

CSR Book
2025



Editorial Policy

Period Covered by This CSR Book

April 1, 2024 through March 31, 2025 (Some of the information provided is not applicable to this period)

Coverage of This CSR Book

Sumitomo Electric Industries, Ltd. and its consolidated subsidiaries (389 companies)

- With regard to quantitative information disclosure, Sumitomo Densetsu Co., Ltd. and Sumitomo Riko Company Limited, which are listed on Japanese stock exchanges as of March 31, 2025, are excluded, as are their consolidated companies. In some cases, however, Sumitomo Electric Industries (unconsolidated), or only including certain consolidated subsidiaries, or some of its equity method affiliates are included in the disclosure. In these cases, the scope of disclosure is indicated in the text or in the footnotes to the tables and charts.
- Environmental indicators cover the Sumitomo Electric Group's manufacturing sites that have a data collection system in place. However, indicators related to the promotion of a circular economy cover non-manufacturing sites for which data can be collected. The Group's calculations do not include the two listed subsidiaries and their consolidated subsidiaries because the Group's action targets and promotion system/structure concerning the environment have not been shared with them.

As a representative example, when assessing the coverage rate of fiscal 2024 greenhouse gas (GHG) emissions (Scope 1+2), it was found that approximately 83% of the actual figures for the manufacturing sites were covered, meaning that the majority of emissions were reported.

Sumitomo Electric Group's manufacturing sites: 1,619 thousand t-CO₂e (284 companies)

Sumitomo Electric Group's manufacturing sites (excluding the two listed subsidiaries and their consolidated subsidiaries): 1,339 thousand t-CO₂e (180 companies*)

*Japan: 45 companies; Asia: 92 companies; Americas: 20 companies; Europe and others: 23 companies

Designations in the CSR Book

The designations of companies in the CSR Book are as follows.

Sumitomo Electric Industries, Ltd. Sumitomo Electric, SEI or the "Company"
 Consolidated subsidiaries of Sumitomo Electric Group companies, affiliates
 Sumitomo Electric and Group companies Sumitomo Electric Group, SEG or the "Group"
 Sumitomo Densetsu Co., Ltd. and
 Sumitomo Riko Company Limited Listed subsidiaries

Referenced Guidelines

This CSR Book was prepared using the GRI Standards and the Ministry of the Environment's Environmental Reporting Guidelines 2018 as references.

The GRI Content Index is available on our website below.

<https://sumitomelectric.com/csr-reports>

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Efforts to Improve the Reliability of Disclosed Information

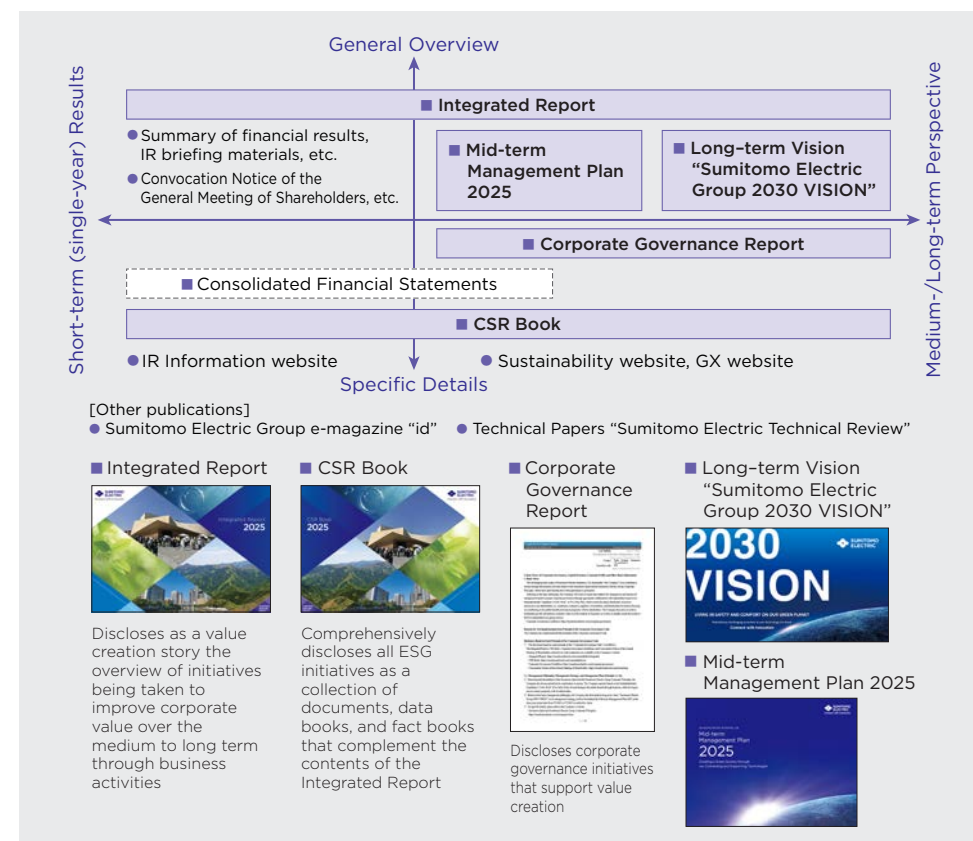
To improve the reliability of the data, we have obtained assurance from an independent third-party organization regarding the accuracy and completeness of our disclosed indicators. Indicators subject to third-party assurance are marked with a .

Date of Publication

November 2025

Framework for Disclosure of Information

The Group's disclosure media are organized along two axes: "General Overview and Specific Details" and "Short-term (single-year) Results and Medium-/Long-term Perspective." The Integrated Report is a disclosure medium that helps readers to understand the overall picture of the Group's value creation story. For details on our Sustainability Initiatives, please refer to our CSR Book and Corporate Governance Report. For information on SEG's Long-term Vision and Mid-term Management Plan, please refer to our 2030 Vision and the Mid-term Management Plan 2025. For more in-depth understanding, we invite you to explore our website.



The Sumitomo Electric Group's Approach

- 03 Corporate Philosophy
- 05 "Goho Yoshi"
- 08 Long-term Vision "Sumitomo Electric Group 2030 VISION" and "Mid-term Management Plan 2025"
- 09 Materiality-related Indicators, Targets, and Progress
- 11 Promotion of Sustainability Management

Environment

- 12 Environmental Management
- 15 Climate Change Adaptation and Mitigation
- 18 Preventing Environmental Pollution
- 20 Promoting Circular Economy
- 23 Biodiversity Conservation
- 23 Contributing to Global Environment Through Our Business

Social

- 24 Promotion of Human Capital Initiatives
- 25 Human Capital Development
- 28 Improvement of Employee Treatment, Asset Formation Support, Development of Welfare Facilities
- 29 Diversity & Inclusion (D&I)
- 31 Improvement of the Workplace Environment Creation of a comfortable workplace environment
- 36 Human Rights
- 38 Occupational Safety and Health Aiming to be a world's safest company
- 41 Product Quality and Safety
- 44 Supply Chain
- 47 Activities Contributing to Society (CSR Activities)

Governance

- 52 Corporate Governance
- 56 Risk Management
- 59 Compliance

Data

- 62 ESG Data
- 71 Calculation Criteria
- 72 Company Overview
- 73 Independent Third Party Assurance Report

Corporate Philosophy

Honoring both the tradition of "the Sumitomo Spirit" and "the Sumitomo Electric Group Corporate Principles," the Group has always prioritized its contribution to society. The Group manages based on the spirit of "contributing to the public benefit through business," while striving to ensure mutual prosperity with its stakeholders.

The Sumitomo Spirit

The Sumitomo Spirit originates from the guiding principles of "*Monjuin Shiigaki*"—the Aphorisms of Monjuin, which describe how a merchant should conduct his business—set down by the founding father of the House of Sumitomo, Masatomo Sumitomo (1585–1652). The Sumitomo Spirit has been enriched and elaborated on throughout the history of Sumitomo. The core principles of the spirit can be found in the "Business Principles" codified in 1891. The Sumitomo Spirit also integrates the principles and beliefs of previous generations of Sumitomo leadership, passed down through the generations in the form of important remarks and thoughts behind critical business decisions.

Monjuin Shiigaki

"Do your sincere best in not only business but also every aspect of your life"

Banji-nissei

The preamble admonishes us to pay attention to any matters, including business, and work wholeheartedly on everything we do. This precept, "*Banji-nissei*," has been passed down continuously, in the hope that each one of us in Sumitomo does not focus only on making money but also on improving our personality and developing our character. This lofty document urges us to persist in sincere and careful effort and to cultivate a good character. The Group has positioned "*Banji-nissei*" as a keyword that expresses the Sumitomo Spirit, along with "*Shinyo-kakujitsu*" and "*Fusu-furi*."

Business Principles

Business Rules of Sumitomo Goshi Kaisha (established in 1928)

Article 1:

Sumitomo shall achieve prosperity based on solid foundations by placing prime importance on integrity and sound management in the conduct of its business.

Article 2:

Sumitomo's business interest must always be in harmony with the public interest; Sumitomo shall adapt to good times and bad times but will not pursue immoral business.

Shinyo-kakujitsu

"Place importance on integrity and sound management"

The Business Principles Article 1 emphasizes the importance of integrity; that is, being worthy of the trust of others.

Fusu-furi

"Do not act rashly or carelessly in pursuit of immoral business"

In its first part, Article 2 speaks of the importance of maintaining a proactive and initiative-taking mindset while keeping business continuity in mind, pursuing fair profit by quickly and appropriately responding to changes in society. At the same time, Article 2 emphasizes the importance of harmonizing business gains with the public interest and scorns reckless or careless actions in pursuit of easy gain. While *furi* means easy, temporary or short-term gain, the term also implies unfair profit obtained through dishonest means.

Principles inherited over the generations in Sumitomo

Attaching Importance to Technology

Sumitomo's original copper business centered on the "*Nanban-buki*" (foreign style) refining technique, which at the time constituted the leading edge of smelting technology. The business policy of valuing technology and tackling the development of new technology has been a driving force in the evolution of Sumitomo business from the very beginning.

Respect for Human Resources

Sumitomo's history features many events that demonstrate the great value the Group attaches to the opinions of those working in its various areas of business. Sumitomo has always considered that people are the foundation of the enterprise and has attached importance to human capital. This tradition has coexisted with the commitment among Sumitomo personnel to character cultivation.

Long-Range Planning

This principle is derived from Sumitomo's original experience in copper mine management, which requires long-term and constant views. Business development with a future-looking, long-term view, complemented by a wider perspective to ensure national and social interests, is one of the factors that have made Sumitomo distinctive.

Mutual Prosperity, Respect for the Public Good

This phrase represents the principle that Sumitomo's business must benefit not only Sumitomo but also the nation and society in general. Everyone in Sumitomo is required to focus not only on making money but also on always conducting business in harmony with public interests. This spirit is also demonstrated by Sumitomo's more than century-long efforts to solve environmental problems in the Besshi Copper Mine—a spirit that has always remained unchanged at Sumitomo.

The Sumitomo Electric Group Corporate Principles

On the occasion of Sumitomo Electric's centennial celebration in 1997, the Sumitomo Electric Group defined the Sumitomo Electric Group Corporate Principles as a new management philosophy arising from the Sumitomo Spirit. The Corporate Principles underscore our basic policy of commitment to our important stakeholders (employees, customers, suppliers, regional communities, and shareholders/investors) and rededicate the Group to the importance of compliance and trust.

The Sumitomo Electric Group Corporate Principles (established in June 1997)

Each company of the Sumitomo Electric Group shall

- Offer the very best goods and services to satisfy customer needs.
- Build technical expertise, realize changes, and strive for consistent growth.
- Contribute to creating a better society and environment, with a firm awareness of our social responsibility.
- Maintain high corporate ethics and strive to become a company worthy of society's trust.
- Nurture a lively corporate culture that enables employee self-improvement.

The Sumitomo Electric Group Charter of Corporate Behavior

The Sumitomo Electric Group has formulated the Sumitomo Electric Group Charter of Corporate Behavior as a set of guiding principles on behavior applicable to all Group companies to more specifically and more clearly show how each and every the Group officer and employee should behave to live up to the Sumitomo Spirit and the Sumitomo Electric Group Corporate Principles.

The Sumitomo Electric Group Charter of Corporate Behavior (established in September 2005 revised in August 2023)

The Sumitomo Electric Group recognizes that our operations are supported by a range of stakeholders, including "customers," "employees," "suppliers," "regional communities," and "shareholders/investors," and that it is mandatory to strive to build appropriate cooperative relationships with our stakeholders while taking their interests into consideration, in order to achieve sustainable growth and enhance the corporate value of the Sumitomo Electric Group over the medium to long term, as well as to steadily return the results to all of our stakeholders as a going concern.

Based on such recognition, as described below, the Sumitomo Electric Group promotes appropriate collaboration with stakeholders to achieve the co-creation of values and shared prosperity with the stakeholders.

1 | Provision of Useful and Safe Products and Services

- We aim to provide useful and safe products and services that will satisfy customers in all aspects, including quality and cost.

2 | Development of New and Original Businesses and Products

- We aim to develop new, original, and profitable businesses and products by using our unsurpassed creativity to meet customers' demands.

3 | Growth and Development of the Sumitomo Electric Group through Global Business Activities

- We will strive for consistent growth of the Sumitomo Electric Group by consistently conducting our businesses from a global perspective and taking full advantage of the Group's dynamic business operations.

4 | Contribution to Preservation of the Global Environment

- We will contribute to the construction of a sustainable society, taking voluntary and active initiatives to preserve the global environment.

5 | Observance of Laws and Regulations

- We will observe national and international laws and regulations and always act fairly and openly.

6 | Fair and Proper Business Activities

- We will promote fair, transparent, and free competition and sound trade.

7 | Conduct as a Member of Society

- We will act with awareness as members of society and contribute to society at large in order to realize a better society.
- We will take a firm stand against anti-social forces that threaten social order and safety.

8 | In Harmony with the International Community

- As a corporate member of the international community, we will respect the culture and customs of every region of the world and contribute to the development of those regions.

9 | Safe, Sound Workplace and Employees' Growth and Development

- We respect the rights of all individuals and will endeavor to make our workplaces safe, sound, and energetic.
- We will strive to respect the personality and individuality of our employees and support their professional development and career to enable self-realization.

10 | Disclosure of Relevant Information and Promotion of Communication with Society

- We will aim to provide appropriate corporate information to contribute to adequate collaboration with stakeholders.
- We will also promote good communication with society through public information and hearings.

About Monjuin Shiigaki

Masatomo Sumitomo (Monjuin), born in 1585 at the end of the Warring States period, was the second son of a warrior family in Maruoka, Echizen (present-day Maruoka-cho, Sakai City, Fukui Prefecture). He is said to have gone to Kyoto at the age of 12 to become a monk. He later returned to secular life and opened a book and medicine shop in Kyoto. This marked the beginning of the Sumitomo family. Even after leaving the priesthood, Masatomo was sought out by many people for his teachings. Rooted in deep faith, these teachings earned him the respect of the people. A notable characteristic of the Sumitomo family is that its founder was a respected noble monk. The *Monjuin Shiigaki* was created by Monjuin (Masatomo) to explain the fundamentals of business to his family in an easily understandable way.

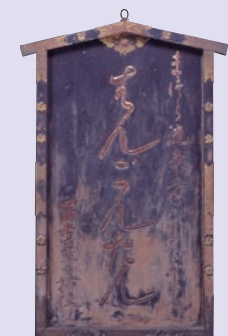
Consisting of five articles, *Monjuin Shiigaki* contains ideas reflecting the unstable social conditions of Kyoto in the 17th century, when it was written. The preamble admonishes us to pay attention to all matters, including business, and to work wholeheartedly on everything.



Figure of Masatomo Sumitomo (Monjuin)*



*Monjuin Shiigaki**



Signboard of the medicine shop operated by Masatomo*

The following precepts should be adopted not only in matters of business, but in all situations:

1. When goods are offered to you below the normal market price, under no circumstances should you ever purchase such goods, for their origins are unknown and they are probably stolen property.
2. Never give shelter to a stranger, no matter who it might be; also never take a stranger's goods into your custody, no matter how innocent they might appear.
3. Never act as a guarantor for anyone.
4. Never buy or sell goods on credit.
5. No matter what someone might say to you, never lose your temper or speak with harsh words; politely explain your position until an understanding can be reached.

Paraphrase of "*Monjuin Shiigaki*"

"Goho Yoshi"

"Goho Yoshi" (Five-Way Win)

— Multistakeholder Capitalism —

"Goho Yoshi" (Five-Way Win) is a concept that has been part of the business management of the Sumitomo Electric Group for some time and is based on the Sumitomo Corporate Philosophy.

We are committed to sustainable growth and medium to long term value creation by sharing prosperity with our multiple stakeholders: employees, customers, suppliers, regional communities, and shareholders & investors.



Relationships with Stakeholders, Disclosure of Company Information

■ Overview of Key Methods and Activities for Engaging with Our Stakeholders

The Group recognizes that its operations are supported by a range of stakeholders including "employees," "customers," "suppliers," "regional communities," and "shareholders/investors," and that it is mandatory to strive to build appropriate cooperative relationships with our stakeholders based on the "Goho Yoshi" (Five-way Win) philosophy, while taking their interests into consideration in order to achieve sustainable growth and enhance the corporate value of the Group over the medium to long term.

	Our focus (2030 VISION)	Key methods and activities	Reflecting in corporate activities
Employees	- Respect for human rights and a workplace environment that is healthy, safe, secure and comfortable - Diversity & inclusion, and sustainable growth and development - Sharing of purpose/sense of fulfillment	- Town hall meetings (discussions between management and employees), labor-management negotiations, career dialogues, engagement surveys - Training and education by SEI University, seminars - Internal and external consultation services - Corporate newsletters and intranet	- Developing a workplace environment where employees can thrive - Evaluating and planning organizational management and personnel systems - Strengthening labor-management relations
Customers	- Providing product value that accommodates customer needs - Establishing firm relationships based on trust - Providing high-quality, safe products	- Daily sales activities, sales force surveys - Exhibitions - Meetings with important business partners - Sumitomo Electric Group e-magazine "id," President's blog, product catalogs, advertisements, websites	- Improving products, technologies, and services - Providing information that customers need - Improving customer satisfaction
Suppliers	- Expanding fair and impartial trade - Building and enriching business partnerships - Thoughtful approach to environment and human rights in procurement	- Daily procurement activities (supplier evaluation, etc.) - Partners Meetings - Reviews and training sessions based on the results of the CSR-based procurement self-assessment questionnaire - Compliance consulting and reporting desk	Building close relationships for coexistence and mutual prosperity based on mutual trust
Regional communities	- Contribution to cultural/social development in respective communities - Active commitment to environmental preservation - Appropriate tax payment in respective countries and regions	- Contributing to society through donations and volunteer activities, collaborating with NPOs - Contribution to regional communities through business and others, exchanges with regional communities, PR magazines - Support for education and training, contribution to sports and cultural promotion - Dialogue via economic and industry organizations	Promoting initiatives to solve social and environmental challenges
Shareholders/Investors	- Prompt and appropriate information disclosure - Enhancement of medium- and long-term corporate value and sharing our returns - Constructive, open dialogue	- General Meeting of Shareholders, IR briefings, and one-on-one dialogues - IR website, various reports (Integrated Report, Consolidated Financial Statements, Corporate Governance Report, etc.)	Promoting initiatives and disclosures for further enhancement of corporate value

Reflect in Mid-term Management Plan 2025

Key indicators and targets established for FY2025	FY2024 results
- Compensation growth: Aiming for inflation rate + α - Improving the workplace environment: Zero serious accidents - Percentage of male employees taking childcare leave: 100% (SEI in Japan) - Percentage of females among new graduate hires: Business: 40%, (SEI in Japan) Engineering: 15% (SEI in Japan)	- Compensation growth: 6.07% (3.40+2.67) - Improving the workplace environment: One serious accident - Percentage of male employees taking childcare leave: 100% (SEI in Japan) - Percentage of females among new graduate hires: Business: 42.0%, (SEI in Japan) Engineering: 14.9% (SEI in Japan)
- Providing products that meet customer needs - Providing high-quality and safe products - Sales from growth themes supporting GX/DX/CASE: 1.1 trillion yen	Sales from growth themes supporting GX/DX/CASE: 970 billion yen
- Promoting dialogue during price negotiations - Appropriate transaction prices - CSR-based procurement assessments: Implementation rate: 80% (based on transaction value)	CSR-based procurement assessments: Implementation rate: 74%
- Contribution to CSR activities: Approx. 1% of profit after-tax - Reduction of CO₂ emissions (Reduction compared to FY2018; including listed subsidiaries): Scope 1+2 17.5%, Scope 3 8.7%	- Contribution to CSR activities: 0.96% of profit after-tax - Reduction of CO₂ emissions (Reduction compared to FY2018; including listed subsidiaries): Scope 1+2 20.4%, Scope 3 1.1% increase
- Timely and appropriate disclosure of information - Promoting constructive and open dialogue - ROE: >8% - Dividend payout ratio: Approx. 40%	- ROE: 8.6% - Dividend payout ratio: 39.0%

■ Dialogue with Stakeholders

Employees

Town hall meetings

To foster an environment in which diverse employees can thrive, we hold town hall meetings every year in each region where employees and senior management can engage in direct dialogue. These meetings are organized by job type and level, and the feedback received is used for organizational management and personnel systems planning. In fiscal 2024, we held town hall meetings for young group leaders for the first time to exchange opinions on various themes, such as human capital development and team communication.



A town hall meeting

Customers

Stable delivery of high-quality products that meet customer needs

Based on the needs of our customers, which we identify through our daily sales activities, we consistently deliver high-quality products to customers by innovating and integrating our accumulated technological skills and diverse product lineup. In fiscal 2024, we received the Excellent Supplier Award from DJI* for the first time. This award recognizes suppliers who have made a significant contribution to DJI's production activities by meeting the company's strict quality standards and delivering products consistently.



Award plaque given by DJI

Suppliers

Partners Meetings

As part of our efforts to strengthen our relationships with our suppliers, we hold Partners Meetings every year. In addition to explaining our business status and procurement policy, we recognize suppliers who have contributed to the Group's business activities through excellent proposals and cooperation. Our goal is to build friendly and cooperative relations with suppliers. We reiterate our procurement policy, including the promotion of CSR procurement, and ask for the suppliers' cooperation and active promotion of such procurement.



A Partners Meeting

Regional communities

Rose Festa

With the aim of coexisting with regional communities, we engage in activities contributing to society that are needed in the countries and regions where our business sites are located. For example, the Rose Festa is held every May at company's Osaka Works as part of a regional exchange. We communicate and build good relationships with the community by opening our rose garden to the public and showing off more than 1,000 roses of 110 varieties that our employees cultivated with care. We also offer a venue for concerts by the brass band of a neighboring junior high school.



Rose garden in Osaka Works created at the 110th anniversary event

Shareholders/Investors

One-on-one dialogues with investors

We seek to enhance communication with institutional investors through financial results briefings and one-on-one interviews. The opinions and issues identified during these dialogues are reported to the Board of Directors on a regular basis. We also upload financial information, press releases, and results presentation materials on our website to share information widely with general shareholders and investors. In fiscal 2024, we held plant tours for institutional investors as a new initiative.

Communication with Shareholders and Investors

	FY2022	FY2023	FY2024
Financial results briefings	133 companies	131 companies	135 companies
Interviews	278 companies	343 companies	734 companies

Note: The number of companies in the table is the cumulative total number.

Basic Views and Policy on Company Information Disclosure

The Sumitomo Electric Group Charter of Corporate Behavior emphasizes the promotion of timely and appropriate disclosure and communication as it advocates providing stakeholders with appropriate corporate information and striving to promote good communication with society through public information and hearings.

To this end, we have established a Disclosure Policy as our basic stance and policy.

Sumitomo Electric Group Disclosure Policy

1. Timely and appropriate disclosure of material corporate information

The Sumitomo Electric Group will work to disclose material corporate information* to customers, shareholders, investors, and other stakeholders in a timely and appropriate manner, observing the Financial Instruments and Exchange Act and other relevant laws and ordinances, as well as the Rules on Timely Disclosure of Corporate Information by Issuer of Listed Securities and the Like (hereinafter referred to as the "Timely Disclosure Rules"), stipulated by the stock exchanges on which the Company's stock is listed.

* Material corporate information is defined here as corporate information that must be disclosed under the Financial Instruments and Exchange Act and other relevant laws and ordinances and as corporate information whose timely disclosure is required by the Timely Disclosure Rules.

2. Voluntary information disclosure

The Sumitomo Electric Group will also promote voluntary disclosure of information that does not correspond to "material corporate information" so that our customers, shareholders, investors, and other stakeholders may deepen their understanding of the Sumitomo Electric Group.

3. Fair information disclosure

The Sumitomo Electric Group will work to disclose our corporate information in a fair manner through press releases to the media, our Company's website, publications, and other means while observing the relevant laws and ordinances as well as the Timely Disclosure Rules.

4. Development of our in-house systems for disclosure

The Sumitomo Electric Group will work to develop and improve our in-house systems to disclose information in line with our Disclosure Policy.

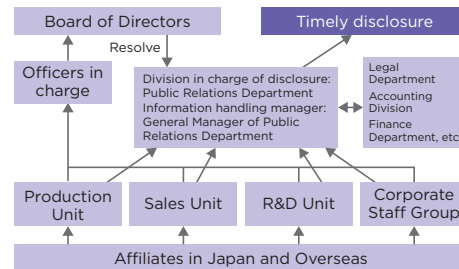
We recognize that the Group's business activities are supported by our relationships with stakeholders and that it is essential to communicate with them through various opportunities. We strive to disseminate accurate information in a timely and fair manner.

Company Information Disclosure Framework

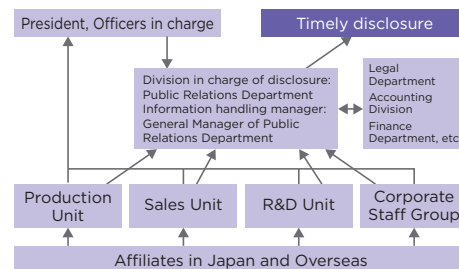
In accordance with the provisions of our Disclosure Policy, we strive to disclose important information in a timely and appropriate manner in accordance with laws and regulations, as well as endeavor to disclose information voluntarily and fairly, and to establish an internal framework to that end. We also work to strengthen the Group's disclosure framework by establishing the Public Relations Committee, which is chaired by the officer in charge of public relations.

Outline of the Timely Disclosure System

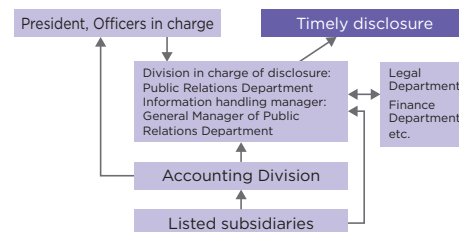
Decisions



Facts that Occurred



Financial Results Information



Initiatives for Information Dissemination

In fiscal 2024, we actively disseminated various company information through news releases, interviews, and our website to help all our stakeholders further deepen their understanding.

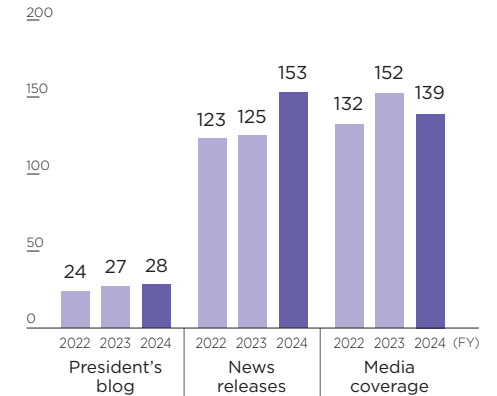
The Company has been using the tagline "Connect with Innovation" and its visual identity (VI) in various publications and advertisements to promote a unified corporate image. In fiscal 2024, PR activities for our businesses and products included news releases about exhibitions and new products and media coverage in Japan and overseas. We also focused on increasing opportunities and media outlets for disseminating our management strategies and business activities through TV, magazines, newspapers, and other media in order to enhance our brand image.

In particular, we are promoting the concept of "Goho Yoshi" (Five-Way Win) (multi-stakeholder capitalism) both within and outside the Company through outdoor advertising, newspaper advertisements, and publications such as internal newsletters.

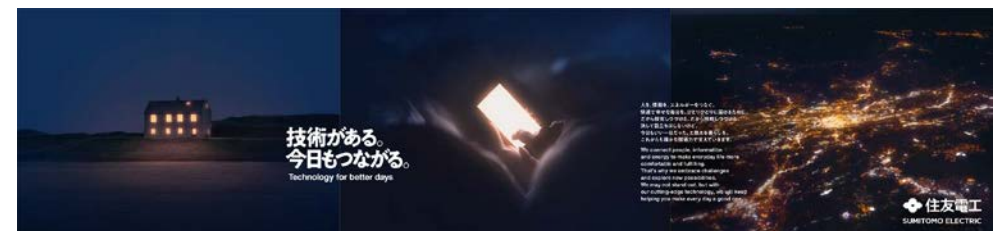
Furthermore, we are enhancing the sense of unity within the Group while working to promote sports and contributing to regional communities further through active dissemination of information about the activities of our track and field club and sponsorship of sport events, as well as information dissemination and PR activities aimed at building momentum for the Expo 2025 Osaka, Kansai, Japan.

Results of SEI's Information Dissemination

(Number)



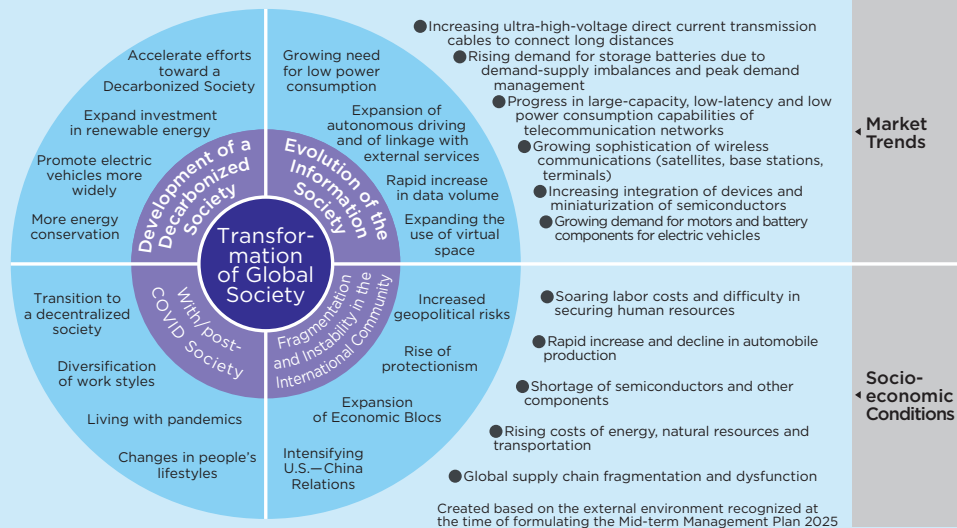
"Goho Yoshi" advertisement in the Nikkei newspaper (June 25, 2024)



Advertisement in Yumeshima Station on the Osaka Metro's Chuo Line (the nearest railroad station to the Expo site)

Long-term Vision "Sumitomo Electric Group 2030 VISION" and "Mid-term Management Plan 2025"

Business Environment | SEG recognizes that its challenge is to seize various business opportunities arising from the Development of a Decarbonized Society and the Evolution of the Information Society, and to respond quickly and flexibly to changes in global society.



Long-term vision "Sumitomo Electric Group 2030 VISION"

Management Policies

The management policies laid out in the "2030 VISION" are "Pursuit of Top Technology," "Enhance Global Presence," and "Promote Diversity & Inclusion."

Pursuit of Top Technology

Founded as a copper wire and cable business, the Group has evolved an entire Genealogy of Technology, like a family tree, that combines materials technology and precision manufacturing. The Group will continue to pursue **Top Technology** that connects and supports society, and use **the Group's integrated power and innovation** to contribute on a global scale.

Enhance Global Presence

The Group has been meeting the needs of the global market by creating new value through Top Technologies. **The Group's global business initiatives** will continue to contribute to the development of infrastructure and industries around the world.

Promote Diversity & Inclusion

The Group's global business activities are supported by approximately 290,000 employees across over 400 companies in various countries and regions (as of the end of March 2025). The Group will **continue to maximize the individual characteristics and capabilities of our diverse human capital** to create top technology and **strengthen our organizational vitality and competitiveness**.

Mid-term Management Plan 2025 (FY2023-2025)

[Web](#) See details



Basic Policy

In order to achieve the 2030 VISION, under the slogan of "Creating a Green Society through our Connecting and Supporting Technologies", the Mid-term Management Plan 2025 aims to capture global business opportunities associated with the "Development of a Decarbonized Society" and the "Evolution of the Information Society," and to promote **growth strategies** by leveraging the collective strengths of the Group. The basic policy of the Group is to **strengthen our management foundation** and continue to return the results of the growth to stakeholders.

Creating a Green Society through our Connecting and Supporting Technologies



Key indicators and Targets

Toward 2025, SEG aims to achieve net sales of 4.4 trillion yen, operating profit of 250 billion yen, and before tax ROIC of 8% or higher. Specifically, the Group will work to achieve the key indicators and targets shown below.

Net sales
4.4 trillion yen

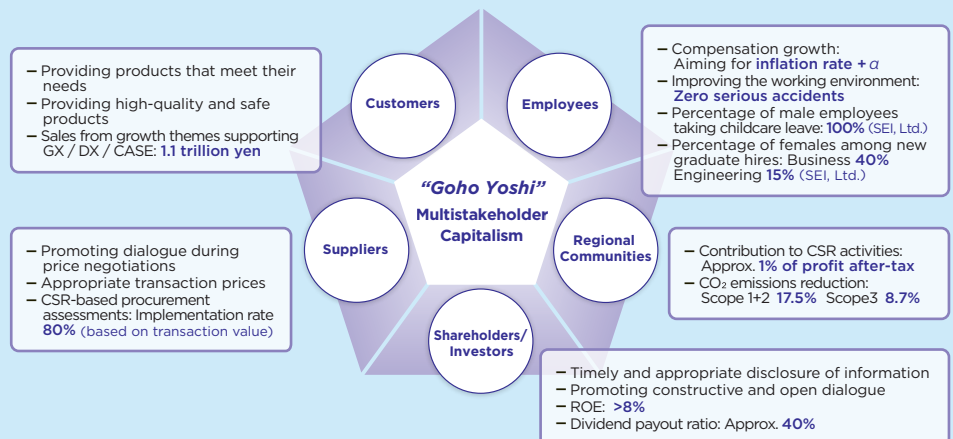
Operating profit
250 billion yen

Before tax ROIC
>8%

R&D
360 billion yen/3 years

Capital Investments
720 billion yen/3 years

Indicators and targets by stakeholder



Materiality-related Indicators, Targets, and Progress

Details of materiality (key initiatives) —Our Group's mission towards 2030—			Indicators and targets ^(Note 1)	Progress (FY 2024 results)	Relevant SDGs
Business Domains: SEG will contribute to the future of a Green Society by seizing business opportunities across the Group in 3 key areas as part of progress toward a Decarbonized and Information-oriented Society.					
Energy Supporting GX	Challenges toward 2030 SEG will further improve our power cable technology and take on challenges to reinforce power lines on a global basis and to provide solutions addressing the various needs of power users.	Growth Themes - Interconnectors / battery storages for power grids - Renewable energy networks - Environmentally friendly power transmission and distribution / energy-saving equipment	- Net sales: 4.4 trillion yen - Portion of sales from growth themes supporting GX/DX/CASE: 1.1 trillion yen - Operating profit: 250 billion yen - Capital investment: 720 billion yen / 3 years	- Net sales: 4.6798 trillion yen - Portion of sales from growth themes supporting GX/DX/CASE: 970 billion yen - Operating profit: 320.7 billion yen - Capital investment: 437.1 billion yen ^(Note 2)	
Info-Communications Supporting DX	Challenges toward 2030 SEG will rise to the challenge to developing innovative materials and devices to support the progress of large-capacity optical communications, lower power consumption and the evolution from 5G to 6G.	Growth Themes - High-speed large-capacity and low-latency communication networks - Data centers and related equipment - Next-generation telecommunication devices and equipment			
Mobility Supporting CASE	Challenges toward 2030 In addition to the evolution of existing products, like wiring harnesses, SEG will endeavor to advance electrification and high-speed communications of automobiles, including architectural innovations, leveraging the integrated technologies of the Group, such as energy and info-communications.	Growth Themes - Materials for electrified automobiles / weight reduced materials - Driver-assistance and autonomous driving systems - Mobility solutions from energy infrastructure and integrated transport infrastructure			
Management Foundation					
3 Key Driving Forces					
R&D	Invigorate and accelerate R&D to generate returns - Backcasting from social issues - More sophisticated and efficient processes - Open innovation and cooperation with outside entities	R&D: 360 billion yen / 3 years	R&D: 298.3 billion yen ^(Note 2)		
Supply Chain	Reinforce BCP through building a stable supply chain framework that is resilient to changes - Fair and impartial trade, protection of the environment and human rights, and BCP-conscious procurement - Promotion of sales with a focus on presenting solutions - Production at the most appropriate site and cooperation on a global scale - Optimizing division of labor among operation sites and transportation means	- Consideration for human rights and the environment in supply chain - CSR-based procurement assessment implementation rate (based on transaction value): 80% - EDI rate for transactions between group companies: 100%	- Consideration for human rights and the environment in supply chain - CSR-based procurement assessment implementation rate: 74% - EDI rate for transactions between group companies: 91%		
Manufacturing	Create resilient factories that can adapt to change - Contributing to the global environment: Promoting a circular economy, preventing environmental pollution, saving, creating and purchasing energy, along with eco-friendly activities - Resilient manufacturing platform: Completely zero accidents involving employees, materials and equipment - Building a solid shop floor operation: Autonomous and continuous "maintenance and improvement" - Evolving the production system: Vertical launch and simultaneous improvement of lead time and cost	- Major incidents for employees, products and equipment: 0 - Reduction of CO₂ emissions (Reduction compared to FY2018; including listed subsidiaries) [Scope 1+2] 17.5% [Scope 3] 8.7% ([Scope 1+2] 30% [Scope 3] 15% (FY2030 target)) ([Scope 1+2] Carbon neutrality (FY2050 target))	- Major incidents for employees, products and equipment: 1 (fatal accident) - Reduction of CO₂ emissions (Reduction compared to FY2018; including listed subsidiaries) [Scope 1+2] 20.4% [Scope 3] 1.1% increase		

Note 1: Targets without a target year are for FY 2025. Note 2: Cumulative total for FY 2023 and 2024.

Details of materiality (key initiatives) —Our Group's mission towards 2030—		Indicators and targets ^(Note 1)	Progress (FY 2024 results)	Relevant SDGs
Management Foundation				
3 Key Sources of Capital				
Human Capital	Evolve to become a Group where everyone can excel, grow, and contribute to society - Diversity & Inclusion, Respect for human rights - Nurturing a corporate culture that values growth and challenges - Group's integrated power on a global scale	Compensation growth - Aiming for inflation rate + α Human capital development - Completion of Executive Training Program: 100 employees / 3 years - Completion of MPSS: 2,300 employees / 3 years - Total hours of training programs: 20.0 hours / annually per headcount - Developing core DX talent: 300 employees / 3 years - Developing data analysis talent: 1,500 employees / 3 years Diversity & Inclusion ^(Note 3) - Percentage of male employees taking childcare leave: 100% - Percentage of females among new graduate hires: Business 40%, Engineering 15% Human Rights - Human rights due diligence: Examination of key risks, prevention and mitigation measures for approx. 280 Group companies - Human rights training: Training and awareness-raising for discrimination, harassment and other human rights issues	Compensation growth [Results of the Spring 2025 union wage negotiations] 6.07% Human capital development - Completion of Executive Training Program: 71 employees ^(Note 2) - Completion of MPSS: 1,924 employees ^(Note 2) - Total hours of training programs: 23.0 hours / annually per headcount - Developing core DX talent: 223 employees ^(Note 2) - Developing data analysis talent: 1,279 employees ^(Note 2) Diversity & Inclusion ^(Note 3) - Percentage of male employees taking childcare leave: 100% - Percentage of females among new graduate hires: Business 42.0%, Engineering 14.9% Human Rights - Human rights due diligence: Corrective measures for issues recognized in the survey have been completed - Human rights training: 36,284 participants	
Intellectual Capital	Generate long-term competitiveness by generating intellectual capital from our core technologies and manage and utilize the capital on a global basis - Intellectual Property (IP) strategy for business competitiveness - Global IP network - Contribution to the establishment of global regulation	- Maintaining approx. 25,000 rights, Japan and international - More than 2,000 new applications filed every year across the Group	- Number of rights held: 27,444 - Number of new applications: 1,853	
Financial Capital	Generate cash to maximize funds for growth and investment as well as distributions that optimize returns for our stakeholders - Generate cash through reinforcing operation, implementing growth strategy, and ROIC management - Effective capital investment and R&D investment - Sharing returns with stakeholders	- Before-tax ROIC: >8% - ROE: >8% - Dividend payout ratio: Approx. 40% - EBITDD*: 1.6 trillion yen / 3 years *EBITDD: Earnings Before Interest Taxes Depreciation and Development	- Before-tax ROIC: 9.3% - ROE: 8.6% - Dividend payout ratio: 39.0% - EBITDD: 1.2581 trillion yen ^(Note 2) (Breakdown) 574.9 billion yen [FY2023] 683.2 billion yen [FY2024]	
Contribution to Society	Proactively engage in voluntary activities for "Contributing to Society (CSR activities)" as a responsible member of society	Contributions to CSR activities: Approx. 1% of profit after-tax	Contributions to CSR activities: 0.96% of profit after-tax	

Note 1: Targets without a target year are for FY 2025. Note 2: Cumulative total for FY 2023 and 2024. Note 3: The indicators and targets related to diversity and inclusion are set by and apply to Sumitomo Electric Industries, Ltd. in Japan.

Promotion of Sustainability Management

Fundamental Policy

Sumitomo boasts a history spanning over 400 years, anchored by its spiritual foundation known as "The Sumitomo Spirit." This spirit is defined by the following guiding principles: "Do your sincere best in not only business, but also every aspect of your life" (*Banji-nissei*); "Place importance on integrity and sound management" (*Shinyo-kakujitsu*); and "Work proactively, pursue profit by quickly and appropriately responding to changes in society and do not be content with the status quo. However, do not act rashly or carelessly in pursuit of immoral business" (*Fusu-furi*). These principles—together with values such as "Attaching importance to technology," "Respect for human resources," "Long-range planning," and "Mutual prosperity, respect for the public good,"—have been handed down through generations as shared assets of the entire Sumitomo Group.

The Sumitomo Spirit, upheld by generations of Sumitomo Electric Group leadership, aligns closely with today's principles of Sustainability Management. The Group attributes its ongoing growth and continuous development since its founding in 1897 to steadfast adherence to this spirit.

Rooted in the Sumitomo Spirit and the Sumitomo Electric Group Corporate Principles, and guided by the enduring management policy of "contributing to society through fair business activities," the Sumitomo Electric Group is committed to enhancing corporate value over the medium to long term. The Group will steadily distribute and return the results as a going concern to its five main stakeholders—employees, customers, suppliers, communities, and shareholders/investors—in line with the Multistakeholder Capitalism concept of "Goho Yoshi" (Five-Way Win), thereby pursuing

further sustainable development.

