

Corporate governance


Policy and concept

Corporate governance principles

Sumitomo Corporation established the “Sumitomo Corporation Corporate Governance Principles” while keeping in mind that the backbone of our corporate ethics is in “Sumitomo’s Business Philosophy” and “Management Principles.” The Sumitomo Corporation Corporate Governance Principles were established based on our view that the essence of corporate governance is “improving management efficiency” and “maintaining sound management,” as well as “ensuring management transparency” to secure the first two. Following the Sumitomo Corporation Corporate Governance Principles, we are always seeking to establish the most appropriate managerial system for the Company and are strengthening our corporate governance to realize management that serves the interests of shareholders and all other stakeholders.

 [Sumitomo Corporation Corporate Governance Principles](#)

 [Corporate Governance Report](#)

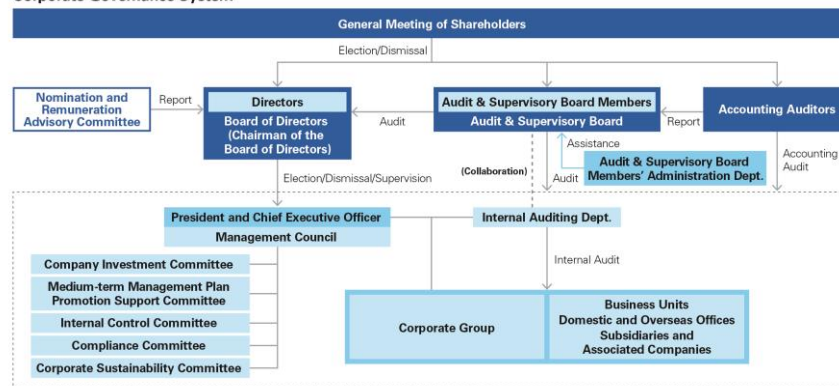
 [Standards for Appointment and Independence of Outside Directors and Outside Audit & Supervisory Board Members](#)

System

System and features of corporate governance

We have adopted a company with Audit & Supervisory Board Member system, as we believe that strengthening and enhancing this system is the most effective means of improving the effectiveness of corporate governance. In addition, we have appointed five Outside Directors with a view to ensuring appropriate decision-making by the Board of Directors and further strengthening supervision. Our “Medium-Term Management Plan 2020,” which began in fiscal 2018, also includes initiatives for strengthening functions for monitoring by the Board of Directors, such as more thorough reporting in relation to business portfolio strategy, with the aim of further enhancing corporate governance.

Corporate Governance System



Corporate governance

System

Directors and the Board of Directors

Composition of the Board of Directors

The composition of the Board of Directors ensures diversity in experience, knowledge, expertise, gender, and so on. In June 2018, the number of Outside Directors was raised from three to five (of which two are female), and this increase in the ratio of Outside Directors resulted in the further reinforcement of functions for supervising the execution of management.

Improvement of deliberation and enhancement of monitoring function at the Board of Directors

We carefully select agenda items requiring discussion by the Board of Directors so that the Board of Directors can concentrate on the deliberation of important matters regarding the Companywide management such as the business policy and management plan. At the same time, we have increased the matters to be reported to the Board of Directors to make it possible for the Board of Directors to concentrate more on supervising the execution of operations, so that the Board of Directors can enhance its monitoring function. We have also established opportunities for free exchange of opinion before decisions on important matters

Qualifications of outside directors and implementing regular meetings for exchanges of opinions

Our five Outside Directors satisfy the standards on independence set by Tokyo Stock Exchange, Inc. (TSE), and other financial instruments exchanges on which the Company is listed, as well as our in-house rules on Standards for Appointment and Independence of Outside Directors and Outside Audit & Supervisory Board Members. Leveraging a different type of experience and expertise, each Outside Director contributes to our corporate governance by providing a variety of independent viewpoints. In addition, Outside Directors hold discussions and exchanges of opinions with the Chairman of the Board of Directors, the President and Chief Executive Officer, Internal Audit & Supervisory Board Members, and Outside Audit & Supervisory Board Members once a month, in principle.

Reasons for appointing outside directors

We deemed the respective Outside Directors to be qualified for appointment because of the experience stated below, which will contribute to appropriate decision-making at meetings of the Board of Directors and further strengthen supervision.

