


Sustainability Report 2024



**Sus
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bility**

 **SUMITOMO CHEMICAL**
Latin America

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About this report

GRI 2-1, 2-2, 2-3



GRI 2-14

This report was evaluated and approved by the senior management and the Sustainability Committee of SCLA. The committee is linked to the Board of Directors and monitors the implementation of the company's sustainability strategy.



This is the second Sustainability Report from Sumitomo Chemical Latin America (SCLA); it describes the company's sustainability performance and other relevant information.

This report was developed considering the Global Reporting Initiative (GRI) Standards and adopts, in a complementary manner, the SASB (Sustainability Accounting Standards Board) methodology for the chemical industry. The information based on GRI and SASB Standards reported here refers to Sumitomo Chemical Brasil Indústria Química S.A., or Sumitomo Chemical Brasil (SCB), which is responsible for a large part of the company's operations, representing the same scope as that for the consolidated financial statements. Any exception is specified accordingly.

The reporting period is January 1 to December 31, 2024 and differs from the reporting period of the financial statements (April 1, 2023 to March 31, 2024), which is the fiscal year of Sumitomo Chemical Company (SCC) in Japan, where the company's headquarters are located.

Questions or comments can be sent to sustentabilidade@sumitomochemical.com

Sustainability as a core value

GRI 2-22



It's an honor to write this message for our 2024 Sustainability Report, a year that was very significant for the sustainability journey of Sumitomo Chemical Latin America (SCLA).

At the beginning of May, we disclosed our Sustainability Ambitions and Commitments to employees, customers, and other stakeholders, publicly reinforcing the values that are part of our way of being and have been present since the creation of our company in Japan over a century ago.

In 2024, we saw the consolidation of the sustainability governance model that was implemented in 2023, as well as greater engagement from all our teams around related topics. We also continued the projects that will help us achieve the goals we have set, with important progress seen in this first cycle.

Our organization became the first company in its sector in Brazil to win the

Gold Seal from the Brazilian GHG Protocol Program for having submitted a complete inventory of greenhouse gas (GHG) emissions validated by a third party. The robustness of this emission measurement process was essential for the development of our decarbonization plan. In this plan, we've defined a 50% reduction of our direct carbon emissions by 2030. We also continue working to consistently expand the number of innovative products with strong sustainability attributes in our portfolio of solutions.

On the social front, we maintained our commitment to a healthy, inclusive, safe, and respectful environment for all people and communities we interact with. We held the 12th edition of the Sociedade Sustentável Sumitomo Chemical Award in partnership with Enactus, an international organization whose business projects designed by university students impact and help transform realities in Brazil.

Our Prosperity in Business pillar, which helps expand the positive impact of agriculture and livestock in Brazil and Latin America, also has much to celebrate, including a specific operation to acquire inputs with sustainable traits and a green credit line, which are now part of our value proposition for our customers.

All of these milestones were achieved in an extremely challenging business environment, influenced by macroeconomic, climate, and competitive factors, which reduced margins across the sector and required resilience and a focus on business efficiency to make our company increasingly competent, sustainable, and aligned with the best practices for business excellence.

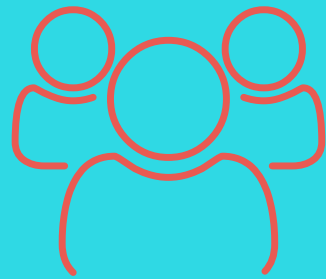
At SCLA, we have no doubt that sustainability is an essential element of our strategy, helping us become the organization we want to be now and in the future. As in 2024, we will remain committed to the growing evolution of our sustainability agenda, both internally and in partnership with our customers.

Enjoy reading it!

José de Paulo Fabretti
President, SCLA

Highlights 2024

People

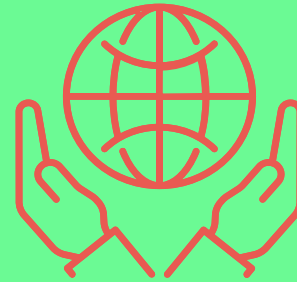


2,600 hours of training at the SCLA University and 202 synchronous training sessions held.

Projects to support family farming in Brazil and Chile.

121 university students mobilized and more than 670 people indirectly impacted by the Sociedade Sustentável Sumitomo Chemical 2024 Award.

Planet



First company in the sector to win the Gold Seal of the Brazilian GHG Protocol Program for having submitted a complete inventory of greenhouse gas (GHG) emissions validated and published in the Public Emissions Registry (RPE).

97% of the electricity consumed in the Maracanaú industrial complex (CE) and 44% of the electricity consumed in the LARC in Mogi Mirim (SP) comes from renewable sources. The consolidated amount for Brazil reached 91%, exceeding the Sustainability Commitment assumed for 2025.

Prosperity in Business

15% of total sales revenue from BioRationals.

Credit line launched to increase the use of BioRationals.



ABOUT US

Profile

Governance, ethics, and risk management

Strategy and performance



Profile



Sumitomo Chemical Brasil (SCB) is part of Sumitomo Chemical Latin America (SCLA), which operates in the development, manufacture, and sale of solutions for agriculture, livestock farming, and the environmental health sector.

The organization's history in Brazil began in 1975. In 2011, SCLA was founded and became responsible for all operations of the company in Latin America.

SCLA is one of the subsidiaries of Sumitomo Chemical Company (SCC), which was founded in Japan over 110 years ago and operates in the following sectors: pharmaceutical, essential chemicals and plastics, energy and functional materials, and information technology-related chemicals.

END OF OPERATIONS GRI 2-6

In 2024, SCLA restructured its business areas and ended the operations of the Animal Nutrition division in the region, focused on the sale of methionine, an additive used as a supplement in animal feed.

Also in 2014, the company ended its post-harvest segment, which was part of the portfolio of products and services of the Agricultural Solutions division.

More information is available in Strategy and performance, on [page 12](#).

UNITS AND OPERATIONS GRI 2-1, 2-6

The headquarters of SCB and SCLA are located in the city of São Paulo, SP. The company's industrial complex is in Maracanaú (CE), which also houses the Latin America Innovation Center (LAIC).

In Brazil, there is also the Latin America Research Center (LARC) and the Application Technology Laboratory in Mogi Mirim, SP, as well as 12 distribution centers (DCs) in 11 states. In 2024, the DCs in Ariquemes (RO), Ipojuca (PE), and Itajaí (SC) were closed down and the DCs in Vilhena (RO) and Marabá (PA) were inaugurated.

The company also has offices in Buenos Aires (Argentina), Santiago (Chile), and Cali (Colombia), which serve these countries as well as Bolivia, Ecuador, Paraguay, Peru, Uruguay, and Venezuela, and countries in Central America and the Caribbean.



Industrial complex
Maracanaú (CE)



Office
São Paulo (SP)



Offices
Buenos Aires (Argentina),
Cali (Colombia) and
Santiago (Chile)



Latin America Innovation Center (LAIC)
Maracanaú (CE)



Latin America Research Center (LARC) and Application Technology Laboratory
Mogi Mirim (SP)



Distribution centers
Aparecida de Goiânia (GO),
Araguaína (TO), Barueri (SP),
Carazinho (RS), Cuiabá (MT),
Ibiporã (PR), Luís Eduardo Magalhães (BA),
Marabá (PA), Maracanaú (CE),
Querência (MT), Uberaba (MG) and
Vilhena (RO).



