Action Guidelines for Supply Chain Management. Through the implementation of these guidelines, we are aiming to realize a sustainable society by working together with our suppliers and business partners to achieve responsible value chain management. The Company provides numerous opportunities to promote the understanding and entrenchment of these guidelines, including training for new employees and locally hired employees, meetings within business units and domestic and overseas regional organizations, and pre-departure briefings with employees being sent on overseas assignments in order to promote sustainable supply chain management. In the event that we find violations of these guidelines in our supply chains, we will urge the suppliers, business partners or contractors, etc. to remedy and improve the situation, while providing support to them as needed. However, if there are no improvements to the situation by them, we will consider carefully whether to continue our business with them or not.

The Sumitomo Corporation Group CSR Action Guidelines for Supply Chain Management

The Sumitomo Corporation Group aims to be a global organization that, by constantly staying a step ahead in dealing with change, creating new value, and contributing broadly to society, strives to achieve prosperity and realize the dreams of all our stakeholders through sound business activities in strict adherence to our Corporate Mission Statement, and the management style principle contained therein, wherein prime importance is given to integrity and sound management with the utmost respect being paid to the individual.

In order to promote sustainability and social wellbeing in accordance with our mission, the Sumitomo Corporation Group hereby sets down these CSR Action Guidelines for Supply Chain Management. With a view to further strengthening the global relations which form one of the foundations of our core competence of integrated corporate strength, we request our suppliers and business partners to kindly accept, understand, and practice these guidelines so that together we can achieve responsible value chain management.

Our suppliers and business partners are expected to:

1. Respect human rights and not to be complicit in human rights abuses
2. Prevent forced labor, child labor and the payment of unfairly low wages
3. Not engage in discriminatory employment practices
4. Respect the rights of employees to associate freely in order to ensure open and fair negotiations between labor and management
5. Provide employees with safe and healthy work environments
6. Protect the global environment and give due consideration to biodiversity
7. Ensure the quality and safety of products and services
8. Ensure fair business transactions, to abide by all applicable laws, rules and regulations, and to prevent extortion, bribery and all other forms of corrupt business practices
9. Ensure appropriate information security
10. Cooperate with members of local host communities and contribute to sustainable regional development
11. Disclose information regarding the above in a manner both timely and appropriate.



[Interpretation of The Sumitomo Corporation Group CSR Action Guidelines for Supply Chain Management](#)

Activities

Supplier Management

In monitoring social and environmental risks in each business, we confirm the status of supplier management based on the "Sumitomo Corporation Group CSR Action Guidelines for Supply Chains".

Conflict Minerals Policy

The Dodd-Frank Act, which was enacted in July 2010, requires US-listed companies to trace the country of origin of minerals used in their products within their supply chains to determine whether or not "conflict minerals"(*) produced in and around the Democratic Republic of the Congo are included. The results must be reported annually to the U.S. Securities and Exchange Commission (SEC) and disclosed on their websites.

Such reporting is not mandatory for the Sumitomo Corporation Group itself because it is not US listed. However, if it is revealed that a conflict mineral is used by our partner company, our reputation could be harmed and it may affect customer selections. We therefore gather relevant information regularly and managed it unitarily.

(*) The Dodd-Frank Act defines conflict minerals as tin, tantalum, tungsten and gold.

Supply chain



Certification

Certification

Measures Taken through Sustainable Supply Chain Certification

RSPO: Roundtable on Sustainable Palm Oil

We became an ordinary member of the RSPO in 2019. Further, our consolidated subsidiaries SC Foods Co., Ltd. And Summit Oil Mill Co., Ltd. obtained RSPO supply chain certification in 2021.



FSC®: Forest Stewardship Council

We obtain FSC®-CoC certification, an international forest management certification system, and provide customers with FSC®-certified products mainly from our group-companies.



PEFC™: Program for the Endorsement of Forest Certification Schemes

We obtain PEFC™ CoC certification, an international forest management.

SBP: Sustainable Biomass Program

In September 2019, we became the first Japanese company to obtain SBP certification for CoC (Chain-of-Custody) and Collection and Communication of data. SBP is a certification system providing assurance that woody biomass used in energy production is sourced from legal and sustainable sources.



ISCC PLUS: International Sustainability & Carbon Certification PLUS

We obtain ISCC PLUS, an international certification for bio-based products. This allows us to trade ISCC certified products.

ASI: Aluminium Stewardship Initiative

We are a member of the Aluminium Stewardship Initiative (ASI), the global aluminium industry organization. As an active participant in trading aluminium materials and products globally, we support ASI activities and standards across the global aluminium value chain.

Activities

Business description

Measures Taken in the Chemical and Electronics Industries

Sumitomo Shoji Chemicals Co., Ltd. is mainly engaged in trading business of chemical and electronic products, which are involved in various industries and have a multitude of applications. Before starting business transactions, the company confirms that each supplier of raw materials does not use conflict minerals, which are key funding sources for local armed groups, and appropriately manages chemical substances contained in their products in line with customer's demands, to make sure that no issues related to the environment and human rights have been reported. Sumitomo Shoji Chemicals is a member of Sedex, a nonprofit membership organization providing a world's largest platform to manage and share ethical data within supply chains, with the aim of ensuring ethical and responsible business practices in global supply chains. The company has also passed the human rights and environmental audit of Sedex.

