Social

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Contributing to the SDGs through Social Activities



Respect for Human Rights

Basic Stance

Sumitomo Chemical regards respect for human rights as part of the foundation for business continuation. We are continuing to make a Group-wide effort to address this as a material issue to be addressed as management priorities, and provide disclosures on our measures and progress. In order to accelerate its efforts on human rights, Sumitomo Chemical formulated the Sumitomo Chemical Group Human Rights Policy in April 2019, based on the Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the Ten Principles of the United Nations Global Compact, and the United Nations Guiding Principles on Business and Human Rights. At the same time, we established the Human Rights Promotion Committee, a committee tasked with promoting our human rights initiatives. In order to pursue a Group-wide effort to respect human rights, we are committed to ensuring that all Group companies in Japan and overseas are fully aware of the Human Rights Policy and take action on these principles.

Sumitomo Chemical Group Human Rights Policy
(Effective April 1, 2019)
This policy was formulated based on the advice of outside human rights experts with practical experience.

How to Make Use of Speak Up System

https://www.sumitomo-chem.co.jp/english/sustainability/governance/compliance/forms/

Sumitomo Chemical Group (Sumitomo Chemical Co., Ltd. and its Group Companies) has put in place this Human Rights Policy ("Policy") to demonstrate its commitment to international standards on human rights. All directors, executive officers and employees ("Personnel") of the Sumitomo Chemical Group will uphold this Policy.

1. Our Position on Human Rights

(1) Compliance with Standards, Laws and Regulations

We support and respect international standards on human rights, such as the Universal Declaration of Human Rights, International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and promote respect for human rights in line with the United Nations Guiding Principles on Business and Human Rights. Sumitomo Chemical Co., Ltd. is a signatory to the United Nations Global Compact and supports its Ten Principles, which include human rights and labor.

We comply with applicable laws and regulations in countries and regions where we operate, and where local laws and regulations conflict with international standards, we will seek ways to honor the principles of internationally recognized human rights.

(2) Respect for Human Rights in Our Business Activities

We do not discriminate against individuals based on employment status, age, sex, ethnic or social origin, ancestry, nationality, disability, religion, beliefs, marital status, or any other status. We do not tolerate any form of harassment, including sexual harassment or workplace bullying. We also respect fundamental labor rights including freedom of association and the right to collective bargaining, and prohibit forced labor or child labor.

We are committed to respecting human rights in our business activities and also strive to avoid contributing to infringement of human rights. In order to prevent and mitigate human rights risks related to our business activities, we will take necessary measures, including ensuring compliance with the Compliance Manual (the Sumitomo Chemical Code of Ethics) and other relevant policies and guidelines. We are also committed to understanding our impact on local communities and aim for harmonious coexistence with these communities.

We expect our business partners, including our suppliers, and other relevant stakeholders to act in line with the principles in this Policy, and we will seek ways to work with them to promote respect for human rights.

2. Our Approach to Human Rights Issues

(1) Providing Education and Raising Awareness

We will provide appropriate education and training to our Personnel so that this Policy is understood and effectively implemented.

(2) Human Rights Due Diligence

We will identify adverse human rights impacts, and seek to prevent or mitigate such impacts through our human rights due diligence framework.

(3) Responding to Identified Human Rights Impacts

We will engage with relevant stakeholders in order to address actual or potential adverse human rights impacts.

(4) Remedy

Where we identify that we have caused or contributed to adverse human rights impacts, we will endeavor to remediate such impacts through appropriate processes.

(5) Grievance Mechanisms

We have grievance mechanisms in place in the form of the Speak-Up System (whistle-blowing channels) in order to address concerns about activities that may adversely impact human rights or any other concerns raised about our business activities. These channels are available for anyone having involvement in Sumitomo Chemical Group's business activities, including their business partners as well as Sumitomo Chemical Group Personnel and their families. We will continuously seek to optimize our grievance mechanisms.

(6) Disclosure

We will report on our efforts to respect human rights including through our website, integrated report, Sustainability Data Book, and other relevant channels.

Note: From FY2024, the "Sustainability Data Book" has been renamed to "Sustainability Report."

Publication of the Group Statement under Human Rights Laws

We at the Sumitomo Chemical Group, as a globally operating corporation, have published the Group statement on our efforts to address risks related to modern slavery and human trafficking in our business activities and supply chain. This statement is prepared and published in accordance with the laws in various countries with regard to respect for human rights and the prevention of modern slavery and human trafficking, including the Modern Slavery Act of the United Kingdom, the Modern Slavery Act of Australia, the California Transparency in Supply Chains Act of the United States, and Fighting Against Forced Labour and Child Labour in Supply Chains Act of Canada.

Compliance with the Laws and Regulations involving Respect for Human Rights World-wide

https://www.sumitomo-chem.co.jp/english/sustainability/society/human_rights/statement/

Management System

Human Rights Promotion Committee

Sumitomo Chemical has established the Human Rights Promotion Committee as its organization for promoting activities in compliance with the Human Rights Policy. In order to plan and implement measures to respect human rights across the entire value chain,*1 this committee consists of members from a broad range of related departments and functions. The senior executive officer in charge of corporate departments serves as chair, while from the business sectors, executive officers in charge of the Planning & Coordination Offices*2 of their respective departments participate as committee members.

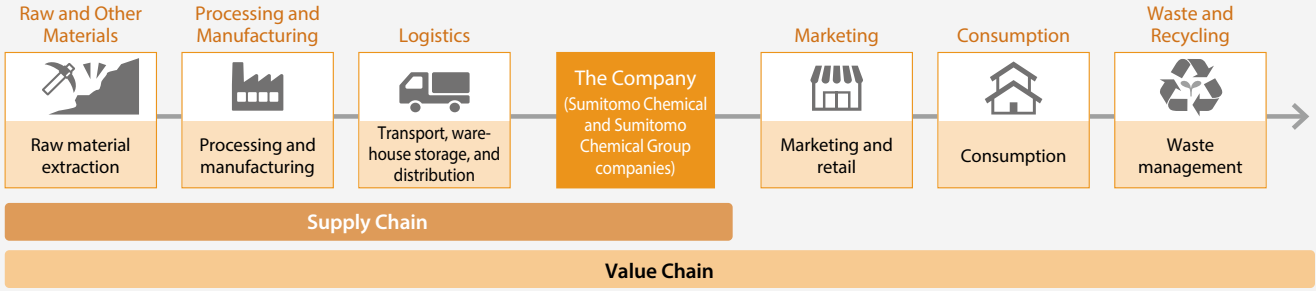
*1 Value chain is defined by ISO 26000, which is an international standard related to social responsibility, as an "entire sequence of activities or parties that provide or receive value in the form of products or services." See the explanation to the right for details.

*2 The Planning & Coordination Offices are departments in charge of matters related to the planning, technologies, and development of each business sector.

Roles of Human Rights Promotion Committee

(1) Formulation and implementation of measures regarding respect for human rights across the Group's value chain, including:
- — Formulation and publication of policies required by the Guiding Principles on Business and Human Rights and relevant laws
- — Identification of human rights issues across the value chain, assessment of risks, and implementation of measures, including remedies, that are appropriate for specific issues and their associated risks (human rights due diligence and remediation)

(2) Promotion of awareness of human rights inside and outside the Company



■ Human Rights Promotion Committee



Group-wide Approach

Based on its basic policy for respect for human rights, Sumitomo Chemical continues to take various measures to promote respect for human rights by working closely with its Group companies in Japan and overseas, while also engaging business partners.

Overseas, in particular, we are working with our regional headquarters in Europe, the Americas, China, and the Asia-Pacific region to ensure and promote compliance, including initiatives to protect human rights, based on our compliance system that we have established in accordance with respective local legal systems of the countries where we operate.

Examples of Initiatives

Human Rights Due Diligence and Remediation

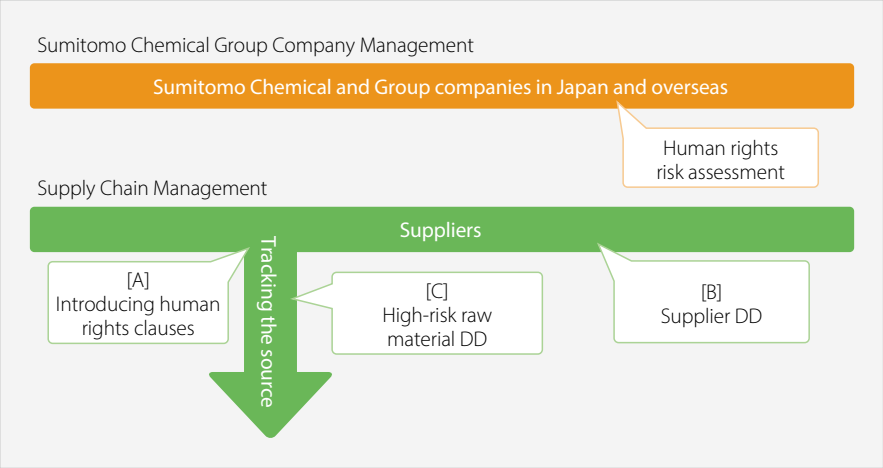
With the aim of promoting respect for human rights in its business activities, the Sumitomo Chemical Group has established a system for human rights due diligence in accordance with the United Nations Guiding Principles on Business and Human Rights. Under our approach to assessing, reducing, and preventing human rights risks, not only for Sumitomo Chemical itself and its supply chain, but also for Group companies in Japan and overseas and their supply chains, we set priorities based on potential human rights risks, and implement our efforts in steps. The Sustainability Department, Legal Department, Procurement Department, and Logistics Department collectively serve as our secretariat office for human rights due diligence, working with business sectors and other relevant departments to ensure that our entire value chain is assessed (Sumitomo Chemical Group Company Management).

External experts conduct human rights risk assessment of the Group to assess, reduce, and prevent human rights risks within the Group.

Moreover, for the supply chain, we rank priorities based on assumed human rights risks, conduct surveys, and promote engagement (Supply Chain Management). As a comprehensive initiative, we ensure the effectiveness of human rights risk reduction initiatives by including clauses related to the implementation of human rights-related initiatives in new and existing agreements. As a practical risk reduction initiative, we distribute the Sumitomo Chemical Group Supplier Code of Conduct and collect responses to check sheets and human rights questionnaires, which independently assess the status of initiatives by each supplier, thereby determining the status of general sustainability measures and management systems, including those related to human rights, at suppliers (supplier due diligence, hereinafter "Supplier DD"). In addition, for suppliers of raw materials that have a high risk of having an adverse impact on human rights (high-risk raw materials), we conduct high-risk raw material due diligence (DD) through surveys that track to the source.

If it is identified through these activities that our Group's business activities are causing or contributing to any adverse impacts on human rights, we will correct or remedy those impacts through the appropriate procedures, in collaboration with relevant stakeholders.

■ Human Rights Due Diligence Overview of Initiatives



Approach to Our Human Rights Due Diligence Efforts



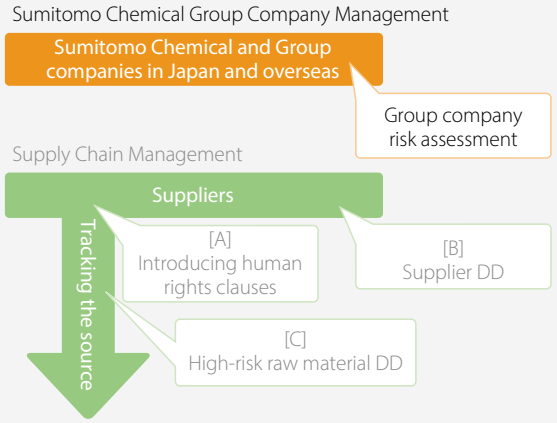
Sumitomo Chemical Group Company Management

Sumitomo Chemical Group Company Management Flow

Group Company Risk Assessment

With risk-based approach, we have implemented a series of human rights due diligence steps over three-year period.

In FY2025–2027, we plan to adjust partially and implement the series of human rights due diligence steps as follows, aiming to gain a comprehensive understanding of the detailed actual situation across the entire Sumitomo Chemical Group at an early stage.



FY2022	• Human rights risk assessment (risk mapping) targeting the entire Group conducted by external experts
FY2023	• Written surveys and detailed surveys of the Group companies that were identified as having comparatively high risk in the risk mapping conducted in the previous fiscal year
FY2024	• Fact-finding inquiries for the Group companies whose responses in the written/detailed surveys indicated potential adverse human rights impacts • Formulation and implementation of countermeasures for the items for improvement identified by external experts in the written/detailed surveys
FY2025	• Human rights risk assessment (risk mapping) targeting the entire Group conducted by external experts • Selection of 38 Group companies identified as having a comparatively high risk based on the results of the latest risk mapping, among the 77 Group companies that had been identified as having comparatively low risk and were not subject to written/detailed surveys in the past two rounds of the Group company human rights risk assessment
FY2026 (Plan)	• Written surveys of the 38 Group companies selected in FY2025 • Formulation and implementation of countermeasures for the items for improvement identified by external experts in the written surveys
FY2027 (Plan)	• Written surveys of the remaining Group companies as having comparatively low risk and were not been subject to the past written/detailed surveys • Formulation and implementation of countermeasures for the items for improvement identified by external experts in the written surveys

Risk Assessment Items

For this risk assessment, we first set the four categories of society, environment, occupational safety and health, and governance as major focal areas, and for each category, we determined items in detail for assessing risks. For example, in the category of "society," we selected such diverse items as forced labor, child labor, discrimination, harassment, freedom of association, indigenous people, and cultural heritage. In other categories, we conducted risk assessment as to those items that we had addressed in audits, by examining them from a human rights perspective.

Society	
S1	Forced labor and human trafficking
S2	Child labor
S3	Work hours
S4	Wages and employment contract
S5	Discrimination
S6	Harassment and punishments
S7	Freedom of association
S8	Land rights
S9	Adverse social impact on local communities
S10	Indigenous people and cultural heritage
S11	Privacy
S12	Countermeasures and management procedures (supply chain)

Environment	
E1	Environmental pollution
E2	Resource management
E3	Noises, vibrations, and odors

Occupational Safety and Health	
HS1	Countermeasures and management procedures
HS2	Machine safety
HS3	Fires and explosions
HS4	Hazardous operations
HS5	Infectious, dusty, and asbestos operations

Governance	
G1	Prevention of bribery
G2	Prevention of accounting fraud
G3	Prevention of quality-related fraud
G4	Examples of violations

Risk Score Calculation Methodology

Regarding each item, we assess activities as factors either contributing to or reducing risk. When there are activities that could become risk factors, we add to the risk score, and when there are activities that reduce risk factors, we subtract from the risk score, thereby quantifying risk. The higher the risk score, the higher the human rights risk.

Examples that add to the risk score:

- Employing foreign national workers and migrant workers
- Operational region of the Group company ranked as a high-risk country in indices published by international institutions (for example: the Global Child Forum & UNICEF's Children's Rights and Business Atlas)
- Businesses considered labor-intensive (business categories considered to have a relatively high ratio of low-wage workers)

Examples that subtract from the risk score:

- Confirming the personal IDs of migrant workers and storing copies
- Formulating policies related to prohibiting child labor
- Confirming the provision of employee wages in an amount adequate to provide for a family and meet basic needs, such as food and housing

Human Rights Risk Assessments (the Third Round : FY2025-2027)

We considered the following factors to ensure that changes in social conditions are appropriately reflected.

- Country-specific indicators newly formulated and released by international organizations
- Among raw materials being handled, the presence or absence of materials that are considered to have high human rights risks, such as conflict minerals
- Problematic rises in cases of human rights violations in the chemical industry and in countries where Group companies are based
- The addition of the safety and health field to the International Labour Organization's (ILO) Core Labour Standards

FY2025 Initiatives

As it is important to periodically assess human rights risks in response to changes in social conditions, we conducted risk mapping for a third-round human rights risk assessment encompassing the Company and all consolidated operating companies. With the cooperation of external experts, we estimated the potential human rights risks of each Group company based on its business activities and location (country or region), workforce composition, and raw materials and products handled, and we also assessed the status of risk mitigation measures based on the results of interviews with responsible personnel as well as internal audits and Responsible Care audits. Through this process, we ensured objectivity while making the assessment more closely aligned with actual conditions.

FY2026-2027 Initiative Plans

We will conduct written surveys of the Group companies identified as requiring priority detailed assessment from the results of the risk mapping conducted in FY2025, assess the actual situations and implement remediations as necessary.

Our past human rights risk assessments have followed a risk-based approach, structured around a three-year cycle to complete a series of sequential steps: (1) risk mapping, (2) written and detailed surveys of the companies identified as having comparatively high risks, and (3) formulation and implementation of countermeasures for the issues flagged by external experts. However, we now consider it preferable to comprehensively identify the detailed human rights risks across the entire Group at the earliest possible stage to enable necessary countermeasures. Furthermore, having completed two cycles, and the assessment methodology has become firmly established within the Group, allowing for more streamlined operations.

For these reasons, in FY2026–2027, we will partially adjust our conventional human rights risk assessments process (see previous page). We will divide the remaining Group companies - which were previously not subject to written or detailed surveys because identified as having comparatively low risks in the risk mappings during the past two cycles of human rights risk assessments - into two groups. For each group, within a single fiscal year, we will conduct written survey and if any issues are flagged by external experts, we will formulate and implement necessary countermeasures.

Human Rights Risk Assessments (the First Round : FY2019-2021)

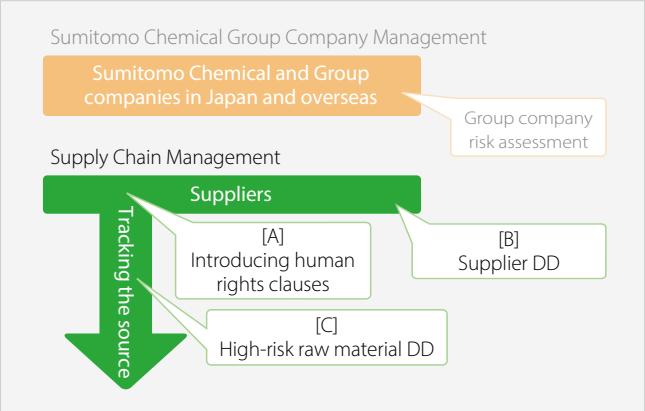
https://www.sumitomo-chem.co.jp/english/sustainability/files/docs/humanrights_riskassessment_1.pdf

Human Rights Risk Assessments (the Second Round : FY2022-2024)

https://www.sumitomo-chem.co.jp/english/sustainability/files/docs/humanrights_riskassessment_2.pdf

Supply Chain Management

Supply Chain Management Flow



A. Introducing Human Rights Clauses into Contracts

We have formulated contract provisions that request understanding of and cooperation with our efforts to respect human rights are conducting initiatives that include them in our contracts with our business partners, including raw material suppliers, materials and equipment suppliers, logistics providers, and contract manufacturers.

We will not only continue to sign contracts that include these human rights provisions, but also respond in line with the procedures defined in these human rights provisions when adverse impacts on human rights occur in our supply chain, or under the apprehension that such an impact has occurred.

Main Content in Human Rights Clauses (required matters)

- Comply with human rights-related international standards and the Sumitomo Chemical Group Supplier Code of Conduct
- Strive to seek similar responses from suppliers further upstream
- Formulate policies and conduct human rights due diligence

B. Supplier DD

The Sumitomo Chemical Group is committed to building mutually beneficial and sound relationships with its business partners. We ourselves do business in a fair, equitable and transparent way, while also promoting sustainable procurement efforts across the entire supply chain with respect for human rights and a firm commitment to compliance. In order to encourage our business partners to work on sustainability efforts, in the Sumitomo Chemical Group Supplier Code of Conduct, we ask our business partners to respect human rights, prohibit complicity with human rights violations, prohibit discrimination and harassment, respect basic rights related to labor, prohibit forced labor and child labor, comply with the minimum wage, and assurance of a living wage. In addition, to accurately recognize the risk status related to legal compliance and ethics, society, occupational safety and health, and the environment in the procurement of raw materials in the supply chain, we send the Sumitomo Chemical Group Supplier Code of Conduct to our major business partners, collect the Sumitomo Chemical Group Sustainable Procurement Check Sheets filled out by each of those business partners, and assess their practices.

Furthermore, we are conducting detailed assessments of the Company's major business partners using questionnaires focusing on human rights (the human rights questionnaire). The human rights questionnaire comprises two parts: one for the management system of the entire company and one with questions specialized for human rights (the presence or absence of human rights risks and the implementation status of risk reduction measures). We provide feedback on the results for all business partners who respond. And for those business partners that we would like to take further action, we engage with them on an individual basis (including exchange information related to sustainability initiatives and share the best practices of the Sumitomo Chemical Group, providing support as needed).

P.111 Procurement: Promoting Sustainable Procurement throughout the Supply Chain

Excerpts of the Human Rights Questionnaire

Major items	Examples of specific questions
(1) Questions related to company-wide management systems	Numbers of employees, presence of labor unions, status of formulation of policies (for example: human rights policies, legal and regulatory compliance, environmental conservation, occupational safety and health), supply chain management status (for example: status of risk assessments for business partners and the supply chain), establishment of whistleblower hotline
(2) Questions specially focused on human rights*	We collect responses to the following questions to assess the risk of forced labor of foreign national workers and migrant workers. • Employment status of foreign national workers and migrant workers • Does the company use recruitment specialists when employing foreign national workers and migrant workers? • If using recruitment specialists, is the company doing its due diligence to ensure the specialists' business activities do not violate the human rights of job seekers? • Has the company established an internal procedure for confirming whether recruitment specialists are collecting fees from job seekers? • Before the planned worker departs their home country, does the company provide documents that clarify the main working conditions (job duties, wages, workhours, etc.) in the worker's native language or a language the worker can understand? • Before the planned worker departs their home country, does the company explain necessary information related to the country where they will work or the workplace (rules of the workplace, occupational safety and health, performance considerations, use of dormitory, helpdesk contact information if there are problems, etc.) in the worker's native language or a language the worker can understand?

* We assess a wide range of human rights issues, such as child labor, forced labor, discrimination (responsible recruitment), and the rights of indigenous people.

- **Initiatives in FY2025**
  We distributed the Sumitomo Chemical Group Sustainable Procurement Check Sheets or our questionnaires focusing on human rights (Human rights questionnaires) to our major suppliers of raw materials, materials and equipment, and logistics providers and collected responses to assess their practices, and conducted engagement as necessary.

- **FY2026 Initiative Plans**
  We will continue to send the Sumitomo Chemical Group Sustainable Procurement Check Sheets and human rights questionnaires to major suppliers and collect their responses. Based on our assessment of the responses and results, we will take improvement measures as necessary to broadly promote sustainable procurement in the supply chain.

C. High-risk Raw Material DD

The Sumitomo Chemical Group formulated the "Sumitomo Chemical Group Policy for Responsible Procurement of Minerals/Raw Materials" in March 2020. Under the policy, the Group defines high-risk raw materials as those that having a high probability of adversely impacting human rights in the supply chain, including, but not limited to, tantalum, tin, gold, tungsten, cobalt, mica, graphite, and pulp. Depending on the characteristics of the high-risk raw materials, we promote initiatives aligned with the premise of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the OECD Guidance).