Brazil



South region
Argentina, Bolivia,
Paraguay, and Uruguay



West region
Chile and Peru



North region
Colombia, Ecuador,
Venezuela, the Caribbean,
and Central America

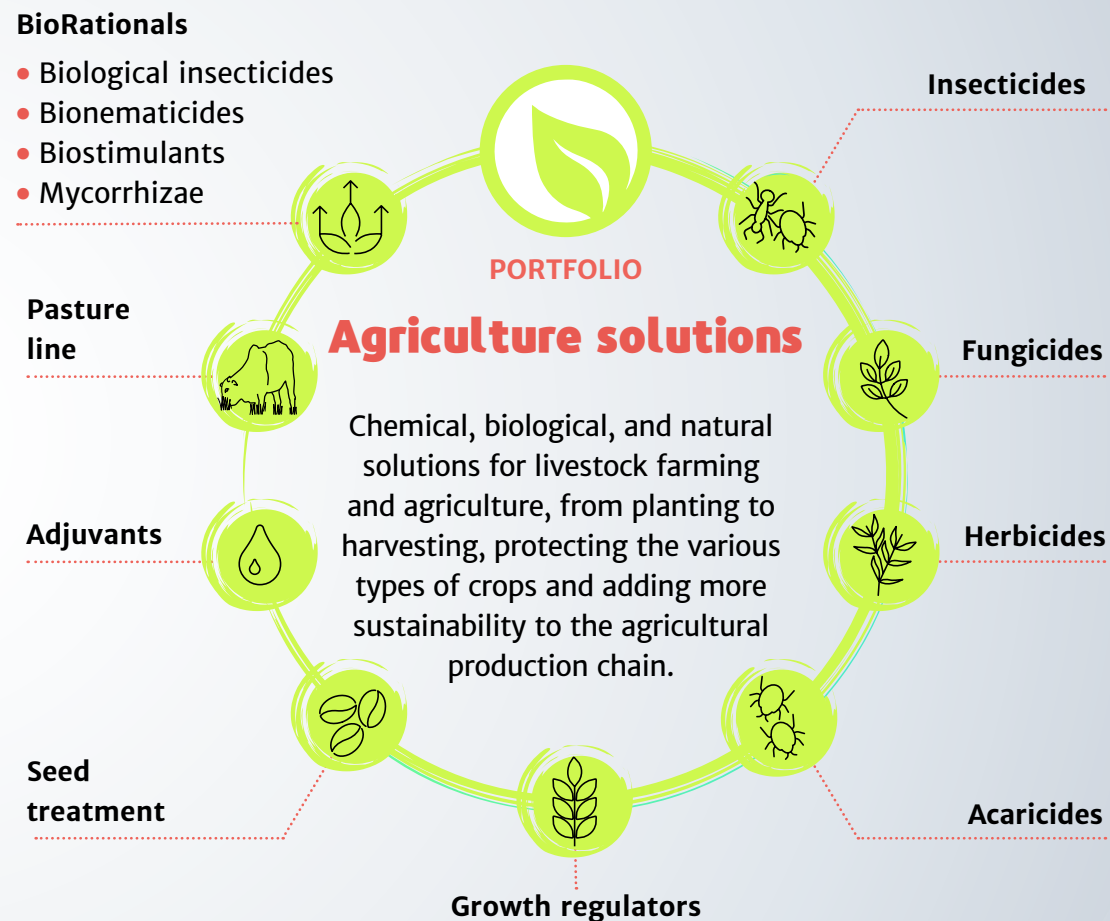
SANTIAGO

SÃO PAULO

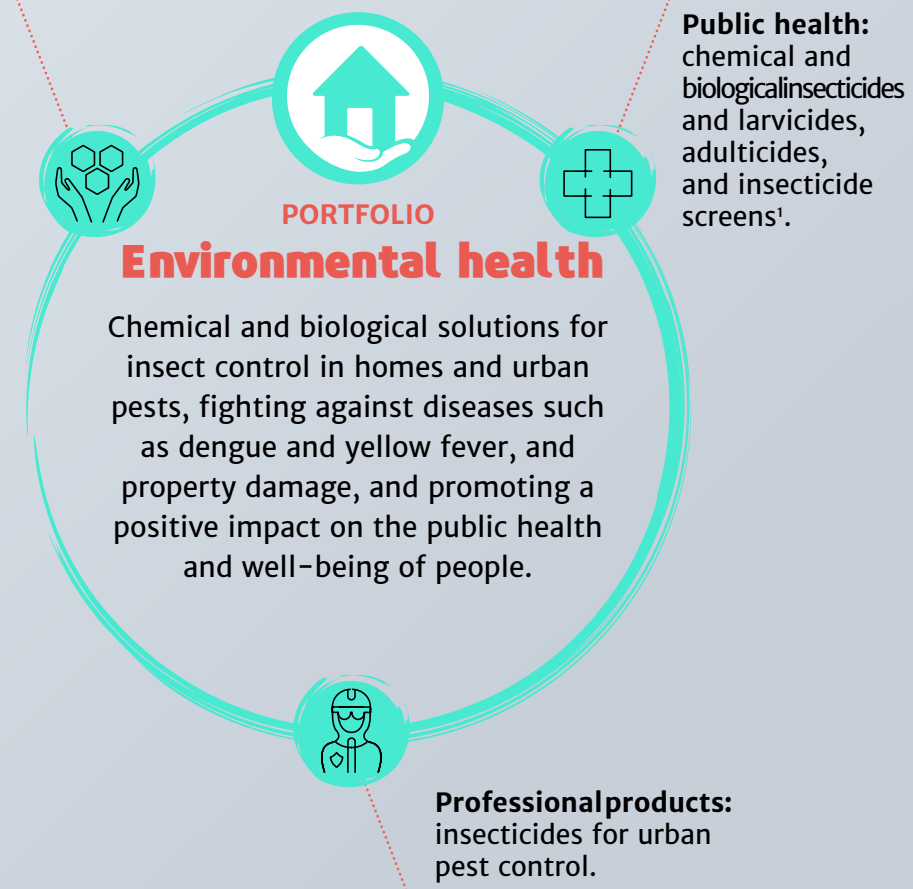
BUENOS AIRES

How we operate

SCLA's mission is to promote well-being by offering sustainable solutions for the production of food and the health of society.



Customized solutions for the B2B market: active ingredients for domestic insecticides, professional applications, and use in public health in different product presentations. Technical support for product development, marketing strategies, and participation in the regulatory environment.



1. Solution in which the active ingredient is incorporated in the screen material.

How we operate

“Our businesses should benefit society at large, not just our own interests”

Jiri-Rita Koushi-Ichinyo

BUSINESS PHILOSOPHY OF THE SUMITOMO GROUP (since the 17th century)

DRIVERS

We are committed to creating new value based on innovation.

We seek to contribute to society through our business activities.

We have developed a vibrant corporate culture and continue a company in which society can trust.

SCLA VALUES

Employee experience



Responsibility



Sustainability



Customer at the core



Trust



Collaboration



Innovation



Ethics



Governance, ethics, and risk management

GRI 2-9, 2-11



The highest governance body of Sumitomo Chemical Brasil (SCB) is the Board of Directors. It has five members who represent the shareholders of Sumitomo Chemical Company (SCC). The chairman of the Board is an executive director of SCC, but does not hold a role in SCB. Each term lasts two years, with the possibility of reelection. The Board meets at least twice a year.

The company's Executive Board is responsible for implementing the strategy, running the business in Brazil and other operations in Latin America. Its members are:

- Chief executive officer;
- Executive vice president;
- Senior vice president;
- Chief financial officer;
- Chief operating officer; and
- Chief planning officer.

All members of the senior management have extensive experience and knowledge in key management topics, including those related to the sustainability agenda

SUPPORT COMMITTEES GRI 2-9

The company's governance structure has four committees supporting the Board: Compliance, Internal Controls, Responsible Care, and Sustainability.

These committees have between five and seven members and are all led by the Chairman of the Executive Board. The other members have executive roles as heads of strategic areas of the company and are specialized in the respective topics of each committee.

The Compliance Committee meets twice during the fiscal year or whenever necessary; the Internal Controls and Responsible Care committees every four months; and the Sustainability Committee every three months. The topics discussed at all meetings

are recorded in minutes that are submitted to the Board of Directors. The exception is the Compliance Committee, which analyzes the information received through the Whistleblower Channel (read more below) and, in order to protect data confidentiality, does not submit the minutes of its meetings to the Board of Directors.

INTEGRITY

All employees and leaders must follow the guidelines set forth in the Code of Ethics and Conduct and in the Competition and Anti-Corruption manuals, valid for all subsidiaries of Sumitomo Chemical Company (SCC). In addition, the Compliance Policy and the Internal Investigation Manual of Sumitomo Chemical Latin America (SCLA) are also observed.

Every year, the team has related training and all new employees are trained on the Code of Ethics and Conduct and the Anti-Corruption Manual during the onboarding process. The training sessions held in the 2023/2024 fiscal year addressed the topics of sexual harassment, moral harassment, and protection of confidential information.

WHISTLEBLOWER CHANNEL

SCLA has a Whistleblower Channel so that employees can submit questions and report any violation of the company's current integrity guidelines.

This channel is managed by a specialized external partner. All information received through this channel is sent to the SCLA Compliance department and subsequently analyzed by the Compliance Committee. Reports are also submitted to the related structure at the headquarters.

RISK MANAGEMENT

SCLA's risk management is conducted by each department of the company, with the support, whenever applicable, of the Continuous Quality Improvement team. A set of controls are available, such as policies, flows, and procedures, which must be adopted to eliminate any risk that has been identified.

Examples of monitored risks:

- Financial and business risks;
- Information technology and information security risks;
- Administrative and human resources risks;
- Import risks;
- Product storage and transportation risks;
- Product development and registration risks; and
- Image and reputation risks.



Strategy and performance

After a very positive period for agribusiness, with high productivity and profitability rates, the drop in the price of agricultural commodities in the international market and the occurrence of climate phenomena, such as El Niño, were some of the factors that affected the industry results in Brazil and worldwide in the 2023/2024 fiscal year, with a consequent impact on the market of crop protection as a whole.

Also, we had a scenario marked by exchange rate fluctuations, high inventories in the industry, and a more competitive business environment, especially with the entry of new players.

Although Sumitomo Chemical Latin America (SCLA) reported a decline in its results for the 2023/2024 fiscal year, the Agro & Life Solutions division of Sumitomo Chemical Company (SCC) ended the year with positive results, with this segment remaining the parent company's major growth driver for the coming years.

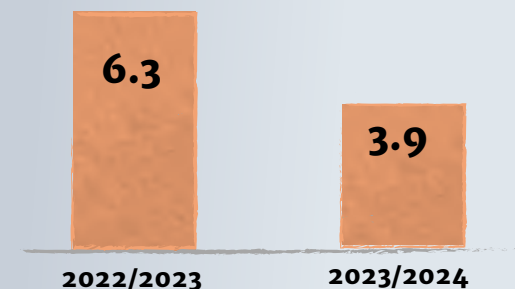


Currently, the Agro & Life Solutions division accounts for around 25% of the results of the parent company.

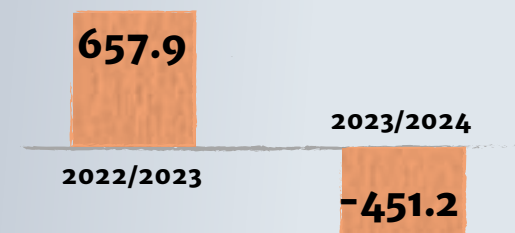
SCLA, in turn, represents about 35% of the revenue of the division and 10% of SCC's global revenue.

MAIN RESULTS OF SUMITOMO CHEMICAL BRASIL (SCB)

Net sales revenue (BRL billion)



Net profit (BRL million)



INNOVATION, CUSTOMER AT THE CORE, AND PROCESS EXCELLENCE

To respond to this challenging context and considering its aptitude for innovation, SCLA worked to expand the sale of its proprietary portfolio. Part of this strategy is focused on developing BioRationals, biological or natural products that help address the growing sustainability requirements.

The company also continues to place customers at the core of its strategy, seeking to offer a complete value proposition to farmers and ranchers focused on offering innovative, sustainable and high-quality solutions and differentiated financial tools, in addition to reliable deliveries and close relationships with customers.

Also, the company has initiatives to increase the excellence of internal processes. Specifically in the commercial and marketing departments, a Kaizen project has been in place for some years to improve team synergy and efficiency. In the support areas, the company has reviewed some tools and systems and adopted more technological solutions.

FOCUS ON PRIORITY SEGMENTS GRI 2-6

In 2024, some strategic changes were also made in business prioritization. The Animal Nutrition operations, which were less significant for SCLA, were incorporated by the parent company in Japan in early 2024. In the Agricultural Solutions division, the sale of the post-harvest segment in Chile was completed for a better management of business results.

These changes reduced costs and saved resources, supporting SCLA's expansion plans, with the creation of an Application Technology Laboratory at the Latin American Research Center (LARC) in Mogi Mirim (SP) and the expansion of the industrial complex in Maracanaú (CE).



Investment: new Application Technology Laboratory
With the new Application Technology Laboratory inaugurated at the LARC in Mogi Mirim (SP), SCLA can increase its analysis and study capacity, focusing on field technology to improve safety and efficacy of its portfolio products.



SUSTAINABILITY

Journey in constant evolution

Sustainability Commitments



Journey in constant evolution

GRI 2-14, 3-1

The commitment to sustainability has been a pillar of Sumitomo Chemical Company's (SCC) operations since its foundation and an important driver of the company in Brazil and Latin America.

In 2019, Sumitomo Chemical Brasil (SCB) reinforced this commitment as it became a signatory to the United Nations (UN) Global Compact, which is the main initiative to promote corporate sustainability in the world, and it advanced in its 2030 Agenda and the Sustainable Development Goals (SDGs).

In 2022, Sumitomo Chemical Latin America (SCLA) began a process to update and strengthen its sustainability strategy, which included a diagnosis to map the Strategic Sustainability Topics that are more aligned

with company's business model and activities and for which the company can contribute more effectively. In total, the diagnosis assessed how SCLA, the market, and some customers were positioned in 18 relevant topics, and the results of this analysis allowed the definition of the six priority topics (described below), validated by the Board of Directors.

In 2023, the review of the sustainability management and governance structure was completed (read more below) with the establishment of ambitions and commitments for each strategic topic (see more on [page 19](#)). The goals were announced during the company's Sales Convention held in Brazil in May 2024.

STRATEGIC SUSTAINABILITY TOPICS GRI 3-2

SCLA has six priority topics, which are arranged under three major pillars:



People

- Diversity, Equity, and Inclusion
- Social Investments and Community



Planet

- Climate Change
- Sustainable Products and Solutions

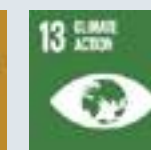


Prosperity in Business

- Sustainable Agriculture
- Financial Tools

Priority SDGs

SCLA has defined six priority SDGs that are connected to the company's businesses and sustainability agenda, which are listed below:



SUSTAINABILITY AND THE ORIGIN OF SCC

SCC was founded in 1913 to boost the agricultural production in Japan and later in many parts of the world. It also helped solve an environmental issue in those days: by producing fertilizers with sulfur dioxide that was emitted by one of the Sumitomo Group's copper mines, SCC ensured a better use of this gas and eliminated the pollution it caused when released into the atmosphere.

