

1 Value Creation Stories for the Future

—Further Pursue No. 1 in Each Field

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Values of the Sumitomo Corporation Group

We will achieve sustainable growth through addressing social challenges, while adhering to the Sumitomo Corporation Group's Management Principles and Activity Guidelines and the timeless values of Sumitomo's Business Philosophy, which serve as our basis.

Sumitomo's Business Philosophy encapsulated in five phrases

Place prime importance on integrity and sound management; don't pursue immoral business

This phrase expresses a business approach based on building a reliable foundation of trust rather than simply seeking short-term gain. A business enterprise is there to pursue profit, but this management stance, which instead prioritizes relationships of trust and sound operations over immediate gain, is what has formed the corporate ethos of today's Sumitomo Group businesses.

Benefit for self and others, private and public interests are one and the same

This phrase expresses the idea that Sumitomo's business must go beyond benefiting Sumitomo itself to also benefit the nation and society. In other words, it encapsulates the belief that "it is not enough for Sumitomo's business to aim to enrich itself only, it must have the grander goal of serving the interests of the nation and society."

Planning imbued with a farsighted perspective

This phrase expresses a planning approach which, rather than pursuing immediate profit, looks far ahead to devise a careful plan that will benefit both Sumitomo and society. This attitude—which is in sync with today's values of prioritizing management based on medium- to long-term rather than short-term perspectives—is thus a Sumitomo tradition handed down since our earliest days.

An enterprising spirit

This phrase expresses the approach of actively embracing new things and ideas, and maintaining a strong focus on goals that is not affected by difficulties. This thinking has formed the Sumitomo Group's corporate culture of "facing contemporary change positively and staying one step ahead of it, letting go of out-of-date businesses and starting new ones to meet contemporary needs instead, and then nurturing them with dedication and determination."

Business is people

While managing mines in various regions, Sumitomo came across the Besshi Copper Mine, which birthed its business, in 1690. For more than 300 years since that time, Sumitomo has developed this concept throughout its many challenges with nature. Since its founding, Sumitomo has valued free and vigorous discussions, and successive Director-Generals in the modern era have worked hard to ensure that those abilities were put to good use while securing human resources.

Sumitomo Corporation Group's Corporate Mission Statement

► Management Principles

[Corporate Mission]

To achieve prosperity and realize dreams through sound business activities

[Management Style]

To place prime importance on integrity and sound management with utmost respect for the individual

[Corporate Culture]

To foster a corporate culture full of vitality and conducive to innovation

► Activity Guidelines

To act with honesty and sincerity on the basis of Sumitomo's Business Philosophy and in keeping with the Management Principles

To comply with laws and regulations while maintaining the highest ethical standards

To set high value on transparency and openness

To attach great importance to protecting the global environment

To contribute to society as a good corporate citizen

To achieve teamwork and integrated corporate strength through active communication

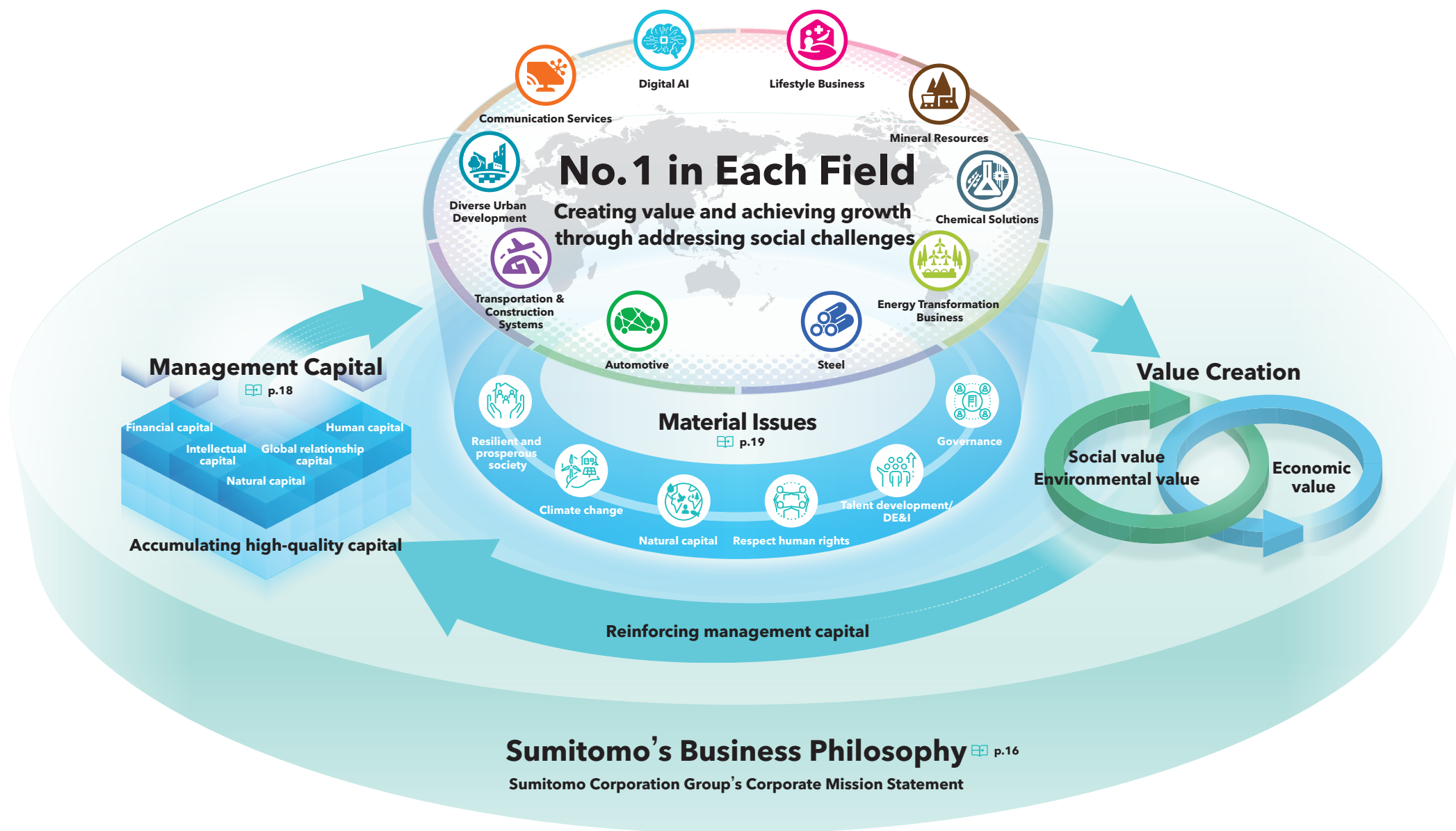
To set clear objectives and achieve them with enthusiasm

► Corporate Vision

We aim to be a global organization that constantly stays a step ahead in dealing with change, creates new value, and contributes broadly to society.

Value Creation Model

Building on diverse forms of capital cultivated through sincere activities rooted in Sumitomo's Business Philosophy, we combine strong businesses with strategic partnerships to develop and expand No. 1 businesses. By addressing social issues identified as Material Issues, we create economic, social, and environmental value, and by reinvesting the outcomes to our next stage of growth, we achieve sustainable value creation.



Management Capital

Guided by its corporate message “Enriching lives and the world,” Sumitomo Corporation leverages the diverse management capital amassed over many years to pursue sustainable value creation. The five key forms of management capital—human, intellectual, global relationship, financial, and natural—serve as not only the foundation of our business activities but also drivers that help us address social challenges

and create new value.

By strategically strengthening and integrating these forms of capital, we aim to create value across the economic, social, and environmental dimensions to enhance corporate value and achieve sustainable growth.

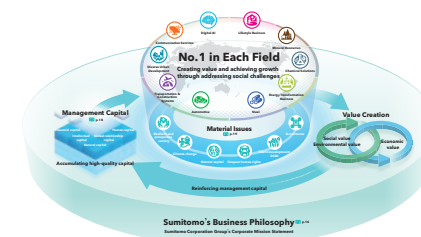
Management capital	Human capital	Intellectual capital	Global relationship capital	Financial capital	Natural capital
Capital overview and key characteristics	Diverse talent	Multifaceted business expertise	Extensive business locations and presence in a wide range of industries	Stable financial position	Shared capital with society that should be preserved and regenerated
Relationship with corporate value	By effectively integrating the strengths of our talent, who possess advanced capabilities as well as the insights and experience gained across diverse business areas and global business frontlines, we create new value that drives sustainable growth and enhances corporate value.	Leveraging the advanced business expertise we have cultivated over many years in such areas as risk management, financial services, and logistics, we are steadily advancing business development, investment, and the management of Group companies. These intellectual assets form the foundation for our sustainable growth.	By leveraging our global business locations and networks built across diverse industries, we have established a strong presence in each sector. Through collaboration with diverse business partners, we are achieving multifaceted and flexible business development.	With stable fund-raising capabilities and disciplined cash flow management, we have a sound financial foundation. While pursuing increased profitability, we are also working to strengthen our financial position and enhance management stability.	Recognizing the essential value of nature to people's lives and business activities, we are committed to preserving, regenerating, and sustainably using natural capital in various ways. These include reducing environmental impacts and fostering the development of a circular economy. These initiatives contribute to harmonious coexistence with society and the creation of long-term value.
Reinforcement measures	 p.46 Human Capital	- Implemented “D-Grade,” a digital skills certification program, to enhance digital literacy among all employees and advance our Digital & AI Strategy (DAIS) - Establish an organizational structure aligned with our strategic priorities to enable faster, higher-quality decision-making and more agile strategy execution	- Deliver value to partners in Japan and overseas to deepen trust and expand opportunities for co-creation - Strengthen our global framework to drive region-specific business development and optimize networks	- Accelerate asset turnover and prioritize resource allocation in growth areas - Utilize business-specific ROIC and WACC as indicators to accelerate business portfolio transformation and increase profitability	- Conduct risk analyses, enhance necessary measures, and set monitoring indicators and targets to minimize the impact of our business activities on natural capital - Strengthen businesses that contribute to natural capital preservation and regeneration, including initiatives for a circular economy and decarbonization
Relevant indicators (FY2025 result)	- Number of employees (Consolidated basis) 82,488 - Percentage of women 27.5% (Number of women as a percentage of total number of non-consolidated employees) - Percentage of mid-career hires 34.2% (Number of mid-career hires as a percentage of all hires in FY2025)	- Business groups and SBUs 10 business groups/ 41 SBUs (As of April 2026) - FY2025 Investments ¥1,170.0 billion	- Consolidated subsidiaries and associated companies 519 - Number of offices 124 locations 62 countries and regions (As of April 1, 2026)	- Total assets ¥13.6 trillion - Shareholders' equity ¥4.6 trillion - Net D/E ratio 0.7 times - ROE 12.9%	- Water withdrawal (1,000,000 m³) 1,625 - Exposure of upstream interests in mineral resources/energy ¥690.0 billion - Renewable energy net ownership generation capacity Approx. 2GW
Relevant content	 p.21 Material Issues × Management Capital  p.46 Human Capital	 p.21 Material Issues × Management Capital  p.30 Special Feature: DAIS	 p.21 Material Issues × Management Capital  p.64 List of Group Businesses	 p.23 Medium-Term Management Plan 2026  p.28 Message from CFO	 p.42 Natural capital initiatives

