

Participation in Initiatives

The Sumitomo Chemical Group lists active participation in global initiatives as one of its Basic Principles for Promoting Sustainability. To promote sustainability (i.e. contributing to establishment of sustainable society through achieving sustainable growth of business.), we are actively participating in initiatives because we consider it important to work with a broad range of organizations, including various international organizations, national and local governments, companies, and industry groups.

Initiative Participation Record



UN Global Compact (UNGC)

The Sumitomo Chemical Group joined the UN Global Compact (UNGC) in January 2005, as the first Japanese chemical company to do so. We signed on to the ten principles related to protecting human rights, abolishing unfair labor practices, adapting to the environment, and preventing corruption.

At the September 2020 UN General Assembly, we signed on to the UNGC's A Statement from Business Leaders for Renewed Global Cooperation.

We support the UNGC's new initiative "Forward faster," which was announced in March 2024. We commit to achieving Target 2 under Climate Action: "Contribute to a just transition by taking concrete actions that address social impacts of climate change mitigation and adaptation measures in partnership with actors such as workers, unions, communities and suppliers."

The Ten Principles of the UN Global Compact

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

The Ten Principles of the UN Global Compact (from the Official Website of the UN Global Compact)

[▶ https://www.unglobalcompact.org/what-is-gc/mission/principles](https://www.unglobalcompact.org/what-is-gc/mission/principles) 

A Statement from Business Leaders for Renewed Global Cooperation on the UNGC website

[▶ https://ungc-communications-assets.s3.amazonaws.com/docs/publications/UN75_UnitingBusinessStatement.pdf](https://ungc-communications-assets.s3.amazonaws.com/docs/publications/UN75_UnitingBusinessStatement.pdf) 

Don't fall behind the times. Move forward, faster. (from the Official Website of the UN Global Compact)

[▶ https://forwardfaster.unglobalcompact.org](https://forwardfaster.unglobalcompact.org) 



The World Business Council for Sustainable Development (WBCSD)*1

The Sumitomo Chemical Group joined the World Business Council for Sustainable Development (WBCSD) in 2006 and has participated primarily in activities related to addressing climate change. Recently, we have been participating in the formulation of the Chemical Sector SDG Roadmap, which organizes sustainability-related fields and issues pertaining to the chemical industry using the SDG framework with the aim of realizing sustainability.

In addition, we participated in the formulation of the WBCSD TCFD Chemical Sector Guidance. The guidance explains how to make effective disclosures using the frameworks of the TCFD recommendations for the chemical sector and details the fundamental elements needed to analyze scenarios.

WBCSD | Chemical Sector SDG Roadmap

<https://www.wbcd.org/resources/chemical-sector-sdg-roadmap>

WBCSD | Climate-related financial disclosure by chemical sector companies

<https://www.wbcd.org/Programs/Redefining-Value/TCFD/Resources/Climate-related-financial-disclosure-by-chemical-sector-companies-Implementing-the-TCFD-recommendations>

*1 WBCSD:
This organization was established to advocate for business sector views on sustainable development. The group provides advice to help promote sustainability at international conferences, such as the World Economic Forum, the B20 Summit, and the Conference of the Parties of the UNFCCC.



The G7 Alliance on Nature Positive Economies (G7ANPE)

Sumitomo Chemical joined the G7 Alliance on Nature Positive Economies as a founding member. The alliance was established at G7 Sapporo in May 2023 as a forum for sharing knowledge and creating information networks on nature positive economies.

FY2023 Initiative Results

September 2023	At the G7ANPE meeting Senior Managing Executive Officer Nobuaki Mito presented a lecture on "Sumitomo Chemical's Approaches for Regenerative Agriculture."
December 2023	At the COP28 Japan Pavilion in Dubai, we showed a video lecture on "Sumitomo Chemical's Approach to Regenerative Agriculture" presented by Senior Managing Executive Officer Nobuaki Mito.

G7ANPE

<https://g7anpe.com/>



Task Force on Climate-related Financial Disclosures (TCFD)*2

The Sumitomo Chemical Group uses the framework of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations for disclosing information on addressing climate change and actively communicating its efforts, with the recognition that such disclosures reflect the demands of the current era. In addition, by participating in initiatives related to the TCFD recommendations amid this situation, we are collaborating on the creation of guidance through dialogue between investors and companies while learning best practices.

Our Efforts through Participation in External Initiatives

June 2017	Supported TCFD recommendations concurrently with their publication
From August to December 2018	Joined in the TCFD Study Group led by the Ministry of Economy, Trade and Industry (METI) This group studied the way in which Japanese companies disclose information to evaluate their strengths. December 2018: METI issued TCFD guidance
Since December 2018	Joined WBCSD TCFD Preparer Forum July 2019: WBCSD issued TCFD chemical sector guidance
Since May 2019	Joined the TCFD consortium established by Japanese industrial and financial communities In October 2019 at the TCFD Summit, Chairman Tokura introduced the Company's initiatives to seize climate-related opportunities. October 2019: TCFD consortium announced green investment guidance July 2020: TCFD consortium released TCFD Guidance 2.0 At the TCFD Summit in October 2022, the Executive Officer Toshihiro Yamauchi introduced the Company's initiatives to address climate change.

*2 TCFD:
This privately helmed special team was established by the Financial Stability Board, which comprises financial agencies of major countries, at the request of the G20 finance ministers and central bank governors. The task force encourages companies to make disclosures related to climate change.



Forum for the Taskforce on Nature-related Financial Disclosures (TNFD)

The Sumitomo Chemical Group further promotes ecosystem conservation and the sustainable use of natural capital.* To enhance the disclosure of nature-related information, we support the vision of the Taskforce on Nature-related Financial Disclosures (TNFD) and participate in the TNFD Forum, which is network comprising organizations and companies that have expertise related mainly to nature and finance in support of said activities. By participating in this forum, we work to further enhance nature-related disclosures.