UN GLOBAL COMPACT

Although only the office in Brazil formally adhered to the UN Global Compact, the offices in Argentina, Chile, and Colombia also observe its ten principles related to the protection of human and labor rights and the environment and the fight against corruption.



Pacto Global
Rede Brasil

SUSTAINABILITY GOVERNANCE AND MANAGEMENT GRI 2-13

In 2024, SCLA validated the effectiveness of the sustainability governance model that was adopted the previous year.

The Sustainability Committee, linked to the Board of Directors, is the body that monitors the progress of the Sustainability Commitments and approves the investments required to achieve the sustainability goals. Its members are the President of SCLA and five other representatives of the senior management, and its roles and responsibilities are described in its internal regulations. In 2024, the body met three times.

The governance structure also includes three working groups, one for each pillar (People, Planet, and Prosperity in Business) to drive the progress of projects that will enable the achievement of goals. Each group has a member of senior management as its sponsor and an employee as its head, with defined roles and responsibilities. In 2024, the role of a substitute leader was also created, who, in the absence of the leader, can conduct meetings and ensure the continuity of actions.



Each working group has the autonomy to define the frequency of meetings, but usually the meetings take place every two months.

Along the year, we had a more proactive and engaged participation of the members of the working groups, an important sign that the sustainability strategy is increasingly disseminated in the company. Of note, the groups also have representatives from the offices in Argentina, Chile, and Colombia.

The Sustainability Committee and the working groups have the support of the Sustainability department, which is part of the Research & Development, Regulatory, and Sustainability Latam management.



SUSTAINABILITY AS A BRAND DIFFERENTIATOR

GRI 2-29

Sustainability has also become a recurring topic in interactions with customers and at agribusiness events in which the company participates, and is increasingly incorporated into product marketing strategies, adding value to the corporate brand and the SCLA portfolio.

In 2024, the Sustainability Commitments and some of the

company's best practices were disseminated at events such as the 14th Brazilian Cotton Congress, the 2024 Congress of the Associação Nacional dos Distribuidores de Insumos Agrícolas e Veterinários (Andav), and the 33rd Brazilian Congress of Weed Science.

In Buenos Aires (Argentina), during the 2024 Congress of the Asociación Argentina de Productores en Siembra

Directa (Aapresid), SCLA launched EMPERA®, a herbicide with new technology for weed control. Argentina was the first country to have the product registration for national sale; however, SCLA has plans to expand it globally. In Brazil, the registration of EMPERA® is in the approval phase by the relevant authorities.

The ESG agenda was also addressed at SCLA events, such as the Dialogues series, with editions for seed and soybean producers and members of the sugar-energy sector.

NEW INSTITUTIONAL CAMPAIGN

In December 2024, a new institutional campaign was created with sustainability as one of its main chapters. With the slogans "Agriculture Unites Us" and "Pasture Unites Us," the "Sustainability Unites Us" development emphasized that sustainability is the greatest value, is at the origin of the company, and reflects the company's commitment to making the world a better place.



SYNERGY WITH THE PARENT COMPANY AND OTHER SUBSIDIARIES

Another movement that became stronger in 2024 was the sharing of experiences between the parent company and its subsidiaries, which creates opportunities for synergy and can accelerate the development of sustainable solutions.

Reinforcing its pioneering initiatives, SCLA led the group in 2024, sharing its Sustainability Commitments and proposing joint actions. This is the case of the projects that are being developed collaboratively with the North American subsidiary to measure the carbon footprint of some BioRationals.

STAKEHOLDER RELATIONSHIPS GRI 2-29

At SCLA, interaction with stakeholders is always guided by ethical values and principles such as responsibility and collaboration, as established in internal policies. Beyond purely corporate, commercial or institutional relationships, the company seeks to build partnerships that generate shared value and help address current challenges of society.

In addition to employees, whose main engagement practices are described on [page 23](#), the other audiences that impact or are impacted by the company are customers, suppliers, surrounding communities, government bodies, industry entities, and financial institutions.

We keep continuous dialogue between field teams and customers. In addition, the company holds a series of meetings to engage farmers and ranchers every year and participates in the main events of the industry. Interaction and engagement with suppliers are also recurrent, with a focus on continuous improvement and innovation and sustainability practices (more information on [page 45](#)).

In communities, engagement occurs mainly through social projects conducted

or supported by the company (more information on [page 27](#)). Interaction with public bodies, sector entities, and financial institutions aims to help improve the regulatory and legal environment and drive the sustainable growth of SCLA and agribusiness sectors.

GUIDED TOURS AND CUSTOMER SERVICE CHANNEL

The company also maintains the SumilInside Open House, which organizes guided tours in the industrial complex and LAIC in Maracanaú (CE) and LARC in Mogi Mirim (SP) for customers, surrounding communities, and representatives of government bodies, among other stakeholders. In October 2024, for example, the Japanese ambassador to Brazil visited the company's facilities in Maracanaú.

It also offers the Agile Customer Service (SAC) on the company's website, which receives requests from customers and other stakeholders. All records are sent to the relevant departments for resolution.



Sustainability Commitments GRI 3-3

Equity¹

- Increase by 10% the number of women in the team by 2026

Diversity

Have at least 5% of people with disabilities (PwDs) in the team

Training

- Train 80% of the team in sustainability programs by 2025

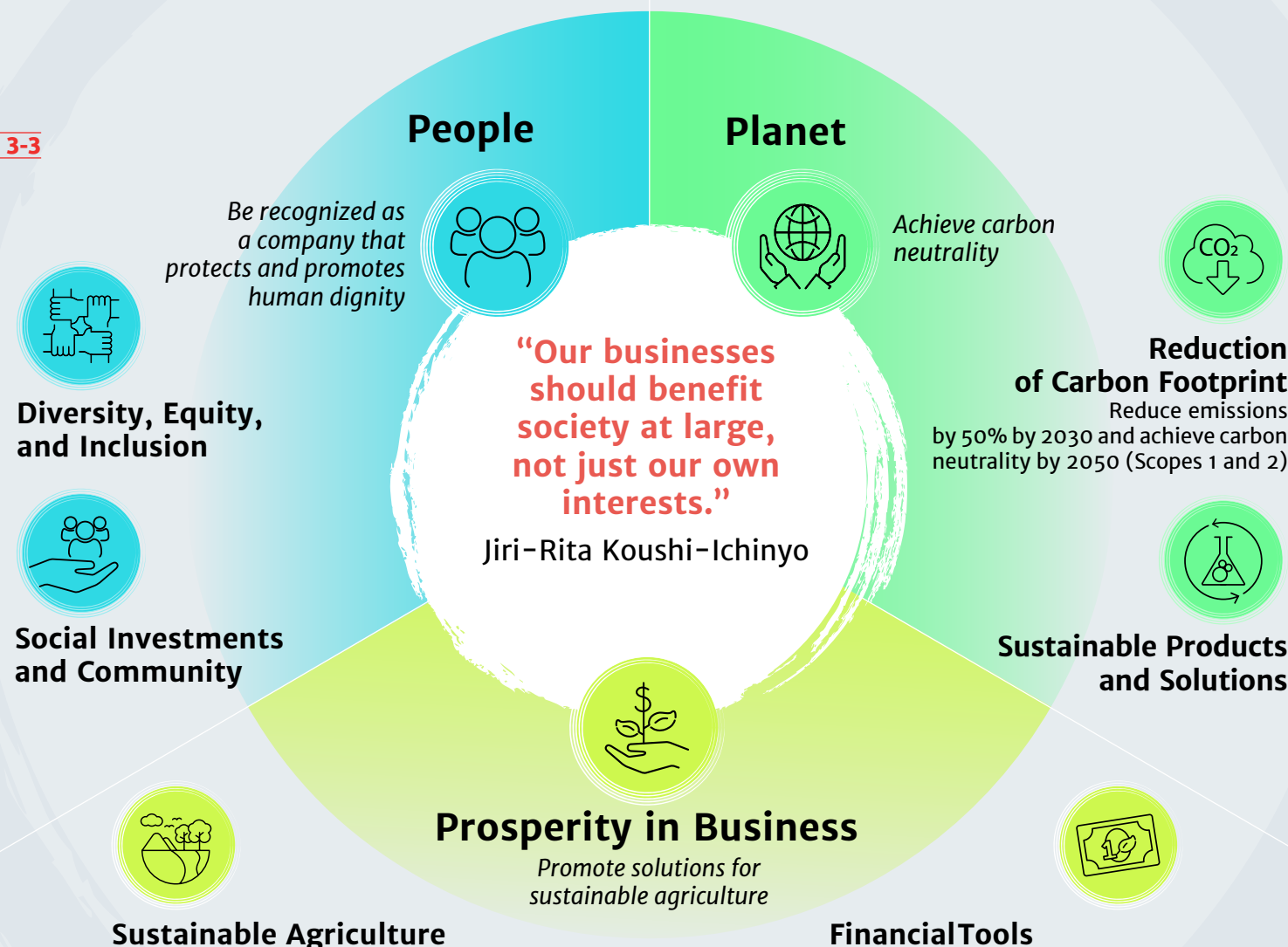
Social projects

- Implement social projects in partnership with our customers

Volunteer initiatives

- Increase the number of employees in volunteer programs

1. SCLA had set a goal to increase the number of women in senior management roles. Due to the challenging scenario in 2024, after internal analyses and discussions, the company decided to increase the number of women in the general workforce (more information on page 25).



