

Securing and Developing Human Resources

“People” are a major source of corporate competitiveness, and securing and developing human resources is a critical issue for our future value creation.

We will promote the securing and development of human resources, which we consider to be our most important management resource, from a long-term perspective and achieve structural reform and sustainable growth of our Group through enhanced engagement, thereby enhancing our corporate value.

Basic philosophy

With a history spanning more than 100 years, we have consistently held the view that people are the most important management resource, and we continue to adhere to the three elements of securing human resources, fair treatment, and development and growth as our unchanging human resource philosophy. Guided by this human resource philosophy, the Group has been developing our human resource strategy based on the concept, to “employ, develop and leverage human resources for sustainable growth,” aiming to strengthen the management foundation to support our new growth strategy.

Securing human resources

Fair treatment

Development and growth

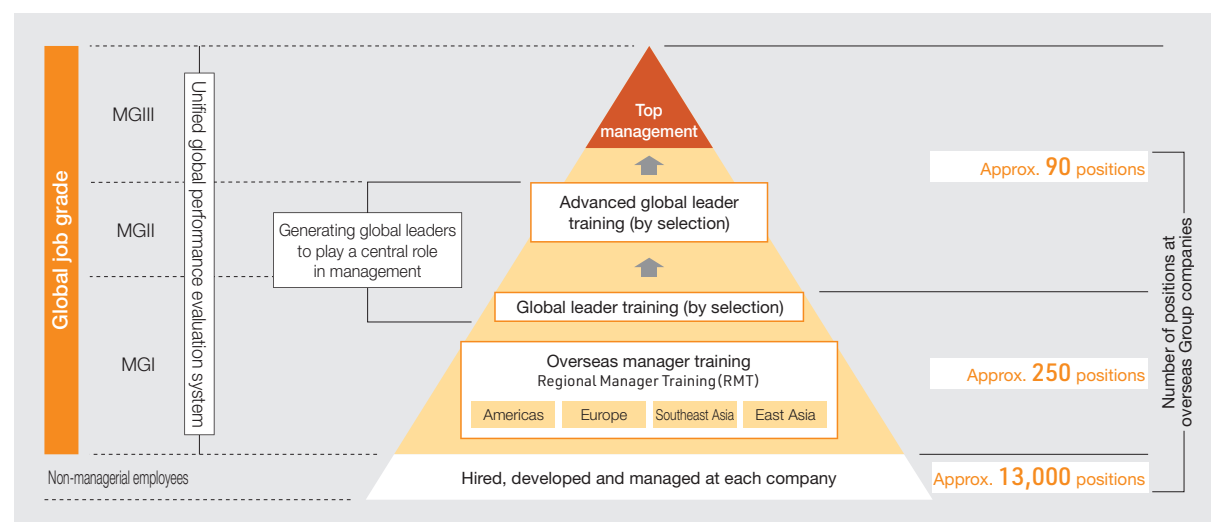
Securing and developing human resources for sustainable growth

Human Resource System

Evaluations in our human resource system are based on the roles, scale of responsibilities, and the achievements of each individual, taking also into account the abilities and actions they have demonstrated in the process. The system enables those willing and capable employees to aspire to higher roles at an early stage, and to build their self-motivated desire to grow in their career process. In addition, to enhance personnel who support the global business development of Group companies, we have introduced a personnel system common to Sumitomo Chemical managerial employees for managers at overseas Group companies, to share values based on our corporate philosophy and promote opportunities for development, growth and success.

Development of global talent

To systematically develop the next generation of leaders, including global leaders who will play a central role in management, we implement a step-by-step, selective training program for employees of Sumitomo Chemical and domestic and overseas Group companies.



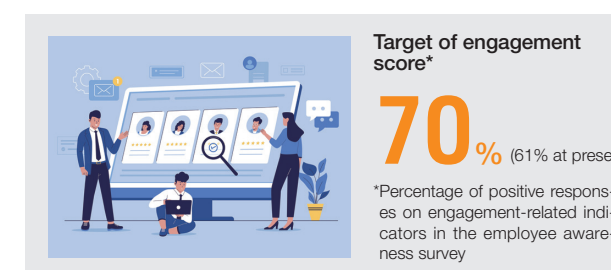
Corporate Business Plan

Direction under the new plan

From a long-term perspective, advance the securing and development of talent, our most important management resource. At the same time, strengthen engagement to achieve structural reforms and sustainable growth within our corporate group.