Sumitomo Shoji Chemicals agrees on the Green Partner Environmental Quality Approval Program of its clients, whose objectives include the promotion of environmental protection. It also requires its suppliers of raw materials to agree on a green procurement program and other relevant programs and to comply with environment-related laws and regulations, and follows their implementation.

Business description

Expression of Support for UN Food Systems Summit

Sumitomo Corporation expressed its support for the United Nations Food Systems Summit (FSS), declaring that it will contribute to global sustainable food systems through a range of food and agricultural businesses conducted by the Sumitomo Corporation Group. The FSS, scheduled for September 2021 in New York, will be the first international forum having discussions on the sustainability of food systems as a global common agenda and setting a vision for the future. The summit is being held based on the belief of UN Secretary-General Antonio Guterres that transformation to sustainable food systems will be crucial for delivering the Sustainable Development Goals (SDGs).



[Our commitment](#)



[Ministry of Agriculture, Forestry and Fisheries](#)
[FSS related websites](#) (Japanese language only)

Industrial and technology innovation



It is inevitable for the Sumitomo Corporation Group to cope with accelerating technology development and innovative business models that will change the structures of all industries. To promote business development for the next generation, we have reinforced our business development systems in Silicon Valley in the United States, Europe, Asia and other regions. We will also promote collaboration with venture enterprises that possess innovative technologies and business models, and collaboration among business units and overseas offices beyond the existing frameworks.

Business description

Participation in a Commercial Lunar Exploration Program

Sumitomo Corporation has signed a contract with ispace, a company that aims to create an earth/moon economic sphere by developing a city/resources on the lunar surface. The contract makes Sumitomo Corporation a Corporate Partner of HAKUTO-R, the world's first commercial lunar exploration program. The HAKUTO-R program managed by ispace aims to create a new market consisting of the earth and the moon as one economic zone by realizing the first commercial lunar exploration and opening up business opportunities on the lunar surface. Water is essential for extending the human presence to space and the existence of resources on the moon such as water has been confirmed. It is expected to create fuel for rockets, etc. by electrically decomposing water into hydrogen and oxygen. Once the development of the lunar surface advances through the utilization of water resources and infrastructure such as an international space station able to accommodate humans is built, the earth and the moon and everything in-between will be opened up as a new sphere of human activity. In addition, Sumitomo Corporation has been involved in space business since 1994 and has participated in government-led international space development through Hamilton Sundstrand Space Systems International, a joint venture with United Technologies Corporation. Hamilton Sundstrand develops, manufactures and markets space suits, environmental control systems, and other products. We have now started tackling the challenges of the next stage of space business and entering the new field of commercial space development.



Lunar module manufactured by ispace (illustration)

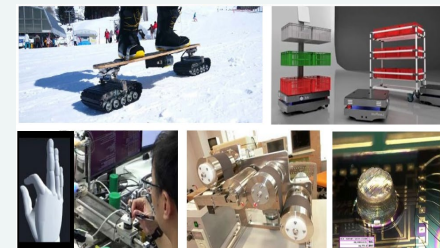
Business description

HAX Tokyo Accelerator Program

In 2019, Sumitomo Corporation, acting in collaboration with SOSV investments LLC (USA-based venture capital firm) and SCSK Corporation, established HAX Tokyo (the Japanese version of HAX, the world's largest accelerator program focused on hardware). HAX provides support for prototyping and mass production by hardware startups in Shenzhen, China and supports fund raising in San Francisco, USA. HAX Tokyo, meanwhile, is a pre-program to find and support hardware startups in the seed stage in Japan so they can be sent to HAX Shenzhen. The selected startups will be taught the fundamentals of startup management, design thinking methods, and other information through HAX's unique workshops. At the same time, outside experts from various companies and personnel from Sumitomo Corporation will provide hands-on support to the startups and various persons from inside and outside the companies will be incorporated to support "PoC", proof of concept, and business development.

To date, three batch programs have been provided, and investment in and collaboration with some promising startups have been implemented.

Through this program, Sumitomo Corporation seeks to expand collaboration with startups and will undertake a variety of programs to broadly energize Japan's hardware industries.



Source: HAX Tokyo HP "Selected companies"

Healthcare



In recent years, the expansion of medical expenses accompanying the increase in the elderly population has become a global social issue, and the healthcare market is expected to expand rapidly. The Sumitomo Corporation Group has set healthcare as its Next-generation growth fields in this Medium-Term Management Plan since April 2021 and plans to strengthen and nurture businesses in this field over the medium- to long-term within the company. While utilizing existing business foundations and functions, such as Tomod's which operates a drugstore with a dispensing facility, and the generic pharmaceutical business in the United States, we are strengthening and promoting initiatives for the development of new business models that lead to more efficient control of medical expenses, the expansion of digital health businesses utilizing technological innovations such as IoT and AI, and the development of medical infrastructure in emerging countries.

