For a Sustainable Future

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President's Message

We Seek to Both Achieve Sustainable Growth for the Sumitomo Chemical Group and Contribute to Achieving a Sustainable Society

President's Message

Q The year 2020 was significantly impacted by COVID-19. Can you share your view of that year?

A Amid enormous changes in the business environment, we were able to demonstrate the strong defensive power of a diversified chemical company engaging in a variety of businesses.

Operating a Business during a Pandemic

In fiscal 2020, we were forced to respond to the challenge of COVID-19 throughout the year. With lockdown measures in countries around the world and the emergency declaration in Japan, people's movements and interactions were severely restricted. As part of the chemical industry, Sumitomo Chemical has a responsibility to supply materials required for society's infrastructure. To fulfill this responsibility, we devoted our efforts toward ensuring continued safe and stable operations, while protecting the health of employees through a wide range of measures to prevent infection. As a result, while there was an unavoidable decline in the capacity utilization rate at some of our subsidiaries outside of Japan, overall we were able to avoid a significant impact on our operations.

In our daily work, we saw a marked decline in opportunities for face-to-face communication. That was a major change, but because we were quickly able to put in place systems for remote work, communication with locations both in and outside Japan has become easier than ever before. In addition, starting in October of 2020, I began an internal blog to convey my own words to all employees throughout the world. The topics I cover range from my morning walk and books I have read to such issues as human rights and climate change. I hope this blog helps in sharing with all employees the issues facing Sumitomo Chemical and the future direction of management.

Financial Results for FY2020: Demonstrating the Strong Defensive Power of a Diversified Chemical Company

Turning to our financial results for fiscal 2020, because automobile-related demand declined due to the spread of COVID-19 infections that began at the start of the year, shipments decreased in the Petrochemical & Plastics Sector and the Energy & Functional Materials Sector. In addition, we had a scheduled maintenance shutdown at Petro Rabigh, so that results in both sectors were weak in the first half of the fiscal year, but starting in the second half, they quickly improved with the recovery in automobile-related demand. In the IT-related Chemicals Sector, we initially expected that COVID-19 would have a negative impact, but because of the stay-at-home trend, results were actually strong throughout the year. In the Health & Crop Sciences Sector, shipments of crop protection products increased with the new addition of agricultural chemicals businesses in South America, and in the Pharmaceuticals Sector, sales of the atypical antipsychotic agent Latuda continued to be strong. In these two sectors, we were able to continue business operations without any major changes from the time before the spread of COVID-19. As a result, our financial results for fiscal 2020 were better than the prior fiscal year even in the face of unprecedented, enormous changes in our business environment. We were able to demonstrate the strong defensive power of a diversified chemical company engaging in a variety of businesses.

President's Message

Q Two years has passed since the start of the current Corporate Business Plan. How has progress been?

A We have been working on improving our competitiveness, and I think we finally reached a position from which we can aim to achieve a return on equity level of around 10%.

Change & Innovation 3.0: Six Basic Policies

Since the start of the current Corporate Business Plan, there have been major changes in our operating environment, including the spread of COVID-19 and the acceleration in the movement in Japan and around the world to become carbon neutral. Despite these, we uphold the six basic policies we put forth at the start of this period, including accelerating the development of next-generation businesses, improving productivity through digital innovation, and further improving our business portfolio. We have, however, made appropriate changes to the weight of emphasis we have placed on them and our timelines for execution as we have implemented them.

Accelerate the Development of Next-generation Businesses

First, for accelerating the development of next-generation businesses, we have designated four priority areas: healthcare, reducing environmental impact, food, and ICT. Going forward, we will put more management resources in healthcare and reducing environmental impact, in which societal needs are increasing enormously because of COVID-19. Up to now we have worked on efforts to build our innovation ecosystem, such as expanding our Corporate Venturing and Innovation Office, an office dedicated to exploring innovation opportunities, and collaborating with a variety of startup companies. In the field of healthcare, we entered into the Contract Development and Manufacturing Organization business for regenerative medicine and cell therapy, and in the field of reducing environmental impact, we decided to build a new research facility at our Chiba site to accelerate the development of chemical recycling and other technologies. Going forward, we will step up efforts to strengthen our innovation ecosystem so that innovations will be produced one after another.

President's Message

Improve Productivity through Digital Innovation

In terms of improving productivity through digital innovation, we have set an ultimate goal of creating new business models through digital transformation, and as milestones toward that goal, we have established a digital transformation strategy with three components, 1.0 through 3.0. With DX Strategy 1.0, we have been working to significantly improve productivity in R&D, manufacturing, supply chain management, and administration. In parallel with that initiative, starting this year we are working to jumpstart our efforts to strengthen the competitiveness of our existing businesses with DX Strategy 2.0 and create new business models with DX Strategy 3.0. As we focus on these initiatives, we have fully absorbed our subsidiary, Sumitomo Chemical Systems Service Co., Ltd., and established a joint venture with Accenture to further strengthen our capabilities for accelerating our digital transformation.

Further Improve Business Portfolio

Further improving our business portfolio was an issue on which we placed particular emphasis in fiscal 2020. We made solid progress in post-merger integration for our large-scale acquisitions and worked to strengthen the competitiveness of each of our businesses in order to maintain our earnings power even in the midst of the major change in our business environment represented by COVID-19.

Regarding recent large-scale investments, we added two new blockbuster drug candidates to our pipeline through an alliance in 2019 with the biopharma company Roivant Sciences. Both of these have already been launched this year, and the prospects for securing earnings are in sight. In our crop protection products business, we acquired four South American subsidiaries from Nufarm Limited, a leading Australian agricultural chemical company. In South America, including Brazil, the world's largest crop protection market, we will seek to achieve a significant increase in sales of INDIFLIN™, a promising novel fungicide for soybeans developed using Sumitomo Chemical's proprietary technology.

The Rabigh Phase II Project, another large-scale investment of ours, began commercial operations in November of 2019. Subsequently, in September of 2020, our financial completion guarantee for project finance was terminated, enabling us to substantially lower our future financial risk. In addition, in our methionine business, which has been adversely affected by a weak market in recent years, we have enhanced our cost competitiveness by fully rationalizing our operations, and the market is on the path to recovery.

In addition, in the area of high-performance chemicals, primarily through our Energy & Functional Materials Sector and IT-related Chemicals Sector, we are developing materials for next-generation high-speed communications, enhancing the value added for display materials, and increasing our production capacity for semiconductor materials.

Financial Targets for Our Corporate Business Plan

For fiscal 2021, as a result of these initiatives to strengthen our competitiveness, we are projecting an improvement in our core operating income to 200 billion yen. Return on equity is expected to be at around 10%, the level we want to attain, and in my third year as president, I think we finally stand in a position from which we can aim to achieve it. Our target for core operating income for the current Corporate Business Plan, however, is 280 billion yen. Rather than revising this target, we are redoubling our efforts to achieve it as soon as possible. In our Health & Crop Sciences Sector and Pharmaceuticals, we have already taken needed measures, including making large-scale investments, which we expect to deliver concrete results over the next several years. We will take measures to achieve a level of total core operating income of 280 billion yen over the medium to long term, with 80 billion yen from the Health & Crop Sciences Sector, 80 billion yen from our high-performance chemical product businesses primarily in the Energy & Functional Materials Sector and IT-related Chemicals Sector, and more than 120 billion yen from the pharmaceutical business.

President's Message

Q What kinds of initiatives are you taking to achieve sustainability and respond to climate change and other pressing issues?

A We will work toward achieving carbon neutrality by 2050, and to this end, we have launched a new organization to formulate and implement a strategy that is characteristic of Sumitomo Chemical.

Driving Sustainable Management

At the Sumitomo Chemical Group we strive to generate both economic value and social value through our business and seek to achieve sustainable growth for the Sumitomo Chemical Group and contribute to building a sustainable society. In the current Corporate Business Plan, we are implementing a variety of measures to further intensify and accelerate these initiatives.

First, at the same time we announced our current Corporate Business Plan, we defined our material issues to be addressed as management priorities for sustainable value creation, such as contributions to reducing environmental impact and to the healthcare field, while also identifying items that serve as the foundation for continuing our business, such as safety, respect for human rights, and compliance. In addition, we also established key performance indicators to make visible and manage our progress in addressing these material issues.

Toward Achieving Carbon Neutrality

In recent years, the world has increasingly focused attention on reducing environmental impact in the face of climate change, the problem of plastic waste, and other environmental challenges. For climate change, countries and regions around the world, including Japan, have pledged one after another to achieve carbon neutrality by 2050 to limit the global average temperature increase to below 1.5 degrees Celsius from pre-industrial levels. Governments and private companies have begun to explore ways forward and take action. Sumitomo Chemical has been making substantial efforts to address the issue of climate change for many years. In 2018 we gained certification from the Science Based Targets initiative for our targets to reduce the Sumitomo Chemical Group's greenhouse gas emissions by 30% in 2030 and by at least 57% in 2050*. Achieving these targets will not be easy, but to achieve the even more challenging target of carbon neutrality, we need to rethink the fundamentals of our strategy. Therefore, in February 2021 we established the Carbon Neutral Strategy Council and the Carbon Neutral Strategy Cross-Functional Team to formulate and implement the Sumitomo Chemical Group's strategy for achieving carbon neutrality by 2050. We are going to develop a strategy that is characteristic of Sumitomo Chemical, from the dual perspective of our obligation to minimize our own greenhouse gas emissions and our contribution through our products and technologies that enable us to indirectly achieve a reduction in society's greenhouse gas emissions.

* Scope 1+2, compared to fiscal 2013

Addressing the Problem of Plastic Waste

Plastics are contributing to making products lighter and reducing food loss. In addition, amid the COVID-19 pandemic, they are recognized as a useful material in helping to prevent infection when used in the form of personal protective equipment and partition panels that reduce the spread of droplets. While continuing to utilize this useful material, we need to bring about a circular economy that recycles used plastic for use as a resource. Sumitomo Chemical has been developing and supplying products that lead to reducing and reusing plastic, and in recent years we have also been working on the development of technology for material recycling and chemical recycling. In April 2021, we established the Business Development Office for a Circular System for Plastics to accelerate the development of businesses based on our efforts towards building a circular system for plastics.

President's Message

Q What message do you have for shareholders and investors?

A By leveraging the power of chemistry, we will take on the challenge of resolving major issues to achieve a sustainable society, and seek to enhance our corporate value.

I recognize shareholders and investors as our essential stakeholders. As I lead Sumitomo Chemical and manage our business day-to-day, I always bear shareholders and investors in mind. Regarding shareholder return, we have made it a policy to maintain stable dividend payments, giving due consideration to our business performance and the dividend payout ratio for each fiscal year, the level of retained earnings necessary for future growth, and other relevant factors. Over the medium to long term, we aim to constantly achieve a dividend payout ratio of around 30%.

For fiscal 2020, the annual dividend was 15 yen per share, a reduction of 2 yen from the 17 yen per share dividend of the prior fiscal year. Regarding fiscal 2019 and fiscal 2020, as we were unable to secure a sufficient level of profit, we prioritized stable dividends over the dividend payout ratio in deciding the dividend amount, resulting in two consecutive years of lower dividends. I would like to express my deep regret to our shareholders and investors for these results. For fiscal 2021, because we expect to achieve a certain level of profit in our financial results, we plan to pay a dividend of 20 yen per share.

By leveraging the power of chemistry, we at the Sumitomo Chemical Group will, through innovation and our business, continue to take on the challenge of resolving major issues to achieve a sustainable society and seek to enhance our corporate value. I sincerely hope that our shareholders share this aspiration, and we are determined to become a company whose shareholders can take pride and joy in being our shareholders.

Your continued understanding and support would be very much appreciated.

The Sumitomo Chemical's Corporate Philosophy

Sumitomo Chemical's business began when gasses from the copper smelting process of the Besshi Copper Mine caused a pollution problem, and there was an urgent need for a solution. Sumitomo Chemical was founded to resolve this problem, using those gasses as the raw material for fertilizer manufacturing, overcoming an environmental problem while also improving agricultural productivity. This philosophy of resolving problems facing society through its business is in the DNA of the Sumitomo Chemical Group.

The Sumitomo Chemical's Corporate Philosophy consists of four parts: the Sumitomo Spirit; the Business Philosophy, which expresses the Company's vision, mission and values; the Basic Principles for Promoting Sustainability, which articulates its approach and commitment to sustainability; and the Sumitomo Chemical Charter for Business Conduct, which stipulates the guidelines for our business conduct with a view to promoting the sound development of the Company.

■ The Framework of Sumitomo Chemical's Corporate Philosophy

The Sumitomo Spirit is expressed in the words of the "Sumitomo Business Principles" and "*Jiri-Rita Koushi-Ichinyo*." The Sumitomo Business Principles states that fulfilling the trust placed by business partners and society in us should be our first priority, while also firmly warning us to avoid being preoccupied by pursuing easy gains. "*Jiri-Rita Koushi-Ichinyo*," a verbal phrase passed down through generations, is said to represent the Sumitomo Spirit that Sumitomo's businesses must benefit the nation and society at large, not just our own interests. These principles have been upheld by all companies in the Sumitomo Chemical Group.

The Sumitomo Spirit

The Sumitomo Business Principles

1. Sumitomo's business should seek to thrive and prosper by putting trust first and building on reliability.
2. Sumitomo's business should closely watch the changing of the times and carefully weigh opportunities and risks and should never chase short-term gains in good times and bad.

The Business Philosophy expresses the Sumitomo Chemical's vision, mission and values based on the Sumitomo Spirit, including the "Sumitomo Business Principles" and "*Jiri-Rita Koushi-Ichinyo*," which have been passed down from generation to generation.

Sumitomo Chemical's Business Philosophy

1. We commit ourselves to creating new value by building on innovation.
2. We work to contribute to society through our business activities.
3. We develop a vibrant corporate culture and continue to be a company that society can trust.

The Sumitomo Chemical's Corporate Philosophy

The Basic Principles for Promoting Sustainability articulates the Group's approach and commitment to sustainability. In the framework of our corporate philosophy, we place these principles just below the Sumitomo Spirit and Sumitomo Chemical's Business Philosophy to show our commitment to working on the promotion of sustainability as a management priority.

