

INTEGRATED REPORT

INTEGRATED REPORT 2026

Iwatani

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Editorial Policy

Since FY2022, this Integrated Report has sought to promote understanding among an ever broader range of stakeholders. The report provides an overview of the Iwatani Group and its medium- to long-term business strategies from both financial and non-financial perspectives. It also presents our plans for medium- to long-term growth, addressing major initiatives and business strategies intended to create social value and strengthen corporate value. We will continue to enhance the Integrated Report and the information it provides to more clearly explain the Iwatani Group's efforts to strengthen corporate value over the medium to long term.

Period Covered

Most of the information provided in this Report concerns the period from April 1, 2025 through March 31, 2026, the Group fiscal year. Some information also refers to events before and after this period.

Published

October 2026

Guidelines Referenced

- International Integrated Reporting Council (IIRC) International Integrated Reporting Framework
- Ministry of Economy, Trade and Industry of Japan Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation

Forward-Looking Statements (Business and Other Risks)

Forecasts of business performance and other forward-looking statements found in this Report involve risks and uncertainty. Please note that actual results may differ for various reasons from the forward-looking statements presented herein.

To Our Stakeholders

To remain a company needed by society, we strive to create new value and contribute to society.

Since our founding in 1930, Iwatani Corporation has provided a wide range of products and services for both daily life and industrial applications, including products and services related to energy, industrial gases, machinery, and materials, based on our corporate philosophy: Become a person needed by society, as those needed by society can prosper. These efforts are grounded in our desire to contribute to society by creating new value for the future. Based on this philosophy, a pursuit of sustained growth by providing solutions to society remains the driving force underlying the progress of our businesses.

Since 1941, when we identified hydrogen as the ultimate clean energy source, we have been making progress toward the widespread use of hydrogen energy. Under a corporate slogan adopted in 1970—Creation of a more comfortable space on the Earth is what Iwatani wishes and strives for—we are striving to achieve the Sustainable Development Goals (SDGs) and to achieve carbon neutrality by the year 2050.

As a co-representative of the Japan Hydrogen Association, we are working to generate hydrogen demand and accelerate implementation of hydrogen energy in society under the association's "Japan Hydrogen Backbone Initiative" and "1% Hydrogen Voluntary Procurement Declaration" toward realizing a hydrogen energy-based society. In addition, as a key member of the Hydrogen Council, we are acting to promote the use of hydrogen on a global scale in cooperation with firms around the world.

We are also focusing on developing the infrastructure needed to support a hydrogen energy-based society. Iwatani Cosmo Hydrogen Station LLC, a joint venture between Iwatani and Cosmo Oil Marketing Co., Ltd., is developing hydrogen refueling stations for fuel cell trucks, buses, and other commercial vehicles. It has already opened several hydrogen refueling stations, including Iwatani Cosmo Hydrogen Refueling Station Heiwajima and Iwatani Cosmo Hydrogen Refueling Station Ariake Bus Depot, and plans to open a new hydrogen refueling station in Shinsuna, Koto-ku, Tokyo during FY2027.

Building a stable, large-scale supply system will be essential to expanding hydrogen use. With support from the Green Innovation Fund of the New Energy and Industrial Technology Development Organization (NEDO), Iwatani and its project partners are advancing the Liquefied Hydrogen Supply Chain Commercialization Demonstration Project to establish a CO_2-free hydrogen supply chain, while aiming to develop world-leading large-scale hydrogen liquefaction and transportation technologies.

Our main LPG business has a customer base of approximately 3.4 million households across Japan. We contribute to our communities in various ways, including ensuring a stable supply and solving everyday problems. We are also promoting initiatives to realize a decarbonized society, including the supply of hydrogen-blended LPG through pipeline systems, research on synthetic green LPG, and fuel conversion from oil to LPG and LNG. Through these initiatives, we will continue to evolve into the energy and living total service provider trusted and chosen by customers and local communities.

Additionally, we are working to build stable supply systems for critical mineral resources. Through our investments in Nordic Mining ASA, we have secured offtake rights to high-purity titanium ore in Norway. We have also concluded a long-term supply agreement through our investment in Caremag SAS, a rare earth refiner in France, and secured a new source of mineral resources in Australia through our acquisition of Coburn, a mineral sands mining company. In these and other ways, we are strengthening our supply systems. We will continue working to secure interests in critical mineral resources and build stable supply systems through diversification of procurement sources.

We are advancing collaborations with Cosmo Energy Holdings Co., Ltd., with whom we concluded an agreement on a capital and business alliance in April 2024, through means that include studying the construction of a new liquid hydrogen plant at the Chiba Refinery of Cosmo Oil Co., Ltd. and studying plans to produce and supply green LPG in connection with production of sustainable aviation fuel (SAF).

As we advance toward our 100th anniversary and beyond, we remain firmly committed to achieving sustained growth by continuing to offer new value to all our stakeholders: our customers, shareholders and investors, partners, communities, and employees.



Chairman Akiji Makino

President & CEO Hiroshi Majima



Message from the President

President & CEO **Hiroshi Majima**

Creating new value and achieving sustained growth in Japan and around the world by framing adaptation to change as a growth opportunity

After the third year of our Medium-Term Management Plan PLAN27, the Group's business environment is changing at a pace greatly exceeding initial expectations. These changes include rising geopolitical risks due to the Russia-Ukraine war and growing tensions in the Middle East, in addition to the prolonged transition to a decarbonized society and the economic slowdown in China.

Under increasingly uncertain business conditions, stable supplies of gas, energy and other resources essential to daily life and industrial activities are more important than ever.

Despite the closure of the Strait of Hormuz following the U.S. attack on Iran at the end of February 2026, we have been able to maintain stable supplies of LPG through imports from North America and other procurement measures, supported by the diversification of our procurement sources over recent years. Stable supplies of helium to customers have also been maintained in the industrial gas business through the use of North American procurement sources and domestic and overseas inventories, despite the suspension of helium supplies from Qatar.

We will continue to pursue sustained growth in corporate value by steadily implementing the growth strategies of PLAN27 while adapting swiftly and flexibly to changes in the business environment.

Progress of PLAN27

PLAN27, our Medium-Term Management Plan, sets the numerical performance targets of 65.0 billion yen in operating profit, ROE of 10% or higher, and ROIC of 6% or higher for its final fiscal year of FY2027.

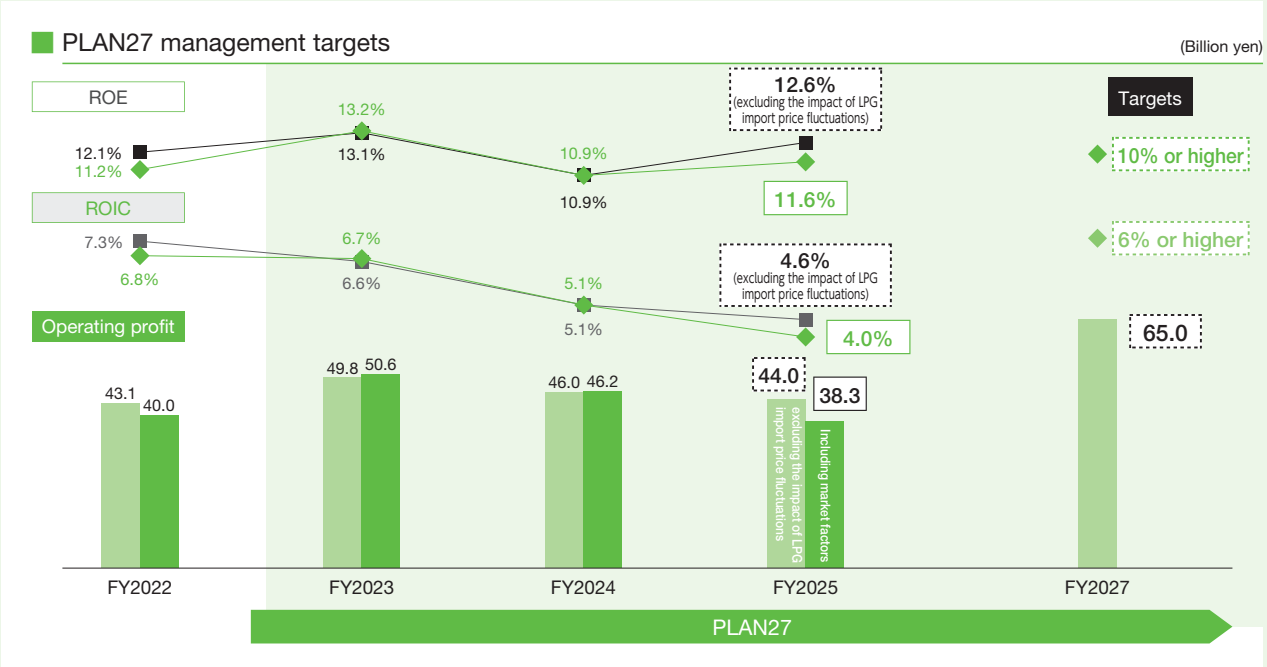
Operating profit excluding the impact of LPG import price fluctuations was 44.0 billion yen in FY2025, down from the previous year. Although the decline was mainly attributable to weaker helium market conditions, we expect operating profit to recover to approximately 50.0 billion yen in FY2026. In addition to the expansion of the LPG retail business, our business foundation is being steadily strengthened through increased hydrogen sales for aerospace and decarbonization applications, as well as improved helium profitability. We are steadily strengthening our earnings base and implementing growth measures to bridge the gap between actual results and targets.

In terms of capital efficiency, ROE in FY2025 was 11.6%, or 12.6%, excluding the impact of LPG import price fluctuations, exceeding the PLAN27 target of 10% or higher.

On the other hand, further improvement is needed in ROIC, which was 4.0% in FY2025 or 4.6%, excluding the impact of LPG import price fluctuations. To improve ROIC, we are taking steps to optimize invested capital by reducing strategic shareholdings and shrinking assets, in addition to growing operating profit.

As we approach the final year of PLAN27, we will continue to steadily execute the growth strategies of each business while strengthening profitability and improving capital efficiency, thereby working to achieve the targets set forth in our Medium-Term Management Plan and further enhance corporate value.

▸ PLAN27 [➡ p. 14]



Hydrogen Strategies

Efforts to establish a hydrogen energy-based society

We believe the steady results of the five priority measures of PLAN27 are building the foundations for future growth.

Regarding our hydrogen strategies, although it is taking longer than initially anticipated to fully develop hydrogen demand and establish supply chains, revisions to the Hydrogen Basic Strategy and the enactment of the Hydrogen Society Promotion Act are helping establish the policy framework needed for broader hydrogen adoption. We are making steady progress toward realizing a hydrogen energy-based society.

Through our investments in Japan Suiso Energy, Ltd. we have begun building the base needed to receive liquid hydrogen procured overseas. We have also concluded an agreement with Kawasaki Heavy Industries, Ltd. to build the world's largest liquefied hydrogen carrier. We are steadily working to build an international hydrogen supply chain, having set the target of commencing supply in FY2030 or thereafter.

As part of our efforts to build a nationwide hydrogen supply system in Japan, we commenced operation of a compressed hydrogen plant in Kawasaki, Kanagawa Prefecture, in July 2026. This facility became our second hydrogen production site in the Kanto region, alongside the existing Chiba Plant of Iwatani Industrial Gases Corporation, further strengthening our stable supply system throughout the region. Looking ahead to growing hydrogen demand, we are also studying the construction of a new liquid hydrogen production plant at the Chiba Refinery of Cosmo Oil Co., Ltd. In addition to external sales, hydrogen produced at the plant is planned to be used in the refinery's crude oil refining process. Both companies are currently working to further define the business scheme and production scale, with operations scheduled to commence in FY2029.

In tandem with these improvements to the supply infrastructure, we are taking practical steps to expand hydrogen demand. The onsite low-carbon hydrogen production and supply project underway with Toyota Tsusho Corporation and Eurus Energy Holdings Corporation has been certified as eligible for the support focusing on the price gap under the Hydrogen Society Promotion Act by the Ministry of Economy, Trade and Industry of Japan (METI). This project, scheduled to begin operation in 2030, involves the construction of a facility capable of producing and supplying approximately 1,600 tons of low-carbon hydrogen annually using renewable energy at the site of Aichi Steel Corporation. Demand is also growing in the hydrogen refueling station business, particularly for commercial vehicles.

Hydrogen sales volumes continue to grow at both the Heiwajima and Ariake hydrogen refueling stations in Tokyo operated by Iwatani Cosmo Hydrogen Station LLC. Preparations are also underway for the opening of a third station in Shinsuna, Tokyo in FY2027. Furthermore, the Japan Hydrogen Backbone Initiative being promoted by the Japan Hydrogen Association, the Ministry of Economy, Trade and Industry, the Japan Automobile Manufacturers Association, and others has launched initiatives to create hydrogen demand through long-haul transportation using fuel cell trucks and to develop a nationwide hydrogen supply infrastructure. Under this initiative, targets have been set to increase the number of heavy-duty fuel cell trucks by 1,500 and hydrogen refueling stations by 30 over the next decade. The social implementation of hydrogen is steadily advancing.

As demand for hydrogen continues to grow, the roles expected of the Iwatani Group are expanding. A key contributor to these efforts is Cosmo Iwatani Hydrogen Engineering LLC. In addition to liquid hydrogen production plant projects at the Chiba Refinery of Cosmo Oil Co. and projects eligible for the price gap support program under the Hydrogen Society Promotion Act, the company provides integrated services ranging from design to construction management for hydrogen refueling stations for commercial vehicles. The Iwatani Group also includes manufacturers of filling equipment and inspection companies, enabling us to provide an integrated range of functions, including hydrogen-related equipment, transportation equipment, and dispensers.

We are strengthening our integrated engineering, design, and construction capabilities in the hydrogen field by leveraging our extensive expertise in the production, transportation, storage, and supply of liquid hydrogen, as well as our ability to provide comprehensive solutions that include related facilities. Going forward, we will continue to steadily capture growing demand, contribute to the development of a hydrogen supply chain and the realization of a hydrogen energy-based society, and drive further business growth.

▸ Hydrogen Strategies [➡ p. 17]

Carbon-free Strategies

Creating environmental value through zero-carbon solutions

Establishing a carbon-free society is a key mission for the Iwatani Group. We will create new business opportunities in addition to contributing to reducing CO_2 emissions across society as a whole by leveraging the business foundations and technological capabilities established to date to provide low-/zero-carbon solutions in a wide range of fields, from industry to everyday living.

In the area of eco-friendly products, we are working to secure stable supplies of palm kernel shells (PKS), a biomass fuel, through the diversification of procurement sources and other measures. Sales volumes of wood pellets have also been growing steadily since the commencement of operations at the Tahara Biomass Power Plant, in which we have invested, in April 2025. In the resins field, we are making efforts to develop biomass plastic products. Our biomass polypropylene (PP) resins have been chosen by a major cosmetics maker in Japan for use in packaging materials.

In the energy field, we are participating in a project promoted by Cosmo Energy Holdings to produce domestic sustainable aviation fuel (SAF) using waste cooking oil as a raw material. Our cooperation in this project includes the procurement of waste cooking oil, utilizing the Iwatani Group's extensive customer networks. We are also studying production and sale of green LPG as a byproduct of SAF production to contribute to energy decarbonization.

We are striving to create new businesses that balance decarbonization with growth in overseas markets.

Two of our projects have been selected for support under METI's Industrial cooperation programme in the Global South through technology transfer from Japan. One is the recycled PET business, undertaken in partnership with Thailand's Indorama Ventures Public Company Limited, one of the world's largest PET resin manufacturers. This project aims to contribute to the realization of a resource-circulating society through the wider adoption of recycled PET, which has a lower environmental impact.

The other is a green CO_2 production project being developed in partnership with local companies in Thailand. The project involves the construction of a plant to produce green CO_2 by recovering and refining CO_2 generated during the production of bioethanol from sugar cane. The plant is scheduled to begin production in April 2027 and aims to provide stable supplies to Thailand, Southeast Asia, and Japan.

We are considering the use of the Joint Crediting Mechanism for this project. This system quantitatively assesses the GHG reduction effects of adopting outstanding decarbonization technologies in partner countries, including developing countries, to enable use of credits in both Japan and the partner country. We conducted feasibility studies in FY2025 and are currently proceeding with studies targeting practical implementation. Going forward, we plan to build a sustainable business model through decarbonization initiatives and by creating and using their environmental value.

▸ Carbon-free Strategies [➡ p. 20]

Domestic Energy & Service Strategies

Converting environmental changes to growth opportunities in the LPG business

A top priority in the Domestic Energy & Service Business is growing the LPG customer base. As of the end of FY2025, our direct-sales customers expanded to approximately 1.21 million households, up 10,000 households from the end of FY2024 and 110,000 households in total since the launch of PLAN27. We will continue to actively grow the customer base to reach the plan's final target of 1.3 million households.

The retail LPG business environment has been growing increasingly challenging. Following the amendment of the Act on the Securing of Safety and the Optimization of Transactions of Liquefied Petroleum Gas in April 2024, a three-part tariff system to improve pricing transparency has been required since April 2025. We expect retail management to grow even more challenging due to investments in safety, the need to secure human resources, a shortage of successors, and other factors, in addition to more intensive price competition. Against the backdrop of these environmental changes, the trend toward industry reorganization can be expected to accelerate further. We will strive to continue to grow the customer base while steadily pursuing promising projects.

In tandem with growing the customer base, we are striving to make the business more profitable. Alongside promoting the streamlining and renovation of filling and delivery facilities, we are building an efficient and robust supply structure by enhancing filling capacity and strengthening disaster resilience. Furthermore, by adding cylinder-filling functions to our import base, we are making the entire supply chain more efficient through a structure that enables direct filling and distribution from import facilities.

Demand for LPG in Japan is expected to fall over the long term due to shrinking populations, increasing energy conservation, and other factors. Nevertheless, we believe we can create new growth opportunities through nationwide industry reorganization. LPG retailers with roots in their communities play an important role as a social infrastructure supplying energy. Drawing on our nationwide supply network and customer base to develop new business models for the future and through combinations with energy station functions, services that offer solutions for community issues, and other means, we plan to achieve both sustained progress in local communities and stronger corporate value.

▸ Domestic Energy & Service Strategies [➡ p. 23]

Overseas Strategies

Promoting initiatives to drive business expansion

In our overseas strategies, we have sought to enhance supply chains for critical mineral resources amid rising concerns about geopolitical risks and economic security.

First, through Japan France Rare Earths Co., Ltd., established jointly with the Japan Organization for Metals and Energy Security (JOGMEC), we have invested in Caremag SAS, a rare earth refining company in France. Construction of Caremag's rare earth refining plant is proceeding smoothly toward its planned start of commercial production in January 2027. The purpose of this project is to achieve stable supplies to Japan and to expand sales of rare earths. We are also considering expanding the subject minerals in question as we seek to enhance this business domain while strengthening cooperation with JOGMEC and other partners.

In mineral sands (titanium ore, zircon), our acquisition of Coburn in Australia is expected to more than double the mineral sands supply capacity operated by our wholly owned subsidiary Iwatani Australia Pty. Ltd. Coburn is capable of long-term operation over a period of 10 years or longer. We will continue to work to establish stable supply structures and enhance business foundations while leveraging the mining operation expertise established to date.

In the area of high-purity titanium ore, Nordic Mining ASA is preparing to commence production. We have concluded a long-term transaction

contract on 20,000 tons/year, about 60% of Nordic Mining's planned production volume. We plan to begin shipments to the Japanese market in December 2026. Nordic Mining's titanium ore has a strong reputation as green titanium with low environmental impact, since it is produced in Norway, a nation that uses a high percentage of renewable energy.
In addition to these initiatives in the resources field, we are promoting overseas business development in the Integrated Energy Business. In the LPG business, we have built supply structures for Japan-affiliated firms operating overseas, centered on markets like Southeast Asia and China. Demand is growing for fuel conversion from fuels like heavy oil to LPG and LNG, in light of recent global energy procurement instability. We expect demand to grow not just in Japan, but across Asia. We will further grow the LPG business in Asia in light of this market environment.
In the energy-related equipment field, in June 2026 we established a joint venture with the equity-method affiliate NEW COSMOS ELECTRIC CO., LTD. to develop the gas-alarm business in the United States. We have cooperated with NEW COSMOS ELECTRIC CO. for years in selling MIHARI, household LPG alarms. With this joint venture, we will leverage the strengths of both companies to grow the business in the U.S. market, where demand is expected to grow. The joint venture will be responsible for producing products for the U.S. market and establishing a stable supply structure, thereby creating a foundation for new growth in energy-related businesses.

▸ Overseas Strategies [➡ p. 25]

Non-financial Strategies
Strengthening the foundations for sustained growth

Non-financial information is growing increasingly important for evaluations of corporate long-term growth and sustainability. We are steadily promoting PLAN27 while identifying non-financial strategies as important pillars of value creation.
One of these pillars, human resource strategy, represents the foundation for supporting sustained growth. We recognize the growth and activity of individual employees to be the sources of value creation. We are making steady progress on each of the KPIs: the ratio of female managers, annual training costs per employee, and rate of childcare leave taken by male employees—the last of which has reached 100%. Backed by growing awareness of participation in childcare, we are steadily improving environments and fostering a corporate culture to enable all to continue to work with peace of mind. We will continue to enhance our organizational abilities through sustained investment in human resources.
Addressing climate change is another key management topic. To reduce CO_2 emissions, we are promoting the installation of solar power systems at our facilities, expanding the use of green electricity, and improving efficiency in industrial gas production processes. We plan to accelerate such initiatives further to achieve our reduction targets for FY2030. At the same time, we are advancing technology development for the commercialization of green LPG. Through demonstration testing, we aim to establish production technologies utilizing hydrogen and CO_2 and formulate a roadmap for commercialization.

