

Environmental Communications | FY2023 Archive

| Fostering Environmental Awareness

Sumitomo Pharma conducts a variety of environmental education initiatives aimed at giving employees a broad knowledge of environmental challenges such as global warming, as well as getting employees to participate in a wide range of environmental conservation activities not only within the company but also at home and in their communities. In April each year we provide new employees with education focused on global environmental challenges and Sumitomo Pharma's environmental conservation activities. We also conduct appropriate environmental education for employees in plants and research laboratories, while raising employees' awareness in other workplaces through environmental education and events geared to each site.

As June is designated as Environment Month in Japan, several activities are organized to enhance employees' awareness and understanding of environmental issues. As part of this effort, the chairperson of the Environmental and Safety Committee delivers an annual message, regular online environmental education sessions are provided to all employees, and various company-wide events are conducted. In Environment Month 2023, we participated in a recycling initiative ^{*1} operated by Askul Corporation in which old plastic file folders were collected at all business sites and employees' homes for recycling.

^{*1} <https://www.askul.co.jp/kaisya/shigen/clearfolder/>  (in Japanese only)

| Communication with Investors

As institutional investors become increasingly interested in companies' environmental, social, and governance-related (ESG) performances, we engage in more appropriate disclosure of environmental information and have a dialogue with institutional investors. Since fiscal 2018, we have continuously held ESG Meetings to enhance investors' and analysts' understanding of our environmental initiatives, hear the opinions of investors, and reflect them in future initiatives.

For more information on ESG Meetings, please see "[Presentation/ Webcast](#)."

| Communication with Subsidiaries



Sumitomo Pharma hold an annual meeting with all of its subsidiaries in Japan to exchange information on environment and safety to enhance levels of management in these areas. Moreover, we conduct an environment, health and safety (EHS) audit at Japanese subsidiaries and the Suzhou plant of Sumitomo Pharma (Suzhou) Co., Ltd. in China, our only overseas subsidiaries that has production functions, and we confirm compliance with various laws and regulations and fair and appropriate implementation of voluntary environmental and safety activities. In principle, we conduct EHS audits at each Japanese subsidiary every three year. As for the Suzhou plant, we conducted the EHS audit in fiscal 2019.

| Communication with Local Communities

We conduct employee participatory environmental communication activities. Employees at each business site actively take part in environmental conservation activities, such as cleaning riverbeds and community cleanups. We also conducted a forest conservation initiative at the Sumitomo Pharma Forest in Kishiwada City, Osaka, from October 2015 to September 2023 in collaboration with the local non-profit organization Konoyama Conservation Club.

For more information on Sumitomo Pharma Forest, please see "[Biodiversity](#)."

| Communication with Business Partners

Based on our "Sustainable Code of Conduct for Business Partners," we have initiated the Sustainability Survey of our business partners to realize a sustainable society and environment throughout the value chain, and to collaborate with our business partners towards this goal. The main environmental evaluation items in the Sustainability Survey are as follows:

Main Environmental Evaluation Items

- Existence of an environmental policy
- Status of environmental education
- Calculation of greenhouse gas (GHG) emissions, target setting, and reduction efforts
- Monitoring of energy consumption, proportion of renewable energy, and energy-saving efforts
- Monitoring of amount of water withdrawal and water discharged, identification and management of pollutants in wastewater, water-saving and recycling efforts
- Monitoring of total waste generation and hazardous waste generation, waste reduction and recycling efforts
- Emergency response measures for accidental leaks
- Preventive measures for sensory pollution (noise, vibration, odor)

In fiscal 2023, we requested the 10 major domestic primary suppliers to respond to the "Sustainability Survey." In fiscal 2024, we will analyze the responses, provide feedback on the evaluation results to the surveyed companies, and request

improvement plan development as necessary. We will also select new business partners for evaluation to expand the scope of sustainability evaluation.

For more details on the Sustainability Survey, please see "[Sustainable Code of Conduct for Business Partners](#)."