

Sustainability Report
2026

Quiet Steps, Giant Leaps.

 **SUMITOMO CHEMICAL**

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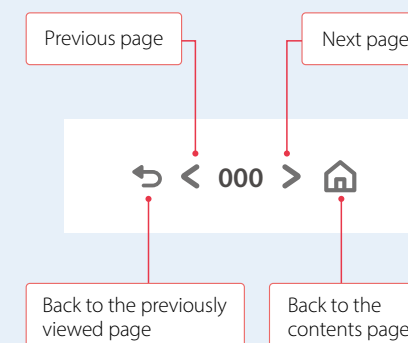
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Editorial Policy

The Sustainability Report is a tool to complement Sumitomo Chemical's Integrated Report and comprehensively presents the Company's sustainability information from the perspectives of the environment (E), society (S), and governance (G). Topics included are those considered important by both our stakeholders and Sumitomo Chemical itself. Additionally, to ensure the reliability and transparency of this report, regarding quantitative information, assurance is provided on the indicators labeled with a star ★ by KPMG AZSA Sustainability Co., Ltd. (Regarding other disclosed information, please refer to the "Calculation Standards for Environmental and Social Data Indicators," wherein a summary of data collection and calculation methods is presented.)

Sumitomo Chemical hopes that this report can act as a tool for communication with all its stakeholders that enriches their understanding of the Company.

▶ P.164 Calculation Standards for Environmental and Social Data Indicators

Guide to the Website

Investor Relations

- ☐ Financial Results
- ☐ Consolidated Financial Statements
- ☐ Meeting of Shareholders Documents
- ☐ IR Events (presentation, materials used at briefing sessions)
- ☐ Fact Sheet

Sustainability

Guide to Our Social Media

Official LinkedIn Account



Corporate YouTube Channel

▶ /@sumitomochemical_official

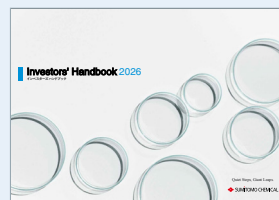
Sumitomo Chemical's Three Reports

Integrated Report



This integrated report summarizes our business strengths, strategies, issues, and performance with the aim of conveying our company's value creation to a wide range of stakeholders, including our shareholders and investors, in a way that is easy to understand.

Investors' Handbook



This handbook provides information regarding the market trends of our wide range of businesses and products, and explains them in detail.

Sustainability Report



This report contains a broad range of information about sustainability from the perspectives of the environment, society, and corporate governance.

● Boundary of This Report:

Sumitomo Chemical Co., Ltd. and its consolidated subsidiaries

In this report, "Sumitomo Chemical" and "Sumitomo Chemical Group" are distinguished as follows.

Sumitomo Chemical: Sumitomo Chemical Co., Ltd.

Sumitomo Chemical Group: Sumitomo Chemical and Group companies

Additionally, any differences in the scope of aggregation are clearly noted on the respective pages.

● Period covered by this report:

Group Companies in Japan:

April 1, 2025 – March 31, 2026 (FY2025)

(with specific exceptions outside this time frame)

Overseas Group Companies:

January 1, 2025 – December 31, 2025

● Date of publication:

October 2026 (The previous issue was published in October 2025.)

● Frequency of publication:

Once annually

● Guidelines referred to when preparing this report:

- The GRI Standards

▶ P.167 GRI Standards Reference Table

- The Japanese Ministry of the Environment's "Environmental Reporting Guidelines" (2018 edition) and "Environmental Accounting Guidelines" (2005 edition)

- The ISO 26000 international standard on Social Responsibility (SR)

- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

▶ P.189 TCFD Index

- Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD).

President's Message



水戸信彰

Nobuaki Mito

Representative Director & President

Leveraging Innovative Technologies to Solve Social Issues and Contribute to Sustainability

Our Society is changing more dramatically and growing more uncertain. The world population continues to increase, and global challenges such as climate action and the recovery of biodiversity and natural capital are becoming more pressing. Meanwhile, the rapid advance of AI and other innovative technologies offers both new opportunities and new challenges.

In these circumstances, chemistry can serve as foundations that support people's lives and also as an engine that drives the creation of new value. It has limitless potential to create a sustainable economy, society, and environment.

Since its founding, Sumitomo Chemical has strived to address society's major issues by leveraging technology. The Company got its start by producing calcium superphosphate fertilizers to prevent the air pollution from sulfur dioxide gas emitted from copper smelting operations. This origin is encoded in our DNA. We have upheld the spirit of *Jiri-Rita Koushi-Ichinyo*, which means that our business must benefit society at large, not just our own interests, and have continued to take on new challenges and create products and technologies that address society's major challenges as they arise.

Sumitomo Chemical is now pursuing a long-term vision to become an Innovative Solution Provider—a company that helps solve society's challenges by leveraging innovative technologies. We focus on the major challenges in the four areas of food security, ICT,

healthcare, and the environment and are implementing a range of initiatives across our four business sectors.

Among them is our Sumika Sustainable Solutions™ initiative in the environmental field. In this effort, we designate the Sumitomo Chemical Group's products and technologies that contribute to climate change mitigation and adaptation, resource recycling, and sustainable use of natural capital as Sumika Sustainable Solutions™ and promote those products and technologies. It has marked its 10th anniversary, and sales revenue of Sumika Sustainable Solutions™ in fiscal 2025 reached ¥555.6 billion, or 24% of the Group's total sales revenue.

Going forward, we will continue to tackle material issues for promoting sustainability and pursue sustainable growth, while also striving to steadily evolve into an Innovative Solution Provider and further enhance our corporate value, in order to meet the expectations of all stakeholders.

Thank you for your continued understanding and support.

Introduction to the Sumitomo Chemical Group

Corporate Profile

(As of March 31, 2026)

Company Name: SUMITOMO CHEMICAL COMPANY, LIMITED

Incorporated: June 1, 1925

Head Office: Tokyo Nihombashi Tower, 2-7-1, Nihonbashi,
Chuo-ku, Tokyo 103-6020, Japan

Management: Representative Director & President:
Nobuaki Mito

Capital: 90,179 million yen

Number of Employees: Non-consolidated: 6,465
Consolidated: 27,491

**Number of
Subsidiaries and
Affiliates:** 152

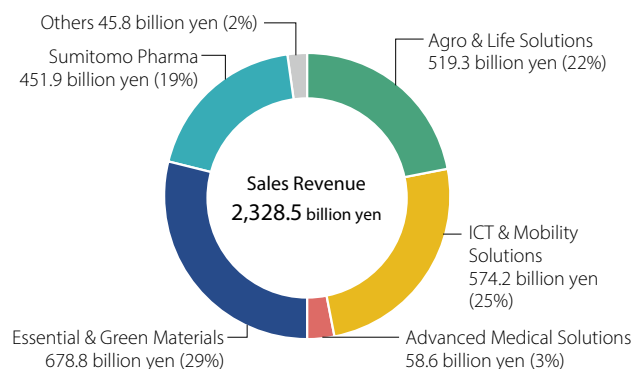


Tokyo Head Office

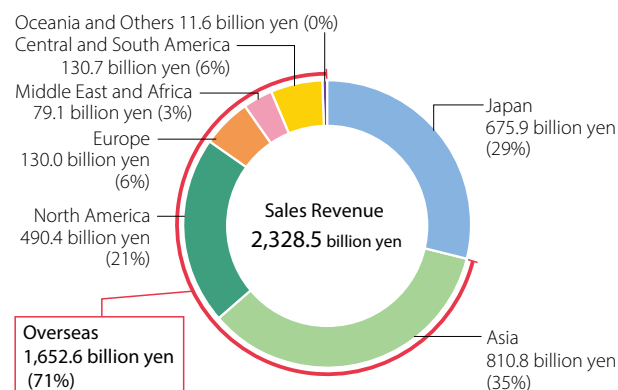
Financial Highlights

(For Fiscal 2025, Based on the International Financial Reporting Standards (IFRS))

FY2025 Sales Revenue and Composition Ratio by Business Segment



FY2025 Sales Revenue and Composition Ratio by Region



Corporate Profile

<https://www.sumitomo-chem.co.jp/english/company/about/>

Investors' Handbook

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

Chart Generator

<https://www.sumitomo-chem.co.jp/english/ir/finance/highlights/>

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, which it did by extracting sulfur (sulfur dioxide gas) from copper ore to use as the raw material for sulfuric acid and fertilizer manufacturing in an effort to overcome 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.

Sumitomo Chemical's Corporate Philosophy is based on Sumitomo's Business Principles and is composed of the Business Philosophy, which integrates the company's business principles, mission and values; Basic Principles for Promoting Sustainability, which integrates its concepts regarding and commitment to sustainability promotion; and the Sumitomo Chemical Charter for Business Conduct, which lays out the code of behavior serving as the basis for the Company's compliance system.

■ The Framework of Sumitomo Chemical's Corporate Philosophy



Corporate Philosophy

<https://www.sumitomo-chem.co.jp/english/company/principles/>

What Sumitomo Chemical Group Strives to Be

The Basic Principles for Promoting Sustainability defines the promotion of sustainability as contributing to the realization of a sustainable society through our business and achieving sustainable growth for the 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.

The Company has announced its long-term goal of being an "Innovative Solution Provider." We intend to maintain our global presence going forward and solve societal issues through solutions that utilize innovative products and technologies in such areas as "Food," "ICT," "Healthcare," and "Environment."

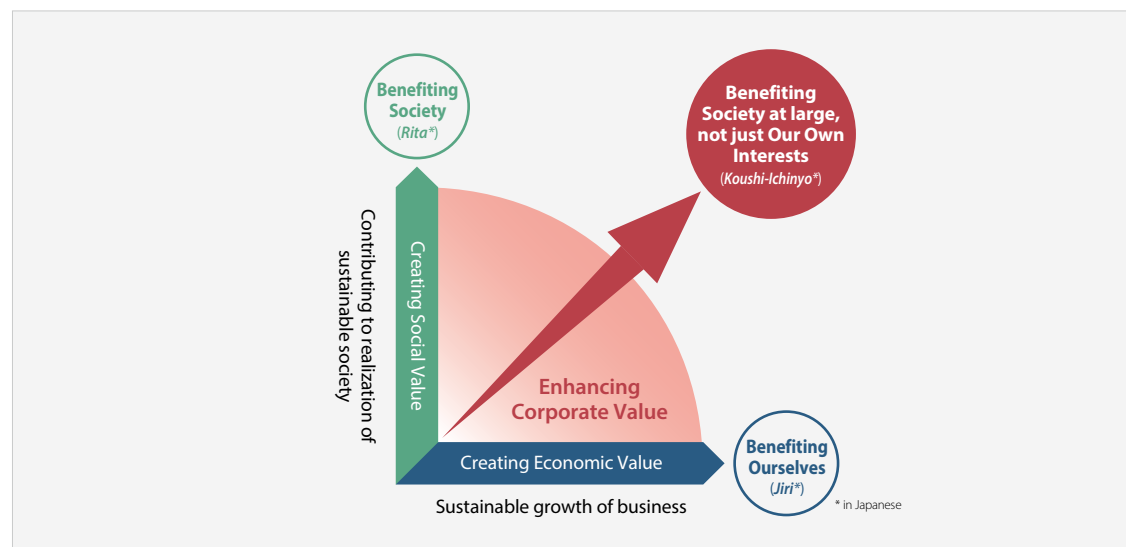
Corporate Business Plan

<https://www.sumitomo-chem.co.jp/english/ir/policy/plan/>

■ Image of Enhancing Corporate Value

What We Strive to Be

Achieve sustainable growth for the Sumitomo Chemical Group and realize a sustainable society by consistently creating both economic and social value



*Jiri-Rita Koushi-Ichinyo**

Our businesses must benefit society at large, not just our own interests.

Sustainability Management

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- 007 Management System
- 009 The Material Issues to Be Addressed as Management Priorities
- 011 Key Performance Indicators (KPIs) for Material Issues
- 013 Promoting Sustainability
 - 013 Contributing through Business
—Sumika Sustainable Solutions™ (SSS)
- 015 Sumitomo Chemical Group Global Project:
JIRI-RITA ACTION
- 016 Sumika ★ Stories
- 017 Participation in Initiatives
- 021 Communication with Stakeholders

Regarding each ESG information, Please refer to the following chapters

📌 **Governance: page 022** 📌 **Environment: page 050** 📌 **Social: page 098**



Management System

In the Basic Principles for Promoting Sustainability, the Sumitomo Chemical Group declare that our top management is committed to promoting sustainability. We also place these principles just below the Sumitomo Spirit, and the Business Philosophy in the framework of our corporate philosophy to show our commitment to working on the promotion of sustainability as a management priority.

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 acting in compliance with accepted universal standards and principles related to sustainability, as well as to contributing to solving globally vital issues. In particular, we pledge to promote efforts toward achieving the United Nations Sustainable Development Goals (SDGs).

When identifying the material issues to be addressed as management priorities, we referred to the SDGs as a guideline for surveying social needs and issues.

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.005 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.009 The 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.017 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.021 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.013 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.008 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.

[▶ P.005 What Sumitomo Chemical Group Strives to Be](#)

[▶ P.009 The Material Issues to Be Addressed as Management Priorities](#)

[▶ P.011 Key Performance Indicators \(KPIs\) for Material Issues](#)

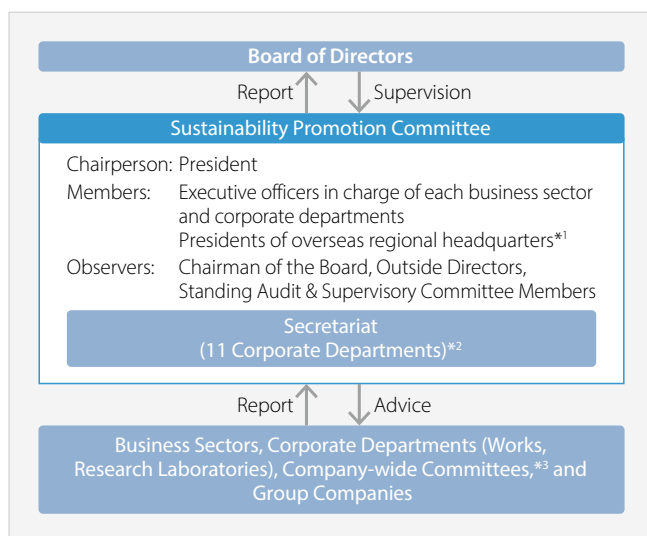
Sustainability Promotion System

The Sumitomo Chemical Group established the Sustainability Promotion Committee as a body to deliberate important matters related to the Group's management from a broad range of diverse perspectives.

The committee convenes regularly. Meetings are 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 overseas regional headquarters. Chairman of the Board, Outside Directors, and the Standing Audit & Supervisory Committee Member also attend the meetings as observers, which feature active discussions.

After the committee meets, the content covered by the meetings and related initiatives are communicated through each internal business line and the sustainability managers of each worksite. We have also established a system to carry them out to all Group employees worldwide thorough the regional headquarters and the sustainability managers of each Group company.

■ Sustainability Promotion Committee



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 deliberates issues and the direction of initiatives in consideration of surrounding conditions and provides necessary advice to each executive organization to ensure that the Group's business activities all function organically to realize sustainability for all society.

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

Fiscal 2025 Results

In fiscal 2025, the Sustainability Promotion Committee was convened twice to discuss and approve revisions to some of the material issues to be addressed as management priorities and KPIs.

Based on this, the Committee made recommendations regarding various measures to accelerate the Group's contributions to sustainability and suggested them to relevant departments and organizations. It then promoted the integration of sustainability and management in order to realize "Jiri-Rita Koushi-Ichinyo."

▶ P.005 What Sumitomo Chemical Group Strives to Be

■ Main Agenda Items

- Review of material issues and KPIs
- Outside evaluations and progress on disclosure
- Future response policy based on international trends and customer and supplier trends
- Instilling our corporate philosophy across the Group and fostering employee awareness

*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 Department, Responsible Care Department, Accounting Department, Finance Department, Procurement Department, and Logistics Department

*3 The Responsible Care Committee, Human Rights Promotion Committee, Carbon Neutral Strategy Council, etc.

The 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 to be addressed as management priorities.

In fiscal 2018, the Group first identified and announced material issues for sustainable value creation. In fiscal 2025, while maintaining the Sumitomo Chemical Group's long-standing commitment to environmental stewardship, we made partial revisions in line with our long-term direction of aiming to become an Innovative Solution Provider.

As material issues for sustainable growth, we have identified two

categories of priorities: "Create value by solving social issues" and "Strengthen our management base for value creation." With respect to the former, while continuing the environmental initiatives we have valued since our founding, we have restructured them into two material issues to better reflect the evolving Sumitomo Chemical toward the future.

Furthermore, regarding the items that serve as the foundation for business continuation — occupational health and safety, process safety and loss prevention, product safety and quality assurance, respect for human rights, cybersecurity, 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 for sustainable growth. With the use of KPIs, we will continue to 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. Similarly, for each item that forms the foundation for business continuity, we will continue to proactively disclose the details of our initiatives and their results, and will steadily implement them.

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

Material Issues for Sustainable Growth and Foundation for Business Continuation



Occupational Health and Safety / Process Safety and Loss Prevention

▶ **P.129** Occupational Health and Safety / Process Safety and Loss Prevention

Product safety and quality assurance

▶ **P.135** Product Stewardship / Product Safety / Quality Assurance

Respect for human rights

▶ **P.099** Respect for Human Rights

Cybersecurity

▶ **P.048** Cybersecurity

Compliance

▶ **P.033** Compliance

Anti-corruption

▶ **P.039** Anti-corruption

Process for Identifying and Revising Material Issues to Be Addressed as Management Priorities

When identifying our material issues, we compared the issues we consider the Group should address based on our corporate philosophy with the social issues identified in the Sustainable Development Goals (SDGs) 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 believe that 1) resolving issues through our business and creating both economic and social value is as important as 2) continuing our business to achieve relevant goals. Based on this view, we have identified our material issues for sustainable value creation based on the former belief and our foundation for business continuation based on the latter belief.

Subsequently, in light of changes in social conditions and other factors, we conducted a review of our material issues again in fiscal 2021 and fiscal 2025. Going forward, we will continue to periodically review these issues and revise them as necessary.

■ Process for Identifying and Revising Material Issues

1

An Overall Evaluation of the Group's Contribution to Sustainability

Discussed in
the Sustainability
Promotion
Committee

① 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 health and safety and compliance

② Grasp stakeholder requirements

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

③ Dialogues with experts

- Receive opinions and proposals from experts on material issues to be addressed as management priorities

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 those resources that can become drivers in the creation of business opportunities
- Identified the items serving as the essential foundation for business continuation, including occupational health and safety and compliance

3

Deliberation and Approval by Management

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

Applied to the Corporate Business Plan

Key Performance Indicators (KPIs) for Material Issues

Sumitomo Chemical has recently established key performance indicators (KPIs) for initiatives related to material issues for sustainable growth

Create value by solving social issues

Material Issues	KPI	Results		Goals	Initiatives toward Achieving Goals
		FY2024	FY2025		
Provide innovative solutions that lead the way in addressing social issue	Sales revenue of Sumika Sustainable Solutions™*1 designated products and technologies	554.3 billion yen	555.6 billion yen	1,200 billion yen by FY2030	P.013 Contributing through Business —Sumika Sustainable Solutions™ (SSS)
	Share of innovative products and technologies*2 within Sumika Sustainable Solutions™, by sales revenue	—*3	31.9%	40% by FY2030.	Long-term Vision (Integrated Report 2026 PP.14-15)
	Climate change: Amount of Group's GHG emissions (Scope 1+2)*4	5.55 million tons	5.29 million tons	Reduce by 50% by 2030 (vs. FY2013)	P.189 Disclosure in Line with TCFD Recommendations
Contribute to environmental conservation and appeal to society	Recycling resources: The amount of recycled plastics used in manufacturing processes	Approximately 11,440 tons	Approximately 14,420 tons	200k tons/year by 2030	P.066 Circular System for Carbon Resource
	Biodiversity and natural capital: Status of nature-positive initiatives	—*5	—*5	Realize a society in which people and nature coexist	P.073 Sustainable Use of Natural Capital

*1 Our Group's products and technologies that help to climate change mitigation and adaptation, contribute to recycling resources and sustainable use of natural capital.

*2 Innovative products and businesses that contribute to the solutions of issues the Group focuses on tackling among the four themes of food, ICT, healthcare, and the environment

*3 Tabulation began in FY2025

*4 Scope 1: Direct greenhouse gas emissions from operators themselves (fuel burning and industrial processes);
Scope 2: Indirect emissions from purchases of power and heat from outside the factory

*5 Because there are no internationally agreed upon metrics, we are currently considering various options.

Strengthen our management base for value creation

Material Issues	KPI	Results		Goals	Initiatives toward Achieving Goals
		FY2024	FY2025		
Advance innovation (Results based on the Patent Asset Index™)	Patent asset size*1	13,582pt	13,182pt	Maintain a high level of patent assets	Intellectual Property Strategy (Integrated Report 2026 PP.46-47)
Bolster competitiveness leveraging DX	Generative AI Usage Rate*2	38%	55%	100% use of generative AI in business operations by the end of the current medium-term plan	Bolster Competitiveness Leveraging DX (Integrated Report 2026 PP.48-49)
Recruit, develop, and utilize human resources	Development of employee capabilities, knowledge, and skills	—*3	81.5%	100% of employees who participated in activities to develop their capabilities, knowledge, and skills	P.124 Human Resources Development and Growth
		—*3	86.3%	80% or higher positive response of non-managerial employees to the status of support for self-growth from superiors and colleagues	P.124 Human Resources Development and Growth
	Percentage of female employees among those promoted to managerial positions (equivalent to section manager)	14.3%*4	16.3%*5	Over 15% on average over the 5 years from FY2023 to FY2027	P.121 Utilizing Diverse Human Resources
	Percentage of male employees who have taken childcare leave or other childcare-related leave upon the birth of a child	97.5% —*3	97.9% 41.2 days	Take-up rate of 95% or higher*6 and average leave of 50 days or more	P.121 Utilizing Diverse Human Resources

*1 Evaluated using the Patent Asset Index™, generated using the patent analysis tool LexisNexis PatentSight™. The figures are aggregated for the calendar year.

*2 Percentage of users who use the in-house generative AI service ChatSCC at least once a week

*3 Tabulation began in FY2025

*4 Percentage of women among the cumulative total number of managerial staff appointed from FY2023 to FY2024

*5 Percentage of women among the cumulative total number of managerial staff appointed from FY2023 to FY2025

*6 Calculated based on the leave taken up to the child reaches one year old. For FY2024, it is the percentage of leave taken within the fiscal year.

Promoting Sustainability

Contributing through Business —Sumika Sustainable Solutions™ (SSS)

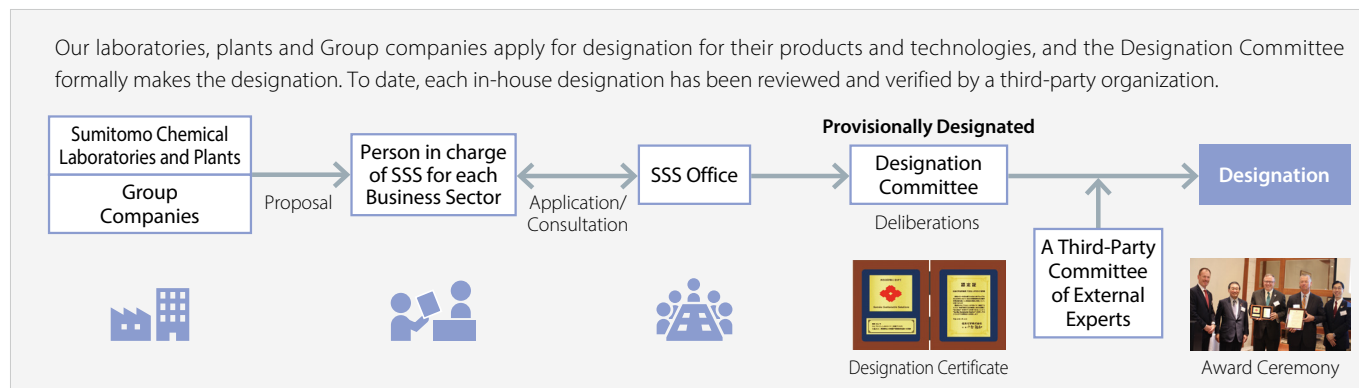
Sumitomo Chemical recognizes that environmental and climate change problems present the Group with business opportunities, such as an increase in demand for products and technologies that help solve issues related to the environment and climate change by, for example, reducing GHG emissions. To seize these kinds of opportunities, the Environmentally Friendly Product Designation Committee (Sumika Sustainable Solutions™ Designation Committee) designates the Group's products and technologies that contribute to such issues as climate change mitigation and adaptation, contribute to recycling resources, and sustainable use of natural capital, as Sumika Sustainable Solutions™ (SSS) and encourages their development and widespread adoption.

We have also set targets based on sales revenue from SSS-designated products, and we have been monitoring the progress of our efforts 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.

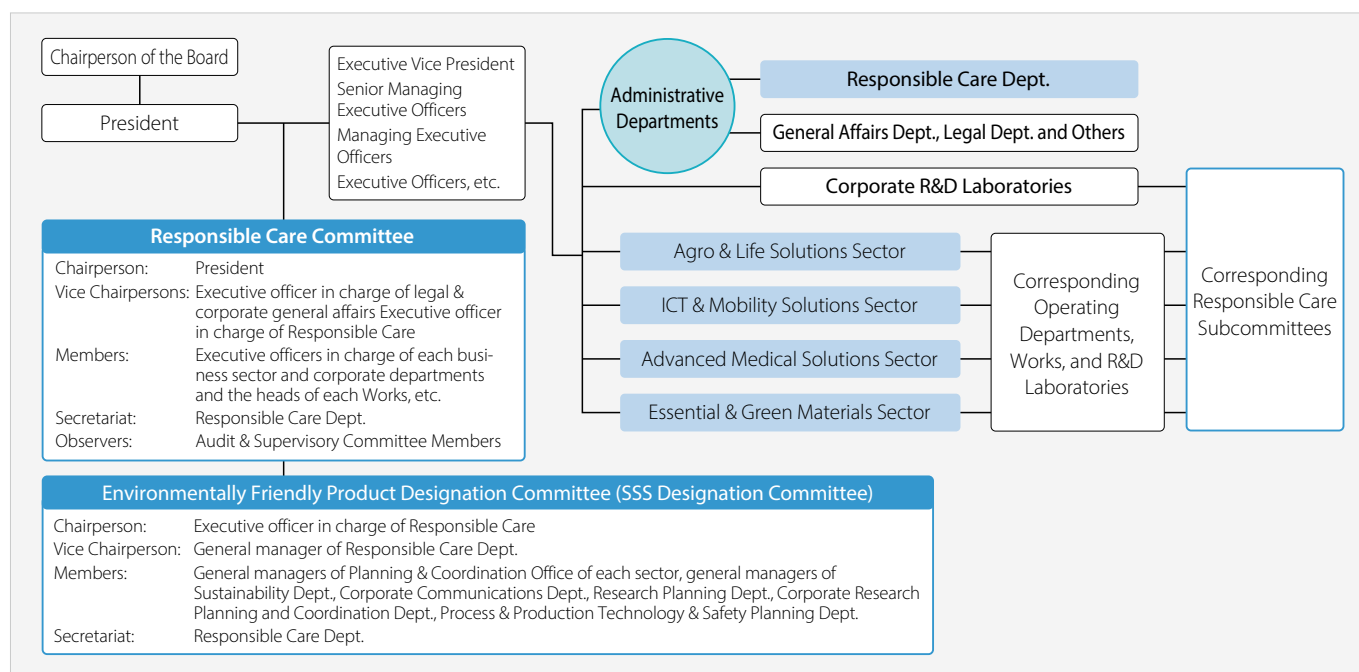
Going forward, the Group will continue solving issues in order to build a sustainable society by devoting its attention to promoting the development and widespread use of SSS-designated products and technologies.

Note: The Environmentally Friendly Product Designation Committee (Sumika Sustainable Solutions Designation Committee) was established under the Responsible Care Committee.

The Process of SSS Designation

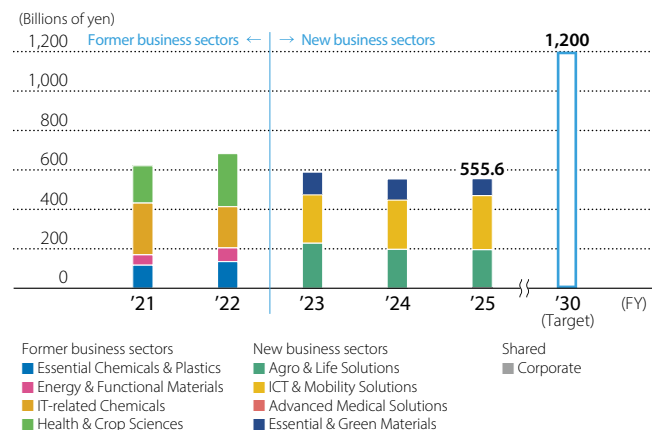


Environmentally Friendly Product Designation Committee



In fiscal 2025, the 11th year of this initiative, the number of SSS designated products and technologies totaled 101, amounting to approximately 555.6 billion yen in terms of sales revenue. New designations were given to such products and technologies of Sumitomo Chemical and the Sumitomo Chemical Group as follows: Tempest™, an herbicide for pastures that is effective in small amounts; a thin touch device that omits some display manufacturing processes; SUMIPEX™ for uncoated automotive pillar covers that eliminates the need for hard coatings; and biomass power technology that uses construction waste to reduce CO₂ emissions. The Company is now aiming to achieve sales revenues of 1,200 billion yen from SSS-designated products and technologies by fiscal 2030.

Sales Revenue of SSS-designated Products



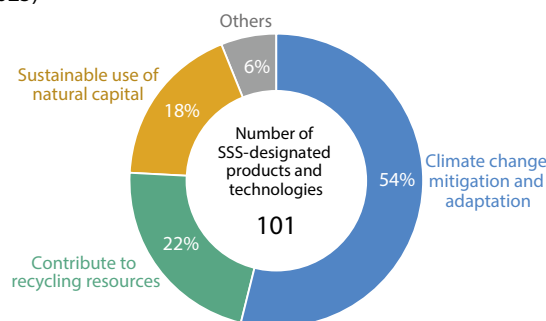
	(Billions of yen)
	FY2025
Sales revenue of the Sumitomo Chemical Group	2,328.5
Sales revenue of SSS-designated products	555.6

Designation Requirements by Category

Category	Designation Requirements	Responses to the SDGs
Climate change mitigation and adaptation	① Contribution to reducing greenhouse gas emissions	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
	② Products, parts, or materials related to renewable energy (including energy storage)	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
	③ Using biomass-derived materials and effective in reducing environmental impact	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
	④ Contribution to adapting to climate change impacts	13 CLIMATE ACTION
Contribute to recycling resources	⑤ Contribution to resource recycling (waste reduction, recycling, resource conservation, etc.)	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Sustainable use of natural capital	⑥ Contribution to reducing environmental burden in food production	2 ZERO HUNGER, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	⑦ Contribution to reducing environmental impact, such as reduction of hazardous substances	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	⑧ Contribution to efficient use of water resources	6 CLEAN WATER AND SANITATION
Others	⑨ Other contributions to building a sustainable society beyond the above	(Depends on the project)

Note: Regarding the designation requirements and responses to the SDGs, if multiple goals are listed, the product or technology may not address certain aspects of the goals.

Percentage of Products and Technologies in Each Designation Field (FY2025)



Contributing through Business – Sumika Sustainable Solutions™ (SSS)

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

“Sumika Sustainable Solutions™” Main Products and Technologies

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

Sumitomo Chemical Group Global Project: JIRI-RITA ACTION

To accelerate the promotion of sustainability, the Sumitomo Chemical Group considers it essential that all management executives and employees share the corporate philosophy, have a deep understanding of sustainability, and work together to carry out initiatives. As an effort to engage all management executives and employees and promote this “participation by all” principle, we have run the Global Project since 2014. We have striven to deepen understanding of this initiative’s established themes. The initiative is intended to spur action to promote sustainability and foster greater Group unity by enabling participants to post and share about their own ideas, actions and feedbacks. In fiscal 2023, the 10th year since the start of this initiative,

we changed the initiative name to JIRI-RITA ACTION to better communicate the idea that each action a Group employee takes should be imbued with the spirit of “*Jiri-Rita Koushi-Ichinyo* (Our businesses must benefit society at large, not just our own interests).”

FY2025 Initiative

In fiscal 2025, we developed an initiative centered on workplace discussions, based on our belief that putting the “*Jiri-Rita Koushi-Ichinyo*” principle into practice helps enhance corporate value. To highlight the Group’s long-term vision of being an “Innovative Solution Provider,” we adopted the theme “Take on the Challenge:

Be an Innovative Solution Provider - Practice ‘*Jiri-Rita Koushi-Ichinyo*’ through Our Work.” Accordingly, we held workplace discussions and many people have declared and shared their ambitions. From August to November 2025, a total of 11,401 participants across 1,251 workplaces declared their ambitions through their own individual work.

Initiatives to Date



The Sumitomo Chemical Group: JIRI-RITA ACTION (Previously the Sumitomo Chemical Group Global Project) in the past

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

Sumika ★ Stories

For the purpose of raising and enhancing awareness of sustainability among employees, Sumitomo Chemical began Sumika ★ Stories, a new series of events held in person and online, from November 2021.

Sumika ★ Stories events feature employees telling stories about and giving their take on how Sumitomo Chemical is contributing to the solution of social issues through business activities involving its businesses, technologies, and initiatives. Participants are encouraged to incorporate the realizations gained through the storytelling event in their own work with the overarching aim of crafting a forward-looking story for Sumitomo Chemical.

In fiscal 2025, we held three such events. At the first event, entitled "Thinking About Social Issues and Taking Action!" attendees learned to view social issues as their own problems and then connect them to specific actions we can take as a company. At the second event, entitled "Careers Broadened by Challenges and Study," we shared cases of employees using the in-house training programs and practicing self-improvement, and attendees gained insight on challenges that would help build their careers moving forward. And, at the third event, entitled "Celebrating 10 Years! Let's Learn All About SSS!" we held a trivia quiz to deepen attendees' understanding of the Sumika Sustainable Solutions™ (SSS) certification system. Participants offered such feedback as "The quiz helped me understand the system by highlighting its main points. It was a fun and meaningful learning opportunity."

After the events concluded, we streamed videos of them internally so that employees who were unable to participate could still benefit. Going forward, we will continue to conduct initiatives involving employee participation that help promote sustainability.

Concept

(1) Stories Unique to Sumitomo Chemical

We use cases related to such aspects of the Group's sustainability as Sumika Sustainable Solutions™ (SSS), as topics, and speakers share case overviews along with their dreams, ideas, and other private matters, with the aim of bolstering participants' awareness, pride, and sense of accomplishment.

(2) Facilitation Centered on Young People

To realize a sustainable society, going forward, young employees, who will be central to leading the way, will facilitate fun conversations in a casual atmosphere with the support of veteran employees.

(3) Interactive

We are using a real-time feedback system as a form of two-way communication. This expands our scope of empathy by enabling employees participating on-site and those participating online to immediately share their ideas.



Participants learning about the SSS certification system through a trivia quiz

P.013 Promoting Sustainability: SSS

FY2025 Event Results

	Theme	Number of participants	Video views
Fourteenth talk	Thinking About Social Issues and Taking Action! — Launching Matching Gift 2.0 —	194 people	78 views
Fifteenth talk	Careers Broadened by Challenges and Study — The First Step Toward the Future —	261 people	157 views
Sixteenth talk	Celebrating 10 Years! Let's Learn All About SSS!	100 people	163 views

Note: Video views as of June 2026

Participation in Initiatives

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

Initiative Participation Record

WE SUPPORT



UN Global Compact (UNGC)

This international initiative was established by the United Nations in 2000 to help companies and organizations practice sustainable and responsible management.

Our Initiatives

- In 2005, we joined the UN Global Compact (UNGC) as the first Japanese chemical company to do so and signed on to the ten principles related to protecting human rights, abolishing unfair labor practices, adapting to the environment, and preventing corruption.
- In 2020, we signed on to the UNGC's A Statement from Business Leaders for Renewed Global Cooperation.
- In 2024, we supported the UNGC's new initiative "Forward faster." We are committed to achieving Target 2 under Climate Action.

The Ten Principles of the UN Global Compact

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

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

GCNJ Collective Action 2030

The UN Global Compact Network Japan (GCNJ; the local country network of the UNGC) established GCNJ Collective Action 2030 to tackle priority issues in Japan.

In January 2026, the Company declared its own action plan in support of realizing the fair workstyles outlined by GCNJ.



GCNJ website: GCNJ Collective Action 2030—
Working Together for a Sustainable Future (Japanese only)

<https://www.ungcjp.org/ca2030/index.html>

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>

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

<https://forwardfaster.unglobalcompact.org>



The World Business Council for Sustainable Development (WBCSD)

This organization was established in 1995 to promote sustainable development perspectives in the business community.

Our Initiatives

- Joined the World Business Council for Sustainable Development (WBCSD) in 2006
- Participated in the formulation of the medium- to long-term Chemical Sector SDG Roadmap, which uses the SDG framework to set out a direction for contributions to sustainability by the chemical industry.
- Participated in the formulation of the WBCSD TCFD Chemical Sector Guidance

WBCSD | Chemical Sector SDG Roadmap

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

WBCSD | Climate-related financial disclosure by chemical sector companies

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



The G7 Alliance on Nature Positive Economies (G7ANPE)

This international alliance was founded as a forum for sharing knowledge and creating information networks on nature positive economies.

Our Initiatives

- In 2023, we joined the G7 Alliance on Nature Positive Economies as a founding member.
- At the meeting in September 2023, Nobuaki Mito (then a Senior Managing Executive Officer) presented a lecture on "Sumitomo Chemical's Approach to Regenerative Agriculture."
- At the COP28 Japan Pavilion in Dubai, we showed a video lecture on "Sumitomo Chemical's Approach to Regenerative Agriculture" presented by Nobuaki Mito (then a Senior Managing Executive Officer).

G7ANPE

<https://g7anpe.com/>



GX Future Consortium

This platform for public and private collaboration was established by integrating some of the functions of the TCFD Consortium and the GX League for the purpose of realizing decarbonization and economic growth.

Our Initiatives

- Following the reorganization into the GX Future Consortium, we are participating in the GX Future League, engaging in activities such as expressing opinions and shaping rules.



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

This international initiative was founded in 2021 with the purpose of helping companies and financial institutions appropriately evaluate nature-related risks and opportunities and transparently disclose relevant data.

■ Our Initiatives

- Support the vision of TNFD and participate in the TNFD Forum
- Announced our support for the TNFD's disclosure recommendations and registered as a TNFD Adopter in January 2024.

TNFD

<https://tnfd.global>

Japan Clean Ocean Material Alliance (CLOMA)

This domestic alliance was launched in January 2019 to help 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.

■ Our Initiatives

Participate in the studies of specific actions aimed at realizing a circular economy, while also continuing to take part in forums for information sharing and dialogue on plastic circularity and the ocean plastic pollution problem.

CLOMA

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

Japan Partnership for Circular Economy (J4CE)

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

■ Our Initiatives

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

J4CE

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

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

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



Circular Partners

Circular Partners (CPs)

This partnership was established in September 2023 to encourage collaboration across industries, the government, and academia with the aim of realizing a circular economy based on a growth-oriented resource-independent economic strategy.

■ Our Initiatives

Proactively participate in networking events to deepen bonds between members with the aim of promoting initiatives through collaboration.

CPs (Japanese only)

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



International Council of Chemical Associations (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.

■ Our Initiatives

- The Company participates in the ICCA Energy and Climate Change Leadership Group and promotes joint international research on chemical products and technologies that contribute to energy security and GHG emissions reduction, while striving to disseminate the results of such research.
From June 2024 through June 2026, the Company also serves as the chair company of the Leadership Group and fulfills its responsibilities in that capacity.
- As a participant in the Chemical Substance Policy and Health Leadership Group, we evaluate efforts and help formulate management plans in line with the Global Framework on Chemicals (GFC), a new framework for international chemical management. We also cooperate in conducting surveys and sharing data related to regulatory trends around the world and mechanisms for relaying information on chemical substances contained in products.
- We support solutions for sustainable development and participate in a working group related to the Globally Harmonized System of Classification and Labelling of Chemicals (GHS). In recent years, we have proactively participated in discussions grounded in sound science regarding such issues as international treaties related to microplastics and plastic waste.

Communication with Stakeholders

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) Disclosure

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) Dialogue

Through dialogue, we engage in two-way communication 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.

External Evaluation

<https://www.sumitomo-chem.co.jp/english/sustainability/management/evaluation/>

Stakeholder Engagement



Opportunities to Communicate with Stakeholders

Stakeholders	Sumitomo Chemical Group's Responsibility	Measures
Shareholders and Investors 	We proactively communicate about management policies, business strategies, and earnings trends. We thus fulfill our duty of accountability to shareholders and thereby maintain and improve the market's trust in the Sumitomo Chemical Group. We also promote the market's accurate understanding of the Company's shares and the improvement of our corporate value.	<ul style="list-style-type: none"> • General meetings of shareholders • Meetings, including corporate strategy briefing meetings and financial results conference calls • Briefing meetings for individual investors • Publications, including the Integrated Report • Disclosure via the Company's website and social media
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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • Communication through purchasing activities • Information exchange meetings with business partners • Monitoring using our Sustainable Procurement check sheets • A dedicated team provides support, answering the inquiries of 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.	<ul style="list-style-type: none"> • Central labor-management meetings and operation-site labor-management meetings • Establishment of a labor-management committee to promote the Sumika "Let's Do This Declaration" • Various training programs • Information provided 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 coexistence and collaboration with local communities by holding two-way dialogues and enhancing disclosure.	<ul style="list-style-type: none"> • Participating in international initiatives (Including UNGC) • Information provision through websites and other channels • Holding opinion exchanges with local communities, plant tours, and more • Community contribution activities

Governance

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Contributing to
the SDGs through Governance



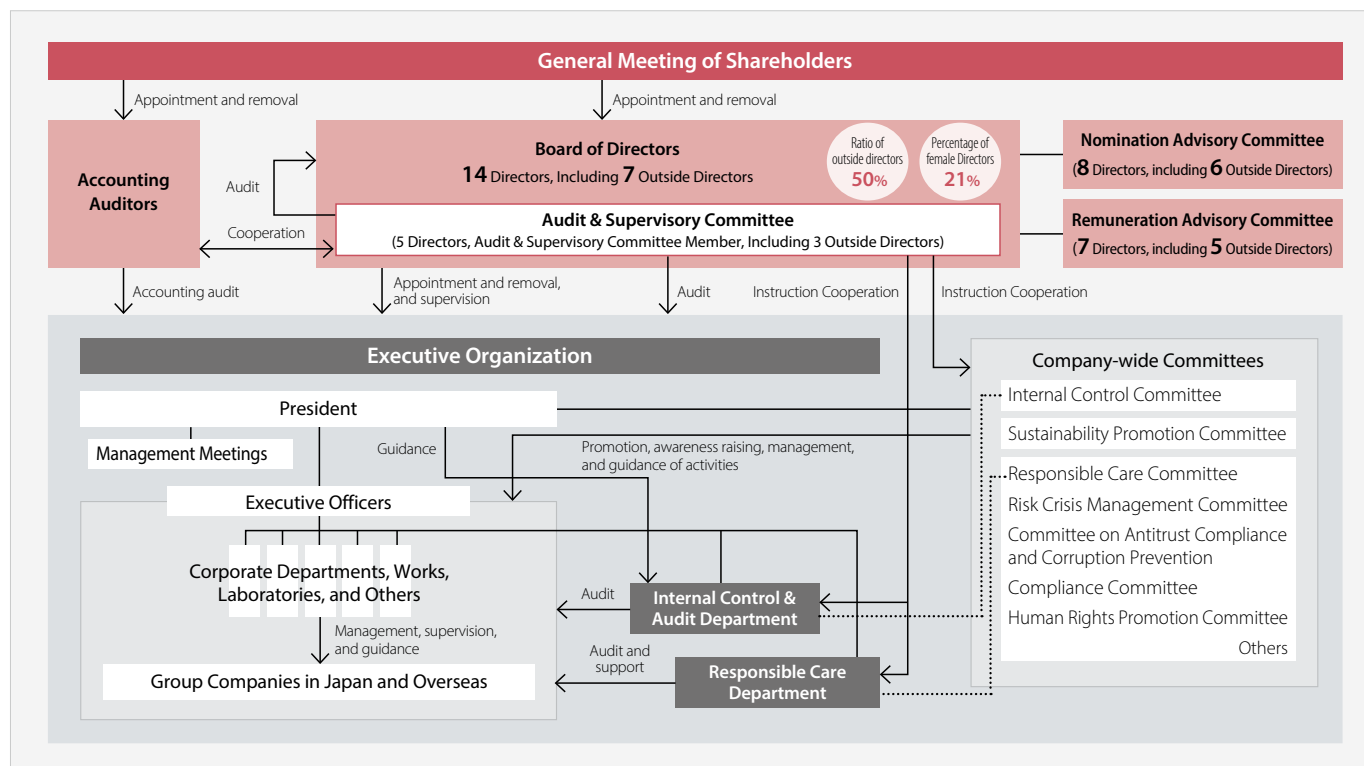
Corporate Governance

Sumitomo Chemical makes continual improvements to ensure that the company's governance structures serve their appropriate functions, including with respect to the design of the corporate structure, as well as executive nomination and remuneration, and that the Board of Directors is highly effective, with the aim of further improving corporate governance.

Corporate Governance Organization

Following our transition to a company with an Audit & Supervisory Committee in June 2025, the Company designated the Audit & Supervisory Committee Members, who are responsible for, among others, auditing Directors' performance of duties, as members of the Board. This has further increased the Board's supervisory capabilities. In addition, we have enhanced the effectiveness of audits related to business execution by strengthening the system of instruction and cooperation between the Audit & Supervisory Committee and the Internal Control and Audit Department, etc. Furthermore, by enabling the Board to broadly delegate its decisions on business execution to Directors, the Board of Directors is now able to devote more time, based on its annual agenda, to in-depth discussions on medium- to long-term management strategies, including our business portfolio.

Corporate Governance Organization (As of July 1, 2026)



Corporate Governance

Internal Control

Risk Management

Compliance

Anti-corruption

Tax Transparency

Responsible Care

Cybersecurity

■ Corporate Governance Organization

Name	Number of Meetings	Details
Board of Directors	14 (FY2025)	<p>Chairperson: Chairman of the Board (The Chairman of the Board does not concurrently serve as Executive Officer.)</p> <p>The Sumitomo Chemical Board of Directors decides management policy, business strategies, and other important matters concerning the company's management, in accordance with the law, the Articles of Incorporation, and the Board of Directors' own rules. It also receives reports from Directors and others on the performance of duties, the financial situation, and operating results, and oversees the performance of duties by each Director. In accordance with the Nomination Advisory Committee's advice, candidates for Director are nominated by the Board of Directors and are elected once a year at the General Meeting of Shareholders.</p>
Audit & Supervisory Committee ^{*1}	11 (FY2025)	<p>Constituent members: 5 Directors, Audit & Supervisory Committee Members, including 3 Outside Directors</p> <p>The Audit & Supervisory Committee Members play a vital role in our corporate governance by auditing the performance of duties by Directors in accordance with the law and the Articles of Incorporation. The results of audits and the objective views of Outside Directors who are Audit & Supervisory Committee Members are appropriately reflected in internal audits, Audit & Supervisory Committee's audits, and accounting audits, so as to raise the effectiveness and efficiency of auditing. The Audit & Supervisory Committee's Office has been established with staff dedicated to providing assistance in auditing functions under the direction of Audit & Supervisory Committee Members. In addition to these dedicated staff members, three employees from the Internal Control Department also serve concurrently in support of the Audit & Supervisory Committee, thereby strengthening coordination between the Audit & Supervisory Committee and the Internal Control Department.</p>
Nomination Advisory Committee	1 (FY2025)	<p>Chairperson (FY2026): Chairman of the Board Constituent members: Outside Directors and the Chairman of the Board, and the President</p> <p>An advisory committee of the Board of Directors relating to the selection of senior management^{*2} and the nomination of Directors and Audit & Supervisory Committee Members. The committee, whose members are directors (the majority of whom are outside directors) makes recommendations to the Board of Directors when selecting executives, with the aim of ensuring even greater transparency and fairness in executive selection and also clarifying the process of executive selection.</p>
Remuneration Advisory Committee	4 (FY2025)	<p>Chairperson (FY2026): Ms. Muraki, Outside Director Constituent members: Outside Directors and the Chairman of the Board, and the President</p> <p>An advisory committee of the Board of Directors relating to the remuneration system and remuneration levels for Directors and Executive Officers, as well as other related issues. The committee, whose members are directors (the majority of whom are outside directors) makes recommendations to the Board of Directors when determining systems for and levels of executive remuneration, among other issues, with the aim of further increasing transparency and fairness. In addition, upon authorization by the Board of Directors, the committee determines the amount of compensation for each individual senior management and Directors (excluding Directors, Audit & Supervisory Committee Members) in accordance with the policies for determining compensation of senior management and Directors.</p>
Management Meetings	In principle, 24 times per year	<p>Constituent members: the Executive Officers who are in charge of or who supervise key management functions, the Standing Audit & Supervisory Committee Members, and the Chairman of the Board</p> <p>Management Meetings support decision making by management as an institution for debating such important issues as corporate strategy and capital investment, including matters to be deliberated in the Board of Directors and reports to be made to the Board. In principle, the meetings are held 24 times a year.</p>

Name	Number of Meetings	Details
Internal Control Committee	3 (FY2025)	By debating various measures to build or expand internal control systems, and monitoring their implementation status, this committee is intended to continually improve the internal control systems of the Sumitomo Chemical Group.
Sustainability Promotion Committee	2 (FY2025)	This committee suggests measures to accelerate the Sumitomo Chemical Group's contributions to sustainability, taking in a comprehensive perspective on risks and opportunities with regard to medium- to long-term issues in the environment and society.
Responsible Care Committee	1 (FY2025)	This committee formulates annual policies, medium-term plans, and specific measures concerning responsible care (safety, health, environment, and quality), including occupational health and safety, process safety and loss prevention.
Risk Crisis Management Committee	1 (FY2025)	This committee deliberates on policies for specific risks and crises, such as large-scale disasters, pandemics, breakdowns in public security, and cyber incidents.
Compliance Committee	1 (FY2025)	This committee deliberates on the Group's compliance policies and action plans, and the status of the operation of the compliance system, including responses to internal reports and the results of activities.
Human Rights Promotion Committee	1 (FY2025)	This committee promotes increasing awareness of human rights issues, and drafts and executes policies to respect human rights in the entire value chain including Sumitomo Chemical Group.

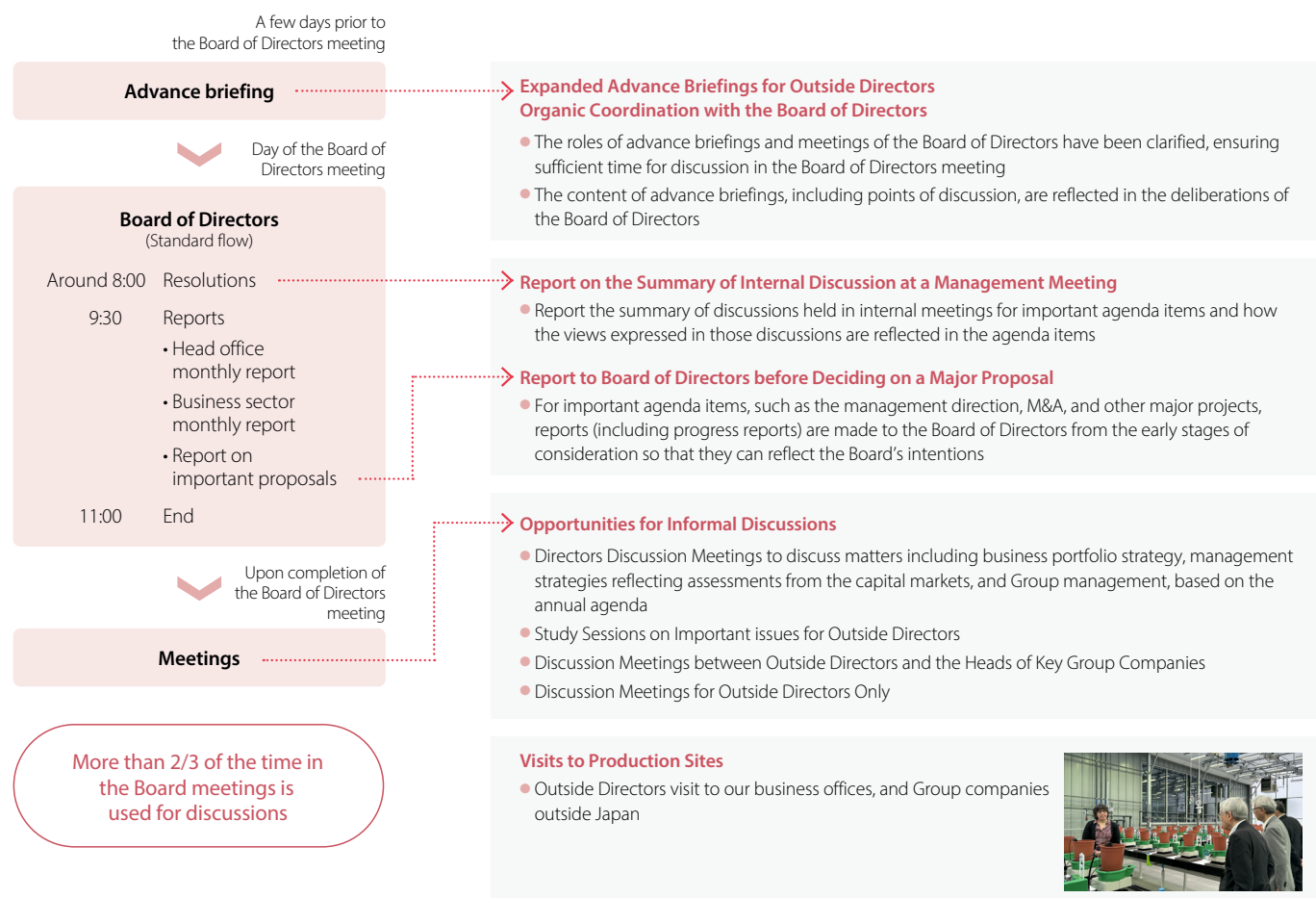
^{*1} Transition to a Company with an Audit & Supervisory Committee in June 2025. Prior to the transition, the Audit & Supervisory Board met four times in fiscal 2025.

^{*2} Senior management means Executive Officers above Senior Managing Executive Officer, and Managing Executive Officers who are immediately under the President, supervising certain functions

Efforts to Substantively Strengthen Corporate Governance

Changes in the Method of Operation of the Board of Directors

Sumitomo Chemical has been continuously improving the operation of the Board of Directors and various corporate governance measures with the primary objectives of further strengthening the Board's monitoring functions and enhancing the transparency and objectivity of management. In particular, we place great importance on making the most of the expertise of Outside Directors, and to this end, we have implemented various measures to reduce the information asymmetry between internal and outside directors by also making use of forums for discussion outside of the Board of Directors. As a result of these improvements, the operation of the Board of Directors and its associated meetings is as shown in the diagram below.



Deepening Management Reflecting Assessments from the Capital Markets

In FY2025, we positioned efforts to enhance corporate value, including improving our assessment by the capital markets, as one of the annual agenda items for the Board of Directors and discussed these matters at Directors Discussion Meetings. Outside Directors highlighted the need for regular monitoring of market assessments, more in-depth discussions on specific measures to upgrade our business portfolio and improve ROIC to enhance corporate value, and the vital importance of having the Agro & Life Solutions Sector and ICT & Mobility Solutions Sector, which we regard as near-term growth drivers, meet expectations from the capital markets. We also held a small meeting between Outside Directors and institutional investors. Taking into account candid feedback from institutional investors, we identified issues to be addressed in order to further enhance discussions by the Board of Directors.

Based on these discussions, in FY2026 we will pursue the goal of "Deepening Management Reflecting Market Assessments." We will enhance our dialogue with the capital markets, bring the insights gained from this dialogue to the Board of Directors for consideration, and deepen discussions on the progress and direction of initiatives aimed at enhancing corporate value. Specifically, we will allocate sufficient time on the Board's agenda for discussions on our medium- to long-term business portfolio strategy and measures to improve ROIC, engage in frank and open discussions, and ensure the steady implementation of the measures decided upon.



Assessing the Effectiveness of the Board of Directors

The effectiveness of the Board of Directors is assessed in terms of its composition, operational status, deliberation/reports at its meetings, the effective utilization of Independent Outside Directors, information sharing between the Audit & Supervisory Committee and the Board of Directors, auditing status on its business execution, the non-mandatory Nomination Advisory Committee and Remuneration Advisory Committee, opportunities for Outside Directors to enhance their knowledge and skills, and dialogue with shareholders.

We conduct surveys of each Director to assess the effectiveness of the Board of Directors. Based on the results of these surveys, there is then a frank exchange of views in Outside Directors Discussion Meetings, after which the Board of Directors then conducts a review of its own effectiveness in one of its meetings based on the views expressed in the prior meetings. The results of this review were also reported to and shared with the Management Meeting.

Issues Identified in FY2024	The review and verification of the monitoring process at the Board of Directors	Setting the agenda for strengthening monitoring functions	The enhancement of corporate value by leveraging market evaluations
Initiatives for FY2025	Verify the Board's monitoring of past management initiatives, etc., and further improve it through efforts in conjunction with the various initiatives associated with changes to the organizational structure.	Taking the opportunity of the change in the corporate structure, reduce the number of items submitted to the Board, use the saved time for preliminary discussions on priority management topics at the Board or other meetings, and plan the agenda for the year, thereby strengthening the monitoring capabilities.	<ul style="list-style-type: none"> Analyze market valuations in more detail than before, and deepen discussions on capital policy and shareholder return policy. Aim to maximize shareholder value by further enhancing engagement with the market and through easy-to-understand disclosure of information.
Results and Evaluation of Initiatives for FY2025	<p>Discussions were held at the Board of Directors meetings and the Directors Discussion Meetings regarding, among other matters, the verification of past major investment projects, the revision of the investment decision-making process based on those verifications, and the follow-up on the results of startup projects.</p> <p>Tasks for the next fiscal year: To achieve medium- to long-term growth in corporate value, the Board's monitoring functions should be further strengthened.</p> <p>Summary: Discussions on key management issues, including the business portfolio, are being enhanced through measures such as revising the criteria for submitting matters to the Board of Directors following the transition to a Company with an Audit & Supervisory Committee, and establishing an annual agenda based on last year's appraisal of the effectiveness of the Board of Directors.</p>	The Company limited individual matters which require deliberation and reporting to key matters, and established an annual agenda focused on portfolio strategy, etc. following discussions at the Directors Discussion Meetings, etc.	<ul style="list-style-type: none"> The Company conducted a more detailed analysis of the capital market's evaluation of the Company and exchanged views on key points of the initiatives for future enhancement of corporate value based on those findings. As a new opportunity for dialog, the Company held a small-group meeting between Outside Directors and securities analysts.
Initiatives for FY2026	<p>Further enhancement of the role of the Board of Directors in driving sustainable growth</p> <p>Deepening management based on market evaluations</p> <p>Further enhancement of the effectiveness of group governance</p> <p>Other</p>	<ul style="list-style-type: none"> Continue to further enhance opportunities for discussion regarding medium- to long-term management strategies in order to anticipate changes in the business environment, identify the Company's winning businesses, and review its business portfolio in a timely and flexible manner. Monitor the progress of the Company's growth strategy, including market and competitor trends as well as the Company's competitive advantages, to support the reliable execution of action plans by management. Enhance the sharing of issues identified during internal review processes with the Board of Directors to facilitate more in-depth deliberations. Enhance its dialog with the market and provide feedback on the content of such dialog to the Board of Directors to deepen discussions regarding gap analysis between the Company's direction and market evaluations, regarding the direction of improvement, etc. Regularly review and discuss the positioning of and its ownership policies regarding each group company within the business strategy at the Board of Directors meetings, with the aim of realizing a more optimal group structure. Strive to ensure the effectiveness of group governance while continuously verifying its efficacy. Review the appraisal methods, including the usefulness of objective assessments through third-party involvement and benchmark comparisons. 	

Remuneration

Remuneration for Directors (excluding Directors, Audit & Supervisory Committee Members and Outside Directors) and Executive Officers shall consist of Basic Compensation as fixed compensation and Bonuses and Stock Compensation as variable compensation. In addition, the remuneration for Directors, Audit & Supervisory Committee Members and Outside Directors shall consist of Basic Compensation. The remuneration shall be set at levels which are designed to be objectively competitive to attract and retain outstanding talent while comprehensively taking into consideration such factors as the scale and content of the Company's business and external evaluations of ESG and other non-financial factors. Based on surveys by a third-party organization and other materials, such levels shall be checked annually whether or not to be objectively appropriate.

Executive Compensation Structure

Revision of the Remuneration System

To further strengthen incentives to promote the sustainable enhancement of corporate value, we have revised the remuneration system, focusing primarily on the following two points.

