



The Dream of Chemistry In Your Life.

SUMITOMO CHEMICAL
CORPORATE PROFILE



Fast Facts

Founded in

1913

Number of overseas facilities

75

(As of April, 2023)

Number of consolidated subsidiaries

203

(As of March 31, 2023)

Number of employees

33,572

on a consolidated basis

(As of March 31, 2023)

Consolidated sales revenue

2,895.3

billion yen

(FY2022)

Number of patents held

14,428

(As of March 31, 2023)



Management Principles

- ◆ **We commit ourselves to creating new value by building on innovation.**
- ◆ **We work to contribute to society through our business activities.**
- ◆ **We build a vibrant corporate culture and continue to be a company trusted by society.**

Profile

Sumitomo Chemical has its origins in the Sumitomo Fertilizer Manufactory, which was founded to resolve the air pollution problem caused by Sumitomo's copper smelting operation at the Besshi Copper Mine (now Niihama, Ehime Prefecture, Japan). The air was cleaned by removing the sulfur from the copper ore and the company used sulfur to manufacture fertilizer. Founded to overcome environmental problem and improve agricultural production at the same time, Sumitomo Chemical has inherited the Sumitomo Spirit, proving itself worthy of society's trust and the credo, "Our business must benefit society at large, not just our own interests".

Both principles have been passed down to us over generations since our inception.

Under these principles, Sumitomo Chemical responds to the changing needs of time, develops a diversified portfolio of businesses, and enriches people's lives through constant technological innovations.

Creative Hybrid Chemistry For a Better Tomorrow

Sumitomo Chemical's Strengths

CORE
COMPETENCE

1

⇒ P.6-7

Ability to Develop Innovative Solutions

by Leveraging
Its Technological Expertise
in Diverse
Areas

CORE
COMPETENCE

2

⇒ P.10-11

Access to Global Markets

CORE
COMPETENCE

3

⇒ P.12-13

Our Highly Engaged and Diverse Human Resources

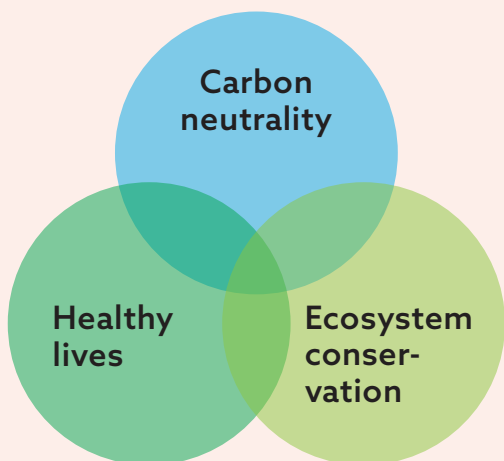
Sumitomo Chemical recognizes three core competencies: Its ability to develop innovative solutions by leveraging its technological expertise in diverse areas, its access to global markets, and its highly engaged and diverse human resources. These three cores have been cultivated under the tenets of its Management Principles.

Making the most of these competences, Sumitomo Chemical is fully focused on solving social issues surrounding the environment and food, and improving the quality of life of people.

Contribute to helping resolve major social issues through our business activities from the perspective of Green Transformation (GX) in a broad sense

Major GX challenges for Sumitomo Chemical

⇒ P.8-9



Social issues that Sumitomo Chemical endeavor to solve

Environment



Recover the environment and achieve a world where humans and nature co-exist

Essential Chemicals & Plastics Sector

Energy & Functional Materials Sector

Food



Secure stable food supply and achieve harmony with the environment

Health & Crop Sciences Sector

Healthcare



Secure healthy lifestyles for people throughout the world

Health & Crop Sciences Sector

Pharmaceuticals Sector

ICT



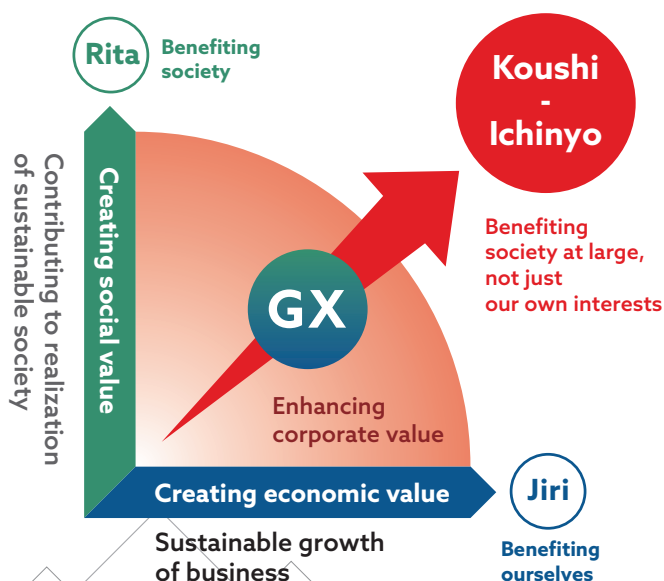
Achieve an inclusive society leveraging ICT

