Sumitomo Corporation | Enriching lives and the world

Sustainability Report 2026



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This report primarily covers the fiscal year ending March 31, 2025 (April 1, 2024, to March 31, 2025).

Message from our management



Committed to addressing social issues, we will enhance corporate value through business portfolio transformation, organizational reinforcement, and sustainability management.

Achieve sustainable growth by addressing social issues

Based on Sumitomo’s Business Philosophy and Management Principles, we remain steadfast in our commitment to achieving sustainable growth by leveraging our competitive advantages and addressing social challenges identified as the Material Issues. Contributing to a sustainable society and achieving the growth of the Group are inseparable. For this reason, we will continue creating value from a medium- to long-term perspective.

Accelerate business portfolio transformation

As Medium-Term Management Plan 2026 enters its final year, we are seeing firsthand how the results of two core themes—“Growth leveraged by strengths” and “Strengthen driving force for growth”—are helping us transform our business portfolio.
Under our business portfolio transformation, we use four strategic categories to allocate management resources to growth businesses while accelerating portfolio renewal through asset replacement. This has enabled us to achieve steady growth, particularly in such growth areas as digital, leasing, real estate, and energy solutions. Meanwhile, we are working to improve the profitability of our business portfolio by carefully assessing the business environment and performance of each segment, flexibly adjusting their strategic categories, and steadily achieving new targets. In addition, we analyze risks and opportunities from multiple perspectives by leveraging intelligence from our offices around the world. We are also advancing discussions aimed at further transforming our business portfolio through Management Council meetings and Board meetings.

Elevate organizations to support self-directed and disciplined decision-making

To support this business portfolio transformation, we must establish a framework that enables our sales teams—who know our business best—to engage relevant stakeholders and make sophisticated, self-directed decisions. By introducing our SBU system, we have clarified our strategy and accelerated the pace of strategy execution. Moreover, even groups overseeing multiple SBUs have begun to adapt their organizational structures in an agile manner, including consolidation or reorganization of SBUs in line with strategic reviews.
At meetings of the Management Council, our principal management decision-making body, discussions have become more robust following a review of its membership and decision-making processes. From a company-wide optimization perspective, we strive to make timely and appropriate decisions by focusing on management resource allocation, business portfolio transformation, and discussions on investment and divestment opportunities. These organizational changes, combined with past discussions and initiatives, have helped us steadily implement large-scale investments and asset replacements in recent years. Furthermore, the inclusion of SBUs in new combinations within the Diverse Urban Development Group and the Energy Transformation Business Group—both established under the current Medium-Term Management Plan—has enabled us to integrate diverse experiences and insights as well as enhance our ability to identify and develop new projects. We are seeing tangible results in these business expansion efforts.

Coordinate non-financial and financial factors to enhance corporate value

I am convinced that addressing issues like climate change, respect for human rights, and the protection of natural capital—while taking a holistic view of the entire supply chain—goes beyond mere risk management and will lead to new business opportunities for integrated trading companies. For this reason, we aim to embed sustainability initiatives into our frontline operations and establish a system where each organizational unit identifies sustainability-related risks and opportunities as well as addresses them appropriately. As a first step, in FY2025 we introduced a process across our various business units to identify climate-related risks and opportunities, develop strategies, and formulate and monitor action plans. Through disciplined execution of the PDCA cycle, we will continue entrenching these initiatives.

The growth strategies of each business organization are rooted in Sumitomo's Business Philosophy and our belief that sustainable growth is achieved through businesses that help address social issues. Ensuring that this principle is consistently reflected in our business strategies and investment decisions is critical. Through these initiatives, we will drive business portfolio transformation and work to enhance corporate value over the medium- to long- term.

Drawing on the trust we have built up over Sumitomo's long history, we will continue to engage in sincere dialogue with our stakeholders and strive to incorporate their feedback into our management decisions.

Managing Executive Officer
Chief Sustainability & DE&I Officer
CSO & CSDO
Makiko Eda

Sustainability Management

Our Approach to Sustainability

“Enriching lives and the world” is the corporate message of the Group. We are developing our business around the world with the aim of realizing a sustainable society and enriching people’s lives. The background to this message is a phrase that conveys the Group’s business philosophy: “Benefit for self and others, private and public interests are one and the same.” It means that Sumitomo’s business, while benefiting Sumitomo, must also benefit the nation and benefit society. This philosophy is the source of the Group’s sustainability management, and under this philosophy, we strategically allocate management resources in anticipation of the long-term shifting business landscape impacted by these social issues, and we leverage our strengths to continue creating the value that society truly needs. We promote sustainability management in the belief that each of these actions will create a sustainable society and achieve sustainable growth for Sumitomo Corporation.

Sumitomo’s Business Philosophy

Sumitomo Corporation Group has grown into an integrated trading company over the past 100 years since it was originally founded as the Osaka North Harbor Company Limited in 1919. The history of Sumitomo, which formed the basis of Sumitomo's Business Philosophy, can be traced back to some 430 years ago when its business focused on copper refining which later advanced to copper mining.
All employees of Sumitomo Corporation learn the history of the Besshi Copper Mines. Through its modern business management, the Besshi Copper Mines contributed in leading industrial development in Japan, however, there were negative impacts on local communities including deforestation of nearby forests and damage to agricultural crops from sulfur dioxide emitted by smelters. Management at that time took measures including reforestation of the Besshi Copper Mines and relocation of the smelting plant to an uninhabited island off the coast.
“Benefit for self and others, private and public interests are one and the same”, which is one of the credos of Sumitomo’s Business Philosophy, and the actions taken by our predecessors to prioritize the sustainability of natural environment and the local community over short-term profit, are deeply rooted in heart of every employee at Sumitomo Corporation. We are confident that our business serves the public interest.

Sumitomo's Business Philosophy

Corporate Mission Statement

Today, we have 80,000 employees working at almost 500 group companies in 63 countries and regions and we do our business by engaging with multiple stakeholders including customers, local communities, business partners and employees. Our business as well as our relationship with the stakeholders have expanded to a global scale and we believe that our mission is to protect the planet and pursuing development for the world and better lives for our stakeholders.

Corporate Mission Statement

Material Issues

Material Issues are a medium- to long-term commitment that goes one step further toward addressing key social challenges that the Group must undertake. The Group will achieve sustainable growth through addressing the social challenges.

Sumitomo Corporation Group's Material Issues

Principles and Policies Supporting Corporate Activities

We have established our own principles and policies while respecting international conduct standards. In accordance with these principles, policies and standards, we are collaborating with business partners and other stakeholders to achieve further growth.

Environment

- Environmental Policy
- Policies on Climate Change Issues
- ISO 14001 Management System Certification

Society

- Sustainable Supply Chain Action Policy

Supply chain management policies for specific commodities

  - Forest Management Policy
  - Sourcing Policy for Forest Products

- Human Rights Policy
- Global HR Management Policy
- Support for the UN Global Compact's 10 Principles
- Basic Principles on Social Contribution Activities

Governance

- Corporate Governance Principles
- Sumitomo Corporation Group Compliance Policy
- Risk Management Basic Policy
- Privacy Policy
- Sumitomo Corporation Group Tax Principles
- Corporate Disclosure Policy
- Information Security Policy
- Sumitomo Corporation Group Anti-Corruption Policy

Governance of Sustainability Management

Governance of Sustainability Management

Function of the Board of Directors

The board of directors renders decisions concerning key management matters in light of the diverse opportunities and risks related to sustainability in the Group's wide range of business activities. Additionally, the board of directors oversees the decision-making and operation of the business by the management council and executive officers.

For decision-making on important management matters, the Board of Directors deliberates and determines on the formulation and revision of sustainability-related policies and targets, risks and opportunities in the overall business portfolio including sustainability - related, important initiatives related to the promotion of sustainability, and the handling of important issues related to policies on response to sustainability issues, which are submitted to the Board of Directors after review by the Management Council and its advisory bodies, including the Company Investment Committee, Corporate Sustainability Committee and Corporate Strategy Promotion Committee.

Furthermore, the Board of Directors receives regular reports on the strategy and progress of each business area, as well as on the status of risks and opportunities in the overall business portfolio including sustainability-related. Specifically, the Board of Directors receives reports on company-wide measures and themes several times a year, including a review of the progress of medium- and long-term goals based on materiality, a review of compliance with sustainability-related policies and sustainability-related risk and opportunities and supervises the status of initiatives by the business execution side as the Board of Directors.

In addition, the Board of Directors has identified the types of knowledge, experience, and competencies, etc. (hereinafter “Skills”) which enables the Board of Directors to adequately fulfill its roles of making decisions on important business matters and supervising business execution. Sustainability is one of the Skills. The Skills of individual Directors are determined after considering all their attributes, including their careers, knowledge, experience, capabilities, qualifications, and specific achievements, and discussing these with individuals concerned. For details, please refer “The knowledge, experience and competencies, etc. (Skills) that the Board of Directors is required to possess, and Skills that Directors or Audit & Supervisory Board Members currently in office possess”.

Also, to ensure that the Company's officers, including directors, are more aware of our commitment to the advancement of sustainability management, evaluation based on the non-financial indicators (“climate change”, “promotion of women's active engagement” and “employee engagement”) is used to calculate the amount of the remuneration of officers. For details, please refer to “Executive Remuneration Plan”.

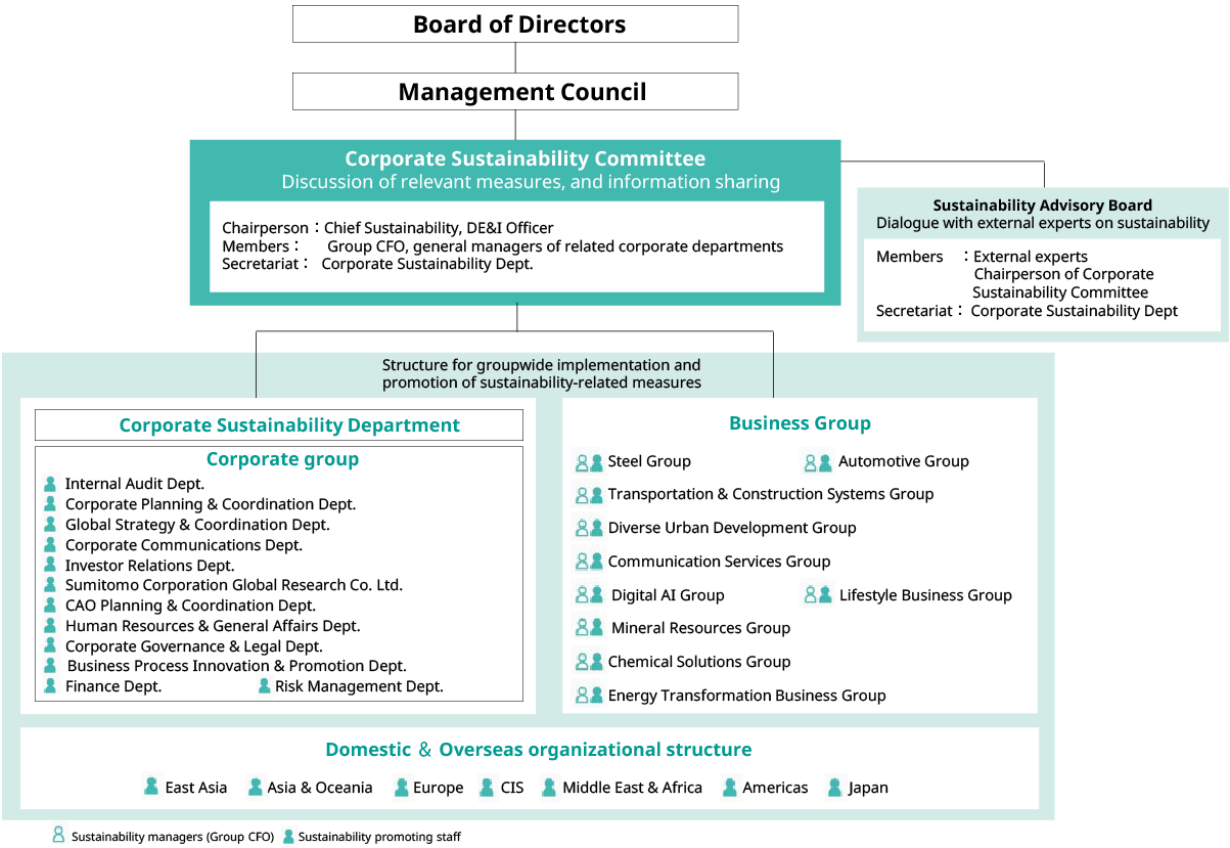
Function of the Management Council and Executive Management

Management Council and executive management are responsible for decision-making and business execution of important sustainability-related management matters of the Group according to the company regulations. The Management Council makes comprehensive decisions after consulting with the Corporate Sustainability Committee and other committees in order to assess and manage sustainability-related risks and opportunities and make effective decisions.

In addition, with regard to sustainability-related initiatives and responding to risks and opportunities, the Corporate Sustainability Department, which is a specialized organization in charge of planning and disseminating measures to promote sustainability within the Company, and related corporate organizations such as the Corporate Planning & Coordination Department, which plans the Company's overall management plan and important measures, as well as and the person in charge of sustainability promotion in each business group, and overseas regional organizations work together. Based on information provided by the Company's internal research organizations, the Business Groups, overseas regional organizations, etc., we formulate and promote company-wide plans and measures.

In addition, we have established the Sustainability Advisory Board, which is comprised of outside experts on ESG, to obtain advice and recommendations on our overall sustainability management.

The corporate governance structure for our sustainability management is as follows.



Corporate Sustainability Committee

Main topics discussed and reported in FY2025

- Progress of each SBU's initiatives based on the Material Issues
- Update of carbon neutrality targets
- Initiatives related to climate change
- Initiatives related to natural capital
- Initiatives related to human rights
- Status of social and environmental risk management
- Status of response to the SSBJ standards
- Results of the ESG rating
- Environmental management activities
- Social contribution activities

Sustainability Advisory Board

Main Agenda discussed in FY2025

- Strengthen the sustainability promotion framework
- Update of carbon neutrality targets
- Initiatives related to climate change
- Initiatives related to natural capital
- Initiatives related to human rights

In FY2025, we convened the Sustainability Advisory Board three times. The Advisory Board members provided valuable feedback and recommendations on the update of carbon neutrality targets and our approach to natural capital and human rights. These insights were accompanied by a positive assessment of our overall efforts.

We will continue to engage in dialogue with the Advisory Board members and a wide range of stakeholders to further advance our sustainability initiatives.



External Advisors (As of FY2026)

Sadayosi Tobai, Chief Executive Officer, WWF Japan
Kaori Miyake, Executive Director, Japan Climate Leaders' Partnership
Hideaki Umetsu, Attorney at Law, Mori Hamada & Matsumoto
Hidemi Tomita, Chief Executive Officer, Institute for Sustainability Management

Material Issues

Material Issues

The basis for the Sumitomo Corporation Group's operations can be found in Sumitomo's Business Philosophy, which has formed the foundation for Sumitomo's sustainable development over the course of 400 years. One of the credos of this philosophy states: "Benefit for self and others, private and public interests are one and the same." We interpret this credo advocates Sumitomo's business activities must benefit not only Sumitomo, but also society around us to achieve sustainable growth together.

This credo has been incorporated into Sumitomo Corporation Group's Corporate Mission Statement. Guided by our Corporate Mission Statement, we have continued to conduct our business activities with the aim of being a global organization that constantly stays a step ahead in dealing with change, creates new value, and contributes broadly to society.

The Material Issues are a medium- to long-term commitment that goes one step further toward addressing key social challenges that the Group must undertake. The Group will achieve sustainable growth through addressing the social challenges.



Build resilient and prosperous society

We create a virtuous circle in which all people can enjoy physically and mentally enriched lives, and we can grow and develop together with local communities by stepping ahead in dealing with the needs of people in various countries and regions.



Overcome climate change

We work together with stakeholders to decarbonize society and promote the realization of a carbon-neutral and resilient society, while taking into consideration the characteristics of the respective industry and region.



Preserve and regenerate natural capital

To achieve a world living in harmony with nature, we avoid or minimize the impact on natural capital caused by our business activities and go beyond preservation to also pursue regeneration and effective use of natural capital through the building of a circular economy and other measures.



Respect human rights

Striving to respect the human rights of every stakeholder involved in our supply chain is the foundation of all corporate activities. We work to identify and to prevent or mitigate any adverse impact on human rights, as well as to ensure the safety and security of our stakeholders.



Develop talent and promote DE&I

We recognize Diversity, Equity & Inclusion (DE&I) as the core enabler for value creation, innovation and competitiveness. In order to create new value and innovation by allowing our diverse personnel to fully exercise their abilities in a variety of fields, we will promote the development and empowerment of human resources, which represent our most important management capital.



Maintain and strengthen governance

We will develop an autonomous Group management system that responds to changes in the business environment with agility, and maintain and strengthen our efficient, sound, and transparent governance system.

Identification and Review Process

We identified the Material Issues based on Sumitomo's Business Philosophy and the Sumitomo Corporation Group's Corporate Mission Statement. In 2024, the Material Issues updated after approval by the Management Council and the Board of Directors, through discussions held with internal and external stakeholders over the course of approximately one year. The review was conducted from the perspective of value creation, with consideration also given to the further aggravation of social issues such as climate change and the loss of biodiversity, the Group's strengths, and expectations from stakeholders.

STEP 1: Investigation

While referring to the SDGs adopted by the United Nations (UN) in 2015 and the international guidelines such as the IIRC's International Integrated Reporting Framework, we exchanged opinions with institutional investors and experts. We then formulated a methodology for identifying material issues needing to be addressed in order for us to achieve sustainable growth with society.



STEP 2: Classification of Our Business and Social Issues and Selection of Material Issues

Based on the SDGs which considered to comprehensively cover numerous social issues, each business unit compiled a list of the social issues they are currently addressing through their business and those they hope to address in the future.
Referencing these lists and considering Sumitomo's Business Philosophy and the Sumitomo Corporation Group's Corporate Mission Statement, we contemplated our current strengths and the roles we should assume in the future. We then selected social issues that we regard as important and that need to be addressed with high priority as well as our challenges to be overcome in creating solutions.

STEP 3: Exchanges of Opinion with Internal and External Stakeholders and identify

We exchanged opinions with outside experts such as international organizations and institutional investors, conducted surveys covering all officers and employees to collect their opinions, so as to clarify the interests and expectations of internal and external stakeholders with regard to our corporate activities, which were incorporated into discussions.
The selected issues and their importance were reviewed by the Corporate Sustainability Committee. With deliberation and approval by the Management Council and the Board of Directors, the Material Issues were identified.

STEP 4: Update

We periodically review our Material Issues, taking into account the Group's strengths, the expectations of our stakeholders, and the changes in the external environment.

Medium- and long-term goals and progress

Each Strategic Business Unit (SBU) defines specific goals and action plans for the medium- and long-term goals for each issue and implements initiatives to achieve them. The Corporate Sustainability Committee, an advisory body to the Management Council, monitors these initiatives and their progress, and reports to the Management Council and the Board of Directors. Please see the bottom of this page for the medium- and long-term goals for the Material Issues and the main examples of company-wide initiatives for each of them.

Material Issues and Medium- and Long-term Goals

Material issues	Long-term goals	Medium-term goals
Build resilient and prosperous society	• Contribute to the development of local communities and economies	• Develop safe, comfortable and resilient industrial and social infrastructure • Provide advanced services and functions that further enrich the lives of people
	• Develop human resources who will drive the future by providing quality education	• Develop human resources who will drive the future through business and social contribution activities ◦ Provide job training and educational opportunities in line with local needs, and expand the scope of beneficiaries ◦ Promote 100SEED program*1 by having 5% or more of all employees participate annually

Material issues	Long-term goals	Medium-term goals
Overcome climate change	• Aim for the carbon neutrality of the Sumitomo Corporation Group's businesses by 2050*2 • Contribute to the carbon neutrality of society	• Reduce GHG emissions of the carbon neutrality boundary for the Sumitomo Corporation Group by 30% or more by FY2035 (compared with FY2024) • Promotion of initiatives in individual businesses ◦ Reduce CO_2 emissions of the power generation business by 40% or more by FY2035 including a reduction 60% or more for coal-fired power generation business (compared with FY2019) ◦ In fossil fuel upstream business, will not make any further investment in the thermal coal mine development projects and aim to achieve zero production from thermal coal mines by the end of the 2020s. For upstream gas development, only undertake those that contribute toward society's energy transition. ◦ Expand the renewable energy power generation business (expand the supply of renewable energy from 1.5 GW in 2019 to 5 GW or more by 2030) • Build a sustainable energy system and carbon cycle with an overview of supply chains ◦ Improve energy and carbon efficiency, and expand businesses that encourage energy conservation ◦ Expand renewable energy and new power and energy services, encourage electrification and fuel conversion, and develop and implement hydrogen and other forms of carbon-free energy ◦ Promote capture, store and utilize CO_2
Preserve and regenerate natural capital	• Achieve a world living in harmony with nature through initiatives including the building of a circular economy and supply chain management	• Accelerate initiatives toward a nature-positive world by 2030 ◦ Analyze nature-related risks and opportunities in each business ◦ Reduce risk of the entire supply chain, including sustainable procurement of major natural resources ◦ Pursue new business by developing products, services, and scheme that encourage the shift toward Nature Positive and a circular economy

Material issues	Long-term goals	Medium-term goals
Respect human rights	• Respect the human rights of all stakeholders in all businesses and supply chains	• Promote and ensure respect for human rights in accordance with the United Nations Guiding Principles on Business and Human Rights and Human Rights Policy ◦ Reduce human rights risks by further strengthening human rights due diligence and grievance mechanisms*3 across the entire supply chain ◦ Promote initiatives and improve transparency through stakeholder engagement and enhancement of information disclosure • Ensure a safe workplace environment
Develop talent and promote DE&I	• Create workplaces that allow diverse employees to apply their capabilities with passion in their own ways	• Increase diversity in decision-making positions • Cultivate inclusive leadership
Maintain and strengthen governance	• Develop a robust governance system to enhance the corporate value	• Further improve the effectiveness of oversight functions for ensuring the efficiency, soundness, and transparency of management • Establish Group management system that responds to changes in the business environment with agility

*1 Social contribution activity program with employee participation at Sumitomo Corporation Group

*2 The carbon neutrality boundary for the Sumitomo Corporation Group covers Scope 1/2 and Scope 3 (Categories 13 and 15)

*3 A process that employees, local residents or other stakeholders can use to lodge complaints regarding human rights violations and other issues related to enterprise's business activities including its supply chain, for resolving such issues

Key Company-wide Initiatives in FY2025

Material issues	Long-term goals	Status of initiatives up to FY2025	Policies for future initiatives
Build resilient and prosperous society	Contribute to the development of local communities and economies Develop human resources who will drive the future by providing quality education	• Continued contributing to the development of local communities and economies through the businesses of each sales group • Promoted "100SEED", employee-participation social contribution activities themed on education	• Continue initiatives and further proliferate the Group's belief of generating economic value through businesses with social significance
Overcome climate change	Aim for carbon neutrality of the Sumitomo Corporation Group's businesses by 2050 Contribute to carbon neutrality of society	• •Disclosed actual performance for all Scope 3 categories, in addition to Scope 1 and 2 • Updated carbon neutrality targets • Started climate change-related monitoring at the operating group level, covering emissions reductions and creation of business opportunities • Measured reduction contribution and disclosed figures associated with the renewable energy business	• Identify and disclose the financial impact of climate-related risks and opportunities • Promote emissions reductions across the entire supply chain through businesses • Expand GX promotion initiatives through public-private partnerships
Preserve and regenerate natural capital	Achieve a world living in harmony with nature through initiatives including the building of a circular economy and supply chain management	• Identified priority businesses (high-risk businesses) and disclosed them based on TNFD • Participated in initiatives for a circular economy	• Continue risk analysis, initiatives, and disclosure, especially for priority businesses including the supply chain • Continue to participate in initiatives for a circular economy
Respect human rights	Respect the human rights of all stakeholders in all businesses and supply chains	• Identified and disclosed priority businesses (high-risk businesses) • Promoted internal education through workshops and other means	• Continue risk analysis, initiatives, and disclosure, especially for priority businesses including the supply chain • Continue human rights education and increase awareness of, and strengthen the operation of, grievance mechanisms
Develop talent and promote DE&I	Create workplaces that allow diverse employees to apply their capabilities with passion in their own ways	• Implemented the "WILL recruitment" selection process (assured initial placement) to secure and develop professional talent, expanded the internal job posting system, and prepared the introduction of an internal certification program for digital skills • Identified next-generation management talent and implemented a strategic assignment cycle transcending organizations to develop management talent • Enhanced and strengthened the succession pipeline with diverse talent for key positions	• Globally promote the placement of the right people in the right positions and visualize talent to do so • Formulate and implement measures for developing professional talent and management talent
Maintain and strengthen governance	Develop a robust governance system to enhance the corporate value	• Transitioned to a company with an Audit & Supervisory Committee while at the same time redefining the function of the Board of Directors as "determining the overall direction of business, carrying out highly effective supervision over business execution from a broad and diverse perspective, and making important decisions that affect the overall management of the Company" • To ensure that this supervisory function is effectively exercised, increased the number of outside directors to a majority	• Seek better ways of operations, such as agenda setting, to further improve the Board of Directors' function as a monitoring board and its effectiveness • Further strengthen the support structure to help deepen and enhance discussions by the Board of Directors

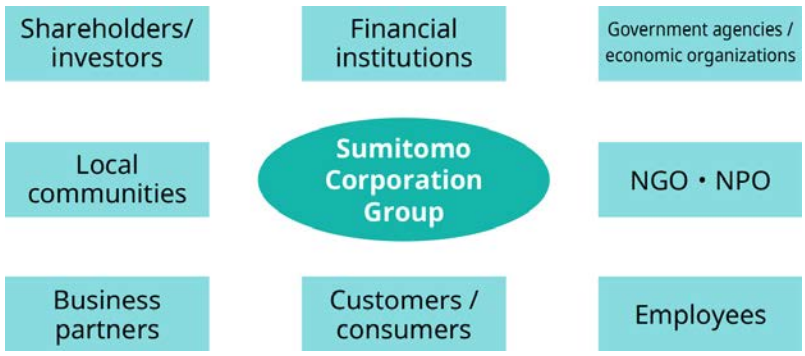
Please refer to the links below for more information on company-wide initiatives.

- Social Contribution Activities
- Climate Change
- Sustainable Use of Natural Resources and Circular Economy
- Biodiversity
- Respect for Human Rights
- Our People
- Corporate Governance

Stakeholder Engagement

Relationships with Stakeholders

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



Stakeholders	Major means of dialogue
Shareholders/investors/financial institutions	General meeting of shareholders, Investor meeting for annual results, IR Day, integrated report, annual securities report, business report for shareholders, website, reporting to credit rating agencies, various small meetings, etc.
Government agencies/economic organizations	Integrated report, communication with government agencies and international organizations in Japan and abroad, participation in discussion meetings and round-table conferences with government offices, activities through business and industrial associations, etc.
Local communities	Integrated report, dialogue with local residents in business activities and support for communities, social contribution activities, etc.
Business partners/customers/consumers	Integrated report, website, advertisements, customer information office, supply chain survey, etc.

Stakeholders	Major means of dialogue
NGOs/NPOs	Integrated report, cooperation and communication with NGOs and NPOs in business activities, cooperation in social contribution activities, responses to surveys, etc.
Employees	Integrated report, internal magazine, intranet, training sessions and seminars, labor/management round-table meeting, employee awareness survey, the speak-up system, etc.

Sustainable Finance

Purpose

We have developed the Sustainable Finance Framework to promote awareness of Sumitomo Corporation Group's sustainability management among a wide range of Stakeholders, and to promote such efforts from the viewpoint of financing.

Sustainable Finance Framework

The Sumitomo Corporation's Sustainable Finance Framework sets forth guidelines for four elements (1. Use of Proceeds, 2. Process for Project Evaluation and Selection, 3. Management of Proceeds, 4. Reporting) in accordance with Green Bond Principles 2021, Social Bond Principles 2023 and Sustainability Bond Guidelines 2021 by the International Capital Market Association (ICMA) and Green Loan Principles 2023 and Social Loan Principles 2023 by the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA) and the Loan Syndications & Trading Association (LSTA).

- Sustainable Finance Framework

Second-Party Opinion

For the assessment of the alignment of the Sustainable Finance Framework with the above principles and guidelines, Sumitomo Corporation obtained a second-party opinion from Rating and Investment Information, Inc. (R&I).

- Second-Party Opinion

Reporting

Name	1st Green Bond (60th unsecured bonds)	2nd Green Bond (64th unsecured bonds)	Green Syndication Loan	3rd Green Bond (68th unsecured bonds)
Issue Date	May 24, 2022	Sep 6, 2023	Dec 14, 2024	Feb 20, 2025
Redemption date	May 24, 2032	Sep 6, 2033	Dec 14, 2031	Feb 20, 2030
Term to Maturity	10 years	10 years	7 years	5 years
Issue Amount	20 billion yen	10 billion yen	20 billion yen	20 billion yen
Reporting	Reporting	Reporting	Reporting	
The second-party opinion	Review	Review	Review	

* 1st and 2nd Green Bond were issued under the Green Finance Framework published in February 2022. The Sustainable Finance Framework published in February 2024 constitutes a revision of the Green Finance Framework.

- Green Finance Framework
- Second-Party Opinion by Sustainalytics

Allocation Status

(Unit: Billions of JPY)

Project Category	1st Green Bond	2nd Green Bond	Green Syndication Loan	3rd Green Bond	Total
	May 2022	Sep 2023	Dec 2024	Feb 2025	
Renewable energy	5.2	7.9	0	11.0	24.1
Environmentally sustainable management of living natural resources and land use	5.1	2.1	0	0	7.2
Clean transportation	8.2	0	0	0	8.2
Energy efficiency	1.5	0	6.9	0	8.4
Sustainable water and wastewater management	0	0	0	0	0
Green buildings	0	0	13.1	9.0	22.1
Access to essential services	0	0	0	0	0
Total	20.0	10.0	20.0	20.0	70.0

As of March 2026

Commitment to External Initiatives

UN Global Compact

The Global Compact (GC) was proposed by the former UN Secretary General Kofi Annan in 1999 and officially launched in 2000 at the UN Headquarters in New York.

In March 2009, Sumitomo Corporation signed the UN Global Compact and declared its support for the 10 principles, shares the same values as our Corporate Mission Statement. We are raising the awareness of our officers and employees around the world regarding their purpose and making efforts to further increasing our corporate value by constantly seeking out areas of our business activities that can be improved in light of the values advocated by the 10 principles.

We are also actively participating in the activities of Japan's local network, Global Compact Network Japan, as one of the member companies.

The Global Compact's 10 Principles

Human Rights

1.Businesses should support and respect the protection of internationally proclaimed human rights; and

2.make sure that they are not complicit in human rights abuses.

Labour Standards

3.Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

4.the elimination of all forms of forced and compulsory labour;

5.the effective abolition of child labour; and

6.the elimination of discrimination in respect of employment and occupation.

Environment

7.Businesses should support a precautionary approach to environmental challenges;

8.undertake initiatives to promote greater environmental responsibility; and

9.encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10.Businesses should work against corruption in all its forms, including extortion and bribery.

* We also support the Universal Declaration of Human Rights, which the 10 principles of the UN Global Compact are derived from.

Keidanren / Keidanren Nature Conservation Council

As a member of the Subcommittee on Global Environment of the Committee on Environment and Safety of Keidanren (Japan Business Federation), we address global warming and climate change and helps design environmental policies that will not harm the economy. In addition, we participate in the Keidanren Nature Conservation Council, which is composed of member companies of Keidanren that are actively engaged in nature conservation and biodiversity protection. In January 2020, we supported the "Keidanren Declaration on Biodiversity and Action Guidelines (Revised edition)" formulated by Keidanren and the Keidanren Nature Conservation Council. This Declaration sets forth the determination and action guidelines to address biodiversity conservation issues from the corporate perspective in order to realize a sustainable society through building a society in harmony with nature.
Recognizing the importance of biodiversity and natural activities, we will continue to work to maintain and conserve biodiversity to realize a sustainable society.

Japan Foreign Trade Council

We participate in the Sustainability Promotion Committee of Japan Foreign Trade Council, Inc. to discuss how to realize a low-carbon society and a recycling society, and how to comply with environment-related laws and regulations. In addition, we participate in the Social Contribution & ABIC Committee to cooperate in the expansion of ABIC activities and exchange information concerning social contribution activities in our industry. When assessing whether to join membership with an industry group, we confirm whether the group's climate change initiatives are consistent with our policy on climate change.

the World Business Council for Sustainable Development (WBCSD)

We have joined the World Business Council for Sustainable Development (“WBCSD”) in May 2026. WBCSD is the premier global community of leading businesses working collectively to accelerate the system transformations needed for a net-zero, nature-positive and more equitable future.
Through our membership in the WBCSD, we will continue to collaborate with a diverse range of companies to contribute to the development of tools and framework, while enhancing our expertise in sustainability and applying it to our business practices, thereby further advancing our sustainability management.

WBCSD Website

GX Future Consortium/League

In the Policies on Climate Change Issues, we set out that we will “contribute to the carbon neutralization of society through cooperative initiatives and recommendations made with business partners and public institutions.” In line with this policy, we have been actively working on initiatives that contribute to the carbon neutralization of society and will further promote these efforts by utilizing the framework of the former GX League, which was established in 2023 under the leadership of Japan's Ministry of Economy, Trade and Industry (METI), expressing our endorsement from the initial stage.

Building on this commitment, and to further accelerate GX initiatives, we have continued its membership in the GX Future Consortium, which was launched in April 2026 by integrating the functions of the former GX League. In addition, we have joined the GX Future League, established under the GX Future Consortium, and will continue to actively engage in the development of GX-related rule-making, thereby contributing to the carbon neutralization of society.

GX Future Consortium Website

DECOKATSU

In 2024 April, Sumitomo Corporation made a commitment and joined a support team under “DECOKATSU” led by the Ministry of the Environment. DECOKATSU is a national movement to change people's behavior and lifestyles toward the achievement of the 2030 GHG emission reduction target and carbon neutrality in 2050. Under DECOKATSU, we are committed to contribute to the carbon neutrality of society by expanding our renewable energy capacity up to 5GW by 2030 as our commitment under DECOKATSU. We will continue to share our decarbonizing businesses and conduct networking with various stakeholders through DECOKATSU.

Japan CCS Co., Ltd./ Global CCS Institute / Asia CCUS Network

We are a shareholder of Japan CCS Co.,Ltd. (JCCS). The company is conducting demonstration tests on the use of CCS technology, which involves capturing and storing CO_2 in the ground, as well as chemical synthesis of CO_2.
We joined the Global CCS Institute (GCCSI) to meet conditions desirable to apply CCS. Since 2021, the company has been participating in the Asia CCUS Network to share knowledge with and educate Asian countries with regard to CCUS.

Taskforce on Climate-related Financial Disclosures (TCFD)

Sumitomo Corporation recognizes the importance of climate-related financial disclosures and supports the recommendations of the TCFD*, and further expands its information disclosure in accordance with the recommendations.

* The Taskforce on Climate-related Financial Disclosures was established by the Financial Stability Board (FSB). The final report to recommend further expansion of information disclosure was released in June, 2017.

Disclosure based on TCFD recommendations

Circular Partners

In March 2024, Sumitomo Corporation joined “Circular Partners (CPs)” led by the Ministry of Economy, Trade and Industry (METI). CPs is a forum of national and local government, universities, companies, industrial associations and relevant organizations which are ambitious and pioneering in the field of Circular Economy (CE). Under this partnership, members are engaged in consideration on necessary measures to realize CE.
We will continue our contribution to realizing CE by further promoting CE-related businesses while participating in rule making and networking with possible business partners under CPs. In addition, to promote CE-related businesses, we have set a goal to produce 3,000 metric tons of phosphoric acid made from 7,500 metric tons of sewage sludge incineration ash by the end of September 2031.

Taskforce on Nature-related Financial Disclosures (TNFD)

Our business depends largely on natural capital, and biodiversity conservation is an important issue for the company. In June 2022, Sumitomo Corporation joined the TNFD Forum, a network of institutional supporters who share the vision and mission of TNFD*. In January 2024, we registered as a TNFD Early Adopter and expressed our commitment to early adoption of the disclosure recommendation published by the TNFD in September 2023. To accelerate our efforts to conserve and restore natural capital through our business, we made disclosures based on the TNFD in FY2025.

* Taskforce on Nature-related Financial Disclosures. A global initiative aimed to develop and deliver a risk management and disclosure framework for organizations to report and act on evolving nature-related risks.

Information disclosure based on the TNFD recommendations

Council for Better Corporate Citizenship (CBCC)

CBCC was established in 1989 with the support of Keidanren to provide support for activities that help Japanese companies to be accepted as good corporate citizens by communities in which they operate outside of Japan. As a member of CBCC, Sumitomo Corporation collects the latest information about CSR and engages in CSR dialogue with related organizations in and outside Japan.

External Recognition

FTSE4Good Index Series / FTSE JPX Blossom Japan Index / FTSE JPX Blossom Japan Sector Relative Index

We were selected as a constituent of FTSE4Good Index Series, FTSE JPX Blossom Japan Index and FTSE JPX Blossom Japan Sector Relative Index. Published by FTSE Russell, an investment index calculator, FTSE4Good Index Series consists of companies with strong Environment, Social and Governance (ESG) practices. FTSE JPX Blossom Japan Index and FTSE JPX Blossom Japan Sector Relative Index which are also provided by FTSE Russell, measure the performance of Japanese companies in terms of ESG practices. They have also been adopted by the Government Pension Investment Fund (GPIF) as an effective index for ESG investment.

FTSE4Good FTSE JPX Blossom Japan Index FTSE JPX Blossom Japan Sector Relative Index

- FTSE4Good
- FTSE JPX Blossom Japan
- FTSE JPX Blossom Japan Sector Relative Index

MSCI Nihonkabu ESG Select Leaders Index

2026 CONSTITUENT MSCI NIHONKABU
ESG SELECT LEADERS INDEX

We were selected as MSCI Nihonkabu ESG Select Leaders Index. (As of June 2026).
The MSCI Nihonkabu ESG Select Leaders Index is a free float-adjusted market capitalization-weighted index designed to represent the performance of companies that are selected from the MSCI Nihonkabu Investable Market Index (Parent Index) based on Environmental, Social and Governance (ESG) criteria. These criteria exclude constituents based on involvement in specific business activities, as well as ESG ratings and exposure to ESG controversies. The Index construction has a target coverage of 50% by number of securities in each Global Industry Classification Standard (GICS®) sector of the Parent Index by selecting constituents primarily based on criteria including the ESG rating and the company's industry adjusted ESG score. It has been adopted by the Government Pension Investment Fund (GPIF) as ESG index.

* THE INCLUSION OF SUMITOMO CORPORATION IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF SUMITOMO CORPORATION BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)

We were selected as Morningstar Japan ex-REIT Gender Diversity Tilt Index. (As of December 2025).
Built with the data and scoring methodology of Equileap, GenDi J is designed to emphasize the stock of companies that have strong gender diversity policies embedded in their corporate culture and that ensure equal opportunities to employees, irrespective of their gender.
The companies are categorized into five groups, and we have been rated Group 3, the third highest of the five levels. It has been adopted by the Government Pension Investment Fund (GPIF) as ESG index.

S&P/JPX Carbon Efficient Index

We were selected in S&P/JPX Carbon Efficient Index, a global environmental stock index created by S&P Dow Jones Indices in the United States (As of December 2025). It is adopted by the GPIF as an effective index for ESG investment.

SOMPO Sustainability Index

We were selected in the SOMPO Sustainability Index managed by SOMPO Asset Management Co., Ltd. (“SOMPO Asset Management”) (As of June 2026) The SOMPO Sustainable Management, launched by SOMPO Asset Management in August 2012, is a socially responsible investment funds for pension trusts and institutional investors that invest broadly in companies having a strong positive evaluation for ESG performance.

CDP

In 2025, we were evaluated B (Management level) in the Climate Change program, A (leadership level) in the Water Security program, and A- (leadership level) in the Forests program by the CDP*.

* CDP: A UK-based global non-governmental organization (NGO) that discloses environmental information collected from companies and cities. CDP ranks their responses into eight grades; A, A-, B, B-, C, C-, D, and D- once a year. The number of investors backing CDP’s annual request has ballooned to more than 700, representing a quarter of all global institutional financial assets. Now, companies representing two-thirds of global market capitalization – from 130 countries – disclose critical environmental data through CDP.

"Eruboshi" Certification

Since May 2016, we have been certified as a second-highest class "Eruboshi" company in recognition of our effort to promote the active involvement of female employees on the basis of the Act on Promotion of Women's Participation and Advancement in the Workplace.

"Platinum Kurumin" as a Company that Provides Superior Childcare Support

We have been granted "Platinum Kurumin" certification since June 2015 by the Ministry of Health, Labor and Welfare (MHLW) in recognition of providing superior childcare support among the "Kurumin" certified companies.

Reforming and Diversifying Work Practices

We have been certified by METI as an enterprise with outstanding health and productivity management for nine consecutive years from 2017 to 2026.

Next Nadeshiko: Companies Supporting Dual-career and Co-parenting

In March 2026, we were selected as a "Next Nadeshiko: Companies Supporting Dual-career and Co-parenting" for FY2025, in recognition of the company's outstanding efforts in support of dual-career and co-parenting, for both female and male employees. The selection is jointly sponsored by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.

Kagayaku Telework Award

Sumitomo Corporation won the Excellence Award of the FY2020 Telework Promotion Company Award (Kagayaku Telework Award) presented by the MHLW. This award is presented to companies and organizations that achieved outstanding results in maintaining a good work-life balance for employees through the use of telework. The Excellence Award in particular recognizes companies and organizations with exceptional measures.

DX-Certified Business Operator

Sumitomo Corporation was selected as a DX-Certified Business Operator under METI's DX Certification System. This system recognizes DX-Certified Business Operators as companies ready to pursue DX in accordance with the Act on Facilitation of Information Processing.

Won the 19th Corporate Philanthropy Special Award

Our global social contribution activity program "100SEED" won the "Tanemaki (Seeding) Century Award" at the 19th Corporate Philanthropy Award, which is intended to commend activities that help resolve social issues and contribute to the sound development of our society.(Awarded in 2022)

Environmental-related data

Environmental-related data

Independent Practitioner's Assurance

Some of the environmental performance indicators for FY2025 (the year ended March 2026) disclosed in our website [Environmental-related data] have received independent practitioner's assurance from KPMG AZSA Sustainability Co., Ltd.
For details, please refer to [Environmental-related data].

Reporting Boundary

- For "GHG Emissions", the boundary has been on a consolidated basis and included Sumitomo Corporation, consolidated subsidiaries and joint operations, based on operational control approach in the GHG Protocol (2004) since FY2023. The same boundary is applied to environmental indicators such as "Energy Consumption", "Electricity Consumption", "Water Withdrawal", "Water Discharge", and "Waste Emissions".
  Thus, we include all emissions from businesses only when we have operational control over the businesses from FY2023 instead of the method that we applied until FY2022, which we include emissions from joint operations corresponding to the investment ratio as of the end of March.
- The boundary of "Non-consolidated (in Japan)" under "Environment (Resources and Waste)" and "Environment (Others)" include the head office, domestic branches, and sub-branches.

Environment (Climate Change)

GHG Emissions (Scope 1, 2)

(Unit: thousand t-CO_2e)

Item		FY2021	FY2022	FY2023	FY2024	FY2025
Total		2,293	2,081	5,102	7,157	7,284
(Components)	Scope 1	1,621	1,528	4,530	6,666	6,799
	Scope 2	672	553	572	490	485

* Scope 1 includes emissions from both energy-related CO_2 and non energy-related CO_2 and GHGs other than CO_2.
* GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.
* CO_2 emission factors for electricity: (market based method)
  (Non-consolidated in Japan) Basic emission factors of individual power companies (adjusted for non-fossil power sources) have been used since FY2024. Adjusted emission factors were used from FY2021 to FY2023.
  (Consolidated subsidiaries in Japan) The average emission factors of all power companies.
  (Overseas) Emission factors from electricity generation are based on the latest country-specific statistics provided by the IEA (International Energy Agency). For FY2025 results, the factors are derived from 2023 data listed in "Emissions Factors 2025". A power generation company has been using emission factors published by its country of location since FY2024.
* CO_2 emission factors other than those from electricity generation are based on a manual for GHG emissions accounting, reporting, and disclosure systems published by Japan's Ministry of the Environment.
* The breakdown of 7,284 thousand t-CO_2e from Scope 1 and Scope 2 in FY2025 by business activity is 659 thousand t-CO_2e for business other than power generation and 6,626 thousand t-CO_2e for power generation.

GHG Emissions（Scope 1 <Non energy-related CO_2 and GHGs other than CO_2>）

(Unit: thousand t-CO_2e)

Item		FY2021	FY2022	FY2023	FY2024	FY2025
Total		232	260	45	36	45
(Components)	Non energy-related CO_2	-	-	-	-	-
	Methane (CH4)	129	153	0	0	0
	Dinitrogen monoxide (N2O)	103	107	45	36	44
	Hydrofluorocarbons (HFCs)	-	-	-	-	-
	Perfluorocarbons (PFCs)	-	-	-	-	-
	Sulfur hexafluoride (SF6)	-	-	-	-	-
	Nitrogen trifluoride (NF3)	-	-	-	-	-

* Until FY2022, we had been calculating Scope 1 (other than energy-related CO_2) including our subsidiaries' emissions on the condition that they emitted more than 3,000 t-CO_2e in total of each GHG in accordance with "Calculation, Reporting, and Disclosure System" of Ministry of the Environment of Japan. We abolished the 3,000 t-CO_2e threshold in FY2023 and have calculated all emissions except for minor emission since then.

GHG Emissions（Scope 3）

For GHG emissions (Scope 3), please refer to the following link.

GHG emissions (Scope 3)

Energy Consumption, Electricity Consumption

Item	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Energy Consumption	thousand GJ	28,680	25,027	66,237	89,316	90,478
Electricity Consumption	MWh	1,645,278	1,336,280	1,470,838	1,444,035	1,297,936

* Energy consumption has included energy derived from biomass fuels since FY2023, but did not include it before FY2022.
* Energy consumption from biomass fuel used at biomass power plants is calculated by using the higher heating value (HHV) in FY2025, while it was calculated by using the lower heating value (LHV) before FY2024. For comparability, the total energy consumption in FY2025 would be approximately 89,352 thousand GJ if we used LHV.
* Energy conversion factor from electricity consumption: 3.6 (MJ/kWh).
* Energy conversion factors from other than electricity consumption are based on the Act on Rationalizing Energy use and Shifting to Non-fossil Energy in Japan.
* Within the boundary of environmental data, electricity consumption includes the electricity purchased from power generation companies and generated from renewable energy sources (excluding biomass) which is consumed in-house.
* The amount of electricity consumption purchased from other companies and the amount of electricity generated in-house which was derived from renewable energy sources (excluding biomass fuels for self-generated and self-consumed use) was 160,221 MWh in FY2025.
* The main reason for the decrease in electricity consumption in FY2025 compared to FY2024 is a revision in the treatment of electricity consumption at data centers. For further details, electricity consumption derived from equipment over which data center users have legal right of energy management (housing/colocation services) is excluded from our electricity consumption. For comparability, electricity consumption in FY2025 would be 1,391,418 MWh if we applied the same calculation methodology as in FY2024. GHG emissions derived from the excluded electricity consumption is newly included in our Category 13 of Scope 3, as it is related to our activities.

Environment (Water Resources)

Water Withdrawal

Item		Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Total		thousand m^3	78,107	66,452	1,525,114	1,623,781	1,624,946
(Components of Water Sources)	Third-party sources, Industrial water		6,809	7,357	7,374	5,917	5,845
	Groundwater		34,342	19,454	20,328	26,622	9,193
	Rivers, lakes		35,998	37,680	28,641	32,192	12,695
	Sea		3	4	1,468,770	1,559,050	1,597,212
	Rainwater		955	1,957	0	0	0
Water Withdrawal per consolidated revenue		thousand m^3 /million yen	0.014	0.010	0.221	0.223	0.221

Water Withdrawal in Water-Stressed Areas (Components of Water Withdrawal)

Item		Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Total		thousand m^3	2,897	4,351	921	833	1,084
(Components of Water Sources)	Third-party sources, Industrial water		895	1,007	621	546	884
	Groundwater		956	199	296	283	195
	Rivers, lakes		87	1,185	0	0	0
	Sea		3	4	4	4	5
	Rainwater		955	1,957	0	0	0
	Number of sites	Site	53	84	84	102	97

* ”Water Withdrawal in Water-Stressed Areas” is aggregated locations with a water risk level of 3 (High) or higher as water-stressed areas on the World Resources Institute (WRI)'s "WRI Aqueduct".

Water Discharge

(Unit: thousand m^3)

Item		FY2021	FY2022	FY2023	FY2024	FY2025
Total		7,205	7,185	1,471,837	1,563,653	1,588,345
(Components of Discharge Destination)	Third-party sources	2,540	2,444	3,206	2,793	3,169
	Groundwater	230	40	0	3	4
	Rivers, lakes	3,461	3,681	3,236	5,642	3,025
	Sea	974	1,020	1,465,395	1,555,214	1,582,146

Environment (Resources and Waste)

Item	Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Waste Emissions	Consolidated	t	36,413	33,200	35,033	35,105	34,204
General waste from Business Operations –Recycled Volume	Non-consolidated (in Japan)		44	47	74	82	81
General waste from Business Operations –Final Disposal Volume			2	2	3	3	3
General waste from Business Operations –Recycling Ratio		%	95.6	95.8	96.4	96.5	96.4
Industrial waste of plastic - containing products - Waste Volume		t	151	213	212	193	218
Industrial waste of plastic - containing products - Recycled Volume			21	36	60	52	60
Industrial waste of plastic - containing products - Thermal Recovery Volume			93	139	108	112	137
Hazardous Waste Emissions (Specially Controlled Industrial Waste Output)			1.36	0.72	0.55	0.54	0.56
Air Pollutant Emissions (Including NOx, SOx)			0	0	0	0	0
Paper Consumption		thousand sheets	5,254	5,887	5,769	5,695	5,255

* Waste emissions are for general waste from business operations; industrial waste and valuable resources are not included.

Environment (Others)

Item		Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Percentage of sites covered by ISO14001		Non-consolidated (in Japan)	%	100	100	100	100	100
Violations of environmental laws and regulations (penalties of one million yen or more, etc.)	Number of cases	Non-consolidated (in Japan)	case	0	0	0	0	0
	Amount of penalties		million yen	0	0	0	0	0

GHG emissions (Scope 3)

GHG emissions (Scope 3)

1 Guidelines Referenced

GHG Protocol "Corporate Value Chain (Scope 3) Accounting and Reporting Standard"
Various information sources from the Green Value Chain Platform led by the Ministry of the Environment

2 Scope

- Sumitomo Corporation Group (including consolidated subsidiaries)
  However, certain subsidiaries are excluded due to their small business revenue scale and non-compliance with high-emission business criteria

3 Independent Practitioner's Assurance

- Scope 3 emissions data are assured by Socotec Certification Japan Co., Ltd.

Independent Assurance Report

4 Main calculation methods

Category			Activity Examples	Main data sources used as emission factors
Upstream	**1**	**Purchased goods and services**	• Quantity or amount of purchased goods and raw materials	• Emissions factor databases for calculating an organization's greenhouse gas emissions through the supply chain • Ecoinvent LCA database • Estimation based on actual values obtained from suppliers or publicly available values
	2	**Capital goods**	• Amount of capital goods purchased	• Emission factor database for calculating an organization's greenhouse gas emissions, etc., through the supply chain
	3	**Fuel- and energy-related activities (not included in Scope 1 or Scope 2)**	• Quantity of purchased fuel, heat, and electricity	• Emission factor database for calculating an organization's greenhouse gas emissions, etc., through the supply chain • LCI database IDEA
	4	**Upstream transportation and distribution**	• Cargo weight and transportation distance, or transportation costs	• UK Government GHG Conversion Factors for Company Reporting • Emission factor database for calculating an organization's greenhouse gas emissions through the supply chain
	5	**Waste generated in operations**	• Quantity of general waste and industrial waste	• Emission factor database for calculating an organization's greenhouse gas emissions, etc., through the supply chain
	6	**Business travel**	• Number of employees	• Emission factor database for calculating an organization's greenhouse gas emissions, etc., through the supply chain
	7	**Employee commuting**	• Number of employees	• Emission factor database for calculating an organization's greenhouse gas emissions, etc., through the supply chain
	8	**Upstream leased assets**	• No applicable transactions	—

Category			Activity Examples	Main data sources used as emission factors
Downstream	**9**	**Downstream transportation and distribution**	• Cargo weight and transportation distance, or transportation costs	• UK Government GHG Conversion Factors for Company Reporting • Emission factor database for calculating an organization's greenhouse gas emissions through the supply chain
	10	**Processing of sold products**	• Quantity of intermediate goods sold	• Develop a scenario for the processing of intermediate products into final products based on reasonable assumptions • Ecoinvent LCA database
	11	**Use of sold products**	• Quantity of sold products	• Establish a usage scenario based on reasonable assumptions
	12	**End-of-life treatment of sold products**	• Quantity of sold products	• Emission factor database for calculating an organization's greenhouse gas emissions, etc., through the supply chain
	13	**Downstream leased assets**	• Quantity of leased products	• Establish a usage scenario based on reasonable assumptions
	14	**Franchises**	• No applicable transactions	—
	15	**Investments**	• Scope 1, 2 performance or revenue of equity method affiliates and general investment targets, or our investment amount	• Emission factor database for calculating an organization's greenhouse gas emissions, etc., through the supply chain

5 Emissions Performance

(Unit: thousand t-CO2e)

Category			FY2024	FY2025
Upstream	**1**	**Purchased goods and services**	32,713	31,807
	2	**Capital goods**	629	590
	3	**Fuel- and energy-related activities (not included in Scope 1 or Scope 2)**	4,542	4,115
	4	**Upstream transportation and distribution**	2,308	2,304
	5	**Waste generated in operations**	21	22
	6	**Business travel**	28	27
	7	**Employee commuting**	23	24
	8	**Upstream leased assets**	-	-
Downstream	**9**	**Downstream transportation and distribution**	301	124
	10	**Processing of sold products**	1,031	2,539
	11	**Use of sold products**	38,015	33,273
	12	**End-of-life treatment of sold products**	245	332
	13	**Downstream leased assets**	20,052	18,707
	14	**Franchises**	-	-
	15	**Investments**	17,778	16,305
Total			117,688	110,169

Notes

* For trading transactions involving third-party products, revenue recognition is based on IFRS 15 Revenue Recognition, and only applies when the Group is the principal in the transaction.
* For transactions within the Sumitomo Corporation Group, double counting within the group is excluded only when double counting is clearly identified for the same emission source, for the purpose of eliminating double counting within the group.
* For emissions related to Cat4/9 transportation, domestic transportation of low significance is excluded.
* For intermediate products sold, if the processing process up to the final product cannot be identified, they are excluded from the calculation.

Social-related data

Social-related data

Society (Personnel Data)

Item		Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Number of employees		Consolidated	person	74,253	78,235	79,692	83,327	82,488
Number of temporary employees				28,169	30,222	29,529	27,483	22,032
Number of employees [Male/Female]	Male	Non-consolidated	person	3,852	3,761	3,695	3,636	3,578
	Female			1,298	1,307	1,325	1,327	1,360
	Total			5,150	5,068	5,020	4,963	4,938
Number of new employees*1	Male	Non-consolidated	person	75	72	63	62	58
	Female			31	29	37	36	42
	Total			106	101	100	98	100
Ratio of female new employees		Non-consolidated	%	28.6	28.7	37	37	42
Ratio of non-fulltime employees, such as contract and temporary employees		Non-consolidated	%	6.5	7.3	7.8	7.0	8.2
Number of mid-career employees	Male	Non-consolidated	person	14	47	68	46	33
	Female			6	28	20	18	19
	Total			20	75	88	64	52
Percentage of employees with disabilities*2		Non-consolidated	%	2.09	2.25	2.29	2.45	2.65

Item		Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Number of managers*3	Male	Non-consolidated	person	2,540	2,523	2,520	2,638	2,618
	Female			204	232	267	306	332
	Total			2,744	2,755	2,787	2,944	2,950
Female Manager ratio *3		Non-consolidated	%	7.4	8.4	9.6	10.4	11.3
Female Department General Manager ratio *3		Non-consolidated	%	0.8	1.4	2.4	2.6	2.6
Ratio of employees who are covered by a collective bargaining agreement		Non-consolidated	%	60.4	62.3	64.7	66.4	66.3
Average length of service (years)	Male	Non-consolidated	year/ month	19yr 2mos	19yr 1mo	18yr 11mos	18yr 10mos	18yr 10mos
	Female			16yr 4mos	16yr 6mos	16yr 6mos	16yr 6mos	16yr 7mos
	Overall mean			18yr 6mos	18yr 5mos	18yr 4mos	18yr 4mos	18yr 3mos
Gender Wage Gap between Male and Female*4	Regular employees	Non-consolidated	%	—	58.7	59	61.4	62.6
	Non-regular employees		%	—	48.9	46.3	49.7	49.3
	All employees		%	—	59.6	59.6	62.2	63.1

*1 Figures for previous fiscal years have been restated following changes in the calculation method of the number of persons including medical professional instituted in FY2022.

*2 Figures are as of June 1 of each fiscal year.

*3 Figures are as of April 1 of subsequent fiscal year. The calculation method has been changed from fiscal year 2022, and figures from previous years have also been restated accordingly."

*4 Items subject to calculation of the gender wage gap: Monthly salary (base pay, adjustment pay, secondment allowance, separate living allowance, teleworking allowance, overtime work allowance, late-night premium allowance for managers), bonus
Reason for gap: Our remuneration system is based on the principles of “Pay for job, Pay for performance”. Accordingly, employees at the same job grade—with equivalent roles and responsibilities—receive equal pay regardless of gender. The main factor behind the gender wage gap is the lower proportion of women in management positions compared with men, resulting in fewer female managers overall. This reflects the fact that, historically, the Company had two career tracks at the time of hiring, and many female employees were in the administrative track, which in principle did not require relocation. Employees in this track primarily handled administrative work and supported employees in the professional track. In 2022, we integrated these tracks and transitioned to a system enabling employees to build their careers more flexibly based on their individual skills, capabilities, and aspirations. As a result, an increasing number of employees from the former administrative track are being promoted to management positions. As the number of female managers rises, we expect the gender wage gap to steadily narrow.

Society (Work Styles)

Item		Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Turnover rate of full-time employees	Male	Non-consolidated	%	3.4	3.1	2.8	1.9	2.0
	Female			3.0	2.8	3.5	2.8	1.9
	Total			3.3	3.0	3.0	2.1	2.0
Voluntary turnover rate*1		Non-consolidated	%	3.0	2.6	1.6	1.4	1.0
Average monthly overtime hours		Non-consolidated	hours/ minutes	12h 20mins	10h 55mins	9h 51mins	9h 51mins	9h 51mins
Average annual days of paid vacation acquired*1		Non-consolidated	day	12.8	13.7	14.3	14.1	14.5
Spouse maternity leave		Non-consolidated	person	70	86	86	109	97
Leave to look after a sick child		Non-consolidated	person	169	194	243	266	331
Number of employees who took family care leave		Non-consolidated	person	0	1	0	0	1
Number of employees who took maternity leave		Non-consolidated	person	70	65	63	52	59
Number of employees eligible for childcare leave	Male	Non-consolidated	person	156	168	165	173	152
	Female			60	51	63	53	52
	Total			216	219	228	226	204
Number of employees who took childcare leave	Male	Non-consolidated	person	41	61	48	89	66
	Female			62	51	63	52	51
	Total			103	112	111	141	117
Ratio of eligible male employees taking childcare Leave*2		Non-consolidated	%	—	67.0	63.6	78.6	79.6

Item		Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Number of employees who returned to work after taking childcare leave	Male	Non-consolidated	person	36	58	50	96	88
	Female			8	64	52	57	58
	Total			44	122	102	152	146
Ratio of employees who returned to work after taking childcare leave*3	Male	Non-consolidated	%	100	100	100	100	100
	Female			100	95	98	100	98
	Total			100	98	99	100	99
Number of individuals using shortened work hour system		Non-consolidated	person	200	195	190	187	204
Number of cases of violations of the Labor standards Act		Non-consolidated	case	5	3	0	1	1

*1 Partial change to scope of calculations from FY2023.

*2 The “ratio of eligible male employees taking childcare leave” is calculated based on the ratio of employees taking childcare leave or leave intended for childcare under Article 71-6, Item 2 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ministry of Labour Ordinance No. 25, 1991) in accordance with the provisions of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76, 1991).

*3 Partial change to scope of calculations from FY2022.

Society (Occupational Safety and Health)

Item	Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Number of occupational accidents	Non-consolidated	case	2	2	5	2	5
Number of deaths by occupational accidents			1	0	0	0	0
Number who suffered Lost Time Incidents (LTI)	Non-consolidated	case	1	0	0	2	2
LTIFR (Lost Time Injury Frequency Rate)			0.11	0	0	0.23	0.25

Society (Human Resources Development)

Item		Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Ability development training*1	Number of employees participating in training	Non-consolidated	person	44,876	92,446	40,530	65,432	73,799
	Total hours of training received		hour	119,894	177,320	106,605	142,460	131,140
	Average hours per employee*2			23.4	32.3	21.2	28.7	26.6
	Average Days per employee		Day	3.2	4.5	2.9	4.0	3.7
Number of employees dispatched overseas		Non-consolidated	person	976	921	926	934	942
Number of employees undergoing training overseas		Non-consolidated	person	76	60	65	64	57
Annual education and training cost per employee		Non-consolidated	yen	327,587	380,624	322,335	287,085	127,582

*1 Training hosted by the Head Office targeted at Head Office employees and employees of overseas bases and business companies. The scope of calculation was partially revised in FY2023.
From FY2024, we have introduced the e-learning platform LinkedIn Learning.

*2 Partial change to scope of calculations from FY2023.

Society (Other)

Item	Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Number of employees who used the volunteer leave program*	Non-consolidated	person	10	1	7	13	13
Political donations	Non-consolidated	million yen	28	28	28	28	28

* Sumitomo Corporation has established a volunteer leave system to encourage employees to actively participate in volunteer activities. Employees can take up to five days of leave per year.

Governance-related data

Governance-related data

Governance (Board of Directors, Audit & Supervisory Board, Nomination and Remuneration Advisory Committee)

Item			Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Board of Directors*	Internal directors	Male	Non-consolidated	person	6	6	6	6	5
		Female			0	0	0	0	0
		Total			6	6	6	6	5
	Independent outside directors	Male			3	3	3	3	3
		Female			2	2	2	2	2
		Total			5	5	5	5	5
	Total				11	11	11	11	10
Ratio of female Directors*				%	18	18	18	18	20
Number of Board of Directors meetings				time	22	18	17	16	16
Audit & Supervisory Board*	Internal directors	Male	Non-consolidated	person	2	2	2	2	2
		Female			0	0	0	0	0
		Total			2	2	2	2	2
	Independent outside directors	Male			2	2	2	2	2
		Female			1	1	1	1	1
		Total			3	3	3	3	3
	Total				5	5	5	5	5

Item			Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Number of outside Audit & Supervisory Board Members with expertise in finance and accounting*			Non-consolidated	person	1	1	1	1	1
Number of Audit & Supervisory Board Meetings				time	17	17	16	17	17
Nomination and Remuneration Advisory Committee*	Internal directors	Male	Non-consolidated	person	2	2	2	2	2
		Female			0	0	0	0	0
		Total			2	2	2	2	2
	Independent outside directors	Male			2	2	1	2	2
		Female			1	1	2	1	1
		Total			3	3	3	3	3
	Total				5	5	5	5	5
Ratio of outside directors in the Nomination and Remuneration Advisory Committee*				%	60	60	60	60	60
Number of Nomination and Remuneration Advisory Committee meetings				time	7	7	9	8	8

* Figures at the end of June of each fiscal year.
Also, at the 157th Ordinary General Meeting of Shareholders held in June 2025, the transition to a Company with an Audit & Supervisory Committee from a Company with an Audit & Supervisory Board was resolved. We have 10 Directors excluding Directors who are Audit & Supervisory Committee Members (including 5 Outside Directors) and 5 Audit & Supervisory Committee Members (including 3 Outside Audit & Supervisory Committee Members), after the meeting above.

Governance (Remuneration)

Item			Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Remuneration of Non-Audit and Supervisory Committee Directors	Directors (Excluding outside directors and Non-Audit and Supervisory Committee Directors)*	Monthlyremuneration	Non-consolidated	million yen	380	427	442	435	438
		Bonus for Directors			513	537	397	287	253
		Stock options			-	-	-	-	-
		Restricted stock-based compensation			21	-	-	-	-
		Performance share unit-based stock compensation			65	91	107	110	—
		Restricted performance share unit-based remuneration			121	296	749	506	531
		Total			1,099	1,351	1,695	1338	1223
	Outside directors (Excluding Non-Audit and Supervisory Committee Directors)	Monthly remuneration			95	104	107	114	116
Audit and Supervisory Committee Directors	Audit and Supervisory Committee Directors (Internal)	Monthly remuneration	Non-consolidated	million yen	-	-	-	-	81
	Audit and Supervisory Committee Directors (Outside)	Monthly remuneration			-	-	-	-	54

Item			Boundary	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Remuneration of Corporate Auditors	Inside Corporate Auditors	Monthly remuneration	Non-consolidated	million yen	87	87	91	98	25
	Outside Corporate Auditors	Monthly remuneration			54	59	61	65	17
Audit fees(KPMG AZSA LLC)	Fees for auditing services	Non-consolidated	—	million yen	504	521	525	546	570
		Consolidated			489	495	530	642	732
		Total			993	1,016	1,055	1188	1302
	Fees for non-auditing services	Non-consolidated			26	20	16	19	20
		Consolidated			55	105	76	12	17
		Total			81	125	92	31	37

* In June 2025, the Company transitioned from a “Company with an Audit & Supervisory Board” to a “Company with an Audit & Supervisory Committee”.
For the period from FY2021 through FY2024, prior to the transition, performance data covers directors excluding outside directors and Audit & Supervisory Board members.

Governance (Compliance)

Item		Boundary	FY2021	FY2022	FY2023	FY2024	FY2025
Compliance-related seminars and other training programs	Number of times	Head Office or domestic/overseas corporations*1	≥140 times	≥160 times	≥100 times	≥130 times	≥160 times
	Number of participants		Total of ≥ 20,990 person	Total of ≥ 29,580 person	Total of ≥ 13,580 person	Total of ≥ 14,530 person	Total of ≥ 22,980 person
Of the above, seminars and other training programs related to anti-bribery and anti-corruption	Number of times		≥50 times	≥70 times	≥40 times	≥10 times	≥80 times
	Number of participants		Total of ≥ 5,450 person	Total of ≥ 10,240 person	Total of ≥ 4,600 person	Total of ≥ 6,600 person	Total of ≥ 10,540 person

*1 Including training programs conductedby Sumitomo Corporation or its regional offices for business-linesubsidiaries in Japan or overseas.

Environment

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Environmental Management

Sumitomo Corporation Group Environmental Policy

Throughout its 400-year history, the Sumitomo Group has pursued industrial development in harmony with local communities and the natural environment. Based on this foundation, the Sumitomo Corporation Group pursues business activities in such a way as to promote environmental conservation. Recognizing that various initiatives such as creating a low-carbon society that alleviates climate change, preserving biodiversity and the global environment, using energy, water and resources sustainably, preventing pollution and controlling waste emissions are the most important and long-term concerns that all individuals and organizations must address, we have established our Environmental Policy as detailed below.

Sharing this policy, Sumitomo Corporation Group companies are committed to reducing the environmental impacts of their business activities as well as to improving the environment through their business activities, based on the ISO 14001 environment management system.

Any establishment or revision of this policy has been approved by the Board of Directors.

I. Basic Policy

The Sumitomo Corporation Group recognizes that environmental issues are global in scale and that they are long-range concerns affecting future generations. As a global organization, the Sumitomo Corporation Group, through sound business activities, will strive to achieve sustainable development aimed at both social and economic progress and environmental preservation.

II. Basic Guidelines

In pursuing its diversified business activities both within Japan and overseas, the Sumitomo Corporation Group shall comply with the following guidelines, and, through cooperation between its Group companies, work to achieve the aims of its environmental Basic Policy.

1 **Basic stance with regard to the environment:**

To place great importance on protecting the global environment as a good corporate citizen in accordance with the Sumitomo Corporation's Activity Guidelines.

2 **Compliance with environmental legislation:**

To strictly observe legislation related to environmental matters not only in Japan but also overseas, and to abide by any agreements made.

3 **Caring for the natural environment:**

To place great importance on preserving the environment, including the natural ecosystem and biodiversity.

4 **Response to climate change:**

To place great importance on mitigating climate change and adapting to its impact.

5 **Efficient use of resources and energy:**

To be mindful of the finite availability of resources and energy and strive to use them both efficiently and effectively.

6 **Contributing to the building of a recycling-oriented society:**

To endeavor to help build a recycling-oriented society by reducing waste and reusing and recycling resources.

7 **Promotion of businesses that contribute to environmental preservation:**

To utilize our integrated corporate strength to promote businesses and projects, which contribute to environmental preservation and reduction of the impact of society on the natural environment.

8 **Establishment of environmental management:**

To use an environmental management system to prevent environmental pollution and set environmental objectives and targets which are regularly reviewed and continuously upgraded.

9 **Disclosure of the environmental policy:**

To communicate this Environmental Policy to all people who are working for or on behalf of the Sumitomo Corporation Group, as well as disclosing it externally.

Targets

Sumitomo Corporation Group promotes activities that are beneficial to the environmental improvement and reduce environmental negative impact.

At Sumitomo Corporation, EMS Leader identifies the environmental aspects of each department and evaluates their impacts, and identifies risks and opportunities considering relevant compliance obligations. Based on the results, EMS Promoters specify significant environmental aspects, risks and opportunities for each Business Group and the Corporate Sustainability Department reviews them for the entire company. At the Corporate Sustainability Committee, we review the achievement of the environmental targets and decide new objectives for the following year.

Environmental Objectives (Sumitomo Corporation)

Environmental Objectives	
Comply with environmental laws and regulations	• Strive to prevent violations of environmental regulations such as Act on Waste Management and Public Cleaning
Pursue environmentally-sound projects	• Build a sustainable energy system and carbon cycle with an overview of supply chains (For example, expansion of renewable energy businesses) • Pursue new business by developing products, services, and scheme that encourage the shift toward Nature Positive and a circular economy • Reduce risk of the entire supply chain, including sustainable procurement of major natural resources
Manage and reduce environmental burden	• Assess environmental impact in relevant supply chains and work to alleviate such impact by reducing GHG emissions of the carbon neutrality boundary for the Sumitomo Corporation Group 30% or more by FY2035 (compared with FY2024) • Analyze nature-related risks and opportunities in each business
Promote environmental education and communication related to environmental issues	• Hold events, including awareness-raising seminars related to environmental conservation • Expand disclosure of non-financial information

Environmental Data Targets and Results (Non-consolidated in Japan)

To achieve carbon neutrality and a circular economy by 2050, Sumitomo Corporation set the following long-term goals for electricity consumption, water withdrawal and waste emissions in FY2017.

Each intensity and total amount are for its head office, regional offices, branches, sub-branches in Japan.

	Target
Electricity Consumption	To reduce electricity consumption per square meter by an average of at least 1% annually and at least 20% until FY2035 both from base year of FY2013.
Water Withdrawal	To reduce water withdrawal per employee by an average of at least 1% annually from base year of FY2010.
Waste Emissions	To reduce waste emissions per employee by an average of at least 1% annually from base year of FY2010.

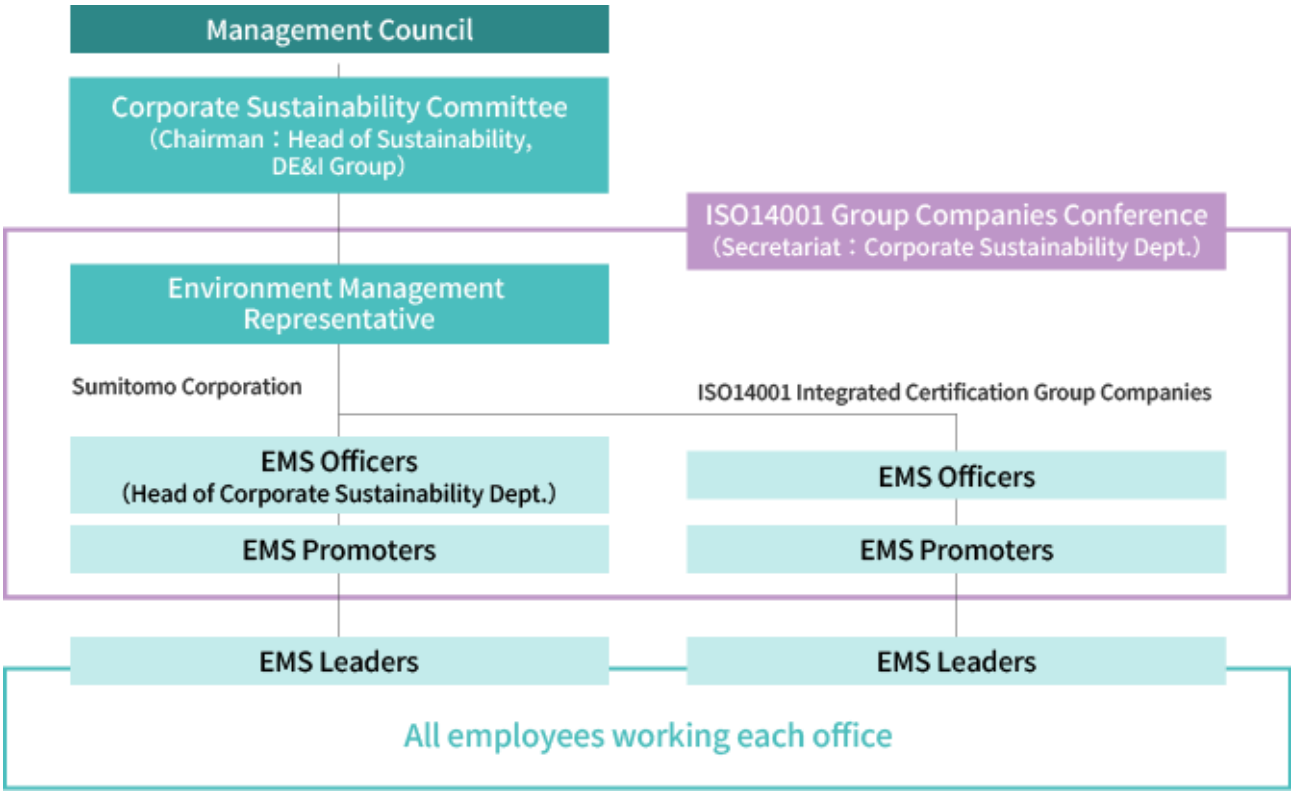
The targets converted from long-term goals, results of FY2025, targets of FY2026 are as follows.

