

## Sanyo Chemical reorganized to expedite the management decision

Sanyo Chemical Industries, Ltd. announced its organizational changes on April 1st, 2021.

We have executed the 10<sup>th</sup> Medium-Term Management Plan under the slogan of “KAERU (committed to change)” from FY2018 toward the vision set in 2017.

While expediting the management decision, we have been driving the shift to higher-value-added products and business activities from the customers’ perspective. This reorganization is one of the necessary measures.

### 1. Overview of the new organization

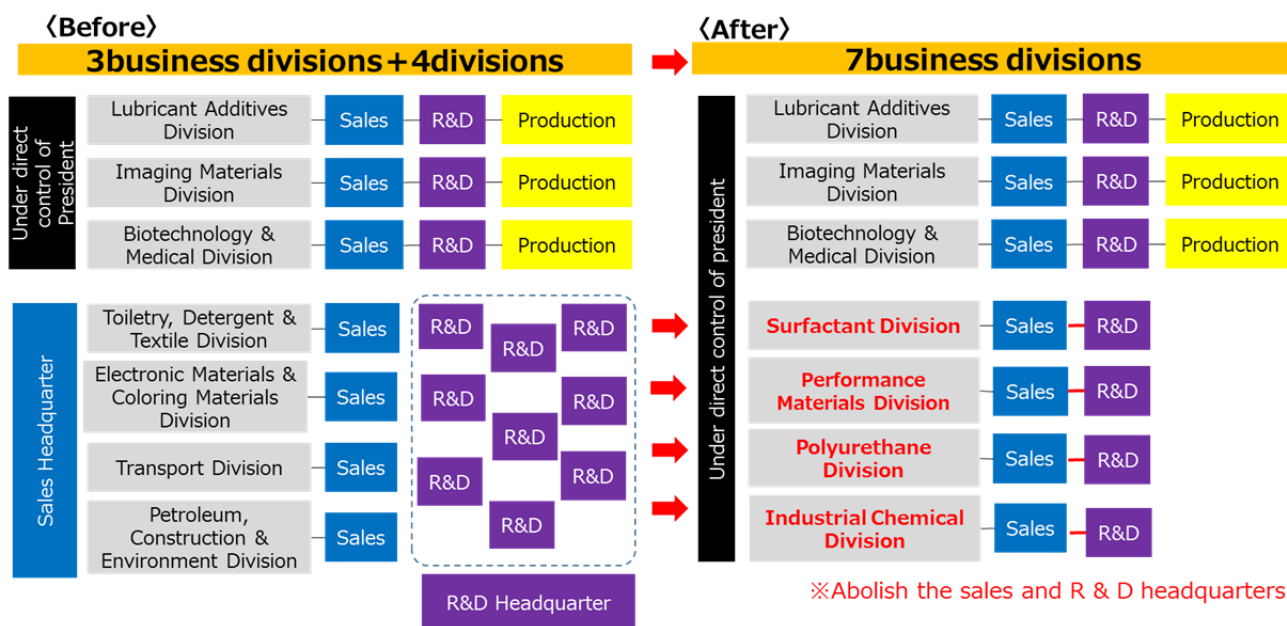
#### (1) New establishment of 4 business divisions (directly controlled by the President)

In order to expedite the management decision and delegate the task to the general managers by integrating the management of sales and R&D, we will newly establish 4 business divisions which are directly controlled by the President. There will be the total 7 business divisions including the existing 3 business divisions (Lubricant Additives Division, Imaging Materials Division and Biotechnology & Medical Division). As a result, the new business division based organization will enable us to improve product performance, provide better products and better services that solve social issues, enhance the customer valuation and improve the profitability.

#### <Newly establishing business division>

- Surfactant Business Division
- Performance Materials Division
- Polyurethane Division
- Industrial Chemical Division

Together with this new establishment, existing Sales & Marketing I Headquarter, Sales & Marketing II Headquarter, 4 sales division (Transport Division, Petroleum, Construction & Environment Division, Toiletry, Detergent & Textile Division and Electronic, Materials, Resin & Coloring Materials Division), Research and Development Headquarter and 2 research divisions (Research & Application No.1 Division and Research & Application No.2 Division) will be abolished.



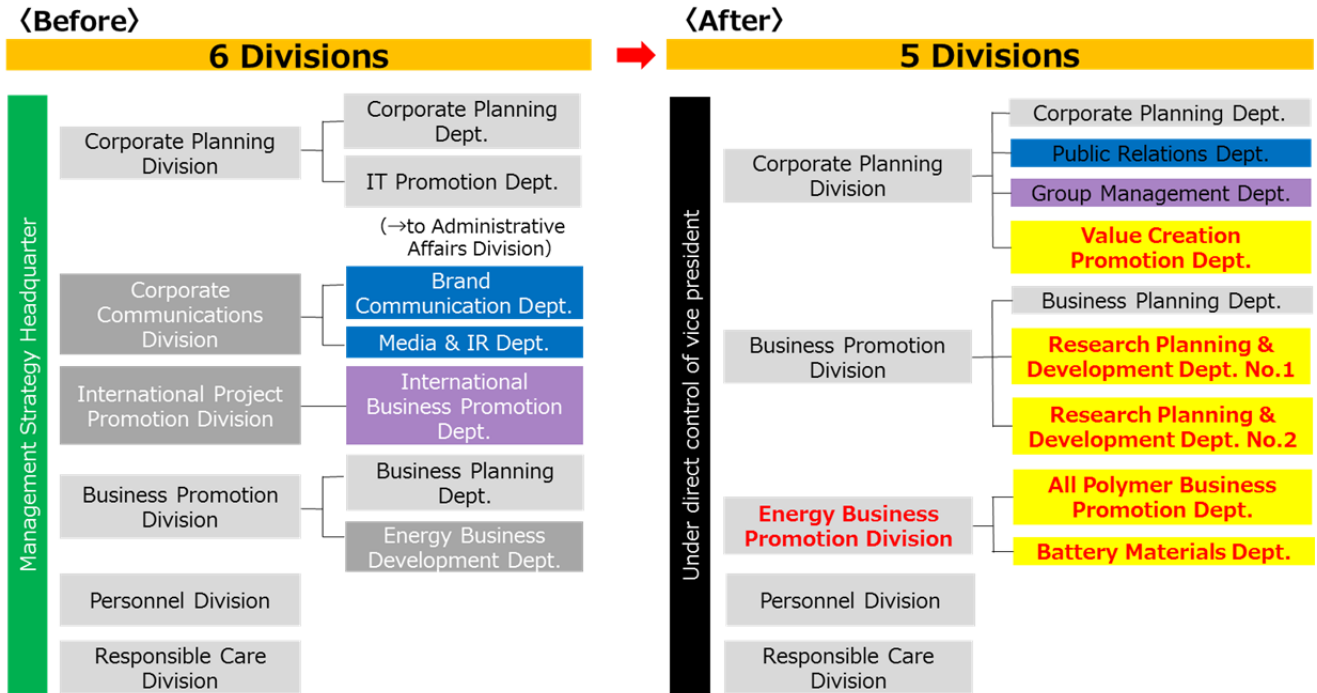
(2) Reorganization of Management Strategy Headquarter (directly controlled by the Vice President)