IT-related Chemicals Sector

Provide Solutions

Achieve a Sustainable Society and Sustainable Growth for Sumitomo Chemical Group by Creating Both Economic Value and Social Value

A visualization of enhancing enterprise value through Jiri-Rita Koushi-Ichinyo



CORE
COMPETENCE

1

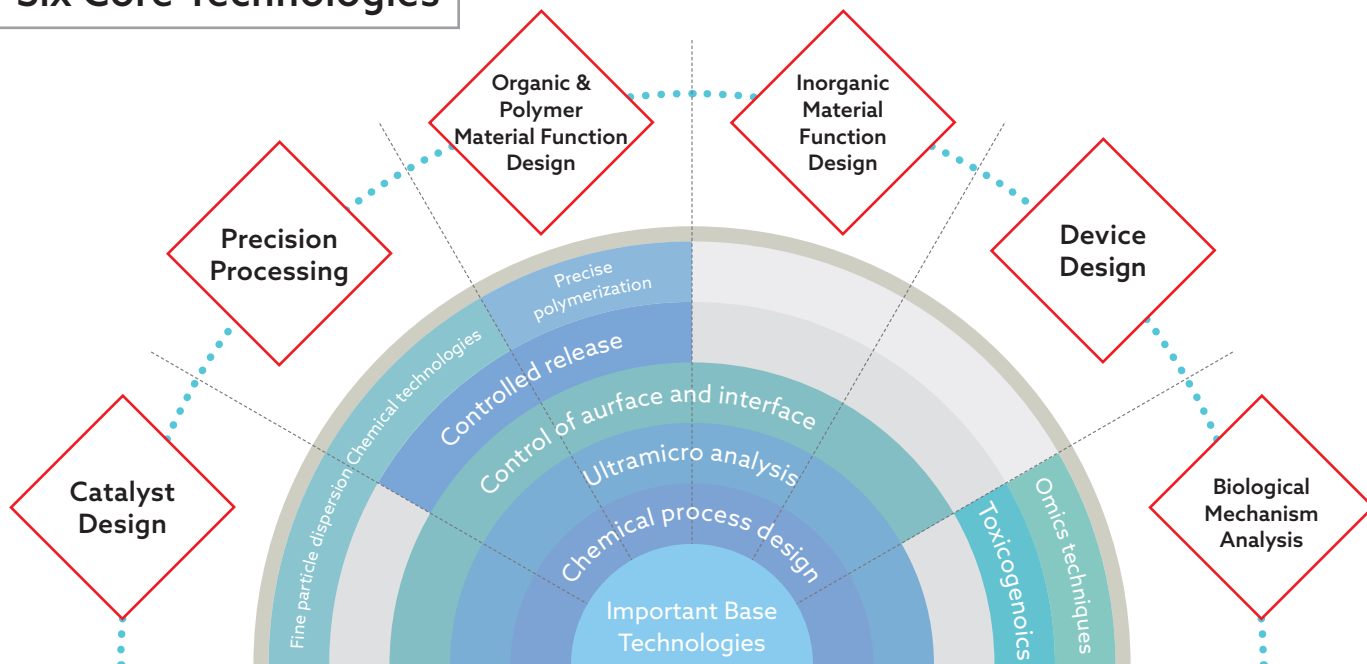
Ability to Develop Innovative Solutions

by Leveraging Its Technological Expertise in Diverse Areas

Sumitomo Chemical's "Six core technologies" were cultivated through extensive research activities over the years. The Company's basic strategy is to deepen these six core technologies, further enhance their base technologies, and create high-value added products and technologies through the fusion of technologies from different fields.