	Increased Share of Variable Remuneration	Introduced Coefficient for ROIC Achievement
Purpose	Strengthen incentives tied to business performance	Rigorous ROIC-oriented management
Revisions	Review mix of fixed and variable remuneration and increase the share of variable remuneration	Add ROIC achievement coefficient to formula for calculating variable remuneration bonus

Mechanisms of Each Remuneration Element

① Basic Compensation

Based on the following factors for determination, the company will change the amount of remuneration when it is determinable that the company's position has changed from a comprehensive and medium- to long-term perspective.

Factors for Determination	Major Indicators
Growth	Sales revenue
	Total assets
	Market capitalization
Earnings capacity	Current income (belonging to the parent company)
	ROE
	ROIC
	D/E ratio
Outside evaluations	Credit ratings
	ESG index selected by GPIF

Note: The amount to be paid to each person will be determined by each position

② Bonuses

Consolidated performance indicator	Core Operating Income + Financial P&L (dividend income, net interest, etc.)		
Calculation formula	Consolidated business performance KPI	× Coefficient* ¹	× ROIC achievement coefficient* ²

Note: If a consolidated performance indicator does not exceed a particular level, bonuses will not be paid.

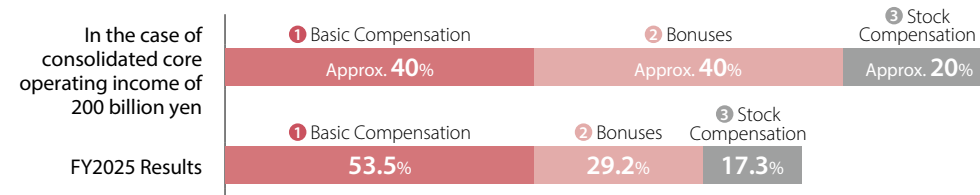
*1 Higher for higher-ranked executives

*2 Flex bonus amount based on coefficient set within the range of 0.8 to 1.3 based on ROIC

③ Stock Compensation

Stock Compensation shall be restricted stock compensation. Restricted stocks shall be allocated at a certain time after the ordinary general meeting of shareholders each year according to the amount determined for each position and performance, and it shall be obligatory to hold the stocks during the term of office. In addition, the Company shall set the ratio of stock Compensation to total remuneration so that it will get larger as the position of a person gets higher.

Image Diagram of Composition of Remuneration of Directors (excluding Directors, Audit & Supervisory Committee Members and Outside Directors)



Directors' and Audit & Supervisory Committee Members' Compensation (FY2025)

(Millions of yen)

Title	Number of people	Total amount of compensation	Total amount of compensation by type		
			Basic Compensation (fixed remuneration)	Bonuses (performance-linked remuneration)	Stock Compensation (non-monetary compensation)
Directors (excluding Audit & Supervisory Committee Members) (Of which, Outside Directors)	13 (5)	661 (76)	389 (76)	171 (—)	101 (—)
Directors who are Audit & Supervisory Committee Members (Of which, Outside Directors)	5 (3)	113 (46)	113 (46)	—	—
Corporate Auditors (Of which, Outside Corporate Auditors)	5 (3)	30 (11)	30 (11)	—	—
Total	23	805	533	171	101

Notes: • Payments to Corporate Auditors relate to the period before the transition to a company with an Audit & Supervisory Committee, while payments to Directors who are Audit & Supervisory Committee Members relate to the period after the transition to a company with an Audit & Supervisory Committee.

• The above number of persons and amount of compensation includes four Directors and five Corporate Auditors who retired during the fiscal year under review.

Policies and Procedures for Reshuffling Senior Management and Nominating Candidates for Directors and Directors, Audit & Supervisory Committee Members

Appointment Policy

- ☐ Performance, knowledge, experience, personality, and the insight of a candidate are comprehensively considered from the standpoint of having "the right person in the right place" as well as ensuring a proper and prompt decision-making process, so as to select a person suitable for the respective duties.
- ☐ According to the criteria set forth by the Company, the person who has reached a certain age set for retirement will resign, in principle, upon completion of his or her tenure.
- ☐ For the nomination of candidates for Outside Directors and Outside Directors, Audit & Supervisory Committee Members, if a candidate also serves as an executive officer of other listed companies, the number of these companies must be less than five, including our company. This rule is to ensure that the candidate can properly fulfill his/her responsibility as our Director or Audit & Supervisory Committee Members.

Appointment Procedures

Candidates Selected by Representative Directors

- Representative Directors select candidates suitable for the positions of senior management, Directors and Audit & Supervisory Committee Members in accordance with the Appointment Policy.

Discussion by the Nomination Advisory Committee

- The results of the nomination will be deliberated at the Nomination Advisory Committee and recommended to the Board of Directors.

Decision by the Board of Directors

- The Board of Directors will deliberate based on the advice and make a decision.

Dismissal Policy and Procedures

- ☐ The Board of Directors will deliberate and decide on its response if senior management commits a wrongful, inappropriate, or treasonous act, or if there is a cause that is deemed unsuitable to be committed by a member of senior management.

Directors & Senior Management

<https://www.sumitomo-chem.co.jp/english/company/executives/>

Expertise and Experience of Directors

Our management requires expertise and business experience in a variety of fields. In light of these business characteristics, the Company's Board of Directors, in principle, consists of a diverse range of members, including those with extensive knowledge and experience in corporate management, the Company's business, finance and accounting, legal, compliance, and internal controls, etc., as well as international experience.

Expertise and Experience of Directors

	Position	Expertise and Experience								
		Corporate Management	Business Strategy/ Marketing	Technology/ Research	Global	ESG/ Sustainability	Finance/ Accounting	Human Resources and Labor	Legal/ Compliance/ Internal Control	Knowledge of Other Specialized Fields
Directors (excluding Directors who are Audit & Supervisory Committee Members)										
Keiichi Iwata	Chairman of the Board	●	●		●					
Nobuaki Mito	Representative Director & President	●	●	●						
Keigo Sasaki	Representative Director		●		●		●			● (Corporate Communications)
Takanari Yamaguchi	Director		●	●						● (IT/DX)
Shinoi Sakata	Director			●		●				● (intellectual property)
Atsuko Muraki	Outside Director					●		●	●	
Akira Ichikawa	Outside Director	●			●	●				
Yumiko Noda	Outside Director	●			●		●			
Tetsuji Ohashi	Outside Director	●		●	●					● (IT/DX)
Directors who are Audit & Supervisory Committee Members										
Kenji Ohno	Director					●			●	
Kunio Nozaki	Director				●		●			
Yoshitaka Kato	Outside Director				●		●		●	
Michio Yoneda	Outside Director	●				●				● (Financial Markets)
Masamichi Kamimura	Outside Director					●			●	

Note: The above table shows up to three of the major areas (excluding "Knowledge of Other Specialized Fields") of each person's expertise and experience with ●.

Internal Control

Status of the Development of the Internal Control System

Sumitomo Chemical established its Basic Policy for Enhancement of the Internal Control System by a resolution of the Board of Directors, creating a system to ensure the appropriateness of its operations as stipulated in the Companies Act.

In addition, we have formed the Internal Control Committee, which is chaired by the President, consists of Executive Officers responsible for and in charge of each business sector and corporate department, and includes Standing Audit & Supervisory Committee Members as observers. The committee meets three times a year to discuss and confirm plans for and the implementation status of various measures based on the basic policy described above, and continuously enhances the internal control system by swiftly and appropriately responding to changes in the surrounding business environment.

Summaries of the matters covered in the committee are reported to the Audit & Supervisory Committee after each meeting. These summaries are then reported to the Board of Directors for deliberation. In FY2025, the matters shown on the following points were reported to the Board of Directors.

- I. Initiatives based on the Basic Policy for Enhancement of the Internal Control System
- II. Initiatives related to risk management
- III. Policy on internal audits and audit results
- IV. Responses to the internal control reporting system for financial reporting, etc.

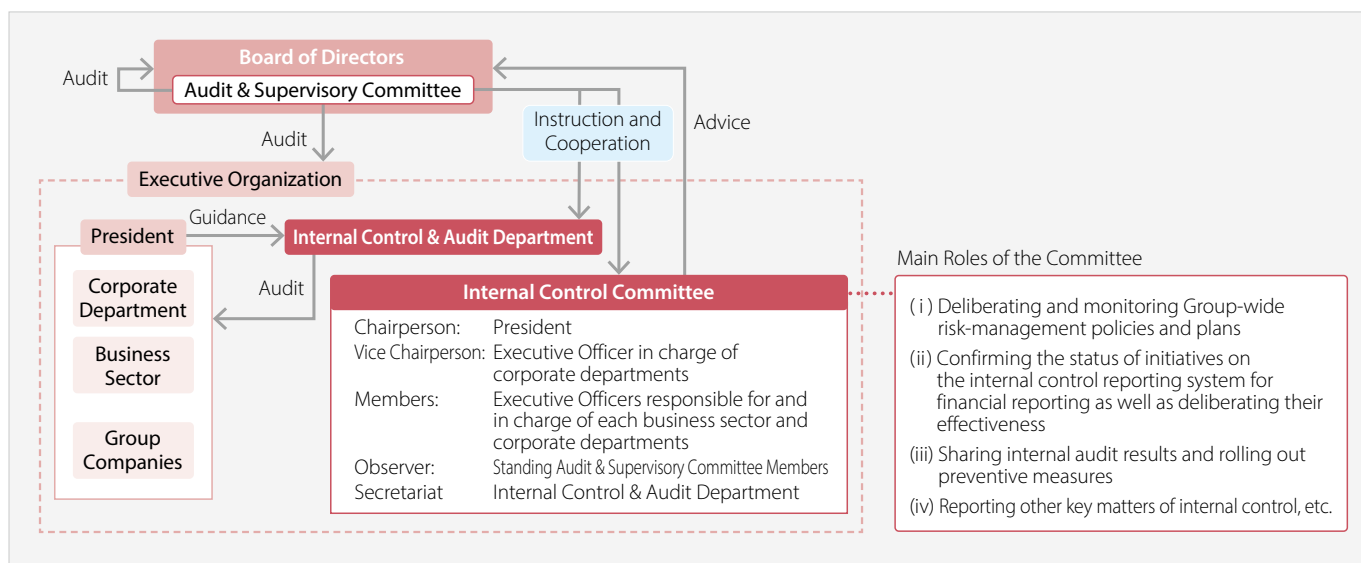
Basic Policy for Enhancement of the Internal Control System

https://www.sumitomo-chem.co.jp/english/company/files/docs/InternalControlSystem_20250620_e.pdf

The Internal Structure Regarding Timely Disclosure

The Corporate Communications Department is in charge of working in conjunction with other relevant departments to continually disclose necessary information in a timely manner. In addition to items requiring disclosure under Japan's Financial Instruments and Exchange Act and under stock exchange regulations, we also actively disclose information that may be considered material to the decisions of investors. We endeavor to build stronger relationships of trust with society and capital markets by publishing documentation in accordance with the rules stipulated by the security exchanges in Japan, including reports on the Company's corporate governance philosophy and system, and notifications showing that Outside Directors and Outside Audit & Supervisory Committee Members have no existing conflicts of interest with general shareholders. These documents are available on the website of Japan Exchange Group Inc.

Internal Control Committee



Corporate Governance Report

https://www.sumitomo-chem.co.jp/english/company/files/docs/governance_report_e.pdf

Internal Audits

As part of its internal control monitoring activities, Sumitomo Chemical has established a dedicated organization within the Company to conduct internal audits, in addition to audits by the Audit & Supervisory Committee Members and Financial Statement auditors. The Internal Control & Audit Department conducts internal audits for all matters related to the execution of operations by the Company and its Group companies, and dedicated audit teams for the Responsible Care Department conduct responsible care auditing from the perspective of safety, health and environment, and quality

throughout the life cycle of chemical products. The appointment of the General Manager of Internal Control and Audit Department is a matter to be resolved by the Board of Directors.

In case any serious matter relating to internal controls is found, the matter will be promptly reported to the Executive Officer of the relevant reporting line and the Audit & Supervisory Committee (or in the event of a finding concerning senior management, to the Audit & Supervisory Committee and the Executive Director of the Compliance Committee).

When Audit & Supervisory Committee Members provide guidance, appropriate inspections and reporting will be conducted in

accordance with that instruction to aid the members in auditing operations.

① Internal Audits

Department Conducting the Audits	Internal Control & Audit Department
Objective of Internal Audits	Evaluate whether internal controls are in place, operating, and functioning appropriately from various perspectives, including maintaining the effectiveness and efficiency of operations, ensuring the reliability of financial reporting, and complying with relevant laws and statutes in all business activities
Audit Cycle	In principle, once every 3–5 years for each separately audited unit
Number of Companies and Organizations Conducting the Audits (FY2025)	<ul style="list-style-type: none"> • Business process audits: 5 in-house organizations, 8 Group companies in Japan, 13 Group companies overseas • Information system security audits: 5 in-house organizations; 6 Group companies in Japan, 5 Group companies overseas
Sharing of Audit Results and Status of Improvements	<ul style="list-style-type: none"> • Reported to the Internal Audit Liaison Meeting (Held regularly, three times a year, attended by Standing Audit & Supervisory Committee Members and a number of departments, including the Internal Control & Audit Department, the Responsible Care Department, the Legal Department, the Human Resources Department, the Accounting Department, and the planning & coordination offices of each business sector) • After reporting at the Internal Control Committee (Three times a year), the report is reported to the Audit & Supervisory Committee and the Board of Directors

② Responsible Care Audits

Department Conducting the Audits	Teams of dedicated auditors from the Responsible Care Department
Objective of Internal Audit	Evaluate whether internal controls relating to securing safety, health and environment, as well as maintaining and improving quality for all chemical products over their life cycle, are in place, operating, and functioning appropriately.
Audit Cycle	In principle, once every 1–3 years for each separately audited unit
Number of Companies and Organizations Conducting the Audits (FY2025)	10 in-house organizations, 11 Group companies in Japan, 5 Group companies overseas
Sharing of Audit Results and Status of Improvements	<ul style="list-style-type: none"> • Reported internally as necessary • Reported to the Responsible Care Committee (Held regularly, once a year), and similarly reported to the Audit & Supervisory Committee.

Risk Management

To achieve sustainable growth, Sumitomo Chemical makes an effort to detect, at an early stage, various risks that may hinder the achievement of its business objectives, and takes proper measures. We focus on building and expanding a system relating to risk management so that we can promptly and properly address risks when they emerge.

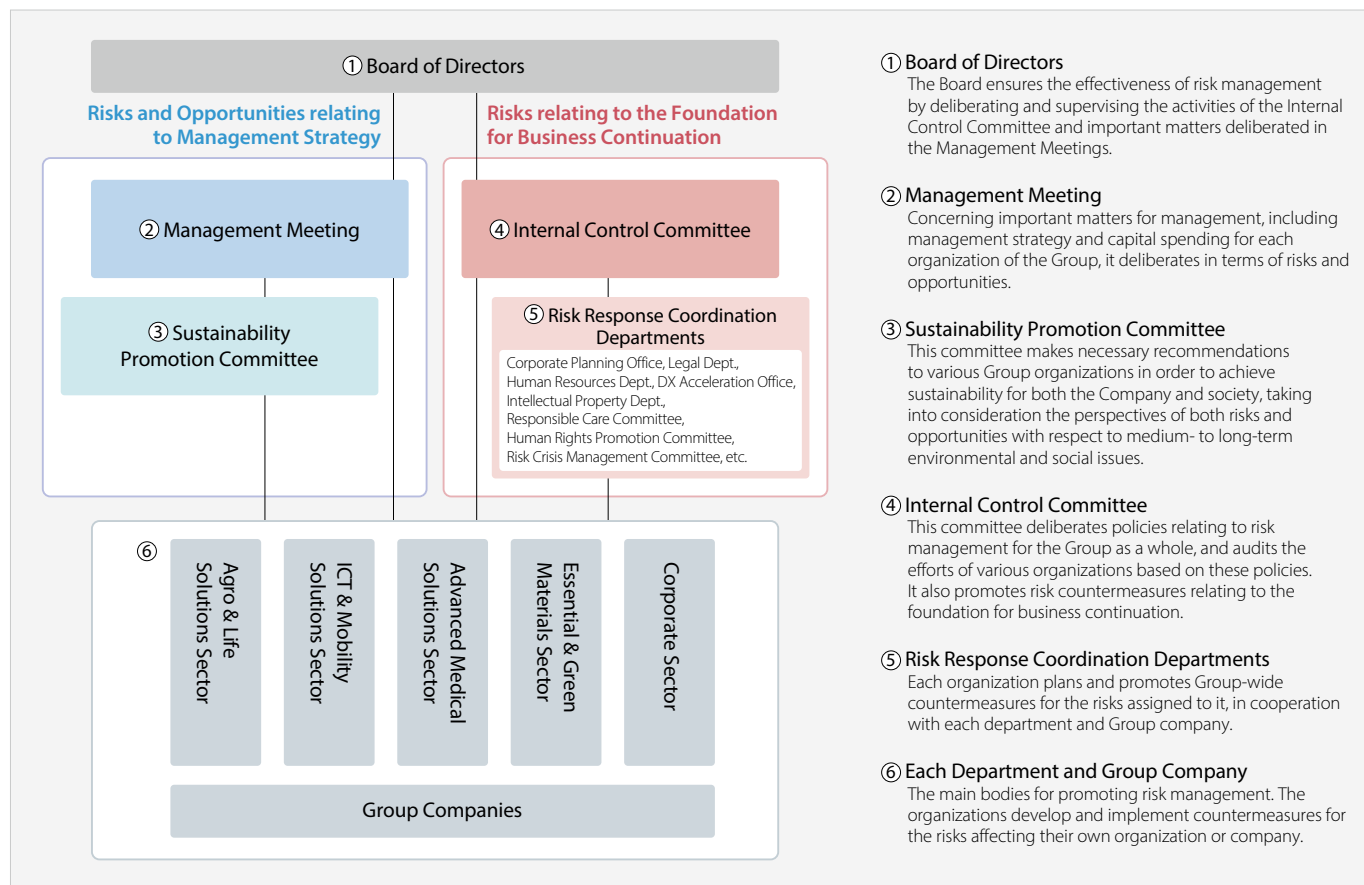
Systems for Promoting Risk Management

Sumitomo Chemical's Internal Control Committee works together with multiple other committees to implement systems for promoting risk management, under which each Group organization is able to properly manage risks associated with its business operations in accordance with Group policies.

The Internal Control Committee sets policies relating to risk management for the Group as a whole and monitors the efforts of each organization in accordance with those policies. Collecting risk-related information and evaluating it, this committee creates a risk map for the Group as a whole each year, aiming to comprehensively capture the status of risks relating to management strategy and the foundation for business continuation, and coordinate with risk response coordination departments, promoting countermeasures for priority risks relating to the foundation for business continuation, such as earthquakes, workplace accidents, and product-related accidents, on a Group-wide level.

The Management Committee deliberates on important management matters, including management strategies, capital investment, and investment and loans for the Company and its group companies, on a case-by-case basis, regarding risks relating to management strategy that require consideration from both a risk and an opportunity perspective. With regard to sustainability, the Sustainability Promotion Committee* makes necessary proposals on medium- to long-term environmental and social issues to each organization of the group to ensure that the management activities of the group

■ Systems for Promoting Risk Management



contribute to the realization of sustainability of society and the group itself.

Summaries of the matters covered in the Internal Control Committee and important matters deliberated in the Management Meetings are reported to the Board of Directors.

* Chairman and Outside Directors, Standing Audit & Supervisory Committee Members participate as observers

Promotion of Group-wide Priority Risk Assessment and Countermeasures

Every year, approximately 110 major organizations within both Sumitomo Chemical and Group companies around the world conduct risk evaluations using a list of risks compiled by the Company to assess the probability of occurrence and the potential impact of various risks that could hinder the achievement of business objectives and create risk maps. Based on the aggregation of these maps, a Group-wide risk map is created.

The department uses this Group-wide risk map to assess important risks that require Group-wide countermeasures and create risk management policies. Risk response coordination departments

collaborate to promote the Group's risk management.

In addition, each organization within the Group considers risk countermeasures based on their own risk map and with reference to the Group-wide risk map. As necessary, they take countermeasures in collaboration with the Company's sectors and Risk Response Coordination.

P.031 Risk Management: Systems for Promoting Risk Management

Cross-organizational Risks and Crisis Response

We established the Risk Crisis Management Committee to deliberate

risks and crisis response policies that affect multiple business sites, departments, and Group companies, such as large-scale disasters (earthquakes, storms, floods, etc.), pandemics, deterioration of security in Japan or overseas (terrorism, riots, wars, etc.), cyber incidents, and other issues.

Initiatives Related to Cyberattack Threats

We have formulated an IT business continuity plan (BCP)* and other BCPs to address cyberattack threats. Through regular drills based on these plans, we are working to engrain procedures while continuously revising and improving the plans.

* A plan to maintain or restore information systems when a large-scale cyber incident or other such event occurs

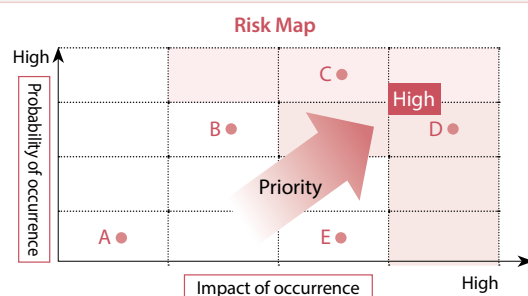
■ Evaluating Risks and Promoting Countermeasures

Risk Maps Created by Each Internal Department and Group Company

Each organization identifies risks critical to its own execution of duties and advances countermeasures.

Group-wide Risk Map

The Internal Control Committee identifies priority risks that require Group-wide countermeasures and advances them across the Group.



■ List of Risk Items

Risk response coordination departments have cooperated to create a list of risk items that broadly encompasses the Group's business activities, from management strategies to risks related to the fundamental drive to remain a going concern.

We revise the list every year in line with changes in internal and external conditions and the business environment. By evaluating Group-wide risks using this list, we have achieved systematic and comprehensive risk management.

Field	Example of Risks Included in the List
Business risks	Interruptions in the supply of raw materials, fuel, or products, or service; rapid price fluctuations; industrial reforms; price competition; technological innovations; digital innovations; extreme weather events; changes in standards and rules; rapid fluctuations in demand, imposition of tariffs, import restrictions
Political and social risks	GHG problems; plastic waste problems; transition to circular economy; terrorism; country risks in various nations and regions
Accident and disaster risks	Earthquakes, tsunamis, volcanic eruptions, meteorological disasters (typhoons, tornadoes, floods, hail, etc.) fires, explosions, product-related accidents, environmental pollution, ground subsidence, interruptions in or restrictions of the supply of electricity, gas, water, or other utilities
Legal violation and compliance risks	Bribery, collusion, falsification, scandals, criminal behavior, competition laws violations, export control regulation violations, infringement of intellectual property rights, insider trading, improper receipt of sensitive information and trade secrets
Personnel and labor risks	Workplace accidents, human rights problems, mental health issues, harassment, spread of infectious or contagious diseases
Information security risks	Cyberattacks, system failures, confidential information leaks, personal information leaks
Taxation and financial risks	Tax transparency, volatility of managed assets, interest rate volatility

Risk Factors

https://www.sumitomo-chem.co.jp/english/ir/policy/risk_factors/

Compliance

Basic Policy

The Sumitomo Chemical Group places compliance at the bedrock of its corporate management. As we engage in business in many parts of the world, all of the companies in the Sumitomo Chemical Group are devoting earnest efforts to stay in strict compliance with not only laws and regulations, but also ethical principles in a business environment. Both the spirit and the letter of ensuring compliance in business activities have consistently been enshrined at Sumitomo Chemical ever since its founding. This unwavering resolve towards compliance is embodied succinctly in the "Sumitomo Chemical Charter for Business Conduct," which serves as the guideline of conduct for every employee to abide by and constitutes the backbone of our day-to-day compliance activities. In recent years, in particular, companies are expected to fulfill their social responsibilities more than ever before. Given the circumstances, all companies in the Sumitomo Chemical Group are making concerted efforts to further compliance activities, under the strong leadership of top management, to further enhance compliance in the Group's business activities on a global basis.

The Sumitomo Chemical Charter for Business Conduct and Code of Ethics Embody the Sumitomo Spirit and Business Philosophy

Sumitomo Chemical has established the Sumitomo Chemical Charter for Business Conduct to embody the Sumitomo Spirit, Business Philosophy, and Basic Principles for Promoting Sustainability. In addition, to better define the Charter for Business Conduct and more clearly explain it to employees, we established the Sumitomo Chemical Code of Ethics (hereinafter, "the Compliance Manual") as corporate rules and distributed it to employees.

Sumitomo Chemical Charter for Business Conduct

<https://www.sumitomo-chem.co.jp/english/company/principles/charter/>



Sumitomo Chemical Code of Ethics (Compliance Manual)

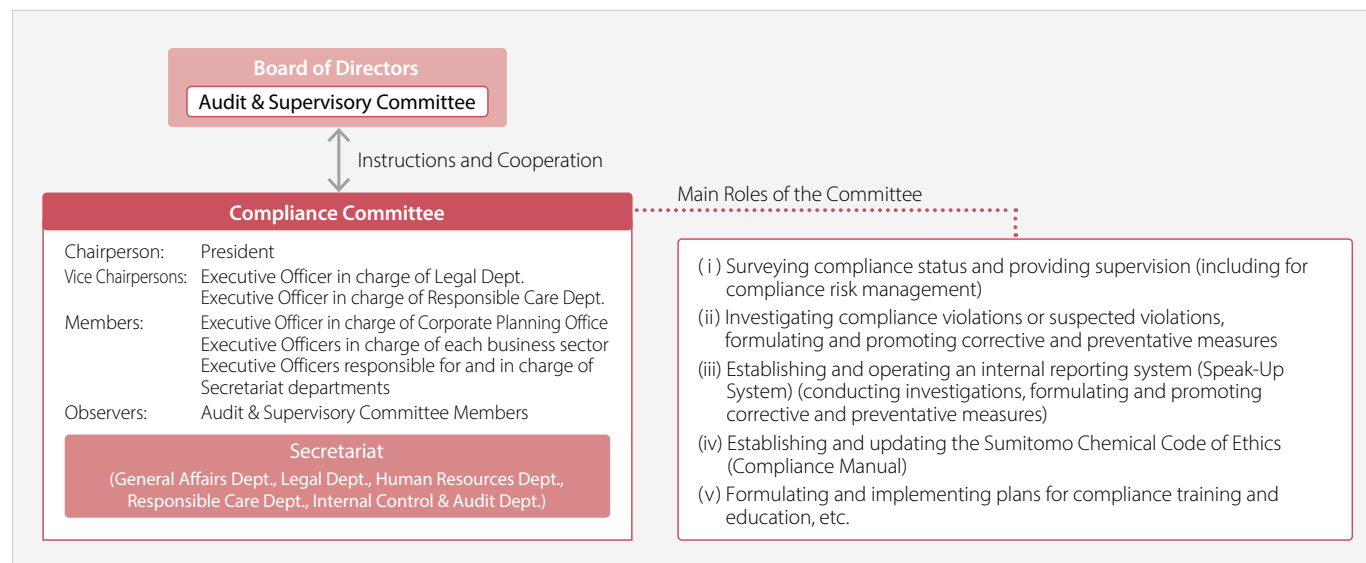
https://www.sumitomo-chem.co.jp/english/sustainability/governance/compliance/rules_society/

Compliance System at the Sumitomo Chemical Group

(1) Compliance Committee

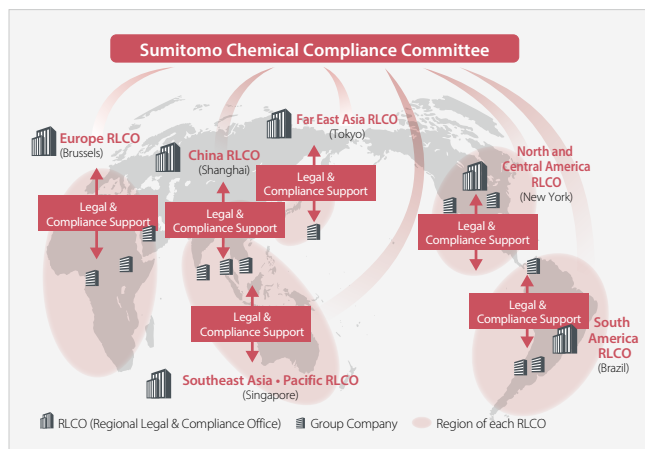
Sumitomo Chemical has established a Compliance Committee chaired by the President and holds a Compliance Committee meeting at least once a year (or more frequently as needed). Details discussed by the committee are reported to the Board of Directors and Audit & Supervisory Committee, and the committee then receives feedback from them. The committee establishes overarching principles of compliance from a global perspective, and then works with each business sector and Group company, both in Japan and abroad, to build and operate their compliance systems locally in the required manner, according to those global principles.

Compliance Committee



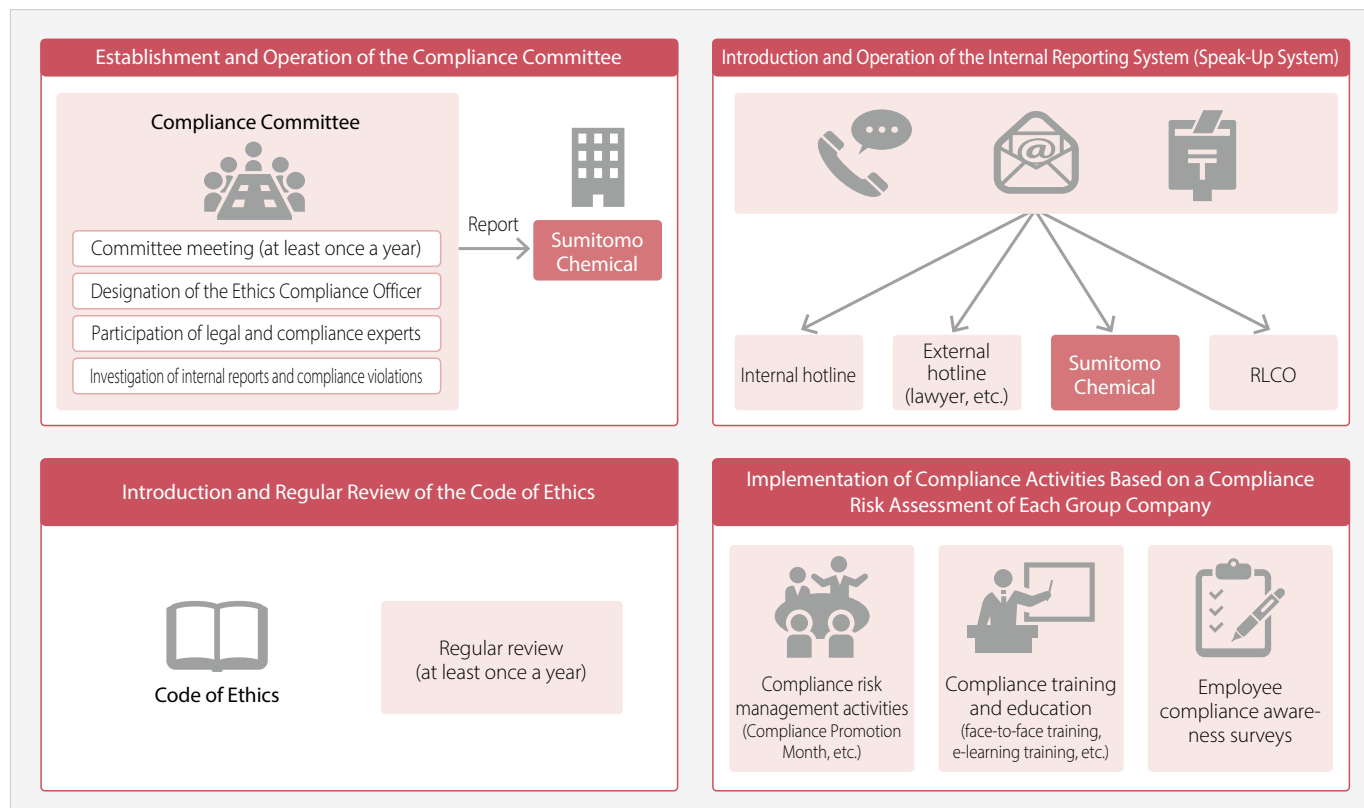
(2) Group Compliance Structure Focused on Effectiveness**“Think globally, Manage regionally, Act locally”**

As business globalizes, it becomes more important that the operation of a corporation's compliance system be fine-tuned to situations specific to individual countries or companies. In light of this, we have established Regional Legal & Compliance Offices (RLCOs) in Sumitomo Chemical's major business regions. Grasping the concrete needs and tasks of their respective Group companies, the RLCOs provide hands-on support and guidance, such as helping Group companies set and implement necessary internal rules and procedures, building company compliance systems, and assisting in operations.

■ Compliance System at Sumitomo Chemical Group**(3) Introducing and Operating a Compliance System for the Company and its Group Companies**

To ensure thorough compliance throughout the entire Sumitomo Chemical Group, it is important that Sumitomo Chemical and its Group companies establish and operate their own compliance systems. Accordingly, we established the Sumitomo Chemical Group Compliance Standards, which outline the compliance systems and activities that serve as our standards. In line with these standards, Sumitomo Chemical and its Group companies are engaged in the following main initiatives.

- (i) Establishing and operating the Compliance Committee (including responding to internal reports and conducting compliance violation investigations)
- (ii) Introducing and regularly reviewing the Code of Ethics
- (iii) Introducing and operating the Internal Reporting System (the Speak-Up System)
- (iv) Conducting compliance activities (education, training, etc.) based on a compliance risk assessment of each Group company

■ Compliance System Operations

Internal Reporting System (Speak-Up System)

(1) The Internal Reporting System Is the Key to Ensuring Compliance

In order to detect any compliance violations as early as possible or to prevent them from occurring in the future, the Sumitomo Chemical Group has introduced an internal reporting system (the Speak-Up System) that allows company employees, etc., to report a compliance violation or a suspected violation, either directly to the Compliance Committee or to external lawyers. The Speak-Up System may be used by Sumitomo Chemical's management executives and employees (including contract employees) and their families, Group companies' management executives and employees and their families, former officers and employees of the Company and Group companies, and anyone involved in the Group's businesses (including trading partners).

Furthermore, to receive Speak-Up reports without fail, Sumitomo Chemical has set up Speak-Up Reporting Hotlines to receive reports at (i) the Compliance Committees of each Group company, (ii) RLCOs, (iii) the Compliance Committee of Sumitomo Chemical, and (iv) external lawyers designated by these committees. The person reporting can choose the hotline they think most appropriate. In addition, anonymous reports are also accepted and responded to.

Notes: • Regarding reporting within the European Union, we act in compliance with the various laws and regulations of the European Union or its individual member countries.

• This Speak Up System allows any person for claims (reports) of research misconduct or research financing fraud in studies using public research funds.

(2) Guidance and Oversight by the Audit & Supervisory Committee

On the grounds that Speak-Up reports given to the Compliance Committees of Sumitomo Chemical and the Group companies, as well as compliance violation incidents at each company, are also important from a governance perspective, the Audit & Supervisory Committee will regularly, or as needed for important issues, receive reports on these reports and violations, and will provide guidance and oversight. Moreover, to further enhance the independence of whistleblower responses related to top management in line with the Whistleblower Protection Act, whistleblower reports regarding top management are submitted only to the Audit & Supervisory

Committee. The Company takes steps to respond to the report while being audited and instructed by the Audit & Supervisory Committee.

(3) Promoting Use of the Internal Reporting System (Speak-Up System)

In its Compliance Manual, Sumitomo Chemical Group makes clear that the Company carries out investigations based on the Speak-Up report with utmost consideration to protecting the privacy of a reporting person and maintaining confidentiality of information provided and that the Company doesn't put the truthful reporting person at any disadvantage, such as dismissal, transfer, or discrimination, on the grounds of having made the report. The manual also states that if someone commits a compliance violation but reports it to the Company of their own volition and cooperates with the Compliance Committee's investigation, the person is eligible for leniency regarding the disciplinary action that would ordinarily be prescribed. We are raising awareness of these facts among employees. Moreover, to ensure that the Speak-Up System functions in a truly effective manner, Sumitomo Chemical's Compliance Committee takes every opportunity to explain to employees that Speak-Up reporting will never disadvantage a reporting person. In this regard, the Committee has been working to help employees understand clearly that confidentiality about the reporting is maintained, any disadvantageous treatment to a reporting person is strictly prohibited, and leniency is possible. In addition, the Committee shares with employees information about how far the Speak-Up System is in use by employees.

(4) Latest Results of the Internal Reporting System

As a result of initiatives promoting use of the reporting system, in fiscal 2025, the total number of reports made to the Compliance Committees of Sumitomo Chemical and its Group companies (including listed companies in which the Company holds a stake of more than 50%) was 213, a year-on-year decrease of 9 reports. Upon its receipt, each report was worked on, and an investigation was conducted promptly and cautiously into the reported incident. If compliance violations were found or if a situation that might eventually develop into an incident of violation was recognized, corrective measures were taken properly. In addition, information on violation incidents and corrective measures actually taken was shared, as necessary, with other companies of the Group so that they could prevent similar incidents from occurring in their workplace in the future.

■ Number of Reports (Sumitomo Chemical Group*)

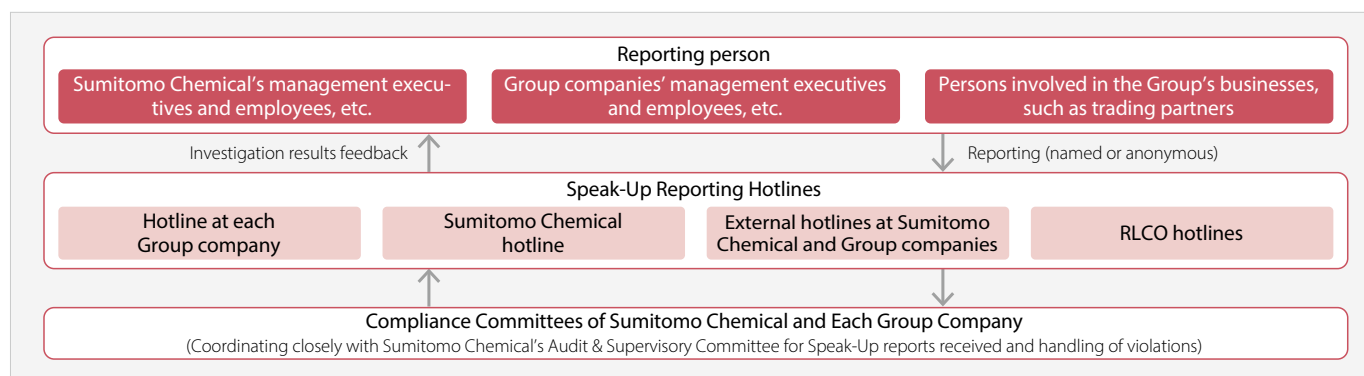
	FY2023	FY2024	FY2025
Number of reports	232	222	213

* Includes those listed companies in which the Company holds a stake of more than 50%

How to Make Use of Speak Up System

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

■ How a Report is Processed under the Internal Reporting System (Speak-Up System)



Response to Compliance Violations

At Sumitomo Chemical and Group companies, when a management executive or employee discovers a compliance violation or suspected violation, the compliance supervisor in the department promptly reports to the relevant department and the Compliance Committee. After submitting a report, an investigation is carried out, and if any compliance violation is discovered, corrective and preventive measures are formulated and rolled out not just to the offending department but to the entire Sumitomo Chemical Group to ensure a recurrence is thoroughly prevented. In addition, the Internal Control & Audit Department and the Responsible Care Department conduct audits from the perspective of compliance. When a compliance violation is discovered through these audits, corrective action is taken directly at that time. In fiscal 2025, there were no major compliance violations related to the Sumitomo Chemical Group's business continuity.

■ FY2025 Number of Compliance Violations (Sumitomo Chemical Group*)

	Number of Compliance Violations
Number of significant compliance violations	0
Significant violations of antitrust and monopoly legislations	0
Significant violations of anti-corruption legislations	0
Significant violations of laws or regulations in the social and economic area besides those mentioned above	0

* Includes those listed companies in which the Company holds a stake of more than 50%

Results of Main Compliance Activities in the Sumitomo Chemical Group

(1) Compliance Committee Meetings

Sumitomo Chemical and its Group companies have established Compliance Committees, which convene either regularly (at least once a year) or as appropriate. Sumitomo Chemical's Compliance Committee convened on April 17, 2026, and reported its results to the Board of Directors and Audit & Supervisory Committee, from which it received feedback.

(2) Review and Update of the Code of Ethics

Sumitomo Chemical and its Group companies regularly consider revisions to the Code of Ethics (at least once a year). After conducting a review, if there is need for an update, it is made promptly. Sumitomo Chemical conducted a review of the Code of Ethics at relevant departments. In light of these results, we updated the Code of Ethics in April 2026.

Sumitomo Chemical Code of Ethics (Compliance Manual)

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

(3) Compliance Promotion Activities

(i) Compliance Risk Management Activities (Compliance Promotion Month, etc.)

Sumitomo Chemical and some of its Group companies have designated September as Compliance Promotion Month. During this month, all employees in each workplace, including manufacturing, research, sales, and various intermediate departments, participate in discussions to examine and identify all conceivable compliance risks, major or minor, that might arise in each workplace. They then

go on to select those risks that need to be specifically addressed and formulate concrete measures to prevent the risks from occurring in the future. For those preventive measures that are already in place, they review once again whether or not the measures are sufficiently effective when implemented. Continuous implementation of these measures not only reduces specific compliance risks in the workplace but also helps in raising employees' compliance consciousness.

During the 2025 Promotion Month, we highlighted the topic of addressing emerging compliance risks associated with the implementation of the new Corporate Business Plan. Accordingly, we identified risks in each department and formulated preventive measures. Reports on these activities were submitted by each department, and an evaluation team that includes outside legal counsel objectively evaluated them. With the goal of further raising the level of compliance, we shared information on departments with positive evaluations and the details of their initiatives within the Company.

■ List of Essential Topics of Discussion during the Compliance Promotion Month

Fiscal Year	Essential Topics of Discussion
2016	Fraud risks
2017	Collusion and harassment
2018	Information leaks and management of company assets
2019	Compliance with business laws
2020	Environmental changes caused by the COVID-19 pandemic
2021	Possible improper cases in the processes of one's own department
2022	Information management
2023	Workplaces that are open and where workers can speak up
2024	Workplace culture where both supervisors and subordinates, regardless of position, can actively exchange honest and constructive opinions.
2025	Addressing emerging compliance risks associated with the implementation of the new Corporate Business Plan.

(ii) Compliance Training

In line with its firm belief that strict compliance can only be achieved with each employee having high awareness of compliance, Sumitomo Chemical places importance on carrying out compliance education on a continual basis. This includes training programs geared to management executives at Sumitomo Chemical and Group companies as well as class-based training when someone is promoted. In addition, we conduct face-to-face lecture-style training courses and e-learning training, depending on each company's specific needs and situation. In fiscal 2025, we conducted compliance e-learning training for all Sumitomo Chemical employees (around 7,300 people) with a 100% participation rate. In addition, Group companies in Japan conduct compliance training.

■ FY2025 Compliance Training Status

	Status of Implementation
Sumitomo Chemical	Compliance e-learning training (information leaks, sexual harassment, customer harassment, job hunting harassment, collusion prevention, etc.): 100% participation rate (conducted at all worksites and departments) (already conducted training on promoting employees and individual training related to corruption prevention, quality assurance, safety, logistics, information security, etc.)
Sumitomo Chemical Group*	Percentage of employees who received training related to compliance (attendance rate) Attendance rate at Group companies in Japan and overseas: 94.6%

* Does not include Sumitomo Chemical

(iii) Employee Compliance Awareness Survey

In order to measure the effect of the initiatives listed above, including compliance activities and training, Sumitomo Chemical and Group companies in Japan and overseas regularly conduct employee compliance awareness surveys. In fiscal 2025, Sumitomo Chemical conducted its eighth employee compliance awareness survey. In the fiscal 2023–fiscal 2024 period, Group companies in Japan and overseas conducted similar surveys. Analyses are conducted comparing Sumitomo Chemical with Group companies and Group companies

with each other, a process that is intended to lead to the discovery of issues and the setting forth of measures aimed at the further improvement of compliance at each Group company.

(4) Initiatives to Respect Human Rights and Prevent Corruption

An area of our recent focus is to strengthen those initiatives which lead to respect human rights, and initiatives will more effectively serve to maintain sound business practices in companies' entire supply chains, through implementing measures to prevent corruption, such as bribes and collusion with business partners (including bribery and collusion with operators).

(5) Initiatives to Comply with Competition Laws

To fully ensure compliance with competition laws, Sumitomo Chemical has established the Committee on Antitrust Compliance and Corruption Prevention (chaired by the Company's President) to establish and manage competition law compliance systems for the entire Sumitomo Chemical Group under the guidance and supervision of the Board of Directors and Audit & Supervisory Committee. In addition, we issued the Competition Law Compliance Manual and have introduced it at Group companies in Japan and overseas in addition to actively providing training using it.

Moreover, as a general rule, we prohibit management executives and employees of business sectors from interacting with rival operators. We introduced an operator consultation system to permit such interactions only in the event that it is necessary for operations and, in such exceptional cases, that approval has been given in advance. In addition, product sales prices must always be independently set based on our own standards. To ensure this, when revising product sales prices and price formulae, the Company convenes the price deliberation committee, which determines the revisions after thorough deliberation.

■ Status of Implementation for Training Related to Competition Laws (Including Awareness Raising Activities)

	Status of Implementation
Sumitomo Chemical	Already implemented at eligible worksites and business sectors (cumulative total of 32 times since FY2018)
Sumitomo Chemical Group*	Group companies in Japan: 4 companies (implemented in FY2025) Group companies overseas: 6 companies (implemented in FY2025)

* Does not include Sumitomo Chemical

(6) Compliance Audit

As it is also important to conduct audits of whether the operations of the compliance structure and various compliance activities are being appropriately carried out in each business division of Sumitomo Chemical, and in each Group company, the Internal Control & Audit Department and the Responsible Care Department conduct compliance audits. Regarding matters discovered during the compliance audits, appropriate corrective measures are taken.

▶ P.099 Respect for Human Rights

▶ P.041 Anti-corruption: Initiatives in the Supply Chain

▶ P.046 Responsible Care: Responsible Care (RC) Audits

Sumitomo Chemical Group Compliance Action Policy (FY2026)

Under the Sumitomo Chemical Group Corporate Business Plan launched in fiscal 2025, ensuring strict compliance for the entire Sumitomo Chemical Group while maintaining safe and secure operations is a basic policy. Sumitomo Chemical vigilantly monitors and addresses issues in the following areas.

- Appropriate responses to Speak-Up and compliance violation investigations
- Compliance training and educational activities
- Compliance audits

We will steadily implement compliance promotion activities across the Group, further enhance Group compliance, and focus efforts on addressing crossover compliance issues. In this way, Sumitomo Chemical will strengthen and improve the Group's compliance system operations and continue to further enhance its effectiveness.

■ FY2026 Sumitomo Chemical Group Compliance Action Goals

Items	FY2026 Goals	FY2025 Results	FY2024 Results	FY2023 Results
Internal Reporting* ¹ (Speak-Up reporting)	Regarding the number of employees per report, maintain 100% compared to the previous fiscal year (151 people per report)	151 people per report	160 people per report	158 people per report
Compliance Training	Conduct compliance training at 95% of Group companies	Sumitomo Chemical* ² : 100%	Sumitomo Chemical* ² : 100%	Sumitomo Chemical* ² : 100%
		Group companies in Japan* ³ : 94.7%	Group companies in Japan* ³ : 92.5%	Group companies in Japan* ³ : 95.5%
		Group companies overseas* ³ : 96.1%	Group companies overseas* ³ : 95.3%	Group companies overseas* ³ : 80.4%

*1 Includes those listed companies in which the Company holds a stake of more than 50%

*2 Attendance rate (percentage of employees)

*3 Percentage of companies that conducted training

Anti-corruption

Basic Policy

As corporations expand activities across national boundaries, promoting fair competition becomes increasingly important in the supply of goods and services in the international marketplace. As is evident from the ever tightening laws and regulations in the world designed to prevent corruption, such as the FCPA in the U.S. and the Bribery Act of 2010 in the U.K., there is a growing awareness globally that corrupt conduct, such as bribery, should be eliminated by any means necessary. Under the circumstances, Sumitomo Chemical has positioned the prevention of corruption in all its forms, including bribery of public officials, excessive business entertainment and gift-giving, collusion, embezzlement, and breaches of trust as one of the most important issues in ensuring thorough compliance. We are striving to ensure a sustainable and sound corporate climate by enhancing our internal organization to appropriately respond to corruption risks to prevent the occurrence of corruption.

Committee on Antitrust Compliance and Corruption Prevention

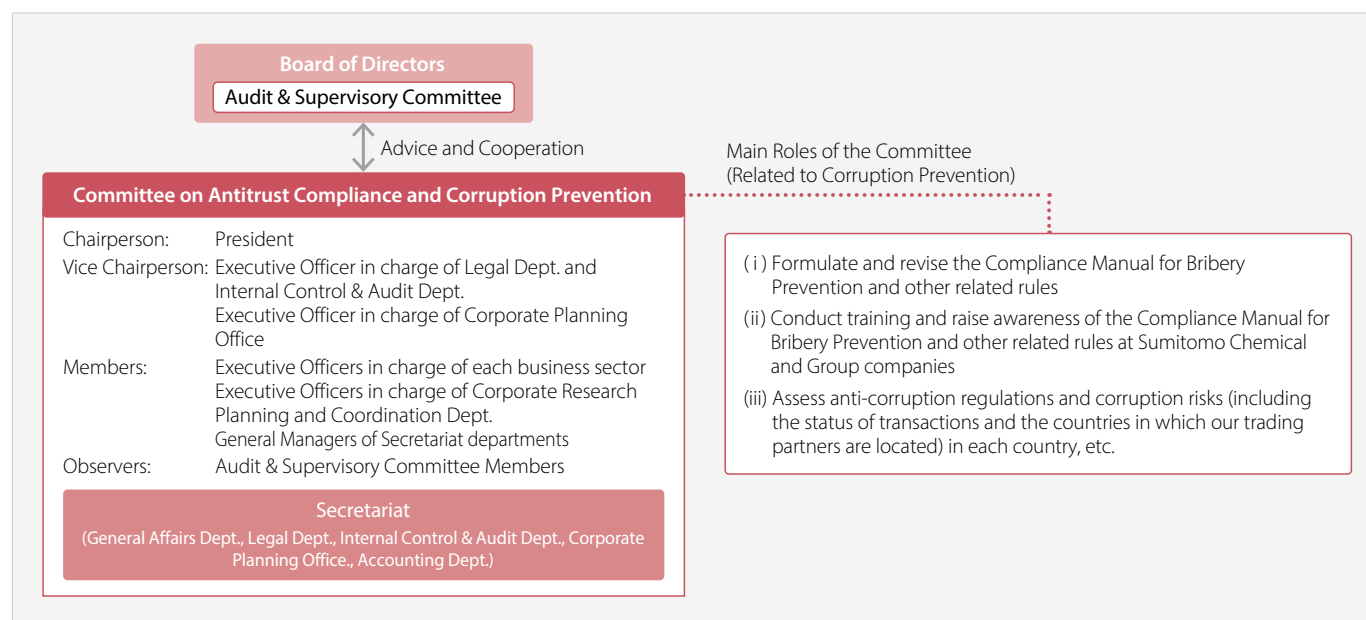
Sumitomo Chemical has established the Committee on Antitrust Compliance and Corruption Prevention (chaired by the Company's President) to establish and manage anti-corruption systems for the entire Sumitomo Chemical Group under the guidance and supervision of the Board of Directors and Audit & Supervisory Committee.

In the President's own messages, the committee states its policy and commitment to prohibit all forms of corruption, including bribery of public officials by management executives or employees, excessive entertainment and gift-giving, collusion, embezzlement, and breaches of trust. In addition, we have formulated a Compliance

Manual for Bribery Prevention that contains detailed anti-corruption rules. The manual has been disseminated to all Group companies in Japan and overseas, and has been posted on the Company intranet, and periodic training sessions are conducted to ensure thorough compliance among the employees of the Company and its Group companies.

Further, we conduct assessments of anti-corruption regulations and corruption risks in each country, such as the status of transactions and the countries in which our trading partners are located. Based on the results of these assessments, we decide on policies to strengthen measures to prevent corruption, and apply them to the Company and all Group companies.

Committee on Antitrust Compliance and Corruption Prevention



■ Compliance Manual for Bribery Prevention (Outline)

Chapter 1: General Principles

1. Prohibition of Giving Bribes

It is prohibited to give bribes to a government official or to any other person or entity, including private trading partners.

2. Prohibition of Accepting Bribes

It is prohibited to accept a bribe. In addition, it is prohibited to request a bribe or gift, entertainment, or other benefit from a third party.

3. Prohibition of Giving or Accepting Excessive Gifts or Entertainment

It is prohibited to give or accept excessive gifts or entertainment. All forms of gifts or entertainment that may harm the Company's reputation are always impermissible.

Chapter 2: Prohibition of Bribing Government Officials

The provision of any form of improper benefit to a government official may be considered a bribe. Furthermore, various rules are put in place, including those related to the circumstances where any type of gift and entertainment to a governmental official is prohibited, procedures for sponsoring site visits by governmental officials, procedures for giving donations and political contributions, and compliance with local regulations.

Chapter 3: Rules For and During Engagement of Business Partners

It is required to conduct due diligence when the Company engages new business partners or renews engagement of existing business partners, such as agents, distributors and consultants who could interact with government officials in the course of services for the Company. It is also required to fix the appropriate compensation and to take necessary internal procedures when concluding contracts with business partners.

Chapter 4: Proper Keeping of Books and Records

It is required to prepare and maintain appropriate and accurate books and records related to entertainment, gifts, payments to business partners, and other transactions.

Chapter 5: Monitoring Legal Compliance

It is required for each department to ensure thorough compliance, for the Internal Control & Audit Department to conduct audits, and the Committee on Antitrust Compliance and Corruption Prevention to take initiatives. In addition, the Company's executives and employees are obligated to file a report when a violation (or a suspicion of one) is detected.

Chapter 6: Violations

The Company's executives and employees who commit violations of this manual are subject to disciplinary action.

Initiatives in the Supply Chain

In order to prevent corruption in the Group's supply chain, we are making our agents, consultants, distributors, and other business partners aware of our anti-corruption policy by holding regular training sessions when initially engaging or renewing a contract, or at business meetings and other occasions. We also ask our partners to pledge to comply with the policy. In addition, as part of our due diligence procedures, we ask business partners to submit written responses detailing their company's profile and any past corruption problems, and assess the risk of corruption based on these responses. Especially, when we engage a business partner for business, such as in a public tender transaction or in a developing country, with a high risk of corruption, e.g. bribery of public officials, a more detailed risk assessment is carried out, including on-site interviews with the business partner conducted by an outside expert. If it is judged that there is a risk of corruption as a result of the assessment, we conduct awareness-raising activities concerning the prevention of corruption for such business partners, asking them to implement corrective measures such as strengthening the internal rules and organization to prevent corruption, and offering our support for such efforts. (The Company does not engage business partners if the implementation of remedial measures is refused or if there is a strong concern about corruption detected through the assessment process.)

Other Measures

In addition to the above-mentioned measures, we are striving to prevent corruption through the application of internal rules on business entertainment and gift-giving, and the strict application of approval procedures for business decisions and payment.

We have also established and operate an internal reporting system (the Speak-Up System, which allows anonymous reporting) that can be used by anyone involved in our business, including business and trading partners, in order to quickly identify corruption or the threat of corruption, to prevent compliance violations from occurring, and to rectify them as soon as possible. We also inform management executives or employees of Group companies, and business and trading partners, about the use of this system.

Management executives and employees whose corrupt conduct has been confirmed are subject to disciplinary action in light of internal rules. Business and trading partners are requested to rectify such actions, and other measures are taken, such as the suspension of transactions.

Tax Transparency

Basic Policy

The Sumitomo Chemical Group considers paying taxes one of the most fundamental and important social responsibilities of a company. We comply with the tax laws applicable to each country and properly pay taxes in accord with that spirit.

The Group understands that using exceedingly beneficial tax systems in regions or countries with no or low taxes (so called tax havens) hinders the collection of proper taxes in each country. By not using tax havens with the purpose of avoiding taxes and by paying appropriate taxes in the countries and regions where it does business, the Group aims to help spur economic development in those countries and regions.

The Sumitomo Chemical Group has established the Sumitomo Chemical Group Tax Policy to ensure tax transparency and enhance tax compliance.

Management System

The Sumitomo Chemical Group Tax Policy was established to diligently implement initiatives aimed at ensuring tax compliance and transparency, and it is shared with Group companies in Japan and overseas. We comply with the tax laws of each country and region where we do business and strictly and appropriately pay taxes.

Furthermore, important tax issues and strategies are reported to Management Meetings and Board of Directors meetings.

Goals and Results

Corporate Income Taxes Paid

Tax Amounts of Sumitomo Chemical Group

(Billions of yen)

	FY2021	FY2022	FY2023	FY2024	FY2025
Tax amounts	68.3	65.5	48.3	10.1	27.4

FY2025 Tax Amounts by Region of Sumitomo Chemical Group

(Billions of yen)

	Japan	Overseas	East Asia	North America	Others	Total
Tax amounts by region	6.9	20.5	13.9	1.5	5.1	27.4

Sumitomo Chemical Group Tax Policy

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

Responsible Care

Basic Policy

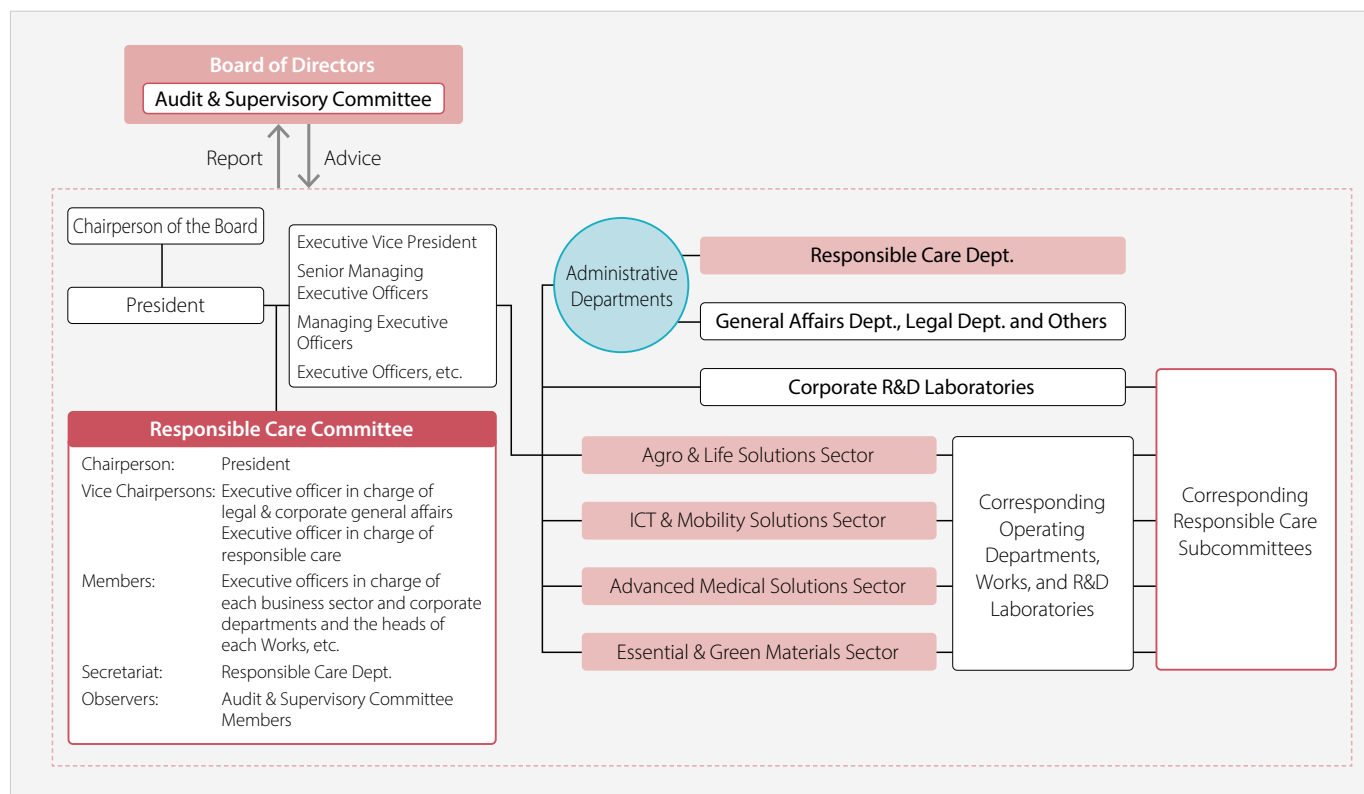
Responsible care (RC) activities refer to the voluntary initiatives undertaken by business operators in the chemical industry, with the goals of ensuring safety, health and the environment throughout the life cycle of chemical products, from development through to the manufacture, sales, use, and disposal after final consumption, maintaining and improving the quality of those products. These activities also strive to gain the further trust of society through continuous dialogue.