Name	Reasons for appointing
Yayoi Tanaka	Highly specialized knowledge and extensive experience accumulated through long engagement in research in the fields of evaluation studies and civil society organizational theory and the holding of a number of positions on government committees, including the Administrative Reform Promotion Council (private-sector member)
Nobuyoshi Ehara	Wide-ranging knowledge and a wealth of experience in finance and business management accumulated during many years of engagement in a major U.S. financial institution and the management of a private-equity firm
Koji Ishida	Wide-ranging knowledge and a wealth of experience in finance and business management accumulated during many years of engagement in a major financial institution and past position as a member of the Policy Board at the Bank of Japan
Kimie Iwata	Wide-ranging knowledge and a wealth of experience in business management, corporate governance, corporate social responsibility, and diversity accumulated in managerial and outside director positions for private companies, before which she served in a succession of key positions in the Ministry of Labour (now the Ministry of Health, Labour and Welfare) over the course of many years
Hisashi Yamasaki	Highly specialized knowledge and a wealth of experience in law accumulated over the course of many years as a judge and an attorney at law

Corporate governance

System

Directors and the Board of Directors

Evaluation of the effectiveness of the Board of Directors

To maintain and heighten the effectiveness of the Board of Directors, each year Directors and Audit & Supervisory Board Members analyze and evaluate its effectiveness through the use of self-evaluations etc. We disclosed a summary of the results. The evaluation of effectiveness of the Board of Directors and its results for fiscal 2017 is summarized below:

1. Evaluation method

- (1) Those covered: All members of the Board of Directors (nine persons) and Audit & Supervisory Board Members (five persons)
- (2) Implementation method: Conducted using anonymous questionnaire from March to April 2018.

Note: A third party (external consultant) was used in the conduct of the evaluation.

(3) Items evaluated:

- (i) Roles/responsibilities of the Board of Directors
- (ii) Composition of the Board of Directors
- (iii) Roles of Directors and qualifications for appointment
- (iv) Administration of the Board of Directors

- (4) Evaluation process: Questionnaire responses collated by the third party (external consultant) were analyzed and the results reported to the Board of Directors.

2. Overview of the evaluation results The results were generally positive for all of the items evaluated. The external consultant commented that various reforms have been made with the aim of realizing a more effective Board of Directors and that these reforms have steadily produced results and that these efforts were also viewed positively by the external executives. On the other hand, to achieve further improvements in effectiveness, the evaluation identified issues such as further enhancement of the deliberations of the Board of Directors and improvement of the information provided to Directors. Going forward, after discussion by the Board of Directors, we will take initiatives to further improve the effectiveness of the Board.

Issues raised by the evaluation of the Board of Directors and key initiatives to be taken

Issues that were raised in the Board of Directors' evaluation for fiscal 2016 included improving the quality of materials distributed at meetings of the Board of Directors and encouraging discussions among internal and outside directors. In fiscal 2017, measures to further improve the effectiveness of the Board of Directors were implemented in response to these issues. The measures included creating a glossary to explain the terminology used in materials distributed to the Board of Directors, and the continuance of giving a briefing on discussion points from the Management Council before presenting an item for deliberation by the Board of Directors. Meanwhile, the Nomination and Remuneration Advisory Committee discussed ideas for a remuneration system and a set of performance evaluation standards for Directors and officers taking into account incentives for medium- to long-term increase in corporate value and sustained growth. Based on the Committee's report, the Board of Directors resolved to revise the directors' and officers' remuneration systems.

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Directors and the Board of Directors

Establishment of the Nomination and Remuneration Advisory Committee

The Nomination and Remuneration Advisory Committee, of which a majority of members are Outside Directors, and which is also chaired by an Outside Director, has been established as an advisory body to the Board of Directors. This Committee nominates candidates for Director, Audit & Supervisory Board Member, and Management Council Member (including deciding Representative Directors and Executive Directors and nominating successors to the President and Chief Executive Officer). In addition, the Committee discusses the structure and level of remuneration and bonuses for Directors and Executive Officers, as well as the revision of limits for remuneration of Audit & Supervisory Board Members, and reports the outcome to the Board of Directors. In April 2018, a new President and Chief Executive Officer was appointed by a resolution of the Board of Directors that had received the report of the Committee. With the previous President and Chief Executive Officer approaching the limit of his six-year term as prescribed in the Sumitomo Corporation Corporate Governance Principles, the Nomination and Remuneration Advisory Committee conducted discussions in relation to the qualifications of the new President and Chief Executive Officer, as well as gathering and analyzing information and exchanging opinions in preparation for the nomination process. Having passed a unanimous resolution on a candidate for the new President and Chief Executive Officer, the Committee made its report to the Board of Directors.

Composition of the Nomination and Remuneration Advisory Committee

Total Members	Internal Directors	Outside Directors	Committee Chairman
5 persons	2 persons (President and Chief Executive Officer, Chairman of the Board of Directors)	3 persons	Outside Director

Management Council

Changing the Management Council to the decision-making body

In July 2015, the Management Council was reorganized to become the highest executive level decision-making body, with the aim of enabling decisions that take into account diverse opinions and multifaceted discussions in regard to specific key matters related to management, within the scope of the mandate conferred by the Board of Directors. The Management Council, which meets in principle once a week, consists of the President and Chief Executive Officer, all chief officers of the Corporate Group, and the general manager of each of the business units. In addition, in regard to specific issues that are extremely important from a Companywide perspective, the Company has established, as advisory bodies to the President and Chief Executive Officer and to the Management Council, committees such as the Company Investment Committee, the Medium-term Management Plan Promotion Support Committee, the Internal Control Committee, the Compliance Committee, and the Corporate Sustainability Committee.