In alignment with this fundamental policy, the Group will advance its sustainability initiatives under its medium- to long-term management plan, and will communicate its value creation story both internally and externally through the "Integrated Report" and supplementary materials and data, including the "CSR Book," to foster dialogue with stakeholders.

Structure to Promote Sustainability Management

The Group has established a Sustainability Management Promotion Committee, chaired by the President, to promote sustainability management based on the Basic Policy shown on the left. The Committee receives reports on plans and progress from the CSR Promotion Committee, the GX Promotion Committee, and the Human Resources and D&I Promotion Committee regarding issues related to sustainability, namely consideration for climate change and other global environmental issues, respect for human rights, consideration for employee health and working environments, fair and appropriate treatment for employees, fair and appropriate transactions with suppliers, and crisis management in the event of natural disasters and other emergencies. The Committee also broadly discusses cross-sectional issues and initiatives, such as matters related to the disclosure of non-financial information, including the issuance of integrated reports, and policies for and approaches to sustainability management.

Monitoring by the Board of Directors

The activities of the Sustainability Management Promotion Committee, which meets semi-annually, are reported to the

Board of Directors after each meeting, and items on the Committee's agenda that require submission to the Board of Directors are discussed and reported on separately [→P52], providing a structure for the Board of Directors to oversee sustainability management.

<CSR Promotion Committee>

The Committee is co-chaired by the Executive Officers responsible for administration and corporate planning, who oversee its activities. The themes addressed include respect for human rights in the Group's supply chain, reinforcement of information disclosure and customer surveys related to sustainability, activities contributing to society, and corporate governance.

<GX Promotion Committee>

The Committee is chaired by the President, who oversees its activities. The themes addressed include decarbonization and other

environmental protection activities, reinforcement of responses to various GX regulations, and the expansion of GX-related businesses. Please see the GX strategies in the Integrated Report for details.

<Human Resources and D&I Promotion Committee>

The Committee is chaired by the Executive Officer responsible for HR, who oversees its activities. The themes addressed include respect for human rights within the Group and the direction and basic policy of global human capital measures.

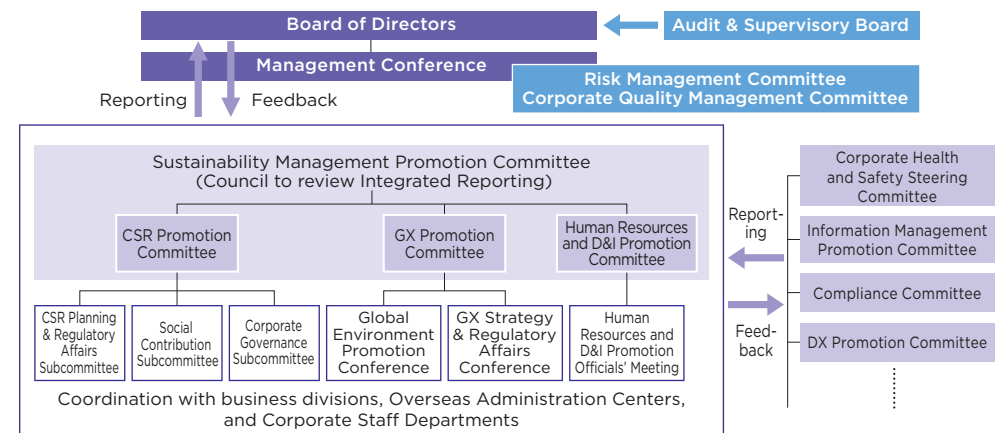
CSR Initiatives in Promotion of Sustainability Management

E: Environmental Protection

S: Human capital, Human Rights, Quality, Supply Chain, Contribution to Society, Information Disclosure

G: Governance, Risk Management, Compliance

Structure to promote Sustainability Management (As of March 31, 2025)



Environmental Management

Basic Views and Policy

The Group recognizes that addressing global environmental issues including climate change is one of its key management issues, and continues to engage in environmental protection activities from a global perspective, in accordance with the Environmental Policy established in 1997.

Environmental Policy (extract)

Established in July 1997 Revised in June 2024

Basic Philosophy

The Sumitomo Electric Group thinks it is primarily important to establish a society that is sustainable and has less environmental impact, and contributes to society by providing products and services.

Action Guidelines

1. Considering environmental preservation activity is one of the most important issues for corporate management, the Sumitomo Electric Group promotes the activity based on its action plan.
 - Reduce environmental impacts in manufacturing activities
Prevention of global warming, circular economy, prevention of environmental pollution and conservation of biodiversity
 - Increase environmentally-conscious products and services
Introduction of products that help prevent global warming, phase-out of harmful substances and implementation of product assessment
2. The Group will fulfill and enforce environmental management system.
 - Provision of educational programs on environmental preservation and implementation of environmental audits
3. The Sumitomo Electric Group will maintain and improve compliance action.
4. The Sumitomo Electric Group's Environmental Policy will be opened to the public upon request.

 The entire text of Environmental Policy

Structure

Structure to Promote Environmental Management

The Group has set forth the pursuit of "LIVING IN SAFETY AND COMFORT ON OUR GREEN PLANET" in its long-term vision, "2030 VISION," and the goal of "Creating a

Green Society through our Connecting and Supporting Technologies" in its "Mid-term Management Plan 2025," emphasizing its contribution to the realization of a "green society." The Group has been steadily engaged in environmental protection activities, including decarbonization, circular economy, and preventing environmental pollution. In order to further create and expand environmental value, respond quickly and appropriately to developments in the institutional environment in the global market, and strengthen the Group's planning capabilities, the GX Promotion Committee chaired by the President was established in October 2024, under the Sustainability Management Promotion Committee [->P11].

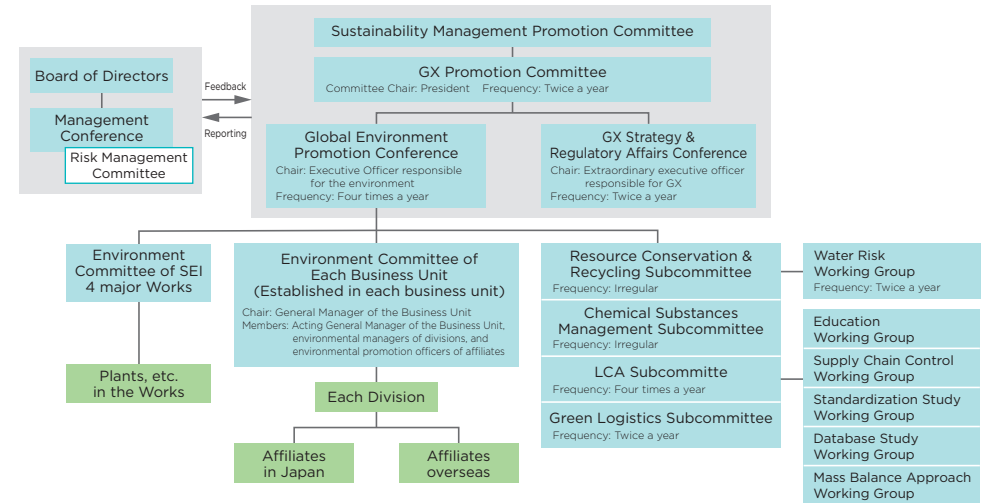
The GX Promotion Committee consists of the Global Environment Promotion Conference and the GX Strategy & Regulatory Affairs Conference. The Global Environment Promotion Conference oversees environmental protection activities on a global level, and discusses and deliberates specific targets and implementation strategies to address global environmental issues. The GX Strategy & Regulatory Affairs Conference oversees all GX-related planning activities throughout the Group.

Environmental Management System

The Group manages environmental protection activities systematically and is working on continuous improvement. To ensure steady implementation of environmental management, the Group is promoting the acquisition of external ISO 14001 certification of its environmental management system. As of March 2025, of 389 consolidated subsidiaries, 223 have obtained ISO 14001 certification, bringing the acquisition rate, including the Company, to 57%.

 List of ISO 14001-certified companies (excluding listed subsidiaries)

Structure to Promote Environmental Management



Major Environmental Risks and Measures

For top-priority issues such as environmental conservation, the Safety & Environment Division, under the leadership of the Risk Management Committee [->P56], which meets in conjunction with the Management Conference, plays a central role in formulating targets and action policies in cooperation with the relevant Corporate Staff Group, taking into consideration the deliberations of the Global Environment Promotion Conference. Based on the set targets and policies, each division sets its own targets and implements activities.

To address risks including climate change, the Compliance & Risk Management Office takes the lead in promoting the formulation of business continuity plans (BCPs). While placing top priority on ensuring safety, the Group strives to minimize damage in the event of a disaster and ensure business continuity.

Major Environmental Risks and Measures

Risk factors		Impact	Measures & Activities
Climate change	Physical risks	Temperature rise Sea level rise Increase in the size and frequency of typhoons	Reduction of GHG emissions (Diagnosis, investment, and activities) Use of renewable energy
	Regulatory risks	Regulations on atmospheric emissions and wastewater discharges	Implementation of detailed environmental audits
		Carbon pricing	Reduction of GHG emissions (Diagnosis, investment, and activities)
		Reduction of GHG emissions	Development and sales of eco-friendly products
Water	Physical risks	Environmental labeling	Cost reduction and promotion of renewable energy
		Renewable energy	
		Water supply shortage, seasonal and yearly fluctuations	Reduction of water withdrawal, formulation of emergency response measures, and development of infrastructure
	Regulatory risks	Flood and drought Deterioration of water quality Restriction on water withdrawal/wastewater discharge Rise in water prices	
Waste	Reputation risks	Opposition from regional communities Negative media coverage	Community contribution activities including cleaning and greening
	Physical risks	Difficulty in waste disposal due to cancellation of operators' licenses	Waste reduction and recycling and management of operators through on-site inspections
		Notification from the operator(s) about difficulty in disposal	
	Chemical substances	Certification of non-inclusion of restricted substances	Evaluation at the development stage and management at the purchase and manufacturing stages
Environmental incidents	Violation of laws/regulations	(Temporary) suspension of operations	Prevention through environmental audits
		(Temporary) suspension of operations	Implementation of detailed environmental audits

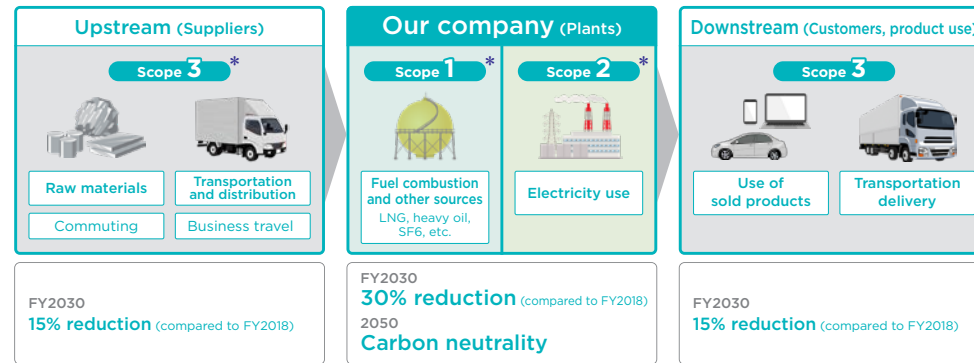
<Direct risks> Capital investment for regulatory compliance, increased energy costs, restrictions on energy usage, (temporary) suspension of operations due to storm and flood damage
<Indirect risks> Increased costs of raw materials, energy, water, waste disposal, etc., and (temporary) suspension of operations due to accidents or violations of laws and regulations

Targets

To achieve a “Greener Global Environment,” the Group’s long-term vision, “2030 Vision,” sets the following targets for decarbonization: a 30% reduction in Scope 1+2 emissions and a 15% reduction in Scope 3 emissions by 2030 compared to FY2018 levels, and achieving carbon neutrality in Scope 1+2 emissions by 2050. The “Mid-term Management Plan 2025,” which serves as a milestone on the way to the Vision, sets specific targets for various items, in addition to decarbonization, and activities are being implemented to achieve the set targets.

The targets set in the “2030 VISION” and the “Mid-term Management Plan 2025” are for the entire Sumitomo Electric Group, including listed subsidiaries.

Targets for 2050



Created with reference to information from the Japanese Ministry of the Environment's "Green Value Chain Platform"

Targets in the “Mid-term Management Plan 2025”

The Group is working on “Go for Green 2025,” which sets out specific targets for 2025 as shown below. However, the table below does not include listed subsidiaries' initiatives.

Item		Activities	FY2024 targets	FY2024 results	Evaluation	FY2025 targets	Page
Operation for a Greener Global Environment	Decarbonization	(1) Reduction of GHG emissions (Scope 1+2) ^(Note 1) (compared to FY2018)	15.0% reduction	18.1% reduction	◎	^(Note 2) 17.5% reduction	[→PP15-17]
		(2) Reduction of GHG emissions (Scope 3) ^(Note 1) (compared to FY2018)	7.5% reduction	15.7% increase	△	^(Note 2) 8.7% reduction	
		(3) Reduction of energy consumption per unit of sales ^(Note 1) (compared to FY2021-FY2022 average)	6.6% reduction	21.6% reduction	◎	10% reduction	
		(4) Introduction of renewable energy ^(Note 1) ^(Note 3)	Increase by 30 MW	Increase by 50.6 MW	◎	^(Note 2) Increase by 40 MW	
		(5) Reduction of logistics CO ₂ emissions per basic unit (in Japan) ^(Note 1) (compared to FY2018)	6% reduction	12.7% reduction	◎	7% reduction	
	Circular economy	(1) Waste recycling rate	93%	91.8%	△	94%	[→PP20-22]
		(2) Reduction of waste discharged per unit of sales (compared to FY2022)	2% reduction	10.4% reduction	◎	3% reduction	
		(3) Reduction of water use per unit of sales (compared to FY2022)	2% reduction	14.8% reduction	◎	3% reduction	
	Prevention of environmental pollution	(1) Environmental incidents ^(Note 4)	Zero	4 cases	▼	Zero	[→PP18-19]
		(2) Reduction of emissions of PRTR-designated chemical substances (in Japan) (compared to FY2022)	2% reduction	27.2% reduction	◎	3% reduction	
Contribution to the Global Environment Through Our Business	Contribution to a greener environmental society	(1) Green contribution sales ^(Note 5)	600 billion yen	618.5 billion yen	○	700 billion yen	[→P23]
	Eco products	(2) Eco products sales	975 billion yen	1,938.4 billion yen	◎	1 trillion yen	
Promotion of Eco-Activities 2030	Eco-Activities 2030	(1) Promotion of biodiversity preservation and environmental conservation activities	235 cases	299 cases	◎	250 cases ^(Note 2)	[→P23]

(Note 1) The data boundary is manufacturing sites. (Note 2) Interim target for FY2030. (Note 3) Solar power generation panels. (Note 4) The data boundary is environmental facilities, such as wastewater treatment facilities, exhaust gas cleaning facilities, chemical tanks, and waste storage sites, and production equipment. (Note 5) The data boundary is Sumitomo Electric and its consolidated subsidiaries.

[Evaluation legends for each target] ◎: Performance far exceeding the target (FY2025 target already achieved) ○: Target achieved △: Target not achieved (performance improved from the previous fiscal year) ▼: Target not achieved (performance declined from the previous fiscal year)

Glossary

*Scope 1: Direct emissions by the company *Scope 2: Indirect emissions from the use of electricity, heat, steam, etc. supplied by other companies *Scope 3: Indirect emissions other than Scope 2 (emissions by other companies related to the company's business activities) *Creating Energy: Creating electricity from solar power *Purchasing Energy: Sourcing electricity from renewable energy

Initiatives and Results

Go for Green 2025

Taking global environmental activities, for which social demand is growing, in a broader sense, the Group is working on “Go for Green 2025” to contribute to realizing a green and environmentally friendly society through active implementation and expansion of its unique activities. “Go for Green 2025” consists of three key pillars: 1) Operation for a Greener Global Environment, 2) Contribution to the Global Environment Through Our Business, and 3) Promotion of Eco-Activities 2030.

The first pillar, “Operation for a Greener Global Environment” is primarily related to production activities, and involves decarbonization of the Group and supply chain, strengthening of LCA (Life Cycle Assessment) initiatives, promotion of circular economy, and prevention of environmental pollution.

The second pillar, “Contribution to the Global Environment Through Our Business” involves efforts to further promote the Group’s “Green Contribution” by setting a goal of expanding sales of products and services that promote a green society, in addition to “Eco products,” which are designed to reduce environmental impact through their own performance.

The third pillar, “Promotion of Eco-Activities 2030” is an initiative aimed at contributing to the preservation of biodiversity and environmental protection through daily eco-friendly activities at each business site such as tree planting, local nature conservation, and waste sorting to transform waste into valuable materials.

For more details of each activity, please see [→PP15-23].

Green
Go for 2025

Go for Green and its logo are trademarks or registered trademarks of Sumitomo Electric.

Holding Corporate Environmental Conference

The Group holds a Corporate Environmental Conference twice a year to share the targets and progress of "Go for Green 2025" and the results of each business unit's activities. Participants in the conference include the President, officers in charge of the environment, and General Managers of the business units, and the participants engage in a lively exchange of opinions.

Furthermore, in an effort to invigorate "Go for Green 2025" activities, the Group also has established an internal commendation system to recognize outstanding environmental conservation activities. In FY2024, commendations were presented to six divisions and Group companies, including Sumitomo (SEI) Electronic Wire, Inc. (SEIW), which promoted energy saving in the production process through improvements at the production site.



A representative of SEIW's team commended at the Corporate Environmental Conference, with Sumitomo Electric President

Environmental Education

To realize environmental management, the Group works to raise individual employees' environmental awareness and knowledge. As part of such efforts, the Group provides all employees with education on the Group's environmental policy, Group-wide environmental conservation activities, and measures to address global environmental issues. New employees receive environmental education when they join the company. The

attendance rate in FY2024 was 97%. (For those who could not attend the course, other opportunities are provided to allow them to receive environmental education, for example, when they are assigned to their respective departments.) In addition, position-based training is conducted to provide recurrent learning opportunities. The position-based training aims to equip employees with knowledge about the Group's initiatives and environmental laws and regulations, as well as to deepen their understanding of the important points in management of environment-related facilities from the perspective of preventing the leakage of hazardous substances.

	Training program	No. of participants	Cumulative total (Note)
	Position-based environmental training	1,801	6,059
Content	- Sumitomo Electric Group's Environmental Policy - Group-wide environmental conservation activities (Go for Green 2025) - Initiatives to address global environmental issues - Knowledge of environmental laws and regulations - Key points for managing environmental facilities		

(Note) Cumulative total for five years from FY2020

Specialized training on chemical substance management and other topics are also provided on a regular basis.

Results of Environment-related Training in FY2024

	Training program	No. of participants	Cumulative total (Note)
	Training on the notification of facilities subject to environmental laws	122	903
	Training on environmental laws/regulations	1,454	5,097
	Training on prevention of legal problems	2,036	2,036
	Training on energy-saving design	11	76
	LCA (Life Cycle Assessment) seminar	237	2,443
	Total	5,661	16,614

(Note) Cumulative total for five years from FY2020

Environmental Audits

In addition to audits based on ISO 14001, the Group conducts environmental audits by the Environment Department to ensure thorough compliance with relevant laws and regulations and to reduce environmental impact. The environmental audits check (1) compliance with environmental laws and regulations and (2) maintenance and management of environment-related facilities and production equipment. The Group has set a policy of conducting, from FY2022 onwards, either an "environmental audit," which checks both (1) and (2), or an "environmental law compliance inspection," which checks only (1), every three years, depending on the magnitude of the potential environmental risks at each business site, such as whether or not hazardous substances are used.

(1) Checking of compliance with environmental laws and regulations

Information on laws and regulations in the countries and regions where overseas sites are located is collected by using external services as needed, and compliance checks are carried out based on the collected information. The check items are not limited to compliance with laws and regulations but include the efforts to prevent omissions in reporting to government authorities, and the management status of wastewater quality based on voluntary standards that are stricter than regulatory values.

(2) Inspection of environment-related facilities and production equipment

From the perspective of preventing the leakage and spillage of hazardous substances, inspections are conducted to check the management status of environment-related facilities and equipment, including water quality facilities (chemical tanks, wastewater treatment facilities, etc.), ancillary facilities (pipes, etc.), and waste storage sites.

Based on this policy, in FY2024, environmental audits were conducted at 18 sites both in Japan and overseas, and environmental law compliance inspections were conducted at 14 sites.

Participation in External Frameworks

The Group announced its support for the GX League Basic Concept* in December 2022, and joined the GX League in FY2024. The Group aims to realize a sustainable society by working on GX for society as a whole, not only through its corporate activities but also through the provision of green contribution products.



The Group is also investing in the GX Acceleration Agency, which was established as a core institution to promote GX investment by the public and private sectors, and is supporting global efforts to realize GX.

Strengthening External Communication

In May 2025, the Group launched a special website introducing the Group's GX initiatives, including environmental protection activities.

The GX Special Website introduces the Group's products, technologies, and services that contribute to GX, as well as the Group's initiatives related to GX, such as those related to decarbonization, circular economy, and nature positivity.



GX Special Website



Sumitomo Electric Group's GX special website

Glossary

*GX League: A forum for companies that are taking on the challenge of GX and aiming to achieve sustainable growth in the present and future society, with an eye to achieving carbon neutrality and social transformation by 2050. It facilitates collaboration among a group of companies working on similar initiatives, the government and academia. An initiative established by the Japanese Ministry of Economy, Trade and Industry.

Climate Change Adaptation and Mitigation

Information Disclosure Based on TCFD/TNFD

In line with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures),* the Group discloses information on "Governance," "Strategy," "Risk Management," and "Metrics and Targets" related to climate change. The scenario analysis in the Group's Strategy considers two scenarios: one in which the global average temperature increase is limited to 1.5°C above pre-industrial levels and one in which the average temperature increases by 4°C. The risks and opportunities of climate change are analyzed in terms of their financial impact on the business and future initiatives.

 Disclosures (including scenario analysis) based on TCFD recommendations

In June 2021, the Taskforce on Nature-related Financial Disclosures (TNFD), an international organization that develops a framework for assessing and disclosing risks and opportunities related to natural capital and biodiversity, was established. In September 2023, the TNFD Final Recommendations, which outline the framework, were published.

The Group, which upholds the principle of "Goho Yoshi" (Five-Way Win), recognizes that assessing nature-related dependencies and impacts (risks and opportunities) and responding appropriately to issues are essential elements for enhancing corporate value and achieving mutual prosperity with multistakeholders. Based on this recognition, the Group is working to conduct assessments in line with the LEAP approach,* which is recommended by the TNFD.

 Disclosure based on TNFD (Integrated Report 2025 P34)

Decarbonization (GHG Emissions Reduction)

The Group aims to achieve carbon neutrality for GHG emissions (Scope 1+2) from its manufacturing operations by 2050. As a milestone toward this goal, the Group set a 2030 target to reduce GHG emissions by 30% compared to FY2018 and is working to reduce emissions by 2.5% per year.

For upstream and downstream GHG emissions in the supply chain (Scope 3), the Group aims to achieve a 15% reduction by 2030 compared to FY2018.

These 2030 targets have been certified by the international initiative "Science Based Targets initiative (SBTi)."

<Transforming all plants into Net Zero Factories by 2050>

To achieve carbon neutrality by 2050, the Group established the Net Zero Factory Promotion Group within the Environment Department in 2023 to systematically promote the creation of a Net Zero Factory* model and its widespread adoption. The Group plans to transform all of its approximately 270 plants into net-zero factories by 2050, by promoting thorough energy conservation in production processes and expanding the introduction of renewable energy such as solar power.

Initiatives

Reduction of Scope 1+2 Emissions

The Group is striving to achieve its GHG emissions reduction targets by, in addition to promoting self-help efforts such as thorough energy saving, energy productivity improvement, and expansion of introduction of renewable energy including solar power, working to minimize risks while closely monitoring society's GHG-related trends, such as changes in GHG emission factors of power companies and the supply-demand balance of green electricity.*

Energy saving and energy productivity improvement are extremely important themes for companies, in terms of global warming prevention as well as cost competitiveness improvement. For this reason, the Group has set reduction targets not only for absolute amount of GHG emissions but also for reduction of energy consumption per basic unit, and is vigorously promoting energy saving as the foundation for GHG emissions reduction activities and production activities. Our energy saving activities focus on reducing fixed energy consumption that occurs regardless of production levels, and examining and introducing new energy-saving technologies.

Specifically, the Environment Department and business divisions hold quarterly dialogues on energy productivity improvement, where in addition to checking the progress in the reduction of energy consumption per basic unit, they discuss issues and share useful information on examples of new energy-saving technologies introduced, etc., thereby promoting resolution of issues. The information shared in the dialogues is disseminated across the Group via the Global Environment Promotion Conference, Decarbonization Portal Site, and other channels. In addition, to further promote productivity improvement, the

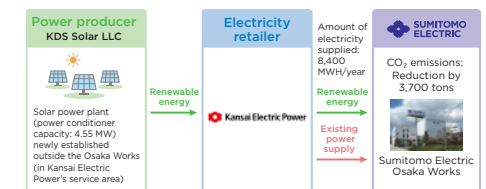
Group is promoting investments in GHG emissions reduction projects by setting budget allocations for investments in CO₂-reduction equipment and new technologies, while also implementing the "Energy Saving 200 Kaizen" activities to promote operational improvements.

One of the activities undertaken under "Energy Saving 200 Kaizen" is the reduction of standby power consumption by visualizing per-equipment energy consumption using IoT devices.

Furthermore, the Environment Department is working on the collection of information on, and evaluation of, new technologies that can lead to energy reductions to support the introduction of new technologies that meet each business division's needs, with the aim of achieving significant reduction of energy consumption.

Regarding the introduction of renewable energy, the Group is systematically promoting energy creation through various means, including on-site (within company premises) and off-site (outside company premises) PPA,* based on the "Medium- to Long-Term Renewable Energy Procurement Guidelines" formulated by the Environment Department and the Procurement Division in FY2023.

In February 2025, the Company signed its first off-site PPA contract. Starting in May 2025, Sumitomo Electric Osaka Works is supplied with renewable energy equivalent to approximately 13% of its annual electricity consumption from a solar power plant newly constructed by the Kansai Electric Power Company, Incorporated.



***Net Zero Factory:** A plant whose annual net GHG emissions are below zero and which is promoting energy conservation and energy creation at a level that serves as a standard for other plants, toward the goal of achieving carbon neutrality by 2050

***Green electricity:** Electricity generated using energy sources that do not emit greenhouse gases, such as solar, wind, hydro, and geothermal power

***PPA:** Power Purchase Agreement. A system in which electricity generated by power generation facilities installed and maintained by a power producer at its own expense is supplied to the user for a fee. In the case of on-site PPA, electricity is supplied from power generation facilities installed within the user's premises, while in off-site PPA, electricity is supplied from power generation facilities installed outside the user's premises.

Glossary

***TCFD:** Task Force on Climate-related Financial Disclosures, established by the Financial Stability Board (FSB) at the request of the G20 (Summit on Financial Markets and the World Economy). It treats climate change as both a risk and opportunity and recommends disclosure of the impact that GHG-induced temperature rise has on corporate finances.

***LEAP approach:** Developed by the TNFD as an integrated approach for the assessment of nature-related issues, including interfaces with nature, dependencies on nature, impacts, risks, and opportunities. The process involves scoping, followed by the steps of Locate, Evaluate, Assess and Prepare.

■ Reduction of Scope 3 Emissions

The Group has more than 10,000 suppliers of raw materials and parts. To reduce Category 1 emissions, which account for approximately half of Scope 3 emissions, the Group has identified the top 100 emitters, focusing on manufacturers of materials such as copper, steel, aluminum, and synthetic resin, which account for a large proportion of CO₂ emissions, as priority targets for its supplier engagement activities. Specific activities include explaining the Group's policy to these suppliers and asking them to report their CO₂ emissions and cooperate in emissions reduction.

Regarding CO₂ emissions in Category 4 transportation, while responding flexibly to fluctuations in customer demand, the Group will continue to make steady efforts in expanding the use of rail containers and coastal shipping, improving truck loading rates, and reducing the number of trips. Furthermore, through the Green Logistics Subcommittee, which meets twice a year (Structure to Promote Environmental Management [→P12]), the Group holds education sessions for Group companies to share information on the Group's CO₂ reduction performance in transportation and promote CO₂ reduction activities across the Group.

■ LCA (Life Cycle Assessment)

The importance of product LCA is increasing due to a need for the improvement of competitiveness through reduction of product environmental impact and increasing requests from customers for disclosure of the carbon footprint of products (CFP). To respond to such a situation, the LCA Subcommittee was established directly under the Global Environment Promotion Conference in FY2023, and approximately 60

members are assigned to business units and departments to promote LCA. In FY2024, four Subcommittee meetings were held to share the latest information on LCA, including standardization in each industry, trends in the upstream and downstream supply chains, and examples of in-house LCA calculations. Through these activities, the Subcommittee contributes to promoting LCA and raising the level of LCA practice of the entire Group including improved calculation efficiency.

From FY2024, the Group is working to apply LCA in the development of products that achieve both reduced environmental impact and resource conservation, with examples including using LCA methods to evaluate the CFP reduction effects of using recycled copper in products that use copper.

Results

GHG emissions in FY2024 (emissions by scope) (Note 1)

(thousand t-CO₂e/year)

Scope 1	191	✓
Scope 2	1,148	✓
Scope 1+2	1,339	✓
Scope 3 (Note 2)	22,020	
Category	Description	
1	Purchased goods and services	10,127
2	Capital goods	489
3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	212
4	Upstream transportation and distribution (Note 3)	38
5	Waste generated in operations	32
6	Business travel	34
7	Employee commuting	71
8	Upstream leased assets	-
9	Downstream transportation and distribution	-
10	Processing of sold products	-
11	Use of sold products	11,014
12	End-of-life treatment of sold products	3
13	Downstream leased assets	-
14	Franchises	-
15	Investments	-

(Note 1) Sumitomo Electric and its consolidated subsidiaries with manufacturing sites (excluding listed subsidiaries)

(Note 2) The mark "-" indicates that calculation methods are under consideration or that the categories with the mark are not applicable.

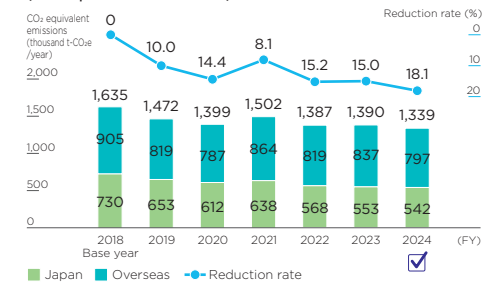
(Note 3) Sumitomo Electric and its consolidated subsidiaries in Japan with manufacturing sites (excluding listed subsidiaries). However, the Nissin Electric Co., Ltd. and their group companies include overseas companies.

Of the above Category 4 of Scope 3, the figure for Sumitomo Electric and its consolidated subsidiaries in Japan with manufacturing sites (excluding listed subsidiaries and the consolidated subsidiaries of Nissin Electric Co., Ltd.) is 36 thousand t-CO₂ ✓.

■ Scope 1+2 Emissions Reduction Results

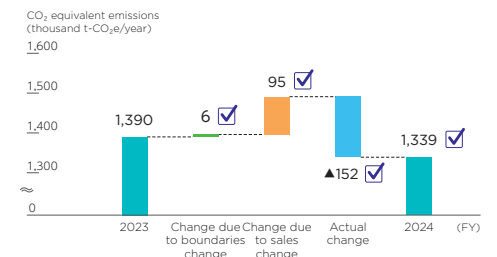
Against the FY2024 target of a 15% reduction compared to FY2018, the Group achieved an 18.1% reduction (20.4% decrease when listed subsidiaries included) in Scope 1+2 emissions. This is due, in addition to the reduction of GHG emission factors of the power companies, to our own efforts, such as promoting "Energy Saving 200 Kaizen" activities aimed at improving equipment efficiency and operational performance, introducing solar power generation facilities, and reducing non-energy-related GHG emissions such as sulfur hexafluoride (SF₆).

GHG emissions (Scope 1+2) and reduction rate (in Japan + overseas)



	2018	2019	2020	2021	2022	2023	2024
Energy-derived	1,526	1,374	1,289	1,397	1,312	1,326	1,288
Non-energy-related	109	98	110	105	75	64	51

Factor analysis of fluctuations in GHG emissions (Scope 1+2) (in Japan + overseas)



(Note) Change due to boundary change: Emissions in FY2023 from the boundaries of collection newly added or excluded in FY2024
 Change due to sales change: [Emissions in FY2023 from the boundaries of collection for FY2024] × (FY2024 sales / FY2023 sales -1)
 Actual change: Calculated by subtraction

GHG emissions by region (Scope 1+2)

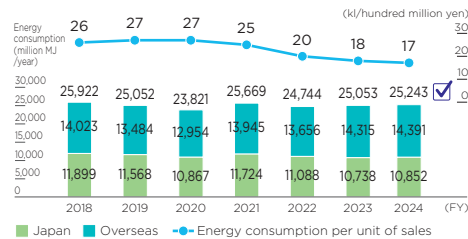
(thousand t-CO₂e/year)

	2018	2019	2020	2021	2022	2023	2024
Asia	714	636	630	706	666	668	637
Americas	136	126	112	109	103	118	105
Europe and others	55	57	45	49	50	51	55
Japan	730	653	612	638	568	553	542
Total	1,635	1,472	1,399	1,502	1,387	1,390	1,339

Energy Productivity Improvement Results

Although energy consumption in FY2024 was roughly the same as in the previous fiscal year due to active energy-saving activities at each division, the energy consumption reduction rate per unit of sales stood at 21.6% (*) compared to FY2018, exceeding the target of 6.6%, due to the significant increase in sales. By business unit, the Automotive Business Unit made a significant contribution.

Energy consumption and reduction rate per unit of sales (in Japan + overseas)



*Energy consumption per unit of sales in FY2024 was 17.4 kl/hundred million yen, compared to the baseline of 22.2 kl/hundred million yen (FY2021-2022 average), resulting in a reduction rate per unit of sales of 21.6%.

Results of Introduction of Renewable Energy

In FY2024, solar power generation facilities with a total capacity of 14.7 MW were installed in two locations in Japan and 14 overseas locations in Asia, Europe, etc., bringing the total installed capacity to 50.6 MW, exceeding the target of 30 MW.



Solar power plant at Sumitomo Electric Printed Circuits, Inc. (Shiga)

Scope 3 Emissions Reduction Results

In FY2024, Scope 3 emissions increased by 15.7% (1.1% increase when listed subsidiaries included), against the set emission reduction target of 7.5% compared to FY2018, meaning the target was not achieved. This is mainly due to increased product production.

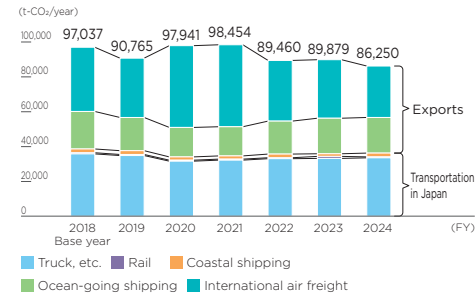
<Strengthening of supplier engagement>

Of the top 100 emitters, 76 suppliers submitted an annual report on emissions data of products delivered to the Group. In addition to the top 10 suppliers with the highest emissions in the previous fiscal year, an agreement was obtained from the suppliers ranked 11th to 20th to develop and implement emissions reduction plans starting FY2024. Under the belief that supplier engagement is essential to reduce GHG emissions throughout the supply chain, the Group will continue working on supplier engagement on a top-priority basis.

<Changes in CO₂ emissions from transportation>

In FY2024, total CO₂ emissions from transportation in Japan and exports decreased by 4% from the previous fiscal year. CO₂ emissions from transportation (by truck etc., rail, and coastal shipping) in Japan increased by 1%, while CO₂ emissions from exports (ocean-going shipping and international air freight) decreased by 7.4%. The latter is due to the end of disruptions to ocean-going shipping (e.g. the lifting of transit restrictions), as well as the Group's efforts to reduce the use of international air freight.

Sumitomo Electric Group's CO₂ emissions from transportation by year



(Note 1) Sumitomo Electric and its consolidated subsidiaries in Japan with manufacturing sites (excluding the listed subsidiaries and the consolidated subsidiaries of Nissin Electric Co., Ltd.)

(Note 2) CO₂ emissions from Nissin Electric's transportation have been added to the calculation since FY2018.

<Reduction of CO₂ emissions per basic unit from transportation in Japan>

Compared to the base year of FY2018, CO₂ emissions per basic unit from transportation in Japan in FY2024 decreased by 3.3% in the Sumitomo Electric Group (see (Note 1) of the graph on the right) and by 22.5% in the Sumitomo Wiring Systems Group. The reduction rate of logistics CO₂ emissions per basic unit in Japan, which totals the reduction rates for the two Groups above, was 12.7%, significantly exceeding the target of 6%. (For the totaling method, please see "Calculation Criteria" [→P71].)

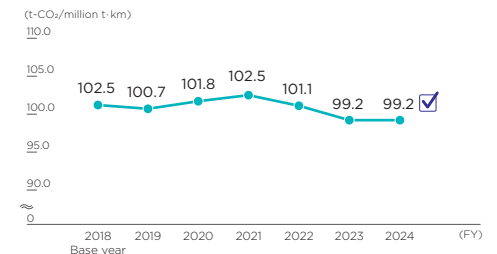
The reduction rate for the Sumitomo Electric Group (see (Note 1) for the graph on the right) for FY2024 remained at the same level as the previous fiscal year mainly due to a significant decrease in the percentage of shipping use in some businesses caused by demand fluctuations, despite an increase in shipping use in some businesses other than the power cable and electric conductor business.

Going forward, the Sumitomo Electric Group and the Sumitomo Wiring Systems

Group (see legend of the graph below) will continue steady efforts from a medium-to long-term perspective to reduce CO₂ emissions from transportation.

Changes in CO₂ emissions per basic unit from transportation in Japan

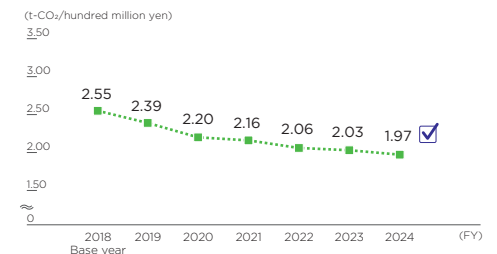
Sumitomo Electric Group (Note 1)



(Note 1) Sumitomo Electric and its consolidated subsidiaries in Japan with manufacturing sites (excluding Sumitomo Wiring Systems, Ltd. and their group companies, the listed subsidiaries, and the consolidated subsidiaries of Nissin Electric Co., Ltd.)

(Note 2) CO₂ emissions from Nissin Electric's transportation in Japan have been added to the calculation since FY2018.

Sumitomo Wiring Systems Group



Eco Rail Mark* The Group has received "Eco Rail Mark Company" certification from the Railway Freight Association.

Glossary

*Eco Rail Mark: A system established by the Japanese Ministry of Land, Infrastructure, Transport and Tourism that allows products and companies that use environmentally friendly railway transport with low CO₂ emissions to a certain extent or more to display "Eco Rail Mark" on packaging and advertisements, providing a criterion for consumers' purchase decisions.

Preventing Environmental Pollution

Initiatives and Results

Chemical Substance Management

The Group is committed to properly managing chemical substances contained in its products, communicating information on chemical substances throughout the supply chain, properly managing chemical substances used in manufacturing at its factories, and reducing the amount of harmful chemical substances released into the environment, with the aim of complying with laws and regulations, earning the trust of its customers and consumers, protecting the health and safety of its employees, and contributing to environmental protection.

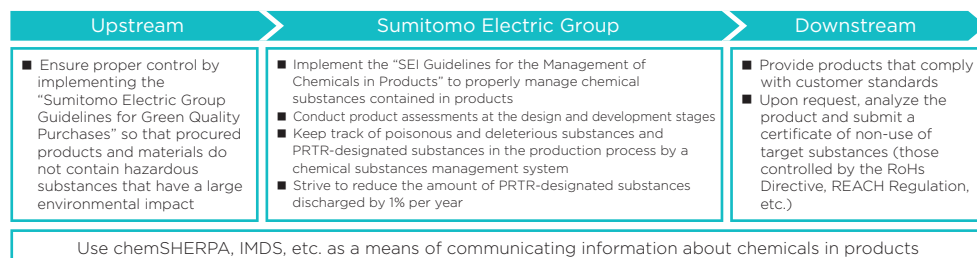
<Management of chemical substances in products>

At the Group, the Committee on the Management of Chemicals in Products has been established to provide respective Divisions with information on laws and regulations as well as support to ensure compliance.

The Group is committed to properly managing chemicals in products by formulating and implementing the "SEI Guidelines for the Management of Chemicals in Products," which is established based on JIS Z7201, Management of Chemicals in Products Principles and Guidelines. Also, we ensure that our products do not contain hazardous substances that have a large environmental impact, through measures such as establishing the "Sumitomo Electric Group Standards for Chemical Substance Management" and applying the "Sumitomo Electric Guidelines for Green Quality Purchases," which is formulated for suppliers based on the above Standards, and conducting product assessments at the design and development stages.

Regarding sharing information on chemical substances throughout the supply chain, we proactively use the standards schemes across industries, chemSHERPA* and IMDS*, to alleviate the burden of information sharing among companies.

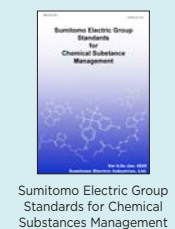
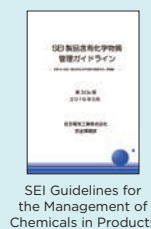
Initiatives for the management of chemical substances in the supply chain



Various Guidelines

As the types of products and customer requirements greatly differ among Divisions and affiliates, respective Divisions and departments implement applicable guidelines and chemical substance control standards based on their own circumstances.

 **Sumitomo Electric Group Guidelines for Green Quality Purchases**



In addition, we audit our Divisions and affiliates regarding the management of chemicals in products to improve and refine our management system.

Standards, etc. that the SEI Guidelines for the Management of Chemicals in Products conform or refer to

Management of chemicals in products

- JIS Z 7201: 2017 Management of Chemicals in Products—Principles and Guidelines
- JAMP Guidelines for the Management of Chemicals in Products (Edition 4.0)

Related to management systems

- JIS Q 9000:2015 Quality Management Systems—Fundamentals and Vocabulary
- JIS Q 9001:2015 Quality Management Systems—Requirements
- JIS Q 14001:2015 Environmental Management Systems—Requirements with Guidance for Use
- ISO/IEC Directives, Part 1, Consolidated ISO Supplement Procedures Specific to ISO Annex SL

Related to self-declaration of conformity

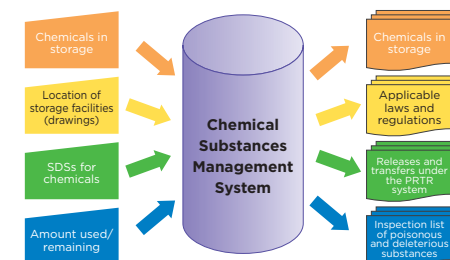
- ISO/IEC 17050-1:2005 Conformity Assessment—Supplier's Declaration of Conformity—Part 1: General Requirements

Measures for compliance with RoHS Directive and REACH Regulation

The Group promotes the use of alternatives to the substances restricted by the European RoHS Directive* and has replaced such substances to meet customer requirements for products that do not contain such restricted substances. Meanwhile, we work to ensure compliance with the REACH Regulation*, including the provision of information on SVHC* contained in products. Furthermore, to promptly deal with the regulations of other countries that are becoming stricter every year, we collect regulatory information from Europe, the US, China, Southeast Asia, and other countries and share it across the Group.