- **Initiatives in FY2025**
  In line with the Sumitomo Chemical Group Policy for Responsible Procurement of Minerals/Raw Materials, we conducted surveys of the usage status, etc. of high-risk raw materials for the Company and Group companies in Japan.

- **FY2026 Initiative Plans**
  Going forward, we will consider remedial measures to reduce human rights risks in line with the Sumitomo Chemical Group Policy for Responsible Procurement of Minerals/Raw Materials and continue implementing necessary initiatives. In addition, for business partners that handle high-risk raw materials, we will continue requesting reports based on the Responsible Minerals Initiative (RMI) and steadily promote risk assessments.

P.111 **Procurement:** Initiatives Related to High-Risk Raw Materials

Sumitomo Chemical Group Policy for Responsible Procurement of Minerals/Raw Materials

https://www.sumitomo-chem.co.jp/english/sustainability/files/docs/MineralandRawMaterialsPolicy.pdf

Grievance Mechanisms

We have grievance mechanisms in place in the form of the Speak-Up System (whistle-blowing channels) in order to address concerns about activities that may adversely impact human rights or any other concerns raised about our business activities. These channels are available for anyone involved in Sumitomo Chemical Group's business activities, including their business partners as well as Sumitomo Chemical Group Personnel and their families.

In addition, regarding harassment in particular, Sumitomo Chemical has established a harassment consultation office and consultants. We have set up systems to provide consultations for employees regarding various types of harassment, including power harassment, sexual harassment, maternity harassment, and SOGI harassment.*

Each of these aforementioned consultation offices accepts anonymous consultations and whistleblower reports. In the Compliance Manual, we make clear that the Company gives utmost consideration to protecting the privacy of the reporting person and maintaining the confidentiality of information provided and that the Company does not put people at any disadvantage, such as through dismissal, transfer, or discrimination, on the grounds of having received a consultation or made a report. We are raising awareness of these facts among employees.

Furthermore, at all aforementioned offices, in fiscal 2025, there were no identified cases related to discrimination and no major adverse impact on human rights affecting the business continuation of the Group.

The Group will continue working to more effectively operate grievance mechanisms going forward.

* Harassment related to sexual orientation and gender identity

P.035 **Compliance:** Internal Reporting System (Speak-Up System)

Education and Awareness Raising

Our basic policy of respect for human rights is articulated in our Compliance Manual (Sumitomo Chemical Code of Ethics) and also communicated across through our intranet. In addition, our labor-management agreement makes it clear that an employee who damages the work environment for other employees through sexual speech and behavior, harassment, or other similar actions is considered violating our work regulations and thus subject to disciplinary action.

Under these principles, we value respect for an individual's personality, prohibiting any action to disrespect or disparage an individual's personality taken based on personal emotions or values or any harassment, bullying or similar speech or action.

We also prohibit all kinds of harassment, including power harassment and sexual harassment (including harassment of a person of the same gender and harassment of LGBTQ people regarding sexual orientation and gender identity).

In addition, we prohibit discrimination and do not allow any discriminatory action that is taken for reasons of employment type, age, gender, birthplace, ancestry, nationality, race, disability, religion, beliefs, marital status, or other such attributes and harms an individual's dignity. We particularly make it clear that discrimination based on gender or a difference in sexual orientation or gender identity and discrimination against people with disabilities are prohibited.

Raising Employees' Awareness of Human Rights

To ensure that each employee, including managers, correctly understands and is fully aware of human rights issues, Sumitomo Chemical incorporates human rights in its employee education. We highlight human rights not only in the introductory training in which all employees participate after joining the Company but also in many other internal training programs, such as those for newly promoted employees (when promoted to a higher grade or a manager position) and those for recruiting interviewers.

In addition, we regularly implement awareness-raising training and initiatives at each site of our operations and each Group company. In FY2025, aligned with the Sumitomo Chemical Group Human Rights Policy, we rolled out an e-learning training program for all Sumitomo Chemical employees that has been developed by integrating the human rights training previously planned and conducted at each business site into the "Business and Human Rights" training. We also newly launched a DE&I training program focusing on coexistence and collaboration with people with disabilities. A total of 31,793 participants, including officers and employees of the Group companies, completed these training programs.

Engaging in Human Rights Initiatives

Stakeholder Engagement Program Hosted by Caux Round Table Japan

Since fiscal 2019, Sumitomo Chemical has participated in the Stakeholder Engagement Program hosted by Caux Round Table Japan, a non-profit organization, to better understand what circumstances can cause human rights issues and how business activities are related to human rights, as well as material human rights issues and the importance of considering human rights in business activities.

This program invites companies, non-government and non-profit organizations, and experts to discuss human rights due diligence that is required by the Guiding Principles on Business and Human Rights. In FY2025, with the participation and cooperation not only of domestic organizations such as Japan ILO Council and Citizens Network to Build a Sustainable Society through Responsible Consumption, but also of overseas organizations such as international initiative bodies including the OECD and WBA, the participants engaged in sectoral discussion, referring to the human rights guidance tool created by the United Nations Environment Programme Finance Initiative (UNEP FI). (We participated in the discussion for the chemical and construction material sectors.)

Fiscal 2025 Stakeholder Engagement Programme (Human Rights Due Diligence Workshop) Report

https://crt-japan.jp/files2025/2025%20Human%20Rights%20Due%20Diligence%20Workshop_en.pdf

Stakeholder Engagement Program

https://crt-japan.jp/en/portfolio/human-rights-due-diligence-workshop/

Human Rights Due Diligence Subcommittee Hosted by Global Compact Network Japan

Since fiscal 2019, Sumitomo Chemical has engaged in the Human Rights Due Diligence Subcommittee hosted by the Global Compact Network Japan in order to promote human rights due diligence based on the Guiding Principles on Business and Human Rights.

In fiscal 2025, the subcommittee organized various initiatives such as seminars by experts and workshops related to human rights due diligence. We will continue to deepen our understanding of human rights by engaging in various initiatives, and leverage the learning in the Group's human rights promotion efforts.

Others

Signed onto the Declaration of Partnership Building

Sumitomo Chemical supports the premise of the "Council on Promoting Partnership Building for Cultivating the Future" promoted by Japan's Cabinet Office and the Small and Medium Enterprise Agency has announced our Declaration of Partnership Building. This initiative aims to encourage the collaboration of large companies with small and medium-sized companies, promote measures to enhance productivity across the entire supply chain, and build mutually beneficial relationships between large companies and small and medium-sized companies. In its declaration, Sumitomo Chemical not only clarifies as one of its individual items that it will conduct trade in a manner that ensures fairness and transparency but also clarifies that it emphasizes human rights and compliance and is promoting sustainable procurement initiatives throughout the supply chain to enforce sustainability initiatives at suppliers.

"Partnership Building" Portal site (Japanese only)

https://www.biz-partnership.jp/

Consideration for Human Rights in Investment

Along with interviews and legal due diligence for investment candidates, before acquisition we assess consideration for human rights issues, response status, and the systems of investees.

Initiatives for the Rights of Children

The Sumitomo Chemical Group focuses efforts not only on eliminating child labor in Japan and overseas but also on educational support regarding respecting the rights of children.

P.146 Contributions to Communities

Procurement

Basic Stance

Policy on Sustainable Procurement

The Sumitomo Chemical Group is committed to building mutually beneficial and sound relationships with business partners. In addition to ensuring fairness, equitability, and transparency in our transactions with business partners, we are promoting sustainable procurement activities throughout the supply chain with an emphasis on compliance and respecting human rights, which will encourage our partners to also engage in sustainability initiatives. Furthermore, Sumitomo Chemical's stance toward and policy on sustainable procurement is clarified in the Basic Procurement Principles and the Group Business Standards of Procurement, which provide guidelines for procurement operations for Group companies in Japan and overseas.

■ Basic Procurement Principles (Outline)

1. The Procurement Section shall strive to conduct procurement transactions on the basis of fair, equitable, transparent and free competition without involving personal interests or arbitrary considerations.
2. The Procurement Section shall strive to select suppliers to transact with in accordance with the most appropriate and economically rational methods and shall pursue the maintenance of sound business relationships with suppliers, aiming for mutual growth and development.
3. The Procurement Section shall strive to provide corporate services globally throughout the entire Group.
4. In its procurement, the Procurement Section shall give preference to those suppliers that are active in sustainability initiatives, with the aim of fulfilling its corporate social responsibilities and building sound relationships with suppliers.
5. The Procurement Section shall strive always to meet the quality requirements of Sumitomo Chemical's internal sections that request purchases of Goods and Services.
6. In performing Procurement Operations, the highest priority shall be given to safe and stable operations in order to realize zero-accident and zero-injury operations.
7. In performing Procurement Operations, the highest consideration shall be given to customer satisfaction.
8. The Procurement Section shall ensure the transparency of Procurement Operations.

Sumitomo Chemical Group Policy for Responsible Procurement of Minerals / Raw Material (Established March 17, 2020)

Recognizing the principles set out in our Sumitomo Chemical Group Human Rights Policy, Sumitomo Chemical Group (Sumitomo Chemical Co., Ltd. and its group companies, hereafter "Sumitomo Chemical Group") defines those raw materials that involve a high risk of having a negative impact on human rights in the supply chain (including but not limited to Tantalum, Tin, Gold, Tungsten, Cobalt, Mica, Graphite, Pulps etc.) as high-risk raw materials ("HRRM"). Sumitomo Chemical Group recognizes the adverse impact against human rights which may be associated with mining, extracting, refining, manufacturing, trading, handling and/or importing/exporting HRRM, and sets out the following Policy for Responsible Procurement of Minerals/Raw Materials. Sumitomo Chemical Group will comply with this policy, and requests all of its suppliers to acknowledge the contents of this policy and comply with it.

Incorporating the essence of the standards set out in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the "OECD Guidance") with necessary adjustments, Sumitomo Chemical Group adopts the following 6-step framework in conducting due diligence in respect of HRRM:

1. Establish Strong Company Management Systems
   Sumitomo Chemical Group will clearly communicate and explain to suppliers and to the public the contents of this policy, and appoint a senior executive and staff assigned to supply chain management of HRRM. Sumitomo Chemical Group will request HRRM suppliers to comply with this policy by abiding by the standard contract clause or commitment letter.

2. Identify and Assess Risks in the Supply Chain
   Sumitomo Chemical Group will establish a system of controls and transparency over the supply chain of HRRM, and will periodically identify and assess risks of HRRM suppliers through an approach consistent with OECD Guidance Annex II. In identifying and assessing the risks, Sumitomo Chemical Group will (i) request HRRM suppliers to map its supply chain to origin and maintain a database of the same, and (ii) conduct additional due diligence procedures against the HRRM supplier, when red-flags of adverse impact on human-rights are discovered in its supply chain, with due attention to the geographical characteristics of conflict-affected and high-risk areas.

3. Design and Implement a Strategy to Respond to Identified Risks
   Once risks are identified and mitigation measures are undertaken, the senior executive assigned to HRRM, will compile a risk management plan and will implement either of the following measures:
   i) continuing trade throughout the course of measurable risk mitigation efforts;
   ii) temporarily suspending trade while pursuing ongoing measurable risk mitigation efforts;
   iii) disengaging with the HRRM supplier after failed attempts at mitigation, such as where lack of cooperation, refusal to follow improvement requests etc.

   Sumitomo Chemical Group will implement the risk management plan, monitor and trace the risks and progress of risk mitigation efforts, report them to the assigned senior executive of HRRM, and keep record of the same for a designated period. Sumitomo Chemical Group will undertake additional assessments of the identified risks once there is change of circumstance.

4. Sumitomo Chemical Group will request HRRM suppliers who is in a position to more directly and effectively mitigate the adverse impact on human rights in the supply chain to undergo supply chain due diligence audits conducted by Sumitomo Chemical Group or by Sumitomo Chemical Group's designated independent third-party auditor.

5. Sumitomo Chemical Group will report the above HRRM related activities through our web site, annual report, sustainability data book etc. If required, Sumitomo Chemical Group will request HRRM suppliers to report its HRRM related activities periodically to Sumitomo Chemical Group, and to promptly report to Sumitomo Chemical Group any signs of adverse impact on human-rights discovered in their supply chain, and to follow any instructions of corrective measures by Sumitomo Chemical Group.

6. Sumitomo Chemical Group will support relevant industry initiatives in respect of HRRM and respond to changing situations flexibly.

Sumitomo Chemical Group requests all of its suppliers to develop and implement its own initiatives in accordance with the above 6-step framework, and to cause its upstream suppliers to do the same.

Management System

In line with the policy on sustainable procurement, we formulate and implement plans related to sustainable procurement, share these plans with Group companies. Furthermore, Sumitomo Chemical's stance toward and policy on sustainable procurement is clarified in the Group Business Standards of Procurement, which provide guidelines for procurement operations for Group companies in Japan and overseas. We are promoting relevant initiatives across the entire Group.

Examples of Initiatives

Sustainable Procurement Activities

Sumitomo Chemical has a webpage about sustainable procurement in the Procurement Information section on its official website to inform more stakeholders of its sustainable procurement initiatives. The webpage features the Sumitomo Chemical Group Supplier Code of Conduct. Moreover, Sumitomo Chemical has formulated the Sumitomo Chemical Group Sustainable Procurement Check Sheets to enable suppliers to conduct self-evaluations regarding all items. Suppliers can now download these documents and report the results of their evaluations.

Sumitomo Chemical Group Sustainable Procurement Check Sheets

Ⅰ Compliance and Ethics

Questions in this chapter focus on whether the company properly complies with laws and regulations; upholds and respects international norms; complies with competition laws; maintains sound relations with governments and administrative agencies as well as prohibits bribery; prohibits the offering and receiving of inappropriate profit; respects intellectual property; establishes a system for the prevention, early detection, and remedy of wrongdoings as well as protects whistleblowers; makes appropriate information disclosure; protects the organization's confidential information and personal information; and develops cyber security measures.

Ⅱ Society

Questions in this chapter focus on whether the company properly respects human rights; prevents complicity in human rights violations; prohibits all forms of discrimination and harassment; complies with laws and regulations regarding working hours, leave, etc. and labor agreements; respects the ILO standards; reduces excessive working hours; respects basic labor rights, including employees' freedom of association and the right to collective bargaining; prohibits forced labor; prohibits child labor; gives due consideration to young workers; complies with legal minimum wage requirements and gives due consideration to living wages; establishes and implements a product quality management system; ensures safety of products and services; clarifies and complies with relevant laws and regulations, customer requirements, and internal quality control standards; properly manages chemical substances and complies with relevant laws and regulations; makes appropriate information disclosure for products and services; take proper measures in the event that an accident occurs or that a defective product should be shipped out; advances efforts to reduce any negative impact on local communities and contributes to local communities; manages suppliers; establishes a system necessary to ensure a stable supply of products and services; properly controls imports and exports; and responsibly procures raw materials.

Ⅲ Occupational Safety and Health

Questions in this chapter focus on whether the company properly establishes and implements an occupational safety and health management system; prepares emergency scenarios, including natural disasters and accidents, takes measures to improve facilities, formulates manuals for emergency response measures, and provides awareness-raising and training programs; assesses safety and health risks, implements proper safety and health measures, and provides awareness-raising and training programs regarding safety and healthy information; provides a safe and hygienic work environment; implements proper health management measures; and categorizes and records cases of occupational accidents and illnesses, provides necessary treatment, and conducts investigations, reports, and takes remedial measures.

Ⅳ Environment

Questions in this chapter focus on whether the company properly establishes and implements an environment management system; properly controls and reduces chemical substances released to the environment; take measures to respond to climate change, such as greenhouse gas (GHG) emissions reduction and adaptation to climate change; properly manages, reduces, and responsibly treats and disposes of waste; sustainably and efficiently utilizes resources (energy, water, raw materials, etc.); and conserves biodiversity.

Sumitomo Chemical Group Supplier Code of Conduct

https://www.sumitomo-chem.co.jp/sustainability/files/docs/suppliers_code_of_conduct_e.pdf

Sumitomo Chemical Group Sustainable Procurement Check Sheets

https://www.sumitomo-chem.co.jp/english/sustainability/files/sustainable_procurement_checksheets_e.xlsx

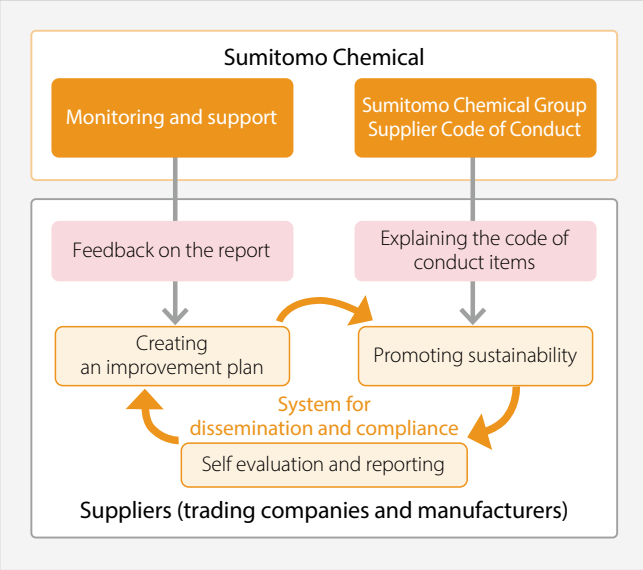
Promoting Sustainable Procurement throughout the Supply Chain

We have every new supplier gain a better understanding of Sumitomo Chemical's policies and stances through the Sumitomo Chemical Group Supplier Code of Conduct. We also have them fill out and submit the Sumitomo Chemical Group Sustainable Procurement Check Sheets. This enables us to do our due diligence regarding their compliance status, and, upon confirmation of satisfactory evaluation results, we begin doing business with them. Following that, we regularly monitor their compliance status and strive to prioritize procurement from those suppliers who are working hard to ensure sustainable procurement. We manage the data from the monitoring and periodically assess the content.

For suppliers whose initiatives have been determined to be insufficient according to their replies to the sustainable procurement check sheets, we furnish feedback, such as requesting confirmation of improvement plans, to raise awareness of and cooperation in ensuring sustainable procurement. Furthermore, for suppliers who have not shown improvement over the long term regarding important initiatives related to human rights and other issues, we designate them high-risk suppliers and offer more focused feedback and monitoring.

In addition, we send out and collect the code of conduct and check sheets from our main suppliers. The collection status is managed as our sustainable procurement rate.

■ System for Promoting Sustainable Procurement throughout the Supply Chain



In addition to the initiatives above, we have conducted detailed surveys of the Company's major suppliers through questionnaires specially focused on human rights (the human rights questionnaire). The questionnaires comprise two parts, questions confirming the existence of company-wide management systems and questions specially focused on human rights (the presence of human rights risks and the status of risk mitigation measures). We provide the results of the survey to all suppliers who respond. We also conducted engagement with each supplier that we wish to see promote further measures on an individual basis. This includes exchanging information on sustainability initiatives, sharing best practices in the Sumitomo Chemical Group, and supporting suppliers.

P.104 **Respect for Human Rights:** B. Supplier DD

Initiatives Related to High-Risk Raw Materials

We formulated the Sumitomo Chemical Group Policy for Responsible Procurement of Minerals/Raw Materials in March 2020. We define high-risk raw materials as those that involve a high risk of having a negative impact on human rights in the supply chain (including but not limited to tantalum, tin, gold, tungsten, cobalt, mica, graphite, pulps, etc.). In line with the characteristics of each high-risk raw material, we promote initiatives aligned with the content of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance). In line with this procurement policy, we designate high-risk raw materials and conduct due diligence.

In line with this policy, we extract data on all raw materials, including identified high-risk raw materials, from our internal database and regularly confirm its accuracy for subject suppliers using templates issued by the Responsible Minerals Initiative (RMI) or documents based on said templates. If we determine there is a problem, we request improvements be made, and, if we do not receive sufficient cooperation, we take appropriate measures, such as suspending procurement.

P.105 **Respect for Human Rights:** C. High-risk Raw Material DD

Promoting Sustainable Procurement throughout the Group

We periodically hold Group purchasing information exchange meetings that gather together responsible purchasing representatives from each Group company in Japan and overseas to discuss promoting sustainable procurement throughout the Group. In addition, to ensure smooth communication, we set up a website with the Group companies to reciprocally share information as we strive to promote and encourage sustainable procurement as a unified Group.

Supplier Information Exchange Meeting

Sumitomo Chemical regularly holds information exchange meetings with major suppliers and has introduced initiatives related to the sustainability of the Sumitomo Chemical Group. We aim to help realize a sustainable society throughout the supply chain by helping suppliers understand the Group's policies related to procurement activities.

Results

FY2025 Group-wide Initiatives

Main Initiatives	Details
Group purchasing information exchange meetings 1 time	Participating companies: 20 • Sustainability initiatives (respect for human rights, including high-risk raw materials, etc.); Shared information about BCPs
Company-wide procurement liaison meetings 1 time	Participants: Representatives responsible for the procurement of business sectors • Sustainability initiatives (respect for human rights, including high-risk raw materials, etc.); Shared information about BCPs
Procurement staff education	Participants: All procurement staff (including new employees and transferees) • Sustainability initiatives (respect for human rights, including high-risk raw materials, etc.)

FY2025 Initiative for Suppliers

Main Initiatives	Details
Suppliers Dialogues 3 times	Participating companies: 43 (major suppliers of materials and equipment) • Shared information regarding occupational safety; Sustainability initiatives (respect for human rights), etc.
Supplier Information Exchange Meeting 1 time	Participating companies: 29 (major raw material suppliers) • We explained the Company's efforts to reduce Scope 3 emissions to our major suppliers, requested that each such company cooperate with us in reducing GHG emissions and share related information, and introduced the Carbon Footprint of Product calculation tool (CFP-TOMO™). • Provided briefings on and requested cooperation in sustainability initiatives (respect for human rights, including high-risk raw materials, environmental conservation, etc.), introduced on internal reporting systems, etc.
Evaluation of Established Suppliers (Sustainable Procurement Rate Survey)	Targeted companies: (Raw materials, Logistics) Existing suppliers accounting for the top 90% of purchasing volume (Materials and equipment) Major suppliers responsible for daily maintenance or permanently stationed on the premises Sustainable procurement rate (As of April 30, 2026): Raw materials 88%, Logistics 100%, Materials and equipment 71%
Audits	Number of times monitoring was conducted in conjunction with quality audits: 1 (Documentation audit. We confirmed that there were no problems on the sustainable procurement check sheets.)
Initiatives Related to High-Risk Raw Materials	We conduct due diligence in accordance with the Sumitomo Chemical Group Policy for Responsible Procurement of Minerals/Raw Materials. For conflict minerals (gold, tantalum, tungsten, and tin), cobalt, mica, copper, graphite (natural), lithium, and nickel, we use the template*1 issued by the Responsible Minerals Initiative (RMI). We have already received replies from all current suppliers of raw materials, including these high-risk raw materials. Reply collection status: 100% reply collection rate, 0% of suppliers have been determined to have a problem
Human Rights Questionnaire	• Surveys were newly conducted for the six major suppliers of raw materials, materials and equipment, and logistics, and we received responses from the companies as a whole. • For suppliers who completed the surveys in the previous fiscal year, we conducted engagement*2 activities at seven companies where they were deemed necessary.