The Sumitomo Chemical Group has positioned responsible care activities as one of its most important management pillars. Based on the core principle of "Making safety our first priority," the Group has set goals for each of the following fields: occupational health and safety; process safety and loss prevention; environmental protection; addressing climate change; product stewardship, product safety, and quality assurance; responsible care audits; and logistics. The Group is working to achieve the goals it has set.

Management System

As the body for deliberating and approving Sumitomo Chemical's RC activities, the Responsible Care Committee is chaired by the President and comprises executive officers responsible for and in charge of the administrative departments and the four business sectors of the Company, and the General Manager of each Works, etc. The Committee puts in place annual policies on activities, medium-term plans, and specific measures as they relate to responsible care. The committee also analyzes and assesses the results of responsible care activities. The Committee then reports the content of its meetings to the Board of Directors as appropriate and receives necessary guidance in an effort to enhance its supervisory functions and the execution of its duties.

Organization of Responsible Care



Policies and Goals

Corporate Policy on Responsible Care

(Safety, Health, the Environment and Product Quality)

Sumitomo Chemical has set forth safety, health, the environment, and product quality as top priorities for all phases of its business activities in its Corporate Policy on Responsible Care (Safety, Health, the Environment and Product Quality). This policy has been communicated to all employees of Sumitomo Chemical and its Group companies to ensure that each and every employee is fully aware of it.

Corporate Policy on Responsible Care
(Safety, Health, the Environment and Product Quality)

<https://www.sumitomo-chem.co.jp/english/sustainability/files/docs/ResponsibleCarePolicy.pdf>

Promoting Responsible Care Activities

Sumitomo Chemical shares policies and targets regarding RC across the entire Group. We are working to maintain stable operations with zero accidents and zero injuries as the foundation of our business, which is one of the basic policies outlined in the responsible care medium-term plan. We are also striving to ensure safety, health and the environment throughout the life cycle of products as well as to improve the quality of chemical products the Company manufactures.

At present, we have stationed responsible care specialists at regional headquarters in Europe and the Americas as well as China and the wider Asia-Pacific region. This has enabled us to develop RC activities rooted in each area. We established the Sumitomo Chemical Group's Safety Ground Rules in 2016 as a measure to further secure safety at all Group locations. We have since been working to promote awareness of the rules among all Group employees

while further raising the level of Group-wide safety activities and eliminating work-related accidents. Moreover, we strive to ensure the safety of community residents and protect their environment while promoting mutual understanding by providing residents with information concerning our initiatives and engaging in dialogue.

Also, we continually work to develop human resources that are capable of implementing responsible care, for example, through training and practice at each production site and regional headquarters as well as regular meetings attended by the responsible care managers of Group companies in Japan and overseas. In addition, we publish a newsletter that covers various topics and information on accidents and disasters that have occurred within the Group in the hope of preventing similar occurrences. We also promote various kinds of RC activities through RC awards for excellent RC activities of Group companies.

	Medium-term Plan (FY2025-FY2027)
Occupational Health and Safety / Process Safety and Loss Prevention	<ul style="list-style-type: none"> Under the slogan "notice, share, and reduce risks," enhance efforts to call attention to risks that may change over time, building a safe organization that is resilient to change Further utilize safety-focused technical knowledge gained using IT tools to prevent occurrences of similar disasters Utilize the latest nondestructive inspection technology to eliminate leakage due to corrosion of outer surfaces Enhance our efforts to prevent the occurrence of industrial accidents and minimize impacts caused by intensifying natural disasters as well as increasingly sophisticated and complex cyberattacks
Environmental Protection	<ul style="list-style-type: none"> Promote the prevention of accidents and minimize troubles and reputational damage by thoroughly complying with environmental regulations and establishing a rapid and appropriate trouble-prevention system that is not dependent on individual experience Advance the sophistication of environmental data aggregation management system to improve the efficiency of data aggregation and promote appropriate information disclosure
Addressing to Climate Change	<ul style="list-style-type: none"> Support businesses by calculating and utilizing environmental values (promoting the use of CFP, LCA, SBC, reduction amounts, and more) Address new issues, such as those related to biodiversity and water risks Promote Sumika Sustainable Solutions™
Product Stewardship, Product Safety, and Quality Assurance	<ul style="list-style-type: none"> Work to address risks through use of the Company's systems, including the comprehensive chemical management system (SuCCESS) Ensure the soundness of product quality and foster a quality-focused workplace culture to further enhance quality compliance. Furthermore, promptly and reliably conduct product safety reviews to proactively prevent quality issues, thereby enhancing the safety and reliability of products
RC Audits	<ul style="list-style-type: none"> Conduct audits to ensure thorough operation of the responsible care management system, steady improvements to its operation, and compliance with related laws and regulations
Logistics	<ul style="list-style-type: none"> Work to reduce the number of logistics safety- and quality-related incidents

Note: More details on the key activities and initiative results for each field can be found in the following sections.

Eco-First Commitments

In November 2008, Sumitomo Chemical was the first diversified chemical company recognized as an Eco-First Company in the Eco-First Program promoted by the Ministry of the Environment. In November 2021, we updated our Eco-First Commitments for the third time, reflecting new initiatives related to environmental conservation. We made a declaration regarding this to the Minister of the Environment and are promoting initiatives based on these commitments.

Eco-First Commitments

▶ <https://www.sumitomo-chem.co.jp/english/sustainability/governance/responsiblecare/ecofirst/> 



Results Very favorable/ Generally favorable

Realizing a Carbon-Neutral Society

Formulated a grand design to achieve carbon neutrality by 2050

- The Sumitomo Chemical Group*1 commits itself to achieving carbon neutrality by 2050, and has established measures to reduce its greenhouse gas emissions by 50% by 2030 compared to the level of emissions in fiscal 2013. We will accelerate reductions in greenhouse gas emissions by approaching the issue from the perspectives of both obligations to reducing our own greenhouse gas emissions and contributions to global society through our products and technologies.

▶ P.053 Grand Design toward Achieving Carbon Neutrality

▶ P.057 Specific Initiatives for "Obligation"

▶ P.061 Specific Initiatives for "Contribution"

Promoting Sumika Sustainable Solutions™

- We are promoting "Sumika Sustainable Solutions™ (SSS)", an initiative to designate products and technologies that contribute to global warming countermeasures and environmental impact reduction. The total sales of products and technologies designated under this initiative have reached 555.6 billion yen in fiscal 2025 (consolidated). In addition, the utilization of SSS-designated products and technologies in fiscal 2025 resulted in a total greenhouse gas (GHG) reduction of 7.1 million tons of carbon dioxide equivalent (CO₂e), with technology accounting for 2.9 million tons and final products accounting for 4.2 million tons.

"Sumika Sustainable Solutions™" Main Products and Technologies

▶ <https://www.sumitomo-chem.co.jp/english/sustainability/management/promotion/sss/products/> 

Realizing the Recycling of Plastic Resources and Solving Plastic Waste Problems

Practical application of plastic mechanical and chemical recycling

- We set a KPI for the amount of recycled plastic resources used in manufacturing processes, targeting 200,000 tons annually by 2030.
- To realize the recycling of carbon resources, beginning with plastics, we approach the plastic value chain at each level from the perspective of the 3Rs (reduce, reuse, recycle). Some related technologies have been selected by the Green Innovation Fund Project,*2 accelerating their technological development.

Conducting social contribution activities

- Since fiscal 2020, we have continued to provide education to and raise awareness about resource recycling among all management executives and employees in the Sumitomo Chemical Group. In fiscal 2025, we carried out a total of 60 such social contribution activities as cleaning up areas surrounding our business sites and cleaning up neighboring waterways and coasts.
- At some worksites, we have worked to further engrain clean-up activities in such ways as encouraging competition among teams of employees for awards related to their everyday self-directed litter collection activities.

Participating in alliances

- By collaborating with industry organizations such as Japan Clean Ocean Material Alliance (CLOMA), we address broader issues that would be difficult to solve by ourselves.

▶ P.017 Participation in Initiatives

Management of Chemical Substances and the Promotion of Risk Communication

Reviewing Safety Information on Chemicals and Conducting Risk Assessments

- We publicly release safety information as GPS/JIPS Safety Summary (GSS) and steadily revising the summaries. As of January 2026, we have publicly released summaries on 70 chemical substances. (https://www.jcia-bigdr.jp/jcia-bigdr/en/material/icca_material_list)

LRI*3 Initiatives

- Promoted research by actively participating in the LRI program implemented by the Japan Chemical Industry Association as a member of the steering committee and research strategy planning group.

Enhancing Information Disclosure and Risk Communication

- Published the Integrated Report, Sustainability Report, the Report on the Environment and Safety (at all worksites), local PR newsletters, etc., made information publicly available on the official website, made school visits, accepted student interns, and engaged in dialogue with local residents.

*1 Sumitomo Chemical and its consolidated subsidiaries in Japan and overseas

*2 To realize carbon neutrality by 2050, the Ministry of Economy, Industry and Trade created a 2 trillion yen fund in NEDO. These projects continuously support companies committed to ambitious targets pertaining to everything from research and development to pilot testing and practical application over a 10-year period.

*3 Long-range Research Initiative: Long-term support for research into the effects of chemical substances on human health and the environment

Responsible Care (RC) Audits

Basic Policy

The RC audit is a management system for verifying the proper implementation of RC activities, such as ensuring safety and environmental protection, and maintaining and improving the safety and quality of chemical products. It also promotes process enhancement if areas for improvement are found in those activities.

To promote the Sumitomo Chemical Group's RC global management, RC audit activities are used to study and evaluate duties executed in the course of business and the status of management and supervision from the perspectives of compliance, effectiveness, efficiency, and credibility of financial reporting. By offering advice and proposals for improvement and rationalization through the audit activities, we can prevent compliance violations, corruption, and errors as well as protect corporate assets and enhance operational efficiency. RC audits fulfill the functions of improving management at the Company and Group companies and aid in building, maintaining, and improving the internal control system (responsible audit rules) through the following four-step approach.

- Step 1:** Sharing Sumitomo Chemical's Business Philosophy
- Step 2:** Promoting an understanding of and sharing in the Corporate Policy on Responsible Care (Safety, Health, the Environment and Product Quality); RC management systems; and Group Responsible Care Standards
- Step 3:** Establishing and developing RC management systems at each Group company
- Step 4:** Carrying out modifications to the direction and adjusting levels of RC activities by undergoing RC audits

Through face-to-face communication through each of the aforementioned steps, we have successfully provided assistance so that the RC management system is set in place by taking the scale, type of business, and attributes of each Group company into consideration. Relationships built on trust with Group companies that have been

nurtured through these RC audits are utilized to enhance individual support, the lively exchange of opinions, and various other initiatives aimed at resolving a wide range of issues at Group companies.

Management System

Sumitomo Chemical has an independent RC audit team. The auditors specially designated by the executive officers in charge of RC have a wealth of knowledge, experience, and technical expertise. Based on the RC audit policies and plans approved by the Responsible Care (RC) Committee every year, these auditors conduct audits of internal organizations as well as Group companies in Japan and overseas (consolidated business companies that have been determined to need auditing, Group business companies for which auditing has been requested, and listed Group companies (including their subsidiaries)). In fiscal 2025, we conducted all on-site audits as planned at

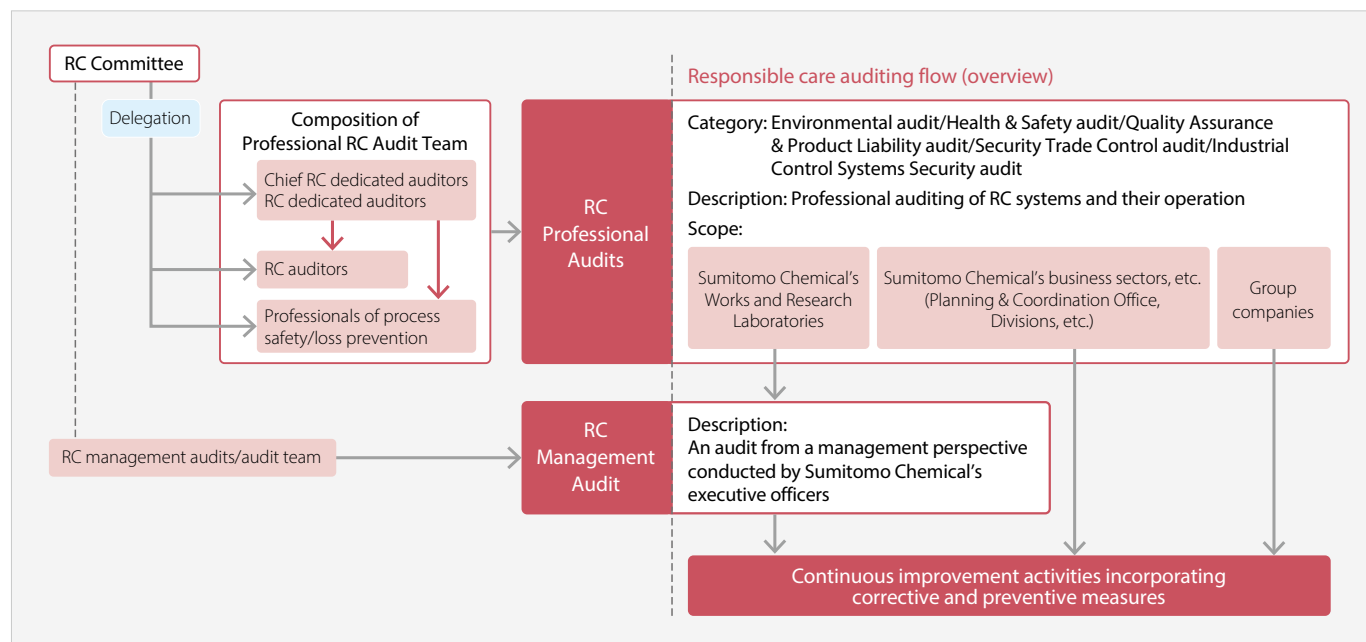
Group companies in Japan and overseas. RC audits of internal Works and research labs are conducted from a management perspective by an audit team comprising Sumitomo Chemical's executive officers in charge of RC, where the Works and labs report to the audit team and discuss their advancements of corrective and preventive measures against important assessments at RC audit as well as the status and important issues of their responsible care activities.

We continually work to prevent compliance violations, corruption, and errors as well as to improve the management of both Sumitomo Chemical and Group companies while building, maintaining, and improving their internal control systems as needed.

The Scope and Cycle

In principle, RC audits are conducted every one or two years at Sumitomo Chemical's Works and business sectors, and every three years at Group companies.

Responsible Care Auditing Framework



Goals and Results

■ Responsible Care Audit Results (Sumitomo Chemical Group)

Facilities		FY2023	FY2024	FY2025
Professional audits*1	Works and research laboratories	7	7	7
	Independent laboratories	1	1	0
	Logistics centers	0	0	0
	Business sectors	4	3	3
	Group companies in Japan	10	8	11*3
	Group companies overseas	13	3	5*3
Management audits*2	Works, research laboratories, and independent laboratories	8	6	6
Total		43	28	32

Note: Refer to Responsible Care Auditing Framework on page 046 for more details.

*1 Audits of systems and operations by specialists in each field

*2 Audits from a management perspective by Sumitomo Chemical officers

*3 In fiscal 2025, the target group companies consisted of 26 domestic companies (45 facilities) and 28 overseas companies (34 facilities). Selected companies were deemed subject to audit, and on-site audits were conducted accordingly.

■ Number of Points Raised at FY2025 Professional Audits for Facilities and Business Sectors (Sumitomo Chemical)

Assessment	Facilities (Works, Research Laboratories)	Business Sectors (Head Office Business Sectors)	Total
Good Practice	11	1	12
Needs improvement	53	3	56
Needs to be considered	34	2	36
Total	98	6	104

Cybersecurity

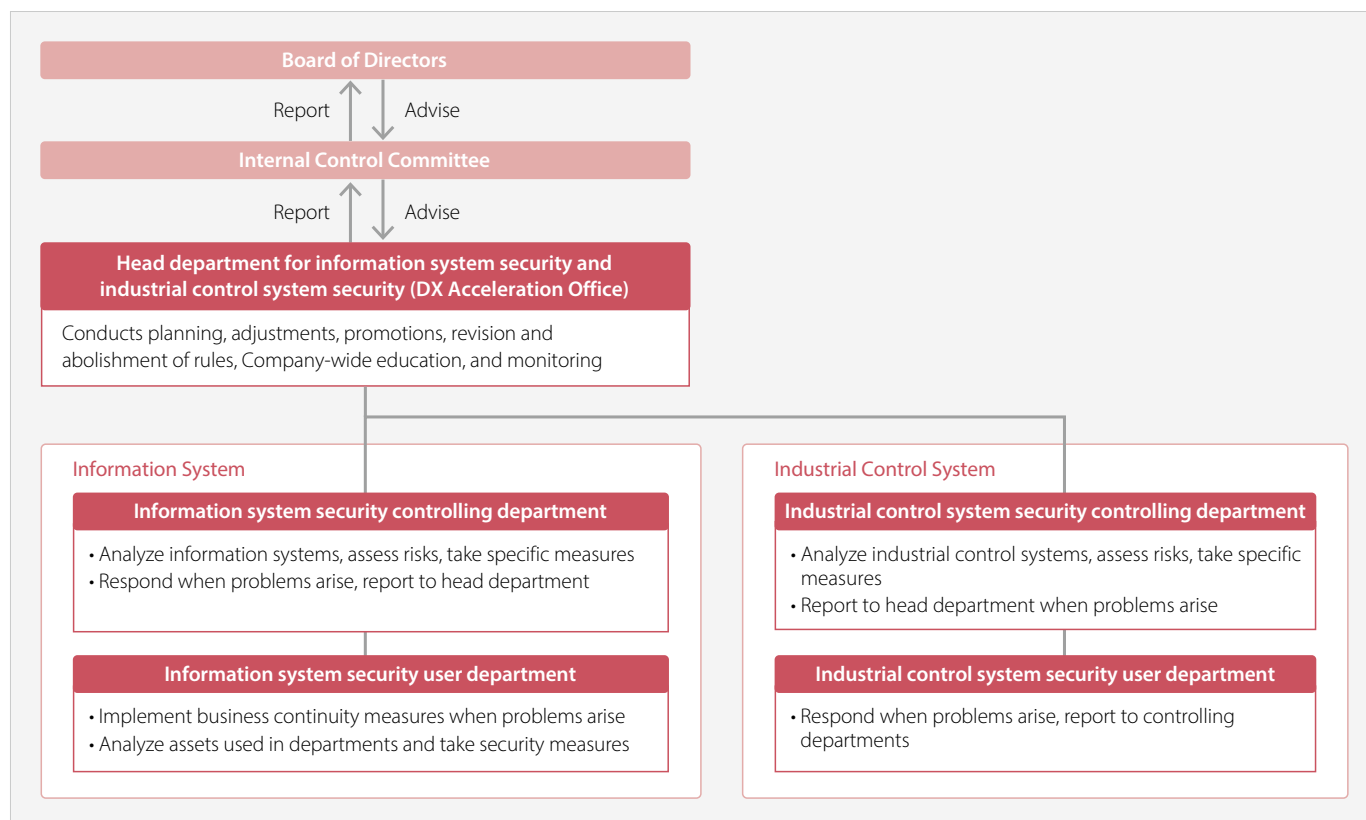
Basic Policy

Sumitomo Chemical has been accelerating Digital Transformation (DX) which seeks to strengthen business competitiveness and create new value through the utilization of IT. At the same time, however, the information system and industrial control system are facing ever greater risks due to skilled and sophisticated cyberattacks. The purpose of cyber security is mainly to prevent data leaks and loss by appropriately managing information systems, to prevent environmental impacts and ensuring health and safety by appropriately managing industrial control systems, and to minimize the impact of security incidents. We regard cyber security as a material issue for management as it works to fulfill its responsibility as a member of critical infrastructure operators, and takes multifaceted system security measures from organizational, institutional, human, technological, and physical aspects.

Management System

Sumitomo Chemical has constructed the following framework for information system security and industrial control system security, and is implementing the PDCA cycle.

Security Framework for Information System and Industrial Control System



Goals and Results

We have established a security policy in accordance with the concept of ISMS (Information Security Management System), an international standard for the organization's information security framework.

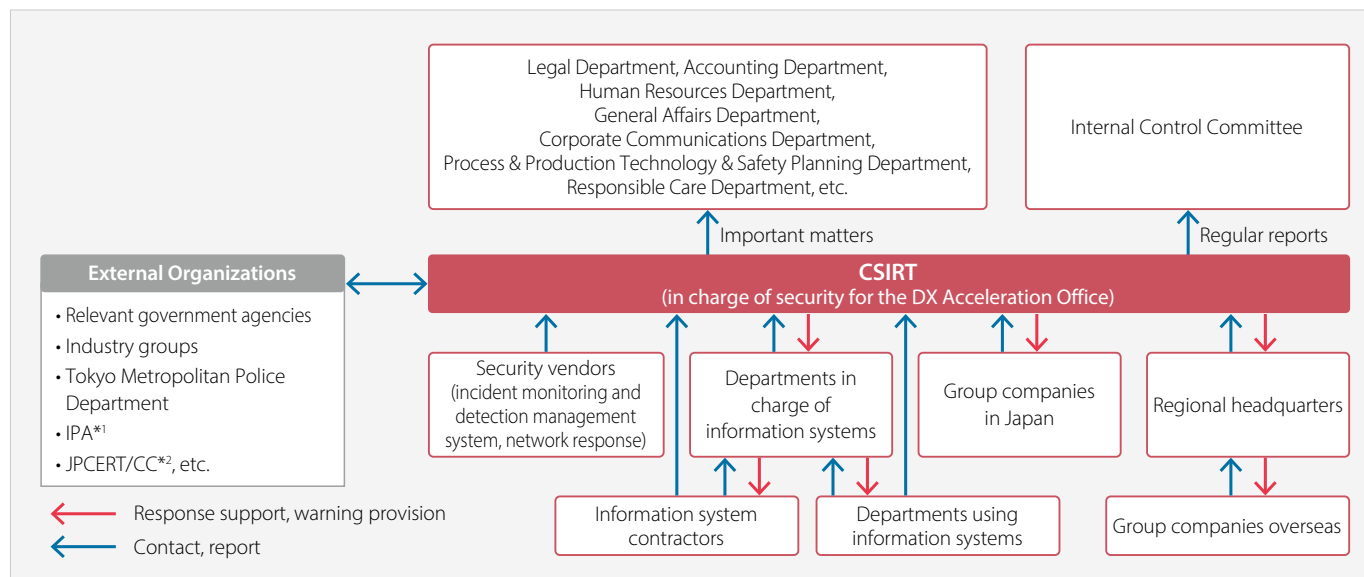
Our basic policy comprises multifaceted security measures (multilayered incident prevention and disaster mitigation), such as those outlined below.

Type of measure	Content of measure
Organizational measures	<ul style="list-style-type: none"> Constructed an information system and industrial control system security framework Constructed an information-sharing framework with inside and outside organizations to ensure preparedness against security incidents
Systematic measures	<ul style="list-style-type: none"> Establish general standards and standards related to security, including for Group companies Periodically conduct security self-inspections and conduct IT security internal audits that encompass Group companies
Personnel measures	<ul style="list-style-type: none"> Conduct periodic security education using e-learning system, etc. Conduct alerts and security incident response exercises
Technological measures	<ul style="list-style-type: none"> Implement a range of measures, including access restriction, malware measures, and vulnerability measures, for individual servers and computers as well as networks
Physical measures	<ul style="list-style-type: none"> Use cloud servers complete with entry/exit controls and other security features

Examples of Initiatives

We have established a CSIRT (Computer Security Incident Response Team) in the information system and industrial control system security head department (DX Acceleration Office). The team analyzes security information from external organizations, provides warnings to the Group, gathers information on security incidents that occur within the Group, and comprehensively manages the Group's response.

Security Incident Response Framework



*1 IPA: Information-Technology Promotion Agency, Japan

*2 JPCERT/CC: Japan Computer Emergency Response Team Coordination Center

Environment

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Contributing to the SDGs through Environmental Activities



Environmental Activity Goals and Results

Goal achieved or steadily progressing: ○ Goal not achieved: △

	Items	Boundary	Goals	Fiscal 2025 Results	Evaluation	Pages
Climate Change Mitigation and Adaptation	Greenhouse gas emissions Scope 1+2* ¹	Sumitomo Chemical Group Consolidated	Reduce 36% compared to fiscal 2020 levels by 2030 (Reduced 50% compared to fiscal 2013 levels)	Reduced 29% relative to fiscal 2020 (Reduced 45% relative to fiscal 2013)	○	Pages 053-065
	Scope 3* ²	Sumitomo Chemical Group Consolidated* ³	Reduce 14% relative to fiscal 2020 for categories 1 and 3* ⁴ by fiscal 2030	Reduced 32% relative to fiscal 2020	○	
	Unit energy consumption* ⁵	Sumitomo Chemical Group Consolidated	Improve over 1% per year on average (using fiscal 2021 as the base year)	Improved 6% relative to fiscal 2021	○	
	Unit energy consumption in the logistics division	Sumitomo Chemical and Group companies in Japan* ⁶	Improve over 1% per year on average over five years	Worsened by an annual average of 1.6% over five years	△	

Note: Further details on goals based on the Act on the Rational Use of Energy and results are provided in the supplementary data (page 091).

*1 Scope 1: Direct greenhouse gas emissions from operators themselves (fuel burning and industrial processes), Scope 2: Indirect emissions from purchases of power and heat from outside the factory

*2 Scope 3: Emissions from the manufacturing and transportation of purchased raw materials

*3 Calculated for Sumitomo Chemical and Group companies listed on stock indices in Japan (Sumitomo Pharma Co., Ltd.; Koei Chemical Co., Ltd.; Taoka Chemical Co., Ltd.; and Tanaka Chemical Corporation).

*4 Category 1: Purchased goods and services, Category 3: Fuel and energy activities not included in Scopes 1 or 2

*5 Energy consumption divided by consolidated net sales

*6 Within the scope of specified shippers according to the definition stipulated under the Act on the Rational Use of Energy

Goal achieved or steadily progressing: ○ Goal not achieved: △

	Items	Boundary	Fiscal 2025 Goals	Fiscal 2025 Results	Evaluation	Fiscal 2026 Goals	Pages
Contribute to Recycling Resources	The amount of recycled plastics utilized in manufacturing processes	Sumitomo Chemical and Group companies in Japan/Overseas	200k tons/year by 2030	Approximately 14,420 tons	—	200k tons/year by 2030	Pages 066-072
	Promoting the waste recycling and reuse	Sumitomo Chemical and Group companies in Japan	Improve the waste recycling and reuse rate* ⁷ by 5% or more relative to fiscal 2020 by fiscal 2025.	Worsened 4.8% relative to fiscal 2020	△	Improve the waste recycling and reuse rate by 5% or more relative to fiscal 2020 by fiscal 2030.	
		Group companies overseas	Improve the waste recycling and reuse rate* ⁷ by 5% or more relative to fiscal 2023 by fiscal 2025.	Improved 36.4% relative to fiscal 2023	○	Improve the waste recycling and reuse rate by 5% or more relative to fiscal 2020 by fiscal 2030.	
	Reduce the amount of waste sent to landfills	Sumitomo Chemical and Group companies in Japan	Maintain waste volume at below fiscal 2020 levels to fiscal 2025	Worsened 4.8% relative to fiscal 2020	△	Maintain waste volume reductions at 5% relative to fiscal 2020	

*7 Waste recycling and reuse rate: (Amount internally and externally reused + Amount of internally and externally recovered heat + Amount of valuable materials) / Waste emissions×100

Goal achieved or steadily progressing: ○
Goal not achieved: △

Items		Boundary	Fiscal 2025 Goals	Fiscal 2025 Results	Evaluation	Fiscal 2026 Goals	Pages
Sustainable Use of Natural Capital	Severe environmental accidents	Sumitomo Chemical and Group companies in Japan	0	0	○	0	Pages 073-085
	Effective use of water resources	Sumitomo Chemical	Promote effective and efficient use of water resources	Reduced usage 5.5% relative to fiscal 2024	○	Promote effective and efficient use of water resources	
		Group companies overseas	Improve unit water consumption by at least 1% on average by fiscal 2025 (FY2020 level as baseline)	Worsened 3.3% relative to fiscal 2020	△	Improve unit water consumption by at least 1% on average (FY2020 level as baseline)	
	Prevention of soil and groundwater contamination	Sumitomo Chemical and Group companies in Japan	Keep hazardous materials strictly within Company premises: Controlled on the premises.	0	○	Keep hazardous materials strictly within Company premises: Controlled on the premises.	
	Addressing fluorocarbons	Sumitomo Chemical and Group companies in Japan	<ul style="list-style-type: none"> Eliminate the use of refrigeration units that use CFCs as coolants by fiscal 2025 Eliminate the use of refrigeration units that use HCFCs as coolants by fiscal 2045 	Systematically replaced refrigeration units that use CFCs and HCFCs as coolants	△	Properly manage equipment in compliance with the Act on Rational Use and Proper Management of Fluorocarbons and ensure the calculated leakage amount is not greater than in fiscal 2020	
	Prevention of air and water pollution	Sumitomo Chemical	Meet voluntary management criteria*	Meet voluntary management criteria	○	Meet voluntary management criteria	
	PCB waste	Sumitomo Chemical and Group companies in Japan	Properly recover and store waste containing high amounts of PCBs and strive to quickly complete treatment. Properly recover and store waste with minute amounts of PCBs to complete treatment by March 2027, the statutory deadline.	Completion of the proper treatment of high-concentration PCB waste. Properly collect and store low-concentration PCB waste, and complete the treatment contract.	○	Properly collect and store low-concentration PCB waste, and complete treatment by March 2027 (the statutory treatment deadline).	
	Addressing PRTR	Sumitomo Chemical and Group companies in Japan	Ensure total emissions from Group companies in Japan are not greater than in fiscal 2015	Reduced 31% relative to fiscal 2015	○	Ensure total emissions from Group companies in Japan are not greater than in fiscal 2015	
	Reduction of VOC emissions	Sumitomo Chemical	Maintain VOC emissions reductions at 30% relative to fiscal 2000	Reduced emissions by 71% relative to fiscal 2000	○	Ensure emissions are not greater than in fiscal 2010	
	Conservation of biodiversity	Sumitomo Chemical	Ensure compliance with "The Sumitomo Chemical Group's Commitment to the Conservation of Biodiversity"	Participated in biodiversity conservation initiatives through the nature symbiosis website promoted by the Ministry of the Environment	○	Ensure compliance with "The Sumitomo Chemical Group's Commitment to the Conservation of Biodiversity"	

* Voluntary management targets that are stricter than the mandated levels and criteria of relevant laws and regulations, including agreements reached with local authorities.

Environmental Data

Sumitomo Chemical's manufacturing sites and the production plants of major consolidated subsidiaries (22 companies in Japan and 26 companies overseas)

Sumitomo Chemical

Sumitomo Chemical: All production sites of Sumitomo Chemical Co., Ltd.

Sumitomo Chemical (all worksites):

All production and non-production sites of Sumitomo Chemical Co., Ltd.

Group Companies in Japan

Sumika-Kakoushi Co., Ltd.; Sumika Plastech Co., Ltd.; Nippon A&L Inc.; Sumika Kowa Tech Co., Ltd.; Asahi Chemical Co., Ltd.; Ceratec Co., Ltd.; Sumika Assembly Techno Co., Ltd.; Sumika Agro Manufacturing Co., Ltd.; SC Environmental Science Co., Ltd.; Sumika Agritech Co.,Ltd.; Sumitomo Joint Electric Power Co., Ltd.; Koei Chemical Co., Ltd.; Taoka Chemical Co., Ltd.; Tanaka Chemical Corporation; Sumitomo Pharma Co., Ltd.; SN Kasei Co., Ltd.; Sumika Polycarbonate Ltd.; Sanritz Corporation; KAWASAKI BIOMASS ELECTRIC POWER CO.,LTD.; Sumika Chemical Analysis Service; Ltd.; EGS Co., Ltd.

Overseas Group Companies

The Polyolefin Company (Singapore) Pte. Ltd., Sumika Polymer Compounds (Thailand) Co., Ltd., Sumitomo Chemical Asia Pte Ltd (MMA), (PMMA), Sumika Polymer Compounds UK Co., Ltd., Sumika Polymer Compounds France Co., Ltd., Sumika Polymer North America LLC, Sumika Polymer Compounds Turkey Co., Ltd., Sumika Polymer Compounds India Co., Ltd., Sumika Polymer Compounds Poland Co., Ltd., Sumitomo Chemical India Limited, Valent Biosciences LLC.*, McLaughlin Gormley King Company*, Botanical Resources Australia Manufacturing Services Pty Ltd., Botanical Resources Australia Agricultural Services Pty Ltd., Sumitomo Chemical Brasil Indústria Química S.A., Sumitomo Chemical Chile S.A., Mycorrhizal Applications, Sumika Technology Co., Ltd., Sumika Electronic Materials (Wuxi) Co., Ltd., Sumika Electronic Materials (Xi'an) Co., Ltd., Bara Chemical Co., Ltd., SSLM Co., Ltd., Dongwoo Fine-Chem Co., Ltd., Sumitomo Chemical Advanced Technologies LLC, Sumika Electronic Materials Vietnam Co., Ltd., Sumika Electronic Materials (Changzhou) Co., Ltd.

* In April 2026, Valent Biosciences LLC and McLaughlin Gormley King Company merged to form Sumitomo Biorational Company LLC.

Notes: Regarding affiliated companies and plants newly included in the boundary of environmental data reporting, results data are tabulated from the fiscal year when the survey was conducted as the Sumitomo Chemical Group

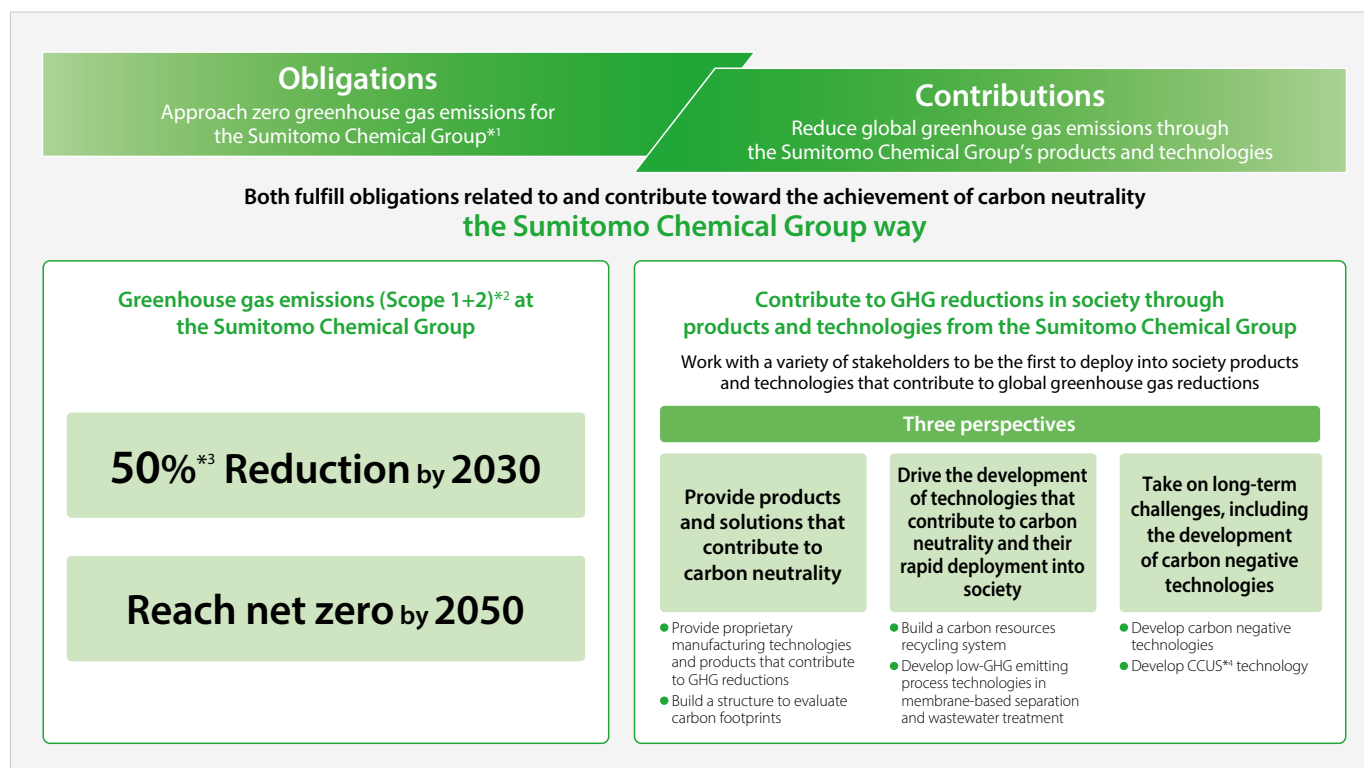
Climate Change Mitigation and Adaptation

Basic Stance

Sumitomo Chemical considers climate change a social issue on which chemical companies should take the lead. To swiftly address this problem, we are actively working to respond to risks and to seize opportunities by utilizing the technology we have cultivated to date. In addition, regarding disclosure related to climate change, we will continue gaining the trust of society by actively raising awareness of our initiatives using the framework of the TCFD recommendations.

Furthermore, with movements aimed at achieving carbon neutrality picking up steam in recent years, the chemical industry is being strongly called upon to create innovation and contribute to the achievement of carbon neutrality for society at large through its businesses. In December 2021, Sumitomo Chemical formulated and publicized its "grand design to achieve carbon neutrality," setting out a direction for its initiatives aimed at realizing carbon neutrality by 2050. In line with this, we will push ahead with initiatives that address both our obligation to bring our own greenhouse gas (GHG) emissions close to zero and the contribution we can make to promoting carbon neutrality for society as a whole through our technologies and products. To fulfill our obligation, we have committed ourselves to reducing our GHG emissions by 50% by 2030 (compared to the level of emissions in FY2013), and to achieving net zero GHG emissions by 2050. We will also contribute to the reduction of GHG emissions throughout society by engaging in external collaboration and otherwise facilitating innovation to develop products and technologies that serve this end, along with pursuing their social implementation, with the aim of helping communities around the world realize carbon neutrality.

■ Grand Design toward Achieving Carbon Neutrality



*1 Referring to Sumitomo Chemical Co., Ltd. and its consolidated subsidiaries in and outside Japan

*2 Scope 1: Greenhouse gases directly emitted by plants, such as in the use of fuels and in manufacturing products
Scope 2: Greenhouse gases emitted indirectly, such as through the purchase of electric power or steam from outside the Company's plants

*3 Compared to FY2013

*4 CCUS: Carbon dioxide Capture, Utilization and Storage

Disclosure in Line with TCFD Recommendations

In line with the TCFD's four recommended disclosure items, "Governance," "Risk Management," "Strategy," and "Metrics and Targets," the Group's efforts to address climate change issues are introduced on pages 054-065.

Governance

Sumitomo Chemical has established meetings and committees to deliberate important matters related to the management of the Group from a broad and diverse perspective in order to enhance its business execution and supervisory functions. Through these meetings and committees, the Company reports to the Board of Directors on issues related to the promotion of sustainability, including climate change.

Management Meetings:

Deliberation of important matters such as management strategies and capital investments, including agenda items and report items related to climate change response

Sustainability Promotion Committee:

Deliberations on important matters related to sustainability promotion

Responsible Care Committee:

Formulation of annual policies, mid-term plans, and specific measures to address climate change, as well as analysis and evaluation of performance

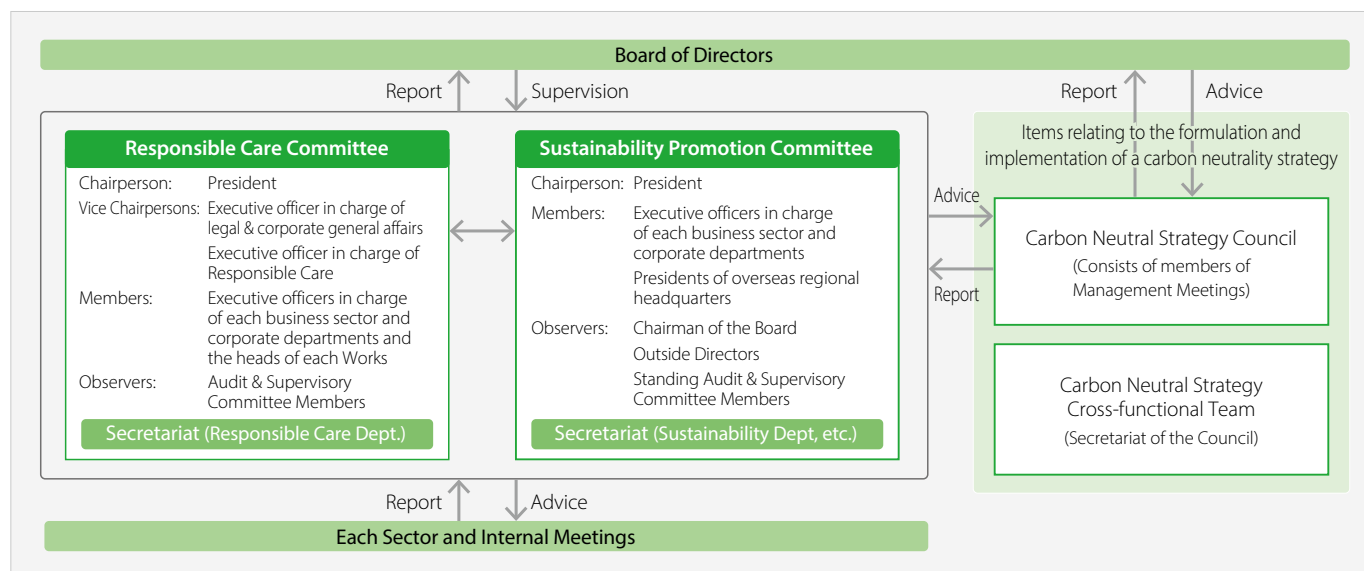
Carbon Neutral Strategy Council:

Deliberation and promotion of the grand design for achieving carbon neutrality by 2050

A wide range of specific issues related to energy and greenhouse gases (GHGs) are taken up for detailed discussion at Company-wide Science Based Targets (SBTs) GM Meetings, SBT Promotion Working Groups, Company-wide Energy Manager Meetings, Department Liaison Meetings on Global Warming, Group Company Information

Exchange Meetings, and other gatherings. Through the establishment of these various meetings, we have created a system capable of steadily and swiftly sharing important information in addition to managing energy and GHGs for Works, research laboratories, business sectors, and Group companies.

Structures for Responding to Climate Change



Meeting	Coordinator	Members	Content
Company-wide SBTs GM Meeting	Executive officer in charge of Responsible Care and Process & Production Technology & Safety Planning	General managers in charge of SBTs at individual worksites	Discussing various measures aimed at achieving SBTs
SBT Promotion Working Group	Process & Production Technology & Safety Planning Department general manager	Corporate Planning Office, Corporate Research Planning and Coordination Dept., Process & Production Technology & Safety Planning Department, Responsible Care Department, and Environmental Burden Reduction Technology Development Group	Proposing various multi-faceted measures to achieve SBTs
Company-wide Energy Manager Meeting	Responsible Care general manager	Section managers in charge of Energy and GHGs at their worksites	Sharing and spreading information on initiatives at each worksite
Department Liaison Meeting on Global Warming	Responsible Care general manager	Section managers in charge of climate change action at the departmental and corporate levels	Sharing Company-wide policies and ESG issues
Group Company Information Exchange Meeting	Responsible Care general manager	Managers in charge of climate change action for Group companies	Sharing Group policies and issues and promoting best practices

Risk Management

To achieve sustainable growth, Sumitomo Chemical makes an effort to detect, at an early stage, various risks that may hinder the achievement of its business objectives, and takes proper measures. We focus on building and expanding our system relating to risk management so that we can promptly and properly address risks when they emerge.

Climate change issues are positioned as one of the Group's major medium- to long-term risks through, for example, an assessment from the perspective of the likelihood of their occurrence and impact, and are integrated into the Group's overall risk management process.

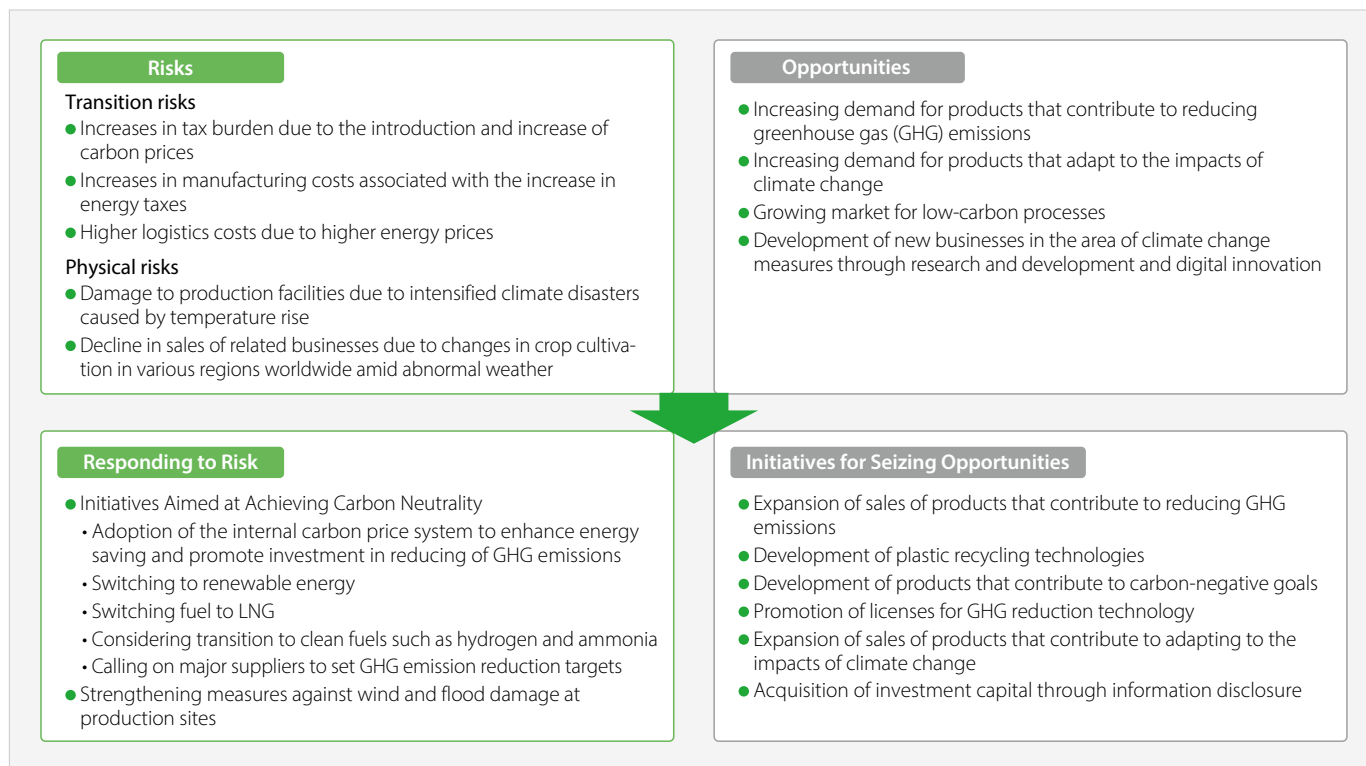
Specific Procedures

Each organization, including Group companies in Japan and overseas, conducts risk evaluations from the perspectives of probability of emergence (frequency) and financial impact in the event of emergence. The Internal Control Committee, which is chaired by the President, deliberates and identifies Company-wide material risks that need Group-wide initiatives, which may later be approved. The seriousness of each risk is determined by multiplying the probability of the individual risk by the financial or strategic impact on the Group's businesses.

Based on these processes, we have identified climate change-related risks and opportunities as detailed in the following table.

P.031 Risk Management

Risks and Opportunities



Strategy

In December 2021, Sumitomo Chemical formulated a grand design for achieving carbon neutrality by 2050. We will promote efforts to mitigate climate change from the perspectives of both "Obligation" (to bring the Group's GHG emissions close to zero) and "Contribution" (to reduce global GHG emissions through the Group's products and technologies).

In addition, as part of our efforts to adapt to climate change, we are striving to provide solutions adapted to global environmental changes, in such areas as agriculture and infectious diseases, and to strengthen new product development.

Investments to Achieve Carbon Neutrality

Starting in FY2019, in order to contribute to the realization of carbon neutrality for society as a whole, we calculate economic indicators reflecting internal carbon pricing (10,000 yen per ton) when GHG emissions are expected to increase or decrease for individual investment projects, and make investment decisions.

Investment Scale

We expect to invest a total of approximately 200 billion yen between FY2013 and FY2030 in carbon neutral-related investments.

Scenario Analysis

Scenario analysis, with regard to climate change, is a method in which we consider multiple scenarios, predict the impact of climate change and changes in the business environment due to long-term policy trends, and study the potential impact of these changes on our business and management. Currently, Sumitomo Chemical analyzes risks and opportunities with respect to both a scenario in which a variety of measures are taken to limit average global temperature increase to 1.5°C above the pre-industrial revolution levels, and a scenario in which countermeasures are not taken and temperatures increase by 4°C, evaluating the impacts of the two scenarios on our businesses and future actions that need to be taken.

Summary of the Scenario Analysis

In blue: positive impact
 In red: negative impact

Scenario	Risks and Opportunities	Anticipated Situation (Example)	Impact Assessment	Action
Common for All Scenarios* ¹	Increasing Demands for Disclosure of Information	<ul style="list-style-type: none"> Expansion of ESG investment Increased demands for disclosure of the results of life cycle assessment Enhancement of climate change and sustainability disclosures, including of Scope 3 emissions, as appropriate based on materiality, in line with such guidelines as the ISSB Standards, CSRD and ESRS 	<ul style="list-style-type: none"> Increased opportunity to get access to ESG investment capital by enhancing information disclosure Improved rating in stakeholder assessments with regard to the disclosure of carbon footprint and the amount of GHG emissions reduction Increased cost of compliance 	<ul style="list-style-type: none"> Formulate and release our Grand Design for achieving carbon neutrality Disclose the amount of avoided GHG emissions (Science-Based Contributions) Promote wider use of the carbon footprint calculation tool (CFP-TOMO™) Respond to trends in regulations and movements by related institutions
1.5°C Scenario (Reduced GHG Emissions)	Increased Demand for Products and Technologies Contributing to the Mitigation of Climate Change	<ul style="list-style-type: none"> Increasing investment and growing market for products and technologies contributing to the reduction of GHG emissions and for products and technologies related to recycling Examples <ul style="list-style-type: none"> Growing markets for EVs and fuel cell vehicles (2030 to 2050) Growing markets for components and materials for high-efficiency communication, due to change in consumer behavior (including expansion of the sharing economy and more efficient logistics with the use of IT) Shift to energy sources with low environmental impact Expansion of CCUS*² (2030 onward) Expansion of the circular economy, with the aim of reducing GHG emissions derived from fossil fuels (2030 to 2050) Growing markets for energy-saving homes and building materials 	<ul style="list-style-type: none"> Increased demand for SSS*³-designated products Increasing need for technological development for future SSS-designated products Examples <ul style="list-style-type: none"> Components and materials for EVs and fuel cell vehicles Increased sophistication in IT devices, demand for display and semiconductor materials necessary to reduce energy consumption, demand for functional materials and battery materials that contribute to the spread of smart mobility Technology that contributes to reducing GHG emissions Products and technologies for CO₂ recovery, on the back of the expansion of CCUS Carbon negative technologies Recycling-related products and technologies Biologically derived products and technologies Energy-saving construction materials, such as heat-storing materials Delay in recouping development costs in line with lagging shift in social needs and markets 	<ul style="list-style-type: none"> Enhance development and production systems for such materials as those used in displays, semiconductors, functional materials, and battery materials Enhance development and production systems for materials for next-generation power devices and high-efficiency communications Develop a process for recycling lithium-ion batteries Promote licensing of technologies that contribute to reducing GHG emissions (for example: the hydrochloric acid oxidation process and the propylene oxide-only process, PMMA chemical recycling process) Develop technologies relating to CO₂ recovery Develop products that contribute to negative carbon emissions (for example: agricultural materials utilizing fungi, resins produced from microbes) Develop plastic recycling technology and build a recycling chain in cooperation with waste management companies, then deploy them in society Examples <ul style="list-style-type: none"> Mechanical recycling of vehicles MMA chemical recycling <ul style="list-style-type: none"> Develop technology for biologically derived products and stoke demand for certified products Develop technology for and expand sales of heat storage material products Promote the feedstock shift to green ammonia Active development of a brand to visualize environmental value (Meguri™) Advocacy activities for systems related to the use of products that mitigate environmental burden
	Increased Regulation on GHG Emissions	<ul style="list-style-type: none"> Higher carbon prices (in developed countries, USD 180/ton for 2035, USD 250/ton for 2050)*⁴ Introduction and enhancement of carbon pricing, including carbon taxes and emissions trading, in various countries and regions <ul style="list-style-type: none"> Stronger requirements for GHG emissions reductions and making energy-saving performance mandatory Phased abolishment of subsidies for fossil fuels (in India and Southeast Asia, etc.) Accelerating transition to a circular society and increased regulation Increase in calls to promote use of renewable energy from customers 	<ul style="list-style-type: none"> Increased operational costs due to higher energy taxes including carbon prices (Assuming volume of GHG emissions in fiscal 2050 is about 5.29 million tons/year (Scope 1+2), the same level as in fiscal 2025, and a carbon price between 27,000–38,000 yen per ton of CO₂, our expense burden will increase by about 140-210 billion yen per year) Lower utilization of high-energy consumption production facilities Increase in utility expenses due to an increased proportion of renewable energy 	<ul style="list-style-type: none"> Consider carbon-neutral petrochemical complexes and ports Switch to highly efficient equipment by actively utilizing government subsidies Switch to renewable energy Switch fuel to LNG Rationalization research for manufacturing processes Develop technologies to capture, separate, and utilize GHG, and deploy them in society Promote the deployment of GHG emission removal equipment Consider transition to clean fuels such as hydrogen and ammonia
	Increased Cost of Raw Materials	<ul style="list-style-type: none"> More use of resources from circular systems and progress in the transition to lower environmental impact processes Increased costs due to more use of recycled materials Increase in calls for green procurement 	<ul style="list-style-type: none"> Increasing difficulty in procuring raw materials Lower profitability of the existing businesses 	<ul style="list-style-type: none"> Diversify raw material sources Evaluate the use of recycled raw materials Evaluate self-manufacture of raw materials with unstable supply Shift to a local production, local consumption model (for products where raw material procurement costs make up a relatively high proportion of the price) Optimization of business structure through corporate cooperation

*1 Common for all scenarios: Situations that can be expected in both the 1.5°C scenario (reduced GHG emissions) and the 4°C scenario (business as usual)

*2 CCUS: Carbon dioxide Capture, Utilization and Storage *3 Sumika Sustainable Solutions™ *4 Assumptions based on World Energy Outlook 2025

● In blue: positive impact ● In red: negative impact

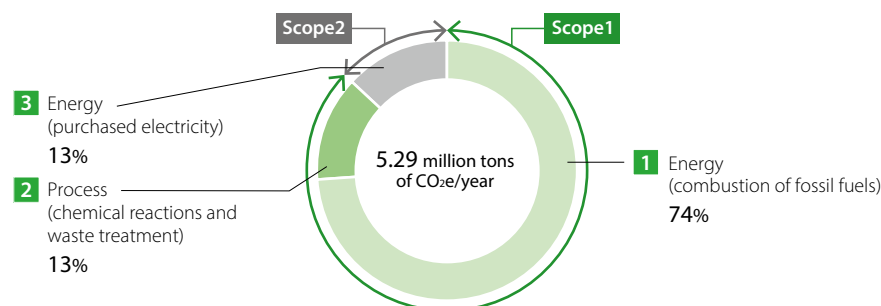
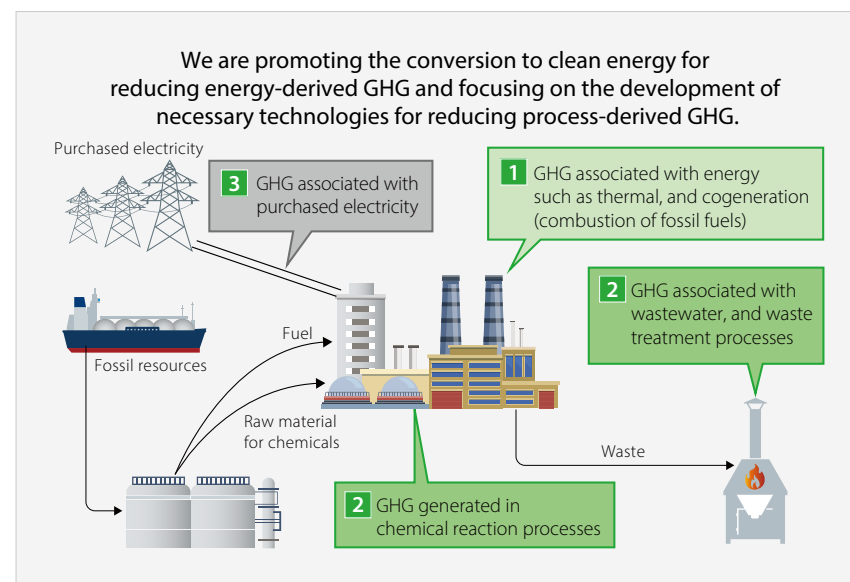
Scenario	Risks and Opportunities	Anticipated Situation (Example)	Impact Assessment	Action
4°C Scenario (Business as Usual)	Increased Demand for Products and Technologies Adaptable to Climate Change	<ul style="list-style-type: none"> Growing market for crops resistant to environmental changes such as temperature rise and drought Spread of infectious diseases due to the impact of climate change 	<ul style="list-style-type: none"> ● Increased demand for SSS-designated products ● Increased need for technological development for future SSS-designated products Examples <ul style="list-style-type: none"> • Biorationals and soil amendments • Agrochemical products adaptable to the change in crop growth • Agents for prevention and treatment of infectious diseases 	<ul style="list-style-type: none"> ● Develop products such as biorationals ● Provide solutions that respond to global changes in the environment for agriculture and infectious diseases ● Enhance sales and marketing structures and new product development structures with an eye on changes in demand in targeted markets
	Intensified Climate Disasters due to Temperature Rise	<ul style="list-style-type: none"> ● More impact on plant operations ● Expanded impacts on product storage and logistics ● Suspension of upstream supplier operations ● Rising sea level, damage from storm surges and floods, and heat waves ● Damage to farmland due to droughts and soil degradation 	<ul style="list-style-type: none"> ● Facilities located on seashores and river banks cease operations ● Increasing difficulty in acquiring raw materials and other products ● Decreased cost competitiveness of plants due to increased costs for measures to be prepared for disasters ● Decreased demand due to lower agricultural productivity 	<ul style="list-style-type: none"> ● Manage and respond to risks from a business continuity planning perspective ● Expand and diversify the regions in which we do business

Specific Initiatives for "Obligation"

Major Sources of GHG Emissions from Chemical Plants

The chemical industry is an industry in which raw materials are converted into products through chemical reactions that are driven by electricity, heat from steam, and other forms of energy. In FY2025, 74% of our GHG emissions came from **1** Energy (combustion of fossil fuels), 13% from **2** Process (chemical reactions and waste treatment), and 13% from **3** Energy (purchased electricity). We aim to reduce GHG emissions by focusing on the conversion to clean energy for energy-derived GHG and on the development of necessary technologies for process-derived GHG.

GHG Emissions in FY2025



1 Reduction of GHG Emissions from Energy (combustion of fossil fuels): Fuel Conversion

Sumitomo Chemical is working to reduce the Group's GHG emissions as an SBT-certified company. At plants in Japan, we are introducing highly efficient gas turbine generators and decommissioning a number of existing boilers. Aiming to reduce carbon emissions, we are switching from using conventional high CO₂-emission fuels like coal, petroleum coke, and heavy oil to using low CO₂ emission intensity fuels like liquefied natural gas (LNG).

In March 2022, at Ehime Works, Niihama LNG Co., Ltd.* began operating the Niihama LNG Station, which supplies LNG instead of conventional coal or heavy oil. In November 2022, Sumitomo Joint Electric Power Co., Ltd. started operations of the Niihama North Gas-Fired Power Plant, a facility it constructed that uses LNG. These efforts will result in a 650,000-ton annual reduction in CO₂ emissions. In January 2024, we began operating highly efficient gas turbine power generation equipment at Chiba Works that uses LNG instead of the existing petroleum coke. With the construction of this equipment, we

will reduce annual CO₂ emissions by over 240,000 tons (equivalent to around 20% of the CO₂ emitted by Chiba Works). It will also enable the supply of power to neighboring Group companies as we work hard to reduce GHG emissions across the entire Group.

* Funded by Tokyo Gas Engineering Solutions Corporation, Shikoku Electric Power Co., Inc., Shikoku Gas Co., Ltd., Sumitomo Joint Electric Power Co., Ltd., and Sumitomo Chemical

In addition, the following initiatives are being implemented with respect to the conversion from LNG to cleaner fuels.

Transition to Clean Fuels

Hydrogen and ammonia are gaining attention as clean fuels that do not emit CO₂ during combustion, with ammonia also being recognized as a hydrogen carrier. We are continuing to secure a stable supply of ammonia, and focusing on clean ammonia by the most effective use of the existing large tanks in the Niihama area of Ehime Prefecture. We are also participating in regional collaboration initiatives to build a supply chain for ammonia and hydrogen for future fuel applications.