Basic Principles for Promoting Sustainability

We at the Sumitomo Chemical Group are committed to promote sustainability by acting in accordance with Six Basic Principles, guided by the Sumitomo Spirit and the Group's Business Philosophy, namely contributing to establishment of sustainable society through achieving sustainable growth of business.

Principle 1: Creating economic value which helps create social value (Promoting our credo "Our businesses must benefit society at large, not just our own interests (*Jiri-Rita Koushi-Ichinyo*)")

We are committed to promote creating economic value (*jiri**) which helps to create social value (*rita**) through offering technological or other innovation so that we can continue to grow as a business group that earns the trust and confidence of society.

P.16 What Sumitomo Chemical Group Strives to Be

Principle 2: Contribution to solving globally vital issues

We are committed to contribute to solving a variety of issues that are globally vital, such as establishing diverse and inclusive society and achieving the Sustainable Development Goals (SDGs), as well as doing business in compliance with accepted universal standards and principles, including those concerning human rights, labor, safety, the environment and anti-corruption.

P.17 Material Issues to Be Addressed as Management Priorities

Principle 3: Active participation in global initiatives

We are committed to play a leadership role in multilateral initiatives through actively participating in various partnerships domestically and overseas with international organizations, national or local governments, business corporations, industrial associations, universities, academic circles, civic communities, etc.

P.43 Participation in Initiatives

Principle 4: Collaboration with stakeholders

We are committed to work closely with various stakeholders through promoting spontaneous disclosure of information and open dialogue on the targets of our sustainability promotion initiatives and the progress of their implementation.

P.47 Communication with Stakeholders

Principle 5: Top management commitment and participation by all

We are committed to carry out initiatives toward promoting sustainability, led by our top management having taken firm pledges to this end and advanced by all officers and employees, across the Sumitomo Chemical Group with a shared strong sense of mission and great enthusiasm.

P.35 Promoting Sustainability

Principle 6: Enhancing Corporate Governance

We are committed to assess and improve our activities continually and proactively for promoting sustainability by reviewing the progress of the activities periodically and from holistic viewpoints.

P.34 Sustainability Promotion System

* "*Jiri-Rita Koushi-Ichinyo*," while not expressly stated, is also regarded as an embodiment of the Sumitomo Spirit in that Sumitomo's businesses must benefit the nation and society at large, not just our own interests.

The Sumitomo Chemical's Corporate Philosophy

The "Sumitomo Chemical Charter for Business Conduct" stipulates the guidelines for our business conduct and serves as the foundations of our efforts to promote compliance, with a view to promoting the sound development of the Company.

Sumitomo Chemical Charter for Business Conduct

1. We will respect Sumitomo's business philosophy and act as highly esteemed good citizens.
2. We will observe laws and regulations, both at home and abroad, and will carry out activities in accordance with our corporate rules.
3. We will develop and supply useful and safe products and technologies that will contribute significantly to the progress of society.
4. We will engage in voluntary and active initiatives to achieve zero-accident and zero-injury operations and preserve the global environment.
5. We will conduct business transactions based on fair and free competition.
6. We will endeavor to make our workplaces sound and energetic.
7. Every one of us will strive to become a professional and achieve advanced skills and expertise in our field of responsibility.
8. We will actively communicate with our various stakeholders, including shareholders, customers, and local communities.
9. As a corporate member of an international society, we will respect the culture and customs of every region of the world and contribute to the development of those regions.
10. We will strive for the continued development of our Company through business activities conducted in accordance with the guiding principles described herein.

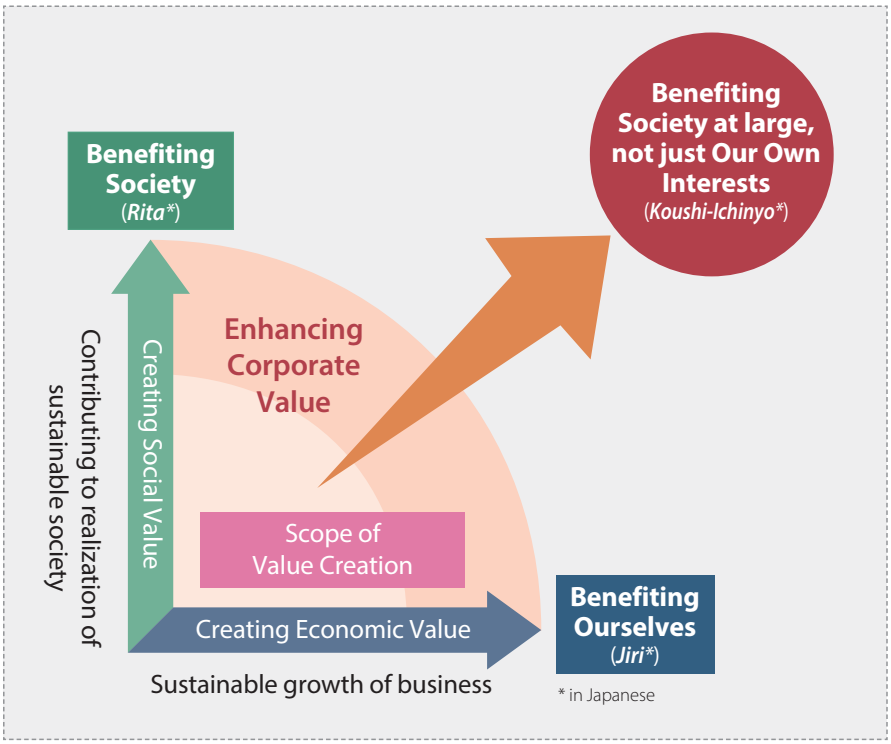
P.77 Compliance

What Sumitomo Chemical Group Strives to Be

The Basic Principles for Promoting Sustainability defines the promotion of sustainability as contributing to the establishment of a sustainable society through our business and achieving sustained growth for our Group, thereby aiming to enhance the Group's corporate value. We will continue to pursue our principle of "*Jiri-Rita Koushi-Ichinyo*," creating both economic and social value and increasing our corporate value along the two axes of *Jiri* and *Rita*—with the *Jiri* axis for economic value and the *Rita* axis for social value.

■ Image of Enhancing Corporate Value

What We Strive to Be	Achieve sustained growth for the Sumitomo Chemical Group and build a sustainable society by creating both economic and social value



*Jiri-Rita Koushi-Ichinyo**	Our businesses must benefit society at large, not just our own interests.

Material Issues to Be Addressed as Management Priorities

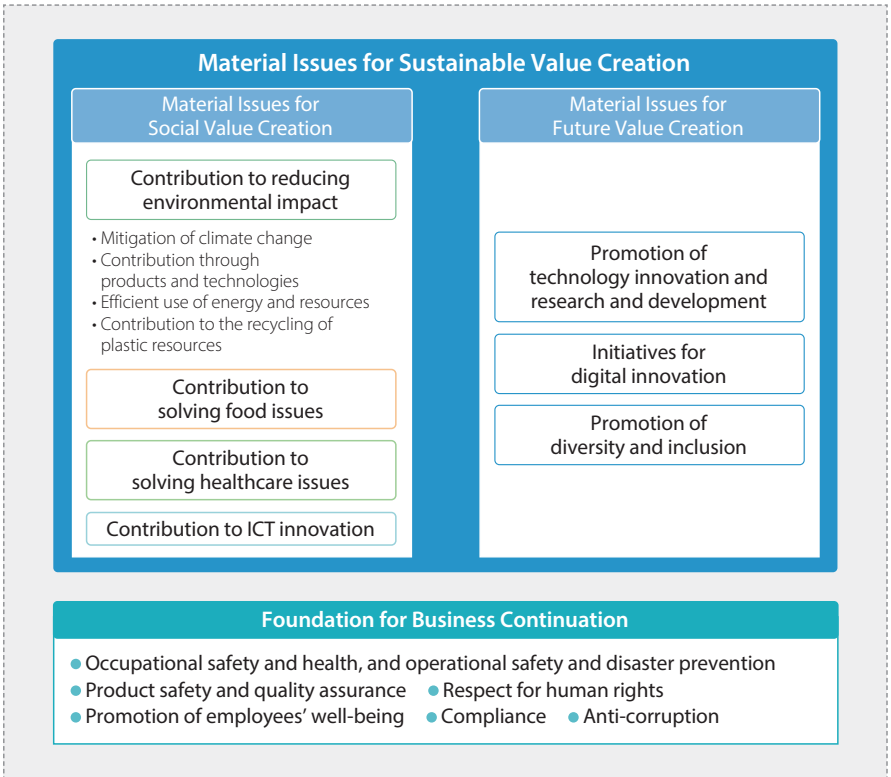
In its Business Philosophy, Sumitomo Chemical affirms its commitment to creating new value by building on innovation, contributing to society through its business activities, and developing an invigorating corporate culture and continuing to be a company that society can trust. Based on this three-part philosophy, we have identified our material issues that we will address as management priorities.

First, we have identified our material issues for sustainable value creation, which comprise two sets of material issues—those for social value creation and those for future value creation. We have classified four items—reduction of environmental impact, food issues, healthcare, and ICT innovation—under material issues for social value creation, while categorizing technology innovation and research and development, digital innovation, and diversity and inclusion as material issues for future value creation.

Furthermore, regarding the items that serve as the foundation for continuing our business—occupational safety and health, operational safety and disaster prevention, product safety and quality assurance, respect for human rights, promotion of employees' well-being, compliance, and anti-corruption—we have been making group-wide efforts and will continue to work on them as management priorities.

We have set key performance indicators (KPIs) for initiatives related to our material issues. With the use of KPIs, we manage and disclose the progress of those initiatives, while also promoting dialogues with stakeholders in and outside the company, to enhance and accelerate our sustainability efforts. Regarding those item serving as the foundation for business continuation, we will continue to proactively make disclosures on our initiatives and outcomes and step up our efforts.

■ Material Issues for Sustainable Value Creation and the Foundation for Business Continuation



The items serving as the foundation for business continuity are elaborated in the following sections:

Occupational safety and health, and operational safety and disaster prevention
P.187 Occupational Safety and Health / Industrial Safety and Disaster Prevention

Respect for human rights
P.151 Respect for Human Rights

Compliance
P.77 Compliance

Product safety and quality assurance
P.194 Product Stewardship / Product Safety / Quality Assurance

Promotion of employees' well-being
P.184 Healthcare

Anti-corruption
P.85 Anti-corruption

Material Issues to Be Addressed as Management Priorities

Process for Identifying Material Issues to Be Addressed as Management Priorities

When identifying our material issues, we selected the issues that we considered, based on our Corporate Philosophy, as what the Group should address and compared them with those societal issues identified in the Sustainable Development Goals and various international guidelines related to sustainability. We also referred to external experts' advice as well as what we learned by engaging in various initiatives and communicating with stakeholders.

We have a belief that resolving issues through our business and creating both social and economic value is as important as continuing our business to achieve it. Based on this view, we have defined the material issues identified as related to the former as the material issues for sustainable value creation, and the material issues for the latter as the foundation for business continuity.

■ Process for Identifying Material Issues

1 An Overall Evaluation of the Group's Contribution to Sustainability

Discussed in the Sustainability Promotion Committee

❶ Begin by analyzing the issue along two axes, importance to business and importance to society

- Identify material issues for continually creating both economic value and social value
- Consider perspectives on utilizing resources, including technology, digital technology, and personnel
- Clarify relationships between various initiatives, including occupational safety and health and compliance

❷ Grasp stakeholder requirements

- Take into consideration trends in international society and outside evaluations obtained through participation in initiatives

Major international guidelines and initiatives we referred to

- Initiatives by WBCSD and other relevant bodies
- ISO 26000
- SDGs
- The 10 Principles of the United Nations Global Compact
- GRI Standards
- Third-party assessments (including FTSE and EcoVadis)

2 Clarifying Material Issues

Discussed in the Sustainability Promotion Committee

- Identified candidates for the Group's material issues to be addressed as management priorities, with a view to creating both economic value and social value sustainably
- Identified the selected Material Issues as "Material Issues for Social Value Creation," for those issues connected to creating business opportunities, and "Material Issues for Future Value Creation," for resources that can become drivers in the creation of business opportunities.
- Identified the items serving as the essential foundation for business continuity, including occupational safety and health and compliance

3 Deliberation and Approval by Management

Approved by the Board of Directors in February 2019, after deliberation in several management meetings

Applied to the Corporate Business Plan that started in April 2019.

P.31 Digest of Expert Opinion and Advice

Material Issues to Be Addressed as Management Priorities

Case Contribution to Developing a Circular System for Plastics

Sumitomo Chemical has defined contribution to developing a circular system for plastics as one of its material issues for social value creation. The "Sumitomo Chemical Group Basic Policy Towards a Circular System for Plastics" articulates our basic guiding principles to advance efforts and expresses our commitment to this issue. To resolve plastic waste problems, we will continue to strive to develop innovative technologies and products while also actively collaborating with various stakeholders.

Sumitomo Chemical Group Basic Policy Towards a Circular System for Plastics

Recognizing that plastic is a useful material supporting a sustainable society, the Sumitomo Chemical Group is committed to work towards building a circular system for plastics and resolving plastic waste problems in accordance with its Basic Principles for Promoting Sustainability and the following policy:

1. The Group contributes to resolving plastic waste problems through its business, particularly by providing technologies, products and services that leverage the power of chemistry.
2. The Group focuses on innovation regarding 3Rs—reduction, reuse and recycling—of plastics and works to accelerate the adoption of new solutions by society, while also considering an impact on actions against climate change issues.
3. The Group takes on challenges difficult to resolve alone, such as marine plastic problems, by working with various stakeholders through alliances and open innovation partnerships.
4. The Group provides its employees with education and awareness-raising programs based on sound science, while also engaging in social actions, such as initiatives for promoting waste sorting and collection and riverside and beach cleaning campaigns, to ensure that every one of its employees has a sense of ownership and can change their actions as needed to address plastic waste problems.
5. The Group constantly reviews progress and works to enhance and improve its efforts by the Plan-Do-Check-Act (PDCA) cycle method.

