

# DAIS (Digital & AI Strategy) Briefing

Sumitomo Corporation | May 27, 2026

## Disclaimer on Forward-Looking Information

This material discloses various management targets and other forward-looking projections regarding our DAIS, Medium-Term Management Plan, and other initiatives. These are targets that our management aims to achieve by successfully implementing DAIS and the Medium-Term Management Plan. These management targets and other forward-looking projections do not guarantee the achievement of current expectations regarding future events or future performance. Accordingly, please refrain from placing undue reliance on this information. Please also note that these targets and projections are based on certain assumptions and expectations, as well as information currently available to the Company, and may be subject to change due to future circumstances. The Company assumes no obligation to update these targets, projections, or other information on an ongoing basis.

# Digital & AI Strategy (DAIS) Vision

## Vision

Leveraging Digital & AI  
across all business frontlines  
to build new value creation  
models and lead the  
transformation  
of society and industry

### Business Frontlines

- 900 consolidated operating companies
- 100,000 global customers
- Ability to identify issues directly from business frontlines
- Customer interface capabilities
- Corporate Group (Global)
- Business Engineering Power



### Talent

- Strengthening digital business–design capabilities
- Acquisition of digital skills
- Requirements-definition capabilities
- Knowledge of data governance

## Design Principles

- Redefining the true value customers seek
- Further bolstering our strengths
- Converting tacit knowledge into explicit and organizational knowledge
- Transforming fundamental challenges into value
- Turning around underperforming businesses
- Implementing business concepts in society and industry

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### Digital Solutions

- System and network development
- Digital and AI engineering
- Cybersecurity
- BPO and data-center capabilities

# Three Pillars Supporting the Growth of DAIS

## Pillar 2

### Growth of Our Group through DAIS

Leverage Digital & AI across all business frontlines of Our Group to build new value creation models and achieve growth

## Pillar 3

### Growth through collaboration between Our Group and SCSK

Transform and create each other's businesses through collaboration between Our Group and SCSK, accelerating growth

## Pillar 1

### Growth of SCSK

Accelerate the evolution toward AI and offering-based models by leveraging existing competitive advantages and strengths

## Strengths of Our Group and SCSK

Advancing DAIS by further strengthening Digital Solutions, Business Frontlines, and Talent



Business Frontlines

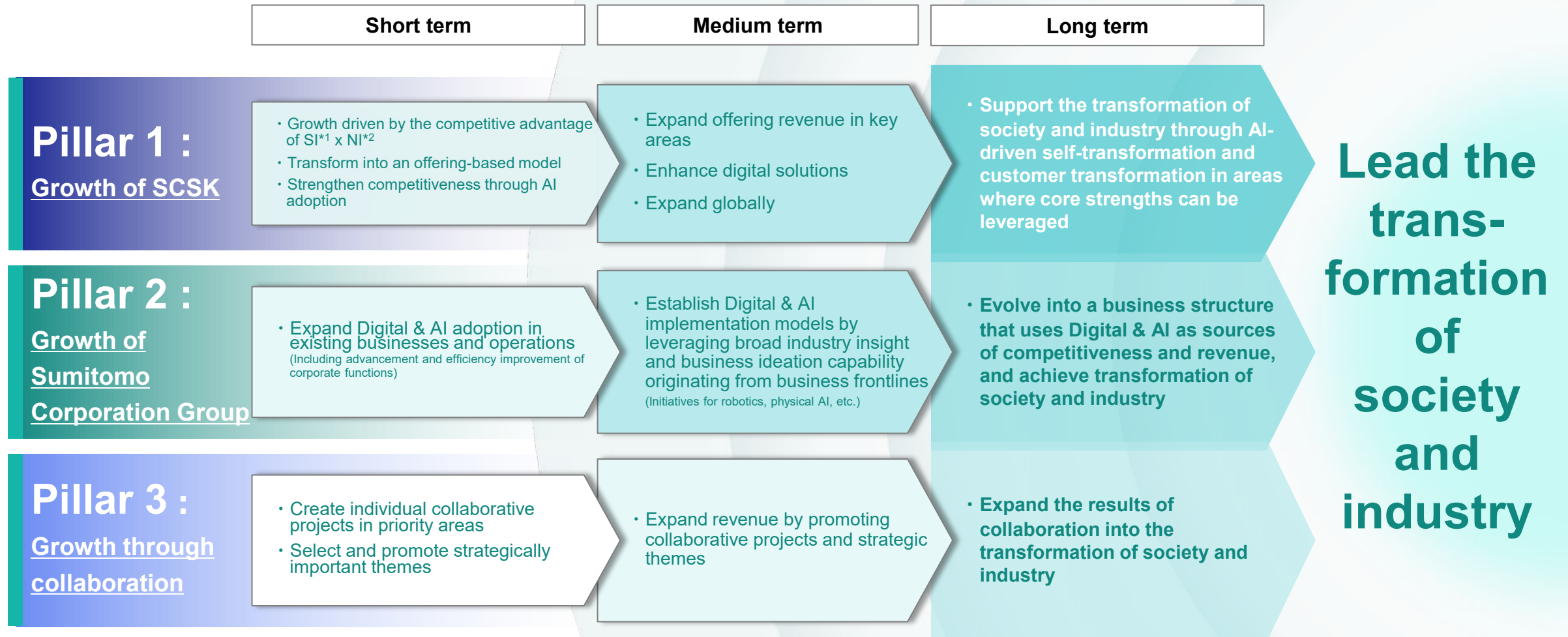
Our Group's Competitive Advantage



Digital Solutions

# DAIS Overall Growth Roadmap

- This roadmap provides an overall picture of how DAIS will evolve over short, medium, and long term.



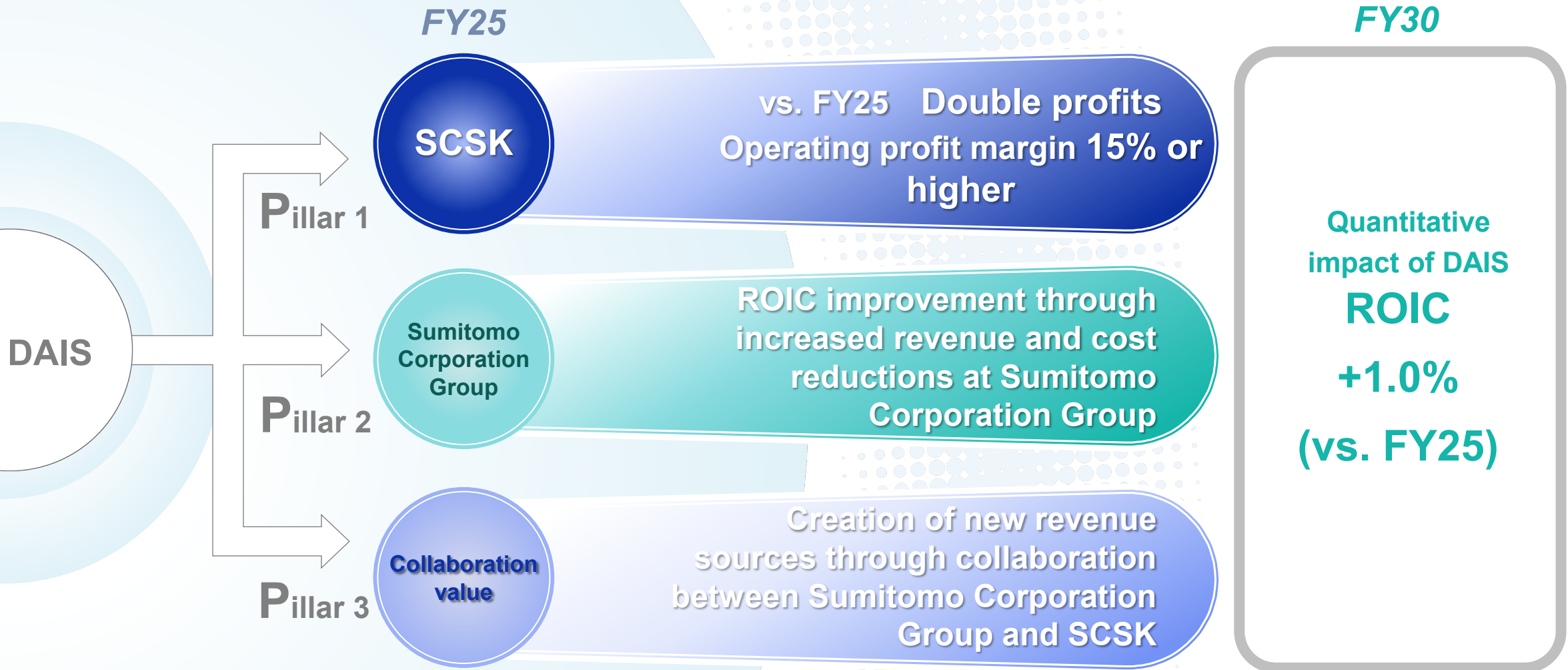
Note 1: This roadmap shows the overall direction of growth for DAIS. Specific value creation processes and examples of each measure are presented from the following pages onward.