Index		Results of the Base year	Targets of FY2025	Results of FY2025	Targets of FY2026
Electricity Consumption	**Consumption (MWh)**	7,859	5,239	3,551	5,287
	Intensity (MWh/m^2)	0.1079	0.0956	0.0636	0.0947
Water Withdrawal	**Withdrawal (m^3)**	32,191	22,867	10,601	22,597
	Intensity (m^3/employee)	6.93	5.96	2.77	5.90
Waste Emissions	**Emissions (t)**	508	361	84	357
	Intensity (t/employee)	0.109	0.094	0.022	0.093

Management system

Environmental Management Structure

The Sumitomo Corporation Group has established, based on the environmental policy, the environmental management structure with the Corporate Sustainability Committee as the center of the structure. As for the ISO 14001 environmental management system (EMS), since Tokyo and Osaka offices of Sumitomo Corporation acquired the Group's first ISO 14001 certification in June 1999, the coverage of the system has been extended continuously. About 20,000 employees in domestic locations of Sumitomo Corporation and certain group companies participates in these environmental management activities. At the ISO 14001 Group Companies Conference, which consists of Sumitomo Corporation and ISO 14001 integrated certification group companies, we share the environmental activities, and report to Corporate Sustainability Committee if necessary. Depending on the importance of the subject, Corporate Sustainability Committee discusses and reports to the Management Council and the Board of Directors.



* EMS：Environmental Management System

ISO 14001 Integrated Certification Group Companies

(As of March 2026, Sumitomo Corporation and 23 group companies)

SUMITOMO CORPORATION KYUSHU CO., LTD.
SUMITOMO CORPORATION HOKKAIDO CO., LTD.
SUMITOMO CORPORATION TOHOKU CO., LTD.
METAL ONE SUMISHO TUBULAR PRODUCTS CO., LTD.
SUMITOMO CORPORATION GLOBAL METALS CO., LTD.
SUMISHO AERO-SYSTEMS CORPORATION
SUMITOMO MITSUI AUTO SERVICE COMPANY, LIMITED
SMA SUPPORT CO., LTD.
SUMITOMO CORPORATION POWER & MOBILITY CO., LTD.
SUMITOMO SHOJI MACHINEX CO., LTD.
SUMISHO GLOBAL LOGISTICS CO., LTD.
SCSK CORPORATION
SCSK NEC DATA CENTER MANAGEMENT, LTD.
SUMISHO MONTBLANC CO., LTD.
SC FOODS CO., LTD.
CHIBA KYODO SILO CO., LTD.
SMB KENZAI CO., LTD.
SUMISHO MATERIALS CORPORATION
SUMISHO METALEX CORPORATION
SUMITOMO SHOJI CHEMICALS CO., LTD.
SUMITRONICS CORPORATION
SUMMIT PHARMACEUTICALS INTERNATIONAL CORPORATION
SUMMIT AGRO INTERNATIONAL LTD.

ref) Percentage of Sumitomo Corporation group's sites covered by ISO14001

Percentage of sites covered by ISO14001

Initiatives

Internal Environmental Audit

Sumitomo Corporation conducts internal environmental audits on an annual basis to ensure the environmental management system of Sumitomo Corporation and group companies with ISO14001 integrated certification are properly functioning.

〈Audit Priority Items〉
（1）proper establishment of environmental targets,
（2）management of progress in implementing the environmental action plan,
（3）evaluation of compliance with legal requirements and
（4）implementation and enhancement of environmental training.

External Audit

The third-party audits were conducted by an independent auditing organization, Japan Quality Assurance Organization, for the renewal of the current ISO 14001 certification status. Since acquiring certification, we have undergone annual audits in a three-year cycle: maintenance audits in the first and second years, and a renewal audit in the third year. In March 2026, We received approval as a result of the audits.

ISO14001 Management System Certificate


ISO 14001
Management System Certificate
SUMITOMO CORPORATION
JQA

Environmental Educational Activities

Sumitomo Corporation Group develops a variety of educational programs to help its employees engage in environmental conservation. We raise environmental awareness among all Group employees by organizing such programs as trainings on environmental laws and regulations as well as global environmental issues given by outside experts.

Theme	Summary	Number of Activities
Training on the ISO 14001 Environmental Management System (release of video)	The management principles, environmental contribution activities and the processes of an environmental management system in accordance with the ISO 14001 international standard.	All year round
Training for internal environmental audits	The basics and processes of internal environmental audits, through exercises, to be able to conduct audits effectively.	Once a year
Trainings on industrial waste disposal	Practical knowledge, including responsibilities of industrial waste generators, contract criteria and proper disposal methods.	Twice a year
Trainings on environmental laws and regulations	The latest trends in environmental laws and regulations, basic knowledge on these, and points to note to comply with the laws and regulations.	Twice a year
Basic environmental education （e-learning）	Sumitomo Corporation Group's environmental policy and its environmental management system.	once a year

Climate Change

To further advance our efforts to address climate change, we updated the Sumitomo Corporation Group's carbon neutrality target in February 2026.

Also, in the Yukashoken Houkokusho (Japanese annual securities report) and Annual Financial Report for FY2025, with a view to future mandatory disclosure under the SSBJ (Sustainability Standards Board of Japan) standards, we proactively disclose certain information that is considered useful to investors.

Disclosure Based on TCFD Recommendations

~Introduction~ 1. Governance 2. Strategy
3. Risk management 4. Metrics & targets 5. Initiatives

~Introduction~

To identify the risks and opportunities arising from climate change and apply them to our business activities, we supported the TCFD recommendations in March 2019, and since then we have been disclosing information based on the TCFD framework.

1. Governance

Supervision

The Board of Directors renders decisions concerning key management matters in light of the diverse risks and opportunities related to climate in the Group's wide range of business activities. Additionally, the Board of Directors oversees the decision-making and business execution by the Management Council and executive officers.

For decision-making on climate-related important management matters, based on the division of authority clearly stipulated in the Board of Directors regulations and other rules, the Board of Directors deliberates on and determines the formulation and revision of climate-related policies and targets; risks and opportunities across the overall business portfolio, including those related to climate; important initiatives related to the promotion of sustainability; and the handling of important individual cases, all of which are submitted to the Board of Directors after review by the Management Council and its advisory bodies, including Corporate Sustainability Committee. The Board of Directors receives reports on the analysis of risks and opportunities across the overall business portfolio, including those related to climate, and the status of responses thereto at least every six months.
In addition, the Board of Directors receives annual reports from the Corporate Sustainability Department on the analysis of diverse climate-related risks and opportunities identified in individual businesses, the status of responses thereto, and monitoring metrics, and supervises the status of initiatives by the business execution side, including the Management Council.

Also, to ensure that the Company's officers, including directors, are more aware of our commitment to the advancement of sustainability management, evaluation based on the non-financial indicators ("climate change") is used to calculate the amount of the remuneration of officers. For more details, please visit our website "Executive Remuneration Plan".

In addition, the Board of Directors has identified the types of knowledge, experience, and other competencies (hereinafter "Skills") that enable the Board of Directors to adequately fulfill its roles, and these Skills include those related to sustainability. The Skills of individual directors are determined after considering all their attributes, including their careers, knowledge, experience, capabilities, qualifications, and specific achievements, and discussing these with individuals concerned. The Board of Directors includes multiple directors with sustainability-related skills. For more details, please visit our website "The Skills such as knowledge, experience and competencies, etc., that the Board of Directors is required to possess, and Skills that Directors currently in office possess".

Execution

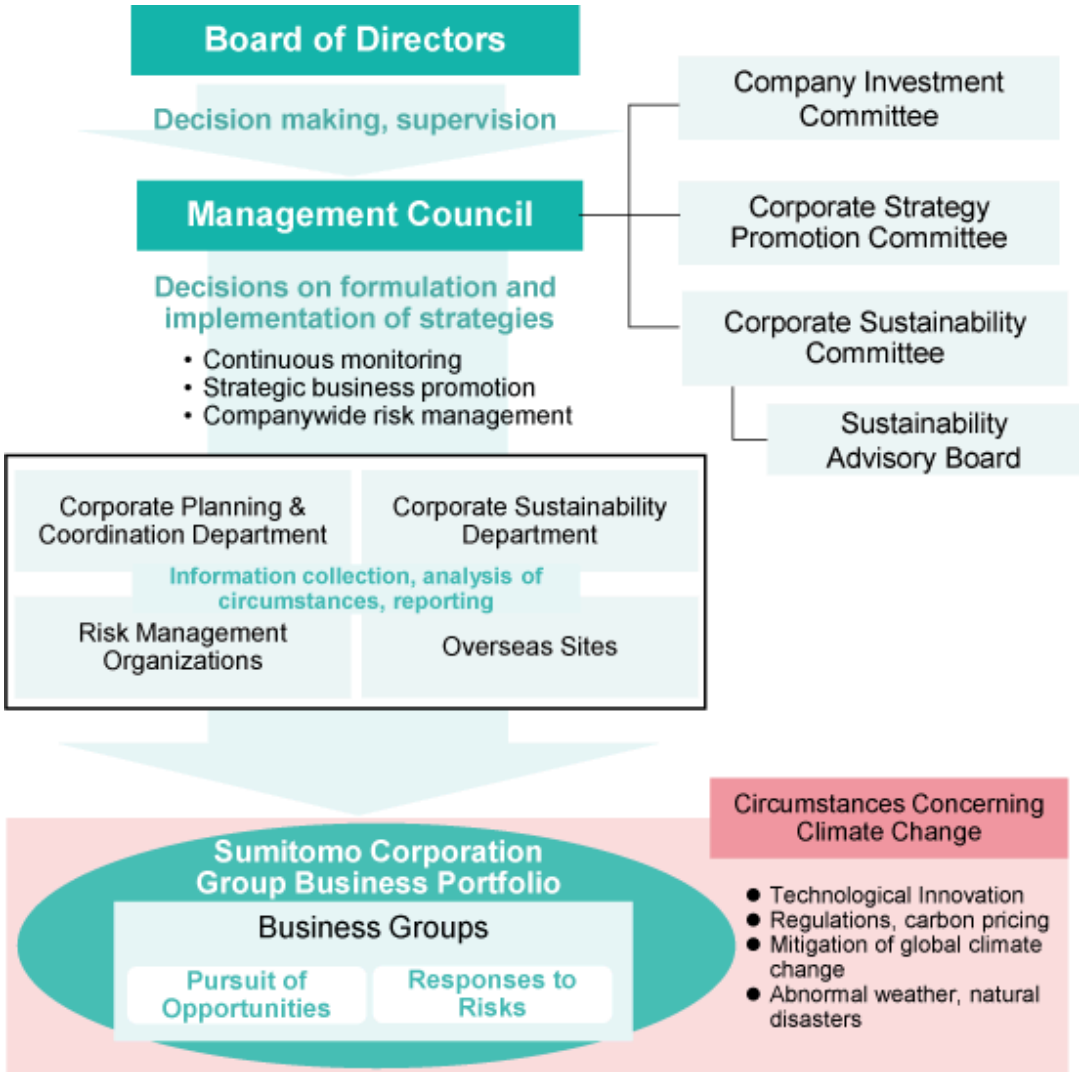
The Management Council and executive officers are responsible for decision-making and business execution of important climate-related management matters of the Group in accordance with the Company regulations. The Management Council makes comprehensive decisions after consulting with the Corporate Sustainability Committee and other committees in order to assess and manage diverse climate-related risks and opportunities and make effective decisions.

In addition, with regard to climate-related initiatives and response to risks and opportunities, the Corporate Sustainability Department, which is a specialized organization in charge of planning and disseminating measures within the Company, and related corporate organizations such as the Corporate Planning & Coordination Department, which plans the Company's overall management plan and important measures, as well as the personnel responsible for promoting each topic in each Business Group and overseas regional organization, all work together. Based on information provided by the Group's internal research organizations, the Business Groups, overseas regional organizations and other organizations, we formulate and promote group-wide plans and measures.

In addition, we have established the Sustainability Advisory Board, which is comprised of outside experts on ESG, to obtain advice and recommendations on our overall sustainability management.

The governance structure for our climate-related management is as follows.
For more details about the situation of corporate governance, including our sustainability management, please visit our website "Corporate Governance" page.

<Climate-related governance structure (as of June 2026)>



2. Strategy

We attach importance to the global consensus reflected in the Paris Agreement, and we established the Policies on Climate Change Issues in order to play a more active role in achieving the carbon neutrality goal of society in alignment with the Agreement. After the Board of Directors adopted a resolution concerning the Group's Policies on Climate Change Issues in FY2019, we have been regularly reviewing our policies. In February 2026, we updated the Group's carbon neutrality targets based on the GHG Protocol with the aim of strengthening accountability in line with emission categories, in light of the completion of our Scope 3 emissions calculations and disclosure and in anticipation of the application of the SSBJ (Sustainability Standards Board of Japan) standards.

Policies on Climate Change Issues

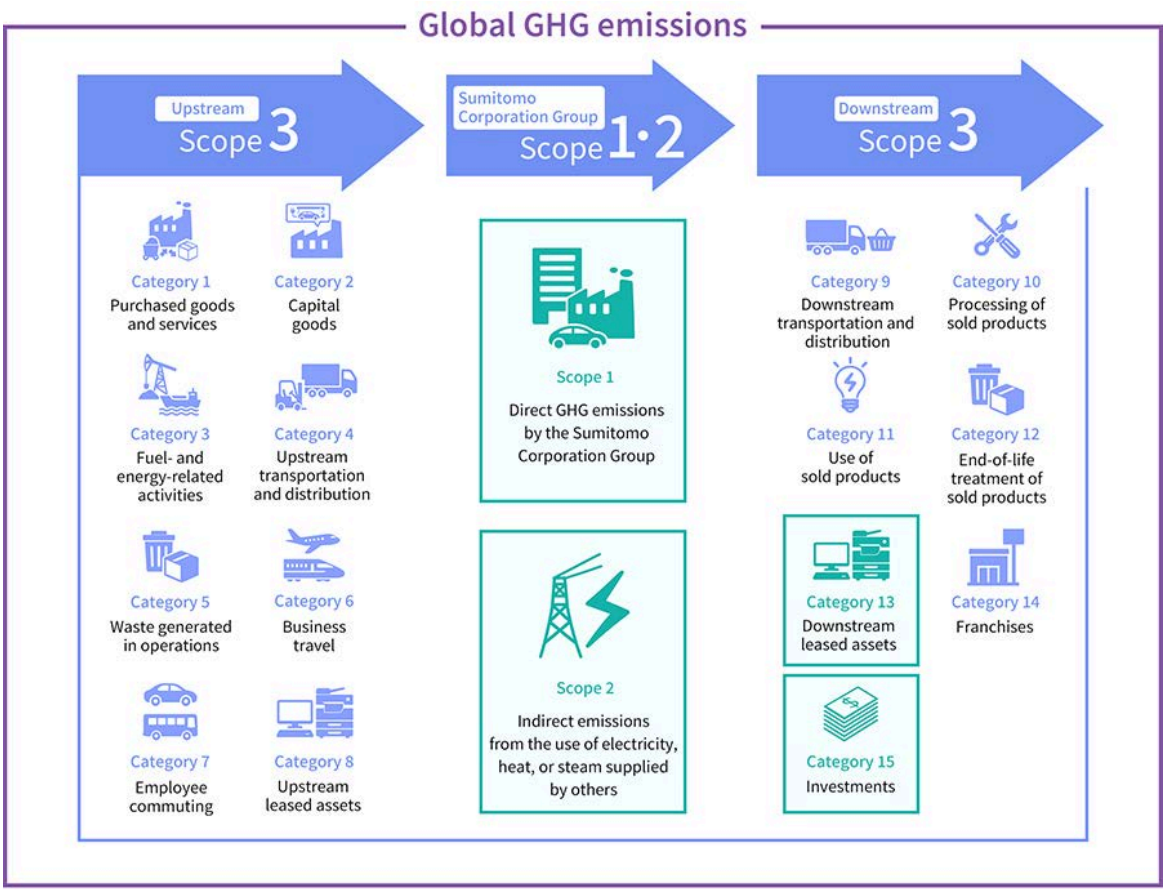
Basic Policy

- Aim to make the Sumitomo Corporation Group carbon neutral in 2050*.
- Develop technologies and business models for creating a sustainable energy cycle by contributing to the reduction of GHG emissions and carbon removal for society as a whole.
- Contribute to the carbon neutralization of society through cooperative initiatives and recommendations made with business partners and public institutions.

Policy on Business Activities

- Promote renewable energy, efficient energy utilization and fuel conversion that contributes to reducing GHG emissions throughout society. We will also work to offer new energy management and mobility services utilizing renewable energy and to materialize hydrogen-based society and related applications.
- In the power generation business, we provide a stable supply of the energy, essential for the economic and industrial development of local communities. At the same time, we continuously shift management resources to renewables and other energy sources with low environmental burden in the power generation portfolio.
- Regarding the development of thermal power generation and fossil energy concession, we will work on the premise of carbon neutralization in 2050.
    - We will not be involved in any new coal-fired power generation business neither IPP (Independent Power Producer) nor EPC (Engineering, Procurement, Construction).
      For IPP business, we aim to reduce CO_2emissions by 60% or more by FY2035 (compared with FY2019) and we will end all the coal-fired power generation business in the late 2040s.
    - We will not make any further investment in the thermal coal mine development projects and aim to achieve zero production from thermal coal mines by the end of the 2020s. We will only undertake upstream gas development that contributes toward society's energy transition.

* The carbon neutrality boundary for the Sumitomo Corporation Group covers Scope 1/2, and Scope 3 (Categories 13 and 15).
  Carbon neutrality means reducing the GHG emissions of the Sumitomo Corporation Group and neutralizing the residual emissions to net zero through internationally recognized methods such as carbon removal.



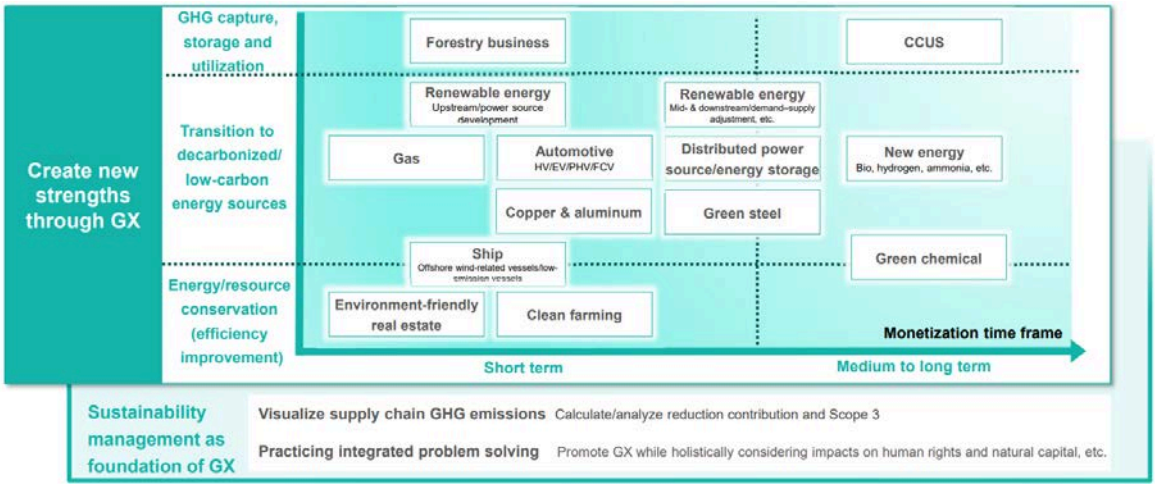
Global GHG emissions (approx. 58 billion t-CO2e*)

GHG emissions of the Sumitomo Corporation Group (FY2024 results: approx. 117 million t-CO2e)

GHG emissions within the carbon neutrality boundary for the Sumitomo Corporation Group (FY2025 results: approx. 42 million t-CO2e)

* Source:Emissions Gap Report 2025 | UNEP - UN Environment Programme

In the new Medium-Term Management Plan started in FY2024, we will further strengthen our businesses where we have strengths and competitive advantages through green transformation (GX) in the short term. At the same time, we pursue GX considering the time horizon for monetization (including market formation) in various industries and create new strengths for the future in the medium to long term.



Avoided Emissions

The avoided emissions are quantification of emissions from society avoided when new products and services replace earlier ones. We use this as an indicator to visualize the contribution by our businesses to achieve a carbon-neutral society during internal discussion. The transition to a decarbonized society will be a long-term process, and during this process, a wide range of new products and services will be needed. In addition to developing low-carbon products, the Sumitomo Corporation Group is advancing the supply of materials essential for renewable energy and initiatives toward market expansion.
As one example, the avoided emissions for FY2025 through the operation of our renewable energy business are indicated below.

Details of Contribution	Baseline	Calculation Formula	Avoided Emissions
Contribution by creating renewable energy	Energy mix of each country	Power generating facility capacity [MW/year] × Annual operating hours × Emission factor [t-CO_2/MWh] × Sumitomo Corporation's ownership percentage	3,265 thousand t-CO_2e

It should be noted that the avoided emissions are reference indicators showing the extent of our contribution to society through our businesses and do not represent a set off the Group's GHG emissions.

* Main guidelines used as reference

- GX League, "Basic Guidelines for Disclosure and Evaluation of Climate-related Opportunities" (2023)
- WBCSD / WRI, "GHG Protocol Corporate Accounting and Reporting Standard" (2019)
- WBCSD / Net Zero Initiative, "Guidance on Avoided Emissions" (2023)
- Ministry of Economy, Trade and Industry, "Guidelines for Quantifying GHG emission reductions of goods or services through Global Value Chain" (2018)

Climate-related risks and opportunities by Individual Businesses

Based on the business models of each of the Group's businesses, the climate-related risks and opportunities that can reasonably be expected to affect the Group's prospects are as shown in the table below, organized by individual businesses.
The risks and opportunities below are identified following the process of "3. Risk Management".

- Physical risks
  Risks of crop yield decline and of operational disruption due to flooding, both caused by climate change
- Transition risks
  Risks of business contraction associated with the transition to a decarbonized society, and financial impacts of carbon pricing and rising energy prices
- Business opportunities
  Opportunities for business expansion associated with the transition to a decarbonized society, and opportunities for shifting to low-carbon products

Businesses	Categories	Details	Time horizonsFinancial impact		
			Short-term	Medium-term	Long-term
Tubular products business	Transition risks	Risk of business contraction associated with the transition to a decarbonized society		**Slight**	**Moderate**
		Financial impact of carbon pricing		**Slight**	**Slight**
Shipping business	Transition risks	Risk of business contraction associated with the transition to a decarbonized society		**Slight**	**Slight**
	Business opportunities	Opportunity for business expansion associated with the transition to a decarbonized society			
Automotive business	Transition risks	Financial impact of carbon pricing		**Slight**	**Moderate**

Businesses	Categories	Details	Time horizonsFinancial impact		
			Short-term	Medium-term	Long-term
Retail business	Transition risks	Financial impact of carbon pricing		Slight	Slight
		Financial impact of rising energy prices		-	-
Food business	Transition risks	Financial impact of carbon pricing		Slight	Slight
Copper business	Transition risks	Financial impact of carbon pricing		Slight	Slight
	Business opportunities	Opportunity for business expansion associated with the transition to a decarbonized society		+	+
Aluminum business	Transition risks	Financial impact of carbon pricing		Slight	Moderate
Thermal coal and Coking coal business	Transition risks	Risk of business contraction associated with the transition to a decarbonized society		Slight	Slight
		Financial impact of carbon pricing	Slight		
Iron ore business	Transition risks	Risk of business contraction associated with the transition to a decarbonized society		Slight	Slight
Chemicals business	Business opportunities	Opportunity for business expansion associated with the transition to a decarbonized society		Slight	Slight

Businesses	Categories	Details	Time horizonsFinancial impact		
			Short-term	Medium-term	Long-term
Agricultural materials distributor business	Physical risks	Risk of crop yield decline	**Moderate**	**Moderate**	**Moderate**
Power generation business	Physical risks	Operational disruption due to flooding	**Moderate**	**Moderate**	
	Transition risks	Risk of business contraction associated with the transition to a decarbonized society	**Slight**	**Slight**	**Slight**
Natural gas and LNG business (upstream interests)	Transition risks	Risk of business contraction associated with the transition to a decarbonized society		**Slight**	**-**
		Financial impact of carbon pricing		**Significantly**	
Natural gas and LNG business (trading)	Transition risks	Risk of business contraction associated with the transition to a decarbonized society			**Slight**
	Business opportunities	Opportunity for business expansion associated with the transition to a decarbonized society		**Slight**	**Slight**
		Opportunity for shifting to low-carbon products		**Slight**	**Slight**

Businesses	Categories	Details	Time horizonsFinancial impact		
			Short-term	Medium-term	Long-term
Offshore oil and gas production facility chartering business	Transition risks	Risk of business contraction associated with the transition to a decarbonized society	**Slight**	**Slight**	**Slight**

* **A positive impact/ a negative impacton the Group's individual business.**
Please see Analysis of climate-related risks and opportunities by Individual Businesses for detail about financial impact on each business.
(In cases where "+" or "-" is indicated, this refers to risks or opportunities for which the financial impact has not been calculated.)

Financial impacts on the relevant business
(impacts on profit for the year attributable to owners of the parent)

Significant : ±30 billion yen or more to less than 50 billion yen
Moderate : ±10 billion yen or more to less than 30 billion yen
Slight : Less than ±10 billion yen

Time horizons

Short-term (2026) : Aligned with the period of the Group's Medium-Term Management Plan
(FY2026 is the final year of the current plan.)
Medium-term (2035) : Set to align with the period of the Group's interim emission reduction targets
Long-term (2050) : Set to align with the Group's goal of achieving carbon neutrality in 2050

Analysis of climate-related risks and opportunities by Individual Businesses

We have analyzed climate-related risks and opportunities in each individual business that could affect the Group's prospects as follows.

The financial impacts from risks on the relevant businesses are calculated without taking into account our countermeasures, based on RCP8.5 scenario*1 of the IPCC *2, which assumes a 4°C rise from pre-industrial levels by 2100, for physical risks, and based on the Net Zero Emissions by 2050 Scenario (NZE)*3 of the IEA for transition risks. Meanwhile, the financial impacts on the relevant businesses from opportunities are calculated taking into account the IEA's NZE.
Regarding the risks of business contraction associated with the transition to a decarbonized society among transition risks, and the opportunities for business expansion associated with the transition to a decarbonized society, in order to objectively assess business resilience and new business opportunities in the event of significant changes in the business environment, we have analyzed the impacts on our individual businesses over the medium-term and long-term time horizons using the Stated Policies Scenario (STEPS)*4 in addition to the NZE, based on the social and economic conditions assumed by each scenario.
The scenarios mentioned above do not represent assumptions underlying our management policies or business strategies.

*1 A Representative Concentration Pathway (RCP) scenario assuming a 4°C rise from pre-industrial levels by 2100
*2 IPCC: Intergovernmental Panel on Climate Change
*3 A scenario backcast from the achievement of global net zero emissions by 2050, representing a pathway toward the 1.5°C goal
*4 A scenario based on the assumption that current policies and stated future additional policies are implemented, with the global temperature projected to rise by 2.5°C

Methodology for calculating the financial impact of carbon pricing

The financial impact expected to arise from carbon pricing in the future is calculated, except for the three businesses below, by multiplying the GHG emissions (Scope 1 and 2) of the relevant business during the reporting period by the carbon price outlook under the NZE in the "World Energy Outlook 2025" published by the IEA. For upstream interest businesses, the calculation assumes that existing businesses will be held until the end of mining.

- Tubular products business:
  The figures are calculated based on results during the reporting period for business directed at Europe, which may be affected by the introduction of the EU Emissions Trading System (EU ETS) and the Carbon Border Adjustment Mechanism (CBAM).

- Thermal coal and coking coal business:
  As carbon taxes have already been introduced in the project host countries, the figures are calculated by multiplying the GHG emissions (Scope 1 and 2) of the relevant business during the reporting period by the carbon credit unit prescribed by the project host country.

- Natural gas and LNG business (upstream interests):
  The figures are calculated by multiplying our projected equity share of the GHG emissions generated during the use of LNG produced by participating projects by the carbon price outlook under the IEA's NZE.

Tubular Products Business

Transition risks	In the tubular products business, we recognize the risk of business contraction associated with the transition to a decarbonized society and the financial impact of carbon pricing.
Risk details	**■Risk of business contraction associated with the transition to a decarbonized society** Demand for fossil fuels is expected to decrease under the IEA's NZE, and we recognize the associated risk of a decline in sales volume of energy tubular products used for the extraction, transportation, and storage of fossil fuels. Time horizon: Medium-term and long-term **■Financial impact of carbon pricing** We recognize the risk that the introduction of the EU Emissions Trading System (EU ETS) and the Carbon Border Adjustment Mechanism (CBAM) will create a competitive gap with competing manufacturers within Europe, leading to a decline in tubular products sales volume in Europe. Time horizon: Medium-term and long-term
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	**■Risk of business contraction associated with the transition to a decarbonized society** We will continue to sell tubular products for climate change countermeasures such as CCS, CCUS, and geothermal power generation, while expanding peripheral business beyond tubular products sales to energy companies. **■Financial impact of carbon pricing** Amid various initiatives by the public and private sectors and industry associations to promote reductions in GHG emissions from blast furnaces, we will continue to support reductions in GHG emissions from upstream operations (steel manufacturers as our suppliers), including the conversion from blast furnaces to electric furnaces and lowering the carbon footprint of iron-making reduction methods, through an internal organization that supports these initiatives. We will also engage with downstream operations (energy companies as our customers) to gain their understanding of the environmental value of emission reductions and their willingness to bear the associated costs.

Expected financial impact	**■Risk of business contraction associated with the transition to a decarbonized society** <Financial impact> Medium-term: Slightly negative; Long-term: Moderately negative (Under the STEPS: Slightly positive for both medium-term and long-term) The NZE projects a decline in demand for fossil fuels, and we will continue to monitor the associated impact on demand for energy tubular products. On the other hand, as energy demand is expected to continue increasing with global economic growth and population growth, we assume that fossil fuel extraction will continue, and we are formulating our strategy on the premise that demand for energy tubular products will be maintained. **■Financial impact of carbon pricing** <Financial impact> Medium-term and long-term: Slightly negative We believe that the financial impact described above can be reduced by restoring upstream competitiveness through the implementation of strategies and mitigation measures.

Shipping Business

Transition risks Business Opportunities	In the shipping business, we recognize both the risk of business contraction and the opportunity for business expansion associated with the transition to a decarbonized society.
Risk / Opportunity details	Shipping demand is expected to increase over the medium and long term under the STEPS and remain largely flat under the NZE. We recognize the risk that, as the transition to a decarbonized society reduces coal demand and consequently coal transportation demand, charter revenue will decline for the bulk carriers we own and manage that are partially engaged in coal transportation. We also recognize that while the introduction of environmental regulations and taxation by the International Maritime Organization (IMO) and national authorities may increase investment burdens for low-carbon technologies and operating costs, demand for zero-emission and low-carbon vessels* is expected to rise, presenting opportunities for increasing charter and vessel sale revenue through changes in the cargo carried by bulk carriers or in their use and the introduction of zero-emission and low-carbon vessels. Time horizon: Medium-term and long-term * LNG-fueled vessels, methanol-fueled vessels, ammonia-fueled vessels, etc.
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	While continuing to monitor cargo demand for bulk carriers including coal, laws and regulations in each country, market conditions, and trends in the technology and costs of zero-emission and low-carbon vessels, we will, in anticipation of the future introduction of environmental regulations and other trends, raise the ratio of zero-emission and low-carbon vessels in our owned vessel portfolio, examine ownership schemes for next-generation fuel vessels, and conduct interviews on charter demand.
Expected financial impact	<Financial impact> Medium-term and long-term: Slightly positive (Under the STEPS: Slightly positive for medium-term; moderately positive for long-term) Even if demand for bulk carriers engaged in coal transportation declines due to a decrease in coal transportation demand, we expect demand for bulk carriers in non-coal transportation to grow with global economic growth and population growth. While the outcome will depend on trends in international environmental regulations, over the medium and long term we plan to invest in the construction of next-generation fuel vessels and the installation of energy-saving devices on existing vessels. By responding early to forthcoming regulations, we expect to improve relative profitability by avoiding future carbon tax burdens, fines for regulatory violations, and replacement costs from the phase-out of inefficient vessels, and to enhance profitability by benefiting from green freight rates.

Automotive Business

Transition risks	In the automotive business, we recognize the financial impact of carbon pricing.
Risk details	We recognize the risk that, with the introduction of carbon taxes, profit margins will decline by an amount equivalent to the carbon tax burden in businesses that use fossil fuels or electricity as a heat source during manufacturing. Time horizon: Medium-term and long-term
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	We have begun discussions with each operating company in the manufacturing area regarding measures toward carbon neutrality. The operating company with the largest emissions among these has already formulated a roadmap aimed at achieving zero Scope 1 and 2 emissions in 2050. The GHG emission reduction rate is monitored against a base year of FY2018, and the greening of electricity use is being advanced as a specific measure to reduce environmental impact. When this operating company formulated its carbon neutrality roadmap in FY2022, the milestone was a 30% reduction by FY2030 compared to FY2018, but this was achieved ahead of schedule in FY2024. We will continue, in line with our existing policy, to work on reducing the environmental impact across the supply chain by promoting energy-saving and electrified equipment as well as expanding the greening of electricity use.
Expected financial impact	<Financial impact> Medium-term: Slightly negative; Long-term: Moderately negative While the implementation of strategies and mitigation measures is expected to entail investment in energy-saving and electrified equipment as well as higher electricity costs from the greening of electricity use, we believe that the financial impact described above can be reduced. The financial impact of carbon pricing is a challenge across the entire supply chain, and we will continue to engage in dialogue with customers and suppliers.

Retail Business

Transition risks	In the retail business, we recognize the financial impact of carbon pricing and the financial impact of rising energy prices.
Risk details	**■Financial impact of carbon pricing** We recognize the risk that, with the introduction of carbon taxes, profit margins will decline as the carbon tax burden is reflected in costs in energy-intensive manufacturing and distribution processes*. Time horizon: Medium-term and long-term * Operational management at our own logistics centers, manufacturing at our own processing centers, operation of our own sales locations (sales and processing sites), and our own logistics processes (delivery from our logistics centers to sales locations) **■Financial impact of rising energy prices** We recognize the risk that, with rising energy prices, operating costs will increase at our own sales locations, logistics centers, and processing centers. Time horizon: Medium-term and long-term
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	**■Financial impact of carbon pricing** With the aim of reducing GHG emissions, we are working to improve logistics efficiency by introducing energy-saving equipment and high-efficiency storage equipment and by reducing the number of truck trips. Going forward, we will consider formulating a roadmap toward achieving the 2050 carbon neutrality target and will continue to work on improving logistics efficiency by reducing the number of truck trips. **■Financial impact of rising energy prices** We will continue, in line with our existing policy, to work on curbing energy consumption at our own sales locations and on holding down unit energy costs by engaging electricity providers with competitive pricing, while also accelerating the introduction of energy-saving equipment over the medium and long term.
Expected financial impact	**■Financial impact of carbon pricing<Financial impact>** Medium-term and long-term: Slightly negative Over the medium and long term, the implementation of strategies and mitigation measures is expected to entail expenditures for the introduction of energy-saving equipment and for improving logistics efficiency aimed at reducing GHG emissions, and we believe that the financial impact described above can be reduced. **■ Financial impact of rising energy prices** Over the medium and long term, we expect expenditures associated with the introduction and renewal of energy-saving equipment, and the financial impact anticipated through the implementation of strategies and mitigation measures is expected to be limited.

Food Business

Transition risks	In the food business, we recognize the financial impact of carbon pricing.
Risk details	We recognize the risk that, with the introduction of carbon taxes, profit margins will decline as the carbon tax burden is reflected in costs in the production of fruit at our own farms and in the ripening process at our own ripening and processing facilities. Time horizon: Medium-term and long-term
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	We will continue to work on reducing fertilizer-derived emissions by switching to low-nitrogen fertilizers and on expanding the introduction of renewable energy.
Expected financial impact	<Financial impact> Medium-term and long-term: Slightly negative In the short term, we expect expenditures associated with the introduction of energy-saving equipment, and we believe that the financial impact described above can be reduced through the implementation of strategies and mitigation measures.

Copper Business

Transition risks Business Opportunities	In the copper business, we recognize the financial impact of carbon pricing and the opportunity for business expansion associated with the transition to a decarbonized society.
Risk / Opportunity details	**■Financial impact of carbon pricing** We recognize the risk that operating costs will increase due to the strengthening of environmental regulations in production activities at mines in which we hold interests. Time horizon: Medium-term and long-term **■Opportunity for business expansion associated with the transition to a decarbonized society** Against the backdrop of the global expansion of clean energy applications including renewable energy and electric vehicles and the advancement of AI-driven digitalization, a medium- to long-term increase in copper demand is expected under both the IEA's STEPS and NZE. With the rise in copper prices driven by this increase in copper demand, we recognize the opportunity for increased revenue in production and sales activities at mines in which we hold interests. Time horizon: Medium-term and long-term

Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	**■Financial impact of carbon pricing** At certain mines, we have already implemented measures to reduce GHG emissions such as shifting to renewable energy. Going forward, we plan to shift 100% of the electricity used at other mines to renewable energy as well. **■Opportunity for business expansion associated with the transition to a decarbonized society** The expansion of supply is expected to remain difficult due to the depletion of operating mines, the difficulty of developing new mines, and the strengthening of environmental protection regulations. At the same time, addressing the reduction of environmental impact across the entire supply chain has become important, and in this environment, stable supply over the medium and long term while giving consideration to the environment and society is required. We are working to acquire new interests through investment in overseas copper mines, expand production from existing interests, and contribute to the stable supply of copper that supports decarbonization, while also supporting the stable procurement of copper products and securing sustained revenue opportunities for our business. In addition, we are working to ensure a sustainable copper supply by improving operational efficiency, reducing environmental impact, and enhancing resource circulation across the entire product life cycle.
Expected financial impact	**■Financial impact of carbon pricing** <Financial impact> Medium-term and long-term: Slightly negative Even if regulations are further strengthened going forward, the financial impact is expected to be limited through the implementation of strategies and mitigation measures. **■Opportunity for business expansion associated with the transition to a decarbonized society** <Financial impact> Medium-term and long-term: Positive (Under the STEPS: Positive for both medium-term and long-term) Note: Fluctuations in copper prices associated with changes in copper demand entail a high degree of uncertainty, making it difficult to calculate the financial impact.

Aluminum Business

Transition risks	In the aluminum business, we recognize the financial impact of carbon pricing.
Risk details	We recognize the risk that operating costs from carbon pricing will increase in the aluminum smelting process at our aluminum smelter. Time horizon: Medium-term and long-term
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	We are working to reduce GHG emissions through operational improvements in the electrolysis process and are currently in the process of acquiring Renewable Energy Certificates (RECs). A key operating company has formulated a 2050 carbon neutrality target.
Expected financial impact	<Financial impact> Medium-term: Slightly negative; Long-term: Moderately negative In addition to the strategies and mitigation measures described above, we are considering multiple initiatives that contribute to reducing GHG emissions, and we believe that the financial impact described above can be reduced.

Thermal Coal and Coking Coal Business

Transition risks	In the thermal coal and coking coal business, we recognize the risk of business contraction associated with the transition to a decarbonized society and the financial impact of carbon pricing.
Risk details	**■Risk of business contraction associated with the transition to a decarbonized society** We recognize the risk of declining revenue and asset valuation in our upstream interest business for coking coal, due to the decline in coking coal demand and changes in the customer structure. Time horizon: Medium-term and long-term **■Financial impact of carbon pricing** We recognize the risk that operating costs will increase in production activities at coal mines in which we hold interests, due to the strengthening of regulations on GHG emissions (particularly methane) and the introduction of carbon taxes. The government of the project host country has already set GHG emission reduction targets within the country. Time horizon: Short-term Notes: • Energy policies in many countries, especially developed countries, plan for a shift from coal-fired power generation to gas-fired power generation and then to renewable energy power generation, and demand for thermal coal used in coal-fired power generation is therefore expected to decline. In light of such circumstances, in line with our Policies on Climate Change Issues, we will not acquire new interests in the thermal coal mine development business going forward and plan to reduce equity production volume to zero in the late 2020s. Since the business is scheduled to have already been exited within the medium-term and long-term time horizons, there is no financial impact. • Regarding the coking coal business, coal mines in which we hold interests are scheduled to reach the end of mining within the medium-term and long-term time horizons.
Financial impact in the current/next fiscal year	While carbon tax payments are incurred in the current fiscal year, no material impact on the carrying amounts of assets and liabilities is expected in the next fiscal year as a result of the financial impact in the current fiscal year. Financial impact in the current fiscal year: Slightly negative

Strategies and mitigation measures	**■Risk of business contraction associated with the transition to a decarbonized society** Regarding the coking coal business, the interests we hold produce high-grade coking coal, and a certain level of demand is expected to be maintained under both the IEA's STEPS and NZE, so the impact on the coking coal business is expected to be limited. We will continue to consider investments in coal mines that produce coking coal with these characteristics. At the same time, we recognize that, as part of the external environment surrounding the coking coal business, the launch of new coking coal mines has tended to be delayed in recent years due to factors such as permitting. **■Financial impact of carbon pricing** At coal mines in which we hold interests, we are working to reduce emissions through improvement in operational efficiency. We are also contributing to decarbonization through investments in projects to utilize former coal mine sites (pongamia tree planting) including for use as biodiesel fuel, and in companies such as Loop, which operates a gas extraction business at open-pit coal mines. Going forward, we will continue to work to achieve emission reduction targets set by the government of the project host country as well as targets for emission reductions through our own efforts.
Expected financial impact	**■Risk of business contraction associated with the transition to a decarbonized society** <Financial impact> Medium-term and long-term: Slightly negative (Under the STEPS: Slightly negative for both medium-term and long-term) As described above, our policy is not to acquire new interests in the thermal coal mine development business and to reduce equity production volume to zero in the late 2020s. Since the business is scheduled to have already been exited within the medium-term and long-term time horizons, there is no financial impact. The weight of thermal coal interests in our resource portfolio is relatively small, and the interests we currently hold are also scheduled to reach the end of their mine life in the near future. These interests produce high-grade coal, which is in relatively high demand, and are cost-competitive, providing a degree of resilience against price declines even in the event of falling demand. Regarding coking coal, over the long term, against the backdrop of policy developments such as the introduction and strengthening of carbon taxes in many countries and regions, the practical adoption of low-carbon steelmaking methods with lower CO_2emissions and an increase in the ratio of electric furnace steel are expected to progress and lead to a decline in demand. However, in combination with CO_2capture and storage technologies such as CCUS, steel production using blast furnaces is expected to be maintained for the time being. Furthermore, the Group's upstream interest investment business is directed at the seaborne trade market, where coking coal demand is expected to increase under the STEPS and to decline modestly under the NZE, with supply declines preceding demand declines under both the STEPS and NZE. The interests we hold produce high-grade coking coal, and a certain level of demand is expected to be maintained under both the STEPS and NZE, so the impact on the coking coal business is expected to be limited. **■ Financial impact of carbon pricing** <Financial impact> Short-term: Slightly negative Carbon taxes are factored into the full-year forecast for FY2026.

Iron Ore Business

Transition risks	In the iron ore business, we recognize the risk of business contraction associated with the transition to a decarbonized society.
Risk details	We recognize the risk of declining revenue and asset valuation in our iron ore upstream interest business, due to the decline in iron ore demand resulting from the shift from blast furnaces to electric furnaces by steel manufacturers. Time horizon: Medium-term and long-term
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	Our iron ore-related businesses contribute to the stable supply of resources to Asia, with a focus on China and Japan. From the medium term onward, much of the production from the interests we hold is expected to consist of high-grade iron ore, which is in scarce supply, so the impact of declining iron ore demand from the increase in the ratio of electric furnaces is expected to be minor. We will continue to monitor the impact on demand from changes in iron-making and steelmaking methods in the steel industry's response to the transition to a decarbonized society, and we will promote actions toward the stable supply of iron ore through the diversification and broadening of our customer base.
Expected financial impact	<Financial impact> Medium-term and long-term: Slightly negative (Under the STEPS: Neutral for both medium-term and long-term) Under the NZE, iron ore demand may decline with the increase in the ratio of electric furnaces in the steel industry, but the impact on high-grade iron ore, demand for which rises under both the blast furnace and electric furnace methods, is expected to be minor. As described above, much of the production from the multiple interests we hold is expected to be high-grade iron ore, and we recognize that the impact of declining demand will be minor or avoidable.

Chemicals Business

Business Opportunities	In the chemicals business, we recognize the opportunity for business expansion associated with the transition to a decarbonized society.
Opportunity details	**■Opportunities in green chemical products** We expect demand for green chemical products to increase as a result of the transition to a decarbonized society, and in our green chemical sales business, we recognize the opportunity for increased revenue through the active promotion of green chemical products. Time horizon: Medium-term and long-term **■Opportunities in propane products** With the medium- to long-term increase in LNG demand expected under the STEPS, demand for propane, which is used as a refrigerant in the LNG liquefaction process, is also expected to increase, and we recognize the opportunity for increased revenue in our propane sales business. Time horizon: Medium-term and long-term
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	**■ Opportunities in green chemical products** We have obtained ISCC PLUS certification under International Sustainability & Carbon Certification for handling bio-based chemical products, and we have been conducting research to identify customer demand and suppliers that can meet that demand. Going forward, if additional certifications are needed based on societal demands, we will continue to acquire them, and will continue to gather information to identify, in a timely manner, the demand that is expected to grow and to find the suppliers that can meet it. **■Opportunities in propane products** By establishing a new manufacturing base, we have built a business foundation that can continuously capture opportunities for selling propane for LNG applications.
Expected financial impact	**■Opportunities in green chemical products** <Financial impact> Medium-term and long-term: Slightly positive (Under the STEPS: Slightly positive for both medium-term and long-term) The increase in demand for green chemical products is expected to be more pronounced under the NZE. **■Opportunities in propane products** <Financial impact> Medium-term and long-term: Slightly positive (Under the STEPS: Slightly positive for both medium-term and long-term) The increase in demand for propane, which is used as a refrigerant in the LNG liquefaction process, is expected to be more pronounced under the STEPS.

Agricultural Materials Distributor Business

Physical risks	In the agricultural materials distributor business, we recognize the risk of crop yield decline.
Risk details	As the likelihood of drought rises with the increase in average temperatures, in the event of a drought, we recognize the risk of declining sales and the risk of an increase in the allowance for doubtful accounts in our agriculture-related sales activities, due to the deteriorating profitability of farmers caused by crop yield decline. Time horizon: Short-, medium-, and long-term
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	To enhance resilience against fluctuations in sales, we have already been working on the appropriate control of selling, general, and administrative expenses and the optimization of our fixed cost structure, as well as on stricter credit screening and an increase in the ratio of collateral obtained, and we will continue these efforts.
Expected financial impact	<Financial impact> Short-term, medium-term, and long-term: Moderately negative In the event that the risk materializes, declining sales and an increase in the allowance for doubtful accounts are expected. While the implementation of strategies and mitigation measures is expected to entail an increase in management costs from enhancing credit screening processes and a decrease in sales opportunities from stricter credit screening, we are working to reduce the risk.

Power Generation Business (Coal-Fired Power Generation, Gas-Fired Power Generation)

Physical risks **Transition risks**	In the power generation business, we recognize the risk of operational disruption due to flooding and the risk of business contraction associated with the transition to a decarbonized society.
Risk details	**■Risk of operational disruption due to flooding** With the increased likelihood of weather disruptions such as heavy rainfall accompanying rising average temperatures and seawater temperatures, we recognize the risk that, should flooding occur, our coal-fired power plants would face opportunity losses during operational disruptions and the incurrence of costs to restore facilities. Time horizon: Short-term and medium-term **■Risk of business contraction associated with the transition to a decarbonized society** For coal-fired power generation, a phased reduction is progressing starting with developed countries, and significant decreases in demand are expected going forward under both the STEPS and NZE. For the gas-fired power generation business as well, while an increase in demand is expected under the STEPS, a decrease is expected under the NZE. In light of the above, while there is the risk of business contraction and assets becoming stranded as demand for coal-fired and gas-fired power generation declines, our coal-fired and gas-fired power generation businesses have entered into long-term power sales contracts, so the financial impact of decreased demand is expected to be limited. Time horizon: Short-term, medium-term, and long-term Notes: • In line with our Policies on Climate Change Issues, we will withdraw from all coal-fired power generation businesses by the late 2040s, and existing coal-fired power generation businesses are therefore scheduled to end within the long-term time horizon.
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	**■Risk of operational disruption due to flooding** We have procured insurance for operational disruptions in preparation for losses should the risk materialize. **■Risk of business contraction associated with the transition to a decarbonized society** Because we have entered into long-term power sales contracts, the financial impact of decreased demand for coal-fired and gas-fired power generation will be limited. We nonetheless comply appropriately with environmental regulations and related laws in the project host country, and we will continue to closely monitor trends surrounding decarbonization.

Expected financial impact	**■Risk of operational disruption due to flooding** <Financial impact> Short-term and medium-term: Moderately negative As a strategy and mitigation measure for this risk, costs are incurred to procure insurance for operational disruptions as noted above. However, since losses when the risk materializes will be covered by insurance for operational disruptions, the financial impact is expected to be limited. **■Risk of business contraction associated with the transition to a decarbonized society** <Financial impact> Short-term, medium-term, and long-term: Slightly negative (Under the STEPS: Slightly negative for short-term, medium-term, and long-term) While the share of gas-fired power generation in total power generation is expected to decline over the medium and long term, studies on reducing CO_2emissions through the use of new technologies such as hydrogen and CCUS are also expected to progress. From the perspective of stable power supply as we advance the energy transition, a certain level of supply is expected to be required, with gas-fired power generation remaining an important means of generation. As noted above, because both the coal-fired and gas-fired power generation businesses have entered into long-term power sales contracts, the financial impact of decreased demand is expected to be limited. We comply appropriately with environmental regulations and related laws in the project host country, and because these compliance costs fall within the scope of the long-term power sales contracts, the financial impact is also limited.

Natural Gas and LNG Business (Upstream Interests)

Transition risks	In the natural gas and LNG business (upstream interests), we recognize the risk of business contraction associated with the transition to a decarbonized society and the financial impact of carbon pricing.
Risk details	**■Risk of business contraction associated with the transition to a decarbonized society** Demand for natural gas and LNG is expected to expand steadily through the mid-2030s under the STEPS, while it is expected to decrease over the medium and long term under the NZE. We recognize the risk of decreased gas demand in our LNG upstream interest business. Time horizon: Medium-term and long-term **■Financial impact of carbon pricing** We recognize the risk that the profitability of the business will be pressured should a carbon tax or carbon levy be introduced in the major sales destinations of LNG produced at projects in which we participate. Time horizon: Medium-term Note: Within the long-term time horizon, existing businesses are scheduled to end production based on the project production plans.
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	**■Risk of business contraction associated with the transition to a decarbonized society** We are working to maintain and enhance the competitiveness of existing assets through measures such as low-cost additional development that utilizes existing plants. For new projects, taking into account policy shifts in each country and the introduction of carbon pricing, we are focusing on strategic regions from a medium- to long-term perspective and working to maximize opportunities by creating a natural gas and LNG value chain in combination with LNG trading as well as midstream and downstream businesses. We will continue to introduce low-carbon technologies such as CCS and CCUS while seeking the best mix with renewable energy, securing demand for transition fuels that support the shift to a carbon-neutral society and contributing to a stable supply of energy. **■ Financial impact of carbon pricing** A portion of the gas and LNG produced at some projects is supplied for power generation use within the project host country. In regions where coal-fired power generation still accounts for most of the power mix, our initiatives for these projects are contributing to improvements in each country's energy mix and to GHG emission reductions. Furthermore, the expansion and development plans currently under way include CCUS, and we are working to enhance the value of existing assets in a low-carbon society. In addition, at a project in a different country from the above, we produce LNG using clean FEED gas with extremely low GHG emissions, contributing to a low-carbon energy supply.

Expected financial impact	**■Risk of business contraction associated with the transition to a decarbonized society** <Financial impact> Medium-term: Slightly negative (Under the STEPS: Slightly positive for medium-term) Note: The calculation assumes that existing businesses will be held until the end of mining, and within the long-term time horizon, existing businesses are scheduled to end production. During the transition to a low-carbon society, natural gas and LNG are expected to continue to play an important role, not only as a substitute for coal in power generation but also as a feedstock for producing petrochemical products and ammonia, and as a transportation fuel. In the short and medium term, demand is expected to increase, particularly in the ASEAN region, with increased business opportunities anticipated in Asia and Oceania (including India). In the long term, while the increase in demand in emerging countries is expected to be offset by the spread of renewable energy and other sources, leading to a downward trend in demand, we believe natural gas will continue to play an important role, including by serving a balancing function when renewables are not generating power. **■ Financial impact of carbon pricing** <Financial impact> Medium-term: Significantly negative At some projects, no carbon tax or carbon levy is currently planned for introduction in the sales destination areas in the short term, so no impact on financial position or financial performance is anticipated. Expenditures for implementing CCUS as a measure to reduce CO_2emissions from manufacturing plants are included in project costs, and no additional costs are expected to arise. In addition, at a project in a different country from the above, an upper limit has been set on the volume of GHG emissions from manufacturing plants, and any amount exceeding that limit is scheduled to be offset using carbon credits. These expenditures are also already included in project costs. Over the medium and long term, at both projects, we recognize the risk that the profitability of the business will be pressured should a carbon tax or carbon levy be introduced in the major sales destination areas.

Natural Gas and LNG Business (Trading)

Transition risks Business Opportunities	In our gas trading business, we recognize the risk of business contraction associated with the transition to a decarbonized society, the opportunity for business expansion associated with the transition to a decarbonized society, and the opportunity for shifting to low-carbon products.
Risk / Opportunity details	**■ Risk of business contraction associated with the transition to a decarbonized society** While demand for natural gas and LNG is expected to increase under the STEPS over the medium and long term, it is expected to decrease under the NZE. We recognize the risk that profit for the year in our gas trading business will decrease in line with a decline in gas demand. Time horizon: Long-term **■ Opportunity for business expansion associated with the transition to a decarbonized society** We recognize the opportunity for revenue from the gas trading business to increase along with rising demand for natural gas as a transition fuel and rising demand for natural gas to supply gas-fired power generation that meets electricity demand for AI. Time horizon: Medium-term and long-term **■ Opportunity for shifting to low-carbon products** We recognize the opportunity for revenue from trading businesses other than gas trading to increase by entering trading in other products that can leverage the trading expertise we have cultivated in gas trading. Time horizon: Medium-term and long-term
Financial impact in the current/next fiscal year	Regarding the risk of business contraction associated with the transition to a decarbonized society and the opportunity for business expansion associated with the transition to a decarbonized society, there is no material financial impact in the current or next fiscal year. Regarding the opportunity for shifting to low-carbon products, we have already entered the power and environmental product trading businesses and have recognized revenue from this business in the current fiscal year. No material impact on the carrying amounts of assets and liabilities is expected in the next fiscal year. <Financial impact in the current fiscal year> Slightly positive
Strategies and mitigation measures	We are establishing the necessary organizational structure and recruiting specialist personnel to expand gas trading transactions and to expand trading businesses beyond gas. In parallel, while also pursuing the strengthening of our governance structure, we will expand our trading businesses by entering product trading that can leverage the trading expertise cultivated in gas trading, in addition to our conventional natural gas and LNG trading and the power and environmental products trading we have already entered.

Expected financial impact	**■Risk of business contraction associated with the transition to a decarbonized society** <Financial impact> Medium-term: Neutral; Long-term: Slightly negative (Under the STEPS: Slightly positive for both medium-term and long-term) Under the NZE, where demand for natural gas and LNG is expected to decrease, we recognize the risk that profit for the year attributable to owners of the parent will decrease in line with declining gas demand. On the other hand, as noted above in "Natural Gas and LNG Business (Upstream Interests)," during the transition to a low-carbon society, natural gas and LNG are expected to continue to play an important role, not only as a substitute for coal in power generation but also as a feedstock for producing petrochemical products and ammonia, and as a transportation fuel. **■Opportunity for business expansion associated with the transition to a decarbonized society / Opportunity for shifting to low-carbon products** <Financial impact> Medium-term and long-term: Slightly positive Although personnel costs will increase along with staffing build-up, in addition to power and environmental products, we anticipate further additions to profit for the year attributable to owners of the parent through entry into product trading that can leverage our trading expertise.

Offshore Oil and Gas Production Facility Chartering Business

Transition risks	In the offshore oil and gas production facility chartering business, we recognize the risk of business contraction associated with the transition to a decarbonized society.
Risk details	Demand for natural gas is expected to increase under the STEPS and decrease under the NZE over the medium and long term. Demand for oil is expected to remain flat under the STEPS and decrease under the NZE over the medium and long term. While there is a risk of business contraction due to decreasing demand for oil and gas and regulatory changes, our offshore oil and gas production facility chartering business has entered into long-term chartering contracts, so financial impact from a decline in demand is expected to be limited. Time horizon: Short-term, medium-term, and long-term
Financial impact in the current/next fiscal year	There is no material financial impact in the current or next fiscal year.
Strategies and mitigation measures	As noted above, because we have entered into long-term chartering contracts, the financial impact of decreased demand is expected to be limited. We nonetheless comply appropriately with environmental regulations and related laws in the project host country, and we will continue to closely monitor trends surrounding decarbonization.
Expected financial impact	<Financial impact> Short-term, medium-term, and long-term: Slightly negative (Under the STEPS: Slightly negative for short-term, medium-term, and long-term) As noted above, because we have entered into long-term chartering contracts, the financial impact is also limited.

Climate-Related Resilience

With respect to the climate-related risks for each individual business identified above that could affect the Group's prospects, we are already implementing strategies and mitigation measures, and we continue to formulate plans for further strategies and mitigation measures. Through the implementation of strategies and mitigation measures, we recognize that uncertainty is reduced and the financial impact can be reduced even if the risks materialize. In addition, our business portfolio is broadly diversified across a wide range of industries and regions, and we recognize that the impact on the Group's business continuity is limited. Furthermore, taking into account the total financial impact under the NZE for all of the transition risks identified above,
we assess that the Group has resilience in terms of business continuity in the transition to a decarbonized society.
In addition, with respect to the climate-related opportunities for each individual business identified above that could affect the Group's prospects, we are formulating strategies and working to ensure that they materialize, accelerating new growth that builds on the Group's strengths.

3. Risk Management

Climate-Related Risk Management Across the Overall Business Portfolio

The status of monitoring of climate-related risks across the overall business portfolio is reported regularly to the Management Council and the Board of Directors. By maintaining a structure in which the Management Council and the Board of Directors can ascertain the status of risks, discuss future management and response policies, and make strategic management decisions, the Group is positioned to consider measures including reduction of exposures in collaboration with relevant corporate departments if there are any unacceptable risks in the overall business portfolio. The management process of climate-related risks across the overall business portfolio has remained the same since the previous reporting period.

Sustainability-Related Risk Management for Individual Businesses

For individual businesses, climate-related risks in general are assessed and response measures are reviewed as part of the due diligence process when considering and executing new businesses. Each responsible SBU prepares a self-assessment sheet on climate-related risks and opportunities, and based on previous cases in the same sector or country, identifies and assesses the likelihood of potential risks and opportunities as well as their impacts on society, the environment, and our own business if they materialize, and then the Corporate Sustainability Department reviews the self-assessment sheet by considering related external information. Also, the Company Investment Committee considers and checks important response measures related to value creation and the prevention of value impairment for the target business in light of the identified and assessed sustainability-related risks and opportunities.

With regard to existing businesses as well, separately from the six Material Issues identified as a medium- to long-term commitment that goes one step further toward helping resolve key social issues that the Group must address, we identify sustainability-related risks and opportunities including climate in each business that can reasonably be expected to affect the Group's prospects by conducting an overall assessment on two axes: "magnitude of potential financial effects" and "likelihood."
Specifically, for each of the Group's businesses, we examine risks and opportunities across the entire value chain based on the SASB Standards, with separate reference to scenarios such as those in the "World Energy Outlook 2025" published by the International Energy Agency (IEA). The scope of the FY2025 analysis covers Sumitomo Corporation on a non-consolidated basis, consolidated subsidiaries, and equity-method affiliates engaged in thermal power generation, fossil energy interest businesses, and high Scope 3-emitting businesses.

Magnitude of potential financial effects	We assess the Magnitude of potential financial effects when a risk materializes over short-, medium-, and long-term time horizons*, using established thresholds. Where quantification is difficult, qualitative factors, such as reputational damage and loss of stakeholder trust, are also taken into consideration.
Likelihood	We assess the likelihood using established thresholds, based on historical data, scenario analysis, and instances of risk materialization at other companies.
Other	We consider whether the relevant risk is transitory or cumulative, and whether it arises from internal activities or the external environment, when we conduct an assessment.

* Time horizons: Short-term(2026), Medium-term(2035), Long-term(2050)

With respect to the identified risks and opportunities, each Business Group conducts regular monitoring, and where issues are identified, improvements are pursued in accordance with the characteristics of the relevant business. When a case relating to the impacts of the Group's business activities is raised by a local community, a non-governmental organization (NGO), or another stakeholder, we ascertain the facts and engage in dialogue and discussion toward improvement. The status of monitoring of risks and opportunities and the measures taken and their status are reported regularly to the Management Council and the Board of Directors.
Also, risks and opportunities that could affect the Group's prospects are identified not only in climate but also natural capital, human capital and governance following the above process.

The Group recognizes that sustainability-related risks including climate are closely interrelated with other types of risks. All uncertainties arising from the Group's business activities are treated as risks, and they are managed within the Group's systematic and integrated risk management framework, which is premised on balancing risk with return, without prioritizing them over other types of risks.

4. Metrics and Targets

The Group's Carbon Neutrality Targets

The Group has established the Policies on Climate Change Issues as well as long-term and medium-term goals for our Material Issues, and aims to advance our efforts to achieve the Group's carbon neutrality in 2050 while contributing to the carbon neutrality of society.

For Scope 1, 2, and 3 (Categories 13 and 15), which constitute the scope subject to carbon neutrality, we have set FY2024 as the base year and aim to achieve carbon neutrality in 2050 as our long-term goal, with an interim reduction target of reducing total emissions by 30% or more from the base year by FY2035 (breakdown: 85% reduction in Scope 1 and 2; 20% reduction in Scope 3 (Categories 13 and 15)). Carbon neutrality in 2050 means reducing the Group's GHG emissions and bringing residual emissions to net zero through internationally recognized methods such as carbon removal. The scope of carbon neutrality covers GHGs including not only CO_2 but also methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.

The objective of these targets is for the Group to play its role in actively contributing to realizing carbon neutrality in society as stipulated in the Paris Agreement and other relevant global consensus.

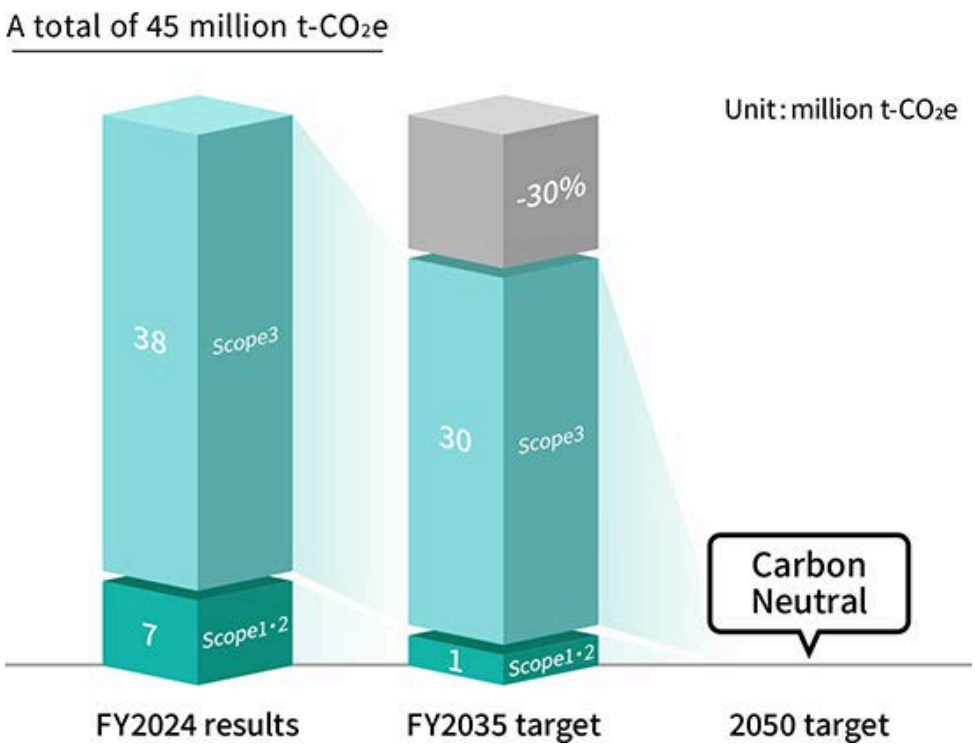
To achieve the emission reduction targets, we will continue steady reduction efforts tailored to the business environment of each site, including introducing energy-saving equipment, replacing equipment, and procuring renewable energy.

The Group's climate-related targets are reviewed by the Board of Directors after submission to the Management Council. As metrics for monitoring the progress of the Group's climate-related targets, the trajectories of Scope 1, 2, and 3 (Categories 13 and 15) emissions are set.

In working toward carbon neutrality in 2050, the thermal power generation business and the fossil fuel upstream business are priority areas in which the Group is advancing emission reductions, and we regard emissions from these two businesses as important information that conveys our investment and financing stance to stakeholders. Given that the new scope subject to carbon neutrality under the GHG Protocol cannot fully capture all emissions from these two businesses*, we continue to monitor and disclose the annual emissions from both businesses.

* Approximately 70% of the total emissions from the thermal power generation business and the fossil fuel upstream business (total emissions of 50 million t-CO_2e in FY2024) are included in the newly established scope of Scope 1, 2, and 3 (Categories 13 and 15). The remaining approximately 30%, however, falls outside the scope of Scope 1, 2, and 3 due to reasons such as being supply chain emissions of businesses in which the Group invests as a minority shareholder.

【Carbon Neutrality Target】

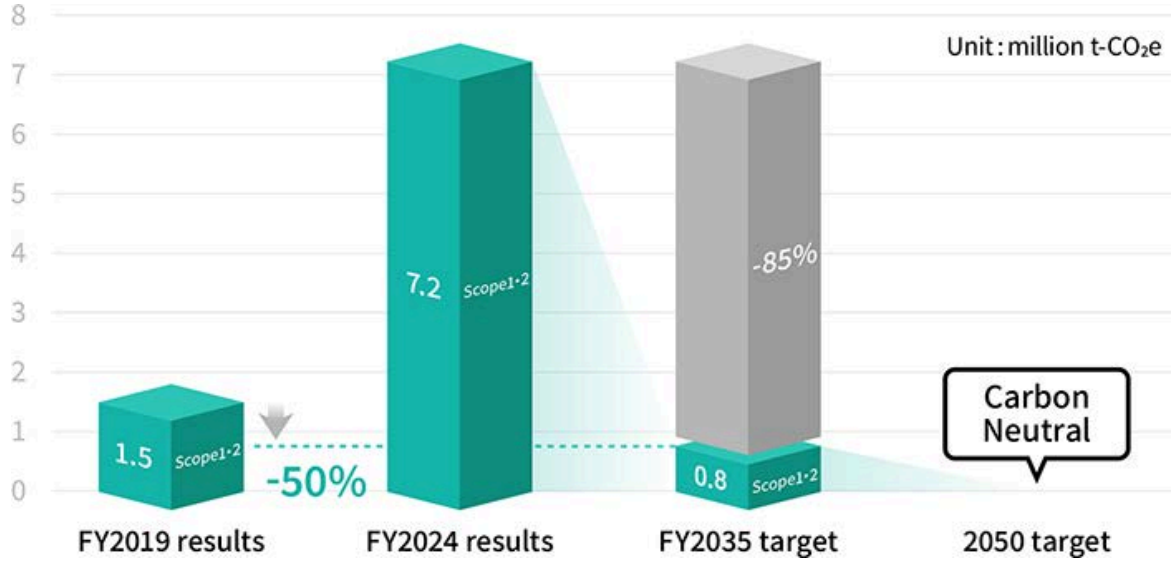


【Scope1・2】

Base year: 7.2 million t-CO2e in FY2024

Interim target: 0.8 million t-CO2e in FY2035 (85% reduction from the base year)

Long-term target: Carbon neutrality in 2050



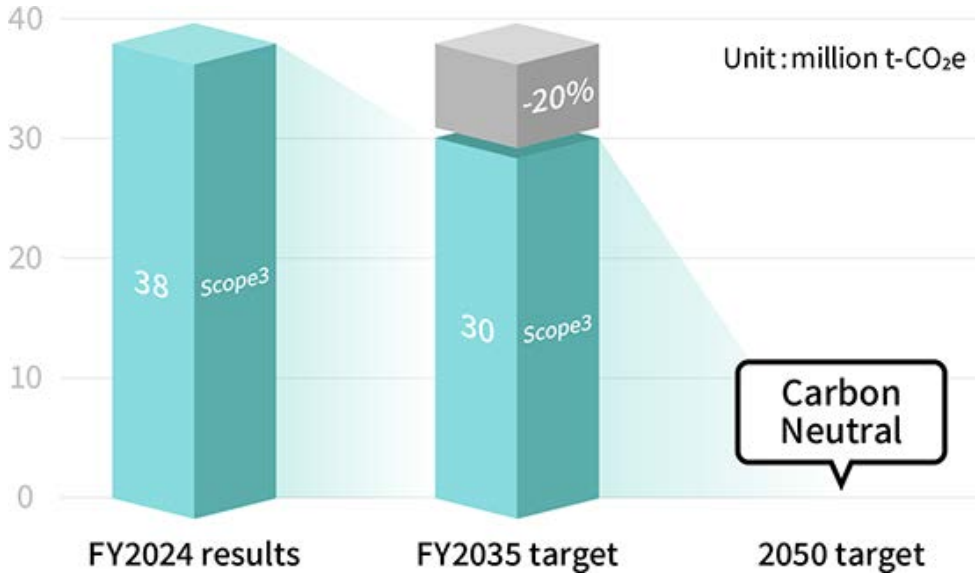
- The emission reduction target of 0.8 million t-CO2e for FY2035 is a level that maintains the previous interim target of reducing CO2 by 50% or more from the total of 1.5 million t-CO2e for Scope 1/2 in FY2019.
- Scope 1/2 emissions in FY2024 increased by approximately 6 million t-CO2e compared to FY2019 due to the commencement of operations at the Van Phong thermal power plant (100% owned by Sumitomo Corporation) that was under construction in FY2019. We will transfer 50% of our equity interests in the power plant, and after the transfer, we plan to recognize the equity-share emissions under Scope 3 Category 15.

【Scope 3 (Category 13 and 15)】

Base year: 38 million t-CO_2e in FY2024

Interim target: 30 million t-CO_2e in FY2035 (20% reduction from the base year)

Long-term target: Carbon neutrality in 2050



- As of FY2024, the majority of Scope 3 emissions were from the thermal power generation business, and our policy is to stably provide the energy that is essential for economic and industrial development in local communities while continuously shifting management resources to a power generation portfolio with low environmental impact.
- The projected emissions for FY2035 include emissions following the transfer of the 50% stake in the Van Phong thermal power plant.

GHG Emissions within the Carbon Neutrality Boundary for the Sumitomo Corporation Group (Preliminary Figures)

(Unit: Thousand t-CO_2e)

		FY2024 (base year)	FY2025	Increase/ decrease	Percentage of reduction from the base year
Scope1		6,666	6,799	+133	2.0%
Scope2		490	485	△5	△1.0%
Scope3	Category 13	20,052	18,707	△1,345	△6.7%
	Category 15	17,778	16,305	△1,473	△8.3%

*1 The finalized figures will be disclosed on our website at a later date.

*2 The scope of the calculation is as follows.
Scope 1 and 2: Sumitomo Corporation on a non-consolidated basis, consolidated subsidiaries, and joint operations, based on the operational control approach under the GHG Protocol (2004).
Scope 3: Sumitomo Corporation on a non-consolidated basis and consolidated subsidiaries (excluding certain operating companies with small business revenue scale that are not classified under the high-emission business criteria from a materiality perspective).

*3 The Scope 1 figures include CO_2 emissions from energy combustion and GHG emissions other than CO_2 from energy combustion.

*4 Scope 1 and 2 GHG emissions are calculated based on our policy, formulated with reference to the GHG Protocol. In addition, in the calculation of GHG emissions, emission factors are based on data from “Mandatory Greenhouse Gas Accounting and Reporting System” of the Ministry of the Environment of Japan and 2023 country-specific data of the IEA’s “Emission Factors 2025.”

*5 For the calculation of Scope 3, we reference the GHG Protocol “Corporate Value Chain (Scope 3) Accounting and Reporting Standard” and various sources of information on the Green Value Chain Platform led by the Ministry of the Environment. Calculations are based on the latest actual figures, economic data, and coefficients available at the time of calculation. The main data sources used for emission factors are as follows.
Category 13: Usage scenarios established based on reasonable assumptions
Category 15: Emission factor database for calculating an organization’s greenhouse gas emissions, etc. through the supply chain

CO_2 Emissions Associated with the Thermal Power Generation Business and Fossil Fuel Upstream Business*1

(Unit: Thousand t-CO_2e)

Index	FY2019 (Base year)	FY2024	FY2025	Percentage of reduction from the base year
Thermal power generation business*2	43,126	38,612	37,322	△13.5%
Of which, coal-fired power generation*2	34,452	32,429	31,722	△7.9%
Fossil fuel upstream business*3	15,808	11,564	11,320	△28.4%
Of which, thermal coal mine development project	12,538	10,248	9,938	△20.7%

*1 Figures for active power generation projects and fossil fuel upstream business are calculated with the advice of a third party.
*2 Includes estimates for projects under construction and emissions from those affiliated companies under the equity method.
*3 Indirect CO_2 emissions associated with the use of energy resources produced by fossil fuel upstream business of Sumitomo Corporation, its subsidiaries, and affiliated companies under the equity method.