Corporate governance

System

Audit & Supervisory Board Members and the Audit & Supervisory Board

Enhancement of auditing capabilities

In order to reinforce the audit function from an external perspective, three of the five Audit & Supervisory Board Members are Outside Audit & Supervisory Board Members. Of these, two are legal experts, and one is a specialist in accounting, such that the audit system incorporates diverse perspectives. Moreover, our three Outside Audit & Supervisory Board Members satisfy standards on independence stipulated by TSE and other financial instruments exchanges on which the Company is listed and our in-house rules on Standards for Appointment and Independence of Outside Directors and Outside Audit & Supervisory Board Members.

Collaboration between the Internal Auditing Department and accounting auditors

To ensure audit efficiency, Audit & Supervisory Board Members interact closely with the Internal Auditing Department, receiving reports on internal audit plans and their results in a timely manner. In addition, Audit & Supervisory Board Members exchange information with and monitor the auditing activities of the accounting auditors through regular meetings. By attending audit review meetings and observing inventory audits with the accounting auditors, the Audit & Supervisory Board Members constantly work to improve audit efficiency and quality. Furthermore, Audit & Supervisory Board Members attend meetings of the Internal Control Committee and request reports on the status of internal control systems from other departments responsible for internal control, along with requiring their cooperation on audits.

Ensuring Audit Effectiveness

Audit & Supervisory Board Members attend meetings of the Board of Directors and all other important internal meetings, to obtain the information necessary for proper auditing. Audit & Supervisory Board Members also meet the Chairman of the Board of Directors and the President and Chief Executive Officer, in principle once a month, to exchange opinions on material issues regarding management policy and auditing. Moreover, the Audit & Supervisory Board Members' Administration Department is assigned to assist Audit & Supervisory Board Members, so that the auditing system functions effectively and without hindrance.

Initiatives to Ensure Transparency of Business Management

Establishment of disclosure policy

To ensure that all stakeholders correctly understand its business management policy and business activities, the Company not only discloses statutorily required information but also actively discloses information on a voluntary basis. Moreover, the Company established the Corporate Disclosure Policy in July 2016.

 [Disclosure policy](#)

Measures relating to the General Meeting of Shareholders

We send out a Notice of Convocation to shareholders approximately three weeks prior to each regularly scheduled General Meeting of Shareholders. For the convenience of overseas shareholders, we also provide an English-language translation of the notice on our website in advance of sending a Notice of Convocation. We have allowed our shareholders to exercise their voting rights via the Internet using personal computers since 2004 and via the Internet using mobile phones since 2005. In 2007, we introduced the Electronic Voting Platform operated by Investor Communication Japan, Inc. (ICJ) a body established by TSE and other parties. The new platform allows institutional investors sufficient time to thoroughly examine the propositions to be resolved at the meeting. In addition, we stream video of the General Meeting of Shareholders on our website for a period of one year after the close of the meeting.

 [Ordinary General Meeting of Shareholders](#)

Corporate governance

System

Remuneration of Directors and Audit & Supervisory Board Members

The details of the structure and level of remuneration and bonuses for Directors, as well as the limits for remuneration of Audit & Supervisory Board Members, are evaluated by the Nomination and Remuneration Advisory Committee, an advisory body to the Board of Directors of which a majority of members are Outside Directors, and which is chaired by an Outside Director. The Committee reports the results of its deliberations to the Board of Directors. In this way we strive to further improve the transparency and objectivity of remuneration. Based on these reports, the specific composition and decision methods related to remuneration have been established as follows.

Director remuneration (excluding that of the chairman of the Board of Directors and outside directors)

With the goal of enhancing the corporate governance of the Sumitomo Corporation Group and enhancing the corporate value of the Company over the medium to long term, the following has been established in order to implement a remuneration system that supports sustainable growth in line with management strategies.

Basic policy

- By setting an appropriate ratio of fixed compensation (monthly remuneration) to variable compensation (performance-linked bonuses reflecting short-term results, and stock compensation keyed to medium- to long-term results and shareholder value), the remuneration system provides a sound incentive toward sustainable growth.
- Through strengthening the relationship between performance-linked bonuses and the management strategies of the Sumitomo Corporation Group, we encourage the execution of duties compatible with management strategies and generate strong motivation to achieve specific management goals.
- With regard to a stock compensation plan, by further reinforcing the linkage to shareholder value, we promote initiatives to enhance corporate value over the medium to long term, and deepen the sharing of values with shareholders.