Greenhouse gas (GHG) emissions

- Have an emissions inventory completed and validated in 2024 (Scopes 1 and 2)
- Perform an emissions inventory for the transportation and distribution category in 2024

Renewable energy

- Achieve 80% of operations powered by renewable energy by 2025.
- Achieve 98% of the industrial complex powered by renewable energy by 2025

Packaging and products



- Achieve more than 60% of projects under development with sustainable characteristics





Sustainability index

- Implement a methodology to measure the portfolio sustainability by 2024

Progress in 2024

The main results and progress made during the year in each of SCLA’s Sustainability Commitments are listed below, with details presented in the following chapters.

| STRATEGIC TOPIC | SUSTAINABILITY COMMITMENTS | PERFORMANCE IN 2024 |
|---|---|--|
| <div></div> <div>Diversity, Equity, and Inclusion</div> | <ul style="list-style-type: none">• Increase by 10% the number of women in the team by 2026.• Have at least 5% of people with disabilities (PwDs) in the team.• Train 80% of the team in sustainability programs by 2025. | <ul style="list-style-type: none">• 26% of the overall workforce, a reduction of 2 p.p. when compared to 2023. + More information on page 25.• 4% of the overall workforce in line with the Quota Law (for people with disabilities). + More information on page 26.• The Sustainability Track initiative will be launched in 2025. One of the 2024 engagement actions was the disclosure of the strategy, governance, and Sustainability Commitments at the Annual Sales Convention and the Environment Day for all SCLA. They were also disclosed on the social media pages of the company. + More information on page 24. |
| <div></div> <div>Social Investments and Community</div> | <ul style="list-style-type: none">• Implement social projects in partnership with our customers.• Increase the number of employees in volunteer programs. | <ul style="list-style-type: none">• Pilot project conducted in partnership with distributor customers, benefiting family farmers. + More information on page 28.• The number of volunteer mentors in the Sociedade Sustentável Sumitomo Chemical Award reached a record in 2024. + More information on page 30. |

| STRATEGIC TOPIC | SUSTAINABILITY COMMITMENTS | PERFORMANCE IN 2024 |
|---|--|--|
|  Climate Change (reduction of carbon footprint) | <ul style="list-style-type: none"> Reduce emissions by 50% by 2030 and achieve carbon neutrality by 2050 (scopes 1 and 2). Have an emissions inventory completed and validated in 2024 (Scopes 1 and 2). Perform an emissions inventory for the transportation and distribution category in 2024. Achieve 80% of operations powered by renewable energy by 2025. Achieve 98% of the industrial complex powered by renewable energy by 2025. | <ul style="list-style-type: none"> Scopes 1 and 2 emissions were decreased by 3.8% when compared to 2023 SASB RT-CH-110a.2 + More information on page 35. 2023 emissions inventory (Scopes 1, 2, and 3) validated by a third party, ensuring the Gold Seal from the Brazilian GHG Protocol Program in 2024. + More information on page 32. Category included in the 2024 emissions inventory. + More information on page 34. 91% of operations powered by renewable energy in 2024. + More information on page 34. 97% of the industrial complex powered by renewable energy in 2024. + More information on page 34. |
|  Sustainable Products and Solutions | <ul style="list-style-type: none"> Achieve more than 60% of projects under development with sustainable characteristics Implement a methodology to measure the portfolio sustainability by 2024. | <ul style="list-style-type: none"> Development of a methodology to measure the sustainable characteristics of pipeline projects; 63% of projects under development with sustainable characteristics. + More information on page 37. The Sustainability Index was developed for the Latam commercial portfolio. + More information on page 38. |
|  Sustainable Agriculture | <ul style="list-style-type: none"> Develop low-carbon agriculture and degraded pasture recovery projects. Promote the use of BioRationals. | <ul style="list-style-type: none"> Agricultural projects have been designed and are now in the client prospecting phase. Different initiatives that contribute to pasture recovery are in progress. + More information on page 43. 14% growth in sales revenue when compared to 2023. + More information on page 42. |
|  Financial Tools | <ul style="list-style-type: none"> Implement sustainable financial negotiations for the sale of BioRationals. Enable a credit line to increase use of BioRationals and sustainable practices. | <ul style="list-style-type: none"> Project designed and already available to customers. Credit line in partnership with a financial institution. + More information on page 44. |



BETTER FOR PEOPLE

- The SCLA team
- Community



The SCLA team

GRI 2-7, 2-8



Sumitomo Chemical Brasil (SCB) ended 2024 with 756 employees (561 male and 195 female employees), all hired for an indefinite period and working full-time. This number is 7% lower than that reported in 2023 due to a more challenging market context, requiring the company to review its organizational structure in mid-2024.

The process was designed and implemented by the People department, in a respectful and transparent manner, with the effective participation of senior management.

Some measures were also adopted to support eligible people during this transition process, such as financial compensation exceeding the amount required by law, the possibility of keeping the company's electronic devices, and the provision of consulting services to help professionals with longer service experience find new jobs in the job market. Specific meetings were also held to clarify the main doubts of the rest of the team.

In addition to employees, SCB had 131 professionals classified as indirect labor (conservation and cleaning, surveillance, front desk concierge, restaurant management, boiler maintenance services, among others), 33 interns, and 16 apprentices working at its facilities in December 2024.

EMPLOYEE EXPERIENCE GRI 2-29

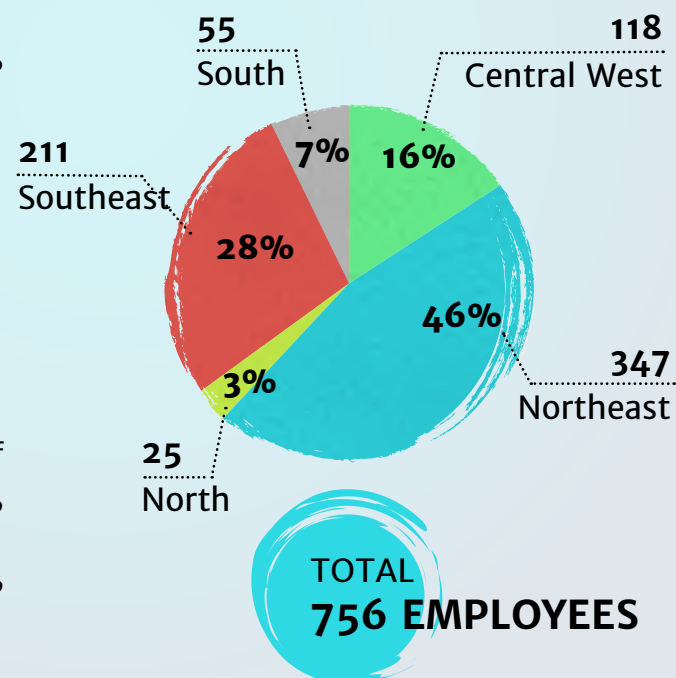
Even in difficult times, people management remains a priority for the company, and the goal is to maintain a healthy and safe work environment for everyone and encourage the continuous development of the team.

One of the consolidated practices is the performance evaluation, which led to the development of an Individual Development Plan (IDP) for every employee, covering 100% of the team, regardless of the role or hierarchical level. This process places people closer to the company's strategy and, therefore, there is ongoing work to raise awareness about its relevance, especially among leaders.

To boost development and career progression, Sumitomo Chemical Latin America (SCLA) maintains the SCLA University, which offers several learning paths to employees in Brazil and other countries in the region. Specifically for leaders, the Leadership Development Program (PDL – Programa de Desenvolvimento da Liderança) was focused on people management in 2024.

Aiming to ensure the health and well-being of the team, SCLA offers health and dental plans, private pension, life insurance, and meal ticket and physical activity bonus. In addition, SCLA offers SumIHAPPY, which seeks to promote happiness at work and a balance

between personal and professional life, including birthday leave, work from home one day a week, reduced working hours on Fridays, and recognition for seniority, promotion or retirement. The Employee Support Program (PAE – Programa de Apoio ao Empregado), which offers psychological, legal, financial, and nutritional support to employees, is also part of SumIHAPPY.

EMPLOYEES BY REGION GRI 2-7**The SCLA University**

In 2024, 2,600 hours of training were provided at the SCLA University, which offer technical and behavioral training related to the company's basic values (health and safety, compliance, culture, among others) and the strategic business objectives.

Also, 202 synchronous training sessions were provided, totaling around 1,500 hours and 3,200 people trained in 2024. One of the highlights was EXPERTS, a training program for the commercial, trade marketing, BioRationals, and market development teams, which takes place at LARC in Mogi Mirim (SP), boosting interaction with researchers and the applicability of the disseminated knowledge. In total, 284 people were trained in the EXPERTS program in 2024.

SUSTAINABILITY LITERACY

Training at least 80% of employees in sustainability programs by 2025 is one of the company's commitments. The idea is to provide a specific learning path at the SCLA University.

Sustainability has already become a frequent topic at the company. At the 2024 Sales Convention, an event that gathers all employees from the sales and marketing teams, the company launched its Sustainability Commitments with the participation of the vice president of the Agricultural Solutions division. Lectures were also held for teams in Brazil and Latin America in June to celebrate the Environment Month.

Related content was also disseminated through the company's internal channels along the year and the topic was incorporated into the themes introduced to employees during the onboarding process.

DIVERSITY, EQUITY, AND INCLUSION GRI 3-3

Because SCLA believes in the importance of diversity, equity, and inclusion for the evolution of society and business, with positive impacts on the company's ability to innovate and strategy to attract and retain talents, it has conducted initiatives to promote team diversity for several years. Guided by a specific policy revised in 2024, this is one of the company's Strategic Sustainability Topics.

Gender equity and inclusion of people with disabilities (PwDs), black and mixed race people, and LGBTQIAPN+ people are topics addressed in awareness campaigns, lectures, and discussion groups on key dates.

In Brazil, the company has adhered to the Empresa Cidadã, a federal government program that guarantees a 6-month maternity leave and 20-day paternity leave and offers the benefit of childcare support to eligible employees. Paternity leave is also offered in other Latin American countries.

Another good practice is the commitment to have 50% women in the final stage of the selection processes throughout SCLA.

Only from April to November 2024, 66% of the selection processes conducted in Brazil had female representatives in the final stage, and they were hired in 32% of cases.

Due to the current tough scenario, the company decided to temporarily suspend the Por Ellas Mentoring Program, designed to accelerate the career progression of women in the company, with the first edition in 2023.

In 2024, a drop was observed in the number of women in the general workforce and in leadership roles. The company ended the year with 26% women in Brazil versus 28% in 2023 and, in senior management and management roles, women accounted for 17% and 14%, respectively, of the total positions versus 19% and 20% in the previous year.

Given the challenging business context and the consequent organizational restructuring, the company decided to review one of its Sustainability Commitments. Although it remains committed to the topic, SCLA withdrew the goal to reach 30% of women in senior management positions by 2025. The

experience shows that it is necessary to strengthen the work on this topic at its base to ensure not only the career progression of female employees, but also their permanence in leadership roles. The other related commitment – increase the number of women in the general workforce by 10% by 2026 – has not been changed.



In addition, the company seeks to promote the gender equality agenda externally by sharing content on social media. In 2024, it was also one of the sponsors of the National Congress of Women in Agribusiness (CNMA), with company representatives participating in lectures and discussion groups.

Another commitment made by the company is to have 5% people with disabilities (PwDs) in its team. In 2024, they represented 4% of the overall workforce, in line with the provisions of the Quota Law for the company size. During the year, some adaptations were made to improve accessibility in the units.



Pacto Global
Rede Brasil

The company is a signatory to the Equity is Priority program of the Global Compact Network Brazil.



| DIVERSITY ¹ GRI 405-1 | GENDER | | AGE | | | PEOPLE WITH DISABILITIES |
|-------------------------------------|--------|-------|-------------------|-------------------|------------------|-----------------------------|
| | MEN | WOMEN | UNDER 30 YEARS | 30 TO 50 YEARS | OVER 50 YEARS | |
| CEO and Vice President level | 100% | 0% | 0% | 67% | 33% | 0% |
| Senior management | 83% | 17% | 0% | 39% | 61% | 0% |
| Management | 86% | 14% | 0% | 79% | 21% | 0% |
| Coordination and supervision | 71% | 29% | 6% | 92% | 1% | 7% |
| Administrative | 64% | 36% | 30% | 65% | 5% | 13% |
| Operational | 94% | 6% | 14% | 78% | 8% | 80% |
| Total | 74% | 26% | 20% | 71% | 9% | 4% |

| | BLACK | MIXED RACE | WHITE | ORIENTAL | INDIGENOUS | NOT DECLARED |
|------------------------------|-------|------------|-------|----------|------------|--------------|
| CEO and Vice President level | 0% | 0% | 33% | 33% | 0% | 33% |
| Senior management | 0% | 22% | 61% | 9% | 0% | 9% |
| Management | 0% | 25% | 69% | 3% | 0% | 3% |
| Coordination and supervision | 0% | 55% | 44% | 1% | 0% | 0% |
| Administrative | 5% | 39% | 53% | 1% | 0 | 2% |
| Operational | 7% | 81% | 11% | 0 | 0 | 1% |
| Total | 4% | 46% | 46% | 1% | 0% | 2% |

| SALARY/REMUNERATION RATIO (WOMEN/MEN) ² GRI 405-2 | 2023 | 2024 |
|---|------|------|
| Senior management | 84% | 93% |
| Management | 92% | 93% |
| Coordination and supervision | 90% | 100% |
| Administrative | 81% | 63% |
| Operational | 115% | 115% |

1. Due to rounding, the sum of the percentages may be slightly different from 100% at some functional levels.

2. Average remuneration received by women/ average received by men at each functional level. Variations are explained by the different levels of seniority (junior, full and senior) for each role and the length of service of employees.

