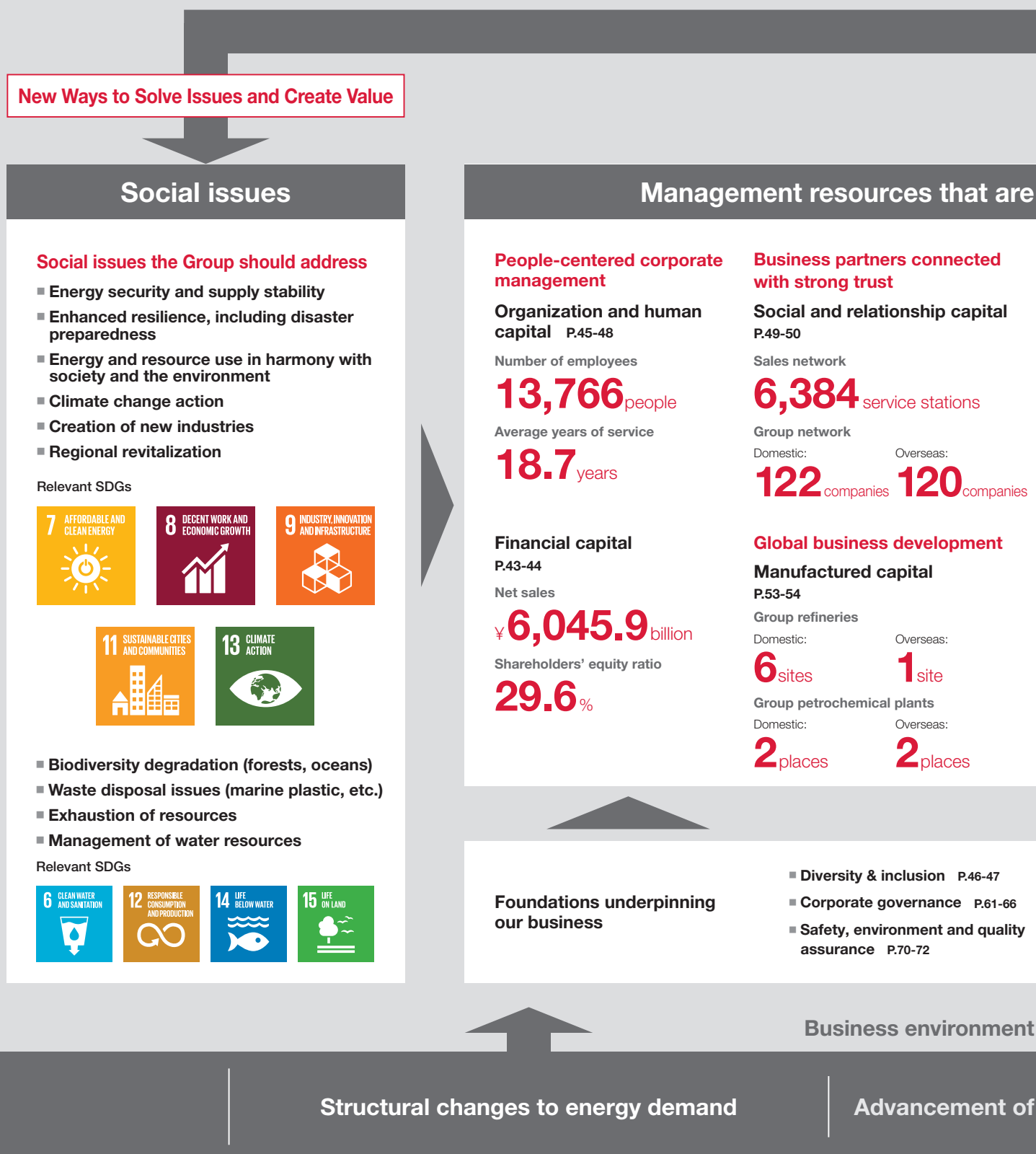


# Value Creation Process

The Idemitsu Group will continue to contribute to energy security in countries and regions around the world and to the bright and affluent lives of people living there. As the business environment changes, we will leverage our strengths to solve social issues while contributing to the realization of a sustainable society.



**Responsible dialogue with stakeholders**

**strengths**

**Technological capabilities to meet diverse customer needs**

**Intellectual capital**

P.51-52

R&D expenses

¥ **19.4** billion

Number of patents

**5,777** cases

**Natural capital**

P.55-56

Various types of renewable energy (Solar, geothermal, biomass, and wind power)

**Business segments**

**Petroleum segment**

P.23-26

**Basic chemicals segment**

P.27-28

**Functional materials segment**

P.29-34

**Power and renewable energy segment**

P.35-38

**Resources segment**

P.39-40



**Value creation for company and society**

**Quantitative targets for 2030**

Operating income + Equity in earnings of affiliated companies    ¥ **300** billion

Operating income ratio of petroleum products, oil exploration and coal    Less than **50**%

Operating income ratio of functional materials business    **30**% or more

Cumulative total power development    **5**GW or more

GHG reduction target (Compared to 2017 levels)    **▲2**million t-CO<sub>2</sub>

**Medium-term Management Plan**

(FY2020-2022)    P.21-22

**Value provided to stakeholders**

Shareholders	Stable return of profits through sustainable growth
Customers	Contributing to a convenient and good living through the stable supply of diverse energy and materials
Society	Contributing to the development of local communities and the realization of a low-carbon, recycling-oriented society
Business partners	Realization of partnerships to create added value together
Employees	Realization of a rewarding work environment in which diversity is respected and each employee can demonstrate his or her abilities and grow

- Compliance    P.67-69
- Risk management

Relevant SDGs



impacting Group operations

technological innovation

Changing lifestyles and demands from society