*1 • Conflict minerals (gold, tantalum, tungsten, tin): Conflict Minerals Reporting Template (CMRT)
• Cobalt, mica, copper, graphite (natural), lithium, and nickel: Extended Minerals Reporting Template (EMRT)

*2 Exchanging information on sustainability initiatives, sharing best practices in the Sumitomo Chemical Group, supporting suppliers, etc.

Human Resources Management

Basic Stance

Reflecting its conviction that people are the most important management resource, Sumitomo Chemical's unchanging human resources philosophy comprises three elements: securing human resources, fair treatment, and development and growth. As our business environment has become more complex and sophisticated, it has become extremely important to secure personnel with broad knowledge and diverse skills, and to conduct training so that employees can maximize their abilities.

Against this backdrop, the Corporate Business Plan (FY2025–2027) sets forth one of its basic policies as securing and developing human resources from a long-term perspective as well as achieving Group structural reforms and sustainable growth through enhanced engagement.

Based on this policy, we are strengthening our talent acquisition capabilities dramatically while working to create an environment in which diverse personnel can work healthily and energetically.

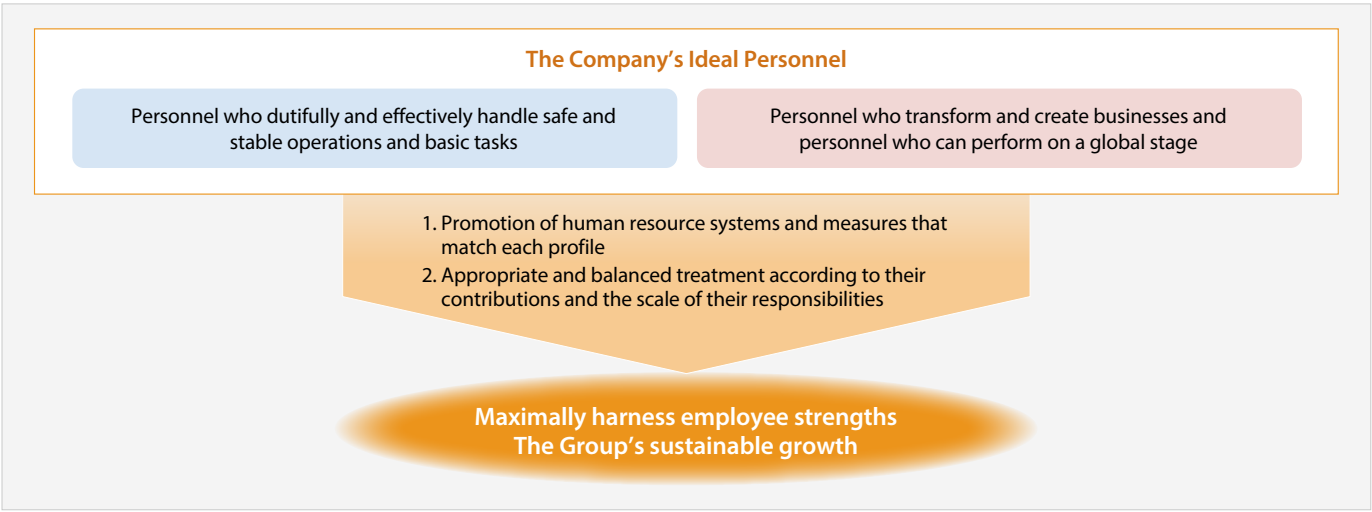
Human Resources System Initiatives

Sumitomo Chemical engages with its employees through a human resources system that takes into account of the results individuals achieve in their roles, depending on the scale of their responsibilities, along with the abilities they employed and their actions in the process. Based on this framework, we amended the non-managerial employee human resource system in fiscal 2026 to achieve sustainable growth for the Group. Under this system, we separate personnel into two profiles outlining ideal types and create system content that matches each profile. Our aim is to improve the efficiency with which we promote various human resource measures, such as retention, placement, and development. In addition, we foster an environment that enables employees to fully harness their unique characteristics and strengths. The system also enables motivated and capable employees to take on higher-level roles at an early stage, thereby strengthening employee engagement and fostering employees' desire to grow.

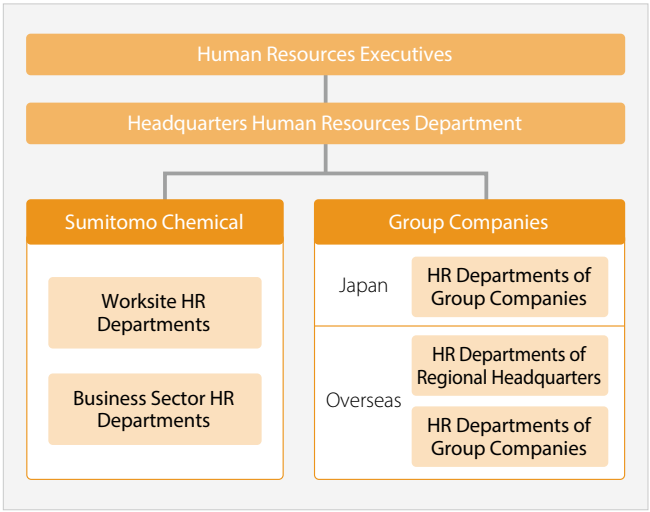
Management System

Under the direction of human resources executives, the Headquarters Human Resources Department works closely with the HR departments of worksites, business sectors, regional headquarters, and Group companies in Japan and overseas to promote and roll out various measures. In addition, employees are rotated through job assignments based on each person's specific training plans while sharing information with the aforementioned HR departments and other departments with corporate functions, such as research, production, and administration.

■ Objectives of the Human Resources System



■ Human Resources Management System



Compensation and Welfare

Sumitomo Chemical complies with relevant laws and regulations regarding compensation and welfare and strives to conduct management that contributes to the stability of employees' private lives. Decisions regarding compensation are partially based on an individual's occupation, role in the workplace, evaluation record, and documented experience under the established internal system along with considerations of standard market levels and other pertinent factors. We raise awareness of the compensation process among all employees through internal documents and the intranet. In addition, when employees work overtime, late into the night, or in the early morning, we provide such compensation as make-up vacation days and allowances for higher wages in full compliance with laws, regulations, and internal rules. We have also established various robust welfare systems to broadly support the lives and health of employees and their families.

Communication with Employees

Communication between Labor and Management

Sumitomo Chemical and the Sumitomo Chemical Labor Union are working together to solve various issues within a labor-management relationship based on mutual understanding and trust.

We have concluded a labor agreement covering such topics as union members' concerns about human resources, work duties, compensation, disaster compensation, welfare facilities, safety and health, labor-management meetings, and collective bargaining. Regarding the improvements to work environments, including the measures to prevent discrimination and harassment, we are taking needed action while holding discussions between labor and management. Based on this agreement, we provide a forum for explaining corporate management conditions and other relevant information in the form of central labor-management meetings held twice a year as well as regional labor-management meetings held at each worksite twice a year. In addition, we have established Safety and Health Committees at each worksite to ensure and improve the safety and health of union members.

Furthermore, the Company and labor union have concluded a union shop agreement, ensuring that 100% of non-managerial employees at the Company are enrolled in the labor union. The percentage of union employees among all the Company's employees is 70.3%.

Employee Awareness Survey

Sumitomo Chemical conducts an employee awareness survey that covers work, the working environment, career values, diversity and inclusion, and work-life balance with the principle aim of grasping the current situation and uncovering issues in order to enhance work environments and create more satisfying workplaces. Using the results of this survey, we promote measures to further increase people's desire to work at the Company.

2025 Employee Awareness Survey

- Conducted with indicators unique to those surveyed
- Number of respondents: 6,167, 96% response rate
- Positive response rate: Rate of answers totaling four or five out of a total of five points.

Item	Positive Response Rate
I am satisfied working at the Company.	71%
Going forward, I want to continue working at the Company.	70%
I feel there is balance between my work and my daily life.	62%
Systems and environments are conducive to easily working while balancing childbirth, childcare, or caregiving.	74%
I feel it is easy for both men and women to actively take leave and use the reduced working hours system for childcare or caregiving.	71%

Sumika "Let's Do This Declaration"

We have set forth a number of important values and views to help our employees find significance and feel pride in working at Sumitomo Chemical in the Sumika "Let's Do This Declaration," and we are promoting this initiative so that they can lead healthy and fulfilling lives as employees, both mentally and physically. Five action items are set for each of the five declarations, and we are promoting various measures accordingly. In addition, we established a labor-management committee to promote the Sumika "Let's Do This Declaration" to ensure that information is shared and opinions are exchanged between labor and management on the progress of initiatives and their direction.



Action Items

1 Work-Life Balance

We are fostering a work environment where it is easy to work and ensuring each employee feels a deeper sense of fulfillment through work-life balance.

① **Stop long working hours!**
As a general rule, we aim to eliminate long working hours (on average over 45 hours/month worked after regular hours and on weekends and holidays).

② **Create an environment that makes it easy for employees to fully utilize work-life balance systems.**
We will work to create a workplace environment that enables employees to fully utilize systems for childcare, caregiving, illness treatment, and more.

③ **Encourage employees to take at least 80% of paid leave and facilitate effective use of flextime system.**
We will maintain a paid leave utilization rate of 80%. We also facilitate the effective use of the flextime system for afternoon work (no core time).

④ **Prohibit business instructions that would require holiday or late-night work.**
As a general rule, we do not delegate or carry out tasks that are predicated on working late-night overtime or on days off, such as an email asking for a reply on a day off.

⑤ **Cooperative framework in the workplace.**
Supervisors manage subordinates in a way that burdens are not distributed unevenly. Employees carry out tasks with a genuine feeling of cooperation and support in close communication with each other.

2 Activities by All Employees (DE&I)

We aim to activate every single employee through the mutual respect and utilization of diversity.

⑥ **Active roles for everyone regardless of gender!**
We will ensure anyone can thrive in the workplace and enhance employee capabilities regardless of gender and age.

⑦ **Let's eliminate preconceptions and assumptions!**
We will eliminate assumptions about the fixed division of roles and unconscious bias, e.g., thinking you have to do something "because I'm a man/woman."

[Related KPI]
Take-up rate of 95% or higher and an average leave of 50 days or more for childcare leave or other childcare-related leave taken by male employees upon the birth of a child

⑧ **Let's build a hybrid human resource group!**
We will flexibly incorporate and leverage the different abilities and ideas of diverse human resources to help invigorate the workplace and grow the organization.

⑨ **Encourage active roles for people with disabilities.**
The Company and Sumika Partners Co., Ltd. have come together to provide an environment where people with disabilities can thrive.

⑩ **No harassment!**
Aiming for complete eradication, we will not tolerate any form of harassment.

3 Development and Growth

Through development and growth, we are working to enable employees and the Company to develop.

⑪ **Support employees' proactive career development.**
Consideration and implementation of specific measures to support employees' proactive career development
Promote communication between supervisors and subordinates that contributes to development and growth

⑫ **Support the desire to learn.**
Expand the content of Self-Selected Training to support voluntary learning

[Related KPI]
100% implementation rate of development of employee capabilities, knowledge, and skills

⑬ **Invest in growth for everyone.**
We will continue to invest 300,000 yen per person* per year in education for the growth of our employees, who constitute our human capital.

⑭ **Strive to enhance management capabilities!**
We strive to enhance management capabilities, with managerial employees learning every day. We also proactively provide support for the personal growth of non-managerial employees.

[Related KPI]
Support for personal growth from supervisors and colleagues
Receive 80% or higher positive responses to the following questions in the employee opinion survey.

⑮ **Allow people to take on challenges and demonstrate their growth.**
We allow subordinates looking to grow to take on challenges, for example, to try work designated for personnel one rank above their current rank. Subordinates give their all to tackle these new challenges.

* Direct costs, off-the-job training opportunity costs, on-the-job opportunity costs

4 Healthcare

Under the slogan of "Good health is a prerequisite for good work and a good life!" we are undertaking specific action plans in the five fields of meals, exercise, sleep, quitting smoking, and mental health.

⑯ Revise eating habits, achieve a healthy weight.
To prevent lifestyle diseases, all employees should maintain an appropriate BMI (18.5–24.9).
Target: 100% of employees received specified health guidance.

⑰ Exercise a little and stay healthy forever!
Exercise regularly every day to build habits.
Target: 80% or more of employees being habitual walkers.
(About 10,000 steps per day)

⑱ High performance depends on quality sleep.
Improve the quality of your sleep to ensure energy for the next day.
Target: Increase the percentage of people getting enough rest through sleep to 80% or more.

⑲ Smoking does nothing but harm.
We ban smoking for the health of ourselves and those around us.
- As a general rule, smoking is banned during work hours and on the Company's premises (including on business trips).
- Participate in programs to support smoking cessation.

⑳ Don't forget to take care of your mental health.
Fostering fuller workplace communication and eliminating stress in your own way.

5 Initiative to Enhance Productivity

By using digital tools and constantly revising work methods, we are enhancing productivity and promoting rational, efficient, and creative work.

㉑ Always review work goals and methods.
Do not rely on old ways of thinking. Constantly think of methodologies aligned with this era and work that is currently in demand.
Target 1: Reduce current workload by 10%.
Target 2: Receive 80% or higher positive responses to the following questions in the employee opinion survey.
- In my workplace, I can say anything about work without being conscious of my rank, age, gender, or other characteristic
- In my workplace, I have many opportunities to raise work-related issues and share ideas.

㉒ Make the use of digital technologies the default.
Everyone in the Company, from top management to employees, actively utilizes digital technologies, such as AI, IT, and robotics, as one means to further improve productivity and create value more than ever before.
Target 1: Participate in other new DX-related education courses and lectures at least once a year.
Target 2: Raise the number of inquiries made to generative AI by a factor of 10
[Related KPI]
Make 100% of employees active AI users

㉓ Eliminate excessive quality, streamline your work.
Do not assume too much. Confirm your partners' intentions and true meaning without hesitation in order to stay on track and eliminate excessive quality.
Target 1: Superiors clearly point out "what, why, and by when." Subordinates confirm.
Target 2: Report when 30% done.
Target 3: Improve job performance skills

㉔ Maximize the added value of meetings.
Meetings are for discussion and decision making.
Target 1: Improve facilitation skills
Target 2: Improve the efficiency of meeting coordination and minute-taking through the use of AI and other technologies

㉕ Put customers first!
Aim to improve communication with customers, including business partners and related internal departments

Work-Life Balance

Basic Stance

We aim to ensure that each employee feels greater motivation and a deeper sense of fulfillment while promoting a better work-life balance. In addition, we are working to foster a workplace environment where it is easy to work, mainly by introducing a flextime system, utilizing telework, and establishing daycare facilities at worksites.

Management System

In 2010, Sumitomo Chemical established a labor-management committee to promote DE&I (Diversity, Equity, and Inclusion) as well as work-life balance. To this end, the committee has shared information and exchanged opinions in addition to sharing the progress of efforts undertaken by labor and by management.

From 2020, we delegated these functions to the labor-management committee for promoting the Sumika "Let's Do This Declaration" as we strive to be more constructive.

Targets and Results / Examples of Initiatives

To encourage work-life balance, Sumitomo Chemical established key performance indicators (KPIs) along with three main targets: ① Correct long working hours, ② Encourage employees to take paid annual leave, and ③ Promote flexible workstyles. We implement various measures to achieve these targets.

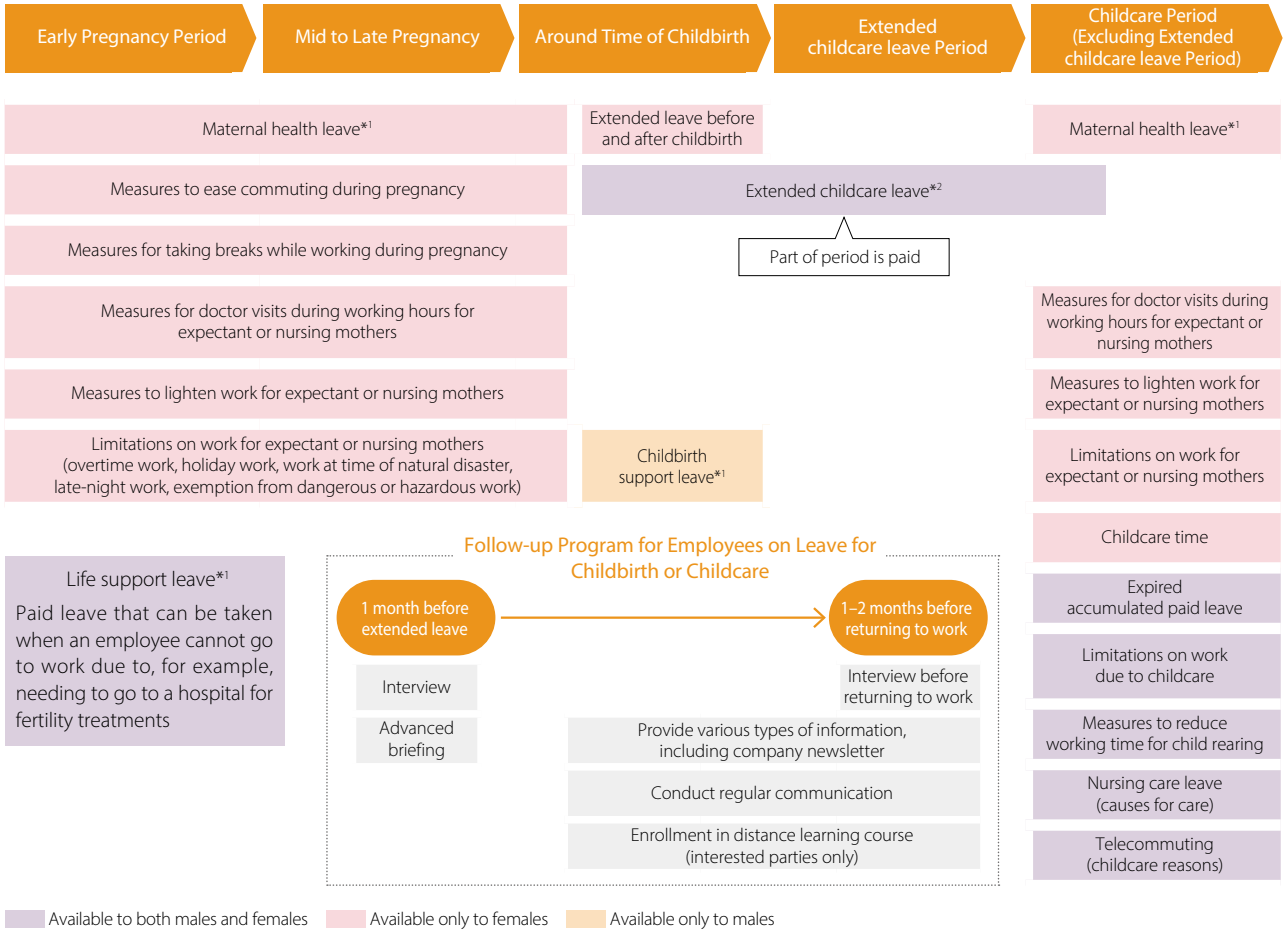
Measures to Promote Work-Life Balance

	KPI	Measure Details
① Correct Long Working Hours	Aim to eliminate long working hours as a general rule (on average over 45 hours/month worked after regular hours and on weekends and holidays).	**A. Enhance productivity by utilizing digital tools** Enhance productivity by utilizing digital platforms and tools, automate and enhance efficiency of operations by proactively utilizing robotic process automation (RPA), conduct training for effectively utilizing digital tools, etc. **B. Improve productivity by promoting a better work-life balance** Regularly convene the Labor-Management Committee consisting of labor and management representatives, take various measures to improve productivity in each workplace, hold lectures to promote better work-life balance, etc. **C. Promote initiatives for the Sumika "Let's Do This Declaration"** We declared details related to work-life balance in the Sumika "Let's Do This Declaration," which is an initiative in which we proclaim those values and views that are of importance to us as a company. In addition, we have positioned the elimination of long working hours as an action item. **D. Appropriately manage working hours and health** • Reduced the upper limit on overtime work from April 2017 (upper limit: 80 hours per month and 720 hours per year) • Regarding the occupational physician interviews for people working long hours mandated by the Industrial Safety and Health Act, we have been enforcing our own guidelines, which are more stringent than legally mandated. • We established an even more appropriate work management system by displaying computer logon and logoff times when reporting work hours.
② Encourage Employees to Take Paid Annual Leave	Realize an average of 80% of paid leave taken annually.	**A. Create an annual leave chart that covers several fiscal years** Every year create an annual leave chart that covers several fiscal years to make it easier to plan far into the future and help encourage employees to take paid leave. **B. Encourage employees to take paid leave** • Encourage employees to take paid leave during Golden Week and other similar periods • Encourage employees to create four-day weekends by adding days of paid leave to either side of weekends and promote taking time off in the September–November period • Encourage senior employees to take paid leave **C. Continue to systematically provide paid leave** Systematically provide five paid-leave days every year (does not include statutory leave) **D. Promote initiatives under the Sumika "Let's Do This Declaration"** We declared details related to work-life balance in the Sumika "Let's Do This Declaration," which is an initiative in which we proclaim those values and views that are of importance to us as a company. In addition, we have positioned the use of 80% of paid leave as an action item.
③ Promote Flexible Workstyles	Achieve take-up rate of 95% or higher and an average leave of 50 days or more for childcare leave or other childcare-related leave taken* by male employees upon the birth of a child	**A. Promote and raise awareness about programs** Continually promote and raise awareness about various programs that enable employees to flexibly adjust for their individual needs, including those related to life events like childcare and caregiving. In addition, encourage male employees with newborns to take extended childcare leave. **B. Foster an environment that allows the realization of flexible workstyles** By taking the measures outlined above in the action plan for ① Correct Long Working Hours, create an environment where it is easy to improve the productivity of employees and their workplaces and to realize flexible workstyles. **C. Promote initiatives under the Sumika "Let's Do This Declaration"** We declared details related to work-life balance, DE&I in the Sumika "Let's Do This Declaration," which is an initiative in which we proclaim those values and views that are of importance to us as a company. In addition, we have set the following action items: creating an environment that makes it easy for employees to fully utilize work-life balance systems, facilitating the effective use of the flextime system, establishing a cooperative framework in the workplace, and eliminating unconscious bias (including the assumption of fixed roles for men and women).

* The calculation period is until the child reaches one year of age.