Remuneration ratios and levels

- In order to strengthen incentives for corporate performance based on management strategies, and improved corporate value over the medium to long term, the ratio of fixed compensation to variable compensation is set to an appropriate level.
- Referring to objective market survey data on remuneration provided by external specialist institutions, appropriate remuneration levels are set after considering the management environment of the Company.

Ratios of Remuneration (Hypothetical Impression)



- * This chart is a hypothetical impression computed on the basis of a prescribed corporate performance and the share prices of the Company's stock, with the aforementioned ratios subject to fluctuation pursuant to changes in corporate performance and the Company's share price.



[Remuneration System for Executive](#)

Compliance

Policy and concept

The basis for the Sumitomo Corporation Group's compliance is to win the trust of society by practicing the Activity Guideline that states "to comply with laws and regulations while maintaining the highest ethical standards."

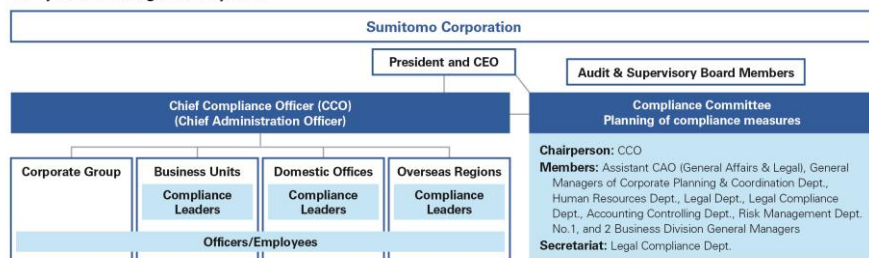
Accordingly, we follow our principles of "Giving First Priority to Compliance," which means compliance takes priority over all activities of the Group and that we must never violate compliance as a result of giving priority to the pursuit of profit, and "Reporting Compliance Issues Immediately," which means, in the event of a compliance problem, employees must report the situation without delay to their line manager or to the relevant department of the Corporate Group.

System

Aiming for more agile responses to compliance issues which arise in the Group, Sumitomo Corporation appoints a Chief Compliance Officer (CCO), who has ultimate responsibility for compliance. Further, the Compliance Committee, which plans compliance measures, includes the general managers not only of the Corporate Group but also of the business divisions, enabling it to examine such measures in a multifaceted way that reflects our actual business operations.

Our Group will continuously aim to establish and improve the internal systems that realize our principle of "Giving First Priority to Compliance."

Compliance Management System

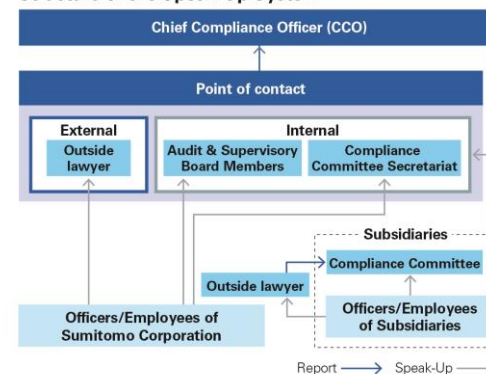


Speak-Up System

Our internal rules stipulate that any issues or potential issues in relation to compliance must be reported immediately. Such issues include not only the violation of antitrust/competition laws or anti-bribery/corruption laws but also workplace misconduct, falsification of accounts, or harassment. If reporting through the usual reporting line is difficult for some reason, we maintain a "Speak-Up System" available to officers and employees to report the issue to the Chief Compliance Officer through an internal or external hotline.

Under the System, the fact and details of the report are maintained in the strictest confidence, and it is ensured that the whistle-blower is not subject to disadvantageous treatment for making the report. Furthermore, in order to encourage the use of the System, seminars for officers and employees as well as internal guidelines are provided. Additionally, "Speak-UpCards" with an overview of the System as well as the contact details for the hotline are distributed to all officers and employees, and posters are put up on all floors of our office to raise awareness of the System.

Structure of the Speak-Up System



Compliance

Activities

Appropriate responses to compliance violations and preventive measures

In case of a compliance problem, the Company, primarily through the Legal Dept. and Legal Compliance Dept., promptly takes steps to establish the facts and clarify the causes of the incident, including the appointment of external specialists when necessary. Based on the outcome, we take corrective measures, disciplinary action, and preventive measures.

The Compliance Committee Secretariat keeps records of the details and number of cases occurring in the Group, and other information such as measures taken to prevent recurrence. These are evaluated and used to plan future compliance measures. The results are deliberated at meetings of the Compliance Committee, and reports are made periodically to the Management Council and the Board of Directors. Through this process of repeatedly improving and enhancing such measures, we strive to further encourage thorough compliance throughout the Group.

