Investors' Meeting for the Business Strategy

Agro & Life Solutions
ICT & Mobility Solutions

December 4, 2024

SUMITOMO CHEMICAL

Change and Innovation

~ with the Power of Chemistry ~

Today's Agenda

SUMITOMO CHEMICAL

Section.1 ..... Agro & Life Solutions

Nobuaki Mito, Senior Managing Executive Officer

Section.2 ..... ICT & Mobility Solutions

Masaki Matsui, Senior Managing Executive Officer

Section

01

Agro & Life Solutions

Today's Agenda

SUMITOMO CHEMICAL

01 Profile and Vision

02 Business Environment and Our Policy

03 Business Strategy

04 2030 Goal

01

Agro & Life Solutions Profile and Vision

1. Agro & Life Solutions Sector : Start from October 1st

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Composed of 4 divisions of former Health & Crop Sciences Sector.
Pharma Solution Division be transferred to Advanced Medical Solution Sector.

Health & Crop Sciences Sector

- AgroSolution Division - Japan
- AgroSolution Division - International
- Environmental Health Division
- Animal Nutrition Division
- Pharma Solution Division

Agro & Life Solutions Sector

Established on October 1, 2024

- AgroSolution Division - Japan
- AgroSolution Division - International
- Environmental Health Division
- Animal Nutrition Division

Advanced Medical Solution Sector

Established on October 1, 2024

- Pharma Solution Division
- Others

1. Profile

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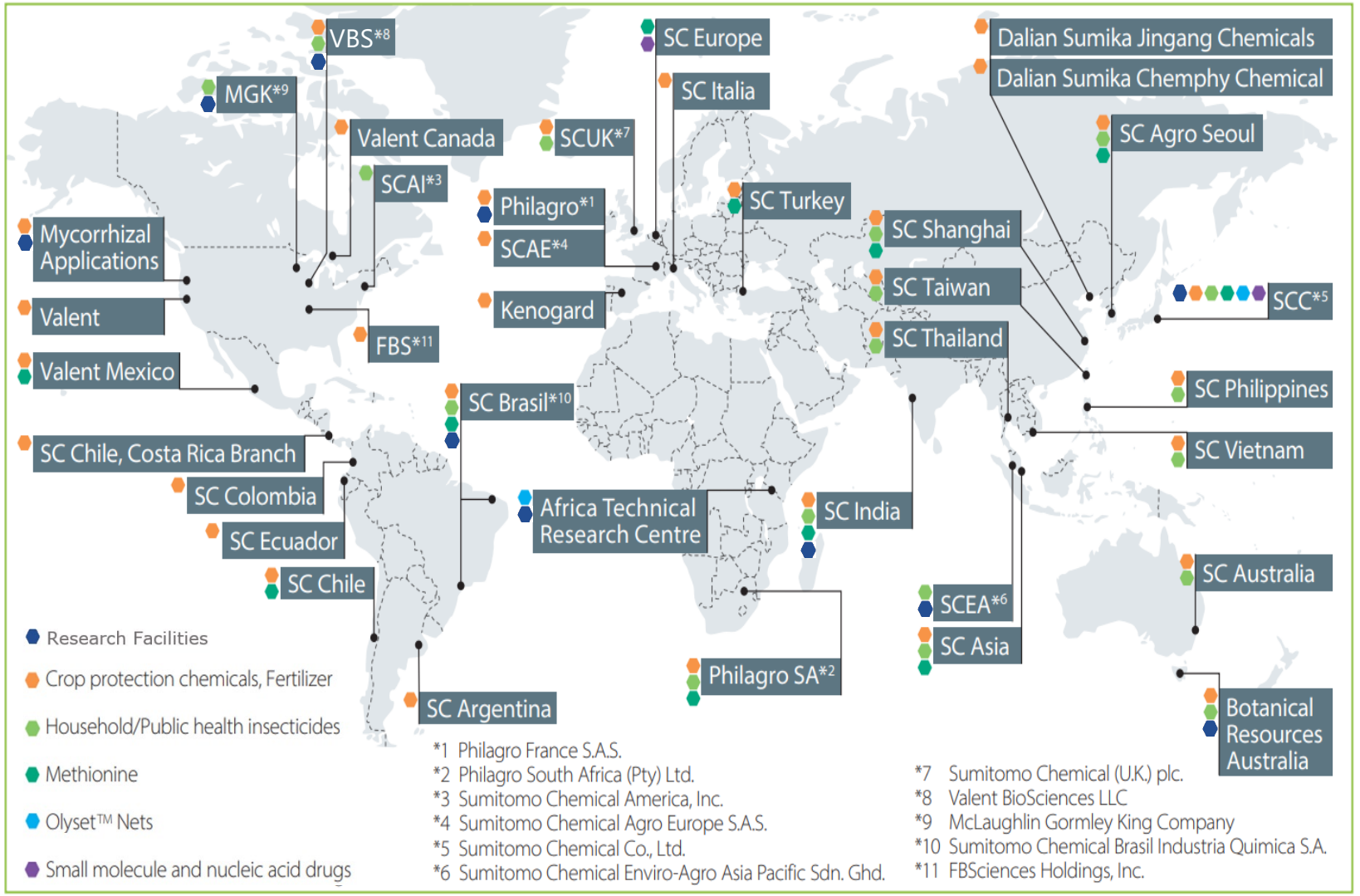
Sector Overview

Performance (2024 Forecast)	Performance sales 600 Bil. JPY Performance profit 60 Bil. JPY
Number of subsidiaries and affiliates (as of March 2024)	11 Laboratories 11 Manufacturing site 36 Affiliate companies
Number of employees (as of March 2024)	Approx. 7,600

Major Products

Global Network



1. Our Long-Term Vision

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Increase Food Production
Sustainable Agriculture Safer Products

Food
食糧

Ensuring Public Health and Hygiene
Health
健康・衛生

Sumitomo Chemical R&D

Improvement of QoL & Environment
Environment
環境

Expand and Strengthen products/solutions contributing sustainable society

Strengthen high-profitability businesses / Expand business globally

Ensure compliance & maintain safe operations

Differentiation | Business Creation | Innovation

1. Our Mission

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We contribute to realization of Regenerative agriculture and Sustainable Society by delivering unique products and solutions to global market

Regenerative Agriculture

Sustainable Environmental Management

Sustainable Well-being

1. Current Mid-Range Plan Review

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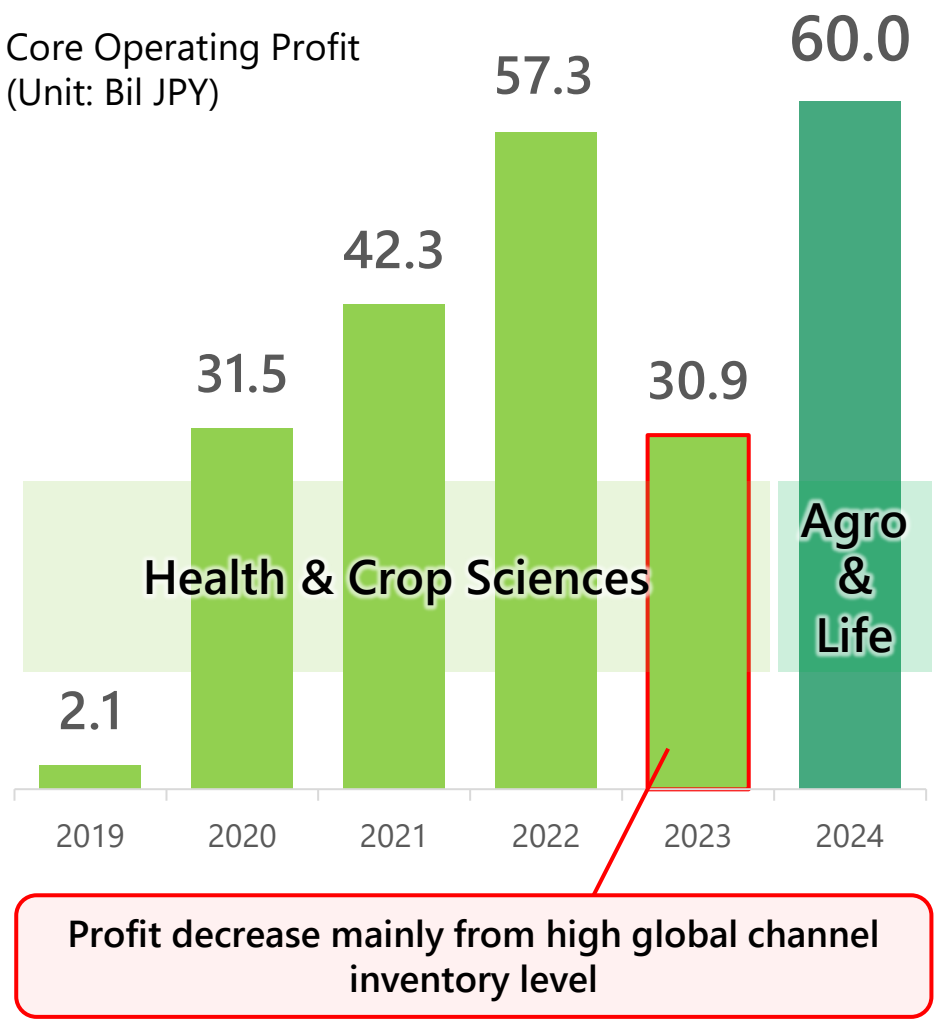
Promote the establishment of a foundation and business investments for future growth, while also achieving recovery and expansion of our business performance



Business Portfolio Transformantion

- ✓ Acquisition of FBS／Barrix & Divestiture of post-harvest
- ✓ Strengthening the foundation of biorational/botanical business

R&D Acceleration/New product launch

- ✓ Launched 6 new products of B2020&A2020 by July 2024
- ✓ INDIFLIN® sales reach to 30 Billion JPY of sales within several years after launch

Strengthening Global Supply Chain

- ✓ China Desk Utilization(Procurement team for Latin America business)
- ✓ Brazil/Maracanau formulation facility utilization

Digital Transformation

- ✓ Organizational arrangement(Sector CDO, full-time team)
- ✓ Full-scale Agro-Apps operation plan

02

Agro & Life Solution Business Environment and Our Policy

2. Business Environment

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Market is expected to grow but competition gets more intense

Agro and Environmental Health Areas

(Ag) **Market continues to grow** (mainly in Brazil/India)
(EHD) Market continues to growth (mainly in Household and professional areas
Increase the supply from Chinese manufactures -- **Intense competition**
Strict product registration and regulation on a global basis
⇒ Increase **expectation and demand for sustainable products**
Transform from modern art into **Regenerative Agriculture**

Animal Nutrition Areas

Methionine demand is expected to grow by 3-4%
⇒ Chinese manufactures plans capacity expansion (two plans are announced)

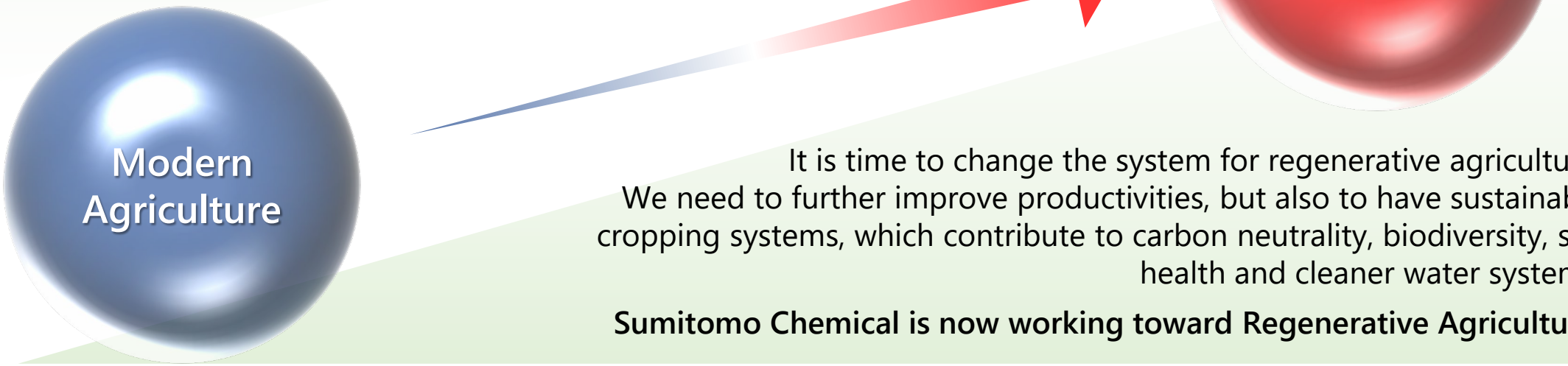
Increasing demand for high-quality and sustainable animal production technology
less-resource technology to improve feed efficiency animal husbandry operation, considering animal welfare
Less- Environmental Load technology from animal husbandry

- Develop and Promote proprietary products based on our own-technology
- Provide sustainable products, services and solutions
- Strengthen cost competitiveness that enables us to expand the business even under tough business environment

2. Business Environment – Regenerative Agriculture

Modern agriculture has contributed to supply foods and grains to feed growing global populations through development of various technologies like nutrition inputs, cultivar, pesticides and so on.

However, modern agriculture has several negative aspects such as soil erosion, GHG emission, impact on biodiversity, and water system contamination.



It is time to change the system for regenerative agriculture.
We need to further improve productivities, but also to have sustainable cropping systems, which contribute to carbon neutrality, biodiversity, soil health and cleaner water systems.