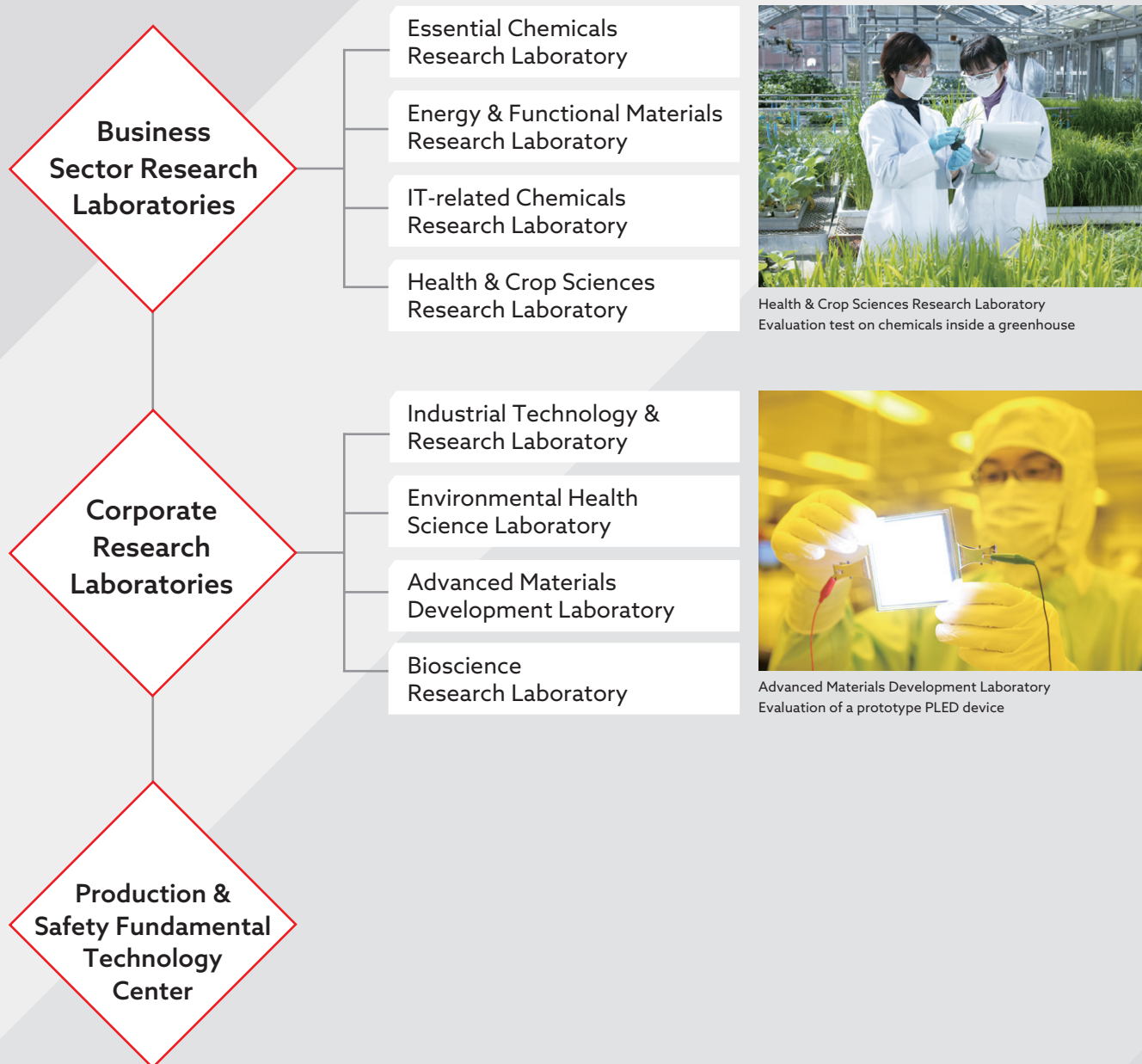
Six Core Technologies



Base Technologies

Organic synthesis, Inorganic synthesis, Analysis of chemical and physical properties, Toxicological safety assessment, Safety engineering, Material & plant engineering technology, Computer simulation

Research and Development Organization



Sumitomo Chemical's research organization comprises the Business Sector Research Laboratories, the Corporate Research Laboratories, and the Production & Safety Fundamental Technology Center. At the Business Sector Research Laboratories, both manufacturing and sales personnel are making concerted efforts on research and development (R&D) of products that maintain, strengthen, and expand their business activities, and R&D of basic and elemental technologies. The Corporate Research Laboratories are engaged in long-term research projects, including development of technologies required to enter new business fields, development of common base technologies that will give a competitive edge to sustain core businesses, and development of next-generation products and processes. The Production & Safety Fundamental Technology Center promotes R&D to strengthen security, disaster-prevention measures, and competitiveness of plants, while actively supporting the company's manufacturing operations.

