

 SUMITOMO DENSETSU CO.,LTD.

VISION 2030

Mid-term Management PLAN 2028

(FY2025-FY2028)

May 9, 2025



The Sumitomo Spirit

<i>“Banji-nissei”</i>	“Be sincere in all things.” “Do your sincere best in not only business but also every aspect of your life”
<i>Shinyo-kakujitsu</i>	Integrity and sound management: Sumitomo shall achieve strength and prosperity by placing prime importance on integrity and sound management in the conduct of its business.
<i>Fusu-furi</i>	Avoidance of shortsighted conduct: Sumitomo shall manage its activities with foresight and flexibility in order to cope effectively with the changing times. Under no circumstances, however, shall it pursue easy gains or act imprudently.

Corporate Philosophy of the Sumitomo Densetsu Group

- Recognizing its social mission and responsibility, the Sumitomo Densetsu Group:
- Aims to develop a favorable environment to support a prosperous and secure society.
 - Values its technical prowess and the customer's confidence in it and provides high quality engineering service that gives a high level of customer satisfaction.
 - Practices fair and transparent management based on compliance in keeping with a high standard of corporate ethics.
 - Seeks to create a vibrant and pleasant business environment while fostering employees rich in creativity.

SEM VALUE

- | | | |
|------------------|----------|---|
| Sincerity | >>>>>>>> | Employees should devote themselves to satisfying society's needs in a spirit of sincerity |
| Teamwork | >>>>>>>> | Employees should recognize diversity and strive to leverage teamwork |
| Creation | >>>>>>>> | Employees should create a sustainable future through sophisticated technologies |

Employee Code of Conduct

(Excerpt) Respect for human rights, respect for privacy, prevention of various forms of harassment, ensuring a safe and healthy workplace, ensuring quality, etc.



The ideal state
envisioned in

VISION 2030

- A rewarding company to work for; a company where you can take on new challenges; a company where you can take pride in what you do
- A company full of creative talent
- A company that puts its customers first; a company trusted and valued by its customers
- A company that solves social issues as a team of professionals supporting social infrastructure
- A company committed to sustainable development through co-creation with multiple stakeholders



What is necessary and important to realize VISION 2030

Customers

Providing quality
engineering services
Utilizing new technology,
increasing productivity
through DX at
construction sites

Employees

Developing human
resources and taking
engagement measures to
foster growth and satisfaction
Creating an inclusive
workplace by
promoting DEI

Suppliers

Business operations
and green procurement
that value cooperation
and coexistence by
building partnerships
with suppliers

Regional communities

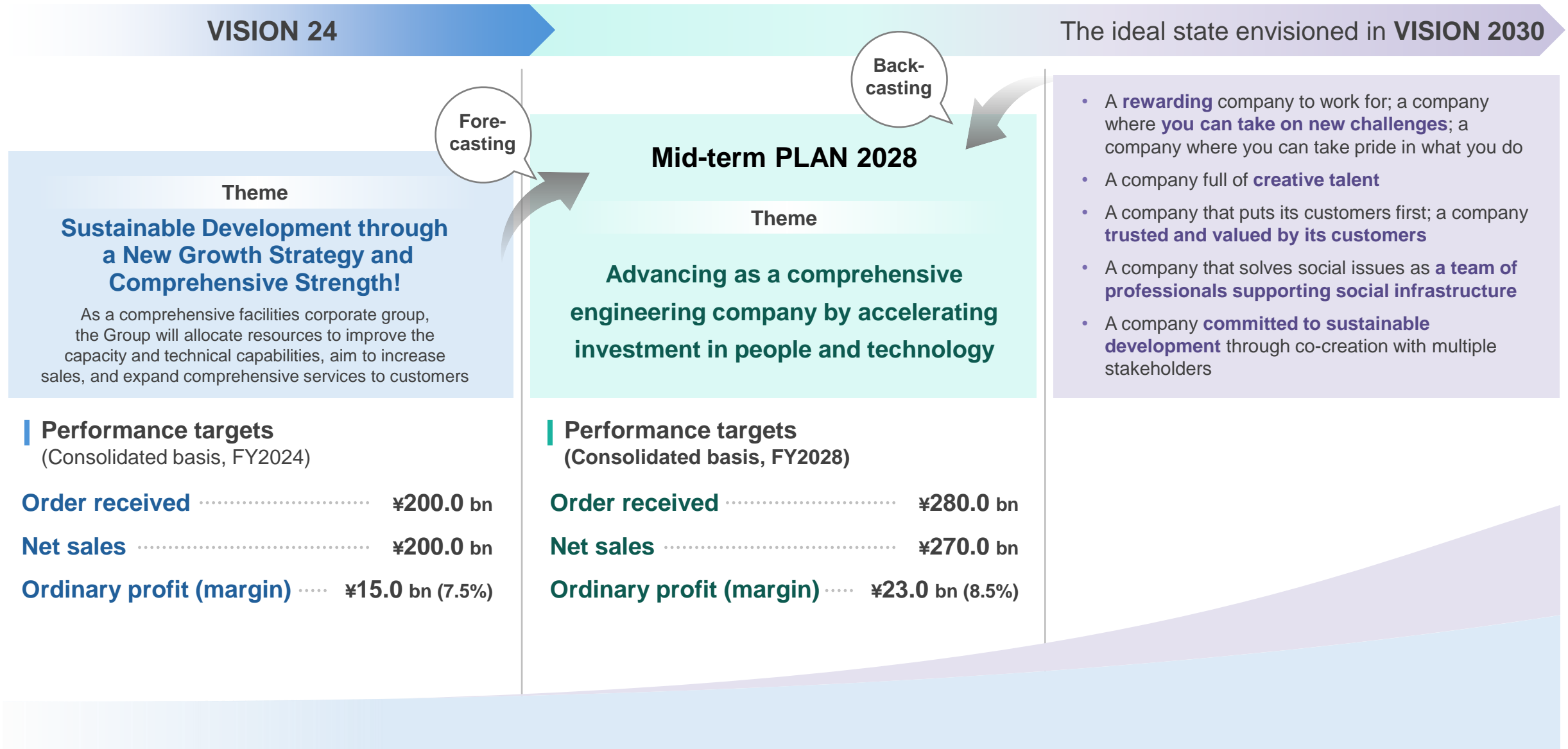
Contributing to local
communities by building safe
and secure infrastructure for
green technology and the
realization of a
decarbonized
society

Shareholders/ Investors

increased corporate value
and shareholder returns
based on the premise of
sustainable corporate
management

“Goho Yoshi” (Five-Way Win) **Multistakeholder Capitalism**

The Positioning of the Mid-term PLAN 2028



VISION 2030: Sustainability at the Sumitomo Densetsu Group

Sustainability Policy

- Aim to reduce the environmental impacts of our business activities, products, and services, and expand into business fields with low environmental impact.
- Provide engineering services that earn high customer satisfaction while emphasizing trustworthiness and technical capabilities.
- Promote activities that foster global societal prosperity by further strengthening the foundation of our overseas business ventures while expanding our business fields.
- Strive for safe and rewarding workplaces characterized by respect for human rights and diversity.
- Emphasize compliance and pursue equitable business dealings while striving to guarantee transparency through suitable disclosure.

