

Sumitomo Corporation of Americas

Statement Against Modern Slavery and Human Trafficking for Fiscal Year 2022

Sumitomo Corporation of Americas (SCOA) 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 SC's modern slavery and human trafficking statement for the fiscal year 2022 ended March 31, 2023. This statement was approved by the board of directors of SCOA on September 1st, 2023.

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

Sumitomo Corporation of Americas was established in 1952. It is headquartered in New York City, with eight offices in major U.S. cities. Sumitomo Corporation of Americas is the largest subsidiary of Sumitomo Corporation, one of the world's leading traders of goods and services. We have full access to Sumitomo Corporation's immense global network of business enterprises in more than 65 countries. We pursue productive trade, marketing and investment partnership opportunities with businesses throughout the region.

We are guided by our founder Masatomo Sumitomo's precepts to create new value and realize prosperity by engaging in sound business practices and building relationships of trust among our customers, suppliers and partners. Over the past six decades, these relationships have strengthened, and our business partners have come to expect reliable business knowledge, corporate resourcefulness and quality services. Our core businesses include Tubular Products, Steel & Non-Ferrous Metal, Automobile, Construction & Transportation Systems, Infrastructure, Chemicals and Electronics, Media and Digital Business, Materials, Supplies and Real Estate, Food & Lifestyle, Mineral Resources and Energy.

For more information on the company's business overview, please visit the following link:

<https://www.sumitomocorpofamericas.com/>

www.sumitomocorp.com/en/us/scoa

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

Sumitomo Corporation of Americas, as a member of the Sumitomo Corporation (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) had founded. [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 our sustainability management, we have identified our [Six Key Social Issues and the Long-term Goals](#) in fiscal 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, our progress will be monitored and disclosed to our stakeholders.

We take its commitment to tackling modern slavery and human trafficking very seriously. The followings are the steps which SC has taken to help ensure that modern slavery and human trafficking are not taking place in SC’s business or supply chains:

[The SC Group’s Human Rights Policy](#)

The company 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”](#).

SCOA has a zero-tolerance policy against all forms of human trafficking and related activities, which is set forth in detail in the SCOA employee handbook. SCOA, also as a member of the SC Group, in line with [the SC Group’s Human Rights Policy](#), i) we strive 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 endeavor 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 2021, we have also established [the Medium-term Goals for each Key Social Issue](#) by indicating specific action plans. With regards to “respect for human rights,” one of our medium-term goals is “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.”

There are several ways SCOA employees may report violations of the Anti-Human Trafficking policy, including to their immediate manager, Human Resources, or to a member of the SCOA Legal & Compliance Group. Alternatively, an employee or third-party may report the matter anonymously or ask questions regarding the same to SCOA’s Ethics Helpline at www.scamericas.ethicspoint.com or by calling 1-888-279-1912. Note that employees may report suspected ethical and other compliance violations without any fear of retaliation.

Human Rights Due Diligence

Our 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, the SC Group identified eight salient human rights issues that should be addressed with priority so that we can assess impacts concerning human rights throughout SC Group, by the desktop survey, interviews of experts on business and human rights and internal interviews.

Identified eight salient human rights issues are as follows:

Labor conditions (wages and working hours), Freedom of association and the right to collective bargaining, Forced labor and child labor, Occupational health and safety, Health and safety of local residents, Land rights, Discrimination and harassment, and Personal information and privacy.

In FY2023, we plan to conduct a deeper Human Rights Due Diligence study to update our policy and priority issues, identify gaps and best industry practices, provide training workshops, as well as establish a roadmap for the years to come.

[The SC Group's CSR Action Guidelines for Supply Chain Management](#)

SCOA acts in accordance with [the SC Group 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, business partners and contractors, etc. to achieve responsible value chain management. As part of these guidelines, we set out its values to “Respect for human rights and not to be complicit in human rights abuses” and to “Prevent forced labor, child labor and the payment of unfairly low wages.” For instance, in the Tubular Products Group, our largest revenue generating business, our suppliers and business partners are asked to fill out a Health, Safety, Security and Environmental Questionnaire, confirming compliance with the above mentioned values.

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 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.

[Enhancement of SC Group Governance](#)

As a member of the SC Group, SCOA is collaborating with SC on “Enhancement of SC Group Governance” aiming to improve business quality and corporate value through internal control. Specifically, we have introduced a governance framework that uses SC Group’s standard tool called Basic Elements to visualize the internal control status of each group company and solve issues identified through “dialogue” with the parent company.

The Basic Elements include “Respect for Human Rights”, “Labor Management, Health, Safety and the Environment”, and “Supplier Management”, and if there are issues, we formulate a response policy according to its business nature and regional conditions. Through regular monitoring, we will continue working to prevent modern slavery and human trafficking in our business or supply chains through further enhancing governance considering its business nature and regional conditions.

[Active commitment to the UN Global Compact](#)

We 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 our Corporate Mission Statement. With our 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 FY2023, we will roll out e-learning and training workshops to our employees gradually.

SCOA believes that eradication of modern slavery is important, and 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 12th, 2023

Tomonori Wada

Signed by:

Tomonori Wada
President & CEO,
Representative Director,
Sumitomo Corporation of Americas