

## 2029 Sumitomo Riko Group Vision (2029V)

A leading solution provider taking on social challenges by aggregating whole resources of Sumitomo Riko and its partners

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# 1

## Our Vision

# 2029 Sumitomo Riko Group Vision

## 2025 Sumitomo Riko Group Mid-term Management Plan

The Sumitomo Riko Group had previously formulated a five-year Mid-term vision, however, in order to respond flexibly to the rapidly changing business environment, we have made 2 additional types of visions for the Group, one is a Long-Term Vision, which indicates the long-term direction, and another is a Mid-term Management Plan, a three-year business plan.

What the future society strives to be  
Green & Pleasant Society Connecting the Nature, City and People

What our Group aim to be  
Global Excellent Manufacturing Company

Back cast

**2022V**  
2018-2022

- CASE
- SDGs

2025  
Sumitomo Riko Group  
Mid-term Management Plan  
**2025P**  
(2023-2025)

Further enhancing profitability and  
Strengthening the management foundation  
for sustainable growth.

2029  
100th anniversary  
2029 Sumitomo Riko  
Group Vision  
**2029V**

A leading solution provider taking on  
social challenges by aggregating  
whole resources of Sumitomo Riko and its partners

### Three directions for 2029

- Developing people and peers who pioneer the future
- Building a flexible and strong organization
- Creating value for a sustainable society

# 2

## Our Philosophy

# Sumitomo Spirit & Sumitomo Riko Group Management Philosophy

The Sumitomo Spirit has been refined through the generations based on the Founder's Precepts "Monjuin Shiigaki," which Masatomo Sumitomo, the founder of the Sumitomo family, wrote and handed on to describe how a merchant should conduct business.

The Sumitomo Riko Group, in accordance with the Sumitomo Spirit and the Sumitomo Riko Group Management Philosophy, shall strive to be a group of companies worthy of society's trust by conducting business activities in an honest manner.

## Sumitomo Spirit

### Banji-nissei

Do your sincere best, not only in business, but also in every aspect of your life

### Shinyo-kakujitsu

Respond to trust by constantly thinking and acting for other's expectations

### Fusu-furi

Having a progressive spirit with an eye on the future, thinking with a long-sighted viewpoint, without focusing on short-term profit by inappropriate manners

## Sumitomo Riko Group Management Philosophy

In light of the Sumitomo Spirit, all of us at the Sumitomo Riko Group will:

1

Provide superior products and services to meet customer needs based on technological innovation.

4

Maintain a high standard of corporate ethics and observe all laws and regulations to earn public trust and confidence worldwide.

2

Place top priority on safety and work to ensure the safety of people and society.

5

Foster an invigorating corporate culture that respects our employees' diversity, personal qualities, and individuality.

3

Strive to protect the global environment and to contribute to creating better communities.

# Corporate History

Since our foundation in 1929 in Yokkaichi City, Mie, the Sumitomo Riko Group has been developing business activities with the support of many people, and in 2029 we will celebrate 100th anniversary. During this period, the entire company has made steady progress, despite the numerous changes in social and economic conditions, including wars and natural disasters.

The flow of social change and technological innovation is incomparably faster than before. Further, the social responsibilities requirement to companies, such as their reactions to environmental problems, are getting bigger. With the technological capabilities and pride as a manufacturing company accumulated since our foundation, we will rapidly take on these challenges.

