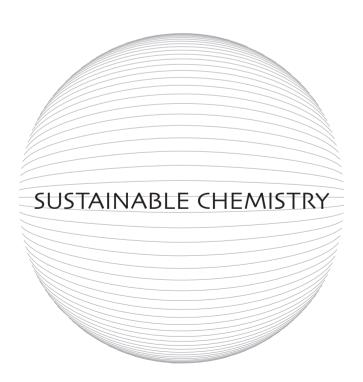
CSR REPORT 2009 DATA BOOK

SUMITOMO CHEMICAL

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Working Hand in Hand with Local Communities and Society

Social Contribution Activities

Sumitomo Chemical's social contribution activities and charitable donations during fiscal 2008 are listed below:

Major Social Contribution

| Activities in FY 2008 (act | ivities) |
|---|----------|
| Community activities | 126 |
| Sports | 28 |
| Social welfare | 16 |
| Health/Medicine | 4 |
| Academics/Research | 7 |
| Education/Social education | 23 |
| Culture/Arts | 19 |
| Environment | 11 |
| Historical/Traditional cultural preservation | 5 |
| International exchange/cooperation | 31 |
| Assistance to disaster-stricken areas | 5 |
| Assistance for town development to strengthen disaster prevention | 1 |
| Creating the foundation for NPOs | 2 |
| Others | 160 |
| Total | 438 |
| (Total amount: ¥260 09 n | (موزاانو |

(Total amount: ¥260.08 million)

| Examples of Major Charitable Donations (millions of y | | | | |
|---|----|--|--|--|
| Expansion of basic assets of the Sumitomo Foundation | | | | |
| Commemorative Project for the 50th Anniversary of the Reestablishment of Japan-Hungary Relations | 30 | | | |
| Malaria prevention project at Zambezi river | 15 | | | |
| WHO Malaria Control Project in Comoros | 10 | | | |
| Relocation of the Ise Shrine (second installment of two-part donation to fund the rebuilding of the shrine) | 10 | | | |
| Sichuan Earthquake relief donation in China | 10 | | | |
| Elementary school building construction project in Uganda | 9 | | | |
| Matching gift program for OISCA forestation project | 6 | | | |
| Matching gift program for Ashinaga (orphan support organization) | 6 | | | |

2 | Hand in Hand with Employees

1. Child care and nursing care programs

A variety of programs are in place to help employees continue to work while taking care of family members, such as new-born babies or ailing parents.

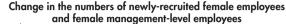
Employee programs and the number of employees using the System

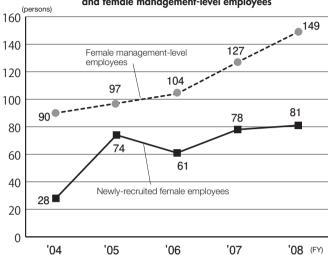
(persons)

| | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|---|---------|---------|---------|---------|
| Child care leave/Nursing care leave | 51 | 48 | 51 | 56 |
| Measures for shorter working hours | 7 | 12 | 19 | 28 |
| Limited overtime and exemption from late-night work | 0 | 0 | 1 | 3 |
| Accumulation of expired paid holidays to be used for child care or nursing care leave | 8 | 10 | 17 | 6 |

2. Number of Newly-Recruited Female Employees and Management-Level Employees

Sumitomo Chemical believes in providing a comfortable working environment to all employees, regardless of gender, and employs a number of women in management-level positions.





3. Employment of Physically Challenged Individuals

Sumitomo Chemical proactively employs physically challenged individuals, ensuring they are offered positions that enable them to live up to their full potential and providing a suitable working environment.

Rate of employment of physically challenged individuals

| FY | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|------------|-------|-------|-------|-------|-------|-------|-------|
| Percentage | 1.99% | 2.08% | 1.93% | 1.85% | 1.89% | 1.93% | 1.95% |

4. Introduction of Retiree Reemployment Program

The reemployment of retired workers was started in fiscal 2001 and a new reemployment system was introduced in April 2006 in response to the amendment of the Law concerning Stabilization of Employment of Older Persons. In fiscal 2008, 88 people, or 52.4% of the total of 168 employees who retired from Sumitomo Chemical that year, were reemployed and continue to make valuable contributions at their workplaces.

Number of reemployed retirees on payroll

| (End of March) | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|----------------|------|------|------|------|------|------|
| | 33 | 48 | 48 | 125 | 211 | 261 |

Responsible Care Activities

Management System —Introduction of Management System Based on International Standards

1. Environmental Management System (ISO14001)

ISO14001:1996 certification was obtained at all Works between 1997 and 1999. From 2005 to 2006. these Works submitted to transitional inspections and obtained certification for ISO14001:2004, the revised version of ISO14001:1996. Among the Sumitomo Chemical Group companies, 21 domestic Group companies and eight overseas Group companies had obtained ISO14001:2004 certification as of July 2009.

Acquisition of ISO14001 Certification for Sumitomo Chemical's Five Works

| Works and Certificate Number | ISO14001:1996 Certification Date | ISO14001: 2004 Certification Date |
|--|-------------------------------------|--------------------------------------|
| Ehime Works [JCQA-E-018] | April 1998 | April 2006 |
| Chiba Works [KHK-97ER-04] | June 1997 | March 2006 |
| Osaka Works (Kasugade) [JQA-E-90072] | November 1997 | January 2006 |
| Osaka Works (Gifu Plant) [JCQA-E-0206] | December 2000 | December 2005 |
| Osaka Works (Okayama Plant) [JCQA-E-0218] | January 2001 | February 2006 |
| Oita Works [JQA-E-90152] | March 1998 | April 2006 |
| Misawa Works [JQA-EM0355] | March 1999 | February 2006 |

2. Quality Management System (ISO9001)

Certification of compliance with ISO9002:1994 was completed for all Works except the Osaka Works (Gifu Plant)* between 1994 and 1998. After successfully completing inspections and examinations between 2002 and 2003, Sumitomo Chemical made the transition from compliance with ISO9002:1994 to ISO9001:2000, the 2000 revision of the ISO9000 series. As of July 2009, 28 domestic Group companies and 14 overseas Group companies had obtained ISO9000 series certification.

Acquisition of ISO9000 Series Certification for Sumitomo Chemical's Five Works

| Works and Certificate Number | ISO9002:1994 Certification Date | ISO9001: 2000 Certification Date |
|---|------------------------------------|--|
| Ehime Works [JCQA-0019] [JCQA-0320] [QA-00-012A] | October 1994 April 1998 — | December 2002 March 2003 June 2000 |
| Chiba Works [JQA-0829] | March 1995 | September 2002 |
| Osaka Works (Kasugade) [JQA-0721] | December 1994 | December 2002 |
| Osaka Works (Okayama Plant) [JQA-1650] | March 1997 | September 2003 |
| Oita Works [JQA-1069] | December 1995 | February 2003 |
| Misawa Works [JQA-0752] | December 1994 | December 2002 |

3. Occupational Safety and Health Management System (OSHMS)

The Chiba Works acquired Occupational Safety and Health Management System (OSHMS) certification, accredited by the Japan Industrial Safety and Health Association (JISHA), in May 2003, becoming the first plant in Japan to receive such certification. In 2008, Sumitomo Chemical took the lead in obtaining this certification for all of its facilities (five Works and two Research Laboratories).

Acquisition of OSHMS Certification for Sumitomo Chemical's Five Works and Two Research Laboratories

| Facilities | Certificate Number | Certification Date |
|---|--------------------|--------------------|
| Ehime Works | 04-38-1 | September 2004 |
| Chiba Works | 03-12-1 | May 2003 |
| Osaka Works (Kasugade) | 05-27-3 | February 2005 |
| Osaka Works (Utajima area) | 09-27-14 | January 2009 |
| Osaka Works (Gifu Plant) | 09-21-6 | February 2009 |
| Osaka Works (Okayama Plant) | 09-33-7 | February 2009 |
| Oita Works | 06-44-1 | July 2006 |
| Misawa Works | 05-2-1 | November 2005 |
| Agricultural Chemicals Research Laboratory | 07-28-9 | January 2007 |
| Tsukuba Research Laboratory | 05-8-3 | December 2005 |

^{*}The Osaka Works (Gifu Plant) has been pursuing Good Manufacturing Practice (GMP) management as have other Works, including the Osaka Works (Kasugade and Okayama Plants), the Oita Works and the Misawa

2 Occupational Health and Safety

(1) Criteria and Results of the President's Safety Award for Zero-Accident and Zero-Lost Workday Operations

Sumitomo Chemical has set facility-specific criteria for the achievement of continuous periods of zero-accident and zero-injury operations for employees as well as contractors. The President's Safety Award is presented to facilities in recognition of their satisfaction of the above-mentioned criteria.