Material Issues

Based on Sumitomo's Business Philosophy and Management Principles, we have identified Material Issues for resolving social challenges aimed at achieving sustainable growth into the future.

Since our initial formulation of the Material Issues in 2017, and following two subsequent revisions, we established a new set of six Material Issues in 2024, coinciding with the launch of Medium-Term Management Plan 2026. By addressing these issues through businesses that leverage our strengths, we aim to not only create social value but also realize our vision of becoming "No. 1 in Each Field."

▶ Material Issues | <https://sumitomocorp.disclosure.site/en/themes/12>



Build resilient and prosperous society



Contribute to the development of local communities and economies



Overcome climate change



Contribute to the carbon neutrality of society

p.41 Climate change initiatives



Preserve and regenerate natural capital



Achieve a world living in harmony with nature through initiatives including the building of a circular economy and supply chain management

p.42 Natural capital initiatives



Respect human rights



Respect the human rights of all stakeholders in all businesses and supply chains

p.42 Human rights initiatives



Develop talent and promote DE&I



Create workplaces that allow diverse employees to apply their capabilities with passion in their own ways

p.46 Human Capital



Maintain and strengthen governance



Develop a robust governance system to enhance the corporate value

p.50 Corporate Governance

Identification and review process



Sumitomo's
Business
Philosophy



Management
Principles

STEP 1 Consider identification methods

Explore ways to identify material issues by referencing international guidelines and engaging with investors and experts to ensure sustainable growth together with society

STEP 2 Organize and identify challenges

Based on the SDGs, organize issues already addressed through our business activities and those to address going forward; taking into account our philosophy and values, as well as the roles we should fulfill in the future, identify and prioritize issues requiring focused action

STEP 3 Verify issues for resolution by the Board of Directors

The Corporate Sustainability Committee engages in discussion following dialogue with internal and external stakeholders, with issues discussed and resolved by the Management Council and the Board of Directors

STEP 4 Review and update

Periodically review the necessity of updates in light of our strengths, stakeholder expectations, and changes in the external environment

Material Issues

Initiatives

Rather than recognizing Material Issues as mere challenges, the Group seeks to realize sustainable value creation by setting medium- to long-term goals that are closely tied to its business activities. These goals embody our commitment to addressing social issues and serve as important guidelines for allocating management resources and developing our business portfolio. For each Material Issue, we formulate a long-term vision and a medium-term action plan, and we manage progress through the PDCA cycle. Each business identifies priority Material Issues on which it will focus and visualizes the added value and outcomes of individual projects, with the aim of accelerating the integration of sustainability and business. These initiatives serve as the foundation for achieving our vision of becoming “No. 1 in Each Field” and embody our stance as a company committed to growing in step with society.

Material Issues	Long-term goals	Initiatives through FY2025	Future initiatives
 Build resilient and prosperous society	Contribute to the development of local communities and economies Develop human resources who will drive the future by providing quality education	- Continued to support the development of local communities and economies through the activities of each business group - Promoted “100SEED,” an employee-participatory social contribution initiative focused on education	In addition to continuing these initiatives, further instill the Group’s values of creating economic value through socially impactful businesses
 Overcome climate change	Aim for carbon neutrality of the Group’s businesses by 2050 Contribute to the carbon neutrality of society	- Disclosed performance data for Scope 1, 2 and 3, and updated our carbon neutrality targets - Started monitoring climate-related initiatives at the business group level, covering emission reductions and business opportunity creation - Calculated the avoided emissions and disclosed performance data from our renewable energy business	- Identify and disclose financial impacts of climate-related risks and opportunities - Promote emission reduction across the entire supply chain through our businesses - Expand initiatives to promote green transformation (GX) through public-private partnerships
 Preserve and regenerate natural capital	Achieve a world living in harmony with nature through initiatives including the building of a circular economy and supply chain management	- Identified priority (high-risk) businesses and disclosed them based on the TNFD recommendations - Participated in circular economy initiatives	- Continue risk assessments, initiatives, and disclosures for priority businesses, including those across the supply chain - Continue to participate in circular economy initiatives
 Respect human rights	Respect the human rights of all stakeholders in all businesses and supply chains	- Identified and disclosed information on priority (high-risk) businesses - Promoted employee education through workshops and training programs	- Continue risk assessments, initiatives, and disclosures for priority businesses, including those across the supply chain - Continue providing human rights education while raising awareness and strengthening operation of grievance mechanisms
 Develop talent and promote DE&I	Create workplaces that allow diverse employees to apply their capabilities with passion in their own ways	- To attract and develop professional talent, implemented the WILL recruitment selection process (which guarantees initial job placement), expanded the internal job posting system, and prepared to introduce an internal certification program for digital skills - To develop future management talent, identified next-generation leaders and implemented a strategic cross-organizational talent rotation cycle - Strengthened and enhanced the succession pipeline of diverse talent for key positions	- Place the right talent in the right positions on a global basis and improve talent visibility to support this effort - Develop and implement initiatives to cultivate professional talent and future management talent
 Maintain and strengthen governance	Develop a robust governance system to enhance the corporate value	- Transitioned to a company with an Audit & Supervisory Committee while redefining the role of the Board of Directors to provide strategic direction to ensure proper supervision of management execution and make important decisions affecting company-wide management from broad and diverse perspectives - Made Outside Directors the majority of the Board to strengthen its oversight function	- Further enhance the effectiveness of the Board of Directors as a monitoring body by refining its operations, including the selection of agenda items - Strengthen support systems to enable deeper and more sophisticated discussions by the Board of Directors

Material Issues × Management Capital

Overcome climate change



Intellectual capital
Human capital

Lead the carbon credit market to support transition to a decarbonized society

Carbon credits quantify the amount of greenhouse gas (GHG) emissions reduced or removed by third parties and can be traded to offset residual emissions. We are turning this emerging market into a business opportunity while contributing to society's decarbonization.

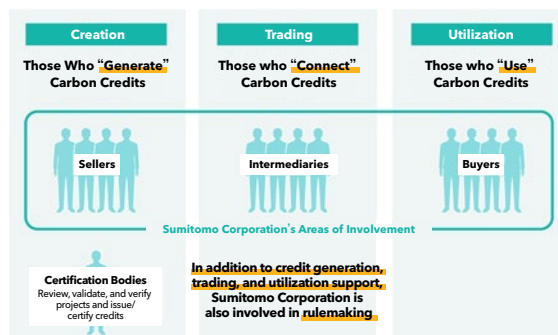
Build a track record and trust across the spectrum—generate, connect, and use

We bring together the people and expertise needed to support every stage of the carbon credit value chain—from credit creation, brokerage, and utilization support to market development. As a result, we are involved across the full spectrum (generate, connect, and use) of the carbon credit market. By leveraging our intellectual capital and engaging from the credit generation stage, we provide high-quality carbon credits that deliver value beyond decarbonization by creating additional benefits for local communities and biodiversity, thereby earning the trust of our customers.

Expand the carbon credit market to advance Japan's decarbonization and build a sustainable earnings base

Since the launch of the carbon credit market operated by the Tokyo Stock Exchange, we have helped foster market liquidity through continuous trading and have been recognized as a Best Market Maker for three consecutive years. We have also played an active role in developing market rules. By looking ahead to the market's future development, we are turning increased demand driven by the full-scale launch of GX-ETS into a growth opportunity that supports the development of Japan's decarbonization market.

Going forward, we will continue engaging across the entire process, from credit creation to sales, connecting supply and demand while enhancing market trust. In doing so, we aim to accelerate the social implementation of carbon credits while building a new earnings base.



Sumitomo Corporation's Role in the Carbon Credit Industry

Build resilient and prosperous society



Global relationship capital

Provide a stable supply of sulfuric acid—an essential material for everyday life—to customers globally as a world-leading supplier

Sulfuric acid is essential to a wide range of industries, including agriculture, mining, and manufacturing, and a vital raw material supporting people's daily lives. Through Interacid Group, a wholly owned subsidiary, we have built a global relationship that connects producers and consumers worldwide, thereby achieving social value in the form of stable supply and sustainable growth.

