Outline of the New Midterm Plan (2023-2027)

To date, the Sumitomo Rubber Group has striven to develop a global business framework, allocating resources accordingly to its various businesses in the many regions in which it operates. However, we now recognize that, on a number of fronts, operational efficiency has deteriorated over the course of this development, leading to a decline in profit.

To address our current situation, we will focus on the selection and concentration of existing businesses, with 2025 defined as a turning point under the new Midterm Plan.

At the same time, we will continue to implement "Be the Change" (BTC), a project initiated under the previous Midterm Plan to reinforce the foundations of our business through measures designed to improve our organizational culture and secure even stronger business foundations. Furthermore, we will update our backbone systems in preparation for a shift to DX-driven management.

Financial Targets

	2022	2023	2027 targets
Profit rate	2.0%	2.9%	7%
ROE	1.8%	3.2%	10%
D/E ratio	0.7	0.7	0.6
ROIC	1.7%	2.6%	6%

Throughout the execution of these initiatives, we will maintain a focus on the selection and concentration of existing businesses as well as structural reforms with an eye to achieving the plan's goals by 2025. In addition, we will lay the groundwork for growth lines of business and sow the seeds of future businesses.

From 2026 onward, we will switch our focus to the full-fledged practice of DX-driven management to optimize our business portfolio and expand growth lines of business. In this way, we will achieve fresh growth and secure greater ability to embody "Our Philosophy."

Optimize our business portfolio via selection and concentration, with the aim of securing a solid profit base Aim to achieve growth from 2026 onward, with 2025 as a turning point

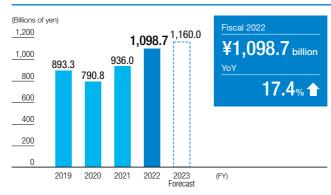
Until 2025 Continuously promote the improvement of our organizational culture through activities that reinforce the foundations of businesses • Complete the updating of backbone systems by 2025 to enable the shift to DX-driven management • Focus on the selection and concentration of existing businesses and laying the groundwork for growth lines of business From 2026 onward Achieve fresh growth by optimizing our business portfolio Expanding growth lines of business and expanding growth lines of business Embodying "Our Philosophy" Laying the groundwork for growth lines of business **Optimizing the business portfolio Executing the selection and** concentration of existing businesses Practicing DX-driven management capable of constantly and ing backbone systems while nurturing DX-related human resources agilely aligning with changes in the business environment Continuously implementing the BTC Project to reinforce our business foundations 2020 2023 2025 Launched the Transformation Project led directly by **Embodying "Our Philosophy"** officers to decisively address and resolve specific issues identified in the Midterm Plan by 2025 Through innovation we will create a future of joy and well-being for all. Undertake the Companywide transformation of our mode of business governance and our business portfolio Pursue optimization via close collab- Expand our scope of operations Thoroughly review the Data Business ated to new business fields as well as our fields of focus oration among manufacturing, sales and technological departments bases we have acquired Commercialize SENSING Advance our tires based on ormation of our human Development of Project to reinforce our SMART TYRE CONCEPT CORE Technology Sports Business Golf equipment Vibration control dampers

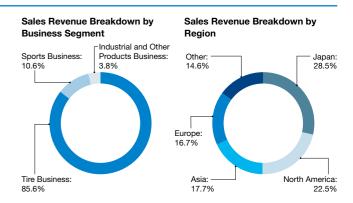
Promote measures specified under the Long-Term Sustainability Policy: "Driving Our Future Challenge 2050"

Tennis equipment

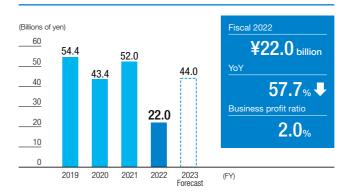
2022 Consolidated Performance Overview

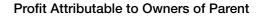
Sales Revenue

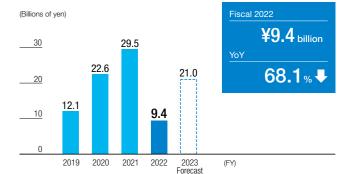




Business Profit







Total Assets \$\frac{\text{Y1,225.2}}{\text{billion}}\$ \quad \frac{\text{Ratio of Equity Attributable to Owners of Parent}}{\text{to Owners of Parent}}\$ \quad \frac{44.6}{\text{so}} \quad \text{ROE} \quad \quad 1.9\text{SOIC}



31 Integrated Report 2023 32

Rubber parts for medical applications