▸ Non-financial Strategies [➡ p. 28]



Message for stakeholders
Taking on the challenge of creating new value for the centennial of our founding

To remain a presence needed by society, we have created businesses, services, and products that society demands since our founding. We consider a time like present, in which the external environment is growing increasingly uncertain amid dramatic changes, to be an excellent opportunity for business reforms and growth. Rather than responding passively to change, we will connect it to sustained growth by grasping it as an opportunity to create new businesses, new markets, and new technologies.
The year 2030, the centennial of Iwatani's founding, will be a major turning point. To become a corporate group that continues to contribute to the creation of a more comfortable space on the Earth, as called for in our Long-Term Vision, we will evolve our businesses to lead to our dream of creating new value. By promoting businesses that will continue to be needed by society in the future, we will fulfill our corporate responsibilities and increase our corporate value.
We ask for the continuing understanding and support of our stakeholders.

October 2026
President & CEO
Hiroshi Majima

Corporate Philosophy

Become a person needed by society, as those needed by society can prosper

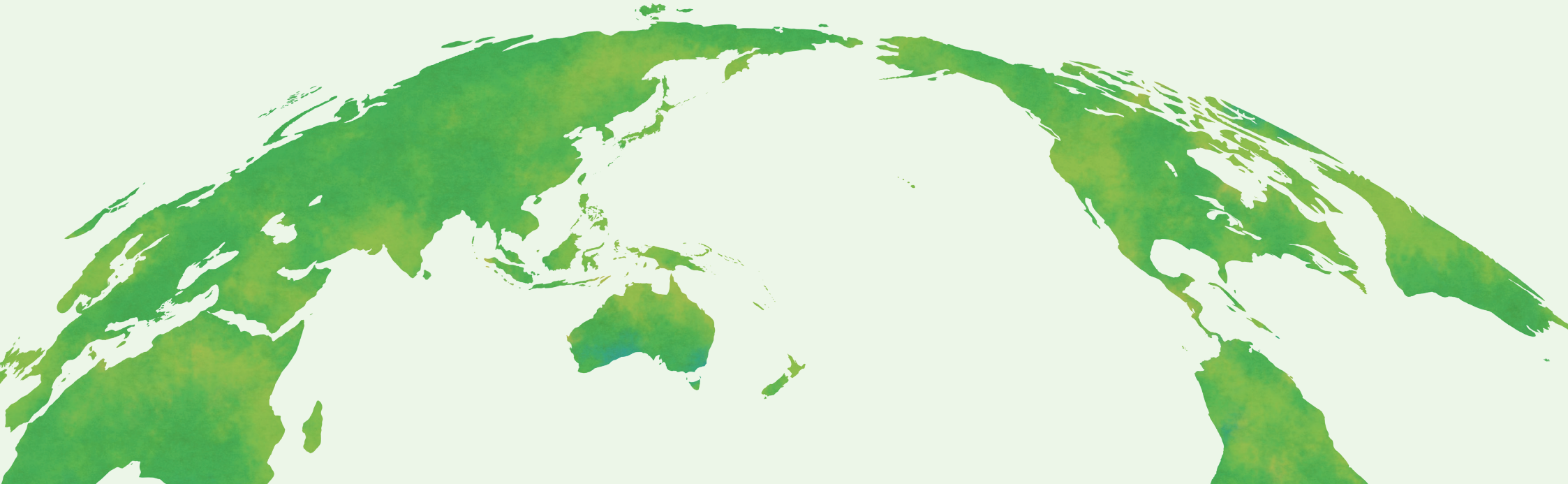
Our corporate philosophy—Become a person needed by society, as those needed by society can prosper—expresses the business philosophy of our founder Naoji Iwatani. Inspired as an agricultural school student by Charles Darwin's ideas, he founded his philosophy based on the principle that only companies capable of evolving and adapting to the world around them can survive in the marketplace.

After revolutionizing home fuel sources and dramatically reducing the amount of heavy labor in the kitchen, our core LPG business today is popular among both consumers and industry as a clean energy source that can be relied on even in emergencies. Industrial gases, another core business, is a vital social infrastructure essential to industrial development, used in the manufacture of nearly all of the products we see around us. Hydrogen, for which our founder worked to develop a market from scratch since 1941, today is fast taking root in society beyond industrial applications as the ultimate energy source for a decarbonized society.

Countless social challenges remain to be solved, including environmental issues such as global warming and energy. We plan to continue striving to achieve a sustainable, cyclical, and decarbonized society by continuing to create and provide the innovations and solutions needed by society.

Slogan

Creation of a more comfortable space on the Earth is what Iwatani wishes and strives for.



Iwatani's History

A History of Meeting Society's Needs and Rising to the Challenge of Innovation

Gas and energy enrich our lives, support social progress, and lay a path to an enriched future. LPG, portable gas cooking stoves, helium, and hydrogen are examples. As one of the first to identify the need for and the possibilities of gas and other energy sources, Iwatani has established stable supply networks and developed new products and technologies for using gas and other energy sources.
We will continue to make significant strides toward the future by ceaselessly pursuing the challenges of innovation to meet the world's needs, chiefly in the areas of gas and energy.

1930
Iwatani Naoji Shoten founded



1945
Iwatani Corporation established



1953
Marui Propane introduced



1958
Osaka Hydrogen Industries Co., Ltd. (now Iwatani Industrial Gases Corporation) established



1969
Cassette-Feu (a hose-free portable cooking stove) introduced



1980
Sakai LPG Import Terminal completed



1997
Acquired our first mineral sands operator in Australia



2006
Hydro Edge, one of the world's largest liquid hydrogen production plants, began operation



2013
First procurement of helium from Qatar



2014
Opened Iwatani Hydrogen Refueling Station Amagasaki, Japan's first commercial hydrogen-refueling station



2021
Iwatani GateWay service introduced



2022
World's first demonstration of hydrogen sea transport and cargo handling between Japan and Australia



2025
Investment in a rare earth refining company in France



The graph depicts the trend in net sales.

Launching Japan's first sales of propane gas for household use

In the past, home cooking was highly laborious, involving bringing firewood to the stove and dealing with soot and smoke. In 1953, Iwatani became the first company to make propane gas available for household use in the Japan market, based on our founder Naoji Iwatani's idea that expanded use of propane would lessen this workload. With the completion of the Sakai LPG Import Terminal in 1980, our first import terminal, we secured the rights to import LPG and established a position as a leading supplier in the industry.

From a hydrogen pioneer to a one-of-a-kind supplier of liquid hydrogen

Our first encounter with hydrogen took place in 1941, when we began supplying the gas to take advantage of surplus hydrogen produced in factories. We began supplying liquid hydrogen for use in rocket fuel in 1978 as a new energy application beyond its traditional industrial uses. In 2006, Hydro Edge, one of the world's largest liquid hydrogen production plants, began operating. Since then, we have made steady contributions to establishing a hydrogen energy-based society, including opening more than 50 hydrogen-refueling stations and constructing supply chains for CO_2-free hydrogen.

Value Creation Process

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Value Creation Capital

Value creation in the Iwatani Group can be traced to six types of capital: financial, manufacturing, intellectual, human, social and relationship capital, and natural capital. By effectively combining these types of capital in business activities based on our corporate philosophy and management policies, we strive both to find solutions to social issues and to deliver new value to society. As a result, we will build a virtuous circle consisting of our own growth and social value creation through our accumulated capital to serve as a source of new value creation, and seek to achieve sustained enhancement of corporate value.

Financial Capital

Sound financial foundations to enable proactive investment in growth

- Sustained earning ability and steady enhancements in financial foundations
- Utilizing interest-bearing debt in active investment
- Maintaining an external credit rating of A

- Total assets: ¥899.7 billion
- Operating profit: ¥44.0 billion (excluding the impact of LPG import price fluctuations)
- Equity ratio: 48.6%
- Net D/E ratio: 0.50
- External financial rating: A+ (Japan Credit Rating Agency)

Manufacturing Capital

LPG and industrial gases networks to realize stable supply

- Stable supply structures utilizing extensive internal and external networks
- LPG business: Import, filling, and transport facilities nationwide
- Industrial gases business: Domestic and international supply chains

- LPG sites * Core LPG centers: Disaster-resistant centers equipped with seismic retrofitting, emergency power generators, and other improvements
  Import terminals: 5 locations / Pressurized terminals (LPG terminals): 2 locations
  Filling stations: 111 locations / Core LPG centers* of all sites: 65 locations
- Industrial gas sites
  Japan | Industrial gas centers: 21 locations / Hydrogen plants: 11 locations / Air separation plants: 9 locations
  Helium centers: 2 locations / Liquefied carbon dioxide plants, etc.: 7 locations
  Overseas sites: 10 locations
- Hydrogen-refueling stations in Japan: 52 locations / Overseas: 10 locations

Intellectual Capital

Technological development facilities to support our businesses; gas and energy handling technologies built up over the years

- Technological strengths amassed by the Iwatani R&D Center over the years in gas and energy fields
- R&D to realize a carbon-free society, advanced by the Iwatani Advanced Hydrogen Technology Center

- National projects and joint R&D projects with public research institutes: 9 projects in total
- Center visitors: 3,931 persons from 1,144 companies
- Number of patents held by the Iwatani Group: 543

Human Capital

Diverse human resources capable of tackling the challenge of creating new value; specialized human resources to support sustained growth

- Creating an environment in which diverse human resources can demonstrate their abilities to the fullest
- Providing various training programs to support individual growth

- Consolidated number of employees: 12,113
- Ratio of female new graduates in career track: 25.8% (FY2026, nonconsolidated)
- Investment in HR development: approx. ¥200 million/year
- Certified and specialized human resources supporting manufacturing and safety
  High-pressure gas production safety managers: 915
  High-pressure gas sales managers: 312

Social and Relationship Capital

Bonds of trust with customers and partners serving as the foundation for growth

- Dealership network to deliver value nationwide
- Enhancing relationships with suppliers essential to creating new value and ensuring stable supply

- LPG customers
  Wholesale customers: 3.4 million households
  of which,
  direct sales customers: 1.21 million households
- Strong ties with dealerships
  Marui-Kai*1: 1,400 members
  Iwatani-Kai*2: 183 members

*1: LPG dealership organization
*2: Industrial gases dealership organization

Natural Capital

Efforts to achieve a carbon-free society

- Decarbonization of business activities
- Providing products and services to decarbonize customer business activities

- Contributions to CO_2 emissions reductions
  CO_2 emissions from business activities (Japan): approx. 230 kilotons
  CO_2 reductions in society through environmental products: approx. 1,000 kilotons

* Figures are for FY2025, as of March 31, 2026.

Value Creation Process

Management Capital P. 10

- Financial Capital
- Manufacturing Capital
- Intellectual Capital
- Human Capital
- Social and Relationship Capital
- Natural Capital

Business Environment

Resources and Energy
- Securing stable supply of resources and energy
- Growing geopolitical risks

Environment
- Measures against climate change and natural disasters
- Transition to carbon-free society

Society
- Responses to population decline and aging society
- Diversification of consumer values
- Growing demand for social sustainability

Business Activities

Business Strategies

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Integrated Energy Business
LPG/electricity and city gas (safety)
Gas equipment and lifestyle products
Portable gas cooking stoves and cassette gas canisters

Basic Policy
Business expansion to achieve solutions to social issues and sustained growth

Materials Business
Functional resins
Resources and new materials/Metals
Electronic materials

Industrial Gases & Machinery Business
Industrial gases
(air separation gases, hydrogen, helium, etc.)
Gas related equipment
Industrial machinery

Business Results, Value Provided to Stakeholders

Shareholders

Operating profit (excluding the impact of LPG import price fluctuations)	ROE (excluding the impact of LPG import price fluctuations)	ROIC (excluding the impact of LPG import price fluctuations)	Dividend payout ratio
¥44.0 billion	12.6%	4.6%	22.7%

Employees

Iwatani Corporation nonconsolidated

Ratio of female managers	Annual training costs per employee	Rate of childcare leave taken by male employees
7.7%	¥149,000	100%

Customers, Suppliers

LPG wholesale/ retail market share in Japan	Hydrogen (including liquid hydrogen) market share in Japan	Helium market share in Japan
No. 1	Approx. 70%	Approx. 50%

Industry, Local Communities

Enhancing disaster resilience by improving core LPG centers
Providing services that contribute to social solutions

Global Environment

CO_2 emissions from business activities (Japan)	CO_2 emissions reductions in society through use of eco-friendly products (e.g., fuel conversion, hydrogen supply for FCVs, growth in PKS sales)
Approx. 230 kt	Approx. 1,000 kt

* Figures are for FY2025, as of March 31, 2026.

Realizing the Long-Term Vision

Our Vision for 2030

Corporate group that continues to contribute to the creation of a more comfortable space on the Earth

- Development of a CO_2-free hydrogen supply chain
- Promotion of a resource-circulating society
- Provision of infrastructure and services that support local communities
- Enhancement of the management foundations to promote sustained growth

Basis for Value Creation

Corporate Philosophy | Iwatani Code of Corporate Ethics | The Iwatani Group Environmental Charter

Become a person needed by society, as those needed by society can prosper

Key Issues for Realizing the Long-Term Vision (Materiality)

Positioning of Key Issues (Materiality)

Based on our Corporate Philosophy—Become a person needed by society, as those needed by society can prosper—the Iwatani Group will strive to achieve sustained growth and to deliver solutions to social issues, thereby completing the four component processes of our Long-Term Vision for 2030.
We have also identified materiality topics as key issues for realizing the Long-Term Vision.

Identifying issues

- Identifying issues gleaned from the business environment, the SDGs and items evaluated by ESG rating agencies

Determining the importance of each issue

- Analyzing the importance in light of the corporate philosophy, the Iwatani Code of Corporate Ethics, and management strategies

Identifying materiality

- Identifying key issues (materiality) important both to society and stakeholders and to the Iwatani Group

Business Environment

Resources and Energy
Securing stable supply of resources and energy
Growing geopolitical risks

Environment
Measures against climate change and natural disasters
Transition to carbon-free society

Social
Responses to population decline and aging society
Diversification of consumer values
Growing demand for social sustainability

Materiality	Related SDGs	Related Priority Measures
Create businesses that will lead to the realization of a sustainable society	7, 9, 12, 13, 14	● Hydrogen Strategies ● Carbon-Free Strategies ● Overseas Strategies ● Climate Change Response (non-financial strategies)
Provide infrastructure and services that will enrich people's lives	7, 9, 10, 11, 13	● Domestic Energy & Service Strategies ● Overseas Strategies
Promote innovation with the use of technologies and expertise	7, 9, 11, 13, 14	● Hydrogen Strategies ● Carbon-Free Strategies ● Technology Strategy (non-financial strategies)
Develop an environment and systems in which diverse human resources can thrive	4, 5, 8	● Human Resource Strategy (non-financial strategies)
Develop more transparent governance	5, 16	● Corporate Governance ● Demonstration of management oversight functions by Outside Members of the Board ● Dialogue with Stakeholders

Realizing the Long-Term Vision

Our Vision for 2030

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- Enhancement of the management foundations to promote sustained growth

Medium-Term Management Plan

Contents

P.14 Medium-Term Management Plan: PLAN27 (FY2023 - FY2027)
P.15 Capital Policies and Returns to Shareholders / Message from the Officer Responsible
P.17 Hydrogen Strategies
P.20 Carbon-Free Strategies
P.23 Domestic Energy & Service Strategies
P.25 Overseas Strategies

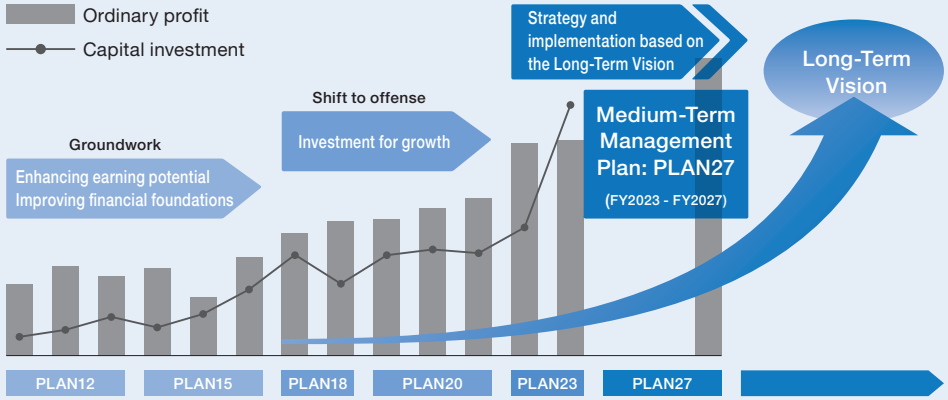
Medium-Term Management Plan: PLAN27 (FY2023 - FY2027)

Theme Establishing a hydrogen energy-based society

Basic Policy Business expansion to achieve “solutions to social issues” and “sustained growth”

Progress on and Positioning of the Medium-Term Management Plan

Since FY2000, based on our eight medium-term management plans, we have made steady progress with business structural reforms, improvements in profitability and our financial position. Following preceding periods in which we lay the foundations and shifted to an aggressive posture, PLAN27 covers a crucial period for achieving the goals of the Long-Term Vision.



Priority Measures

Hydrogen Strategies	● Expand the liquid hydrogen business to capture growing demand related to decarbonization ● Develop CO_2-free hydrogen supply chains	➡ P. 17
Carbon-Free Strategies	● Expand business by promoting low-/zero-carbon solutions business ● Invest in the realization of a carbon-free society	➡ P. 20
Domestic Energy & Service Strategies	● Expand market share and streamline distribution by utilizing LPG business infrastructure ● Provide services that contribute to solving social issues of local communities	➡ P. 23
Overseas Strategies	● Leverage strengths of individual segments to expand business in respective regions	➡ P. 25
Non-financial Strategies	● Sustainability Initiatives	➡ P. 28
	● Human Resource Strategy	➡ P. 31
	● Technology Strategy	➡ P. 33

Progress toward Management Targets

	FY2022 results	FY2023 results	FY2024 results	FY2025 results	FY2027 targets
Operating profit [Figures in brackets exclude the impact of LPG import price fluctuations.]	¥40.0 billion [¥43.1 billion]	¥50.6 billion [¥49.8 billion]	¥46.2 billion [¥46.0 billion]	¥38.3 billion [¥44.0 billion]	¥65.0 billion
ROE [Figures in brackets exclude the impact of LPG import price fluctuations.]	11.2% [12.1%]	13.2% [13.1%]	10.9% [10.9%]	11.6% [12.6%]	10% or higher
ROIC [Figures in brackets exclude the impact of LPG import price fluctuations.]	6.8% [7.3%]	6.7% [6.6%]	5.1% [5.1%]	4.0% [4.6%]	6% or higher

Capital Policies and Returns to Shareholders



Kazumasa Terada
Managing Officer
Member of the Board
Responsible for Accounting Department

Looking back on FY2025 and forward to FY2026

Financial results in FY2025 (ended March 31, 2026), the third year of PLAN27, included record-high net sales of 908.5 billion yen, driven by strong sales of products for industrial fields in the Materials Business and the Industrial Gases & Machinery Business.

Profit attributable to owners of parent also reached a record high of 47.6 billion yen, supported by gains on sales of non-current assets and other factors. Meanwhile, operating profit fell to 38.3 billion yen, due mainly to lower profitability resulting from a softer helium market and the negative impact of LPG import price fluctuations.

In FY2026, we expect net sales to increase to approximately 960.0 billion yen and operating profit to reach 48.8 billion yen, while continuing to strengthen our earnings base.

In addition to steady growth in existing businesses, we will create value over the medium to long term by steadily securing the profitability of our investments in fields like hydrogen and resources.

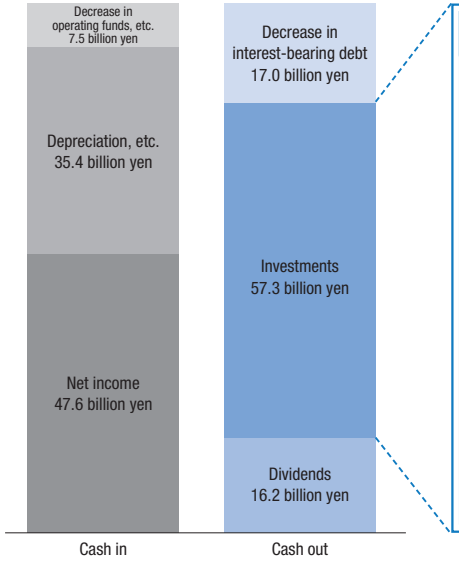
Capital and cash allocation policies

PLAN27 identifies the basic policy of prioritizing investments in growth while drawing on financial leverage, based on maximizing operating cash flows. Of the total planned investment of 470.0 billion yen over the five-year period, we have invested 298.9 billion yen in future growth, primarily in core businesses, hydrogen-related facilities, overseas resources, and M&As in the domestic energy business. We will continue to invest actively while concentrating our allocation of management resources to domains that offer higher profitability and growth potential.

From a financial discipline perspective, we target a net D/E ratio of 0.7 or less. At present, the ratio stands at 0.5, providing sufficient financial flexibility for additional fundraising. Regarding interest-bearing debt, we will pursue financial strategies to address a rising interest rate environment through improving the Group's capital efficiency, including by divesting strategic shareholdings and utilizing or disposing of idle assets such as our former Tokyo head office building.

Going forward, while maintaining a sound financial foundation with a net DER of approximately 0.6 and putting financial leverage to appropriate use, we will promote optimal financing strategies by carefully identifying growth investment opportunities and balancing capital efficiency with financial soundness.