Continuous education program initiatives

We have summarized into 19 separate themes the issues that we consider important, such as antitrust, security trade control, and anti-bribery/corruption, and we have disclosed our policies regarding these in the form of our Compliance Guiding Principles. The Compliance Manual, which adds commentary on the Principles, and summarizes the laws, regulations, and internal rules on which it is based, is distributed to all employees of Sumitomo Corporation.

Furthermore, both in Japan and overseas, we implement various education programs for each class of employee, such as newcomers, newly appointed general managers, and newly appointed corporate officers, as well as provide e-learning programs for all employees. In addition to these regular activities, we hold seminars and training sessions on an ongoing basis as required.

Anti-bribery/corruption initiatives

Based on the principle of "Giving First Priority to Compliance," the Group implements strict measures to prevent all forms of corruption. Specifically, we have established the Rules for Prevention of Bribery of Public Officials, which regulates the provision of entertainment, gifts, invitations, and donations to domestic and foreign public officials as well as the selection of agents. In addition, taking into account revisions to the laws and regulations of each country, and advice from various external specialists, we continuously review our internal rules and guidelines. Further, we extend these rules and guidelines to overseas offices and Group companies, and we also offer ongoing employee education and work constantly to prevent bribery and corruption.

In 2017, we announced the Sumitomo Corporation Group Anti-Corruption Policy, which summarizes the Group's principles and policies in this regard. This Policy includes the following statement. "The Sumitomo Corporation Group will not commit bribery or conduct any activity raising the suspicion of bribing Japanese government or other public officials; and will as a principle prohibit its officers and employees from providing such officials with entertainment, gifts, or the equivalent. It will not make any offer, payment, promise to pay, or authorize the payment of any money or anything of value to any foreign government or other public official, for the purpose of influencing any act or decision of such official in order to assist it in obtaining or retaining business." This statement declares the Group's principles in relation to preventing bribery. Furthermore, through this Policy we explain our anti-bribery system and our initiatives for the prevention of bribery to our business partners, and request their understanding and cooperation.

Measures for ensuring compliance with laws concerning antitrust and fair competition

We stipulate our policy for compliance with laws concerning antitrust and fair competition in the Compliance Guiding Principles as well as the Compliance Manual. We have also published a separate manual concerning antitrust/competition laws for our officers and employees that compiles key considerations in daily dealings. Additionally, we endeavor to ensure that antitrust/competition laws are observed by measures such as regularly holding internal training courses.

Compliance

Activities

Security trade control and logistics compliance

As an integrated trading company, Sumitomo Corporation regularly implements various measures to ensure that we comply with treaties and international frameworks related to international trade, as well as Japanese laws and regulations related to trading activities. Our group companies do likewise. We implement various measures related to security trade control to prevent weapons or products and technology for civilian use that could be converted to military use from falling into the hands of states or non-state organizations (terrorists) which may develop weapons of mass destruction. We also provide internal rules, manuals, and guidelines, hold training sessions, and instruct and monitor as needed to ensure compliance with regulations related to tariffs and customs as well as those related to public order and safety.

Prevention of insider trading

To prevent violations of insider trading regulations related to our business activities as well as personal dealings by officers and employees, our company has established "Rules for Prevention of Insider Trading" as well as internal checking systems from various perspectives. To ensure compliance with insider trading regulations as well as internal rules, we also continuously provide internal training courses and other activities to raise awareness. In 2017, we held an internal training program for general managers to remind the importance of appropriately managing insider information at each organization.