Business model that leverages one of the world's largest trading operations to turn supply-demand imbalances into value

Sulfuric acid is the world's most widely traded basic chemicals and an indispensable industrial raw material. However, supply and demand vary significantly by region. Handling around 30% of global maritime sulfuric acid trade, Interacid Group is one of the world's largest market players. By identifying regional supply-demand gaps and strategically securing logistics hubs, it has established a system that ensures the stable supply of sulfuric acid. Its competitive advantage lies not simply in trading but also in its ability to optimize logistics.

Integrated capabilities in seaborne trading, logistics, and distribution to ensure a stable supply

While operating as a trader, Interacid Group is the only market participant that owns and operates its own storage tanks, enabling it to provide integrated services that seamlessly combine marine transportation and inland logistics. It has established a system that enables us to reliably receive sulfuric acid, which is difficult to store, and supplies it to customers when needed. By providing the added value of balancing supply and demand and ensuring safety and reliability, Interacid Group generates sustainable earnings while delivering lasting value to its customers.

Customer trust built through decades of rigorous safety management

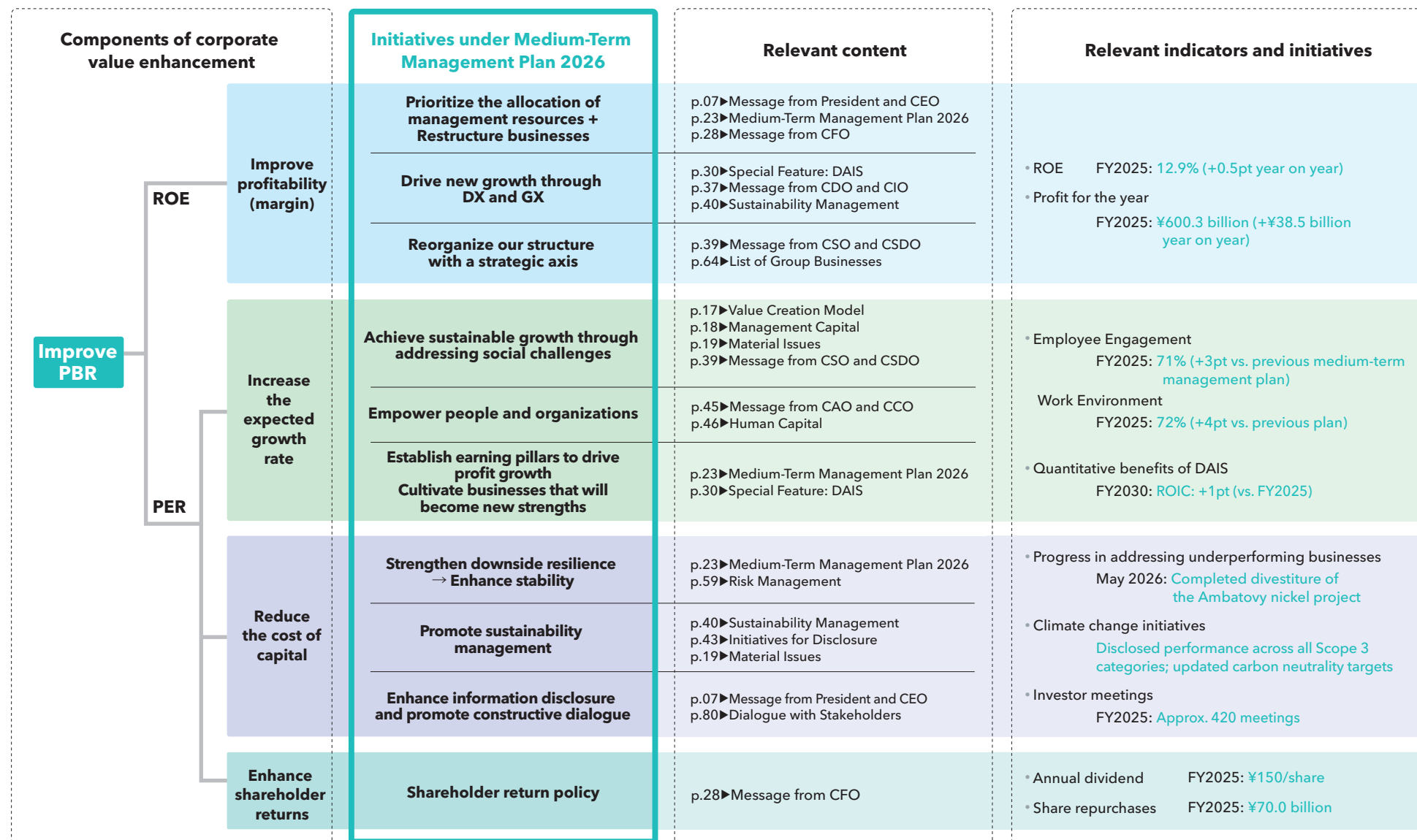
Handling sulfuric acid requires rigorous safety management. Accordingly, Interacid Group adheres to its Zero Leakage Policy, ensuring that not a single drop is spilled. Through its unwavering commitment to safety and reliability, it has built long-term relationships with producers and customers, creating a network that spans the world. These relationships, cultivated over more than 30 years, are the foundation of Interacid Group's sustainable growth.



Interacid's tank terminal located in Mejillones, Chile

Logic Tree (initiatives under Medium-Term Management Plan 2026 to enhance corporate value)

By steadily advancing initiatives set out in Medium-Term Management Plan 2026 (FY2024–FY2026), we aim to sustainably enhance our corporate value and improve our PBR.



Medium-Term Management Plan 2026: Accelerating Growth and Enhancing Corporate Value

Theme of Medium-Term Management Plan 2026

No. 1 in Each Field

Enhance our competitive advantages to achieve growth through addressing social challenges
— Accelerating profit growth and business portfolio transformation
through major investments and promotion of asset replacement —

1 Growth leveraged by strengths

Underlying profit in the eight growth areas

CAGR **Approx. 11%**

(FY2023 result → FY2026 forecast)

- Steady growth in the eight growth areas, led by Digital, Leasing, Real estate, and Energy solutions

3 Strengthen driving force for growth

Employee engagement score

02 Foundations for Accelerating Transformation: Sustainability, Human Capital, and Governance

68% → **71%**

(FY2023)

(FY2025)

- Made progress on initiatives to improve engagement and enhance talent
- Enhanced strategic agility through changes to governance structure and adoption of organizational structure with strategic axis

2 Business portfolio transformation

3-year investment amount

¥**1.8** trillion or more → ¥**3.0** trillion

(Previous plan)

(Revised plan)

- Investment in Net One Systems by SCSK
- Full acquisition of SCSK
- Acquisition of U.S.-based aircraft leasing company, and others

3-year asset replacement amount

¥**0.8** trillion → ¥**1.1** trillion

(Previous plan)

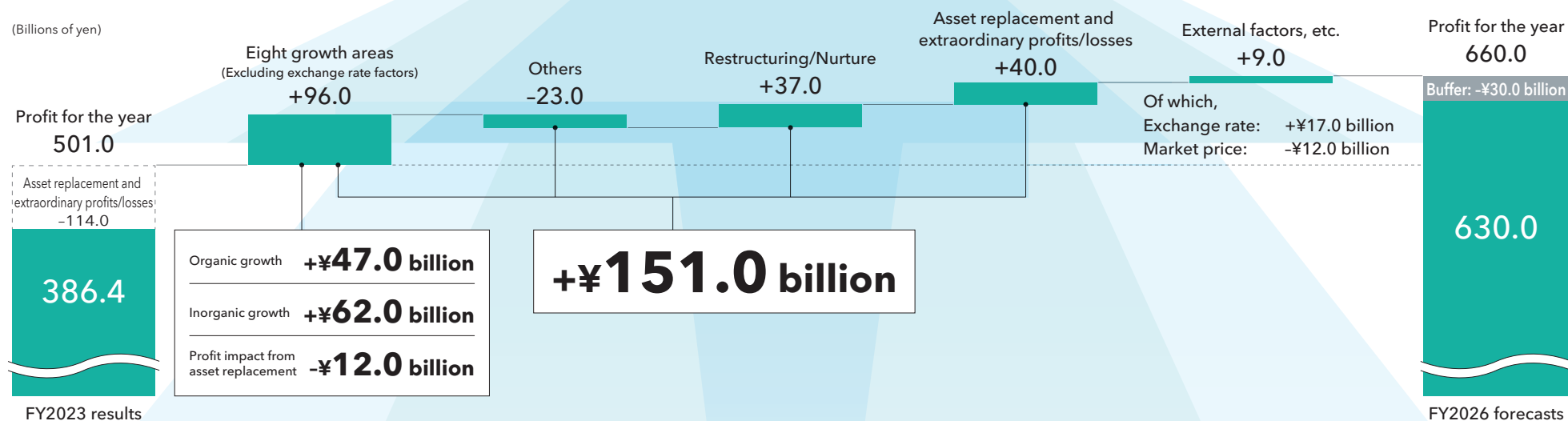
(Revised plan)

- Sale of the Ambatovy nickel project
- Sale of T-Gaia
- Sale of the melon production and sales business in North America, and others

Medium-Term Management Plan 2026: ① Growth leveraged by strengths

Total profit growth over 3 years (excluding external factors):
+¥151.0 billion (exceeding original plan of +¥150.0 billion)

- Established asset replacement as a stable source of earnings in addition to organic and inorganic growth; profit for the year (before buffer) expected to reach target set out in Medium-Term Management Plan 2026



- Growth among eight growth areas driven by Digital, Leasing, Real estate, and Energy solutions

Execution of major investments

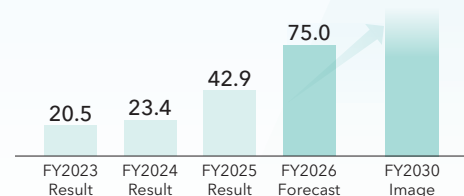
Digital **SCSK**

- Full acquisition of SCSK (March 2026)

