

Sumitomo Corporation Europe Limited

Modern Slavery and Human Trafficking Statement for the Fiscal Year 2021

Sumitomo Corporation Europe Limited (SCEU) is committed to improving its practices to combat modern slavery and human trafficking. This statement has been published in accordance with the UK Modern Slavery Act 2015 and constitutes SCEU's modern slavery and human trafficking statement for the fiscal year 2021 ended March 31st, 2022. This statement was approved by the board of directors of SCEU on September 16th, 2022.

The organisation's structure, its business and its supply chains

Sumitomo Corporation Europe Limited is an integrated trading company and investment solutions provider. With our European headquarters located in London we have branch offices based in Norway, Italy, Poland, Czech Republic and Azerbaijan. We also have subsidiaries and affiliate companies located in other areas of Europe. As a subsidiary of Sumitomo Corporation (SC) incorporated in Japan, we have access to a global network across over 60 countries.

SC is an integrated corporate committed to business activities in a wide range of industries with over 130 offices and subsidiaries in over 60 countries and a network of over 850 group companies worldwide which consist of the "SC Group". With its global network and based on trust from companies in various industries and from consumers, SC engages in multifaceted business activities by making the most of its integrated corporate strength. These business activities include sales of a variety of products and services within Japan, import and export, trilateral trade, and domestic and international business investments.

For more information on the companies' business overviews, please visit the following links:

SC: <https://www.sumitomocorp.com/en/jp/about>

SCEU: <https://www.sumitomocorp.com/en/europe/sceu/>

Steps taken to ensure that modern slavery and human trafficking are not taking place in SCEU's business and supply chains

SCEU, as a member of the SC Group, shares Sumitomo's Business Philosophy, which has been passed down and followed faithfully for more than 400 years since Masatomo Sumitomo (1585-1652) founded Sumitomo family business. SC Group's Corporate Mission Statement (Management Principles and Activity Guidelines) is based on this philosophy and represents SC Group's fundamental and ultimate value standard. In the

Corporate Mission Statement, it clearly states that SC Group respects the personality of each individual and places prime importance on integrity and sound management.

To enhance SC Group's sustainability management, SC has identified the Six Key Social Issues and the Long-term Goals in fiscal year 2020. The six key social issues are related to our business that we address through our business and corporate activities and consist of two themes: the sustainability of society and development and evolution of society. One of the six key social issues is "respect for human rights," and its long-term goal is "respect human rights through all of our businesses and supply chains." In the interest of accountability, SC Group's progress will be monitored and disclosed to its stakeholders on the SC website.

We take our commitment to tackling modern slavery and human trafficking very seriously. We set out below the steps we have taken to help ensure that modern slavery and human trafficking are not taking place in our business or supply chains:

The SC Group's Human Rights Policy

SCEU respects "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".

SCEU, as a member of the SC Group, in line with the SC Group's Human Rights Policy, i) strives to identify and to prevent or mitigate any adverse impact on human rights through the implementation of human rights due diligence processes; ii) where we identify that our group's practices have caused or contributed to an adverse impact on human rights, we will endeavour to take appropriate remedial measures; and iii) we will seek to improve and progress human rights measures through engagement and dialogue with relevant stakeholders.

In fiscal year 2021, SC has established the Medium-term Goals for each Key Social Issue by indicating specific action plans. With regards to "respect for human rights," one of SC Group's medium-term goals is to "promote and ensure respect for human rights in accordance with the UN Guiding Principles on Business and Human Rights and SC Group's Human Rights Policy." In order to meet this goal, SC has been strengthening risk analysis in human rights due diligence in all businesses across the world, including the supply chain, leading to implementation of risk mitigation measures by 2025.

Human Rights Due Diligence

In accordance with SC Group's Human Rights Policy, SC began human rights due diligence in fiscal year 2020 so that SC Group can identify, prevent, mitigate and account for how SC Group addresses any adverse human rights impact that its business activities across the world may cause or contribute to.

SC's human rights due diligence is conducted through a process in accordance with international guidelines including the UN Guiding Principles on Business and Human Rights, the UN Guiding Principles Reporting Framework, and OECD Due Diligence Guidance for Responsible Business Conduct. As a first step in fiscal 2020, SC identified eight salient human rights issues that should be addressed with priority so that SC can assess the impact concerning human rights throughout SC Group's activities, by a desktop survey, interviews of experts on business and human rights and internal interviews.

The above identified eight salient human rights issues as follows;

- (1) labour conditions (wages and working hours);
- (2) freedom of association and the right to collective bargaining;
- (3) forced labour and child labour;
- (4) occupational health and safety;
- (5) health and safety of local residents;
- (6) land rights;
- (7) discrimination and harassment; and
- (8) personal information and privacy.

We believe that the human rights of workers throughout the supply chain including SC Group's employees are essential as the foundations of business. In addition to the freedom of association and collective bargaining rights, forced labour and child labour, and discrimination and harassment, which are related to the four core labour standards of the ILO, we also take action to address labour conditions and occupational health and safety. We engage in business with strong ties in local communities centred on the infrastructure business and resource development, and we have a responsibility to protect the health and safety of local residents and land rights. Since SCEU engages in wide-ranging business, we have implemented procedures and policies to comply with applicable data protection laws.

