

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

Sumitomo Chemical Co., Ltd

CERTIFICATE NUMBER
320

ASI STANDARD
PERFORMANCE
STANDARD
(V3 2022)

CERTIFICATION LEVEL
FULL
CERTIFICATION

ASI ACCREDITED
AUDITING FIRM
ERM CERTIFICATION
AND VERIFICATION
SERVICES

DATE OF ISSUE

28 NOVEMBER 2023

DATE OF EXPIRY

27 NOVEMBER 2026

CERTIFIED SINCE

28 NOVEMBER 2023

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'J. H.', followed by a horizontal line extending to the right.

Aluminium Stewardship Initiative Ltd
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*Validity of this Certificate is subject to
continued conformance with the
applicable ASI Standard and can be
verified at
www.aluminium-stewardship.org*

CERTIFICATION SCOPE

Production of high purity
aluminium, chemical aluminum
hydroxide, chemical alumina, and
high purity alumina in Ehime Works
(Japan).

AUDIT REPORT PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Sumitomo Chemical Co, Ltd.
ENTITY NAME	Sumitomo Chemical Co, Ltd.
CERTIFICATION SCOPE	Production of high purity aluminium, chemical aluminium hydroxide, chemical alumina, and high purity alumina in Ehime Works (Japan).
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Alumina RefiningAluminium Re-melting/RefiningCasthouses
ASI STANDARD	<ul style="list-style-type: none">Performance Standard V3
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit
AUDIT FIRM	ERM Certification and Verification Services
AUDIT DATE	<ul style="list-style-type: none">23 January – 9 February 2023
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">10 August 2023
AUDIT SCOPE	<p>The audit scope covers production of high purity aluminium, chemical aluminium hydroxide, chemical alumina, and high purity alumina in Ehime Works (Japan).</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">Alumina RefiningAluminium Re-melting/RefiningCasthouses <p>All applicable criteria in the ASI Performance Standard were included in the audit scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none">Certification
AUDIT METHODOLOGY DECLARATION	<p>The Auditors confirm that:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.<input checked="" type="checkbox"/> The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.<input checked="" type="checkbox"/> The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.<input checked="" type="checkbox"/> The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.

CERTIFICATION PERIOD 28 November 2023 – 27 November 2026

NEXT AUDIT TYPE Surveillance Audit

NEXT AUDIT DATE 27 May 2025

CERTIFICATE NUMBER 320



If you have an inquiry or complaint about this Certification, go to the third-party EthicsPoint portal at: <https://aluminium-stewardship.ethicspoint.com/>

EthicsPoint is a comprehensive and confidential reporting tool that enables complaints to be securely raised, managed and responded to. This enables anonymity to be maintained where desired by complainants, or as relevant to whistleblowing situations.

Information is available in five languages – English, French, Chinese, German and Portuguese (Brazil). Translation services provided by EthicsPoint enable complaints and correspondence to be managed in multiple languages.

ENTITY OVERVIEW

Sumitomo Chemical began manufacturing fertilisers in 1913 and in 1936, the Inorganic Materials Division commenced operations. The Entity produces high-purity (99.99% or more) Aluminium, which is used for highly functional products such as electrolytic capacitors, liquid crystal displays and semiconductors, and high-purity Alumina (99.998% or more) using high-purity Aluminium as a raw material, at the Ehime Works plant, located in Niihama City, Japan. Additionally, the Entity sells Alumina and aluminium hydroxide for chemical applications. The Entity produces approximately 500,000Mt of saleable products annually and employs over 270 Workers. The Entity is situated in an industrial area on the Seto Inland Sea along with other Sumitomo Chemical businesses.

MATURITY RATINGS

A rating of maturity (low, medium or high) determined by the Auditor that provides a general assessment in terms of systems, Residual Risk and performance assigned to a Sustainability Component.

Maturity ratings are not a direct assessment of conformance to the Standard.

