

How Shareholder Value Is Maximized

We are dedicated to achieving MSV through the execution of strategic initiatives and measures designed to maximize EPS and PER.

MSV Logic Tree

Sustainability

Environment & Safety

Develop low-carbon/eco-friendly products
+ Ensure safe people and operations

- » P62 Environmental Strategy
- » P70 Safe People and Operations

People & Community

Recruit/train diverse employees
+ Earn the trust of stakeholders

- » P65 Human Resource Strategy
- » P71 Growth with Communities

Innovation & Product Stewardship

Develop sustainable products (NPSI, /monitor LCA)
+ Chemicals of concern

- » P68 R&D Strategy

Corporate Governance

Monitor management
+ Encourage risk-taking

- » P75 Corporate Governance
- » P87 Governance Discussions
- » P91 Risk Management

Sustainable Procurement

Low-cost and sustainable procurement
+ Reduce environmental and human rights risks

- » P72 Sustainable Procurement

Closely integrating sustainability into our business operations is the prerequisite for MSV

» P31 Sustainability as the Prerequisite for MSV

Organic (existing businesses)

EPS growth backed by autonomous and decentralized management (improve market share and profitability)

- Relentless pursuit of technologies, talents, intensive use of IT
- Vigorous pursuit of higher quality, lower cost, capex efficiency
- Utilization of our Asset Assembler platform

- » P23 Our Platform That Underpins Autonomous and Decentralized Management
- » P48 Our Strategy by Asset Presented by Co-President Wee
- » P51 Indonesia Business Strategy
- » P54 China Business Strategy
- » P59 Japan Group: Striving for Greater Profitability by Unifying Efforts and Overcoming Organizational Barriers and Boundaries

Inorganic (M&A)

EPS compounding through M&A

- Rally targets aspiring to join the federation
- Strive to lower funding cost & risk and maintain high PER

- » P47 M&A Strategy
- » P29 Our Strategy for Maximizing PER

Balance-sheet management

Rigorous financial discipline

- Debt leverage with market acceptance + Equity financing with EPS accretion

- » P44 Our Finance Strategy Presented by Co-President Wakatsuki

Communications with capital markets

Nurture market expectations

- Ingrain equity story + Increase engagement + Enhance disclosure materials

- » P27 Management Focused on Stock Price
- » P29 Our Strategy for Maximizing PER

Maximize EPS

Maximize PER

MSV Logic Tree