## **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	{(Amount of electricity purchased × Per-unit heating value + Amount of heat purchased × Per-unit heating value) + $\Sigma$ (Amount of each fuel used × Per-unit heating value for each fuel)} × 0.0258 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).			
		crude oil	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.			
	Hydrocarbon compounds	Thousand tons	Total amount of hydrocarbon compounds used as raw materials (only raw materials purchased from outside the Sumitomo Chemical Group).			
Amount of Exhaustible Resources Used	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	nount of industrial water, drinking water, seawater, groundwater, and other water withdrawal volume.			
	No. of electrical devices contain- ing 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.).			
PCBs/CFCs in	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.).			
Use or under Secure Storage	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.			
	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.			
Water Pollutant Emissions	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.			

Sumitomo Chemical Sustainability Report 2024	Introduction to the Sumitomo Chemical Group	Sustainability Management	Governance	Environment	Social	Policies and Guidelines	Independent Assurance Report	198	
	List of Poli	cies Calculation Standards for	or Environmental and S	ocial Data Indicators	GRI Standards Refer	ence Table TCFD In	dex		

Environmental Data Indicator		Unit	Calculation Method
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 CO2	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) 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 Emission 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 each fuel, 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 CO2 emission factors in Japan. <b>CO2 emission from other than energy use and non-CO2 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 CO2 emission factors for the greenhouse Gas Emissions Accounting, Reporting, and Disclosure System of the Act on Promotion of Global Warming Countermeasures. From fiscal 2017, results include the 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 emission generated by processes not subject to reporting under the Act on Promotion of Global Warming Countermeasures. From the laws and regulations of their respective countries.
	NOx	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 × NOx (N2O) concentration.
	SOx	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 × SOx (SO2) 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).
	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.
Logistics	CO2 emissions	Thousand tons of CO2	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.
	Category 1: Purchased goods and services	Tons of CO2	$\Sigma$ {(Volume and monetary amount of goods and services purchased and acquired × 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 CO2	Σ {(Value of capital goods) × (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.
Scope 3 Greenhouse	Category 3: Fuels and energy-related activities not included in Scope 1 or 2	Tons of CO2	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)} 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).
Gas Emissions	Category 4: Upstream transportation and distribution	Tons of CO2	Calculated by the calculation method for CO2 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 CO2	Σ (Amount of waste by type × CO2 emissions intensity of waste by type) CO2 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 CO2	By mode of travel: Σ (Expenses paid for transportation × 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.

Sumitomo Chemical Sustainability Report 2024	Introduction to the Sumitomo Chemical Group	Sustainability Management	Governance	Environment	Social	Policies and Guidelines	Independent Assurance Report	199	
	List of Poli	cies Calculation Standards fo	r Environmental and	Social Data Indicators	GRI Standards Refer	ence Table TCFD In	dex		

Environmental Data Indicator		Unit	Calculation Method
	Category 7: Employee commuting	Tons of CO2	By mode of commuting: Σ (Expenses paid for transportation × 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 CO2	Calculations of emissions from leased vehicles: Σ (Amount of gasoline consumed annually per vehicle × 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 CO2	Refer to the calculation method used for CO2 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 CO2	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.
Scope 3 Greenhouse Gas Emissions	Category 11: Use of sold products	Tons of CO2	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 × Percentage of nitrogen in fertilizers by type × N2O emission factors by type × 265 (GWP)) $\Sigma$ (HFC volume in fixed-dose mist inhalers × 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 CO2	Calculations are for the Group's main resin-related products. Σ {(Production volume of resin-related products) × (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 CO2	There are no relevant leased assets.
	Category 14: Franchises	Tons of CO2	There are no relevant operations.
	Category 15: Investments	Tons of CO2	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 ÷ Cumulative total of hours worked) × 1,000,000
	Severity rate	_	(Cumulative total of workdays lost ÷ Cumulative total of hours worked) × 1,000

Environmental Accounting Indicators		Unit	Calculation Method
Environmental Protection Costs		Billion yen	Costs include depreciation.
	Reduced costs through energy saving	Billion yen	Reduced costs of energy through energy-saving activities.
Economic Benefits	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.