<Management of chemical substances used in factories>

The Group has established a chemical substances management system that can be used across the Group, and in 2011 began managing poisonous and deleterious substances and PRTR-designated substances at its four Works in Osaka, Itami, Yokohama, and Ibaraki, as well as at its affiliates in Japan. Regarding all poisonous and deleterious substances, this system allows searching for companies that use these substances as well as their SDS (Safety Data Sheets). The system is also used to compile data for reporting under the PRTR system*.



Measures against PRTR-designated chemical substances

Starting in FY2015, we have been working to reduce releases of PRTR-designated chemical substances, targeting factories with an annual discharge amount of 1 ton or more, with the aim of an annual reduction in the release of such substances by 1%.

Under "Go for Green 2025," we worked to reduce the amount of PRTR-designated chemical substances discharged and achieved a total of 72.3 tons in FY2024, a 27.2% reduction from the base year FY2022, significantly exceeding our target of 1%. Also, transfers including those to sewers and disposal were down by 6.8% from the previous fiscal year. Regarding chemical-specific discharge amounts, the atmospheric release of 1-Bromopropane stood at 20.8 tons, accounting for 29% of the total discharge amount, and we will continuously strive to reduce the substance.

Glossary

***chemSHERPA**: A trademark or registered trademark of the IPPAN SHADAN HOUJIN SANGYO KANKYO KANRI KYOKAI (JAPAN ENVIRONMENTAL MANAGEMENT ASSOCIATION FOR INDUSTRY)

***IMDS (International Material Data System)**: A web-based database used by the automotive industry to communicate information about chemical substances in materials used in products.

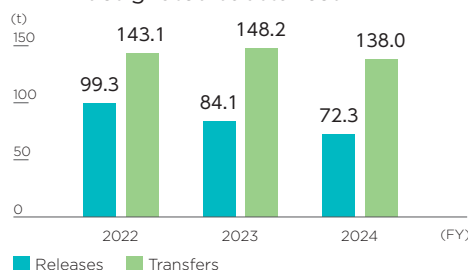
***RoHS Directive**: Abbreviation for Restriction of the use of certain Hazardous Substances, and an EU Directive on the restriction of the use of Certain Hazardous Substances in electronic and electrical equipment

***REACH Regulation**: Abbreviation for Registration, Evaluation, Authorization and Restriction of Chemicals, and an EU regulation on chemicals aimed at protecting human health and the environment

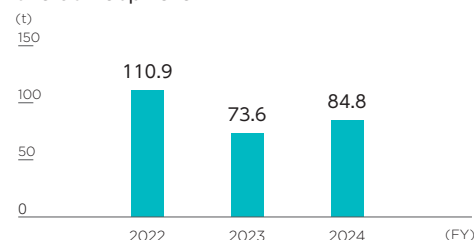
***SVHC**: Abbreviation for Substances of Very High Concern, and chemical substances designated by the EU as being of high concern for their hazardous properties

***PRTR system**: A Japanese law concerning the promotion of improved understanding and management of amounts of Specific Chemical Substances released into the environment

Trends in releases and transfers of PRTR-designated substances



Trends in VOC releases into the atmosphere



Releases and transfers of PRTR-designated substances in FY2024

Substance	Releases					Transfers			Total (t)
	Atmosphere	Bodies of water	Soil	Landfill	Total releases	Sewers	Disposal	Total transfers	
N-methyl-2-pyrrolidone	9.8	0.0	0.0	0.0	9.8	0.0	54.0	54.0	63.8
Toluene	19.5	0.0	0.0	0.0	19.5	<0.1	4.8	4.8	24.3
1-Bromopropane	20.8	0.0	0.0	0.0	20.8	0.0	1.2	1.2	22.0
Water-soluble salts of peroxodisulfuric acid	<0.1	0.0	0.0	0.0	<0.1	0.0	19.0	19.0	19.0
Antimony and its compounds	0.0	0.0	0.0	0.0	0.0	0.0	12.3	12.3	12.3
N,N-dimethylacetamide	4.9	0.0	0.0	0.0	4.9	0.0	5.6	5.6	10.5
Bis (2-ethylhexyl) phthalate	0.0	0.0	0.0	0.0	0.0	0.0	7.2	7.2	7.2
Xylene	2.9	0.0	0.0	0.0	2.9	<0.1	3.8	3.9	6.8
N,N-Dimethylformamide	5.2	0.0	0.0	0.0	5.2	0.0	1.0	1.0	6.2
Cresol	1.8	0.0	0.0	0.0	1.8	0.0	3.9	3.9	5.7
31 other substances	6.9	0.5	0.0	0.0	7.3	0.5	24.6	25.1	32.5
Total	71.8	0.5	0.0	0.0	72.3	0.6	137.4	138.0	210.3

(Note) Scope of coverage: Sumitomo Electric and affiliates in Japan that are subject to reporting under the PRTR system. Rounding may cause discrepancies between the sum of the breakdown figures and the total figures.

● Measures against dioxins and asbestos

In the Group, the aluminum alloy manufacturing facility and the exhaust gas purification facility of Sumitomo Electric Toyama Co., Ltd. are subject to the Japanese Law Concerning Special Measures against Dioxins. The Group has confirmed that the amounts of such substances released from these facilities remain within the regulated standards. Currently, no products using asbestos are manufactured across the Group.

● Addressing organic fluorine compounds

On February 13 and March 21, 2025, Osaka Prefecture announced that groundwater contamination by organic fluorine compounds (PFOS and PFOA) had occurred in the Okubo Higashi district of Kumatori Town, Sennan District, and reported that levels exceeding the provisional guideline value had been detected on the premises of the Company's subsidiary, Sumitomo Electric Fine Polymer, Inc.(SFP).

Following this announcement and report by Osaka Prefecture, SFP has cooperated with the investigation by the prefecture and has

confirmed the following regarding the seven wells in the SFP premises that were the subject of the investigation:

- The water levels at two wells used in the production process as water sources are below the provisional guideline values.
- Although values exceeding the provisional guideline values were detected in five wells not used in the production process, these wells are not used for drinking purposes.

In addition, through further investigations by SFP, the following have been confirmed:

- Water quality and soil have been surveyed to understand the actual situation, and no contamination exceeding the values announced by the prefecture has been confirmed so far.
- The use of raw materials that may have contained residual PFOA was ended by 2015.
- The levels of PFOA and PFOS in industrial wastewater discharged outside the facility are below the provisional guideline values.

Based on the results of these investigations, SFP has once again become strongly aware of the importance of environmental conservation. As part of fulfilling its social responsibility, the company will continue to monitor wastewater for PFOA and PFOS levels, and will continuously take necessary measures in cooperation with local government officials to ensure the safety of local residents and other concerned parties.

■ Soil and Groundwater Conservation

At our three Works (Osaka, Itami, and Yokohama), where contamination was publicly announced in August 2001, and other sites in Japan where contamination has been confirmed through investigations to date, we implement cleanup measures on a continuous basis, including replacing soil, pumping and purifying groundwater, and suctioning soil gas. We also regularly monitor groundwater to ensure that contamination is not spreading outside our premises.

■ Environmental Incidents

If an incident/accident occurs at the Group that could lead to environmental pollution, such as exceeding wastewater standards or spilling of chemicals, we have a system in place to address such cases. In this system, the Environment Department will be notified of an environmental incident/accident by the relevant site or its responsible department and disseminate information about the cases throughout the company to alert employees. The relevant department then will take the lead in investigating the cause and considering countermeasures, and after verification of the results by the Environment Department, information on the cause of the environmental incident/accident, countermeasures, and points for attention will be distributed across the company.

Environmental incidents/accidents reported in FY2024 comprised three cases of wastewater exceeding standard values at affiliates in Japan and overseas and one case of discrepancies between the report submitted to the government and the actual facility condition at an overseas affiliate, which led to a fine being levied on the affiliate.

All of the above cases of wastewater exceeding standard values were caused by domestic wastewater. In addition to the regular wastewater analyses that have been conducted, we will also carry out planned maintenance, such as cleaning and inspecting the pipes in the drainage route. To address the discrepancies described above, we plan to inspect the facilities for any other discrepancies between their actual condition and the drawings and to regularly check these facilities against the submitted drawings.

We will continuously strive to ensure the prevention of environmental pollution by keeping track of and understanding relevant laws and regulations in each region and ensuring regulatory compliance.

Promoting Circular Economy

Initiatives and Results

Waste Reduction and Recycling Promotion

In recent years, the problems of marine plastic waste and resource depletion due to an increasing world population and economic development have attracted attention, making the transition to a recycling-oriented society a challenge that must be tackled. The Group has always considered the issues of resource depletion and the saturation of landfill sites to be important challenges and has therefore been working to reduce the volumes of waste discharged and promote recycling.

Each of our Works and affiliates engages in activities to reduce and recycle waste generated in the course of our business activities. A system is in place in which the status of activities is compiled by each division and reported to and deliberated at the Global Environment Promotion Conference. In addition, we have a framework in place by establishing the Resource Conservation & Recycling Subcommittee under the Global Environment Promotion Conference to discuss how to address group-wide challenges and specific ways to implement measures.

Furthermore, with regard to a circular economy, we launched a cross-functional working group consisting of the R&D Group, Divisions, and other departments in FY2022. Based on the idea of considering recycling and reuse even in the research and development stages, this group is working to create the maximum added value through the reduced use and consumption of new resources and the efficient use of resources.

<Waste reduction>

The Group uses such resources as copper, aluminum, and iron primarily in its electric wire and cable business, as well as a lot of plastic as an insulating material. The majority of waste generated is metal scrap as well as waste acid, waste alkali, waste oil, sludge, etc. from metal surface treatment and processing.

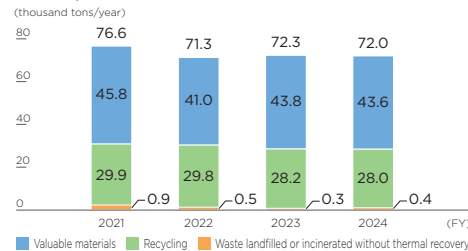
Our efforts for waste volume reduction include improving yields, reducing the volume of waste acid, alkali, oil, and other waste, detailed sorting of plastics, etc., and selling waste that can be sold as valuable materials. The Group's amounts of waste discharged exclude valuable materials.

Waste discharged and valuable materials

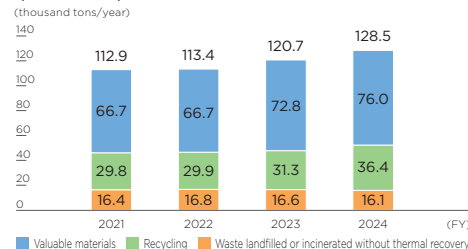
The amounts of waste discharged and valuable materials in FY2024 are shown in the table below.

	Japan	Overseas	Total
Amount of waste discharged			
Waste landfilled or incinerated without thermal recovery	0.4	16.1	16.5
Recycling	28.0	36.4	64.4
Total	28.4	52.5	80.9
Valuable materials	43.6	76.0	119.6
Total	72.0	128.5	200.5

Waste discharged and valuable materials (in Japan)



Waste discharged and valuable materials (overseas)

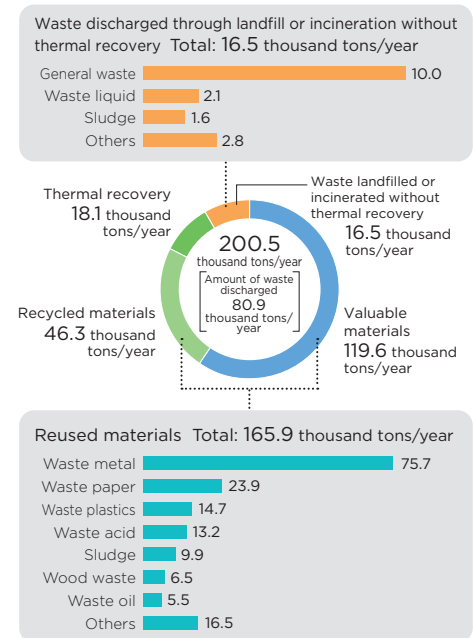


Breakdown of waste discharged and valuable materials

Of the total 200.5 thousand tons of amount of waste discharged and valuable materials, 16.5 thousand tons was waste landfilled or incinerated without thermal recovery and 64.4 thousand tons was recycled, which included 18.1 thousand tons subject to thermal recovery and 46.3 thousand tons to recycled materials.

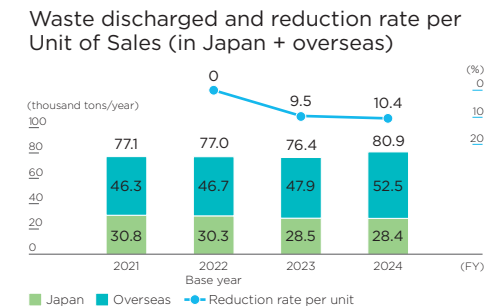
The breakdown of materials reused as recycled materials and valuable materials is shown in the graph below, with waste metal accounting for the majority.

Breakdown of waste discharged and valuable materials in FY2024 (in Japan + overseas)



Waste discharged reduction rate per unit of sales (in Japan + overseas)

The amount of waste discharged in FY2024 increased to 80.9 thousand tons from 77.0 thousand tons in the base year (FY2022) due to increased sales. However, waste discharged per unit of sales reduced by 10.4% from FY2022. Although there was an impact from decreased production volumes in Japan, the reduction rate showed an upward trend due to factors such as an increase in waste acid, waste alkali, etc. particularly because of increased production and quality improvement measures, more new production sites, and other factors overseas.



<Recycling promotion>

The waste recycling rate is the percentage of the amount of waste discharged and valuable materials that were not waste landfilled or incinerated without thermal recovery.

Improving waste recycling rate

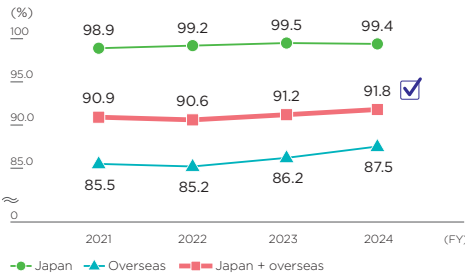
The waste recycling rate for FY2024, both in Japan and overseas, was 91.8%, falling short of the target of 93%.

Waste discharged = waste landfilled or incinerated without thermal recovery + recycling

Recycling = thermal recovery + recycled materials

Waste recycling rate = (recycling + valuable materials) / (amount of waste discharged + valuable materials) x 100

Trends in waste recycling rates



As shown in the figure above, the waste recycling rate is over 99% in Japan, but remains 87.5% overseas because some countries and regions do not have appropriate waste recycling methods in place. We regard studying recycling methods that are suited to the circumstances of respective countries as a challenge and will continue to work to improve our recycling rate.

In FY2024, the rate improved slightly due to the progress in the development of recycling facilities in Vietnam and China and the outsourcing of waste disposal to recycling companies at each operation site.

We will improve recycling rates by sharing with Group companies information regarding the sites with advanced recycling so as to promote better recycling rates, ensuring waste separation in each region, and strengthening our search for recycling companies.

■ Promoting Raw Material Recycling

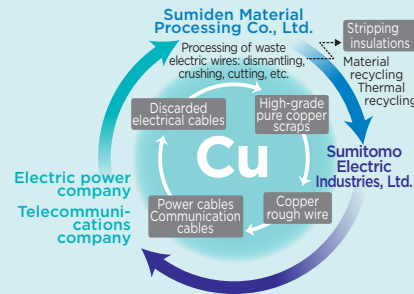
Recovering resources from used products after providing products to customers plays a major role in building a circular economy.

The Group promotes the recycling of copper, the main raw material of our products, and rare metals, which are limited resources. In addition, we collect used electric wires and cables, optical fiber cables, and cemented carbide chips for cutting processes and recycle them as raw materials for our products.

Recycling examples

Recycling copper

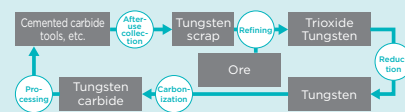
The Group dismantles used electric power and communication cables at its affiliate Sumiden Materials Processing Co., Ltd. and recycles the recovered copper using a copper smelting furnace called a Tilting Reverberatory Furnace that the Group owns.



Recycling tungsten

The tungsten used in hard metals (super-hard alloys) for cutting tools manufactured by the Group is collected from customers and recycled at the affiliate Niagara Refining LLC.

Recycling flow of tungsten



■ Water Resource Management

In recent years, the problem of water resources has emerged as a risk that could have a major impact on business operations, and investors and customers are calling on the Group to address this problem. Water-related issues include not only a shortage of water supply, but also deteriorating water quality, flood damage,

stricter government regulations, and relations with surrounding local communities.

The Group is working to identify and address these challenges. In FY2017, we established guidelines for activities to address water risks as follows: "We will form an organization across the Group to have its manufacturing sites around the world understand the current situation regarding water risks, identify issues, and develop action plans to address them."

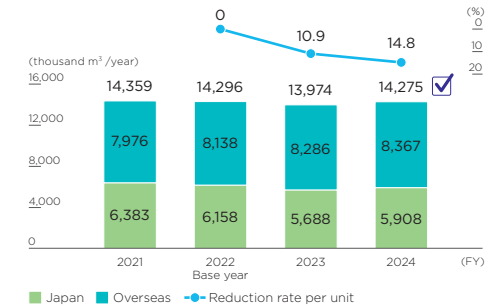
In January 2018, we established a Water Risk Working Group, recruiting members from respective Divisions and affiliates, and have put in place a system to promote initiatives. The Water Risk Working Group meets twice a year as a sub-organization of the Resource Conservation & Recycling Subcommittee, one of the expert committees that provides technical support to the Global Environment Promotion Conference. As in FY2023, the priority activities for FY2024 were holding dialogues with operation sites with high water risks, identifying water risk factors and taking measures, as well as developing a long-term vision for water risks.

<Reducing water use (water withdrawal)>

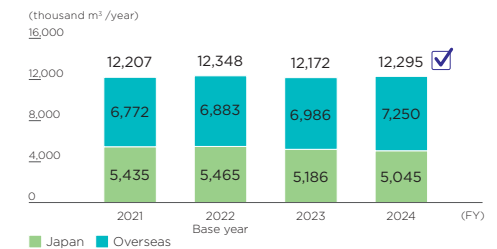
To address water supply shortages, one of the water-related challenges that the Group faces, the Group has been working since FY2008 to achieve the target of reducing water use per unit of sales by 1% annually. We are working to reduce the amount of water withdrawal through reduction activities such as quickly detecting and addressing even the smallest leaks in our sites and considering the reuse of wastewater that has previously been discharged.

Although water use (water withdrawal) in FY2024 was roughly the same as in the base year, the reduction rate per unit of sales stood at 14.8% due to increased sales, exceeding the target of 2%.

Water withdrawal and reduction rate per unit of sales (in Japan + overseas)



Effluent (in Japan + overseas)



In terms of water withdrawal by water source, 84% came from city water and 16% from groundwater. Regarding the destinations of effluent, 72% went to sewers, 19% to rivers, 8% to the sea, and 1% to other destinations.

The percentage of water withdrawal by water source and effluent by destination shown above remained almost unchanged from FY2023.

Percentage of water withdrawal and effluent by water source

		FY2024
Withdrawal amount	City water	84%
	Groundwater	16%
Effluent amount	Sewers	72%
	Rivers	19%
	Sea	8%
	Others	1%

<Evaluating water risks on a global scale>

Using the water risk assessment tool, Aqueduct*, the Group has evaluated its manufacturing sites in Japan and overseas on 13 risk items, including water volume, water quality, regulations under local laws, and relationships with the surrounding community, on a five-point scale.

In FY2024, we focused on floods and droughts and identified priority sites with high risks and significant challenges as we did in FY2023. The method involves calculating the flood and drought risk points of each site using Aqueduct's five-point risk assessment of four categories: riverine flooding, coastal flooding, water depletion, and drought. Each site is then evaluated on both the "probability of water risk occurrence" (flood and drought risk points) and the "magnitude of impact if risk occurs" (net sales or water use), and sites in the red zone of the matrix are designated as those with significant challenges. As a result, the number of sites with significant flooding challenges remained at five, while those with significant drought challenges decreased from two to one due to reduced water use.

Furthermore, as Aqueduct updated its water stress data for the first time in four years since 2019, the number of our sites located in "Extremely High areas" increased from 12 in FY2019 to 34 in FY2024, with the amount of water withdrawal at these locations reaching 1,202 thousand m³ (8% of the total water withdrawal). Some of the above sites have already implemented water conservation and recycling measures, and these efforts will be accelerated in the future.

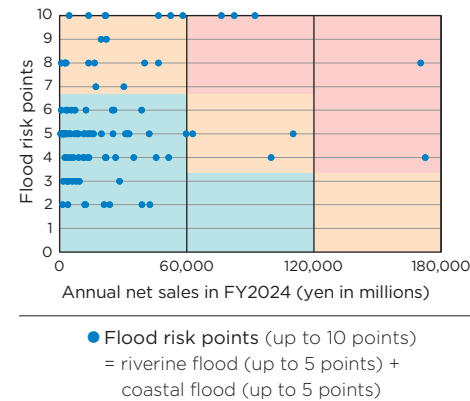
<Group-wide activities to address water risks>

We investigated the maximum inundation depth of our operation sites in Japan, using the database, My Town Hazard Map, by the Japanese Ministry of Land, Infrastructure, Transport and Tourism and the hazard map of Flood Risk Finder published by MS&AD InterRisk Research & Consulting, Inc. As a result, the number of sites with significant flooding challenges with a maximum inundation depth of 0.5 m or more increased from 15 to 17. We have conducted detailed surveys on these sites in Japan regarding items such as (1) disseminating hazard maps, (2) disaster prevention systems and flood prevention measures, (3) measures to prevent the outflow of hazardous substances, (4) business continuity plans (BCPs), and (5) past damage situations, and have confirmed that these sites are free of issues requiring urgent improvement.

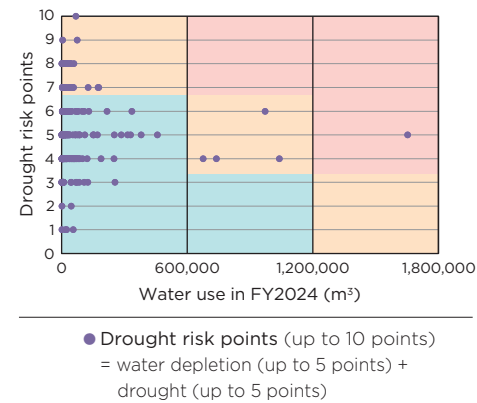
Furthermore, a survey of the maximum flood depth of our overseas sites using the Flood Risk Finder hazard map identified 25 overseas sites with significant flooding challenges with a maximum inundation depth of 0.5 m or more.

On sites facing significant flood challenges as well, we plan to conduct the same survey regarding abovementioned items (1) to (5) as on the sites of this kind in Japan.

Matrix for sites with flood risks



Matrix for sites with drought risks



Biodiversity Conservation

Initiatives and Results

Biodiversity Conservation

The Group believes that it receives the blessings of nature (ecosystem services) through its corporate activities in the form of raw material procurement and product manufacturing and that contributing to the preservation of ecosystems and the protection of local environments is necessary to sustain its business activities.

Through our TNFD initiatives, we are working to reduce the environmental impact from our business activities, including the promotion of environmental conservation activities rooted in the local communities of our respective sites and the expansion of our environmentally friendly product range. We are promoting these efforts through our business operations across the Group.

Regarding our biodiversity conservation activities, we are implementing environmental protection activities to restore nature, such as forest conservation and protection of endangered species, as part of our Eco-Activities 2030 initiative. The status of these activities is shared at the "Global Environment Promotion Conference" to further boost these activities.

<Eco-Activities 2030>

The Group is promoting "Eco-Activities 2030," with the goal of implementing more than 300 initiatives to restore nature, including biodiversity conservation and local environmental protection, in more than 20 countries and regions by 2030. Specifically, this includes initiatives at our sites, including community cleanup, activities aimed at resource conservation and recycling, biodiversity conservation, as well as contributions made through the development and manufacture of products that have a positive impact on ecosystems.

With the participation of Nissin Electric Co., Ltd. in FY2024, we have expanded these activities with an increase in the number of activities.

Regarding the results of the FY2024 Eco-Activities, the number of activities stood at 299, an increase of 51 from the previous year, significantly exceeding the target of 235 or more.

Activity category	No. of activities	Description
Biodiversity conservation	87	Tree planting and greening, endangered species protection, nature-related donations, environmental education programs, water treatment equipment that returns water to nature, etc.
Community cleanup	117	Cleanups around factories, coasts, rivers, and forests (jointly implemented with local organizations), etc.
Resource conservation and recycling	95	Strengthening in-house recycling/waste sorting, eco-cap campaigns, donation of goods, etc.
Total	299	

Activity example

Rain garden/waterscape (Nissin Electric Co., Ltd. Kyoto)

Nissin Electric Co., Ltd., a member of the Sumitomo Electric Group, is working to develop green spaces that take biodiversity into consideration. The company grows plants indigenous to its area through the development of a "rain garden," which prevents sudden runoff into public drainage by allowing rainwater that falls on its premises to slowly seep into the ground and a "waterscape," which creates a natural river environment that circulates collected rainwater using solar power.

In FY2023, a new "rain garden" was created at the Kuze Works. Going forward, we will promote initiatives that will contribute to the expansion of conservation activities in cooperation with local residents, universities, and technical research institutes.



A "rain garden," which allows rainwater to slowly seep into the ground



A "waterscape," which creates a natural river using circulated rainwater

[Web](#) Ecosystem conservation associated with Kyoto by Nissin Electric Co., Ltd.

Contributing to Global Environment Through Our Business

Initiatives and Results

Expanding Eco Products Sales

With the Environmental Policy to provide more environmentally friendly products in place, the Group works on improvements such as saving energy and reducing the use of resources by conducting environmental assessments of products when developing new products or significantly changing the design of existing products, with the aim of raising awareness about environmental considerations.

After conducting an environmental assessment of a product, we review the product under the Eco Symbol Program, which complies with ISO 14021. Products that have passed this review are certified as "Eco products," which are considered to have particularly outstanding environmental features, and the Eco Symbol Mark (trademark) is given to such products. Through this program, we work to promote the development of environmentally friendly products and their widespread use in the market.



Eco Symbol Mark
The Eco Symbol Mark is a trademark or registered trademark of Sumitomo Electric.

[Web](#) Eco Symbol Program assessment criteria (environmental claims)

In FY2024, five products were newly certified as Eco products, including wireless LAN-capable 10G-EPON ONU (environmental claim: reduced resource use) by the Broad Networks Division and a copper rough wire (environmental claim item: use of recycled materials) by the Electric Conductors Division. As of FY2024, a total of 384 products were certified as Eco products, and Eco products sales reached 1,938.4 billion yen, far exceeding the target of 1 trillion yen set out in the "Mid-term Management Plan 2025."



Wireless LAN-capable 10G-EPON ONU

Increasing Green Contribution Sales

We define the products and services in our businesses that contribute to the realization of a Green and Environmentally Friendly Society as "Green Contributions" and work to increase sales of such products and services. Specifically, these are products and services used in such fields as renewable energy, hydrogen, and electric vehicles.

Green contribution sales for FY2024 were 618.5 billion yen, mainly from Environment & Energy and parts and materials for electric vehicles, achieving the FY2024 target of 600 billion yen.



Extra high voltage DC cables



Redox Flow Battery Systems



Magnet wires for motors (Rectangular/round wires)

[Web](#) Product Groups that contribute to a "Green and Environmentally Friendly Society" (Integrated Report 2025 P22)

Green Contribution = Products and services that promote a Green Society

Eco products = Products and services with eco-friendly features

Promotion of Human Capital Initiatives

Basic Views and Policy

The Group employs approximately 290,000 people in over 40 countries and regions around the world. For the Group to survive global competition and continue to grow, it is essential to make full use of all its resources, including its technologies, products, and business models. Above all, the Group believes that securing and utilizing excellent human capital to support these resources is of utmost importance.

Accordingly, based on "Respect for Human Resources," indicated in the Sumitomo Spirit, the Group strives to develop global human capital who will drive sustainable growth. At the same time, the Group continues to support diversity and inclusion (D&I) and demonstrate the Group's integrated power on a global scale in order to realize the Sumitomo Electric Group 2030 VISION.

In accordance with the Sumitomo Spirit, the Group has always placed importance on human capital in its management. In 2011, in order to clarify the basic policy regarding human capital, the Group formulated the Global HRM Policy. Based on the policy, the Group is committed to "investing in people" by developing human capital, improving engagement, supporting organizational diversity, and improving the workplace environment. The Group is engaged in the solidification of the foundation for becoming a group where all human capital can excel, grow and contribute to society, as indicated in 2030 VISION, and linking these efforts to continuously increase corporate value.

Human Capital Development Policy

In accordance with the Global HRM Policy, the Group has declared that, in order to accelerate the securing and promotion of global human capital, the Group will work to establish an environment in which employees can experience growth and self-improvement through their work, provide career opportunities regardless of race, ethnicity, nationality, religion, age, gender, gender identity, sexual orientation, or disability, and develop global leaders, as the basic policy for human capital development.

Workplace Environment Improvement Policy

Amid major changes in the social environment, the Group has formulated the Sumitomo Electric Group Policy on Human Rights and issued the Sumitomo Electric Group Health and Productivity Management Declaration in addition to the Global HRM Policy, in order to ensure that diverse human capital can work with a sense of fulfillment and demonstrate their abilities to the fullest extent possible. Through these efforts, the Group strives to create a dynamic workplace that respects human rights and allows diverse human capital to thrive.

Structure

Based on the Fundamental Policy on Sustainability Management, formulated by the Sustainability Management Promotion Committee, the Human Resources and D&I Promotion Committee discusses initiatives regarding human capital of the Group.

Policy for 2030 | Evolve to be a Group where everyone can excel, grow, and contribute to society
 ● Diversity and Inclusion ● Nurturing a corporate culture that values growth and challenges
 ● SEG's integrated power on a global scale

Develop Human Capital creating new value in the age of changes

Developing Human Capital and Improving Engagement			
Practice-Based Experiences	Accumulate practical experiences with challenges leading to growth	Shared Understanding	Integrating the Sumitomo spirit, management policies and business strategy
Exploring talent	Providing a robust L&D program	Compensation	Compensation growth: Aiming for inflation rate + α
Leadership	Developing leaders for respective workplaces	Fostering Culture	Cohesive corporate culture where the ability of individuals is maximized
Organizational Diversity and Workplace Improvements			
Diversity	Attracting and promoting a diverse workforce Continue supporting diverse work styles	Workplace Environment	Continue to promote health management for overall wellbeing Further improvements of safe and secure workplaces

Global Human Resource Management (HRM) Policy

- We provide workplaces where all the employees can work actively, grow both personally and professionally through work, achieve self-actualization, and contribute to the society.
- We offer various career opportunities and globally pursue "the right person in the right position" regardless of race, ethnicity, national origin, religion, age, gender, gender identity, sexual orientation, or disability.
- We value and promote diversity in the workplace in order to enhance the creativity of the organization and to sustain the growth of the business.
- We develop global leaders who lead and give energy to our global business. Global leaders are those who understand and share the Sumitomo Spirit and the Corporate Principles and can lead highly diversified teams.

The Sumitomo Electric Group Policy on Human Rights (extract)

Date of establishment:
March 19, 2019

The Sumitomo Electric Group, in accordance with the Sumitomo Spirit and the Sumitomo Electric Group Corporate Principles, shall strive to be a group of companies worthy of society's trust by conducting business activities in an honest manner.

As we continue to develop together with the global community, the Sumitomo Electric Group recognizes that all of its business activities must be based on respect for human rights. The Sumitomo Electric Group will work ethically and responsibly for the respect of human rights ensuring that our entire group will uphold this standard.



The entire text of The Sumitomo Electric Group Policy on Human Rights

Sumitomo Electric Group Health and Productivity Management Declaration

Sumitomo Electric Group takes employee's healthcare seriously and promotes activities to realize "健康経営" ("kenkokeiei" or "Health and Productivity Management"). Since its establishment, Sumitomo Electric Industries has inherited the Sumitomo's traditional management that is built on human dignity as described in "people make the enterprise." Furthermore, in our mid-term management plan "human resources base" is regarded as one of the most important management resources for the company's sustainable development and growth.

By providing positive support to employees working on health improvement activities as well as promoting organizational measures that are based on the Health and Productivity Management Declaration, we will raise employee's awareness toward health (health literacy) and aim to become a corporate group well regarded in society winning their trust and where all employees can work healthy and lively.

December 1st, 2015
Sumitomo Electric Industries, Ltd.

* "健康経営" (a Japanese term for "health and productivity management") is a trademark or registered trademark of the Nonprofit Organization Kenkokeiei.

Human Capital Development

Targets

The Group sets targets for developing globally competitive human capital who adhere to the Sumitomo Spirit, understand the corporate management policies, observe the basics, and possess advanced skills and knowledge.

Targets to achieve the Mid-term Management Plan 2025

- Completion of Executive Training Program: 100 employees/3 years
- Completion of MPSS: 2,300 employees/3 years
- Total hours of training programs: 20.0 hours / annually per headcount
- Developing core DX talent ^(Note) : 300 employees/3 years
- Developing data analysis talent ^(Note) : 1,500 employees/3 years

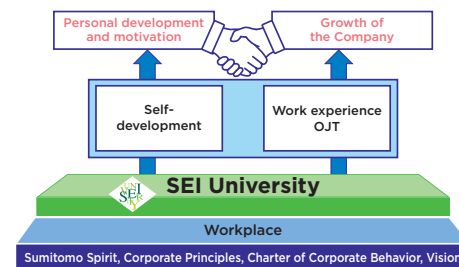
(Note) Scope of coverage: Sumitomo electric and its consolidated subsidiaries in Japan (excluding listed subsidiaries)

Initiatives and Results

■ SEI University

As part of its human capital development efforts, the Group provides training to help employees understand and share its corporate principles, values, and culture, as well as training aimed at improving their abilities, techniques, skills, and knowledge required to execute business strategies. The human capital development system composed of these training programs is collectively referred to as "SEI University."

To achieve both the growth of each employee and the achievement of company targets, SEI University underpins "strong motivation for self-development" and "on-the-job training through guidance and dialogue with supervisors" as the basis for employee development.



<Global Common Knowledge and Skills>

The Group has organized and integrated the training content and know-how cultivated since the establishment of SEI University and has established the Global Common Knowledge and Skills (GCK), consisting of knowledge and skills that employees should acquire according to their respective positions. While the basic knowledge is what employees should understand, the practical knowledge comprises knowledge and skills that are desirable for employees to acquire as

basic abilities for performing their jobs. The Group is working to establish an environment where employees can take training at any time according to their own circumstances.

Structure of the Global Common Knowledge and Skills (GCK)

Fundamental knowledge		
A Corporate Principles/ Principles of Activities	B Compliance/ Group common policy	
Practical knowledge		
C Managerial skills	D Human skills	E Business administration innovation
F Conceptual skills	G Manufacturing ("Monozukuri")	H Business skills

<Improvement of the training environment>

To make it easier for employees active in over 40 countries and regions around the world to take training, the Group is spreading the use of the global learning management system "SEG e-CAMPUS," in addition to the existing system that has been used mainly in Japan. SEG e-CAMPUS supports the languages of major bases, allowing for smooth streaming of e-learning programs and providing a wide range of content.

Starting with the launch in the Americas and Southeast Asia/Australia (APAC) in October 2024, the system had been spread to cover 11 countries and regions by the end of fiscal 2024. In fiscal 2025, the Group plans to further spread the system to cover a total of 22 countries and regions, including the previous year's figure, by the end of fiscal 2025.



<Training program>

SEI University offers over 400 training programs (shared globally) for all Group employees, from executives to new recruits, including compulsory courses for each level. Moreover, the Group provides company-specific training (specialized knowledge) to help employees acquire the specific knowledge and skills required by each business division or Group company.

Furthermore, the Group has introduced many practical training programs, including practical training for tackling manufacturing challenges and executive training in which cross-departmental teams are formed to propose solutions to actual management challenges.

Each curriculum is updated annually based on management challenges and other situations.

[Global L&D architecture: SEI University]

[Executive Programs]	Senior management programs / the Executive Training program, etc.
[Management Programs]	GLP, MPSS, Operational level leadership programs, etc.
[Skills Training Programs]	Problem solving, Coaching, Innovation, Data analysis, Monozukuri, etc.
[Basic training programs]	The Sumitomo Spirit, Corporate Principles, Management Policies, Safety, Environment, Quality, etc.

(1) Basic training programs

● Spread of the Sumitomo Spirit

In the training provided by SEI University, the Sumitomo Spirit is positioned as the foundation for employees to carry out their work. The Group provides opportunities to learn about the Sumitomo Spirit at training programs for new employees and various level-specific training programs. In addition, the Group regularly communicates how a legal compliance program, a human rights program, etc. relate to the Sumitomo Spirit. Moreover, the President himself sends a message by video every six months, urging all employees to perform their duties in accordance with the Sumitomo Spirit. The video is translated into multiple languages and distributed to Group companies both in Japan and overseas. Furthermore, the Group provides advance training to employees who are to be assigned overseas so that they can communicate the Sumitomo Spirit in their own words in their new places of work. Additionally, the Group is training in-house instructors at Group companies both in Japan and overseas so that employees can regularly learn about the Sumitomo Spirit.

In 2023, the Group opened the Minami Hakone Gallery, a history exhibition room, in the Minami-Hakone Seminar House, one of its training facilities, so that visitors can experience the Group's spirit, principles, values and culture. The training facility users can receive training from a full-time instructor regarding the Sumitomo Spirit and the history of Sumitomo. (In fiscal 2024, a cumulative total of 1,219 group employees took the training.) To achieve 2030 VISION and the Mid-term Management Plan 2025, both formulated based on the Sumitomo Spirit, the Group utilizes training, videos and other communication means to ensure that each employee regards the vision as their own issue and create job satisfaction.

(2) Skills training programs

● DX

Defining the human capital necessary to promote the Company-Wide DX Plan as DX talent, the Group is strengthening the development of "core DX talent," who can solve departmental challenges through initiatives that utilize digital technology, and "data analysis talent," who understand data visualization and analysis methods and can apply them under guidance.

	Results for FY2023 and 2024	2025 target
Core DX talent	223 employees / 2 years	300 employees / 3 years
Data analysis talent	1,279 employees / 2 years	1,500 employees / 3 years

(Note) Scope of coverage: Sumitomo Electric and its consolidated subsidiaries in Japan (excluding listed subsidiaries)

● Manufacturing

Aiming to pass on the excellent technology and skills that the Group has cultivated and to strengthen its manufacturing capabilities, the Group provides three types of training programs: basic manufacturing training, technical and skills training, and key-person training.

Basic manufacturing training:

The Group provides training to acquire the knowledge required at manufacturing sites, such as on safety and quality, as well as to learn about management techniques related to manufacturing. The Group provides not only curriculums for less experienced employees, but also regular training for employees at all levels, encouraging employees to reconfirm their basic knowledge and sharing information on the latest trends within the Group and on legal regulations.

Technical and skills training:

Based on the principle of hands-on learning using actual machines and objects, the Group offers a variety of curricula that incorporate everything from the acquisition of the Group's unique techniques and skills, including its equipment and maintenance techniques, to cutting-edge technologies such as IoT and AI. For the basic knowledge of improvement activities and equipment maintenance, the Group provides training overseas as well, primarily in China and Southeast Asia.

Key-person training:

The Group provides training for general managers in which general managers from Sumitomo Electric and presidents from affiliates confirm the concepts essential for reinforcing the manufacturing capabilities from the perspective of safety, the environment, quality, manufacturing and HR development and show their own commitment to proceeding with necessary activities. The Group also offers a plant manager development program to foster "strong" plant managers (equivalent to the manager of a manufacturing section) who will play a pivotal role in manufacturing. In addition, to develop the next generation of key persons, the Group offers practical training programs called the Monozukuri (manufacturing) Kakushin (innovation) Professional (MKP) and the Genba (on-site) Kaizen (improvement) Professional (GKP). In these programs, participants are assigned to theme departments other than their own and work there to solve the departments' important challenges and problems for several months.

(3) Management programs

● Management Program based on the Sumitomo Spirit (MPSS)

The Group annually provides training on the Sumitomo Spirit and management skills (SEG Management Program based on the Sumitomo Spirit: MPSS) for managers of Sumitomo Electric and Group companies at its bases in Germany, the U.S., Singapore, China (Shanghai and Shenzhen), Mexico, and Japan.

	Results for FY2023 and 2024	2025 target
Participants	1,924 employees / 2 years	2,300 employees / 3 years

● Global Leadership Development Program (GLP)

The Global Leadership Development Program (GLP), designed for general managers of Sumitomo Electric and Group companies, consists of online seminars and face-to-face seminars in Japan to help participants understand Sumitomo's history and the Sumitomo Spirit, develop leadership skills, and build global networks.



At the final reporting session of a GLP

(4) Executive program

● Executive training program

For executives of Sumitomo Electric and Group companies, the Group organizes workshops and other events so that they can try action learning, understand the Sumitomo Spirit, acquire management knowledge, and learn about leadership.

	Results for FY2023 and 2024	2025 target
Participants	71 employees / 2 years	100 employees / 3 years



Participants climbing Mt. Besshi, the foundation of Sumitomo's development

■ Total Hours of Training Programs

As a result of the efforts in each region and by each company, the accurate compilation of records by each company regarding its employees' participation in training programs, and the development of a global learning platform, the Group achieved the global target of 20.0 hours / annually per headcount of training programs set in the Mid-term Management Plan 2025, before 2025.

To continue to provide training opportunities centered on the Global Common Knowledge and Skills (GCK), covering the Sumitomo Spirit, the Group will further improve the learning environment and offer content in multiple languages.

	Results for FY2024	2025 target
Total hours of training programs	23.0 hours / annually per headcount	20.0 hours / annually per headcount

■ Career Dialogue

For each employee to grow, it is necessary for them to draw their own career vision based on their values and motivation regarding career and to actively work on self-development to realize that vision. At the same time, it is necessary for them to utilize the skills they have developed through on-the-job training to take on more challenging work. In this regard, the Group provides support for them to do so. Specifically, the Group provides training for managers regarding how to conduct career dialogue, as well as career training tailored to each employee's position and age for those who have reached milestones such as their fifth year with the company, or turning the age 45 or 55.

The Group also ensures that career counseling is provided by in-house career consultants to those who wish to receive it.

■ Reinforcement of Group Collaboration and Global Response

(1) Expansion to Group companies in Japan

To realize group-wide promotion of human capital development, the Group provides Group companies in Japan with information about training programs hosted by Sumitomo Electric and invites them to participate, and also spreads the common learning management system to cover the companies, thereby increasing face-to-face training and e-learning opportunities. The number of employees of Group companies in Japan participating in training for new employees, training for newly promoted employees, training by level, and training for mid-career recruits is increasing every year. Moreover, if it is difficult for a Group company to run training on their own, Sumitomo Electric sends in-house instructors to provide the necessary training at the relevant company.