	GOVERNANCE	ENVIRONMENT	SOCIAL	COMBINED RATING
SYSTEMS	Medium	Medium	Medium	Medium
RISKS	High	High	High	High
PERFORMANCE	High	High	High	High
OVERALL				HIGH

FINDINGS

CRITERION	RATING	COMMENT
1. BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has established and implemented guidelines, processes, and an internal system to review changes in laws and regulations to manage awareness and compliance across the organisation.
1.2 Anti-Corruption	Conformance	The Entity has established and implemented Anti-Corruption measures that are approved by the highest management level, implemented at all relevant levels, and communicated in the annual Sustainability Data Book: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/ The overarching process includes risk assessment, training, and reporting.
1.3a-e Code of Conduct	Conformance	The Entity has established and implemented Code of Conduct measures that are approved by the highest management level and implemented at all relevant levels. The Entity's Compliance Committee reviews the Code annually and updates it as necessary. Details are communicated in the annual Sustainability Data Book, page 78: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/
2. POLICY AND MANAGEMENT		
2.1a-f Environmental, Social, and Governance Policy	Conformance	The Entity has established and implemented various Policies and supporting measures for Environmental, Social and Governance (ESG) practices that are approved by the highest management level, implemented at all relevant levels, and communicated publicly in the annual Sustainability Data Book, page 237: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2023e.pdf The overarching process includes risk assessment, training, and reporting.
2.2a-c Leadership	Conformance	The Entity has nominated a Senior Management Representative to lead the implementation of the Entity's environmental, social and governance Policies, communicate them, and provide the resources needed.
2.3a Environmental and Social Management Systems - Environmental	Conformance	The Entity manages environmental, health and safety risks by implementing the Japan Chemical Industry Association (JCIA) guidelines. The Entity is certified to ISO 14001:2015, and each department conducts an annual review of environmental aspects based on the 'Environmental Aspect Management Standards'. The Entity is also certified to ISO 50001. The Entity's Responsible Care Committee conducts reviews of action plans, results, and environmental aspects twice a year. An internal audit is conducted annually, and internal environmental auditors have internal qualifications.

CRITERION	RATING	COMMENT
2.3b Environmental and Social Management Systems – Social	Conformance	<p>The Entity has integrated the requirements of a Social Management System in the foundation of their business approved by the highest management level, implemented at all relevant levels and communicated in the annual Sustainability Data Book: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/</p> <p>The overarching process includes risk assessment, training, monitoring, and reporting.</p>
2.4a-e Responsible Sourcing	Conformance	<p>The Entity has established and implemented responsible sourcing measures that are approved by the highest management level, implemented at all relevant levels, and communicated in the annual Sustainability Data Book. https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2023e.pdf</p> <p>The Entity's Procurement Policy, including initiatives undertaken and the Respect for Human Rights Policy are included in the annual Sustainability Data Book and also available on the website at: https://www.sumitomo-chem.co.jp/english/sustainability/society/procurement/ and https://www.sumitomo-chem.co.jp/english/sustainability/society/human_rights/#headline-1629813099</p> <p>The overarching process includes risk assessment, training, monitoring, and reporting. The Policies are reviewed annually.</p>
2.5a-g Environmental and Social Impact Assessments	Not Applicable	This Criterion is not applicable to the Entity, as there are no current or future plans for New Projects or Major Changes.
2.6a-h Human Rights Impact Assessment	Not Applicable	This Criterion is not applicable to the Entity, as there are no current or future plans for New Projects or Major Changes.
2.7a-f Emergency Response Plan	Conformance	<p>The Entity has implemented an Emergency Response Plan and established a control function for accident countermeasures, which address reporting to the internal Security and Fire Department and external organisations such as the fire department. The Health and Safety Committee, which consists of representatives from both the Entity and the Worker Union, reviews the Plan and implemented actions. The Plan and criteria are also reviewed upon any changes to the Business.</p> <p>There are fire and evacuation drills twice a year. In addition, each department implements the drill with its themes, such as chemical leaks.</p> <p>The Entity publishes the emergency plan in a written environmental and safety report (in Japanese) that is shared with the local community.</p>
2.8a-d Suspended Operations	Conformance	The Entity has established and implemented Business Resilience measures to address situations where it may have to suspend or significantly alter operations due to factors outside its control that are enacted at the highest management level, implemented at all relevant levels, and reviewed annually and as needed. The overarching process includes risk assessment, training, monitoring,