(Formulated June 2020)

Material Issues to Be Addressed as Management Priorities

Contributing through Business

<System>

In April 2021, we established the Business Development Office for a Circular System for Plastics to accelerate the businesses of such initiatives as chemical recycling related to this endeavor.

Promoting the commercialization of initiatives for waste-derived materials related to creating a circular system for plastics

https://www.sumitomo-chem.co.jp/english/news/detail/20210226e_3.html

< Sumitomo Chemical Group Products that contribute to developing a Circular System for Plastics>

Reduce

• Polyethylene used for refill pouches

For detergent packaging, pouch bags made of this polyethylene material have easy tear-open spouts for easy refilling of dispensers. Plastic waste can be cut by more than 90% compared to that from rigid bottles (for carrying 100 g of contents).

• Temperature response film

With the rise of year-round agriculture, it has become common for farmers to use transparent film that lets in sunlight in the winter and matte film or opaque nets that block excessive sunlight in the summer. Our product, on the other hand, changes its light dispersion properties depending on the temperature, effectively encompassing the functions needed for both seasons. It can be used throughout the year and thus cut the amount of film used annually.

Reuse

• Returnable box (Multi-purpose polypropylene sheet)

Because of its excellent water resistance, load capacity, and cleanliness compared to cardboard, the box can be used repeatedly, reducing waste generated and the overall amount of material used.

Recycle

• Glass-fiber reinforced recycled polypropylene material

This automotive material includes 60% to 100% of recycled waste polypropylene. We reduced the amount of virgin propylene used by around 6,000 tons per year (FY2020, based on Sumitomo Chemical's own research).

Products that contribute to developing a Circular System for Plastics

https://www.sumitomo-chem.co.jp/english/sustainability/management/materiality/plastic/products/

Material Issues to Be Addressed as Management Priorities

Innovation Centered on the 3Rs

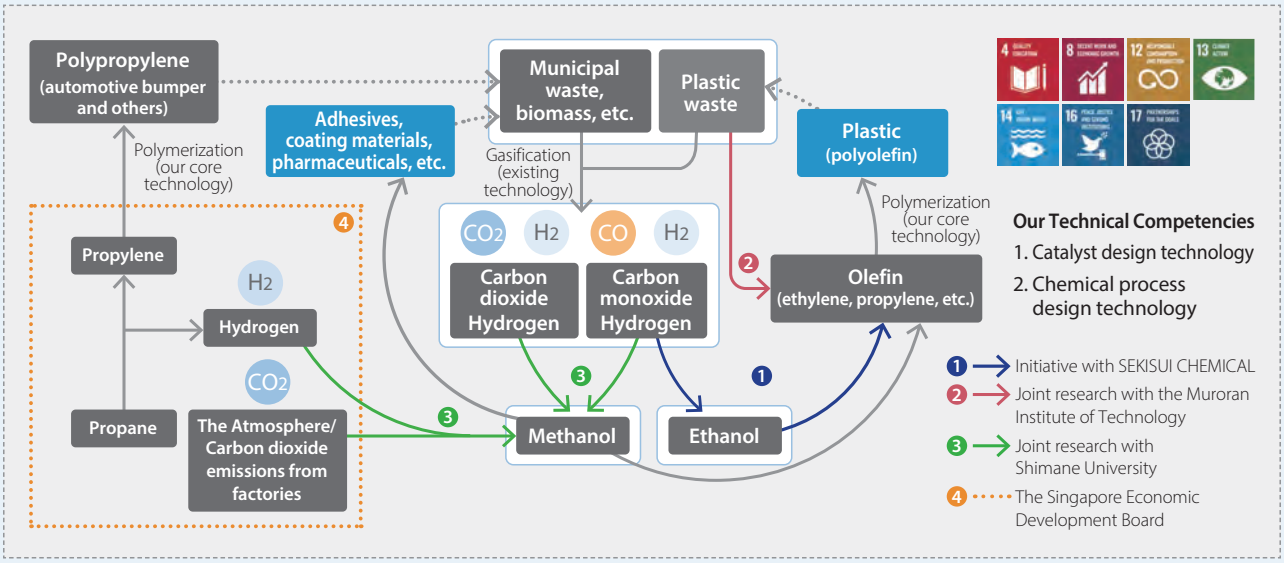
<System>

In April 2020, to accelerate innovation regarding 3Rs, we established a new research group to develop technologies related to reducing environmental impact and strengthened our system.

< Chemical Recycling>

We are engaged in the research and development of chemical recycling technology, processes that chemically convert municipal and plastic waste and use them as new raw materials for plastics. We are working on this extremely challenging endeavor by leveraging our catalyst design and chemical processing design technologies, while also collaborating with partners.

■ Chemical Recycling



SEKISUI CHEMICAL and Sumitomo Chemical to Cooperate on Circular Economy Initiative Manufacturing Polyolefin using Waste as Raw Material

https://www.sumitomo-chem.co.jp/english/news/detail/20200227e.html

Sumitomo Chemical and Muroran Institute of Technology to Accelerate Joint Research on Chemical Recycling Technology

https://www.sumitomo-chem.co.jp/english/news/detail/20200304e.html

Shimane University and Sumitomo Chemical to Accelerate Joint Research on Methanol Synthesis from Carbon Dioxide: Promoting the Use of Carbon Cycle Chemistry to Build a Sustainable Society

https://www.sumitomo-chem.co.jp/english/news/detail/20200910e.html

Sumitomo Chemical to Examine the Combination of Propane Dehydrogenation Technology with CO_2 Utilization Technology in Singapore, Aiming to Improve both Economic Activity and Eco-friendliness

https://www.sumitomo-chem.co.jp/english/news/detail/20201224e.html

Material Issues to Be Addressed as Management Priorities

Collaboration with Others

<Participation in Initiatives>

Through participation in various initiatives, the Sumitomo Chemical Group is working with stakeholders involved in the plastic value chain to address a broad range of issues related to a circular system for plastics.

Alliance to End Plastic Waste (AEPW)

The AEPW is an international alliance launched in January 2019 working to solve the plastic waste problem. Global companies associated with the plastic value chain have joined the alliance.

As a member company, Sumitomo Chemical financially supports AEPW's activities and also engages in the selection of projects, verification of sustainability, and evaluation of impacts. In addition, we work with others through AEPW on initiatives that would be difficult to undertake alone, such as projects to upgrade trash collection infrastructure in countries around the globe with high plastic waste emissions.

Japan Clean Ocean Material Alliance (CLOMA)

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

The Company is helping out with the planning of pilot tests that aim to improve the material recycling rate. In addition, to help solve the marine plastic problem through international cooperation, we are working with other members to determine whether Japan can offer effective proposals in light of conditions in countries with high plastic waste emissions.

Educational Activities

- In fiscal 2020, we rolled out original educational videos on the fundamentals of a circular system for plastics for all employees of the Sumitomo Chemical Group. Through these videos, we enhanced the understanding of many executives and employees regarding how a circular system for plastics functions and sparked greater interest in this topic. We will continue to educate employees so that they can take ownership of various issues related to a circular system for plastics.
- As part of our JaIME* activities, we participated in the creation of a DVD for middle school science classes. This DVD has been used in science classes at middle schools across the country since fiscal 2021 and is also available on the website of Japan Chemical Industry Association.
- In Nigeria, which is a country with high plastic waste emissions, to spur a transformation in behavior of people in the region, we supported plastic recycling education for children who will carry the future.

P.211 Support for Education in Africa

* Japan Initiative for Marine Environment. The organization mainly educates the public, shares information, and disseminates information related to the marine plastic problem. (Japan Chemical Industry Association-JaIME (https://www.nikkakyo.org/upload_files/jaime/JaIME_jp.pdf (Japanese only))

Cleanup Activities

Through cleanup activities mainly in business site regions and at beaches, we are helping solve the plastic waste problem. For example, as part of measures to tackle marine plastic waste, Misawa Works conducts cleanup activities of washed up plastic waste along the Sabishiro beach every year.

P.206 Results of Social Contribution Activities

Cleanup activities at Sabishiro Beach

Key Performance Indicator (KPI)

Sumitomo Chemical has recently established key performance indicators (KPIs) for initiatives related to our material issues for sustainable value creation.

Material Issues		KPIs	SDGs Targets
Material issues for social value creation			
Reducing environmental impact	Mitigation of climate change	Amount of Group's GHG emissions (Scope 1+2)	13.3
		Contribution to reducing GHG emissions throughout the product life cycle (Battery-related materials)	13.3
	Contribution through products and technologies	Sales revenue of Sumika Sustainable Solutions*1 designated products	
	Efficient use of energy and resources	Unit energy consumption	7.3
		Number of petrochemical-related technology licenses	9.4
	Contribution to the recycling of plastic resources*2	The development of recycling technologies and their practical application in society are under consideration, and international initiatives are being promoted through alliances.	12.5
		KPIs are being determined to assess the impact on resource recycling	12.5
Food issues		Effect of increasing production of animal protein including poultry	2.1
		Agricultural land area where agrosolution products are used	2.4
Healthcare		Number of people protected by products for the control of tropical infectious diseases	3.3
		Constant development of new drugs in areas where high unmet medical needs exist	
ICT innovation		Number of mobile devices using polarizing films	8.2
Material issues for future value creation (creating social value and economic value)			
Promotion of technology innovation and research and development		Patent asset size	
Initiatives for digital innovation		Digital maturity	
Promotion of diversity and inclusion		Each group company sets its own KPI in light of the environment facing each	

*1 Our Group's products and technologies that help to address global warming, reduce environmental impact and promote effective use of resources.
*2 Sumitomo Chemical Group Basic Policy Towards a Circular System for Plastics

Specifications of KPIs

We have set key performance indicators (KPIs) for initiatives related to our material issues for sustainable value creation, after the deliberation by the Sustainability Promotion Committee and considering opinions of outside experts. Regarding our material issues for social value creation, we have set KPIs by referring to the 169 targets of the 17 SDGs* to indicate specifically how we aim to contribute to resolving each issue. As for our material issues for future value creation, KPIs related to technology innovation and research and development and to digital innovation are set on a group-wide basis, while those related to diversity and inclusion are determined by each Group company in view of their respective circumstances, which vary by country or region. With the use of KPIs, we will manage the progress of our efforts, while also promoting dialogues with stakeholders in and outside the company.

* Each of the 17 SDGs has specified targets. For example: "13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning."

Key Performance Indicator (KPI)

KPIs for material issues for social value creation

Material Issue **Contribution to reducing environmental impact: Mitigation of climate change**

KPI

Amount of reduction of Group's GHG emissions (Scope 1+2)

Reducing GHG emissions through our group operations

Contributing to the achievement of SDG 13.3

Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

◆ In 2018, Sumitomo Chemical obtained the SBT approval, becoming the first diversified chemical company to receive the approval.

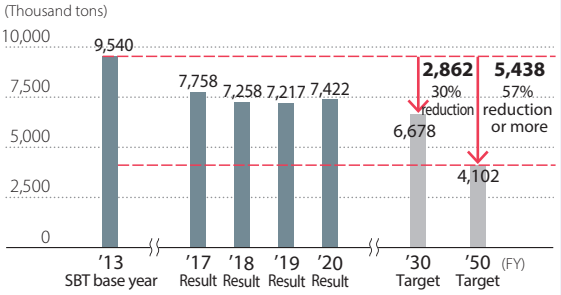
Targets (vs. FY2013)

Reduce by **30%** by FY2030

Initiatives to achieve the commitment

- Switch fuel to LNG
- Thorough energy conservation and other measures

GHG Emissions and Reduction Targets



Material Issue **Contribution to reducing environmental impact: Mitigation of climate change**

KPI

Contribution to reducing GHG emissions throughout the product life cycle (Battery-related materials)

Contributing to the achievement of SDG 13.3

Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

◆ **Mitigation of climate change by using battery materials**

Due to the strengthening of environmental regulations around the world, the shift to eco-friendly vehicles* is accelerating. We will help mitigate climate change by providing battery materials.

* EVs, HEVs, PHEVs, Fuel cell cars

◆ **Toward the achievement of SDG 13.3**

We will continue to develop technologies in the fields of energy storage and energy saving, and will promote the technological development of chemical recycling for our principal chemical products, such as polyolefin, to help achieve a carbon recycling society.

◆ **Highlights of sustainability efforts**

To accelerate the practical application of solid-state batteries, in April 2020 Kyoto University and Sumitomo Chemical jointly established a business-academic course focused on comprehensive material design that combines cathodes and anodes for oxide-based solid electrolytes with the target of achieving a 500kWh gravimetric energy density.

Eco-friendly vehicles manufactured in FY2020 incorporating SCC's battery materials (Separator, Cathode, Almina) will help reduce the GHG emission volume* over the next 10 years by:

FY2020 actual results

17.65 million tons-CO_2

* Based on 2020-made vehicles in "cLCA evaluation on next generation vehicles" by the Japan Chemical Industry Association.

Key Performance Indicator (KPI)

Material Issue Contribution to reducing environmental impact: Products and technologies

KPI

Sales revenue of Sumika Sustainable Solutions* designated products

Provide solutions for the realization of a sustainable society through the development and popularization of Sumika Sustainable Solutions (SSS) designated products

Sumika Sustainable Solutions

- Certification began in 2016 to encourage the development and promotion of products and technologies that will address environmental aspects of the SDGs, such as reduced environmental impact.
- Verified by a third-party institution. The results of the internal designation have been evaluated as valid.

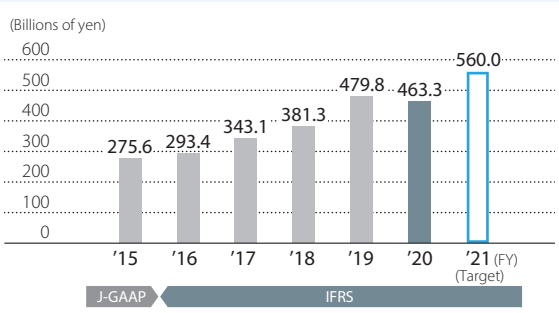
Targets

Sales revenue of **560** billion yen by FY2021

Initiatives to achieve the commitment

- Designated 57 products and technologies as of August 2021
- Participation by all SCC Group companies

Sales Revenue of SSS-designated Products



* Our Group's products and technologies that help to address global warming, reduce environmental impact and promote effective use of resources.