Reduction of CO₂ emissions

The Sumitomo Densetsu Group has established the following CO₂ emission reduction targets for 2030 and is working to achieve them.

		Materiality	KPI	
E Environment Promoting business with consideration for the environment		<ul style="list-style-type: none">• Active contributions to society-wide decarbonization through environmental impact reductions	CO₂ emission reductions FY2030	Scope 1 + 2: 46.2% reduction (compared to FY2021) Scope 3: 27.5% reduction (compared to FY2021)
S Social	Improving customer satisfaction	<ul style="list-style-type: none">• Contributions to the building of resilient and sustainable infrastructure• Ensuring safety and quality while making improvements to technical capabilities	Frequency rate, severity rate	0.00 (improvement compared to previous year)
	Improving employee satisfaction	<ul style="list-style-type: none">• Promoting health and productivity management, and creating workplaces where all employees can enjoy peace of mind and feel excited by their jobs• Respect for human rights, and promoting diversity and inclusion	Number of accidents requiring time off from work	0 (improvement compared to previous year)
G Governance Ensure adherence to corporate ethics		<ul style="list-style-type: none">• Promoting equitable and transparent management operations based on compliance rules and regulations	Periodic health checkup participation rate: 100%; Annual paid leave acquisition rate: 80% or higher Male childcare leave acquisition rate: 100% (improvement compared to previous year) Percentage of women in managerial positions: 3.0% or higher (by March 31, 2031); Percentage of women in assistant manager levels: 25.2% or higher Percentage of women among new graduate hires for main career track positions, and among overall hires for managerial and main career track positions: 10% or higher, etc.	
			Number of workplace compliance training sessions (implementation rate)	Once per month for each department (100%)
			Number of information security training sessions (implementation rate)	Once per quarter for each department (100%)

In addition to reducing CO₂ emissions, the Sumitomo Densetsu Group is working collectively to help build a sustainable society and to increase the group's corporate value. For more details, please visit our website: <https://www.sem.co.jp/sustainability/>

Review of VISION 24

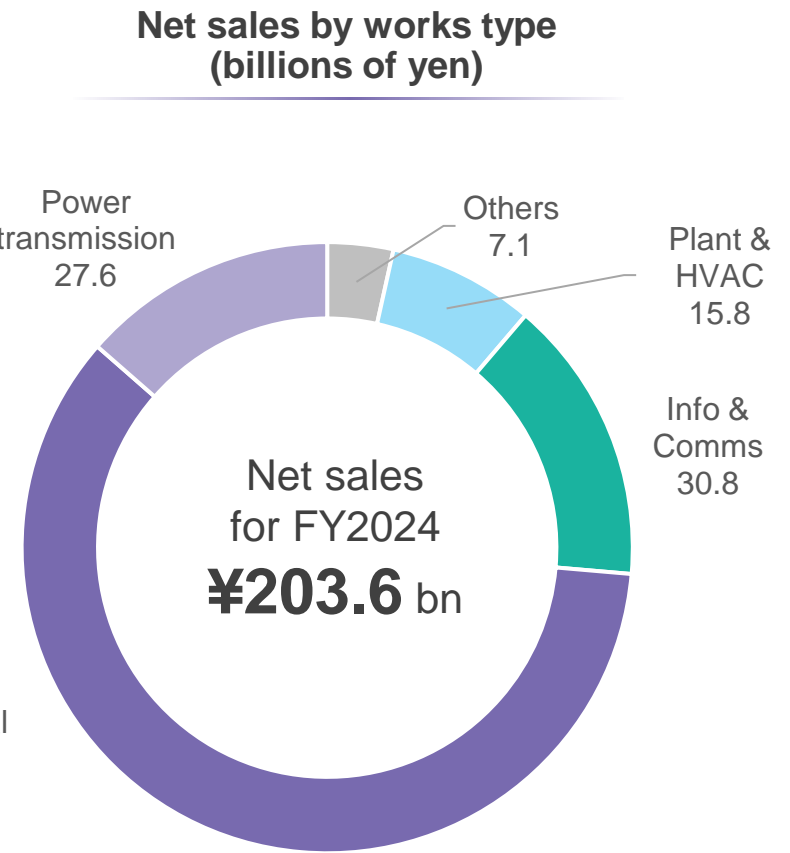
Review of VISION 24: Performance Summary

During the VISION 24 period, despite unexpected events such as the COVID-19 pandemic and rapid inflation, all numerical targets were achieved, supported by a strong market environment.

Orders received, net sales, and ordinary profit all reached record highs. By type of works, growth was led by general electrical works including overseas, followed by power transmission works and info & comms works.