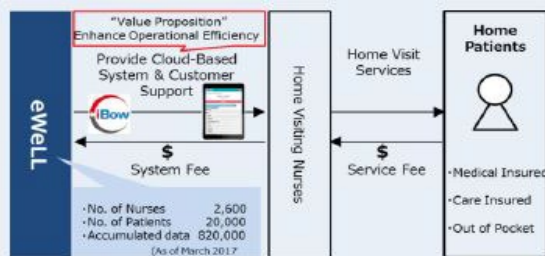
Business description

Participation in Healthcare Business

The Sumitomo Corporation Group is engaged in operating drugstores that provide prescription dispensing services and in providing healthcare services. By widely disseminating information on home health care and long-term care services and promoting the use of such services, we contribute significantly to improving access to better healthcare and people's quality of life.

Efforts in healthcare services business include investments in eWeLL Co., Ltd., a company that develops and sells business support systems for visiting nursing service providers, and Community Healthcare Coordination Platform, Inc. (CHCP), which provides business support services to medical and nursing care providers in 2017; and Integrity Healthcare Co., Ltd., which develops and sells online medical consultation systems for medical institutions in 2018. In 2019, we entered managed care service in Malaysia.

The iBow, offered by eWeLL, is a cloud service that enables users to manage patient information from PC or tablet. It was developed in response to the increasing importance of and need for visiting nursing services for the purpose of reducing administrative burden on visiting nurses and improving the efficiency of their services.



Business model of eWeLL

CHCP aims to create a new integrated community care system, in cooperation with healthcare and nursing care providers, taking into consideration provision of funds, business management expertise, and management personnel; establishment of a cooperative system among healthcare and nursing care providers; and adoption of cutting-edge technology and examples in other industries.

Integrity Healthcare Co., Ltd. offers the YaDoc telemedicine system, which provides an environment where telemedicine by a physician is combined with accumulated data on the daily health condition of the patient, based on which treatment tailored to his/her needs is constantly available.

Managed care service is a system that promotes affordable and better medical services and contributes to people's healthy life through cooperation between private health insurance companies, managed care providers and medical facilities. Through these business activities, we will continue to contribute to creating a foundation that ensures healthy living for people.



YaDoc Online Medical Consultation System

Healthcare



Business description

Access to Better Healthcare and Nutrition

In emerging and developing countries, there has been a rapid increase in the demand for medicines due to increased population and economic development. In many of these countries, however, many people are without sufficient access to healthcare services and medicines due to poor social infrastructure and healthcare environment, and for financial reasons. The Sumitomo Corporation Group has made significant contributions to improving people's quality of life through providing comprehensive support to players in the pharmaceutical industry, from upstream to downstream, which would not be possible without a global system unique to an integrated trading company. We have also made efforts to make more medicines available to the people in emerging countries.

At present, the world pharmaceutical market is worth about 127 trillion yen, of which about 40% is accounted for by the US market. In the United States, while demand for medicines is expected to rise as the elderly population is increasing, the government has been working to reduce medical costs. In these circumstances, the use of generic drugs is expected to grow. We have acquired a 20% stake in the generic pharmaceutical company Upsher-Smith Laboratories (USL), which is owned by a US subsidiary of Sawai Pharmaceutical Co., Ltd., through Sumitomo Corporation of Americas to enter the U.S. generic pharmaceutical business. USL is engaged in research and development, manufacturing and selling of generics. Its strengths are excellent capabilities in product development, stable supply and sales, and a customer base that have been built through years of business experience.

We take advantage of the strengths unique to integrated trading companies in supplying raw materials and launching new products in order to support USL's business. We will provide high-quality generics to many patients through USL in order to thereby contribute to people's mental and physical health.

In Brazil, Russia, Turkey and other so-called "medically emerging countries," the pharmaceutical market has been expanding significantly as their economy is developing and living standards are improving. Their market growth rates have exceeded the average growth rate of the global pharmaceutical market and are expected to account for about a quarter of the world market in 2021. Sumitomo Corporation will place emphasis on strengthening its relationships with local pharmaceutical manufacturers in these medically emerging countries to promote the introduction of biopharmaceuticals and other medicines and support in local manufacturing on which each government places emphasis. Through these efforts, we will be more active in contributing to people's health and better lives.



USL Head Office (Minnesota, USA)



Generic drugs

Local infrastructure / Community planning



Many regions, especially in emerging countries, are experiencing problems such as aging and urbanization. The Sumitomo Corporation Group is accelerating its provision of advanced lifestyle-related services that contribute to the resolution of these problems and a more affluent life for all people, and in its participation in urban development, smart city projects, and infrastructure development projects.

