

SUMITOMO ELECTRIC GROUP

Sumitomo Electric Europe Ltd

Statement on Slavery and Human Trafficking for Financial Year 2017/2018

Introduction

This statement is made in accordance with Section 54 of the Modern Slavery Act 2015 and outlines the measures being taken by the Sumitomo Electric Europe Ltd (hereafter "SEEL") to mitigate the potential risk of modern slavery and human trafficking ("Modern Slavery") occurring in any part of SEEL business and its supply chains in the 2017/18 financial year.

Our business and supply chain

SEEL is part of the Sumitomo Electric Group, a Japanese manufacturer of electric wire and optical fibre cables established in 1897. The Sumitomo Electric Group headquarters are in Chūō-ku, Osaka, Japan. The Sumitomo Electric Group's shares are listed in the first section of the Tokyo, Nagoya Stock Exchanges, and the Fukuoka Stock Exchange.

The Sumitomo Electric Group, in accordance with its corporate philosophy which consists of the Sumitomo Spirit and the Corporate Principles, strives to be a group of companies worthy of society's trust by conducting its business activities in an honest manner. The Sumitomo Spirit encourages all employees, officers and directors ("Employees") to:

- do their best not only in business, but in every aspect of their lives;
- place importance on integrity and good management; and
- never sacrifice integrity for easy profit.

Additionally, each company of Sumitomo Electric Group shall commit to drive their business based on the key corporate principles:

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

The Sumitomo Electric Group Charter of Corporate Behaviour guides all Employees in their actions.

SEEL provides a European sales and distribution network of its group products such as optical fibre, optical fibre fusion splicers, optical/microwave devices and power cables. SEEL has 47 Employees in the United Kingdom, 12 Employees in Italy and 1 Employee in Czech republic.

SEEL's global supply chain operates across 3 countries and accounts for approximately US\$143.5M in global spending.

Corporate Awareness and Policies

The CSR Committee, formed of senior management from the Sumitomo Electric Group, is committed to ensure the best strategy for supporting and advancing human rights in all the communities where the Sumitomo Electric Group operates. Each year the [CSR Annual Report](#) describes the measures taken by the Sumitomo Electric Group to further its corporate social responsibility.

The [Global Code of Conduct](#) is in the process of implementation and supports the CSR Committee by communicating the Sumitomo Electric Group's commitment to human rights to all Employees. The Code of Conduct makes clear that all forms of modern slavery are unacceptable to the Sumitomo Electric Group. The Code of Conduct, available in over 30 languages, requires all Employees to make a personal commitment to do business in accordance with the Sumitomo Spirit. The Code of Conduct also makes clear that it is expected that all business partners should act in a way that is

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consistent with the principles of the Code of Conduct. Awareness and understanding of the Code of Conduct is promoted to Employees by face-to-face training and effective internal communication.

The Sumitomo Electric Group expects its suppliers to comply with the [Corporate Social Responsibility Basic Policy](#). The [Corporate Social Responsibility Procurement Guidelines](#) requires that the Sumitomo Electric Group's suppliers respect human rights and ethical practices. The Sumitomo Electric Group prefers to work with those suppliers who share and actively support the Sumitomo Spirit by complying with the Corporate Social Responsibility Basic Policy and Corporate Social Responsibility Procurement Guidelines. In addition to the high-level policies, day-to-day commercial practices have been developed which require the SEEL Group's suppliers to agree to and comply with legal compliance and ethical conduct terms. A breach of these terms may be a basis for terminating contractual relationships.

Due diligence

As part of the Sumitomo Electric Group Compliance Programme, new and current business partners must complete the relevant due diligence process in order that business partners are fully understood, and the Sumitomo Electric Group can be assured that the business partners it engages with meet the required standards of ethical conduct.

Risk Assessment

The risk of Modern Slavery taking place within SEEL business and its supply chains has been assessed with the outcome of a low risk rating. Nevertheless, we continue to monitor the risk and the risk rating within SEEL business and its supply chains.

Training

Training is provided within SEEL to build awareness of unethical conduct including modern slavery. Tailored training is being developed for those exposed to different modern slavery risk factors. The Sumitomo Electric Group continues to develop its 'speak up' culture that encourages a workplace where Employees feel comfortable raising concerns about unsafe, unethical or unlawful practices. This 'speak up' culture is facilitated, in part, by an [external hotline](#), with an option of anonymity, for Employees or business partners to raise their concerns. All reports raised internally or via the external hotline are taken seriously and follow a documented procedure for review and/or investigation in order that the concerns are addressed appropriately. The Sumitomo Electric Group prohibits retaliation against those that raise concerns of unsafe, unethical or unlawful practices. The Sumitomo Electric Group encourages continuous dialogue between their subsidiaries to heighten awareness of the risk of modern slavery.

Effectiveness

Reports raised internally or via the external hotline is one method that is used to measure the effectiveness of training and the levels of awareness and understanding of Employees of unethical practices including modern slavery. In addition, self-assessment questionnaires asking Employees to share their thoughts about the possible risks of modern slavery within SEEL business and supply chains shall aid in developing the true risk exposure. The Sumitomo Electric Group continues to monitor and improve its existing policies and procedures to ensure their effectiveness.

Intent

The Sumitomo Electric Group recognizes its responsibility to respect and enhance human rights and is committed to developing and improving the knowledge base of its Employees. SEEL is similarly committed to continuing the encouragement of our suppliers in assessing their own business and supply chains for modern slavery.

This statement has been read and approved by SEEL management team.



Masato Kobayashi

Managing Director