(2) Global expansion

The Group operates the aforementioned training programs for executives and managers as opportunities shared both in Japan and overseas. (In addition, to promote human capital development that meets local needs, the Group regularly calls human resource manager meetings in each country and region to plan and operate various training programs (mainly for non-managers). The Group also discusses human capital development challenges within the Group with members involved in human capital management and development in Japan and overseas and organizes global common training.

Furthermore, the Group began to spread the global learning management system SEG e-CAMPUS from the second half of fiscal 2024 to improve the e-learning environment [→P25]. Going forward, the Group will

continue to raise the bar for human capital development and strengthen governance by organizing face-to-face training sessions that enable direct communication and developing and providing global common online learning content that can be studied from anywhere.

■ Commendation Systems

To promote SEQCDD* and achieve management targets, we have established Group-wide uniform standards in various fields and systems to commend outstanding employee activities. The commendation systems help to increase employee motivation and engagement, to ensure the permeation of our vision and business policies throughout the Group, and to foster a sense of unity among our employees.

[Major commendation systems]

- Sumitomo Electric Group Global Awards*
- Affiliate Award*
- Five-Year Zero-Accident Awards
- Environmental Activity Awards (for energy-saving activities, Eco-Activities, etc.)
- Quality Activity Awards (for complaint-reduction activities, defect-reduction activities, etc.)
- Awards for excellent SGAs, Kaizen Suggestions, and "200 Kaizen" Factories
- Intellectual Property and Standardization Awards



Award ceremony for the Sumitomo Electric Group Global Awards

Glossary

*SEQCDD: (S) Safety / (E) Environment / (Q) Quality / (C) Cost / (D) Delivery / (D) Development

*Sumitomo Electric Group Global Awards: Awards granted for business activities that made a significant contribution to Group-wide performance and for outstanding activities concerning a wide range of themes, including the environment, safety, intellectual property, and research, based on the three keywords of "Glorious," "Excellent," and "Connect with Innovation"

*Affiliate Award: Awards granted, according to the specified criterion of the mission that affiliates should fulfill in order to ensure that the Group will become a "Glorious Excellent Company," to affiliates that made the most significant contribution (about top 20 companies) while operating with a sense of unity and unifying power

Improvement of Employee Treatment, Asset Formation Support, Development of Welfare Facilities

Targets

Targets to achieve the Mid-term Management Plan 2025

Appropriate return of profits in line with business performance, and treatment that leads to increased motivation

- Compensation growth^(note): Aiming for inflation rate + α

Development of welfare facilities for younger employees that will lead to the securing and developing of human capital

Creating a work environment that leads to increased employee satisfaction

(Note) Average for Sumitomo Electric Union members. Includes those seconded from Sumitomo Electric to affiliates, etc.

growth and development, the Group will continue striving to stabilize employees' lives, increase their job satisfaction and motivation, and attract and retain talented employees through improvements in wages and treatment, while taking into account social conditions and the company's performance.

Compensation growth

FY2024 results [Results of the Spring 2025 union wage negotiations]	FY2025 target
Average: 6.07% (Achieved the target to strive for: "inflation rate + α ")	Aiming for inflation rate + α

(Note) Average for Sumitomo Electric Union members. Includes those seconded from Sumitomo Electric to affiliates, etc.

■ Employee Stock Ownership Association

The Company operates the Employee Stock Ownership Association with the aim of supporting employees' asset formation and fostering their sense of involvement in management. In addition to providing a 10% incentive for savings from salaries and bonuses, the Company encourages employees to acquire company stock by granting "promotion stock" upon promotion.

The Sumitomo Electric Group Employee Stock Ownership Association is also operated to support the asset formation of employees of Group companies.

The Group will work to further expand the employee stock ownership program.

■ Financial Support for Student Loan Repayment and Children's Education

In April 2025, we introduced the Student Loan Repayment Support Program to reduce financial and psychological burden on employees who are under obligation to repay their student loans after joining the Company,

as well as to increase our competitiveness in recruitment and enhance engagement of young employees. Employees who reach their 4th, 7th, and 10th anniversary of employment during the fiscal year can receive a subsidy of up to 144,000 yen per year.

Additionally, the "Education Loan Repayment Subsidy Program" was introduced in April 2025 to help reduce employees' financial burden for their child's educational expenses.

■ Extension of the Hibarigaoka Dormitory

To accommodate the increase in the number of recruits associated with business expansion, an extension building (with 96 rooms) was added to the Hibarigaoka Dormitory, a dormitory for new graduates working in staff position. The new dormitory was opened in March 2024. Positioned as a hub for interaction among young staff employees to promote their talent development, this dormitory is equipped with various features to encourage communication between residents, such as a shared lounge (with kitchen) and meeting rooms.



Lounge on the first floor

■ Itami Works—New Cafeteria "KOYA Terrace"

As a commemorative project celebrating the 80th anniversary of the Itami Works in 2021, a new cafeteria, "KOYA Terrace," was

constructed in the Works. The new cafeteria opened in November 2024. The theme of the new cafeteria is "Improving employee satisfaction through food and communication." The cafeteria is designed from multiple perspectives, including providing barrier-free access, incorporating environmental considerations, and meeting diverse dietary needs, so as to offer appealing meals and a comfortable environment. In addition to its function as a dining hall, the cafeteria also serves as a multi-purpose space that can be used by employees to rest and relax and as a venue for social gatherings.

The Itami Works, including KOYA Terrace and the existing North Cafeteria, has received the two-star certification* from the Certification Review Committee of the Consortium for Healthy Meal and Food Environment as an "establishment that provides healthy meals and a healthy food environment."

* This is a system that certifies restaurants, take-out restaurants, and company cafeterias that provide healthy and nutritionally balanced meals, i.e. "smart meals," in a healthy environment on a continuous basis.



KOYA Terrace



Dining area

Initiatives and Results

■ Wage Increase and Bonuses

The Group aims to raise wages at the rate of "inflation + α " as part of efforts to provide appropriate return of profits in line with business performance and treatment that leads to increased motivation.

Also, the Group provides bonuses on the basis of annual performance to allow employees to meet their fundamental requirement of maintaining a financially stable lifestyle while feeling the short-term fluctuations in business performance.

The 2025 spring bargaining has resulted mainly in not only a uniform pay raise but also treatment improvements for managers leading the manufacturing field and senior employees making a valuable contribution by utilizing their extensive knowledge and experience.

With the aim of achieving sustainable

Diversity & Inclusion (D&I)

Targets

Targets to achieve the Mid-term Management Plan 2025

Support of females' active engagement by Sumitomo Electric in Japan

- Percentage of females among new graduate hires ^(Note): Business 40%, Engineering 15%
- Percentage of females in managerial positions (section manager level and above) ^(Note): 4.0%

Global human capital initiatives

- Promote initiatives to appoint and develop Global Executives
- Appoint non-Japanese employees as officers and senior management staff at overseas Group companies

(Note) Scope of coverage: Sumitomo Electric

*The above shows the targets on the "recruitment of females" and "promotion of females" set based on the Act on the Promotion of Women's Active Engagement in Professional Life.

Initiatives* and Results

*The initiatives described below are those we have implemented in Japan. Our subsidiaries across the globe may implement other programs that are consistent with the concept of equal employment opportunity and applicable local laws.

Development of D&I Awareness by Sumitomo Electric in Japan

To permeate D&I, we have been raising awareness by streaming videos of dialogue between prominent outside individuals and Sumitomo Electric officers on the themes of team building and leadership that enable diverse human capital to demonstrate their capabilities. The Group works to improve management skills in the workplace with the aim of ensuring that diverse human capital can demonstrate their capabilities to the fullest extent possible and produce the desired results.

Support of Females' Active Engagement by Sumitomo Electric in Japan

The Company supports females' active engagement as an important initiative for fostering a corporate culture in which all employees can play an active role and for the growth and development of the organization.

Item	Description
Action plan based on the Act on the Promotion of Women's Active Engagement in Professional Life	Since 2016, the Company has formulated and implemented targets and action plans for the recruitment and promotion of females in accordance with the Act on the Promotion of Women's Active Engagement in Professional Life. The Group is currently promoting the fourth action plan (April 2022 to March 2026).
Female manager development plan	Each department annually takes inventory of the experience necessary for female managerial candidates to be promoted to manager and formulates and reviews its development plans. An organization dedicated to promoting females' active engagement monitors the progress of such plans. In addition, candidates recommended from their departments can participate in in-house mentoring programs and external manager development training programs and receive other forms of support.
Mentoring program (for female managers)	In this program, a group of four people, two of whom are manager-level employees (mentors) and two of whom are female group leaders (mentees), all selected at the general manager's recommendation, engage in group dialogue on mid- to long-term growth, careers, human capital development, workplace management, etc. The program includes not only such dialogue, but also meetings for participants to exchange opinions with each other and interact with the Company officers and external experts.
Management program for supervisors	The Company provides training for supervisors to help retain new female employees and promote their active engagement, as well as management training to motivate female subordinates. Receiving positive feedback from many participants, these programs have been expanded since fiscal 2024 to cover all new employees and their supervisors.
Group company collaboration "SWING"	In 2016, Sumitomo Electric Group Women's Innovation Networking Group (SWING) was formed, in Japan, centered around Sumitomo Wiring Systems, Ltd., Sumitomo Riko Company Limited, and Nissin Electric Co., Ltd., with the aim of fostering and developing the capabilities of female employees through mutual training and networking among female employees. SWING holds forums for female employees on the main career track and on the general career track, where prominent outside figures deliver lectures and participants exchange opinions.

Sumitomo Electric Group gender composition of employees and managers ^(Note 1)

As of the end of FY2024

	Male	Female	Total
Full-time employee	139,854 (48.5%)	148,291 (51.5%)	288,145
Manager ^(Note 2)	13,553 (85.3%)	2,344 (14.7%)	15,897

(Note 1) Scope of coverage: Sumitomo Electric and its consolidated subsidiaries. Excludes those seconded from Sumitomo Electric Group to outside the Group, but includes those seconded from outside the Group to the Group.

(Note 2) Managers: Section manager level and above

Sumitomo Electric gender composition of employees and managers ^(Note 1)

As of the end of FY2024

	Male	Female	Total
Full-time employee	5,716 (80.2%)	1,408 (19.8%)	7,124
Manager ^(Note 2) ^(Note 3)	2,020 (95.3%)	100 (4.7%)	2,120

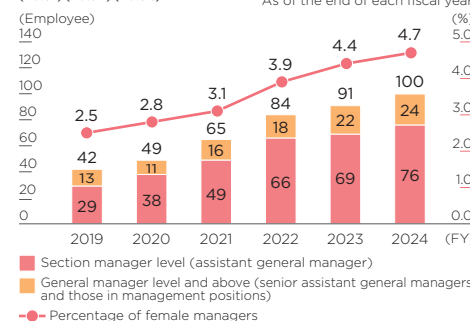
(Note 1) Scope of coverage: Sumitomo Electric. Excludes those seconded from the Company to affiliates, etc., but includes those seconded from affiliates, etc., to the Company.

(Note 2) The scope of disclosure based on the Act on the Promotion of Women's Active Engagement in Professional Life includes those seconded from Sumitomo Electric to affiliates etc. (Reference: Percentage of females in managerial positions [section manager level and above] in FY2024: 4.0%)

(Note 3) Managers: assistant general manager, senior assistant general managers and those in management positions

Percentage and number of females in managerial positions (section manager level and above)

(Note 1) (Note 2) (Note 3) As of the end of each fiscal year



(Note 1) Scope of coverage: Sumitomo Electric. Excludes those seconded from the Company to affiliates, etc., but includes those seconded from affiliates, etc., to the Company.

(Note 2) Since the Company has decided to release the relevant data in the scope of coverage indicated in (Note 1) from this year, the figures for FY2019 to FY2023 published in previous CSR Books have been revised.

(Note 3) The scope of disclosure based on the Act on the Promotion of Women's Active Engagement in Professional Life includes those seconded from Sumitomo Electric to affiliates, etc. (Reference: Percentage of females in managerial positions [section manager level and above] in FY2024: 4.0%)

FY2024 percentage of females among new graduate hires

Business	42.0%
Engineering	14.9%

(Note) Scope of coverage: Sumitomo Electric

External Assessment

"Eruboshi" certification

In August 2016, the Company was certified with the highest 3 star ranking of "Eruboshi," a certification granted by the Minister of Health, Labour and Welfare to companies that are outstanding in terms of efforts to promote females' active engagement based on the Act on the Promotion of Women's Active Engagement in Professional Life.



Selection as a Nadeshiko Brand

In March 2024, the Company was selected as a FY2023 Nadeshiko Brand by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange in recognition of being a listed company that excels in promoting females' active engagement and an attractive brand that emphasizes the improvement of corporate value over the medium to long term. It was the fifth such selection, following FY2016, FY2018, FY2020, FY2021, and FY2023.



Selection as "Next Nadeshiko: Companies Supporting Dual Careers and Co-parenting"

The Ministry of Economy, Trade and Industry certifies listed companies that are committed to the promotion of females' active engagement toward enhancing their corporate value and that are outstanding in terms of efforts to help all their relevant employees, regardless of gender, engage in "dual careers and co-parenting" as "Next Nadeshiko: Companies Supporting Dual Careers and Co-parenting." The Company was certified in March 2025.



Gender Compensation Gap by Sumitomo Electric in Japan

Although the Company does not set gender-based treatment differences in its personnel system, a gender compensation gap exists because the average age of male employees and the percentage of male managers are higher than those of females. Behind this may be that while many male

employees have been with the company for a long time, many female employees in the past left the company after marriage or childbirth. In recent years, the Company has been working to promote and retain female employees by improving measures to support their career development and work-life balance, while also actively recruiting females.

Compensation gap between male and female workers

	All workers	Regular employees	Non-regular employees
FY2023	72.9%	73.4%	51.4%
FY2024	74.3%	74.7%	44.3%

(Note 1) Scope of coverage: Sumitomo Electric. Includes those seconded from the Company to affiliates, etc.

(Note 2) Calculated based on the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life in Japan

■ Promotion of Senior Human Capital's Active Engagement

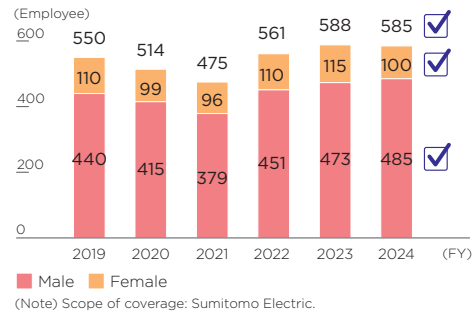
In step with the shrinking of the working age population due to the declining birthrate and aging population, the age composition of the employees of the Company is changing. Amid the progress of changes in the business environment, in order to maintain and develop its business, it is essential to have older employees with extensive experience and high skills continue to play an active role. Therefore, the Company raised the retirement age from 60 to 65 in 2021. The Company will continue to consider measures to further promote senior human capital's active engagement.

■ Promotion of Diversity Recruitment by Sumitomo Electric in Japan

To push forward with new businesses and global expansion, Sumitomo Electric actively recruits diverse talent, including females, international students, non-Japanese workers, and people with experience working for other companies.

In fiscal 2024, the Company hired 585 people, including 100 females and 197 people with experience working for other companies. The Company actively hires non-Japanese workers and graduates from overseas universities, with the total number of non-Japanese employees currently being 102.

Male and female hires (all functions)



■ Promotion of Employment of People with Disabilities

We promote initiatives to realize a society where everyone can work in a lively manner regardless of disability.

In addition to the initiatives that Sumitomo Electric had long implemented, the Company established Sumiden Friend, Ltd. (Sumiden Friend) as a special subsidiary* in its Itami Works in 2008 with the aim of further promoting the employment of people with disabilities. Currently, Sumiden Friend has six offices at Sumitomo Electric's main sites, where 107 people with disabilities work while demonstrating their capabilities. In response to orders placed by the Group companies, Sumiden Friend provides a wide variety of services, including document organization, data entry, manufacturing-related auxiliary material production, and foliage plant maintenance. Moreover, since 2023, Sumiden Friend has set up farms near the relevant works and provides vegetables to the employee cafeterias, thereby expanding the range of work available to employees with disabilities.

Furthermore, in the Group, Sumitomo Wiring Systems, Ltd., Sumitomo Riko Company Limited, and Nissin Electric Co., Ltd. have established special subsidiaries and are striving to foster collaboration through networking and other events.

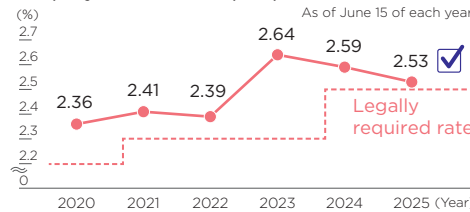
We will continue our efforts to create workplaces where people with disabilities can work while feeling satisfied with their work.

Employees with disabilities at Sumiden Friend, Ltd.

As of June 15 of each year

Year	2020	2021	2022	2023	2024	2025
Person with a disability	62	78	86	101	104	107

Employment rate of people with disabilities



■ Creation of a Comfortable Working Environment for LGBTQ+ Employees by Sumitomo Electric in Japan

In accordance with the Global HRM Policy, the Company is working to prevent discriminatory treatment based on gender identity or sexual orientation. Since 2023, while appointing external experts and providing dedicated LGBTQ+ consultation (both in-house and outsourced services), the Company has been making efforts including promoting understanding of LGBTQ+ issues through various internal human rights training programs, creating a comfortable working environment, and ensuring opportunities for consultation.

■ Creation of a Comfortable Working Environment for Non-Japanese Employees

To create a comfortable working environment for non-Japanese employees, since 2017, the Company has operated a support desk capable of handling inquiries in Japanese, English, and Chinese, while implementing other measures, such as ensuring that the systems for attendance management and travel expense reimbursement are used in Japanese and English, issuing pay slips and internal regulations in English, and setting up prayer rooms at major bases.

■ Global Grade System and Global Executives

The Group has introduced the Global Grade System as a personnel system that allows capable and qualified personnel to work

across the boundaries of individual companies and aim to advance their careers so that they can take on management responsibilities at Japanese and overseas Group companies and even higher responsibilities. Under this system, officers of overseas subsidiaries excluding subsidiaries of listed companies and those in equivalent positions are positioned as those in the grade "GL" and are recognized as "Global Executives." Currently, 42 executives from overseas Group companies are recognized as such. As global leaders, they transcend the boundaries of individual companies to tackle more advanced management challenges and contribute to the development of the Group.

■ Area Committee

In 2015, the Group introduced the Area Committee system with the following aims: (1) to increase the presence of each Group company based on the characteristics of their country or region, (2) to utilize the knowledge and experience of Global Executives, and (3) to build networks among Global Executives. Currently, the Group has four committees: the Americas, EU/Africa, Southeast Asia/Australia (APAC), and Greater China. With more than 500 Group employees, primarily Global Executives, constituting the membership, the committees are working on a wide variety of themes in each area, including developing human capital and strengthening manufacturing capabilities.

The activities and recommendations of the Area Committees are reported by Global Executives to the management of the Company, at the SEG Global Executive Conference in Japan, an annual event where Global Executives gather at the headquarters of the Company, and at the Regional Executive Conferences, annual events where the management from the Company and overseas affiliates gather in each of the four regions: the Americas, EU/Africa, Southeast Asia/Australia (APAC), and Greater China.

Moreover, in fiscal 2024, the Group began to organize conferences to promote cooperation between the areas, transcending the framework of the Area Committees. The Group will leverage these conferences to further promote communication between the areas and accelerate management based on the Global HRM Policy within the Group and cooperation between affiliates.

Improvement of the Workplace Environment

Creation of a comfortable workplace environment

Targets

Targets to achieve the Mid-term Management Plan 2025

Support for balancing work and life

- Percentage of male employees taking childcare leave (Note 1): 100%

Company-wide activities to review work styles

- Total working hours (Note 2): Less than 1,950 hours / year
- Promote work styles suitable for increasing productivity and producing desired results

Continuous promotion of health and productivity management for overall wellbeing

- Reduce presenteeism
- Reduce the loss of work opportunities due to sick leave (absenteeism)
Employees maintaining appropriate body weight: 66%; smoking male and female employees: 22% and 4%, respectively; employees with exercise habits: 40%; and employees with high stress: 10%.
- Improve engagement

(Note 1) Scope of coverage: Sumitomo Electric. Includes those seconded from the Company to affiliates, etc., but excludes those seconded from affiliates, etc. to the Company. "100%" means that all male employees with new-born babies take childcare leave, including those who take childcare leave in years different from the years their babies were born.
(Note 2) The scope of coverage: union members of Sumitomo Electric (including those seconded from the Company to affiliates, etc.).

Initiatives and Results

1) Company-wide activities to promote work-life balance and review work styles

Since 2008, the Company has been promoting a Company-wide initiative to realize an even better-balanced work style, while improving its personnel systems, reducing total annual working hours, encouraging employees to take paid leave, and increasing productivity through improved work efficiency.

Currently, the Company is working on initiatives from various perspectives, particularly influencing the corporate culture and employee's awareness, utilizing infrastructure and IT tools to increase productivity, and reviewing operation rules and processes.

The Company is also improving its systems to meet the diverse needs of its employees to help them balance work with childcare and long-term care.

List of related personnel support systems

Review of work styles	Paid leave	Introduction of planned paid leave and five-consecutive-day paid leave
	Increase in the maximum number of times for half-day paid leave to be taken	Increase to 30 times
	Reduction of total working hours	Review of work styles
	Flexible working styles	Work-from-home system, hourly paid leave system flextime system
	Volunteer leave	5-day special leave (paid and can be taken on a half-day or full-day basis). The use of accumulated leave* is allowed.
	Introduction of a reemployment system	Reemployment system (within three years from resignation or within five years for those who moved overseas)
	Continuation of work	Leave system to accommodate spouse overseas assignment (Leave of up to five years is allowed.)
	Work interval system	An 11-hour interval is ensured between the end of working hours to the start of the next working hours.
Pregnancy, childbirth, and childcare	Period of childcare leave	Until the child reaches the age of 3
	Number of times for childcare leave to be taken	Can be taken in up to three divided times regardless of the reason
	Pay and bonus during childcare leave	Paid for the first five days (if childcare leave at birth is not taken). Partial payment of bonus
	Period of childcare leave at birth	Up to four weeks within the eight weeks after the birth of the child
	Number of times for childcare leave at birth to be taken	Up to twice
	Pay and bonuses during childcare leave at birth	Paid for the first five days (if childcare leave is not taken)
	Reduction of working hours	Until the end of March in the sixth grade of elementary school
	Exemption from overtime work	Until the end of March in the sixth grade of elementary school
	Restriction on overtime work	Until the end of March in the sixth grade of elementary school
	Restriction on late-night work	Until the end of March in the sixth grade of elementary school. Not applicable if a person of the age of 20 or older lives together.
Pregnancy, childbirth, and childcare	Childcare time	Female employees raising children of the age of up to 1 can apply for 30 minutes per time twice a day in addition to their breaks.
	Leave for nursing care of sick children	The use of five days of accumulated leave* per person (no limit on the number of children) is permitted until the end of March of the year when the relevant child is in the sixth grade of elementary school.
	Childcare leave for male employees	Five days of leave to be taken when spouse gives a birth (paid leave) Mandatory to take either childcare leave at birth or childcare leave
	Financial support	Preferential treatment in the use of the childcare menu in the Cafeteria Plan (selective benefit system) Employees of dual-income or single-parent households can receive additional special points in the Cafeteria Plan until the end of March of the year when the relevant child is in the third grade of elementary school. Babysitter discount coupons are issued to those who need them.

Pregnancy, childbirth, and childcare	Support for pregnant and nursing mothers	Eight weeks of leave before birth (two weeks unpaid) and eight weeks leave after birth The use of accumulated leave* for infertility treatment hospital visits, etc. is allowed.
	Establishment of childcare centers, etc.	Establishment of childcare centers and quota for early returnees
	Support for early return from childcare leave	Introduction of Hokatsu Concierge (support for finding childcare centers)
	Individual notification and intention confirmation	Childbirth and childcare support programs and spouse childcare support interviews
	Improvement of the employment environment	Seminars to support balancing work and childcare Consultation services regarding the working environment Introduction of examples of employees taking childcare leave in in-house newsletters, work & life handbooks, etc. Dissemination of systems and policies using in-house notification (posted on the corporate intranet)
Long-term care	Period and number of times for long-term care to be taken	Two years per person. However, the leave can be taken on a daily basis.
	Bonuses during long-term care leave	Partial payment of bonus
	Reduction of working hours	While the need for long-term care continues
	Exemption from overtime work	While the need for long-term care continues
	Restriction on overtime work	One month or more but one year or less per application No limit to the number of times an employee can apply
	Restriction on late-night work	Can apply on a daily basis while the need for long-term care continues
	Leave for long-term care	Five days per person to take care of a family member in need for long-term care (no limit to the number of family members) The use of accumulated leave* is allowed.
	Financial support	Preferential treatment in the use of the family-care menu in the Cafeteria Plan (selective benefit system) Employees working while giving long-term care can receive additional special points in the Cafeteria Plan.
	Individual notification and intention confirmation	Long-term care support interviews
	Improvement of the employment environment	Seminars to support balancing work and long-term care Consultation services regarding the working environment Introduction of examples of employees taking long-term care leave in in-house newsletters, work & life handbooks, etc. Dissemination of systems and policies using in-house notification (posted on the corporate intranet)

Glossary

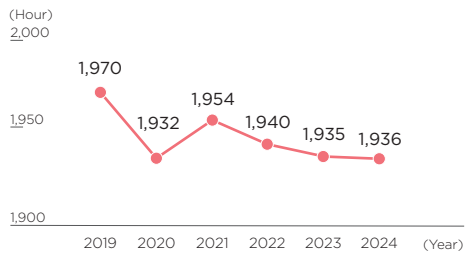
***Accumulated leave:** This system allows employees to accumulate paid leave that will expire if not used, up to 10 days per year (maximum accumulation 50 days in total). The leave can be taken for the reasons specified in the working regulations, such as medical care for the relevant employee, as well as childcare and nursing care of sick family members.

Average overtime hours worked and average paid leave days taken

Year	2019	2020	2021	2022	2023	2024
Average overtime hours worked / month	17.5 hours	13.6 hours	16.3 hours	16.0 hours	16.1 hours	15.7 hours
Average paid leave days taken / year	16.9 days	15.8 days	17.1 days	18.5 days	19.2 days	18.4 days

(Note) Averages of union members of Sumitomo Electric (including those seconded from the Company to affiliates, etc.) from January to December of each year. Until 2022, those belonging to the four works of Sumitomo Electric, Sumitomo (SEI) Electronic Wire, Inc., Osaka and Tokyo Head Offices, Chubu Branch, and Toyota Works were covered (including those seconded to subsidiaries within these business premises).

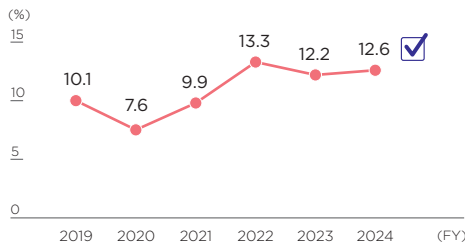
Average total working hours



(Note) Averages of union members of Sumitomo Electric (including those seconded from the Company to affiliates, etc.) from January to December of each year. Until 2022, those belonging to the four works of Sumitomo Electric, Sumitomo (SEI) Electronic Wire, Inc., Osaka and Tokyo Head Offices, Chubu Branch, and Toyota Works were covered (including those seconded to subsidiaries within these business premises).

Turnover rate

(percentage of the new-graduate employees who were hired three years before the relevant year and left the company within three years)



(Note) Scope of coverage: Sumitomo Electric

<Childbirth and childcare support program>

During the period of childbirth and childcare, it is especially important for the relevant employees and their superiors to have detailed “dialogue.” Since fiscal 2015, the Company has institutionalized dialogue between employees and their superiors at the following times: when the relevant employees find out they are pregnant; one month before taking maternity leave; before returning to work from childcare leave; and two months after returning to work from childcare leave. Since fiscal 2019, a dialogue six months after returning from childcare leave has been added in order to promote dialogue with an eye toward career development. The Company, thus, supports employees in making a smooth return to work and playing an active role after returning from childcare leave.

<Promotion of males' engagement in childcare>

To promote males' engagement in childcare, the Company has set a Company-wide target of 100% male employees taking childcare leave and requires all the relevant employees to take at least five consecutive days of childcare leave at birth or childcare leave

Percentage of male employees taking childcare leave ^(note 1)

FY	2021	2022	2023	2024
Number of male employees taking childcare leave ^(Note 2)	189	267	282	317
Number of employees taking leave when their spouses gave birth ^(Note 2)	146	179	179	203
Percentage of male employees taking childcare leave*	49%	76%	100%	100%

(Note 1) Scope of coverage: Sumitomo Electric. Includes those seconded from the Company to affiliates, etc., but excludes those seconded from affiliates, etc. to the Company.

(Note 2) Covers employees who took the relevant leave in the relevant fiscal year regardless of the fiscal year when their children were born

(Note 3) Includes those who took the leave second or subsequent time for their children covered by the support system

*In and after fiscal 2023, in order to indicate progress towards the target of “Percentage of male employees taking childcare leave: 100%,” set out in the Mid-term Management Plan 2025, the percentages of the relevant male employees have been calculated based on internal standards. The past figures have also been calculated based on the internal standards. According to the internal standards, male employees taking childcare leave in the following years after the births of their babies are included.

within eight weeks of the birth of their children. In addition, the Company takes various initiatives to create a work environment that makes it easier for employees to take childcare leave, such as spouse childcare support interviews conducted for employees reporting that their spouses have become pregnant or given birth, and a childcare support guidebook released for male employees and supervisors.

<Childcare center>

As part of efforts to establish an environment that helps employees continue to work while raising children, the Company opened childcare centers at the Yokohama and Osaka Works in 2008, at the Itami Works in 2009, and near the Tokyo Head Office in 2018, with 43 children of employees currently enrolled (as of the end of March 2025).

For employees who are unable to use these childcare centers, the Company takes other supportive measures, such as subsidizing the use of other childcare centers.

<Kidsit subsidy>

Depending on the age of the child, the Company provides Babysitter Discount Coupons, issued as support by the Agency for Children and Families, free of charge for those who use babysitting services to balance work and childcare, as well as the Company's own kidsitting fee subsidy.

<Hokatsu Concierge>

The activity of hunting for day care (“hokatsu” in Japanese) requires a variety of know-how, as the methods and schedules vary depending on the day care environment in the place of residence and on the month the relevant child was born.

Launched in November 2014 to help employees on childcare leave return smoothly to work at the time of their choice, this system is intended to provide *hokatsu* know-how tailored to the relevant employee's circumstances and information on daycare centers.

<Support for balancing work and long-term care>

To date, the Company has been working to help employees balance work and long-term care by improving its leave system and increasing the profile of the system at seminars. Since April 2025, the Company has provided further support with consideration given to each employee's circumstances by, for example, introducing long-term care support interviews between the relevant employees, their supervisors, and human resources staff, and improving the Cafeteria Plan (selective benefit system).

<Work from home>

In fiscal 2016, the Company introduced a work-from-home system to allow employees who have certain restrictions on working at the Company's premises due to their need to provide childcare, long-term care, etc. to work from home. In fiscal 2018, in order to realize more flexible and efficient working styles and increase productivity by reviewing working styles, the Company expanded the scope of the system's eligibility to include employees who meet certain requirements, such as being able to carry out their work autonomously and produce the desired results. In and after fiscal 2022, the Company relaxed the requirements. With its eye on an increase in productivity and generation of desired results, since fiscal 2022, the Company has allowed employees to work from home at the discretion of their superiors based on the assumption that they work from home about five days per month on average, as long as it does not exceed half of the monthly working days. Even if it exceeds half of the monthly working days, employees can work from home with approval from general managers.

<Reemployment system>

Since 2008, the Company has had a reemployment system in place to reemploy former employees who unavoidably resigned due to reasons such as childbirth, childcare, or long-term care. In the system, the

Company organizes interviews and reemploys eligible persons when they are able to return to work (within three years from resignation or within five years for those who moved overseas), and in principle, assigns them to their former workplaces.

<Leave system to accommodate spouse overseas assignment>

Since 2017, the Company has had a leave system to accommodate spouse overseas assignment, allowing employees to take leave of up to five years to accompany their spouses assigned overseas. The system is intended to prevent such employees from quitting the Company.

<Volunteer leave program>

Employees can take up to five days of paid leave per year (up to a maximum of 15 days if accumulated leave is included) to engage in volunteer activities approved by the Company. The program is used for various activities that contribute to regional communities, such as supporting disaster recovery efforts.

■ External Assessment

Certification in the Platinum Kurumin system

In the Platinum Kurumin system, the Minister of Health, Labour and Welfare of Japan certifies companies that are actively committed to supporting the child-rearing of their employees through an especially high level of initiatives in order to assist the healthy growth of children, who will be responsible for the next generation of society. The Company was certified in June 2019.



Special certification mark
"Platinum Kurumin"

2) Promotion of health and productivity management

Based on the Sumitomo Electric Group Health and Productivity Management Declaration, formulated in 2015, the Group actively supports employees who engage in health improvement activities and takes organizational health improvement measures, thereby striving to raise employees' health awareness (literacy) and to ensure that employees can work in a healthy and lively manner.

To promote the necessary measures, the Company convenes the Occupational Health

and Safety Management Committee four times per year under the lead of the officer in charge of human resources to decide on Company-wide policies and to deliberate on relevant measures.

Currently, the Company implements measures to enhance labor productivity and engagement through analysis of various types of related data, with its focus set on Kenkatsu!, a health maintenance and improvement program based on the three main themes of prevention of lifestyle-related diseases, establishment of exercise habits, and mental health care.

Targets and progress to achieve the Mid-term Management Plan 2025

Health investment	[KPIs] Indicators of changes in the awareness and behavior of employees, etc.			Health-related final target indicators
1) Further promotion of the measures based on the three main themes of Kenkatsu!	Indicator (KPI)	Result	Target	Reduction of presenteeism
		FY2024	FY2025	
2) Permeation of Kenkatsu!, development of health culture, and improvement of health awareness	Rate of those maintaining appropriate body weight*	65.0%	66.0%	Reduction of the loss of work opportunities due to sick leave (absenteeism*)
	Smoking rate	Male	23.4%	
		Female	5.1%	
3) Implementation of measures to address health-related challenges that can cause presenteeism*	Rate of those with exercise habits*	33.4%	40.0%	Improvement of engagement
	Rate of those with high stress*	11.0%	10.0%	



Opening ceremony of the sports event SEI Challenge Cup

<Prevention of lifestyle-related diseases>

The Company encourages employees to review their lifestyle habits by holding seminars and other events on topics such as dietary habits, exercise, sleep, and cancer prevention. The Company also works to prevent passive smoking and help employees quit smoking by banning smoking in working hours and providing financial support to participate in a smoking cessation program. If employees are found to be at high risk as a result of health checkups, the Company encourages them to receive health guidance from medical workers or seek medical consultation, thereby helping their conditions from worsening. By implementing these measures, the Company will continue to encourage employees to change their awareness and behavior and improve the KPIs that it has set, which include the rate of those maintaining appropriate body weight and the smoking rate.

KPIs

	Rate of those maintaining appropriate body weight	Smoking rate	
		Male	Female
FY2022	65.4%	23.6%	5.2%
FY2023	65.4%	23.2%	5.1%
FY2024	65.0%	23.4%	5.1%

Main measure	Description
Healthy practice campaign	In this campaign, participants set targets on daily exercise, dietary habits, etc., and receive incentives according to the degree of their achievements. (Participants: 707 in the first half; and 753 in the second half)
Lifestyle review training	Seminars by experts are held on the themes of exercise in the first half and diet in the second half. (Participants: 235 for "exercise"; and 111 for "diet.")
Measures to prevent passive smoking	Banning smoking in working hours. Providing financial support to participate in a smoking cessation program.

Glossary

***Presenteeism**: A state in which an employee is at work but is unable to perform to their full potential due to some health disorder.

***Rate of those maintaining appropriate body weight**: BMI of 18.5 or more to less than 25

***Rate of those with exercise habits**: 30-minute exercise at least twice a week

***Rate of those with high stress**: Calculated based on the Ministry of Health, Labour and Welfare's standards, with individuals' stress responses (fatigue, anxiety, depression, appetite/sleep) and stress factors/support from others (the same four scales as for the Overall Health Risk) set in a biaxial graph following stress checks.

***Absenteeism**: Loss of work opportunities due to sick leave

<Establishment of exercise habits>

Having set a rate of those with exercise habits as a KPI, the Company actively provides exercise opportunities and supports sports activities. The Company holds the sports event SEI Challenge Cup and a walking event to help employees and their families establish exercise habits and stimulate communication in the workplace. In addition, the Company provides support not only for association and sports club activities, but also for a wide variety of individuals' sports activities by applying the Cafeteria Plan (selective benefit system), through which fitness club fees and sports equipment purchase costs are subsidized.

KPIs

	Rate of those with exercise habits
FY2022	36.2%
FY2023	34.2%
FY2024	33.4%

Main measure	Description
SEI Challenge Cup: in-person events	Meet to compete in the three events of goalball, 100m sprint, and Mōlkky. (Participants: 225)
SEI Challenge Cup: online	Event designed for employees to make walking or running a habit, in which a dedicated app is used by the members of workplace-based teams. (Participants: 4,038)
Walking event	Biannual event encouraging employees to walk 8,000 steps every day for two months so that walking will become a habit. (Participants: 3,232 in the first half; and 3,442 in the second half)
Support for associations	Financial support, such as grants and travel expense coverage, for activities of associations that represent their local communities (14 teams, approximately 320 members).
Support for sports clubs	Support for company-approved sports activities, including coverage of sports equipment purchase expenses and tournament entry fees (36 teams, approximately 440 members)
Support for individuals	Subsidy through the Cafeteria Plan to cover fitness club fees and purchase expenses of sports and training-related items

<Mental health care>

As part of its efforts to improve the workplace environment, the Company provides line care training for managers and supervisors to help prevent mental health problems among their subordinates. In addition, based on the results of stress checks, the Company implements a six-month improvement program for workplaces with high health risks. The Company also provides self-care training to help employees effectively cope with stress and has a counselor stationed at each business location. In addition, the Company has a system in place to allow employees and their families to consult about everyday worries via email or phone. Through these efforts, the Company will continue to strive to reduce the rate of those with high stress, which is one of the KPIs, and establish a lively workplace environment.

KPIs

	Rate of those with high stress	Overall health risk*
FY2022	11.1%	86
FY2023	11.5%	85
FY2024	11.0%	84

Main measure	Description
Self-care training	Online seminar on the theme "Process of Changing Negative Thoughts into Positive Ones - ABCDE Theory." (Participants: 1,131)
Training for managers and supervisors	Online seminar on the theme "Differences in Mental Health Challenges by Generation." (Participants: 1,063)
Continued implementation of the workplace environment improvement initiative, "Workplace Checkup"	Six-month improvement program for workplaces identified as those with high risk based on the results of stress checks. (Eight workplaces)

<Presenteeism>

The Company works not only on the three main themes of Kenkatsu!, but also on initiatives aimed at improving labor productivity. Placing particular emphasis on supporting female health, the Company is proceeding with measures, such as organizing an awareness-raising program on health-related challenges specific to females and setting up an in-house consultation desk. The Company is also strengthening its health support for employees through seminars to alleviate musculoskeletal disorder such as stiff shoulders and back pain, as well as eye strain caused by working with information devices.

Kenkatsu!	Main measure	Description
Support for female health	Seminar	"Seminar on Female Hormones" (Participants: 139)
	Gynecological cancer screening	In FY2024, a screening was held at the head office, with 155 employees screened.
	Column by a public health nurse	Column by a public health nurse on female health-related challenges posted on the Kenkatsu! website (once a quarter)
Support for alleviating disorder caused by working with information devices	Training to prevent eye strain, stiff shoulders, etc. caused by working with information devices	Seminar for managers and supervisors to learn about the physical and mental symptoms caused by working with information devices, as well as their reasons and countermeasures. (Participants: 275)
	Eye strain seminar (for employees in general)	Video seminar by an industrial physician for employees who work with information devices and employees who regularly experience eye problems. (Participants: 896)

<Other initiatives>

Main measure	Description
Health Festa	Fitness test and athletic experience event for employees, their families, and local residents, with members from the Company's track and field club serving as instructors
Training at the time of promotion Manager training	Level-specific training on health and productivity management, Kenkatsu!, improvement of health literacy, etc.
Posting short videos for health training online	Providing a wide range of health information by posting short (three-to-five-minute) movies online to be viewed during work breaks and to be screened at cafeterias
Interview for all new graduate employees on the main career track	Interview with a medical worker to promote understanding of industrial health and check health condition



Health Festa: Athletic experience section



Health Festa: Fitness test section

Glossary

***Overall health risk:** A score that indicates the degree to which "workplace stress" affects an individual's health. The score is calculated based on the following four scales from those of a stress check: quantitative workload, work control, support from superiors, and support from colleagues. The national average in a survey conducted by the Ministry of Health, Labour and Welfare in 2000 is set at 100 (standard value). The lower the figure, the lower the risk.

<Other indicators>

By proceeding with Kenkatsu!, underpinned by the three main themes, the Company will continue to practice health and productivity management, while regularly monitoring various indicators.

Productivity evaluation indicator	FY2023	FY2024
Absenteeism	1.66%	1.33%
Employees on long-term absence due to mental disorder per 1,000 employees*	9.3	6.8

Indicator of changes in the awareness and behavior	FY2023	FY2024
Blood pressure treatment rate	84.4%	76.5%

Indicator on health investment measure	FY2023	FY2024
Regular health checkup attendance rate	100%	100%
Complete medical examination attendance rate	54.6%	71.1%
Stress check participation rate	95.8%	96.5%

Aggregation method for each indicator

Absenteeism:

Calculated as the percentage of employees who are absent for 30 days or more due to non-occupational illness or injury.

Blood pressure treatment rate:

Calculated the rate of employees under high-blood pressure treatment to keep watch on high-risk employees.

■ External Assessment

Certified as a Health and Productivity Management Organization (White 500) 2025

Sumitomo Electric has been certified by Nippon Kenko Kaigi as an excellent health and productivity management company (White 500) 2025. This is the seventh time and the fourth straight year.



Rated in the highest rank in the DBJ Health Management Program 2024

Sumitomo Electric has been rated in the highest of the three ranks in the Development Bank of Japan (DBJ) Employees' Health Management Rated Loan Program 2024.



Certified as a Sports Yell Company 2025

Sumitomo Electric has been certified as a Sports Yell Company 2025 by the Japan Sports Agency. This is the seventh time for the Company to be certified as such.