Sumitomo Chemical is now working toward Regenerative Agriculture.

Now we need to shift to regenerative agriculture

- Mitigating climate change (reducing greenhouse gas emissions through agriculture)
- Adapting to climate change (agriculture that responds to changing climates)
- Preserving soil and water health and protecting biodiversity
- Promoting proper land use through efficient food production

2. Platform and strategies for growth

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	Achievement and Platform for growth	Strategies towards 2030
Chemical	Long-term solid profit platform ➢ **AI discovery capability based on the latest technologies** ➢ Blockbuster development (INDIFLIN®、Rapidicil®)	➢ INDIFLIN®：Soybean fungicides ➢ Rapidicil®：No-till herbicides Herbicides for cover crops ➢ Seed Treatment and other technologies with less environmental burden
Biorational Botanical	Business experience over 60 years Leading company in biorational market Plant Physiology (Biostimulant) Progress Synthetic Biology	➢ Growth in new-biostimulant area ➢ Expansion into Animal Nutrition field ➢ Natural Pyrethrin Sales Expansion for Ag and EHD field
Service DX Tech	**Establishment of platform based on business experience and our unique technologies**	➢ Precision Ag, such as drone utilization ➢ DX in Agro-Solution Division Japan business

03

Agro & Life Solution Business Strategy

3. Agro & Life Solution: Core Technology

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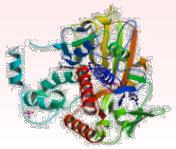
	Chemicals for Ag and EHD	Biorationals	Botanicals
Latest strategies	 Utilization of AI in discovery  Approaches to find binding mode to target protein	Full scale entry to biostimulant Expansion of research and manufacturing platform 	Improved Pyrethrin productions New botanical solutions 
History &Experiences	First launch in 1950's ***Over 70 Years***  	GA3 first launch in 1960's ***Around 60 Years*** VALENT BIOSCIENCES ProGibb® REGULADOR DE CRECIMIENTO	Established in 1902 with Pyrethrin ***120 Years*** MGK 
Base	Global Research, Development, Manufacturing and Sales Organization		
	Chemical Technology Platform Synthetic chemistry・Analytical chemistry・Chemical Biology・Environmental Science		

3. B2020 & A2020：Launched 6 Products

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All B2020s & A2020s are in the Market Now
It's Time to Harvest

Oxazosulfyl **Alles®** Insecticide	Inpyrfluxam **INDIFLIN®** Fungicide	ACC **Accede®** PGR	Metyltetraprole **Pavecto®** Fungicide	Pyridachlometyl **Fuseki®** Fungicide	Epyrifenacil **Rapidicil®** Herbicide

Six novel technologies launched between 2020 and 2024

3. Our Chemical Products' Launch History and Future Plan

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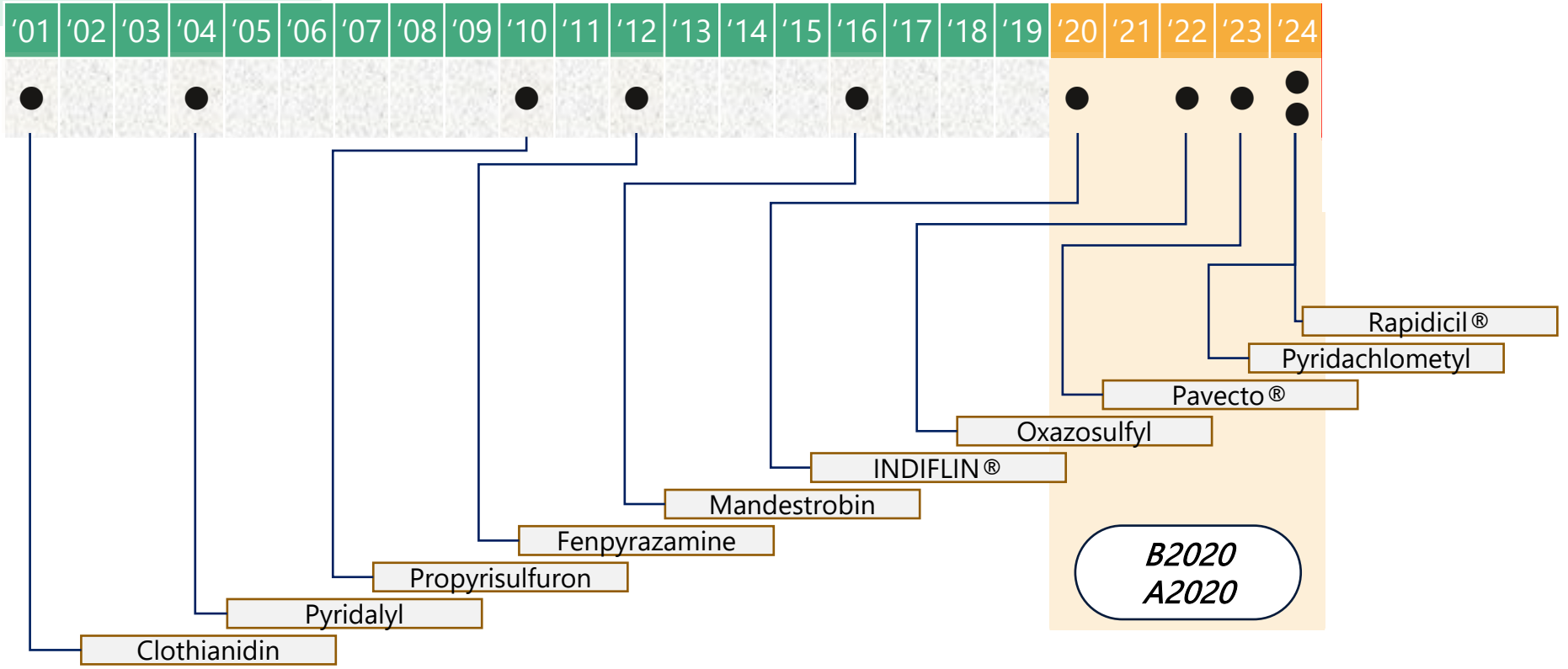

We accelerate new product development with our technology

- Sumitomo launched 10 products since 2000, and 5 is from B2020 & A2020 project
- We are top player that launched 5 chemical products during 2020-2024 term
- Recently new products are increasing which shows significant scale of sales
- We need to pursue not only profit maximization from B2020 & A2020, as well as development acceleration of new products

3. R&D Achievement and Acceleration of new products

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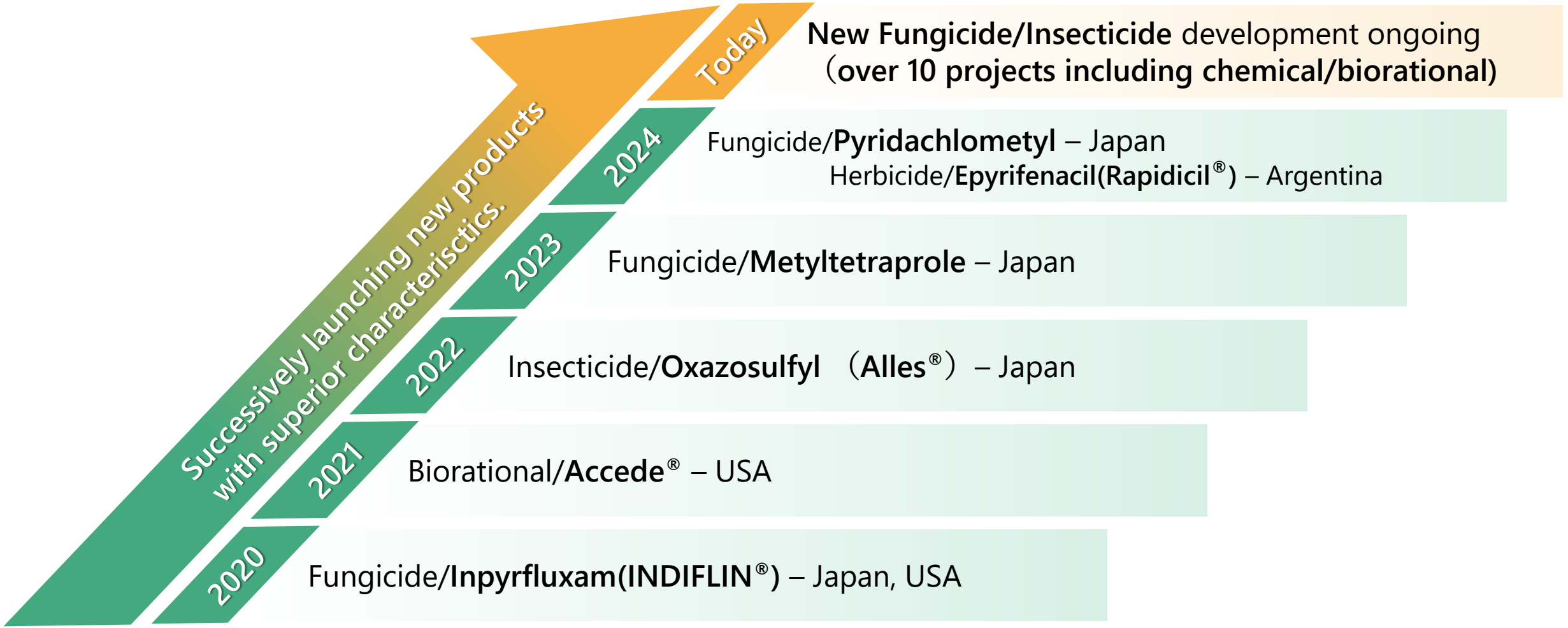
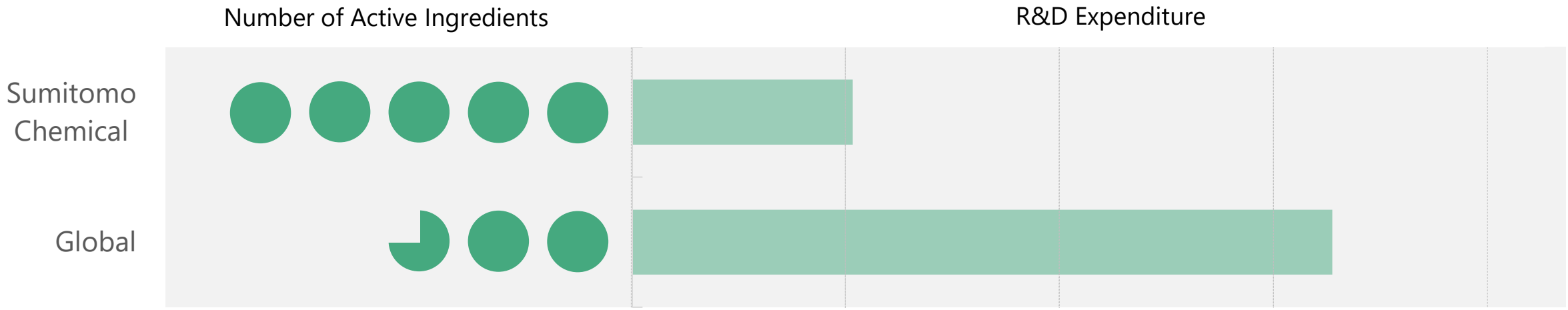
Sumitomo launched 6 products during 2020-2024.

There are more than 10 projects in the pipeline for commercialization in 2020s-2030s



3. Our R&D Achievement- Launch 5 AIs in 5 years

Number of Active Ingredients launched during 2020-2024 and R&D Expenditure



Landscape of New Pesticide Development

- The research of new compounds has become increasingly difficult, with only one out of 300,000 compounds making it to market.
- Development costs are also rising year by year.
- On the other hand, resistance issue and new pests, diseases, and weeds arising from climate change, new solution remain essential.

Technology of Sumitomo Chemical

- During 2020-2024 term, 33 active ingredients have been launched in the global market while we launched 5.
- Global multinational companies, which spend over 3 times of our R&D cost, launched 2.7 new active ingredient in average. Sumitomo Chemical showed better outcome through efficient research activity.