Equity in earnings of SCSK

FY2023 result → FY2026 forecast CAGR: 54.1%

(Billions of yen)



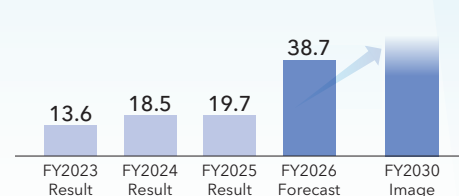
Leasing: **Sumisho Air Lease**

- Completed acquisition of Sumisho Air Lease (April 2026)

Underlying profit of Commercial Aviation SBU

FY2023 result → FY2026 forecast CAGR: 41.7%

(Billions of yen)



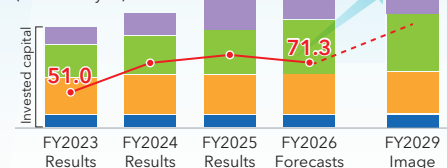
Promotion of asset-turnover businesses

Real estate

Underlying profit and invested capital

FY2023 result → FY2026 forecast CAGR: 11.8%

(Billions of yen)

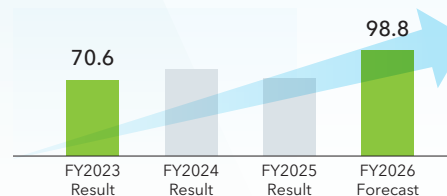


Energy solutions

Underlying profit

FY2023 result → FY2026 forecast CAGR: 11.9%

(Billions of yen)



Medium-Term Management Plan 2026: ② Business portfolio transformation

Targeting ROE of approx. **13%** in FY2026

- Expect **¥1.1 trillion** in cash in from asset replacement over three years; new investments expected to contribute approx. **¥91.0 billion** to FY2026 profit

FY2024-2026: Revised plan

FY2026 Plan

FY2024-2025 Results

FY2024-2025 Results Asset replacement

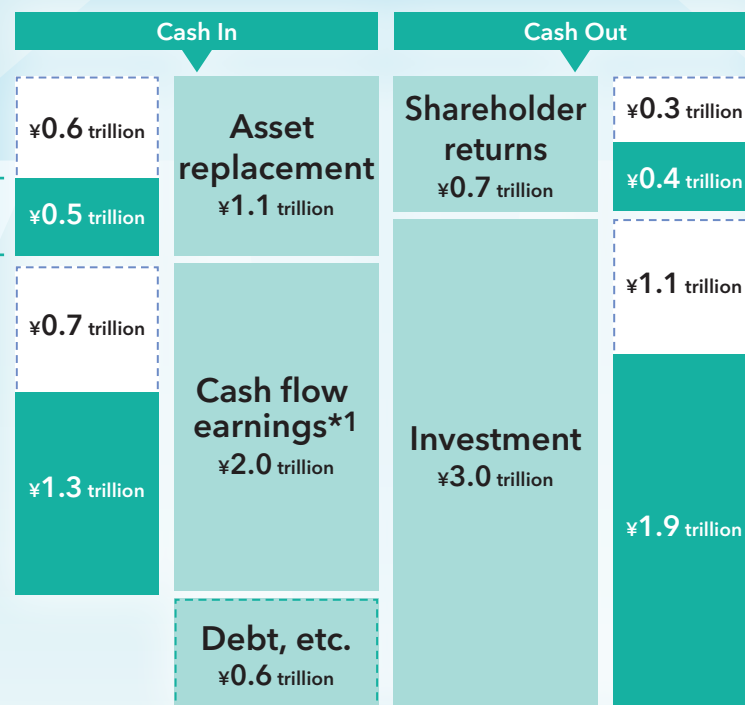
- Cross-shareholdings
- T-Gaia
- Midas (U.S. tire sales & marketing business)
- North American melon production and sales business
- Sekal AS and others

p58 Cross Shareholdings

*1 Cash flow earnings = [Gross profit + Selling, general and administrative expenses (excluding provision for doubtful receivables) + Interest expense, net of interest income + Dividends] × (1 - Tax rate) + Dividend from investments accounted for using the equity method (excluding dividends associated with asset replacement) + Depreciation + Lease liability payments

*2 FY2024-2025 results: The difference from approximately ¥1.9 trillion is attributable to investments in sustaining CAPEX, Restructuring/Nurture

*3 Excludes earnings contribution from properties and interest expense on investments



FY2024-2025 Results

New investments in “Steady business growth” and “Value creation” (approx. ¥1.5 trillion) *2

- Investment in the manufacturing business for the foundation of offshore wind power generation
- Investment in Belgian construction and mining equipment distributor
- Investment in Net One Systems by SCSK
- Full acquisition of SCSK (tender offer portion), and others

Including the acquisition of a U.S. aircraft leasing company and the squeeze-out of the remaining SCSK shares to complete full acquisition (both scheduled for FY2026), earnings contribution is expected to be **approximately ¥91.0 billion***3 in FY2026.

- Accelerating business portfolio transformation (SHIFT 2023 vs. Medium-Term Management Plan 2026)

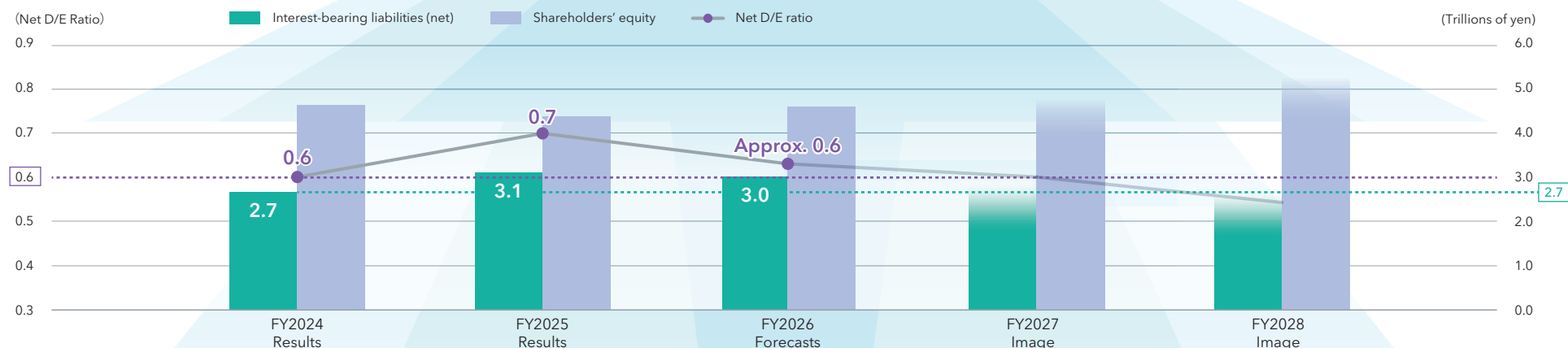


Medium-Term Management Plan 2026: ② Business portfolio transformation (measures to improve financial soundness)

Improve **financial soundness** over the **3-year** period ending in FY2028

● Improve financial soundness to the level prior to the execution of major investments over the 3-year period ending in FY2028

■ Interest-bearing liabilities balance and net D/E ratio (images)



● Measures to improve financial soundness (FY2026-2028)

Cash In

Further accelerate portfolio metabolism

- Cash in (FY2026 Forecast-2028 Image): Approx. ¥1.2 trillion; debt reduction effect from deconsolidation of subsidiaries: Approx. ¥0.5 trillion
- Specific asset replacement targets include low-growth/low-ROIC businesses (Invested capital: Approx. ¥1.0 trillion) and asset turnover businesses (Invested capital: Approx. ¥0.7 trillion)

Promote DAIS and other initiatives to drive improvements, particularly in growth areas

- Improve ROIC through SCSK's stand-alone growth, increase sales across the Sumitomo Corporation Group (application businesses, customers' business transformation and advancement, platform-based businesses, and digital infrastructure-related), reduce costs through greater efficiency (productivity improvement, advancing and optimizing corporate organization, and inventory reduction, etc.), and create a new source of earnings through collaboration between the two companies

Cash Out

Maintain current shareholder return policy of progressive dividends and a total payout ratio of 40% or higher

- Implemented 4-for-1 share split (July 2026)

Implement strategic investments with greater discipline with a focus on growth areas