1. Sumitomo Chemical Employees

| Facilities | Criteria for the President's Safety Award (Continuous periods of zero-accident, zero-lost workday operations) | Fiscal 2008 Results |
|---|---|--|
| Ehime Works | 3 million hours | Reached 3 million hours in April 2009 |
| Chiba Works | 3 million hours | Reached 3 million hours in August 2008 |
| Osaka Works | 3 million hours | Reached 3 million hours in November 2008 |
| Oita Works | 1 million hours | Reached 4 million hours in November 2008 |
| Misawa Works | 30 months | Reached 60 months in September 2008 |
| Agricultural Chemicals Research Laboratory | 30 months | Reached 270 months in December 2008 |
| Tsukuba Research Laboratory | 30 months | Reached 240 months in March 2009 |

2. Contractors/Affiliated Company Employees

| Facilities | Criteria for the President's Safety Award (Continuous periods of zero-accident, zero-lost workday operations) | Fiscal 2008 Results |
|--|---|--|
| Ehime Association (Plant maintenance) | 24 months | (Expected to reach the target of 24 months in May 2010) |
| Ehime Logistics Association (Logistics) | 24 months | (Expected to reach the target of 24 months in November 2009) |
| Chiba Association (Plant maintenance) | 24 months | (Expected to reach the target of 24 months in January 2010) |
| Chiba Logistics Association (Logistics) | 24 months | Reached 48 months in August 2008 |
| Osaka Association | 24 months | (Expected to reach the target of 24 months in July 2010) |
| Okayama Association | 48 months | Reached 48 months in October 2008 |
| Oita Association | 24 months | (Expected to reach the target of 24 months in May 2011) |
| Misawa Association | 48 months | (Expected to reach the target of 144 months in March 2011) |
| Agricultural Chemicals Research Laboratory Association | 48 months | (Expected to reach the target of 144 months in March 2011) |
| Tsukuba Association | 48 months | (Expected to reach the target of 144 months in September 2011) |

(2) Safety Achievements of Group Companies

The number and rate of frequency of injuries resulting in lost workdays for fiscal 2008 at Sumitomo Chemical Group companies, excluding Sumitomo Chemical Co. Ltd., were both lower than the previous fiscal year. We aim to further improve the safety achievements of the entire Group by promoting detailed information-sharing on accidents and related matters throughout the Group.

| | Number of lost workday injuries | Frequency rate for lost workday injuries |
|---------|---------------------------------|---|
| FY 2007 | 14 cases | 0.33 |
| FY 2008 | 13 cases | 0.26 |

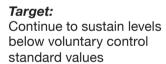
^{*}The frequency rate for FY 2007 was corrected to enable more accurate comparison of results.

3 | Environmental Preservation

Preventing Pollution

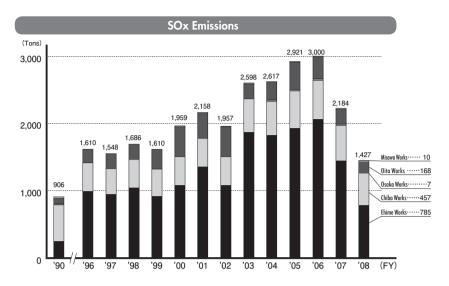
1. Atmospheric emissions of SOx, NOx, soot, and dust.

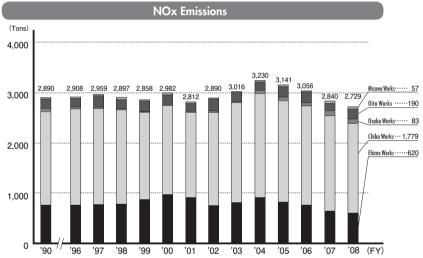
In 1970, Sumitomo Chemical achieved a marked reduction in the release of SOx, NOx, soot, and dust into the atmosphere, and continued to maintain low levels of emissions from 1980 to the present. Furthermore, the Company has concluded cooperative agreements with local municipal governments at each of its Works, establishing voluntary control levels that are stricter than the standards given under applicable laws and regulations.

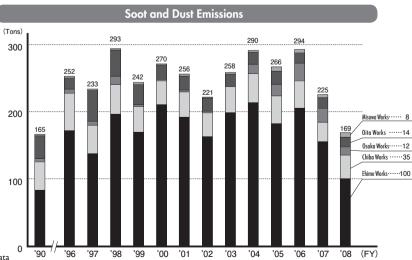




*Data since fiscal 2004 for the Osaka Works include data for both the Gifu and Okayama Plants.



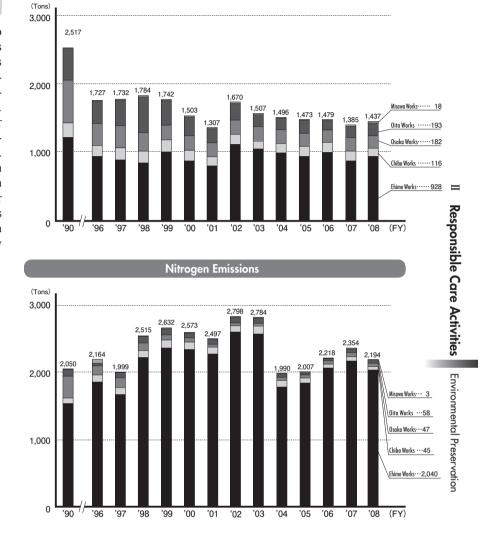




2. Water emissions of COD, nitrogen, and phosphorus

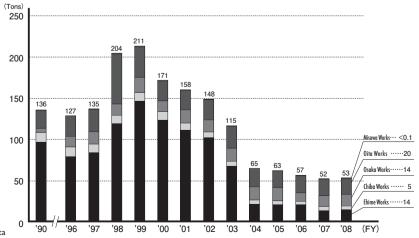
Sumitomo Chemical has also concluded cooperative agreements with local municipal governments to establish voluntary control levels for COD, nitrogen, and phosphorus released into waterways. These standards are also stricter than those established under applicable laws and regulations. A number of measures have been implemented to cut emissions, in line with fifth-generation Water Ouality Standards, and emissions of nitrogen and phosphorus in particular have been significantly reduced since fiscal 2004.

Target:
Continue to sustain levels
below voluntary control
standard values



COD Emissions





Phosphorus Emissions

^{*}Data since fiscal 2004 for the Osaka Works include data for both the Gifu and Okayama Plants.

Promoting Efficient Use of Water

Sumitomo Chemical has endeavored to promote the efficient use of water as a precious and essential resource. Unit water usage for fiscal 2008, however, deteriorated by 20.2% from that of the previous year, affected by a large drop in production volume.