CRITERION	RATING	COMMENT
		and reporting. Further public information about the Entity's governing body and general results of their assessment are available at: https://www.sumitomo-chem.co.jp/english/company/governance/ and https://www.sumitomo-chem.co.jp/english/ir/policy/risk_factors/
2.9a-b Mergers and Acquisitions	Conformance	The Entity has established investment deliberation rules that address the requirement to submit a business plan to the Management Committee and assess environmental and social risks. Furthermore, in the case of mergers and acquisitions the target company's governance and internal controls must be evaluated by the Management Committee. Investment deliberation rules also require Due Diligence to be conducted on environmental, social, and internal controls in cooperation with appropriate departments. The Entity does not have any current or future plans for Mergers and Acquisitions within their Scope.
2.10a-b Closure, Decommissioning and Divestment	Minor Non-Conformance	Although the Entity has established and implemented processes to address regulatory reviews for activities related to closure, decommissioning, and divestment, there is no evidence of a coordinated or unified approach. And it could not be demonstrated how these processes would address all the requirements of the Standard, beyond compliance with regulations.
3. TRANSPARENCY		
3.1a-b Sustainability Reporting	Conformance	The Entity has publicly disclosed its governance approach to environmental, social and economic impacts including Material impacts in the annual Sustainability Data Book and Corporate Annual Report, available at: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/ https://www.sumitomo-chem.co.jp/english/ir/library/annual_report/files/docs/ar2022e.pdf
3.2 Non-compliance and Liabilities	Conformance	The Entity publicly provides information on its Compliance measures at: https://www.sumitomo-chem.co.jp/english/sustainability/governance/compliance/ The Entity discloses information on its Material fines, judgments, penalties and non-monetary sanctions for failure to comply with Applicable Law in the annual Sustainability Data Book: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/
3.3a-c Payments to Governments	Conformance	Building on the Entity's Anti-Corruption measures, as well as regulatory requirements, the Entity has established and implemented processes for payments to Governments and only makes, or has made on its behalf, payments to Governments, including political parties, on a legal and/or contractual basis and publicly discloses payments information annually, as required by and available from the Japanese Ministry of Internal Affairs and Communication: https://www.soumu.go.jp/senkyo/seiji_s/data_seiji/index.html

CRITERION	RATING	COMMENT
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	<p>The Entity has established and implemented a Complaints Resolution Mechanism to address Stakeholder complaints, grievances and requests for information, as well as regulatory requirements. The Entity is certified by Japan's 'Whistleblowing Compliance Management System' Certification Regime. Information on the 'Speak Up' program is available in the Sustainability Data Book and on the Entity's corporate compliance website, available at:</p> <p>https://www.sumitomo-chem.co.jp/english/sustainability/information/library/ and https://www.sumitomo-chem.co.jp/english/sustainability/governance/compliance/#headline-1582225440.</p> <p>Forms for reporting and direct contact information are available at: https://www.sumitomo-chem.co.jp/english/sustainability/governance/compliance/forms</p>
4. MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment	Minor Non-Conformance	The Entity had calculated (by the end of 2021) 6,000 Aluminium and Alumina products with their own Product Carbon Footprint calculation software. The calculation addresses carbon emissions only. The Entity is expanding their Life Cycle Assessment (LCA) to other impact areas, however, the evaluation and its publication are not yet complete.
4.1b-c Environmental Life Cycle Assessment - Disclosure	Conformance	The Product Carbon Footprint calculation results and assumptions are not disclosed to the public, however, the LCA is provided to customers upon request.
4.2 Product Design	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.3a-b Aluminium Process Scrap	Conformance	The Entity has established and implemented processes, plans, and budgets for the minimisation of Aluminium Process Scrap within its operations and targets 100% of scrap for collection, recycling and/or re-use, and separates Aluminium alloys and grades for recycling.
4.4a-c Collection and Recycling of Products at End of Life - Material Conversion and other Manufacturing	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
4.4d Collection and Recycling of Products at End of Life	Conformance	The Entity, while not responsible for Product design, works to support accurate measurement and efforts to increase recycling rates in their respective markets for their Products containing Aluminium by increasing recycling rates of their Products in consultation with their customers on a case-by-case basis. Subsequently, they work with their respective supply systems to ensure blending rates of recycled material are measured and provided according to industry standards.
5. GREENHOUSE GAS EMISSIONS		
5.1a-b Disclosure of GHG Emissions and Energy Use	Conformance	The Entity's 2021 GHG Emissions totalled 7.65 million tonnes (Mt) CO ₂ e, made up of 70% from Scope 1 and 30% from Scope 2 emissions. Scope 3 emissions were 4.1 Mt CO ₂ e, of which purchased product services

