

## **The formulation of “2029 Sumitomo Riko Group Vision” and “2025 Sumitomo Riko Group Mid-term Management Plan”**

Sumitomo Riko Company Limited (Headquarters: Nakamura-ku, Nagoya-shi; President & CEO: Kazushi Shimizu) wishes to announce that it has finalized its “2029 Sumitomo Riko Group Vision” (2029V), the management vision for the final fiscal year in fiscal 2029, and “2025 Sumitomo Riko Group Mid-term Management Plan” (2025P), the mid-term management plan for the final fiscal year in fiscal 2025.

The Sumitomo Riko Group is directly facing global trends for the realization of a sustainable society, and “CASE”, which is revolutionizing the auto industry. And as environmental regulations are being strengthened around the world and more requirements are being placed on the market to improve safety and comfort, technological innovation for electric vehicles and autonomous driving is accelerating and there are high expectations for initiatives to preserve the global environment, beginning with carbon neutrality. As such, the Sumitomo Riko Group sees this major business environmental change as a new business opportunity.

Employees who will likely have a core role in our business in our 100<sup>th</sup> anniversary year in 2029 came together to discuss matters such as “What the future society strives to be” and “the reconfirmation of Core Competencies” and established the purpose “To realize the comfort of the society by maximizing the potential of materials through Monozukuri”.

## ■ 2029 Sumitomo Riko Group Vision (2029V)

The Sumitomo Spirit	Banji-nissei Shinyo-kakujitsu Fusu-furi		
What the Group Company strives to be	Global Excellent Manufacturing Company		
Purpose	To realize the comfort of the society by maximizing the potential of materials through Monozukuri		
Aims for 2029	A leading solution provider taking on social challenges by aggregating whole resources of Sumitomo Riko and its partners		
Three directions and materiality for achieving aims	Developing people and peers who pioneer the future	Providing training opportunities to promote individual growth and fostering a corporate culture full of job satisfaction. Promote Co-Creation through Internal and External Partnerships.	
	Building a flexible and strong organization	Business Activities that Consider Climate Change and Natural Capital. Transformation into a Management Foundation that can Flexibly Respond to Changes in the Environment.	
	Creating value for a sustainable society	Responding to next generation mobility and Providing Environmentally Friendly Products. Evolution and integration of technologies to expand provision of safety and comfort.	
Corporate Value (Financial Goals)	Consolidated net sales		Scale of 700 billion yen
	Return on Invested Capital (ROIC* <sup>1</sup> )	10% or more	Return on Equity (ROE) (return on equity held by parent company) 10% or more
Public Value (Non-Financial Goals) * Typical Example	Engagement		Increase awareness of our management philosophy and vision and create a self-reliant relationship for employees and the company to mutually determine.
	Diversity & Inclusion		Ensuring a safe workplace for a diverse workforce and creating new value
	Compliance		Ensuring compliance with laws and regulations and corporate philosophy within the Group and globally, including the supply chain
	Human resource development		Develop self-reliant and highly ambitious personnel to open a path to the future.
	Global environmental conservation		CO <sub>2</sub> emission reduction (compared to fiscal 2018) Scope1+2 -30% Scope3 -15%

\*1 Return on Invested Capital (ROIC) = Business profit ÷ Invested Assets (Total Assets - Interest Free Liabilities)

■ 2025 Sumitomo Riko Group Mid-term Management Plan (2025P)

Theme	Further enhancing profitability and Strengthening the management foundation for sustainable growth.		
Corporate Value (Financial Goals)	Consolidated net sales	620 billion yen	
	Business profits	28 billion yen	
	Return on Invested Capital (ROIC)	8% or more	Return on Equity (ROE) (return on equity held by parent company) 8% or more
	Dividend payout ratio	30% or more	
	Investment amount (accumulated over three years)	Research and Development 55 billion yen	
		Facility investment 90 billion	
Public Value (Non-Financial Goals) *Typical Example	Engagement	Provide training in corporate philosophy to global executives and promote activities to ensure all employees are aware of our corporate philosophy and vision	
	Human resource development	Expansion of training programs (accumulated over three years) <ul style="list-style-type: none"> <li>• Executive training 100 participants</li> <li>• DX core personnel*<sup>2</sup>training 200 participants</li> <li>• DX data analyst*<sup>3</sup>training 700 participants</li> </ul>	
	Global environment conservation	CO <sub>2</sub> emission reduction (compared to fiscal 2018) Scope1+2 -20%	
		Waste reduction (compared to fiscal 2022 primary unit) -3%	

\*2 DX core personnel: Personnel engaged in leading the planning of the utilization of IoT and AI to the actual implementation in their department

\*3 DX data analysts: Personnel who use IoT, AI and other specialist IT tools for work purposes in their department

The Sumitomo Riko Group aims to be a “Global Excellent Manufacturing Company” that is needed around the world by our 100<sup>th</sup> anniversary in 2029.

Contact Information

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