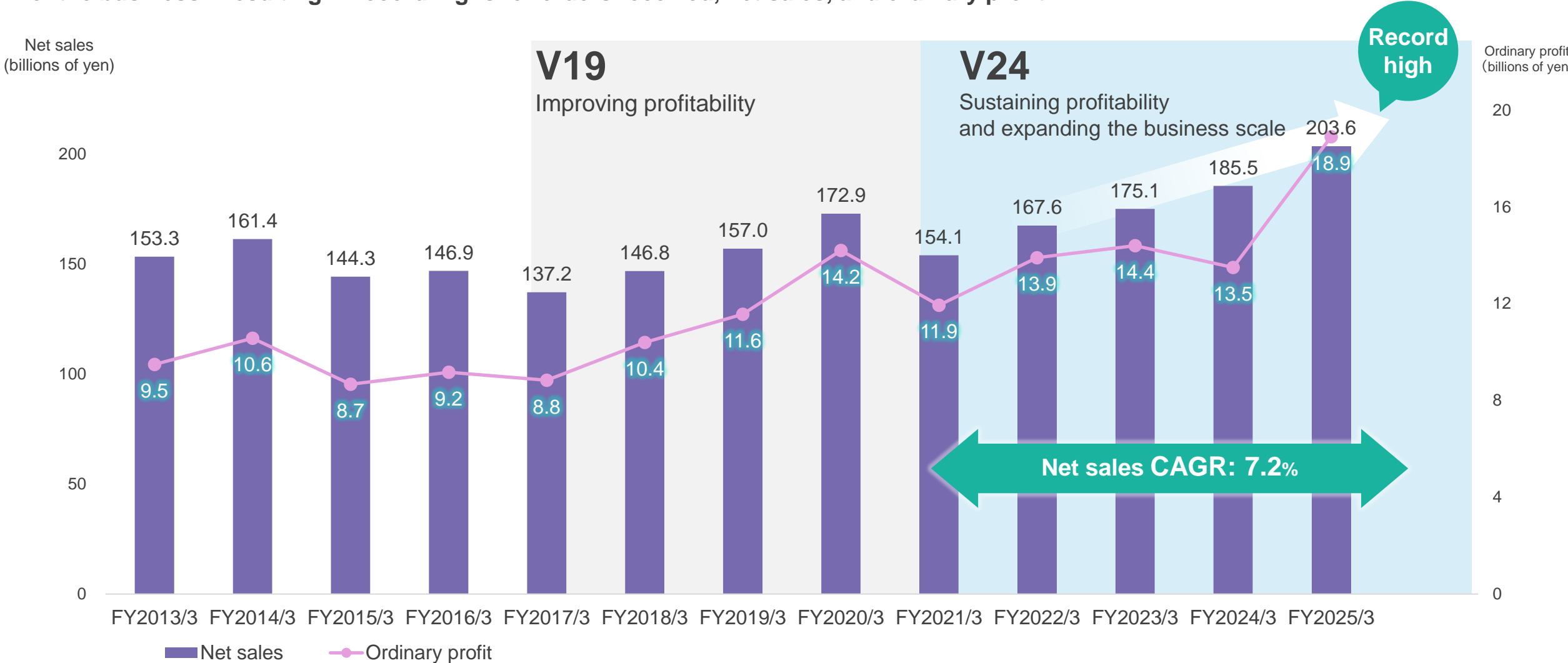
	VISION 19		VISION 24	
	FY2019 results	FY2024 target	FY2024 results	Achievement level relative to target
Orders received	167.3	200.0	244.7	+22.4%
Net sales	172.9	200.0	203.6	+1.8%
Ordinary profit	14.2	15.0	18.9	+19.4%
Ordinary profit margin	8.2%	7.5%	9.3%	
ROE	13.8%	10%	11.7%	
Dividend payout ratio	25.5%	40%	40.2%	

14 consecutive years of dividend increases



Review of VISION 24: Performance Trends

Building on VISION 19, which focused on improving profitability, VISION 24 aimed to sustain that profitability while expanding the scale of the business—resulting in record highs for orders received, net sales, and ordinary profit.



Review of VISION 24: Key Measures

Strengthen our foundation in people and technology to drive growth, with a focus on improving customer satisfaction and increasing profitability through enhanced construction capabilities

V24 Theme

Sustainable Development through a New Growth Strategy and Comprehensive Strength!

4 key measures	15 specific initiatives	Results of the initiatives
Safety, quality, and compliance	<ul style="list-style-type: none">Ensure safety and quality.Thoroughly enforce compliance.	<p>Throughout the V24 period, we continued efforts to establish safe work practices, to strengthen the foundation for safety and quality management, to promote education and company-wide campaigns for maintaining physical and mental health, and to ensure compliance.</p>
Securing and developing human resources and implementing work style reforms	<ul style="list-style-type: none">Expand training facilities and education programs.Secure human resources.Pursue efficiency improvements to increase productivity.Reduce the total number of working hours.Strengthen diversity initiatives.	<ul style="list-style-type: none">Expanded training programs by opening the Kawasaki Technical Center (KTC) in April 2023.Continued new employee training and tiered training (including during the COVID-19 pandemic); utilized KTC.The number of employees increased from 1,535 at the end of FY2019 to 1,823 at the end of FY2024.Promoted DX at construction sites (tablet utilization, increased productivity).Addressed the 2024 problem; maintained the Eruboshi certification; and continued to provide career support training for women.
Pursuing improved customer satisfaction (proposal-based sales capabilities, capacity, and technical capabilities)	<ul style="list-style-type: none">Strengthen proposal-based sales capabilities.Secure and strengthen capacity.Focus on areas of expected growth.Respond to new technologies and new construction methods.	<ul style="list-style-type: none">Continued to improve profitability at the time of order receipt and project completion throughout the V24 period.Task team activities contributed to an increase in renewal and maintenance projects.New businesses: Expanded IP nurse solutions; launched the Growth Support Service.Launched a company-wide purchasing project led by a cross-divisional purchasing organization.Participated in a large-scale private transmission line project for an onshore wind farm.Launched SEM Cloud operations; began sales of HACCP Station; and established displacement ventilation technology.
Enhancing enterprise value into the future	<ul style="list-style-type: none">Undertake initiatives for ESG and the SDGs.Maintain financial strength and enhance shareholder returns.Promote Health & Productivity Management.Improve employee satisfaction by enhancing employee benefits and improving the workplace environment.	<ul style="list-style-type: none">TCFD Promotion Project: Implemented scenario analysis and risk analysis; set CO₂ emission targets for FY2030 ⇒ Strengthened disclosure of non-financial information.Certified as a "Health Management Excellence Corporation 2022," and maintained this certification.Expanded a cafeteria plan; conducted an employee satisfaction and engagement survey, and took action based on the results.Implemented improvements in employee compensation, such as wage increases exceeding the rate of inflation.

Review of VISION 24: Growth Investments

With a focus on developing human resources and enhancing technical capabilities, we completed construction of the new Kawasaki Technical Center as an educational hub and invested a total of 20 billion yen over 5 years, laying a foundation for future growth.

People initiatives

- 2021:

Established a mandatory retirement age of 65.
- 2022:

Established the Sumitomo Densetsu Group Health and Productivity Management Declaration.

Certified as a “Health Management Excellence Corporation 2022” and have maintained this certification to date.

Obtained the Eruboshi certification, which is awarded to companies that promote and support women's participation and advancement in the workplace.
- 2023:

Revised the starting salaries for new graduates and the number of days of annual paid leave.

Eliminated the upper age limit for re-employment of retired employees (Senior Expert Employees).

Introduced a student loan repayment support system.
- 2024:

Launched a “work location guaranteed for three years” program for new graduates entering main career track positions..

Technology (e.g., new businesses and new construction methods) initiatives

- 2020:

Launched a simplified SOC service.

Manufactured extension vehicles for high-tension overhead wire construction.

