

Responsible Care

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Promoting Responsible Care Activities Rooted in Local Communities

At Sumitomo Chemical, policies and targets relating to Responsible Care are shared across the entire Group, in an effort not only to establish and maintain safe and stable operations, which is a part of the basic policy for the Corporate Business Plan, but also in an effort to ensure safety, environmental friendliness, and health throughout the lifecycle of products, and to maintain and improve the quality of the chemical products and services we deliver.

Currently, we have positioned dedicated Responsible Care personnel at regional headquarters in Europe, the Americas, China, and the wider Asia-Pacific region. This has enabled us to develop Responsible Care activities rooted in each region. Since 2016, we have set Safety Ground Rules for the entire Group as a measure to ensure safety across all Group workplaces, and notified all Group employees of them, in order to eliminate labor accidents and improve safety activities. Furthermore, we strive to ensure safety and protect the environment in these regions, and explain these efforts to our neighbors, working to deepen mutual understanding through dialogue.

As global-scale issues pile up, including the response to climate change, the creation of a circular economy, and considerations for biodiversity, we, as people engaged in the chemical industry, duly regard the society's trust in us as the starting point to continue our business. We also believe that it is the chemical industry that can deliver solutions to these issues. In order to secure the license to operate from our customers, our neighbors, and our employees, we will continue to promote Responsible Care activities throughout the Group.

Occupational Safety and Health, Industrial Safety and Disaster Prevention

Initiatives to Ensure Safety at All Group Workplaces

The Sumitomo Chemical Group aims to achieve zero labor accidents across all workplaces through safety measures. Moreover, in order to ensure safety and peace of mind for the local community, we are conducting thoroughgoing voluntary safety management. Specifically, in order to minimize the risk of damage when a natural disaster occurs, such as a large-scale earthquake, we are periodically refurbishing facilities and buildings to ensure earthquake resistance. We also aim to minimize safety risks by focusing not just on the risks hidden in regular operations, but also on risks in non-typical operations, such as when a plant undergoes an emergency stop or when it is restarted after being stopped.

Status of Dialogues with Local Communities (FY2017 – All Sumitomo Chemical Business Locations)

Number of dialogues held

40

Number of participants

Approx. **690**



A local dialogue



A tour of a plant

Environmental Protection and Addressing Global Climate Change

Toward the Creation of a Sustainable Society

Sumitomo Chemical and its major Group companies have set common goals for environmental activities, endeavoring to reduce the environmental burden of the Group as a whole. In particular, as a response to climate change, the Sumitomo Chemical Group has announced that it will set goals in accordance with the Science Based Targets (SBT) initiative, which aims to help companies set goals to voluntarily reduce greenhouse gas emissions that conform to the 2°C goal set by the Paris Agreement, and the Group has already begun working to meet those goals. Specifically, we have begun reviewing systems to promote energy-saving investments, in order to reduce greenhouse gas emissions at each plant. Moreover, starting in fiscal 2017, the Sumitomo Chemical Group began disclosing data that complies with the GHG Protocol, an international standard for greenhouse gas emission disclosure. Going forward, we will further enhance coordination between units such as plants, research facilities, and production technology departments, in an effort to accelerate technological innovations that promote reductions in greenhouse gas emissions. In addition, as it is a precious resource, we are working to reduce the amount of water we use, through effective utilization depending on the application.

Product Stewardship, Product Responsibility, and Quality Assurance

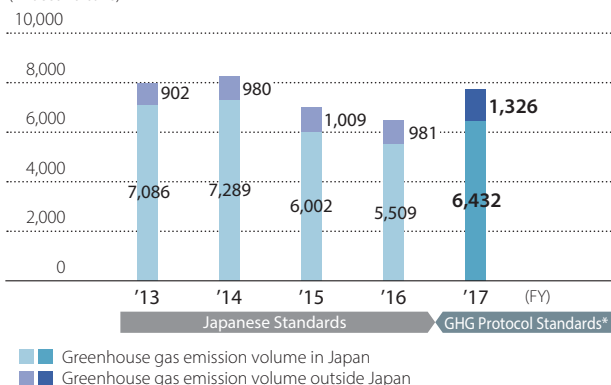
For the Safety and Peace of Mind of Our Customers

The Sumitomo Chemical Group estimates the degree of impact our chemical products have in terms of safety on people and the environment throughout their lifecycle, and promotes activities to protect people's health and the environment based on those risks. As part of its Eco First Commitments, Sumitomo Chemical is currently reassessing that the products it sells are of sufficient quality so that customers can use them safely, and publishing the results as safety summaries*. Going forward, Group companies will periodically conduct similar reviews for the products they sell, disclosing such information from a global perspective. In order to be able to deliver products and services of a quality that customers around the world can use safely, we will not only ensure that day-to-day management is conducted thoroughly, we will also continue to work to improve our products and services.

* Documents that record safety information for chemical substances

Greenhouse Gas Emission Volume

(Thousand tons)

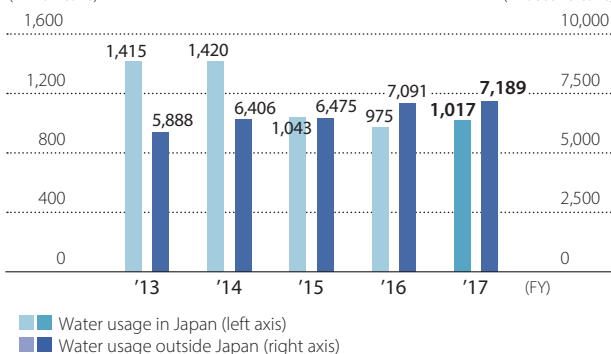


* Under GHG Protocol standards, the computation includes volumes that were not included in previous computations, including the volume of CO₂ emissions from energy use sold to other parties by the Sumitomo Chemical Group, the volume of CO₂ emissions from energy use from non-production facilities of Sumitomo Chemical itself, and the volume of CO₂ emissions from non-energy use that was excluded from the computation under the Act on Promotion of Global Warming Countermeasures.

Water Usage in Japan*1,3 / Water Usage outside Japan*2,3

(Million tons)

(Thousand tons)



*1 Consolidated total for Sumitomo Chemical and major Group companies in Japan (for production plants)

*2 Consolidated total for major Group companies outside Japan (for production plants)

*3 Water usage volume includes seawater

Eco-First Commitments



Promise Example

We will promote the management of chemical substances and the risk communications in an appropriate and proactive manner using proprietary technology.

Results

We have completed hazard assessments for all substances in our initial plan, and published **41** safety summaries.

Sumitomo Chemical has participated in the Eco-First Program of Japan's Ministry of the Environment since November 2008. As a leading company in the chemical industry, Sumitomo Chemical is committed to fulfilling its Eco-First commitments to the Japanese Minister of the Environment while ensuring legal compliance and enhancing RC activities.