| 1929  | 1937 | 1954   | 1976 | 1984   | 1988 | 1994  | 2001 | 2013   | 2014 | 2022  | 2023 |
|---|------|--|------|--|------|---|------|--|------|---|------|
| <b>"First Founding"</b><br>1929 Established in Yokkaichi-shi, Mie as Showa Kogyo Co., Ltd.<br>1937 Joined the Sumitomo Group. Company name changed to Tokai Rubber Industries, Ltd. (using Kanji for Rubber in the Japanese name) |      | 1954 Started the automotive anti-vibration rubber products business<br>1976 Foreman Training (F-Ken) started as part of efforts to develop human resources as part of the general improvement activities at workplaces |      | 1984 Started the office equipment precision components business<br>1988 <b>First Expansion Overseas</b><br>1988 Established DTR Industries, Inc. (current SumiRiko Ohio, Inc.), the Company's first overseas production base in the U.S. |      | 1994 Listed on the second section of the Tokyo Stock Exchange (TSE)<br>2001 Developed damping devices for housings and entered the housing market |      | 2013 <b>Enhancing Our Global Reach Through Mergers and Acquisitions</b><br>2013 Acquired Dytech-Dynamic Fluid Technologies S.p.A., an Italian automotive hose manufacturer, and Anvis Group GmbH, a German automotive anti-vibration rubber manufacturer, and made them into consolidated subsidiaries<br>2014 Company name changed to Sumitomo Riko Company Limited |      | 2022 Transferred to TSE Prime Market and NSE Premier Market due to restructuring into new market segments |      |



**The status of the world**

- |             |                  |             |                      |             |                                |         |                               |
|-------------|------------------|-------------|----------------------|-------------|--------------------------------|---------|-------------------------------|
| 1929        | Great depression | 1954 - 1973 | High economic growth | 1973 - 1978 | Oil shock                      | 2011.03 | Great East Japan Earthquake   |
| 1939 - 1945 | World War II     | 1964.10     | Tokyo Olympics       | 1986 - 1991 | Economic bubble                | 2007 -  | Bankruptcy of Lehman Brothers |
| 1947 - 1949 | Baby boom        |             |                      | 1995.01     | Great Hanshin-Awaji Earthquake | 2020 -  | The Covid-19 Pandemic         |

# What our Group aim to be / Purpose

## What our Group aim to be

# Global Excellent Manufacturing Company

A company that constantly asks itself what kind of Monozukuri (manufacturing) is needed by society and continues to pursue it with a global perspective

## Purpose

To realize the comfort of the society  
by maximizing the potential of materials  
through Monozukuri

### Strength

**Maximize the Potential  
of Materials**

We will continue to pursue the infinite possibilities of materials through the advancement of "Polymer Materials Technology" and "Comprehensive Evaluation Technology".

### Values

**To realize the comfort  
of the society**

We will continue to provide safety, security, and comfort to people, society, and the earth with products that we have refined together with our customers.

### Aspirations

**Monozukuri**

We are proud to be a manufacturing company that values the meticulous craftsmanship and high quality established by our predecessors, and we will continue to infuse manufacturing with added value that will pave the way to a new era.



