

Sumitomo Chemical Announces its Participation in the United Nations Global Compact

Sumitomo Chemical announced its participation in the United Nations Global Compact on January 1, 2005, becoming the first Japanese chemical company to engage in the initiative. The Global Compact is a voluntary program that seeks to advance responsible corporate citizenship among major companies around the world by promoting 10 principles of conduct covering four areas; human rights, labor standards, environmental preservation, and anti-corruption. The Compact is based on the ideals expressed by United Nations Secretary-General Kofi Annan in his address to the World Economic Forum in Davos in January 1999. As of January 1, 2005, approximately 1,800 companies are participating in the compact worldwide, including 26 companies from Japan.

Sumitomo Chemical is undertaking Corporate Social Responsibility (CSR) activities in all sectors of its business operations as one of the important management initiatives. Following its basic principles for CSR that were established in the fall of 2004, the company has been vigorously carrying out a variety of activities including; the promotion of Sustainable Chemistry to provide society with useful products while minimizing the environmental impact by the continuous pursuit of technological innovations in chemistry, green procurement programs, and the Roll Back Malaria Campaign initiated by the World Health Organization.

Sumitomo Chemical aims to further enhance its CSR efforts through participation in the Global Compact, promoting a greater understanding of the company's activities among its stakeholders both in Japan and abroad while at the same time establishing broad and global networks with various organizations in the world such as the United Nations.

The Global Compact's Ten Principles

Human Rights

Principle 1: The support and respect of the protection of international human rights;

Principle 2: The refusal to participate or condone human rights abuses.

Labor Standards

Principle 3: The support of freedom of association and the recognition of the right to

collective bargaining;

Principle 4: The abolition of compulsory labor;

Principle 5: The abolition of child labor;

Principle 6: The elimination of discrimination in employment and occupation.

Environment Preservation

Principle 7: The implementation of a precautionary and effective program to environmental issues;

Principle 8: Initiatives that demonstrate greater environmental responsibility;

Principle 9: The promotion of the diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: The promotion and adoption of initiatives to counter all forms of corruption, including extortion and bribery.