Policy on Coal-Related Businesses

- Coal-fired power generation business
  - No involvement in any new coal-fired power generation business, neither in IPP nor EPC
  - Reduce CO_2 emissions by 60% or more by FY2035 (compared with FY2019)
  - End all coal-fired power generation business by the late 2040s
  - While engaging in consensus building based on sincere dialogue with host countries, local communities, and other stakeholders; pursuing considerations and efforts toward the decarbonization and low carbonization of existing facilities; and providing maximum support for host countries in shifting their power sources to renewable energy and other cleaner alternatives, we will pursue various options, without eliminating the possibility of accelerated withdrawal from the business to realize decarbonization of our group and society.

- Thermal coal mine development business
  - No further investment in thermal coal mine development projects.
  - Aim to achieve zero production from thermal coal mines by the end of the 2020s.

Total Assets of Businesses Corresponding to climate-related risks and opportunities, and Their Share of the Total

The assets vulnerable to climate-related physical and transition risks that can reasonably be expected to affect the Group's prospects, and their share of the Group's total assets, are as follows. Assets vulnerable to physical risks cover the total assets corresponding to physical risks, and assets vulnerable to transition risks cover the non-current assets of businesses corresponding to transition risks. In addition, regarding assets vulnerable to transition risks, businesses for which the expected financial impact of transition risks that can reasonably be expected to affect the Group's prospects is limited are excluded.
Also, the total assets aligned with climate-related opportunities that can reasonably be expected to affect the Group's prospects, and their share of the Group's total assets, are also as follows.

- Physical risks: 564,893 million yen (share of the Group's total: 4.1%)
- Transition risks: 796,029 million yen (share of the Group's total: 5.8%)
- Business opportunities: 328,956 million yen (share of the Group's total: 2.4%)

<As of March 31, 2026>

Capital Investment Corresponding to climate-related risks and opportunities

For the climate-related risks and opportunities that can reasonably be expected to affect the Group's prospects, there is no material capital investment corresponding to them (as of March 31, 2026).
In addition, in order to have the Group's sustainability management recognized by a wide range of stakeholders and to advance it from the viewpoint of financing, we have formulated the Sustainable Finance Framework. For details, please visit our website "Sustainable Finance" page.

Net Ownership Generation Capacity Portfolio

(MW)

	As of March 31, 2026
Coal-fired power generation	5,172
Gas-fired power generation	2,525
Renewable energy*1	2,227
Total	9,927

* Includes capacity held by a fund whose management company is 51% owned by Sumitomo Corporation. Regarding our net ownership generation capacity of renewable energy, we aim to expand it from 1,397 MW in 2019 (the base year) to 5,000 MW or more by 2030.

Internal Carbon Pricing

From April 2023, we have been operating an internal carbon pricing (ICP) system to calculate carbon emission costs. We utilize analysis from the system to consider group-wide measures to create new business opportunities that contribute to realizing a carbon-neutral society and check potential impacts on future businesses for decisions on investment.
In the ICP system, we use the carbon price outlook under the NZE in the “World Energy Outlook 2024” published by the IEA to conduct scenario analyses based on the locations of new and existing projects.

＜Carbon Prices in Our ICP＞

(Unit: US dollars/t-CO_2)

	2035	2040	2050
Advanced economies with net zero emissions pledges	180	205	250
Emerging market and developing economies with net zero emissions pledges	125	160	200
Selected emerging market and developing economies (without net zero emissions pledges)	50	85	180
Other emerging market and developing economies	25	35	55

5. Initiatives

Operating Six Solar and Three Wind Power Plants in Japan

Among power stations sourced by renewables such as solar, wind, biomass and geothermal energies, solar (photovoltaic) power plants generate the greatest amount of electricity in Japan. So called "mega-solar (far-over-MW photovoltaic)" power plants started to be constructed across the country in 2012, after the introduction of the Feed-in Tariff system.

In the 1990s, Sumitomo Corporation began importing polysilicon and other materials for Japanese photovoltaic panel manufacturers, while exporting their products to overseas markets. We subsequently started the development of mega-solar power plants in Europe and the United States, and from 2012, in Japan. Today, we own and operate mega-solar projects at six locations nationwide.

Construction of wind power plants came into full swing in Japan in the early 2000s, before mega-solar projects gathered momentum. Sumitomo Corporation started the commercial operation of its first wind power plant in 2004, when wind power generation had just begun to take off. We then launched several projects, including those in Kashima, Ibaraki Prefecture and Oga, Akita Prefecture, which are well into the operational stage today. In April 2025, a new onshore wind farm—among the largest in Japan—officially commenced commercial operations in the Abukuma region of Fukushima Prefecture.



The wind power plant in Kashima stands on a landfill site facing the Kashima-nada Sea. The nacelles of wind turbines bear the logos of the local football team (Kashima Antlers) and other local corporations. (Summit Wind Power Kashima Wind Farm)



Oga is an ideal site for wind power generation, with average annual wind velocity exceeding 6 m/sat many points. (Oga wind power plant)

Transforming Fukushima into a Leading Region for Renewable Energy through the Abukuma Wind Power Project

In April 2025, under the Fukushima Renewable Energy Promotion Vision and the Fukushima New Energy Society Concept, the Abukuma Wind Power Plants No.1, No.2, No.3, and No.4 (hereinafter collectively referred to as "the Abukuma wind farm"), which had been under construction since April 2022, officially commenced commercial operations under the Feed-In Premium (FIP / *1) system.

The Abukuma wind farm is one of Japan's largest onshore wind farm, with 46 wind turbines, each with a capacity of 3,200 kW, installed on ridgelines in the Abukuma region, spanning the municipalities of Tamura, Okuma, Namie and Katsurao in Fukushima Prefecture. The total generating capacity of the wind farm is approximately 147,000 kW, with an expected annual generation equivalent to the electricity consumption of approximately 120,000 households.

The renewable energy generated at the Abukuma wind farm will be supplied to multiple companies and municipalities with business operations in Fukushima Prefecture through Corporate Power Purchase Agreements (PPA / *2). A portion of the revenue from energy sales will be utilized for funding reconstruction projects in local municipalities where the wind farm is located through the Fukushima Prefecture Renewable Energy Reconstruction Promotion Council.

The Abukuma Wind Power Project will continue to contribute to Fukushima Prefecture’s reconstruction efforts through the stable operation of the wind farm and its returns to the local community. Fukushima Prefecture aims to establish its position as a leading region for renewable energy by generating an amount of renewable energy equivalent to more than 100% of its total energy demand, and this project plays a role in supporting that vision.

*1 FIP = Feed-in-Premium System. A system that provides a premium subsidy for electricity sold by renewable energy generators to encourage investment and promote the expansion of renewable energy. Electricity is sold on the wholesale power market or directly to individual power consumers.

*2 PPA = Power Purchase Agreement: A long-term agreement for purchasing renewable energy from power producers.



Abukuma Wind Farm

Solar Power Plants in Minamisoma Stand as a Symbol of Restoration from the Earthquake Disaster

Our latest initiative in solar power generation is the development of a mega-solar power plant with a generation capacity of 92,000 KW in Minamisoma, Fukushima Prefecture, which suffered devastating damage from the Great East Japan Earthquake. In 2012, one year after the earthquake disaster, we began drawing up a plan to build a solar power plant with cooperation from the local municipality with the aim of making use of coastal land that subsided due to the tsunami. After overcoming numerous challenges, commercial operation commenced in March 2018 for the first phase of construction, and in December 2018 for the second phase of construction.

Fukushima Prefecture aims to expand its renewable energy power generation capacity to meet 100% of the prefecture's demand by around 2040. Installed on a vast plot of 150 ha land, which is 32 times the size of the Tokyo Dome stadium, the two solar power plants will not only contribute to achieving this target, but also stand as a symbol of restoration from the disaster for the regional people.

Sumitomo Corporation has the vision of operating its plants over the long term, even after the Feed-in Tariff period has ended, to continue supplying environmentally friendly and cost-competitive electricity to society. The prerequisite for fulfilling this vision is to build a relationship of trust with the local communities. The only way our facilities can sustain operations over decades to come is to be accepted and loved by the local people.



First-phase construction; Mano Migita Ebi solar power plant



Second-phase construction; Haramachi higashi solar power plant

Realizing Optimal Electricity Management through Group-wide Collaboration

Solar and wind power generation is susceptible to weather conditions. As a means of compensating for this weakness and ensuring stable electricity supply, Sumitomo Corporation is looking to use the storage batteries in its renewable energy business in pursuit of optimal electricity management. Furthermore, we are seeking to supply the electricity continuously and stably to consumers, in cooperation with Summit Energy Corporation, a subsidiary engaged in electricity retail business, who own and operate large-scale biomass power plants within the Group.



Our affiliate conducts panel inspections at periodical local meetings. (Second-phase construction; Haramachi higashi solar power plant)

Developing New Renewable Energy Power Generation Projects

The Japanese government has set the 2040 target for the proportion of renewable energy in the domestic energy consumption mix to up to 40～50%. The Sumitomo Corporaton Group meanwhile, has a medium-term goal of increasing its renewable energy power supply capacity to at least 3 GW in combined total by 2030 and, toward this end, is expanding the development of carbon-free energy projects.

Regarding offshore wind power generation in Japan, which has been attracting attention, we were appointed as the operator for the project off the coast of Enoshima island, Saikai City, Nagasaki Prefecture, in December 2023 in a tender for selecting offshore wind power operators based on the Act on Promoting Utilization of Sea Areas in Development of Power Generation Facilities Using Maritime Renewable Energy Resources implemented by the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure, Transport and Tourism. We are currently proceeding with various surveys and design work in preparation for the start of commercial operation in August 2029, but we are also implementing various fishery promotion measures and regional development measures, aiming to be a business that is integrated with the local community.

Drawing on our long years of operational experience in solar, wind and biomass power generation, we are confident that we can contribute to the development of Japan's renewable energy power generation industry and the realization of a sustainable society.

Sustaining Indonesia's Power Supply with Geothermal Power Generation

Renewable Energy That Is Less Susceptible to Climate Conditions

Geothermal power generation is a method used to generate electricity with a renewable energy source. The mechanism itself is simple: ground water is heated by deep underground magma near volcanoes, and the resulting steam turns the turbine of a generator that produces electricity. As it requires no fossil fuel consumption, geothermal power generation has a low environmental impact. Also, the cost of generating electricity is unaffected by fuel market fluctuations. Compared to other renewable energy sources such as solar and wind power, geothermal energy is undisturbed by climate conditions. Accordingly, this generation method can deliver electricity on a stable basis.

However, geothermal power generation entails some risks. It is unclear to know if enough hot water or steam (i.e. geothermal fluid) can be obtained for power generation until after a deep well has been drilled. In fact, some projects must be aborted as a result of drilling 2,000 to 3,000 meters in depth. Developing geothermal energy projects requires know-how of surface level surveys, ability to fund wells for drilling, ample time, and even a certain amount of luck.





Steamfield Above-Ground System (SAGS) extending from the Ulubelu production well (Ulubelu power station [left] and Lahendong power station [right])

Abundant Geothermal Resources in Indonesia

Business models for power generation infrastructure are generally grouped into two main categories: EPC and IPP. EPC refers to construction contracts where the Engineering, Procurement, and Construction of a power plant are contracted. Under EPC arrangements, the contract is typically fulfilled when the completed facility is delivered to the local government or company. IPP stands for Independent Power Producer, where the operator becomes the owner of the generating facility and sells electricity on an ongoing basis.

With a view to the diversification of power sources in the future, Sumitomo Corporation has kept a keen eye on geothermal power generation since the early days when these projects were becoming larger in scale and more practical, and began delivering related equipment in the 1970s. Indonesia has the second highest number of geothermal resources in the world. We began our work in geothermal power generation there in 1995, and won our first EPC contract for a geothermal power plant in 1997. To date, we have been involved in a total of 12 projects (17 units totaling approximately 900 megawatts of power generation capacity). This represents 40 percent of the total geothermal capacity in the country and is the highest among Japanese integrated trading and business investment companies.

Our success with numerous geothermal EPC projects has been built on the productive partnerships we have forged. Our partners include Fuji Electric Co., Ltd. the world's leading manufacturer of steam turbines for geothermal power stations, and an Indonesian company PT. Rekayasa Industri, which take charge of civil construction, installation and local procurement. Among our recent geothermal EPC projects are the Lahendong power station in north Sulawesi and the Ulubelu power station in south Sumatra.





Most geothermal power stations are located deep in rural mountainous areas. Encountering Sumatran tigers posed a threat during construction work for the Ulubelu power station on in Sumatra. (Ulubelu power station [left] and Lahendong power station [right])

Demonstrating Persistence in Geothermal IPP Project Development

Our first geothermal IPP project in Indonesia was the Muara Laboh project, launched in west Sumatra in 2011.

Geothermal power stations are generally developed and built in untouched mountainous areas near volcanoes. Development of a geothermal project begins with construction works which consists of clearing and leveling the ground at the project site. Muara Laboh is located in a remote area, requiring four to five hours of overland travel from the nearest airport. In March 2012, the Project Company which Sumitomo Corporation along with its partners invests in entered into a long-term power purchase agreement of 30 years with the Indonesian state-owned electricity utility. After obtaining a Government Guarantee Letter from the Ministry of Finance of the Republic of Indonesia, the Project Company embarked on trial well drilling.

However, as a result of drilling exploration wells, the need to downscale power generation capacity became clear. We renegotiated with the Indonesian government and the Indonesian state-owned electricity utility regarding the terms and conditions of the project. It took nearly two years before all parties reached a unanimous agreement. The next step was to make financial arrangements for the actual power station construction. After five years of concluding the initial long-term power purchase agreement, we were able to achieve finance close and start the construction work in March 2017.

We were also contracted to provide EPC services for the construction of this plant. To achieve our goal of completing our first geothermal IPP project in Indonesia on time and contributing to the country's electricity supply, we not only leveraged our expertise as an operator that we have cultivated through other IPP projects, but also our extensive experience in geothermal EPC projects and the comprehensive strengths of our electric power infrastructure business as well. Finally, we were able to commence commercial operation in December 2019 and has since continued stable operation.

It was unprecedented for a Japanese company to be involved in the development of an Indonesian geothermal power project from the earliest stage, even prior to test drilling. Systemic difficulties made negotiations on project terms and conditions as well as financial arrangements a prolonged endeavor. Despite this obstacle, the successful completion of the power plant was achieved, helping us build a foothold for our next projects in Indonesia. Currently, based on the confirmation of surplus steam during the development of the Muara Laboh project, we are advancing a similarly sized expansion project adjacent to the existing power plant. After several years of negotiation with the Indonesian state-owned electricity company regarding the terms of the power purchase agreement, we were able to sign the amended power purchase agreement on December 2024, achieve finance close on April 2025 and start the construction work. The plant is scheduled to commence commercial operation in October 2027 and after the start of commercial operation, the electricity generated will be sold to the Indonesian state-owned electricity company for approximately 25 years until the end of 2052. Combined with the existing power plant, this project is expected to contribute to supplying electricity to the equivalent of approximately 900,000 households. In parallel, we are developing Rajabasa geothermal IPP project, another new initiative on Sumatra Island.





Production well drilling at the Muara Laboh power station (left) and a panoramic view of the entire site

Indonesia to Increase Geothermal Power Generation Capacity by 2.5 Times by 2030

With the fourth largest population in the world at more than 270 million people, and an economy that continues to grow at around 5 percent per year, shifting to renewable energy and ensuring a stable supply of electricity have been national challenges for Indonesia. Geothermal power generation, which utilizes Indonesia's abundant geothermal resources, has been recognized as an effective means to simultaneously solve both of these issues, and the Indonesian government plans to increase its geothermal power generation capacity from the current 2,400 megawatts to 5,800 megawatts by 2030. The government is looking to Sumitomo Corporation, with its 20-plus years of experience in the construction of geothermal power plants and its experience in Muara Laboh geothermal IPP project, for support in this endeavor.

Geothermal power projects entail unique risks that other power sources do not. Building on our accumulated knowledge and expertise, we will contribute to the realization of a low-carbon society in Indonesia by managing those risks in cooperation with government agencies and financial institutions.





Good communication is essential among project staff. We also value communication with local community members and promote local hiring.



Related Information

- Start of Commercial Operation at Muara Laboh Geothermal Power Plant in Indonesia
- Contract Awarded by PT Pertamina Geothermal Energy for Construction of Units 5 and 6 at Lahendong Geothermal Power Station in Indonesia
- Contract Awarded by PT Pertamina Geothermal Energy for Construction of Units 3 and 4 at Ulubelu Geothermal Power Station in Indonesia
- Sumitomo Corporation to enter into Power Purchase Agreements for Geothermal Projects in Indonesia
- Purchase of Additional Equity Stake in Muara Laboh Geothermal Power Project in Indonesia
- Loan Agreement Signed for Expansion of Muara Laboh Geothermal Power Project in Indonesia

Participation in European Offshore Wind Power Projects

Rapid Development of Offshore Wind Power Generation in Europe

The European Union ("EU") aims to increase its use of renewable energy to at least 42.5% of the EU's total energy consumption by 2030. Under this circumstance, the development of offshore wind power generation projects is growing rapidly in Europe. This technology involves large turbines installed in the sea that harness the power of the wind to produce electricity. Wind farms are currently being constructed in earnest, mainly in the North Sea, which borders Norway, Denmark, Germany, the Netherlands, Belgium, France and the United Kingdom ("UK").

The greatest advantage of offshore wind power generation is the absence of physical obstacles to wind, such as mountains and buildings. This increases efficiency in energy conversion and facilitates output projection. The vast open spaces of the sea are also convenient for the transportation of turbine blades, a headache for onshore wind power projects situated on restrictive land sites. The North Sea is particularly suited to wind farms since shallow waters stretch out for over 40 kilometers off the coast.



An offshore wind farm is often likened to a flock of egrets.

Four Belgian Projects

Sumitomo Corporation entered the offshore wind power business in 2014. We participated in Belwind, Northwind and Nobelwind, Northwester2 wind farm projects, then in operation, under construction or in development in Belgium.

Constructing and operating these huge wind turbines requires stable funding, management skills to see the project through, and operational expertise. Having already accumulated considerable related experience through building and running conventional power plants and participating in onshore wind power projects in North America, China and South Africa, Sumitomo Corporation has been able to bring about successful outcomes in the Belgian projects.



A service vessel in the North Sea at sunrise—construction goes on day and night.



A towering offshore substation

Participation in Projects Expanding in Europe: From Belgium to the UK and then to France

Sumitomo's European bases for its offshore wind power business are Dusseldorf in Germany (European hub), London in the UK, and Paris in France. We have been exploring new business possibilities, working locally as an IPP firmly anchored in each locale and utilizing our global network as an integrated trading and business investment company to gather information.

Sumitomo Corporation entered the offshore wind power business in 2014 for the first time and has been able to bring about successful outcomes. In fact, it was due to our steady local efforts, in addition to our highly acclaimed role in the Belgian projects, that we were able to successively take part in two British offshore wind farm projects, Galloper in 2016 and Race Bank in 2017. Wind farms of Race Bank and Galloper, far larger in scale than their Belgian projects, were completed in March and September 2018, respectively. Sumitomo Corporation's experience and know-how accumulated through the Belgian projects is utilized in the operation of these British wind farms. Following them, we have started the new project Five Estuaries, an extension of Galloper.



The wind may agitate the sea, but it also makes turbine blades spin.

In 2018, we took part in the Le Tréport and Noirmoutier offshore wind projects in France, following our participation in Belgium and the UK. Le Tréport project is located in the English Channel about 15 kilometers off the coast of France and Noirmoutier project is located in the Bay of Biscay about 12 kilometers off the coast of France. We achieved financial close* for both projects in April 2023. Noirmoutier project has completed construction and commenced commercial operation in April 2026 while Le Treport project is currently under construction. The two projects have a total power generation capacity of around 1 gigawatt, enough to meet the consumption needs of 1.6 million people.

As evidenced here, the European offshore wind power market is expanding year by year. Our goal is to expand our business in this field by increasing our participation in projects in European countries, including for floating offshore wind turbine farms, an area for which growth is expected going forward. Sumitomo Corporation is moving in this direction, pursuing greater stability in power generation and higher cost competitiveness, so as to ensure continuity of power supply in Europe

* Financial Close: Entering into a loan agreement for a project and meeting the lending requirements

Potential in Asia

Outside Europe, Asia, Oceania, and North America are attracting global attention for their lofty potential in offshore wind power generation.

In Asia, Japan, Vietnam and other countries are whose who draw much attention, not only because of its abundant wind resources over spacious oceans but also thanks to the government's commitment to renewable energy. Sumitomo Corporation applies the expertise acquired through the European projects to initiatives in Japan, especially for the offshore wind project in the sea areas off the coast of Enoshima Island, Saikai Chity, Nagasaki Prefecture of which we were appointed by the government of Japan (the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure , Transport and Tourism) to design, build and operate as the operator.



A wind farm at sunset shows various expressions.

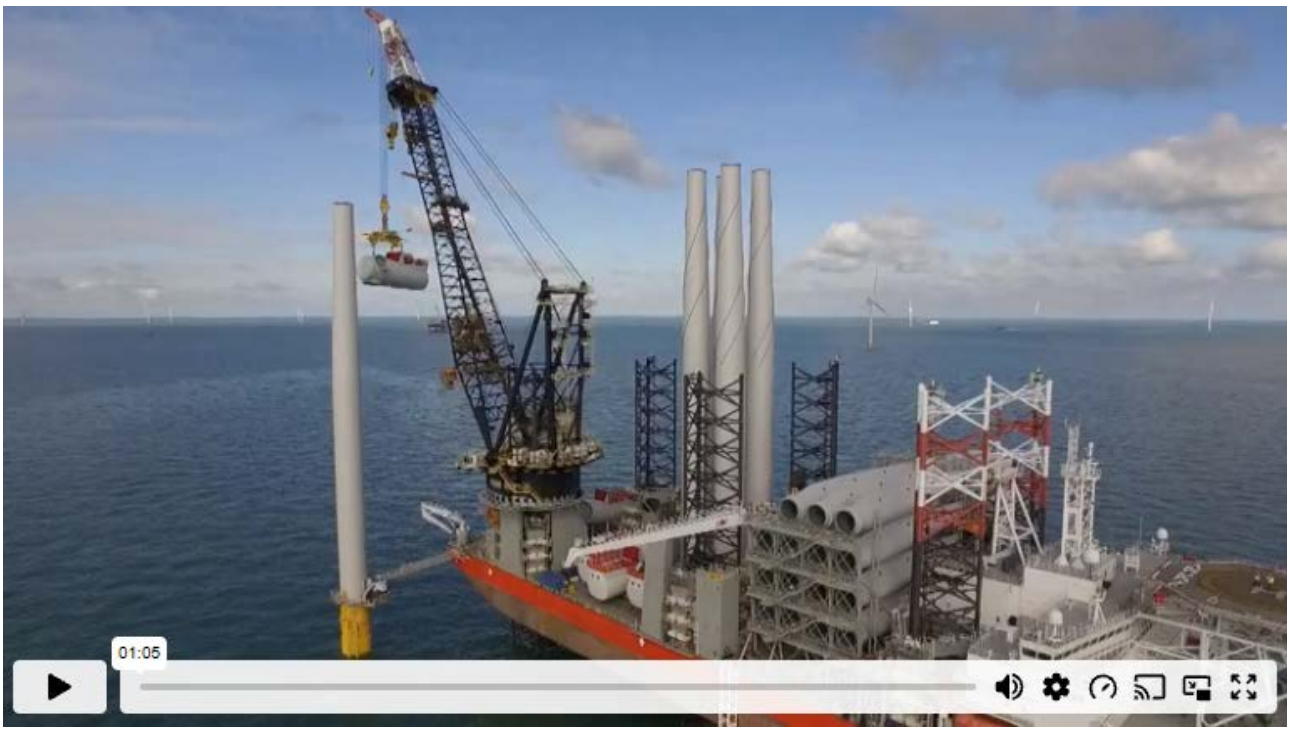
Establishment of the Fund to Expand the Renewable Energy Business

In April 2018, Sumitomo Corporation integrated its conventional power and renewable energy business segments and established a global system to enable it to work on power generation projects in a seamless fashion. The company's objective in this area is to establish a robust energy business that contributes to society and preserves the global environment for future generations.

In 2019, Sumitomo Corporation, Sumitomo Mitsui Banking Corporation and the Development Bank of Japan established the first fund through Spring Infrastructure Capital (SIC), a fund management company jointly established by the three companies. The fund—the first fund in Japan to invest in offshore wind power projects overseas—has acquired the UK-based offshore wind farms as seed assets (assets for investment by the fund). In 2022, SIC established a second fund to acquire solar power generation projects in Japan as seed assets.

Through SIC, we will provide institutional investors with opportunities to invest in renewable energy assets both in Japan and overseas, and contribute to the development of global infrastructure centered on renewable energy.

To protect our planet while guaranteeing the day-to-day comfort and convenience that electricity provides, Sumitomo Corporation continues to vigorously promote its renewable energy business.



Related Information

- Completion of Northwester 2 Offshore Wind Farm in Belgium
- Sumitomo Corporation participates in development of Five Estuaries Offshore Wind Farm in the UK
- Completion and Commencement of Commercial Operation of the Noirmoutier Offshore Wind Farm Project in France
- Financing secured and construction works commence for Éoliennes en Mer Dieppe Le Tréport Offshore Wind Farm Project in France
- Establishment of Renewable Energy Fund

Providing the Global Market with Sustainable Wood Resources

Managing Forests to Contribute to Carbon Neutrality across the Globe

Wood represents a recyclable resource because trees can be systematically planted, grown and harvested repeatedly. In addition, wood is one of our most familiar resources. Sumitomo Corporation started wood business by importing logs, lumber and veneer into Japan to support the high economic growth of the country. Since the 2000s, the Company has also expanded the business to include forest management, with a view to securing and utilizing forest resources in a more sustainable manner. We are also supplying wood products coming from the forests that we manage, targeting not only Japan's matured market, which does not have much room for remarkable growth, but also markets with high growth potential around the world.

Forests, which absorb and store CO_2, can contribute to carbon neutrality across the globe through proper management and harvesting. Sumitomo Corporation also conducts sustainable forest management by practicing environment-friendly harvesting in the forests owned and managed by the Company. Looking ahead, we are committed to further expanding forest resources on a global scale while leveraging the expertise we have built in forest management.



A port in New Zealand to export wood

Achieving Sustainable Forest Management in New Zealand through Forestation

In March 2013, Sumitomo Corporation acquired forest in New Zealand and subsequently began to manage it through Summit Forests New Zealand. The forest extends over about 50,000 hectares on the North Island, where Radiata pine is grown and harvested to be exported to China and other Asian countries.

Forest management entails much labor, such as thinning out and pruning. There are also management risks to consider, including damage caused by fires and storms. Moreover, it might also be necessary to establish roads, ports and other infrastructure to transport harvested trees. Despite these challenges, Sumitomo Corporation is engaged in forest management in order to ensure a stable supply of wood on a long-term basis.



Wild horses inhabit the forest in New Zealand, which is managed in an eco-friendly manner

In Summit Forests New Zealand, trees are planted, grown and harvested in a cycle of 30 years to supply wood resources in an environment-friendly manner. For this forest, Sumitomo Corporation employs local inhabitants. They have long been engaged in and have vast knowledge of forestry. They are therefore efficiently sharing the work of planting, growing and harvesting trees in the plantation. On an annual basis, trees are hauled from the forest in the volume of about 600,000 m3 (equivalent to the volume of 900 25-meter pools). Nature is preserved in the forest, with wild horses running free.

Sumitomo Corporation is thus managing the forest in harmony with the local environment, instead of just trading wood from the forest, and this approach is highly evaluated by the local people. Also, we are applying advanced technologies to the industry, particularly to support harvesting operations. This involves employing drone and satellite photography systems to grasp the topographic features of plantation areas and to confirm the dimensions of harvesting areas.



The forest area owned in New Zealand's North Island has been expanded to about 50,000 hectares

Related Information

Summit Forests

Renewable Energy Related Business

We have entered power generation business using renewable energy, which is expected to grow as a medium- to long-term energy source, contributing to mitigating climate change.

As of March 31, 2026

Fuel	Power plant	Country	Generation Capacity (MW)
Solar power	Osaka Hikarinomori Project	Japan	10.0
	Solar Power Saijo	Japan	29.0
	Solar Power Kitakyushu	Japan	16.0
	Solar Power Tomakomai	Japan	15.0
	Solar Power Minamisoma/Kashima	Japan	59.9
	Solar Power Minamisoma/Haramachi	Japan	32.3
	EVM/EVM2	Spain	14.0
Wind power	Oga Wind Power Plant	Japan	28.8
	Summit Wind Power (Kashima)	Japan	20.0
	Abukuma Wind Power Plant	Japan	147.2
	Datang Sino-Japanese (Chifeng) New Energy	China	50.0
	Stanton Wind Energy	USA	120.0
	Cimarron Ⅱ Wind	USA	131.1
	Ironwood Wind	USA	167.9
	Amunet	Egypt	500.0

Fuel	Power plant	Country	Generation Capacity (MW)
Offshore wind power	Northwind	Belgium	216.0
	Nobelwind	Belgium	165.0
	Northwester2	Belgium	219.0
	Galloper	UK	352.8
Woody biomass	Summit Handa Power	Japan	75.0
	Summit Sakata Power	Japan	50.0
	Summit Myojo Power	Japan	50.0
	Sendai-ko Biomass Power	Japan	112.0
Geothermal Power	Muara Laboh 1	Indonesia	85.0
	Muara Laboh 2	Indonesia	83.0
Hydraulic power	CBK	Philippines	797.0
	Dak Di 1&2	Vietnam	48.0

Green Building Initiatives and Issuance of Green Bonds

In our real estate business, we have formulated and implemented basic policies related to environmental, social and governance (ESG) issues. As a part of this, from fiscal 2024, we have also begun allocating sustainable finance (※) to proceeds of office buildings and logistics facilities that have obtained real estate environmental certifications such as CASBEE and BELS.

In addition, Sumisho Realty Management Co., Ltd. (“SRM”), a group company of our company, has obtained real estate environmental certifications such as CASBEE, DBJ Green Building, LEED and BELS for its fund properties currently under management, including SOSiLA Logistics REIT, Inc. (“SLR”). Also, SLR has been awarded “5 Stars” in the 2025 GRESB Real Estate Assessment and the highest “A Level” for the GRESB Public Disclosure, which measures the quality of ESG disclosure.
As the first J-REIT to formulate a green finance framework since IPO, SLR has been promoting ESG-oriented asset management through green finance. SLR issued Green Bonds worth 1.6 billion yen in July 2022 and 3.0 billion yen in June 2023 with aims to strengthen the funding platform by expanding the ESG investor base, along with promoting ESG initiatives. Funds procured through Green Finance are used for the acquisition of existing or new assets (including scheduled acquisition) of Eligible Green Assets that satisfy any of the following eligible criteria, used for the renovation of Eligible Green Assets, or repayment and redemption of loans (including Green Loan) and Investment Corporation Bonds (including Green Bonds) required for these.

* For details on our sustainable finance, please refer to the ‘Sustainable Finance’ page.

<Eligibility Criteria>

- **Green Building**
  Any of the following items that have been or will be certified
  - B+ rank, A rank, or S rank in CASBEE certification for new construction or for real estate
  - B+ rank, A rank, or S rank in CASBEE certification of local government version
    * Limited to properties within three years from the completion of construction
  - Three-star, four-star, or five-star DBJ Green Building certification
  - Three-star, four-star, or five-star BELS certification (2016 standard)
    * Excluding BEI over 0.75 for logistics facilities
  - Level 6, Level 5 or Level 4 in BELS certification (2024 standard)
  - Silver, Gold or Platinum in LEED certification
- **Renovation of Existing Building**
  Renovation of the owned assets which meet the following;
  - To aim for improving environmental benefits such as reducing CO_2 emission, energy consumption or water consumption (30% or more decrease in its volume)
  - To improve the certification level by one rank, acquisition or reacquisition of the certifications
- **Energy Saving Equipment**
  - Costs related to renewal of air-conditioning equipment, conversion of lighting fixtures to LEDs, and introduction of power storage systems (expected energy savings of 30% compared with conventional systems)
- **Renewable Energy**
  Acquisition or installation of renewable energy power generation facilities (installed on the premises or on the rooftop of the property)

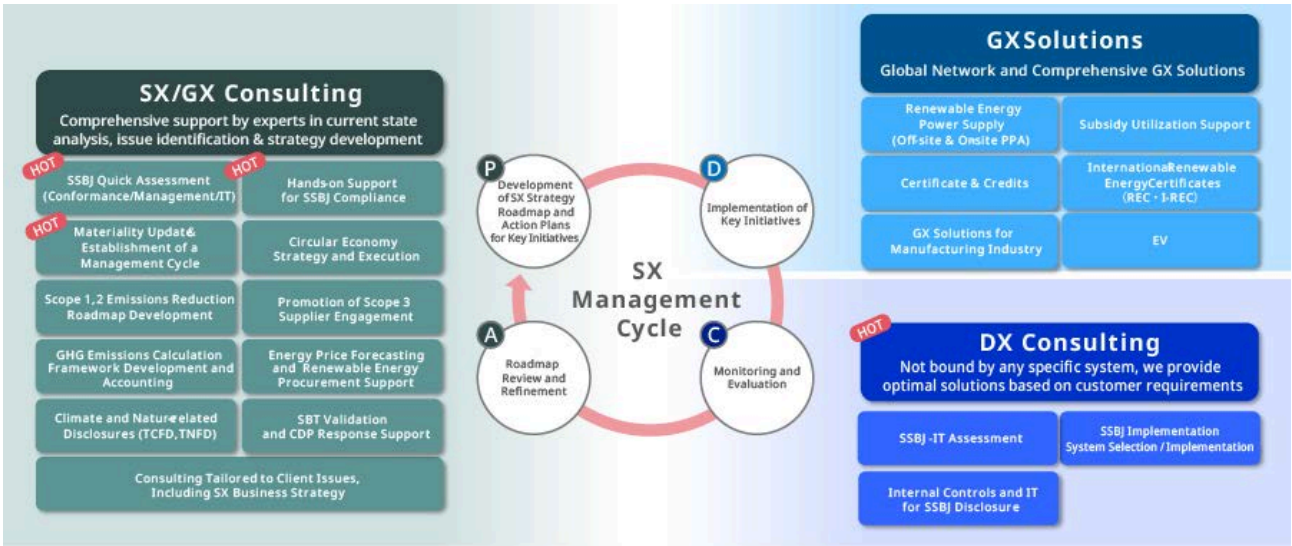
Major environmental certifications obtained by SLR (as of November 2025).

Certifications	Property Name	Evaluation
CASBEE: 10 properties	SOSiLA Yokohama Kohoku	Real estate Rank A
	SOSiLA Sagamihara	Real estate Rank A
	SOSiLA Kasukabe	Real estate Rank A
	SOSiLA Kawagoe	Real estate Rank A
	SOSiLA Nishiyodogawa Ⅰ	Real estate Rank A
	SOSiLA Nishiyodogawa Ⅱ	Real estate Rank A
	SOSiLA Ebina	Real estate Rank S
	SOSiLA Itabashi	Real estate Rank A
	SOSiLA Amagasaki	Real estate Rank S
	SOSiLA Yashio	Real estate Rank S
BELS：10 properties	SOSiLA Yokohama Kohoku	☆☆☆☆☆
	SOSiLA Sagamihara	☆☆☆☆☆
	SOSiLA Kasukabe	☆☆☆☆☆
	SOSiLA Kawagoe	☆☆☆☆☆
	SOSiLA Nishiyodogawa Ⅰ	☆☆☆☆☆
	SOSiLA Ebina	☆☆☆☆☆
	SOSiLA Nishiyodogawa Ⅱ	☆☆☆☆☆
	SOSiLA Itabashi	☆☆☆☆☆
	SOSiLA Amagasaki	☆☆☆☆☆
	SOSiLA Yashio	☆☆☆☆☆

GX Concierge, Providing Side-by-Side Support for Sustainability Management

To achieve sustainability management, companies need to develop a Sustainability Transformation (SX) and green transformation (GX) strategy, followed by deployment of solutions, and continuous evaluation and improvement. To support our corporate clients to realize the sustainability management and to address the climate change problems, Sumitomo Corporation and ABeam Consulting have established a new joint-company called GX Concierge Inc. (hereinafter, "GXC"). GXC provides a wide range of sustainability consulting services, including: GHG emission calculations, information disclosure based on TCFD/TNFD recommendations, short-term and long-term energy price forecasts, and the formulation of renewable energy procurement strategies. GXC also offers a one-stop services by leveraging Sumitomo Corporation's own GHG reduction solutions and DX (Digital Transformation) solutions to address the challenges of our clients identified through the consulting services. Furthermore, to meet the increasingly sophisticated needs of its customers, GXC is expanding its services, including non-financial information disclosure based on SSBJ standards, Materiality Update, and the support for building circular economy initiatives.

Given our deep involvement in the supply chains of a wide range of industries, Sumitomo Corporation group will continue to aim for the realization of a sustainable society through GXC, together with our suppliers and business partners.



ZEB Ready Certification for YAESUDORI FIL TERRASSE

YAESUDORI FIL TERRASSE which we have been developing with a partner, was completed in January 2025. . This building obtained ZEB Ready certification (for net zero energy buildings) in a first for office buildings that we have developed. The ZEB Ready certification is given to non-residential buildings that are able to reduce primary energy consumption by 50% or more compared to base energy consumption through various energy-saving measures.
This office building achieved a BEI value of 0.48 (52% reduction compared to the standard) by adopting Low-E glass and light shelves on the exterior, high-efficiency air conditioning equipment, changes in room illumination, and the addition of lighting control equipment, thereby realizing an energy-saving building with a low environmental impact. Nine office buildings (including those currently under development), including YAESUDORI FIL TERACCE, have received ZEB certification, and we plan to obtain ZEB certification for properties we will develop in the future as well.



Initiatives to Reduce GHG Emissions in Domestic Real Estate Business

To promote efforts toward decarbonization, we have used GX Concierge to calculate and visualize GHG emissions at office buildings, retail facilities, residentials and logistics facilities developed and owned by us ,and consider GHG reduction scenarios to achieve carbon neutrality by 2050.

As a concrete initiative to reduce GHG emissions, we are also working to reduce Embodied Carbon (EC) by renovating used office buildings, and have completed construction of WORK VILLA MITOSHIRO, KYOBASHI, and HIRAKAWACHO. In particular, WORK VILLA MITOSHIRO is focusing on environmentally friendly businesses, such as reducing Operational Carbon (OC) through energy conservation measures that meet ZEB Oriented standards.

Additionally, the SOSiLA series have obtained environmental certification and are securing green electricity for facilities by installing solar panels on the rooftops in order to provide logistics facilities with high environmental performance to its tenant companies and SOSiLA Logistics REIT, Inc. investors.







Operating Environmentally Friendly Data Centers

The SCSK Group plays a central role in the digital & AI business of Sumitomo Corporation Group and promotes sustainability management aimed at resolving social issues through its business while achieving sustainable growth together with society, and has identified material issues as priority challenges to be addressed. Serving as an IT infrastructure platform supporting the accelerating digitalization of its customers, SCSK's data centers also contribute to one of our material issues, "Global Environmental Contributions," through initiatives to reduce the environmental impact in data center operations.
To address climate change, the SCSK Group is pursuing both "mitigation" measures to reduce greenhouse gas emissions, such as CO_2, and "adaptation" measures to prepare for natural disasters associated with climate change.

Contribution to Reducing the Environmental Impact – Green IT Promotion

In the data center business, the SCSK Group reduces environmental impact through various measures, including the adoption of energy-efficient IT equipment, the introduction of highly efficient cooling and air conditioning systems, and the provision of services such as server virtualization and cloud services.

Contributions to the Development of a Natural Disaster Resilient Society

SCSK's data centers are certified as robust facilities resilient to natural disasters, ensuring business continuity for customers who utilize the data centers and contributing to the strengthening of resilience. The SCSK Group also supports customers' business continuity by, for example, preparing some of the rooms in the facility for customers to use as a disaster recovery room in the case of a disaster.

Going forward, the SCSK Group will continue to reduce greenhouse gas emissions through energy conservation and the use of renewable energy. Through environmentally friendly business activities and the creation of business opportunities that contribute to the environment, the SCSK Group will contribute to the realization of a decarbonized society and the development of a sustainable society.

Retrofitted EV Bus Business with Nishitetsu Group

Sumitomo Corporation is working with Nishi-Nippon Railroad Co., Ltd. (Nishitetsu) to develop a retrofitted EV bus business that converts existing diesel buses into electric vehicles. With reducing CO_2 emissions being an important challenge for the bus industry as well, EV buses have become increasingly important in recent years. However, only limited numbers of EV buses have been put into operation so far due to the high price of the vehicles. Focusing on this challenge, we have successfully deployed the Retrofitted EV Bus scheme, together with Nishitetsu Auto Body Tech Co ltd, with practical cost using EV kits powered by RAC Electric vehicles Inc. which is the leading EV bus manufacturer in Taiwan.

This business is an initiative that contributes to various social issues, including development of local society and economy, the circular economy, and mitigation of climate change. By introducing and expanding use of these domestic retrofitted EV buses by Nishitetsu and other domestic bus businesses, we will contribute to decarbonization of the bus industry in Japan.



Retrofitted EV bus assembled in Japan (operating in Fukuoka City from June 2023)

Contributing to the Reduction of GHG Emissions at Mining Sites Through the Electrification and Automation of Mining Equipment

Through our Komatsu dealer business, which currently operates in more than 30 countries, we are contributing to the reduction of GHG emissions of mining companies. Specifically, in Canada and Finland, we are helping realize mining operations with reduced GHG emissions by partially electrifying processes through the use of trolley assist systems and improving operational efficiency through the introduction of Autonomous Haulage Systems (AHS). In addition, we have entered into a memorandum of understanding (MOU) with global engineering company ABB and are collaborating to provide one-stop solutions to customers, including support for the implementation of mining equipment equipped with technologies that contribute to GHG reduction at mining sites. Because the characteristics of mining sites vary depending on the region and site, it is necessary to provide optimal solutions tailored to the specific conditions of each site in order to achieve emissions reductions. Going forward, we will leverage our strong customer relationships cultivated through our dealer business to continue providing products and services that meet the needs of our customers and on-site operations.





Initiatives to Reduce Environmental Impact in Logistics

Basic Concepts in Logistics Control

The Sumitomo Corporation Group recognizes the resolution of social challenges through its business activities as a key management priority and is committed to reducing environmental impact in the logistics field.
Given the diverse range of businesses operated by the Group, we strive to reduce environmental impact associated with transportation by optimizing the entire supply chain while taking into account the characteristics of each business. To this end, we are expanding the collection, visualization, and analysis of logistics data related to international trade, improving transportation efficiency and reducing energy consumption. At the same time, we promote continuous improvement through collaboration with our business partners and logistics providers.
In addition, we are working to create new logistics solutions—such as the utilization of next-generation transportation technologies and low-carbon energy to contribute to the realization of a sustainable society.

Key Initiatives

We are promoting the following initiatives to rationalize energy use in logistics and enhance transportation efficiency:

1. Optimization of the Entire Supply Chain
   - Identification of inefficiencies through analysis of transportation conditions
   - Efficiency improvements through review of transportation routes and delivery planning
   - Visualization and advancement of logistics using digital technologies
2. Improvement of Transportation and Loading Efficiency
   - Enhancement of loading efficiency through product specifications and packaging design
   - Selection of appropriate vehicle types and utilization of consolidated shipments according to transport volume
   - Reduction of transportation distances through optimization of storage locations and inventory allocation
3. Optimization of Transportation Modes
   - Utilization of rail and maritime transport for long-distance shipments
   - Promotion of joint transportation and shared delivery through inter-company collaboration
4. Utilization of Next-Generation Logistics and Low-Carbon Technologies
   - Support for the introduction of environmentally friendly transportation methods such as electric vehicles
   - Provision of logistics-related services including energy management
   - Exploration of new transportation technologies (e.g., electric aircraft)

Future Direction

The Sumitomo Corporation Group positions logistics not merely as an operational function, but as a key capability that supports value creation across the entire supply chain.
Going forward, we will continue to work with partners within and outside the Group, leveraging data and technological innovation to achieve both environmental impact reduction and enhancement of business value, thereby contributing to the realization of sustainable logistics.

Natural Capital

Basic Concept

The Sumitomo Corporation Group aims to achieve sustainable growth and to help solve social issues in accordance with “Sumitomo’s Business Philosophy” and “Corporate Mission Statement”.

Our Group’s business activities depend heavily on the ecosystem services generated by the diverse natural capital of the Earth, while also having impacts on them. For this reason, as stated in “Environmental Policy”, we recognize that giving due consideration to environmental conservation, including natural ecosystems, and to the maintenance and conservation of biodiversity is an important issue for our Group.

As challenges surrounding natural capital—including climate change and the loss of biodiversity—have grown more serious in recent years, our Group updated Material Issues in May 2024, newly setting forth “Preserve and regenerate natural capital”. In addition, looking ahead to 2030, the target year of the Kunming-Montreal Global Biodiversity Framework, we have set “Promotion of initiatives toward nature positive by 2030” as a medium-term target. Together with this, in order to foster understanding of this medium-term target and to strengthen our initiatives, we have defined our Group’s efforts toward nature positive as “minimizing the impact of our business on natural capital and continuing to transform our business toward the preservation and regeneration of natural capital”.
Our Group will work to understand how our businesses depend on and impact nature throughout the entire value chain, assess the business risks and opportunities arising therefrom, and pursue both the preservation and regeneration of natural capital and the enhancement of corporate value.

Material Issue for Nature Capital



Preserve and regenerate natural capital

To achieve a world living in harmony with nature, we avoid or minimize the impact on natural capital caused by our business activities and go beyond preservation to also pursue regeneration and effective use of natural capital through the building of a circular economy and other measures.

Material issues	Long-term goals	Medium-term goals
Preserve and regenerate natural capital	• Achieve a world living in harmony with nature through initiatives including the building of a circular economy and supply chain management	• Accelerate initiatives toward a nature-positive world by 2030 ◦ Analyze nature-related risks and opportunities in each business ◦ Reduce risk of the entire supply chain, including sustainable procurement of major natural resources ◦ Pursue new business by developing products, services, and scheme that encourage the shift toward Nature Positive and a circular economy

Water Resources

Water is an essential natural resource. However, due to an increase in water demand as a result of population growth and economic development, there will be more and more areas where water will become scarce. According to the Organization for Economic Co-operation and Development (OECD), water demand is projected to increase by 55% between 2000 and 2050 and, in 2050, 240 million people will have no access to clean water and 1.4 billion people will be without access to basic sanitation.

Our Group conducts its business around the world, including in highly water-stressed areas. Recognizing that water resources are finite, we regard this issue from both risk and opportunity perspectives. To pursue sustainability in the use of water in our business activities, we strive to ensure the appropriate management of water use, promote recycling and reuse, and thoroughly implement proper wastewater treatment. In addition, we will work to address water-related challenges through initiatives such as the development of water infrastructure businesses.

Environmental-related data on Water

Water Business

Prevention of Pollution

Sumitomo Corporation Groups business covers a wide range of areas around the world. As described in the Environmental Policy, the Group complies with environment-related laws and regulations and contributes to creating a recycling society. We consider it important not only to comply with laws, ordinances and standards to prevent pollution caused by waste water, sludge, exhaust and other wastes but also to reduce environmental impact through waste reduction, reuse and recycling in order to achieve a sustainable society. We will continue to address relevant issues through our business activities.

Efforts to Reduce Environmental Impacts in the Agrochemical / Fertilizer Sales Business

Disclosure Based on the TNFD Recommendations

Contents

1. Introduction
2. General Requirements
3. Governance
4. Strategy
5. Risk & Impact Management
6. Metrics & Targets
Appendix: New Business Development

1. Introduction

In June 2022, Sumitomo Corporation endorsed the philosophy of the Taskforce on Nature-related Financial Disclosures (TNFD)* and joined the TNFD Forum, which supports and endorses TNFD activities. In January 2024, following a resolution by the Board of Directors, we registered as a “TNFD Early Adopter”, committing to early adoption of the disclosure recommendations published by the TNFD in September 2023, leading to this disclosure in September 2025.

Through disclosures aligned with the TNFD Recommendations and ongoing dialogue with stakeholders, we aim to accelerate efforts to preserve and regenerate natural capital through our business activities.

* Taskforce on Nature-related Financial Disclosures. An international organization that develops a framework for the appropriate assessment and disclosure of risks and opportunities related to natural capital and biodiversity.

2. General Requirements

Our responses to the six general requirements are as follows.

Application of Materiality

Our Group adopts a double materiality approach, considering not only the material effects on our Group arising from nature-related dependencies, impacts, risks, and opportunities (hereinafter "nature-related issues")—that is, financial materiality—but also the impact on nature (impact materiality).

Scope of Disclosure

For the high-level assessment of dependencies and impacts, we classified our Group's entire business into 14 sectors and conducted an analysis including the value chain, and we disclose the results. This time, designating Mining and Agriculture sectors—assessed as having particularly large dependencies and impacts in direct operations—as priority sectors, we conducted a detailed analysis of nature-related issues.

Locations with Nature-related Issues

Recognizing that it is important to consider regional characteristics when examining nature-related issues, we conducted a location analysis of the 29 material locations and 5 priority businesses associated with the priority sectors (Mining and Agriculture).

Integration with Other Sustainability-related Disclosures

In addition to disclosure based on the TNFD Recommendations, our Group discloses climate change based on the TCFD and also provides thematic disclosures, including on human rights. Recognizing that these themes are interrelated, we implement integrated risk management, including the assessment of social and environmental risks at the time of investment.

Time Horizons Considered

In assessing the materiality of risks and opportunities, we set 2030 as the medium term and 2050 as the long term, and conducted our examination accordingly. This time-horizon setting is consistent with the medium- to long-term targets of our Group's Material Issues and with the time horizons of the scenario analysis used in examining climate-related risks and opportunities.

Engagement with Indigenous Peoples, Local Communities, and Affected Stakeholders

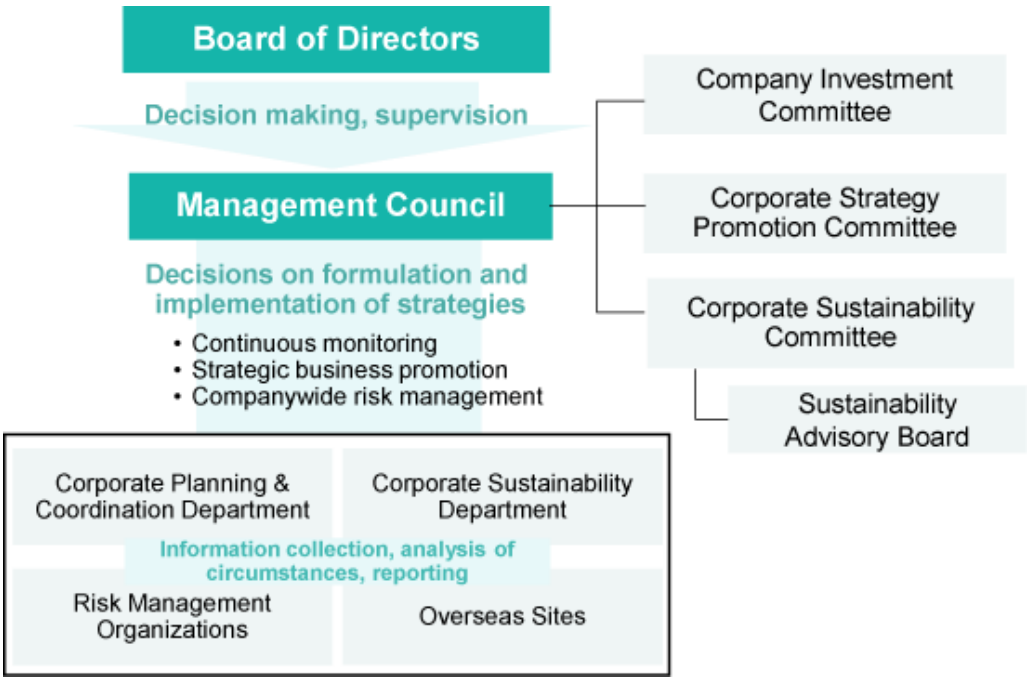
In examining and managing nature-related issues, we recognize that engagement not only with nature but also with affected stakeholders, including Indigenous Peoples and local communities, is an important element. Based on our "Environmental Policy" and "Human Rights Policy", our Group has traditionally identified impacts on stakeholders, including Indigenous Peoples and local communities, for each individual business, and has conducted stakeholder engagement.

3. Governance

3.1 Governance Structure

The Board of Directors is responsible for determining important management matters based on our Group's diverse sustainability-related risks and opportunities as well as dependencies and impacts, including nature-related issues, and for overseeing the decision-making and business execution carried out by the Management Council and executive officers. The Board of Directors receives reports at least semi-annually on the analysis of, and responses to, risks and opportunities across the entire business portfolio, including those related to sustainability. It also receives annual reports from the Corporate Sustainability Department on the analysis of, and responses to, sustainability-related risks and opportunities as well as dependencies and impacts recognized in individual businesses, together with monitoring indicators, thereby overseeing the initiatives of the executive side, including the Management Council.

In addition, in accordance with internal regulations, decision-making on important management matters and business execution are carried out by the Management Council and executive officers. To assess and manage diverse sustainability-related risks and opportunities as well as dependencies and impacts and to make effective decisions, the Management Council makes comprehensive decisions after consulting the Corporate Sustainability Committee and other bodies.



We have also established the Sustainability Advisory Board, comprising outside experts who provide advice on sustainability, including nature-related issues, to the Corporate Sustainability Committee, thereby reflecting their input in management decision-making on complex and specialized issues. The addition of natural capital to our Material Issues in May 2024 and the strengthening of related initiatives have been advanced with advice from the Sustainability Advisory Board.

Our Group establishes various policies through discussions at the Board of Directors and the Management Council, and operates its businesses based on those policies. For details of the governance structure and various policies, please refer to "Sustainability Management" and "Governance of Sustainability Management" on our website.

3.2 Human Rights Policy and Stakeholder Engagement

Our Group aims to be a global corporate group that broadly contributes to society, and sets forth respect for human beings as the foundation of our management stance in Corporate Mission Statement. In accordance with international standards such as the UN “Guiding Principles on Business and Human Rights”, we have established “Human Rights Policy”.

As part of our commitment to respecting human rights, our Group respects international norms concerning the rights of Indigenous Peoples, such as the “United Nations Declaration on the Rights of Indigenous Peoples” and the principle of “free, prior and informed consent (FPIC)”. In addition, in business activities in regions where Indigenous Peoples reside, we operate while recognizing the unique culture and history of Indigenous Peoples, complying with the laws, regulations, and environmental permits applicable in each country and region, and giving due consideration to Indigenous Peoples and local communities.

For the implementation and progress of human rights due diligence, including the results of organizing sector- and product-specific risks for high-risk businesses, and for individual initiatives, please refer to “Respect for Human Rights” on our website.

4. Strategy

4.1 Structure of Disclosure

In this disclosure, after understanding the dependencies on and impacts on natural capital across our Group's entire business, including the value chain (hereinafter "VC"), we identified priority sectors and priority businesses and assessed material dependencies, impacts, risks, and opportunities. In line with the following process, we disclose the high-level assessment of our entire Group and the results of the analysis of nature-related issues in Mining and Agriculture sectors.

[Overview of Each Process]

1 **High-level assessment of dependencies on and impacts on nature across our Group's entire business, including the VC:**
To understand the overall picture of dependencies on and impacts on nature across our Group's entire business, we conducted a high-level assessment using "ENCORE"* for our Group's entire business, including the VC. As a result, we selected two sectors (Mining and Agriculture), assessed as having relatively large impacts on nature from direct operations, as priority sectors and conducted a detailed analysis.

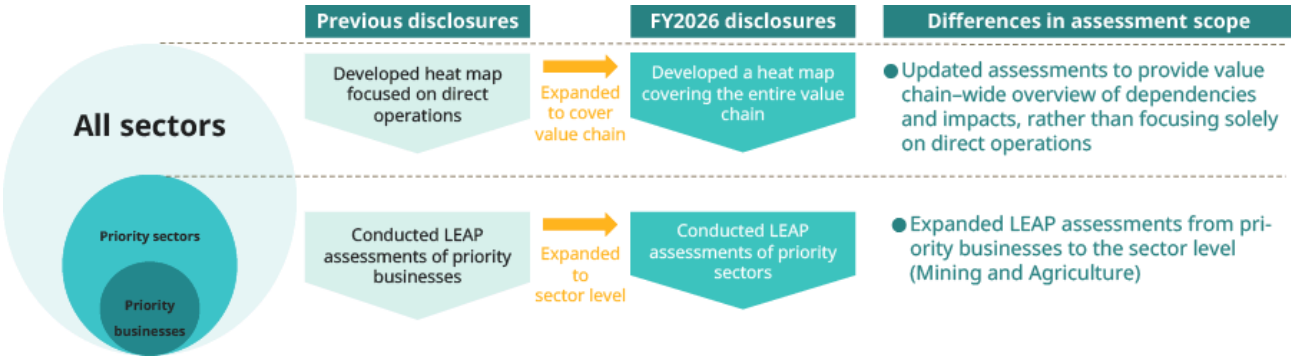
* ENCORE: a tool for assessing the level of dependencies on and impacts on natural capital by sector. It is maintained by multiple organizations, including the UN agency UNEP-WCMC.

2 **LEAP analysis of the priority sectors (Mining and Agriculture):**
To identify material nature-related issues in the priority sectors, we analyzed the dependencies, impacts, risks, and opportunities across the entire VC, and, based on site information and various tools, assessed sensitive locations* and identified priority locations.

* Sensitive locations: ecologically sensitive locations included in the priority locations indicated by the TNFD. Under the TNFD, priority locations are defined as the combination of sensitive locations and locations where dependencies on and impacts on nature are material (material locations).

3 **LEAP analysis of priority businesses within the priority sectors:**
We conducted a more detailed LEAP analysis of the priority businesses identified based on the analysis results within the priority sectors, the scale of invested capital, and strategic importance.

Key Changes from Previous Disclosures :



4.2 High-level Assessment of Dependencies on and Impacts on Nature across Our Group's Entire Business Including the VC

Assessment of Dependencies and Impacts

To understand the overall picture of dependencies on and impacts on natural capital across our Group's entire business, we conducted an assessment using "ENCORE". In previous years, the assessment targeted direct operations; this time, we expanded it to the VC to assess dependencies on and impacts on nature. In conducting the expanded assessment, because the "ENCORE" assessment results had been updated since the previous assessment, we again conducted an assessment of the entire business, including direct operations.

We classified our Group's entire business into 14 sectors*, organized the business stages in each business's VC, and conducted the assessment.

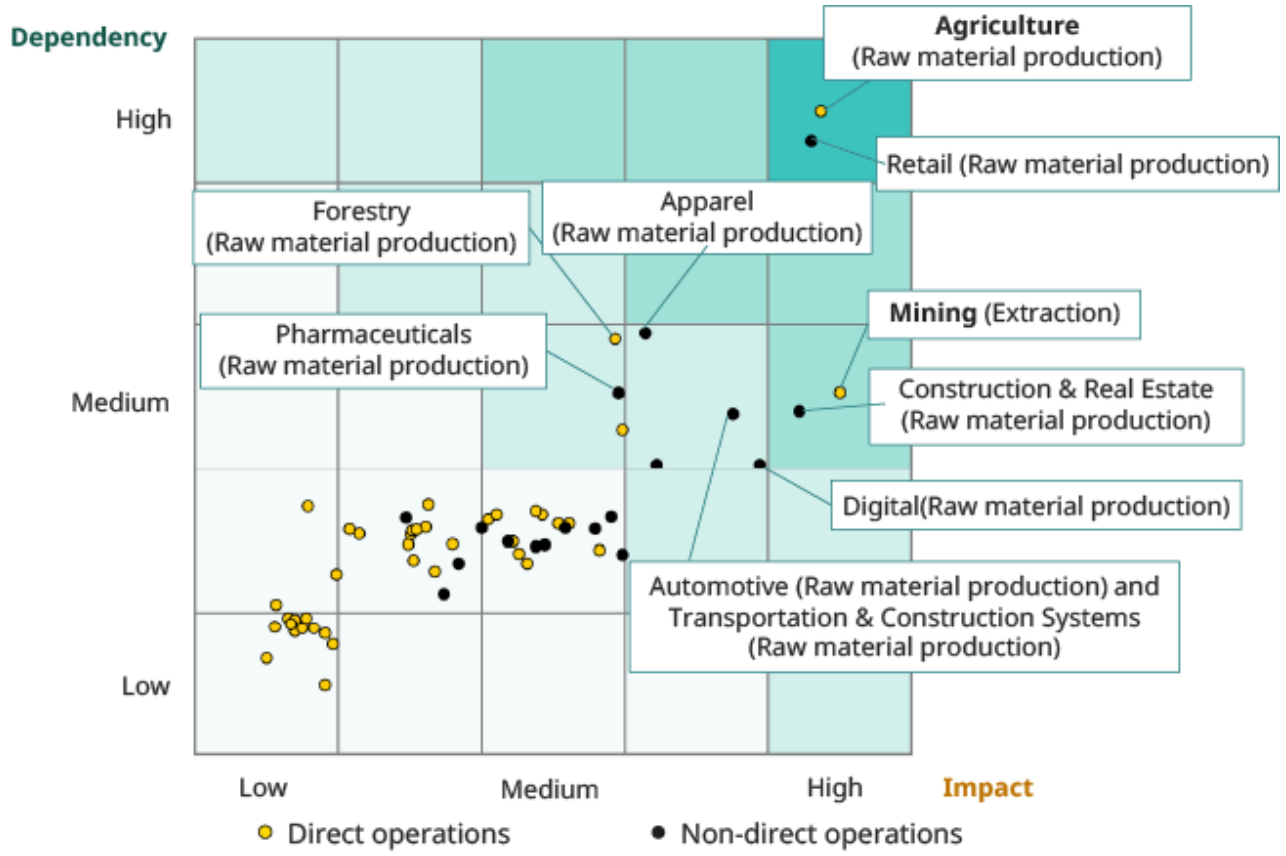
* The following sectors were changed from the previous sector classification:

Previous classification	This time
"Homebuilding-Construction", "Construction Material Production" and "Infrastructure Builds"	"Construction & Real Estate"
"Hydroelectric Power Generation", "Geothermal Power Generation", "Solar Power Generation" and "Thermal Power Generation"	"Power Generation"

Heat Map (High-level Assessment)

Sector	Business stage	Direct operations	Land / freshwater / ocean use change: Land use	Freshwater use	Ocean use	Climate change: GHG emissions	Resource use / replenishment: Water use	Other resource use	Pollution / pollution removal: Waste	Air pollution	Water & soil pollution	Water & soil pollution	Disturbances	Biological alterations	Provisioning services: Freshwater supply	Other provisioning services	Regulating & maintenance services: Pollution remediation: Solid waste remediation	Air purification	Air filtration	Water purification	Water flow regulation	Climate regulation	Flood mitigation	Storm mitigation	Natural hazard protection	Soil & sediment retention	Other regulating & maintenance	Cultural services
Agriculture	Raw material production	●	H	H	-	M	H	ND	H	M	H	H	M	H	H	H	M	M	M	VH	H	VH	H	H	VH	VH	VH	-
	Manufacturing & packaging	●	L	-	-	L	M	L	M	M	M	H	M	ND	M	ND	M	L	VL	H	M	VL	M	M	L	L	VL	ND
	Sales	●	L	-	-	M	M	-	VL	L	L	-	L	ND	M	-	ND	-	-	ND	M	L	L	L	VL	L	VL	-
	Transportation & disposal	●	L	VL	L	M	L	-	L	L	L	L	L	M	VL	M	VH	L	VL	M	L	L	L	L	L	L	VL	VH
Forestry	Raw material production	●	VH	M	ND	M	M	VH	L	H	M	H	H	M	H	H	L	ND	H	VH	M	H	M	L	VH	H	VH	ND
	Processing	●	L	-	-	M	M	-	M	M	M	-	H	ND	L	-	M	L	M	-	M	L	M	M	M	L	VL	-
	Sales		L	-	-	M	M	-	VL	L	L	-	L	ND	M	-	ND	-	-	ND	M	L	L	L	VL	L	-	-
	Transportation & disposal		L	VL	M	M	L	-	L	M	L	M	M	M	L	M	VH	L	VL	M	L	L	L	M	L	L	VL	VH
Retail	Raw material production		H	H	H	M	H	VH	H	M	H	H	M	H	H	H	M	M	M	VH	H	H	H	H	VH	VH	H	VH
	Manufacturing & packaging		L	-	-	L	M	M	M	L	M	H	M	ND	M	VH	M	L	VL	VH	H	VL	M	M	M	L	VL	VH
	Sales	●	L	-	-	M	M	-	VL	M	VL	-	VL	VH	M	ND	ND	-	VL	ND	M	L	M	L	VL	L	VL	-
	Transportation & disposal		L	VL	L	M	L	-	L	L	L	L	L	M	VL	M	VH	L	VL	M	L	L	L	L	L	L	VL	VH
Mining	Extraction	●	M	VH	VH	H	M	H	H	H	VH	ND	VH	L	H	VL	L	M	VL	VH	H	M	H	M	VH	M	L	-
	Processing	●	L	-	-	M	M	-	M	M	VH	M	H	-	M	-	L	L	L	M	M	L	M	M	M	L	VL	-
	Sales	●	L	-	-	M	M	-	VL	L	L	-	L	ND	M	-	ND	-	-	ND	M	L	L	L	VL	L	VL	-
	Transportation, disposal & recycling	●	M	ND	M	M	L	-	L	M	L	M	M	M	L	M	VH	L	VL	M	L	L	L	L	M	L	VL	VH
Oil & Gas	Extraction	●	L	M	M	M	L	-	L	H	H	L	H	VL	L	VL	L	L	VL	VL	M	L	M	L	M	L	VL	VH
	Transportation	●	M	VL	M	M	L	ND	L	M	L	L	L	M	VL	M	ND	VL	VL	M	L	L	L	M	L	M	VL	VH
	Sales	●	M	M	L	L	-	VL	L	L	-	L	ND	L	-	L	-	VL	M	L	L	L	L	L	VL	L	VL	-
Construction & Real Estate	Raw material procurement		M	H	H	H	M	H	M	H	H	ND	H	L	H	L	L	M	VL	H	H	M	H	M	VH	M	H	-
	Processing & manufacturing	●	L	M	-	M	M	-	M	M	H	M	M	ND	M	-	M	L	VL	M	M	L	M	M	L	L	VL	VH
	Sales	●	L	-	-	M	M	-	VL	L	VL	ND	VL	ND	L	-	VL	-	VL	ND	M	L	L	L	VL	L	VL	VH
	Building & civil engineering	●	L	M	M	M	L	-	M	L	H	VH	H	L	L	VL	M	L	VL	M	M	L	M	M	H	M	VL	-
	Operation, Manufacturing & repair	●	L	-	L	VL	L	-	VL	L	L	L	M	ND	L	-	L	L	VL	L	L	L	L	L	VL	L	VL	VH
	Transportation, disposal & recycling		M	VL	M	H	M	ND	M	M	M	M	H	M	L	M	VH	L	L	M	M	L	L	L	M	L	VL	VH
Automotive	Raw material production		M	VH	VH	M	M	H	H	H	VH	H	VH	L	M	M	L	M	L	H	H	M	H	M	VH	M	VH	-
	Parts manufacturing	●	L	-	-	M	L	-	L	M	H	M	M	-	M	-	L	L	L	M	M	L	M	M	L	M	VL	VH
	Manufacturing	●	L	-	-	L	L	-	L	L	M	-	M	ND	L	-	L	L	VL	M	M	L	M	M	VL	L	VL	ND
	Sales, leasing, etc.	●	L	ND	ND	M	M	-	VL	L	L	L	L	L	VL	ND	ND	-	VL	ND	L	L	L	L	VL	M	VL	VH
	Transportation, disposal & recycling		M	VL	M	H	M	-	M	M	M	M	H	M	L	M	VH	L	VL	M	M	L	L	M	M	L	VL	VH
Transportation & Construction Systems	Raw material production		M	VH	VH	M	M	H	H	H	VH	H	VH	L	M	M	L	M	L	H	H	M	H	M	VH	M	VH	-
	Parts manufacturing		L	-	-	M	L	-	M	M	VH	M	H	-	M	-	L	L	L	M	M	L	M	M	M	L	VL	VH
	Manufacturing	●	L	-	-	L	M	-	L	L	M	-	M	ND	M	-	L	L	VL	M	M	L	M	M	L	L	VL	VH
	Sales, leasing, etc.	●	L	L	L	L	M	-	VL	M	L	L	L	L	L	VL	ND	L	VL	ND	M	L	M	M	VL	L	VL	VH
	Transportation, disposal & recycling		M	L	M	H	L	-	L	M	L	L	VH	VH	VL	-	ND	VL	VL	M	L	L	L	M	M	L	VL	VH
Chemicals	Raw material production		M	H	H	H	M	M	M	H	VH	ND	VH	VL	M	L	L	M	VL	VH	H	L	H	M	VH	M	VL	-
	Manufacturing	●	L	-	-	M	M	-	M	M	VH	VH	VH	-	M	-	M	L	VL	M	M	L	M	M	L	M	VL	-
	Sales	●	L	-	-	M	M	-	VL	L	L	-	L	M	M	-	ND	-	VL	ND	M	L	L	L	VL	L	VL	-
	Transportation & disposal	●	M	L	L	H	L	-	L	M	L	L	M	M	L	M	VH	L	VL	M	L	L	L	M	M	L	VL	VH
Pharmaceuticals	Raw material production		M	VH	VH	M	M	ND	M	H	H	H	H	M	M	H	M	L	L	H	M	M	H	M	H	M	VH	ND
	Manufacturing	●	L	-	-	M	M	-	M	M	H	M	H	ND	M	H	M	L	VL	H	M	L	M	M	L	L	VL	VH
	Sales	●	L	-	-	M	M	-	VL	M	L	-	L	ND	L	-	ND	-	VL	ND	M	L	M	M	VL	M	VL	-
	Health & sanitation, development	●	L	ND	ND	VL	L	VL	M	L	L	ND	L	L	L	M	M	VL	VL	H	L	L	L	L	-	L	L	VH
	Transportation & disposal		M	L	M	H	L	-	L	M	L	M	H	M	L	M	VH	L	VL	M	L	L	L	M	M	L	VL	VH
Digital	Raw material production		M	VH	VH	M	M	H	H	H	VH	M	VH	L	H	VL	L	M	L	H	H	L	H	M	H	M	L	-
	Manufacturing	●	L	-	L	L	L	-	L	M	M	-	M	-	M	-	L	L	VL	M	M	L	M	M	L	L	VL	-
	Sales	●	L	-	-	M	M	-	VL	L	L	-	L	ND	L	-	ND	-	VL	ND	L	L	L	L	VL	L	VL	-
	Transportation, disposal & recycling		M	L	M	H	M	-	L	M	M	M	H	H	L	M	VH	VL	VL	M	L	L	L	L	M	L	VL	VH
	Information & communications	●	L	L	L	L	L	-	VL	VL	L	-	L	ND	VL	-	ND	-	L	ND	VL	L	VL	L	VL	VL	VL	VH
Apparel	Raw material production		M	M	-	M	H	ND	H	H	H	VH	M	VH	H	H	M	M	L	H	H	M	H	H	VH	H	VH	-
	Manufacturing	●	L	-	-	L	M	-	M	M	M	M	M	-	M	-	M	L	VL	M	M	L	M	M	VL	L	VL	VH
	Sales	●	L	-	-	M	M	-	VL	M	L	-	L	ND	L	-	ND	-	VL	ND	M	L	M	M	VL	M	VL	-
	Transportation, disposal & recycling		M	L	M	H	M	-	L	M	M	M	H	H	L	M	VH	L	VL	M	L	L	L	M	H	L	VL	VH
Power Generation	Construction & repair	●	L	H	M	L	L	-	L	L	M	-	M	L	M	-	L	L	VL	M	M	L	M	M	M	M	VL	-
	Fuel procurement	●	L	M	H	H	L	ND	L	M	H	L	M	L	L	L	L	L	VL	M	M	L	M	L	L	L	VL	VH
	Power generation & supply	●	M	M	M	M	L	M	L	H	M	M	M	-	M	H	L	-	VL	M	M	M	M	L	L	M	VL	-
	Disposal & recycling	●	M	ND	ND	H	M	-	M	M	H	H	H	M	M	-	VH	L	L	M	M	VL	VL	L	M	VL	VL	-
Logistics	Fuel production		L	-	-	M	L	-	M	H	VH	-	VH	-	L	-	L	L	VL	H	M	L	M	M	-	M	VL	-
	Land transport	●	M	-	-	M	M	-	L	M	L	M	M	H	VL	M	ND	VL	VL	ND	L	M	M	M	M	M	VL	VH
	Water transport	●	-	M	M	H	L	-	M	VH	L	M	H	H	L	-	ND	VL	VL	M	M	M	H	H	H	M	VL	VH
	Air transport	●	M	L	L	H	M	-	VL	M	L	L	VH	VH	VL	-	ND	VL	VL	ND	VL	M	VL	L	VH	L	VL	-
	Warehousing, cargo handling, etc.	●	L	VL	L	M	L	-	L	L	L	L	VL	M	VL	ND	ND	-	VL	ND	VL	L	L	L	VL	L	VL	ND

Following the high-level assessment, to more accurately identify business stages with high dependencies and high impacts, we integrated the ENCORE assessment results and conducted an assessment along the two axes of dependencies and impacts.



* Bold indicates the priority sector

Impacts on nature were confirmed to be large, led by “Extraction” in Mining sector and “Raw material production” in Agriculture, followed by “Raw material production” in the Retail, Construction & Real Estate, Digital, Automotive, and Transportation & Construction Systems sectors.

Dependencies on nature were confirmed to be large in “Raw material production” in sectors such as Agriculture, Forestry, Retail, and Apparel, and in “Extraction” in Mining sector.

By expanding the scope of this analysis to the entire VC, we confirmed that there are business stages with high dependencies on and impacts on nature outside of direct operations as well. Thus, we recognized the necessity of analysis including the VC, and we also conducted examination including the VC in the subsequent LEAP analysis of the priority sectors.

