

Integrated Report 2025

JGC Report

Enhancing planetary health

JGC's Purpose and Values

Guided by its purpose and through its shared values, the JGC Group is taking on the challenge of transforming itself into “a corporate group that contributes to enhancing planetary health” by 2040 by leveraging the abilities it has cultivated as well as its track record.

Purpose

Our Purpose

Enhancing planetary health

Values

Our Values

We are driven by our shared values and professional commitments.

Shared Values

Challenge

We venture into new business fields, overcome technical hurdles and establish innovative methodologies.

Create

We remain dedicated to developing results-focused, thoughtful solutions that fully meet the needs of our clients and benefit society as a whole.

Integrate

We bring together a wide range of technologies, innovative tools and a diverse team dedicated to increasing value to all stakeholders.

Deliver

We commit to overcoming obstacles through diligence and our “never-give-up” philosophy, and to delivering quality products and services to our clients and society.

Professional Commitments

Respect

We undertake to foster mutual respect and support among all those involved in our activities and to emphasize the importance of safety for all.

Integrity

We pledge to maintain the highest ethical standards in everything we do.

For the JGC Group to continue to grow sustainably, we believe that we must respond swiftly and flexibly to changes in the business environment while also contributing to the development of industry and society. As such, we have adopted the long-term, global perspective of “contributing to the creation of a healthy future for people and the earth.” Based on this idea, we have defined our purpose as “Enhancing planetary health.” The health of people and the Earth are intertwined. We will enhance ourselves in working toward a more prosperous future. That is the message behind our purpose.



JGC Group at a Glance

Two Business Segments Centering on Five Major Companies

Main operating companies		Business model
Total Engineering Business 	JGC Corporation (overseas business)	EPC* business Provision of feasibility studies (FS), front-end engineering design (FEED), and EPC projects for plants and facilities * EPC: Engineering, Procurement and Construction Project Execution Flow FS → FEED → Engineering → Procurement → Construction/ commissioning
	JGC Japan Corporation (domestic business)	Maintenance Provision of daily maintenance and shut-down maintenance services mainly for petroleum refining plants and petrochemical plants in Japan Project Management Consulting (PMC) Provision of consulting service supporting the development of plants and facilities by leveraging our extensive EPC-related knowledge and track record to mediate between customers and contractors
Functional Materials Manufacturing Business 	JGC Catalysts and Chemicals Ltd.	Research and development, planning, and manufacturing of catalysts, fine chemicals, and fine ceramics products Business Execution Flow R&D → Marketing → Manufacturing → Sales
	Japan Fine Ceramics Co., Ltd.	
Other Business 	Japan NUS Co., Ltd., etc.	Consulting, licensing, business participation, and digital platforms Consulting services such as various studies, analyses and assessments, and production support, business participation in various sectors, etc.

 Operational Overview P.103

Bases / Number of Employees

Number of major overseas bases

22 bases in
16 countries



Number of domestic bases

34



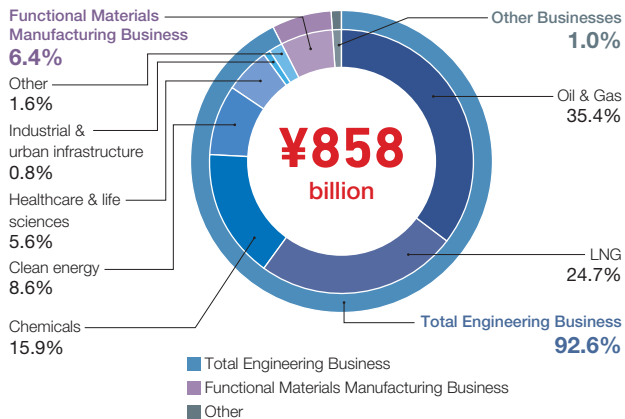
Number of Employees
(Consolidated) (as of March 31, 2025)

8,365

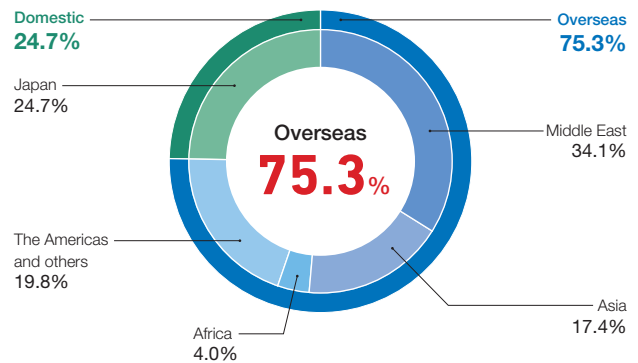


Net Sales for the Fiscal Year Ended March 2025

Sales Ratio by Business Segment



Net Sales by Country and Region



Track record of completed LNG plants globally

More than 30%

The Group has designed and constructed LNG plants responsible for more than 30% of the global production capacity.



LNG plant (Indonesia)

Completed offshore FLNG plants

Involved in 3 of the 4 projects

The Group is involved in three of the four completed FLNG projects that can be installed in the open seas exposed to strong wave effects.

Track record of completed more than **20,000** projects in over **80** countries

Through the execution of EPC projects, the Group delivers a variety of plants and facilities that support the businesses of our clients. We have completed more than 20,000 projects in over 80 countries around the world, and built up a high level of trust with clients worldwide.



Fluid catalytic cracking (FCC) catalysts

Fluid catalytic cracking (FCC) catalysts Silica sol for HDD polishing

No. 1 share of the domestic market

The Group mainly manufactures and sells products in three fields: catalysts, fine chemicals, and fine ceramics, and has achieved high market shares in certain products. In particular, FCC catalysts have achieved a leading global market share and are used in oil refineries around the world.

Vision to Be Achieved by 2040

A corporate group that contributes to enhancing planetary health in five business areas

Through materials, helping to shape a more prosperous future for people and the Earth

High-performance functional materials

Making widespread use of environmentally conscious resources a reality

Circular economy

Establishing a stable energy supply and decarbonization

Energy transition

Environmentally conscious industrial & urban infrastructure

Industrial & urban infrastructure

Through medical care and healthcare, contributing to human well-being

Healthcare & life sciences

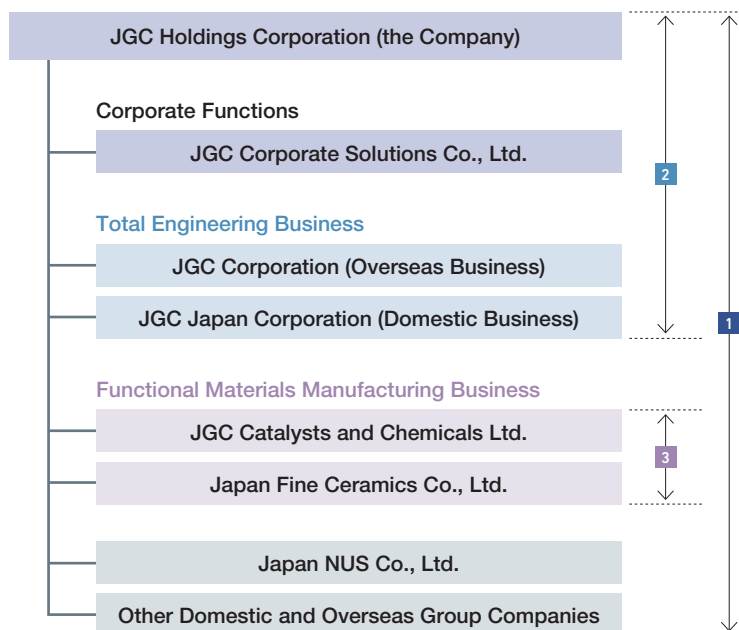
Editorial Policy / Contents

Editorial Policy

Purpose of This Report

The purpose of the JGC Report, which was first published in 2015, is to explain to our stakeholders, such as shareholders and investors, how the JGC Group works to generate sustainable growth and increase corporate value over the medium to long term. JGC uses this report as a tool to communicate with our stakeholders as part of its efforts to deliver sustainable growth through continuous, constructive dialogue.

Organizations Covered



1 “JGC Group” and “our Group”

Refers to JGC Holdings Corporation and its Group companies.

2 “Four EPC-Related Companies”

Refers to the four companies that are responsible for or related to the core Total Engineering Business of our Group (JGC Holdings Corporation, JGC Corporation, JGC Japan Corporation, and JGC Corporate Solutions Co., Ltd.). These companies were previously a single entity (the former JGC Corporation) before transitioning to a holding company structure, and since some initiatives are limited to these four companies, this term is used for convenience.

3 “Functional Materials Manufacturing Companies”

Refers to the main operating companies responsible for our Group’s functional materials manufacturing business (JGC Catalysts and Chemicals Ltd., Japan Fine Ceramics Co., Ltd.).

Period covered

In principle, the period covered is from April 2024 to March 2025 (fiscal year 2024), but some activities before and after the target period are included.

Forward-looking statements

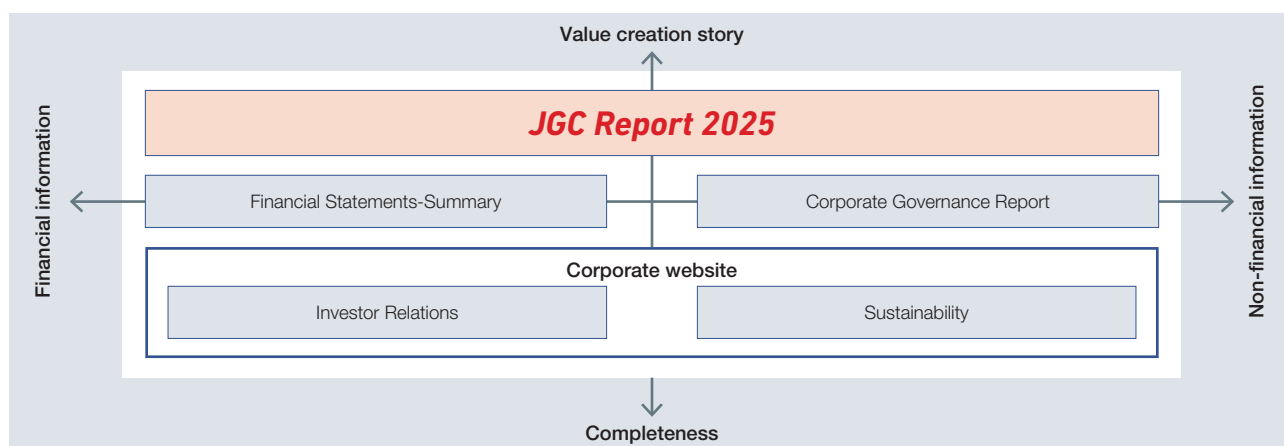
Data and forecasts disclosed in this report are based on judgments and information available at the time of publication. The Company provides no guarantee for targets, forecasts, and earnings projections, which may change due to a range of factors.

Reference guidelines

JGC Report 2024 was compiled referring to the disclosure framework of the International Financial Reporting Standards (IFRS) Foundation and the World Intellectual Capital Initiative (WICI), as well as “Guidance for Collaborative Value Creation” of the Ministry of Economy, Trade and Industry (METI).

Positioning of This Report

This report summarizes and presents the most relevant information related to the JGC Group and society. For more detailed and comprehensive financial and non-financial information, please refer to our website and other disclosure documents.



Chapter 1	Chapter 2	Chapter 3	Chapter 4	Chapter 5	Chapter 6	Chapter 7
Introduction	Management Message	What Drives JGC	Growth Strategy	Sustainability & Governance	Business Overview	Data & Other Information

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JGC Report 2025 is divided into seven chapters, introducing management messages, the JGC Group's strategies for sustainable growth, initiatives to enhance management capital, and more.

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Overview of JGC Report 2025

The main message of the "JGC Report 2025" for fiscal year 2025 is that, although the business results for fiscal years 2023 and 2024 were challenging, the direction of our Group's long-term management vision, "2040 Vision", remains unchanged. While swiftly rebuilding the EPC execution structure, we are steadily advancing initiatives toward sustainable growth. The main features in the production of this report are as follows:

1. Rebuilding the overseas EPC execution framework

Regarding the overseas EPC business, which was the main factor behind the poor performance in fiscal years 2023 and 2024, the causes, challenges, and response status are described in "Chapter 4 : Growth Strategy" starting from p.37, under the section "Medium-Term Management Plan 'BSP 2025'". This report introduces our initiatives as concretely as possible, using charts and diagrams, to help readers gain a deeper understanding.

2. "What Drives JGC"

For our Group to achieve sustainable growth, it is important to promptly rebuild our EPC execution system while continuing to strengthen the Group's accumulated strengths and capital. Therefore, this report summarizes the history of our Group's growth, value creation process, management capital, and strengths as "Chapter 3: What Drives JGC," starting from p.21. In the special feature, we also introduce our Group's strengths through roundtable discussions with representatives from partner companies in new businesses.

3. Ongoing Enhancement of Non-Financial Information Disclosure

In "Chapter 5: Sustainability & Governance," we have once again worked to enhance the disclosure of non-financial information, including ESG information. For fiscal year 2025, in order to deepen dialogue with shareholders and investors, we have structured the report to provide not only information to help visualize our Group's initiatives more concretely, but also to clarify the background, progress, and challenges of these initiatives for better understanding.

We will continue to cherish the opportunities to communicate with our stakeholders. We would appreciate your honest advice and feedback.

CEO Message

The JGC Group Collaborating in Solving Global Challenges and Heightening its Corporate Value

Masayuki Sato

Representative Director, Chairman,
President, and CEO

Sato joined the Company in 1979. He worked in finance, serving as a finance officer for projects in the Middle East, North Africa, Southeast Asia, and CIS countries. In July 2010, he was appointed as Director. After serving as Executive Director and General Manager of Corporate Management Headquarters and CFO in July 2011, Sato was appointed to Executive Vice President and Director in June 2012. In June 2014, he was appointed Representative Director and Chairman. After serving as Representative Director, Chairman and CEO from June 2017, Sato assumed his current position in April 2025.



CEO Message

The Growing Importance of Natural Gas and LNG in the Pursuit of Affordability

Global energy demand is widely anticipated to increase steadily over the medium to long term, with emerging and developing countries at the center of this growth. Economic growth and population increase are expected to drive energy demand. In developing countries, about 2.1 billion people currently lack reliable access to energy, and demand will further increase as energy access improves. Additionally, in recent years, there has been a growing view that electricity demand will surge in both developed and emerging countries due to the rapid expansion of generative AI and the significant increase in data centers. As global energy demand continues to expand, there is a common global challenge: can we supply and secure the necessary energy stably and at affordable prices to meet that demand? While decarbonization and carbon neutrality are important, we recognize that, as a realistic solution to the immediate challenges of affordability and increasing energy demand, the importance of natural gas and LNG, which are cleaner and relatively inexpensive types of fossil fuels, continues to rise. Significantly, there are now people who refer to natural gas and LNG not as “transition energy” but as “destination energy.”

The general image of the term “energy transition” tended to be a somewhat radical one, where existing mainstream fossil fuels would be rapidly replaced by other advanced and clean non-fossil fuel energy sources.

However, it is now increasingly recognized that such a change is not easy. Rather, existing energy sources will maintain their importance and, while balancing affordability, the increase in energy demand will mainly be met by expanding the supply of clean energy—a shift described as “energy addition.” In this context, we believe it is essential to utilize all available energy sources and technologies and to take a comprehensive and realistic approach to the future of global energy, with flexible responses tailored to the circumstances and energy resources of the respective developed, emerging and developing countries.

The JGC Group is working to realize a sustainable society as outlined in our long-term management vision, “Vision 2040,” and in doing so expand five business domains required by society and industry: (1) energy transition, (2) healthcare and life sciences, (3) high-performance functional materials, (4) resource circulation, and (5) industrial and urban infrastructure. I am confident that the JGC Group is well positioned to serve as a collaborative partner in providing realistic solutions based on our technological capabilities, tailored to the circumstances and energy resources of each country and client, while remaining close to stakeholders, such as countries and clients, who are facing various challenges. I feel that expectations from stakeholders are high.

Review of Fiscal Year 2024

Regarding the business environment for fiscal year 2024, although there is uncertainty about the global economic outlook, it remains steady and energy demand is on the rise. The demand for natural gas and LNG is expected to expand in the medium to long term as a transition, so-called destination, energy, and many LNG projects have steadily progressed toward realization. On the other hand, rising interest rates and increased CAPEX (capital expenditures) have begun to cause some clients to delay their investment decisions. This trend is particularly evident in sustainable fields such as hydrogen, fuel ammonia, and SAF (Sustainable Aviation Fuel) both domestically and internationally. In response to increased CAPEX, clients are taking longer to secure subsidies and review budgets, and there are growing calls from businesses for governments to establish systems that promote the use of

sustainable products. As a result, some investment plans have been postponed. While some clients have delayed their final investment decisions (FIDs) to fiscal year 2025 and beyond, our Group carefully selected projects that would reliably progress to FID and actively pursued sales activities to achieve our order targets. As a result, we achieved approximately 920 billion yen in total engineering orders for fiscal year 2024 (overseas: about 830 billion yen, domestic: about 90 billion yen), close to our target of 970 billion yen.

The large-scale, low-carbon LNG plant construction project for the United Arab Emirates, for which we received the EPC (Engineering, Procurement, and Construction) contract in June 2024, will adopt an “E-Drive” system that uses electric motors powered by clean electricity to drive the compressors that compress the natural gas feedstock, instead of conventional gas turbines. This will make it the first low-carbon LNG plant in the Middle East and North Africa region, and one of the few such examples worldwide, with maximum consideration given to reducing CO₂ emissions during plant operation.

Furthermore, in the EPC project for onshore facilities for the Indonesia Tangguh LNG EGR/CCUS project, awarded in November 2024, our Group is responsible for the design and construction of natural gas booster facilities to increase the pressure of natural gas produced from existing wells, as well as compression facilities to collect and compress acid gas from existing acid gas removal units, all to be installed within the existing Tangguh LNG plant site. This project will recover CO₂ emitted during natural gas production and reinject and store it in the gas field, thereby reducing CO₂ emissions while simultaneously improving production efficiency and increasing output of natural gas. These two projects are truly flagship initiatives that balance growing energy demand with the realization of low and zero-carbon solutions, and our Group employees feel both pride and motivation in being part of such projects.

Regarding our Group’s consolidated results for fiscal 2024, in the total engineering business, we recorded operating and net losses for the second consecutive year, following fiscal year 2023, due to idling time losses from delayed FIDs on expected projects and worsened profitability forecasts for four EPC projects being executed by JGC Corporation and its overseas subsidiaries.

The factors that led to the Group needing to record additional costs and risk response expenses in fiscal year 2024, as well as our company-wide countermeasures, are described in the section “Causes, Issues, and Responses for Losses Recorded in Fiscal Year 2023 and 2024 (□□ P.44)” in the medium-term business plan “BSP 2025”. In addition to measures taken in response to lessons learned from fiscal year 2023, JGC Corporation is currently working as one team to rebuild and strengthen EPC execution capabilities through both individual project initiatives and cross-organizational efforts. We at JGC Holdings Corporation are committed to leading and supporting JGC Corporation as it overcomes these challenges and builds an even stronger organization than before.

Risks associated with EPC projects have changed significantly over the past five years. Moreover, each EPC project is unique, and risks vary depending on order timing, clients, and construction sites. Additionally, over the four- to five-year project execution period, conditions change constantly, like a living being. Therefore, I believe that there is no magic bullet for strengthening EPC execution systems; rather, I believe it is important to persistently and repeatedly reinforce and improve our traditional approaches.

Some shareholders and investors have asked whether our Group will shift from lump-sum contract business to reimbursable contract business, given the current management environment characterized by high uncertainty and difficulty in forecasting the future. In responding, I explain that clients often realize their capital investments through project finance, and lenders require a certain degree of visibility into total investment amounts, which leads clients to prefer lump-sum contracts. Furthermore, rather than choosing between lump-sum and reimbursable contracts, I convey that the optimum approach



is to establish contracts that appropriately share risks with clients, even in the case of lump-sum contracting.

In the LNG sector, only a limited number of contractors can design and build these large and complex plants. With the growth of LNG as a transition energy, I believe that our Group's mission is to support the realization of plant construction. The Group will pay even closer attention to contract terms to ensure that contracts appropriately address risks, and we will work to establish agreements that appropriately share risks with clients. In addition, the JGC Group's financial base currently maintains an equity ratio of around 50%, which is sufficient for the risks of the lump-sum contract business.

Order Outlook for Fiscal Year 2025

In fiscal year 2025, the market environment for the total engineering business is expected to be similar to fiscal year 2024, with CAPEX high due to rising interest rates and inflation. While some clients remain cautious about making final investment decisions, investment plans are expected to materialize in overseas LNG sectors as well as in domestic fields such as food, pharmaceutical manufacturing, and sustainability. In fiscal year 2025, we will also focus on securing FEED (Front-End Engineering Design) contracts for projects that will become EPC contracts from fiscal year 2026 onward, making it the year to build up pipeline of future order prospects. As we receive inquiries from clients for various projects, our Group will continue to carefully select orders by considering the appropriate number of projects, thoroughly examining and analyzing the risks of target projects, and allocating resources in the most effective way.

Based on these factors, our order target for the total engineering business in fiscal year 2025 is 650 billion yen both domestically and internationally (500 billion yen for overseas EPC business and 150 billion yen for domestic EPC business). You may feel that the order target for fiscal year 2025 is low



compared to the actual orders achieved in fiscal year 2024, but considering the characteristics of our Group, we believe that, when viewed over multiple years including the actual orders in fiscal year 2024 (approximately 920 billion yen) and not just the single-year orders for fiscal year 2025, the workload is at a sufficiently high level.

In the overseas EPC business, we aim to secure EPC contracts for FLNG projects in Africa and LNG projects in Papua New Guinea. In regard to FEED services, we have been awarded the FEED update services for Phase 2 of the LNG Canada expansion project planned by LNG Canada, as well as the FEED services for the onshore LNG plant and offshore production and shipping facility (FPSO) for the Abadi LNG project in Indonesia planned by INPEX Corporation. Additionally, in collaboration with Germany's Exyte GmbH, we have launched the new EPC brand, Nixyte, and are working to secure early orders for advanced industry projects such as data centers and semiconductor manufacturing facilities in Southeast Asia. In the domestic EPC business, we aim to secure orders for projects including maintenance work, food-related facilities, pharmaceutical manufacturing plants, and SAF production plants.

Steadily Expanding Our Functional Materials Manufacturing Business

In our medium-term business plan and long-term management vision, our Group is committed to diversifying non-EPC businesses as part of our business model transformation and is working to expand the Functional Materials Manufacturing Business as a major pillar.

In fiscal year 2024, JGC Catalysts and Chemicals Ltd., our business company in the catalyst and fine chemicals field, completed facilities for increased production of silica sol utilizing its nanotechnology for applications such as semiconductor polishing materials, in response to growing customer demand. In addition, we are considering capital investment plans at the business site acquired in 2023 to meet the growing demand for new fine chemical products such as catalysts for carbon-neutral fuels (synthetic

fuels), catalysts and adsorbents for chemical recycling, high-speed communications materials, and functional polishing particles for semiconductors. We plan to invest a total of approximately 20 billion yen in facilities, including acquisition of business sites, from 2023 to 2030.

At Japan Fine Ceramics Co., Ltd., our business company in the fine ceramics field, the high thermal conductivity silicon nitride substrates for power semiconductors produced by the company feature not only high thermal conductivity but also excellent mechanical properties and insulation. In response to repeated requests for increased production from automobile manufacturers and power semiconductor circuit manufacturers, we advanced the construction of a new plant. The new plant building was completed in February 2025, with operations scheduled to begin in the fall of 2025. In doing so, we are steadily promoting capital investment to expand production capacity.

The performance outlook for the Functional Materials Manufacturing Business in fiscal year 2025 is that sales will remain almost flat compared to the previous year, but segment profit is expected to decrease year-on-year due to increased depreciation costs and soaring raw material and fuel prices. In the catalyst field, as fuel demand recovers, demand for catalyst replacement is increasing, and demand for FCC catalysts as well others is expected to remain strong overseas. On the other hand, although there are signs of a bottoming out in the market for electronic materials and semiconductor related markets, which are the mainstay of the fine chemicals and fine ceramics fields, we expect that a full-scale recovery will still take some time.

Status of BSP 2025, the Medium-Term Business Plan

The medium-term business plan “BSP 2025”, which covers the five years from fiscal year 2021 to fiscal year 2025 as the first phase of our long-term management vision, will reach its final year in fiscal year 2025. Regarding the expansion into the five business domains set forth in the “2040 Vision,” over the past four years we have steadily implemented the three key strategies of “further advancement of EPC business,” “expanding the High Performance Materials Manufacturing Business,” and “establishment of future growth engines” as outlined in “BSP 2025”. As a result, our Group’s business portfolio, which had previously focused on the Oil & Gas sector, is steadily shifting toward the five business domains.

Specifically, we are beginning to see results in the form of strengthening construction capabilities in domestic EPC and maintenance businesses through a capital and business alliance with TAKADA CORPORATION expansion of the Functional Materials Manufacturing Business, the start of supply in the SAF business, and the commencement of construction of R&D bases in the Biomanufacturing Business.

Although we have recorded additional costs from ongoing EPC projects over the past two years, our overall direction remains unchanged. We will continue to diversify our business into the five business areas, including “Energy Transition,” as outlined in our medium-term business plan and long-term management vision, driving our own transformation and achieving sustainable growth. In the meantime, we recognize that stabilizing earnings in the EPC business is the first issue to be addressed going forward.

On the other hand, due to the impact of EPC projects with deteriorated profitability in fiscal years 2023 and 2024, the profit items in the fiscal year 2025 performance outlook have been pushed down. Therefore, although we have achieved the sales target set in “BSP 2025” (sales of 800 billion yen, operating profit of 60 billion yen, net profit attributable to parent company shareholders of 45 billion yen) in fiscal years 2023 (832.5 billion yen) and 2024 (858 billion yen), achieving the profit targets unfortunately remains difficult.

Human Resources are Our Greatest Asset, and We Nurture the People Who Build Plants

For the JGC Group to achieve sustainable growth, it is essential not only to steadily execute our business strategies of expanding business domains and diversifying our business model, but also to simultaneously strengthen the management foundation that supports these strategies.

Among these, we consider human capital to be an extremely important asset that greatly influences the realization of sustainable growth for the JGC Group. Accordingly, in this “JGC Report 2025,” we have devoted more pages than before to the message from CHRO Hanada (□ CHRO Message P.59). For engineering companies, human capital and human resources are their greatest assets, and it can be said that engineering companies nurture the people who build plants. Our strategy of nurturing people is embodied in our “Human Resource Grand Design 2030,” and the medium- to long-term direction of the “Human Resource Grand Design 2030” remains unchanged.

I believe that the key to the success and development of the JGC Group can be expressed as: “individual power × organizational power.” Furthermore, I believe that individual power can be broken down into “technology × animal spirit,” and organizational power can be broken down into “strategy × corporate culture.”

In an external survey in 2024 that collects and publishes reviews and evaluations by current employees of domestic companies, our company ranked first in “openness” and second in “teamwork.” The corporate culture of the JGC Group has been fostered through the repeated completion of EPC projects, where people freely and openly exchange opinions regardless of age or position, involve internal and external stakeholders, and work together to achieve the single goal of project delivery. I believe that a truly “open company” is one where organizational power, namely, team strength, is fully demonstrated. It is, where individuals, based on trust, speak up without fear, listen humbly to others’ opinions, and both parties are committed to achieving results.

Conversely, in our Group, as mid-career hires increase, I believe it is necessary to constantly re-examine whether we are truly “open” and whether results are being achieved, and we are currently conducting a re-evaluation within JGC Corporation.

New Management Structure and Strengthening of Corporate Governance

After discussions in the Nomination Committee, JGC Holdings Corporation implemented a new management structure effective April 1, 2025, in which I, Masayuki Sato, serve as Representative Director, Chairman, President and CEO, overseeing the overall management of the JGC Group. Additionally, as of the same date, Mr. Kiyotaka Terajima, Director, Executive Vice President, and CFO, was newly granted representative authority. My top priority is to stand at the forefront to restore the JGC Group’s performance and pave the way for medium- to long-term growth, and I am fully committed to dedicating my utmost efforts to this goal.

In addition, Mr. Shigeru Endo, who has served as an outside director for 12 years, retired at the conclusion of the Annual General Meeting of Shareholders held in June 2025. As a result, the Board of Directors now consists of four internal directors and four outside directors. To achieve our medium-term business plan and long-term management vision, we select directors based on individual merit from both inside and outside the Company, considering factors such as progress in transforming our business domains and promoting diversity at that time, while leveraging our unique network.

Overcoming the challenges faced in our overseas EPC business is currently an urgent issue. The Board of Directors of JGC Holdings Corporation is involved in key matters related to the EPC business, while strengthening collaboration with the executive side, especially with operating companies, and deepening monitoring of execution by receiving detailed reports on outstanding issues. Furthermore, in the current situation where our stock price is below a PBR (Price-to-Book Ratio) of 1, both the Board of Directors and I, as the top executive, feel a strong sense of urgency. Alongside efforts to improve and stabilize profitability in the EPC business, we are also broadly discussing capital policy from the manager level up to the Board of Directors.

In Closing

The JGC Group has long focused on plant EPC business in the Oil & Gas sector as its main business within the Total Engineering Business. The primary corporate value created by the JGC Group has been not only contributing to the stable supply of energy, but also supporting economic development, job creation, and human resource development in resource-rich countries. We have achieved growth by continually expanding our markets and areas of focus in response to changing times.

Now, as the world moves toward realizing a sustainable society, I believe that the corporate value created by the JGC Group—as a collaborator providing practical solutions in five business domains including energy transition while guided by our purpose of “Enhancing planetary health” and aiming to contribute to a healthy future for people and the planet—will evolve to become broader and deeper, far surpassing the value we have created thus far.

In fiscal year 2025, we are determined to promptly rebuild our EPC execution system and restore the trust of shareholders and investors in our Group’s EPC capabilities, and to steadily and reliably achieve our performance outlook for 2025 through the solid execution of current EPC projects.

We aim to reestablish a firm foundation for our EPC execution so that each EPC Group company can leap forward, recognize major trends in the current plant market, and build momentum toward the next medium-term business plan.

The Functional Materials Manufacturing Business has begun to steadily grow as a stable source of revenue for the JGC Group. The semiconductor market, which is a key market for fine chemicals and fine ceramics, is currently somewhat sluggish but expected to expand to one trillion US dollars by 2030. JGC Holdings Corporation will continue to firmly support the efforts of both functional materials companies in these growth markets.

Just as we have had to overcome many major obstacles since our founding, we will once again overcome current difficulties, further strengthen the JGC Group’s earning power, and fulfill our role as a collaborator in solving issues by providing practical solutions. As CEO of the JGC Group, I am committed to leading the Group forward.

I sincerely ask shareholders and investors for your continued support.



CFO Message

Promoting Group Profitability for Improved ROE

Kiyotaka Terajima

Representative Director and
Senior Executive Vice President and CFO

Terajima joined the Company in 1981 and was engaged in legal matters including business alliances and contract work for domestic and international projects. After serving as Acting General Manager of the Corporate Management Division in 2014, Terajima was appointed as Director and Executive Officer, General Manager of the Corporate Management Division in 2016. Subsequently, he served as Director and Senior Executive Officer, General Manager of the Corporate Management Division in 2017, Director and Executive Vice President, CFO and General Manager of the Corporate Management Division in 2018, and Director, Executive Vice President, and CFO in April 2020. Terajima assumed his current position in April 2025.

CFO Message

Summary of Fiscal Year 2024 and Outlook for Fiscal Year 2025

The consolidated results for fiscal year 2024 were net sales of 858 billion yen, gross profit of 18.9 billion yen, operating loss of 11.4 billion yen, ordinary profit of 11.3 billion yen, and net loss of 300 million yen. By segment, the Total Engineering Business recorded net sales of 794.9 billion yen and a segment loss of 14.5 billion yen. Although revenue increased year-on-year due to progress in large-scale EPC projects, unfortunately, as in fiscal year 2023, the segment loss was recorded as a result of additional costs and necessary risk response expenses for certain overseas plant construction projects. The factors behind the additional costs recorded in fiscal year 2024 were largely external, but we are once firmly strongly advancing initiatives to organizationally strengthen our EPC execution capabilities.

Net sales in the Functional Materials Manufacturing Business were ¥54.6 billion, with segment profit of ¥8.1 billion. In the fine chemicals and fine ceramics sectors, as the semiconductor and electronics markets gradually recover, net sales reached a record high for the third consecutive year, and segment profit also achieved a record high. The Functional Materials Manufacturing Business has begun to steadily grow as a stable source of revenue for the JGC Group and as the core of our non-EPC business. To further expand this business, we have established a dedicated organization within JGC Holdings Corporation to support the growth of JGC Catalysts and Chemicals Ltd. and Japan Fine Ceramics Co., Ltd.

The consolidated business outlook for fiscal year 2025 is for net sales of 690 billion yen, gross profit of 52 billion yen, operating profit of 21 billion yen, ordinary profit of 22 billion yen, and net profit attributable to owners of the parent of 15 billion yen. The decrease in revenue compared to the previous fiscal year is mainly due to lower sales in the Total Engineering Business. While several large overseas EPC projects, which have been the main source of sales, are reaching their final stages and sales are declining, the new EPC projects received in fiscal year 2024 are still in the early stages of progress and are expected to make only a limited contribution to sales.

On the profit side, although EPC projects in the Total Engineering Business for which loss provisions were made due to deteriorating profitability in fiscal years 2023 and 2024 will be recorded as sales in line with construction progress, the profit recorded will be zero (zero margin). However, with the profit contributions from other ongoing projects both inside and outside Japan, we expect to return to profitability in fiscal year 2025. Of the projected net sales for fiscal year 2025, zero-margin projects will account for about 20%. However, as these projects gradually move toward completion and delivery from fiscal year 2025 to 2026, their proportion of total net sales will decrease year by year and, accordingly, the gross profit margin is expected to improve.

Net sales in the Functional Materials Manufacturing Business are expected to remain almost flat, and segment profit is projected to decrease due to higher depreciation, raw material costs, and fuel costs. Nevertheless, we expect profit to remain at a high level.

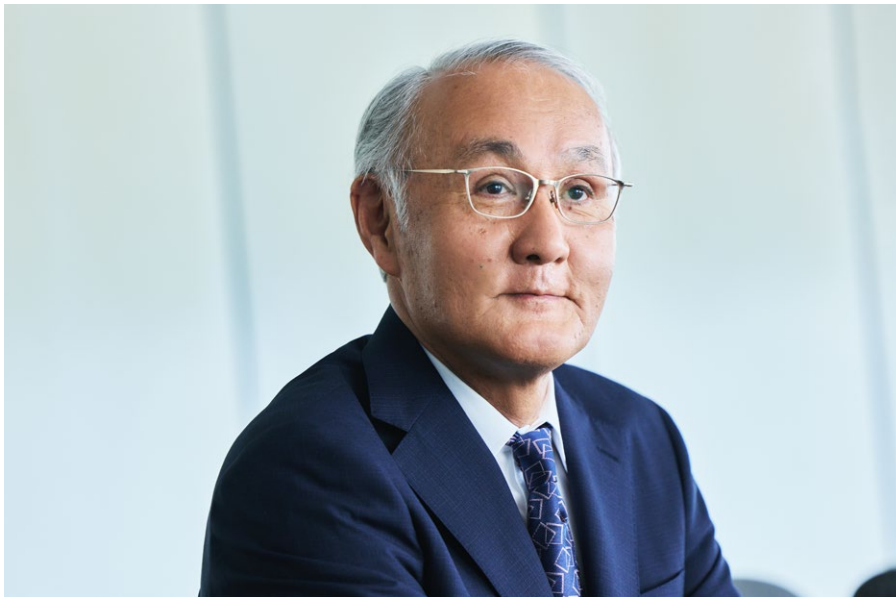
In fiscal year 2025, not only will we ensure the achievement of the business outlook announced at the beginning of the year but, as CFO, I am committed to strongly supporting the Total Engineering Business and the Functional Materials Manufacturing Business, striving to further increase profits and expand earnings.

In addition, the medium-term management plan “BSP 2025,” the first phase of our long-term management vision “Vision 2040,” will reach its final year in fiscal year 2025. The five-year capital policy under “BSP 2025” is based on the three key principles of “maintaining a strong financial base to support large-scale lump-sum EPC business,” “responding flexibly to growth investments,” and “steadily implementing shareholder returns.” We plan to formulate and execute our financial strategy for fiscal year 2025 in line with these principles. At the same time, we are working on formulating the next medium-term management plan and, along with developing business strategies with a full focus on capital efficiency and capital cost, we intend to review our financial strategy to align with our business strategy.

Equity Ratio as a Financial Foundation

In our Group’s Total Engineering Business, which is one of our main businesses, liquidity must be secured to ensure stable business continuity, as cash flow can fluctuate significantly

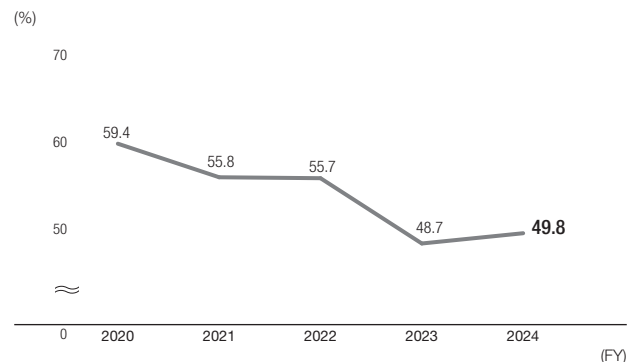
due to country risk, sudden changes in economic conditions, financial market turmoil, and payment terms in contracts with customers. In addition, to respond flexibly to growth strategy



investments, we need to maintain a firm financial base to ensure funding capacity.

Furthermore, when being awarded and executing large-scale lump-sum EPC projects, it is essential not only to secure client trust but also maintain the necessary level of equity capital to preserve our credit rating and facilitate smooth debt financing, even in the event of unavoidable large losses, as well as maintain credibility with financial institutions and business partners. We believe these measures solidify the foundation for business continuity and as one of our important goals we aim to consistently maintain an equity ratio of at least 50%. Although we posted a net loss for two consecutive fiscal years, our equity ratio as of the end of March 2025 was 49.8%, which is almost at our target level, and we believe we have secured the desired financial base.

Equity Ratio Trends



Effective Use of Funds

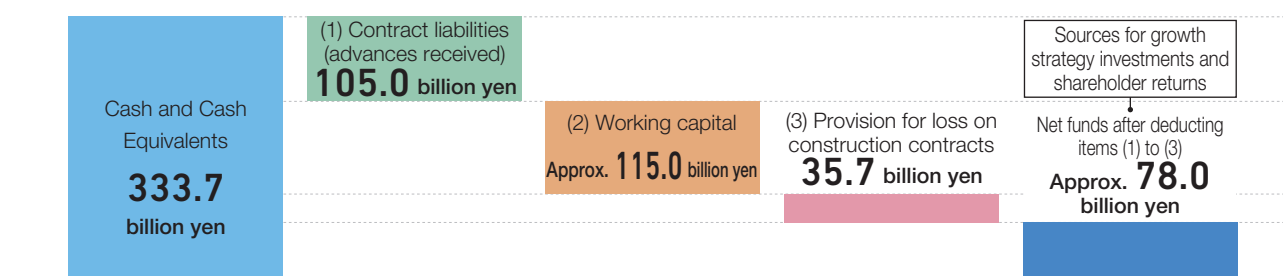
For lump-sum EPC projects in the Total Engineering Business, our aim is to receive advance payments at the time of order and to have contract terms and execution plans that allow project execution without the need for having to make advance payments in the project period. We will conduct order activities based on this premise. Therefore, when there are many projects progressing smoothly under favorable contract terms, cash balances tend to be temporarily high.

As of the end of March 2025, cash and cash equivalents stood at 333.7 billion yen, of which 105 billion yen is reserved for contract liabilities such as project advances. In addition, approximately 115 billion yen, equivalent to two months of net sales, is needed as working capital to respond flexibly to project execution risks and to cope with sudden changes in external environments such as financial market turmoil. Furthermore, the 35.7 billion yen as provision for construction

losses as of the end of March 2025 is expected to eventually result in cash outflows as deficit projects progress. After deducting these amounts, net funds of approximately 78 billion yen are positioned as resources for growth strategy investments and shareholder returns under “BSP 2025.” For growth strategy investments, we will prioritize allocating this amount plus future cash flow from operating activities, and any shortfall will be supplemented by interest-bearing debt financing.

In the area of debt financing, we issued our first green bond of 10 billion yen in September 2023. For growth strategy investments, we have several programs under way for the development of businesses and technologies that contribute to low-carbon and decarbonization. The purpose of the green bond is to allocate funds to green projects such as sustainable aviation fuel (SAF), biomanufacturing, and high thermal conductivity silicon nitride substrates for EV power modules. The 10 billion yen straight bond issued in July 2025 is intended for the redemption of straight bonds that are maturing.

Status of cash and cash equivalents as of the end of March 2025



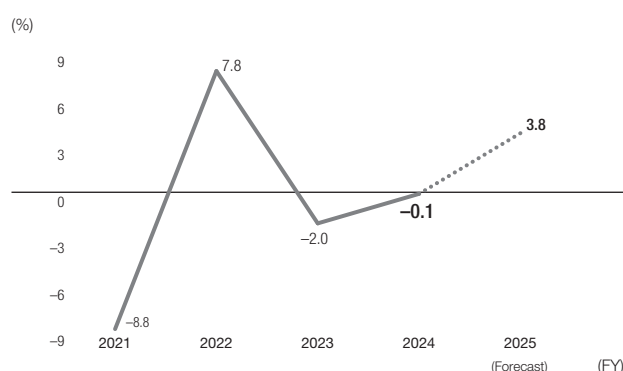
Improving ROE: Profitability Comes First

Based on the capital asset pricing model, we estimate our cost of equity at between 8 and 10%, and we aim to maintain ROE of 10% or higher over the medium to long term. To improve ROE while strengthening and maintaining equity capital as the financial foundation supporting our Group’s lump-sum EPC business model, securing net profit attributable to owners of the parent, is crucial, and currently improved profitability is our top priority.

In fiscal year 2025, as we are still in the process of restoring profitability in the Total Engineering Business, ROE is expected to remain at around 3.8% based on the initial business outlook. Going forward, we will steadily work to stabilize earnings in the EPC business and improve overall Group profitability to achieve capital efficiency with ROE exceeding 10%.

To enhance the profitability of the entire Group, we are actively pursuing the three key strategies in “BSP 2025” of “further advancement of EPC business,” “expansion of the high-performance materials manufacturing business,” and “establishment of future growth engines.” I am committed to executing these key strategies in a financially sound and

ROE trends



strategic manner to achieve medium- to long term ROE improvement. In particular, under “BSP 2025” we planned growth strategy investments totaling 200 billion yen over five years and have already executed approximately 91 billion yen in investments over the four years from fiscal year 2021 to 2024. Breakdowns of investments by key strategy include approximately 10 billion yen for “further advancement of EPC business,” approximately 40 billion yen for “expansion

Progress of growth strategy investments

Accumulated results for fiscal year 2021 to fiscal year 2024	
Further advancement of EPC business	• EPC DX and execution technology-related investments • Establishment and operation of India operations center • Acquisition of pharmaceutical business from IHI Plant Services Corporation, and others.
Expansion of high-performance materials manufacturing business	• Capital investment in high thermal conductivity silicon nitride substrate facilities • Acquisition of land for factories • Renewal and expansion of production facilities, R&D • M&A of Showa Denko Materials Co., Ltd., etc.
Establishment of future growth engines	• Integrance VR • Additional investment in healthcare-related fields • Biomanufacturing • Food tech related • DDR commercialization • SAF manufacturing business, etc.

of the high-performance materials manufacturing business,” and approximately 40 billion yen for “establishment of future growth engines.” Furthermore, including future cash outflows for projects already approved for investment, as of fiscal year 2024 we expect to have invested approximately 115 billion yen in growth strategy investments.

When determining growth strategy investment projects, we have been keenly aware of the rapid market changes since fiscal year 2021, when “BSP 2025” was launched, in addition to factors such as future expansion of the plant market, efficiency improvements in EPC operations through DX, market creation in the sustainable sector, and seeds for future business. We have invested in projects such as the establishment of JGC India EPC Private Limited to expand project execution capacity, in DX, in TAKADA CORPORATION in the launch of the SAF business, and in the establishment of a biomanufacturing research and development base.

Notably, biomanufacturing is a modality that utilizes micro-organisms for product manufacturing across a wide range of fields, including pharmaceuticals, materials, energy, and foods. The “Organisation for Economic Co-operation and Development” (OECD) has announced that the global market size of biomanufacturing is estimated to reach approximately ¥150 trillion by 2040, signaling a strong potential for future business expansion. Our Group is promoting the “Integrated Biofoundry® Business,” which provides one-stop services from the development and improvement of microorganisms to the development of production processes. The

biomanufacturing research and development base newly established on Kobe Port Island is currently under construction, with the aim for it to become a key hub in promoting the implementation of biomanufacturing from Kobe to the world through industry-academia-government collaboration.

In the “establishment of future growth engines,” we are making a wide range of investments, including those expected to create new businesses and drive growth from a long-term perspective, as well as opportunities to win EPC projects, and we consider returns from a more long-term and diverse perspective. In the “expansion of high-performance materials manufacturing business,” we are making significant asset acquisitions for business expansion, some of which are expected to yield returns in a relatively short period, while also making upfront investments such as land acquisition and research and development for future business expansion. In the “further advancement of the EPC business,” we are making investments to strengthen order-winning competitiveness and improve the efficiency of EPC services through DX.

When making investment decisions, our Group Investment and Loan Committee conducts quantitative analyses that take capital costs into account. For R&D-related projects, the Committee also carefully deliberates their potential to contribute to future business expansion. The Committee also monitors the status of projects after investments are made, establishing a system for appropriate consideration to be given as well as business withdrawal if demand necessary.



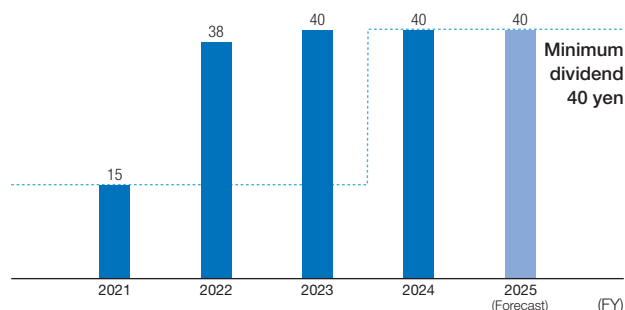
Improvement of Shareholder Returns

We recognize shareholder returns as an important management issue, and our dividend policy during the “BSP 2025” period is to aim as our basic approach for a payout ratio of 30%, with cash dividends paid once a year. In addition, we have set a minimum annual dividend per share and in 2024 we reviewed this from the perspective of our current financial position and future business outlook, increasing the dividend from the previous 15 yen to 40 yen. Based on this policy, the dividend forecast for fiscal year 2025 is 40 yen per share. Regarding the acquisition of treasury stock, our policy is to consider implementation as appropriate, taking account of business outlook and the status of free cash flow. Depending on future business performance, order trends, and cash on hand, we will once again consider the possibility of acquiring treasury stock.

We also recognize the shareholder returns policy as an important consideration in the review of the next medium term management plan. Based on our business strategy and cash allocation in the next medium-term management plan period, we plan to once again review our shareholder return policy.

Cash dividends per share

(yen)

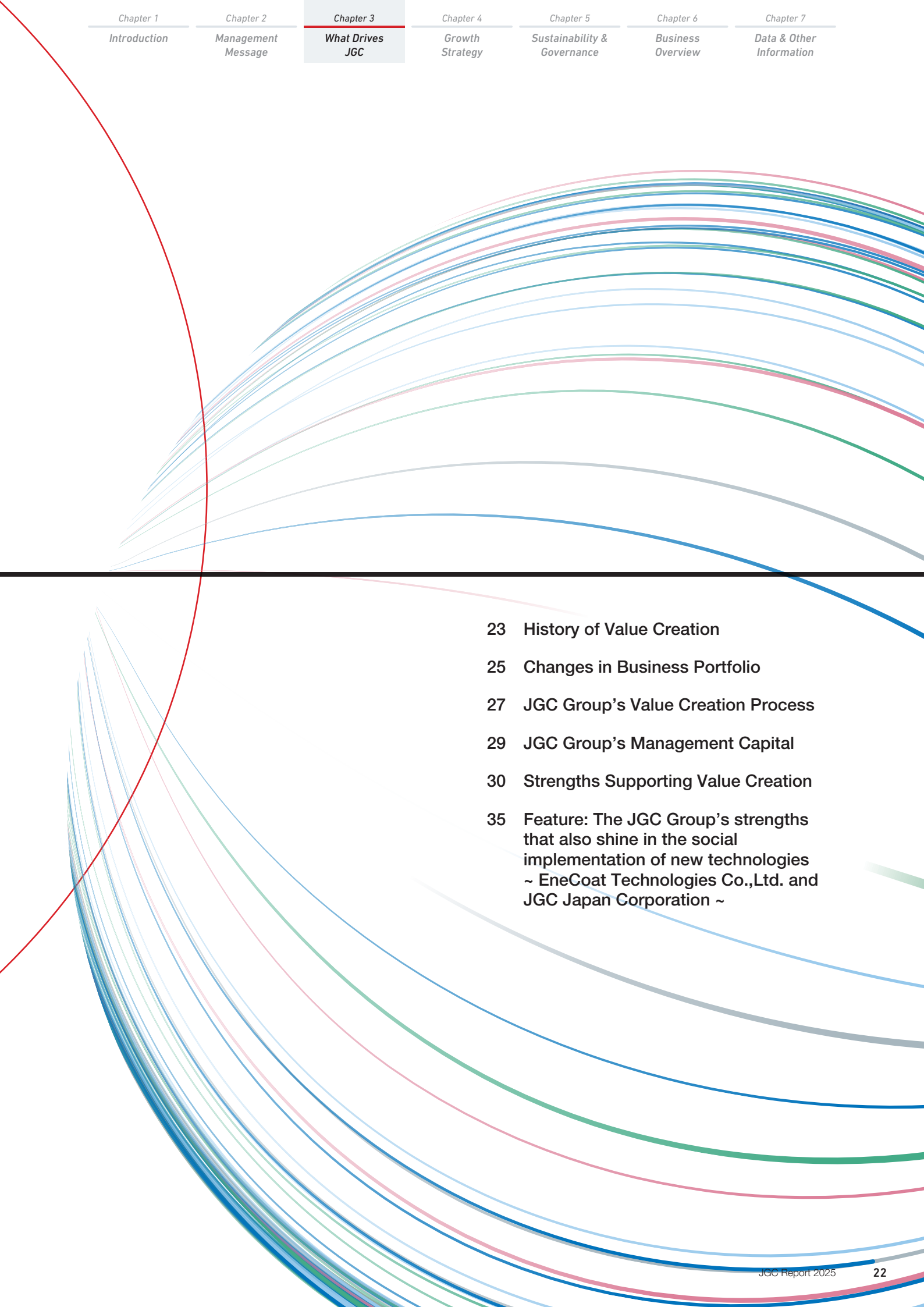


As CFO, I am committed to supporting efforts to rebuild the EPC execution system and improve profitability in fiscal year 2025, ensuring the achievement of the fiscal year 2025 business outlook and striving for greater results. In addition, by steadily increasing dividends per share through business expansion, my firm goal is to enhance shareholder value from a medium- to long-term perspective and meet the expectations of our shareholders. To our shareholders I ask for your continued understanding and support.