P.061 Climate Change Mitigation and Adaptation: Initiatives through Regional Collaboration

We will continue to study the possibility of making each power generation facility cleaner (zero GHG emissions) based on the development status of ammonia and hydrogen combustion technologies, biomass fuel market trends, and regional collaboration efforts.

Won the Director of the Kanto Bureau of Economy, Trade and Industry's Excellent Energy Management Award (Chiba Works)

Chiba Works won the Director of the Kanto Bureau of Economy, Trade and Industry's Fiscal 2025 Excellent Energy Management Award given by the Kanto Bureau of Economy, Trade and Industry. Chiba Works has worked hard to save energy and reduce CO₂ emissions, including by installing a highly efficient gas turbine cogeneration facility. The Works garnered high praise for its optimized energy use and contributions to reducing its environment burden. Going forward, the Company will continue to steadily take measures to realize carbon neutrality.



Award ceremony

Fuel Conversion and CO₂ Emissions Reduction

Ehime region

Fuel conversion:
Coals and heavy oil ► **LNG**
Amount of CO₂ reduction:
650,000 tons/year



Niihama North Gas-Fired Power Plant



Niihama LNG Terminal and Ehime Works

Chiba region

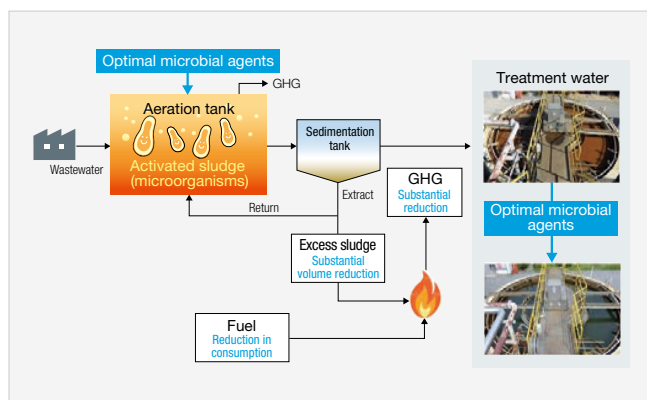
Fuel conversion:
Petroleum coke ► **LNG**
Amount of CO₂ reduction:
240,000 tons/year



Chiba Works' highly efficient gas turbine power generation equipment

2 Reduction of GHG Emissions from process (chemical reaction and waste treatment): Innovation in Wastewater Treatment Technology

Sumitomo Chemical is promoting biotechnological wastewater treatment. Wastewater treatment is an essential initiative to prevent water pollution and promote the recycling and reuse of water resources, however there was the issue that it requires a lot of energy and causes GHG emission when incinerating excess sludge. To address this issue, we have improved wastewater treatment capacity while reducing the amount of sludge generated, GHG emissions associated with wastewater treatment, and fuel consumption through the use of optimal microbial agents.



3 Reduction of GHG Emissions from Energy (purchased electricity): Use of renewable energy

From November 2021, Sumitomo Chemical's Oita Works switched its purchased electric power to 100% renewable energy-derived power, reducing GHG emissions from the Works by around 20%. In addition, at the same Works, we switched the fuel used on site from heavy oil to the low CO₂ emission intensity city gas and are working to optimize the plant operation conditions, achieving a GHG reduction of around 10%. Through these efforts, we realized a total reduction in GHG emissions of around 30% compared to fiscal 2013 at the Works.

Initiatives Aimed at Reducing GHG Emissions at Each Worksite

Each Sumitomo Chemical worksite helps reduce GHG emissions, including in the following ways: installing the latest highly efficient equipment; introducing rationalization and energy-saving measures in production processes; switching to lower-carbon fuels and other forms of energy; installing LED lighting; and soliciting employee suggestions on how to further improve our energy-saving efforts. Furthermore, regarding cleanrooms and other facilities that are highly specialized and difficult to manage, we have launched initiatives in cooperation with experts. Information on the state of these activities is exchanged at Company-wide Energy Manager Meetings, at which representatives from each worksite gather in one location to work on reducing the GHG emissions of the Company as a whole.

● Introduction of EV Bus (Sumika Electronic Materials (Wuxi))

Sumika Electronic Materials (Wuxi) began introducing commuter EV buses in 2021 as a way to reduce environmental burden and CO₂ emissions. As of April 2026, nine buses make a total of 700 runs per month, helping reduce fuel consumption by about 6,400 liters every month while cutting annual CO₂ emissions around 110 tons.



EV bus

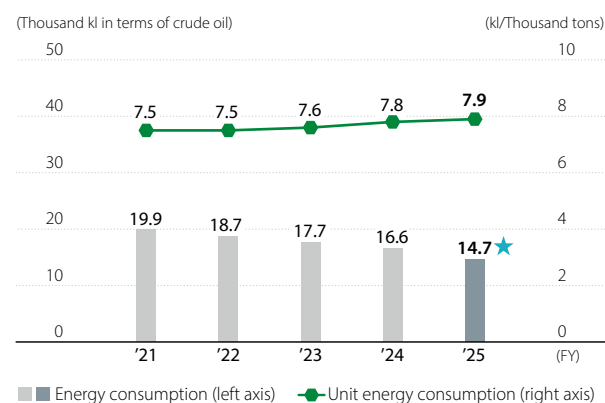
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Logistics Initiatives

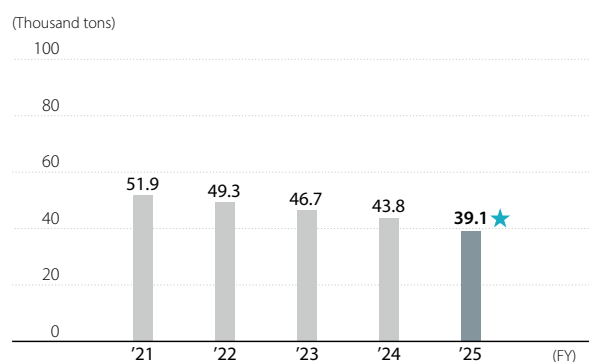
Sumitomo Chemical continues to promote modal shift, or transportation by more efficient and environmentally friendly modes, such as rail and ship instead of trucks. In fiscal 2025, the overall volume of cargo transported fell year on year, and, as a result, energy consumption (crude oil equivalent) and carbon dioxide emissions decreased. However, unit energy consumption increased 3.2% overall due to a decrease in the share of coastal transportation. This was an average 1.6% deterioration over the past five years. We will continue aiming to improve unit energy consumption by our target of 1% or more.

Reduction of Environmental Impact in Logistics Operations (Sumitomo Chemical and a Group company in Japan)

Energy Consumption and Unit Energy Consumption



CO2 Emissions

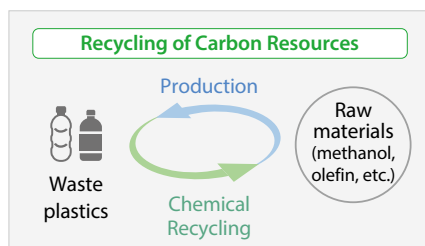


Note: Calculated for Sumitomo Chemical and a Group company in Japan (specified consigner Nippon A&L Inc.)
However, the calculation period for Nippon A&L Inc. is set at between April and June 2025.

Specific Initiatives for “Contribution”

● Establishment of Carbon Resource Recycling System

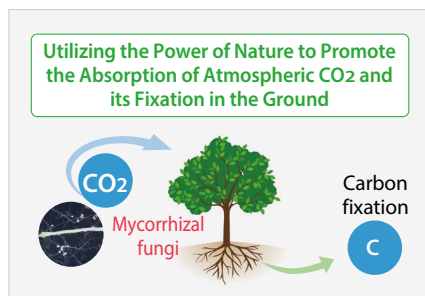
We are developing chemical recycling technologies to convert garbage and waste plastics into basic raw materials for chemicals, such as methanol, ethanol, and olefins, and to use them as raw materials for new plastics.



▶ P.066 Contribute to Recycling Resources

● Challenges to Carbon Negative Emissions

We are developing a technology whereby attaching useful microorganisms existing in soil to the roots of plants and allowing them to coexist, we not only promote the absorption of CO₂ by plants through photosynthesis, we also fix CO₂ in the ground in the form of carbon compounds. This will enable ordinary fields, forests, and other natural spaces to absorb and fix even greater amounts of CO₂, contributing a net negative amount of carbon to the atmosphere.



External Cooperation Initiatives

Initiatives through Regional Collaboration

Since there are limits to what individual companies can do to achieve carbon neutrality, it is necessary to accelerate regional collaboration with external parties such as companies outside our group and government agencies. We participate in the Keiyo Coastal Industrial Complex Council on Carbon Neutrality, which was established in November 2022 mainly in Chiba Prefecture. We will also continue working in collaboration with local companies, nations, municipalities, etc. on the Keiyo Coastal Industrial Complex Council on GX, which launched in March 2026. In addition, we are studying ways to achieve carbon neutrality, such as securing biomass feedstock and recovering waste, in cooperation with Maruzen Petrochemical Co. Ltd. and Mitsui Chemicals, Inc. Furthermore, in the Shikoku and Setouchi regions, we are collaborating with government agencies and nearby companies on efforts to construct a clean ammonia supply chain.

Dissemination efforts of Carbon Footprint of Products (CFP)* calculation tool

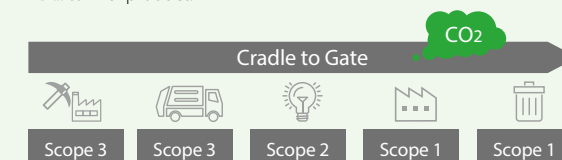
Although the evaluation of product CFP is essential to reduce GHG emissions in society, it is not easy to analyze the CFP of chemical products due to the complexity of their manufacturing processes. In response, we have developed our own calculation tool and calculated the CFP of approximately 20,000 products. We provide the tool free of charge to other companies. It is now used by many companies via collaboration with the Japan Chemical Industry Association. Additionally, we are considering expanding the use of CFP-TOMO™ for assessing environmental impacts other than GHG emissions, such as water.

* Greenhouse gas emissions from each stage of the product lifecycle, from procurement of raw materials to manufacturing, use, and disposal, expressed in terms of CO₂ emissions.

Our original calculation tool speeds up the calculation of CFP for our products

Created the original CFP calculation tool

- Built based on commercially available software (Microsoft Access/Excel)
- Prepared multiple calculation models accounting for the characteristics of chemical manufacturing processes (co-products, by-product fuels, steam generation, etc.) (Choose from the pull-down menu of models and execute calculation)
- Can easily calculate carbon footprint for each stage (intermediates or final product). E.g., raw material to Intermediate A to Intermediate B ... to final product.



Metrics and Targets (Risk)

As a metric for climate-related risks, we are the first diversified chemical company in the world to utilize GHG emission reduction targets certified as Science Based Targets (SBT). Our Group's*¹ GHG emissions (Scope 1 + 2) reduction target for 2030 is 50%*², and has been certified under SBT's Well Below 2.0°C standard. Until 2030, we aim to achieve this goal by utilizing the best available technology (BAT) in the manufacturing process at existing plants and by making thorough energy conservation and fuel switching in the manufacturing process.

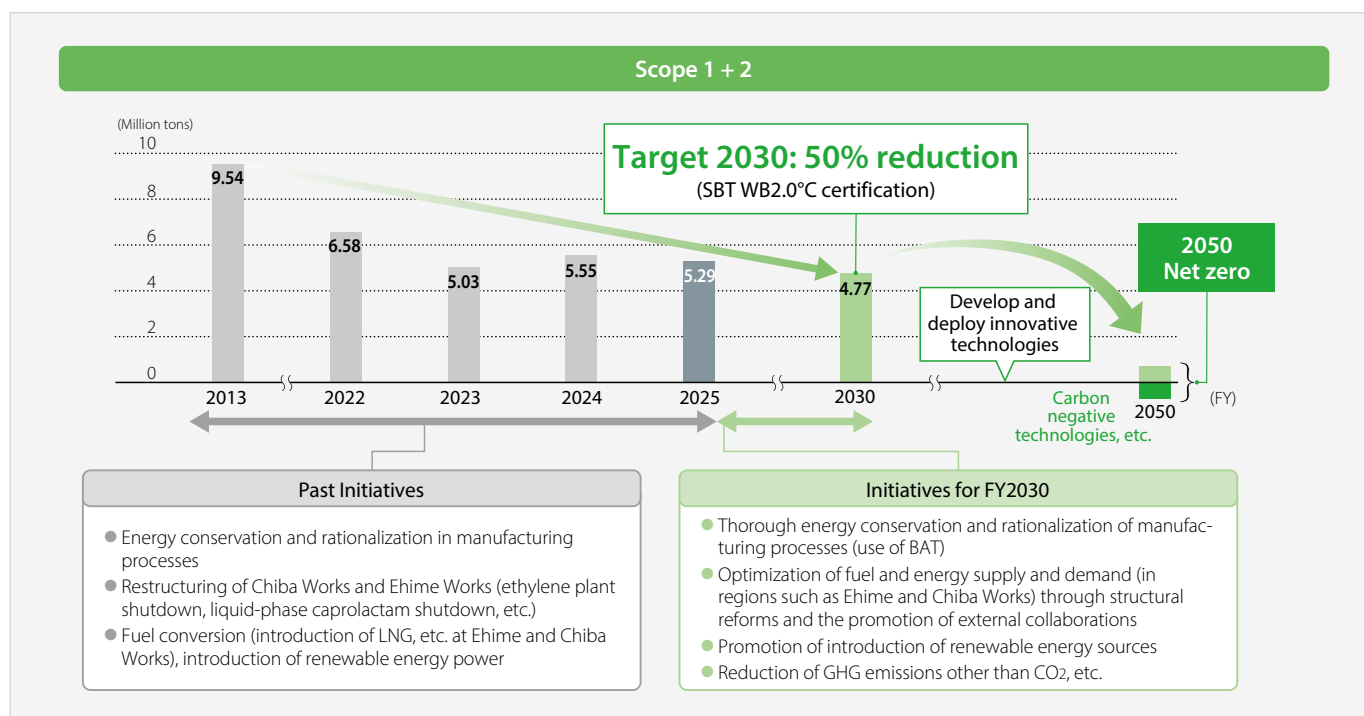
On the other hand, to reach net-zero emissions by 2050, it will be difficult to respond only with existing technologies, and innovative technologies such as carbon-negative emissions and CCUS*³ will be necessary. We will continue to study the development of them and their early implementation.

*1 Sumitomo Chemical + domestic and overseas consolidated subsidiaries

*2 Compared to FY2013

*3 Capture, effective utilization, and storage of CO₂ emitted from plants, etc.

GHG Emissions Trends and Reduction Targets (Scope 1+2)



P.011 KPIs for material issues for social value creation: Amount of Group's GHG emissions (Scope 1+2)

★: Assured by an independent assurance provider

FY2025 Energy Consumption and Greenhouse Gas Emissions

The Group's greenhouse gas emissions for fiscal 2017 onward are calculated with reference to the GHG Protocol (refer to page 164 "Calculation Standards for Environmental and Social Data Indicators"). The boundary of calculation has been expanded to include principal consolidated Group companies, which account for up to 99.8% of consolidated net sales.

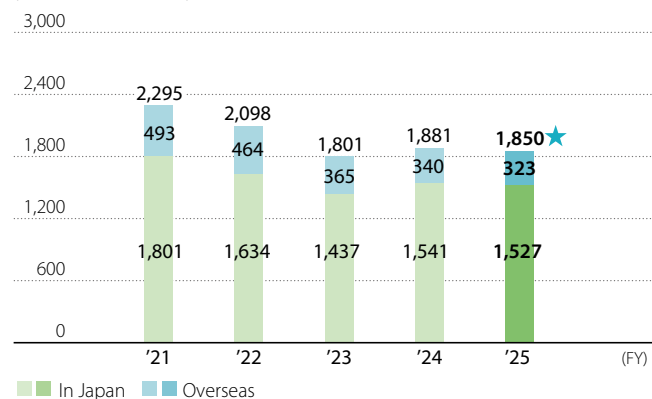
Greenhouse Gas Emissions

	Sumitomo Chemical and Group Companies in Japan	Overseas Group Companies	Total
Scope 1	4,319	286	4,605★
Scope 2	108	575	683★
Total	4,427	860	5,288★

(Thousand tons of CO₂e)Note: Biomass-derived emissions were 0 thousand tons of CO₂e

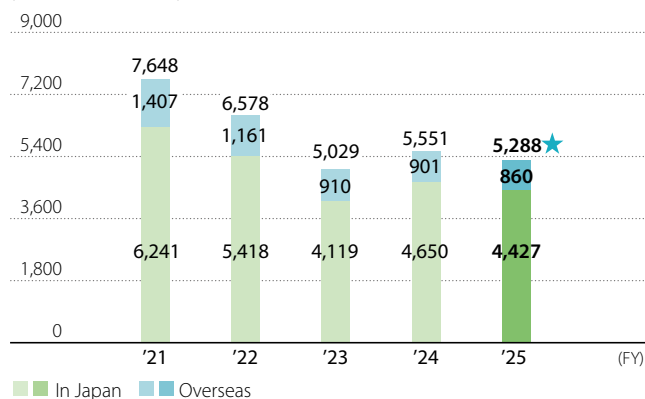
Energy Consumption (GHG Protocol standards)

(Thousand kl of crude oil)



Note: In line with the GHG Protocol standards, we now include the amount of energy consumed in the production of power and steam sold to external parties by Sumitomo Chemical Group.

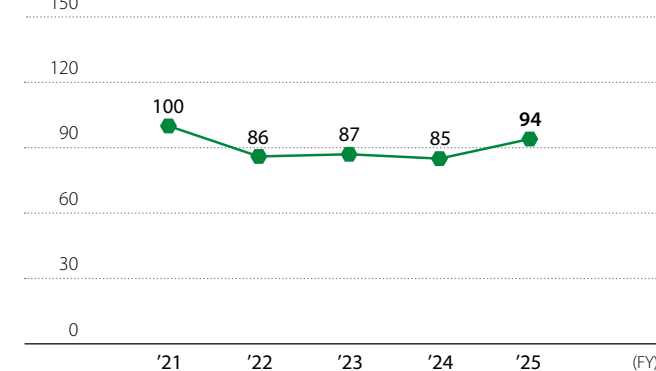
Greenhouse Gas Emissions (GHG Protocol standards)

(Thousand tons of CO₂e)

Note: Having adopted the GHG Protocol standards for our GHG emission disclosures, we now include the following data: CO₂ emissions from energy sold to external parties by the Group; CO₂ emissions from energy use attributable to Sumitomo Chemical's non-production sites; CO₂ emissions from non-energy sources not included in the scope of the Act on Promotion of Global Warming Countermeasures.

Unit Energy Consumption Index (GHG Protocol standards)

('21=100)



Notes: • The figures are indexed to energy consumption (GJ) per unit of sales
• Aim to improve over 1% per year on average (using fiscal 2021 as the base year)

★: Assured by an independent assurance provider

■ GHG Emission Reduction Targets (Scope 3)

Scope 3

Reduce GHG emissions (Scope 3: Categories 1 and 3) of
major Group companies

by 14% from the FY2020 level by FY2030
(SBT WB2.0°C certification)

Supplier Engagement Initiatives

We are promoting climate actions through dialogue with our suppliers, and at the same time setting reduction targets for indirect GHG emissions (Scope 3) across the supply chain by 2030, together with reduction targets for GHG emissions from our business activities (Scope 1 and 2). Through these initiatives, we have renewed our certification under the Science Based Targets (SBT) initiative at the “well-below 2°C” level. As one example, we explain our group's efforts to achieve carbon neutrality to our key domestic suppliers annually while requesting their cooperation in reducing GHG emissions. These efforts have been recognized by CDP, an international NGO. In the CDP's Supplier Engagement Assessment 2025, the Company received an “A” score, earning the highest rating for seven consecutive years.



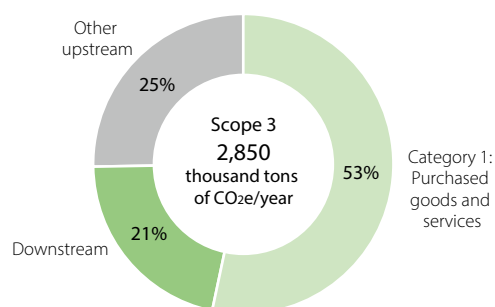
Status of Scope 3 GHG Emissions

(Thousand tons of CO₂e/year)

Category	Emissions				
	FY2021	FY2022	FY2023	FY2024	FY2025
1. Purchased goods and services	2,441	2,261	1,858	1,661	1,488★
2. Capital goods	141	146	186	216	158
3. Fuel- and energy-related activities (not included in scope 1 or scope 2)	559	550	512	488	468★
4. Upstream transportation and distribution	55	53	50	48	43★
5. Waste generated in operations	58	37	33	27	29★
6. Business travel	3	7	6	5	5
7. Employee commuting	9	9	9	10	10
8. Upstream leased assets	<1	<1	<1	<1	<1
9. Downstream transportation and distribution	<1	<1	<1	<1	2
10. Processing of sold products	—	—	—	—	—
11. Use of sold products	45	34	24	23	23★
12. End-of-life treatment of sold products	788	772	662	666	587
13. Downstream leased assets	—	—	—	—	—
14. Franchises	—	—	—	—	—
15. Investments	—	—	—	—	—

Notes: • For Scope 3 data, indirect greenhouse gas emissions from business activities throughout the supply chain are calculated separately by category and then added together.

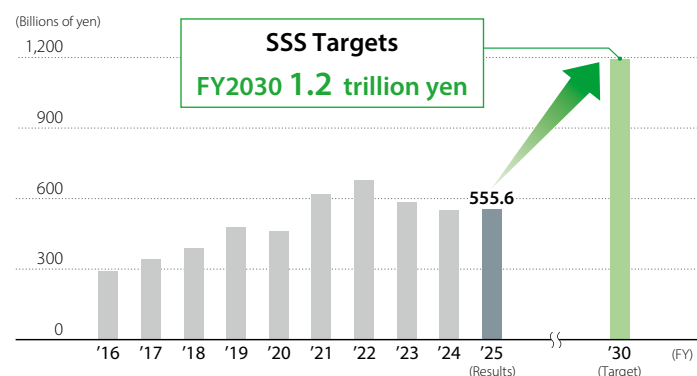
- Calculated for Sumitomo Chemical and Group companies listed on stock indices in Japan (Sumitomo Pharma Co., Ltd.; Koei Chemical Co., Ltd.; Taoka Chemical Co., Ltd.; and Tanaka Chemical Corporation). The calculation period is set from April 1, 2025 to March 31, 2026.
- Category 4 does not include Taoka Chemical Co., Ltd., but includes Nippon A&L Inc. However, the calculation period for Nippon A&L Inc. is set at between April and June 2025.
- Category 11 figures are N₂O and HFC converted into CO₂



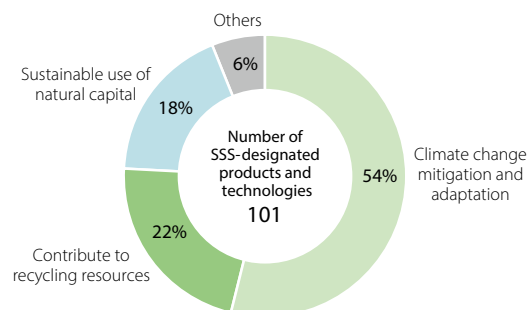
Metrics and Targets (Opportunities)

Sumika Sustainable Solutions™ (SSS) is used as a metric for climate-related opportunities. SSS is an initiative in which we designate those of our Group's products and technologies that contribute to the fields of climate change mitigation and adaptation, contribute to recycling resources, and sustainable use of natural capital in order to promote their development and spread. The sales revenue from designated products for FY2025 reached 555.6 billion yen. We will continue to advance our efforts towards achieving the FY2030 target of 1.2 trillion yen.

Sales Revenue Targets for Sumika Sustainable Solutions™



Percentage of products and technologies in each designated field (FY2025)



Science Based Contributions (SBC) Avoided GHG emissions through products and technologies

In order to more clearly demonstrate the contribution of our products and technologies to carbon neutrality (CN), we have established a new indicator, Science Based Contributions. By calculating and visualizing the contribution to avoided greenhouse gas (GHG) emissions, we will accelerate our efforts to achieve CN for society as a whole through our products and technologies. The SBC quantitatively and scientifically calculates the amount of GHG reductions achieved in society through the use of SSS designated products and technologies that we have sold and provided. The figures are calculated based on the product CFP and sales volume of the subject products and the production capacity of the licensed plants, etc. The calculation method is validated by external experts. We will strive to promote understanding of the contribution of our products and technologies to society through active disclosure of information to our stakeholders using the SBC, and promote efforts to realize CN around the world.

SBC results		FY2024	6.6 million tons	FY2025	7.1 million tons
Item	Beneficiaries	FY2024 (million tons)	FY2025 (million tons)		
SSS Technology	Propylene oxide (PO)-only process, Hydrochloric acid oxidation process	Licensees	2.9	2.9	
SSS End Products	Methionine, Flumioxazin, etc.	Users	3.7	4.2	
SSS Materials & Components	Components for Secondary Batteries and aircraft, etc.	Users	Not applicable (under consideration)		

Calculation Method	
SSS Technology	<ul style="list-style-type: none"> PO-only process is compared to the average of other PO manufacturing processes, such as the chlorine process, and hydrochloric acid oxidation process is compared to the salt electrolysis process. Calculation of reduction contribution by licensees.
SSS Products	<ul style="list-style-type: none"> Methionine is compared to feed without additives. The contribution to the reduction of N₂O in poultry waste was calculated.* Regarding the Flumioxazin, contributions to emissions reduction achieved by no-till farming in the U.S. were calculated by comparing no-till farming for soybean cultivation with the conventional farming method.

* In addition to the SBC, we conduct assessments of some products using the Life-cycle Impact assessment Method based on Endpoint modeling (LIME).

Contributing through Business — Sumika Sustainable Solutions™ (SSS)

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

Contribute to Recycling Resources

For sustainable use of resources, we need to reduce the consumption of natural resources while at the same time efficiently circulating the resources we have. In addition to waste management and effective use of resources at our offices and Works, Sumitomo Chemical is working on the development and social implementation of carbon recycling technologies for plastics and other resources.

Circular System for Carbon Resource

Basic Stance

To realize a circular system for carbon resources including plastics, we are working to reduce, reuse, and recycle (mechanical recycling, chemical recycling) products at each stage of the plastic value chain. These efforts also extend beyond the plastic value chain. We are working to develop technology that utilizes the carbon contained in organic matter as a renewable resource, as well as to develop plastic products that use that carbon as a raw material.

In addition, the Group formulated the Sumitomo Chemical Group Basic Policy Towards a Circular System for Plastics in 2020 to work towards building a circular system for plastics and resolving plastic waste problems.

Sumitomo Chemical Group Basic Policy Towards a Circular System for Plastics

https://www.sumitomo-chem.co.jp/english/news/files/docs/20200601e_policy.pdf

Management System

We are actively promoting research and development on chemical recycling technologies within research groups dedicated to reducing environmental impact at the Essential & Green Materials Research Laboratory. In addition to chemical recycling of plastics, we have also been developing technologies and products that contribute to the circulation of various carbon resources, such as the appropriate utilization of biomass feedstocks.

In pursuit of practical, socially beneficial applications, we are working to commercialize chemical and plastic products that utilize this revolutionary technology, especially through the Business Development Office for Circular Carbon Economy.

Targets and Results

Sumitomo Chemical has identified "contribution to recycling resources" as one of our material issues to be addressed as management priorities, and we have set the amount of recycled plastic resources used in the manufacturing process as a KPI for this purpose. We are working to replace 200k tons/year of plastic used in our manufacturing process with recycled resources by 2030.

KPI: The amount of recycled plastics utilized in manufacturing processes	
Target	200k tons/year by 2030
Result	FY2025 Approximately 14,420 tons

Examples of Initiatives

Development of the Meguri™ brand

Meguri™ is a brand of plastic products and chemicals that can be obtained through recycling technology and contribute to reducing environmental impact.

Meguri™ products are the crystallization of the latest recycling technologies and the environmentally friendly technologies that we have cultivated in various fields as a diversified chemical company. We will expand the Meguri™ product lineup and increase production and sales of these products, thereby playing a role in realizing a circular economy.



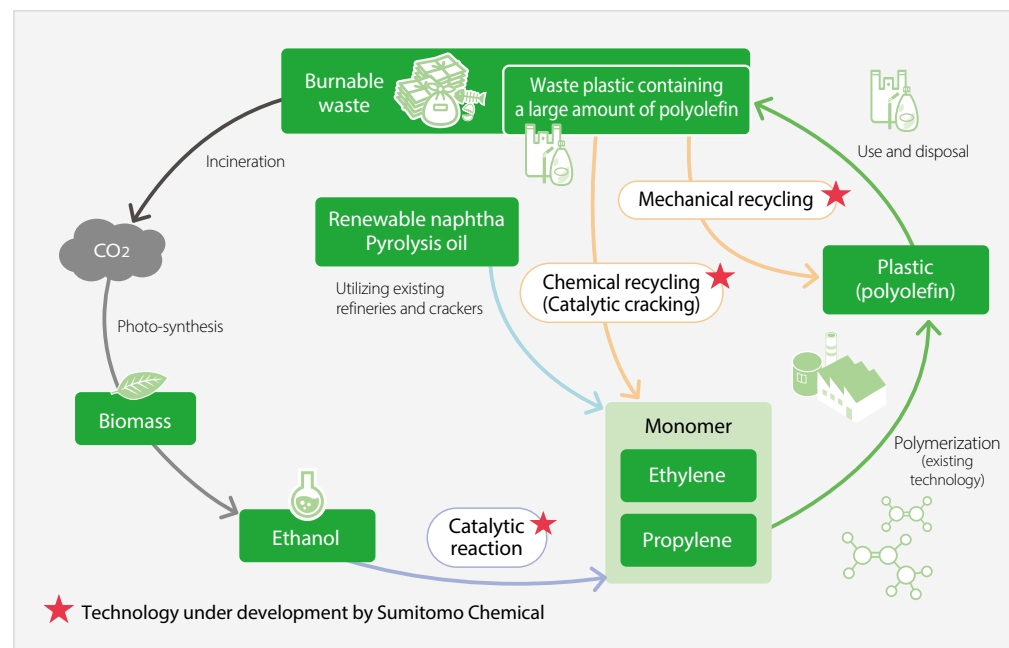
The brand name Meguri™ means "circularity" in Japanese. The design of the icon is a deformed version of the kanji character "廻", which means "circularity" in Japanese.

Sumitomo Chemical Circular System for Plastics Website

<https://www.sumitomo-chem.co.jp/circular-plastics/en/>

Overview of Carbon Resource Circulation, including Plastics

We promote technological development aimed at opening multiple circular carbon routes by combining our catalyst design and chemical process design technologies, in collaboration with external parties. Utilization of these technologies will reduce fossil resource use and plastic waste emissions, as well as GHG emissions from plastic waste incineration.



Examples of Resource Circulation Initiatives through Collaboration with Other Parties

	Technology	Cooperating Partners	Reference
1	Olefin Production through Two-Stage Cracking of Waste Plastics	Maruzen Petrochemical Co., Ltd. Muroran Institute of Technology	NEDO ^{*1} GI Fund Projects ^{*2}
2	Olefin production from alcohols	AIST	

*1 National Research and Development Agency, New Energy and Industrial Technology Development Organization (NEDO)

*2 Green Innovation Fund Project

1 Olefin Production through Two-Stage Cracking of Waste Plastics (Chemical Recycling)

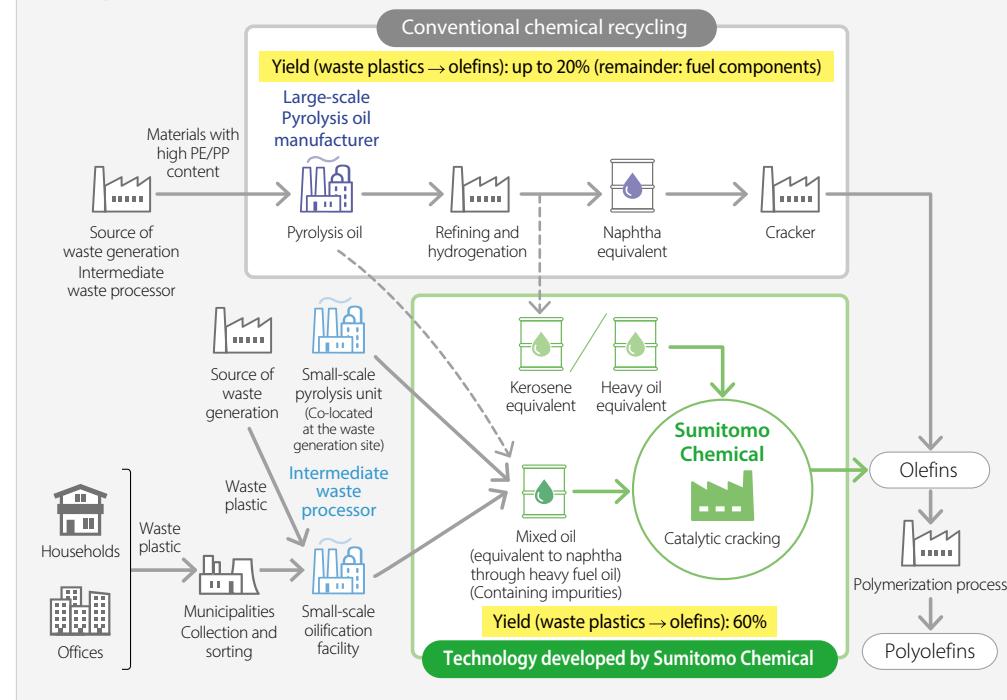
NEDO GI Fund Projects

We are developing a chemical recycling technology that uses our proprietary catalyst to efficiently convert pyrolysis oil obtained by heating waste plastics at 300–400°C into olefins. By utilizing a broad range of waste plastics of varying quality as recycled feedstock, including materials that have traditionally been difficult to recycle, and by using nearly all of the resulting pyrolysis oil as feedstock, we aim to achieve an olefin yield of at least 60%.

Commercializing this technology will promote the resource circulation of waste plastics currently sent for incineration or energy recovery. Locating pyrolysis units near waste generation sites and intermediate treatment facilities will also improve transportation efficiency, promote local resource circulation and, ultimately, contribute to regional revitalization. Working with our partners, we aim to complete development of the technology by 2028 and commercialize it in the early 2030s.

Features of this Technology

- Technology for high-yield olefin production from waste-plastic pyrolysis oil
- High carbon resource circulation rate
- Catalyst with high tolerance to impurities



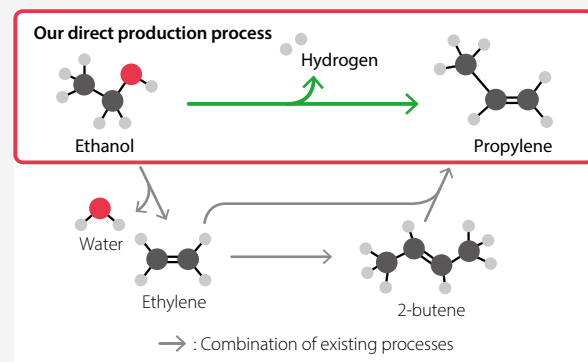
2 Technology for Olefin Production from Alcohols (Olefin production from biomass-derived feedstocks)

NEDO GI Fund Projects

We are developing technology to produce olefins directly from ethanol, which has been attracting attention as a sustainable chemical raw material. In bench trials, we achieved a target olefin yield of 80%. Furthermore, we completed construction of a pilot facility at our Chiba Works in June 2025 and are now advancing data acquisition using the facility. Going forward, we will continue to accelerate development toward the establishment of the technology and aim for its early societal implementation.

Features of this Technology

- Producing olefins directly from ethanol
- A newly-developed compact and low-cost process
- Producing hydrogen as a by-product, in addition to olefins



Chemical Recycling

We are developing a range of technologies to enable the chemical recycling of plastic products.

Chemical Recycling System for Acrylic Resin

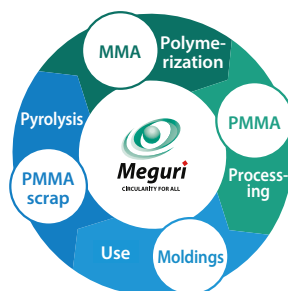
We have jointly developed with The Japan Steel Works, Ltd. a technology for efficiently breaking down acrylic resin using pyrolysis and recycling it back into MMA (methyl methacrylate) monomer, which is a raw material for acrylic resin (polymethyl methacrylate or PMMA). We have built the pilot facility at our Ehime Works and commenced sales of a chemically recycled PMMA material (SUMIPEX™ Meguri™)*¹ in March 2025.

In addition, we have also received third-party certifications, such as ISCC PLUS,*² and are globally promoting the practical application of recycling techniques that utilize the mass balance approach.

*¹ PMMA made from recycled monomers reduces GHG emissions throughout the product lifecycle compared to products derived from fossil resources.

*² An international certification system guaranteeing proper management of recycled, biomass, and other sustainable raw materials in supply chains, including product manufacturing.

Overview of PMMA Chemical Recycling



PMMA Chemical Recycling Pilot Facility

Launched Commercial Licenses for PMMA Chemical Recycling Technology in Collaboration with Lummus Technology

Sumitomo Chemical has started offering technology licenses on a commercial scale for its PMMA chemical recycling technology, which converts used PMMA into MMA monomer, in collaboration with Lummus Technology LLC, a major U.S. technology licensor. Following verification at the pilot equipment in the Ehime Works and repeated evaluations including scale-up, the Company has established a technology that meets the requirements for commercialization. Going forward, Sumitomo Chemical will expand the adoption of this technology through Lummus' global network and promote the expansion of resource circulation for acrylic resin worldwide.



Launch of Commercial-Scale Licensing for PMMA-CR Technology

<https://www.sumitomo-chem.co.jp/english/news/detail/20260205e.html>

PMMA Chemical Recycling Licensing

<https://www.sumitomo-chem.co.jp/technology-licensing/our-licenses/pmmacr/>

Mechanical Recycling

We are promoting the development of various technologies to achieve mechanical recycling for plastic products.

PP (Polypropylene) Mechanical Recycling

In collaboration with REVER CORPORATION, Sumitomo Chemical had been developing mechanical recycling technology for plastics such as PP for automotive parts, utilizing waste plastics derived from end-of-life vehicles (ELV). In April 2024, the Company began operating pilot-scale equipment. It subsequently produced trial materials for customer evaluation. As demand increases under the ELV regulations in EU and other measures, the Company advanced toward commercialization through closely coordinated development and evaluation. In July 2026, this business was transferred to Prime Polymer Co., Ltd.

PMMA (Polymethyl Methacrylate) Mechanical Recycling

"SUMIKA ACRYL SHEET™ Meguri™" is an acrylic sheet commercialized by SUMIKA ACRYL Co., Ltd., made from mechanically recycled raw materials by collecting, sorting, and crushing waste materials generated in the acrylic resin manufacturing process. Despite being recycled material, this product has excellent optical properties.

Examples of the Practical Applications of PMMA Mechanical Recycling

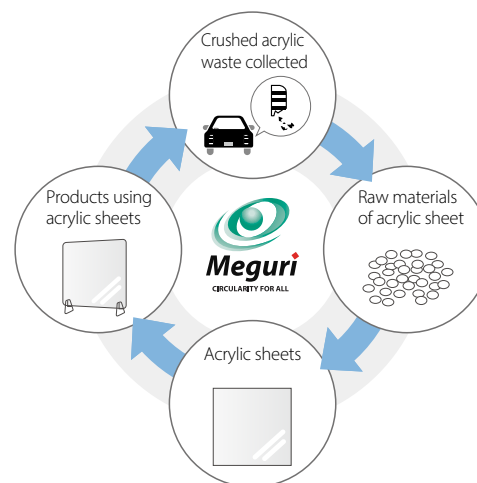
We are supplying the acrylic sheet "SUMIKA ACRYL SHEET™ Meguri™," produced through mechanical recycling technology, to Koizumi Lighting Technology Corp., a specialized lighting manufacturer.



Lighting sample made using recycled MMA through mechanical recycling

Photograph provided by
KOIZUMI LIGHTING TECHNOLOGY CORP.

■ Overview of PMMA Mechanical Recycling



■ Resource Saving and Waste Reduction

Basic Stance

Our company is working towards the realization of a circular society by collaborating with domestic and overseas group companies to promote resource conservation and waste reduction. In addition, based on the voluntary action plans for circular society management established by the Japan Business Federation (Keidanren) and the Japan Chemical Industry Association (JCIA), we set specific targets for the recycling of waste and waste plastics, as well as for the reduction of landfill volume, and we manage and disclose progress toward these goals.

Management System

The President serves as the chief coordinator and the executive officer in charge of Responsible Care serves as the coordinator of the Environment and Climate Change Action Group of the Responsible Care Department. This group is responsible for matters related to environmental protection for the Company as a whole and supports the environmental protection activities of Group companies.

Our worksites (head offices, Works, research laboratories, etc.) have established sections in charge of environmental protection operations, appointed coordinators and managers, and execute specific duties. Regarding the execution of duties, the corporate department (Responsible Care Department) formulates Company-wide annual policies and Company-wide medium-term (three-year) policies. Then each worksite, in light of these policies and in consideration of its own characteristics and regional situation, formulates an action policy and undertakes specific activities from the new fiscal year.

Regarding amendments to laws and regulations, the Responsible Care Department vigilantly pays attention to trends related to the enactment and amendment of environmental laws and, as appropriate, provides feedback through national specialized committees and other organizations. All people addressing the problems also establish targets (details of the amendments, possible impacts, visualization of countermeasures, etc.) and commit the Company to addressing the issue being targeted.

Furthermore, with regard to amendments that have a large impact on business, we access the necessary information in advance and notify worksites to prepare for meeting compliance requirements.

Examples of Initiatives

Proper Waste Management

The Sumitomo Chemical Group, in compliance with the law, tracks and manages industrial waste, ensuring it is properly handled from emission to final disposal. In addition, we prevent improper disposal by regularly providing education to those sorting the waste regarding separation methods and relevant laws and regulations, including the Waste Disposal Law and the Basel Convention.

Proper Waste Management

1. Separation and storage of industrial waste

We assiduously separate waste in accordance with the law and comply with legal standards, such as storage limits and labeling obligations. In particular, we have strengthened measures to stop the aerosolization and effluence of hazardous waste to prevent leaks into the environment.

2. Industrial Waste Collection, Transport, and Disposal (Outsourced)

As for waste that cannot be internally treated, we subcontract operations to businesses approved by prefectural or other governments. Always drawn up in adherence to the most recent laws, our subcontracting agreements clearly state necessary information related to hazards posed by and associated with the waste, treatment methods, and final disposal. Before signing the agreement, we confirm the adequacy of the subcontractor's local waste treatment capacity and management conditions in addition to determining whether waste is regularly and properly treated.

3. Intermediate treatment and final disposal of industrial waste

We concentrate and detoxify waste through incineration, pulverization, dehydration, and other methods. Residues and other non-recyclable matter that has undergone intermediate treatment is removed to a final disposal site, such as a landfill.

4. Use of manifests to track and manage waste

To confirm the proper treatment and completed final disposal of industrial waste, we issue manifests as required by law, store records of emission volumes and treatment, and diligently manage the waste. We are promoting the digitization of industrial waste management manifests, and except for a few special cases, digitization has been completed company-wide.

Promoting Resource Saving

In addition to strengthening waste reduction and recycling, we are also working to improve the yield of non-renewable raw materials and the product yield. Through these resource-saving initiatives, we not only create economic value but also contribute to the prevention of resource depletion and the reduction of environmental impact.

Note: Economic effects are detailed in the supplementary data (page 088)

Exhaustible Raw Material Use (Sumitomo Chemical and Group Companies in Japan)

(Thousand tons)

	FY2023		FY2024		FY2025	
	Sumitomo Chemical and Group Companies in Japan	Sumitomo Chemical	Sumitomo Chemical and Group Companies in Japan	Sumitomo Chemical	Sumitomo Chemical and Group Companies in Japan	Sumitomo Chemical
Hydrocarbon compounds	1,451	1,196	1,406	1,178	1,197	1,039
Metals (excluding minor metals)	85	81	93	89	93	89
Minor metals	15.0	0.04	14.3	0.08	11.18	0.02

Promotion of Recycling of Waste and Waste Plastics, and Reduction of Landfill Volume

Various types of waste, such as sludge, waste plastics, waste oil, and paper waste, are generated through our production activities. Each worksite works to reduce waste created in manufacturing processes and promotes recycling measures by improving existing processes and developing new products and processes with the aim of realizing a circular economy. In addition, for waste that is currently difficult to recycle, if possible, we incinerate it to reduce its volume and promote thermal recycling. The ash is then recycled into a raw material for use in soil amendment and roadbed construction.

Results of Recycling and Reusing Waste*

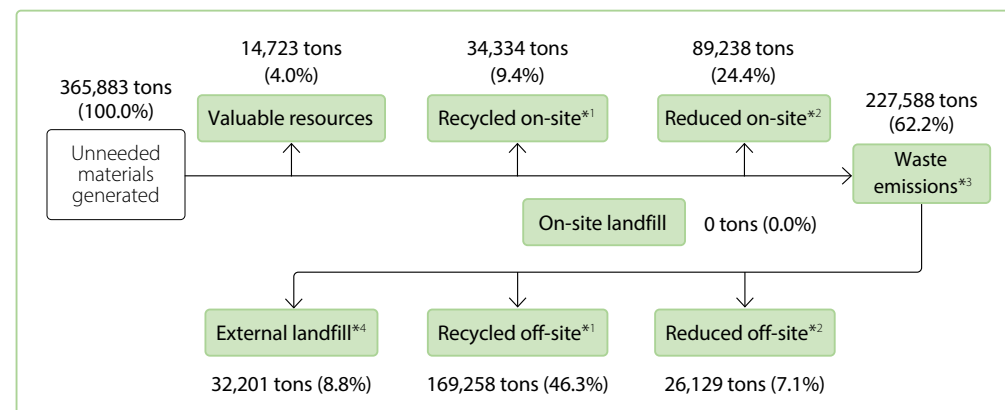
(Sumitomo Chemical and Group Companies in Japan)

	FY2021	FY2022	FY2023	FY2024	FY2025
Amount of waste and other unwanted materials generated	464,802	419,633	314,912	340,971	365,883
Amount of internally reused materials	49,003	16,922	8,989	11,866	18,085
Amount of internally recovered heat	—	27,032	21,457	15,161	16,249
Amount of waste generated	276,071	232,013	156,995	187,091	227,588
Amount of externally reused materials	213,309	173,416	101,867	131,566	163,994
Amount of externally recovered heat	—	9,903	6,423	3,758	5,264
Amount of valuable materials	18,405	14,335	17,437	14,820	14,723
Domestic resource recovery rate (%)	60.4	57.6	49.6	52.0	59.7

* Waste recycling and reuse rate: (Amount internally and externally reused + Amount of internally and externally recovered heat + Amount of valuable materials) / Waste emissions × 100

Waste Disposal Flow Chart and FY2025 Results

(Sumitomo Chemical and Group Companies in Japan)



Note: The waste amount for Sumitomo Chemical and Group companies in Japan accounts for around 80% of the entire Group total, which includes overseas Group companies.

*1 Recycled waste: Total amount of waste that was reused, recycled, or thermally recycled

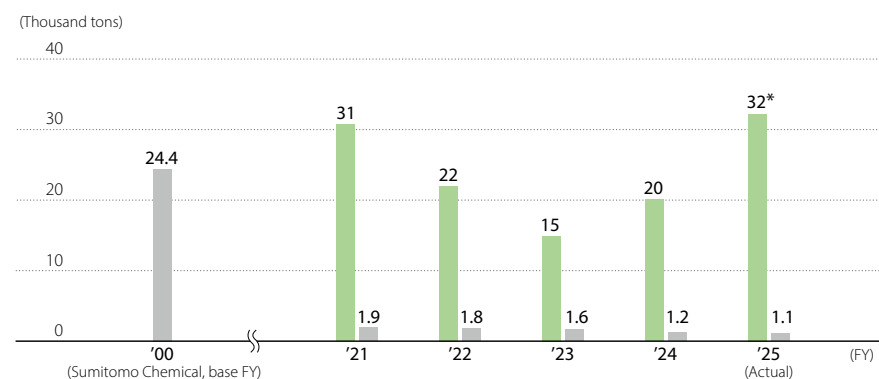
*2 Reduced waste: Total amount of waste reduced through incineration, etc.

*3 Including the amounts emitted by Sumitomo Chemical and its domestic group companies, which were treated by EGS Co., Ltd. Including the on-site landfill amount of Sumitomo Joint Electric Power Co., Ltd.

*4 Including the on-site landfill amount of Sumitomo Joint Electric Power Co., Ltd.

Landfill Disposal Amount

(Sumitomo Chemical and Group Companies in Japan)



■ Sumitomo Chemical and Group Companies in Japan ■ Sumitomo Chemical

* Including the on-site landfill amount of Sumitomo Joint Electric Power Co., Ltd.

(Goal) Maintain waste volume at below fiscal 2020 levels

Promoting the 3Rs: Reduce, Reuse, Recycle

At each of the Sumitomo Chemical Group's worksites, the 3Rs are being promoted toward the realization of a recycling-oriented society, and efforts are being made to reduce all waste generated at the worksites.

● Reduce

We are reducing the amount of paper used by encouraging paperless documentation and promoting the use of digital materials. Used office documents are recycled by a specialist business and turned into toilet paper.



Collection of Office Waste Paper



Toilet Paper Made from Recycled Office Documents

● Reuse

At Osaka Works, as part of the "Reuse Mottainai Initiative," information on unused and surplus items is shared in an electronic folder within the site to promote reuse. By fostering a culture of careful use and encouraging the reassessment of procurement needs before purchasing, this initiative also contributes to cost reduction.



Reusable Folding Containers

● Recycle

We are promoting recycling through the thorough separation of waste, including plastics, glass, and metal, as well as through the careful selection of storage sites and disposal contractors.



Sorting of Waste Plastics, Scrap Metal, and Waste Glass

At the Ohe Works, a recycling rate of over 90% is maintained through the reuse of plastic waste and conversion into solid fuel. Furthermore, used scrap materials and waste liquids generated in the polarizing film manufacturing process are recycled into raw materials by a contractor and repurchased, in an effort to promote resource circulation.

In addition, at Osaka Works, we contribute to customers' waste reduction by collecting product containers and ensuring their proper processing.

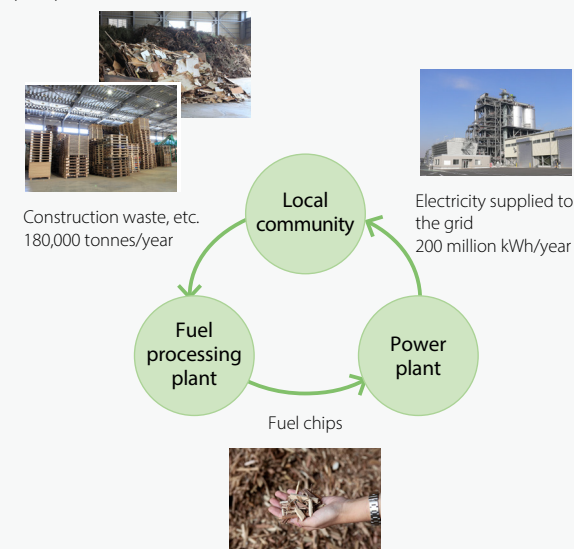


Collected Product Containers

Initiatives at Kawasaki Biomass Power Generation Co., Ltd.

The Kawasaki Biomass Power Generation Project is a biomass-only power generation project based on a local resource circulation framework, in which construction waste and food residues generated in the Kanto region are utilized as fuel. Even construction waste, which had previously been considered difficult to reuse, has been converted into fuel by overcoming various challenges, thereby contributing to waste reduction, the supply of renewable energy, and the reduction of CO₂ emissions. During the Noto Peninsula earthquake, some of the materials recycled through the government-promoted wide-area treatment of earthquake debris were utilized as biomass fuel, also contributing to the reduction of disaster waste.

In addition, because the project does not rely on imported fuel and instead utilizes locally generated energy resources (waste), it helps reduce the environmental burden associated with transportation and contributes to the realization of locally produced and consumed energy. As such, it represents a sustainable energy model from both environmental and resource perspectives.



Sustainable Use of Natural Capital

Basic Stance

Sumitomo Chemical conducts its business using various types of natural capital such as water and soil. In line with the so-called Nature Positive direction outlined in the Kunming-Montreal Global Biodiversity Framework, which was adopted at COP15, we have again designated biodiversity conservation and sustainable use of natural capital as material issues. The Company has formulated Sumitomo Chemical's Commitment to the Conservation of Biodiversity and is promoting specific actions to realize a Nature Positive stance from the perspectives of both obligation and contribution by taking an integrated approach to carbon neutrality and a circular economy. We also continue to conduct social contribution activities as well as educational activities with the aim of achieving a sustainable future. We have set ISO14001 activity goals for biodiversity preservation at each worksite and also promote initiatives through our businesses, such as participating in the Japan Business Federation's Biodiversity Initiative, while giving considerable thought to what we should be mindful of as a chemical company.

The Sumitomo Chemical Group's Commitment to the Conservation of Biodiversity

Sumitomo Chemical, aiming to create a society where humans live in harmony with nature, established the Sumitomo Chemical Biodiversity Guideline ("the Guideline") in 2011. Since then, the Company has proactively disclosed information about its initiatives and engaged in dialogue with stakeholders both inside and outside the Company. This policy was revised in February 2025 with the goal of further expanding our efforts.

■ The Sumitomo Chemical Group's Commitment to the Conservation of Biodiversity (Established in 2011, revised in 2025)

We at the Sumitomo Chemical Group strive to help create a society where humans live in harmony with nature and advance efforts to achieve a nature-positive*¹ world in accordance with our Basic Principles for Promoting Sustainability.

1. [Material issue]

We consider the conservation and restoration of biodiversity and natural capital*² one of the material issues to address as management priorities.

2. [Approach]

As we advance efforts to achieve a nature-positive world, we think both globally and locally, consider in an integrated manner how the efforts interrelate with the issues of carbon neutrality and a circular economy, and work from the perspectives of both obligation and contribution.

3. [Dependencies and impacts]

We endeavor to identify dependencies and impacts on biodiversity and natural capital across our business activities, including supply chains.

4. [Obligation]

We aim to continuously reduce the environmental impact of our business activities and endeavor to conserve and restore biodiversity and natural capital by taking characteristics of local communities into consideration and cooperating with stakeholders in our supply chains.*³

5. [Contribution]

We contribute to conserving and restoring biodiversity and natural capital across our value chain through development and provision of technologies, products, and services.*⁴

6. [Disclosure and communication with stakeholders]

We proactively disclose information about our initiatives to conserve and restore biodiversity and natural capital, provide relevant information to stakeholders, and engage in dialogue with stakeholders.

7. [Social contribution activities]

We continue to conduct social contribution activities that help to conserve and restore biodiversity and natural capital by cooperating and collaborating with stakeholders.*⁵

8. [Awareness-raising activities]

We conduct awareness-raising activities to ensure that employees, residents of local communities, consumers, and other stakeholders are able to rightly recognize and understand the importance of conserving and restoring biodiversity and natural capital.

*1 Nature-positive: Halting and reversing biodiversity loss to put nature back on a path to recovery

*2 Natural capital: Capital made of natural resources including forests, soil, water, the atmosphere, underground resources, and biological resources. Natural capital is one of the essential forms of capital that support people's lives and the foundations of corporations.

*3 Examples of initiatives related to the obligation: Reduction of greenhouse gas (GHG) emissions from energy and processes, appropriate chemical substance management, reduction of waste emissions, effective use of water resources, and promotion of sustainable procurement initiatives

*4 Examples of initiatives related to the contribution: Provision of products and technologies that promote regenerative agriculture, development and implementation in society of technologies that contribute to recycling plastics and other resources, and provision of products, technologies, and services that contribute to GHG emissions reduction

*5 Examples of social contribution activities: Nature conservation activities, tree planting activities, and clean-up activities

Disclosure in Line with TNFD Recommendations

Sumitomo Chemical endorses the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations, participates in the TNFD Forum, and is registered as a TNFD Adopter*¹.

In line with the four recommended disclosure items, "Governance," "Risk Management," "Strategy," and "Metrics and Targets," we disclose information related to biodiversity and natural capital.

In accordance with the TNFD recommendations, the Company now reports the results of its analyses and evaluations based on the LEAP approach*², in this publication. Going forward, we will continue to address the issues identified through these analyses while also expanding the scope of our analyses.

*¹ TNFD Adopter: A company, group or organization registered on the TNFD website as committed to making public disclosures in line with the TNFD recommendations

*² LEAP approach: A method developed by the TNFD as an integrated approach for evaluating issues related to interfacing with nature, dependencies, impacts, risks, opportunities, and more

Governance

The Sumitomo Chemical Group has designated the conservation and restoration of biodiversity and natural capital as one of the material issues to be addressed as management priorities and is promoting initiatives via a system centered on the Board of Directors.

The Board of Directors receives reports on nature-related dependencies, impacts, risks, and opportunities from Management Meetings, the Carbon Neutral Strategy Council, the Internal Control Committee, and the Responsible Care Committee. In turn, the Board provides oversight by offering recommendations and guidance. Furthermore, the Board receives reports on matters related to business strategies from the Sustainability Promotion Committee as well as on matters related to foundations for business continuation from the Internal Control Committee, then utilizes these reports as important factors in management judgments. Membership of the three committees each includes the president and executive officers in charge of each business sector, and each committee receives reports on evaluating and managing nature-related dependencies, impacts, risks, and opportunities from each business sector and Group company as well as fills the role of offering recommendations and guidance.

The Group also conducts engagement activities with a wide range of stakeholders, including indigenous groups, local communities, and impacted stakeholders, based on the organization's human rights policy regarding its evaluation of and action on nature-related dependencies, impacts, risks, and opportunities.

▶ **P.008 Management System:** Sustainability Promotion System

▶ **P.023 Corporate Governance:** Corporate Governance Organization

▶ **P.031 Risk Management:** Systems for Promoting Risk Management

▶ **P.043 Responsible Care:** Management System

▶ **P.054 Climate Change Mitigation and Adaptation:**
Structures for Responding to Climate Change

▶ **P.066 Contribute to Recycling Resources:** Management System

Risk Management

For the risk evaluation items assessed by the LEAP approach, the Sumitomo Chemical Group has created a system to manage the degree of impact via the process shown below for nature-related risks in the value chain of its businesses.

▶ **P.032 Risk Management:** Promotion of Group-wide Priority Risk Assessment and Countermeasures

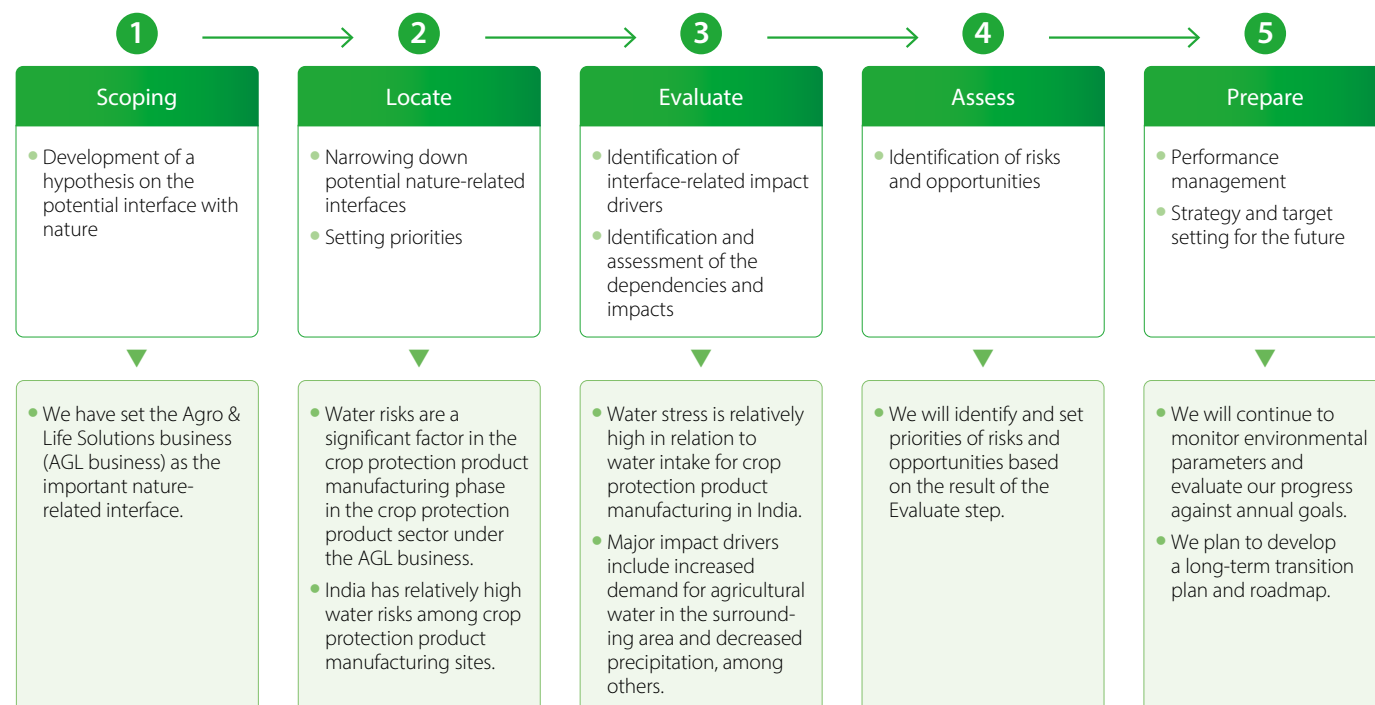
▶ **P.032 Risk Management:** Cross-organizational Risks and Crisis Response

Strategy

The Sumitomo Chemical Group assesses nature-related dependencies and impacts, as well as risks and opportunities, based on the LEAP approach recommended by the TNFD, and incorporates the results into the formulation of the Group's strategy.