# 3

## Our Vision for the Future Society and Business fields

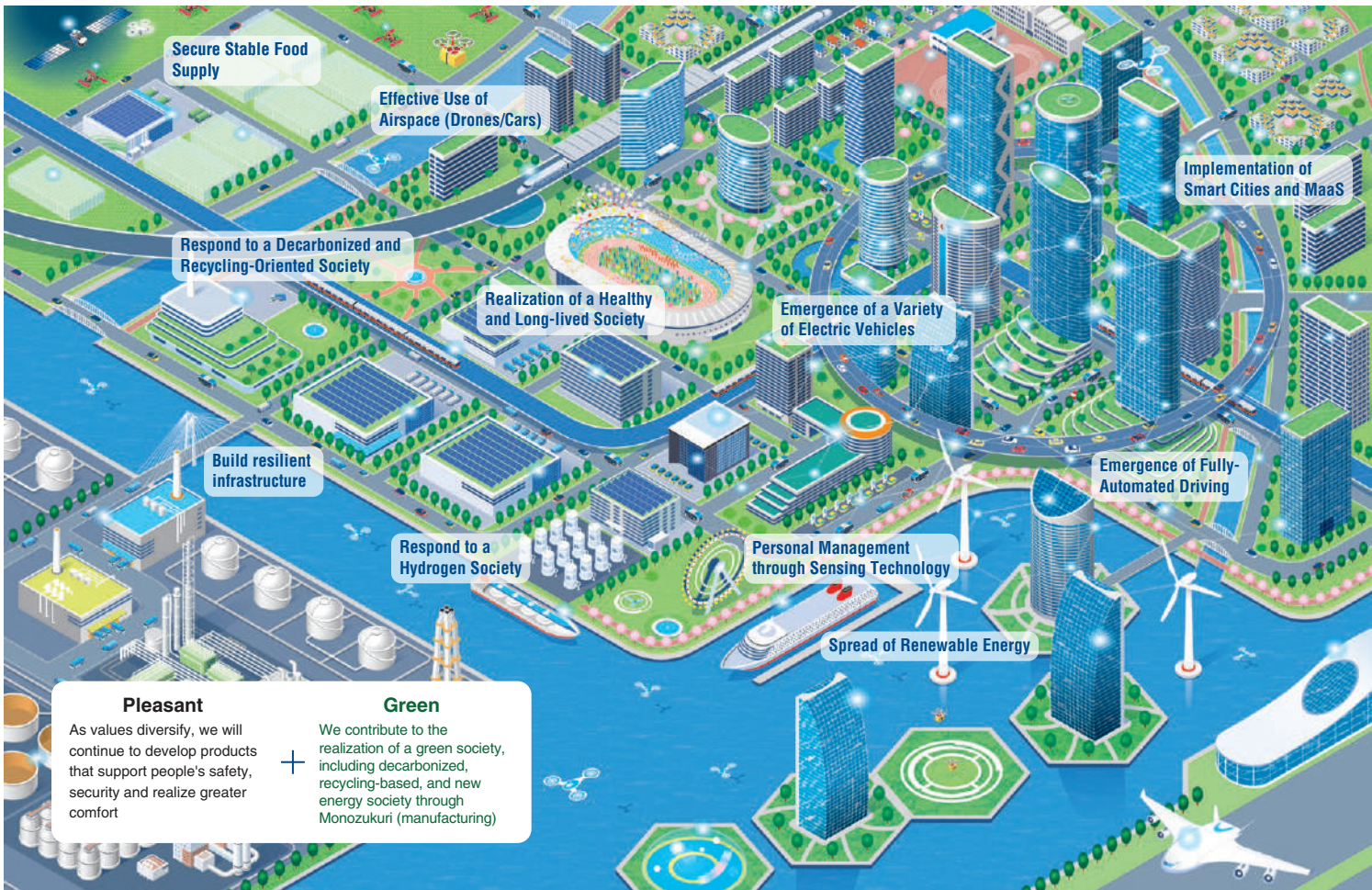
# Vision for the Future Society We Want to Realize

Green and Pleasant Society Connecting the Nature, City and People

2029V

3 Our Vision for the Future Society and Business fields

SUMITOMO RIKO



Secure Stable Food Supply

Effective Use of Airspace (Drones/Cars)

Implementation of Smart Cities and MaaS

Respond to a Decarbonized and Recycling-Oriented Society

Realization of a Healthy and Long-lived Society

Emergence of a Variety of Electric Vehicles

Build resilient infrastructure

Emergence of Fully-Automated Driving

Respond to a Hydrogen Society

Personal Management through Sensing Technology

Spread of Renewable Energy

### Pleasant

As values diversify, we will continue to develop products that support people's safety, security and realize greater comfort

