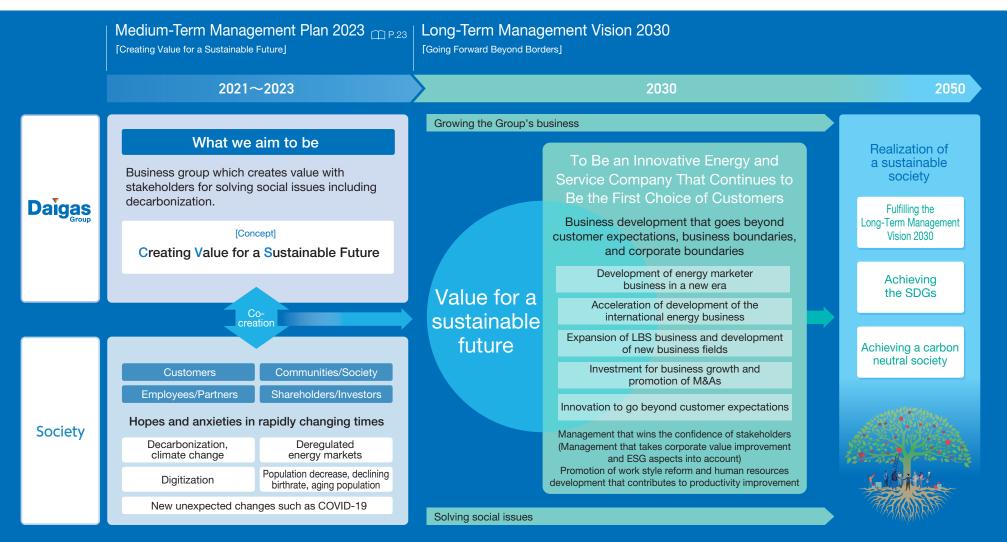
Long-Term Management Vision 2030 and Medium-Term Management Plan 2023

In 2017, the Daigas Group formulated a Long-Term Management Vision that looks toward FY2031.3, aiming to be "an innovative energy and service company that continues to be the first choice of customers" and achieve carbon neutrality by 2050.

In our Medium-Term Management Plan 2023, "Creating Value for a Sustainable Future," announced in 2021, we have adopted a backcasting approach from our long-term vision in formulating our plan. Our aim is to create "value for a sustainable future" together with our stakeholders and continue to grow as a corporate group that creates value that contributes to solving social issues, with the goal of achieving a sustainable society.



Business Strategies

Value Creation Stories

Business Report

Corporate Data

In formulating the Medium-Term Management Plan 2023 (Plan 2023), in addition to introducing ROIC as a management indicator, we newly identified important aspects (materiality) for the acceleration of ESG management. Please refer to \square page 16 for the results of financial indicators. Please refer to \square pages 25 to 26 for the results of the key performance indicators related to materiality.

Medium- to Long-term Management Indicators

			FY2024.3 Targets		FY2031.3 Targets	FY2051.3 Targets
Profitability indicators	ROIC*2		Nearly 5%		Nearly 7%*1	
Financial soundness indicators	Debt equity ratio		Nearly 0.7%			
	Shareholders' equity ratio		Nearly 50%			
Shareholder returns	Payout ratio		30% or higher			
Investment for growth*2			¥500.0 billion*3	>	¥1,450.0 billion ^{*4}	
Domestic Energy International Energy			¥174.0 billion*3	>	¥520.0 billion ^{*4}	
		/	¥168.0 billion*3	>	¥550.0 billion ^{*4}	
	LBS		¥158.0 billion*3	>	¥380.0 billion*4	
Investment for quality improvement			¥237.0 billion*3	>	¥550.0 billion*4	
Materiality key performance indicators (KPI)	Establishing Lifestyles and Businesses Adjusted to the New Normal	Number of customer accounts			10 million or more	
		Customer satisfaction rate	90%			
	Enhancing Resilience of Customers and Society	Number of serious accidents	Continued zero serious accident			
		Build resilient energy supply facilities	Implementation of measures for	disaste	r prevention and aging pipes*1	
	Achieving a Low Carbon / Carbon Neutral Society	Percentage of renewables in our power generation portfolio in Japan			Nearly 50%*1	
		Contribution to developing renewables capacity on a global basis	2.5 GW		5 GW*1	Carbon Neutral
		$\ensuremath{\text{CO}_2}$ emissions reduction contribution (compared to FY2017.3)			10 million tons ^{*1}	
	Building Foundations that Support the Realization of Value for a Sustainable Future	Number of our participation in local governments' activities	14 cases			
		Number of joint efforts with local communities	170 times			
		Appropriate new supplier ratio	100%			
		Number of serious violations of laws and regulations	Continued zero serious violatio	n		
		Employee attitude survey	Maintained and improved employee engagement*			
		Annual average hours of training per employee	Implementation of human resource development and work environment improvement*			
		Percentage of women in executives			20% or more*1	
		Percentage of women in members newly promoted to middle management positions			30% or more*1	
		Percentage of women in new recruits for career-track positions			Continue 30% or more*1	

Striving to achieve carbon neutrality by 2050

In light of the growing demands of society for responses to global warming, the Daigas Group aims to become carbon neutral by 2050. We plan to reach the goal through decarbonization of our gas and electricity by introducing methanation technology, which uses hydrogen generated by renewable energy, and by increasing the share of renewables in our power generation portfolio. Further, we announced our "Carbon Neutral Vision" in January 2021 to indicate our efforts to achieve this goal.

In March that year, we also announced our Medium-Term Management Plan 2023: Creating Value for a Sustainable Future. Within the Plan, we have updated some of the goals set forth in our "Long-Term Management Vision 2030" to further promote low carbonization and decarbonization.

Please refer to P.28-33 for the status of initiatives based on the Road Map to Carbon Neutrality.

*1 Targets for FY2031.3 newly set in the Medium-Term Management Plan 2023 *2 See D P.39 for an explanation on ROIC.

*3 FY2024.3 Taroets are cumulative for FY2022.3 - FY2024.3.

*4 FY2031.3 Targets are cumulative for FY2018.3 - FY2031.3.