4.3 LEAP Analysis of the Priority Sectors (Mining and Agriculture)

Dependencies and Impacts

Focusing on Mining and Agriculture sectors, which were assessed as having large dependencies and impacts in direct operations based on ENCORE information, we conducted a detailed assessment of nature-related issues in these sectors, including the entire VC.

In examining dependencies and impacts at the sector level, we followed these steps:

①Examination of dependencies and impacts generally considered at the sector level
②Confirmation of cases of risk materialization in our Group's countries of operation
③Assessment of material dependencies and impacts

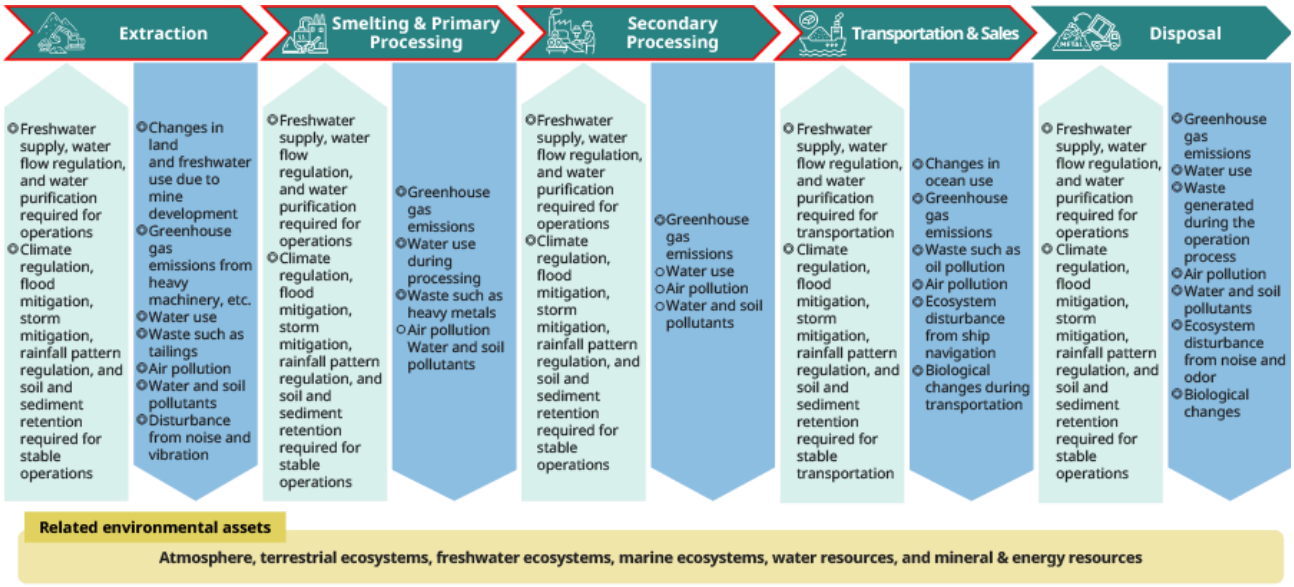
[Reference: Assessment Method]

① In examining dependencies and impacts at the sector level, in addition to the ENCORE assessment results, we referred to various sources such as the TNFD sector guidance and the SASB Standards, and organized how the Mining and Agriculture sectors generally depend on and impact nature at each VC stage.

② We confirmed the presence or absence of risk-materialization cases in the countries of direct operation at each VC stage, and updated the assessment to reflect the actual situation in our Group's countries of operation.

③ After setting the assessment criteria for judging materiality for each dependency and impact, we identified material dependencies and impacts by sector and VC stage. For businesses outside direct operations, the dependencies and impacts were organized in general terms.

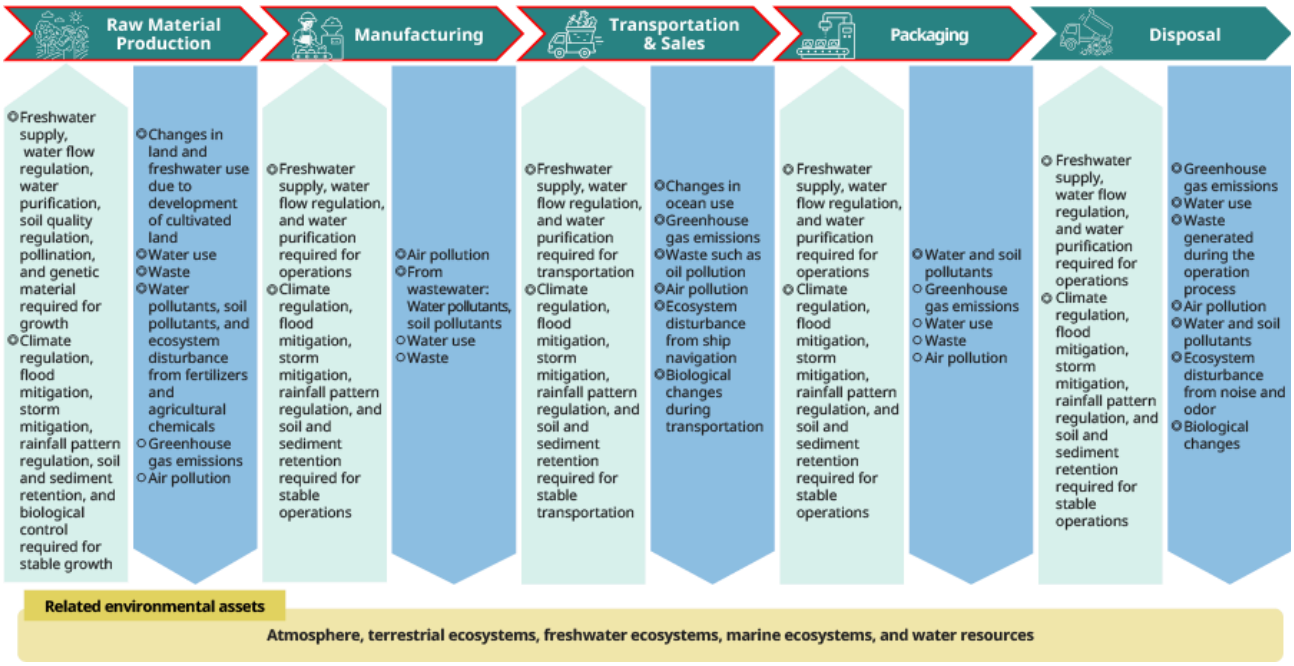
Mining



◎Material dependencies and impacts
○ Dependencies and impacts relevant to the sector but judged to be of lower importance to our Group
Red frame: business stages involving direct operations

In the mining sector, the relationship with nature is particularly deep at the development and extraction stages. Material dependencies were assessed for “freshwater supply, water flow regulation, and water purification”, which are necessary for operations; and “regulating and maintenance services (climate regulation, flood and storm mitigation, rainfall pattern regulation, and soil and sediment retention)”, which are important for stable operations. In addition, impacts were assessed as material from various perspectives, including “changes in land and freshwater use” associated with land development; “greenhouse gas emissions” from heavy machinery and other equipment; “water use” required for operations; “waste generation” from tailings and other materials; related “water and soil pollution”; “emissions of air pollutants”; and “disturbances” caused by noise and vibration from heavy machinery and other sources.

Agriculture



◎ Material dependencies and impacts
○ Dependencies and impacts relevant to the sector but judged to be of lower importance to our Group
Red frame: business stages involving direct operations

In the agriculture sector, the relationship with nature is particularly deep at the raw material production stage. Material dependencies were assessed for “freshwater supply and water flow regulation” and “pollination”, which are necessary for growth; “soil quality regulation and water purification”, which are important for plant growth; “regulating and maintenance services (climate regulation, flood and storm mitigation, rainfall pattern regulation, and soil and sediment retention)”, which reduce damage from water and sediment disasters; and “biological control”, which is important for protection from pests and diseases. In addition, impacts were assessed as material from the perspectives of “changes in land and freshwater use” and “water use” due to the development of cultivated land; “water and soil pollution” and “disturbances” due to fertilizers and agricultural chemicals; and “waste generation”

Risks and Opportunities

We examined what nature-related risks and opportunities arise from the identified material dependencies and impacts, and then assessed and identified the risk and opportunity items of particular importance to our Group from the perspectives of likelihood of occurrence and qualitative importance (impact on business continuity, impact on society and the environment, and financial impact). The main risk and opportunity factors involving our Group’s direct operations are as follows.

Mining



Risk Category		Extraction	Processing	Transportation / Sales
Physical	Acute	• Damage to facilities and infrastructure and operational shutdowns due to an increase in water and sediment disasters		
			• Supply chain disruption due to an increase in water and sediment disasters	
	Chronic	• Destabilization of water resource supply		
		• Declines in labor productivity and equipment efficiency due to rising temperatures		
Transition	Policy	• Strengthening of environmental management regulations on development and extraction aimed at water intake restrictions and nature conservation • Strengthening of regulations on waste rock, tailings, and	• Strengthening of environmental laws and regulations for mine-operating suppliers	
		• Strengthening of information disclosure regulations on raw material traceability, etc.		
				• Strengthening of transportation-related regulations (ballast water, etc.)
	Policy / Technology	• Strengthening responses to acid mine drainage (AMD) and metal leaching from waste rock and tailings		
		• Introduction of carbon pricing and the need to respond to climate change adaptation • The need to introduce water-saving and energy-saving equipment and equipment to comply with wastewater standards		
	Market	• Decline in customer preference for minerals with high environmental impact • Restrictions on financing if business activities adversely affect nature, and loss of opportunities if unable to respond amid the rise of ESG investment		
	Reputation /	• Reputational / litigation risk regarding large-scale water consumption in operations		
		• Occurrence of serious pollution in operations, such as tailings dam accidents	• Unintentional release of pollutants, chemicals, etc.	
			• Occurrence of pollution or damage to important ecosystems along the VC	
Opportunity		• Reduction of water use through seawater desalination facilities and reclaimed water use, and the resulting improvement in reputation		
		• Improvement in corporate reputation through initiatives and technology investments that reduce negative impacts and initiatives that expand positive impacts through the business • Rise in customer preference for mineral resources with low environmental impact		

Agriculture



Risk Category		Raw Material Production	Processing, Manufacturing & Packaging	Transportation / Sales
Physical	Acute	• Due to the intensification and increased frequency of water and sediment disasters and soil erosion: Damage to facilities and infrastructure and operational shutdowns	• Damage to facilities and infrastructure and operational shutdowns due to an increase in water and sediment disasters • Supply chain disruption due to an increase in water and sediment disasters	
	Chronic	• Destabilization of water resource supply		
		• Poor growth, increased pests and diseases, and decline in pollinators due to rising temperatures • Chronic decline in soil quality		
Transition	Policy	• Strengthening of environmental laws and regulations on forest-risk commodities, etc.	• Strengthening of environmental laws and regulations on forest-risk commodities, etc.	
		• Tightening of regulations on pollution that business activities cause to nature		
				• Strengthening of transportation-related regulations (ballast water, etc.)
	Policy / Technology	• Introduction of carbon pricing and the need to respond to climate change adaptation • The need to invest in the development and diffusion of low-environmental-impact technologies		
	Market	• Decline in customer preference for agricultural products with high environmental impact • Restrictions on financing if business activities adversely affect nature, and loss of opportunities if unable to respond amid the rise of ESG investment		
	Reputation / Liability	• Damage to important ecosystems (primary forests, wetlands, peatlands, etc.) from land use, and impacts on the surrounding environment and society from pollution	• Occurrence of pollution or damage to important ecosystems along the VC	
Opportunity		• Rise in customer preference for agricultural products with low environmental impact • Reduction of environmental impact along the VC through reduced pesticide use and initiatives such as biopesticides and slow-release fertilizers • Implementation of initiatives and technology investments that reduce negative impacts and initiatives that expand positive impacts through the business		

Priority Locations

Because the importance of nature-related dependencies, impacts, risks, and opportunities differs greatly by location, it is necessary to consider regional characteristics. For the 29 material locations associated with the priority sectors (Mining and Agriculture), we conducted a location analysis to identify businesses located in ecologically sensitive areas and further identified priority locations by associating the assessment of material dependencies (“freshwater supply”) and impacts (“water use”, “land / freshwater use”, and “pollution”).

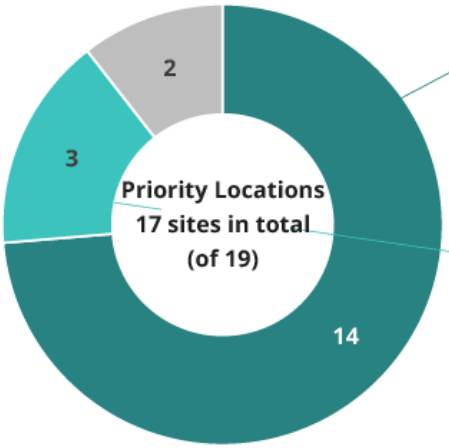
For the location analysis, because external tools capable of analyzing risks by location are currently limited, we used two tools*—“Aqueduct” and “Global Forest Watch”—to analyze four items: “water stress”, “ecosystem sensitivity”, “reduction in tree cover” and “land of Indigenous Peoples and communities”.

* Aqueduct: a tool developed by the WRI (World Resources Institute) for analyzing water stress and other factors.
Global Forest Watch: a tool developed and operated by the WRI to understand forest loss and its impact on climate change.

Analysis Item	Analysis Tools and Indicators	Key Assessment Perspective	Potential Dependencies and Impacts	Evaluation Scale
Water Stress	**Aqueduct** • Water Stress	Whether the business site is located in an area of high water stress.	Water withdrawal associated with business activities may affect local water resources. Depletion of water resources could in turn impact business operations.	Three-level evaluation High/Middle/Low
Ecosystem Sensitivity	**Global Forest Watch** • Biodiversity (KBA, AZE) • Land Use (Protected Areas) • Land Cover (Primary Forests, Mangrove Forests)	Proximity of the business site to areas of high biodiversity importance or high ecological integrity.	Potential impact on valuable natural environments, such as protected areas or regions with high biodiversity.	Three-level evaluation High/Middle/Low
Tree Cover Loss	**Global Forest Watch** • Forest Change (Tree Cover Loss)	Whether there are areas near the business site with significant vegetation loss	Loss of vegetation functions—such as soil retention and protection from flooding and storms—may affect business operations.	Two-level evaluation High/Low
Indigenous and Community Lands	**Global Forest Watch** • Land Use (Indigenous and Community Lands)	Whether lands of indigenous peoples or local communities are present near the business site	Potential impact on lands of indigenous peoples and local communities	Three-level evaluation High/Middle/Low

As a result of the priority location assessment, the proportion of priority locations in each sector is as follows.

Mining



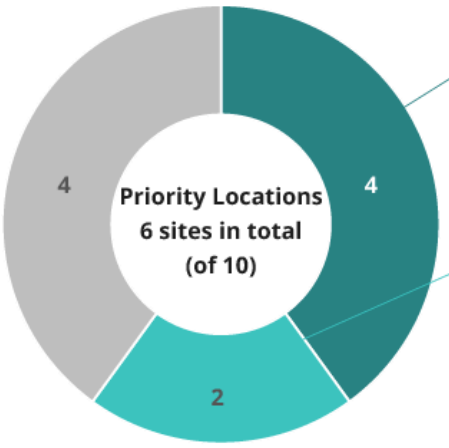
Priority Location ①

- Sites where the relevant sensitive-location assessment was medium or higher across all perspectives—dependency on "freshwater supply" and the impacts of "water use", "land / freshwater use" and "pollution"— or was high in any one perspective
- 14 of 19 sites are applicable

Priority Location ②

- Sites where the relevant sensitive-location assessment was medium in any one perspective—dependency on "freshwater supply" or the impacts of "water use", "land / freshwater use" or "pollution"
- 3 of 19 sites are applicable

Agriculture



Priority Location ①

- Sites where the relevant sensitive-location assessment was medium or higher in both perspectives of the impacts of "land / freshwater use" and "pollution," and high in at least one
- 4 of 10 sites are applicable

Priority Location ②

- Sites where the relevant sensitive-location assessment was medium or higher in either perspective of the impacts of "land / freshwater use" or "pollution"
- 2 of 10 sites are applicable

* Among the agriculture locations, there were no locations with a water-stress assessment of medium or higher.

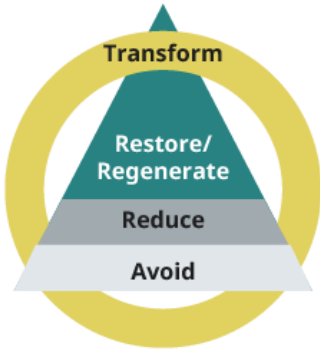
Measures to Reduce Risks and Impacts on Nature

Our Group undertakes various initiatives to minimize the risks and impacts on nature from our businesses.

First, in our "Environmental Policy", we set forth giving due consideration to environmental conservation, including natural ecosystems, and to the maintenance and conservation of biodiversity. In addition, to strengthen our response to nature-related risks in the supply chain, we revised the "Sustainable Supply Chain Action Policy" in July 2026, requiring suppliers to give consideration to environmental conservation and biodiversity, among other matters. Furthermore, for certain procurement items with high nature-related risks, we have established individual procurement policies for specific commodities to promote responses to environmental and social issues in the supply chain.

From the perspective of AR3T,* our Group implements initiatives that lead to the reduction of impacts and to opportunities in Mining and Agriculture sectors and others, as follows.

Sector	Examples of Initiatives		AR3T Classification
Mining	Quebrada Blanca	•Installation and use of seawater desalination facilities at copper mines	Avoid / Reduce
	Oresteel	•Water recovery, construction of water storage facilities, and rainwater management at the Khumani mine •Reclaimed water use and water-intake intensity management at the Black Rock mine	Avoid / Reduce
	MUSA	•Introduction of a dry stacking system •Plant and wildlife rescue, protection of native vegetation (establishment of protected areas), and animal monitoring at iron ore mines	Restore / Regenerate
Agricul-ture	Fyffes	•Formulation and implementation of water management plans •Initiatives to reduce pesticide runoff and to reduce or avoid the use of pesticides and fertilizers •Initiatives to recycle and reuse packaging materials	Avoid / Reduce
		•Conservation areas inside and outside farms, conservation of	Restore / Regenerate
Related Busi-nesses	Pesticide and fertilizer sales business	•Collection and recycling of empty pesticide containers, initiatives for biopesticides, low-environmental-impact IPM (Integrated Pest Management) that does not rely solely on pesticides, and expanded sales of slow-release fertilizers and biostimulants	Avoid / Reduce
Overall	•Requests for improvement, support, and review of transactions based on the Sustainable Supply Chain Action Policy		Avoid / Transform



* AR3T: an abbreviation for Avoid, Reduce, Restore, Regenerate, and Transformative action; a framework presented by the SBTN (Science Based Targets Network) in line with the principle of the mitigation hierarchy. The mitigation hierarchy refers to a sequence of actions to anticipate nature-related risks and impacts, avoid significant impacts in advance, minimize impacts remaining after avoidance measures, restore impacts when they occur, and offset significant residual impacts.

4.4 LEAP Analysis of Priority Businesses within the Priority Sectors

Identification of Priority Businesses and LEAP Analysis

Among the businesses related to the mining and agriculture sectors, we identified priority businesses from a natural capital perspective for our Group, based on the priority location assessment results, the scale of invested capital, and strategic importance, and we conduct a LEAP analysis and monitoring of these priority businesses using the external tools employed in "4.3 LEAP Analysis of the Priority Sectors (Mining and Agriculture)." In addition, the UAE gas-fired power generation business, Hamriyah, which was a priority business in the previous fiscal year, is also subject to this analysis and monitoring.

Sector	Project
Agriculture	• Fresh produce business in Europe and the Americas: Fyffes
Mining	• Copper mining project in Chile: Quebrada Blanca • Iron ore and manganese mining project in South Africa: Oresteel • Iron ore mining project in Brazil: MUSA
Thermal Power Generation	• Gas-fired power generation project in the UAE: Hamriyah

None of the five projects subject to location analysis for Indigenous and Community Lands were found to be situated in areas with a high risk of rights infringement related to such lands or territories. Accordingly, further details on this topic have been omitted. Nonetheless, regardless of the results of the risk assessment, our Group remains committed to respecting human rights and upholds international norms concerning the rights of indigenous peoples, such as the United Nations Declaration on the Rights of Indigenous Peoples and the principle of Free, Prior and Informed Consent (FPIC). In regions where indigenous peoples reside, we recognize their unique cultures and histories, comply with applicable laws and environmental permitting requirements of the respective countries or regions, and conduct our operations with due consideration for indigenous peoples and local communities.

Result

I. [Agriculture Sector] Fresh Produce Business in Europe and the Americas: Fyffes

(1) Project Overview

Fyffes, a subsidiary of Sumitomo Corporation (hereinafter “the Business”), engages in a wide range of activities including the production, distribution, and sale of fresh produce. Bananas and pineapples serve as the company’s core product, produced, sourced and procured primarily from Latin America and sold in markets across Europe and North America.

(2) Locate/Evaluate

[Sectoral Dependency and Impact]

According to the sector-level dependency and impact analysis, the agriculture sector is generally characterized by a high impact from Water Use and Land Use, and a strong dependency on Vegetation and Groundwater.

[Location Analysis]

A location analysis was conducted for farm sites in Latin America, focusing on Water Stress, Ecosystem Sensitivity, and Tree Cover Loss.

The analysis confirmed that none of the sites are subject to high Water Stress. However, in terms of Ecosystem Sensitivity, it was identified that certain sites are located near areas of internationally recognized ecological importance—specifically, Key Biodiversity Areas (KBAs) in Belize and Costa Rica, and a UNESCO Biosphere Reserve in Costa Rica. Additionally, some sites were found to be located in regions experiencing a loss of tree cover.

(3) Assess

[Assessment of Potential Risks to the Project and Corresponding Measures]

- Potential Risk Identification and Analysis Results

  Based on the sector’s general dependencies and impacts, as well as the results of the location analysis, Ecosystem Sensitivity and Tree Cover Loss were identified as risks requiring particular attention.

  Accordingly, scenario analyses were conducted to identify potential future changes in these risks, focusing on both physical and transition risks.

  <Physical Risk>
  Using the Climate Impact Explorer, a scenario analysis was performed on flood risk, which can significantly affect vegetation cover and ecosystem sensitivity. The results indicated that the risk of flooding is expected to remain low in the future.

  <Transition Risk>
  The advancement of regulations aimed at preventing deforestation through land-use change—at both national and regional levels—may result in compliance costs, such as those related to enhancing traceability for relevant products. Among the four categories of transition risk—policy and legal, market, technology, and reputation—regulatory risk is considered to be a main risk that needs to be addressed.

- Project Assessment and Response Measures for Potential Risks

  The Business conducts ongoing materiality analyses on sustainability-related issues and has identified ecosystem conservation, deforestation, and soil erosion as key areas of concern. In line with this recognition, the Business's banana farm in Costa Rica became the first in the world to obtain the Rainforest Alliance 2020 Certification in 2021. A land conservation program has also been implemented to mitigate soil degradation, covering approximately 20% of all owned land. Specific measures include the designation of conservation areas around banana and pineapple farms, preservation and reforestation of natural vegetation to prevent soil erosion, and biodiversity surveys and conservation planning across farms and approximately 3,000 hectares of conservation zones. Furthermore, various pest and disease management initiatives have been adopted to reduce pesticide use in order to help conserve ecosystems, vegetation cover, and water areas.

  As such, the Business is considered to have already implemented effective measures to address potential risks related to ecosystem sensitivity and loss of tree cover.

  * For further details on these measures, please refer to the Sustainability Report published by Fyffes.

(4) Prepare

[Future Actions]

Going forward, the Business will continue its efforts to prevent ecosystem degradation and loss of vegetation cover by maintaining initiatives in designated conservation areas and monitoring the results of biodiversity surveys.

In considering any future farmland development, the Business will also take into account the anticipated increase in regulatory risks and will continue implementing and monitoring measures to prevent deforestation.

[Targets and Indicators]

Potential Risk	Indicator	Data	TNFD Indicator Code
Ecosystem Sensitivity	Scope of Terrestrial Ecosystem Conservation	As of 2024, approximately 2,819 hectares of conservation areas have been designated, which accounts for around 20% of the total land owned.	C1.1

II. [Mining Sector] Chile Copper Mining Project: Quebrada Blanca (QB)

(1) Project Overview

The Quebrada Blanca Copper Mining Project (hereinafter "the Project") is a copper mining project in the Tarapacá Region of the Republic of Chile, operated jointly with Sumitomo Metal Mining Co., Ltd. (hereinafter "Sumitomo Metal Mining") and major Canadian resource company Teck Resources Limited. Sumitomo Corporation and Sumitomo Metal Mining have participated in the project since 2019. The project entered Phase 2 of its operations in 2023 and plans to carry out continuous, steady long-term production for 25 years or longer.

(2) Locate/Evaluate

[Sectoral Dependency and Impact]

Mining sector is generally considered to have particularly large impact in terms of Water Use and Terrestrial Ecosystem Use.

[Location Analysis]

Location analyses of Water Stress and Ecosystem Sensitivity were performed for the Project. These analyses confirmed that the level of Water Stress is high at the Project's location. Regarding Ecosystem Sensitivity, there are no areas near the Project site that are considered critical in terms of biodiversity, such as protected habitats, and the risk level was confirmed to be low.

(3) Assess

[Assessment of Potential Risks to the Project and Corresponding Measures]

- Potential Risk Identification and Analysis Results

  Sector general dependence and impact analysis and location analysis identified Water Stress as a particularly important risk. To assess future changes in latent risk related to Water Stress, we performed scenario analyses of physical and transition risks.

  <Physical Risk>
  We analyzed future Water Stress forecasts using AQUEDUCT. This analysis showed that for each of the climate change scenarios (Pessimistic, Business as Usual, and Optimistic), Water Stress would remain high in the future (2030, 2050, and 2080)

  <Transition Risk>
  In Chile, the problem of water resource depletion is widely recognized, and there are on going discussions regarding the need to introduce equipment in reducing the amount of freshwater intake, including sea water desalination. Therefore, there is a possibility that restrictions on the use of terrestrial water may become stricter in the future. Because of this, out of the four transition risk categories of policy and legal, market, technology, and reputation, addressing risks in the policy and legal category is considered especially important.

- Potential Risk Identification and Analysis Results

  The Project has already installed seawater desalination equipment and more than 90% of the water necessary for the Project is being secured through seawater desalination. Furthermore, over 80% of the used water is reused, significantly reducing the amount of freshwater intake. Therefore, the impact of water intake on local water sources has been minimized, and measures have been taken to address the physical risks caused by continuous, high levels of Water Stress and latent risks related to Water Stress, including transition risks in the policy and legal category.

(4) Prepare

[Future Actions]

The Project's operations are performed in compliance with strict Chilean laws and regulations, not only regarding water use but also on ecosystems, land of indigenous people, etc. The Project will continue to comply with relevant laws and regulations. Furthermore, monitoring will be performed for indicators such as water intake volume and water reuse/recycling rates, regarding Water Stress confirmed as latent water risk.

[Targets and Indicators] (Source: Teck Resources Ltd)

<table>
<tr><th>Potential Risk</th><th>Indicator</th><th>Data (2024)*</th><th>TNFD Indicator Code</th></tr>
<tr><td rowspan="2">Water Stress</td><td>Water withdrawal (ML)</td><td>
<table>
<tr><th></th><th>High Quality</th><th>Low Quality</th></tr>
<tr><td>Surface stream water</td><td>599</td><td>0</td></tr>
<tr><td>Subsurface water</td><td>4,024</td><td>0</td></tr>
<tr><td>Sea water</td><td>0</td><td>45,827</td></tr>
<tr><td>Water via third parties</td><td>9</td><td>0</td></tr>
</table>
</td><td>C3.0</td></tr>
<tr><td>Water reuse/recycling rate</td><td>84%</td><td>A3.2</td></tr>
</table>

* High quality: Water that can be used for various purposes, such as drinking or agricultural, and requiring minimal or moderate processing to meet drinking water standards
Low quality: Water which is not highly suited to beneficial use, with the exception of industrial water, etc., requiring significant water treatment to meet drinking water standards

III. [Mining Sector] Iron Ore and Manganese Mining Business in South Africa: Oresteel

(1) Project Overview

Oresteel Investments (Proprietary) Limited (hereinafter “Oresteel”), an affiliated company of Sumitomo Corporation, is a holding company that invests in Assore, which holds a 50% equity stake in Assmang, a producer of iron ore and manganese ore in South Africa. Based in South Africa, Oresteel indirectly owns multiple mining through its investment in Assore and Assmang (hereafter the “Business”). These include chrome ore mine via Assore, and iron ore and manganese mines via Assmang (a 50:50 joint venture between Assore and African Rainbow Minerals [ARM]).

(2) Locate/Evaluate

[Sectoral Dependency and Impact]

According to the sector-level dependency and impact analysis, the mining sector is generally associated with significant impacts related to Water Use and Terrestrial Ecosystem Use.

[Location Analysis]

For this Business, a location analysis was conducted on Water Stress and Ecosystem Sensitivity. The results confirmed that the areas where the two target mines—Khumani Iron Mine and Black Rock Manganese Mine—are located are subject to high water stress. On the other hand, with regard to ecosystem sensitivity, no protected areas or other biodiversity-sensitive zones were found in the vicinity of the mines.

(3) Assess

[Assessment of Potential Risks to the Project and Corresponding Measures]

- Potential Risk Identification and Analysis Results

  Based on the sector-level dependency and impact analysis, as well as the results of the location analysis, water stress was identified as a risk requiring particular attention. Accordingly, scenario analyses were conducted to assess how potential risks related to water stress may evolve in the future, focusing on both physical and transition risks.

  <Physical Risk>
  An analysis using the AQUEDUCT tool was conducted to assess future water stress. The results confirmed that high levels of water stress are expected to persist at the two mine locations under all climate change scenarios—Pessimistic, Business as Usual, and Optimistic—through 2030, 2050, and 2080.

  <Transition Risk>
  If high levels of water stress continue, potential risks may arise in South Africa such as stricter regulations on freshwater use in the mining sector, and increased costs associated with the implementation of additional facilities or technologies. Among the four categories of transition risk—policy and legal, market, technology, and reputation—regulatory risk and technological risk are considered to be main risks that need to be addressed.

- Project Assessment and Response Measures for Potential Risks

  At the Khumani Iron Mine, a comprehensive set of measures has been implemented, including water recovery, construction of water storage facilities, and improvements in rainwater management. A target for water usage per ton of production has been set, and performance is being regularly monitored. At the Black Rock Manganese Mine, efforts are underway to reduce total water withdrawal in the region by using reclaimed water, improving rainwater management, and encouraging the use of treated water in nearby communities.

  By reducing inland water withdrawals at both mine sites, Oresteel minimizes both the impact on local water sources and the potential operational impact in the event of future water resource depletion. As such, Oresteel is considered to have already implemented effective measures to address potential risks related to water stress.

(4) Prepare

[Future Actions]

Oresteel operates in compliance with the strict environmental permitting and regulatory requirements of the host country, including those related to water use and ecosystems, and will continue to ensure full compliance with all relevant laws and regulations going forward.

With regard to water stress, identified as a potential risk, we will confirm water use and water reuse/recycling rates through dialogue with operating companies, including the status of efforts at mine sites where targets have not yet been established. We will also continue to closely monitor regulatory developments in the region.

[Targets and Indicators]

<table>
<tr><th>Potential Risk</th><th>Indicator</th><th colspan="6">Data</th><th>TNFD Indicator Code</th></tr>
<tr><td rowspan="6">Water Stress</td><td rowspan="4">Water withdrawal (million m^3)</td><td>Fiscal year*</td><td>2021</td><td>2022</td><td>2023</td><td>2024</td><td>2025</td><td rowspan="6">C3.0</td></tr>
<tr><td>Khumani</td><td>482</td><td>466</td><td>404</td><td>390</td><td>494</td></tr>
<tr><td>Black Rock</td><td>138</td><td>110</td><td>204</td><td>162</td><td>222</td></tr>
<tr><td colspan="6">*Operational Water withdrawal</td></tr>
<tr><td rowspan="2">Water use per ton of production (m^3/ton)</td><td>Khumani</td><td colspan="5">FY2025: 0.343 (Target: 0.319 or less)</td></tr>
<tr><td>Black Rock</td><td colspan="5">*Quantitative targets to be established in the future</td></tr>
</table>

* The fiscal year ends in June.

IV. [Mining Sector] Brazil Iron Ore Mining Project: MUSA (Mineração Usiminas S/A)

(1) Project Overview

Mineração Usiminas S/A (hereinafter "the Project") is a joint venture between Usiminas (70% ownership) and Sumitomo Corporation (30%). In the Serra Azul region of Minas Gerais, Brazil, it operates three mines and it produces and sells iron ore.

(2) Locate/Evaluate

[Sectoral Dependency and Impact]

As a result of sector-level dependence and impact analysis, the mining sector is generally considered to have especially large impacts in terms of Water Use and Terrestrial Ecosystem Use.

[Location Analysis]

Location analyses of Water Stress and Ecosystem Sensitivity were performed for the Project. These analyses found that the level of water stress is not high in the Project's location. However, with respect to ecosystem sensitivity, the project location was confirmed to be in a region with virgin tropical forest with a high level of biodiversity.

(3) Assess

[Assessment of Potential Risks to the Project and Corresponding Measures]

- Potential Risk Identification and Analysis Results

  Sector general dependence and impact analysis and location analysis identified the use of terrestrial ecosystems as a risk with a particularly large impact. For the Project, which is located near virgin tropical forest with a high level of biodiversity, changes in land use and pollution (especially pollution caused by tailings) are risks for which measures are of particular importance. Therefore, we performed scenario analysis for physical risks and transition risks to assess how these risks could change in the future.

  <Physical Risk>
  We used Climate Impact Explorer to perform analysis. Our analysis found that Brazil's Minas Gerais, where the Project is located, has been confirmed to have a higher future risk of flooding and extreme rainfall. If tailing dams or other related facilities were to be damaged, pollutants could be released into the surrounding environment, so there is a latent risk of impact on the area's ecosystem and organisms.

  <Transition Risk>
  In recent years, there has been growing interest in natural capital and the general public is aware of the potential for pollution from tailing facilities in the mining sector. Based on this, there are risks of the tightening of restrictions on the conservation of land when mines are closed down and on the management of tailing dams and risks of rising costs related to additional measures and the introduction of new technologies. Because of this, out of the four transition risk categories of policy and legal, market, reputation, and technology, addressing risks in the policy and legal category and the technology category is considered to be especially important.

- Potential Risk Identification and Analysis Results

  The Project has performed environmental impact assessments of land use changes and is implementing amelioration measures that minimize the impact of land changes, such as appropriate waste management measures and measures carried out by the plant and wild animal rescue programs. Furthermore, land with an area larger than the mine's footprint has been secured for forest planting activities, conservation easement, and as a conservation and preservation area for the area's original vegetation. Additionally, a wildlife monitoring program is being implemented in the area where the Project is located, and we are considering using the results of studies in future conservation efforts in the area. Therefore, the Project can deal with latent risks related to changes in land use, including transition risks, through initiatives for mitigating the impact of changes to land characteristics and through conservation and protection activities. We believe these initiatives are also effective in addressing physical risks such as damage to related facilities caused by flooding or localized heavy rains.

  With regard to pollution related to tailings, the Project is introducing a highly stable dry stacking system which replaces the traditional tailing dam equipment. This dry stacking system does not release wastewater into the external environment, instead reusing and circulating process water. The Project is managed in compliance with local laws and regulations, including daily visual inspections and geotechnical monitoring as well as monitoring and confirming of water quality.

  We therefore believe that these measures can deal with latent risks related to land use and pollution.

(4) Prepare

[Future Actions]

The Project's operations are performed in compliance with laws and regulations, such as local environmental licensing, concerning water use, ecosystems, and the land of indigenous people, etc. The Project will continue to comply with related laws and regulations. With regard to changes in land use, which have been confirmed to be a latent risk, indicators such as the mining project footprint and the area of conservation and preservation areas, will be monitored.

With regard to pollution, in FY2025, the Project plans to complete our disassembly of the conventional tailing dam, but we will continue to monitor water quality, paying close attention to whether the business activities have an impact on the area's water quality, and the Project will monitor water discharged by the dry stacking system.

[Targets and Indicators]

Potential Risk	Indicator	Data (2025)	TNFD Indicator Code
Changes in land use	Area of changes in usage of terrestrial/freshwater/marine ecosystems	Total footprint of mining project: 11km^2(1,100ha)	C1.1
	Area of protected or restored terrestrial/freshwater/marine ecosystems	Mandated by law or regulation: Environmental Protection Area: 74km^2(7,400ha) Legal Reserve: 14.64 km^2(1,464ha)	C1.1
Pollution from tailings	Wastewater discharge	Discharge of wastewater from the dry stacking system: 0 m^3	C2.1

V. [Thermal Power Generation Sector] UAE Gas-fired Thermal Power Generation Project: Hamriyah

(1) Project Overview

The Hamriyah gas-fired thermal power generation project (hereinafter "the Project") is the first large-scale IPP thermal power generation project in the Emirate of Sharjah, part of the United Arab Emirates. The project is located in Sharjah's Hamriyah area and is made up of three power generation units with a combined output of approx. 1,800 megawatts. The first unit was put into commercial operation in 2021 and the remaining two units were put into commercial operation in 2023.

(2) Locate/Evaluate

[Sectoral Dependency and Impact]

As a result of sector-level dependence and impact analysis, the thermal power generation sector is generally considered to have an especially large impact in terms of Water Use and an especially high level of dependence on Surface Water.

* For information on the impact of GHG emissions, please see the Climate Change page, which contains information on the analysis and disclosure of the climate change-related risks of our gas-fired thermal power projects in accordance with the TCFD.

[Location Analysis]

Location analyses of Water Stress and Ecosystem Sensitivity were performed for the Project. These analyses confirmed that the level of water stress is high in the Project's location. With regard to ecosystem sensitivity, an area that is a protected habitat was found to exist near the project location.

(3) Assess

[Assessment of Potential Risks to the Project and Corresponding Measures]

- Potential Risk Identification and Analysis Results

  Sector general dependence and impact analysis and location analysis identified water stress as a risk for which measures were of particular importance. Additionally, with regard to ecosystem sensitivity, the project location is near an area of high importance in terms of biodiversity, so the risk assessment result was "Middle" and there are risks which must be addressed through complementary measures.

  To assess how latent risk related to water stress may change in the future, we performed scenario analysis of physical risks and transition risks.

  <Physical Risk>
  We analyzed future water stress forecasts using AQUEDUCT. As a result of this analysis, we found that for each of the climate change scenarios (Pessimistic, Business as Usual, and Optimistic), water stress would remain extremely high in the future (in 2030, 2050, and 2080).

<Transition Risk>
The issue of water resource depletion is widely discussed in the United Arab Emirates, and national strategies, laws, and regulations recognize the importance of maintaining and managing sustainable water resources. Therefore, we believe there is a latent risk of corresponding rising costs, such as the costs of further water-related measures that companies are required to implement. Because of this, out of the four transition risk categories of policy and legal, market, reputation, and technology, addressing risks in the policy and legal category is considered to be especially important.

Furthermore, with respect to ecosystem sensitivity, we believe there are latent risks requiring complementary measures. Specifically, there is a latent possibility of an environmental impact from pollution in the form of hot wastewater from power plant cooling or highly concentrated saltwater (brine) produced by seawater desalination. There are wetlands near the project site with mangrove trees and precious marine ecosystems, so there could be an impact on these ecosystems.

- Potential Risk Identification and Analysis Results

Seawater desalination equipment has already been installed, and the project is securing the water it needs for its business activities by desalinating seawater, without using freshwater. This minimizes the impact of water intake on the area's water resources and the impact of the potential future depletion of water resources on the project. We therefore believe that the Project has already put measures in place to minimize risks related to water stress.

With regard to ecosystem sensitivity, we believe the Project may have an environmental impact in the form of pollution such as hot wastewater and highly concentrated saltwater (brine). However, our environmental impact assessment has confirmed that the wastewater and brine is dispersed and diluted on the sea's surface so their impact on the marine ecosystem is minor and within standards. Additionally, the Project performs annual marine ecosystem studies in nearby areas that are home to coral and pearl oysters. These studies have confirmed that there is no wide-scale environmental damage being caused by the project's activities alone, and we believe that we can deal with the latent risks related to ecosystem sensitivity.

(4) Prepare

[Future Actions]

We will continue to monitor the amount of seawater consumed by the Project and the temperature of warm wastewater. The Project is considering the installation of seawater desalination equipment in the future, and we will perform appropriate assessment of this equipment's impact on the ecosystem.

[Targets and Indicators]

Potential Risk	Indicator	Data	TNFD Indicator Code
Water Stress	Water withdrawal	No freshwater is used (seawater is desalinated for use) [Reference] Seawater consumption 2025: Approx. 830 million m^3	C3.0
Ecosystem Sensitivity	Temperature of warm wastewater	May 2026: 33.1℃（Outfall-10） 32.9℃（Outfall-20） 32.4℃（Outfall-30） * The difference in temperature between intake (31.2°C) and discharge is below the threshold set by local standards of ±5°C or less	C2.1

[Reference: Details of the Location Analysis and Assessment Methods]

The following provides an overview of the assessment methods used for each of the following perspectives: Water Stress, Ecosystem Sensitivity, Tree Cover Loss, and Indigenous and Community Lands.

Water Stress

Water stress levels (Baseline Water Stress) in the regions where business sites are located were assessed using the AQUEDUCT tool. Based on the assessed level, risk was evaluated in three categories: High Risk, Medium Risk, and Low Risk.



Figure: Example of water stress assessment using AQUEDUCT

Ecosystem Sensitivity

The Global Forest Watch tool was used to assess the proximity of business sites to the following ecologically important areas from a biodiversity perspective. Based on the degree of proximity, risk was evaluated in three categories: High Risk, Medium Risk, and Low Risk.

- Protected Areas: Legally protected areas considered particularly important for biodiversity conservation, corresponding to Categories I–III under IUCN guidelines, as well as internationally recognized sites such as Ramsar Wetlands, World Heritage Sites, and UNESCO Biosphere Reserves (Eco Parks).
- KBA / AZE Sites:
  Key Biodiversity Areas (KBA): Sites of global significance for biodiversity.
  Alliance for Zero Extinction (AZE) Sites: A subset of KBAs identified as critical habitats for species at imminent risk of extinction.
- Primary Forests: Untouched tropical forests with high biodiversity value.
- - Mangroves: Mangrove forests are widely recognized for their high levels of biodiversity.

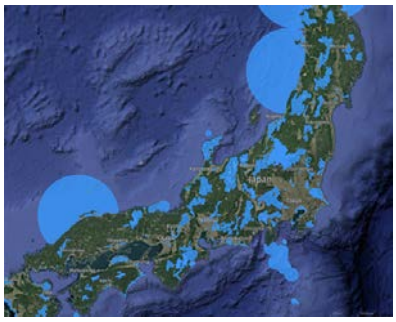


Figure: Example of Ecosystem Sensitivity Assessment Using Global Forest Watch (KBA displayed in the map)

Tree Cover Loss

The Global Forest Watch tool was used to assess areas near business sites where there has been significant loss of vegetation cover. Based on the degree of vegetation loss, the risk was evaluated into two categories: High Risk and Low Risk.

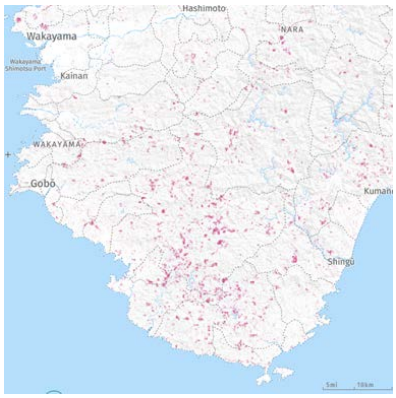


Figure: Example of Tree Cover Loss Risk Assessment Using Global Forest Watch

Indigenous and Community Land

The lives and livelihoods of indigenous peoples and communities may be deeply intertwined with natural capital such as land, resources, and water. In order to identify areas where land with such significant dependencies may be distributed, we used the Global Forest Watch to assess the areas around the business sites. Based on the presence and availability of assessment data, the risk was evaluated into three categories: High Risk, Medium Risk, and Low Risk.

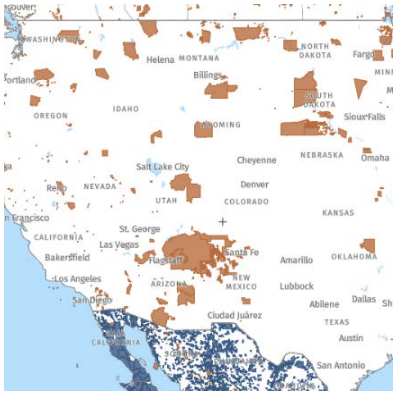


Figure: Example of Risk Assessment for Indigenous and Community Land Using Global Forest Watch

5. Risk & Impact Management

5.1 Process for Identifying and Assessing Nature-related Issues

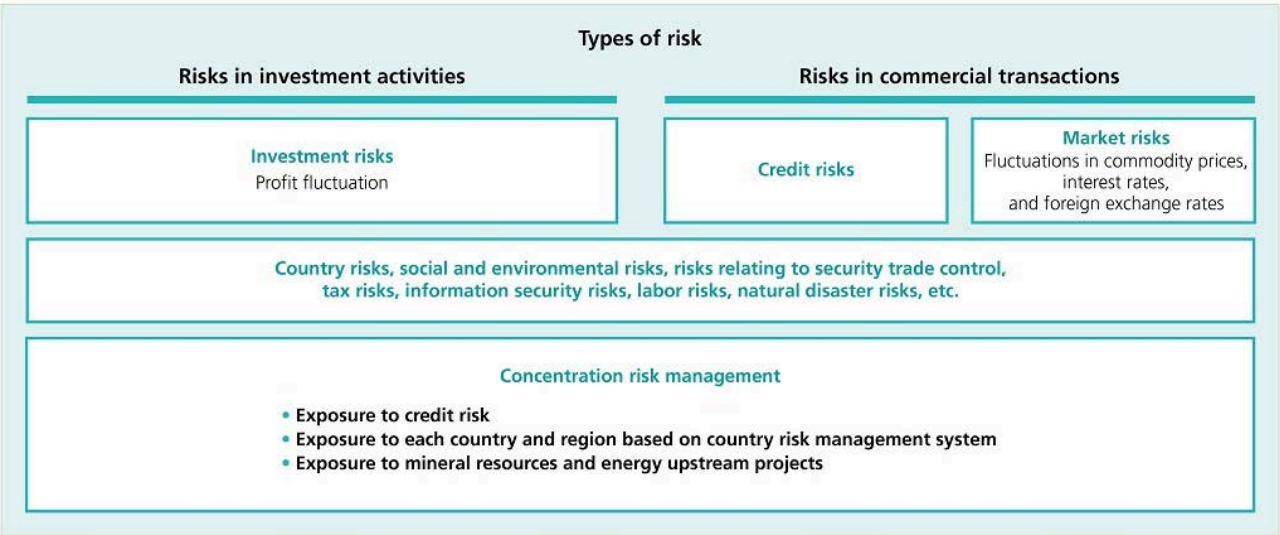
Since our Group's businesses are wide-ranging, their relationship with nature differs by sector and region. As for these business characteristics, we have traditionally advanced initiatives on an individual-business basis. However, to achieve the "Promotion of initiatives toward nature positive by 2030" set as our medium-term target, we believe that the management of risks and impacts and the examination of measures from a more company-wide perspective are also necessary.

Accordingly, this time, in order to conduct analysis at a more comprehensive level, we carried out a high-level assessment of dependencies and impacts across our Group's entire business, including the VC, together with analysis and examination of nature-related issues at the sector level for Mining and Agriculture sectors, which were considered to be of particularly high priority, and at the business level for certain priority businesses. For the specific methods of examination and the assessment results for material risks and impacts, please refer to "Strategy."

Note that nature-related risks and opportunities also include those related to climate change; however, we disclose climate-related matters based on the TCFD (Task Force on Climate-related Financial Disclosures). For climate-related risks and opportunities, please refer to "Climate Change."

5.2 Company-wide Risk Management

In our Group's risk management, we broadly categorize business activities into "investment" and "commercial transactions," and identify and manage risk factors specific to each as well as those common to both. "Social and environmental risk" is positioned as one of these risk factors, and nature-related risk is likewise incorporated into and managed within this company-wide framework.



5.3 Management of Nature-related Risks and Impacts
Basic Principles for Managing Social and Environmental Risks

Our Group's business activities span diverse industries and a wide range of regions, and each business brings a variety of impacts to different stakeholders, such as the global environment, local communities, business partners, and our officers and employees. As the social and environmental impacts of our Group's business activities, as well as the risks that need to be managed as priorities, vary depending on the products handled, the type of business, and the region of operation, risk management must be tailored to the specific characteristics of each business.

Specifically, for each of our businesses, we conduct risk management by striving to recognize the nature of its content and the region where it is located, its interface with society and the environment, and the associated risks; to maintain communication channels with stakeholders such as local communities and employees and thereby ascertain whether serious issues have arisen; and to ensure that, across the range of social and environmental issues, we not only comply with laws and regulations but also respond in accordance with international standards on the environment and human rights.



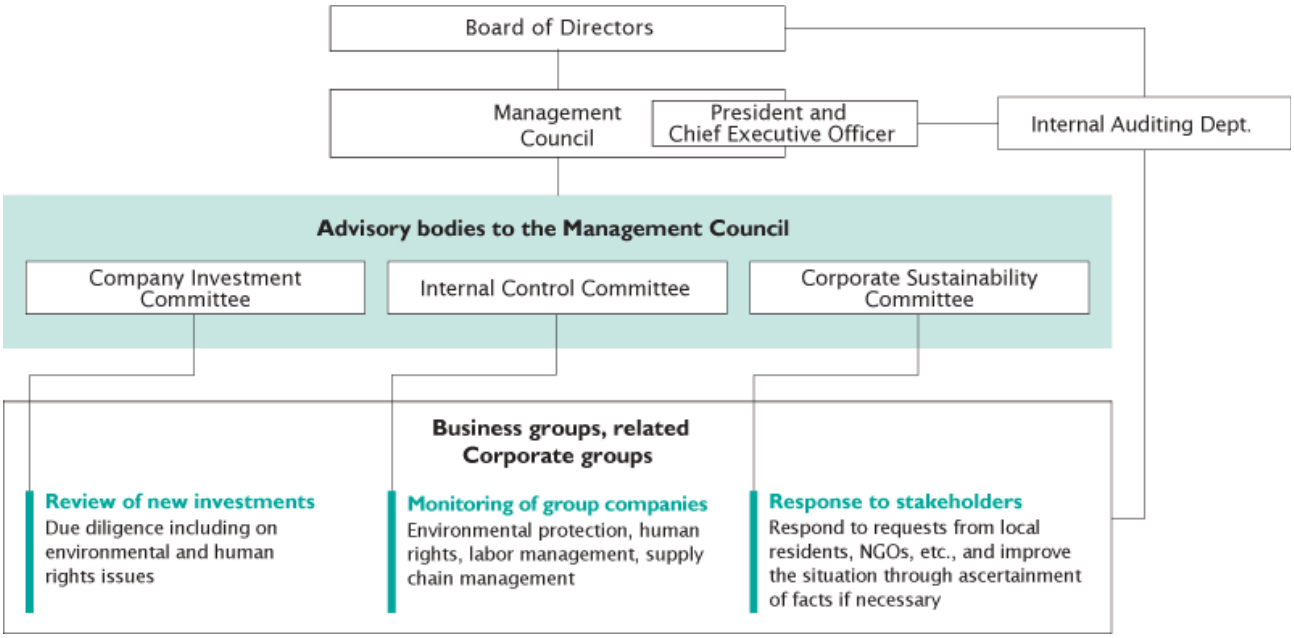
To appropriately manage the social and environmental impacts of the activities of the entire Group, including its diverse range of businesses, our Group has established a company-wide framework encompassing screening at the time of investment and financing and periodic monitoring. In conducting due diligence for investments and financing, we assess social and environmental risks—such as climate change, destruction of nature, environmental pollution, water-related risks, the working environment and occupational health and safety, and impacts on local communities—taking into account the content of each business and its regional characteristics. To further enhance the effectiveness of risk management, we use a self-assessment sheet specifically focused on social and environmental risks, drawing on risk information based on the SASB Standards and other frameworks, to identify risks and opportunities. We have also established a system under which the Company Investment Committee makes decisions with due consideration of social and environmental impacts.

Among the assessment items on the self-assessment sheet, the evaluation requirements related to natural capital are as follows.

Assessment category	Natural capital-related assessment requirements, etc.
I. Human rights of workers	Human rights of workers in business fields with high nature-related dependencies and impacts
II. Impact on local communities	Rights of Indigenous Peoples and Local Communities (IPLCs) during large-scale land acquisition and utilization, including changes to ecosystems, and large-scale water withdrawal and discharge
III. Environmental pollution and destruction of nature	Possibility of outflows or waste and handling/leakage of hazardous materials or chemical substances, environmental pollution such as air, water, and land pollution, or destruction of ecosystems, associated with own business activities
IV. Sustainable procurement	Risks associated with production or procurement of raw materials, including depletion of precious natural resources, destruction of forests, or human rights risks
V. Partners, subcontractors, supply chain	Reports, or criticism by NGOs, about environmental pollution or destruction of nature by business partners, subcontractors, and direct suppliers, etc.
VI. Risks related to new technologies	
VII. Other risks	
VIII. Climate change	Possibility of long-term escalation of climate change, or chronic occurrence of natural disasters or abnormal weather conditions, impacting on business performance

For businesses in which we have already invested or provided financing, we also see the status of social and environmental risk management through processes such as periodic monitoring via dialogue with the operating companies and internal audits, and, where issues are identified, we advance improvements in accordance with the specific character of the business. In addition, when we receive concerns regarding the impacts of our Group's business activities from stakeholders such as local residents and NGOs, we engage in dialogue and consultation based on the actual circumstances and strive to make improvements; furthermore, for material businesses, we strengthen engagement by, for example, providing explanations and holding dialogue on our own initiative.

As a result of such prior screening and monitoring, in responding to significant social and environmental issues in individual cases, we consider appropriate responses—drawing on advice from external experts as necessary—and submit and report these matters to the Management Council and the Board of Directors through the relevant internal committees. Under the oversight of the Board of Directors, we work to strengthen our responses to social and environmental risks and our management framework.



For the approach to social and environmental risks and the details of the management system, please refer to "Risk Management".

6. Metrics & Targets

Among the TNFD's global core disclosure metrics and global additional disclosure metrics, the metrics that our Group measures and discloses in "Environmental Data" and the metrics measured in individual businesses and disclosed in "Strategy" are organized in the table below. Toward the "Promotion of initiatives toward nature positive by 2030," we will strive to further expand our metrics, monitoring, and improvement.

No	Driver of nature change	Metric	Scope	Disclosure content / status
	Climate change	GHG emissions	Consolidated	Scope 1・2 and Scope 3 emissions
C1.0	**Land / freshwater / ocean use change**	Total spatial footprint	Individual business	[Mining] MUSA:total footprint of the mining business
		Extent of land / freshwater / ocean use change	Individual business	[Agriculture] Fyffes:conservation areas
				[Mining] MUSA:Environmental Protection Area
C1.1				[Mining] MUSA:Legal Reserve
C2.1	**Pollution / pollution removal**	Wastewater discharge	Consolidated / Individual business	Consolidated: Water Discharge
				[Mining] MUSA:external discharge derived from dry stacking
C2.2		Waste generation and treatment	Consolidated / Non-consolidated	Waste emissions; recycling, final disposal, and recycling rate of business-related general waste; hazardous waste emissions
C2.3		Plastic pollution	Non-consolidated	Emissions, recycling, and heat recovery of industrial waste from plastic-containing products
C2.4		Total non-GHG air pollutants	Non-consolidated	Air pollutant emissions(including NOx and SOx)

No	Driver of nature change	Metric	Scope	Disclosure content / status
C3.0	**Resource use / replenishment**	Water withdrawal and consumption from water-scarce areas	Consolidated / Individual business	Consolidated: water withdrawal in water-stressed areas
				[Mining] Quebrada Blanca:water withdrawal
				[Mining] Oresteel:water withdrawal, water use per ton of production
C7.2	**Risk**	Amount and content of significant fines, penalties, and litigation in the fiscal year due to negative nature-related impacts	Non-consolidated	Environmental law violations;number and amount of fines (fines of ¥1 million or more, etc.)
A3.2	**Resource use and replenishment**	Water reduced, reused / recycled	Individual business	[Mining] Quebrada Blanca:water reuse / recycling rate at the copper mine and concentrator

Appendix: New Business Development

Our Group is also taking on the challenge of new business development related to natural capital. In particular, we see significant business opportunities in creating products, services, and mechanisms that promote the transition to a circular economy. Because the transition to a circular economy also helps to avoid and reduce impacts on nature arising at stages such as raw material production, we consider it an initiative related to reducing nature-related impacts and creating opportunities. Specific examples of such products, services, and mechanisms have begun to emerge, as follows:

- PET and other collection and recycling business at TOMRA Japan
- Aircraft part-out business at Werner Aero
- Demonstration experiments toward establishing a reuse and recycling business for solar panels

In addition, we participate in “Circular Partners (CPs),” promoted by the Ministry of Economy, Trade and Industry, and work to create businesses that contribute to a circular economy through participation in rule-making, networking, and other activities.

In fiscal 2025, we also entered the carbon credit business derived from mangrove afforestation. We view this business as contributing to nature positive by promoting market growth toward decarbonization, contributing to the improvement of ecosystem services—such as securing habitats for diverse organisms and water purification through mangroves—and contributing to the expansion of employment opportunities and the improvement of livelihoods for local residents who cultivate and manage the mangroves.

While our Group undertakes initiatives on both fronts of risk reduction and opportunity creation as described above, we recognize that initiatives toward nature positive are in a developmental stage for society as a whole, with international rules and metrics expected to be formulated and updated going forward. Therefore, with respect to the above strategy as well, while actively engaging in dialogue with stakeholders, including investors, we will accurately grasp future changes in the external environment and reflect them in our Group’s natural capital initiatives.

Related Businesses

Water Business

While water demand is expected to increase on a global basis as a result of population growth, urbanization and industrialization, the infrastructure environment to ensure the supply of safe and hygienic water has not been improved and water issues are expected to become even more serious. In response, in the 21st century, water business that aims to address water issues has started attracting people's attention globally. Increasing awareness that developed countries are responsible for contributing to achieving a safe and hygienic living environment in developing countries has also contributed to the increased attention to water business.

We regard water business combining water supply and sewerage systems as an important pillar of social infrastructure. Based on this recognition, we are engaged in various business projects around the world. We have been expanding our water business from BOOT and BOO business*1 using private-sector capabilities*2, such as water and sewage treatment and seawater desalination, to fully privatized business in promising markets around the world, including areas with rapidly increasing water demand. We have realized substantial achievements in these business areas. We will continue to take on challenging issues in globally expanding and multifaceted water business by supplying safe and secure water using Japanese technology and responding to the demand for reducing social costs by using private capital.

*1 BOOT (Build-Own-Operate-Transfer) is a form of providing services under a long-term contract with the public sector and, after the contract period, transferring the business assets to the public sector
BOO (Build-Own-Operate) is a form of providing services under a long-term contract with the public sector as in BOOT but the assets will be maintained by the business operator.

*2 Use of private-sector capabilities: Use of business operation capabilities and funds of the private sector for business projects that have traditionally been conducted and financed by the public sector to increase efficiency

Country	Activity Description	Business category
Brazil	Investment in BRK Ambiental, one of the largest private water-related companies, holds assets of 23 business projects of water supply and sewerage treatment (our indirect ownership ratio is 14%). We are participating in promising water supply and sewerage treatment business in Brazil.	Water supply and sewerage treatment business
China	We established Capital Summit at 40% share ratio with Beijing Capital Eco-Environment Protection Group, a leading water infrastructure company in China. Capital Summit operates sewage treatment plants in Shandong Province and Zhejian Province.	Sewerage treatment business
Oman	We have been awarded a seawater desalination project using reverse osmosis membrane technology and private-sector capabilities/funds. Commercial operation was started in February 2016.	Seawater Desalination business

Efforts to Reduce Environmental Impacts in the Agrochemical / Fertilizer Sales Business

Our major mission in the realm of agrochemical/fertilizer business is to provide the best-quality agrochemicals/fertilizers that fulfill the needs of farmers worldwide with the aim of contributing to increasing the productivity of agricultural crops. We select and combine functions such as import, manufacturing, distribution, wholesale and direct sales by taking into account the characteristics of each market, and we are currently conducting agrochemical/fertilizer business in about 40 countries.

In some areas, unfortunately, farmers and distributors inappropriately dispose of emptied plastic bottle containers and aluminum bags of agrochemicals, which can pollute the environment. There are also concerns that agrochemical remains in such containers could lead to an accident and adversely affect the environment. Agro Amazonia Produtos Agropecuarios Ltda. in Brazil and Summit Agro Mexico S.A. de C.V. in Mexico involve other companies in the industry to make joint efforts to collect and recycle empty containers of agrochemicals to promote environmental conservation.

Efforts are also made to reduce the environmental impacts of agrochemicals themselves, including investment in Bio-solution manufacture called Futureco Bioscience S.A., in Spain, Bio Insumos Nativa SpA in Chile and DPH Biologicals LLC in USA, and application of integrated pest management (IPM), which does not depend on agrochemicals alone and has low environmental impacts.

As an IPM effort, we are spreading the use of a communication disruptor (pheromone agent) developed by Shin-Etsu Chemical Co., Ltd., which uses insect's natural sex pheromone. It is harmless to non-target organisms, and not only reduces the population of the target pest but is also effective on pests that enter inside plants and are hard to control.

It can also be expected to reduce the pesticide resistance of pests. This control method is currently applied by about 60% of orchards in France. In the European region, we have expanded our sales territory to include Poland, Bulgaria and Turkey.

In addition, we put our efforts into reducing the amount of conventional chemical fertilizer applied and reducing environmental impacts on farmland by expanding the sales of coated fertilizers (allowing farmers to control the pace of fertilizer elution and enhance the effective utilization rate of fertilizer constituents, thereby reducing the amount of fertilizer applied), biostimulants (which increase plants' tolerance to diseases and pests as well as to cold/heat stresses by enhancing their innate immunity and vitality, thereby enabling the use of reduced amounts of fertilizer) and microbial inputs (which convert atmospheric nitrogen into plant-available forms such as ammonia, thereby contributing to the reduction of chemical nitrogen fertilizer use, soil improvement, and the mitigation of environmental impact). (equity participation in Naturevo S.R.L, a Romanian company whose main product is such high-performance fertilizers)



Investment in a bio-agrochemical manufacturer in Spain



Agrochemical project in Brazil (Agro Amazonia Produtos Agropecuarios Ltda.)



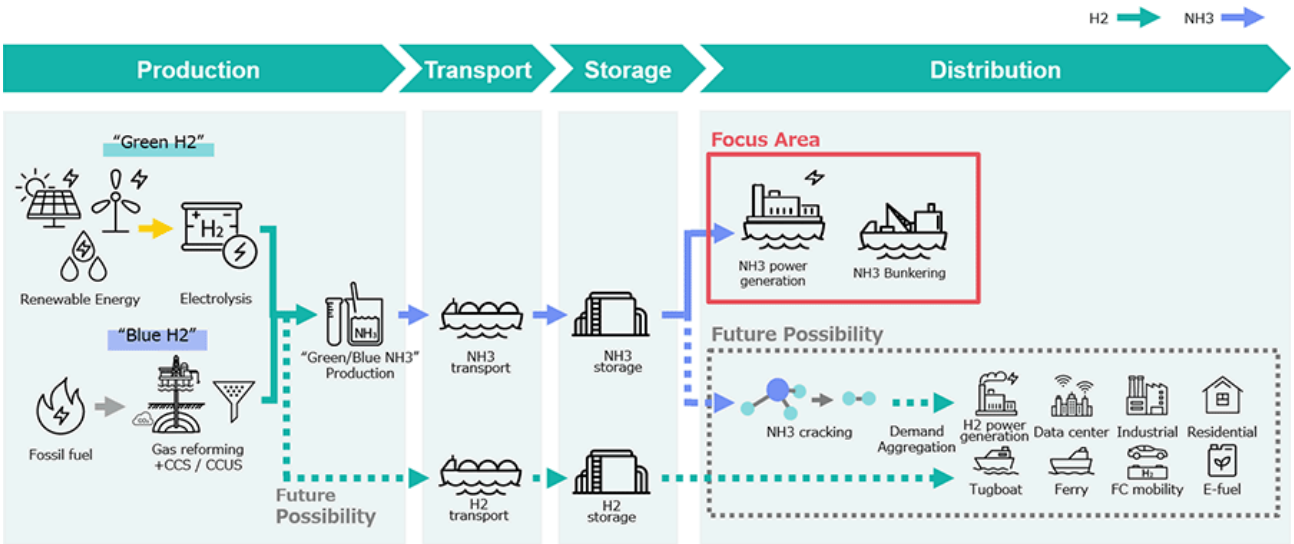
Use of a pheromone agent

Reducing the Environmental Impact of Marine Fuel

Since 1954, we have been supplying marine fuel to shipping companies in Japan and abroad. To contribute to reductions in the shipping industry's environmental impact, we are also working to supply LNG fuel, which emits no sulfur oxides and contains 40-70% fewer nitrogen oxides and 20% less carbon dioxide than conventional fuels. Specifically, through a joint venture with Uyeno Transtech Ltd., Yokohama-Kawasaki International Port Corporation, and the Development Bank of Japan Inc., we placed an order for an LNG bunkering vessel to be utilized for LNG fuel supply business in Tokyo Bay.

The International Maritime Organization (IMO), a specialized agency of the United Nations, has formulated a strategy to reduce greenhouse gas (GHG) emissions from maritime transportation globally to zero by around 2050. In this context, it is believed that ammonia will be the next generation of alternative marine fuels that have the potential to contribute significantly to reducing GHG emissions in the shipping industry because it does not emit CO_2 during combustion. Green ammonia in particular has the potential to be a major factor in making the shipping industry carbon-free, as it is produced solely from renewable electricity, water, and air and emits no CO_2 during its lifecycle.

We have been appointed by the Singapore government to conduct supply chain development for ammonia bunkering in Singapore. We are currently proceeding with the detailed design of an ammonia bunkering vessel and preparation for demonstrations toward full-scale commercialization. Through this initiative, we aim to contribute to the decarbonization of the shipping industry by creating a comprehensive supply chain that includes the supply, transportation, storage, and bunkering of non-GHG emitting marine fuel.



Bird Friendly® Coffee

Sumitomo Corporation Group has imported and supplied Bird Friendly®-certified coffee (BF®-certified coffee) since 2004 as part of our biodiversity-friendly activities, which ensures a stable income for farmers. Since FY2014, SC Foods Co., Ltd. started dealing in BF®-certified coffee. BF®-certified coffee is grown under the shade of natural forest trees to conserve the environment and provide migratory birds a place to rest. The BF certification was created by the Smithsonian Migratory Bird Center (SMBC). As of May 2026, 67 farms and agricultural cooperatives in 12 countries*1 are certified and part of the proceeds are used for SMBC's research, surveys and conservation activities.

In 2019, this project was recognized by the Japan Committee of the International Union for Conservation of Nature and Natural Resources (IUCN) as a cooperative project authorized by the Japan Committee for the United Nations Decade on Biodiversity (UNDB-J)*2. This authorization means that the project is an important activity to conserve biodiversity as well as an activity that has achieved results toward meeting the Aichi Biodiversity Targets*3. We will continue our efforts to contribute to protecting migratory birds and ecosystems through this project.

This project has been recognized as a project recommended by the Japan Committee for the United Nations Decade on Biodiversity (UNDB-J).

*1 12 countries: **Ethiopia**, **Peru**, **El Salvador**, **Colombia**, **Guatemala**, **Honduras**, Nicaragua, Bolivia, India, Mexico, Venezuela, Costa Rica（Countries in **bold** indicate those from which imports were recorded in FY2025.）

*2 The committee was established in September 2011 to encourage the participation and cooperation of all sectors in Japan to promote efforts to conserve biodiversity and ensure its sustainable use.

*3 New international targets to conserve biodiversity, which were adopted by the 10th Conference of Parties (COP10)



BF® certified farm in Honduras



BF® certified farm in El Salvador



Harvest of BF® certified farm in Guatemala

Sustainable Use of Natural Resources and Circular Economy

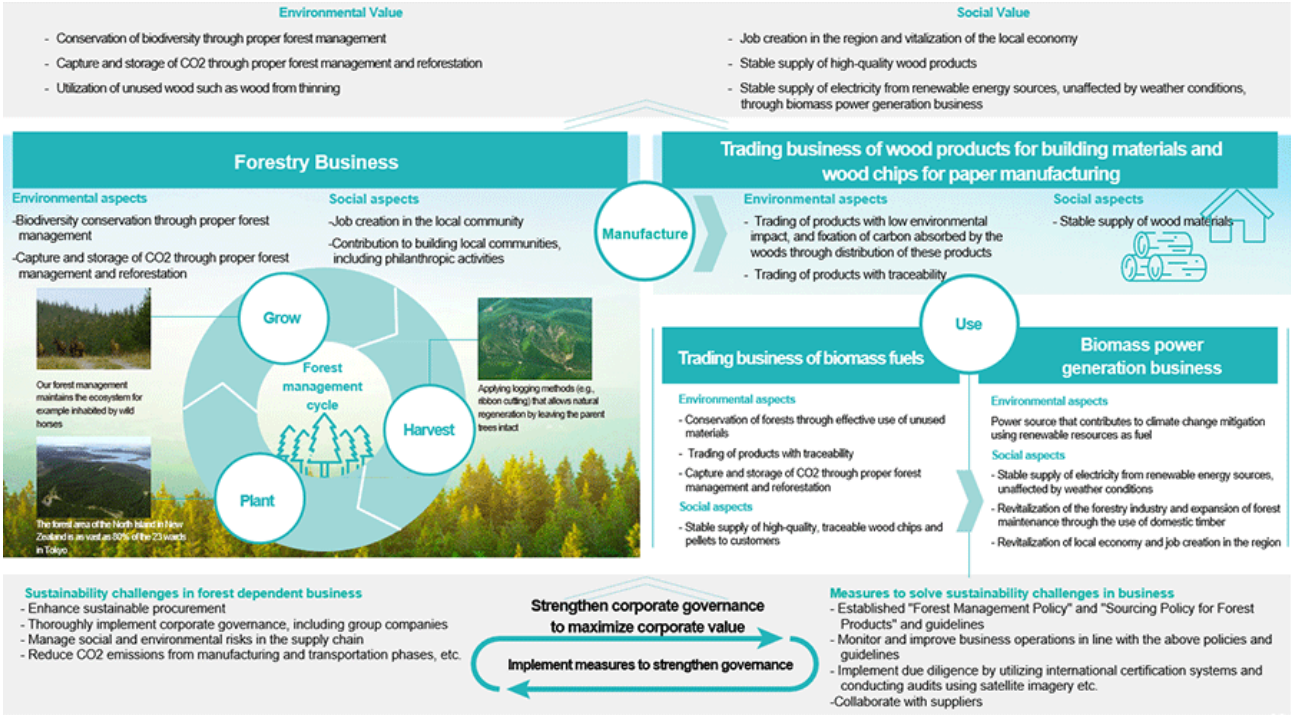
Basic Concept

Economic and social activities based on mass production, mass consumption, and mass disposal not only hinder sound material circulation, but are also closely related to various environmental issues, such as climate change, the depletion of natural resources, and the loss of biodiversity caused by large-scale resource extraction. Efforts to realize a circular economy, which is an economic system that aims to maximize the value of resources and products, reduces resource input and consumption, and minimizes waste generation, while transitioning away from conventional economic and social models, have become a shared challenge for the international community, alongside climate change mitigation and biodiversity conservation. In addition, in recent years, increasing emphasis has been placed on the role of the circular economy in enhancing industrial competitiveness and ensuring economic security.
The Group will make effective use of limited resources and contribute to the realization of sustainable resource recycling by switching to resource-saving technologies and products, and working on sustainable procurement from forests and other natural resources.

ESG Quantitative Data on Resources and Waste

Effective Use of Forest Resources

Forests are a circulative resource that can be permanently regenerated through continuous planned logging and regrowth. In addition to providing diverse food sources and timber products in each region, appropriate management of these resources contributes to the conservation of biodiversity and mitigation of climate change by capture and storage of CO_2. The Sumitomo Corporation Group, conducting business using these precious resources, implements sustainable forest management to maximize the environmental and social value provided by them, while striving to strengthen governance to prevent deforestation, forest degradation, and human rights violations.



We established the Sumitomo Corporation Group Forest Management Policy and Sumitomo Corporation Group Sourcing Policy for Forest Products in March 2022. Furthermore, in order to reinforce due diligence to mitigate risks, we also set Operational Guidelines for putting the policies into actions.

Sumitomo Corporation Group Forest Management Policy

Established in March 2022

Scope of application

Forestry business directly managed by Sumitomo Corporation and its Consolidated subsidiaries. In addition, other forestry business that Sumitomo Corporation and its subsidiaries are involved in management are included if determined to be material.

Governance

This policy was approved by the Management Council and the Board of Directors of Sumitomo Corporation. If any serious issues arise in implementing this policy, measures and corrective action plans will be discussed at the Corporate Sustainability Committee and reported to the Management Council and the Board of Directors.

Commitment

Based on the principles of zero deforestation and respect for human rights, Sumitomo Corporation will strive to implement the following in its sustainable forest management, with the cooperation of its Group companies.

Environmental aspects:

- We will not engage in development that leads to gross deforestation, or the conversion of natural forests into plantations for forestry business.
- We will not develop forests with high conservation value (HCVF), or forests with high carbon stock (HCSF) such as in peatlands.
- We will work to protect endangered species and reduce the impact of our forestry business on ecosystems.
- We will conduct thorough management to prevent forest fires and will not conduct any operations which can cause forest fires.
- We will engage in forest conservation and reforestation.

Social aspects:

- We will conduct our forestry business with consideration for human rights in accordance with Human Rights Policy.
- We will respect human rights as stipulated in the “International Bill of Human Rights” and the International Labor Organization’s “Declaration on Fundamental Principles and Rights at Work,” and we will operate in accordance with the “United Nations Guiding Principles on Business and Human Rights.”
- We will respect international norms related to the rights of indigenous peoples, such as the “United Nations Declaration on the Rights of Indigenous Peoples” and the “principle of Free, Prior and Informed Consent (FPIC).”
- We will support local communities through creating employment and offering educational programs related to forests.

Operational guidelines for Forest Management Policy

To reinforce due diligence to mitigate risks, we have also set operational guidelines for putting the policy into actions.