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		<p>account for 60%. Further information is available in the annual Sustainability Data Book, Environment section: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/SDB21e_P102-125.pdf</p> <p>Data on energy-derived CO₂ emissions for the site is published in the Sustainability Data Book annually. Emissions data are recorded in the Entity's SAP software system and reported monthly to the Head Office. The verification of the data was conducted by a Third Party, and the independent assurance report is published in the annual Sustainability Data Book, page 252: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2022e.pdf</p>
5.2a Aluminium Smelter GHG Emissions Intensity - Started production after 2020	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.2b Aluminium Smelter GHG Emissions Intensity - In production up to and including 2020	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3a-e GHG Emissions Reduction Plans	Minor Non-Conformance	<p>The Entity has established its Carbon Neutral Ground Design in 2021 and committed to achieve a 50% reduction of GHG emissions by 2030 (compared to 2013) and reach carbon neutrality by 2050. Further information is available at: https://www.sumitomo-chem.co.jp/english/news/detail/20211210e_2.html https://www.sumitomo-chem.co.jp/english/sustainability/environment/climate_change/</p> <p>The data are verified by the Science Based Target Initiative (SBTi) to be well below the 2°C target. The Entity has established a Carbon Neutral Strategy Council to coordinate the processes for the Carbon Neutral Ground Design, research and development, and investment for achieving the goals. Meetings are held approximately three times a year. The roadmap for targets, such as investment in reduction, is reviewed annually.</p> <p>However, the Entity's 1% annual reduction target (as required by the Energy Conservation Law) and lack of intermediate and regular targets do not meet the ASI Performance Standard requirements of a GHG Emissions Reduction Pathway. Additionally, there is no annual review of the GHG Emissions Reduction Plan.</p>
5.4 GHG Emissions Management	Conformance	<p>The Entity has implemented a process to review its performance via a management review (by an advisory body) and a third party organisation.</p> <p>The Entity's Responsible Care Committee controls and evaluates its action plans and performance to achieve the targets aligned with the GHG Emissions Reduction Plan. Currently, nine themes have been selected for GHG reduction efforts at the Entity, and the status is confirmed every six months at progress confirmation meetings.</p>

