

## Customer Satisfaction (CS) Enhancement

### CS Promotion Activity

Our Group has been engaged in CS promotion activities since 1998. The CS Promotion Committee, which is chaired by the President, discusses policies and measures and supports the promotion of CS-oriented activities Company-wide. We are rolling out more CS-oriented activities at sites in Japan and overseas as well as at Group companies.

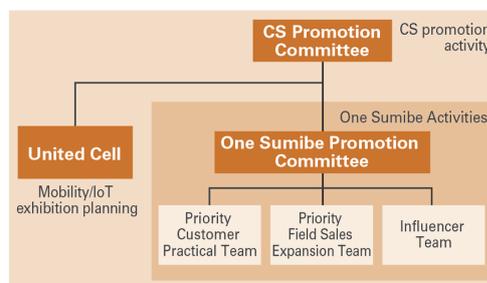
Internally, we hold the CS Awards annually to share information about outstanding CS-oriented activities and enhance employee awareness of CS. Every year, each business site and business division create its own CS Declaration on the five CS principles, and implements various initiatives taking CS improvement into account.

At this year's annual business briefing for trading companies, we talked about progress toward the Medium-term Business Plan, and General Managers and Officers provided an overview of each business segment with a focus on new initiatives. The cross-departmental United Cell showcases the whole Company's technologies at trade shows and exhibitions in fields such as the automotive industry and highly integrated devices. Working across departmental boundaries, we propose optimal solutions to our customers' challenges.

Instead of being content with our existing state of activities, our entire Group will continue to focus on business activities aiming to realize "customer excitement," which is a step beyond "customer satisfaction."



### CS/One Sumibe Team Structure for FY2025



FY2024 Business briefing for trading companies



CEATEC 2024

### Co-creation with Customers Using Our Open Laboratories

We have 4 open laboratories in Japan (Nogata, Fujieda, Utsunomiya, and Amagasaki) and 6 at our overseas sites (North America, Europe, China, Taiwan, Singapore, and India). At these fully equipped open laboratories, we work together with customers on product evaluation. Developers from the customer company and our Group pool their expertise on a certain issue and bounce ideas off each other, leading to optimal solutions from the perspectives of both materials and product design. All our open laboratories share a common purpose: Customer Satisfaction (CS). We listen directly to what customers are saying and work together to provide solutions that customers really want.

● **Co-creation case study: Co-creation with customers at our open laboratory in the US**

Located in Commerce, Michigan, close to the automotive hub of Detroit, Sumitomo Bakelite North America Holding, Inc. (SBNA) mainly develops, manufactures, and sells automotive-related materials. Since launching their open laboratory in 2021, SBNA has been working with customers to conduct molding evaluations of automotive parts. Both Tier 1 suppliers and OEM manufacturers are developing components for next-generation EV motors at the open laboratory. Recently, the facilities are also being utilized by customers in other fields, such as medical equipment, distributed power generation\*, and robotics, as well as automotive applications.

\* Distributed power generation: Small-scale power generation facilities located near the point of use

• **Comment from Phil Beesley, Sumitomo Bakelite North America Holding, Inc.(SBNA)**

Working closely with the customer to exchange information, we have developed an encapsulating material for fixing rotor magnets in next-generation motors. First, we worked jointly on product design, then we produced prototypes at the open laboratory. Thanks to faster and better evaluations, the customer has been able to harness the maximum benefits of thermosetting resins (encapsulation materials). Plus, cutting-edge CAD design and predictive modeling enable us to design prototypes efficiently. Motor stator encapsulation is already a proven technology that has been used in mass production of electric motorcycles since 2023. We are currently developing next-generation stators for electric vehicles using our materials, pushing the performance limits of electric motors, which should go into mass production in the near future.



SBNA development team

● **“CS Awards” to share case studies of co-creation with customers**

Every year since FY2005, we have held annual CS Discussion Sessions to share case studies showing how our approach to CS improvement is rooted in our Group, further raising employee awareness. The discussion sessions previously focused on case studies of sales activities in Japan, but from FY2023 we have rebranded this as the CS Awards: an opportunity for teams including manufacturing, R&D, and overseas Group companies to showcase their success, further inspiring and motivating employees. Nine success stories were presented in FY2024, including three from Group companies outside Japan. Around 500 people attended, including online viewers. The top prize was awarded to “Newly developed cover tape: Customer delight and results” presented by Ms. Murakami of the Films & Sheets Research Laboratory. Other stories featured online marketing activities and new initiatives using digital transformation to make indirect sales operations more efficient and improve CS, showcasing how teams are going beyond customer satisfaction to achieve customer delight.