What Drives JGC

Chapter 3

This chapter explains the JGC Group's Value Creation Process, focusing on our history of growth, management capital, and four strengths, in addition to the sources of our Group's value creation and how they have been cultivated and demonstrated up to the present.

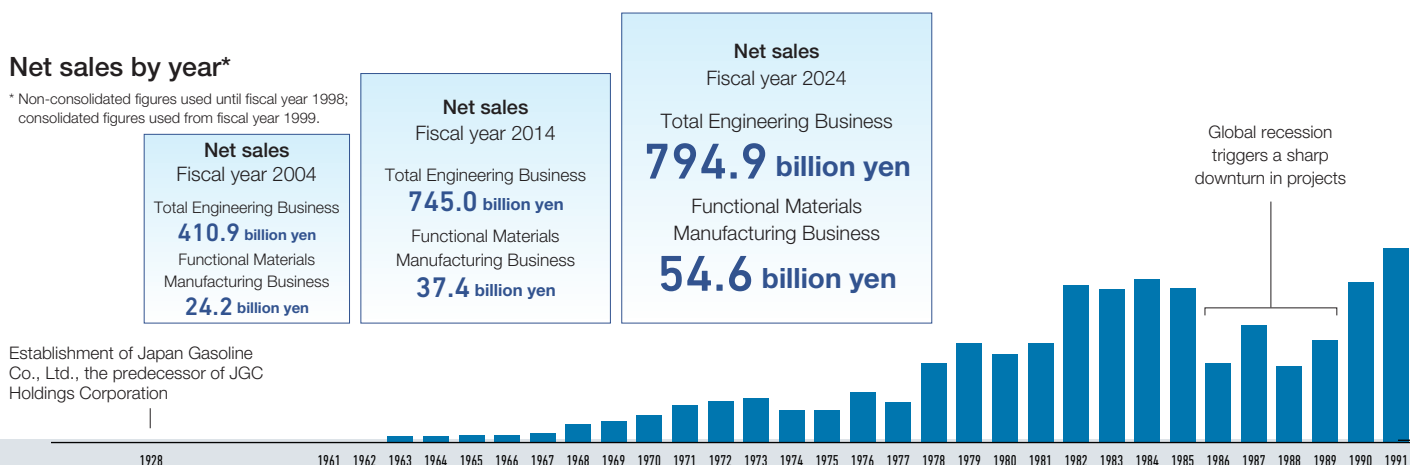
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that also shine in the social
implementation of new technologies
~ EneCoat Technologies Co.,Ltd. and
JGC Japan Corporation ~

History of Value Creation

JGC Group growth is driven by constant transformation and ceaseless diligence in adapting to changing times and a changing world.

Net sales by year*

* Non-consolidated figures used until fiscal year 1998; consolidated figures used from fiscal year 1999.



Establishment of Japan Gasoline Co., Ltd., the predecessor of JGC Holdings Corporation

Social trends

1960
OPEC established

1962
Liberalization of crude oil imports in Japan

1973
First oil crisis, fourth Arab-Israeli conflict, floating exchange rates adopted

1979
Second oil crisis

1980
Iran-Iraq War (ended 1988)

1985
Plaza Accord

1987
Black Monday

1928~1960s

Founding of the engineering business and overseas expansion

In 1928, Japan Gasoline Co., Ltd. (now JGC Holdings Corporation) was established for the purpose of constructing and operating domestic refineries. Initially, the Company aimed to sell petroleum products, but due to various circumstances, it abandoned this plan and focused its business development on UOP process licenses.

In the 1950s, JGC started full-scale entry into the design and construction of oil refining and petrochemical plants as an engineering business. JGC established our position as Japan's first general contractor to undertake EPC (engineering, procurement, and construction) on a turnkey basis. JGC achieved completion in a short delivery period, supporting Japan's period of rapid economic growth. This earned us the trust of clients both in Japan and overseas, and enhanced our reputation as a company with both technological and execution capabilities. In addition, the company began manufacturing oil-related catalysts in the 1940s, thereby promoting business diversification.

In the 1960s, JGC established a dedicated overseas sales department and made a full-scale entry into overseas markets, winning refinery projects in countries such as Peru, Argentina, and Venezuela. In 1969, JGC, in collaboration with ITOCHU Corporation, jointly secured a contract for the construction of a refinery in Algeria, which was the largest plant export project in Japan at the time (valued at 70 million USD, approximately 25 billion yen). Although experienced many difficulties and losses, JGC gained valuable experience in large-scale overseas projects. This also served as a catalyst for serious discussions on the need for modern project management methods.



Design scene in the 1950s



Refinery under construction (Peru)

1970s~1980s

Establishment of a global project execution framework

From the 1970s, JGC secured a series of large overseas projects, such as the LNG plant in Brunei and refineries in Dominica and Singapore, and by 1977, the ratio of overseas contracts reached 88%. Overseas, JGC faced a variety of challenges such as systems, cultures, customs, and natural conditions, but the experience of overcoming these became intangible assets and greatly contributed to the development of our business.

During the same period, project management methods underwent rapid transformation, and in the late 1970s, the Company established its own management framework and support systems to rationally manage large and complex projects. This led to a dramatic improvement in the accuracy and efficiency of project execution.

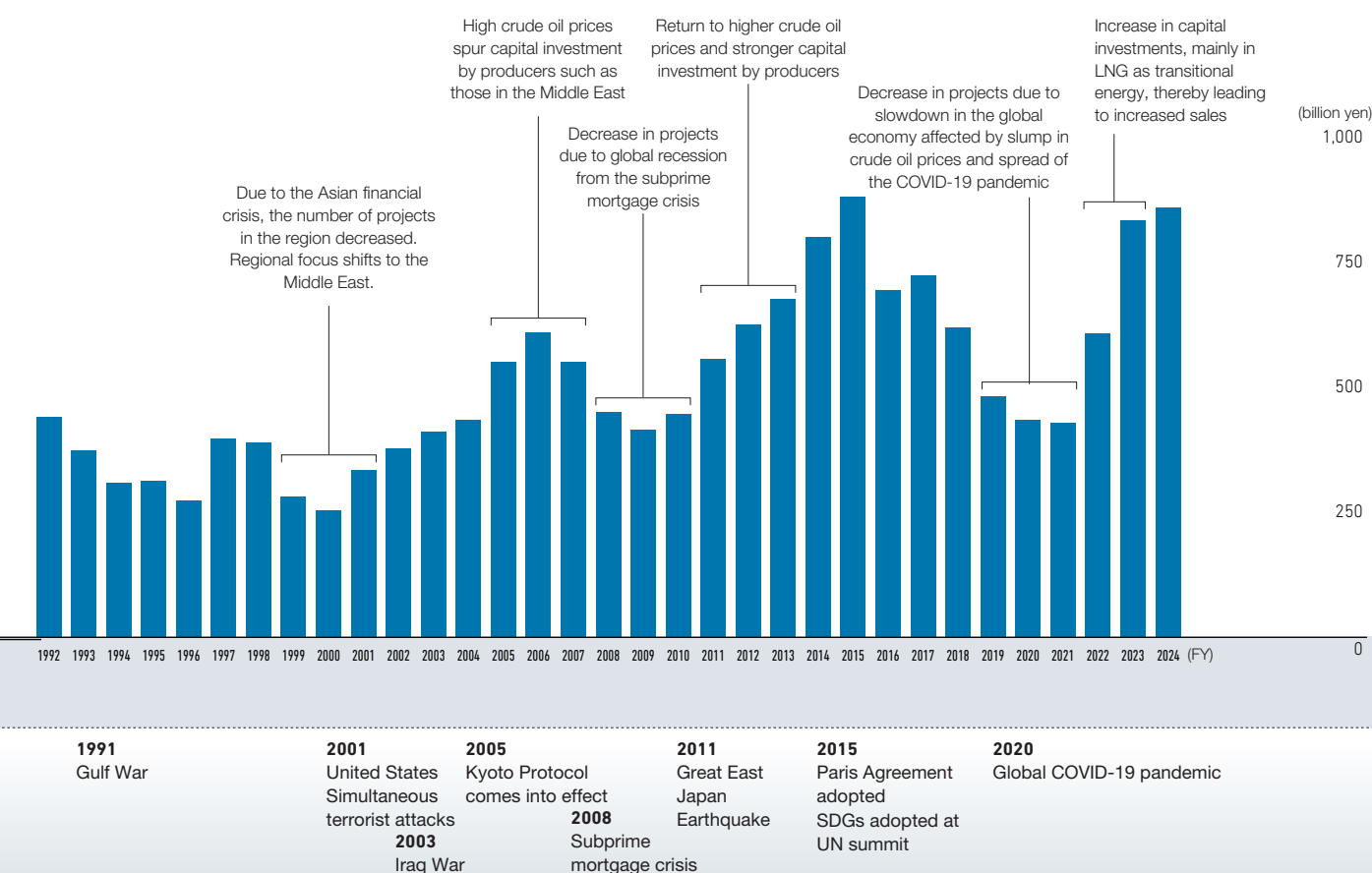
The subsequent second oil crisis and the rapid appreciation of the yen following the Plaza Accord had a serious impact on competitiveness for orders and profitability. Even under such circumstances, JGC promoted the globalization of design, procurement, and construction resources, established local engineering companies, developed overseas procurement bases, and built a global resource management system, thereby establishing a flexible execution framework capable of withstanding foreign exchange risks. By overcoming various difficulties and successfully delivering many overseas projects, JGC established trust and its position as an international engineering company.



Our group's first LNG plant (Brunei)



World's largest LNG plant at the time (Malaysia)



1990s~2000s

Responding to gas demand, becoming a top contractor in the LNG field

In the early 1990s, the engineering industry entered an era of mega-competition and faced a turndown in plant engineering. In Southeast Asia, in addition to Japanese, American, and European firms, Korean companies also entered the market, resulting in fierce competition for orders. During the Asian financial crisis of 1997, investment restraint, project suspensions, and nonpayment for construction work occurred one after another, and although JGC as well faced a serious management crisis, the Company overcame this by implementing drastic reforms in management, organization, and personnel. While mega-competition led to industry shakeouts, clients began seeking contractors with not only cost competitiveness but also comprehensive capabilities, including strong execution and technological prowess.

Since the late 1990s, growing interest in environmental conservation has driven increased demand for natural gas and LNG, which are clean energy sources. The use of natural gas as a petrochemical feedstock also progressed, ushering in gas demand. JGC continuously won orders for natural gas processing plants and LNG plants, accumulating technological expertise and a track record of achievements. In particular, the Company received and completed numerous projects in the LNG field, establishing its position as a top contractor in LNG.

In the 2000s, as energy demand in emerging countries expanded, crude oil prices soared, leading to an unprecedented boom in plant construction in the Gulf countries of the Middle East. JGC responded quickly to this, rapidly expanding its business performance and order volume.



Gas processing plant (Saudi Arabia)

2010s

Expansion of business segments and regions, adoption of a holding company structure

Due to the shale gas revolution, the North American region suddenly rose to prominence as the area with gas producing countries and the plant market. Numerous LNG, gas-based chemicals, and other projects have been realized in North America, and the JGC Group succeeded in advancing into the North American market.

In the offshore field, JGC has also established its solid presence as an industry leader in the floating LNG (FLNG) area. In the field of infrastructure development, the Company engaged in power generation projects, including one for solar power generation in Japan, while promoting the expansion of the field for overseas infrastructure development in tandem with its overseas subsidiaries.

As of October 2019, the JGC Group became a corporate group with a holding company structure. Our aim is to transform into a corporate group that achieves stable and sustainable growth through multiple businesses, including overseas oil & gas, overseas infrastructures, domestic EPC + maintenance, and functional materials manufacturing.



Gas production base, CCS facility (Algeria)

2020s

Accelerating toward realizing a decarbonized society touted in "2040 Vision"

Due to the progress of global decarbonization and the spread of COVID-19, a paradigm shift in society and industry has rapidly advanced. As the business environment surrounding our group undergoes significant changes, in this era of high uncertainty, achieving sustainable growth requires us to flexibly and swiftly respond to environmental changes while transforming ourselves over a long-term perspective.

Based on this recognition, in May 2021, the Group redefined its purpose as "Enhancing planetary health" and formulated the long-term management vision "2040 Vision" and the medium-term management plan "BSP 2025" as its first phase. The Group aim to become a corporate group that contributes to enhancing planetary health in five business areas by 2040.

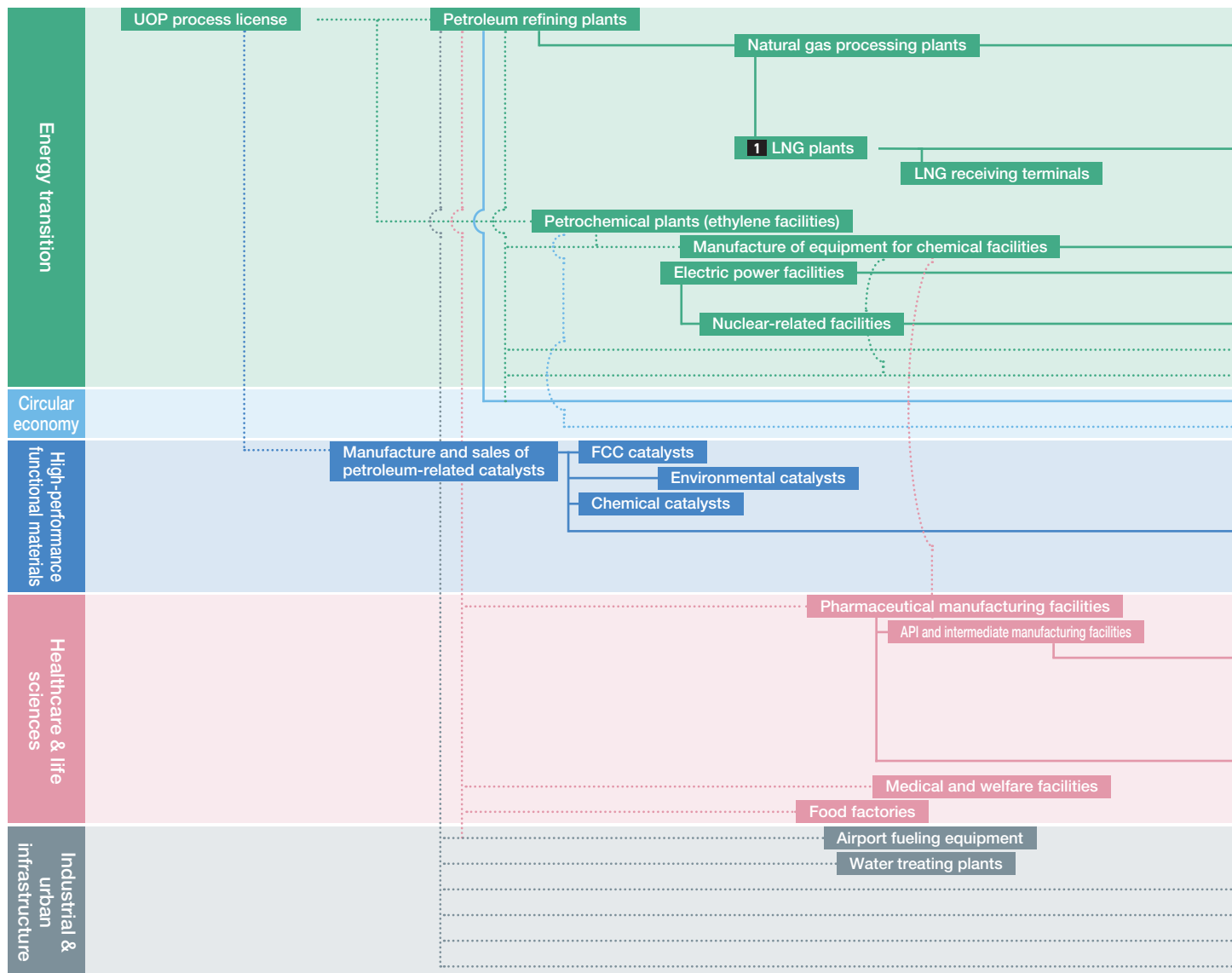


Offshore LNG facility (Mozambique)

Changes in Business Portfolio

Since its founding, the JGC Group has accumulated extensive knowledge and technology through the acquisition and provision of petroleum refining processes (UOP process), and EPC projects for refineries utilizing this process.

— Fields (businesses) to which the expertise on the constituent technologies and EPC projects of such fields are directly related
 Fields (businesses) to which expertise is indirectly related



Brunei LNG plant

FOCUS Received first order for LNG plant construction (1973)

1

In 1973, our Group received its first order for an LNG plant construction project for Brunei. By continuing to successfully complete early-stage LNG projects, our Group has earned a strong reputation in the field of LNG plant construction, which has led to the receipt and execution of numerous LNG plant and cutting-edge FLNG* plant projects to this day.

* FLNG (Floating Liquefied Natural Gas) production facility



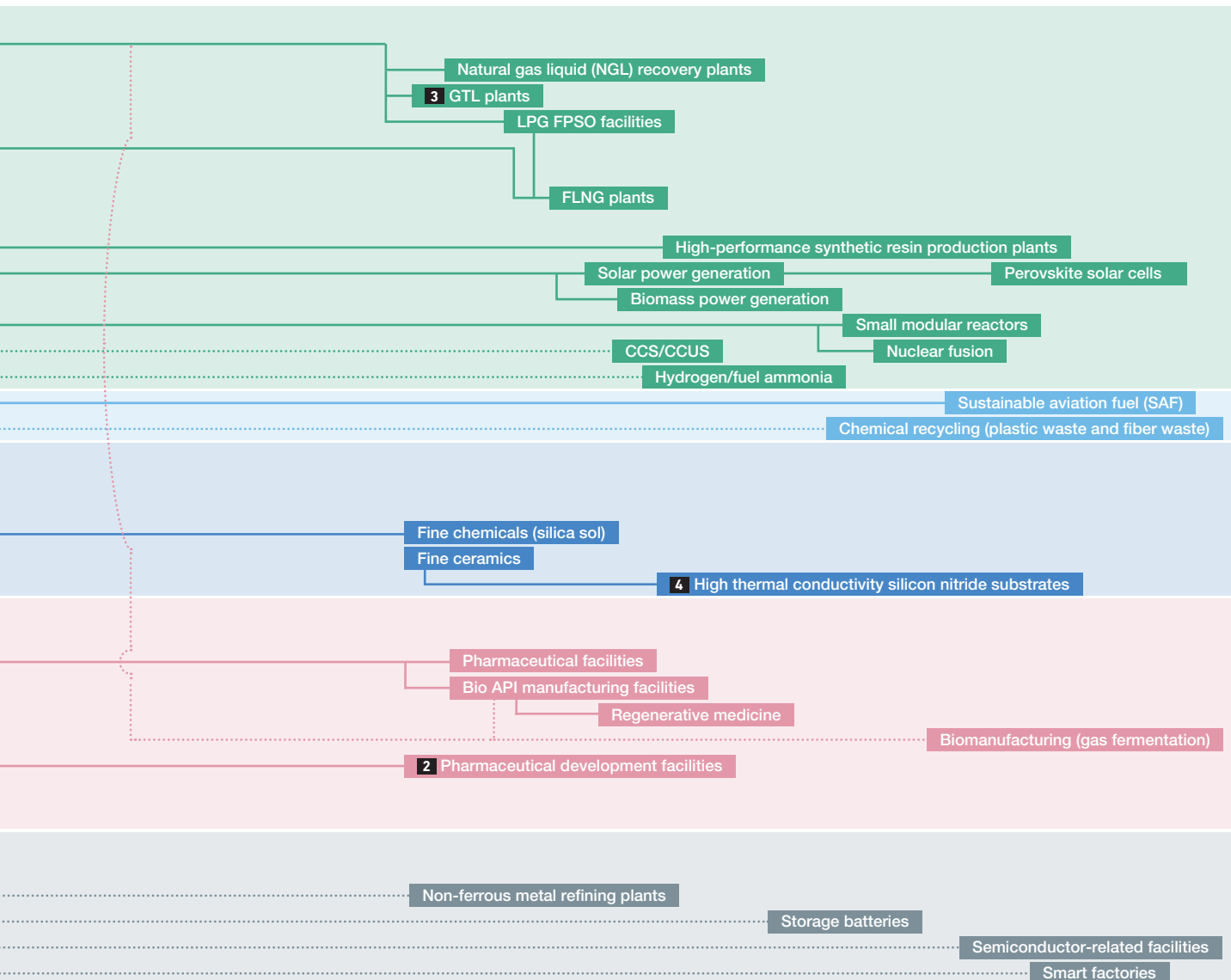
Suntory Pharmaceutical Development Center

FOCUS Full-scale entry into pharmaceuticals production (1988)

2

The JGC Group received an order for a vitamin B₂ production facility in 1970, marking our entry into the pharmaceutical field. Subsequently, in 1988, we completed a large-scale pharmaceutical development center construction project, including new drug development, active pharmaceutical ingredient manufacturing as well as sterile and solid formulation manufacturing, a total system was established a full-scale system for receiving and executing orders in the pharmaceutical field. Subsequently, the Group realized numerous new facility concepts, growing into a pillar of the non-hydrocarbon field.

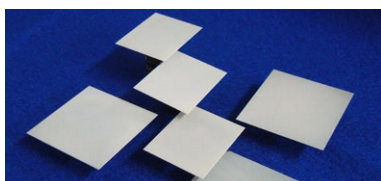
Furthermore, in response to changing trends and client needs, and through our own strong determination, the Group have gradually expanded our business domains into related fields, building on our expertise and technology. These have now evolved into five business domains, such as energy transition. The Group will continue to leverage our accumulated technology and experience as the Group aim for sustainable growth.



Large commercial GTL project in Malaysia

FOCUS Received first order for large commercial GTL project (1989) 3

In 1989, we secured a large-scale GTL (Gas to Liquids) project in Malaysia. Since GTL can be used to produce clean petroleum products and petrochemical raw materials, it has opened a way for the realization of carbon-neutral fuels (synthetic fuels) such as e-Fuel and e-SAF, which are currently available. Experience and know-how gained through this project are being used to contribute to the acceleration of energy transition.



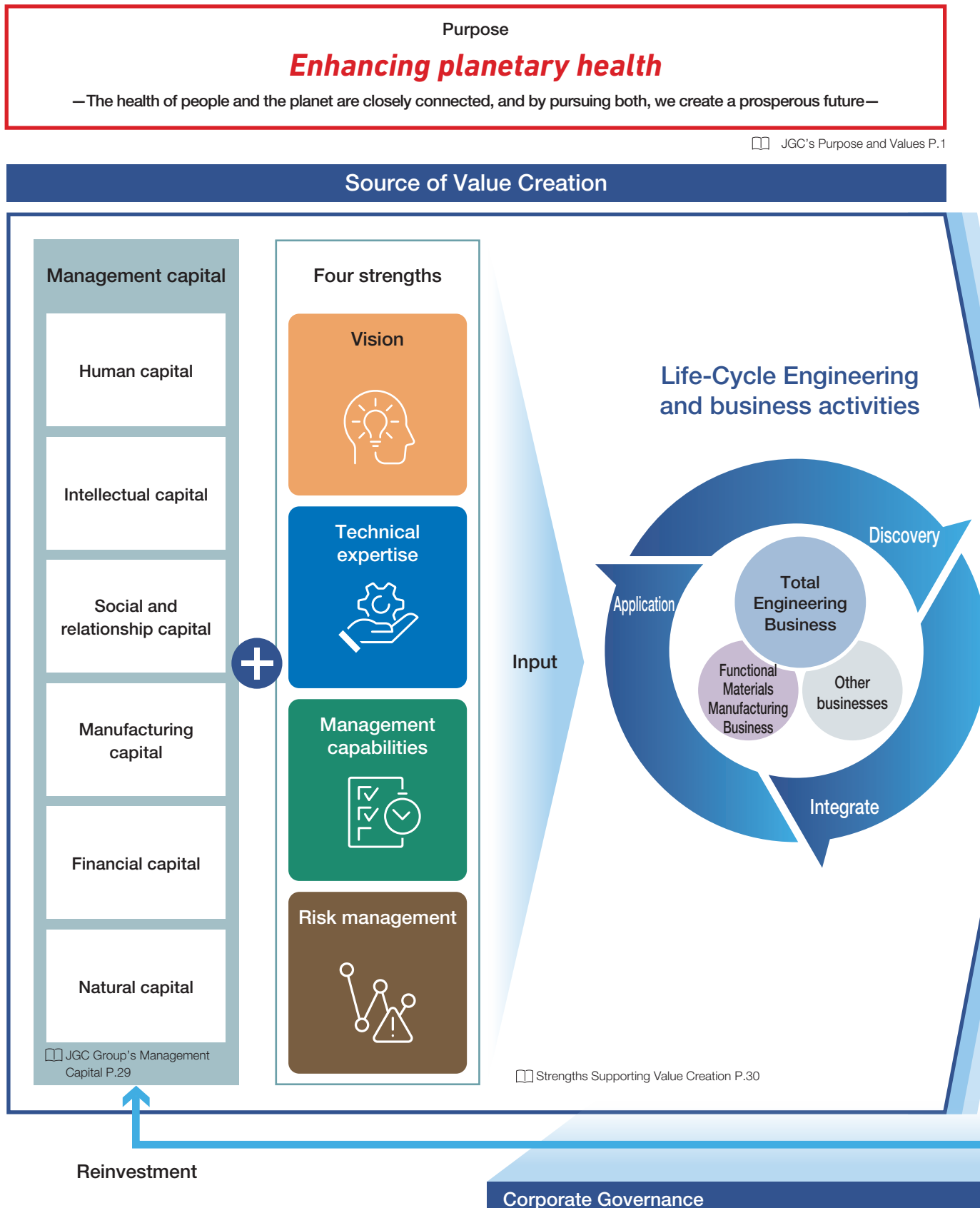
High thermal conductivity silicon nitride substrates

FOCUS High thermal conductivity silicon nitride substrates (2009) 4

In recent years, high thermal conductivity silicon nitride substrates, which have become essential for power units in electric and hybrid vehicles, are expected to see even wider use in the future. The Group boasts an unparalleled technology superior to conventional manufacturing methods in terms of both performance and costs, and is aiming to achieve a high share.

JGC Group's Value Creation Process

The JGC Group aims to achieve sustainable growth and solve social issues by leveraging both the strength that it has cultivated in its existing businesses as well as its unique management capital.



Social issues that the JGC Group is aiming to solve

Pursuing both a stable energy supply and decarbonization

Reducing the environmental impact of resource consumption

Building and maintaining vital infrastructure and services

Materiality

□ JGC Group Materiality (Material Issues) P.39



Societies in harmony with environment



Working with local communities around the world



Human rights, employee motivation



Energy access



Quality of life



Corporate governance, and risks management

Realization



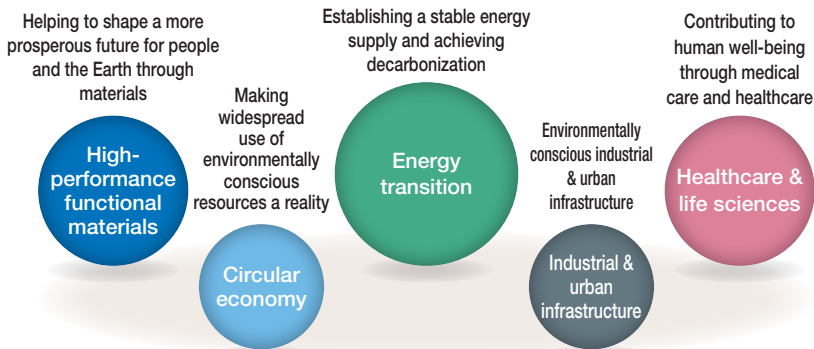
Formulation

Strategy for Value Creation

JGC Group Growth Strategy
Long-Term Management Vision “2040 Vision”

2040 Vision of the JGC Group

A corporate group that contributes to enhancing planetary health
In five business areas



The three transformations (TX) aimed for in the “2040 Vision”

Business area TX

Business model TX

Organizational TX

□ 2040 Vision, Our Long-Term Management Vision P.41

Medium-Term Business Plan (BSP 2025)

Building a Sustainable Planetary Infrastructure 2025

1st Phase “Five Years of Challenge” (Fiscal year 2021 to fiscal year 2025)

Key strategies

Further advancement of EPC business

Expansion of high-performance materials manufacturing business

Establishment of future growth engines

Growth strategy investments

□ Medium-Term Business Plan (BSP 2025) P.43

Outcomes of value creation

Improvement of corporate value

Solving social issues

Health of Earth, health of humans

Creating economic value

Revenue growth

□ Corporate Governance P.86

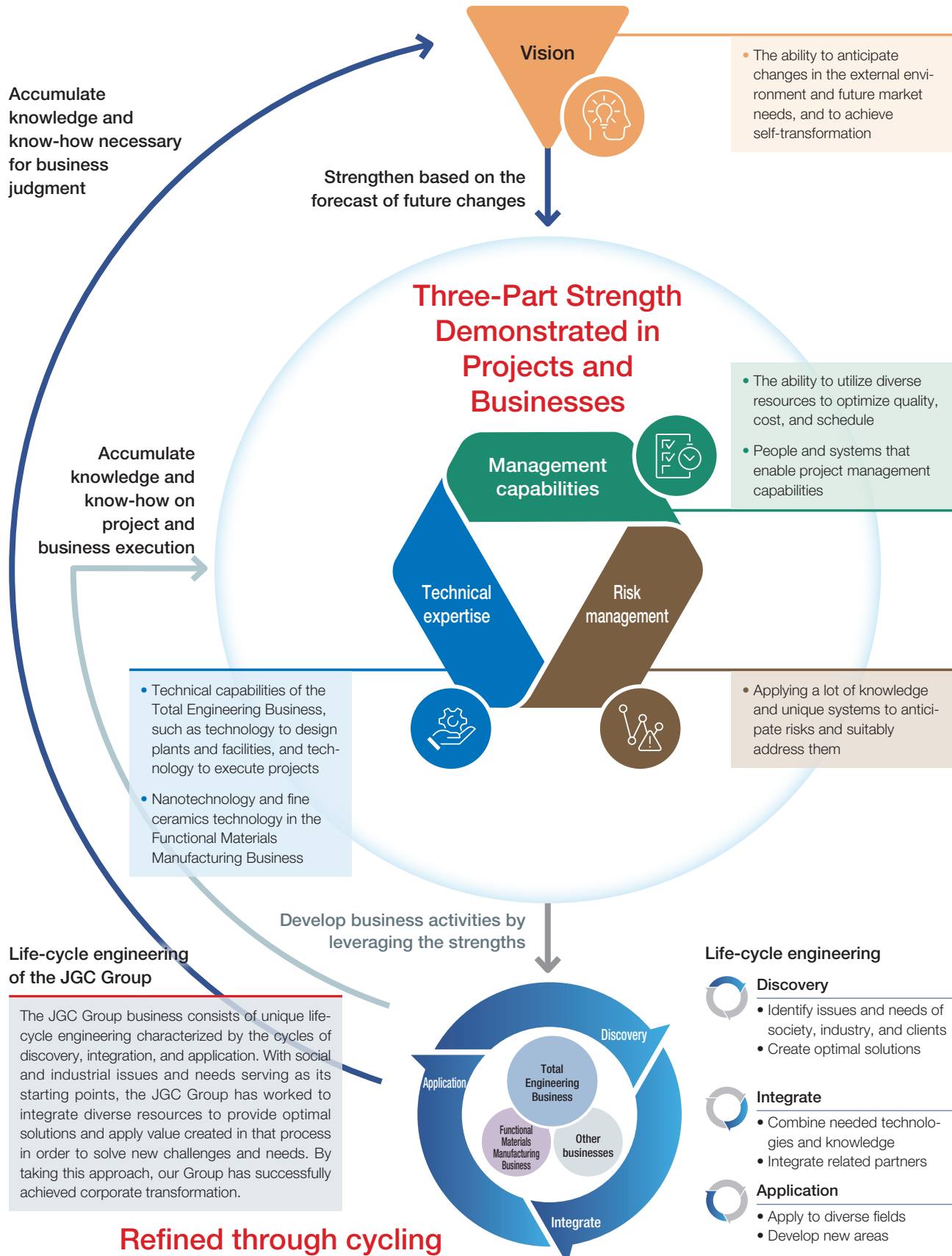
JGC Group's Management Capital

The JGC Group built its unique management capital through many years of corporate activities. This management capital creates competitive energy in business activities, playing a critical role in the Group's value creation.

Human capital	For the Group, where the Total Engineering Business, a knowledge-intensive industry, accounts for about 90% of sales, human capital is an extremely important management resource. Strengths Supporting Value Creation P.30 Human Capital Initiatives P.62 Respect for Human Rights P.70 Initiatives on employee human rights—JGC Council P.72	- Human resources strategy linked to growth strategy - Human resources who are experts in various fields such as chemical engineering - Human resources with various backgrounds and values - Open-minded corporate culture
Intellectual capital	For the Group with an extensive track record and know-how in project management, which can be hard to visualize, intellectual capital is an important part of management capital. Strengths Supporting Value Creation P.30 Intellectual Capital Initiatives P.77	- Intellectual capital of the Total Engineering Business, including know-how accumulated through the execution of over 20,000 projects in 80 countries - Intellectual capital of the Functional Materials Manufacturing Business, including technology for manufacturing niche products - Usage of intellectual property and intangible assets
Social and relationship capital	For the Group, which has engaged with and brought together numerous stakeholders in project execution, this social and relationship capital is one of our strengths. Strengths Supporting Value Creation P.30 Stakeholder Engagement P.79	- Long-standing credibility with clients - Network with suppliers, partner companies - Relationships with various relevant agencies - Collaboration with partners from various industries
Manufacturing capital	The Group possesses the capacity to manage large and complex plant projects in safety and achieve on-time deliveries as well as manufacturing capital necessary for the manufacture of high-performance functional materials. Medium-Term Management Plan "BSP 2025" Expansion of High-Performance Materials Manufacturing Business P.48	- Commitment to HSSE - Quality management to design massive structures and deliver on time - Manufacturing sites, technologies, and systems for the Functional Materials Manufacturing Business HSSE Initiatives P.73 Quality Management P.76
Financial capital	The Group possesses solid financial capital necessary to stably carry out large and long-term projects and utilize such capital. CFO Message P.15 Medium-Term Business Plan (BSP 2025) P.43	- Financial and investment strategies for enhancing corporate value over the medium and long term - Solid financial foundation for stable project execution - A+ credit rating
Natural capital	The Group, in which the Total Engineering Business plays a central role, works on EPC operations, and others, for environment-friendly plants according to the characteristics and specifications of projects. Climate Change Initiatives P.55 HSSE Initiatives Environmental Management Initiatives P.75	- Initiatives for EPC of low environmental impact plants - Utilization of renewable energy

Strengths Supporting Value Creation

The JGC Group achieved sustainable growth by leveraging the four strengths that have been cultivated since its founding in management and business activities as well as by refining these strengths through using knowledge and know-how obtained in the process.

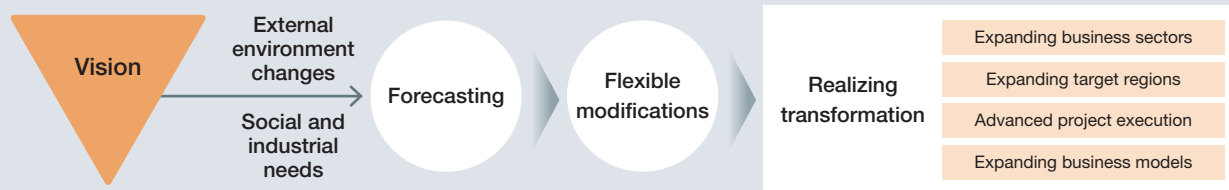




Vision

- Anticipating external environmental changes and future market needs, and achieving corporate transformation

Foresight is what led to the founding of the JGC Group, in expectation of changes in domestic energy supply and demand. Since then, the Group has continued to grow by constantly anticipating internal and external changes in market the environment and social and industrial needs to expand our business sectors and target regions, diversify business models, and advance project execution. It is believed this strength will be increasingly valuable in the turbulent modern market environment and will drive sustained growth of the Group in times to come.



Anticipate social and industrial needs to achieve corporate transformation

Expanding business sectors

Anticipating social and industrial needs to advance into growth segments where we can take advantage of our technologies and knowledge

Example

Capturing of growth segments

We have always explored promising segments where we can take advantage of our strengths to meet the needs of the times ahead of others.

Examples: Crude oil and natural gas production (upstream), LNG, renewable energy, nuclear power, pharmaceuticals and hospitals, etc.



Expanding target regions

Monitoring and anticipating regional trends in resource and energy demand and economic growth across the world to expand into promising regions

Example

Global expansion building on domestic business

By horizontally expanding our expertise cultivated in Japan, we expanded our business into regions with active oil development such as South America and North Africa in the 1960s.



Advanced project execution

Along with an increase in the scale of projects, we have proactively worked on the streamlining of the method of managing processes in design, procurement, and construction work, as well as the sophistication of project management and risk management, seeking to provide high added value to the Total Engineering Business.

Example

Establishment of a scientific project management method

We have developed an original project management system in which qualitative and quantitative project information can be visualized, managed, and utilized. This system is useful in latter project stages and in anticipating risks, and has been increasingly adapted to digitalization.

Expanding business models

Anticipating social and industrial needs to expand business models by developing and applying our technologies and spinning off related businesses while remaining centered on engineering

Example

Expansion into catalyst and fine chemical business

We separated and spun off the technology for manufacturing catalysts necessary in the oil refining process to start the catalyst production business. After that, by expanding and applying nanotechnologies cultivated in the catalyst production business, we advanced into the fine chemical business.



2040 Vision — A Crystallization of Foresight

The “2040 Vision,” formulated based on foresight, predicts environmental changes expected in 2040 from various perspectives, including the energy sector. It also identifies the challenges the world will face, and matches them with the JGC Group’s competencies to clarify the issues our Group should address and the roles it should fulfill. We are steadily making progress toward realizing this vision.



Technical expertise

- Technical capabilities of the Total Engineering Business, such as technology to design and construct plants, constituent technologies, and project execution technology
- Nanotechnology and fine ceramics technology in the Functional Materials Manufacturing Business

The JGC Group's technical expertise supports the foundation of both the Total Engineering Business and the Functional Materials Manufacturing Business.



Total Engineering Business

LNG plants, petroleum refining/petrochemical plants, clean energy plants, nuclear plants, pharmaceuticals manufacturing factories, hospitals, etc.

Identify and integrate technologies

Technologies for plant and facility design (E)

► Process design

Process design plays a central role in plant design. A total of more than 200 process engineers inside and outside Japan are engaged in the design of a plant.

► Detailed design

Engineers specialized in various areas, such as piping, equipment, civil engineering and construction, electricity and instrumentation, structure, and IT, are engaged in detailed design engineering.

► Technical integration

Engineers cooperate while closely communicating with each other and integrate a wide variety of technologies to create an organic whole.

Leading a project to an optimal solution

Technologies for project execution

We integrate a wide range of knowledge and expertise in project execution to realize massive structures, while optimizing the quality, cost, and schedule of design drawings and specifications.

► Project management

□ Strengths Supporting Value Creation Management Capabilities P.33

► Procurement (P)

In the light of quality and schedule and costs for a project, as well as to drawing sheets and specification documents created by engineering (E), an optimal vendor is selected from a broad network of companies with which we have built long relationships, after which negotiations on prices and delivery deadline, and order management are conducted.

► Construction (C)

Based on our extensive experience in executing numerous projects, we can select partner companies and construction methods* suited to each country or region. In addition, taking into account various perspectives such as the progress of design and procurement and the status of partner companies, we supervise construction involving many stakeholders and realize large-scale plants as massive organic entities while thoroughly ensuring HSSE.

* The Company has a number of construction methods, such as the **modular construction method**.

□ Intellectual Capital Initiatives P.77



Functional Materials Manufacturing Business

Catalysts (petroleum refining, chemicals, and environment), fine chemicals, and fine ceramics

Give shape to the potential needs of clients with the power of materials

Nanotechnology and fine ceramics technology that constitute a foundation for catalyst development are applied in various areas, such as semiconductor production process, electronics materials, and cosmetics, thereby supporting the Functional Materials Manufacturing Business of the JGC Group.

► Catalysts and fine chemicals

By utilizing nanotechnology developed through the designing and production of catalysts, which can control grain size, micropore diameter, and macrostructure, we have developed advanced functional materials with unique optical properties and surface properties. We have also created new value for clients in a wide range of industrial circles, such as semiconductors, to respond to social challenges such as carbon neutrality and a circular economy.

► Fine ceramics

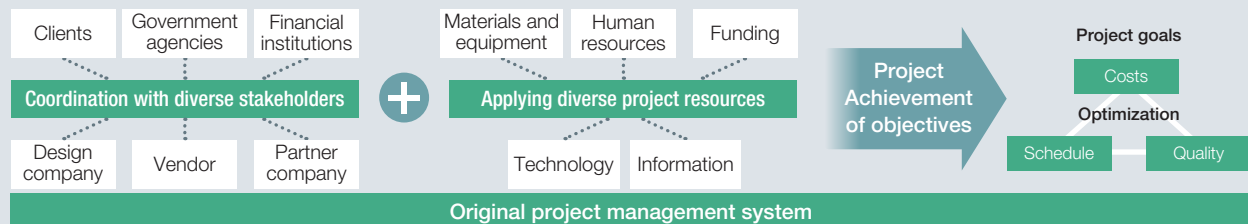
We supply meter-sized large ceramic components used in exposure equipment for manufacture of semiconductors, such as non-oxide ceramics and metal-ceramic composites, using our proprietary manufacturing and processing technologies. In addition, by developing proprietary manufacturing technologies such as the world's first direct nitridation technology for metallic silicon, we have achieved mass production of high thermal conductivity silicon nitride substrates that enhance the energy efficiency of power modules for electric vehicles (EVs), contributing to the realization of a decarbonized society.



Management capabilities

- Applying diverse resources and achieving the optimization of quality, costs, and schedules
- People and systems to realize project management capabilities

Management capabilities, particularly project management capabilities, are a core competency of the JGC Group, who has positioned the Total Engineering Business as its main business. By making full use of our proprietary project management system, we appropriately coordinate with stakeholders, including clients, and efficiently manage diverse project resources to deliver plants and facilities of the quality required by clients, within the planned budget and schedule.



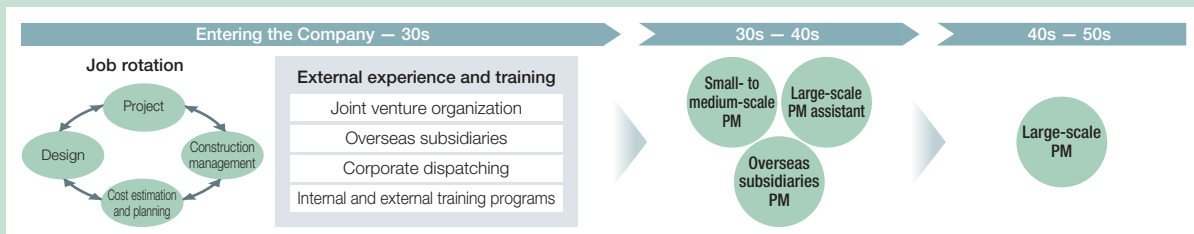
Human resources and systems to realize the JGC Group's project management

This section describes the Group's typical approaches to support project management capabilities from the two perspectives of "human resources" and "systems."

Human resources

Our Group recognizes that it is important to provide ongoing training for human resources to execute projects in the EPC business, particularly for project managers who serve as project supervisors, and others who head various functions. Continuous training of applicable candidates is monitored to provide extensive professional experience from a medium- and long-term perspective to provide ongoing training to develop human resources who can see projects from a comprehensive perspective.

Project manager (PM) career path



Creation and implementation of a human resources training plan based on a future-looking human resources vision

JGC Holdings Corporation top management	Management at subsidiaries
Project Staff Administration Department	Department of human resources management (office)

System

In our project management, it is common to adopt a work breakdown structure (WBS), in which a project is divided into smaller tasks and organized in a layered structure. Since the 1980s, the Group has utilized a unique method, in which tasks are systematized with a matrix using two different types of WBS, and each of them are managed with ID separately. This enables efficient and advanced management of costs, schedules, resources, and more. This management method has been standardized within our Group, enabling efficient horizontal expansion and sharing of knowledge between projects.

► (1) FWBS (Functional WBS):

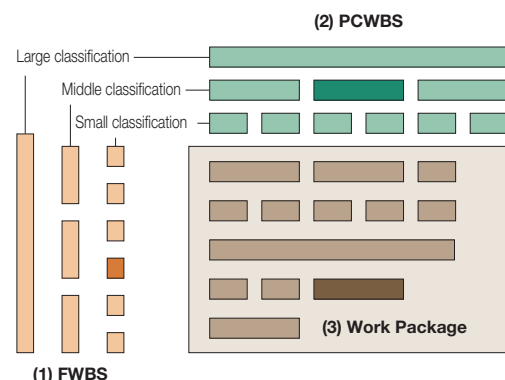
This refers to the categorization of tasks during project execution, broken down by functions, such as design, procurement, and construction.

► (2) PCWBS (Project Control WBS):

PCWBS refers to the categorization of tasks of a project from different angles other than functions, such as area-based or equipment-based and categorization.

► (3) Work Package:

"Work Package" refers to a minimum unit of a project in work management. Each Work Package includes information about work scope, work volume, needed resources, costs, schedules, etc.





Risk management

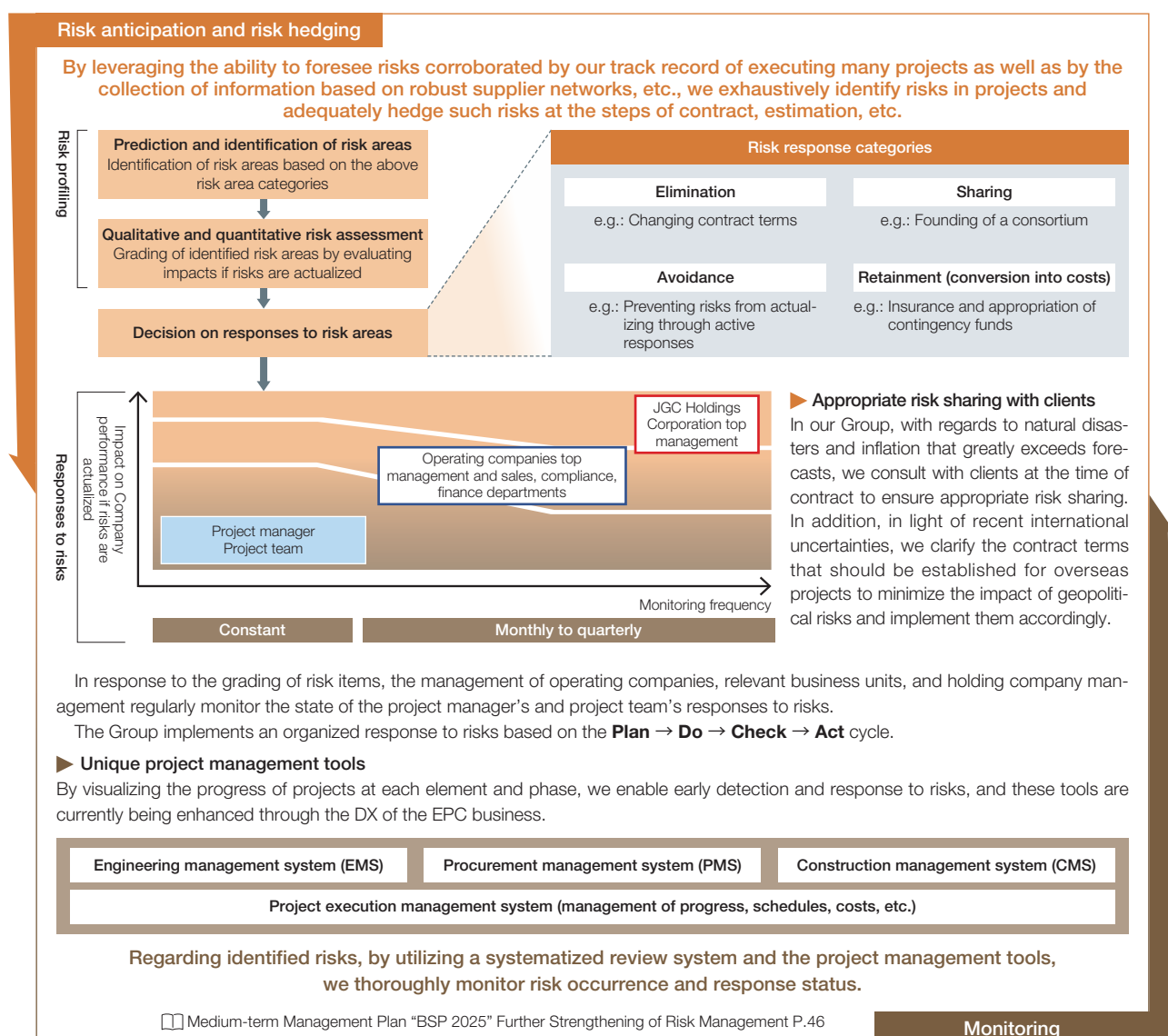
- Applying a lot of knowledge and unique systems to anticipate risks and suitably address them

With recent projects at larger scales, changes in individual project profitability may greatly affect overall corporate profit or loss. Based on the recognition that suitably addressing risks is essential in managing projects, and accordingly, all team members involved in projects follow a risk management flow applying our original project management system and methods to respond to a variety of project risks for each role fulfilled and in each phase.