Material Issue Contribution to reducing environmental impact: Efficient use of energy and resources

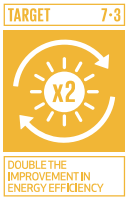
KPI

Unit energy consumption

Continuous improvement of unit energy consumption by rationalization

Contributing to the achievement of SDG 7.3

By 2030, double the global rate of improvement in energy efficiency



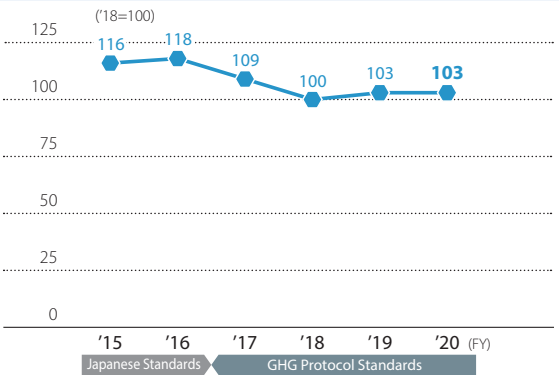
Targets (FY2018 level as baseline)

Will achieve improvement of **3**% or more per each MRP period as a group

Initiatives to achieve the commitment

- Optimization of facilities using steam
- Improvement in energy collection and quantification of lost volume such as waste heat

SCC Group Unit Energy Consumption Index



Key Performance Indicator (KPI)

Material Issue Contribution to reducing environmental impact: Efficient use of energy and resources

KPI

Number of petrochemical technology licenses

Helping to reduce environmental impact through technology licensing

Contributing to the achievement of SDG 9.4

By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

Reduction of environmental impact by applying licensed technologies

- **Hydrogen Chloride Oxidation process:**
  Highly energy efficient, enables recycling of byproducts as raw materials.
- **Propylene oxide (PO) – only process:**
  No co-products, high yield and energy efficient, stable operation. First in the world to succeed in recycling cumene on a commercial scale.

Total number of plants under license as of the end of FY2020

14

Note: Propylene oxide (PO)-only process and hydrogen chloride oxidation process licenses

Toward the achievement of SDG 9.4

We will strive to develop technologies for use in a wide range of fields, such as CO_2 separation membranes to improve energy efficiency, and waste water treatment processes with less environmental impact, in order to reduce society's total environment impact.

Highlights of sustainability efforts

- Executed the GHG emission reduction plan:
  Highly efficient gas turbines (Chiba Works), switch to alternative raw materials and fuels (Ehime Works), etc. to realize low GHG emission.
- Developed technologies to promote the 3Rs
  Developed monomaterials application and executed chemical recycling and material recycling.
- Developed Sumika Sustainable Solutions-certified products
  GFPP (contributing to greater recycling), aluminum vapor-deposited PP (contributing to long-term food storage)
- Established the Business Development Office for a Circular System for Plastics on April 1, 2021 and promoted the practical application of chemical recycling technologies.
- Promoted the pilot production of PE derived from waste materials in collaboration with Sekisui Chemical Co., Ltd.

Material Issue Contribution to solving food issues

KPI

Effect of increasing production of animal protein including poultry

Continuously improving the production of animal protein, including poultry, by developing and providing feed additives

Contributing to the achievement of SDG 2.1

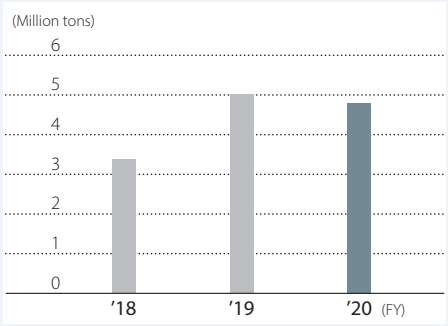
By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round

Feed additives

Nutrition that is added to feed for such livestock as poultry in order to increase the production of animal protein and contribute to solving food issues worldwide on an ongoing basis.

We provide methionine, an essential amino acid, and started operation of a new low environmental impact, high-efficiency plant with an annual capacity of 100 thousand tons in October 2018.

Increased Production of Animal Protein



Note: Calculation method undisclosed (confidential)

Toward the achievement of SDG 2.1

We will continue to contribute to the safe and secure supply of food by providing high-quality products, taking full advantage of our sophisticated safety and environmental management systems backed by our expertise in a diverse range of chemical manufacturing operations.

Highlights of sustainability efforts

We introduced measures for enhanced productivity, the environment and safety, and continuously promoted the stable production of methione. In addition, we began development of new products that can help enhance livestock productivity, including improved feed efficiency.

Key Performance Indicator (KPI)

Material Issue Contribution to solving food issues

KPI

Agricultural land area where agrosolution products are used

Ensuring the stable supply of food by developing and providing agrosolution products

Contributing to the achievement of SDG 2.4

By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality

Agrosolution products

Products that improve the quality and yield of crops and help farmers achieve high productivity and profitability, including paddy rice crop protection products, seed treatments, herbicides for soybeans, plant growth regulators, biorational insecticides and products to improve soil health.

We develop new products to serve various needs by inventing new active ingredients, evaluating safety on humans and the environment, and developing application technologies.

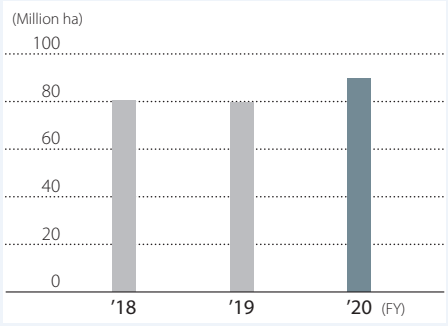
Toward the achievement of SDG 2.4

We will develop next-generation crop protection products to enable the earliest market launch while expanding our lineup of unique products, such as biorationals, etc., where we hold a competitive advantage.

Highlights of sustainability efforts

Valent BioSciences, a group company supplying biorationals—a category of agrosolution products—has issued its Sustainability Report 2018/2019.

Farmland Utilizing SCC Agrosolution Products



Note: Calculation method undisclosed (confidential)

Material Issue Contribution to solving healthcare

KPI

Number of people protected by products for the control of tropical infectious diseases

Helping protect people from infectious diseases carried by mosquitoes by developing and providing vector control products including Olyset™ Nets

Contributing to the achievement of SDG 3.3

By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases

Vector control products

Products that are used to control mosquitoes and thus prevent malaria and other tropical infectious diseases. These include long lasting insecticidal nets such as Olyset™ Nets and indoor residual sprays.

Recent climate change is increasing the threat of tropical infectious diseases worldwide, thus increasing the importance of such products.

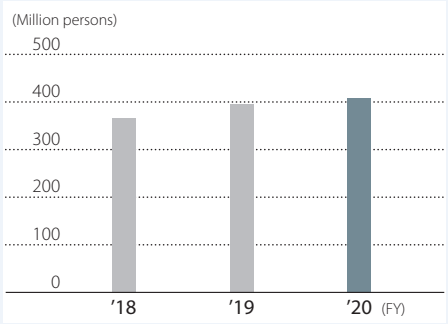
Toward the achievement of SDG 3.3

We aim at developing new insecticides and also promoting integrated vector management programs capitalizing on our technological platform (chemical insecticide, biorational, botanical, etc.) based on long-term development activities.

Highlights of sustainability efforts

In the area of tropical infectious disease control solutions, we are promoting long-lasting insecticidal bed nets, which show a significant effect against insecticide-resistant mosquitoes, and indoor residual spray SumiShield across Africa.

People Protected by Our Vector Control Products*



Note: Calculation method undisclosed (confidential)

* The total number of people per year who have been protected from tropical diseases thanks to the use of these products during the products' periods of efficacy

Key Performance Indicator (KPI)

Material Issue **Contribution to ICT innovation**

KPI

Number of mobile devices using polarizing films

Advancing technological innovation for diversified workstyles and improved productivity through the provision of materials for mobile devices

Contributing to the achievement of SDG 8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

◆ **Polarizing films**

Indispensable material for flat panel displays, such as liquid crystal displays and OLED displays. Contributes to improved performance of displays with regard to such factors as brightness, contrast and viewing angle.

◆ **Toward the achievement of SDG 8.2**

We are developing various ICT-related materials and devices for 5G telecommunication equipment, next-generation semiconductors, optical image sensors, etc., to promote the realization of Society 5.0.

◆ **Highlights of sustainability efforts**

We are working to develop and improve the quality of the following products to support the diverse workstyles, productivity improvement, and lifestyle changes that have accompanied the proliferation of 5G service and the expansion of telework during the pandemic:

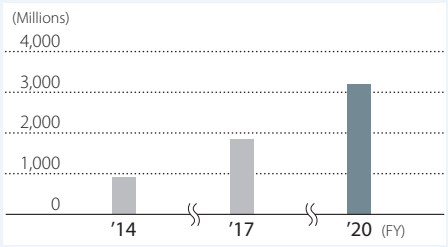
(1) Polarizing films for OLED Panel
(2) Coated-type polarizing films suitable for foldable devices
(3) Polarizing films for 5G-compatible mobile devices
(4) Materials related to 5G telecommunications
(5) Gallium nitride substrates, which help reduce electric power loss

Mobile devices that use our polarizing films

Cumulative total for the period from FY2007 to date (as of the end of FY2020)

3.2 billion

■ Transition of Cumulative Total for the Period from FY2007



Note: Calculation method undisclosed (confidential)

KPIs for material issues for future value creation (creating social value and economic value)

Material Issue **Promotion of technology innovation and research and development**

KPI

Patent asset size

◆ **Patent rights**

The right granted by patent authorities through prescribed screening procedures for the exclusive use for a defined period of time of a valuable invention generated by R&D.

◆ **Patent asset size (Patent Asset Index™)**

An objective quantification of the overall value of the patents held by Sumitomo Chemical Group based on the technological attractiveness and market exclusivity of each patent. Maintaining attractiveness requires continued R&D that addresses new requests from society.

◆ **Accelerated generation of new businesses for a sustainable society**

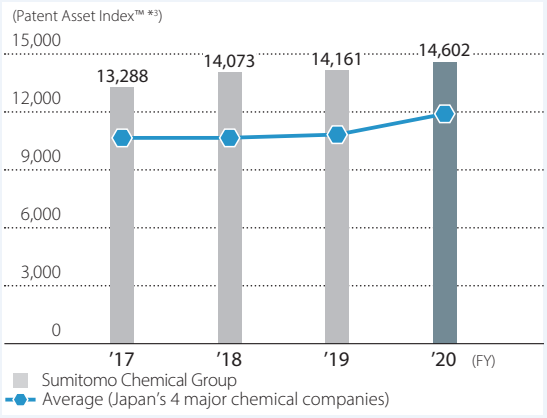
We will thoroughly implement the use of AI/MI*1 in our R&D labs, and accelerate the generation of new businesses in four priority areas through collaboration with academia and startups. In addition, we will formulate the Group's strategies to achieve carbon neutrality and implement them from a long-term, comprehensive perspective.

◆ **Trends in our patent asset size**

Our patent asset size has remained high, reflecting our efforts to step up R&D and patenting in recent years. We will continue to enhance and strengthen our patent portfolio.

*1 Artificial Intelligence / Materials Informatics

■ Patent Asset Size*2



*2 Patent asset size is evaluated using the Patent Asset Index™, generated using the patent analysis tool LexisNexis PatentSight™.

*3 The Patent Asset Index™ is an index for comprehensively assessing the status of legally active patents based on quantity (number of patents) and quality (countries of registration and number of citations).

Key Performance Indicator (KPI)

Material Issue Initiatives for digital innovation

We will evaluate our level of achievement in terms of 12 items, using a rating scale from 1 to 4, and use the mean value of the scores as our Digital Maturity Level.

KPI
Digital maturity level (a 4-point-rating scale)

Digital maturity level	
FY2019	FY2020
2.6 points	**2.9** points

We have put forward the concept of Digital Maturity Level, which includes evaluations of 12 items, including ideal approaches to business management and systems for promoting digital transformation (DX), as well as the development of IT systems as a foundation for achieving DX. Self-assessment of our level of achievement and challenges for each item can lead us to take actions to attain higher levels, and help us sustainably improve in a continuous evaluation cycle.

■ Digital Maturity Level

Score	Maturity Level
4	Continuous Group-wide implementation of digital technologies based on the "SCC Group strategy" and quantitative evaluation criteria
3	Group-wide implementation of digital technologies based on the "SCC Group strategy"
2	Implementation of digital technologies in some business units based on the "SCC Group strategy"
1	Implementation of DX in some business units without a clear "SCC Group strategy"

■ 12 Evaluation Items

Ideal approaches to business management and systems for promoting DX[*1]

1. Strategies and visions
2. Commitments by business management
3. Mindset and corporate culture
4. Promotion and support systems
5. HR development and secure HR recruitment
6. Reflection of outcomes in business

Development of IT systems as a foundation for achieving DX

7. Systems and governance
8. Secure HR recruitment
9. Ownership of the business operation department
10. Analysis and assessment of IT assets
11. Categorization of IT assets and planning thereof
12. IT system after IT Renovation: Ability to follow up on changes

*1 DX stands for Digital Transformation

Note: Refer to the Guidelines for Promotion of Digital Transformations and Assessment Indices for Digital Management Reforms ("DX Promotion Indices") by METI

◆ Status of Utilizing KPIs

- We implemented self-assessments for each KPI item, referring to evaluated KPI items of the first year (FY2019) of the evaluation as benchmarks.
- To improve the status in FY2020, we deployed key initiatives, such as formulating strategies, implementing in-house promotions, and training personnel.
- We set medium- to long-term improvement targets, and, going forward, we aim to achieve sustainable improvement by implementing continuous evaluation cycles.