Community

GRI 2-29, 3-3, 413-1



Sixteen social projects conducted or supported in 2024, which impacted around 240,000 people.

Seeking balance between profit and purpose is part of the essence of Sumitomo Chemical Latin America (SCLA), which, like its parent company, is inspired by the Japanese philosophy of Jiri-Rita Koushi-Ichinyo (“our businesses should benefit society at large, not just our own interests”) and pursues business success, while also considering the surrounding communities and society as a whole. In addition to performing its role and contributing to the transformation of realities, this action strengthens the company’s relationships with its own employees and encourages greater awareness and civic participation among its professionals.

The local development actions conducted or reinforced in 2024 took place in São Paulo (SP) where the company’s corporate headquarters are located, in Maracanaú (CE) where the industrial complex and the LAIC innovation center are installed, and in Mogi Mirim (SP) where the LARC research center is located.

For projects supported with incentive resources, there is a partner consultancy firm that identifies the options that best connect with the themes prioritized by the company. One of the projects supported,

for example, is **Escolinha de Futebol Menina Olímpica** in a city near Maracanaú, in line with SCLA’s commitment to diversity, equity, and inclusion.

In 2024, another edition of the **Sociedade Sustentável Sumitomo Chemical Award** was held, which is the main social transformation project conducted by the company in partnership with Enactus, a non-profit organization that promotes social entrepreneurship among university students and training of future leaders who are more engaged with today’s socio-environmental challenges (more information on [page 30](#)).

Another action that continued in 2024 was the company’s support to the **Mini Gentilezas** project conducted by Argilando, a non-governmental organization (NGO). At the São Paulo (SP) office and in the Maracanaú industrial complex, there are collection points for amenity kits (personal care items in compact versions, commonly distributed in hotels and during flights), which are later sent to social institutions to help homeless people.



Mobilization to help Rio Grande do Sul

GRI 413-1

The traditional campaign **Vista seu Coração de Solidariedade e Empatia**, which collects warm clothes to be distributed during the winter, sent its 2024 donations to people affected by the floods that hit Rio Grande do Sul between the end of April and the beginning of May.

More than 12 tons of clothes, shoes, bottles of water, and personal care items were sent to a logistics partner whose headquarters in Canoas, a city in the state of Rio Grande do Sul, housed 400 families affected by the rain.

During the 2024 Sales Convention, a fundraising campaign was also organized to benefit the victims in Rio Grande do Sul: for every BRL 1 donated by an employee, the company also donated the same amount. The total amount was used to rebuild a school and buy food.

In the matchfunding campaign to support flood victims, employee donations totaled BRL 41,000. The company donated the same amount, totaling BRL 82,000.



SUPPORT FOR FAMILY FARMING AND THE SUSTAINABILITY JOURNEY OF DISTRIBUTORS **GRI 413-1**

Developing a social project in partnership with customers is one of the company's Sustainability Commitments under the priority topic of Social Investments and Community. In 2024, a pilot project was performed with family farmers from the cities of Petrolina (PE) and Juazeiro (BA) in Vale do São Francisco, which had the support of two distributor customers in the region and the Serviço Nacional de Aprendizagem Rural (Senar).

The SCLA team provided an in-person training session to address the best practices for the application of crop protection products and proper management of empty containers to 50 small fruit growers in Juazeiro. On another part of the project, in order to promote the use of clean energy, financing was provided for these family farmers to purchase solar panels.

The positive results of this initiative reinforced SCLA's intention to replicate it in other regions of the

country, involving other distributor customers and keeping the focus on family farming.

In addition, the company detailed its sustainability journey to two business partners and supported one of them in developing its own sustainability program.

Promoting female entrepreneurship **GRI 413-1**
In order to honor female employees during the Women's Month, gifts were purchased from social organizations that promote female entrepreneurship or support women in vulnerable situations. The action took place in Brazil, Argentina, Chile, and Colombia.



Social actions in Latin America

Social responsibility initiatives are also being conducted at SCLA's offices in Buenos Aires (Argentina), Santiago (Chile), and Cali (Colombia). Employees from these three offices that are part of the working group of the People pillar are leading the actions. The main actions conducted in 2024 are described below:

ARGENTINA

The clothes collected in the Vista seu Coração de Solidariedade e Empatia campaign were sent to an NGO that helps low-income children with rare or serious diseases.

In partnership with another organization, employees in Argentina donated more than 200 new or well-preserved books to a library. The books collected were added to the books donated by the company.

On Women's Day and Mother's Day, the gifts distributed to employees were purchased from organizations that offer training and promote the employment of women and young people in vulnerable situations.

In 2024, the company also conducted a blood donation campaign at the Buenos Aires office.



CHILE

SCLA employees provided training to 25 female rural producers in Chile on technical farming and management topics (finance, regulatory environment, marketing, among others). They also received 25 computers that were not used in the company but were in good working condition.

The team also organized an end-of-year party for 52 children supported by a social organization and their families, with fun activities and gift distribution.

COLOMBIA

In partnership with three entities, SCLA supported a comprehensive community development project. A recreational park was built and a tree planting project was conducted, improving the learning environment for 203 children





Sociedade Sustentável Sumitomo Chemical Award

More than 10 years ago, Sumitomo Chemical Brasil (SCB), in a pioneering initiative, created an award in partnership with Enactus to encourage university students from all over the country to design projects that combine entrepreneurship, innovation, and sustainability, and help transform the reality of communities in situations of socioeconomic vulnerability. During the 12-year partnership, more than 4,000 students have participated in

the award editions and more than 300,000 people were indirectly impacted.

Of all 96 initiatives submitted to the 2024 award edition, 12 were selected and the students of these projects received a scholarship and specialized guidance from SCB professionals, who acted as volunteer mentors. Another highlight of the last edition was the increase in volunteer participation – expanding the number of employees engaged in volunteer initiatives

is the company's second public goal in Social Investments and Community.

The two winning projects were announced at the award ceremony held during the Encontro Nacional Enactus Brasil (ENEB) 2024 in July, in the capital of São Paulo, which was sponsored by SCLA.

Numbers of the 2024 edition

- 12 projects supported;
- 121 university students mobilized; and
- 670+ people indirectly impacted.

WINNING PROJECTS

- **Aruanas – Universidade Federal do Pará (UFPA):** production of cereal bars with Amazonian inputs, promoting sustainable production and family farming and generating income for riverside communities.
- **Dignitá – Universidade Estadual de Maringá (UEM):** production of sporting goods from reused vinyl tarps in partnership with the Associação Kings de Paratletas, contributing to the financial empowerment of the entity.

SOCIEDADE SUSTENTÁVEL SUMITOMO CHEMICAL AWARD | 2025 EDITION

One of the selection criteria for the Sociedade Sustentável Sumitomo Chemical Award is the alignment of projects with at least one of the 17 Sustainable Development Goals (SDGs). For the 2025 edition, the idea is to encourage young people to design initiatives that contribute to two SDGs in particular:



Initiatives aligned with both SDGs will have a greater weight in the selection process.



BETTER FOR THE PLANET

Climate management

Sustainable products and solutions



Climate management

GRI 3-3 | SASB RT-CH-110a.2



Like its parent company, Sumitomo Chemical Latin America (SCLA) is committed to addressing climate change, managing it with a cross-functional approach to its own operations and the operations of its suppliers and customers. The effects of the increase in the average temperature of the planet have direct impacts on customers of our Agricultural Solutions division, affecting their crops and productivity levels and, consequently, the company's performance. Worsening effects of climate change may also represent new costs for the company related to carbon emission regulations.

However, this theme represents an opportunity for market differentiation, which is a focus of SCLA. Progress on the material topic of climate change was one of the 2024 highlights of the company's sustainability agenda. After joining the Brazilian GHG Protocol Program, Sumitomo Chemical Brasil (SCB) became the **first and only company in the crop protection market** in the country to receive the **Gold Seal** from the Program after submitting its **complete and validated 2023 Greenhouse Gas (GHG) emissions inventory**.

This recognition is granted to organizations that measure emissions of Scope 1 (direct emissions), Scope 2 (indirect

emissions associated with the purchase of electricity), and Scope 3 (other indirect emissions); submit the inventory for third-party analysis and publish them on the Public Emissions Registry (RPE) platform of the Fundação Getulio Vargas (FGV). The inventory was analyzed by a company accredited by the Instituto Nacional de Metrologia, Qualidade e Tecnologia (Inmetro).

This was one of the Sustainability Commitments assumed for 2024 and an important step towards structuring the company's decarbonization plan, which will help achieve its target of reducing Scope 1 and 2 emissions by 50% by 2030. The idea is to achieve net zero emissions in these scopes by 2050. Both targets are also valid for the parent company.

In 2025, SCLA will begin to measure GHG emissions (Scope 1 and 2) from its offices in Argentina, Chile, and Colombia.



Industry-first recognition
The first and only company in the sector to be recognized with the Gold Seal of the Brazilian GHG Protocol Program for its complete and validated GHG emissions inventory.



Telemetry in decarbonization

Our 2023 inventory showed that a large part of SCB's direct emissions are generated by its commercial fleet of predominantly diesel-powered vehicles for rural areas.

This information was essential for the company to accelerate the implementation of a telemetry system, which, in addition to increasing road safety, can help reduce carbon emissions.

The system testing phase began in December 2023. During the 2024-2025 fiscal year (April 1, 2024 to March 31, 2025), it was installed in 90 field team vehicles and 8 vehicles of the Operations and Supply Chain departments. In the next fiscal year, this technology will be installed in the remaining vehicles of the commercial fleet, which has 194 vehicles.

During the pilot phase, telemetry helped reduce vehicle speed deviations, significantly increasing the safety of employees and traffic as a whole. Greater stability of speed indexes is expected to help reduce GHG emissions. A study to evaluate and measure these avoided emissions will be conducted at the end of the pilot phase.

EMISSIONS ASSOCIATED WITH THE PURCHASE OF ELECTRICITY AND THE VALUE CHAIN GRI 3-3

The company also reported some progress in Scope 2 emissions related to the purchase of electricity. In 2024, SCB concluded the installation of solar panels at the LARC in Mogi Mirim (SP) and at the industrial complex in Maracanaú (CE), where the generation of photovoltaic energy is expected to begin in early 2025.