Major project risks

Technology risks	Market risks	Contract terms and other serious risks
Risks that must be identified from the perspective of technical specifications and services. e.g. Increase in design man-hours due to changes in technical specifications or lack of information, untried process technologies, etc.	Risks that must be understood from the perspective of project implementation. e.g. Market risks including rising materials, equipment prices, and labor costs, etc.	Risks that must be grasped from the perspective of contract terms and project backgrounds e.g. Exchange rates, tax matters, political instability, climate and natural disasters, excessive requirements of performance, delivery guarantee, etc.

Risk management flow for general projects



Feature: The JGC Group's strengths that also shine in the social implementation of new technologies ~ EneCoat Technologies Co.,Ltd. and JGC Japan Corporation ~

To give a more concrete image of how the Group's strengths are being demonstrated, we held a roundtable discussion with our business partners as a special feature. Focusing on the collaboration between JGC Japan Corporation ("JGC Japan"), which operates a CVC fund as a domestic EPC operating company, and EneCoat Technologies Co., Ltd. ("EneCoat"), a frontrunner in the perovskite solar cell field attracting attention as the next-generation solar cell, we asked key persons from both companies to discuss the background and outlook of the business, as well as the strengths of the Group that are being utilized in new business areas.



Naoya Kato

Operating Officer and Chief Executive Officer,
Representative Director and President
EneCoat Technologies Co.,Ltd.

Founded EneCoat Technologies Co., Ltd. in 2018 as a startup from Kyoto University and assumed the position of CEO. Since then, he has consistently worked on the practical application and social implementation of perovskite solar cells.

Akira Nagaishi

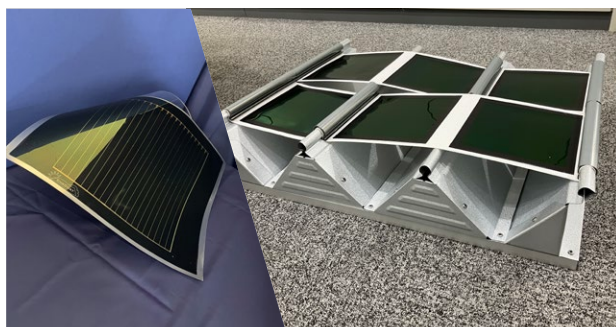
Group Manager
Energy Service Business Development Group
Strategic Planning Office
JGC Japan Corporation

Joined the Company in 2010. After working as a mechanical engineer on domestic and international projects, he is now in charge of new business development and energy sector CVC in his current department, serving as project manager for the "Solar Power Plant Anywhere" business.

Q: Please tell us about the overview of this business.

Kato We are developing our business with the aim of becoming a module manufacturer of perovskite solar cells. There are several startups working on perovskite solar cells, however we are the only company that handles in-house module manufacturing, which puts us in a unique position.

Our company has three main business pillars. The first is small modules, which are products intended for generating relatively low output power both indoors and outdoors. The second is for automotive applications, where we are developing products in collaboration with automobile manufacturers for installation in vehicles. And the third is outdoor stationary modules, which is the area where we are particularly collaborating with JGC Japan.



Perovskite solar cell (left) and mockup of sheet installation method (right)

Nagaishi So far, we have built up a track record in the solar power field, including EPC and O&M for mega-solar projects, as well as power generation businesses. We are leveraging the advanced engineering capabilities and extensive know-how we have cultivated in this business.

Perovskite solar cells are thin, lightweight, and highly flexible in installation, and there is growing demand for installation in places where solar cells were previously difficult to install. However, conventional installation methods, such as wall mounting, cannot fully meet all needs. Therefore, in collaboration with EneCoat's lightweight film-type solar cells, we have developed a construction method called the "sheet method," which is lightweight, removable, and compatible with folded-plate roofs of factories and warehouses. This enables installation in a variety of locations.

EneCoat is developing products for the practical application of perovskite solar cells, and we are combining those products with the sheet method to jointly develop and demonstrate them for social implementation.

Q: Please tell us about the social role of perovskite solar cells.

Kato Perovskite solar cells, with their lightweight and flexible characteristics, can be deployed in a wide range of

applications that were difficult with conventional solar cells. Although they have not yet become widespread, we are confident that they will become products widely accepted by society in the future.

In particular, there are high expectations for the realization of local production and consumption of electricity. Perovskite solar cells are suitable for power generation in residential, industrial, and commercial facilities, and can flexibly meet needs that could not be addressed by conventional renewable energy. In addition, since power generation takes place within residential areas, there is no need for power transmission from remote locations, which reduces transmission costs and is expected to enable the provision of electricity at lower prices than current electricity rates in the future.

Q: Please tell us the background behind JGC Group's investment in EneCoat Technologies.

Nagaishi As mentioned earlier, we have handled multiple mega solar projects in the past, however in recent years, due to a shortage of suitable sites and environmental constraints, the number of planned projects has been on the decline. Under such conditions, we see great potential in next-generation solar cells that can be installed directly on buildings, especially perovskite solar cells. As one of our CVC exploration themes, we have been paying attention to EneCoat's business for some time. Through contact and communication with EneCoat, we became convinced of the business's growth potential and invested in May 2022.



Currently, EneCoat is focusing on product development of perovskite solar cells, while our company is responsible for developing the installation technology. By collaborating, both companies are building a partnership to form a supply chain and pioneer the market together.

Q: What strengths have you felt from JGC Japan so far? Also, what aspects of JGC Japan do you have high expectations for?

Kato JGC Japan invested at a highly uncertain stage, before the practical application of perovskite solar cells. This demonstrated bold and swift decision-making based on a clear assessment of the future potential of the technology, which was extremely reassuring for us as a startup.

During the demonstration phase, as technical challenges continued to arise, JGC Japan has not just been a supporter but has been alongside us as a development partner. Especially during the outdoor demonstration at the logistics warehouse in Tomakomai, even though the technology was still immature, we were able to quickly identify on-site issues and provide feedback on development, effectively bridging the gap between demonstration and development—a major achievement in product development.

Furthermore, thanks to JGC Japan's engineering capabilities, a new installation method was developed that goes beyond traditional wall-mounted approaches, greatly expanding the market potential for perovskite solar cells. In fact, we have received a demonstration request from a railway company to adopt JGC Japan's installation method, and we plan to start a demonstration on the roof of the platform of Hakata Station. As we move into the mass production phase, we hope to continue leveraging JGC Japan's technical expertise and on-site capabilities to accelerate social implementation and market development together.



Q: Please tell us about your future strategies that leverage our company's strengths.

Nagaishi Regarding the engineering capabilities mentioned by Mr. Kato, I believe it is the ability to bring together and integrate knowledge from diverse fields to help solve social issues. We have focused on perovskite solar cells as a solution for social issues in domestic solar power generation and has been working in collaboration with EneCoat. For social implementation, not only is the technological development of the cells themselves by EneCoat important, but also the development of installation methods that expand the range of possible locations. At our company, which employs engineers with various specialties such as electricity and construction, each member utilizes their expertise to repeatedly examine the optimal installation methods from various perspectives, taking into account power generation characteristics and other factors. As a result, we have now identified potential in lightweight metal roofs (corrugated roofs) of factories and warehouses, and are focusing our efforts there.

In addition, to promote the spread of perovskite solar cells, we have conducted multiple demonstrations with the cooperation of various companies and local governments that operate factories and warehouses. Going forward, we will continue to leverage our engineering capabilities, accurately understand EneCoat's knowledge and technology as well as the needs of demonstration partners, and by integrating these, contribute to the early social implementation of perovskite solar cells. Furthermore, regarding the development of installation technology that we are responsible for, we intend not only to develop with our own funds but also to actively take on government R&D projects and other initiatives to accelerate development speed.

Kato We also aim to be selected for the next phase of the GI (Green Innovation) Fund and, through that, to build a larger-scale demonstration and production system. We are confident that by establishing a mass production and supply system for perovskite solar cells and advancing JGC Japan's installation technology, we can rapidly accelerate both market expansion and social implementation of the products.

Growth Strategy

Chapter 4

Under the purpose of “Enhancing planetary health,” the JGC Group has steadily promoted its materiality, long-term management vision “2040 Vision,” and the medium-term business plan “BSP 2025,” which covers the current five-year period.

In this chapter, we will explain the overall picture of these growth strategies and the current progress of “BSP 2025.”

39	JGC Group Materiality (Material Issues)
41	2040 Vision, Our Long-Term Management Vision
43	Medium-Term Business Plan (BSP 2025)

JGC Group Materiality (Material Issues)

Based on “JGC’s Purpose and Values,” the JGC Group has established the “Basic Policy for Sustainability” to ensure the sustainable enhancement of corporate value, and is actively pursuing sustainability in the areas of environment, society, governance, quality, safety, and health. Based on this basic policy, we analyze the content of international guidelines and global macro trends, identify social issues, and comprehensively evaluate their importance to society, stakeholders, and our company. Through this process, we have identified six key “materiality” issues to prioritize and are working to address them.

Purpose

Enhancing planetary health

Basic Policy for Sustainability

The JGC Group, based on its purpose of “Enhancing planetary health,” will endeavor to sustainably increase its corporate value through creation of social values. To realize the above, it will actively pursue sustainability in the areas of environment, society, governance, quality, safety, and health.

JGC Group Materiality (Material Issues)

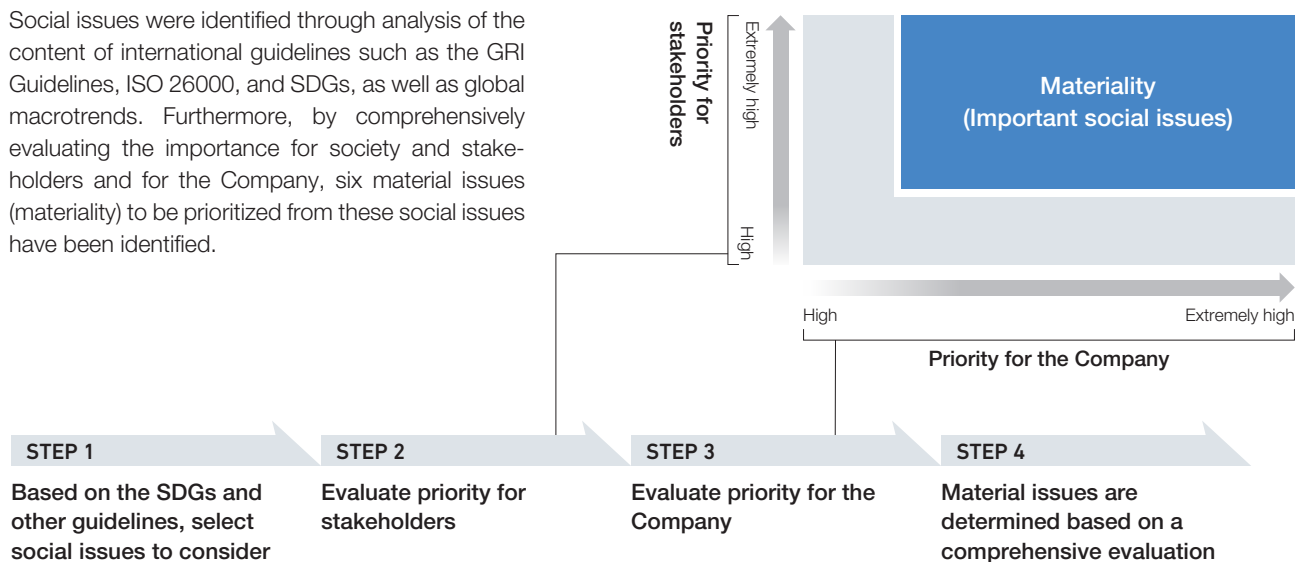
Materiality		
E	 Societies in harmony with environment	
S	Materiality to address through business activities	 Working with local communities around the world
		 Respect for human rights, employee motivation
	Materiality to achieve as a result of business activities	 Energy access
		 Improving quality of life
G	 Corporate governance, risks management	

Materiality Positioning and Identification Process

The Group positions materiality as a key element fundamental to formulating management policies and developing business activities, and aims to solve social issues and create economic, social, and environmental value through its business activities.

Materiality identification process

Social issues were identified through analysis of the content of international guidelines such as the GRI Guidelines, ISO 26000, and SDGs, as well as global macro trends. Furthermore, by comprehensively evaluating the importance for society and stakeholders and for the Company, six material issues (materiality) to be prioritized from these social issues have been identified.



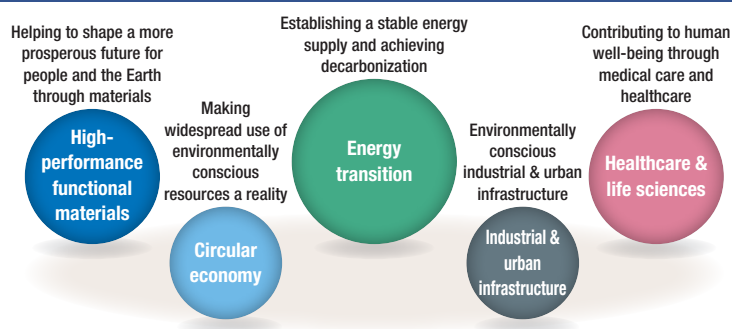
Recognized social issues	Related SDGs
- Reducing the environmental impact of fossil energy - Promoting use of a greater share of renewable energy - Protecting ecosystems, maintaining biodiversity - Promoting development of products and technologies that help curb global warming	
- Contributing to economic and industrial development in emerging markets - Creating employment in emerging markets - Supporting technology transfer and human resource development in emerging markets	
- Promoting workplace diversity - Promoting female hiring and strengthening skill-building - Respecting human rights in all business activities	
- Meeting greater global energy demand - Promoting wider use of renewable energy that contributes to sustainable growth - Enhancing productivity through greater global energy efficiency	
- Responding to aging social and industrial infrastructure - Promoting development of social and industrial infrastructure in emerging markets - Improving global medical standards - Making life more convenient and comfortable	
- Strengthening and improving corporate governance - Ensuring regulatory compliance in business activities - Responding appropriately to corporate and business risks	

2040 Vision, Our Long-Term Management Vision

Toward 2040, the JGC Group aims to transform itself into a corporate group that contributes to enhancing planetary health in five business areas where we can leverage our technologies, achievements, and core competencies: energy transition, healthcare & life sciences, high-performance functional materials, circular economy, and industrial & urban infrastructure. By backcasting from our long-term management vision, the “2040 Vision,” we have divided it into three timeframes: “Five years of challenge,” “Five years of harvest,” and “10 years of rapid growth.” We are promoting the medium-term business plan “Building a Sustainable Planetary Infrastructure 2025 (BSP 2025),” which covers the first phase of “Five years of challenge.” In addition, fiscal year 2025 is the final year of the current medium-term management plan, and we are also working on formulating the next medium-term business plan. At present, there are no major changes to the direction set out in the “2040 Vision,” however we are continuing to consider the need to update our long-term management vision in parallel with discussions on changes in the business environment and the formulation of the next medium-term business plan.

2040 Vision of the JGC Group

A corporate group that contributes to enhancing planetary health in five business areas

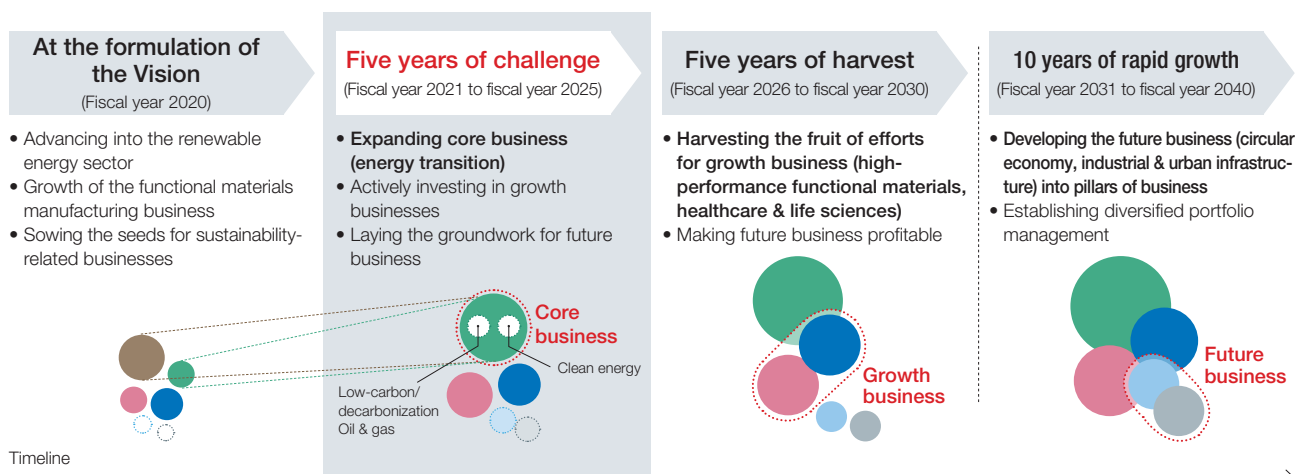


Key areas

Energy transition	• CCS • Energy-saving technologies • Carbon credits • Blue hydrogen/fuel ammonia • Offshore wind power generation • Green hydrogen/fuel ammonia • SMR (Small Modular Reactors)
Healthcare & life sciences	• Pharmaceutical plants (including regenerative medicine) • Hospitals, smart hospitals • Digital healthcare
High-performance functional materials	• High thermal conductivity silicon nitride substrates, semiconductor polishing materials • Materials for energy storage and new energy • Carbon/chemical recycling catalysts • Life science materials
Circular economy	• Chemical recycling (plastic waste, fiber waste, etc.)
Industrial & urban infrastructure	• Industrial equipment • Water treatment • Railways • Composite urban infrastructure

The path to expanding business domains (subject to review as needed in the next medium-term business plan)

● Oil & gas ● Renewable energy ● Energy transition ● High-performance functional materials ● Healthcare & life sciences ● Circular economy ● Industrial & urban infrastructure

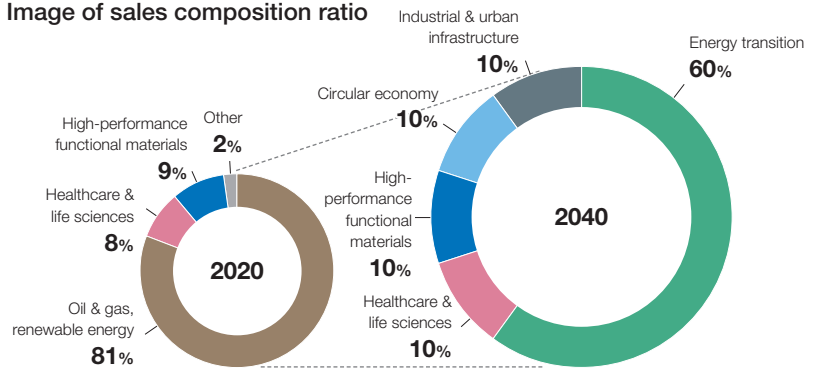


Three aspects of transformation

1 Business area transformation

Positioning the five business areas as core business, growth business, and future business depending on the timeline for expansion, the Group will establish them as pillars of business one by one.

Image of sales composition ratio



2 Business model transformation

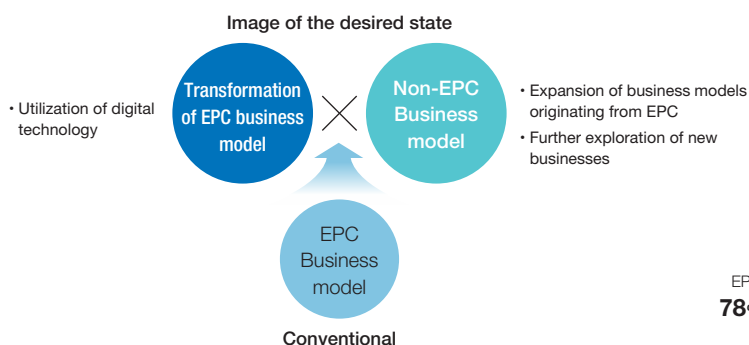
Transformation of EPC business model

In the EPC business, we will promote the digitalization of EPC operations (EPC DX) in particular for the transformation of the EPC business model. We will also seek business model expansion upstream and downstream in the value chain based on our accumulated experience, aiming to establish new business models applying digital technologies.

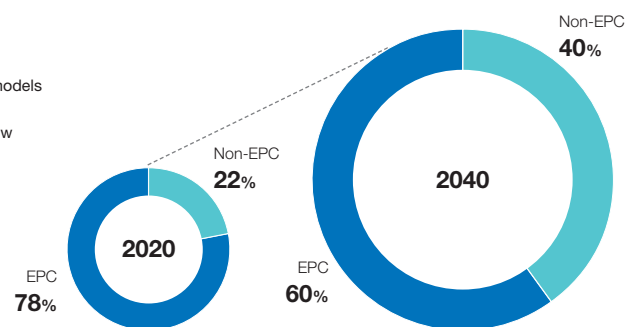
Diversifying into non-EPC business models

In the area of non-EPC business models, while reinforcing our existing Functional Materials Manufacturing Business, we will undertake transformation that leverages Group strengths such as licensing, consulting such as project management consulting (PMC), maintenance and digital O&M, digital platform business, as well as participation in new business. By 2040, we aim to expand the ratio of non-EPC business to 40% of total sales, strengthening revenue stability.

Aiming to deepen the EPC business model and diversify into non-EPC business models



Strengthening revenue stability by expanding the non-EPC business model



3 Organizational transformation

Stronger framework for regional management

Complementing existing project management from the head office in Japan, we are strengthening our regional management framework, aimed at promptly proposing and executing solutions in an attentive, locally produced and consumed arrangement for local clients in growth markets. □ Medium-Term Business Plan (BSP 2025) P.43

* In response to losses recorded in EPC project execution at overseas subsidiaries in fiscal year 2023, the "Stronger framework for regional management" is currently on hold and under review.

More vibrant culture of innovation

In new and existing operations, a corporate culture will be fostered for continuous innovation in technical commercialization and business model development, as needed for transformation in business areas and models. We will seek an ambidextrous organization with diverse work styles.

Medium-Term Business Plan (BSP 2025)

Outline of BSP 2025

Five years of challenge
(fiscal year 2021 to year fiscal year 2025)

Medium-Term Business Plan (BSP 2025)

With the first five years (fiscal year 2021 to fiscal year 2025) toward the realization of the 2040 Vision positioned as the 1st phase, “Five years of challenge,” we formulated the medium-term business plan, “Building a Sustainable Planetary Infrastructure 2025 (BSP 2025),” to be carried out during this period in fiscal year 2021. In addition, we established three key strategies in BSP 2025, on the basis of which we will implement the operation of each business and investment strategies.

Financial targets

Through steady progress in implementing the three key strategies, we are targeting net sales of 800 billion yen in fiscal year 2025, with operating profit of 60 billion yen, profit attributable to owners of parent of 45 billion yen, and ROE of 10%.

Strategic investments

A total of 200 billion yen in investment is planned during BSP 2025, including DX, business development, M&A, commercial demonstrations, production facilities, and R&D.

Three key strategies

Key Strategy 1 Transformation of EPC operations

Increase competitiveness and profitability in mega-sized EPC projects
Take on EPC growth markets and segments

Key Strategy 2 Expansion of manufacturing business for high-performance functional materials

Offer more product lineups in existing business for increased revenue
Expand sales of strategic products
Explore and develop next-generation business

Key Strategy 3 Establishment of future growth engines

Fiscal year 2025 (targets)

Net sales	800 billion yen
Operating profit	60 billion yen
Profit attributable to owners of parent	45 billion yen
ROE	10%

Further advancement of EPC business

70 billion yen

Expansion of high-performance materials manufacturing business

50 billion yen

Establishment of future growth engines

80 billion yen

Progress of “BSP 2025”

Fiscal year 2025 marks the fifth and final year of BSP 2025, which commenced in fiscal year 2021. Although losses were recorded in both fiscal year 2024 and fiscal year 2023, the Group’s overall direction remains unchanged. Specifically, the Group will diversify its business into the five business areas, including “energy transition” as indicated in the long-term management vision “2040 Vision,” advance its own transformation and achieve sustainable growth. First, we are taking steadfast measures to address immediate issues. In addition, we are steadily implementing key strategies for “BSP 2025,” the first phase toward realizing the “2040 Vision,” and will transition to the next medium-term business plan currently being formulated.

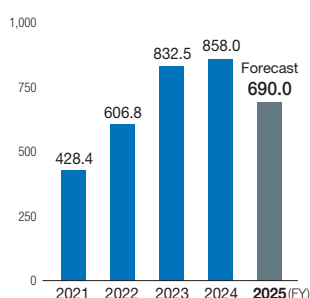
Progress of financial targets

In fiscal year 2024, profitability deteriorated in several ongoing overseas projects, resulting in an operating loss for the second consecutive year.

Regarding the financial targets set in “BSP 2025,” we achieved the sales targets in both fiscal year 2023 and fiscal year 2024 due to solid orders in the Total Engineering Business and steady growth in the Functional Materials Manufacturing Business. On the other hand, for profit items and ROE targets, gross profit declined due to additional costs in the Total Engineering Business, making it difficult to achieve the targets.

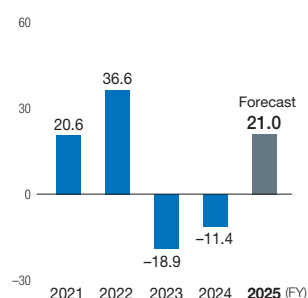
Net sales

(billion yen)



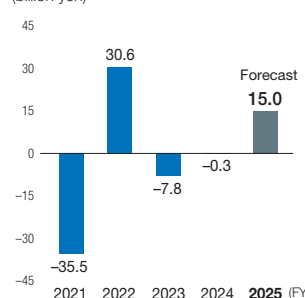
Operating profit (loss)

(billion yen)



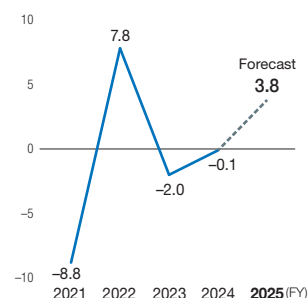
Profit (Loss) Attributable to Owners of Parent

(billion yen)



ROE

(%)



Causes and Issues of Losses Recorded in fiscal year 2023 and fiscal year 2024, and Responses

In fiscal year 2023, due to the following two reasons, disruptions occurred in the EPC execution system for multiple projects, resulting in additional costs. We continue to work on the measures announced in fiscal year 2023 into fiscal year 2024.

Cause [1]	In addition to promoting the expansion of business areas at JGC Corporation, the organization undertook numerous feasibility studies (FS) for the development of sustainability-related businesses within the Group, resulting in challenges with the proper allocation of design resources. This led to disruptions in design quality in some EPC projects executed by JGC Corporation, causing schedule delays. To make up for the delays, even more resources were allocated, resulting in a negative cycle and worsening profitability.
Issue [1]	Suitable human resource allocation to execute design work and ensure quality
Response [1]	Enhancement of human resources management (Continued from fiscal year 2023) (1) Focus on three points in project selection “Projects with assured profitability (short-term, medium-term) and high feasibility,” “projects where resources can be secured,” “projects that will contribute to the future” (2) Based on project selection, from the FEED and estimation stages, allocate resources with an eye on the execution system after EPC order receipt (3) Some overseas subsidiaries (Philippines and India) are promoting the expansion and strengthening of their functions as engineering centers (Newly implemented in fiscal year 2024) (4) Integrate some organizations and secure human resource mobility in line with the pace of society’s energy transition
Cause [2]	As the scale of client capital investment per project increases in local markets in Asia and the Middle East, overseas subsidiaries have secured and executed multiple medium-scale projects. However, subsidiaries in Saudi Arabia and Indonesia have not yet established sufficient risk management systems and execution capabilities, resulting in declining profitability in some EPC projects.
Issue [2]	Undertaking projects consistent with the execution capabilities of overseas subsidiaries
Response [2]	Pause the regional management framework for now (Implemented in fiscal year 2023) (1) Redefine the roles of overseas subsidiaries into three categories “Engineering centers for projects executed by JGC Corporation,” “Contracting entities for projects executed by JGC Corporation,” “Order receipt and execution of local EPC projects” (2) Overseas Group companies engaged in order receipt and execution of local EPC projects are limited to certain bases. Under the management and supervision of JGC Corporation, we carefully select projects that can be differentiated in terms of technology and price. Subsidiaries in Saudi Arabia and Indonesia are reducing orders for local EPC projects and focusing on completing ongoing projects. (Implemented in fiscal year 2024) (3) Roles have been redefined, and some subsidiaries have downsized operations. Future resumption of the regional management system will be considered based on the situation

In fiscal year 2024, additional costs were recorded for the following projects.

Projects that caused loss recognition in fiscal year 2024

- **Taiwan LNG terminal:** Additional costs recorded due to uncertainty in resolving delays in the handover of construction land and schedule extensions
- **Saudi Arabia, 2 projects:** Deterioration in the financial condition of partner companies led to delayed salary payments and strikes. Review of scope, replacement of the partner company, changes to plans, and recording of additional budget for risk response
- **LNG Canada:** To accelerate the final stage of construction work, additional skilled workers were mobilized, resulting in increased construction costs

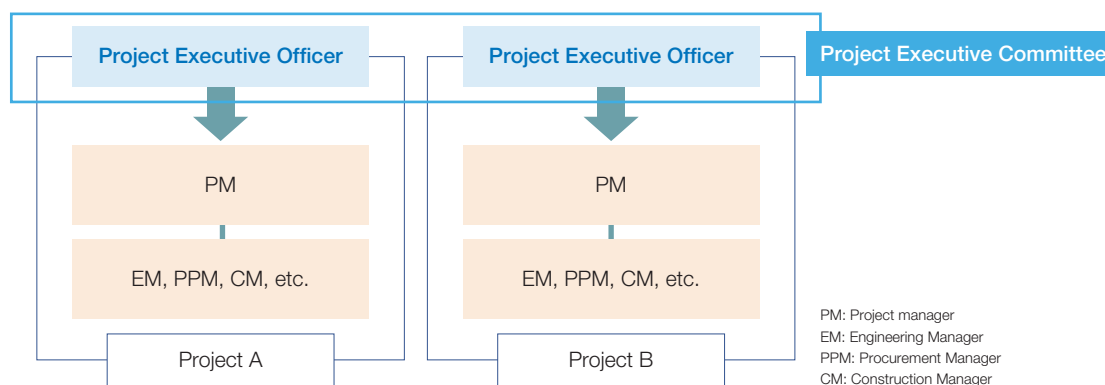
Although the causes of additional costs were largely unique and external to each project, JGC Corporation is working to systematically strengthen its overseas EPC execution system and enhance execution capabilities.

Systematic strengthening of EPC execution capabilities

In light of two consecutive years of deficits, we recognize the need to systematically strengthen EPC project execution capabilities, including accurate responses to changes in the external environment, and are focusing on the following two points.

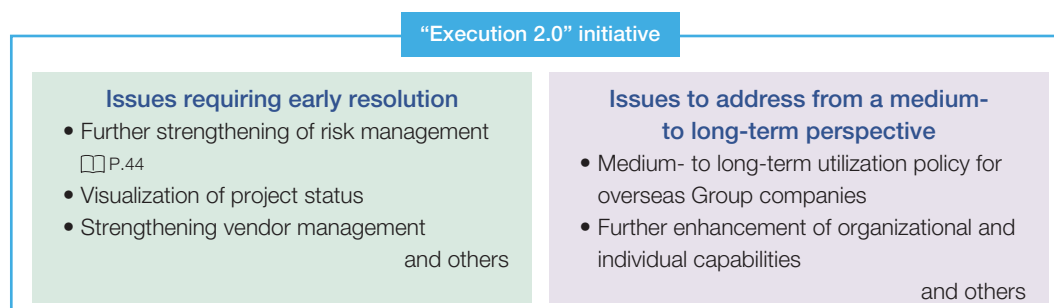
(1) Strengthen the monitoring system for ongoing projects both vertically and horizontally

- Appoint executives specializing in projects as Project Executives. Clarify project managers and thoroughly monitor individual projects vertically.
- Established the Project Executive Committee to conduct cross-organizational reviews of ongoing projects. Members, including experienced project managers who have led projects in various fields and regions, as well as the Project Executive, gather to pool their expertise and monitor ongoing projects across divisions.



(2) Launched the “Execution 2.0” initiative to reassess project execution and systematically strengthen the EPC execution framework.

- Established multiple subcommittees to address risks in EPC execution, aiming to enhance organizational capabilities, restore profitability, and foster a culture of continuous improvement.
- Promoting the consideration and implementation of countermeasures company-wide at JGC Corporation. Countermeasures for issues requiring quick resolution have already been formulated and applied to large-scale projects awarded in fiscal year 2024.



TOPICS

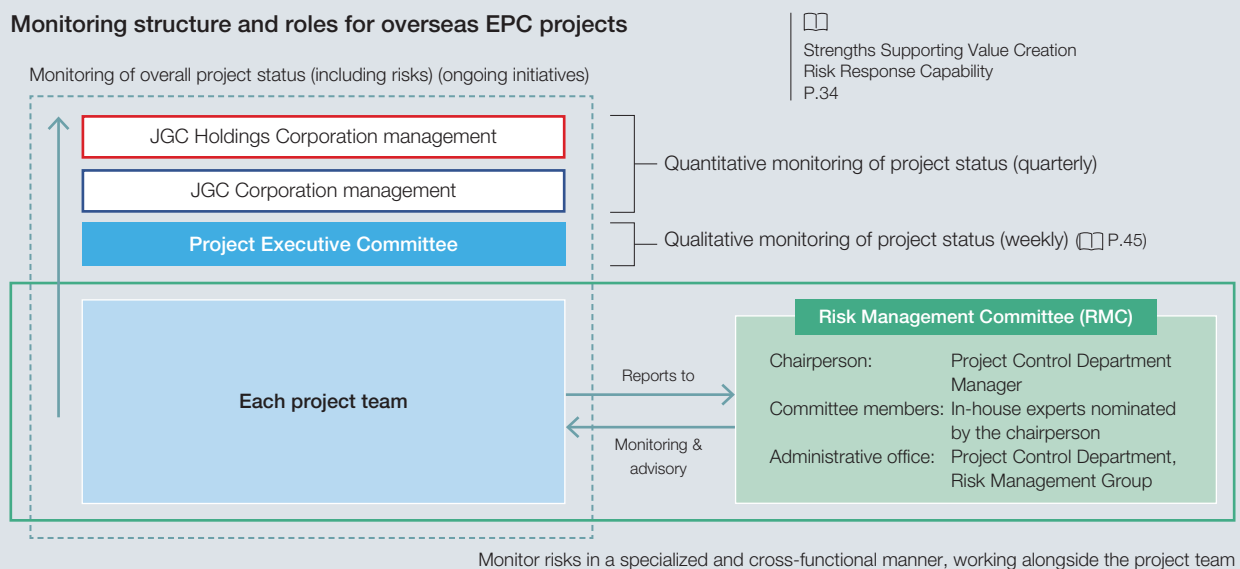
Further strengthening of risk management

There is no single solution that guarantees the strengthening of EPC execution capabilities, and the process of improvement is ongoing. JGC Corporation, under the banner of “Execution 2.0,” is steadily and earnestly advancing improvement activities company-wide. As part of this, “the Further Strengthening of Risk Management” subcommittee under “Execution 2.0” is working to enhance risk response capabilities and ensure reliable project execution by implementing the following additional initiatives in addition to conventional risk management efforts (P.32).

» Established an organization to review risks in a specialized and cross-functional manner

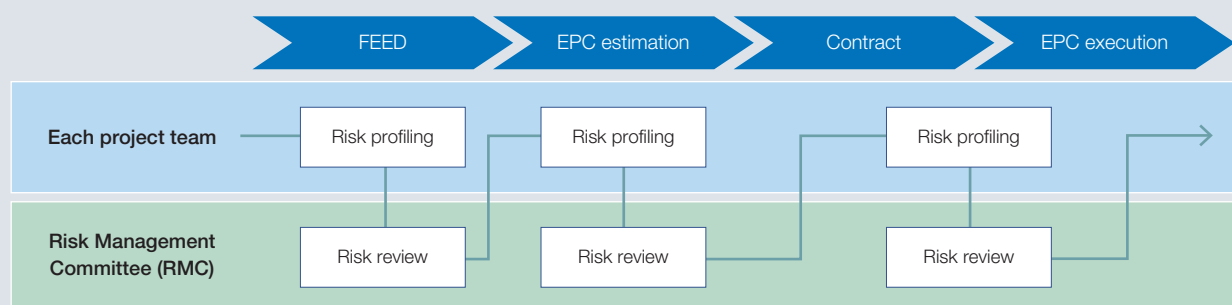
- In addition to conventional risk management by project teams and profitability monitoring by JGC Corporation management, established the Risk Management Committee (RMC) to monitor risks in a specialized manner and across projects.
- The project team, as the risk owner, identifies, analyzes, evaluates, and implements countermeasures against risks.
- The RMC evaluates the soundness of risk management by the project team, provides necessary advice and guidance to ensure the project team reliably implements the Plan-Do-Check-Act (PDCA) cycle of risk management, and works alongside them.

Monitoring structure and roles for overseas EPC projects



» Expansion of the risk management flow

- Expanded the conventional risk management flow, which focused mainly on post-EPC estimation, to include the FEED stage. Identify risks and consider and implement countermeasures from the early stages of project planning
- The project team conducts risk profiling, and the newly established RMC also reviews the profiling results of the project team. Multi-layered risk review



In addition to the above, we are also working to standardize risk management methods (tools).

Progress and development of material issues

We will maintain the same policies for the key strategies of BSP 2025 toward achieving the 2040 Vision. However, we will flexibly adjust specific measures in response to environmental changes surrounding our Group, steadily implement the key strategies of “BSP 2025” in fiscal year 2025, and transition to the next medium-term management plan currently being formulated.

	Current understanding and outlook	Future policies
Transformation of EPC operations	- Rebuilding the EPC execution framework is a pressing need - Capital investment in large-scale EPC projects, mainly LNG, is steadily progressing - While there are many domestic pharmaceutical projects, CAPEX is on the rise - We have struggled with local production for local consumption projects in Asia	- Continue to narrow down projects and appropriately allocate available resources based on criteria such as “profitability and high feasibility,” “resource availability,” and “future potential” - Continue to strengthen the JGC Corporation management team and promote measures to rebuild the EPC execution framework
Expansion of manufacturing business for high-performance functional materials	- Domestic demand for catalyst products remains steady, but is expected to decline in the long term - Growing semiconductor-related demand, mainly for AI and xEV applications - Initiatives by domestic manufacturers for carbon and chemical recycling are slower than expected	- Increasing production of semiconductor-related and carbon-neutral products at factory sites acquired by two Functional Materials Manufacturing Business companies - Establishing a structure for formulating and promoting future strategies, such as business expansion in the semiconductor-related market
Establishment of future growth engines	- Profitability issues in domestic offshore wind power - Progress in the launch of the hydrogen and ammonia markets is showing signs of slowing down - Emergence of SAF demand - Capital investment plans for semiconductor peripheral industries and data centers are booming	- Initiatives in the sustainability field will be considered flexibly, while closely monitoring the development of regulatory frameworks and economic trends - Maintain our hydrogen and ammonia organizations and collaborate on bidding and implementing FS/FEED projects. - Execute FS/FEED projects in advanced industries in collaboration with Exyte.

Transformation of EPC operations

Under “further advancement of EPC business,” we are promoting initiatives with the goals of “Increase competitiveness and profitability in mega-sized EPC projects” and “Take on EPC growth markets and segments.”

Awarded contract to execute EPC operations to newly construct a large low-carbon LNG plant in United Arab Emirates (UAE)

JGC Corporation, an overseas EPC contractor, together with Technip Energies and NMDC Energy of the United Arab Emirates, jointly received an EPC contract in June 2024 for a new LNG plant project for ADNOC (Abu Dhabi National Oil Company).

This plant will be the first low-carbon LNG plant in the Middle East and North Africa region, and one of the few in the world, to use “E-Drive” electric motors powered by clean electricity instead of conventional gas turbines to drive compressors for compressing natural gas feedstock, with maximum consideration given to reducing GHG emissions during plant operation.



At the signing ceremony

Entered into a capital and business alliance with TAKADA CORPORATION

JGC Japan Corporation, a domestic EPC business company, entered into a capital and business alliance in March 2025 with TAKADA CORPORATION, with whom it has built a cooperative relationship since November 2023. By collaborating, both companies, which possess advanced expertise and extensive experience in engineering and construction management, aim to maintain and strengthen their future capabilities in plant engineering and maintenance, and enhance their corporate value. As a result, JGC Japan Corporation now holds a 20% stake in the company, and TAKADA CORPORATION has become an equity-method affiliate of JGC Japan Corporation. By jointly executing projects in the low- and decarbonization fields and resource circulation, which are expected to increase in the future, we will further expand our domestic EPC business.

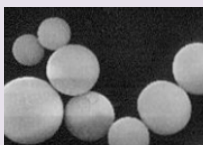
Expansion of manufacturing business for high-performance functional materials

Under “expansion of high-performance materials manufacturing business,” we are promoting initiatives with the goals of “expanding existing core businesses,” “expanding sales of strategic products,” and “exploring and developing next-generation businesses.”

JGC Catalysts and Chemicals Ltd.

Completed expansion facilities for silica sol for semi-conductor polishing materials

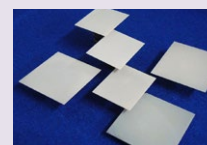
In November 2024, full-scale operation began at the expanded silica sol production facilities at JGC Catalysts and Chemicals Ltd. Kitakyushu Plant. The company’s silica sol, utilizing its outstanding nano-technology, is used in applications such as semiconductor-related and hard disk polishing materials. To meet the increasing demand, including for AI applications, we will maximize the use of the completed facilities and work to expand business.



Japan Fine Ceramics Co., Ltd.

A new factory for increased production of silicon nitride substrates for power semiconductors has been completed

In July 2025, a new factory for increased production of high thermal conductivity silicon nitride substrates for power semiconductors used in electric vehicles (EVs) was completed. Looking ahead to the EV market, which is expected to see further medium- to long-term expansion, we plan to start operations in the fall of 2025.



JGC Holdings Corporation

Established the Functional Materials Manufacturing Business Office to further promote business expansion

To accelerate further growth of the Functional Materials Manufacturing Business, our Group established the Functional Materials Manufacturing Business Office within JGC Holdings Corporation in April 2025. This business is a core business alongside the Total Engineering Business and is positioned as a central pillar of Group management.

This office will strengthen collaboration among Group companies engaged in the Functional Materials Manufacturing Business, such as JGC Catalysts and Chemicals Ltd., Japan Fine Ceramics Co., Ltd., and Nikki-Universal Co., Ltd., and, through the sharing of management resources and information, enable swift and flexible decision-making. It will also centralize strategic business promotion, management support, and risk management to improve the efficiency and speed of business operations. Through this, we aim to enhance our ability to respond to growth markets, improve profitability, and maximize business value.

CMO Message

In 2024, steady execution of existing businesses and expansion of the high thermal conductivity silicon nitride substrate business for power semiconductors led to record-high sales and operating profit. Going forward, we will further refine our strengths in material technology and precision molding technology, aiming to expand our business in growth areas such as semiconductors, medical and pharmaceutical fields, and carbon neutrality. To this end, JGC Holdings Corporation and Group companies will work together to formulate necessary strategies and allocate resources.



Hiroyuki Morishima

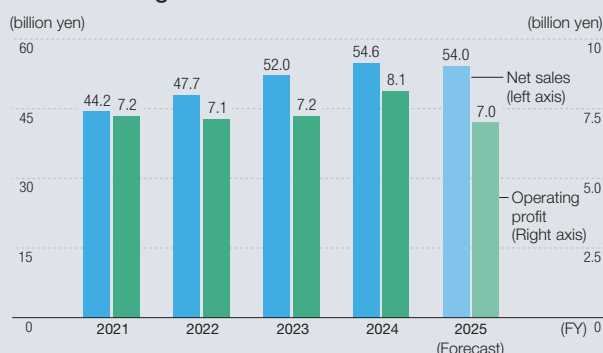
(Chief Manufacturing Officer)
Senior Executive Officer CMO
JGC Holdings Corporation

TOPICS

Steady growth of the Functional Materials Manufacturing Business

In the Functional Materials Manufacturing Business, we have promoted the enhancement of production facilities and human resources, as well as proactive sales activities, resulting in expanded sales scale and steady growth. In particular, during the current medium-term management plan period, we have focused on expanding our business centered on strategic products such as semiconductor-related products and high thermal conductivity silicon nitride substrates for EVs. For fiscal year 2025, we expect a temporary decrease in profits due to factors such as increased personnel expenses and depreciation associated with capital investment. However, these are stepping stones for future growth, and we will continue to actively invest in this business, aiming for further expansion through the development of competitive products and strengthening of our supply system.

Performance trends of the functional materials manufacturing business



Establishment of future growth engines

Under “establishing growth engines,” we are promoting initiatives with the goal of establishing new business domains that will serve as future growth engines, with a view toward long-term growth through 2040.

Received EPCI contract for onshore facilities for the Tangguh EGR/CCUS Project

Our Indonesian subsidiary, PT. JGC Indonesia, received an EPCI contract in November 2024 from BP Berau, Ltd., operator of the Tangguh LNG project, for the design, procurement, construction, and installation (EPCI) of onshore natural gas compression facilities, CO₂ collection and compression facilities, and related infrastructure.

This project applies CCUS technology to a producing gas field, recovering CO₂ emitted during natural gas production and reinjecting and storing it in the gas field, thereby reducing CO₂ emissions while simultaneously improving production efficiency and increasing natural gas output.

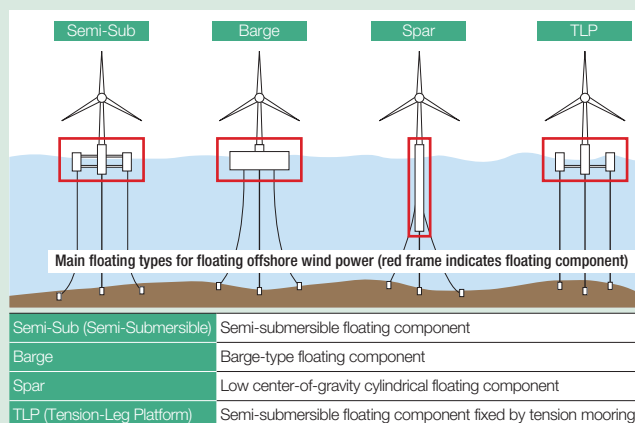
Received basic design contract for green hydrogen/MCH production plant in Malaysia

JGC Corporation, an overseas EPC business company, received a basic design contract for a green hydrogen production plant and MCH production plant planned by ENEOS Corporation and Sumitomo Corporation in Malaysia.

This project aims to build a green hydrogen supply chain by converting green hydrogen produced using renewable electricity from a hydroelectric power plant into MCH (methylcyclohexane), one of the efficient forms for hydrogen transport, and shipping it by sea to demand centers in Japan. JGC Corporation has been providing consistent support from the business feasibility study stage.

Reached an agreement with Sumitomo Corporation to build a supply chain for floating offshore wind power generation

JGC Japan Corporation, a domestic EPC company, reached an agreement with Sumitomo Corporation in July 2024 to explore the possibility of collaboration in the detailed design, manufacturing, and delivery of floating structural components for floating offshore wind projects. The two companies will explore the potential for collaboration in areas such as detailed design of floating components, development of steel and shipbuilding manufacturers as partners for floating component production, ordering, manufacturing management, and transportation of floating components to base ports for offshore wind power generation, aiming for cost reduction, efficiency, and mass production in the production and supply system by leveraging each partner's strengths.



Japan's first domestically produced SAF manufacturing project realized

SAFFAIRE SKY ENERGY LLC*, a SAF manufacturing company, began producing SAF for domestic and international airlines in spring 2025. To realize this project, since 2020, we have been working with Cosmo Oil Co., Ltd. and Revo International Inc. to study commercialization, and our company has played a leading role in building the supply chain from establishing a network for collecting used cooking oil as raw material to the production and supply of SAF. Furthermore, we have launched initiatives such as “ACT FOR SKY” and the “Fly to Fly Project,” collaborating with various companies and local governments, and involving the general public to help build momentum. In addition, the plant construction was handled by JGC Japan Corporation, a domestic EPC company, and in December 2024, Japan's first large-scale SAF manufacturing facility was completed.

* A joint venture funded by our company, Cosmo Oil Co., Ltd., and Revo International Inc., and an equity-method affiliate of our company.