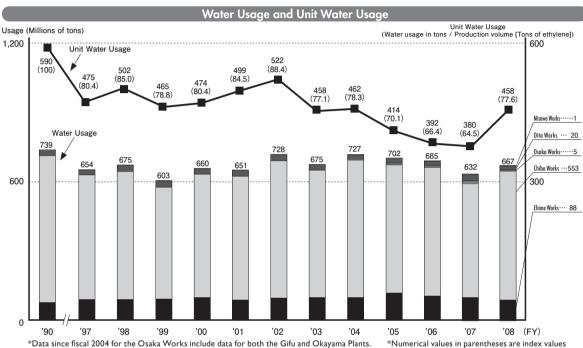
Misawa Works Oita Works Osaka Works

Chiba Works

Ehime Works

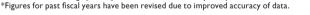
Target:

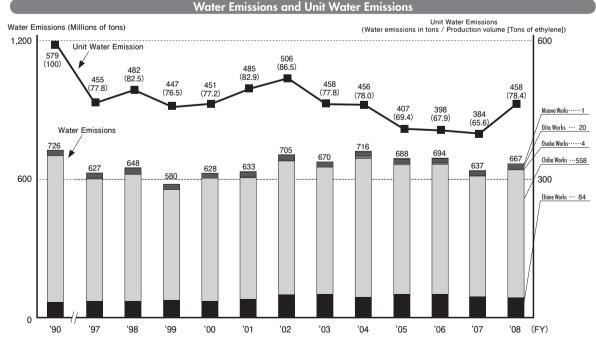
Efficient use of water resources



*Data since fiscal 2004 for the Osaka Works include data for both the Gifu and Okayama Plants. *Data for Water Usage partially include that of the Group companies.

(1990 = 100).





^{*}Data since fiscal 2004 for the Osaka Works include data for both the Gifu and Okayama Plants. *Data for Water Emissions partially include that of the Group companies

^{*}Figures for past fiscal years have been revised due to improved accuracy of data.

^{*}Numerical values in parentheses are index values (1990 = 100)

Reducing Greenhouse Gas Emissions

1. CO₂

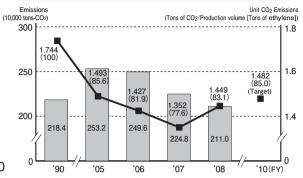
CO₂ emissions for fiscal 2008 decreased by 7.6% to 4,351,000 tons compared to the previous year, because of a large decrease in production volume. This represents an 18.0 % increase compared with fiscal 1990.

Unit CO₂ emissions from fossil fuel for captive consumption for fiscal 2008 rose by 7.2% over the previous year, though this represents a 16.9% decrease compared with fiscal 1990.

Target:

Achieve a 15% reduction relative to fiscal 1990 in unit CO₂ emissions originating from fossil fuels consumed in-house by fiscal 2010

CO₂ Emissions from fossil fuel for captive consumption and Corresponding Unit Emissions

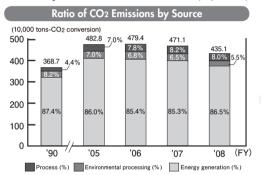


^{*}Numerical values in parentheses are index values (1990 = 100).

2. Greenhouse Gases (all six gases)

Note: The total emissions of all six gases reported to the government under the Act on Promotion of Global Warming Countermeasures amounted to 4.208 million tons (CO₂ conversion).

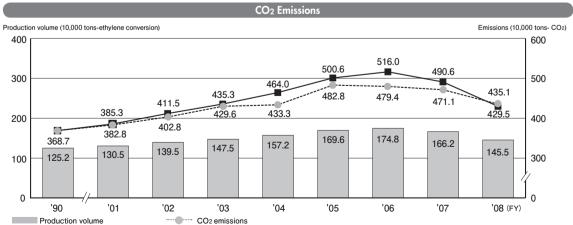
| Emissions of Greenhouse Gases (all six gases) | | | | | |
|---|---------|---------|---------|---------|--|
| (10,000 tons-CO ₂ conversion | | | | | |
| | FY 2005 | FY 2006 | FY 2007 | FY 2008 | |
| CO ₂ | 482.8 | 479.4 | 471.1 | 435.1 | |
| Methane | 0.01 | 0.01 | 0.01 | 0.01 | |
| Nitrous oxide (N ₂ O) | 5.7 | 6.4 | 5.8 | 5.3 | |
| Hydrofluorocarbon (HFC) | <0.01 | <0.01 | 0.02 | 0.02 | |
| Perfluorocarbon (PFC) | 0 | 0 | 0 | 0 | |
| Sulfur hexafluoride | 0 | 0 | 0 | 0 | |
| Total | 488.5 | 485.8 | 476.9 | 440.4 | |



Examination of CO₂ Emission Calculation System and Analysis Methods

1. Quantitative analysis of effects of CO2 reductions

Production indicators and reductions in unit CO_2 emissions are analyzed to determine quantitative trends in CO_2 emissions.



Predicted CO₂ emissions allowing for a production increase in a business-as-usual scenario, assuming no emission reduction measures are implemented (10,000 tons-CO₂)

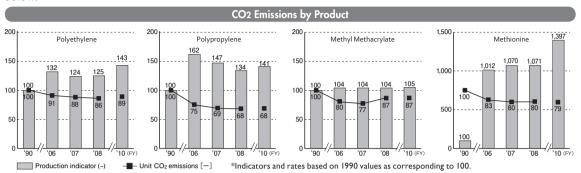
^{*}Figures for past fiscal years have been revised due to improved accuracy of data.

^{*}Figures for fiscal 1990 and those for fiscal 2004 to 2008 include data for both the Gifu and Okayama Plants of the Osaka Works.

^{*}Figures for past fiscal years have been revised due to improved accuracy of data.

2. Analysis of CO₂ Emission Trends by Product Group

Improvement targets are identified and efforts are made to enhance efficiency through a quantitative understanding of CO₂ emission rates for individual product groups. Examples are provided for the product groups below.



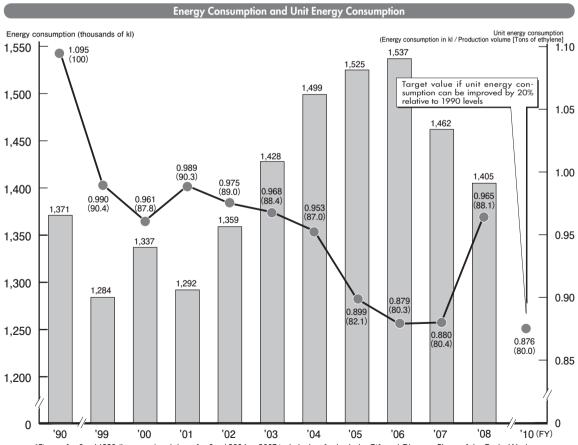
Energy Conservation

In fiscal 2008, energy consumption by volume decreased by 3.9% from the previous fiscal year to 1,405,000 kl (crude oil equivalent), affected by a large drop in production volume.

However, unit energy consumption rose by 9.7% from fiscal 2007, though this was 11.9% lower than the fiscal 1990 level.

Target:

Improve unit energy consumption for fiscal 2010 by 20% over fiscal 1990.



^{*}Figures for fiscal 1990 (base year) and those for fiscal 2004 to 2007 include data for both the Gifu and Okayama Plants of the Osaka Works.

^{*}Figures for past fiscal years have been revised due to improved accuracy of data.

Response to the Pollutant Release and Transfer Register (PRTR)

Based on the results of risk assessments and release evaluations, Sumitomo Chemical has set for itself a new target for reducing release volumes (into the air and water) of PRTR substances by 50%, relative to fiscal 2002 levels, by fiscal 2010, and is currently implementing a variety of systematic measures to that end. In fiscal 2008, the Company released a total of 552.3 tons of such substances, a decrease of 8.9% from the previous fiscal year.