Note 2: The above nine arrows (short-term, medium-term, and long-term) indicate the degree of profit contribution by differences in color intensity.

\*1 SI : System Integration \*2 NI : Network Integration

# Quantitative Impact of DAIS

- In addition to increased profits from SCSK's own growth under Pillar 1, revenue growth and cost reductions through efficiency improvements at Sumitomo Corporation Group as shown in Pillar 2, and the impact of Pillar 3, we aim to improve ROIC by 1.0% compared with FY25 through the impact of DAIS.



# Pillar

# 1

Pillar Supporting the Growth of DAIS

Growth of SCSK



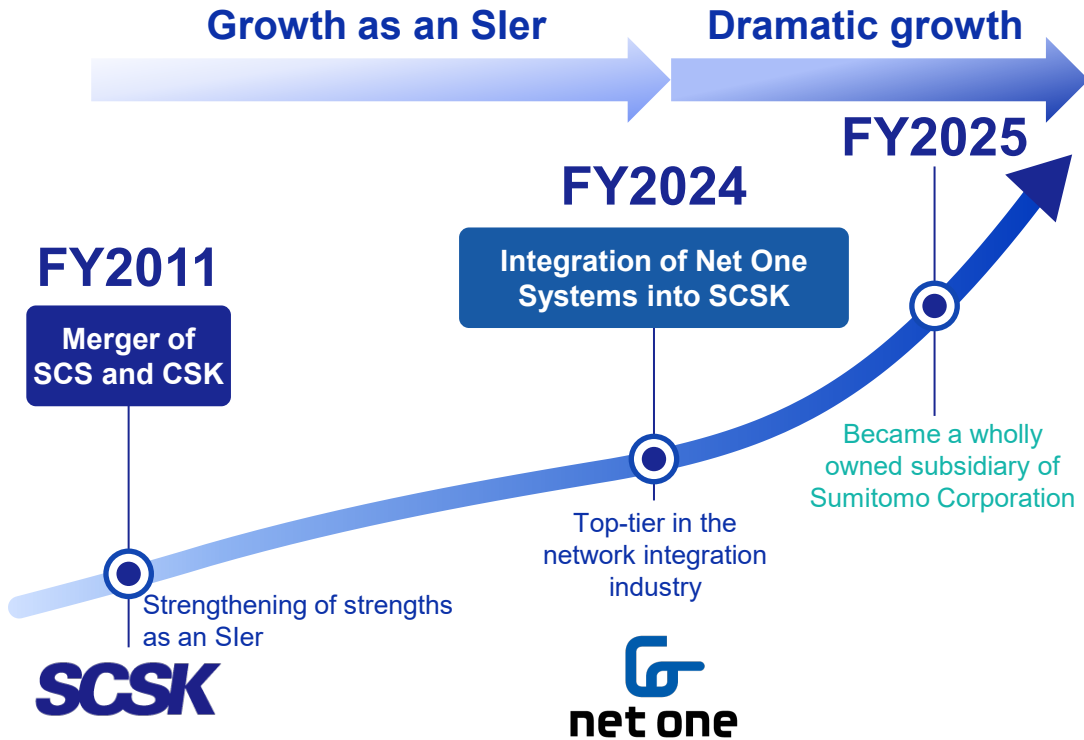
# Overview of SCSK

**Established:** 1969 **Revenue:** 780.3 billion yen **Operating profit:** 86.3 billion yen (consolidated / as of March 31, 2026)

**Number of employees:** 21,015 (consolidated / as of March 31, 2026)

## History of SCSK's Evolution

14 consecutive years of revenue and profit growth



## Customer value proposition model centered on full-stack capabilities

Optimal proposals tailored to customer needs, with SI and NI full-stack capabilities as the core strength



### High value-added services

#### Hands-on system development and operation (SI)

- Software development partnership with customers
- Joint operation of system operating companies

#### Integrated infrastructure support (NI)

- Integrated infrastructure services including cloud and security (Design, construction, and operation)

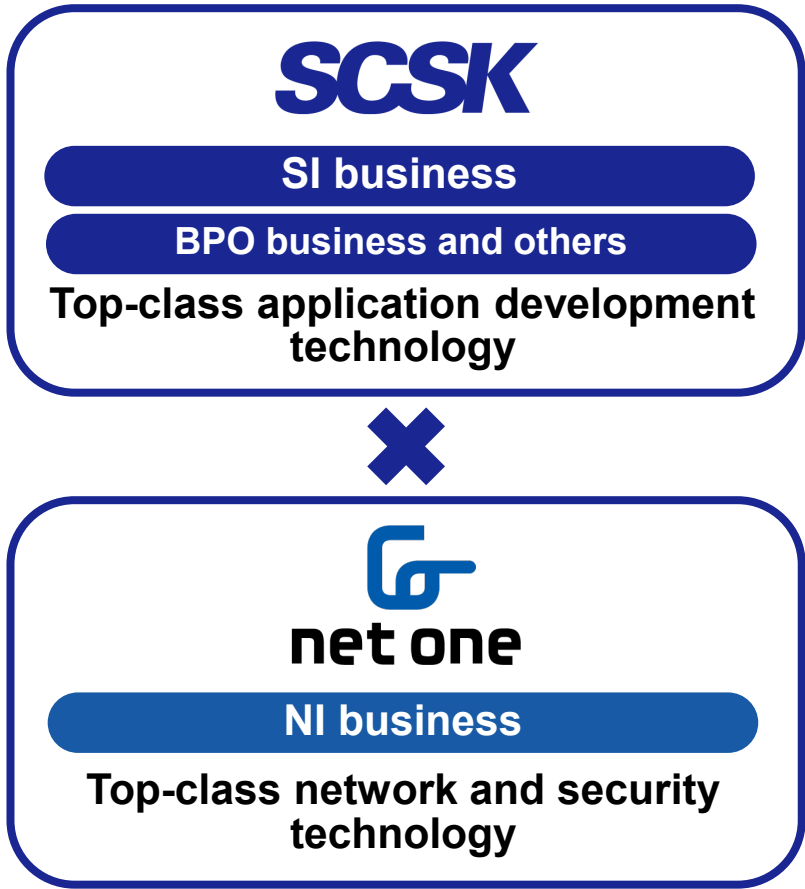
#### Digital & AI adoption

- AI data platforms
- Decision-making support based on intellectual property x data utilization
- Quality and security assurance for AI outputs