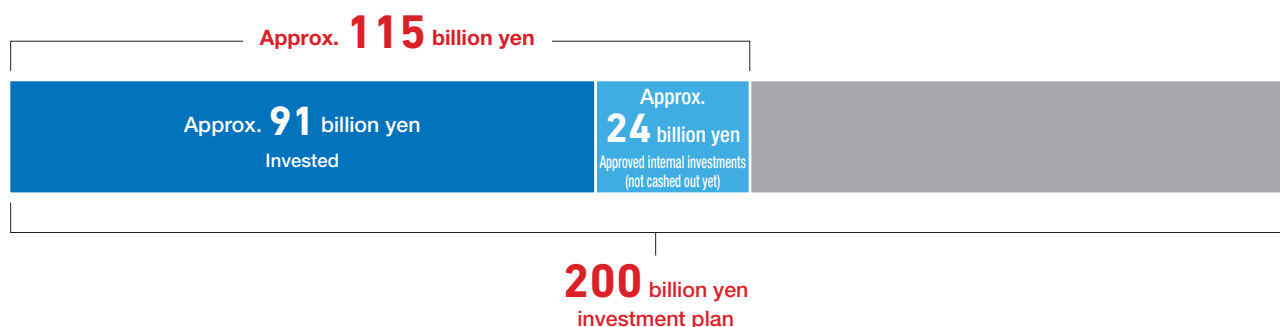
The SAF supply chain and the roles of each company



Progress of growth strategy investments

A total of 200 billion yen in growth strategy investment is planned with the aim of accelerating the three key strategies during the five years of BSP 2025. We invested approximately 91 billion yen over the four years through fiscal year 2024. Investments have already been approved internally, with approximately 115 billion yen planned, including projects to be implemented from fiscal year 2025 and beyond.

In fiscal year 2024, we acquired shares of TAKADA CORPORATION, invested in product development and equipment for the functional materials manufacturing business, and made capital investments toward realizing the biomanufacturing business. Suitable investment opportunities will continue to be identified to make investments in order to achieve growth strategies through to 2040.



Accumulated results from fiscal year 2021 to fiscal year 2024	
Transformation of EPC operations	- EPC DX and execution technology-related investments - Establishment and operation of India operation center - Acquisition of pharmaceutical business from IHI Plant Services Corporation, etc.
Expansion of manufacturing business for high-performance functional materials	- Capital investment in high thermal conductivity silicon nitride substrate facilities - Acquisition of land for factories - Renewal and expansion of production facilities, R&D - M&A of Showa Denko Materials Co., Ltd., etc.
Establishment of future engines of growth	- Integranance VR - Additional investment in healthcare-related fields - Food tech related - DDR commercialization - Biomanufacturing - SAF manufacturing business, etc.

Cash will continue being used effectively, including M&A, for ongoing growth strategy investments

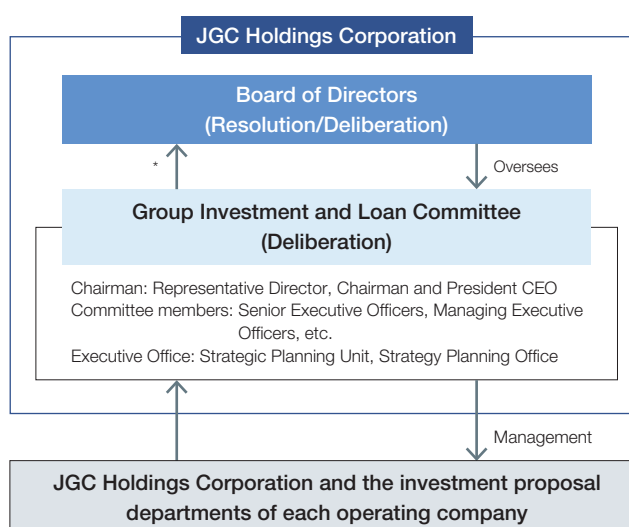
Strategic investment framework

The Group Investment and Loan Committee established under JGC Holdings Corporation conducts quantitative analyses that factor in capital costs when making investment decisions, and also carefully and cautiously deliberates on R&D projects based on their potential to lead to future business expansion.

In principle, items for deliberation are selected based on monetary criteria set according to the content of the investment project, and for projects with particularly significant impact on Group management, a system is in place to begin deliberations from the consideration stage.

Furthermore, we continuously monitor the post-investment situation and have established and operate a system that enables us to appropriately consider and implement business withdrawal as necessary.

Investment project review flowchart

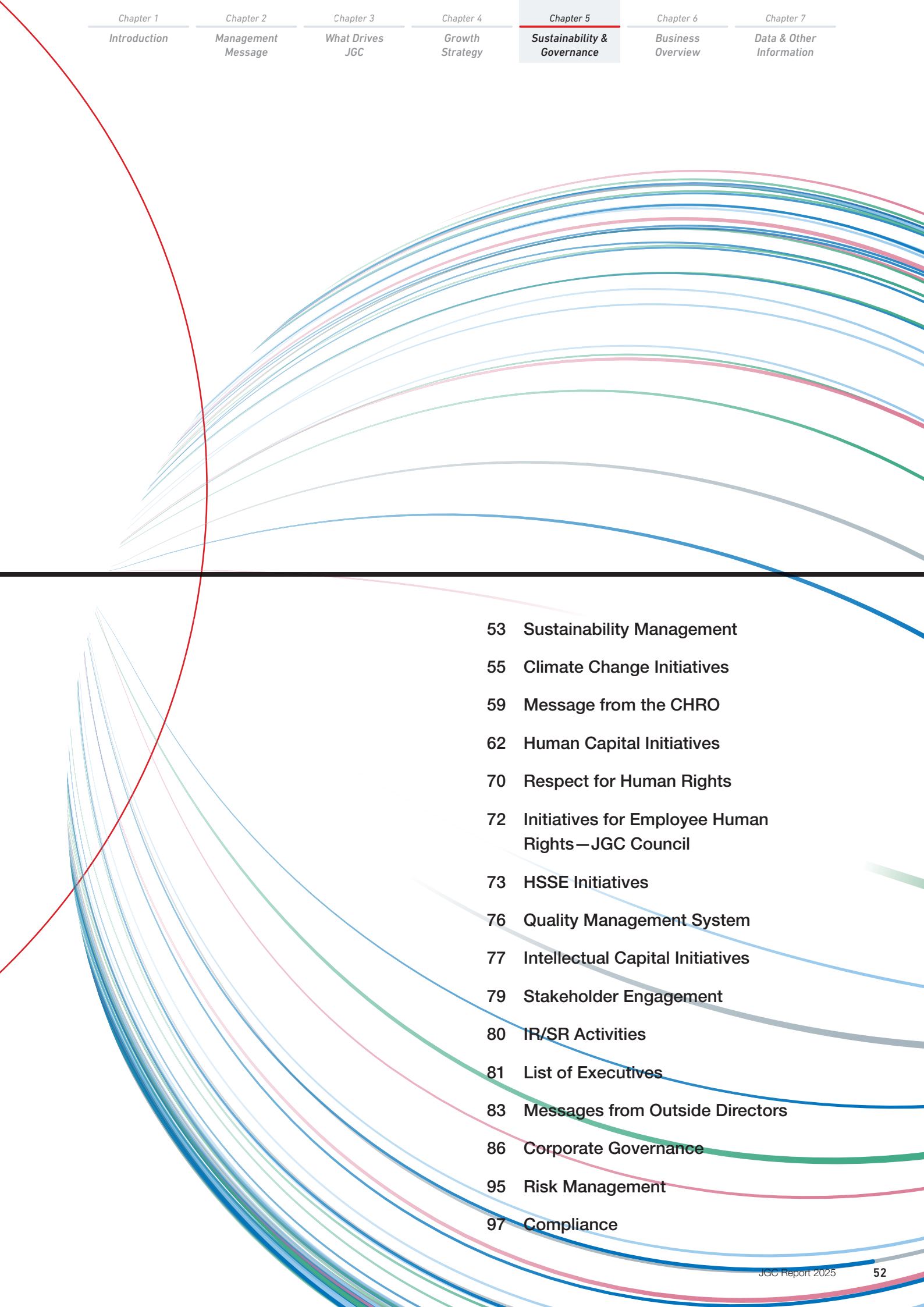


* Subject to decisions from designated institutions (including deliberation and reporting)

Sustainability & Governance

Chapter 5

The JGC Group believes that in order to continuously enhance corporate value, it is essential not only to steadily achieve results in management strategies but also to strengthen the management capital and foundations that support sustainable growth. This chapter explains our initiatives to address social and environmental issues such as climate change and human rights, our efforts regarding human capital and intellectual capital, and matters such as the corporate governance that supports the sustainable growth of our Group.



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Sustainability Management

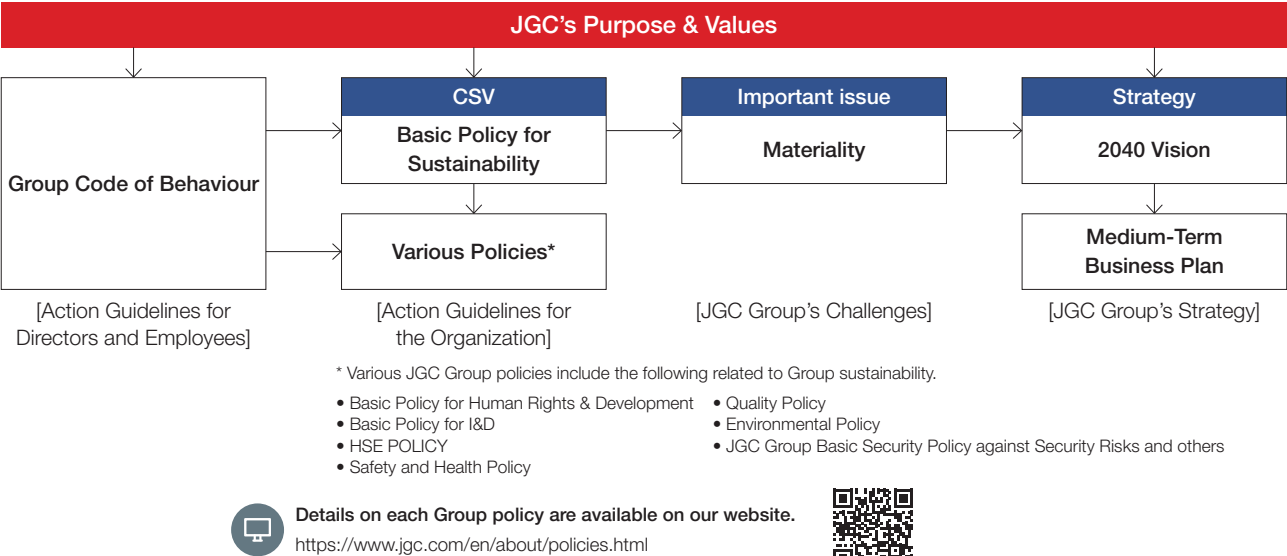
Basic stance

The JGC Group has established the Basic Policy for Sustainability to enhance corporate value through sustainability initiatives. This policy is core to each of the Group's policies, materiality, and strategies, etc., and promotes sustainability within the Group.

Basic Policy for Sustainability

The JGC Group will endeavor centered on its “Enhancing planetary health” as its purpose, to sustainably increase its corporate value through creation of social values.

To realize the above, it will actively pursue sustainability in the areas of environment, society, governance, quality, safety, and health.



Sustainability section of the corporate website

Details on sustainability initiatives are available on our website.
<https://www.jgc.com/en/esg-hsse/>



Sustainability Management

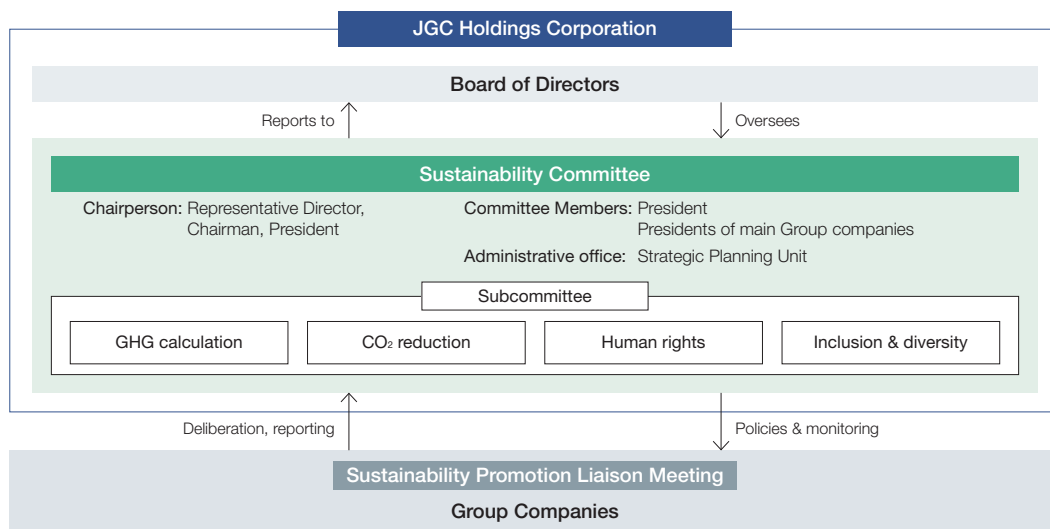
Governance	Group-wide sustainability governance is based on the sustainability promotion system. In addition, specialized committees are established for certain themes and as necessary, responses are made by each operating company. □ Sustainability Promotion System P.54 □ Other Main Committees Related to Sustainability P.54
Risk Management	In addition to being deliberated by the Sustainability Committee, the Group Risk Management Committee also identifies and organizes all risks of our Group, including sustainability-related risks, maintains and builds the risk management system, and proposes and deliberates on improvements. □ Risk Management P.95
Strategy	Our Group is steadily promoting initiatives tailored to the characteristics and realities of each field related to sustainability.
Metrics and targets	Going forward, in line with the review of company-wide strategies, we will work to strengthen the effectiveness of various initiatives, indicators, and targets, based on the review of Materiality and their alignment with management strategies.

Sustainability promotion system

The Group has established the Sustainability Committee, chaired by the Representative Director, Chairman, President, which meets three times a year on a regular basis and holds extraordinary meetings as needed. The Committee deliberates on the formulation, promotion, evaluation, and improvement of policies and action plans related to sustainability areas, including climate change. In addition to submitting an annual report to the Board of Directors, the Committee also submits and reports on matters in a timely manner as appropriate.

Furthermore, in order to promote the implementation of the policies and action plans formulated by the committee, sustainability promotion officers are appointed at each Group company by nomination of the respective company presidents, who are also members of the committee. To facilitate communication, coordination, and exchange of opinions among the promotion officers, the Sustainability Promotion Liaison Meeting has been established.

Sustainability promotion system diagram



Main activities of the Sustainability Committee (as of 2025 September)

Fiscal year 2024	10th	Formulation of human rights regulations, I&D action plan, and climate transition plan
	11th	Discussion on promoting the reduction of GHG emissions, latest trends in GX and sustainability information disclosure, efforts toward obtaining third-party assurance of GHG emissions, and report on CDP2024 responses
	12th	Consideration of promotion of GHG emissions reduction and reduction contribution
Fiscal year 2025	13th (Extraordinary)	Proposal for promoting the reduction of GHG emissions
	14th	Proposals for promotion of GHG emissions reduction, status of human rights due diligence implementation

Other main committees related to sustainability

Committee name	Overview	Chairperson
Group Risk Management Committee* ¹	Identifies and organizes overall risks for the Group, including risks related to sustainability, maintains and builds the risk management system, and proposes and deliberates on improvements. *1 □□ Please refer to Risk Management P.95.	Representative Director Senior Executive Vice President CFO
Technology Commercialization Meeting	Discusses policies, budget proposals, and development status for technology and business development in exploration areas conducted by each Group company, including decarbonization-related businesses, and deliberates on technology and business development projects involving investments and loans above a certain amount. The meeting is held monthly. Of these investment and loan projects, those that meet further monetary criteria, etc., are subject to deliberation by the Group Investment and Loan Committee* ² . *2 □□ Please refer to P.50 for the review system for strategic investments in the Medium-Term Management Plan "BSP 2025".	Technology Commercialization Officer (TCO)
Group HRM Committee* ³	Deliberates on important matters related to human resource management for the four engineering-related companies. The committee is held at the request of the chairperson. *3 □□ Human Capital Initiatives: Please refer to P.63 for the HR strategy implementation system linked to management strategy.	Representative Director Chairman, President and CEO
HSSE Committee or Health and Safety Committee* ⁴	In consideration of differences in business content and characteristics, each operating company establishes an HSSE Committee or Safety and Health Committee as the highest body for planning and coordination related to safety, health, security, and environment. The committee is held monthly. *4 □□ HSSE Initiatives: Please refer to P.73 for the HSSE promotion framework.	Regulated by each operating company's rules

Climate Change Initiatives

Basicstance

As we work toward a sustainable society, addressing climate change has become a global challenge. The JGC Group has identified “societies in harmony with environment” as a material issue. Besides taking climate action through environmentally conscious business activities, the Group studies and formulates business strategies accounting for scenario analysis in recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Climate Change-Related Disclosure

The JGC Group has responded to CDP questionnaire since 2021 as part of international climate change disclosure frameworks (receiving a B rating in fiscal year 2024), and as a TCFD supporter, discloses information in accordance with these guidelines, including in securities reports.



Governance	For governance and risk management related to climate change, please see “Sustainability Management”.	☐ Sustainability Management P.53
Risk Management		
Strategy	Based on both the risks and opportunities associated with climate change, and the results of scenario analysis, we are reflecting these outcomes in our management strategies, such as the 2040 Vision.	☐ Strategies and Initiatives towards Achieving Societies in Harmony with the Environment P.55
Metrics and targets	In 2021, the JGC Group announced its “2050 Carbon Neutral Declaration” and is monitoring Scope 1, 2, and 3 emissions.	☐ JGC Group Carbon Neutrality P.57

Strategies and Initiatives towards Achieving Societies in Harmony with Environment

Based on data from the International Energy Agency (IEA)’s “World Energy Outlook 2020,” our Group conducted an analysis targeting 2040, using multiple scenarios including the Stated Policies Scenario (STEPS) and the Sustainable Development Scenario (SDS), through which we have evaluated climate change-related risks and opportunities, and we will reflect these in our strategy.

Main risks

New regulatory risks	The introduction of global carbon pricing may lead to higher equipment and fuel costs, which could affect business costs in the future. In addition, the introduction of carbon taxes and the strengthening of national carbon emission targets are recognized as risks that could reduce order opportunities due to decreased demand for plants in the oil & gas sector.
Technology risks	Lower gasoline demand from the spread of EVs and fuel cell vehicles poses a risk of fewer contract opportunities for plants in the oil & gas industry. A similar risk is posed by the spread of decarbonized materials and a shift to renewable energy driven by the spread of high-performance storage batteries.
Regulatory risks	It is anticipated that legal obligations for information disclosure related to climate change measures will expand, increasing the burden of reporting and other requirements. Furthermore, in the event of non-compliance, there are risks such as penalties and the invalidation of permits and licenses related to construction.
Market risks	Lower plant demand in the oil & gas industry may result in fewer contract opportunities. An aversion in financial and capital markets to business related to fossil fuels also poses a risk that projects may not be approved.
Reputation risks	Failure to maintain or build on our reputation as an enterprise with the technical expertise to contribute to climate change solutions such as carbon reduction, renewable energy, and hydrogen applications may adversely affect the JGC Group in various ways, such as contract opportunities, financing, or securing human resources.
Acute physical risks	More frequent extreme weather events such as heavy rain, storms, typhoons, and flooding attributed to climate change may physically damage materials, equipment, and JGC Group facilities, adversely affect employees, and delay procurement.
Chronic physical risks	Higher average temperatures may make longer construction periods more common, due to lower labor productivity at construction sites in temperate and tropical regions, which could increase project costs and affect clients’ investment decisions. Another concern is increased costs for countermeasures and accident compensation, due to higher occupational safety risks. There is also a risk of higher shipping costs from a lack of ports if sea levels rise in coastal areas.

Main opportunities

Products and services	By applying CCS (CO ₂ capture and storage) technologies, which have proven track records both domestically and internationally, as well as CCUS (CO ₂ capture, utilization, and storage) technologies being jointly developed with other companies, to the oil & gas sector, it is expected that plant demand in this field will be stimulated and contract opportunities will increase.
	The JGC Group has an extensive record in renewable energy plants such as solar and biomass power plants, which, as the international community shifts toward decarbonization, may increase contract opportunities.
	In fields such as hydrogen, ammonia, and small modular reactors (SMRs), which do not emit CO ₂ , our Group has been advancing various initiatives toward a decarbonized society, including technological development, and an increase in contract opportunities can be expected in the future.
	Greater worldwide demand for a circular economy can be expected to drive demand for technologies under development by the JGC Group, which include chemical recycling of plastic waste, recycling of fiber waste, and SAF.

Scenario Analysis

Scenario item	Definition	Business area	Segment	Business growth potential (Scale of 1–6)	
				STEPS Physical Climate Scenario	SDS Transition Scenario
Target	2040				
Analysis reference data	Based on data from the IEA's "World Energy Outlook 2020"				
Scenarios	Based on the following outlook scenarios • Physical Climate Scenario (STEPS) • Transition Scenario (SDS)				
Target of analysis	Analysis of Energy transition, Circular economy, and High-performance functional materials areas that are highly relevant to climate change				
		Energy transition	Refinery	→	→
			LNG	→	→
			Power generation, nuclear power, new energy	→	→
			Hydrogen/fuel ammonia	—	→
		Circulareconomy	Plastic waste chemical recycling	—	→
		High-performance functional materials	Catalysts	→	→
			Fine ceramics	→	→
		Other	Consulting	→	→

Based on a recognition of the above risks, opportunities, and scenario analysis, our long-term management vision “2040 Vision” positions the following focus areas within energy transition, circular economy, and high-performance functional materials as business domains that contribute to the realization of “societies in harmony with environment.”

		Key areas	JGC Group strengths
Energy transition	Low-carbon/ decarbonized oil & gas	- Blue hydrogen/fuel ammonia - CCS - Energy conservation technology - Carbon credits	- Knowledge and track record in large-scale oil and gas projects - Design and construction track record of CCS facilities - Track record in maintenance business
	Clean energy	- Blue hydrogen/fuel ammonia - Small modular reactors (SMR) - Offshore wind power generation	- Process engineering - Knowledge in renewable energy and nuclear power fields - Design and installation know-how of offshore structures
Circulareconomy		- Sustainable aviation fuel (SAF) - Chemical recycling (plastic waste and fiber waste)	- Process engineering - Network with clients and partners
High-performance functional materials		- Catalysts for carbon chemical recycling - Energy storage and new energy materials - High thermal conductivity silicon nitride substrates for EV power semiconductors	- Catalyst development and business foundation - Nanoparticle adjustment and control technology - Development and manufacturing of fine ceramics

Progress of major initiatives (FY2024)

Energy transition

Low-carbon/ decarbonized oil & gas

With the global increase in energy demand, balancing economic efficiency and reducing environmental impact is becoming an even more important social issue, and natural gas/LNG plays a vital role. Our Group is also working to decarbonize LNG plants through the introduction of CCS/CCUS and electrification technologies.

[United Arab Emirates] Received order for large-scale low-carbon LNG plant construction project (June 2024)

This project planned by ADNOC (Abu Dhabi National Oil Company) will adopt “E-Drive” using electric motors powered by clean electricity, instead of conventional gas turbines, to drive compressors that compress the natural gas feedstock, making it a low-carbon LNG plant with maximum consideration to reducing CO₂ emissions during plant operation.

[Related releases](https://www.jgc.com/en/news/2024/20240613.html) <https://www.jgc.com/en/news/2024/20240613.html>

[Indonesia] Awarded project for design, procurement, construction, and installation of onshore facilities for the Tangguh EGR/CCUS project (November 2024)

In the existing Tangguh LNG plants, this EGR* project collects CO₂ emitted during natural gas production and reinjects/stores it in the gas field, thereby reducing CO₂ emissions and improving production efficiency and output of natural gas in the EGR/CCUS project. * EGR: Abbreviation for “Enhanced Gas Recovery”.

[Related releases](https://www.jgc.com/en/news/2024/20241125.html) <https://www.jgc.com/en/news/2024/20241125.html>

Clean energy

We integrate process engineering technologies and project management expertise to meet decarbonization needs.

[Malaysia] Awarded basic design services for green hydrogen/MCH production plants (April 2024)

In FY2024, we were awarded and worked on basic design services for two plants in Malaysia promoted by ENEOS Corporation and others: one for green hydrogen production using renewable energy-derived electricity, and one for converting hydrogen into MCH for easier transport and storage.

[Related releases](https://www.jgc.com/en/news/2024/20240402.html) <https://www.jgc.com/en/news/2024/20240402.html>

Climate Change Initiatives

Circular economy

To realize a circular economy, we are leveraging process engineering expertise cultivated in the petroleum refining and petrochemical fields to create new businesses in collaboration with partners.

Large domestic SAF (Sustainable Aviation Fuel) production plant completed

The first large domestic SAF production plant of SAFFAIRE SKY ENERGY LLC, in which our company holds a 48% equity stake, has been completed. Supply of SAF produced at this plant to airlines began in April 2025. It is expected that, after the start of SAF production, the total greenhouse gas reduction contribution of this project will be **73,687 t-CO₂ /year**^{*1} (estimated value).

Related releases <https://www.jgc.com/en/esg-hsse/environment/green-bond/>

^{*1} Estimated using the life cycle CO₂ emission intensity published by ICAO (International Civil Aviation Organization) regarding certification for compliance with the sustainability standards of CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation).

Demonstration experiment of the clothing collection service “Suloop” conducted in Yokohama City

As part of a circular economy, our company is working on the implementation of textile recycling, promoting both resource collection and the development of recycling technologies. In the textile recycling business, stable resource collection is the most important social issue. In the used clothing collection business “Suloop,” in addition to installing collection boxes, we are verifying a monetization model through marketing using an app, attracting customers and increasing sales for host companies, and expanding transactions with resource recycling businesses. In the demonstration experiment in Yokohama City for fiscal year 2024 (July 25, 2024–March 31, 2025), the amount of used clothing collected was approximately 26t, and the maximum CO₂ reduction was **148 t-CO₂**^{*2}.

^{*2} The CO₂ reduction was calculated by comparing the life cycle assessment (LCA) of scenario (1), where used clothing is incinerated as regular waste, and scenario (2), where used clothing is collected and recycled through Suloop (CO₂ reduction = difference between scenario (1) and scenario (2)). This calculation method is based on our company's unique estimation method, taking into account local survey results of collected clothing. (Supervised by the University of Tokyo, Regional Circulating and Ecological Sphere Systems Laboratory, and Waseda University, Amasawa Laboratory)

Related releases



Clothing collection box

High-performance functional materials

In addition to manufacturing components related to renewable energy, we are also focusing on catalyst development for carbon-neutral fuels and expanding production of high thermal conductivity silicon nitride substrates for power semiconductors used in electric vehicles (EVs).

Construction of a new factory for increased production of high thermal conductivity silicon nitride substrates for power semiconductors

Our Group company, Japan Fine Ceramics, develops, produces, and sells insulated, high thermal conductivity silicon nitride substrates for power semiconductors that control the power of various devices necessary for energy savings in electric vehicles. To increase production of this product, we are utilizing green bond financing to construct a new factory, which was completed in July 2025. The new factory is scheduled to start operations in the second half of 2025, and after operations begin, **360,000 t-CO₂ /year**^{*3} (estimated value) of greenhouse gas reduction contribution is expected.

Related releases <https://www.jgc.com/en/esg-hsse/environment/green-bond/>

^{*3} Estimated CO₂ reduction effect based on improvements in energy efficiency of electric vehicles equipped with power semiconductors incorporating the produced high thermal conductivity silicon nitride substrates.

Other

Construction underway for an R&D center for biomanufacturing with gas fermentation at Port Island, Kobe

Kaneka Corporation, Bacchus Bio Innovation Co., Ltd. (hereinafter “Bacchus”), Shimadzu Corporation, and our company are working on the development of polymer synthesis technology using microorganisms with CO₂ as a raw material. Utilizing our expertise in safe gas handling technology and process scale-up, we are working with Bacchus to build Integrated Biofoundry®, that covers everything from microbial breeding to process development. In 2024, construction of the first research building began on Port Island, Kobe, with completion targeted for winter 2025.

Related releases <https://www.jgc.com/en/esg-hsse/environment/green-bond/>

Image of completed Bio Process Research Institute research building



JGC Group Carbon Neutrality

In 2021, our Group announced the “2050 Carbon Neutral Declaration” and has been advancing initiatives to reduce GHG emissions, aiming to achieve sustainable corporate value enhancement through transformation toward planetary health.

Targets

Scope1+2

2050: Net-zero CO₂ emissions
2030: 30% reduction in CO₂ emissions intensity per base unit of net sales

Scope3

Collaborate with stakeholders to reduce

Net-zero initiatives

For Scope 1 and 2 reductions,
adopt low-carbon/decarbonized practices, such as
energy conservation in our business activities,
or using renewable energy

Leverage technologies cultivated by the JGC Group to provide energy transition solutions to stakeholders

GHG emissions results

For the GHG emissions results of fiscal year 2024, as part of efforts to improve reliability, (1) JGC Holdings Corporation and JGC Corporation added emission sources subject to measurement, and (2) JGC Corporation and JGC Japan Corporation reviewed the scope of GHG emissions aggregation based on the operational control approach defined in the GHG Protocol. As a result, emissions from subcontractors, which had previously been included, were excluded from the measurement of GHG emissions for fiscal year 2024 and will be measured as Scope 3, among other revisions to the calculation method. As a result, the actual Scope 1+2 emissions for fiscal year 2024 were 115,743 t-CO₂ compared to 133,695 t-CO₂ in fiscal year 2023 (disclosed value). However, when compared with an estimated figure of 109,007 t-CO₂ calculated under the same conditions as this year, the main reason for the increase was that large-scale construction projects at JGC Corporation were at their peak. For the estimated values under the same conditions as the GHG emissions for fiscal year 2024 for fiscal year 2020 (base year) and fiscal year 2023, the estimates include extrapolations due to data limitations for past years.

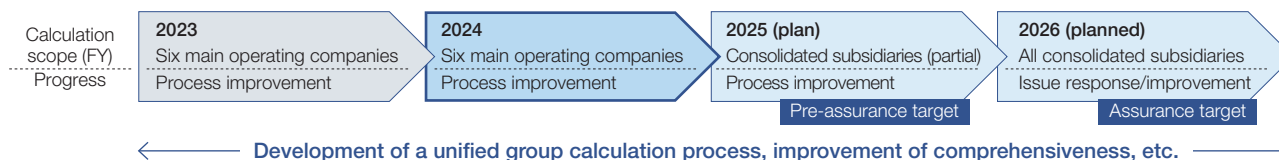
Additionally, all emission results are disclosed only as reference totals of emissions independently calculated by each company, including our company, JGC Corporate Solutions Co., Ltd., JGC Corporation, JGC Japan Corporation, JGC Catalysts and Chemicals Ltd., Japan Fine Ceramics Co., Ltd., and Japan NUS Co., Ltd., for the purpose of identifying emission sources and amounts and considering reduction measures. We will continue efforts to improve the reliability of these figures.

Fiscal year	2020 (Base year)		2023		2024
	Reported number	Estimated number	Reported number	Estimated number	
Scope1+2 (t-CO₂)	132,546	(111,381)	133,695	(109,007)	115,743
In Scope 1	84,325	(70,906)	83,729	(65,115)	73,462
In Scope 2	48,221	(40,475)	49,966	(43,892)	42,281
Emissions intensity per base unit (t-CO ₂ /net sales billion yen)	30.55	(25.67)	16.06	(13.09)	13.49
Year-on-year comparison of emissions intensity per base unit	—	—	-47%	(-49%)	(-47%)
Scope3 (t-CO ₂)	Not reported	—	1,497,309	(1,524,862)	1,569,452

- The estimated values under the same conditions as fiscal year 2024 and the results of comparing unit-based emissions based on these estimates are shown in parentheses in the table above.
- Scope 3 does not include emissions of Category 11 (use of sold products) and categories determined by the Company to be not relevant.
- For details on the assumptions and breakdowns used in calculating these emissions, please refer to our Group's website regarding its response to CDP 2025, an international framework for climate change-related information disclosure.
<https://www.jgc.com/en/esg-hsse/environment/climate-change/>

Efforts to improve the reliability of GHG emissions data

Improving the reliability of GHG emissions data is recognized as one of the important social issues in our Group's response to climate change. We are currently working to establish a unified calculation process and enhance comprehensiveness across the Group, aiming to obtain third-party assurance.



Promoting the management and reduction of GHG emissions

Our Group is working to reduce GHG emissions as a common Group issue, using unit emissions per sales (target: 30% reduction compared to fiscal year 2020) as a common indicator, and has achieved certain results. On the other hand, given the reality that total emissions have not decreased, we will manage and promote effective GHG emission reduction activities in a manner tailored to the actual situation of each Group company, taking into account the characteristics of each business segment.

Total Engineering Business

Characteristics

- GHG emissions fluctuate each year depending on the status, number, and scale of EPC projects, making them difficult to predict.
- Because the construction site changes every few years, it is difficult to implement permanent measures.

Main reduction activities

- Yokohama HQ: Upon participating in the METI GX League, we submitted GHG emissions reduction targets for the Yokohama HQ, our main business site, using the site boundary as the basis. To achieve this goal, we are gradually introducing renewable energy electricity and purchasing non-fossil certificates.
- Overseas sites: We are considering installing solar panels at construction site offices and accommodations, as well as optimizing the operation of temporary compressors used during test runs.
- Domestic sites: Reviewing electricity contracts at business locations, etc. is under consideration.

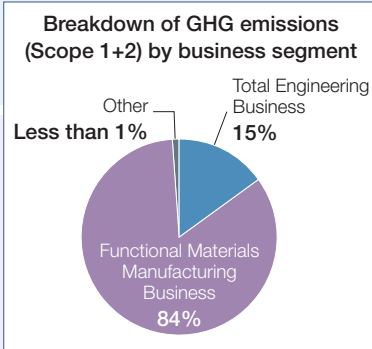
Functional Materials Manufacturing Business

Characteristics

- Fundamentally, GHG emissions increase in proportion to activity volume (production volume).
- Because production plants and business locations are fixed, it is easier to implement permanent measures.

Main reduction activities

- Installation of solar panels and upgrading to high-efficiency equipment at production plants.
- LED lighting at business locations.
- Purchase of non-fossil certificates.



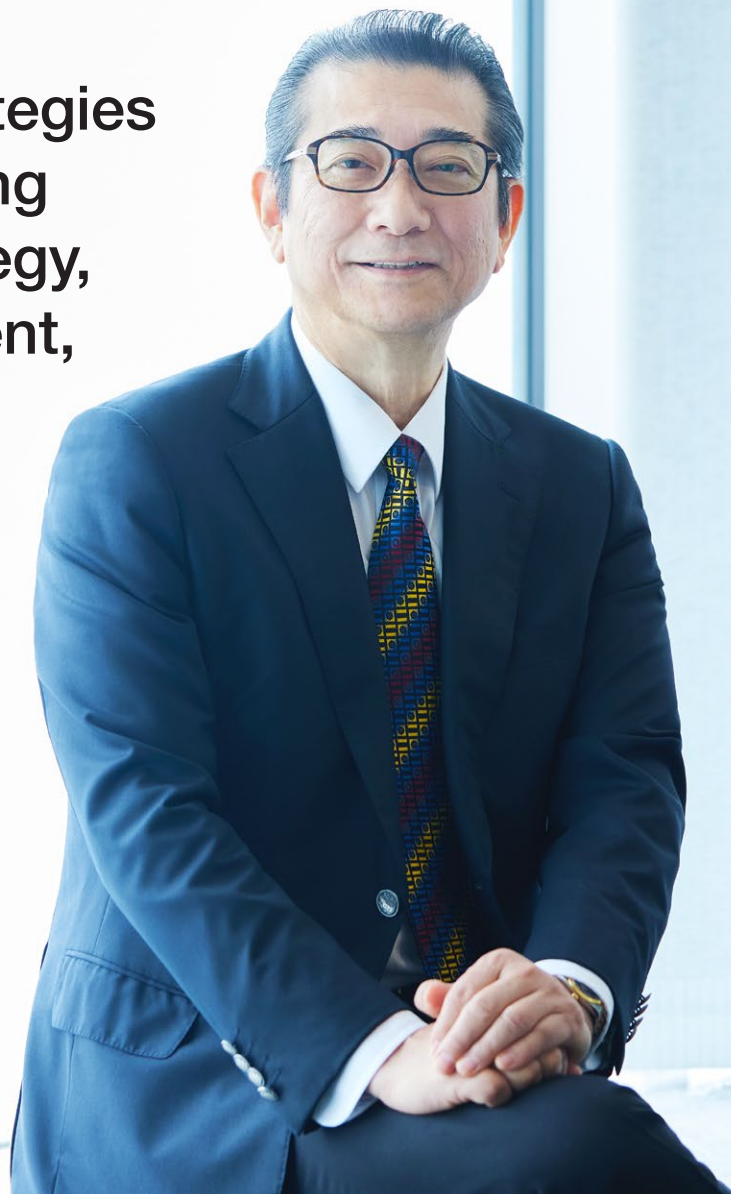
CHRO Message

Promoting HR Strategies Linked to Supporting Management Strategy, External Environment, and Employees

Takuya Hanada

Executive Vice President and CHRO

In 1982, Hanada joined JGC Corporation and was engaged in overseas projects and business development in the Oil & Gas sector. After the transition to a holding company in 2019, he was appointed as Senior Executive Officer and CDO of JGC Holdings Corporation. In 2021, Hanada was appointed to President of JGC Engineering Solutions Center. In 2022, he was appointed Senior Managing Executive Officer of JGC Holdings Corporation, CHRO and CDO. He has been serving in his current position since April 2023.



Approach to Human Resource Strategy

Under the philosophy that “people are our greatest asset,” and with the purpose of “Enhancing planetary health,” the JGC Group will enhance corporate value toward realizing a sustainable society. In achieving these goals, HR strategy plays a key role. It is essential that three axes, namely, management strategy, external environment, and employees, always remain linked. We are confident that with these connections functioning organically, our Group’s human capital is truly valuable and contributes to the sustainable growth of the Company.

Linkage with management strategy

First, in regard to linkage with management strategy, since my appointment as CHRO in 2023 I have frequently engaged in dialogue with the CEO and other senior management members. In this era of rapid change, a sense of speed is essential to achieve desired results. However, because we are conscious of collaboration with various parties, there are times when decision-making speed is compromised. For this reason, we regularly hold HRO meetings composed of the management of each Group company and by doing so

implement HR measures with increased speed. By ensuring close communication as a member of management and through HRO, we have established a system for rapid approval of HR measures at HRO meetings. We will continue to strengthen this decision-making forum going forward.

Linkage with the external environment

Even in today’s rapidly changing business environment, certain trends to an extent can be predicted. First, the decline in the working population in Japan is expected to have a significant impact on future recruitment conditions. We are entering an era where workers proactively choose their workplaces, and companies are required to provide more attractive working environments. In addition, with the increase in dual-income households, for overseas assignments consideration to families is becoming a more important issue than ever before.

Furthermore, awareness of the global environment is not diminishing but rather accelerating, and carbon-neutral related businesses are expected to continue progressing at a steady pace. In response to changes in the external

environment, I recognize that the key to sustainable growth is to formulate and implement medium- to long-term HR strategies for predictable events, and to establish a system for flexible and rapid response to unpredictable events.

Linkage with employees

Of the three linkages, the most important is “linkage with employees.” HR strategy does not exist for the HR department alone but for the growth and happiness of each and every employee. Therefore, it must be a “strategy that employees themselves can articulate.” I am confident that if mutual trust is built between company and employee, employees will proactively respond to company initiatives, individual motivation will increase and, as a result, the entire organization will achieve better outcomes. In the matter of employee feedback, we emphasize constructive dialogue through the JGC Council (□□ P.72) and reflecting it in our HR system. At the core of our HR strategy should be a relationship of trust between company and employee, and I always keep this belief in mind when planning and implementing HR measures.

Human Resources Grand Design 2030

As the key concept of our group’s HR strategy, we formulated the “Human Resource Grand Design 2030” in 2023 and are continuously promoting initiatives (□□ P.62). The Grand Design serves as a compass for the ideal of human resources and organization that our Group aims for, clearly demonstrating the Group’s direction regardless of changes in the times. Going forward, we are considering incorporating specific Key Performance Indicators (KPIs) into the Grand Design.

In the transformation toward realizing our Group’s long-term management vision, the “2040 Vision,” many mid-career hires have joined the Group as our colleagues. Meanwhile, challenges have also become apparent, such as the need to strengthen our internal communication, lack of understanding of work procedures, and difficulty understanding internal regulations. To address these issues, we have implemented onboarding measures for mid-career hires (□□ P.64) for the purpose of improving work efficiency and facilitating internal communications, and we are already beginning to see the results. In addition, the “Purpose Journey Training” launched in 2021 has been taken by 90% of eligible employees, and it has been steadily expanding employee understanding of our Group’s purpose. These initiatives provide opportunities for each employee to gain a renewed understanding of their own roles and value, and to deepen their connection with the organization.

Multi-skilled human resources

In the four EPC-related companies, over 80% of employees are technical personnel. We take pride in our Group’s technological capabilities, which we believe are essential areas of expertise for addressing the conflicting challenges of stable energy supply and decarbonization. In addition, administrative employees support the organization’s management as professional management personnel.

Along with these measures, with the advance of digitalization in the four EPC-related companies, design work and routine company operations have been streamlined, and results are gradually beginning to appear. As DX and AI are utilized more frequently, it is increasingly important for technical personnel to acquire multiple skills. Examples include plant engineers who can oversee all engineering such as civil, architecture, and piping; next-generation process engineers who, with a background in chemical engineering, are also well-versed in carbon neutral technologies such as biofields, CCS/CCUS, hydrogen, and ammonia; and mechanical engineers who can integrally manage a wide variety of equipment, from tens of millions of items that include rotating machinery, static equipment, and system machinery. We are promoting development measures aimed at multi-skilling such personnel, and one example is the “Baysix System” (□□ P.65) introduced in 2021, in addition to the conventional development rotation system.

CHRO Message

Field training

The four EPC-related companies also value traditional development systems that have been adopted for many years. An example is field training for young employees, which has been in place for over 15 years. This system is aimed at employees within three years of joining as new graduates, dispatching them for about six months to construction sites both inside and outside Japan, providing valuable experience in project execution and business operations while representing the JGC Group in uncharted territories. By experiencing the scale and speed of construction sites from a young age, employees deepen their understanding of practical work and gain many points of contact with stakeholders. Furthermore, communal living at construction sites greatly contributes to building vertical, horizontal, and diagonal networks that transcend departmental boundaries. This field training is an important pillar in our Group's human resource development which we will continue to strengthen going forward.

Visualization of personal attributes

Behind individual achievement are ability, knowledge, and personal attributes. Ability can be easily recognized, and knowledge can also be visualized relatively easily. On the other hand, personal attributes—also called soft skills or personality—are formed by innate character and early life environment, making them difficult to grasp. However, they are critically important for drawing out an individual's latent potential. I believe that visualizing personal attributes brings noticeable benefits to human resource development and optimal placement. Based on the hypothesis that curiosity, insight, courage, objectivity and openness are the five main parameters, we have been formulating assessments since 2024. Through this, we aim to accurately grasp each employee's latent abilities and realize the full potential of all employees through optimal placement and development.

In Closing

Investment in human capital does not directly correspond to short-term management indicators. However, to maximize return on investment, it is essential to solidify the fundamentals of HR strategies such as employee well-being, compliance, and I&D (Inclusion & Diversity). Based on the mentioned "Human Resource Grand Design 2030," our Group formulates medium- to long-term HR strategies and, through steady implementation, ensures linkage with the three axes of management strategy, external environment, and employees.

For the most part, I have introduced our HR strategies in the Total Engineering Business. In the Functional Materials



Work in Life

The initiatives introduced so far have mainly been from a corporate perspective, but here I would like to share a way of thinking from the perspective of employees working in our Group. In general, the term "work-life balance" is used but, in our Group, based on the idea that "fulfillment at work leads directly to fulfillment in life and enriches one's own life," we use the expression "Work in Life." While life is a much larger framework compared to work, the reality is that our Group's employees spend much of their lives working. That is why we strive to create an environment where each employee can feel growth and happiness through their work. (□□ P.69)

Manufacturing Business, which has different business characteristics, each company operates under its own HR system. However, under the long-term management vision, we aim for its further expansion as a core business, and JGC Holdings Corporation has established a system to support each company engaged in this business, as needed.

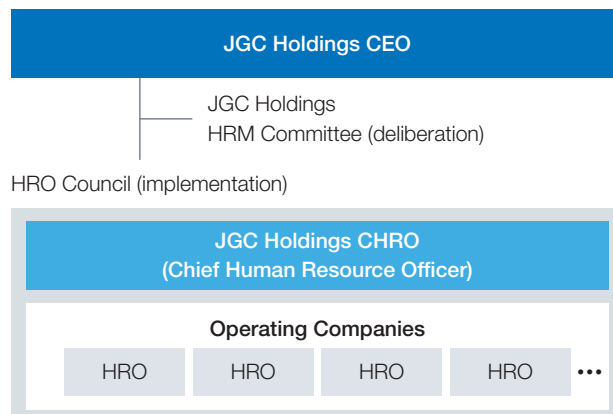
As the CHRO, I will continue to enhance the value of human capital and in doing so contribute to increasing corporate value. I take this responsibility seriously and will devote myself fully to these efforts.

System for implementing human resource strategy linked to management strategy

To ensure the effective linkage between management strategy and HR strategy, our Group appointed a CHRO in 2022 and established the regularly held HRO Council, composed of executives from each JGC Group company, under the HRM Committee, which serves as a deliberative body for HR matters. By having the CHRO and HROs*¹ work closely together as members of the management team, we have established a system that enables swift decision-making on HR measures at the HRO Council. The measures decided in this way are vigorously implemented mainly by department management, such as department heads and CDMs*², in addition to each company's HR department, thereby promoting HR strategy throughout the organization.

*¹ Executive Officers or higher, up to President class, are appointed as HROs for each company.

*² Career Development Manager. At JGC Corporation, in addition to General Managers, each department also has in place positions responsible for human resource development.



M Management System

We are developing and operating a talent management system to understand our Group's human resources and achieve optimal placement and development.

Visualization of human resource portfolio and required talent

At the four EPC-related companies, we believe that three transformations (TX)—in business domains, business models, and organizations—are necessary to realize the vision set forth in the “2040 Vision.” To drive these transformations, we have identified the human resources needed for the future and classified them into four types. By regularly monitoring this and comparing it with the current portfolio, we use it as a foundation for investigating and implementing measures to close the gap in terms of quantity and quality.



□ 2040 Vision, Our Long-Term Management Vision P.41

O Onboarding

The four EPC-related companies believe that hiring and developing diverse talent is essential for deepening existing businesses and expanding into new fields. Therefore, we focus not only on recruitment but also on subsequent onboarding, supporting talent so they can make an early impact.

List of initiatives

Adoption	New graduate recruitment, mid-career recruitment, alumni recruitment, referral recruitment, etc.
Onboarding	Training for mid-career hires, information infrastructure development, 1-on-1 meetings, networking programs, etc.



Click here for details on each initiative

<https://www.jgc.com/en/esg-hsse/social/human-capital/recruiting/>



Mid-career recruitment

In addition to strengthening recruitment of human resources necessary to increase project execution capacity, we are proactively pursuing mid-career recruitment of specialists in new business areas requiring unknown technical capabilities and expertise, as well as in the DX and IT fields, which are expected to become even more important in the future, with an eye toward the “2040 Vision.” To increase the number of hires, we have also begun full-scale implementation of new recruitment methods such as referral recruitment (employee referrals) and direct recruiting, and have achieved stable results.

Networking Program

Communication across departments is an essential element for smoothly carrying out our Group’s Total Engineering Business. Against this backdrop, the four EPC-related companies launched the networking program “NetsHub” in fiscal year 2023 for employees within three years of mid-career hire or within six years of new graduate hire, as an opportunity to build vertical, horizontal, and diagonal connections.

To date, a total of 1,400 people have participated in this program, deepening exchanges through in-house developed card games and social gatherings under the theme of “self-disclosure beyond one’s resume.” In fiscal year 2024, we also added content reflecting on our company’s history, providing opportunities to reaffirm our high level of execution capability.

As a result, understanding of the company and organization has deepened, leading to increased attachment and engagement of each employee with the company. Going forward, we will continue to provide opportunities for networking and community building from various perspectives, aiming to facilitate daily project operations and create new collaborations by strengthening these internal connections.

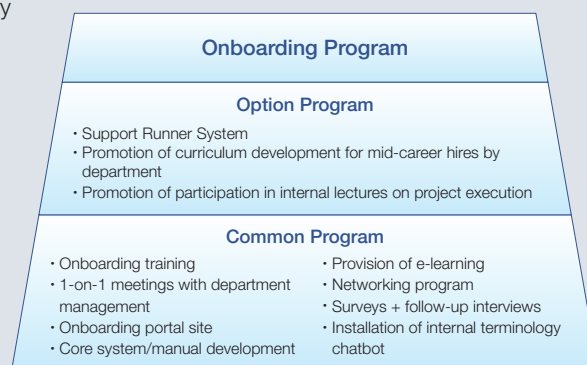
TOPICS

Onboarding program for mid-career hires

At the four EPC-related companies, we are implementing various onboarding measures to ensure that mid-career hires can fully demonstrate the diverse experiences and expertise they have cultivated and make an early impact.

Upon joining, we provide training to deepen understanding of the company’s philosophy, history, HR systems, and work processes, supporting smooth adaptation to work at the four EPC-related companies. In addition, we have established a portal site for mid-career hires to easily access necessary information.

