

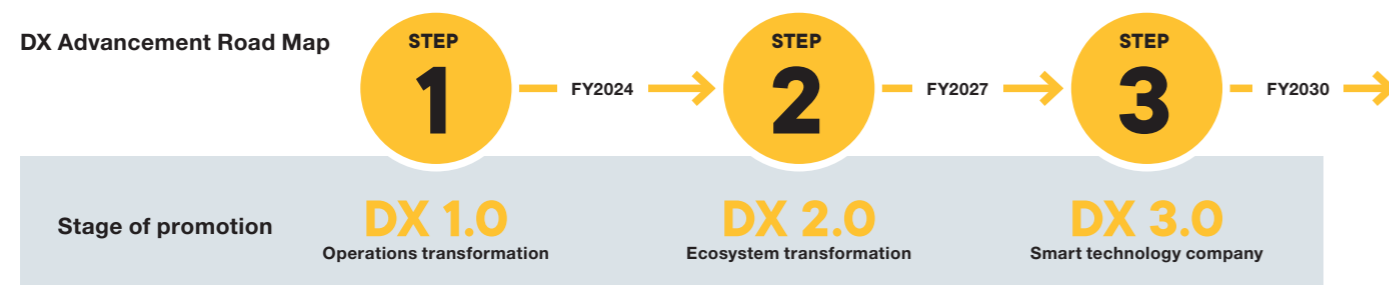
OUR APPROACH

# DX strategy

## DX at the Meiden Group (Company-Wide Policy)

The Meiden Group has established its vision of an ideal state of being, to create sustainability partnerships that “work to build a new society through integrity to the earth, society, and people, and through the power of co-creation.” Reaching this state requires flexibility in order to operate alongside our stakeholders, including customers and a sharpening of our competitive edge so that we are selected as a partner. Digital transformation is a key component to achieving that state, by “utilizing digital technologies and data to establish a competitive advantage through transformations of each product, service, organizations, HR, and system offered by the Meiden Group” and then deploying those actions laterally throughout all companies. Operations Transformations and Business Model Transformations are provided as core

specific transformations in the Medium-term Management Plan 2024, with numerous members from related divisions participating in those activities. Advancing digital transformations is intimately linked with our business strategy and it is vital that we enact measures such as creating core systems using new digital technologies and data utilization techniques, strengthening information security and governance, and training digital and transformative human resources. In particular, generative AI and sensors represent indispensable cutting-edge digital technologies that we are proactively incorporating. 2024 marks the final year of the Medium-term Management Plan 2024 and the targeted completion of each transformation and initiative.