| In | PRTR | JCIA | nsfer of PRTR Substances in Fiscal 2008 Name of Chemical Compound | Unit: ¹ Amount Released | | | | | Tons (Dioxins are measured in mg-TEQ. Amount Transferred | | | |
|--------|------|------------|---|--|-------|------|----------|-------|---|-------|-------|--|
| | | Substances | · | Air | Water | Soil | Landfill | Total | Sewage | Waste | Total | |
| 1 | 0 | 0 | Zinc compounds (water-soluble) | 0.0 | 0.7 | 0.0 | 0.0 | 0.7 | 0.0 | 162.3 | 162.3 | |
| 2 | 0 | 0 | Acrylic acid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| 3 | 0 | 0 | Methyl acrylate Acrylonitrile | 1.0 3.8 | 0.0 | 0.0 | 0.0 | 1.0 | 0.0 | 1.1 | 1. | |
| 5 | 0 | 0 | Acrolein | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| | 0 | 0 | Adipic acid | 0.0 | 5.0 | 0.0 | 0.0 | 5.5 | 0.0 | 0.0 | 0. | |
| 7 | 0 | 0 | Acetaldehyde | 0.5 | <0.1 | 0.0 | 0.0 | 0.2 | 0.0 | 0.0 | 0. | |
| 7 3 | 0 | 0 | Acetonitrile | 0.2 | 0.0 | 0.0 | 0.0 | 0.2 | 0.0 | 62.3 | 62. | |
| 9 | | 0 | Acetone | 63.0 | 0.5 | 0.0 | 0.0 | 63.5 | 0.0 | 191.3 | 191. | |
| 0 | 0 | 0 | 2, 2'-Azobisisobutyronitrile | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 1 | 0 | 0 | o-Anisidine | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 2 | Ö | 0 | Aniline | 0.8 | 0.0 | 0.0 | 0.0 | 0.8 | 0.0 | 150.5 | 150. | |
| 3 | Ö | 0 | 2-Aminoethanol | <0.1 | 0.1 | 0.0 | 0.0 | 0.1 | 0.0 | 20.1 | 20. | |
| 4 | 0 | 0 | m-Aminophenol | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 5 | Ö | 0 | Allyl alcohol | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 4.3 | 4. | |
| 6 | 0 | 0 | Antimony and its compounds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.6 | 3. | |
| 7 | | 0 | Ammonia | 4.5 | 0.1 | 0.0 | 0.0 | 4.6 | 0.0 | 25.9 | 25. | |
| 8 | | 0 | Aluminum compounds (water-soluble) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 9 | 0 | 0 | Isoprene | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 0 | 0 | 0 | O-ethyl O-(6-nitro-m-tolyl) sec-butylphosphoramidothioate (also known as butamifos) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 1 | | 0 | 2-ethyl-1-hexanol | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 656.8 | 656. | |
| 2 | 0 | 0 | Ethylbenzene | 8.6 | 0.2 | 0.0 | 0.0 | 8.8 | 0.0 | 31.1 | 31. | |
| 3 | Ŏ | 0 | Ethylene oxide | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 4 | 0 | 0 | Ethylene glycol | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 6.1 | 6. | |
| 5 | Ö | Ö | Ethylenediamine | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 0.0 | 0. | |
| 6 | 0 | Ö | Epichlorohydrin | 5.1 | 4.3 | 0.0 | 0.0 | 9.4 | 0.0 | 0.0 | 0. | |
| 7 | Ö | 0 | 1, 2-epoxypropane (also known as propylene oxide) | 7.6 | <0.1 | 0.0 | 0.0 | 7.6 | 0.0 | 0.0 | 0. | |
| 3 | | 0 | Hydrogen chloride (excluding hydrochloric acid) | 0.6 | 0.0 | 0.0 | 0.0 | 0.6 | 0.0 | 0.2 | 0. | |
| 9 | | Ö | Chlorine | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 0.0 | 0. | |
| 0 | 0 | Ö | ε-Caprolactam | 0.4 | 148.6 | 0.0 | 0.0 | 149.0 | 0.0 | 4.1 | 4. | |
| 1 | | Ö | Formic acid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 2 | 0 | Ö | Xylene | 15.0 | 0.1 | 0.0 | 0.0 | 15.1 | <0.1 | 36.8 | 36. | |
| 3 | | Ö | Cumene/isopropylbenzene | 1.1 | 0.0 | 0.0 | 0.0 | 1.1 | 0.0 | 0.0 | 0. | |
| 4 | 0 | Ō | Glyoxal | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 5 | 0 | 0 | Cresol | 0.2 | <0.1 | 0.0 | 0.0 | 0.2 | 0.0 | 0.0 | 0. | |
| 6 | | Ō | Chlorosulphonic acid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 7 | 0 | Ō | Chloroacetyl chloride | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 0.1 | 0. | |
| 8 | 0 | 0 | p-Chloroaniline | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 9 | Ō | Ō | Chloroethane | 11.1 | 0.0 | 0.0 | 0.0 | 11.1 | 0.0 | 0.0 | 0. | |
| 0 | 0 | Ō | 3-Chloropropene (also known as allyl chloride) | 6.3 | 0.0 | 0.0 | 0.0 | 6.3 | 0.0 | 0.0 | 0. | |
| 1 | 0 | 0 | Chlorobenzene | 16.1 | <0.1 | 0.0 | 0.0 | 16.1 | 0.0 | 424.4 | 424 | |
| 2 | 0 | 0 | Chloroform | 1.0 | 0.0 | 0.0 | 0.0 | 1.0 | 0.0 | 60.6 | 60. | |
| 3 | 0 | 0 | Cobalt and its compounds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | <0.1 | <0. | |
| 4 | | 0 | Ethyl acetate | 13.0 | <0.1 | 0.0 | 0.0 | 13.0 | 0.0 | 86.9 | 86. | |
| 5 | 0 | 0 | Vinyl acetate | 59.1 | <0.1 | 0.0 | 0.0 | 59.1 | 0.0 | 124.0 | 124. | |
| 6 | Ö | 0 | Salicyl aldehyde | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 7 | 0 | 0 | α-Cyano-3-phenoxybenzyl 3-(2,2-dichlorovinyl) -2,2-dimethylcyclopropane | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| | | | carboxylate (also known as cypermethrin) | | | | | | | | | |
| 3 | 0 | 0 | Inorganic cyanide compounds (excluding complex salts and cyanates) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 9 | | 0 | Diethanolamine | 0.0 | 0.4 | 0.0 | 0.0 | 0.4 | 0.0 | 1.6 | 1. | |
|) | 0 | 0 | 1, 4-Dioxane | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 | 0.0 | 0. | |
| | | 0 | Cyclohexanol | 13.1 | <0.1 | 0.0 | 0.0 | 13.1 | 0.0 | 53.0 | 53 | |
| 2 | | 0 | Cyclohexane | 82.7 | 0.0 | 0.0 | 0.0 | 82.7 | 0.0 | 0.0 | 0. | |
| 3 | 0 | 0 | Cyclohexylamine | 0.0 | <0.1 | 0.0 | 0.0 | <0.1 | 0.0 | 6.9 | 6 | |
| 1 | 0 | 0 | 1, 2-Dichloroethane | 5.2 | 0.0 | 0.0 | 0.0 | 5.2 | 0.0 | 99.0 | 99 | |
| 5 | 0 | 0 | 1, 2-Dichloropropane | 0.0 | 0.2 | 0.0 | 0.0 | 0.2 | 0.0 | 315.2 | 315 | |
| 6 | 0 | 0 | 1, 3-Dichloropropene (also known as D-D) | 0.5 | 0.0 | 0.0 | 0.0 | 0.5 | 0.0 | 204.8 | 204 | |
| 7 | 0 | 0 | o-Dichlorobenzene | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 46.3 | 46 | |
| 3 | 0 | 0 | Dichloropentafluoropropane (also known as HCFC-225) | 10.3 | 0.0 | 0.0 | 0.0 | 10.3 | 0.0 | 0.0 | 0 | |
| 9 | 0 | 0 | Dichloromethane (also known as methylene chloride) | 13.7 | 0.0 | 0.0 | 0.0 | 13.7 | 0.0 | 141.0 | 141. | |
| 0 | 0 | 0 | 2, 4-Dinitrophenol | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 53.9 | 53. | |
| 1 | 0 | 0 | Diphenylamine | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 7.0 | 7. | |
| 2 | | 0 | 2, 6-Di-t-butyl-4-methylphenol(also known as BHT) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 3 | | 0 | Dimethylamine | 0.0 | 52.6 | 0.0 | 0.0 | 52.6 | 0.0 | 0.9 | 0. | |
| 1 | | | N. N. Disseably decreased in | | | | | | | | | |

