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Forward-looking Statements

Statements made in this annual report with respect to plans, strategies, and future performance that are not historical facts are forward-looking statements involving risks and uncertainties. Sumitomo Chemical cautions that a number of factors could cause actual results to differ materially from such statements including, but 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.

Financial Statements in This Document

Beginning in FY2017, the Sumitomo Chemical Group began adopting international financial reporting standards (IFRS) in place of Japanese GAAP, which it previously used, and is therefore restating figures for FY2016 using IFRS for comparative analysis.

Guidance for Collaborative Value Creation

The Guidance for Collaborative Value Creation, put forth by the Ministry of Economy, Trade and Industry, is a handbook that serves as a shared language connecting companies and investors, systematically and comprehensively laying out the information that companies ought to convey to investors in order to raise the quality of information disclosure and of dialogue with investors. In this report, the guidance primarily references the flow of value creation.



In Publication of Annual Report 2024

Key Points of Annual Report 2024

Our company publishes three reports: Annual Report, Investors' Handbook, and Sustainability Report. Starting this fiscal year, we have strengthened the integration of the three reports by including cross-referenced page links, thereby enhancing accessibility to each publication. As a result, the Annual Report is particularly focused on conveying key points that we want to emphasize.

This year's Annual Report focuses on recovery from recent performance and the structural reforms aimed at driving future growth. The report has been edited with the aim of highlighting the high feasibility of our structural reforms and the realization of sustainable value creation by introducing our innovation strategies that leverage our technologies and assets, as well as the promising regenerative agriculture-related business.

Structural Reforms for Recovery and Growth → President's Message → Progress of the Corporate Business Plan and Structural Reforms	Businesses Driving Our Growth → Sumitomo Chemical's Regenerative Agriculture
Technological Capabilities Supporting Our Growth → Advance Innovation	Special Dialogue on Governance → Chairman of the Board with Outside Director Special Dialogue on Governance

Information Disclosure System

Three Reports

Annual Report

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

Investors' Handbook

This handbook provides a detailed explanation of our wide range of businesses and products, including market trends.

Sustainability Report

This report contains comprehensive information about our sustainability from the perspectives of the environment, society, and corporate governance.

Website

- Investor Relations
- Sustainability

SNS



Explanation of the Cover

Through a visual representation of dynamic brushstrokes on a blank canvas, we convey our unwavering commitment to transformation, overcoming adversity, and moving toward a hopeful future. Furthermore, by using a diverse palette of colors, we express our commitment to leveraging our wide range of technologies, services, and resources to enhance corporate value.

How do we change to provide value to a rapidly changing society?

Global Environmental Changes

Climate change and other changes in the natural environment are constantly underway. The destruction of the natural environment has a negative impact not only on us humans, but also on all living things and plants on the earth. In recent years, abnormal weather conditions and resulting disasters are said to be adversely affecting crop yields and disrupting the balance of ecosystems, and problems caused by global environmental changes are occurring more frequently and in greater variety than ever before.

Advances in Digital Technology

New digital innovations such as IoT and 5G have driven Digital Transformation (DX) and changed our lives. In particular, the advancement of generative AI is driving innovation across many fields, including chemistry. The use of digital technology is expected to accelerate, and this will lead to significant changes not only in our daily lives, but also in social structures and industrial patterns.

People's Health Around the World

There are still challenges in the world, such as diseases for which treatments have not yet been fully established and medical disparities that limit the medical care available in different regions. In addition, the world's healthcare needs are diverse, including growing health awareness for disease prevention in developed countries. The world is in need of solutions that ensure healthy living, improve quality of life, and enable people around the world to live happy lives.

Unstable Social Conditions

The global situation remains unstable due to protectionism in various countries, Russia's invasion of Ukraine, high inflation and financial instability. In this environment, there are many unforeseen potential risks, and the government and each company must respond to them.

Contributing to Society with Sumitomo Chemical's Unique Green Transformation

Sumitomo Chemical's Unique Green Transformation

Seeing our green transformation (GX) as not only a social and economic transformation brought about by carbon neutrality, which is what the conventional GX refers to, but also a broader transformation that includes ecosystem conservation and healthy lives. We will create future "answers" to social change by creating value through GX.

Carbon Neutrality

The world is pooling its wisdom to face the daunting challenge of becoming carbon neutral by 2050. As a chemical company, we hope to contribute to solving global issues by taking the lead in innovation, making the most of our technological strengths.

Three directions

Ecosystem Conservation

In recent years, there has been widespread support in the international community for the goal of "halting the decline in natural capital by 2030 and putting it on a recovery track." We recognize once again that our business is based on the benefits of various natural resources, and we will promote efforts to sustainably use the limited natural resources available to us.

Healthy Lives

We have come to realize over the past few years how thankful we are to live in good health. We want to develop businesses that help people around the world lead healthy lives and provide a healthy and vibrant workplace for our employees where they can spend their precious lifetime.