◆ Highlights of sustainability efforts

Enhanced Company-wide DX Initiatives Based on the Company-wide Digital Innovation Strategies

- Formulated the Company's DX vision and DX Strategies 1.0, 2.0, and 3.0[*2] as the medium- to long-term milestone
- Moved onto business competitiveness enhancement initiatives (DX Strategy 2.0) ahead of schedule
- Raised internal awareness and shared DX projects within the company through such initiatives as DX events (DX Repository) and DX activity promotion awards
- Re-organization of IT Division for promoting DX (integration with Sumitomo Chemical Systems Service Co., Ltd. and founding of SUMIKA DX ACCENT Co., Ltd.)

*2 Main focus areas for digital innovation (DX Strategy 1.0: enhancing productivity; DX Strategy 2.0: enhancing the competitiveness of existing businesses; DX Strategy 3.0: creating new business models)

Each Field's Promotion Divisions and Frontlines Cooperated to Steadily Promote Initiatives

Plant	• Continued to promote the transition to smart factories at each plant
R&D	• Organized the base of materials informatics (MI) of the research frontlines.
SCM	• Began using the S/4 HANA and peripheral systems (purchasing, import/export control). Implemented proof of concept (PoC) for planning systems.
Office	• Promoted transition toward paperless and stampless "hanko-less" offices through the digitization of various applications and contract agreements • Upgraded and strengthened digital communications through Teams/box
Personnel Training	• Data scientists[*3]: 10 employees certified based on internal certification standards. On track to achieve the medium-term target of 20 employees. • Data engineers[*4]: 106 employees completed training through our in-house education program and OJT. On track to achieve the medium-term target of 150 employees. • Began training business DX personnel (business translator and business data analyst)

*3 Data scientists: Personnel who develop Company-wide elemental technologies to promote the wider use of data analysis, work to put said technologies into practical use at the frontlines, and support the training of frontline data engineers as well as finding solutions to individual problems

*4 Data engineers: Personnel who apply optimal analysis methods to individual issues on R&D themes or production frontlines, and combine a data-driven awareness with frontline expert knowledge to swiftly resolve issues

Key Performance Indicator (KPI)

Material Issue **Promotion of diversity and inclusion**

We have established the Basic Principles on the Promotion of Diversity and Inclusion as our group-wide guiding philosophy related to the promotion of diversity and inclusion. Based on these principles, each of **about 100 major Group companies** will determine their own KPIs in view of their respective circumstances.

Sumitomo Chemical (non-consolidated)

Percentage of female employees in positions equivalent to manager or above

Target Over **10%** (by 2022)

Actual: 6.3% (as of April 2021)

Percentage of male employees taking childcare leave

Target Over **70%** (by 2022)

Actual: 63.8% (FY2020)

◆ Progress of Group companies in Japan and overseas in setting KPIs

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.

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

Key Performance Indicator (KPI)

Digest of Expert Opinion and Advice

Between July and August 2019, we met with outside experts to discuss the material issues that we will address as management priorities and our approach to the setting of KPIs for those issues and the appropriateness of our method.

Mr. Hidemi Tomita, Director, Lloyd's Register Japan K.K.

Mr. Hidemi Tomita
Director
Lloyd's Register Japan K.K.

Sumitomo Chemical has a basic policy of continually creating both economic and social value based on Sumitomo's business principles, which are represented by the words "*Jiri-Rita Koushi-Ichinyo* (Our businesses must benefit society at large, not just our own interests)." Under this policy, the Company has classified their material issues into "Material Issues for Social Value Creation" and "Material Issues for Value Creation in the Future," as well as the "Foundations for Business Continuity," which underpins their efforts to address both of these sets of material issues.

It is notable that they have clearly defined what materiality means to the Company. Meanwhile, materiality generally refers to important "issues," but the Company's materiality is primarily concerned with strategies and initiatives. Accordingly, the Company needs to first specify "issues" that they consider important and then tell its story about strategies for resolving those issues. In addition, it would be preferable to discuss not only business opportunities but also risks.

With regard to KPIs, it is important to show outcomes of each initiative, or social value created by each initiative, not just results of initiatives. Let's take the Sumika Sustainable Solutions as an example. It would be desirable to provide both KPIs to demonstrate results—such as net sales—as well as KPIs to describe outcomes achieved by these products for the benefit of society—such as GHG emissions reduction and improved agricultural productivity.

Enhancing social value is not easy, but it is important that the Company will make sure efforts are aligned with its basic policy of creating both economic and social value and will work to build its unique cohesive story.

Ms. Yukari Takamura, Professor, the Institute for Future Initiatives, the University of Tokyo

Ms. Yukari Takamura
Professor
The Institute for Future Initiatives
The University of Tokyo

KPIs should be such that by using them you can tell a story about timelines of your efforts and what kind of society you envision for a target year—just as is the case with Sumitomo Chemical's KPIs related to the mitigation of climate change. It is necessary to make that kind of story for other KPIs as well and communicate them to stakeholders. In addition, with respect to GHG emissions reduction, how the Company should demonstrate its Scope 3 emissions reduction efforts is also an important issue.

In the area of climate change, I recommend that the Company more actively promote its products that contribute to GHG emissions reduction and the adaptation to climate change. For those products designated as Sumika Sustainable Solutions, in particular, it would be advisable to step up promotion and public relations efforts so that more people will get to know them. This could be an initiative that represents Sumitomo Chemical's originality.

Many companies are finding it difficult to set KPIs and promote initiatives to contribute to a circular system for plastics. That is because plastic products are being used in all aspects of daily life and also because plastic collection and recycling cannot be done only by an individual company.

For other industries, which use plastics, it is difficult to resolve this issue unless alternative materials become available, so these industries are holding high expectations about the chemical industry. I strongly hope that Sumitomo Chemical will show its path to building a circular system for plastics, including medium- to long-term plans and solutions and relevant KPIs.

Key Performance Indicator (KPI)

Ms. Kaori Kuroda, Executive Director, CSO Network Japan

It is important to work to resolve social issues through excellent products and technologies and to measure progress by setting KPIs. However, there are also issues that cannot be resolved with products and technologies alone. A case in point is Olyset™ Net. This product does not just help control malaria. I have learned that local production of the nets is contributing to creating jobs, to improving work environment and thereby promoting women's active participation in society, to spurring the development of local economy, and to alleviating poverty. In this way, it is essential to include a wide range of initiatives, including building relationships with local communities, in the narrative of your efforts and carry them out.

Second, it is appropriate that Sumitomo Chemical has defined the promotion of diversity and inclusion as a Material Issue for Value Creation in the Future and that each Group company has set KPIs for this issue in view of culture and social situations that vary depending on the country or region where it operates. Regarding respect for human rights, while it is commendable that the Company has established its basic policy, this issue is classified as one of the Foundations for Business Continuity. It should be noted that respect for human rights can also lead to enhancing corporate value. I suggest that with this understanding in mind, the Company take stock of the initiatives it has implemented to date and communicate them, while working to enhance its efforts.

I offer high praise for the fact that in its material issues, the Company has included those material issues for which it has not implemented sufficient measures yet. I look forward to Sumitomo Chemical's efforts and progress going forward.

Ms. Kaori Kuroda
Executive Director*
CSO Network Japan

* At the time of the interview

Corporate Business Plan (FY2019 – FY2021) and Sustainability

The Corporate Business Plan (FY2019 – FY2021), which started in FY2019, has "Change and Innovation 3.0: For a Sustainable Future" as a slogan. This represents the Group's commitment to increasing productivity exponentially through digital innovation in view of the advent of "Society 5.0 (ultra-smart society)," while at the same time contributing to creating a sustainable society by resolving issues facing society.

With regard to our efforts to accelerate the development of next-generation businesses, we have set out four focus areas: healthcare, reducing environmental impact, food, and ICT. These four areas correspond with the four items of our "Material Issues for Social Value Creation," which are included in our material issues for sustainable value creation.

We at the Sumitomo Chemical Group will continue to carry out our initiatives under the Corporate Business Plan, create both economic and social value, and achieve sustained growth for the Group while also helping to build a sustainable society.

P.17 Material Issues to Be Addressed as Management Priorities
P.23 Key Performance Indicator (KPI)

Transition of the Corporate Business Plan "Change and Innovation" from FY2013

FY2013–FY2015	FY2016–FY2018	FY2019–FY2021
For the Next Hundredth Anniversary Strengthening the Foundations of Our Business, with the Aim of Achieving Sustained Growth Over the Next 100 Years	**Create New Value** Become a more resilient Sumitomo Chemical that achieves sustained growth	**For a Sustainable Future** Contributing to the Creation of a Sustainable Society by Accelerating Innovation
Basic Policy		Accelerate the Development of Next-generation Businesses
Develop Next-generation Businesses	Accelerate the Launch of Next-generation Businesses	Improve Productivity through Digital Innovation
Restructure Businesses	Further Improve Business Portfolio	Further Improve Business Portfolio
Enhance Financial Strength	Generate More Cash Flow	Build a More Robust Financial Structure
Promote Globally Integrated Management		Employ, Develop and Leverage Human Resources for Sustainable Growth
Ensure Full and Strict Compliance, Establish and Maintain Safe and Stable Operations		Ensure Full and Strict Compliance and Maintain Safe and Stable Operations

Note: The current Corporate Business Plan is the first that positioned "contributing to the creation of a sustainable society" as a major pillar.

The Four Priority Areas for Accelerating the Development of Next-generation Businesses
(From the basic policy of the FY2019–FY2021 Corporate Business Plan)

Accelerate the development of
next-generation technologies and create new businesses for a sustainable society

Healthcare

Reducing Environmental Impact

Food

ICT

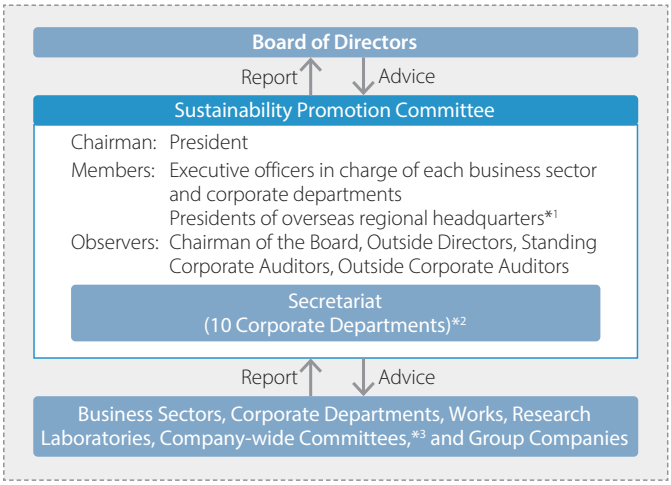
Medium- to long-term priority areas

Sustainability Promotion System

Promotion System

In April 2018, Sumitomo Chemical enhanced the CSR Promotion Committee, thereby creating the Sustainability Promotion Committee. The results of the committee's discussions are reported to the Board of Directors every time they convene, and the committee receives guidance as necessary.

■ Sustainability Promotion Committee



*1 The Americas region, Europe region, China region, and Asia-Pacific region
*2 The Sustainability Department, Legal Department, Human Resources Department, Corporate Communications Department, Corporate Planning Department, Research Planning and Coordination Department, Responsible Care Department, Finance Department, Procurement Department, and Logistics Department
*3 The Responsible Care Committee, Human Rights Promotion Committee, Carbon Neutral Strategy Council, etc.

(Purpose)
1. Oversee the Group's sustainability promotion activities
2. Comprehensively verify contributions to sustainability
3. Accelerate efforts to solve issues in society, including the SDGs

(Role)
The committee provides advice to each executive organization to ensure that the Group's business activities all function organically to realize sustainability for all society and that said activities are fairly assessed by stakeholders.

1. **SOLUTION:** Providing advice to each business sector and each Group company on contributing to the sustainable growth of society through business operations
2. **INITIATIVE:** Providing advice to various committees through participation in international initiatives
3. **ENGAGEMENT:** Providing advice related to assessing and enhancing communication through dialogue with stakeholders

(Members)
The Sustainability Promotion Committee is chaired by the president of Sumitomo Chemical and composed of executive officers in charge of each business sector, the executive officers in charge of the corporate departments and the presidents of four overseas regional headquarters.

(Observers)
The Chairman of the Board, Outside Directors, Standing Corporate Auditors, and Outside Corporate Auditors attend as observers.

(Secretariat)
The committee's secretariat comprises the Sustainability Department, Legal Department, Human Resources Department, Corporate Communications Department, Corporate Planning Department, Research Planning and Coordination Department, Responsible Care Department, Finance Department, Procurement Department, and Logistics Department.

(Fiscal 2020 Results)
The Sustainability Promotion Committee meeting was convened twice. The committee shared information on international trends related to sustainability and comprehensively assessed medium- to long-term ESG issues from a risk-reward perspective to promote specific measures and suggest measures to accelerate contributions to the Group's sustainability to relevant departments and organizations.

Promoting Sustainability

As the Sumitomo Chemical Group works on the issue of sustainability, we follow the principle of "T-S-P." "T" stands for top management's commitment, "S" for solutions, and "P" for participation by all. We believe that to effectively drive our sustainability efforts, it is essential that every one of over 30,000 officers and employees in the Group work together as one, sharing our corporate philosophy comprising Sumitomo's business principles, the Business Philosophy, the Basic Principles for Promoting Sustainability, and the Sumitomo Chemical Charter for Business Conduct.

Approach to accelerate sustainability

Top Commitment: Addressing the Promotion of Sustainability as a Management Priority

In the Basic Principles for Promoting Sustainability, we declare that Sumitomo Chemical's top management is committed to promoting sustainability. We also place these principles just below Sumitomo's business principles and the Business Philosophy in the framework of our corporate philosophy to demonstrate the Group's commitment to addressing the promotion of sustainability as a management priority. In addition, under our Corporate Business Plan, which was launched in April 2019, we have defined contributing to building a sustainable society as a major pillar of the plan.

In fiscal 2020, as in fiscal 2019, the president of Sumitomo Chemical sent a letter to all Group companies' presidents to communicate the Group's new sustainability initiatives, including key performance indicators (KPIs) for our initiatives to address the Group's material issues, the Group Policy for the Promotion of Diversity and Inclusion, the Group Basic Policy Towards a Circular System for Plastics, and new measures for promoting respect for human rights. In his letter, the president also called on all officers and employees to share the Group's corporate values and work together to carry out our sustainability efforts. Videos have been produced explaining the new measures and distributed to Sumitomo Chemical's operating sites. Meanwhile, the Senior Managing Executive Officer in charge of sustainability and Sustainability Department employees held multiple briefing sessions at Group companies in Japan to communicate the Group's sustainability initiatives, while also implementing the same communication efforts for Group companies outside Japan through our four overseas regional headquarters.