0.6

0.0 0.0 0.0 0.6

64 O N, N-Dimethylformamide

0.0 190.6 190.6

Release and Transfer of PRTR Substances in Fiscal 2008

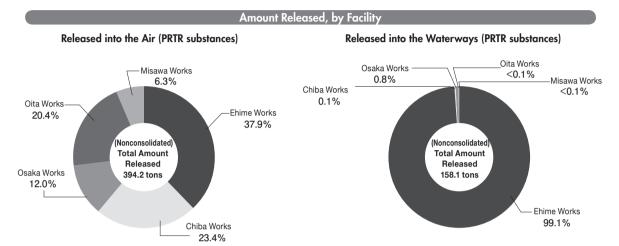
| No. | PRTR JCIA Substances Substances Name of Chemical Compound | | | Amount Released | | | | | Amount Transferred | | | |
|-----|---|---|--|-----------------|-------|------|----------|--------|--------------------|--------|-------|--|
| | Substances | | | Air | Water | Soil | Landfill | Total | Sewage | Waste | Total | |
| 65 | | 0 | Hydrogen bromide | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| 66 | | 0 | Oxalic acid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| 37 | | 0 | Bromine | 0.2 | 0.0 | 0.0 | 0.0 | 0.2 | 0.0 | 0.0 | 0.0 | |
| 86 | | 0 | Nitric acid | 3.6 | 0.0 | 0.0 | 0.0 | 3.6 | 0.0 | 9.1 | 9. | |
| 39 | 0 | 0 | Styrene | 3.4 | 0.0 | 0.0 | 0.0 | 3.4 | 0.0 | 0.0 | 0. | |
| 70 | 0 | 0 | Dioxines | 30.5 | 22.2 | 0.0 | 0.0 | 52.7 | <0.1 | 110.9 | 110. | |
| 71 | 0 | 0 | 0-4-cyanophenyl 0, 0-dimethyl phosphorothioate (also known as cyanophos or CYAP) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 72 | 0 | 0 | 0,0-Dimethyl 0-3-methyl-4-nitrophenyl phosphorothioate (also known as fenitrothion or MEP) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 73 | 0 | 0 | 1,3,5,7-Tetraazatricyclo[3.3.1.1(3.7)] decane (also known as hexamethylenetetramine) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 74 | | 0 | Tetrahydrofuran Teorah di Jana di Alamanda | 12.6 | 0.1 | 0.0 | 0.0 | 12.7 | 0.0 | 46.6 | 46. | |
| 75 | 0 | 0 | Terephthalic acid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 313.9 | 313. | |
| 76 | 0 | 0 | Copper salts (water-soluble, excluding complex salts) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 77 | | 0 | Triethanolamine | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 78 | | 0 | Triethylamine | 10.6 | 8.1 | 0.0 | 0.0 | 18.7 | 0.0 | 74.6 | 74. | |
| 79 | 0 | 0 | 2, 4, 6-Trichloro-1, 3, 5-triazine | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 30 | 0 | 0 | Trichlorotrifluoroethane (also known as CFC-113) | <0.1 | <0.1 | 0.0 | 0.0 | <0.1 | 0.0 | 0.0 | 0. | |
| 81 | 0 | 0 | Trichlorofluoromethane (also known as CFC-11) | 1.1 | 0.0 | 0.0 | 0.0 | 1.1 | 0.0 | 0.0 | 0. | |
| 32 | | 0 | Trimethylamine | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 33 | 0 | 0 | 1, 3, 5-Trimethylbenzene | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 0.1 | 0. | |
| 34 | 0 | 0 | o-Toluidine Toluene | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.9 | 3. | |
| 35 | 0 | 0 | | 165.9 | 0.9 | 0.0 | 0.0 | 166.8 | <0.1 | 2045.2 | 2045. | |
| 36 | 0 | 0 | Nickel compounds N. Nitrocodiphopulamino | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.9 | 1. | |
| 37 | 0 | 0 | N-Nitrosodiphenylamine | 0.0 | | | 0.0 | | 0.0 | 18.6 | 18. | |
| 38 | 0 | 0 | p-Nitrophenol | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.5 | 3. | |
| 39 | 0 | 0 | Nitrobenzene | 0.6 | 1.5 | 0.0 | 0.0 | 2.1 | 0.0 | 63.0 | 63. | |
| 90 | 0 | 0 | Arsenic acid and its inorganic compounds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 91 | 0 | 0 | Hydrazine | 0.1 | 0.1 | 0.0 | 0.0 | 0.2 | 0.0 | 15.5 | 15. | |
| 92 | 0 | 0 | Hydroquinone | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | <0.1 | <0. | |
| 93 | 0 | 0 | Pyridine | 0.3 | 0.1 | 0.0 | 0.0 | 0.4 | 0.0 | 2.5 | 2. | |
| 94 | 0 | 0 | m-Phenylenediamine | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 95 | 0 | 0 | Phenol | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 8.8 | 8. | |
| 96 | 0 | 0 | 1, 3-Butadiene | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| 97 | | 0 | Disobutyl phthalate | | | | | | | | | |
| 98 | 0 | 0 | Di-n-butyl phthalate Bis (2-Ethylhexyl) phthalate | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 99 | 0 | 0 | Butyl alcohol | 0.0 | 0.6 | 0.0 | 0.0 | 1.3 | 0.0 | 0.0 | 0. | |
| 00 | | 0 | Butyraldehyde | 0.7 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0. | |
| 02 | | 0 | Propyl alcohol | 8.4 | 0.0 | 0.0 | 0.0 | 8.5 | 0.0 | 170.1 | 170. | |
| | | _ | 2-Bromopropane | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 | 0. | |
| 03 | 0 | 0 | n-Hexane | 1737.2 | <0.1 | 0.0 | 0.0 | 1737.2 | 0.0 | 363.1 | 363. | |
| 04 | 0 | 0 | Benzyl chloride | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 0.0 | 0. | |
| 06 | 0 | 0 | Benzaldehyde | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 07 | 0 | 0 | Benzene | 15.2 | 0.8 | 0.0 | 0.0 | 16.0 | 0.0 | 0.0 | 0. | |
| 08 | 0 | 0 | Pentaerythritol | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| | | | Boron and its compounds | | | | | | | | | |
| 109 | 0 | 0 | Phosgene | 0.0 | <0.1 | 0.0 | 0.0 | <0.1 | 0.0 | 1.3 | 1. | |
| 10 | 0 | 0 | | | | | | | | | | |
| 11 | 0 | | Poly (oxyethylene) alkyl ether (alkyl c = 12-15) and its mixture | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 12 | 0 | 0 | Formaldehyde Manganese and its compounds | 0.2 | <0.1 | 0.0 | 0.0 | 0.2 | 2.1 | 0.0 | 2. | |
| 13 | 0 | 0 | Manganese and its compounds Phthalic aphydride | 0.0 | 0.3 | 0.0 | 0.0 | 0.3 | 0.0 | 22.8 | 22. | |
| 14 | 0 | 0 | Phthalic anhydride | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 15 | 0 | 0 | Maleic anhydride | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 16 | 0 | 0 | Methacrylic acid | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 15.0 | 15 | |
| 17 | 0 | 0 | 2, 3-Epoxypropyl methacrylate | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 0.0 | 0. | |
| 18 | 0 | 0 | Methyl methacrylate | 40.2 | 0.0 | 0.0 | 0.0 | 40.2 | 0.0 | 125.3 | 125 | |
| 19 | | 0 | Methanethiol | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | |
| 20 | 0 | 0 | (Z)-2'-Methylacetophenone 4,6-dimethyl-2-pyrimidinylhydrazone (also known as ferimzone) | 0.0 | <0.1 | 0.0 | 0.0 | <0.1 | 0.0 | 0.0 | 0. | |
| 21 | | 0 | Methylamine | 0.2 | 0.0 | 0.0 | 0.0 | 0.2 | 0.0 | 6.8 | 6 | |
| 22 | | 0 | Methyl alcohol (methanol) | 34.9 | 0.7 | 0.0 | 0.0 | 35.6 | 0.0 | 899.2 | 899 | |
| 23 | | 0 | N-Methylpyrrolidone | <0.1 | 0.0 | 0.0 | 0.0 | <0.1 | 0.0 | 37.0 | 37. | |
| 24 | | 0 | Methylbutylketone | 105.0 | 1.3 | 0.0 | 0.0 | 106.3 | 0.0 | 1894.0 | 1894 | |
| 25 | | 0 | Sulfuric acid | 2.2 | 0.0 | 0.0 | 0.0 | 2.2 | 0.0 | 105.7 | 105. | |
| 26 | | 0 | Diethyl sulfate | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0. | |
| 27 | | 0 | Dimethyl sulfate | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0. | |
| 28 | | 0 | Phosphorus and its compounds | 0.2 | 26.7 | 0.0 | 0.0 | 26.9 | 0.0 | <0.1 | <0. | |
| | | | Total substances used by Sumitomo Chemical: 128 (FY 2008) | 2488.6 | 254.4 | 0.0 | 0.0 | 2743.0 | 2.3 | 9422.4 | 942 | |

^{*}The PRTR Act uses kilograms (rounded off to two significant figures) to express weight, but in this report numerical values are expressed in tons rounded off to one decimal place (except for dioxins, expressed in mg-TEQ).

