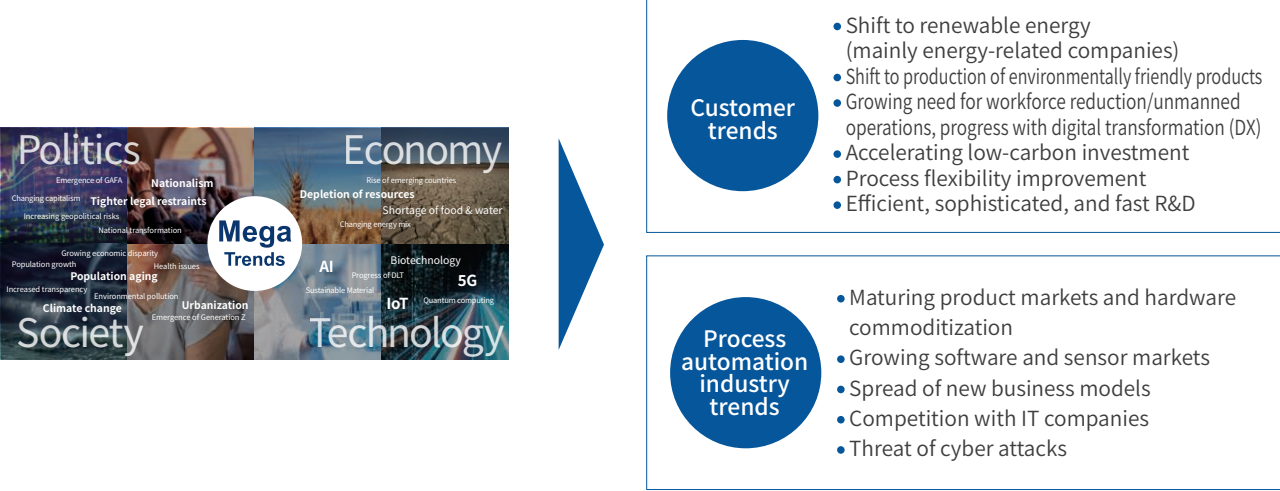


Medium- to Long-Term Management Strategy

At Yokogawa, we have set “Three goals” for sustainability as our vision for a sustainable society for future generations. We aim for sustainable corporate growth while contributing to society and the environment. We have established our long-term business framework, taking into account society-wide megatrends and changes in the external environment surrounding our business towards 2030, and the Accelerate Growth 2023 medium-term business plan, setting our goal for 2023.

■ Changes Across Society and the Business Environment

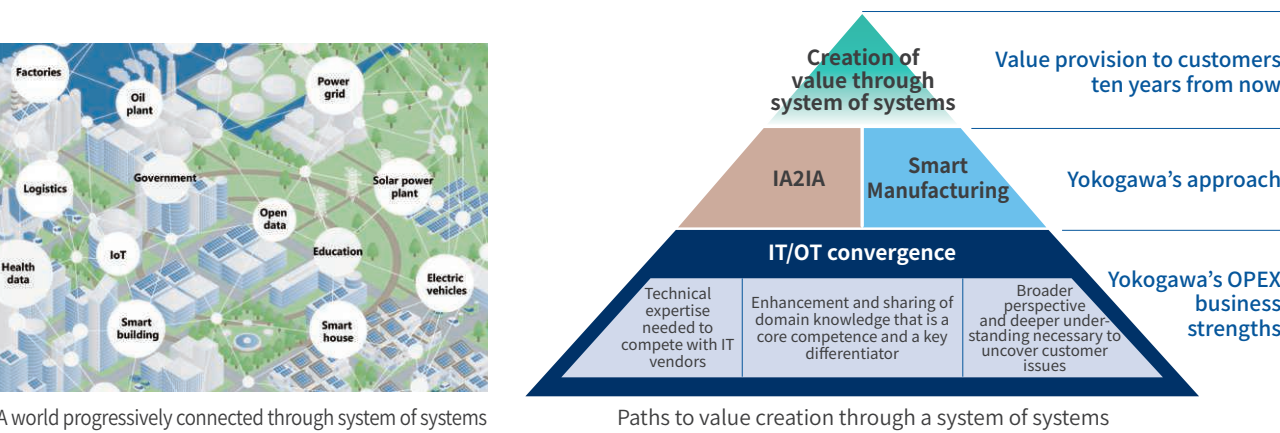


■ Overview of Long-Term Business Framework and Medium-Term Business Plan



■ Overview of the Long-Term Business Framework

In the world today, everything is increasingly interconnected in complex ways. There is a progressive trend towards system of systems (SoS), where multiple independently operated and managed systems cooperate to achieve a purpose that cannot be achieved by any one system. By leveraging our proprietary strengths, Yokogawa will become a presence that can effectively connect different systems together through integration, autonomy, and digitalization, and become a leading integrator in a world where entire societies function as an SoS, aiming to create value through overall optimization.



A world progressively connected through system of systems

Paths to value creation through a system of systems

Medium-Term Business Plan Accelerate Growth 2023

■ AG2023: The Four Basic Strategies

We have formulated four basic strategies and key measures to be taken over the three years up to fiscal year 2023 to realize the long-term business framework.



■ AG2023 Medium-Term Business Plan —Key Performance Indicators and Targets

Our basic policy is to maximize corporate and shareholder value from a medium- to long-term perspective. We aim to achieve record-high levels of earnings per share (EPS) growth, generate operating cash flow, and improve return on equity (ROE).

Order growth	8~10%/year
Sales growth	4~6%/year
EPS growth	16~18%/year
ROS	10% (FY23)
ROE	10% or more (FY23)
Sales cash flow	¥140 billion or more (3 years cumulative)

EPS: Earnings per share
ROS: Return on sales
ROE: Return on equity, assumed exchange rate: USD 1 = ¥105

Main initiatives for achieving targets (KPI structure)