Leap Approach

Summary



1 Scoping

Upon examining the entire value chain, it is clear that nature-related dependencies and impacts exist in each of the Group's four business sectors.

This section will focus on the Agro & Life Solutions Sector, which is involved in the food supply through its regenerative agriculture efforts. Food supply, ICT, healthcare, and the environment are the four important material social issues to be addressed by the Company in pursuit of value creation.

2 Locate

Overview of the Agro & Life Solutions Sector

For details, please refer to the page on the Agro & Life Solutions Sector in the Integrated Report 2026.

Agro & Life Solutions Sector in the Integrated Report 2026.

https://www.sumitomo-chem.co.jp/english/ir/library/annual_report/files/docs/scr2026e_A3.pdf#page=19

Evaluating dependencies and impacts on natural capital

The impacts on natural capital in this report involve the damage to (and recovery of) natural capital via the business activities, products, technology and services related to the Agro & Life Solutions Sector. Dependencies on natural capital refer to the benefits to business activities, products, technology and services via the function of natural capital (ecosystem services).

Method for evaluating dependencies and impacts on natural capital

This report provides the results of qualitative risk evaluations, which were performed in reference to the IUCN Guidelines for Planning and Monitoring Corporate Biodiversity Performance. The evaluations also utilize the Group's unique evaluation framework, which considers the scale of the Group's business and the degree of impact.

Evaluation results for impacts on natural capital

The impacts of the crop protection product business are significant overall, and the main impacts include the use of land and freshwater, water pollution, and soil pollution.

Evaluation results for dependencies on natural capital

Large dependencies exist in crop protection product and feed additive product lines and processes. As for ecosystem service-related items, there is a tendency toward high dependency on items related to disaster prevention or water resources.

Evaluations related to water risk

Water risk was evaluated for river basins where major bases for Group businesses are located.

Water risk evaluation method

This evaluation was performed for the following items for water-related risks in basins near major bases within the scope.

1. Water supply and demand risks
 - i) Current status of supply and demand (competition for water and groundwater, seasonal changes, frequency of droughts, water retention capabilities)
 - ii) Estimates for future trends (estimated shifts in competition for water, rate of conservation for water sources)
2. Vulnerability of basins with regard to water pollution
 - i) Public health risks (access to drinking water, water pollution)
 - ii) Ecosystem risks (conservation of downstream regions, inhabitation by endangered species)

This evaluation qualitatively and quantitatively assessed water risks using the Group's unique method that references the following database.

- WRI Aqueduct water risk atlas
- WWF-DEG Water Risk Filter (Map)
- Integrated Biodiversity Assessment Tool (IBAT)

Water risk evaluation results

The following is an overview of the results of an evaluation of water risks for major bases and their surrounding areas.

1. Water supply and demand
 - ✓ India has been raised as a region where water supply and demand risks will become greater in the near future. In particular, demand for water supplies is expected to greatly increase at our bases in India, and we expect that water stress will rise further above its current level.
2. Vulnerability to water pollution
 - ✓ Regarding public health, medium to high levels of risk are present at various overseas bases. Even in bases with low water supply risks, low access rates to drinking water could potentially lead to reputational risks (e.g., Tanzania). We believe we need to pay attention to trends in such areas as public opinion and NGOs.

3 Evaluate

Based on the results of the aforementioned evaluations of dependencies and impacts within the Locate phase and in accordance with the LEAP approach, we determined the target of our analysis would be the crop protection products from the wide product line handled by the Agro & Life Solutions Sector. It has become clear that there is a comparatively large degree of dependence on water resources within this business sector, therefore we are taking countermeasures in India, where risks are relatively higher, taking into account the results of water risk evaluations at our major directly operated bases.

Initiatives in a Relatively High-Risk Region (Sumitomo Chemical India)

Sumitomo Chemical India Ltd.'s Bhavnagar Plant serves as a crop protection product manufacturing site in India. The plant used to purchase river water from the local municipality to secure water for production. However, in recent years, securing the water required for production has become difficult due to population growth in the surrounding area, rising demand for agricultural water, and a decline in annual precipitation.

At the Bhavnagar Plant, we purchase a portion of household wastewater to be treated by local municipalities, then treat it and utilize it in production. We have also constructed a pipeline approximately two kilometers long that brings this household wastewater to the Bhavnagar Plant. Furthermore, a unique aspect of this method of wastewater treatment is that it utilizes vermiculture technology instead of an activated sludge method to turn pollutants in household wastewater into nutrients.

Through this initiative, we have been able to reduce the amount of river water we purchase from local municipalities by over 70%, providing a solution to the long-term issue of securing stable amounts of the water necessary for production activities as well as allowing us to successfully lower the cost of purchasing water by around half, achieving financial efficacy.



Water Treatment at the Bhavnagar Plant

4 Assess

With reference to key impact drivers, and based on the nature-related risks and opportunities identified and assessed during the Evaluate phase, and we plan to continue to identify risks and opportunities while creating an order of priority.

5 Prepare

The following is a future action plan made in consideration of the initiatives conducted by the Group.

Continue to monitor environmental parameters for Sumitomo Chemical and the Group as a whole

- Evaluate achievement of annual targets
- Revise nature-related risk screening as needed

Continue to monitor and manage environmental parameters for each region and base

- Appropriately respond to laws and regulations in each region
- Comply with agreed limits established with national and local governments for each site
- Continuation of and revisions to risk mitigation methods at regions and locations where priority risk management measures are needed
- As necessary, deeply investigate the nature-related risk screening performed for every region and base

We plan to continue creating future transition plans related to biodiversity and natural capital as well as medium- to long-term roadmaps.

Examples of Initiatives Related to Water Risks at Domestic Sites

Sumitomo Chemical's domestic worksites conduct simple assessments of water risks in terms of water supply and demand as well as vulnerability to water pollution. After the Company conducted an independent reassessment based on the site conditions and status of measures for each worksite with reference to Aqueduct and other public databases, it found there were no worksites recognized as having serious water risks at the time of the reassessment.

However, we are taking measures at each worksite with a focus on latent risks that could emerge in the near future. For example, at the Osaka Works, water recovered by cooling water vapor contained in exhaust gas is collected and reused, contributing to reductions in water consumption. In addition, to reduce the risk of flooding, drainage pipes have been installed underground within the premises to enable efficient water discharge.

Metrics and Targets related to Biodiversity and Natural Capital

With respect to metrics for nature-related dependencies and impacts on a global scale, targets are set and managed both on a standalone basis for Sumitomo Chemical and on a consolidated basis including Group companies. With respect to metrics at the local level, targets are set and managed individually by manufacturing sites and Group companies.

For details on environmental targets, please refer to the supplementary data.

P.052 Environmental Activity Goals and Results

P.086 Environmental Activities: Supplementary Data

★: Assured by an independent assurance provider

Specific Initiatives for “Obligation”

In accordance with the Sumitomo Chemical Group Biodiversity Action Guidelines, each site and group company has established targets in areas such as biodiversity conservation, preservation of water, soil, and air environments, control of noise and vibration, and the proper management of chemical substances, and is strengthening its efforts to achieve these targets.

Environmental Conservation

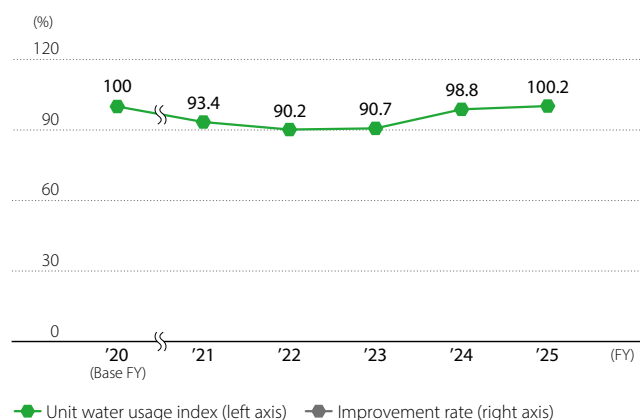
Effective Use of Water Resources

Based on water risk assessments at each production site, each business site is working to promote the efficient use of water. As part of efforts to reduce water consumption, we are implementing water recirculation at cooling towers, which are among the facilities with high water usage, and treating and reusing wash water generated in manufacturing processes.

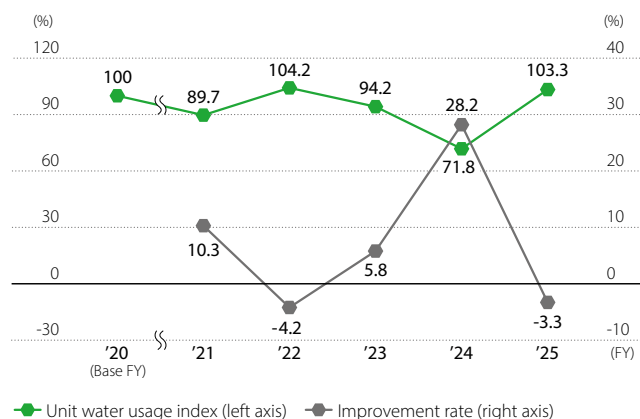
Promoting the Effective Use of Water

We investigate water risks related to intake, effluence and physical risk at each worksite and Group companies in Japan and overseas. We uncover various issues related to the use of fresh water on the worksite level and assess and manage the associated risks. In addition, we strive to reduce the amount of water we use by examining more effective ways to use water by application, while continuing to maintain and improve the quality of water released from our business sites into public water resources such as the ocean and waterways. Information on good practices are shared within the Group and referred to when considering measures to reduce water risks.

■ Unit Water Usage Indices (2020 = 100)
(Sumitomo Chemical and Group companies in Japan)



(Group companies overseas)



(Goal) Improve unit water consumption by at least 1% on average by fiscal 2025 (FY2020 level as baseline)

■ Water Usage (Sumitomo Chemical Group)

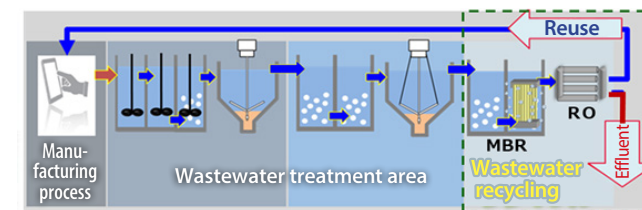
	FY2023	FY2024	FY2025
Sumitomo Chemical Group	707	840	794
(Breakdown 1)			
Sumitomo Chemical and Group companies in Japan	701	834	789 ★
Sumitomo Chemical	251	241	221
Group companies in Japan	450	593	568
Overseas Group companies	5.74	5.74	5.28
(Breakdown 2)			
Seawater	607	741	700
Fresh water	100	99	94

Note: Water usage volume includes seawater

Initiative to Effectively Utilize Wastewater (Dongwoo Fine-Chem)

Dongwoo Fine-Chem's Pyeongtaek Works recycles wastewater to reduce the amount of industrial water consumed as an initiative to mitigate water risks. The wastewater treatment facility at Pyeongtaek Works recycles treated water into industrial water, using a wastewater recycling system that combines membrane bioreactor (MBR) and reverse osmosis (RO) methods.

■ Composition of Wastewater Recycling System (Pyeongtaek Works)



Protecting the Aquatic Environment

To protect the aquatic environment around our worksites, we strive to appropriately manage wastewater and achieve more sophisticated activated sludge treatment, based on water risk evaluations at each production site.

We operate stable and sophisticated wastewater treatment facilities that realize the thorough purification of wastewater from worksites. We strive to conserve water environments in part by continuously monitoring treated wastewater using various types of analytical devices and installing fish monitors to confirm the safety of the water before discharging it into rivers and seas.



Fish monitor

Responding to Increasing Sophistication of Activated Sludge Treatment

At all our sites, we are striving to develop management technologies for water treatment that will further reduce our environmental impact and apply these technologies to realize safe and secure wastewater treatment.

At Works, for process wastewater that is difficult to break down, which was conventionally incinerated for treatment, we have developed an activated sludge treatment utilizing microbial immobilization technology to stabilize the process water and reduce treatment costs. We are still considering applying this treatment to a wider scope of water.

P.059 Reduction of GHG Emissions from process (chemical reaction and waste treatment):
Innovation in Wastewater Treatment Technology

Wastewater Detoxification Initiatives (Misawa Works)

Wastewater from the Misawa Works goes through general activated sludge treatment, then, after finishing tertiary treatment of activated carbon absorption and the removal of floating substances through coagulation and sedimentation, analysis equipment does quality checks and the water is released into public waterways.



Activated Sludge Treatment Facility

Responding to Water Quality Standards

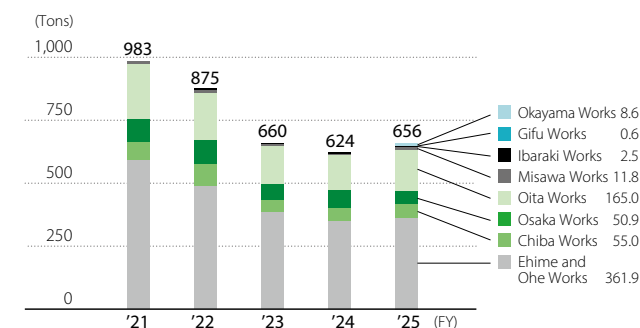
We are strengthening our voluntary management to continually reduce the COD, nitrogen, and phosphorus in wastewater emitted into the ocean and waterways from wastewater treatment facilities. In addition, we have realized stable treated water quality by enhancing the management technologies used in our water treatment facilities. We are continually working to reduce the impact of water emissions from our plants on Tokyo Bay and other closed coastal waters where regulatory systems have been implemented to control the total water emissions of COD, nitrogen, and phosphorus.

Water Emissions of COD, Nitrogen, and Phosphorus

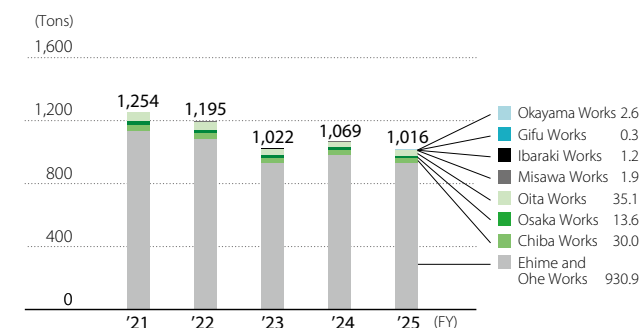
At each plant, we have established agreements with local governments based on standards that are even stricter than those required by law, as well as our own regulatory items, and we use these values as voluntary management standards in our efforts to reduce environmental impact.

(Note) From fiscal 2025, the Gifu Works (former Gifu Plant) and Okayama Works (former Okayama Plant) are treated as two standalone Works (between fiscal 2020 to 2024, data for both was included in that for Oita Works)

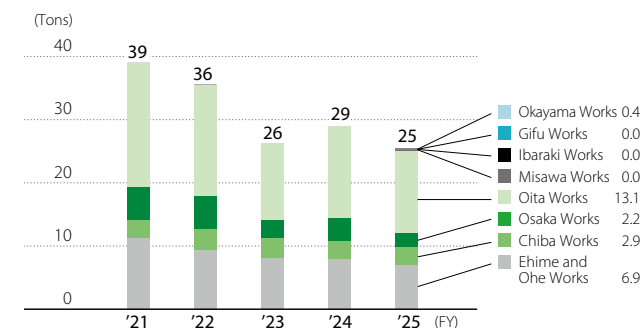
COD Emissions (water emissions include water discharge to sewage systems) (Sumitomo Chemical)



Nitrogen Emissions (Sumitomo Chemical)



Phosphorus Emissions (Sumitomo Chemical)



Water Area Surveys Conducted around Works (Misawa Works)

To confirm the impact of business activities on water areas, we conduct aquatic wildlife surveys of the Sabishiro River, into which process water from the Works flows.

In the Sabishiro River, we confirmed 10 species of precious aquatic benthic organisms, such as a vulnerable species of *Stenothyra* and the endangered species *Cottus reinii*. We determined that we were maintaining ecosystems with extremely good water quality.



Stenothyra



Cottus reinii



Dugesia japonica



A subspecies of *Tubifex tubifex*

Conserving Soil Environment

We recognize that the conservation and restoration of soil environments is an important initiative to ensure the sustainable use of natural capital. In addition, as specific measures in line with the Soil Contamination Countermeasures Act, we maintain careful control of the execution and management of construction plans in order to ensure appropriate responses to notifications when modifying soil types at specified facilities that use hazardous substances and an expansion of opportunities for soil contamination surveys.

Preventing Soil and Groundwater Contamination

We use impermeable materials on floors and take other measures to prevent external leaks at the installation sites of equipment that stores or uses hazardous substances to ensure that the soil and groundwater are not contaminated even if a leak occurs due to equipment damage caused by an earthquake or other incident. In addition, because runoff from rain that falls around manufacturing equipment could be tainted with machine oil or other contaminant, we pave the surrounding area and install drainage pipes to collect all such water for processing by wastewater treatment facilities. We similarly collect runoff from roads within our premises and monitor groundwater quality. Moreover, to prevent leaks from wastewater facilities, we regularly inspect the facilities and pipes. We have also installed monitoring wells at necessary locations within our Works so that we can quickly detect any potential issues and take rapid action. We conduct regular water quality surveys to confirm there are no problems.

Protecting the Atmospheric Environment

We are working on reducing our various environmental impacts, including emissions of soot and dust mainly from boilers and gas turbines, leaks of fluorocarbons from refrigeration equipment, emissions of mercury from waste incineration, emissions of chemicals and VOCs from manufacturing plants, and airborne asbestos from the demolition of buildings. In addition, we appropriately respond to laws and regulations.

Reducing Atmospheric Emissions of SOx, NOx, Soot, and Dust

Our efforts to control and reduce sulfur oxide (SOx), nitrogen oxide (NOx), and dust levels, all of which we track as key atmospheric pollutant metrics, include the use of low-sulfur fuels to reduce SOx and installation of denitrification technology that injects aqueous ammonia to reduce the NOx in emissions from facilities that incinerate waste liquids.

In addition, at each site, we are progressively converting steam-generating boilers from heavy oil-fired systems to city gas-fired systems. As a result, SOx emissions generated during the combustion of sulfur contained in heavy oil have been significantly reduced. Emissions of NOx and dust have also continued to decline steadily, contributing to the suppression of PM2.5 emissions.

We constructed an LNG-fueled cogeneration facility that can reuse waste heat from power generation, achieving significant reductions in the emissions of atmospheric pollutants, as well as energy savings and reductions in GHG emissions.

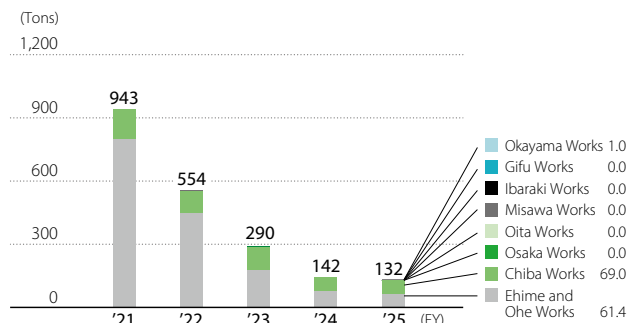
At each plant, we have established agreements with local governments on standards that are stricter than those required by law, and we use these values as our voluntary management standards while striving to comply with them.



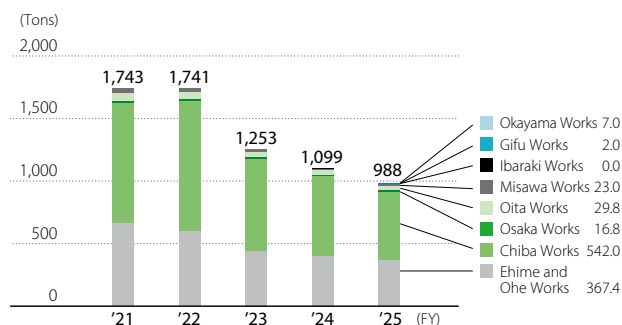
(Note) From fiscal 2025, the Gifu Works (former Gifu Plant) and Okayama Works (former Okayama Plant) are treated as two standalone Works (between fiscal 2020 to 2024, data for both was included in that for Oita Works)

Chiba Works' Highly Efficient Gas
Turbine Power Generation Equipment

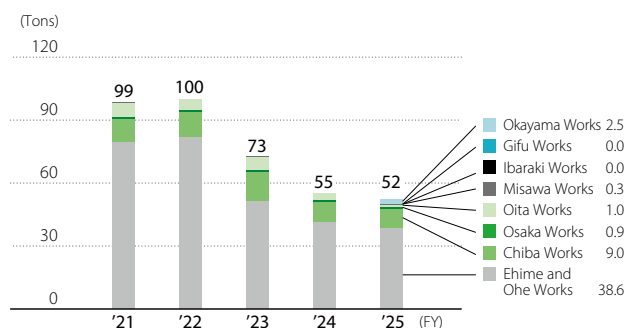
SOx Emissions (Sumitomo Chemical)



NOx Emissions (Sumitomo Chemical)



Soot and Dust Emissions (Sumitomo Chemical)



(Goal) Meet voluntary management criteria

Responding to Fluorocarbon Emission Controls

Proper Management of Fluorocarbons

At the Sumitomo Chemical Group, in accordance with the Ozone Layer Protection Law*¹, we have been systematically replacing refrigeration equipment with large refrigerant charges that uses ozone-depleting refrigerants, such as CFCs and HCFCs. In addition, as HFCs, which are substitute refrigerants, have also become subject to regulation under the Kigali Amendment*², we are taking measures to reduce refrigerant leakage in accordance with the Fluorocarbon Emissions Control Act*³. We also ensure proper management throughout the entire lifecycle of our equipment, from installation to disposal, and are promoting the introduction of green refrigerant equipment to reduce our environmental impact.

*1 The treaty adopted with the aim of reducing and eliminating substances that destroy the ozone layer

*2 The Kigali Amendment, added with the aim of reducing HFCs, which have a high global warming potential

*3 Measures to control emissions of fluorocarbons throughout their entire life cycle

Initiatives to Reduce Leakage

We conduct twice annual fluorocarbon leakage surveys at all worksites to assess leakage amounts, identify equipment with significant leakage discovered during the assessment, and clarify the sources of leaks, then take measures to prevent recurrences. Specifically, in addition to the simple and regular inspections defined in the Act for Rationalized Use and Proper Management of Fluorocarbons, which we carry out as directed as a matter of course, we carry out more frequent inspections, introduce fluorocarbon detectors to promptly detect leaks at an early stage, thereby working to reduce the amount of leakage.



Low-GWP Refrigeration Equipment:
HFO (R1233zd) Refrigeration
Equipment (GWP: 1)*

* GWP: Global Warming Potential

Management for Disposal

When disposing of equipment, to ensure fluorocarbon refrigeration equipment is properly treated, we diligently utilize disposal check sheets for Class I designated products so that there are no gaps in their management linked to fixed asset ledgers or in procedures for recovering fluorocarbons.

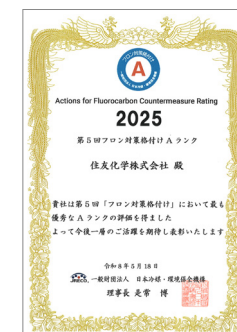
Systematic Upgrades and Use of Green Coolants

Regarding CFC and HCFC refrigeration equipment employed in production processes, we have set a target deadline for upgrading the equipment and conduct progress surveys once a year.

In addition, we are promoting a switch to green coolants at all Group companies in Japan, and Group companies in Japan and all worksites are promoting a switch to HFO refrigeration equipment.

Fluorocarbon Countermeasures Rating

Our management of fluorocarbon has been evaluated in the Japan Refrigerants and Environment Conservation Organization (JRECO) Fluorocarbon Countermeasures Rating, receiving the highest grade of "A" for the third year in a row.



● EIT (Equipment Inspection and Management System)

At Takarazuka research laboratory, we installed a proprietary EIT system developed in-house for inspecting and managing industrial machinery that uses fluorocarbons in line with the Act for Rationalized Use and Proper Management of Fluorocarbons. Through digital management using QR codes and handheld terminals, we established a system for regular inspections of around 1,500 machines as well as a system that rapidly shares information when an anomaly is detected. We have thus simultaneously achieved greater efficiency and a paperless transition, significantly strengthening our inspection and management system for fluorocarbon machines. IT tools work well with management operations required by laws and regulations and form an important foundation facilitating steadfast compliance. Going forward, we will broaden the EIT system to address other laws and regulations and continue to build a more robust management system.



Emissions of Mercury into the Atmosphere from Waste Incinerators

We measured concentrations of mercury (both gas and particles) emitted into the atmosphere by our waste incinerators, which we own, and completed a study of the impact of these emissions. The results have confirmed that mercury is being effectively removed by emission gas removal equipment, including bag filters and scrapers installed at incinerators, and that the concentration of mercury released into the atmosphere from all of the incinerators we own is within the emission guideline value set under the Air Pollution Control Act.

Appropriate Management and Reduction Measures for Noise and Vibration

To ensure good living environments and prevent public harm in communities neighboring its facilities, Sumitomo Chemical takes measures against noise pollution associated with business activities. Compressors and fans, frequently the source of noise and vibration, are inspected and maintained on regular schedules to ensure no incidents due to equipment malfunction. Furthermore, we strive not to exceed the base values set by the law and pollution prevention agreements with local municipalities, actively working to suppress sound and reduce vibration through the use of insulation materials and shock absorbent mats in buildings as well as the installation of other noise reduction and silencing devices on equipment.

In addition, we conduct daily inspections of facility grounds and regularly take noise measurements. At some Works, we introduced systems for local residents to monitor the environment, ensuring rapid response to impacts on the surrounding area.

■ Calculated Emissions for Fluorocarbons (Sumitomo Chemical: All Worksites)

(tons-CO₂e)

	FY2021	FY2022	FY2023	FY2024	FY2025
Calculated Emissions	5,100	5,844	4,051	3,082	8,269

Appropriate Chemical Substance Management

In the development, manufacture, and use of chemicals, while leveraging their full potential Sumitomo Chemical always strives to reduce their emissions to enhance safety and maintain harmony with the environment. For specific chemicals and VOCs for which levels are set in pollution prevention agreements concluded with the Japan Chemical Industry Association and local municipalities as well as Class I designated chemical substances (Japan's PRTR system), we collect, notify, and publicly disclose data on worksite emissions (air, water, and soil) as well as the amounts transferred offsite as waste. In addition, we set our own targets for environmental emissions and continually seek to achieve further reductions, considering, for example, equipment upgrades and the use of alternative raw materials.

P.052 Environmental Activity Goals and Results

P.096 Environmental Activities: Supplementary Data / Addressing PRTR

P.097 Emissions data for PRTR substances (fiscal 2025)

In addition, based on the Corporate Policy on Responsible Care (Safety, Health, the Environment and Product Quality), we conduct risk assessments for internal workers, neighboring residents, and the surrounding environment related to the chemicals we use and sell.

P.136 Risk Assessment and Management throughout the Entire Product Life Cycle

● Meeting Voluntary Environmental Targets

Enacted to protect the atmosphere and prevent water pollution, laws, regulations, and municipal clauses define environmental emission standards* for numerous hazardous substances and impose restrictions.

The Company has voluntarily reached agreements with local municipalities that set unique restrictions and standards that are even stricter than laws and regulations, including those on atmospheric and water pollution. We are working hard to reduce

our environmental burden in line with the voluntary standards. Furthermore, at the boundaries of plant premises and at final drainage exits, we have set voluntary environmental targets for the concentration of pollutants in air and water and work to meet those targets.

* Japan's Ministry of the Environment: "Restriction Formulae and Overviews for Atmospheric Pollutants Emitted from Works and Worksites," "General Effluent Standards for the Conservation of Water, Topsoil, Subsoil, and Marine Environments," "Notice Regarding Enacting Laws that Partial Amend the Air Pollution Control Act (Environmental Management Bureau Notice No. 050617001), Appendix 1 Main Substances Equivalent to Volatile Organic Compounds (VOC)"

● Operating Company-wide PRTR Calculation Systems

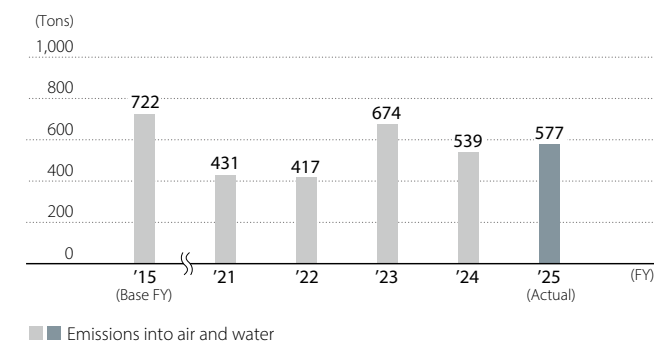
Class I designated chemical substances, which are subject to Japan's PRTR system, are defined as substances considered harmful to people and ecosystems that widely persist in the environment. A total of 515 substances have been designated.* Also, the Japan Chemical Industry Association and various municipalities have independently identified substances additional to those subject to the PRTR system as requiring emissions assessment and management and are acting accordingly. Using the Company's proprietary calculation system, Sumitomo Chemical is striving to increase the accuracy and level of detail of the data on emission amounts and transfer amounts for each substance to properly manage chemical emissions.

* Ministry of Economy, Trade and Industry (METI), "Chemicals Subject to the PRTR System"

● Proper Treatment of Low-Concentration PCB Waste under the PCB Special Measures Act

Regarding waste with minute amounts of PCBs, we proactively conduct investigations to uncover such waste. We take measures in line with the law to ensure discovered waste does not leak or aerosolize and properly store it. We entrust the incineration of the waste to facilities certified for the remediation and treatment of waste with minute amounts of PCBs and are systematically treating it. We plan to complete treatment for all waste with minute amounts of PCBs by the legally mandated treatment deadline, March 2027.

■ Trends in Emissions of Substances Subject to the PRTR Act* (Sumitomo Chemical and Group Companies in Japan)

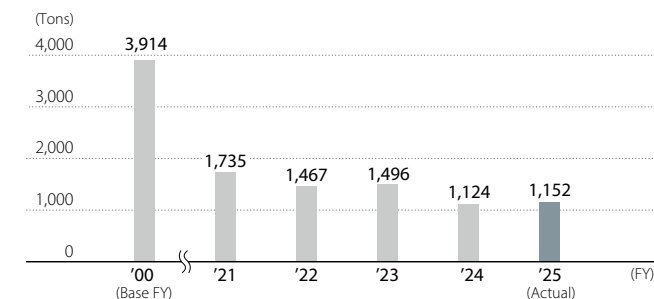


(Goals) Keep total emissions from Group companies in Japan below the fiscal 2015 level

(Result) Reduced 31% relative to fiscal 2015

* The number of substances subject to the PRTR Act increased from 462 to 515 in April 1, 2023.

■ Initiatives to Reduce Emissions of Volatile Organic Compounds (VOCs) (Sumitomo Chemical)



(Goals) Maintain VOC emissions reductions at 30% relative to fiscal 2000

(Result) Reduced emissions by 71% relative to fiscal 2000

Examples of Initiatives for “Contribution”

In accordance with The Sumitomo Chemical Group's Commitment to the Conservation of Biodiversity, focusing on responses at production sites, in fields concerning atmospheric, water and soil quality as well as waste disposal we will continue striving to achieve independent medium- to long-term targets going forward and promote unique initiatives at each worksite in line with the local characteristics.

Providing Products and Technologies that Promote Regenerative Agriculture

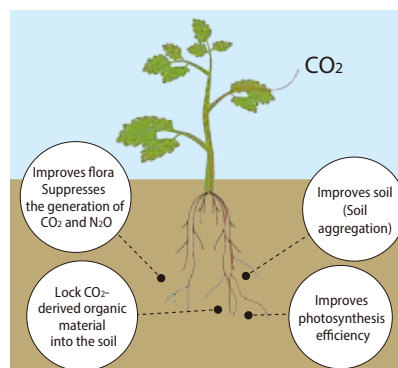
● Soil Fertility by Mycorrhizal Fungi

Mycorrhizal fungi, a type of soil-dwelling microorganism that lives in symbiosis with plant roots, stimulates plant growth. These fungi receive carbon compounds produced by plants through photosynthesis, which increases the amount of carbon compounds in the soil and promotes carbon fixation, thereby reducing atmospheric CO₂ and contributing to soil fertility. We are working on the development of technology utilizing mycorrhizal fungi to achieve carbon negativity and solve food problems.

● Advancing No-Till Farming and Cover Cropping

No-till farming is an agricultural method of growing crops without tilling, a practice that offers significant environmental benefits such as soil conservation and the retention of organic matter. In addition, the practice is expected to help reduce greenhouse gas (GHG) emissions by contributing to the reduction of CO₂ emissions from soil. Furthermore, new farming practices that combine no-till farming with cover crops, which have long been used for soil conservation and green manure benefits, have been attracting attention in recent years. We offer several herbicides suitable for use prior to sowing, and we will contribute to the spread of this farming practice by enhancing the convenience of no-till farming and cover cropping through the promotion of these herbicides.

■ Benefits of Mycorrhizal Fungi (Including some hypotheses undergoing validation)

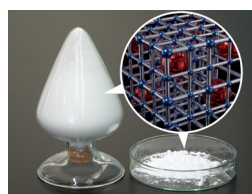


▶ P.013 Promoting Sustainability: SSS

Developing technologies for the effective use of water resources

● R&D of Technologies for Effective Water Use Using Porous Materials

Metal-organic frameworks (MOFs) are porous materials comprising metal ions and organic molecules. They have high surface areas and excellent adsorption properties. The Company leverages these characteristics in its R&D of MOFs to efficiently capture water vapor from the air. For example, using MOFs as adsorbents is expected to improve the energy efficiency of dehumidification and air-conditioning systems in hot and humid environments as well as to enable decentralized water supply through the utilization of water recovered from the air. Through such technologies, we aim to address such environmental challenges by, for example, reducing greenhouse gas emissions by improving energy efficiency and effectively utilizing water resources.



Metal-organic
frameworks (MOFs)

Contribution to the Development of Nature-Positive Practices

Since 2025, we have participated in the Cabinet Office's Programs for Bridging the gap between R&D and the IDEal society (Society 5.0) and Generating Economic and social value ("BRIDGE"). The program aims to establish a new nature-based footprint as a life cycle assessment (LCA) method related to biodiversity and ecosystem services. Companies would use the results to evaluate and disclose their own business activities, and financial and other institutions would then use those evaluation results in their investment activities. To expand the use of nature-based footprint metrics developed in Japan, we are contributing to the formulation of guidance on how to use such footprints and taking other actions.

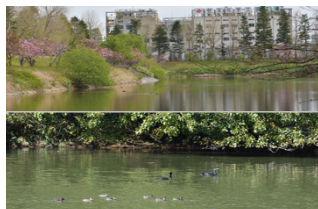
Examples of Initiatives for “Social Contribution”

In accordance with the Sumitomo Chemical Group Biodiversity Action Plan, we are coordinating and collaborating with our stakeholders in ongoing social contribution activities that help conserve and restore biodiversity and natural capital.

Nature Preservation Initiatives

● Preserving the Environment of Sakuragaike (Misawa Works)

To prevent damage from heavy rains at Misawa Works, we created a retention pond that can store 50,000 tons of water. The area around the regulating pond is planted with many cherry trees, including double-flowered cherry blossoms (yaezakura) and Oyama-zakura, which is why it has been named “Sakura-ga-ike” (“Cherry Blossom Pond”). In addition, lilacs and Todo firs have been planted in the surrounding area, and a variety of wildlife can be found, including ducks, cormorants, and other waterfowl, as well as wild animals such as foxes, raccoon dogs, and Japanese serows.



Sakuragaike



Double cherry



Left: Grey heron Right: Cormorants



Left: Rabbit Right: Bat

● Revitalizing Prairieland (Sumitomo Biorational Company LLC)

The Osage Plant of Sumitomo Biorational Company LLC, which is based in Iowa, U.S.A., is working to revitalize prairieland on its site, to this end replanting native vegetation on part of the farmland. The revitalized portion of prairie covers 14 hectares and supports ecosystems with native grasses, trees, and shrubs. It has become a habitat for endangered and other small creatures, including birds, butterflies and other insects, and reptiles. This initiative is being undertaken in partnership with Iowa State University, local municipalities, and local schools.



The Revitalized Prairieland on the Osage Plant

● Promoting 30by30

30by30 is a worldwide goal to effectively conserve at least 30% of Earth's land and sea areas as healthy ecosystems by 2030, with the aim of stopping the loss of biodiversity and reversing the trend. Sumitomo Chemical participates as an initial member in the 30by30 Alliance for Biodiversity, which comprises volunteer companies, municipalities, and organizations. We aim to certify the green spaces we manage as nature coexistence sites that contribute to the 30by30 goal and will continue further promoting the conservation of biodiversity.



● Obtaining certification in the “Conservation Site for Human-Nature Symbiosis” Trial Program (Ehime Works)

The Miyoshima Area, which is on the site of Ehime Works, was originally an island in the Seto Inland Sea. In the Showa era, the expansion of the Works through land reclamation connected it to the mainland and it is now being conserved as an onsite green area. Such rare species as peregrine falcons have been confirmed to be inhabiting the Miyoshima Area, and the area therefore has high value in terms of biodiversity conservation. For this reason, in fiscal 2023 the area acquired certification as a Conservation Site for Human-Nature Symbiosis, which Japan's Ministry of the Environment is promoting to achieve 30by30 in Japan. We also acquired certification based on the Local Biodiversity Promotion Act, which came into force in fiscal 2025. Going forward, we will continue to appropriately conserve and manage this valuable green area, thereby contributing to the achievement of 30by30 and the conservation of biodiversity.



The Miyoshima Area

★: Assured by an independent assurance provider

Environmental Activities: Supplementary Data

Environmental Performance

Sumitomo Chemical collates and totals environmental data for the Company and Group companies in Japan and overseas, including data on energy and resource consumption, production quantities, and environmental impact (e.g., release of pollutants into the air and water).

FY2025 Environmental Performance

INPUT Energy and Resources



Water

(Million tons)

	Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
	FY2023	FY2024	FY2025★	FY2025
Industrial water	68.7	72.3	67.7	64.2
Drinking water	0.8	0.8	0.7	0.5
Seawater	606.6	740.5	699.9	137.5
Groundwater	22.2	19.9	20.3	18.0
Other water	2.3	0.5	0.3	0.3
Total	700.6	833.8	788.9	220.5



Energy

Calculated as kl of
crude oil

(Thousand kl)

	Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
	FY2023	FY2024	FY2025★	FY2025
Fuel, heat, and electricity*1	1,437	1,541	1,527	838

Exhaustible
Resources

(Thousand tons)

	Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
	FY2023	FY2024	FY2025	FY2025
Hydrocarbon compounds	1,451	1,406	1,197	1,039
Metals (excluding minor metals)*2	85	93	93	89
Minor metals*3	15.0	14.3	11.2	0.0

PCB/CFCs under Secure Storage

	Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
	FY2023	FY2024	FY2025	FY2025
No. of electrical devices containing high concentration of PCBs*4	0	25	0	0
PCB volume (pure equivalent) (kl)*4	0	0	0	0
No. of refrigeration units using specified CFCs as a coolant	24	9	2	0
No. of refrigeration units using HCFCs as a coolant	214	147	297	215

Note: The number of companies included in the boundary of calculation for the environmental performance data on pages 086-087 is as follows for each year.

FY2023: Sumitomo Chemical and Group companies in Japan: 23 companies

FY2024: Sumitomo Chemical and Group companies in Japan: 21 companies

FY2025: Sumitomo Chemical and Group companies in Japan: 22 companies

*1 • The energy (calculated as kl of crude oil) indices are calculated with reference to the GHG Protocol (refer to page 164 "Calculation Standards for Environmental and Social Data Indicators") and were calculated for major domestic consolidated Group companies, which account for up to 99.8% of net sales.

• Having adopted the GHG Protocol standards for our GHG emission disclosures, we now include the following data that was not included in previous calculations: amount of energy used to produce electricity and steam sold to external parties by the Group and the resultant CO₂ emissions; amount of energy used by Sumitomo Chemical and Group companies in Japan non-production sites and the resultant CO₂ emissions; CO₂ emissions from non-energy sources not included in the scope of the Act on Promotion of Global Warming Countermeasures.

*2 Calculations include the following 12 metals: iron, gold, silver, copper, zinc, aluminum, lead, platinum, titanium, palladium, gallium, and lithium.

*3 Calculations include the following seven minor metals: nickel, chromium, tungsten, cobalt, molybdenum, manganese, and vanadium. The supply structure for each of these minor metals is extremely fragile. These minor metals are subject to national stockpiling.

*4 Fluorescent lamps and mercury lamp ballast as well as contaminated substances (wastepaper, etc.), including PCB waste, are not included in unit and volume data.

★: Assured by an independent assurance provider

OUTPUT Product Manufacturing and Environmental Impact

(Thousand tons)



Products

	Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
	FY2023	FY2024	FY2025★	FY2025
(Calculated on the basis of ethylene production)*1	1,963	2,143	1,999	1,045

(Tons)

Water Pollutant
Emissions

		Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
		FY2023	FY2024	FY2025★	FY2025
COD	Coastal waters/waterways	641.0	590.9	621.2	602.9
	Sewer systems	137.3	149.6	122.4	53.4
Phosphorus	Coastal waters/waterways	24.9	27.1	24.6	23.3
	Sewer systems	5.0	5.2	2.3	2.2
Nitrogen	Coastal waters/waterways	1,056.7	1,091.0	1,017.5	1,000.8
	Sewer systems	27.2	34.1	22.3	14.8
Substances subject to the PRTR Act		97.3	54.0	43.9	35.0

(Million tons)

Water
Discharge

	Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
	FY2023	FY2024	FY2025	FY2025
Oceans	—	—	—	155
Rivers	—	—	—	26
Sewer systems, etc.	—	—	—	5
Total amount of water discharge	658	801	756	187

Note: Includes seawater emissions of Sumitomo Joint Electric Power Co., Ltd.

(Thousand tons)

Waste
Materials

	Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
	FY2023	FY2024	FY2025★	FY2025
Waste emissions*2	157	187	227	39
Landfill*2	14.9	20.0	32.2	1.1

(Thousand tons of CO₂e)Atmospheric
Emissions

		Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
		FY2023	FY2024	FY2025★	FY2025
Greenhouse gases (seven gases)*3		4,119	4,650	4,427	2,406
CO2	(Energy sources)	3,661	4,164	3,954	2,025
	(From other than energy use)	382	407	384	353
CH4		0	0	1	1
N2O		75	77	79	18
HFC, PFC, SF6, NF3		1	2	10	10

Others

(Tons)

	Sumitomo Chemical and Group Companies in Japan			Sumitomo Chemical
	FY2023	FY2024	FY2025★	FY2025
NOx	2,597	2,074	2,274	988
SOx	1,958	1,200	1,435	132
Soot and dust	127	102	107	52
Substances subject to the PRTR Act*4	577	485	533	435

Note: The number of companies included in the boundary of calculation for the environmental performance data on pages 086-087 is as follows for each year.

FY2023: Sumitomo Chemical and Group companies in Japan: 23 companies

FY2024: Sumitomo Chemical and Group companies in Japan: 21 companies

FY2025: Sumitomo Chemical and Group companies in Japan: 22 companies

*1 Certain assumptions were made in calculations due to the difficulty of obtaining weight-based figures for some products.

*2 Including the amounts emitted by Sumitomo Chemical and its domestic group companies, which were treated by EGS Co., Ltd. Including the on-site landfill amount of Sumitomo Joint Electric Power Co., Ltd. The amount of coal ash generated at Sumitomo Joint Electric Power, which is included in "Waste emissions" and "Landfill," is calculated on a dry-weight basis.

*3 From fiscal 2017, Greenhouse gases (seven gases) indices are calculated with reference to the GHG Protocol (refer to page 164 "Calculation Standards for Environmental and Social Data Indicators"), and include major domestic consolidated group companies accounting for 99.8% of sales.

*4 Calculated based on the amount released into water/the air of each substance subject to the PRTR Act.

Note: Sumitomo Chemical and our 21 Group companies in Japan, making a total of 22 companies, are included in the boundary of calculation Sumika-Kakoushi Co., Ltd.; Sumika Plasteck Co., Ltd.; Nippon A&L Inc.; Asahi Chemical Co., Ltd.; Ceratec Co., Ltd.; Sumika Assembly Techno Co., Ltd.; Sumika Agro Manufacturing Co., Ltd.; SC Environmental Science Co., Ltd.; Sumika Agritech Co., Ltd.; Sumika Polycarbonate Ltd.; Sumitomo Joint Electric Power Co., Ltd.; Koei Chemical Co., Ltd.; Taoka Chemical Co., Ltd.; Tanaka Chemical Corporation; Sumitomo Pharma Co., Ltd.; SN Kasei Co., Ltd.; Sanritz Corporation; Sumika Kowa Tech Co., Ltd.; Kawasaki Biomass Electric Power Co., Ltd.; Sumika Chemical Analysis Service, Ltd.; EGS Co., Ltd.

Our Group monitors compliance with environment-related laws and regulations, permits and approvals, and regulations concerning air, water quality and quantity, waste, and chemical substances. In FY2025, there were no material violations of environmental laws and regulations.

Compliance with Environmental Laws and Regulations (Sumitomo Chemical and Its Domestic and Overseas Consolidated Operating Companies)

	FY2022	FY2023	FY2024	FY2025
Number of violations (Cases)	0	0	0	0
Total fines (JPY)	0	0	0	0

Evaluation of Environmental Protection Costs and Economic Effects through Environmental Accounting

Sumitomo Chemical continuously gathers and evaluates data on environmental protection-related expenses, investments, and economic results in line with the Company's environmental accounting system introduced in fiscal 2000.

◆ Items Pertaining to Environmental Accounting

- (1) Period: April 1, 2025 to March 31, 2026 for Group companies in Japan; January 1, 2025 to December 31, 2025 for overseas Group companies
 - (2) Boundary: Sumitomo Chemical and 11 major consolidated subsidiaries (5 in Japan and 6 overseas)*; 12 companies in total
 - (3) Composition (Classification): Based on Ministry of the Environment (Japan) guidelines
 - (4) Outline of the results (investment and expenses): Consolidated investment decreased year on year by 1.3 billion yen, and consolidated expenses decreased by 13.0 billion yen.
- * Sumitomo Pharma Co., Ltd.; Koei Chemical Co., Ltd.; Taoka Chemical Co., Ltd.; Sumitomo Joint Electric Power Co., Ltd.; Tanaka Chemical Corporation; Dongwoo Fine-Chem Co., Ltd.; Sumitomo Chemical Asia Pte Ltd.; The Polyolefin Company (Singapore) Pte. Ltd.; Sumika Electronic Materials (Wuxi) Co., Ltd.; Valent North America LLC; SUMITOMO CHEMICAL BRASIL INDÚSTRIA QUÍMICA S.A.

■ Environmental Protection Cost

Classification		Details of Major Initiatives	FY2024				FY2025			
			Non-Consolidated		Consolidated		Non-Consolidated		Consolidated	
			Investment	Expenses	Investment	Expenses	Investment	Expenses	Investment	Expenses
Facility Area Costs			1.2	42.1	5.5	56.9	0.9	16.9	4.2	30.9
Breakdown	Pollution Prevention Costs	Prevention of air pollution, water pollution, soil contamination, noise pollution, odors, ground subsidence, etc.	0.9	35.4	3.4	41.9	0.9	10.4	3.6	16.9
	Global Environmental Protection Costs	Energy saving, prevention of global warming, ozone layer depletion, and other measures	0.0	0.7	1.7	5.0	0.0	0.8	0.5	5.1
	Resource Recycling Costs	Resource saving, water saving and rainwater usage, waste reduction/disposal treatment, recycling, etc.	0.3	6.1	0.4	9.9	0.0	5.8	0.2	8.9
Upstream/Downstream Costs		Green purchasing, recycling, recovery, remanufacturing and appropriate treatment of products, recycling costs associated with containers and packaging, environmentally friendly products and services, etc.	0.0	0.1	0.0	0.3	0.0	0.1	0.0	0.1
Administrative Costs		Costs associated with environmental education, environmental management systems, the monitoring and measuring of the environmental impact of business activities and products, environmental organization operations, etc.	0.0	0.8	0.0	1.5	0.0	0.8	0.1	1.2
R&D Costs		Development of products with attention to environmental safety, research into energy-saving processes, etc.	0.0	2.5	0.0	2.6	0.1	16.1	0.1	16.2
Social Activities Costs		Protection of the natural environment and enhancement of its scenic beauty and greenery, support for community initiatives aimed at environmental protection, support for environmental preservation groups, environment-related paid contributions and surcharges, etc.	0.2	0.6	0.2	0.8	0.2	0.5	0.2	0.7
Environmental Remediation Costs		Environmental rehabilitation of contaminated environments and other environmental damage, reserve funds to cover environmental recovery, etc.	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1
Total			1.4	46.2	5.7	62.2	1.2	34.4	4.7	49.2

■ Economic Effects

Results	FY2024		FY2025	
	Non-Consolidated	Consolidated	Non-Consolidated	Consolidated
Reduced costs through energy saving	0.4	3.0	1.4	6.0
Reduced costs through resource saving	0.8	2.6	0.6	4.4
Reduced costs through recycling activities	2.2	0.5	0.2	4.6
Total	3.4	6.1	2.2	15.0

Environmental Management System

ISO 14001 is an international environmental management system that places compliance with environmental laws and regulations as a fundamental requirement, while also continuously improving environmental performance and reliably implementing accident prevention and emergency response measures. All Sumitomo Chemical plants obtained certification to the 2015 edition of the standard and have continuously maintained their certification.

Based on this management system, we evaluate the environmental impacts of all our business activities while conducting PDCA cycles*1 to appropriately meet various needs and comply with laws and regulations as they evolve over time. Through these efforts, we will continue working hard toward the ongoing improvement of our environmental performance.

■ Acquisition of ISO 14001 Certification

1. Sumitomo Chemical (Acquisition Rate*2: 100%)

Works	Certificate Number	Registration Date	Certification Expiration Date
Ehime Works (including Ohe Works)	JCQA-E-0018	April 1, 1998	April 12, 2028
Chiba Works	(KHK-) 97ER・004	June 1, 1997	June 25, 2027
Osaka Works	JQA-E-90072	November 1, 1997	November 27, 2027
Oita Works	JQA-E-90152	March 1, 1998	March 30, 2028
Misawa Works	JQA-EM0355	March 1, 1999	December 12, 2028
Ibaraki Works	RC15J0024	March 1, 1997	March 24, 2027
Gifu Works	JCQA-E-0206	December 1, 2000	December 24, 2027
Okayama Works	JCQA-E-0218	January 1, 2001	January 21, 2028

*1 Plan, Do, Check, Action

*2 Acquisition rate = Locations that acquired certification/Number of locations surveyed

2. Group Companies in Japan (Acquisition Rate*2: 76%)

Companies	Certificate Number	Registration Date	Certification Expiration Date
Sumika-Kakoushi Co., Ltd.	JCQA-E-0532	January 1, 2004	January 12, 2028
Nippon A&L Inc. (Ehime Works)	ISO14001-0076790	March 1, 2001	January 3, 2028
Nippon A&L Inc. (Chiba Works)	(KHK-)97ER・004	June 1, 1997	June 25, 2027
Asahi Chemical Co., Ltd. (Shiraoi, Fuji, Osaka, Yonago, and Nichinan Plants)	JUSE-EG-717	February 1, 2006	February 26, 2027
Ceratec Co., Ltd.	JCQA-E-0018	April 1, 1998	April 12, 2028
Sumika Assembly Techno Co., Ltd.	JCQA-E-0018	April 1, 1998	April 12, 2028
Sumika Agro Manufacturing Co., Ltd. (Ehime Fertilizers Works)	JCQA-E-0018	April 1, 1998	April 12, 2028
Sumika Agro Manufacturing Co., Ltd. (Head Office, Kudamatsu, Koriyama, and Shobara Plants)	13ER・925	August 1, 2004	August 5, 2027
Koei Chemical Co., Ltd.	JCQA-E-0969	March 1, 1999	March 11, 2029
Taoka Chemical Co., Ltd. (Ehime Works)	JCQA-E-0018	April 1, 1988	April 12, 2028
Taoka Chemical Co., Ltd. (Yodogawa and Harima Plants)	JQA-EM3938	April 1, 2004	November 27, 2027
Tanaka Chemical Corporation	4526844	November 1, 1998	July 25, 2026
Sumitomo Pharma Co., Ltd. (Suzuka Works)	00ER-094	December 1, 2000	December 21, 2027
Sumitomo Pharma Co., Ltd. (Oita Works)	JQA-E-90152	March 1, 1998	March 30, 2028
Sumika Polycarbonate Limited	JCQA-E-0436	December 1, 2002	December 23, 2026
SANRITZ Co., Ltd.	JMAQA-E105	April 1, 2000	April 26, 2027
Sumika Kowa Tech Co., Ltd.	EMS 601582	December 1, 2013	December 26, 2028
EGS Co., Ltd.	JCQA-E-0048	March 1, 1999	February 28, 2029

3. Overseas Group Companies (Acquisition Rate*: 61%)

Companies	Certificate Number	Registration Date	Certification Expiration Date
Bara Chemical Co., Ltd.	24120907002	November 1, 2009	August 29, 2027
SSLM Co., Ltd.	EAC-06178	April 1, 2016	May 7, 2027
Sumitomo Chemical India Private Limited (Tarapur plant)	IND.26.13623/IM/U	April 3, 2026	April 2, 2029
Sumitomo Chemical India Private Limited (Vapi plant)	IND.24.1076/IM/U	March 1, 2021	March 9, 2027
Sumitomo Chemical India Private Limited (Bhavnagar Plant)	99 104 01891	December 1, 2018	October 10, 2027
Sumitomo Chemical India Private Limited (Gajod Plant)	99 104 01883	November 1, 2024	October 10, 2027
Sumitomo Chemical India Private Limited (Silvassa Plant)	IND.24.1109/IM/U	May 1, 2024	May 13, 2027
Sumitomo Chemical Advanced Technologies LLC (Phoenix Facility)	43631-2008-AE-USA-ANAB	December 3, 2008	April 30, 2029
Sumika Technology Co., Ltd.	EMS 89814	December 1, 2024	December 27, 2027
Dongwoo Fine-Chem Co., Ltd. (Pyeongtaek)	EAC-0600301	July 1, 2005	July 9, 2027
Dongwoo Fine-Chem Co., Ltd. (Iksan)	KR15/02363	March 1, 2003	July 14, 2026
Dongwoo Fine-Chem Co., Ltd. (Samki)	KR20/81826429	August 1, 2013	August 21, 2027
Sumika Electronic Materials (Xi'an) Co., Ltd.	CN15/10719	November 1, 2015	September 8, 2027
Sumika Electronic Materials (Wuxi) Co., Ltd.	64188-2009-AE-RCG-RVA	October 1, 2009	October 30, 2027
Sumika Electronic Materials (Changzhou) Co., Ltd.	CN20/10228	May 1, 2020	May 19, 2026
Sumika Polymer Compounds (Thailand) Co., Ltd.	66 104 130035	September 1, 2013	September 9, 2028
Sumitomo Chemical Asia Pte Ltd (MMA plant)	10604962	July 1, 2024	June 30, 2027
The Polyolefin Company (Singapore) Pte. Ltd.	SG05/00847	December 1, 2005	May 14, 2026
Botanical Resources Australia	AU1588-EC	August 1, 2023	August 28, 2026

Note: Based on the survey results released on April 1, 2026.

* Acquisition rate = Locations that acquired certification/Number of locations surveyed

Energy Management System

■ Acquisition of ISO 50001 Certification

Works	Certificate Number	Registration Date	Certification Expiration Date
Dongwoo Fine-Chem Co., Ltd. (Pyeongtaek)	EN-0632901	October 1, 2016	October 13, 2028

Note: Based on the survey results released on April 1, 2026.

Reducing Greenhouse Gas Emissions

Greenhouse Gas Emissions (All Seven Gases) (Sumitomo Chemical: All Worksites)

(Thousand tons of CO₂e)

		FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
CO ₂	Energy sources	2,405	2,454	2,543	2,722	2,645	2,549	2,537	2,322	1,991	1,880
	From other than energy use	50	93	155	142	157	146	137	217	226	220
Methane (CH ₄)		—	—	—	—	—	—	—	—	—	—
Nitrous oxide (N ₂ O)		45	35	23	15	20	22	22	16	16	18
Hydrofluorocarbon (HFC)		—	—	—	4	4	—	—	—	1	10
Perfluorocarbon (PFC)		—	—	—	—	—	—	—	—	—	—
Sulfur hexafluoride (SF ₆)		—	—	—	—	—	—	—	—	—	—
Nitrogen trifluoride (NF ₃)		—	—	—	—	—	—	—	—	—	—

Note: Calculated based on the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures.

Energy Saving

FY2025 Breakdown of Unit Energy Consumption (Sumitomo Chemical)

	Energy consumption (Thousand kl in crude oil equivalent) (a)	Production (Thousand tons in ethylene equivalent) (b)	Unit energy consumption (a/b)
Ehime Works	362	546	0.663
Chiba Works	259	271	0.956
Osaka Works	24	14	1.714
Oita Works	63	49	1.286
Misawa Works	12	11	1.091
Gifu Works	6	2	2.536
Okayama Works	7	9	0.780
Ohe Works	22	123	0.179
Total	755	1,025	0.737

Notes: • Calculated based on the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures.
 • Ibaraki Works' energy consumption, total floor area, and unit energy consumption were 4.5 thousand kl (crude oil equivalent), 15.8 thousand m², and 0.281, respectively

FY2025 Energy Consumption and CO₂ Emissions (Sumitomo Chemical and Group Companies in Japan: All Worksites)

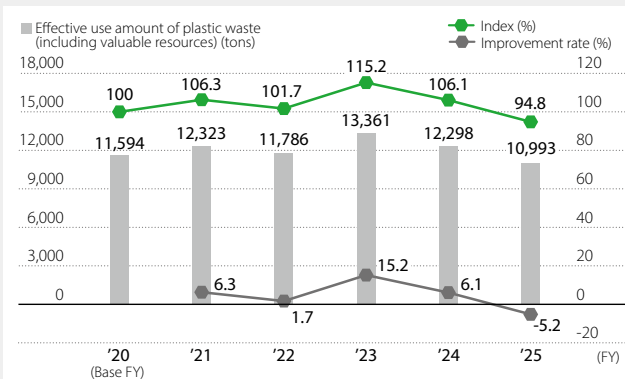
	Energy consumption (Thousand kl in crude oil equivalent)	CO ₂ emissions from energy use (Thousand tons)
Sumitomo Chemical	782	1,880
Works	770	1,863
Non-manufacturing sites including the Head Offices and Research Laboratories	12	16
Sumitomo Chemical and Group companies in Japan	1,527	2,360
Works	1,502	2,316
Non-manufacturing sites including the Head Offices and Research Laboratories	25	45

Notes: • Calculated based on the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures.

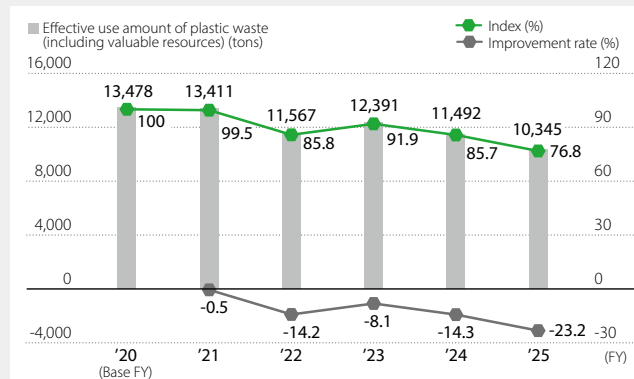
• The boundary of calculation covers major consolidated Group companies, accounting for 99.8% of Sumitomo Chemical's consolidated net sales.