FY2020 Sustainability Efforts Briefing Session

Location	Sessions	Participants
Sumitomo Chemical	Distributed explanation videos	All employees
Group companies in Japan	4	Presidents and sustainability managers of each company
Group companies overseas	8	Presidents of regional headquarters Sustainability managers of regional headquarters Sustainability managers of each company

P.7 President's Message

Promoting Sustainability

Solutions: Contributing through Business—Sumika Sustainable Solutions (SSS)

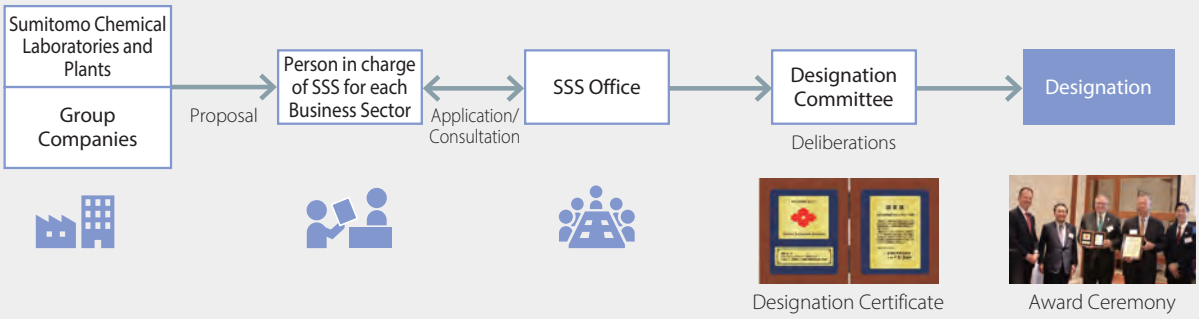
Sumitomo Chemical recognizes that climate change problems present the Group with business opportunities, such as an increase in demand for products that help solve issues related to the environment and climate change by, for example, reducing GHG emissions. To seize these kinds of opportunities, we are promoting an initiative to designate those of our products and technologies that contribute to such issues as global warming countermeasures, reducing environmental burdens, and effective use of resources, as Sumika Sustainable Solutions (SSS).

We have also set KPIs based on sales revenue from SSS-designated products, and we have been monitoring the progress of our efforts by using those KPIs. In addition, we include contributions to the creation of social value and SSS designation in the selection criteria for our employee commendation system.

Going forward, the Company will continue solving issues in order to build a sustainable society by devoting its attention to promoting the development and widespread use of SSS-designated products and technologies.

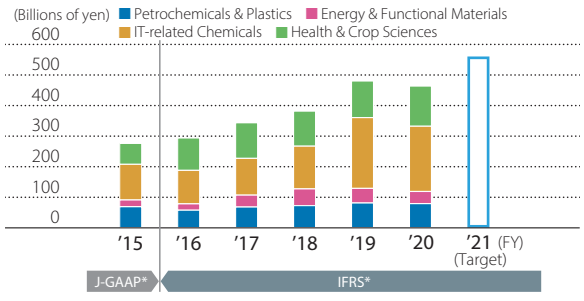
The Process of SSS Designation

Our laboratories, plants and group companies apply for designation for their products and technologies, and the Designation Committee formally makes the designation. A third-party organization has reviewed all cases designated to date and assessed the results of the in-house designation for them as valid.



In fiscal 2020, the sixth year of this initiative, Sumitomo Chemical newly designated three of its products as Sumika Sustainable Solutions (SSS). With the addition of these three products, the total number of SSS-designated products and technologies is now 57, amounting to approximately 463.3 billion yen in terms of sales revenue in fiscal 2020. New designations were given to polyolefin thermoplastic elastomers (TPEs) for non-painted airbag covers, which eliminate the need for the surface design painting and offer a superb appearance; heat storage plastic materials HEATORAGE™ and COMFORMER™, which are designed to absorb and release heat in specific temperature ranges and can be used in residential building materials and textile products, such as clothing and bedclothes to maintain appropriate temperatures inside houses, clothes, or blankets; and new cathode materials and their precursors, which significantly improve the performance of lithium-ion secondary batteries. These are all Sumitomo Chemical and the Sumitomo Chemical Group products and technologies. The Company is now aiming to achieve sales revenues of 560 billion yen from SSS-designated products and technologies by fiscal 2021, the final year of the current Corporate Business Plan.

Sales Revenue of SSS-designated Products



* J-GAAP: Japanese GAAP, IFRS: International Financial Reporting Standards

(Billions of yen)

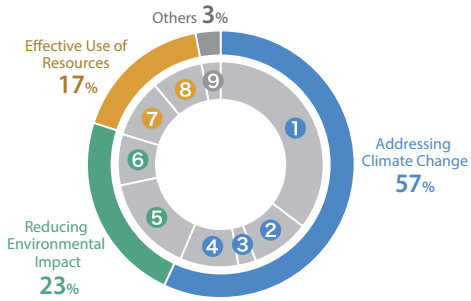
	FY2020
Sales revenue of the Sumitomo Chemical Group	2,287.0
Sales revenue of SSS-designated products	463.3

Promoting Sustainability

Designation Requirements by Category

Category	Designation Requirements
Addressing Climate Change	❶ Contributing to reducing GHG emissions
	❷ Products, components, and materials used for the creation of new energy sources
	❸ Using biomass-derived raw materials
	❹ Contributing to adapting to the impacts of climate change
Reducing Environmental Impact	❺ Contributing to reducing waste and toxic substances, and contributing to reducing environmental impact
	❻ Contributing to reducing environmental impact in food production
Effective Use of Resources	❼ Contributing to recycling and energy-saving
	❽ Contributing to the efficient use of water
Others	❾ Other contributions to building a sustainable society

Designation Requirements by Category/Actual Environmental Contribution (FY2020)



● Addressing Climate Change

Contributed to reducing **62** million tons of GHG emissions (CO_2 equivalent; a projection for FY2020) through the life cycles of the designated products and technologies in this category

Note: Calculated with reference to "New Perspective on Reducing Greenhouse Gases" by the Japan Chemical Industry Association and "Global Value Chain" by the Japan Business Federation.

● Reducing Environmental Impact

Contributed to reducing the use of organic solvents by **100** thousand tons per year by using the designated products and technologies in this category

● Effective Use of Resources

Contributed to reducing the use of water by **14.2** million tons per year by using the designated products and technologies in this category

In May 2020, Sumitomo Chemical was awarded the Grand Prize in the 52nd Annual JCIA Technology Awards from the Japan Chemical Industry Association for its technology that enabled "the development and commercialization of a process for manufacturing propylene oxide (PO) using cumene, which has low environmental impact and is free from co-products." This technology has been designated a Sumika Sustainable Solution.

Sumika Sustainable Solutions

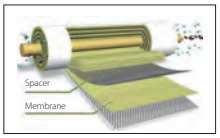
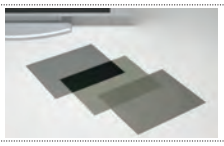
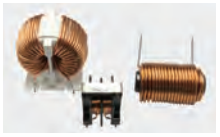
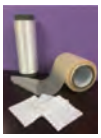
https://www.sumitomo-chem.co.jp/english/sustainability/management/promotion/sss/

Page 65 of *Annual Report 2021*

https://www.sumitomo-chem.co.jp/english/ir/library/annual_report/

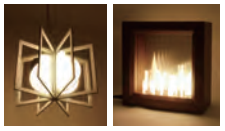
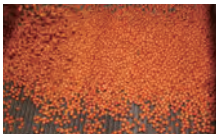
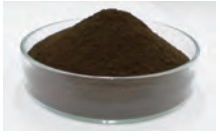
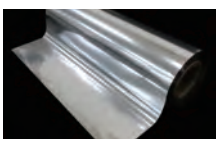
Promoting Sustainability

"Sumika Sustainable Solutions" Main Products and Technologies

Solutions	◆Features / ●Contributions	Contributions to SDGs
Addressing Climate Change		
PERVIO™, lithium-ion secondary battery separator 	◆A material capable of providing high-capacity lithium-ion secondary batteries ●Contributing to the expanded use of next-generation vehicles, such as electric vehicles	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
SUMIKAEXCEL™, polyethersulfone 	◆An additive for carbon-fiber reinforced plastics used in aircraft ●Making aircraft lighter and hence fuel-efficient	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
CO_2 separation membrane 	◆Used in hydrogen production and natural gas refining to remove CO_2 ●It significantly reduces energy consumption during CO_2 separation compared with conventional methods	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
UV curing for polarizer lamination 	◆A polarizing film for displays ●Achieves substantial energy saving in manufacturing compared with conventional methods	7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
SUMIMET™, feed additive methionine 	◆Adding methionine to poultry feed improves the balance of amino acids in feed ●Reduced nitrogen in poultry excrement, a cause for greenhouse gas emissions	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
Olyset™ Net, anti-malarial long-lasting insecticidal mosquito net 	◆A mosquito net developed for controlling malaria-carrying mosquitoes ●Helping reduce malaria infection	3 GOOD HEALTH AND WELL-BEING, 13 CLIMATE ACTION
Vector-control pesticides 	◆Fulfilling an important role in repelling and exterminating insects that spread infectious diseases ●These pesticides facilitate adaptation to the effects of climate change	3 GOOD HEALTH AND WELL-BEING, 13 CLIMATE ACTION
Carbon dioxide separation and recovery technology (Sumitomo Joint Electric Power Co., Ltd.) 	◆Separates and recovers CO_2 from gases exhausted from a thermal power station, which is then used as an auxiliary material for chemicals production at another manufacturing plant of Sumitomo Chemical's Ehime Works.* * Technology for CO_2 separation and recovery is a proprietary technology of Nippon Steel Engineering Co., Ltd. ●Contributes to reducing CO_2 emissions.	13 CLIMATE ACTION
High performance insulating coating material (Taoka Chemical Co., Ltd) 	◆High performance insulating coating mainly used for automotive batteries. ●Contributes to motor miniaturization and higher output, and reduces greenhouse gas emissions.	7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Heat storage plastic material HEATORAGE™ COMFORMER™ 	◆These heat storage plastic materials are designed to absorb and release heat in the specific temperature range of between 20°C and 50°C. ●Using this between insulation layers in the roofs of residences reduces the cooling burden in summer.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
Cathode materials and their precursors for lithium-ion secondary batteries (Battery Materials Division / Tanaka Chemical Corporation) 	◆These cathode materials and precursors significantly improve the performance of lithium-ion secondary batteries. ●Switching from gasoline cars to hybrid cars will help enhance fuel efficiency	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION

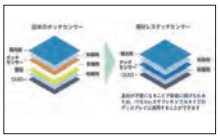
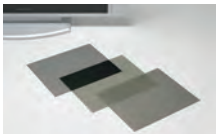
Promoting Sustainability

"Sumika Sustainable Solutions" Main Products and Technologies

Solutions	◆Features / ●Contributions	Contributions to SDGs
Reducing Environmental Impact		
Halogen-free flame-retardant elastomer 	◆This elastomer is used in railway and construction materials. It does not contain halogen but is as flame retardant as a halogen-based material. ●It helps limit emissions of hazardous gases while burning.	12
High-purity alumina (for use in automotive O_2 / NOx sensors) 	◆This material is used as insulation for the high-performance sensors that are needed to keep automotive emissions of NOx and other gases under mandated levels. ●It helps reduce greenhouse gas emissions.	12
Polymer OLED lighting 	◆These lights can produce color over a wide temperature range, from gentle to vivid, due to the coating and printing methods ●The coating and printing methods help save energy and resources in manufacturing processes	7 13
Biorationals (Microbial pesticides, plant growth regulators, biorational rhizosphere microbial agricultural materials) 	◆Use of active ingredients derived from naturally occurring substances ●Contributes to the promotion of sustainable agriculture and the stable supply of safe and secure food	2 12 13
Seed treatment agents 	◆Accurate treatment of seeds prior to sowing with seed treatment agents makes it possible to substantially reduce the spraying dosage and frequency of crop protection products ●Contributing to reduced environmental burdens in food production	2 12
Binder for lithium-ion secondary batteries (Nippon A&L Inc.) 	◆Use of water as the dispersion medium. ●This product reduces the consumption of organic solvents in the manufacture of electrodes for lithium-ion secondary batteries	7 12
Temperature-sensitive film "「調光®」(CHO-CO)" (SanTerra Co., Ltd.) 	◆A temperature-sensitive plastic film for greenhouse use that stays transparent and allows sunlight to enter at low temperatures while becoming opaque and scattering the sunlight high temperatures. ●Contributing to the reduction of heat damage to produce	2 12 13
Cobalt-coated nickel Hydroxide positive Electrode material (Tanaka Chemical Corporation) 	◆Making the designing of high-output nickel hydride batteries possible ●It contributes to widespread use of environmentally friendly vehicles. Cobalt usage can also be reduced	7 12
Polypropylene materials for aluminum metallization film (The Polyolefin Company Pte. Ltd.) 	◆Polypropylene materials for aluminum metallization film, used for food packaging to extend shelf life. ●Helping extend the shelf life of food products	2
TPEs for non-painted airbag covers 	◆These TPEs are for airbag covers and offer a superb, high-quality appearance even when not painted. ●These TPEs reduce the generation of VOCs during painting, which occurs mainly during the drying process.	12 13