3. Global R&D Locations

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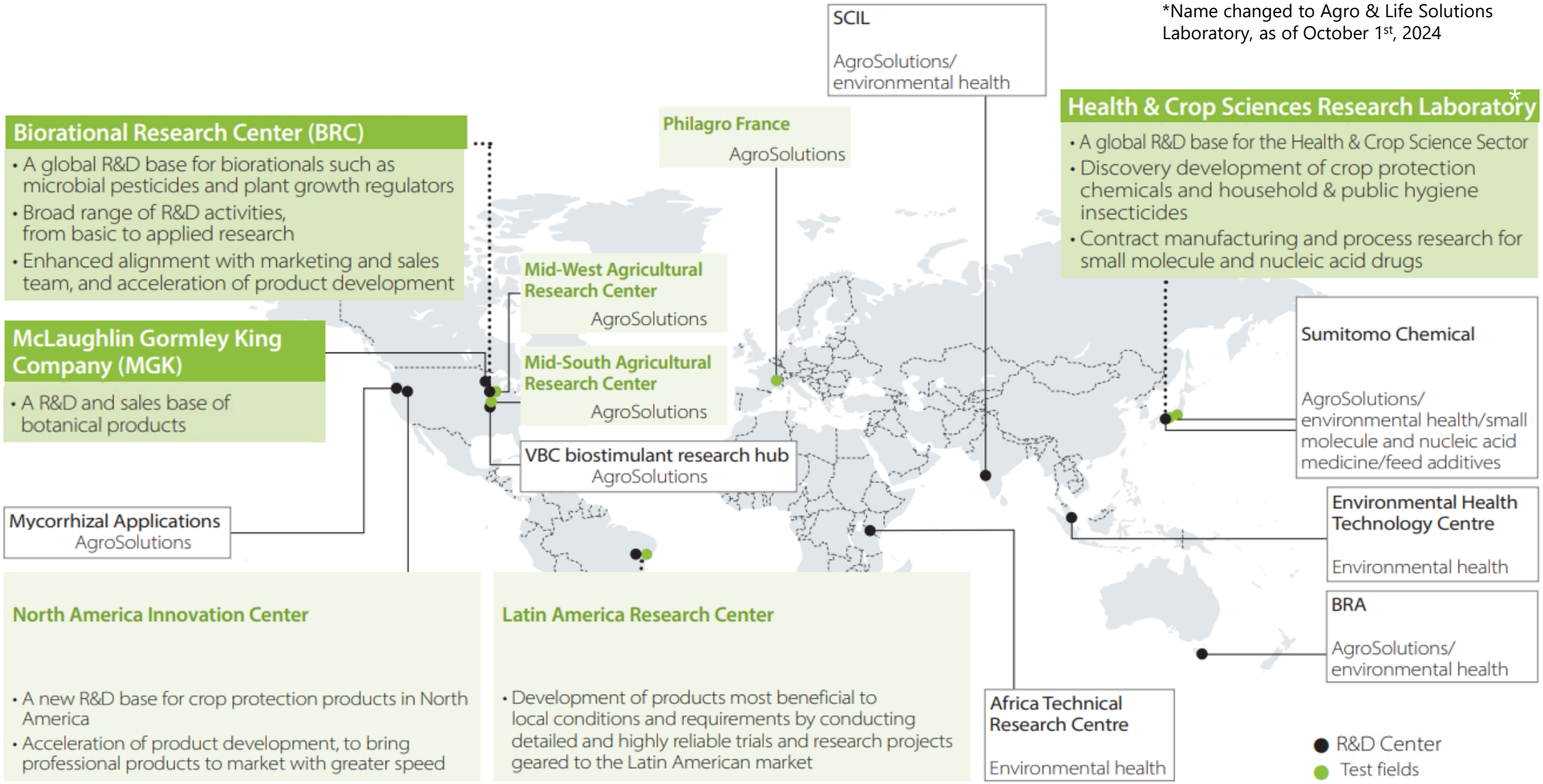
*Name changed to Agro & Life Solutions Laboratory, as of October 1st, 2024



3. AgroSolution Blockbuster : INDIFLIN®

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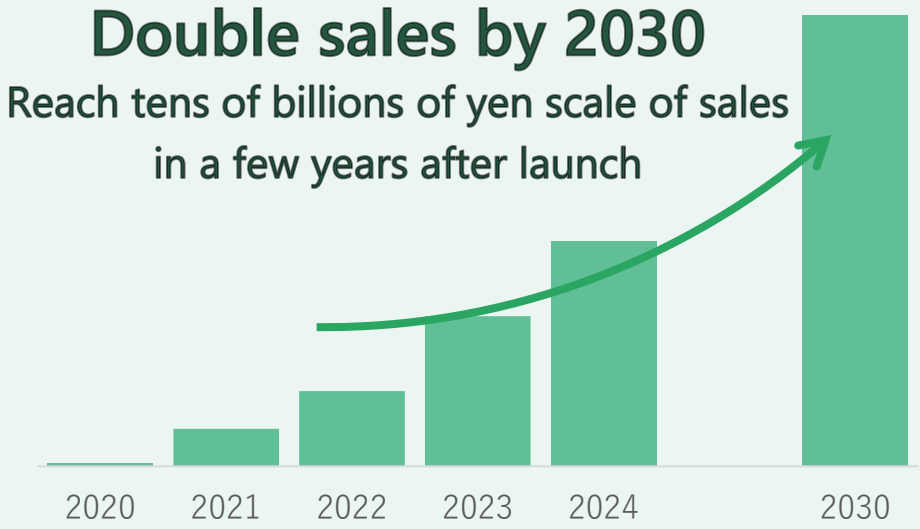
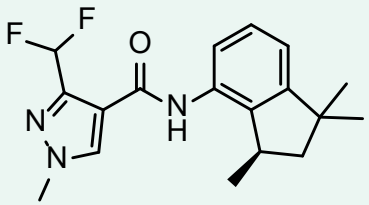
INDIFLIN®





- ✓ Apply to various methods, such as spraying and seed treatment
- ✓ Accelerate globalization
  (Already registered in 11 countries)


Soybean fields without fungicide treatment


The area treated with Excalia Max™

Sales bland in Brazil (Excalia Max™)

Actions for sales expansion

- ✓ Expand product portfolio（Mixtures, etc）
- ✓ Development of New Business Opportunities
  (Sales region, crops, methods expansion)

3. AgroSolution Blockbuster : Rapidicil®

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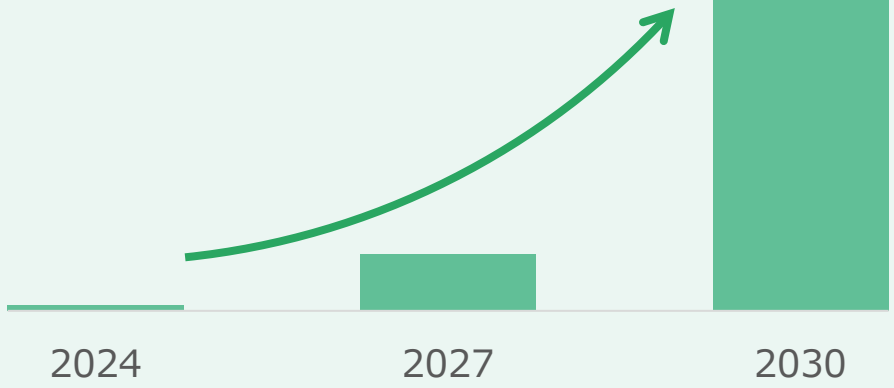
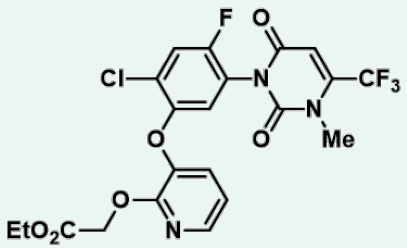
Rapidicil®

Reach to tens of billions of yen scale of sales by 2030





- ✓ Fast-acting and Non-selective herbicide.
- ✓ Apply to no-till farming contributes to regenerative agriculture.
- ✓ Registered in Argentina in July 2024

Fast-Acting：Condition before and 7days after Rapidicil ® treatment

Empera™：Product brands in Argentina and other countries

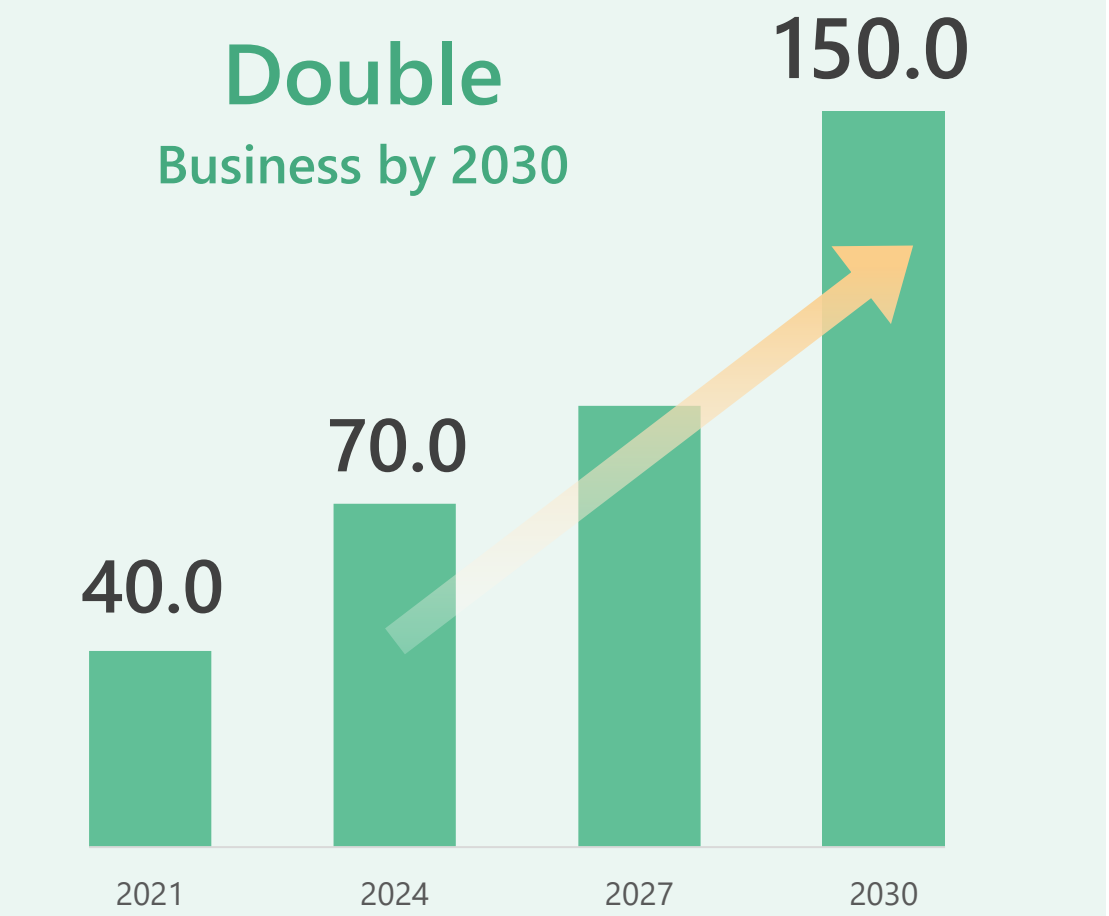
Actions for sales expansion

- ✓ Promote products registration in North and South American countries and expand products lineup through mixture development
- ✓ Develop next-generation weed control system using PPO-resistant crop and product.

3. Biorational/Botanical Business Expansion

Biorational/Botanical Business Sales Target

(Unit: Bil JPY)



2021-2024 Investment in various areas

- Expansion of Biorational Research Center
- Establishment in direct sales organization in USA
- Capacity Increase in Osage (USA) and Botanical Production, Utilize Brazil production capability
- Acquire FBS (USA-Biostimulant) , Expand Botanical Portfolio

2025～ Accelerate actions for further business expansion

- Accelerate sales promotion, leveraging Biorational Sales Unit in each region⇒Expand business in various regions, incl. Brazil, India, Europe and USA
  ⇒Botanical: Promote sales expansion in Ag, PCO and other areas.
- Launch new products in each countries and enhance PLCM activities , including label expansion, new formulation and mixture
- Global Expansion of Biostimulant and Pheromones
  ⇒Accelerate registration and launch in each countries and development of mixtures/
- Continue to seek for M&A opportunities to expand business further

3. Biorational Investment

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fbsciences®

Barrix®
One for everyone

FBS(USA) Barrix (India)	USA Illinois BRC (HQ/R&D)	USA Iowa Osage Site	Brazil Maracanau Site
• FBS/Biostimulant (March 2023) • Barrix/Pheromone (December 2023)	• Expansion completed (April 2024) • Synthetic Biology	• Increasing fermentation and other processes.	• Increasing product functions & capacities since 2023 summer

We will expand our biorational business significantly based on strengthened portfolio and R&D/Manufacturing/sales platform.

3. Biorational R&D Project List (2025-2027)

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Over 40 R&D/PLCM projects are ongoing. More than 20 will be completed during 2025.

Launch in 2027	Launch in 2026	Launch in 2025
Citrus (TR), Cherry (ZA)	Citrus (ZA & BR), Grape (AU)	Verdant/Regulex (C. America), BA1-S (C. America/Dole), Pincor (MX)
Corn (BR & EU), Soybean (AR, BR, US)	Bta formulation improvement (BR & AR); Soybean	Retain (TR), OutReach (MX), Ba1-S (CL)
Sugarcane (BR)	Sugarcane (BR)	Aveo EZ (Infurrow – BR/PY) OutReach (US), TopGrain(US), Symvado 2.0(US), Proliant Plus (
Cotton (BR)	Cotton (BR)	SugarMax (BR), Proliant Plus (BR)
Tomato (MA & ZA)	Vegetable (AU, ID)	Cytolin (TR), Outreach (US), Aveo EZ (BR), Cytolin XT (US)
Rice (ID)	Wheat/Rice (BR)	Accel (US), Symvado 2.0 (US), Outreach (MX), Accel (US), Aveo EZ (CL), LiquidShade
Chicken (Global)	Swine (US), Chicken (US)	InGrain (VN), TopGrain (IN), TopGrain (EU), EndoFuse (AR)
Mosquito Adulticide (C./S. America)	Mosquito Adulticide (C./S. America)	Gnatrol (BR)

3. Activities for Botanical Business Growth

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Botanical Portfolio- Product Variety

Possess all active-ingredient to be registered in EPA

- Natural Pyrethrin, Sabadilla, Neem
- Promote development of new-botanical synergist

Pyganic SPECIALTY　EVERGREEN PYRETHRUM CONCENTRATE　Azera INSECTICIDE　Debug ON

Sales Expansion in Ag and EHD areas.

Proactive demand creation activities towards in customers in each region.

- NAFTA：Focus on professional usage
- Europe：HORECA(Hotel & Restaurant) Home & Garden leveraging uniqueness of Natural Pyrethrin
- Japan/Asia: Towards major customers

Proactive demand creation activities towards in customers in Ag use.