3) Improvement of engagement

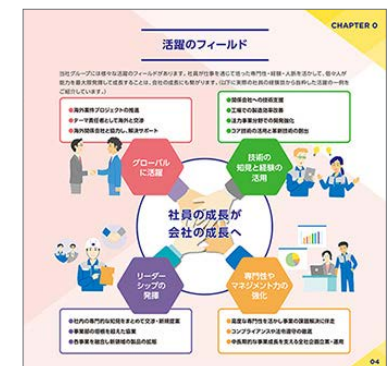
<Engagement survey>

To determine the current level of ownership of the Sumitomo Spirit, Vision, and Management Plan, as well as the current level of establishment of a cohesive organizational climate, the Group conducts an engagement survey. In fiscal 2024, the survey was conducted of approximately 65,000 employees (an increase of approximately 11,000 employees from the previous year) at 165 Group companies both in Japan and overseas (an increase of 45 companies from the previous year). The results will be used to examine measures to increase the value of human capital, and feedback will be provided to managers at each workplace to serve as a reference for workplace operations. Analysis of the survey results confirms that ownership of the Sumitomo Spirit is becoming more widespread. An analysis of changes over time in the approximately 1,400 workplaces that have participated in the survey on an ongoing basis shows that approximately 60% of workplaces have improved as a result of workplace improvement activities such as ensuring many more opportunities for interaction and strengthening the communication of departmental policies.

Indicator	Result		
	FY2022	FY2023	FY2024
Participating companies (Sumitomo Electric and Group companies in Japan and overseas)	67	120	165
Participating countries	6	20	24
Participants in Japan	Approx. 24,000	Approx. 40,000	Approx. 43,000
Participants overseas	Approx. 2,000	Approx. 14,000	Approx. 22,000

<Career development support guidebook>

With the values of working people becoming more diverse, in order for a company to continue to grow and contribute to society, it is necessary to establish an environment in which each employee can fully demonstrate their abilities and produce the desired results, and also to ensure that both the company and their employees make strenuous efforts. In Fiscal 2024, the Company published a career development support guidebook *Career Discovery Book* to help employees consider their career development at the Company. The book describes the Company's diverse personnel systems and measures designed to support success, growth, and self-improvement at each stage of life, and communicates various possibilities for success within the Group.



Career development support guidebook

Human Rights

Targets

Under the basic philosophy that all of its business activities must be based on respect for human rights, the Group has set targets for its initiatives to promote respect for human rights.

Targets to Achieve the Mid-term Management Plan 2025

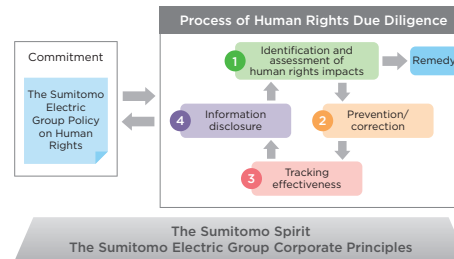
- Human rights due diligence: Examination of key risks and implementation of prevention and mitigation measures for Group companies
- Human rights training: Promotion of training and awareness-raising for discrimination, harassment, and other human rights issues
- Supplier Code of Conduct: Requests to engage in human rights and labor relations efforts based on the Supplier Code of Conduct

Initiatives and Results

Human Rights Due Diligence in the Sumitomo Electric Group

Based on the "Guiding Principles on Business and Human Rights" of the United Nations and "Guidelines on Respecting Human Rights in Responsible Supply Chains" of the Ministry of Economy, Trade and Industry, our Group has conducted human rights due diligence to ensure that we fulfill our responsibility for respecting human rights in fiscal 2022. In fiscal 2023 and 2024, we worked to resolve the issues identified through the survey.

<Process of human rights due diligence>



<Human rights risks (critical risks and potential risks)>

Based on Japanese and international standards for respect for human rights, including the International Bill of Human Rights of the United Nations and the International Labour Organization (ILO) Constitution, we consider the following as risks that our business may adversely impact human rights.



Overview of the FY2022 Human Rights Due Diligence Survey

Target companies:

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

Survey items and contents:

For this fiscal year, we focused on child labor, forced labor, and migrant workers 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.

- In two Group companies in Japan, corrective actions were taken due to deficiencies found 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.)
- In two Group companies overseas, issues that the workers themselves were paying for hiring fees and other costs were identified. 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 external experts to provide support to workers.

Initiatives for Respect for Human Rights in FY2023

Implementing corrective measures in FY2023 for problems as a result of the FY2022 human rights due diligence survey

- In two group companies in Japan, issues in the contract between the Company and temporary staffing companies were identified; the contract has been amended.
- In two group companies in Taiwan, issues with recruitment fees related to migrant workers were identified; appropriate corrective measures have been implemented based on the interviews with the applicable persons.

Investigation of Group company in Eastern Europe (a company was unable to conduct survey in FY2022)

- Since issues with recruitment fees related to migrant workers were identified, interviews with the applicable persons were conducted. Corrective actions and measures to prevent recurrence are being considered.

Initiatives for Respect for Human Rights in FY2024

- Appropriate corrective actions have been implemented to the issue of migrant workers in Eastern Europe. Measures to prevent recurrence has been under discussion.
- A framework has been established to check the status of Japan and overseas group companies by utilizing annual internal self assessment with regard to the three critical human rights risks of child labor, forced labor, and inappropriate usage of migrant workers.

■ Human Rights Risk Prevention and Mitigation Initiatives

(1) Human rights education and training

We are also making continuous efforts in human rights training and awareness-raising activities to solve a wide range of human rights issues, including discrimination and harassment. In fiscal 2024, a cumulative total of 36,284 persons participated in human rights training, including education programs provided mainly by Human Rights Task Committee members at their workplaces, as well as harassment prevention training for managers and human rights training for officers, new employees, and newly promoted employees at each position level.

Training records for FY2024

Cumulative total number of trainees	36,284
Cumulative total number of training hours	18,215

(2) Cooperation with human rights organizations and government agencies

Sumitomo Electric has joined the Responsible Business Alliance to address human rights issues in global business activities, while it has also become a member of human rights organizations in Japan, including the Corporate Federation for Dowa and Human Rights Issues, Osaka, the Center for Promotion of Fair Recruitment and Human Rights Awareness, and the Career Support & Talent Enhancement Plaza (C-STEP). We therefore cooperate with relevant governmental agencies and organizations from the standpoint of a corporation with a view to realizing a society in which human rights are guaranteed for all. As a member of the Japan Business Federation (Keidanren), we also support its Charter of Corporate Behavior.

(3) Establishment of consultation services

In addition to the internal and external contacts for consultation and reporting managed by the Compliance Committee, we have set up internal contacts for consultation concerning issues related to working conditions, such as sexual harassment, abuses of authorities, and discrimination against pregnant employees and employees on parental leave. With these services, we have in place a system to quickly gather information on any case of violation against human rights and take appropriate measures to address it.

For more details about the reporting and consultation desk, please see [→P60].

■ Initiatives for Fair Recruitment

As a result of an examination conducted by a third-party committee run by the Center for Promotion of Fair Recruitment and Human Rights Awareness, Sumitomo Electric has been certified as a company that is actively committed to fair recruitment and human rights awareness-raising initiatives.



■ Freedom of Association and Collective Bargaining

The Sumitomo Electric Group Policy on Human Rights is based on the United Nations' International Bill of Human Rights and Guiding Principles on Business and Human Rights, as well as the ILO Declaration on Fundamental Principles and Rights at Work, which stipulates freedom of association and the right to collective bargaining.

Guided by the basic principles of

labor-management equality, coexistence and co-prosperity based on mutual trust, and resolution through thorough discussion, Sumitomo Electric and the SEI Labor Union are working together to create an environment in which employees can work in a lively manner.

The labor agreement covers matters such as working conditions for union members, safety and health, collective bargaining, union activities, and a labor-management council. Based on this labor agreement, the Central Management Council meets four times a year, where representatives of labor and management exchange opinions on the Company's management condition and other issues. Various other deliberating bodies have also been established to enable labor and management to discuss issues such as working hours and employee benefit systems.

Sumitomo Electric has concluded a union shop agreement, and 100% of regular employees are Union members.

Additionally, the Sumitomo Electric Group Labor Union, to which the labor unions of Sumitomo Electric and some Group companies in Japan belong, holds round-table meetings twice a year as opportunities for information sharing and opinion exchange between labor and management of member companies.

Overseas Group companies also strive to improve working conditions and gain a comprehensive understanding of business conditions through dialogue between labor and management in accordance with the laws and regulations of each country and region.

For details about our collaboration with suppliers in human rights initiatives, please refer to [→PP45-46].

Occupational Safety and Health Aiming to be a world's safest company

Basic Views and Policy

The Group positions safety as one of the most important management issues. Aiming to be a world's safest company, the entire Group is making a concerted effort in performing safety and health activities. Recognizing that ensuring the safety and health of employees is essential for our continued existence as a corporate group and is also part of our corporate social responsibility, we have established the Sumitomo Electric Group's Safety Philosophy, Principles of Safety Activities, and Occupational Safety and Health Guidelines. Guided by these, we are making efforts to eliminate occupational accidents, including promoting activities by our safety and health organization, such as equipment safety measures, and establishing a safety and health education system.

Safety Philosophy

- Safety is our top priority.
- All accidents can be prevented.

Principles of Safety Activities

1. Top managements of business sites and organizations shall act to lead by example of themselves in improvement of the safety culture.
2. Mutually enlighten safety consciousness through bidirectional communication.
3. All members shall act to aim a global top safe enterprise.

Occupational Safety and Health Guidelines

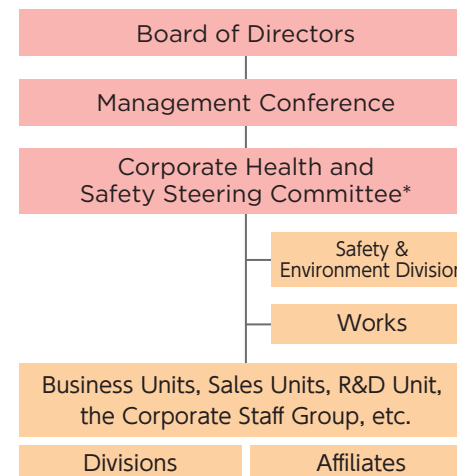
We, Sumitomo Electric Group, raise "Safety is our top priority" in group wide, and, aim comfortable workplaces able to work in safe and ease, by belief of top management and efforts of individuals in the group, under the basic spirit of "Respect for Humanity."
We establish and enforce following guidelines, and actively endeavor to improve the occupational safety and health.

1. By eliminating every hazardous and harmful elements from the workplace, aim to be a top enterprise of "Zero Accidents, Zero Dangers."
2. Comply company rules, as well as, legal regulations and other safety requirements.
3. By conducting safety and health education and training, enhance the sensitivity and knowledge.
4. Achieve work environment able to work comfortably in health in both mental and physical aspects.

Structure

■ Safety and health management structure

The Corporate Health and Safety Steering Committee, which comprises representatives from all the divisions and affiliates of the Company, sets policies and targets for improving occupational safety and health activities throughout the Group and reducing occupational accidents and injuries. After deliberation, the committee develops proposals on safety and health measures and activities. The Management Conference of the Company, headed by the President, approves these proposals. These proposals are also reported to the Board of Directors.



* Chair: General Manager of Manufacturing Management & Engineering Unit

Vice Chair: Deputy General Manager of Manufacturing Management & Engineering Unit

Members: Representatives from divisions and affiliates, General Managers of Plant & Production Systems Engineering Division of Manufacturing Management & Engineering Unit, R&D Planning & Administration Division, Sales Planning & Marketing Division, and Human Resources Division, General Managers of Works, etc.

Organizer: Safety & Environment Division

■ Promoting occupational safety and health management systems and strengthening risk assessment implementation

To achieve perfect occupational safety, it is essential to eliminate risk factors, and thus it is important to effectively operate an occupational safety and health management system and strengthen risk assessments (identifying and evaluating hazard sources at workplaces).

An occupational safety and health management system is a system for taking measures before an accident occurs by identifying and evaluating hazard sources and harmful elements latent in field work. The Ministry of Health, Labour and Welfare recommends its introduction as part of activities to eliminate occupational accidents, and activities to promote this system are carried out internationally.

Based on the Ministry of Health, Labour and Welfare's Guidelines on Occupational Safety and Health Management Systems (OSHMS), the Group has established the stricter Sumitomo Electric Global Standards (GS) for the entire Group. Additionally, at our overseas sites, we carry out safety and health management according to standards defined in the laws and regulations of each country or Sumitomo Electric's GS, whichever are stricter. Based on these, we are actively working to carry out risk assessments, thereby reducing risk levels systematically and continuously.

Targets

Targets to achieve the Mid-term Management Plan 2025

The Sumitomo Electric Group's Mid-term Management Plan 2025 sets the target of zero serious accidents. For fiscal 2024, we set the target of zero serious accidents* and zero accidents resulting in lost work time and strove to achieve it.

Initiatives and Results

In July 2024, an accident occurred at an Sumitomo Electric's works, claiming the life of one employee while at work. To ensure that such an accident never occurs again, the President issued an Emergency Safety Message to all those working in the Sumitomo Electric Group, including employees and temporary workers, instructing the entire Group to thoroughly implement emergency safety measures. We also thoroughly investigated the cause of the accident, inspected similar work processes and risks overall, and then devised measures to prevent recurrence from both a tangible and intangible perspective, which we have implemented at all our sites in Japan and overseas.

Furthermore, in light of the fact that this accident occurred during troubleshooting work, we are implementing the following initiatives, which we have newly defined as Group-wide priority activities, with the strong determination to never allow a serious accident to occur again.

- All employees must eradicate facility issues at their source and guarantee the safety of troubleshooting tasks
- All employees must regard every accident case—including near misses—as their own to help prevent similar incidents

All of us, including officers and managers, will promote the creation of safe workplaces with a renewed awareness that safety is our top priority, an item of our Safety Philosophy.

To achieve our Mid-term Management Plan 2025, we have continued to conduct our safety activities with three pillars: 1. Fostering a safety culture, 2. Safety measures in facilities, and 3. Developing human capital with high safety awareness.

1. Fostering a safety culture

Based on the Safety Philosophy and the Principles of Safety Activities, Sumitomo Electric and Group companies both in Japan and overseas are mainly conducting the following activities to foster a safety culture:

1) Once every six months, the President himself issues a Message from the President and COO to all employees, temporary workers, etc., via internal broadcasts, global newsletters, and other media to advocate clear safety policies. In addition, we hold a Corporate Safety Conference twice a year to share information about safety achievements, activities of each division, and priority initiatives and spread good practices among them, in order to ensure thorough awareness that safety is our top priority, an item of our Safety Philosophy throughout the Group. To promote our efforts to foster a safety culture, we created safety awareness cards (available in 12 languages, including Japanese, English, and Chinese) and distributed them to all Group employees to ensure the permeation of the S-T-O-P Accident Campaign* and other initiatives.



Portable safety awareness cards
(face side)

2) Executives such as division general managers and the presidents of affiliates declare action targets as "safety actions of top management" and demonstrate how to perform those actions to drive the safety mindset of employees. At the end of each fiscal year, this initiative is reviewed with feedback sought from employees, and the review results are incorporated in the next fiscal year's activities.

3) We have increased opportunities for dialogue between patrollers and workers during regular safety patrols. The patrollers directly express their gratitude to the workers for complying with safety rules and share their findings and insights regarding risks at the workplaces, thereby ensuring full awareness of safety on both sides. This kind of dialogue sometimes reminds workers of recent problems, no matter how minor they are, and allows them to share with the patrollers information about risks that cannot be confirmed immediately, leading to improvement measures being adopted. Additionally, to raise the quality of dialogue, we train safety experts in each division, who play a key role in our efforts to improve the dialogue skills of managers at each workplace.



Safety expert training in fiscal 2024

4) We conduct a periodical safety awareness survey to quantify each division's tendency. Making the most of good practices in the Group, we promote improvement activities attuned to each division.

5) Furthermore, as an overseas initiative to promote safety activities in line with the laws, regulations, and characteristics of each region, we have established an EHS Committee* in the Americas and Safety Working Groups in Greater China and Southeast Asia. These organizations hold regular meetings as opportunities for exchange of information about laws and regulations, the status of each company's initiatives, etc. between the Group companies.

2. Safety measures in facilities - Protecting people from dangers through hardware-related measures

Switch-off and zero residual energy activities

Since 2019, we have identified a cumulative total of 2,400 routine operations that involve direct contact with or approach to rotating or moving parts of equipment in operation at all sites in Japan and overseas. By fiscal 2024, we have completed implementing all hardware-related safety measures.

We also implemented measures to visualize residual energy in switched-off equipment, such as residual pressure and inertia, so that workers can monitor it with lamps, meters, or other instruments.

Meanwhile, we have not yet completely eliminated accidents caused by direct contact with or approach to rotating or moving parts of equipment in operation during non-routine operations, such as responses to defects in products being processed or recovery from equipment malfunctions. To eradicate such accidents, in addition to safety measures in facilities, we are implementing the initiatives to completely eliminate facility trouble itself and ensure the safety of troubleshooting work with the aim of making high-risk non-routine operations unnecessary.

Glossary

***Serious accident:** An accident resulting in a death or disability that falls under grades 1 to 3 of the Disability Grade Table (Appended Table 1 of the Regulations for Enforcement of the Industrial Accident Compensation Insurance Act)

***S-T-O-P Accident Campaign:** This slogan represents basic rules to be followed while walking. **S:** Do not take a short cut and watch your step; **T:** Do not text or talk on the phone while walking; **O:** Hold on to the handrails when using stairs; and **P:** Do not put your hands in your pocket while walking

***EHS Committee:** A committee that tackles issues related to the environment, occupational health, and safety, and promotes activities aimed at creating a safer working environment

Preventing serious accidents involving forklifts

By 2023, we have completed implementing the Level-4 measure to separate workers and forklifts (separation with fixed fences and temporal separation) at all sites in Japan and overseas.

Every time a situational change, such as the need to introduce a new process or a change in the work procedure, makes it likely that workers will be closer to forklifts or every time a potential risk is identified during daily work, we devise and implement improvement measures, thereby maintaining our level of separation between workers and forklifts at Level 4.

3. Developing human capital with high safety awareness

- "Protect your life by yourself"

An analysis of accidents at our sites shows that the number of accidents caused by facility-related factors is decreasing, but the number of accidents due to human error or management systems remains unchanged. To eliminate accidents, it is necessary to improve employees' attitude toward safety, thereby suppressing unsafe actions. In fiscal 2017, we added a course titled "Developing Human Capital with High Safety Awareness" to our company-wide training program and continue to provide safety education with the following focus. We also implement a wide variety of safety awareness-raising measures, including providing position-based safety training for new and other employees.

Focus: Education that appeals to employees' sensibility and enhances their motivation and awareness

- Providing trainees with the opportunity to listen to those affected by accidents (to learn directly about their remorse, hard feelings, and physical and emotional pain)
- Disaster simulation CG videos + discussions and presentations (aimed at allowing

trainees to consider the causes of the accidents and how they could have been prevented)

- Repetitive safety training to be provided periodically

Training records for FY2024

Training program	No. of trainees
Repetitive safety training for engineers	837
Safety training for specialist employees and managers	959

(Note) Scope of coverage: Sumitomo Electric



Repetitive safety training

■ Results for Fiscal 2024

In fiscal 2024, the Group had one person suffer from a serious accident and 14 from lost work-time accidents in Japan and overseas, failing to achieve the target of zero serious accidents and zero accidents resulting in lost work time.

To improve the safety level of the entire Group, we have continued to share methods and know-how for safety activities with Sumitomo Riko Company Limited, and SUMITOMO DENSETSU CO., LTD., both of which are our listed subsidiaries. However, in fiscal 2024, the entire Group, including those listed subsidiaries, had a total of 21 people involved in a serious accident or accidents resulting in lost work time, an increase of five people year on year.

For fiscal 2025, based on lessons from the previous year, we have defined the following as priority activities:

- Completely eliminating facility trouble and ensuring the safety of troubleshooting work
- Identifying and improving unsafe situations and actions by taking action based on a feeling of ownership and one's own thought about them
- Raising awareness of three principles for preventing falls while walking

With a renewed determination, we are working to achieve our target of zero serious accidents and zero accidents resulting in lost work time.

Accidents in the Sumitomo Electric Group

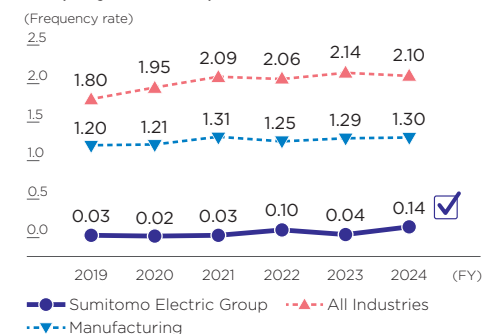
		Employees (No. of those involved)			Temporary workers, subcontractors	Grand total
		Japan	Overseas	Total		
FY 2024 ✓	Serious accidents*	1	0	1	0	1
	Accidents resulting in lost work time	9	3	12	2	14
	Total	10	3	13	2	15
FY 2023	Serious accidents	0	0	0	0	0
	Accidents resulting in lost work time	3	5	8	6	14
	Total	3	5	8	6	14

*A serious accident refers to an accident resulting in a death or disability that falls under grades 1 to 3 of the Disability Grade Table (Appended Table 1 of the Regulations for Enforcement of the Industrial Accident Compensation Insurance Act). In fiscal 2024, a serious accident claimed the life of one person.

*1 "Employees" include those of Sumitomo Electric and its affiliates (excluding listed subsidiaries), as well as companies that are not affiliates of Sumitomo Electric but subject to occupational safety and health guidance and supervision provided by Sumitomo Electric.

*2 The figure for "employees overseas" may include temporary workers and subcontractors.

Lost time injury frequency rate for employees in Japan



* The lost time injury frequency rate for Sumitomo Electric Group employees in Japan covers Sumitomo Electric and its affiliates in Japan (excluding listed subsidiaries).

Product Quality and Safety

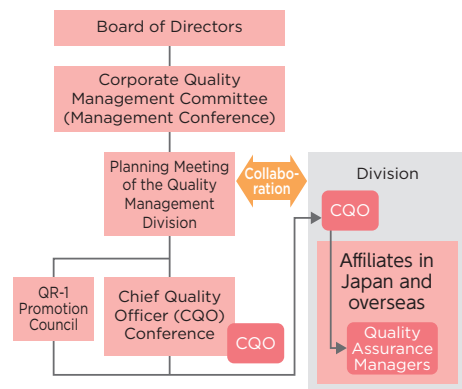
Basic Views and Policy

The Group embraces the fundamental principle of providing safe, reliable, and high-quality products to customers in a stable manner based on customer-oriented and quality-oriented policies. To continue to achieve this, the Group works to strengthen its underlying manufacturing competence and continuously makes steady efforts to systematize daily duties as a mechanism, carry them out soundly, and further improve the mechanism.

Structure

■ Structure of Quality Management

Matters relating to quality in the Group are discussed and decided upon by the Corporate Quality Management Committee (Management Conference). The resolutions are discussed at the Chief Quality Officer (CQO*) Conference, organized by the Quality Management Division, and the QR-1 Promotion Council, which promotes the QR-1 Campaign, a group-wide quality improvement activity, before being disseminated to divisions and affiliates in Japan and overseas through the CQOs.



In collaboration with the CQO of each division, we promote the strengthening of quality-related governance, the development of a quality assurance system, and the enhancement of quality assurance functions in the Group.

■ Quality Management System

As part of the efforts to systematize quality-related operations, we have established the Sumitomo Electric Group Quality Management Global Standards (hereinafter, "Quality Management Global Standards"), which are basic rules on quality that apply to all divisions in the Group. The respective divisions strive to develop their quality assurance systems and strengthen quality assurance functions in line with those rules.

Items in the Sumitomo Electric Group Quality Management Global Standards

No.	Item	No.	Item
(1)	Quality policy and organization	(8)	Equipment and measuring instruments
(2)	Quality system	(9)	Inspection
(3)	Education and training	(10)	Process control
(4)	Complaints	(11)	Management of suppliers and subcontractors
(5)	Product planning	(12)	Design and/or process change control
(6)	Product design	(13)	Functions as a hub
(7)	Production preparation		

We have also established the Quality Management Guidelines for Vendors and Subcontractor, which comprehensively define the quality control requirements we expect our suppliers to meet, thereby aiming to improve the quality of purchased and outsourced products.

Furthermore, some of our facilities have been certified to comply with ISO 9001, an international standard for quality management systems, as necessary, taking into consideration customer requirements.

Targets

Targets to achieve the Mid-term Management Plan 2025

The Sumitomo Electric Group's Mid-term Management Plan 2025 sets the targets of providing high-quality and safe products and providing products that meet customer needs.

Initiatives and Results

Once every six months, the President himself issues a Message from the President and COO to all employees, temporary workers, etc., via internal broadcasts, global newsletters, and other media to advocate clear quality policies. We also hold a Corporate Quality Conference twice a year to raise quality awareness among employees and ensure the permeation of our quality policies, as well as sharing information about the quality commitments and quality activities of the respective divisions. In fiscal 2024, we shared good practices for improving guarantee levels and reducing failure losses.

■ Providing High-quality and Safe Products

- Development of the QR-1 Campaign, a group-wide quality improvement activity

As customer demands for quality become more and more stringent, the Group is running the QR-1 Campaign under the slogan, "Aim to be the number one company for our customers by reviewing our overall operations from the customer's perspective and improving our Q (quality) and R (reliability) structure." In this campaign, the QR-1 Promotion Council discusses, sets, and works on priority issues for the Group that correspond to the situation at the time.

Three activities supporting the QR-1 Campaign

1. Promotion of Own Process Quality Assurance Activities
2. Quality Management Education
3. Global Quality Management System Audits



QR-1 Campaign logo

QR: Quality & Reliability

1. "Own Process Quality Assurance Activities," aiming for zero complaints

Each division of the Group is committed to Own Process Quality Assurance Activities for its products. Own Process Quality Assurance Activities are comprehensive efforts to prevent defects from being produced in each process or passed down to the following process. As part of these activities, defect-free process conditions (requirements for producing defect-free products) are defined at the design stage, and compliance with these conditions is maintained through process management at the mass production stage. If any defect still occurs, we will conduct a root cause analysis on the quality defect, clarify the cause, and improve the quality in pursuit of defect-free process conditions.

Additionally, to eliminate defects in processes, we promote the introduction of the Degree of Quality Assurance, which is an indicator that visualizes quality risks. With this indicator, the probability levels of the occurrence and outflow of each type of defect are respectively determined on a scale of 1 (sufficiently prevented) to 4 (not prevented) and combined into a rating on a six-point scale of S to E as shown on the next page. To prevent any defect whose occurrence is a concern, we improve quality in pursuit of defect-free process conditions so that the Degree of

Quality Assurance for the type of the defect is B or higher. By doing so, we aim to prevent defects from flowing out to customers and also to prevent recurrence of complaints.

The Degree of Quality Assurance enables us to assess quality risks objectively and make more effective risk reduction efforts.

		Rank of prevention of defect outflow			
		1st	2nd	3rd	4th
Rank of prevention of defect occurrence	1st	S	S	A	A
	2nd	S	A	B	C
	3rd	A	B	C	D
	4th	A	C	D	E

2. Enhancement of quality education

The Group provides employees with quality education to improve the quality of its products and services to a higher level and maintain it at the improved level.

Results of main Quality Management Education programs

	No. of trainees	
	FY2023	FY2024
Position-based training (for all employees)	2,427	2,907
Nomination-based training (by function or by job)	272	192
Optional training	4,725	3,264
Training on the prevention of intentional quality-related misconduct	14,307	17,019

We not only provide quality education in Japan. Overseas, we conduct regional Monozukuri Committee activities in the four regions of the Americas, Europe & Africa, Southeast Asia & Australia (APAC), and Greater China, as well as holding education and exchange meetings on Own Process Quality Assurance Activities in Asia. We will continue to develop the culture of customer-oriented and quality-oriented attitudes through various Quality

Management Education programs. Furthermore, supplier training is provided by each division.

3. Global Quality Management System Audits

We systematically conduct Global Quality Management System Audits both in Japan and overseas to evaluate the quality control initiatives of each division in light of the Quality Management Global Standards from the perspective of customers.

Results of Global Quality Management System Audits

	Cumulative total of sites audited (Note)	FY2024	FY2025 (projected)
Japan	161	10	5
Overseas	66	5	4

(Note) Cumulative total since FY2010

The Global Quality Management System Audits are conducted from the perspectives of management, design, manufacturing, and functions as a hub in line with the 13 items set out in the Quality Management Global Standards. These audits not only help each division identify its own weaknesses and launch efforts to improve its quality management structure but also allow us to support each division's follow-up activities aimed at structural reinforcement. Since the audits were started in fiscal 2010, the quality structure has been improved as the audits are repeated. We will further repeat the audits to promote continuous improvement of the quality management system. Furthermore, our suppliers are also subject to this kind of audit conducted by each relevant division, which approves the suppliers according to the audit results.

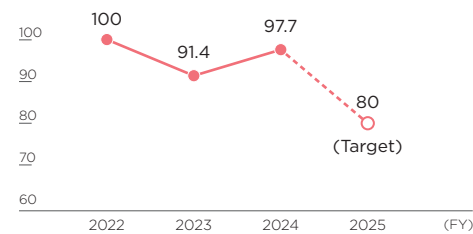
4. Trends in the number of complaints received

Compared to the base year (FY2022) level defined as 100, the number of complaints for FY2024 was 97.7, a decrease of only 2.3%, due

in part to an increase in the number of complaints resulting from an increase in the number of new projects. In fiscal 2025, while working to strengthen our ability to launch new projects, we will continue our steady efforts to eliminate complaints with the three main pillars of Own Process Quality Assurance Activities, Quality Management Education, and Global Quality Management System Audits, in addition to Monozukuri Technology improvement activities.

Number of complaints by year

(benchmarked against the FY2022 level defined as 100)



(Note) Scope of calculation coverage: Sumitomo Electric and affiliates both in Japan and overseas with manufacturing site (excluding listed subsidiaries)

■ Ensuring Quality Compliance

Complying with laws and rules and providing products that meet customers' quality requirements is the absolute foundation for our sustainable development as a company. The Group operates globally and complies with local (national) laws and regulations. We also implement the following measures to ensure quality compliance.

<Clarification of rules on the prevention of intentional quality-related misconduct>

The Group has established rules to be followed to prevent intentional misconduct related to quality data and improper inspection and incorporated these rules into the Quality Management Global Standards. In addition, we have added countermeasures against deficiencies in rules that may lead to intentional quality-related misconduct to the items of the annual self-assessment of major business processes. We have also

incorporated those measures into training in the prevention of intentional quality-related misconduct to raise employee awareness of them. In fiscal 2022, we organized and consolidated the rules on the prevention of intentional quality-related misconduct, as well as key issues for inspection and system development, to establish and bring into effect new Regulations on Preventing Intentional Quality-related Misconduct. All divisions of the Group have established and are operating systems in accordance with these regulations.

<Improvement of education on the prevention of intentional quality-related misconduct>

The Group provides compliance training for managers. In addition, since fiscal 2023, we have been offering an e-learning program on the prevention of intentional quality-related misconduct to all employees of Group companies in Japan. Overseas, we provide training on compliance (the prevention of intentional quality-related misconduct) for the staff of the quality assurance department and inspection personnel.

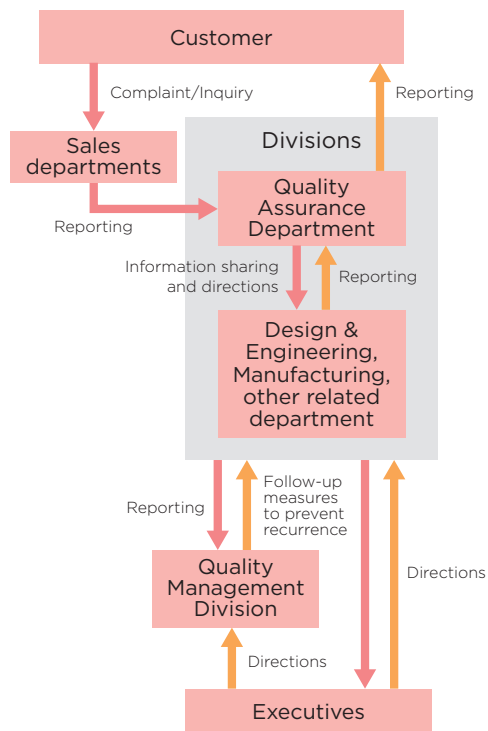
<Strengthening of the function of checking intentional quality-related misconduct>

In the Group, the Quality Management Division strengthens inspections related to the prevention of intentional quality-related misconduct as part of Global Quality Management System Audits of each division. The Group also has a mechanism for all divisions to conduct an annual business process self-assessment, where we confirm every year that there is no intentional quality-related misconduct and that each division has in place rules for the prevention of intentional quality-related misconduct and provides quality compliance training with a reliable level of attendance. The fiscal 2024 self-assessment detected minor deficiencies in our internal quality management rules, but we have corrected all of them.

■ Product Safety

The Group is working to enhance the safety of its products based on the corporate principles of offering the very best goods and services to satisfy customer needs and contributing to creating a better society and environment, with a firm awareness of our social responsibility. We believe that the basis of product safety assurance is thorough examination of the safety of the products we offer to the market, especially at the development and design stages.

Quality information flow in the event of a product defect



← Quality information (complaint information)

→ Investigation results and countermeasures or measures to prevent recurrence

<Product safety training>

For product safety, we hold an annual technical seminar on the Product Liability Act and the revised Consumer Product Safety Act for all divisions of the Group. Based on the idea that the safety standards that companies must meet should even anticipate predictable misuse, the training includes case studies to deepen trainees' understanding of laws and regulations, and also covers practical matters, such as how to review product safety at the development and design stages and how warning signs should be displayed, as well as how to ensure product safety, to collect product safety information and to respond to any accident. In addition, each division creates a database of information on past problems and solutions to them and uses it to educate engineers during divisional training.

<Self-assessment on product safety>

As part of the product safety initiatives, each division and company conducts a self-assessment once every two years against a set of checklists consistent across the Group. Based on these inspections, each division and company identifies product safety risks and independently devises and implements necessary countermeasures, thereby improving its system for promoting product safety measures.

For information about management of chemical substances in products, please see [→P18].

■ Providing Products that Meet Customer Needs: Sales Unit's Initiatives to Improve Customer Satisfaction

The business activities of the Group consist mainly of business-to-business transactions. Therefore, in our daily sales activities, our sales representatives act as the main point of contact and listen to the opinions and requests of our corporate customers. We believe that accurately understanding the opinions and requests of corporate customers and resolving their problems will lead directly to greater customer satisfaction, which will in turn enhance our corporate purpose.

The key to promoting these activities is to improve the skills of sales representatives. Therefore, we have appointed training staff within the Sales Units in order to continuously enhance the ability of sales staff to understand problems faced by customers and propose appropriate solutions to them. We also work with external consultants to provide sales staff with training in practical methodology and management staff with training on how to manage and instruct their subordinates. In addition, the action guidelines we have established for management staff to stimulate the organization include the improvement of customer satisfaction as a key item. We will continue to strive to improve our sales activities so that our customers will recognize us as their true business partner.

Supply Chain

Basic Views and Policy

In accordance with the Sumitomo Spirit, the Sumitomo Electric Group Corporate Principles, the Sumitomo Electric Group Charter of Corporate Behavior and the Basic Procurement Policies and based on mutual trust and cooperation with its suppliers, the Group is conducting sustainable procurement activities that are fair, equitable, compliance-focused, and friendly to the global environment and human rights. In addition, we are working to optimize procurement, manufacturing, sales, and logistics as a whole, and to build a resilient supply chain with a focus on BCP management to strengthen our response to supply chain risks and ensure rapid response in the event of natural disasters and sudden changes in the global circumstances.

Basic Procurement Policies

We position procurement activities as operations that support the foundation of our business activities, and in 2006 we established our Basic Procurement Policies. In 2010, we formulated the Sumitomo Electric Group CSR Procurement Guidelines to promote CSR initiatives in our procurement activities. We also established the Sumitomo Electric Group Policy on Human Rights in 2019 and the Supplier Code of Conduct in 2021, clarifying specific policies on our initiatives regarding human rights, climate change, and other issues. We inform our suppliers, including the Group companies, of these policies and ask for their understanding and cooperation with the Group's procurement activities.

Basic Procurement Policies (extract)

1. Promoting procurement activities that contribute to creative and global corporate activities
2. Promoting fair and impartial procurement activities
3. Promoting compliance-based procurement activities
4. Promoting procurement activities based on mutual trust and cooperation with suppliers
5. Promoting procurement activities friendly to the global environment



The entire text of
Basic Procurement Policies

Sumitomo Electric Group CSR Procurement Guidelines (extract)

1. Provision of Useful and Safe Products and Services
2. Enhancement of Technological Capabilities
3. Promotion of Sound Business Management
4. Contribution to Preservation of the Global Environment
5. Compliance with Laws and Social Norms and Fair and Proper Business Activities
6. Social Contribution and Elimination of Antisocial Forces
7. Respect to Human Rights and Considerations of Occupational Health and Safety (Including Responsible Procurement of Minerals)
8. Disclosure of Relevant Information and Promotion of Communication with Society
9. Maintenance of Confidentiality and Information Security



The entire text of the Sumitomo Electric Group
CSR Procurement Guidelines

Sumitomo Electric Group Supplier Code of Conduct (extract)

Commitment to Compliance with the Law	• We Expect Compliance with Anti-Corruption Laws • We Expect Compliance with Competition Laws • We Expect Protection of SEG's Intellectual Property • We Expect Compliance with International Trade Laws
Commitment to Responsible Sourcing	• Engagement with Supply Chain • Conflict Minerals • Responsible and Sustainable Sourcing Practices
Commitment to People	• We Expect Compliance with Employment Laws • We Oppose the Use of Forced Labor • We Oppose the Use of Child Labor • We Oppose any Form of Human Trafficking • We Oppose Harassment • We Oppose Discrimination and Encourage Diversity • We Respect Workers' Rights of Association • We are Committed to Safe Work Environments • We Expect that Personal Data will be Protected
Commitment to Society	• We are Committed to Protecting the Environment • We are Committed to Advancing the Communities Where We Operate
Commitment to Compliance and Business Ethics	• We Expect Suppliers to Provide Employees with a Means to Report Concerns • We Expect Suppliers to Maintain Accurate Business Information • We Expect Suppliers to Adopt Appropriate Compliance and Ethics Initiatives
Issues Related to This Code	(SEG Hotline) (Audit/review/request of information) (Contacts)



The entire text of the Supplier Code of Conduct

For details on the Sumitomo Electric Group Policy on Human Rights, please refer to [→P24].

Structure

The Planning and System Response Subcommittee, established under the CSR Promotion Committee, collects information on regulations and systems, sets targets, and promotes various initiatives to build a sustainable supply chain.

Targets

Targets to achieve the Mid-term Management Plan 2025

Building a Stable Supply Chain

- Procurement from multiple suppliers and local sources, consideration of alternatives and partial in-house production
- The CSR-based procurement assessment implementation rate of 80%* (on the basis of the amount of global transactions), close cooperation in improvement activities between the Group and suppliers

Optimized Manufacturing Locations / Advanced Inventory Management

Stabilization and Efficiency of Logistics Networks / Improved Efficiency of Intragroup Transactions

- Process standardization through EDI for transactions between Group companies, an EDI rate of 100% for transactions between Group companies

Promoting compliance initiatives with suppliers based on the Supplier Code of Conduct

Glossary

***CSR-based procurement assessment:** We ask each supplier to complete a self-assessment of its implementation level using Sumitomo Electric's original self-assessment questionnaire (CSR-based procurement self-assessment questionnaire). We analyze the results of the self-assessment, and if the results do not meet the target, we ask the supplier to work on improvements. If the supplier does not make sufficient improvements despite our requests for improvements, we will require the supplier to undergo on-site CSR audits and take corrective measures.

Initiatives and Results

■ Initiatives to Ensure Compliance with Laws Related to Procurement

The Group is committed to the following three priority matters in its efforts to ensure compliance with laws related to procurement.

Priority matters

- Compliance with the Subcontract Act* regarding appropriate dealings with subcontractors
- Compliance with the Customs Act regarding appropriate custom reports and payments
- Compliance with internal control rules regarding procurement in the Group

Just as in previous years, in fiscal 2024, we conducted on-site inspections of Sumitomo Electric and Group companies both in Japan and overseas to confirm our compliance with the laws specified in the priority matters.

In an on-site inspection, Procurement Division staff visit sites to be inspected and check whether laws related to procurement are complied with. For inspections on the Subcontract Act and internal control, we selected the target sites on the assumption of our periodical visits to all affiliates in Japan and confirmed their status of compliance with relevant laws and rules. To ensure compliance with the Customs Act, we inspected all divisions and the Group companies importing directly from overseas to check the correctness of the reported amounts of customs declarations and other matters.

Number of divisions and affiliates subject to the FY2024 inspection

Subcontract Act	6	
Internal control	Japan	6
	Overseas	6
Customs Act	28 (total of Sumitomo Electric divisions and affiliates)	

Additionally, we provide training across the Group to improve procurement skills and compliance.

1) Compliance training for the Production Group and the Corporate Staff Group

In fiscal 2024, we provided training focusing on explaining the Subcontract Act in addition to compliance training for sections in charge of making contracts and training on import operations for sections in charge of purchase requests. This type of compliance training is provided every year to further deepen trainees' understanding and to establish and improve their compliance awareness.

Training records for FY2024

Production Group and Corporate Staff Group	• Program format: Online training • No. of trainees Introduction to subcontracting: 458 Training for sections in charge of purchase requests: 1,380 Training in import operations: 441 Training for sections in charge of making contracts: 311 • Themes: Subcontract Act, Customs Act, and internal control

2) Procurement training for the Procurement Divisions in Japan

We implement an OFF-JT* program for staff in the field with the aim of developing reliable procurement staff and handing down procurement ethics, knowledge, and expertise. By combining this program with conventional OJT,* we aim to improve procurement skills through the synergistic effects of both.

We also have to make the Subcontract Act known widely not only in divisions in charge of procurement but also in the manufacturing and development divisions. To establish an

autonomous system for compliance with this act in each division and Group company, we implement a training program aimed at systematically developing personnel who will play a key role in ensuring compliance with the Subcontract Act.

Results of education programs in the first half (H1) and second half (H2) of FY2024

	No. of courses	No. of sessions	Total No. of trainees (cumulative)	No. of companies
OFF-JT (H1)	11	38	207	25
OFF-JT (H2)	10	34	168	22
Subcontract Act Key Persons (H2)	1	4	8	5

3) Procurement training for the Procurement Divisions globally

Since fiscal 2017, we have been providing training for overseas purchasing managers to improve our global procurement capabilities. The training covers not only purchasing skills, such as skills in cost reduction and risk management, but also a review of the Basic Procurement Policies from the perspectives of the Sumitomo Spirit and CSR. This training aims to raise the trainees' individual skills and to encourage them to share what they have learned with the procurement staff of their companies.

■ Contribution to Preservation of the Global Environment

In response to environmental issues in the supply chain, the Group has positioned green procurement* as part of essential quality standards and continues to strive for it.

Since we formulated the Green Procurement

Guidelines in fiscal 2003, we have been committed to eliminating the use of banned substances in our products and strengthening management of other chemical substances contained in our products.

In addition, since 2009, Sumitomo Electric has been working with Sumitomo Mitsui Banking Corporation to operate the ECO Factoring System.* This system supports our suppliers committed to environmental conservation activities at a certain level or higher by applying preferential interest rates and other means. In fiscal 2024, 55 suppliers applied to use the system, and 46 of them used it.