★: Assured by an independent assurance provider

Systems and Measures for Better Work-Life Balance and for Use at Time of Pregnancy, Childbirth and Childcare



Available to both males and females | Available only to females | Available only to males

*1 Leave unique to Sumitomo Chemical
*2 The Company's unique program encompassing legally mandated extended leave around the time of childbirth and extended childcare leave

Results of Systems for Work-Life Balance (Sumitomo Chemical)

(No. of people)

System/Measure			FY2023	FY2024	FY2025
Childcare/Nursing Support	Extended childcare leave	Total	498	491	435★
		Male	423	401	347★
		Female	75	90	88★
	Extended leave for nursing care		4	2	0
	Nursing care leave		252	168	502
	Childbirth support leave		186	179	151
	Maternal health leave		36	44	22
	Expired accumulated paid leave*1		189	212	208
	Reduced working hours system		188	193	173
	Telecommuting*2		241	259	245
	Reemployment system*3		8	8	8
	In-house childcare facilities*4		105(73)	102(70)	102(70)
	Mutual aid association support money for childcare*5		96	94	106
Other	Suspension from work for special reasons for employees accompanying spouses going on overseas transfer*6		4	6	8
	Employee awareness survey*7		—	—	Conduct

Note: Employee numbers do not include temporary employees, part-time staff, or dispatch employees.

*1 Only for childcare and nursing care
*2 Number certified in each fiscal year (for childcare, nursing care, pregnancy, and other reasons that make coming into work more difficult)
*3 Number registered as of the end of each fiscal year
*4 Number of users on April 1 each fiscal year. Includes users other than Sumitomo Chemical. The figures in parentheses are the number of Sumitomo Chemical users.
*5 Aggregate number of people at end of each fiscal year
*6 Number of applicants as of the end of each fiscal year
*7 Conducted once every three years

Measures to Promote Work-Life Balance

Support for Childbirth and Childcare

For employees to achieve work-life balance, Sumitomo Chemical operates generous systems, for example, it offers a system that allows for a period far longer than is legally required for extended childcare leave (up to 3 years, 11 months) and a system that offers male employees leave to support their spouses during childbirth.

In addition, to support employees' balance of childcare and work, the health insurance association and mutual aid association provide various forms of monetary support for childbirth and childcare, subsidies for home aides, and other help.

Daycare Facilities at Worksites

With Support from the Company, Sumitomo Chemical encourage the use of these facilities by setting a daycare fee that is lower than those of the municipalities. To make it easy for parents to accompany children to the facilities, we consider the commuting method depending on the location, such as allowing employees to commute using their private vehicles in special cases.

Joining the Ikuboss Corporate Alliance

To support male employees' active participation in childcare, Sumitomo Chemical develops ikubosses.* We are actively working to establish workplace environments where employees easily balance work and private life.

* "Ikuboss" refers to a superior (manager level, including women) who gets results and enjoys their work and private life while supporting subordinates' careers and lives.

Kurumin Mark

In January 2026, Sumitomo Chemical was certified for the fifth time as a company that supports childcare and received the next-generation Kurumin certification mark. Under this system, business operators who successfully carry out action plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children and meet all the certification criteria receive certification from the Minister of Health, Labour and Welfare.

This certification was in recognition of our fifth round of initiatives covering the period between April 2020 and March 2023. The first certification covered the period between April 2005 and May 2007, the second one covered the period between June 2007 and May 2012, the third one covered the period between June 2012 and March 2015, and the fourth one covered the period between April 2015 and March 2020. The Company was commended for its initiatives to help promote work-life balance, such as progress in male employees' childcare leave uptake and promotion of the use of other leave options.



Next-generation Kurumin certification mark

Utilizing Diverse Human Resources

Basic Stance

The Group has formulated the Group Diversity, Equity, and Inclusion (DE&I) Policy. In line with this policy, we respect the individuality and array of traits our employees bring. We mutually embrace and utilize their highly diverse range of knowledge and experience. By empowering every employee to fully leverage their own aptitude and capabilities, we intend to foster the growth of the Group as a whole.

Group Diversity, Equity, and Inclusion Policy

We will promote diversity, equity, and inclusion across the Sumitomo Chemical Group. We understand that a variety of ideas and values among our employees represents a vital resource that forms the foundation of the Sumitomo Chemical Group's competitiveness. In order to continuously create new value, we will build and enable an inclusive organizational culture that allows us to respect the individuality of each employee and embrace diversity to empower employees in an environment of mutual and close communication.

In addition, we are promoting various initiatives to prevent workplace discrimination and harassment and to ensure that people of all different backgrounds can thrive.

P.099 Respect for Human Rights

P.012 Key Performance Indicators (KPIs) for Material Issues: Recruit, develop, and utilize human resources

Management System

For management systems for promoting DE&I, refer to the management systems for work-life balance.

P.118 Work-Life Balance: Management System

Targets and Results / Examples of Initiatives

Around 100 major foreign and domestic Group companies have set specific KPIs in accordance with conditions in their particular country and company, and the entire Group promotes measures relevant to these KPIs. The Group has also established the following Critical Success Factors (CSFs) so that each company can set appropriate KPIs.

◆ Critical Success Factors (CSFs)

(1) Employ and develop diverse human resources, including those at senior management level
(2) Implement measures to empower diverse human resources
(3) Enhance diversity and inclusion awareness among managers and employees at all levels, and implement measures to build an inclusive culture that empowers employees

● Sumitomo Chemical (Non-Consolidated): KPIs

Sumitomo Chemical set a new KPI focusing on the promotion rate to managerial positions as a measure that can reflect the total progress of measures to promote the advancement of women, including recruitment, training, promotion, and environmental improvement, in line with the Company's basic human resources policy of focusing on growth and development from a medium- to long-term perspective.

1. Percentage of employees promoted to managerial positions (equivalent to section manager) being female (FY2023-2027)

Target: Over 15% on average over the 5 years from FY2023 to FY2027
Result: 16.3% (FY2025)*

* Of the cumulative total number of employees promoted to managerial positions from FY2023 to FY2025, the percentage who were female.

Initiative Details

- Diversity management training

  We hold diversity management training that helps us practice diversity management (leadership, human relations skills) including topics such as building teams with high psychological safety and comprehending unconscious bias etc.
  Eligible employees: Management level employees (mandatory for employees upon promotion to the managerial employee MG I grade; optional for others)

- E-learning related to unconscious bias

  We hold e-learning training with the purpose of raising awareness and recognition related to overall unconscious bias.
  Eligible employees: All employees and management executives (optional)

- Dispatching employees mainly to training programs held by outside groups

  Regularly dispatch employees mainly to training programs held by outside groups with the purpose of career building,

enhancing knowledge and skills, and forming networks with outside groups. (Several employees per year as a general rule.)
Eligible employees: Young female employees

- Training related to women-specific health issues

The training raises awareness of the consideration needed in workplaces of women-specific health issues, such as menstruation-related symptoms and menopause.
Eligible employees: Newly appointed managers (people promoted to managerial employee MG I Grade)

- Implement initiatives for the Sumika "Let's Do This Declaration"

We have positioned promoting the active advancement of women and eliminating unconscious bias as an action item in the Sumika "Let's Do This Declaration," in which we proclaim those values and views of importance to us as a company. To this end, we implement various relevant initiatives.

2. Percentage of male employees who have taken childcare leave or other childcare-related leave upon the birth of a child*1

Target: Take-up rate of 95% or higher and an average leave of 50 days or more
Result: 97.9%, 41.2 days (FY2025)*2

*1 The calculation period is until the child reaches one year of age.
*2 Calculated based on the results of male employees whose children were born in FY2024, up to the time their children reach one year of age

Initiative Details

- Implement measures to raise awareness of program details and encourage men to take extended childcare leave

Continuously implement awareness-raising measures related to the Company's various programs to flexibly respond to individual situations, including such life events as childcare and nursing care. In addition, we implement measures to encourage male employees with newborn children to take extended childcare leave and their supervisors to accommodate them.

Details of Measures

□ Male employees with newborn children, as a general rule, plan two or more weeks of extended childcare leave and submit the plan to the human resources department via their manager
□ If leave is not taken, the reason is submitted to the human resources department via their manager

- Improve environment to realize flexible workstyles

By utilizing digital tools and work-life balance to enhance productivity, we will further enhance the productivity of workplaces and individuals and foster a workplace environment where flexible workstyles can be easily achieved.

- Take measures to promote use of programs

(1) Through labor-management committee meetings and other meetings, we determine specific user needs and ways to improve various programs. We then use this information to help craft and implement measures to promote greater use of the programs.
(2) In the Sumika "Let's Do This Declaration," in which we proclaim those values and views of importance to us as a company, we have set the following action items: creating an environment that makes it easy for all employees to fully utilize work-life balance systems, including male employees to take extended childcare leave, facilitating the effective use of the flextime system, and establishing a cooperative framework in the workplace. To this end, we have implemented various relevant initiatives.
(3) We encourage the use of systems suited to life events by expanding the video content available on the intranet website and holding seminars that the spouses of employees on leave can attend.

Progress on the setting of KPIs at Group companies in Japan and Overseas

Many of the KPIs set by Group companies are related to the active promotion and empowerment of women, work-life balance, and diversity regarding nationality, racial background, and age. Going forward, we will continue working with Group companies to promote initiatives aimed at achieving these KPIs.

★: Assured by an independent assurance provider

Hiring Personnel with Diverse Skill Sets and Qualities

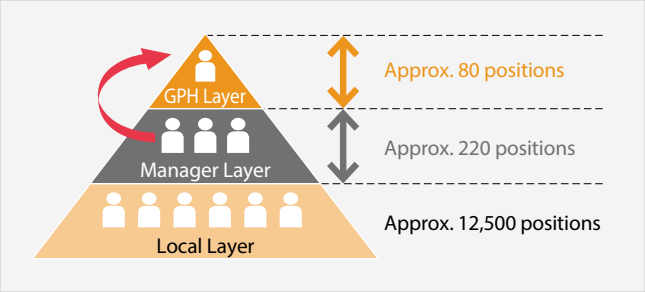
The Sumitomo Chemical Group works hard to secure diverse personnel to support its sustainable growth.

We engage in fair hiring practices, regardless of gender or nationality, and focus on hiring Ph.D. holders with a high degree of expertise as well as other experienced individuals in light of the changing labor market.

Promoting the Utilization and Advancement of Global Personnel

To enhance personnel who support the global business development of each Group company, Sumitomo Chemical has introduced a personnel system common to Sumitomo Chemical managerial employees for managers at overseas Group companies. In addition, we actively hire local employees for senior management positions at overseas Group companies and appoint global position holders (GPHs), providing them with opportunities for advancement and personnel training that include learning about our corporate philosophy.

■ Overseas Human Resources Pipeline
(Local employees at overseas Group companies)



■ Utilization of Personnel Beyond Borders

(People)

	FY2025
Dispatched from Sumitomo Chemical to an overseas Group company	Around 120
Dispatched from an overseas Group company to Sumitomo Chemical	Around 80

Note: As of March 31, 2026

Utilizing and empowering senior personnel

Sumitomo Chemical decided to incrementally raise the mandatory retirement age to 65 starting in 2024 and to continue applying the current compensation system, which takes into consideration occupation, results, and other factors, for people aged 60 and older. We remain committed to fostering an environment in which all employees can fully harness their capabilities and experience and remain active and highly motivated.

Promoting the Hiring of Persons with Disabilities

To help realize a society where the employment of persons with disabilities is normalized, Sumitomo Chemical works to hire such individuals. In August 2017, we established Sumika Partners Co., Ltd.* to support the increased participation of persons with disabilities in society and to provide employment opportunities to persons with disabilities who want to work. This company actively hires persons with intellectual and mental disabilities. It has established a support system to enable employees with disabilities to thrive at work in their own way, such as by assigning one leader for every four persons with disabilities.

Going forward, we will continue working with Sumika Partners to provide an environment where persons with disabilities can thrive.

* In March 1, 2018, Sumika Partners acquired certification from the Minister of Health, Labour and Welfare as a special subsidiary based on the Handicapped Persons' Employment Promotion Act.

Sumika Partners Co., Ltd. (Japanese only)
https://www.sumika-partners.co.jp/

Equal Pay for Equal Work

In line with the main purpose of the revised Part-time and Fixed-term Employment Act and the Worker Dispatching Act—ensuring equal pay for equal work—we set wages for part-time employees, fixed-term employees, and employees dispatched to the Company. Going forward, we will provide explanations to eligible employees upon demand.

■ Achievements in DE&I (Sumitomo Chemical)

Name	Concept	FY2023	FY2024	FY2025
Number of women in positions equivalent to manager or above*1	In order to promote the success of female employees, Sumitomo Chemical systematically promotes women to management-level employees (equivalent to sectional manager or above).	182	178	172 ★
Percentage of women in positions equivalent to sectional manager or above (%)*1		9.4	9.1	9.2 ★
Employment rate for people with disabilities (%)*2	Sumika Partners Co., Ltd., a special subsidiary, began operations in April 2018, and we are working to expand employment opportunities for persons with disabilities who are motivated to work, including at Group companies in Japan that have received approval as special affiliated companies.	2.56	2.66	2.77 ★

Note: Results include staff assigned to 1other companies but do not include staff assigned from other companies.
*1 As of March 31 of each fiscal year
*2 As of June 1 of each fiscal year
Group companies that have received approval as special affiliated companies:
FY2023-2024: Group companies in Japan: 9, FY2025: Group companies in Japan: 10

Human Resources Development and Growth

Basic Stance

To realize our current human resources system, the basic philosophy of which is "development and growth," we are implementing various measures, including the development of employee capabilities, knowledge, and skills in addition to providing support for autonomous career development.

Specifically, we established the "SUMIKA Learning Square," a system of educational programs for different purposes and employee classes. It encompasses basic programs for all employees, class-based occupational education, career education, programs to enhance management skills, programs to enhance language skills appropriate to global business development, and more. Additionally, to support the efforts of employees to learn and grow autonomously, we offer a program that they can choose to attend called "Self-Selected Training." This training facilitates the necessary development of knowledge and skills.

In addition to the aforementioned educational system, we create Capability, Knowledge, and Skill Development Plans to encourage employee growth. Also, by requiring supervisors to engage in continuous follow-up, we ensure that the work and learning cycle is clear and well maintained. Through these efforts, and by utilizing internal side jobs, we support autonomous career development.

■ Educational System "SUMIKA Learning Square (SLS)"

Self-Selected Training

	Non-managerial employees	Managerial employees
Sumika Management		Next generation Leader training (by selection) Strengthening of Management Skills In-house open-enrollment courses / External open-enrollment courses / Management-related knowledge
SUMIKA Knowledge	Self-Selected Training Acquisition of job-related knowledge Chemicals, Plant operation and management, Machinery / Electrical engineering / Equipment, Quality / Safety, Intellectual property, DX (Digital Transformation), Legal / Accounting / Finance / Logistics, Sales / Marketing, Global business, DE&I, Communication skills, PC skills, Corporate philosophy, etc. Supporting personal growth Sumitomo Chemical Academy / Self-improvement courses / TOEIC	
Sumika Basic		Management skills New line managers, New department managers / Team leaders, Deputy manufacturing department managers, Department managers, etc.
	Production technology and knowledge Common training for production departments, Company-wide safety training	
	Awareness of job duties / Knowledge and skills New employees, Upon promotion, For experienced hires upon joining, The Company's roots in Niihama, etc.	
	Career Career development training by age group	
	Language study and understanding other cultures English training for selected employees / Training prior to working abroad	
	Essentials Safety knowledge transfer archive / Compliance / Human rights / Information systems, etc.	

Targets and Results / Examples of Initiatives

KPI

Target: 100% of employees who participated in activities to develop their capabilities, knowledge, and skills*1

Result: 81.5% (FY2025)

*1 Regarding the Capability, Knowledge, and Skill Development Plan set by individuals at the beginning of each fiscal year for skills they want to acquire during the year, this number reflects the proportion of employees for whom we were able to confirm the results for at the end of the fiscal year.

Target: 80% or higher positive response of non-managerial employees to the status of support for self-growth from superiors and colleagues*2

Result: 86.3% (FY2025)

*2 This is the percentage of non-managerial employees who answered "I received full support" or "I received support" (top two answers out of five) to the question, "Did you receive support for self-growth from superiors and colleagues this fiscal year?" posed at the end of the fiscal year.

Investment in Training (Sumitomo Chemical)

FY2025 Results
Approx.
310,000 yen/year per person

Target
300,000 yen/year per person or more continuously

Time Spent on Training (Sumitomo Chemical)

FY2025 Results
Approx.
133 hours/year per person
(8% of regular working hours)

Total time : Approx. **859,000** hours

Target
Aim to spend 10% of work time on training or studying for work

Methodical Development of Senior Management Candidates

Sumitomo Chemical is carrying out a staged training program in human resource development for employees both in Japan and at overseas Group companies, in order to discover and develop next-generation leaders in a systematic way, emphasizing the creation of Global Leaders who can take on the role of core management.

(1) Advanced Global Leader Training

In our Advanced Global Leader Training for general managers inside and outside of Japan, we instill management perspectives and insights among participants through lectures and discussions featuring the Company's executive officers and external experts.

(2) Global Leader Training

In Sumitomo Chemical's Global Leader Training for managerial employees both inside and outside of Japan, Sumitomo Chemical has worked with a graduate school of business with the goal of developing the employees' ability to propose and conceptualize business strategies. They decide on their own topics and provide advice on the content of these specific initiatives to the President and others in management.

Next-Generation Leader Development System



Training for Development of Global Talent (for select participants)

(No. of people)

Name	Approach	FY2023	FY2024	FY2025
Development of Global Talent	In order to create global leaders who will play a central role in management and to develop talent that supports our global business operations, we systematically conduct various training programs.			
(1) Advanced Global Leader Training	The purpose of our global leader training program is to develop senior management. The program focuses on lectures and discussion.	10	0	9
(2) Global Leader Training	Our global leader training program focuses on action learning.	14	12	10

FY2025 Results

Participants
19
(breakdown: 16 men, 3 women)

Average time
69 hours per person

Management Skills Enhancement Training

We are conducting a training program to provide managers with the ability to guide their own organization and thus achieve their goals through the learning of general principles and practical skills needed for workplace management.

■ Management Skills Enhancement Training (required for all eligible employees)

(No. of people)

Name	Approach	FY2023	FY2024	FY2025
IV grade-based business skills training	Through education on basic management principles, this training deepens understanding of the roles and behaviors expected of the corresponding job grade.	119	141	100
New department manager/ team leader training	Training for developing and guiding subordinates as well as managing workplaces from the perspective of risk management, including the authority of management supervisors in the Labor Standards Act	68	89	78
MG I grade promotion training	Training for management-level employees aimed at fostering self-awareness regarding their roles and occupational duties along with cultivating strong self-actualization and at changing their mindsets as organizational leaders	111	104	117
Training for new line managers	Training that depicts scenarios for transforming organizations and deepening knowledge through learning aimed at instilling the knowledge and perspectives needed in a general manager	34	35	44
Training in communicating with subordinates	Training on feedback methods used to develop subordinates and ensure understanding of basic communication policies	69	63	105
Diversity management training	Training covering management capabilities, including how to influence organizational performance, and the management qualities and skills needed to gather diverse personnel and guide them on teamwork and achieving goals	83	93	43

FY2025 Results

Participants **487**

Average time **14** hours per person

System for Passing on Skills and Developing Personnel

We have established a Trainer System, a Senior Training Advisor System, and an Advanced Maintenance Specialist System with the main aim of steadily passing on skills essential to the manufacturing frontlines and developing future core personnel.

■ System for Passing on Skills and Developing Personnel

(No. of people)

Name	Approach	FY2023	FY2024	FY2025
Trainer System	Highly skilled employees who have an aptitude for teaching provide instruction and advice to facilitate development.	65	66	65
Senior Training Advisor System	Supervisors and potential supervisors are provided OJT to develop core personnel for manufacturing departments.	9	7	9
Advanced Maintenance Specialist System	This system certifies people who have high practical knowledge and a wealth of experience in maintaining equipment to take the Company's safety level to the next level.	21	21	26

Fertile Soil for Innovation (Sumitomo Chemical Academy)

This Company-wide seminar discusses technical issues related to the Company's businesses beyond the organizational framework and serves as a forum in which people can gain new ideas, knowledge, and perspectives aimed at realizing solutions. The seminar is also intended to provide fertile soil for innovation and the development of human resources. Associates and fellows with specialist expertise serve as the chair and vice chair of the seminar.

In the one-year period from August 2025, we held workshops on the four themes of materials, life science, smart factories, and responsible care, encompassing the Company's technical fields. We worked to share and blend diverse and highly specialized expertise, including from outside experts, in order to ensure active discussions in which members bring their unique insights with the goal of finding direction.

Internal Side Jobs

As a system supporting employees' proactive career building, we have introduced a program that allows employees to take on cross-departmental assignments based on their own initiative.

Based on this program, employees are able to experience a wide range of jobs in various business sectors with the aim of acquiring knowledge and expanding their perspectives while also gaining new insights in the workplace.

Healthcare

Basic Stance

To ensure that employees can live healthy and active lives both physically and mentally, Sumitomo Chemical is promoting a variety of health support programs to help solve employee health issues and on the other hand improve employee health.

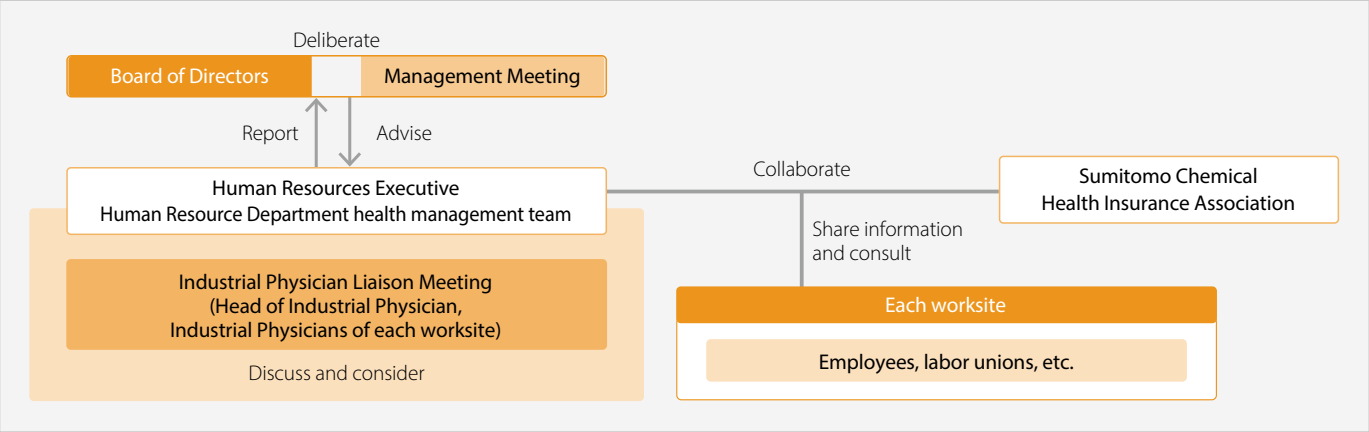
Management System

The Board of Directors and the Management Meeting seize opportunities to receive reports and hold discussions on the status of employee health and the direction of initiatives addressing various issues. At the annual liaison meeting of industrial physicians, the head of industrial physician and the industrial physicians of each worksite hold discussions and their opinions are being sought when deciding on Company-wide measures and targets. Moreover, the industrial physicians, medical staff (public health nurses, registered nurses, etc.), and health managers of each worksite work together to implement measures to maintain and promote employee health in collaboration with the Company and the Health Insurance Association.

