

# SUMITOMO ELECTRIC GROUP

Sumitomo Electric Wiring Systems, Inc.

## Statement Against Forced Labour and Child Labour for the Fiscal Year Ending on March 31, 2024

### Introduction

This statement is made in accordance with Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") and outlines the measures being taken by **Sumitomo Electric Wiring Systems, Inc.** ("SEWS") to mitigate the potential risk of modern slavery, human trafficking, and child labour ("Forced Labour") occurring in any part of SEWS businesses and its supply chains in the 2023/2024 fiscal year ("FY").

### Our business and supply chain

SEWS is a United States corporation founded in June 1986 as a joint venture between Sumitomo Electric Industries Ltd ("SEI") and Sumitomo Wiring Systems, Ltd. ("SWS"). SEI is a Japanese manufacturer of electrical wire, optical fibre cables, electronics and hard metal products established in 1897. SEI's headquarters are in Osaka, Japan. SEI's shares are listed in the first section of the Tokyo, Nagoya Stock Exchanges, and the Fukuoka Stock Exchange. SWS is a Japanese manufacturer of automobile wiring harnesses, harness components and other electrical wires. SWS was established in 1917 and has grown into a leading global company in wiring harnesses for automobiles.

SEI and SWS form part of the Sumitomo Electric Group ("SEG").

SEG, 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 SEG shall commit to drive their business based on key corporate principles:

- Offer the very best goods and services to satisfy customer needs;
- Build technical expertise, realise 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; and
- Nurture a lively corporate culture that enables employee self-improvement.

SEWS develops new technologies and manufactures a wide variety of electric systems such as wiring harnesses, pipe harnesses for hybrid vehicles, electric wire, connectors, terminals, centre panels, junction blocks and electronic control units for the automotive industry. As of March 2024, SEWS has around 37,000 employees located across North America.

### Corporate Awareness and Policies

The Corporate Social Responsibility Committee, formed of senior management from SEG, is committed to ensure the best strategy for supporting and advancing human rights in all the communities where SEG operates (the "CSR Committee"). Each year the [CSR Committee Annual Report](#) describes the measures taken by SEG to further strengthen its corporate social responsibility and SEG complies with and expects its suppliers to comply with the [Corporate Social Responsibility Basic Policy](#).

In parallel to the CSR Committee program, the SEG [Global Code of Conduct](#) ("Code of Conduct") supports the CSR Committee's action by communicating SEG's commitment to human rights to all Employees. The SEG Code of Conduct makes clear that all forms of Forced Labour are unacceptable to SEG. The SEG 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 SEG Code of Conduct also makes clear that it is

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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, e-learning and effective internal communication.

The SEG Supplier Code of Conduct (“**SCoC**”) replaced the CSR Procurement Guidelines in 2021. SEG seeks to do business with suppliers that share our commitment to integrity and to conducting business in compliance with the law. The SCoC is applicable to SEG suppliers globally, including SEWS’s suppliers.

SEG also has in place a global Policy on Human Rights (the “**Human Rights Policy**”) and a commitment to Human Rights Due Diligence 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 Rights” 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 Human Rights Policy reflects SEG’s commitment to drive continuous improvements within our business and details its fundamental principles with regards to the protection of human rights. The Human Rights Policy applies to SEWS as a subsidiary of SEG. SEG also expects all business partners related to its business activities to comply with the Policy.

### **Commercial practices (with third-parties)**

In addition to the high-level policies, day-to-day commercial practices have been developed which require SEWS’s suppliers to agree to and comply with legal compliance and ethical conduct terms, including, by accepting the SCoC in commercial contacts, or adhering to enhanced Forced Labour clauses. Our standard Forced Labour clauses continue to be reviewed on a periodic basis to ensure they remain robust and fit for purpose.

### **Due diligence (internal processes)**

As part of the SEG Compliance Program, new and current business partners must go through the Human Rights Due Diligence process in order for SEG to be assured that the business partners it engages with meet the required standards of ethical conduct. To ensure that SEG’s initiatives are promoted in line with the Human Rights Policy, fact-finding investigations will be conducted regularly of our stakeholders, including domestic and overseas affiliates.

### **Risk Assessment**

The risk of Forced Labour prevailing within SEWS 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 SEWS business and its supply chains.

### **Training**

Training is provided regularly within SEWS to build awareness of unethical conduct including Forced Labour. All employees at SEWS receive ongoing training on the SEG Code of Conduct, which includes express references to the Human Rights Policy.

SEG encourages continuous dialogue between their subsidiaries to heighten awareness of the risk of Forced Labour and to mitigate the risk where possible.

### **Whistleblowing/Speak up**

SEG continues to promote a ‘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 (operated by Navex), 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 Code of Conduct and Speak Up Policy prohibit retaliation against those that raise concerns of unsafe, unethical or unlawful practices.

Reports raised internally or via the external hotline are used to measure the effectiveness of training and the levels of awareness and understanding of Employees of unethical practices including on Forced Labour. In

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addition, self-assessment questionnaires asking Employees to share their thoughts about the possible risks of Forced Labour within SEWS business and supply chains shall aid in developing the true risk exposure.

SEG has also committed to prioritising investigations related to human rights, modern slavery, forced labour and employee issues with a view to completing such investigations in the shortest time possible.

### **Remediation Measures**

During the 2023/2024 fiscal year, SEWS did not uncover any occurrences of forced or child labour in SEWS's business or supply chains. As a result, SEWS did not take any measures to remediate the adverse impacts of forced labour or child labour. In accordance with our principles and policies, if a situation of non-compliance is identified, SEWS will work to develop and implement a corrective action plan to improve and remedy the situation.

### **Intent**

SEG 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 SEG, including SEWS, will uphold this standard. SEG also intends to progress the corporate sustainability due diligence activity adding a risk categorization for human rights and work alongside recruitment companies to ensure they understand our Human Rights Policy, recruitment principles and mitigate Forced Labour risks. SEG continues to monitor and improve its existing policies and procedures to ensure their effectiveness.

### **Attestation**

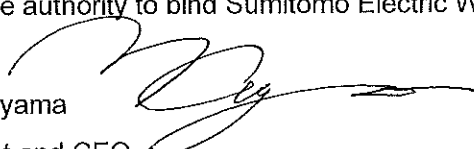
This statement was approved pursuant to subparagraph 11(4)(a) of the Act by the Board of Directors of SEWS.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this statement for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for purposes of the Act for the reporting year listed above.

I have the authority to bind Sumitomo Electric Wiring Systems, Inc.

Tokiji Aoyama

President and CEO



Date: May 31, 2024