Furthermore, we have introduced a system in which a suitable person from the department to which the mid-career hire is assigned is appointed as a “Support Runner” to assist with daily work-related consultations and building internal networks. In addition, the HR Department regularly conducts surveys and follow-up interviews as needed to understand the adaptation status after joining and provide ongoing support. Through these measures, we are promoting the creation of an environment where mid-career hires can quickly adapt to the workplace and thrive over the long term.



Building a network with alumni

The four EPC-related companies value connections with former employees (alumni). At the alumni event held annually on the anniversary of our company’s founding, we provide a place for alumni and current employees to interact under the theme “Make JGC your alma mater.” In the online community, we share news, event information, dialogues with alumni, and interviews with rejoined employees, and currently, the community has over 250 participants.

By providing opportunities for ongoing connection with alumni in this way, we are creating opportunities for alumni re-employment and co-creation/collaboration.



Number of alumni hired in the past four years (fiscal year)

2021	0
2022	8
2023	7
2024	4

D Development

Based on the belief that strengthening human resources is key to realizing the “2040 Vision,” the four EPC-related companies are implementing a variety of initiatives from both individual and organizational perspectives to foster talent development.

List of initiatives

Individual	Various initiatives for OJT, Off-JT, and self-development
Organization	Network-building initiatives, I&D (promotion of women’s participation, promotion of employment for people with disabilities, promotion of cross-cultural understanding), organizational diagnostic surveys, and more

Human resource development aimed at advancing and diversifying skills

The four EPC-related companies have established development environments through OJT, Off-JT, and self-development. Among these, we place particular emphasis on the OJT system for young employees, which fosters growth through work experience, and we promote multi-skilling and advanced skill development through on-site assignments, rotation systems, career development plans, and mentorship programs. In addition, we offer a variety of programs for department management and leaders, who play a crucial role in talent development, and are working to foster a culture of organizational growth. Furthermore, we support the growth of each employee through training programs tailored to different levels and talent types, as well as self-development systems.

Overall picture of training for advancing and diversifying skills

OJT	Off-JT			Self-development
Career Development Plan (CDP)	Level-specific	Selected employees	Company-wide training	JEEP (in-house technical courses)
Rotation system for advancing and diversifying skills	Management-level training	External management course dispatch	IT	JGC Techno College (Internal and external lecturers)
Baysix system (for engineering backgrounds)	Introductory training			e-Learning platform JGC University
Rotation system (for management backgrounds)	Leadership	Cross-industrial exchange program	Compliance	External coursesubsidy system
On-site dispatch program	English and communication skills	Loan transfer, Corporate Volunteering Program	I&D (Inclusion & Diversity)	Qualification acquisition assistance system
Mentorship program	Technical expertise	Domestic and international company dispatch	etc.	



Click here for details on each initiative

<https://www.jgc.com/en/esg-hsse/social/human-capital/development/>



Initiatives for diversifying the skills of human resources

In addition to traditional on-site dispatch program and rotation systems, the four EPC-related companies have introduced the “Baysix System,” which enables new employees to acquire foundational skills over their first six years. Young technical employees are systematically trained from the time they join the company, in coordination with the CDP, to grow into the talent we aim for. We are also promoting multi-skilling through in-house technical courses such as “JEEP,” which covers basic engineering knowledge, and our own role-playing training programs.

Strengthening highly specialized talent

The four EPC-related companies have identified fields essential for enhancing competitiveness and corporate value, and appoint individuals with advanced technical expertise to the position of “Expert.” Experts leverage their specialized knowledge to contribute to projects and the creation of new technologies, while also playing a key role in developing talent in their respective fields and contributing to the continuous improvement of our technical capabilities. As of July 2025, 87 experts have been appointed in 97 fields. In fiscal year 2024, we began introducing our Experts on our company website to raise awareness of their presence.

* Within our Group, Experts are classified into three levels (Leading Expert, Chief Expert, and Expert), and only Chief Experts and above are featured on the website.



Click here for details on JGC Group Experts

<https://www.jgc.com/en/business/expert/>



Department Manager Upgrade Program

Department managers hold a key position that interfaces with management and they are required to operate their departments from a management perspective. To this end, since fiscal year 2023, we have implemented the “Department Manager Upgrade Program” as part of management training for the four EPC-related companies, aiming to deepen understanding of the role of department managers as members of management and to foster a higher perspective.

This program aims to help department managers acquire the styles and skills necessary to drive the organization as a bridge between management and the front lines. It includes defining the role of department managers within our Group, and encourages participants to reflect on self-understanding, self-transformation, and organizational transformation. In fiscal year 2024, all department managers from the four EPC-related companies participated, and in addition to skill enhancement, the program also served as a platform for building horizontal connections among managers.

In fiscal year 2025, to encourage department managers to recognize the importance of their positions and fulfill their responsibilities, we introduced an employee stock compensation system for department managers starting in April. Furthermore, we plan to conduct the “Department Manager Upgrade Program” multiple times in line with the challenges faced by the Group and each company, and will continue to work toward achieving the above objectives.

JGC Techno College: Supporting the self-directed learning of employees

In addition to systematic educational programs, the four EPC-related companies value a culture in which employees voluntarily learn from each other and the company supports their growth. JGC Techno College (JTC), one of the talent development systems supporting self-development, is a distinctive system of the four EPC-related companies that features a bottom-up approach, with employees taking initiative and learning from one another.

It offers a wide range of advanced content, not only in technology and specialized knowledge, but also in areas that are difficult to acquire through daily work, employee work experiences, and even general education. The aim is to enhance the comprehensive technical skills necessary for job performance, as well as related knowledge essential for business professionals.

The operation of the system is based on voluntary and autonomous learning by employees themselves, and the principle is to provide opportunities to those who are motivated to learn, with the company supporting this through budget allocation and other means. Among these, JTC Seminars are study and research groups that are voluntarily proposed and organized in the form of a “Chairperson Declaration.” To date, a wide variety of seminars have been held, ranging from specialized fields such as offshore project execution to Chinese language courses, agricultural development, and themes focused on enhancing human skills. Recently, a company-wide seminar (JGC CREATORS) aimed at learning, spreading, and practicing generative AI has been launched, and is actively operating as a community of over 350 members.

JGC Techno College (JTC)

“JTC Courses”

Learn from instructors inside and outside the company

“JTC Seminars”

Employees voluntarily plan and launch study and research groups



“JGC CREATORS”—A group focused on activities such as how to utilize generative AI

Promotion of Inclusion & Diversity (I&D)

Our Group places great importance on employee well-being and is committed to creating an environment where employees can experience growth and happiness through their work. We believe that by creating an environment and culture where each individual can work energetically and positively, we can promote business improvement, increase productivity, and foster innovation, which in turn leads to improved employee performance and ultimately enhances corporate value.

Based on this philosophy, our Group has established and is promoting the I&D Basic Policy. In fiscal year 2024, we held lectures with external guests on I&D and organized opinion exchange and networking events with other companies. We will continue to promote the basic policy and plan to implement further initiatives such as training and workshops.



Please refer to our website for details on the I&D basic policy.
<https://www.jgc.com/en/about/policies.html>



Human Capital Initiatives

Promotion of women's careers

The four EPC-related companies set a goal to double the number of female managers by 2025 compared to 2020 (from 30 to 60), and achieved this goal in July 2025. We will continue to create an environment where female employees can demonstrate leadership, provide career support, and offer further opportunities for skill development and growth.

	FY2023	FY2024	July 2025
Number of female managers (Persons)	48	53	63
Ratio of female managers (%)	3.4%	3.8%	4.5%

* Refers to four EPC-related companies. In addition, our company sets targets in accordance with the definition of "manager/supervisor" under the Labor Standards Act (Act No. 49 of 1947), so the figures listed differ from the definition of "managerial position" under the Act on Promotion of Women's Participation and Advancement in the Workplace (Act No. 46 of 2015).

TOPICS

Networking program for female employees implemented

The four EPC-related companies are implementing "NetsHub" with the aim of building vertical, horizontal, and diagonal connections. In fiscal year 2024, we held our first-ever networking program for female career-track employees, "Nets Hub For W."

Although the number of female employees in our Group is on the rise, their overall proportion remains low, making it difficult for women to connect with each other, and there have been requests for opportunities to interact.

In response to these needs, we held this event, and participants gave positive feedback such as, "It was a valuable opportunity to expand my network by meeting many people for the first time," and "I was able to hear valuable stories about balancing childcare and work at our company." This initiative not only provided a place for interaction but also influenced the career development of female employees. We will continue to provide such opportunities and further expand the target audience and content to support the formation of diverse networks.



□ Networking Program P.64

Promoting recruitment of people with disabilities

To further promote and stabilize employment of people with disabilities, JGC Parallel Technologies (JPT) was established in January 2021. JPT is committed to "realizing a society where everyone can work equally" and contributes to the JGC Group's IT/DX promotion with a focus on "Disability × IT." By establishing flexible work styles such as full remote and full flex, we have created employment opportunities for diverse IT talent from across Japan. As of June 2025, we have 45 employees, 42 of whom are IT engineers with physical, mental, or developmental disabilities, supporting IT/DX operations within the Group.



For other I&D initiatives, such as developing future female talent, click here
<https://www.jgc.com/en/esg-hsse/social/human-capital/development/>



E Engagement

A broad range of measures are being implemented to increase engagement so that our Group's human resources can maximize their abilities toward achieving the 2040 Vision. These include developing systems that make work feel rewarding and creating a comfortable workplace environment.

List of initiatives

Making purpose personally relevant	Purpose Journey Training
Toward an attractive company and a cohesive organization	Organizational Diagnosis Survey, Department Manager Upgrade Program, PEOPLE DAY

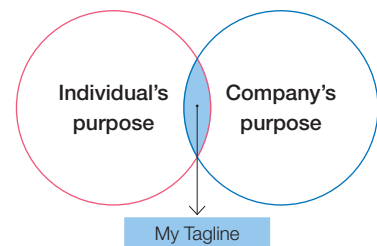
Making Purpose Personally Relevant (Purpose Journey Training)

In addition to instilling our Group's purpose, "Enhancing planetary health," we implement Purpose Journey training with the aim of having employees renew their own sense of purpose and articulate the common ground between the company and each individual.

Initiatives include a program for exploring the employee's own sense of perspective, an aptitude test for analyzing oneself from objective and quantitative metrics, and a program for identifying personal qualities and strengths from individual lifeline charts. Participants discuss with each other the background of the Company's purpose, and find areas in common between the Company and their own individual purposes, to create their My Tagline in around 15 words.

As of the end of July 2025, training will have been provided to 90% of eligible employees, and we plan to continue offering it to new eligible employees, such as mid-career hires.

In post-training surveys, the average level of agreement with our Group's purpose increased from 2.58 points before training to 4.13 points (out of 5).



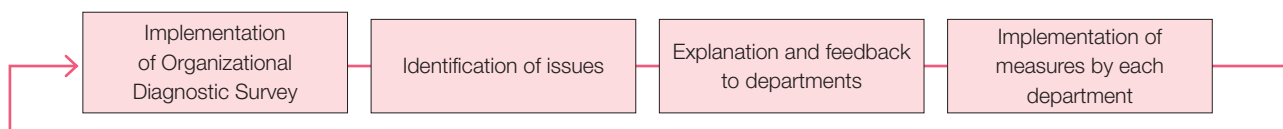
Organizational Diagnostic Survey

The four EPC-related companies introduced the "Organizational Diagnosis Survey" in December 2023 to regularly assess the status of employees and organizations and link the results to organizational strength enhancement initiatives in each department. The survey is conducted twice a year for all employees of the four EPC-related companies.

This survey uses a format that asks about both "expectations for the company" and "satisfaction," visualizing both the level of expectations and satisfaction among employees. Items with high levels of both expectation and satisfaction are regarded as strengths of our Group. However, items with high expectations but low satisfaction are looked into as possible issues, and initiatives for improvement are implemented. The survey results are shared with all department heads, covering both strengths and issues. In addition, a dedicated "Organizational Development Support Partner" has been established within the HR Department to provide support from identifying to solving department-specific issues from an organizational development perspective.

In the fourth survey conducted in June 2025, 85% of eligible employees responded, revealing that "industry influence," "attractive talent," "fair evaluation of subordinates," and "the spirit of respect" are common strengths of our Group. On the other hand, since issues differ by department, each department is taking specific measures according to their respective issues, with feedback and support from the Organizational Development Support Partner.

Through compiling survey results and dialogue with departments, information on the state of the organization is consolidated in the HR Department. Going forward, in addition to solving issues, the HR department will strengthen its support by sharing good practices from departments that are ahead in their initiatives. Going forward, the HR Department, department heads, and CDM will work together to promote initiatives for the sustainable growth of the organization.



Retention

The four EPC-related companies are working to promote employee retention based on the Human Resource Grand Design, by strengthening onboarding, improving engagement, and providing growth environments tailored to employees.

Fiscal year	Turnover rate
2022	4.2%
2023	3.6%
2024	3.8%

* Based on a denominator of approximately 3,000 employees at the four EPC-related companies. Only employees under 65 years old who are retiring for personal reasons
(Reference): According to the Ministry of Health, Labour and Welfare's Employment Trend Survey, the turnover rate for general workers in the construction industry is about 10% annually.

TOPICS

Holding of PEOPLE DAY

In our Group, to raise awareness and understanding of HR strategy among employees and to deepen connections between management, employees, and organizations, the HR Department, with support from the CHRO and HRO, holds “PEOPLE DAY.” For department managers and above, in-person participation is in principle mandatory for this company-wide event. In fiscal year 2025, the theme was “Connecting,” positioning the day as one to link “people to people” and “people to organizations.”

On the day, about 220 people, mainly top management, executives, and department managers, gathered at the venue in the morning session, and about 550 people, including employees from the Functional Materials Manufacturing Business company, participated online. The Representative Director, Chairman, President of JGC Holdings Corporation gave a talk on “What truly makes an open organization,” and management from JGC Corporation spoke about the characteristics of teams that deliver results. In the CHRO’s explanation of the HR strategy, initiatives to visualize human resource value were introduced under the belief that “Human resources are the greatest asset of the JGC Group, and it is important to enhance the value of each individual.” In addition, Ms. Aya Komaki, President of Sanrio Entertainment Co., Ltd., was invited as an external guest to give a lecture on the theme of “Building Trust.” At the annual HR Award, top management and HRO recognized good practices that contributed to organizational strength, encouraging further initiatives.

In the afternoon session, connections within our Group were strengthened through a variety of programs, including management dialogues, panel discussions by domestic and international project managers, and exchanges with employees of JGC India, which serves as a design hub for JGC Corporation.

We plan to continue holding this event and to establish it as a part of Group culture that values people, organizations, and connections.



L Life & Work

We consider a fulfilling life & work (sense of growth, physical and mental fulfillment) essential for employees to continue working with vitality, and have introduced various systems and mechanisms to enhance employee well-being, including health and family support.

List of initiatives

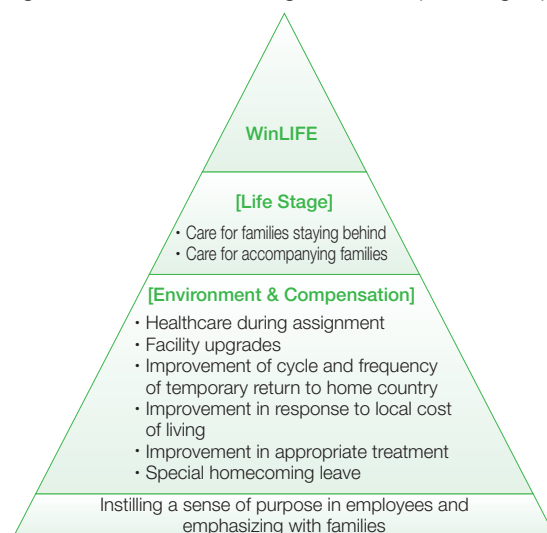
WinLIFE (initiatives for expatriates), family care system, compensation improvements including base pay and introduction of stock compensation for department managers, family events, Career Development Plan (CDP), 1-on-1 career meetings, autonomous growth support training, and more

Initiatives for assigned employees

For the four EPC-related companies whose core business is the Total Engineering Business and which have many employees assigned to construction sites or offices inside and outside Japan, enhancing the attractiveness of assignments and providing support for assigned employees and their families are essential. Therefore, based on the idea that “fulfilling work leads to a fulfilling life,” we have introduced “WinLIFE (Work in Life).” For example, in overseas assignments, employees can take a six-day consecutive temporary leave every 56 days, and for domestic assignments, we provide a special homecoming leave once a month and cover round-trip transportation expenses twice a month, creating an environment where employees can easily spend time with their families even while assigned.

Initiatives for employees and their families

For employees to work with vitality, support not only for the employees but also for their families is essential, and the four EPC-related companies implement numerous initiatives and events for families. In fiscal year 2024, we held “Family Day,” where children visit the company, as well as classical concert and theater events for employees and their families.



Other Life & Work initiatives are here

<https://www.jgc.com/en/esg-hsse/social/human-capital/life-and-work/>

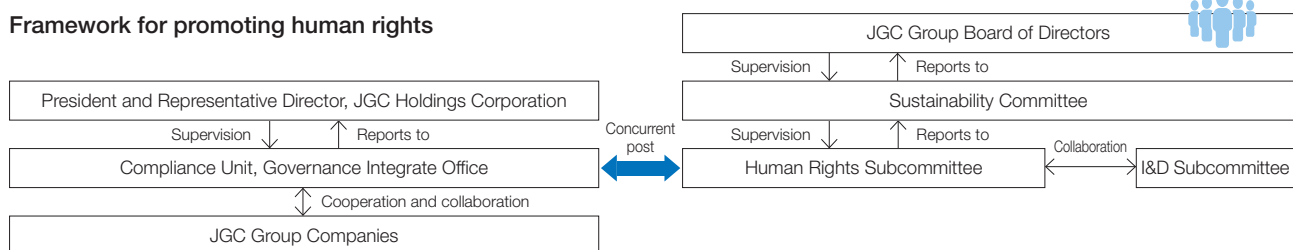
Respect for Human Rights

Basic stance

Recognizing that having respect for the human rights of all people affected by our business is a fundamental principle of our business, the JGC Group abides by internationally recognized human rights principles such as the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO). Through the “JGC Group Code of Business Conduct” and “JGC Group Basic Policy on Human Rights,” we require Challenge for human rights not only from Group company executives and employees, but also from stakeholders in the supply chain.

Within our Group, under the Sustainability Committee chaired by our President and Representative Director, we have established a Human Rights Subcommittee to promote human rights and development. In September 2024, our Board of Directors newly established the “JGC Group Human Rights Regulations,” and under the supervision of our President and Representative Director, the Governance Integrate Office Compliance Unit took the lead in clearly defining the organizational structure to promote human rights and development throughout our Group. The Compliance Unit also serves as the secretariat for the Human Rights Subcommittee, and the this Subcommittee is made up of members from across the Group. We continue to collaborate with the Sustainability Committee and the Human Rights Subcommittee to advance Group-wide initiatives for respect for human rights.

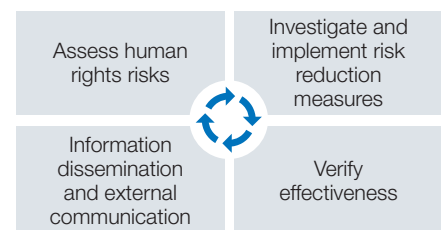
Framework for promoting human rights



Promotion of Human Rights Due Diligence

Our company follows international standards such as the United Nations “Guiding Principles on Business and Human Rights” and the Japanese government’s “Guidelines for Respecting Human Rights in Responsible Supply Chains,” and has been working to establish a human rights due diligence framework based on our Group’s Basic Policy for Human Rights & Development and our Group’s Human Rights Regulations. In our main business, EPC projects, we are working to continuously implement a series of human rights due diligence processes, by identifying and assessing human rights risks, considering and implementing risk mitigation measures, verifying effectiveness, and disclosing information.

Steps of human rights due diligence



Fiscal year 2024 initiatives

Assess human rights risks

Total Engineering Business

- (Completion of human rights risk map in fiscal year 2023)

Functional Materials Manufacturing Business

- Started creating a human rights risk map to enable the launch of human rights due diligence initiatives

Investigate and implement risk reduction measures

Total Engineering Business

- Investigation and implementation of human rights risk mitigation measures for domestic and overseas EPC businesses
- Addition of human rights clauses to both overseas and domestic procurement contracts
- Expansion of e-learning training on our Group’s Code of Business Conduct to domestic and overseas Group companies
- At overseas project sites deemed to have high human rights risks, we identified and assessed forced labor (foreign and migrant labor) and occupational health and safety as human rights issues, and conducted actual surveys at project sites *Implemented in May 2025.

□ Hearing at construction sites ~Middle East region~ P.71

- In the compliance pre-screening conducted for business partners, we sent questionnaires to those judged to have high human rights risks to confirm their status of human rights and development and understanding of their own supply chain, and conducted screening.

- Initiation of investigation and preparation for human rights due diligence surveys at domestic construction sites

Functional Materials Manufacturing Business

- Expansion of our Group’s Code of Business Conduct e-learning to each company in the Functional Materials Manufacturing Business

Future plans

Total Engineering Business

- In fiscal year 2025, we sent questionnaires and conducted on-site surveys for partner companies and vendors in ongoing projects in the Middle East, and will continue to evaluate the results obtained from these surveys. Based on the experience of these on-site surveys, we are reviewing the on-site survey process for overseas projects to enable more effective surveys and responses, and are considering how to apply these improvements in future projects.
- We have started creating a code of conduct for the supply chain, and upon completion, will require compliance with the code of conduct as a contractual requirement for our supply chain.

Functional Materials Manufacturing Business

- By referring to practical reference materials based on guidelines set by the Japanese government, we are collaborating with relevant Group companies to complete a human rights risk map that considers the business forms of each company, and are advancing the human rights due diligence process.

Respect for Human Rights

Hearing at construction sites ~Middle East region~

Within our Group, in order to promote human rights due diligence, we have identified overseas EPC business as an area with high risk of human rights violations in the supply chain, based on a human rights risk map created with input from external experts, and are taking focused measures to address these risks. In particular, construction sites in the Middle East have been selected as priority investigation targets due to international concerns regarding the employment and working conditions of multinational workers in the region.



Study risk reduction measures based on the human rights risk map
<https://www.jgc.com/en/esg-hsse/social/human-rights/>



In May 2025, in collaboration with the HSSE Team, we visited construction sites in the Middle East where projects are underway and conducted human rights due diligence.

Survey method

Prior to the visit, we sent questionnaires regarding human rights to partner companies and major vendors, and collected information on labor contracts, wages, hygiene conditions of accommodations, grievance mechanisms, and other related matters. On site, we conducted a survey of the working environment and engaged in dialogue with workers to identify issues related to working conditions and human rights.

Survey results

At this site, we confirmed that corrective actions are being considered and implemented in cooperation with relevant teams. As a result of the survey, we found that, thanks to the efforts of our stakeholders and the tradition of HSSE within our company, this site demonstrated good teamwork with sufficient communication between managers and workers. While there are issues arising from the labor law systems of the countries where projects are executed, and it remains necessary to pay attention to the impact on workers, we confirmed that no serious human rights risks have occurred.



Going forward, we will continue to prevent and improve negative impacts on human rights in the working environment through ongoing dialogue with stakeholders, including construction site workers.

TOPICS**Initiatives of Building Responsibly**

Worker welfare is drawing attention in the construction and oil & gas industries, which involve high-risk work. JGC Corporation participates as a board member in Building Responsibly (BR), which aims to protect and enhance worker welfare, dignity and respect in the industry. Since 2025, our participating member has served as Vice Chair of the BR Steering Committee. BR promotes respect for worker welfare by developing policies and guidelines as international standards for the industry. Members of our Compliance Unit participated in the Bi-Annual Meeting held in Paris, France in November 2024, where they exchanged views on worker welfare initiatives with industry peers and BR stakeholders. JGC Corporation will continue to participate in BR and work to contribute to the improvement of worker welfare across the industry.

**TOPICS****Raising human rights awareness through internal events**

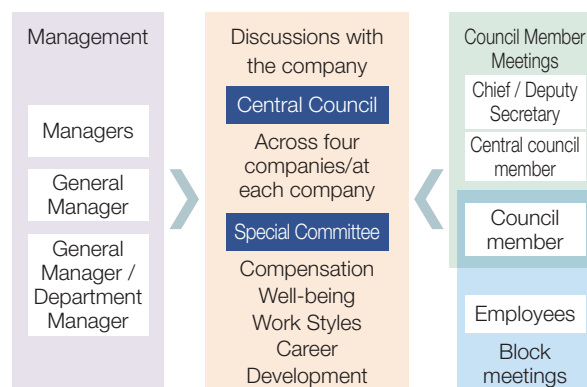
Our Group holds an annual event themed on “people” called “PEOPLE DAY” (Human Capital Initiatives Holding of PEOPLE DAY P.69), and in 2025, the Compliance Unit also participated in the booth session. This year’s theme, “Connecting,” was addressed through a brief lecture and role play on assertive communication. In the role play, we presented both poor and good examples of scenarios such as “making a request” and “declining,” demonstrating how changing perspectives and phrasing can alter how messages are received and perceived, and help avoid harassment that denies the personhood of others. We all have the right to self-expression, and must respect the same right of others. Building a better workplace environment requires remembering the philosophy of respecting others, and we are advancing initiatives for respecting human rights through raising internal awareness.



Initiatives for Employee Human Rights—JGC Council

The JGC Group recognizes that the development of each company and the improvement of employees' lives are closely linked, and believes it is necessary to deepen mutual trust and cooperation by having all executives and employees discuss and consult on issues together. Based on this idea, the former JGC Japan Corporation established the JGC Council instead of a labor union. Even after transitioning to a holding company structure, the four engineering-related companies have fostered a culture of close cooperation between council members—selected from all employees including managers—and company management at the JGC Council, where they discuss and consult on management, systems, procedures, and employee life issues.

The JGC Council consists of the Central Council, a forum for direct dialogue between management and employees, and four Specialized Committees (Compensation, Well-being, Work Styles, Career Development), where each committee engages in deep discussions on their respective issues while maintaining continuity.



Central Council

Each engineering-related company's unique issues are thoroughly discussed at their respective Central Councils. Additionally, with the transition to a holding company structure in 2019, personnel systems and major regulations and procedures have been standardized to maintain talent exchange among the four companies, and the Cross-Company Central Council is held as a forum for discussing common issues.



Main discussion themes

- The need to maintain a gentle and warm communication attitude to further strengthen mutual trust and unity between management and employees
- Results and challenges of the pure holding company structure
- Measures to improve company performance (integration of overseas subsidiaries, project order decisions, etc.)
- Expansion of non-EPC business, investment policy for new businesses, resource allocation
- Diversification of management members and other ideal forms, etc.

Special Committee

The Specialized Committees were previously composed of three committees: "Compensation," "Operations," and "Welfare," but in response to changing times and diverse employee needs, they were reorganized in 2024 into four committees: "Compensation," "Well-being," "Work Styles," and "Career Development." We are continuously working to build a system that enables deeper discussion of timely themes in each field.

Committee name	Main discussion topics
Compensation Committee	Matters related to compensation such as salary, bonuses, retirement allowances, and pensions • Division of responsibilities : Salary system, personnel system, regular raises, base increases, bonuses, retirement allowances, pensions, etc. Main topics discussed in FY2024 • Formulating proposals for initiatives to achieve even greater consensus in base increase and bonus discussions • Improving communication methods for performance evaluation operations and feedback
Well-being Committee	Development of a vibrant working environment and matters related to travel expenses • Responsibilities : Travel expenses, housing policies, family care, health, welfare, office environment, etc. Main topics discussed in FY2024 • Attractive housing policies suited to the times (Dormitories for singles, housing subsidies) - Formulation of recommendations • Discussions on promoting active roles for fathers and mothers, and creating a comfortable office environment
Work Style Committee	Matters related to ease of working and time management • Responsibilities : Working hours, overtime work, leave, improving work efficiency and productivity, work styles, etc. Main topics discussed in FY2024 • Conclusion of overtime work agreements and monitoring of overtime and leave records • Promotion of highly transparent understanding of working conditions regardless of office or on-site assignments
Career Development Committee	Matters related to employee learning and growth • Responsibilities : Talent profiles, evaluation systems, CDP, qualifications, self-development, cross-boundary learning, in-house training, etc. Main topics discussed in FY2024 • Recommendations for expanding the company-wide talent and skill map "Career Directory" • Support system for mid-career hires, visualization of training, survey on side-job awareness, etc.

HSSE Initiatives

Basic stance

At the JGC Group, we regard Health, Safety, Security, and Environment (HSSE) as corporate values that must always be pursued. We have established a group-wide basic Vision for HSSE: **“Everyone works in good health and safety, and returns home to their families safely.”** We are committed to improving HSSE performance throughout the Group, not only within our own Group but also for all people working at domestic and overseas offices and construction sites, including partner companies.



Please also refer to our website for information on our Group's HSSE initiatives.

<https://www.jgc.com/en/esg-hsse/hsse/>

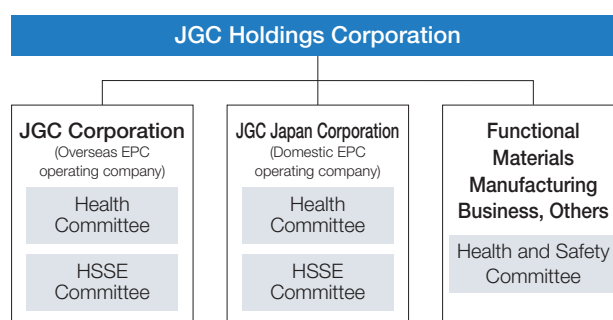
HSSE Promotion System

In our Group, taking into account the differences in the content and characteristics of each business, we have established Safety and Health Committees (or HSSE Committees) for each major operating company. These committees identify and evaluate important HSSE topics, implement appropriate measures, and promote initiatives to reduce risks.

Total Engineering Business

Both JGC Corporation and JGC Japan Corporation hold monthly HSSE Committee meetings, where they discuss preventive and responsive measures based on potential hazards and past cases of responding to accidents, as well as share good practices. In addition, at construction sites which mobilize large numbers of workers for construction activities, we work with partner companies to establish site-specific committees, and work together to improve occupational health and safety performance. In the event of a serious accident, not only the relevant construction site but also each company's HSSE Committee and occupational health and safety management departments respond promptly. We have a system in place to provide emergency support to relevant departments as necessary.

HSSE promotion system



Functional Materials Manufacturing Business

At JGC Catalysts and Chemicals Ltd., the main business sites—Kitakyushu and Niigata—hold monthly Safety and Health Committee meetings, where they formulate annual plans for occupational health and safety, monitor the occurrence of occupational accidents, and have industrial physicians conduct workplace patrol reports. In addition, from the perspective of raising employee awareness of safety and health, the company implements its own safety and health conventions and “pointing and calling” campaigns, among other initiatives.

At Japan Fine Ceramics Co., Ltd., the major policy is to aim for “zero occupational accidents.” The company has a management system in which the Safety and Health Committee, held monthly at the headquarters, receives reports from each business division on safety performance and patrol status at factory sites.

HSSE Initiatives in the Total Engineering Business

In the Total Engineering Business, numerous stakeholders and partner companies, work together to respond to different environments and risks at each site, making HSSE initiatives particularly important. This page introduces HSSE initiatives related to the Total Engineering Business.

Health	We focus on occupational health and safety for all stakeholders involved in domestic and overseas construction projects, including partner companies. We are committed to thorough occupational health and safety management so that all stakeholders can work safely and comfortably and return home to their families every day.	☐ Health & Safety: Initiatives related to occupational health and safety P.74–75
Safety		
Security	In countries and regions where we conduct local construction work, we thoroughly implement measures to ensure the safety of our overseas staff against country-based risks such as unstable political situations, wars, revolutions, civil unrest, terrorism, sudden changes in economic policies or conditions, and economic sanctions.	☐ Risk Management P.95
Environment	To carry out projects in compliance with environmental regulations in each country, we have established an environmental management system in accordance with ISO14001 and are engaged in environmental conservation through continuous improvement activities based on the PDCA cycle.	☐ Environment: Environmental Management Initiatives P.75

Health & Safety Occupational health and safety initiatives

At domestic and overseas construction sites, we appropriately manage and monitor occupational health and safety through management systems to prevent the occurrence and recurrence of serious accidents and lost-time injuries. In addition, to improve the performance of occupational health and safety, we are promoting initiatives from two perspectives: fostering a safety culture within the organization, including raising safety awareness, and enhancing safety knowledge and skills.

» Basic approach to safety and health management

Multiple partner companies are involved at domestic and overseas construction sites, and workers from different industries may work simultaneously in close proximity. Therefore, we believe it is necessary to have a system to reliably manage occupational health and safety throughout the project, and we focus on the following three points in our safety and health management efforts.

Key points in occupational health and safety management

Visualization of status	All accidents, including general injuries and near misses, are reported to the headquarters and continuously monitored. This makes it easier to grasp the safety status at the site.
HSSE Audits and Improvement Activities	Audits are conducted for each partner company on a project-by-project basis, and at the corporate level, audits are also carried out for each project. For the latter, in particular, after reporting and deliberation at the HSSE Committee, necessary corrective actions are reliably implemented, thereby driving the PDCA cycle.
Response to serious accidents and organizational improvement	In the event of a serious accident, root cause analysis is conducted to identify organizational issues. The results are shared within the HSSE Committee and other relevant bodies, and disseminated company-wide as “Lessons Learned” to prevent recurrence and drive improvements.

» Enhancement of safety, health, and technical knowledge

Among safety and health management initiatives, improving knowledge and technical skills is a crucial element in construction site operations. It is essential for all supervisors and workers to uniformly acquire the knowledge and skills necessary for safety management to ensure site safety.

Training incorporating the latest technologies

We implement comprehensive educational programs to enhance safety and health knowledge and skills for all construction personnel. In recent years, we have introduced VR (virtual reality) technology to classroom-based training, increasing immersion and enabling learning experiences that remain memorable as real-life experiences.

Furthermore, with the advent of AI technology, we now offer educational content that flexibly recreates situations closer to actual work, helping to develop on-site response capabilities.



Training scenes at overseas construction sites

» Fostering a culture of health and safety

In safety and health management, it is not only technical initiatives but also the cultivation of a “safety culture” rooted in the workplace that is extremely important. Unlike visible measures such as manuals and training, safety culture deeply influences the mindset of everyone working on site and is closely linked to motivation for work. Therefore, we are also working on initiatives to help people understand the importance of following Safety and Health rules in the workplace. The most important factor in fostering this culture is leadership by management.

Promotion of the Respect & Care Program (JGC Corporation)

At JGC Corporation, our overseas EPC operating company, all employees have completed education in the “Respect & Care Program,” and it is being rolled out to staff in each project and Group company, with a focus on management. This program plans and implements various initiatives in which JGC Corporation and management of each EPC project participate, so that the importance of each project stakeholder and the necessity of respecting those around them are recognized at construction sites. This leads to the establishment and continuous improvement of a safety culture.

Furthermore, this program is aligned with the “10 Principles of Workers Welfare” of the international organization “Building Responsibly (BR),” in which JGC Corporation participates as a board member, and is an important initiative aimed at improving workplace environments at construction sites.

□ Respect for Human Rights Initiatives of Building Responsibly P.71



Providing opportunities for workers to speak up actively

Strengthening leadership through HSSE conferences

Strengthening leadership in the cultivation of safety culture is a key objective for our entire Group, and is also addressed as a fundamental theme of our Group-wide HSSE conference “Safety Day” program, held annually.



Safety pledge by all members, led by management

HSSE Initiatives

» Safety performance in construction projects by JGC Corporation and JGC Japan Corporation

The HSSE Committees of JGC Corporation and JGC Japan Corporation set and monitor multiple KPIs and targets for occupational health and safety performance, including internationally comparable lost time incident rate (LTIR) and total recordable incident rate (TRIR), at domestic and overseas construction sites, striving for thorough and continuous improvement in occupational health and safety management.

	FY2023	FY2024
Total project working hours (thousand hours)	43,061	69,782
Number of fatal accidents (cases)	2	1
Lost time incident rate (LTIR)* ¹	0.023	0.034
Total recordable incident rate (TRIR)* ²	0.43	0.23

(Note) For international comparison purposes, the aggregation period for this data is the total from January to December each year.

*¹ Lost time incident rate (LTIR) and *² total recordable incident rate (TRIR) are indicators established by the U.S. Occupational Safety and Health Administration (OSHA) to measure the occurrence of occupational accidents, as follows.

Lost time incident rate = number of lost time incidents × 200,000 hours ÷ total project working hours

Total recordable incident rate = (number of fatal incidents + number of work restriction cases + number of specialized treatment cases) × 200,000 hours ÷ total project working hours

JGC Corporation (overseas EPC)

Top management of each EPC project leads HSSE activities, and even with an increase in total construction work hours compared to 2023, both LTIR and TRIR improved, achieving their respective targets. Based on these results, the HSSE Committee of JGC Corporation is raising the bar for target values in 2025 and working on further improvement activities, including digitalization.

JGC Japan Corporation (domestic EPC & maintenance)

Although LTIR and TRIR targets were achieved through accident and disaster prevention measures at new plant construction sites, in domestic maintenance work, there were accidents involving multiple injuries, including fatalities among partner company workers. Because maintenance work is performed within the existing plants of our clients, client understanding and cooperation are essential. Therefore, comprehensive recurrence prevention measures for these incidents are being discussed with both clients and partner companies.

As a result of continuously promoting various initiatives based on basic HSSE guidelines, safety performance, including LTIR at domestic and overseas construction sites, remains excellent compared to industry averages. □□ Financial and Non-Financial Highlights P.109

Environment

Environmental Management Initiatives

JGC Holdings Corporation, JGC Corporation, and JGC Japan Corporation have adopted the ISO 14001 Standard for their environmental management system. Based on this standard, we thoroughly manage the environment at domestic and overseas projects and offices.

Company-level management

Each Group company formulates an annual environmental management plan, clearly stating specific environmental targets within it. Furthermore, to continuously monitor the achievement of targets, monthly KPIs are set and monitoring is conducted, including initiatives at each EPC project. This enables effective operation of the PDCA cycle and leads to continuous improvement in environmental management.

Management of EPC projects

Each project conducts a risk assessment at the start to identify environmental aspects and impacts. In particular, for overseas projects, we use a method called "ENVID (Environmental Risks Identification)" to identify and evaluate environmental risks. Based on the results of these risk assessments, we set environmental targets for each project and clarify the policies and specific initiatives for environmental management.

» Specific initiatives

Waste and pollution management

At construction sites both in Japan and overseas, waste treatment is positioned as a key environmental response item, and we actively implement measures in accordance with local regulations based on the fundamental concept of "3R (Reduce, Reuse, Recycle)" with sorting as the basis. We also take measures against soil and environmental pollution, such as establishing emergency response plans and managing chemicals, striving for environmental conservation at the site level.

Waste sorting at overseas construction sites

**Reduction of GHG emissions**

At construction sites inside and outside Japan, based on the policies of the Sustainability Committee of JGC Holdings Corporation (□□ Sustainability Management P.53), and in collaboration with the CO₂ Reduction Subcommittee established under the Committee, we are working to reduce greenhouse gas (GHG) emissions in site operations, such as by utilizing renewable energy. We are also sequentially considering systematization to visualize GHG emissions, aiming to build a structure that enables quantitative understanding of the effectiveness of each measure.

Others

Environmental management initiatives extend beyond reduction of waste and GHG emissions to a wide range of areas, including biodiversity protection and countermeasures against noise. These activities are carried out according to the characteristics of each EPC project as part of sustainable business operations.

□□ ESG Data Trends over Time P.113

Quality Management System

Basic stance

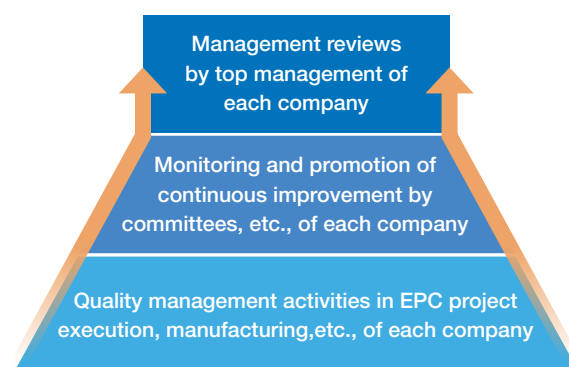
The Quality Management System is an essential element for achieving EPC execution of plants in the Total Engineering Business and safe operation and stable production at manufacturing plants in the Functional Materials Manufacturing Business. Under the ISO 9001-certified quality management system in place at the Group, quality policies established by each company form the basis for quality objectives set at various organizational levels. By clarifying organizational issues and implementing the PDCA cycle—formulating (Plan), executing (Do), evaluating (Check), and improving (Action) action plans to achieve quality objectives—we continuously strive to improve organizational performance. Each company of the Group ensures quality through systems and human resources that bring together valuable knowledge and skills built up over many years.

Framework for Quality Management at Group Companies

Each Group company establishes and regularly holds meetings such as quality assurance committees.

In these committees, we monitor the Quality Management System activities of each company to ensure that the quality of products and services provided always meets client satisfaction. We also promote various improvement activities, including investigating the root causes of quality issues and formulating effective measures to prevent recurrence, while evaluating the results and practicing continuous improvement.

In maintaining this framework for quality assurance, quality management activities are reviewed annually by the top management of each company.



EXAMPLE

Initiatives for quality improvement at JGC Corporation

Within our Group, each operating company works on a Quality Management System tailored to its business characteristics. In this report, we introduce the initiatives of JGC Corporation, which handles overseas EPC business and has the largest sales scale in the Group, as a representative example.

» Control by the central function of the Quality Management System

The Quality Assurance Committee at JGC Corporation headquarters plays a central role as the core function of the Quality Management System.

We formulate policies and specific plans led by the president and top management, and disseminate them to subordinate organizations, thereby translating them into quality management actions in each business area. This enables us to build a system for operating a unified PDCA cycle across the entire company.

Integration of overseas Group companies

Since the end of fiscal year 2023, JGC Corporation has introduced a unified management system structure, managing and operating overseas Group companies engaged in business activities including EPC businesses under the central function of headquarters with a single management system.

» Response to quality issues and deployment of corrective actions

For quality issues that arise in EPC projects, we conduct root cause analysis, similar to occupational accidents, and formulate corrective actions. In doing so, we clearly identify organizational issues and deploy uniform corrective actions across all organizations, including Group companies, by utilizing the unified management system.

Furthermore, through educational activities and other efforts, we aim to realize a learning organization by implementing initiatives to prevent recurrence.

» Activities to raise quality awareness

As a company-wide initiative at JGC Corporation, we conduct “TQI (Think Quality Initiative)” activities to enhance individual leadership awareness for quality and promote continuous improvement as members of the organization. As part of these activities, we hold an annual company-wide internal event, “Quality Day,” including overseas subsidiaries under JGC Corporation, providing all employees with an opportunity to think about quality and fostering quality awareness.

For raising quality awareness among partner companies, we strive to improve overall awareness, including workers, by sharing a “Respect and Care” culture that starts with safety and health.



Scenes from “Quality Day”

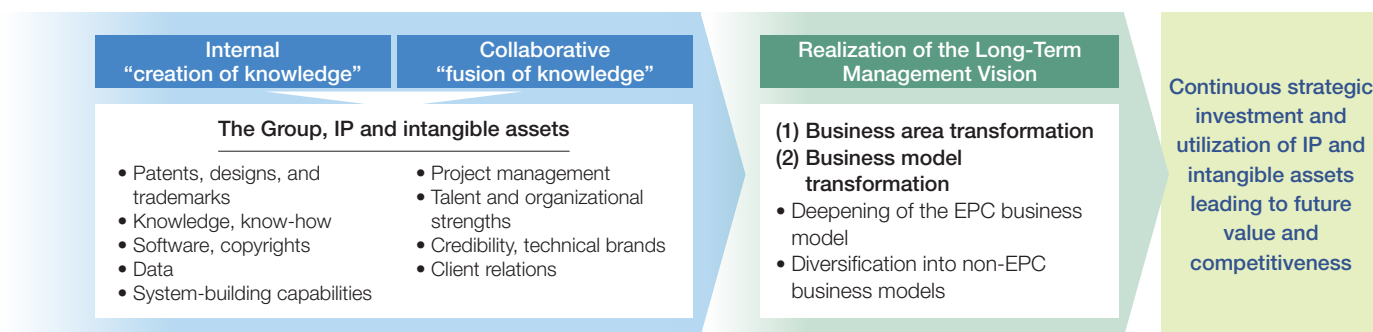
Intellectual Capital Initiatives

Basic stance

Intellectual capital is emphasized by the JGC Group as a management resource for sustained growth, and the Group is actively engaged in creating, protecting, and applying intellectual property (IP) and intangible assets, and in associated risk management.

A broad range of these IP and intangible assets built up through internal “creation of knowledge” and collaborative “fusion of knowledge” are used in a variety of ways while ensuring compliance with intellectual property laws and regulations, respecting the rights of third parties, and minimizing our own risks.

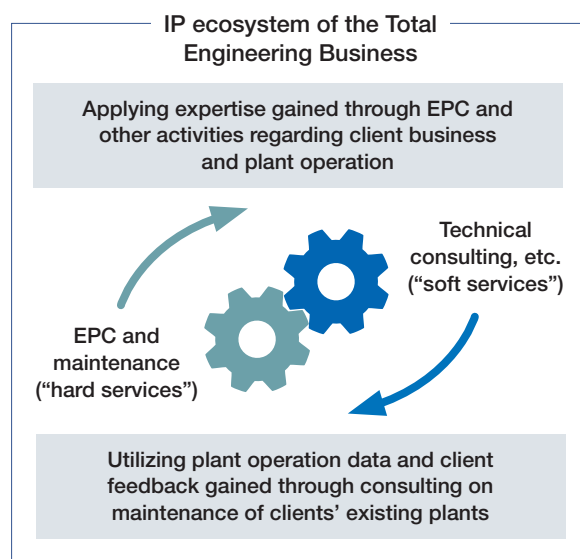
To realize the three transformations in our Group’s long-term management vision, the “2040 Vision”—especially the “Business Area Transformation” and “Business Model Transformation”—we will continue to strategically invest in and utilize IP and intangible assets that contribute to future value and enhanced competitiveness.



Building the IP Ecosystem and Business Expansion

Our Group positions IP and intangible assets as strategic assets that connect technology and society. Especially in our core business, the Total Engineering business, we accumulate and manage expertise and know-how as IP and intangible assets, and flexibly share and utilize them within the Group, making IP strategy a key pillar.

The four EPC-related companies conduct business throughout the entire plant lifecycle (planning, design, procurement, construction, operation, maintenance), identifying expertise and know-how gained at each stage and from client feedback, standardizing and formalizing our Group’s technologies, and utilizing them cyclically. This IP ecosystem contributes to further strengthening our Group’s competitive advantage and expanding our core business. Going forward, we will promote the construction of the IP ecosystem, not only in existing businesses but also in new businesses such as chemical recycling and clean energy fields. In the Functional Materials Manufacturing Business, which develops and manufactures products such as catalysts, fine chemicals, and fine ceramics, each company is striving to create new value through in-house development and partnerships.



Specific examples of IP utilization in technical services

PLANT PLUS™

Consulting services proposing diagnosis and improvement of existing plants



INTEGNANCE®

Maintenance services that detect failure signs using sensor data and operation history, and propose optimal maintenance schedules



Deepening the EPC business model and IP initiatives

Accumulation of technical knowledge on the modular construction method* and its application to other fields

The four EPC-related companies have established advanced module design and construction technologies by leveraging their extensive project experience. This technology offers various advantages, such as streamlining construction work compared to conventional stick-build construction methods. Furthermore, this module technology can be applied not only to the oil & gas sector but also to plant construction in diverse fields such as hydrogen, ammonia, renewable energy, and nuclear power, contributing to technological innovation toward realizing a decarbonized society.

Supporting the foundation of such technological capabilities are the IP and intangible assets related to proprietary design and construction technologies and process improvements held by the four EPC-related companies. By systematically managing and utilizing these assets, we aim to advance technology and strengthen competitiveness. The accumulated IP and intangible assets not only promote knowledge sharing among in-house engineers but also serve as a foundation for smooth collaboration with external partners.

* The modular construction method is a technique in which modules (assemblies of steel frames, piping, equipment, etc.) are manufactured at a location different from the construction site (module yard), then transported and installed on-site.

Advantages of the modular construction method compared to conventional stick-build construction method

- Reduction of risks arising from external environments (weather conditions, securing workers, on-site security, etc.)
- Streamlining of construction work
- Standardization of plant quality
- Shortening of construction period and others



About our Group's module technology
Click here for details

<https://www.jgc.com/en/business/tech-innovation/modular-construction-methods/>



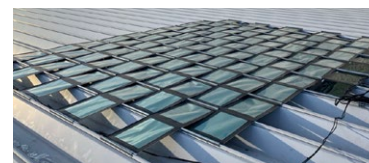
Diversification into non-EPC business models and IP initiatives

Collaboration to expand business domains in the renewable energy sector

As part of our efforts to expand business domains and diversify business models, our Group is working on technological innovation in the renewable energy sector. As part of this, JGC Japan Corporation, a domestic EPC business company, is focusing on Perovskite solar cell technology aimed at realizing Dokodemo hatsudensho™ (translated as “Power Plant Anywhere”) concept, which enables power generation in any location, in response to the challenge of “decreasing available flat land” for solar power generation in Japan. Through open innovation with startups invested in via our Group’s CVC fund, we are accelerating technology development and social implementation in this initiative.

We are also actively securing IP rights for innovations such as installation methods for solar cells in previously difficult locations and solar cell module structures suited to those environments. Based on the acquired IP rights, we are envisioning the establishment of new business models such as licensing, aiming to widely disseminate the technology throughout society.