Furthermore, at Health Manager Meetings, the progress of Company-wide measures at each worksite and the measures taken at each worksite are shared and the results are assessed. The Health Management Promotion Committee shares financial status of the Health Insurance Association's healthcare business and medical expenses.

As for Group companies, through liaison meetings encompassing executive officers in charge of human resources at Group companies, we announce such information as key points regarding legal amendments related to health management and disseminate information to ensure appropriate responses.

■ Promotion System for Health Maintenance and Promotion Measures



Targets and Results / Examples of Initiatives

To maintain employee health both physically and mentally, we are implementing the following initiatives.

Physical Health

Based on the Industrial Safety and Health Act, we appropriately conduct regular health checkups and provide health guidance as needed in cooperation with industrial physicians and medical staff. In addition, we coordinate with the Health Insurance Association to promote measures to improve employee health.

Initiatives Aligned with the Health Insurance Association

(1) Specified health checkups and specified health guidance
- We expanded the eligible age range for specified health guidance to include all ages as we work to prevent lifestyle diseases with the goal of ensuring 100% of employees receive such guidance.
- We analyze results and medical questionnaire responses to study employee health.

(2) Smoking cessation support programs
- We have banned smoking during work hours and on the Company's premises as a general rule and are supporting employees' smoking cessation efforts through specialized programs in conjunction with the Health Insurance Association.

Initiatives Promoted by Sumitomo Chemical (Non-Consolidated)

(1) Walking events
- With the aim of establishing exercise habits, we hold walking events through the use of a walking-related app. We help stimulate internal communication through the use of the app's group chat function.

(2) Enhancing exercise and physical training environments
- We are promoting embedding of exercise habits by providing more and better opportunities for exercise, including increasing the number of physical training facilities we partner with (increased from approx. 420 facilities to approx. 6,000 throughout Japan).

(3) Exercise Program
- Running an exercise program, including stretches, for the purpose of instilling exercise habits and reducing repetitive strain injury (RSI), which is caused by repetitive tasks and PC work.

Mental Health

We have been cooperating with medical staff to properly perform the stress checks required by law for companies. We are working to prevent mental health problems by encouraging employees to take care of themselves and encouraging superiors to look after their subordinates. Employees can receive counseling from the Company's medical staff. We have also set up external counseling services available to employees for individual counseling.

We also carry out group analysis through stress checks, and while analyzing trends at worksites and workplaces, we provide feedback to workplaces and select themes for lectures, etc., in an effort to provide mental healthcare to our employees.

Additionally, during the new employee training and the grade-based promotion training, we hold appropriate mental healthcare training for participants eligible for training, encouraging employees to take care of themselves and encouraging superiors to look after their subordinates. Besides, we produced lecture videos on mindfulness, which is said to contribute to building good human relationships and increasing productivity, and released them in-house as part of our efforts to improve the mental healthcare environment.

Health & Productivity Management Outstanding Organization (White 500)

After analyzing medical examination results and questionnaire responses, we set quantifiable targets, such as improving BMIs, and take various measures to maintain and promote employee health.

In addition, Sumitomo Chemical was certified as a Health & Productivity Management Outstanding Organization (White 500) for the ninth year in a row. The Company's various measures and systems related to health and productivity management received a positive evaluation.



Occupational Health and Safety / Process Safety and Loss Prevention

Basic Stance

Reflecting the core principle of "Making safety our first priority," the Sumitomo Chemical Group has formulated five fundamental and personal safety principles that each employee is expected to follow as well as guidelines based on the core principle. All Group employees and all involved parties, including partner companies, are thus united in promoting safety and health activities based on international standards (including occupational safety and health management systems*1 and machinery safety) with the goal of eliminating all accidents.

Although activities to enhance a culture of safety have taken root, we currently have not entirely eliminated severe accidents, including those resulting in fatalities. It is therefore important that we measure the level of safety culture reached by each workplace and constantly strive to make improvements as we strive to foster a culture where safety is a given. Furthermore, the Group undertakes stringent process risk assessments of the entire life cycle (development, manufacture, distribution, use, disposal), and takes appropriate safety measures based on its evaluation of risks. The aim of these efforts is to prevent unforeseen industrial accidents, including fires, explosions, and the leakage of hazardous substances, and to minimize damage in the event of a natural disaster such as a major earthquake.

Sumitomo Chemical has acquired the international standard ISO 45001 and OSHMS certification at its worksites. In addition, the Company implements PDCA cycles that support a host of measures on the path to realizing improvements based on risk assessments. These safety-related measures and their results are reviewed at the end of each fiscal year by the Responsible Care Committee, which is headed by the President. The reviews ensure a continuous connection to future fiscal years' cycles, thereby strengthening safety and health activities that prevent accidents. In addition, we will further strengthen our safety infrastructure by carefully managing our facilities and construction projects, providing advanced training for safety-related personnel, and introducing sophisticated risk assessment methods and cutting-edge technologies, including IoT, to bolster our employee safety and industrial safety management technologies. We will also prepare our responses to new threats, such as intensifying natural disasters and terrorism.

*1 ISO (International Organization for Standardization) 45001 and JISHA (Japan Industrial Safety and Health Association) OSHMS (Occupational Safety and Health Management System) Standards equivalent to OHSAS (Occupational Health and Safety Assessment Series) 18001

Core Principle: Making Safety Our First Priority

Raison D'être for the Core Principle

1. Line management is fundamental to Safety and Health.
2. Each person is responsible for Safety and Health.
3. Sumitomo Chemical is united with partner companies on Safety and Health.

Five Fundamental and Personal Safety Principles that Each Employee is Expected to Follow.

- I will give safety and health the top priority in every aspect of business.
- I will identify and resolve safety and health issues at the source.
- I will comply with rules and instructions.
- I will act with safety in mind 24 hours a day, not just during working hours.
- I will cooperate with all involved parties, including partner companies, to ensure safety and health.

■ Illustration of How We Ensure Safety through Safety Infrastructure and Safety Culture



Management System

The President serves as the chief coordinator and the executive officer in charge of Responsible Care serves as the coordinator of the Safety Group of the Responsible Care Department. This group is responsible for matters related to safety, health, process safety and loss prevention of the Company as a whole and supports the safety, health, process safety, and loss prevention activities of Group companies. To assess the safety, health, and process safety management status and to consider measures for improvement, the safety, health, process safety, and loss prevention departments of each worksite and Group company regularly meet and exchange information. In these and other ways, relevant departments work together to steadily enhance the level of safety, health, process safety, and loss prevention activities.

In addition, Safety and Health Committees*2 (called the Safety & Health Committee at some worksites) comprising labor and management representatives are convened every month at each worksite of Sumitomo Chemical and Group companies in Japan. The committees investigate and deliberate matters related to safety and health risks to all employees at worksites and promotes specific measures in unison with labor and management. The minutes of the meetings of these committees are shared with all employees within the worksites. Group companies overseas also share policies and initiatives related to safety, health, process safety, and loss prevention through the Global Meeting and other meetings. We have set up the Speak-Up System, which enables employees to submit reports and receive counseling without reprisal, as well as other grievance mechanisms to deal with risks and concerns related to such matters as accidents and near misses related to employee occupational health and safety, equipment malfunction, and the handling of chemical substances.

*2 Worksites with 50 or more employees

P.043 Organization of Responsible Care

★: Assured by an independent assurance provider

Goals and Results

Occupational Health and Safety

The Sumitomo Chemical Group*1 targets a frequency rate of lost-workday injuries*2 of under 0.1, but its rate was 0.31 in fiscal 2025, or a total of 21 injuries, failing to meet the target. Moreover, while the Group has set a goal of zero severe accidents,*3 a contractor at a Sumitomo Chemical facility recorded no severe accidents in fiscal 2025, the same number of severe accidents as the previous fiscal year, achieving the target. On a non-consolidated basis, Sumitomo Chemical recorded a frequency rate of 0.06 (lost-workday injuries: 1) and a severity rate of 0.011 in fiscal 2025, while contractors and other affiliate companies recorded a frequency rate of 0.45 (lost-workday injuries: 4) and a severity rate of 0.023.

Goals and Results

Items	Boundary	FY2025 Goals	FY2025 Results	FY2026 Goals
Lost-workday injuries	Sumitomo Chemical	0	1	0
	Sumitomo Chemical contractors (including others)	0	4	0
Frequency rate of lost-workday injuries*2	Sumitomo Chemical Group*1	Less than 0.1	0.31	Less than 0.1
Severe accidents*3	Sumitomo Chemical Group*1	0	0	0

Lost-workday Injuries (Sumitomo Chemical Group*1)

	Boundary	FY2021	FY2022	FY2023	FY2024	FY2025
Number of injuries (including fatalities)	Sumitomo Chemical	1	2	3	5	1
	Sumitomo Chemical contractors (including others)	6	6	4	1	4
	Domestic consolidated subsidiaries	11	16	8	6	12
	Overseas consolidated subsidiaries	8	20	8	4	4
	Total	26	44	23	16	21

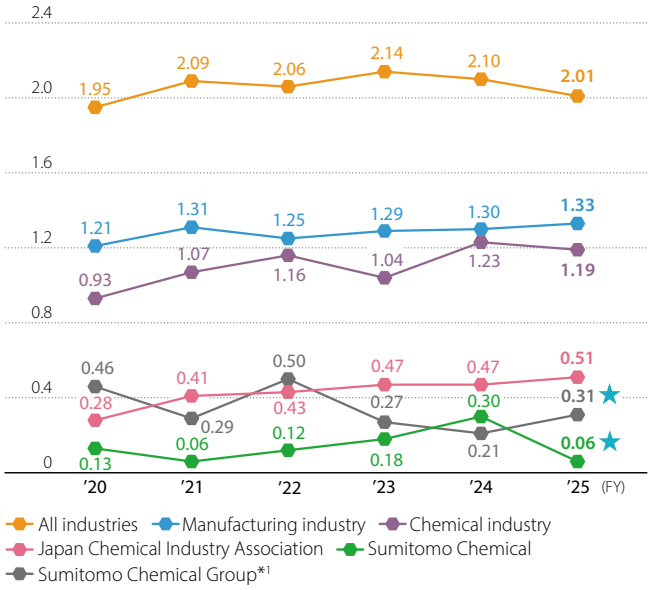
Note: A partner company injury is defined as one suffered within a Sumitomo Chemical worksite by an employee of a company affiliated with a subcontractor (including construction and logistics companies) or other company (including spot construction-related companies and delivery companies not included in an association).

*1 The Sumitomo Chemical Group as defined for occupational health and safety:
Until FY2019: Sumitomo Chemical (including contractors) and consolidated Group companies in Japan and overseas.
From FY2020 onward: Sumitomo Chemical (including contractors) and consolidated subsidiaries in Japan and overseas.

*2 Scope of frequency rate: Employees of Sumitomo Chemical (including contractors) and consolidated subsidiaries, including temporary employees, part-time staff, and dispatch employees.
Calculation of hours worked: For the number of hours worked by consolidated Group subsidiary employees, the Company uses an estimate reached by multiplying the number of employees by 1,928 hours (Sumitomo Chemical's standard number of hours worked annually). (For the number of hours worked by Sumitomo Chemical employees (non-consolidated) and contractors, the Company uses the actual number of hours recorded.)

*3 Severe accidents are defined as those that result in a fatality or those that result in severe lost-workday injuries, including blindness and loss of a limb.

Frequency Rate of Lost-workday Injuries



Process Safety and Loss Prevention

The Sumitomo Chemical Group*1 achieved the target of "no severe industrial accidents"*2 in fiscal 2025, recording zero severe industrial accidents.

In addition, there were 13 industrial accidents, which are minor accidents whose scale does not reach that of a severe industrial accident, in fiscal 2025. We will work to enhance industrial safety management and quickly share the causes of the minor industrial accidents and the lessons learned across the entire Sumitomo Chemical Group.

Goals and Results

Items	Boundary	FY2025 Goals	FY2025 Results	FY2026 Goals
Severe industrial accidents*2	Sumitomo Chemical Group*1	0	0	0

Severe Industrial Accidents (Sumitomo Chemical Group*1)

	FY2021	FY2022	FY2023	FY2024	FY2025
Number of severe industrial accidents	1	0	2	0	0

*1 The Sumitomo Chemical Group as defined for process safety and loss prevention: Sumitomo Chemical (including contractors) and consolidated Group companies in Japan and overseas.

*2 "Severe industrial accidents" refers to any of the following workplace incidents:
- Accidents that cause injuries to local residents requiring outpatient/hospital treatment
- Accidents that result in lost-workday injuries to workers on the site
- Accidents that result in equipment and facility damage exceeding 10 million yen

Examples of Initiatives

Occupational Health and Safety

Sumitomo Chemical thoroughly investigates the causes of each accident and works to prevent accidents by taking such measures as ensuring strict adherence to safety rules, providing hazard prediction training, also known as Kiken Yochi Training (KYT), and sharing accident information. In addition, we are working to raise safety awareness among all partner companies that enter our Works and research laboratories by distributing pocket-size cards and entrance certificates that feature the ground rules and core principles of safety as we promote our initiative of "Making safety our first priority."

Ensuring Thorough Compliance with the Sumitomo Chemical Group's Basic Safety Rules (Ground Rules)

In light of trends in the causes of accidents, the Group has established the following ground rules and is working to ingrain safe behavior.

1. Think Before You Act!
2. Help each other to be more aware of unsafe actions
3. Do not place hands in or around areas of working machinery/equipment

Improving Hazard Prediction Abilities

We are working to improve employees' hazard prevention ability—their ability to perceive and avoid danger—through, for example, behavior-based safety training and workplace discussions using illustrations.

Sharing and Using Accident Data

The Group shares information about all accidents mainly for use in safety education and comprehensive on-site investigations. When an accident occurs, we conduct a thorough examination of the causes and organize studies on how to prevent recurrences through on-site inspections with the top management of the affected workplace and safety managers.

Awards for Safety

Safety awards are given to workplaces (Works and research laboratories) that achieve zero lost-workday injuries. The President's Award for workplace safety is presented to workplaces with both a solid safety track record and good practices for safety and health, which could be an example to other workplaces. The President's Award was given to eight workplaces in fiscal 2025.

Safety Promotion through In-house Magazine, Slogan

Since fiscal 2013, in our in-house magazine entitled "Raising the Level of Safety!" (renamed "Learn through Manga! Promoting a culture of safety" since fiscal 2019), we have introduced examples of accidents that tend to happen at work and their preventive measures in a series of articles on enhancing safety. In addition, we promote safety and health awareness by soliciting safety and health slogans and posting the winning entries in each workplace.

Preventing Severe Accidents in Subcontracted Operations and Construction Operations

Sumitomo Chemical is taking action across the Company to ensure the safety and health of all involved parties, including partner companies. For example, one of the key initiatives outlined in the "Fiscal 2025 to Fiscal 2027 Medium-Term Plan for Responsible Care Policy" and "Fiscal 2025 Annual Responsible Care Policy" is to prevent accidents caused by noncompliance with rules and insufficient risk assessment and hazard prediction through activities to recognize, share, and reduce risks. We also conduct thorough risk assessments.

Risk Assessment of Chemical Substances

Sumitomo Chemical and all Group companies in Japan* that handle chemical substances conduct risk assessments of chemicals based on the Industrial Safety and Health Act and strive to reduce the risk of crises caused by chemicals.

* The percentage of worksites that conducted assessments at Sumitomo Chemical and Group companies in Japan is 100%.

Process Safety and Loss Prevention

Risk Management Initiatives

Sumitomo Chemical manages risks related mainly to process safety, chemical (raw materials, products) safety, and occupational health and safety at each stage from new chemical process R&D through the commercialization process to plant design, construction, operation, maintenance, and even demolition. The items and procedures essential to risk management are specifically outlined in the Product Development Regulations, the Safety Management Rules, the Chemical Safety Management Regulations, and other similar documents that provide the standards for the Company. In addition, we introduced this system to major consolidated subsidiaries as part of efforts to enhance safety management across the entire Group.

■ Risk Management (Three Routes)



① Evaluation of New Processes

The Process Safety Review Meeting (levels 1 to 5) convenes at every step, from R&D through to industrial-scale production. These meetings are held to identify risks related mainly to process safety and chemical safety, to review risk assessment results as well as to determine whether safety countermeasures are appropriate. This mechanism ensures that processes do not proceed to the next step unless adequate safety has been confirmed. Furthermore, before starting operations, the meeting conducts safety reviews to assess responses to risks related to occupational health and safety. For example, the meeting confirms the absence of problems in the operational environment (including temperature, noise, vibration, etc.), if safety signs are appropriately displayed, if necessary personal protective equipment and ample equipment and materials for emergency have been secured, and whether there is sufficient preparation of and education regarding instruction manuals.

② Management of Changes

When certain changes are made to, for example, improve plant facilities or modify operating conditions, the Company conducts all necessary safety assessments before such changes are made to confirm whether there are new risks related mainly to process safety, chemical safety, and occupational health and safety following the changes and to, as needed, consider additional safety measures.

③ Regular Review of Existing Processes

Even when there is no change in the process, Sumitomo Chemical conducts regular process hazard reviews (no more than every five years, as a general rule) to catch up with the latest information on industrial safety technologies and to check whether there will be a significant impact from the long-term use of a plant. In addition, in our internal audits conducted every year for each workplace, we check whether or not safety management systems are functioning appropriately.

Preparation for Large-Scale Natural Disasters

Sumitomo Chemical drew up a basic plan on earthquake countermeasures in 2004, taking the initiative to improve the earthquake resistance features of equipment that was especially susceptible to the risk of damage. Furthermore, in accordance with recent directives by government authorities to improve the seismic adequacy of existing facilities, we made a plan to obtain required earthquake-resistant features of critical high-pressure gas equipment and are carrying out reinforcements and reconstruction in line with the plan. Before carrying out this work, we took measures to reduce risk and ensure safety, such as reducing the volume of gas held in equipment in order to decrease its weight and meet the earthquake resistance criteria.

In addition, as natural disasters continue to grow more extreme, including the typhoons and torrential rains seen in recent years, we continually review the current status of our safety measures to ensure they are adequate and take measures aimed at securing facilities and personnel as necessary. Furthermore, we confirmed that even in the event of flooding inside a plant due to a typhoon or torrential rain, the risk of the following is low: a loss of power to the plant's cooling facilities or water-reactive substances inside the warehouse coming into contact with water causing large-scale fires and explosions that could cause trouble for neighboring residents.

Safety Education and Drills

Sumitomo Chemical has a variety of industrial safety educational programs that reflect the operational roles of employees throughout the Company. The programs are aimed at bolstering the ability of employees to acquire knowledge and skills in order to ensure process safety. In addition, we provide safety education to Group companies in Japan suited to each company's needs.

At each of their worksites, Sumitomo Chemical and Group companies conduct education when necessary regarding operational details, substances handled, and the setup of protective equipment for operators who need to consider occupational health and safety in situations such as operations in high places, operations in hazardous places with poor oxygen, operations in high or low temperature environments, operations in high-noise environments, and operations handling specified chemical substances and organic solvents. In addition, special health assessments are made, operational environments are monitored, and workplace patrols are regularly conducted by occupational physicians and health inspectors as we strive to upgrade and maintain operational environments.

Examples of Safety Education and Drills at Sumitomo Chemical Worksites

Safety Education Examples	Safety and health training for new employees, newly appointed supervisors, and newly appointed managers; briefings on laws and regulations (Industrial Safety and Health Act, High Pressure Gas Safety Act, Fire Service Act, etc.), health management system education, safety and health seminars (protective equipment, etc.), hazard experience training (exposure to liquids, squeezing, falling, etc., includes VR training materials.), hazard prediction training, also known as Kiken Yochi Training (KYT), training in accident analysis methods (the five whys, etc.) safety and health education in officers, traffic safety education, etc.
Safety Drill Examples	Petrochemical complex integrated emergency response drills (municipalities, companies in petrochemical complex districts), earthquake and tsunami evacuation drills, joint firefighting drills with specialized firefighting teams and workplace firefighting teams, drills using fire extinguishers and fire hydrants, drills on lifesaving procedures (AEDs, etc.), drills on emergency contacts at night and on holidays, etc.

In addition, for everyone at partner companies conducting operations within our worksites (works, research laboratories), we provide safety education for entering worksites (basic policy on safety, basic rules inside worksites, etc.), construction supervisor training (supervisor obligations, risk assessments, etc.), hazard experience training, and more.

FY2025 Main Safety Education Programs (Company-wide Education)

Name	Type	Purpose	Boundary	Participants
Disaster Prevention Theory	E-learning	Promoting the acquisition of basic knowledge regarding process safety and loss prevention for fires, explosions, reaction hazards, static electricity, etc.	Sumitomo Chemical (Works, research laboratories)	74
			Group companies in Japan	8
Fire and Explosion Training	Group training and self-study	Promoting the acquisition of knowledge to prevent accidents and perceive hidden dangers in the workplace through hands-on training related to fires and explosions	Sumitomo Chemical (Works, research laboratories)	203
			Group companies in Japan	44
HAZOP* Training	Group training	Training personnel to learn the basics of HAZOP and to be able to conduct HAZOP	Sumitomo Chemical (Works, research laboratories)	48
			Group companies in Japan	3
Safety Engineer Training Course	Group training and self-study	Training personnel who have central roles in uncovering process hazard sources, carrying out appropriate risk assessments, crafting safety measures, and effectively reducing risks	Sumitomo Chemical (Works, research laboratories)	14
			Group companies in Japan	2

* HAZOP:
A method of assessing process hazards that was developed with the aim of uncovering all latent hazards in chemical processes, assessing those impacts and results, and considering necessary safety measures.

Industrial Safety Action Plan

In a bid to step up efforts aimed at promoting industrial safety, industry organizations came together with the Japan Petrochemical Industry Association to draw up an industrial safety action plan in July 2013 that is revised every year. Here we introduce the Company's initiatives based on the action plan.

(1) Commitment by Top Management to Industrial Safety

- Sumitomo Chemical has established its basic stance toward responsible care as "providing safety and peace of mind to our stakeholders through thorough compliance" under its Responsible Care Plan (FY2025–2027).
- The President issues a safety week message to all employees and Group companies in Japan and overseas to coincide with National Safety Week, which begins on July 1 each year.
- We have held the President's Awards for workplace safety on a continuous basis since fiscal 2012.

(2) Setting Industrial Safety Targets

- Each year, Sumitomo Chemical sets targets for a variety of key parameters, including the elimination of all accidents resulting in lost workdays as well as all severe industrial accidents. The Company engages in a broad spectrum of activities aimed at achieving these targets.