FY2025 cash allocation



Measures	Amount invested	Main details
Hydrogen Strategies	6.9 billion yen	Expansion of hydrogen production facilities Building and upgrading hydrogen refueling stations
Carbon-free Strategies	800 million yen	Investing in a bio-CO_2 plant in Thailand, etc.
Domestic Energy & Service Strategies	3.6 billion yen	M&As in retail business
Overseas Strategies	8.7 billion yen	Acquiring and developing Australian mineral sands business Strengthening industrial gas production in Southeast Asia, etc.
Foundational businesses Growth investments	31.1 billion yen	Establishing the new ERP Constructing new plants and investing in Industrial Gases & Machinery
Maintenance, repairs	5.9 billion yen	Repairing LPG related equipments, etc.
Total	57.3 billion yen invested	

Capital Policies and Returns to Shareholders

Returns to shareholders

During the PLAN27 period, we are committed to progressive dividends and a dividend payout ratio of 20% or higher in FY2027, while emphasizing continuous and stable returns to shareholders.

In FY2025, we enhanced opportunities to return profits to shareholders by paying an interim dividend. Annual dividends were 47 yen/share for a dividend payout ratio of 22.7%. At present, interim and year-end dividends in FY2026 are set to remain unchanged from the previous year, resulting in annual dividends of 47 yen per share.

We have sought to enhance returns to shareholders while balancing investments in growth with financial soundness.

We will continue to meet the expectations of our shareholders by providing appropriate returns while closely monitoring circumstances in the Middle East and other changes in the business environment.

Improving capital efficiency

Based on the Tokyo Stock Exchange's request for "Management that is conscious of cost of capital and stock price," we recognize improving capital efficiency as a key management issue and use ROE and ROIC as key management indicators in our efforts to improve capital efficiency.

In FY2025, while ROE exceeded the target of 10%, ROIC was below the target of 6%.

In FY2025, earnings were adversely affected by LPG import price fluctuations and lower profitability in the helium business, resulting in severe financial results. However, these factors have been improving in FY2026. In addition to improving profitability by enhancing the competitive strengths of existing businesses, we will steadily realize the benefits of our investments in hydrogen-related facilities and critical mineral resources, including rare earths. We are also working to create business synergies and expand earnings through our alliance with Cosmo Energy Holdings, with the aim of delivering results at an early stage.

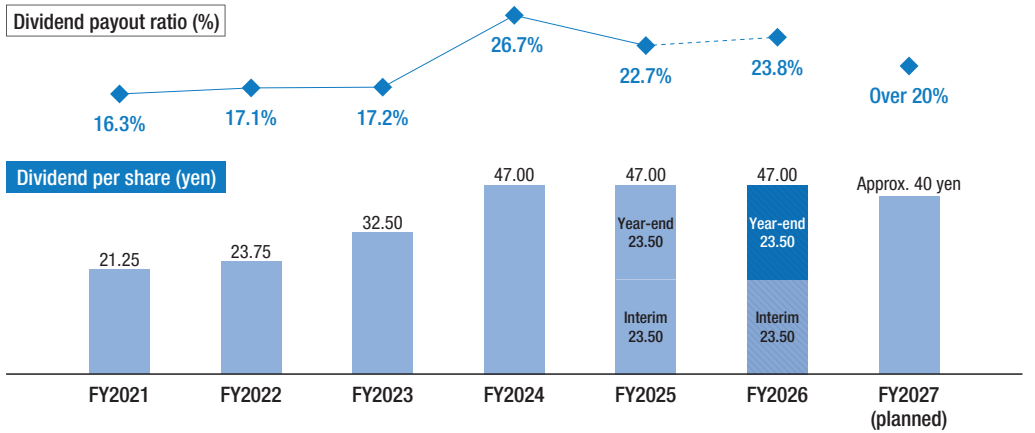
While we maintain strategic shareholdings deemed necessary for maintaining and strengthening medium- to long-term business relationships or for strategic business purposes, the Board of Directors reviews the rationale for holding each stock annually from the perspective of capital efficiency. We have steadily reduced our strategic shareholdings, selling a total of 16.7 billion yen in shares of 90 companies over the past three years.

We are also improving capital efficiency by making more effective use of Group funds through the introduction of a cash management system (CMS) and by reducing assets. Through these initiatives, we aim to improve ROIC and enhance corporate value over the medium to long term.

Policy on returns to shareholders

Progressive dividends with a target payout ratio of 20% or higher in FY2027

Planned annual dividends in FY2026: 47.00 yen/share (23.50 yen/share interim dividend, 23.50 yen/share year-end dividend)



* Effective October 1, 2024, we conducted a four-for-one stock split on common stock with a date of record of September 30, 2024. Amounts shown are after this stock split.

Hydrogen Strategies

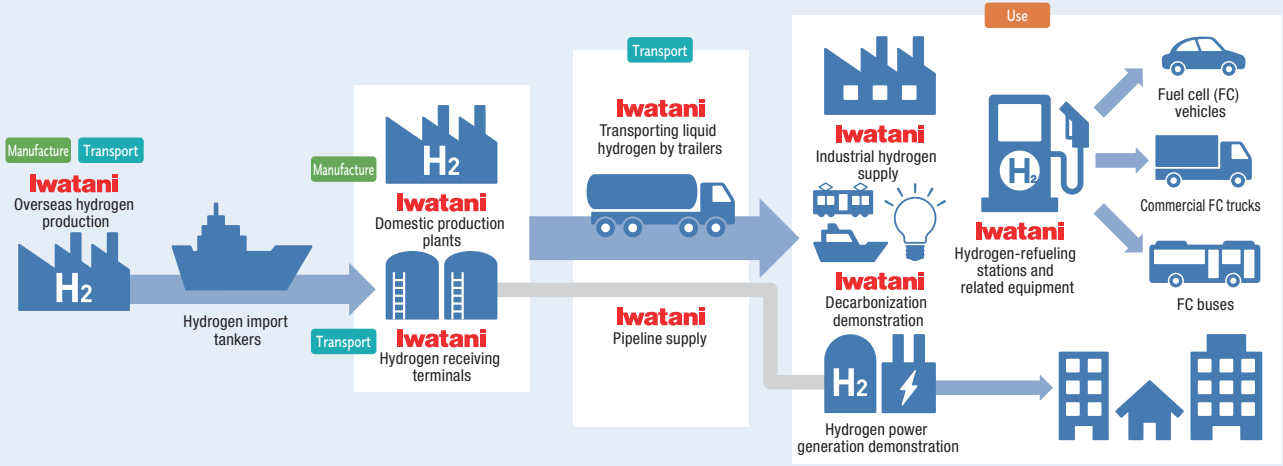
Related Key Issues (Materiality)

- Create businesses that will lead to the realization of a sustainable society
- Promote innovation with the use of technologies and expertise

Basic Policy

Promoting a low-carbon hydrogen supply chain to establish a hydrogen energy-based society

Hydrogen has been used for years in fields like space development and semiconductor manufacturing. In recent years, demand has grown steadily for its use in energy applications, against a backdrop of increasing uses related to decarbonization. We are striving to grow the hydrogen business by leveraging the supply capacity based on three liquid hydrogen production plants in Japan. Toward the realization of a hydrogen energy-based society, we will leverage the technologies and know-how we have cultivated over many years to promote initiatives across the entire hydrogen supply chain from the perspectives of "manufacturing," "transporting," and "using" hydrogen.



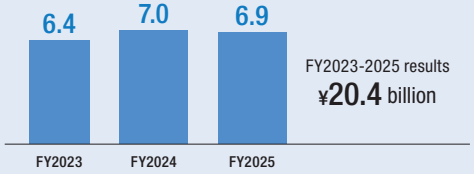
Targets and Progress

Iwatani Hydrogen Vision

FY2022
Sales volume 14 kt/year
Net sales ¥45.0 billion

PLAN27

Investment
Five-year cumulative total:
¥178.0 billion



FY2023-2025 results
¥20.4 billion

FY2027
Sales volume 30 kt/year Net sales ¥92.0 billion

Manufacture	¥115.0 billion	● Build liquid hydrogen manufacturing plants ● Build compressed hydrogen manufacturing plants
Transport	¥30.0 billion	● CO_2-free hydrogen supply chain overseas
Use	¥33.0 billion	● Invest in domestic hydrogen-refueling stations (HRS) (expansion, related equipment) ● Build more HRS for FC trucks in the United States

FY2030
Sales volume 300 kt/year
Net sales ¥200.0 billion

- Hydrogen import price ¥30/Nm³
- 2030 and beyond: Begin commercial operation of CO_2-free hydrogen supply chain overseas

Hydrogen Strategies

Related Key Issues (Materiality)

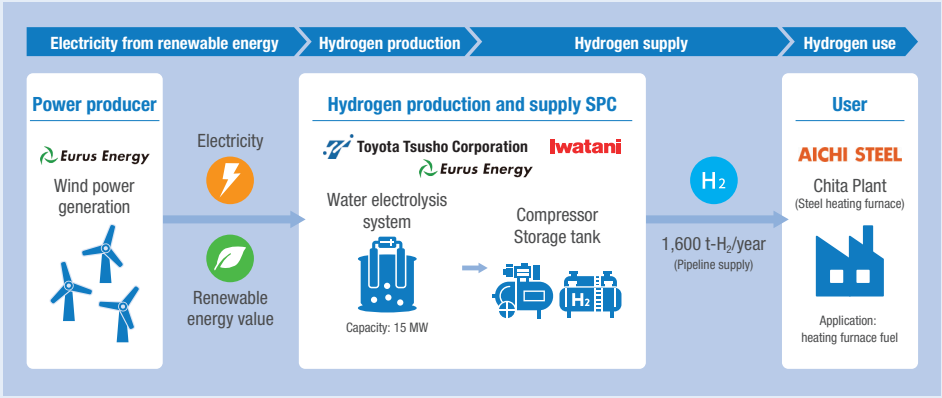
Create businesses that will lead to the realization of a sustainable society

Promote innovation with the use of technologies and expertise

Initiatives



Hydro Edge, liquid hydrogen production plant



Onsite low-carbon hydrogen production and supply project (illustration)

Enhancing production capacity in Japan to prepare for the coming hydrogen society

Demand for hydrogen in Japan and around the world continues to grow from year to year for both industrial applications and decarbonization. In industrial applications, the use of hydrogen is expanding particularly in semiconductor manufacturing and in growth fields such as space development and electronics. At the same time, fuel cell commercial vehicles are gaining wider adoption as part of decarbonization efforts. As hydrogen demand is expected to continue expanding, we are considering the establishment of hydrogen supply chains in Japan and overseas and developing the infrastructure needed to ensure a stable supply. We are enhancing production capacity in stages in Japan, where we currently produce liquid hydrogen at three production sites: in Osaka (Hydro Edge; three lines), Yamaguchi (Yamaguchi Liquid Hydrogen; two lines), and Chiba (Chiba Plant of Iwatani Industrial Gases; one line). We also plan to establish a fourth production site at the Chiba Refinery of Cosmo Oil Co. as part of our expanding partnership with Cosmo Energy Holdings. Preparations are underway to launch operation in FY2029 after studies of business schemes and scales of production. As we continue to further expand hydrogen production capacity in Japan and overseas, we will build systems to support stable supplies to customers, to be ready for the arrival of a full-fledged hydrogen society.

Onsite low-carbon hydrogen production and supply project to contribute to carbon neutrality

In cooperation with Toyota Tsusho Corporation and Eurus Energy Holdings Corporation, we are proceeding with studies to establish an onsite low-carbon hydrogen production and supply project at the Chita Plant of Aichi Steel Corporation. As a new model for the production and supply of low-carbon hydrogen from renewable energy on the site of a hydrogen-using customer, this project will enable the continuous supply of low-carbon hydrogen while reducing the costs and CO_2 emissions associated with its transport. By installing electrolysis equipment on the site of the Chita Plant, it will build a structure capable of producing approximately 1,600 tons of low-carbon hydrogen per year, using renewable energy from Eurus Energy Holdings Corporation's wind farm. The hydrogen produced will be used as an alternative fuel to replace city gas on some furnaces used by Aichi Steel Corporation to heat steel and iron materials. This project is the first to be selected under the Japanese government's price gap support scheme, under which the government will subsidize the price difference between low-carbon hydrogen and existing fuels for 15 years. The three companies plan to establish a joint venture in March 2027 and aim to commence operations in 2030. Considering this an important initiative to promote realization of a hydrogen society in central Japan, we will build an optimal onsite low-carbon hydrogen production/supply model in cooperation with the Central Japan Hydrogen and Ammonia Association.

Hydrogen Strategies

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

Promote innovation with the use of technologies and expertise

Initiatives



Iwatani Cosmo Hydrogen Refueling Station Ariake Bus Depot



A group photo after the Japan Hydrogen Backbone Initiative conference

Growing the hydrogen refueling station business to support the spread of fuel cell commercial vehicles

With progress adopting fuel cell commercial vehicles like trucks and buses in Japan, it is essential to expand hydrogen refueling stations for commercial vehicles requiring large volumes of hydrogen. Fuel cell trucks and buses are expected to serve as decarbonization solutions, as they emit no CO_2 while driving and can meet the specific needs of commercial vehicles, such as short refueling times and long operating hours. Since the hydrogen refueling volume per use is higher for commercial vehicles than for standard passenger vehicles, they require special-purpose refueling stations that have large-capacity hydrogen storage facilities and are able to accommodate large vehicles. In September 2023, we opened Japan's first hydrogen refueling station at an expressway service area or parking area, located at the Ashigara Service Area on the Tomei Expressway. Furthermore, following the establishment of Iwatani Cosmo Hydrogen Station LLC with Cosmo Energy Holdings, we opened hydrogen refueling stations for commercial vehicles at the Keihin Truck Terminal Heiwajima Service Station in April 2024 and at the Tokyo Metropolitan Bureau of Transportation's Ariake Bus Depot in March 2025, the latter being Japan's first hydrogen refueling station located within a bus depot. We are also developing a new hydrogen refueling station in Shinsuna, Koto-ku, Tokyo, with the aim of opening it in FY2027, thereby strengthening the hydrogen supply network for commercial vehicles in the greater Tokyo area. We will continue to grow the hydrogen refueling station business in partnership with Cosmo Energy Holdings while meeting the needs of commercial vehicles through larger storage facilities and higher filling efficiency.

The Japan Hydrogen Backbone Initiative: building a nationwide hydrogen supply network

In March 2026, the Japan Hydrogen Association (JH2A) announced the Japan Hydrogen Backbone Initiative. This vision calls for building a nationwide hydrogen supply network by establishing 30 hydrogen refueling stations for commercial vehicles along an arterial highway more than 1,300 km long, from Tohoku in the north to Kyushu in the south, starting with the priority regions chosen by the Japanese government in May 2025 for use of fuel cell commercial vehicles (six prefectures or five regions, centered on Fukushima, Tokyo-Kanagawa, Aichi, Hyogo, and Fukuoka). It is being promoted through collaboration among three main parties: automakers producing fuel cell trucks and buses, logistics firms, and infrastructure businesses that will build the hydrogen refueling stations. We are responsible for the infrastructure business in cooperation with Iwatani Cosmo Hydrogen Station LLC, a joint venture with Cosmo Energy Holdings, while also serving as a hydrogen supplier by supplying liquid hydrogen. In addition to demand from fuel cell trucks and other commercial vehicles, we will leverage the network of JH2A member companies to develop demand across a wide range of fields, including chemicals and agriculture, with the aim of building a nationwide hydrogen supply chain linking production, transportation, and demand creation.

Carbon-Free Strategies

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

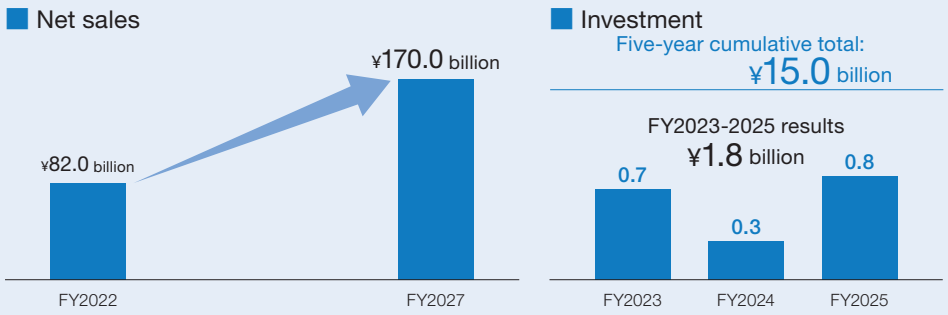
Promote innovation with the use of technologies and expertise

Basic Policy

Business expansion through supporting customers in decarbonizing their business activities across the entire Iwatani Group

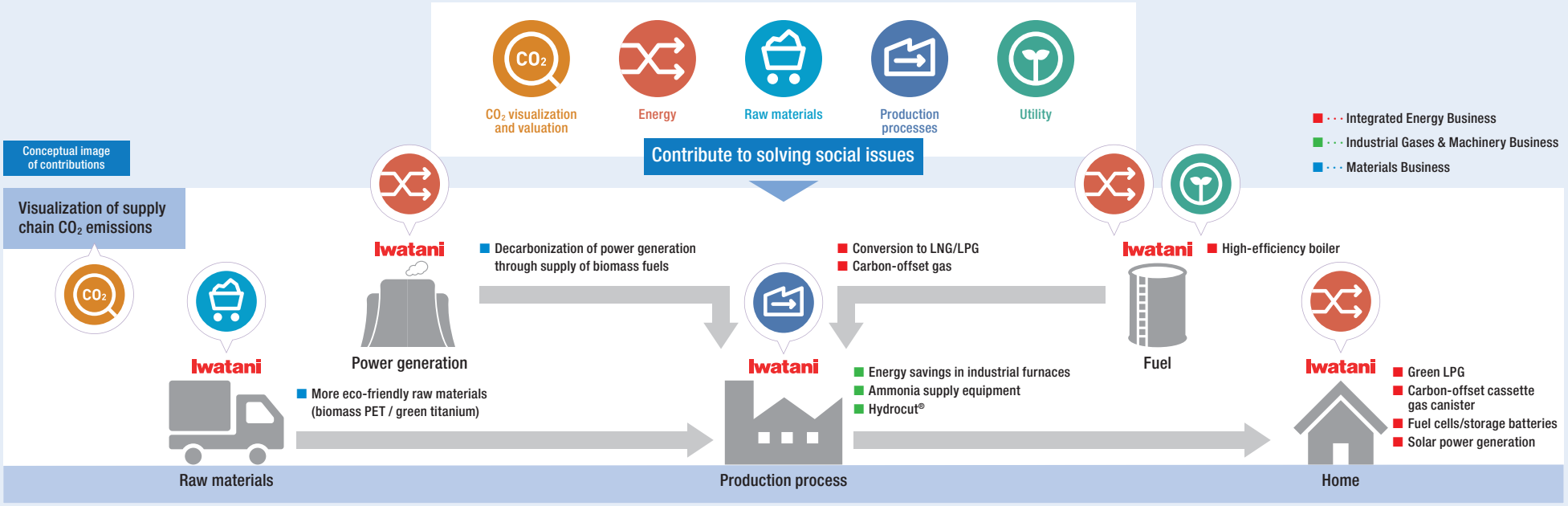
In line with our corporate philosophy, "Become a person needed by society, as those needed by society can prosper," our legacy has to date been to find solutions to social issues. Our mission henceforth is to establish a carbon-free society by leveraging the business infrastructure and technological strengths we have amassed to date to deliver low-/zero-carbon solutions to our customers—from industries to individual consumers—to help reduce CO_2 emissions throughout society while also growing our businesses.

Targets and Progress



* Net sales and investment related to decarbonization exclude hydrogen-related figures.

Low-/zero-carbon solutions based on our business foundations and technological capabilities



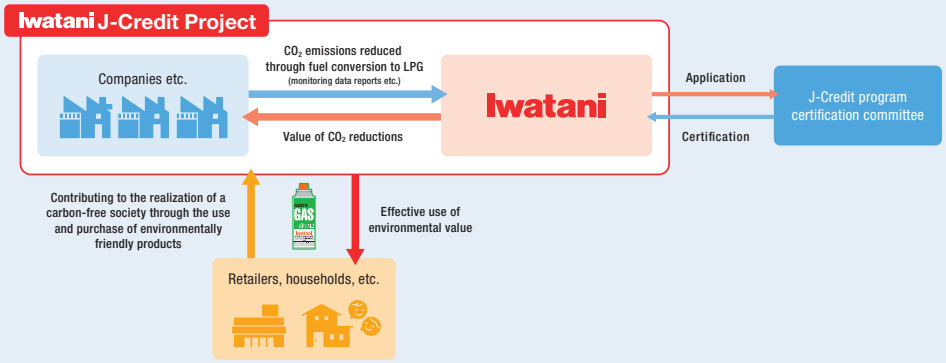
Carbon-Free Strategies

Related Key Issues (Materiality)

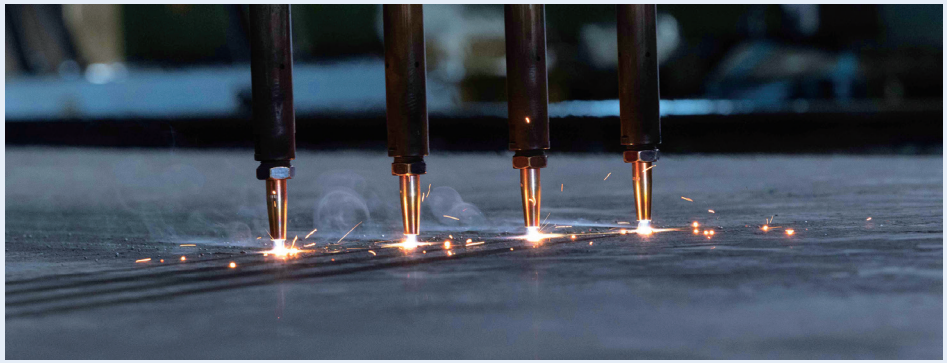
Create businesses that will lead to the realization of a sustainable society

Promote innovation with the use of technologies and expertise

Initiatives



Iwatani J-Credit Project overview



Hydrocut® cutting gas containing hydrogen

Promoting the Iwatani J-Credit Project to create environmental value through fuel conversion

Under the J-Credit system, the Japanese government certifies reductions in CO_2 and other emissions achieved through the introduction of energy-saving equipment and use of renewable energy as well as CO_2 absorption through appropriate forest management as J-credits (environmental value). It converts companies' voluntary CO_2 emissions reduction efforts into environmental value that companies can trade with one another. Under the Iwatani J-Credit Project, we aggregate CO_2 emissions reductions achieved through the introduction of high-efficiency boilers and fuel conversion to LPG and LNG, and convert them into environmental value, thereby supporting the decarbonization efforts of participating companies. We generated approximately 2,600 t-CO_2 of J-Credit in FY2024 and approximately 3,300 t-CO_2 in FY2025. As the number of participating companies has steadily increased, the project has continued to expand, with cumulative J-Credit generation reaching 9,050 t-CO_2.