Risk assessment and monitoring:

- We will conduct environmental and social risk assessments in accordance with the Sumitomo Corporation Group Forest Management Policy before starting any new forest management. In addition, we will continue monitoring the status of our environmental and social commitments after the project started.

Certification:

- In addition to the above monitoring, we will make effective use of the internationally recognized forest management certification system for the forests managed by the Group and promote obtaining certification.

Stakeholder dialogue:

- In order to prevent global deforestation and forest degradation, we will promote the sustainable use of forest resources in society through dialogue with our stakeholders in the regions where our forests are located.
- We will develop a grievance mechanism* to respond to issues raised by our stakeholders.

Disclosure:

- In order to implement forest management with high level of transparency, we will strive to disclose information on our initiatives in accordance with the Sumitomo Corporation Group Forest Management Policy.

Reviewing process of the Guidelines:

- The Business Units will annually report on implementation of the policy to the Corporate Sustainability Department.
- Based on the report, the Corporate Sustainability Department will annually review the necessity of updating the Operational Guidelines.
- If any serious issues arise in implementing this policy, measures and corrective action plans will be reported to the Management Council and the Board of Directors.

* A process that employees, local residents or other stakeholders can use to lodge complaints regarding human rights violations and other issues related to enterprise's business activities including its supply chain, for resolving such issues

Sumitomo Corporation Group Sourcing Policy for Forest Products

Established in March 2022

Scope of application

Logs, wood products (plywood, lumber, veneer, laminated timber), wood chips and wood pellets traded by Sumitomo Corporation and its Consolidated subsidiaries.

Governance

This policy was approved by the Management Council and the Board of Directors of Sumitomo Corporation. If any serious issues arise in implementing this policy, measures and corrective action plans will be discussed at the Corporate Sustainability Committee and reported to the Management Council and the Board of Directors.

Commitment

In accordance with the principles of zero deforestation and respect for human rights, Sumitomo Corporation will strive together with its Group companies to source products based on this policy while cooperating with suppliers and customers.

Environmental aspects:

- We will not procure materials sourced from lands associated with destructive forest use or development which leads to gross deforestation causing significant environmental impacts.
- We will not procure materials sourced from lands associated with serious environmental issues including the destruction of forests with high conservation value (HCVF) or high carbon stock (HCSF) such as in peatlands.
- We will not procure materials produced from genetically modified wood.
- We will procure in compliance with the Washington Convention to protect endangered species.

Social aspects:

- We will procure products harvested in forests where human rights are respected in accordance with Human Rights Policy.
- We will respect human rights as stipulated in the “International Bill of Human Rights” and the International Labor Organization’s “Declaration on Fundamental Principles and Rights at Work,” and we will operate in accordance with the “United Nations Guiding Principles on Business and Human Rights.”
- We will respect international norms related to the rights of indigenous peoples, such as the “United Nations Declaration on the Rights of Indigenous Peoples” and the “principle of Free, Prior and Informed Consent (FPIC).”
- We will not procure materials produced from illegally logged wood.

Operational guidelines for Sourcing Policy for Forest Products

To reinforce due diligence to mitigate risks, we have also set operational guidelines for putting the policy into actions.

Monitoring:

- In order to procure forest products in accordance with the “Sumitomo Corporation Group Sourcing Policy for Forest Products,” we will promote the use of products that have been certified by reliable international forest management certification systems. Additionally, we will request detailed information from suppliers through audit activities such as questionnaires and on-site visits.
- In order to ensure compliance with the Commitment, we will conduct supplier risk assessments and consult with non-compliant suppliers to request improvements. If no improvement is observed, we will consider reviewing the transaction.

Stakeholder dialogue:

- In order to prevent global deforestation and forest degradation, we will promote the sustainable use of forest resources in society through dialogue with our stakeholders, including suppliers and customers.
- We will develop a grievance mechanism* to respond to issues raised by stakeholders.

Disclosure:

- We will strive to disclose the status of our initiatives based on the “Sumitomo Corporation Group Sourcing Policy for Forest Products,” including reporting on monitoring results.

Reviewing process of the Guidelines:

- The Business Units will annually report on implementation of the policy to the Corporate Sustainability Department.
- Based on the report, the Corporate Sustainability Department will annually review the necessity of updating the Operational Guidelines.
- If any serious issues arise in implementing this policy, measures and corrective action plans will be reported to the Management Council and the Board of Directors.

* A process that employees, local residents or other stakeholders can use to lodge complaints regarding human rights violations and other issues related to enterprise’s business activities including its supply chain, for resolving such issues

Initiatives for Forest Management and Forest Products Procurement

We spoke to group companies conducting forest management to understand their response to mitigating environmental and social risks, including forest conservation, mitigation of impacts on ecosystems, and consideration of local residents, and we confirmed that activities conducted during FY2024 were in line with our Forest Management Policy. We also confirmed compliance of our forest product suppliers with the commitments of our Sourcing Policy for Forest Products during FY2024, using an annual questionnaire and on-the-spot surveys.

New Zealand Timber Business

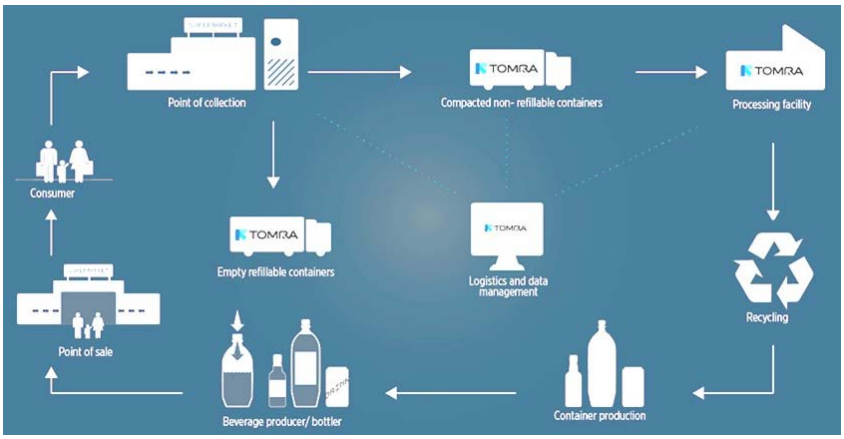
In New Zealand, a sustainable supply of timber resources is provided on a 30-year cycle through a harmonious arrangement with local communities under the environmentally friendly forest management system of planting trees, growing them, cutting them down, and replanting them. In the approximately 50,000 hectares of forest owned by Summit Forests New Zealand Limited., besides protecting water resources, cultural sites, and indigenous biodiversity conservation areas, the company has also forged friendly relationships with the indigenous Māori people in the course of running its business. Moreover, much of the company's forest holdings are international forest management certified, which offers objective proof that the company is managing the forest appropriately.



Forest owned by SFNZ

Tomra Japan: Creating and Deploying a PET bottle Recycling System in Which Consumers Take Part Actively

Reducing the usage of plastic resources while ensuring its effective consumption - importance of this issue is increasing year by year as a measure for addressing global environmental issues, such as marine litter and global warming. In this context, importance of resource recovery system is increasing, to materialize and enhance sustainable resource recycling. Tomra Japan is a joint venture between TOMRA Systems ASA (Norway) and our company. In addition to selling equipment such as reverse vending machines (RVMs) for the efficient collection of used PET bottles, we have also created and deployed a recycling system whereby we collect PET bottles from RVMs installed at supermarkets and other retail stores and deliver them to recyclers. RVMs only collect PET bottles after their caps and labels are removed by the consumers, this enables us to collect high-quality resources with fewer impurities. Through the supply of high-quality recovered resources, Tomra Japan has been contributing to horizontal recycling, in which fresh PET bottles are made from used PET bottles. In addition to such activities, in 2021 the company launched a new brand named “bottlium®” with the aim to contribute to the recycling of PET bottles into polyester clothing. By recycling PET bottles into clothing that can be repeatedly washed, continuing the horizontal recycling of PET bottles, and encouraging consumers to actively take part in collecting and recycling higher-quality resources in an efficient manner, Tomra Japan will continue to contribute to the reduction of environmental burden and the development of a recycling-based society.



Circulation recycling system with RVM as a platform



Reverse Vending Machine

bottlium®

公式ブランドサイト

“bottlium®” – New brand of recycled PET bottle by Tomra Japan. Made from the high-quality resources (used PET bottles) collected by Tomra Japan, through chemical agent-free aqueous cleaning process.
The highest quality expands the possibilities for various applications such as hollow fibers.

Sumisho Global Logistics Co., Ltd.
From Disposable to Rental: MAXICON Liquid Transport Containers

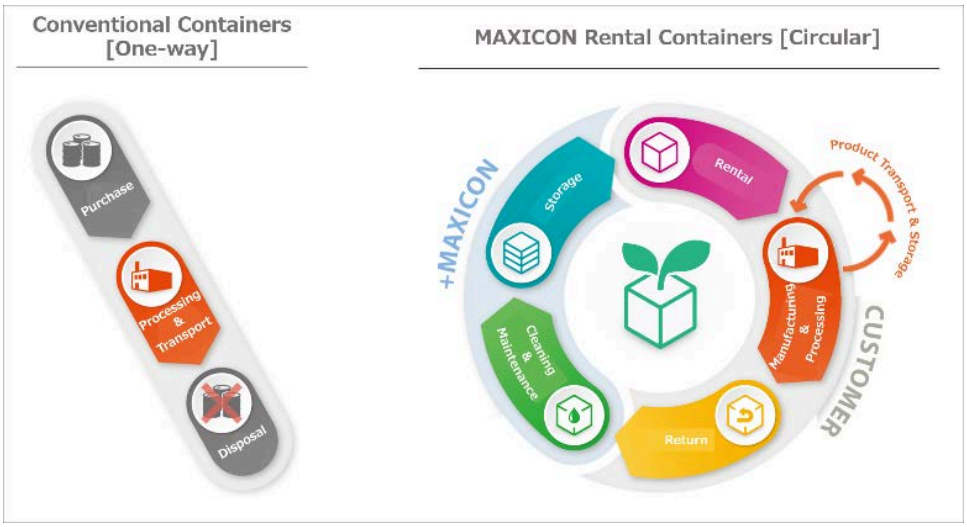
Sumisho Global Logistics Co., Ltd.（SGL）, which handles the logistics functions of our group, operates a rental business for MAXICON, a foldable IBC (※) with inner liner. While traditionally many IBCs in the food and cosmetics industries were purchased as disposable items, MAXICON has led the industry as a pioneer of "rental IBCs," realizing circular logistics that significantly reduces waste.
Additionally, companies that previously used smaller containers such as 18-liter cans, bag-in-box packaging, and drums are increasingly adopting MAXICON due to its superior operational and transport efficiency, especially against the backdrop of serious challenges including Japan's aging population with low birthrate and rising freight and packaging material costs. This shift away from using/disposing of smaller containers contributes to resource conservation. From now on, SGL will continue working on sustainable logistics with MAXICON.

- MAXICON website (Japanese only)
- PV “What’s MAXICON?”

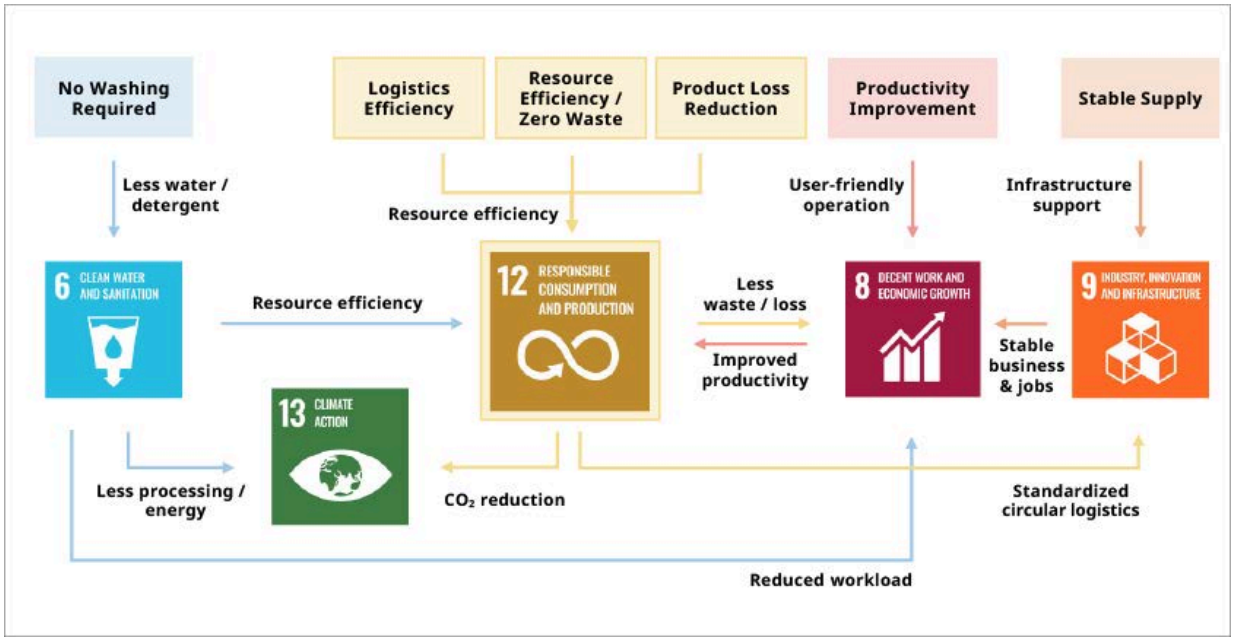
* Intermediate Bulk Container: medium-sized container with approximately 1,000L capacity



Flagship Product: MAXICON JMK-2



Circular Logistics by MAXICON



Value Creation & Sustainability with MAXICON

Initiatives for Reducing Environmental Impact on Non-Ferrous Metal Mining

Sumitomo Corporation is contributing to reducing the environmental impact of mining operations through our investment in JEX Technologies, Inc., based in Reno, NV, USA. JEX Technologies' Hydro-Jex® technology recovers residual metals from heap leaching pads in mines of copper, gold, and other metals. This technology increases metal production without increasing total tonnes mined, thereby reducing greenhouse gas emissions per unit of production, and indirectly contributing to the reduction in the number of new mines needed to meet global metal demand. Lastly, this technology improves the stability of heap leaching pads and reduces the risk of hazardous substance leakage.



Results

We are working toward our goal of actively promoting the sale of certified timber. The following table shows our actual use of certified timber in New Zealand (Summit Forests New Zealand) during FY2025.

FY2025 Results	
Certified log (New Zealand)	198 thousand ton

Social

Supply Chain Management 194

Respect for Human Rights 205

Our People 227

Health & Safety 275

Social Responsibility 284

Social Contribution Activities 304

Supply Chain Management

Basic Concept

The Sumitomo Corporation Group has established the Sustainable Supply Chain Action Policy. Through the implementation of the policy, we are aiming to realize a sustainable society by working together with our suppliers and business partners to achieve responsible value chain management. The Company provides numerous opportunities to promote the understanding and entrenchment of this policy, in order to promote sustainable supply chain management. We share this policy with our suppliers and business partners and confirm their compliance as necessary. Also, in monitoring social and environmental risks in each business, we confirm the supply chain in accordance with Sustainable Supply Chain Action Policy, individual policies for specific commodities, as well as other laws and regulations.

Sustainable Supply Chain Action Policy

Enacted in November 2009
Revised in November 2013
Revised in July 2026

Based on the “Sumitomo Business Philosophy” and our Management Principles, the Sumitomo Corporation Group regards contributing to the sustainable development of society through sound business activities as our fundamental mission. Our Group conducts business activities in accordance with international standards regarding human rights and other matters, including the “International Bill of Human Rights,” the International Labour Organization (ILO) “Declaration on Fundamental Principles and Rights at Work,” the United Nations “Guiding Principles on Business and Human Rights,” and the “Ten Principles of the UN Global Compact.”

As a general trading company conducting diverse business operations globally and maintaining diverse supply chains, in order to build sustainable supply chains together with our business partners and suppliers, our Group seeks their endorsement, understanding, and implementation of the matters set forth below. We will fulfill our social responsibilities by working with our business partners and suppliers to engage in dialogue and consultation with stakeholders for identifying and addressing issues within the relevant supply chains.

(1) **Respect for Human Rights**
Under our Human Rights Policy, our Group is committed to respecting human rights, avoiding causing or contributing to adverse human rights impacts through our own activities, and seeking not to contribute to adverse human rights impacts through our supply chains. Specifically, our Group respects fundamental labor rights, ensures reasonable working hours and sufficient rest periods, and ensures appropriate payment of a living wage. Our Group also prohibits discrimination, violence, and harassment, and does not tolerate involuntary labor, such as forced or child labor. Our Group respects freedom of association and the right to collective bargaining, and strives to provide a safe, hygienic, and healthy working environment. Our Group also takes into consideration the safety and rights to land and territories of local residents and indigenous peoples.

(2) **Environmental Considerations**
Our Group recognizes environmental challenges such as climate change (including the measurement and reduction of greenhouse gas emissions), biodiversity, the efficient use of resources and energy, water resource conservation, and pollution prevention, and we are committed to reducing our environmental impact and preserving the global environment.

(3) **Ensuring Quality and Safety**
Our Group ensures the quality and safety of the products and services we provide, earning the peace of mind and trust of our stakeholders.

(4) **Fair Trade and Anti-Corruption**
Our Group complies with applicable laws and regulations as well as international standards, and strictly upholds fair business practices. We prevent all forms of corruption, including bribery and extortion.

(5) **Ensuring Information Security**
Our Group properly manages the information we handle and strives to ensure information security and protect privacy and personal information.

(6) **Coexistence with Local Communities**
As a member of the local communities where we conduct our businesses, our Group values dialogue with these communities and contributes to their sustainable development.

(7) **Information Disclosure**
Our Group will regularly disclose appropriate information regarding our initiatives related to this Policy.

Furthermore, where adverse human rights, environmental, or other impacts, including conduct inconsistent with this Policy, are identified within our supply chains, we will request remediation by our business partners and suppliers through dialogue with them and in accordance with internationally recognized human rights and other relevant standards, and request that they develop and implement corrective action plans aimed at addressing such impacts as necessary. If, despite ongoing engagement, guidance, and support to the extent of our Group's leverage, in accordance with internationally recognized human rights and other relevant standards, we determine that such impacts would not be sufficiently addressed, we will consider appropriate measures, including the temporary suspension or review of business transactions.

* In this Policy, "Sumitomo Corporation Group" and "our Group" refer to Sumitomo Corporation on a non-consolidated basis and our consolidated subsidiaries.
With regard to equity-method affiliates, we will endeavor to ensure that they understand and implement the objectives of this Policy to the extent of our leverage.

Supply chain management policies for specific commodities

To realize a sustainable society by working together with our suppliers and business partners, Sumitomo Corporation has established Sustainable Supply Chain Action Policy. We have also established specific policies for natural resource-related commodities requiring sustainable procurement.

- Forest Management Policy
- Sourcing Policy for Forest Products

Policy and Concept on sustainable procurement of palm oil

Palm oil is the most produced vegetable oil in the world which is used in a wide variety of products and closely related to our lives. Meanwhile, we, the Sumitomo Corporation Group recognize that palm oil comes with various social and environmental risks especially in the upstream supply chain, as its raw material, oil palm, may be linked to the deforestation of valuable forests, damage to biodiversity and impact on a local community due to plantation development, and forced and child labor in some production process.

Therefore, in order to fulfill social responsibility with relevant stakeholders based on Sustainable Supply Chain Action Policy, we strive to build a high transparent supply chain with our suppliers through being a member of RSPO* as a group.

Our consolidated subsidiaries SC Foods Co., Ltd., a trading company specializing in food products, and Summit Oil Mill Co., Ltd, an edible oil manufacturer, conduct a survey of the suppliers with an aim of confirming the existence of inherent problems in human rights in the supply chain. In addition, Summit Cosmetics Corporation, our consolidated subsidiary specializing in cosmetics-related products trade, also survey of the suppliers and request compliance with Sustainable Supply Chain Action Policy for Supply Chain Management which committed to the sustainable procurement of palm oil.

* Roundtable on Sustainable Palm Oil

Conflict Minerals Policy

The Dodd-Frank Act, which was enacted in July 2010, requires US-listed companies to trace the country of origin of minerals used in their products with in their supply chains to determine whether or not "conflict minerals"* produced in and around the Democratic Republic of the Congo are included. The results must be reported annually to the U.S. Securities and Exchange Commission (SEC) and disclosed on their websites. Such reporting is not mandatory for the Sumitomo Corporation Group itself, as it is not listed in the U.S. However, in order to fulfill our corporate social responsibility in our business activities, we will closely monitor relevant trends and advance initiatives such as information sharing with suppliers, taking into account international challenges related to conflict minerals as well as requests from business partners.

* The Dodd-Frank Act defines conflict minerals as tin, tantalum, tungsten and gold

EcoVadis Certification for Chemical Solutions Group

EcoVadis provides a unique platform for assessing a company's social and environmental sustainability performance. The following Sumitomo Corporation Group companies received EcoVadis Medals for their efforts.

- Platinum Medal: Summit Cosmetics Europe, Presperse Corporation
- Gold Medal: Summit Pharmaceuticals Europe
- Silver Medal: Summit Cosmetics LATAM, Summit Cosmetics Corporation
- Bronze Medal: Summit Pharmaceuticals International, SUMITOMO DEUTSCHLAND GMBH

* Platinum is awarded to the top 1%, Gold to the top 5%, Silver to the top 15%, and Bronze to the top 35% of companies

Measures Taken in the Chemical and Electronics Industries

Sumitomo Shoji Chemicals Co., Ltd. (hereinafter “Company”), which focuses on trading in the chemical and electronics sectors with extensive industrial involvement and numerous applications, ensures that, based on customer requests, its raw material suppliers confirm the "non-use of conflict minerals that fund armed groups" and "management of chemical substances contained in products." This is to verify that no environmental or human rights issues arise.

Additionally, the Company agrees to the green procurement systems of its customers, which aim to promote environmental conservation, and requires its raw material suppliers to also agree to these green procurement systems and comply with related environmental laws and regulations. The Company also verifies their compliance status.

The Company is a member of Sedex, a non-profit organization that provides a platform for companies to manage their supply chains ethically and sustainably, and has passed Sedex's audits related to environmental and human rights issues.

Feiler Initiatives

Feiler Japan Co., Ltd., a subsidiary of Sumitomo Corporation, imports, plans, and sells products of the German textile brand “FEILER”, which features chenille fabrics. Feiler purchases all cotton yarns used for chenille fabrics from companies certified under OEKO-TEX® Standard 100*1, which meets international safety standards for textile products.

* OEKO-TEX® Standard 100 is the world’s highest standard for safe textile products, awarded only to products that have passed strict safety tests for the presence of harmful substances.





SC Foods Initiatives: Contributing to society through fairtrade products

SC Foods Co., Ltd., a member of the Sumitomo Corporation Group, won the Silver Award in the Trader category at the second Fairtrade Japan Awards, announced in November 2025. This is an award sponsored by Fairtrade Label Japan, a specified non-profit organization, that honors and recognizes companies and organizations that have made outstanding achievements in promoting fairtrade in Japan. SC Foods was selected in recognition of its proactive import of fairtrade coffee and sesame seeds from around the world and enhanced the relationship between the origin countries and Japan by, for example, joining Golden Cup CAM - the contest of the Fairtrade coffees from Central America and Mexico as a judge. SC Foods also won the first Fairtrade Japan Awards, announced in October 2023.

SC Foods is constantly pursuing to distribute coffee that is not only delicious, but also contributes to a sustainable and rich future of food. Through the initiatives, SC Foods also aims to communicate the socially beneficial significance of the products. As part of this effort, SC Foods imports and sells fairtrade certified coffee, which is good for society and the global environment. Specifically, SC Foods collects detailed information from suppliers with whom we have built relationships over many years about how the fairtrade premium, which is paid based on the sales volume of fairtrade certified coffee, helps the production area. In addition to providing products to roasters and consumers who purchase our products, SC Foods also collaborates with fairtrade-related organizations both domestically and internationally to actively engage in activities to expand awareness and purchasing of fairtrade certification itself.

One example of fairtrade certified coffee SC Foods handles is Con Manos De Mujer (CMM: English name: WOMAN'S HAND). CMM certification was launched in 2010 by Mayacert S.A. together with the Asobagri cooperative with the aim of improving women's social status and economic environment. The premium added to the price of certified coffee is transformed into scholarships and medical expense subsidies, providing a platform for the female producers who belong to the cooperative to thrive and help them achieve self-realization.



SUMMIT, INC. Initiatives: Handling of certified marine products

SUMMIT, INC., a member of the Sumitomo Corporation Group that operates a supermarket business, handles marine products that have acquired ASC* certification for some of its marine products for the purpose of sustainable procurement and environmental and social considerations. In addition, SUMMIT, INC. develops products with a focus on sustainable perspective.

* ASC: An international certification program for environmentally and socially responsible aquaculture products, administered by the Aquaculture Stewardship Council.

Initiatives Taken in the Real Estate Business (Sumisho Realty Management's ESG Policy)

Initiatives Taken in the Real Estate Business

Sumisho Realty Management Co., Ltd., a real estate asset management business of the Sumitomo Corporate Group, has identified seven material issues and is implementing initiatives to adapt to changing global trends, meet the expectations of stakeholders, and contribute toward a sustainable society. As a real estate management company, it also believes that incorporating ESG elements into its investment decisions and operational processes is essential for maximizing medium- to long-term value for investors. For this reason, it defines and implements basic policies toward ESG.

Seven Material Issues & Initiatives

	Material Issues	Initiatives
E	• Climate change mitigation	• Consideration for reduction of energy consumption, CO2 emissions, etc.
	• Portfolio greening	• Promote acquisition of green building certifications such as GRESB, CASBEE, DBJ Green Building Certification, BELS, etc.
S	• Human resource development	• Provide ample training programs • Support acquiring professional accreditations • Develop real estate professionals with an emphasis on teamwork
	• Diversity, Equity & Inclusion	• Create a working environment in which diverse human resources can flourish over the medium to long term • Respect human rights • Provide ongoing employment support to achieve work-life balance
	• Tenant satisfaction improvement & contribution to local communities	• Provide/operate facilities with high tenant satisfaction • Consideration for environment/society by collaborating with tenants, PMs, BMs, etc. • Contribute to and consider local community
G	• Engagement with investors and trustworthy governance	• Disclose information to investors and promote constructive dialogue • Develop a governance structure trusted by investors
	• Thorough compliance & risk management	• Monitor and respond to risks • Appropriately operate an internal control system for compliance with laws and regulations

Sumisho Realty Management's ESG Policy

ESG Policy

SRM believes that it is indispensable as a real estate management company to include environmental, social and governance (ESG) factors in investment decisions and management process for maximization of unitholder value over the medium to long term, and thus establishes the following basic policies on ESG and puts them into practice.

1 **Climate Change Measures**
SRM shall aim for realization of carbon neutrality through efforts on efficient use and reduction of energy and minimization of greenhouse gas emissions to as close to zero as possible at real estate under management. Furthermore, recognizing the importance of renewable energies, SRM shall consider possible utilization of such.

2 **Efforts on Reducing Environmental Burden**
Recognizing environmental burden at real estate under management, including water consumption and waste discharge, SRM shall continuously make efforts to reduce such.

3 **Consideration for Natural Environment**
With sufficient consideration for protection of natural ecosystem and other natural environment as well as for maintenance/conservation of biodiversity, SRM shall promote greener buildings and communities.

4 **Efforts on Improving Health and Comfort**
SRM shall strive to improve real estate value by raising tenant satisfaction through assessment of needs and appropriate implementation of measures for enhancing health/comfort of tenants and local communities.

5 **Efforts on Enhancing Resilience**
SRM shall strive to improve real estate value by retaining and gaining good tenants through enhancement of resilience of real estate under management against climate change and disasters. In addition, SRM aims for real estate management that can respond flexibly to changes in social structure such as urbanization and work sharing.

6 **Collaboration with Stakeholders**
SRM shall establish a good relationship with tenants, property management companies, local communities and other stakeholders involved in real estate under management and collaborate to promote ESG.

7 **Efforts for SRM's Employees**
SRM shall strive to develop employees' skills by providing specialized training, support for acquisition of qualifications and such based on its human resources strategy. In addition, SRM shall work to create a favorable working environment to allow diverse employees to work comfortably in good health.

8 **Compliance and Strengthening of Governance**
In order to protect investors and ensure SRM's proper operations, SRM shall not only abide by laws and regulations, but also strive to prevent corruption, prevent conflicts of interest, manage information properly, and value human rights and diversity.

9 **Disclosure of ESG Information and Utilization of Outside Evaluation**
SRM shall make efforts to implement appropriate and transparent disclosure of ESG-related information for its stakeholders, and consider utilization of outside evaluation and third-party certification.

Commitment to External Initiatives

RSPO: Roundtable on Sustainable Palm Oil

We became an ordinary member of the RSPO in 2019. Further, our consolidated subsidiaries SC Foods Co., Ltd. And Summit Oil Mill Co., Ltd. obtained RSPO supply chain certification in 2021.

2-1036-19-100-00

FSC: Forest Stewardship Council®

We obtain FSC (FSC-C016535) certification, an international forest management certification system, and provide customers with FSC-certified products mainly from our group-companies.

PEFC: Program for the Endorsement of Forest Certification Schemes

We obtain PEFC CoC certification, an international forest management.

(PEFC/31-31-1393 ・ PEFC/31-31-1559)

SBP: Sustainable Biomass Program

In September 2019, we became the first Japanese company to obtain SBP certification for CoC (Chain-of-Custody) and Collection and Communication of data. SBP is a certification system providing assurance that woody biomass used in energy production is sourced from legal and sustainable sources.

ISCC PLUS: International Sustainability & Carbon Certification PLUS

We hold ISCC PLUS, an international certification for bio-based products. This allows us to trade ISCC PLUS certified products. In addition, the following group companies have also obtained ISCC PLUS certification.

- Sumitomo Shoji Chemicals Co., Ltd.

ISCC EU: International Sustainability & Carbon Certification EU

We hold ISCC EU, an international certification for sustainable fuels compliance with Europe Union set out in Renewable Energy Directive. This allows us to trade ISCC EU certified products.

ISCC CORSIA: International Sustainability & Carbon Certification CORSIA

We hold ISCC CORSIA, an international certification for CORSIA (the Carbon Offsetting and Reduction Scheme for International Aviation) eligible fuels. This allows us to trade ISCC CORSIA certified products.

ASI: Aluminium Stewardship Initiative

We are a member of the Aluminium Stewardship Initiative (ASI), the global aluminium industry organization. As an active participant in trading aluminium materials and products globally, we support ASI activities and standards across the global aluminium value chain.

Respect for Human Rights

In response to changing international expectations and business conditions, we revised our Human Rights Policy in 2026. We added two new priority areas—"Technology and Human Rights" and "Environment and Human Rights"—and reorganized our most significant human rights issues into nine priority areas. We also incorporated information on our remediation efforts and the implementation and operation of our grievance mechanism. In addition, we clarified the Management Council's approval process and oversight responsibilities.

Human Rights Policy

Enacted in May 2020
Revised July 2026

The Sumitomo Corporation Group, grounded in the "Sumitomo Business Philosophy," places respect for human rights at the core of our management. We regard respect for human rights as a critical management issue essential to realizing a sustainable society and enhancing our Group's corporate value, and we uphold this principle in all aspects of our business activities.

1 **Scope of Application**
Sumitomo Corporation, as the entity bearing ultimate responsibility for the formulation and implementation of this Policy, will share this Policy with our Group companies and strive to ensure that all of our Group officers and employees fulfill their responsibilities to respect human rights. Furthermore, our Group will ask our business partners and suppliers to endorse, understand, and implement this Policy, and we will encourage stakeholders throughout our supply chains to work with us to fulfill our shared social responsibilities, including respect for human rights.

2 **Compliance with Applicable Laws and Respect for International Standards**
Our Group respects international human rights standards, including the "International Bill of Human Rights," the International Labour Organization (ILO) "Declaration on Fundamental Principles and Rights at Work," the United Nations "Guiding Principles on Business and Human Rights," and the "Ten Principles of the UN Global Compact." We conduct our business activities, including those outlined in Sections 3 through 10, in accordance with these principles.
Furthermore, our Group complies with the laws and regulations of the relevant countries and regions in all of our business activities. Where there is a conflict between internationally recognized human rights and the laws of a particular country, our Group will seek ways to respect international human rights standards.

3 Key Human Rights Issues Related to Business Activities

(1) Appropriate Wages and Working Hours

Our Group complies with applicable laws and regulations as well as international standards, and strives to ensure appropriate payment of a living wage and sufficient rest periods.

(2) Safe, Hygienic, and Healthy Work Environment

Our Group provides a safe, hygienic, and healthy work environment and strives to prevent workplace accidents and occupational diseases. Through appropriate risk management, education, and continuous improvement, we aim to safeguard the physical and mental well-being of our employees.

(3) Discrimination, Violence, and Harassment

Our Group prohibits all forms of discrimination, violence, and harassment, and ensures equal opportunities and fair treatment. We also respect the individuality and diversity of each person and strive to create an inclusive workplace environment based on dignity and respect.

(4) Forced and Child Labor

Our Group prohibits all forms of involuntary labor, including forced labor, human trafficking, and debt bondage. We do not tolerate child labor, and we implement protective measures for young workers with due consideration for their safety, health, and educational opportunities.

(5) Freedom of Association and the Right to Collective Bargaining

Our Group respects the freedom of association and the right to collective bargaining for employees.

(6) Rights of People Affected by Our Business Activities

Our Group respects the fundamental human rights of local residents, indigenous peoples, and employees affected by our business activities. In particular, we place great importance on the traditional lifestyles of indigenous peoples and their free, prior, and informed consent. Furthermore, we recognize the legitimacy of human rights defenders' activities and do not tolerate threats, harassment, unjust restrictions, or retaliation. We strive to ensure a safe and open environment for dialogue.

(7) Respect for Privacy and Personal Information

Our Group respects privacy as a fundamental right and complies with applicable laws and international standards in the collection, use, and management of personal information. We strive to prevent unauthorized access, leaks, and inappropriate use.

(8) Technology and Human Rights

Our Group places great importance on human rights considerations in the development and use of technology, including artificial intelligence (AI). We strive to eliminate discriminatory biases, ensure fairness, transparency, and explainability, and maintain human final judgment and involvement.

(9) Environment and Human Rights

Recognizing that the global environment may have a negative impact on human rights, our Group is committed to preventing and mitigating adverse impacts on people's health and livelihoods through business activities that take into account climate change, biodiversity, water resources, and other environmental factors.

4 **Human Rights Due Diligence**

Through our human rights due diligence initiatives, our Group will identify any adverse human rights impacts that we have caused or contributed to, or those directly related to our Group's businesses, products, or services through business relationships or other means, and strive to prevent or mitigate them. In conflict-affected and high-risk areas, we recognize that the risk of human rights violations increases and conduct enhanced due diligence in accordance with international standards.

If it becomes clear that our Group's activities have caused or contributed to adverse human rights impacts, we will strive to remedy them by taking appropriate measures. Furthermore, where our Group's businesses, products, or services are directly linked to adverse human rights impacts through business relationships or other means, we will take appropriate action to prevent or mitigate such impacts.

5 **Dialogue and Consultation with Stakeholders**

Our Group is committed to sincerely working to strengthen and continuously improve our efforts to respect human rights through two-way dialogue and consultation with stakeholders related to our business activities, including workers, indigenous peoples, local communities, and civil society organizations.

In such dialogue, we will ensure a safe environment free from retaliation and disadvantageous treatment, while prioritizing the perspectives of each stakeholder and implementing comprehensive and transparent responses that take account of language, culture, social standing, and other relevant factors.

6 **Remedies and Redress**

If it becomes clear that our Group has caused or contributed to adverse human rights impacts, we will work toward remediation and redress through appropriate processes.

Furthermore, even beyond direct contractual relationships, we will strive to bring about improvements by exercising our leverage whenever our business activities are directly related.

7 **Grievance Mechanism**

To identify and address adverse human rights impacts related to our business activities and supply chains, our Group will establish an effective reporting and grievance mechanism in accordance with Principle 31 of the United Nations "Guiding Principles on Business and Human Rights."

We will make this mechanism available to all potentially affected stakeholders, ensure anonymity and safety, and take measures to prevent retaliation and adverse treatment.

8 **Internal Awareness**

Our Group will promote appropriate awareness-raising activities for our officers and employees to ensure that this Policy is understood and effectively implemented.

9 **Information Disclosure**

Our Group will regularly disclose appropriate information regarding our initiatives to respect human rights and the progress made in this regard.

10 **Governance**

This Policy was submitted for discussion and approved by the Management Council and the Board of Directors of Sumitomo Corporation. The Corporate Officer in charge of sustainability initiatives is responsible for overseeing compliance with and implementation of this Policy.

Furthermore, under the responsibility of Sumitomo Corporation, this Policy will be reviewed periodically in accordance with prescribed procedures, taking into account applicable laws and regulations, international standards, and changes in the business environment, and revised as necessary.

* In this Policy, “Sumitomo Corporation Group” and “our Group” refer to Sumitomo Corporation on a non-consolidated basis and our consolidated subsidiaries.

With regard to equity-method affiliates, we will endeavor to ensure that they understand and implement the objectives of this Policy to the extent of our leverage.

Compliance with labor-related global standards and laws

The Sumitomo Corporation Group is addressing human rights issues. While complying with laws and regulations in our countries of operation, we support and respect the Ten Principles of the UN Global Compact, as well as the International Labour Organization’s core labor standards of ten conventions in five areas: freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labor, effective abolition of child labor, elimination of discrimination in employment and occupation, and occupational safety and health. With regard to the elimination of discrimination in particular, we are committed to eliminating discrimination based on human race, nationality, gender, religion, creed, age, origin, physical or mental disability, or other reasons that are not related to business operations, and to ensuring equal opportunities in the workplace. We are also complying with minimum wage requirements based on the labor standards and labor conventions of each country.

Respect for the rights of children

As the world population is mostly made up of children and younger generations, the Sumitomo Corporation Group is aware that its corporate activities have an impact on the lives of children both directly and indirectly. For companies, children are family members of employees, as well as important stakeholders who will play future roles in the sustainable development of society. Based on this recognition, we signed the United Nations Global Compact in its support of the Ten Principles, and respect Children’s Rights and Business Principles. We are committed to preventing the violation of children’s rights through our business and social contribution activities.

Respect for the rights of indigenous peoples

As part of its commitment to respect human rights, the Sumitomo Corporation Group respects global standards pertaining to the rights of indigenous peoples, including the United Nations Declaration on the Rights of Indigenous Peoples, and the principle of “free, prior and informed consent (FPIC).” In business operations in areas where indigenous peoples reside, we recognize their unique culture and history and comply with applicable laws and regulations of each country or region.

Concept concerning the use of security companies

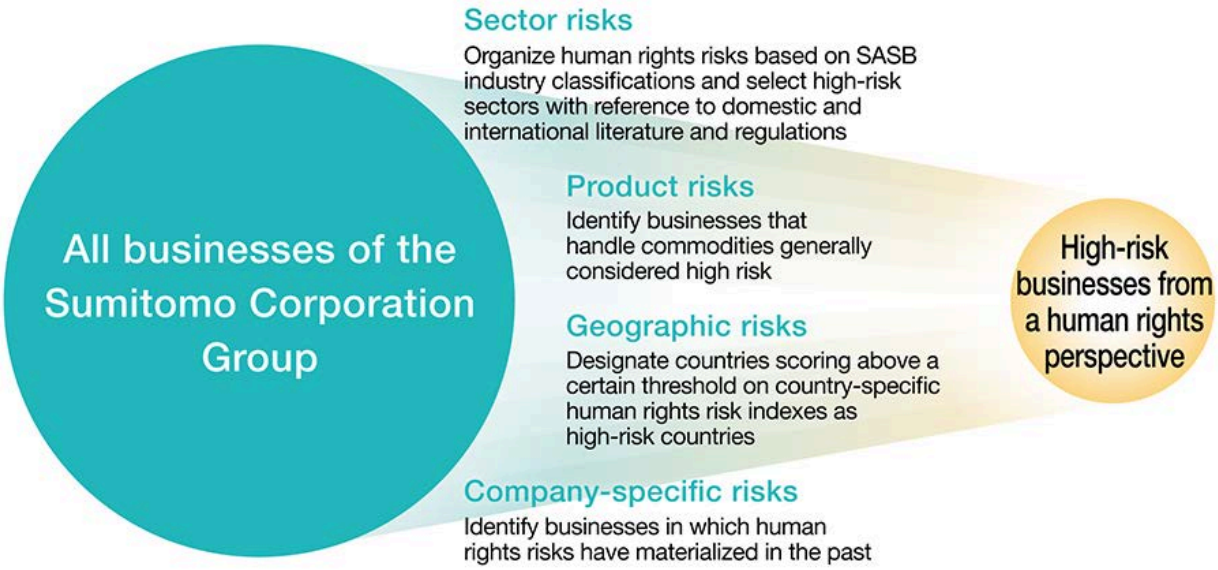
In the operation of its business in countries around the globe, the Sumitomo Corporation Group uses security companies to protect the safety and security of its employees. When necessary, we may use armed security personnel, recognizing the human rights risks involved and complying with laws and regulations of the countries in which we operate. We select security companies in accordance with the Voluntary Principles on Security and Human Rights and the Basic Principles on the Use of Force and Firearms by Law Enforcement Officials.

Implementation and Progress of Human Rights Due Diligence

In accordance with Human Rights Policy, Sumitomo Corporation began human rights due diligence in 2020 to identify, prevent, and address any adverse human rights impact that the Group business activities may cause or contribute to. In FY2020, as the first step, we worked to identify salient human rights issues that required prioritized action, based on a comprehensive assessment of potential human rights impacts across the Group. From FY2021 to FY2024, we conducted human rights due diligence across all businesses with the support of outside experts, identifying and assessing human rights risks.

Having completed a round of human rights due diligence across all businesses, we will adopt a risk-based approach by implementing enhanced human rights due diligence, including engagement with rights holders. In order to undertake human rights due diligence based on a risk-based approach, it is necessary to identify businesses with high human rights risks. Therefore, in FY 2024, we conducted a company-wide risk mapping exercise based on matters such as the results of human rights due diligence to date as well as the characteristics and risks of each business. Specifically, based on the OECD's due diligence guidance, we took into consideration four risk factors (sector, product, geographic, and enterprise-level) and sought the opinions of outside experts including Sustainability Advisory Board to identify business areas within the Group that pose high human rights risks. In examining the risk factors, we referred to various sources such as literature, regulations, and external indices, including the following:

Sector and product risks: Based on more than ten authoritative sources and regulations, including the SASB Standards and the U.S. Department of Labor’s “List of Goods Produced by Child Labor or Forced Labor”
Geographic risks: Based on sources such as the Global Rights Index



In organizing the risks associated with each sector and product, we expanded our group's eight salient human rights issues by adding two additional items—"Customer health and safety" and "Upstream supply chain issues"—bringing the total to ten. These were then combined with geographic risk factors to develop a comprehensive mapping, which was organized as follows.

Target businesses	Sector and product risks*1										
	Labor conditions	Freedom of association and the right to collective bargaining	Forced labor and child labor	Occupational health and safety	Discrimination and harassment	Health and safety of local residents	Land rights	Personal information and privacy	Health and safety of customers	Upstream supply chain issues	Geographic risks
Apparel and fashion accessories	○	○	○	○	○	○	-	-	○	○	-
Mining (including minerals trading)	-	○	○	○	○	○	○	-	-	○	-
Agriculture and food distribution	○	-	○	○	○	-	-	○	○	○	-
EPC and power generation	-	○	○	○	○	○	○	-	-	○	-
Electronic materials (EMS)	○	○	○	○	-	-	-	-	-	○	-
Forestry (including forestry products trading)	-	-	○	○	-	○	○	-	-	○	-
Marine transportation	○	○	○	○	-	○	-	-	-	-	-
Oil and gas (including trading)	-	○	-	○	-	○	○	-	-	○	-
Telecommunications*2	-	-	-	○	-	-	-	○	-	-	○
Automotive distribution*2	-	○	-	○	-	-	-	○	○	○	○
Industrial parks*2	-	-	-	-	○	-	-	-	-	-	○

*1 Risks associated with each sector and product are organized into a total of 10 categories: The Group's salient human rights issues identified at the time of preparation and two additional areas, "Health and safety of customers" and "Upstream supply chain issues."

*2 Businesses in certain regions from a geographic risk perspective

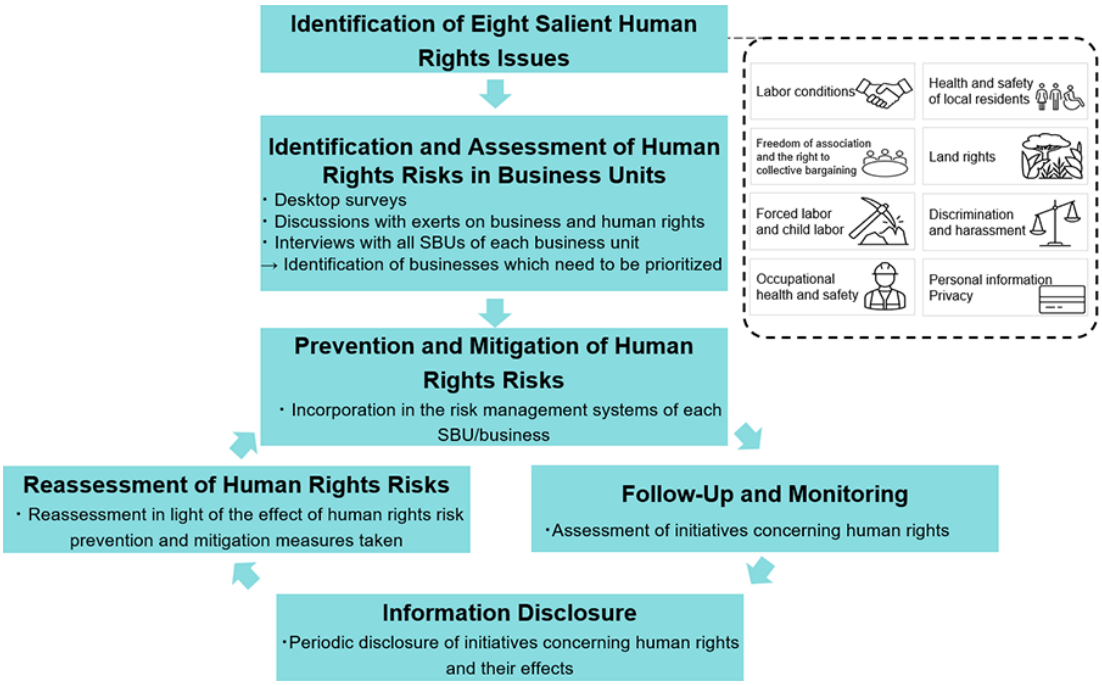
Timelines and ways of responding to human rights risks vary according to number of factors, including the severity of the risks and their level of involvement in each business. For this reason, each SBU and each group company should be responsible for their related human rights risks. For those risks which we identified and assessed through our human rights due diligence, each SBU and each group company prioritizes the risks based on their severity of the impact, incorporate them into concrete action plans, and implement the plan-do-check-act (PDCA) cycle.

【Reference】Process of Human Rights Due Diligence across all Businesses in the Past

* Please note that the past human rights due diligence across all businesses was conducted based on the organizational structure prior to the organizational changes on April 1, 2024. Therefore, the results are presented according to the business Units as they existed at that time.

After having conducted a desktop survey in which we identified human rights issues, mainly but not limited to our eight salient human rights issues and referred to the actual cases of human rights risks which occurred in global business activities of ourselves or other companies, we had been conducting human rights due diligence starting from business units whose businesses are considered to have relatively higher human rights risks.

Specifically, interviewing all related SBUs of the business units with the support from outside experts, we confirmed the situation in each business and actual human rights risks including the impact on stakeholders, such as local residents and others related to the supply chain and business activities of each business. Besides, we identified potential risks that could be anticipated and discussed the status of any responses being taken. In light of these findings, and from the perspectives of the possibility to materialize human rights risks which we identified and their severity if materialized, we prioritized SBUs, or individual businesses within SBUs, to focus our prevention and mitigation effort on. After following these processes, with the cooperation of the Corporate Sustainability Department and relevant SBUs and group companies, we have implemented concrete measures to prevent or mitigate the identified human rights risks. Through this process, we are continuously promoting understanding and penetration of the corporate responsibility to respect human rights among the executives and employees of Sumitomo Corporation Group.



* Also promote human rights due diligence in prioritized SBUs/businesses other than those identified in human rights due diligence in business units.

Completed in FY2024

Energy Innovation Initiatives (EII)

For human rights risks of forest management and forest product sourcing businesses which EII is taking leads, it is confirmed that responsible group companies take appropriate actions to mitigate environmental and social risks including the rights of indigenous people, working conditions and safety as well as those of suppliers.

We conducted human rights due diligence for the rest of business in EII through interviews mainly on risks such as occupational health and safety, working conditions, and the health and safety of local residents, based on the characteristics of the business. As a result, we did not identify any actual human rights risks or unaddressed potential high risks.

Completed in FY2023

Transportation & Construction Systems Business Unit



Main human rights issues	Identified actual and potential risks	Assessment and countermeasures
Labor conditions, Freedom of association and the right to collective bargaining, Occupational health and safety	• In businesses with manufacturing sites, such as automotive castings and parts and shipbuilding, attention must be paid to worker health and safety and working conditions.	• Confirmed that there are no issues with the PDCA process, including the safety management system (occupational accident risk reduction process, occupational accident rate targets and measures to achieve) and prevention of recurrence of accidents when they occur. • Confirmed the status of appointment of the technical intern trainees in Japan and the care taken to ensure that workers are not negatively affected with regard to working conditions and occupational health and safety.
Forced labor and child labor	• In manufacturing operations of automotive parts, industrial equipment, etc, forced labor in the upstream of the supply chain, such as raw materials to be procured, should be noted.	• In some businesses, confirmed that efforts to further reduce the risk of human rights violations in their supply chain are strengthen by ensuring traceability of procured items and informing suppliers of the Group's "Sustainable Supply Chain Action Polic" and "Human Rights Policy".
Personal information, Privacy	• In the automobile and motorcycle finance business, parking lot business, and vehicle leasing business for individuals, attention should be paid to risks related to leakage of personal information and invasion of privacy.	• Confirmed that personal information is managed in accordance with local laws and regulations, and that there are no issues with the management status.

Metal Products Business Unit



Main human rights issues	Identified actual and potential risks	Assessment and countermeasures
Occupational health and safety	• Many businesses have sites with high risk of occupational accidents, such as the processing and transportation of heavy steel products and steel pipes.	• Although occupational accidents have occurred in some businesses, confirmed that there is a safety management system in place and that there are no issues with the PDCA process, including the prevention of recurrence of accidents. • In the steel pipe business, confirmed that a global safety management system has been established and is in operation, and that the performance management of subcontractors' occupational safety and requests for improvement are being implemented.
Labor conditions, Freedom of association and the right to collective bargaining, Forced labor and Child labor	• At sites where steel products and pipes are processed and transported, due consideration should be given to working conditions and freedom of association, such as employment of foreign workers and shift work. • As the business uses minerals as raw materials, respect for human rights upstream in the supply chain, including conflict minerals, must be taken into consideration.	• Although some operations employ foreign workers and some sites have two/three shift work schedules, confirmed that no serious issues have occurred in dialogue with the labor union as well as responses to events raised in the Speak-Up System. • Confirmed that investigations related to conflict minerals and requests for investigations related to human rights from suppliers are being handled appropriately and no issues have been identified upstream in the supply chain.

Completed in FY2022

In FY2022, we identified and assessed actual and potential human rights risks in all SBUs of the Infrastructure Business Unit and Mineral Resources, Energy, Chemical & Electronics Business Unit, and confirmed the status of concrete initiatives, such as supplier surveys and improvement activities, for human rights risks of concern associated with the character of the business (product or region, etc.). As for some of the human rights risks identified through discussions, we will consider and implement further strengthening measures. In addition to the promoting of the understanding and entrenchment of the company's responsibility to respect human rights to officers and employees of the Sumitomo Corporation Group, through this process, we are driving concrete initiatives for human rights education based on the United Nations Guiding Principles on Business and Human Rights. In FY2022, we conducted a training program for all officers and employees of Sumitomo Corporation and achieved our medium-term goal of 100% participation rate.

Infrastructure Business Unit

Eight Salient Human Rights Issues in the Group's business



Main human rights issues	Identified actual and potential risks	Assessment and countermeasures
Occupational health and safety, Labor conditions	• Infrastructure Business Unit has many projects that have sites such as construction sites, where workers' working conditions and health and safety must be taken into consideration.	• Confirmed that all businesses are highly aware of the importance of occupational health and safety management, including employee training. • Confirmed that there is a system in place to check whether working conditions are appropriate through dialogue with workers, etc., and to take action as necessary, and that no serious issues are currently occurring.
Health and safety of local residents, Land rights	• In infrastructure business that procure and use natural resources, it is necessary to give due consideration to respecting the human rights of local residents upstream in the supply chain.	• For the upstream supply chain of natural resources used, the process of confirming social and environmental risks has been strengthened, taking into consideration the impact on local residents.
Health and safety of local residents, Land rights, Labor conditions	• For infrastructure businesses that involve land development, construction work, and infrastructure facility operation in each country region, it is important to have a system that leads to prompt and careful engagement with local residents and workers involved and appropriate actions.	• Confirmed that dialogue with local residents is carefully conducted in all of the projects, including the holding of preliminary explanatory meetings about the projects and daily communication at the local offices.

Mineral Resources, Energy, Chemical & Electronics Business Unit

Eight Salient Human Rights Issues in the Group's business



Main human rights issues	Identified actual and potential risks	Assessment and countermeasures
Labor conditions, Occupational health and safety	• In the mining and manufacturing businesses, there is a high risk of issues with working conditions and occupational health and safety for workers.	• Confirm that there is a safety management system at the group companies, and that there are no issues with the PDCA process, including prevention of recurrence of accidents when they occur. We also confirmed that there are no issues with working conditions.
Forced labor and child labor	• In the manufacturing and trading businesses, there are concerns about the risk of human rights abuses, including working conditions and forced labor, at the top of the supply chain.	• Confirm traceability of procured items with suppliers, and inform them of the Group's "Sustainable Supply Chain Action Polic" and "Human Rights Policy," and consider further reducing the risk of human rights violations in the supply chain.
Labor conditions, Health and safety of local residents, Land rights	• In the mining business, employee compensation (for finding new jobs, etc.) and impacts on local communities and neighboring environments must be kept in mind when closing mines. These considerations must also be incorporated into mine closure plans.	• For mining operations that have already submitted closure plans to the government, we confirmed that the mine closure plan has been in dialogue with the community for many years during the process of establishing the closure plan, and that the plan also describes rehabilitation activities to stabilize the mining area after the closure of the mine.
Labor conditions	• In the mining and manufacturing businesses, it is preferable to develop mechanisms for obtaining employee feedback (speak-up system, suggestion box, etc.).	• SC Global Speak-Up is available at our group companies. Some group companies are considering the establishment of a Speak-Up system or a reference box, if necessary.
All	• In the mining business and other businesses, Sumitomo Corporation is a minor investor in many of their businesses. It is important to have a system for rapid sharing of information, including actual human rights abuses and the status of measures, from major investors to Sumitomo Corporation.	• In some businesses, discussions were held with the majority investor to ensure that information was shared with us by the majority investor at board meetings and in reports after the incident occurred.

Completed in FY2021

Media & Digital Business Unit



Main human rights issues	Identified actual and potential risks	Assessment and countermeasures
Labor conditions, Forced labor and child labor	• Concern about human rights issues in supply chain: indirect suppliers and subcontractors.	• To establish human rights policies and procurement policies and publicize to suppliers. To understand actual human right situation of supply chain.
Discrimination and harassment	• Discriminatory statements and expressions may be included in the video distribution, entertainment content and advertisements.	• To consider risk prevention and mitigation measures, such as warning related staffs and introducing education programs for them.
Personal information Privacy	• Personal information leaks and privacy violations especially in digital marketing business.	• Confirmed that each business has been aware of the risks and has been working thoroughly to ensure legal compliance.
The right to know and freedom of expression	• The overseas telecommunications business is subject to the risk of infringement of the right to know and freedom of expression by shutting down or interception of communications.	• To continue initiatives to contribute to respect for human rights in the Myanmar telecommunications business based on human rights assessments.
New human rights issues (AI and data)	• Discrimination or privacy violations may occur through the use of data or algorithms.	• To conduct survey and case studies on the trends of legal and governance.

Living Related & Real Estate Business Unit

Eight Salient Human Rights Issues in the Group's business



Main human rights issues	Identified actual and potential risks	Assessment and countermeasures
Labor conditions (wages and working hours), Occupational health and safety	• In the real estate related business, attention must be paid to labor conditions and occupational health and safety of not only to parties contracting directly with our company but also of parties related to the supply chain, including construction contractors and property-owning management contractors.	• Room to further consider broad communication of human rights and procurement policies when in discussions or contracting with construction contractors and other subcontracting business partners.
Freedom of association and the right to collective bargaining	• It is important to establish mechanisms for obtaining feedback from workers, including employees on agricultural land, in respect to the freedom of association and right to collective bargaining.	• Confirm that initiatives are being implemented to develop human rights due diligence processes, including interviews with employees, and to establish and publicize contact points for listening to the opinions of workers and other stakeholders.
Forced labor and child labor	• Some domestic businesses are employing foreign technical trainees. • The food distribution business must be on the lookout for forced labor and child labor upstream (agricultural land) in the supply chain.	• Confirm that consideration is being given to understanding the employment situation of the foreign technical trainees and to preventing adverse impacts on the workers in terms of labor conditions and occupational health and safety. Going forward, continue efforts to maintain and improve the working environment through regular discussions with the interns themselves. • Confirm that initiatives are being implemented to investigate and improve the situation after risks are materialized, and to identify and investigate supply chains with a high potential risk.
Land rights, Health and safety of local residents	• In the real estate related business, preparations must be made for situations that impact land rights and the day-to-day lives of local residents.	• Confirm legal compliance and briefings/discussions with local governments and communities.

Grievance Mechanism（Whistleblower report for external stakeholders）

In addition to an internal whistleblower system for employees, we receive opinions and grievance from external stakeholders, including the general public and customers.
Since FY2024, we have been a regular member of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), a general incorporated association that provides a platform for redress of grievances in compliance with the UN Guiding Principles on Business and Human Rights, and we receive various opinions on human rights from external stakeholders on the platform provided by JaCER. We receive opinions through a third party with expertise to improve fairness and transparency. Furthermore, the details of each case are reported to the management, including Chief Sustainability, DE&I Officer and the Corporate Sustainability Committee, to ensure timely and appropriate remediation and recurrence prevention.

We accept anonymous reports. In handling such reports, we ensure that whistleblowers and related parties will not suffer any disadvantages as a result of reporting, and we strive to protect the whistleblower's privacy and confidentiality.

Report Form of JaCER

The progress and results of the response to the received report will be disclosed on the Grievance List on the JaCER website, in a manner that ensures anonymity

Employee Training on Human Rights

Sumitomo Corporation Group's business activities cover a wide range of countries, regions and industrial fields. As per our Human Rights Policy, we consider that we have a responsibility to work with suppliers and business partners, instead of acting alone, to ensure respect for human rights throughout the entire supply chain, and we have been providing training on respect for human rights with employees. In addition to providing human rights education as part of training programs for the newly appointed managers and mid-career hires, in FY2025, we held an in-person workshop on human rights due diligence in the supply chain, inviting an external expert as a lecturer. Following a lecture on key considerations for conducting due diligence, participants were divided into groups to discuss specific approaches to implement human rights due diligence, while addressing human rights risks in supply chains across various industries as case studies.

Stakeholder Engagement and Collaboration with External Initiatives

Regarding the progress of human rights due diligence in business units and those conducted in some individual businesses where human rights risks are a concern, we engage, as necessary, with various external experts, including lawyers, NGOs, United Nations organizations, and consultants, and reflect on various opinions to improve our efforts. In addition, we have also been working to gain knowledge on human rights through participation in various external initiatives, such as working groups of the UN Global Compact Network Japan and Business and Human Rights Academy of the UNDP.

AI and Human Rights

While AI, advanced technology, enriches people's lives, it is globally pointed out that its development, operation, and utilization may lead to human rights issues such as invasion of privacy and algorithmic discrimination. Recognizing the need to prevent such human rights issues, the Group closely monitors guidelines and discussions of government agencies, academic societies as well as practices conducted by other companies. As we pursue digital transformation (DX) in our various business areas, we will continuously address to ensure that we do not cause human rights violations by protecting the privacy of our customers and users, and preventing unfair discrimination.

The Statement for the UK Modern Slavery Act 2015

We set out the steps Sumitomo Corporation has taken to help ensure that modern slavery and human trafficking are not taking place in all of our business or supply chains. The statement has been approved by the board of directors of Sumitomo Corporation.

- FY2025 Statement
- FY2024 Statement
- FY2023 Statement
- FY2022 Statement
- FY2021 Statement
- FY2020 Statement
- FY2019 Statement
- FY2018 Statement
- FY2017 Statement
- FY2016 Statement
- FY2015 Statement

Activity Description

Human Rights Initiatives at Fyffes



Fyffes, one of our group companies and, one of the world's leading companies in the production and wholesaling of fresh produce, commenced human rights due diligence in 2019 and has published annual human rights reports over the past four years. In 2025 Fyffes undertook its third corporate wide human rights and environmental impact assessment (HREIA). As part of the most recent HREIA, Fyffes has added two new salient human rights risks: Indigenous Peoples' Rights and Land Rights as well as Right to Adequate and Decent Housing.

During 2025, Fyffes worked with independent human rights experts to conduct on-site, in-depth HREIAs in Belize on supplier farms and at Fyffes own banana farms in Costa Rica.

In addition to HREIAs, over the past few years Fyffes has conducted independent Community Needs Assessment (CNA) in six countries, in 55 local communities surrounding our operations, acknowledging their concerns and interests while managing or mitigating the potential or actual risks that our operations may have on them. Over 3,000 people were interviewed anonymously as part of the CNAs. Fyffes uses the information from the CNAs to determine the best investment priorities for community projects, often working with customers to co-invest in building schools, health clinics, gender equality training programs, as well as its Trudi's Partnership for Good Program, empowering women in the banana growing communities in Costa Rica.

Fyffes has had a United Nations Guiding Principles-compliant grievance mechanism available to employees and stakeholders since 2019. Fyffes has upgraded the hotline twice, most recently in 2025, to address failings in network coverage and operator response times. The Fyffes Ethics Hotline is now AI-powered and provided by Speak Up. The hotline is communicated to employees via email, via posters in farms and ripening centers and via townhalls. The hotline is available for stakeholders to report misconduct against the company's Code of Conduct – the Fyffes Principles of Responsible Business Conduct. Grievances are managed by the Fyffes Ethics Committee Terms of Reference and Grievance Procedures and are received, assessed and investigated by the Fyffes Ethics Committee. The Ethics Committee is comprised of the Chief Legal & Compliance Officer (Chair) Chief Corporate Affairs Officer, the Chief Human Resources Officer, 6+ and the Ethical Compliance Manager.

Fyffes has trained 100% of its own workers on human rights and the company has a target and is on track to ensure 100% of supply chain workers are trained on human rights by 2030 with 32% of suppliers' workers already trained*. Fyffes also has a target and is on track to ensure 100% of its own workers and 50% of supply chain workers are trained on gender equality.

* As of the end of March 2026

Fyffes does not tolerate any forced labor nor migrant human rights violations and continues to conduct and participate in internal and third-party ethical and social audits, including Sedex Members Ethical Trade Audit (SMETA) audits throughout a large proportion of its supply chain, such as Fyffes owned farms, various grower partners and ripening facilities. In the UK, Fyffes Group Ltd has regular audits on its labor providers and investigates any signs of forced labor, e.g. retention of passports etc.

Fyffes has formed a Human Rights and Environmental Due Diligence Committee, and they are responsible for implementing mitigation measures to address the salient human rights risks. This Committee oversees the resolution of 86 separate mitigation actions to ensure Fyffes is fully compliant with the Corporate Sustainability Due Diligence Directive which will apply to Fyffes in 2028. Fyffes has committed to conducting a human rights impact assessment annually and an independent HREIA every third year. In December 2025, Fyffes published its fourth Human Rights Report, way ahead of its competitors and the vast majority of its customers.

During 2024 Fyffes strengthened its third-party due diligence by introducing a Supplier Code of Conduct and Due Diligence Policy [https://www.fyffes.com/our-story/policy-documents/] and both are requirements included in contracts with suppliers. To enforce these requirements, Fyffes introduced Responsible Supply Chain team, formerly called “compliance” reporting directly to the Chief Corporate Affairs Officer, who oversees sustainability. In 2025, Fyffes developed the Supplier Onboarding and Risk Management Procedure, which categorizes all suppliers according to risk.

This team has been trained in conducting investigations into allegations of human rights and environmental misconduct in our grower supply chain. This work was undertaken as part of Fyffes CSDDD readiness.

Also in 2024, Fyffes Board of Directors approved an Ethical Compliance Charter under the Chief Legal and Compliance Officer.

In 2021, Fyffes published its first Sustainability Report. The report shared its 13 ambitious sustainability targets under the four focus areas "Stewardship for the Planet," "Enriching People’s Lives," "Healthy Food for Healthy Lives," and "Fyffes Principles of Responsible Business Conduct." Fyffes sustainability targets are specifically aligned to nine United Nations Sustainable Development Goals and include six targets relating to human rights. Fyffes second Sustainability Report was published in September 2023 and the company l published its third GRI-compliant Sustainability Report in September 2025. As part of its obligation to comply with the Corporate Sustainability Reporting Directive and the Double Materiality Assessment process, Fyffes will set new targets in 2026, as many of its original targets have already been achieved.



Sustainability Report



Human rights Report

Supplier Management and Human Rights Due Diligence in the Food Business

We also urge suppliers and other trading partners as well as business partners to take action in order to promote respect for human rights throughout entire value chains related to Sumitomo Corporation Group businesses. As a specialized food and food products trading company that is involved in all processes from product development to selection of production areas in regions around the world, procurement of ingredients, production and processing management, logistics, and domestic distribution, SC Foods Co., Ltd. conducts supply chain management so that it can provide safe, reassuring, and high-quality products that take into consideration sustainability including respect for human rights.

Surveys are being conducted sequentially on products procured from overseas, and after completing surveys of all overseas suppliers, the scope is also being expanded to domestic suppliers. Furthermore, based on the survey results, preventive and mitigation measures are considered and implemented for matters identified as high-risk, and their implementation status is monitored to drive continuous improvement. In this way, a PDCA cycle for human rights due diligence has been established, and we are currently advancing the second cycle of these initiatives.

Human Rights Initiatives for Telecommunication Business in Myanmar

Since 2014, Sumitomo Corporation and KDDI Corporation through KDDI Summit Global Myanmar Co., Ltd. (KSGM), a joint venture established between the two companies, have supported Myanma Posts and Telecommunications (MPT), one of Myanmar's licensed telecommunications service providers, inter alia to develop communication infrastructure, establish business locations, and enhance marketing activities, enabling the delivery of high-quality telecommunications infrastructure and services which have contributed to the economic growth and the welfare of people in Myanmar.

Since the declaration of the state of emergency in Myanmar in 2021, the situation in Myanmar has undergone significant changes, and our business operations have faced considerable difficulties. However, through technical know-how transfer and human resource development, which comprise the reduced scope of KSGM's support for MPT from FY 2025 onward, we continue to pursue our business purpose, namely to improve the lives of the people of Myanmar.

Recognizing the worsening human rights situation in Myanmar, in 2022, Sumitomo Corporation appointed respected international human rights consultants to undertake a human rights impact assessment, in line with our Group Human Rights Policy. Their recommendations included: ensure the safety of all employees; conduct ongoing human rights due diligence; and engage in dialogue with and support trusted stakeholders. Based on these recommendations, we took concrete actions. Under the guidance of human rights experts, we engaged with various stakeholders in 2024/2025, including local and international NGOs. These dialogues reaffirmed the importance of maintaining and securing telecommunications networks for the people of Myanmar in the context of respecting human rights. We also received feedback from stakeholders requesting us to conduct ongoing human rights due diligence and provide transparent communication regarding our human rights initiatives.

Furthermore, in response to the major earthquake that struck Myanmar in late March 2025, we provided extensive support to ensure the rapid restoration of telecommunications networks. From a humanitarian perspective, we also contributed disaster relief and assisted in the recovery of essential infrastructure.

In addition, in 2025, we appointed international human rights consultants to conduct human rights impact assessment once again, and we are currently prioritizing and implementing the recommendations identified in such assessment. As a part of these efforts, in March 2026, we established a human rights policy for KSGM, clearly articulating our philosophy and commitment to respecting human rights. We will continue to promote understanding of this policy through training for KSGM employees.

Looking ahead, we remain committed to ongoing dialogue with stakeholders, incorporating insights from independent experts in the field of business and human rights to develop and implement action plans that promote respect for human rights. In addition, we will continue to closely monitor developments in Myanmar from the standpoint of the business environment and consider appropriate actions as necessary.

For further details on our previous disclosures, please refer to the following links:

- Sumitomo Corporation's Stance on Telecommunications Business in Myanmar
- Regarding to our Telecommunications Business in Myanmar
- Amendment of Telecommunications Business Agreement in Myanmar

Regarding KSGM's human rights policy, please refer to the following link:

- KSGM Human Rights Policy

Our People

Policy and Concept

Our People

Human capital is the greatest driving force behind the Group's efforts to execute its management strategy of achieving "No. 1 in Each Field" and creating sustainable value. This approach is rooted in Sumitomo's Business Philosophy of "Business is People," which has been passed down through more than 400 years of our history. Building on this, we set forth our aspirations for both individuals and the organization in our Global HR Management Policy, which serves as our shared global vision for human capital management.

- Aspiration for individuals: Individuals who embrace the Group's vision and mission, have high aspirations, pursue continuous self-directed growth, and embrace the challenge of creating new value on a global scale.
- Aspiration for the organization: A Great Place to Work, where individuals maximize their abilities and continuously create new value, and an organization recognized for nurturing talent who continue to take on new challenges..

The Group's business operations are becoming increasingly diverse across regions, industries, and business models, while the external environment is undergoing rapid and discontinuous change. Against this backdrop, we are advancing human capital management to strengthen our strategy execution capabilities. To this end, we are enhancing the value of our human capital—the knowledge, skills, and experience of our diverse talent around the world—as well as the time and passion each individual devotes to their work.

To enhance the value of our human capital, we have identified five fundamentals of human capital as targets for investment and are making ongoing investments in them. Through investing in these fundamentals, we are enhancing employee engagement and fostering a virtuous cycle in which the growth of each of our people drives the growth of the Group's businesses and ultimately enhances corporate value. The resulting achievements are then returned to our people through the five fundamentals as new opportunities for growth.

Global HR Management Policy

Sumitomo Corporation established the Sumitomo Corporation Group "Global HR Management Policy". This policy sets forth the vision and concept of talent management on a global basis with the aim of achieving talent management for the creation of new value. It is used as the foundation for each HR initiative.

Booklet Download



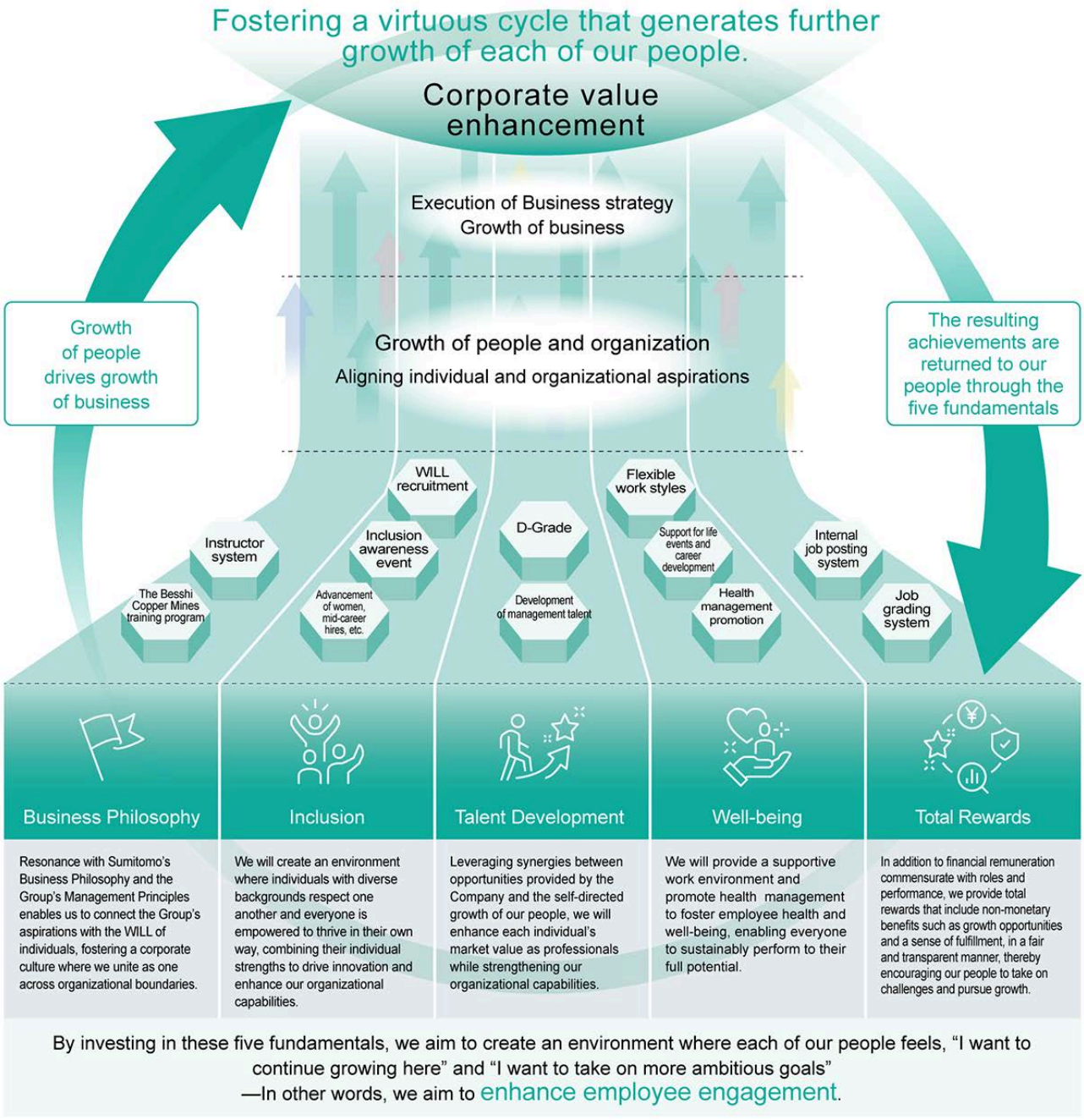
e-book

- English (e-book)
- Japanese (e-book)

PDF

- English
- Japanese

Five fundamentals of human capital investment and the corporate value enhancement cycle



Strategy Powered by People —Realizing Medium-Term Management Plan 2026 and Looking Beyond

Alongside continuous medium- to long-term investment in the five fundamentals, we identify priority areas of human capital for each stage of our strategy and take measures to strengthen our strategy execution capability.
Under our previous medium-term management plan, SHIFT 2023, we pursued structural reforms to strengthen downside resilience and raise our earnings power. These included exiting low-profit businesses, implementing turnarounds, and reallocating management resources to steady business growth where we could better leverage our strengths. As a foundation for these initiatives, we overhauled our HR system and eliminated institutional barriers, such as seniority and job classification. This laid the groundwork for pursuing optimal talent deployment on a global basis, grounded in the principles of "Pay for job, Pay for performance," without being constrained by personal attributes and focus on each person's individuality, strengths, and values. Under Medium-Term Management Plan 2026, which marks a major shift toward a growth phase, we are building on the foundation established in the previous plan to achieve our goal of becoming "No. 1 in Each Field." To this end, we are focusing on "Empowering people and organizations," where individuals hone their own strengths, while our organizations maximize those strengths and combine diverse talents. We are also advancing and enhancing human capital management on a global basis to further strengthen our ability to execute global SBU strategies. We will expand the initiatives and achievements from our previous medium-term management plan—which focused on removing barriers in Japan—to a more global scale going forward. For example, goal management processes and evaluation systems vary by region, presenting a challenge for members around the world trying to work as a unified team to advance strategies toward a common goal. To remove these obstacles, we will progressively establish systems and frameworks that should be standardized globally, while enhancing the visibility of each talent's capabilities, skills, and experience to enable the strategic deployment of the best talent on a global basis.