In promoting these innovations, the business and IP departments collaborate, conducting analyses using IP landscape in addition to conventional protection and utilization of IP and intangible assets, to facilitate strategic decision-making. For example, by sharing analysis results between both departments and reflecting the latest market and client information, we are able to conduct more advanced and effective analyses. Through such collaboration, we are working on innovation activities driven by both the business and IP departments.



Thin, lightweight, and highly flexible Perovskite solar cells. With our Group's developed installation technology, installation is possible even on uneven factory roofs.

Message from the General Manager of the IP Department

The JGC Group possesses a wide range of IP and intangible assets, including IP rights such as patents, proposal capabilities that create new value by integrating diverse technologies and know-how, and human and organizational strengths that foster collaboration and co-creation across organizational boundaries. To maximize the use of these assets, the IP Department aims to establish an “IP Governance System” that supports the formulation of the Growth Strategy through the demonstration of IP intelligence functions via analysis, hypothesis formulation, and verification of our company and business environment, as well as dialogue with executive management. We also promote the transformation of our IP portfolio to create new businesses and group synergies, contributing to the enhancement of corporate value.



koko Seshimo

General Manager, Intellectual
Property Department
JGC Corporate Solutions Co., Ltd.



Details regarding the construction of our IP portfolio are available on our website.

https://www.jgc.com/en/business/tech-innovation/intellectual_assets/

Stakeholder Engagement

Basic stance

The JGC Group recognizes that dialogue and collaboration with various stakeholders are essential for the sustainable growth of our business and the enhancement of corporate value, and we actively engage in such initiatives. As we expand our business globally, we are working to build mutual trust with stakeholders and create an environment where our Group's management policies and businesses are well understood, through the activities described below.

Stakeholders	Main activities and dialogues
 Shareholders and investors	• Enhancement of the Integrated Report • Meetings with institutional investors inside and outside Japan • Holding business briefings for investors • Feedback to management IR/SR Activities P.80
 Clients	• HR training programs for resource-rich country personnel
 Employees	• Communication through the JGC Council • Site visits by management • Holding of Family day • Publication of the Group newsletters Initiatives related to employee human rights — JGC Council P.72 Human Capital Initiatives P.62
 Local communities and next generation of human resources	• Company visits from public junior high and high school students in Kanagawa Prefecture • Chemistry workshops for elementary school students • Educational programs for elementary school students in Basra, Iraq
 Vendors	• Technical support activities for local suppliers

TOPICS

HR training programs in resource-rich countries

JGC Corporation has implemented various training programs for engineers and students majoring in chemical engineering and related fields from resource-rich countries over the past several decades to strengthen relationships with these countries. Many past participants have later contributed to domestic resource development and industrial growth after returning to their own countries, and also expanded the Group's business in resource-rich countries.

TOPICS

Initiatives for Basra elementary students

At overseas construction sites, the JGC Group believes that collaboration with the local community is essential for the smooth execution of projects. The Group is currently conducting a construction project in Basra, Iraq. Academic decline in post-war Iraq has been significant, and educational investment is insufficient, particularly in Basra Province. Unemployment also remains high among young people, with jobs scarce even for university graduates. Against this backdrop, since 2022, we have been providing programming education, science experiment classes, and digital math education using tablets, with the aim of making long-term contributions such as providing educational opportunities for children and creating employment opportunities for young people. By fiscal year 2024, approximately 17,000 people had participated in programming education, about 10,000 in science experiment classes, and about 13,000 in digital math education.



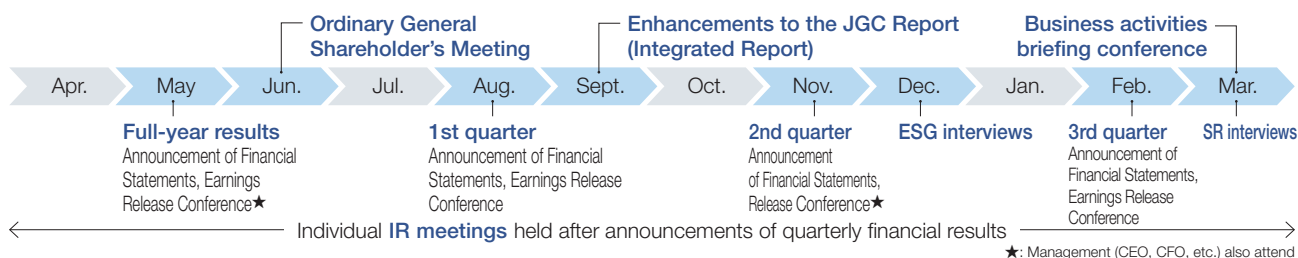
Scene of program

IR/SR Activities

Basic stance

To contribute to sustainable growth and the enhancement of corporate value over the medium to long term, the JGC Holdings engage in constructive dialogue with shareholders and investors, mainly through the CFO, IR Department, and General Affairs Department. Questions and opinions received from participants are provided as feedback to the Board of Directors, management, and relevant internal departments.

Status of IR/SR activities



IR/SR activity results

Activity	Main contacts	Number of events
Results briefing	Representative Director, Chairman, President and CEO, Representative Director, President and COO*, Director, Senior Executive Vice President, and CFO, Executive Officer, Head of Finance Unit, Corporate Communications Group Manager	4
Meetings and phone interviews with domestic and overseas institutional investors (IR meetings)	Executive Officer, General Manager of Finance Unit, Corporate Communications Group Manager	172*2
Individual meetings with SR institutional investors (SR meetings)	Director, Senior Executive Vice President, and CFO, Executive Officer General Counsel, General Manager of General Affairs Unit, Corporate Communications Group Manager	14
ESG-related dialogue achievements (ESG interviews)	General Manager of General Affairs Unit, Corporate Communications Group Manager, Sustainability Promotion Group Manager, Acting Head of Human Resources	9

*1 Former Representative Director, President, and COO, Tadashi Ishizuka, resigned as of March 31, 2025

*2 Sell-side analysts: 24 cases, institutional investors: 148 cases

Ordinary General Shareholders' Meetings

	FY2023	FY2024	FY2025
Date held	June 29 (Thu)	June 27 (Thu)	June 27 (Fri)
Shareholders attending	48	65	54
Ratio of voting rights exercised	84.65%	78.21%	82.06%

Business activities briefing conference

To deepen understanding of our group's new businesses, we held a tour for sell-side analysts of the newly established SAF production plant at Cosmo Oil Co., Ltd. Sakai Refinery, as part of our participation in the domestic SAF manufacturing business.

□ BSP 2025 Medium-Term Business Plan
Establishment of future growth engines P.49



Shareholders and Investors

We strive for constructive dialogue with our shareholders and investors. Furthermore, requests and suggestions obtained through dialogue are appropriately provided as feedback to the Board of Directors, management, and relevant internal departments, and are utilized to improve management and business strategies, various initiatives, and IR/SR activities including information disclosure.

Category	Main concerns of shareholders and investors	Related content and page numbers in this report
Performance	- Rebuilding our framework for executing EPC projects - Impact on individual projects due to changes in the external environment - Difficulty in investment decisions due to decreased predictability of performance, etc.	- Policies and initiatives to strengthen EPC execution capabilities - Promotion of Growth Strategy centered on the medium-term management plan "BSP 2025" - Discussions and responses at the Board of Directors regarding two consecutive periods of poor performance
Medium-Term Business Plan	- Issues with order competitiveness and profit assurance systems - Interest in progress in non-EPC business fields and requests for enhanced information disclosure, etc.	□ Message from the Chairman and CEO P.7 □ Medium-Term Business Plan (BSP 2025) P.43 □ Messages from Outside Directors P.83 □ Corporate Governance P.86
Capital policy & governance	- Status of discussions on capital policy in light of the gap between ROE and capital cost - Discussions at the Board of Directors and Nomination Committee regarding the new management structure, etc.	- Our company's approach and initiatives regarding capital policy and corporate governance □ Message from the Chairman and CEO P.7 □ Message from the CFO P.15 □ Corporate Governance P.86
Sustainability	- Status of efforts to address climate change - Current evaluation and issues regarding various human resources strategies - Implement risk reduction measures, etc.	- Enhancement of various sustainability initiatives and information disclosure □ Sustainability & Governance P.53–98

List of Executives

(As of July 1, 2025)

Corporate Governance



Directors

㉑ Masayuki Sato Representative Director, Chairman, and President Chief Executive Officer (CEO)

April 1979	Joined the Company
July 2009	Company Executive Officer and Acting General Manager, Finance and Accounting Division
July 2010	Company Director, Chief Financial Officer, and Senior General Manager, Finance and Accounting Division
July 2011	Company Managing Director, Chief Financial Officer, and Senior General Manager, Corporate Administrative & Financial Affairs Division
June 2012	Company Executive Vice President, Director, Chief Financial Officer, and Senior General Manager, Corporate Administrative & Financial Affairs Division
April 2013	Company Executive Vice President, Director, Chief Financial Officer, Senior General Manager, Corporate Administrative & Financial Affairs Division, and Senior General Manager, Security Management Office
June 2014	Company President and Chairman
June 2017	Company President, Chairman, and Chief Executive Officer
April 2025	Company President, Chairman, and President Chief Executive Officer (current)

㉒ Kiyotaka Terajima Representative Director and Senior Executive Vice President Chief Financial Officer (CFO)

April 1981	Joined the Company
August 2007	Legal & Compliance Office, General Manager, Compliance Office
July 2011	Company General Manager, Corporate Administration Department, Corporate Administrative & Financial Affairs Division
July 2014	Company Executive Officer, Acting General Manager, Corporate Administrative & Financial Affairs Division
June 2016	Company Director, Executive Officer, Acting General Manager, Corporate Administrative & Financial Affairs Division
September 2016	Company Director, Executive Officer, Senior General Manager, Corporate Administrative & Financial Affairs Division
June 2017	Company Director, Managing Executive Officer General Manager, Corporate Management Division
April 2018	Company Director, Senior Managing Executive Officer Chief Financial Officer and General Manager, Corporate Management Division
April 2019	Company Director, Senior Managing Executive Officer Chief Financial Officer and General Manager, Corporate Management Division and Head of Legal & Compliance Office
October 2019	Company Director, Senior Managing Executive Officer Chief Financial Officer and General Manager, Group Management Promotion Department
April 2020	Company Director, Senior Executive Vice President Chief Financial Officer
April 2023	President, Representative Director, JGC Corporate Solutions Co., Ltd. (current)
April 2025	President, Senior Executive Vice President, Executive Officer Chief Financial Officer (current)

㉓ Masaki Ishikawa Directors

April 1985	Joined Ministry of International Trade and Industry (now Ministry of Economy, Trade and Industry)
October 2012	Director-General, Trade Control Department, Trade and Economic Cooperation Bureau
July 2013	Deputy Director-General, Commerce and Information Policy Bureau
July 2015	Deputy Director-General, Acquisition, Technology and Logistics Agency, Ministry of Defense
July 2017	Director-General, Trade and Economic Cooperation Bureau
November 2019	Mitsui Sumitomo Insurance Co., Ltd. Advisor
April 2021	Company Executive Officer
April 2022	Company Senior Executive Officer
June 2024	Company Director, Senior Executive Officer (current position)

㉔ Shoji Yamada Directors

April 1983	Joined the Company
April 2018	Company Executive Officer, JGC Japan Corporation Establishment Preparation Office Manager and Acting General Manager, Domestic Infrastructure Project Division, Infrastructure Business Headquarters
July 2018	Company Executive Officer, JGC Japan Corporation Establishment Preparation Office Manager, Acting General Manager, Domestic Infrastructure Project Division, Infrastructure Business Headquarters, and Acting General Manager, Business Development & Marketing Division
April 2019	Company Executive Officer, JGC Japan Corporation Establishment Preparation Office Manager and Acting General Manager, Domestic Infrastructure Project Division
October 2019	JGC Japan Corporation President Representative Director Executive Officer
June 2021	Company Director (current position)
June 2024	JGC Corporation President Senior Executive Vice President
April 2025	JGC Corporation President Representative Director Executive Officer (current position)

㉕ Masayuki Matsushima Outside Director

April 1968	Joined Bank of Japan
June 1998	Director at Bank of Japan (responsible for international relations)
June 2002	Senior Advisor, Boston Consulting Group
February 2005	Senior Executive Advisor, Credit Suisse Securities (Japan) Limited
June 2008	Chairman, Credit Suisse Securities (Japan) Limited
May 2011	Senior Advisor, Boston Consulting Group
June 2011	Outside Director, Mitsui Fudosan Co., Ltd. Mitsui O.S.K. Lines, Ltd. Outside Director
September 2014	Senior Advisor, Integral Corporation (current position)
June 2016	Company Outside Director (current position)
July 2017	Member of Management Council, Grant Thornton Taiyo LLC (current position)

㉖ Noriko Yao Outside Director

March 1995	Graduated from the Legal Training and Research Institute
April 1995	Registered as an attorney (Fukuoka Bar Association)
September 2001	Joined Paul, Hastings, Janofsky & Walker LLP
October 2002	Registered as an attorney (Daini Tokyo Bar Association)
	Admitted as an attorney New York State Bar Association qualification
July 2007	Joined TMI Associates
January 2008	Partner, TMI Associates (current position)
October 2014	Outside Auditor, Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development
November 2015	Outside Director, MEIKO NETWORK JAPAN CO., LTD.
June 2016	SATO HOLDINGS CORPORATION (currently SATO CORPORATION) Outside Auditor (current position)
June 2019	ASAHI Net, Inc. Outside Director (current position)
June 2021	Company Outside Director (current position), and Outside Director, Iino Kaiun Kaisha, Ltd.
2023 June	Outside Director, ARATA CORPORATION (current position)

㉗ Shinjiro Mishima Outside Director

April 1973	Joined NKK Corporation
July 1996	General Manager, Shipbuilding Design Department, Tsu Shipyard & Machinery Works
October 2002	General Manager, Corporate Planning Department, Universal Shipbuilding Corporation
July 2006	Executive Officer, General Manager of Tsu Plant, Universal Shipbuilding Corporation
July 2008	President Representative Director, Universal Shipbuilding Corporation
January 2013	President Representative Director, Japan Marine United Corporation
April 2018	Special Advisor, Japan Marine United Corporation
June 2019	President, Japan Institute of Shipping and Oceanography
April 2022	Representative Director, Planning and Design Center for Greener Ships (current position)
June 2024	Company Outside Director (current position)

㉘ Miku Hirano Outside Director

October 2011	Director, mixi Inc.
October 2012	CEO, Spicy Cinnamon Pte. Ltd.
October 2016	President Representative Director, Co-CEO, Cinnamon Co., Ltd.
June 2024	Company Outside Director (current position)
November 2024	President Representative Director, CEO, Cinnamon Co., Ltd. (current position)

Audit and Supervisory Board Member

Kazuyoshi Muto
Audit and Supervisory Board Member

Akira Ninomiya
Audit and Supervisory Board Member

Norio Takamatsu
Outside Audit & Supervisory Board Member

Kazuya Oki
Outside Audit & Supervisory Board Member

Norio Funayama
Outside Audit & Supervisory Board Member

Executive Officer

Kiyotaka Terajima
Senior Executive Vice President
Chief Financial Officer (CFO)

Tsutomu Akabane
Senior Executive Vice President
Chief Project Officer (CPO)

Takuya Hanada
Executive Vice President
Chief Human Resource Officer (CHRO)

Masahiro Aika
Executive Vice President
Technology Commercialization Officer (TCO)

Masaki Ishikawa
Senior Executive Officer

Hiroyuki Morishima
Senior Executive Officer
Chief Manufacturing Officer (CMO)

Takeshi Kawasaki
Executive Officer

Yoshihiro Mizuguchi
Executive Officer
Chief Technology Officer (CTO)

Akihito Sawaki
Executive Officer
Chief Information Officer (CIO)

Keiji Tanigawa
Executive Officer
Chief Digital Officer (CDO)

Satoshi Kurata
Executive Officer
General Counsel

Shinya Miyake
Executive Officer

Shinichi Taguchi
Executive Officer

Tomohide Muraoka
Executive Officer
Technology Officer (TO)

Messages from Outside Directors



**Masayuki
Matsushima**
Outside Director

Lessons from the LNG Canada Project

This large-scale project began operations at the end of June 2025, however there were various unforeseen events, such as revisions to the original schedule. It is necessary to thoroughly examine the factors and use them as lessons for future overseas projects. The following organizes the key points into three areas.

The first is responding to risks that exceed initial expectations or are unforeseen. Since the construction period is long, it is unrealistic to ignore such risks due to environmental changes, etc. For additional costs, the final allocation of the burden is settled through negotiations among stakeholders. To facilitate these negotiations quickly and advantageously, it is essential to maintain the trust and credibility our Group has built with clients over many years, as well as to further strengthen our human networks.

The second is continuous creativity and ingenuity to enhance the profitability of large-scale projects. It is necessary to systematize the process from design to construction and further improve work efficiency. In addition, to contribute to improving the overall ROE of our Group, I believe that, especially now when long-term interest rates are lower than capital costs, we should utilize external financing.

The third is, during initial contract negotiations, to analyze risk factors and, when incorporating them into contracts, to work closely with the legal section to ensure contracts have shock-absorbing capacity. Additionally, it is desirable to further utilize AI so that the project management team can manage progress more quickly and accurately than ever before.



Noriko Yao
Outside Director

Ability to respond to changes without being bound by existing assumptions

In fiscal year 2024, losses occurred in multiple projects, resulting in a tough outcome of two consecutive years of deficits, and as an Outside Director, I take this fact very seriously. In particular, I recognize that the way risks are shared and managed in the EPC business is a critical issue at the core of management. With the rise of geopolitical risks, soaring prices, and accelerating technological innovation, the business environment surrounding our company is changing rapidly and in a complex way. As the ability to respond to change without falling behind the times is required, I feel the importance of further enhancing the effectiveness of the Board of Directors.

In this context, in fiscal year 2024, we welcomed two new Outside Directors with different expertise, which has invigorated discussions from multifaceted perspectives. Furthermore, through deepening business understanding via site visits by Outside Directors and planned deliberations on important agenda items to be addressed by the Board of Directors, we are contributing to improving the quality and effectiveness of discussions as a Board of Directors.

Fiscal year 2025 is the final year of the medium-term business plan “BSP 2025,” and discussions toward formulating the next medium-term business plan will be in full swing, calmly reflecting on progress and issues to date. For the Board of Directors of the holding company, I feel that it is essential to have strategic discussions that combine responses to short-term issues with a perspective on medium- to long-term growth, as well as an overview of Group-wide management and attention to potential structural issues.

With regard to governance that supports growth, it is essential to break free from conventional thinking and establish and operate a comprehensive framework and system of responsibility for the Group, which has reached a higher stage—in other words, to build and operate an internal control system. The level of governance, legal affairs, and compliance, as well as awareness of these areas, must also continuously evolve in line with changes in the times and society.

By organically combining the management capital accumulated within the Group, I hope to maximize the value that only the Group can deliver. Drawing on my expertise as a lawyer and providing an external perspective, I wish to work together with the company to enhance corporate value and contribute to its growth.



**Shinjiro
Mishima**
Outside Director



Miku Hirano
Outside Director

Visit to project site of LNG Canada large-scale EPC project

In September 2024, I had the opportunity to visit the LNG Canada Project as an Outside Director. I was truly moved to witness this grand project, which liquefies natural gas transported via a 670 km pipeline and ships as much as 14 million tons of LNG annually.

This is indeed a massive project that unearths vast energy resources lying dormant on Earth, utilizes the JGC Group's technological capabilities to make them viable, and delivers them to Japan and countries in Southeast Asia.

It was easy to understand that every day was filled with tension, given the staggering number of components, project teams deployed simultaneously in 10 locations worldwide, numerous modules weighing up to 8,700 tons, ensuring the safety of maritime transport, installation and integration, numerous plant operation tests, securing a workforce of up to 4,000 people, and daily schedule management.

I believe that it was precisely because risks were anticipated in advance and countermeasures were devised based on experience and technical expertise that the schedule could be maintained, despite the challenges.

I felt that this is the true strength of the Group and a praiseworthy accomplishment.

The difficulty in securing workers toward the end, which led to schedule delays, was a country risk that exceeded expectations at the time.

Having completed such a large-scale overseas project spanning about seven years and expanded our capabilities, it is now essential to organize the various unforeseen risks and turn them into strengths for the Group.

On June 30, 2025, we received the news that the first shipment of LNG had been safely dispatched from Train 1, and I couldn't help but applaud.

Resilient strength

The business environment our Group faces is becoming increasingly severe, and the fact that we have posted losses for two consecutive terms must be taken seriously. The inability to secure profits in several projects stems from heightened global risks and the fact that our conventional methods can no longer cope with the rapidly changing market. As an Outside Director, I am acutely aware of these challenges.

Going forward, in order to realize more profitable projects, it is essential to visualize and resolve potential risks from the proposal stage. To that end, by leveraging technologies such as AI and linking them with the ongoing quarterly project reviews, I believe we can utilize our strengths—such as human resources and technology—in order to improve project quality and profitability.

In my first year as an Outside Director, I had many opportunities to engage directly with numerous mid-level employees. I was deeply impressed with the employees' pride in their technology, their sense of responsibility to the organization, and above all, the positive and cheerful atmosphere. The fact that the Group was ranked number one in the "Most Open Company Rankings" is, I believe, a testament to the daily accumulation of dialogue and trust at the workplace. I have come to firmly believe that the organization's flexibility and integrity form a resilient foundation that can adapt to any change.

Our Group company, Brownreverse Inc., provides a digital twin SaaS that enables easy VR management of equipment and piping at factories and plants. Although it was established only recently, it has already shown strong growth in ARR (Annual Recurring Revenue), and is already delivering tangible results as both a "business model transformation" outlined in our long-term management vision and a "future growth engine" in our medium-term business plan. One of its major appeals is that, by supporting maintenance operations, which follow EPC business, it can provide stable long-term revenue.

Although I am in an external position, I am determined to play a part in driving transformation.

Messages from Outside Directors

Message from Retiring Outside Director

Former Outside Director Endo resigned at the conclusion of our Annual General Meeting of Shareholders held in June 2025. However, since the reporting period of this Integrated Report covers April 2024 to March 2025, which overlaps with his tenure as Outside Director, we have included his message here.



Shigeru Endo

Former Outside Director

Genuine talent, with gratitude and hope

As of June 2025, I have completed my term as Outside Director. I would like to express my heartfelt gratitude for the warm support I received from all stakeholders, such as our shareholders, during my tenure.

The JGC Group has recently faced a tough situation, posting net losses for two consecutive terms. Although this was a very disappointing result, company-wide efforts are underway to return to profitability in fiscal year 2025. Measures such as reinforcing our core competencies, addressing risks, and enhancing our earning power are all crucial keys that will determine the future of the JGC Group.

It is precisely because of these circumstances that I hope we will delve deeply into fundamental questions such as “Why do we exist?” and “What kind of enterprise do we want to be?” I also hope that discussions focused on the essence of these questions will deepen further as we formulate the next medium-term business plan.

I am also very interested and hopeful about the new value that will be created when the Group’s advanced professionalism is combined with rapidly evolving DX and generative AI technologies. There will likely be situations where the company’s way of being is put to the test. It will not be an easy path, however that is precisely why I believe unique innovations will emerge from the Group.

What I strongly felt during my tenure is that the Group is home to many people with warmth and humanity, as well as those with a sincere desire to contribute to society. I envision a future where genuine talent continues to emerge, bringing fresh energy to the organization.

I sincerely wish the JGC Group continued success and further growth.

Corporate Governance

Basic stance

The JGC Group positions corporate governance as the foundation of corporate management for achieving sustainable growth, and is working to strengthen it as one of the Group's material issues.

Regarding the Board of Directors, which is the central body of corporate governance, we are making improvements through continuous review of its composition, functions, and roles, as well as annual evaluations of its effectiveness.

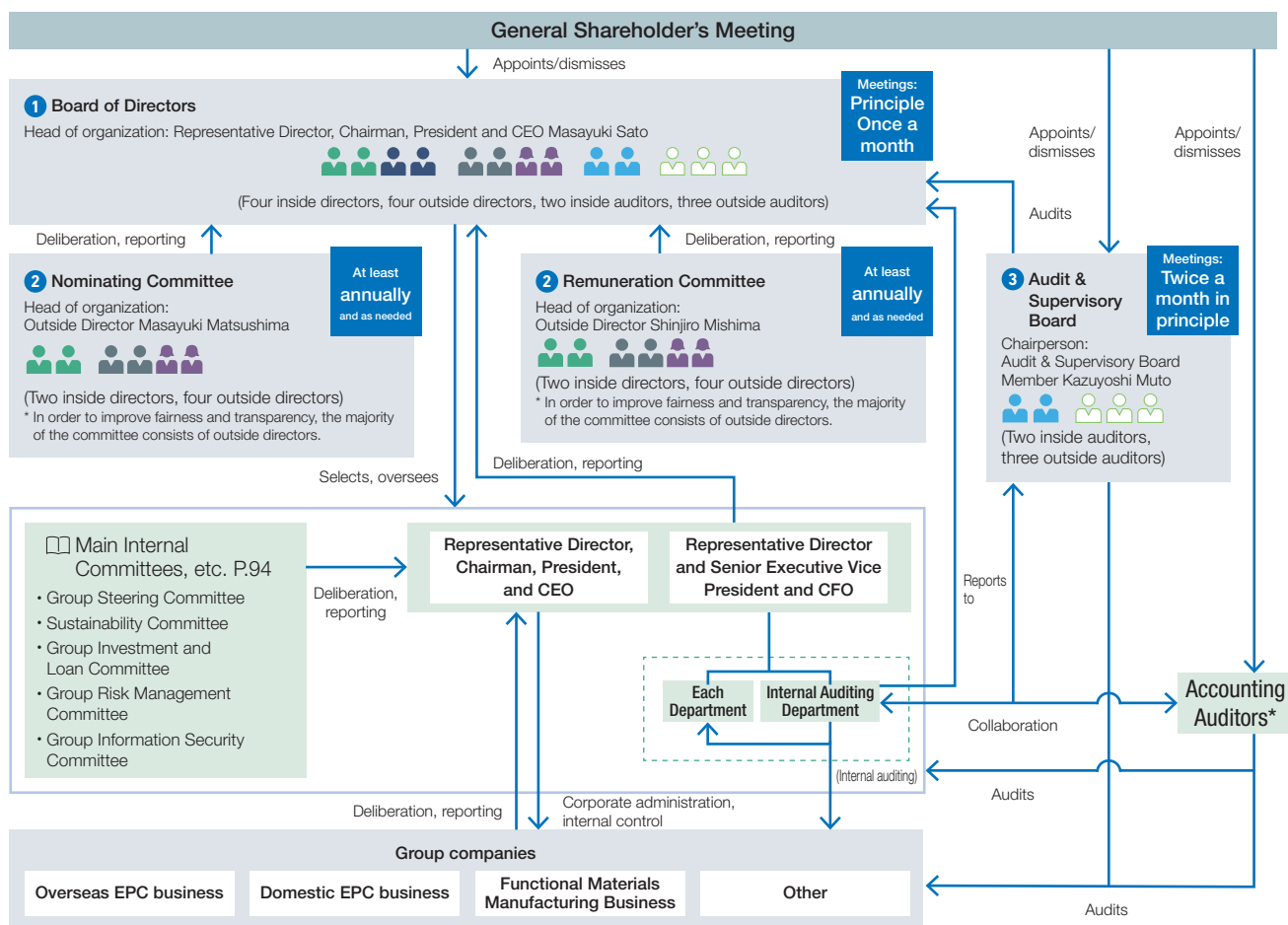
Furthermore, based on our purpose and values, each officer and employee strive to enhance corporate value and achieve sustainable growth while sharing a high sense of ethics, which includes compliance that is essential for proper functioning of corporate governance, and acting with integrity.

Overview of corporate governance

Corporate governance system

JGC Holdings maintains a Board of Directors and an Audit & Supervisory Board. The JGC Group has adopted a holding company structure under which operating companies pursue the Group's core business.

Separating management from execution provides greater clarity on roles and responsibilities of the holding company and operating companies. The holding company's role is to formulate management policies and oversee the operating companies from a medium- to long-term Group perspective. Operating companies apply Group management policies and strategies to respond flexibly and rapidly to market characteristics and seek further business expansion. This is intended to maximize corporate value and ensure optimal allocation of management resources for the Group as a whole while enhancing transparency of corporate management and strengthening overall Group governance. Committees have been established to deliberate key Group matters, and an executive officer system has been introduced to ensure efficient managerial decision-making and execution.



President Director Outside director (male/female) Auditor Outside auditor

(Note) This is the organizational chart as of the conclusion of the Annual General Meeting of Shareholders held on June 27, 2025.

* CPAs Atsushi Nagata, Otoko Sekiguchi, and Takashi Inoue of KPMG AZSA LLC performed accounting audit services. Audit support staff consisted of 10 CPAs and 18 other individuals.

Corporate Governance

Continued from previous page "Corporate governance structure"

Body	Purpose
1 Board of Directors	- Resolves key matters of business execution - Oversees directors' execution actions - Deliberates on medium- to long-term strategies and issues
2 Nominating and Remuneration Committees	Deliberates on appointment and dismissal of officers, remuneration, etc.
3 Audit & Supervisory Board	- Discussion or resolution based on reports of key auditing matters - Presents opinions to directors or the Board of Directors as necessary, based on the results above

Improvement Status of Internal Control System

JGC Holdings' Board of Directors determines the basic principles of the internal control system and revises them as necessary.

Improvement status

- 1 The Internal Auditing Department monitors, evaluates, and improves the effectiveness of the internal control systems of the company and its group, and conducts separate audits as necessary
- 2 The Rules of Management Authority regulate the duties and authority of each role, and clarify the system of responsibilities in corporate management and business execution
- 3 Management rules for Group companies have been formulated and implemented to ensure efficient and appropriate operations across the Group

Response to the Corporate Governance Code

We implement all principles stipulated in the revised Corporate Governance Code of June 11, 2021, and disclose all 14 basic principles, principles, and supplementary principles required by the Tokyo Stock Exchange. We are steadily advancing various initiatives to further deepen our Message from the Chairman and CEO.



Details on the corporate governance report are available on our website. (in Japanese only)
https://www.jgc.com/jp/ir/assets/pdf/CG_20250627.pdf



Board of Directors

Board functions

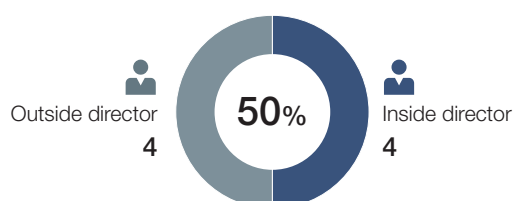
The Board of Directors is responsible for decision-making on medium- to long-term Group strategies and issues, and it provides oversight regarding business execution of Group companies. Board composition is intended to enable effective and efficient execution of these functions.

Basic policy on Board composition and diversity

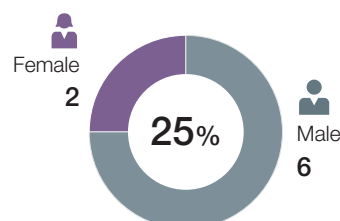
From the standpoint of further enhancing discussions on medium- to long-term Group strategies and issues of strengthening oversight regarding business execution of Group companies, the Board consists of the following members.

- 1 Mainly composed of directors with extensive knowledge of business markets and directors with advanced knowledge and expertise in EPC business operations, which is the Group's core business.
 - 2 To incorporate external perspectives into management, independent Outside Directors are appointed with the expectation that they will provide objective advice to the Board of Directors and fulfill oversight functions from an independent standpoint.
- As a matter of policy respecting the importance of diverse perspectives, members are appointed not solely based on professional experience and expertise but also on competence, regardless of nationality, race, or gender.

Ratio of outside directors



Ratio of female directors



Skills Matrix of Directors (Four inside, four outside)

Name and position at JGC	Term as director (years)	Attendance at Board meetings in fiscal year 2024	Segment					
			Corporate management	Technology, project management, and IT	Global business	HR, human resource development, and labor relations	Finance and accounting	Legal and risk management
Masayuki Sato Representative Director, Chairman, President, and CEO	15	17/17 times (100%)	●		●		●	
Kiyotaka Terajima Representative Director and Senior Executive Vice President and CFO	9	17/17 times (100%)	●				●	●
Masaki Ishikawa ^{*1} Director and Senior Executive Officer	1	12/12 times (100%)	●		●			●
Shoji Yamada Directors	4	16/17 times (94%)	●	●	●			
Masayuki Matsushima Outside Director	9	17/17 times (100%)	●		●		●	
Noriko Yao Outside Director	4	17/17 times (100%)			●	●		●
Shinjiro Mishima ^{*1} Outside Director	1	12/12 times (100%)	●	●	●			
Miku Hirano ^{*1} Outside Director	1	12/12 times (100%)	●	●	●			

^{*1} As the appointment took effect on June 27, 2024, the attendance at Board of Directors meetings held after June 27, 2024 is listed.

Skills Matrix of Auditors (Two inside, three outside)

Name and position at JGC	Term as auditor (years)	Attendance at Board meetings in fiscal year 2024	Segment					
			Corporate management	Technology, project management, and IT	Global business	HR, human resource development, and labor relations	Finance and accounting	Legal and risk management
Kazuyoshi Muto Audit and Supervisory Board Member	4	17/17 times (100%)		●	●		●	
Akira Ninomiya ^{*2} Audit and Supervisory Board Member	1	12/12 times (100%)	●		●		●	
Norio Takamatsu Outside Audit & Supervisory Board Member	9	17/17 times (100%)	●	●			●	
Kazuya Oki Outside Audit & Supervisory Board Member	2	16/17 times (94%)			●		●	●
Norio Funayama ^{*2} Outside Audit & Supervisory Board Member	1	12/12 times (100%)	●		●		●	

^{*2} As the appointment took effect on June 27, 2024, the attendance at Board of Directors meetings held after June 27, 2024 is listed.

(Note 1) This pertains to officers as of after the Annual General Meeting of Shareholders held on June 27, 2025.

(Note 2) The above list indicates the areas where each individual can best demonstrate their expertise based on their experience, and does not represent all the knowledge and experience possessed by each director and auditor. In addition, ESG-related fields are positioned as an expected role required of all directors and auditors, and are therefore not listed as a separate item in the above table.

Selection Rationale for Each Skills Matrix

Skill	Selection rationale
Corporate management	To achieve the Group's purpose of "Enhancing planetary health," as well as the long-term management vision "2040 Vision" and the medium-term business plan "BSP2025," it is necessary to have directors with management experience who can formulate clear strategies for sustainable growth and enhancement of corporate value, even in a rapidly changing business environment.
Technology, project management, and IT	For the growth strategy and its management and supervision to achieve the Group's sustainable growth and enhancement of corporate value, in addition to possessing advanced knowledge and expertise in our main businesses, it is necessary to have directors with extensive knowledge and experience in the five business areas of "GTL plant," "Environmental catalysts," "Circular economy," "Pharmaceutical facilities," and "Industrial & urban infrastructure," which are essential for addressing new social issues under the Group's purpose of "Enhancing planetary health."
Global business	Implementing growth strategies and managing and supervising progress toward sustainable growth of the Group and higher corporate value calls for directors with experience in overseas business management and extensive knowledge of and familiarity with everyday life, culture, business environments, and so on outside of Japan.
HR, human resource development, and labor relations	The JGC Group employees are required to possess advanced technical capabilities and expertise, an appreciation of different cultures and diversity in order to work with others of many nationalities, and a mental attitude that helps us make the most of our organizational strengths. To this end, personnel management must be established that ensures peak employee performance, and the Group requires directors with solid knowledge and experience in human resources management or development, including promotion of diversity.
Finance and accounting	Beyond ensuring accurate financial reporting, the directors required by the Group must have reliable knowledge and experience in finance and accounting, as needed to build a strong financial foundation and to formulate financial strategies both for growth investments (including M&As) aimed at sustainable gains in corporate value and for higher shareholder return.
Legal and risk management	A suitable governance system is fundamental to sustainable growth in corporate value. Moreover, to continue enhancing Board oversight effectiveness, the Group requires directors with solid knowledge and experience in corporate governance, risk management, and compliance.

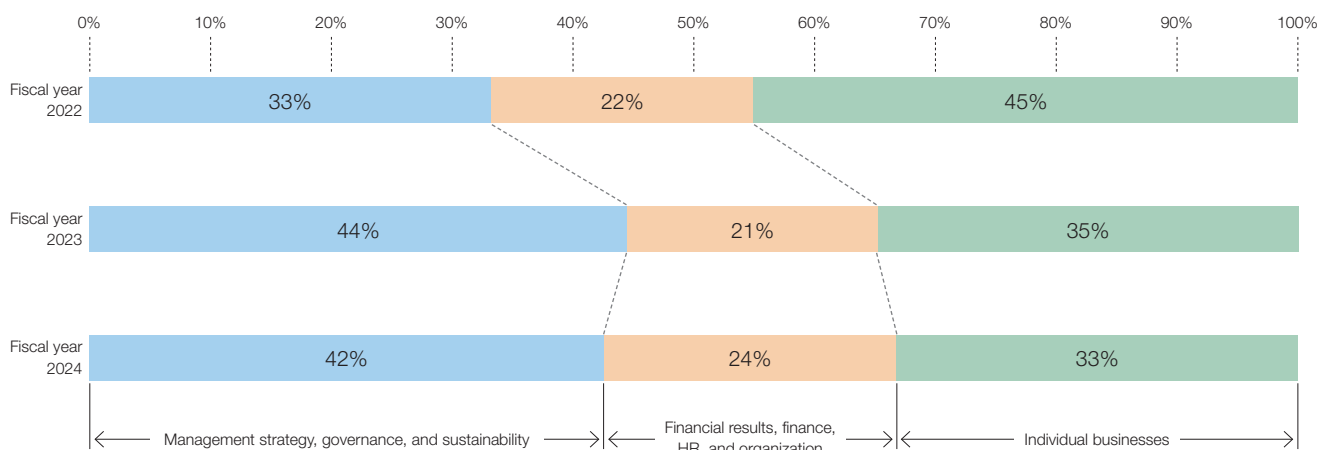
Corporate Governance

Main agenda and deliberation items of the Board of Directors

Theme	Main agenda and deliberation items
Management strategy, governance, and sustainability	• “BSP 2025” Monitoring report • Future operational policy of overseas EPC operating subsidiaries • Report on key measures for growth of the Functional Materials Manufacturing Business • Review of cross-shareholdings • FY2023 evaluation of effectiveness of Board of Directors • Dialogue with institutional investors • Compliance-related • Overview of medium-term information strategy 24-26 • Sustainability Committee report • Introduction of activities and latest trends of the Economic Security and Geopolitical Risk Review Task Force • Information security etc.
Financial results, finance, HR, and organization	• Matters related to business performance • Executive compensation-related • Organizational revisions • Financial results-related • Financial results-related • Recruitment plan, etc. • Capital cost and capital policy • Executive appointments
Individual businesses	• Project orders • Alliance projects • Technology development investment, etc.

Proportion of deliberation time spent on each item at Board of Directors meetings

Deliberation time ratio



Policies and Procedures for Senior Management Appointment and Dismissal

Appointment process	Appointment of senior management and nomination of candidates for directors 1 Deliberations of the Nominating Committee, which consists of a majority of outside directors and is chaired by an outside director, are focused on the following items. (1) Qualities such as character and views (2) Senior management, and inside directors: Qualities such as experience, performance, and management capabilities, as defined in succession planning (3) Outside directors: Qualities such as independence and expertise 2 After comprehensive deliberation by the Nominating Committee, decisions are made by the Board of Directors. In addition, regarding the appointment of senior management and nomination of director candidates, it is recognized that these individuals may become successors to the CEO, and sufficient discussion and selection are conducted through the above process.
Dismissal process	Dismissal of senior management In the event of any of the following, the Board decides on dismissal after deliberation by the Nominating Committee. (1) Wrongdoing, impropriety, or breach of faith (2) Violation of laws or articles of incorporation (3) Loss of the qualities and capabilities initially required for appointment

Succession Plan

The succession plan is a crucial matter for the sustainable enhancement of corporate value. Based on discussions in the Nominating Committee and the Board of Directors, we have started implementing the succession plan as follows.

Purpose

- To realize “BSP 2025” and the “2040 Vision,” and to continuously enhance corporate value beyond that, we recognize that it is essential to appoint top management best suited to the business environment and management strategies of the time.
- The succession plan aims to clarify the knowledge, experience, abilities, and qualities required of top management based on the business environment and management strategies, and to support the development and selection of the next top management, enabling continuous appointment of such leaders.

Stance on leadership criteria

- In setting the criteria for talent, in fiscal year 2019, interviews with top management were conducted through a third-party organization, starting from a medium- to long-term management vision, and the future profile of required management talent was defined.
- For each extracted talent requirement, criteria are classified into “Must requirements that should be acquired at the stage of selection for each candidate group” and “Want requirements that are desirable to be acquired at the stage of selection for each candidate group (three levels),” and the required degree is set for each candidate group.

Stance on succession planning

- The basic concept of our succession plan is to define the requirements for top management personnel, select multiple candidates for the next and future generations, provide opportunities to fulfill any lacking requirements and gain experience, and foster top management candidates over the medium to long term by monitoring their development annually. We have begun operating under this approach.
- Based on the above concept, we are implementing various measures to further strengthen and expand the development program for future candidate groups, such as sending candidates to external education and training programs, holding regular lectures by inviting external instructors, and providing opportunities for ongoing discussions.

Director Compensation

Policy on determining director compensation amounts or calculation methods

Basic policy, General Shareholders' Meeting resolutions

- With the basic policy of securing the management personnel necessary to enhance global competitiveness and increase corporate value over the medium to long term, the resolution at the 113th Annual General Shareholders' Meeting held on June 26, 2009, set the maximum annual compensation at up to ¥690 million for directors and up to ¥88 million for auditors.
- The policy for determining the amount, calculation method, and composition ratio of individual directors' compensation is limited to the scope resolved at the above General Shareholders' Meeting. In advance, the Remuneration Committee, which consists of a majority of Outside Directors and is chaired by an Outside Director, deliberates on these matters, and the Board of Directors makes decisions based on the committee's report.

Process for determining compensation

- To ensure sufficient fairness, transparency, and consistency with this decision policy, the Remuneration Committee comprehensively deliberates on the evaluation and remuneration amount for each director, and the Representative Director, Chairman and President makes the final decision based on the results of these deliberations.
- The Representative Director, Chairman and President of the Board of Directors, as the Company's Chief Executive Officer, is the person most familiar with each director's duties, responsibilities, performance, and the degree to which such performance contributes to enhancing corporate value. The President is delegated this authority by the Board of Directors, and such authority is limited to the range of compensation set by resolution of the General Shareholders' Meeting.
- The Board of Directors determines that the final decisions are consistent with this policy, and in making this determination, receives reports on the summary and results of deliberations by the Remuneration Committee, as well as the final decisions made by the Representative Director, Chairman and President of the Board of Directors.

Corporate Governance

Compensation mix and details

- Compensation for directors, excluding Outside Directors, consists of monetary compensation and stock compensation. Monetary compensation comprises fixed compensation and bonuses, while stock compensation consists of non-performance-linked stock compensation and performance-linked stock compensation.
- The compensation mix is designed so that the proportion of variable compensation, which includes bonuses and stock compensation, increases with higher performance and rank.

Stock compensation

- To ensure that management shares the benefits and risks of stock price fluctuations with shareholders and to further enhance incentives for stock price appreciation and medium- to long-term corporate value growth, the following two types of stock compensation have been introduced.
- A malus and clawback clause has been introduced, under which, if a corporate scandal such as a violation of laws is identified, the Company may, based on deliberation by the Remuneration Committee and resolution of the Board of Directors, seize all or part of the stock compensation or request its return after the lifting of transfer restrictions.

Performance Share Unit (PSU)

- Compensation for results was introduced at the 127th Ordinary General Shareholders' Meeting held on June 29, 2023
- As fiscal year 2024 saw a loss attributable to owners of the parent, no common stock was allocated to Company Directors.

Outline of PSU**Performance evaluation period:**

1 year (from April 1 to March 31 of the following year)

Performance evaluation index:

Operating profit and profit attributable to owners of parent

Maximum monetary compensation (upper limit):

160 million yen per year (160,000,000 yen)

[Total number of PSUs (upper limit)]: 236,000 shares per year**Restricted stock period:** Set to 3 years up to 30 years**Restricted Stock (RS)**

As compensation for responsibilities, restricted stock is allocated every August. In fiscal year 2024, on August 6, 13,041 shares (equivalent to ¥16 million), corresponding to about 10% of base compensation, were allocated to four directors.

Outline of RS:**Maximum monetary compensation (upper limit):** 25 million yen per year**[Total number of RSs (upper limit)]:** 19,800 shares per year**Restricted stock period:** Set to 3 years up to 30 years

* In addition to our directors, executive officers and officers of Group companies are also eligible for stock compensation.

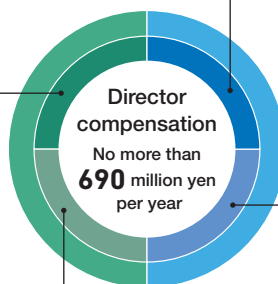
Monetary compensation

Fixed compensation

- Determined according to each director's position and the value of their duties, accounting for the capabilities required and the weight and impact of those duties.
- Consists of base compensation and an allowance for President or Director, both paid monthly.
- Outside Director and Audit & Supervisory Board Member compensation is limited to fixed compensation, to enable management oversight from a position independent of business execution.

Bonus

- Designed to strongly encourage the achievement of annual performance figures and to steadily promote the enhancement of corporate value over the medium and long term
- Individual bonuses are determined by the Remuneration Committee based on a base amount calculated by position using the numerical targets of "operating profit" and "profit attributable to owners of parent" set in the medium-term management plan, and reflecting individual evaluations that take into account the responsibilities to be fulfilled for realizing the long-term management vision and medium-term management plan
- The evaluation weight of performance indicators is set to place greater emphasis on profit attributable to owners of parent, from the perspective of fulfilling accountability to shareholders, and this tendency increases for higher positions
- If profit attributable to owners of parent is negative, no bonus will be paid



Total amount of compensation, etc. by officer category, total amount by type of compensation, etc., and number of officers eligible

Category	Total value of compensation, etc.	Breakdown of compensation, etc.							
		Fixed compensation		Performance-based compensation (monetary)		Restricted stock		Performance share unit	
		Number of eligible executives	Total amount provided	Number of eligible executives	Total amount provided	Number of eligible executives	Total amount provided	Number of eligible executives	Total amount provided
Directors: 5 (excluding outside directors)	213 million yen	5	197 million yen	—	—	4	16 million yen	—	—
Auditors: 3 (excluding outside auditors)	41 million yen	3	41 million yen	—	—	—	—	—	—
Nine outside officers (five outside directors and four Outside Audit & Supervisory Board members)	93 million yen	9	93 million yen	—	—	—	—	—	—

(Notes) 1. As of the end of fiscal year 2024, there were 10 directors (including five Outside Directors) and five auditors (including three outside auditors).

2. The performance-based compensation (monetary) and performance share unit above did not achieve the performance evaluation indicators, and so were not granted.

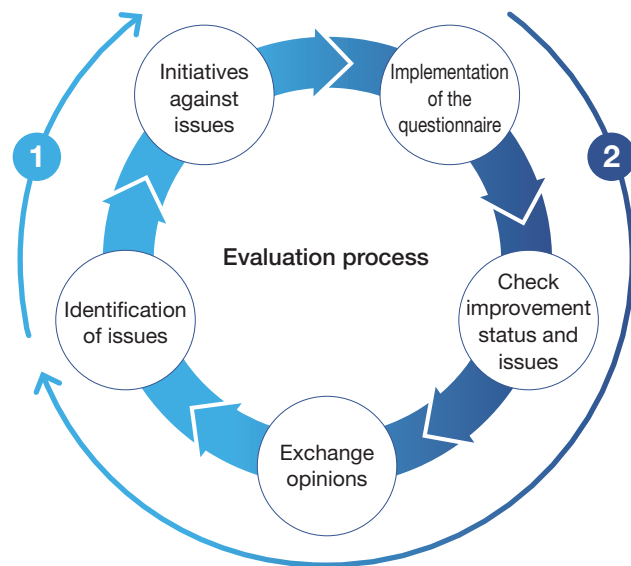
3. Since our Company has no executives with total remuneration of ¥100 million or more, individual compensation is not disclosed.

Board Effectiveness Evaluation

Board effectiveness is analyzed and evaluated annually, efforts toward improvement are reviewed, and issues linked to further gains in effectiveness are discussed by the Board in pursuit of continuous improvement. Presented below is a summary of the process for evaluating Board effectiveness in fiscal year 2024, the state of initiatives based on the Board evaluation results of the previous year (fiscal year 2023), and future response policy based on these evaluation results.

Overview of the questionnaire

Target	Directors and auditors
Response Method	Five-point scale selection and free-form responses (Total 38 of questions)
Main evaluation items	Board of Directors composition, management, discussion, oversight functions, dialogue with shareholders, own initiatives, operation of the Nominating Committee and Remuneration Committee, etc.



Evaluation results

Survey analysis and evaluation has indicated that the Board is functioning appropriately and effectively in its current state. Details of the evaluation results are as follows.