Constructed a large-scale, high-density wireless LAN system adopting the latest standard specifications.
- 2021:

Developed HACCP Station, a cloud-based HACCP management system.

Launched a free AI-based emotion analysis solution for universities.

Carried out overhead transmission line construction across the strait.
- 2023:

Launched Growth Support Service, a business growth support solution for small- and medium-sized manufacturing companies.

Introduced a local 5G system at the Kawasaki Technical Center.
- 2024:

Conducted the Monitoring Cloud 24 PoC Campaign.

Launched the Smart Factory Support Solution.

Launched the Cyber Security One-Stop Service.

Establishment of training and technical centers



Electrical Power Division: Ibaraki Transmission Line Construction Office

Base point for power line construction in the northern Kanto region
(Opened on March 18, 2022)



Training facility: Sumitomo Densetsu Kawasaki Technical Center

Our first facility dedicated to education, containing various training facilities and accommodation facilities; a company-wide training hub, including programs for new employee training
(Opened on March 14, 2023)



Electrical Power Division: Tokyo Construction Office

Base point for overhead and underground power line construction in the Tokyo metropolitan area
(Renovated on September 6, 2024)



Philippines: SPI Technical Center

A combined training center and processing facility established in Polaris Industrial Park, Bulacan Province, north of the Manila metropolitan area
(Opened on October 9, 2024)

Review of VISION 24: Ongoing Issues

Due to changes in the external environment, we face the following issues:

- ① Enhancing capabilities to handle large-scale projects and developing a construction system, including a support structure from the back office.
- ② Securing new core businesses to replace the declining telecommunications carrier business
- ③ Securing engineers and construction capabilities to meet strong demand

Change in demand	Type of works	Issues in VISION 24	Policy for initiatives in V 30 MP 28
Increase in large-scale projects	Power Transmission	Interconnection of renewable energy power stations; receiving of orders for very-large-scale private transmission line projects	• Develop and maintain the company-wide support system for the construction of large-scale private transmission line projects described on the left
	General Electrical: Japan	Securing construction capabilities and establishing support systems to accommodate an increase in large-scale projects, such as data center and redevelopment projects	• Balance work style reform with appropriate work schedules, and obtain support for this from the back office
	Overseas	Securing orders from non-Japanese companies to offset the prolonged decline in domestic investment caused by the sustained depreciation of the yen; strengthening machine construction	• Focus on high-demand areas such as data centers • Improve the profitability of orders from non-Japanese companies
Changes in business structure	Info & Comms	Securing new core businesses in response to the declining telecommunications carrier business	• Develop and expand the social infrastructure business

New Medium-term Management Plan

VISION 2030

Mid-term Management PLAN 2028

(FY2025-FY2028)

Our Understanding of the External Environment

Economic outlook

Japan

- Real GDP growth forecast: Average of 1.0-1.2%
Ongoing moderate growth alongside the trends in inflation and wage increases
- **Risks related to interest rate and currency volatility, as well as persistent inflation, remain**

Overseas

- Geopolitical risks—particularly those involving the U.S., China, Russia, NATO, and the Middle East—are becoming increasingly complex
- The economic outlook remains uncertain due to U.S. tariff hikes and other factors
- Southeast Asia is expected to see steady growth, but the possibility of a global **recession** must also be considered

Socioeconomic and construction investment trends

- Economic security: Shift to domestic production of **semiconductors, electronic components**, etc.
- Capital expenditures: Maintenance and renewal of **aging equipment, investment in labor-saving technologies, and implementation of environmental measures**
- Declining birthrate and aging population: **Labor savings and efficiency improvements** in the medical and nursing care fields
- Renewable energy: Continued aggressive investment
- AI/Autonomous driving: Ongoing demand for **high-capacity, high-speed, and low-latency** data centers
- National resilience: **Disaster prevention and mitigation/power grid reinforcement/network function enhancement**

Construction industry trends

- **ESG- and SDG-related investments are expected to continue** amid growing interest in sustainability
 - Strong construction demand and labor shortages will further boost momentum for **securing profitability**
 - Concerns over declining profit margins due to the ongoing rise in construction costs, as well as delays in equipment and material deliveries caused by global instability and supply chain disruptions
- **Efforts to address labor shortages and increase productivity** will continue, leading to diversification of work style reforms and accelerated utilization of construction DX (BIM, AI, remote work, ICT, robots/drones, big data)
 - **The growing importance of securing workers** based on the revised Construction Industry Act (improved employee treatment, passing on material cost increases, and promoting work style reforms)
 - Promotion of diversity and inclusion (active participation of women, employment of foreign nationals)

Amid a rapidly changing business environment, we will continue to capture strong demand, fulfill the expectations of society and our customers, and invest in our people and technology to sustainably increase our corporate value and realize the ideal state envisioned in VISION 2030.

Mid-term PLAN 2028: Overall Picture

Mid-term PLAN 2028 Theme

Advancing as a comprehensive engineering company by
accelerating investment in people and technology

I Basic policy

- 1

Pursuing Team Sumitomo Densetsu without compromise and implementing sustainable, company-wide sales efforts
- 2

Revitalizing the entire company by strengthening investment in human capital
- 3

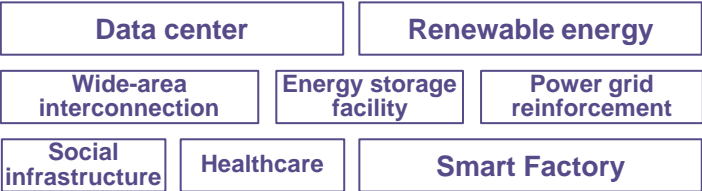
Evolving business models by strengthening technological capabilities



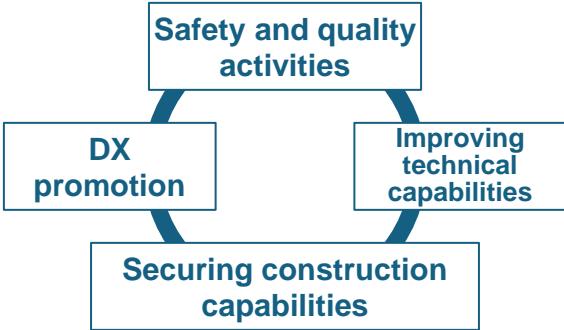
Growth Strategy

Sales measures

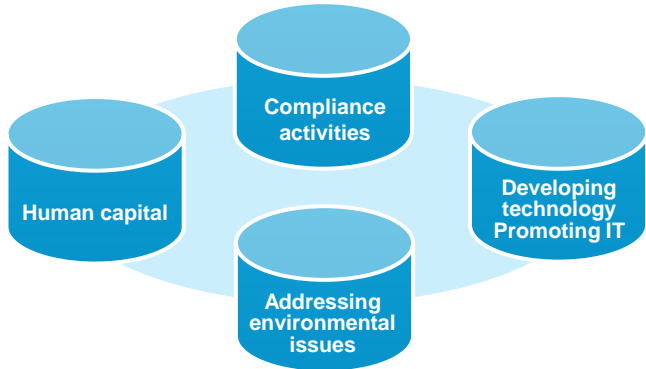
- Strengthen our ability to respond to growth areas in Japan and overseas
- Enhance sales capabilities through client-centric and proposal-driven approaches