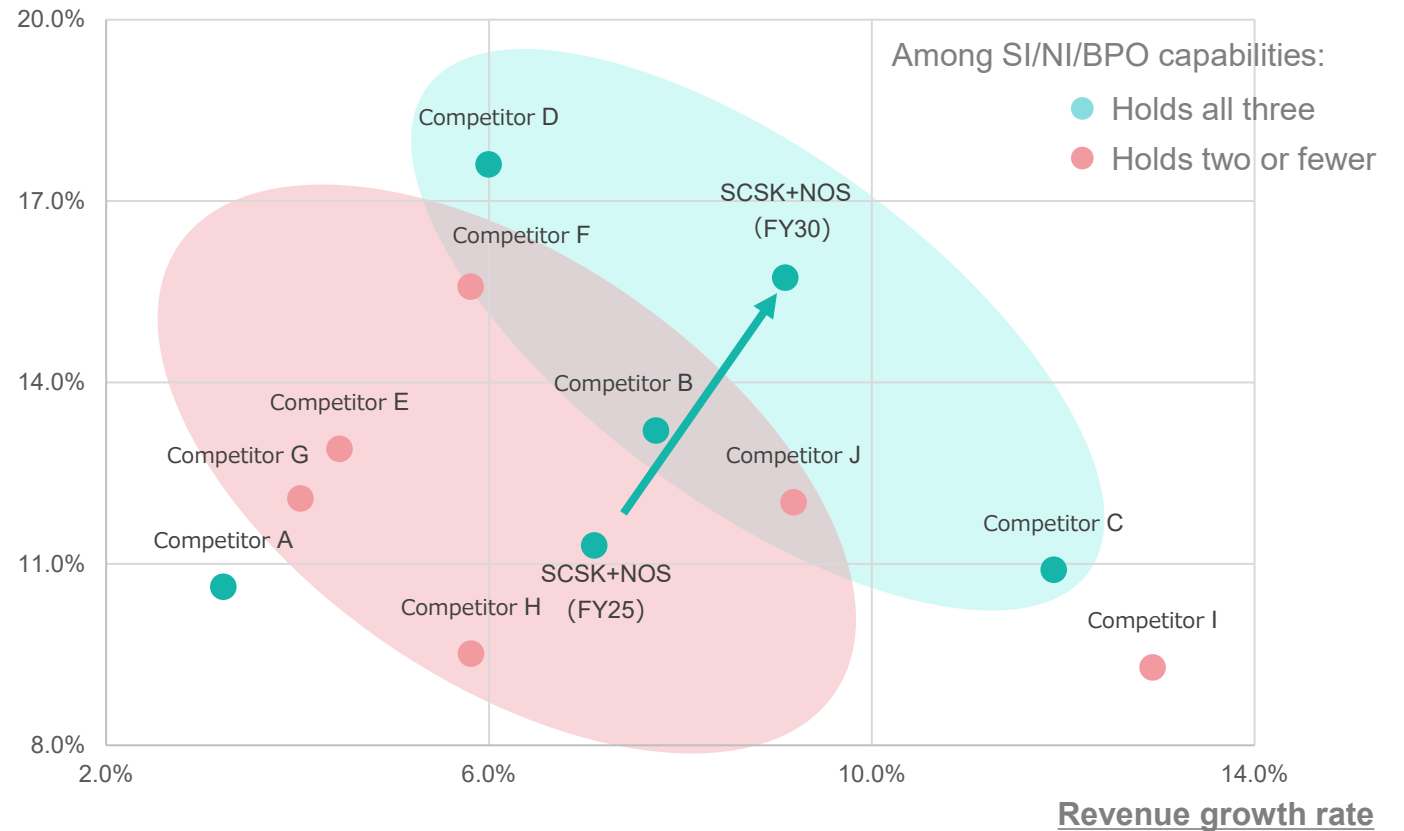
\* BPO : Business Process Outsourcing

# Sources of SCSK's Competitive Advantage

- With Net One Systems (NOS) becoming a Group company, SI & NI full stack has been established as a source of competitive advantage
- By organically connecting SI, NI, and BPO, SCSK is positioned to diversify its profit pools and target further high growth and high profitability



Operating profit margin

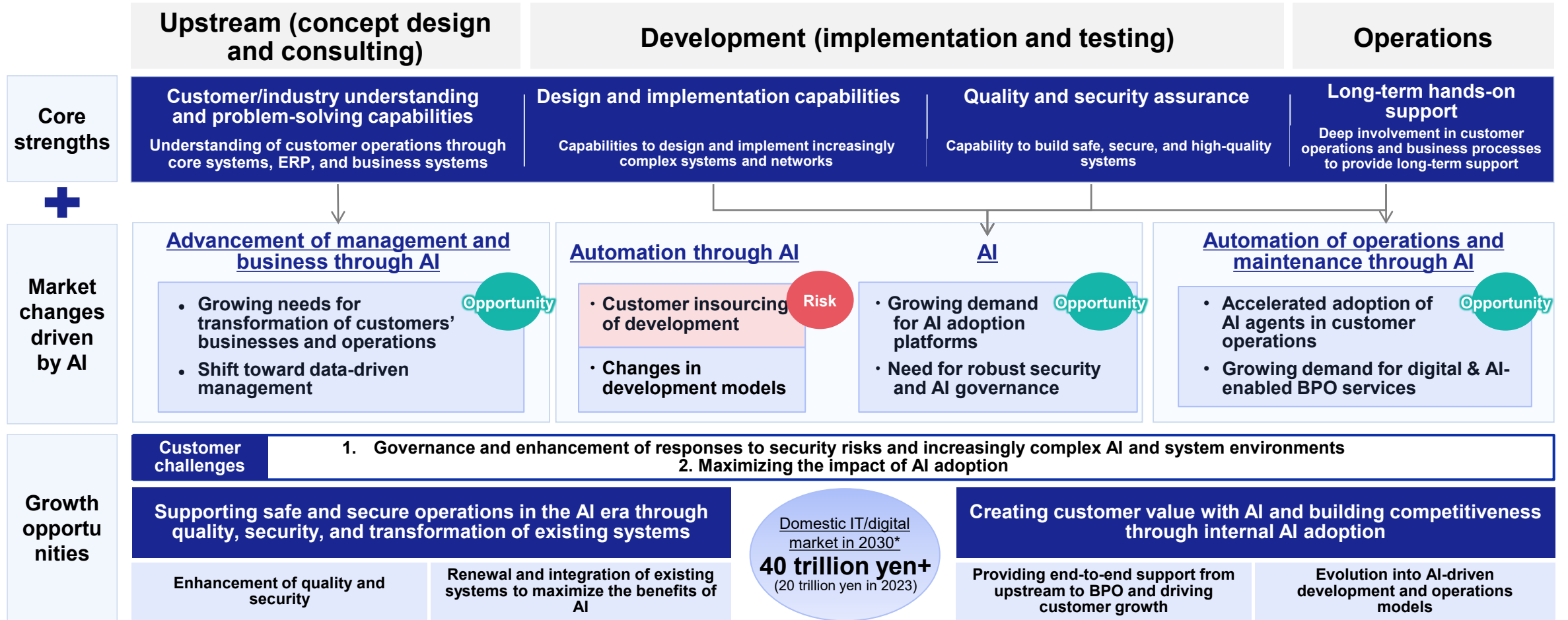


- SCSK + NOS is calculated based on the FY24-25 revenue growth rate and the FY25 operating profit margin.
- Competitors are major system integrators, calculated based on their revenue growth rates over the most recent two years and FY25 operating profit margins.

# Growth Opportunities through AI

The market has concerns about the growth prospects of technology companies amid the evolution of AI

**Existing strengths are highly resilient to changes brought by AI, and AI is in fact a growth opportunity**



\* Estimated based on reports by Gartner and Yano Research Institute

# SCSK New Medium-Term Management Plan (2026-2030)

- Aiming for transformational growth by anticipating changes in society and markets and fully utilizing Sumitomo Corporation’s resources

## Changes in customer needs

- Accelerated use of digital technologies by business divisions
- Expectations for transformation covering everything from management and business concept design to execution and adoption

## Changes in the competitive environment

- Emergence of competitors using Digital & AI technologies to lead transformation

## Evolution of technology

- Adoption of generative AI and agentic AI
- Advancement of security
- Increasing complexity of networks




# New Medium-Term Management Plan

A corporate group that leads the resolution of social issues and develops a portfolio of businesses with an overwhelming presence and influence

**Next Dimension 2030**  
Evolving into an IT company of a different dimension

## Sumitomo Corporation’s resources

**900 business frontlines and data**  
Utilization of domain knowledge and data gained through business frontlines across diverse industries