(3) Drawing Up an Action Plan to Secure Industrial Safety

- Sumitomo Chemical pursues activities aimed at thoroughly identifying industrial safety risks that encompass regular and irregular operations.
- Sumitomo Chemical has introduced an internal certification and qualification system related to process risk assessment (safety engineer (SE)).
- Sumitomo Chemical promotes smart security utilizing such new technologies as AI and IoT.

(4) Checking and Evaluating Progress toward Achieving Targets and Implementing Measures

- The Responsible Care Committee reviews progress toward the achievement of targets and the implementation of measures. Findings under this review are reflected in the plan for the next fiscal year.

(5) Initiatives Aimed at Promoting Voluntary Safety Activities and the Fostering of a Culture of Safety

- The Sumitomo Chemical Group established the ground rules related to safety and strives to foster a culture of safety.
- Sumitomo Chemical designates one day each month as a "safety day" in an effort to continuously focus the attention of the entire Group on the importance of industrial safety.
- Academic experts conduct seminars and undertake an evaluation of safety assurance capabilities by the Process Safety Competency Center of Japan Society for Safety Engineering.

Logistics Initiatives

The Sumitomo Chemical Logistics Partnership Council was formed by Sumitomo Chemical and the logistics subcontractors (112 companies) for Sumitomo Chemical and its Group companies in Japan with the core principle of "Making Logistics Safety the First Priority." The Council maintains committees for Works in each area as well as for stock points (transport and storage) and marine transport-related operations nationwide. The Council is expanding the Logistics Department's responsible care activities. In fiscal 2025, we conducted discussions, such as exchanges of opinions, to further strengthen our partnerships with logistics subcontractors, and focused on further promoting the activities of this council.

In terms of health and safety, there were no accidents resulting in lost workday injuries, so we did not achieve zero accidents. We will continue to review operational risks and further improve the level of safety and health management.

In addition, as for process safety and loss prevention, we present our logistics subcontractors with transport standards to ensure safety, such as safety management rules related to the land and marine transport of hazardous substances, and strictly ensure the rules are followed. We built a system under which we cooperate with logistics subcontractors even during critical times when an accident occurs to quickly arrive at the crisis site and address the situation as well as a system that enables rapid response to accidents, to this end joining the Hazardous Materials Emergency Response Service of the Maritime Disaster Prevention Center.

Sumitomo Joint Electric Power Won the JCIA Responsible Care (RC) Award

Sumitomo Joint Electric Power Co., Ltd. won the 20th JCIA Responsible Care Award, specifically the Judging Panel's Special Prize. The company conducts construction safety patrols that incorporate friendly dialogues and implements activities that foster a culture of safety, for example, helping partner companies improve their hazard prediction sheets. Since the company instituted these activities, their partner companies have maintained zero occupational accidents during the construction and inspection of facilities for gas-fired power plants. When the company launched its efforts, it realized there was a lack of communication between management and workers on the front lines. To overcome this obstacle, the company began by taking inspiration from the considerate, smiling communication style of traditional Japanese health drink vendors. This approach helped improve the attitude of local business partners and fostered the development of mutually beneficial collaborative relationships, earning high praise from the judging panel.

Goals and Results

Items	Boundary	FY2025 Goals	FY2025 Results	FY2026 Goals
Lost-workday injuries in logistics	Logistics	0	0	0

Lost-workday Injuries in Logistics

	FY2021	FY2022	FY2023	FY2024	FY2025
Number of cases	0	0	2	0	0

Note: Lost-workday accidents caused by logistics subcontractors on the premises of Sumitomo Chemical workplaces and lost-workday accidents caused by major logistics subcontractors outside the premises of Sumitomo Chemical workplaces.

Product Stewardship / Product Safety / Quality Assurance

Basic Stance

Product Stewardship at Sumitomo Chemical

Under its Corporate Policy on Responsible Care (Safety, Health, the Environment and Product Quality), the Sumitomo Chemical Group promotes product stewardship*1 and works to provide products and services that satisfy customers and can be used with peace of mind.

In the fifth session of the International Conference on Chemicals Management (ICCM5) held in September 2023, a new international framework known as the Global Framework on Chemicals (GFC)*2 was adopted. This framework is filled with items illustrating policies to strengthen the engagement of industry, health departments, labor departments, and more, enhancing the promotion of independent chemicals management by a more various stakeholders.

Sumitomo Chemical promotes voluntary initiatives to enhance product stewardship, including the Global Product Strategy (GPS)*3/ Japan Initiative of Product Stewardship (JIPS)*3 put forward by chemical industry associations, including the International Council of Chemical Associations (ICCA) and the Japan Chemical Industry Association. We actively participate in capacity-building activities, conduct risk assessments of our products, and perform risk-based management. We will continue to actively participate in the creation of specific action plans within the chemical industry to construct chemical management systems based on the GFC, as well as respond to international trends by promoting appropriate risk-based chemical management and continually conducting safety risk assessments of all products, including newly introduced items.

*1 Conducting risk assessments and protecting people's health and the environment from those risks throughout the product life cycle, which encompasses the entire supply chain from the development of chemical products to manufacture as well as sale, use/consumption, and disposal.

*2 An international framework regarding chemical substances. This framework comprises five strategic targets related to all stakeholders, including industries, across the entire life cycle of chemical substances, as well as 28 action plans geared toward achieving these strategic targets.

*3 Initiatives that call on companies to conduct risk assessments of their products and to engage in appropriate chemical management based on risk in order to minimize risks throughout the supply chain. Under GPS/JIPS, toxicological information on chemical products is disclosed to the general public, including customers.

Ensuring Thorough Compliance

Sumitomo Chemical Group conscientiously adheres to various laws and regulations related to the manufacture, import, export, and sale of goods. We are working to ensure thorough compliance throughout our entire globally expanding group of companies. The pace of establishment and revision of laws and regulations relating to chemical management is expected to pick up in even more countries and regions in the near future. Closely collaborating with Group companies in Japan and overseas, Sumitomo Chemical consistently undertakes thorough compliance initiatives that involve strengthening information gathering capabilities on the regulatory trends as well as enhancing the functions of its comprehensive chemical management system (SuCCESS*4).

*4 Sumitomo Chemical Comprehensive Environmental, Health & Safety Management System (SuCCESS)

Quality Assurance

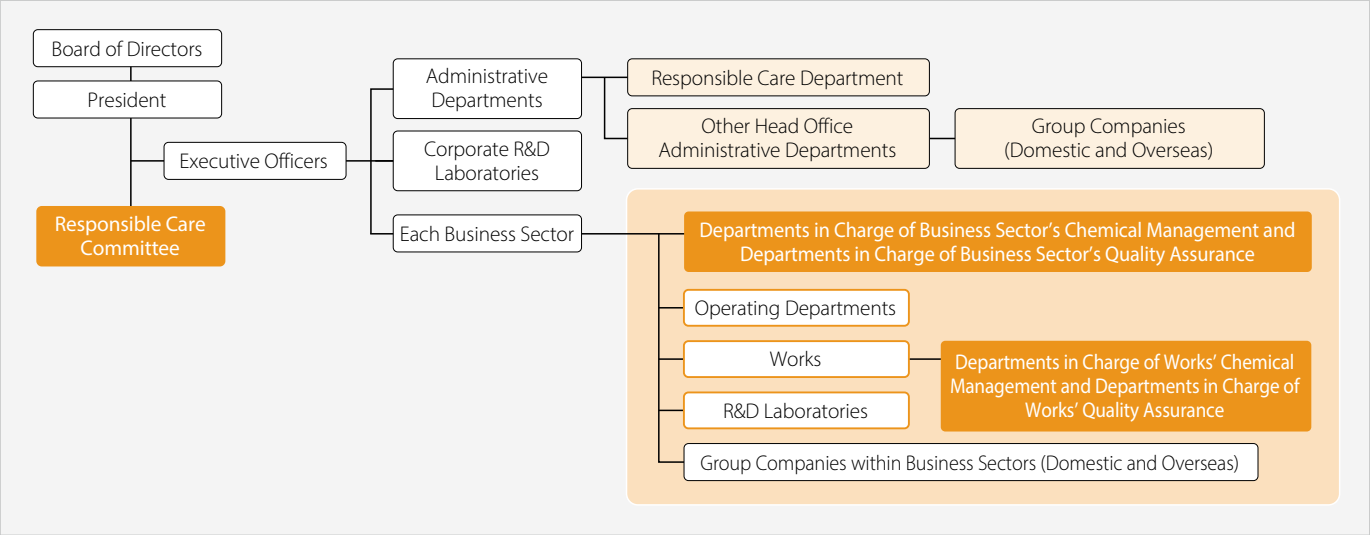
In line with the value it places on the trust it has earned from customers and society and its aim to further improve customer satisfaction, the Group continually works toward the optimization of its quality assurance system by enhancing the Group-wide quality assurance level so that customers can use Group products and services with peace of mind.

Management System

As the highest body for deliberating and approving Sumitomo Chemical's RC activities, the Responsible Care Committee is chaired by the President and comprises executive officers supervising the administrative departments and the four business sectors of the Company, and the General Manager of each Works. The Committee puts in place annual policies on RC activities, including chemical management and quality assurance activities; medium-term plans; and specific measures as they relate to responsible care. The Committee also analyzes and assesses the results of responsible care activities.

In addition, the Responsible Care Department oversees the Company's chemical management and quality assurance activities as well as supports each Group company's chemical management and quality assurance activities. Each department in charge of chemical management and quality assurance for Works promote appropriate chemical management and quality assurance activities for their respective Works and department.

■ Organization of Chemical Management and Quality Assurance Activities



Examples of Initiatives

Risk Assessment and Management throughout the Entire Product Life Cycle

With regard to the chemicals (products) that it uses and sells, Sumitomo Chemical conducts risk assessments that span the entire product life cycle and all that could be affected, including internal operators, neighboring residents, the surrounding environment, customers, and consumers. The Company supports the Ministry of the Environment's Eco-First Program and completed appropriate whole life-cycle risk assessments for its products manufactured or sold in annual amounts of one ton or more by fiscal 2020 to promote the voluntary initiatives (GPS/JIPS) adopted by chemical industry associations. The results of these assessments are compiled into a GPS/JIPS Safety Summary (GSS) and made publicly available online, including on the Japan Chemical Industry Association (JCIA)'s portal website. From fiscal 2021, we will continue to conduct appropriate risk assessments of products that are newly included in the scope through, for example, product development (reinspection of risks of already assessed substances based on the latest insights).

In conducting chemical risk assessments, it is necessary to collect information regarding the hazards associated with each product and the levels of human and environmental exposure when products are handled. Based on the information needed for these risk assessments, we work to ensure that customers and employees handle chemical substances safely. To this end, we have created a collaborative framework centering on the Responsible Care Department and encompassing the frontlines of production and our internal research laboratories, which possess specialized technologies in risk assessment and safety engineering. To estimate exposure levels, the Company draws on projection models and expert insights in Japan and overseas and has developed its own simulation program. We also use the latest technology to efficiently conduct highly precise risk assessments. In line with our internal rules, during the development of new products, we collect data regarding risks and hazards for all handled substances before entering the production stage and survey and respond to all relevant laws and regulations. We will continue to conduct risk assessments based on the most up-to-date information available.

Japan Chemical Industry Association (JCIA)
Chemical risk assessment support portal
https://www.jcia-bigdr.jp/jcia-bigdr/en/material/icca_material_list

Risk Management for Product Safety

As for risk assessments of product safety, it is necessary to assess the risks of chemical substances in products as well as the risks associated with product applications and uses. Taking into consideration not only their use by our direct customers but also the use and disposal of such products by their end-users, we also conduct risk assessments using methods such as Failure Mode and Effects Analysis (FMEA)* in addition to evaluating the risks of chemical substances and their applications and uses. Sumitomo Chemical conducts rigorous risk assessments of new products and reassesses products already on the market. In fiscal 2025, we performed 56 product safety risk assessments. Going forward, we will continue to conduct rigorous risk assessments of new products and regularly conduct reassessments of products already on the market. In addition, we continue supporting Group companies in conducting similar product risk assessments and countermeasures.

* FMEA: A systematic method of analysis for detecting potential malfunctions and defects with the objective of their prevention

Providing Products and Services of Stable Quality

In order to continue to supply its customers with satisfying products and services that can be used with peace of mind, the Sumitomo Chemical Group has established quality assurance systems based on quality management systems (such as ISO 9001*1) and manufacturing and quality management guidelines (GMP*2) appropriate for each product and service. In addition to maintaining thorough day-to-day product quality control, we are committed to further improving product quality.

When a problem related to the quality of our products or services occurs, we grasp the facts and determine the scope of impact in line with internal rules. We then take immediate action, such as contacting affected customers and replacing products. We subsequently work to identify the root cause of the problem, formulate and implement recurrence prevention measures, and implement those measures. Moreover, from the perspective of preventing recurrence of similar quality problems, depending on the severity of the problem, we disseminate information related to the root cause and recurrence prevention measures within the Company and to Group companies. We are committed to ensuring the prevention of problems in the first place.

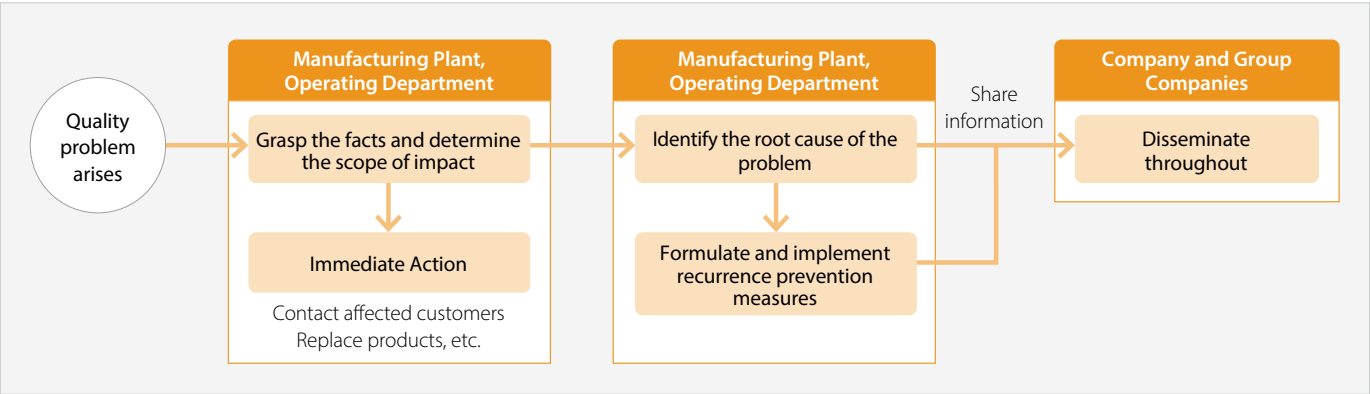
In fiscal 2025, there was one major quality problem in the Sumitomo Chemical Group. We are thoroughly analyzing the root cause of this issue and working to formulate and implement measures to prevent recurrence. We are also preventing similar quality problems by rolling out the lessons learned across the Group. Going forward, we will continue to strengthen the Group's quality assurance framework by sharing information and activities related to quality and product safety within the Group. Furthermore, in order to continue supplying products and services of stable quality worldwide while addressing growing supply chain diversification accompanying its business expansion and the increasingly sophisticated needs of customers, the Group is enhancing its global quality assurance system through measures that include strengthening the management of overseas suppliers and contractors.

*1 The international standards on quality management systems issued by the International Organization for Standardization (ISO).
*2 Good Manufacturing Practice (GMP): Guidelines relating to the manufacturing and quality management of pharmaceutical products, etc.

■ Trend in the number of Major Quality Problems (Sumitomo Chemical Group)

	FY2023	FY2024	FY2025
Number of major quality problems	0	0	1

■ Flowchart of How We Handle Quality Problems



The Information Sharing System and Ensuring thorough Compliance

The governments of Europe, the Americas, China, and the Asia Pacific region hold considerable way over trends in global laws and regulations. To ensure thorough compliance, we post product stewardship specialists at our regional headquarters in these areas and are constructing a system to swiftly collect information related to regulatory trends. Especially in Europe, China, South Korea, Taiwan, Southeast Asia, and India, where there is active movement regarding legal revision/improvement, we are appropriately complying with the chemical regulations of each country in cooperation with our group companies.

As a response to the REACH Regulation in Europe, which is a world leader in terms of laws and regulations, we are moving forward with appropriate legal registration, managing our supply chain, and properly transferring information. In addition, our local Group company Sumitomo Chemical Europe is drawing up letters about its registration status in response to its customers' requests as well as a declaration of conformity, which states the status of compliance and certificate acquisition with regard to various regulations.

In fiscal 2025, there were no reports of violations of regulations for Sumitomo Chemical products and services at any stage of their life cycles.

Effective Use of SuCCESS

In order to appropriately manage and effectively use information on chemicals handled by the Company, such as their composition, toxicological information (risks and hazards), and regulatory requirements, Sumitomo Chemical has developed the Comprehensive Chemical Management System (SuCCESS). This system is used in order to respond to inquiries from customers concerning substances contained in our products and precisely comply with laws and regulations in Japan and around the world, such as the REACH Regulation in Europe. We also use this system to create SDSs*1 in around 40 languages to comply with GHS*2 and accurately and efficiently communicate hazard information throughout the supply chain. This system is also being proactively rolled out to Group companies. We had installed the system at 12 Group companies in Japan and overseas as of fiscal 2024. In addition, we are using SuCCESS to calculate the manufactured volumes reported to the government under the chemical substances control law via a substance volume tracking (SVT) system as well as to calculate exported volumes.

*1 Safety Data Sheets (SDS): SDSs include information on the safe handling of chemical products (properties, handling methods, safety measures, etc.) and should be created in compliance with the Japanese Industrial Standards (JIS) and the standards set by the International Organization for Standardization (ISO).

*2 Globally Harmonized System of Classification and Labeling of Chemicals (GHS): In 2003, the United Nations established these global rules for how to convey information about the classification and degree of hazards for chemical substances.

Providing Toxicological Information

To ensure its products are handled safely, Sumitomo Chemical uses SDSs and labels to provide customers with toxicological and regulatory information about the chemical substances they contain and the hazard data consolidated in SuCCESS. The SDSs and labels also include precautions for proper handling and storage, first-aid measures in the event of a spill, and instructions for handling residual liquids and contaminated containers, enabling users to handle the products safely with the necessary protective equipment and materials while minimizing the leakage and release of hazardous substances. Furthermore, especially regarding products requiring warnings about their handling, we create yellow cards that are a simplified version of their SDSs. This provides logistics operators with the information they need to ensure they can respond appropriately to an emergency situation during transportation.

Sharing Information on Chemicals in Products

Countries and regions around the world are moving forward with regulations on chemicals in products, as represented by the European Union's RoHS Directive*3 and REACH Regulation.*4 Because the content and required action for these regulations differs by country, region, and product field, we need to properly manage the chemicals present in not only final products but also raw materials and parts, and we need to accurately share this information on the chemicals present across the supply chain.

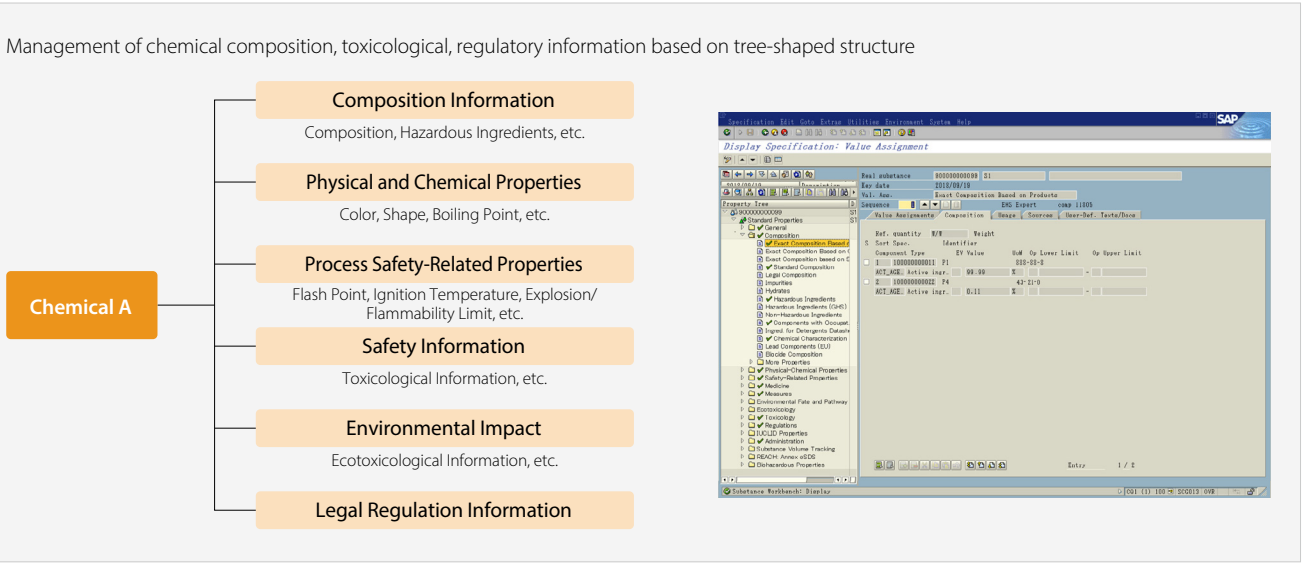
As a founding member of the CMP Consortium (formerly the Joint Article Management Promotion-consortium), Sumitomo Chemical encourages acquiring and sharing information using chemSHERPA, which is an information-sharing scheme promoted by the CMP Consortium, and provides information in response to customer requests. We are also participating in the development of CMP*5, the next-generation information-sharing scheme.

*3 An EU law related to restricting the use of specific hazardous substances, such as those in electric and electronic equipment

*4 A regulation related to the registration, evaluation, authorization, and restriction of chemicals within the EU

*5 Chemical and circular Management Platform

■ SuCCESS Comprehensive Chemical Management System



Laboratory Animal Welfare

In the field of safety assessment, methods that do not use laboratory animals are being developed. With this in mind, Sumitomo Chemical is actively developing new assessment methods and utilizing alternatives for animal studies, including structure-activity relationship approaches and other ways of minimizing the use of laboratory animals for safety assessments. However, in product development and other endeavors, there are times when animal studies are irreplaceable. The Company has set internal rules for such studies based on laws, regulations, and guidelines. Accordingly, the Institutional Animal Care and Use Committee (IACUC) examines study plans from the perspective of animal welfare based on the 3Rs* of replacement, reduction, and refinement and from the perspectives of preserving the environment and ensuring the safety of the personnel involved. In this way, we conduct animal studies appropriately with due consideration for animal welfare. We also conduct annual in-house inspections and assessments, while maintaining a review system with third-party evaluation.

Furthermore, we are working hard to confirm whether subcontractors of animal experiments and the suppliers of animals used in experiments similarly conduct animal studies with appropriate consideration for animal welfare.

