

Basic Management Policy and Medium- to Long-term Management Direction

The Group has established the Basic Management Policy consisting of Our Mission, which is the ideal image that the Group aims to achieve over the long term, and Our Vision and Action Principles to realize that mission.

Basic Management Policy

Our Mission –Our long-term goal–

Contribute to a prosperous and sustainable future by creating social value through maximizing the potential of assets.

Our Vision –Objectives to achieve our long-term goal–

- Solve social issues by developing unique and progressive businesses with consideration for the global environment.
- Aim for sustainable growth through value co-creation with diverse stakeholders across the globe.
- Enhance corporate value by evolving our business model through utilizing digital technology and data.
- Foster an “open, creative and engaging” corporate culture that shapes each and every employee’s motivation and pride.
- Aim to be a trusted company by complying with laws and regulations, as well as implementing ethical corporate management.

Action Principles –Values and mindset to be held and actions to be taken by each and every employee–

Challenge	Challenge ourselves to look forward to the future with a sense of responsibility and commitment.
Digital	Drive digital innovation and expertise.
Communication	Communicate openly and honestly to build mutual understanding and trust.
Diversity	Embrace diversity and respect each other.
Sustainability	Act in harmony with people, society and the earth to create a sustainable world.
Integrity	Maintain the highest standards of ethics and integrity.

Medium- to Long-term Management Direction

Our 10-year Vision



CX: corporate transformation

SX / DX	Business portfolio transformation
<p>Sustainability transformation (SX)</p> <p>Achieve co-existence and co-prosperity with environmental and social value and sustainable growth through efforts for materiality (priority key challenges) and a solid management base.</p> <ol style="list-style-type: none"> 1 Business strategies based on materiality 2 Strong corporate functions strategies that support sustainable growth 3 Building a relationship of trust with stakeholders (improving engagement) <p>Materiality ▶ P.17 </p>	<p>Portfolio management</p> <p>Withdraw decisively from businesses that will not contribute to enhancing corporate value in the future and optimize the business portfolio, thus achieving sustainable growth and medium- to long-term enhancement of corporate value.</p> <ul style="list-style-type: none"> • Review what our businesses should be like from a medium- to long-term perspective and promote new investments through strategic allocation of management resources. • Evolve management with recognition of capital cost to create medium- to long-term returns. • Pursue capital efficiency through balance sheet optimization with an awareness of the finite nature of management resources (including capital, funds, and talent).
<p>Digital transformation (DX)</p> <p>Achieve creation and qualitative improvement of customer value by utilizing data and digital technologies and making strategic investments in a customer-oriented, future-oriented manner.</p> <ol style="list-style-type: none"> 1 Developing and acquiring DX talent 2 Developing a base for DX frameworks 3 Building frameworks for aggressive DX 4 Developing new businesses 	<p>Evolution and layering of business models</p> <ol style="list-style-type: none"> I Enhance profitability and efficiency of existing businesses II Shift existing businesses to high value-added services III Develop new businesses