**Global reach across 64 countries and regions**  
Utilization of global bases and operating companies

**Digital/AI capabilities**  
Collaboration with digital and AI operating companies




**CVC\* network in five regions worldwide**  
Access to advanced technologies and tech companies in Japan and overseas

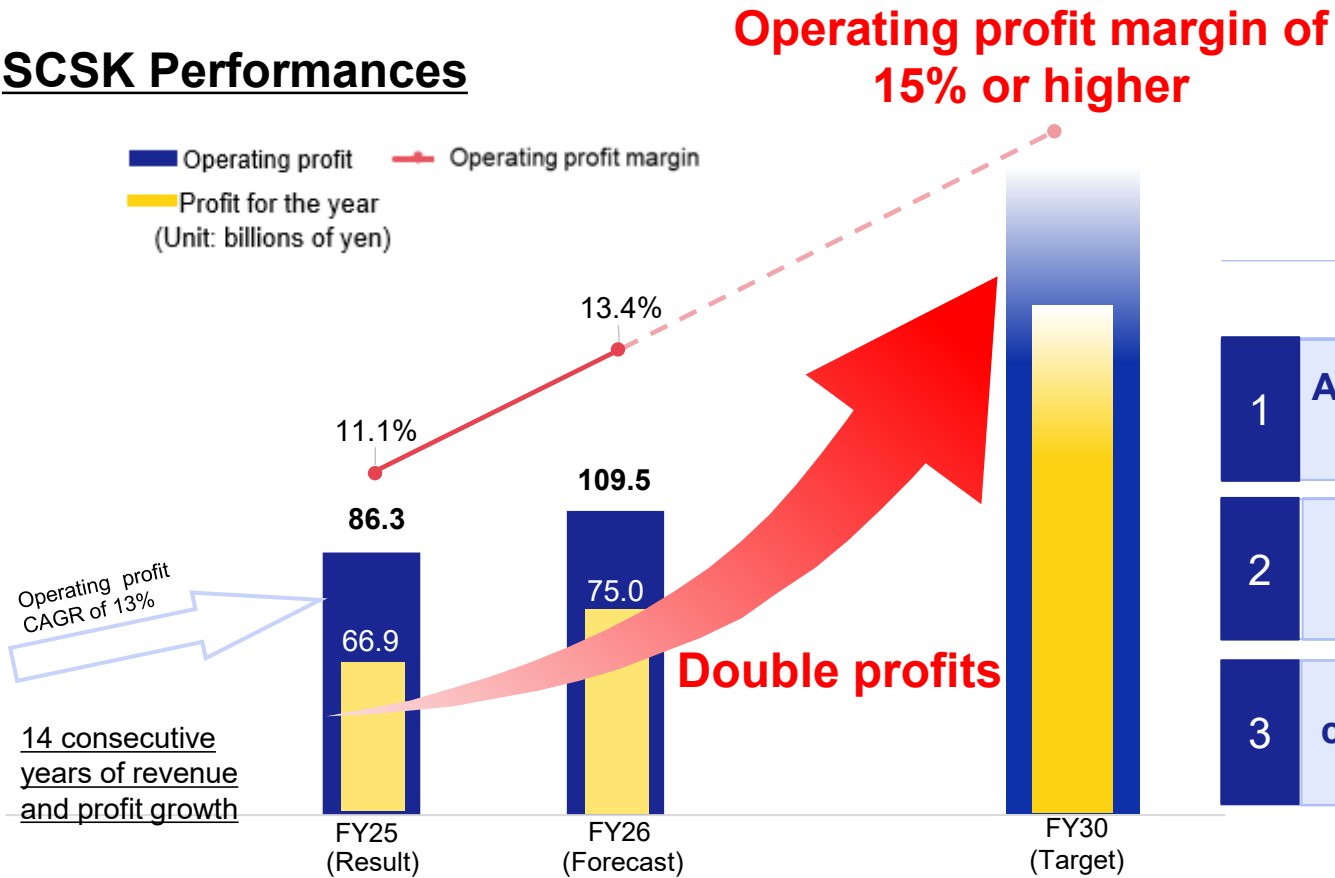
**Global customer base of 100,000 companies**  
Network of global customers across a broad range of fields

\* CVC : Corporate Venture Capital

# Growth of SCSK

- By implementing the measures in SCSK's new medium-term management plan, SCSK expects to achieve 1. **double the profit level** compared with FY25 and 2. an **operating profit margin of 15% or higher** in FY30
- This represents profit growth significantly exceeding the assumptions at the time of the TOB

## SCSK Performances



**Organic growth**  
(Track record of 14 consecutive years of revenue and profit growth)



**Three measures under the new medium-term management plan**

- 1 AI-driven self-transformation and business expansion**  
A growth mechanism that does not rely on increasing headcount (Both revenue and profitability improve)
- 2 Transformation into an offering-based model**  
Highly repeatable winning pattern (Both revenue and profitability improve)
- 3 Thorough utilization of competitive advantages and strengths**  
SCSK's unique winning pattern (Both revenue and profitability improve)

# SCSK Growth Measures

## Three Measures under the New Medium-Term Management Plan (2026-2030)

### 1 AI-driven self-transformation and business expansion

#### Main initiatives

#### Productivity improvement through AI

- Full-scale application of AI-driven development
  - Automation of maintenance and operations through generative AI
- Target: 100% AI-driven development within two years

#### Business expansion in AI domains

- Integrated provision of AI/data platforms and AI security
- AI agent adoption in customer operations
- Full undertaking of customer operations and efficiency improvement through AI

### 2 Transformation into an offering-based model

#### Main initiatives

#### Strengthening upstream functions (consulting)

- Industry-specific consulting
  - Digital consulting
- Example: Strengthen upstream functions specializing in specific industries such as manufacturing, expand system development and BPO businesses, and create opportunities to connect these businesses to digital and AI domains

#### Creation, accumulation, and standardization of intellectual property

- Strengthening AI functions in proprietary ERP\*1 “PROACTIVE” and building templates specialized by industry and operation
  - Multiple offering menus, including legacy system modernization and BPM\*2
- Example: Propose optimal solutions matched to customer issues, such as mainframe migration for financial institutions and business transformation proposals based on business processes

### 3 Thorough utilization of competitive advantages and strengths

#### Main initiatives

#### Evolution of the SI & NI full stack model

- Integrate the management of SCSK and NOS in April 2027, accelerating full-stack business from applications to infrastructure
- Integrate the corporate functions of both companies and thoroughly improve operational efficiency through AI

#### Collaboration with Sumitomo Corporation

- Jointly expand digital solutions, including consulting, Digital & AI, global, and BPO
  - Create competitive use cases by utilizing 900 business frontlines
- Example: Introduce PROACTIVE to Sumitomo Corporation Group, demonstrate industry- and operation-specific functions, and roll them out horizontally

\*1 ERP : Enterprise Resource Planning \*2 BPM : Business Process Modernization

# Pillar

# 2

Pillar Supporting the Growth of DAIS

Growth of Sumitomo Corporation Group through DAIS

# The Society and Industries Sumitomo Corporation Group Will Create

## Building a Digital Ecosystem for Urban Development

Enhancing energy efficiency, promoting residents' health management, and strengthening disaster-prevention and mitigation through digital technologies.

## Investment and Financing Lifecycle AI Platform

Streamline information gathering and analysis during investment evaluation and improve the quality of decision-making

## Infrastructure Maintenance Using Next-Generation Communications and AI

Addressing workforce shortages in social-infrastructure inspection by providing efficient, digital-powered solutions.

## Transforming Supply Chains

Optimizing industrial supply chains worldwide to improve efficiency and ensure stable delivery.



## Enhancement of Supply-Demand Balancing for Renewable Energy

Making frontline operations data-driven and optimizing earnings

## Advancement of Retail Businesses

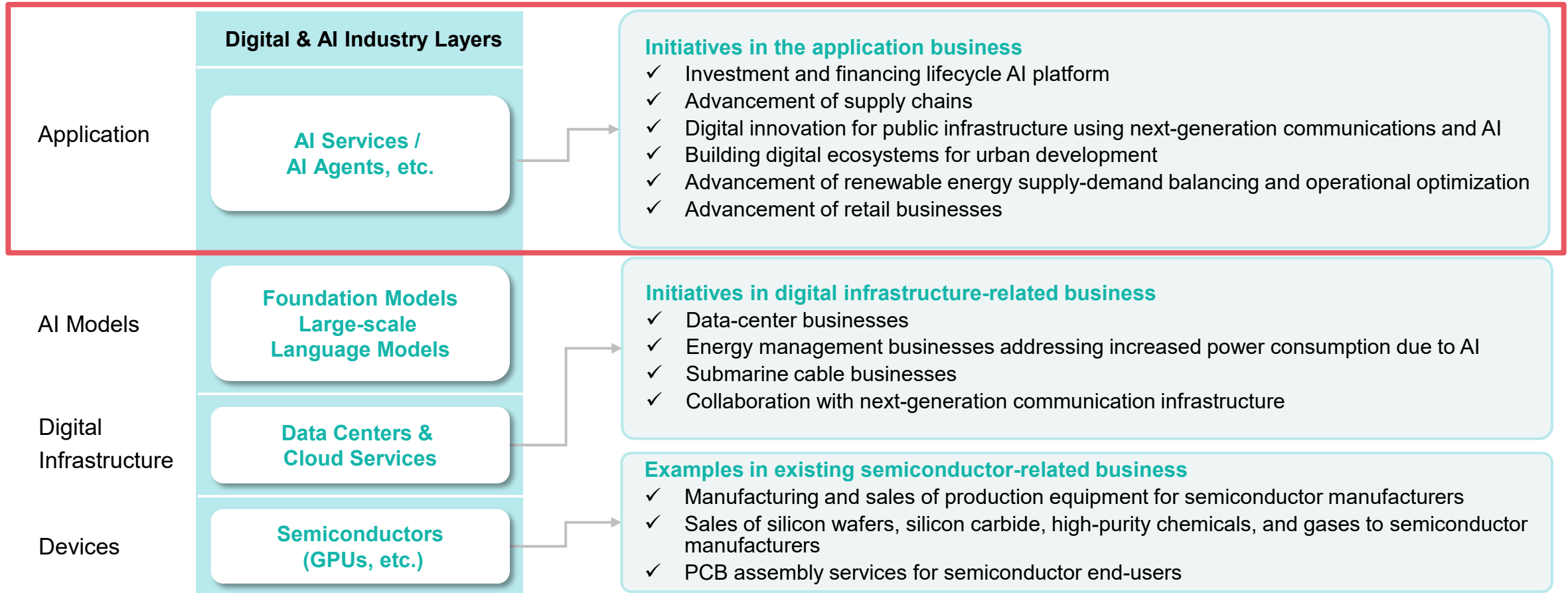
Integrating and analyzing customer data from supermarkets, drugstores, and other retail channels to develop services tailored to individual consumers.