CRITERION	RATING	COMMENT
6. EMISSIONS, EFFLUENTS AND WASTE		
6.1a-f Emissions to Air	Conformance	<p>Emissions to Air are measured and calculated following national methods and disclosed in the annual Sustainability Data Book, pages 130 and 133-136: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2022e.pdf</p> <p>Environmental Management Plans and targets are reviewed annually by the Entity's Responsible Care Committee (chaired by the CEO). The review includes changes in Business, risks, and environmental incidents. Annual targets and results are included in the Sustainability Data Book</p> <p>Environmental measuring instruments are regularly calibrated. Environmental standards have been established and periodic monitoring is undertaken at the Entity's premises' boundary to ensure no concentration exceedances.</p>
6.2a-g Discharges to Water	Conformance	<p>Environmental Management Plans and targets are reviewed annually by the Responsible Care Committee. The review includes changes in the Business, risks, and environmental incidents. The Entity assesses water risks associated with water supply and demand, as well as the vulnerability of water pollution risk. Disclosure of data is available in the annual Sustainability Data Book, page 143: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2022e.pdf</p>
6.3a-g Assessment and Management of Spills and Leakages	Minor Non-Conformance	<p>The Entity has established control standards for oil Spills and Leakages, including Spills into the sea. The Entity's Internal Control and Audit Department conducts annual risk assessments. Regular patrols are undertaken and recorded by the operations, night shift and day shift teams for oil Spills to the sea.</p> <p>Assessment and management of water-related risks associated with water intake and discharge have been undertaken, as well as assessment and management of the storage of chemical substances. The Entity has established guidelines for the analysis and implementation of control measures following an incident.</p> <p>Details on emergency drills associated with Spills are disclosed in the Environment and Safety Report issued to the local community. However, the Entity has not disclosed its management plans for Spills and Leakages.</p>
6.4a-b Public Disclosure of Spills and Leakages	Conformance	<p>The Entity has established procedures within its Emergency Public Relations Guidelines for the disclosure of information in the event of a Spill or Leakage. In such an event, environmental reports are published and made available in the Local Community. There have been no Spill or Leakage incidents at the Entity.</p>
6.5a-c Waste Management and Reporting	Conformance	<p>The Entity has established Waste reduction targets in line with the Japan Chemical Industry Association. Environmental Management Plans and targets are reviewed annually by the Responsible Care Committee. The review includes changes in the Business, risks, and environmental incidents. On-site audits against the annual plan are undertaken by a qualified external company.</p>

CRITERION	RATING	COMMENT
		The Entity has disclosed the quantity of its Hazardous and Non-Hazardous Waste within the annual Sustainability Data Book: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2022e.pdf
6.6a-g Bauxite Residue	Not Applicable	This Criterion is not applicable to the Entity, as it purchases Aluminium hydroxide and Aluminium ingots and does not handle Bauxite.
6.7a-f Spent Pot Lining (SPL)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.8a-d Dross	Conformance	The Entity has established and implemented processes for the collection, storage, and sale of Dross to recyclers.
7. WATER STEWARDSHIP		
7.1a-b Water Assessment and Disclosure	Conformance	<p>The Entity has undertaken a Water risk questionnaire and evaluation, which determined the risk as low. The Entity has mapped its water withdrawal and use locations. The amount of well water outside the premises is reported to the prefecture by the Entity. Industrial water supply (water taken from rivers) is reported annually to the Ministry of Economy, Trade, and Industry (related to the River Act). The data are publicly available to the community through the authority.</p> <p>The risk assessment has considered regulatory and physical risks, and the Entity considers events over the past five years and whether there is a risk in the coming ten years. The Entity has participated in the CDP (Carbon Disclosure Project) Water disclosure project and received an A rating. The Entity complies with the strict regulations for the Seto Inland Sea and as such nitrogen and phosphorus levels are being reduced.</p>
7.2a-e Water Management	Conformance	<p>All environmental management plans and targets are reviewed annually by the Responsible Care Committee. The review includes changes in business, risks, and environmental incidents. The data for the well water and industrial water supply is reported annually to the local government, which is publicly available to the community.</p> <p>Further information is available in the annual Sustainability Data Book: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2022e.pdf</p>
8. BIODIVERSITY AND ECOSYSTEM SERVICES		
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Minor Non-Conformance	<p>The Entity has implemented an ISO 14001 certified Management System and identified relevant environmental aspects and impacts. The Entity is participating in a government certification program to recognise Biodiversity conservation efforts by local companies under the 'Conservation Site for Human-Nature Symbiosis' trial.</p> <p>However, the Entity has not fully assessed the risks to, and potential impacts on Biodiversity and Ecosystem Services from the land use and activities within the Entity's Area of Influence as required by the ASI Performance Standard.</p>