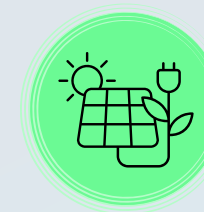
With the new panels at the LARC, 91% of the company's operations in Brazil

were powered by renewable and certified electricity in 2024, exceeding the Sustainability Commitment assumed by the company, which predicted 80% by 2025. The other related goal determines that 98% of the Maracanaú (CE) industrial complex should be powered by renewable electricity by 2025 – in 2024, this rate was 97%. At the LARC, this percentage was 44%.

For Scope 3 indirect emissions, after measuring emissions from seven categories in the 2023 inventory, the company decided to include emissions from the downstream

transportation and distribution category in the 2024 inventory, which includes the transportation of finished products to the distribution channels.

This is another Sustainability Commitment assumed for 2024 and, to make it viable, engagement work was conducted with SCB's logistics suppliers throughout the year, including large, midsize, and small companies. With the results, it will be possible to design a plan to mitigate these indirect emissions.



The company ended 2024 with 97% of the industrial complex and 91% of its operations in Brazil powered by clean electricity with international renewable energy certificates (I-REC).



In addition to the solar panels installed in 2024, the LARC has a rainwater harvesting system, which is used in irrigation and cleaning activities. In 2024, about 13,100 m³ of rainwater were used to irrigate LARC's cultivated areas and clean agricultural machinery.



MORE SUSTAINABLE
TRANSPORTATION MODES

In recent years, the company has sought to increase the use of more sustainable modes, and the maritime container transportation (cabotage) is one of the alternatives adopted by SCB to deliver raw materials to the industrial complex in Maracanaú (CE) and distribute the products manufactured there to other destinations in Brazil.

In addition to being less polluting, cabotage is less costly and safer – not only the freight is lower, but the number of damages to goods, incidents/accidents during loading and unloading operations, and claims of cargo theft or robbery is substantially lower when compared to road transportation.

SCB also uses a combination of modes to distribute part of its portfolio, with finished products transported from the Port of Pecém (CE) to the Port of Santos (SP) via cabotage and then by rail to Mato Grosso, with a final stretch of truck transportation.

In 2024:

- **5,900 tons** of raw materials were received via cabotage.
- **1.3 million liters** of finished products were sent from the industrial complex via cabotage or a combination of modes (cabotage-rail-road).

EMISSION AND ENERGY
PERFORMANCE

SCB's direct emissions (Scope 1) were reduced by 3.9% when compared to 2023. A small variation in emissions associated with the purchase of electricity (Scope 2) was due to an increase in the emission factor of the National Interconnected System (SIN) in 2024. The increase

observed in other indirect emissions (Scope 3) is the result of the expansion of monitored categories.

Total energy consumption was similar to that of the previous year (see the next page for more information). The company also monitors and manages water consumption and the generation and

| GHG EMISSIONS (tons of CO ₂ e) ¹ GRI 305-1, 305-2 | 2023 | 2024 | Δ 2024 X 2023 |
|---|---------|---------|---------------|
| a) Scope 1 – direct emissions | 2,912.1 | 2,799.2 | - 3.9% |
| b) Scope 1 – biogenic emissions | 296.5 | 353.8 | 19.3% |
| c) Scope 1 – removals ² | 41.9 | 41.9 | 0% |
| d) Scope 2 – indirect emissions associated with the purchase of electricity | 20.3 | 21.9 | 8% |
| Total direct and indirect emissions (a+d) | 2,932.4 | 2,821.1 | - 3.8% |

| GHG EMISSIONS — VALUE CHAIN (tons of CO ₂ e) ^{1 3} GRI 305-3 | 2023 | 2024 | Δ 2024 X 2023 |
|---|-----------|-----------|---------------|
| a) Scope 3 – other indirect emissions | 216,531.1 | 360,086.7 | 66.3% |
| b) Scope 3 – biogenic emissions | 383.0 | 1,529.8 | 300% |

1. Data were consolidated according to the operational control approach and the method and Global Warming Potential (GWP) defined by the Brazilian GHG Protocol Program and, in the case of emissions associated with the purchase of electricity, the emission factor of the National Interconnected System (SIN). The GHG Protocol method was also used to estimate the gases measured (CO₂, CH₄, N₂O, and other GHG applicable to corporate inventories). The calculations consider the industrial complex in Maracanaú (CE), the LARC in Mogi Mirim (SP), the office in São Paulo (SP), the commercial fleet, and the distribution centers (DCs) in Brazil.

2. Removals related to the LARC legal reserve in Mogi Mirim (SP), category of land use changes (LUC).

3. In 2023, the following categories were measured: goods and services; activities related to fuels and energy not included in Scopes 1 and 2; waste generated in operations; business travel; employee commuting; end-of-life treatment of products sold; and partially emissions from the upstream transportation and distribution category, which included only emission sources associated with the DC facilities and not emissions from the actual logistics fleet. In 2024, emissions related to the receipt of raw materials and transportation of finished products were measured in this category. Due to improvements in the measuring method, a new category was added to Scope 3: leased assets.

| ENERGY CONSUMPTION ¹ (GJ) SASB-RT-CH-130a.1 | 2023 | 2024 | Δ 2024 X 2023 |
|---|----------|----------|---------------|
| Fuels (non-renewable) ² | 5,143.6 | 4,899.6 | - 4.7% |
| Self-generation (solar energy) ³ | 0 | 434.3 | NA |
| Energy sales ⁴ | 0 | 164.1 | NA |
| Purchased electricity | 16,723.8 | 16,762.4 | 0.2% |
| Total | 21,867.4 | 21,932.2 | 0.3% |

NA: not applicable.
1. Scope: industrial complex in Maracanaú (CE), LARC in Mogi Mirim (SP), and administrative office in São Paulo (SP).
2. BPF oil (for boilers), gasoline (for vehicles and lawnmowers), and diesel oil (for generators, own fleet vehicles for internal logistics in distribution centers and internal transportation of people). Data were compiled according to fuel purchase invoices. The conversion of the amount consumed to GJ used the conversion factors of the 2024 Brazilian National Energy Balance for 2023 measurements.
3. Solar panels installed in the industrial complex and in LARC. No measurement was performed from June to August, so consumption in this period was based on the average monthly consumption measured in the rest of the year.
4. Excess energy reinjected into the National Interconnected System, according to invoices from the energy concessionaire.

disposal of waste and wastewater at its facilities in Brazil.

EMPTY PACKAGING MANAGEMENT

Specifically regarding waste management, the company is part of the Campo Limpo System (SCL), created by the crop protection industry to manage the reverse logistics process for empty packaging in Brazil.

The SCL’s governing body is the Instituto Nacional de Processamento de Embalagens Vazias (inpEV), whose Board of Directors includes SCB.

In 2024, 68.500 tons of empty product packaging were disposed of in an environmentally correct manner. Between 2002 (the year the System was created) and 2024, almost 800,000 tons have already been disposed of.



Sustainable products and solutions

GRI 3-3



Innovation has always been one of the main drivers of Sumitomo Chemical Company (SCC) and Sumitomo Chemical Latin America (SCLA) – and one of the organizational values of SCLA.

The company's ongoing concern with maximum product quality, safety, and efficacy guides the research and development (R&D) work, which means that every new product developed by the company and available on the market has more sustainable characteristics than its previous version (for example, raw materials from renewable sources, components with high agronomic efficiency, and recyclable packaging that offers reduced material consumption or is manufactured from renewable sources). These actions are linked to SCLA's commitment to contribute to the sustainability of the food production chain, health promotion, and environmental preservation. Using this methodology, the company was able to confirm that 63% of the projects under development have sustainable characteristics.

One of the ambitions in this area is to achieve more than **60% of projects under development with sustainable characteristics**. The company's research team, led by the LAIC in Maracanaú (CE), developed a methodology that determines whether the new product will have more sustainable characteristics based on a set of technical criteria. All projects for new formulations are evaluated according to these criteria. Using this methodology, the company was able to confirm that 63% of the projects under development have sustainable characteristics.

Another commitment is to implement a methodology to measure the sustainability of the portfolio currently available on the market. For this reason, the company has made a partnership with Cornell University, in the United States, to improve the Sustainability Index initially developed by the SCLA team. The index was calculated for the portfolio available in Latin America and will be used to monitor and assess the evolution of the portfolio.

INNOVATION STRUCTURE AND TEAM

The company has two laboratories in Brazil: the Latin American Innovation Center (LAIC) in Maracanaú (CE), focused on the development of new formulations, and the Latin American Research Center (LARC), located on a 48-hectare site in the city of Mogi Mirim (SP), which develops its own agronomic research and customized solutions for Latin America.

The R&D work also takes place in partnership with research institutions and universities, which, in the most advanced development stages, test the products in different types of soil and climate.

In addition to the laboratories, the SCLA research team also trains the company's sales and marketing teams. There is also ongoing interaction with various clients, which allows professionals to observe and better understand on-site demands.



Aptitude for innovation

As an important driver of sustainability, innovation is a key element of SCLA's strategy:

- More than ten products have been launched in Brazil and Latin America in the last two years.
- Today, 345 projects are in the pipeline.

The main products recently launched in Latin American countries are listed below.

MAIN PRODUCT LAUNCHES

| PRODUCT | COUNTRY |
|------------|-------------------------|
| EMPERA® | Argentina |
| Pladius | Brazil |
| ExcaliaMax | Nicaragua and Argentina |
| Impreza | Argentina |
| InGrain | Uruguay and Costa Rica |
| EndoMax | Nicaragua and Ecuador |
| SugarMax | Guatemala |
| Accede | Peru |

SUMIKA SUSTAINABLE SOLUTIONS (SSS)

Sumika Sustainable Solutions is a portfolio of sustainable products and solutions from all business divisions of the Group that help achieve the Sustainable Development Goals (SDGs). SCC's ambition is to reach 1.2 billion yen in sales from this portfolio by 2030, which includes components used in electric car batteries and sensors that help reduce greenhouse gas (GHG) emissions from vehicles, among other examples.

In 2024, another SCLA product was included in Sumika Sustainable Solutions:

AdGreen®, a soybean oil-based adjuvant that improves the performance of fungicides, herbicides, and insecticides, increasing crop management efficiency and productivity.

The SSS initiative has other three items from SCLA's portfolio:

- Banana Bag (TotalFlex™ 0.4): insecticide-impregnated plastic bags used to wrap banana trees, not require spraying. Recognition in 2022.
- Low-weight product packaging that uses less plastic. Recognition in 2022.
- SumiLarv® 2MR with WALs®: mosquito larva control agent that helps fight against diseases such as dengue, Zika, and chikungunya. It is one of the products of the Environmental Health portfolio and its use is recommended by the World Health Organization (WHO). Recognition in 2023.