Social and environmental risk management

Risk management system

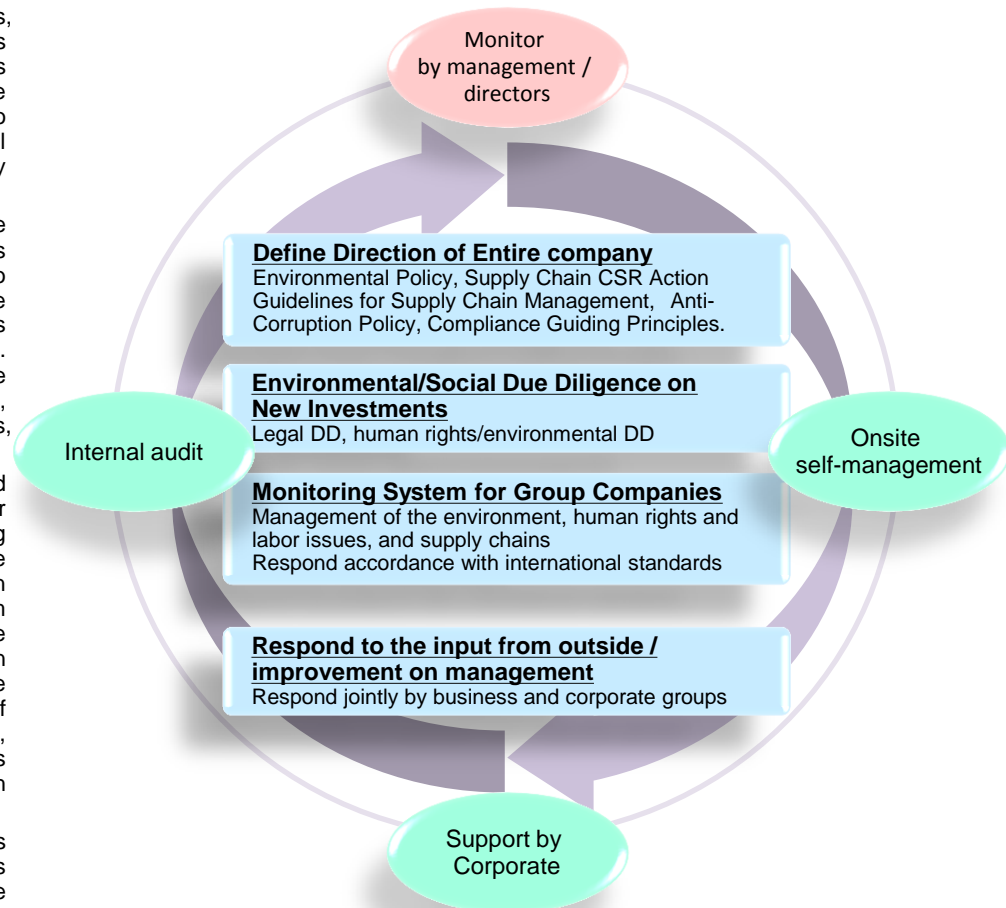
The business activities of the Sumitomo Corporation Group impose various impacts on the global environment, local communities, customers, executives and employees, and various other stakeholders. In order for us to maintain sustainable growth, it is necessary to appropriately manage the impacts posed by our activities to avoid risks that threaten the global environment and people's lives and, furthermore, the sustainability of our business. Companies are expected to proactively contribute to addressing social and environmental issues. In response, we have to pay careful attention not only to our activities but also to the impacts posed by our entire supply chains on the society and environment.

There are an extensive variety of issues associated with these impacts that we should pay particular attention to, including biodiversity, pollution, water resources depletion, human rights, safe and hygienic labor conditions. There are also differences depending on the products dealt with, business types, areas where activities take place, and other factors. The Sumitomo Corporation Group is engaged in a wide variety of business activities in different countries and regions. With this in mind, we have a company-wide framework not only for onsite management of each business but also for clarification of the company-wide policies, comprehensive monitoring, internal auditing, supervision by executives and directors, and other relevant activities.

The Group has developed and publicized its policies related to social and environmental issues, such as the Environmental Policy, CSR Action Guidelines for Supply Chain Management, Anti-Corruption Policy, and Compliance Guiding Principles. With regard to individual business projects, in conducting due diligence for a new investment, we use environmental consultants and specialists in human rights and labor issues, depending on the nature of each business, to confirm whether there are any adverse impacts of business activities on society and the environment. For the purpose of enhancing Group governance, which is included in the Medium-Term Management Plan 2020, we have adopted a system to improve internal control through regular monitoring of the current state of management of each Group company's risks, including environmental issues, human rights issues, labor management and supply chain management, jointly with the business organizations in charge and relevant corporate organizations, through dialogues with each associated company.

When we receive information on adverse impacts associated with our company's business activity from local residents, NGOs or other stakeholders, the business organization in charge and corporate organizations involved will jointly respond to the issue. They discuss measures to improve the identified situation and implement them.

Reported risks concerning social and environmental issues are discussed by a relevant internal committee. The committee then reports the discussed risks to executives and directors so that they can understand and supervise the relevant issues.