Human resources systems and measures aimed at strengthening competitiveness

- We will review the human resource systems and measures as necessary to ensure we can secure human resources into the future.
- In the review, we try to capture changes in the social environment involving work styles, such as personnel shortages, a dual-income households, and younger generation's changing views on labor, and make the systems and measures adaptable to such changes.



Optimize personnel structures that align with our new growth strategy

- We allocate necessary personnel in priority areas for growth and development under our ongoing structural reforms.
- We aim to build an organization with high profitability by reviewing work processes and reducing administrative and indirect tasks through utilization of DX, AI, etc.



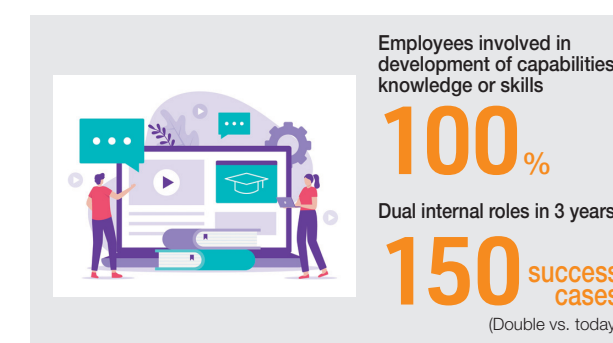
Strengthen and elevate our ability to attract talent

- For new graduate recruitment, we enhance our career website and deliver videos via social media to proactively share a wide range of information of high interest to students, such as career opportunities and job satisfaction. We also focus on promoting mutual understanding by offering more opportunities for direct dialogue with our employees, such as company briefings, internships, and workshops for PhD holders.
- Aiming to sustainably strengthen our recruiting capabilities, we are working to diversify our recruitment sources and increase the ratio of experienced hires to the total number of hires. Furthermore, by supporting new hires in their early adaptation to the work environment and creating an environment where diverse talent can fully demonstrate their experience and abilities, the Sumitomo Chemical Group as a whole will accelerate the advancement of innovation by leveraging its diversity.



Encourage development and support autonomous career formation

- We encourage self-motivated skill development, focusing not only on current work but also on future careers, and provide the necessary support from supervisors. In addition, we take initiatives leading to a virtuous cycle of work and learning. For example, employees who have grown through the work they are engaged in or skill development programs will take up the challenge of higher-level work by capitalizing on their growth.
- We have long been promoting initiatives such as dual internal roles (22 cases in FY2024), where willing employees can experience work in a variety of departments and positions, and internal open recruitment for specific positions, where motivated individuals are invited to apply from across the Company. By further enhancing these initiatives, the Company will provide strong support for individual employees to autonomously build their own careers.



Human Resource Development and Growth

In line with the current human resource system, which upholds the basic philosophy of “development and growth,” we have implemented a variety of measures.

We have established the “SUMIKA Learning Square,” an education system by purpose and employee category. It includes basic programs for all employees, job responsibility education and career education for each level, management skills enhancement programs, and language skills improvement programs to support global business development.

In addition, to support employees’ voluntary learning and growth, we offer a “Self-Selected Training,” which allows employees to select and take courses of their own choice so that they can develop their knowledge and skills at the time they need them.

Educational System “SUMIKA Learning Square”

	Managerial employees	
	Non-managerial employees	
Sumika Management	1. Next generation Leader training	
	2. Strengthening of Management Skills	
SUMIKA Knowledge	Self-Selected Training	
Sumika Basic	1. Acquisition of job-related knowledge	
	2. Supporting personal growth	
Sumika Basic	Essentials	Management skills
	Awareness of job duties / Knowledge and skills	Career
Sumika Basic	Language study and understanding other cultures	Production technology and knowledge

Utilization of Diverse Human Resources

The Sumitomo Chemical Group has established the Group Basic Principles for DE&I (Diversity, Equity & Inclusion) Promotion and works to utilize diverse human resources. Under the Basic Principles, we respect the differences in personalities and attributes of diverse employees, and accept and utilize each other’s diverse knowledge and experience, thereby enabling each employee to fully demonstrate their aptitudes and abilities and to grow together as a whole Group. Moreover, we have been working to deepen understanding of DE&I through a variety of measures and educational opportunities to achieve these goals.

Approximately 100 major Group companies in Japan and overseas set specific KPIs tailored to the circumstances of each country and company, thereby promoting DE&I initiatives across the entire Group.