- NAFTA: Focus on organic usage
- Latin America: Plan to launch for banana
- Europe: Horticultural crops in southern region

Productive Actions for Capacity Increase

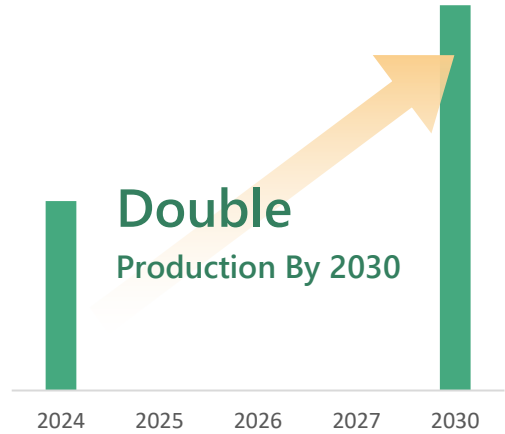
Accelerate increase of production by expanding pyrethrum cultivation area

- Expand contracted partners and in-house cultivation
- Seek for new cultivation areas

Production Efficiency

- Shorten lead-time and increase volume of AI through seed hybridization
- Investment in facilities to reduce loss during process

Natural Pyrethrin Volume



3. Agro Solutions Strategies : Global FootPrint

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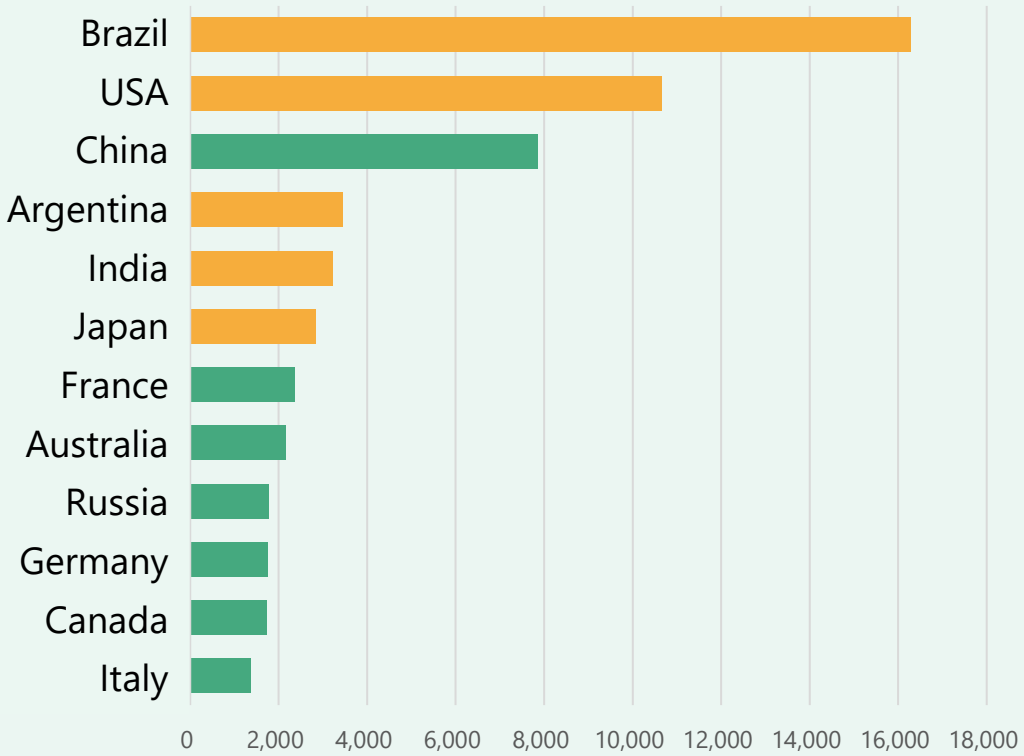
We have own-footprints in 5 countries among top-6 – drive for business expansion

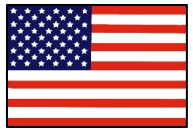
Crop Protection Market Size (2023)



(Source：AgbioInvestor)

Our Actions in each market

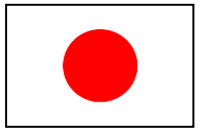
- Sales Expansion INDIFLIN® & Launch RAPIDICL
- Promote Seed Treatment & Biorational Business
- Utilize Maracanau site for LATAM and Global



- Completed Restructuring USA Affiliates/Shared Service
- Sales Expansion INDIFLIN® & Launch RAPIDICL
- Promote Seed Treatment & Biorational Business

- Sales-Expansion, leveraging ex-Nufarm footprint
- Start Sales of RAPIDICILTM – Registration Completed
- Promote INDIFLIN®, Seed Treatment & biorational Business

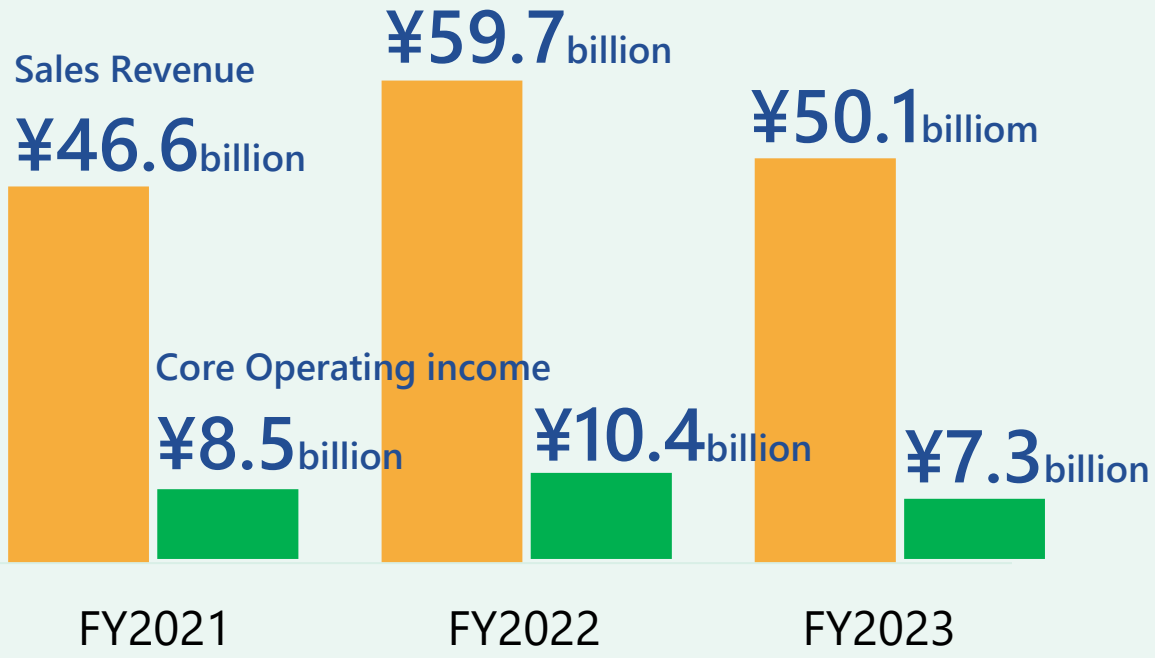
- Expand Biorational & Develop/Launch new mixtures
- Realize sales expansion though digital Marketing
- Utilize manufacturing capability for global sales



- Completed transformation of business portfolio
- Promote Agro-DX (Enlarge Agro-Apps .etc.)
- Promote B2020 Sales

3. Strengthening Business Presence in India

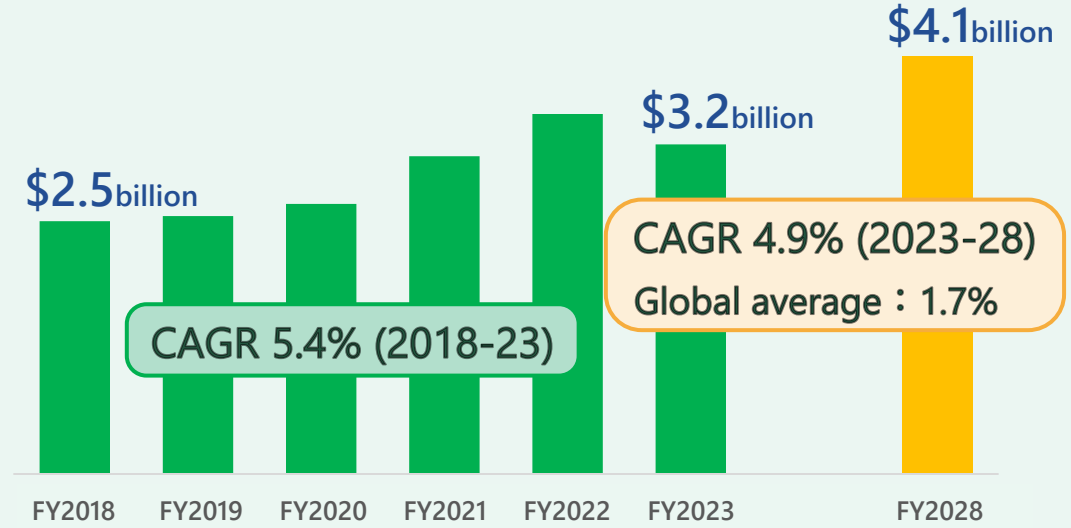
SCIL Business Performance



Market Cap	Approx. 280 Bil INR (490.0 Bil JPY)
Number of location	8（Headquarters in Mumbai・Oficce in Delhi・Barrix・5 manufacturing sites）
Number of Employees	1,986 * As of September 30,2024

India Market: Top growth in Global

Source：AgbioInvestor



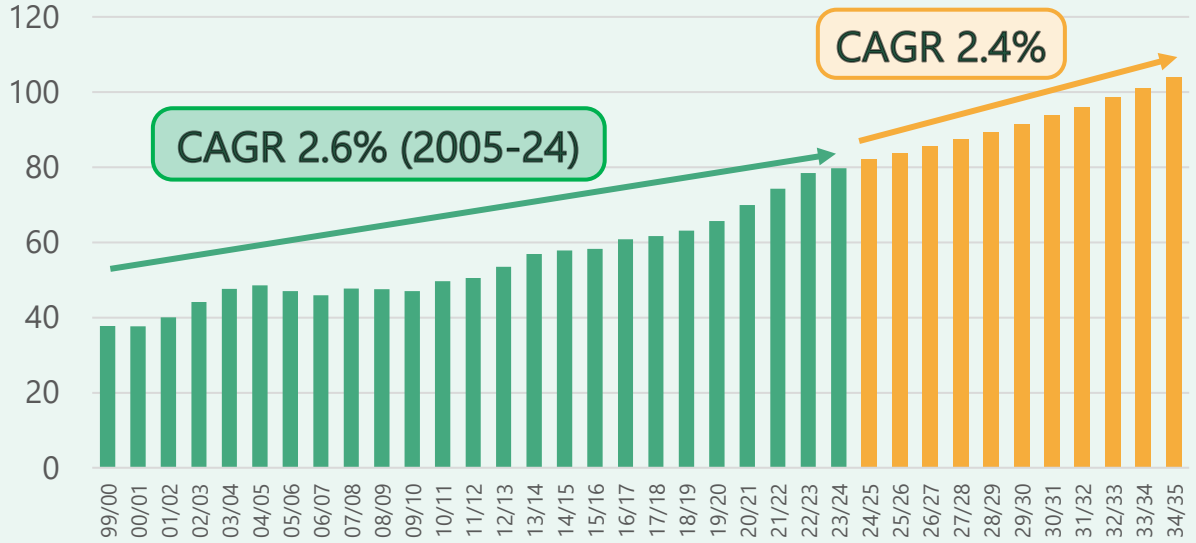
SCIL is positioned within the 2nd group for domestic sales in India

Actions to accelerate Business Expansion in India

- Expand Biorational & Develop/Launch new mixtures
- Realize sales expansion through digital marketing
- Utilize manufacturing capability for global sales

3. Strengthening Business Presence in Brazil

Brazil Market: Continue to Grow



(Source：Cogo Inteligência em Agronegócio)

Forecast of grain cultivation area in Brazil (Million Hectares）

Overview of Latin America Organization

Company	**Brazil, Argentina, Chile, Colombia**
Function	**Sales Research/field/Manufacturing factories(Brazil)**
Number of Employees	**Approx. 950**

Achievements - 2020-2024

- Completed PMI
- Increase in Sales of Our Products

  (193% compared to FY 2020, with Biorational products at 217%)
- Launched of INDIFLIN®
- Expanded Maranacau Factory Functions

Actions to accelerate Business Expansion in Brazil (FY2025~)

- Launch and Sales expansion of Rapidicil®
- Further expansion of INDIFLIN® sales

  (Expand applicable crops, develop and launch of next-generation mixtures)
- Expand Biorational products through a special organization
- Differentiation of Existing Products through the Execution of the PLCM