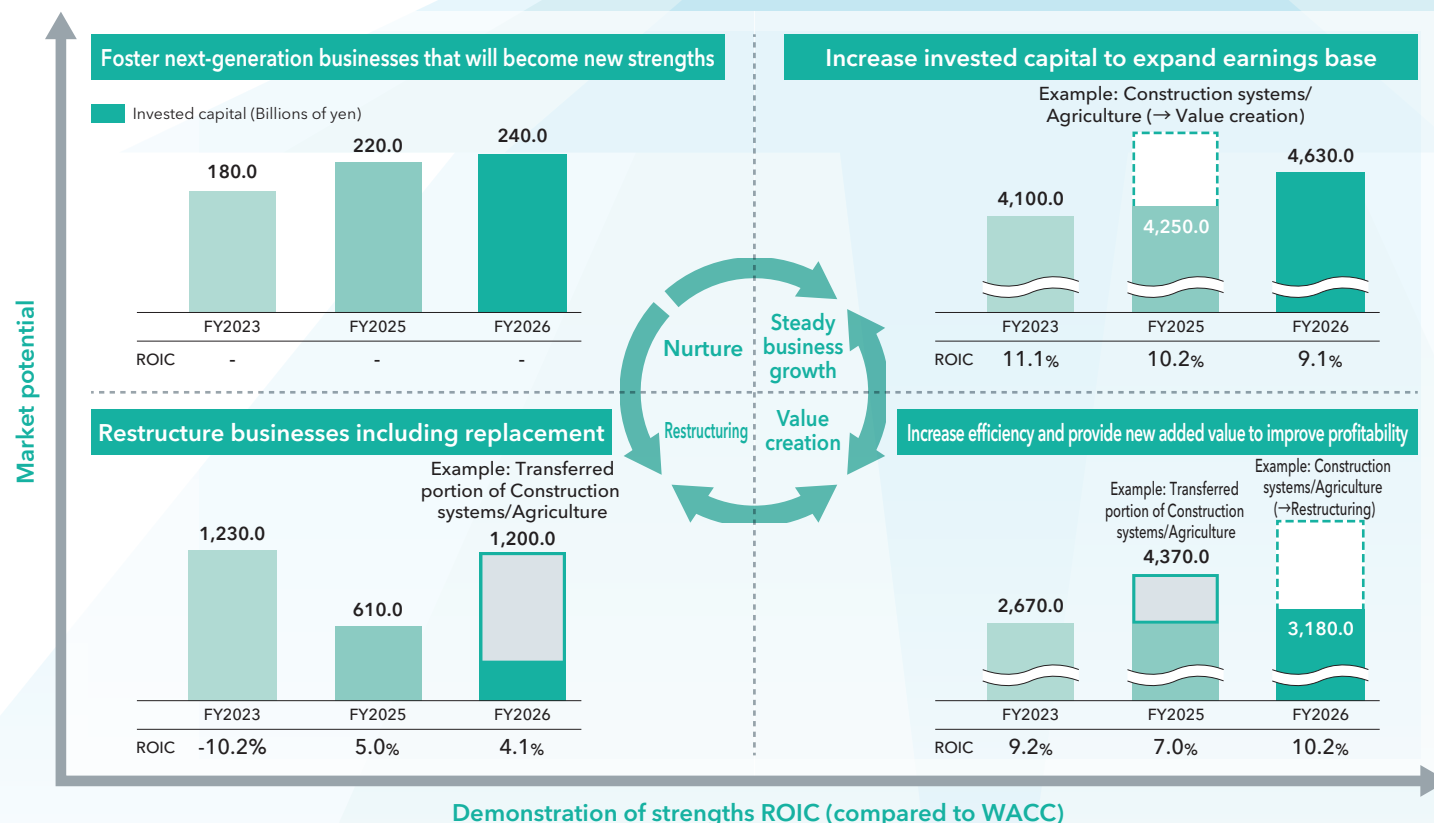
- New investments (excluding acquisition of U.S.-based aircraft leasing company and full acquisition of SCSK): Approx. ¥400.0 billion-¥500.0 billion/year (in line with previous levels)

Medium-Term Management Plan 2026: ② Business portfolio transformation:

Reallocate resources to growth areas and accelerate portfolio metabolism

- Closely monitor SBU-specific ROIC/WACC and focus on enhancing overall portfolio quality

Manage invested capital allocation based on four strategic quadrants



Invested capital/ROIC in eight growth areas



ROIC/WACC monitoring perspectives

Existing businesses

Regularly monitor strategies and progress of each business to improve ROIC

New investments

Allocate management resources to businesses with strengths and competitive advantages that are highly likely to generate added value exceeding their acquisition prices

Asset replacement

Divest businesses with limited long-term growth prospects under our ownership in addition to low-growth/low-ROIC businesses

Message from CFO

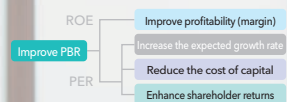
We will accelerate growth by leveraging our strengths while steadily advancing business portfolio transformation to improve ROE and further enhance corporate value.

Changes in market perception

While advancing various initiatives under Medium-Term Management Plan 2026, we made several major strategic moves in FY2025, including the acquisition of a U.S.-based aircraft leasing company and the full acquisition of SCSK. In May 2026, we also completed the divestment of the Ambatovy nickel project, bringing a long-standing challenge to a close. As a result, our previously elevated cost of capital declined, and expectations for profit growth and higher ROE driven by business portfolio transformation significantly improved our PBR, lifting it from below 1.0x to well above that level.

In last year's Integrated Report, I stated that "we aim to restore market confidence and achieve a stable PBR above 1.0x by delivering stable profit growth across the Company." I believe we have made steady progress toward restoring that confidence.

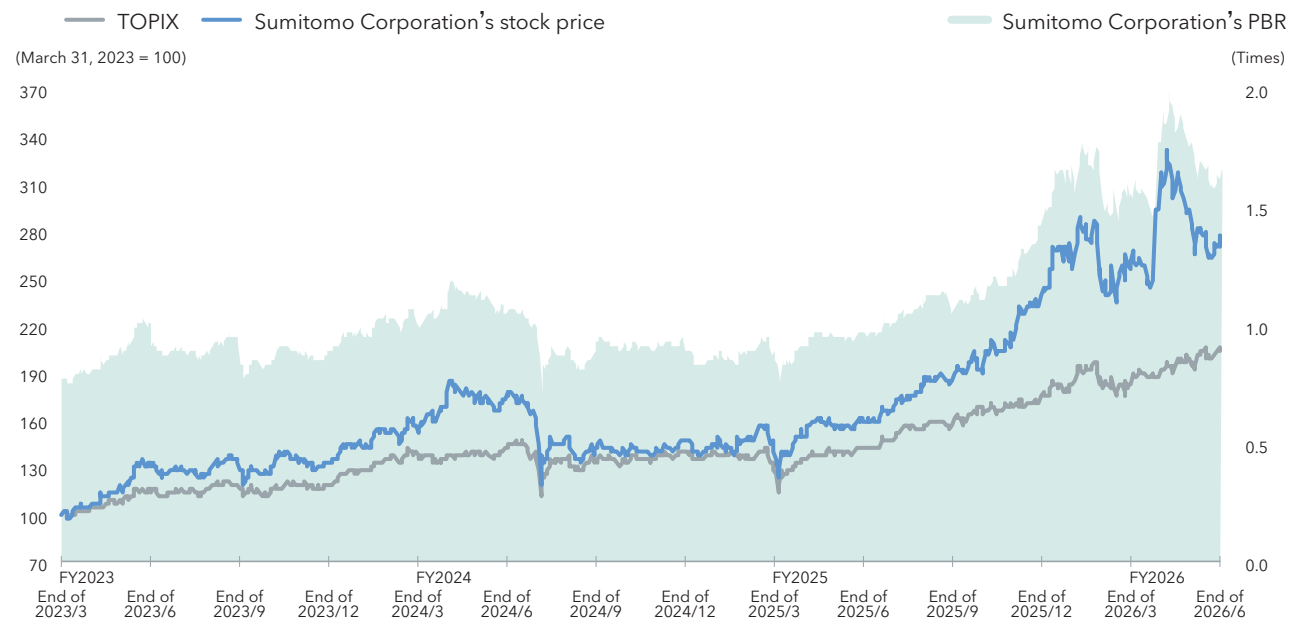
In addition to progress on investments and asset replacements, we have been continuously enhancing our disclosures, and I have noticed a tangible shift in the nature of our dialogue with investors. The focus of such dialogue has moved from questions about individual underperforming businesses to discussions of the Company's overall growth strategy. I believe this reflects growing market expectation for the Company's future growth. Looking ahead, we will continue to deliver stable profit growth by focusing on our eight growth areas, while transforming our business portfolio through improvement of asset efficiency across our businesses and accelerated asset replacement. In doing so, we aim to raise ROE to a higher level.



Reiji Morooka

**Representative Director,
Executive Vice President
Chief Financial Officer**

Sumitomo Corporation's stock price performance



Message from CFO

Closing stock price, high/low stock prices, and related indicators

	FY2023	FY2024	FY2025
Close* ¹	¥913	¥843	¥1,445
High* ¹	¥942	¥1,108	¥1,689
Low* ¹	¥565	¥669	¥697
PBR	1.00x	0.88x	1.49x
5-year TSR* ² (TOPIX including dividends)	198.99% (93.39%)	244.85% (113.65%)	355.89% (102.21%)

*1 Stock prices have been adjusted retrospectively to reflect a 4-for-1 share split effective July 1, 2026.

*2 Total shareholder return (TSR): The rate of return on an investment assuming dividends are reinvested

Medium-Term Management Plan 2026: Challenges and Countermeasures

In FY2025, interest-bearing liabilities increased as a result of major investments, leading to a higher net D/E ratio. By further accelerating asset replacement, we aim to bring interest-bearing liabilities and leverage back to their levels at the end of FY2024 by the end of FY2028 at the latest, while maintaining the momentum of our business portfolio transformation. Assets targeted for replacement are selected not only based on exit criteria under our ROIC/WACC management framework but also from a growth perspective. We have already begun the divestment process for many of these assets. At the same time, growth investments are also essential to achieving stable and sustainable growth. Going forward, we will continue making annual growth investments of ¥400.0 billion–¥500.0 billion by carefully selecting opportunities from our pipeline, with a primary focus on those that strengthen businesses with “core-strength” where we have competitive advantages.

Aiming to deliver further profit growth and enhance corporate value

With only six months remaining in Medium-Term Management Plan

2026, I expect many of you are already turning your attention to our growth from FY2027 onward. Through our business portfolio transformation, we have improved the quality of our assets, with company-wide ROIC reaching 8% and ROE approximately 13%—above our cost of capital. While there are various methods for calculating the cost of capital, we believe that consistently achieving an ROE of 12% or higher will enable us to exceed our cost of capital and create value. That said, we do not consider our current ROE to be sufficient, and we intend to continue raising it to a higher level. We will continue to achieve sustainable profit growth, focusing on our eight growth areas where we have strengths and competitive advantages. At the same time, we will work to grow profits and improve ROE by promoting DAIS and asset-turnover-based businesses while rapidly transforming our business portfolio.

