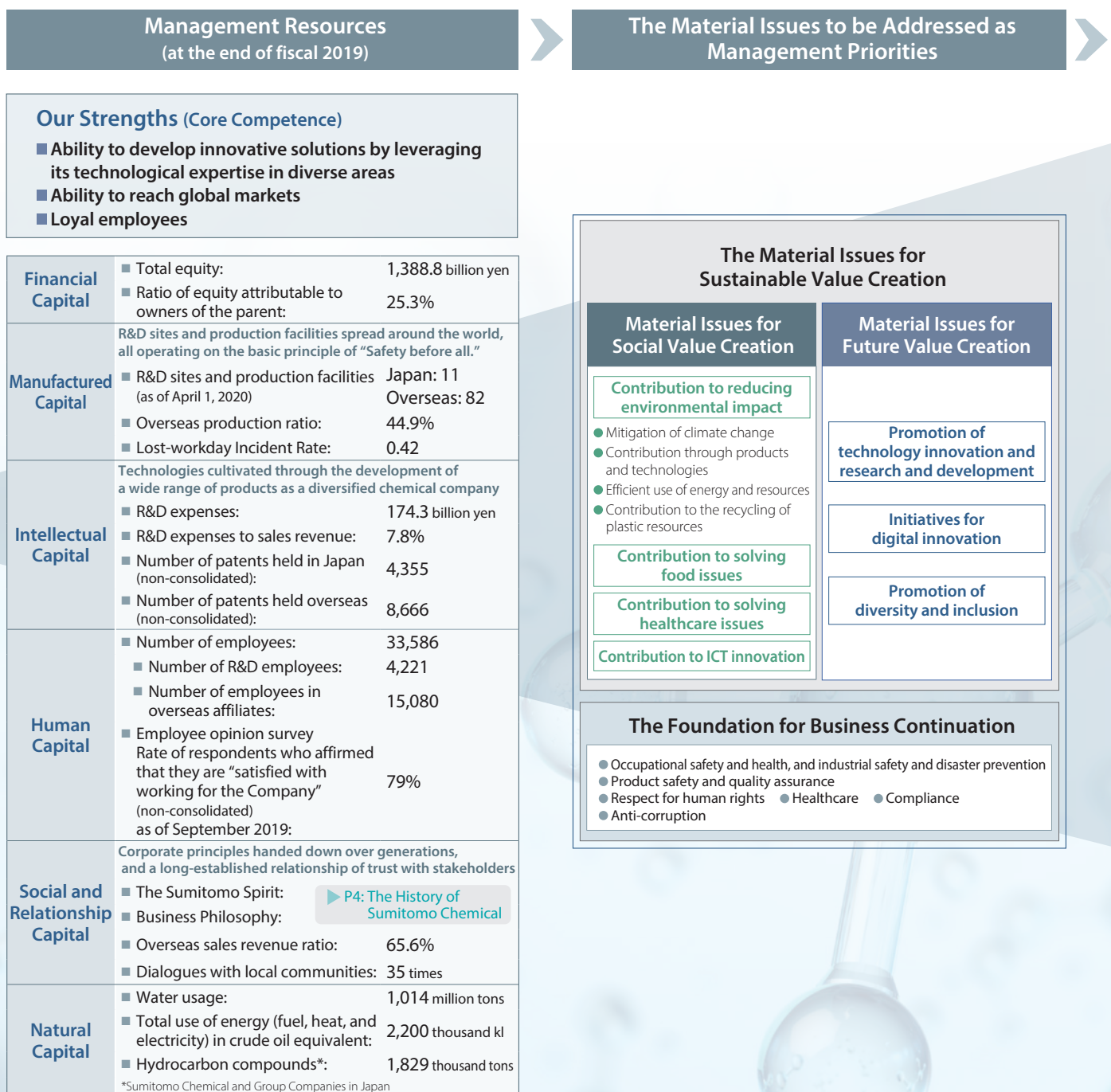


# Flow of Value Creation

## Growing the Company and Contributing to Society through the Power of Chemistry

The Sumitomo Chemical Group operates five businesses by maximizing the three strengths and management resources it has cultivated since its foundation to create social and economic value in an integrated manner. The Company aims to build a sustainable society while achieving its own sustainable growth.



## Corporate Business Plan for FY2019 – FY2021 > P34

## Our Vision

### Slogan and Basic Policy

### Change and Innovation 3.0 For a Sustainable Future

- 1** Accelerate the development of next-generation businesses
- 5** Employ, develop and leverage human resources for sustainable growth
- 2** Improve productivity through digital innovation
- 6** Ensure full and strict compliance and maintain safe and stable operations
- 3** Further improve business portfolio
- 4** Build a more robust financial structure

To deliver solutions to social issues, it is vital to integrate a variety of technologies. This is the very benefit of our company as a diversified chemical company operating in five business sectors on the basis of a broad range of technologies. Sumitomo Chemical makes this benefit a reality. As a conglomerate (company running diverse businesses), we aspire to be a company valued at a premium rather than at a discount. Creating social and economic value in an integrated manner, we will create a sustainable society while attaining our own sustainable growth.

## Our Five Business Sectors

### Petrochemicals & Plastics > P42

**Major Products and Businesses**  
Petrochemical products, inorganic chemicals, material for synthetic fibers, organic chemicals, synthetic resin, methacryl, synthetic resin processing products, etc.

### Energy & Functional Materials > P46

**Major Products and Businesses**  
Alumina products, aluminum, specialty chemicals, additives, dyestuffs, synthetic rubber, super engineering plastics, battery materials, etc.

### IT-related Chemicals > P50

**Major Products and Businesses**  
Optical materials, semiconductor process materials, compound semiconductors, touchscreen panels, etc.

### Health & Crop Sciences > P54

**Major Products and Businesses**  
Crop protection chemicals, fertilizers, agricultural material, household insecticides, products for control of infectious diseases, feed additives, active pharmaceutical ingredients and intermediates, etc.

### Pharmaceuticals > P58

**Major Products and Businesses**  
Ethical pharmaceuticals, diagnostic radiopharmaceuticals, etc.

	KPI	Numerical Target
<b>Economic Value</b>	■ ROE	Over 10%
	■ ROI	Over 7%
	■ D/E ratio	Approx. 0.7 times
	■ Payout ratio	Approx. 30%
<b>Social Value</b>	■ Greenhouse gas emissions of the Group (Scope 1+2)	Reduce by 30% by fiscal 2030 (vs. fiscal 2013)  Reduce by over 57% by fiscal 2050 (vs. fiscal 2013)
	■ Sales revenue of products designated as Sumika Sustainable Solutions*	560 billion yen in fiscal 2021
	■ Energy intensity index	Improve by 3% or more during the 3 years of each Corporate Business Plan
	■ Percentage of female employees in positions equivalent to manager or above (non-consolidated)	Over 10% by 2022
▶ P27: List of KPIs		

\* An initiative to designate Group products and technologies that can help tackle global warming or reduce environmental burdens, and promote their development and spread in society.