3. Strengthening Business Presence in European Market

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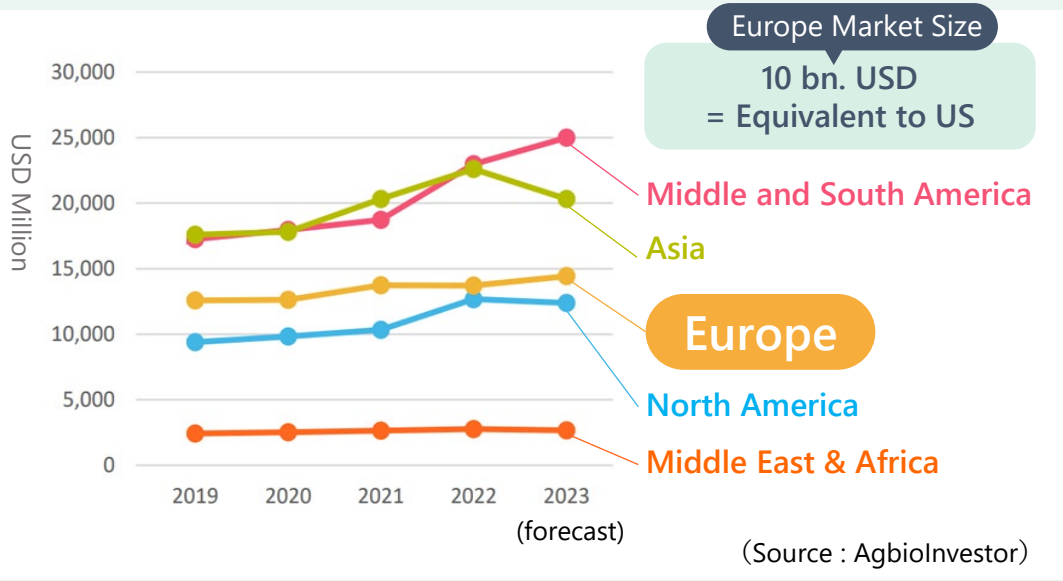
European market size



（Source : AgbioInvestor）

Characteristics and trends

- Longer registration evaluation periods due to strict regulations
- Main crops are wheats and fruits
- Products with high environmental impact drop out from the market

Greater opportunities for biorationals

Our actions

Strengthen portfolio × Strengthen footprint

Launch new products

- INDIFLIN®
- Biorational fruit thinner (Accede®)

Further strengthen biorationals business

- Early launch of FBSciences products
- Strengthen footprint and portfolio through M&A

3. Two wheels of DX strategies for Agro-Solutions Division Japan

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Provide Product information　ID Integration　Provide Service Infprmation

i-農力

- Monthly Product Introduction

- Tool for Simulation of Grape Coloring

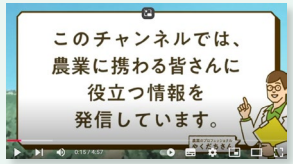
- Agrochemicals Product Information for stink bug（LINE）

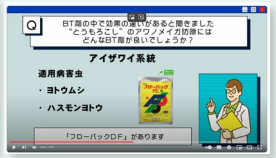
- Opening Drone Site
- （to be released 2025 Spring）

YouTube

- 33 Movies

# of subscribers 1,510





つなあぐ tsuna-ag

P Various Services Available through unified ID

Comprehensive Information Services through both website and application
Points add up through Agro-Apps.

- Plans to expand Agro-Apps
- Seek for collaboration 3rd party's services with whom we can share ideals
- Our Goal : Provide new value and realize new Agricultural communities

3. Actions to strengthen global supply chain system

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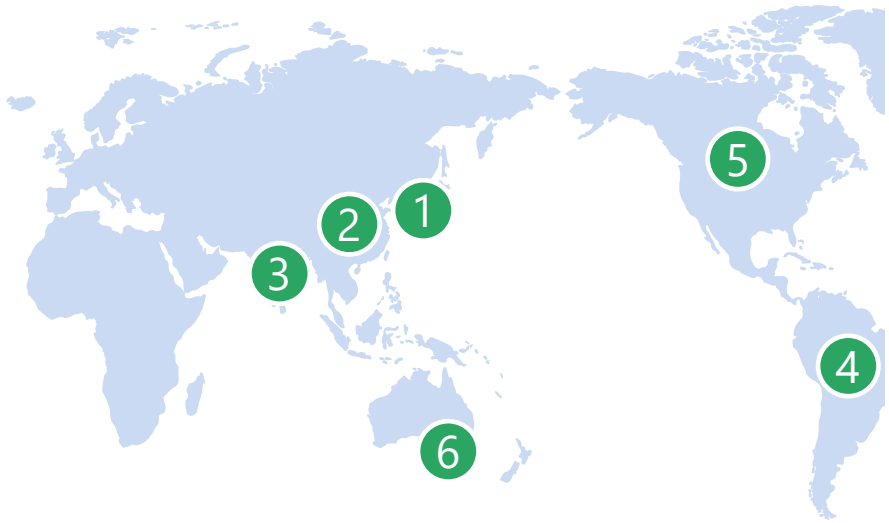
Accelerate to establish cost-competitive and resilient global supply chain system



Vapi Plant, Sumitomo Chemical India

1 Oita focuses on new agrochemicals and pharmaceutical-related products and Misawa produces EHD products mainly.
Existing Molecules might switch into overseas production

2 Realize cost competitive procurement for LATAM off-patent products and others through consolidate procurement function for China

3 Accelerate to transfer production for existing molecules from Japan
Utilize production functions in India for not only finished products but also intermediate for new products

4 For LATAM : Increase production capacity and enlarge functions for new products and biorationals.
Other regions : Utilize Brazil site for other regions.

5 Biorational : Osage Site to strengthen cost competitiveness and Increase the capacity
MGK : Enhance cost-competitiveness and Increase capacity for EHD and botanical product

6 BRA : Increase Botanical production capacity for sales expansion in Agrochemicals and EHD areas.

04

Agro & Life Solution FY2030 Financial Target

4. 2030 Financial Target

SUMITOMO CHEMICAL

FY2024

600Bil.JPY

Sales

60Bil.JPY

Core Operating income

FY2030 (Target)

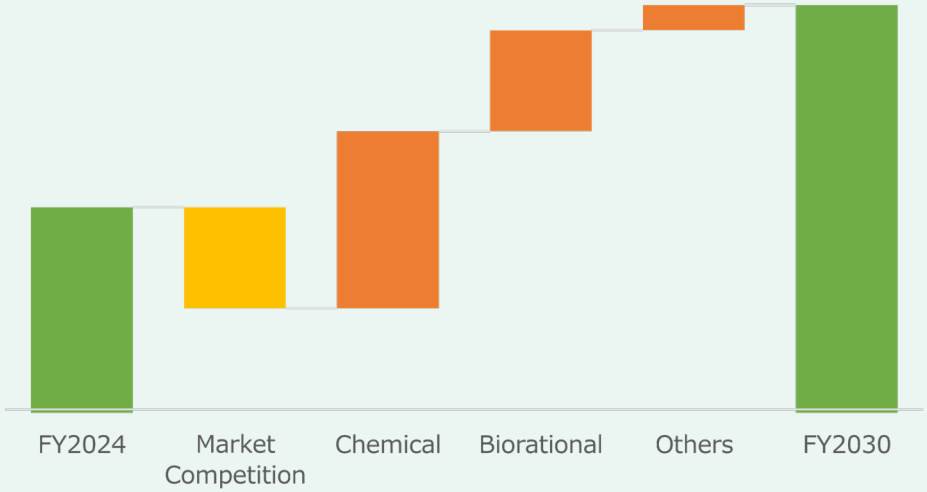
800Bil.JPY

Sales

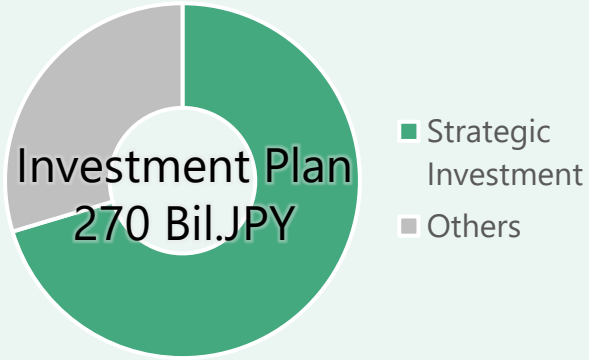
100Bil.JPY

Core Operating income

The Bridge to FY2030 Target



Investment Plan FY2025-2030



Strategic Investment includes

- Items for Business Expansion
- M&A

Section

02

ICT & Mobility Solutions

Today's Agenda

SUMITOMO CHEMICAL

01 Launching a new sector

02 Business Environment・Business direction

03 Growth strategy

04 Towards sustainable growth

01

ICT & Mobility Solutions
Launching a new sector

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ICT & Mobility Solutions Sector Vision

Integrate businesses related to ICT and mobility, fuse our core technologies and accumulated know-how, and provide total solutions to accelerate customer innovation, thereby contributing to Society 5.0.

1. Launching a new sector

SUMITOMO CHEMICAL

SUMITOMO CHEMICAL

Propose thinner, higher resolution displays for mobile, IT and cutting-edge applications

Display solutions

Create core semiconductor related materials that contribute to the spread and evolution of AI and broader and more advanced applications for IoT

Semiconductor material solutions

ICT & Mobility Solutions Sector

FY2023 Net Sales

Approx. 600 bn. yen

Provide advanced materials to support smart mobility

Mobility material solutions

Electronic components, etc.

1. Launching a new sector：Product portfolio

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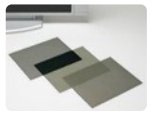
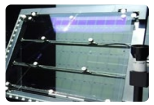
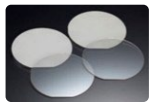
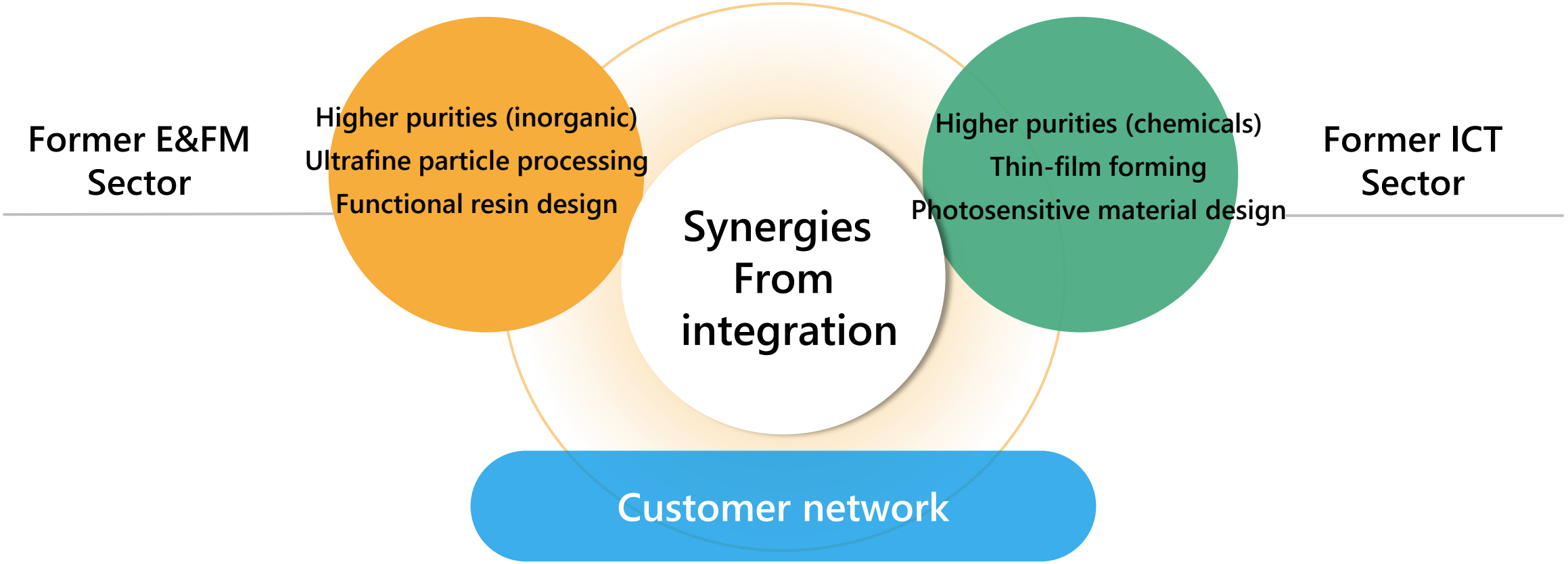
Market direction and technological needs		Product portfolio	
Semiconductor technological innovations	Ultra die shrink/3D structure		Advanced Photo resist
	Higher purities		High-purity Chemical・ Performance Chemical
	Ultrafine particle sizes		High-purity Alumina
Evolution of displays	Thinner		Polarizing film、Anti-reflection film Retardation film for OLED
	Higher resolutions		Color resist
	Multi-layer and fine paterning		Sensor・Telecommunication material
Spread of smart mobility	High-speed response High energy efficiency		GaN substrate
	High heat-resistance Easy formability		Super Engineering plastics

1. Launching a new sector : Significance of departmental reorganization



Consolidate core technologies and resources

Support shift of innovative technologies in semiconductor field

Top runner in next-generation high-performance displays

1. Launching a new sector : Building out a base to support tremendous growth

SUMITOMO CHEMICAL

Major achievements in FY 2022-2024	
Semiconductor materials	▸ Enhanced supply chain and strengthened development infrastructure for photoresist and high-purity chemicals
Display materials	▸ Built out a business structure focused on OLED and automotive
Mobility material	▸ Prepared production regime to support future growth in strategic products

Investments in the current plan

Investment in 3 areas

120

billion yen

Business performance summary

- The former ICT Sector looks set to achieve medium-term targets (150 billion yen over 3years), ROI (average of 10% over 3 years), for FY 2024 on a recovery in demand for semiconductor materials.
- The former E&FM Sector will miss target on market deterioration for battery materials.