Promoting Sustainability

"Sumika Sustainable Solutions" Main Products and Technologies

Solutions	◆Features / ●Contributions	Contributions to SDGs
Effective Use of Resources		
SUMIKATHENE™EP, EXCELLEN™GMH, polyethylene used for refill pouches 	◆For detergent packaging, pouch bags made of this polyethylene material have easy tear-open spouts for easy refilling of dispensers ●Producing less plastic waste than rigid bottles	12 13
Substrate-less touch sensor (Dongwoo Fine-Chem Co., Ltd.) 	◆This product performs all the functions of a touch sensor without requiring substrates such as glass and film, which are indispensable elements in conventional touch sensors. ●This product contributes to resource saving	12
Multi-purpose polypropylene sheet (Sumika Plastech Co., Ltd.) 	◆Being free from paper dust concern and desirable from a viewpoint of re-use, it is used for food containers and delivery materials for electronic parts. ●Contributing to reducing greenhouse gas emissions.	12 13
Effluent treatment technology using a deammoniation tower 	◆Removes and recovers ammonia in effluent and recycles it for re-use. ●Contributes to reducing nitrogen discharge from a manufacturing plant.	12
Transfer technology used in the manufacture of flexible touch sensors (Dongwoo Fine-Chem Co., Ltd.) 	◆Manufacturing touch sensors for use in foldable smartphones without the use of adhesive film ●Resource savings and reductions in power consumption have been achieved	12 13
Glass Fiber Recycled Polypropylene (Sumika Polymer Compounds Europe) 	◆This automotive material includes 60 to 100% of recycling waste polypropylene. ●Compatible with the EU circular economy action plan.	12 13
MISTACE S, MISTACE S NIAGARA (Sumika Agrotech Co., Ltd.) 	◆Irrigation tubes that enable uniform and efficient water spray in greenhouse cultivation. ●Enhances a great water saving effect.	6 13
Prevention of iodine oxidation in polarizing films manufacturing process 	◆A technology that prevents the oxidation of iodine through optical control, used in the polarizing film manufacturing process. ●Contributes to resource saving and environmental impact mitigation by reducing the use of chemicals.	6 12

Promoting Sustainability

Participation: Officer and Employee Engagement Project to Promote Sustainability (the Sumitomo Chemical Group Global Project)

To accelerate the promotion of sustainability, the Sumitomo Chemical Group considers it essential that all executives and employees share the Corporate Philosophy, have a deep understanding of sustainability, and work together to carry out our initiatives. As an effort to engage all officers and employees and promote this "participation by all" principle, we have run the Global Project since 2014. We set up a dedicated website for the project that all Group officers and employees in Japan and overseas can access from anywhere at any time. The project is intended to spur action to promote sustainability in line with the annual shared themes within a set period of time.

FY2020 Initiatives

In fiscal 2020, the COVID-19 pandemic caused major changes in the business environments and values around the world. Amid this situation, we established the slogan "Build Back Better by JIRI RITA" with the aim of promoting sustainability during the pandemic in line with our Corporate Philosophy and stance on resolving issues confronting society through our business, which is the Group's DNA.

To enable people to take ownership of the issues that must be addressed to realize a sustainable society, we added a vocabulary list to the dedicated website so they can fully comprehend terms related to sustainability, enjoy learning about global trends and the Group's initiatives through quizzes and case studies, and post and share their efforts, endeavors, and determination to solve issues as individuals or part of a team.

■ Three Steps for Participation

1. Challenge yourself to the quiz → **2. Read case studies** → **3. Post**

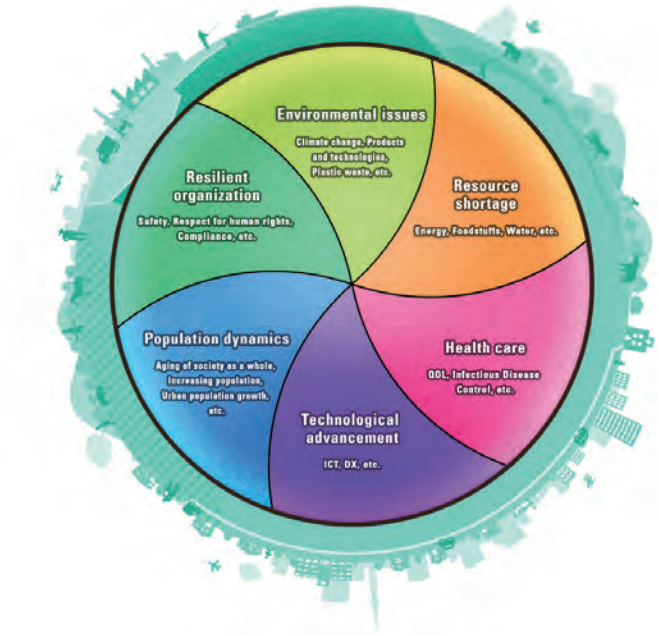
On sustainability
- Global trends • Keywords
- The Sumitomo Chemical Group approach

On the Sumitomo Chemical Group's initiatives
- Sumitomo Chemical Group's initiatives for promoting sustainability
- Group's practice of "*Jiri-Rita Koushi-Ichinyo* (Our businesses must benefit society at large, not just our own interests)"

Introductory case studies
- Manufacturing plastic from garbage
- Shoes made from marine plastic waste
- Floating offshore wind turbines, a remarkable emerging ecological power generation technology
- A future world powered by autonomous driving technology
- Development of more transparent food supply chains –Efforts to protect the environment and respect human rights–

Etc.

■ The Six Fields



Note: Employees made posts in the six fields that were selected from global sustainability trends and our material issues that we will address as management priorities.

Promoting Sustainability

For fiscal 2020, 115 Group companies participated in the Global Project, with a total of 9,690 people taking a quiz and 18,764 posts. Each company's top management posted messages, and, having read those messages, employees posted about their own inventive ideas and endeavors. Moreover, in response to employee posts, officers post encouraging and compassionate comments. This virtuous cycle has expanded compassion and empathy within the Group.

FY2020 Participation Results

			Results
Number of participating companies*	Total		115
	By organization	Sumitomo Chemical and Group companies in Japan	53
		Group companies overseas	62
Total quiz participants	Total		9,690
	By organization	Sumitomo Chemical	2,058
		Group companies in Japan	3,044
		Group companies overseas	4,588
Number of posts	Total		18,764
	By organization	Sumitomo Chemical	9,714
		Group companies in Japan	5,298
		Group companies overseas	3,752

* Companies that participated through the website by way of at least one of the following: the top management delivered a message; officers and employees took a quiz; and officers and employees made posts.

What the Sumitomo Chemical Group has achieved through Global Project 2020

(1) Deepened understanding and heightened awareness of social issues
(2) Fostered a greater sense of unity in the face of Covid-19 crisis
(3) Increased the drive to address social issues
– Contributing "through our business"
– Taking on sustainability challenges "as my own issues"

By building on the achievements of the Global Project, with its solidarity and determination enhanced through this initiative, the Sumitomo Chemical Group will continue to work as one to create new value and help resolve major social issues with its creativity and the power of chemistry.

The Sumitomo Chemical Group (SCG) Global Project in the past

https://www.sumitomo-chem.co.jp/english/sustainability/management/promotion/globalproject/archive/

Participation in Initiatives

Basic Policy

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

Initiative Participation Record

Our UN Global Compact Activities

The Sumitomo Chemical Group joined the UN Global Compact (UNGC) in January 2005, as the first Japanese chemical company. The UNGC is a voluntary initiative that encourages participating companies and organizations to help create a global framework for realizing sustainable growth and take action as a good member of society by demonstrating responsible and creative leadership. It outlines ten principles related to protecting human rights, abolishing unfair labor practices, adapting to the environment, and preventing corruption, and over 13,000 companies and organizations have signed on. We are one of the 37 Global Compact LEAD companies* in the world, recognized for our constant engagement with the UNGC and our business activities that comply with the UNGC's ten principles.

In fiscal 2020, we participated in two action platforms: "Business Ambition for Climate and Health" and "Peace, Justice and Strong Institutions."

In addition, at the September 2020 UN General Assembly, which coincided with the 75th anniversary of the United Nations and the 20th anniversary of the UNGC, we signed onto the UNGC's A Statement from Business Leaders for Renewed Global Cooperation. The purpose of this statement was for the world's business leaders to again emphasize the importance of international cooperation and global governance. The statement was presented to the UN Secretary-General along with a list of CEOs who signed on to it.

* As of September, 2021

Gist of a Statement from Business Leaders for Renewed Global Cooperation

- This year, coinciding with the 75th anniversary of the United Nations, the world is facing a range of crises, including the COVID-19 pandemic, climate change, and economic uncertainty.
- Against this backdrop, we as global business leaders commit to demonstrate leadership based on ethics, practice good corporate governance, and take measures to respect human rights so as to correct structural inequalities and injustices, by working together with all stakeholders in the spirit of renewed global cooperation.
- In making this commitment, we call on governments to protect human rights, ensure peace and security, and uphold the rule of law in order to ensure the prosperity of businesses, individuals and societies; to contribute to the welfare of people and the planet by strengthening international cooperation and national legal frameworks; and to enhance multilateralism and global governance so as to fight corruption, build resilience, and achieve the SDGs.

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

https://ungc-communications-assets.s3.amazonaws.com/docs/publications/UN75_UnitingBusinessStatement.pdf

Participation in Initiatives

The Ten Principles of the UN Global Compact

Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation.
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle10: Businesses should work against corruption in all its forms, including extortion and bribery.

Global Compact LEAD 2021 PARTICIPANT

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

https://www.unglobalcompact.org/what-is-gc/mission/principles

LEAD Company Certification Standards

- Participate in at least two UNGC action platforms, contribute to UNGC activities on an ongoing basis, and clearly demonstrate leadership in line with the Ten Principles and Global Goals
- Release an annual sustainability report detailing the progress of initiatives for the Ten Principles

Participation in the WBCSD*

The Sumitomo Chemical Group joined the World Business Council for Sustainable Development (WBCSD) in 2006 and has participated primarily in activities related to addressing climate change.

Recently, we have broadened the scope of our activities while strengthening our alliances with member companies in the chemical sector. Specifically, we participated in formulating the Chemical Sector SDG Roadmap, which organizes sustainability-related fields and issues pertaining to the chemical industry using the SDG framework with the aim of realizing sustainability.

WBCSD | Chemical Sector SDG Roadmap

https://www.wbcsd.org/Programs/People/Sustainable-Development-Goals/Resources/Chemical-Sector-SDG-Roadmap

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

WBCSD | TCFD Chemical Sector Preparer Forum Report

https://www.wbcsd.org/cfbcso

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

Participation in Initiatives

Initiatives for TCFD* recommendations

The Sumitomo Chemical Group uses the framework of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations for disclosing information on addressing climate change and actively communicating our efforts, with the recognition that such disclosures reflect the demands of the current era.

Initiatives in line with the TCFD recommendations have only just begun globally. Going forward, through continual dialogue that is perpetuated by corporate disclosures and feedback from investors in response to said disclosures, we expect an international consensus to form about how data related to climate change should be disclosed. By participating in initiatives related to the TCFD recommendations amid this situation, we are collaborating on the creation of guidance through dialogue between investors and companies while learning best practices.

■ Our Efforts through Participation in External Initiatives

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

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

An International Alliance to Solve the Plastic Waste Problem
Joining the Alliance to End Plastic Waste (AEPW)

P.22 [Case] Contribution to Developing a Circular System for Plastics: Collaboration with Others

A Domestic Alliance to Solve the Marine Plastic Waste Problem
Joining the Japan Clean Ocean Material Alliance (CLOMA)

P.22 [Case] Contribution to Developing a Circular System for Plastics: Collaboration with Others

Our ICCA* Activities

The Sumitomo Chemical Group participated in the leader group for energy and climate change of the International Council of Chemical Associations (ICCA). We contributed to joint international research related to helping reduce GHG emissions through chemical products and technologies. We also worked to promote the spread of the results of the research.

In addition, we also participate in the leader group for chemical substance policy and health. We conduct surveys related to regulatory trends around the world and mechanisms for relaying information on chemical substances contained in products. We also cooperate in promoting widespread product stewardship in each participating country, focusing on those in Asia. Furthermore, we participated in a task force on plastic waste problems and in discussions based on sound science related to problems surrounding microplastics and plastic substitutes.

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

Participation in Initiatives

Our WEPs Activities

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

The Women's Empowerment Principles

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

We Support
WOMEN'S EMPOWERMENT PRINCIPLES
EQUALITY MEANS BUSINESS
UN WOMEN
UNITED NATIONS GLOBAL COMPACT
www.weprinciples.org

In 2013, the Sumitomo Chemical Group (under the President's name) endorsed the "Women's Empowerment Principles" (WEPs). Since 2015, we have participated in the annual WEPs forum held annually at the UN Headquarters in New York.

Furthermore, we have participated in the Global Compact Network Japan's (GCNJ (UNGC's local network)) WEPs Subcommittee as a leading company since its founding in fiscal 2016. Since fiscal 2017, we have conducted activities and messaging to support the specific initiatives of each participating company, referencing the seven WEPs to address issues related to empowering women in the workplace. Through these efforts, we are actively enhancing the international competitiveness of GCNJ signatory companies and thereby helping raise the bar for gender equality in Japanese society.

■ GCNJ's WEPs Subcommittee Meetings Attended by the Company: Fiscal 2020 Activities

Meeting	Date	Theme	Lecturer
1	July 10, 2020 (Friday)	Latest trends in WEPs	Sachiyo Onishi Professor, College of Law, Ritsumeikan University
2	October 16, 2020 (Friday)	Diversity from a business administration perspective	Akie Iriyama Professor, Waseda Business School (Graduate School of Business and Finance), Waseda University
3	December 4, 2020 (Friday)	The relationship between unconscious bias and women's empowerment	Sook Ja Park Representative, Appassionata, Inc.
4	February 18, 2021 (Thursday)	Expectations for women's perspectives and roles in safety, emergency preparedness, and disaster mitigation	Sachiko Asano Co-Representative, Training Center for Gender & Disaster Risk Reduction
5	April 23, 2021 (Friday)	About women's empowerment	Atsuko Muraki Former Vice Minister of Health, Labour and Welfare; visiting professor, Tsuda University

Note: Conducted online due to the COVID-19 pandemic

Communication with Stakeholders

Basic Policy

Principle 4 of the Sumitomo Chemical Group's Basic Principles for Promoting Sustainability states, "We are committed to work closely with various stakeholders through promoting spontaneous disclosure of information and open dialogue on the targets of our sustainability promotion initiatives and the progress of their implementation." Our efforts to communicate with shareholders based on this principle fall into the following two categories.