BETTER FOR THE BUSINESS

Customers

Supply chain



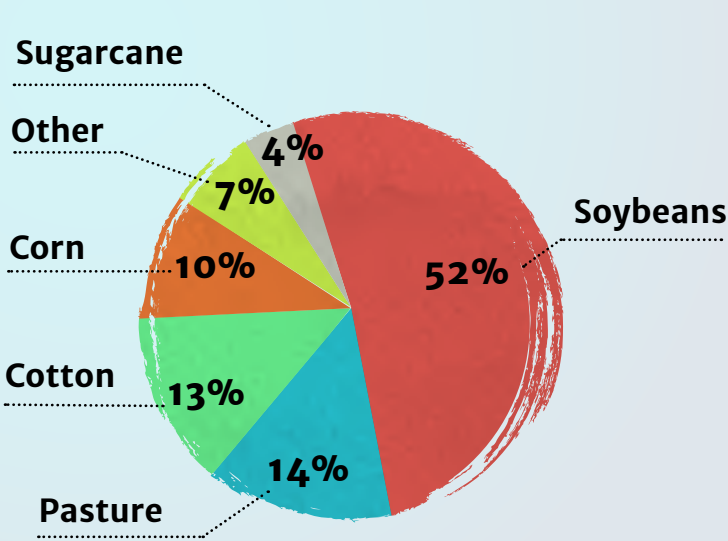
Customers

Sumitomo Chemical Latin America (SCLA) remains committed to the continuous evolution of its customers, helping them achieve production excellence and prosperity in business.

As part of its sustainability strategy, in addition to looking at its own operations, the company is willing to work in partnership with customers to promote more sustainable agriculture and generate increasingly positive results for the environment and society. For this reason, several projects have been designed to

complement the value proposition offered to customers, which can also help set the company apart in its sector and the business environment as a whole.

MAIN CROPS SERVED BY OUR PRODUCTS
(SHARE IN REVENUE)



Customers in Brazil – Agriculture solutions

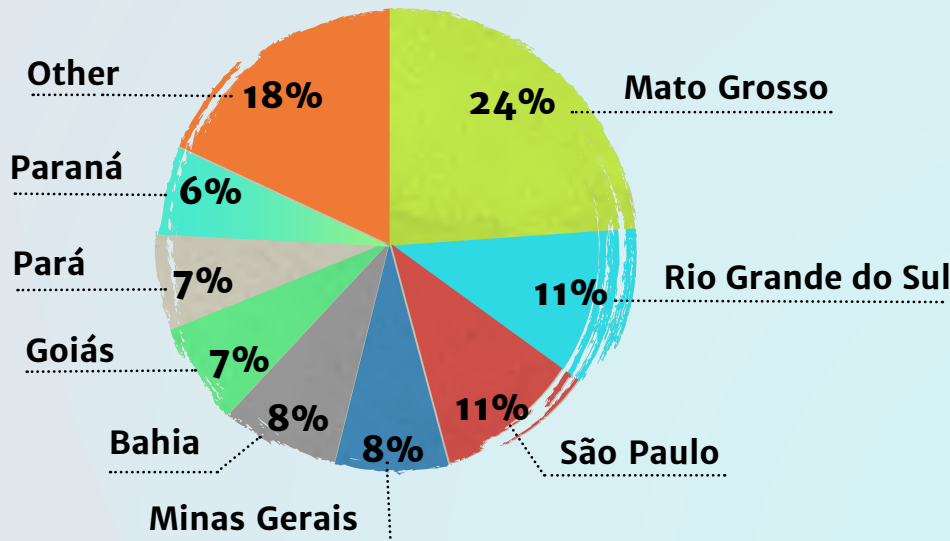
GRI 2-6

Over 1,200 customers, including distributors, rural producers, co-operatives, and companies in the B2B market.

Over 2,500 points of sale in the SCLA portfolio.

70.7 million kilos/liters sold in 2024.

MAIN STATES WHERE ARE PRODUCTS
ARE USED (SHARE IN REVENUE)



BIORATIONALS GRI 3-3

One of the Sustainability Commitments under the material topic of Sustainable Agriculture is to boost the use of BioRationals among customers. BioRationals are biological or naturally-derived solutions for plant protection and health. Among other advantages, they improve crop productivity and soil use, reduce exposure to chemicals, and help provide characteristics that add value to food when it reaches the end consumer (for example, color and shape) and fulfill sustainability requirements of different markets.

In Latin America and across the world, biological solutions have presented a consistent growth in recent years, but there are still many opportunities for expansion. According to data from CropLife Brasil, these products accounted for only 7% of sales of inputs for crop protection in the country in the 2022/2023 harvest, and are present in 12% of the treated area in Brazil.

Focused on sustainable and regenerative agriculture, Sumitomo Chemical Company (SCC) has been a leading player in the development of BioRationals since the 1970s. BioRationals supplied by SCLA are

produced by Valent BioSciences (VBS), one of SCC subsidiaries, located in the United States.

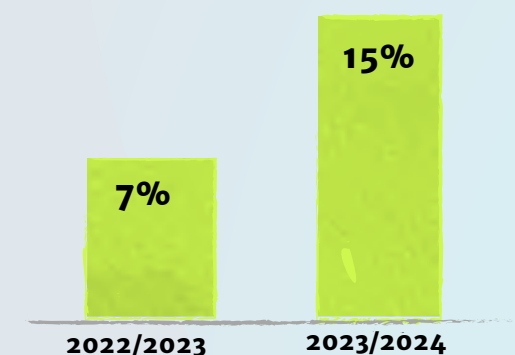
To boost the sales of these solutions, one of the measures adopted in Brazil is to maintain experts in BioRationals in the field, ensuring that commercial teams remain well informed on the portfolio and that it is always offered to farmers and distribution partners as part of an increasingly integrated value proposition that balances chemical and biological solutions in the right measure to meet the needs of each customer.

MIP EXPERIENCE

In 2024, SCLA became a partner in the MIP Experience program, focused on integrated pest management, designed by the ProMIP consultancy service. Some items in the portfolio of BioRationals were submitted to analysis by researchers and had their biological characteristics validated. In 2025, researchers will start training small horticulturists on these products and their respective application techniques.

The program should soon launch a seal to certify the quality of the production of trained farmers, showing that fruits, vegetables, and legumes are produced through safe and sustainable processes for soil management, irrigation, and use of crop protection products.

64% of strategic customers used at least one BioRational product in the 2023/2024 fiscal year.

% OF BIORATIONALS IN SCB SALES REVENUE

REGENERATIVE AGRICULTURE AND LIVESTOCK FARMING **GRI 3-3**

Another goal of SCLA is to implement, in partnership with customers, innovative projects that boost regenerative agriculture and livestock farming.

In 2024, the company finished designing a low-carbon agriculture project to be deployed at an SCLA customer's site with the support of a specialized consultancy firm. The initiative will involve the measurement of carbon accumulated in the soil in both agricultural areas and existing conservation areas, in addition to measuring local biodiversity and other

good socio-environmental practices adopted, enabling the customer to enter the carbon credit market and have an additional source of income. The next step will involve prospecting clients that are interested in implementing the initiative.

In the livestock sector, several initiatives are available to help customers boost their business based on a more sustainable production model. One of them is the partnership with the ABC Corte program of the Empresa Brasileira de Pesquisa Agropecuária (Embrapa), which develops technologies to make beef cattle farming more sustainable and disseminates them to agricultural technicians and other professionals in the area. The technologies help recover degraded areas and improve pasture management, with the consequent reduction in the demand for new sites and greenhouse gas (GHG) emissions. The teams of regional consultants are trained by the researchers of the program and transfer the technologies to ranchers in the regions where they operate.

Another project is Pasta Pecuarista, which helps 44 ranchers improve weed control, with the consequent increase in

productivity. This initiative also includes the recovery of degraded areas, turning them into productive pastures.

In addition to these projects, in 2024 SCLA launched the Productivity Expedition (read more below) and is analyzing other opportunities to help boost low-carbon livestock farming in the country.

Embrapa ABC Corte program

- **14 technicians of the company certified by the ABC Corte methodology.**
- **The consultants accredited in the program are taking the technologies to 44 customers, whose facilities are now considered Technological Reference Units (URT - Unidades de Referência Tecnológica) of the program.**
- **The technologies have already been indirectly transferred to those responsible for other 500 rural farms.**



Productivity Expedition program

In the project, the commercial team visited cattle ranchers throughout Brazil to introduce the solutions in the SCLA portfolio that increase profitability and sustainability of these sites, including integrated tools for pest, disease, and weed management and a solution that explores the seasonality of pastures.

By improving weed control, the weight gain of the cattle increases, which speeds up its shipment for slaughter, reducing GHG emissions from the cattle's digestive process. SCLA solutions also help recover degraded pastures at sites of customers.

In 2024 alone, the Productivity Expedition visited 1,275 farms in 14 states. More than 100 SCB pasture experts participated in the program.





Sustainable financial tools GRI 3-3

In 2024, SCLA also fulfilled one of its commitments under the material topic of Financial Tools.

The goal was to provide a green financing solution to customers. The company made an agreement with Itaú bank for the provision of credit lines with specific interest rates for

the purchase of BioRationals and solar panels. To allow the credit line for the purchase of BioRationals, SCLA validated its portfolio with experts and submitted the results of the evaluation to the partner financial institution.

Green credit lines with specific interest rates, are part of the value proposition offered to customers.



PROPER AND SAFE USE OF PRODUCTS

For SCLA, being committed to the sustainability of the portfolio also means ensuring its proper use all the time, enhancing crop productivity and worker safety, lower environmental impact, and full compliance with legislation.

The company has a program of good practices for the application of crop protection products, known as SumiSeg, through which it offers annual training to SCLA field teams and rural producers, agricultural technicians, agronomists, and applicators.

SCLA also supports similar efforts of the sector, such as those performed by the Brazilian Union of the Plant Protection Product Industry (Sindiveg) and CropLife Brasil, where SCLA is a member.

SUMISEG 2024

- **744 agricultural professionals and 212 livestock professionals trained in 126 training sessions.**
- **In Brazil, the training sessions were performed in the states of Bahia, Mato Grosso, Paraná, Pernambuco, Santa Catarina, and São Paulo.**
- **In Argentina, the training sessions were performed in the provinces of Buenos Aires, Chaco, Córdoba, Entre Ríos, Salta, Santa Fé, and Tucumán.**
- **The total estimated area under the responsibility of the participants corresponds to 295,000 hectares.**

Supply chain

GRI 2-6, 2-29



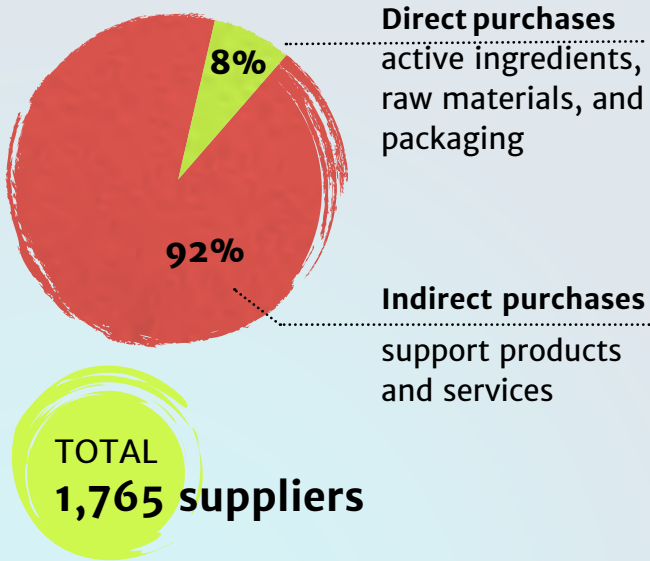
Sumitomo Chemical Brasil (SCB) ended 2024 with more than 1,700 partners in its supply chain. Supplier spend totaled US\$ 813.6 million, a 32% increase when compared to the amount reported in the previous year of US\$ 616 million. Most payments (65%) were made to business partners based in Brazil. See the graphs on the following page for more information.