As one way of utilizing the credits generated, we began selling carbon-offset cassette gas canisters in March 2025, an industry-first product that achieves net-zero CO_2 emissions, to general customers. Carbon-offset LPG is also increasingly being used at events to promote low- and zero-carbon initiatives, including at the Osaka Healthcare Pavilion at Expo 2025 Osaka, Kansai, Japan. Going forward, we also expect its use to expand in the commercial sector, including hotels, restaurants, and educational institutions with a strong interest in decarbonization. We will continue to support reductions in CO_2 emissions by creating environmental value through our businesses and promoting the wider use of carbon-offset gas.

Market growth in the Hydrocut® series to promote decarbonization of construction sites

Acetylene and LPG used in steel cutting, brazing, and gas pressure welding emit considerable volumes of CO_2 during combustion. In contrast, hydrogen emits no CO_2 when burned. Under our Hydrocut® series, we offer Hydrocut 60, composed mainly of hydrogen and ethylene, as an alternative to acetylene, and Hydrocut 90, with a hydrogen content of 90%, as an alternative to LPG. These products can reduce CO_2 emissions by up to 84% compared to acetylene and 90% or more compared to LPG, respectively.

Hydrocut 60 generates less radiant heat and is less likely to backfire, offering excellent safety. Its use is expanding across a wide range of fields, including shipbuilding, construction, and auto parts. Sales in FY2025 were 116% of the previous year's level. For FY2026, we have set a target of 270% of the FY2025 level, supported by rising acetylene prices. Hydrocut 90, developed specifically for cutting applications, offers excellent environmental performance, cutting quality, and safety through its high hydrogen content. We are stepping up proposals for this product, primarily to the casting and steel industries. Sales in FY2025 exceeded the previous year's level, and we will continue to expand sales going forward.

Through the Hydrocut® series, we will continue to contribute to the decarbonization of worksites that have traditionally generated significant CO_2 emissions.

Carbon-Free Strategies

Related Key Issues (Materiality)

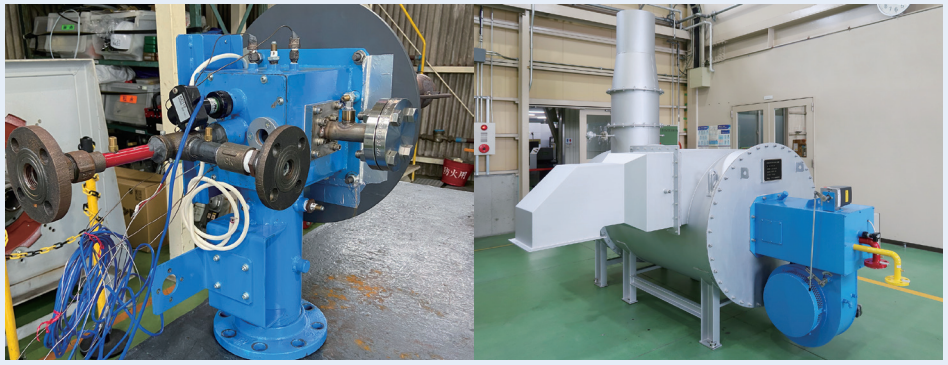
Create businesses that will lead to the realization of a sustainable society

Promote innovation with the use of technologies and expertise

Initiatives



UPM-Kymmene Corporation (UPM), a producer of bio MEG



Newly developed high-speed burner and a package for use with a compact industrial furnace

Expanding the plastics resource circulation business from biomass feedstock procurement to recycling

To help realize a carbon-free society, we are engaged in the manufacture and sale of biomass-based plastics and the recycling business as part of our efforts to reduce the use of petroleum-based plastics. We hold the top share of the Japanese market for biomass PET resin and are expanding sales, primarily for beverage bottle applications.

In the area of raw-materials procurement, we have become the exclusive distributor in Japan for wood-derived biomass MEG (monoethylene glycol) produced by Finland-based UPM, which plans to begin operations at its plant in 2026. By diversifying our raw material sources to include this new product alongside conventional products derived from sugarcane waste molasses, we will ensure stable procurement, enhance price competitiveness, and develop new demand, particularly in the Japanese market.

In the area of recycling, we are promoting the flake-to-preform (FtoP) business with Indorama Ventures of Thailand to manufacture preforms directly from recycled PET bottles. With the aim of commencing operations in 2028, we are promoting the resource circulation of PET resin by advancing bottle-to-bottle recycling and expanding the use of recycled materials.

We are building a resource circulation supply chain spanning biomass material procurement through the manufacture and sale of recycled resins, while accelerating business development to help realize a circular society.

Expanding the lineup of hydrogen mixed combustion burners for diverse uses and scales

To achieve carbon neutrality, reducing CO_2 emissions from fuel combustion in industrial furnaces, such as drying, firing, and melting furnaces, is a key challenge for the manufacturing industry. The hydrogen mixed combustion burners we have jointly developed can flexibly co-fire hydrogen and conventional fuels at ratios ranging from 0% to 100%. They can also be retrofitted to existing furnaces without the need for large-scale equipment upgrades, and are attracting attention as a solution that enables fuel conversion in a short period of time. In May 2024, we installed a full-scale hydrogen mixed combustion burner at the Iwatani R&D Center and have since been conducting demonstrations and accumulating operational data to meet customer needs, attracting numerous visitors and inquiries. While hydrogen is a clean energy source, the cost of adoption remains an issue. We are therefore strengthening our efforts to facilitate adoption by customers, including optimizing costs through the use of oxygen enrichment and verifying the optimal co-firing ratio for each customer's processes.

In 2026, we are expanding the burner lineup with new products such as high-speed burners, hydrogen-switching burners. Adoption of these burners is progressing in applications such as drying furnaces for coating lines.

We are also developing new packages, including those for compact industrial furnaces used in food drying and sludge drying and supporting CO_2 emissions reductions in the field through various applications and scales, including firing furnaces, heat treatment furnaces, and deodorizing furnaces. We will continue to deploy solutions to support decarbonization at manufacturing sites.

Domestic Energy & Service Strategies

Related Key Issues (Materiality)

Provide infrastructure and services that will enrich people's lives

Basic Policy

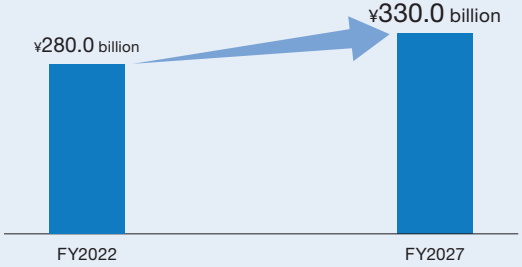
Growing retail market share and enhancing earnings capabilities by promoting M&A activities using our nationwide network

The Iwatani Group began selling LPG nationwide in 1953, as Marui Propane. To maintain a stable supply of lifeline LPG, we have developed an integrated supply structure, from import through customer delivery, and boast the top nationwide market share in Japan.

Concentration of LPG businesses is expected to accelerate as the number of consumer households decreases. Under such conditions, we will aim for further business growth by promoting efforts to strengthen our retail business, centered on mergers and acquisitions (M&A) activities conducted to date, and streamline our LPG business as a whole, including delivery.

Targets and Progress

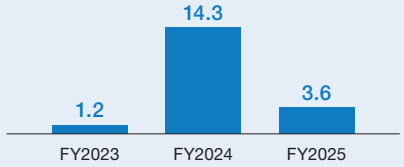
■ Net sales



■ Investment

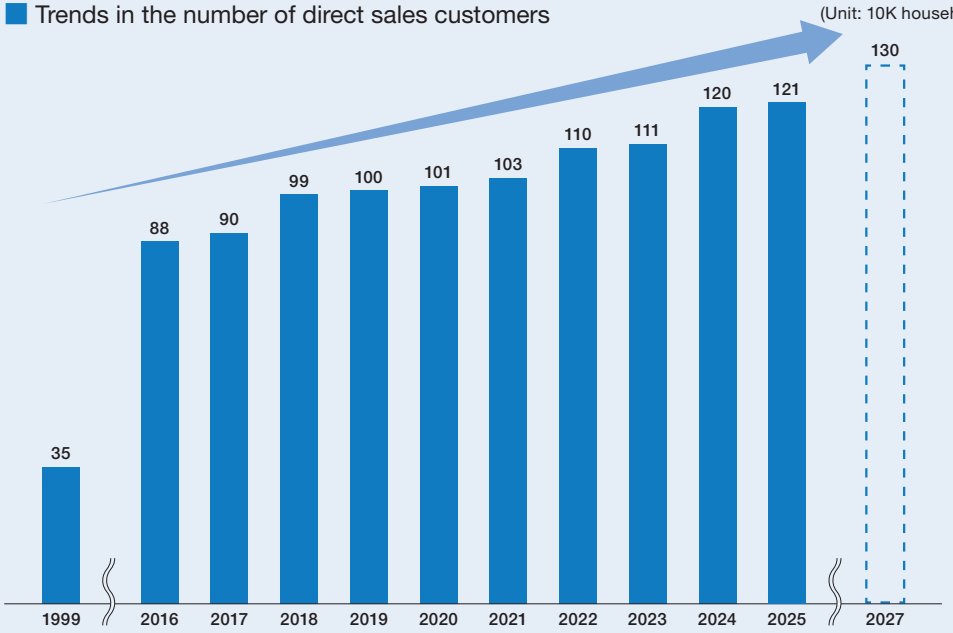
Five-year cumulative total: ¥33.0 billion

FY2023-2025 results ¥19.3 billion



Expanding the direct sales customer base, chiefly through M&As

■ Trends in the number of direct sales customers



■ Iwatani's LPG sales performance

	Retail	Wholesale
Industry ranking	**No. 1** out of 15,181 companies	**No. 1** out of 1,100 companies
Market share	5.7%	16.1%
Households using MaruiGas*	1.21 million	3.4 million

Source: LP-Gas Annual Report: Facts & Figures 2026, Iwatani estimates * The name of the Company's LPG brand

* Figures are for FY2025, end of March 2026.

Domestic Energy & Service Strategies

Related Key Issues (Materiality)

Provide infrastructure and services that will enrich people's lives

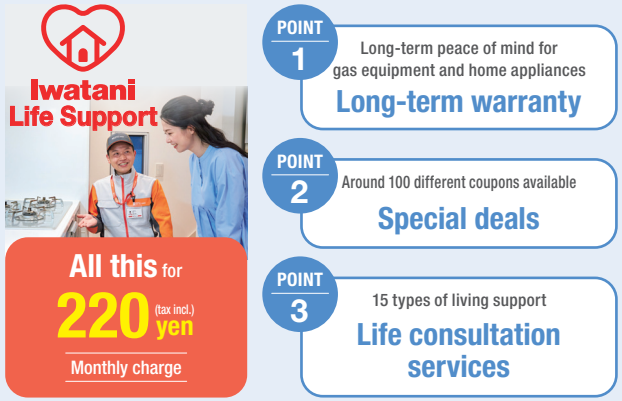
Initiatives



Nationwide coverage through Iwatani's 111 supply facilities



A gas alarm with telecommunications functions



Overview of Iwatani Life Support service

Growing retail market share by leveraging our nationwide network

As Japan's LPG market is expected to shrink, we are leveraging our nationwide sales and supply networks to expand our share of the retail market, primarily through M&A.

In FY2025, our LPG direct sales customers increased by 10,000 households to 1.21 million. Following the major M&A in FY2024, we continue to steadily expand our customer base.

We also leverage our nationwide network to target major chain stores, home builders, residential remodeling firms, and other customers, capturing new demand for LPG and related equipment and facilities.

Toward our target of 1.3 million direct sales customers in FY2027, we will continue to leverage our 111 supply facilities nationwide and the Group's combined strengths in distribution, security, and sales to further expand our customer base, including through partnerships with local businesses.

Service development and promotion for solutions to community issues

Using the Iwatani GateWay, an IoT platform based on gas alarms with communication capabilities installed in homes we supply with LPG, we provide everyday support services, including community monitoring and disaster preparedness. In December 2024, we concluded a regional cooperation agreement with the city of Goto, Nagasaki prefecture, on watch services for seniors and the prevention of long-term care needs. In July 2025, we concluded a three-party comprehensive partnership agreement with Iwatani Sanin and the city of Oda, Shimane Prefecture, where demonstration testing is underway.

We aim to build sustainable communities through initiatives in a wide range of areas, including watch services for seniors and children, disaster-response cooperation, hometown education, and regional revitalization.

We will continue to leverage our LPG business infrastructure and the Iwatani GateWay IoT platform to strengthen collaboration with local governments and provide services that serve as essential safety and security infrastructure for local communities.

A new Iwatani Life Support service to strengthen customer engagement

We introduced Iwatani Life Support, a new service exclusively for our LPG customers. For 220 yen per month (tax included), customers can access a range of everyday support services, including long-term warranties for gas equipment and home appliances (up to 100,000 yen for up to 10 years, including used products and products purchased from other companies), around 100 different coupons, and 15 types of telephone consultation services covering health, medical, legal, and other matters.

Through this service, we will collect information on gas equipment and strengthen our engagement with customers. Looking ahead, we are also considering developing a community-based social contribution model that includes equipment replacement recommendations based on analyses of data on installed equipment, as well as watch services for seniors and support for vacant homes based on gas usage.

Leveraging Japan's largest customer base, we will build a new foundation to support our customers' lives.

Overseas Strategies

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

Provide infrastructure and services that will enrich people's lives

Basic Policy

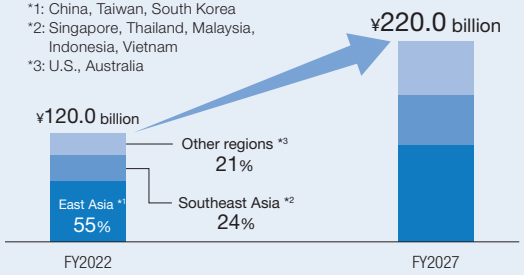
Leveraging our domestic business foundations to develop overseas businesses

To date, the Iwatani Group has grown its businesses by providing products and services to domestic customers. Our strengths include the expertise possessed by the Integrated Energy Business in fuel conversion and industry decarbonization; the capabilities of the Industrial Gases & Machinery Business in producing industrial gases, ensuring stable supply, and proposing machinery and equipment solutions; and the ability of the Materials Business to procure environmental products and ensure a stable supply of mineral resources. Drawing on our strengths and domestic business foundations, we will continue identifying business opportunities and pursuing market development on the international stage.

Targets and Progress

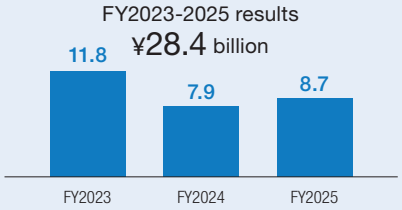
Net sales

*1: China, Taiwan, South Korea
*2: Singapore, Thailand, Malaysia, Indonesia, Vietnam
*3: U.S., Australia



Investment

Five-year cumulative total: ¥94.0 billion



Business strategies reflecting regional characteristics

Europe



Business environment	Eco-conscious market
Strategy	Creation of resource-circulation businesses

China

Business environment	Mega production/consumption market
Strategy	Growing sales of industrial gases and major products such as portable gas cooking stoves and cassette gas canisters



Southeast Asia

Business environment	Fast-growing market
Strategy	Business expansion by increasing production and supply facilities



North America

Business environment	World's largest industrial gas market
Strategy	Business expansion through M&As and other means



Africa



Business environment	Rich in resources
Strategy	Explore new procurement sources for resources

Australia

Business environment	Rich in energy and resources
Strategy	Developing procurement sources for liquid hydrogen, mineral sands, etc.



Overseas Strategies

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

Provide infrastructure and services that will enrich people's lives

Initiatives



Refrigerant filling plant in Malaysia



Bangkok Sanyo Spring Co., Ltd.



The rare earth refining plant under construction

Growing the refrigerant business and establishing a circular model in Southeast Asia

In the Southeast Asian market, where the growing adoption of air conditioners and motor vehicles is driving demand for refrigerants, we are strengthening our supply capabilities and developing a sustainable business model. By establishing and expanding refrigerant plants in Malaysia in November 2023 and in Thailand and Indonesia in January 2024, we strengthened our local production and export capabilities. Furthermore, in response to tightening refrigerant regulations worldwide, we expanded the refrigerant recycling business, launched in cooperation with Daikin Malaysia in July 2024, to Indonesia, Thailand, and India in 2026, bringing the total number of countries to four, including Malaysia. We have established circular business models covering the entire process from refrigerant recovery through recycling and sale in Thailand and Malaysia, and are also proceeding with refrigerant recovery in Indonesia and India. We will continue to strengthen our refrigerant business, including recycled refrigerants, and contribute to realizing a circular society.

Expanding the metal processing business to enhance supply structures for growing markets

We operate multiple metal processing sites, primarily in Asia, with each site offering a range of processing capabilities, including iron and stainless steel wire processing, precision pressing, and insert molding. In Thailand, we acquired Bangkok Sanyo Spring Co., Ltd., a company specializing in precision pressing, in April 2025. By creating synergies with Bangkok Ai-Toa Co., Ltd., a wire processing company, we are strengthening our supply capabilities for components used in air conditioners and automotive electrical equipment, while expanding our metal processing business in the growing Southeast Asian market. In China, Zhongshan Iwatani Co., Ltd. has advanced automation through the introduction of robots, doubling its production capacity compared with FY2022. Zhongshan Kasatani Co., Ltd. continues to achieve stable growth, leveraging its strengths in advanced precision pressing and insert molding technologies. We will continue to strengthen our supply capabilities based on our advanced technologies and enhance our competitiveness in global markets.

Diversifying supply sources to build a structure that ensures the stable procurement of rare earths

In March 2025, we invested in Caremag SAS, a rare earth refining company in France, through Japan France Rare Earths Co., Ltd., a joint venture with the Japan Organization for Metals and Energy Security (JOGMEC), and concluded an agreement with Caremag on the long-term supply to Japan of 50% of the heavy rare earths it produces. Construction of Caremag's rare earth refining plant is proceeding smoothly, with commercial production scheduled to begin in early 2027. The product lineup has also been expanded to include elements essential for ceramics used in semiconductor-related and other applications, in addition to those used in magnets for EV motors and wind turbines. Alongside the construction of the plant, efforts are underway to diversify raw material sources through initiatives such as recycling rare earths from used magnets and securing ores from rare earth mines around the world. We will continue to strengthen the supply chain by ensuring a stable supply of rare earths and work to build a sustainable foundation that supports industry.

ESG

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Sustainability Initiatives

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society



Hiroshi Fukushima
Senior Managing Officer
Member of the Board
Responsible for Sustainability Management Department

Addressing social challenges through our business and realizing our corporate slogan, "Creation of a more comfortable space on the Earth is what Iwatani wishes and strives for"

Under our corporate slogan "Creation of a more comfortable space on the Earth is what Iwatani wishes and strives for," the Iwatani Group has developed businesses that support everyday living and industry, centered on the Gas & Energy business. While our businesses, including LPG, industrial gases, hydrogen, and materials, play an important role as social infrastructure, we understand that the use of energy and other resources in these businesses has certain impacts on the environment. In recent years, in addition to the growing impacts of climate change and increasing demand for resource recycling, geopolitical risks such as the situation in Ukraine and tensions surrounding the Strait of Hormuz have emerged, affecting the global energy landscape and economic activity. The global economy, community, and environment interact in complex ways, affecting the entire supply chain. Amid these changes, sustainability initiatives have become an important management priority for supporting sustainable corporate growth. Addressing sustainability is not only about mitigating risks; it also presents opportunities to create new value. By leveraging the Group's technologies and networks and promoting decarbonization, resource recycling, biodiversity conservation, and more resilient supply chains, we will both address social challenges and expand business opportunities. With the aspirations embodied in our corporate philosophy and corporate slogan as our foundation, we will continue to promote sustainability management that contributes to the realization of a sustainable society and the enhancement of corporate value.

Climate change response (p. 29)

The Iwatani Group is working toward its FY2030 target of reducing CO_2 emissions by 50% compared to FY2019. We also recognize the importance of contributing to reductions in CO_2 emissions by our customers and society as a whole to realize a carbon-free society. The hydrogen, biomass fuels, and materials and solutions that contribute to resource recycling supplied by the Group have the potential to contribute to decarbonization in various industries and regions. We will communicate more clearly the CO_2 emission reductions achieved through these businesses and thereby enhance corporate value.