(1) Disclosures

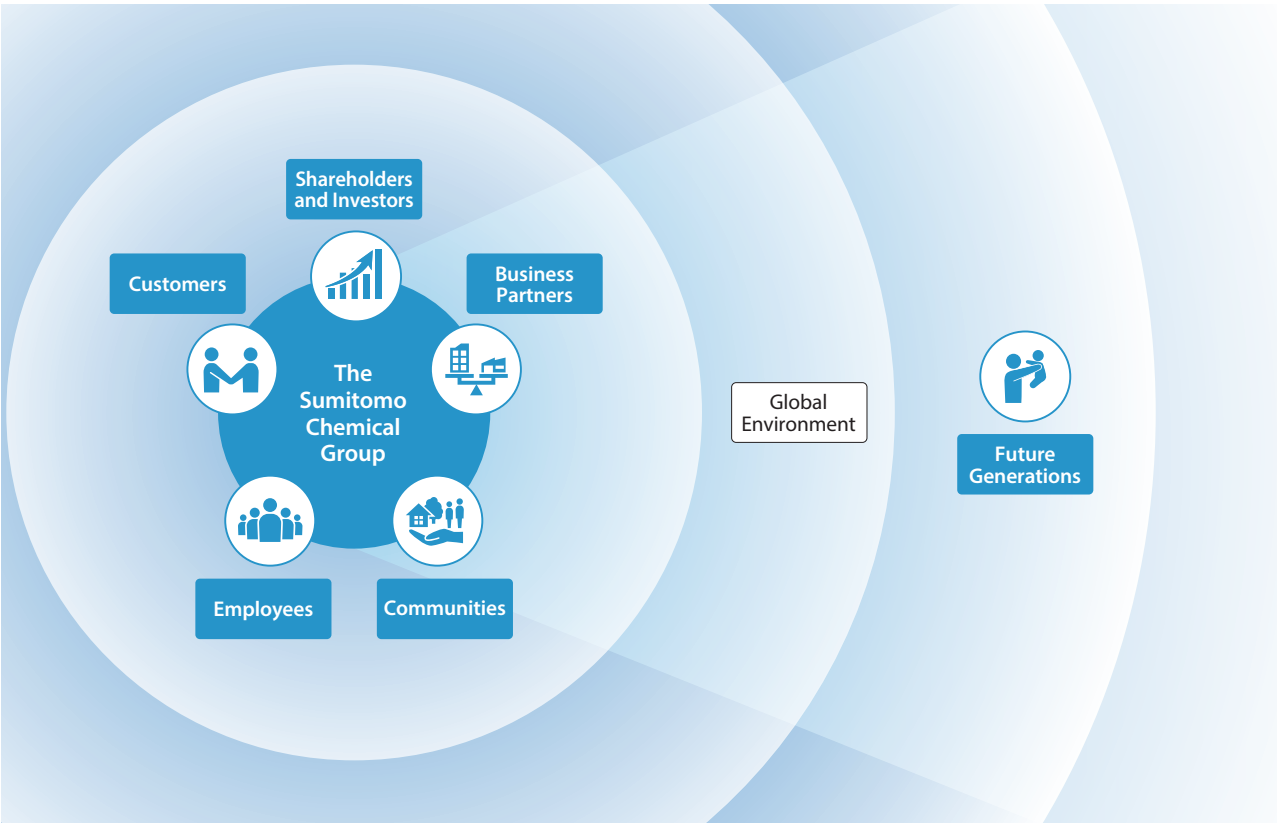
We disclose necessary information and report on the progress of our various initiatives. We also make an analysis of the needs of society as appropriate and review external assessment results in order to improve our communication and ensure proper disclosure.

(2) Dialogues

In addition to proactive disclosure, we actively engage in two-way communication or dialogue with various stakeholders. Based on the feedback provided in dialogues, we work to improve our communication and implement new initiatives.

We will continue to fulfill our responsibility to all stakeholders on the two fronts of disclosure and dialogue by enhancing our communication through a variety of efforts. We will also align our future generations with a sustainable society, paying attention to the international community and global environment.

■ Stakeholder Engagement



Communication with Stakeholders

Opportunities to Communicate with Stakeholders

Stakeholders	Sumitomo Chemical Group's Responsibility	Measures
Shareholders and Investors	We communicate regularly, effectively and strategically with shareholders and investors with regard to management policies, business strategies, and earnings trends. We fulfill our accountability to shareholders to maintain and improve the market's trust in the Sumitomo Chemical Group, while also promoting the market's accurate understanding of the Company with a view to a fair market valuation of the Company's shares and the improvement of our corporate value.	• General meetings of shareholders • Corporate strategy briefing meetings and business strategy briefing meetings • Conference calls • Briefing meetings for individual investors • Interviews with investors and analysts • Investor relations publications, including *Annual Report*, *Investors' Handbook* and *Sustainability Data Book* • Disclosure via the Company's website
Customers	We supply high-quality products and services that satisfy customers' needs and ensure safety in use to establish long-term relations with customers that are built on trust.	• Customer support including communication in sales activities and quality assurance • Providing information via the Company's website and other communication media • Customer support by the customer support center
Business Partners	We are committed to building mutually-beneficial sound relations with business partners based on our Basic Procurement Principles. We also conduct fair, equitable and transparent transactions, while also encouraging our business partners to engage in sustainability efforts, in order to promote sustainable procurement across our supply chain.	• Communication through purchasing activities • Monitoring and providing feedback by using our *Sustainable Procurement Guidebook* and *check sheets* • A dedicated team to answer inquiries from business partners
Employees	We are committed to ensuring employees' health and respecting employee diversity, while also devoting constant effort to human resource development and the improvement of a workplace environment so that individual employees can realize their full potential. The Company is also committed to maintaining its good relationship with the Sumitomo Chemical labor union built on mutual understanding and trust.	• Central labor-management meetings and operation-site labor-management meetings • Labor-management committee for the promotion of work-life balance • Various training programs • Communication via the Company's internal newsletters and intranet
Communities	We work to help solve various global issues through cooperation on international initiatives as well as to achieve mutual prosperity with local communities by holding two-way dialogues and enhancing disclosure.	• Participating in international initiatives (Including UNGC, WBCSD and ICCA) • Providing information mainly through the Company's website, *Annual Report*, *Investors' Handbook*, *Sustainability Data Book* and Social media • Holding dialogues with local communities • Social Contribution Activities (Including Support for Education in Africa, Holding Science workshop classes and Local cleanup activities)

Communication with Stakeholders

External Evaluation

FTSE4Good Index Series

This index, designed by FTSE Russell, a global index provider, consists of companies demonstrating strong Environmental, Social and Governance (ESG) practices selected from among all leading global companies.

FTSE Blossom Japan Index

This index, designed by FTSE Russell, a global index provider, consists of Japanese companies demonstrating strong ESG practices. It is designed so as to make the industry segment allocation similar to that of the Japanese stock market.

MSCI Japan ESG Select Leaders Index https://www.msci.com/esg-investing

This index is designed by MSCI, a provider of various tools to support institutional investors around the world in their investment decision making. It selects companies demonstrating strong ESG practices from component issues of the MSCI Japan IMI Top 500 Index.

MSCI Japan Empowering Women Index (WIN)

This index is designed by MSCI, a provider of various tools to support institutional investors around the world in their investment decision making. It selects companies demonstrating strong practices in promoting women's participation and advancement.

S&P/JPX Carbon Efficient Index

This index is designed by S&P Dow Jones Index, and selects companies from the Tokyo Stock Price Index (TOPIX). The better the companies are in their demonstration of higher carbon efficiency and disclosure of environmental information, the higher their component percentages are in this index. Our decile rating is 3, and the disclosure status is "disclosed."

Gold Medal in EcoVadis Sustainability Assessment

Sumitomo Chemical has received a Gold medal in a sustainability assessment by EcoVadis for the second consecutive year, an award recognizing companies whose performance is in the top 5% of all companies rated. Established in 2007, EcoVadis is a performance rating agency focused on corporate environmental, social, and governance (ESG) practices, working to help companies improve their environmental and social practices through their global supply chains. The agency has assessed about 75,000 companies from 160 countries across 200 business sectors in terms of corporate policies, initiatives, and achievements in four areas: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.

CDP "Climate Change A List 2020", CDP "Water Security A List 2020"

Sumitomo Chemical has been named on CDP's "Climate Change A List 2020" and "Water Security A List 2020" as a company recognized for its particularly excellent activities to address climate change and water security, including target setting, actions and transparency. The Company has been named on the Climate A list, the highest rating given by CDP, for the third consecutive year, and on the Water Security A list for the first time.

Established in 2000, CDP (formerly the Carbon Disclosure Project) is an international non-governmental organization that incentivizes companies and governments to become leaders in reducing greenhouse gas emissions, managing water resources, and conserving forests. On behalf of institutional investors around the world, CDP collects information about environmental efforts of leading companies and scores them. Of 9,600 companies that disclosed their environmental efforts to CDP, 64 global companies and 17 Japanese companies received the highest ratings in terms of actions for both climate change and water security.

Nikkei Annual Report Awards 2020, Outstanding Performance

Sumitomo Chemical's integrated report, Annual Report 2020, received an Award of Excellence in the Nikkei Annual Report Awards 2020. It was the fourth time to receive the same award, following last year. Nikkei Annual Report Awards is an awards program that Nikkei Inc. has organized every year since 1998 for the purpose of raising the quality and encouraging the publication of annual reports published by Japanese companies. Companies with the highest scores by the screening of institutional investors are recognized. For fiscal 2020, which was the 23rd awards program, 132 companies applied, and one company was selected for the First Prize, three for the Second Prize, three for the Special Award, and fourteen for the Award of Excellence.

The 24th Environmental Communication Awards, the Grand Prize for Environmental Report

Our Annual Report 2020 and Sustainability Data Book 2020 won the Grand Prize for Environmental Reports at the 24th Environmental Communication Awards. This is an accreditation system to promote corporate initiatives for environmental management and communications while improving the quality of information disclosure on the environment. For the 24th Environmental Communication Awards, 147 reports were submitted for consideration, and 26 reports were selected to be awarded the Grand Prize.

<Certification>

2021 Health and Productivity Management Awards – White 500

P.184 Healthcare

Next-generation Support Certification Logo

P.179 Work-Life Balance

Acquired registration under the Whistleblowing Compliance Management System

P.77 Compliance

The Sumitomo Chemical Group's Contribution to the SDGs

We at the Sumitomo Chemical Group are committed to contribute through our business to establishing a sustainable society while also achieving our sustained growth. We have set out our guiding principles for efforts toward these goals in the Basic Principles for Promoting Sustainability. In these principles, we affirm our commitment to helping resolve critical issues facing the international community.

Sumitomo Chemical's Sustainability Efforts and the SDGs

In Principle 2 of the Basic Principles for Promoting Sustainability, we express the Group's commitment to abiding by international rules related to sustainability and helping resolve vital issues facing the international community. In particular, we pledge to promote efforts toward achieving the United Nations Sustainable Development Goals (SDGs).

P.14 Basic Principles for Promoting Sustainability

When identifying the material issues that Sumitomo Chemical addresses as management priorities, we referred to the SDGs as a guideline for surveying social needs and issues. In addition, with the aim of aligning our efforts with the contribution to the achievement of the SDGs, we have set the key performance indicators (KPIs) for our material issues for social value creation based on the SDG targets, which comprises 169 items.

P.16 What Sumitomo Chemical Group Strives to Be
P.17 Material Issues to Be Addressed as Management Priorities
P.23 Key Performance Indicator (KPI)

Specific SDGs for Each Business Sector to Focus on

The Sumitomo Chemical Group is working on various efforts in order to help realize a sustainable society through innovation and business and by leveraging its strengths as a diversified chemical company.

Business Sector	Primary Focus SDGs
Petrochemicals & Plastics	7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Energy & Functional Materials	7 AFFORDABLE AND CLEAN ENERGY; 8 DECENT WORK AND ECONOMIC GROWTH; 13 CLIMATE ACTION
IT-related Chemicals	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 17 PARTNERSHIPS FOR THE GOALS
Health & Crop Sciences	2 ZERO HUNGER; 3 GOOD HEALTH AND WELL-BEING; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 17 PARTNERSHIPS FOR THE GOALS
Pharmaceuticals	3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS

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https://www.sumitomo-chem.co.jp/english/ir/library/annual_report/files/docs/ar2021e_14.pdf

The Sumitomo Chemical Group's Contribution to the SDGs

The SDGs as the International Community's Shared Goals and the Sumitomo Chemical Group's Global Project

In an effort to promote group-wide engagement in promotion of sustainability, we have organized the "Sumitomo Chemical Group Global Project," an annual in-house initiative using a dedicated website. This provides an opportunity for each Group officer and employee in Japan and overseas to think about issues facing society and post on the website their ideas about efforts to help resolve them. We made the SDGs a central theme for the project for a period of fiscal 2016 to fiscal 2018 to deepen our understanding of the connection between the common goals set by the international community and what each one of us do at work.

The Sumitomo Chemical Group (SCG) Global Project in the past

https://www.sumitomo-chem.co.jp/english/sustainability/management/promotion/globalproject/archive/

Recognition of the Company's Efforts toward Achieving the SDGs

Sumitomo Chemical was granted the Award of Deputy Chief (the Minister for Foreign Affairs) at the first Japan SDGs Award ceremony held in 2018. The Japan SDGs Award is conferred by the Sustainable Development Goals (SDGs) Promotion Headquarters—a body established in Japan's Cabinet and comprising all Ministers of the country—in recognition of those companies and organizations engaged in important initiatives toward achieving the SDGs. The Award recognized that our efforts could serve as a role model in Japan and overseas, hoping that they would be duplicated by other companies. It also highly valued the Company's contribution over many years to Africa and its advancement in terms of economy, society and the environment through its Olyset™ Net business, including creating job opportunities by local production of the mosquito net, improving the working environment for women, and constructing schools to support education.

Sumitomo Chemical Receives the Deputy Chief's Award (by Minister for Foreign Affairs) of the First Japan SDGs Award

https://www.sumitomo-chem.co.jp/english/news/detail/20180105.html