



# The Dream of Chemistry In Your Life.

**SUMITOMO CHEMICAL**  
CORPORATE PROFILE

# At a Glance

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Founded in

1913

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Number of overseas facilities

82

(As of April, 2020)

Number of consolidated subsidiaries

184

(As of March 31, 2019)

Number of employees

32,542

on a consolidated basis

(As of March 31, 2019)

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Consolidated sales revenue

2,318.6

billion yen  
(FY2018)

Number of patents held

12,659

(As of April, 2019)

## 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). 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.

# 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.**

# Creative Hybrid Chemistry For a Better Tomorrow

## Sumitomo Chemical's Strengths

CORE  
COMPETENCE

1

⇒ P.6-9

**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

**Loyal Employees**

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 loyal employees. These three cores have been cultivated under the three 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.



# Challenges & Business Opportunities

Provide Solutions

**Achieve a Sustainable Society and Sustainable Growth**

for Sumitomo Chemical by Creating Both Economic and Social Values



## Contributing to the Achievement of the SDGs

Through its innovative technology, Sumitomo Chemical Group aims to achieve a sustainable world while also attaining its own sustainable growth. This will also help us align with the Sustainable Development Goals (SDGs) set forth by the United Nations. Going forward, we progress our business with the responsibility to create a world where our planet can thrive, benefiting every one of us.



CORE  
COMPETENCE

1

## Sumitomo Chemical's Strengths

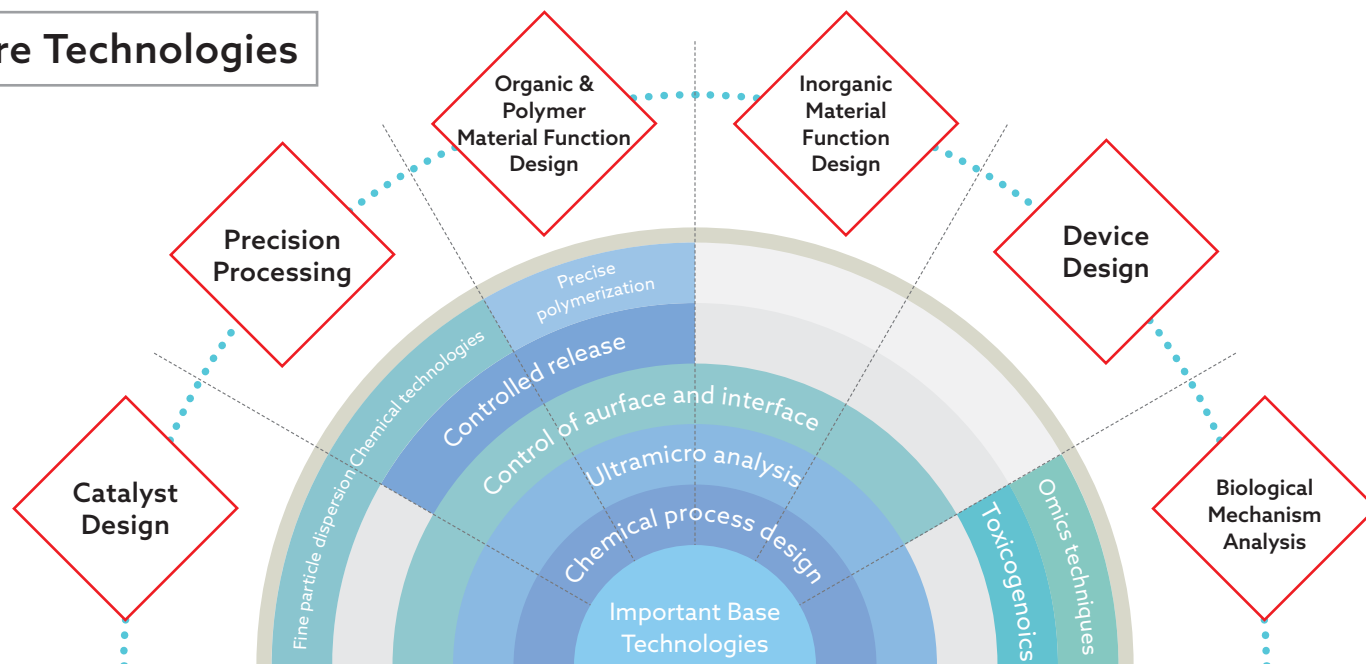
# Ability to Develop Innovative Solutions

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.