Presenters at the CS Awards

**Cross-organizational Promotion of One Sumibe Activities**

As part of our Group’s CS promotion efforts, we are working on One Sumibe Activities: collaborating across departments to create value with our customers.

Our Priority Customer Practical Teams and Priority Field Sales Expansion Teams provide solutions to solve customers’ challenges based on products and technologies from the entire company, not just their own departments.

These activities have previously been driven mainly by our sales department, but during the current Medium-term Business Plan period, we aim for One Sumibe Activities to become rooted in our culture throughout the organization: in every division, every country, and every workplace.



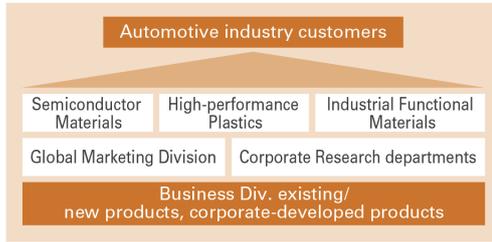
Launched in FY2024, the Influencer Team, made up of members from the sales department and corporate divisions (manufacturing, R&D, digital, etc.) is laying the foundations to promote autonomous collaboration.

● Details of activities

• Priority Customer Practical Team

Made up of members from different departments, each team provides solutions to an individual customer’s challenges from a whole company perspective.

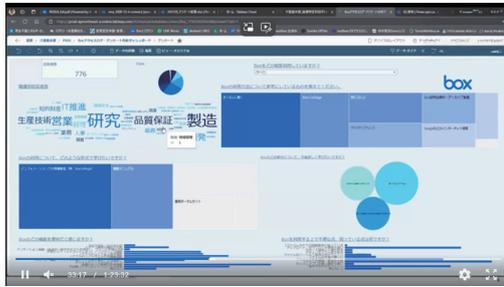
(For customers in the automotive industry)



• Influencer Team

The Influencer Team plans ways to improve the quality of connections between employees, which forms the foundation for raising the standard of employee performance and creating new value for customers. They plan and run activities such as “Get to know us” internal webinars showcasing initiatives by each department and the “Good Job!” feature using the Company intranet to showcase departments’ efforts to address challenges.

“Get to know us” webinar series



Departments such as those responsible for R&D and IT promotion showcase their own efforts. Employees can find out about specific initiatives and the people involved, which promotes collaboration across departments.

• Priority Field Sales Expansion Team

These teams take a creative approach to expanding sales with a longer-term perspective.

By looking at domains, rather than individual customers, they gain an understanding of the next-generation challenges in our priority fields, working on co-creation with customers from the development stage.

In FY2024, the Power Electronics Solution Development Department was formed from the team that had been working in the domain of power modules.

Work is now underway in new domains, following on from power modules, widening the scope of our activities.

“Good Job!”



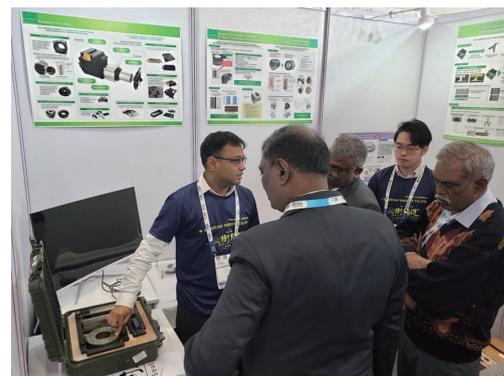
Project results and initiatives are showcased on the Company intranet from the point of view of the employees involved. As well as sharing examples of good practice, this also helps to foster a culture of challenge.

## Participation in Trade Shows and Events to Accelerate Networking with New Potential Customers

To create a new value, it is essential to seek new customers and new use cases. Our Group identifies suitable exhibition events and trade shows that we should showcase our priority field technologies and products. For each such identified event, a cross-departmental team plans and orchestrates the actual participation detail. Our business divisions also individually plan and organize their own trade show participations and private seminars to accelerate their networking with potential customers. In FY2024, we exhibited at trade shows including CWIEME Shanghai 2024 in China (June) and MPS World Summit 2024 in Seattle, the US (June), as well as SEMICON India 2024, Auto EV India 2024, and Bharat Mobility Global Expo 2025 in India, where we are working on marketing activities. Showcasing our Group’s technologies in other countries helps us to attract new customers. We are also actively holding in-house exhibitions at customer sites, which is set as a KPI within our material issues. In FY2024, we presented in-house exhibitions for eight customers, showcasing the whole Company’s technology.



CWIEME Shanghai 2024



Bharat Mobility Global Expo 2025