Digital Transformation (DX) Strategy

In June 2024, we established the Digital & Development Division within the Corporate Strategy sector. With this new structure consisting of departments in charge of IT infrastructure, data utilization, and business support, we will accelerate and promote innovation and create new value through DX to strengthen our business foundation.

Our goal

Increasing added value, labor productivity, competitiveness, and management speed

With the goal of increasing added value, labor productivity, competitiveness, and management speed, the Digital & Development Division aims to automate and streamline operations from the perspective of optimizing the entire Group based on our management vision, and to create value from the customer's perspective.

1 Digital platform creation

We promote the company-wide use of our integrated search tool, "Sanyo Data Hub (SDH)."* Creating an environment for all employees to use generative AI, we promote knowledge exploration and work efficiency through integration with SDH. We aim to accelerate DX by expanding SDH as a company-wide data use platform, and continuing to develop digital talent.

* A tool that integrates data scattered across the company, allowing users to search and view the data for various business purposes

② Increased R&D speed and success rate

We are building a system that enables us to set high-quality research topics and increase the turnover,

completion rates, and speed of research by centralizing product and technology information and promoting MI (Materials informatics), as well as visualizing and analyzing research management data from various perspectives.

3 Strengthening of sales and marketing functions

We are building a system for business maintenance and expansion and R&D through centralization of sales activities and visualization and analysis of business performance. We will use accumulated information on customers, products, and their applications as well as external information to shift to proposal-based sales and achieve optimal pricing, thereby strengthening our existing businesses.

4 Transformation of the overall supply chain and inventory optimization

By introducing an ERP system (SAP system) and reviewing operations through the visualization of PSI (production, sales planning, and inventory), we improved cash flow by about two billion yen in FY2023. We aim to improve profits and cash flow by using data and reforming operations across the supply chain.

GOAL

Increase added value and labor productivity

Increase competitiveness

Increase management speed

Transformation Area

① Digital platform creation

 $\ensuremath{@}$ Increased R&D speed and success rate

3 Strengthening of sales and marketing functions

Transformation of the overall supply chain and inventory optimization

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VOICE



Through SDH operation, renewal, and study sessions, I realize that both data infrastructure development and HR development are essential to promoting the company's DX. Although I was assigned to the Research & Development Dept. at first, I learned programming and MI on my own and through voluntary study sessions. Since I was the one who was learning, I can imagine the questions and concerns of those unfamiliar with SDH, which is useful in my current work. When I heard another employee say, "SDH is so convenient that I can't imagine going back to a time without it," I was overwhelmed with joy. I would like to keep my eyes on the ever-evolving world of DX and work with a sense of urgency every day.

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MTP 2025