Measures to strengthen on-site capabilities



Measures to strengthen the foundation



Growth Strategy: Sales Measures

Customers

Employees

Suppliers

Regional communities

Shareholders/Investors

With a target of 280 billion yen for orders received, we will strengthen our sales efforts under the theme:
“Pursuing Team Sumitomo Densetsu without compromise and implementing sustainable, company-wide sales efforts”

Key measures

- Strengthen relationships with key customers
- Build a base of high-quality customers that serve as a foundation for orders
- Further promote client sales
- Build partnerships with general contractors
- Strengthen proposal-based sales efforts for new technologies and businesses
- Develop effective sales through DX

Team Sumitomo Densetsu

Power Transmission	<ul style="list-style-type: none">Information collection and proposal activities for renewal demand due to the revenue cap system, etc.Balancing project scale with construction capabilitiesOne-stop design and construction services for private transmission lines by collaborating with the Sumitomo Electric GroupEngineering support for electric furnace and extra-high voltage (EHV) projects
General Electrical: Japan Overseas	<ul style="list-style-type: none">Focusing on growth areas such as data centers, factories, and redevelopmentEstablishing ourselves as a preferred subcontractor by enhancing our ability to propose effective solutions to client challengesStrengthening measures against business risks such as rising prices and prolonged construction periodsStrengthening cooperation between domestic sales and local subsidiaries/general contractors/consultants, etc.Strengthening targeting of domestic-demand-oriented customers in each country
Info & Comms	<ul style="list-style-type: none">Strengthening our social infrastructure businesses in anticipation of increased demand associated with disaster prevention and mitigation measuresExpanding our development projects (redevelopment/hotels)Expanding our various solution areas (manufacturing, education, medical care)
Environmental Facility and Plant	<ul style="list-style-type: none">Strengthening efforts to win integrated electrical work and machine construction contracts; expanding plant construction through new business developmentAddressing carbon neutrality and energy conservation issues

Strengthening of organizational capabilities

- Ensuring legal compliance and strengthening governance
- Enhancing human resource development/training for the next generation of leaders
- Improving engagement
- Streamlining activities by reorganizing the sales organization

Growth Strategy: Measures to Strengthen on-site Capabilities

Customers

Employees

Suppliers

Regional communities

Shareholders/Investors

We aim to strengthen our construction capabilities and improve our ability to handle large-scale projects by increasing productivity through on-site DX and other measures, and by building partnerships with our suppliers.

	Basic policy	Slogan	Measures
Safety and Quality	Aim to establish an unwavering safety culture through mutual education and awareness while placing the highest priority on safety, quality, and health.	<ul style="list-style-type: none"> Enhance sensitivity to danger. Eliminate the risk of disaster accidents. Realize a safe and secure workplace. 	<ul style="list-style-type: none"> Establish safe behavior: Prioritize safety and quality, and embed a culture of thoughtful action throughout the organization. Strengthen the foundation of safety and quality management: Establish and reinforce safety and quality management. Maintain physical and mental health: Maintain and promote health by improving the workplace environment.

Works type	Focus area	Measures to strengthen on-site capabilities
Power Transmission	<ul style="list-style-type: none"> Demand for transmission and distribution equipment renewal due to the revenue cap system Ultra-high-voltage projects and private transmission lines for renewable energy in cooperation with Sumitomo Electric Demand for reorganization of production facilities (e.g., conversion to electric furnaces) at steel manufacturers 	<ul style="list-style-type: none"> Strengthen recruitment of engineers; Enhance construction capabilities through collaboration with external parties. Establish nationwide construction bases in anticipation of increased demand. Establish a one-stop system through collaboration with a research design company. Strengthen cooperation with partner companies; recruit mid-career engineers.
General Electrical: Japan	<ul style="list-style-type: none"> Data centers, factories, and research laboratories; offices and commercial buildings; redevelopment projects; logistics facilities; medical facilities; integrated resorts Maintenance/Renewal projects 	<ul style="list-style-type: none"> Strengthen the back-office structure (business support, decentralization, and operational streamlining). Increase productivity (use DX/AI; accumulate knowledge; acquire problem solving skills). Strengthen support for partner companies (securing personnel); establish a master system (foremen).
Overseas	<ul style="list-style-type: none"> Orders from non-Japanese companies, data centers, direct demand, etc. Japanese companies/direct demand, new markets/new regions/new areas 	<ul style="list-style-type: none"> Utilize technical centers for prefabrication; save labor; and train national personnel ⇒ Reduce costs; and strengthen progress management, including that of construction risks and processes.
Info & Comms	<ul style="list-style-type: none"> Social infrastructure businesses (firefighting, railways, transportation) Solution business areas (medical care, manufacturing, education) Information network construction for various facilities such as complex buildings, hotels, and data centers 	<ul style="list-style-type: none"> Strengthen construction capabilities; establish a maintenance system (develop partner companies). Develop and provide DX products and services; provide support for smart factories, etc. Expand urban development and hotel projects; develop new customers. Implement server/cloud, surveillance cameras, and IoT integration.
Environmental Facility and Plant	<ul style="list-style-type: none"> Carbon neutrality challenges, plants, instrumentation, waste treatment, energy storage facilities, perovskites, displacement ventilation, integrated electrical/machine contracts Expenditures on factory production equipment of the Sumitomo Electric Group and elsewhere 	<ul style="list-style-type: none"> Strengthen construction response capabilities by integrating internal resources from environmental departments. Enhance the ability to handle large-scale and design projects; train field representatives and strengthen their support system.