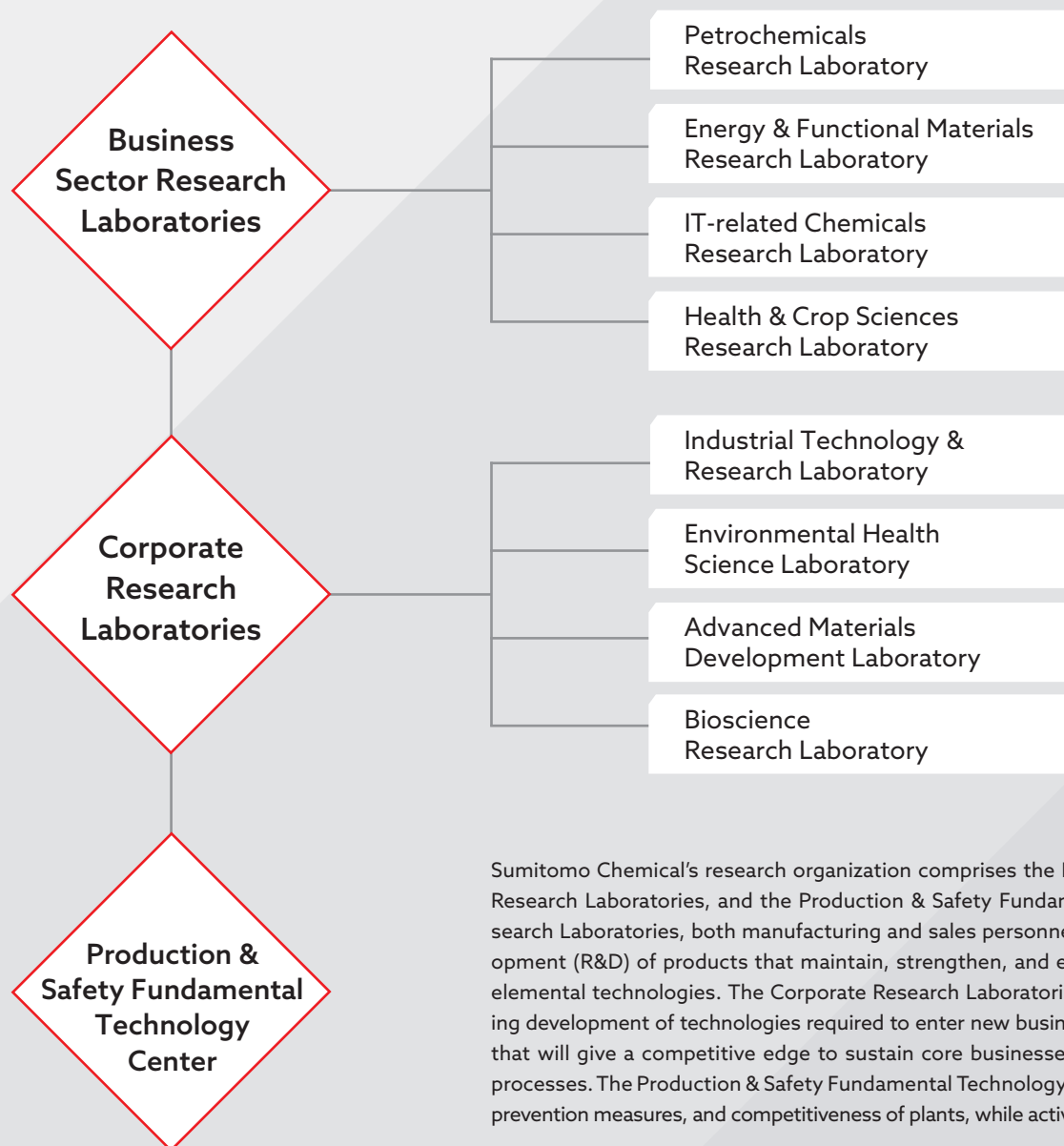
## Six Core Technologies



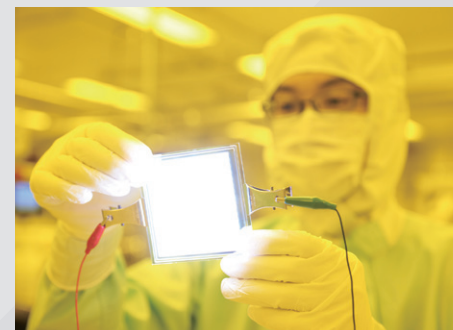
## Base Technologies

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



Health & Crop Sciences Research Laboratory  
Evaluation test on chemicals inside a greenhouse



Advanced Materials Development Laboratory  
Evaluation of a prototype PLED device

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.

# Accelerate the Development of Next-Generation Technologies and Create New Businesses

for a Sustainable Society

Sumitomo Chemical has identified four priority areas to be addressed over the medium-to long-term. Focusing on these fields, the Company will leverage its core technologies to accelerate innovation and create new solutions for social challenges and trends around the world.

CORE  
COMPETENCE  
**1**

## Health Care



### Sumika Sustainable Solutions

#### 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.



### Sumitomo Chemical's Challenge

The Company is working on healthcare solutions that go beyond pharmaceutical products, by way of advanced pharmaceutical businesses such as nucleic acid, regenerative and cell medicines.



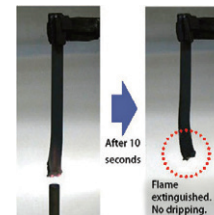
## Reducing Environmental Impact



### Sumika Sustainable Solutions

#### 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.



### Sumitomo Chemical's Challenge

The Company is developing next-generation battery materials, separation membranes to increase energy efficiency, and low environmental impact bio-processes using synthetic biology.