Waste Reduction

Effective Use Amount of Plastic Waste (including valuable resources)*1 (Sumitomo Chemical and Group Companies in Japan) (2020 = 100)

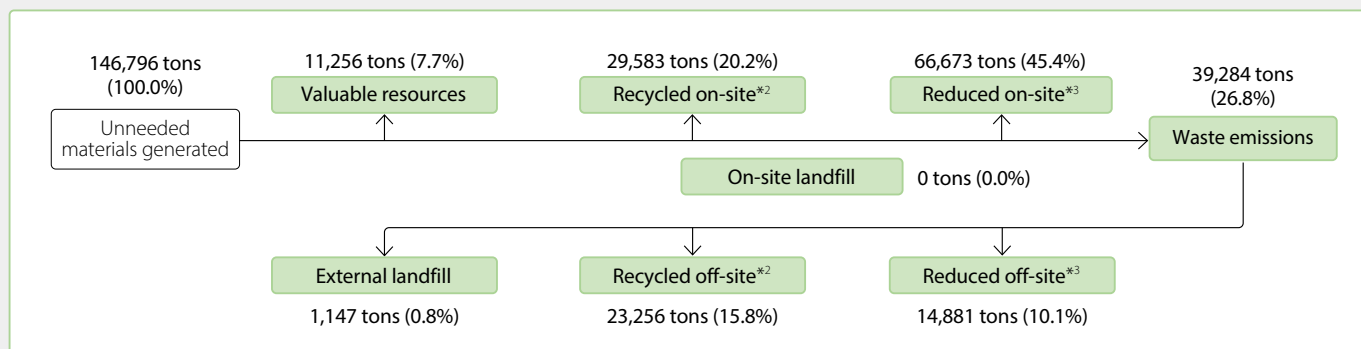


Effective Use Amount of Plastic Waste (including valuable resources)*1 (Overseas Group Companies) (2020 = 100)



*1 Effective use amount of plastic waste (including valuable resources) = (amount of valuable resources) + (amount of internally recycled and reused waste + amount of internally recovered waste heat) + (amount of externally recycled and reused waste + amount of externally recovered waste heat)

Waste Disposal Flow Chart and FY2025 Results (Sumitomo Chemical)



*2 Recycled waste: Total amount of waste that was reused, recycled, or thermally recycled

*3 Reduced waste: Total amount of waste reduced through incineration, etc.

FY2025 Results by Item in Connection with the Disposal of Waste
(Sumitomo Chemical)

(Tons)

Type	Unneeded materials generated	Recycled on-site		Reduced on-site		Waste emissions	On-site landfill	Reduced off-site	Recycled off-site		External landfill	Valuable resources
		Reused, recycled	Thermally recycled	Incineration	Other				Reused, recycled	Thermally recycled		
Burnt residue	2,914.7	0.0	0.0	0.0	0.0	2,914.7	0.0	0.0	2,635.0	0.0	279.6	0.0
Sludge	41,744.4	0.0	938.9	26,871.3	1,809.2	12,076.9	0.0	2,753.8	8,874.9	257.3	190.9	48.1
Oil waste	34,429.4	2,351.1	10,220.8	11,636.6	0.0	9,173.9	0.0	4,213.4	4,614.0	237.4	109.1	1,047.0
Waste acid	6,525.7	0.0	24.2	3,343.8	1,268.0	1,138.2	0.0	781.2	312.2	0.0	44.8	751.5
Waste alkali	45,510.7	15,733.4	107.5	20,224.0	0.0	9,262.7	0.0	6,259.5	2,829.0	66.4	107.6	183.2
Waste plastic	9,368.5	0.0	204.0	620.0	0.0	2,611.5	0.0	268.5	1,912.1	178.3	252.6	5,933.0
Waste paper	1,211.7	0.0	0.0	794.6	0.0	62.7	0.0	23.3	37.8	0.0	1.6	354.4
Wood waste	810.0	0.0	0.0	100.9	0.0	705.7	0.0	43.5	505.8	155.4	1.1	3.5
Textile waste	1.9	0.0	0.0	0.0	0.0	1.9	0.0	0.0	1.6	0.0	0.3	0.0
Animal and plant residues	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Metal waste	3,535.1	0.0	0.0	4.9	0.0	594.4	0.0	128.6	457.6	0.0	8.2	2,935.8
Glass and pottery waste	372.7	0.0	2.6	0.0	0.0	370.1	0.0	165.9	156.5	24.0	23.8	0.0
Slag	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debris	331.3	0.0	0.0	0.0	0.0	331.3	0.0	243.0	0.2	0.0	88.1	0.0
Soot and dust	39.6	0.0	0.0	0.0	0.0	39.6	0.0	0.0	0.0	0.0	39.6	0.0
Total	146,796	18,085	11,498	63,596	3,077	39,284	0	14,881	22,337	919	1,147	11,256

Environmental Activity Goals and Results
Climate Change Mitigation and Adaptation
Contribute to Recycling Resources
Sustainable Use of Natural Capital
[Environmental Activities: Supplementary Data](#)

(Sumitomo Chemical and Group Companies in Japan)

(Tons)

Type	Unneeded materials generated	Recycled on-site		Reduced on-site		Waste emissions	On-site landfill	Reduced off-site	Recycled off-site		External landfill	Valuable resources
		Reused, recycled	Thermally recycled	Incineration	Other				Reused, recycled	Thermally recycled		
Burnt residue	14,741	0.0	0.0	0.0	0.0	14,741.2	0.0	0.0	6,324.7	0.5	8,415.9	0.0
Sludge	60,657.7	0.0	938.9	26,871.3	15,307.2	17,158.4	0.0	4,194.2	9,762.4	1,215.9	1,986.0	381.8
Oil waste	44,090.7	2,351.1	14,971.8	11,636.7	0.0	12,916.9	0.0	5,147.4	5,364.7	2,272.3	132.5	2,214.1
Waste acid	8,027.1	0.0	24.2	3,343.8	1,268.0	2,639.5	0.0	1,290.9	455.8	838.1	54.7	751.5
Waste alkali	69,147.6	15,733.4	107.5	29,291.0	0.0	23,832.5	0.0	14,081.5	9,136.2	429.5	185.1	183.2
Waste plastic	12,956.3	0.0	204.0	620.0	0.0	5,368.1	0.0	600.9	3,759.0	265.9	742.3	6,764.2
Waste paper	2,533.8	0.0	0.0	794.6	0.0	874.6	0.0	162.9	661.5	38.6	12.5	864.7
Wood waste	1,050.8	0.0	0.0	100.9	0.0	942.4	0.0	57.8	704.6	175.9	4.1	7.6
Textile waste	362.4	0.0	0.0	0.0	0.0	327.0	0.0	0.0	1.6	0.0	325.4	35.4
Animal and plant residues	23.0	0.0	0.0	0.0	0.0	23.0	0.0	19.6	0.0	0.0	3.5	0.0
Metal waste	4,233.8	0.0	0.0	4.9	0.0	708.2	0.0	164.1	511.8	0.8	31.6	3,520.7
Glass and pottery waste	480.7	0.0	2.6	0.0	0.0	478.1	0.0	166.7	163.7	26.8	120.9	0.0
Slag	75.4	0.0	0.0	0.0	0.0	75.4	0.0	0.0	0.0	0.0	75.4	0.0
Debris	421.4	0.0	0.0	0.0	0.0	421.4	0.0	243.0	31.9	0.0	146.4	0.0
Soot and dust	147,081.1	0.0	0.0	0.0	0.0	147,081.1	0.0	0.0	127,115.8	0.0	19,965.3	0.0
Total	365,883	18,085	16,249	72,663	16,575	227,588	0	26,129	163,994	5,264	32,201	14,723

FY2025 Categories of Hazardous* and Non-Hazardous Waste
(Sumitomo Chemical)

(Tons)

Type	Unneeded materials generated	Recycled on-site		Reduced on-site		Waste emissions	On-site landfill	Reduced off-site	Recycled off-site		External landfill	Valuable resources
		Reused, recycled	Thermally recycled	Incineration	Other				Reused, recycled	Thermally recycled		
Non-Hazardous Waste	60,330	0	1,146	28,392	1,809	19,709	0	3,627	14,582	615	886	9,275
Hazardous Waste	86,466	18,085	10,353	35,204	1,268	19,575	0	11,254	7,755	304	261	1,982

(Sumitomo Chemical and Group Companies in Japan)

(Tons)

Type	Unneeded materials generated	Recycled on-site		Reduced on-site		Waste emissions	On-site landfill	Reduced off-site	Recycled off-site		External landfill	Valuable resources
		Reused, recycled	Thermally recycled	Incineration	Other				Reused, recycled	Thermally recycled		
Non-Hazardous Waste	244,618	0	1,146	28,392	15,307	188,199	0	5,609	149,037	1,724	31,829	11,574
Hazardous Waste	121,265	18,085	15,103	44,271	1,268	39,389	0	20,520	14,957	3,540	372	3,149

* Waste oil (including waste organic solvents), alkaline waste, acidic waste

Initiatives to Recycle and Reuse Plastic and Other Waste

Sumitomo Chemical is proactively working to recycle and reuse plastic and other waste.

■ Results of Recycling and Reusing Waste*¹ (Sumitomo Chemical)

(Tons)

	FY2020 (Base FY)	FY2021	FY2022	FY2023	FY2024	FY2025
Amount of waste and other unwanted materials generated	176,175	201,134	186,247	153,489	140,559	146,796
Amount of valuable materials	11,683	11,635	11,645	13,761	12,105	11,256
Amount of internally reused materials	6,383	16,602	16,906	8,968	11,845	18,085
Amount of internally recovered heat	23,382	28,798	22,324	16,384	10,024	11,498
Amount of waste generated	53,515	65,471	55,356	48,933	40,072	39,284
Amount of externally reused materials	31,334	38,584	32,010	26,951	21,444	22,337
Amount of externally recovered heat	3,617	3,223	4,436	2,586	1,451	919
Single-site recycling and reuse rate (%)	43.4	49.1	46.9	44.7	40.5	43.7

(Sumitomo Chemical and Group Companies in Japan)

(Tons)

	FY2020 (Base FY)	FY2021	FY2022	FY2023	FY2024	FY2025
Amount of waste and other unwanted materials generated	395,744	464,802	419,633	314,912	340,971	365,883
Amount of valuable materials	18,682	18,405	14,335	17,437	14,820	14,723
Amount of internally reused materials	33,711	49,003	16,922	8,989	11,866	18,085
Amount of internally recovered heat	—	—	27,032	21,457	15,161	16,249
Amount of waste generated	247,908	276,071	232,013	156,995	187,091	227,588
Amount of externally reused materials	195,737	213,309	173,416	101,867	131,566	163,994
Amount of externally recovered heat	—	—	9,903	6,423	3,758	5,264
Domestic resource recovery rate (%)	62.7	60.4	57.6	49.6	52.0	59.7

(Overseas Group Companies)

(Tons)

	FY2023	FY2024	FY2025
Amount of waste and other unwanted materials generated	79,581	87,013	82,335
Amount of valuable materials	14,233	21,550	13,232
Amount of internally reused materials	4,167	3,034	4,313
Amount of waste generated	60,749	62,045	64,319
Amount of externally reused materials	26,045	29,045	45,078
Overseas resource recovery rate (%)	55.8	61.6	76.1

*1 Amount of waste recycled and reused: Amount internally and externally reused + Amount of internally and externally recovered heat + Amount of valuable materials

Waste recycling and reuse rate: (Amount internally and externally reused + Amount of internally and externally recovered heat + Amount of valuable materials) / Waste emissions

■ Results of Recycling and Reusing Plastic Waste*² (Sumitomo Chemical)

(Tons)

	FY2020 (Base FY)	FY2021	FY2022	FY2023	FY2024	FY2025
Amount of waste plastics generated	16,978	17,568	17,052	18,182	16,370	9,368
Amount of valuable materials	11,683	11,635	11,645	13,761	12,105	5,933
Amount of internally reused materials	0	0	0	0	0	0
Amount of internally recovered heat	273	437	321	330	402	204
Amount of plastic waste generated	4,184	4,788	4,449	3,562	3,272	2,611
Amount of externally reused materials	2,923	3,473	3,317	2,560	2,256	1,912
Amount of externally recovered heat	47	110	270	211	332	178
Plastic single-site recycling and reuse rate (%)	87.9	89.1	91.2	92.7	92.2	87.8

(Sumitomo Chemical and Group Companies in Japan)

(Tons)

	FY2020 (Base FY)	FY2021	FY2022	FY2023	FY2024	FY2025
Amount of waste plastics generated	14,921	15,799	14,910	16,173	14,815	12,956
Amount of valuable materials	6,535	5,943	5,495	7,893	7,003	6,764
Amount of internally reused materials	37	35	0	0	0	0
Amount of internally recovered heat	273	437	321	330	402	204
Amount of plastic waste generated	7,203	8,644	8,458	7,421	6,820	5,368
Amount of externally reused materials	4,502	5,296	5,569	4,810	4,407	3,759
Amount of externally recovered heat	464	622	688	587	486	266
Domestic plastic recycling and reuse rate (%)	79.2	78.1	81.0	84.2	83.0	84.8

(Overseas Group Companies)

(Tons)

	FY2023	FY2024	FY2025
Amount of waste plastics generated	14,373	12,655	11,343
Amount of valuable materials	5,211	4,933	3,711
Amount of internally reused materials	270	341	320
Amount of plastic waste generated	8,892	7,381	7,312
Amount of externally reused materials	7,207	6,218	6,314
Overseas plastic recycling and reuse rate (%)	88.3	90.8	91.2

*2 Amount of plastic recycled and reused: Amount internally and externally reused + Amount of internally and externally recovered heat + Amount of valuable materials

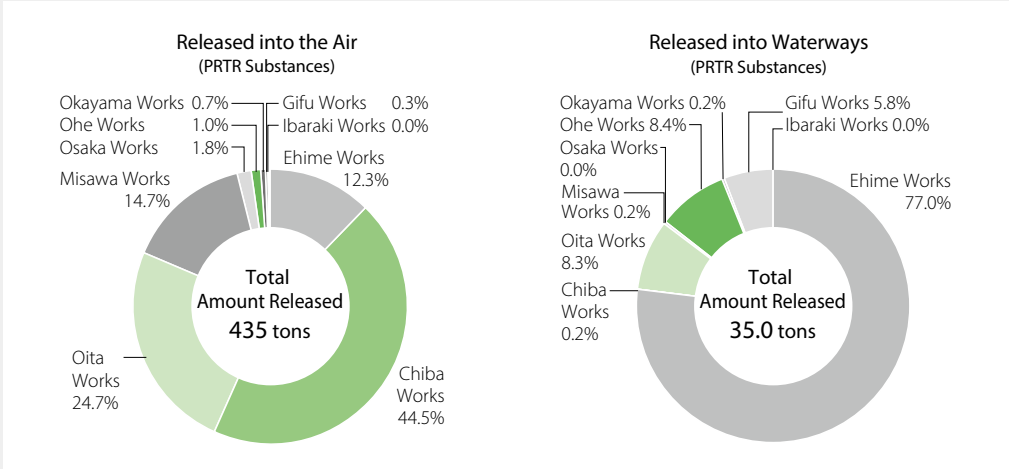
Plastic recycling and reuse rate: (Amount internally and externally reused + Amount of internally and externally recovered heat + Amount of valuable materials) / Waste emissions

Addressing PRTR

FY2025 Release and Transfer of PRTR Substances (Sumitomo Chemical and Group Companies in Japan) (Tons)

	Released			Transferred		
	Air	Water	Subtotal	Sewage	Waste	Subtotal
PRTR substances						
Sumitomo Chemical	435	35.0	470	2.9	3,878	3,881
Sumitomo Chemical and Group companies in Japan	533	44.0	577	4.9	6,240	6,244

FY2025 PRTR Substances Released by Works (Sumitomo Chemical)



Environmental Activity Goals and Results

Climate Change Mitigation and Adaptation

Contribute to Recycling Resources

Sustainable Use of Natural Capital

Environmental Activities: Supplementary Data

Emissions data for PRTR substances (fiscal 2025)

Regarding substances reported to the PRTR, data was collected on the top ten substances and dioxins with the highest emission volumes from Sumitomo Chemical. For data on other substances at each site, please refer to the reports for the respective sites in the “Environmental and Safety Reports for Individual Sites” section of the Sustainability Information Library on the Sumitomo Chemical website: <https://www.sumitomo-chem.co.jp/sustainability/information/library/> (Japanese only)

(Tons, Dioxins: mg-TEQ)

JPSN (Japan PRTR-SDS Number)	Name of Chemical Compound	Released			Transferred		
		Air	Water	Subtotal	Sewage	Waste	Subtotal
1-439	1-Hexene	123.14	0.00	123.14	0.00	0.00	0.00
1-472	Methyl isobutyl ketone	94.75	0.03	94.78	0.00	253.59	253.59
1-347	toluene	67.50	0.09	67.59	0.13	820.84	820.98
1-442	Heptane	53.89	0.00	53.89	0.00	312.33	312.33
1-091	Chloric acid and its potassium and sodium salt	0.00	20.12	20.12	0.00	0.00	0.00
1-120	chloroethylene	19.75	0.00	19.75	0.00	0.00	0.00
1-158	vinyl acetate	11.13	0.00	11.13	0.00	0.00	0.00
1-436	n-hexane	9.73	0.04	9.76	0.00	27.92	27.92
1-489	N-Methyl-2-pyrrolidone	8.75	0.14	8.89	0.00	412.80	412.80
1-469	methyl methacrylate	8.85	0.00	8.85	0.00	1.58	1.58
1-278	dioxins	<0.01	<0.01	<0.01	<0.01	0.00	<0.01

* As of June 2026

Social

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Contributing to the SDGs through Social Activities



Respect for Human Rights

Basic Stance

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

Sumitomo Chemical Group Human Rights Policy (Effective April 1, 2019)

This policy was formulated based on the advice of outside human rights experts with practical experience.

How to Make Use of Speak Up System

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

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

1. Our Position on Human Rights

(1) Compliance with Standards, Laws and Regulations

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

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

(2) Respect for Human Rights in Our Business Activities

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

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

local communities and aim for harmonious coexistence with these communities.

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

2. Our Approach to Human Rights Issues

(1) Providing Education and Raising Awareness

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

(2) Human Rights Due Diligence

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

(3) Responding to Identified Human Rights Impacts

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

(4) Remedy

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

(5) Grievance Mechanisms

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

(6) Disclosure

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

Respect for Human Rights

Procurement Human Resources Management Occupational Health and Safety / Process Safety and Loss Prevention
Product Stewardship / Product Safety / Quality Assurance Responsibility to Our Customers Contributions to Communities Social Activities: Supplementary Data

Publication of the Group Statement under Human Rights Laws

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

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

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

Management System**Human Rights Promotion Committee**

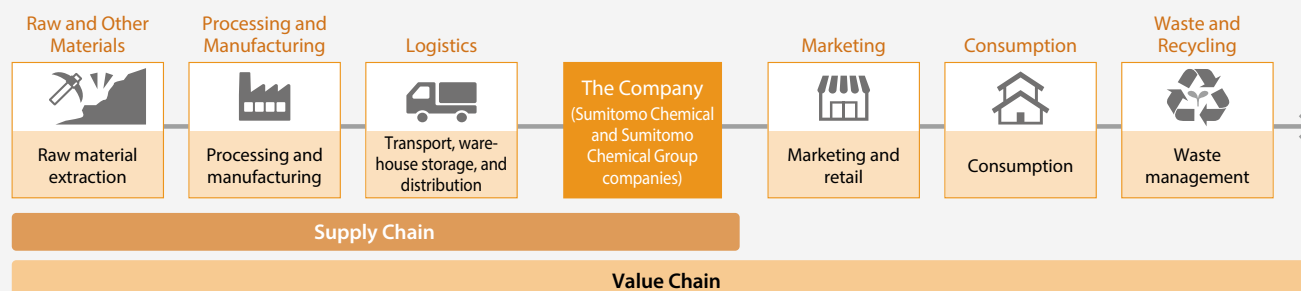
Sumitomo Chemical has established the Human Rights Promotion Committee as its organization for promoting activities in compliance with the Human Rights Policy. In order to plan and implement measures to respect human rights across the entire value chain,^{*1} this committee consists of members from a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

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

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

Roles of Human Rights Promotion Committee

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

**Human Rights Promotion Committee**

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Group-wide Approach

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

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

Examples of Initiatives**Human Rights Due Diligence and Remediation**

With the aim of promoting respect for human rights in its business activities, the Sumitomo Chemical Group has established a system for

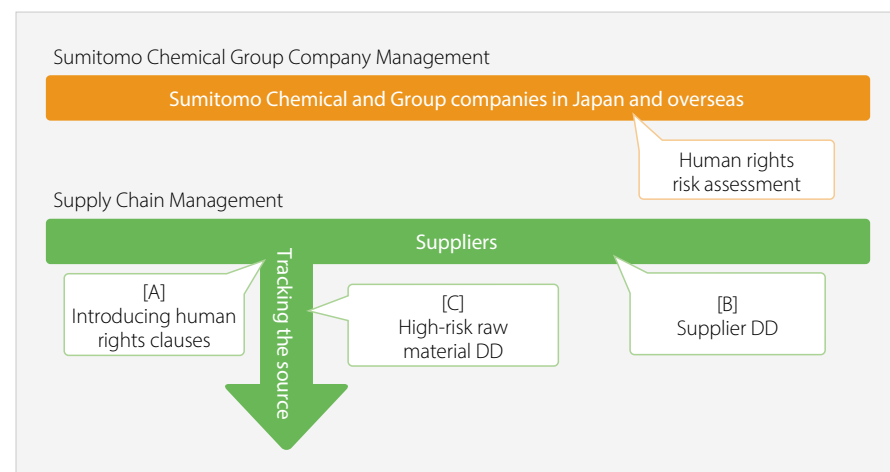
human rights due diligence in accordance with the United Nations Guiding Principles on Business and Human Rights. Under our approach to assessing, reducing, and preventing human rights risks, not only for Sumitomo Chemical itself and its supply chain, but also for Group companies in Japan and overseas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

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

Moreover, for the supply chain, we rank priorities based on assumed human rights risks, conduct surveys, and promote engagement (Supply Chain Management). As a comprehensive initiative, we ensure the effectiveness of human rights risk reduction

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

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

Human Rights Due Diligence Overview of Initiatives**Approach to Our Human Rights Due Diligence Efforts**

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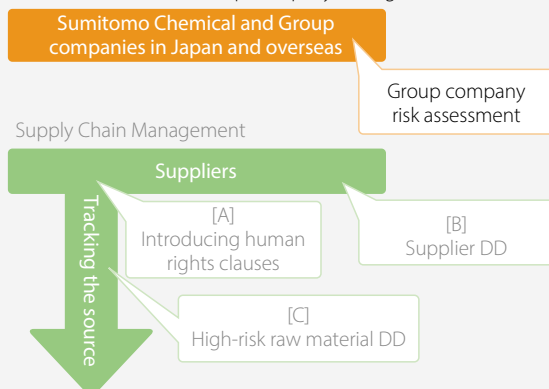
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Sumitomo Chemical Group Company Management**Sumitomo Chemical Group Company Management Flow****Group Company Risk Assessment**

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

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

Sumitomo Chemical Group Company Management



FY2022	<ul style="list-style-type: none"> Human rights risk assessment (risk mapping) targeting the entire Group conducted by external experts
FY2023	<ul style="list-style-type: none"> Written surveys and detailed surveys of the Group companies that were identified as having comparatively high risk in the risk mapping conducted in the previous fiscal year
FY2024	<ul style="list-style-type: none"> Fact-finding inquiries for the Group companies whose responses in the written/detailed surveys indicated potential adverse human rights impacts Formulation and implementation of countermeasures for the items for improvement identified by external experts in the written/detailed surveys
FY2025	<ul style="list-style-type: none"> Human rights risk assessment (risk mapping) targeting the entire Group conducted by external experts Selection of 38 Group companies identified as having a comparatively high risk based on the results of the latest risk mapping, among the 77 Group companies that had been identified as having comparatively low risk and were not subject to written/detailed surveys in the past two rounds of the Group company human rights risk assessment
FY2026 (Plan)	<ul style="list-style-type: none"> Written surveys of the 38 Group companies selected in FY2025 Formulation and implementation of countermeasures for the items for improvement identified by external experts in the written surveys
FY2027 (Plan)	<ul style="list-style-type: none"> Written surveys of the remaining Group companies as having comparatively low risk and were not been subject to the past written/detailed surveys Formulation and implementation of countermeasures for the items for improvement identified by external experts in the written surveys

Risk Assessment Items

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

Society

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

Environment

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

Occupational Safety and Health

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

Governance

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

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● Risk Score Calculation Methodology

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

Examples that add to the risk score:

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

Examples that subtract from the risk score:

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

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

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

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

● FY2025 Initiatives

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

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

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

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

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

● FY2026-2027 Initiative Plans

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

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

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

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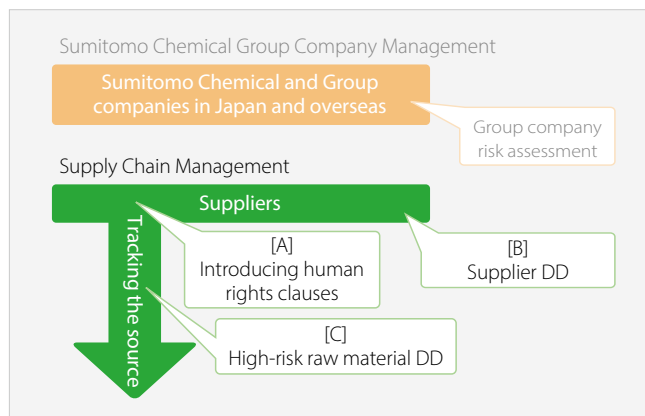
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Supply Chain Management**Supply Chain Management Flow****A. Introducing Human Rights Clauses into Contracts**

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

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

Main Content in Human Rights Clauses (required matters)

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

B. Supplier DD

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

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

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Excerpts of the Human Rights Questionnaire

Major items	Examples of specific questions
(1) Questions related to company-wide management systems	Numbers of employees, presence of labor unions, status of formulation of policies (for example: human rights policies, legal and regulatory compliance, environmental conservation, occupational safety and health), supply chain management status (for example: status of risk assessments for business partners and the supply chain), establishment of whistleblower hotline
(2) Questions specially focused on human rights*	<p>We collect responses to the following questions to assess the risk of forced labor of foreign national workers and migrant workers.</p> <ul style="list-style-type: none"> • Employment status of foreign national workers and migrant workers • Does the company use recruitment specialists when employing foreign national workers and migrant workers? • If using recruitment specialists, is the company doing its due diligence to ensure the specialists' business activities do not violate the human rights of job seekers? • Has the company established an internal procedure for confirming whether recruitment specialists are collecting fees from job seekers? • Before the planned worker departs their home country, does the company provide documents that clarify the main working conditions (job duties, wages, workhours, etc.) in the worker's native language or a language the worker can understand? • Before the planned worker departs their home country, does the company explain necessary information related to the country where they will work or the workplace (rules of the workplace, occupational safety and health, performance considerations, use of dormitory, helpdesk contact information if there are problems, etc.) in the worker's native language or a language the worker can understand?

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

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● Initiatives in FY2025

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

● FY2026 Initiative Plans

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

C. High-risk Raw Material DD

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

● Initiatives in FY2025

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

● FY2026 Initiative Plans

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

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

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

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

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Grievance Mechanisms

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

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

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

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

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

* Harassment related to sexual orientation and gender identity

Education and Awareness Raising

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

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

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

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

Raising Employees' Awareness of Human Rights

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

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

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Engaging in Human Rights Initiatives**Stakeholder Engagement Program Hosted by Caux Round Table Japan**

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

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

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

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

Stakeholder Engagement Program

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

Human Rights Due Diligence Subcommittee Hosted by Global Compact Network Japan

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

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

Others**Signed onto the Declaration of Partnership Building**

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

"Partnership Building" Portal site (Japanese only)

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

Consideration for Human Rights in Investment

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

Initiatives for the Rights of Children

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

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Procurement

Basic Stance

Policy on Sustainable Procurement

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

Basic Procurement Principles (Outline)

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

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

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

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

1. Establish Strong Company Management Systems

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

2. Identify and Assess Risks in the Supply Chain

Sumitomo Chemical Group will establish a system of controls and transparency over the supply chain of HRRM, and will periodically identify and assess risks of HRRM suppliers through an approach consistent with OECD Guidance Annex II. In identifying

and assessing the risks, Sumitomo Chemical Group will (i) request HRRM suppliers to map its supply chain to origin and maintain a database of the same, and (ii) conduct additional due diligence procedures against the HRRM supplier, when red-flags of adverse impact on human-rights are discovered in its supply chain, with due attention to the geographical characteristics of conflict-affected and high-risk areas.

3. Design and Implement a Strategy to Respond to Identified Risks

Once risks are identified and mitigation measures are undertaken, the senior executive assigned to HRRM, will compile a risk management plan and will implement either of the following measures:

- i) continuing trade throughout the course of measurable risk mitigation efforts;
- ii) temporarily suspending trade while pursuing ongoing measurable risk mitigation efforts;
- iii) disengaging with the HRRM supplier after failed attempts at mitigation, such as where lack of cooperation, refusal to follow improvement requests etc.

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

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

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

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

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

Management System

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

Examples of Initiatives

Sustainable Procurement Activities

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

Sumitomo Chemical Group Sustainable Procurement Check Sheets

I Compliance and Ethics

Questions in this chapter focus on whether the company properly complies with laws and regulations; upholds and respects international norms; complies with competition laws; maintains sound relations with governments and administrative agencies as well as prohibits bribery; prohibits the offering and receiving of inappropriate profit; respects intellectual property; establishes a system for the prevention, early detection, and remedy of wrongdoings as well as

protects whistleblowers; makes appropriate information disclosure; protects the organization's confidential information and personal information; and develops cyber security measures.

II Society

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

III Occupational Safety and Health

Questions in this chapter focus on whether the company properly establishes and implements an occupational safety and health management system; prepares emergency scenarios, including natural disasters and accidents, takes measures to improve facilities, formulates manuals for emergency response measures, and provides

awareness-raising and training programs; assesses safety and health risks, implements proper safety and health measures, and provides awareness-raising and training programs regarding safety and healthy information; provides a safe and hygienic work environment; implements proper health management measures; and categorizes and records cases of occupational accidents and illnesses, provides necessary treatment, and conducts investigations, reports, and takes remedial measures.

IV Environment

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

Sumitomo Chemical Group Supplier Code of Conduct

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

Sumitomo Chemical Group Sustainable Procurement Check Sheets

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

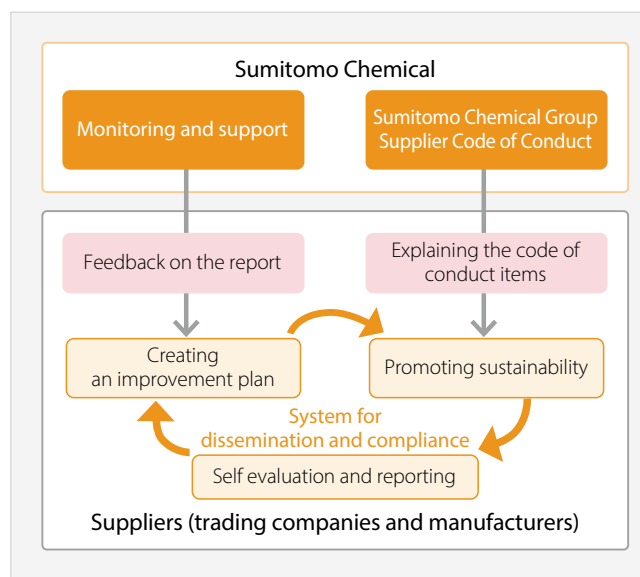
Promoting Sustainable Procurement throughout the Supply Chain

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

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

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

System for Promoting Sustainable Procurement throughout the Supply Chain



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

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

Initiatives Related to High-Risk Raw Materials

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

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

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

Promoting Sustainable Procurement throughout the Group

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

Supplier Information Exchange Meeting

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

Results

FY2025 Group-wide Initiatives

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

FY2025 Initiative for Suppliers

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

*1 • Conflict minerals (gold, tantalum, tungsten, tin): Conflict Minerals Reporting Template (CMRT)

• Cobalt, mica, copper, graphite (natural), lithium, and nickel: Extended Minerals Reporting Template (EMRT)

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

Human Resources Management

Basic Stance

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

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

Based on this policy, we are strengthening our talent acquisition

capabilities dramatically while working to create an environment in which diverse personnel can work healthily and energetically.

Human Resources System Initiatives

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

and strengths. The system also enables motivated and capable employees to take on higher-level roles at an early stage, thereby strengthening employee engagement and fostering employees' desire to grow.

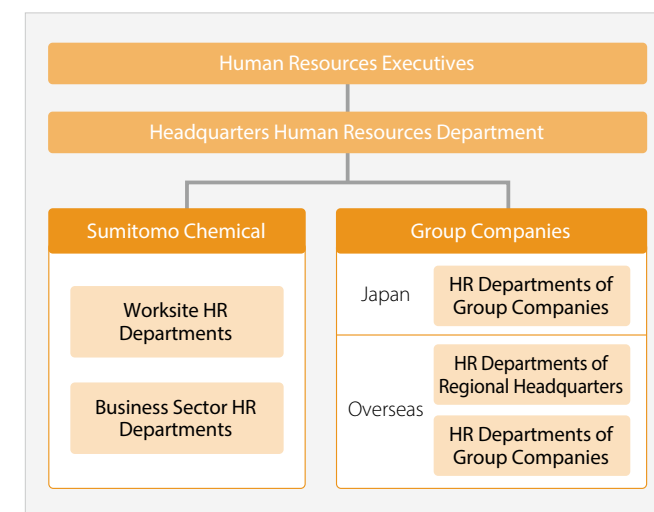
Management System

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

Objectives of the Human Resources System



Human Resources Management System



Compensation and Welfare

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

Communication with Employees

Communication between Labor and Management

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

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

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

Employee Awareness Survey

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

2025 Employee Awareness Survey

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

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

Sumika “Let’s Do This Declaration”

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

1 Work-life Balance

Aiming to harmonize
work and private life to lead fulfilling lives

- ① Stop long working hours!
- ② Create an environment that makes it easy for employees to fully utilize work-life balance systems.
- ③ Encourage employees to take at least 80% of paid leave and facilitate effective use of the flextime system.
- ④ Prohibit business instructions that would require holiday or late-night work.
- ⑤ Cooperative framework in the workplace.

▶ P.118

2 Activities by All Employees (DE&I)

Respect and leverage diversity, promote
active roles for all, and leave no one behind

- ⑥ Active roles for everyone regardless of gender!
- ⑦ Let's eliminate preconceptions and assumptions!
- ⑧ Let's build a hybrid human resource group!
- ⑨ Encourage active roles for people with disabilities.
- ⑩ No harassment!

▶ P.121

3 Development and Growth

Development and growth to help our employees
and the Company flourish together!

- ⑪ Support employees' proactive career development.
- ⑫ Support the desire to learn.
- ⑬ Invest in growth for everyone.
- ⑭ Strive to enhance management capabilities!
- ⑮ Allow people to take on challenges and demonstrate their growth.

▶ P.124

4 Healthy Employees

Good health is a prerequisite for
good work and a good life!

- ⑯ Revise eating habits, achieve a healthy weight.
- ⑰ Exercise a little and stay healthy forever!
- ⑱ High performance depends on quality sleep.
- ⑲ Smoking does nothing but harm.
- ⑳ Don't forget to take care of your mental health.

▶ P.127



Declaring
what we want to cherish

5 How to Proceed with Work

Reasonable, efficient, and creative work by
each employee will lead to the improvement of
their skills and the growth of the Company.

- ㉑ Always review work goals and methods.
- ㉒ Make the use of digital technologies the default.
- ㉓ Eliminate excessive quality, streamline your work.
- ㉔ Maximize the added value of meetings.
- ㉕ Put customers first!

Action Items

1 Work-Life Balance

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

① Stop long working hours!

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

② Create an environment that makes it easy for employees to fully utilize work-life balance systems.

We will work to create a workplace environment that enables employees to fully utilize systems for childcare, caregiving, illness treatment, and more.

③ Encourage employees to take at least 80% of paid leave and facilitate effective use of flextime system.

We will maintain a paid leave utilization rate of 80%. We also facilitate the effective use of the flextime system for afternoon work (no core time).

④ Prohibit business instructions that would require holiday or late-night work.

As a general rule, we do not delegate or carry out tasks that are predicated on working late-night overtime or on days off, such as an email asking for a reply on a day off.

⑤ Cooperative framework in the workplace.

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

2 Activities by All Employees (DE&I)

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

⑥ Active roles for everyone regardless of gender!

We will ensure anyone can thrive in the workplace and enhance employee capabilities regardless of gender and age.

⑦ Let's eliminate preconceptions and assumptions!

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

[Related KPI]

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

⑧ Let's build a hybrid human resource group!

We will flexibly incorporate and leverage the different abilities and ideas of diverse human resources to help invigorate the workplace and grow the organization.

⑨ Encourage active roles for people with disabilities.

The Company and Sumika Partners Co., Ltd. have come together to provide an environment where people with disabilities can thrive.

⑩ No harassment!

Aiming for complete eradication, we will not tolerate any form of harassment.

3 Development and Growth

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

⑪ Support employees' proactive career development.

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

⑫ Support the desire to learn.

Expand the content of Self-Selected Training to support voluntary learning

[Related KPI]

100% implementation rate of development of employee capabilities, knowledge, and skills

⑬ Invest in growth for everyone.

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

⑭ Strive to enhance management capabilities!

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

[Related KPI]

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

⑮ Allow people to take on challenges and demonstrate their growth.

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

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

4 Healthcare

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

⑩ Revise eating habits, achieve a healthy weight.

To prevent lifestyle diseases, all employees should maintain an appropriate BMI (18.5–24.9).

Target: 100% of employees received specified health guidance.

⑪ Exercise a little and stay healthy forever!

Exercise regularly every day to build habits.

Target: 80% or more of employees being habitual walkers.

(About 10,000 steps per day)

⑫ High performance depends on quality sleep.

Improve the quality of your sleep to ensure energy for the next day.

Target: Increase the percentage of people getting enough rest through sleep to 80% or more.

⑬ Smoking does nothing but harm.

We ban smoking for the health of ourselves and those around us.

- As a general rule, smoking is banned during work hours and on the Company's premises (including on business trips).
- Participate in programs to support smoking cessation.

⑭ Don't forget to take care of your mental health.

Fostering fuller workplace communication and eliminating stress in your own way.

5 Initiative to Enhance Productivity

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

⑮ Always review work goals and methods.

Do not rely on old ways of thinking. Constantly think of methodologies aligned with this era and work that is currently in demand.

Target 1: Reduce current workload by 10%.

Target 2: Receive 80% or higher positive responses to the following questions in the employee opinion survey.

- In my workplace, I can say anything about work without being conscious of my rank, age, gender, or other characteristic
- In my workplace, I have many opportunities to raise work-related issues and share ideas.

⑯ Make the use of digital technologies the default.

Everyone in the Company, from top management to employees, actively utilizes digital technologies, such as AI, IT, and robotics, as one means to further improve productivity and create value more than ever before.

Target 1: Participate in other new DX-related education courses and lectures at least once a year.

Target 2: Raise the number of inquiries made to generative AI by a factor of 10
[Related KPI]

Make 100% of employees active AI users

⑰ Eliminate excessive quality, streamline your work.

Do not assume too much. Confirm your partners' intentions and true meaning without hesitation in order to stay on track and eliminate excessive quality.

Target 1: Superiors clearly point out “what, why, and by when.” Subordinates confirm.

Target 2: Report when 30% done.

Target 3: Improve job performance skills

⑱ Maximize the added value of meetings.

Meetings are for discussion and decision making.

Target 1: Improve facilitation skills

Target 2: Improve the efficiency of meeting coordination and minute-taking through the use of AI and other technologies

⑲ Put customers first!

Aim to improve communication with customers, including business partners and related internal departments

Work-Life Balance

Basic Stance

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

Management System

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

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

Targets and Results / Examples of Initiatives

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

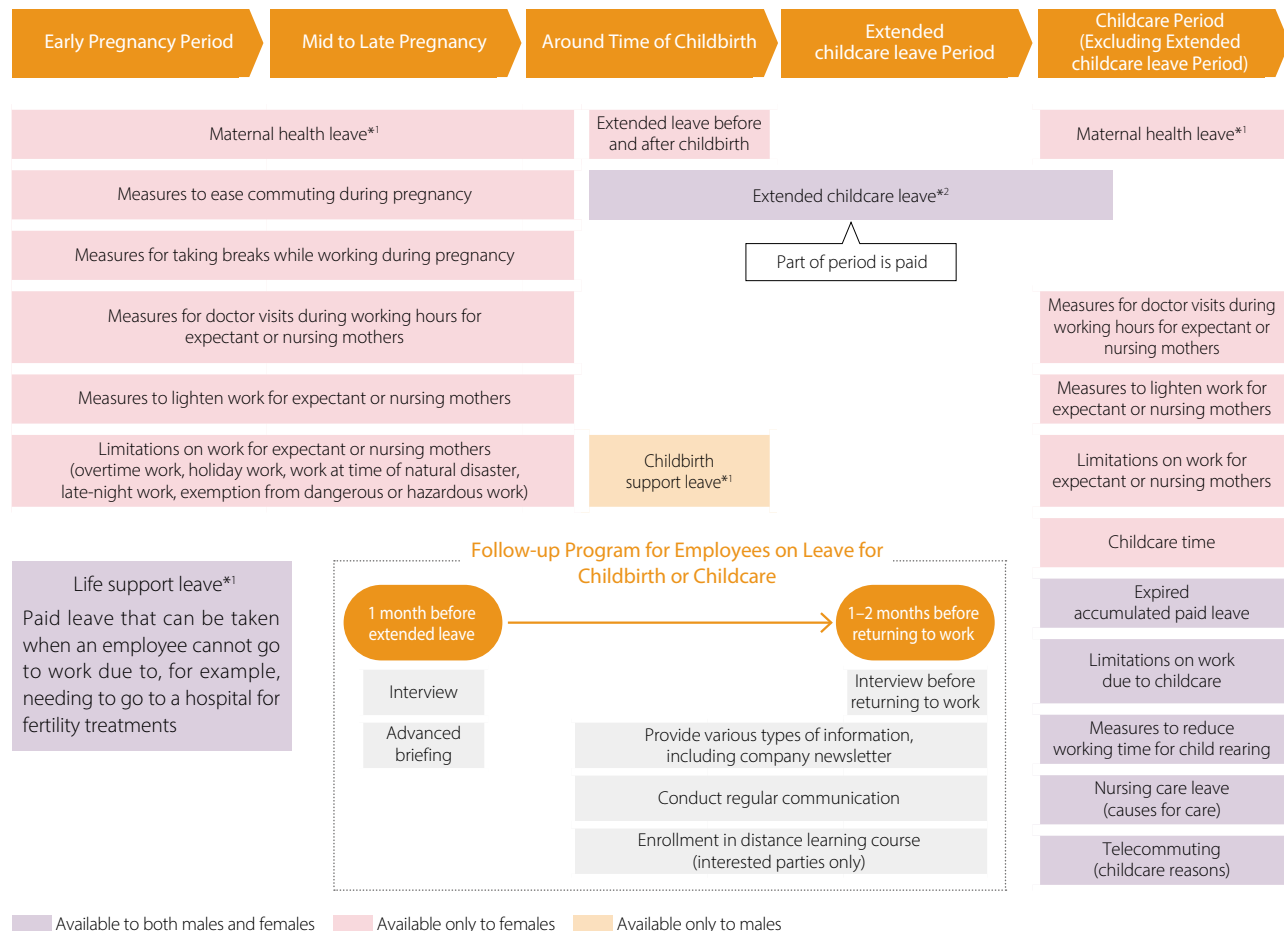
Measures to Promote Work-Life Balance

	KPI	Measure Details
① Correct Long Working Hours	Aim to eliminate long working hours as a general rule (on average over 45 hours/month worked after regular hours and on weekends and holidays).	<p>A. Enhance productivity by utilizing digital tools Enhance productivity by utilizing digital platforms and tools, automate and enhance efficiency of operations by proactively utilizing robotic process automation (RPA), conduct training for effectively utilizing digital tools, etc.</p> <p>B. Improve productivity by promoting a better work-life balance Regularly convene the Labor-Management Committee consisting of labor and management representatives, take various measures to improve productivity in each workplace, hold lectures to promote better work-life balance, etc.</p> <p>C. Promote initiatives for the Sumika "Let's Do This Declaration" We declared details related to work-life balance in the Sumika "Let's Do This Declaration," which is an initiative in which we proclaim those values and views that are of importance to us as a company. In addition, we have positioned the elimination of long working hours as an action item.</p> <p>D. Appropriately manage working hours and health</p> <ul style="list-style-type: none"> Reduced the upper limit on overtime work from April 2017 (upper limit: 80 hours per month and 720 hours per year) Regarding the occupational physician interviews for people working long hours mandated by the Industrial Safety and Health Act, we have been enforcing our own guidelines, which are more stringent than legally mandated. We established an even more appropriate work management system by displaying computer logon and logoff times when reporting work hours.
② Encourage Employees to Take Paid Annual Leave	Realize an average of 80% of paid leave taken annually.	<p>A. Create an annual leave chart that covers several fiscal years Every year create an annual leave chart that covers several fiscal years to make it easier to plan far into the future and help encourage employees to take paid leave.</p> <p>B. Encourage employees to take paid leave</p> <ul style="list-style-type: none"> Encourage employees to take paid leave during Golden Week and other similar periods Encourage employees to create four-day weekends by adding days of paid leave to either side of weekends and promote taking time off in the September–November period Encourage senior employees to take paid leave <p>C. Continue to systematically provide paid leave Systematically provide five paid-leave days every year (does not include statutory leave)</p> <p>D. Promote initiatives under the Sumika "Let's Do This Declaration" We declared details related to work-life balance in the Sumika "Let's Do This Declaration," which is an initiative in which we proclaim those values and views that are of importance to us as a company. In addition, we have positioned the use of 80% of paid leave as an action item.</p>
③ Promote Flexible Workstyles	Achieve take-up rate of 95% or higher and an average leave of 50 days or more for childcare leave or other childcare-related leave taken* by male employees upon the birth of a child	<p>A. Promote and raise awareness about programs Continually promote and raise awareness about various programs that enable employees to flexibly adjust for their individual needs, including those related to life events like childcare and caregiving. In addition, encourage male employees with newborns to take extended childcare leave.</p> <p>B. Foster an environment that allows the realization of flexible workstyles By taking the measures outlined above in the action plan for ① Correct Long Working Hours, create an environment where it is easy to improve the productivity of employees and their workplaces and to realize flexible workstyles.</p> <p>C. Promote initiatives under the Sumika "Let's Do This Declaration" We declared details related to work-life balance, DE&I in the Sumika "Let's Do This Declaration," which is an initiative in which we proclaim those values and views that are of importance to us as a company. In addition, we have set the following action items: creating an environment that makes it easy for employees to fully utilize work-life balance systems, facilitating the effective use of the flextime system, establishing a cooperative framework in the workplace, and eliminating unconscious bias (including the assumption of fixed roles for men and women).</p>

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

★: Assured by an independent assurance provider

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



*1 Leave unique to Sumitomo Chemical

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

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

		(No. of people)		
System/Measure		FY2023	FY2024	FY2025
Childcare/Nursing Support	Total	498	491	435★
	Extended childcare leave			
	Male	423	401	347★
	Female	75	90	88★
	Extended leave for nursing care	4	2	0
	Nursing care leave	252	168	502
	Childbirth support leave	186	179	151
	Maternal health leave	36	44	22
	Expired accumulated paid leave* ¹	189	212	208
	Reduced working hours system	188	193	173
	Telecommuting* ²	241	259	245
Other	Reemployment system* ³	8	8	8
	In-house childcare facilities* ⁴	105(73)	102(70)	102(70)
	Mutual aid association support money for childcare* ⁵	96	94	106
	Suspension from work for special reasons for employees accompanying spouses going on overseas transfer* ⁶	4	6	8
	Employee awareness survey* ⁷	—	—	Conduct

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

*1 Only for childcare and nursing care

*2 Number certified in each fiscal year (for childcare, nursing care, pregnancy, and other reasons that make coming into work more difficult)

*3 Number registered as of the end of each fiscal year

*4 Number of users on April 1 each fiscal year. Includes users other than Sumitomo Chemical. The figures in parentheses are the number of Sumitomo Chemical users.

*5 Aggregate number of people at end of each fiscal year

*6 Number of applicants as of the end of each fiscal year

*7 Conducted once every three years

Measures to Promote Work-Life Balance

Support for Childbirth and Childcare

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

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

Daycare Facilities at Worksites

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

Joining the Ikuboss Corporate Alliance

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

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

Kurumin Mark

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

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



Next-generation
Kurumin
certification mark

Utilizing Diverse Human Resources

Basic Stance

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

Group Diversity, Equity, and Inclusion Policy

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

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

▶ **P.099 Respect for Human Rights**

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

Management System

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

▶ **P.118 Work-Life Balance:** Management System

Targets and Results / Examples of Initiatives

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

◆ Critical Success Factors (CSFs)

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

● Sumitomo Chemical (Non-Consolidated): KPIs

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

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

Target: Over 15% on average over the 5 years from FY2023 to FY2027

Result: 16.3% (FY2025)*

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

Initiative Details

• Diversity management training

We hold diversity management training that helps us practice diversity management (leadership, human relations skills) including topics such as building teams with high psychological safety and comprehending unconscious bias etc.

Eligible employees: Management level employees
(mandatory for employees upon promotion to the managerial employee MG I grade; optional for others)

• E-learning related to unconscious bias

We hold e-learning training with the purpose of raising awareness and recognition related to overall unconscious bias.

Eligible employees: All employees and management executives (optional)

• Dispatching employees mainly to training programs held by outside groups

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

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

Eligible employees: Young female employees

• Training related to women-specific health issues

The training raises awareness of the consideration needed in workplaces of women-specific health issues, such as menstruation-related symptoms and menopause.

Eligible employees: Newly appointed managers (people promoted to managerial employee MG I Grade)

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

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

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

Target: Take-up rate of 95% or higher and an average leave of 50 days or more

Result: 97.9%, 41.2 days (FY2025)*2

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

*2 Calculated based on the results of male employees whose children were born in FY2024, up to the time their children reach one year of age

Initiative Details

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

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

children to take extended childcare leave and their supervisors to accommodate them.

Details of Measures

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

• Improve environment to realize flexible workstyles

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

• Take measures to promote use of programs

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

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

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

★: Assured by an independent assurance provider

Hiring Personnel with Diverse Skill Sets and Qualities

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

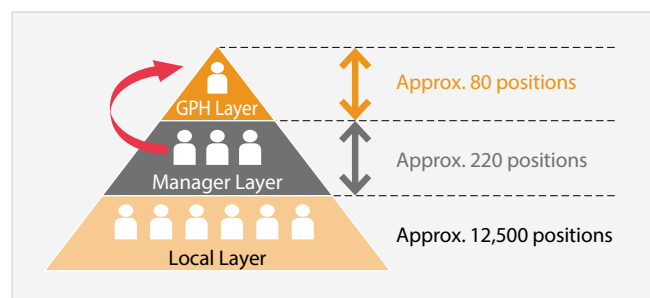
We engage in fair hiring practices, regardless of gender or nationality, and focus on hiring Ph.D. holders with a high degree of expertise as well as other experienced individuals in light of the changing labor market.

Promoting the Utilization and Advancement of Global Personnel

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

Overseas Human Resources Pipeline

(Local employees at overseas Group companies)



Utilization of Personnel Beyond Borders

(People)

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

Note: As of March 31, 2026

Utilizing and empowering senior personnel

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

Promoting the Hiring of Persons with Disabilities

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

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

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

Sumika Partners Co., Ltd. (Japanese only)

<https://www.sumika-partners.co.jp/>

Equal Pay for Equal Work

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

Achievements in DE&I (Sumitomo Chemical)

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

Note: Results include staff assigned to 1 other companies but do not include staff assigned from other companies.

*1 As of March 31 of each fiscal year

*2 As of June 1 of each fiscal year

Group companies that have received approval as special affiliated companies:

FY2023-2024: Group companies in Japan: 9, FY2025: Group companies in Japan: 10

Human Resources Development and Growth

Basic Stance

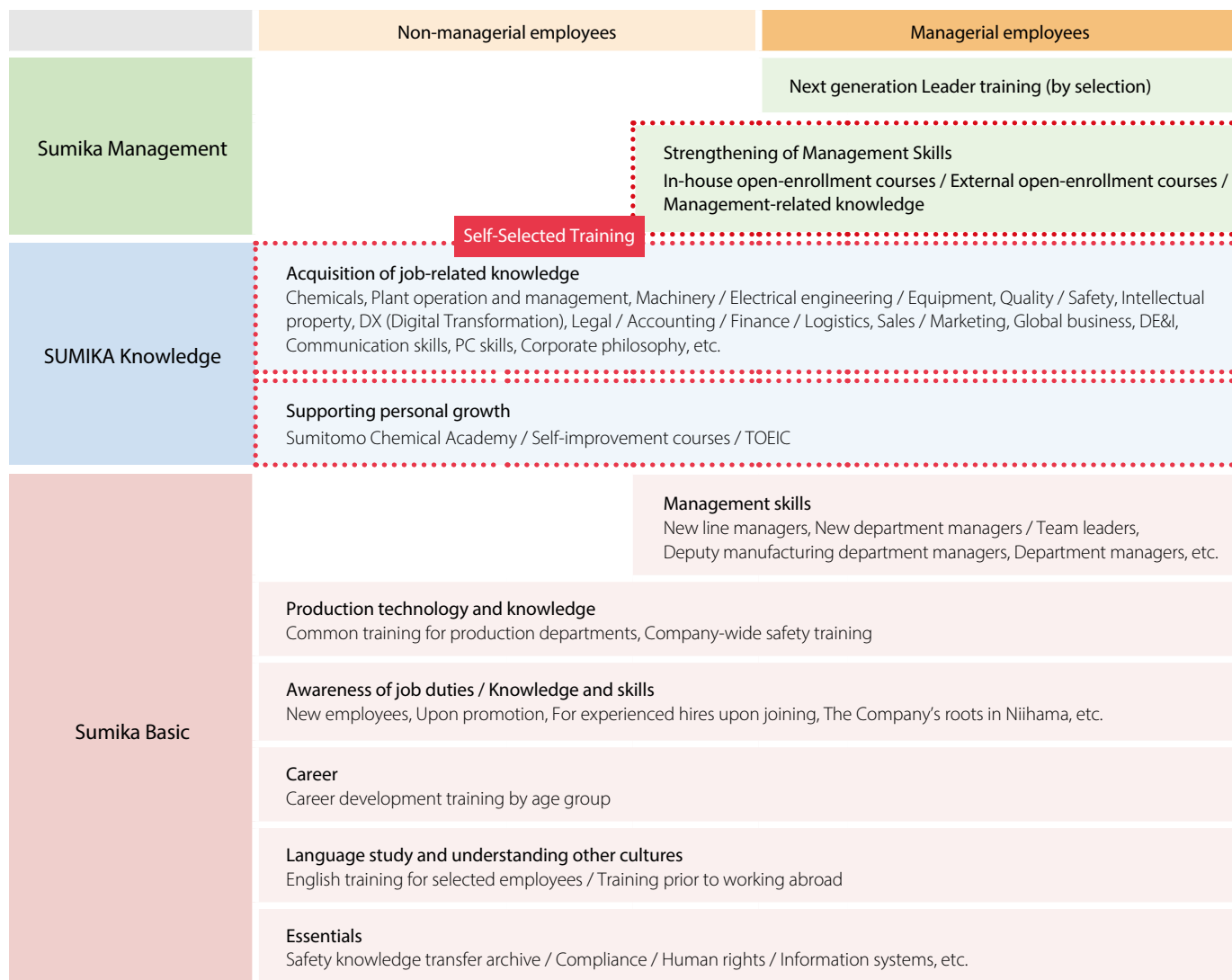
To realize our current human resources system, the basic philosophy of which is “development and growth,” we are implementing various measures, including the development of employee capabilities, knowledge, and skills in addition to providing support for autonomous career development.

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

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

■ Educational System “SUMIKA Learning Square (SLS)”

Self-Selected Training



Targets and Results / Examples of Initiatives

KPI

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

Result: 81.5% (FY2025)

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

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

Result: 86.3% (FY2025)

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

Investment in Training (Sumitomo Chemical)

FY2025 Results

Approx.
310,000 yen/year per person

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

Time Spent on Training (Sumitomo Chemical)

FY2025 Results

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

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

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

Methodical Development of Senior Management Candidates

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

(1) Advanced Global Leader Training

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

(2) Global Leader Training

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

Next-Generation Leader Development System



Training for Development of Global Talent (for select participants)

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

FY2025 Results

Participants Average time
19 **69** hours per person
(breakdown: 16 men, 3 women)

Management Skills Enhancement Training

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

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

Name	Approach	(No. of people)		
		FY2023	FY2024	FY2025
IV grade-based business skills training	Through education on basic management principles, this training deepens understanding of the roles and behaviors expected of the corresponding job grade.	119	141	100
New department manager/team leader training	Training for developing and guiding subordinates as well as managing workplaces from the perspective of risk management, including the authority of management supervisors in the Labor Standards Act	68	89	78
MG I grade promotion training	Training for management-level employees aimed at fostering self-awareness regarding their roles and occupational duties along with cultivating strong self-actualization and at changing their mindsets as organizational leaders	111	104	117
Training for new line managers	Training that depicts scenarios for transforming organizations and deepening knowledge through learning aimed at instilling the knowledge and perspectives needed in a general manager	34	35	44
Training in communicating with subordinates	Training on feedback methods used to develop subordinates and ensure understanding of basic communication policies	69	63	105
Diversity management training	Training covering management capabilities, including how to influence organizational performance, and the management qualities and skills needed to gather diverse personnel and guide them on teamwork and achieving goals	83	93	43

FY2025 Results

Participants
487

Average time
14 hours per person

System for Passing on Skills and Developing Personnel

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

■ System for Passing on Skills and Developing Personnel

Name	Approach	(No. of people)		
		FY2023	FY2024	FY2025
Trainer System	Highly skilled employees who have an aptitude for teaching provide instruction and advice to facilitate development.	65	66	65
Senior Training Advisor System	Supervisors and potential supervisors are provided OJT to develop core personnel for manufacturing departments.	9	7	9
Advanced Maintenance Specialist System	This system certifies people who have high practical knowledge and a wealth of experience in maintaining equipment to take the Company's safety level to the next level.	21	21	26

Fertile Soil for Innovation (Sumitomo Chemical Academy)

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

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

Internal Side Jobs

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

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

Healthcare

Basic Stance

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

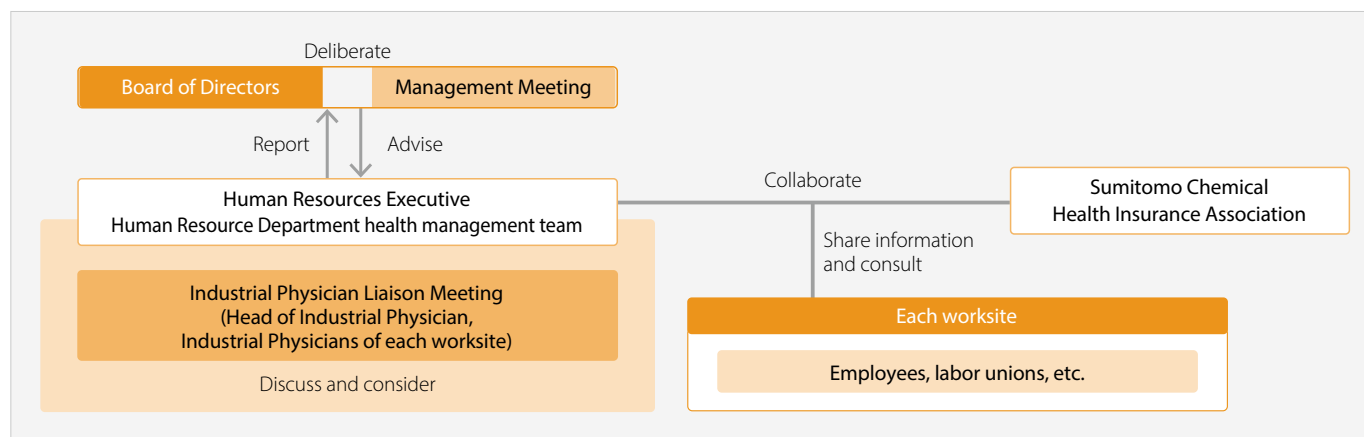
Management System

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

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

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

Promotion System for Health Maintenance and Promotion Measures



Targets and Results / Examples of Initiatives

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

Physical Health

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

Initiatives Aligned with the Health Insurance Association

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

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

Initiatives Promoted by Sumitomo Chemical (Non-Consolidated)

- (1) Walking events
 - With the aim of establishing exercise habits, we hold walking events through the use of a walking-related app. We help stimulate internal communication through the use of the app's group chat function.
- (2) Enhancing exercise and physical training environments
 - We are promoting embedding of exercise habits by providing more and better opportunities for exercise, including increasing the number of physical training facilities we partner with (increased from approx. 420 facilities to approx. 6,000 throughout Japan).
- (3) Exercise Program
 - Running an exercise program, including stretches, for the purpose of instilling exercise habits and reducing repetitive strain injury (RSI), which is caused by repetitive tasks and PC work.

Mental Health

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

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

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

Health & Productivity Management Outstanding Organization (White 500)

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

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



Occupational Health and Safety / Process Safety and Loss Prevention

Basic Stance

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

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

Sumitomo Chemical has acquired the international standard ISO 45001 and OSHMS certification at its worksites. In addition, the Company implements PDCA cycles that support a host of measures on the path to realizing improvements based on risk assessments. These safety-related measures and their results are reviewed at the end of each fiscal year by the Responsible Care Committee, which is headed by the President. The reviews ensure a continuous connection to future fiscal years' cycles, thereby strengthening safety and health activities that prevent accidents. In addition, we will further strengthen our safety infrastructure by carefully managing our facilities and construction projects, providing advanced training for

safety-related personnel, and introducing sophisticated risk assessment methods and cutting-edge technologies, including IoT, to bolster our employee safety and industrial safety management technologies. We will also prepare our responses to new threats, such as intensifying natural disasters and terrorism.