In order to unify company-wide strategy planning, transform existing businesses, and accelerate the development of new businesses, we will reorganize each division that previously belonged to the Management Strategy Headquarter into an organization under the direct control of the Vice President. In addition, in order to contribute to both the improvement of corporate and social value, the Value Creation Promotion Department will be newly established in the Corporate Planning Division to promote sustainable management. Furthermore, we will establish a new Energy Business Promotion Division to strongly promote the battery materials business and get it on track, which is one of our important businesses.

As a result, the Corporate Strategy Headquarter, Corporate Communications Division, and International Project Promotion Division will be abolished, and reorganized into 5 divisions as an organization under the direct control of the vice president.

<Business divisions directly controlled by the vice president>

- Corporate Planning Division
- Business Planning Division
- Energy Business Promotion Division
- Personnel Division
- Responsible Care Division

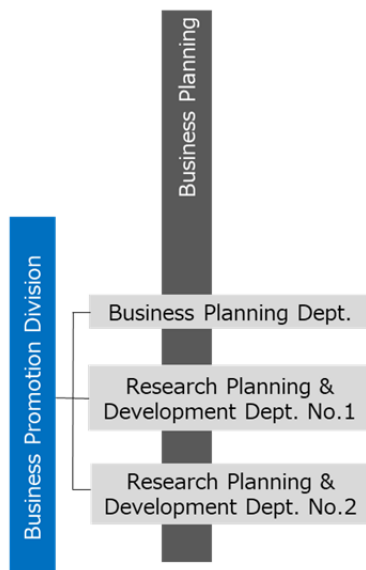


(3) New establishment of the Senior Managing Directors to supervise the personnel and organizational issues across the Divisions

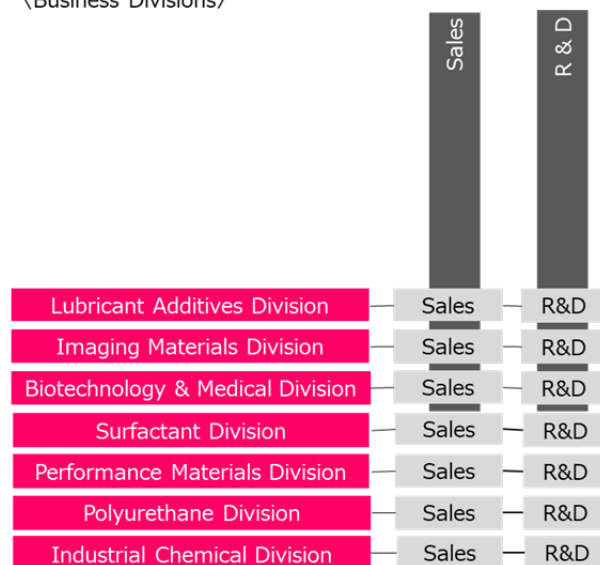
Apart from the job criteria of General Managers who are responsible for management policies and business operations of the Divisions, we will assign three Senior Managing Directors to supervise the personnel and organizational issues across the Divisions in aspects of cross-functions of Business Planning, Sales and R&D.

Regarding the production headquarter and general affairs headquarter that do not change the role, a general manager will continue to be in charge of each headquarter as it is.

〈Related to planning〉



〈Business Divisions〉



<Other reorganization>

In order to extend the business strategy from the customers' perspective and accelerate the shift to higher-value-added products, we will consolidate as follows.

(1) Coloring material & paint business

Coloring materials and paint business will be consolidated into our subsidiary, San Nopco Limited.

(2) Superabsorbent polymer business

SAP Research Department will be transferred to our subsidiary SDP Global Co., Ltd.

About Sanyo Chemical

Sanyo Chemical, established in 1949 in Kyoto, Japan, is a global manufacturer and seller of performance chemicals. Beginning as a manufacture of soap and textile agents, we have since diversified our product portfolio to meet the needs of the market. Today, we feature over 3,000 different types of products and have established an international presence. Our portfolio of chemicals spans a variety of industries and types, from automotive components to daily-use electronics, as well as cosmetics and medical equipment, all with the aim of creating more safe and environmentally friendlier offerings, improving lives and societies across the world.

<https://www.sanyo-chemical.co.jp/eng>

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