

EITI International Secretariat's Final Assessment

Company progress in meeting the Expectations for EITI supporting companies

Company name	Sumitomo Metal Mining
Sector	Mining
Headquarters	Tokyo, Japan
Type	Public
Date of submission to company (month/year)	June 2023
Pursuant to the Guidance on the Expectations for EITI supporting companies, companies are encouraged to participate in national EITI multi-stakeholder groups (MSGs). For information purposes.	
Does the company, directly or through a subsidiary (including joint-ventures) participate in a multi-stakeholder group?	No
If yes, indicate in which countries your company is participating in MSGs?	N/A
Secretariat comment	The Secretariat notes and thanks the many companies directly and indirectly participating in MSGs in EITI implementing countries.
EXPECTATION 1	Publicly declare and publish support for the EITI and the objective of the EITI Association to make the EITI Principles

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and the EITI Standard the internationally accepted standard for transparency in the oil, gas and mining sectors.	
Does the company publish a statement of support for the EITI and the objective of the EITI Association?	Yes
URL for Statement Support	<p>Website: https://www.smm.co.jp/en/sustainability/data/stakeholders/</p> <p>ESG data book: https://www.smm.co.jp/en/ir/library/integrated_report/pdf/2022/2022_DB_EN.pdf</p>
Secretariat's assessment on Expectation 1	Expectation met
Secretariat comment	Statement of support published on its website and on its ESG Data Book. See URLs p.13.
EXPECTATION 2	
Make comprehensive disclosures in accordance with the EITI Standard in all EITI implementing countries where the company or its controlled subsidiaries operate. Where not disclosed in other company reporting, publicly disclose a list of controlled subsidiaries operating in the oil, gas or mining sectors in EITI implementing countries.	
Does the company publish a list of controlled subsidiaries?	Yes



URL for controlled list of subsidiaries	https://www.smm.co.jp/en/ir/library/integrated_report/pdf/2022/2022_All_EN.pdf
EITI implementing countries where the company operates. The countries visible here are based on desk research of EITI Reports.	PERU
Does the company make disclosures with EITI Standard in or in relation to EITI implementing countries? Please see attachment on subsidiaries and complete the information, as requested.	Yes
Secretariat's assessment on Expectation 2	Expectation met
Secretariat comment	List of controlled subsidiaries published. See URL to "Integrated Report 2022", pp. 2-3. Company assessed as making disclosure in accordance with EITI Standard.

EXPECTATION 3

Publicly disclose taxes and payments to governments at a project level in line with the EITI Standard in all non-EITI implementing countries where the company operates unless disclosure is not feasible. Where not feasible, the country-specific legal or practical barriers to disclosure should be publicly explained.



Does the company publicly disclose taxes and payments to governments in non- EITI implementing countries where the company operates in the oil, gas and mining sectors?	Yes
URL to disclosures of taxes and payments to governments in non-EITI implementing countries	ESG Data Book 2022: https://www.smm.co.jp/en/ir/library/integrated_report/pdf/2022/2022_DB_EN.pdf Integrated Report 2022: https://www.smm.co.jp/en/ir/library/integrated_report/pdf/2022/2022_All_EN.pdf
Are the disclosures disaggregated by project?	No
Secretariat's assessment on Expectation 3	Expectation partially met
Secretariat comment	Sumitomo Metal Mining discloses taxes and payments to governments in non-EITI implementing countries. See URL to "Integrated Report 2022", p. 35. See also URL to "ESG Data Book", p. 27. The company does not disclose taxes and payments to governments disaggregated by project.

EXPECTATION 4

Companies buying oil, gas and/or mineral resources from the state in EITI implementing countries, disclose volumes received and payments made in line with the EITI Standard and the EITI reporting guidelines for companies buying oil, gas and minerals from governments unless disclosure is not feasible.



Does the company buy oil, gas, and/or mineral resources from the state in EITI-implementing countries?	Yes
If yes, which countries?	PERU, PHILIPPINES, UNITED KINGDOM
Does the company make disclosures in line with the EITI Standard/reporting guidelines?	Not applicable
URL for disclosure	
Secretariat's assessment on Expectation 4	Expectation not applicable
Secretariat comment	<p>It is unclear whether Sumitomo Metal Mining buys mineral resources from the state in EITI implementing countries.</p> <p>EITI has not yet developed reporting guidelines for companies buying minerals from governments. Therefore, the Expectation is not applicable.</p>
EXPECTATION 5	In line with the EITI Standard, publicly disclose audited financial statements, or the main items (i.e., balance sheet, profit/loss statement, cash flows) where financial statements are not available.
Does the company disclose its audited financial statements?	Yes



URL audited financial statements	https://www.smm.co.jp/en/ir/library/integrated_report/pdf/2022/2022_All_EN.pdf https://www.smm.co.jp/en/ir/library/consolidated_financial_statement/pdf/2021.pdf
Secretariat's assessment on Expectation 5	Expectation met
Secretariat comment	Sumitomo Metal Mining discloses audited financial statements. See URLs p.76.
EXPECTATION 6	Publicly declare and publish support for beneficial ownership transparency and publicly disclose beneficial owners in line with EITI Standard, recognising that listed companies will disclose the name of the stock exchange, include a link(s) to stock exchange filings where they are listed and otherwise do what is required by applicable regulations and listing requirements.
Does the company publish a statement of support for beneficial ownership transparency?	No