Supply chain, human rights, etc. (p. 29)

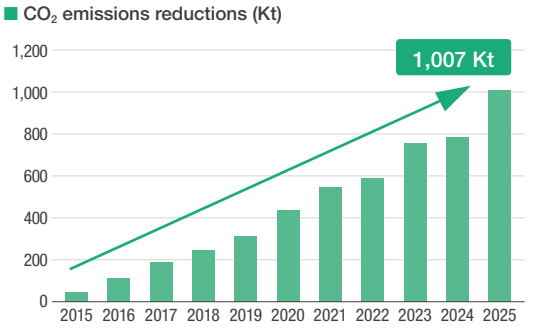
As part of our supply chain risk management, we analyze and assess human rights risks with input from external experts. Based on the results, we conduct CSR surveys of suppliers to identify risks and strengthen dialogue. In cooperation with our sales sections, we encourage suppliers considered to have potential risks to make improvements as we work to build sustainable supply chains.

Natural capital, biodiversity (p. 30)

Iwatani Group businesses are active in areas with deep connections to natural capital, including energy, resources, and materials. For this reason, understanding how our businesses depend on and impact nature is essential to sustainable business activities. We are currently identifying nature-related risks at the individual business and overseas site levels in line with the TNFD* framework. We will strive to balance biodiversity conservation with our business activities based on more in-depth studies in the future.

* Taskforce on Nature-related Financial Disclosures

Trend in Iwatani Group contributions to CO_2 emissions reductions



In FY2025, we contributed to reducing CO_2 emissions by approximately one million tons through fuel conversion to LPG and LNG, hydrogen supply for fuel cell vehicles and fuel cell buses, and expanded sales of biomass fuels (PKS), biomass PET resins, Hydrocut® premixed hydrogen cutting gas, and biomass PP resins. We will continue to actively expand sales and develop clean energy and other solutions, thereby contributing to the prevention of global warming.

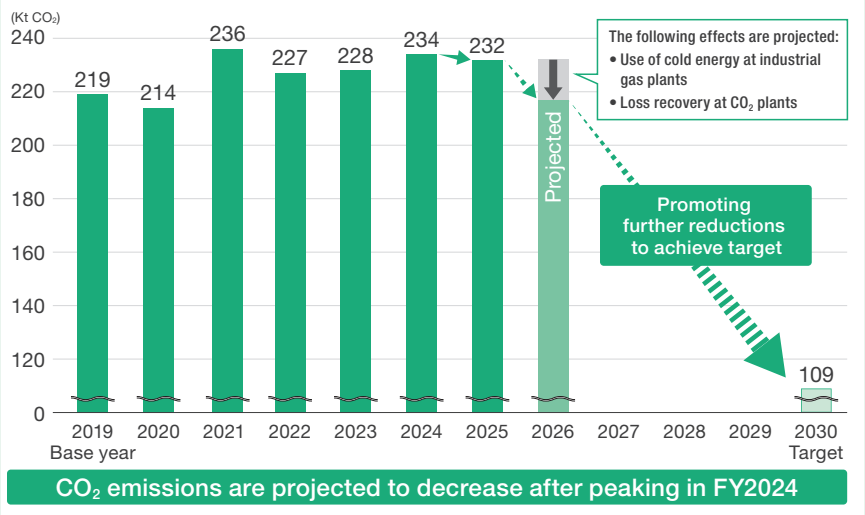
Sustainability Initiatives

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

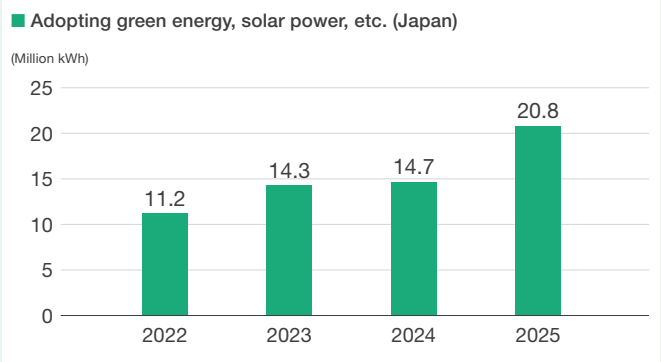
Environmental Management Web
TCFD Disclosure Web

Climate change response (CO_2 emissions)



The Iwatani Group's CO_2 emissions in Japan had been trending upward in line with business growth, but decreased by approximately 2,000 tons year on year in FY2025. From FY2026 onward, we expect to see the effects of energy-saving initiatives at industrial gas plants and reductions in losses during gas production through gas recovery.

We are also promoting decarbonization investments through the appropriate use of the internal carbon pricing system introduced in FY2024.



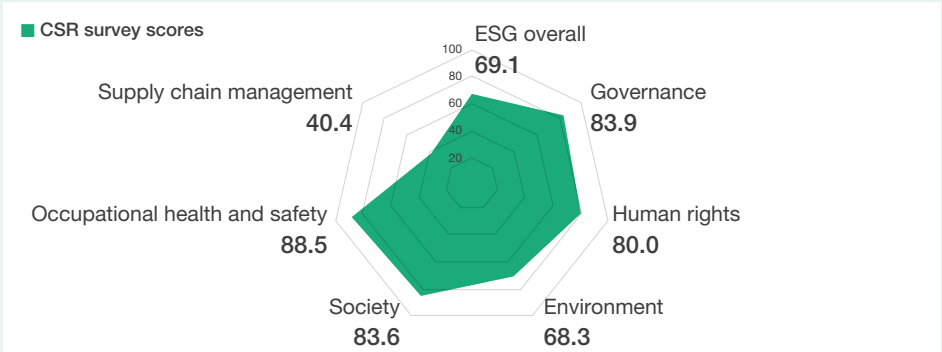
To achieve our FY2030 reduction target, we are installing solar panels at industrial gas plants and LPG centers, switching to green electricity at our facilities, and introducing stationary fuel cells. We are steadily expanding these initiatives and will continue to strengthen our efforts.

Supplier CSR surveys

Under the supervision of DOLBIX CONSULTING Inc., an external expert, we conducted a survey, analysis, and assessment of human rights risks, taking into account the products and materials we handle, the countries and regions from which we procure them, and other factors, with the aim of identifying and reducing human rights risks in our supply chain.

Based on the results, we conducted a CSR survey of 346 major suppliers and received responses from 233, representing a response rate of 67.3%. The survey examined suppliers' initiatives related to human rights, the environment, society, occupational health and safety, governance, supply chain management, and other areas. The results showed relatively high evaluations for initiatives related to governance, occupational health and safety, human rights, and society, while indicating room for improvement in supply chain management initiatives. (See chart at right.)

We will analyze the results of the preliminary human rights risk assessment together with the survey results and, as necessary, engage in dialogue with suppliers and conduct additional surveys to promote the development of a sustainable supply chain.



Source: Conducted using the Dataseed SAQ survey platform from Zeroboard Inc. Dataseed

Sustainability Initiatives

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

Locating points of contact with nature (identifying dependencies and impacts)

To advance our analysis of nature-related risks and opportunities associated with our Group's businesses in line with the TNFD LEAP approach, we used ENCORE, a nature-related risk assessment tool, to assess how our major businesses depend on natural capital and the potential impacts they may have on it.

Key: Impact

M	H	VH
Middle	High	Very High

Identifying points of contact with nature in the Iwatani Group's main businesses (high-impact businesses)

Iwatani Group businesses	Dependency on natural capital								Environmental impact										
	Groundwater	Surface water	Water cycle	Water quality	Natural materials such as fibers	Climate regulation functions	Natural defenses against floods and storms	Ground stabilization and erosion prevention	Nature disturbance	Use of freshwater ecosystems	GHG emissions	Use of marine ecosystems	Air pollution	Soil pollution	Wastes	Use of land ecosystems	Water pollution	Water use	Biological interference/ change
Energy Business						M	M	H	M	H	VH	H	M	H	H	H	H	H	
Industrial Gases Business	H	H					M		H		VH		H	H	H	H	H	H	
Mineral Sands Business	H	H	H			H		M	H	H	VH		H	H	H	VH	H	VH	M
Biomass Business (e.g., PKS)	M	M	M		VH		M				VH		H		H		H	H	

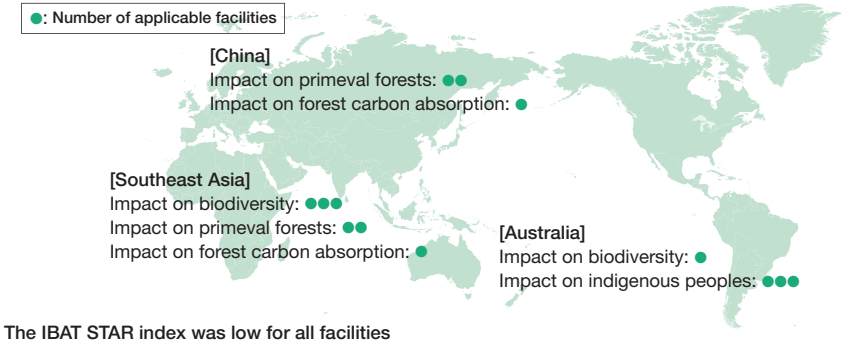
Results of ENCORE analysis showed that among our dependencies on natural capital (dependencies on ecosystem services), a tendency was observed that the biomass business, such as PKS, depends on nature-derived materials, while the mineral sands business relies on water supply services. In terms of our impacts on the environment, the Energy Business, Industrial Gases Business, Mineral Sands Business, and Biomass Business were all quite likely to generate major environmental impacts through GHG emissions and water use.

Analyzing the impact of overseas facilities on natural capital

To assess the impact of our overseas facilities on natural capital and biodiversity, the Group used the Integrated Biodiversity Assessment Tool (IBAT, a biodiversity database) and Global Forest Watch (an analytical tool for assessing nature-related information on forests and land use) to analyze nature-related information in areas surrounding plants and other major facilities. Through IBAT, we examined the distribution of endangered species and protected areas around our facilities, as well as the STAR metric (an indicator of the importance of conserving endangered species). Using Global Forest Watch, we assessed impacts related to land cover, biodiversity intactness, forests and plantation areas, lands held by indigenous peoples and local communities, and greenhouse gas emissions from forests.

The analysis found that some facilities in China, Southeast Asia, and Australia are located in proximity to areas of importance for nature, including protected areas, plantation areas, and lands held by indigenous peoples. Based on the results of this analysis, we will continue to identify risks and opportunities related to natural capital and biodiversity, taking into account the relationship between our businesses and areas of importance for nature, as well as the characteristics of our businesses, and use these insights to promote sustainable business activities.

Results of IBAT and Global Forest Watch analysis of Iwatani Group overseas facilities (plants etc.)



The IBAT STAR index was low for all facilities

Human Resource Strategy

Related Key Issues (Materiality)

Develop an environment and systems in which diverse human resources can thrive

▶ Occupational Health and Safety, Health and Productivity Management Web
▶ Human Rights Web



Kenji Takayama
Senior Managing Officer
Member of the Board
Responsible for Human Resources and General Affairs Department

Unlocking the potential of diverse individuals to drive organizational growth and value creation

Individual employees are the driving force for sustained value creation. Amid a dramatically changing business environment and social values, companies must create environments in which diverse human resources can demonstrate their abilities to the fullest and grow proactively. Medium-Term Management Plan PLAN27 identifies the Human Resource Strategy as an important pillar of its non-financial strategy, with the aim of creating a virtuous cycle that drives organizational growth through the acquisition, development, and success of human resources.

Promoting diversity and inclusion is an especially important theme within our Human Resource Strategy. We must actively recruit human resources with diverse values and backgrounds, regardless of differences in gender, age, nationality, or experience, and leverage their strengths to drive organizational growth. To empower women in the workplace, we are targeting a ratio of female managers of at least 10% in FY2027. As this ratio stood at 7.7% as of the end of FY2025, we must make further efforts to achieve our target. We are steadily promoting initiatives that include enhancing the recruitment of women for career-track positions, securing external human resources through mid-career hiring and other means, transfers from general staff to career-track positions, and creating opportunities for exchanging opinions and interacting with other companies.

We are also creating workplaces where people with disabilities can work alongside other employees and demonstrate their abilities. Our basic approach is for employees with disabilities to work alongside other employees in the same workplaces, instead of limiting their roles to support duties. In FY2024, we expanded opportunities by establishing, among other initiatives, a system that enables employees with disabilities to transfer to general staff positions if they are able to fully demonstrate their abilities in other duties, even when their disabilities place some limitations on certain duties.

In HR development, we are building systems to support autonomous career development, so that employees can grow proactively in line with their life plans and career goals. Using the Kobe Training Facility as a core HR development facility, we are focusing on developing highly specialized and skilled human resources by enhancing our training programs and promoting reskilling. One target for FY2027 is annual training costs of 150,000 yen per employee. By enhancing and bringing out the full potential of each employee, we aim to strengthen the organizational capabilities of the Company as a whole.

We are also focusing on building workplaces where employees can experience rewarding work. In addition to efforts to enhance psychological safety and employee engagement, we are promoting flexible work styles suited to different life stages. To help employees balance work with childcare, we are striving to increase the rate of childcare leave taken by male employees, and in FY2025 we achieved our target of 100%. In addition to publishing a childcare handbook and posting reports from employees who have taken childcare leave on the intranet as “Childcare Leave Reports from Dads,” in FY2025, we introduced a childcare leave support program that provides staffing or financial support to help cover the duties of employees taking childcare leave. We will continue our efforts to firmly establish a 100% childcare leave take-up rate. We will continue to enhance employee engagement and organizational vitality by creating an environment where employees can take on challenges with confidence and fully demonstrate their abilities.

We consider investment in human resources to be a foundation for strengthening business competitiveness and creating innovation, ultimately contributing to medium- to long-term increases in corporate value. Our goal is to develop an environment in which employees can grow while respecting one another as diverse individuals and helping one another grow. We aim to firmly establish a cycle of organizational growth through the acquisition, development, and success of human resources, remain an attractive company for employees, and continue providing new value to society through the development of our businesses.

Targets and Progress

Targets of the Non-financial Strategies (Human Resource Strategy)

Indicators	FY2023 results	FY2024 results	FY2025 results	FY2027 targets
Ratio of female managers	6.9%	7.8%	7.7%	10% or higher
Annual training costs per employee	¥118,000	¥138,000	¥149,000	¥150,000
Rate of childcare leave taken by male employees	55.9%	73.5%	100%	100%

* Figures shown are for Iwatani Corporation on a nonconsolidated basis.

Human Resource Strategy

Related Key Issues (Materiality)

Develop an environment and systems in which diverse human resources can thrive

Initiatives



Networking event for female managers across the Group



Childcare reports prepared by employees taking childcare leave / Pre-childcare-leave meeting with a male employee



Networking event across departments and generations

Promoting diversity and inclusion to be an organization where diverse human resources can demonstrate their abilities

Under the slogan “Toward an organization of acceptance of and mutual respect for diverse values,” we position diversity and inclusion as an important management priority. To link the success of our diverse human resources to organizational growth, we are striving to support flexible workstyles suited to different life stages, including empowering women and encouraging men’s participation in childcare. For example, in addition to enhancing our systems and programs, we are promoting training and raising awareness at each level of the organization to create an environment in which each employee can demonstrate their abilities.

In December 2025, we held a networking event for female managers across the Group. Through career planning and the sharing of challenges, the event helped participants build connections across the Group. It was well-received by the participants, who commented “It was meaningful to learn that others have similar concerns and challenges” and “Each of the diverse perspectives shared was a learning experience.” We plan to hold the event regularly while also considering expanding the range of participants. We are also focusing on male participation in childcare. We support employees taking childcare leave by providing childcare information to and meeting with employees who are expecting children. In addition, in FY2025 we introduced the childcare leave support program with the aim of increasing the rate of childcare leave taken by male employees, and achieved a rate of 100%. To ensure that the 100% rate becomes firmly established, we will promote an organizational culture in which employees feel comfortable taking childcare leave by raising awareness among managers and developing appropriate work support systems.

Engagement surveys and workplace improvements to enhance organizational strength through a better work environment

We continue to undertake semiannual engagement surveys to visualize each employee’s sense of fulfillment at work and identify organizational issues in order to improve the workplace. We employ a cycle of feedback and action plan formulation and execution at the departmental level, with the effectiveness of these actions assessed in the subsequent survey. We also share successful practices and provide ongoing support to departments facing challenges as part of our efforts to improve the workplace.

In June 2025, the Tokyo head office relocated to Hamamatsucho, greatly improving the workplace environment. The move into a bright, open, highly functional new office space has also led to higher engagement scores since relocation. The floor design minimizes the presence of pillars so that employees can see one another, and each floor has collaboration areas where employees can work away from their desks. This has encouraged spontaneous interactions among employees and enhanced communication across departments. Other efforts to help employees build connections across departments and generations include new monthly gatherings for employees to interact with one another. We also opened a new training center in Kobe in 2024, where we are enhancing training opportunities and promoting interaction across departments and generations to develop human resources and revitalize the organization. We will continue to boost organization-wide vitality and engagement by pursuing a better work environment.

Technology Strategy

Related Key Issues (Materiality)

Promote innovation with the use of technologies and expertise

Basic Policy

Enhancing the technological & safety capabilities essential to the growth of the Gas & Energy businesses

Key to growing our core Gas & Energy businesses and leveraging our strengths in the hydrogen business is enhancing our technological and safety capabilities. Toward this end, we have set out a technology strategy as one of our non-financial strategies. We are striving to leverage our technological capabilities and engineering functions; to pass down and further enhance our technological capabilities; and to improve our earning power by leveraging intellectual property. By leveraging our technological and safety capabilities, we operate our day-to-day businesses more safely and efficiently and propose solutions that accurately address customer needs, thereby creating new businesses and new value.



Welding robots (Iwatani R&D Center)



Liquid hydrogen experimental equipment (Iwatani Advanced Hydrogen Technology Center)



Iwatani Technology and Safety University



Hydro Edge, liquid hydrogen production plant

Three themes of Technology Strategy

Technological capabilities

Establishing a competitive advantage through technological development and the accumulation and application of knowledge

- Acquire knowledge and experience through the in-house academy
- Promote Gas & Energy businesses by leveraging technological capabilities
- Pass down safety technologies and expertise accumulated through gas production, transportation, and other operations

IP strategy

Improving profitability by drawing on IP and alliances

- Secure a competitive advantage by bringing research results to market
- Strengthen alliances by leveraging the Company's own intellectual property
- Create business opportunities by leveraging the Company's intellectual property

Specialization

Creating value by developing highly skilled people, advancing technology, and strengthening collaboration

- Advance joint efforts within the Iwatani Group to develop a liquid hydrogen supply chain
- Acquire expertise to respond quickly to market needs
- Develop diverse talent and pass down technologies and expertise

Enhancing technological and safety capabilities to strengthen competitiveness, support safety, efficiency, and trust, and create new value

Technology bases

Iwatani R&D Center
R&D facility for advanced technologies

Iwatani Advanced Hydrogen Technology Center
Development of hydrogen supply chain technology

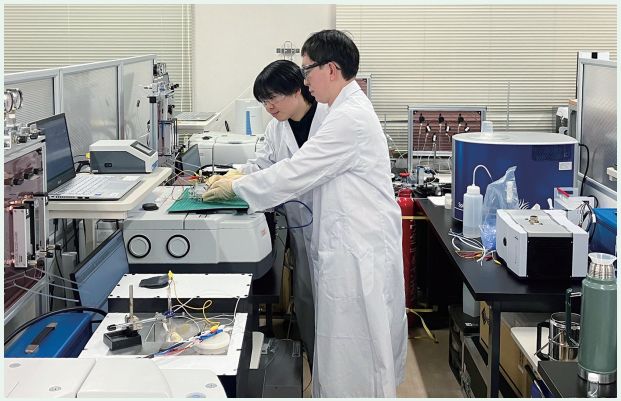
Iwatani Technology and Safety University
Developing talent in technology and safety and passing down knowledge

Technology Strategy

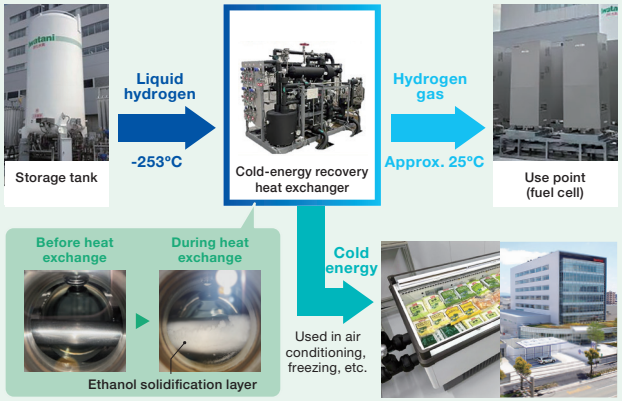
Related Key Issues (Materiality)

Promote innovation with the use of technologies and expertise

Initiatives



Experiment at the joint research lab with Osaka University



Overview of liquid hydrogen cold energy recovery and utilization



Green LPG pilot production facility

Framework for academic collaboration with Osaka University to support and accelerate R&D in new fields

As business domains expand across industries and fields, the Iwatani R&D Center and the Iwatani Advanced Hydrogen Technology Center are expanding their research teams and accelerating efforts to explore new technological fields and develop new materials. As part of our efforts to promote R&D in fields where we have no prior experience, we began academic collaboration with Osaka University in FY2025. In preparation for further advances in technological development, this academic collaboration aims to develop our researchers by drawing on the university's extensive knowledge and expertise in new fields where we currently lack highly specialized personnel. The collaboration also aims to motivate our researchers by supporting them in obtaining academic degrees, while helping us attract research talent, including doctoral graduates. Through these efforts, we will further strengthen our technological foundation.