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

Core Principle: Making Safety Our First Priority

Raison D'être for the Core Principle

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

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

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

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



Management System

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

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

*2 Worksites with 50 or more employees

★: Assured by an independent assurance provider

Goals and Results

Occupational Health and Safety

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

Goals and Results

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

Lost-workday Injuries (Sumitomo Chemical Group*¹)

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

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

*1 The Sumitomo Chemical Group as defined for occupational health and safety:

Until FY2019: Sumitomo Chemical (including contractors) and consolidated Group companies in Japan and overseas.

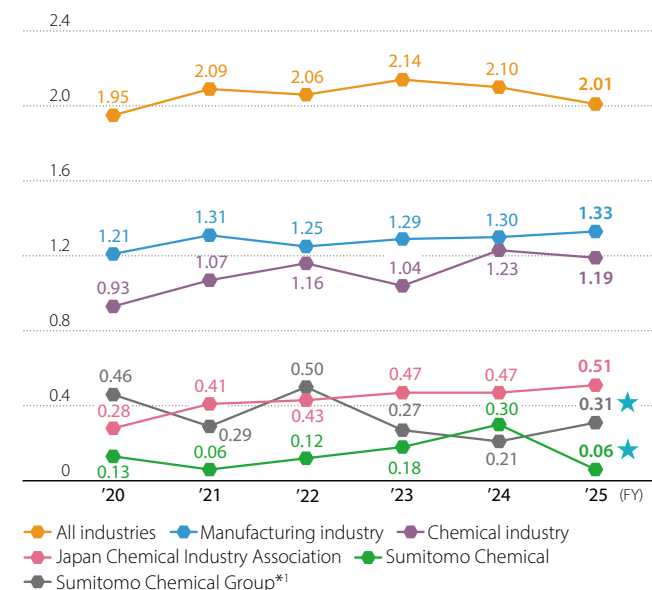
From FY2020 onward: Sumitomo Chemical (including contractors) and consolidated subsidiaries in Japan and overseas.

*2 Scope of frequency rate: Employees of Sumitomo Chemical (including contractors) and consolidated subsidiaries, including temporary employees, part-time staff, and dispatch employees.

Calculation of hours worked: For the number of hours worked by consolidated Group subsidiary employees, the Company uses an estimate reached by multiplying the number of employees by 1,928 hours (Sumitomo Chemical's standard number of hours worked annually). (For the number of hours worked by Sumitomo Chemical employees (non-consolidated) and contractors, the Company uses the actual number of hours recorded.)

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

Frequency Rate of Lost-workday Injuries



Process Safety and Loss Prevention

The Sumitomo Chemical Group*¹ achieved the target of “no severe industrial accidents”^{*2} in fiscal 2025, recording zero severe industrial accidents.

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

Goals and Results

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

Severe Industrial Accidents (Sumitomo Chemical Group*¹)

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

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

*2 “Severe industrial accidents” refers to any of the following workplace incidents:

- Accidents that cause injuries to local residents requiring outpatient/hospital treatment
- Accidents that result in lost-workday injuries to workers on the site
- Accidents that result in equipment and facility damage exceeding 10 million yen

Examples of Initiatives

Occupational Health and Safety

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

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

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

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

Improving Hazard Prediction Abilities

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

Sharing and Using Accident Data

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

Awards for Safety

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

Safety Promotion through In-house Magazine, Slogan

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

Preventing Severe Accidents in Subcontracted Operations and Construction Operations

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

Risk Assessment of Chemical Substances

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

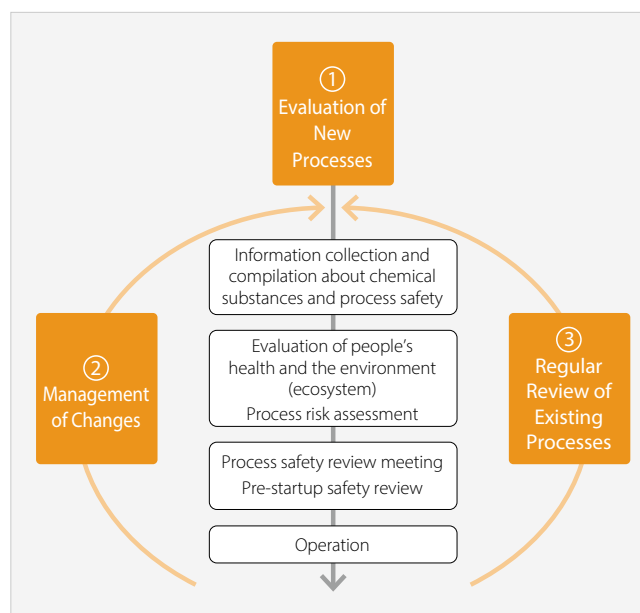
* The percentage of worksites that conducted assessments at Sumitomo Chemical and Group companies in Japan is 100%.

Process Safety and Loss Prevention

Risk Management Initiatives

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

Risk Management (Three Routes)



① Evaluation of New Processes

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

② Management of Changes

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

③ Regular Review of Existing Processes

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

Preparation for Large-Scale Natural Disasters

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

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

Safety Education and Drills

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

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

Examples of Safety Education and Drills at Sumitomo Chemical Worksites

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

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

FY2025 Main Safety Education Programs (Company-wide Education)

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

* HAZOP:

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

Industrial Safety Action Plan

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

(1) Commitment by Top Management to Industrial Safety

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

(2) Setting Industrial Safety Targets

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

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

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

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

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

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

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

Logistics Initiatives

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

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

Goals and Results

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

Lost-workday Injuries in Logistics

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

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

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

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

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

Product Stewardship / Product Safety / Quality Assurance

Basic Stance

Product Stewardship at Sumitomo Chemical

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

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

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

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

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

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

Ensuring Thorough Compliance

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

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

Quality Assurance

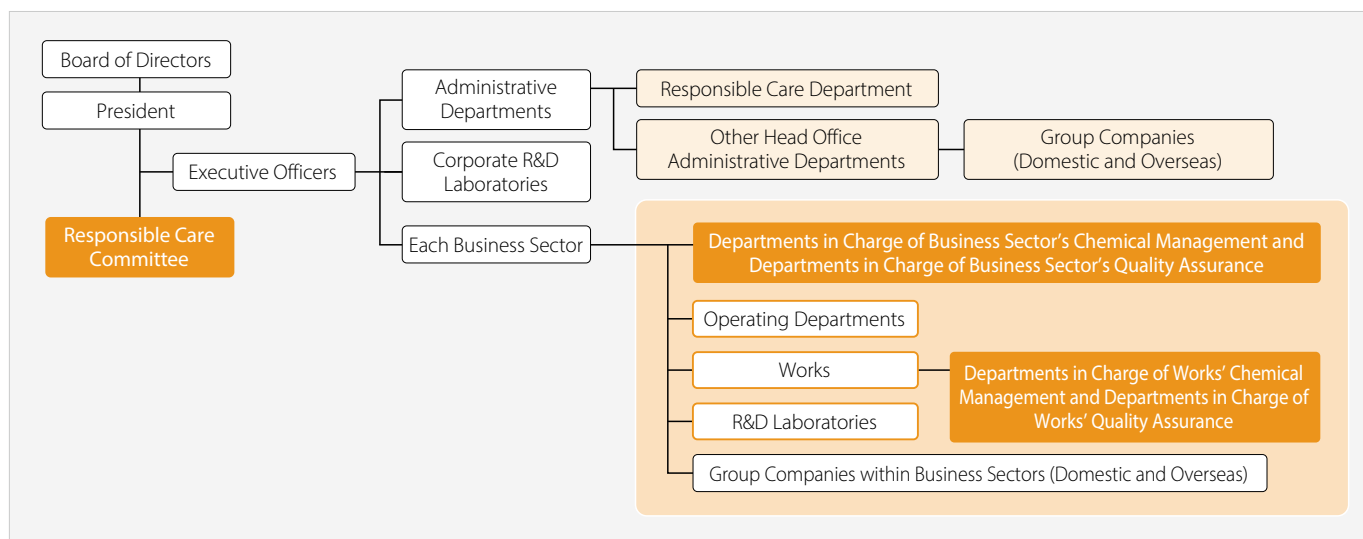
In line with the value it places on the trust it has earned from customers and society and its aim to further improve customer satisfaction, the Group continually works toward the optimization of its quality assurance system by enhancing the Group-wide quality assurance level so that customers can use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

Management System

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

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

■ Organization of Chemical Management and Quality Assurance Activities



entering the production stage and survey and respond to all relevant laws and regulations. We will continue to conduct risk assessments based on the most up-to-date information available.

Japan Chemical Industry Association (JCIA)
Chemical risk assessment support portal

https://www.jcia-bigdr.jp/jcia-bigdr/en/material/icca_material_list

Risk Management for Product Safety

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

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

Examples of Initiatives

Risk Assessment and Management throughout the Entire Product Life Cycle

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

through, for example, product development (reinspection of risks of already assessed substances based on the latest insights).

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

Providing Products and Services of Stable Quality

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

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

In fiscal 2025, there was one major quality problem in the Sumitomo Chemical Group. We are thoroughly analyzing the root

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

^{*1} The international standards on quality management systems issued by the International Organization for Standardization (ISO).

^{*2} Good Manufacturing Practice (GMP): Guidelines relating to the manufacturing and quality management of pharmaceutical products, etc.

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

	FY2023	FY2024	FY2025
Number of major quality problems	0	0	1

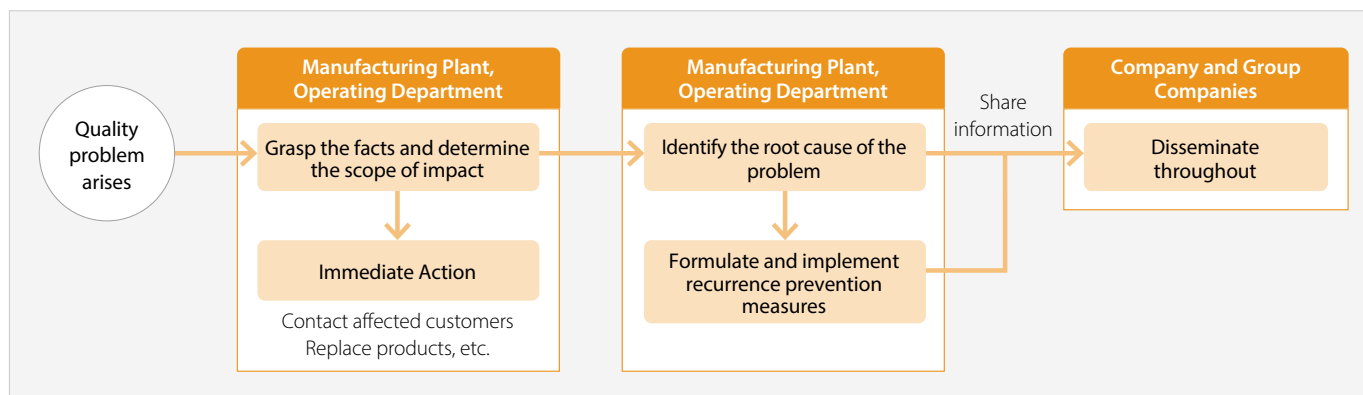
The Information Sharing System and Ensuring thorough Compliance

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

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

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

Flowchart of How We Handle Quality Problems



Effective Use of SuCCESS

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

to the government under the chemical substances control law via a substance volume tracking (SVT) system as well as to calculate exported volumes.

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

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

Providing Toxicological Information

To ensure its products are handled safely, Sumitomo Chemical uses SDSs and labels to provide customers with toxicological and regulatory information about the chemical substances they contain and the hazard data consolidated in SuCCESS. The SDSs and labels also include precautions for proper handling and storage, first-aid

measures in the event of a spill, and instructions for handling residual liquids and contaminated containers, enabling users to handle the products safely with the necessary protective equipment and materials while minimizing the leakage and release of hazardous substances. Furthermore, especially regarding products requiring warnings about their handling, we create yellow cards that are a simplified version of their SDSs. This provides logistics operators with the information they need to ensure they can respond appropriately to an emergency situation during transportation.

Sharing Information on Chemicals in Products

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

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

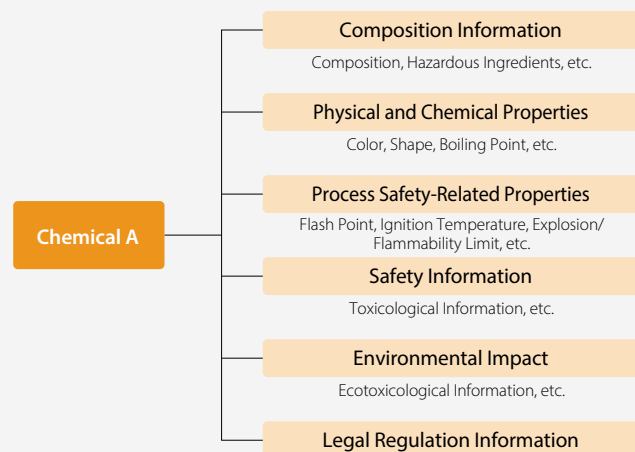
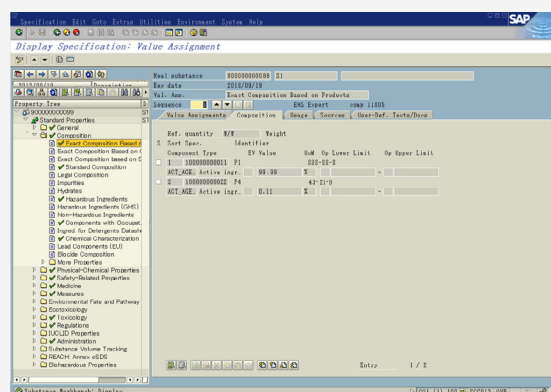
*3 An EU law related to restricting the use of specific hazardous substances, such as those in electric and electronic equipment

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

*5 Chemical and circular Management Platform

SuCCESS Comprehensive Chemical Management System

Management of chemical composition, toxicological, regulatory information based on tree-shaped structure



Laboratory Animal Welfare

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

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

* The 3Rs: From the Law for the Humane Treatment and Management of Animals

Replacement: To the greatest extent possible, replace methods that involve animals with those that do not.

Reduction: To the greatest extent possible, reduce the number of animals used.

Refinement: To the greatest extent possible, refine methods to minimize the suffering of animals.

Responses to Latest Emergency Issues

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

Responsibility to Our Customers

Basic Stance

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

Business & Products

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

Management System

Sumitomo Chemical works to accurately and rapidly reflect customers' requests for our products, as well as inquiries and complaints regarding safety, health impacts, and quality, in product development and improvement by sharing this information among Works,

Research Laboratories, and sales personnel. In addition, data on customer inquiries and improvement items regarding product safety and quality are stored on an internal database, and we take steps to ensure that similar issues do not recur for each product.

Examples of Initiatives

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

Product Development for Sustainable Agriculture

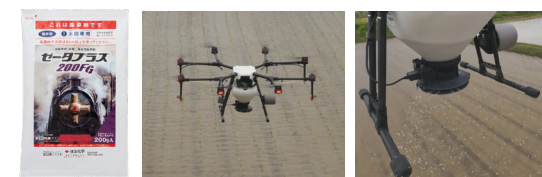
Sumitomo Chemical's AgroSolutions Division-Japan is focusing on developing new sustainable agricultural technologies and products for smart agriculture and new biorational products, with an eye on developing and promoting new formulations with new effects and on the changing structure of agriculture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

● Fertilizers

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

● Weedkillers for Rice Paddies

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

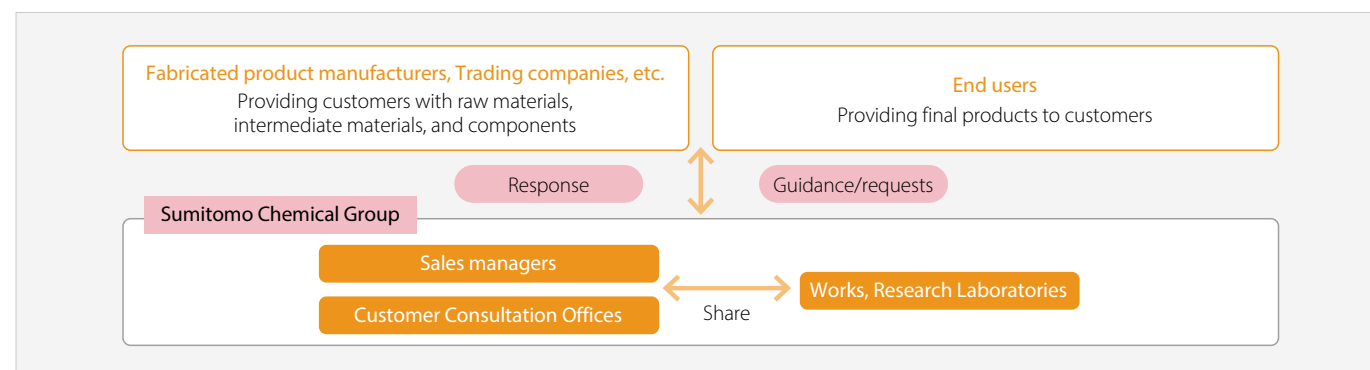


FG formulation product packaging and aerial photos of drone spraying

● Biorationals

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

Customer Communication System



"Natural Products" Symbol Mark for Naturally Derived Products



(Registered trademark of Sumitomo Chemical)

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

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

■ Target Fields of Naturally Derived Products Sold by Group Companies

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

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

<https://www.sc-natural-products.com>

Communicating with Customers

● Enhancement of Information Dissemination Tools

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

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

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

Sumitomo Chemical i-nouryoku (Japanese only)

<https://www.i-nouryoku.com/index.html>

The YouTube channel of Sumitomo Chemical AgroSolutions Division-Japan (Japanese only)

<https://www.youtube.com/channel/UCk0GEjn4LXD7dxEf9uSfnlw>

The Facebook page of Sumitomo Chemical AgroSolutions Division-Japan (Japanese only)

<https://www.facebook.com/住友化学アグロ事業部-101167691634705/>

Initiative for Access to Healthcare

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

Development of Innovative Products and Healthcare Solutions

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

Sumitomo Pharma's website: New Drugs Approved

https://www.sumitomo-pharma.com/rd/pipeline_new-medicine/new_medicine.html

Sumitomo Pharma's website: Development Pipeline

https://www.sumitomo-pharma.com/rd/pipeline_new-medicine/pipeline.html

Provision of Stable Supplies

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

Sumitomo Pharma's website: Provision of Stable Supplies

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

Promoting Proper Use and Medical Affairs

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

Sumitomo Pharma's website: Medical Affairs

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

Targets and KPIs for Material Issues

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

Fair Marketing

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

Sumitomo Pharma's website: Compliance

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

Sumitomo Pharma's website: Compliance Standard

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

● Transparency in Partnerships with Patient Groups and Medical Institutions

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

● Our Approach to Promotional Activities for Healthcare Professionals

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

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

Sumitomo Pharma's website: Fair Marketing

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

Corporate Regulatory Compliance and Quality Assurance

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

● Targets and KPIs for Material Issues

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

* KPI Targets for Sumitomo Pharma (Non-Consolidated)

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

Sumitomo Pharma's website:
Corporate Regulatory Compliance and Quality Assurance

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

Contribution to Global Health

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

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

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

● Efforts for the Eradication of Malaria

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

● Targets and KPIs for Material Issues

Material Issues	Targets	KPIs	Targets of KPIs	Fiscal 2025 Results
<div>Improving access to medicines and advocacy</div> <div><div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div></div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div></div>	Attempt to improve access to medicines by promoting disease awareness from patient-centered perspectives, which is expected to reduce illness stigma and facilitate early treatment, and by working to lessen a drug lag, which will increase treatment options for patients.	1. Further increase in health literacy of the public, including patients	<ul style="list-style-type: none">• Number of public lecture participants by FY2027 cumulative total of 10,000 since FY2023*• Total annual visits to schizophrenia and bipolar disorder disease awareness website (Kokoro Share) 40% increase over FY2022 by FY2027*	<ul style="list-style-type: none">• Public lectures: 22,493 participants (FY2025: 12,504)• Kokoro Share visits: 52% decrease compared to fiscal 2022
	Contribute to the betterment of the healthcare system in countries/regions that struggle with equal access to necessary healthcare, by developing healthcare professionals, raising awareness of the public, and making policy recommendations through collaboration with the industry, governments, and NPOs/NGOs	2. Number of products, and policy recommendations contributing to access to medicines	<ul style="list-style-type: none">• Responding to requests for development of unapproved and off-label drugs of high medical necessity*• Continued participation in policy recommendations*	<ul style="list-style-type: none">• Number of responses to requests for development of unapproved and off-label uses of drugs: 1• Number of policy recommendations: 21
		3. Number of partnerships contributing to improvement in healthcare access in developing countries	<ul style="list-style-type: none">• Constantly two or more	<ul style="list-style-type: none">• Three in total

* KPI Targets for Sumitomo Pharma (Non-Consolidated)

Sumitomo Pharma's website: Patient Support and Advocacy

 <https://www.sumitomo-pharma.com/sustainability/social/advocacy/> 

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

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

Sumitomo Pharma's website: Contribution to Global Health

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

Initiatives to Improve Access to Medicines

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

● Fight against Counterfeit Pharmaceuticals

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

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

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

Contributions to Communities

Basic Stance

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

Community Commitment

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

Personal Growth

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

Community of Care

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

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

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

Management System

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

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

Results

Volunteering Activity Results

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

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

*1 Includes some Group companies in Japan

*2 Includes content related to the SDGs and sustainability

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

(No. of people)

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

*3 Sumitomo Chemical and Group companies in Japan participating in the Matching Gift program

*4 Volunteer activities in Natori, Miyagi Prefecture

*5 Suspended due to the pandemic

*6 Implemented as a labor union-only volunteering activity

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

Donation Results

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

■ FY2025 Major Donations to Community Contribution Activities (Sumitomo Chemical)

(Million yen)

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

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

■ Number of Major Donations in FY2025 (Sumitomo Chemical)

Total number of donations: 299

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

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

Community Contribution Activities at Group Companies in Japan and Overseas

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

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

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

■ Community Contribution Activities at Group Companies in Japan and Overseas

FY2025 Results

Approx. **560** activities



Christmas Visit to Welfare Facilities by Overseas Group Companies

Examples of Initiatives

■ Examples of Initiatives (The Sumitomo Chemical Group)



Securing Safety and Health, and Protecting the Environment

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



Raising Children Who Will Lead the Next Generation

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



Assisting in Natural Disaster Relief

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

■ Securing Safety and Health, and Protecting the Environment

Initiatives to Ensure Safety at All Group Workplaces

The Sumitomo Chemical Group explains to neighboring residents our efforts to ensure safety, and work to deepen our mutual understanding. Specifically, every year, each worksite creates and publishes its own environmental and safety reports, detailing the initiatives taken at each worksite. The Chiba, Osaka, and Oita worksites disseminate information that is especially relevant to their communities by, for example, publishing community newsletters that are inserted into newspapers. Moreover, we proactively cultivate diverse two-way dialogue from a wide range of perspectives. Our activities include

regular dialogue meetings, opinion exchanges, and Works tours held with local community members, conducting risk communication model businesses in cooperation with municipalities, conducting support businesses focused on the environment and safety for local governments and companies, and holding community dialogues in collaboration with the chemical industry.

■ Status of Dialogues with Local Communities

FY2025 Results*

Number of dialogues held

28

* Cumulative result of each Sumitomo Chemical worksite

Participants

421

Report on the Environment and Safety (at all worksites) (Japanese only)

<https://www.sumitomo-chem.co.jp/sustainability/information/library/>

Clean-up Activity: Global Clean-up Challenge

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

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

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



Clean-up at Utajima worksite

Matching Gift Program

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

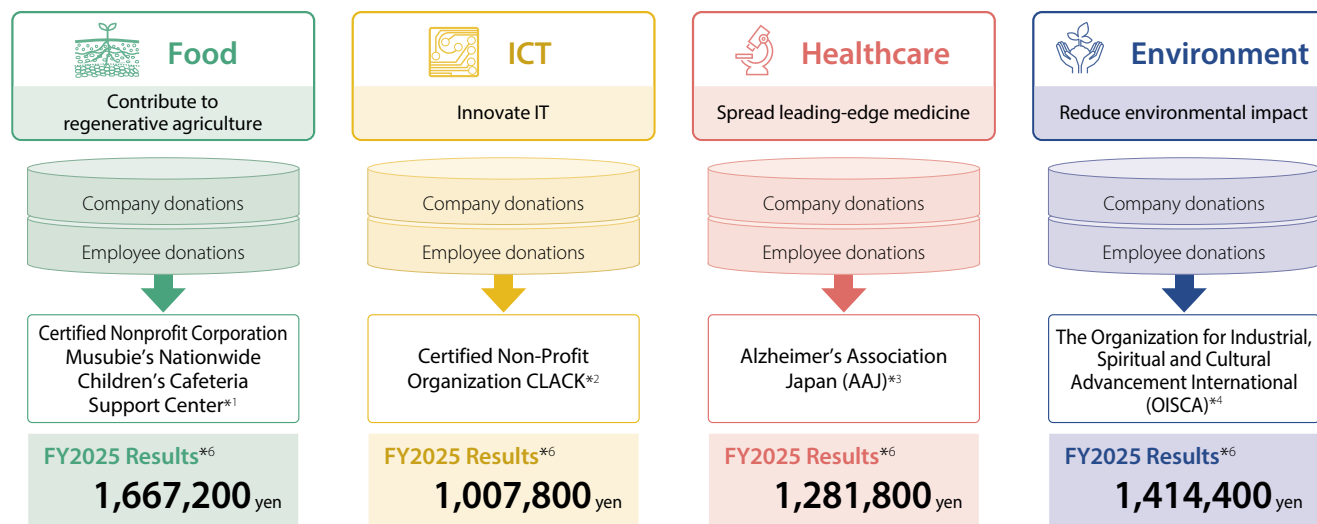
In fiscal 2025, we launched Matching Gift 2.0, with the first revision of the program's

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

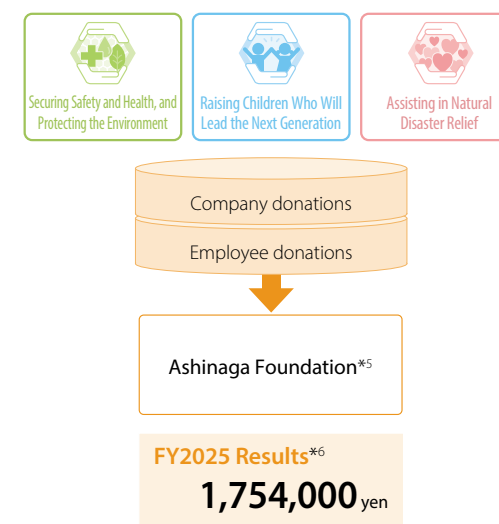


■ Matching Gift Program

Four Societal Issues Sumitomo Chemical Will Address Over the Long Term



Three Pillars of Contributions to Communities



Note: FY2025 results (June 2025–May 2026)

*1 Musubie's Nationwide Children's Cafeteria Support Center, certified NPO

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

*2 CLACK, certified NPO

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

*3 Alzheimer's Association Japan

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

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

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

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

TABLE FOR TWO Activities

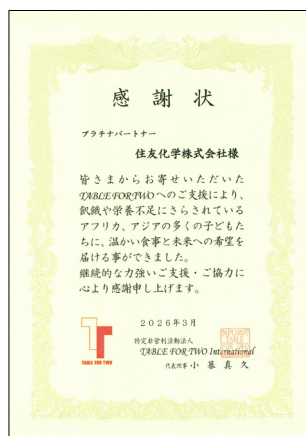
Since May 2008, each of Sumitomo Chemical's worksites has participated in the TABLE FOR TWO (TFT) initiative. Participating companies in this Matching Gift program donate an amount of money equal to the total donated by management executives and employees.

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

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

2025 Results

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



Raising Children Who Will Lead the Next Generation

Supporting Education through Science Workshops

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

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



A class visit

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

Sumitomo Chemical has endorsed the activities of the Organization for Industrial, Spiritual and Cultural Advancement (OISCA), a public foundation striving to preserve the global environment, halt global warming, and conserve biodiversity. The Company also continues to offer support for initiatives that include the Children's Forest Program as well as the Coastal Forest Restoration Project, which supports recovery efforts following the Great East Japan Earthquake. In July of 2025, as part of the Children's Forest Program, elementary students from Indonesia and Philippines visited Japan as Goodwill Ambassadors and reported on their activities while visiting Ehime Works. This opportunity gave us a chance to once again consider the importance of addressing climate change and reducing CO2 emissions.



A Child Goodwill Ambassador Talk Event

Platform for Learning Innovation - Japan

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

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

PLIJ's website (Japanese only)

<https://plij.or.jp>

Support for Career Building via Company Visits and Hosting Tours

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

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



Panel Discussion Hosted by PLIJ

Support for Education in Africa

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

Support for Education in Africa



Support Results

Beneficiaries: over **68,000** people

Supported
countries: **12**
(33 projects completed)

Supporting Plastic Recycling Education in Nigeria

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

Over 32 million tons of garbage are generated in Nigeria every year, and more than 30% of that is classified as plastics. Currently, most of the plastic is not properly disposed of. It sometimes clogs pipes, causing flooding, and is also washed into the ocean via West Africa's main waterway, the Niger River. To resolve this situation, the Oando Foundation established the COW Project in 2020. Through this project, we provide

opportunities for elementary school children, those who will lead the future, to learn about the plastic waste problem and recycling, conduct local clean-up activities, and share out experience in collecting waste and processing it into daily commodities. A portion of the around 11 tons of plastic waste collected through this initiative was converted into school supplies and other products and given to children.

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

Support Results

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

*1 WVJ: World Vision Japan

*2 PIJ: Plan International Japan

*3 Oando: The Oando Foundation of the Federal Republic of Nigeria

*4 A project established by the Oando Foundation that aims to raise awareness of plastic recycling

Assisting in Natural Disaster Relief

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

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

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

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

Since fiscal 2013, through the Matching Gift program, we have participated in the OISCA coastal woodland rejuvenation project aimed at rejuvenating black pine coastal woodlands in Natori, Miyagi Prefecture. Since fiscal 2015, we have dispatched employee volunteers to the area to provide, plant and manage the growth of black pine saplings with the aim of rejuvenating about 100 hectares of coastal woodland. These activities were suspended from fiscal 2020 to fiscal 2023 to prevent the spread of COVID-19 but were restarted in fiscal 2024. The operations were revised in fiscal 2025 as a volunteer effort led by the labor union, and 20 volunteers

participated. Coastal woodland rejuvenation not only protects the residential environment and rice paddies of neighboring residents from salt damage, but also provides dwellings for wild birds and mammals, thus contributing to the conservation and restoration of biodiversity. We will continue these activities into the future.

FY2025 Results

Disaster Hit Area Support Meals

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

(Total sums after matching by the Company)

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

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

Community Contribution

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

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

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

Community Contribution Activities through the Sumitomo Foundation

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

Aid Results

FY2025 Results*

219 initiatives Aid amount **465** million yen

* Total sum of the Sumitomo Foundation

★: Assured by an independent assurance provider

Social Activities: Supplementary Data

1 Human Resources

Basic Data

■ Number of Employees, Average Age, Length of Service, Average Compensation

Item		FY2023	FY2024	FY2025
Number of employees (Sumitomo Chemical Group)	Total	32,161	29,279	27,491 ★
	Male	24,126	21,713	20,396 ★
	Female	8,035	7,566	7,095 ★
	Percentage of female employees (%)	25.0	25.8	25.8
Sumitomo Chemical	Total	6,706	6,669	6,465 ★
	Male	5,653	5,600	5,405 ★
	Female	1,053	1,069	1,060 ★
	Percentage of female employees (%)	15.7	16.0	16.4
Consolidated in Japan	Total	11,459	9,366	8,646 ★
	Male	8,690	6,956	6,364 ★
	Female	2,769	2,410	2,282 ★
	Percentage of female employees (%)	24.2	25.7	26.3
Consolidated overseas	Total	13,996	13,244	12,380 ★
	Male	9,783	9,157	8,627 ★
	Female	4,213	4,087	3,753 ★
	Percentage of female employees (%)	30.1	30.9	30.3
Number of non-Japanese employees (Sumitomo Chemical)		67	65	64
Average age (Sumitomo Chemical)		41.6	42.1	42.4
	Male	41.9	42.4	42.8
	Female	39.8	40.3	40.8
Average length of service (years; Sumitomo Chemical)		15.7	16.3	16.7
	Male	16.0	16.6	17.0
	Female	14.1	14.7	15.2
Average annual compensation (yen; Sumitomo Chemical)		8,424,481	8,183,357	9,585,195
Average monthly wages (yen; Sumitomo Chemical)		352,344	366,312	386,098
	Male	354,149	368,051	387,693
	Female	344,634	358,908	379,304

Notes: • The above figures are as of March 31 for each fiscal year. Employee numbers do not include temporary employees, part-time staff, dispatch employees, and staff assigned to other companies not included in the scope of consolidation, but do include staff assigned from other companies not included in the scope of consolidation.

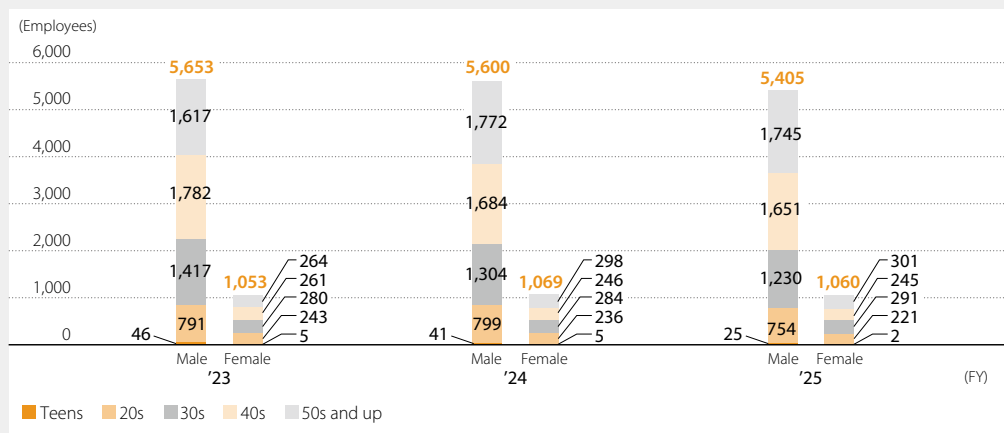
• Average monthly wages are for non-managerial employees (as of August of each year). Compensation is the same for the same work and the overall difference in compensation between men and women is entirely attributable to differences in age and rank.

■ Number of Employees by Region and Gender (Sumitomo Chemical Group)

Region		FY2023	FY2024	FY2025
Japan	Total	18,164	16,035	15,110
	Male	14,342	12,556	11,768
	Female	3,822	3,479	3,342
(The rest of) Asia	Total	9,857	9,271	8,419
	Male	7,232	6,696	6,257
	Female	2,625	2,575	2,162
North America	Total	2,271	2,207	2,317
	Male	1,272	1,241	1,252
	Female	999	966	1,065
Central and South America	Total	1,045	942	875
	Male	730	677	608
	Female	315	265	267
Europe	Total	626	628	574
	Male	407	414	387
	Female	219	214	187
Middle East and Africa	Total	75	71	68
	Male	57	47	42
	Female	18	24	26
Oceania	Total	123	125	128
	Male	86	82	82
	Female	37	43	46
Total		32,161	29,279	27,491

Note: As of March 31 for each fiscal year

Employee Age Composition and Distribution (Sumitomo Chemical)



Number and Percentage of People Who Left the Company (Sumitomo Chemical)

	FY2023			FY2024			FY2025		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Retired early	151	122	29	210	165	45	163	130	33
Early retirement rate (%)	2.3	2.2	2.8	3.1	2.9	4.2	2.5	2.4	3.1

Retention of New Graduate Hires (Sumitomo Chemical)

	Male	Female
New graduate hires in April 2023	207	63
Number oh those remaining as of April 2026	172	54
Retention rate of new graduates after three years (%)	83	86

Number of New Graduate and Mid-career Hires, Percentage of Mid-career Hires (Sumitomo Chemical)

Results		FY2023	FY2024	FY2025
New graduate hires	Male	207	164	74
	Female	63	58	19
	Total	270	222	93
Mid-career hires	Male	45	7	19
	Female	6	1	2
	Total	51	8	21
Percentage of mid-career hires (%)	Total	15.9	3.5	18.4

Number of Internships (Sumitomo Chemical)

Results	FY2023	FY2024	FY2025
University students in Japan	115	137	223
University students overseas	0	0	0

Promotion of DE&I

■ Promotions of Employees (Sumitomo Chemical) As of March 31, 2026

	Female	Male	Non-Japanese	Percentage of Female (%)
Managerial employees*	172	1,703	15	9.2
(Those ranked general manager or above)	14	412	3	3.3
Directors and senior management	5	38	2	11.6
(Those ranked executive officer)	3	26	2	10.3

* All employees equivalent to managers or above

■ Number of Managers and General Employees, Percentage of Female Employees (Sumitomo Chemical Group)

		FY2023	FY2024	FY2025
Managers	Male	7,630	6,222	5,876
	Female	1,447	1,282	1,211
	Total	9,077	7,504	7,087
	Percentage of female managers (%)	15.9	17.1	17.1
General employees	Male	16,496	15,491	14,520
	Female	6,588	6,284	5,884
	Total	23,084	21,775	20,404
	Percentage of female employees (%)	28.5	28.9	28.8
Total		32,161	29,279	27,491

Note: • As of March 31 for each fiscal year

• Figures for fiscal 2023 and fiscal 2024 have been revised due to a partial review of the calculation method within the Sumitomo Chemical Group.

■ Wage Disparity by Gender (Sumitomo Chemical)

(%)

	FY2023	FY2024	FY2025
Total	76.0	76.4	77.2
Full-time employees	76.7	77.2	78.0
Part-time and fixed-term employees	68.6	71.0	73.7

Note: This shows the percentage of wages earned (on average) by female employees compared to male employees. Our wage system is based on the level of the position held. When comparing standard wages paid to male and female employees within the same rank, no wage disparity exists.

Promotion of Work-Life Balance

■ Percentage of Paid Vacation Days Used (Sumitomo Chemical)

	FY2023	FY2024	FY2025
Number of days of paid vacation provided	20.0	20.0	20.0
Number of days of paid vacation used	16.2	16.2	16.3
Percentage of paid vacation days used (%)	81.0	81.6	82.2

■ Average Overtime Work (Sumitomo Chemical)

(Hours/Month)

	FY2023	FY2024	FY2025
Average overtime hours	19.4	18.3	21.5

■ Return Rate of Employees Who Take Extended Leave for Childcare (Sumitomo Chemical)

(%)

	FY2023		FY2024		FY2025	
	Male	Female	Male	Female	Male	Female
Of employees who finished childcare leave within the fiscal year, percentage of employees who returned to work	100.0	100.0	99.7	100.0	100.0	93.5

■ Leave for Volunteer Work and Number of Employees Using Leave for Volunteer Work (Sumitomo Chemical)

	System in place	FY2023	FY2024	FY2025
Vacations for volunteering	Yes	14	27	76

Healthcare

Health-related Indicators (Sumitomo Chemical)

		FY2023	FY2024	FY2025
Presenteeism (%) ^{*1}		82	82	83
Absenteeism (%) ^{*2}		1.3	1.4	1.4
Expenditure for promoting health management initiatives (thousand yen)		11,250	11,250	11,250
Comprehensive health risk in stress check ^{*3}		96	95	96
Women's health seminar	Participants	206	676	780
	Satisfaction (%)	94.0	97.6	96.9
Percentage of regular health checkups (%)		99.6	99.7	98.5
Percentage receiving a full medical checkup (%)		67.6	75.4	Under calculation
Adequacy rate of BMI (%)		66.9	66.9	65.8
Smoking rate (%)		16.1	17.1	16.6
Percentage receiving specific health guidance (%) ^{*4}		79.7	82.3	Under calculation
Percentage of Participation in health events: (Walking events) (%)		46.6	52.2	43.5

^{*1} Calculated using the level of activity (productivity) related to work results, quality, and volume

^{*2} Percentage of employees using one month of more of leave for illness or who are absent from work due to illness

^{*3} Calculated from the results of the stress check. The comprehensive health risk is indexed to a national average of 100, with higher values indicating greater health risks among employees.

^{*4} 40 years old and over

2 Occupational Health and Safety / Process Safety and Loss Prevention

Occupational Safety and Health Management System*

Seven of the Company's Works acquired certification for the international standard ISO 45001, which is for occupational safety and health management systems, and are conducting operations accordingly. Two of the Works simultaneously acquired JISQ 45100, which added requirements related mainly to daily safety and health activities to ISO 45001 (JISQ 45001), from the Japan Industrial Safety and Health Association (JISHA). We are making preparations toward acquiring certification for ISO 45001 as well as JISQ 45100 at the remaining Works.

By fiscal 2009, Sumitomo Chemical had acquired OSHMS certification from JISHA at all of its Works and Research Laboratories. The Research Laboratories have since switched to independent operations, and the Works are working to switch to ISO 45001 certification. Currently 2 Works maintains JISHA certification. (JISHA's OSHMS includes the same requirements as OHSAS 18001.)

As the Group is working toward acquiring ISO 45001 certification, for the certifications acquired, it is continually undergoing transition audits and registering for certification under the latest standards to ensure there is no interruption.

* Applicable scope of the Occupational Safety and Health Management System: Employees who work at either the Company's or the Group's Works and Research Laboratories (including temporary, part-time, and dispatch employees)

JISHA's Official Websites

Japanese: <https://www.jisha.or.jp/about/index.html>

English: <https://www.jisha.or.jp/english/index.html>

■ Acquisition of ISO 45001 and JISQ 45100 Certification

1. Sumitomo Chemical

Facilities	Certificate Number	Certification Date
Osaka Works	ISO 45001: JISHA-O-31	April 2020
Osaka Works	JISQ 45100: JISHA-31	April 2020
Chiba Works	ISO 45001: JISHA-O-61	June 2021
Chiba Works	JISQ 45100: JISHA-61	June 2021
Misawa Works	ISO 45001: JQA-OH0346	July 2021
Ehime Works	ISO 45001: JCQA-O-0102	September 2021
Ohe Works	ISO45001: JCQA-O-0106	February 2022
Ibaraki Works	ISO45001: 00047987	February 2025
Okayama Works	ISO45001: JCQA-O-0207	July 2026

2. Group Companies in Japan

Facilities	Certificate Number	Certification Date
Sumika Assembly Techno Co., Ltd.	JCQA-O-0106	February 2022

3. Overseas Group Companies

Companies	Certificate Number	Certification Expiration Date
Bara Chemical Co., Ltd.	24131411002	November 2028
Botanical Resources Australia Pty Ltd. (BRA Group)	AU1588-SC	August 2026
Dongwoo Fine-Chem (Iksan) Co., Ltd.	KR20/81826415	July 2026
Dongwoo Fine-Chem (Pyeongtaek) Co., Ltd.	SAC-0600401	July 2027
Dongwoo Fine-Chem (Samki) Co., Ltd.	KR20/81826441	July 2026
SSLM Co., Ltd.	SAC-0958701	May 2026
Sumika Electronic Materials (Changzhou) Co., Ltd.	CN20/10229	May 2026
Sumika Electronic Materials (Wuxi) Co., Ltd.	243940-2017-ASA-RGC-RvA	August 2026
Sumika Electronic Materials (Xi'an) Co., Ltd.	CN20/10076	August 2027
Sumika Technology Co., Ltd.	OHS510533	December 2027
Sumitomo Chemical Advanced Technologies LLC	241505-2017-AHSO-USA-ANAB	June 2029
Sumitomo Chemical India Limited (Tarapur)	IND.23.5072/IM/U	April 2026
Sumitomo Chemical India Limited (Vapi)	IND.24.1076/IM/U	March 2027
Sumitomo Chemical India Limited (Bhavnagar plant)	99 117 01316	October 2027
Sumitomo Chemical India Limited (Gajod plant)	99 117 01310	October 2027
Sumitomo Chemical India Limited (Silvassa plant)	IND.24.1109/IM/U	May 2027
The Polyolefin Company (Singapore) Pte. Ltd.	OHS-45001-2021-0281	April 2028

Note: Based on the survey results from May 2026

■ Acquisition of JISHA’s OSHMS Certification (Sumitomo Chemical)

Facilities	Certificate Number	Certification Date
Oita Works	06-44-1	July 2006
Gifu Works	09-21-6	February 2009

Voluntary Safety Management of High-Pressure Gas Based on Certification by the Minister

Sumitomo Chemical continually renews the Accreditation of Completion and Safety Inspection, as stipulated in the High Pressure Gas Safety Act, for the Ehime Works and the Chiba Works. Certification is given to facilities that have achieved excellent safety, management, and technological levels and that are recognized as having met legally mandated requirements for safety management systems. Certified facilities are allowed to conduct Completion Inspections and Safety Inspections of their own facilities in place of national, prefectural, and other governmental organizations.

Chiba Works acquired certification as a specified operator (commonly known as a super certified works) with its certification renewal in May 2024. This certification is provided to works certified by the Ministry of the Economy, Trade and Industry (METI) as a certified operator undertaking such sophisticated security measures as assessments of safety assurance capabilities using third parties, advanced risk assessments, big data, and IoT. Specified operators can receive various incentives.

METI's website

https://www.meti.go.jp/english/policy/safety_security/industrial_safety/index.html#high_pressure_gas

■ Number of Accreditations of Completion and Safety Inspection Given for Sumitomo Chemical Facilities and Specified Operators

Works	Area	Year of certification	Year and month renewed	Number of facilities given accreditation
Ehime Works	Niihama	2002	March 2023	13
	Kikumoto	2002	March 2023	4
Chiba Works (acquired certification as a specified operator)	Anesaki	1987	May 2024	8
	Sodegaura	1987	May 2024	13

Note: Number of facilities given accreditation data as of the time of certification renewal.

Criteria and Results of the President's Safety Award for Zero-Lost Workday Operations (as of May 31, 2026)

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

■ Sumitomo Chemical Employees (Works, Research Laboratories)

Facilities	Criteria for the President's Safety Award*1	Results
Ehime Works	3 million hours	A lost workday accident occurred in January 2025. Working to reach the target of 6 million hours.
Ohe Works*2	3 million hours	A lost workday accident occurred in August 2025. Working to reach the target of 3 million hours.
Chiba Works	3 million hours	A lost workday accident occurred in January 2025. Working to reach the target of 6 million hours.
Osaka Works	3 million hours	A lost workday accident occurred in February 2023. Working to reach the target of 9 million hours.
Oita Works*3	1.5 million hours	A lost workday accident occurred in November 2024. Working to reach the target of 3 million hours.
Takarazuka Regional Research Laboratory*4	1 million hours	Working to reach the target of 5 million hours.
Ibaraki Works	30 months	Working to reach the target of 150 months.
Misawa Works	30 months	Working to reach the target of 90 months.
Advanced Medical Solutions Research Laboratory (Utajima)	30 months	Working to reach the target of 30 months.
Advanced Research Laboratory for Fundamental Technologies (Tsukuba)	30 months	Working to reach the target of 450 months.

*1 Continuous periods of zero-lost workday operations.

*2 Ohe Works includes Sumika Assembly Techno Co., Ltd.

*3 Oita Works includes Gifu Works, and Okayama Works.

*4 Advanced Research Laboratory for Fundamental Technologies (Takarazuka) and Agro & Life Solutions Research Laboratory (Takarazuka)

■ Contractors / Affiliated Company Employees of Sumitomo Chemical (Works, Research Laboratories)

Facilities	Criteria for the President's Safety Award*1	Results
Ehime Association (Plant maintenance)	24 months	A lost workday accident occurred in April 2025. Working to reach the target of 24 months.
Ehime Logistics Association (Logistics)	24 months	Working to reach the target of 96 months.
Ohe Association (Plant maintenance)	48 months	Working to reach the target of 240 months.
Ohe Logistics Association (Logistics)	48 months	Working to reach the target of 240 months.
Chiba Association (Plant maintenance)	24 months	A lost workday accident occurred in February 2026. Working to reach the target of 24 months.
Chiba Logistics Association (Logistics)	24 months	A lost workday accident occurred in November 2023. Working to reach the target of 48 months.
Osaka Association	24 months	Working to reach the target of 72 months.
Oita Association (Plant maintenance)	24 months	Working to reach the target of 192 months.
Oita Association (Logistics)	24 months	Working to reach the target of 192 months.
Okayama Association	48 months	A lost workday accident occurred in November 2020. Working to reach the target of 96 months.
Gifu Association	48 months	Working to reach the target of 240 months.
Misawa Works	48 months	A lost workday accident occurred in August 2025. Working to reach the target of 48 months.
Takarazuka Regional Research Laboratory*2	48 months	Working to reach the target of 336 months.
Advanced Research Laboratory for Fundamental Technologies (Tsukuba)	48 months	Working to reach the target of 192 months.

*1 Continuous periods of zero-lost workday operations.

*2 Advanced Research Laboratory for Fundamental Technologies (Takarazuka) and Agro & Life Solutions Research Laboratory (Takarazuka)

Safety Achievements

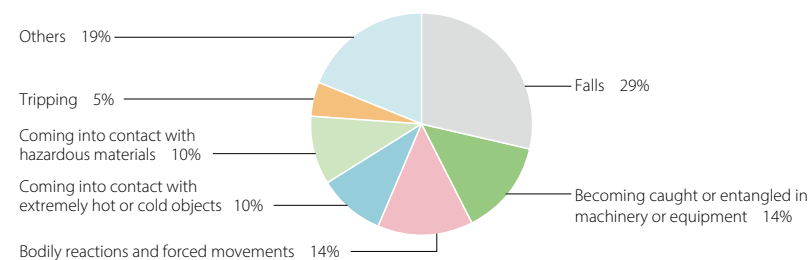
■ Lost-Workday Injuries (Sumitomo Chemical Group*)

		FY2022	FY2023	FY2024	FY2025
Number of injuries (including fatalities)	Sumitomo Chemical	2	3	5	1
	Sumitomo Chemical contractors (including others)	6	4	1	4
	Domestic consolidated subsidiaries	16	8	6	12
	Overseas consolidated subsidiaries	20	8	4	4
	Total	44	23	16	21
Frequency rate of lost-workday injuries	Sumitomo Chemical	0.12	0.18	0.30	0.06
	Sumitomo Chemical contractors (including others)	0.63	0.42	0.12	0.45
	Domestic consolidated subsidiaries	0.60	0.31	0.26	0.62
	Overseas consolidated subsidiaries	0.57	0.25	0.14	0.15
	The Sumitomo Chemical Group*	0.50	0.27	0.21	0.31
Number of fatal accidents	Sumitomo Chemical and consolidated Group companies in Japan and overseas	0	0	0	0
	Sumitomo Chemical contractors (including others)	1	1	0	0
	Total	1	1	0	0

Note: If the result is not 0, a domestic/overseas breakdown is provided.

* Sumitomo Chemical (including its partner companies and others) and consolidated Group companies in Japan and overseas.

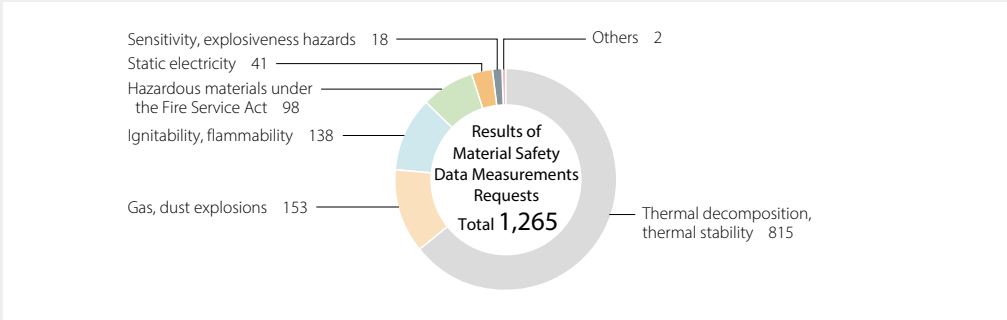
■ FY2025 Breakdown of Causes of Injury by Type (Sumitomo Chemical Group*)



* Sumitomo Chemical (including its partner companies and others) and consolidated Group companies in Japan and overseas.

Process Safety and Loss Prevention Results

FY2025 Results of Material Safety Data Measurements Requests (Sumitomo Chemical Group*)



* Sumitomo Chemical (including its partner companies and others) and consolidated Group companies in Japan and overseas.

The Safety Engineering Group at the Production & Safety Fundamental Technology Center* studies and assesses process safety, researches safety measures, measures and evaluates material safety data, compiles a database on safety technologies, and provides training to develop safety engineers in its efforts to enhance process safety management and to prevent accidents such as fires and explosions. In fiscal 2025, 1,176 material safety data measurements were taken from within Sumitomo Chemical (1,323 in fiscal 2024) and 89 measurements were taken from Group companies (45 in fiscal 2024) for a total of 1,265 (1,368 in fiscal 2024).

* From October, 2026, the Production & Safety Fundamental Technology Center has been renamed to Advanced Production Solution Center.

The Launch of Several Process Safety Review Committees (Sumitomo Chemical)

Fiscal Year	R&D stages		Industrialization stage		
	Level 1	Level 2	Level 3	Level 4	Level 5
2022	19	17	31	63	15
2023	28	20	25	75	11
2024	9	8	16	56	5
2025	17	11	14	94	13

When new processes are developed at Sumitomo Chemical, the Process Safety Review Committee (levels 1 to 5) convenes at every step, from R&D through to industrial-scale production. In essence, this committee focuses on process safety assessment results and confirms whether safety countermeasures are appropriate.

Safety Information Database (Sumitomo Chemical)

	Number of data sets	(Year on year comparison)
Accident prevention technology information	23,058	(Increased by 495)
Accident cause investigations	2,796	(Increased by 46)
Accident information	21,426	(Increased by 104)
As of March 31, 2026	47,280	(Increased by 645)

A safety information database has been created by collecting information on accidents in Japan and overseas and compiling abstracts of said data. As of the end of March 2026, 47,280 sets of data were stored in the database (46,635 sets of data as of March 31, 2025). This system allows all employees at each Works or Research Laboratory to search stored data using individual terminals. This data is also used in process hazard evaluations and case study examinations to prevent similar accidents. In addition, accident data is also disclosed to Group companies as necessary.

3 Product Stewardship / Product Safety / Quality Assurance

Quality Management System

Acquisition of ISO 9001 Certification (Sumitomo Chemical)

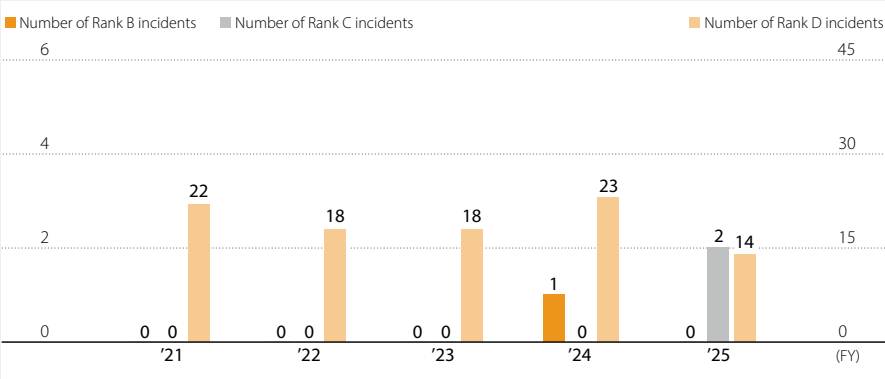
Works / Divisions	Certificate Number	Certification Date
Ehime Works	JCQA-0019	October 1994
Chiba Works	25QR・1984	March 1995
Osaka Works	JQA-0721	December 1994
Oita Works	JQA-1069	December 1995
Okayama Works	JSAQ 2904	October 2020
Misawa Works	JQA-0752	December 1994
Advanced Inorganic Products Division	ISO 9001-0067280	July 2015
Display Materials Division	JET-0829	April 1998
Semiconductor Materials Division	JET-0847	August 2009
	JQA-QMA16585	October 2022

Furthermore, the Gifu Works has been pursuing Good Manufacturing Practice (GMP) management.

Logistics Quality Assurance

In fiscal 2025, the Company reported two incidents of rank C and 14 incidents of rank D. Of these incidents, 9 involved shipping error or false delivery, which can cause significant problems in the quality of customers' products. Going forward, we will continue to take measures to reduce the number of incidents affecting logistics quality, such as promoting measures to prevent recurrences and rolling out said measures across the Company.

Logistics Incidents Having an Impact on Our Customers (Sumitomo Chemical)*



Notes: • Ranks reflect Sumitomo Chemical's standard, which classifies incidents into Ranks A, B, C, and D in descending order of severity.
• There were no occurrences of Rank A (the most severe) incidents.
• Incidents within the scope of logistics operations are consigned to Sumitomo Chemical.

* Includes some Group companies in Japan that have Works within a Sumitomo Chemical worksite

List of Policies

We have gathered together the Sumitomo Chemical Group's policies, guidelines, and other guidance related to sustainability.

Corporate Philosophy

The Sumitomo Spirit

<https://www.sumitomo-chem.co.jp/english/company/principles/sumitomo/>

Business Philosophy

<https://www.sumitomo-chem.co.jp/english/company/principles/philosophy/>

Basic Principles for Promoting Sustainability

https://www.sumitomo-chem.co.jp/english/sustainability/vision/principles/basic_principles/

Sumitomo Chemical Charter for Business Conduct

<https://www.sumitomo-chem.co.jp/english/company/principles/charter/>

Governance

Sumitomo Chemical Corporate Governance Guidelines

https://www.sumitomo-chem.co.jp/english/company/files/docs/governance_pdf_01.pdf

Corporate Governance Report

https://www.sumitomo-chem.co.jp/english/company/files/docs/governance_report_e.pdf

Implementation Policy for Japan's Stewardship Code

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

Basic policy for Enhancement of the Internal Control System

https://www.sumitomo-chem.co.jp/english/company/files/docs/InternalControlSystem_20250620_e.pdf

Compliance Manual

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

Compliance Manual for Bribery Prevention (Outline)

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

Sumitomo Chemical Group Tax Policy

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

Corporate Policy on Responsible Care (Safety, Health, the Environment and Product Quality)

<https://www.sumitomo-chem.co.jp/english/sustainability/files/docs/ResponsibleCarePolicy.pdf>

Eco-First Commitments

<https://www.sumitomo-chem.co.jp/english/sustainability/governance/responsiblecare/ecofirst/>

Environment

Corporate Policy on Responsible Care (Safety, Health, the Environment and Product Quality)

<https://www.sumitomo-chem.co.jp/english/sustainability/files/docs/ResponsibleCarePolicy.pdf>

Sumitomo Chemical Group Basic Policy Towards a Circular System for Plastics

https://www.sumitomo-chem.co.jp/english/news/files/docs/20200601e_policy.pdf

Sumitomo Chemical Group's Commitment to the Conservation of Biodiversity

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

Social

Sumitomo Chemical Group Human Rights Policy

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

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

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

Basic Procurement Principles

<https://www.sumitomo-chem.co.jp/english/company/purchasing/principles/>

Sumitomo Chemical Group Supplier Code of Conduct

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

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

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

Group Diversity, Equity, and Inclusion Policy

<https://www.sumitomo-chem.co.jp/english/sustainability/files/docs/DEIPolicy.pdf>

Corporate Policy on Responsible Care (Safety, Health, the Environment and Product Quality)

<https://www.sumitomo-chem.co.jp/english/sustainability/files/docs/ResponsibleCarePolicy.pdf>

Basic stance for Sumitomo Chemical's Community Contribution Activities

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

Calculation Standards for Environmental and Social Data Indicators

We report on each indicator using the following calculation methods.

GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.