Release and Transfer of PRTR Substances in Fiscal 2008

| | | Released | | Transferred | | | |
|-----------------|-----------------------------------|----------------|-------|-------------|--------|--------|----------|
| | | Air | Water | Subtotal | Sewage | Waste | Subtotal |
| DDTD I I | Non-consolidated (89 substances) | 394.2 | 158.1 | 552.3 | 2.3 | 4799.5 | 4801.8 |
| PRTR substances | Group | 1153. <i>7</i> | 180.4 | 1334.1 | 22.0 | 8048.3 | 8070.3 |
| JCIA substances | Non-consolidated (128 substances) | 2488.6 | 254.4 | 2743.0 | 2.3 | 9422.4 | 9424.7 |

^{*}Figures for the release and transfer of PRTR substances for the Group for fiscal 2008 reflect totals for Sumitomo Chemical and its 16 domestic Group companies.



Initiatives to Reduce Emissions of Volatile Organic Compounds

Under the Air Pollution Control Law, volatile organic compounds (VOC) have become subject to stricter regulations (from 2004). Sumitomo Chemical thus established a target that is stricter than the criteria under the law to reduce VOC emissions by 30% relative to fiscal 2000 levels by fiscal 2010. The Company is currently formulating PRTR-compliance rules and related plans to reduce emissions. In fiscal 2008, VOC emissions decreased by 11.5% compared to the previous year to 3,551 tons due to a large drop in production volume as well as specific measures taken to reduce emissions. This was a 4.4% decrease compared to the fiscal 2000 level. The Company plans to strengthen the treatment facilities' functions to achieve greater VOC reductions from fiscal 2009 onward.

Prevention of Ozone Layer Damage

Sumitomo Chemical maintains strict control of cooling devices that employ specified CFCs (designated in the Law Concerning the Protection of the Ozone Layer Through the Control of Specified Substances and Other Measures) that are highly damaging to the ozone layer. The Company is committed to ensuring that CFCs are not accidentally released into the atmosphere from devices containing them, and carries out proper recovery, transportation and destruction of specified CFCs contained in refrigeration units upon disposal.

Target:

Eliminate the use of refrigeration units that use specified CFCs (CFC11, CFC12, CFC113, CFC114, CFC115) as coolants by 2025.

Number of Refrigeration Units that Use Specified CFCs as coolants as of the End of Fiscal (Nonconsolidated & Group)

| | Nonconsolidated | Group |
|--------|-----------------|----------|
| Туре | Number | of units |
| CFC11 | 21 | 24 |
| CFC12 | 7 | 58 |
| CFC113 | 0 | 0 |
| CFC114 | 0 | 0 |
| CFC115 | 0 | 11 |
| Total | 28 | 93 |

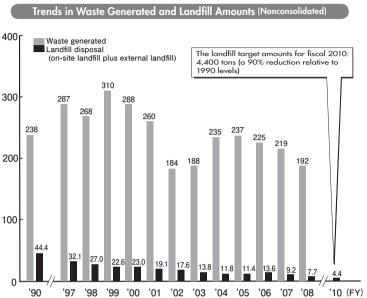
^{*}Data have been revised due to improved accuracy. *Group data reflect totals for Sumitomo Chemical and its 16 domestic Group companies.

Waste Reduction

In fiscal 2008, landfill disposal decreased by 16.3% from the previous year to 7,700 tons, due to the promotion of recycling of incinerator ash sludge.

Target:

Reduce landfill disposal by 90% relative to fiscal 1990 levels by fiscal 2010.



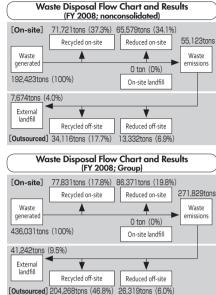
*Figures for fiscal 1990 (base year) and those for fiscal 2004 to 2008 include data for both the Gifu and Okayama Plants of the Osaka Works.

PCB Recovery, Storage and Treatment

In accordance with the Law concerning Special Measures for Promotion of Proper Treatment of PCB Waste, Sumitomo Chemical recovers polychlorinated biphenyls (PCB) waste (capacitors, transformers and other electronic devices that contain PCB insulating oil). The Company then stores this industrial waste, which is subject to special control, in specified areas within the Company's waste storage facilities, subsequently ensuring strict control of this waste. Sumitomo Chemical plans to treat all PCB waste by March 2014, ahead of the deadline specified under the Law.

Target:

Recover and store PCB waste in an appropriate manner and complete treatment of this waste by March 2014.



Waste recycled: Total amount of waste that was reused recycled, or thermally recycled

Waste reduced: Total amount of waste reduced through incineration, etc.

Group data reflects totals for Sumitomo Chemical and its 16 domestic Group companies.

PCB Waste Storage and Control as of the End of Fiscal 2008 (Nonconsolidated & Group)

| | Number of units of PCB waste | PCB (m ²) |
|----------------------|-------------------------------------|-----------------------|
| Noncon- solidated | 708 (680 stored /28 in use) | 40.7 |
| Group | 1,386 (1,064 stored /322 in use) | 45.3 |
| | | |

*Low-level PCB waste is not included.

*Group data reflects totals for Sumitomo Chemical and its 16 domestic Group companies.

*Data has been revised due to improved accuracy

*Handling of ballasts of fluorescent lamps and mercury lamps was:

excluded from the data (Sumitomo Chemical Co. Ltd.)

- excluded from the data, except for some Group companies (Group)

4 | Environmental Preservation in Logistics Operations

Initiatives for Energy Conservation and CO₂ Emission Reduction in Logistics Operations

As a result of our efforts to bring about more efficient transportation, we achieved a 5.4% improvement in unit energy consumption for fiscal 2008 over the previous year.

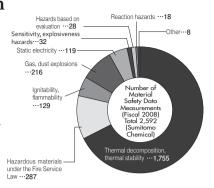
Trends in CO₂ Emissions from Logistics Operations

| | FY 2006 | FY 2007 | FY 2008 |
|---|---------|---------|---------|
| Energy consumed (thousand kl-crude oil) | 40.3 | 39.7 | 34.7 |
| Unit energy consumption (kl/ton) | 0.0114 | 0.0111 | 0.0105 |
| CO ₂ emissions (thousand tons) | 105.5 | 104.9 | 91.7 |

5 Process Safety and Disaster Prevention

Results of Material Safety Data Measurement

The Safety Engineering Laboratory at the Process & Production Technology Center (Ehime) studies and assesses process safety, researches safety measures, measures and evaluates material safety data, compiles a database on safety technologies, and undertakes training for safety engineers in its efforts to enhance process safety management and to prevent accidents such as fires and explosions. A total of 2,592 material safety data measurements were taken in fiscal 2008 (2,923 measurements in fiscal 2007), 68% of which measured thermal decomposition and thermal stability.



Safety Information Database

A safety information database has been created by collecting information on accidents in Japan and overseas and preparing abstracts of such accidents. As of the end of March 2009, 30,510 sets of data were stored in the database (28,988 sets of data as of March 31, 2008). This system allows all employees at each Works or Research Laboratory to search stored abstracts, and abstracts and their original data can be viewed or printed at individual terminals. These data are also used in process hazard evaluations and case

- Accident prevention technology information: 13,104 items
- Accident cause investigations: 1.877 items
- Accident information: 15,529 items
 (as of March 31, 2009)

terminals. These data are also used in process hazard evaluations and case study examinations to prevent similar accidents. In addition, accident data and other data are disclosed to Group companies, as necessary.