Demonstration begins for Japan's first technology to recover and utilize cold energy from liquid hydrogen

In Japan, we currently hold a 100% market share for liquid hydrogen, which is used across a wide range of fields. To date, the cold energy generated during evaporation has simply been dispersed into the atmosphere. Since 2022, the Iwatani Advanced Hydrogen Technology Center has partnered with Obayashi Corporation to conduct research on the utilization of this cold energy and has developed a new heat exchange technology capable of reliably recovering cold energy even at extremely low temperatures. We initiated Japan's first demonstration using this technology, with liquid hydrogen supplied to fuel cells serving as a source of cold energy to produce chilled water for building air-conditioning systems and cool refrigeration equipment. The demonstration has confirmed that approximately 90% of the cold energy can be recovered, helping to reduce power consumption. We will explore the use of this cold energy in industrial applications requiring even lower temperatures, such as liquid CO_2 production and air separation, with the aim of establishing technology that contributes to greater energy efficiency across the entire liquid hydrogen supply chain.

Testing green LPG for practical application toward carbon neutrality

The development of green LPG synthesized from non-fossil fuel resources has become a key priority for the LPG industry in advancing decarbonization. The Iwatani Advanced Hydrogen Technology Center is studying the use of green LPG produced in connection with sustainable aviation fuel (SAF) by Cosmo Energy Holdings and developing technologies for producing green LPG from bio-alcohol materials.

In August 2025, we installed a bench-scale green LPG pilot production facility that synthesizes LPG by adding hydrogen to olefin-based hydrocarbons, marking the start of full-scale technology verification. We are verifying the production process and product quality with a view to commercial-scale production, including by liquefying the synthesized LPG, filling commercially available cylinders, and evaluating it for potential household use. Through these efforts, we aim to achieve carbon neutrality in LPG by 2050.

Safety and Security Initiatives

As an enterprise engaged in business along the axes of Gas and Energy, Iwatani recognizes the importance of safe supply of LPG and industrial gases to customers, ensuring that they can use them with peace of mind. We consider safety itself to be the core of our business operations, and we focus on safety initiatives accordingly.

Initiatives



Drone inspection of the top of the ground flare at an Iwatani liquid gas terminal



Training in safety technologies for non-destructive testing



Developing video-based safety manuals

Expanding the adoption of safety systems and enhancing disaster response capabilities

We are enhancing our safety management systems by leveraging digital technologies to support the safe operation of our businesses, including our gas businesses. The Center Safety System monitors and analyzes facilities in real time, and the number of locations using the system in Japan increased from 140 in FY2024 to 161 in FY2025. The number of overseas locations using the system grew from three to eight, primarily in Southeast Asia. Each center is equipped with seismographs and systems that receive meteorological data, strengthening our ability to respond to increasingly severe natural disasters. In the event of an earthquake, the system rapidly gathers information and enables information to be quickly shared with at-risk areas and evacuation instructions and other necessary measures to be promptly issued. We also use drones at large-scale terminals to assess conditions during disasters and inspect areas that are difficult to access. We are exploring new technologies, including automated drone flights, to improve operational efficiency while ensuring safety. Through these initiatives, we are making facility management smarter and steadily strengthening the infrastructure that supports safe business operations.

Enhancing the Group's safety management systems

We are working to strengthen our Groupwide safety management systems by 2030. We analyze data collected from each facility to build systems that enable maintenance to be performed before abnormalities occur. We use the infrastructure developed through digitalization of operations to prevent accidents, address labor shortages through automation and greater operational efficiency, and strengthen our safety capabilities. We are also raising safety standards across the Group by applying expertise accumulated through years of handling high-pressure gases to plant management in businesses other than gas. We recognize that maintaining and further improving safety standards also requires us to pass on the safety-related knowledge and expertise accumulated by experienced technicians to the next generation. In addition to passing on onsite skills through training, we use images and videos to record and verify onsite procedures, helping us standardize safety technologies and develop manuals. Through digital transformation (DX) in safety management, we will build robust safety management systems for the next generation.

Corporate Governance

Related Key Issues (Materiality)

Develop more transparent governance

Based on its corporate philosophy, "Become a person needed by society, as those needed by society can prosper," Iwatani strives to reinforce corporate governance by enhancing management soundness, transparency, and efficiency.

Basic Policy

1. We will create an environment that allows shareholders to exercise their rights properly and will endeavor to ensure equality among shareholders.
2. We will respect the rights and positions of employees, customers, business partners, creditors, local communities and other stakeholders and endeavor to collaborate with them properly.
3. We will make appropriate disclosure in accordance with legislation. For the purpose of ensuring transparency, we will endeavor to offer information other than the information to be disclosed pursuant to the legislation.
4. We will make impartial, transparent and swift decisions in an effort to ensure that the Board of Directors will properly fulfill its functions and duties.
5. We will endeavor to hold constructive dialogue with shareholders for continuous growth and increase in corporate value.

Business Execution and Oversight System

[Board of Directors]

Responsible for Iwatani's business decision-making and oversight, the Board of Directors consists of 12 members (including four Outside Members of the Board). Together with swift, appropriate decision-making and oversight based on comprehensive and active deliberation in the Board of Directors, the Outside Members of the Board strengthen the functions of the Board by enhancing and improving the transparency of decision-making and the effectiveness of oversight from standpoints independent of company management and based on extensive experience and knowledge of corporate governance.

[Executive officer system]

Iwatani strives to stimulate the activities of the Board of Directors by introducing the posts of executive officers to speed up decision-making and delegate authority. In accordance with management policies decided on by the Board of Directors, executive officers are delegated authority by the representative member of the Board to devote themselves to business execution in compliance with relevant instructions and orders. Through adopting this system, we are promoting more efficient management by enhancing decision-making on corporate strategies and oversight functions by the Board of Directors.

[Board of Corporate Officers]

Once a month, Iwatani's Board of Corporate Officers, whose membership consists of full-time Members of the Board, executive officers, and full-time corporate auditors, meets to share information and facilitate communication in addition to deliberating on important matters related to business execution.

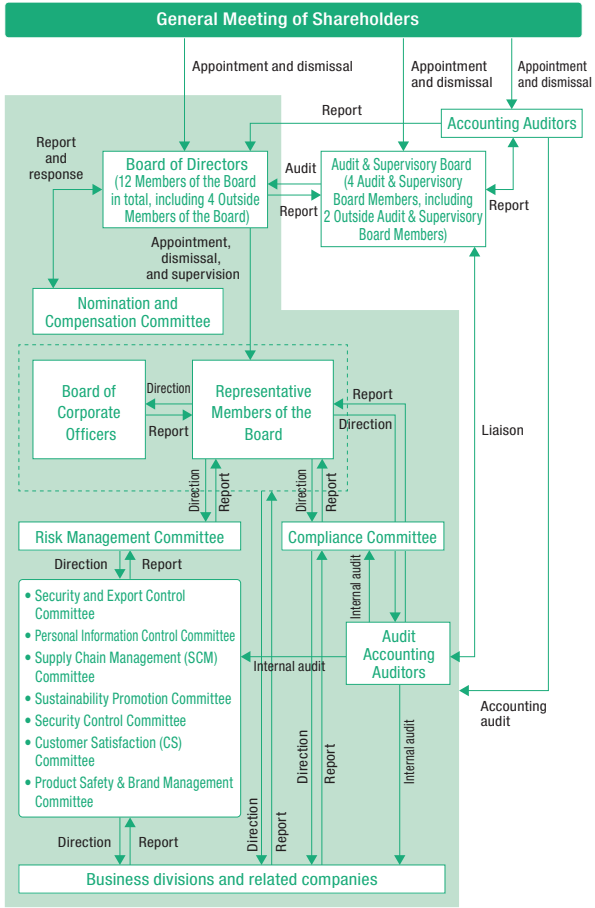
[Nomination and Compensation Committee]

Iwatani has established a voluntary Nomination and Compensation Committee as an advisory body to the Board of Directors. This body consists of three or more Members of the Board, a majority of whom, including the chair, are Outside Members of the Board. The goal is to enhance fairness, transparency, and objectivity in procedures related to decision-making on the appointment and dismissal of Members of the Board, the appointment of Audit & Supervisory Board Members, and compensation of Members of the Board and to strengthen corporate governance, based on the report by this Committee.

▸ Corporate Governance Report Web

▸ Corporate Officers Web

Corporate Governance Structure



Corporate Governance

Related Key Issues (Materiality)



Audit System

Iwatani has adopted a company structure with an Audit & Supervisory Board. The Audit & Supervisory Board consists of four members (including two Outside Audit & Supervisory Board Members). Full-time Audit & Supervisory Board Members attend meetings of the Board of Directors and the Board of Corporate Officers and other important meetings, and Outside Audit & Supervisory Board Members attend Board of Directors meetings to ensure full oversight of the execution of duties by Members of the Board. Audit & Supervisory Board Members are appointed with a focus on matters such as their specialized knowledge of finance, accounting, and law and their knowledge and experience related to our businesses. Outside Audit & Supervisory Board Members in particular are appointed based on the requirements for independent officers identified by Financial Instruments Exchanges. In this way, our audit system is based on multifaceted perspectives.

The Audit Department has been established to conduct internal audits. Its periodic internal audits, implemented in close cooperation and communication with Audit & Supervisory Board Members consider whether the business activities throughout the Company are being performed appropriately and efficiently.

Risk Management System

The Iwatani Group has established a Risk Management Committee to ensure integrated management of risks across all Group companies. Specialized individual committees set up beneath the Risk Management Committee address plant safety, export control risks, and other major anticipated risks to allow comprehensive countermeasures to corporate risks, both apparent and potential.

The Risk Management Committee holds regular meetings overseen by the chairperson, reports to management on the meetings, and strives to manage risks groupwide, including risks related to compliance with applicable laws and regulations. Special individual committees meet regularly to monitor the status of compliance and efforts related to the risks. The individual chairpersons of these committees report on the content of their meetings to the Risk Management Committee.

Compliance

The Compliance Committee is set up under the direct authority of the President and CEO to further strengthen compliance and publicize and raise awareness of the Iwatani Code of Corporate Ethics. It identifies compliance issues and promotes improvements to enhance Groupwide compliance systems.

Matters confirmed and discussed within the Compliance Committee are reported to management and any improvement measures necessary are taken to further raise the efficacy of compliance management.

[Iwatani Code of Corporate Ethics]

In 1998 we established the Iwatani Code of Corporate Ethics as “a norm to be observed in all aspects of business activities on the basis of sharing the corporate philosophy, morality and values among management team members and employees in the Group.” We publicize this code throughout the company and Group companies to raise awareness of compliance groupwide, and also revise the Iwatani Code of Corporate Ethics to reflect recent changes in the social conditions in which we do business as well as amendments in laws and regulations.

[Internal whistleblowing program]

We have also established a whistleblowing program to enhance compliance through the rapid discovery and rectification of improper actions. We have established a structure whereby reports from employees and others concerning organizational or individual actions in violation of laws or regulations can be addressed properly. Under this system, the Compliance Committee investigates the facts of the matters reported and, as necessary, takes swift corrective and preventive action. Contact points for whistleblowing reports from employees and others have been set up both inside and outside the company. Response is based on advice from independent experts. Rules prohibiting retributive and disadvantageous treatment safeguard the rights of whistleblowers.

[Internal awareness raising activities]

We strive to raise compliance awareness by sharing the corporate philosophy, ethics, and values and implementing compliance training under the Iwatani Code of Corporate Ethics. The training is delivered by lawyers, covering topics such as the Antimonopoly Act, to ensure that participants fully understand the importance of compliance.

Executive Remuneration

Iwatani’s executive remuneration consists of fixed remuneration, bonuses (performance-linked compensation), and share-based compensation. An annual maximum of ¥1.8 billion (including up to ¥200 million to Outside Member of the Board) in fixed compensation and bonuses for Directors was approved by the Annual General Meeting of Shareholders held June 21, 2023. (This excludes compensation for Directors serving concurrently in employee posts.) An annual maximum of ¥300 million in compensation for Audit & Supervisory Board Members was approved by the general meeting of shareholders held June 26, 2012. Iwatani has established the Nomination and Compensation Committee, a majority of whose membership consists of Outside Member of the Board, to ensure the fairness, transparency, and objectivity of procedures related to Director compensation. Total compensation must conform to the above limits. Of these, decisions on fixed compensation and bonuses for individual Directors are delegated by the Board of Directors to Chairman, Vice Chairman, and President with the Nomination and Compensation Committee serving in an advisory role. Decisions concerning compensation for Audit & Supervisory Board Members are made through consultations among Audit & Supervisory Board Members. As share-based compensation, the June 19, 2019 general meeting of shareholders approved the adoption of compensation in the form of transfer-restricted shares. The Board of Directors makes decisions on the specific timing and numbers of shares allocated up to the authorized maximum limit (¥260 million annually); the Nomination and Compensation Committee fulfills an advisory role in this decision-making process.

Corporate Governance

Related Key Issues (Materiality)



Evaluating the Efficacy of the Board of Directors

In March 2026, we surveyed all Members of the Board about the Board's efficacy. The findings were analyzed, assessed, and reported to a meeting of the Board in May 2026. The method and results of evaluation of the Board's efficacy in FY2025 are outlined below. We will continue striving to make the Board even more effective through regular analysis and evaluation of its efficacy.

FY2025 initiatives

- Advancing the timing of prior distribution of reference materials for Board of Directors meetings, and clarifying summary and supplementary materials
- Enhancing prior explanations of agenda items to be deliberated at Board of Directors meetings to Outside Members of the Board and Outside Audit & Supervisory Board Members, and sharing with internal Members of the Board any questions, comments, and other feedback provided during the prior explanations
- Providing opportunities for explanations to Outside Members of the Board and Outside Audit & Supervisory Board Members to improve their understanding of business operations, and conducting tours of affiliates
- Sharing the status of IR activities and investors' and shareholders' questions and opinions
- Reporting on progress toward the CO_2 reduction target for FY2030

Evaluation

Date: March 2026
Subjects: All 12 Members of the Board and four Audit & Supervisory Board Members
Method: Survey format prepared by an external agency, on a five-point scale
Evaluation items:

1. Board of Directors composition and operation
2. Management strategies and business strategies
3. Corporate ethics
4. Risk and crisis management
5. Monitoring of business results, management team evaluation and compensation
6. Dialogue with shareholders and others

Evaluation results

With generally positive evaluation results in all items, it is confirmed, as in the previous fiscal year, that the effectiveness of the Board of Directors has been secured overall.

Efforts to further improve efficacy

We are implementing the following initiatives to make the Board more effective with regard to the individual issues identified in FY2025:

1. Implementing efforts to enhance deliberations on management strategy and other topics and ensure thorough linkage to the Medium-Term Management Plan
2. Regular information provision to the Board and deliberation on market evaluations from financial results briefings etc.

Messages from Outside Members of the Board

Related Key Issues (Materiality)

Develop more transparent governance



Shosuke Mori

Outside Member of the Board, Chairperson, Nomination and Compensation Committee

April 1963 Joined The Kansai Electric Power Co., Inc.
June 1997 Member of the Board, The Kansai Electric Power Co., Inc.
June 2005 President and Representative Director, The Kansai Electric Power Co., Inc.
June 2010 Chairman and Representative Director, The Kansai Electric Power Co., Inc.
June 2019 Member of the Board, the Company (current position)

As a result of dramatic changes in the business environment, companies need to adapt swiftly and flexibly. To enable such adaptation, a bottom-up perspective is vital, in which proposals and new challenges from the front lines, in addition to the leadership of top management, are incorporated into companywide strategy. I believe that leveraging the strengths Iwatani has built over the years, while incorporating the knowledge and ideas of those on the front lines into strategy and steadily executing that strategy, will be an important driver of future growth.

It is also important to continuously pursue companywide reforms in areas such as HR development, organizational culture, decision-making processes, and mechanisms that encourage cross-functional discussions, in order to foster an environment in which diverse proposals and new challenges emerge autonomously from the front lines. As chairperson of the Nomination and Compensation Committee, I recognize the need to further deepen discussions within the committee and enhance its effectiveness in developing the human resources and strengthening the management foundation needed to support the Company's future. I intend to continue contributing to increasing corporate value over the medium to long term through frank and constructive recommendations from an independent perspective as an Outside Member of the Board.



Hiroshi Sato

Outside Member of the Board Member, Nomination and Compensation Committee

April 1970 Joined Kobe Steel, Ltd.
June 1996 Member of the Board, Kobe Steel, Ltd.
April 2009 President, Kobe Steel, Ltd.
April 2013 Chairman, Kobe Steel, Ltd.
April 2018 Advisor, Kobe Steel, Ltd. (current position)
June 2021 Member of the Board, the Company (current position)

Iwatani's business results were adversely affected by factors including weaker helium market conditions. Companies need to respond swiftly and flexibly to changes in the business environment. While Iwatani has the ability to move forward toward challenging goals, I believe there is still room to improve its ability to respond when unforeseen issues arise in the course of executing its businesses. It will be important to make business plans more achievable by considering multiple scenarios from the planning stage and thoroughly examining how to respond to each of them.

I also believe that collaboration and integration are essential perspectives for achieving sustainable growth. In addition to collaboration across functional boundaries, such as between engineering and sales, it will become increasingly important to develop businesses by leveraging both our manufacturing and trading-company capabilities. I feel that business units combining these capabilities are already beginning to take shape within the Company and I expect areas such as hydrogen, Industrial Gases & Machinery, Materials, and our research institutes to grow significantly as businesses that drive such collaboration and integration. As an Outside Member of the Board, I will continue to contribute to sustainable growth by objectively assessing the challenges facing the Company and expressing my views from an independent perspective.

Messages from Outside Members of the Board

Related Key Issues (Materiality)

Develop more transparent governance



Hiroyuki Suzuki

Outside Member of the Board
Member, Nomination and Compensation Committee

August 1980	Joined Maruichi Steel Tube Ltd.
June 1983	Member of the Board, Maruichi Steel Tube Ltd.
April 2003	President, Maruichi Steel Tube Ltd.
June 2013	Chairman and CEO, Maruichi Steel Tube Ltd. (current position)
June 2022	Member of the Board, the Company (current position)

The Medium-Term Management Plan is a key guide that shows stakeholders the direction of the Company's growth. With the third year of PLAN27 now complete, I believe that each business division is making progress in implementing strategies based on the policies set out in the plan. However, due to significant changes in the business environment, there are some areas in which business results cannot be said to be progressing as smoothly as expected. This is why it is important to share the direction for growth across the Company and steadily continue our efforts toward that goal. It's difficult to accurately foresee changes in the external environment, such as rising tensions in the Middle East, but these changes may present not only risks but also growth opportunities, depending on the business. We therefore need to respond from multiple perspectives. In LPG, diversification of procurement, including from the United States, has produced certain positive results, and together with our domestic storage capabilities and distribution network, this represents one of Iwatani's competitive advantages. I look forward to seeing the Company leverage these strengths to achieve growth by expanding its market share.

As an Outside Member of the Board, I will continue to contribute to increasing corporate value by assessing the appropriateness of risk evaluations and business outlooks at Board meetings and providing diverse perspectives from an independent standpoint.



Yuki Saito

Outside Member of the Board
Member, Nomination and Compensation Committee

October 2006	Registered as an attorney Joined Sakura Law Office
January 2012	Partner, Sakura Law Office (current position)
October 2015	Part-time judge (domestic relations conciliator)
June 2023	Member of the Board, the Company (current position)

Scandals at listed companies in recent years have made it even more important to increase the effectiveness of internal whistleblowing systems. Iwatani operates a Groupwide whistleblowing system, which has both internal and external contact points and safeguards for the rights of whistleblowers. I believe it is important to continuously monitor how the system is operating and whether appropriate action is being taken following reports in order to enhance its effectiveness. In addition to maintaining this system, preventing misconduct requires an open organizational culture in which people can exchange opinions candidly within the Company and their respective departments. Iwatani's management constantly communicates its firm stance that misconduct will not be tolerated, and I understand that Outside Members of the Board are provided with the necessary information through the Board of Directors and other channels.

To build a still more open corporate culture, I believe it is important to create an environment in which employees can express their own ideas and take on new challenges without undue fear of failure. I expect that providing more opportunities for younger employees to thrive and strengthening organizational vitality will lead to sustainable increases in corporate value.

Executive Officers As of June 17, 2026

❶ Years in office as a Member of the Board (years)
❷ Shares of Company stock held (shares)
❸ Board of Directors meetings (attended/held)

Members of the Board



Akiji Makino
Chairman

❶ 36
❷ 303,866
❸ 16/16



Toshio Watanabe
Vice Chairman

❶ 30
❷ 213,491
❸ 16/16



Hiroshi Majima
President & CEO

❶ 14
❷ 109,127
❸ 16/16



Manabu Tsuyoshi
Senior Managing Officer
Member of the Board

❶ 6
❷ 49,681
❸ 16/16



Hiroshi Fukushima
Senior Managing Officer
Member of the Board

❶ 4
❷ 26,939
❸ 16/16



Kenji Takayama
Senior Managing Officer
Member of the Board

❶ 2
❷ 32,613
❸ 16/16

Newly appointed



Kenji Motoori
Senior Managing Officer
Member of the Board

❶ —
❷ 16,097
❸ —



Kazumasa Terada
Managing Officer
Member of the Board

❶ 1
❷ 3,302
❸ 13/13

Outside Independent



Shosuke Mori
Outside Member of the Board

❶ 7
❷ 16,412
❸ 16/16

Outside Independent



Hiroshi Sato
Outside Member of the Board

❶ 5
❷ 18,992
❸ 16/16

Outside Independent



Hiroyuki Suzuki
Outside Member of the Board

❶ 4
❷ 18,540
❸ 16/16

Outside Independent



Yuki Saito
Outside Member of the Board

❶ 3
❷ 1,787
❸ 15/16

* ❷ Shares of Company stock held are current as of March 31, 2026. * ❸ Board of Directors meetings attended are for the fiscal year ended March 31, 2026.