Business description

Community-based Support for All Aspects of Life

Sumitomo Corporation Group has been operating a cable television business in Japan for over 30 years. JCOM, a Sumitomo Corporation Group company, has expanded its services from the broadcasting and communications fields of TV, Internet and fixed-line telephony to include mobile phone, electricity, gas, home IoT and other lifestyle-related fields. The number of subscribing households has grown to approximately 5.6 million (as of the end of March 2021) with the strength of its community-based, attentive support.

In the electric power business, JCOM launched a retail service for households in 2016 in cooperation with Sumit Energy, a member of our group. The number of subscribing households has grown to over 1 million (as of the end of March 2021), thanks to its ability to save on electricity bills by combining other services such as TV and Internet without the need for installation.

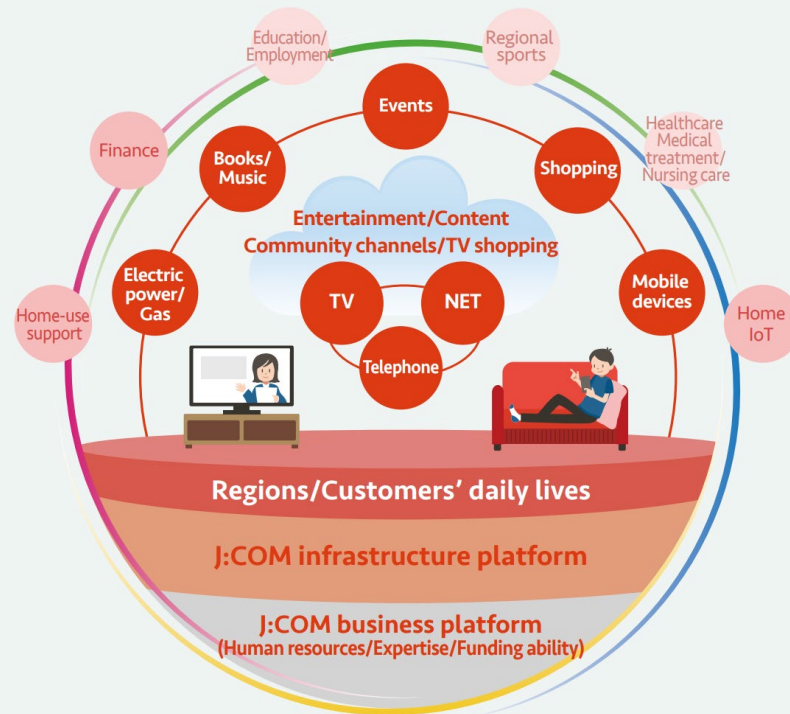
As part of its efforts to expand new lifestyle-related services, JCOM is providing a remote medical service called "J:COM Telemedicine" from July 2021. The service allows customers to make an appointment at a medical institution, have a medical interview, and receive a medical examination via webcam on their home TV screens. In anticipation of future regulatory reforms, it is considering further expansion of the service to include online medication guidance and prescription delivery. JCOM is working to resolve issues in

community healthcare by providing face-to-face support by its staff upon customer's request. In the future, JCOM is considering expanding its community-based lifestyle-related services in collaboration with Sumitomo Corporation Group businesses such as mobility and smart cities.

We will continue to contribute to solving regional issues and creating a foundation for comfortable and exciting lifestyles by providing services that are close to customers' lives.



J:COM Everywhere



Local infrastructure / Community planning



Business description

Solving Social Issues through Developing 5G Infrastructure and Solutions

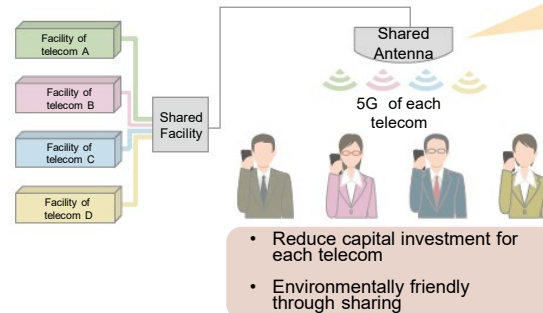
We have positioned 5G as a key technology for promoting DX and an important platform that will have an impact on the society in general and are working on the "base station sharing business" and the "local 5G business for regional communities."

In the "base station sharing business", we plan to provide 5G-centered base station sharing services to mobile carriers through Sharing Design, Inc. established with Tokyu Corporation in February 2021. 5G requires many base stations as its coverage area per base station is narrower than that of 4G. Therefore, mobile carriers are facing an increased burden of capital investment and a shortage of base station location in urban areas. Base station sharing is a solution to these problems, and through the expansion of "base station sharing," we aim to realize a 5G society as soon as possible and lessen the environmental impact by reducing the installation of base stations.

In the "local 5G business for regional communities," we are providing infrastructure services mainly to cable TV operators by utilizing the community-based business and communication infrastructure cultivated over many years in the cable TV business, as well as the industry-unified wireless core network(*) owned by Grape One Co., Ltd., a Sumitomo Corporation Group company. "Local 5G" allows local governments and companies to build and operate their own 5G communication networks in "limited areas". We will use "local 5G" to solve social issues and achieve industrial DX in various fields such as factories, universities, railroads, and disaster prevention, and realize more convenient and developed regional communities.