URL statement of support for beneficial ownership	Website: https://www.smm.co.jp/en/sustainability/data/stakeholders/ ESG data book: https://www.smm.co.jp/en/ir/library/integrated_report/pdf/2022/2022_DB_EN.pdf
Does the company disclose beneficial owners, either directly or according to stock exchange regulations and listing requirements?	Yes
Where disclosures are made according to stock exchange regulations, please provide the name of the stock exchange	Prime Market Tokyo Stock Exchange
URL to stock exchange	https://www.sumitomocorp.com/en/jp/ir/stock/stock-data
URL for recent beneficial ownership disclosures	2022 Integrated annual report: https://www.smm.co.jp/en/ir/library/results/
Secretariat's assessment on Expectation 6	Expectation partially met

<p>Secretariat comment</p>	<p>Sumitomo does not publish a statement of support for beneficial ownership transparency.</p> <p>The company discloses beneficial owners in line with applicable regulations and listing requirements. Sumitomo discloses its major shareholders in its “Integrated Report 2022”. See URL, p. 159.</p>
<p>EXPECTATION 7</p> <p>All EITI supporting companies are expected to engage in rigorous due diligence processes and publish an anti-corruption policy setting out how the company manages corruption risk, including how the company collects and takes risk-based steps to use beneficial ownership data regarding joint venture partners, contractors, and suppliers in its processes.</p>	
<p>Does the company publish an anti-corruption policy?</p>	<p>Partial</p>
<p>URL to the policy</p>	<p>Sumitomo Corporation Group Anti-Corruption Policy: https://www.sumitomocorp.com/jp/-/media/Files/hq/about/governance/compliance/anti-corruption-policy.pdf?la=en.</p> <p>Integrated Report 2022: https://www.smm.co.jp/en/ir/library/integrated_report/pdf/2022/2022_All_EN.pdf</p>
<p>Does the company's anti-corruption policy describe how the company manages corruption risk with regards to identification and use of beneficial ownership data?</p>	<p>No</p>



Secretariat's assessment on Expectation 7	Expectation not met
Secretariat comment	<p>The company does not publish an anti-corruption policy.</p> <p>On the group level, Sumitomo Corporation publishes a "Sumitomo Corporation Anti-Corruption Policy".</p> <p>Sumitomo Metal Mining's anti-corruption framework does not set out how the company manages corruption risk through the identification and use of beneficial ownership data.</p> <p>The International Secretariat notes that the company's Integrated Report refers to the aforementioned group policy (p. 69 in PDF): "The SMM Group engages in initiatives to prevent corruption. These include a prior approval system based on the Basic Policies for Anti-Bribery and regulations for the prevention of bribery, mandating prior approval by an authorized person in specified cases of provision of benefits to public officials or other parties in Japan or overseas." The Integrated Report further describes that in specified cases of providing benefits to public officials, the company establishes a prior approval system based on basic anti-bribery policies (pp. 134-135). The Secretariat notes that Sumitomo is preparing an anti-corruption policy that is not yet publicly available.</p>
EXPECTATION 8 Publicly declare and publish support for governments' efforts to publicly disclose contracts and licenses that govern the exploration and exploitation of oil, gas and minerals in line with the EITI Standard, and contribute to public disclosure of contracts and licenses in EITI implementing countries consistent with government procedures.	



Does the company publish a statement of support for contract transparency?	Yes
URL for statement of support for contract transparency	2022 Integrated report: https://www.smm.co.jp/en/ir/library/integrated_report/pdf/2022/2022_All_EN.pdf ICMM: https://www.icmm.com/en-gb/news/2021/new-commitment-contract-transparency
Does the company contribute to public disclosure of contracts and licenses in EITI-implementing countries consistent with government procedures?	Yes
Secretariat's assessment on Expectation 8	Expectation met
Secretariat comment	Sumitomo publishes a statement of support for governments' efforts to publicly disclose contracts and licenses. See URL to "2022 Integrated Annual Report", p 134-135. Sumitomo is also an ICMM Member statement signatory. The company is assessed to contribute to the disclosure of contracts and licenses in EITI implementing countries.
EXPECTATION 9	Publish a commitment and/or policy on gender diversity in the oil, gas or mining sectors and support reporting by EITI implementing countries under the EITI Standard by disclosing employment in the sectors disaggregated by gender.



Does the company publish a commitment/policy on gender diversity?	Yes
Does the company disclose employment data disaggregated by gender?	Yes
URL for relevant information	Website: https://www.smm.co.jp/en/sustainability/activity_highlights/article_11/ Integrated Report: https://www.smm.co.jp/en/ir/library/integrated_report/pdf/2022/2022_DB_EN.pdf
Secretariat's assessment on Expectation 9	Expectation met
Secretariat comment	Sumitomo Metal Mining publishes a commitment and/or policy on gender diversity on its website. See URL. Sumitomo publishes a "commitment on fundamental human rights issues" which mentions gender as part of their "prohibition of discrimination" section in its Integrated Report 2022, p. 54. The company discloses employment data disaggregated by gender in its integrated report. See URL p.20.