Executive Officers As of June 17, 2026

❶ Years in office as an Audit & Supervisory Board Member (years)
❷ Shares of Company stock held (shares)
❸ Board of Directors meetings (attended/held)

Audit & Supervisory Board Members



Toyofumi Ohama
Audit & Supervisory Board Member (Full-time)
❶ 18
❷ 95,331
❸ 16/16



Naoki Iwatani
Audit & Supervisory Board Member (Full-time)
❶ 4
❷ 87,149
❸ 16/16



Outside Independent

Yoshinori Shinohara
Audit & Supervisory Board Member (Outside)
❶ 11
❷ 33,540
❸ 16/16



Outside Independent

Yasushi Yokoi
Audit & Supervisory Board Member (Outside)
❶ 5
❷ 14,089
❸ 16/16

* ❷ Shares of Company stock held are current as of March 31, 2026. * ❸ Board of Directors meetings attended are for the fiscal year ended March 31, 2026.

Skill Matrix

		Corporate management	Financial accounting	Legal affairs / risk management	HR / talent development	Sales / marketing	Global	R&D	Production engineering	ESG / sustainability	IT / digital
Chairman	Akiji Makino	●		●		●	●			●	
Vice Chairman	Toshio Watanabe	●	●	●	●						
President & CEO	Hiroshi Majima	●		●		●	●			●	●
Member of the Board	Manabu Tsuyoshi					●	●	●	●	●	
Member of the Board	Hiroshi Fukushima			●				●	●	●	
Member of the Board	Kenji Takayama			●	●	●				●	●
Member of the Board	Kenji Motoori					●	●			●	
Member of the Board	Kazumasa Terada		●			●				●	
Outside Member of the Board	Shosuke Mori	●				●	●			●	
Outside Member of the Board	Hiroshi Sato	●						●	●	●	
Outside Member of the Board	Hiroyuki Suzuki	●				●	●			●	
Outside Member of the Board	Yuki Saito			●	●					●	

Skill	Grounds for skill selection
Corporate management	Based on the importance of corporate management experience and knowledge to increase corporate value and promote sustained growth, in the course of developing businesses centered on Gas and Energy extensively in Japan and overseas, as a company needed by society
Financial accounting	Based on the importance of specialized experience and knowledge in the fields of finance, accounting, and taxation to ensure financial soundness, investment in sustained growth, and rising corporate value
Legal affairs / risk management	Based on the importance of specialized experience and knowledge in law and risk management to enhance compliance management and strengthen the risk management structure
HR / talent development	Based on the importance of experience and knowledge concerning matters such as HR development, appropriate placement, diversity, and workstyles to enable human resources—the source of sustained value creation—to demonstrate their individual capabilities to the fullest
Sales / marketing	Based on the importance of professional sales experience and marketing knowledge in each business field to meet the increasingly diverse needs of customers and markets
Global	Based on the importance of overseas business management experience and knowledge of international affairs, economics, and culture in developing businesses in each overseas region based on its distinguishing features
R&D	Based on the importance of experience in and knowledge of technology and R&D for business development leveraging technological strategies and R&D centering on Gas and Energy
Production engineering	Based on the importance of experience in and knowledge of gas production, filling, and safety management to strengthen Gas and Energy handling technologies, engineering capabilities, and safety systems
ESG / sustainability	Based on the importance of experience in and knowledge of solutions to environmental and social issues to practice sustainable management reflecting environmental, social, and corporate governance perspectives in growth strategies
IT / digital	Based on the importance of experience in and knowledge of information technologies and digital transformation (DX) to achieve the digitalization, business efficiency improvements, and information security enhancements needed for business transformation

Business Segment Strategies

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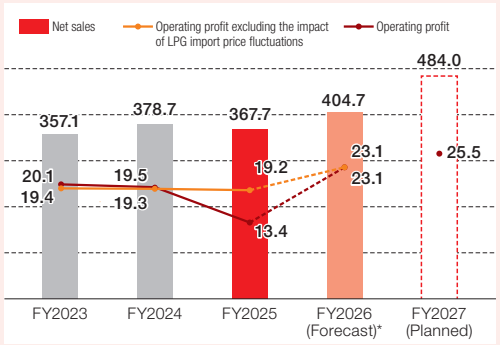
P.44 Business Segment Results / PLAN27 Targets and Progress
P.45 Integrated Energy Business
P.47 Industrial Gases & Machinery Business
P.50 Materials Business

Business Segment Results / PLAN27 Targets and Progress

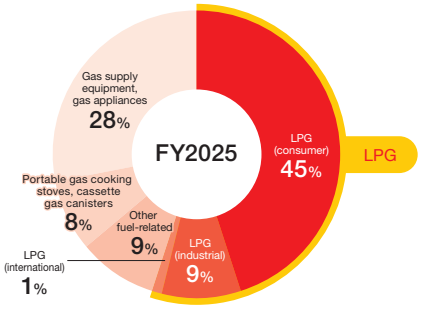
Integrated Energy Business

Trends in net sales and operating profit (¥ billion)

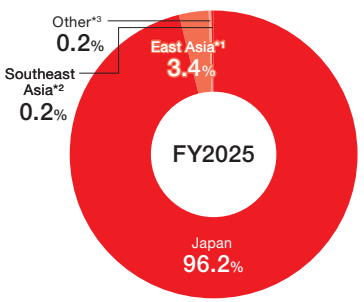


* Two consolidated subsidiaries were reclassified from other businesses.

Net sales composition



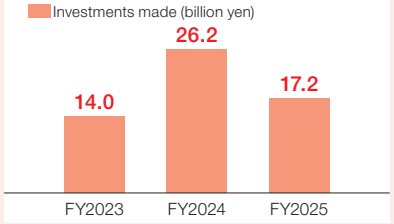
Net sales composition by region



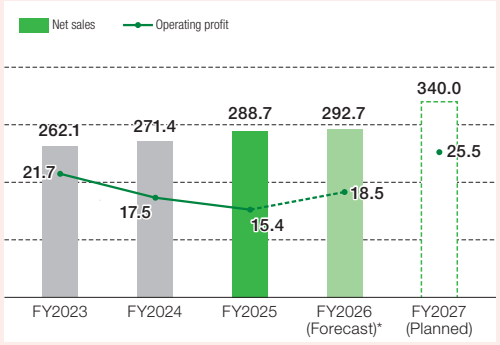
Amounts invested

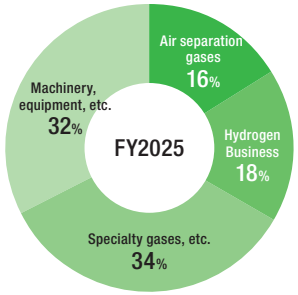
Five-year cumulative total: ¥70.0 billion

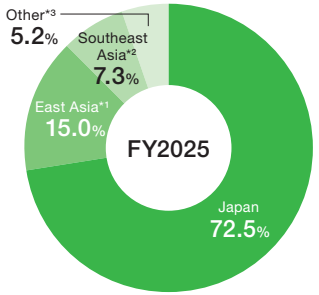
FY2023-2025 results ¥57.5 billion



Industrial Gases & Machinery Business

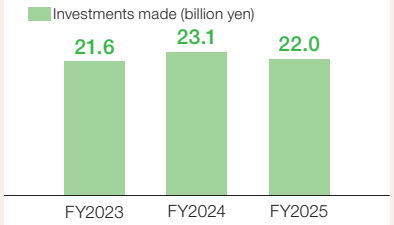




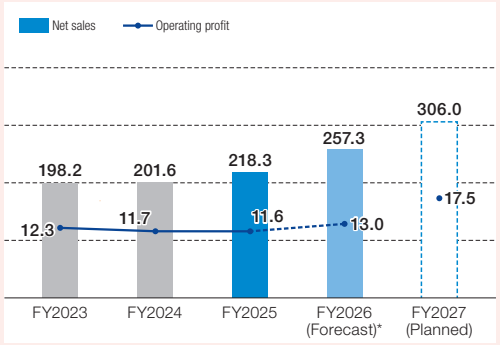


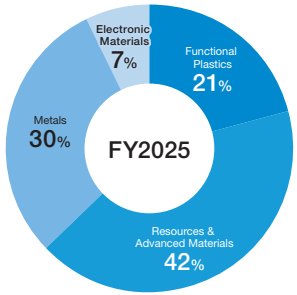
Five-year cumulative total: ¥270.0 billion

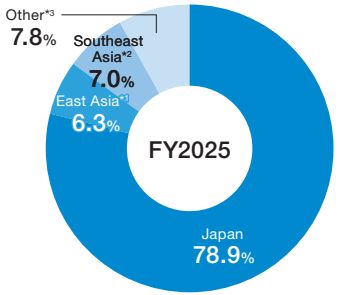
FY2023-2025 results ¥66.8 billion



Materials Business

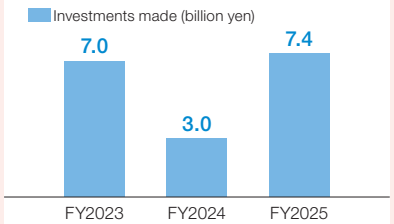






Five-year cumulative total: ¥60.0 billion

FY2023-2025 results ¥17.5 billion



*1: China, Taiwan, South Korea
*2: Singapore, Thailand, Malaysia, Indonesia, Vietnam
*3: U.S., Australia

Integrated Energy Business



As a leading player in the LPG field in Japan, we ensure stable supplies by building and maintaining integrated structures from import through distribution. We also provide various comprehensive services, including LNG supply, the installation and maintenance of various facilities, and proposals for business continuity planning (BCP) and energy conservation solutions.

Kozo Shimasaki
Senior Managing Officer
General Manager, Integrated Energy Business Group

Turning market changes into opportunities to improve earnings and steadily expand the customer base

Currently the Energy Business serves 1.21 million households as customers for direct sales of LPG. Continued M&A activities will be essential to become No. 1 in every region. To improve profitability, in the Kanto/greater Tokyo area, where ISG, Inc. joined the Group following its acquisition in FY2024, we have promoted business efficiency improvements and strengthened the management structure. In the cartridge gas business, we have introduced new products to stimulate new demand in the Japanese market, including the Izamaru two-in-one cooking stove and heater, while introducing new products tailored to Asian food cultures, primarily in China and Thailand, where we have production facilities.

The seventh Basic Energy Plan, approved by the Cabinet in February 2025, identifies LPG as the “last resort” for energy supply during disasters, and we are striving to maintain a safe and reliable supply system by developing core LPG centers and strengthening our safety management systems. Imports of LPG to Japan have remained stable even since the closure of the Strait of Hormuz. It is attracting renewed attention as an energy source that is not highly dependent on the Middle East. Seeing this change in the market situation as an opportunity, we will promote fuel conversion from heavy oil and other fuels to LPG and contribute to low-carbon energy through expanded sales of carbon offset gas using the J-Credit system and R&D on green LPG.

Business Capital

Nationwide network and LPG dealership organization

Supply network

- ○ A nationwide network, from import terminals to filling stations and delivery facilities
- ○ Disaster-resistant core LPG centers in communities across Japan

[Strengths] Building stable supply structures nationwide

Import terminals	5	Filling stations	111
Delivery facilities	134 locations / approx. 1,600 staff / approx. 1,300 vehicles		

Customer network

- ○ Top market share in direct sales of LPG, serving more than 1.21 million households
- ○ Community-based real-world contact points

Sales offices	297 locations / approx. 3,400 staff

LPG dealership organization (Marui-Kai)

- ○ Nationwide organization of dealers for our MaruiGas LPG brand

[Strengths] Deployment of LPG supply and services from community-based real-world contact points

Dealers	Approx. 1,400 companies (total customers: approx. 3.4 million households)

Nationwide mutual aid organization (MaruiGas Disaster Relief Corps)

- ○ A nationwide disaster prevention organization established jointly with distributors to ensure rapid LPG recovery in response to disasters
- ○ Largest in the LPG industry

Participating members	Approx. 3,600 qualified gas technicians

Portable gas cooking stove and cassette gas canister manufacturing plants

- ○ Plants located in Japan, China, and Thailand
- ○ Building safe and reliable quality control and stable supply structures
- ○ High domestic market share, brand power based on long history and trust

[Strengths] Product development capabilities that incorporate customer needs through integrated production and sales

Iwatani GateWay

- ○ An IoT platform using gas alarms with communication features
- ○ Building support systems for solving community and household problems

[Strengths] Solving local social issues through digital transformation (DX)

Opportunities

❶ Growing demand for fuel conversion in response to the rising need to reduce CO_2 emissions
❷ Structural changes amid the decarbonization movement within the LPG industry
❸ Growing need for solutions to community issues

Risks

❶ Declining demand for energy due to changing community demographic trends
❷ Delays in raising the adoption of renewable energy

Integrated Energy Business

Initiatives



Iwatani Cassette-Feu IZAMARU combination cooking stove and heater


Mookata Pot cassette gas stove accessory, produced in Thailand for Asian markets

Launching new cassette gas products to capture demand for disaster preparedness and outdoor use

We are continuously developing new products to expand the uses of cassette gas canisters. In FY2025, we introduced new products focused on disaster preparedness, which have been highly regarded in the market as products that help support daily life during emergencies.

The Iwatani Cassette-Feu IZAMARU combination cooking stove and heater introduced in December 2025 is a two-in-one product that can be used as a cassette gas cooking stove or a cassette gas heater simply by switching between the included top plate and heater unit. We brought it to market as a “lifesaving product” that can be used for cooking in everyday situations and as a heater to provide warmth in an emergency. Equipped with safety features to prevent incomplete combustion and other hazards, it is designed for safe and worry-free use in both everyday situations and emergencies. It won the grand prize in the new products contest at the Tokyo International Gift Show.

The PROGOHAN cassette gas rice cooker, which can cook up to 5 go (approximately 900 ml) of rice in about 18 minutes, was launched through crowdfunding in November 2025 ahead of its general release and was well received. The DEKADAN III cassette gas heater sold through television and newspaper mail-order channels also proved a big hit. Both of these products were also well received for their ability to operate without electricity, making them useful during disaster-related power outages. We will continue to provide enjoyment and peace of mind in a wide range of everyday situations by proposing new ways to use cassette gas canisters.

Developing local production capabilities overseas to capture demand in Asian markets while complying with local regulation

We are enhancing our cassette gas stove and cassette gas canister production systems to capture demand in the continually growing Asian markets.

For portable cooking stoves, in addition to our plant in China, established in 1994, we opened another plant in Thailand in 2023. With these plants serving as production bases, we have established a system for quickly delivering products tailored to local needs and have expanded sales in various countries. In Indonesia and South Korea, where it is difficult to import completed products due to policies intended to protect domestic industries, we plan to establish local production systems in 2026 to assemble products using parts imported from Japan and other countries. We are expanding the product lineup in line with local market conditions by introducing lower-priced products primarily for commercial use in addition to high-value-added products.

For cassette gas canisters, safety standards vary by country, so we are building local production and supply systems that comply with each country’s regulations in cooperation with local partners.

We provide partner firms with our quality standards and work with them to build systems to ensure quality equivalent to that of our products in Japan. In 2025, we began contract manufacturing with partner companies in Thailand and Indonesia, establishing production systems for local consumption. We are also working to establish a contract manufacturing system with a local company in India with the aim of launching sales there. We will continue to promote the growth of our international business by further expanding our local production network and offering products tailored to the characteristics of each market.

Industrial Gases & Machinery Business



Manabu Tsuyoshi
Senior Managing Officer
Member of the Board
General Manager,
Industrial Gases & Machinery Business Group

Taking on the challenges of value creation and decarbonization through cooperation among three businesses

The Industrial Gases & Machinery Business Group strives to strengthen the business foundation and create new value through close collaboration efforts among the three businesses of Industrial Gases, Machinery, and Hydrogen. Toward the realization of a decarbonized society, we are pursuing initiatives in new areas across the Business Division, including hydrogen use, ammonia use, and CO_2 recovery and use. In the Industrial Gases Business, while fulfilling our responsibility to ensure a stable supply of gases essential to a wide range of industries, we are also promoting the use of refrigerants with low environmental impact and the recovery and recycling of fluorocarbons, while strengthening our supply systems overseas. In the Machinery Business, we are expanding proposals of products and services to contribute to solutions to customers' challenges through industrial robots, semiconductor-related equipment, and other machinery. In the Hydrogen Business, while building supply and procurement structures for hydrogen from renewable energy, we are drawing on our stable supply network for liquid hydrogen to strengthen efforts to capture demand for industrial applications such as semiconductors and optical fibers, as well as for decarbonization demonstration projects aimed at achieving a carbon-neutral society.
We will contribute to developing a sustainable society and increasing corporate value by bringing together the technological capabilities, customer bases, and networks of the three businesses to realize stable supply, decarbonization, and the creation of customer value.

Leveraging our technological expertise cultivated over many years and our research and development facilities, we contribute to solving our customers' challenges by ensuring a stable supply of various industrial gases and offering a wide range of gas supply systems and machinery.

Business Capital

Gas supply chain

- ○ Building stable domestic and international supply chains from production through supply
- ○ Customizing gas supply systems to meet customer needs

[Strengths] Stable procurement and supply capacity as a producer

Air separation gases	High-level quality control system certified to the international standard ISO 9001	
Hydrogen	Handling technologies backed by years of experience and expertise	
	Japan's only liquid hydrogen supplier	
Helium	High competitiveness due to multiple suppliers and Company-owned containers	
Domestic sites	Industrial gas centers	21
	Air separation plants	9
	Hydrogen plants	11
	Helium centers	2
	Liquefied CO_2 plants, etc.	7
Overseas sites	Air separation plants, etc.	10

Application technologies

- ○ Freely handling diverse gases based on their properties
- ○ Strengthening technological development capabilities at the Iwatani R&D Center, Iwatani Advanced Hydrogen Technology Center, etc.

[Strengths] Gas handling technologies, integrated capabilities from design through maintenance, proposal capabilities backed by an extensive adoption track record

Extensive product lineup

- ○ Our extensive expertise supports customer production activities.
- ○ Regional maintenance and safety structures

[Strengths] Comprehensive abilities combining gases with machinery





Regenerative medicine and biotechnology research laboratory at the Iwatani R&D Center

Opportunities

❶ **Advancing decarbonization, automation, and labor saving in manufacturing**
❷ **Market expansion in China, Southeast Asia, and the U.S.**

Risks

❶ **Evolving domestic and international industrial structures**
❷ **Country-specific risks, policy trends, and other aspects**

Industrial Gases & Machinery Business

Initiatives



Deuterium gas in growing demand for advanced semiconductor applications



Supply equipment for ammonia used for denitration

Meeting growing demand for semiconductor gases through enhanced development and supply capabilities

The global semiconductor market continues to grow, backed by growing demand in areas like generative AI and data centers. From an economic security perspective, countries are strengthening their semiconductor manufacturing bases, and a succession of new production facilities is under construction in Japan as well. Under such conditions, there are growing needs for supply systems that enable stable and swift procurement of the gases essential to semiconductor production. To meet this demand, we established a new dedicated warehouse for semiconductor gases in Kumamoto Prefecture, where semiconductor-related companies are concentrated, and began full-scale operations in December 2025. Its storage capabilities, located close to customers' manufacturing sites, enable stable supply and support their operations. In 2024, we built a new gas center in Singapore as a supply base for semiconductor gases to Asian markets, and in 2025 we established a system to supply some of the gases produced at the facility to Japan. We are also developing new customers by leveraging our helium business's customer base and our strength in being able to supply both helium and semiconductor gases.

As circuits become finer and more multilayered, we are working to meet increasingly sophisticated and diverse manufacturing needs through our technological capabilities by pursuing a transition "from a distributor to a manufacturer" and developing and producing deuterium gas, deuterium compounds, and high-purity gases. We position these as important technological assets and will leverage our technological capabilities and networks to anticipate the needs of the rapidly changing semiconductor market and capture further growth opportunities.

Expanding the ammonia supply equipment business for denitration by providing solutions tailored to customer needs

Ammonia is widely used for denitration (removal of nitrogen oxides) at thermal power plants. However, because it is highly toxic, handling ammonia requires broad expertise and extensive experience. We have amassed specialized technologies and operational expertise in ammonia supply equipment over the years, securing a share of roughly 70% of the domestic market for ammonia supply equipment used for denitration at large thermal power plants. Plans for new thermal power plants that would emit large amounts of CO2 have been postponed or revised as efforts to achieve a decarbonized society have gained momentum since the 2020s. In addition, the suspension or decommissioning of less-efficient coal-fired thermal power plants is under consideration. Amid these ongoing changes, the environment surrounding thermal power plants is undergoing major change. As Japan's energy structure undergoes transformation, the government introduced the Long-Term Decarbonized Power Source Auction in FY2023 as part of its energy policy aimed at balancing a stable supply of electricity with decarbonization and supporting investment in decarbonized power sources. The program also covers new LNG-fired thermal power plants, with several new plants scheduled to begin operations around 2030. As these new LNG-fired thermal power plants will require ammonia supply equipment for denitration, we will further expand this business by fully leveraging the networks and technological capabilities we have built over the years and providing optimal solutions tailored to customer needs.