(*) The industry-unified wireless core network: Shared wireless core network across the cable TV industry

"Base Station Sharing Business" Service



Conceptual image of
5G shared antenna coverage

Planned Fields of Development for the "Local 5G Business For Regional Communities"

Disaster Prevention

River flooding monitoring etc



Smart Factory

Automation of quality inspection etc.



Railway

Automation of railway maintenance work etc.



Universities

Upgrading of the campus network Sophistication etc.



Local infrastructure / Community planning



Business description

Car-sharing Business in Stockholm

The urban population in the world is growing. Some estimates show that 68% of the global population will live in urban areas by 2050. Traffic congestion, air pollution and parking shortages have already become social issues in some urban cities. In response, people are paying attention to efforts to optimize transportation networks and energy consumption using IoT technology.

In October 2018, our Group launched a car-sharing business in Stockholm, Sweden through Aimo Solution AB. With 300 electric vehicles, we provide a flexible and convenient service, enabling customers to pick up and return vehicles at the parking facilities of Aimo Park Sweden, which our Group acquired in April 2019, or anywhere within designated zone in Stockholm. By providing our car-sharing service, working with and complementing public transportation, we deliver seamless and waste-free transportation. We seek to solve various issues that cities in developed countries are facing, such as congestion and a shortage of parking, and contribute to urban development that invigorates people and communities.



Services using a fleet of 300 electric vehicles



A series of processes from searching and booking of a vehicle, unlocking and locking of the vehicle, to payment can be completed on the smartphone app.

Business description

Retail Finance Business in Indonesia

The number of sales of new vehicles in Indonesia with a population of about 270 million is one million automobiles and about 6.5 million motorcycles. This is one of the largest markets in ASEAN. We provide financing services such as automobile loans and motorcycle loans through PT Oto Multiartha and PT Summit Oto Finance, collectively as the OTO Group. The OTO Group has a network of 238 branch offices throughout Indonesia, mainly in Java and Sumatra and has provided its services to a cumulative total of more than 9 million customers.

It helps secure transportation for a wide range of income groups to support local infrastructure.

In Indonesia, the middle-income population reached about 200 million in 2020 and will keep increasing. The market is therefore also expected to expand. We will continue our support to help customers achieve prosperity and dreams through automobile and motorcycle financing business.

Social contribution activities

Policy and Concept

The Sumitomo Corporation Group work to resolve social issues through its business activities and its social contribution activities with the aim of contributing to create a sustainable society by fulfilling its Management Principles and Activity Guidelines as a global business group.

The Sumitomo Corporation Group's Basic Principles on Social Contribution Activities

OBJECTIVE

We, as a global organization, will work on social issues through our business activities and social contribution activities with the aim of building a sustainable society by implementing the Sumitomo Corporation Group's Management Principles and Activity Guidelines.

ACTIVITIES

We will engage in social contribution activities aimed at developing the next generation of human resources who will drive the sustainable development of society, and contributing to local communities in areas we do business all over the world. We will also take part in various activities as a good corporate citizen.

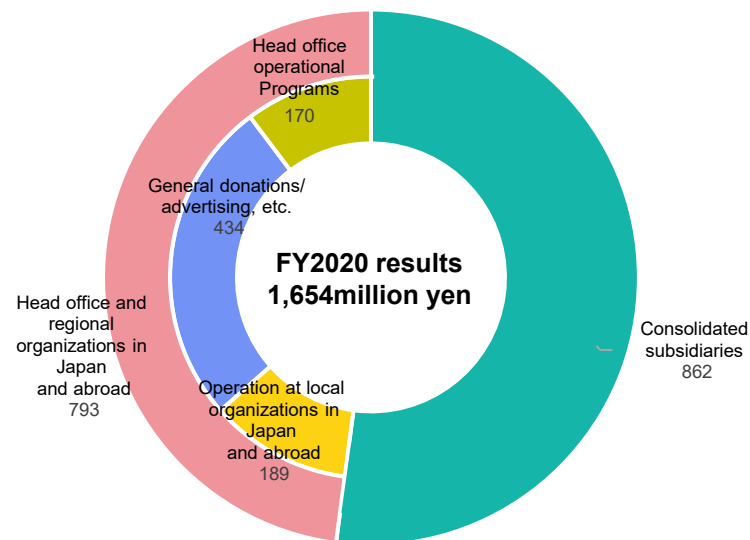
APPROACH

We will perform and seek to continuously improve our activities with modesty and high aspirations and endeavor to maintain a high level of transparency while strengthening our relationships with all our stakeholders.

Activities

FY2020 Social Contribution Activity Costs

Total social contribution activity costs (unit: million yen)



<Notes>

*The values above for local organizations and consolidated subsidiaries were calculated based on questionnaire results.

*Does not include Associated companies.

*Values reported by overseas offices were converted to yen using the exchange rate as of March 2021.