Toward a Carbon Neutral Sumitomo Chemical

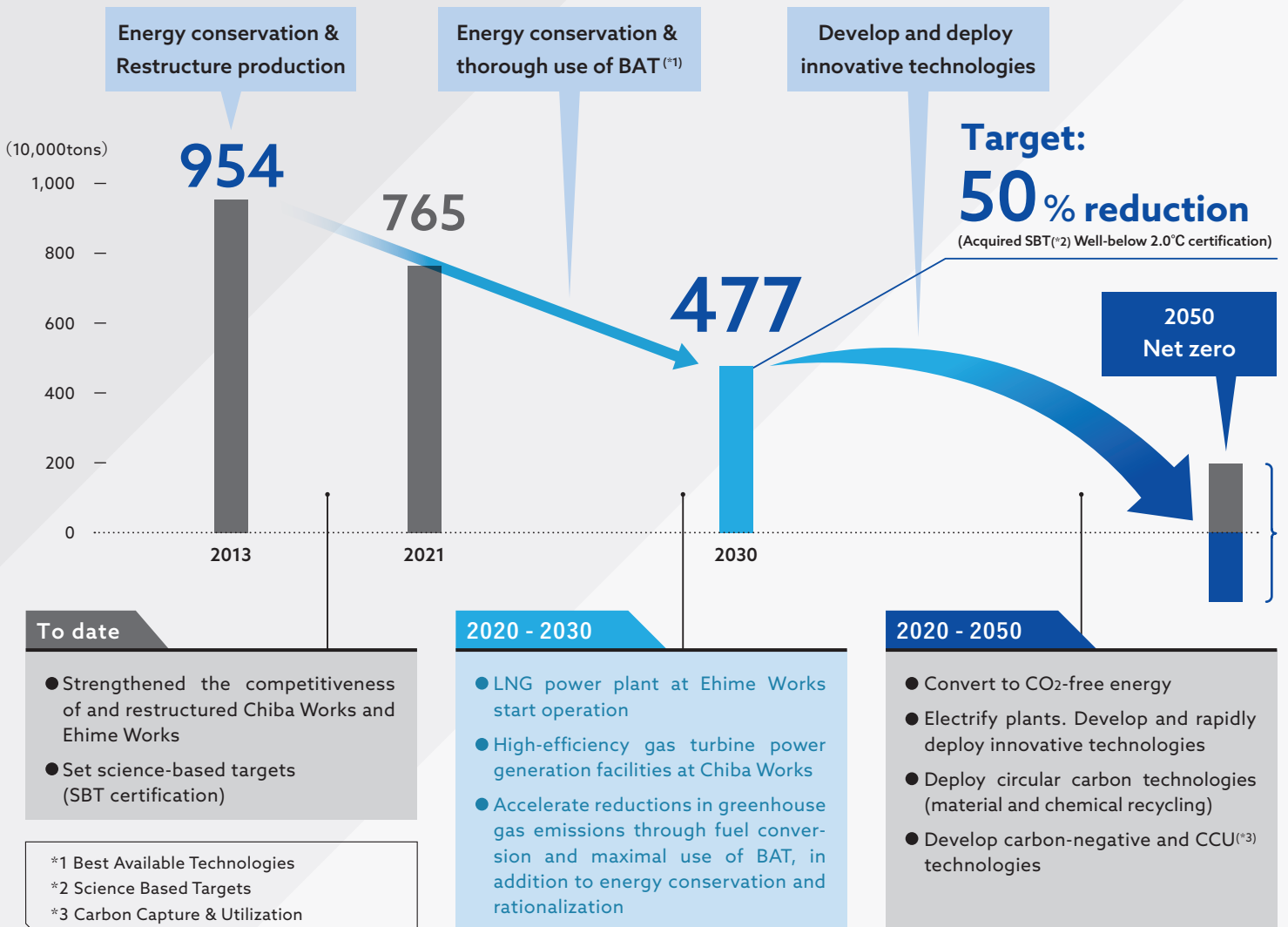
- Formulates Grand Design -

Sumitomo Chemical aims to become carbon neutral by 2050

Fulfill both **obligations** and **contributions** to strive to become carbon neutral by the Sumitomo Chemical Group way

Obligations
Approach zero greenhouse gas emissions for the Sumitomo Chemical Group

The Sumitomo Chemical Group commits itself to reducing its greenhouse gas emissions by 50% by FY2030 (vs. FY 2013 levels)



Contributions

Reduce global greenhouse gas emissions through our group's products and technologies

Work with a variety of stakeholders to be the first to deploy into society products and technologies that contribute to global greenhouse gas reductions