* The 3Rs: From the Law for the Humane Treatment and Management of Animals
Replacement: To the greatest extent possible, replace methods that involve animals with those that do not.
Reduction: To the greatest extent possible, reduce the number of animals used.
Refinement: To the greatest extent possible, refine methods to minimize the suffering of animals.

Responses to Latest Emergency Issues

Regulations regarding PFAS are being evaluated in various regions around the world. Under an international treaty, perfluorooctanoic acid (PFOA) and some other specific PFAS are banned, while in Europe deliberation began in 2023 on a measure to comprehensively regulate the use of all PFAS. Through industrial groups operating in Japan, the U.S., and Europe, Sumitomo Chemicals is gathering information on regulatory trends regarding PFAS and is responding as appropriate. In the EU, the Packaging and Packaging Waste Regulation (PPWR) came into effect in February 2025 with the aim of reducing packaging waste and promoting the recycling of packaging materials. Compliance has been phased in from August 2026 onward. Together with its regional headquarters in Europe, Sumitomo Chemical will continue to work to obtain the latest insights on PPWR and respond appropriately.

Responsibility to Our Customers

Basic Stance

Throughout the Group, Sumitomo Chemical is working to provide high-quality products and services that can be used safely while satisfying customers' recently diversifying needs, and sales managers and customer consultation offices provide support tailored to products and specific details.

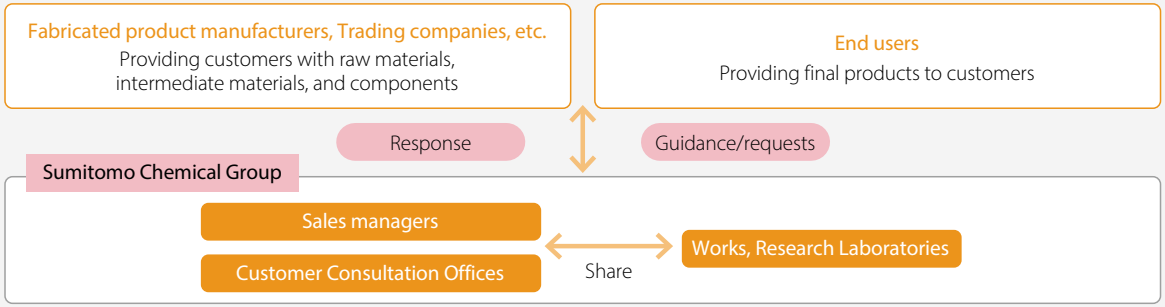
Business & Products

https://www.sumitomo-chem.co.jp/english/products/

Management System

Sumitomo Chemical works to accurately and rapidly reflect customers' requests for our products, as well as inquiries and complaints regarding safety, health impacts, and quality, in product development and improvement by sharing this information among Works, Research Laboratories, and sales personnel. In addition, data on customer inquiries and improvement items regarding product safety and quality are stored on an internal database, and we take steps to ensure that similar issues do not recur for each product.

■ Customer Communication System



Examples of Initiatives

In this section, we will introduce the Sumitomo Chemical Group's initiatives in agriculture related products that are closely entwined with customers' daily lives.

Product Development for Sustainable Agriculture

Sumitomo Chemical's AgroSolutions Division-Japan is focusing on developing new sustainable agricultural technologies and products for smart agriculture and new biorational products, with an eye on developing and promoting new formulations with new effects and on the changing structure of agriculture going forward.

● Fertilizers

The amount and rate of release of a fertilizer into the soil can be adjusted by coating the surface of the fertilizer particles with resin. The Company helps reduce environmental impact by developing coated fertilizers cloaked in resin films calibrated to degrade in soil.

● Weedkillers for Rice Paddies

In smart agriculture, to make operations more efficient and less labor intensive, more agricultural drones are being utilized. In the field of herbicide for rice paddies, the Company is working to expand its series of the new formulation called FG (Floating Granule), which is self-diffusing and suitable for being sprayed by drones.



FG formulation product packaging and aerial photos of drone spraying

● Biorationals

The Sumitomo Chemical Group defines biorational products as naturally derived microbial-based crop protection products, plant growth regulators, rhizosphere microbial materials, botanical insecticides, and solutions that use them to (1) protect crops from pests, (2) improve crop quality or yield, and (3) contribute to public health and environmental hygiene. We are advancing research and development in this field. In the field of biorationals, we will further accelerate the research and development of products that contribute to sustainable agriculture.

"Natural Products" Symbol Mark for Naturally Derived Products

(Registered trademark of Sumitomo Chemical)

"Natural Products" is our brand name which is used for our naturally derived products and products that contain ingredients derived from natural products, which are offered by Sumitomo Chemical and the Group companies SC Environmental Science Co., Ltd., and Sumika Technoservice Corporation.

In response to increasing environmental awareness and initiatives toward achieving the SDGs, there is a growing demand for products with low environmental impact across a wide range of fields, including agricultural pest and disease management, household insect control, and public hygiene. The Sumitomo Chemical Group, a leader in providing a wide range of naturally derived products, including biorational items, is carrying out unified branding activities to increase public awareness of these products in Japan.

Target Fields of Naturally Derived Products Sold by Group Companies

Company name	Target fields of naturally derived products
Sumitomo Chemical Co., Ltd. (AgroSolutions Division - Japan)	Crop protection products for agriculture
Sumitomo Chemical Co., Ltd. (Environmental Health Division)	Household insecticides Termite Control Operation Pest Control Operation
SC Environmental Science Co., Ltd.,	Household insecticides
	Termite Control Operation
	Pest Control Operation
Sumika Technoservice Corporation	Natural enemy insects

Natural Products | Sumitomo Chemical Co., Ltd. (sc-natural-products.com) (Japanese only)
https://www.sc-natural-products.com

Communicating with Customers

Enhancement of Information Dissemination Tools

In 2002, Sumitomo Chemical AgroSolutions Division-Japan launched the website "i-nouryoku" as a means of supporting agricultural producers by providing a variety of relevant agricultural information. In addition to the website, we also provide farmers with simple and easy-to-understand product information through social media platforms like Facebook and YouTube via posts and videos.

The division established a customer support office related to Sumitomo Chemical's crop protection chemical products, fertilizers, and plant growth regulators. The division promotes business operations based on the basic stance of prompt, appropriate, and sincere service provided with an awareness of the customer's perspective and ensuring legal compliance.

Furthermore, we respond to questions about crop protection. Consultants strive to closely engage with customers to ensure that they can properly and effectively use the Company's products.

Sumitomo Chemical i-nouryoku (Japanese only)
https://www.i-nouryoku.com/index.html

The YouTube channel of Sumitomo Chemical AgroSolutions Division-Japan (Japanese only)
https://www.youtube.com/channel/UCk0GEjn4LXD7dxEf9uSfnlw

The Facebook page of Sumitomo Chemical AgroSolutions Division-Japan (Japanese only)
https://www.facebook.com/住友化学アグロ事業部-101167691634705/

Initiative for Access to Healthcare

Sumitomo Chemical started its pharmaceuticals business as the first Japanese company to manufacture synthetic pharmaceuticals based on its advanced organic synthesis technology. Our Group company, Sumitomo Pharma Co., Ltd., promotes improved access to healthcare for patients through the following initiatives as part of its responsibility to customers in the pharmaceutical business.

Development of Innovative Products and Healthcare Solutions

As a research and development-oriented pharmaceutical company with a global presence, the Sumitomo Pharma Group is striving to enhance its innovation base with new approaches to drug discovery and to deliver unparalleled clinical development. We will contribute to not only treating patients but improving the quality of life (QOL) of patients and their families by continuously developing innovative pharmaceuticals and healthcare solutions that address unmet medical needs.

Sumitomo Pharma's website: New Drugs Approved
https://www.sumitomo-pharma.com/rd/pipeline_new-medicine/new_medicine.html

Sumitomo Pharma's website: Development Pipeline
https://www.sumitomo-pharma.com/rd/pipeline_new-medicine/pipeline.html

Provision of Stable Supplies

The company believes that reliably delivering the medicines needed for patients to continue treatment is an important responsibility of a pharmaceutical company, and is working to maintain and strengthen a stable supply system for high-quality pharmaceuticals. We identify risks across the entire supply chain, including manufacturing and logistics, and take measures to minimize any impact on supply. We also strive to provide timely and appropriate information to relevant stakeholders.

Sumitomo Pharma's website: Provision of Stable Supplies
https://www.sumitomo-pharma.com/sustainability/healthcare_innovation/stable_supply.html

Promoting Proper Use and Medical Affairs

To maximize the value of pharmaceuticals and protect patient safety, it is essential to promote the proper use of pharmaceuticals through the creation and provision of information based on scientific evidence. The company is committed to creating and disseminating scientifically robust information that responds to medical needs, while also leveraging insights gained at each stage from research and development through post-marketing to provide useful and reliable information to healthcare professionals and patients.

Sumitomo Pharma's website: Medical Affairs
https://www.sumitomo-pharma.com/sustainability/healthcare_innovation/medical_affairs.html

● Targets and KPIs for Material Issues

Material Issues	Targets	KPIs	Targets of KPIs	Fiscal 2025 Results
Development of innovative products and healthcare solutions 3 GOOD HEALTH AND WELL-BEING 17 PARTNERSHIPS FOR THE GOALS	Support the betterment of healthcare and fuller lives of people worldwide by continually creating innovative products and healthcare solutions that respond to diverse medical needs, including predictive, preventive, personalized, and patient-participated medicine (i.e., solutions that enable optimization of the conventional therapeutic systems and radical cures), as we always stay close to patients	1. Number of approvals obtained	**Number of approvals obtained from fiscal 2025 to fiscal 2027:** **5 products**	**Number of approvals obtained from fiscal 2025:** **2 products**
		2. Number of clinical trials	**Number of clinical trials from fiscal 2025 to fiscal 2027** • New clinical trials initiated: 3 trials • Clinical trials started for regulatory submission: 3 trials	**Number of clinical trials from fiscal 2025** • New clinical trials initiated: 1 trial • Clinical trials started for regulatory submission: 1 trial
		3. Work motivation of research & development staff	• Number of R&D staff submitting research publications, presentations at academic conferences, and patent applications	**Number of R&D staff submitting:** • Research publications: 97 • Presentations at academic conferences: 197 • Patent applications: 18

Fair Marketing

Regarding pharmaceutical sales, marketing, information communication activities, and cooperation with healthcare professionals, Sumitomo Pharma has established a compliance standard, fully complies with laws and regulations, and promotes transparent and fair marketing with a strong commitment to ethics. This allows Sumitomo Pharma to respond to societal expectations and improve value for stakeholders, such as patients and healthcare professionals (refer to section "12. Cooperation with Healthcare Professionals, etc.," "13. Sales, Marketing and Information Communication Activities" of Sumitomo Pharma's Compliance Standard for more details).

Sumitomo Pharma's website: Compliance

https://www.sumitomo-pharma.com/profile/compliance_risk-management/compliance

Sumitomo Pharma's website: Compliance Standard

https://www.sumitomo-pharma.com/sustainability/management/assets/pdf/pdf-co_gl_E.pdf

Transparency in Partnerships with Patient Groups and Medical Institutions

From the standpoint of ensuring transparency, the company publicly discloses on its corporate website information on payments made to medical institutions, healthcare professionals, and patient organizations, in accordance with its internal guidelines based on the guidelines established by the Japan Pharmaceutical Manufacturers Association (JPMA).

Our Approach to Promotional Activities for Healthcare Professionals

To appropriately conduct marketing information provision activities for healthcare professionals, the company has established internal rules based on laws and regulations as well as industry guidelines and has established the Department Responsible for Supervising Marketing Information Provision. This department examines and approves materials, and carries out monitoring provides education and training for officers and employees, and handles complaints and other related matters.

In addition, the Review and Supervisory Committee chaired by an external member who is completely independent of the company monitors its operations and works to achieve continuous improvement.

Sumitomo Pharma's website: Fair Marketing

https://www.sumitomo-pharma.com/sustainability/healthcare_innovation/fair_marketing.html

Corporate Regulatory Compliance and Quality Assurance

In order to have patients and healthcare professionals use our products with peace of mind, complying with the Act on Securing Quality, Efficacy and Safety of Products including Pharmaceuticals and Medical Devices (hereafter, Pharmaceuticals and Medical Devices Act) as well as ministerial ordinances and guidelines related to GLP*1, GCP*2, GMP*3, GQP*4, GVP*5, GPSP*6 and GDP*7, Sumitomo Pharma makes efforts to maintain and enhance the corporate regulatory compliance and quality assurance system by auditing work procedures in research, development and post-marketing activities to ensure reliability. Also, through collecting and centrally managing information obtained from patients and healthcare professionals and preventing problems through providing information on proper use, we are proactive in predictive and preventive activities.

Targets and KPIs for Material Issues

Material Issues	Targets	KPIs	Targets of KPIs	Fiscal 2025 Results
Provision of high-quality product information and promotion of proper use	Provide information on the safety and efficacy of our products based on scientific objectivity and ethics in a way that best suits target customer groups, in an effort to ensure that healthcare professionals, patients, and their families can always use our products with confidence and peace of mind. At the same time, gather information on the safety of our products accountably to ensure the safety of patients	1. Assessment by doctors in focus areas	• Rated number one in the focus areas of diabetes and schizophrenia in our own survey conducted by an external organization*	Overall assessment of MRs by doctors targeted by our company • Diabetes: 9th • Schizophrenia: 2nd (As of February 2026)
		2. Ensure appropriateness of sales information provision activities	• Number of guidance from the Ministry of Health, Labour and Welfare's monitoring program for sales information provision activities: 0 in any year*	• 0
		3. Education on safety information collection	• We conduct MR training at least four times a year and assess comprehension.* • We conduct annual training for all employees to raise awareness and assess comprehension.*	• Provided training five times a year for MRs and once a year for all employees • We confirmed participants' understanding after training and provided refresher training as needed.
		4. Prevention of harmful incidents concerning pharmaceuticals	• Annual educational program for all employees to form and maintain a mindset that does not cause harmful incident concerning pharmaceuticals • Number of delayed adverse drug reaction reports to regulatory authorities: 0*	• We educated all employees about harmful incidents concerning pharmaceuticals once a year. • Number of delayed significant adverse drug reaction reports to regulatory authorities: 0

* KPI Targets for Sumitomo Pharma (Non-Consolidated)

*1 GLP (Good Laboratory Practice): Standards for Non-Clinical Studies Concerning Safety of Pharmaceuticals
*2 GCP (Good Clinical Practice): Standards for Clinical Studies of Pharmaceuticals
*3 GMP (Good Manufacturing Practice): Standards for Manufacturing control and Quality control of Pharmaceuticals and Quasi-Pharmaceutical Products
*4 GQP (Good Quality Practice): Standards for Quality Assurance for Pharmaceuticals, Quasi-Pharmaceutical Products, Cosmetics and Medical devices
*5 GVP (Good Vigilance Practice): Standards for Managing Post-marketing Safety of Pharmaceuticals, Quasi-Pharmaceutical Products, Cosmetics, Medical devices and Regenerative medicine products
*6 GPSP (Good Post-marketing Study Practice): Standards for Post-marketing Surveillance and Testing of Pharmaceuticals
*7 GDP (Good Distribution Practice): Standards for proper Distribution of Pharmaceuticals

Sumitomo Pharma's website:
Corporate Regulatory Compliance and Quality Assurance
https://www.sumitomo-pharma.com/sustainability/healthcare_innovation/reliability_assurance.html

Contribution to Global Health

Sumitomo Pharma believes that working on the establishment of healthcare systems in developing countries, training and developing human resources, and educating the public will contribute not only to the realization of the SDGs, but also an increase in its presence as a global pharmaceutical company. Sumitomo Pharma has set the goal of "Contribute to the betterment of healthcare systems in countries and regions that struggle with equal access to necessary healthcare by developing healthcare professionals, raising public awareness, and making policy recommendations through collaborations with the industry, governments, and NPOs/NGOs."

Participation in the Global Health Innovative Technology Fund (GHIT Fund)

Through participation in the Global Health Innovative Technology Fund (GHIT FUND), Sumitomo Pharma seeks to improve access to medicines by exploring the possibility of utilizing our innovative drug discovery technologies to tackle neglected tropical diseases (NTDs), malaria, and other diseases with significant unmet medical needs.

Efforts for the Eradication of Malaria

With support from the GHIT FUND, Sumitomo Pharma conducts joint research on a new vaccine to prevent clinical malaria with Ehime University, the European Vaccine Initiative (EVI), and Instituto de Biologia Experimental e Tecnológica (iBET) as well as R&D on a malaria transmission-blocking vaccine with Ehime University and the U.S.-based global organization PATH in several countries in Asia and Africa. Sumitomo Pharma also supports initiatives to eradicate malaria. The Company has cooperated with NPOs, local governments and communities to provide insecticide-treated mosquito nets, rapid diagnostic test kits for malaria, and educational activities in Zambia, Tanzania, and Indonesia, as well as advocacy initiatives for public awareness of malaria in Japan.

Targets and KPIs for Material Issues

Material Issues	Targets	KPIs	Targets of KPIs	Fiscal 2025 Results
Improving access to medicines and advocacy	Attempt to improve access to medicines by promoting disease awareness from patient-centered perspectives, which is expected to reduce illness stigma and facilitate early treatment, and by working to lessen a drug lag, which will increase treatment options for patients. Contribute to the betterment of the healthcare system in countries/regions that struggle with equal access to necessary healthcare, by developing health-care professionals, raising awareness of the public, and making policy recommendations through collaboration with the industry, governments, and NPOs/NGOs	1. Further increase in health literacy of the public, including patients	• Number of public lecture participants by FY2027 cumulative total of 10,000 since FY2023* • Total annual visits to schizophrenia and bipolar disorder disease awareness website (Kokoro Share) 40% increase over FY2022 by FY2027*	• Public lectures: 22,493 participants (FY2025: 12,504) • Kokoro Share visits: 52% decrease compared to fiscal 2022
		2. Number of products, and policy recommendations contributing to access to medicines	• Responding to requests for development of unapproved and off-label drugs of high medical necessity* • Continued participation in policy recommendations*	• Number of responses to requests for development of unapproved and off-label uses of drugs: 1 • Number of policy recommendations: 21
		3. Number of partnerships contributing to improvement in healthcare access in developing countries	• Constantly two or more	• Three in total

* KPI Targets for Sumitomo Pharma (Non-Consolidated)

Sumitomo Pharma's website: Patient Support and Advocacy https://www.sumitomo-pharma.com/sustainability/social/advocacy/

Countermeasures to Antimicrobial Resistance (AMR) and Initiatives for the Appropriate Use of Antibiotics

Sumitomo Pharma is conducting joint research with a drug discovery group of Kitasato Institute in Physiology or Medicine for the purpose of creating drugs for the treatment of AMR infectious diseases. In 2019, as a partnership initiative with the ministry of Health of Vietnam and the National Center for Global Health and Medicine, Sumitomo Pharma jointly commenced an antibiotic susceptibility surveillance study in Vietnam in collaboration with major local hospitals in order to contribute to AMR countermeasures and promote the proper use of antibiotics in Vietnam. In 2020, we completed the data analysis of the 1st antibiotic susceptibility surveillance study, reported detailed results and exchanged opinions with each hospital. In 2021, we presented the results at the European Congress of Clinical Microbiology & Infectious Diseases (ECCMID). In fiscal 2024, we completed the second antibiotic susceptibility surveillance study, which covered 11 hospitals. To support local self-sustaining operation, we are working with the Vietnamese Ministry of Health and local research institutions to help build the necessary framework, including by establishing a strain bank and central laboratory aimed at improving testing technologies in Vietnam.

Sumitomo Pharma's website: Contribution to Global Health

https://www.sumitomo-pharma.com/sustainability/social/contribution_to_global_health.html

Initiatives to Improve Access to Medicines

In addressing challenges related to "access to medicines" or "access to healthcare," in addition to R&D efforts on innovative medicines, Sumitomo Pharma is actively working with international organizations, governments, and research institutions as well as civil society to strengthen healthcare systems and thereby improve access to medicines.

Fight against Counterfeit Pharmaceuticals

To ensure the safety of and trust in its products, Sumitomo Pharma joins together with peer pharmaceuticals companies in initiatives undertaken by industrial associations and international organizations to collect and exchange up-to-date information in the fight against counterfeit pharmaceuticals.

Sumitomo Pharma's website: Initiatives to Improve Access to Medicines

https://www.sumitomo-pharma.com/sustainability/social/improvel_access.html

Contributions to Communities

Basic Stance

The Sumitomo Chemical Group contributes to communities in accordance with the three following perspectives, which reflect the Group's Business Philosophy and the Basic Principles for Promoting Sustainability.

Community Commitment
We commit to a sustained coexistence and collaboration with local communities, utilizing our unique insights, expertise, and knowledge to address their ongoing challenges.

Personal Growth
We encourage personal development through our active engagement in the communities where we operate, fostering individual insights and growth that support our business's social value creation.

Community of Care
We aim to broaden our sphere of empathy by conveying our community involvement, contributions and insights with a cohesive voice to all stakeholders.

Regarding communication with society, while enhancing information disclosure and engaging in interactive dialogue, Sumitomo Chemical, its worksites in Japan and overseas, and Group companies engage in a variety of activities to ensure harmonious coexistence with local communities. In this way, we are building good relations with them. Sumitomo Chemical works to foster smooth communication so as to improve the quality of its business activities as a community member. Going forward, while gaining the understanding and cooperation of local community members, we will proactively disseminate necessary information and, through continuous opinion exchanges with various stakeholders, will strive to foster greater understanding of the Company and earn more trust.

Note: The sections entitled "Contributions to Communities" and "Community Contribution Activities" refer to the "Social Contributions" and "Social Contribution Activities" the Group has undertaken up to now.

Management System

We are conducting activities that contribute to communities throughout the entire Sumitomo Chemical Group, including Sumitomo Chemical's Head Office, each worksite, and each Group company. To encourage such activities across the Group, we hold manager meetings attended by managers from each worksite, Domestic Group Company Liaison Meetings for domestic Group companies, and Regional Meetings in each region for overseas Group companies. These meetings enable attendees to share information and exchange opinions.

We are cooperating with the labor union in planning and conducting certain community contribution activities.

Results

Volunteering Activity Results

FY2025 Main Community Contribution Activities at Bases in Japan (Sumitomo Chemical*1)

Type of Activity	Number of Events
Education for the next generation*2 (including science classes held at schools, children's office visits)	58
Cleaning beaches and neighborhoods around worksites	59
Worksite tours, community dialogues, hands-on work experiences	25
Hosting and participating in regional sports competitions, festivals, and other events	33

*1 Includes some Group companies in Japan
*2 Includes content related to the SDGs and sustainability

Volunteers for the OISCA Coastal Woodland Rejuvenation Project (Sumitomo Chemical Group*3)

(No. of people)

	FY2023	FY2024	FY2025
Number of volunteers for the OISCA coastal woodland rejuvenation project*4	0*5	15	20*6

*3 Sumitomo Chemical and Group companies in Japan participating in the Matching Gift program
*4 Volunteer activities in Natori, Miyagi Prefecture
*5 Suspended due to the pandemic
*6 Implemented as a labor union–only volunteering activity

P.153 Support for Recovery from the Great East Japan Earthquake and Other Disasters

Donation Results

When selecting organizations for donation, we take into consideration the manner in which they contribute to the development of a sustainable society as well as the effects of their actions from the perspectives of social significance, resonance with the Company's business, global and local opinions, and if the issue they are addressing is long term or of immediate urgency.

