

Flow of Value Creation

In line with Sumitomo Spirit and other Corporate Philosophy, we are developing five businesses by leveraging our core competencies accumulated through more than 100 years of history. In 2019, in order to demonstrate our “contributing to developing a sustainable society,” we have identified “material issues to be addressed as management priorities,” and starting this year, we are working on a New Corporate Business Plan that takes into account green transformation. This will enable us to achieve stable profitability and a sound financial position, while contributing to solving social issues and developing a sustainable society in the environment, food, healthcare, and ICT-related fields. And by making them a further strength, we will be able to sustainably increase our corporate value.

Our roots

The Sumitomo Spirit

→ P. 09

Sumitomo Chemical's Business Philosophy

→ P. 09

Over 100-year history

→ P. 11

Our business & Strengths

Our Business Sectors

Essential Chemicals & Plastics → P. 63

Energy & Functional Materials → P. 67

IT-related Chemicals → P. 71

Health & Crop Sciences → P. 75

Pharmaceuticals → P. 79

Investment of management resources

Sumitomo Chemical's strengths (core competencies) accumulated throughout its history → P. 15

Ability to develop innovative solutions by leveraging its technological expertise in diverse areas

Ability to reach global markets

Loyal employees

Strategy

New Corporate Business Plan

→ P. 35

Change and Innovation
with the Power of Chemistry

Basic Directions

Further improve business portfolio (strengthen and reform businesses)

Improve financial standing

Accelerate the development of next-generation businesses

Obligations and contributions toward becoming carbon neutrality

Improve productivity and strengthen businesses through digital innovation

Employ, develop and leverage human resources for sustainable growth

Ensure full and strict compliance and maintain safe and stable operations

To further Sumitomo Chemical's strengths

The Material Issues to Be Addressed as Management Priorities → P. 39

Key Issues for Sustainable Value Creation

Material Issues for Social Value Creation → P. 41

Contribute to the environment

- Climate change mitigation and adaptation
- Contribute to recycling resources
- Sustainable use of natural capital

Contribute to the food supply

- Advance sustainable agriculture

Contribute to healthcare

Contribute to ICT

Material Issues for Future Value Creation → P. 51

Advance innovation

Bolster competitiveness leveraging DX

Human resources
DE&I*, Development & Growth, Health
*Diversity, Equity & Inclusion

Foundation for Business Continuation → P. 57

- Occupational safety and health, and industrial safety and disaster prevention
- Product safety and quality assurance
- Respect for human rights
- Cybersecurity
- Compliance
- Anti-corruption

Created values

The social value we create

Contribute to solving social issues through our business and aim for the development of a sustainable society

Environmental Field

Recovery of the global environment and realization of a world where people and nature coexist in harmony



Food Field

Ensuring food security and harmony with the environment



Healthcare Field

Ensuring healthy lives for people around the world



ICT related Field

Realization of an inclusive society using ICT



The social value we create

Achieving stable profitability and a sound financial position

KPI	FY2021	FY2024(Target)	Consistently achieve the following targets
ROE	14.5%	11.7%	Over 10%
ROI	6.6%	7.2%	Over 7%
D/E ratio	0.8times	0.7times	Approx.0.7times
Dividend Payout Ratio	24.2%	Approx.30%	Approx.30%