## Digital Infrastructure and Industrial Base Development & Expansion

Data centers, telecommunications infrastructure, power systems and semiconductor-related facilities, etc.

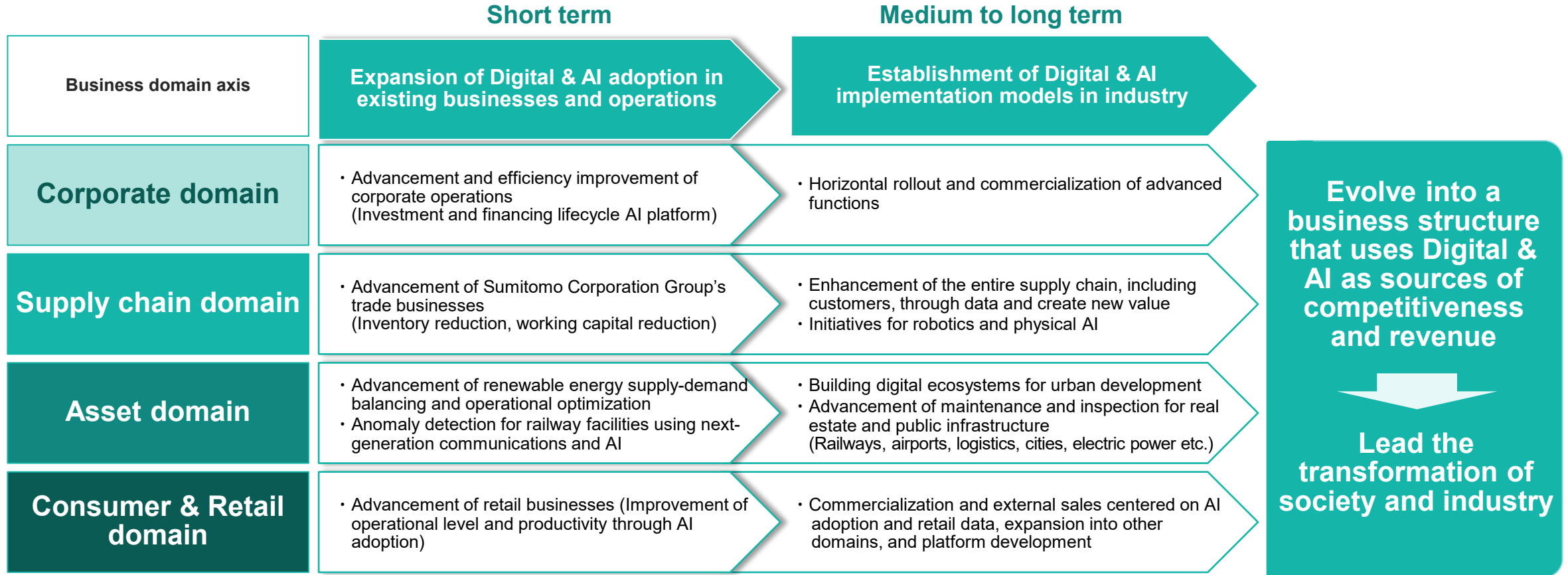
# The Four Layers of the Digital and AI Industry

- In addition to implementing AI services and AI agents at the application layer, we will also advance digital-infrastructure development, semiconductor-related business and cybersecurity initiatives, all of which are required for the rapid expansion of digital and AI technologies.



# Application Layer Growth Roadmap

- To achieve our Vision, we will advance business-frontline-driven Digital & AI adoption based on our Design Principles.
- We will evolve into a business structure that uses Digital & AI as sources of competitiveness and revenue, build new value creation models, and improve ROIC for Sumitomo Corporation Group.



# Case Study 1 (Application Layer)

Corporate domain

Corporate

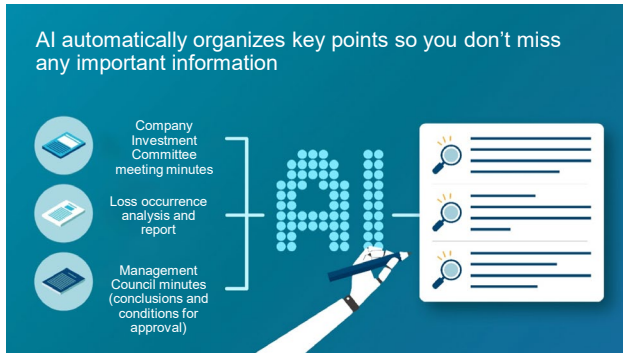
PROJECT 01 **Creating an AI platform that provides an overview of the investment life cycle**

**Background**

While Sumitomo Corporation has accumulated a vast amount of meeting minutes regarding past investment decisions, their use is limited to a few specialized teams, and the potential for leveraging this knowledge across the entire company remains untapped.

**Solution overview**

- We will build an AI platform that incorporates approximately 1,500 documents spanning the past 30 years, including minutes from the Company Investment Committee, Management Council resolutions, and loss occurrence and analysis reports. This enables users to search and analyze investment projects across their entire life cycle, from inception to exit.
- By leveraging search, key point analysis, and in-depth chat features to understand key points during the investment evaluation process and outcomes following investment execution in past cases, we can leverage this knowledge in new investment opportunities.
- By preserving the accumulated insights of our predecessors as organizational assets, streamlining information gathering and analysis during the investment evaluation process, and improving the quality of decision-making, we aim to build a foundation that enables more accurate investment decisions in a rapidly changing business environment.



Supply chain domain

Steel Group

PROJECT 02 **Enhancing the steel pipe supply chain for the energy industry through the adoption of an AI platform**

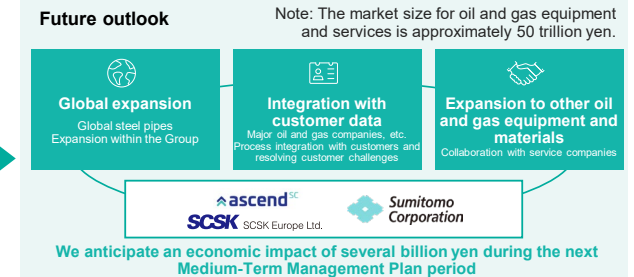
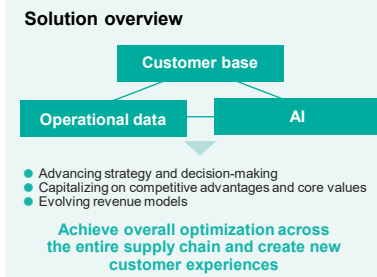
**Background**

While the supply and demand for steel pipes are subject to multifaceted uncertainties, such as geopolitical risks and fluctuations in resource prices, strict time constraints apply to deliveries to drilling and production sites, making it essential to manage this complexity.

**Solution overview**

- We will build a next-generation SCM based on AI technology to consolidate over 30 years of SCM\* operational data and industry insights accumulated through our steel pipe business. We are promoting the optimization of the entire supply chain, data-driven decision-making, and the advancement of business operations.
- Through field tests at our European offices, we will confirm the effectiveness of our operational advancement. We are currently promoting these initiatives in collaboration with Ascend SC and SCSK. We anticipate savings in the range of several billion yen through full-scale implementation at our European offices and global SCM hubs.
- By developing new services to customers under the concept of "SCM as an AI Service," we aim to expand our business across industries and transform our business model.

\*SCM (supply chain management): A management approach that optimizes end-to-end process from steel pipe procurement to logistics, inventory management, inspection, and delivery.