We will discuss DAIS in greater detail later in this report, but I would like to highlight that we have set a quantitative target of

improving ROIC by one percentage point through DAIS. This target reflects our commitment to achieving organic profit growth and improved profitability without relying solely on asset expansion.

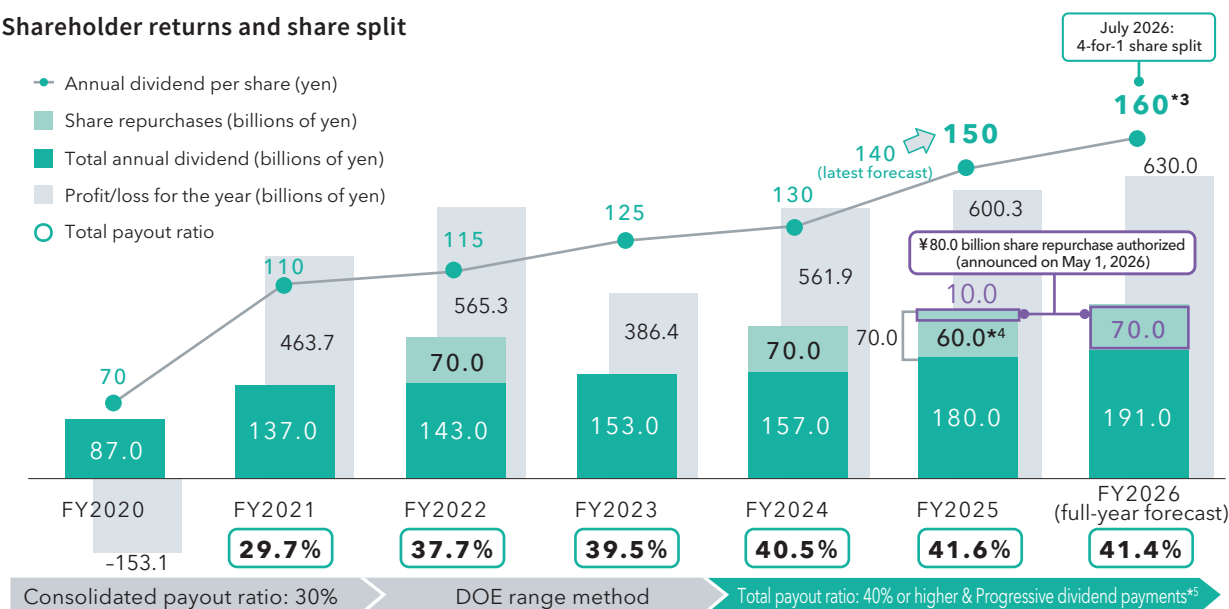
 p.30 Special Feature: DAIS

Shareholder returns

In July 2026, we completed a 4-for-1 share split. By lowering the stock price per investment unit, we aim to increase the liquidity of our shares, welcome more shareholders, and, through your continued support, further enhance our corporate value.

With respect to shareholder returns, we plan to pay an annual dividend of ¥40.00 per share in FY2026 (post-share split) and have also authorized ¥80 billion in share repurchases, including ¥10 billion allocated as additional shareholder returns for FY2025. Looking ahead, we will continue to enhance shareholder returns through stable profit growth.

Shareholder returns and share split



*3 Annual dividend of ¥40 per share (post-share split)

*4 Repurchase completed on February 19, 2026; shares cancelled on April 10, 2026 (excluding 1 million shares expected to be used for share compensation)

*5 Dividends to be maintained or increased

Special Feature

DAIS

Digital & AI Strategy

Drawing on our dialogue with investors at a briefing held in May 2026, this special feature outlines the vision of our Digital & AI Strategy (DAIS), our initiatives to strengthen earnings power and improving ROIC, and our roadmap for enhancing corporate value through collaboration with SCSK and the adoption of digital and AI technologies.

Vision of DAIS p.31

Through a single vision board, we present the future envisioned by DAIS, as well as the key drivers and guiding principles that will enable the social and industrial transformation.

Three pillars and growth roadmap p.32

This section outlines an overview of the three pillars underpinning DAIS (Pillars 1-3), along with its short-, medium-, and long-term growth roadmap.

Q1. Corporate value enhancement
through DAIS p.33

This section covers how collaboration with SCSK will transform our earnings structure, create new growth opportunities, and enhance corporate value.

Q2. SCSK's growth strategy p.34

This section presents SCSK's growth strategy from two strategic axes: expanding business through full-stack capabilities and improving profitability through an offering-based model.

Q3. SCSK's profitability improvement p.35

This section outlines the specific initiatives SCSK is pursuing to transform its earnings structure and improve its operating profit margin.

Q4. Growth opportunities created by
generative AI p.36

This section outlines the market changes driven by the growing adoption of generative AI and the growth opportunities for SCSK.



Special Feature: Digital & AI Strategy (DAIS)

Vision of DAIS

The Group aims to leverage digital and AI technologies across all of its business frontlines to build new value creation models and lead the transformation of society and industry. Supporting this vision are our business frontlines, backed by around 900 consolidated operating companies, a customer base of around 100,000 companies, our digital solutions centered on SCSK, and our talent. Our distinctive competitive

advantage lies in our ability to leverage diverse industry expertise and our business platform to deploy digital and AI technologies with a frontline-driven approach, enabling us to address social challenges and create new value. Guided by our Design Principles, we will turn this advantage into tangible results.

Vision

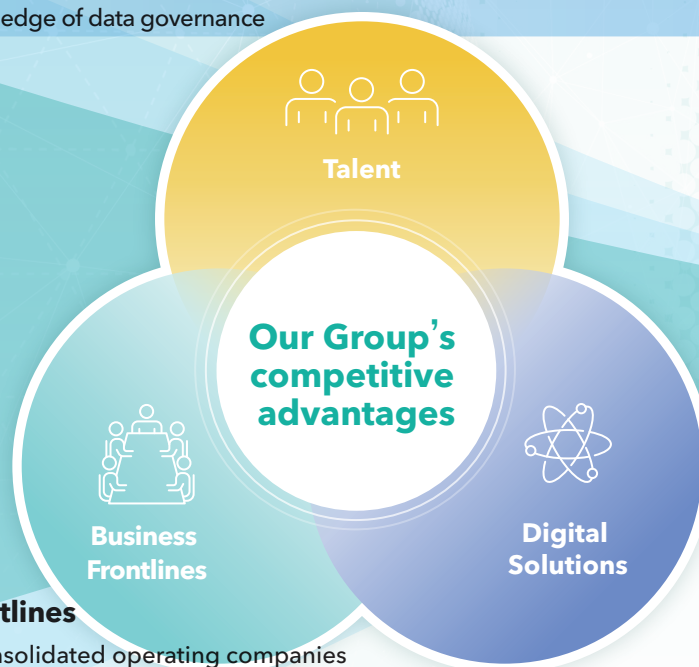
Leveraging **Digital & AI**
across all business
frontlines
to build new
value creation
models and lead the
transformation
of society and industry

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 values
- Turning around underperforming businesses
- Implementing business concepts in society and industry



Business Frontlines

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

Digital Solutions

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

Special Feature: Digital & AI Strategy (DAIS)

Three pillars supporting the growth of DAIS

Our roadmap for growth and corporate value enhancement through DAIS is built on three pillars. Under Pillar 1, we will drive SCSK's growth by enhancing profitability through an integrated SI*¹ and NI*² delivery model and a shift toward an offering-based model. Pillar 2 focuses on strengthening the competitive advantages of the Sumitomo Corporation Group, while Pillar 3 centers on building new value creation models through collaboration between Sumitomo Corporation Group and SCSK. Together, these initiatives will drive corporate value enhancement across the Group.

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



Strengths of Our Group and SCSK

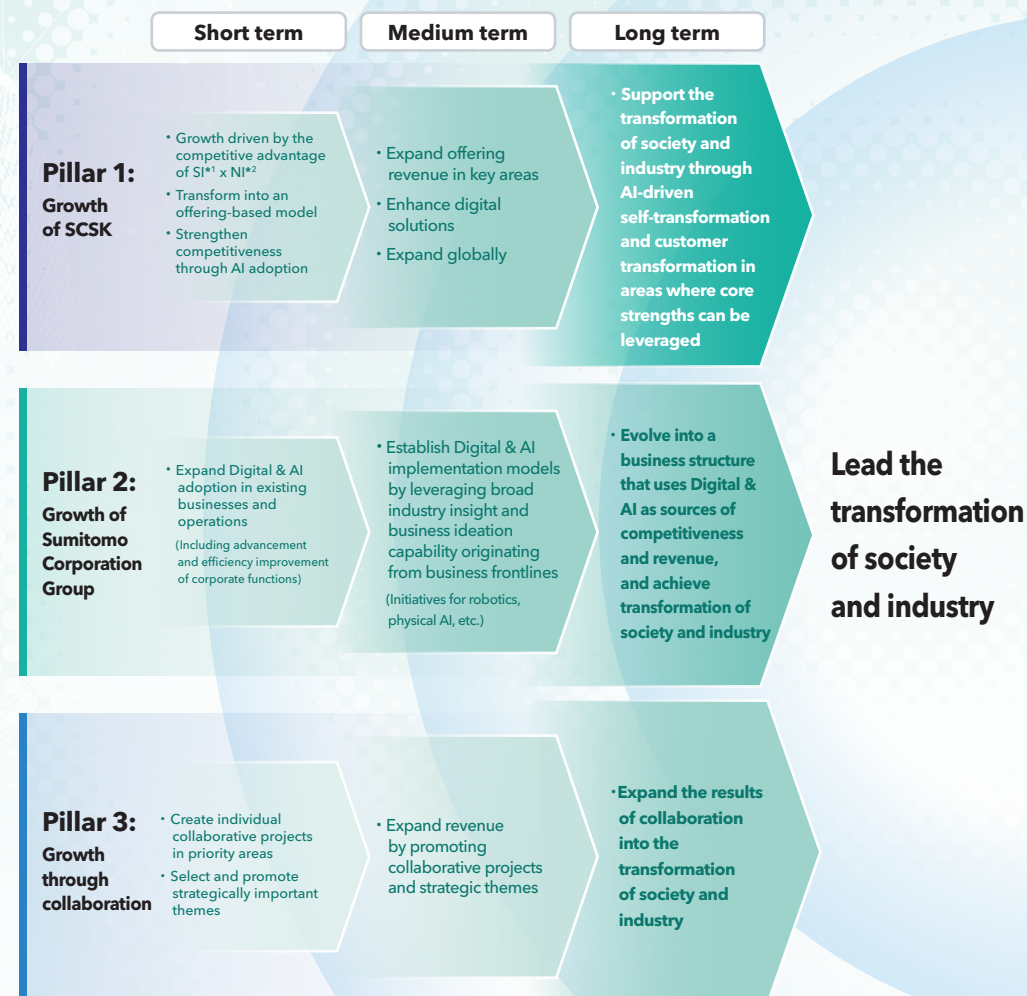
Advancing DAIS by further strengthening Digital Solutions, Business Frontlines, and Talent