We also promote the circular economy through measures such as recycling procurement, that is, the use of recycled resources and materials as raw materials. For more details, please see [→P20].

■ CSR-based Procurement Assessments

The Group promotes CSR procurement, including green procurement, and since fiscal 2013, it has been conducting regular CSR-based procurement assessments to confirm that its suppliers understand its CSR Procurement Guidelines, Policy on Human Rights, and Supplier Code of Conduct.

We place value on understanding the status of initiatives taken by our suppliers in response to human rights issues in the supply chain. Therefore, in fiscal 2022, we expanded the questions in our assessment based on the content of human rights due diligence conducted within the Group. To address issues identified through the assessment, we are cooperating closely with our suppliers in improvement activities.

Glossary

***Subcontract Act:** The Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors

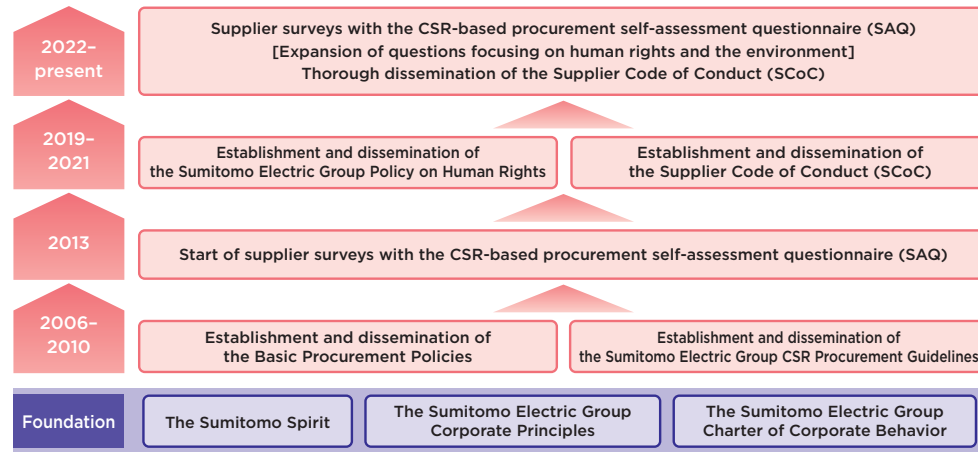
***OJT and OFF-JT:** On-the-job training (OJT) refers to education and training provided to trainees while they are performing their daily duties, while off-the-job training (OFF-JT) refers to education and training provided to trainees while they are temporarily away from regular work, such as group training.

***Green procurement:** A procurement initiative to place higher priority on raw materials and parts that have a lower environmental impact

***ECO Factoring:** A trademark or registered trademark of Sumitomo Mitsui Banking Corporation

Progress of CSR-based procurement assessments

Expansion and continuation



Questions

- I. Corporate social responsibility (CSR) initiatives
- II. Spread of CSR initiatives to suppliers
- III. Progress of the promotion of the Sumitomo Electric Group CSR Procurement Guidelines
 - III-1. Provision of useful and safe products and services
 - III-2. Improving technical capabilities, promoting VA/VE* and making proposals
 - III-3. Promoting sound business management
 - III-4. Contribution to preservation of the global environment
 - III-5. Compliance with laws, regulations, and social norms, and fair and appropriate corporate activities
 - III-6. Contribution to society and exclusion of anti-social forces
 - III-7. Consideration of human rights and occupational health and safety
 - III-8. Disclosure and promotion of communication with society
 - III-9. Confidentiality and information security

Results for FY2024

CSR-based procurement assessment implementation rate ^(Note)	74%
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(Note) Scope of coverage: Sumitomo Electric and its consolidated subsidiaries, excluding SUMITOMO DENSETSU CO., LTD. and its group companies

■ Participating in the Responsible Minerals Sourcing Initiative

The Group recognizes not only cobalt mining in the Democratic Republic of the Congo and its neighboring countries, as an issue of conflict minerals* and the abuse of child labor in a severe environment but also risks such as human rights abuses and labor issues in Conflict Areas and High-Risk Areas (CAHRAs), as described in the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance, as among the most serious social issues in the supply chain. In order to uphold its social responsibility in sourcing activities, the Group

is committed to “responsible minerals sourcing” that does not use raw materials linked to conflict minerals associated with illegal or dishonest acts. To this end, as part of its efforts related to the CSR Procurement Guidelines, the Group will, where appropriate, investigate the supply chain for minerals associated with illegal or dishonest activities, and if there are concerns that the minerals may cause human rights issues and other types of social problems, or serve as a source of funding for armed groups, the Group will take steps to avoid their use.

Specifically, we ask our suppliers to cooperate with the survey every year, and if there are any concerns, we ask them to take the same steps as our Group in implementing procurement activities to avoid the use of such substances.

■ Whistle-blowing System (Speak-Up System)

The Speak Up System has been established to identify early signs of compliance issues and to allow us to address them promptly and appropriately ourselves. For more details, please see [→P60].

■ Process Standardization Through EDI

To strengthen our supply chain, we are working to integrate and utilize business data globally. As part of this, we aim to achieve a 100% EDI (Electronic Data Interchange) rate for transactions between Group companies. Furthermore, we are also working to digitalize and enhance supply chain risk management.

Results for FY2024

EDI rate	91%
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(Note) Excluding Sumitomo Wiring Systems, Ltd. and its group companies

■ Formulation and Implementation of Business Continuity Plans (BCPs)

We are formulating and implementing BCPs to prevent our customers' production from being affected in the event of a large-scale disaster.

Our BCP for procurement activities assumes that our suppliers will be affected by a disaster. In order to minimize the impact on production due to a supply stoppage of the relevant materials and enable a prompt recovery, we are taking measures to ensure stable procurement, such as considering alternative suppliers and products, switching to general-purpose products, and securing inventory of materials that are difficult to substitute. In addition, in the event of a disaster, we strive to minimize the impact by sending and receiving emails with emergency contacts of suppliers who have been registered in advance in the system, and by quickly and accurately grasping the extent of the damage.

In recent years, risks to the stable procurement of raw materials have been increasing due to geopolitical risks such as natural disasters, plant accidents, international conflicts, export restrictions, and trade friction. To strengthen our supply chain, we assign risk rankings to raw materials used in the Group's strategic products and promote appropriate measures based on each ranking. In particular, we have established a stable procurement system for materials imported from overseas, taking into consideration concerns about longer transport lead times.

Glossary

*VA/VE: VA stands for Value Analysis, and VE stands for Value Engineering.

*Conflict minerals issue: The trade of tantalum, tungsten, tin, gold, and their derivatives produced in the Democratic Republic of the Congo and neighboring countries is a source of funding for armed groups that commit serious human rights violations.

Activities Contributing to Society (CSR Activities)

Basic Views and Policy

In 2007, on the occasion of the 110th anniversary of the founding of Sumitomo Electric, the Group established its basic philosophy on contribution to society based on the Sumitomo Spirit and the Sumitomo Electric Group Corporate Principles.

The Sumitomo Electric Group Basic Policies on Contribution to Society

Established in April 2007

The Sumitomo Electric Group will proactively engage in voluntary activities for contributing to society, as a responsible member of society, focusing on "respect for human resources," "attaching importance to technology," and "creating a better society and environment" in accordance with the Sumitomo Spirit and the Sumitomo Electric Group Corporate Principles, as well as widely contributing to society through its business activities, including the provision of products, technologies and services that benefit society.

- Globally promote efforts toward the development of human resources, the promotion of research and learning and environmental conservation.
- Promote community-oriented activities for contributing to society in the Group's business locations all over the world.
- Provide continuous support to employees' voluntary contribution to society.

Based on this philosophy, we are engaged in activities contributing to society that are appropriate for our Group, which aims to be a "Glorious Excellent Company."

Structure

In January 2025, we launched the Social Contribution Subcommittee, headed by the officer in charge of Administration Division, as a sub-organization of the CSR Promotion Committee (See Structure to Promote Sustainability Management [→P11]).

This subcommittee checks whether activities contributing to society are being promoted with appropriate content and scale based on the Sumitomo Electric Group Basic Policies on Contribution to Society and the Mid-term Management Plan 2025, and also shares issues, considers ways to improve the content of activities, and considers how to publicly disclose these activities.

Specific initiatives are being promoted in collaboration across the entire Group, including the Sumitomo Electric Group CSR Foundation (hereinafter referred to as the "CSR Foundation"), each business unit, and business bases in Japan and overseas. Activities of particularly high importance are implemented after they are deliberated and approved by the Board of Directors and other key internal deliberating bodies.

Targets

Targets to achieve the Mid-term Management Plan 2025

- Developing next generation talents and promote academic pursuits through the Sumitomo Electric Group CSR Foundation, and contributing to a wide variety of activities, including activities to protect the environment
- Promoting community contribution activities at each site
- Continued support for employee volunteer activities
- Actively supporting sports activities and events

Contribution to CSR activities

Contributing approx. 1% of profit after-tax to CSR activities

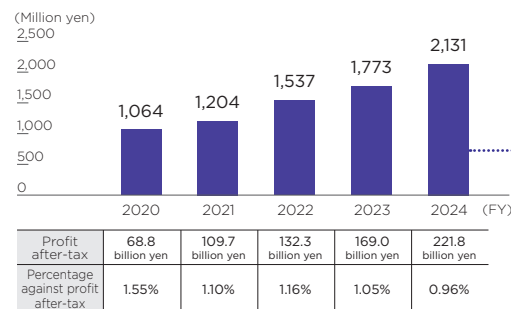
Initiatives

Contributions to CSR activities in fiscal 2024 amounted to 2,131 million yen, equivalent to 0.96% of profit after-tax (221.8 billion yen).

Examples of CSR activities

Field	Amount (million yen)	Percentage	Examples of activities
Human capital (next generation) development	166	7.8%	• Provision of work-experience programs, internship programs, and plant tours • Scholarship and grants • Sponsorship of student competitions, etc.
Promotion of research and learning	185	8.7%	• Subsidies for academic and research programs • Provision of endowed university courses • Donation of research equipment
Environmental conservation	63	3.0%	• Cleaning activities • Protection of biodiversity (forest conservation, protection of endangered species) • Environmental awareness activities
Contributions to local communities, etc.	1,706	80.0%	• Donations and provision of goods (medical equipment, sanitary supplies, etc.) to medical-related organizations • Donations to cultural and artistic organizations (art museums, museums, symphony orchestras, temples, shrines, etc.) • Donations and provision of goods (food, hygiene supplies, school supplies, etc.) to people in need • Cooperation with regional events (event sponsorship, company facility rental, and volunteer support) • Road safety and cooperation in local disaster preparedness • Support for extracurricular activities (sports, etc.) • Blood donation and awareness activities (ribbon campaign)
Supporting employee volunteer activities	11	0.5%	• Volunteer leave program • Matching gift program
Total	2,131		

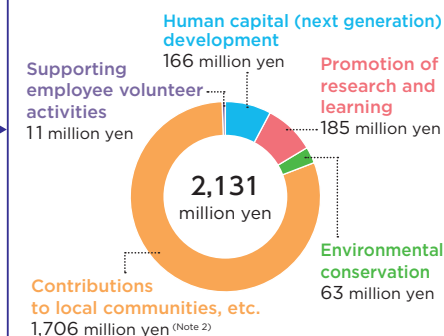
Trends in contributions to CSR activities (Note 1)



(Note 1) Sumitomo Electric and its consolidated subsidiaries

(Note 2) Includes a portion of contributions for activities related to areas other than contributions to local communities, such as environmental conservation and human capital (next generation) development

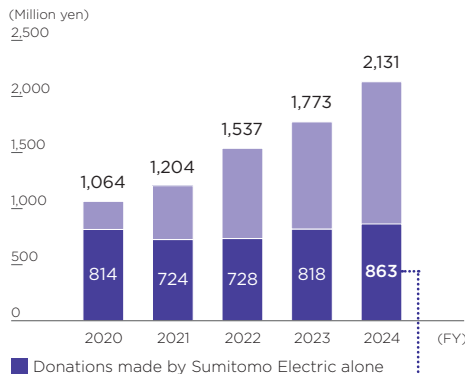
FY2024 contributions by area



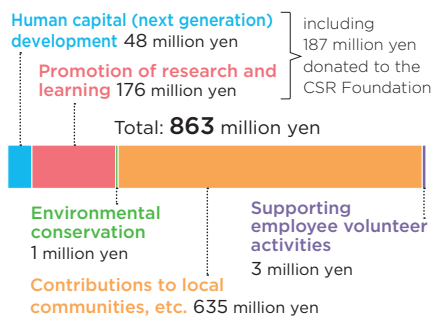
■ Developing Next Generation Talents and Promote Academic Pursuits Through the Sumitomo Electric Group CSR Foundation, and Contributing to a Wide Variety of Activities, Including Activities to Protect the Environment

The Group makes donations to a wide range of organizations and groups that promote activities contributing to society. Our company alone donated 863 million yen in fiscal 2024. Donations were made to the CSR Foundation, the World Wildlife Fund, and areas affected by natural disasters (such as the earthquake off the coast of eastern Taiwan and the heavy rain disaster in Sakata City, Yamagata Prefecture). Additionally, we will continue to support the Expo 2025 Osaka, Kansai, Japan, continuing from fiscal 2023.

Donations out of contributions to CSR activities



Composition of donations made by Sumitomo Electric



<Initiatives through the CSR Foundation>

The CSR Foundation, established in 2009, supports initiatives for developing next generation talents and promoting academic pursuits in a variety of areas both in Japan and overseas. Specifically, the Foundation actively endows university courses, offers academic and research grants, and provides scholarships.

Program results (as of the end of March 2025)

Program	FY2024	Cumulative total (Note)
(1) Endowed university courses	7 courses (106 million yen)	26 courses (1.53 billion yen)
(2) Academic and research grants	22 recipient projects (31 million yen)	328 recipient projects (420 million yen)
(3) Scholarships	169 recipients (41 million yen)	2,144 recipients (490 million yen)
Students based in Japan enrolled at Japanese universities	41 recipients	343 recipients
International students enrolled at Japanese universities	18 recipients	251 recipients
Students overseas enrolled at local universities	110 recipients	1,550 recipients

(Note) Cumulative total from April 2009, when the Sumitomo Electric Group CSR Foundation was established, to the end of March 2025

(1) Endowed university courses

To establish and operate a course (laboratory), we make ongoing donations for three to five years per course. In fiscal year 2024, donations were made to seven courses, including one new course.

(2) Academic and research grants

To support the research activities of researchers (professors, etc.), we provide subsidies for one year for each research topic. In fiscal 2024, 22 projects were selected from a total of 217 applications.

(3) Scholarships

The scholarship is available to master's students majoring in science and engineering at Japanese universities who excel academically and have excellent character, but who are in need of financial assistance.

We also provide scholarships to international students studying in Japan and students at universities overseas. A total of 169 people received our scholarships in fiscal 2024.

Other initiatives

We invite new recipients of endowed university courses and recipients of academic and research grants, both new and expiring, to our company for a presentation ceremony where they report on their research and receive letters of appreciation. We also invite scholarship students to our manufacturing plants for an exchange meeting or presentation session where they can tour the factory and introduce their research.



Presentation ceremony



Exchange meeting for scholarship students

Example of FY2024 activities

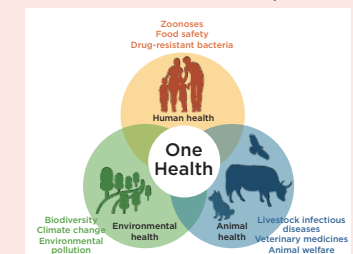
Endowed university courses

Comparative forensic veterinary medicine at Hokkaido University

In modern society, the health of humans, animals, and the environment are interconnected, and the idea of One Health, which views these as a whole and works together to address issues, is gaining global acceptance. However, because the diversity of animals, including fish and mammals, is one of the factors that hinder the realization of One Health, a new endowed chair in the field of comparative forensic veterinary medicine* was established at the Graduate School of Veterinary Medicine, Hokkaido University, with a donation from the CSR Foundation, to clarify the forensic diversity of animals.

Based on the experience Hokkaido University has cultivated in the appraisal and evaluation of various types of animals and animal samples obtained through networks in Japan and overseas, the institute will promote cutting-edge research into animal welfare-related pathologies (conditions that may impair the welfare of animals, such as pain, stress, and deterioration of health) and species differences in poisoning, and will also aim to cultivate human resources who can contribute to One Health.

The One Health concept



A concept that takes a comprehensive view of human and animal health and the environment surrounding them, and involves relevant parties working together to address cross-cutting issues such as related zoonotic diseases.

The topics of endowed university courses and academic and research grants are listed on the website.

[Web Sumitomo Electric Group CSR Foundation website](#)

Glossary

*Forensic veterinary medicine: An academic field that combines forensic medicine and veterinary medicine, which elucidates the causes of animal pathology and death, and scientifically analyzes the animal's rearing environment to verify the state of animal welfare. It is possible to scientifically analyze not only the causes of death of animals but also the welfare status of living animals (e.g., disorders caused by animal cruelty or drug addiction).

Promoting Community Contribution Activities at Each Site

The Group operates in more than 40 countries and regions. We respect the culture and customs of each country and region and contribute to economic and social development through our business activities. We also aim to coexist with local communities by promoting a variety of activities contributing to society. The number of people who participated in activities contributing to society in fiscal 2024 (*) was 2,205 for Sumitomo Electric alone and 16,477 for the Group.

* The total number of employees who actually participated in activities contributing to society such as cleaning activities, blood donations, and tree planting, not including employees who contributed monetary or in-kind donations

Examples of regional CSR activities

Region	No. of companies (Note)	Examples of unique regional activities
Japan	68	● Support for earthquake-affected people (donations, food, portable water recycling systems, etc.) ● Company facility rental (grounds, gymnasiums, training centers, parking lots, etc.) ● Support for sports activities (support for sports competitions for people with disabilities, cooperation in running sports tournaments, etc.)
Greater China	32	● Provision of goods to schools (school supplies, etc.) ● Visits and provision of goods (food, clothing, etc.) to people in need of support (elderly people living alone, people with disabilities, people in poor areas, etc.)
Southeast Asia and Australia (APAC)	63	● Planting of mangrove and other trees ● Provision of goods to schools (hygiene kits, school supplies, home appliances, wooden pallets for construction, etc.)
Americas	19	● Donations to schools (including sports teams) ● Donations and provision of goods to people in need (children, homeless people, etc.)
Europe, the Middle East, and Africa (EMEA)	30	● Donations to people in need (cancer and ALS patients) ● Donations and provision of goods to animal welfare, social welfare, and environmental conservation organizations
Common to all regions	—	● Visiting lecturers (manufacturing classes, environmental education, career education) ● Cleaning activities ● Blood donation activities at business sites

(Note) The number of companies from among Sumitomo Electric and its consolidated subsidiaries that have reported on their activities contributing to society



Examples of FY2024 activities

① Japan

Support for earthquake-affected people (Japan)

The Noto Peninsula earthquake that occurred in January 2024 caused widespread water outages, and the prolonged water outages disrupted the lives of those affected. As emergency support immediately after the earthquake, Techno Associe Co., Ltd. lent six of its portable water reclamation systems, "WOTA BOX*", to Suzu City, Ishikawa Prefecture, free of charge, to help ensure that victims had access to water for daily life. Additionally, we donated four WOTA BOX to the Japan International Cooperation Agency (JICA) in December 2024 to help Japan Disaster Relief Team members maintain a hygienic environment when working in disaster-stricken areas.



WOTA BOX installed in Suzu City

② Greater China

Visits and provision of goods to people in need (China)

China is experiencing a rapid decline in the birthrate and an aging population, with an increasing number of elderly people living alone as their children grow up and leave their parents' homes. To prevent such people from becoming isolated in their communities due to the worries and problems of everyday life, Huizhou Zhurun Wiring Systems Co., Ltd. visits the homes of elderly people and donates daily necessities (rice and oil).



Deepening interactions with local residents



Employees involved in providing daily supplies and preparations

③ APAC

Mangrove planting (Thailand)

The area of mangrove forests has been decreasing due to logging for firewood and development for shrimp farming and infrastructure. However, in recent years, the existence of these mangrove forests has been reevaluated from the perspectives of protecting coastal areas, combating climate change, and maintaining ecosystems, so positive efforts are currently devoted to reforestation activities. Following on from fiscal 2023, in fiscal 2024, 14 Group companies in Thailand held a joint tree-planting event, with 101 people planting 1,000 seedlings.



Employees who participated in the activity



People planting mangroves

Glossary

*WOTA BOX: Over 98% of wastewater can be recycled and reused. By using the WOTA BOX in disaster-stricken areas, people can wash their hands, do laundry, and take showers even in places where running water is unavailable.

④ APAC

Provision of goods to schools (Thailand)

In Thailand, some schools have problems with their educational environment, including facilities and equipment. In 2024, SEWS-Asia Technical Center, Ltd. visited an elementary school and provided comprehensive support, not only donating school supplies and sports equipment, but also repairing fences and windows and providing meals to the children.



People painting windows



Donated items



Providing meals to children

⑤ Americas

Providing visiting lecturers (Brazil)

Brazil faces the social issue of a low recycling rate for plastic waste. To promote recycling, Sumidenso do Brasil Industrias Eletricas Ltda. offered visiting lecturers to local elementary and junior high schools to impart its long-developed knowledge of how to sort waste to children. In conjunction with the visiting lecturers, 12 large recycling boxes and 12 tree seedlings were also donated.



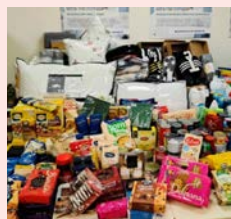
Waste sorting class



⑥ EMEA

Provision of goods to social welfare organizations (Poland)

In Poland, a year-end charity drive called “Szlachetna paczka” is carried out throughout the country. This initiative sees charities donate Christmas gifts to those in financial need. Within the Group, three companies based in Poland, including SE Bordnetze-Polska Sp. z o.o., participated in the event, and in fiscal 2024, they prepared gift packages filled with food, clothing, daily necessities, and other items and donated them through charitable organizations.



Contents of the Noble Box



Employees who participated in the activity

⑦ EMEA

Donation to environmental conservation organizations (Germany)

As climate change becomes more apparent, Germany is experiencing increasing global warming, more frequent heat waves, and more serious flood damage caused by heavy rain. Südkabel GmbH is working to donate one tree for every kilometer of electrical cable sold through the PLANT-MY-TREE foundation. Since 2022, a total of 788 trees have been donated to Itzehoe and Wächtersbach in Germany, and in 2024, an additional 372 trees have been donated.



Certificate of donation

Common to all regions

Cleaning activities

Cleaning activities are important not only for keeping the area clean, but also for contributing to environmental protection. If participants have little sense of initiative, their motivation for the activity will decrease and the effectiveness of the activity will be diminished. In China and Poland, we organized eco-walks and clean hikes, collecting discarded trash and contributing to the preservation of beautiful nature. These activities also contribute to improving the health of participants.

Employees and their family members who participated in the activity
(Example of SEWS-CABIND Poland sp. z o.o.)

Blood donation activities

Advances in medical technology have led to an increase in the number of patients worldwide who require blood transfusions, while the number of blood donors is on the decline. The Group has always been an active contributor to blood donation activities. Specifically, we have set up blood donation sites within our workplaces, encouraging employees to donate blood and allowing them to donate blood during working hours. In fiscal 2024, 4,691 employees participated in blood donations at 54 Group companies.



Employees who participated in the activity



■ Continued Support for Employee Volunteer Activities

The Group has created an environment that makes it easy for employees to participate in volunteer activities and actively supports their voluntary activities contributing to society.

<Volunteer leave program>

Since 2007, we have encouraged employees to participate in volunteer activities by allowing them to use accumulated leave for the purpose of volunteering. In April 2025, we will introduce a new volunteer leave program, allowing employees to take up to five days of leave per year in half-day increments for volunteer activities or participation in local events. Additionally, some Group companies have introduced their own vacation and leave systems to encourage volunteering. For information about our volunteer leave program, please see [→P33].

<TABLE FOR TWO program>

Sumitomo Electric and some Group companies have introduced the TABLE FOR TWO (TFT) program*. Under this program, low-calorie, nutritionally balanced TFT menus are served in employee cafeterias, and a portion of the proceeds is donated to school lunch programs in developing countries. We have also installed donation vending machines that will be used to donate to the nonprofit TABLE FOR TWO. This initiative has been highly evaluated, and the Company has received the award every year since 2019.



©TABLE FOR TWO



We were recognized as a "Gold Partner" by TABLE FOR TWO and received a letter of appreciation for our support in 2024.

<Matching gift program>

As a form of corporate support for employee volunteer activities, Sumitomo Electric and some Group companies have implemented a matching gift program*.

Examples of FY2024 activities

Activities contributing to society with the participation of employees

Sumitomo Riko Co., Ltd. has a volunteer organization called the Sumitomo Riko Attaka Club, which has supported employee volunteer activities since its inception by providing incentives for participation in activities contributing to society, supporting the volunteer activities of all employees through support centers at each plant and office, and operating a matching website that lists volunteer activities planned by external organizations in each region.

In addition, employees who register for the Sumitomo Riko Attaka Fund can make monthly donations of 100 yen per share, up to a maximum of 10 shares, and as of the end of March 2024, 450 employees have registered. The company adds the same amount as this donation as a matching gift, thereby supporting organizations that work to solve social issues and disaster-affected people.



Top page of the Social Good Activity* Matching Site



Volunteer Activities by Sumitomo Riko Group Employees

■ Actively Supporting Sports Activities and Events

The Group contributes to the promotion of sports and the development of local communities by cooperating in the management of sports tournaments, supporting local sports activities, and supporting para-sports.

Examples of sports-related CSR activities

Category	Examples of activities
Cooperation in running sports tournaments (facility lending and employee cooperation)	- Gymnasium rental for local club activities (volleyball, basketball, table tennis) - Rental of grounds to local sports groups (baseball, soccer, ground golf, track and field, etc.) - Volunteer activities in organizing local sports meets
Support for local sports activities (donations and provision of goods)	Donations and provision of goods to student sports clubs and local sports organizations (baseball, soccer, rugby, basketball, etc.)
Support for para-sports (sponsorship and awareness-raising activities)	- Japan Games and National Sports Festival for People with a Disability (Japan) - Sponsorship of Special Olympics* (Italy and the United States) - Para-sports experience programs - Lecture by a para-athletes



Sumitomo Electric Cup Youth and Girls Soccer Tournament (at Sumitomo Electric grounds)



Donations to a dragon boat team



Cooperation in Deaflympics* promotion events

Examples of FY2024 activities

Sumitomo Electric Athletics Festival

Since 2012, the Group has been holding athletic lessons and events where people can interact with track and field athletes. More than 2,200 people attended the Sumitomo Electric Athletics Festival 2024, held in October 2024. We will continue to contribute to the promotion of sports and the development of regional communities.



Athletic lessons

Athletes from our track and field team served as instructors and held athletic lessons for elementary and junior high school students in Itami City.



Sumitomo Electric Athletics Festival 2024 Post-Event Report



50m time trials with top athletes

Athletes from not only our company but also other companies were invited, and students from the first grade of elementary school to the third grade of junior high school from all over the country took on top athletes.



Sports experience events (goalball)

Visitors were able to try out a para-sports played by visually impaired people, in which players try to throw a ball containing a bell at the opponent's goal by rolling it.

Glossary

***TABLE FOR TWO program:** A system run by the nonprofit organization TABLE FOR TWO International that aims to simultaneously solve the problems of hunger and malnutrition in developing countries and the problems of obesity and lifestyle-related diseases in developed countries.

***Matching gift program:** A program in which the Group matches employee donations by donating the same amount

***Social Good Activities:** Activities that have a "Good" impact on "Society" = Activities that contribute to solving social issues that are friendly to both people and the environment

***Special Olympics:** An international sports tournament held every four years in summer and winter for people with intellectual disabilities.

***Deaflympics:** An international sports event held every four years for people who are deaf or hard of hearing.

Corporate Governance

Basic Views

The unchanging basic policy of the Group is to contribute to society through fair business activities based on the Sumitomo Spirit and the Sumitomo Electric Group Corporate Principles.

Adhering to this basic policy, the Group aims to achieve sustainable growth and enhance the corporate value of the Group over the medium to long term, as well as to steadily return the results to all of its stakeholders as a going concern based on the concept of Multistakeholder Capitalism ("Goho Yoshi" (Five-Way-Win)), which focuses on contributing to the public benefit and mutual prosperity with its stakeholders. The Group will thus work to ensure and enhance the transparency and fairness of management based on proper corporate governance.

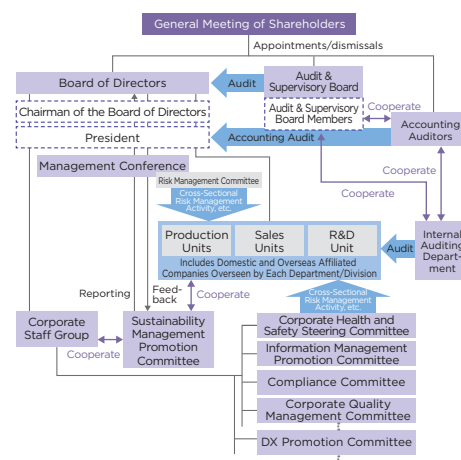
Structure

Since Audit & Supervisory Board Members and the Audit & Supervisory Board have played a certain role in ensuring the soundness of management, the Company employs the system with the Audit & Supervisory Board. The Board of Directors, the business execution system, Audit & Supervisory Board Members, and the Audit & Supervisory Board are committed to fulfilling their respective duties in order to achieve sustainable growth and medium- and long-term increases in corporate value based on the basic philosophy.

In addition, six Outside Directors are appointed to provide an external perspective with the aim of further strengthening the supervisory functions of the Board of

Directors and enhancing the transparency and objectivity of the business management. The Company also selects three Outside Audit & Supervisory Board Members with various specialized knowledge and multifaceted views so that Outside Audit & Supervisory Board Members account for the majority of the Audit & Supervisory Board Members, with the aim of reinforcing the monitoring system for the purpose of ensuring lawful and proper management.

Corporate Governance Structure



Board of Directors and Business Operating Structure

<Functions of the Board of Directors>

In order to ensure the sustainable growth of the Group, to enhance corporate value over the medium to long term, and to steadily return results as a going concern to its

stakeholders, the Company places importance on the functions of the Board of Directors to make decisions on basic management policies and to supervise management. The Company focuses on the development of a system to ensure the effectiveness of these functions and the operation of the Board of Directors, and is working to further enhance the effectiveness of these functions.

<Business execution structure>

The Company has adopted the Executive Officer System and the Business Unit System, to clarify authority and responsibility and to establish an agile business execution system that can respond flexibly to changes in the business environment. Authority to execute business operations has been transferred to business units while their responsibility has been clarified, and to establish an internal check function, the corporate regulations specify the scope of authority of each of the units, including the Corporate Staff Group, the responsible personnel for the execution, and appropriate business procedures.

<Specific agenda items and matters for discussion at Board of Directors>

The specific matters for discussion at the Board of Directors include deliberations, decisions, reports, and monitoring on the following items.

Board of Directors—agenda and items for discussion

- Long-term vision and progress on initiatives based on it
- Progress on ESG-related initiatives, including the Fundamental Policy for Sustainability Management and measures to address climate change
- Formulation of the mid-term management plan and the annual profit and loss plan based on it, as well as progress toward these plans and the status of capital efficiency
- Progress on efforts to further strengthen the Group's integrated capabilities and improve Group governance
- Material investments, financings, and other individual business projects
- Progress in R&D
- Analysis and evaluation of the effectiveness of the Board of Directors
- Status of development of the internal control system
- Verification of the appropriateness of cross-shareholdings
- Appointment of Directors and Audit & Supervisory Board Members, and compensation for Directors
- Other matters stipulated by laws and regulations, and matters stipulated in the Rules of the Board of Directors

[Web](#) For more information on corporate governance, please see our website.

Corporate Governance
Guidelines / Corporate
Governance Report



Convocation
Notice of the
General Meeting
of Shareholders



Consolidated
Financial
Statements



General
information



Meeting of Shareholders in accordance with the circumstances concerned.

Regarding Audit & Supervisory Board Members, the Company appoints candidates with experience in corporate management and expertise in law, finance, and accounting.

The Nominating Advisory Committee

deliberates on the appointment of candidates for Directors and Audit & Supervisory Board Members and the submission of proposals for the dismissal of Directors to the General Meeting of Shareholders, and the Board of Directors makes decisions based on its reports.

<Disclosure on the composition and diversity of the Board of Directors: Skills Matrix>

As part of the disclosure on the combination of skills and other competencies possessed by Directors, please see the "Skills Matrix for Directors and Audit & Supervisory Board Members" below, as well as the "Skills Matrix" published in the Integrated Report.

Skills Matrix for Directors and Audit & Supervisory Board Members

	Name and Attributes	Advisory Committees Membership	Human Resources and Organization	Finance and Accounting	Corporate Governance	Research and Technical Development	Manufacturing and Production Technology	Supply Chain, Sales, and Procurement	International and Global Management	Fields in which one has particular expertise or areas of responsibility in the Group
Directors	Masayoshi Matsumoto [Male]	Representative Director Chairman & CEO	NOM [COM]							Corporate Manager
	Osamu Inoue [Male]	Representative Director President & COO	NOM [COM]							Corporate Manager
	Hideo Hato [Male]	Representative Director Executive Vice President								DX, Intellectual Property, Corporate Disclosure, Industrial Policy, Information Systems
	Masaki Shirayama [Male]	Managing Director								Environment & Energy
	Yasuhiro Miyata [Male]	Managing Director								Electronics
	Toshiyuki Sahashi [Male]	Managing Director								Industrial Materials
	Yoshiyuki Ogata [Male]	Managing Director								Automotive
	Hiroshi Hayami [Male]	Managing Director								R&D, Energy & Electronics Materials
	Hisashi Togawa [Male]	Managing Director								Production Technology, Environmental Conservation
	Hiroshi Sato [Male]	OUT IND	NOM [COM]							Experienced in corporate management
	Michihiro Tsuchiya [Male]	OUT IND	NOM [COM]							Experienced in corporate management
	Katsuaki Watanabe [Male]	OUT IND	NOM [COM]							Experienced in corporate management
	Atsushi Horiba [Male]	OUT IND								Experienced in corporate management
	Kyoko Kawamata [Female]	OUT IND								Experienced in mass media
	Asli M. Colpan [Female]	OUT IND								Academic expert
	Yoshitomo Kasui [Male]									—
Audit & Supervisory Board Members	Akira Hayashi [Male]									—
	Michiko Uehara [Female]	OUT IND								Attorney at law
	Ikuo Yoshikawa [Male]	OUT IND								Certified public accountant
	Tatsuo Kijima [Male]	OUT IND								Experienced in corporate management

OUT Outside Directors / Outside Audit & Supervisory Board Members
IND Independent Officers as defined by Tokyo Stock Exchange, Inc., etc.

NOM Member of the Nominating Advisory Committee
COM Member of the Compensation Advisory Committee

* Includes expertise in environment conservation

The matrix is based on each person's experience and indicates the areas in which they can demonstrate their expertise. Please note that this does not represent all the expertise or experience possessed.

<Reasons for individual appointment and concurrent positions of Directors and Audit & Supervisory Board Members>

For the reasons for the appointment and the concurrent positions of candidates for Directors and Audit & Supervisory Board Members, please refer to the reference documents in the Convocation Notice of the General Meeting of Shareholders.

<Independence standards and qualification for Independent Outside Directors>

In appointing candidates for Outside Directors and Outside Audit & Supervisory Board Members, the Company complies with the independence standards stipulated by financial instruments exchanges and carefully investigates and confirms their conflicts of interest with the Company before making a decision on their independence.

<Analysis and evaluation of the effectiveness of the Board of Directors>

The Board of Directors of the Company is to analyze and evaluate the effectiveness of the Board of Directors every year and

disclose a summary of the results. A summary of last year's findings is provided below. For further details, please refer to the end of the Corporate Governance Report.

Results of Analysis and Evaluation of the Effectiveness of the Board of Directors (conducted in 2024)

In addition to analyzing and evaluating the effectiveness of the Board of Directors on an annual basis, the Board of Directors of the Company periodically examines whether the Board of Directors is functioning properly and, based on the results, improves issues, enhances strengths, and takes other similar measures. In 2024, after a questionnaire was given to all Directors and Audit & Supervisory Board Members and individual interviews were conducted with six Outside Directors and three Outside Audit & Supervisory Board Members, the effectiveness of the Board of Directors was analyzed and evaluated, and an outline of the results is as below.

- Analysis and Evaluation Results**
- (1) Overall:** Continuous improvements are being made in all aspects of its roles, operation, and composition, and effectiveness is being ensured.
 - (2) Role and operation of the Board of Directors:** The Board of Directors confirmed that there have been largely appropriate deliberations and reports in the process of making decisions on important matters that have been made during this year in order to achieve the "Mid-term Management Plan 2025," based on the concept of "Multistakeholder Capitalism" ("Goho Yoshi" (Five-Way-Win)) and the process of making reports such as quarterly performance reports and reports on the status of development of the internal control system, and the Board of Directors was properly fulfilling its "function of deciding on basic management policies and other important issues" and its "supervisory function over the management," which are seen by the Company as important. In addition, regarding review of its meeting agenda criteria and operational rules, the Board of Directors has been able to conduct appropriate deliberations through the free and open exchange of opinions.
 - (3) Support for Outside Officers:** The Board of Directors confirmed all Outside Officers expressed the opinion that appropriate support has been provided to ensure that Outside Officers exercise their functions.
 - (4) The Nominating Advisory Committee and the Compensation Advisory Committee:** The Board of Directors confirmed that the Nominating Advisory Committee and Compensation Advisory Committee meetings were each held five times, and that actions such as report on the details of their deliberations to the Board of Directors were properly conducted.
 - (5) Composition of the Board of Directors:** The Board of Directors confirmed that its composition was appropriate with regard to balance in terms of the Company's business execution system, as it operates a wide range of businesses, knowledge, experience, diversity, etc.

- Future Initiatives**
- The Board of Directors will continue to enhance opportunities for reviewing and information sharing regarding the progress of achievement of measures to realize the long-term vision "Sumitomo Electric Group 2030 VISION," and the main indicators and goals listed in the "Mid-term Management Plan 2025," by utilizing the Board of Directors meetings, other internal meetings, etc.
 - The Board of Directors will continue to work on improving the time available for deliberations and the materials used at Board of Directors meetings (optimization, enhancement, etc. in terms of quality and quantity).
 - The Board of Directors will continue to pay attention to diversity in the composition of the Board of Directors.

<Nominating and Compensation Advisory Committees>

In order to secure transparency and fairness in nominating candidates for Directors and Audit & Supervisory Board Members and in determining compensation for Directors, the Company has established the Advisory Committees to deliberate the nomination and compensation for senior management, Directors, etc., including Independent Outside Directors.

<Composition of committee members and attributes of the committee chair (chairperson)>

The composition of the committee members and the attributes of the committee chair (chairperson) are as follows:

- (1) The committee is chaired by an Outside Director.
- (2) The number of committee members is at least three, and the majority of them are Outside Directors.
- (3) The committee deliberates and reports to the Board of Directors on each of the following matters that the Board of Directors consults with the committee.

For information on the members of and their attendance at meetings of the Nominating and Compensation Advisory Committees held during the current fiscal year, as well as other details on these committees, please refer to "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-Making, Execution of Business, and Oversight in Management, 1. Organizational Composition and Operation" in the Corporate Governance Report.

■ Policy for Determining Compensation

The Company has established a policy for determining the compensation for individual Directors. The details of compensation are deliberated on by the Compensation Advisory Committee, which is chaired by an Independent Outside Director and is composed, in the majority, of Independent

Outside Directors, and are resolved by the Board of Directors based on the report from the Compensation Advisory Committee.

For details, please refer to "Specific Details of the Policy for Determining Compensation" in this document, the reference documents in the Convocation Notice of the General Meeting of Shareholders, and "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-Making, Execution of Business, and Oversight in Management, 1. Organizational Composition and Operation" in the Corporate Governance Report.

<Actual amounts of officer compensation>

Total amount of compensation, etc. for Directors and Audit & Supervisory Board Members

For the total amount of compensation, etc. for Directors and Audit & Supervisory Board Members, please refer to the reference

documents in the Convocation Notice of the General Meeting of Shareholders and "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-Making, Execution of Business, and Oversight in Management, 1. Organizational Composition and Operation" in the Corporate Governance Report.

Total amount of compensation, etc. for individual Directors

For the total amount of compensation, etc. for officers whose total compensation exceeds 100 million yen, please refer to "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-Making, Execution of Business, and Oversight in Management, 1. Organizational Composition and Operation" in the Corporate Governance Report.

The Content of Deliberations at the Nominating and Compensation Advisory Committees

Nominating Advisory Committee	- Proposed candidates for Directors and Audit & Supervisory Board Members - Skills, etc. that the Board of Directors should possess in light of the management strategy (including succession plans) - Proposed establishment, revision, or abolishment of important company rules and regulations related to each of the preceding items, and proposed inclusion in important public documents, etc. - Matters on which the Board of Directors may ask for advice
Compensation Advisory Committee	- Proposed policy for determining the details of compensation, etc. for individual Directors and Executive Officers - Proposed compensation system for Directors and Executive Officers - Proposed amount of compensation for each Director and Executive Officer - Proposed establishment, revision, or abolishment of important company rules and regulations related to each of the preceding items, and proposed inclusion in important public documents, etc. - Matters on which the Board of Directors may ask for advice

Specific Details of the Policy for Determining Compensation

While adhering to the universal basic policy of contributing to society through fair business activities in accordance with the Sumitomo Spirit and the Sumitomo Electric Group Corporate Principles, the compensation system is designed to provide an incentive for the Group to achieve sustainable growth and enhance its corporate value over the medium to long term.

(1) Composition of Compensation for Directors	The compensation for Directors consists of monthly compensation and bonuses.
(2) Policy for Determination of Monthly Compensation	- The Company sets monthly compensation tables for each position based on the role and responsibility of each position and their contribution to the Company's business performance, while ensuring the objectivity of compensation levels by utilizing third-party surveys of compensation for executives at companies with similar businesses and sizes. - The amount of the table to be applied to each Director is determined from a medium- to long-term perspective, taking into consideration the role and responsibility of them, the size and complexity of the area of responsibility, the degree of difficulty, and the degree of contribution to the Company's business performance. - The total amount to be paid is determined within the framework of the amount of compensation approved and resolved at the General Meeting of Shareholders.
(3) Policy for Determination of Bonuses	- The total amount of bonuses is determined based on the Company's business performance in each fiscal year, particularly sales, operating income, ROIC, and profit attributable to owners of the parent, which the Company places importance on in its management strategy, as well as the overall dividend level and other factors, while ensuring the objectivity of the compensation level by utilizing third-party surveys of compensation for executives at companies of similar business content and sizes. The Company determines the level of compensation by resolution of the General Shareholders Meeting, taking into consideration its business performance in each fiscal year, especially sales, operating income, ROIC, net income and other factors that are important to its management strategy, as well as dividend levels. - The allocation of bonuses to each Director is set at a level that provides an incentive for each Director from a medium- to long-term perspective, taking into consideration qualitative factors such as position, level of responsibility, achievement of major targets (sales, profit indicators, ROIC, etc.) in the division under management, contribution to the Company's business performance each fiscal year, and qualities required to achieve these targets. - In order to ensure the independence of Outside Director, bonuses are not paid to them.
(4) Policy for Determination of the Ratio of Monthly Compensation to Bonus	- The ratio of monthly compensation to bonus is not set, but is subject to change based on performance indicators and individual evaluations as described in the previous section (③ Policy for Determination of Bonuses). - The ratio of monthly compensation to bonuses has been generally 1:0.24 to 0.72 over the past several years.