# Case Study 2 (Application Layer)

Asset domain

Communication Services Group

PROJECT **03** Collaborative public infrastructure digital innovation utilizing next-generation communications and AI

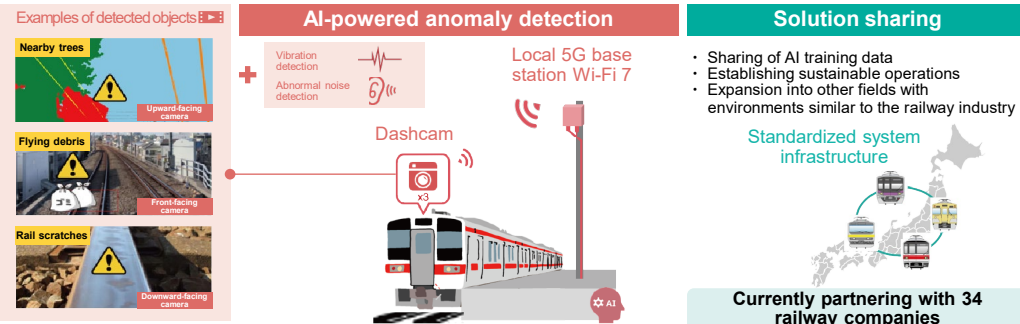
**Background**

As the aging of public infrastructure and labor shortages become increasingly severe, the limitations of inspections that rely on the “human eye” are becoming apparent. It is now essential to establish a non-manual infrastructure maintenance system.

**Solution overview**

- By combining 5G and Wi-Fi 7 anomaly detection AI, and autonomous driving, we will develop a platform for diverse public infrastructure maintenance solutions, including anomaly detection along railway lines and on train exteriors, as well as advanced runway inspections.
- We will reduce development and operational costs through a universal model that can be shared by multiple operators. By aggregating error data to accelerate improvements in AI accuracy, we aim to reduce the workload on the frontlines and promote standardization, with the expectation of cutting operational costs by more than 30-50%.
- Leveraging the network of a general trading company, we will establish a collective framework that brings together 34 railway companies, 19 airports, and vendors specializing in AI, telecommunications, and autonomous driving. We aim to efficiently sustain and enhance social infrastructure maintenance, which faces challenges such as aging facilities and workforce shortages, while also exploring expansion into other domains such as logistics, ports, and public roads.

**Case study: Infrastructure maintenance solution (forward monitoring solution)**



Asset domain

Diverse Urban Development Group

PROJECT **04** Building digital ecosystems for urban development

**Background**

As urban development increasingly prioritizes values that support quality of life, safety, and security, it is becoming increasingly important to build a digital-centric ecosystem that connects all stakeholders involved in the city through data and accelerates value creation.

**Solution overview**

- We will integrate the strengths and expertise cultivated across our businesses – including infrastructure, healthcare and real estate – to pursue end-to-end urban development.
- We will build a city-wide living-data platform and connect key stakeholders on top of it, such as medical institutions, security companies, retailers, and energy suppliers. By enhancing health management, disaster-prevention and crime-prevention functions, and resident services, we aim to raise the value of the entire community.
- We will scale the model by expanding, not only to projects within the Urban Development Group, such as North Hanoi Smart City and Hakozaiki Smart City, but also to external partners' projects.



# Case Study 3 (Application Layer)

Asset domain

Energy Transformation Business Group

PROJECT  
05

## Advancements in balancing supply and demand for renewable energy and optimizing operations

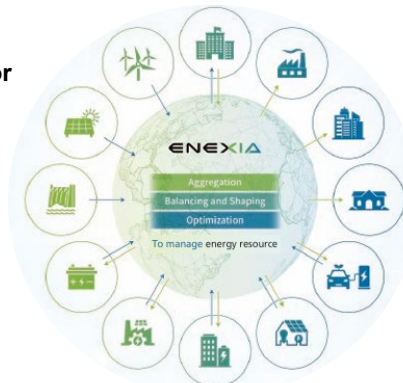
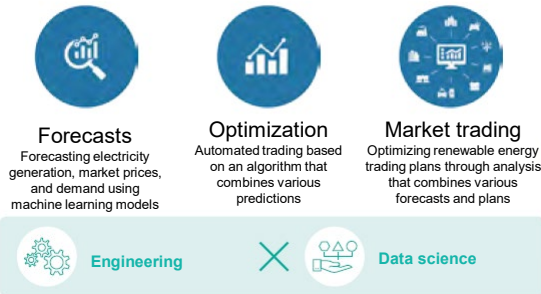
**Background**

As renewable energy expands, the volatility in electricity supply has made it increasingly difficult to balance supply and demand. The limitations of operations that rely on manual labor and experience have become apparent, making the ability to optimize supply-demand balancing and operations a critical challenge.

**Solution overview**

- By establishing ENEXIA and developing a supply-demand balancing model that integrates power generation, demand, and market data, we will achieve the digitization and advancement of operations to address the volatility of renewable energy.
- We will model operational know-how of supply and demand in the field to maximize profits by reducing electricity supply and demand costs, while promoting the transition from an “experience-based” to a “data-driven” approach.
- By integrating trading functions with digital implementation, we will drive the advancement and structural transformation by evolving power-trading, supply-demand balancing, and business development across all areas, and expanding these efforts to optimize the entire energy ecosystem, including energy storage systems.

### Solving the challenges of the large-scale renewable energy introduction as a renewable energy aggregator



Consumer & Retail domain

Lifestyle Group

PROJECT  
06

## Advancing the retail business ~Case study on the use of digital and AI in store operations~

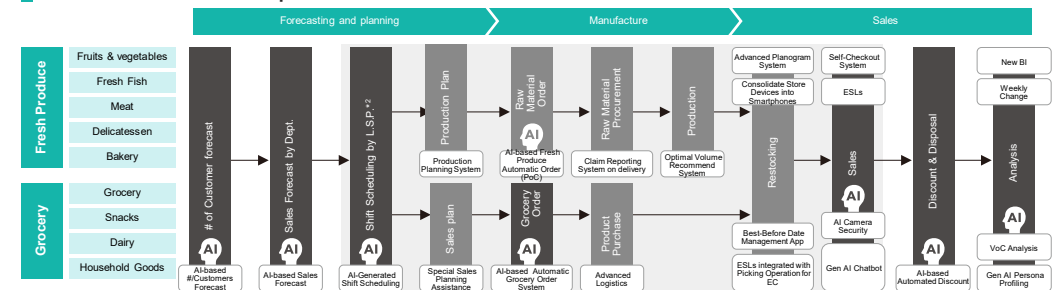
**Background**

Although retail data provides valuable insight into consumer behavior, it is not being effectively utilized by retailers, customers or business partners.

**Solution overview**

- Summit utilizes digital and AI in procurement, store layout, and labor management. By combining on-site domain expertise with the Sumitomo Corporation Group’s digital and AI expertise, we will enhance and streamline operations.
- Based on the purchasing and behavioral data accumulated through this process, we are moving forward with the integration of Summit and Tomod’s membership IDs and the development of data infrastructure. We have established a new company, LXIO, to propose retail-data analysis and utilization, and have already started PoCs\*1 with multiple manufacturers.
- We will advance the sophistication of data utilization through generative AI and collaboration with external companies to expand our targets beyond food manufacturers to other industries, thereby establishing data-driven value foundation. We aim to create a new retail data ecosystem that simultaneously drives behavioral change among consumers and the evolution of industrial structures.