02

ICT & Mobility Solutions Business Environment· Business direction

2. Business environment in 2030

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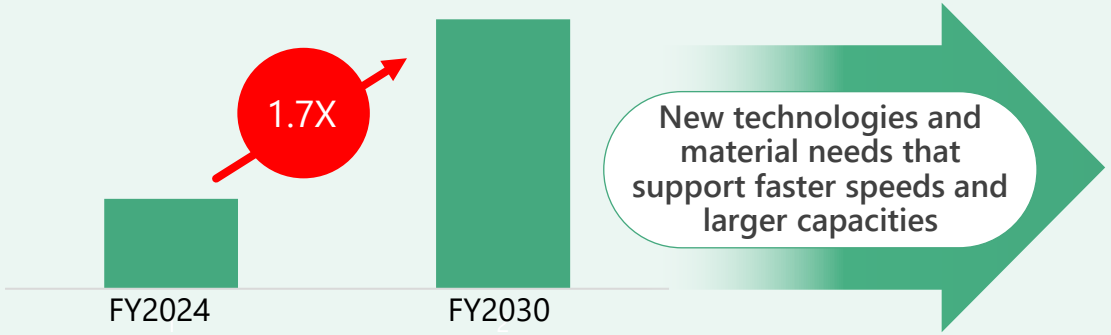
Semiconductor materials

The silicon semiconductor market will continue to grow in a stable fashion, driven by expanded AI applications, further advances in IoT, and the spread of autonomous driving and smart mobility **Should become an even larger market in 2030**

Increased demand for new technologies such as 3D to drive greater sophistication and diversification in materials technologies and needs

Launching the Indian market as a next-generation semiconductor integration base

Semiconductor materials market size



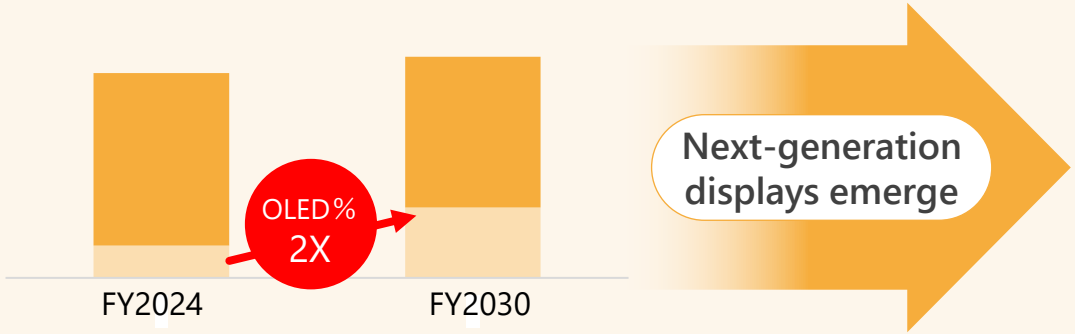
Display materials

Smartphone market matures. Meanwhile, shift to OLED progresses in tablets and notePCs in the **late 2020s**

Technological innovations drive spread of **next-generation displays** for XR fusing real and virtual worlds

Greater demand for larger screens and higher performance in automotive applications
(2X increase in screen area in 2030 vs. today)

OLED ratio in mobile, IT, and automotive



Mobility materials

EVs are advancing due to automated driving, etc.
Needs for further weight reduction and higher efficiency of materials

ICT for Mobility, Smart mobility is becoming increasingly popular

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Leading up to and going beyond 2030

- Expand business in advanced semiconductor production processes (front- and back-ends) leveraging core technologies and key materials aimed at creating new semiconductor materials that support die shrink and 3D structure
- Deploy new high-performance products in the fields of next-generation displays, high-speed telecommunications, and power semiconductors leveraging our business know-how and network
- Expand business geographies with high-purity chemicals
- Relentless portfolio upgrading

03

ICT & Mobility Solutions Growth Strategy

3. Growth strategy：Semiconductor materials（Growth Cycle）

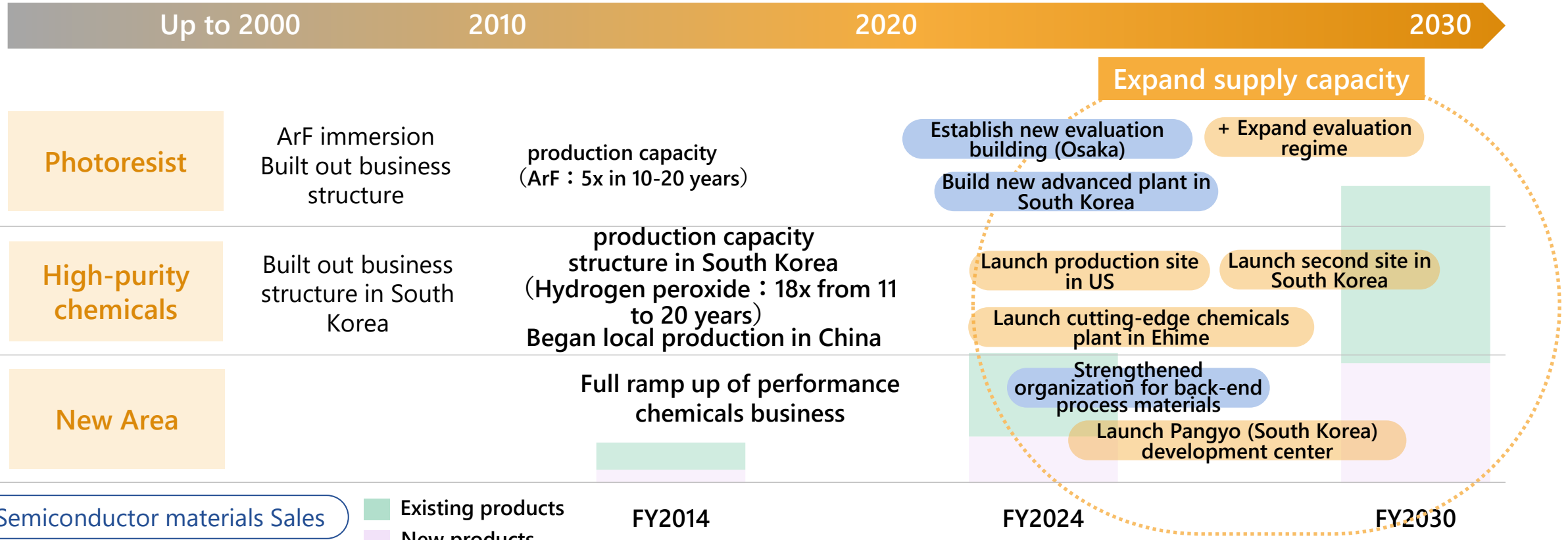
SUMITOMO CHEMICAL

results — Expand business scale through technological innovations → upfront investments → Achieve a high-return cycle

Toward Business Expansion

（1）Enhance both the quality and scale of development, reallocating resources towards back-end operations.
（2）Commit to substantial up-front investment, focusing on the development of robust supply systems.
（3）Expand production capabilities across key regions

Sustainable business expansion through growth cycles



3. Growth strategy：Semiconductor materials (product lineup)

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Front-end

Photoresist — ArF immersion resist Top class globally

High-purity Chemical — One of global leaders

- IPA、Ammonia、Hydrogen peroxide、Sulfuric acid etc.

Performance chemicals — Late 2010s Full business ramp-up

- Thinners for Advanced photoresist
- Selective etchant

High-purity Alumina

- Ultrafine particle for Grinding and manufacturing machine

High-purity Aluminum for semiconductor — One of global leaders

GaN substrate — One of global leaders

Back-end

Thick Photoresist

High-purity Chemical for back-end processes

Performance chemicals — Early 2020s Full business ramp-up

- In-process Cleaner
- Wafer protection agent

High-purity Alumina

- Thermal conductive filler

Advancing development and strategic restructuring drive the expansion of solution materials.

NEXT STEP

Support Advanced device and expand sales geographies

Expand lineup

3. Growth strategy : Semiconductor materials (Advanced resist)

SUMITOMO CHEMICAL

Advanced resist business strategy

Delve deeper in core technologies

Control technology for dissolution rate contrast

Material design and synthesis capabilities

Contributing to higher functionality

As a top runner

×

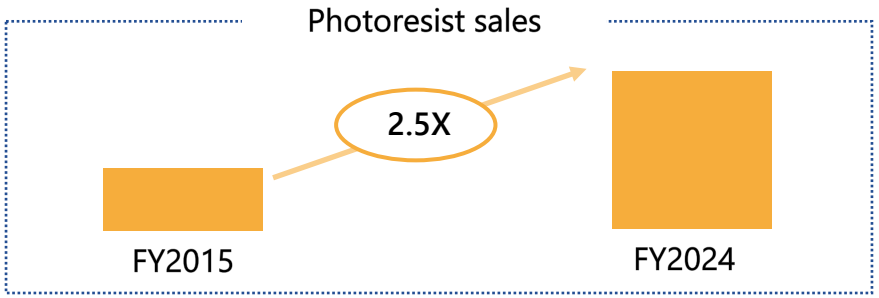
Strengthen global supply capability

South Korea Launched new plant for product lineup

Osaka Works Built new evaluation bldg for research and mass production

Established a two-site supply system in Japan and Korea

- New platform for next-generation EUV
  Begin performance validation of organic molecular resist

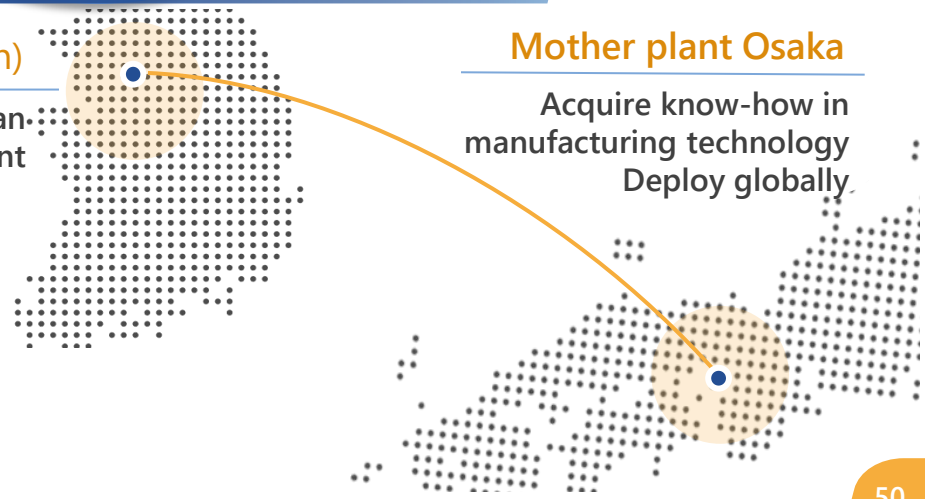


South Korea (Iksan)

Stable supply for S. Korean customer(s) with second plant

Mother plant Osaka

Acquire know-how in manufacturing technology
Deploy globally



3. Growth strategy：Semiconductor materials (Advanced resist)

SUMITOMO CHEMICAL

Next-generation EUV resist (ubject to Customer Evaluation)

Design and mass-produce resist materials at molecular size to support ultra die shrink of semiconductors

Concentrate R&D resources and accelerate development of next-generation platform

Strong Point

	Next-generation (high NA)	Existing type
Platform / Size	Made from organic molecules/ Molecule size: up to 1 nm	Main ingredient is polymer / Polymer: up to several nm

1 Metal-free

2 Molecule size: <1nm

3 High development contrast design

Affinity with existing processes

Achieves high-resolution

Target share for the time being

20% share by volume in Advanced resist

3. Growth strategy：Semiconductor materials（High-purity chemicals）

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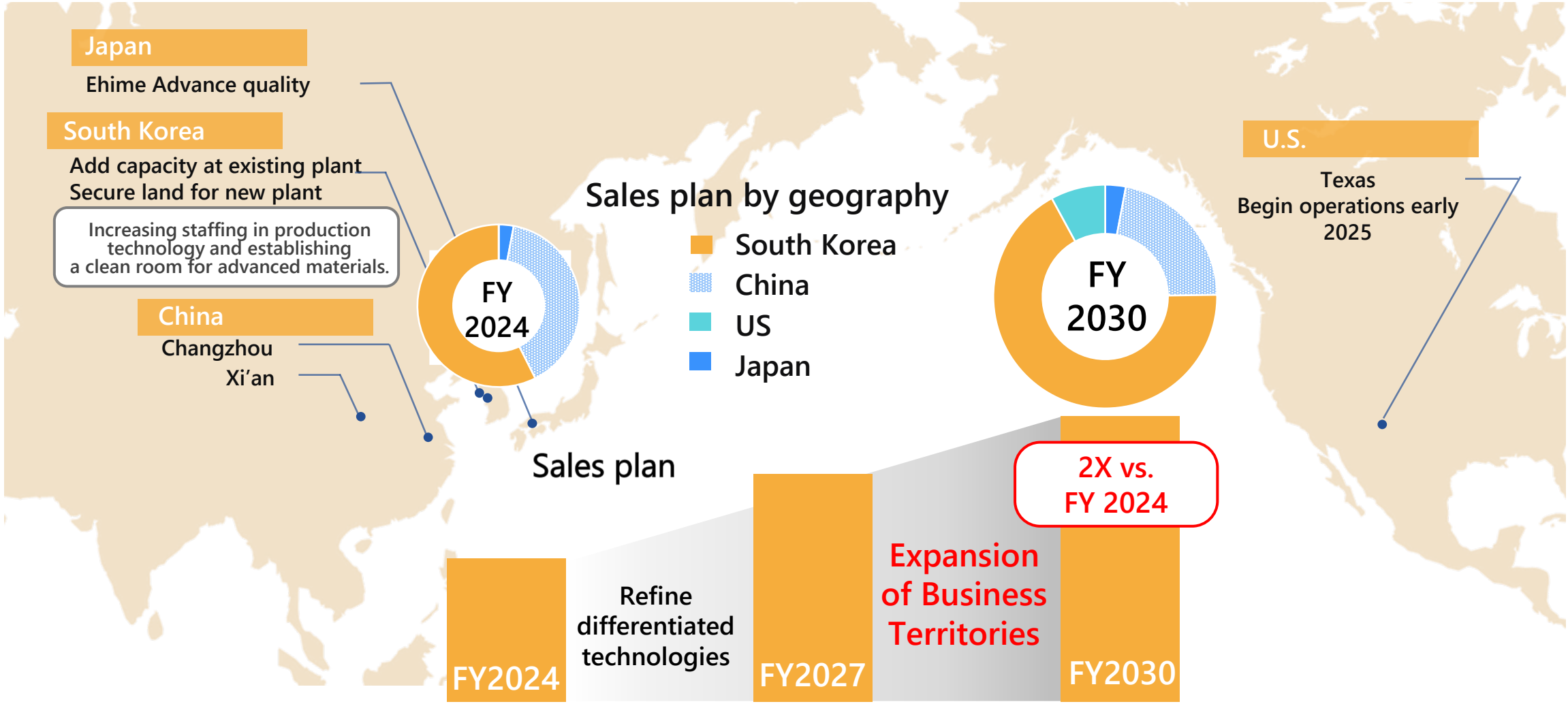
Establish world-class business scale with supply capabilities built from upfront investments.
Strengthen process technology and evaluation and analysis infrastructure to ensure the stable supply of high-quality products tailored to advanced technologies.