Three perspectives

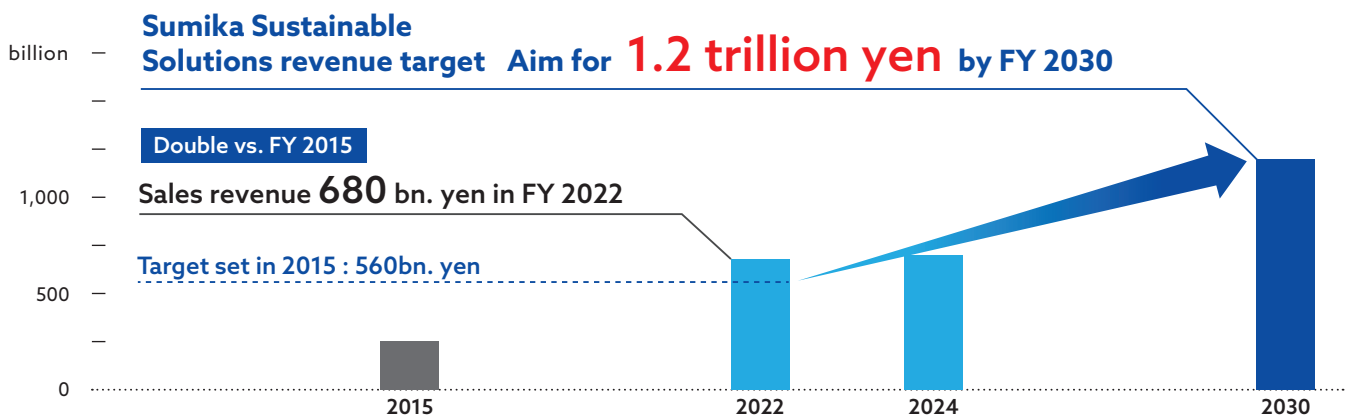
1 Provide products and solutions that contribute to carbon neutrality

2 Drive the development of technologies that contribute to carbon neutrality and their rapid deployment into society

3 Take on long-term challenges including the development of carbon negative technologies

Contributing through Business Sumika Sustainable Solutions*

*An initiative to designate products and technologies that contribute to responding to global warming or reducing environment impact, in order to promote their development and spread



Example of "Sumika Sustainable Solutions" Products and Technologies

Addressing Climate Change

Vector-control pesticides

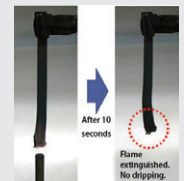
Playing an important role in repelling and exterminating insects that spread infectious diseases, while also facilitating adaptation to the impact of climate change.



Reducing Environmental Impact

Halogen-free flame-retardant elastomer

This elastomer is used in railway and construction materials. It does not contain halogen, but has flame retardance equivalent to halogen-based flame retardant. It curbs emissions of hazardous gases in combustion.



Effective Use of Resources

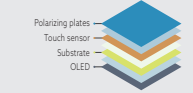
Substrate-less touch sensor

This product can make the full function of the touch sensor without having substrates such as glass and film which were indispensable elements in conventional touch sensors. For this reason, this product contributes to resource saving.

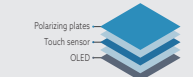


This sensor can be used for bezelless and flexible displays, because it can be easily bent

Conventional touch sensor



Substrate-less touch sensor



Biorationals (Microbial pesticides, plant growth regulators, biorational rhizosphere)

Biorationals use active ingredients derived from naturally occurring substances, contributing to a sustainable agriculture and stable supply of safe and secure food.



CFP-TOMO™ : Our Proprietary Carbon Footprint of Products Calculation Tool

- CFP-TOMO™, a tool that will enable anyone to easily calculate the carbon footprint of products (the amount of greenhouse gases emitted over each product's "Cradle to Gate" lifecycle), was developed by Sumitomo Chemical
- We completed carbon footprint evaluations for about 20,000 of our products, and are also in the process of performing CFP evaluations for the main products of group companies
- By making the tool freely available to other companies, we are contributing to quantifying and reducing greenhouse gas emissions for society as a whole and have started working with the Japan Chemical Industry Association



CORE
COMPETENCE

2

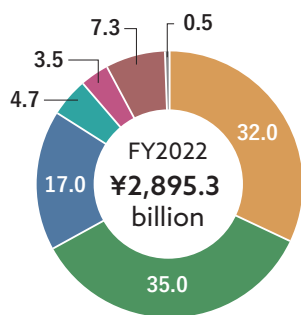
Access to Global Markets

Sumitomo Chemical has actively globalized all of its businesses to respond to changes in the global economy and social frameworks. The Company will continue to provide its solutions globally and create new value.