Monitoring Indicators for People and Organizations Initiatives

We conduct an annual engagement survey globally, including at regional organizations in Japan and overseas, to monitor the effectiveness of our initiatives to people and organizations.

Indicators	Overview	FY2024	FY2025
Employee Engagement	Employees' level of commitment to the organization and their willingness to take initiative in their work	70%	71%
Work Environment	Work environment enabling employees to maximize their performance	71%	72%

Engagement Survey

Business Philosophy

Inheritance of the Sumitomo Business Philosophy

Sumitomo's Business Philosophy emphasizes the need for an enterprising spirit to stay a step ahead in dealing with change. It also ascribes the importance of maintaining integrity and sound management, avoiding easy gains, and working for the public interest, without being misled by short-term changes. This philosophy has continuously formed the basis of Sumitomo Corporation Group's business for more than 400 years. With the aim of experiencing and assimilating Sumitomo’s Business Philosophy, which is the basis of the Group’s Management Principles, we conduct training annually at Besshi Copper Mine in Niihama City, Ehime Prefecture except during the COVID-19 pandemic. The Besshi Copper Mine continued to produce copper for approximately 280 years from its opening in 1691 to its closure in 1973 and supported the foundation of Sumitomo's business. The visit of this mine is an opportunity to reconfirm the role that the SC Group should play in society. Also, all employees learn the history of Besshi Copper Mine upon joining the company.



In-house Education and Awareness on Human Rights

As a global organization contributing broadly to society, the Sumitomo Corporation Group holds management principles that place prime importance on integrity and sound management with utmost respect for the individual. Based on this principle, the Group developed the “Human Rights Policy” and the “Sustainable Supply Chain Action Policy” to address various social issues including human rights. Through these initiatives, we aim to respect human rights to fulfill our social responsibility and pursue sustainable growth with society.
To this end, we have established the Human Rights and Dowa Issues Promotion Committee, which facilitates discussions on human rights issues such as discrimination against marginalized communities, persons with disabilities, foreign residents, and online human rights violations, at various organizational levels annually. Additionally, we conduct annual "Human Rights Training" with external speakers to further raise awareness of human rights issues.
Moreover, we provide e-learning content on the impact of corporate activities on human rights and the responsibility of companies to respect human rights, enhancing internal awareness efforts. We also conduct training on mental health and labor-related topics. Our tiered training programs for management include content on harassment prevention. We also provide education on fostering a harassment-free workplace and responding appropriately should any issues arise, thereby ensuring a workplace free from human rights violations.

Other Activities

In position-based training programs, as well as those designed for new graduates, mid-career hires, and locally hired employees of our overseas offices and Group companies, we conduct lectures on Sumitomo’s Business Philosophy, organize visits to historical sites such as the Besshi Copper Mine, Sumitomo Yūhōen, and Sumitomo Kakkien, and hold workshops where participants share episodes related to our corporate philosophy, their personal strengths, and their work. Through these activities, they create their own version of “My Enriching lives and the world.”
These activities aim to promote a deeper understanding and internalization of Sumitomo’s business spirit, the Sumitomo Corporation Group’s corporate philosophy, and our corporate message among our people.

Inclusion

Promotion of Inclusion

In an ever-changing business environment, where the regions, sectors, and business models in which we operate continue to diversify, inclusion of talent with a variety of backgrounds and experience is an essential element of our management strategy. We are committed to cultivating an organizational culture where individuals with diverse perspectives and ways of thinking can fully express themselves, regardless of attributes such as race, nationality, gender, age, sexual orientation, gender identity, or gender expression, as well as conventional values. We believe that creating such an environment is key to unlocking individual potential, generating new value and innovation, and ultimately enhancing our corporate value.
In terms of recruitment and appointments, we adhere to employment-related laws and regulations in each country and are committed to providing opportunities based on individual aptitude and ability. We do not engage in any form of unfair preference or discrimination based on personal attributes.
Under the leadership of the Chief Sustainability, DE&I Officer (Managing Executive Officer), we implement a variety of Inclusion initiatives.

Diverse Talent Recruiting

Basic Policy on Recruiting

As a company that engages in global business, Sumitomo Corporation Group requires talent who are attuned to our businesses and principles, have high aspirations and continuous intrinsic motivation with an enterprising spirit, and a willingness to create new value on a global scale. We actively hire both new graduates and mid-career hires throughout the year, in alignment with our management and business strategies.

Number of New Graduates/Mid-career Hires

(Unit: persons)

		FY2021	FY2022	FY2023	FY2024	FY2025
New graduates*1		106	101	100	98	100
	Male	75	72	63	62	58
	Female	31	29	37	36	42
Mid-career*1		20	75	88	64	52
	Male	14	47	68	46	33
	Female	6	28	20	18	19
Ratio of mid-career hires*2		16%	43%	47%	40%	34%

*1 Including medical employees

*2 Number of mid-career hires as a percentage of all hires in a single fiscal year

Recruitment of New Graduates

We hold various seminars relating to recruitment and create opportunities to support the career development of post and undergraduate students.

Internships for University and Graduate Students

We offer internships to university and graduate students every year to have them experience the business of an integrated trading company and to provide an opportunity to support the development of their career views.

In FY2025, we conducted two types of internship programs, one is a program which provides students with 'work-experience' on several business groups and organizations, the other is a workshop program related to our business. On the work-experience internship program, participants could get to know realistic business world, through working alongside our employees, being assigned to one of 19 organizations. As per the workshop program, participants could have an opportunity to get an experience on business creation process, co-working with our employees. Through these programs, we provide opportunities for participants to experience the process of bringing a business into reality, develop their career perspectives, and deepen their understanding of our unique approach to creating new value.

〈Number of Past Participants〉
FY2021: 148 / FY2022: 230 / FY2023: 319 / FY2024 : 193 / FY2025 : 210

Recruitment of Mid-Career Hires

We recruit mid-career professionals with diverse expertise and knowledge, in line with our business strategy. Our mid-career professionals come from diverse backgrounds, and their perspectives—shaped through experience at other companies—bring fresh insights and foster innovation across the company. In recent years, mid-career hires have accounted for approximately 40% of our total annual hiring, including new graduates. As of April 2026, they represent approximately 15% of all managers in our company (approximately 430 individuals).

We will continue to strengthen our mid-career recruitment and expand our pool of professional talent across diverse business fields.



New graduates and Mid-careers (Japanese)

Inclusive Awareness Event

We hold an annual company-wide Inclusive Awareness Event.
The aim is to remind all of our people that inclusion of talent with a variety of backgrounds and experiences is a source of competitiveness and serves as a catalyst for specific behavioral changes that further cultivate our inclusive culture. We deliver management messages, including those from President & CEO Opening Message, to demonstrate management's commitment to Inclusion, and hold participatory and experiential events where diverse employees across regions, organizations, and positions come together to reflect on Inclusion and deepen their connections with one another.



Senior Management Dialogue

We held a panel discussion on the theme of "Cognitive Diversity and Leadership" featuring leaders who joined the company in the same year but have pursued different career paths and developed different values.



Global Connect Chat - No more borders feat. Teams Interpreter Agent –

Using Microsoft Teams' translation feature, we facilitate one-on-one communication in each person's native language between overseas regional organizations.



Family day

To foster a more inclusive organizational culture, a Family Day event was co-hosted by labor and management to encourage open conversations in the workplace about family and parenting, and to deepen understanding of childcare-related issues.



Meet & Learn for Women

We launched a matching program that allows female employees facing career or life-event challenges with colleagues who have navigated similar experiences.



Kaigo Cafe

We held 'Kaigo Café' as a place where employees currently facing caregiving, or those who may need to in the future, can openly talk and seek advice about caregiving.

Promoting Women's Empowerment

Our Approach towards Promoting Women's Empowerment

Sumitomo Corporation regards women's empowerment as an important theme especially in Japan, and we have formulated action plans with the aim of advancing this further, and set the following targets to be achieved by FY2030.

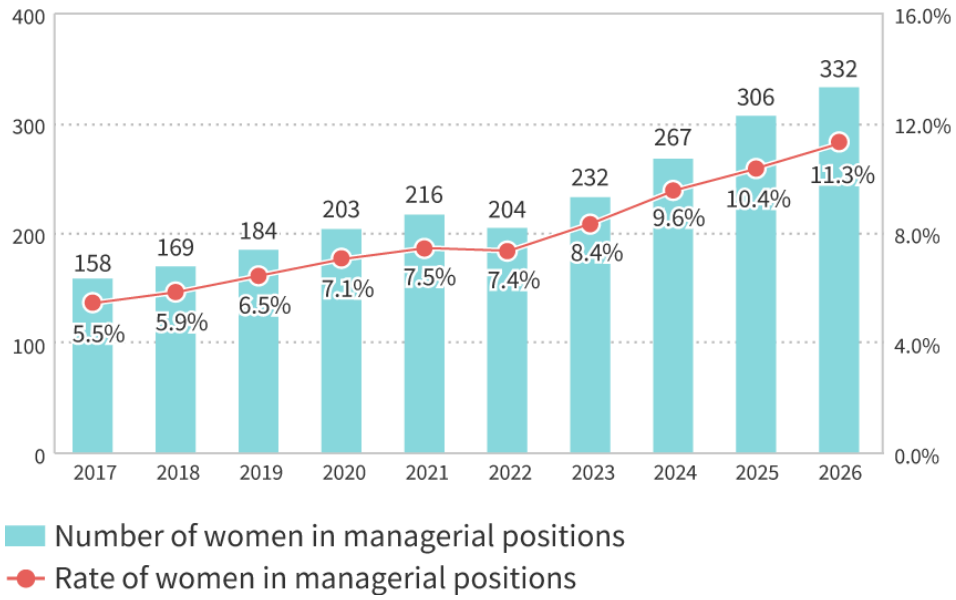
Ratio of women in managerial positions: At least 20% or more (Actual ratio 11.3% (as of April 1, 2026))
Ratio of women in general manager positions: At least 10% or more (Actual ratio 2.6% (as of April 1, 2026))
Ratio of women in Director positions: At least 30% or more (Actual ratio 20.0% (as of April 1, 2026))

To achieve these targets, we are strengthening talent development and placement through the new HR system introduced in FY2021, and fostering an environment where all individuals can realize their full potential. We are strengthening our management pipeline by appointing a broad range of individuals, including women, with diverse backgrounds and professional experiences, to management positions.

In addition, in order to support our employees to balance life events and career development, we have reinforced tangible aspects including the establishment of internal policies that go beyond regulatory requirements and have addressed the intangible elements such as correcting long working hours, encouraging employees to take paid leave, and reforming employee awareness with the aim of creating an environment that facilitates active participation in the company after childbirth and childcare.

- Action Plan (Japanese only)
- External Recognition

Number of women in managerial positions*



* Figures are as of April 1

Women of expatriate employees and trainees



Development and Advancement of Global Talent

The Sumitomo Corporation Group deploys business operations globally in a wide range of industries. Such operations are supported by the Group's global network consisting of 21 offices in Japan and 103 outside Japan, extending to 62 countries and regions throughout the world, with approximately 7,300 employees as of April 2026. To support this, the Company has introduced initiatives such as a job grading system that enables cross-regional comparison of roles and responsibilities, and the development of a global human capital database. In addition, the Company is enhancing development opportunities through training programs and personnel exchanges across locations, thereby promoting the systematic development and appointment of talent, including locally hired employees overseas.

As a result, the ratio of locally hired employees in managerial positions at overseas locations has increased to 67% (approximately 980 employees).

The Company will continue to promote the development and appointment of personnel based on ability and aptitude, regardless of nationality, in support of its sustainable growth.

Raising Awareness of LGBTQ+*1

The Sumitomo Corporation Group Compliance Policy and the Employment Rules codify that no fear or discomfort shall be caused through sexualized speech or conduct, harassment, slander or defamation, intimidation, violent behavior, or the like on the basis on sexual orientation or gender identity. We also work on awareness-raising activities such as in-house training, with the aim of creating a work environment where each employee supports the LGBTQ+ community with an informed and respectful understanding of sexual orientation, gender identity and gender expression. In addition, we are also continuously working to improve our systems and environment where all employees can perform to the best of their ability, regardless of sexual orientation, gender identity, or gender expression, and where all employees including LGBTQ+ can feel safe and be their true selves at work.

Examples of Key Initiatives (Japan)

- Extending HR policies and related employee benefits to same-sex partners
- Allowing use of chosen names in the workplace
- Supporting employees receiving gender-affirming care (surgery and hormone therapy) to continue working
- LGBTQ+ Guidelines
    - Transgender and Nonbinary Employees
    - SOGI Harassment(*2)
- Establishment of a consultation desk (available not only to individuals directly affected but also to ally(*3) and colleagues)
- In-house seminars and e-learning programs for all employees
- Awareness-raising through Inclusion & Connection Weeks
- Adding “Other” to the gender field on recruitment application forms
- Installation of universal restrooms

*1 LGBTQ+: An acronym for L (Lesbian), G (Gay), B (Bisexual), T (Transgender), and Q (Questioning or Queer)
*2 SOGI Harassment: Discriminatory remarks or behavior, or harassment related to sexual orientation or gender identity
*3 Ally: A person who empathizes with and wishes to support LGBTQ+ individuals. Anyone, including LGBTQ+ individuals themselves, can be an ally.

Promotion of the Employment and Retention of People with Disabilities

As part of its efforts in corporate social responsibility and toward diversity, Sumitomo Corporation Group has been promoting the employment of people with disabilities.
In 2014, we established Sumisho Well Support Co., Ltd., a special subsidiary company, and we have worked with them since then to employ people with disabilities and provide them with opportunities to participate.
As of June 2026, approximately 120 employees with disabilities are working for the two companies, and Sumitomo Corporation's actual employment rate is 2.71%, exceeding the Japanese legal requirement.

Employees of Sumisho Well Support are engaged in various tasks, such as outsourced general office tasks, scanning documents for digitization, printing and binding of business profiles, and business-related data input. They are extremely important to the business activities of our company. Going forward, SC Group will continue to rely on the uniqueness of each of our employees with disabilities to help in our creation of added value.

Sumisho Well Support Co., Ltd., a special subsidiary company (Japanese only)



Replacing and replenishing returnable cups on each floor



Sorting of collected paper resources

Alumni Network

The SC Alumni Network was established in FY2019 to provide opportunities for alumni now working in other companies to interact with current officers and employees of Sumitomo Corporation. The purpose of the network is to foster an open corporate culture while creating new business opportunities by merging various knowledge and personal networks inside and outside the company. Alumni are expected to play a supporting role in securing talent while working to create a more interconnected network.

Open Innovation Lab "MIRAI LAB PALETTE"

MIRAI LAB PALETTE promotes various collaborations as a community organizer to create new values with partners in diverse fields beyond the framework of the Sumitomo Corporation Group. We launched it in 2019 as part of Sumitomo Corporation's 100th anniversary initiative.
Based on the concept of breaking away from traditional practices, creating a space where people of completely different backgrounds and cutting-edge technologies can meet and inspire each other, and creating new value that transcends all organizational boundaries, we provide facilities (Otemachi) and functions designed to bring together a diverse range of people and foster collaboration and co-creation.
MIRAI LAB PALETTE's greatest strength lies in its diversity, with over 9,000 members registered (as of April 2026) from various sectors, including industry, academia, government, and the private sector. Additionally, the average number of active visitors per month is approximately 1,500.
Through various daily activities, such as providing collaboration spaces, hosting events and programs, and facilitating member matchmaking, we create collaborations that transcend all boundaries.

MIRAI LAB PALETTE





Talent Development

Basic Talent Development Principles

Sumitomo Corporation has inherited and upheld Sumitomo's Business Philosophy throughout our history spanning over 400 years. One of its core tenets, “Business is People,” represents our unwavering belief that our people are the source of our competitiveness, the driving force behind our growth, and our most important management capital.

As the Group is engaged in a wide variety of businesses on a global scale, it is our people — our human capital — who brings diverse knowledge and experience to conceive and advance our business initiatives and plan and implement our strategies. We focus on developing such talent while building a pipeline of global management talent who can continuously create value even in rapidly changing business environments. By strategically and continuously investing in our human capital, we support the sustainable growth of each employee, while enhancing the market value of individuals and strengthen our capabilities as an organization.

Development of Management Talent

We systematically provide opportunities for diverse talent to rapidly acquire the skills and experience needed to drive our medium-to long-term strategies.

This initiative is driven by a company-wide commitment, with the CEO, Group CEO, regional heads, and HR working together to shape a clear vision of the future management talent profile based on a 5 to 10 year business outlook and to further refine the capabilities required to succeed. Based on this, we match talent with challenging assignments and cross-organizational rotations that enhance these capabilities. Through a continuous talent review cycle that monitors post-assignment performance, we are steadily building a strong pipeline of future management talent.

Introduction to Our Talent Development Programs

We provide diverse learning opportunities by combining a structured training framework based on Sumisho Business College, commonly known as SBC, with selective development programs and digital learning platforms.

Each year, we offer approximately 130 off-the-job training courses, providing a wide range of learning opportunities from fundamental business skills to advanced specialized knowledge. We also leverage overseas business schools and external educational institutions to strengthen global perspectives and management capabilities.

Business Skills Programs

We provide opportunities for employees to acquire a broad range of knowledge and business skills as a foundation for responding to a changing business environment and continuously creating value.
Through programs systematically organized from basic to advanced levels, we provide an environment in which employees can progressively acquire the fundamental capabilities expected of Sumitomo Corporation employees, as well as management literacy, specialized knowledge, and various business frameworks. Employees can choose the programs they need according to their business responsibilities and career aspirations, enabling them to deepen their learning proactively.

E-learning Programs

In fiscal 2024, we also introduced the e-learning platform LinkedIn Learning company-wide, providing learning opportunities that are not limited by time or location. It is used both as pre-learning linked to in-person training and as part of daily self-development, thereby promoting a culture of self-directed learning.

Leadership and Management Talent Development

To develop talent who will take on future management responsibilities, we implement long-term, selective development programs in addition to strengthening leadership capabilities according to each employee's role. Leadership training enables participants to reflect on their own roles and influence, and to strengthen the capabilities required to demonstrate practical leadership. In addition, we send high-potential talent who are candidates for future management positions to programs conducted in collaboration with overseas business schools and to external training programs, including company-sponsored MBA programs, in order to support the development of executive perspectives, judgment, and management philosophy.
Through these initiatives, we continue to send more than 80 employees each year to top-level educational institutions in diverse fields (89 employees in FY2025), leading to the continuous development of talent capable of managing business companies in Japan and overseas.

Support for Career Development and self-directed Growth

We regard the self-directed growth of each individual as an important pillar of talent management. In an era of accelerating change, where there is no single correct answer for future careers, we believe it is important not only for employees to proactively build business careers that enable them to succeed in global fields, but also to develop their careers in a broader sense, rooted in each individual's values, by considering questions such as "What kind of person do I want to become?", "What do I value?", and "What do I want to accomplish?" Based on this concept, we conduct career development programs to help employees consider self-directed career formation and support each individual's challenges. In fiscal 2025, 551 employees participated in these programs.

Developing Digital and AI Talent

Under our Digital and AI Strategy, or DAIS, we are working to enhance the digital skills of all employees. Beginning in fiscal 2026, we introduce the D Grade digital skills certification system, which promotes the visualization and advancement of skills by emphasizing not only knowledge acquisition but also practical experience in implementing digital capabilities in business. Employees enhance their skills through training, certification, and hands-on experience, with the aim of acquiring a certain level of digital literacy.

Strengthening Global Readiness

For our company, which conducts business globally, strengthening leadership and organizational management capabilities in cross-cultural environments is an important priority. We provide training for employees assigned overseas on topics such as safety measures, cross-cultural understanding, human resources management, and evaluation and development methods, thereby supporting the sustainable growth of overseas locations and appropriate risk management.

Compliance・ESG・IT. etc.

As a foundation for sustainable business operations, we provide training globally on compliance, ESG, and information security. We offer education tailored to each level, from new employees to management, to enhance understanding and practical capabilities related to key risks such as legal compliance, human rights and environmental issues, and cybersecurity. Through these initiatives, we promote responsible business activities and strengthen governance on a global basis.

Development program for employees of domestic Group companies

For Group companies in Japan, we provide a range of programs from new employees to general managers to help them acquire the leadership mindset and skills required for their respective positions and make progress for further improvement.



Development program for locally hired overseas employees

We provide training programs in English by inviting locally hired employees(Manager level) of our overseas offices and Group companies to Japan, with a view to helping them achieve growth.
We invite locally hired employees from across the world to the Head Office in Tokyo, where we conduct lectures on Sumitomo's Business Philosophy and strategies, visit to Besshi Mine. Through this training employees can develop a sense of unity and improve their skills as members of the Sumitomo Group.

New Employee Development Structure

The Instructor System and New Employee Supporter System are important initial training programs to help new employee become productive at an early stage and smoothly adapt to the organization.

Instructor System

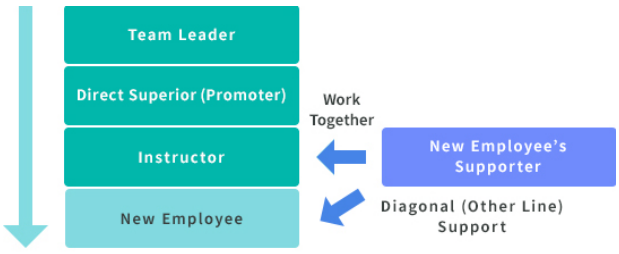
We provide on-the-job training to help new employees start their professional life smoothly (explanation of job duties and basic behavior as a member of society), comprehensive education, values to have as a Sumitomo Corporation employee, and the transmission of the organization's work culture, etc. to foster a mindset that will be the foundation for growth as a Sumitomo Corporation employee.

New Employee Supporter System

In FY 2022, we introduced the New Employee Supporter System with the aim of supporting new employees in their working environment. The newcomer supporter is an employee from different team and provides support and training through periodic one-on-one interviews. We aim to develop our talent throughout the organization in cooperation with supervisors and instructors.

	Instructor	New Employee Supporter
Requirement	P1 (AP possible)	
Term	1 year	

* AP: Advanced Professional, P1: Professional 1
* Supervisor, as "Promoter," provide guidance from a higher perspective and create an organization-wide environment to guide and develop new employees.



Trainee Programs (Overseas and Domestic Programs)

As a global business group, the Sumitomo Corporation Group offers many trainee programs to develop our talent who can work effectively around the world.
These include a trainee program designed to develop talent who can play an active role on the global stage, a language training program that develops language and regional specialists, an overseas study program primarily for acquisition of an MBA, a venture intern program designed to foster individual strengths in domestic startups.
Each year, 80 to 100 trainees in these training programs are dispatched to different regions of the world, including Japan.

Trainee Program				
	Overseas Trainee	Language Traine	Venture Internship	International Students
Objective	**Training for candidates for expatriate staff** Candidates are trained at overseas stores and Group companies to acquire special expertise that could not be acquired at the Head Office. Overseas stores, business investment companies and other companies.	**Training for language specialists** Future specialists in languages (other than English) study at overseas language schools and universities for one year and receive practical training at overseas stores and Group companies for a further one year, thereby acquiring business-level language proficiency.	**Training intended to develop individual skills** Fostering individual skills through the experience from perspective of managerial at a domestic start-up company (we call it venture), creating business from R&D and promote sales.	**Training for the Acquisition of expertise and skills** Participants will acquire tremendous expertise and skills that meet global standards and other business needs.
Target	P1.P2		AP~P2	
Period	1.5 to 2 years	2 years	6 months to 1 year	1 to 2 years
Dispatched to	Overseas stores, business investment companies and other companies	Language schools and universities + Overseas stores, business investment companies in non-English-speaking countries (One-year study and one-year ractical training = Two years)	Domestic start-up company	Business/Law School

* AP: Advanced Professional, P1: Professional 1, P2: Professional 2

Support for Senior Employees' Activities

We are developing working environments where every individual can work with intrinsic motivation regardless of their age.
In both our current HR management system and post-retirement re-employment system revised in FY2022, we follow the basic concepts of "Pay for Job, Pay for Performance." We have eliminated seniority-based promotion and ensured that we promote the right talent to the right positions according to the strengths and expertise of each talent.
On the other hand, for senior employees who have a wide range of experience and extensive knowledge, we offer additional support measures to help them develop a strengths-based career path. This includes encouraging self-directed career development and offering opportunities for recurrent training throughout their careers.

Career Design Seminars・External Interaction Program

We provide valuable information through our Career Design Seminars, supporting senior employees as they take their first steps toward reskilling and rethinking their career and life plans.
We offer opportunities for employees to interact with professionals from different industries through our External Interaction Program. These experiences help them recognize their own value and identify transferable skills, thereby expanding their future career possibilities.

Career Assessment Interviews

Every year, employees aged 45 and older are provided with an opportunity to consult with their direct superiors regarding their post-retirement career and life plans. Through this system we support them in selecting flexible post-retirement work styles aligned with their individual needs.
Moreover, during the interview, employees aged 58 and 59 are briefed on the assumptions about their post-retirement assignment and treatment. The interview thus provides both employees and the company with an opportunity to align their mutual expectations.

Support for Employees Exploring Their Next Career Paths

Sumitomo Corporation has established a dedicated body to assist employees aged 45 and older in exploring future career options. This team provides career support to employees, including assistance with internal role transfers, guidance for external career opportunities, and strategic planning for their next professional steps.
To further support those considering career changes outside the Company, we have appointed re-employment support agencies. These agencies' professional counselors work closely with individuals to support their next careers by providing various services tailored to their specific needs.

Sumitomo Corporation Global HRD Center

- A training center to develop global talent and for the use as a strategic multipurpose facility -

The Sumitomo Corporation Global HRD Center in Ginza, Tokyo serves as a training center to develop global talent as well as a strategic multipurpose facility. International colleagues from different organizations and countries all over the world meet at this facility for intensive discussions on the future visions and strategies of the Sumitomo Corporation Group.



Sumitomo Corporation Global HRD Center

Well-being

Basic Policy

Sumitomo Corporation has adopted the “Declaration of Iki-iki Waku-waku Health and Productivity Management” for the Sumitomo Corporation Group, based on the concept that a healthy mind and body are essential for each employee to maximize their performance and are the foundation for the continuous creation of new value. In line with the “Declaration of Iki-iki Waku-waku Health and Productivity Management,” the SC Group will engage in various initiatives according to current conditions at each group company.

Declaration of Iki-iki Waku-waku Health and Productivity Management

The Sumitomo Corporation Group aims to be a company in which all employees work with energy (Iki-iki), excitement (Waku-waku), and in good health, taking on challenges to create new value.

Our Group’s Corporate Mission is: “To achieve prosperity and realize dreams through sound business activities.” In order to fulfill this mission, it is necessary for all employees to perform at their highest level and to continue to create new value. To this end, it is crucial that each employee maintain good health.

The Sumitomo Corporation Group will engage in “health and productivity management” that allows employees to work with energy, excitement, and good health, and creates value by further enhancing existing measures for maintaining and promoting employee health.

We will consider, implement, verify, and improve viable measures by establishing a foundation for health promotion that can be shared throughout the Sumitomo Corporation Group in accordance with the current circumstances at each group company.

The Sumitomo Corporation Group believes that its most important management capital is the health of its employees, who work in challenging global business environments characterized by complexity and rapid change, and declares its intention to strategically implement measures to maintain and promote the health of its employees in mind and body.

Representative Director, President and Chief Executive Officer

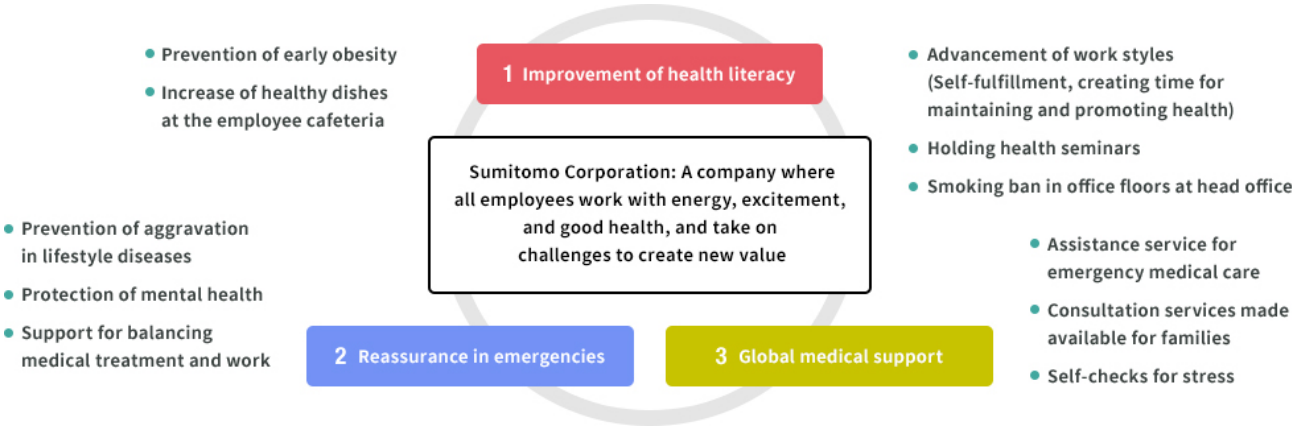
To achieve well-being—which is one of Five Fundamentals of Human Capital—and in accordance with the “Declaration of Iki-iki Waku-waku Health and Productivity Management,” we have visualized our health management strategy map as part of our policies and initiatives designed to support “business athletes” who take an autonomous approach to managing their health.

Our health management strategy map is here.

Initiatives

Sumitomo Corporation has set three main pillars for health and productivity management: “Improvement of health literacy,” which will enable employees to continue to work energetically, “Reassurance in emergencies,” which provides reassurance that employees will be taken care of when they fall ill, and “Global medical support,” which is unique to trading companies. With these three pillars, Sumitomo Corporation will further promote health and productivity management in accordance with the aforementioned Declaration.

Mental and Physical Health at Work: Corporate Facilities Keeping Globally Competitive Talent in Peak Condition



We have been certified by METI (Ministry of Economy, Trade and Industry) as an enterprise with outstanding health and productivity management for ten consecutive years from 2017 to 2026.

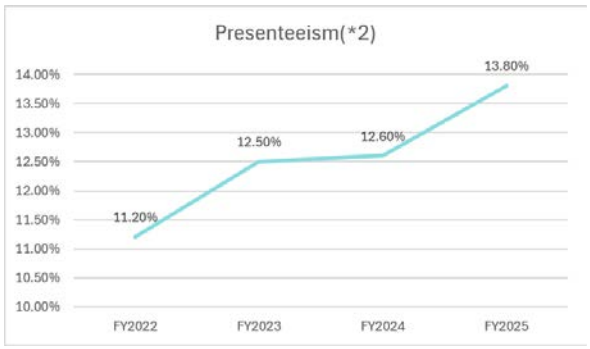
1. Improvement of health literacy

Health Awareness Survey and Health Management Measures

We conduct regular health awareness surveys targeting all employees working domestically and abroad, to measure presenteeism*1 and grasping health issues of employees as well as implementing various initiatives for prevention and resolution. The presenteeism rate in the 2025 health awareness survey was 13.8 percent*2.

<Examples of health management measures implemented>

- Measures to improve health literacy and maintain health:
  - Conducting various health seminars from the perspective of disease prevention (drinking habits, sleep, mental health issues, women's health issues, etc.)
  - Health measures in collaboration with the Health Insurance Society
  - Regular information provided by medical staff at the company's clinic
- Promoting understanding of women's specific health issues
- Medical checkups at the company's dental clinic: regular dental checkups, dental checkups before overseas assignments, etc.



*1 A state in which an employee is in a position where their performance (ability to perform their duties) is impaired due to physical or mental illness, even though they are still at work.

*2 Complied by SPQ（Single-Item Presenteeism Question by University of Tokyo）. Aggregating the survey "Rate your work performance over the past four weeks based on 100% of your work performance when you were not sick or injured (health problems)" and subtracted from 100%

Implementation of Health Management Seminar (Business Athlete Programs)

＜Link below＞As indicated, we conducted the seminar. By making the online seminar and video distribution accessible to employees and their families across our group companies, we are broadly supporting the improvement of health literacy.

In fiscal year 2025, we held health seminars on topics such as dietary habits, menopause in men and women, and sleep, as well as the health-related exhibition “Wellness Day,” which attracted a total of over 400 participants. According to participant surveys, satisfaction rates for each seminar and event ranged from 80 to 100 percent.

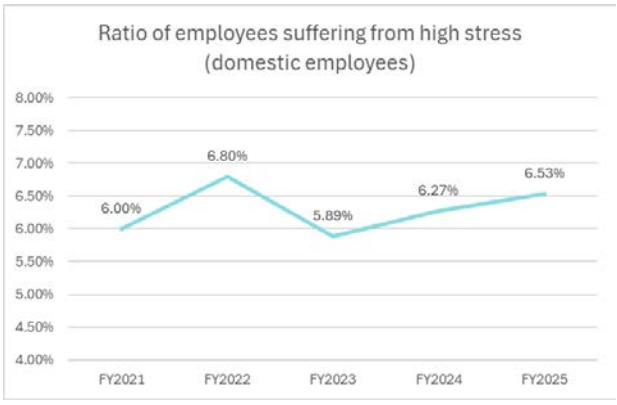




Mental Healthcare Measures

We provide training on mental health, including self-care education and training for managers. Through these comprehensive programs implemented by inviting external instructors, trainees learn key points about their own mental health and that of those around them. Many employees (including those from Group companies), mainly young employees and managers, take this training each year. We have also set up the “SCG Counseling Center” “for everything, with confidentiality totally protected,” which is used by a total of over 2, 900 annually. In addition, we conduct stress checkups, which are extended to employees working overseas as well. The in-house clinic offers counseling services for both physical and mental health, which are also available to expatriate employees. To prevent the progression of mental illness and help employees return to work, the in-house clinic also has a specialist in psychosomatic medicine. In the FY2025 stress checkup, the percentage of those experiencing high levels of stress was approximately 6.53 % (2019 national average: 14.0 %).





SCG Counseling Center

Sumitomo Corporation has the SCG Counseling Center within the head office to help Sumitomo Corporation Group employees work energetically. It is staffed with multiple counselors, who work to mitigate employees' concerns and help them solve problems. It was opened in April 2005 as a center where employees could consult about any issue and all the details would be treated in strict confidence. Being widely recognized as such, the center has been used with ease of mind by a range of employees. (The center received more than 2,900 requests for counseling per annum.)



Provider	Service	Target	Function
SCG Counseling Center	Counseling in person	Mainly for employees in Tokyo	Qualified counselors provide counseling to employees in Japan and overseas. Qualifications of the counselors include certified public psychologists, senior industrial counselors, clinical psychologist, career consultants, and family counselor.
	Counseling by phone and online	All employees	
	Counseling by visiting the employee's site	Employees outside of Tokyo	
	Various seminars	All employees	Implementing seminars for managers, general employees, employees overseas, and employees' families
	Consultation	Management	Consultation for managers regarding how to respond to their subordinates
External contracting company	Counseling in person, by phone, and online	All employees	Contracting external companies to provide counseling in person and by phone

2. Reassurance in emergencies

Support Provided by In-house Clinic (Internal Medicine and Dentistry)

Sumitomo Corporation has established an in-house clinic (for internal medicine and dentistry) to support employees' health management. The internal medicine department, works on preventive measures for lifestyle diseases such as diabetes and hyperlipidemia, and provide follow-up care for patients with chronic diseases by specialists. Before employees are stationed abroad for overseas assignments, we conduct additional tests in addition to the usual examination items and provide assistance for vaccination according to the medical situation at the destination. We also support appropriate medical care during overseas assignments.

Our dentistry department offers regular dental health checkups and individual dental oral hygiene guidance.

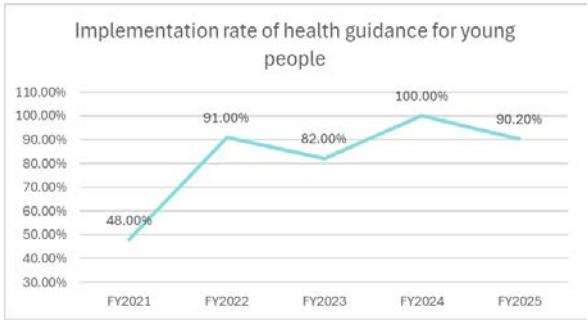
* Cross-talk between the Clinic Director and the HR Health Officer is here

Cross Talk

Health Checkups and Follow-ups (Including Health Guidance For Young People)

The in-house clinic provides employees with a regular health checkup service. New employees as well as employees to be transferred overseas and those who have returned to Japan can also undertake health checkups at the clinic. Employees aged 35 and older are encouraged to take a comprehensive medical examination at an external medical institution, for which they can receive financial support from the Health Insurance Society up to a maximum of 80,000 yen.

Based on the results of the regular health checkups, we also offer careful follow-up services such as treatment at the in-house clinic and health guidance provided by public health nurses at the clinic to younger employees (under 35 years old) who are not included in the specific health guidance (participation rate: around 90 %). In addition, the Health Insurance Society endeavors to give the specific health guidance to employees to help them with the prevention and early detection of any diseases.



Expanding Support Measures for Women's Health

To improve the rate of young female employees undergoing gynecological exams, during Pink Ribbon Month (October) we communicated the importance of early detection and appropriate treatment of breast cancer and cervical cancer, and encouraged people to undergo gynecological checkups. In addition, the cost of the health check can be subsidized by the Health Insurance Society up to a maximum of 10,000 yen each.

We are also strengthening our awareness-raising activities, such as holding seminars and disseminating information on health issues specific to women. Starting in fiscal 2022, we have held a Femtech Day event, which focuses on health issues specific to women, such as menstruation, fertility treatments, pregnancy, postpartum, and menopause, and features exhibitions and seminars showcasing products and services that solve or alleviate these issues. We encourage participation from male employees who work together in order to deepen their understanding.

Advanced Healthcare Expense Coverage Program Introduced

We introduced an advanced healthcare expense coverage program for employees to cover substantial financial burden for treatment of medical conditions not covered by insurance.



3. Global Medical Support

Supporting the Health of Employees Working Outside Japan

Sumitomo Corporation has more than 900 employees and their family members stationed in 66 countries and regions (as of April 2026). We provide these expatriates working in different environments from Japan with healthcare services to maintain their health, such as support for annual health checkup. Counseling services provided by our in-house clinic and the “SCG Counseling Center” are also available for those with mental and physical disorders.

Measures Against Global Health Issues

Around the world, many countries continue to face serious health challenges—not only from COVID-19, but also from diseases such as HIV(AIDS), tuberculosis, and malaria. Sumitomo Corporation Group is committed to proactively addressing these global health issues.

To ensure that our SC Group employees are equipped with accurate knowledge and preventive measures against infectious diseases, Sumitomo Corporation constantly collect accurate and up-to-date information and provide it to our employees who are assigned to work overseas. In addition, we provide various training programs prior to overseas assignments.

To support employees embarking on their first overseas business trips or those seeking updated information on infectious diseases, we also offer e-learning programs and Safety and Security Seminars. These initiatives aim to foster a strong sense of risk awareness and promote the dissemination of accurate, current knowledge.

Importantly, these programs are not limited to Sumitomo Corporation alone—they are open to employees across our entire domestic and international Sumitomo Corporation Group. Through these efforts, we are committed to supporting the health and safety of our employees living and working abroad.

4. Others

SCG Massage Room “Koriton”

The “Koriton” massage room was opened within the head office in April 2008, with a view to helping Sumitomo Corporation Group employees promote their health and recover from fatigue. This service is highly evaluated by users, because it helps them improve their health condition in their spare time and subsequently increases their work efficiency. Approximately 380 employees use this massage service every month. To ensure that employees can use the facilities with peace of mind, we operate them with attention to hygiene.



Health Results Indicators

	FY2021	FY2022	FY2023	FY2024	FY2025
Health checkup participation rate (domestic employees)	100.00%	100.00%	100.00%	99.97%	100.00%
Ratio of C and D ratings*1	-	45.00%	46.00%	41.00%	43.10%
Implementation rate of health guidance for young people	48.00%	91.00%	82.00%	100.00%	90.20%
Proper Weight Maintenance Rate	69.00%	69.00%	68.00%	68.00%	69.40%
Stress Check Participation Rate (domestic employees)	90.60%	88.70%	89.31%	91.06%	91.48%
Ratio of employees suffering from high stress (domestic employees)	6.00%	6.80%	5.89%	6.27%	6.53%
Stress Self-Check Participation Rate (Overseas employees)	77.70%	73.30%	76.01%	80.69%	79.45%
Ratio of employees suffering from high stress (Overseas employees)	7.90%	7.00%	7.28%	6.78%	5.60%
Gynecological examination rate among women under 35	19.10%	20.70%	-	37.80%	40.28%
Smoking rate	13.70%	13.30%	14.20%	13.50%	13.50%
Pre-Overseas Assignment Dental Examination Attendance Rate	81.40%	83.00%	92.20%	91.70%	95.49%
Presenteeism*2	-	11.20%	12.50%	12.60%	13.80%
Absenteeism*3	2.0 day(s)	1.5 day(s)	1.5 day(s)	1.9 day(s)	2.2 day(s)
Work Engagement*4	2.59	2.58	2.66	2.69	2.71
Participation rate in first-year public health nurse interviews	-	95.10%	95.20%	84.70%	92.20%

*1 The proportion of overall results classified as C (requiring re-examination) or D (requiring prompt medical attention) among the occupational physician's comprehensive assessments of health examination results.

*2 Complied by SPQ（Single-Item Presenteeism Question by University of Tokyo）. Aggregating the survey “Rate your work performance over the past four weeks based on 100% of your work performance when you were not sick or injured (health problems)” and subtracted from 100%. The response rate is the same as the stress check participation rate.

*3 Average number of days off per total number of employees as of March 31, 2026: 4,938. (Unplanned leave due to health Problems)

*4 The percentage of positive responses to the two questions in the stress check: “Do you feel energized when you’re working?” and “Do you take pride in your work?”

Expansion of Health Management Seminars

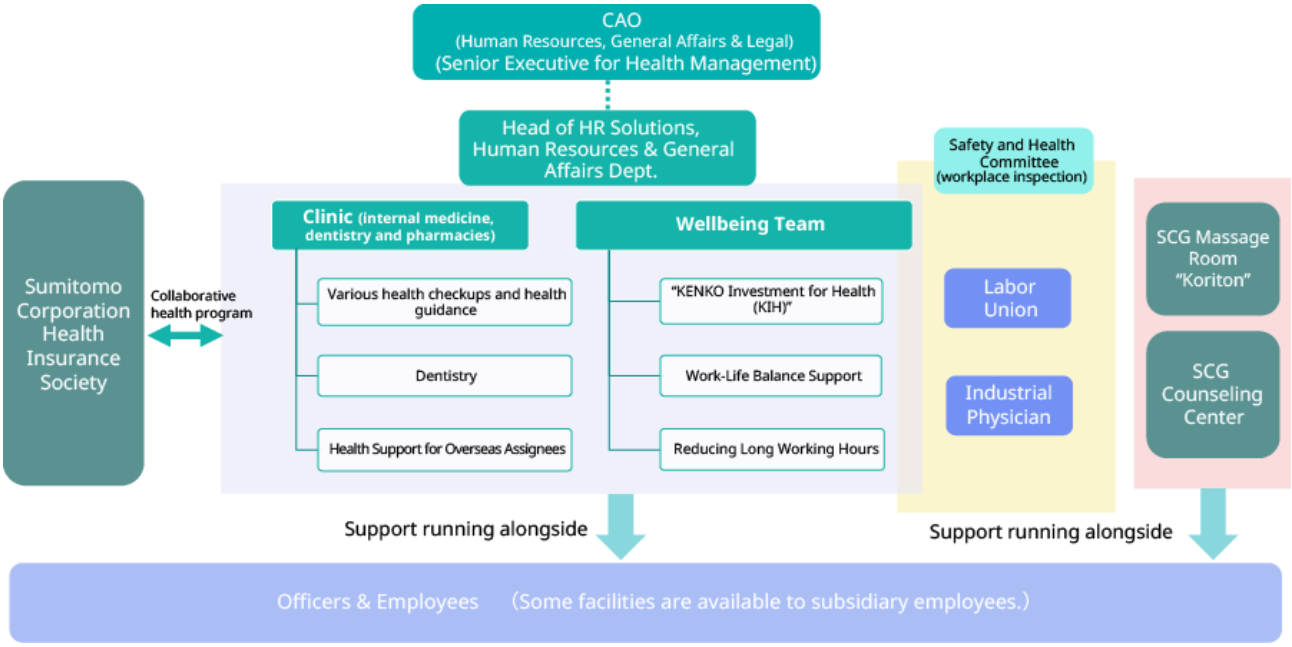
[List] Previous Seminars

Name		Format
December 2021	Sleep is the Best Weapon of Selfcare	Online
February 2022	About the Ovum	Online
July 2022	Eating Habits Improvement Seminar	In person and online
October 2022	Femtech Exhibition	In-house Exhibition
December 2022	How to Deal with Mental Health Problems and “Life Rhythm Theory”	Online
March 2023	The Connection between “Periodontal Disease” and Systemic Disease	Online
March 2023	Mental disorders in Youth and Middle Age ~To survive in society~	Online
August 2023	Smart Drinking Habits for Enjoying Alcohol in Later Life	In person and online
October 2023	Coping Strategies for Men and Women During Menopause	Online
December 2023	The Era of Visible Sleep: Improving Sleep Through Visualization	Online
March 2024	Understanding the Mind and Mental Health	Video Streaming with Live Q&A
March 2024	Femtech Day	In-house Exhibition
February 2025	Correct knowledge about diet and health that a registered dietitian wants to share ~Rethinking health foods~	Online
April 2025	A new keyword for preventing high blood pressure and cardiovascular disease! -Improve your diet by being aware of your Na-K ratio!-	In person and online *Co-sponsored by Kagome Co., Ltd.
September 2025	Improve your core, improve your performance! ~For golf improvement and body shaping~	In person
December 2025	Menopause Seminar ~Creating a Workplace Where We Learn, Talk, and Support Each Other~	In person and online
February 2026	Wellness Day	In-house Exhibition
March 2026	Seminar on Improving Sleep Quality: How to Create a Body That Sleeps Well to Enhance Work Performance	In person
June 2026	Workplace Health Seminar: [Exercises for Stiff Shoulders and Lower Back Pain]	In person

Online seminars and video content can be viewed by group company employees and family members, thereby helping improve health literacy widely.

Health Management Promotion Structure

Health management is carried out through the following structure to maintain and enhance the health of employees under the direction of the Senior Executive for Health Management who is the CAO(Senior Managing Exective Officer).



Employee Engagement: Health and Safety Committee and work style discussion meetings

Sumitomo Corporation holds a monthly health and safety committee meeting, which is attended by labor union officials on behalf of employees, to receive reports on worksite patrols by an industrial physician and discuss health promotion for employees and better work environments. A roundtable conference on work styles is also held twice a year by management and the labor union, where participants exchange opinions with a view to improving work styles qualitatively and quantitatively in terms of appropriate working hours for union members.

Work Environment

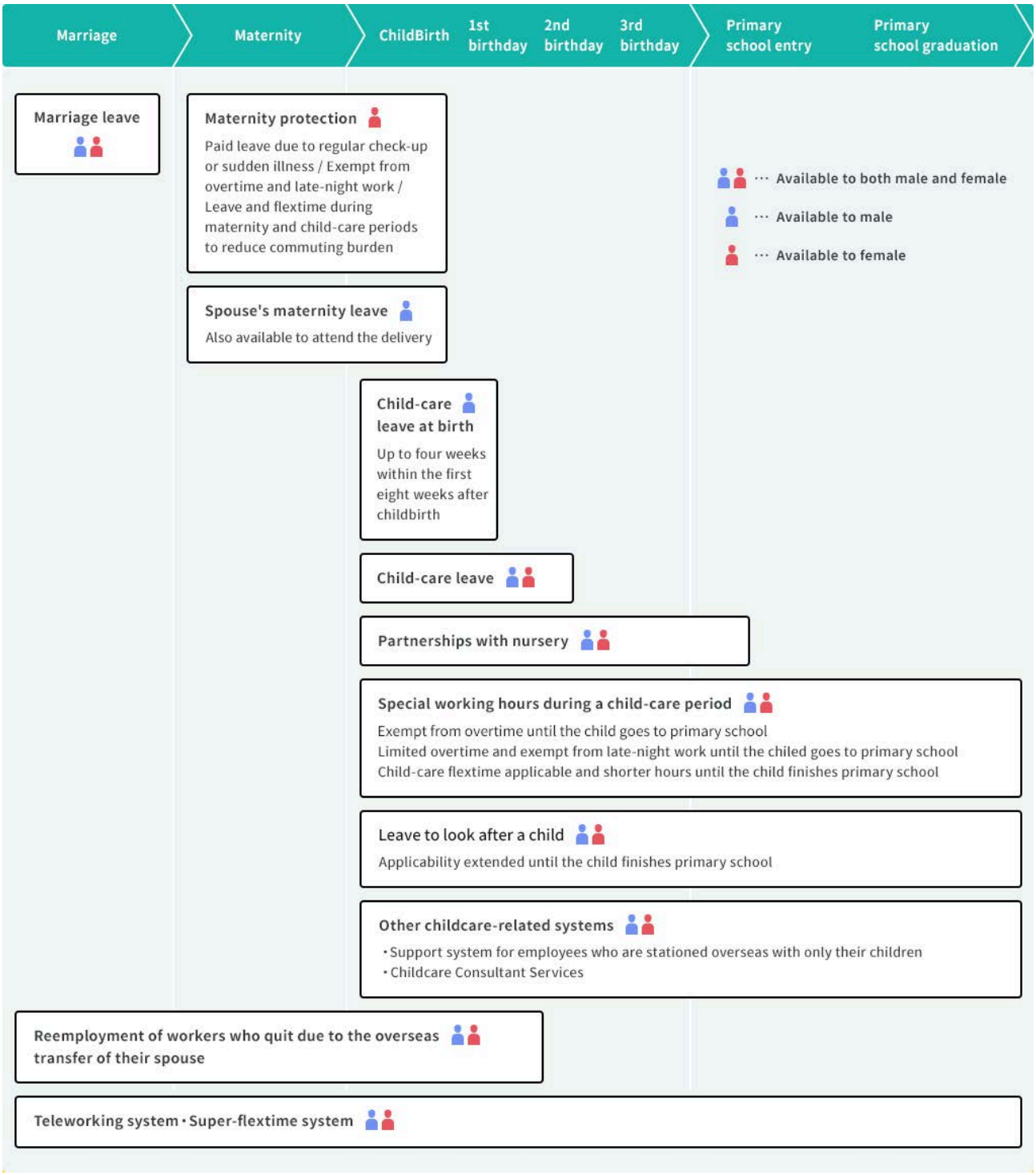
As per our Global HR Management Policy, we aim to build a “Great Place to Work” where diverse individuals continuously and passionately create new value. In this context, we offer a range of work style options so that each individual, with their diverse values and lifestyles, can maximize their performance both at work and in private to enrich their overall quality of life. By cultivating an environment that enables our people to work in a self-disciplined and flexible manner, we promote an output-oriented approach to work to generate high added value.

Support for Balancing Work and Child-rearing

Sumitomo Corporation offers various options that are available to employees regardless of gender with the aim of creating a work environment where diversified employees who have entered the life stage of child-rearing can exert their maximum performance. When an employee files a notice of pregnancy or childbirth for themselves or their spouse, we provide information on the systems for childcare leave and confirm if they want to use those systems through a survey. If they want to use the system, we assist them (men and women) with HR's support as needed, etc., through the process of using childcare leave.

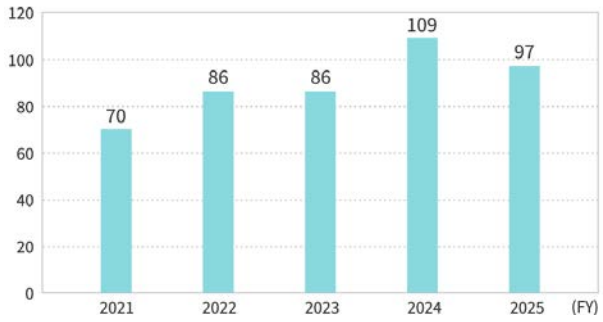
- Support Handbook for Balancing Work and Child-rearing
- Childcare Consulting Services
- Partnering with Childcare Facilities
- Support for Employees Stationed Overseas with Children
- Holding seminars such as Roundtable Discussion on Maternity Leave for Male Employees
- After-School Care at workplace

External Recognition

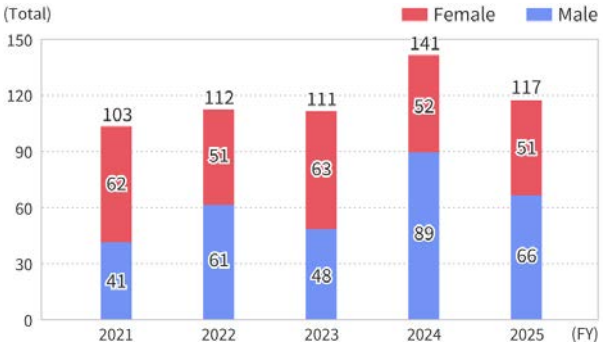

Marriage
Maternity
ChildBirth
1st birthday
2nd birthday
3rd birthday
Primary school entry
Primary school graduation
Marriage leave
Maternity protection
Paid leave due to regular check-up or sudden illness / Exempt from overtime and late-night work / Leave and flextime during maternity and child-care periods to reduce commuting burden
Spouse's maternity leave
Also available to attend the delivery
Child-care leave at birth
Up to four weeks within the first eight weeks after childbirth
Child-care leave
Partnerships with nursery
Special working hours during a child-care period
Exempt from overtime until the child goes to primary school
Limited overtime and exempt from late-night work until the chiled goes to primary school
Child-care flextime applicable and shorter hours until the child finishes primary school
Leave to look after a child
Applicability extended until the child finishes primary school
Other childcare-related systems
・Support system for employees who are stationed overseas with only their children
・Childcare Consultant Services
Reemployment of workers who quit due to the overseas transfer of their spouse
Teleworking system・Super-flextime system
··· Available to both male and female
··· Available to male
··· Available to female

Use of Childcare-related Systems by Employees (Unit: persons)

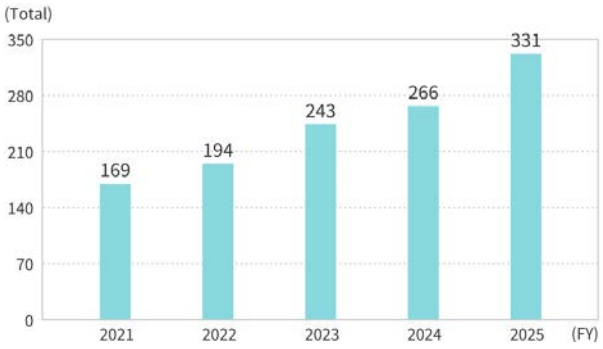
Spouse's Maternity Leave



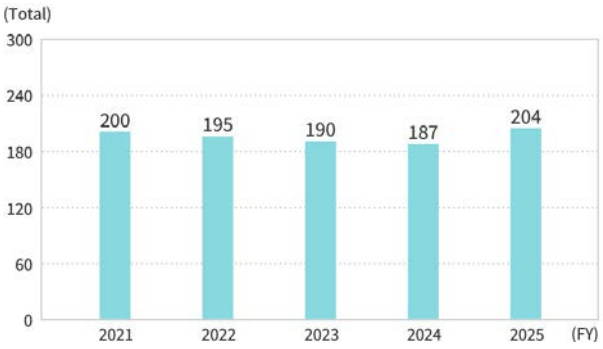
Child-Care Leave



Leave to Look After a Sick Child



Those Who Have Reduced Working Hours



Reemployment of Employees Who Quit due to the Transfer of Their Spouse

We have a system to reemploy, under certain conditions, employees who had to quit their jobs with the company due to the transfer of their spouse, with a view to providing them with an opportunity to once again put their abilities to work for the company.

	2021	2022	2023	2024	2025
Number of applicants for reemployment under the system for those who had to quit due to the transfer of their spouse	14	11	16	13	8

Support for Balancing Work and Long-term Care

Sumitomo Corporation offers various programs to help its caregiving employees to continue work with a sense of security. Through activities such as e-learning and individual consultation sessions on caregiving, introduction of subsidies for purchase of long-term care services and supplies, and creation of "Handbook for Managing Work-Caregiving Balance," we are working to create a work environment where employees who have entered the life stage of caregiving can maximize their performance.

Consultation on caregiving issues		Seminars on caregiving issues	Sumitomo Corporation employees	Once or twice/year
		Consultation sessions on caregiving issues		Weekdays and saturdays
Caregiving while working		Flex-time work system	When any of the following people needs long-term care: spouse, parent, child, grandparent, sibling, grandchild, or spouse's parent	-----
		Short working hours		Under the flex-time work system, daily work hours can be shortened by a maximum of 120 minutes.
		Exemption of overtime work		-----
		Exemption of late night work		-----
Taking a leave of absence for a certain period of time for caregiving	Short term	A leave of absence for nursing care	When any of the following people needs care: spouse, parent or child	Thirty days for one case as a rule
			When any of the following people needs long-term care: grandparent, sibling, grandchild, or spouse's parent	Five days annually for one person Ten days annually for two or more persons
	Long term	Long-term care leave	When any of the following people needs long-term care: spouse, parent, child, grandparent, sibling, grandchild, or spouse's parent	Three times/person Up to 365 days in total

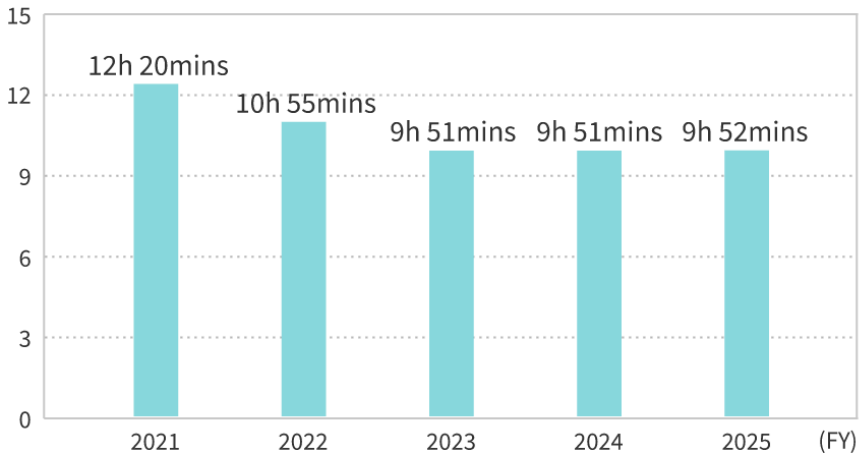
Organization of various seminars

- Seminars on long-term care
  Introduced e-learning to improve literacy of employees and regularly holds seminars such as in-person seminars by experienced caregivers and caregiving roundtable discussion.

Promoting Value-Creating Workstyles

Sumitomo Corporation has been fostering the separation of professional and private life, aiming to increase the work efficiency of employees. In this age of diversification and sophistication of businesses, it is not appropriate to manage working hours simply to reduce the hours regardless of the specific business conditions, although longer working hours do not always lead to better business performance. In recognition of this fact, we need to pursue more value-added work styles also from the viewpoint of global competition.

Average Monthly Overtime Hours



Awareness-raising seminars

The following is an example of our efforts to raise employees' awareness, to provide them with useful information, and to improve the work environment.

- **Labor Management Seminars**
  We provide training on labor management as a part of the newly appointed manager training and newly appointed team leader training programs. We undertake ongoing educational activities, including holding seminars on labor management and productivity improvement, to raise awareness regarding labor management.
- **Creating an Environment that Enables High Performance**
  We monitor and analyze working hours and conduct interviews with employees with high workloads to assess health impacts and improve work arrangements as needed. We also ensure adequate rest through a work interval system and set standards for health consultations for employees working long hours that exceed legal requirements. Through these efforts, we support employee well-being and enable high performance.

Encouraging Employees to Take More Holidays

Sumitomo Corporation fosters the separation of work and private life to encourage our people to increase their productivity to achieve greater results within a limited time.

Number of Paid Holidays Taken by Employees



We promote a smart work style with the aim of improving productivity to achieve maximum results in a limited time. Efforts to achieve this goal include the setting of a company-wide target for the number of paid leaves to be taken in a single year through 2016 to 2019. The number of days of paid leave taken has steadily increased, and the targets were achieved. Starting in 2020, rather than setting a company-wide target that applies uniformly to all employees, we adopted a policy of allowing each organization and individual to exercise self-disciplined management.

Fostering Flexible Work Styles



The teleworking and super-flextime systems are designed to provide employees with an environment that enables them to work in a self-disciplined and flexible manner beyond the conventional framework and thereby promote high-value-added, output-oriented work styles. By working in a self-disciplined and flexible manner, employees will proactively make more effective use of time to foster their own mental and physical health and increase their own value, which will lead to the maximization of their performance.

Dress Code Modification

As a part of our efforts to develop flexible work environments that promote the self-disciplined work approaches among employees, we focused on the “location” and the “time” of work and introduced the teleworking system and the Super flexible work hours system in 2018. To build on these systems, in 2020, we modified the dress code to further promote mindset shifts in the individual and the organization as well as self-disciplined work styles. After reviewing current rules on attire, we eliminated dress codes as long as it is within the scope of common sense and appropriate for work and the workplace based on TPO.

Teleworking system

In 2018, we adopted a teleworking system, with workers able to work at home up to a certain number of days. When traveling or working outside the office, employees can telework from hundreds of contracted satellite offices nationwide, and expanded flexibility around work location. In principle, there are no restrictions on the use, and employees with different circumstances, such as providing childcare and long-term care are provided an opportunity to work proactively and flexibly. Since 2021, we have been encouraging the best-mix of work style that allows employees to combine in a self-disciplined manner in-office and remote work in a well-balanced manner to maximize the performance of the organization. The average in-office attendance rate in FY2025 was approximately 80%.

In recognition of these efforts to promote teleworking, we received the Excellence Award of the FY2020 Telework Promotion Award (Kagayaku Telework Award) presented by the Minister of Health, Labour and Welfare. Please refer to the following link for more information.

- Sumitomo Corporation won the Excellence Award of the FY2020 Telework Promotion Company Award (Kagayaku Telework Award) presented by the MHLW (Japanese only)

Super Flexible Work Hours System

In 2018, we abolished the flexible “work hours system”, and newly adopted the “super flexible work hours system.” The new system has no core hours. Employees can start and end their work at any time during the flexible time band from 5:00-22:00. This system allows employees to design and manage their own work style, leading to further improvement of both the organization’s and the individual’s performance.

Harassment-Free Workplaces

Sumitomo Corporation regards all issues related to harassment, including sexual harassment, abuse of power, and discrimination against pregnant women and minorities including LGBTQ+ individuals, as serious infringements of human rights and deals with these issues sincerely and strictly.

Specifically, we have implemented the following measures:

1. We have clearly stated in the work rules that any form of harassment will be subject to disciplinary action.
2. We have clearly prohibited any form of harassment in the compliance manual.
3. We have raised awareness among all directors and employees about the company's strict stance on harassment by launching a website and providing level-specific training on the topics. Since 2014, the company has also been holding training sessions to help all managers deepen their understanding of sexual harassment and abuse of power.
4. To prevent any harassment and respond appropriately in the event of any incident, we have established a contact point for employees to make complaints about harassment within the departments supervised by the Chief Administration Officer and Chief Compliance Officer (CCO).
5. Using the Speak-up System, we have also established a system for individuals to report harassment directly to the CCO.

Engagement

Engagement Survey

Sumitomo Corporation conducts an annual Engagement Survey for all of its employees to assess (1) their level of commitment to the organization, their engagement indicating their willingness to take initiative in their work, and (2) whether their work environment enables them to maximize their performance. The results of the survey are affected by not only the area of HR management but also by various factors such as business strategy, organizational structure, and work procedures. By carefully interpreting them, we are promoting various measures at company-wide level and at each workplace.
From FY2023, the survey is conducted for all employees worldwide, including locally hired employees in domestic and overseas offices, and "Employee Engagement" has been added as one of the evaluation indicators for stock based remuneration in the executive remuneration. We have set a target of maintaining or improving the score from the previous year, and evaluate whether this target has been achieved.

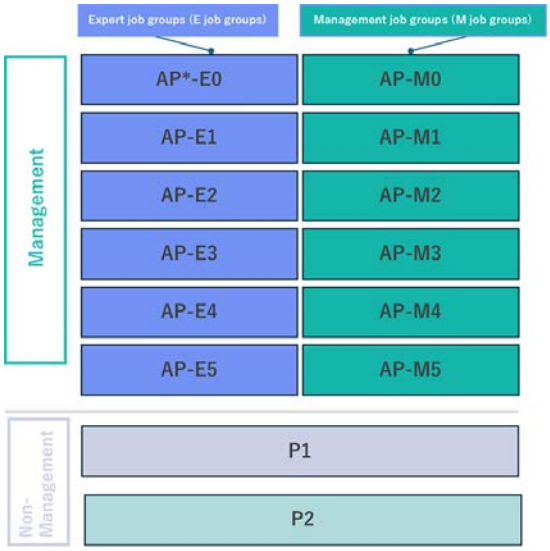
Total Rewards

In the previous medium-term management plan, we focused on strengthening the foundation of our HR systems as part of a shift in our management infrastructure. By eliminating various institutional constraints—"barriers" that had existed in the past—we are laying the groundwork to break away from talent management practices that tend to be influenced by biases based on personal attributes. This enables us to promote true "the right talent in the right position" without regard to such attributes.
In addition to financial rewards, we provide non-financial incentives such as career development opportunities and a sense of purpose at work through fair and transparent processes. This approach helps to enhance employee motivation and supports self-directed career development.

HR System

Introduction of the Job Grading System

We have terminated seniority-based system and introduced a job grading system for managers that determines grades according to scope of responsibilities. This enables us to maximize organizational performance by optimally allocating the best talent with an emphasis on expertise and skills.
We pursue talent revitalization in all generations, from recent university graduates to veteran employees, through job-based HR management.
Furthermore, we are shifting to diverse models of professional training with double track formats consisting of expert job groups, which demonstrate high levels of creativity and expertise, and management job groups, which are responsible for organizational management.



* AP: Advanced Professional
* P1: Professional 1, P2: Professional 2

Optimal Allocation Under HR System

Under our HR system, we conduct talent allocation after thorough alignment with the company's expectations and the individual's career aspirations. As an integrated trading company, continuous development of talent who possess a variety of knowledge and expertise is essential for the sustainable creation of value tailored to the social issues of the times, and we will continue assignment rotations to expand this talent pool. Rather than enforcing uniform assignment rotations, we place greater emphasis on the individual's career aspirations and the deepening of expertise. In some cases, employees remain engaged in a specific field over an extended period to further develop their specialization.

Self-directed Career Development

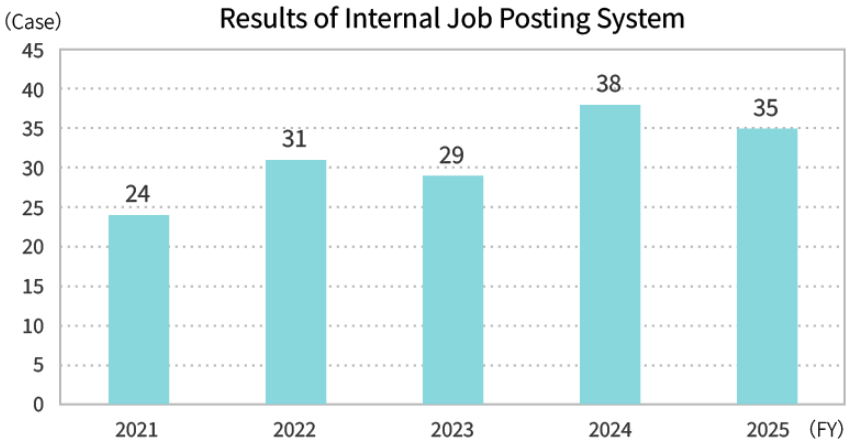
Career assessment interview

An annual career assessment interview is conducted between supervisors and subordinates to help reflect on and align the subordinates' career views with their supervisors on those views. In these interviews, we review the individual's career goals, experience, aptitude, and challenges from a medium to long-term perspective as we align company expectations for work and personal development needs with the individual's own aspirations. This also aims to facilitate communication and help individuals recognize that these interviews provide opportunities for supervisors and subordinates to comprehensively address career plans and challenges that need to be overcome. We are expanding our training programs to enhance communication skills and provide practical guidance on effectively engaging with subordinates.
Through these initiatives, we aim to support individual development and facilitate varied career paths. Furthermore, by combining talent development measures, such as the internal job posting system and planned rotations, we support self-directed growth and diverse career development for each individual. Our objective is to continuously develop top-tier professionals.

Internal Disclosure of Job Descriptions

As part of our efforts to support self-directed growth and career development of each employee, we internally provide access to job descriptions that outline the responsibilities and scope of each position.
Through this initiative, we enable employees to better understand the content and expectations of various roles. This provides a foundation for employees to proactively design their own careers and pursue the capabilities needed for their development.

Internal Job Posting System



As part of our Medium-Term Management Plan 2026, we have positioned the “Empowerment of People and Organizations” as a key initiative toward becoming “No.1 in Each Field”. In line with this, we revised our internal job posting system starting in fiscal year 2025.
Instead of limiting postings to once a year, the system now enables opportunities to be posted and applied for at any time, allowing both individuals and organizations to utilize the system more flexibly. This revision enables employees to more actively pursue self-directed career development, encourages fair and transparent opportunities for challenge and competition, and fosters the creation of new value through enhanced diversity—all of which are being increasingly put into practice across the organization.

0→1 Next

“0→1 Next” (Zero One Next) is an in-house entrepreneurship program launched in FY2018 with the name of “ 0→1 Challenge“, and then its design has been partially updated in FY2024. All Sumitomo Corporation Group employees worldwide regardless of affiliation or title are eligible to participate. Its aim is to enable individuals in each workplace to realize new business ideas. The concept of the challenge is to create businesses from zero (ideas never seen before) to one (creating next-generation businesses). In addition to creating new businesses, the program serves for enhancing business engineering power and leadership through challenge. Driven by their enthusiasm and intrinsic motivation to "absolutely make their ideas a reality," challengers go beyond the boundaries of their own organizations, and proactively interact and collaborate with people and organizations both inside and outside the company to refine their business concepts. The visions and aspirations of those challengers have resonated widely within the company and led to a culture of taking on challenges. Over 1,000 applications were received over the eight years from FY2018 to FY2025. As of the end of FY2025, 14 ideas, including ones that passed the selection process in previous years, are in the process of achieving commercialization. Program participants are working passionately to bring to realize new ideas that Sumitomo Corporation Group have not embarked yet and that respond to new trends in our society. Even after the challenge is over, previous challengers play active roles in their organization, and colleagues around who witness the participants' challenges also become inspired. This program energizes the organization and leads to new initiatives in existing businesses and increased interaction with others internally and externally.

0→1 Next





External Side Job System

We actively approve external side jobs as a means of developing top-tier professionals and enhancing corporate value. These opportunities are expected to promote self-directed development and enable employees to gain diverse experiences, insights, and networks that are difficult to obtain through their primary roles alone.

Evaluation System

Absolute evaluation / 360-degree feedback

As part of our ongoing talent management reform, we are introducing various initiatives with a key focus on strengthening people management capabilities that enable sincere engagement with individuals. We have introduced an absolute evaluation system that focuses on the individual. Instead of comparing specific actions, progress, and outcomes against those of others, the evaluation is based on the degree to which the individual has achieved their assignments and related objectives. We have also adopted a 360-degree feedback system as a mechanism to enhance the objectivity and validity of the absolute evaluation, and to engage sincerely with individuals to unlock their potential. 360-degree feedback is currently applied to managers and above. By soliciting a wide range of comments from colleagues who work closely with the individual, supervisors can base their final evaluations on this feedback. In this way, we aim to obtain valuable insights into how others perceive the individual, which enhances the people management skills of supervisors and enables them to engage more sincerely with their subordinates. It also provides subordinates with opportunities to gain deeper insights as well.

Organizational Evaluation

To foster a mindset shift toward growth and accelerate the realization of sustainable growth, we have introduced an organizational evaluation system. This system comprehensively assesses each strategic unit (such as SBUs) from both quantitative and qualitative perspectives, not only on short-term growth but also on the long-term enhancement of corporate value. Evaluation results are reflected in compensation, encouraging the sharing of best practices and the continuous improvement of the PDCA cycle across the organization.