CRITERION	RATING	COMMENT
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Minor Non-Conformance	The Entity has not fully assessed the risks to, and potential impacts on Biodiversity and Ecosystem Services to sufficiently identify Priority Ecosystem Services.
8.2a-g Biodiversity Management	Minor Non-Conformance	The Entity is participating in a government certification program to recognise Biodiversity conservation efforts by local companies under the 'Conservation Site for Human-Nature Symbiosis' trial. However, the Entity has not fully assessed the risks to, and potential impacts on Biodiversity to sufficiently determine the appropriateness of developing and implementing a Biodiversity Action Plan.
8.3a-c Management of Priority Ecosystem Services	Minor Non-Conformance	The Entity has not fully assessed the risks to, and potential impacts on Priority Ecosystem Services to determine the necessity of developing and implementing management measures.
8.4 Alien Species	Minor Non-Conformance	The Entity has implemented an ISO 14001 certified Management System and identified relevant environmental aspects and impacts. Ad hoc measures have been taken in the past to control Alien Species. However, the Entity does not have a proactive approach to prevent accidental or deliberate introduction of Alien Species.
8.5a-b Commitment to "No Go" in World Heritage Properties	Minor Non-Conformance	Whilst the Entity does not have existing operations in, or adjacent to, World Heritage Properties, the Entity has not made a specific commitment to not explore or develop New Projects or make Major Changes in World Heritage Properties.
8.6a-d Protected Areas	Minor Non-Conformance	The Entity has established a legal compliance process to ensure compliance with Applicable Law and implemented an ISO 14001 certified Management System including identification of environmental aspects and impacts. Whilst the Entity is not located within a Protected Area, it is adjacent to a Protected Area and the Entity has not established specific management plans.
8.6e Protected Areas - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.7a-i Mine Rehabilitation	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9. HUMAN RIGHTS		
9.1a-d Human Rights Due Diligence	Conformance	<p>The Entity has established and implemented Human Rights measures that are approved by the highest management level, implemented at all relevant levels, and communicated publicly in the annual Sustainability Data Book: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/</p> <p>The overarching process includes risk assessment, training, monitoring, and reporting. Further information, including the Human Rights Policy is available at: https://www.sumitomo-chem.co.jp/english/sustainability/society/human_rights/</p>

CRITERION	RATING	COMMENT
9.2a-e Gender Equity and Women's Empowerment	Conformance	<p>The Entity has established and implemented Gender Equity and Women's Empowerment measures that are approved by the highest management level, implemented at all relevant levels, and communicated publicly in the annual Sustainability Data Book: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/</p> <p>The overarching process includes risk assessment, training, monitoring, and reporting. The Entity has established a target to increase the percentage of female employees in roles equivalent to Section Managers or higher to 10% or more and initiatives have been implemented, for example, training on unconscious bias.</p>
9.3a-i Indigenous Peoples	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples or their lands, territories or resources present.
9.4a Free, Prior, and Informed Consent (FPIC) - New Projects or Major Changes	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples or their lands, territories or resources present, and the Entity is not currently undertaking New Projects or Major Changes.
9.4b Free, Prior, and Informed Consent (FPIC) - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.4c Free, Prior, and Informed Consent (FPIC) - Demonstrate support	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples or their lands, territories or resources present, and the Entity is not currently undertaking New Projects or Major Changes.
9.5a Cultural and Sacred Heritage - Identification	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples or their lands, territories or resources present and there are no sacred or cultural heritage sites present.
9.5b Cultural and Sacred Heritage - Impacts	Not Applicable	This Criterion is not applicable to the Entity, as there are no Indigenous Peoples or their lands, territories or resources present and there are no sacred or cultural heritage sites present.
9.6a-i Displacement	Not Applicable	This Criterion is not applicable to the Entity, as there are no current or future plans for New Projects or Major Changes.
9.7a-h Affected Populations and Organisations	Minor Non-Conformance	<p>The Entity's Group Head Office has implemented an approach to contribute to society and the Local Community. Further information is available at: https://www.sumitomo-chem.co.jp/english/sustainability/society/region/</p> <p>However, during the audit the Entity did not fully demonstrate that it respected the rights and interests of Affected Populations and Organisations.</p>
9.8a Conflict-Affected and High-Risk Areas - Strong Management Systems	Conformance	The Entity has established and implemented responsible sourcing measures that are approved by the highest management level, implemented at all relevant levels, and communicated publicly in the annual Sustainability Data Book:

CRITERION	RATING	COMMENT
		<p>https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2023e.pdf</p> <p>The overarching process includes risk assessment, training, monitoring, and reporting. Further information can also be accessed at:</p> <p>https://www.sumitomo-chem.co.jp/english/sustainability/society/procurement/</p> <p>The Entity communicates and explains the contents of the Policy to suppliers and the public, and suppliers comply by abiding by the Entity's standard contract clause or by signing a letter of commitment.</p> <p>The Entity has adopted a six step framework that incorporates the standards outlined in the OECD Guidance in conducting Due Diligence in respect of high risk raw materials. Further information is available on page 171 of the Sustainability Data Book.</p>
9.8b Conflict-Affected and High-Risk Areas - Identify and assess risks	Conformance	The Entity has established a system of controls and transparency for the supply chain of high risk raw materials, and periodically identifies and assesses risks of high risk raw materials suppliers through an approach consistent with the OECD Guidance Annex II. In identifying and assessing the risks, the Entity requires high risk raw materials suppliers to map their supply chain to origin and maintain a database. Additional Due Diligence procedures are conducted for high risk raw materials suppliers where red flags are discovered in its supply chain. The Entity has established a High-Risk Raw Materials Working Group as a subordinate of the Human Rights Promotion Committee. No red flags were identified in the survey that was managed by the Working Group.
9.8c Conflict-Affected and High-Risk Areas - Strategy to respond to risks	Conformance	The Entity has established and implemented responsible sourcing measures. Whilst the Entity did not identify any actual or potential risks, it has established a process to develop a risk management plan where risks are identified, and mitigation measures are required.
9.8d Conflict-Affected and High-Risk Areas - Audit of due diligence	Conformance	The Entity's Due Diligence practices were audited as part of this independent third party ASI Performance Standard Certification Audit.
9.8e Conflict-Affected and High-Risk Areas - Report annually	Conformance	<p>The Entity has established and implemented responsible sourcing measures that are approved by the highest management level, implemented at all relevant levels, and communicated publicly in the annual Sustainability Data Book:</p> <p>https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2023e.pdf</p> <p>The overarching process includes risk assessment, training, monitoring, and reporting. Further information on the risk assessment survey and supply chain Due Diligence is available on pages 178-183 of the Sustainability Data Book.</p>
9.9 Security practice	Conformance	The Entity outsources its security to an external company who are regulatorily required to be trained and act in line with recognised Standards and good practices with respect to Human Rights.