Social contribution activities

Activities

Developing the Next Generation of Human Resources

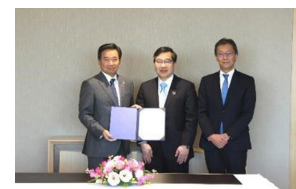
The TOMODACHI Sumitomo Corporation Scholarship Program (Since 2014)

Sumitomo Corporation participates in the TOMODACHI Initiative, a program of exchange between Japan and the United States led by the U.S. Embassy in Tokyo and the U.S.-Japan Council (Japan). We organize a scholarship program for university students that are sent to the United States as exchange students. We provide not only financial support but also training opportunities at Sumitomo Corporation of Americas. Program participants have access to experiences not available on campus during an overseas study break. By FY 2020, 47 students had participated in this program.



The University of Tokyo Global Leadership Program (Since 2013)

Sumitomo Corporation supports this program as a leading partner. Through the program, we aim to develop the next generation of leaders who can engage in transverse collaborations and propose innovative solutions to global issues. We provide financial support to the university for sending students to leading overseas universities on a short-term basis. We also provide advice to students who engage in practical research and serve as a bridge between them and the real world.



The Sumitomo Corporation Scholarship (Since 1996)

We set up the Sumitomo Corporation Scholarship in 1996, the year of our 50th anniversary in the trading business. The purpose of the scholarship is to help emerging Asian countries, including Indonesia, Myanmar and Bangladesh, develop the human resources who will lead the countries' futures. The number of students who have benefited from the scholarship totaled 16,600 by the end of FY2020.



Contributing to Local Communities in Areas We Do Business

Introducing Japanese Culture (Since 2015)

With the aim of building good relations with local communities at overseas business bases, we give presentations and demonstrations on traditional Japanese culture. Under this program, we visited Myanmar, Ghana, Iran, Mexico, Cuba and the UAE to introduce Japanese culture to a total of 160,000 people.

In 2019, we conducted the program at the Kesennuma Shishiori Marine Product Processing Cooperative in Miyagi Prefecture, to which Sumitomo Corporation is providing support of industrial recovery. Technical trainees working at member businesses of the cooperative were invited from overseas to such hands-on experiences as kimono wearing and a traditional Japanese tea ceremony.



Promoting Barrier-free Movies (Since 2004)

Sumitomo Corporation promotes the widespread viewing of barrier-free movies as a part of its initiatives to support community and social participation by persons with disabilities. We provide barrier-free versions of movies at no cost to libraries and volunteer organizations throughout Japan so that visual- or hearing-impaired individuals can enjoy movies with their friends and families. So far, about 47,000 people have viewed the movies in this activity.



Social contribution activities

Activities

Engaging in a Wide Range of Social Contribution Activities in each Global Region

EMEA & CIS

Sumitomo Corporation Scholarship Program in the Sultanate of Oman

Aiming to contribute to private-sector exchange between Japan and Oman and to the development of future leaders in Oman, Sumitomo Corporation and Sumitomo Corporation Middle East TZE have launched the scholarship program and have been supporting Omani students studying at graduate schools in Japan. In FY2019 we supported two students and in FY2020 we supported three students.

We will continue to support several students annually afterwards.



EAST ASIA

Supporting Education in Poverty Areas

In China, Chinese and Japanese employees cooperated in collecting donations, which were matched with an equal sum by group companies and then used to support disadvantaged students in Anhui Province.

In order to expand students' horizons, various activities have been carried out. This activity was launched in 2009 by Sumitomo Corporation (Shanghai) Limited and has now expanded to Sumitomo Corporation China Group.



AMERICAS

Social Contribution Activities in Americas Week

Sumitomo Corporation of Americas holds an annual companywide event, Americas Week, during which employees carry out social contribution activities. In 2020, offices across the Americas joined together to partner with Table for Two, a nonprofit organization focused on nutritional education and providing school lunches to students in need throughout the U.S.

Through SC Americas' generous support, including a special employee Onigiri-making event and social media campaign, SCOA was able to provide 42,300 school lunches to students in need throughout the communities surrounding its New York, Los Angeles, Houston and Washington D.C. offices.



ASIA & OCEANIA

Reaching Out in the COVID-19 Pandemic

In FY2020, our offices across Asia and Oceania continued to reach out to local communities despite challenges posed by the COVID-19 pandemic. Apart from financial aid, donation of IT equipment and scholarship awards to the needy, hundreds of volunteers took part in various activities. Examples include supporting elderly healthcare, uplifting rural education and preparing students for the corporate world.



This photo was taken before COVID-19 pandemic.

Social contribution activities

Activities

Initiatives at Group Companies

Activity description

CAMP workshop (SCSK group)

The SCSK Group upholds “Create Our Future of Dreams” as its corporate philosophy. In cooperation with a range of stakeholders, the Group has been conducting social contribution activities to solve social issues in order to help create a sustainable society.