## Sumika Sustainable Solution

The "Sumika Sustainable Solutions" are initiatives started in November 2016 to identify products and technologies that address climate change and reduce the environmental impact and to accelerate their development and widespread use. The Company aims to double the sales of these identified products and technologies by the end of fiscal 2021.

## Food



### Sumika Sustainable Solutions

#### 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.



### Sumitomo Chemical's Challenge

The Company is engaging in precision agricultural businesses, food sensing-related businesses, and breeding using genome editing technologies.



## ICT

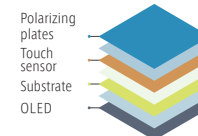


### Sumika Sustainable Solutions

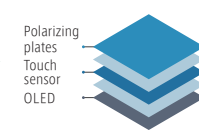
#### Substrate-less touch sensor

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.

#### Conventional touch sensor



#### Substrate-less touch sensor



This sensor can be used for bezel-less and flexible displays, because it can be easily bent

### Sumitomo Chemical's Challenge

The Company is working on developing next-generation display and semiconductor-related materials and components for realizing Society 5.0 (super-smart society) and smart mobility.



CORE  
COMPETENCE

1

## 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.



### In-Depth Global Management

Sumitomo Chemical operates competitive businesses worldwide by combining the optimal technologies, locations, partners and personnel.



Saudi Arabia  
Rabigh Refining and Petrochemical Company



South Korea  
SSLM Co., Ltd.



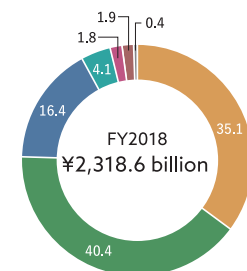
China  
Sumika Electronic Materials (Wuxi) Co., Ltd.