■ Strengthening the Practical Aspects of Corporate Governance

<Secretariat of the Board of Directors>

The Secretariat of the Board of Directors establishes a system to distribute the materials of the Board of Directors' proposals to each Director and Audit & Supervisory Board Member, including Outside Directors, prior to the date of the Board of Directors' meeting, in order to facilitate fruitful discussions at each meeting of the Board of Directors.

The Secretariat of the Board of Directors sets the schedule of the regular meeting of the Board of Directors for the following year by the end of the year and inform the Directors and Audit & Supervisory Board Members of the schedule.

<Support system for Outside Directors and/or Outside Audit & Supervisory Board Members>

The secretariat (Administration Division) and the secretary of the Board of Directors play a central role in supporting Outside Directors, offering information on management in cooperation with each department, and providing explanations in advance on the content of matters to be submitted for deliberation by the Board of Directors. Full-time Audit & Supervisory Board Members provide necessary information to Outside Audit & Supervisory Board Members, including prior explanations related to the Board of Directors. The Company has also established the Office of Audit & Supervisory Board Members, and its staff members support the activities of Outside Audit & Supervisory Board Members. In addition, a secretary has been assigned to manage their schedules.

<Training for Directors and Audit & Supervisory Board Members>

In order for Directors and Audit & Supervisory Board Members to properly fulfill their expected duties and roles as part of an important governance body, the Company

systematically provides and mediates training opportunities and provides financial support for such training. This includes training for newly appointed Directors and Audit & Supervisory Board Members to deepen their understanding of the roles and responsibilities, and training for Outside Directors and Audit & Supervisory Board Members to deepen their understanding of the Group, as well as other training to deepen their understanding of laws and regulations, risk management, and the Group's management environment.

■ Audit and Supervisory System

<Audit system by Audit & Supervisory Board Members>

The majority of Audit & Supervisory Board Members are Independent Outside Audit & Supervisory Board Members with various expertise and multiple perspectives, and these Audit & Supervisory Board Members, together with full-time Audit & Supervisory Board Members and staff dedicated to auditing, work together with the Internal Audit Division and Accounting Auditors to monitor legal and appropriate management.

In accordance with auditing standards, policies, and assignments determined by the Audit & Supervisory Board, each Audit & Supervisory Board Member attends meetings of the Board of Directors and other important meetings, interviews Directors, the Internal Audit Division, and other employees, inspects important approval documents, and visits major business offices, etc., and receives reports from other Audit & Supervisory Board Members regarding their auditing activities, as well as exchanges information with the Accounting Auditor as appropriate.

<Internal audit>

The department in charge of internal audits is the Internal Auditing Department. The Internal Auditing Department, in accordance with the internal audit regulations and prescribed audit plan, executes comprehensive audits, including on-site

investigations, across the Group companies and affiliates. Through these audits, the department identifies any issues or challenges and presents proposals for improvement to guarantee optimal and efficient business operations. The department also diligently verifies the implementation status of corrective measures for identified issues and proceeds to report the full-time Audit & Supervisory Board Members at an audit result debriefing session among those involved in audit implementation, followed by a meeting with an audited department held for each audit project. Audit plans and performance results are shared and opinions are exchanged at the Audit & Supervisory Board meeting every six months, and audit results are reported once a year at the Board of Directors meeting. In addition, the Internal Audit Department hold regular quarterly meetings, exchanging opinions with the Accounting Auditor, and also hold meetings and discuss as necessary.

<Accounting audits and internal control audits by the Accounting Auditor>

Accounting audits and internal control audits are conducted by KPMG AZSA LLC.

For details of the audit and supervisory system, please refer to "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-Making, Execution of Business, and Oversight in Management, 2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Compensation Decisions (Overview of Current Corporate Governance System)" in the Corporate Governance Report.

■ Internal Control: Systems for Ensuring the Propriety of Financial Reporting

Pursuant to the guidance and assistance of the Internal Control Committee for Financial Reporting and the relevant Corporate Staff Group, each department, division, and subsidiary has developed and operated the

internal control system. The Internal Auditing Department assesses the effectiveness of the internal control system of the entire Group, compiles an internal control report to be submitted to the Financial Services Agency based on the results of such assessment and obtains the approval of the Internal Control Committee for Financial Reporting and the Board of Directors.

For details on the internal control system, please refer to "IV. Matters Concerning the Internal Control System" in the Corporate Governance Report.

■ Policy and Status of Strategic Shareholding

The Company engages in strategic shareholdings primarily for the purpose of building and strengthening long-term, stable relationships with business partners and facilitating business and technology alliances, taking into consideration their impact on and contribution to ROE and ROIC, and from the perspective of contributing to medium- to long-term improvements in corporate value.

Shares that are not suitable for the purpose of holding or that are not expected to contribute to medium- to long-term enhancement of corporate value are to be considered for disposal. Individual cross-shareholdings undergo meticulous evaluation each year based on the objectives and perspectives described above as well as the transactional status. The Board of Directors verifies the appropriateness of such holdings and this verification process was also conducted in fiscal 2024.

For details of the shareholding status, please refer to "4. [Status of Corporate Governance], (5) [Status of Shareholdings], (ii) Investment Shares Held for Purposes Other than Pure Investment" in the Consolidated Financial Statements.

Risk Management

Basic Views and Policy

Based on its basic policy on risk management, the Group identifies, analyzes, and evaluates risks as factors that may impede or have adverse effects on the execution of our business activities and the achievement of management goals and strategies, and works to mitigate and minimize risks.

Basic Policy on Risk Management

Risk management is performed based on the significance of the risks determined in consideration of the following factors:

- Impact on business performance, maintenance of quality and safety
- Social responsibility to ensure stable supply
- Maintenance of favorable relations with stakeholders such as employees, customers, suppliers, regional communities, and shareholders & investors
- Continuous compliance with laws and corporate ethics
- Statements in the Sumitomo Spirit, the Sumitomo Electric Group Corporate Principles, and the Sumitomo Electric Group Charter of Corporate Behavior

Structure

At the Group, the Risk Management Committee, consisting of Executive Directors and Executive Officers, oversees all risk management activities, including the formulation of the risk management system and policies, as well as the establishment of a task force in the event of an emergency.

The Risk Management Steering Committee is responsible for collecting and disseminating information, as well as planning and implementing risk management training.

Additionally, to promote risk management related to specific themes such as safety and health, and quality control, various committees are established, each chaired by the President or the officer responsible for the relevant theme, with the approval of the Risk Management Committee.

If any risk becomes evident in a department/division or Group company, the relevant department/division, etc. reports it to and receives instructions as necessary from the Risk Management Committee, while also reporting it to the Board of Directors in accordance with the Rules of the Board of Directors.

Initiatives

Risk Management Activities

(1) Risk inventory

Each department/division and Group company conducts an annual risk inventory. They assign scores to and comprehensively assess the potential impact and likelihood of occurrence of various risks, identify "critical risks" that should be prioritized, and develop and implement necessary countermeasures.

The Risk Management Committee oversees the risk inventory process in accordance with the risk management regulations. Critical risks common to the Group are reported to the Risk Management Committee through the Compliance & Risk Management Office, which facilitates the sharing of awareness and the development of countermeasures. Risks are also monitored in collaboration with Audit & Supervisory Board Members, the Internal Audit Division, and the Corporate Staff Group responsible for each risk.

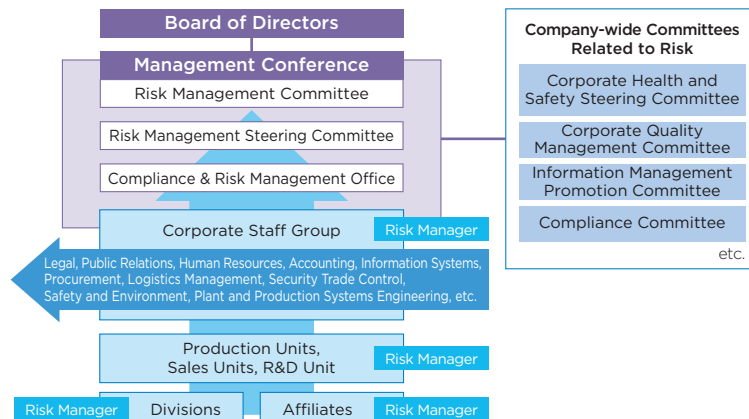
In addition, for major risks that affect the entire Group, the committee responsible for the risks reassesses them based on countermeasures for each risk and case studies of past incidents.

For other risks specific to particular departments or divisions, mitigation measures are taken with assistance from the Corporate Staff Group and external experts, as needed.

Risk Classification of the Group

Major Category	Middle Category	Minor Category
Externally generated risks	Non-financial risks	• Disaster risks, crime risks • Political, and country risks, etc.
	Financial risks	• Credit risks • Market risks; e.g. interest rates, exchange rates and material prices • Liquidity risks, etc.
Internally generated risks	Strategic risks	• Competitive strategy risks, etc.
	Operational risks	• Product quality and safety risks • Occupational hazards, facility accident and safety risks • Environmental risks • Compliance risks • Violation risks • Labor, human rights, and personal information risks • Financial information credibility and asset protection risks • Information and communication system risks • Intellectual property rights risks • Reputation risks, etc.

Risk Management System



(2) Creation and management of a risk heat map

To respond to the expansion of business domains and changes in the external environment, the risk inventory outcomes, information on evident risks, operational audit results, and other monitoring results are compiled into a database. This database is then used to create and manage a risk heat map for each division and Group company. Priority is given to addressing items with high-risk levels, aiming to improve the efficiency and effectiveness of risk management activities.

Risk inventory

Each department/division and Group company assesses the impact and frequency of occurrence of various risks, and identifies "critical risks"

Information on risks that have become evident

Each department/division and Group company reports information on risks that have become evident, if any, to the Risk Management Committee

Operational audit results, etc.

Monitoring the business execution status of each department/division and Group company through the operational audits conducted by the Internal Auditing Department and various diagnoses conducted by the Corporate Staff Group

Creation of a risk heat map

The risk inventory outcomes, information on evident risks, operational audit results, and other monitoring results are compiled into a database, with priority given to addressing items with high-risk levels.

■ Business Continuity Initiative

(1) Business continuity in the event of a large-scale natural disaster

To continue critical operations and ensure prompt recovery in the event of large-scale natural disasters such as earthquakes, business continuity management (BCM) is promoted both domestically and internationally, with the goal of continuously improving business continuity plans (BCPs). Every year, a regular review of the BCP is conducted, along with the verification of the effectiveness of emergency response plans and the inventory of supply chain risks.

In addition, to further enhance the effectiveness of the BCP, annual BCP training for risk managers is held to strengthen business continuity capabilities.

(2) Business continuity in the event of an infectious disease outbreak

In 2008, the guidelines for action plans to address new influenza were formulated. In Japan, BCPs for infectious disease control were developed for each department/division and Group company to advance the establishment of a crisis management system.

In response to the global spread of COVID-19 from 2020 onwards, the scope of the BCPs for infectious disease control was expanded to include all Group companies both in Japan and overseas. While prioritizing the health and safety of employees, we continued business operations by implementing thorough measures to prevent the spread of the virus.

(3) Continuous implementation of group-wide joint emergency drills

Group companies continue to conduct joint emergency drills simultaneously twice a year (daytime and nighttime) to raise disaster prevention awareness. At manufacturing sites, evacuation drills, inspections of areas where

hazardous materials are used, and initial response drills for emergencies are carried out. Drills for information transmission and sharing are also conducted by establishing an emergency response headquarters, aimed at promptly gathering damage information in the event of a disaster, reporting it quickly and accurately to senior management, and sharing information within the Group.

■ Information Management

Through its business activities, the Group holds confidential information, including trade secrets, know-how, and data, belonging to the Group, its customers, and business partners. We also hold personal information of over 250,000 group employees both in Japan and overseas. Therefore, we are working to establish information management systems across all departments, divisions, and Group companies, focusing on developing measures and rules to prevent information leakage.

Specifically, regarding the confidentiality of confidential information and personal information, as well as the use of information devices and cloud services, we have established a management system that includes developing internal regulations, entering into contracts with recipients of information, establishing and publishing a privacy protection policy, ensuring thorough communication through training on these matters, and reporting in the event of an incident. In addition, we have developed a social media policy setting out the basic stance on social media use, along with social media guidelines specifying key points to note. Through these, we raise awareness among employees regarding the use of social media.

(1) Information security

We have established the SEI-CSIRT system as the core of the Group's information

security management framework, aiming to strengthen information security management and advance security measures within the Group.

To promote information security management, we have established the Information Security Policy and are deploying it across Group companies in Japan and overseas. This policy is reviewed annually to ensure compliance with international standards, such as ISO 27001, and to incorporate trends in cyberattacks and IT technology.

These initiatives are implemented in three areas: business systems, production equipment, and products, with security managers and security administrators appointed in all departments/divisions and Group companies. With regard to business systems, we thoroughly implement basic measures such as anti-virus protection and vulnerability management and also focus on raising employee awareness through security training and email attack drills. For production equipment, we separate the business network from the equipment network and implement strict security measures for production equipment computers globally. Regarding products, we are committed to enhancing the security of our products and services in accordance with the Secure Development and Operation Measures Standards established as a company-wide standard.

We also conduct regular internal audits to ensure that these security activities are correctly implemented in each department/division and Group company.

Through these activities based on a globally unified policy, we strive to ensure consistent and uniform security across the Group.

(2) AI governance

The Group has been advancing business improvements through the use of AI from an early stage, starting with the automation of inspections. We believe that generative AI, such as OpenAI's ChatGPT*, which has recently been gaining attention, can be actively utilized not only to strengthen our manufacturing capabilities but also to accelerate improvements across a wide range of areas, including work style reforms and research and development.

However, the use of generative AI requires the utmost care to protect personal information, copyrights, and confidential information, as well as to ensure compliance with contracts with third parties. Additionally, since there are cases where governments or specific organizations impose restrictions on its use, we are promoting the establishment of an AI governance framework aimed at risk management to avoid violating these regulations.

In July 2023, the Company began implementing generative AI tools designed to ensure the security of internal confidential information. At the same time, we have established the Generative AI Usage Guidelines to prevent violations of laws, regulations, and contracts, as well as unethical use. Furthermore, starting in fiscal 2024, we have introduced Retrieval-Augmented Generation (RAG) technology, promoting the use of generative AI that references internal information.

The Group will continue to evolve its AI governance, including by updating guidelines, to maximize the benefits of AI while minimizing its potential risks.

* ChatGPT is a trademark or registered trademark of OpenAI, Inc. or its subsidiaries that is valid in the U.S. and other countries.

■ Security Export Control

To ensure compliance with export regulations aimed at international security, we have established internal export control regulations and have created an export control system with a Representative Director as the ultimate authority.

When engaging in exports, we conduct proper screening of each individual business transaction and proceed with export activities only after obtaining the necessary export licenses, including bulk export licenses.

Relevant parties within Sumitomo Electric and Group companies receive position-specific regular training and training for newly appointed personnel, based on the latest case studies, in order to foster awareness and knowledge of security export control among all involved personnel.

Furthermore, we conduct regular internal audits to constantly monitor the appropriateness of our activities and share information across divisions and Group companies through various committees, aiming to reduce security trade risks across the entire Group.

Training Records for FY2024

Training program [Main content]	Target participants	No. of participants
Training for staff responsible for export classification [Classification of goods and technologies for export control purposes]	183 people	183 people
Training for the export department [Practical export control operations]	1,816 people	1,816 people
Training for general employees [Overview of export control and internal rules]	(Optional participation)	2,819 people
Training for affiliates in Japan [Overview of export control]	27 companies	27 companies
Training for overseas affiliates [Overview of export control and precautions to take overseas]	26 companies	26 companies
Training on the U.S. Export Administration Regulations (EAR) [Overview of the U.S. Export Administration Regulations]	(Optional participation)	271 people

■ Respect for and Utilization of Intellectual Property Rights

The Group considers the technologies developed through its own R&D activities to be the most important intellectual property (IP) for strengthening its business competitiveness and ensuring continuous growth. While striving to appropriately manage the confidentiality of our proprietary technical know-how and internal data, we are committed to acquiring and utilizing IP rights such as patent and design rights. At the same time, we respect the IP rights and trade secrets of others and ensure they are handled with the utmost care.

As part of the framework to achieve this, we have established regulations regarding the handling of IP and trade secrets. We have also set up an organization within the Intellectual Property Department to provide necessary support to the Group's business and research divisions, such as invention management, investigations of prior art and other companies' rights, standardization activities, and business strategy planning and response from an IP legal perspective. Additionally, IP Strategy Meetings consisting of Strategic Intellectual Property Committee members from the business and development divisions, along with members from the intellectual property division, are held monthly or quarterly depending on the division to plan and execute activities, verify progress and results, and make revisions and updates. Furthermore, during the self-inspection of business operations, which is updated each year, each department/division conducts risk assessments for "infringement of the Company's rights by other companies" and "infringement of other companies' rights by the Company's products." Through these activities, we strive to reduce the Group's intellectual property risks while also enhancing the value of its intellectual property and creating business opportunities.

Compliance

Basic Views and Policy

The Group believes that the backbone of its management and the absolute foundation for its continued existence and development is compliance, which encompasses both adherence to laws and regulations and business ethics. While keeping abreast of the latest trends in various compliance matters, the Group will make sincere efforts to conduct fair corporate activities that earn the trust of society, based on the Sumitomo Spirit principles of “*Banji-nissei*,” “*Shinyo-kakujitsu*,” and “*Fusu-furi*.”

Code of Conduct

With the approval of the Board of Directors, the Group established in April 2018 the Code of Conduct, which serves as guidelines setting out the standards of conduct expected of each of its Officers and employees to help us conduct business with integrity, based on the Sumitomo Spirit. The Code of Conduct is a set of basic rules on compliance commonly applied to Sumitomo Electric and all Group companies across the world. In addition to compliance with laws and regulations, it sets out the basic policies regarding issues such as fair competition, prevention of corruption such as bribery and conflicts of interest, protection of confidential information and intellectual property, respect for human rights and environmental protection.

The Supplier Code of Conduct was also formulated in July 2021, which requests our suppliers to act in alignment with the Group's Code of Conduct.

 Full text of the Code of Conduct

Structure

The Compliance Committee, chaired by the President, meets approximately four times a year and does, among other things, the following: identifying and analyzing group-wide compliance risks; confirming the dissemination and firm establishment of the Code of Conduct; planning and performing training; investigating the cause of violations and formulating proposed measures to prevent their reoccurrence; disseminating and having the above items thoroughly implemented within the Group; and conducting monitoring of the compliance promotion activities.

Meanwhile, each department and division identifies and analyzes compliance risks, including risks peculiar to the department or division, and takes measures to prevent them; whereas the Compliance Committee, Audit & Supervisory Board members, the Internal Audit Department, and other parties conduct their monitoring.

Further, the Compliance Committee appropriately assesses the circumstances pertaining to information provided to the reporting and consultation desks established inside and outside the Company, and takes necessary measures.

Compliance Committee structure

Committee Chair: President
Deputy Chair: Executive Vice President
Committee Members: Senior Managing Executive Officer (in charge of Human Resources, Administration, Compliance & Risk Management, etc.), Senior Managing Executive Officer (in charge of Accounting, Finance, etc.), General Manager of Compliance and Risk Management Office, General Manager of Legal Department, General Manager of Internal Auditing Department
Attendees: Audit & Supervisory Board Member and General Manager of Office of Audit & Supervisory Board Members
Secretariat: Compliance & Risk Management Office and Legal Department

Targets

We will ensure compliance with laws, regulations, and corporate ethics throughout the Group, including its supply chain, on a global basis.

Targets to achieve the Mid-term Management Plan 2025

Maintain and reinforce the compliance platform

- Employees trained in the Code of Conduct, compliance with competition laws, etc.: 250,000 people/3 years
- Establish and confirm program implementation at Group companies
- Promote the use of reporting and consultation desks

Initiatives and Results

Dissemination and Permeation of the Code of Conduct

Booklets of the Code of Conduct are prepared in approximately 30 languages, including Japanese, English, and Chinese, and distributed to the Officers and employees of the Group, while the multilingual versions are also posted in all of the languages on our website and intranet. In addition, training on the Code of Conduct is conducted. Furthermore, to raise employee awareness, we have created summary posters in approximately 30 languages, including Japanese, English, and Chinese, and post these posters at the offices and plants of our Group companies around the world.

We have also published the Supplier Code of Conduct in 28 languages on our website and are working to disseminate it throughout our global supply chain.



Compliance Training

The Compliance Committee organizes regular position-based training seminars every year with the aim of ensuring a clear understanding of compliance risks, thorough implementation of preventive measures, and raising and strengthening awareness of compliance. Training topics include competition law, anti-corruption measures such as measures against bribery and conflicts of interest, and privacy protection.

Main training programs

Training program (Language)	Frequency
Position-based compliance training [Officers, Managers, newly promoted personnel, new employees, mid-career employees, and employees on loan from other companies] (Japanese)	Once a year for each program
E-learning compliance training: worldwide (26 languages)	3 courses /year
Global Leader compliance training (English)	Once a year
Compliance Liaison training (Japanese)	Once a year

Training targets and results

Target for FY2023-FY2025	250,000 people/3 years
FY2023 results	110,000 people
FY2024 results	117,000 people

Understanding, Analyzing, Preventing, and Monitoring Compliance Risks

The Group conducts compliance inspections at respective departments and Group companies approximately once a year to verify the effectiveness of measures to eliminate or mitigate serious risks. If any matters requiring

improvement are identified, appropriate corrective and preventive measures are implemented. Furthermore, the Compliance Committee, Audit & Supervisory Board Members, Internal Audit Department, etc. monitor the status of compliance, including whether such measures function properly.

■ Whistle-blowing System (Speak-Up System)

At the Group, we have the Speak-Up System in place, which is designed to identify any potential compliance-related issues at an early stage, including issues related to employment, labor affairs, competition law, bribery and conflicts of interest, and taxation, and to resolve them by ourselves in a prompt and proper manner. Specifically, we have established reporting and consultation desks in the Group (General Manager of Office of Audit & Supervisory Board Members and General Manager of the Compliance & Risk Management Office) and outside the Group (by appointing a specialized service provider and law firm). All anonymous and non-anonymous reports of issues received are promptly investigated, with the brief results shared with the person who reported the issue and corrective and preventive measures taken as necessary. The reporting and consultation desks are available for use by any employee of the Group as well as business partners and other parties concerned around the world. We disseminate information on this system through various in-house training programs, in-house newsletters, the Code of Conduct, our website and intranet, workplace posters, notices to suppliers, and by other means. In 2014, we established a common reporting and consultation desk for the Group (outside the Group; available in about 30 languages around the clock throughout the year) and have been proactively working to raise awareness about this system. As a result, the number of consultations and reports received by the Group around the world, including Japan, China, Southeast Asia, the Americas,

Europe, Africa, and the Middle East, has been increasing year by year, leading to an overall improvement in behavior and awareness. In this way, the proper operation of this system has contributed to maintaining and improving compliance across the entire Group and fulfilling the system's intended functions.

Whistle-blowing desks (outside the Group)

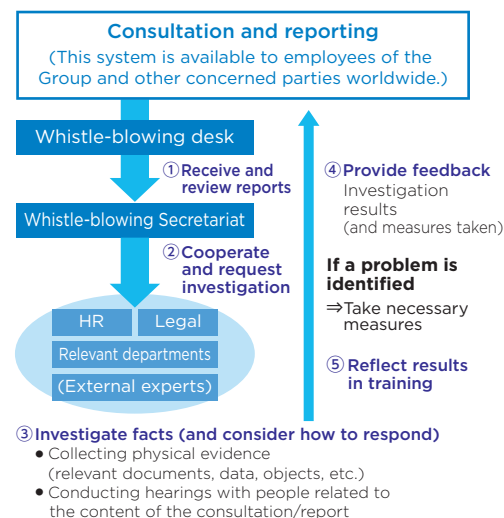
Desk	Covered regions	Languages
Irokawa Legal Professional Corporation	Japan	Japanese
Leezhao Law Office	Mainland China and Taiwan	Chinese, English, and Japanese
Navex Global	Worldwide*	Over 150 languages

* In Japan, mainland China, Taiwan, Morocco, Saudi Arabia, and Myanmar, reports can be received only via the website.

Number of whistle-blowing reports received

FY	2019	2020	2021	2022	2023	2024
Number	119	120	186	188	243	314

System and procedure for whistle-blowing reporting



■ Compliance with Competition Laws

The Group considers compliance with domestic and international competition laws to be its most important compliance issue and established the “Rules for Compliance with Competition Laws” in June 2010, which include rules such as limiting contact with other companies in the same industry to cases where there is a legitimate reason, and since then compliance training (including e-learning) on the Rules has been conducted. Furthermore, we have been working to prevent cartel and bid-rigging activities and other violations of competition laws, including suspicious activities within the Group, through measures such as the establishment of the “Global Antitrust and Competition Policy” in 2020.

■ Anti-Bribery Compliance System

The Group introduced an anti-bribery compliance program in 2013 with the aim of globally strengthening its anti-bribery compliance system. In light of stricter regulations against bribery of national and foreign public officials in Europe, the United States, and emerging countries, this program has stipulated rules regarding the prevention of bribery (such as prohibition of bribes and prior approval and post-facto reporting of entertainment, gifts, and donations) in the Anti-Bribery Compliance Regulations. In addition, Compliance Liaisons have been designated in respective departments and companies to implement these rules in cooperation with the Anti-Bribery Compliance Secretariat and legal departments in the global regions.

Policy on Anti-Bribery Compliance Initiative

The Group shall acquire business through fair competition, and all Directors and employees shall comply with the Anti-Bribery Compliance Regulations. We will conduct business in accordance with the letter and spirit of the laws and regulations applicable in each country in which we engage in business, following the Anti-Bribery Compliance Regulations. Any act of bribery is prohibited in all transactions, which also applies to all business partners who carry out work for the Group.

Overview of the initiative structure

Organization	Anti-bribery Compliance Secretariat (Compliance & Risk Management Office) and Compliance Liaison/Deputy Compliance Liaison in each company and department ^(Note 1)
Rules	Anti-Bribery Compliance Regulations (Established in 2013 and revised in 2017)
Procedure	• Advance application or post-facto reporting on entertainment, gifts, and donations (Since 2018, monetary standards have been in place with a risk-based approach being introduced to strictly review interactions with public officials and other personnel). • Pre-transaction assessment of new agents to be hired (A preliminary review ^(Note 2) will be conducted, followed by, in principle, adding a clause prohibiting bribery in a contract, obtaining a pledge or sending a notification letter, and an approval process).
Training, etc.	Training, operation manuals, self-inspection monitoring, and audits

Note 1: The Compliance Liaison is a person who serves as a consultation contact and coordinator for general compliance matters at each company and division of the Group, and also makes decisions on application approval in cooperation with the Compliance & Risk Management Office. Each company appoints a senior manager other than the president, taking into account the possibility of conflicts of interest between business management and compliance. If necessary, it is also possible to select Deputy Compliance Liaisons and have them act on behalf of the Liaison or perform supporting tasks.

Note 2: In the preliminary review, risk databases of external specialist companies are used to investigate whether the new agent has had any past bribery issues and to assess bribery risks.

■ Privacy Protection

The Group treats personal information of private individuals, business partners, employees, and others in an appropriate manner in compliance with national and international laws and regulations on the protection of personal information. In recent years, regulations regarding the protection of personal information have been tightened in countries around the world, such as the EU General Data Protection Regulation (GDPR), and the Group is taking steps globally, including the establishment of the Global Privacy Policy in 2023.

■ Quality Compliance

Complying with laws and rules and providing products that meet customers' quality requirements is the absolute foundation for our sustainable development as a company. The Group is undertaking a variety of initiatives to ensure quality compliance. For more details, please see [→P42].

■ Tax Policy

Based on the Sumitomo Spirit, the Sumitomo Electric Group Corporate Principles, and the Sumitomo Electric Group Code of Conduct, we shall establish the Sumitomo Electric Group Tax Policy.

Sumitomo Electric Group is committed to conduct its business affairs in a fair and responsible manner, and we shall contribute to the development of the society through proper tax payment.

Sumitomo Electric Group Tax Policy

Based on the Sumitomo Spirit, the Sumitomo Electric Group Corporate Principle and Code of Conduct, Sumitomo Electric Group is committed to conduct its business affairs in a fair and responsible manner: this includes complying with the tax related laws of each country and supranational guidance (e.g. OECD).

Sumitomo Electric Group considers that paying taxes is an important obligation, and we shall contribute to the development of the society through proper tax payment.

In order to improve corporate value, we will strengthen our compliance/risk management system.

Tax Governance/Tax Strategy

Our globally organized tax department is responsible for tax management. It falls under the supervision of our Accounting Director, who is ultimately responsible for the tax strategy.

In addition, through the regular training of our employees, we aim to improve their awareness towards the internal tax compliance.

Sumitomo Electric Group shall apply for tax incentives where it is appropriate and within the scope of normal business activities. No intentional tax avoidance activities are pursued.

Risk Management

Sumitomo Electric Group considers that tax risk management is indispensable, and we shall mitigate tax risk by consulting with outside experts and tax authorities in advance as necessary.

Sumitomo Electric Group strictly adheres to the arm's length standard regarding transactions with foreign-related parties, and ensures appropriate allocation of profits based on functions and business risks of foreign-related parties.

Sumitomo Electric Group shall not expand into low tax rate countries/regions that do not match the actual business situation, in order to reduce or avoid tax. If a company inadvertently becomes subject to Anti-Tax Haven (CFC) Rules, we shall appropriately pay the share of taxes.

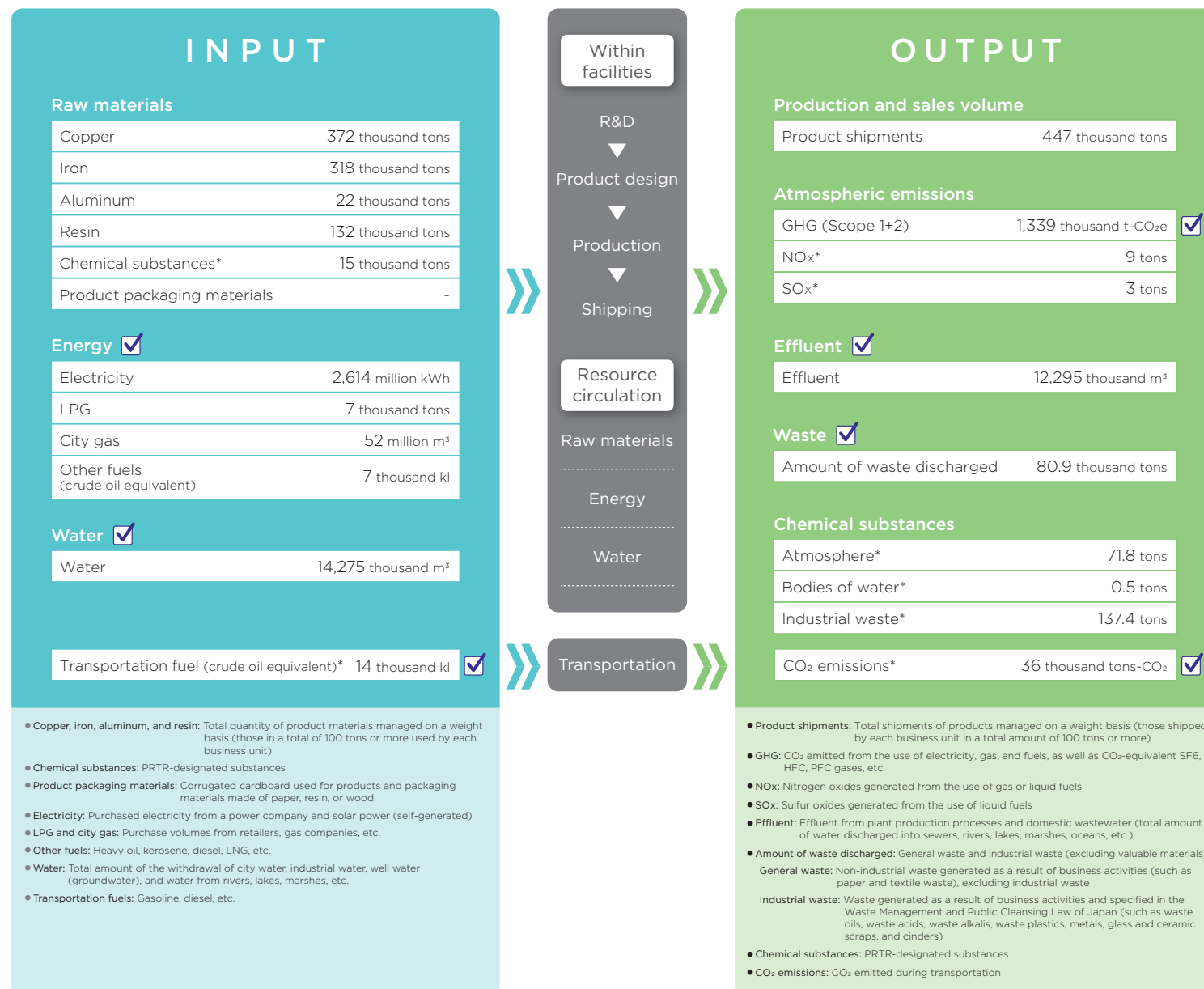
Sumitomo Electric Group maintains respectful, trustful and honest relationships with tax authorities.

In addition, we are committed to openness and transparency in its approach to dealing with tax authorities, wherever it operates.

ESG Data

■ Environmental Impact Material Balance (FY2024)

The Group quantitatively assesses the environmental impact of its overall business activities and strives to reduce and properly manage such impact. We have compiled the results of our business activities in FY2024 in terms of the amount of energy and resources used in business activities (INPUT) and the products and substances that have an environmental impact resulting from those activities (OUTPUT).



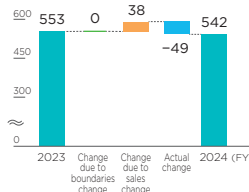
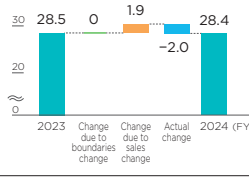
Those with an asterisk (*): Sumitomo Electric and its consolidated subsidiaries in Japan with manufacturing sites (excluding listed subsidiaries)

Those without an asterisk (*): Sumitomo Electric and its consolidated subsidiaries with manufacturing sites (excluding listed subsidiaries)

Note: Transportation fuels (crude oil equivalent) and CO₂ emissions do not include those from the consolidated subsidiaries of Nissin Electric Co., Ltd.

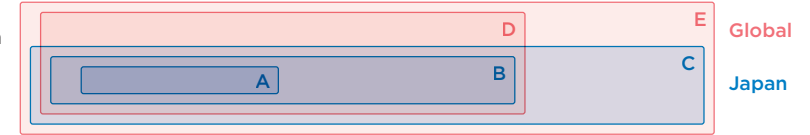
■ Environmental Accounting

The Group quantifies and analyzes the costs and economic effects of its environmental conservation efforts, such as measures to combat global warming.

	Financial items									Non-financial items	
	Investment (million yen)			Expense (million yen)			Economic effect (million yen)			Change factors in FY2024 (Japan)	Strategy/opportunity and risk
	2022	2023	2024	2022	2023	2024	2022	2023	2024		
GHG reduction	Investment in GHG reduction						Energy cost savings			GHG emissions (Note) (thousand t-CO ₂ e/year) 750 	One of the KPIs set for FY2024 was to reduce GHG emissions by 15.0% from FY2018, and we achieved an 18.1% reduction in FY2024 (production sites in Japan and overseas). We implemented various energy-saving activities, which turned out to be an important initiative also from the perspective of reducing energy costs. We will continue to share with our overseas sites the knowledge gained through these activities.
	3,652	4,217	5,737				470	668	391		
Waste reduction	Investment in resource conservation and recycling			Waste disposal costs			Sale of valuable materials			Waste discharged (excluding valuable materials) (Note) (thousand tons/year) 40 	We planned to reduce waste discharged per unit of sales for FY2024 by 2% from FY2022 and achieved a 10.4 reduction (production sites in Japan and overseas) through various resource conservation efforts. Our efforts for waste reduction include improving yields, reducing the volume of waste acid, alkali, oil, and other waste, detailed sorting of plastics, etc., and turning waste into valuable materials.
	0	4	42	1,352	1,575	1,479	36	43	44		
Cost of management activities				1,205	895	1,558				Costs of environmental organizations, ISO 14001 registration and maintenance, etc.	ISO 14001 certification is the core of our environmental management activities and is also one of the requirements from our customers.
Cost of social activities				6	33	47				Cleanup of areas outside company sites, external environmental education, etc.	We consider community cleanup to be one of our fundamental activities and will continuously communicate with local communities through this activity.
Cost of environmental remediation				9	119	137				Restoration of contaminated soil and groundwater and other measures, etc.	We restore contaminated soil and groundwater identified at our sites on a continuous basis.

(Note) Scope of coverage: Sumitomo Electric and its consolidated subsidiaries in Japan with manufacturing sites (excluding listed subsidiaries)
 Change due to boundaries change: Emissions or Waste discharged in FY2023 from the boundaries of collection newly added or excluded in FY2024
 Change due to sales change: [Emissions or Waste discharged in FY2023 from the boundaries of collection for FY2024] x (FY2024 sales / FY2023 sales -1)
 Actual change: Calculated by subtraction

Symbols in the boundary column



Sumitomo Electric Industries, Ltd.