3. Growth strategy：Semiconductor materials（Performance chemicals）

Increasingly complex manufacturing processes as semiconductor die shrink and 3D structure

⇒ Propose solutions combining Core Technology and materials customized to specific customers and products

1 **High-purity refinement**
〈 Support Ultra high-resolution 〉

2 **Design customized products**
〈 Expand lineup to support needs 〉

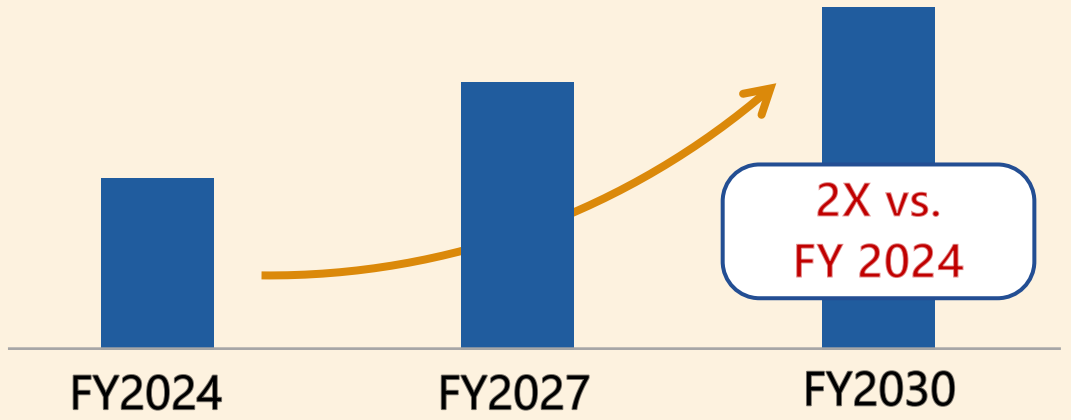
3 **Support global supply**
〈 Leverage high-purity chemicals site 〉

Key products

15% of semiconductor materials business sales
⇒ 2X in these 5 years

- In-process cleaners
- Thinners for advanced photoresist
- selective etchant

Sales plan



3. Growth strategy：Semiconductor materials（Back-end materials）

SUMITOMO CHEMICAL

✓ **A cutting-edge back-end market is starting to form, triggered by major technological innovations in semiconductor**

Market trends

Device die shrink and complexity progresses.
Heat generation increases substantially.
Greater need for energy efficiency.

- Major front-end device makers lead process development
- Increased importance of thermal management

Enter back-end process material market leveraging our know-how in front-end process materials, proprietary performance materials and processing technologies

Photoresist	Performance chemicals	High-purity chemicals
High precision	High-purity precision and trace amount analysis	
Functional molecular design		Quality management *Impurities at the ppt level Management technologies
Photosensitive material design	Process suitability	

×

Key materials

Advanced inorganic materials
Highly thermal conductive filler (alumina)
Ultrafine particle processing

Performance materials
Functional resin design

Core technologies

Display films
Roll to Roll precision lamination and coating
Advanced optical inspection technologies

3. Growth strategy：Semiconductor materials（Back-end materials）

SUMITOMO CHEMICAL

Major customer began adopting performance chemicals (in-process cleaners).

Other development products also progressing smoothly.

Aim for 10% of total semiconductor materials sales as first step

Performance chemicals

- In-process cleaners
- Wafer protection agent

Adopted in mass production

- Chemicals for High throughput processes

⋮

Under development with customer

Packaging materials

- Next-generation thermal management materials

⋮

Under development with customer

Interconnecting materials

- For next-generation processes Photosensitive materials

⋮

Under development with customer

Leverage ties among development sites in Japan and South Korea and network of front-end device makers and accelerate materials development for cutting-edge back-end processes where technological innovations continue

3. Growth strategy：Displays

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Continuing to drive innovation in display materials through the collective efforts of all divisions.

Polarizing film for OLED

- Proprietary design integrated from the compound through to the polarizing film
- laminate Thin-film polarizer with superb optical performance

Keep № 1 position with industry-leading proprietary technologies

Automotive polarizing film

- Proprietary highly durable design
- Rapid support of shift to OLED where we possess know-how

Solid share gains

Components for foldable panels (CoE)

- High-durability protecting films
- High-resolution color resist
- Diffraction prevention (liquid crystal coating film), etc..

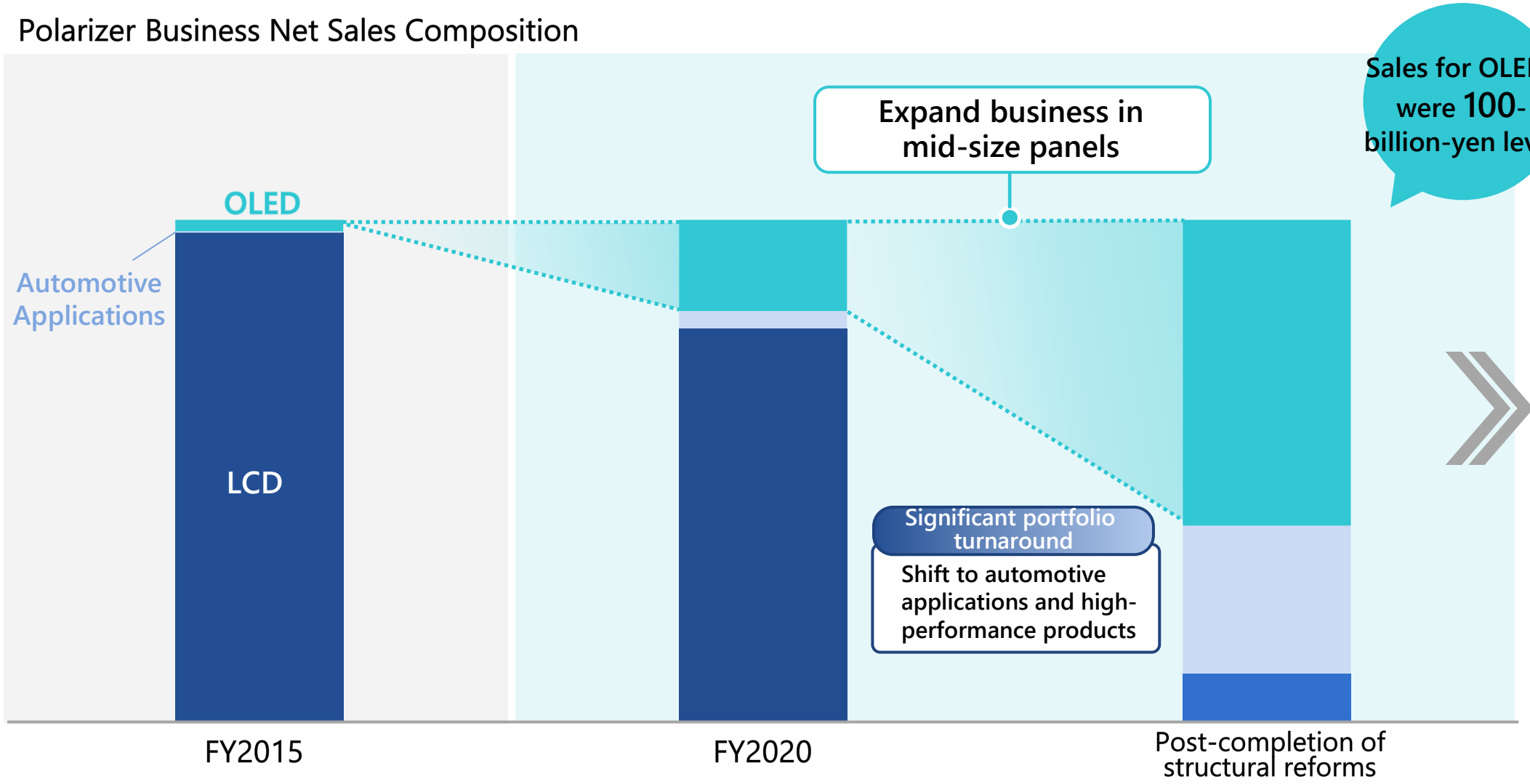
Deploy our broad-ranging product portfolio

3. Growth strategy：Displays

SUMITOMO CHEMICAL

Business transformation is underway through a three-pronged strategy of marketing, development, and structural reform. Leading the global market in OLED polarizers and ranking second in automotive polarizers.

Polarizer Business Net Sales Composition



3. Growth strategy：New businesses

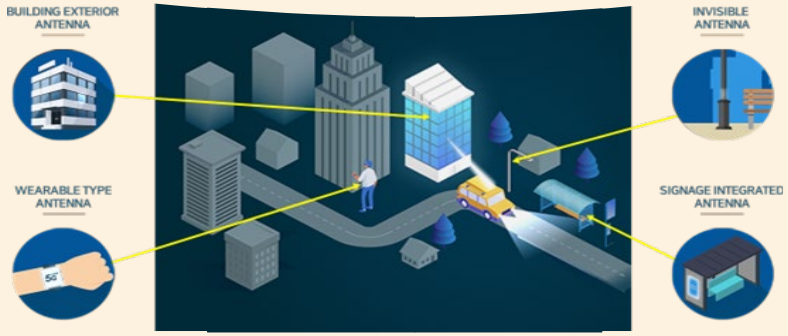
SUMITOMO CHEMICAL

High-performance antennas for high-speed telecommunications

Approach new business domains based on multi-layer and higher-resolution technologies developed in color filters and touch sensors

Characteristics

- Can be deploy onto display
- Contributes to more compact mobile telecommunications relays

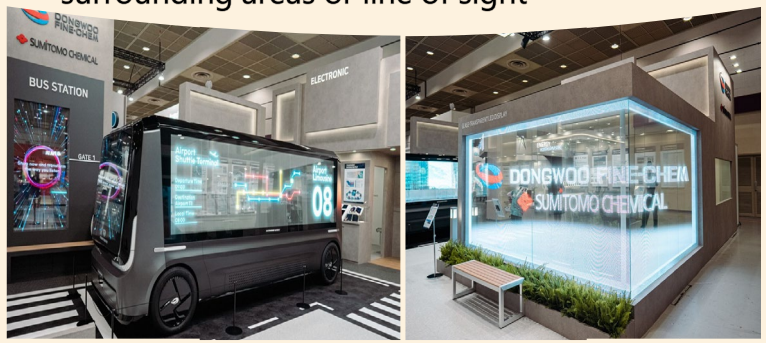


Around 100 billion yen

Transparent LED

Characteristics

- Can visualize screen display and background simultaneously
- Can be deployed without obstructing view of surrounding areas or line of sight



Several tens of billion yen

GaN-based products

Taking advantage of the superiority of our proprietary technology Mass production of large-diameter products

Characteristics

- Cost competitiveness through integrated substrate/epitaxial wafer production
- Quality advantage from proprietary manufacturing technologies

Cutting-edge market

- High-quality substrates for next-generation high-power laser applications
- Demand for power semiconductors to ramp up starting around 2030

Several tens of billion yen

Expected market size in the 2030s

04

ICT & Mobility Solutions Towards sustainable growth

4. Towards sustainable growth：New areas of focus

SUMITOMO CHEMICAL

Enabling technologies in the 2030s

Semiconductor	Display	Telecommunications	Mobility
Silicon semiconductor (Ultra-high integration, multi-functionality)	Penetration by next-generation displays (Thinner, high resolution)	Opto-electric fusion, optical satellite telecommunications (Higher-capacity telecommunications)	Power semiconductors, high-performance batteries (High output density)

Higher performance and integration to drive increased power consumption, exposing the limits of existing cooling technologies

Providing next-generation thermal management that cover a wide range of areas

Example of applications	Advanced devices		Data centers		Mobility
Process technology	Ultrafine particle processing, film lamination		Thin-film formation	Precision molding	Process technology
Our products	High-purity Alumina New inorganic fillers	Low-permittivity resins Low-CTE resins		GaN epiwafers Large-wafer GaN substrates (Toward high-efficiency	Automotive functional films
	Heat release		Suppression of heat generation		Heat control

- Optimal use of 1,000 R&D staff in sector
- Prioritize allocation of resources toward fields related to thermal management and accelerate development

4. Toward Sustainable Growth : Expansion of Business Development Areas

～2010s

Expansion into IT company clusters

Localization of displays and semiconductors in Korea, Taiwan, China and Vietnam

Early 2020s

Expansion of U.S. business Respond to demand for returning to the domestic market

Expansion into the U.S. semiconductor market

Full-fledged semiconductor chemical business in the U.S.,with the new Texas plant as a bridgehead.