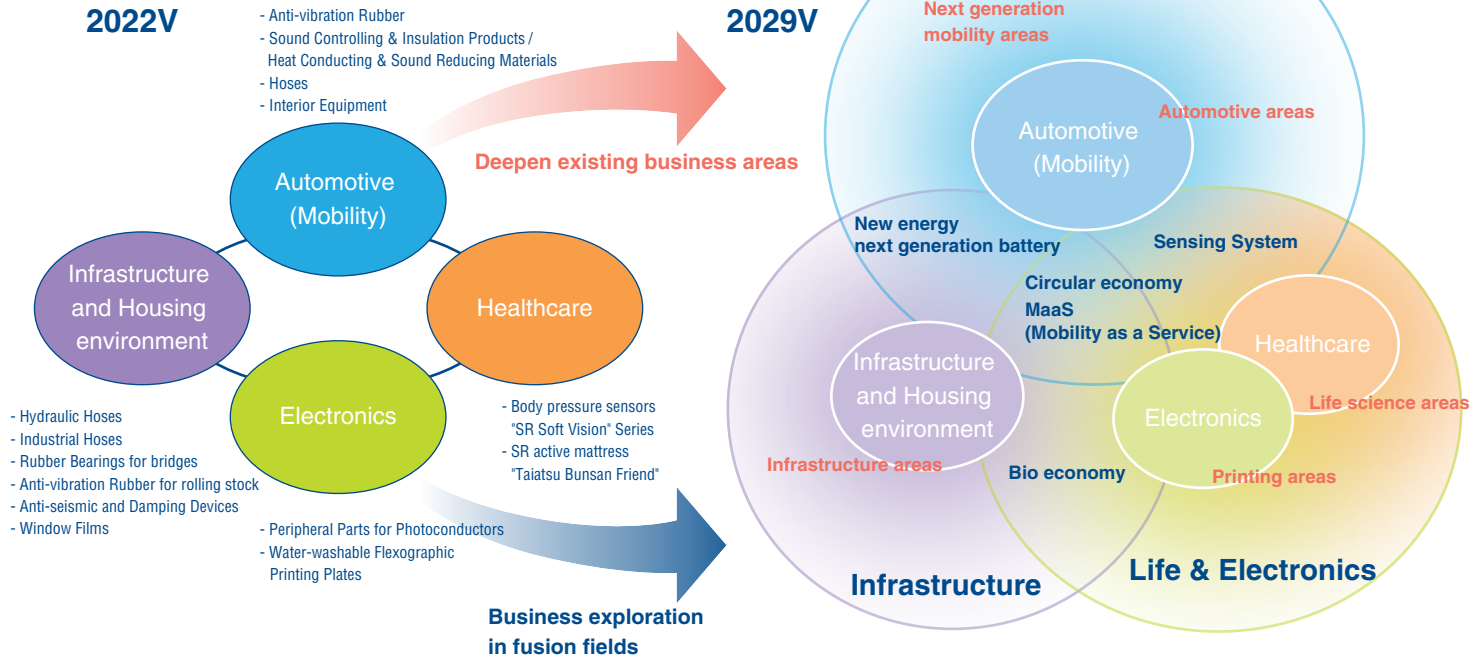
### Green

We contribute to the realization of a green society, including decarbonized, recycling-based, and new energy society through Monozukuri (manufacturing)



# Business fields of Sumitomo Riko Group for 2029

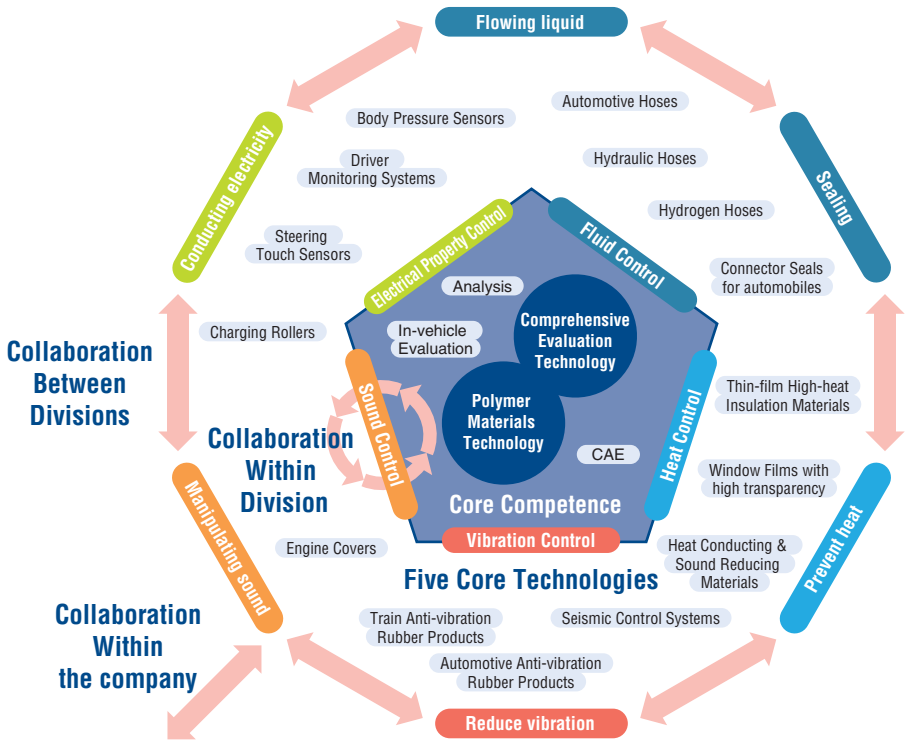
To realize a Green and Pleasant Society of the future, the issues we must address are becoming increasingly diverse and complicated, which makes it difficult to solve them through a single business. Therefore, based on market and technology affinity and growth potential, we will integrate our current four business domains into three, "Mobility, Infrastructure, and Life & Electronics," to aim for business growth by deepening our existing business areas and accelerating business exploration in fusion fields.