FY2025 Major Donations to Community Contribution Activities (Sumitomo Chemical)

(Million yen)

Item	Amount
Support for the victims of the November 2025 Oita City Saganoseki Large-scale Fire (¥1.5 million each to Oita City and Oita Prefecture individually)	3.0
Support for the Nobody Left Behind Community Building Initiative of Musubie's Nationwide Children's Cafeteria Support Center (Matching Gift program*7)	0.8
Support for CLACK's program experiences and IT skill workshops for middle and high school students (Matching Gift program*7)	0.5
Support for consultations and guidance for people with Alzheimer's and their families offered by the Alzheimer's Association Japan (Matching Gift program*7)	0.6
Support for the development and education of children through ASHINAGA (Matching Gift program*7)	0.7
Support for OISCA's tree planting activities (Matching Gift program*7)	0.9

*7 Donation figures for Matching Gift programs are the amount of money provided by the Company.

Number of Major Donations in FY2025 (Sumitomo Chemical)

Total number of donations: 299

Item	Number of cases
Local community activities	165
International exchange and cooperation	13
Sports	11
Academic study and research	8
Culture and art	10
Education and social education	15
Social welfare	18
Environment	13
Support to areas devastated by disasters	4
Others (Health, medicine, Accident prevention, politics*8, etc.)	42

*8 Sumitomo Chemical appropriately and fairly makes donations to political organizations, taking into comprehensive consideration the cost burden of social responsibilities that a company should fulfill as a member of society and its duty to help stimulate economies and support society as well as significance to the Company's business. We make these donations in compliance with relevant laws and regulations and through a process defined in our in-house rules. (FY2025 Results: The People's Political Association 31 million yen)

Community Contribution Activities at Group Companies in Japan and Overseas

At Group companies in Japan and overseas, we emphasize community bonds and contributions at each business location and proactively conduct community contribution activities as a part of our broadly defined CSR activities, including creating shared value by leveraging the unique characteristics of each company.

In fiscal 2025, we conducted approximately 560 social contribution activities, including activities aimed at contributing to local communities and activities aimed at enhancing employee awareness through donations and fund raising.

The Sumitomo Chemical Group will continue to work toward helping solve social issues, educating employees, and providing integrated communication mainly through community contributions in collaboration with the Company's worksites, initiatives promoted by the entire Group in unison, and promoting education for citizens and the broader society while respecting the individuality of employees.

Community Contribution Activities at Group Companies in Japan and Overseas

FY2025 Results

Approx. **560** activities



Christmas Visit to Welfare Facilities by Overseas Group Companies

Examples of Initiatives

Examples of Initiatives (The Sumitomo Chemical Group)

Securing Safety and Health, and Protecting the Environment

- Work and research laboratory tours
- RC dialogues and distribution of local newsletters
- Malaria prevention campaign
- TABLE FOR TWO program
- Matching Gift program (support for tree-planting activities)
- Cooperation with U.N. activities
- Support for infection control measures
- Local clean-up activities

Raising Children Who Will Lead the Next Generation

- Establishment of in-house childcare facilities
- Launch of Young Inventors' Club, Science Workshops, etc.
- Sponsorship of community sports events
- Cooperation on civic and university courses
- Acceptance of student interns
- Matching Gift program (educational and developmental support for children)
- Educational support in Africa
- University scholarship programs

Assisting in Natural Disaster Relief

- Relief activities after typhoons, earthquakes, and other disasters
  Offering facilities for public use after major disasters
- Relief donations for victims of hurricanes, earthquakes, etc.

Securing Safety and Health, and Protecting the Environment

Initiatives to Ensure Safety at All Group Workplaces

The Sumitomo Chemical Group explains to neighboring residents our efforts to ensure safety, and work to deepen our mutual understanding. Specifically, every year, each worksite creates and publishes its own environmental and safety reports, detailing the initiatives taken at each worksite. The Chiba, Osaka, and Oita worksites disseminate information that is especially relevant to their communities by, for example, publishing community newsletters that are inserted into newspapers. Moreover, we proactively cultivate diverse two-way dialogue from a wide range of perspectives. Our activities include regular dialogue meetings, opinion exchanges, and Works tours held with local community members, conducting risk communication model businesses in cooperation with municipalities, conducting support businesses focused on the environment and safety for local governments and companies, and holding community dialogues in collaboration with the chemical industry.

Status of Dialogues with Local Communities

FY2025 Results*

Number of dialogues held	Participants
28	421

* Cumulative result of each Sumitomo Chemical worksite

Report on the Environment and Safety (at all worksites) (Japanese only)
https://www.sumitomo-chem.co.jp/sustainability/information/library/

Clean-up Activity: Global Clean-up Challenge

The Sumitomo Chemical Group contributes to addressing waste issues and supporting resource recycling through clean-up activities in local communities, beaches, and other areas neighboring each of its worksites in Japan and overseas.

It is said that one of the sources of increasing marine waste, including plastic waste, is garbage left outside and waste thrown away that will enter waterways due to wind and rain then flow out to sea. The clean-up activities we can do at nearby locations are connected to countermeasures against the marine waste problem and actions for environmental protection.

The Group will continue to promote such activities as the "Global Clean-up Challenge" with a focus on environmental conservation, including the resolution of the plastic waste problem.



Clean-up at Utajima worksite

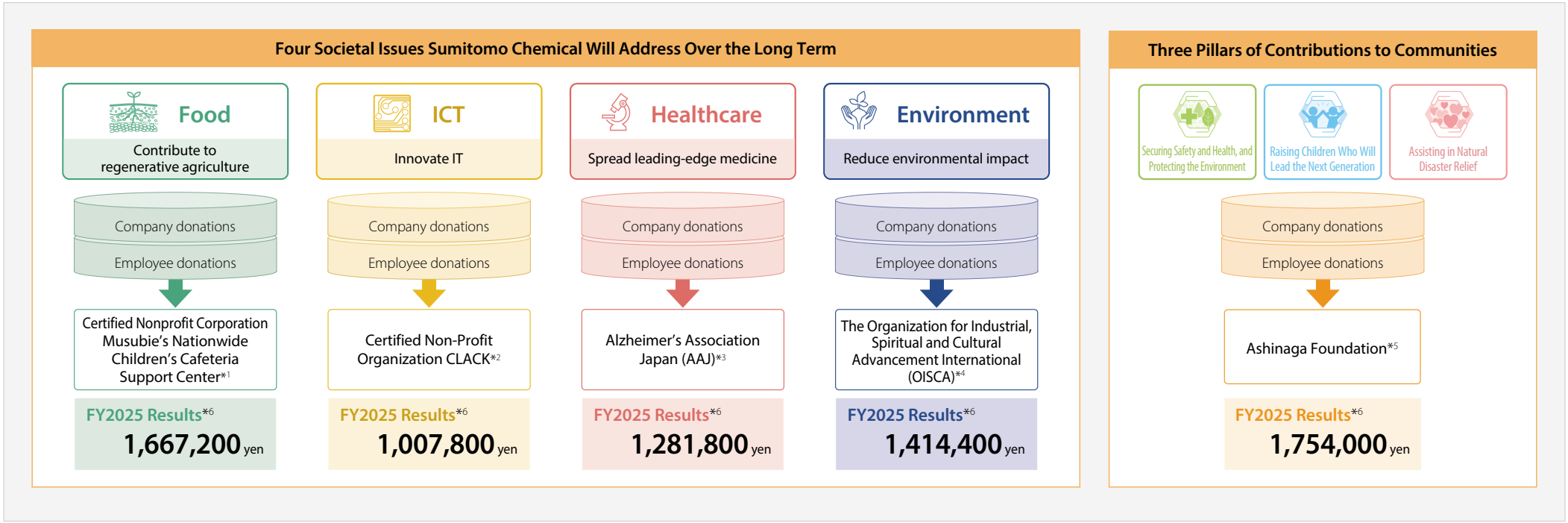
Matching Gift Program

As a community contribution activity with employees and the Sumitomo Chemical Group acting together since 2007, the Matching Gift program collects donations from management executives and employees working at Sumitomo Chemical and Group companies. Sumitomo Chemical then matches their donations.

In fiscal 2025, we launched Matching Gift 2.0, with the first revision of the program's contents since it began. Specifically, in consideration of long-term social issues Sumitomo Chemical is presently tackling, we have expanded the number of organizations we support from two to five, and have worked to organize and connect the social issue solution themes of each Business Sector to these organizations. In doing so, we have broadened the options employees can select for donations, allowing them to feel more ownership of actions being taken to address social issues.



■ Matching Gift Program



Note: FY2025 results (June 2025–May 2026)

*1 Musubie's Nationwide Children's Cafeteria Support Center, certified NPO
This NPO aims to realize a society and community in which no one is left behind, not just children. The donations are used to support building such a society through such efforts as operating children's cafeterias (local recreational areas where everyone from babies to the elderly can come together).

*2 CLACK, certified NPO
This NPO aims to inspire hope and build excitement among middle and high school students through digital lessons, regardless of the environment they were raised in.

*3 Alzheimer's Association Japan
This organization provides support tailored to meet the needs of people with Alzheimer's and their families. The donations are used to fund consultation and guidance services (such as gatherings in areas across Japan, telephone consultations, and workshops) for people with Alzheimer's and the families that care for them.

*4 The Organization for Industrial, Spiritual and Cultural Advancement International (OISCA) is a global NGO engaged in rural development and environmental protection, mainly in the Asia-Pacific region. The money donated by Sumitomo Chemical to this organization is used for its Children's Forest Program and Japan's Coastal Forest Restoration Project following the Great East Japan Earthquake

*5 ASHINAGA is an NPO established to provide physical and mental support for children who have lost their parents because of illness, accidents, or for other reasons. The money donated to this organization is used to provide a scholarship fund for these orphans.

*6 Total sums after matching by the Company, donations from executives and employees, and company payments

TABLE FOR TWO Activities

Since May 2008, each of Sumitomo Chemical's worksites has participated in the TABLE FOR TWO (TFT) initiative. Participating companies in this Matching Gift program donate an amount of money equal to the total donated by management executives and employees.

When employees choose to eat any of the healthy TFT menu options available at the Company's cafeterias, 20 yen per meal is donated to help fight starvation in developing countries as well as obesity and lifestyle diseases in advanced nations. Through these types of social contribution activities originating in Japan, we are working to eliminate food disparity.

For the Company's support in 2025, Sumitomo Chemical received a letter of appreciation as a Platinum Partner from the TABLE FOR TWO secretariat.

2025 Results

1,240,760 yen **31,019** meals




感 謝 状

プラチナパートナー

住友化学株式会社様

皆さまからお寄せいただいた TABLE FOR TWO へのご支援により、飢餓や栄養不足にさらされているアフリカ、アジアの多くの子どもたちに、温かい食事と未来への希望を届ける事ができました。
継続的な力強いご支援・ご協力に心より感謝申し上げます。

2026年3月

特定非営利活動法人 TABLE FOR TWO International

代表理事 小 暮 真 久

Raising Children Who Will Lead the Next Generation

Supporting Education through Science Workshops

The Sumitomo Chemical Group holds science workshops for children to conduct experiments and make crafts. These workshops enable them to experience the wonders and appeal of science with their own hands, in order to convey in a manner that children can easily understand how the products all around them are linked to chemicals.

These science workshops are held during tours of plants and research laboratories and through class visits, including at schools near worksites and at summer vacation events sponsored by local municipalities. Employees and retirees of the Company and Group companies working at Oita Works visit nearby elementary schools every year to hold science classes. This year, they provided hands-on lessons featuring experiments using liquid nitrogen and hydrophilic polymers. It was a big hit among the children, with some saying, "I like science now thanks to these experiments" and "Chemistry is so amazing."



A class visit

Children's Forest Program—Child Goodwill Ambassador Talk Event 2025

Sumitomo Chemical has endorsed the activities of the Organization for Industrial, Spiritual and Cultural Advancement (OISCA), a public foundation striving to preserve the global environment, halt global warming, and conserve biodiversity. The Company also continues to offer support for initiatives that include the Children's Forest Program as well as the Coastal Forest Restoration Project, which supports recovery efforts following the Great East Japan Earthquake. In July of 2025, as part of the Children's Forest Program, elementary students from Indonesia and Philippines visited Japan as Goodwill Ambassadors and reported on their activities while visiting Ehime Works. This opportunity gave us a chance to once again consider the importance of addressing climate change and reducing CO_2 emissions.



A Child Goodwill Ambassador Talk Event

Platform for Learning Innovation - Japan

Sumitomo Chemical is a regular member of the Platform for Learning Innovation - Japan (PLIJ). PLIJ is an organization that collaborates with key players in industry, academia (technical colleges and universities), government (national agencies and research institutions), municipalities, and education (high school educators) with the main aim of spurring innovation in elementary and secondary education, mainly in STEAM (science, technology, engineering, arts, and mathematics) areas.

At an event sponsored by PLIJ, girls in junior and senior high school were able to listen to such topics as how women in the corporate workforce chose a career path. Some of the Company's female researchers and corporate employees participated. Speaking about career-building in the chemical industry as well as its appeal, they demonstrated the wide array of possible careers the girls could select.

PLIJ's website (Japanese only)

https://plij.or.jp

Support for Career Building via Company Visits and Hosting Tours

The Sumitomo Chemical Group endorses and collaborates in educational events that help junior and senior high school students think about building their own future careers. By hosting company visits and tours at our Head Office and worksites, we create opportunities to raise interest in the Company, which as a chemical manufacturer broadly supports people's lives. Through interaction with employees, we aim to broaden the students' perspectives on the future.

The Platform for Learning Innovation - Japan (PLIJ) held an event in December called, "The Power of Chemistry, a series exploring the industry for middle and high school students." A researcher from the Company gave a presentation at the event and talked about the role of chemistry in solving social issues and how rewarding the work is while mixing in stories about why he chose his profession and his first-hand experiences as a researcher. At the same time, the researcher held an active Q&A session, answering the questions of the participating high school students.

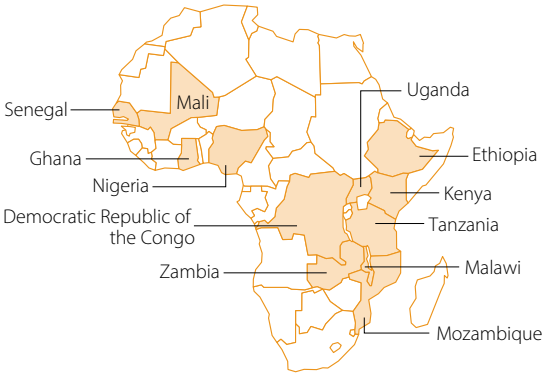


Panel Discussion Hosted by PLIJ

Support for Education in Africa

Sumitomo Chemical has been supporting education to support children, on whom Africa's future rests, since fiscal 2005. At first, we mainly supported the construction of schools, but, after studying how to best offer support as a chemicals company, we branched out into supporting female students and programs in science as well as ICT-related education.

■ Support for Education in Africa



Support Results

Beneficiaries: over **68,000** people

Supported countries: 12 (33 projects completed)

Supporting Plastic Recycling Education in Nigeria

Since fiscal 2020, the Company has supported an initiative in Nigeria that contributes to resource recycling. Sumitomo Chemical has been contributing to the Clean Our World (COW) Project, which is run by the Nigeria-based Oando Foundation with the aim of raising awareness of plastic recycling.

Over 32 million tons of garbage are generated in Nigeria every year, and more than 30% of that is classified as plastics. Currently, most of the plastic is not properly disposed of. It sometimes clogs pipes, causing flooding, and is also washed into the ocean via West Africa's main waterway, the Niger River. To resolve this situation, the Oando Foundation established the COW Project in 2020. Through this project, we provide opportunities for elementary school children, those who will lead the future, to learn about the plastic waste problem and recycling, conduct local clean-up activities, and share out experience in collecting waste and processing it into daily commodities. A portion of the around 11 tons of plastic waste collected through this initiative was converted into school supplies and other products and given to children.

Going forward, Sumitomo Chemical will continue working to improve the educational environment as an important social contribution activity and actively promote initiatives aimed at resolving social issues on a global scale.

Support Results

Country	Collaborator	Support details
Tanzania	WVJ*1	Between 2005 and 2007, we built elementary schools, teacher housing, and other structures. In 2014, we built elementary schools and restrooms.
Kenya	WVJ*1	In 2005 and 2006, we built girls' dormitories, restrooms and other structures for elementary schools. In 2015, we built elementary schools and provided math and science teaching materials.
Zambia	WVJ*1	Between 2005 and 2007, we built middle schools, restrooms, teacher housing, and other structures.
Uganda	WVJ*1	In 2006, we built elementary schools, restrooms, and other structures. Between 2008 and 2011, we built schools, restrooms, and other structures. In 2019 and 2020, we built classrooms for elementary schools and raised awareness of malaria prevention techniques.
Ethiopia	WVJ*1	In 2007, we built elementary schools, middle schools, restrooms, and other structures. In 2013, we built elementary schools, restrooms, water storage tanks, and other structures.
Mali	PIJ*2	Between 2010 and 2012, we built elementary schools, restrooms, wells, and other structures.
Ghana	PIJ*2	Between 2010 and 2012, we built elementary schools, libraries, and other structures. In 2015 and 2016, we built technical schools, science laboratories, and other structures. In 2019 and 2020, we built technical high schools, science laboratories, and other structures, provided teaching materials, and provided training to teachers.
Malawi	WVJ*1	Between 2010 and 2012, we built elementary schools and other structures. In 2013, we built elementary schools, restrooms, and other structures.
Democratic Republic of the Congo	WVJ*1	In 2012 and 2013, we built elementary schools, restrooms, and other structures. Between 2016 and 2019, we built elementary schools, restrooms, and other structures, provided math and science teaching materials, provided training to teachers, and raised awareness of malaria prevention techniques.
Mozambique	PIJ*2	In 2012 and 2013, we built elementary schools, restrooms, and other structures.
Senegal	PIJ*2	In 2014 and 2015, we built elementary schools, restrooms, and other structures and provided training to school management committees. Between 2016 and 2019, we built middle schools, high schools, and restrooms, set up science laboratories, and enhanced science courses for girls.
Nigeria	Oando*3	Between 2017 and 2020, we set up ICT centers, provided computer peripheral equipment, and provided science, technology, engineering, and math (STEM) education. Between 2020 and 2025, we carried out clean-up activities, education related to plastic waste and recycling, and waste collection ("Clean Our World" (COW)*4 I project to COW*4 IV project).

*1 WVJ: World Vision Japan
*2 PIJ: Plan International Japan
*3 Oando: The Oando Foundation of the Federal Republic of Nigeria
*4 A project established by the Oando Foundation that aims to raise awareness of plastic recycling

Assisting in Natural Disaster Relief

Support for the victims of the November 2025 Oita City Saganoseki Large-scale Fire

On November 18, 2025, we donated ¥1.5 million each to Oita Prefecture and Oita City in support of the victims of the large-scale fire that broke out in the Saganoseki are of Oita City.

Support for Recovery from the Great East Japan Earthquake and Other Disasters

Since the Great East Japan Earthquake of 2011, we have been promoting initiatives involving employee participation to keep the memory of the disaster fresh in people's minds. We have also been providing donations collected through the sale of "Disaster Hit Area Support Meals" served in our cafeterias since April 2011. We further expanded our efforts after joining the SANRIKU JOBAN MONO NETWORK in January 2023, in part by changing the name of our menu to the Sanriku Joban Support Menu. At the Tokyo Head Office, we offer the Sanriku Joban Support Menu and hold exhibitions in the cafeteria of products from the affected areas. In addition, at the office party at the Osaka Head Office, we continued initiatives to ensure the memories of natural disasters do not fade by, for example, using ingredients from Sanriku and Noto, areas that suffered significant earthquake damage. Under this scheme, a portion of sales is donated to a business that aids orphans in areas hit by the disaster, and the companies match that amount.

Since fiscal 2013, through the Matching Gift program, we have participated in the OISCA coastal woodland rejuvenation project aimed at rejuvenating black pine coastal woodlands in Natori, Miyagi Prefecture. Since fiscal 2015, we have dispatched employee volunteers to the area to provide, plant and manage the growth of black pine saplings with the aim of rejuvenating about 100 hectares of coastal woodland. These activities were suspended from fiscal 2020 to fiscal 2023 to prevent the spread of COVID-19 but were restarted in fiscal 2024. The operations were revised in fiscal 2025 as a volunteer effort led by the labor union, and 20 volunteers participated. Coastal woodland rejuvenation not only protects the residential environment and rice paddies of neighboring residents from salt damage, but also provides dwellings for wild birds and mammals, thus contributing to the conservation and restoration of biodiversity. We will continue these activities into the future.

FY2025 Results

Disaster Hit Area Support Meals

229,840 yen **5,746** meals

(Total sums after matching by the Company)

Iwate Prefecture's "Iwate Learning Hope Fund" 139,200 yen 3,480 meals
(the portion used between April 2025 and September 2025)

Miyagi Prefecture's "Great East Japan Earthquake Miyagi Children's Scholarship Fund" 90,640 yen 2,266 meals
(the portion used between October 2025 and March 2026)

Community Contribution

https://www.sumitomo-chem.co.jp/english/sustainability/social_contributions

"Iwate Marche (Local Sweets, B-Grade Gourmet, and Sake): Restoration Support for Affected Areas" Held at the Tokyo Head Office

With the cooperation of Sumika Partners Co., Ltd., we co-hosted the "Iwate Marche: Restoration Support for Affected Areas" on November 18, 2025, in the cafeteria of our Tokyo Head Office. The event featured Sobacchi, the character based on Iwate's famous wanko soba dish, and sales of products overflowing with local charm. Over 300 people visited the event, including the company president, and 1,100 products were sold for a total profit of ¥444,950. The day was an opportunity to raise awareness of the earthquake recovery while enjoying the wonderful products of Iwate.

Community Contribution Activities through the Sumitomo Foundation

The Sumitomo Foundation was founded as a multi-purpose foundation in September 1991 by 20 Sumitomo Group companies, including Sumitomo Chemical, in commemoration of the 300-year anniversary of the opening of the Besshi Copper Mine, which is the foundation of the Sumitomo Group. With a fund comprising the managed profit of the foundation's assets, the Sumitomo Fund provides aid for basic scientific research, environmental research, cultural asset maintenance and repair work, overseas cultural asset maintenance and repair work, and Japan-related research in Asian countries.

Aid Results

FY2025 Results*

219 initiatives Aid amount **465** million yen

* Total sum of the Sumitomo Foundation