Process Safety Review Committee

The Process Safety Review Committee convenes at every stage of the R&D and commercialization processes to oversee a system in which the safety of each stage is thoroughly verified before moving on to the next stage. This system is governed by the in-house Process Development and Commercialization Regulations and Safety Management Guidelines, and ensures that work is conducted with clearly defined research & development supervision. The Company notifies all Group companies of its operations. During fiscal 2008, a total of 212 sessions were convened as part of this scheme. Through these meetings, the Company is making continuous efforts to identify any possible process risks that may arise.

Process Safety Review Committee Conventions

| | Level 1 | Level 2 | Level 3 | Level 4 | Level 5 | Total |
|---------|---------|---------|---------|---------|---------|-------|
| FY 2007 | 42 | 14 | 59 | 92 | 30 | 237 |
| FY 2008 | 39 | 22 | 45 | 81 | 25 | 212 |

6 | Responsible Care Audits

Audits Conducted

In fiscal 2008, a total of 35 specialized and management audits were conducted.

| Responsible | esponsible Care Audit Results (# of items) | | | | | | | | | | |
|----------------------|--|------|------|------|------|------|------|------|------|------|------|
| | Facilities | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| | Works | 5 | 4 | 5 | 4 | 5 | 4 | 7 | 4 | 5 | 4 |
| | Research Laboratories | 0 | 2 | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 0 |
| Specialized | Logistics Centers | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 1 |
| Audits | Business Sectors | 4 | 4 | 4 | 7 | 5 | 6 | 5 | 5 | 6 | 5 |
| | Group Companies (Japan) | 5 | 22 | 16 | 9 | 8 | 12 | 10 | 12 | 14 | 16 |
| | Group Companies (Overseas) | _ | _ | 2 | 1 | 2 | 3 | 1 | 4 | 4 | 4 |
| Management Audits | Works and Research Laboratories | 5 | 6 | 6 | 5 | 6 | 6 | 5 | 6 | 6 | 5 |
| | Total | 19 | 38 | 34 | 27 | 27 | 32 | 29 | 32 | 36 | 35 |

The fiscal 2008 Sumitomo Chemical specialized audits resulted in a total of 155 items meriting comment. Audit items will be expanded and enhanced on an annual basis to ensure continual improvement.

| Fiscal 2008 Specialized Audits for Facilities and Business Sectors | | | | | | | |
|--|---|--|-------|--|--|--|--|
| Area | Facilities (Works, Research Laboratories) Logistics Centers | Business Sectors (Head Office Business Sectors) | Total | | | | |
| Good (Important) | 10 | 1 | 11 | | | | |
| Needs Improvement | eds Improvement 57 | | 64 | | | | |
| Needs to be Examined | 55 | 25 | 80 | | | | |
| Total | 122 | 33 | 155 | | | | |

Unification of Group Environmental Preservation Targets

Group Companies in Japan

Group-wide quantitative domestic targets have been established, and specific measures to achieve these targets are being implemented at all Group companies in Japan to reduce primary environmental impact systematically by fiscal 2010. These cover unit energy consumption, unit CO₂ emissions, release of PRTR substances (into the air and water) and amounts of landfill disposal.

1. Improvement in unit energy consumption

Taraet:

Reduce unit energy consumption by 9.5% relative to fiscal 2002 levels by fiscal 2010

Results:

Unit energy consumption in fiscal 2008 was reduced by 1.4% relative to fiscal 2002 levels.

2. Improvement in unit CO₂ emissions

Target:

Reduce unit CO₂ emissions by 6.0% relative to fiscal 2002 levels by fiscal 2010

Results:

Unit CO2 emissions in fiscal 2008 increased by 1.6% relative to fiscal 2002 levels.

3. Reduction of volume of PRTR substances released

Target:

Reduce the total volume of PRTR substances released (into the air and water) by 60% relative to fiscal 2002 levels by fiscal 2010

Results:

The total volume of PRTR substances released in fiscal 2008 was reduced by 48.6% relative to fiscal 2002 levels.

4. Reduction of landfill disposal amount

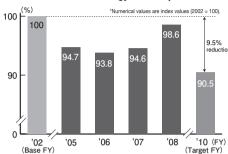
Taraet:

Reduce landfill disposal amount by 48.9% relative to fiscal 2002 levels by fiscal 2010

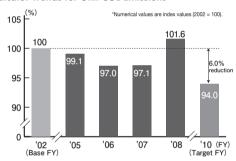
Results:

Landfill disposal amount in fiscal 2008 was reduced by 63.5% relative to fiscal 2002 levels.

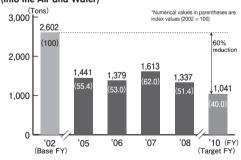
Indicator Trends for Unit Energy Consumption



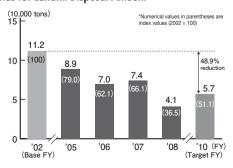
Indicator Trends for Unit CO₂ Emissions



Trends for Volume of PRTR Substances Released (into the Air and Water)



Trends for Landfill Disposal Amount



^{*}Values for individual target items (fiscal 2010) set by Sumitomo Chemical and its 16 domestic Group companies are cumulative.

*Figures for past fiscal years have been revised due to improved accuracy of data.

Individual Group Company Targets

Individual company targets that form the basis of the unified Group targets (determined specific target values) for the major areas of environmental preservation management are listed below.

Energy Conservation and Global Warming Initiatives

| Company | Target Details |
|--|---|
| Asahi Chemical Co., Ltd. | • Reduce energy consumption by 10% relative to fiscal 1990 by fiscal 2010 |
| Sumika-Kakoushi Co., Ltd. | Reduce unit energy consumption by 1% annually |
| Koei Chemical Co., Ltd. | Reduce unit energy consumption by 1% annually |
| Thermo Co., Ltd. | • Reduce energy consumption by 10% relative to fiscal 2002 by fiscal 2010 • Reduce unit CO_2 emissions by 10% relative to fiscal 2003 by fiscal 2010 |
| SanTerra Co., Ltd. | Control fiscal 2010 unit energy consumption to within an 8% increase relative to fiscal 2008 levels |
| Shinto Paint Co., Ltd. | Reduce unit energy consumption by 1% annually |
| Sumika Color Co., Ltd. | • Reduce unit energy consumption by 20% relative to fiscal 1990 by fiscal 2010 |
| Sumitomo Joint Electric Power Co., Ltd. | Reduce unit energy consumption of private thermal generation by 10% relative to fiscal 2002 by fiscal 2010 Reduce unit CO₂ emissions from transmission end of thermal power stations by at least 10% relative to fiscal 1990 by fiscal 2010 |
| Dainippon Sumitomo Pharma Co., Ltd. | Reduce unit energy consumption by 1% annually Reduce CO₂ emissions to below fiscal 1990 levels by fiscal 2010 Reduce unit CO₂ emissions by 1% annually |
| Sumitomo Dow Ltd. | Reduce unit energy consumption by 1% annually Reduce unit CO₂ emissions from fossil fuel for captive consumption by 1% annually |
| Sumika Bayer Urethane Co., Ltd. | Reduce unit energy consumption by 1% annually Reduce unit CO₂ emissions from fossil fuel for captive consumption by 10% relative to fiscal 1990 by fiscal 2010 |
| Taoka Chemical Co., Ltd. | Reduce unit energy consumption by 1% annually Reduce unit CO₂ emissions from fossil fuel for captive consumption by 3% relative to fiscal 1990 by fiscal 2010 |
| Nippon A&L Inc. | Reduce unit energy consumption by 20% relative to fiscal 1990 by fiscal 2010 |
| Nihon Medi-Physics Co., Ltd. | Reduce energy consumption by 1% annually |
| Nihon Oxirane Co., Ltd. | Reduce unit energy consumption by 1% annually Reduce unit CO₂ emissions from fossil fuel for captive consumption by 10% relative to fiscal 1990 by fiscal 2010 |
| Sumitomo Chemical Co., Ltd. | • Reduce unit energy consumption by 20% relative to fiscal 1990 by fiscal 2010 • Reduce unit CO_2 emissions from fossil fuel for captive consumption by 15% relative to fiscal 1990 by fiscal 2010 |