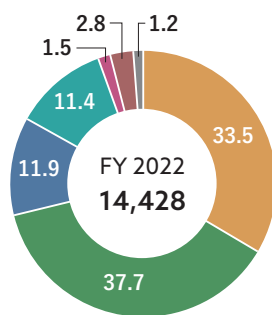


Information by Region

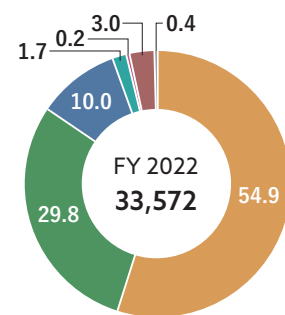
Sales Revenue by Region (%)



Patents Held by Region (Non-consolidated) (%)



Employees by Region (%)



Japan Asia North America Europe Middle East and Africa Central and South America Oceania and Others



Saudi Arabia
Rabigh Refining and Petrochemical Company



South Korea
SSLM Co.,Ltd.



China
Sumika Electronic Materials (Wuxi) Co., Ltd.



United States
Valent BioSciences LLC

Domestic Facilities



Head Office (Tokyo)



Head Office (Osaka)



Misawa Works



Ibaraki Works



Advanced Materials Development Laboratory (Tsukuba)



Chiba Works



Health & Crop Sciences Research Laboratory (Takarazuka)