CRITERION	RATING	COMMENT
10. LABOUR RIGHTS		
10.1a-c Freedom of Association and Right to Collective Bargaining	Conformance	The Entity is regulatorily required to respect the rights of Workers to Freedom of Association and Collective Bargaining. The Entity has established a Human Rights Policy commitment that addresses the right to Freedom of Association and Collective Bargaining: https://www.sumitomo-chem.co.jp/english/sustainability/society/human_rights/
10.1d Freedom of Association and Right to Collective Bargaining - Alternative means in context of Applicable Law	Not Applicable	The Criterion is not applicable to the Entity, as Japan does not restrict the right to Freedom of Association and Collective Bargaining.
10.2a Child Labour	Conformance	The Entity neither engages in nor supports the use of Child Labour as defined by the ASI Performance Standard. The Entity's Human Rights Policy, which is regularly reviewed, prohibits Child Labour: https://www.sumitomo-chem.co.jp/english/sustainability/society/human_rights/
10.3a-c Forced Labour	Conformance	The Entity neither engages in nor supports the use of Forced Labour as defined by the ASI Performance Standard. The Entity's Human Rights Policy, which is regularly reviewed, prohibits Forced Labour: https://www.sumitomo-chem.co.jp/english/sustainability/society/human_rights/ The Entity has published a Modern Slavery Statement: https://www.sumitomo-chem.co.jp/english/sustainability/society/human_rights/statement
10.4a-c Non-Discrimination	Conformance	The Entity neither engages in nor supports Discrimination as defined by the ASI Performance Standard. The Entity's Human Rights Policy, which is regularly reviewed, prohibits Discrimination: https://www.sumitomo-chem.co.jp/english/sustainability/society/human_rights/ Employee interviews confirmed the Entity does not support Discrimination.
10.5 Communication and engagement	Conformance	The Entity is regulatorily required to respect the rights of Workers to Freedom of Association and Collective Bargaining. The Entity has a Collective Bargaining Agreement with the current Union that addresses communication and engagement with Workers. The Entity ensures open communication and direct engagement with Workers and their representatives regarding working conditions and resolution of workplace and compensation issues, without threat of reprisal, intimidation, or harassment.
10.6a-g Violence and Harassment	Conformance	The Entity neither engages in nor supports workplace Violence and Harassment as defined by the ASI Performance Standard. The Entity's Human Rights Policy, which is regularly reviewed, prohibits workplace Violence and Harassment: https://www.sumitomo-chem.co.jp/english/sustainability/society/human_rights/ Concerns can be reported anonymously at:

CRITERION	RATING	COMMENT
		https://www.sumitomo-chem.co.jp/english/sustainability/governance/compliance/forms/
10.7a-c Remuneration	Conformance	<p>The Entity has a Collective Bargaining Agreement with the current Union that addresses Remuneration. The Entity ensures Remuneration is in accordance with the Collective Bargaining Agreement. Employee interviews confirmed the Entity meets the requirements of the ASI Performance Standard.</p> <p>Further information is included in the annual Sustainability Data Book, in the Society section: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2023e.pdf</p>
10.8a-c Working Time	Conformance	The Entity has a Collective Bargaining Agreement with the current Union that addresses Working Time. The Entity ensures Working Time is in accordance with the Collective Bargaining Agreement, as confirmed during Worker interviews.
10.9a-b Informing Workers of Rights	Conformance	The Entity is regulatorily required to respect the rights of Workers to Freedom of Association and Collective Bargaining. The Entity ensures employees are made aware of their rights, as confirmed by Worker interviews.
11. OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Management System	Conformance	<p>The Entity has implemented an ISO 45001:2018 certified Occupational Health and Safety (OH&S) Management System. The OH&S Policy is subject to regular review, and the OH&S management organisation chart is established in the OH&S Manual. The Entity's Responsible Care Committee reviews the OH&S Management System every six months.</p> <p>The Entity has established a Health and Safety Committee that consists of representatives from both the Entity and the Workers' Union. The Entity receives suggestions and requests from Workers on the Committee and maintains records.</p>
11.1b-e Occupational Health and Safety (OH&S) Management System - Reviews and disclosure	Conformance	<p>The Entity's Responsible Care Committee reviews the OH&S Management System every six months and on indication of Business changes or management deficiencies.</p> <p>The Entity publicly discloses information on the effectiveness of the OH&S Management System in the Sustainability Data Book, including the 'frequency rate of lost-workday injuries' as a target indicator and initiatives such as 'Improving Hazard Prediction Abilities' and safety awards. Safety patrols are conducted and based on the Entity's patrol implementation standards. Further information is available in the annual Sustainability Data Book: https://www.sumitomo-chem.co.jp/english/sustainability/information/library/files/docs/sustainability_data_book_2023e.pdf</p>
11.2 Employee engagement on Health and Safety	Conformance	The Entity has an established Health and Safety Committee that consists of representatives from the Entity and the Workers' Union. The Entity receives suggestions and requests from Workers on the Committee and maintains records.

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DOCUMENT CONTROL AND VERSION HISTORY

REVISION	DATE	NOTES
0	28 November 2023	Initial Certification Audit – Full Certification