# Approach to Value Co-Creation (Advancement and Fusion)

To deepen existing business areas and accelerate business exploration in fusion fields, we will advance value co-creation (advancement and fusion) through collaboration beyond departmental and company boundaries, starting from our core competence.

## Three Types of Collaboration



## Examples of Value Co-Creation

[Deepen existing business areas]

### Improved comfort value for BEVs

#### Advanced Vibration Control

#### Anti-Vibration Rubber for BEVs



We will contribute to improve ride comfort and handling stability of electric vehicles by advancing vibration control technology

[Business exploration in fusion fields]

### Value Creation by in-vehicle sensing

#### Electrical Property Control × Vibration Control

#### Driver Monitoring Systems



By using a special flexible, electrically conductive rubber material, we estimate the heart rate and breathing rate under the vibration generated by driving a vehicle

# 4

## 2029V

# 2029 Sumitomo Riko Group Vision (2029V)

[ What We Want to Be in 2029 ]

**A leading solution provider taking on social challenges  
by aggregating whole resources of Sumitomo Riko  
and its partners**

# Three directions and Six materialities to realize Our Vision



## Three directions and Six materialities to realize Our Vision

- |  |   |
|--|---|
| <p><b>1</b> Developing people and peers who pioneer the future</p> | <p>1 Providing training opportunities to promote individual growth and fostering a corporate culture full of job satisfaction.</p> <p>2 Promote Co-Creation through Internal and External Partnerships.</p> |
| <p><b>2</b> Building a flexible and strong organization</p>        | <p>3 Business Activities that Consider Climate Change and Natural Capital.</p> <p>4 Transformation into a Management Foundation that can Flexibly Respond to Changes in the Environment.</p>                |
| <p><b>3</b> Creating value for a sustainable society</p>           | <p>5 Responding to next generation mobility and Providing Environmentally Friendly Products.</p> <p>6 Evolution and integration of technologies to expand provision of safety and comfort.</p>              |

5

# Targets



# 2029V Targets Public Value and Corporate Value

## Public Value (Non-Financial Goals)

| Engagement  | Diversity and Inclusion  | Human resource development   |
|---|--|--|
| Increase awareness of our management philosophy and vision and create a self-reliant relationship for employees and the company to mutually determine | Ensuring a safe workplace for a diverse workforce and creating new value                     | Develop self-reliant and highly ambitious personnel to open a path to the future |
| Compliance  | Global environmental conservation  |  |
| Ensuring compliance with laws and regulations and corporate philosophy within the Group and globally, including the supply chain                      | CO <sub>2</sub> emission reduction (compared to fiscal 2018)<br>Scope1+2 -30%<br>Scope3 -15% |  |

## Corporate Value (Financial Goals)

| Consolidated net sales   | Return on Invested Capital (ROIC*) | Return on Equity (ROE)<br>(return on equity held by parent company) |
|--------------------------|------------------------------------|---|
| Scale of 700 billion yen | 10% or more                        | 10% or more   |

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