In the supplier selection process, potential partners answer a questionnaire that includes questions about sustainability and must submit documentation to prove the company's commitment to best ESG practices.

SCB monitors the performance of suppliers that are part of the EcoVadis® platform, which assesses environmental, ethical, human and labor rights, and sustainable purchase topics, and is developing another tool to monitor these pillars. This monitoring work is important, as the company may have its operations impacted or be considered co-responsible if any partner has any irregularity.

In 2024, the procurement department also evaluated 66 suppliers in terms of sustainability using an internal survey, which showed that 30% of them are sustainability leaders, while 39% already treat sustainability as a strategic element and are consolidating their governance model. The survey also showed that 46% have the EcoVadis® seal and 35% adopt measures to control carbon emissions.

SUPPLIERS BY CATEGORY

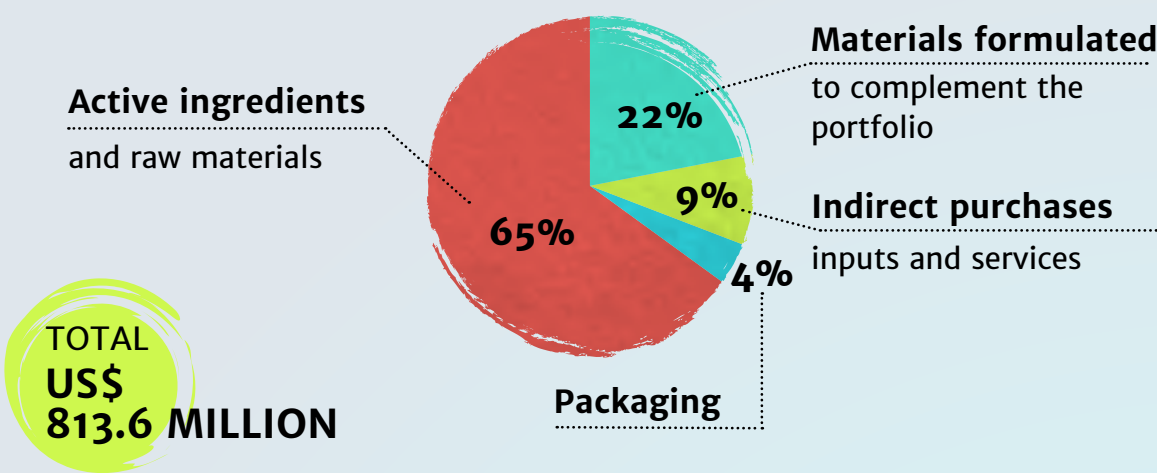


RAISING AWARENESS AMONG SMALL SUPPLIERS

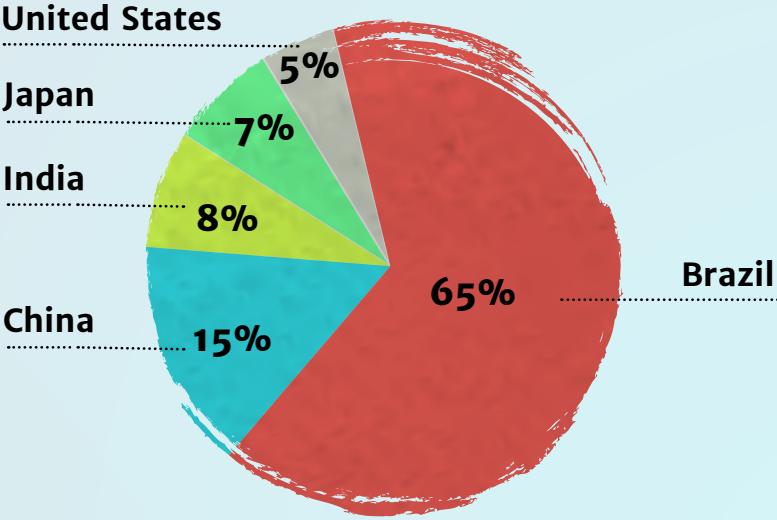
SCLA understands that it also has a role to help business partners accelerate their own sustainability journeys, especially small and midsize partners, which would benefit these organizations and, indirectly, the company itself.

Although there is no structured program yet, some related initiatives are already in place. In 2024, workshops were held with small transportation companies in the Maracanaú region (CE) to discuss the information these partners must report in Scope 3 emissions in their Greenhouse Gas (GHG) emissions inventory. The meetings were also an opportunity to raise awareness among this group about the ESG agenda as a whole.

AMOUNT PAID TO SUPPLIERS BY CATEGORY



TOTAL PURCHASE VOLUME (UNITS) BY COUNTRY OF ORIGIN



GRI INDEX AND SASB

| | |
|--------------------|---|
| Declaration of use | Sumitomo Chemical Brasil Indústria Química S.A. has reported in accordance with the GRI Standards for the period from January 1, 2024 to December 31, 2024. |
| GRI 1 used | GRI 1: Foundation 2021 |

GRI/SASB Standards/ Own indicators

GRI 2: GENERAL DISCLOSURES 2021

| Content | Page/response | SDG ² |
|--|--|------------------|
| 2-1 Organizational details | <u>2</u> , <u>7</u> This is a privately held company. | – |
| 2-2 Entities included in the organization's sustainability reporting | <u>2</u> | – |
| 2-3 Reporting period, frequency and contact point | <u>2</u> The report is published annually. This edition was published in April 2025. | – |
| 2-4 Restatements of information | There were no restatements. | – |
| 2-5 External assurance | The report was not submitted to external validation. | – |
| 2-6 Activities, value chain and other business relationships | <u>7</u> , <u>41</u> , <u>45</u> The changes in the operation are described on pages <u>6</u> and <u>13</u> . According to the Global Classification Industrial Standard (GCIS), the activities of Sumitomo Chemical Brasil are concentrated in 151010 – Chemicals, sector 15 – Materials. | 8, 10 |

¹ Sustainability Accounting Standards Board (SASB) - Chemicals Sustainability Accounting Standard - RT-CH, December 2023.
² UN Sustainable Development Goals (SDGs) corresponding to the indicators reported. The correlation with the SASB content was based on internal analysis; the correlation with the GRI content was based on the document “Linking the SDGs and the GRI Standards,” 2022, issued by GRI.

**GRI/SASB Standards/
Own indicators**
Content
Page/response
SDG

| | | | |
|------------------------------------|--|---|-------|
| GRI 2: GENERAL DISCLOSURES 2021 | 2-7 Employees | 23 , 24 | 8, 10 |
| | 2-8 Workers who are not employees | 23 | 8 |
| | 2-9 Governance structure and composition | 10 | 8, 10 |
| | 2-11 Chair of the highest governance body | 10 | 16 |
| | 2-13 Delegation of responsibility for managing impacts | 16 | — |
| | 2-14 Role of the highest governance body in sustainability reporting | 2 , 15 | — |
| | 2-22 Statement on sustainable development strategy | 3 | — |
| | 2-29 Approach to stakeholder engagement | 18 Information about the approach to specific stakeholders is on pages 17 (customers), 24 (employees), 27 (communities), and 45 (suppliers). | — |
| GRI 3: MATERIAL TOPICS 2021 | 3-1 Process to determine material topics | 15 | — |
| | 3-2 List of material topics | 15 | — |

**GRI/SASB Standards/
Own indicators**
Content
Page/response
SDG
PILLAR: PEOPLE
MATERIAL TOPIC: SOCIAL INVESTMENTS AND COMMUNITIES

| | | | |
|--|--|---|---|
| GRI 3: MATERIAL TOPICS 2021 | 3-3 Management of material topics | <u>19, 27</u> | – |
| GRI 413: LOCAL COMMUNITIES 2016 | 413-1 Operations with local community engagement, impact assessments, and development program | <u>27, 28</u> 75% of operational units had local support programs. | – |
| SUMITOMO INDICATORS | Description of corporate volunteer programs | <u>30</u> | – |
| | Description of projects with incentive resources | <u>27</u> | – |

MATERIAL TOPIC: DIVERSITY, EQUITY, AND INCLUSION

| | | | |
|--|---|---------------|----------|
| GRI 3: MATERIAL TOPICS 2021 | 3-3 Management of material topics | <u>19, 25</u> | – |
| GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016 | 405-1 Diversity of governance bodies and employees | <u>26</u> | 5, 8 |
| | 405-2 Ratio of basic salary and remuneration of women to men | <u>26</u> | 5, 8, 10 |

GRI/SASB Standards/
Own indicators

Content

Page/response

SDG

PILLAR: PLANET

MATERIAL TOPIC: CLIMATE CHANGE

| | | | |
|-----------------------------|---|---|-----------|
| GRI 3: MATERIAL TOPICS 2021 | 3-3 Management of material topics | 19, 32, 34 | – |
| GRI 305: EMISSIONS 2016 | 305-1 Direct (Scope 1) GHG emissions | 35 | 3, 13, 15 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 35 | 3, 13, 15 |
| | 305-3 Other indirect (Scope 3) GHG emissions | 35 | 3, 13, 15 |
| SASB RT-CH - GHG EMISSIONS | RT-CH-110a.2 Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | 21, 32 | 3, 13, 15 |
| | RT-CH-130a.1 Total energy consumed, percentage grid electricity, percentage renewable, and total self-generated energy | 36. Of all 21,932.2 GJ of energy consumed, 70% came from renewable sources and 75% from the National Interconnected System (SIN). | 7, 12, 13 |

MATERIAL TOPIC: SUSTAINABLE PRODUCTS AND SOLUTIONS

| | | | |
|-----------------------------|--|--------|-------|
| GRI 3: MATERIAL TOPICS 2021 | 3-3 Management of material topics | 19, 37 | – |
| SUMITOMO INDICATORS | Products included in the Sumika Sustainable Solutions (SSS) initiative | 39 | 2, 12 |

**GRI/SASB Standards/
Own indicators**
Content
Page/response
SDG
PILLAR: PROSPERITY IN BUSINESS
MATERIAL TOPIC: FINANCIAL TOOLS

| | | | |
|------------------------------------|--|-----------------------------|----------|
| GRI 3: MATERIAL TOPICS 2021 | 3-3 Management of material topics | <u>19</u>, <u>44</u> | — |
| SUMITOMO INDICATORS | Descriptions of projects in development phase | <u>44</u> | — |

MATERIAL TOPIC: SUSTAINABLE AGRICULTURE

| | | | |
|------------------------------------|---|--|----------|
| GRI 3: MATERIAL TOPICS 2021 | 3-3 Management of material topics | <u>19</u>, <u>42</u>, <u>43</u> | — |
| SUMITOMO INDICATORS | % of BioRationals in sales revenue | <u>42</u> | 2 |

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Technical GRI and SASB content, text and design

Conecta Conteúdo e Sustentabilidade

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Sumitomo image credit (pages 1, 16, 17, 27, 28, 29, 30, 39)

English translation

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