Growth Strategy: Measures to Strengthen the Foundation

Customers

Employees

Suppliers

Regional communities

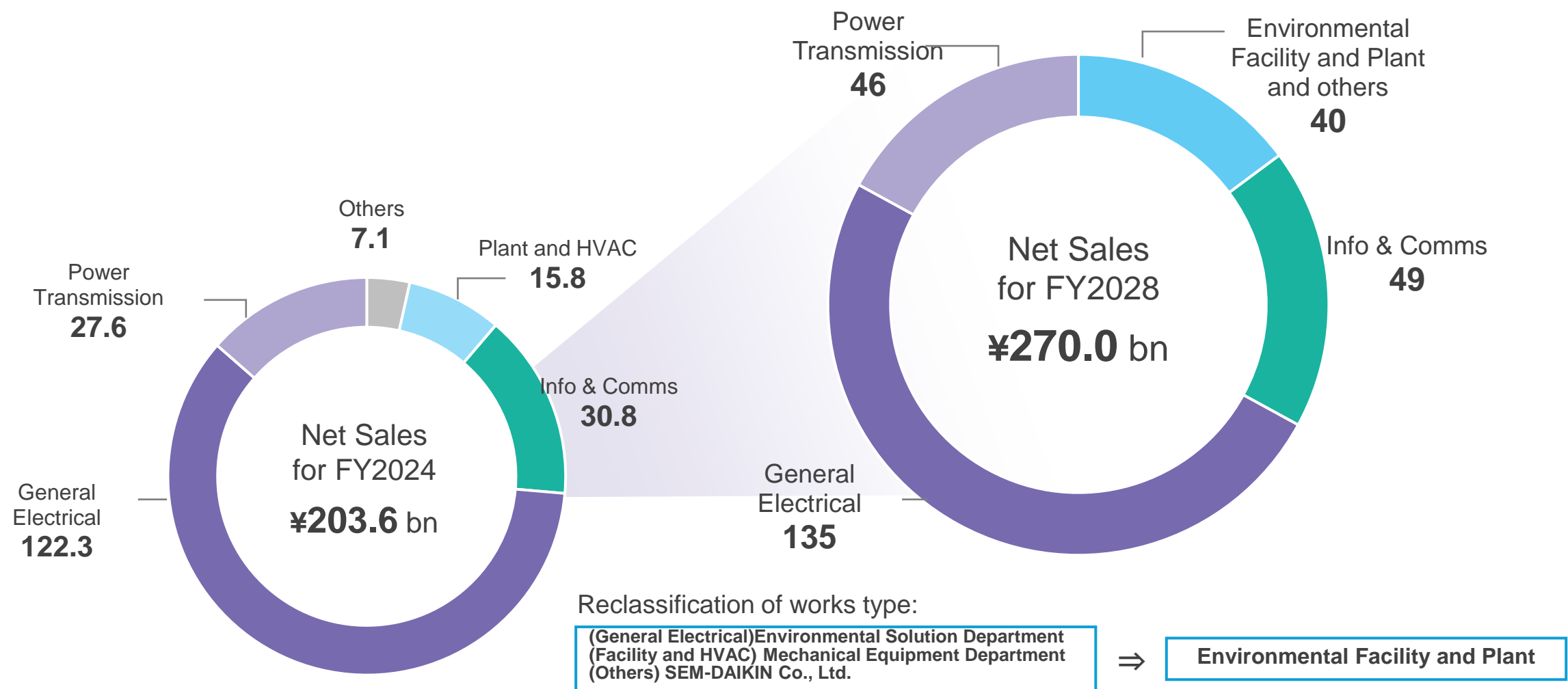
Shareholders/Investors

We aim to increase corporate value by investing in human capital and IT to streamline construction and secure engineers and construction capabilities.

Compliance	Ongoing compliance activities	Implement Compliance Month activities (including special training on specific activity themes); provide workplace training; use consultation and reporting channels for work-related matters, etc.
Human capital	Strengthening of human resource acquisition	Continue to recruit and appoint diverse human resources; implement a three-year post-graduation work location guarantee program; and strengthen the recruiter system.
	Promotion of women's participation	Continue to provide support for diverse work styles; continue and enhance career support programs for women; and achieve 100% paternity leave uptake among male employees.
Technology development, IT promotion	Labor savings in the workplace	Utilize digital space technology; consider prefabrication and processing centers; and promote DfMA.
	Strengthening of engineering capabilities	Implement a specialized technical supervisor system; consider M&A of engineering companies.
	Optimal allocation of personnel	Develop a more advanced database that includes the work histories of engineers, our key human capital, to enhance the efficiency and optimization of engineer assignments and enable strategic personnel deployment.
	Construction plan formulation support	Develop construction and safety/quality management plans that incorporate risks based on data from similar projects to promote labor-saving and operational improvements.
	Sophistication of procurement operations	Improve efficiency by implementing EDI; strengthen material price negotiation capabilities by building a database.
	Utilization of generative AI	Deepen and expand the use of generative AI to leverage knowledge and streamline document creation.
Addressing of environmental issues	Strengthening of the ability to meet challenges by organizational restructuring	Strengthen the ability to provide solutions to customers' carbon neutrality issues by Establishing an Environmental Equipment Division Reclassify (General Electrical)Environmental Solution Department,(Facility and HVAC) Mechanical Equipment Department,and (Others) SEM-DAIKIN Co., Ltd. Into the work type of Environmental Facility and Plant

Net Sales Targets by Works Type

By strengthening machine construction, enhancing construction capabilities, and efficiently allocating engineers, we aim to increase our chances of winning projects, particularly in terms of bundled projects of electrical and mechanical works.



VISION 2030 Mid-term PLAN 2028

Mid-term PLAN 2028 Theme

Advancing as a comprehensive engineering company by accelerating investment in people and technology

Consolidated FY2024 Results

Orders received

¥244.7 bn

Net sales

¥203.6 bn

Ordinary profit

¥18.9 bn

Ordinary profit margin

9.3%

ROE

11.7%

Dividend payout ratio

40.2%

Cross-shareholdings
to net assets ratio

19.3%

Growth investment

FY2020-FY2024 (5 yrs.)

¥20.0 bn

Consolidated FY2028 Targets

¥280.0 bn (CAGR3.4%)

¥270.0 bn (CAGR7.3%)

¥23.0 bn (CAGR5.0%)

8.5%

12% or more

50%

10.0% or less

FY2025-FY2028 (4 yrs.)