TOPICS

Promoting the Hiring of Persons with Disabilities

We actively employ people with disabilities to help realize a society of normalization where people with and without disability work together. To help people with disabilities work in a safe and supportive environment, we are improving workplace conditions and providing support such as establishing a dedicated consultation desk. We also offer educational opportunities for all employees.

Furthermore, we established a special subsidiary Sumika Partners Co., Ltd. in August 2017, to support participation of persons with disabilities in society and to provide more employment opportunities. Sumika Partners has established a system to enable each employee to thrive, by utilizing his or her abilities and characteristics through tasks such as printing and book-binding, cleaning, and administrative support.

Promotion of Employee Health

We promote various support measures to solve and improve employees’ health issues so that they can lead healthy lives both mentally and physically and realize prosperous lives. Focusing on the five areas of diet, exercise, sleep, quitting smoking, and mental health, we are working on specific action items such as holding walking events for the purpose of establishing an exercise routine, expanding affiliated gyms, and supporting employees who are trying to quit smoking.

In cooperation with the Sumitomo Chemical Health Insurance Association, we also promote specified health guidance aimed at the prevention of lifestyle-related diseases, and implement the prevention of severe diseases project, which recommends consultations at medical institutions and provides advice on how to improve lifestyle and self-care for those at high risk of developing severe hypertension, diabetes, and dyslipidemia.

TOPICS

Health Support for Expatriate Employees

During overseas medical tours, occupational physicians meet individually with expatriates to assess their health conditions and also conduct site visits to review the local living environment and medical infrastructure. Using such information gathered on site, we provide concrete and practical advice by anticipating the health risks that expatriates are likely to face. For example, we check the food items locally available and propose nutritionally balanced diets. In some cases, medicines that require prescriptions in Japan are sold over-the-counter overseas; therefore, we provide expatriates with easy-to-understand information on OTC medicines, their dosage and precautions by visiting pharmacies in the neighborhood and collecting information.

Through these efforts, we help expatriates and their families adapt to the local environment and develop a system for proactively managing their own health.

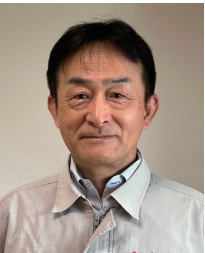


Message from Employees

Taking on the Challenge of “Leap Beyond”

The slogan of the new Corporate Business Plan, “Leap Beyond,” embodies our strong motivation to leap higher with new ideas which takes us beyond conventional businesses, technologies, and ways of thinking. Guided by the concept of Leap Beyond, each and every employee is willing to take on the challenge of a new framework, beyond the boundaries of conventional operation in this unpredictable world.

Sumitomo Chemical Academy (Company-wide Opt-in Workshop)



Voice of the chairperson who led the workshop

The workshop provided a valuable opportunity to learn the importance of maximizing the added value of technological innovation focusing on problem solving, as we considered the potential for new business in the life science field from a multifaceted viewpoint. We expect the participants to leverage the expertise and network they gain here for their future growth and challenges. (Environmental Health Science Laboratory)



Participant feedback

It was a great opportunity to learn deeply about the concept of discovering new business prospects through the open and lively exchange of opinions and positive feedback on ideas, as well-experienced chairs and enthusiastic members from various departments gathered together. (Process & Production Technology & Safety Planning Dept.)

* Sumitomo Chemical Academy: Intended to provide fertile soil for innovation, this Company-wide workshop discusses technical issues related to the Company’s businesses beyond the organizational boundaries and serves as a forum in which people can gain new ideas, knowledge, and perspectives aimed at realizing solutions.

Promotion of DX at the Manufacturing Site

Voice of engineer working on DX

I am currently promoting DX in the manufacturing process through the launch of new processing equipment in semiconductor substrate manufacturing. By leveraging the knowledge of “production-related data engineers” acquired through in-house training, we analyze equipment logs and operating conditions to improve quality and prevent equipment failures. We also focus on improving the data acquisition environment, as additional equipment logs and more efficient recording methods are needed to expand this activity throughout the plant. In addition, by leveraging ChatSCC, our in-house generative AI, to gather information and improve operational efficiency, we are driving innovation and enhancing productivity in our manufacturing operations. Through these practical actions, we aim to improve the profitability and sustainable growth of the plant. (Manufacturing Support Team, Manufacturing Dept., Ibaraki Works)