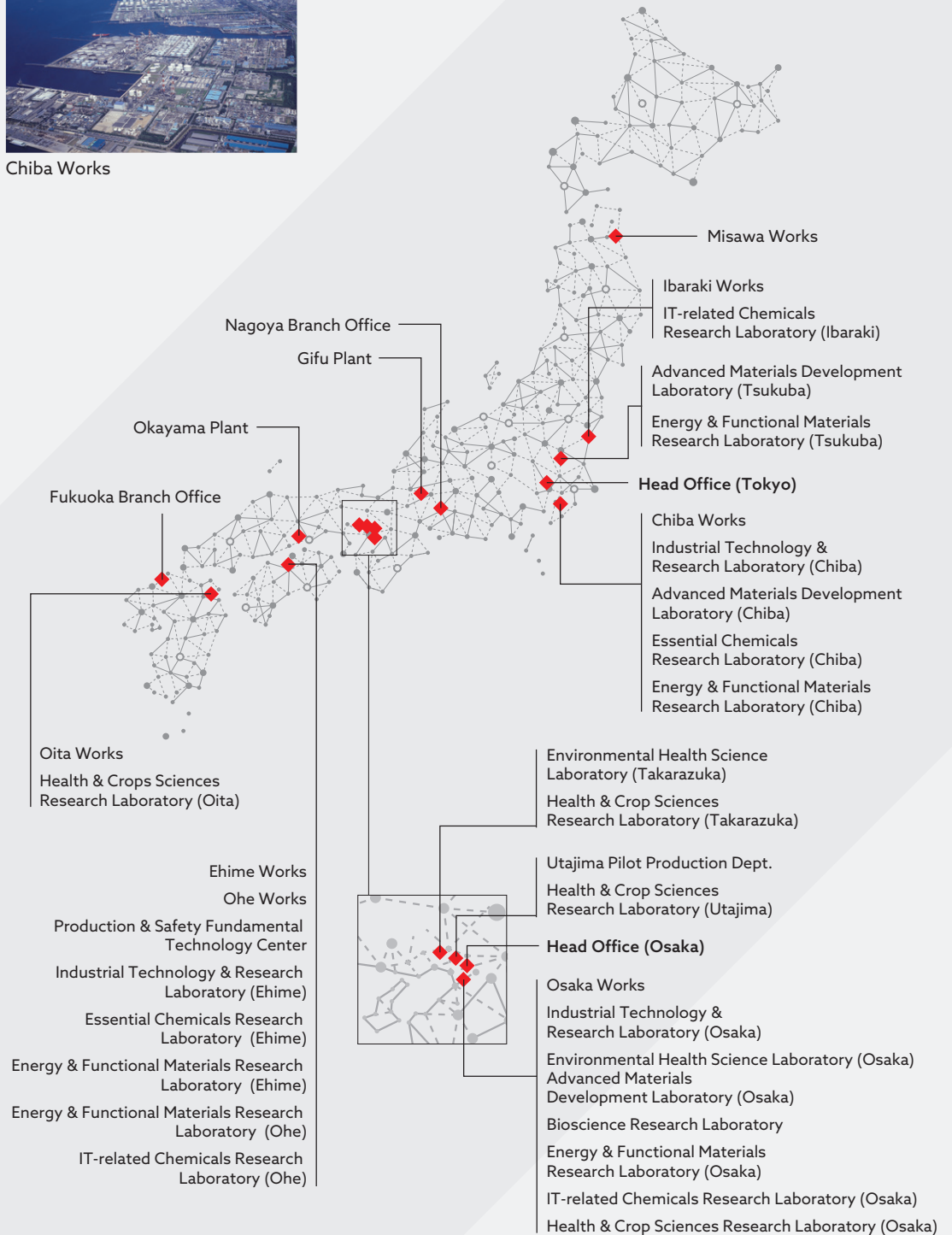
Osaka Works



Ehime Works, Ohe Works



Oita Works



CORE
COMPETENCE

3

Our Highly Engaged and Diverse Human Resources

The Sumitomo Chemical Group has more than 30,000 employees working around the world. Some of the greatest strengths of the Group are the engagement of our employees, in other words, the high degree of connection between the awareness of our employees and our business activities, and the diverse backgrounds of our human resources.



Instilling the Corporate Philosophy The Sumitomo Chemical Group Global Project

To accelerate the promotion of sustainability, the Sumitomo Chemical Group considers it essential that all executives and employees share the Corporate Philosophy, have a deep understanding of sustainability, and work together to carry out our initiatives. As an effort to engage all officers and employees and promote this "participation by all" principle, we have run the Global Project* since 2014.

*"Global Project" has been renamed "JIRI-RITA ACTION" in FY2023.

FY2022 Project

Employees posted about the future that they envision on a dedicated website. We then took the posts submitted by employees from around the world and created a mosaic art piece from it.

Number of participating companies

103

Posts

6,881



A post from one of the Group's employees



The completed mosaic art piece

Human Resources

'People' are a major source of corporate competitiveness, and securing and developing human resources is a key issue for our future value creation. Sumitomo Chemical will promote the securing and development of human resources, which we consider to be our most important management resource, from a long-term perspective and achieve sustainable growth of our Group through enhanced engagement.

DE&I

We have raised "Diversity, Equity & Inclusion (DE&I)" as one of the material issues to be addressed as management priorities, and are promoting gender equality.

Percentage of female employees in managerial positions and above

9.5%

(FY2022 - Non-consolidated)

Percentage of male employees taking maternity leave

78.7%*

(FY2022 - Non-consolidated)

*104.7% based on the calculation method under the Child Care and Family Leave Law in Japan.

Human Resources Development and Growth

In accordance with our personnel system's basic philosophy of "development and growth," we have established a step-by-step, purpose-driven training system to improve the skills of all of our motivated and capable employees.

Investment in Training (FY2022 - Non-consolidated)

Results

Approx. **¥350,000**
/ year per person

Target

¥300,000
/year per person or more continuously

Time Spent on Training (FY2022 - Non-consolidated)

Results

24.6%
of regular working hours

Target

50% or more of all employees taking self-selected training programs by FY2024

Training DX human resources

Aiming to allocate DX personnel to all departments, we have trained digital-talented personnel in R&D, production and business and corporate units, who will successfully lead DX.

DX human resources (Non-consolidated)

R&D and Production Units
Target by FY2024

330 persons

Business and Corporate Units
Target by FY2024

250 persons

DX Strategy

Through our DX activities, we hope to contribute to deliver new value to our customers, by increasing more innovative personnel and creating an organizational culture adopting agility.



Business Sectors

Sumitomo Chemical currently operates businesses in five sectors – Essential Chemicals & Plastics, Energy & Functional Materials, IT-related Chemicals, Health & Crop Sciences, and Pharmaceuticals – and supplies products worldwide that underpin a wide variety of industries and people’s lives.



Essential Chemicals & Plastics Sector

Basic Materials Division / Industrial Chemicals Division / Resin-related Business Development Dept. / Polyolefins Division / Automotive Materials Division / MMA Division

Essential Chemicals & Plastics Sector has manufacturing facilities in Japan, Saudi Arabia, and Singapore, and leverages the strengths of each of these facilities to manufacture synthetic resins such as polyethylene, polypropylene, and methacrylic resin, as well as raw materials for synthetic fibers, and various industrial chemicals. Through these operations, Sumitomo Chemical meets the diverse needs of customers by providing chemical products that underpin a variety of industries.