For each of these issues, SC will investigate and carry out action plans to prevent and mitigate specific risks with priority on areas of high risk in SC Group's business.

SC has started conducting human rights due diligence by business unit with our aim to strengthen risk analysis and implement risk mitigation measures for all businesses by 2025. In fiscal year 2021 as the first year, SC has conducted human rights due diligence on its Media & Digital Business Unit and Living Related & Real Estate Business Unit. Based on the findings of the due diligence, SC was able to enhance its risk assessments, promote the creation of action plans to prevent or mitigate the risks and prepare for monitoring of the risks and actions by the two business units.

The SC Group's CSR Action Guidelines for Supply Chain Management

SC has established and we act in accordance with the SC Group CSR Action Guidelines for Supply Chain Management. Through the implementation of these guidelines, we are aiming to realise a sustainable society by working together with our suppliers, business partners and contractors, etc. to achieve responsible value chain management. As part of these guidelines, SC sets out SC Group's values to "Respect for human rights and not to be complicit in human rights abuses" and to "Prevent forced labour, child labour and the payment of unfairly low wages." These principles establish the overarching guidelines encompassing our commitment to combating modern slavery and human trafficking.

In the event that we find violations of these guidelines in our supply chains, we will urge 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 such third parties, we will consider carefully whether to continue our business with them or not.

In fiscal year 2021, SC also established the SC Group Forest Management Policy and the SC Group Sourcing Policy for Forest Products as specific policies for natural resource-related commodities requiring sustainable procurement. The policies include our commitment to respect human rights by operating forest related businesses in accordance with SC Group's Human Rights Policy as well as the UN Guiding Principles on Business and Human Rights.

Group Governance

The management policy of SC Group is to respect "Jiritsu"* management by each SC Group company, and to be involved in important decision-making at the board of directors or organisation equivalent to the board of directors of each SC Group company based on the relationship of trust established through active dialogue as a shareholder, and to create new value through strong collaboration.

With the aim of strengthening SC Group's governance under the Medium-Term Management Plan "SHIFT 2023," in order to maximise SC group's corporate value through sharing and putting into practice the principles of SC Group management, SC has established a Group Management Policy (GMP) that sets the three principles of SC Group management: "Jiritsu", "Dialogue", and "Collaboration".

SC supports the establishment and operation of an optimal management system to control risks appropriately and increase the odds of achieving its business strategies for Jiritsu management of SC Group company. Specifically, SC has introduced a governance framework that uses a SC Group standard tool called "Basic Elements" to visualise the internal control status of each SC Group company and solve issues identified through "dialogue".

The Basic Elements include "Respect for Human Rights", "Labour Management, Health, Safety and the Environment", and "Supplier Management", and if there are issues, we

formulate a response policy according to the relevant business nature and regional conditions. Through regular monitoring, we will continue working to prevent modern slavery and human trafficking in SC Group's business and supply chains through further enhancing governance considering the relevant business nature and regional conditions.

*"Jiritsu" is a Japanese term. In the GMP, this is defined to mean "following the rules necessary for the management of each SC Group company, such as its management principles, strategies, and policies, to discipline oneself, to think, make decisions, act for oneself in order to achieve goals, and to be accountable to stakeholders".

Social and Environmental Risk Management in individual Projects

In order to promote social and environmental risk management for each business, taking into account the nature of the business and the characteristics of the region where it operates, SC established a management system that considers social and environmental impacts when making decisions on a new investment.

After the implementation of each investment, we monitor the status of social and environmental risk management and if any issues arise, we will work for improvements according to the characteristics of the business.

Active commitment to the UN Global Compact

SC signed the UN Global Compact and declared its support for the 10 principles in March 2009. This international sustainability related initiative shares the same values as SC Group's Corporate Mission Statement. With SC's participation in the Global Compact, we have committed ourselves to further increasing corporate value by constantly seeking out areas of our business activities that can be improved in light of the values advocated by the 10 principles. The UN Global Compact has been referred also through the internal auditing process of SC Group.

Training

In order to raise our awareness especially about modern slavery, we utilise an American NGO Verite's free e-Learning of Supply Chain Accountability on forced labour as a useful training material, which is one of the referred tools on 'Transparency in Supply Chains: A Practical guide' published by UK Home Office.

In fiscal year 2020, SC added an e-Learning related to business and human rights to the Global e- SBC training menu for overseas staffs and promoted learning.

Since SCEU conducts a wide range of business in multiple sectors, the associated risks vary, however the eradication of any instances of modern slavery and human trafficking remains a key priority.

We will continue to undertake these efforts aimed at ensuring that no modern slavery or human trafficking of any form exists in our business and supply chains.

September 16th, 2022

Signed by:

Iehisa Nakamura
CEO, Sumitomo Corporation Europe Limited