We announced our support for the TNFD's disclosure recommendations and registered as a TNFD Adopter in January 2024.

TNFD

<https://tnfd.global>

* Capital formed by nature, including forests, soil, water, air, underground resources, and biological resources. Natural capital is a type of capital that is essential to supporting people's lives and the infrastructure of companies.



Alliance to End Plastic Waste (AEPW)

Since the AEPW's launch in January 2019, as a member company, Sumitomo Chemical has been financially supporting its activities and engaging in the selection of projects undertaken in places around the world, verification of sustainability, and evaluation of impacts. In addition, we work with others through the AEPW framework on initiatives that would be difficult to undertake alone, such as projects to upgrade trash collection infrastructure in countries around the globe with high plastic waste emissions.

In addition, we proactively participate in events and webinars that consider what Japanese industries, government, and academia should do to solve the plastic waste problem with reference to successful examples of projects promoted around the world by AEPW.

AEPW

<https://endplasticwaste.org/>



Japan Clean Ocean Material Alliance (CLOMA)

CLOMA is a domestic alliance launched in January 2019 working to solve the marine plastic waste problem. By fostering cross-industry cooperation related to the plastic value chain, we are promoting activities to accelerate innovation as well as encouraging the sustainable use of plastic products and the development and adoption of alternative materials.

Sumitomo Chemical participates in studies of specific actions aimed at realizing a circular economy and is considering participation in pilot tests that aim to improve the mechanical recycling rate.

CLOMA

<https://cloma.net/english/>



Japan Partnership for Circular Economy (J4CE)

The J4CE was founded in March 2021 for the purpose of strengthening public and private partnerships, with the aim of further fostering understanding of the circular economy among a wide range of stakeholders, including domestic companies, and promoting initiatives. The organization collects examples of initiatives related to advanced circular economy, disseminates and shares data on the cases in Japan and overseas, shares information and forms networks related to a circular economy, and establishes places for dialogues to promote a circular economy.

Sumitomo Chemical introduces its initiatives to realize a circular economy, including plastic chemical recycling, on the J4CE website.

J4CE

<https://j4ce.env.go.jp/en>

J4CE, SUMITOMO CHEMICAL Co., Ltd.'s cases

<https://j4ce.env.go.jp/en/member/048>



Circular Partners (CPs)

Circular Partners is a partnership that was established in September 2023 to encourage collaboration across industries, the government, and academia with the aim of realizing a circular economy based on an economic strategy formulated in March 2023. The realization of a circular economy is a difficult undertaking for a company acting alone as it is important for parties across the entire life cycle of its products to work together to expand initiatives.

Sumitomo Chemical proactively participates in networking events to deepen bonds between members and strives to promote initiatives through collaboration.

CPs (Japanese only)

<https://www.cps.go.jp/>



International Council of Chemical Associations (ICCA)*

The Sumitomo Chemical Group participated in the Energy and Climate Change Leadership Group of the ICCA. We promote joint international research related to chemical products and technologies that help reduce GHG emissions and strive to promote the widespread adoption of breakthroughs and achievements in this field. We also worked to promote the spread of the results of the research.

In addition, we also participate in the chemical Substance Policy and Health Leadership Group. We cooperate in conducting surveys related to regulatory trends around the world and mechanisms for relaying information on chemical substances contained in products. We also participate in working groups related to the harmonization with chemical substance categorization being introduced in Asian countries. Furthermore, we participated in a working group on plastic waste problems and in discussions based on sound science related to problems surrounding microplastics and plastic substitutes.

* ICCA:

This organization was established to harmonize the strategies of chemical industry associations and councils around the world through dialogue and cooperation. As the principal representative of the chemical industry, ICCA presents opinions to international organizations about key topics shared by its members and various activities of the chemical industry.



GX (Green Transformation) League

The Sumitomo Chemical Group has participated in the GX League since signaling its support of the Ministry of Economy, Trade and Industry's GX League Basic Concept. The GX League comprises companies that proactively conduct GX and works with those striving to realize GX in governmental, academic, and financial fields. The league is a unified forum for creating new markets and discussing system-wide transformations of the economy and society. By promoting GX initiatives, the Company aims to enhance corporate value through business.

GX League

<https://gx-league.go.jp/en/>



Women's Empowerment Principles (WEPs)

The "Women's Empowerment Principles" (WEPs) are seven principles formulated collaboratively in March 2010 by the United Nations Global Compact (UNGC), which is a voluntary commitment framework between companies and the UN, and the United Nations Development Fund for Women (UNIFEM, now UN Women). With companies taking proactive steps and positioning gender equality and female empowerment at the core of management, the expectation is that the WEPs will be applied internationally to promote the economic empowerment of women.

In 2013, Sumitomo Chemical endorsed the WEPs. In 2016, we helped found the WEPs Subcommittee in the Global Compact Network Japan (GCNJ (UNGC's local network)).

The Women's Empowerment Principles

- (1) Establish high-level corporate leadership for gender equality
- (2) Treat all women and men fairly at work – respect and support human rights and nondiscrimination
- (3) Ensure the health, safety and well-being of all women and men workers
- (4) Promote education, training and professional development for women
- (5) Implement enterprise development, supply chain and marketing practices that empower women
- (6) Promote equality through community initiatives and advocacy
- (7) Measure and publicly report on progress to achieve gender equality

Women's Empowerment Principles (WEPs)

<https://www.weprinciples.org/>



Stakeholder Engagement Program Hosted by Caux Round Table Japan

[▶ Respect for Human Rights: Engaging in Human Rights Initiatives](#)

[▶ Human Resources Management: Promoting the Active Advancement of Women](#)