PRTR Initiatives

| Company | Target Details |
|--|--|
| Asahi Chemical Co., Ltd. | • Reduce the amount released (into the air and water) to below fiscal 2001 levels by fiscal 2010 |
| Sumika-Kakoushi Co., Ltd. | • Reduce the amount released (into the air and water) by 70% relative to fiscal 2002 by fiscal 2010 |
| Koei Chemical Co., Ltd. | • Control increase of the amount released to correspond to production levels |
| Thermo Co., Ltd. | Maintain zero release (into the air and water) |
| SanTerra Co., Ltd. | Maintain zero release (into the air and water) |
| Shinto Paint Co., Ltd. | • Reduce the amount released (into the air and water) by 50% relative to fiscal 2001in fiscal 2008 |
| Sumika Color Co., Ltd. | • Reduce the amount released (into the air and water) by 15% relative to fiscal 2003 by fiscal 2010 |
| Sumitomo Joint Electric Power Co., Ltd. | Maintain zero release (into the air and water) |
| Dainippon Sumitomo Pharma Co., Ltd. | • Reduce the total amount of dichloromethane, chloroform, and 1,2-dichloroethane released into the air by 20% relative to fiscal 2003 by fiscal 2010 |
| Sumitomo Dow Ltd | • Reduce the amount released (into the air and water) by 50% relative to fiscal 2003 by fiscal 2010 |
| Sumika Bayer Urethane Co., Ltd. | • Reduce the amount released (into the air and water) by 60% relative to fiscal 2002 by fiscal 2010 |
| Taoka Chemical Co., Ltd. | • Reduce the amount released (into the air and water) to below fiscal 2002 levels by fiscal 2010 |
| Nippon A&L Inc. | • Reduce the amount released (into the air and water) by 60% relative to fiscal 2002 by fiscal 2010 |
| Nihon Medi-Physics Co., Ltd. | Maintain zero release (into the air and water) |
| Nihon Oxirane Co., Ltd. | • Reduce the amount of molybdenum released into the water to 10 tons by fiscal 2010 |
| Sumitomo Chemical Co., Ltd. | • Reduce the amount released (into the air and water) by 50% relative to fiscal 2002 by fiscal 2010 |

Landfill Disposal Reduction Initiatives

| Company | Target Details |
|--|--|
| Asahi Chemical Co., Ltd. | • Control the landfill disposal within a 40% increase from fiscal 2006 by fiscal 2010 |
| Sumika-Kakoushi Co., Ltd. | • Reduce the landfill disposal by at least 99% relative to fiscal 2002 by fiscal 2010 |
| Koei Chemical Co., Ltd. | • Reduce the landfill disposal by 20% relative to fiscal 2002 by fiscal 2010 |
| Thermo Co., Ltd. | Reduce the landfill disposal to below fiscal 2002 levels by fiscal 2010 |
| SanTerra Co., Ltd. | Reduce the landfill disposal to below fiscal 2003 levels by fiscal 2010 |
| Shinto Paint Co., Ltd. | • Reduce the landfill disposal (excluding sludge) by 2% relative to previous fiscal year |
| Sumika Color Co., Ltd. | • Reduce the landfill disposal by 20% relative to fiscal 1990 by fiscal 2010 |
| Sumitomo Joint Electric Power Co., Ltd. | Achieve a 70% utilization rate for coal ash by fiscal 2010 |
| Dainippon Sumitomo Pharma Co., Ltd. | Reduce the landfill disposal by at least 80% relative to fiscal 1990 in fiscal 2008 |
| Sumitomo Dow Ltd | Reduce the landfill disposal to below fiscal 2003 levels by fiscal 2010 |
| Sumika Bayer Urethane Co., Ltd. | • Reduce the landfill disposal by 85% relative to fiscal 1990 by fiscal 2010 |
| Taoka Chemical Co., Ltd. | Reduce the landfill disposal to below fiscal 2002 levels by fiscal 2010 |
| Nippon A&L Inc. | • Reduce the landfill disposal by 85% relative to fiscal 1990 by fiscal 2010 |
| Nihon Medi-Physics Co., Ltd. | Reduce the landfill disposal to 27 tons by fiscal 2010 |
| Nihon Oxirane Co., Ltd. | • Reduce the landfill disposal by 90% relative to fiscal 1990 by fiscal 2010 |
| Sumitomo Chemical Co., Ltd. | • Reduce the landfill disposal by 90% relative to fiscal 1990 by fiscal 2010 |

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Overseas Group Companies

For nine principal overseas Group companies, unified quantitative targets for fiscal 2010, corresponding to the indicators for the Group companies in Japan, have been established with regard to unit energy consumption, unit CO₂ emissions, unit water usage, and unit landfill disposal. The overseas Group companies have already started initiatives to achieve these targets.

1. Improvement in unit energy consumption

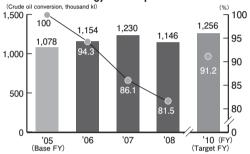
Target:

Reduce unit energy consumption by 8.8% relative to fiscal 2005 levels by fiscal 2010

Results:

Unit energy consumption in fiscal 2008 was reduced by 18.5% relative to fiscal 2005 levels.





3. Reduction in Unit Water Usage

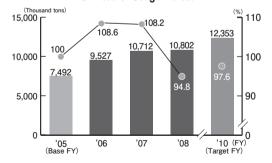
Target:

Reduce unit water usage by 2.4% relative to fiscal 2005 levels by fiscal 2010

Results:

Unit water usage in fiscal 2008 was reduced by 5.2% relative to fiscal 2005 levels.

Trends in Water Usage and Unit Water Usage Indices



*These figures reflect the totals for the following nine overseas Group companies:

Sumitomo Chemical Singapore Pte Ltd..

Petrochemical Corporation of Singapore (Pte) Ltd.,

The Polyolefin Company (Singapore) Pte. Ltd.,

Sumipex (Thailand) Co., Ltd.,

Bara Chemical Co., Ltd.,

Dalian Sumika Chemphy Chemical Co., Ltd.,

SC Enviro Agro India Private Ltd.,

Sumika Technology Co., Ltd.,

Dongwoo Fine-Chem Co., Ltd.

*Figures for past fiscal years have been revised due to improved accuracy of data.

2. Improvement in unit CO₂ emissions

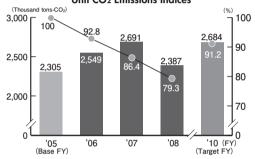
Target:

Reduce unit CO₂ emissions by 8.8% relative to fiscal 2005 levels by fiscal 2010

Results:

Unit CO2 emissions in fiscal 2008 was reduced by 20.7% relative to fiscal 2005 levels.

Trends in CO₂ Emissions (Energy Sources) and Unit CO₂ Emissions Indices



4. Reduction in Unit Landfill Disposal

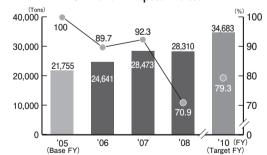
Target:

Reduce unit landfill disposal by 20.7% relative to fiscal 2002 levels by fiscal 2010

Results:

Unit landfill disposal in fiscal 2008 was reduced by 29.1% relative to fiscal 2005 levels.

Trends in the Landfill Disposal and Unit Landfill Disposal Indices





Sumitomo Chemical produces an "Environment, Health & Safety Report" at each of the Company's Works.

Please contact the relevant site for further details.

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*For information concerning Utajima Pilot Production Department, Gifu Plant, and Okayama Plant of the Osaka Works, please contact Osaka Works (Kasugade).

*Oe Plant, a manufacturing site for IT electronic parts and materials, became independent from Ehime Works in April 2009. The Plant is planning to publish its own Environmental and Safety Report from 2010.