Automobile seats with cushion materials made using propylene oxide as a raw material



Automobile instrument panel made of polypropylene



Various products made using polyethylene



Large aquarium panel made of methyl methacrylate



A plant in Thailand where Sumitomo Chemical licensed its propylene oxide production method

Energy & Functional Materials Sector

Inorganic Materials Division / Specialty Chemicals Division / Advanced Polymers Division / Battery Materials Division

The Energy & Functional Materials Sector provides a wide variety of functional chemical products that contribute to reducing the environmental impact and conserving energy and natural resources, including inorganic materials such as alumina used in energy-saving products, high-performance polymer additives, super engineering plastics and lithium-ion secondary battery materials used in electronic components and next-generation vehicles.



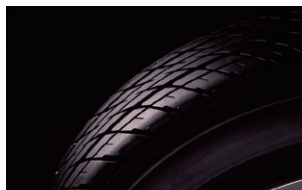
Products made using alumina and alumina powder



Aluminum ingots



Resorcinol



A tire made using synthetic rubber



Super Engineering Plastics



Separator "PERVIO™"

IT-related Chemicals Sector

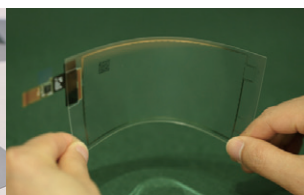
Optical Materials Division / Electronic Materials Division / SCIOCS Division

The IT-related Chemicals Sector provides a wide range of products to support the age of IoT:

optically functional films, touch screen sensor panels, color resists and polymer OLED materials that are used to make LC and OLED displays; photoresists and high-purity chemicals required in the semiconductor manufacturing process; compound semiconductor materials used in antenna switches and other components of communication terminal equipment.



Polarizing films "SUMIKARAN™"



Touch screen sensor panels



Color Resists "DyBright™"



Polymer OLED inks



Photoresist "SUMIRESIST™"



Compound Semiconductor materials

Health & Crop Sciences Sector

AgroSolutions Division - Japan / AgroSolutions Division - International / Environmental Health Division / Animal Nutrition Division / Pharma Solutions Division

The Health & Crop Sciences Sector is engaged in the manufacture and sale of crop protection chemicals, fertilizers, feed additives, household insecticides, products for control of infectious diseases, and active pharmaceutical ingredients and intermediates. By providing these products, Sumitomo Chemical aims to contribute to a stable supply of crops, help increase food production in response to an increase in the world population, prevent the spread of infectious diseases, and achieve hygienic and healthy lives.



Various crop protection chemicals, including insecticides and herbicides



Products used for insecticides



Olyset™plus



DL-methionine and methionine hydroxy analog used as feed additives



Active pharmaceutical ingredients

Pharmaceuticals Sector

Sumitomo Chemical's pharmaceuticals business began in 1935 with the construction of a modern manufacturing plant based on its advanced organic synthesis technology, which enabled integrated production, from raw materials to finished pharmaceutical products. At present, the company is developing the Sector through Sumitomo Pharma Co., Ltd., engaged in the prescription pharmaceuticals business, and Nihon Medi-Physics Co., Ltd., engaged in the diagnostic pharmaceuticals business.

Sumitomo Pharma Co., Ltd.



Pharmaceutical research

Nihon Medi-Physics Co., Ltd.



Manufacturing of PET radiopharmaceuticals

Sumitomo Chemical Group's Sustainability

The Sumitomo Chemical Group defines the Ground Rules for Promoting Sustainability as "Contributing to a sustainable society through business while achieving our own sustainable growth." This has been our stance based on Sumitomo's Business Philosophy of "Our business must benefit society at large, not just our own interests." In promoting sustainability, we are committed to generate both economic value ("Jiri") and social value ("Rita") through innovation as well as contribute to addressing critical issues that face international community, including the achievement of the Sustainable Development Goals (SDGs).

External Evaluations (ESG-Related)

ESG stands for Environmental, Social and Governance. Major awards and credits Sumitomo Chemical has received for its ESG initiatives are shown below.



CDP "Climate A List 2022"
"Water Security A List 2022"



Health & Productivity
Management Outstanding
Organization in 2023



EcoVadis Sustainability
Rating 2023 "Gold"

SUMITOMO CHEMICAL COMPANY, LIMITED

Company name SUMITOMO CHEMICAL COMPANY, LIMITED
Founded September 22, 1913
Capital 89,810 million yen (as of March 31, 2023)



<https://www.sumitomo-chem.co.jp/english/>