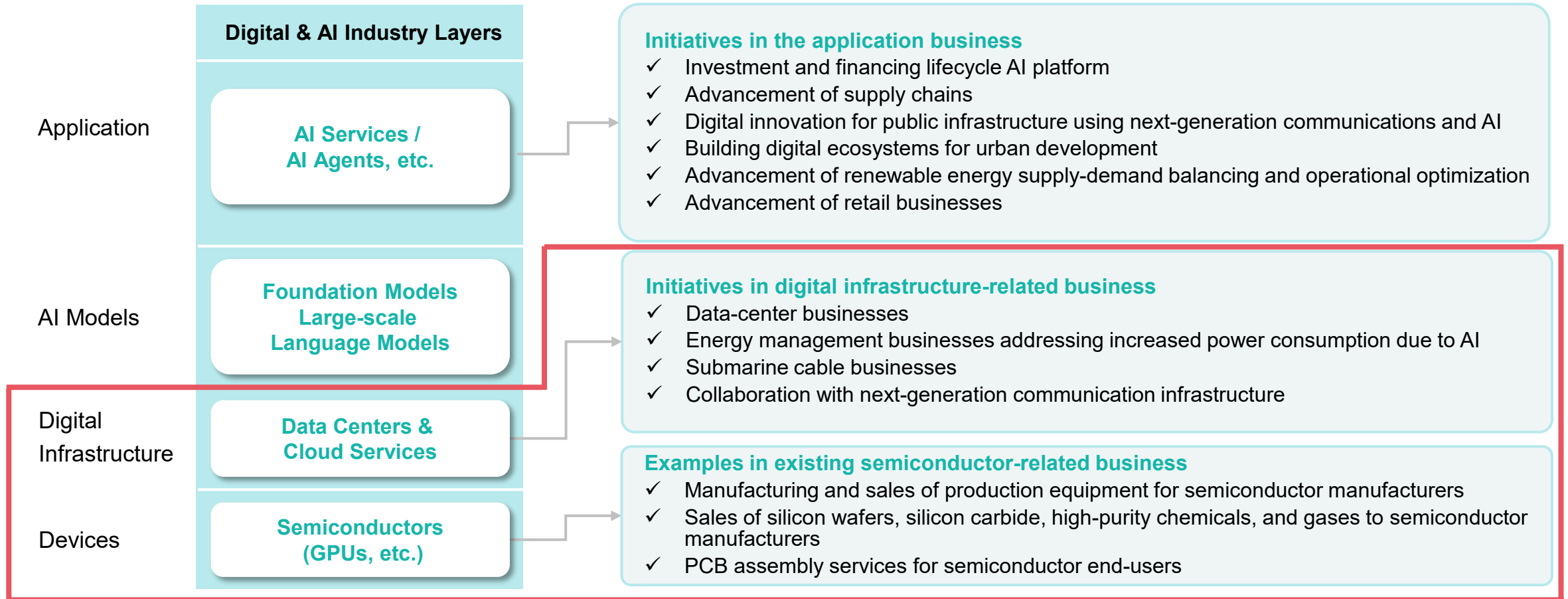
**Basic Workflow of Store Operations**



\*1 PoC: Proof of Concept \*2 L.S.P.: Labor Scheduling Program

# The Four Layers of the Digital and AI Industry

- In addition to implementing AI services and AI agents at the application layer, we will also advance digital-infrastructure development, semiconductor-related business and cybersecurity initiatives, all of which are required for the rapid expansion of digital and AI technologies.



# Case Study 4 (Digital Infrastructure/Device Layer)

## Digital infrastructure layer

PROJECT

07

### Submarine communication cable businesses connecting Japan and Asia

#### Background

Submarine cables are increasingly recognized worldwide as critical infrastructure supporting the rapidly expanding global digital economy, carrying approximately 99% of international data traffic. In particular, Japan, situated between Asian countries and the United States, plays a vital role as a data hub in the Asia-Pacific region.

#### Solution overview

- Sumitomo Corporation will begin construction of a submarine cable connecting Japan, Malaysia, and Singapore, serving as a foundation to support the development of the digital economy across Asian countries and regions. It will also enable connections to South Korea, the Philippines, Taiwan, and other destinations.
- By establishing a highly reliable, high-capacity communications infrastructure linking Asia from Japan, we aim to provide stable support for the global flow of data and enable the implementation of new value creation models driven by digital and AI.



## Digital infrastructure layer

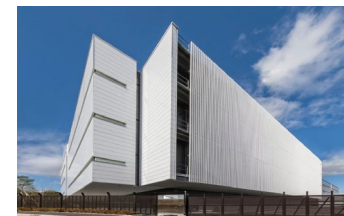
PROJECT

08

### Data-center businesses

#### Background/overview

Data centers serve as the foundational infrastructure that underpins value creation models based on the utilization of digital and AI. Under the DAIS initiative, the Sumitomo Corporation Group supports the evolution toward a business structure that leverages digital and AI as competitive advantages by developing data distribution and processing infrastructure.



## Device layer

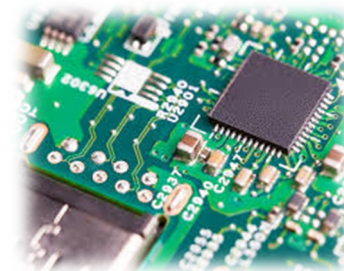
PROJECT

09

### Semiconductor-related businesses

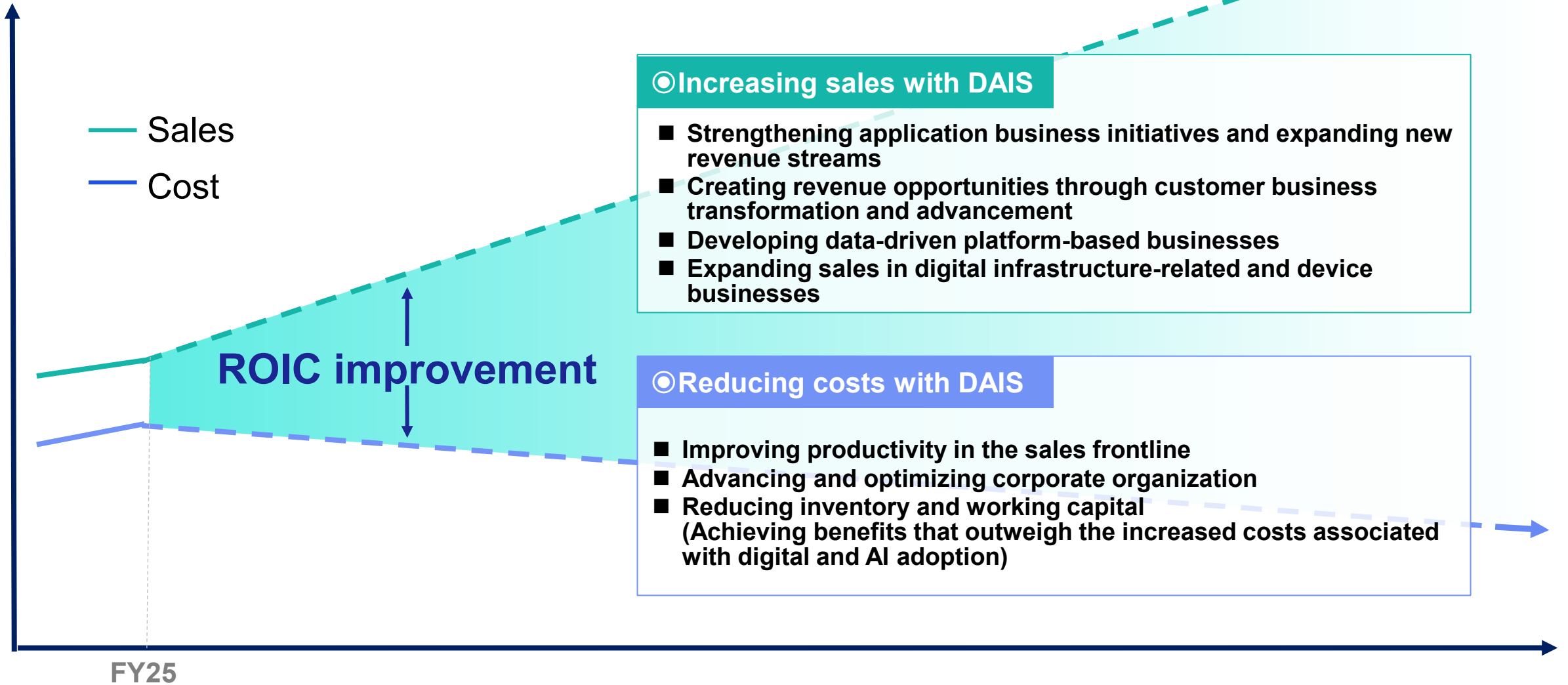
#### Background/overview

With the rapid spread of digital and AI, semiconductors have become core devices that underpin data centers, telecommunications infrastructure, and the advancement of AI. Sumitomo Corporation Group operates across every stage of the semiconductor supply chain—including manufacturing equipment, materials, high-purity chemicals and gases, and electronic board assembly—contributing to value creation.



