# **Human Rights Due Diligence performed at Sumitomo Electric Group**

As described in the Sumitomo Electric Group Policy on Human Rights, we are striving to promote initiatives aimed at respecting human rights within the Sumitomo Electric Group.



\* Coordination with business divisions, Overseas Administration Centers, and Corporate Staff Departments

#### Structure

The Sumitomo Electric Group has established the Sustainability Management Promotion Committee to discuss policies and provide advice in order to ensure that related initiatives are promoted in a consistent manner.

The CSR Promotion Committee, chaired by management in charge of CSR and consisting of members selected from departments with CSR-related responsibilities, serves as the body for promoting the Group's CSR activities encouraging activities across the entire company. As described in the Sumitomo Electric Group Policy on Human Rights, all business activities must be based on respect for human rights, and we are promoting

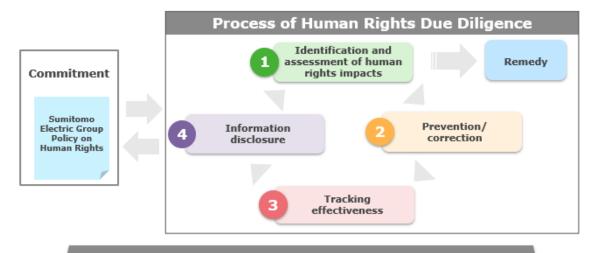
efforts in this area as one of the core categories of CSR that should be addressed by the Group as a whole. XSee CSR Core Categories from <a href="here.">here.</a>

\*See the Sumitomo Electric Group Policy on Human Rights from here.

## **Process of Human Rights Due Diligence**

Based on the United Nations Guiding Principles on Business and Human Rights, and Guidelines on Respect for Human Rights in Responsible Supply Chains established by the Ministry of Economy, Trade and Industry of Japan, SEI Group established internal rules for conducting human rights due diligence.\* In accordance with this process, we conduct human rights due diligence to ensure that human rights in our Group are respected.

\*Human rights due diligence refers to a series of acts undertaken by business enterprises to identify, prevent, and mitigate adverse impacts on human rights in their business enterprise, group companies, and suppliers, etc., to track the effectiveness of their responses, and to account and disclose information on how they addressed the adverse human rights impacts.



The Sumitomo Spirit
The Sumitomo Electric Group Corporate Principles

## **Human Rights Risks (Major and potential risks)**

Based on domestic and international standards related to respect for human rights including the International Bill of Human Rights and the ILO Constitution, we consider the following as risks that our business may adversely impact human rights.

Child labor	Forced labor	Migrant Worke	ers	Young Workers	Wages and benefits	
Working hours	Discrimination	, harassment	Freed	lom of association	Employee health managemen	t

# **Sumitomo Electric Group Human Rights Due Diligence 2022**

We conducted survey as below.

#### Period

Survey was conducted from November to December 2022.

## **Target Companies**

Sumitomo Electric Industries and 284 Sumitomo Electric Group companies in Japan and overseas (excl. Japan-listed subsidiaries, etc.)

## **Survey Items and Contents**

For this fiscal year, we focused on <u>child labor</u>, <u>forced labor</u>, and <u>migrant workers</u> under the following contents.

- No fact of employing children (workers under 15 years old)
- No fact of forced labor (such as restriction on workers' behavior, debt bondage, or forced internal deposits)
- Compliance with internal rules regarding employment of migrant workers (internal rules such as no hiring fees, etc. to be borne by the worker, no passports, etc. to be kept by the company, employment contracts to be signed in a language which the worker understands, etc.)

#### Results

According to the survey results, no risks related to child labor or forced labor were identified. Meanwhile, with regard to migrant workers, we identified issues at four Group companies in and outside Japan that employ migrant workers. Two Group companies in Japan are taking corrective actions due to finding deficiencies in its procedures that are established in the internal rules on temporary staffing companies. (Prescribed items were not included in the contract, audits of temporary staffing companies were not conducted, and interviews were not conducted in accordance with prescribed items.) Furthermore, in two Group companies overseas, it was confirmed that the workers themselves were paying for hiring fees and other costs. Although allowed under local law, we have revised to operate in accordance with international standards on respect for human rights, and we are working together with local companies and NGOs to provide support to workers.

### **Future Actions**

We will implement the above-mentioned corrective measures steadily, and establish a scheme to prevent similar issues from occurring in the future.