Industrial Gases & Machinery Business

Initiatives



Helium plant in North America



Helium storage facility at the Tokyo Helium Center



Growing demand for ammonia as a fuel

Strengthening the helium gas supply system to support stable business operations

Helium is a highly scarce gas that is essential not only in advanced fields such as semiconductors, optical fibers, and the space industry, but also in the medical field. Since it is produced in only a few countries around the world and supply-demand conditions have repeatedly tightened every few years, establishing a stable supply system has long been a challenge. Using our interests in North America and Qatar, major helium-producing regions, we strive to ensure a stable supply of helium. In Japan, the expansion of storage capacity at the Tokyo Helium Center (in Ibaraki Prefecture), which began in 2024, was completed at the end of 2025, establishing a system capable of continuously storing an amount of helium equivalent to approximately one month of domestic demand. Even as demand increases amid growth in the semiconductor market, we are working to maintain and strengthen our supply system so that customers can use helium with confidence. Overseas, we are expanding our global supply network through helium centers in China, Singapore, and Thailand, while also making use of underground storage facilities to further strengthen our stable supply system.

In addition to strengthening these supply systems, we provide helium filling services for hospital MRI equipment in Japan and overseas, with specialized technicians stationed in each country. Amid global uncertainty, we will continue working to build a resilient helium supply chain that supports our customers' business operations and people's daily lives.

Contributing to a low-carbon society by developing new technologies for the use of ammonia as a fuel

Ammonia is drawing attention as a next-generation clean energy source for realizing a low-carbon society because it emits no CO_2 when burned. Full-fledged use of ammonia on a large scale for applications such as thermal power generation and marine fuel is expected to begin in the 2030s, with ammonia distribution volumes also expected to increase significantly. There are plans to develop new import and supply bases in Japan and, as distribution volumes increase, more companies are expected to begin using ammonia for the first time. We plan to make the most of the expertise we have built over many years and provide technologies and operational know-how as a partner to these companies. We are also advancing initiatives in new technological fields in anticipation of the large-scale use of ammonia. Amid growing use of ammonia as a fuel for thermal power generation and other applications, there are concerns over large-scale ammonia leaks and the need for large-scale detoxification during inspections. To address these issues, we are developing large-scale detoxification equipment. The equipment recovers ammonia from the ammonia water collected during the detoxification process, re-liquefies it, and enables it to be reused. We are developing this new technology and have filed a related patent application, with the aim of enabling the effective use of ammonia water that has traditionally been disposed of as industrial waste. We will contribute to a low-carbon society by providing multifaceted support for the wider adoption of ammonia as a clean energy source.

Materials Business

The Materials Business develops mineral sands and other mineral resources; procures and supplies functional plastics, advanced metals, and other raw materials essential to the environmental, electronics, and automotive fields; and contributes to decarbonization through biomass fuels and other sustainable products for a resource-circulating society.



Kenji Motoori
Senior Managing Officer
Member of the Board
General Manager,
Materials Business Group

Ensuring stable supplies of critical mineral resources and exploring new business areas

Sustained growth requires discovering and developing products and materials that can compete effectively in global markets, while building an earnings base that is resilient to changes in the business environment. We will accelerate business development to provide added value in our priority niche areas. We will also further enhance collaboration with Group companies in Japan and overseas operations, and leverage both our manufacturing and trading-company functions to quickly turn new products and business opportunities into earnings.
For critical minerals, we are accelerating business development efforts through public-private collaboration and working to establish stable supply systems. Regarding rare earths, we will begin supplying rare earths sourced from a French company in which we invested through a joint venture with JOGMEC to customers in Japan in 2027, contributing to the stable procurement of raw materials essential to Japan's growth strategy. For mineral sands, we are working to quickly achieve stable operations at the Australian company we acquired, while also planning to begin procuring green titanium ore from Norway in FY2026. In the areas of resins and metals, we are promoting the recycling business and building an earnings base that contributes to the realization of a circular society. We remain committed to both enhancing the profitability of our existing businesses and exploring growth areas, thereby contributing to the resolution of social issues and expanding the scale of our business.

Business Capital

Strong supplier network

- ○ Building an extensive network of overseas suppliers
- ○ Diversification and greening of procurement sources to meet customer needs
- ○ Enhancing our lineup of eco-friendly materials based on our network, including eco-friendly resins and biomass fuels

[Strengths] Stable procurement capabilities including in-house sources and an extensive lineup of eco-friendly materials



Mineral sands business infrastructure

- ○ Ownership of mining concession in Australia
- ○ Leading share of sales in Japan in combination with procurement from major resource firms

[Strengths] Stable supply capabilities based on diversification of procurement sources

Domestic and overseas metal processing plants

- ○ Ownership of processing plants in Japan (Fukuoka, Osaka, and Hyogo prefectures) and overseas (China and Thailand)
- ○ Possesses product development and processing capabilities to meet customer needs

[Strengths] Integrated structure from materials procurement through processing

Securing critical mineral resources through industry-government-academy collaboration

- ○ Joint investment with JOGMEC in a French rare earths refiner

Opportunities

❶ Demand shift toward eco-friendly products during the stage of transition to a carbon-free society
❷ Rising demand for rare resources
❸ Growth of China, Southeast Asia, and other emerging markets

Risks

❶ Market contraction for existing products due to rising environmental awareness
❷ Rising costs of development, production, procurement, logistics, etc.
❸ Supply risks associated with rising geopolitical risks and natural disasters

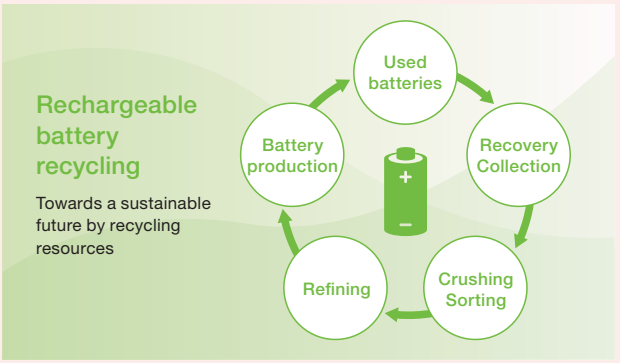
Materials Business

Initiatives



Nordic Mining ASA, a supplier of green titanium ore


Rolls for stainless steel rolling



Overview of rechargeable battery recycling

Strengthening the mineral sands supply system and expanding the business by securing additional mining areas

Mineral sands such as zircon sand and titanium ore are critical minerals essential to advanced fields such as environmental technologies, electronics, automobiles, and aerospace. In addition to imports from South Africa and Canada, we have operated our own mining sites in Australia, in which we hold a 100% interest, for more than 20 years. In December 2025, we acquired a new concession that began shipments in May 2026. The new site is expected to increase our supply capacity to more than twice its previous level, thereby strengthening our business foundation.

We also invested in Nordic Mining ASA of Norway in 2023 and secured long-term offtake rights for high-purity titanium ore, with shipments scheduled to begin in 2026. The ore is also attracting attention as “green titanium ore” due to the low CO_2 emissions associated with its production.

By continuing to expand our mining sites, we will strengthen our stable supply system and expand the business.

Expanding the stainless steel business by strengthening the integrated supply system

In 2024, seeking to further expand the stainless steel business, the mainstay of the metals segment, we acquired all shares of Taihei Kozai Co., Ltd., which became our consolidated subsidiary in April 2025. By combining Taihei Kozai’s processing capabilities with the Iwatani Group’s material procurement capabilities, we are able to provide integrated services, further strengthening our ability to make proposals to major customers in areas such as heavy industry and hydrogen-related plants. The benefits of bringing Taihei Kozai into the Group are steadily beginning to materialize. We will continue to strengthen the value chain of our stainless steel business by further expanding our manufacturing capabilities, while also considering M&A opportunities involving companies with distribution and sales capabilities. We also plan to build a highly profitable business base by strengthening our proposal and service capabilities in the food and medical fields, where antimicrobial and corrosion-resistant properties are required; the semiconductor and precision equipment fields, where high precision is required; and hydrogen-related equipment, where demand is expected to grow with the advent of a hydrogen energy-based society.

Building a recycling supply chain for battery materials

We procure and supply all four key elements, lithium, cobalt, nickel, and manganese, used as raw materials for cathode active materials, which are essential components of lithium-ion batteries. Previously, we handled raw materials sourced from ores, but starting in 2028, the European Union is expected to require a certain percentage of raw materials used in battery materials to come from recycled sources. Against this backdrop, battery recycling is growing increasingly important around the world. Drawing on our existing networks, we are establishing a supply system under which we procure black mass, an intermediate material produced by dismantling used batteries, and work with partner companies on the refining process to supply the four recycled elements to battery and battery material manufacturers. By commercializing battery materials from recycled sources, we will contribute to securing resources without dependence on specific regions and strengthening the resilience of the supply chain.

Data

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ESG Data

Environment

Material balance*1*2

Material balance			FY2022	FY2023	FY2024	FY2025
Inputs	Electricity (MWh)		336,325	335,171	347,393	350,051
	Steam (GJ)		17,197	16,228	18,132	19,036
	Fuels (GJ)	LPG	140,036	129,118	125,638	106,713
		City gas/LNG	58,809	53,229	49,991	50,925
		Diesel	174,239	179,969	182,293	196,675
		Gasoline	143,405	137,142	131,669	117,272
		Kerosene	13,359	8,245	8,765	9,141
		Bunker oil	8,009	5,682	5,783	6,907
	Total water intake (thousand cu. m)*3		–	7,467	6,997	7,218
	Breakdown of water intake	Service water (thousand cu. m)	–	195	201	204
		Groundwater (thousand cu. m)	–	651	724	775
		Industrial water (thousand cu.m)	–	425	423	455
		River water (thousand cu. m)	–	58	58	58
		Sea water (thousand cu. m)	–	6,136	5,591	5,726
		Other (thousand cu. m)	–	0	0	0
Outputs	GHG emissions ($kt\text{-}CO_2e$)	Domestic Scopes 1 and 2*1	227	228	234	232
		Overseas Scopes 1 and 2*4	159	199	209	229
	Total wastewater (thousand cu. m)*3		–	6,927	6,529	6,694
	Breakdown of wastewater	Sewer (thousand cu. m)	–	195	255	242
		River (thousand cu. m)	–	252	300	337
		Sea (thousand cu. m)	–	6,305	5,742	5,887
		Other (thousand cu. m)	–	173	232	228
	Recycled water (thousand cu. m)		–	274	273	368
	Total industrial waste discharge (t)		–	26,503	21,382	27,089
	Industrial waste discharge (t)		11,024	14,885	12,221	18,941
	Specially managed industrial waste discharge (t)		–	2,354	79	131
	Valuable waste sold (t)		–	9,264	9,082	8,017
	Recycled waste (t)		–	1,187	1,067	758
	Mandatory recycling volume for containers and packaging (kg)		–	–	280,221	286,437
	Glass bottles (kg)		–	–	0	0
	PET bottles (kg)		–	–	3,020	2,734
	Paper containers and packaging (kg)		–	–	737	207
	Plastic containers and packaging (kg)		–	–	276,464	283,496
	Sulfur oxide (SOx) emissions (t)		–	1	0	0
	Nitrogen oxide (NOx) emissions (t)		–	7	7	8
	Soot emissions (t)		–	82	78	84
	Volatile organic compound (VOC) emissions (t)		–	19	10	14
	Chemical oxygen demand (COD) emissions (t)		–	0	0	0
	Substances subject to PRTR reporting (t)	Emissions	–	12	14	21
		Transported	–	18	11	14

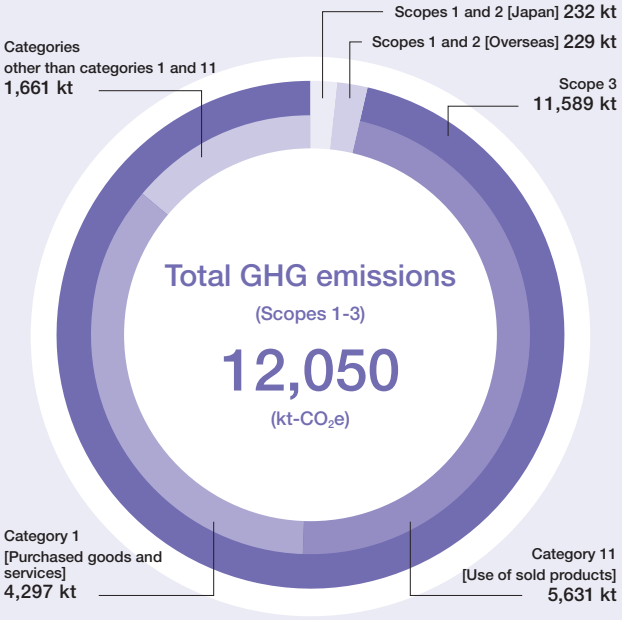
Greenhouse gases (GHG)

GHG emissions ($kt\text{-}CO_2e$)			FY2022	FY2023	FY2024	FY2025
Scope 1 (direct emissions)	Japan*1		85	83	84	82
	Overseas*4		37	33	35	32
	Total		123	116	119	114
Scope 2 (indirect emissions)	Japan*1		141	145	149	150
	Overseas*4		121	165	174	197
	Total		263	310	323	347
Scopes 1 and 2	Total of Japan and overseas		387	427	443	462
Scope 3*5	Total of all categories		10,764	11,691	11,667	11,589
	1	Purchased goods and services	4,233	4,209	4,307	4,297
	2	Capital goods	71	64	48	24
	3	Fuel- and energy-related activities not included in Scope 1 or Scope 2	44	50	52	56
	4	Upstream transportation and distribution	57	56	52	48
	5	Waste generated in operations	30	40	36	54
	6	Business travel	1	1	1	1
	7	Employee commuting	5	5	5	5
	8	Upstream leased assets	–	–	–	–
	9	Downstream transportation and distribution	–	–	–	–
	10	Processing of sold products	–	–	–	–
	11	Use of sold products	6,197	5,731	5,640	5,631
	12	End-of-life treatment of sold products	–	–	–	–
	13	Downstream leased assets	0.3	0.3	0.3	0.3
	14	Franchises	–	–	–	–
	15	Investments	124	1,531	1,523	1,468
Solar power consumed in-house (MWh)*6			–	5,001	4,942	6,095
Green power purchased (MWh)			–	12,418	12,455	18,135

* Underlined figures have been independently validated by SOCOTEC Certification Japan.

FY2025 independent assurance report Web

FY2025 GHG emissions (Scopes 1-3)*7



* Total figures may vary due to rounding.
*1: Totaled for Iwatani Corporation business sites in Japan, Japanese consolidated subsidiaries, and two equity method affiliates, for which we are actively working to reduce emissions.
*2: Items shown have been changed since FY2023 in accordance with Environmental Reporting Guidelines 2018.
*3: In some cases, estimates of water intake and wastewater are based on employee numbers or floor area weighted by rate of use.
*4: Overseas Scopes 1 and 2 figures are totaled for Iwatani Corporation's overseas business sites and overseas consolidated subsidiaries.
*5: Calculations exclude the following categories:
Category 8 (included in Scopes 1 and 2 calculations), categories 9, 10, and 12 (difficult to ascertain due to wide-ranging subjects), and category 14 (no subject activities).
*6: Includes solar power generated under PPAs.
*7: Graph data source: tables at left

ESG Data

Social

Iwatani Corporation (nonconsolidated)		FY2023	FY2024	FY2025
Employees	Male	921	950	956
	Female	400	418	428
	Percentage of female employees (%)	30.3	30.6	30.9
Managers	Male	488	509	503
	Female	36	43	42
	Percentage of female managers (%)	6.9	7.8	7.7
Average age (years)		39.6	39.9	39.8
Average annual salary (¥ thousand)	Male	11,320	11,966	11,792
	Female	5,735	6,164	6,484
	Total	9,702	10,254	10,207
New-graduate hires	Male	37	42	46
	Female	44	38	32
	Percentage of female employees (%)	54.3	47.5	41.0
Midcareer hires	Male	12	22	11
	Female	3	1	2
	Percentage of female employees (%)	20.0	4.3	15.4
Voluntary separation rate (%)	Male	3.9	3.3	3.6
	Female	4.8	4.5	6.1
	Total	4.2	3.7	4.3
Average overtime hours per month		14.1	14.7	17.1
Childcare leave take-up rate (%)*1	Male	55.9	73.5	100.0
	Female	120.0	93.3	92.9
Annual paid leave take-up rate (%)		51.2	50.4	55.0
Percentage of employees with disabilities (%)		2.62	2.44	2.48
Number of occupational injuries (fatalities)		0	0	0
Number of occupational fatalities		0	0	0
Number of participants in training programs (cumulative number)		2,256	2,723	2,578
Hours of training per person		23	23	18
Training costs (¥ thousand)		156,589	189,117	205,517
Training costs per employee (¥ thousand/person)		118	138	149

Governance

Iwatani Corporation (nonconsolidated)	FY2023	FY2024	FY2025
Members of the Board	13	13	12
Outside Members of the Board	5	5	4
Independent Members of the Board (included in above)	5	5	4
Outside Members of the Board (%)	38.5	38.5	33.3
Board of Directors meetings	17	16	16
Member of the Board attendance rate (%)	99.5	93.3	99.5
Audit & Supervisory Board Members	4	4	4
Outside Audit & Supervisory Board Members	2	2	2
Independent Audit & Supervisory Board Members (included in above)	2	2	2
Audit & Supervisory Board meetings	14	13	14
Average attendance rate in Audit & Supervisory Board meetings (%)	100.0	100.0	100.0
Members of Nomination and Compensation Committee	7	6	6
Members of Nomination and Compensation Committee who are Outside Members of the Board	5	4	4
Nomination and Compensation Committee meetings	2	1	1
Average attendance rate in Nomination and Compensation Committee meetings (%)	100.0	100.0	83.3

*1: Calculated as follows pursuant to the Act on Promotion of Women's Participation and Advancement in the Workplace:

$$\text{Childcare leave take-up rate (\%)} = \frac{\text{Number of employees beginning childcare leave during the fiscal year}}{\text{Number of employees giving birth during the fiscal year (for men, the number of employees whose spouses gave birth during the fiscal year)}} \times 100$$

Company Data (As of March 31, 2026)

Company Overview

Name	**Iwatani Corporation**	Established	February 2, 1945
Head offices	Osaka Head Office: 6-4, Hommachi 3-chome, Chuo-ku, Osaka 541-0053, Japan TEL 81-6-7637-3131 Tokyo Head Office: 3-1, Hamamatsucho 2-chome, Minato-ku, Tokyo 105-8458, Japan TEL 81-3-5405-5711		
Paid-in capital	35,096 million yen	Business sites	49 (47 in Japan, two overseas)
Employees	1,384	Consolidated Employees	12,113
Fiscal-year end	March 31		
Domestic network	Head offices: two; block branches, branches: 42 Research and other facilities: Iwatani R&D Center, Iwatani Advanced Hydrogen Technology Center, Kobe Training Facility		
Overseas network	Two representative offices, four holding companies, 30 trading-company subsidiaries, 37 operating companies		
Consolidated subsidiaries	100 companies	Website	https://www.iwatani.co.jp/eng/

Share Information

Listed exchange	Tokyo Stock Exchange Prime Market
Total shares issued and outstanding	230,397,186 shares (excluding 3,849,410 shares of treasury stock)
Shareholders' registry management agent	Mitsubishi UFJ Trust and Banking Corporation
Distribution of shares by shareholder type	Financial institutions 30.3% / Foreign corporations and others 20.1% / Individuals and others 28.1% / Other corporations 19.5% / Securities firms 2.0%

Major shareholders

Shareholder	Shares held (thousand)	Percentage of shares held*1
The Master Trust Bank of Japan, Ltd. (Trust Account)	27,394	11.89
The Iwatani Naoji Foundation	16,530	7.17
Custody Bank of Japan, Ltd. (Trust Account)	11,198	4.86
MUFG Bank, Ltd.	5,344	2.32
Resona Bank, Ltd.	4,711	2.04
Tetsu Iwatani Co., Ltd.	4,000	1.74
Iwatanisangyou Senyukai*2	3,666	1.59
STATE STREET BANK AND TRUST COMPANY 505223	3,625	1.57
Nippon Life Insurance Company	3,593	1.56
Iwatani Enyukai*3	2,950	1.28

*1: Shareholding ratios are calculated excluding treasury stock (3,849,410 shares).
*2: Iwatanisangyou Senyukai is Iwatani's employee stock ownership program.
*3: Iwatani Enyukai is a stock ownership program for companies engaged in long-term transaction relationships with Iwatani.

Financial Data

Performance trends over the past 10 years are available in the Fact Book.



▶ Fact Book Web

Business Overview

We publish various materials to help analysts and investors who learn about Iwatani for the first time better understand our businesses.



▶ Investors' Guide Web



▶ Corporate Profile Web

Dialogue with Stakeholders

Iwatani discloses information promptly, fairly, and accurately to all stakeholders, including shareholders and investors, and implements constructive dialogues.

Activity		Times	Additional information
Briefings on financial results for analysts and institutional investors		4	[Second and fourth quarters] Hybrid online and in-person format, attended by the President (as briefing presenter) and other officers [First and third quarters] Teleconference format; attended by the IR General Manager (as briefing presenter)
Individual meetings with analysts and institutional investors		119	Individual dialogues (including ESG meetings) led by the IR section
	Japanese institutional investors	83	
	International institutional investors	36	
Business briefing and facility tour for analysts and institutional investors		1	Briefing and question-and-answer session attended by individuals responsible for the relevant sections

Social Contribution Activities

Iwatani contributes to society through various activities such as support for cultural activities, technological assistance, and disaster relief.

▶ Social Contribution Activities Web