¥50.0 bn

Cash Allocation

Customers

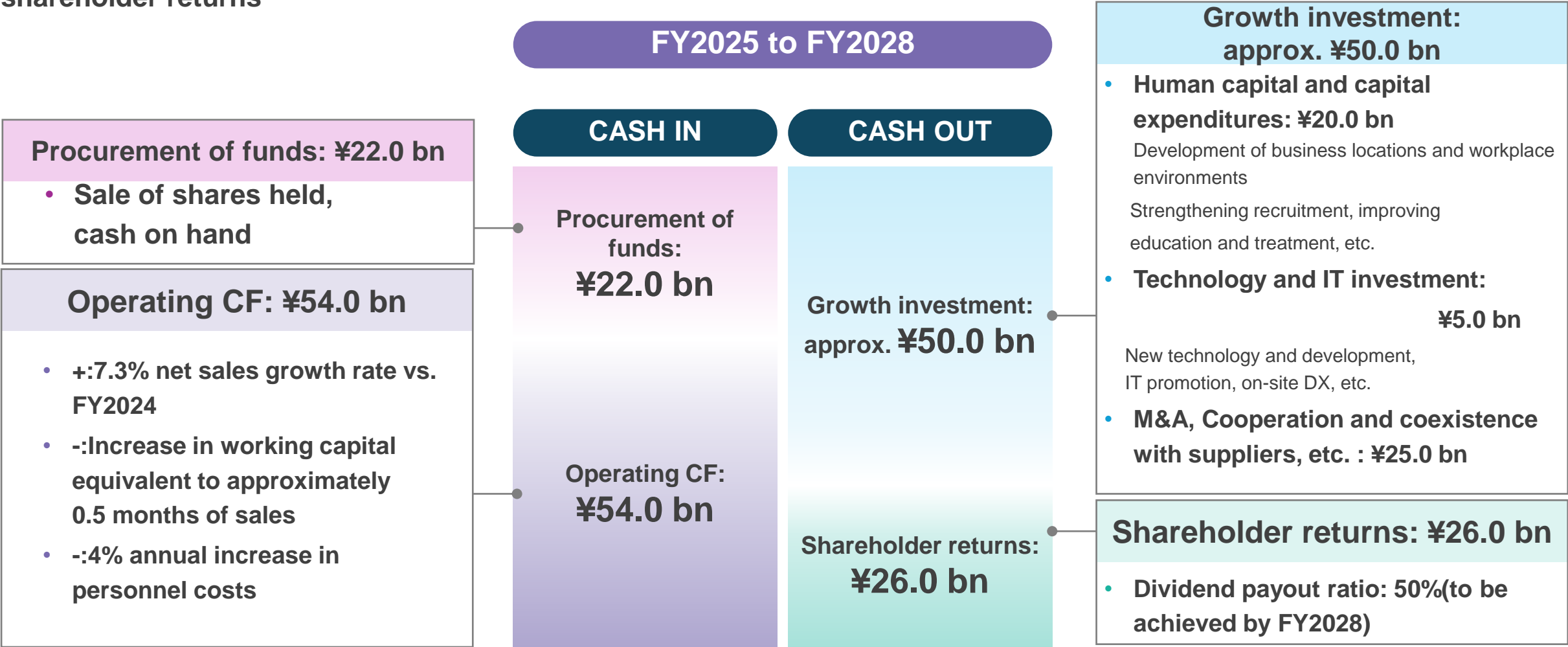
Employees

Suppliers

Regional communities

Shareholders/Investors

To achieve sustainable growth, we plan to proactively invest in growth areas, including human capital, and enhance shareholder returns



Dividend Policy

Dividends have increased for 14 consecutive fiscal years since FY2012/3

Customers

Employees

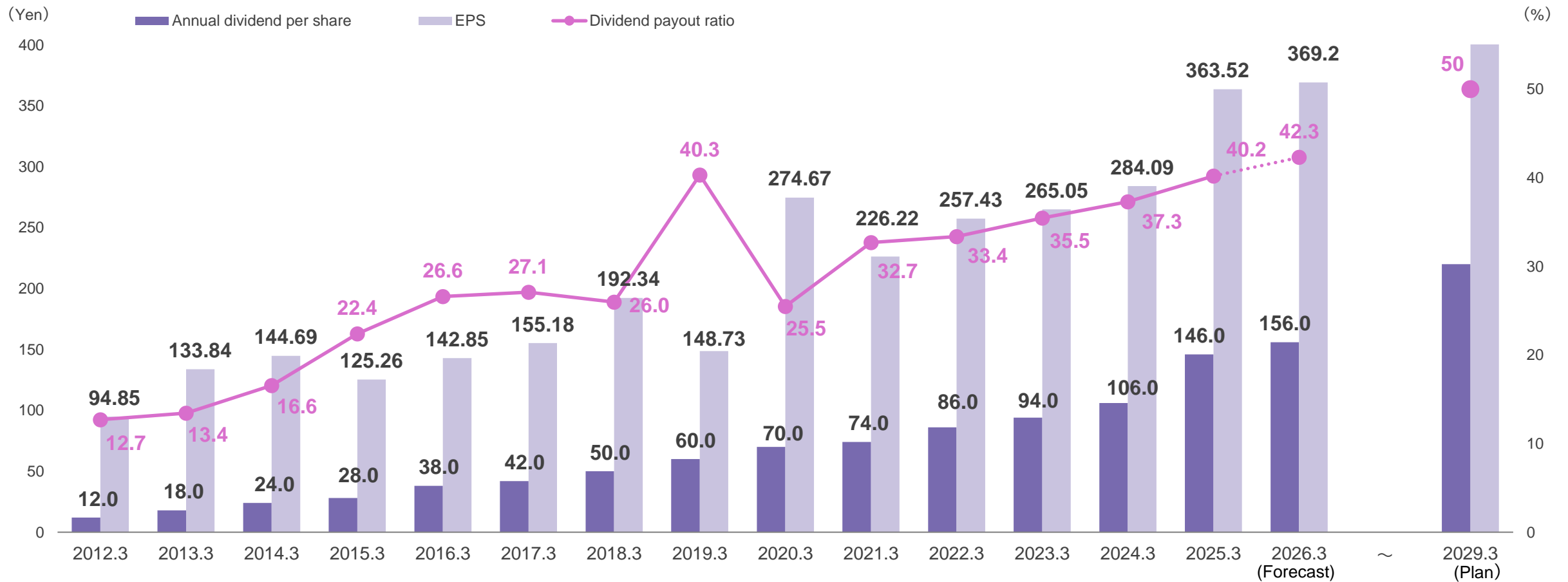
Suppliers

Regional communities

Shareholders/Investors

VISION 2030 Mid-term PLAN 2028 dividend policy: Target dividend payout ratio of 50% in FY2028

Changes in EPS, dividend per share, and dividend payout ratio



Supplementary Information

VISION 2030

Mid-term Management PLAN 2028

(FY2025-FY2028)

Growth Strategy: Measures to Strengthen the Foundation

Revitalizing the Entire Company by Strengthening Investment in Human Capital

Customers

Employees

Suppliers

Regional communities

Shareholders/Investors

We aim to expand our business scale and increase our corporate value by strengthening human capital and revitalizing our organization through improved employee engagement.