1	Issues identified during FY2023	- Further deepening discussions in the Board of Directors on the Group's medium- to long-term growth and enhancement of corporate value - Deepening discussions and strengthening monitoring of business execution by the Board of Directors
	Main initiatives FY2024	- To facilitate planned discussions on medium- to long-term growth and enhancement of corporate value, an annual agenda schedule for the Board of Directors was formulated - Revised submission material format to expand descriptions of the significance and risk analysis of initiatives based on the medium- to long-term management plan - On-site visit to the LNG Canada Project by Outside Directors □ On-site visit to the LNG Canada Project by Outside Directors P.83
2	Results of analysis and evaluation for the FY2024	- Confirmed that our Board of Directors is currently functioning appropriately and effectively - It was confirmed that, as FY2025 is the final year of the current medium-term management plan and discussions on the next plan will be in full swing, and considering the role the Board of Directors should play in terms of overall group management and medium- to long-term perspectives, efforts to address the issues set for FY2024 will be continued - In addition, recognizing the importance of free and constructive discussions at the Board of Directors based on effective Board operations, it was confirmed that further improvements to Board operations, including pre-briefings and study sessions, will be considered
	Key issues to be addressed as priorities in FY2025	[Continued from fiscal year 2024] Further deepening discussions in the Board of Directors on the Group's medium- to long-term growth and enhancement of corporate value: As measures for this, the following opinions were put forward. - In discussions on formulating the next medium-term management plan, sufficient time will be secured by utilizing not only the Board of Directors but also informal settings such as study sessions, and after reviewing the current plan, discussions on the business portfolio from the perspective of enhancing the corporate value of the entire Group will be conducted [Continued from fiscal year 2024] Deepening discussions and strengthening monitoring of business execution by the Board of Directors: As measures for this, the following opinions were put forward. - Enhance explanations regarding the positioning of businesses within overall Group management and their potential impact on the Group as a whole, and conduct discussions and monitoring based on these explanations - Continue to consider the content and methods of reports from the Nominating and Remuneration Committees to the Board of Directors - Further consideration of improvements in operations of the Board of Directors: As measures for this, the following opinions were put forward. - Re-examine the selection of agenda items and methods for pre-briefings from the perspective of efficient operations

* For initiatives to improve the effectiveness of the Board of Directors over the past three years, please refer to JGC Report 2024 P.84.



TOPICS

On-site Visit to the LNG Canada Project by Outside Directors

JGC Holdings Corporation continuously provides opportunities and information enabling the company's directors and auditors to acquire the knowledge necessary to effectively fulfill their roles.

In fiscal year 2024, our outside directors conducted an on-site visit to the LNG Canada Project in Kitimat, British Columbia, Canada. The project is being executed by JGC Corporation and its joint venture partner, U.S. contractor, Fluor Corporation. The visit provided a deeper understanding of the engineering practices that make up the JGC Group's core business.

During the visit, they observed the Project's large modules manufactured and installed using innovative module fabrication and installation methods, as well as one of the world's second-largest LNG storage tanks. They also engaged in dialogue with employees working on site.

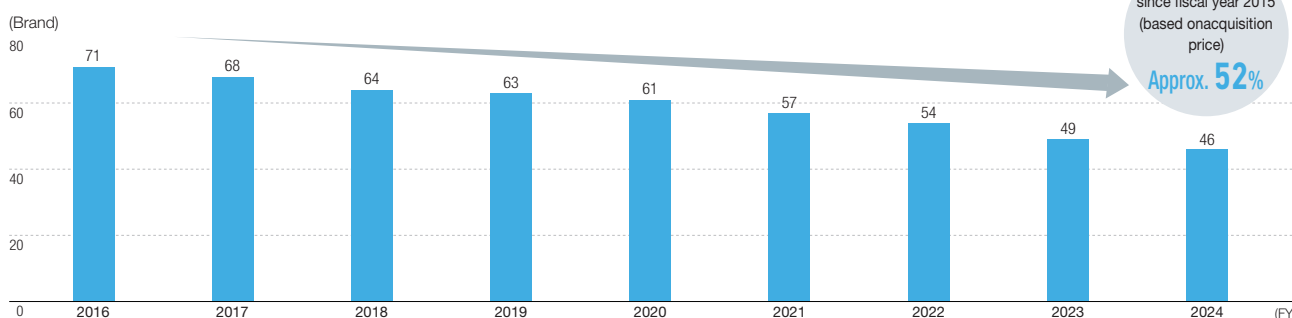
Through this experience, the directors furthered their understanding of the important contributions being made by the Group in ensuring stable energy supply and advancing energy transition, as well as the risks associated with complex and large-scale projects.

**Policy-held Shares****1. Purpose**

The Group refrains from cross-shareholdings except in cases where maintaining and strengthening relationships with clients and business partners will contribute to higher medium- to long-term corporate value for the Group. Each year, the Board of Directors reviews the significance of maintaining each cross-shareholding, and both qualitative and quantitative aspects are reviewed. Quantitatively, total share holder return (TSR) and ROE are checked for each company, as well as whether business advantages are commensurate with the cost of equity. Sale of shares deemed to have lost their significance is investigated accounting for the market environment and changes in stock prices.

2. Basis for exercising voting rights

In exercising voting rights for cross-shareholdings, advantages and disadvantages are weighed based on whether the decision will contribute to the sustained growth of the company involved, and thus, higher Group corporate value over the medium to long term.

History of Sales and Reductions in Cross-Shareholdings since the Introduction of the Corporate Governance Code

Details on the review process of each holding objective are available on our website.

<https://www.jgc.com/en/esg-hsse/governance/corporate-governance/#anc08>



Main Internal Committees, etc.

Name	Members*	Overview
Group Steering Committee In principle, once a month	Chairman (Representative Director, Chairman and President of the Board) and members (including auditors attending on a rotating basis): Total 30 members	Reports on and discusses the direction that the Group should take as well as steering matters such as management / business strategies for the Group as a whole and each operating company
Sustainability Committee In principle, three times	Chairman (Representative Director, Chairman and President of the Board) and committee members: 7 members	Formulates Group policies and action plans related to sustainability; deliberation to evaluate and promote action supporting sustainability □ Sustainability Management P.53
Group Investment and Loan Committee In principle, once a month	Chairman (Representative Director, Chairman and President of the Board), Vice Chairman, and committee members: Total 10 members	Deliberates on holding company and Group investment and lending projects □ Progress of Growth Strategy Investments P.50
Group Risk Management Committee In principle, twice a year	Chairman (Representative Director and Senior Executive Vice President), Vice Chairman, and committee members: Total 13 members	Understands and organizes all risks of the Group, and regularly reports and deliberates on the construction, maintenance, and improvement of the Group-wide risk management system □ Risk Management P.95–96
Group Information Security Committee In principle, twice a year	Chairman (Representative Director and Senior Executive Vice President), Vice Chairman, and committee members: Total 14 members	Understands the status of information security measures across the Group as a whole, and plans and discusses cross-organizational adjustments and enhanced responses among Group companies □ Risk Management P.95–96

* For details of committee members in each committee, please refer to the Securities Report for the fiscal year ended March 2025, "Section 4.4 (1) Corporate Governance (2) Overview of Corporate Governance System."



Securities Report (in Japanese only)

https://www.jgc.com/jp/ir/library/assets/pdf/fy24_yukashoken.pdf



Name	Overview
Economic Security and Geopolitical Risk Review Task Force	Collecting and analyzing information on risks related to changes in the macroeconomic environment and social and international conditions across the Group, and sharing with stakeholders, etc.

TOPICS

Economic Security and Geopolitical Risk Review Task Force Initiatives

Amidst unstable international conditions, the importance of responding to economic security and geopolitical risks within our Group has increased, and in fiscal year 2023, we established an Economic Security and Geopolitical Risk Task Force. Through this task force, we conduct cross-Group research and analysis of various trends and impacts, and focus on risk management.

Main themes

Economic security

Destabilization of regional conditions

Sanctions

Information Security

Critical technology management

Human rights issues

Main discussion topics

- Measures for regions affected by political instability
- Promotion of cybersecurity measures
- Appropriate human rights due diligence
- Strengthening of sensitive information management systems
- Measures to mitigate the impact of expanded sanctions

Activities

- Information gathering and sharing:** The Task Force collect information related to economic security and geopolitical risks in conducting the EPC business, Functional Materials Manufacturing Business, consulting, business investment, etc., and regularly share it among members. Officers and employees of Group companies also participate in this task force, and by appropriately sharing information, we are promoting initiatives across the entire Group.
- Risk assessment and reporting to management:** The Task Force conduct risk assessments and report to management and relevant departments regarding business in specific countries, business with specific business partners, execution of major large-scale projects, etc.
- Internal awareness activities:** The Task Force conduct internal awareness activities to deepen understanding of economic security and geopolitical risks.

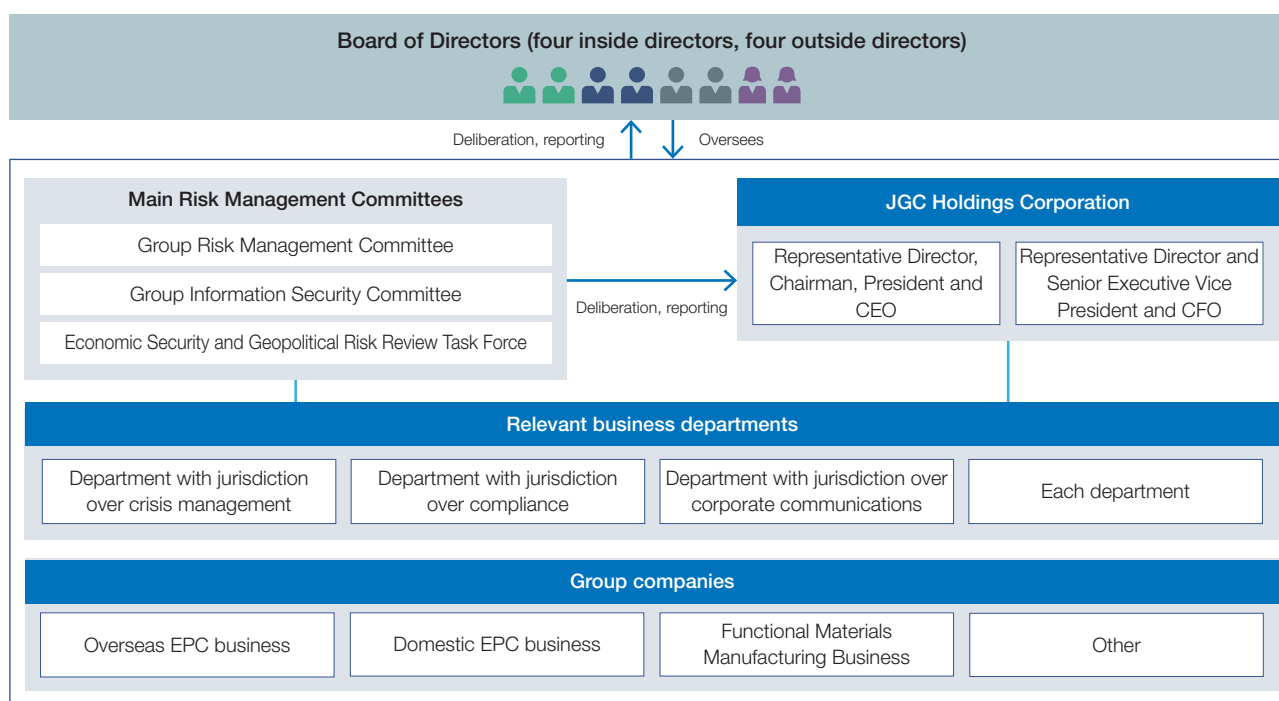
Risk Management

Basic stance

Recognizing that appropriate risk management reduces losses and contributes to profits for the JGC Group, we strive to reduce and prevent risks routinely by understanding and organizing risks posed to the Group as a whole and by building, maintaining, and refining our risk management system. If risks do materialize, we respond rapidly and appropriately to minimize the impact and associated loss.

Risk Management System

Based on the Group Risk Management Committee rules, the JGC Group has established and uses a comprehensive risk management system for a systematic understanding of the risks posed to the Group as a whole. We are committed to further reducing these risks. Additionally, we have established the Group Information Security Committee for information security, and the Economic Security and Geopolitical Risk Review Task Force for economic security and geopolitical risks, and are focusing on Group-wide risk management in these areas. Also, management of business risks of the Group is mainly carried out by each operating company, with significant individual risks reported to the holding company Board and discussed as necessary.



Primary Group Risks and Responses

Primary risk area	Nature of typical risks	Countermeasures
Risk associated with receiving and executing projects	- Change of plans, cancellation, suspension, or postponement of projects in the Total Engineering Business after orders are received - Worsening financial conditions, insufficient project execution capabilities, and defaulting in the portion of operations covered by joint venture consortium partners during the execution of projects in the Total Engineering Business	- Specific risk analysis and management by operating companies, and monitoring of project progress and profitability - In addition to the above, as a holding company we will implement the following: - Discuss at Board of Directors meetings the aforementioned risks from the estimation and bidding stages for projects that could impact the overall management of the Group. - Review contract negotiation policies prepared by each operating company based on a contract terms policy that consolidates past project experiences for projects that could affect the overall management of the Group. - Conduct partner due diligence to investigate the financial condition and project execution capabilities of partner companies in advance, and take appropriate measures.
Country risk	Impact on business activities from political instability, war, revolution, domestic conflict, terrorism, sudden changes in economic policies or conditions, or economic sanctions	- Use of trade insurance - Collecting, analyzing, and sharing information on country risk for the Group as a whole by the Group Risk Management Committee and Economic Security and Geopolitical Risk Review Task Force. - Setting reasonable contract conditions with regards to force majeure clauses and regulatory changes - Strengthening crisis management functions by the Crisis Management Department

Primary risk area	Nature of typical risks	Countermeasures
Risk associated with natural disasters, epidemics, etc.	Impact on business activities from natural disasters of unforeseen magnitude such as earthquakes, torrential rain, or typhoons, or from global pandemics such as new strains of influenza	- Establishing disaster response procedures, introducing systems to confirm safety, and implementing disaster training - Gathering information on risk - Taking necessary measures in response to official requests, confirming safety in accordance with national conditions and regulations - Setting reasonable contract conditions with regards to force majeure clauses and regulatory changes - Requesting and discussing with clients any necessary rescheduling or rebudgeting
Foreign exchange volatility risk	Impact on sales and profit / loss from sharp fluctuations in foreign exchange rates	- Using project contracts denominated in multiple currencies, using overseas procurement - Issuing orders denominated in foreign currencies, using forward foreign exchange agreements
Risk of construction worker shortages, substantial wage increases	Impact on business activities in the Total Engineering Business from shortages of construction workers or substantial increases in wages	- Monitoring and forecasting trends in the construction industry labor force for primary plant markets - Adopting modular construction techniques to minimize on-site construction - Working with companies that have extensive track records in local construction - Measures such as setting appropriate contract conditions in response to rising labor costs
Risk of substantial increases in material and equipment costs, and fuel costs	- Increased procurement and transport costs for material and equipment in the Total Engineering Business - Substantial rises in prices of raw materials or fuel in the Functional Materials Manufacturing Business	- Monitoring and forecasting price trends, ongoing efforts to improve forecast accuracy - Placing orders for materials and equipment early on - Diversifying suppliers - Transfers to product prices - Measures such as setting appropriate contract terms in response to soaring costs of equipment, raw materials, and transportation
Investment risk	- Loss from unforeseen circumstances in the investment environment - Inability to withdraw from investments at the preferred time or in the preferred manner, due to low liquidity or similar factors	- Clarifying the significance and purpose of new investment, and making decisions after deliberation by the Board of Directors or committees - Strengthening monitoring of existing investments
Legal and regulatory risk	Restrictions under business laws and regulations such as tax or construction laws, various domestic and international environmental laws, import/export trade regulations including those for security purposes, various laws and regulations to prevent corruption such as graft, laws and principles on human rights protection, or business or investment licenses	- Developing, implementing, monitoring, and improving Compliance programs and Group policies and rules - Under the Group-wide Compliance Committee, compliance officers appointed at key Group companies design and implement measures tailored to each company's specific circumstances - Special emphasis is placed on establishing rules and providing guidance and oversight regarding bribery prevention measures - Regarding export/import trade regulations, under the Export-Related Laws Compliance Committee, we continuously monitor the latest laws and regulations in each country and review internal rules
Information security risk	Leaks and loss of information due to power outages, disasters, information system failures, loss/theft, external attacks, or computer virus infections	- The Group Information Security Committee identifies Group-wide information security responses, and formulates and deliberates on strengthened measures. - Security measures such as preventing unauthorized access by establishing information security policies, adopting antivirus measures, and using encryption technologies - Education, training, and drills for executive officers and employees on information security and personal information protection
Risk associated with quality	Poor quality of procured goods, recall of delivered products due to defects, liability for damages	- Promoting Quality Management System activities by establishing organizations responsible for quality assurance - Enrollment in product liability insurance (PL insurance)
Risk associated with changes in the macroeconomic environment and social and international affairs	Impact on business activities from fluctuations in energy prices leading to global economic downturns	- Collecting, analyzing, and sharing information on risks related to changes in the macroeconomic environment and social and international conditions for the Group as a whole by the Group Risk Management Committee and Economic Security and Geopolitical Risk Review Task Force. - Diversifying our business portfolio by shifting to a Group management structure - Developing technologies to reduce environmental impact - Building value chains in collaboration with other companies that possess advanced technologies
Risk associated with climate change	- Natural disasters at construction and manufacturing sites - Impact on business activities from lower fossil fuel-related investment by clients, or from similar changes to client business itself - Changes in the business environment such as changes throughout society and industry as the backdrop to climate change issues	- Receiving and executing non-fossil fuel, resource circulation, and renewable energy projects - Transforming business areas, business models, and the Group's internal organization in line with the 2040 Vision, our long-term management vision
Risk associated with intellectual property	Potential inadvertent infringement of third-party intellectual property rights in countries where it is difficult to understand the intellectual property system or the status of third-party rights	- Monitoring third-party intellectual property rights, and identifying, analyzing, and addressing intellectual property risks under intellectual property governance system - Implementing appropriate measures to challenge third-party intellectual property rights, and preventing patent disputes, etc. - Conducting internal education regarding intellectual property, and promoting awareness by disseminating information

At the JGC Group, under our corporate philosophy “JGC’s Purpose and Values,” we have established “Challenge” and “Integrity” as part of the values to be shared by all employees, positioning compliance as the cornerstone of management. For our Group to achieve sustainable business development as a member of the international community, it is essential to comply with domestic and international laws and to conduct suitably in accordance with corporate ethics. Based on this recognition, we have established the “JGC Group Conduct” to define important matters to be observed when putting our corporate philosophy into practice, and we intend to comply with it.

The JGC Group has established a Group compliance system to ensure each company carries out its business based on high ethical standards. Each major Group company assigns a compliance officer who, together with the compliance department under their direction, evaluates company-specific risks and formulates and implements measures tailored to each company's circumstances. In addition, to facilitate information sharing and collaboration on compliance activities among Group companies, we have established a Compliance Committee, aiming to realize cross-group initiatives. The Compliance Unit at JGC Holdings is responsible for comprehensive measures, coordination, and other functions for the entire Group.

The diagram illustrates the Group Compliance System, showing the hierarchy and reporting structure for JGC Holdings and JGC Group Companies.

JGC Holdings Structure:

- President
- Compliance Executive
- Compliance Unit
- Group Compliance Executive
- Department Compliance Leader (Department Manager)
- Department Compliance Key Person
- Employees

JGC Group Companies Structure:

- President
- Compliance Executive
- Department with jurisdiction over compliance
- Department Compliance Leader (Department Manager)
- Department Compliance Key Person
- Employees

Central Governance:

- Compliance Committee (overseeing both JGC Holdings and JGC Group Companies)

To promptly identify and prevent compliance risks, our Group has established both internal and external contact points, including the external JGC Group Compliance Hotline, allowing individuals to choose where to seek advice or report concerns. We also accept anonymous consultations and reports, thereby creating an environment where it is easy to consult or report on violations of laws, our Group Code of Conduct, or human rights issues. We have also established a system to accept reports from business partners and other stakeholders involved in our business activities via our website.

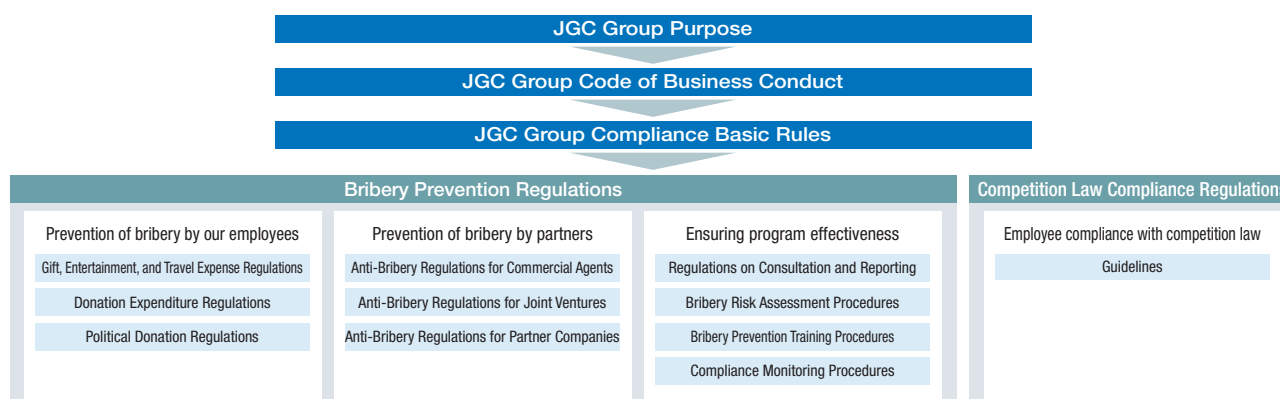
JGC Group Consulting and Reporting Hotline Organization



Measures to prevent fraud

Each company in our Group conducts its business activities based on high ethical standards. In conducting these business activities, our fundamental policy is not only to comply with anti-bribery laws in each country, but also to engage only with trustworthy business partners.

Based on this fundamental policy, we conduct prior screening of our Group's business partners to prevent illegal transactions or those that could result in sanctions. Depending on the results of these screenings, we implement risk-based measures, such as stipulating strict anti-bribery clauses and other appropriate provisions in contracts with business partners.



Furthermore, under the Group's purpose and Code of Conduct, we have established anti-bribery regulations as shown in the table above and implemented anti-bribery programs. We also require advance applications and monitor gifts, entertainment, donations, and political contributions to detect transactions that could lead to corruption or reputational risk. In addition, to ensure compliance with domestic and international competition laws, we continuously review internal regulations and guidelines as appropriate and promote awareness through training, aiming to raise employee awareness and prevent bid-rigging, cartels, and similar activities.

Sanctions Response Initiatives

Our Group positions international legal compliance as the foundation of our corporate activities and recognizes complying with regulations related to economic sanctions and export controls as an important responsibility. When starting a transaction, our internal expert committee conducts reviews based on relevant laws regarding the target country/region and business partners, and appropriately determines whether the transaction can proceed.

Initiatives for business partners

By clearly stating compliance clauses in contracts and conducting due diligence as necessary, we are building a more reliable compliance system by requiring adherence to relevant laws and regulations.

Internal initiatives

We conduct training for executives and employees and continue educational and awareness activities that incorporate the latest international regulatory trends and case studies. Additionally, we are working to strengthen our information-gathering and response capabilities through collaboration with external expert organizations.

Going forward, to accurately respond to the rapidly changing international regulatory environment, we will strive to maintain and strengthen a flexible and robust compliance system through measures such as enhancing our internal information-sharing framework.

Compliance training

In our Group, to raise awareness of compliance, we conduct e-learning on our Group Code of Conduct as well as training programs by level and by theme. In addition to expanding the scope of e-learning to domestic and overseas Group companies from fiscal year 2024, hierarchical training targets employees of domestic Group companies, and in addition to new employee training, four types of training are provided according to employee position. These training programs not only teach knowledge of compliance, but also incorporate many case studies to encourage each employee to consider compliance as a personal matter.

In addition, we have created message videos from the management of each Group company (Tone at the Top), in which top management themselves emphasize the importance of compliance to employees, thereby promoting the awareness of compliance among all executives and employees of our Group.

Number of training sessions held, number of participants

	Fiscal year 2024
Number of implementations (times)	59
Number of participants	4,821

ESG Data Trends over Time P.113

Business Overview

Chapter 6

This chapter introduces the financial data and business overview for each business segment, including the Total Engineering Business and the Functional Materials Manufacturing Business.

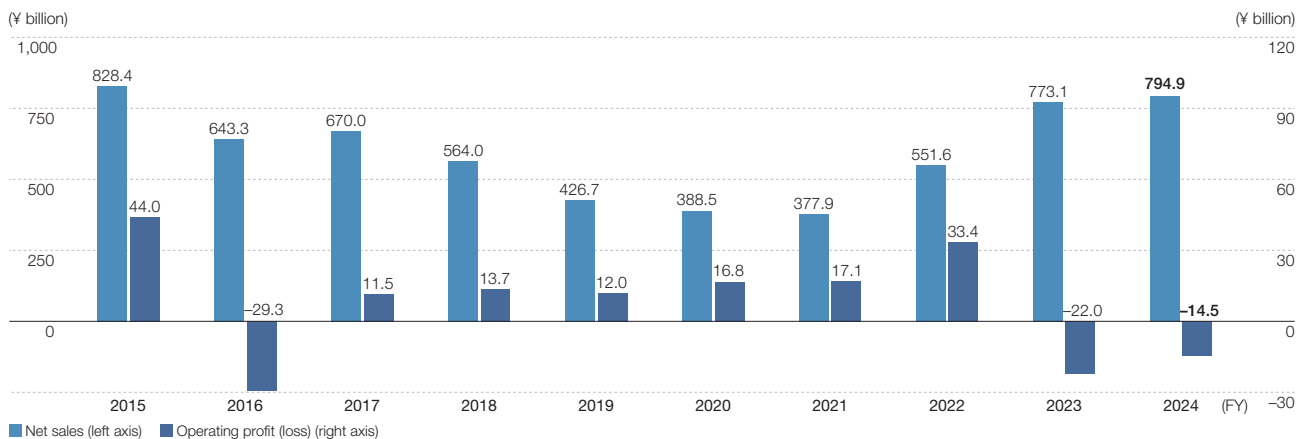
101 Business Segment Summary

103 Operational Review

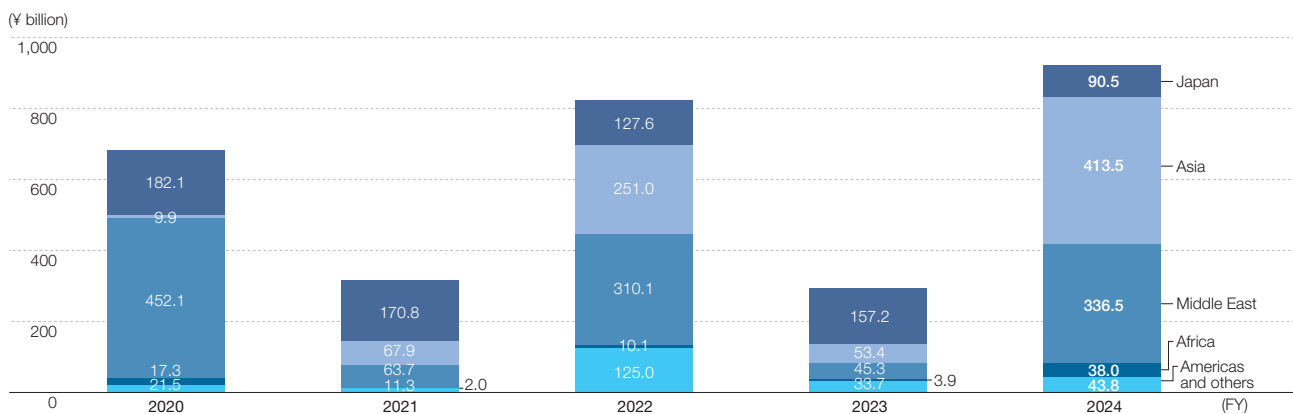
Business Segment Summary



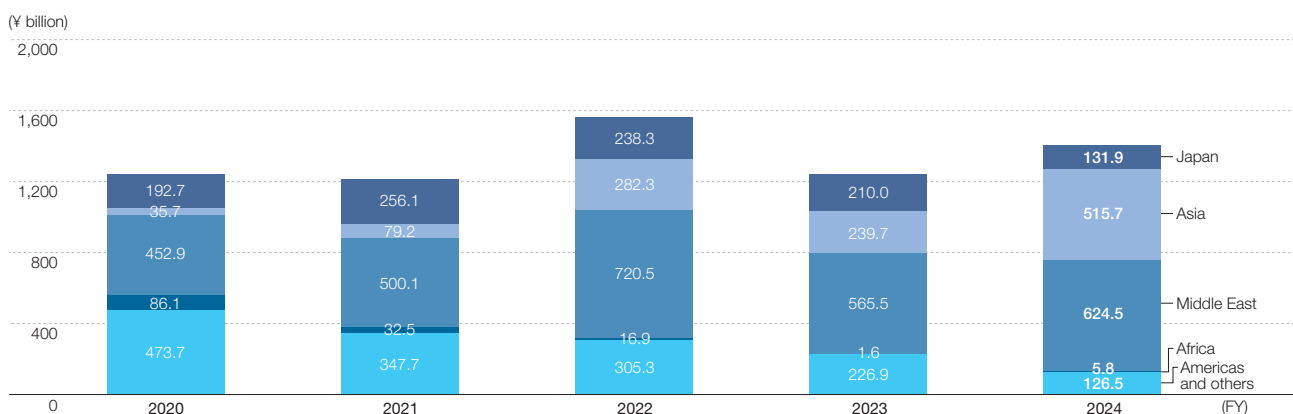
Net sales, operating profit (loss)



Order intake (Total Engineering Business)

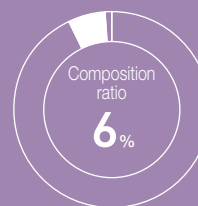


Order backlog (Total Engineering Business)





Functional Materials Manufacturing Business



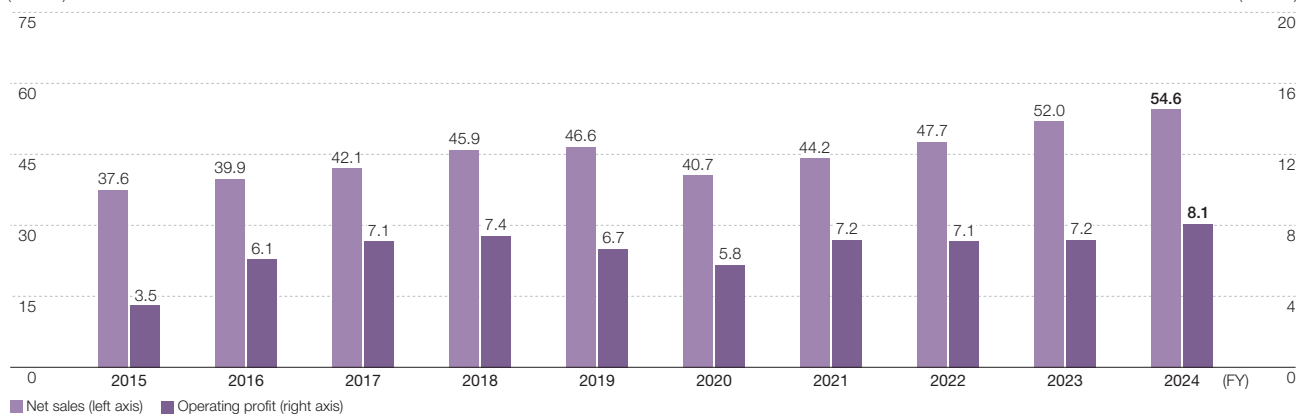
Fiscal year 2024
Net sales by segment

54.6 billion yen

Net sales, operating profit

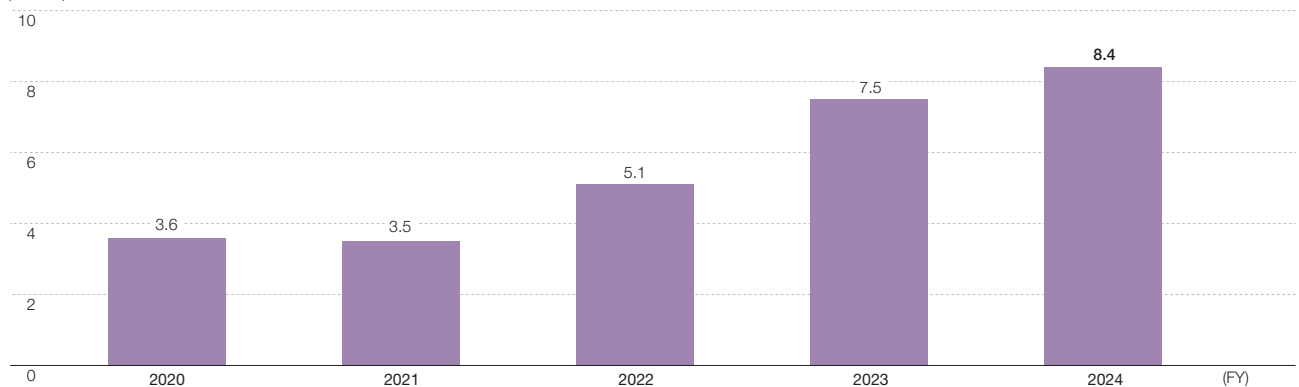
(¥ billion)

(¥ billion)



Capital expenditures*1

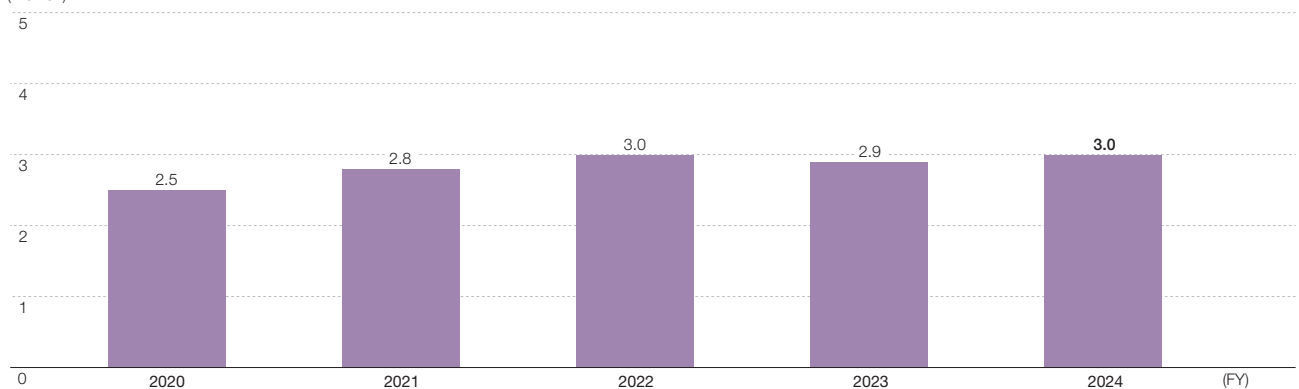
(¥ billion)



*1 Total amount for Functional Materials Manufacturing Business

R&D expenses*2

(¥ billion)



*2 Total amount for Functional Materials Manufacturing Business

Operational Review



Total Engineering Business

Shoji Yamada

President
Representative Director
JGC Corporation



Overseas Business Segments

Order intake results for FY2024

832 billion yen

FY2025 order intake target

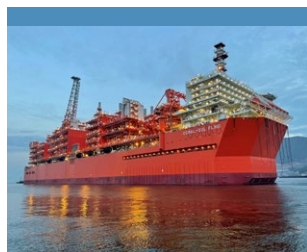
500 billion yen

Overseas sectors in general

Although there are some uncertainties about the future of the global economy, it has remained steady overall, and energy demand continues to grow. In the overseas plant market targeted by our company, there has been a trend of increasing CAPEX due to inflation and other factors. However, overall, clients' capital investment plans have made progress. As a result of our vigorous sales activities under these circumstances, orders received in fiscal year 2024 reached 832 billion yen, nearly achieving the overseas order target (840 billion yen) set at the beginning of the fiscal year.

On the other hand, in terms of business performance, unfortunately, it became necessary to account for additional costs and risk response expenses in four ongoing plant construction projects in Taiwan, Saudi Arabia, and Canada, resulting in deteriorated project profitability. Therefore, we are currently working to strengthen our organizational EPC execution and profitability management systems.

The market environment for fiscal year 2025 is also expected to remain generally stable. While maintaining and improving profitability through steady execution of ongoing projects, we will continue sales activities aimed at achieving the order target of 500 billion yen.



Transition Energy Sector

Business Areas

EPC of various plants including LNG, oil refining, petrochemicals, chemicals, gas processing, hydrogen/fuel ammonia, CCS (Carbon dioxide Capture and Storage), SAF, and nuclear energy related (SMRs, and others)

Offshore LNG plant (Mozambique)

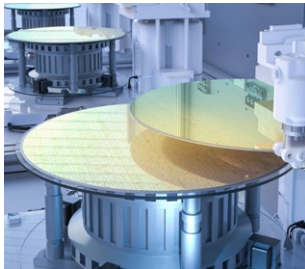
The demand for natural gas and LNG, which have a relatively low environmental impact, remains high, and in oil- and gas-producing countries, capital investment plans are progressing not only for new plants but also for expansions and modifications of existing facilities. On the other hand, due to rising interest rates and increased construction costs, the CAPEX of clients is trending upward, resulting in some clients postponing their investment decisions to fiscal year 2025 and beyond. In fiscal year 2024, we received orders for a large-scale low-carbon LNG plant construction project for ADNOC (Abu Dhabi National Oil Company), FEED project for an LNG plant for Mozambique Rovuma Venture, and technology transfer services related to refinery operations for the Basra Refinery Upgrading Project for South Refineries Company under the Iraqi Ministry of Oil.

A similar market environment is expected for fiscal year 2025, with capital investment plans for LNG and other facilities, especially in Asia and Africa, expected to progress. We will focus on steadily securing orders for promising projects while closely monitoring clients' investment decisions.

In addition, policies and support from various countries toward low carbon and decarbonization have accelerated capital investment plans in areas such as hydrogen/fuel ammonia and CCS, moving them closer to realization. On the other hand, for some projects in this field, ensuring business profitability has become challenging, and some clients have postponed their investment decisions to fiscal year 2025 or later. In this situation, our group received orders for the construction and installation of onshore facilities for the Tangguh EGR/CCUS* project for BP Berau, as well as FEED project for a green hydrogen production plant planned in Malaysia by ENEOS Corporation and others.

The market environment for fiscal year 2025 is expected to be similar to fiscal year 2024, and currently, there is a notable trend of some customers postponing their capital investment plans. Therefore, for plant construction plans in low carbon and decarbonization fields such as hydrogen/fuel ammonia, SAF, CCS, and synthetic methane (e-methane), our Group will focus on projects that are highly likely to be realized with government initiatives and subsidies, aiming to secure future EPC orders.

* Enhanced Gas Recovery (EGR) of natural gas and CO₂ separation, capture, utilization, and storage (CCUS: Carbon dioxide Capture, Utilization and Storage)



High-Tech Industries

Business Areas

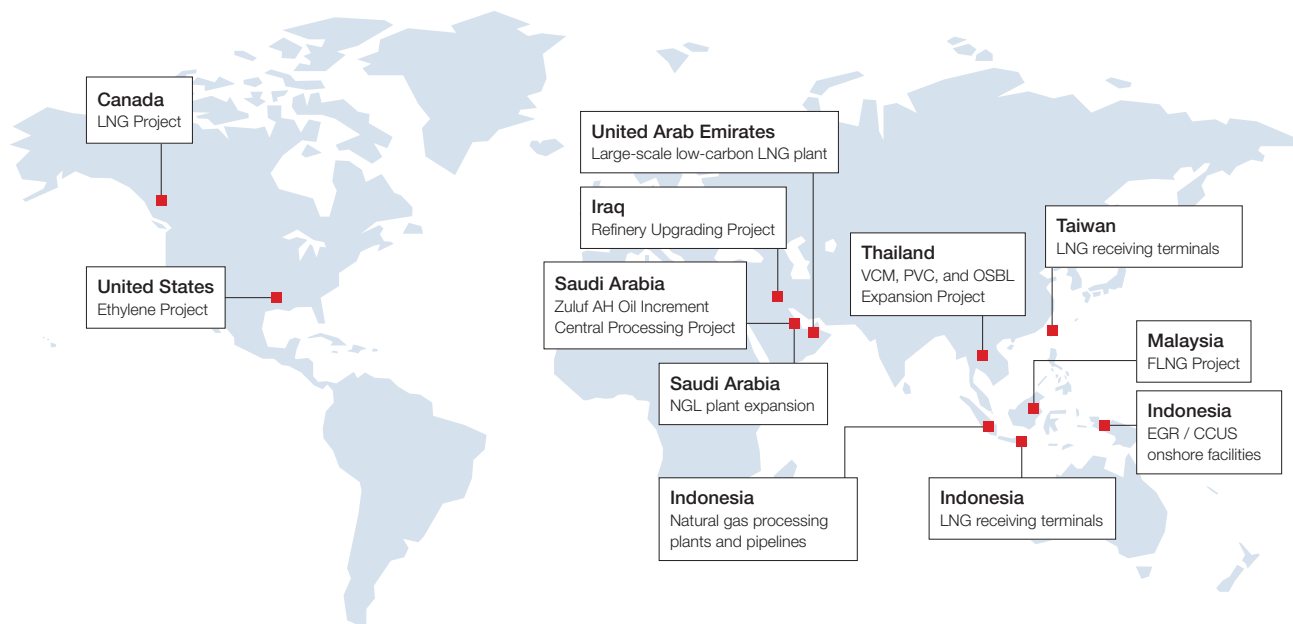
EPC of various infrastructure facilities including semiconductor, EV Battery, and data center

Semiconductor manufacturing equipment (image)

With the advancement of the digital society, capital investment plans for infrastructure and related facilities supporting digital industries such as semiconductor materials, storage battery components, and data centers have steadily progressed, especially in Asia. In this market environment, in the semiconductor and data center fields, we expanded sales activities aimed at business expansion in Southeast Asia, in collaboration with Exyte Singapore, a leading contractor in these fields under Exyte GmbH.

In fiscal year 2025, steady customer capital investment plans are also expected in this field. In particular, investment in new data centers is active in Southeast Asia, and we will aim to win and execute EPC projects, focusing on collaboration with Exyte Singapore, to expand our business.

Major ongoing EPC projects





Total Engineering Business

Yasuharu Yamaguchi

President
Representative Director
JGC Japan Corporation



Domestic Sector

Order intake results for FY2024

90.5 billion yen

FY2025 order intake target

150 billion yen



Business
Areas

EPC of various plants including pharmaceuticals, healthcare, SAF, Hydrogen/fuel ammonia, chemical recycling, as well as petroleum refining, petrochemicals, chemicals, and nuclear energy and others.

Pharmaceutical manufacturing facility (Shizuoka)

Capital investment plans progressed in the life sciences and healthcare fields, and government subsidies and other support provided a tailwind for capital investment plans in low carbon and decarbonization fields such as SAF and nuclear energy, as well as in resource circulation fields. Meanwhile, in Japan, rising interest rates and increased construction costs have continued to drive up clients' CAPEX, resulting in some clients postponing their final investment decisions to fiscal year 2025 and beyond.

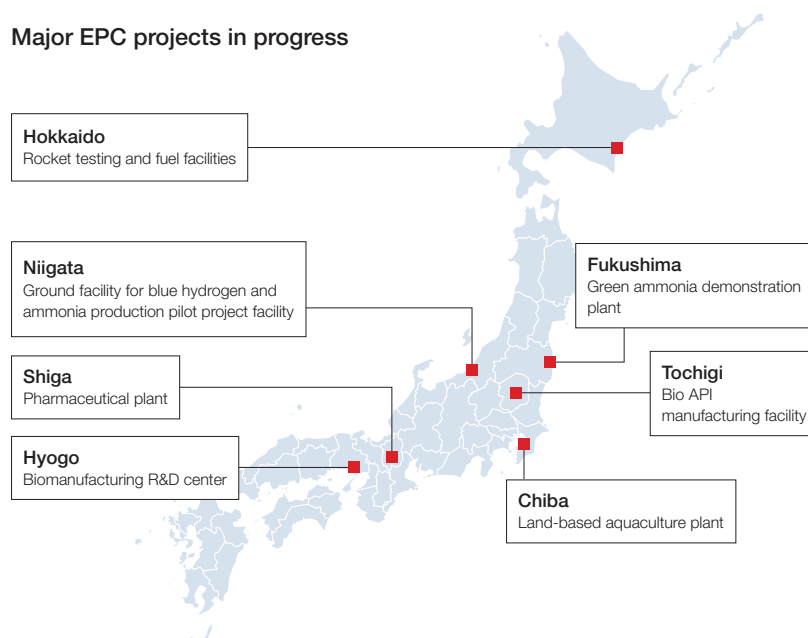
In this situation, we received orders for maintenance work and related renovation work for existing domestic refineries and chemical plants, as well as basic design services for hospital construction projects and SAF production facilities. Regarding the order target (130 billion yen) set at the beginning of the fiscal year, unfortunately, it was not achieved due to the final investment decision for large-scale projects we had expected to receive being postponed to fiscal year 2025 or later.

We have positioned the low carbon and decarbonization sectors as well as the resource circulation sector as core growth areas for the future. Also, in order to expand project execution resources in these fields, following the signing of a basic cooperation agreement with TAKADA CORPORATION—with extensive experience in plant piping work—in November 2023, we acquired approximately 20% of the company's shares in March 2025. With this stock acquisition, we plan to maintain and strengthen the construction capabilities of both companies and further expand our domestic business. Additionally, to respond to the expected increase in projects in the domestic low carbon/decarbonization and resource circulation fields, we have established a new engineering base in Nagasaki City, Nagasaki Prefecture.

In fiscal year 2025, capital investment plans by clients are expected to be realized in the low carbon/decarbonization, life sciences, and food sectors. However, due to delays in government subsidies and increased construction costs, some clients have postponed their investment decisions, and we are closely monitoring these developments. Furthermore, in maintenance work for existing refineries and chemical plants, demand for regular repair work is expected to remain steady.

We will closely monitor trends in our clients' investment plans and continue sales activities to achieve our order targets.

Major EPC projects in progress





Functional Materials Manufacturing Business

Toshiharu Hirai

President
Representative Director
JGC Catalysts and
Chemicals Ltd.



Catalysts and Fine Chemicals Sector



Business Areas

Development and manufacturing of catalysts for petroleum refining, chemicals, and environmental protection, as well as fine chemical products used as materials for semiconductors, information/electronics, optics, and cosmetics

Catalysts for petroleum refining

In the catalyst field, sales of large-scale projects decreased due to changes in shipment timing for FCC catalysts for overseas customers and market changes in chemical and environmental protection catalysts. In the fine chemicals field, demand for silica sol for hard disk polishing materials, as well as silica sol for anti-reflective materials for flat panel displays and tablets, recovered as excess inventory in the semiconductor and electronics markets was resolved. In addition, overseas demand for cosmetic materials also recovered and expanded.

In fiscal year 2025, in the catalyst field, we will promote expansion of domestic share and overseas development of FCC catalysts, maintain our system with partners who handle hydrotreating catalysts and also improve profitability, acquire new projects for chemical catalysts, develop catalysts for the expected growth areas of carbon recycling and chemical recycling, and develop materials for environmental protection catalysts for renewable energy power generation. In the fine chemicals field, although changes in the business environment of the core electronics and semiconductor markets are a concern due to global economic turmoil, we will focus on launching new silica sol for polishing, expanding sales and multi-purpose deployment of functional coating materials, responding to demand for alternatives to microplastic beads in cosmetic materials, and expanding sales and multi-purpose deployment of optical materials.

Hiroshi Tanaka

President
Representative Director
Japan Fine Ceramics Co., Ltd.



Fine Ceramics Sector



Business Areas

Development and manufacturing of ceramic materials for semiconductors, automobiles, information and communications, industrial machinery, medical, and space fields

Bone regeneration material: octacalcium phosphate

Orders for semiconductor manufacturing equipment and thin-film circuit boards increased for data centers due to growing demand for generative AI, but the order environment for other semiconductor-related markets remains challenging. Regarding high thermal conductivity silicon nitride substrates for electric vehicles (EVs), although the shift to EVs in Europe and the US is slowing, the market centered on China remains very active, and future conversion to EVs is expected to progress, so high demand is anticipated to continue. To meet this increasing demand, we completed construction of a new factory for high thermal conductivity silicon nitride substrates in Tomiya City, Miyagi Prefecture in July 2025, and are currently deploying various facilities in preparation for the start of operations.

In fiscal year 2025, as a global economic downturn is a concern and the outlook for the business environment in the semiconductor manufacturing equipment market is uncertain, we will closely monitor the situation and continue efforts to further expand orders for thin-film circuit boards and ceramics products, aiming to acquire new customers. We will also continue development of high thermal conductivity silicon nitride substrates, aiming for overwhelming quality and improved performance over competitors.

Data & Other Information

Chapter 7

The JGC Group measures the outcomes of its value creation process—which generates economic, social, and environmental value while pursuing sustainable growth—using a variety of financial and non-financial indicators, and applies these results to future initiatives. Here, we present business results for fiscal 2024 and chronicle this value creation.

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111 Trends in Financial Figures over Time

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115 Consolidated Financial Statements

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121 Stock Information

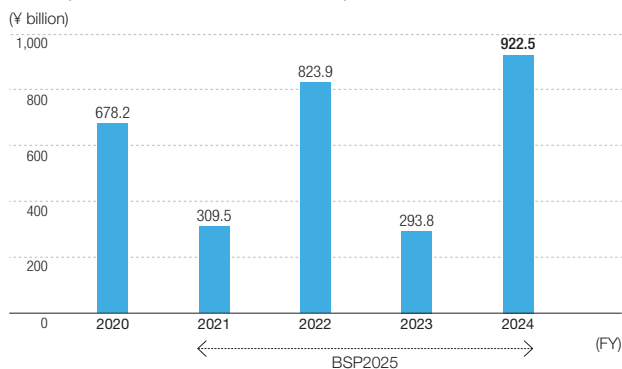
122 Outline of JGC/Glossary

Financial and Non-Financial Highlights

Financial Highlights

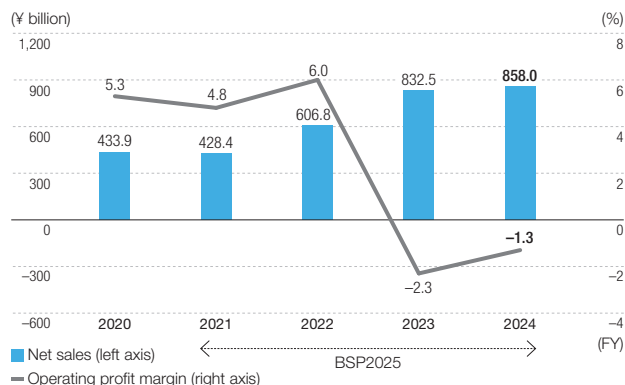
Order Intake (Total Engineering Business)

Due to rising interest rates and increased construction costs, clients' CAPEX has been on an upward trend. Although some clients postponed their investment decisions to fiscal year 2025 and beyond, as a result of selective business development and efforts to achieve order targets, order intake for the Total Engineering Business in fiscal year 2024 amounted to 922.5 billion yen.