Production capacity for advanced high-purity chemicals increased at Ehime Works

Supply system facilities to respond to increased activity and demand at domestic sites

Late 2020s

Eyeing business development in potential market

India's expanding semiconductor demand

Current market demand is approximately 5 trillion yen

Demand is expected to triple by the first half of 2030

Pursuing further growth in the U.S.

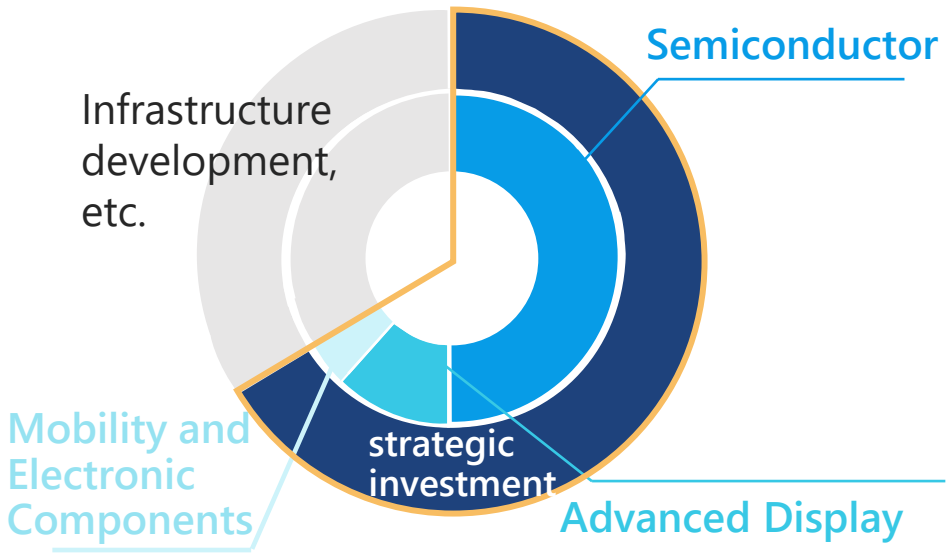
Strategic approach to business expansion in growth markets

4. Towards sustainable growth：Investment Plan

SUMITOMO CHEMICAL

■ Investment results for FY2010-2012 (150 billion yen)

Shift to Semiconductor materials



By region
Domestic 50%, East Asia 30%,
Others (U.S.,Vietnam, etc.) 20

20 billion yen for development system in cutting-edge fields

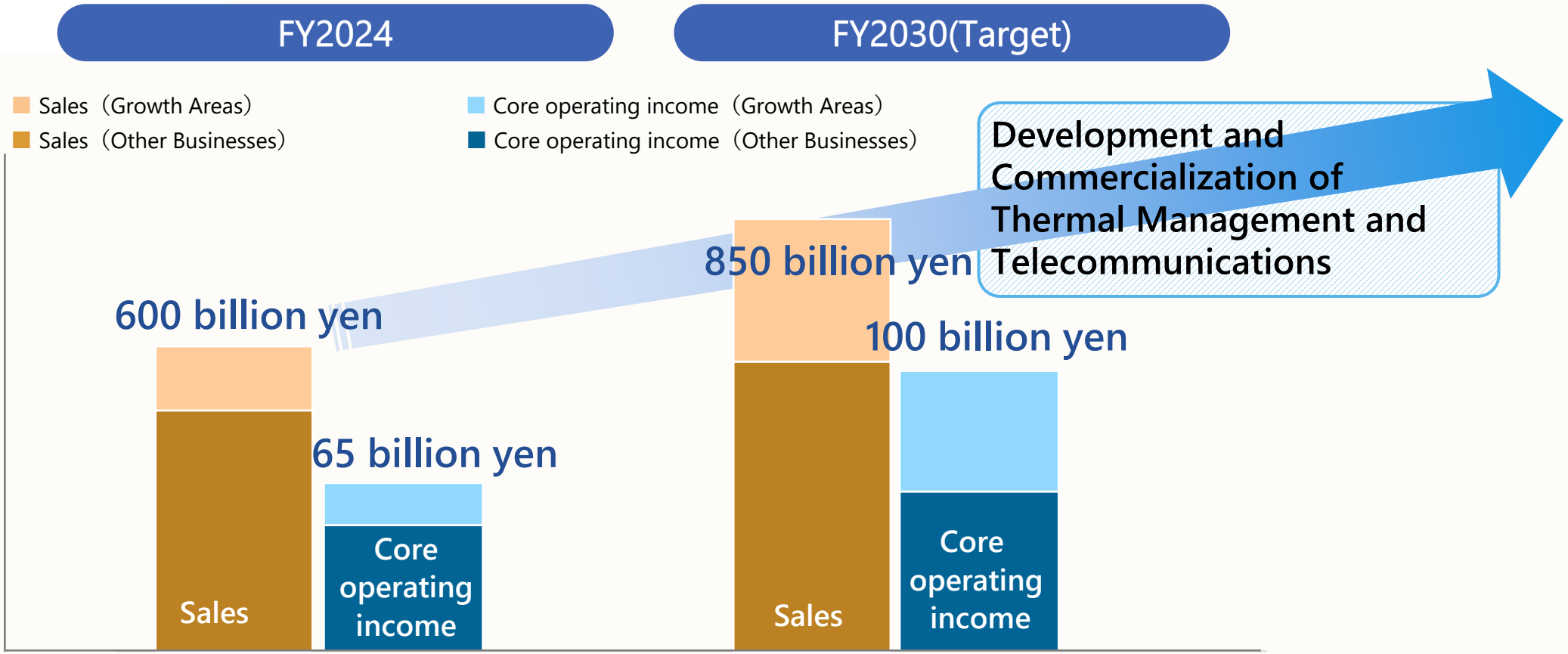
■ FY2025-2030 investment concept (300 billion yen)

Key investment areas (including external alliances and M&A)

- Semiconductor materials expands capacity for advanced display materials
- Launch of thermal management materials including semiconductor back-end processes
- Expansion of sales area (new base development, etc.)
- Reinforcement of development system

4. Towards sustainable growth：profit planning

SUMITOMO CHEMICAL



ROI 10%+ → 15%

Reference) Products

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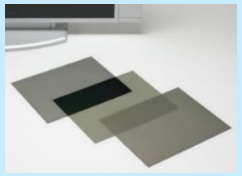
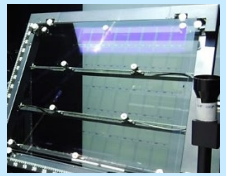
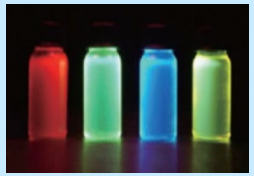
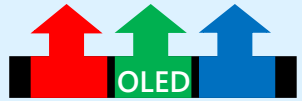
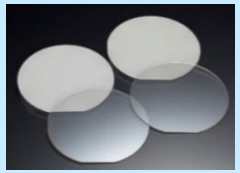
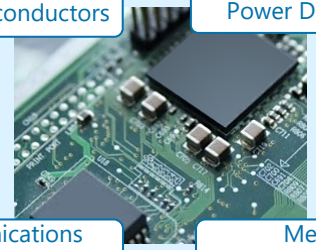
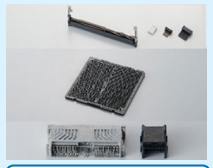
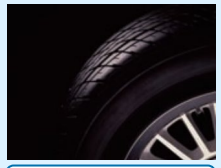
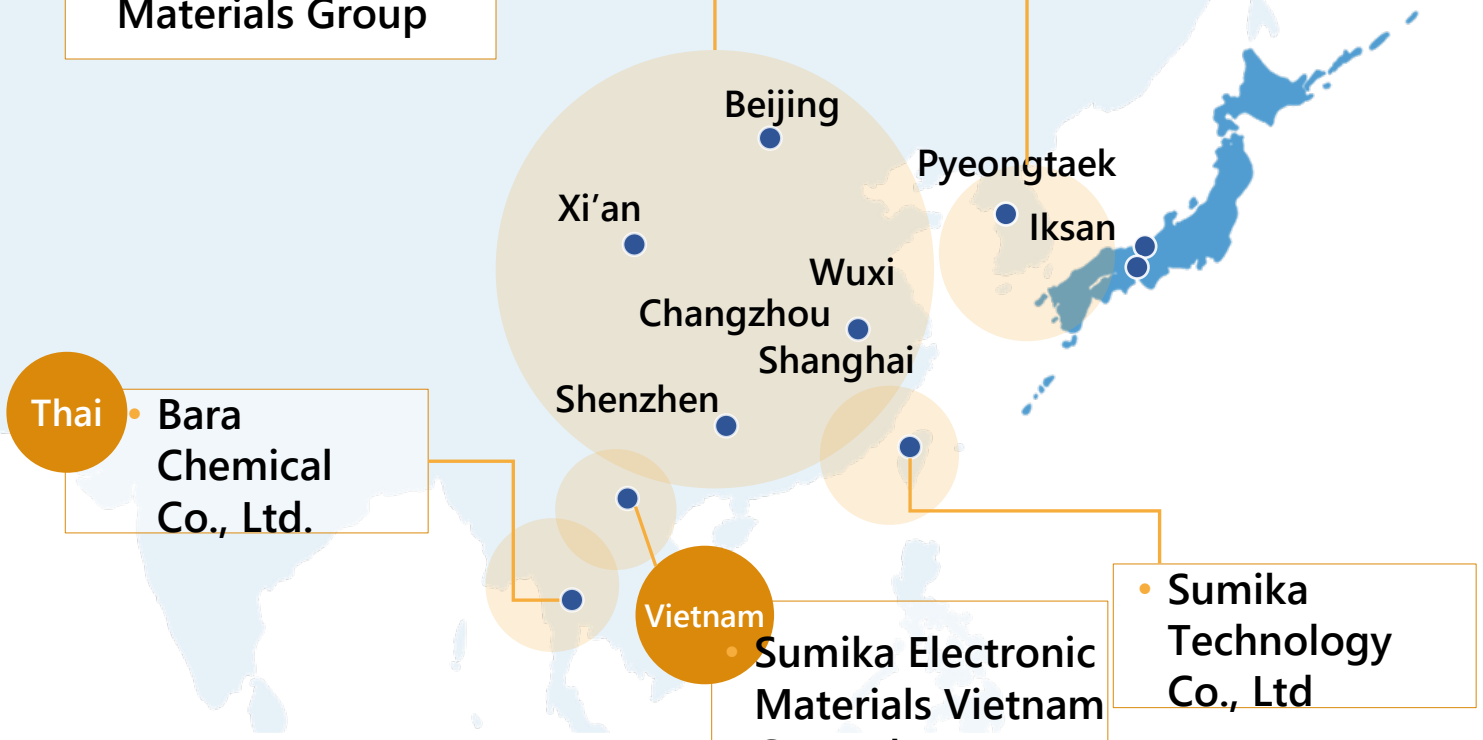
	Major products	Products of our customers	End-of-market
Displays	 Polarizing Film  Touchscreen panels  Color Resist  Polymer light-emitting materials	 LCD panel  OLED panel	 TV／PC
Semiconductor	 Photo resist  High-purity Chemical Performance Chemical  Compound Semiconductors  High-purity Alumina	Logic Semiconductors Power Devices  Communications Devices Memory Semiconductors	 Smart Phone  Wireless base stations
Mobility	 Battery Separators  Super Engineering plastics  Resorcinol	Lithium-ion Secondary Battery   Connector  tires	 Car

Reference) Important business locations (domestic and overseas)

SUMITOMO CHEMICAL

- Dongwoo Fine-Chem Co., Ltd.
- SSLM

- Sumika Electronic Materials Group



- Bara Chemical Co., Ltd.

- Sumika Electronic Materials Vietnam Co., Ltd.

- Sumika Technology Co., Ltd

Sumitomo Chemical

[Works]

- Osaka
- Ibaraki
- Chiba
- Ohe
- Ehime
- Oita

[Affiliated Company]

- Tanaka Chemical Corporation,
- Taoka Chemical Co., Ltd. etc…

U.S.

- SUMITOMO CHEMICAL ADVANCED TECHNOLOGIES
- Sumika Semiconductor Materials Texas Inc.

Cautionary Statement

Statements made in this document with respect to Sumitomo Chemical's current plans, estimates, strategies and beliefs that are not historical facts are forward-looking statements the future performance of Sumitomo Chemical. These statements are based on management's assumptions and beliefs in light of the information currently available to it and involve risks and uncertainties.

The important factors that could cause actual results to differ materially from those discussed in the forward-looking statements include, but are not limited to, general economic conditions in Sumitomo Chemical's markets; demand for, and competitive pricing pressure on, Sumitomo Chemical's products in the marketplace; Sumitomo Chemical's ability to continue to win acceptance for its products in these highly competitive markets; and movements of currency exchange rates.