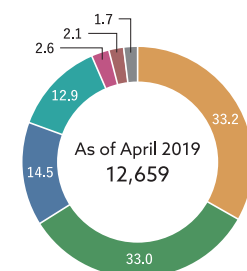
United States  
Valent BioSciences LLC

### Information by Region

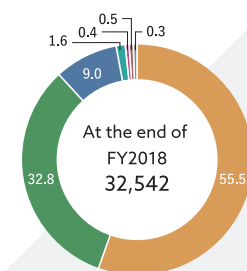
#### Sales Revenue by Region (%)



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



#### Employees by Region (%)





# Domestic Facilities



Head Office (Tokyo)



Misawa Works



Advanced Materials Development Laboratory (Tsukuba)



Chiba Works



Head Office (Osaka)



Osaka Works



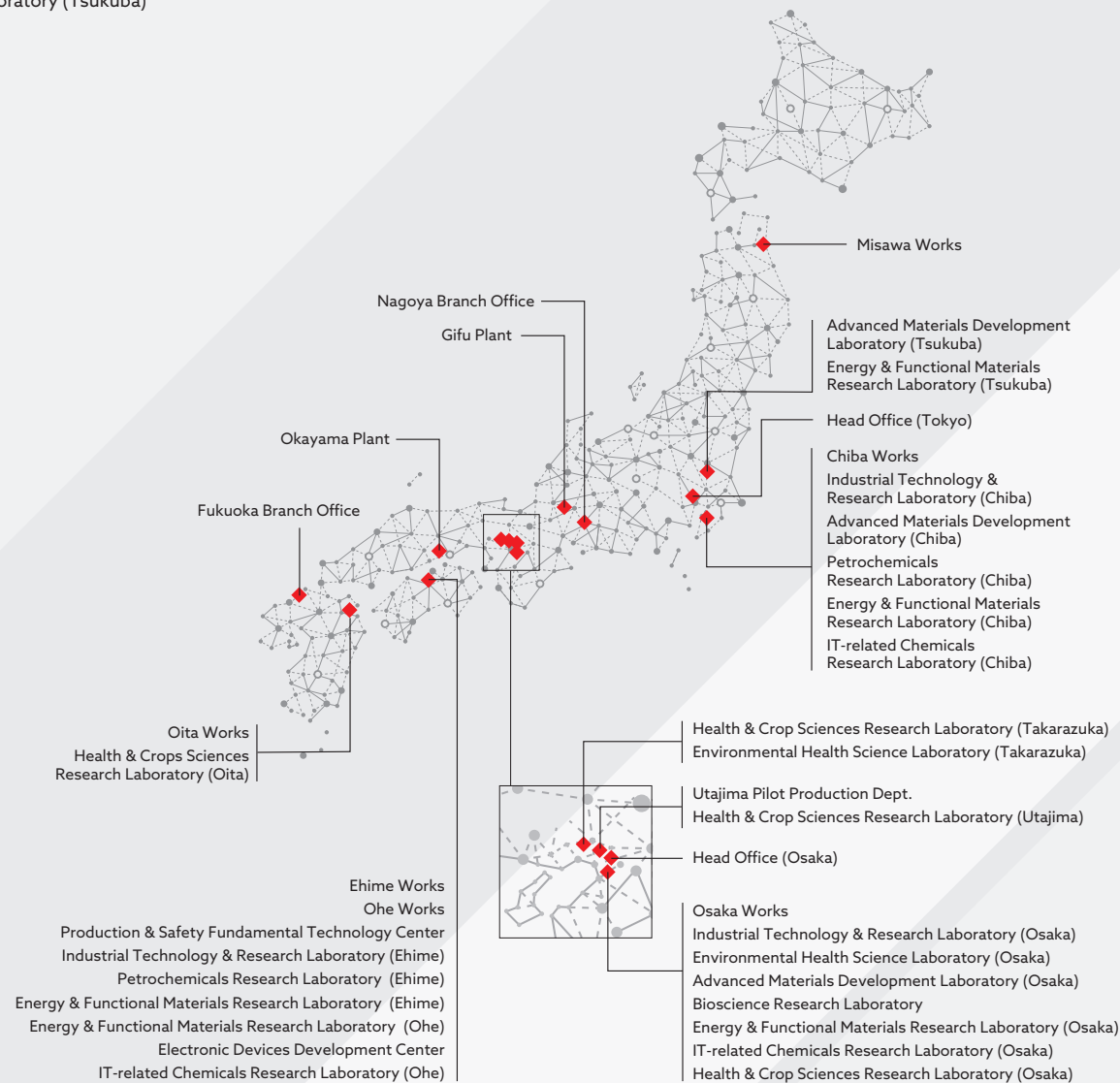
Health & Crop Sciences Research Laboratory (Takarazuka)