► Digital & AI White Paper (Japanese only) | https://www.sumitomocorp.com/-/media/Files/hq/news/important/2026/20260527/white_paper_2025_ja.pdf
► DAIS Briefing | https://www.sumitomocorp.com/-/media/Files/hq/ir/explain/business/20260527Presentation.pdf?sc_lang=en

DAIS: Overall growth roadmap

This roadmap presents the three pillars of DAIS across the short, medium, and long term. By linking SCSK's growth (Pillar 1), the strengthening of competitive advantages across the Group's businesses (Pillar 2), and the building of new value creation models through collaboration between the Group and SCSK (Pillar 3), it illustrates our path to leading the transformation of society and industry and enhancing corporate value.



Notes: 1. This roadmap illustrates the overall direction of growth for DAIS. Detailed value creation processes and examples for each measure are available through the various publications listed on the upper right.

2. The shaded nine arrows in the above short-, medium-, and long-term roadmap represent the degree of profit contribution by differences in color intensity.

Special Feature: Digital & AI Strategy (DAIS)

Q1. Investor and analyst perspectives

While investors are paying close attention to DAIS, their primary concern is not simply whether it advances digital transformation. Rather, what matters most is whether DAIS can enhance brand value and corporate attractiveness through higher ROE, stronger cash flow generation, and profit growth, ultimately leading to a higher corporate valuation. That said, what specific areas does Sumitomo Corporation aim to achieve an overwhelming No. 1 position in through DAIS?

While SCSK's strengths are well understood, which indicators or area should investors focus on most closely as the company transforms its earnings structure and pursues higher profitability?

Answer

Sumitomo Corporation is currently collaborating with SCSK across a wide range of fields. Among these, there are two fields where collaboration has the potential to deliver transformational change. The first is the mobility sector. By combining SCSK's expertise in vehicle design with Sumitomo Corporation's strengths in the automotive sector, we aim to pursue co-creation across the entire mobility ecosystem. We believe this has the potential to develop into a significant growth business. The other is urban development. With implementation sites already in place, including Hakozaki in Japan and North Hanoi in Vietnam, we envision comprehensive diverse urban development and sustainable cities powered by SCSK's technological capabilities. As shown below, we have a robust pipeline of additional collaboration opportunities. We encourage investors to focus first on how Sumitomo Corporation and SCSK are driving transformation together through these initiatives.

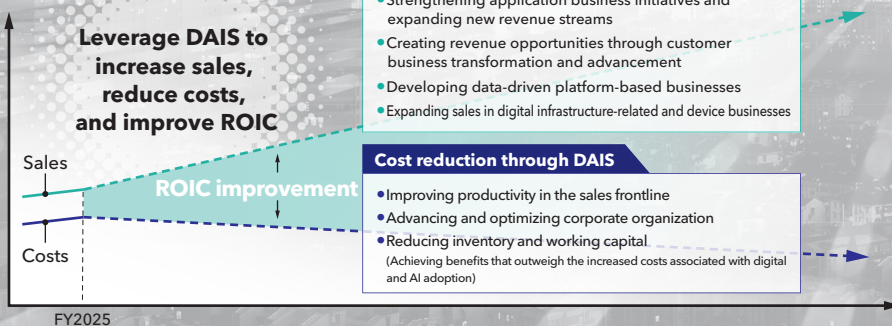
Pillar 2 Growth of Sumitomo Corporation Group through DAIS

The society and industries Sumitomo Corporation Group will create



Growth through Pillar 2

Leverage DAIS to
increase sales,
reduce costs,
and improve ROIC

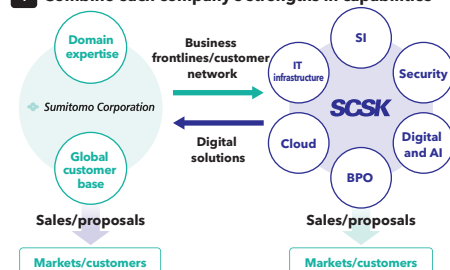


Pillar 3 Growth through collaboration between the Sumitomo Corporation Group and SCSK

Three categories of collaborative business initiatives to be promoted

Combine the strengths of both companies

1 Combine each company's strengths in capabilities



Examples

Steel sector: Explore ways to enhance steel trading and SCM
Manufacturing: Support global expansion of manufacturing companies

2 Combine each company's businesses

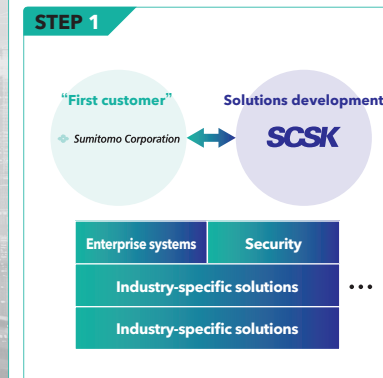


Examples

Mobility: Explore collaborative business opportunities for the automotive industry centered on OEM engineering

"First customer" strategy

3 Leverage Sumitomo Corporation and its group business frontlines to develop and validate solutions



STEP 2 Market rollout

Examples

Enterprise systems and security: Consider deployment within the Sumitomo Corporation Group while assessing broader market potential

Special Feature: Digital & AI Strategy (DAIS)

Q2. Investor and analyst perspectives

In terms of SCSK's growth, I understand that strengthening the offering-based model and expanding its full-stack capabilities through the integration of SI and NI will be key themes for SCSK's growth. Could you share the current sales mix of the offering-based model and full-stack business, the target mix for 2030, and how their current profitability compares?

Answer

Building on the strong customer relationships it has cultivated through its system integration business, SCSK has established full-stack capabilities that integrate system integration (SI) and network integration (NI) through its acquisition of Net One Systems. By addressing increasingly sophisticated customer needs, SCSK has earned recognition for its strength in designing and operating the entire system as a unified whole. It is also building systems to turn its accumulated expertise into offerings, thereby enhancing value-added services and profitability.

Although we cannot disclose the sales mix, our growth strategy will be centered on two key axes: Expanding our full-stack business (FY2030: doubling profits compared with FY2025) and increasing earnings through offerings (FY2030: operating profit margin of 15% or higher).

Changing customer needs

- Accelerate digital adoption across business units
- Expect to drive transformation from management and business conception to execution and adoption

Changing competitive environment

- Emergence of competitors leveraging digital and AI technologies to lead transformation

Technological advances

- Adoption of generative AI and AI agents
- Advances in security
- Increasing network complexity

Pillar 1

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 a next-generation IT company

Sumitomo Corporation's resources

Business frontlines and data from around 900 consolidated operating companies

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

Global reach spanning 62 countries and regions

Global offices and operating companies

Digital/AI capabilities

Collaboration with digital and AI group companies

SC Digital Insight Edge

CVC* network spanning five global regions

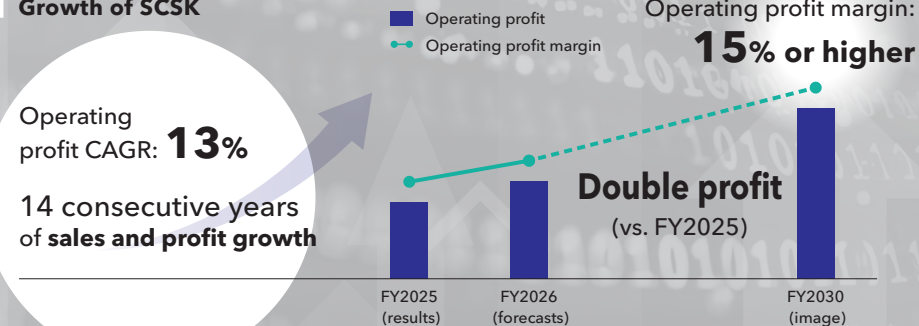
Access to cutting-edge technologies and tech companies in Japan and overseas

Global customer base of around 100,000 companies

Global customer network across wide-ranging industries

* CVC: Corporate venture capital

Growth of SCSK



Three measures under SCSK's new medium-term management plan

		Major initiatives
1	AI-driven self-transformation and business expansion	- Improve productivity and create high-value-added businesses using AI as a foundation for all business operations - Productivity improvement through AI - Business expansion in AI domains
2	Transformation into an offering-based model	- Shift to an offering-based model that leverages in-house intellectual property to address customer challenges and improve profitability - Strengthening upstream functions (consulting) - Creation, accumulation, and standardization of intellectual property
3	Thorough utilization of competitive advantages and strengths	- Leverage the strengths of Net One Systems and the Sumitomo Corporation Group to establish a competitive advantage - Evolution of the SI & NI full-stack model - Collaboration with Sumitomo Corporation

Special Feature: Digital & AI Strategy (DAIS)

Q3. Investor and analyst perspectives

SCSK's operating profit margin is projected to improve significantly from FY2026. While we understand that demand in the IT solutions market remains firm and the Group's strategy is expected to enhance profitability, SCSK's operating profit margin has remained flat at 11.1% over the past two years. What has fundamentally changed to support such a sharp improvement from this point onward?