Social and environmental risk management

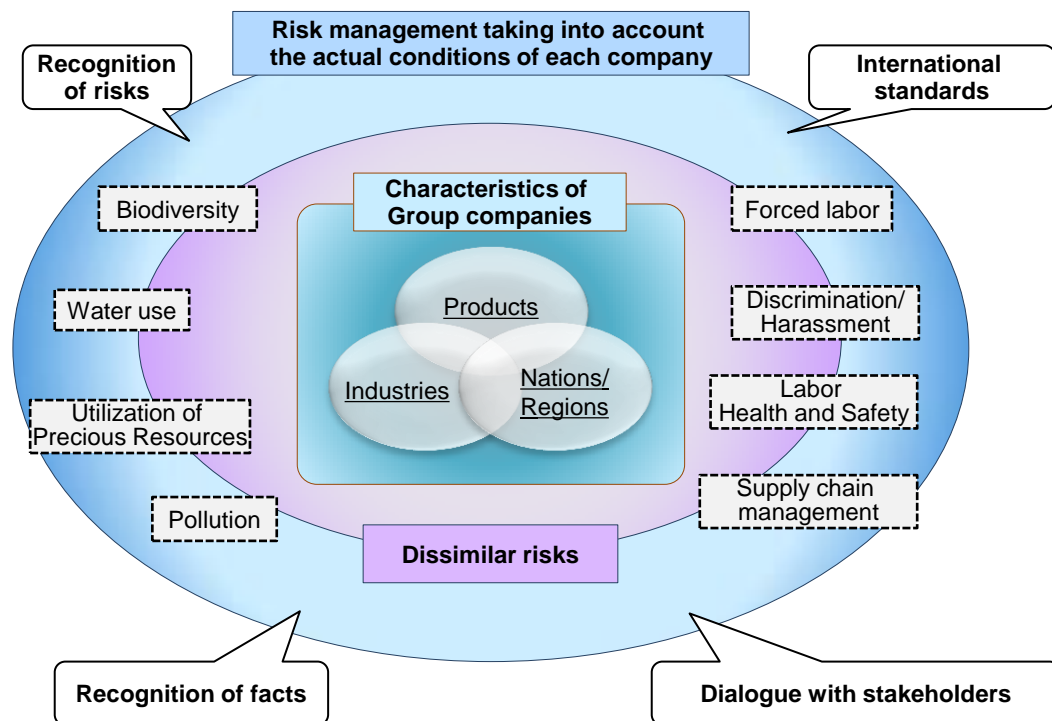
Monitoring of Group companies including ESG risks

As part of our group governance commitment, we have adopted a system for periodic monitoring of the management of various risks of each Group company. Risks associated with environmental and social issues differ from company to company depending on the business activities and areas where activities take place. For this reason, it is difficult to apply unified management standards and guidelines. We have therefore identified a common standpoint, based on which we ensure risk management that takes into account each company's business activities and risk levels.

What is most important is that each company fully understands the characteristics of their business activities and the area where they are located, the relationship between their activities and social and environmental issues, and their own risks. When addressing the issues they are facing, it is important not only to comply with laws and regulations but also take into account international standards on the environment and human rights. It is not enough to merely have a system. It is necessary to actually pay attention to whether or not there are any problems occurring in local communities, with employees and other stakeholders. It is also necessary that there is a communication route available for a stakeholder with a problem, if any, to let others know about it.

The Sumitomo Corporation Group consists of several hundreds Group companies, which are engaged in business activities in different environments and are facing different social issues. We consider it possible to appropriately manage the entire Sumitomo Corporation Group by repeating a cycle as follows: Each Business Unit monitors each Group company's risks through communication with it and in cooperation with relevant Corporate Group organizations, and makes improvements, if necessary, where executives and directors serve as supervisors.

Socially sustainable growth has become a common global theme. In response, companies should pay more careful attention to the management of their impacts on society and the environment to meet strict standards. We will continue our efforts to improve the level of our company-wide risk management through fully understanding the risk profile of the overall portfolio of our company using not only the risk management cycle for individual business activities but also knowledge from outside sources.



Information security

Policy and concept

The Company acknowledges the importance of ensuring information security, and maintains appropriate measures including, but not limited to, the establishment and maintenance of relevant rules, primarily through the Information Security Committee, which is chaired by the Chief Information Officer (CIO). In October 2017, a new Information Security Policy was established.

Information Security Policy

1. Recognition of Information Security

Sumitomo Corporation acknowledges the importance of ensuring information security, and wishes to further enhance the company's trustworthiness in its business operations. Therefore, Sumitomo Corporation shall implement appropriate measures including, but not limited to, the establishment and maintenance of relevant rules and guidelines so as to responsibly manage information assets on a consolidated basis globally and shall review them regularly.

2. Compliance

Sumitomo Corporation shall comply with any applicable local, regional, national and international laws and regulations in relation to information security.

3. Management of Information Assets

Sumitomo Corporation shall preserve confidentiality, integrity and availability through responsibly managing all information assets including personal data, and shall take all reasonable precautions in order to prevent unapproved disclosure, loss or impairment of such data.

4. Response to Information Security Incidents

Whilst making the utmost endeavour to prevent information security incidents from occurring, in the unlikely event such an incident should occur, Sumitomo Corporation shall respond promptly to the incident and implement whatever preventive measures are necessary to avoid recurrence.