Ehime Works, Ohe Works



Oita Works



CORE  
COMPETENCE

3

## Loyal Employees

The Sumitomo Chemical Group has about 33,000 employees working around the world. One of the greatest strengths of the Group is that all employees undertake their day-to-day duties with a sense of mission and loyalty to the company.



## Responsible Care

Responsible Care (RC) activities refer to the voluntary initiatives taken by business operators in the chemical industry, with the goals of:

ensuring safety, the environment, and health throughout the life cycles of chemical products (from development through manufacture, sales, use, and disposal after final consumption); maintaining and improving the quality of those products; and gaining the further trust of society through continuous dialogue.

Sumitomo Chemical Group engages in RC activities from a variety of perspectives based on the basic principles of "Making safety our first priority".

### Initiatives to Ensure Safety at All Group Workplaces

The Sumitomo Chemical Group aims to achieve zero labor accident across all workplaces by safety measures. Through dialogue with local communities, the Company explains these efforts and tries to deepen mutual understanding on this end.

#### Status of Dialogues with Local Communities (FY2018 - All Sumitomo Chemical Business Locations)

Number  
of dialogues held

42

Number  
of participants

701



# For More Work Satisfaction and Fulfillment

## Employee Survey

(FY2019, average score of all employees)

\*A score of 4 or above is perceived to be a positive rating; a majority of employees affirm their working environment.

One of the basic policies of our Corporate Business Plan is to employ, develop and leverage human resources for sustainable growth. We promote human resource policies that enable a healthy and vibrant work environment for diverse individuals in our personnel system underpinned by the basic principles of "development and growth." We also seek to enhance our employees' sense of satisfaction and fulfillment in their work through the initiative of Sumitomo Chemical's "Let's Do This" Declaration.

Satisfaction with working at the company **4.0 / 5.0**

Workplace culture that does not pressure employees to overwork

**4.1 / 5.0**

Willingness to promote personal growth with the use of digital technology

**4.0 / 5.0**

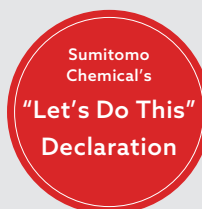
Flexible working environment that allows employees to balance work and child/nursing commitments

**4.2<sup>\*</sup> / 5.0**

Willingness to continue working at the company

**4.3 / 5.0**

\*Average score of female employees with pre-school or elementary school children



## Sumitomo Chemical's "Let's Do This" Declaration

We declare important values and views that would make our employees find significance and feel pride in working at Sumitomo Chemical, and promote this initiative so that they can lead healthy and fulfilling lives, both mentally and physically.

### 1 Work-life Balance

Aiming to harmonize work and private life to lead fulfilling lives

1. Stop long working hours.
2. Create an environment that makes it easy for employees to fully utilize work-life balance systems.
3. Encourage employees to take at least 80% of paid leave and facilitate effective use of flex time system.
4. Prohibit the business order and its execution that assumes holiday or late-night work.
5. Cooperative framework in the workplace.

### 2 Diversity & Inclusion

Respect and leverage diversity, promote active roles for all, and leave no one behind

6. Active roles for both men and women!
7. Let's eliminate preconceptions and assumptions!
8. Let's build a hybrid human resource group!
9. Encourage active roles of people with disabilities.
10. No harassment!

### 3 Development & Growth

Development and growth to help our employees and the company flourish together!

11. Invest in growth for everyone.
12. Study every day, grow every day.
13. Support the desire to learn.
14. Use digital technology to accelerate growth!
15. Allow to take on challenges, and show how it's done.