The Group’s Children’s Art Museum & Park (CAMP) is an activity for children—the next generation of leaders. Through CAMP workshops, children learn various ways to express themselves. By participating in creative group activities in the workshops, they also acquire social skills and learn to enjoy acknowledging others and accepting diversity.

By engaging in creative, collaborative activities and presenting their work in the workshops, children find how to express themselves in their own way and expand their circle of communication.

Also, employees of the Group’s bases voluntarily participate in the workshops as facilitators. They learn a great deal and have satisfying experiences, which help them develop and increase their work motivation.

Since the activity’s launch in 2001, the SCSK Group has held a total of 899 workshops as of the end of FY2020, in which a total of 18,462 children participated.



Activity description

Contribution to Local Communities in Thang Long Industrial Park in Vietnam

We have developed three industrial parks in northern Vietnam: Thang Long Industrial Parks. More than 210 companies operate in total, which provide for approximately 80,000 direct employment. Sumitomo Corporation, in cooperation with the Vietnamese government, is operating the Parks to ensure stable supply of infrastructure, including electricity and industrial water. The Parks also support tenant companies in its employee recruitment and labor affairs.

We organize annual football and marathon competitions at the Parks to promote community building and increase tenant company satisfaction. We hope that the COVID-19 pandemic will soon come to an end so that we can resume these events. In addition, in line with our vision to deeply root our developments within the local communities, we provide scholarships for nearby students, carry out traffic safety awareness-raising activities, and donate COVID-19-related medical supplies.

Together through our business and social activities, we will contribute to the prosperity of everyone related to the Parks as well as the sound development of local communities.



Granting scholarship money to students of a local elementary school



Football competition held with the participation of companies located in the Park

“100SEED” Social contribution activity program looks ahead to the next 100 years

100SEED

100SEED Launched with Global Group Employees to Mark Centennial

Under the 100SEED social contribution activity program, Sumitomo Corporation Group employees around the world hold discussions and conduct activities in consideration of the society 100 years from now.

Selecting “Quality Education” as the global theme, Sumitomo Corporation will make use of its human resources to implement this program on a medium- to long-term basis, thereby contributing to society and achieving sustainable growth together with it.



Mission Statement for 100SEED

We have selected “Quality Education” as the grand theme of the 100SEED (SC Emergent Evolutionary Deed) program upheld to mark the Sumitomo Corporation Group’s 100th anniversary. Under this theme, we are committed to develop and support a variety of social contribution activities on a global scale.

Recognizing that “Quality Education” is a vital part of the sustainable development of society, we will continue to inspire ideas for supporting quality education to produce the talent needed to solve the many social challenges facing the world.

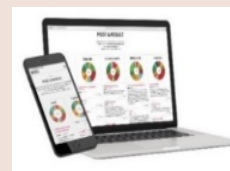
By promoting 100SEED, we encourage our SC colleagues around the world to create opportunities and leverage our diverse capabilities and resources so we can engage in activities that will dynamically realize our goal of “Enriching lives and the world.”

100SEED provides us a valuable opportunity for personal growth by learning from others and pursuing individual ideas through collaboration. We will commit time and resources to social action that will benefit any of us seeking to better society through quality education.

POST : Discussing Social Issues to be Addressed in each Region Based on Online Posts

In order to decide the theme, Employees were encouraged to post social issues from among the Sustainable Development Goals (SDGs) to be addressed by the Sumitomo Corporation Group. In approximately 3,000 posts, #4 of SDGs, Quality Education, received the most votes, but climate change, poverty, and the gender gap also received many votes in some regions.

The most urgent issues differ depending on the conditions in each country, but quality education was selected as the global shared theme from a long-term perspective with the hope of making this initiative a social contribution activity program for discussing together and acting globally.



DISCUSS : Leverage the Sumitomo Corporation Group's Diverse Ideas to Address Various Social Issues

Specific activities were discussed in each region. In Japan, to reflect the opinions of many employees concerning action proposals on education, 31 workshops were conducted nationwide and 413 proposals were submitted. Based on this, experts including researchers and members of NPOs and government were interviewed and proposals for activities were refined. Employees voted from the perspectives of support for and intent to participate in activities, with a total of 4,610 votes cast nationwide. Through this process, “Educational Support for a Multi-cultural Symbiotic Society”, “Career Education”, and “Pro Bono Educational Support” were selected as the activities for carrying out the 100SEED concept.



“100SEED” Social contribution activity program looks ahead to the next 100 years

100SEED

ACT : Provide our Key Management Resources, Time and Human Resources, with Aiming to Create a Sustainable Society

Through the 100SEED activities, each of our Sumitomo Corporation Group employees will learn, get inspired and broaden own views to contribute to the creation of a sustainable society while achieving self-growth.

◆ Activities at the Head office

In Japan, we have been implementing the following 3 projects, in which 151 employees participated in FY2020.

Educational Support for a Multi-cultural Symbiotic Society

In Japan, there are at least 50,000 children and youth who have roots in foreign countries, and are in need of Japanese language education. However, the level of support provided by local governments greatly differs, and many children cannot receive adequate support in their local communities.