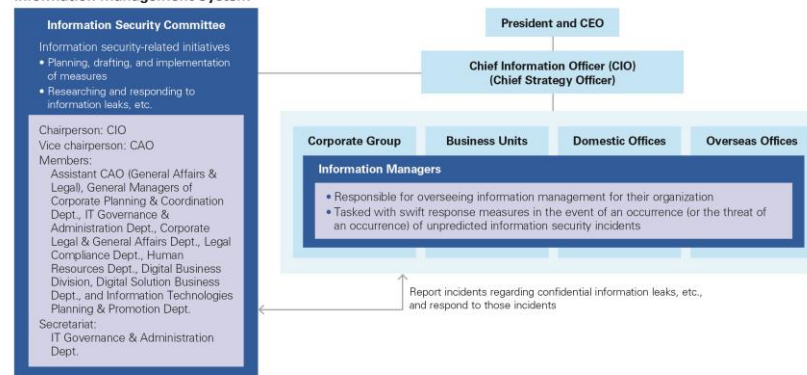
5. Awareness Education of Information Security

Sumitomo Corporation shall regularly promote and maintain the provision of information security education including, but not limited to, further heightening the awareness of the importance of responsibly managing information assets.

System

The information managers in each organization categorize information assets based on their importance, give instructions for procedures and methods in order to handle these assets adequately, and work to ensure information security, efficient information-related administrative procedures, and information sharing. For personal information, in addition to establishing a Privacy Policy to protect this as appropriate, we have put in place relevant rules and organizational structures. We also work on initiatives to minimize risk related to unexpected situations involving information security, such as external attacks aimed at theft or destruction of corporate information. As well as using system-based safeguards, we conduct ongoing training and drills for employees while establishing and monitoring systems at major subsidiaries and other Group entities. The Company also coordinates with specialized third-party organizations to stay up-to-date on relevant information and to enable swift and appropriate responses.

Information Management System

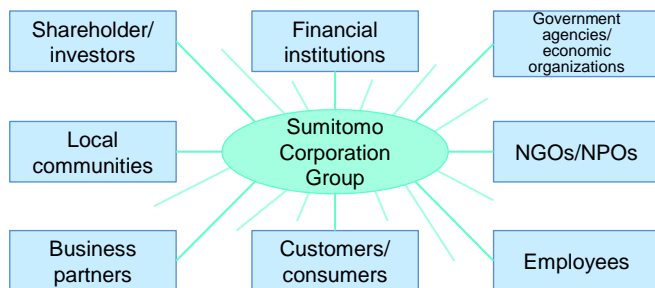


 [Privacy Policy](#)

Stakeholder engagement

Relationships with stakeholders

The Sumitomo Corporation Group places importance on dialogue with various stakeholders around us. To build a relationship of trust with each stakeholder, we proactively provide information on our activities and ensure continuous communication with them. Through these efforts, the Group keeps informed of stakeholders' expectations and concerns, based on which we will promote our sustainability and improve our long-term value.



Stakeholders	Major means of dialogue
Stakeholders/investors Financial institutions	General meeting of shareholders, IR meeting, integrated report, annual securities report, business report for shareholders, website, reporting to credit rating agencies, etc.
Government agencies/economic organizations	Communication with government agencies and international organizations in Japan and abroad, participation in discussion meetings and round-table conferences with government offices, activities through business and industrial associations, etc.
Local communities	Dialogue with local residents in business activities and support for communities, social contribution activities, etc.
Business partners Customers/consumers	Integrated report, website, advertisements, customer information office, supply chain survey, etc.
NGOs/NPOs	Cooperation and communication with NGOs and NPOs in business activities, cooperation in social contribution activities, responses to surveys, etc.
Employees	Internal magazine, Intranet, training sessions and seminars, labor/management round-table meeting, employee awareness survey, the speak-up system, etc.

IR/SR Activities

(IR: Investor Relations SR: Shareholder Relations)

We facilitate direct communication with shareholders and other investors, in addition to enhancing disclosure on our website. An executive officer with responsibility for dialogue with shareholders and other investors exercises overall control of and coordinates such IR* initiatives shown below. Also, related in-house departments contribute to IR initiatives by distributing information and collecting feedback from shareholders and other investors. Going forward, the Company will continue to increase the transparency of its management, implementing fair disclosure at all times, integrating financial and non-financial information, and strengthening relationships of trust with shareholders and investors by displaying initiatives to increase the corporate value of the Sumitomo Corporation Group over the medium to long term.

Fiscal 2017 IR/SR Activities

	April	May	June	July	August	September	October	November	December	January	February	March
			Announcement of annual results		Announcement of 1st quarter results	Publication of the integrated report		Announcement of semi-annual results				Announcement of 3rd quarter results
For individual investors			General meeting of shareholders		Meetings for individual investors							Online meeting for individual investors
For analysts and institutional investors		Overseas IR roadshows					Site tour (Jupiter Shop Channel)	Overseas IR roadshows	Meeting for exchanges of opinion regarding ESG			Overseas SR roadshow
												Site tour (Myanmar telecommunication business, industrial park business)