Compensation System

Policy for Determining Employee Compensation

Our compensation is linked to the scale of assigned roles, responsibilities and performance required to execute our management strategy. Through this approach, we ensure fair and transparent treatment regardless of attributes such as nationality, gender, or age.

Compensation Structure

Compensation consists of base salary and bonuses. The base salary reflects the scale of duties and responsibilities (Pay for Job), while bonuses reflect the performance of individuals, organizations, and the Company as a whole (Pay for Performance).

Compensation Levels and Composition

We set a standard theoretical annual compensation for each job grade based on the scale of duties and responsibilities, assuming standard performance evaluations and achievement of target results.
To ensure competitive compensation levels for attracting and retaining talent, we verify the competitiveness of theoretical annual compensation by referencing objective market data provided by external professional institutions.
In addition, the higher job grade corresponding scope of duties and responsibilities, the greater the linkage to Company performance, thereby encouraging value creation from a perspective closer to management. For the highest job grade, approximately 30% of annual compensation is linked to Company performance.

Compensation Determination Process

The theoretical annual compensation by job grade is determined annually to ensure both sound governance and employee acceptance. It is resolved by the Management Council and finalized through dialogue and consultation with the labor union. Individual annual compensation is determined in a fair and transparent manner in accordance with the criteria of the evaluation and compensation systems.

We will continue to pursue the appropriate design and operation of our compensation systems in response to changes in our human capital strategy and the external environment.

Investment Performance-linked Compensation

We have adopted “a system of compensation linked to investment performance” as part of our initiatives to rigorously select investment projects and enhance post-investment value-creation. This system reflects the performance of new investment projects in remuneration, aiming to improve the success rate of new large-scale investments, and foster the sense of ownership among those responsible for executing them.

Labor Union

Labor Union

Based on the collective agreement with the Sumitomo Corporation Labor Union, Sumitomo Corporation provides its employees with explanations of management policy and business status, as well as opportunities to discuss wages, labor conditions, personnel affairs, safety and health, and employee benefits on a regular basis. The agreement defines that the company must maintain and improve employment conditions and ensure stable lives for employees, and the labor union must keep order and discipline at work and make an effort to increase labor efficiency, and both parties must cooperate with each other in developing the company's business. To achieve this objective, we make every effort to have serious and sufficient discussions on each specific project, while ensuring mutual understanding and trust. In addition to matters for collective bargaining and negotiations on an official level, we hold various meetings to discuss on a wide range of issues with sincerity. They include informal meetings with the president, round-table discussions on business performance, medium-term management plan and related issues, Human Capital Strategy and personnel systems, work styles and rewarding work, informal meetings with Business Leaders, discussions on overseas affairs. We also hold seminars organized jointly with the labor union. As the number of Mid-career hires increases, both the company and the labor union are engaged in networking initiatives. Sumitomo Corporation adopts a union shop system in which all employees participate, excluding executives above a certain level and employees classified as non-union members based on an individual agreement considering the nature of their jobs. As of March 2026, the number of members of the Sumitomo Corporation Labor Union is 3,272, accounting for 66.3% of all employees of Sumitomo Corporation (non-consolidated basis).

Stories of Our People

Our group's human capital is our most critical management capital. Through interviews, we will introduce you to our talents who are active in various business fields and regions, as well as the diverse ways in which they build their careers.



Stories of Our People

Health & Safety

Basic Policies

The Sumitomo Corporation Group offers a safe, hygienic and healthy working environment for its employees. The Group positions physical and mental health management as the foundation of work-life management, and encourages employees to work efficiently to create sufficient time for their private lives. The aim is to promote a work style that allows employees to maintain and enhance their health while being highly productive.

“To achieve prosperity and realize dreams through sound business activities” is a management principle upheld by Sumitomo Corporation. The Company believes that its corporate mission is to deliver financial and emotional enrichment to people around the world including its employees, shareholders, business partners and local community members, and realize their dreams. Maintaining and enhancing employee health is one of the most critical factors that underpin this pursuit. Sumitomo Corporation will continue with its diverse health management initiatives.

In recognition of these initiatives, Sumitomo Corporation has been certified, for ten consecutive years from 2017 to 2026, as an Excellent Enterprise of Health and Productivity Management by METI (Ministry of Economy, Trade and Industry) for its superior management practices that focus on promoting employee health.

Occupational Health and Safety

We created a common sense of value for safety and established a safety management system for all the members of our SC Group in 2023. Moreover we will continue to make an effort to prevent occupational accidents at the site of our group companies, and have conducted the below activities.

- Held cross-organizational occupational safety liaison meetings and developed our own occupational accident management computer system whose name is GENSAI to share case studies of workplace accidents and best practices for improvement within the Group
- The Human Resource & General Affairs Dept. (Disaster Response & Safety Management Team) provided first-response support for occupational accidents that occurred within the Group
- The Human Resource & General Affairs Dept. (Disaster Response & Safety Management Team) members visited our material subsidiaries in Japan and overseas to conduct safety seminars and site inspections







Safety seminar and On-site tour for work safety improvement

Crisis Management System

To prepare for the potential incidents, accidents, and disasters worldwide, it is essential that all employee are aware of risks and appropriate safety measures. At the same time, each organization also needs to develop an infrastructure for safety measures to prepare for emergency. In addition, in the event of an emergency, immediate report of the incident is crucial to provide a support and promptly resume business operations.

We have put in place a structure under which the Human Resource & General Affairs Dept. (Disaster Response & Safety Management Team) is involved in responses in the event of a crisis and consolidates Group-wide information and reports to management with respect to events requiring immediate information sharing and management decisions, including natural disasters, accidents, and infectious diseases in Japan and overseas. In the event of a large-scale natural disaster in Japan, we establish a Crisis Management Team by appointing the head of the Human Resources, General Affairs & Legal Group as head of the team and work to ensure the safety of employees and the early recovery of business.

Since FY2021, we have worked to enhance the effectiveness of each organization's Business Continuity Plan (BCP) by not only formulating plans, but also conducting exercises, reviews and improvements through a PDCA cycle. Furthermore, in January 2022, we established a dedicated team within the Human Resource & General Affairs Dept. (Disaster Response & Safety Management Team) to strengthen occupational safety systems at Group companies and support initial responses and recurrence prevention when work-related accidents occur. The team consolidates safety management information, accumulates know-how and shares best practices across the entire Group.

Measures Against Global Health Problems

Currently, many countries around the world are struggling with serious health issues, including HIV (AIDS), tuberculosis and malaria. The Sumitomo Corporation Group is determined to take active measures against these global health problems.

To ensure that our Sumitomo Corporation Group employees are equipped with accurate knowledge and preventive measures against infectious diseases, Sumitomo Corporation constantly collect accurate and up-to-date information and provide it to our employees who are assigned to work overseas. We also provide a variety of training before their assignments.

Moreover, we started organizing e-learning and seminars on safety measures in FY2017 in response to requests by employees about to go on their first overseas business trip as well as those looking for the latest information on infectious diseases. These programs aim to enhance awareness of crisis management and disseminate accurate and up-to-date information. We make these programs available to officers and employees not only of Sumitomo Corporation but also of the entire Group within and outside Japan.

Through these activities, we support employees' health and safety while they are overseas.

Reporting of Work-related Accidents

If an accident occurs, it must be immediately reported to the Human Resource & General Affairs Dept. (Disaster Response & Safety Management Team).The numbers of occupational accidents reported in Sumitomo Corporation's employees last 5 years are as follows:

Number of work-related accidents

FY2021	FY2022	FY2023	FY2024	FY2025
2 cases	2 cases	5 cases	2 cases	5 cases

We have been holding the Work Safety information Committee that consists of persons in charge of internal control in each sales division. We share the occurrence situation of SC group's occupational accident cases, and preventive countermeasures as the best practice.

Against fatal or very serious occupational accidents, our Human Resource & General Affairs Dept. (Disaster Response & Safety Management Team) makes an immediate report to the president and authorized members. They also share the information that includes root cause analysis and temporary counter measures.

Education on Crisis Management

Sumitomo Corporation offers a variety of training programs and seminars in order to foster crisis awareness and to equip each employee with necessary knowledge.
As a countermeasure against natural disasters, the Tokyo Head Office has systems in place for establishing the Crisis Management Team. Each year that team conducts tabletop exercises and emergency response exercises at each floor of the Headquarters in anticipation of an earthquake under the Tokyo Metropolitan area. At the same time, we also developed impact based BCPs for the Group that can be used to respond to multiple disasters, including not just earthquakes, but also typhoons, floods, and pandemics, etc., and encourage each organization to conduct exercises as well.
As safety measures for Group employees working or travelling abroad, we have prepared safety manuals and provide information to increase awareness about safe behavior at each location. We also provide various e-learning and practical training programs with levels from beginner to advanced, depending on the experience of each employee. Further, we have built systems to provide prompt and effective supports by cooperating with regional offices in case of emergency there. We have also established systems together with overseas offices to obtain real-time information on every risk (conflicts, terrorism, riots, casualty, and natural disasters, etc.) occurring in the world, and share the information with relevant parties.

PT FUMAKILLA INDONESIA

Under the slogan “protecting people‘s lives,” Fumakilla Indonesia has been working for over 30 years in the Indonesian market, where protection of people from Dengue fever, malaria and other infections is a daily concern. It has made steady efforts in spreading its high-quality mosquito repellent coils to every corner of the region. As a result, it now has the largest share in the Indonesian market and contributes to addressing local social issues. In terms of social contribution, not only the product performance but also the marketing method applied there (The business model is delivering the products not only in the urban area but also in the rural area through warungs and grosirs that are part of the traditional General Trade channel in Indonesia.) are significant. With completion of a new research lab with the latest equipment in FY2021, the company now also has a new product development system in place for pursuing greater efficacy and safety. Since its foundation in 1990, our group has continued its investment and supports the local operation of Fumakilla.



Mosquito repellent coil of Fumakilla

Steel Group's Commitment to Safety

The Steel Group works globally across various industries, continuously engages in safety activities. We set “safety” as top priority above all in each business to protect the lives and safety of employees and all stakeholders.

One of remarkable examples is the global zero-accident initiative in the Steel Service Centers (SSCs, steel sheet processing and sales network) in steel sheet businesses. Another is the global HSSE (Health, Safety, Security, and Environment) management in steel pipe businesses (supply chain management, wholesaling, and processing) that target to zero-accidents, including security and hygiene, and go beyond.

SSCs supply services to various industries, including automotive, electrical, electronics, and building materials, and run in more than ten countries, including Japan. Due to the varying degrees of risk associated with various products and labor conditions, the group not only sets up common safety standards but also supports tailored safety initiatives based on the specific circumstances of each country and company. These activities are led by the Safety TQM Team at Sumitomo Corporation Global Metals Co., Ltd. This team implements and promotes TQM (Total Quality Management) across SSCs, linking company safety goals with individual performance targets to enhance safety awareness and the effectiveness of safety activities. The team also conducts safety inspections, setting up a safety checklist with over 150 items, verifying self-diagnosis results from companies through site visits, and following up on items that are not adequately addressed.

In the steel pipe business, which primarily serves oil and gas companies, the slogan “Beyond Zero Harm” is adopted to normalize a state of zero accidents and embed HSSE as part of the organizational culture. To implement this, HSSE experts are stationed at key overseas locations to accumulate and analyze data on labor accidents and incidents, and audits are conducted, including for transport and processing contractors. The “TRIP RULES (Tubular Rules for Incident Prevention)” have been compiled to ensure safety in handling steel pipes and distributed worldwide in booklet form. Efforts are also made to set up a safe and secure working environment, including the development of a global information-sharing IT system and e-learning education programs.



TRIP RULES booklet title page

Moving forward, the Steel Group will continue to strive for “zero accidents” across all businesses, including steel sheets (SSCs), steel pipes, heavy plates, special steels, railway equipment and automotive parts, as well as initiatives within Steel GX, fulfilling its social mission to create a better working environment.

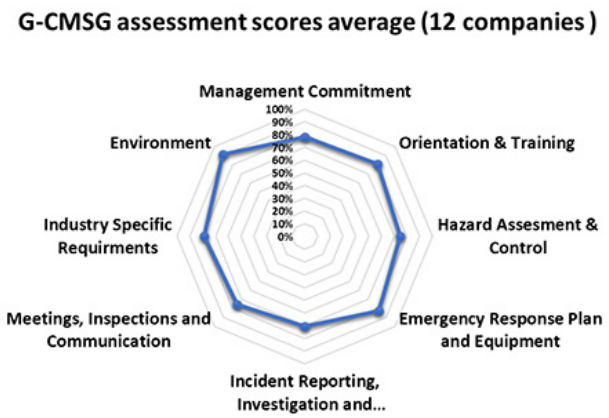
“G-CMSG HSE Initiatives” Aiming to achieve Zero Serious Incidents by combining the expertise of the Global Construction and Mining Systems Group

The Global Construction & Mining Systems Group (G-CMSG) established the HSE Promotion Office in 2018. By making full use of its global human resources, the HSE Promotion Office started implementing Health, Safety & Environment (HSE) activities with the aim of eliminating serious industrial incidents and improving HSE activities at all G-CMSG companies.

The office formulated a vision and HSE standards, publishes a monthly Safety News report to share HSE knowledge and information, issues Safety Alerts to share examples of incidents, and has conducted safety inspections (gap analysis) of the Group companies in FY2019. From FY2022, the office started conducting safety audits which are more detailed and comprehensive assessments than the gap analysis and completed all twelve companies by 1st half of FY2025. From 2nd half of FY2025, HECA (High Energy Control Assessment) which focuses on reduction and/or elimination of high-consequence lost time injuries occurred by high energy hazards started and were conducted at two companies. In FY2026, it is planned to conduct HECA at 4 companies. As part of safety education, Safety Training for new members to Construction & Mining Systems SBU and all employees who are dispatched overseas from the SBU have been continuously conducted. To facilitate communications within the Group, the office has been organizing further activities such as information sharing by portal and Quarterly HSE meetings participated by all group companies. Safety Awards were given to four companies that achieved zero incidents in 2024 at G-CMSG global meeting held in October 2025 in Tokyo, in order to enhance group companies’ motivation for safety.



Safety Alerts are used to share information about findings and corrective actions of incidents.



Safety Audits are conducted at the group companies. Best practices identified during the audits are shared with other Group companies for their further improvement.

"Zero Harm" to people and environment





Visiting a Group company for a safety audit

Safety Measures in Uranium Mining

Our Group's development of uranium mines, production and sales of uranium concentrates*1, and trading of various kinds of nuclear fuels containing radioactive materials comply with each country's laws and regulations based on the IAEA (International Atomic Energy Agency) standards. With our highest priority on HSSE (Health, Safety, Security and Environment), we place the utmost importance in ensuring the safety of onsite employees and local community. Specific measures taken in production and sales of uranium concentrates include the measurement of radiation exposure of all those entering and leaving the plant, and the management and monitoring of cumulative radiation doses in employees*2. Furthermore, the uranium concentrates and various kinds of nuclear fuels we deal in are all used for peaceful purposes such as power generation. Our relevant activities comply with security trade control-related laws and regulations, and we also constantly review and improve our management system for safety and quality in order to meet even higher standards.

*1 Products manufactured in the said business are natural uranium concentrates. Waste materials produced in mines and refining plants are limited to a small amount of low-level (naturally occurring) radioactive waste derived from the refining process. Such waste materials are appropriately treated under a management system based on internal guidelines established in line with applicable laws and regulations, ministerial ordinances, and industry standards, including those of the IAEA and the laws of Kazakhstan. Furthermore, no high-level radioactive waste or medium-level radioactive waste has been produced in the business for the period FY2023-FY2024. In addition, management structure for ensuring safety and quality has been put in place.

*2 We have established an internal standard for the maximum permissible exposure of workers that is stricter than the laws and regulations of Kazakhstan, where we conduct the business, and we are compliant with such standards. Further, no external radiation leaks have occurred in the period FY2023-FY2024.

OHSAS18001, ISO45001-certified Facilities

As of December 2020, 4 of 372, or 1.1% of Sumitomo Corporation consolidated companies, had been certified to OHSAS18001 Certification.
As for ISO45001, which was issued in March 2018 and is recommended for transition, we have confirmed that the following five companies have obtained ISO 45001 as of September 2026.

- KIRIU CORPORATION
- FUJIWA MACHINERY INDUSTRY (HUBEI) CO., LTD.
- FUJIWA MACHINERY INDUSTRY (KUNSHAN) CO.,LTD
- Aver Asia (S) Pte. Ltd.
- SummitD&V Kft

Social Responsibility

Policy and Concept

Basic concept of responsibility for customers

The Sumitomo Corporation Group operates TV shopping, food supermarket, and other businesses that handle consumer products and services, but will not handle products that seriously negatively impact society and run counter to corporate social responsibility, including: any product that has not been confirmed as safe and therefore is socially questionable; any product that may impair human rights, dignity or reputation; any product that defames or disparages another company; and any product that infringes on intellectual property, including patents, utility model rights, design rights, trademarks and copyrights, or other rights of third parties. We also comply with laws and regulations on product and service safety and quality standards. If any product or service we provide has a quality problem, we will take prompt actions to prevent related damage from spreading, and make efforts to investigate the cause of the problem and prevent a recurrence.

Responsible advertising and marketing

In lifestyle, retail, and other business areas that deliver products directly to consumers, we are fully aware of the significance of the impact that advertising expressions have on consumers. Placing first priority on safety and security, we carry out advertising and marketing activities with due consideration of our social responsibilities. Taking into account the position of consumers and using factual expressions in principle, we will not use misleading expressions describing the characteristics or quality of our products and services.

Creating local employment

The Sumitomo Corporation Group operates large-scale resource development, infrastructure development, manufacturing, processing and sales businesses in countries around the world, and therefore the impact of its business activities on the economies and lifestyles of these countries and regions is significant. Recognizing that we have a responsibility to pay attention to the history of the country or region and care about local residents as we carry out our business activities, we contribute to the development of local communities not only by creating and promoting local employment but also by working on skills advancement for sustainable development, support for self-reliance, and protection of the local culture and the environment.

Job Training Programs at Toyota Iraq

Sumitomo Corporation conducts job training programs through Toyota Iraq, a subsidiary, to create local opportunities for stable employment and enhance the skills of job seekers. Prolonged conflict in Iraq has had tremendous impacts on the people, and more than 3 million people have been forced to leave their homes and have become internally displaced persons (IDPs).
Over recent years, employment has become a more serious issue for the younger generation in particular, and creating local skills training and employment opportunities is an urgent matter. Because of such problems, Toyota Iraq has been working with the UNDP since 2016 to conduct job training programs for such IDPs. Starting in 2020, the company has also been working with the International Organization for Migration, an organization affiliated with the United Nations, to conduct new programs offered to persons other than IDPs as well. To date, 153 persons have completed a total of 12 job training programs. These graduates have been offered support in finding work at local companies, and the programs themselves are continuing.
Sumitomo Corporation hopes to achieve sustainable development of local communities through these programs and will continue to support the creation of job opportunities and skill enhancement in Iraq through these business activities.





Trainees receiving training on vehicle maintenance, parts warehouse management and customer services

Targets

Aiming to make life more enjoyable by addressing social issues from the consumers' perspective, the Sumitomo Corporation Group places the highest priority on food safety and health, and provides stable access to high-quality nutritional sources through its business. We also aim to develop and provide value-added specialty products and services that meet diverse needs, including health- and nutrition-conscious products and services, as well as environmental and sustainability needs.

Policies for Specific Commodities

The Sumitomo Corporation Lifestyle Group operates across a broad value chain related to food, from the procurement of raw materials to the delivery of products and services to consumers. In addition to contributing to food safety and security, we also address nutritional issues by offering food products with superior functionality. We recognize various associated issues and implement initiatives to prevent food-related hazards from occurring and reduce their negative impact.

Food Safety Management System

Food Safety Management Policy

The Sumitomo Corporation Lifestyle Group prioritizes food safety and security. Through food safety management activities such as product management (raw materials, additives, labeling), supplier management (quality control, process management), collection of food safety information, and employee training, we comply with food-related laws and regulations. We strive to prevent the occurrence of food-related hazards and provide safe and secure food, processed food, and fresh food.

Food Safety Management at SUMMIT,INC.

Key Issues and Response Policies

At SUMMIT,INC., we have developed a broad value chain that delivers products and services to consumers. In addition to contributing to food safety and security, we also address nutritional issues by offering highly functional food products. We recognize various associated issues (see examples below) and implement initiatives to prevent them from occurring and mitigate their impact.

Key Issues	Main Themes	Management Approach and Awareness
Reducing negative impact of food products on customers	Safety Management of Processed and Fresh Foods	Safety Management using a “Store Hygiene Management Plan” based on the HACCP concept Conducting suppliers’ factory inspections
Responsible advertising, marketing, and promotion of food products	Provision of Information on Food Allergies and Food Additives	Thorough display management through the raw material registration system. Improvement of verification skills related to food labeling.
Responsible advertising, marketing, and promotion of alcoholic beverages	Providing information on preventing drinking by persons under 20 years of age and pregnant women	In-house training programs regarding Liquor Tax Law, etc.
Access to better nutrition	Labeling of nutritional information for in-store processed products	Providing information to help customers choose the foods they want

Food safety and reliability

At SUMMIT,INC., we set and manage our own standards to ensure that we deliver products that our customers can enjoy with peace of mind.

Process	Food safety
Distribution Management	• Distribution center facility management • Storage and transportation by temperature zone – frozen, chilled, and fixed temperature
Store management	• Education on hygiene management at stores • Implementation of hygiene management in accordance with HACCP

Food Safety Management at Food SBU and SC Foods

The Food SBU and SC Foods established a food safety management team in 2003 and have been actively working on food safety management.

Issues and Response Policies

The Food SBU and SC Foods consistently contribute to "food safety and security" from the procurement of raw materials to the delivery of products and services. We recognize various issue involved (see below) and implement initiatives to prevent food-related hazards from occurring and reduce their negative impact.

Key Issues	Main Themes	Management Approach and Awareness
Ensuring Food Safety and Hygiene	Safety Management of Imported Foods, Processed Foods, and Fresh Foods (Origin, Manufacturing Process, Factory, Raw Materials, Food Additives, Foreign Substances, Residual Pesticides, Genetically Modified Foods, etc.)	Food safety management of imported foods, processed foods, and fresh foods in accordance with food safety management regulations by food safety personnel. Supplier management (quality control system surveys, factory inspections, etc.). Product management (product information management through product cards). Education and awareness for members.
Responsible Marketing in Food	Provision and Display of Accurate Information on Raw Materials, Food Additives, Origin, and Food Allergies for Imported Foods, Processed Foods, and Fresh Foods	Accurate display and provision of product information (raw materials, food additives, origin, food allergies, etc.) through checks by food safety personnel and product card management.

Food safety and reliability

The Food SBU and SC Foods Co., Ltd., are working to provide accurate and easy-to-understand food labeling and information in compliance with laws and regulations by checking product information such as ingredients, food additives, allergens related to food allergies, and country of origin by the food safety management staff.

Process	Food safety
Ingredient Management	• We manage imported and processed food products (raw materials, food additives, manufacturing processes, production sites, product standards, labeling, analytical information, etc.) through a product medical record system after food safety officers examine compliance with laws, regulations, and standards.
Manufacturing and Quality Control	• We confirm compliance with legal and contractual standards through various inspection results, in addition to inspections of supplier factories for imported and processed foods. • Inspection items are selected according to product characteristics. (pesticide residue test, microbiological test, physical and chemical test, sensory test) • Inspection frequency is set individually depending on product characteristics and product handling conditions.

Quality Management System

With the diversification of dietary habits, the globalization of food distribution, and a growing awareness regarding health issues, consumers are increasingly paying attention to the safety and quality of their food. On the other hand, there have been cases of incidents and problems threatening food safety, such as those regarding violation of food labeling standards, residual pesticides, and the distribution of foods using unauthorized additives.
In response to these issues, the Food SBU and SC Foods Co., Ltd. have established a quality management system centered on food safety personnel (Food SBU Food Safety Personnel and SC Foods Food Safety Management Department) to prioritize food safety.

The Food SBU and SC Foods implement the following initiatives regarding food safety management:

- Employee education and awareness activities regarding food safety
- Management of food safety, food labeling, etc.
- Checking of food safety management status of group companies and suppliers and inspection of factories
- Sustainability-related measurements in the supply chain

Supplier Management System

Due Diligence for New Suppliers

When initiating business with a new supplier, the Food SBU and SC Foods conduct due diligence in accordance with our Food Safety Management Regulations. A team responsible for food safety (Food SBU food safety staff and SC Foods Food Safety Management Department) judges the necessity of factory inspections after confirming the supplier's quality management system, manufacturing process, transaction status, food safety standard certification status, and sustainability compliance status, etc., using a preliminary quality management survey.

Securing the Safety of Food through Regular Audits of Suppliers

In accordance with food safety management regulations, in addition to initiating new transactions with suppliers, factory inspections deemed necessary by food safety personnel are conducted based on the management system of quality and manufacturing processes, product risk characteristics, and product handling status. These inspections are carried out by food safety personnel at a frequency of once every five years.

Factory inspections

The procedures and results regarding factory inspections are as follows.

Process	Description
Factory Inspection Targets	The Food SBU and SC Foods Co., Ltd. conduct preliminary surveys of supplier factories of imported and processed food products in accordance with the Food Safety Management Regulations (Contractor Management Manual and Purchasing Management Manual) to determine their management systems and food safety certification status. In addition, we conduct factory inspections on the factories that the food safety manager determines to be necessary, taking into consideration the risk characteristics and handling conditions of the products, using the factory inspection sheet.
Frequency of Factory Inspections	Inspections are conducted at the start of transactions and once every five years in principle. (Inspections are conducted each time the food safety officer deems it necessary)

	FY2023	FY2024	FY2025
Factory inspections results (Number of factories)	15 factories	17 factories	13 factories

Certifications

Group companies within the Food SBU have obtained food safety standard certifications in accordance with HACCP-based food safety management. They have established and are operating food safety management systems.

Group companies that have acquired food safety standard certifications that comply with HACCP, such as SQF, FSSC22000, ISO22000, and JFS.

- SQF certification acquired: Juice Products New Zealand Limited
- FSSC22000 certification acquired: WELLNEO SUGAR Co., Ltd.
- ISO22000 certification acquired: SC Foods Co., Ltd. Kawasaki Shiohama Processing Center
- JFS-B certification acquired: Summit Oil Mill Co., Ltd., Shinko Sugar Mill Co., Ltd.

Food safety responsible marketing and compliance education and training program

The Food SBU and SC Foods conduct
Regarding responsible marketing and compliance related to food safety, the Food SBU and SC Foods conduct training programs aimed at increasing employees' awareness and knowledge of food safety, legal compliance, and sustainability.

① Food safety management introduction seminar (held at least once a year)	<Main Contents> • -Food safety and responsible advertising, marketing, and promotion (responsibilities of food business operators, food safety management, sustainability) • Food-related laws and regulations (Food Sanitation Act, Food Labeling Act) • Food safety initiative system (internal regulations, rules, organizational structure) • Food product management, quality control, and process control <Target Persons> A member of the Food SBU and a member of SC Foods Co., Ltd. (required for those in employment/transfer positions)
② Food Compliance Committee (6 times a year, bimonthly)	<Main Contents> Updating and disseminating information related to food safety management, sustainability, and compliance <Participants> In charge of food safety at the Food SBU, SC Foods Co., Ltd.; Lifestyle Group; Committee members selected from each sales department, logistics-related departments, and group companies participate.

Attendance status	FY2023	FY2024	FY2025
Number of participants	①10 people ②14 people/time	①10 people ②12 people/time	①17 people ②13 people/time

Initiatives

Access to better nutrition

In the food sector, the Sumitomo Corporation Lifestyle Group operates a wide range of food businesses from upstream to downstream, including distribution and processing businesses centered on fresh fruits, vegetables, and meat, raw material businesses such as grains, fats/oils, and sweeteners, and retail businesses such as supermarkets and drug stores. We are developing our business with the concept of health and wellness and working to address social issues.

In developed countries, with the arrival of super-aging societies, increased medical costs and an increase in the number of people requiring nursing care due to undernutrition and imbalanced nutrition among the elderly have become major issues. Furthermore, it is necessary to maintain nutrition for home care patients who require dietary restrictions due to diabetes or kidney disease, and to ensure a nutritional balance to prevent obesity. Meanwhile, emerging countries face social issues such as hunger and malnutrition caused by poverty.

Some of SUMMIT, INC. and Tomod's CO., LTD. stores are running the Health Community Corner "Kenkomi" as a place that supports local consumers with food and health. We also offer them services such as health condition self-check, nutrition guidance and health consultations by our resident registered dietitian, and recipe introductions.

The Sumitomo Corporation Lifestyle Group will contribute to solving these social issues by improving nutrition through the stable supply of food and providing foods and services with high added value in nutritional terms, thereby creating a society where people can live healthy and prosperous lives.

Addressing Negative Impacts of Processed Foods

Development and provision of products and services that promote health and eliminate negative impacts

SUMMIT, INC.

The labeling of processed foods is crucial information for ensuring the safety of individuals with food allergies when consuming food and for preventing health issues due to excessive intake of specific substances. SUMMIT, INC. is committed to providing accurate and easy-to-understand food labeling and information in compliance with laws and regulations in order to prevent health issues for people with food allergies.

Food SBU and SC Foods Co., Ltd.

Food SBU and SC Foods Co., Ltd. are working to provide accurate and easy-to-understand food labeling and information in compliance with laws and regulations by checking product information such as ingredients, food additives, allergens related to food allergies, and country of origin by the food safety management staff.

Development and provision of products and services that promote health and eliminate negative impacts

SC Foods & Summit Oil

SC Foods Co., Ltd. and Summit Oil Mill Co., Ltd. procure premium vegetable oils with a variety of functionalities from around the world in response to growing health-conscious needs and provide them to customers and consumers. Flaxseed oil and perilla oil contain omega-3 (n-3 fatty acids), which are "essential fatty acids" that cannot be produced in the body and support the health maintenance functions of the human body, and are also being developed as functional foods.

Wellneo Sugar Co., Ltd.

Wellneo Sugar Co., Ltd. aims to realize "Well-being" (happiness and health) by exploring the power and potential of sugar.
Wellneo Sugar group offers a variety of sugar and sweetener products, including general sugar, to meet the needs of consumers and to contribute to solving social issues. These include products using galactooligosaccharide (GOS), which promotes the growth of bifidobacteria in the intestines, and “Cyclodextran,” a unique cyclic oligosaccharide that helps inhibit dental plaque formation and supports oral care.
"Cup Oligo", developed by Wellneo Sugar using biotechnology, is an oligosaccharide made from the lactose contained in milk. Its main component GOS, is effective in promoting the growth of bifidobacteria. "Cup Oligo" has superior physical properties as a sweetener and—as a substance also present in breast milk— is reliable in terms of safety. Research on the functionality of GOS is currently attracting a lot of attention, with the number of papers increasing all over the world.

Addressing the negative impact of alcohol products on socially vulnerable groups

SUMMIT, INC.

SUMMIT, INC. runs community-based retail business and implement the following initiatives to support the socially vulnerable groups.

SUMMIT, INC. sells alcoholic beverages and tobacco, and is committed to strictly preventing the sale of alcoholic beverages and tobacco to persons under 20 years of age.
Alcohol consumption by people under 20 years of age has a number of negative effects, including those on health, such as impeding physical growth (sexual function, brain, liver, etc.), causing higher risk of becoming addicted to alcohol. Also people who start drinking at a younger age are more likely to engage in risky behaviors.
As a responsible business operator, SUMMIT, INC. recognizes that drinking alcohol can have these negative effects on people under the age of 20. We take the following precautionary measures and work diligently to prevent the negative effects of alcohol consumption on people under the age of 20 and other vulnerable groups in society.

1. Warning to Customers
We give warnings to customers about the sale of alcohol by displaying posters stating that we do not sell alcoholic beverages to persons under 20 years of age, and by indicating that the products are alcoholic beverages. In addition, store managers regularly check to ensure that these posters and displays are appropriate and properly operated.

2. Age verification at the cash register
To prevent the sale of alcoholic beverages to persons under 20 years of age, we always check the age of customers when selling alcoholic beverages. At the self-checkout system, we have introduced a system in which an alarm is turned on when an alcoholic beverage is purchased, and turned it off after an attendant confirms that no alcohol is sold to those under 20 years of age.

3. Regular employee training
At SUMMIT, INC., we ensure that alcoholic beverages are not sold to anyone under the age of 20 by regularly educating and enlightening our employees on alcohol-related knowledge and warnings to customers. We include this information in department training textbooks and alert store employees at meetings and through letters before seasonal occasions when alcohol consumption increases, such as during summer vacation and the end of the year.

4. Sales of non-alcoholic products
At SUMMIT, INC., we sell products with fewer negative effects, such as non-alcoholic products and alcoholic beverages with lower alcohol content.

Creating a safe and secure local community for a better future for the local community

SUMMIT, INC.

SUMMIT, INC. is committed to coexisting with the local community, not only by fulfilling its function as an infrastructure that supports daily lifestyles of the community, but also by working to revitalize the community through collaboration with schools, shopping districts, and municipalities, as well as creating "places for people to interact and gather". Supermarkets, where people come together, facilitates communication. We aim to be a place where the community can feel “joyful” and “relaxed”, supporting local life as infrastructure.

In order to continue to be an infrastructure that supports people's lives even in the event of a disaster, we have developed a "Business Continuity Plan for Natural Disasters," concluded disaster support agreements with some municipalities where our stores are located, and distributed our original disaster prevention guidebooks. In addition, the company accommodates local elementary and junior high school students for store tours and hands-on learning opportunities, participates in donation activities through the sale of collected PET bottle caps, and hosts fun in-store events to deepen engagement with the local community.
As another example of our efforts to coexist with the local community, we host the Suginami Hanagasa Festival every year at Ohmiya-Hachimangu shrine in Suginami-ku, Tokyo where SUMMIT, INC.’s headquarter is located. The festival features food booths sponsored by our business partners, the iconic Hanagasa-odori parade by local community and our employees, and events such as raffles, attracting more than 20,000 visitors every year and becoming a popular winter feature.

SC Foods Co., Ltd

In the rice sector, which has the highest environmental impact in terms of GHG emissions within Japan's agriculture, forestry, and fisheries sectors, SC Foods is promoting initiatives to reduce GHG emissions. Compared to traditional farming methods, direct seeding rice, where seeds are sown directly in paddy fields, is expected to have approximately one-fourth lower GHG emissions. Furthermore, it is anticipated to reduce labor and expand the scale of operations. By expanding the handling of direct seeding rice, we will continue to contribute to reducing environmental impact and addressing food issues.

We are also working on zero emission initiatives that generate no waste and toxic substances.
In the island of Tanegashima, the northern limit of Japan’s sugarcane production region, cultivation of sugarcane, which is considered to be an important staple crop, occupies around 30% of the island’s total acreage and around 60% of its total field crops. As a business operating in such environment, Shinko Sugar, a company of the Sumitomo Corporation Group, utilizes the byproducts and waste generated during the production process of sugar products as compost and boiler fuel inside and outside the factory. Shinko Sugar is also giving its utmost consideration to the environment through measures such as implementing an appropriate treatment process in liquid effluent discharge and gas emissions to ensure the removal of toxic substances.

Additionally, SC Foods has entered into a collaboration agreement with Kyoritsu Women's University and Kyoritsu Women's Junior College on February 5, 2022.

This agreement aims to promote mutual cooperation through comprehensive collaboration in education, research, human resource development, and the advancement of industry and society.

SC Foods and Kyoritsu are jointly promoting the “Tanegashima Soto (domestically-produced raw sugar by Shinko Suger) Project” to increase awareness of SC Foods’ product, Tanegashima Soto. Through developing recipes that use Tanegashima Soto and organizing food education exchanges in Tanegashima, they are also contributing to regional revitalization.
Also as part of this agreement, SC Foods delivered a lecture about “From Production to Consumption of Food from the Perspective of a Trading Company” at the “Special Lecture on Food Science” hosted by the Department of Food Science and Nutrition of the University in 2025 academic year. The lecture highlighted the diverse roles and importance of SC Foods as a trading company, which are involved in every stage of the process from production sites to consumers' hands, including sustainable activities.

Tomod’s Inc.

With the increasing demands on drugstores due to the aging of the population , Tomod’s Inc., our group company, aims to become a "Go-to drugstore" that supports the healthy and enriching lives of people in the community. In addition to the traditional functions of a drugstore and dispensing pharmacy, Tomod's offers a variety of services that leverage its expertise, including counseling by Registered Dietitian, seminars and health events held in collaboration with government agencies, educational institutions, and businesses, and specific health guidance, as well as online medication guidance via video call, and nutritional guidance for home patients accompanied by a dietitian during home medication dispensing. Tomod's is dedicated to developing various types of “Go-to drugstore” that meets the needs of local residents. For example, Nerima Takanodai store with the concept of "a pharmacy where customers without prescriptions can easily drop by." established an event space to promote interaction with the local community, and collaborates with the Nerima Takanodai Regional Comprehensive Support Center. By going beyond the framework of a traditional dispensing pharmacy, this store is promoting initiatives designed to serve as a hub for community collaboration.

Yakuju Co.,Ltd.

Yakuju Corporation, a core company of the SC Pharmacies Group, operates community-based pharmacies under its corporate philosophy: “Together with local communities, we create healthy daily lives and expand a circle of smiles and appreciation.” Based on this philosophy, Yakuju is promoting initiatives aimed at realizing “Healthy People, a Healthy Society, and a Healthy Planet.”

From the perspective of “Healthy People,” Yakuju provides home dispensing services by delivering medications to patients’ homes and care facilities. In collaboration with physicians, nurses, and other healthcare professionals, the company supports safe medication use, manages unused medicines, and responds to emergencies, thereby helping create a secure living environment.

In addition, Yakuju is promoting a shift from a conventional prescription-based pharmacy model to a comprehensive health support model. In addition to dispensing services, the company provides nutritional counseling, specific health guidance, and medical walking programs. By leveraging collaboration among pharmacists, registered dietitians, and physical therapists, Yakuju supports health management from the perspectives of medication, nutrition, and exercise, contributing to the prevention of lifestyle-related diseases and the extension of healthy life expectancy.

From the perspective of “Healthy Society,” Yakuju conducts health consultations and awareness-raising events for local residents and supports community-building initiatives. Furthermore, through Yakuju Will Co., Ltd., a special subsidiary, the company promotes the employment of people with disabilities while supporting their independence and career development.

From the perspective of “Healthy Planet,” Yakuju promotes environmental initiatives, including in-store eco-station activities such as collecting plastic bottle caps and used cooking oil. In addition, the company is expanding the use of renewable energy and participating in forest conservation programs, thereby contributing to environmental protection.

Initiatives and our committments in the mining business

“Social license to operate” refers to the concept of obtaining ongoing acceptance and trust from society to conduct business activities. In the mining business in particular, this entails taking efforts to mitigate environmental impacts and to contribute to the sustainable development of local communities. The Sumitomo Corporation Group places strong emphasis on this concept in its mining business. In addition to strict legal compliance, we are committed to rehabilitation initiatives at all mining sites where we operate, with the aim of minimizing environmental footprint and contributing to the restoration of the ecosystem.

Mining operations are inherently finite and therefore it is important to support the long-term sustainability of local communities by promoting economic self-reliance and minimizing environmental impacts after closure. When participating in mining projects, the Sumitomo Corporation Group develops a business plan based on the life of the mine, which incorporates the costs and measures required to restore the site to its original state. Upon mine closure, we implement appropriate measures in full compliance with local laws and regulations, ensuring that land restoration and post-closure management are conducted responsibly and effectively.

Initiatives in the media business and digital business

The Sumitomo Corporation Group respects personal information provided by customers and pays the utmost attention to data privacy. We recognize their importance particularly in the media business and the digital business, which require strict and proper management, and accordingly ensure compliance with laws and regulations on the handling of personal information, guidelines set forth by administrative bodies, and other standards. For example, Jupiter Shop Channel, as an operator of the “Shop Channel” for TV shopping, and SCSK as an IT services provider are assessed as having established systems to take appropriate measures to protect personal information in compliance with the Japanese Industrial Standards JIS Q 15001 (Personal Information Protection Management System - Requirements) and are granted the right to use the privacy mark. In operating the media business, including the multichannel programming distribution, we are making efforts to meet society’s trust by observing freedom of speech and expression, following the spirit of democracy, respecting basic human rights and public opinion, and protecting law and order.

Commitment to External Initiatives

Participation in Food Safety-Related Initiatives and Organizations

The Sumitomo Corporation Lifestyle Group is a member of the Association for the Safety of Imported Foods, Japan (ASIF) and the Japan Food Additives Association（JAFA）. Through these memberships, the Group seeks to strengthen its food safety capabilities by gathering relevant information, enhancing internal knowledge, and engaging in industry dialogue, thereby supporting the provision of safe and reliable food products.

＜Association for the Safety of Imported Food, Japan＞

ASIF was established in September 1992 by volunteer companies involved in imported foods, with the support and cooperation of the then Ministry of Health and Welfare (now the Ministry of Health, Labour and Welfare), in response to the increase in imported foods and rising public concern regarding their safety. Its mission is to help ensure the safety of imported foods and thereby contribute to consumer confidence and the protection of public health.

ASIF's principal activities include the development of human resources through the administration of the Imported Food Sanitation Manager certification system; education and awareness-raising through training programs and seminars; the collection and dissemination of food safety information, including updates on regulatory amendments and overseas developments; collaboration with government authorities and support for industry stakeholders; and consultation and public outreach relating to imported foods.

In particular, the Imported Food Sanitation Manager system supports the development of qualified personnel responsible for food safety management and promotes voluntary management frameworks among import food businesses. Through these efforts, the system contributes to the assurance of food safety and the stable supply of imported food products.

＜Japan Food Additives Association＞

The Japan Food Additives Association was established in 1982, based on the Japan Federation of Food Additives Organizations, by companies and organizations engaged in the manufacture, import, sale, and use of food additives, with the objective of promoting accurate knowledge of food additives. It was reorganized as a general incorporated association in April 2014.

In coordination with the Ministry of Health, Labour and Welfare and other relevant authorities, the Association works to promote proper understanding of the manufacture, sale, and use of food additives among its members, while also fostering broader public understanding of their safety and usefulness. Through these activities, it aims to contribute to the sound development of the food-related industry and to the improvement of consumers' dietary lives and public health.

As a member of the Association, Sumitomo Corporation works to deepen its knowledge of food additives through the acquisition and use of relevant information, as well as participation in training programs.

Participation in industry initiatives related to alcohol safety

It is important to our business that we thoroughly address issues regarding the potential negative impacts of alcoholic products such as alcoholism, alcohol poisoning, and drinking under 20 years of age. We also recognize that these negative impacts are especially important with regard to vulnerable groups. Therefore, The Sumitomo Corporation Group are members of the following industry organization, in order to participate in knowledge sharing and monitoring the latest market trends and best practices.

＜Tokyo Retail Liquor Sales Association＞
Regarding alcoholic beverages, in order to protect the liquor tax by law and the product's characteristics as an intoxicating beverage, both manufacturing and sales are regulated by the liquor sales license system, and only licensed individuals or entities can sell alcoholic beverages.

The license is granted based on personal requirements such as the licensee's social qualifications, management knowledge/sales ability, and management capital requirements.
The social responsibility of those who have been granted an alcoholic beverage sales license is to comply with related laws and regulations, take into consideration the social harm caused by the characteristics of the product and national health, and ensure that the culture of drinking is inherited, stable business management, and efforts to maintain and improve a responsible drinking environment, and to promote market competition under fair rules, while striving for measures that emphasize the welfare and interests of the public.
To this end, we will strive to promote the common interests of maintaining individual management and the development of the industry as a whole through activities based on close communication and the spirit of mutual support fostered by the association.

Participation in industry initiatives related to hunger and poverty in developing countries

Support for World Food Programme (WFP)
SC Foods Co., Ltd., is a supporter of the United Nations World Food Programme WFP Association (United Nations WFP Association), a certified non-profit organization that supports the WFP United Nations World Food Programme, whose mission is to eradicate hunger and poverty, and is the official support window for the WFP United Nations World Food Programme in Japan.

Participation in Industry Initiatives on Responsibility for Customers

Sumitomo Corporation Group's members delivering products directly to consumers (i.e., Jupiter Shop Channel operating the "Shop Channel" for TV shopping, the food supermarket chain SUMMIT,INC, and Tomod's operating pharmaceutical-dispensing drug stores) are participating in the following industry initiatives (as of June 2024).

Japan Direct Marketing Association (JADMA)
JADMA is the official representative body of the direct marketing industry, as specified in Article 30 of the Act on Specified Commercial Transactions. It collaborates with consumer organizations and public offices to create and disseminate guidelines for fair trade, resolve complaints from consumers and businesses, identify industry trends through surveys and information exchange, and grant the JADMA Mark to direct marketing companies (Full Members) that comply with all relevant laws and regulations.

All Japan Supermarket Association (AJS)
AJS was established in 1962 to contribute to the development of the entire supermarket industry by supporting member companies from the viewpoint of education, products, and information.

Japan Supermarkets Association (JSA)
JSA was established in 1999 to plan, propose, and promote food distribution policies together with local communities.

Japan Chain Stores Association (JCA)
JCA was established in 1967 to rationalize distribution systems, facilitate their modernization, and contribute to people's lives by improving retailing management through the promotion of healthy development and expansion of chain stores.

Nippon Pharmacy Association (NPhA)
The main purposes of this association are as follows, based on three key words of safety, convenience and economy which are to clarify the roles of national insurance pharmacies to prioritize the profit of Japanese people. It also aims to contribute to realize health insurance pharmacies that can be truly trusted and satisfied by Japanese people through activities such as fostering health insurance pharmacies with people's viewpoint, providing relevant information and streamlining pharmacy operation and establishing various infrastructures to do so.

Tomod's discontinued tobacco sales at all of its stores at the end of July 2017 to help customers achieve a healthy and affluent life. Even before this, Tomod's has supported efforts to quit smoking, introducing customers to medical institutions that provide smoking cessation outpatient service in the neighborhood, as well as products that help them to quit smoking, and providing nutritional guidance from national registered dietitians before and after smoking cessation. Additionally, to encourage its employees to work together with customers in quitting smoking, Tomod's introduced a welfare program for employees that supports the smoking cessation program. In recognition of these activities, the Japan Society for Tobacco Control recently offered a letter of appreciation to Tomod's.

Involvement with external initiatives

Declaration of partnership building

In June 2020, the Council on Promoting Partnership Building for Cultivating the Future, whose members consist of the Chairman of Keidanren (the Japan Business Federation), the Chairman of the Japan Chamber of Commerce and Industry, the President of Rengo (the Japanese Trade Union Confederation) and the relevant ministers (the Minister of State for Economic and Fiscal Policy; the Minister of Economy, Trade and Industry; the Minister of Health, Labour and Welfare; the Minister of Agriculture, Forestry and Fisheries; and the Minister of Land, Infrastructure, Transport and Tourism), introduced a framework called the Declaration of Partnership Building.
This framework allows a company to declare, in the name of the company's representative, that it will build a new partnership for shared prosperity throughout the supply chain by reinforcing relationships with supply chain partners and enterprises that seek to create value.

By adopting the Declaration, companies publicly commit to:

1. shared prosperity throughout their supply chains and new partnerships across the borders of business scales and groups; and
2. compliance with the Promotion Standards stipulated in the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises regarding fair transactions with subcontractors.

Hence, each company's efforts in this regard become visible.

Sumitomo Corporation has endorsed this initiative and expressed its commitment to building trust and creating new value, and to maintaining and enhancing such trust and value, through sound business activities with suppliers, customers, joint venture partners, financial institutions, logistics companies and all other business partners. (June 13, 2025)

Social Contribution Activities

Social Contribution Activities

The Sumitomo Corporation Group's Basic Principles on Social Contribution Activities

OBJECTIVE

We, as a global organization, will work on social issues through our business activities and social contribution activities with the aim of building a sustainable society by implementing the Sumitomo Corporation Group's Management Principles and Activity Guidelines.

ACTIVITIES

We will engage in social contribution activities aimed at developing the next generation of human resources who will drive the sustainable development of society, and contributing to local communities in areas we do business all over the world. We will also take part in various activities as a good corporate citizen.

APPROACH

We will perform and seek to continuously improve our activities with modesty and high aspirations and endeavor to maintain a high level of transparency while strengthening our relationships with all our stakeholders.

Please click here to learn more about our social contribution activities.

The Sumitomo Corporation Group's Social Contribution Activities →

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Corporate Governance

Principles

Corporate Governance Principles

Sumitomo's Business Philosophy and the Sumitomo Corporation Group's Management Principles form the backbone of the corporate ethics and represent the foundation underpinning our corporate governance. Based on this, we established the Sumitomo Corporation Corporate Governance Principles, recognizing that the essence of corporate governance is enhancing management efficiency and maintaining sound management, as well as ensuring management transparency to secure the first two. Efforts to build a better corporate governance system and carry out business activities following these principles help the Company achieve sustainable growth, enhance corporate value over the medium to long term, and fulfill its mission as a good corporate citizen, as well as benefits the interests of shareholders and all other stakeholders. For this reason, we continuously work to further enhance and improve our corporate governance.

Sumitomo Corporation Corporate Governance Principles

System

System and features of corporate governance

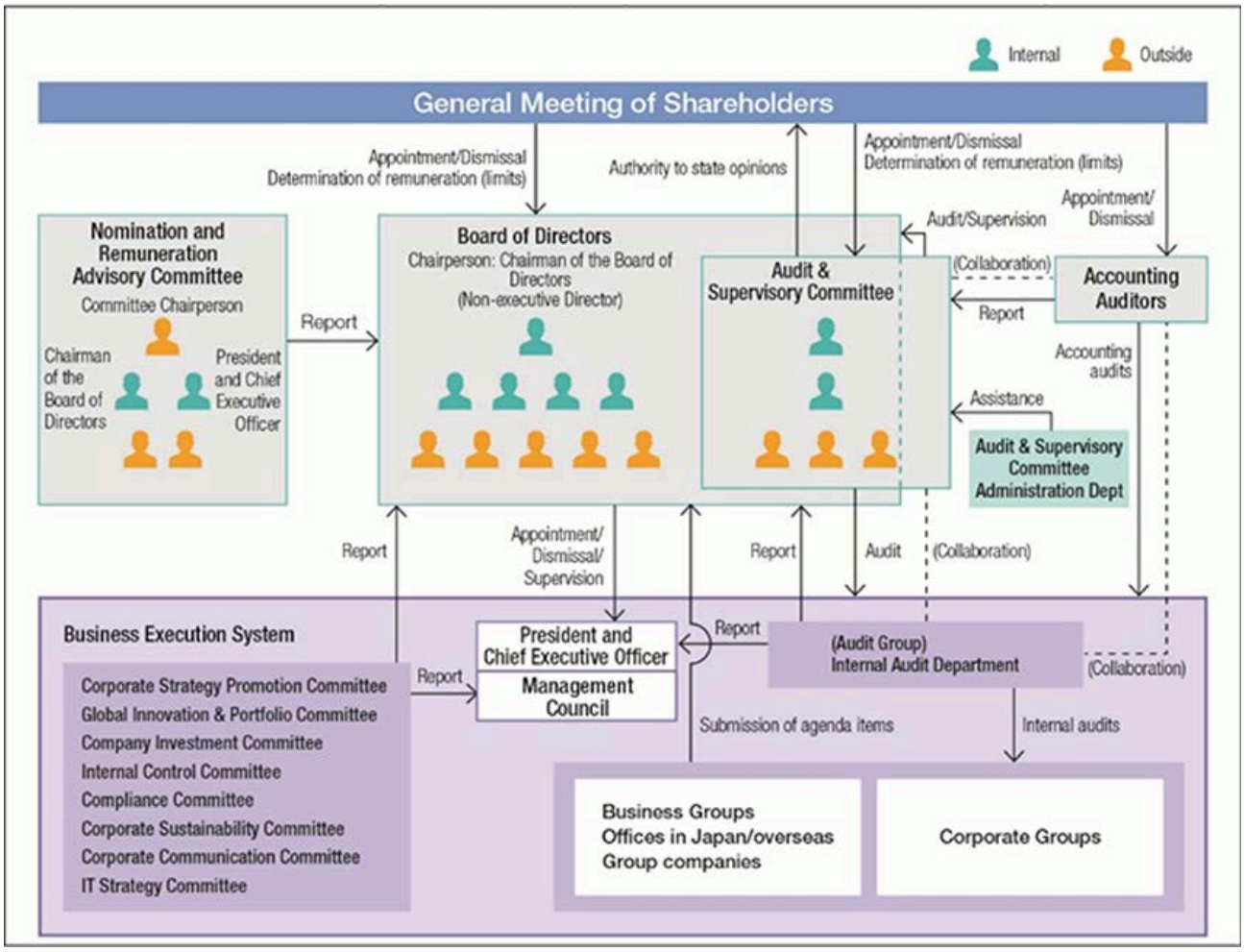
To accelerate the execution of the growth strategies outlined in our “Medium-Term Management Plan 2026,” which commenced in April 2024, the Company transitioned to a company with an Audit & Supervisory Committee. This move aims to ensure timely and appropriate business execution by the management team and to strengthen the effectiveness of the Board of Directors in making decisions on important matters and supervising the execution of those decisions. The Company has elected eight independent Outside Directors -constituting a majority of the fifteen-member Board of Directors- with a wealth of experience and a high degree of specialized knowledge and expertise in different fields. This ensures enhance its supervisory function over management and make appropriate decision in board meetings and further reinforces the oversight function through further diverse perspectives. Also, the Company has established the Nomination and Remuneration Advisory Committee (chaired by an Outside Director) as an advisory body of the Board of Directors in which the majority of members are Outside Directors. This enhances independence, objectivity and transparency of the Board of Directors’ function with respect to nomination and remuneration of Executive Officers.

To strengthen the oversight framework from an external perspective, three of five Audit & Supervisory Committee Members are the independent Outside Directors, one has an experience in business management, one is a legal expert, and the other is a certified public accountant with considerable knowledge of finance and accounting, thereby ensuring an auditing system that incorporates a diversity of perspectives. Furthermore, Directors who are Audit & Supervisory Committee Members are permitted to attend all important internal meetings, enabling them to obtain sufficient information essential for auditing. By implementing the measures above, the Company believes that it has developed an effective, enhanced corporate governance system.

Our Material Issues include “Maintain and strengthen governance.” To strengthen the functions of the Board of Directors, the Company will strive to further improve the functions of the Board of Directors in monitoring the execution of operations through the effective supervision of key management policies and strategies (allocation of management resources, strategies related to business portfolio, sustainability management, etc.) and enhancing organizations for further strengthening the objectivity of the Board of Directors.

The Company's Corporate Governance System

Corporate Governance System (Company with an Audit & Supervisory Committee)



Corporate Governance Report

Framework for "Improving Management Efficiency" and "Maintaining Sound Management"

Directors and the Board of Directors

Election of Outside Director

To facilitate thorough debate and prompt, rational decision-making, the Board of Directors is composed of an appropriate number of members and diversity is ensured in terms of attributes including experience, knowledge, expertise, and gender. In addition, of the fifteen Directors elected, eight are Outside Directors with a wealth of experience and a high degree of specialized knowledge and expertise in different fields. This ensures appropriate decision-making in board meetings and further reinforces the oversight function through diverse perspectives. All Outside Directors meet the standards related to independence set by the financial instruments exchange that the Company is listed on, and the Standards for Independence set by Sumitomo Corporation.

Name	Reasons for proposing and summary of expected roles
Takashi Mitachi since June 2022 < Attendance at Meetings of the Board of Directors in fiscal 2025 > 16 of 16 meetings (100%)	Mr. Mitachi served in several key positions for many years at a major US consulting firm. Through these and other roles, he has accumulated wide-ranging knowledge and a wealth of experience in business management and enterprise risk management, etc.; he is also honest in character, as well as highly insightful and capable. He will contribute to the Company's aims of ensuring appropriate decision-making from diverse perspectives in board meetings and further enhancing supervisory functions, and is thus judged to be qualified for the role of Outside Director of the Company and to be able to perform his duties properly in that position. For these reasons, he is appointed as the position of Outside Director. He is expected to draw on his experience and knowledge to fulfill the role of ensuring appropriate decision-making by the Board of Directors and further enhancing management supervisory functions. In addition, as Chair of the Nomination and Remuneration Advisory Committee, he is also expected to contribute to further enhancing the independence, objectivity and transparency of the nomination and remuneration process for Director and executive management.

Name	Reasons for proposing and summary of expected roles
Takahisa Takahara since June 2023 < Attendance at Meetings of the Board of Directors in fiscal 2025 > 16 of 16 meetings (100%)	Mr. Takahara has held several key positions for many years at a major consumer goods manufacturer, serving as Director, Senior Director, and President & CEO. Through these and other roles, he has accumulated wide-ranging knowledge and a wealth of experience in business management; he is also honest in character, as well as highly insightful and capable. He will contribute to the Company's aims of ensuring appropriate decision-making from diverse perspectives in board meetings and further enhancing supervisory functions, and is thus judged to be qualified for the role of Outside Director of the Company and to be able to perform his duties properly in that position. For these reasons, he is appointed as the position of Outside Director. He is expected to draw on his experience and knowledge to fulfill the role of ensuring appropriate decision-making by the Board of Directors and further enhancing management supervisory functions.
Haruyasu Asakura since June 2024 < Attendance at Meetings of the Board of Directors in fiscal 2025 > 16 of 16 meetings (100%)	Mr. Asakura has held several key positions for many years at private equity fund investment companies and served in executive and outside director positions for multiple companies. Through these and other roles, he has accumulated wide-ranging knowledge and a wealth of experience in M&A and business management, etc.; he is also honest in character, as well as highly insightful and capable. He will contribute to the Company's aims of ensuring appropriate decision-making from diverse perspectives in board meetings and further enhancing supervisory functions, and is thus judged to be qualified for the role of Outside Director of the Company and to be able to perform his duties properly in that position. For these reasons, he is appointed as the position of Outside Director. He is expected to draw on his experience and knowledge to fulfill the role of ensuring appropriate decision-making by the Board of Directors and further enhancing management supervisory functions. In addition, as a member of the Nomination and Remuneration Advisory Committee (scheduled to be appointed if this Proposition is approved), he is also expected to contribute to further enhancing the independence, objectivity and transparency of the nomination and remuneration process for Director and executive management.

Name	Reasons for proposing and summary of expected roles
Nana Otsuki since June 2024 < Attendance at Meetings of the Board of Directors in fiscal 2025 > 16 of 16 meetings (100%)	Ms. Otsuki has held several key positions for many years at companies including leading securities firms and has served as a university professor and in outside director positions for listed companies. Through these and other roles, she has accumulated wide-ranging knowledge and a wealth of experience in market analysis and corporate governance, etc.; she is also honest in character, as well as highly insightful and capable. She will contribute to the Company's aims of ensuring appropriate decision-making from diverse perspectives in board meetings and further enhancing supervisory functions, and is thus judged to be qualified for the role of Outside Director of the Company and to be able to perform her duties properly in that position. For these reasons, she is appointed as the position of Outside Director. She is expected to draw on her experience and knowledge to fulfill the role of ensuring appropriate decision-making by the Board of Directors and further enhancing management supervisory functions. In addition, as a member of the Nomination and Remuneration Advisory Committee (scheduled to be appointed if this Proposition is approved), she is also expected to contribute to further enhancing the independence, objectivity and transparency of the nomination and remuneration process for Director and executive management.
Yasuko Gotoh since June 2026	Ms. Gotoh has held several key positions for many years at the Ministry of Transport (currently Ministry of Land, Infrastructure, Transport and Tourism) including overseas assignments, and after retiring from government service, has served as a director and outside officer of listed companies. Through these and other roles, Ms. Gotoh has accumulated wide-ranging knowledge and a wealth of experience in business management and governance, etc.; she is also honest in character, as well as highly insightful and capable. Ms. Gotoh will contribute to the Company's aims of ensuring appropriate decision-making from diverse perspectives in board meetings and further enhancing supervisory functions, and is thus judged to be qualified for the role of Outside Director of the Company and to be able to perform her duties properly in that position. For these reasons, we propose her as a candidate for re-election to the position of Outside Director. Ms. Gotoh is expected to draw on her experience and knowledge to fulfill the role of ensuring appropriate decision-making by the Board of Directors and enhancing management supervisory functions.

Name	Reasons for proposing and summary of expected roles
Yukiko Nagashima since June 2025 (Audit & Supervisory Board Members from June 2021 to June 2025) < Attendance at Meetings of the Board of Directors in fiscal 2025 > 16 of 16 meetings (100%) (*)	Ms. Nagashima has served several key positions for many years at a major comprehensive human resource services company (holding company), and has served as executive at its group company, Standing Audit & Supervisory Board Member at the holding company, and outside director positions at another major company. Through these and other roles, she has accumulated highly specialized knowledge and a wealth of experience in business management and corporate governance etc. She is also honest in character, as well as highly insightful and capable. She will contribute to the Company's aim of ensuring appropriate decision-making from diverse perspectives in board meetings, further enhancing supervisory functions, and conducting audits from diverse perspectives, and is thus judged to be qualified for the role of Outside Director of the Company who is Audit & Supervisory Committee Member and to be able to perform her duties properly in that position. For these reasons, she is appointed as the position of Outside Director who is Audit & Supervisory Committee Member. Ms. Nagashima is expected to draw on her experience and knowledge to fulfill the role of ensuring appropriate decision-making by the Board of Directors and enhancing management supervisory functions, as well as to conduct audit from diverse perspectives.
Nobuo Inada since June 2025 (Audit & Supervisory Board Members from June 2024 to June 2025) < Attendance at Meetings of the Board of Directors in fiscal 2025 > 16 of 16 meetings (100%) (*)	Mr. Inada has highly specialized knowledge and a wealth of experience in law based on his career over many years as a prosecutor and attorney at law. He is also honest in character, as well as highly insightful and capable. He will contribute to the Company's aim of ensuring appropriate decision-making from diverse perspectives in board meetings, further enhancing supervisory functions, and conducting audits from diverse perspectives, and is thus judged to be qualified for the role of Outside Director of the Company who is Audit & Supervisory Committee Member and to be able to perform his duties properly in that position. For these reasons, he is appointed as the position of Outside Director who is Audit & Supervisory Committee Member. He is expected to draw on his experience and knowledge to fulfill the role of ensuring appropriate decision-making by the Board of Directors and enhancing management supervisory functions, as well as to conduct audit from diverse perspectives.

Name	Reasons for proposing and summary of expected roles
Taisei Kunii since June 2025 (Audit & Supervisory Board Members from June 2024 to June 2025) < Attendance at Meetings of the Board of Directors in fiscal 2025 > 16 of 16 meetings (100%) (*)	Mr. Kunii has highly specialized knowledge and a wealth of experience in finance, accounting, and corporate auditing based on his career over many years as a certified public accountant. He is also honest in character, as well as highly insightful and capable. He will contribute to the Company's aim of ensuring appropriate decision-making from diverse perspectives in board meetings, further enhancing supervisory functions, and conducting audits from diverse perspectives, and is thus judged to be qualified for the role of Outside Director of the Company who is Audit & Supervisory Committee Member and to be able to perform his duties properly in that position. For these reasons, he is appointed as the position of Outside Director who is Audit & Supervisory Committee Member. Mr. Kunii is expected to draw on his experience and knowledge to fulfill the role of ensuring appropriate decision-making by the Board of Directors and enhancing management supervisory functions, as well as to conduct audit from diverse perspectives.

* The number of Attendance at Meetings of Ms. Yukiko Nagashima, Mr. Nobuo Inada, and Mr. Taisei Kunii represents the total number of meetings attended during their respective tenures as Audit & Supervisory Board Members and as Directors serving as Audit & Supervisory Committee Members.

Standards for Appointment and Independence of Outside Directors

Enhancement of Monitoring Function at the Board of Directors

The Company defines the role of the Board of Directors, in accordance with the "Sumitomo Corporation Corporate Governance Principles" as determining the overall direction of business, carries out highly effective supervision over business execution from a broad and diverse perspective, and making important decisions that affect the overall management of the Company. Based on this approach agenda items for the Board of Directors are carefully selected by the Board of Directors to promote more focused discussion of management policies and plans and other important matters for companywide management. Members of the Board of Directors also select items that should be taken up for more intensive discussion at the Board of Directors meetings each year (agenda setting).

The Board of Directors periodically monitors the state of business execution companywide by receiving reports on the status of businesses important to the Company's management and the activities of the main corporate committees.

The Board of Directors holds off-site meetings in addition to regular meetings, for free and open discussions on important management topics, including management policies and plans roles and functions of the Board of Directors, and ESG (Environment, Social and Governance) issues. Moreover, to ensure that Outside Directors actively contribute to the discussions at the Board of Directors, a monthly meeting is held, which is comprised of Outside Directors, in which they engage in robust discussion.

Prior to every meeting of the Board of Directors, Outside Directors are briefed on the agenda items due for discussion.

Separation of Duties between the Chairman of the Board of Directors and the President and Chief Executive Officer, and Limits on Their Terms of Office

In principle, the positions of Chairman of the Board of Directors and the President and Chief Executive Officer are clearly defined and separate in order to ensure mutual supervision, and both positions cannot be held simultaneously by the one person. The role of the Chairman of the Board of Directors is to supervise the management of the Company; the Chairman has no involvement in day-to-day execution of operations and no authority to represent the Company.

In principle, the Chairman of the Board of Directors and the President and Chief Executive Officer are each limited to a term of six years. This limitation on the tenure of top management helps eliminate the possibility of governance problems occurring as a result of the top management not being changed over for a long period of time.

Evaluation of the Board of Directors

To maintain and enhance the effectiveness of the Board of Directors, each year Directors (including Committee Members) engage in analysis and evaluation of the Board's effectiveness through evaluation and several discussions. This is followed by the disclosure of overviews of the results. The effectiveness evaluation for fiscal 2025 and the overview of the results is as follows.

1 Evaluation method

In December 2025, we implemented a questionnaire survey (*). Based on the results, Directors held several discussions to analyze and evaluate the results, and to identify issues and the initiatives on how we should improve them.

All of the 15 Board members answered the questionnaires. The questionnaire survey primarily consists of a free-writing format regarding topics that Directors view as issues. In addition, given the current candid exchange of opinions by the Board of Directors to grasp the background of respondents' issue awareness and opinions to deepen discussions, from fiscal 2022 respondents are asked to fill in their names.

Evaluation items:
(i) Functions and roles of the Board of Directors
(ii) Composition of the Board of Directors
(iii) Agenda items
(iv) Content and Quality of discussions
(v) Provision of support and information
(vi) Advisory body to the Board of Directors
(vii) Fulfillment of roles of the Board chair
(viii) Fulfillment of roles of internal Directors
(ix) Fulfillment of roles of Outside Directors
(x) Self-evaluation
(xi) Expectations in Audit & Supervisory Committee members
(xii) Comprehensive evaluation

Third-party Assistance:
We received advice and assistance from a third party (external consultant) mainly to determine the questions used in this questionnaire.

2 Evaluation results overview and priority issues in fiscal 2026

In the effectiveness evaluation for fiscal 2025, (held after the transition to a company with an Audit and Supervisory Committee in June 2025) the results of a questionnaire survey indicated that a certain level of progress had been achieved with respect to the objectives of the transition—namely, enhancing the agility and speed of decision-making in management execution and strengthening the monitoring function—through the implementation of measures aimed at improving the effectiveness of monitoring and deliberations, such as revisions to the criteria for matters submitted to the Board of Directors and the reorganization of Board agendas. For fiscal 2026, based on the opinions expressed in the effectiveness evaluation, the Company has identified the following four items as priority issues to be addressed. By steadily implementing initiatives to improve these issues, the Company aims to further enhance the effectiveness of the Board of Directors, contribute to the sustainable growth of the Company and its group and the enhancement of medium- to long-term corporate value.

- Strengthening the monitoring function of the Board of Directors
- Considering best composition (skill, diversity and number) of the Board of Directors
- To utilize information obtained through audit held by Audit and Supervisory Committee and to improve monitoring function of the Board of Directors against business execution
- To improve nomination and remuneration governance by enhancement of the report from Remuneration and Nomination Advisory Committee

3 **Results of initiatives implemented in fiscal 2025 to address issues identified in the effectiveness evaluation conducted in fiscal 2024**

Priority issues in fiscal 2025	Initiatives implemented in fiscal 2025
Stable operation after transition to company with Audit and Supervisory Committee	• Updated the internal rule regarding matters to be resolved/deliberated to the Board of Directors • Reorganized the agenda items
Set meeting agendas that facilitate discussion of company wide management issues	
Consider the ideal number of Directors on the Board and their required backgrounds	• Made outside director majority of the Board
Study and implement the appropriate audit system after the transition to a Company with an Audit & Supervisory Committee governance system	• In-person reporting regarding annual audit policy and audit plan • Setting opportunities to share audit status and important matters
Strengthening collaboration between the Nomination and Remuneration Advisory Committee and the Board of Directors	• Setting Opportunities to make by-annual reporting regarding its activity • Participation of Full-time Audit and Supervisory Committee Member as observers

Establishment of the Nomination and Remuneration Advisory Committee

The Nomination and Remuneration Advisory Committee, of which a majority of members are Outside Directors (including Directors who are Audit & Supervisory Committee Members), and which is also chaired by an Outside Director, has been established as an advisory body to the Board of Directors. The Committee meets as necessary, and is in charge of deliberating the matters on (1) policies and procedures regarding appointment and dismissal of the President and Chief Executive Officer, (2) policies and procedures regarding appointment and dismissal of the Chairman of the Board of Directors, (3) nomination criteria for Directors(including Directors who are Audit & Supervisory Committee Members), (4) appointment and dismissal of the President and Chief Executive Officer (including the nomination of a successor of the President and Chief Executive Officer), (5) nominations of candidates for Directors (including determination of Representative Directors and Executive Directors)(excluding Directors who are Audit & Supervisory Committee Members), (6) nomination of candidates for Directors who are Audit & Supervisory Committee Members, (7) appointment of Management Council members, (8) the structures/levels of remuneration and bonuses for Directors(excluding Directors who are Audit & Supervisory Committee Members) and Executive officers and the limit of remuneration for Directors who are Audit & Supervisory Committee Members, and (9) the advisor system, and will submit the results thereof as recommendations to the Board of Directors. Additionally, the committee also deliberates and determines any matters delegated by the Board of Directors that are not included in (1) to (9) above, and reports the outcome of such deliberation or decision to the Board of Directors. In FY2025, the Nomination and Remuneration Advisory Committee met 8 times to deliberate the abovementioned matters, and submitted the results thereof as recommendations to the Board of Directors.

Composition of the Nomination and Remuneration Advisory Committee

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

The Skills such as knowledge, experience and competencies, etc., that the Board of Directors is required to possess, and Skills that Directors currently in office possess (as of June 2026)

The Skills that the Board of Directors is required to possess

All Directors of the Company, regardless of whether they are internal or Outside Directors, are required to be honest in character, as well as highly insightful and capable, in accordance with their respective qualifications. Also, the Company raises "No.1 in Each Field" as a theme under "Medium-Term Management Plan 2026," and the Company is transforming its business portfolio by leveraging the strengths of individual businesses to reinforce them and strengthening people and organizations, which are the driving forces for growth. Through such initiatives, the Company will strive to enhance the Group's competitive advantages and achieve growth by addressing social challenges. For successful implementation of this management plan, we have identified the types of knowledge, experience, and competencies, etc. (hereinafter "Skills") which enables the Board of Directors to adequately fulfill its roles of effective supervision over business execution and making decisions on important business matters which may affect company-wide management. "Governance" and "Global perspective" are Skills that all Directors are required to possess, while we believe that the Board of Directors as a whole should possess the other seven Skills. Of these seven Skills, for Directors who are Audit & Supervisory Committee Members we place a particularly high priority on "Corporate Management", "Finance/Accounting", and "Legal/Risk Management" to audit and supervise execution of Directors' duty. As the Skills that the Board of Directors is required to possess may vary according to business strategies or changes in the external environment, the Board of Directors will continue to discuss the skills required, make necessary changes, and disclose such changes.

Skills that all Directors are required to possess and reasons why these Skills are necessary

Governance	We believe that in order to fulfill our mandate from shareholders while at the same time managing our business in the interests of all stakeholders, it is essential for all Directors to be well-equipped with a high level of knowledge regarding governance. The essence of corporate governance based on our view is defined in the Sumitomo Corporation Corporate Principles as "improving management efficiency," and "maintaining sound management," as well as "ensuring management transparency".
Global Perspective	From the perspective that the Company conducts business transactions and investments throughout the world, we believe that all Directors should have keen insight from a global perspective. We view that this Skill entails the ability to plan and implement an optimal business strategy that combines caution with flexibility even when different cultures, alternative industrial structures, or the latest geopolitical developments, etc. make the situation extremely uncertain. We also view that this Skill includes the ability to appropriately supervise the execution of related management duties.

Skills that the Board of Directors as a whole is required to possess and reasons why these Skills are necessary

Corporate Management	The Company engages in a range of business activities, aiming for a stable and sustainable increase in its corporate value. The Board of Directors is the body that sets the overall direction of management, exercises effective oversight of management execution from a broad and diverse perspective and makes decisions on the Company's important business matters which may affect company-wide management. It also implements an optimal business strategy for creating value in accordance with the Company's Management Principles while also meeting our stakeholders' expectations in a constantly changing operating environment.
Investment/M&A	The Company invests in a diverse range of business domains. We consider Skills related to investment and M&A to be important for selecting investment projects aligned with our strategy, and for supervising the progress of such projects. Such Skills include the abilities to clearly define investment objectives and determine their compatibility with our strategy, to properly evaluate investment targets, to undertake post-investment monitoring, and to ascertain the best timing for replacement of assets. The Board of Directors make important decision and supervise execution related to the investment projects.
IT/DX/Technology	As accelerating technological advancements transform societies and industrial structures, the Company will continue to create value by responding with agility to such change, by anticipating change to pursue business innovation, and by creating new businesses. We will also reform our own business foundation by making effective use of new digital technologies such as AI in our business activities in line with our own values. The Board of Directors make important decision and supervision in relation to such initiatives.
Sustainability	Having identified certain important challenges that need to be prioritized as Material Issues, and placed these issues at the core of its business management, the Company always pays attention to whether its businesses are contributing to society. We are pursuing sustainability management, which entails anticipating long-term changes in our operating environment relating to social issues and allocating management resources strategically to contribute to a sustainable society and achieve sustainable growth for the Company. Taking into account of the awareness of international trends and understanding of the relevant issues, the Board of Directors supervise the implementation of the sustainability management.
Finance/Accounting	To enhance its corporate value sustainability, the Company endeavors to achieve medium- to long-term earnings growth and increase its returns to shareholders while maintaining a healthy balance between investment for growth and a solid financial position. To enable us to make appropriate decisions and properly inform the Company's initiatives to stakeholders as we work forward toward these goals, we need to provide accurate, timely financial reporting. The Board of Directors supervise these tasks.