Goals

1 Expand our business scale.

2 Increase our corporate value.

Sumitomo Densetsu Group's Sustainability: ESG initiatives, materialities

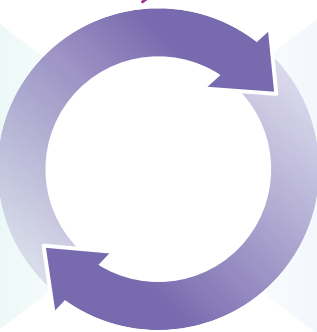
Ensure the achievement of KPIs related to improving employee satisfaction.

Business operations

Promoting investment in human capital

- Recruit diverse human resources.
- Develop/expand the training, qualification acquisition support, and education systems.
- Appropriately allocate personnel according to their experience and skills.
- Improve treatment.
- Create a comfortable workplace.
- Strengthen efforts to address social issues.

Organizational revitalization



Contribution to expanding performance

Employees

Working with pride

- Build teamwork across departments and job types.
- Further strengthen expertise.
- Improve skills through diverse construction experience.
- Develop careers from a long-term perspective.
- Contribute to solving social issues such as environmental conservation.

Growth Strategy: Measures to Strengthen the Foundation

Evolving business models by strengthening technological capabilities

Customers

Employees

Suppliers

Regional communities

Shareholders/Investors

We will carry out technological development with the themes of labor saving and improving engineering capabilities.



Growth Strategy: Strengths of the Sumitomo Densetsu Group

Overseas Strategy

Customers

Employees

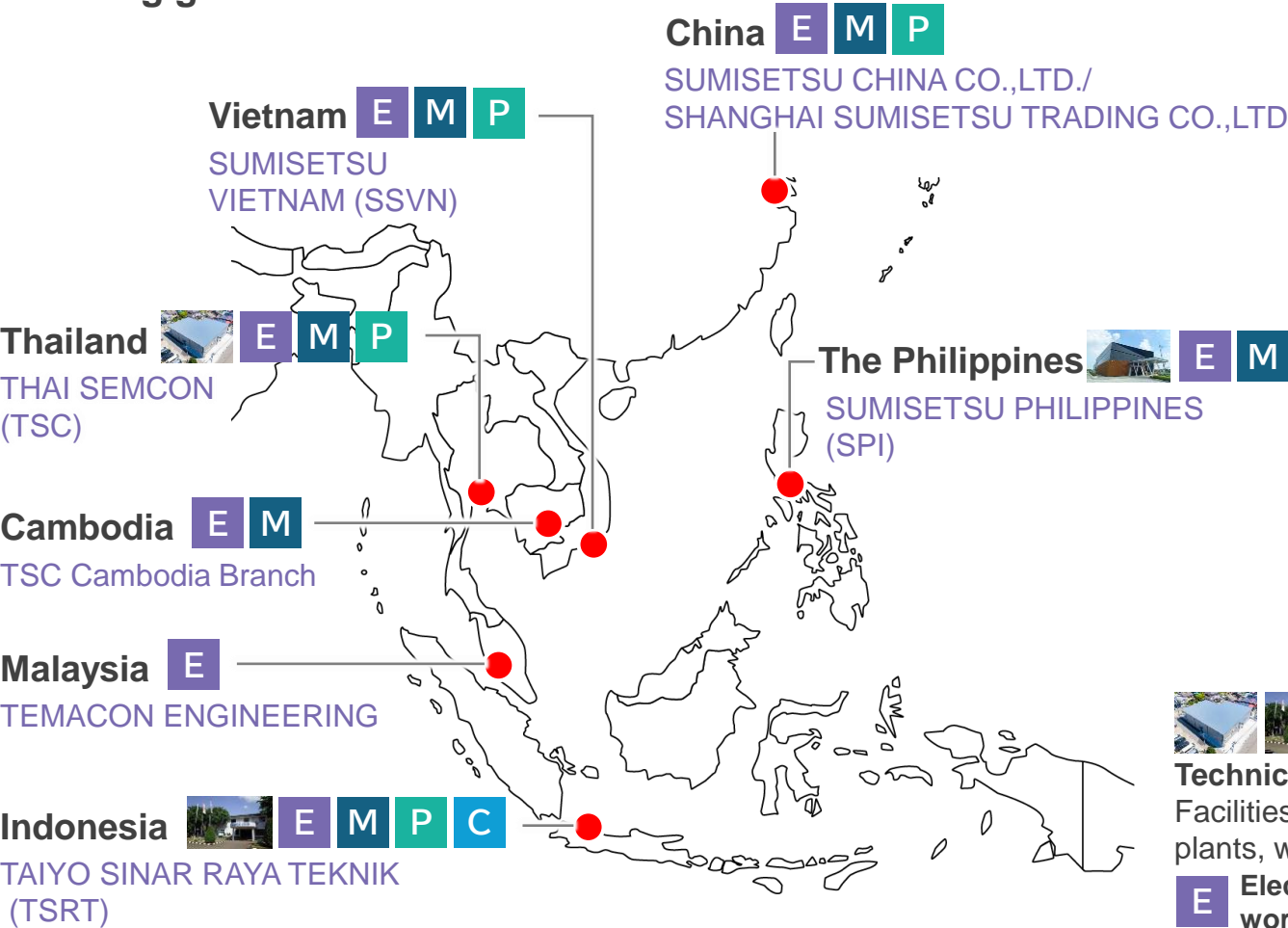
Suppliers

Regional communities

Shareholders/Investors

Promote cost reduction measures by improving the skills and expertise of national personnel at each location by using technical centers and prefabrication, thereby ensuring competitiveness.

Aim to further grow our overseas business by focusing on growth areas such as data centers and making growth investments.



Strengths of Sumitomo Densetsu Group's overseas business

Operating in 7 countries with approximately 1,300 employees and net sales of 35.4 billion yen (FY2024 results)

- Having entered the market ahead of competitors in 1969, we have built strong relationships with customers in various countries and established a stable management foundation based on our extensive construction experience.
- Despite a challenging business environment, including the sustained yen depreciation and sluggish investment by Japanese companies, we maintained profitability across all overseas operations throughout the VISION 24 period by leveraging our stable business foundation.
- In recent years, we have constructed large data centers in Thailand, capturing new demand and accelerating growth.



Technical centers:

Facilities equipped with various functions such as training, skills training, processing plants, warehousing, and sales.

E Electrical work

M Machine construction

P Plant construction

C Building work

► Notes on Perspective Information

This presentation material is based on currently available information.
Actual results may differ from forecasts due to a variety of factors.

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