### 4 Healthy Employees

Good health is a prerequisite for good work and good life!

16. Revise eating habits, achieve healthy weight.
17. A little bit of exercise, a long-lasting health!
18. High performance depends on quality sleep.
19. Smoking does nothing but harm.
20. Don't forget to take care of your mental health.

### 5 How to proceed with work

Reasonable, efficient, and creative work of each employee will lead to the improvement of their skills and the growth of the company.

21. Always review work goals and methods.
22. Make the use of digital technologies a default.
23. Eliminate excessive quality, streamline your work.
24. Maximize the added value of a meeting.
25. Put customers first!

Joint labor and management declaration

Joint declaration by company and corporate health insurance association

Company declaration

# Business Sectors

Sumitomo Chemical currently operates businesses in five sectors—Petrochemicals & 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.



## Petrochemicals & Plastics Sector

The Petrochemicals & 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.

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



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



Caprolactam and nylon products



Automobile instrument panel made of polypropylene



Various products made using polyethylene



Large aquarium panel made of methyl methacrylate

## Energy & Functional Materials Sector

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.

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



Products made using alumina and alumina powder



Aluminum ingots



Resorcinol



A tire made using synthetic rubber



Super Engineering Plastics

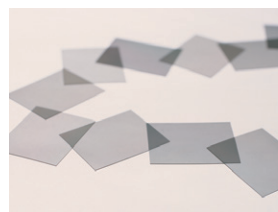


Separator "PERVIO™"

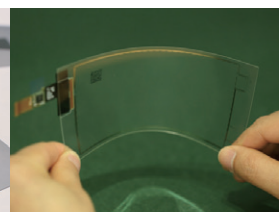
## IT-related Chemicals Sector

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 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.

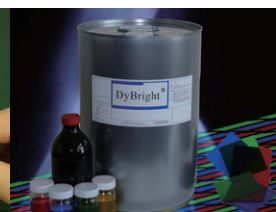
### Optical Materials Division / Electronic Materials Division



Polarizing films "SUMIKARAN™"



Touch screen sensor panels



Color Resists "DyBright™"



Photoresist "SUMIRESIST™"



Compound Semiconductor materials

## Health & Crop Sciences Sector

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.

### AgroSolutions Division – Japan / AgroSolutions Division – International / Environmental Health Division / Animal Nutrition Division / Pharmaceutical Chemicals Division



Various crop protection chemicals, including insecticides and herbicides



Products used for insecticides



Olyset™ Net



DL-methionine and methionine hydroxy analog used as feed additives



Active pharmaceutical ingredients

## Pharmaceuticals Sector

Sumitomo Chemical started its pharmaceuticals business as the first Japanese company to manufacture synthetic pharmaceuticals based on its advanced organic synthesis technology. The company is currently developing the Sector through Sumitomo Dainippon Pharma Co., Ltd., specialized in the prescription pharmaceuticals business, and Nihon Medi-Physics Co., Ltd., specialized in the radiopharmaceuticals business.

### Sumitomo Dainippon Pharma Co., Ltd.



Osaka Research Center

### 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." Sumitomo Chemical is committed to generate economic value (jiri\*) and social value (rita\*) through innovation (Rule 1 of the Ground Rules for Promoting Sustainability). These initiatives are based on continuation of safe and stable operations, thorough compliance, and the health of our employees.

The Company continues to focus on its day-to-day activities, taking them to a higher level.

## 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.

ESG-Related Awards  
and Evaluations



CDP "Climate A List 2019"

Inclusion in ESG Indexes



FTSE Blossom  
Japan

FTSE Blossom Japan Index



2018 Constituent  
MSCI Japan ESG  
Select Leaders Index

MSCI Japan ESG Leaders Index

 **SUMITOMO CHEMICAL COMPANY, LIMITED**

Company name SUMITOMO CHEMICAL COMPANY, LIMITED

Founded September 22, 1913

Capital 89,699 million yen (as of March 31, 2020)



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