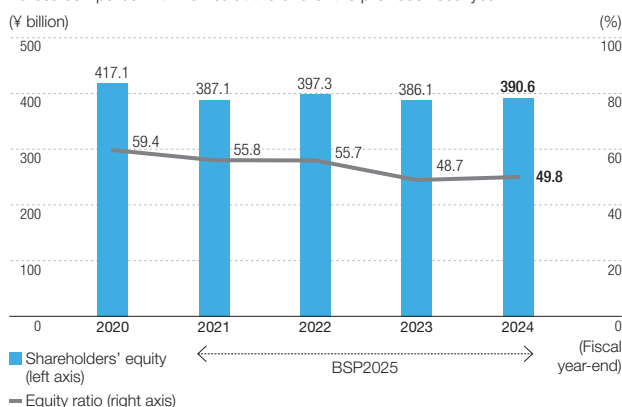
Net Sales / Operating Profit Margin

Consolidated net sales for fiscal year 2024 totaled 858 billion yen, driven by progress in large-scale EPC projects. Operating profit resulted in a loss of 11.4 billion yen (operating loss ratio: -1.3%) in the Total Engineering Business, mainly due to deteriorating construction profitability in several overseas projects.



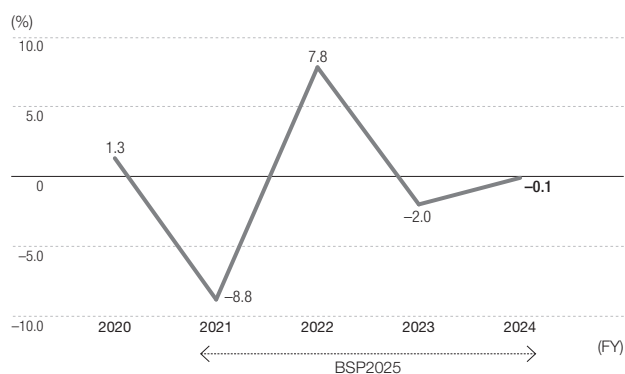
Equity / Equity Ratio

Total net assets at the end of fiscal year 2024 increased by 4.3 billion yen from the previous year-end to 392.2 billion yen, due to increases in "valuation difference on available-for-sale securities" and other factors. As a result, the equity ratio was 49.8% compared with 48.7% at the end of the previous fiscal year.



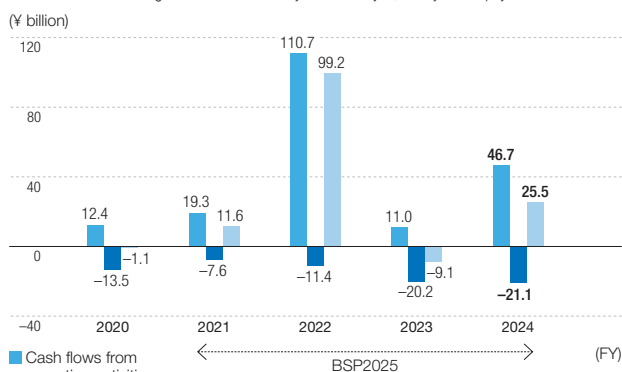
Return on Equity (ROE)

Due to the loss recorded in the Total Engineering Business, loss attributable to owners of parent for fiscal year 2024 was 300 million yen and ROE was -0.1%.



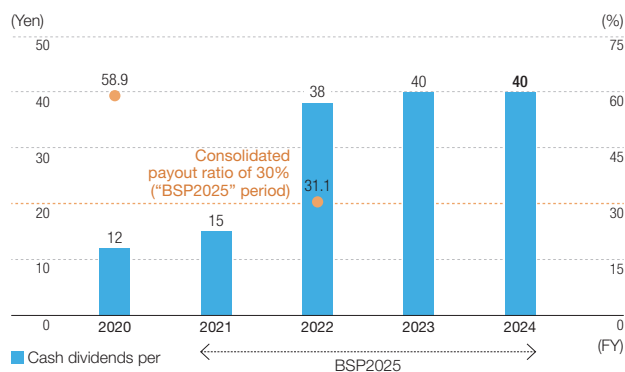
Cash Flows

Cash and cash equivalents (hereafter, "net cash") on a consolidated basis as of the end of fiscal year 2024 stood at 332.7 billion yen, a year-on-year increase of 8.2 billion yen. Cash flows from operating activities increased by 46.7 billion yen, due to profit before income taxes of 8.2 billion yen and progress in collection of receivables from domestic and overseas projects. Cash flows from investing activities decreased by 21.1 billion yen, mainly due to payments for purchase of property, plant and equipment. Cash flows from financing activities decreased by 15.0 billion yen, mainly due to payment for dividends.



Cash Dividends per Share / Payout Ratio

Although a net loss was recorded for fiscal year 2024, the dividend per share was set at 40 yen per share based on the previously implemented minimum dividend policy.

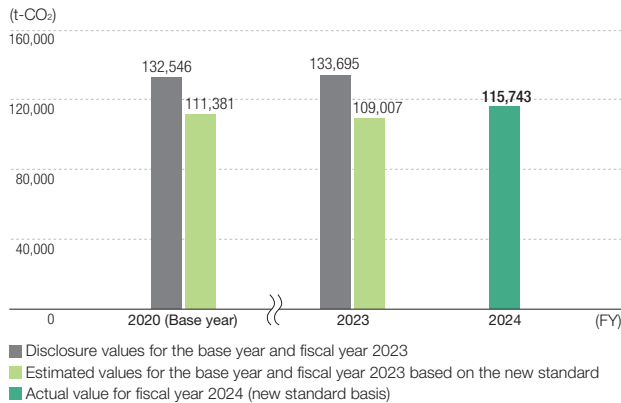


* For fiscal years in which a net loss attributable to owners of the parent was recorded, the actual dividend payout ratio is not disclosed.

Non-Financial Highlights

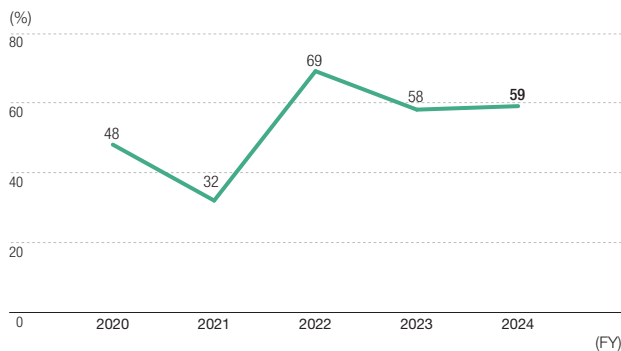
GHG Emissions (Scope 1 + 2)

Since fiscal year 2020, Scope 1+2 and Scope 3 emissions have been calculated and disclosed for the seven main Group companies. In fiscal year 2024, as part of efforts to improve reliability, we revised the GHG emissions calculation method and have disclosed estimated GHG emissions for the base year and fiscal year 2023 based on the new standard. For details, see □□ Climate Change Initiatives P.55.



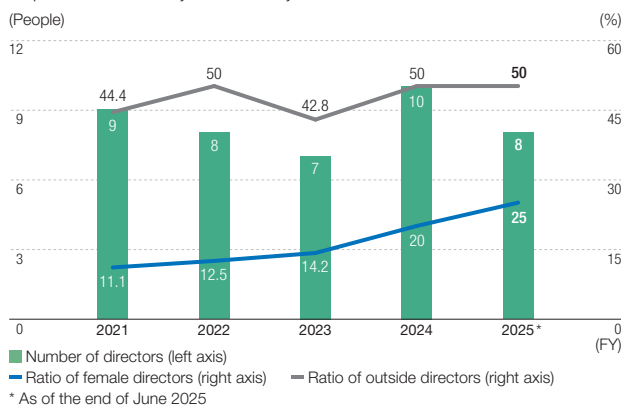
Ratio of Male Employees Taking Childcare Leave

Given the increase in households where both partners are working, the Group has established a family care system that includes support for those raising children that includes up to two days off per month for childcare leave along with shorter working hours. The Group has put a family care system in place, thereby creating a workplace environment and supportive systems that allow male employees to take childcare leave, and increasing numbers are using this.



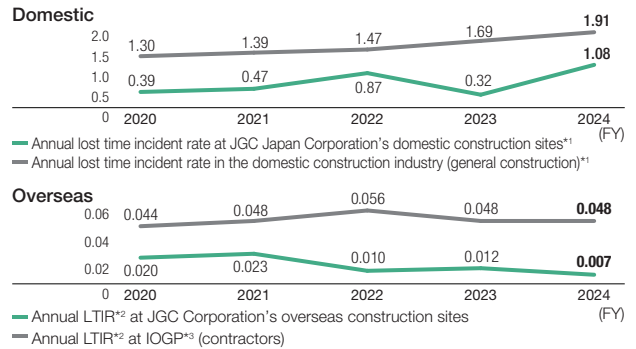
Number of Directors / Ratio of Outside Directors / Ratio of Female Directors

The Board of Directors is responsible for decision-making on the Group's medium-to long-term strategies and issues, as well as overseeing the execution of operations at each Group company. The Board is structured to enable these functions to be performed effectively and efficiently.



Occupational Health and Safety Performance at Domestic and Overseas Construction Sites (lost time incident rate: LTIR)

In the Total Engineering Business, as a result of continuously promoting initiatives based on the basic HSSE guidelines, labor safety performance, including the lost time incident rate (LTIR) at domestic and overseas construction sites, has consistently maintained superior results compared to industry averages.



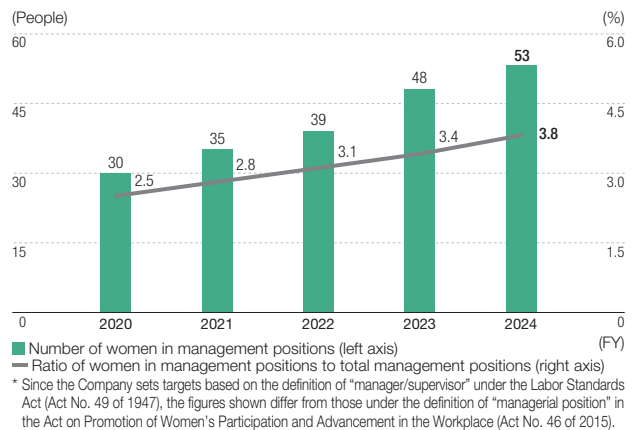
*1 Indicates the frequency of lost time incidents per one million actual working hours, representing the number of casualties due to occupational accidents.

*2 Lost time incident rate (LTIR). A metric of the U.S. Occupational Safety and Health Administration (OSHA) that indicates the frequency of lost time incidents per 200,000 hours.

*3 International Association of Oil & Gas Producers, which compiles safety records of construction companies in the oil & gas industry.

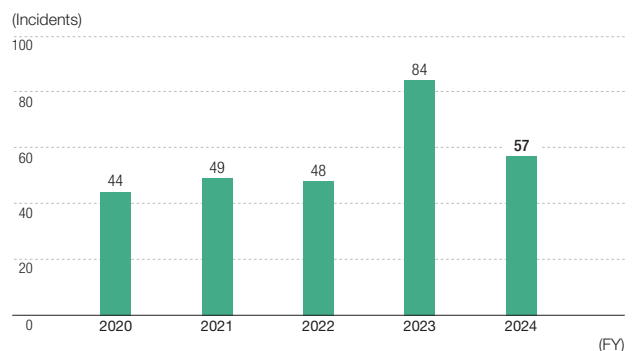
Number of Women in Management Positions* / Ratio of Women in Management Positions to All Managers

Our Group aims to double the number of female managers by 2025 compared to 2020, and is working to create a more supportive and empowering environment for women by enhancing our systems and continuously dispatching and encouraging participation in various external programs, with the goal of fostering female leaders at an early stage.



Number of Reports Received by Hotlines

To promptly identify and prevent compliance risks, our Group has established a wide range of contact points both inside and outside the company that allow for anonymous consultation and reporting, creating an environment where it is easy to report or consult about violations and breaches of corporate ethics.



Trends in Financial Figures over Time

JGC Holdings Corporation and its consolidated subsidiaries**

(Fiscal years)	2015	2016	2017	2018
Performance Highlights				
Net Sales	879,954	693,152	722,987	619,241
Operating Profit (Loss)	49,661	(21,496)	21,495	23,249
Operating Profit or Loss Ratio (%)	5.6	(3.1)	3.0	3.7
Profit Attributable to Owners of Parent or Loss Attributable to Owners of Parent**	42,793	(22,057)	16,589	24,005
Net Profit or Loss Ratio (%)	4.9	(3.2)	2.3	3.9
Order Intake (Total Engineering Business)	307,746	496,106	536,412	926,364
Order Backlog (Total Engineering Business)	1,249,826	1,044,865	885,176	1,207,337
Research and Development Expenses	5,483	5,175	5,875	5,825
Depreciation	9,423	8,012	7,427	7,291
Financial Position at Year-End				
Total Current Assets	522,747	480,865	521,320	541,747
Total Current Liabilities	225,203	226,457	215,773	223,559
Working Capital	297,544	254,408	305,547	318,188
Total Property, Plant and Equipment	76,255	69,877	55,222	55,440
Total Assets	689,782	646,291	684,921	708,855
Interest-Bearing Liabilities**	36,329	26,683	67,656	54,563
Total Non-Current Assets	419,673	383,260	395,779	410,350
Shareholders' Equity	418,695	382,215	394,701	409,254
Cash Flows				
Cash Flows from Operating Activities	(49,764)	(28,884)	5,539	(55,259)
Cash Flows from Investing Activities	8,696	(12,979)	11,736	(4,662)
Cash Flows from Financing Activities	(4,374)	(19,674)	33,781	(13,878)
Cash and Cash Equivalents at End of Period	247,947	185,603	235,394	160,841
Stock Information				
Total Number of Shares Outstanding	259,052,929	259,052,929	259,052,929	259,052,929
Cash Dividends per Share (yen)	42.5	30.0	25.0	28.5
Payout Ratio (%)	25.1	—	38.0	30.0
EPS (Net Income or Loss per Share or Net Loss per Share) (yen)	169.60	(87.42)	65.75	95.14
BPS (Net Assets per Share) (yen)	1,659.46	1,514.88	1,564.37	1,622.05
Financial Highlights**				
Gross Profit Ratio (%)	8.3	0.2	6.2	7.3
Return on Assets (ROA) (%)	7.4	(2.3)	3.8	4.6
Return on Equity (ROE) (%)	10.6	(5.5)	4.3	6.0
Total Asset Turnover Ratio (times)	1.3	1.0	1.1	0.9
Equity Ratio (%)	60.7	59.1	57.6	57.7
Current Ratio (%)	232.1	212.3	241.6	242.3
Number of Employees	7,489	7,554	7,610	7,841

*1 As of March 31, 2025, there were 31 consolidated subsidiaries.

*2 As a consequence of applying the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013), "Net income (loss)" is referred to as "Profit (loss) attributable to owners of parent" from fiscal year 2015 onward.

*3 Interest-bearing liabilities includes bonds and borrowings. Lease liabilities are not included in interest-bearing liabilities as the amount is insignificant.

*4 The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) has been applied from the beginning of fiscal year 2021.

Chapter 1	Chapter 2	Chapter 3	Chapter 4	Chapter 5	Chapter 6	Chapter 7
Introduction	Management Message	What Drives JGC	Growth Strategy	Sustainability & Governance	Business Overview	Data & Other Information
						(Millions of yen)
	2019	2020	2021	2022	2023	2024
	480,809	433,970	428,401	606,890	832,595	858,082
	20,234	22,880	20,688	36,699	(18,995)	(11,474)
	4.2	5.3	4.8	6.0	(2.3)	(1.3)
	4,117	5,141	(35,551)	30,665	(7,830)	(398)
	0.9	1.2	(8.3)	5.1	(0.9)	(0.0)
	182,622	678,229	309,505	823,995	293,887	922,593
	940,984	1,240,383	1,207,832	1,563,459	1,243,957	1,404,603
	6,861	7,742	6,987	7,862	10,454	9,770
	7,015	6,432	7,202	7,839	9,702	10,584
	537,955	548,359	533,343	539,493	603,563	561,267
	228,386	197,055	253,836	272,206	350,736	346,928
	309,569	351,304	279,507	267,287	252,827	214,339
	49,794	66,654	69,534	72,234	84,411	88,296
	671,273	702,529	694,274	713,127	792,296	784,175
	50,574	67,371	72,323	36,771	39,275	34,889
	390,979	417,616	387,662	397,981	387,885	392,260
	390,516	417,120	387,145	397,343	386,155	390,656
	92,442	12,467	19,311	110,769	11,090	46,761
	19,364	(13,520)	(7,695)	(11,471)	(20,201)	(21,172)
	(7,699)	196	(148)	(61,288)	(8,894)	(15,049)
	261,898	268,281	288,009	332,755	324,507	332,761
	259,110,861	259,214,827	259,336,682	259,409,926	259,481,819	259,618,792
	12.0	12.0	15.0	38.0	40.0	40.0
	73.5	58.9	—	31.1	—	—
	16.32	20.37	(140.77)	122.28	(32.48)	(1.65)
	1,547.45	1,652.19	1,532.72	1,651.54	1,598.71	1,616.43
	9.0	10.1	10.6	11.0	1.3	2.2
	3.2	3.7	4.3	7.2	0.0	1.4
	1.0	1.3	(8.8)	7.8	(2.0)	(0.1)
	0.7	0.6	0.6	0.9	1.1	1.1
	58.2	59.4	55.8	55.7	48.7	49.8
	235.5	278.2	210.1	198.2	172.1	161.8
	7,607	7,371	7,275	7,876	8,865	8,365

ESG Data Trends over Time*1

(Fiscal years)

(Fiscal years)	JGC Group's main KPIs	Units	2015	2016
E Report on Environmental Initiatives				
Environment-related initiatives - Contribution to environmental protection - Environmental improvement activities in line with our business - Promotion of the zero emissions initiative	GHG emissions (Scope 1+2)*2	t-CO ₂	—	—
	GHG emissions (Scope 3)*2	t-CO ₂	—	—
	Number of incidents of leaks of hazardous substances, etc. (Domestic and overseas construction sites)	Incidents	0	0
	Industrial waste recycling rate (Domestic construction sites)	%	96.3	98.1
	Electronic manifest utilization rate (Domestic construction sites)	%	79.4	96.0
	[Environmental data for Yokohama Head Office]			
	Energy consumption	Crude oil equivalent (kl)	2,579	2,405
	Power consumption	1,000 kWh	6,720	5,974
	Chilled water consumption	1,000 MJ	16,195	15,857
	Steam consumption	1,000 MJ	8,021	8,886
	Volume of waste disposed	1,000 kg	224	209
	Waste recycling rate	%	66.6	64.9
S Report on Social Initiatives				
Initiatives related to human rights and labor practices - Promotion of diversity - Support for realization of work-life balance - Support for employee career formation	Number of women in management positions*4	Persons	15	17
	Ratio of women in management positions*4	%	—	—
	Rate of employment of people with disabilities*5	%	1.75	1.81
	Number of re-employed employees*6	Persons	208	189
	Number of non-Japanese employees*6	Persons	97	94
	Number of male employees taking childcare leave	Persons	1	2
	Ratio of male employees taking childcare leave	%	—	—
	Number of female employees taking childcare leave (Rate of reinstatement of female employees taking childcare leave)	Persons (%)	29 (100)	27 (96)
	Number of employees taking spousal childbirth leave	Persons	72	81
	Number of employees taking sick or injured childcare leave	Persons	125	115
	Number of employees taking nursing care leave	Persons	4	8
	Number of employees taking temporary retirement for nursing care	Persons	2	2
	Number of employees working reduced hours for childcare	Persons	37	44
	Number of employees working reduced hours for nursing care	Persons	1	1
	Rate of utilization of annual leave	%	53	53
	Number of employees dispatched for on-site training/on-site instruction	Persons	98	62
	Total annual training	Hours	—	—
	Training per person	Hours	—	—
	Number of employees dispatched to overseas companies, etc.	Persons	2	5
	Initiatives related to health and safety*7 - Fostering of culture of health and safety - HSSE leadership by top management - Enhancement of HSSE management system for investment projects - Ongoing implementation of traffic safety measures - Further development of in-house health and safety education - Enhancement of Head Office construction HSSE functions	Total project working hours	1,000 hours	185,433
Number of fatal accidents		Incidents	0	3
Number of accidents accompanied by lost work time		Incidents	14	8
Number of restrictions on work		Incidents	37	25
Number of conditions requiring specialized treatment		Incidents	99	65
Rate of frequency of accidents accompanied by lost work time*8			0.015	0.012
Rate of frequency of recordable accidents*9			0.16	0.16
G Report on Governance Initiatives				
Initiatives related to fair business practices Realization of increased compliance awareness	Number of times compliance training implemented/ Number of employees receiving compliance training*11	Times (number of people)	18 (600)	12 (373)
	Number of Reports Received by Hotlines	Incidents	5	12
Initiatives related to the promotion of information security - Increased awareness of information security - Drills against targeted threats	Number of serious information security-related incidents	Incidents	0	0
	Reinforcement of governance system	Number of Outside Directors*13	Persons	1

*1 Unless otherwise noted, the scope of aggregation for this data covers the four EPC-related companies (JGC Holdings Corporation, JGC Corporate Solutions Co., Ltd., JGC Corporation, and JGC Japan Corporation).

*2 Also includes JGC Catalysts and Chemicals Ltd., Japan Fine Ceramics Co., Ltd., and Japan NUS CO., LTD. In fiscal year 2024, as part of efforts to improve reliability, we reviewed the calculation method for GHG emissions. For details, please refer to □□ Climate Change Initiatives P.55.

*3 As the adoption of electronic manifests has been completed, data aggregation for this item ended with fiscal year 2024.

*4 Since the Company sets targets based on the definition of "manager/supervisor" under the Labor Standards Act (Act No. 49 of 1947), the figures shown differ from those under the definition of "managerial position" in the Act on Promotion of Women's Participation and Advancement in the Workplace ("Act on Promotion of Women's Participation," Act No. 46 of 2015). Based on the definition of "managerial position" in the Act on Promotion of Women's Participation and Advancement in the Workplace, the number of female managers at the four EPC-related companies in fiscal year 2024 is 22, and the ratio of female managers among all managers is 2.5%.

*5 From fiscal year 2022, scope includes special subsidiary JGC Parallel Technologies Corporation.

*6 Number of re-employed employees and number of non-Japanese employees = (Number of employees in April + Number of employees in March) ÷ 2

Chapter 1	Chapter 2	Chapter 3	Chapter 4	Chapter 5	Chapter 6	Chapter 7
Introduction	Management Message	What Drives JGC	Growth Strategy	Sustainability & Governance	Business Overview	Data & Other Information

2017	2018	2019	2020	2021	2022	2023	2024
—	—	—	132,546	133,573	134,004	133,695	115,743
—	—	—	—	702,873	975,775	1,497,309	1,569,452
1	0	0	0	0	0	0	0
97.7	96.1	85.2	88.3	98.4	99.0	94.8	94.4
64.2	79.5	69.5	85.9	93.9	99.6	99.8	99.9 ^{*3}
2,248	2,224	2,139	2,091	2,022	2,035	1,978	1,973
5,571	5,497	5,221	4,756	4,658	4,819	4,429	4,332
14,071	15,353	15,503	14,349	13,327	14,970	15,809	15,712
9,153	7,724	7,170	10,377	9,963	7,708	8,081	8,763
212	206	191	109	129	149	137	133
65.7	61.4	59.5	65.5	68.6	61.4	65.3	65.6
19	21	26	30	35	39	48	53
—	—	2.2	2.5	2.8	3.1	3.4	3.8
1.82	1.87	1.97	2.27	1.72	2.58	2.68	2.48
159	109	55	55	13	8	16	19
100	89	86	95	93	90	98	106
8	11	14	40	43	64	71	49
—	10	14	48	32	69	58	59
24 (100)	24 (100)	19 (100)	27 (100)	27 (100)	33 (100)	30 (100)	13 (100)
81	64	80	91	87	61	61	57
123	185	187	217	167	189	239	245
20	22	11	42	33	38	39	54
1	0	0	1	0	3	4	1
42	51	47	47	44	68	97	76
2	0	0	0	0	0	2	2
57	53	59	60.75	60.95	70.25	69.20	71.35
72	86	45	55	88	102	71	98
—	—	—	—	57,877	50,871	46,833	66,820
—	—	—	—	18	17	15	21
5	2	4	4	1	1	2	1
81,072	90,993	57,305	40,861	49,334	46,401	43,061	69,782
2	0	0	1	0	0	2	1 ^{*10}
9	8	8	7	8	8	5	12
6	11	18	15	11	13	25	20
41	31	46	46	31	32	60	48
0.022	0.018	0.028	0.034	0.032	0.034	0.023	0.034
0.14	0.11	0.25	0.34	0.20	0.22	0.43	0.23
13 (353)	6 (199)	21 (559)	19 (1,856)	27 (846)	42 (5,053)	33 (5,403)	59 (4,821)
18	28	47	44	49	48	84	57
0	0	1 ^{*12}	0	0	0	0	0
2	2	3	3	4	4	3	5

^{*7} This data is the total based on the period from January to December, for the purpose of comparison with international figures. In addition, the scope of aggregation covers domestic and overseas construction sites of JGC Corporation and JGC Japan Corporation.

^{*8} Rate of frequency of accidents accompanied by lost work time = (Number of accidents accompanied by lost work time × 200,000) ÷ Total project working hours

^{*9} Rate of frequency of recordable accidents = [(Number of fatal accidents + Number of accidents accompanied by lost work time + Number of restrictions on work + Number of conditions requiring specialized treatment) × 200,000] ÷ Total project working hours

^{*10} In domestic maintenance work, there was an accident involving multiple injuries, including the death of a partner company worker. For details, please refer to □□ HSSE Initiatives P.73.

^{*11} From fiscal year 2022, includes e-Learning. E-learning was conducted at the four EPC-related companies in fiscal year 2022 and fiscal year 2023, and at domestic and overseas Group companies excluding the four EPC-related companies in fiscal year 2024.

^{*12} Serious information security incident: 1 case (Email sent externally due to unauthorized access) Corrective measure for the above incident: Implementation of unauthorized access prevention measures through two-factor authentication

^{*13} The number of persons as of the conclusion of the Annual General Meeting of Shareholders held at the end of June of each fiscal year is shown.

Consolidated Financial Statements

The translation of the Japanese yen amounts into U.S. dollars, using the prevailing exchange rate at March 31, 2025 of ¥149.52 to US\$1, is included solely for the convenience of readers outside Japan.

Consolidated Balance Sheets

		(Millions of yen)	(Millions of U.S. dollars)
ASSETS	End of previous consolidated fiscal year (as of March 31, 2024)	Current Consolidated Fiscal Year-End (as of March 31, 2025)	Current Consolidated Fiscal Year-End (as of March 31, 2025)
Total Current Assets			
Cash and deposits	324,964	333,701	2,232
Notes receivable, trade receivables, contract assets and other	200,819	154,314	1,032
Costs on construction contracts in progress	25,304	15,212	102
Merchandise and finished goods	7,474	8,149	55
Work in process	3,731	3,887	26
Raw materials and supplies	4,411	5,162	35
Accounts receivable - others	28,167	30,175	202
Other	9,242	11,460	77
Allowance for doubtful accounts	(553)	(796)	(5)
TOTAL CURRENT ASSETS	603,563	561,267	3,754
NON-CURRENT ASSETS			
Total Property, Plant and Equipment			
Buildings and structures	79,968	84,191	563
Machinery, vehicles, tools, furniture and fixtures	79,639	84,371	564
Land	24,862	24,993	167
Leased assets	3,055	2,917	20
Construction in progress	3,392	3,220	22
Accumulated depreciation	(106,505)	(111,396)	(745)
TOTAL PROPERTY, PLANT AND EQUIPMENT	84,411	88,296	591
INTANGIBLE ASSETS			
Software	13,060	14,034	94
Other	268	200	1
TOTAL INTANGIBLE ASSETS	13,328	14,234	95
INVESTMENTS AND OTHER ASSETS			
Investment securities	56,073	80,386	538
Long-term loans receivable	11,869	11,248	75
Retirement benefit asset	1,600	7,134	48
Deferred tax assets	22,834	24,756	166
Other	22,985	21,236	142
Allowance for doubtful accounts	(24,369)	(24,385)	(163)
TOTAL INVESTMENTS AND OTHER ASSETS	90,993	120,376	805
TOTAL NON-CURRENT ASSETS	188,733	222,907	1,491
TOTAL ASSETS	792,296	784,175	5,245

		(Millions of yen)	(Millions of U.S. dollars)
LIABILITIES	End of previous consolidated fiscal year (as of March 31, 2024)	Current Consolidated Fiscal Year-End (as of March 31, 2025)	Current Consolidated Fiscal Year-End (as of March 31, 2025)
CURRENT LIABILITIES			
Notes payable, accounts payable for construction contracts and other	147,309	126,436	846
Short-term borrowings	3,817	250	2
Current portion of bonds payable	—	10,000	67
Current portion of long-term borrowings	741	752	5
Income taxes payable	5,480	2,556	17
Contract liabilities	95,855	105,097	703
Provision for bonuses	8,281	8,996	60
Provision for bonuses for directors (and other officers)	209	209	1
Provision for loss on construction contracts	48,072	35,707	239
Provision for warranties for completed construction	1,249	1,236	8
Other	39,719	55,685	372
TOTAL CURRENT LIABILITIES	350,736	346,928	2,320
NON-CURRENT LIABILITIES			
Bonds payable	20,000	10,000	67
Long-term borrowings	14,717	13,887	93
Retirement benefit liability	11,486	12,439	83
Provision for retirement benefits for directors (and other officers)	1,059	212	1
Deferred tax liabilities	2,231	3,730	25
Deferred tax liabilities for land revaluation	1,014	1,028	7
Other	3,163	3,686	25
TOTAL NON-CURRENT LIABILITIES	53,674	44,985	301
TOTAL LIABILITIES	404,410	391,914	2,621
NET ASSETS			
SHAREHOLDERS' EQUITY			
Share capital	23,798	23,885	160
Capital surplus	25,378	25,465	170
Retained earnings	350,511	340,488	2,277
Treasury shares	(25,485)	(25,486)	(170)
TOTAL SHAREHOLDERS' EQUITY	374,202	364,353	2,437
ACCUMULATED OTHER COMPREHENSIVE INCOME			
Valuation difference on available-for-sale securities	7,410	19,886	133
Deferred gains on hedges	3,072	1,180	8
Revaluation reserve for land	(10,891)	(10,955)	(73)
Foreign currency translation adjustments	11,082	12,141	81
Remeasurements of defined benefit plans	1,278	4,050	27
TOTAL ACCUMULATED OTHER COMPREHENSIVE INCOME	11,952	26,303	176
NON-CONTROLLING INTERESTS	1,730	1,604	11
TOTAL NET ASSETS	387,885	392,260	2,623
TOTAL LIABILITIES AND NET ASSETS	792,296	784,175	5,245

Consolidated Financial Statements

Consolidated Statements of Operations

		(Millions of yen)	(Millions of U.S. dollars)
	Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (From April 1, 2024 to March 31, 2025)	Current Consolidated Fiscal Year-End (as of March 31, 2025)
Net sales	832,595	858,082	5,739
COST OF SALES	821,931	839,156	5,612
GROSS PROFIT	10,663	18,926	127
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	29,659	30,400	203
Operating loss	(18,995)	(11,474)	(77)
NON-OPERATING INCOME			
Interest income	15,749	16,780	112
Divided income	1,021	4,132	28
Share of profit of entities accounted for using equity method	—	5,058	34
Foreign exchange gains	3,602	—	—
Other	2,343	992	7
TOTAL NON-OPERATING INCOME	22,717	26,962	180
NON-OPERATING EXPENSES			
Interest expenses	1,364	1,220	8
Foreign exchange losses	—	2,213	15
Share of loss of entities accounted for using equity method	1,366	—	—
Other	631	734	5
TOTAL NON-OPERATING EXPENSES	3,362	4,167	28
ORDINARY PROFIT	358	11,320	76
EXTRAORDINARY INCOME			
Gain on sale of investment securities	2,384	274	2
Gain on liquidation of subsidiaries and associates	828	—	—
TOTAL EXTRAORDINARY INCOME	3,212	274	2
EXTRAORDINARY LOSSES			
Impairment losses	—	169	1
Loss on retirement of non-current assets	100	175	1
Loss on valuation of investments in capital	600	—	—
Business restructuring expenses of subsidiaries	—	1,497	10
Loss on arbitration ruling	—	1,489	10
Other	61	—	—
TOTAL EXTRAORDINARY LOSSES	762	3,331	22
Profit before income taxes	2,809	8,263	55
Income taxes - current	19,097	8,327	56
Income taxes for prior periods	(696)	1,002	7
Income taxes - deferred	(7,738)	(606)	(4)
Total income taxes	10,662	8,722	58
NET LOSS	(7,852)	(459)	(3)
LOSS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(22)	(61)	(0)
LOSS ATTRIBUTABLE TO OWNERS OF PARENT	(7,830)	(398)	(3)

Consolidated Statement of Comprehensive Income

(Millions of yen)

(Millions of U.S. dollars)

	Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (From April 1, 2024 to March 31, 2025)	Current Consolidated Fiscal Year-End (as of March 31, 2025)
NET LOSS	(7,852)	(459)	(3)
OTHER COMPREHENSIVE INCOME			
Valuation difference on available-for-sale securities	1,256	(612)	(4)
Deferred gains on hedges	902	(2,112)	(14)
Revaluation reserve for land	—	(29)	(0)
Foreign currency translation adjustment	4,218	337	2
Remeasurements of defined benefit plans	556	2,687	18
Share of other comprehensive income of entities accounted for using equity method	(318)	14,070	94
TOTAL OTHER COMPREHENSIVE INCOME	6,615	14,341	96
COMPREHENSIVE INCOME	(1,236)	13,881	93
COMPREHENSIVE INCOME ATTRIBUTABLE TO			
COMPREHENSIVE INCOME ATTRIBUTABLE TO OWNERS OF PARENT	(1,331)	13,986	94
COMPREHENSIVE INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	95	(105)	(1)

Consolidated Financial Statements

Consolidated Statements of Cash Flows

(Millions of yen) (Millions of U.S. dollars)

	Previous consolidated fiscal year (From April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (From April 1, 2024 to March 31, 2025)	Current Consolidated Fiscal Year-End (as of March 31, 2025)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income taxes	2,809	8,263	55
Depreciation	9,702	10,584	71
Impairment losses	—	169	1
Increase (decrease) in allowance for doubtful accounts	2,038	62	0
Interest and dividend income	(16,771)	(20,912)	(140)
Interest expenses	1,364	1,220	8
Foreign exchange losses (gains)	(7,319)	1,654	11
Share of loss (profit) of entities accounted for using equity method	1,366	(5,058)	(34)
Decrease (increase) in notes receivable, trade receivables, contract assets and other	(56,474)	48,771	326
Decrease (increase) in inventories	(7,315)	9,209	62
Increase (decrease) in notes and accounts payable - trade	54,175	(22,530)	(151)
Loss (gain) on sale of investment securities	(2,384)	(274)	(2)
Increase (decrease) in retirement benefit liability	(1,601)	680	5
Increase (decrease) in provision for loss on construction contracts	47,214	(13,895)	(93)
Loss on valuation of investments in capital	600	—	—
Gain on liquidation of subsidiaries and associates	(828)	—	—
Increase (decrease) in contract liabilities	(19,176)	8,051	54
Decrease (increase) in accounts receivable - other	(2,270)	(1,683)	(11)
Increase (decrease) in accounts payable - other	2,594	8,604	58
Other	(3,690)	8,260	55
Subtotal	4,033	41,177	275
Interest and dividends received	19,889	18,783	126
Interest paid	(1,249)	(1,081)	(7)
Income taxes paid	(11,583)	(12,118)	(81)
CASH FLOWS FROM OPERATING ACTIVITIES	11,090	46,761	313
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(13,520)	(9,581)	(64)
Purchase of investment securities	(7,899)	(7,885)	(53)
Proceeds from sale of investment securities	4,095	513	3
Purchase of intangible assets	(5,467)	(4,830)	(32)
Proceeds from capital reduction of investments	1,308	405	3
Proceeds from liquidation of subsidiaries and associates	871	—	—
Other, net	409	207	1
CASH FLOWS FROM INVESTING ACTIVITIES	(20,201)	(21,172)	(142)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of long-term borrowings	(664)	(759)	(5)
Proceeds from issuance of bonds	10,000	—	—
Redemption of bonds	(10,000)	—	—
Purchase of treasury shares	(0)	(0)	(0)
Dividends paid	(9,136)	(9,676)	(65)
Dividends paid to non-controlling interests	(51)	(18)	(0)
Net increase (decrease) in short-term borrowings	1,826	(3,721)	(25)
Other, net	(867)	(872)	(6)
CASH FLOWS FROM FINANCING ACTIVITIES	(8,894)	(15,049)	(101)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	8,938	(2,351)	(16)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(9,067)	8,188	55
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	332,755	324,507	2,170
INCREASE IN CASH AND CASH EQUIVALENTS RESULTING FROM INCLUSION OF SUBSIDIARIES IN CONSOLIDATION	818	65	0
Cash and Cash Equivalents at End of Period	324,507	332,761	2,226

Group Companies

(As of March 31, 2025)

Total Engineering Business

● Consolidated subsidiaries

● Affiliated companies accounted for by the equity method

Industry	Name	Country	Share capital	Percentage of voting rights owned*
Design, procurement, and construction	● JGC Corporation	Japan	1 billion yen	100%
	● JGC Japan Corporation	Japan	1 billion yen	100%
	● JGC ASIA PACIFIC PTE. LTD.	Singapore	2.1 million Singapore dollars	100% (100%)
	● JGC PHILIPPINES, INC.	Philippines	1.3 billion Philippine pesos	100%
	● JGC Gulf International Co., Ltd.	Saudi Arabia	210,952,000 Saudi riyals	100% (100%)
	● JGC OCEANIA PTY LTD	Australia	813.8 million Australian dollars	100%
	● JGC America, Inc.	United States	44,051,000 US dollars	100%
	● PT. JGC INDONESIA	Indonesia	1,377,800,000 Indonesian rupiah	48% (48%)
	● JGC Gulf Engineering Co., Ltd.	Saudi Arabia	500 thousand Saudi riyals	75% (75%)
	● JGC Construction International Pte. Ltd.	Singapore	1,043,000 US dollars	100% (100%)
	● JGC ASIA PACIFIC (M) Sdn. Bhd.	Malaysia	2.5 million Malaysian ringgit	100% (100%)
	● JGC Vietnam Co., Ltd.	Vietnam	519,831,000,000 Vietnamese dong	100% (62%)
	● JGC INDIA EPC PRIVATE LIMITED	India	280 million Indian rupees	100% (100%)
	● Japan NuScale Innovation, LLC	United States	174,008,000 US dollars	29% (29%)
	● JGC Corporation Oceania Pty Ltd	Australia	5,100,000 Australian dollars	100% (100%)
	● JGC France SAS	France	400 thousand euros	100% (100%)
	● TAKADA CORPORATION	Japan	3.723 billion yen	20% (20%)
Inspection and maintenance	● JGC PLANTECH AOMORI Co., Ltd.	Japan	50 million yen	100% (100%)
Process Licensing	● Nikki-Universal Co., Ltd.	Japan	1,000 million yen	50%
Other	● Sunrise Healthcare Service Co., Ltd.	Cambodia	32,500,000 US dollars	98% (98%)
	● Other 4 companies			

Functional Materials Manufacturing Business

Name	Country	Share capital	Percentage of voting rights owned*
● JGC Catalysts and Chemicals Ltd.	Japan	1,800 million yen	100%
● Japan Fine Ceramics Co., Ltd.	Japan	2,300 million yen	100%
● JFC Materials Co. Ltd.	Japan	10 million yen	100% (100%)
● Nikki-Universal Co., Ltd.	Japan	1 billion yen	50%

Other business

Industry	Name	Country	Share capital	Percentage of voting rights owned*
Consulting	● Japan NUS Co., Ltd.	Japan	50 million yen	88%
Office Support Services	● NIKKI BUSINESS SERVICES CO., LTD.	Japan	1,455 million yen	100%
	● Swing Corporation	Japan	5.5 billion yen	33%
Water Treatment	● SwingAM Corporation	Japan	100 million yen	[100%]
	● Swing Engineering Corporation	Japan	300 million yen	[100%]
Oil and Gas Production Sales	● JGC (GULF COAST), LLC	United States	27,450,000 US dollars	100% (100%)
	● JGC Exploration Eagle Ford LLC	United States	117.1 million US dollars	100% (100%)
	● JGC EXPLORATION CANADA LTD.	Canada	0 Canadian dollars	100%
	● Al Asilah Desalination Company S. A. O. C.	Oman	17,500,000 Omani rials	75%
Water Desalination	● A. R. C. H WLL	Bahrain	758,000 US dollars	30%
	● ASH SHARQIYAH OPERATION AND MAINTENANCE COMPANY LLC	Saudi Arabia	1 million Saudi riyals	29%
Floating Production, Storage and Offloading system (FPSO)	● Japan Sankofa Offshore Production Pte. Ltd.	Singapore	27,227,000 US dollars	26%
Manufacturing Business for SAF, Bio-naphtha, and Bio-diesel Using Domestically Produced Waste Cooking Oil	● SAFFAIRE SKY ENERGY LLC	Japan	100 million yen	47%

Other

Name	Country	Share capital	Percentage of voting rights owned*
● JGC Corporate Solutions Co., Ltd.	Japan	100 million yen	100%

* Figures in () in percentage of voting rights owned are indirect ownership ratios, and figures in parentheses [] are ownership ratios held by persons closely related to or in agreement with the company, and are outside figures.

Stock Information

(As of March 31, 2025)

Authorized Shares	600,000,000 shares
Issued and Outstanding Shares	259,618,792 shares
Number of Shareholders	66,577
Administrator of the Shareholders' Register	Mitsubishi UFJ Trust and Banking Corporation 1-4-5, Marunouchi, Chiyoda-Ku, Tokyo 100-8212, Japan

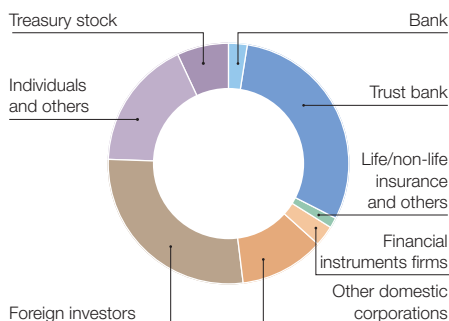
Major Shareholders

	Number of shares (Thousands)	Percentage of total (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	44,221	18.29
Custody Bank of Japan, Ltd. (Trust Account)	29,387	12.15
JGC Trading & Services Co., Ltd.	12,112	5.01
JGC-S SCHOLARSHIP FOUNDATION	8,433	3.48
NORTHERN TRUST GLOBAL SERVICES SE, LUXEMBOURG RE LUDU RE: UCITS CLIENTS 15.315 PCT NON TREATY ACCOUNT	6,412	2.65
STATE STREET BANK AND TRUST COMPANY 505001	6,316	2.61
BNYMSANV AS AGENT/CLIENTS LUX UCITS NON TREATY 1	5,482	2.26
Sumitomo Mitsui Banking Corporation	3,300	1.36
JP MORGAN CHASE BANK 385781	2,960	1.22
Mizuho Bank, Ltd.	2,899	1.19

(Notes) 1. Number of shares is rounded down to the nearest thousand. Percentage of total is rounded down to the second decimal place.
2. The Company holds 17,940 thousand shares (6.91%, 3rd) of treasury stock, but this is excluded from the above table.
3. Percentage of total is calculated excluding treasury stock.

Distribution of Shareholders

(%)



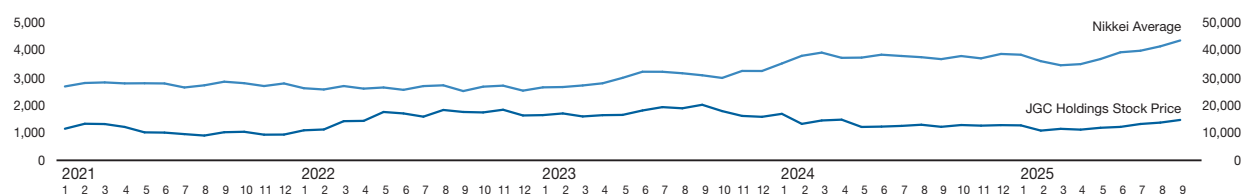
Bank	2.73
Trust bank	29.89
Life/non-life insurance and others	1.29
Financial instruments firms	2.92
Other domestic corporations	11.37
Foreign investors	27.47
Individuals and others	17.42
Treasury stock	6.91

(Note) Figures have been rounded down to the second decimal place.

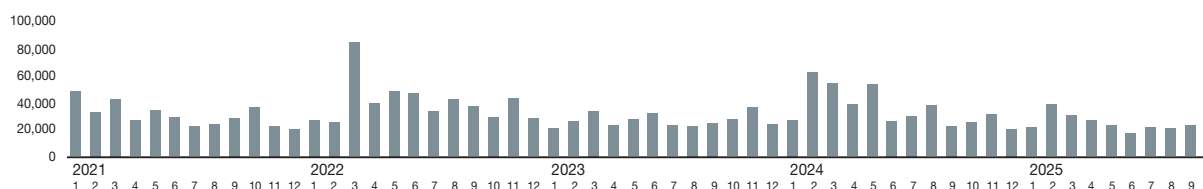
Stock price trends

Company stock price (yen)

Nikkei Average (Yen)



Trading volume of our shares (thousand shares)



Outline of JGC

(As of March 31, 2025)

Company Name	JGC HOLDINGS CORPORATION
Head Office	2-3-1, Minato Mirai, Nishi-ku, Yokohama-shi, Kanagawa 220-6001, Japan
Established	October 25, 1928
Share capital	¥23,885,790,000
Employees	248 (Consolidated: 8,365)
Independent Auditor	KPMG AZSA LLC

Glossary

Glossary	Meaning
EPC	Abbreviation for Engineering, Procurement, and Construction. The plant engineering workflow for the installation and construction work of large-scale facilities and plants. The process involves making designs based on drawings, procuring necessary equipment and materials, and on-site construction.
FS	Abbreviation for Feasibility Study. A study conducted before starting a project to assess the technical feasibility, profitability, and viability as a business.
FEED	Abbreviation for Front-End Engineering Design. Of the design work required for manufacturing structures, equipment, and systems, and others, this refers to both design work that develops the overall structure and functionality of a product to ensure consistency between structural elements in order to satisfy its required specifications, and to design work which specifies physical and functional requirements of structural components in order to enable detailed design.
LNG	Abbreviation for Liquefied Natural Gas. As natural gas is a gas at normal temperatures, it is liquefied by cooling to cryogenic (−163°C) for easier transportation and storage.
FLNG	Abbreviation for Floating Liquefied Natural Gas. Offshore facilities for the production, storage, and shipment of LNG.
GTL	Abbreviation for Gas To Liquids. A process that converts gaseous hydrocarbons to liquid products through chemical reactions. Natural gas is commonly converted into liquid form, enabling the production of various petroleum products such as gasoline, diesel, and kerosene. Natural gas is typically converted into synthetic gas comprising carbon monoxide and hydrogen, which is then further processed into waxy hydrocarbons. GTL products are clean fuels that contain no impurities such as sulfur or nitrogen.
CCS	Abbreviation for Carbon Capture and Storage. A technology for capturing CO ₂ emitted from fossil fuel refining or combustion and injecting it into the ground before it is released into the atmosphere, for stable, long-term storage.
SAF	Abbreviation for Sustainable Aviation Fuel. SAF is a type of aviation fuel compatible with existing infrastructure and when compared to conventional aviation fuel, is expected to significantly reduce GHG emissions across its entire life cycle, from the production and collection of raw materials such as biomass, waste cooking oil, and municipal waste, to manufacturing and combustion.
Project management	Specialized management activities that apply an organically integrated set of techniques and management skills to integrate resources such as personnel, materials, finances, and time along with technology and information under a unified approach. This has the goal of planning, organizing, coordinating, and controlling the project to complete it as originally intended within certain constraints such as time, budget, and quality.
FCC	Abbreviation for Fluid Catalytic Cracking. A process that uses a catalyst to decompose raw oil into gas, gasoline, and diesel using fluid circulation between reaction and regeneration stages.
High thermal conductivity silicon nitride substrates	A critical component that enables efficient heat dissipation in power semiconductors used in hybrid vehicles, solar/wind power generation, and fuel cells, which are being introduced to help achieve a low-carbon society. Power semiconductors generate a large amount of heat during operation, and we are seeing increasing application of silicon nitride substrates, with their high thermal conductivity and strength, to quickly dissipate this heat.
Biomanufacturing	Technology that creates highly engineered cells (smart cells) that are optimized to efficiently produce targeted substances to create various materials, and thus bring about a recycling-oriented manufacturing society. In addition to the medical and healthcare fields, in the future this technology is expected to expand into areas such as materials, energy, and food.



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