Environmental Data Indicator		Unit	Calculation Method
Energy	Energy consumption	Thousand kl of crude oil	$\{(\text{Amount of electricity purchased} \times \text{Per-unit heating value} + \text{Amount of heat purchased} \times \text{Per-unit heating value}) + \sum (\text{Amount of each fuel used} \times \text{Per-unit heating value for each fuel})\} \times 0.0258$ <p>The per-unit heating value of electricity, per-unit heating value for each fuel, and the types of fuel included in the scope of calculation are based on the values and calculation methods outlined in the Act on the Rational Use of Energy and Shift to Non-fossil Energy (the law's name was changed in April 2023).</p> <p>Because we calculated GHG emissions refer to the GHG Protocol from fiscal 2017, the energy usage amount includes the energy used to produce electricity and steam sold to external parties by the Group. The heating value used overseas is based on standard heating values used in the formulation of Japanese laws.</p>
	Amount of Exhaustible Resources Used		
	Hydrocarbon compounds	Thousand tons	Total amount of hydrocarbon compounds used as raw materials (limited to materials purchased from outside the Sumitomo Chemical Group).
	Metals (excluding minor metals)	Thousand tons	Total amount of metals, excluding minor metals, used as raw materials: iron, gold, silver, copper, zinc, aluminum, lead, platinum, titanium, palladium, gallium, and lithium (limited to materials purchased from outside the Sumitomo Chemical Group).
	Minor metals	Thousand tons	Total amount of minor metals used as raw materials: nickel, chromium, tungsten, cobalt, molybdenum, manganese, and vanadium (limited to materials purchased from outside the Sumitomo Chemical Group).
Water	Industrial water Drinking water Seawater Groundwater Other water	Million tons	Amount of industrial water, drinking water, seawater, groundwater, and other water withdrawal volume.
	No. of devices containing high concentrations of PCBs	Units	The number of devices containing high concentrations of PCBs, such as condensers and transformers, that are currently in use or under secure storage. Does not include fluorescent lamps and mercury lamp ballasts or contaminated substances (wastepaper, etc.).
PCBs/CFCs in Use or under Secure Storage	PCB volume	kl	The total amount of PCBs in devices containing concentrations of PCBs, calculated as the net PCB content by volume. Does not include fluorescent lamps and mercury lamp ballasts or contaminated substances (wastepaper, etc.).
	No. of refrigeration units using specified CFCs as a coolant	Units	The number of refrigeration units using specified CFCs as a coolant.
	No. of refrigeration units using specified HCFCs as a coolant	Units	The number of refrigeration units using specified HCFCs as a coolant.
Products	Calculated on the basis of ethylene production	Thousand tons	The production volume of products is calculated on the basis of ethylene production, using the amount of energy necessary to manufacture the products by weight and the amount of energy necessary for ethylene production by weight. Some assumptions were made in calculations due to the difficulty of obtaining weight-based figures for certain products.
Water Pollutant Emissions	COD	Tons	The total amount of COD emitted into public water area (coastal waters/waterways) and sewer systems. Calculated as: The COD concentration at drains included in the scope of calculation × The amount of water drained into public water bodies and sewer systems from each drain.
	Phosphorus	Tons	The total amount of phosphorus emitted into public water area (coastal waters/waterways) and sewer systems. Calculated as: The phosphorus concentration at drains included in the scope of calculation × The amount of water drained into public water bodies and sewer systems from each drain.
	Nitrogen	Tons	The total amount of nitrogen emitted into public water area (coastal waters/waterways) and sewer systems. Calculated as: The nitrogen concentration at drains included in the scope of calculation × The amount of water drained into public water bodies and sewer systems from each drain.

Environmental Data Indicator		Unit	Calculation Method
Waste Materials	Landfill disposal amount: – External landfill	Thousand tons	The total amount of waste disposed of in landfills.
Atmospheric Emissions	Greenhouse gas emissions	Thousand tons of CO ₂	<p>CO₂ emissions from energy use: Amount of electricity purchased × CO₂ emission factors for electricity + Amount of steam purchased × CO₂ emission factors for steam + Σ (Amount of each fuel used × Per-unit heating value for each fuel × CO₂ emission coefficient for each fuel)</p> <p>The CO₂ emission factors for steam, per-unit heating value for each fuel, and CO₂ emission factors for each fuel are based on the values outlined in the Greenhouse Gas Emissions Accounting, Reporting, and Disclosure System of the Act on Promotion of Global Warming Countermeasures. The CO₂ emission factors for city gas are based on basic emission factors. The CO₂ emission factors for electricity in Japan use the values for each fiscal year by electric power company (Basic Emissions Factor) and those for overseas use the values by electric power company along with the latest publicly available IEA emission factors for each country. From fiscal 2017, results include the energy used to produce the power and steam sold to external parties refer to the GHG Protocol. From fiscal 2024, results are based on Basic Emissions Factor for the electricity CO₂ emission factors in Japan.</p> <p>CO₂ emissions from other than energy use and non-CO₂ GHG emissions: In Japan, results are based on the calculation method outlined in the Greenhouse Gas Emissions Accounting, Reporting, and Disclosure System of the Act on Promotion of Global Warming Countermeasures. From fiscal 2017, results include CO₂ emissions generated by processes not subject to reporting under the Act on Promotion of Global Warming Countermeasures. Overseas, figures are calculated in accordance with the laws and regulations of their respective countries.</p>
	NO _x	Tons	The total amount of nitrogen oxides originating from facilities specified in the Air Pollution Control Act. Calculated as: Each facility's dry gas emission volume × NO _x (N ₂ O) concentration.
	SO _x	Tons	The total amount of sulfur oxides originating from facilities specified in the Air Pollution Control Act. Calculated as: Amount of sulfur in fuel used by each facility × Amount of fuel used. Or calculated as: Each facility's dry gas emission volume × SO _x (SO ₂) concentration.
	Soot and dust	Tons	The total amount of soot and dust originating from facilities specified in the Air Pollution Control Act. Calculated as: Each facility's dry gas emission volume × Soot and dust concentration.
Substances Subject to the PRTR Act	Atmospheric emissions, water pollutant emission	Tons	Calculated based on the Order for Enforcement of the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (amended Order for Enforcement of the PRTR Act).
Logistics	Energy consumption	Thousand kl of crude oil	The energy consumption is calculated as 10 GJ = 0.258 kl of crude oil, based on the Energy Saving Act Guide Book for Shippers written and edited by Japan's Agency for Natural Resources and Energy.
	CO ₂ emissions	Thousand tons of CO ₂	Calculated based on the Manual for Calculation and Report of Greenhouse Gas Emissions from Japan's Ministry of the Environment and Ministry of Economy, Trade and Industry using the energy consumption calculated above in GJ.
Scope 3 Greenhouse Gas Emissions	Category 1: Purchased goods and services	Tons of CO ₂	<p>Σ {(Volume and monetary amount of goods and services purchased and acquired × Emission intensity)}</p> <p>Values used for emission intensity (volume) are based on the values outlined in the Inventory Database (AIST-IDEA Ver. 3.5.1, IPCC 2021 GWP 100a without LULUCF).</p> <p>Values used for emission intensity (monetary amount) calculations are based on the values outlined in Emissions Unit Values for Calculation of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain (Ver. 3.6).</p>
	Category 2: Capital goods	Tons of CO ₂	<p>Σ {(Value of capital goods) × (Emission intensity)}</p> <p>Values used for emission intensity are based on the values outlined in Emissions Unit Values for Calculation of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain (Ver. 3.6).</p>
	Category 3: Fuel- and energy-related activities (not included in scope 1 or scope 2)	Tons of CO ₂	<p>Σ {(Amount of electricity purchased) × (Emissions intensity)} + Σ {(Amount of heat purchased) × (Emissions intensity)} + Σ {(Amount of each fuel used) × (Emissions intensity for each fuel)}</p> <p>Values used for emission intensity are based on the values outlined in Emissions Unit Values for Calculation of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain (Ver. 3.6) and the Inventory Database (AIST-IDEA Ver. 3.5.1, IPCC 2021 GWP 100a without LULUCF).</p>
	Category 4: Upstream transportation and distribution	Tons of CO ₂	Calculated by the calculation method for CO ₂ emissions in logistics area or by using values based on the Inventory Database (AIST-IDEA Ver. 3.5.1, IPCC 2021 GWP 100a without LULUCF).
	Category 5: Waste generated in operations	Tons of CO ₂	<p>Σ (Amount of waste by type × CO₂ emissions intensity of waste by type)</p> <p>CO₂ emissions intensity of waste by type are based on the values outlined in Emissions Unit Values for Calculation of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain (Ver. 3.6).</p>
	Category 6: Business travel	Tons of CO ₂	<p>By mode of travel: Σ (Expenses paid for transportation × Emission intensity)</p> <p>Values used for emission intensity are based on the values outlined in Emissions Unit Values for Calculation of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain (Ver. 3.6).</p>

Environmental Data Indicator		Unit	Calculation Method
Scope 3 Greenhouse Gas Emissions	Category 7: Employee commuting	Tons of CO ₂	By mode of commuting: Σ (Expenses paid for transportation $\times$ Emission intensity) Values used for emission intensity are based on the values outlined in Emissions Unit Values for Calculation of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain (Ver. 3.6) and the Inventory Database (AIST-IDEA Ver. 3.5.1, IPCC 2021 GWP 100a without LULUCF).
	Category 8: Upstream leased assets	Tons of CO ₂	Calculations of emissions from leased vehicles: Σ (Amount of gasoline consumed annually per vehicle $\times$ Emission intensity) The amount of gasoline consumed annually per vehicle is calculated using the Annual Report on Automobile Transportation Statistics. Values used for emission intensity are based on the emission factors outlined in the Accounting, Reporting, and Disclosure System of the Act on Promotion of Global Warming Countermeasures.
	Category 9: Downstream transportation and distribution	Tons of CO ₂	Refer to the calculation method used for CO ₂ emissions in the logistics section above. Calculations are for fertilizer products for which the sales destination are known and that are sold to consumers as final products.
	Category 10: Processing of sold products	Tons of CO ₂	The Group's products are mainly materials and components used for various applications, which makes it difficult to know such details as the nature of the processing products undergo after delivery. Based on the calculation guidelines for the chemical industry created by the WBCSD, the Group is exempted from this category.
	Category 11: Use of sold products	Tons of CO ₂	Calculations are for the pharmaceutical product fixed-dose mist inhalers as well as fertilizer products for which GHG emissions levels are known and that are sold to consumers as final products. Σ (Fertilizer sales volume by type $\times$ Percentage of nitrogen in fertilizers by type $\times$ N ₂ O emission factors by type $\times$ 265 (GWP)) Σ (HFC volume in fixed-dose mist inhalers $\times$ 1,300 (GWP)) Values for GWP are based on global warming emission factors listed in the Calculation Method and Emission Factors Chart (updated December 12, 2023 (partially revised July 11, 2024)) in the Accounting, Reporting, and Disclosure System of the Order for Enforcement of the Act on Promotion of Global Warming Countermeasures.
	Category 12: End-of-life treatment of sold products	Tons of CO ₂	Calculations are for the Group's main resin-related products. Σ {(Production volume of resin-related products) $\times$ (Emission intensity)} Values used for emission intensity are based on the values outlined in Emissions Unit Values for Calculation of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain (Ver. 3.6).
	Category 13: Downstream leased assets	Tons of CO ₂	There are no relevant leased assets.
	Category 14: Franchises	Tons of CO ₂	There are no relevant operations.
	Category 15: Investments	Tons of CO ₂	Because Sumitomo Chemical changed its approach to financial control consolidation for disclosure purposes from fiscal 2017, the Group is now exempted from this category.

Social and Economic Data Indicator		Unit	Calculation Method
Occupational Health and Safety	Frequency rate	—	(Number of lost-workday injuries and casualties $\div$ Cumulative total of hours worked) $\times$ 1,000,000
	Severity rate	—	(Cumulative total of workdays lost $\div$ Cumulative total of hours worked) $\times$ 1,000

Environmental Accounting Indicators		Unit	Calculation Method
Environmental Protection Costs		Billion yen	Costs include depreciation.
Economic Benefits	Reduced costs through energy saving	Billion yen	Reduced costs of energy through energy-saving activities.
	Reduced costs through resource saving	Billion yen	Reduced costs of waste processing attributable to resource-saving activities.
	Reduced costs through recycling activities	Billion yen	Reduced costs of waste processing compared to the previous fiscal year through waste reduction attributable to recycling activities and gains on sales of valuable resources obtained from recycling, etc.

GRI Standards Reference Table

Statement of use

Sumitomo Chemical Co., Ltd. has reported the information cited in this GRI content index for the period (Group companies in Japan: April 1, 2025 – March 31, 2026 (FY2025); overseas Group companies: January 1, 2025 – December 31, 2025) with reference to the GRI Standards.

Universal Standards

No.	Disclosure	Reporting requirements	Corresponding part		
			The Sustainability Report 2026		Website and related reports
GRI2: General Disclosures 2021					
The organization and its reporting practices					
2-1	Organizational details	a. report its legal name; b. report its nature of ownership and legal form; c. report the location of its headquarters; d. report its countries of operation.	Introduction to the Sumitomo Chemical Group	P.004	Corporate Profile Business Locations & Group Companies
2-2	Entities included in the organization's sustainability reporting	a. list all its entities included in its sustainability reporting; b. if the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting; c. if the organization consists of multiple entities, explain the approach used for consolidating the information, including: i. whether the approach involves adjustments to information for minority interests; ii. how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities; iii. whether and how the approach differs across the disclosures in this Standard and across material topics.	Boundary of This Report	P.002	 Consolidated Financial Statements
2-3	Reporting period, frequency and contact point	a. specify the reporting period for, and the frequency of, its sustainability reporting; b. specify the reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this; c. report the publication date of the report or reported information; d. specify the contact point for questions about the report or reported information.	Period covered by this report GRI Standards Reference Table	P.002 PP.167-188	Inquiry about Sustainability
2-4	Restatements of information	a. report restatements of information made from previous reporting periods and explain: i. the reasons for the restatements; ii. the effect of the restatements.	Not applicable	—	
2-5	External assurance	a. describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved; b. if the organization's sustainability reporting has been externally assured: i. provide a link or reference to the external assurance report (s) or assurance statement (s); ii. describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process; iii. describe the relationship between the organization and the assurance provider.	Editorial Policy Independent Practitioner's Limited Assurance Report Sustainability Promotion System	P.002 P.190 P.008	

No.	Disclosure	Reporting requirements	Corresponding part		
			The Sustainability Report 2026		Website and related reports
Activities and workers					
2-6	Activities, value chain and other business relationships	<p>a. report the sector (s) in which it is active;</p> <p>b. describe its value chain, including:</p> <p> i. the organization’s activities, products, services, and markets served;</p> <p> ii. the organization’s supply chain;</p> <p> iii. the entities downstream from the organization and their activities;</p> <p>c. report other relevant business relationships;</p> <p>d. describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.</p>			<p> Strategy by Business Sector (Integrated Report 2026 PP.34-41)</p> <p> Production Flow Charts (Investors’ Handbook 2026 PP.60-67)</p>
2-7	Employees	<p>a. report the total number of employees, and a breakdown of this total by gender and by region;</p> <p>b. report the total number of:</p> <p> i. permanent employees, and a breakdown by gender and by region;</p> <p> ii. temporary employees, and a breakdown by gender and by region;</p> <p> iii. non-guaranteed hours employees, and a breakdown by gender and by region;</p> <p> iv. full-time employees, and a breakdown by gender and by region;</p> <p> v. part-time employees, and a breakdown by gender and by region;</p> <p>c. describe the methodologies and assumptions used to compile the data, including whether the numbers are reported:</p> <p> i. in head count, full-time equivalent (FTE), or using another methodology;</p> <p> ii. at the end of the reporting period, as an average across the reporting period, or using another methodology;</p> <p>d. report contextual information necessary to understand the data reported under 2-7-a and 2-7-b;</p> <p>e. describe significant fluctuations in the number of employees during the reporting period and between reporting periods.</p>	Human Resources	PP.154-157	
2-8	Workers who are not employees	<p>a. report the total number of workers who are not employees and whose work is controlled by the organization and describe:</p> <p> i. the most common types of worker and their contractual relationship with the organization;</p> <p> ii. the type of work they perform;</p> <p>b. describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported:</p> <p> i. in head count, full-time equivalent (FTE), or using another methodology;</p> <p> ii. at the end of the reporting period, as an average across the reporting period, or using another methodology;</p> <p>c. describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.</p>	—	—	

No.	Disclosure	Reporting requirements	Corresponding part		
			The Sustainability Report 2026		Website and related reports
Governance					
2-9	Governance structure and composition	a. describe its governance structure, including committees of the highest governance body; b. list the committees of the highest governance body that are responsible for decisionmaking on and overseeing the management of the organization's impacts on the economy, environment, and people; c. describe the composition of the highest governance body and its committees by: i. executive and non-executive members; ii. independence; iii. tenure of members on the governance body; iv. number of other significant positions and commitments held by each member, and the nature of the commitments; v. gender; vi. under-represented social groups; vii. competencies relevant to the impacts of the organization; viii. stakeholder representation.	Corporate Governance Organization Sustainability Promotion System	PP.023-024 P.008	 Corporate Governance Report
2-10	Nomination and selection of the highest governance body	a. describe the nomination and selection processes for the highest governance body and its committees; b. describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: i. views of stakeholders (including shareholders); ii. diversity; iii. independence; iv. competencies relevant to the impacts of the organization.	Corporate Governance Organization Expertise and Experience of Directors	PP.023-024 P.028	 Corporate Governance Report
2-11	Chair of the highest governance body	a. report whether the chair of the highest governance body is also a senior executive in the organization; b. if the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	Corporate Governance Organization	PP.023-024	 Corporate Governance Report
2-12	Role of the highest governance body in overseeing the management of impacts	a. describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development; b. describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including: i. whether and how the highest governance body engages with stakeholders to support these processes; ii. how the highest governance body considers the outcomes of these processes; c. describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review.	Sustainability Promotion System Corporate Governance Disclosure in Line with TCFD Recommendations (Governance)	P.008 PP.023-028 P.054	
2-13	Delegation of responsibility for managing impacts	a. describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including: i. whether it has appointed any senior executives with responsibility for the management of impacts; ii. whether it has delegated responsibility for the management of impacts to other employees; b. describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people.	Sustainability Promotion System Corporate Governance Organization Disclosure in Line with TCFD Recommendations (Governance)	P.008 PP.023-024 P.054	
2-14	Role of the highest governance body in sustainability reporting	a. report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information; b. if the highest governance body is not responsible for reviewing and approving the reported information, including the organization's material topics, explain the reason for this.	Sustainability Promotion System	P.008	

No.	Disclosure	Reporting requirements	Corresponding part		
			The Sustainability Report 2026		Website and related reports
2-15	Conflicts of interest	a. describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated; b. report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: i. cross-board membership; ii. cross-shareholding with suppliers and other stakeholders; iii. existence of controlling shareholders; iv. related parties, their relationships, transactions, and outstanding balances.	Corporate Governance Organization Efforts to Substantively Strengthen Corporate Governance The Internal Structure regarding Timely Disclosure	PP.023-024 P.025 P.029	Corporate Governance Report
2-16	Communication of critical concerns	a. describe whether and how critical concerns are communicated to the highest governance body; b. report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.	Sustainability Promotion System Internal Control Risk Management Compliance System at the Sumitomo Chemical Group	P.008 PP.029-030 PP.031-032 PP.033-034	
2-17	Collective knowledge of the highest governance body	a. report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.	Efforts to Substantively Strengthen Corporate Governance Sustainability Promotion System	P.025 P.008	
2-18	Evaluation of the performance of the highest governance body	a. describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people; b. report whether the evaluations are independent or not, and the frequency of the evaluations; c. describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.	Efforts to Substantively Strengthen Corporate Governance	P.025	
2-19	Remuneration policies	a. describe the remuneration policies for members of the highest governance body and senior executives, including: i. fixed pay and variable pay; ii. sign-on bonuses or recruitment incentive payments; iii. termination payments; iv. clawbacks; v. retirement benefits; b. describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.	Remuneration	P.027	
2-20	Process to determine remuneration	a. describe the process for designing its remuneration policies and for determining remuneration, including: i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration; ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration; iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives; b. report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.	Remuneration	P.027	
2-21	Annual total compensation ratio	a. report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual); b. report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual); c. report contextual information necessary to understand the data and how the data has been compiled.	—	—	
Strategy, policies and practices					
2-22	Statement on sustainable development strategy	a. report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development.	President's Message	P.003	President's Message (Integrated Report 2026 PP.8-13)

No.	Disclosure	Reporting requirements	Corresponding part	
			The Sustainability Report 2026	Website and related reports
2-23	Policy commitments	a. describe its policy commitments for responsible business conduct, including: <ul style="list-style-type: none"> i. the authoritative intergovernmental instruments that the commitments reference; ii. whether the commitments stipulate conducting due diligence; iii. whether the commitments stipulate applying the precautionary principle; iv. whether the commitments stipulate respecting human rights; b. describe its specific policy commitment to respect human rights, including: <ul style="list-style-type: none"> i. the internationally recognized human rights that the commitment covers; ii. the categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment; c. provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this; d. report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level; e. report the extent to which the policy commitments apply to the organization's activities and to its business relationships; f. describe how the policy commitments are communicated to workers, business partners, and other relevant parties.	Sumitomo Chemical's Corporate Philosophy What Sumitomo Chemical Group Strives to Be Respect for Human Rights List of Policies	P.005 P.005 PP.099-107 P.163
2-24	Embedding policy commitments	a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: <ul style="list-style-type: none"> i. how it allocates responsibility to implement the commitments across different levels within the organization; ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures; iii. how it implements its commitments with and through its business relationships; iv. training that the organization provides on implementing the commitments. 	The Material Issues to Be Addressed as Management Priorities Key Performance Indicators (KPIs) for Material Issues Sustainability Promotion System Respect for Human Rights Procurement	PP.009-010 PP.011-012 P.008 PP.099-107 PP.108-112
2-25	Processes to remediate negative impacts	a. describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to; b. describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in; c. describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to; d. describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms; e. describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	Risk Management Respect for Human Rights Internal Reporting System (Speak-Up System)	PP.031-032 PP.099-107 P.035
2-26	Mechanisms for seeking advice and raising concerns	a. describe the mechanisms for individuals to: <ul style="list-style-type: none"> i. seek advice on implementing the organization's policies and practices for responsible business conduct; ii. raise concerns about the organization's business conduct. 	Internal Reporting System (Speak-Up System)	P.035
2-27	Compliance with laws and regulations	a. report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by: <ul style="list-style-type: none"> i. instances for which fines were incurred; ii. instances for which non-monetary sanctions were incurred; b. report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: <ul style="list-style-type: none"> i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period; ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods; c. describe the significant instances of non-compliance; d. describe how it has determined significant instances of non-compliance.	Risk Management Compliance Occupational Health and Safety / Process Safety and Loss Prevention Product Stewardship / Product Safety / Quality Assurance Safety Achievements, Process Safety and Loss Prevention Results Logistics Quality Assurance Compliance with Environmental Laws and Regulations	PP.031-032 PP.033-038 PP.129-134 PP.135-139 PP.160-161 P.162 P.087

No.	Disclosure	Reporting requirements	Corresponding part		
			The Sustainability Report 2026	Website and related reports	
2-28	Membership associations	a. report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.	Participation in Initiatives	PP.017-020	
Stakeholder engagement					
2-29	Approach to stakeholder engagement	a. describe its approach to engaging with stakeholders, including: i. the categories of stakeholders it engages with, and how they are identified; ii. the purpose of the stakeholder engagement; iii. how the organization seeks to ensure meaningful engagement with stakeholders.	Communication with Stakeholders	P.021	Communication with Stakeholders (Integrated Report 2026 PP.66-67)
2-30	Collective bargaining agreements	a. report the percentage of total employees covered by collective bargaining agreements; b. for employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.	Communication with Employees	P.114	
Disclosures on Material Topics 2021					
3-1	Process to determine material topics	a. describe the process it has followed to determine its material topics, including: i. how it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships; ii. how it has prioritized the impacts for reporting based on their significance; b. specify the stakeholders and experts whose views have informed the process of determining its material topics.	The Material Issues to Be Addressed as Management Priorities Climate Change Mitigation and Adaptation	PP.009-010 PP.053-065	
3-2	List of material topics	a. list its material topics; b. report changes to the list of material topics compared to the previous reporting period.	The Material Issues to Be Addressed as Management Priorities Key Performance Indicators (KPIs) for Material Issues	PP.009-010 PP.011-012	
3-3	Management of material topics	a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights; b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships; c. describe its policies or commitments regarding the material topic; d. describe actions taken to manage the topic and related impacts, including: i. actions to prevent or mitigate potential negative impacts; ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation; iii. actions to manage actual and potential positive impacts; e. report the following information about tracking the effectiveness of the actions taken: i. processes used to track the effectiveness of the actions; ii. goals, targets, and indicators used to evaluate progress; iii. the effectiveness of the actions, including progress toward the goals and targets; iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures; f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	The Material Issues to Be Addressed as Management Priorities Key Performance Indicators (KPIs) for Material Issues Sustainability Promotion System Climate Change Mitigation and Adaptation Sumika Sustainable Solutions™ (SSS)	PP.009-010 PP.011-012 P.008 PP.053-065 PP.013-014	

Topic-specific Standards

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
ECONOMIC				
GRI201: Economic Performance 2016				
201-1	Direct economic value generated and distributed	<p>a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:</p> <ul style="list-style-type: none">i. Direct economic value generated: revenues;ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'. <p>b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.</p>	 Consolidated Financial Statements	
201-2	Financial implications and other risks and opportunities due to climate change	<p>a. Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including:</p> <ul style="list-style-type: none">i. a description of the risk or opportunity and its classification as either physical, regulatory, or other;ii. a description of the impact associated with the risk or opportunity;iii. the financial implications of the risk or opportunity before action is taken;iv. the methods used to manage the risk or opportunity;v. the costs of actions taken to manage the risk or opportunity.	Disclosure in Line with TCFD Recommendations	PP.054-065
201-3	Defined benefit plan obligations and other retirement plans	<p>a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities.</p> <p>b. If a separate fund exists to pay the plan's pension liabilities:</p> <ul style="list-style-type: none">i. the extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them;ii. the basis on which that estimate has been arrived at;iii. when that estimate was made. <p>c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage.</p> <p>d. Percentage of salary contributed by employee or employer.</p> <p>e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact.</p>	 Consolidated Financial Statements	
201-4	Financial assistance received from government	<p>a. Total monetary value of financial assistance received by the organization from any government during the reporting period, including:</p> <ul style="list-style-type: none">i. tax relief and tax credits;ii. subsidies;iii. investment grants, research and development grants, and other relevant types of grant;iv. awards;v. royalty holidays;vi. financial assistance from Export Credit Agencies (ECAs);vii. financial incentives;viii. other financial benefits received or receivable from any government for any operation. <p>b. The information in 201-4-a by country.</p> <p>c. Whether, and the extent to which, any government is present in the shareholding structure.</p>	—	—

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
GRI202: Market Presence 2016				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	a. When a significant proportion of employees are compensated based on wages subject to minimum wage rules, report the relevant ratio of the entry level wage by gender at significant locations of operation to the minimum wage. b. When a significant proportion of other workers (excluding employees) performing the organization’s activities are compensated based on wages subject to minimum wage rules, describe the actions taken to determine whether these workers are paid above the minimum wage. c. Whether a local minimum wage is absent or variable at significant locations of operation, by gender. In circumstances in which different minimums can be used as a reference, report which minimum wage is being used. d. The definition used for 'significant locations of operation'.	—	—
202-2	Proportion of senior management hired from the local community	a. Percentage of senior management at significant locations of operation that are hired from the local community. b. The definition used for 'senior management'. c. The organization’s geographical definition of 'local'. d. The definition used for 'significant locations of operation'.	—	—
GRI203: Indirect Economic Impacts 2016				
203-1	Infrastructure investments and services supported	a. Extent of development of significant infrastructure investments and services supported. b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. c. Whether these investments and services are commercial, in-kind, or pro bono engagements.	Volunteering Activity Results, Donation Results Contributions to Communities	P.147 PP.146-153
203-2	Significant indirect economic impacts	a. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts. b. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas.	—	—
GRI204: Procurement Practices 2016				
204-1	Proportion of spending on local suppliers	a. Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (such as percentage of products and services purchased locally). b. The organization's geographical definition of 'local'. c. The definition used for 'significant locations of operation'.	—	—
GRI205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	a. Total number and percentage of operations assessed for risks related to corruption. b. Significant risks related to corruption identified through the risk assessment.	Anti-corruption	PP.039-041
205-2	Communication and training about anti-corruption policies and procedures	a. Total number and percentage of governance body members that the organization’s anti-corruption policies and procedures have been communicated to, broken down by region. b. Total number and percentage of employees that the organization’s anti-corruption policies and procedures have been communicated to, broken down by employee category and region. c. Total number and percentage of business partners that the organization’s anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations. d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region. e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	Compliance Training Status	P.037
205-3	Confirmed incidents of corruption and actions taken	a. Total number and nature of confirmed incidents of corruption. b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption. c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.	Response to Compliance Violations	P.036

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
GRI206: Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	a. Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant. b. Main outcomes of completed legal actions, including any decisions or judgments.	Response to Compliance Violations	P.036
GRI207: Tax 2019				
207-1	Approach to tax	a. A description of the approach to tax, including: i. whether the organization has a tax strategy and, if so, a link to this strategy if publicly available; ii. the governance body or executive-level position within the organization that formally reviews and approves the tax strategy, and the frequency of this review; iii. the approach to regulatory compliance; iv. how the approach to tax is linked to the business and sustainable development strategies of the organization.	Tax Transparency	P.042
207-2	Tax governance, control, and risk management	a. A description of the tax governance and control framework, including: i. the governance body or executive-level position within the organization accountable for compliance with the tax strategy; ii. how the approach to tax is embedded within the organization; iii. the approach to tax risks, including how risks are identified, managed, and monitored; iv. how compliance with the tax governance and control framework is evaluated. b. A description of the mechanisms for reporting concerns about unethical or unlawful behavior and the organization's integrity in relation to tax. c. A description of the assurance process for disclosures on tax and, if applicable, a reference to the assurance report, statement, or opinion.	Tax Transparency	P.042
207-3	Stakeholder engagement and management of concerns related to tax	a. A description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including: i. the approach to engagement with tax authorities; ii. the approach to public policy advocacy on tax; iii. the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders.	 Sumitomo Chemical Group Tax Policy	
207-4	Country-by-country reporting	a. All tax jurisdictions where the entities included in the organization's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes. b. For each tax jurisdiction reported in Disclosure 207-4-a: i. Names of the resident entities; ii. Primary activities of the organization; iii. Number of employees, and the basis of calculation of this number; iv. Revenues from third-party sales; v. Revenues from intra-group transactions with other tax jurisdictions; vi. Profit/loss before tax; vii. Tangible assets other than cash and cash equivalents; viii. Corporate income tax paid on a cash basis; ix. Corporate income tax accrued on profit/loss; x. Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax. c. The time period covered by the information reported in Disclosure 207-4.	Corporate Income Taxes Paid	P.042

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
ENVIRONMENT				
GRI301: Materials 2016				
301-1	Materials used by weight or volume	a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by: i. non-renewable materials used; ii. renewable materials used.	Environmental Activity Goals and Results Exhaustible Raw Material Use Environmental Performance	PP.051-052 P.070 PP.086-087
301-2	Recycled input materials used	a. Percentage of recycled input materials used to manufacture the organization's primary products and services.	Waste Disposal Flow Chart and Results Initiatives to Recycle and Reuse Plastic and Other Waste	P.071 P.092 P.095
301-3	Reclaimed products and their packaging materials	a. Percentage of reclaimed products and their packaging materials for each product category. b. How the data for this disclosure have been collected.		
GRI302: Energy 2016				
302-1	Energy consumption within the organization	a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used. c. In joules, watt-hours or multiples, the total: i. electricity consumption ii. heating consumption iii. cooling consumption iv. steam consumption d. In joules, watt-hours or multiples, the total: i. electricity sold ii. heating sold iii. cooling sold iv. steam sold e. Total energy consumption within the organization, in joules or multiples. f. Standards, methodologies, assumptions, and/or calculation tools used. g. Source of the conversion factors used.	Disclosure in Line with TCFD Recommendations (Metrics and Targets (Risk)) Reduction of GHG Emissions from Energy (purchased electricity): Use of renewable energy Calculation Standards for Environmental and Social Data Indicators	PP.062-064 P.059 PP.164-166
302-2	Energy consumption outside of the organization	a. Energy consumption outside of the organization, in joules or multiples. b. Standards, methodologies, assumptions, and/or calculation tools used. c. Source of the conversion factors used.	Disclosure in Line with TCFD Recommendations (Metrics and Targets (Risk)) Calculation Standards for Environmental and Social Data Indicators	PP.062-064 PP.164-166
302-3	Energy intensity	a. Energy intensity ratio for the organization. b. Organization-specific metric (the denominator) chosen to calculate the ratio. c. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all. d. Whether the ratio uses energy consumption within the organization, outside of it, or both.	Environmental Activity Goals and Results Disclosure in Line with TCFD Recommendations (Metrics and Targets (Risk)) Energy Saving	PP.051-052 PP.062-064 P.091

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
302-4	Reduction of energy consumption	a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples. b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all. c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. d. Standards, methodologies, assumptions, and/or calculation tools used.	Disclosure in Line with TCFD Recommendations (Metrics and Targets (Risk)) Environmental Performance Energy Saving Calculation Standards for Environmental and Social Data Indicators	PP.062-064 PP.086-087 P.091 PP.164-166
302-5	Reductions in energy requirements of products and services	a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples. b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it. c. Standards, methodologies, assumptions, and/or calculation tools used.	Key Performance Indicators (KPIs) for Material Issues Sumika Sustainable Solutions™ (SSS) Calculation Standards for Environmental and Social Data Indicators	PP.011-012 PP.013-014 PP.164-166
GRI303: Water and Effluents 2018				
303-1	Interactions with water as a shared resource	a. A description of how the organization interacts with water, including how and where water is withdrawn, consumed, and discharged, and the water-related impacts caused or contributed to, or directly linked to the organization's activities, products or services by a business relationship (e.g., impacts caused by runoff). b. A description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used. c. A description of how water-related impacts are addressed, including how the organization works with stakeholders to steward water as a shared resource, and how it engages with suppliers or customers with significant water-related impacts. d. An explanation of the process for setting any water-related goals and targets that are part of the organization's management approach, and how they relate to public policy and the local context of each area with water stress.	Environmental Activity Goals and Results Environmental Performance Disclosure in Line with TNFD Recommendations (Strategy) Effective Use of Water Resources	PP.051-052 PP.086-087 PP.075-077 P.078
303-2	Management of water discharge-related impacts	a. A description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined, including: <ol style="list-style-type: none"> how standards for facilities operating in locations with no local discharge requirements were determined; any internally developed water quality standards or guidelines; any sector-specific standards considered; whether the profile of the receiving waterbody was considered. 	Environmental Activity Goals and Results Disclosure in Line with TNFD Recommendations (Governance) Responsible Care (Management System) Protecting the Aquatic Environment	PP.051-052 P.074 P.043 PP.079-080
303-3	Water withdrawal	a. Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable: <ol style="list-style-type: none"> Surface water; Groundwater; Seawater; Produced water; Third-party water. b. Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable: <ol style="list-style-type: none"> Surface water; Groundwater; Seawater; Produced water; Third-party water, and a breakdown of this total by the withdrawal sources listed in i–iv. c. A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories: <ol style="list-style-type: none"> Freshwater (≤1,000 mg/L Total Dissolved Solids); Other water (>1,000 mg/L Total Dissolved Solids). d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	Water Usage Environmental Performance Calculation Standards for Environmental and Social Data Indicators	P.078 PP.086-087 PP.164-166

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
303-4	Water discharge	<p>a. Total water discharge to all areas in megaliters, and a breakdown of this total by the following types of destination, if applicable:</p> <ul style="list-style-type: none"> i. Surface water; ii. Groundwater; iii. Seawater; iv. Third-party water, and the volume of this total sent for use to other organizations, if applicable. <p>b. A breakdown of total water discharge to all areas in megaliters by the following categories:</p> <ul style="list-style-type: none"> i. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids); ii. Other water ($> 1,000$ mg/L Total Dissolved Solids). <p>c. Total water discharge to all areas with water stress in megaliters, and a breakdown of this total by the following categories:</p> <ul style="list-style-type: none"> i. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids); ii. Other water ($> 1,000$ mg/L Total Dissolved Solids). <p>d. Priority substances of concern for which discharges are treated, including:</p> <ul style="list-style-type: none"> i. how priority substances of concern were defined, and any international standard, authoritative list, or criteria used; ii. the approach for setting discharge limits for priority substances of concern; iii. number of incidents of non-compliance with discharge limits. <p>e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	Effective Use of Water Resources Environmental Performance Calculation Standards for Environmental and Social Data Indicators Protecting the Aquatic Environment	P.078 PP.086-087 PP.164-166 PP.079-080
303-5	Water consumption	<p>a. Total water consumption from all areas in megaliters.</p> <p>b. Total water consumption from all areas with water stress in megaliters.</p> <p>c. Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact.</p> <p>d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, estimated, modeled, or sourced from direct measurements, and the approach taken for this, such as the use of any sector-specific factors.</p>	Effective Use of Water Resources Environmental Performance Calculation Standards for Environmental and Social Data Indicators Protecting the Aquatic Environment	P.078 PP.086-087 PP.164-166 PP.079-080
GRI304: Biodiversity 2016				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<p>a. For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, the following information:</p> <ul style="list-style-type: none"> i. Geographic location; ii. Subsurface and underground land that may be owned, leased, or managed by the organization; iii. Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas; iv. Type of operation (office, manufacturing or production, or extractive); v. Size of operational site in km² (or another unit, if appropriate); vi. Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem); vii. Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation). 	Nature Preservation Initiatives	P.085

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
304-2	Significant impacts of activities, products, and services on biodiversity	a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following: <ol style="list-style-type: none"> Construction or use of manufacturing plants, mines, and transport infrastructure; Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources); Introduction of invasive species, pests, and pathogens; Reduction of species; Habitat conversion; Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level). b. Significant direct and indirect positive and negative impacts with reference to the following: <ol style="list-style-type: none"> Species affected; Extent of areas impacted; Duration of impacts; Reversibility or irreversibility of the impacts. 	—	—
304-3	Habitats protected or restored	a. Size and location of all habitat areas protected or restored, and whether the success of the restoration measure was or is approved by independent external professionals. b. Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures. c. Status of each area based on its condition at the close of the reporting period. d. Standards, methodologies, and assumptions used.	Water Area Surveys Conducted around Works (Misawa Works) Nature Preservation Initiatives	P.080 P.085
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	a. Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk: <ol style="list-style-type: none"> Critically endangered Endangered Vulnerable Near threatened Least concern 	Water Area Surveys Conducted around Works (Misawa Works)	P.080
GRI305: Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	a. Gross direct (Scope 1) GHG emissions in metric tons of CO ₂ equivalent. b. Gases included in the calculation; whether CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , or all. c. Biogenic CO ₂ emissions in metric tons of CO ₂ equivalent. d. Base year for the calculation, if applicable, including: <ol style="list-style-type: none"> the rationale for choosing it; emissions in the base year; the context for any significant changes in emissions that triggered recalculations of base year emissions. e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. f. Consolidation approach for emissions; whether equity share, financial control, or operational control. g. Standards, methodologies, assumptions, and/or calculation tools used.	Disclosure in Line with TCFD Recommendations (Metrics and Targets (Risk)) Major Sources of GHG Emissions from Chemical Plants Environmental Performance Calculation Standards for Environmental and Social Data Indicators	PP.062-064 PP.057-059 PP.086-087 PP.164-166

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
305-2	Energy indirect (Scope 2) GHG emissions	<p>a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.</p> <p>b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.</p> <p>c. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p> <p>d. Base year for the calculation, if applicable, including:</p> <ol style="list-style-type: none"> the rationale for choosing it; emissions in the base year; the context for any significant changes in emissions that triggered recalculations of base year emissions. <p>e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>f. Consolidation approach for emissions; whether equity share, financial control, or operational control.</p> <p>g. Standards, methodologies, assumptions, and/or calculation tools used.</p>	Disclosure in Line with TCFD Recommendations (Metrics and Targets (Risk)) Major Sources of GHG Emissions from Chemical Plants Environmental Performance Calculation Standards for Environmental and Social Data Indicators	PP.062-064 PP.057-059 PP.086-087 PP.164-166
305-3	Other indirect (Scope 3) GHG emissions	<p>a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent.</p> <p>b. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p> <p>c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent.</p> <p>d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.</p> <p>e. Base year for the calculation, if applicable, including:</p> <ol style="list-style-type: none"> the rationale for choosing it; emissions in the base year; the context for any significant changes in emissions that triggered recalculations of base year emissions. <p>f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>g. Standards, methodologies, assumptions, and/or calculation tools used.</p>	Disclosure in Line with TCFD Recommendations (Metrics and Targets (Risk)) Logistics Initiatives Calculation Standards for Environmental and Social Data Indicators	PP.062-064 P.060 PP.164-166
305-4	GHG emissions intensity	<p>a. GHG emissions intensity ratio for the organization.</p> <p>b. Organization-specific metric (the denominator) chosen to calculate the ratio.</p> <p>c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).</p> <p>d. Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p>	Disclosure in Line with TCFD Recommendations (Metrics and Targets (Risk)) Environmental Performance Calculation Standards for Environmental and Social Data Indicators	PP.062-064 PP.086-087 PP.164-166
305-5	Reduction of GHG emissions	<p>a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO₂ equivalent.</p> <p>b. Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p> <p>c. Base year or baseline, including the rationale for choosing it.</p> <p>d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).</p> <p>e. Standards, methodologies, assumptions, and/or calculation tools used.</p>	Disclosure in Line with TCFD Recommendations (Metrics and Targets (Risk)) Environmental Performance Science Based Contributions (SBC) Avoided GHG emissions through products and technologies Calculation Standards for Environmental and Social Data Indicators	PP.062-064 PP.086-087 P.065 PP.164-166
305-6	Emissions of ozone-depleting substances (ODS)	<p>a. Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent.</p> <p>b. Substances included in the calculation.</p> <p>c. Source of the emission factors used.</p> <p>d. Standards, methodologies, assumptions, and/or calculation tools used.</p>	Environmental Performance Responding to Fluorocarbon Emission Controls Calculation Standards for Environmental and Social Data Indicators	PP.086-087 PP.081-082 PP.164-166

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No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
SOCIAL				
GRI401: Employment 2016				
401-1	New employee hires and employee turnover	a. Total number and rate of new employee hires during the reporting period, by age group, gender and region. b. Total number and rate of employee turnover during the reporting period, by age group, gender and region.	Number of New Graduate and Mid-career Hires, Percentage of Mid-career Hires, Number and Percentage of People Who Left the Company	P.155
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	a. Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation. These include, as a minimum: i. life insurance; ii. health care; iii. disability and invalidity coverage; iv. parental leave; v. retirement provision; vi. stock ownership; vii. others. b. The definition used for 'significant locations of operation'.	Work-Life Balance	PP.118-120
401-3	Parental leave	a. Total number of employees that were entitled to parental leave, by gender. b. Total number of employees that took parental leave, by gender. c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender. d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender. e. Return to work and retention rates of employees that took parental leave, by gender.	Results of Systems for Work-Life Balance Return Rate of Employees Who Take Extended Leave for Childcare	P.119 P.156
GRI402: Labor/Management Relations 2016				
402-1	Minimum notice periods regarding operational changes	a. Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them. b. For organizations with collective bargaining agreements, report whether the notice period and provisions for consultation and negotiation are specified in collective agreements.	Communication with Employees	P.114
GRI403: Occupational Health and Safety 2018				
403-1	Occupational health and safety management system	a. A statement of whether an occupational health and safety management system has been implemented, including whether: i. the system has been implemented because of legal requirements and, if so, a list of the requirements; ii. the system has been implemented based on recognized risk management and/or management system standards/guidelines and, if so, a list of the standards/guidelines. b. A description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered.	Occupational Health and Safety / Process Safety and Loss Prevention (Basic Stance) Occupational Safety and Health Management System	P.129 PP.157-158
403-2	Hazard identification, risk assessment, and incident investigation	a. A description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls in order to eliminate hazards and minimize risks, including: i. how the organization ensures the quality of these processes, including the competency of persons who carry them out; ii. how the results of these processes are used to evaluate and continually improve the occupational health and safety management system. b. A description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals. c. A description of the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health, and an explanation of how workers are protected against reprisals. d. A description of the processes used to investigate work-related incidents, including the processes to identify hazards and assess risks relating to the incidents, to determine corrective actions using the hierarchy of controls, and to determine improvements needed in the occupational health and safety management system.	Occupational Health and Safety / Process Safety and Loss Prevention (Management System, Examples of Initiatives) Responsible Care (RC) Audits	P.129 PP.131-134 PP.046-047
403-3	Occupational health services	a. A description of the occupational health services' functions that contribute to the identification and elimination of hazards and minimization of risks, and an explanation of how the organization ensures the quality of these services and facilitates workers' access to them.	Occupational Health and Safety / Process Safety and Loss Prevention (Examples of Initiatives) Responsible Care (RC) Audits	PP.131-134 PP.046-047

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
403-4	Worker participation, consultation, and communication on occupational health and safety	<p>a. A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers.</p> <p>b. Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.</p>	Occupational Health and Safety / Process Safety and Loss Prevention (Management System) Communication with Employees	P.129 P.114
403-5	Worker training on occupational health and safety	<p>a. A description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations.</p>	Safety Education and Drills	P.133
403-6	Promotion of worker health	<p>a. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided.</p> <p>b. A description of any voluntary health promotion services and programs offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organization facilitates workers' access to these services and programs.</p>	Healthcare	PP.127-128
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p>a. A description of the organization's approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to its operations, products or services by its business relationships, and the related hazards and risks.</p>	Occupational Health and Safety / Process Safety and Loss Prevention (Examples of Initiatives) Preventing Severe Accidents in Subcontracted Operations and Construction Operations Logistics Initiatives	PP.131-134 P.132 P.134
403-8	Workers covered by an occupational health and safety management system	<p>a. If the organization has implemented an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines:</p> <ol style="list-style-type: none"> the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system; the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited; the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party. <p>b. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.</p> <p>c. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	Occupational Health and Safety / Process Safety and Loss Prevention (Basic Stance) Occupational Safety and Health Management System	P.129 PP.157-158
403-9	Work-related injuries	<p>a. For all employees:</p> <ol style="list-style-type: none"> The number and rate of fatalities as a result of work-related injury; The number and rate of high-consequence work-related injuries (excluding fatalities); The number and rate of recordable work-related injuries; The main types of work-related injury; The number of hours worked. <p>b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ol style="list-style-type: none"> The number and rate of fatalities as a result of work-related injury; The number and rate of high-consequence work-related injuries (excluding fatalities); The number and rate of recordable work-related injuries; The main types of work-related injury; The number of hours worked. <p>c. The work-related hazards that pose a risk of high-consequence injury, including:</p> <ol style="list-style-type: none"> how these hazards have been determined; which of these hazards have caused or contributed to high-consequence injuries during the reporting period; actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls. <p>d. Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls.</p> <p>e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked.</p> <p>f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.</p> <p>g. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	Occupational Health and Safety / Process Safety and Loss Prevention (Basic Stance, Goals and Results) Safety Achievements, Process Safety and Loss Prevention Results Calculation Standards for Environmental and Social Data Indicators	PP.129-131 PP.160-161 P.166

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
403-10	Work-related ill health	a. For all employees: <ol style="list-style-type: none"> The number of fatalities as a result of work-related ill health; The number of cases of recordable work-related ill health; The main types of work-related ill health. b. For all workers who are not employees but whose work and/or workplace is controlled by the organization: <ol style="list-style-type: none"> The number of fatalities as a result of work-related ill health; The number of cases of recordable work-related ill health; The main types of work-related ill health. c. The work-related hazards that pose a risk of ill health, including: <ol style="list-style-type: none"> how these hazards have been determined; which of these hazards have caused or contributed to cases of ill health during the reporting period; actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls. d. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded. e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	Occupational Health and Safety / Process Safety and Loss Prevention (Basic Stance, Goals and Results) Safety Achievements	PP.129-131 P.160
GRI404: Training and Education 2016				
404-1	Average hours of training per year per employee	a. Average hours of training that the organization's employees have undertaken during the reporting period, by: <ol style="list-style-type: none"> gender; employee category. 	Time Spent on Training Training for Development of Global Talent Management Skills Enhancement Training Human Resources Development and Growth	P.125 P.125 P.126 PP.124-126
404-2	Programs for upgrading employee skills and transition assistance programs	a. Type and scope of programs implemented and assistance provided to upgrade employee skills. b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	SUMIKA Learning Square	P.124
404-3	Percentage of employees receiving regular performance and career development reviews	a. Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.	Human Resources System Initiatives	P.113
GRI405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories: <ol style="list-style-type: none"> Gender; Age group: under 30 years old, 30–50 years old, over 50 years old; Other indicators of diversity where relevant (such as minority or vulnerable groups). b. Percentage of employees per employee category in each of the following diversity categories: <ol style="list-style-type: none"> Gender; Age group: under 30 years old, 30–50 years old, over 50 years old; Other indicators of diversity where relevant (such as minority or vulnerable groups). 	Expertise and Experience of Directors  Directors & Senior Management (Integrated Report 2026 PP.80-81) Basic Data, Promotion of DE&I	P.028 PP.154-156
405-2	Ratio of basic salary and remuneration of women to men	a. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation. b. The definition used for 'significant locations of operation'.	Average monthly wages Wage Disparity by Gender	P.154 P.156

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
GRI406: Non-discrimination 2016				
406-1	Incidents of discrimination and corrective actions taken	a. Total number of incidents of discrimination during the reporting period. b. Status of the incidents and actions taken with reference to the following: i. Incident reviewed by the organization; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action.	Grievance Mechanisms	P.106
GRI407: Freedom of Association and Collective Bargaining 2016				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	a. Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.	Respect for Human Rights Procurement	PP.099-107 PP.108-112
GRI408: Child Labor 2016				
408-1	Operations and suppliers at significant risk for incidents of child labor	a. Operations and suppliers considered to have significant risk for incidents of: i. child labor; ii. young workers exposed to hazardous work. b. Operations and suppliers considered to have significant risk for incidents of child labor either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. c. Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.	Respect for Human Rights Procurement	PP.099-107 PP.108-112
GRI409: Forced or Compulsory Labor 2016				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. b. Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.	Respect for Human Rights Procurement	PP.099-107 PP.108-112
GRI410: Security Practices 2016				
410-1	Security personnel trained in human rights policies or procedures	a. Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security. b. Whether training requirements also apply to third-party organizations providing security personnel.	—	—
GRI411: Rights of Indigenous Peoples 2016				
411-1	Incidents of violations involving rights of indigenous peoples	a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period. b. Status of the incidents and actions taken with reference to the following: i. Incident reviewed by the organization; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action.	Not applicable	—

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
GRI413: Local Communities 2016				
413-1	Operations with local community engagement, impact assessments, and development programs	a. Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of: <ul style="list-style-type: none">i. social impact assessments, including gender impact assessments, based on participatory processes;ii. environmental impact assessments and ongoing monitoring;iii. public disclosure of results of environmental and social impact assessments;iv. local community development programs based on local communities' needs;v. stakeholder engagement plans based on stakeholder mapping;vi. broad based local community consultation committees and processes that include vulnerable groups;vii. works councils, occupational health and safety committees and other worker representation bodies to deal with impacts;viii. formal local community grievance processes.	Initiatives to Ensure Safety at All Group Workplaces	P.148
413-2	Operations with significant actual and potential negative impacts on local communities	a. Operations with significant actual and potential negative impacts on local communities, including: <ul style="list-style-type: none">i. the location of the operations;ii. the significant actual and potential negative impacts of operations.	Preparation for Large-Scale Natural Disasters Process Safety and Loss Prevention (Examples of Initiatives)	P.133 PP.132-134
GRI414: Supplier Social Assessment 2016				
414-1	New suppliers that were screened using social criteria	a. Percentage of new suppliers that were screened using social criteria.	Initiative for Suppliers	P.112
414-2	Negative social impacts in the supply chain and actions taken	a. Number of suppliers assessed for social impacts. b. Number of suppliers identified as having significant actual and potential negative social impacts. c. Significant actual and potential negative social impacts identified in the supply chain. d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment. e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.	Human Rights Due Diligence and Remediation Initiative for Suppliers	PP.101-105 P.112
GRI415: Public Policy 2016				
415-1	Political contributions	a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary. b. If applicable, how the monetary value of in-kind contributions was estimated.	Number of Major Donations	P.147
GRI416: Customer Health and Safety 2016				
416-1	Assessment of the health and safety impacts of product and service categories	a. Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Risk Assessment and Management throughout the Entire Product Life Cycle Risk Management for Product Safety	P.136 P.136
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by: <ul style="list-style-type: none">i. incidents of non-compliance with regulations resulting in a fine or penalty;ii. incidents of non-compliance with regulations resulting in a warning;iii. incidents of non-compliance with voluntary codes. b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.	Not applicable	—

No.	Disclosure	Reporting requirements	The Sustainability Report 2026	
GRI417: Marketing and Labeling 2016				
417-1	Requirements for product and service information and labeling	<p>a. Whether each of the following types of information is required by the organization's procedures for product and service information and labeling:</p> <ul style="list-style-type: none">i. The sourcing of components of the product or service;ii. Content, particularly with regard to substances that might produce an environmental or social impact;iii. Safe use of the product or service;iv. Disposal of the product and environmental or social impacts;v. Other (explain). <p>b. Percentage of significant product or service categories covered by and assessed for compliance with such procedures.</p>	<p>Providing Products and Services of Stable Quality</p> <p>The Information Sharing System and Ensuring thorough Compliance</p> <p>Effective Use of SuCCESS</p> <p>Providing Toxicological Information</p> <p>Sharing Information on Chemicals in Products</p>	<p>P.137</p> <p>P.137</p> <p>P.138</p> <p>P.138</p> <p>P.138</p>
417-2	Incidents of non-compliance concerning product and service information and labeling	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling, by:</p> <ul style="list-style-type: none">i. incidents of non-compliance with regulations resulting in a fine or penalty;ii. incidents of non-compliance with regulations resulting in a warning;iii. incidents of non-compliance with voluntary codes. <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>	Not applicable	—
417-3	Incidents of non-compliance concerning marketing communications	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by:</p> <ul style="list-style-type: none">i. incidents of non-compliance with regulations resulting in a fine or penalty;ii. incidents of non-compliance with regulations resulting in a warning;iii. incidents of non-compliance with voluntary codes. <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>	Not applicable	—
GRI418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>a. Total number of substantiated complaints received concerning breaches of customer privacy, categorized by:</p> <ul style="list-style-type: none">i. complaints received from outside parties and substantiated by the organization;ii. complaints from regulatory bodies. <p>b. Total number of identified leaks, thefts, or losses of customer data.</p> <p>c. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.</p>	Not applicable	—

TCFD Index

This index provides links to the Sumitomo Chemical Group's disclosures on recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Recommended disclosure content	Relevant sections	
	The Sustainability Report 2026	Website and related reports
Governance Disclose the organization's governance pertaining to climate-related risks and opportunities.		
a) Framework of the Board of Directors' oversight of climate related risks and opportunities	• Corporate Governance PP.023-028 • Structures for Responding to Climate Change P.054	• Integrated Report 2026 P.50 • CDP2025 4. Governance (4.1, 4.2, 4.3)
b) The role of management in assessing and managing climate-related risks and opportunities		
Strategy Disclose the actual or latent impact on the business, strategy, and financial planning of climate-related risks and opportunities if such information is important.		
a) Climate-related risks and opportunities the organization has identified over the short-, mid- and long-term	• Risks and Opportunities P.055 • Scenario Analysis PP.055-057	• Integrated Report 2026 P.51 • CDP2025 3. Disclosure of risks and opportunities (3.1) 5. Business strategy (5.1, 5.3, 5.5, 5.4)
b) Impact of climate-related risks and opportunities on the organization's business, strategy and financial planning		
c) Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario		
Risk management Disclose how the organization is identifying, evaluating, and controlling climate related risks		
a) Organization's processes for identifying and assessing climate-related risks	• Structures for Responding to Climate Change P.054	• Integrated Report 2026 PP.50-51
b) Organization's processes for managing climate-related risks	• Risks and Opportunities P.055	• CDP2025 2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities (2.1, 2.2)
c) How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	• Scenario Analysis PP.055-057	

Recommended disclosure content	Relevant sections	
	The Sustainability Report 2026	Website and related reports
Metrics and targets Disclose indicators and targets used in the evaluation and control of climate related risks and opportunities if such information is important.		
a) Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	• Grand Design Toward Achieving Carbon Neutrality P.053 • GHG Emissions Trends and Reduction Targets (Scope 1+2) P.062	• Integrated Report 2026 P.50 P.54
Cross-Industry, Climate-Related Metric Categories (Revised on October 2021)		
GHG Emissions	Absolute Scope 1, Scope 2, and Scope 3; emissions intensity	• GHG Emissions Trends and Reduction Targets (Scope 1+2, Scope 3) PP.062-064 • Integrated Report 2026 P.54 • CDP2025 7. Environmental performance – Climate change (7.5, 7.6, 7.7, 7.8)
Transition Risks	Amount and extent of assets or business activities vulnerable to transition risks	• Risks and Opportunities P.055 • Scenario Analysis PP.055-057 • Integrated Report 2026 P.51 • CDP2025 3. Disclosure of risks and opportunities (3.1) 5. Business strategy (5.1, 5.2, 5.3, 5.4)
Physical Risks	Amount and extent of assets or business activities vulnerable to physical risks	• Risks and Opportunities P.055 • Scenario Analysis PP.055-057
Climate-Related Opportunities	Proportion of revenue, assets, or other business activities aligned with climate-related opportunities	• Scenario Analysis PP.055-057
Capital Deployment	Amount of capital expenditure, financing, or investment deployed toward climate-related risks and opportunities	• Investments to achieve carbon neutrality P.055 • Investment Scale P.055 • Integrated Report 2026 P.51 • CDP2025 5. Business strategy (5.4, 5.5)
Internal Carbon Prices	Price on each ton of GHG emissions used internally by an organization	• Investments to achieve carbon neutrality P.055 • Integrated Report 2026 P.51 • CDP2025 5. Business strategy (5.10)
Remuneration	Proportion of executive management remuneration linked to climate considerations	• Remuneration P.027 • Integrated Report 2026 PP.76-77 • CDP2025 4. Governance (4.5)
b) Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions and related risk	• Energy Consumption and Greenhouse Gas Emissions (Scope 1, 2, 3) PP.063-064 • Scenario Analysis PP.055-057	• Integrated Report 2026 P.51 P.54 • CDP2025 3. Disclosure of risks and opportunities (3.1) 7. Environmental performance – Climate change (7.5, 7.6, 7.7, 7.8)
c) Targets used by the organization to manage climate-related risks and opportunities and performance against target	• Metrics and Targets (Risk) PP.062-064 • Metrics and Targets (Opportunities) P.065 • Specific initiatives for "Obligation" PP.057-060 • Specific initiatives for "Contribution" P.061	• Integrated Report 2026 PP.54-55 • CDP2025 7. Environmental performance – Climate change (7.10, 7.53)

Independent Practitioner’s Limited Assurance Report

In the “Sustainability Report 2026,” to ensure the reliability and transparency of this report, regarding quantitative information, assurance is provided on the indicators labeled with a star ★ by KPMG AZSA Sustainability Co., Ltd. (Regarding other disclosed information, please refer to the “Calculation Standards for Environmental and Social Data Indicators,” wherein a summary of data collection and calculation methods is presented.)

<div><p><u>Independent Practitioner’s Limited Assurance Report</u></p><p>To the Representative Director & President of Sumitomo Chemical Company, Limited</p><p>Conclusion</p><p>We have performed a limited assurance engagement on whether selected environmental and social performance indicators (the “subject matter information” or the “SMI”) presented in Sumitomo Chemical Company’s (the “Company”) Sustainability Report 2026 (the “Report”) as of June 1, 2025, March 31, 2026, and for the year ended March 31, 2026 have been prepared in accordance with the criteria (the “Criteria”), which are established by the Company and are explained in the Report. The SMI subject to the assurance engagement is indicated in the Report with the symbol “★”.</p><p>Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company’s SMI as of June 1, 2025, March 31, 2026 and for the year ended March 31, 2026 is not prepared, in all material respects, in accordance with the Criteria.</p><p>Basis for Conclusion</p><p>We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), <i>Assurance Engagements Other Than Audits or Reviews of Historical Financial Information</i>, and International Standard on Assurance Engagements (ISAE) 3410, <i>Assurance Engagements on Greenhouse Gas Statements</i>, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the “Our responsibilities” section of our report.</p><p>We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).</p><p>Our firm applies International Standard on Quality Management (ISQM) 1, <i>Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements</i>, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p><p>We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.</p><p>Other information</p><p>Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI (hereafter referred to as “other information”). We have read the other information but have not performed any procedures with respect to the other information.</p><p>Responsibilities for the SMI</p><p>Management of the Company are responsible for:</p><ul style="list-style-type: none">- designing, implementing and maintaining internal controls relevant to the preparation of the SMI that is free from material misstatement, whether due to fraud or error;- selecting or developing suitable criteria for preparing the SMI and appropriately referring to or describing the criteria used; and- preparing the SMI in accordance with the Criteria.</div>	<div><p>Inherent limitations in preparing the SMI</p><p>As described in the Report, GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection by management of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.</p><p>Our responsibilities</p><p>We are responsible for:</p><ul style="list-style-type: none">- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and- reporting our conclusion to the Company’s management.<p><u>Summary of the work we performed as the basis for our conclusion</u></p><p>We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:</p><ul style="list-style-type: none">- assessing the suitability of the criteria applied to prepare the SMI;- conducting interviews with the relevant personnel of the Company to obtain an understanding of the key processes, relevant systems and controls in place over the preparation of the SMI;- performing analytical procedures including trend analysis;- identifying and assessing the risks of material misstatements;- performing site visits at one of the Company’s domestic factories and one factory of the Company’s domestic subsidiaries which were determined through our risk assessment procedures;- performing, on a sample basis, recalculation of amounts presented as part of the SMI;- performing other evidence gathering procedures for selected samples; and- evaluating whether the SMI was presented in accordance with the Criteria.<p>The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.</p><p><i>/s/ Shinnosuke Kayumi</i> Shinnosuke Kayumi, Engagement Partner KPMG AZSA Sustainability Co., Ltd. Tokyo Office, Japan October 26, 2026</p></div>
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