Legal/Risk Management	We consider three goals to be of key importance in ensuring that the Company achieves sustainable, robust growth: stabilizing performance, strengthening our financial base, and maintaining our corporate reputation. To achieve these objectives, we conduct appropriate risk management using various means. These include assessing and analyzing the risks that accompany commercial transactions, business investments, and other business opportunities; keeping the Company's total Risk-weighted Assets to within our buffer (shareholder's equity); and maximizing Risk-adjusted Return. The Board of Directors supervise the business execution with a wide variety of risk management-related skills, including the ability to screen and monitor transactions, investments, and loans, and expertise in legal and compliance risk management.
HR Management & Development	Regarding human resources as its most important form of business capital, the Company provides each individual with opportunities for autonomous growth and self-realization and strives to upgrade its HR management cycle. We are also maximizing the performance of our diverse workforce and the organization as a whole, thereby creating new value. We particularly emphasize Diversity, Equity & Inclusion, which we recognize as the core enabler for value creation, innovation, and competitiveness. The Board of Directors make key decisions on such initiatives and supervise their implementation.

Skills that Directors currently in office possess

Of the Skills identified above as necessary for the Board of Directors as a whole, Skills currently possessed by individual Directors are shown in the table below. The skills of individual Directors are determined after considering all their attributes, including their careers, knowledge, experience, capabilities, qualifications, and specific achievements, and discussing these with the individuals concerned.

* A brief history of each of the incumbent Directors.

Management

Directors (excluding Directors who are Audit & Supervisory Committee Members)

Name	Role (Term of office as Director)	Internal/ Outside	Skills such as knowledge, experience and competencies, etc.						
			Corporate management	Investment/ M&A	IT/DX/ Technology	Sustainability	Finance/ Accounting	Legal/ Risk management	Human resources management & development
Masayuki Hyodo	Director, Chairman (8 years)*	Internal	●	●	—	●	●	●	●
Toshikazu Nambu	Director Vice Chairman (2 years)*	Internal	●	●	●	—	●	—	●
Shingo Ueno	Representative Director, President and Chief Executive Officer (3 years)	Internal	●	●	●	●	—	—	●
Reiji Morooka	Representative Director, Executive Vice President (4 years)	Internal	●	—	—	—	●	●	—
Yasuhiro Yoshida	Representative Director, Senior Managing Executive Officer	Internal	●	—	●	—	●	●	●
Takashi Mitachi	Outside Director (4 years)	Outside	●	●	—	●	—	●	●
Takahisa Takahara	Outside Director (3 years)	Outside	●	●	—	●	—	—	—

Name	Role (Term of office as Director)	Internal/ Outside	Skills such as knowledge, experience and competencies, etc.						
			Corporate management	Investment/ M&A	IT/DX/ Technology	Sustainability	Finance/ Accounting	Legal/ Risk management	Human resources management & development
Haruyasu Asakura	Outside Director (2 years)	Outside	●	●	—	—	●	—	—
Nana Otsuki	Outside Director (2 years)	Outside	—	●	—	●	●	—	—
Yasuko Gotoh	Outside Director	Outside	●	—	—	●	●	●	—

* Apart from the above, Mr. Masayuki Hyodo, served one-year term as Director from June 2016 to June 2017 and Mr. Toshikazu Nambu, served a four- years term as Director from June 2019 to June 2023.

Directors who are Audit & Supervisory Committee Members

Name	Role (Term of office as Director)	Internal/ Outside	Knowledge, experience and competencies, etc. (Skills)						
			Corporate management	Investment/ M&A	IT/DX/ Technology	Sustainability	Finance/ Accounting	Legal/ Risk management	Human resources management & development
Daisuke Mikogami	Directors (Audit & Supervisory Committee Member) (Full-Time)*1 (1 year)	Internal	●	●	●	—	—	—	●
Mitsuhiro Takeda	Directors (Audit & Supervisory Committee Member) (Full-Time)	Internal	●	●	—	—	●	●	—

Name	Role (Term of office as Director)	Internal/ Outside	Knowledge, experience and competencies, etc. (Skills)						
			Corporate management	Investment/ M&A	IT/DX/ Technology	Sustainability	Finance/ Accounting	Legal/ Risk management	Human resources management & development
Yukiko Nagashima	Director (Audit & Supervisory Committee Member)*2 (1 year)	Outside	●	●	—	—	—	—	●
Nobuo Inada	Director (Audit & Supervisory Committee Member)*2 (1 year)	Outside	—	—	—	●	—	●	●
Taisei Kunii	Director (Audit & Supervisory Committee Member)*2 (1 year)	Outside	●	—	—	—	●	—	—

*1 Mr. Daisuke Mikogami served as an Audit & Supervisory Board Member of the Company for two years from June 2023 to June 2025.

*2 Ms. Yukiko Nagashima served as an Outside Audit & Supervisory Board Member of the Company for four years from June 2021 to June 2025. Mr. Nobuo Inada and Mr. Taisei Kunii each served as an Outside Audit & Supervisory Board Member for one year from June 2024 to June 2025.

Currently, 3 of the 15 members of the Board of Directors are female.

Audit & Supervisory Committee Members and the Audit & Supervisory Committee

Roles and Responsibility of the Audit & Supervisory Committee

The Audit and Supervisory Committee, as an independent statutory body entrusted by shareholders, is responsible for overseeing the execution of duties by directors in cooperation with board of directors, in accordance with applicable laws, the Articles of Incorporation, and other relevant regulations. It is expected to carry out its duties appropriately to protect the interests of shareholders and stakeholders. Through these efforts, the Audit and Supervisory Committee aims to further enhance the corporate governance framework of the Company and its group, and to fulfill its responsibility to society by contributing to sound and sustainable growth and the creation of medium- to long-term corporate value.

Organizational Framework of the Audit & Supervisory Committee

The Audit & Supervisory Committee comprises five members—two Inside Fulltime Audit & Supervisory Committee Members and three Outside Audit & Supervisory Committee Members (including one woman). The Inside Audit & Supervisory Committee Members must have a sincere character, deep insight, and high-level skills as well as specialized business knowledge and a broad range of experience, and the Outside Audit & Supervisory Committee Members must also have a sincere character, deep insight, and high-level skills as well as advanced specialized knowledge, particularly in fields such as corporate management, law, or accounting and extensive experience, and All Audit & Supervisory Committee Members are appointed without regard for gender, nationality, and so on. Among the Outside Audit & Supervisory Committee Members, one is a fulltime Audit & Supervisory Board Member of a listed company and has an experience in business management, and one is a legal expert (a former Prosecutor-General), and the other is a certified public accountant with considerable knowledge of finance and accounting. All of the Outside Audit & Supervisory Committee Members satisfy the criteria on independence set by financial instruments exchanges on which the Company is listed, as well as the Standard for Independence established by the Company.

Ensuring Audit Effectiveness

In addition to the resolution of the legally required matters, the Audit and Supervisory Committee enhances the effectiveness and quality of its audit process by the following initiatives.

FY2025 Initiatives

- **Dialogue with Management and Executive Officers (Number of people who had dialogues: 139)**
  The Audit and Supervisory Committee held regular meetings with the Chairperson of the Board of Directors and the President and Chief Executive Officer to exchange views on management policies and issues that the Company should address. In addition, through interviews and other means with the heads of domestic and overseas corporate groups and business groups, as well as presidents of group companies, the Audit and Supervisory Committee obtained and reviewed information on the status of operations and assets, compliance with laws and regulations, and loss risk management systems, and examined the status of the execution of duties.

- **Attendance at important meetings (Number of meetings: 197)**
  Audit and Supervisory Committee Members, in addition to attending meetings of the Audit and Supervisory Committee, attend meetings of the Board of Directors in their capacity as directors. Furthermore, in order to understand the process of important decision-making and the status of the execution of duties by officers and employees, they attended important meetings, including the Management Council, General Managers' Meeting, Management Strategy Meeting, Company Investment Committee, Internal Control Committee, Compliance Committee, Corporate Sustainability Committee, and Nomination and Remuneration Advisory Committee, and expressed their opinions as necessary.

- **On-site Audit to regional organization/group companies (Number of on-site audits: 47)**
  Audit and Supervisory Committee Members conducted on-site audits to domestic and overseas regional organizations and group companies, and through interviews with heads of those organizations and other relevant personnel, obtained information on the status of organizational management and issues, as well as the development and operation of internal control systems, thereby making efforts to gain a thorough understanding of on-site conditions.

- **Enhance group governance**
  The Audit and Supervisory Committee Members exchanged opinions and shared information with statutory auditors of subsidiaries and other group companies through information briefing sessions and company specific meetings, and expressed their views as necessary. In addition, by reviewing audit activity reports submitted by statutory auditors dispatched by the Company, they made efforts to understand the management conditions of subsidiaries and other group companies, as well as the status of audit implementation.

- **Cooperation with Internal Control/Internal Audit organization**
  The Audit and Supervisory Committee Members regularly exchanged information with the internal control/internal audit organizations and attended the President's briefing sessions conducted by the Internal Audit Department (held monthly). In addition, by receiving reports on the results of internal audits at meetings of the Audit and Supervisory Committee and utilizing such internal audit results, they enhanced the effectiveness of the audit functions of the Audit and Supervisory Committee.

- **Cooperation with accounting auditor**
  Regular meetings were held with the accounting auditor to ensure that audit-related reports could be received in a timely and as-needed manner. In addition, proactive exchanges of views and information were conducted on audit-related matters, including key audit issues concerning major subsidiaries and issues related to audits of internal controls.

Full-time Internal Audit & Supervisory Committee Members share information obtained through daily audit activities with Outside Audit & Supervisory Committee Members as appropriate, and strive to ensure the effectiveness of the audits. A specialized organization was established as to support the work of the Audit & Supervisory Committee Members. The Audit & Supervisory Committee Members participate in personnel evaluations and transfers and so on regarding these employees.

Training and Information Provision for Directors

On taking office, Outside Directors have the opportunity to receive a briefing on areas including the Sumitomo Corporation Group's Management Principles, management policy, business activities, finances, organization, medium-term management plan, and risk management system. To enable Directors to acquire the necessary knowledge and update it as appropriate, we additionally provide access to resources including seminars and e-learning facilities, offering financial support to cover the necessary costs.

To deepen their understanding of "Sumitomo's Business Philosophy" and the Company's business activities, Outside Directors, in principle, visit Sumitomo-related facilities during the first fiscal year of their term in office and have opportunities to observe at least one workplace in Japan and at least one workplace overseas every year. In fiscal 2025, in addition to one Japanese workplace and one overseas workplaces visits were conducted.

Executive Remuneration Plan

Matters related to policy for deciding the remuneration for individual Directors (excluding Directors who are Audit & Supervisory Committee Members, hereinafter the same shall apply in this paragraph.)

The decision making policy for the remuneration of individual Directors was resolved at the Board of Directors meeting after deliberation within the Nomination and Remuneration Advisory Committee (chaired by Outside Director), a majority of whose members are Outside Directors.

(1) System for remuneration (● indicates such Director eligible for each type of remuneration)

Type of Remuneration		Director Type		
		Executive Director	Chairman of the Board of Directors/Director, Vice Chairman	Outside Director
Fixed	Monthly Remuneration	●	●	●
Variable	Performance Linked Bonus	●	—	—
	Stock-based remuneration	●	●	—

(2) Ratio and remuneration standards regarding each type of remuneration

The Company will establish an appropriate ratio, etc. between fixed remuneration and variable remuneration which corresponds to Director's position, (i) by setting an appropriate remuneration standards to acquire and retain highly capable management who will bring about the Company's sustainable growth and increase of corporate value in the middle to long term, and (ii) to design as healthy incentive to sustainable growth of the Company, based on its business environment, management strategy and human resources strategy, with reference to objective remuneration market research data, etc. provided by external specialized agencies.

(3) Policy and method on the decision of the amount of each remuneration

- ○ Policy on the decision of the amount of each remuneration: as follows
- ○ Method on the decision of the amount of each remuneration: Remuneration of each Directors is resolved by the Board of Directors, taking into account the report from the Nomination and Remuneration Advisory Committee, within the limit resolved at the General Meeting of Shareholders.

		Policy on the decision of the amount of each remuneration	**Method on the decision of the amount of each remuneration**
Fixed	**Monthly Remuneration**	• Fixed amount remuneration determined based on the abovementioned standards is provided.	—

		Policy on the decision of the amount of each remuneration	Method on the decision of the amount of each remuneration
Variable	**Performance Linked Bonus**	• From the perspective of reinforcing the relationship with its group's management strategy, the total amount to be paid is determined in accordance with the performance management index to be focused on in the medium-term management plan. • The amount to be paid to individual Executive Directors is distributed according to their position and personal evaluation and is paid after the end of the fiscal year. • Each Director is evaluated on the basis of both financial indicators and non-financial indicators.	• The Board of Directors, reflecting reports from the Nomination and Remuneration Advisory Committee, set assumed values for each performance management index and decide formula for calculating the performance linked bonuses for individual Executive Directors (for the relevant fiscal year) based on actual values for each performance management index. • After the end of fiscal year, Representative Director, President and Chief Executive Officer (who is delegated such decision by the Board of Directors) shall decide personal evaluations of each Executive Directors regarding the performance management index which is a part of the formula, following meetings with each of Executive Directors, and performance linked bonuses for each fiscal year will be determined as per the formula, within the limit resolved at the General Meeting of Shareholders. • Representative Director, President and Chief Executive Officer will report to the Nomination and Remuneration Advisory Committee about the grading results to make sure that the personal evaluations are appropriate. • The performance evaluation and bonus amount for the President and Chief Executive Officer are deliberated by the Nomination and Remuneration Advisory Committee, with the President and Chief Executive Officer in question absent, and are subsequently determined by the Board of Directors.

		Policy on the decision of the amount of each remuneration	Method on the decision of the amount of each remuneration
Variable	**Stock-Based Remuneration**	• This remuneration is aimed at promoting efforts at optimizing its business portfolio, increasing corporate value in the medium to long term and to ensure sustainable growth, focusing on the link with indicators related to environment, society and governance (ESG) together with shareholder value. Further, we shall promote to share value with the shareholders. The actual contents and timing of payment of the stock-based remuneration for each Directors is decided by the Board of Directors after consultation with the Nomination and Remuneration Advisory Committee.	• The Board of Directors, reflecting reports from the Nomination and Remuneration Advisory Committee, decide formula for calculating the stock-based remuneration for individual Executive Directors at the first board meeting of relevant evaluation period based on actual values for each performance management index in several fiscal years. • Nomination and Remuneration Advisory Committee, comprised of Outside Directors, Chairman of the Board of Directors and Representative Director, President and Chief Executive Officer, shall decide personal evaluations of each Executive Directors on the non-financial indicator which is a part of the formula, and report the evaluations to the Board of Directors.

Remuneration system

(1) Executive remuneration plan (● indicates the persons eligible for each type of remuneration, etc.)

Type of remuneration, etc.		Eligibility			
		Executive Directors/ Executive Officers	Chairman of the Board of Directors/Director, Vice Chairman	Outside Directors	Director (Audit & Supervisory Committee Members)
Fixed	Monthly Remuneration	●	●	●	●
Variable	Performance Linked Bonus	●	—	—	—
	Restricted Performance Share Unit-Based Remuneration	●	●	—	—

(2) Remuneration standards and remuneration composition ratios of Executive Directors and Executive Officers

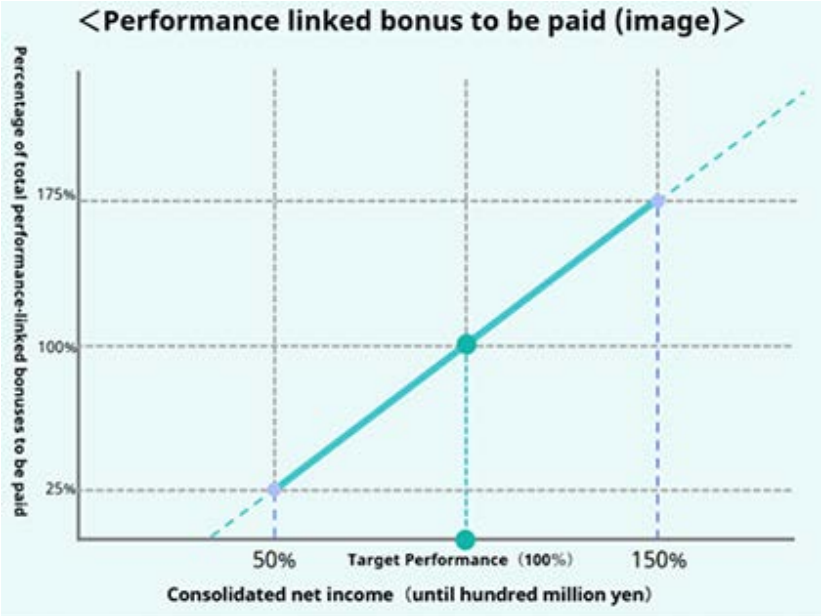
- We have set competitive remuneration standards and remuneration composition ratios in light of the current business environment, business strategies, and human capital strategy. We have done so with reference to remuneration market research data, etc. provided by independent external specialized agencies.
- We have set the ratio of variable remuneration accounted for by restricted performance share unit-based remuneration to set the incentive to increase the Company's corporate value over the medium to long term and to pursue business management that is more concerned than ever before with the Company's stock price and with a focus on sharing value with the shareholders.
- The image of the remuneration of Representative Director, President and Chief Executive Officer is as shown below.

Fixed remuneration	Variable remuneration	
Monthly Remuneration	Performance Linked Bonus	Restricted Performance Share Unit-Based Remuneration
22%	27%	51%
Total 22%	**Total 78%**	

Note: The above breakdown is calculated based on the rate of achievement of business results, the stock price growth rate, and the results on non-financial indicators all being 100%. The composition ratios for each type of remuneration vary according to changes in these rates.

(3) Performance linked bonus

- Each fiscal year the Company sets the full-year forecast (consolidated net income for the year) or the consolidated net income for the year when ROE is 12% (whichever amount is higher) as the target business result and decides the total amount of performance linked bonuses to be paid according to the rate of achievement of this target business result.
- The potential range of business results is assumed to be up to 50% above or below the target business result set each fiscal year and the standard for the total amount of performance linked bonuses to be paid is set at 100% when the target business result is achieved, with a range of variation from 25% to 175% in line with the potential range of business results.
- If business results fall outside this range, the total amount of performance linked bonuses to be paid is decided separately by the Board of Directors based on a report from the Nomination and Remuneration Advisory Committee.
- The amount to be paid to individual officers is distributed according to their position and personal evaluation and paid after the end of the fiscal year.
- Each officer is evaluated on the basis of both financial indicators (achievement of business plans, etc. in the respective areas of responsibility) and non-financial indicators (such as individual Strategic Business Units' achievement of the goals, and progress in addressing important company-wide issues) so that they can become more aware regarding their commitment to management strategy and results.
- The ratio of financial indicators to non-financial indicators in personal evaluation is set 50:50, and of evaluation based on non-financial indicators, 20% relates to the important company-wide issues of business reform through digital transformation (DX), enhancement of sustainability management, and promotion of Diversity, Equity & Inclusion.



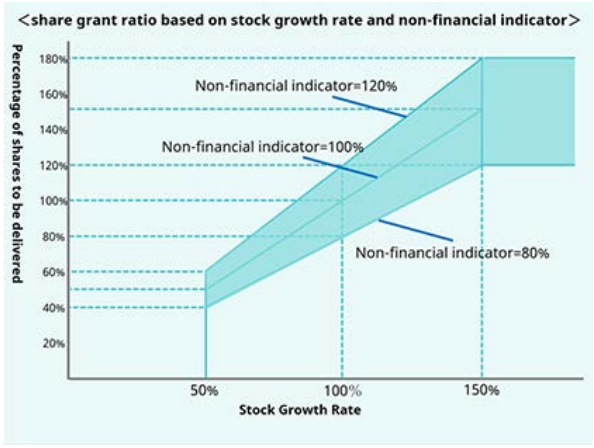
(4) Restricted Performance Share Unit-Based Remuneration

- With the aim of promoting efforts to increase the Group's corporate value over the medium to long term and pursue business management that ensures a focus on sharing value with the shareholders, the number of the Company's common shares (restricted) to be provided is calculated according to the Company's stock growth rate (ratio of the Company's stock price growth to the growth rate of the TOPIX (Tokyo Stock Exchange Stock Price Index)) during the three-year evaluation period.
- Evaluation based on non-financial indicators (measures to tackle climate change, promotion of women's empowerment, and employee engagement) is used to calculate the number of the Company's common shares to be granted as restricted shares. In this way the Company aims to enable increased awareness of its commitment to the enhancement of sustainability management by linking non-financial indicators (related to environment and/or society) more closely to stock-based remuneration and further promoting efforts to address its Key Social Issues.
- To enable a shared focus on shareholder value over the medium to long term, the restriction period will be from the day the shares are provided until the day the recipient resigns or retires from all their positions as Director or Executive Officer of the Company or any other position determined by the Board of Directors.

<Evaluation period of the Company's stock growth rate and non-financial indicator (image)>



<share grant ratio based on stock growth rate and non-financial indicator>



Internal Audit

The Company has established Internal Audit Department to monitor company-wide operations as an independent organization. This Internal Audit Department conducts audits of the Company, its overseas subsidiaries, and domestic and international affiliated companies. Internal audits are carried out based on an annual audit plan, and the results are reported directly to the President and Executive Officer on a monthly basis, as well as regularly to the Board of Directors and the Audit and Supervisory Committee. Audits are conducted periodically in accordance with the International Standards for the Professional Practice of Internal Auditing, covering the overall internal control systems of audit targets, including asset and risk management, compliance, and operational execution. Taking into account the significance of inherent risks at each audit target, the department evaluates the effectiveness and appropriateness of internal controls and provides appropriate recommendations for improvement, thereby contributing to the enhancement of governance and internal controls across the Sumitomo Corporation Group.

Committees

Corporate Strategy Promotion Committee, Global Innovation and Portfolio Committee, Company Investment Committee, Internal Control Committee, Compliance Committee, Corporate Sustainability Committee, and other committees are established as advisory bodies for the Management Council with regard to specific matters that are important from the perspective of Sumitomo Corporation as a whole.

System for Ensuring Management Transparency

Basic Policy on Information Disclosure

To bring an accurate understanding of the Company's management policies and business activities to all our stakeholders, we shall strive to make full disclosure, not limiting ourselves to the disclosure of information required by law but also actively pursuing the voluntary disclosure of information.

Corporate Disclosure Policy

Communicating with Shareholders and Other Investors

Measures relating to the General Meeting of Shareholders

We send out a convening notice describing how to access the material for the General Meeting of Shareholders (for shareholders who requested the delivery of such material in paper, the printed material for the General Meeting of Shareholders) to shareholders approximately three weeks prior to each Ordinary General Meeting of Shareholders. For the convenience of shareholders, we also provide the notice on our corporate website in advance of sending a Notice of Convocation, together with its English-language translation. We disclose Yukashoken Houkokusho (Japanese annual securities reports) prior to the General Meeting of Shareholders.　We allow shareholders and investors sufficient time to thoroughly examine the propositions to be resolved at the Meeting by enabling them to exercise their voting rights via internet (including through the Electronic Voting Platform for institutional investors operated by Investor Communication Japan, Inc. [ICJ]). In addition, we stream the General Meeting of Shareholders live for shareholders on internet and the streaming video of the meeting is posted on our website for a certain period after the close of the meeting. Furthermore, we accept questions from shareholders on internet prior to the General Meeting of Shareholders.

Disclosing Various Information

The IR section of our corporate website provides various materials that may be useful in making investment decisions in a timely manner. These materials include financial results, yukashoken houkokusho (Japanese annual securities reports) and other Tokyo Stock Exchange filings as well as documents from company briefings. Moreover, we endeavor to ensure proactive disclosure of not only financial information but non-financial information as well on our Integrated Report and our Sustainability Website.

Investor Relations and Shareholder Relations

In order to ensure direct communication with shareholders and other investors, we hold quarterly meetings attended by top management to provide information on our financial results for analysts and institutional investors in Japan, as well as one-on-one meetings with them. For individual investors, we hold company briefings online as well as in major cities across Japan. For overseas, we continuously hold one-on-one meetings with institutional investors mainly in Europe, North America and Asia. In addition to these, we ensure regular and constructive engagement with domestic and overseas institutional shareholders who substantially hold the Company’s shares. Such engagement primarily addresses our initiatives and policies, etc. relating to ESG (Environment, Social and Governance) issues. While increasing management transparency, we aim to strengthen our relationships of trust with shareholders and investors.

While working to improve and enhance our corporate governance structure and systems, from the perspectives of "improving management efficiency" and "maintaining sound management" by implementing the measures above, we will continue to further strengthen internal auditing, risk management, compliance, to further improve the effectiveness of internal control.

Status of Compliance with the Japan's Corporate Governance Code

The Company complies with all Principles of the Corporate Governance Code. Please refer to Corporate Governance Report for details.

Corporate Governance Report

Policy on Cross-shareholdings and Standards for Exercising Voting Rights

As a general rule, the Company will neither acquire nor hold shares in other listed companies for purposes other than pure investment.

However, the Company may decide to hold shares in listed companies in some exceptional cases when the Company determines that it is appropriate. For such determination, the Company will comprehensively assess and verify the capital cost of individual stocks and the economic rationality and significance of holding the stocks in light of the necessity of partnering or other business needs. Each year, the Board of Directors reviews whether or not the Company's holding of listed shares is appropriate.

If such annual review concludes that specific shareholdings are of little significance, the Company will push ahead with the sale of the shares.

In FY 2025, the Company sold shares of 11 listed stocks (either in whole or in part), amounting to 42 billion yen in total. As of the end of March 2026, the Company's shareholdings in listed companies cover 39 stocks, with the total balance of 179 billion yen.

When exercising voting rights, the Company examines various aspects through both quantitative and qualitative approaches in accordance with its own guidelines. Such examination focuses on whether each proposal presented to shareholders will lead to the enhancement of shareholder value and medium- to long-term corporate value of both the Company and the investee company. In this way, the Company tries to make adequate decisions as to whether to vote in favor of or against each proposal based on comprehensive judgments.

If an entity holding shares in the Company for purposes other than pure investment indicates its intention to sell the shares, the Company will, in principle, respect such intention, and the business relationship between the entity and the Company will not be affected.

History of Strengthening Governance

Sumitomo Corporation has worked continuously to strengthen governance. This has included introducing the increasing the number of Outside Officer and evaluating the effectiveness of the Board of Directors. In June 2025, the Company transitioned to a company with an Audit & Supervisory Committee, with the aim of enhancing the effectiveness of the Board of Directors, which is responsible for timely and accurate execution of operations and oversight of decision-making and execution on important matters. In addition, to strengthen the supervisory function, the Board of Directors is composed of 15 members, of whom a majority—8 members—are Outside Directors.

Looking ahead, we will make further efforts toward enhancing the effectiveness of governance by strengthening group governance and reinforcing the functions of the Board of Directors.

1993	Appointed first Outside Audit & Supervisory Board Member
1998	Established the Sumitomo Corporation Group's Corporate Mission Statement
2003	Established the Sumitomo Corporation Corporate Governance Principles
	Reduced the number of Directors (from 24 to 12)
	Introduced the executive officer system
	Specified the term of office of Chairman and President (limited to 6 years) in the Sumitomo Corporation Corporate Governance Principles
	Increased the number of Outside Audit & Supervisory Board Members by 1 to 3 (for a total of 5 Audit & Supervisory Board Members)
2005	Shortened term of office of Directors and Executive Officers to 1 year
2007	Established the Remuneration Committee as an advisory body to the Board of Directors, the majority of whom are outside members
2013	Appointed first 2 Outside Directors
	Specified the term of office of Outside Directors (limited to 6 years) and Outside Audit & Supervisory Board Members (limited to 8 years) in the Sumitomo Corporation Corporate Governance Principles
2015	Reviewed governance and decision-making processes • Management Council became the highest executive-level decision-making body • Enhanced the monitoring function by the Board of Directors • Reorganized the Remuneration Committee as the Nomination and Remuneration Advisory Committee, the majority of whose members are Outside Directors
	Increased the number of Outside Directors by 1 to 3

2016	Began evaluating the effectiveness of the Board of Directors (evaluation period began with FY2015; continues each year)
	Complied with all principles of Japan's Corporate Governance Code (continues each year)
	Increased the number of Outside Directors by 1 to 4
2017	Reduced the number of Internal Directors from 10 to 6
2018	Increased the number of Outside Directors to 5
2019	Revised the counselor and honorary advisor system
	Set the policy and procedure for appointment and dismissal of the President and Chief Executive Officer
	Determined the policy and procedure for appointment and dismissal of the Chairman of the Board of Directors
2020	Began agenda setting for the Board of Directors
2021	Disclosed the skills matrix for Directors and Audit & Supervisory Board Members
2023	Newly established a dedicated department to support Directors
2025	Transition to a Company with an Audit & Supervisory Committee
	Majority composition of Outside Directors

Group Governance

Promoting maximization of corporate value based on the Group Management Policy

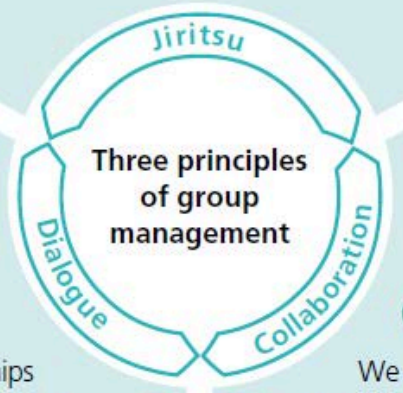
The Sumitomo Corporation Group consists of group companies in various countries and regions . These companies are the source of the Group's strength. Their business domains fall under a wide range of industrial fields, and many of them are industry leaders.
The group companies respect the Sumitomo Corporation Group's Corporate Mission Statement and management strategies, and engage in Jiritsu* management. Our approach to group management is to contribute to important decision-making at Board and other meetings through active dialogue based on relationships of trust as a shareholder, and to create new value through collaboration among group companies including Sumitomo Corporation. For the purpose of sharing and better implementing this basic approach and policies within the Group, we established the Group Management Policy (GMP) in 2021.
The GMP clarifies the roles and responsibilities in group management, setting forth the three principles of Jiritsu, dialogue, and collaboration to be respected by Sumitomo Corporation and its group companies.
The values set forth in the Sumitomo Corporation Group's Corporate Mission Statement and the GMP are shared and implemented within the Group. This allows us to swiftly and appropriately respond to industry structural transformation and trends surrounding sustainability and to grow our group companies into future earnings pillars, thereby further solidifying the Group's business portfolio and maximizing corporate value.

* Jiritsu is a Japanese term. In the GMP, we define it to mean "following the rules necessary for the management of a Sumitomo Corporation Group company, such as the Sumitomo Corporation Group's management principles, strategies, and policies, to discipline oneself, to think, make decisions, act for oneself in order to achieve goals, and to be accountable to stakeholders."

Three principles of the GMP

Jiritsu

On a foundation of respect for the management principles and strategy of the Group, our group companies build and execute their own business strategies and plans. With management based on the Jiritsu mindset as a foundation, each group company adopts a management system appropriate to its circumstances.



Dialogue

We build trust-based relationships through active dialogue with and among our group companies. Relying on the strength of these relationships, Sumitomo Corporation acts through directors at each group company to maintain involvement in important decision-making and to monitor business performance, providing advice where appropriate.

Collaboration

We work together to make the most of the diverse management resources within the Group, realizing new value that would not be possible by working alone.

Compliance

Basic Policy

Basic Compliance Policy

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

Accordingly, our Group has adopted, and puts into practice on a daily basis, our two key principles of "Giving First Priority to Compliance," which means that compliance takes priority over all activities of the Group and that we must never violate compliance by prioritizing profit over compliance, and "Immediate Report," which means, in the event of a compliance problem, employees must report the situation without delay to their line manager, including the management level personnel, and to the relevant Corporate Group department.

Sumitomo Corporation Group Compliance Policy

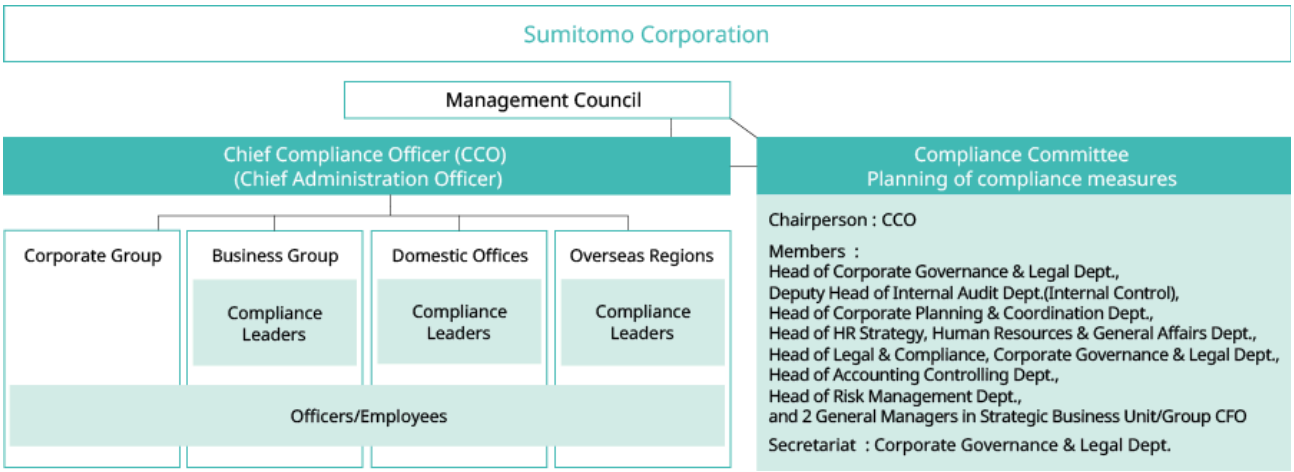
The Sumitomo Corporation Group Compliance Policy was developed and adopted by the Board of Directors in March 2019, based on the previous Compliance Guiding Principles to clarify and adopt our basic policy above throughout the Group. With respect to this policy, educational programs, such as seminars, e-learnings and training programs, are provided on a continuing basis with the aim of spreading and ensuring adoption of the policy throughout the Group, and the Board of Directors supervises the status of such efforts. In addition, at Sumitomo Corporation, including each Overseas Regions and Group companies, we prepare, distribute, and circulate a Compliance Manual, which serves as a guide for officers' and employees' day-to-day operations and provides detailed explanations of particularly important matters in the policy from a compliance perspective, including anti-bribery, compliance with laws concerning antitrust/fair competition, and security trade control. We review them for their effectiveness and propriety on a regular basis and revise their contents as necessary in line with changes in our Group's business and the surrounding environment and circumstances.

Sumitomo Corporation Group Compliance Policy

Compliance Management System

Aiming for more agile responses to compliance issues which arise in the Group, Sumitomo Corporation appoints a Chief Compliance Officer, who has ultimate responsibility for compliance. Further, the Compliance Committee, which plans and formulates compliance measures and is chaired by the Chief Compliance Officer, includes not only the Heads of the Departments in Corporate Group but also the General Managers of our Strategic Business Unit of the Business Group, enabling it to examine such measures in a multifaceted way that reflects our actual business operations.

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



Appropriate responses to compliance violations and preventive measures

At Sumitomo Corporation and Group companies, our internal rules stipulate and ensure that any issues or potential issues in relation to compliance must be reported immediately to their superiors, including the management level personnel, and to the relevant department of the Corporate Group (“Immediate Report”). These issues include not only the violation of laws concerning antitrust/fair competition and anti-bribery/corruption laws but also workplace misconduct, falsification of accounts, and harassment. Upon occurrence of such issues, the relevant departments use their collective efforts to take prompt and optimum actions and measures on a case-by-case basis.

Our Group operates businesses across multiple countries and jurisdictions and has many points of contact with government agencies, state-owned enterprises, and business partners, and often conducts business indirectly through Group companies, joint ventures, agents. For this reason, there is a structural risk that legal violations or situations that may give rise to such violations may remain latent as actions at the operational level or by third parties, and that recognition by management or Corporate Group departments may be delayed. In light of these business characteristics, we position the “Immediate Report” as a basic principle of our Group to serve as a mechanism that enables early detection of issues and promotes prompt remediation.

For cases in which “Immediate Report” through the usual reporting line is difficult for some reason, we maintain a "Speak-Up System" * available to officers and employees, who become aware of an issue, to report it to the Chief Compliance Officer through an internal or external points of contact since November 2000.

* Sumitomo Corporation calls our whistleblowing system the "Speak-Up System." We use the term "Speak-Up" to positively encourage officers and employees "to have the courage to tell even a delicate subject" and believe that it is an appropriate expression for this part of our compliance system.

In the event of a compliance problem, the Company promptly takes steps to investigate the concern, primarily through the Corporate Governance & Legal Dept. with the aid of external specialists when necessary, and in cooperation with relevant departments in and outside of Japan, to establish the facts and clarify the causes of the incident. Based on the outcome of each investigation, we take corrective measures, disciplinary action, and recurrence prevention measures.

The number of reports in the fiscal year 2025, during day-to-day business activities at Sumitomo Corporation and Group companies, elevated to the management level through “Immediate Reports” relating to issues or potential issues in relation to compliance, was approximately 630. In addition, in the fiscal year 2025, the Compliance Committee of Sumitomo Corporation accepted 49 Speak-Up reports. With respect to these cases, appropriate factual investigations are conducted each time, and where an issue is found, corrective and other responses, including the root-cause analysis, as well as necessary measures to prevent recurrence, are promptly taken. We assess that both systems, “Immediate Report” and “Speak-Up System”, are being operated appropriately in accordance with the relevant circumstances.

The Compliance Committee Secretariat keeps annual records of the details of the circumstances of compliance violations in the Group, the operational status of the Speak-Up System, and the implemented compliance measures and education programs and the Secretariat analyzes, evaluates and uses them to plan future compliance measures. The results and details are deliberated at Compliance Committee meetings and then reported to and discussed by the Management Council, the Audit and Supervisory Committee, and the Board of Directors. Thus, through this process of repeatedly improving and enhancing such measures while using the Plan-Do-Check-Action cycle, we strive to increase awareness of, and ensure compliance throughout, the Group.

In FY2025, there were no cases at our company in which monetary losses such as fines or surcharges were incurred as a result of a prosecution by regulatory authorities in relation to unethical conduct (fraud, insider trading, antitrust violations, anti-competitive conduct, market manipulation, misconduct, or violations of other relevant industry laws or regulations).

Speak-Up System

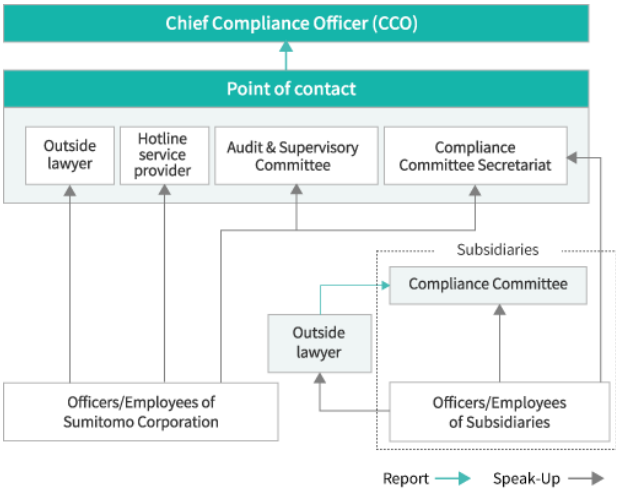
Overview of Speak-Up System and Various Points of Contact

Our Speak-Up System accepts reports concerning compliance issues at Sumitomo Corporation or Group companies, including compliance with laws and internal rules, misconduct in the workplace, and harassment, including matters relating to the workplace environment. Our System provides, in addition to the Chief Compliance Officer (Compliance Committee Secretariat), various points of contact such as hotline service providers, outside lawyers, and the Audit and Supervisory Committee, and it accepts any information report made by any officer or employee of Sumitomo Corporation and Group companies (including contract workers, dispatch workers and secondees, etc.), specified outsourced workers who are in a business outsourcing relationship and any person who used to be an officer or employee within one year before the day on which the information report is made, as well as such categories of persons working for our business partners. In addition, the group-based Speak-Up system, so-called “SC Global Speak Up System”, which enables officers and employees of each Group companies both in and overseas to report compliance-related issues, has also been established and operated. We accept reports in 16 languages under this System. Furthermore, each Overseas Regions and Group company also maintains its own individual points of contact.

Status of Operation and Encouragement of Use of Speak-Up System

Under the Speak-Up System, an information report can be made anonymously, and regardless of whether an information report is anonymous or identified, the fact and details of the report are maintained in the strictest confidence, and it is ensured that the whistle-blower is not subject to disadvantageous treatment for making the report.

With respect to each report received, fact-finding investigations and root cause analyses are conducted under the direction and instruction of the Chief Compliance Officer, and, depending on the results, corrective measures are taken, disciplinary actions and personnel-related measures are implemented with respect to relevant persons, and recurrence prevention measures are carried out, among other actions, and the matters are handled appropriately. In addition, we obtain advice from multiple external attorneys when responding to individual cases, and we also undertake periodic reviews to validate the proper operation of the Speak-Up System.



Speak-Up System

Inquiries or reports submitted by outsiders through an “Inquiry” etc on our website are handled by an appropriate department depending on the nature of the inquiry or report.

We, including our Overseas Regions and Group companies, take measures, including those listed below, to encourage the use of the Speak-Up System and to explain in simple terms how the maintenance of strictest confidence and prohibition of disadvantageous treatment is ensured in practice for Speak-Up reporting cases, thereby aiming to improve continuously the workplace environment to ensure that the System can be used without worry.

- Seminars for officers and employees
- Postings on the Intranet, Speak-Up System Q&As, informational videos on the Speak-Up System, and detailed explanations about the operation of the System for officers and employees
- Distributing messages from Chief Compliance Officer to officers and employees
- Distributing to all officers and employees "Speak-Up Cards" with an overview of the System as well as the contact details for the hotline
- Posting posters about the Speak-Up System on all floors of our office and the Intranet, and other measures

Continuous education program initiatives

In order to further enhance understanding and promote the dissemination of the “Sumitomo Corporation Group Compliance Policy” and the “Compliance Manual,” we conduct regular training programs for its officers and employees (including fixed-term employees, contract employees, and temporary staff) both in Japan and overseas. We implement various education programs for each class of employees, such as new comers, mid-career hires, newly appointed managers, and newly appointed organizational leaders, dispatched employees to our Group companies, as well as provide e-learning programs every year dedicated to specific themes according to the current situation for all officers and employees of Sumitomo Corporation, in order to promote and deepen understanding.

Furthermore, by obtaining written pledges ensuring thorough compliance from all officers and employees of Sumitomo Corporation once a year, we periodically reaffirm our Group's Activity Guideline that states "To comply with laws and regulations while maintaining the highest ethical standards." In addition to these regular activities, for risk areas of particular importance in the course of the Company’s business activities, such as anti-bribery/corruption, compliance of antitrust law, subcontract law, security trade control, prevention of insider trading, and elimination of harassment, we conduct theme-specific training sessions and seminars.

In each Business Group, Domestic Offices, and Overseas Regions, we provide relevant compliance training sessions, under the leadership of a compliance leader, depending on the characteristics of the Group or Region, thus engaging in attentive education program initiatives.

We also implement a variety of support measures to reinforce compliance systems at Group companies, including implementation of various education programs for new comers, relating to specific compliance themes, and deployment of e-learning content to Group companies on the Sumitomo Corporation Group Compliance Policy, anti-bribery, laws concerning antitrust/fair competition and other important compliance themes.

Our Group operates businesses across multiple countries and diverse business fields and has a business structure characterized by extensive interactions with a wide range of counterparties. In particular, with respect to anti-bribery and anti-corruption, laws concerning antitrust/fair competition, security trade control, and the prevention of insider trading, the occurrence of violations in these areas may not only result in direct financial losses such as fines and penalties, but may also lead to restrictions on business continuity, deterioration of trust from business partners and investors, and adverse assessments in the capital markets. As such developments could have a significant impact on medium- to long-term corporate value and may directly affect the foundation of the Group’s business, the Group recognizes the occurrence of such violations as particularly important legal and compliance risks in the course of its business operations. Accordingly, the Group places priority on managing these risks and conducts continuous awareness and training activities.

Anti-bribery/corruption initiatives

Based on the principle of "Giving First Priority to Compliance" and as stipulated in the Sumitomo Corporation Group Compliance Policy, the Group continuously undertakes efforts to prevent all forms of bribery and corruption in Japan and overseas. The Group's principles and policies in this regard are summarized in the Sumitomo Corporation Group Anti-Corruption Policy (enacted and announced in 2017). This Policy includes the following statement: "The Sumitomo Corporation Group will not commit bribery or conduct any activity raising the suspicion of bribing Japanese government or other public officials; and will as a principle prohibit its officers and employees from providing such officials with entertainment, gifts, or the equivalent. It will not make any offer, payment, promise to pay, or authorize the payment of any money or anything of value to any foreign government or other public official, for the purpose of influencing any act or decision of such official in order to assist it in obtaining or retaining business." This statement declares the Group's principles in relation to preventing bribery. Furthermore, we explain our anti-bribery system initiatives to our business partners, and request their understanding and cooperation.

Sumitomo Corporation Group Anti-Corruption Policy

As part of these initiatives, we have established and operate the “Rules for the Prevention of Bribery of Public Officials“ and related detailed regulations. Specifically, when considering entertainment, gifts, engaging service providers, invitations, donations with respect to domestic and foreign public officials or persons in equivalent positions, prior internal review by the relevant organization is required, and, depending on the outcome, additional review by other organizations is also required. In addition, when engaging service providers, we require not only such reviews but also the commitments regarding the prevention of bribery. Through these measures, we seek to prevent corruption involving domestic and foreign public officials or persons in equivalent positions. Furthermore, with respect to our investment activities, we carefully assess bribery and corruption risks for each individual activity and implement appropriate measures, including due diligence conducted with the involvement of external experts.

We annually verify and evaluate the operation of these measures, including through internal audits. At the same time, we continuously review and improve our internal rules and regulations in light of amendments to laws in each country, advice from external experts, and changes in social circumstances. In addition, we promote the establishment and operation of appropriate anti-bribery systems at our Group companies according to their respective risk levels, and confirm the status of such systems and operations on a regular basis. Through these efforts, our Group works in an integrated manner to prevent bribery and corruption. We also strive to ensure thorough awareness through ongoing internal seminars and other training initiatives across the Group.

In FY2025 , no incident was confirmed in which the Company was fined or convicted of bribery of public officials.

Measures for ensuring compliance with laws concerning antitrust and fair competition

We stipulate in our Group Compliance Policy that we shall engage in “fair competition” and work to ensure compliance with laws concerning antitrust/fair competition. In addition, the Compliance Manual, which is distributed to all employees, explains the background of laws concerning antitrust/fair competition, specific examples of prohibited conduct, and penalties in the event of violations, thereby establishing the principle of antitrust/fair competition. Furthermore, the Company has developed practical manuals for employees that describes key considerations in daily business dealings, thereby promoting a thorough understanding among employees.

Additionally, through regularly conducted compliance training programs organized by function and by employee level, as well as in mandatory programs for all employees, the Company provides explanations of compliance on laws concerning antitrust/fair competition and key considerations as a means to promote awareness. In addition, through various forms of regular internal training (including face-to-face training conducted by external lecturers, e-learning, and video-based training), organized by themes such as horizontal restraints, vertical restraints, mergers, and considerations in the management of Group companies, the Company strives to ensure thorough compliance with laws concerning antitrust/fair competition in Japan and overseas.
Moreover, through regular communication with lawyers specializing in laws concerning antitrust/fair competition in Japan and overseas, the Company collects information on developments among competition authorities both domestically and internationally and disseminates such information internally.

Security trade control and logistics compliance

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

In order to comply with sanctions implemented in coordination by the international community, the Company has established internal rules in the form of “Detailed Rules for Risk Management” for sanctions response. These guidelines define response policies, taking into account the level of risk and the potential impact on management, and include measures such as counterparty monitoring in individual business transactions. In addition, the Company has established a cross-functional Sanctions Response Desk comprising relevant Corporate Group departments, thereby strengthening its management framework to ensure a consistent, company-wide approach to sanctions compliance.

Prevention of insider trading

To prevent violations of insider trading regulations related to our business activities as well as personal dealings by our officers and employees, we have established our "Rules for Prevention of Insider Trading" and “Project Management Guidelines”, as well as internal checking systems from various perspectives. To ensure compliance with insider trading regulations as well as internal rules, we also provide, on a regular basis, internal training courses and other activities to raise awareness.

The Sumitomo Corporation Group Tax Principles

The Sumitomo Corporation Group established the “Sumitomo Corporation Group Tax Principles”, which sets forth its basic stance and code of conduct regarding taxation, under the supervision of the Board of Directors at 2018. According to the principles, the group will adhere to the tax and related laws and regulations of each country, will not conduct any transaction whose purpose is solely or mainly for tax avoidance or tax mitigation, and will endeavor to enhance tax compliance.

Sumitomo Corporation Group Tax Principles

Risk Management

We define “risk” as “the possibility of losses due to the occurrence of anticipated or unanticipated situations,” and also as “the possibility of not achieving the expected return on business activities.” We have set the following three items as the goals of our risk management activities.

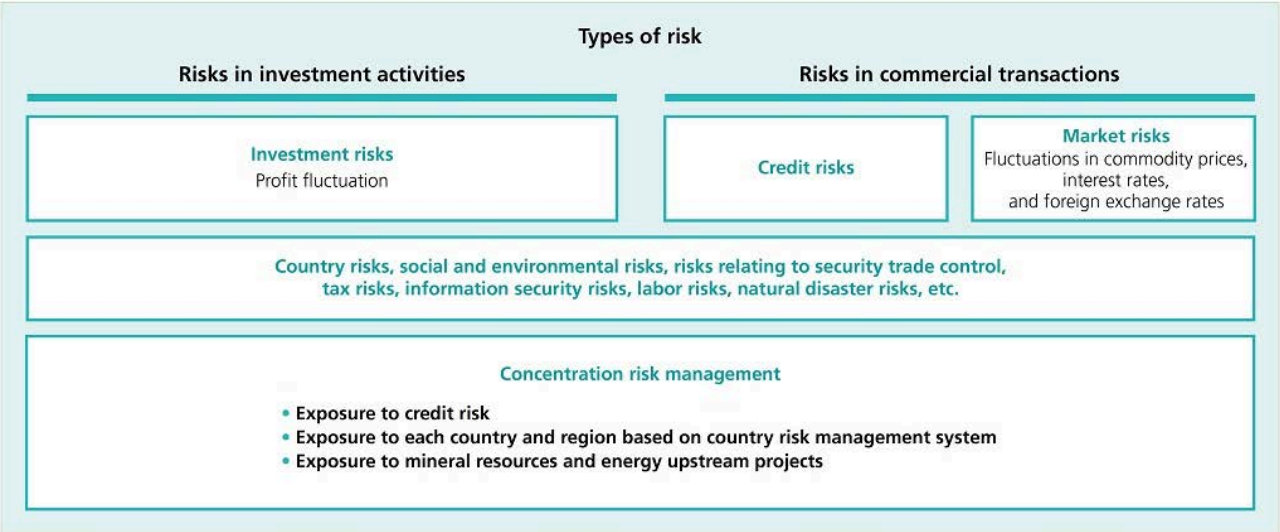
1. Stabilize Performance：Minimize discrepancies between the plan and actual results and secure stable profits
2. Strengthen Financial Base：Maintain Risk-weighted Assets within the buffer (shareholders’ equity)
3. Maintain Corporate Reputation：Fulfill CSR requirements and preserve corporate reputation

We categorize our business activities into investments and commercial transactions, identify both common and category-specific risk factors and analyze and evaluate probability and impact of the risk factors. By actively introducing advanced methods and processes, we have created an effective risk management framework that anticipates changes in the external environment.

Our goal is to implement the best practice in risk management while maintaining the flexibility to adapt to changes in the business environment. The business environment is continually altering, and new business models that we could never have imagined are emerging on a daily basis. To respond to this situation in a timely and effective manner, we are working to evolve our risk management activities under the leadership of our senior management.

As an example, we have established rigorous investment discipline as the common basis of judgment for selecting more appropriate investments among diverse investment opportunities in a wide range of business domains. At the same time, we have established an optimal governance system for increasing the value of each business after investment and introduced an incentive plan linked to investment performance.

Types of risk in investment activities and commercial transaction



Selective investment & strengthening of post-investment value creation

Taking into account the changes in the overall portfolio and the nature of the risks involved in each individual investment opportunity, we have adopted a unified management framework from the entry to exit of investments, while promptly reviewing the process for assessing and following up on investment projects as appropriate.

When assessing investment projects, we clarify the “investment theme” from the early stage of the process and focus on verifying its validity as a key point of due diligence. In addition, by applying a discount rate appropriate to the risk of the relevant businesses, we calculate the “appropriate price” of the investment target and evaluate the opportunity from both quantitative and qualitative aspects.

Depending on the scale and importance of the project, decisions on investment matters at each stage of consideration and execution are made at meetings of the Company’s Management Council and its advisory body, the Company Investment Committee, or the Group Management Council, which is a decision-making body in each Business Group. From an early stage, these institutions conduct in-depth discussions from a variety of perspectives on the various factors that may affect the success or failure of investments, such as strategic positioning of the project, background to and reasoning behind project selection, assumptions and certainty of post-investment value-enhancement measures, and ESG issues.

In addition, we have enhanced the mechanisms to increase the likelihood of investment success at each investment stage. We achieve value enhancement for each business by steadily implementing measures, including the establishment of strict investment discipline for selecting investment projects, the development of optimal governance systems optimized for increasing the value of each business after investment, the review of strategies and the formulation of medium-term plans for addressing changes in the external environment, and the timely and appropriate allocation of resources. To further increase our commitment to value enhancement, we introduced a new compensation system in 2022 linked to the performance of our investees. Furthermore, through our investment monitoring system, we identify candidates for withdrawal based on certain quantitative criteria, and conduct investee reviews focusing on the growth potential and profitability of investees and the progress of new investment projects which is intended to lead to further optimization of our business portfolio.

Basic Principles on Social and Environmental Risk Management

The Sumitomo Corporation Group operates businesses dealing in different products and business models in various regions of the world and its business activities have a variety of impacts on the global environment and on different stakeholders such as local communities, business partners, and our officers and employees. To achieve sustainable growth together with society, we work to control the social and environmental impacts of each business of the Group, and, by monitoring its entire supply chain, to ensure that the impact of the associated business activities is not a threat to people's lives or the global environment and does not constrict the sustainability of our management. As the basis for these initiatives, we have established Environmental Policy, Human Rights Policy and Sustainable Supply Chain Action Policy to clarify our approach to social and environmental issues in the Group's business operation. Because the impact of each business on society and the environment and the nature of the risks requiring management focus differ depending on the products dealt with, the business type and the region where it operates, risk management needs to be adapted to the specific character of the business. Specifically, for each of our businesses, we obtain the relevant data, including information on its interface with society and the environment and the associated risks. In addition, we ascertain whether serious issues are present by maintaining communication channels with local communities, employees, and other stakeholders, and check not only that the business is legally compliant across the range of social and environmental issues but also that its response in the area complies with international standards on the environment and human rights. Within the Sumitomo Corporation Group and its diverse range of businesses, the responsible business department of individual businesses and the related corporate departments are working jointly to raise the standard of social and environmental risk management groupwide, utilizing the knowledge of outside experts.

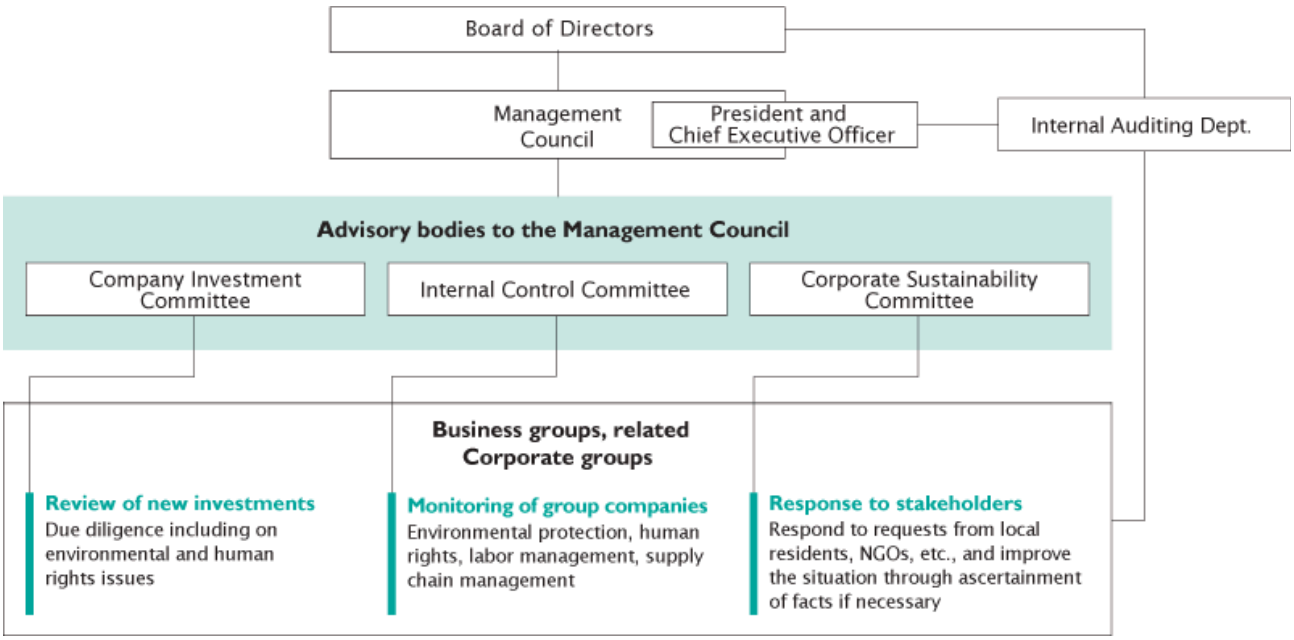


Framework for Social and Environmental Risk Management

The Sumitomo Corporation Group has established a companywide framework, including screening at the time of investment and financing and periodic monitoring, to appropriately manage the social and environmental impacts of its diverse business activities. In conducting due diligence for new investments, we assess social and environmental risks—such as climate change, biodiversity loss, environmental pollution, water-related risks, labor and occupational health and safety, and impacts on local communities—taking into account the characteristics of each business and the regions in which we operate. To further enhance the effectiveness of risk management, we use a self-assessment sheet focused on social and environmental factors, drawing on risk information based on the SASB Standards and other frameworks, to identify risks and opportunities. In addition, we have established a governance framework under which the Company Investment Committee makes decisions with due consideration of social and environmental impacts.

As follow-up to the investment, the responsible business department and related corporate departments work together through dialogue with group companies to carry out regular monitoring from the viewpoint of the environment, human rights, labor management, the supply chain, and other aspects. If an issue arises, remedial action is taken in line with the specifics of the case. Internal audits that take into account special characteristics of the business are used to confirm that management operations are legally compliant and meet international standards on social and environmental issues. When a case relating to the impact of the Sumitomo Corporation Group's business activities is referred to by a local community, a non-governmental organization (NGO), or another stakeholder, we ascertain the facts and engage in dialogue and discussion toward improvement. In addition, we have enhanced our engagement activities through dialogue with stakeholders and rights holders of our material businesses with respect to social and environmental risks.

If, as a result of this process of prior review and monitoring, an important social or environmental risk is confirmed, we actively consider appropriate responses, based on advice from external specialists if necessary, and the individual response is reported or referred for further discussion to the Management Council and the Board of Directors through the relevant internal committees.



Information Security

Basic Policy and System

Recognizing the importance of information security, Sumitomo Corporation, led by the IT Strategy Committee chaired by the Chief Information Officer (CIO), has established an Information Security Policy and other relevant regulations, and works to ensure information security and the appropriate management of information assets. For personal information, we operate a Privacy Policy and have put in place relevant regulations and organizational structures to ensure appropriate protection.

Information Security Policy

1 **Recognition of Information Security**

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

2 **Compliance**

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

3 **Management of Information Assets**

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

4 **Response to Information Security Incidents**

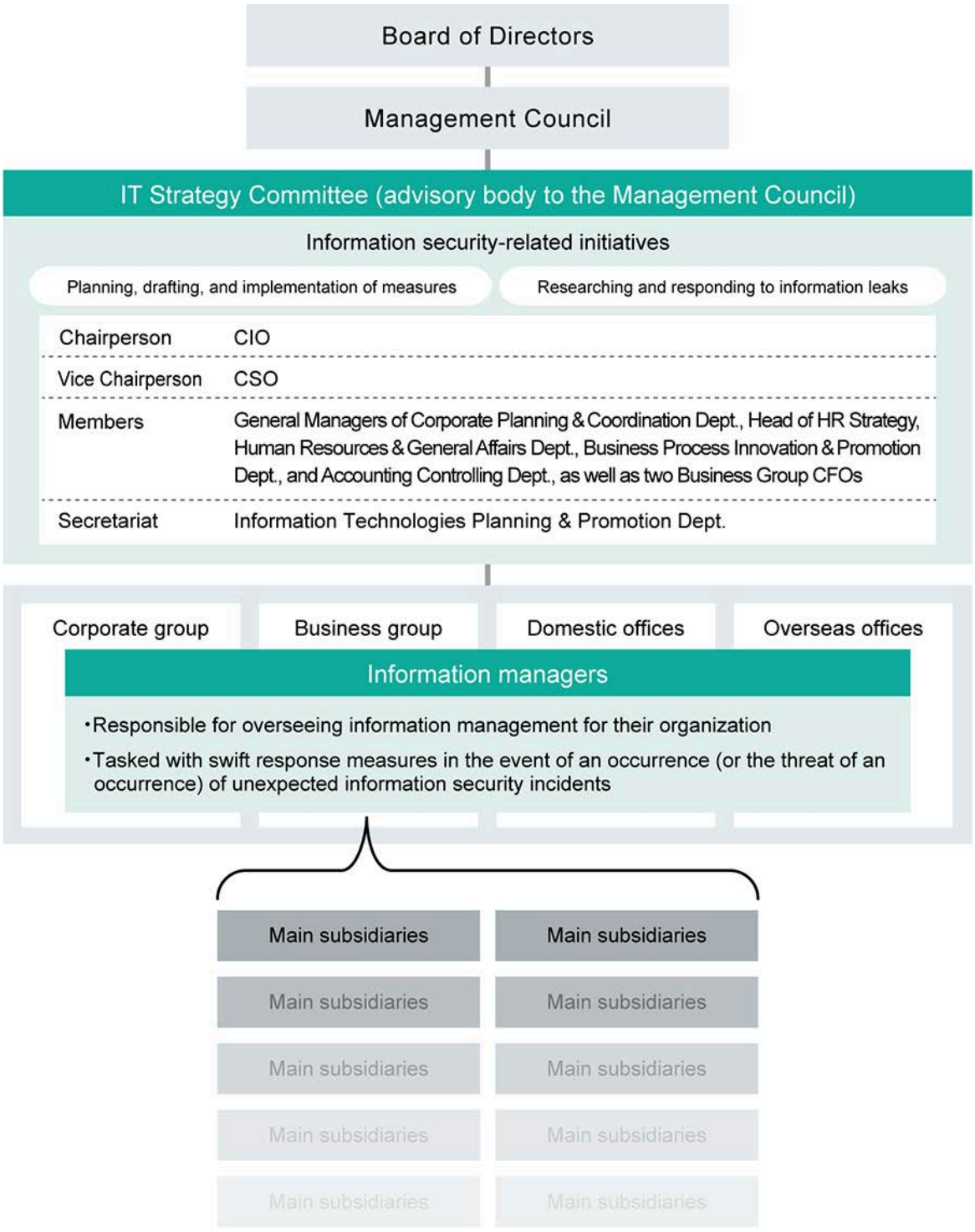
Whilst making the utmost endeavour to prevent information security incidents from occurring, in the unlikely event such an incident should occur, Sumitomo Corporation shall respond promptly to the incident and implement whatever preventive measures are necessary to avoid recurrence.

5 **Awareness Education of Information Security**

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

Important matters considered by this committee are submitted to the Management Council for decision-making and supervision. The implementation status of information security measures and the status of information security incidents are reported annually by the IT Strategy Committee to the Management Council and the Board of Directors.

Information security system



We also take steps to minimize the risk from unexpected situations involving information security, such as external attacks aimed for instance at theft or destruction of corporate information through collaboration with external specialized agencies. In addition to technical measures on cybersecurity, we conduct continuous training and drills for officers and employees (*) and put an incident response structure in place.

Furthermore, we have assigned information managers to each organization. These people classify information assets according to their importance and provide instructions on how to handle them, thereby ensuring overall information security.

* Outline of the training
- Information Security Course on cybersecurity measures and information management is conducted three times annually.
- Phishing Email Training is conducted four times annually.

In addition, with regard to information security measures at subsidiaries and other group companies, we are continuously working on improvement and regular monitoring through internal control framework and internal audit processes with respect to such matters as the development of rules on information assets, the implementation of employee education, and the establishment of a structure for crisis response and recovery planning.

Privacy policy

Business Continuity Plan(BCP) / Business Continuity Management(BCM)

Key Principles

The Sumitomo Corporation Group promotes the establishment and integration of Business Continuity Management (BCM), which goes beyond the development of Business Continuity Plans (BCPs). The goal is to ensure employee safety in the event of major disasters and other emergencies, minimize the impact of business interruption, opportunity loss and reputational damage caused by earthquakes, floods, infectious diseases, cyberattacks and other events, and secure business continuity and medium- to long-term resilience.

Key Enablers for BCM

- Development and provision of ERP/BCP templates
- Development and provision of exercise tools
- Education and awareness-raising
- Management review

Framework for Developing, Reviewing and Improving BCM

Sumitomo Corporation

Corporate Group
- Develop BCP
- Conduct disaster-response exercises
- Review BCM status (BCP self-check)

Business Group
- Develop BCP
- Conduct disaster-response exercises
- Review BCM status (BCP self-check)
- Monitor Group companies

Regional Organizations (Japan / Overseas)
- Develop ERP* and BCP
- Conduct disaster-response exercises
- Review their BCM status (BCP self-check)

Group Companies (Japan / Overseas)
- Develop ERP and BCP
- Conduct disaster-response exercises
- Review their BCM status (BCP self-check)

*ERP: Emergency Response Plan

Promotion Structure

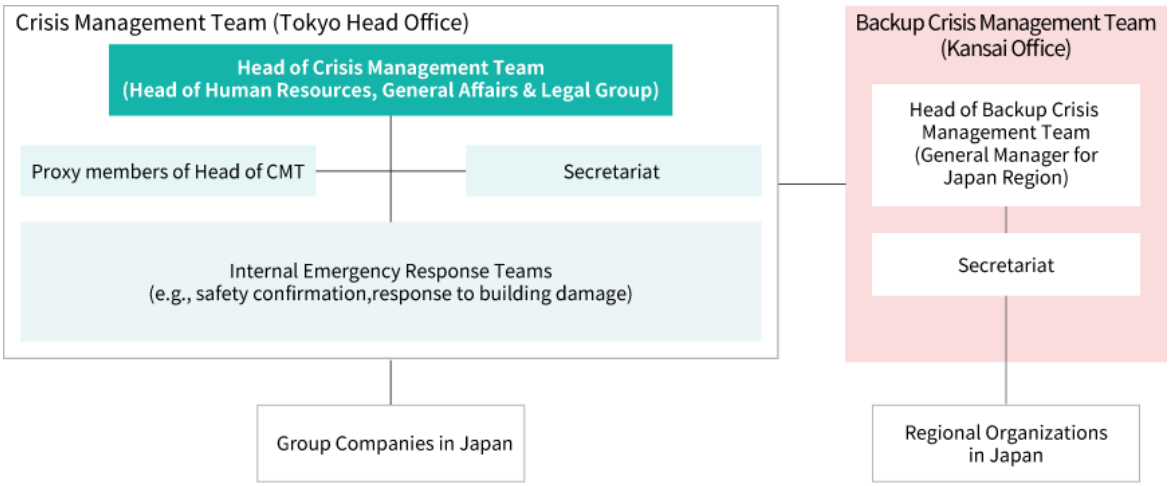
The Governance of BCP and BCM in the Sumitomo Corporation Group is incorporated into the overall governance framework for sustainability management and is operated under that framework.
The Human Resource & General Affairs Dept. (Disaster Response & Safety Management Team) of the Tokyo Head Office takes the lead in developing Emergency Response Plans (ERPs) with the aim of ensuring employee safety and minimizing companywide damage in the event of major disasters or other emergencies. In line with the integrated trading company's diverse business operations, Business Continuity Plans (BCPs) have been developed by SBU and unit. These plans empower each organization to maintain business operations to the extent possible, guided by the directives of their respective heads during emergency situations.
Regional organizations and Group companies in Japan and overseas have also developed ERPs and BCPs tailored to their respective regions, industries and business characteristics in preparation for emergencies.

Governance of Sustainability Management

Response to Crisis Events

In the event of a major natural disaster or other crisis event occurs in Japan, such as an earthquake directly beneath the Tokyo metropolitan area, a Nankai Trough earthquake, or an eruption of Mt. Fuji, Sumitomo Corporation promptly activates a Crisis Management Team headed by the Head of Human Resources, General Affairs & Legal Group. The team takes proactive measures to ensure the safety of its employees and to facilitate the swift recovery of business operations.
Specialist teams in the Corporate Groups gather and consolidate information on damage and other impacts across the Sumitomo Corporation Group and promptly report such information to executive management.

To ensure the effectiveness of this structure, we continuously conduct Crisis Management Team exercises based on large-scale natural disaster scenarios in cooperation with domestic regional organizations. These exercises are designed to enhance our response capabilities, aligning with the fundamental policy of ensuring employee safety, mutual assistance and prompt recovery of business operations.



Crisis Management Team Structure at Head Office

Enhancing Effectiveness through Autonomous Reviews

The Sumitomo Corporation Group emphasizes Business Continuity Management (BCM), not merely the development of BCPs for each organization, but efforts to ensure their effectiveness and embed them into the organization. To this end, we are pursuing autonomous and continuous initiatives.
As part of these efforts, each organization of Sumitomo Corporation, as well as regional organizations and Group companies in Japan and overseas, conducts an annual BCP self-check. This mechanism enables them to review their BCPs and self-check the status of training and exercises. The Human Resource & General Affairs Dept. (Disaster Response & Safety Management Team) is responsible for consolidating the results of these self- check and reporting them to management. The company also shares company-wide trends and areas for improvement internally. It also supports organizations and Group companies by providing BCP templates and guidance for tabletop exercises. This contributes to strengthening the foundation for promoting BCM. Furthermore, Group companies subject to Basic Elements (BE) dialogue acknowledge BCM as a pivotal management issue and consistently engage in discussions with leading organizations to enhance its effectiveness.

Metrics and Targets

Through its BCM initiatives, the Sumitomo Corporation Group aims to continue critical operations to the extent possible and promptly resume business operations even when the operating environment is significantly constrained by major disasters or other emergencies.
To achieve this objective, we regularly monitor the status of BCP development and exercise in each organization through self-check and other means. By implementing a PDCA cycle of review and improvement as necessary, we work to enhance resilience across the Group.

Internal Control

Basic Policy and System

To realize sustainable growth and development, the Sumitomo Corporation Group is working on enhancing group governance and improving the overall quality of groupwide operations through the development, operation, monitoring and evaluation, and improvement of appropriate internal controls. We have established basic regulations on internal controls to reasonably ensure compliance with laws and regulations related to business activities, safeguarding of assets against loss, effectiveness and efficiency of operations, and reliability of financial reporting and related disclosures in the Group's overall businesses.

To ensure efficient operation of existing internal control frameworks, create synergy, and coordinate with internal audit functions, the function which takes on overall control of the Group's internal control-related operations, has been established alongside the internal audit function under the Head of Audit Group. By actively identifying issues and utilizing internal control activities within the Group, the department will promote greater effectiveness and consistency of the above efforts throughout the Group.

Internal Control System

The Company's Board of Directors resolved and implemented the systems set forth in the Companies Act and the Regulations for Enforcement of the Companies Act (internal control system) to realize the high effectiveness of internal control of the Company. The Company will endeavor to establish a system in line with requests from time to time based on ongoing reevaluations by reviewing the Company's internal control implementation status each year.

Internal control system which is resolved by the Board of Directors and an overview of our internal control systems and their implementation status are provided below. Moreover, the Internal Control Committee assessed the implementation of the internal control systems, confirmed that these internal control systems were functioning effectively, and reported this fact at the Board of Directors' meeting.

- Internal Control System (as of June 20, 2025)
- Internal Control System (as of April 1, 2026)
- An overview of the Company's internal control systems and their implementation status (The 158th)

Financial Reporting

The Company prepares its consolidated financial statements in accordance with the Accounting Policy Manual that lays out the Group's internal policies for accounting and discloses the information in a timely and appropriate manner and in compliance with relevant laws, regulations, and accounting standards.

For its internal control over financial reporting, the Company acts in accordance with the Internal Control Reporting System stipulated in the Financial Instruments and Exchange Act, which is in line with COSO（The Committee of Sponsoring Organizations of the Treadway Commission）Internal Control-Integrated Framework, by promoting internal control activities as required by the Act, and evaluating and improving its business processes.

Internal Audit

The Company has established the Internal Audit Department to monitor company-wide operations as an independent organization. This Internal Audit Department conducts audits of the Company, its overseas subsidiaries, and its domestic and international affiliated companies. Internal audits are carried out based on an annual audit plan, and the results are reported directly to the President and Executive Officer on a monthly basis, as well as regularly to the Board of Directors and the Audit and Supervisory Committee. Audits are conducted periodically in accordance with the International Standards for the Professional Practice of Internal Auditing, covering the overall internal control systems of audit targets, including asset and risk management, compliance, business operations. Taking into account the significance of inherent risks at each audit target, the department evaluates the effectiveness and appropriateness of internal controls and provides appropriate recommendations for improvement, thereby contributing to the enhancement of governance and internal controls across the Sumitomo Corporation Group.

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