

# Calculation Standards for Environmental and Social Data Indicators

We report on each indicator using the following calculation methods.

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 based on 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 (only raw 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 (only raw 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 (only raw 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.
PCBs/CFCs in Use or under Secure Storage	No. of electrical devices containing high concentrations of PCBs	Units	The number of electrical 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.).
	PCB volume	kl	The total amount of PCBs in electrical devices containing 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	No. of refrigeration units using specified CFCs as a coolant.
	No. of refrigeration units using specified HCFCs as a coolant	Units	No. 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.

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Waste Materials	Landfill disposal amount: – External landfill	Thousand tons	The total amount of waste disposed of in landfills. * Landfill disposal amount for Sumitomo Chemical: Of the waste remaining after external reduction processing, the entire amount disposed of in landfills (not recycled) is calculated as the external landfill disposal amount.
	Total landfill	Thousand tons	The total amount of waste disposed of in landfills.
Atmospheric Emissions	Greenhouse gas emissions	Thousand tons of CO <sub>2</sub>	<b>CO<sub>2</sub> emissions from energy use:</b> Amount of electricity purchased × CO <sub>2</sub> emission factors for electricity + Amount of steam purchased × CO <sub>2</sub> emission factors for steam + Σ (Amount of each fuel used × Per-unit heating value for each fuel × CO <sub>2</sub> emission coefficient for each fuel)  The CO <sub>2</sub> emission factors for steam, per-unit heating value for each fuel, and CO <sub>2</sub> 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 CO <sub>2</sub> emission factors for city gas are based on basic emission factors. The CO <sub>2</sub> emission factors for electricity in Japan use the values for each fiscal year by electric power company (adjusted emission factors) and those for overseas use the values by electric power company along with the IEA's 2021 efficiency indicators for each country. From fiscal 2017, results include the energy used to produce the power and steam sold to external parties based on the GHG Protocol. From fiscal 2023, results are based on adjusted emission factors for the electricity CO <sub>2</sub> emission factors in Japan.  <b>CO<sub>2</sub> emissions from other than energy use and non-CO<sub>2</sub> GHG emissions:</b> 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 CO <sub>2</sub> 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.
	NO <sub>x</sub>	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 <sub>x</sub> (N <sub>2</sub> O) concentration.
	SO <sub>x</sub>	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 <sub>x</sub> (SO <sub>2</sub> ) 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 <sub>2</sub> emissions	Thousand tons of CO <sub>2</sub>	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 <sub>2</sub>	$\Sigma \{(\text{Volume and monetary amount of goods and services purchased and acquired} \times \text{Emission intensity})\}$ Values used for emission intensity (volume) are based on the values outlined in IDEA (for calculating supply chain greenhouse gas emissions). Values used for emission intensity (monetary amount) calculations are based on the values outlined in the Database on Emission Intensities for Calculating Organizational Greenhouse Gas Emissions, etc. through a Supply Chain.
	Category 2: Capital goods	Tons of CO <sub>2</sub>	$\Sigma \{(\text{Value of capital goods}) \times (\text{Emission intensity})\}$ Values used for emission intensity are based on the values outlined in the Database on Emission Intensities for Calculating Organizational Greenhouse Gas Emissions, etc. through a Supply Chain.
	Category 3: Fuels and energy-related activities not included in Scope 1 or 2	Tons of CO <sub>2</sub>	$\Sigma \{(\text{Amount of electricity purchased}) \times (\text{Emissions intensity})\} + \Sigma \{(\text{Amount of heat purchased}) \times (\text{Emissions intensity})\} + \Sigma \{(\text{Amount of each fuel used}) \times (\text{Emissions intensity for each fuel})\}$ Values used for emission intensity are based on the values outlined in the Database on Emission Intensities for Calculating Organizational Greenhouse Gas Emissions, etc. through a Supply Chain and IDEA (for calculating supply chain greenhouse gas emissions).
	Category 4: Upstream transportation and distribution	Tons of CO <sub>2</sub>	Calculated by the calculation method for CO <sub>2</sub> emissions in logistics area or by using values based on IDEA (for calculating supply chain greenhouse gas emissions).
	Category 5: Waste generated in operations	Tons of CO <sub>2</sub>	$\Sigma (\text{Amount of waste by type} \times \text{CO}_2 \text{ emissions intensity of waste by type})$ CO <sub>2</sub> emissions intensity of waste by type are based on the values outlined in the Database on Emission Intensities for Calculating Organizational Greenhouse Gas Emissions, etc. through a Supply Chain.
	Category 6: Business travel	Tons of CO <sub>2</sub>	By mode of travel: $\Sigma (\text{Expenses paid for transportation} \times \text{Emission intensity})$ Values used for emission intensity are based on the values outlined in the Database on Emission Intensities for Calculating Organizational Greenhouse Gas Emissions, etc. through a Supply Chain.

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Scope 3 Greenhouse Gas Emissions	Category 7: Employee commuting	Tons of CO <sub>2</sub>	By mode of commuting: $\Sigma$ (Expenses paid for transportation $\times$ Emission intensity) Values used for emission intensity are based on the values outlined in the Database on Emission Intensities for Calculating Organizational Greenhouse Gas Emissions, etc. through a Supply Chain and IDEA (for calculating supply chain greenhouse gas emissions).
	Category 8: Upstream leased assets	Tons of CO <sub>2</sub>	Calculations of emissions from leased vehicles: $\Sigma$ (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 <sub>2</sub>	Refer to the calculation method used for CO <sub>2</sub> 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 <sub>2</sub>	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 <sub>2</sub>	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. $\Sigma$ (Fertilizer sales volume by type $\times$ Percentage of nitrogen in fertilizers by type $\times$ N <sub>2</sub> O emission factors by type $\times$ 265 (GWP)) $\Sigma$ (HFC volume in fixed-dose mist inhalers $\times$ 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 <sub>2</sub>	Calculations are for the Group's main resin-related products. $\Sigma$ {(Production volume of resin-related products) $\times$ (Emission intensity)} Values used for emission intensity are based on the values outlined in the Database on Emission Intensities for Calculating Organizational Greenhouse Gas Emissions, etc. through a Supply Chain.
	Category 13: Downstream leased assets	Tons of CO <sub>2</sub>	There are no relevant leased assets.
	Category 14: Franchises	Tons of CO <sub>2</sub>	There are no relevant operations.
Category 15: Investments	Tons of CO <sub>2</sub>	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 Safety and Health	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.