### Progress and Future Deployment

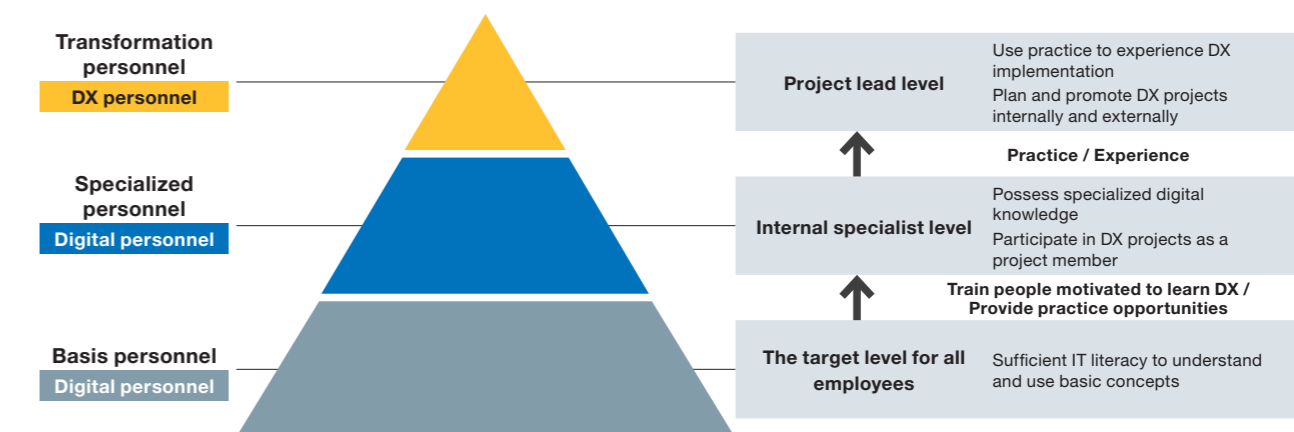
Subject		Key Achievements of Step1	Developments from Step2 Onwards
DX Strategy	Operations Transformation	<ul style="list-style-type: none"> <li>Created the foundation of the project management system</li> <li>Reconsidered business processes (reconsidered internal rules)</li> <li>Created a database of customer contacts across all companies (built a base CRM)</li> </ul>	<ul style="list-style-type: none"> <li>Introduce the project management system internally and externally and strengthen functions</li> <li>Increase productivity by improving business processes</li> <li>Create a company-wide customer database by linking SFA and CRM data</li> </ul>
	Business Model Transformation	<ul style="list-style-type: none"> <li>Deployed a services sales business (launched a cloud analysis business for railway overhead contact line inspection systems)</li> <li>Launched a smart maintenance business (ultra-high quality GX products)</li> <li>Created the foundation of the customer center (photovoltaic O&amp;M)</li> </ul>	<ul style="list-style-type: none"> <li>Expand the service sales business</li> <li>Expand the smart maintenance business</li> <li>Centralize operation and maintenance information at the customer center and expand O&amp;M business</li> </ul>
Promotion Platform		<ul style="list-style-type: none"> <li>Improve basic digital and IT literacy for all employees and transform the culture by nurturing transformation mindsets</li> <li>Fortify information security and governance</li> <li>Design and implement a company-wide system (including future core systems)</li> <li>Create a data-linking platform (for use in management and to improve decision making)</li> </ul>	

CRM Customer Relationship Management SFA Sales Force Automation

### Development of Digital Human Resources

The advancement of digital transformation is rooted in digital and transformation personnel. For that reason, we develop such personnel as part of creating our digital transformation advancement platform. Our human resources training includes opportunities to participate in transformation team activities as they develop, cooperation with cross-functional teams, and lifelong learning and skill advancement. We separate lifelong learning into three categories: basis personnel, specialized personnel, and transformation personnel. Each category is provided

its own program. Specifically, the basis personnel training program aims to increase base digital skills and occupational knowledge for all employees through outside lecturers introducing the latest case studies and technologies, courses on generative AI and data utilization, and SCM (supply chain management) training. We launched a new training program in FY2024 for incoming technical hires to help them learn customer-centric value creation through design mindsets and marketing techniques.



### TOPICS

#### Business Transformation Projects that Advance ONE MEIDEN

"In FY2021, we deployed the Meiden Business Transformation Projects concept across all companies.

Under the banner of “connectivity and increased productivity,” this initiative centralized all information and optimized the supply chain across sales and engineering units, plants, construction units, and maintenance service units. "

Previously, each business unit and process employed its own system. This made simultaneous management of all processes impossible, so information could not be promptly and accurately conveyed between units, and the productivity of all businesses suffered. It also negatively impacted customer satisfaction and manufacturing, so the issue required an urgent solution from a business standpoint.

The business transformation advanced under this situation, DX1.0 Operation Transformation, aimed to create a project management system platform shared by all companies within FY2024. Productivity increased (FY2023 performance: 30,000 reduced labor hours) because, beginning in FY2023, companies stopped creating paper records of monthly production meetings and could verify project information and progress on the system.

From FY2024 onwards, we expect to improve productivity with the business process transformation, expand group company activities in Japan and overseas, and continue to enact operation transformations through the combined force of ONE MEIDEN.



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