Consolidated subsidiaries
(Excluding the listed subsidiaries as of the end of each fiscal year)

Consolidated subsidiaries

■ Environment

Indicator		Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
External ISO 14001 certification of its environmental management system	The acquisition consolidated subsidiaries		E	(count)	-	214	223
	The acquisition rate			%	-	56	57
Environmental audits	Environmental audits			sites	15	16	18
	Environmental law compliance inspection			sites	23	17	14
GHG	Emissions reduction rate (compared to FY2018)	(Scope 1+2)	E (Note 1) (manufacturing sites)	%	16.2	17.4	20.4
		(Scope 3)		%	4.1 increase	21.4 increase	1.1 increase
	(Scope 1+2) Total	(Scope 1+2) Total		thousand tons-CO ₂ e	1,705	1,681	1,619
		(Scope 1)		thousand tons-CO ₂ e	305	288	266
		(Scope 2)		thousand tons-CO ₂ e	1,400	1,393	1,353
		Total		thousand tons-CO ₂ e	25,775	30,042	25,020
	Emissions	Category 1		thousand tons-CO ₂ e	13,062	16,241	11,764
		Category 2		thousand tons-CO ₂ e	677	641	603
		Category 3		thousand tons-CO ₂ e	313	344	289
		Category 4		thousand tons-CO ₂ e	63	60	68
		Category 5		thousand tons-CO ₂ e	42	39	39
		Category 6		thousand tons-CO ₂ e	42	41	37
		Category 7		thousand tons-CO ₂ e	97	95	82
		Category 8		thousand tons-CO ₂ e	-	-	0
		Category 9		thousand tons-CO ₂ e	6	1	1
		Category 10		thousand tons-CO ₂ e	124	103	81
		Category 11		thousand tons-CO ₂ e	11,336	12,465	12,046
		Category 12		thousand tons-CO ₂ e	13	12	10
GHG	Emissions reduction rate (compared to FY2018)	(Scope 1+2)	D* (manufacturing sites)	%	15.2	15.0	18.1
		(Scope 3)		%	16.5 increase	39.8 increase	15.7 increase
	Emissions	(Scope 1+2) Total		thousand tons-CO ₂ e	1,387	1,390	1,339
		(Scope 1)		thousand tons-CO ₂ e	225	214	191
		(Scope 2)		thousand tons-CO ₂ e	1,162	1,176	1,148
		(Scope 1+2) by energy-related		thousand tons-CO ₂ e	1,312	1,326	1,288
		Non-energy-related		thousand tons-CO ₂ e	75	64	51

ESG Data / Calculation Criteria / Company Overview / Independent Third Party Assurance Report

Indicator			Detailed category	Boundary	Unit	FY2022	FY2023	FY2024		
GHG	Emissions	(Scope 1+2) by region	Japan	D (Note 2)* (manufacturing sites)	thousand tons-CO ₂ e	568	553	542		
			Overseas Total		thousand tons-CO ₂ e	819	837	797		
			Asia		thousand tons-CO ₂ e	666	668	637		
			Americas		thousand tons-CO ₂ e	103	118	105		
			Europe and others		thousand tons-CO ₂ e	50	51	55		
		(Scope 3)	Total		thousand tons-CO ₂ e	22,169	26,597	22,020		
			Category 1		thousand tons-CO ₂ e	11,149	14,446	10,127		
			Category 2		thousand tons-CO ₂ e	585	542	489		
			Category 3		thousand tons-CO ₂ e	252	260	212		
			Category 4		thousand tons-CO ₂ e	38	37	38		
			Category 5		thousand tons-CO ₂ e	30	30	32		
			Category 6		thousand tons-CO ₂ e	38	38	34		
			Category 7		thousand tons-CO ₂ e	85	84	71		
			Category 11		thousand tons-CO ₂ e	9,989	11,158	11,014		
			Category 12		thousand tons-CO ₂ e	3	2	3		
			(Scope 3)		Category 4	B (Note3) ** (manufacturing sites)	thousand tons-CO ₂	36	36	36
			Energy consumption			Total	D* (manufacturing sites)	million MJ	24,744	25,053
Japan	million MJ	11,088				10,738		10,852		
Overseas	million MJ	13,656				14,315		14,391		
Reduction of energy consumption per unit of sales (compared to FY2021-FY2022 average)					%	-	16.9	21.6		
Energy consumption per unit of sales					kl/hundred million yen	20	18	17		
Total installed capacity of renewable energy (solar power) plants				D (manufacturing sites)	MW	-	32.0	50.6		
CO ₂ emissions from transportation				B (Note3) ** (manufacturing sites)	tons-CO ₂	89,460	89,879	86,250		
CO ₂ emissions from transportation in Japan	Reduction rate of emissions per basic unit (compared to FY2018) Total			B (Note3) ** (manufacturing sites)	%	8.6	11.1	12.7		
	Sumitomo Electric Group			B (Note4) ** (manufacturing sites)	%	1.4	3.3	3.3		
	Sumitomo Wiring Systems Group			B (Note5) ** (manufacturing sites)	%	19.0	20.2	22.5		
	Per-unit emissions	Sumitomo Electric Group		B (Note4) ** (manufacturing sites)	tons-CO ₂ /million t-km	101.1	99.2	99.2		
		Sumitomo Wiring Systems Group		B (Note5) ** (manufacturing sites)	tons-CO ₂ /hundred million yen	2.06	2.03	1.97		
PRTR-designated chemical substances	Releases	Reduction rate (compared to FY2022)		B**	%	-	15.3	27.2		
		Total			kg	99,302	84,102	72,291		
		N-methyl-2-pyrrolidone			kg	0	13,220	9,800		
		Toluene			kg	23,500	22,814	19,500		
		1-Bromopropane			kg	31,200	15,100	20,800		
		Water-soluble salts of peroxodisulfuric acid			kg	0	0	14		
		Antimony and its compounds			kg	0	0	0		
		N,N-dimethylacetamid			kg	9,870	5,200	4,900		
		Bis (2-ethylhexyl) phthalate			kg	0	0	0		
		Xylene			kg	6,855	5,618	2,937		

Indicator			Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
PRTR-designated chemical substances	Releases	N,N-dimethylacetamide		B**	kg	8,312	5,708	5,209
		Cresol			kg	2,096	1,853	1,790
		Vanadium compounds			kg	120	0	130
		Phenol			kg	3,194	2,392	1,438
		Ethylene glycol monomethyl ether			kg	2,700	2,104	2,300
		Trimethylbenzene			kg	2,461	2,758	1,009
		Ethylbenzene			kg	4,794	3,567	1,460
		Heptane			kg	0	130	90
		Tetramethylammonium hydroxide			kg	0	0	13
		Boron compounds			kg	4	16	16
		2-Aminoethanol			kg	74	3	7
		Diethanolamine			kg	0	0	0
		Lead and its compounds			kg	0	0	0
		Formaldehyde			kg	3	46	6
		Selenium and its compounds			kg	0	0	0
		Molybdenum and its compounds			kg	388	304	202
		Styrene			kg	350	340	350
		Hydrogen fluoride and its water-soluble salts			kg	220	389	177
		Nickel compounds			kg	140	330	74
		Water-soluble compounds of zinc			kg	0	0	0
		2-Ethylhexyl acrylate			kg	0	0	1
		Arsenic and its inorganic compounds			kg	0	0	0
		Water-soluble copper salts (except for complex salts)			kg	71	67	42
		Cobalt and its compounds			kg	3	3	16
		Chromium and chromium(III) compounds			kg	11	11	9
		Nickel			kg	0	0	0
		Manganese and its compounds			kg	1	0	0
		Phthalic anhydride			kg	0	0	0
		Indium and its compounds			kg	0	0	0
		Methylnaphthalene			kg	31	18	1
		Silver and its water-soluble compounds			kg	0	0	0
		4,4'-Isopropylidenediphenol (synonym: Bisphenol A)			kg	0	0	0
		Ethylenediamine			kg	0	0	0
		Dichlorobenzene			kg	2,900	2,100	0
		Glutaraldehyde			kg	0	0	0
		2-(2-Methoxyethoxy)ethanol			kg	0	11	0
		Bis(1-methyl-1-phenylethyl) peroxide			kg	0	0	0
		Lead and its compounds			kg	0	0	0

ESG Data / Calculation Criteria / Company Overview / Independent Third Party Assurance Report

Indicator			Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
PRTR-designated chemical substances	Releases	2-Imidazolidinethione		B**	kg	0	0	0
		Ferric chloride			kg	0	0	0
		Hexane			kg	4	0	0
	Transfers	Total		B**	kg	143,135	148,161	138,016
		N-Methyl-2-pyrrolidone			kg	0	39,220	54,000
		Toluene			kg	4,346	4,319	4,811
		1-Bromopropane			kg	250	430	1,210
		Water-soluble salts of peroxodisulfuric acid			kg	15,000	1,900	19,000
		Antimony and its compounds			kg	5,370	11,490	12,320
		N,N-Dimethylacetamide			kg	2,660	4,160	5,610
		Bis(2-ethylhexyl) phthalate			kg	7,504	6,503	7,203
		Xylene			kg	3,977	3,157	3,855
		N,N-Dimethylformamide			kg	862	934	990
		Cresol			kg	4,290	3,650	3,900
		Vanadium compounds			kg	47	1,600	4,700
		Phenol			kg	7,850	5,660	2,890
		Ethylene glycol monomethyl ether			kg	1,210	1,146	1,382
		Trimethylbenzene			kg	2,169	3,064	2,010
		Ethylbenzene			kg	1,647	1,420	1,270
		Heptane			kg	0	2,800	1,900
		Tetramethylammonium hydroxide			kg	0	0	1,800
		Boron compounds			kg	1,314	1,634	1,660
		2-Aminoethanol			kg	18,400	13,062	1,540
		Diethanolamine			kg	0	1,427	1,400
		Lead and its compounds			kg	17,000	22,946	1,279
		Formaldehyde			kg	2,305	2,301	1,100
		Selenium and its compounds			kg	3,900	2,300	1,000
		Molybdenum and its compounds			kg	2,634	3,572	481
		Styrene			kg	13	13	13
		Hydrogen fluoride and its water-soluble salts			kg	85	211	79
		Nickel compounds			kg	171	210	138
		Water-soluble compounds of zinc			kg	762	784	201
		2-Ethylhexyl acrylate			kg	0	0	160
		Arsenic and its inorganic compounds			kg	51	49	71
		Water-soluble copper salts (except for complex salts)			kg	2,552	13	15
		Cobalt and its compounds			kg	3	2	2
		Chromium and chromium(III) compounds			kg	69	1	3
		Nickel			kg	510	31	8

Indicator			Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
PRTR-designated chemical substances	Transfers	Manganese and its compounds		B**	kg	24,042	5	8
		Phthalic anhydride			kg	0	0	6
		Indium and its compounds			kg	3	1	1
		Methylnaphthalene			kg	0	0	0
		Silver and its water-soluble compounds			kg	0	0	0
		4,4'-Isopropylidenediphenol (synonym: Bisphenol A)			kg	0	0	0
		Ethylenediamine			kg	0	0	0
		Dichlorobenzene			kg	9,500	6,800	0
		Glutaraldehyde			kg	1,300	1,300	0
		2-(2-Methoxyethoxy)ethanol			kg	0	46	0
		Bis(1-methyl-1-phenylethyl) peroxide			kg	650	0	0
		Lead and its compounds			kg	594	0	0
		2-Imidazolidinethione			kg	46	0	0
		Ferric chloride			kg	31	0	0
		Hexane			kg	18	0	0
	Releases	Dioxins		B**	mg-TEC	0.0	3.3	4.0
	Transfers	Dioxins			mg-TEC	0.0	2.2	0.0
VOC releases into the atmosphere				B**	t	110.9	73.61	84.8
Environmental Incidents				D	(count)	2	1	4
Total amounts of waste discharged and valuable materials					thousand tons	184.7	193.0	200.5
Waste discharged	Reduction rate per unit of sales (compared to FY2022)				%	-	9.5	10.4
	Amount of discharge		Total		thousand tons	77.0	76.4	80.9
			Japan		thousand tons	30.3	28.5	28.4
			Overseas		thousand tons	46.7	47.9	52.5
	Amount of discharge (breakdown)	Waste landfilled or incinerated without thermal recovery	Total		thousand tons	17.3	16.9	16.5
			Japan		thousand tons	0.5	0.3	0.4
			Overseas		thousand tons	16.8	16.6	16.1
		Waste landfilled or incinerated without thermal recovery (breakdown)	General waste	D*	thousand tons	-	9.9	10.0
			Waste liquid		thousand tons	-	2.6	2.1
			Sludge		thousand tons	-	1.8	1.6
		Recycling	Others		thousand tons	-	2.6	2.8
			Total		thousand tons	59.7	59.5	64.4
			Japan		thousand tons	29.8	28.2	28.0
			Overseas		thousand tons	29.9	31.3	36.4
	Recycling (breakdown)		Recycled materials		thousand tons	-	43.3	46.3
			Thermal recovery		thousand tons	-	116.6	18.1

ESG Data / Calculation Criteria / Company Overview / Independent Third Party Assurance Report

Indicator		Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
Valuable materials	Total			thousand tons	107.7	116.6	119.6
	Japan		D*	thousand tons	41.0	43.8	43.6
	Overseas			thousand tons	66.7	72.8	76.0
Breakdown of reused materials (recycled materials + valuable materials)	Total			thousand tons	-	159.9	165.9
	Waste metal			thousand tons	-	75.5	75.7
	Waste paper			thousand tons	-	23.1	23.9
	Waste plastics			thousand tons	-	13.4	14.7
	Waste acid		D*	thousand tons	-	13.3	13.2
	Sludge			thousand tons	-	9.4	9.9
	Wood waste			thousand tons	-	6.0	6.5
	Waste oil			thousand tons	-	5.3	5.5
	Others			thousand tons	-	13.9	16.5
	Total			%	90.6	91.2	91.8
Waste recycling rates	Japan		D*	%	99.2	99.5	99.4
	Overseas			%	85.2	86.2	87.5
Water resources	Reduction of water withdrawal per unit of sales (compared to FY2022)			%	-	10.9	14.8
	Amount of water withdrawal	Total		thousand m ³	14,296	13,974	14,275
		Japan		thousand m ³	6,158	5,688	5,908
		Overseas		thousand m ³	8,138	8,286	8,367
	Percentage of water withdrawal by water source	City water		%	84	85	84
		Groundwater		%	16	15	16
	Amount of effluent	Total		thousand m ³	12,348	12,172	12,295
		Japan		thousand m ³	5,465	5,186	5,045
		Overseas		thousand m ³	6,883	6,986	7,250
	Percentage of effluent by water source	Sewers	D*	%	72	72	72
		Rivers		%	19	19	19
		Sea		%	8	8	8
		Others		%	1	1	1
	Evaluating water risks on a global scale	Sites with significant flooding challenges		(count)	4	5	5
		Sites with significant drought challenges		(count)	1	2	1
		Number of sites in areas with "Extremely High" water risks		(count)	12	24	34
		Water withdrawal in areas with "Extremely High" water risks		m ³	-	1,204	1,202
		% of water withdrawal in areas with "Extremely High" water risks		%	-	9	8

Indicator		Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
Eco-Activities 2030	Total			(count)	-	248	299
	Biodiversity conservation			(count)	-	-	87
	Community cleanup		D	(count)	-	-	117
	Resource conservation and recycling			(count)	-	-	95
Total number of certified "Eco-Products"			D	(count)	372	379	384
Eco products sales			D	million yen	-	17,452	19,384
Green contribution sales			E	million yen	-	5,532	6,185

(Note 1) Category 4 of Scope 3 is only for Japan. However, the Nissin Electric Co., Ltd. and their group companies and listed subsidiaries include overseas companies.

(Note 2) Category 4 of Scope 3 is only for Japan. However, the Nissin Electric Co., Ltd. and their group companies includes overseas companies.

(Note 3) Excluding the consolidated subsidiaries of Nissin Electric Co., Ltd.

(Note 4) Excluding Sumitomo Wiring Systems, Ltd. and their group companies and the consolidated subsidiaries of Nissin Electric Co., Ltd.

(Note 5) Sumitomo Wiring Systems, Ltd. and their group companies

Items with an asterisk (*): The results of Nissin Electric Co., Ltd. and its consolidated subsidiaries (manufacturing sites) for FY2023 and earlier are additionally included.

Items with a double asterisk (**): The results of Nissin Electric Co., Ltd. for FY2023 and earlier are additionally included.

Social

Indicator			Detailed category	Boundary	Unit	FY2022	FY2023	FY2024	
Human capital									
Human capital	Sumitomo Electric Group employees		Total	E + employees seconded from other companies	(count)	289,191	293,266	288,145	
			Male (percentage)		%	47.3	48.1	48.5	
			(number)		(count)	136,660	141,010	139,854	
			Female (percentage)		%	52.7	51.9	51.5	
			(number)		(count)	152,531	152,256	148,291	
	Japan		Percentage		%	15.2	15.0	15.5	
			Total		(count)	43,960	44,020	44,594	
			Male		(count)	34,820	34,728	35,008	
			Female		(count)	9,140	9,292	9,586	
	Overseas		Percentage		%	84.8	85.0	84.5	
			Total		(count)	245,231	249,246	243,551	
			Male		(count)	101,840	106,282	104,846	
			Female		(count)	143,391	142,964	138,705	
	Americas		Percentage		%	17.1	17.2	16.3	
			Total		(count)	49,633	50,360	46,926	
			Male		(count)	22,955	24,303	21,082	
			Female		(count)	26,678	26,057	25,844	
	Asia		Percentage		%	41.9	41.3	41.9	
			Total		(count)	121,043	121,287	120,777	
			Male		(count)	51,185	52,679	53,080	
			Female		(count)	69,858	68,608	67,697	
	Europe and others		Percentage		%	25.8	26.5	26.3	
			Total		(count)	74,555	77,599	75,848	
			Male		(count)	27,700	29,300	30,684	
			Female		(count)	46,855	48,299	45,164	
	Sumitomo Electric Group managers		Total		E + employees seconded from other companies	(count)	15,417	15,599	15,897
			Male (percentage)			%	86.3	85.7	85.3
			(number)			(count)	13,311	13,367	13,553
			Female (percentage)			%	13.7	14.3	14.7
			(number)			(count)	2,106	2,232	2,344
	Sumitomo Electric employees		Total		A + employees seconded from other companies	(count)	7,144	6,995	7,124
			Male (percentage)			%	81.5	80.6	80.2
			(number)			(count)	5,819	5,638	5,716
Female (percentage)			%	18.5		19.4	19.8		
(number)			(count)	1,325		1,357	1,408		

Indicator		Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
Human capital	Sumitomo Electric managers	Total	A + employees seconded from other companies	(count)	2,154	2,067	2,120
		Male (percentage)		%	96.1	95.6	95.3
		(number)		(count)	2,070	1,976	2,020
		Female (percentage)		%	3.9	4.4	4.7
		(number)		(count)	84	91	100
Human Capital Development	Core DX talents		B	(count)	-	134	89
	Data analysis talent			(count)	-	535	744
Improvement of Employee Treatment	Compensation growth (reflected in the next fiscal year's revision)		A + secondees (average for union members)	%	5.81	5.75	6.07
Diversity & Inclusion	SEG Global Executives (as of April 1 of the following year)		D	(count)	42	42	42
	Support of females' active engagement						
	Percentage of females in managerial positions		C + employees seconded from other companies	%	4.0	4.5	4.7
	Females in managerial positions (total)			(count)	376	400	422
	General manager level and above (senior assistant general managers and those in management positions)			(count)	49	57	61
	Section manager level (assistant general manager)			(count)	327	343	361
	Percentage of females in managerial positions		A + employees seconded from other companies	%	3.9	4.4	4.7
	Females in managerial positions (total)			(count)	84	91	100
	General manager level and above (senior assistant general managers and those in management positions)			(count)	18	22	24
	Section manager level (assistant general manager)			(count)	66	69	76
	Percentage of females among new graduate hires (Business)		A	%	-	41.2	42.0
	Percentage of females among new graduate hires (Engineering)			%	-	10.6	14.9
	Compensation gap between male and female workers (all workers)		A + secondees	%	-	72.9	74.3
	Regular employees			%	-	73.4	74.7
	Non-regular employees			%	-	51.4	44.3
Diversity & Inclusion	Male and female hires (all functions)	Total	A	(count)	561	588	585
		Male		(count)	451	473	485
		Female		(count)	110	115	100
	Hires (proportion of women in all job types)			%	19.6	19.6	17.1
	Hires (mid-career)			(count)	195	216	197
	Employment rate of people with disabilities (As of June 15 of each year)		(Note 1)	%	2.64	2.59	2.53
	Employees with disabilities at Sumiden Friend, Ltd.		—	(count)	101	104	107

Indicator	Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
Average total working hours		A + secondees (average for union members) (Note 2)	hours	1,940	1,935	1,936
Average overtime hours worked			hours / month	16.0	16.1	15.7
Average paid leave days taken			days / year	18.5	19.2	18.4
Turnover rate (percentage of the new-graduate employees who were hired three years before the relevant year and left the company within three years)		A	%	13.3	12.2	12.6
Users of employee support systems		A + secondees				
Childcare leave users	Total		(count)	377	407	423
	Male		(count)	267	282	317
	Female		(count)	110	125	106
Users of leave when their spouses gave birth			(count)	179	179	203
Percentage of male employees taking childcare leave			%	76	100	100
Users of the short-working-hour system	Total		(count)	227	270	253
	Male		(count)	28	37	41
	Female		(count)	199	233	212
Registrants with the reemployment system	Total		(count)	9	10	10
	Male		(count)	0	2	4
	Female		(count)	9	8	6
Children admitted to childcare centers			(count)	46	49	43
Volunteer leave users			(count)	6	7	12
Users of the work-from-home system			(count)	7,432	6,578	6,530
Health and productivity management		A				
Rate of those maintaining appropriate body weight			%	65.4	65.4	65.0
Smoking rate	Male		%	23.6	23.2	23.4
	Female		%	5.2	5.1	5.1
Rate of those with exercise habits			%	36.2	34.2	33.4
Rate of those with high stress			%	11.1	11.5	11.0
Overall health risk				86	85	84
Prevention of lifestyle-related diseases Healthy practice campaign			(count)	3,400	1,842	1,460
Establishment of exercise habits SEI Challenge Cup participants (cumulative)	In-person events		(count)	-	221	225
	Online events		(count)	8,000	-	4,038
Total attendance at walking event (cumulative)			(count)	3,000	6,696	6,674
Support for associations			teams	-	-	14
Support for sports clubs			teams	-	-	36
Support for female health (Gynecological cancer screening)			(count)	-	-	155

Improvement of the Workplace Environment :
Creation of a comfortable workplace environment

Indicator	Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
Health and productivity management		A				
Absenteeism			%	2.12	1.66	1.33
Employees on long-term absence due to mental disorder per 1,000 employees			(count)	-	9.3	6.8
Blood pressure treatment rate			%	86.6	84.4	76.5
Regular health checkup attendance rate			%	100	100	100
Complete medical examination attendance rate			%	-	54.6	71.1
Stress check participation rate			%	92.6	95.8	96.5
Engagement survey No. of participating companies		E	(count)	67	120	165
No. of participating countries			(count)	6	20	24
No. of participants	Total		(count)	26,000	54,000	65,000
	Japan		(count)	24,000	40,000	43,000
	Overseas		(count)	2,000	14,000	22,000
Human Rights	No. of companies subject to the human rights due diligence survey	D	(count)	284	-	-
	Labor union membership rate among regular employees	A + secondees	%	100	100	100
Occupational Safety and Health	No. of people involved in serious accidents or accidents resulting in lost work time	E	headcount	19	16	21
	No. of people involved in industrial accidents Total	D + contractors	headcount	11	14	15
	Serious accidents (Note 3)		headcount	0	0	1
	Accidents resulting in lost work time		headcount	11	14	14
	Lost time injury frequency rate for employees	B	-	0.10	0.04	0.14
	Risk assessment completion rate (Note 4)	B	%	100	100	100
Product Quality and Safety						
Global quality management system audits	Total	D (Note 5) (manufacturing sites)	sites	18	18	15
	Japan		sites	12	12	10
	Overseas		sites	6	6	5
No. of complaints (results in FY2022 = 100)		D (manufacturing sites)	%	100	91.4	97.7

Indicator		Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
Activities Contributing to Society (CSR Activities)							
	Total expenditure on Contribution to CSR activities		E	million yen	1,537	1,773	2,131
	Human capital (next generation) development			million yen	-	202	166
	Promotion of research and learning			million yen	-	166	185
	Environmental conservation			million yen	-	46	63
	Contributions to local communities,etc.			million yen	-	1,347	1,706
	Supporting employee volunteer activities			million yen	-	12	11
	Percentage of expenditure on Contribution to CSR activities out of profit after-tax		E	%	1.16	1.05	0.96
	Donations made by Sumitomo Electric alone		A	million yen	728	818	863
	No. of companies that reported on their CSR activities		E	(count)	-	-	212
	Japan			(count)	-	-	68
	Greater China			(count)	-	-	32
	Southeast Asia and Australia (APAC)			(count)	-	-	63
	Americas			(count)	-	-	19
	Europe, the Middle East, and Africa (EMEA)			(count)	-	-	30
	Results of programs funded by the Sumitomo Electric Group CSR Foundation		-				
	Endowed university courses (Number of courses)			courses	6	6	7
	(Program expenditure)			million yen	87	87	106
	Academic and research grants (Number of recipient projects)			recipient projects	19	24	22
	(Program expenditure)			million yen	31	38	31
	Scholarships (Number of recipients)			recipients	186	168	169
	(Program expenditure)			million yen	41	42	41
Supply Chain							
Compliance with laws related to procurement	No. of divisions and affiliates subject to the inspection Subcontract Act		B	(count)	2	4	6
	Internal control		D	(count)	8	11	12
	Customs Act		A	(count)	27	28	28
CSR procurement	CSR-based procurement assessment implementation rate [cumulative total]		E (Note 6)	%	65	73	74
	No. of companies in Japan surveyed with the CSR-based procurement self-assessment questionnaire		C (Note 6)	(count)	196	353	792
Intragroup transactions	EDI rate for transactions between group companies		D (Note 7)	%	-	81.9	91.0

(Note 1) The scope of coverage includes Sumitomo Electric and some Group companies that are subject to calculation based on the Act to Facilitate the Employment of Persons with Disabilities

(Note 2) Until 2022, those belonging to the four works of Sumitomo Electric, Sumitomo (SEI) Electronic Wire, Inc., Osaka and Tokyo Head Offices, Chubu Branch, and Toyota Works were covered

(Note 3) A serious accident refers to an accident resulting in a death or disability that falls under grades 1 to 3 of the Disability Grade Table (Appended Table 1 of the Regulations for Enforcement of the Industrial Accident Compensation Insurance Act). In fiscal 2024, a serious accident claimed the life of one person

(Note 4) This refers to the percentage of sites where risk assessments described on P38 have been completed

(Note 5) Excluding Sumitomo Wiring Systems, Ltd., Nissin Electric Co., Ltd. and their group companies

(Note 6) Excluding SUMITOMO DENSETSU CO., LTD. and its group companies

(Note 7) Excluding Sumitomo Wiring Systems, Ltd. and its group companies

Governance and others

Indicator	Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
Board of Directors (Note)	No. of Directors Total		(count)	14	15	15
	Inside	A	(count)	9	9	9
	Male		(count)	9	9	9
	Female		(count)	0	0	0
	Outside (No. of Independent officers)	A	(count)	5 [5]	6 [6]	6 [6]
	Male		(count)	4 [4]	4 [4]	4 [4]
	Female		(count)	1 [1]	2 [2]	2 [2]
Audit & Supervisory Board (Note)	No. of Audit & Supervisory Board Members Total		(count)	5	5	5
	Inside	A	(count)	2	2	2
	Male		(count)	2	2	2
	Female		(count)	0	0	0
	Outside (No. of Independent officers)	A	(count)	3 [3]	3 [3]	3 [3]
	Male		(count)	2 [2]	2 [2]	2 [2]
	Female		(count)	1 [1]	1 [1]	1 [1]
Compliance	No. of whistle-blowing reports received	D	(count)	188	243	314
Communication with Shareholders and Investors	Financial results briefings (cumulative)	A	companies	133	131	135
	Interviews (cumulative)		companies	278	343	734
Information disclosure	Results of Information Dissemination President's blog	A	(count)	24	27	28
	News releases		(count)	123	125	153
	Media coverage		(count)	132	152	139
Consolidated companies	Consolidated subsidiaries	E	(count)	383	382	389
	Equity method affiliates	Equity method affiliates	(count)	31	33	32
	Total	E + Equity method affiliates	(count)	414	415	421
	No. of consolidated companies by region Japan		(count)	105	104	103
	Overseas total		(count)	309	311	318
	Americas		(count)	48	48	51
	Asia		(count)	191	192	192
	Europe and others		(count)	70	71	75

(Note) As of the end of the following year's Annual General Meeting of Shareholders

Education and Training

Indicator		Detailed category	Boundary	Unit	FY2022	FY2023	FY2024		
Environment									
	New employees environmental education attendance rate		A	%	-	-	97		
	Attendance at position-based environmental training			(count)	870	1,139	1,801		
	Attendance at training on the notification of facilities subject to environmental laws		B	(count)	314	343	122		
	Attendance at training on environmental laws/regulations			(count)	922	1,108	1,454		
	Attendance at training on prevention of legal problems			(count)	-	-	2,036		
	Attendance at training on energy-saving design			(count)	11	26	11		
	Attendance at LCA (Life Cycle Assessment) seminar			(count)	1,711	344	237		
Social									
Human capital - Human Capital Development	Executive training program participants		E	(count)	34	36	35		
	Management program based on the Sumitomo Spirit participants			(count)	839	876 ^(Note 1)	1,048		
	Total hours of training programs			hours / annually per headcount	11.8	12.8	23.0		
	Cumulative total attendance at training programs common to all Sumitomo Electric Group companies	Total		(count)	289,374	321,294	382,499		
		Sumitomo Electric		(count)	151,397	161,874	209,592		
		Group companies in Japan		(count)	65,813	83,212	97,128		
	Cumulative total hours of training programs common to all Sumitomo Electric Group companies	Group companies overseas		(count)	72,164	76,208	75,779		
		Total		hours	668,354	744,469	1,015,292		
		Sumitomo Electric		hours	480,298	476,245	606,619		
	Cumulative total attendance at company-specific training	Group companies in Japan		hours	98,482	154,235	292,377		
		Group companies overseas		hours	89,574	113,989	116,296		
		Total		(count)	559,961	820,372	1,413,693		
	Cumulative total hours of company-specific training	Group companies in Japan		(count)	78,288	67,810	79,838		
		Group companies overseas		(count)	481,673	752,562	1,333,855		
		Total		hours	2,754,321	2,999,186	5,605,249		
	Human capital - Improvement of the Workplace Environment: Creation of a comfortable workplace environment	Attendance at lifestyle review training (exercise)			A	(count)	-	-	235
		(diet)				(count)	-	258	111
		Mental health care: attendance at self-care training				(count)	800	555	1,131
Mental health care: attendance at training for managers and supervisors			(count)	660		635	1,063		
Attendance at female health support seminars			(count)	538		788	139		
Attendance at seminars on prevention of health problems caused by work with information devices			(count)	-		-	275		
Attendance at eye strain seminar (for employees in general)			(count)	-		257	896		

Indicator		Detailed category	Boundary	Unit	FY2022	FY2023	FY2024
Human capital - Human Rights	Human rights training		D	(count)	20,120	22,199	36,284
	Cumulative total number of trainees			hours	-	15,078	18,215
Human capital - Occupational Safety and Health	Attendance at repetitive safety training for engineers		A	(count)	1,088	891	837
	Attendance at safety training for specialist employees and managers			(count)	954	870	959
Product Quality and Product Safety	Attendance at position-based training (for all employees)		A	(count)	-	2,427	2,907
	Attendance at nomination-based training (by function or by job)		D	(count)	-	272	192
	Attendance at optional training			(count)	-	4,725	3,264
Supply Chain	Attendance at training on the prevention of intentional quality-related misconduct			(count)	-	14,307	17,019
	Cumulative total attendance at procurement compliance training		A	(count)	4,353	5,293	2,590
	Cumulative total attendance at OFF-JT program		D (Note 2)	(count)	326	344	375
	Cumulative total attendance at training for subcontract act key persons		B	(count)	13	10	8
Governance							
Security Export Control	Attendance at training for staff responsible for export classification		B	(count)	160	187	183
	Attendance at training for the export department		B	(count)	1,691	1,836	1,816
	Attendance at training for general employees		B	(count)	2,866	2,183	2,819
	Affiliates in Japan participating in training		B	(count)	26	33	27
	Overseas Affiliates participating in training		D	(count)	8	18	26
	Attendance at training on the U.S. export administration regulations (EAR)		B	(count)	208	342	271
Compliance	Attendance at compliance training on the Code of Conduct, compliance with competition laws, etc.		D	(count)	-	110,000	117,000

(Note 1) The figure for the FY2023 attendance has been revised from that published previously in CSR Book 2024, which has been proved to be incorrect due to an error in the scope of calculation.

(Note 2) Including Sumitomo Riko Company Limited and some equity method affiliates

Calculation Criteria

Data index	Calculation criteria
Environment	GHG emissions (Scope 1 or Scope 2) Scope 1: Direct emissions from the use of fossil fuels, etc. in our facilities (including SF6 and other greenhouse gases) Scope 2: Indirect emissions from the use of electricity and steam supplied from outside our facilities Calculations based on the Greenhouse Gas Emissions Accounting and Reporting Manual, Ver. 6.0 (2025) by the Japanese Ministry of the Environment and the Ministry of Economy, Trade and Industry Emission factors: For CO₂ emission factors for purchased electricity, the latest emission factors available at the time of calculation are used. GHG emission factors for purchased electricity: (Japan) Basic emission factors of respective electric power suppliers published in the Emission Factor by "Electric Utility Operator (for Calculating Greenhouse Gas Emissions from Specified Emitters) —FY2023 Results" by the Japanese Ministry of the Environment. (Overseas) When the emission factors of suppliers are known, such factors are used. If not, the emission factors of each country for 2022 mentioned in "Emission Factors 2024" by the IEA are used. GHG emission factors for other than purchased electricity: (Both Japan and overseas) Emission factors in "Greenhouse Gas Emissions Accounting and Reporting Manual Ver. 6.0" (2025) by the Japanese Ministry of the Environment and the Ministry of Economy, Trade and Industry. For the emission factor of city gas, we use the substitute value published in "Emission Factor by Gas Utility Operator (for Calculating Greenhouse Gas Emissions from Specified Emitters) —FY2023 Supply Results" by the Japanese Ministry of the Environment.
	GHG emissions (Scope 3) Scope 3: Total emissions not only from the reporting organization but also from all sources related to its business activities (excluding Scope 1 or Scope 2) Category 1: Emissions are calculated based on the amount of materials and parts purchased (physical quantity and purchased value). Regarding emission intensity, the database IDEA (Ver. 3.5) is mainly used; however, priority is given to primary data (actual measurements by suppliers) if such data are available for purchased materials and parts. Indirect emissions are calculated based on the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Reference: The Basic Guidelines on Accounting for Greenhouse Gas Emissions of Organizations Throughout the Supply Chain, Ver. 2.7 (2025) by the Japanese Ministry of the Environment and the Ministry of Economy, Trade and Industry
	CO₂ emissions from transportation in Japan Japan: Calculated on an improved ton-kilometer basis or by the conventional ton-kilometer method Exports: Calculated by the conventional ton-kilometer method Supply Chain Emissions Calculation: "The emissions intensity database (Ver. 3.3)" is used by the Japanese Ministry of the Environment
	Logistics CO₂ emissions per basic unit Sumitomo Wiring Systems Group: CO₂ emissions / net sales Sumitomo Electric Group (Sumitomo Electric and its consolidated subsidiaries in Japan with manufacturing sites excluding Sumitomo Wiring Systems, Ltd. and their group companies, the listed subsidiaries, and the consolidated subsidiaries of Nissin Electric Co., Ltd.): CO₂ emissions / transport volume (ton-kilometer)
	Total reduction rate of emissions per unit with different denominators = $\frac{\begin{aligned} &(\text{Emissions per unit for FY2018 [Sumitomo Electric Group]} \times \text{transport volume in FY2024 [ton-kilometer]} \\ &+ \text{emissions per unit for FY2018 [Sumitomo Wiring Systems Group]} \times \text{net sales in FY2024 [hundred million yen]}) \\ &- (\text{Emissions per unit for FY2024 [Sumitomo Electric Group]} \times \text{transport volume in FY2024 [ton-kilometer]} \\ &+ \text{emissions per unit for FY2024 [Sumitomo Wiring Systems Group]} \times \text{net sales in FY2024 [hundred million yen]}) \end{aligned}}{\begin{aligned} &\text{Emissions per unit for FY2018 [Sumitomo Electric Group]} \times \text{transport volume in FY2024 [ton-kilometer]} \\ &+ \text{emissions per unit for FY2018 [Sumitomo Wiring Systems Group]} \times \text{net sales in FY2024 [hundred million yen]} \end{aligned}}$ = $\frac{\text{Total CO}_2 \text{ emissions in FY2024 calculated based on the FY2018 emissions per unit} - \text{Total CO}_2 \text{ emissions in FY2024}}{\text{Total CO}_2 \text{ emissions in FY2024 calculated based on the FY2018 emissions per unit}}$

Data index	Calculation criteria
Environment	Emissions and transfers of PRTR-designated substances Manual for PRTR Release Estimation Methods, Version 5.2 (2025) by the Japanese Ministry of Economy, Trade and Industry and the Ministry of the Environment
	Water withdrawal Total amount of the withdrawal of city water, industrial water, well water (groundwater), and water from rivers, lakes, marshes, etc.
	Effluent Wastewater from plant production processes and domestic wastewater (total amount of water discharged into sewers, rivers, lakes, marshes, oceans, etc.)
	Waste discharged Waste landfilled or incinerated without thermal recovery + thermal recovery + recycled materials
	Waste recycling rate (%) (Thermal recovery + recycled materials + valuable materials) / total amount of waste (waste landfilled or incinerated without thermal recovery + thermal recovery + recycled materials + valuable materials) x 100
	Investment in GHG reduction Only initiatives that have been recognized by the Environment Department as "GHG reduction activities" are included in the calculation. Economic effects include the effects of energy-saving activities that do not involve investment.
Environmental accounting	Energy cost savings In addition to the effects of investments in GHG reduction, those of energy-saving activities that do not involve investments are included.
	Amount of investment in resource conservation and recycling Investment amounts do not include those related to the efficient use of resources. Only items related to reducing and recycling generated waste are included.
	Waste disposal costs/sales of valuable materials Waste disposal costs are calculated based on the amount paid to waste disposal companies. Metals are not included in waste disposal costs as well as sales of valuable materials.
Social	Contribution to CSR activities [Calculation methods] Donations and in-kind contributions: Calculated as monetary amounts; Facility use: Converted into monetary amounts by hourly facility usage fee x rental time; Employee participation time: Converted into monetary amounts by the number of participants x labor cost per person x activity time
	Average overtime hours worked Monthly per-capita average of the gaps (including negative figures) between the prescribed monthly working hours of labor union members and their actual working hours (Sumitomo Electric [unconsolidated] and employees on assignment to subsidiaries)
	Average total working hours Per-capita average of the total working hours in each year from January to December of labor union members (Sumitomo Electric [unconsolidated] and employees on assignment to subsidiaries)
	Turnover rate Percentage of employees who were hired as new graduates three years before the relevant year and left the company within the three years to the total number of the new graduates hired three years before
	Lost-time injury frequency rate Number of persons who suffered accidents resulting in lost work time / total actual working hours x 1,000,000
	Reemployment system Cumulative total number of persons who are enrolled in the reemployment system and have not reached the deadline for reemployment as of the end of each fiscal year

GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection by management of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.

Company Overview

As of March 31, 2025

Trade Name	Sumitomo Electric Industries, Ltd.
Head Office	4-5-33, Kitahama, Chuo-ku, Osaka, JAPAN
Established	April 1897
President & COO	Osamu Inoue
Capital Stock	99,737 million yen
Settlement Period (fiscal year)	April 1 to March 31 each year

Business Details, Main Products, etc.

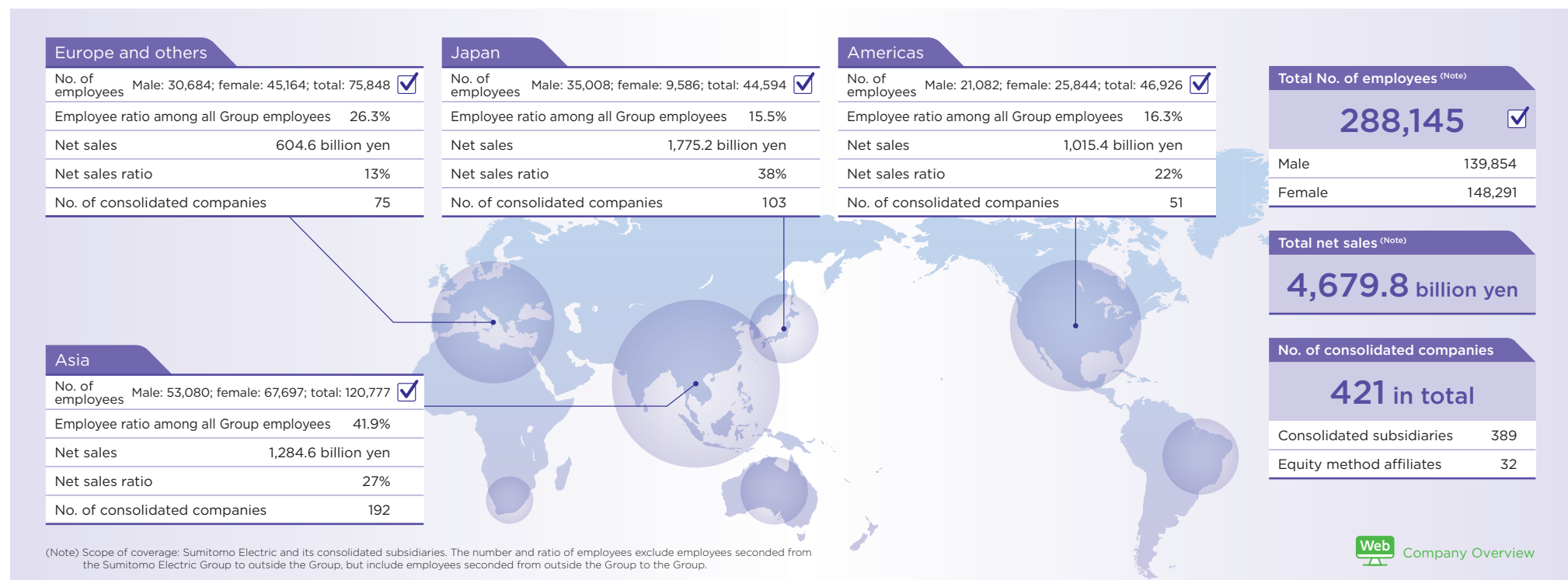
The Group conducts manufacturing and sales of the following products, as well as construction design and execution.

As of March 31, 2025

Segment	Main products and others
Environment and Energy	Electric conductors, power transmission wires/cables/equipment, magnet wires, air cushions for railroad vehicles, power system equipment such as substation equipment/control system, charged beam equipment and processing, electrical/power supply work and engineering, porous metals, metal materials for electronic parts
Info-communications	Optical fibers and optical cables, telecommunication cables and equipment, fusion splicers, optical/wireless devices such as optical transceiver modules/wireless communication devices, compound semiconductors, access network equipment (GE-PON/set-top box/CATV-related products, etc.)
Automotive	Wiring harnesses, anti-vibration rubbers/automotive hoses, electronic components of cars and network system products such as traffic control
Electronics	Electronic wires, electron beam irradiated products, flexible printed circuits, fluororesin products, fasteners, metal parts, chemical products
Industrial Materials and Others	Tensioning materials for prestressed concrete, precision spring steel wires, steel tire cords, cemented carbide tools, diamond/CBN tools, laser optics, sintered powder metal parts, semiconductors heat-spreader materials

Region-Specific Data

As of March 31, 2025



Independent Third Party Assurance Report

Independent Practitioner's Limited Assurance Report

To the President & COO of Sumitomo Electric Industries, Ltd.

Conclusion

We have performed a limited assurance engagement on whether selected environmental and social performance indicators (the “subject matter information” or the “SMI”) presented in Sumitomo Electric Industries, Ltd.'s (the “Company”) CSR Book 2025 (the “CSR Book”) as of and for the year ended March 31, 2025, and as of June 15, 2025 have been prepared in accordance with the criteria (the “Criteria”), which are established by the Company. The SMI subject to the assurance engagement is indicated in the CSR Book with the symbol “☒”.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's SMI as of and for the year ended March 31, 2025, and as of June 15, 2025 is not prepared, in all material respects, in accordance with the Criteria.

Basis for Conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the “Our responsibilities” section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI (hereafter referred to as “other information”). We have read the other information but have not performed any procedures with respect to the other information.

Responsibilities for the SMI

Management of the Company are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation of the SMI that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the SMI and appropriately referring to or describing the criteria used; and

- preparing the SMI in accordance with the Criteria.

Inherent limitations in preparing the SMI

As described in the CSR Book, GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection by management of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the management of the Company.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- assessing the suitability of the criteria applied to prepare the SMI;
- conducting interviews with the relevant personnel of the Company to obtain an understanding of the key processes, relevant systems and controls in place over the preparation of the SMI;
- performing analytical procedures including trend analysis;
- identifying and assessing the risks of material misstatements;
- performing site visits at three of the Company's sites which were determined through our risk assessment procedures;
- performing, on a sample basis, recalculation of amounts presented as part of the SMI;
- performing other evidence gathering procedures for selected samples; and
- evaluating whether the SMI was presented in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

/s/ Shinnosuke Kayumi

Shinnosuke Kayumi , Engagement Partner

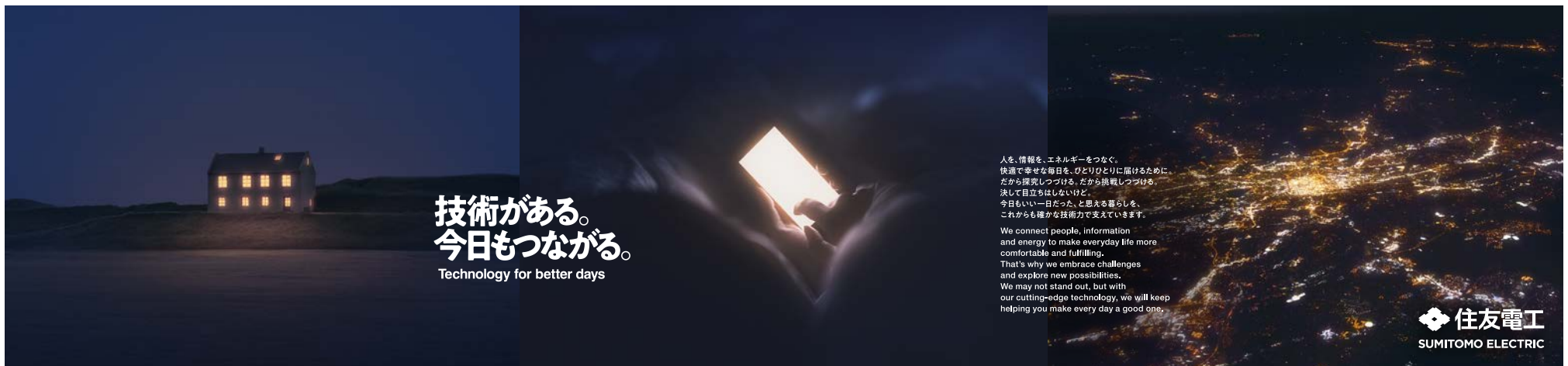
KPMG AZSA Sustainability Co., Ltd.

Tokyo Office, Japan

October 30, 2025

Notes to the Reader of Assurance Report:

This is a copy of the Assurance Report and the original copies are kept separately by the Company and KPMG AZSA Sustainability Co., Ltd.



技術がある。
今日もつながる。
Technology for better days

人を、情報を、エネルギーをつなぐ。
快適で幸せな毎日を、ひとりひとりに届けるために。
だから探究しつづける。だから挑戦しつづける。
決して目立ちほしくないけど、
今日もいい一日だった、と思える暮らしを、
これからも確かな技術力で支えています。

We connect people, information
and energy to make everyday life more
comfortable and fulfilling.
That's why we embrace challenges
and explore new possibilities.
We may not stand out, but with
our cutting-edge technology, we will keep
helping you make every day a good one.

 住友電工
SUMITOMO ELECTRIC

 Sumitomo Electric Industries, Ltd.

<https://sumitomoelectric.com/>