Answer

In addition to reducing costs through the integration of Net One Systems, we plan to raise our overall profit margin by improving productivity through AI-driven development while enhancing profitability through the offering-based model. Under the new medium-term management plan, we will introduce operating profit per employee as a new KPI to accelerate the transformation of our earnings structure in response to advances in AI and increasing workforce constraints.

AI-driven development

100% AI-driven development within two years

Future: AI-driven development (AI-centric/digital)				
 Development process (how it's built)	Automate the development process with AI (through an integrated pipeline)			Faster development
	Requirements definition Design Code generation Testing and verification Review and refinement	Automation, continuous optimization, and rapid iteration		Maximize productivity
 Output (what is produced)	Structured data and configuration management			Enhance data utilization
	Easy for AI to interpret AI Easy to reuse Changes are fully traceable Consistent quality	Improve quality and reusability		
 Management (how it's managed)	AI visualizes, analyzes, predicts, and optimizes project execution			Improve prediction accuracy
	Automate situation analysis Risk prediction and anomaly detection Decision support	Minimize risks		

Offering

An offering is a delivery model that helps customers transform their businesses by addressing their challenges.

Building on the technologies and expertise cultivated through our SI and NI businesses, we accumulate competitive intellectual property to deliver sustainable value creation.

Vision

Offering-based model

Combining AI, data, and industry expertise to drive customer transformation

Promoting high-value-added businesses to enhance profitability

Standardizing proprietary services and IP for scalable deployment

Building a repeatable, sustainable delivery model to enhance profitability

Current

SI/NI (traditional model)

Labor-based, time-and-materials model

- Deep understanding of customer challenges
- Ability to address individual customer requirements
- Close integration with customers' operations

Special Feature: Digital & AI Strategy (DAIS)

Q4. Investor and analyst perspectives

Please share your views on how generative AI and other technological advances are reshaping the business and industry landscape. For example, there has recently been discussion about how advances in frontier AI, such as Mythos, are enabling vulnerabilities to be identified almost instantly.

In the short term, there will be an increase in work to address detected vulnerabilities, but once those issues are resolved, there is a possibility that maintenance—which has been a source of earnings for system integrators—will disappear.

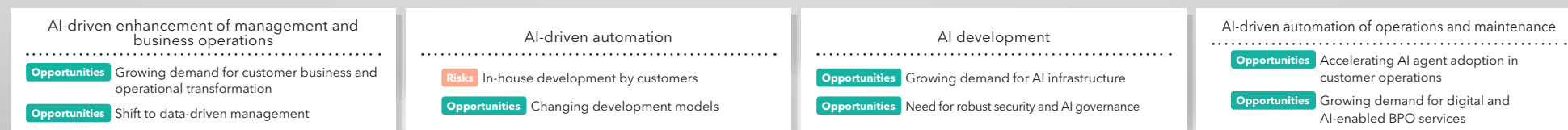
In such a case, one could argue that profitability will decline over the medium to long term. How do you view that?

Answer

We believe that generative AI and similar technologies represent a significant tailwind for SCSK, which offers SI, NI, security, and BPO services.

This is because enterprise systems require human expertise throughout the cycle—from design and integration to operation—and the ability to provide end-to-end support remains a key strength. Moreover, the importance of trusted implementation partners continues to increase, driven by growing requirements for accountability and governance. In addition, the growing demand for security driven by the adoption of AI provides a favorable backdrop. By leveraging capabilities created through the integration of Net One Systems, we see significant room for growth.

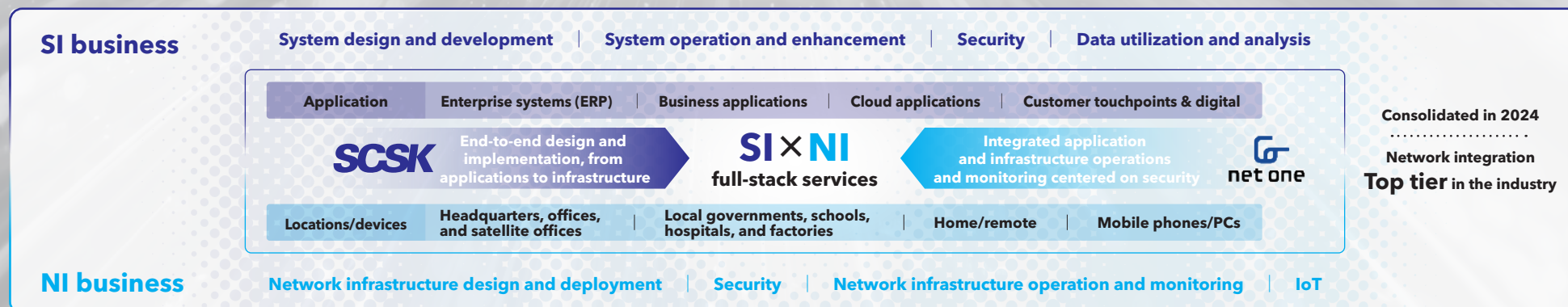
AI-driven market changes



Growth opportunities for SCSK in the AI era

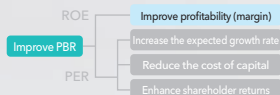


Growth potential in the AI era: Sources of competitive advantage = S + N



Tatsushi Tatsumi

**Managing Executive Officer
Group CEO, Digital AI Group
CDO and CIO**



Message from CDO and CIO

We will create new value and enhance sustainable corporate value through the deployment of digital and AI technologies across business frontlines and corporate functions.

Develop and drive Digital & AI Strategy (DAIS)

Since establishing the DX Center in 2018, we have positioned the utilization of digital technology as a key pillar of our management strategy and accelerated business transformation across the Company. In response to the rapid advancement of AI, we formulated our Digital & AI Strategy (DAIS) in October 2025 to accelerate the “Refine with digital, Profit with digital” initiative outlined in Medium-Term Management Plan 2026. Through DAIS, we aim to leverage digital and AI technologies across all business frontlines and build new value creation models to lead the transformation of society and industry. To drive DAIS, we established the Digital AI Group in April 2026 to integrate our business and corporate functions (CDO/CIO). Through this integrated structure, we aim to accelerate the implementation of DAIS and further strengthen our competitive advantage.

The Sumitomo Corporation Group’s distinct competitive advantage

One of the Sumitomo Corporation Group’s distinct competitive advantages is its robust business platform for realizing digital- and AI-driven transformation across society and industry. SCSK, which became our wholly owned subsidiary in FY2025, has built a strong track record as a system integrator through its advanced software development capabilities. In 2024, it integrated Net One Systems, establishing full-stack service spanning everything from network infrastructure to applications. Together with the Group’s digital solution companies including Insight Edge (DX technologies) and SC Digital (data marketing), we leverage these capabilities to develop new value creation models.

By combining these digital solutions with the frontline capabilities we have cultivated as an integrated trading and business investment company, we are deploying digital and AI technologies across all business frontlines. Leveraging our network of around 900 consolidated operating companies, a customer base of around 100,000 companies, and our diverse industry expertise and talent, we are creating new business models and generating new value. These collective efforts have built a unique competitive advantage for the Sumitomo Corporation Group, accelerating sustainable growth and enhancing corporate value.

To strengthen the talent foundation underpinning our transformation, we introduced our proprietary digital skills certification program, D-Grade, in April 2026. A key feature of this program is that it recognizes hands-on implementation experience in business frontlines as a certification requirement, alongside formal qualifications. By making skilled digital talent visible across the organization, the program enables more

agile and effective talent management. Furthermore, under the CIO function, we are strengthening IT infrastructure that supports company-wide digital and AI adoption, while advancing IT governance and cybersecurity measures suited to the AI era.

Leading social and industrial transformation and enhancing corporate value

SCSK is focusing on three priorities: “AI-driven self-transformation and business expansion,” “Transformation into an offering-based model,” and “Thorough utilization of competitive advantages and strengths.” In particular, SCSK is creating new business opportunities through its offering-based model, under which it identifies customers’ management and operational challenges and proposes solutions. Leveraging the knowledge in the manufacturing sector it has cultivated as a systems integrator, SCSK established SCSK Consulting Co., Ltd. in July 2026. Going forward, we will leverage our global reach to accelerate these initiatives. SCSK’s digital solution capabilities represent a key driver in realizing DAIS.

In addition, we are advancing the deployment of digital and AI technologies across our business frontlines and corporate functions. For example, in our tubular products business, we expect to generate economic value in the range of several billion yen through the enhancement of trading operations. Within our corporate functions, we are enhancing operational efficiency and effectiveness through business process redesign and AI adoption.

Furthermore, we have launched more than 70 co-creation projects in collaboration with SCSK. We are also deploying and enhancing PROACTIVE, SCSK’s enterprise resource planning (ERP) system, across the Sumitomo Corporation Group. Through these initiatives, we deliver customer solutions that incorporate our practical expertise and operational know-how. Going forward, we will continue to work closely with SCSK and various partners to lead the transformation of society and industry while driving sustainable corporate value enhancement.

Presentation at SCSK Forum 2026
in May 2026