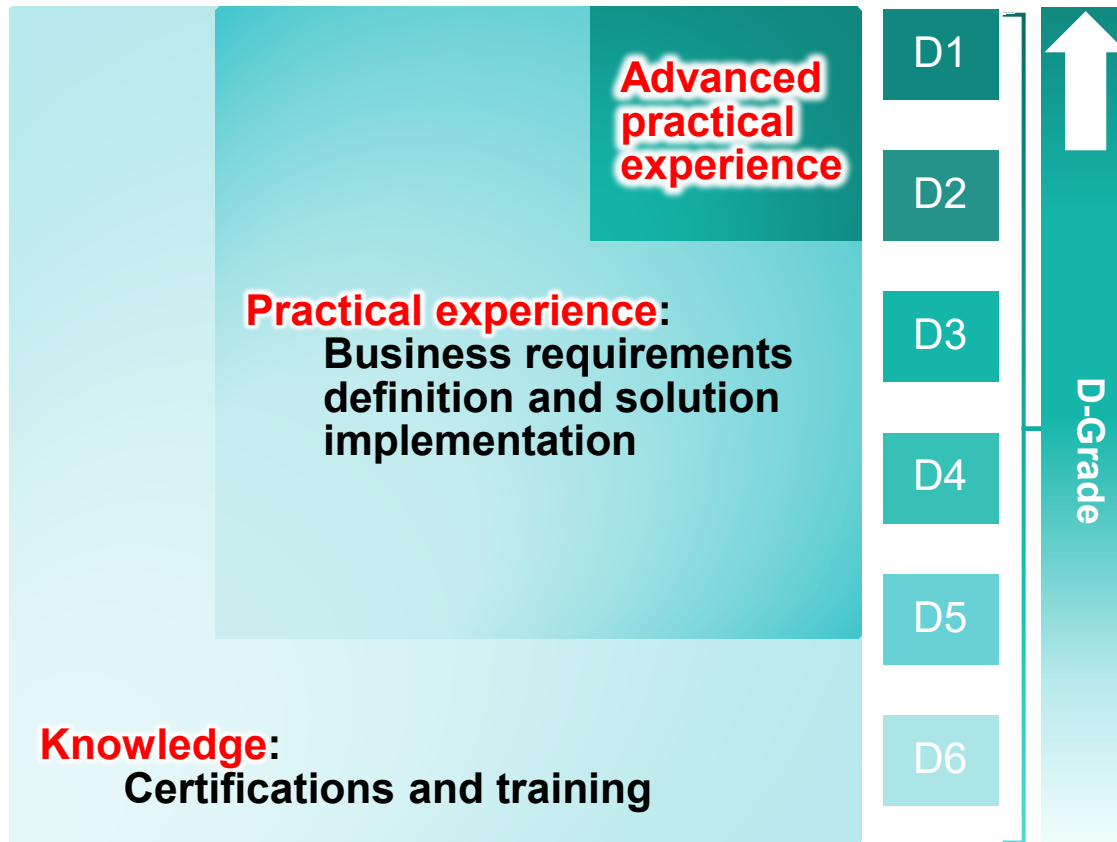
# Growth through Pillar 2

● DAIS aims to achieve sales growth and cost reductions, improved ROIC.



# Implementation of the Digital Skills Certification System “D-Grade”

- The implementation of the D-Grade aims to enhance and visualize the digital skills of all employees and executives.
- The system places emphasis on “Knowledge (certifications and training)” and “Experience” gained through implementation in business settings, with the difficulty level of the experience influencing grade certification.
- Through the D-Grade, we will build a talent pool to support company-wide strategic talent management (including talent development and placing the right people in the right roles).



## Leading social and industrial transformation through DAIS

- We will work with digital and AI partners (e.g. SCSK) to drive business ideation, business requirements definition, and solution implementation, thereby building a new value creation model
- All executives and employees are required to obtain a specific grade through knowledge acquisition and implementation experience
- D-Grade certifies a broad range of digital skills tailored to diverse business environments

# Pillar

# 3

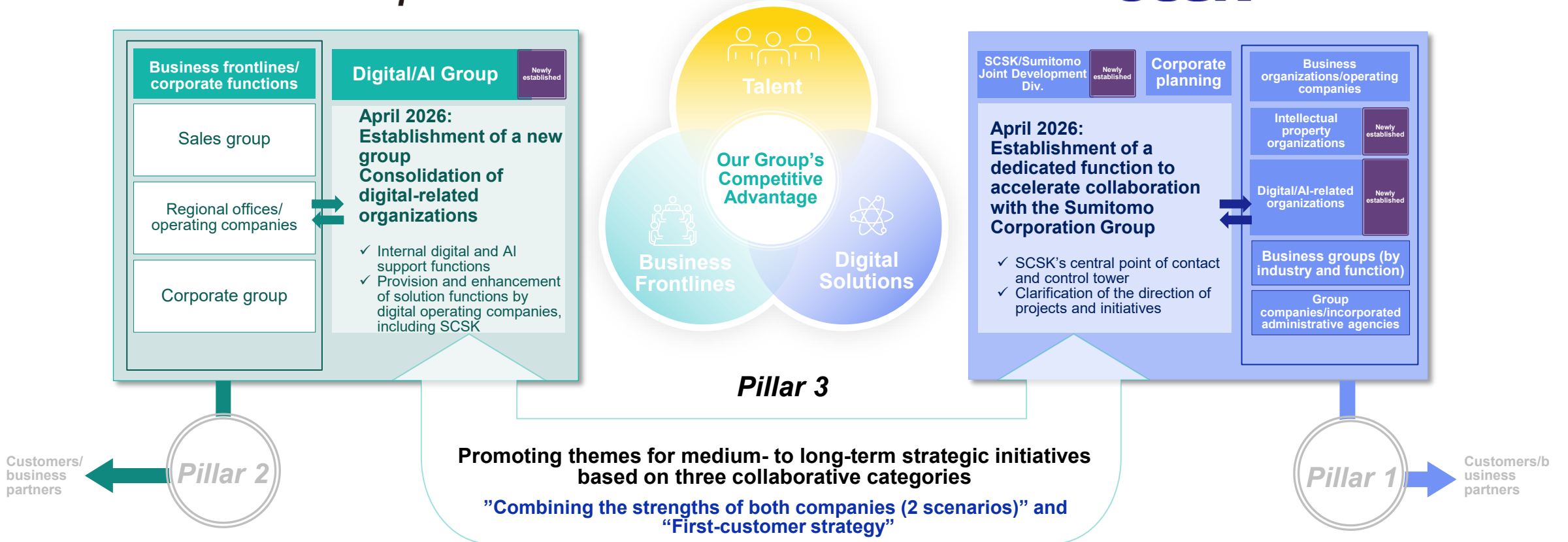
Pillars supporting the growth of DAIS

**Growth Through Collaboration Between the  
Sumitomo Corporation Group and SCSK**

# Growth Through Collaboration Between the Sumitomo Corporation Group and SCSK

- In April 2026, we established a framework to accelerate digital technology and AI and lay the groundwork for implementing collaboration between the two companies.
- We will accelerate value creation through specific projects and initiatives and use these results as a starting point to drive transformation across society and industry as a whole.

## Sumitomo Corporation



# Three Categories of Collaborative Business Initiatives to be Promoted

Combining the strengths of both companies		First-customer strategy
<p><b>1</b> Combining each company's strengths in capabilities to enhance market reach and customer value proposition</p>	<p><b>2</b> Combining each company's businesses to enhance competitiveness and business expansion</p>	<p><b>3</b> Delivering solutions developed for Sumitomo Corporation Group's business frontlines to the market</p>
<p>&lt;Examples of initiatives&gt;</p> <ul style="list-style-type: none"> <li>● <b>Steel domain (domain of strength for SC)</b> Considering ways to advance steel trading operations and supply chain management (SCM)</li> <li>● <b>Manufacturing domain (domain of strength for both SCSK and SC)</b> Supporting SCSK's global business expansion in the manufacturing industry</li> </ul>	<p>&lt;Examples of initiatives&gt;</p> <ul style="list-style-type: none"> <li>● <b>Mobility domain</b> Exploring co-creation opportunities in the automotive industry centered on the OEM engineering business</li> </ul>	<p>&lt;Examples of initiatives&gt;</p> <p><b>PROACTIVE</b> (SCSK cloud ERP products)</p> <ul style="list-style-type: none"> <li>● <b>Enterprise system domain &amp; Security domain</b> Considering market potential with a view to future expansion while evaluating implementation within Sumitomo Corporation Group</li> </ul>

# Case Study Introduction

## Case Study 1: Mobility – Combining the strengths of both companies

### SCSK's strengths (digital implementation capabilities)

- Software development capabilities covering both In-Car and Out-Car domains
- Verification (quality/security)
- Track record with automotive OEMs



### Sumitomo Corporation Group's strengths

- SCAE's upstream design and development consulting capabilities, SCTM (Tech Mahindra)'s design and development resources and IT expertise in India
- Customer relations, industry expertise, and a global network within the automotive industry



Market size: approx. 1 trillion yen\*1

### Approach to the market

Strengthening competitiveness and expanding the business in the OEM software engineering domain

\*1 Estimates based on report by the Yano Research Institute

## Case Study 2: ERP – First-customer strategy

### SCSK's strengths (in-house intellectual property)

- AI-native ERP products that bridge management and operations
- Portfolio of offerings tailored to specific business functions and industries
- Over 7,500 successful implementations



### Sumitomo Corporation Group's frontlines (first customer)

- Providing insights and expertise from the frontlines of operating companies
- Creating opportunities for SCSK to expand its offerings by being the first customer to adopt solutions early on

Market size: 2 to 4 trillion yen\*2

Horizontal rollout into the market  
Expanding our business offerings for the industry

\*2 Estimates based on multiple market reports



**Take your business to new heights and discover  
uncharted horizons with Digital & AI**

**The Sumitomo Corporation Group's DAIS (Digital & AI Strategy)**