Sumitomo Corporation has been cooperating with the Japan Center for International Exchange (JCIE) to assist NPOs that are supporting these children, aiming to build an inclusive society in which they can lead fulfilling lives beyond cultural, habitual, and linguistic differences.

In FY2020, 21 employees helped five NPOs launch their activities or plan career support events, and assisted the organizations with giving learning support to children. Since April 2021, 44 employees divided into groups have been supporting a total of seven NPOs. Their earnest and sincere activities have been highly appreciated by the NPOs, including both the group activity for pro bono support and the learning support activity conducted by individual employees.



Career Education Support: “Mirai School”

In the face of rapid structural changes, it is becoming increasingly important for children to develop “zest for living” on their own. Under this project, we send our employees to senior high schools to give lectures to students who have not imagined their future to help them build clear ideas about their future careers. In the lectures, the employees share our diverse values and experiences with the students to provide them with an opportunity to think about their future, thereby contributing to the development of the next generation of leaders.

In FY2020, we gave lectures to about 1,800 students at 13 high schools. Students attending the lectures have given us positive feedback, saying that “The lecture changed my ideas about my future career.”

Employees who served as lecturers also commented, “Giving the lecture made me think about my own career,” and “It increased my interest in social issues.”

In FY2021, we will further expand our activities, while extending the areas and doubling the numbers of schools and students to visit.



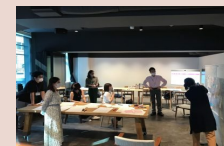
Pro Bono* Support for Educational NPOs

Many of educational NPOs are in need of management support due to the shortage of human resources. In this activity, Sumitomo Corporation makes use of our employees' business skills and experience to support the enhancement of the NPOs' management foundation, thereby contributing to the solution of a range of educational issues.

In FY2020, we assisted six NPOs in the areas of communications, improving operations, fundraising and strategy planning, and have already seen positive results in the pro bono activity. For example, one of the NPOs got commissioned for a project by the local government because of using the presentation materials that we created in the activity.

In FY2021, we will support another six NPOs, and are committed to conducting activities to help the organizations solve their problems and achieve highly satisfactory results.

*Pro Bono:
The activities that our business skills and experience are offered free of charge to help meet social challenges.



Best utilize our skills and experience to help the NPOs solve their problems



“100SEED” Social contribution activity program looks ahead to the next 100 years

100SEED

◆ Activities at the Regional offices

In Japan and overseas regional offices, we have been implementing 27 projects, in which 545 employees participated in FY2020.

Activities in China

Sumitomo Corporation Shanghai Head Office, Sumitomo Corporation Tianjin Head Office, Sumitomo Corporation Guangzhou Head Office, and Qingdao Office, ChangChun Office have offered internship programs to local university students at their respective locations since 2009. The purpose of the program is to nurture the next generation of human resources who will lead the future by offering lectures by employees, hands-on work experience, and opportunities to think about future careers.

In 2021, due to COVID-19, the companies jointly held the event online for the first time a total of 53 students from 10 schools participated in the online program. In a first for the event, a speech competition was held by student representatives. They made speeches about their own career plans. They detailed plans made through an analysis of their own characteristics, fields of specialization, and future job market needs.

The speakers then clarified the points to improve regarding themselves and the measures to be taken to actually make the improvements to promote understanding of this activity and the HR system of a multinational company.

Through this, we will continue to deliver sustainable quality education for next generations.



Activities in Thailand

Educators at every level are facing various difficulties. Sumitomo Corporation Thailand (SCTL) carries out the following three activities that are designed to match their needs with the necessary development tools to provide sustainable education.

The Button-up project aims at primary school students who need basic facilities to maintain a healthy body and mind at school. We arrange one-day Activity Based Learning program to create equity and quality of education for the children in underprivileged location. The LIGHT UP project aims to train teachers who can utilize the skills they acquire to provide quality education to young students.

The POWER UP project are designed for young people to fill a wide gap between student life and working life after graduating from their universities.

To make these projects successful, the SCTL 100SEED committee invited their staff, together with management, to participate as volunteers in all activities.

With these three projects, we expect over 100 members will join hands to contribute to education development on a yearly basis.



Activities in Turkey

Sumitomo Corporation Turkey gives lessons which introduce sustainability concept to children in middle-school via its project called Mission Earth. It was planned to be conducted face-to-face, but in vain, since all the schools had been closed due to COVID-19.

In collaboration with a local NPO, we offer online classes to adapt pandemic. We support children who do not have access to online classes by donating smart tablets so that they can take online classes.

In the trial class, which took place from April 2021, a total of 48 students in 5 classes participated. They were very eager to discuss the problems in the world around them. Final target is to reach 156 students in Turkey and then expand the project into other ME countries via regional offices.

Once the pandemic is under control, we will consider switching to hybrid online and face-to-face lessons. Although meeting the children

directly at their schools has more impact, we also feel that we can reach further and wider with online lessons.

