

SUMITOMO ELECTRIC GROUP

Sumitomo Electric Europe Ltd

Statement on Slavery and Human Trafficking for Financial Year 2018/2019

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 Group") to mitigate the potential risk of modern slavery and human trafficking ("Modern Slavery") occurring in any part of the SEEL Group business and its supply chains in the 2018/19 financial year.

Our business and supply chain

The SEEL Group 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, 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.

The SEEL Group 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. The SEEL Group have 58 Employees across 3 facilities located in the United Kingdom, Italy and Czech Republic.

The SEEL Group's global supply chain operates across 3 countries and triggers a turnover of approximately US\$ 140.6M.

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.

In parallel to the CSR Committee programme, Sumitomo Electric Group adopted in 2018 a Global Code of Conduct. This [Global Code of Conduct](#) 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

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Conduct also makes clear that it is expected that all business partners should act in a way that is 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 March 2019, [the Sumitomo Electric Group enacted a global Policy on Human Rights](#) which is guided by the "International Bill of Human Rights", the "ILO Declaration on Fundamental Principles and Rights at Work", and the "Guiding Principles on Business and Human Right" of the United Nations to respond to the various needs of our stakeholders and to show our commitment to respecting human rights that abide by international standards.

The Policy reflects the Sumitomo Electric Group commitment to drive continuous improvements within our business and details its fundamental principles with regards to the protection of human rights. The Policy applies to SEEL Group as a fully owned subsidiary of the Sumitomo Electric Group. The Sumitomo Electric Group also expects all business partners related to its business activities to comply with the Policy.

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 (i) go through the SEEL Group due diligence process and (ii) conduct their own due diligence process in order for the Sumitomo Electric Group to be assured that the business partners it engages with meet the required standards of ethical conduct. To ensure that the Sumitomo Electric Group initiatives are promoted in line with the Human Rights Policy, fact-finding investigations will be conducted regularly at all of our stakeholders, including domestic and overseas affiliates.

Risk Assessment

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

Training

Training is provided within the SEEL Group to build awareness of unethical conduct including modern slavery. All employees at SEEL Group are being trained on the Sumitomo Electric Group Code of Conduct which references Human Rights.

Tailored training is being developed for those Sumitomo Electric Group subsidiaries exposed to different modern slavery risk factors. In 2019 and 2020, Sumitomo Electric Group will extend training to heighten awareness of any forms of modern slavery and human trafficking.

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.

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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 the SEEL Group 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. It remains committed to continue working ethically and responsibly for the respect of human rights ensuring that each company of the Sumitomo Electric Group will uphold this standard. The Sumitomo Electric Group also intends to progress the due diligence activity adding a risk categorization for human rights and work alongside with the recruitment companies used to ensure they understand our recruitment principles and mitigate modern slavery risks.

The SEEL Group is similarly committed to continuing the encouragement of our suppliers in assessing their own business and supply chains for modern slavery and human trafficking

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



Masakazu Watanabe
Managing Director