

# Our Vision for the Future

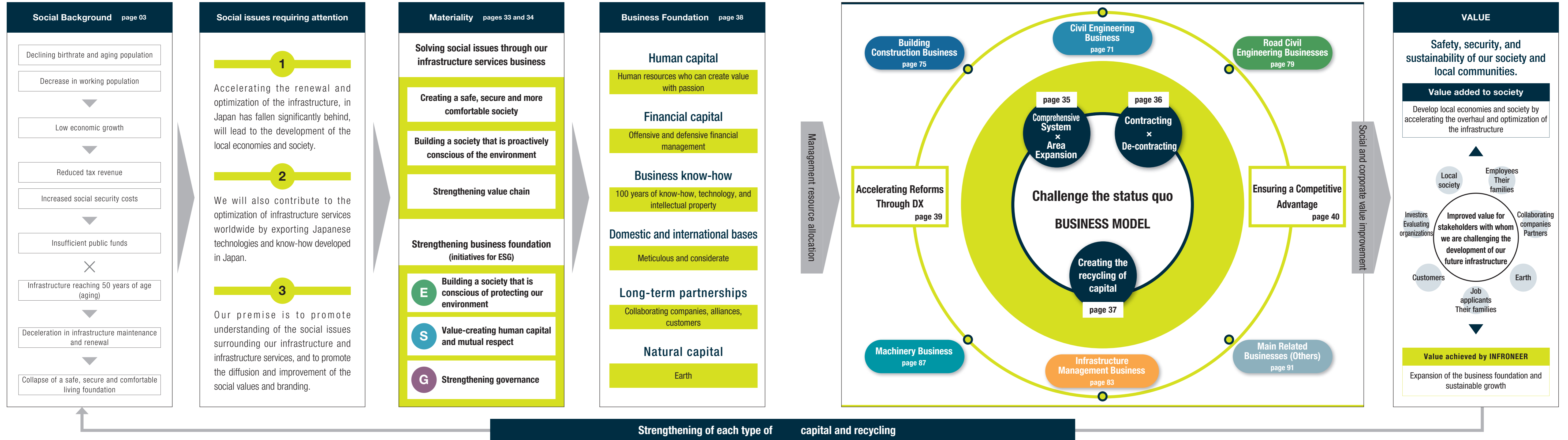
Introduction to our business through the value creation process and materiality recognized by our company (key issues)

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MISSION

We challenge the status quo of existing infrastructure businesses and deliver the most suitable services globally with innovative ideas.



VISION

A world where there's no limit to what can be asked from and what can be delivered by infrastructure services. page 05

## Partner Companies With Which We Are Challenging the Future of Our Infrastructure

INFRONEER is developing new businesses in partnership with companies in various fields that have adopted innovative approaches to future infrastructure services, taking advantage of technologies and achievements that have been developed, enabling it to support the infrastructure for many years. We will leverage the strengths of both sides to take on the future challenges facing our infrastructure services.

### NTT DOCOMO, INC.



**Motoyuki Ii**

President & CEO  
NTT DOCOMO, INC.



[https://www.docomo.ne.jp/english/?icid=CRP\\_drawer\\_to\\_CRP\\_EN](https://www.docomo.ne.jp/english/?icid=CRP_drawer_to_CRP_EN)

Japan's social infrastructure has been intensively developed during a period of high growth, with the result that strategic maintenance and operations for the future has become one of the key social issues. In the field of road infrastructure, DOCOMO, along with INFRONEER, is committed to improving the efficiency of operations by using AI detection technology for road cracks, automating repair plans and other methods.

INFRONEER aims to create a sustainable local communities that is not bound by the established concepts of infrastructure management. This is in line with DOCOMO's brand slogan, "Changing worlds with you."

In the future, we will promote DX (digital transformation) of the infrastructure with INFRONEER, and will contribute to the development of a sustainable society through the structural reforms in society and industry and the creation of new lifestyles.

### Accenture Japan Ltd



**Atsushi Egawa**

Representative Director and President  
Japan Country Managing Director  
Accenture Japan Ltd



<https://www.accenture.com/us-en>

Many sections of the social infrastructure are undergoing large-scale renewal. Innovative approaches and the adoption of leading-edge digital technologies are indispensable to overcome this situation with limited financial resources and workforce. As an integrated infrastructure service company, INFRONEER initiated the concept of de-contracting, and is promoting the concession business to transform the industry. Our philosophy is to be a force for change in the world.

By combining the vast amounts of knowledge and data from both of our industries with digital technologies such as AI and the cloud, we can move your business model forward and elevate it to become a pioneering platform in the industry. Our joint efforts will lead to the realization of a prosperous society with a view to 100 years from now.

Related topic: Accelerating Reforms Through DX (page 39)

### Tokyu Corporation



**Kazuo Takahashi**

President & Representative Director  
Tokyu Corporation



<https://www.tokyu.co.jp/global/>

Our engagement with MAEDA CORPORATION was through the Sendai International Airport project. We have learned that MAEDA was moving forward with structural reformations to make infrastructure management the mainstream of its business, therefore we have decided to take up the challenge to explore the first airport concession in Japan with them. We were able to pioneer a new model that would revitalize the region while taking on the management of a vital public infrastructure. It was a collaborative project of great significance for both companies. Subsequently, we also participated as a joint venture in the concession for Aichi Prefecture's new gymnasium, the first arena in Japan to adopt the concession method.

In June 2022, Global Infrastructure Management, a joint venture with INFRONEER Holdings Inc., established Japan's first full-scale infrastructure fund. We will utilize this mechanism to commercialize social infrastructure. Both companies will work to develop new infrastructure markets and invest in businesses.

Related topic: Global Infrastructure Management Co., Ltd. (page 37)

### Fukuoka Jisho Co., Ltd.



**Ichiro Enomoto**

President and C.E.O  
Fukuoka Jisho Co., Ltd.



<https://fukuokajisho.com>

We are building a city in Fukuoka, on the island of Kyushu. We have established various collaborative relationships with the INFRONEER Group's MAEDA CORPORATION, including the Tenjin Business Center (completed in 2021).

For the future development of the city, it is important to continue to support operations in the city in the long term by supplying and operating an infrastructure that matches the characteristics of the region. We have formed a partnership that we believe will increase attraction of the region in which the city is built, and add value to our daily lives, by combining INFRONEER Group's innovative and infrastructure management capabilities with our know-how in building cities rooted in the region, which is one of our company's strengths.

We are confident that, together with INFRONEER Group, which was the one of the first companies to turn to the infrastructure business, we can leverage our mutual strengths to enhance the level of our city building.

Related topic: Tenjin Business Center (page 67)

# Our Vision for the Future, Materiality & KPIs

## Sustainability Policies

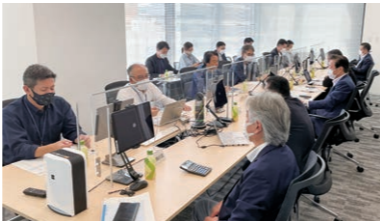
The INFRONEER vision of sustainability is a business activity that will create a company that contributes to society by working to solve social issues surrounding infrastructure services, grow the company and improve its corporate value, providing quality infrastructure services, and improving their social value.

With materiality, we will address three social issues. Namely, they are to create a safe, secure and more comfortable society, to build a society that is proactively conscious of the environment and to strengthen our value chain. We will also take initiatives to strengthen our business foundation and strengthen our governance, working to build a society that is conscious of protecting our environment and of our value-creating human resources and the need for mutual respect. We aim to achieve both sustainable growth for the Group and sustainable development for society.

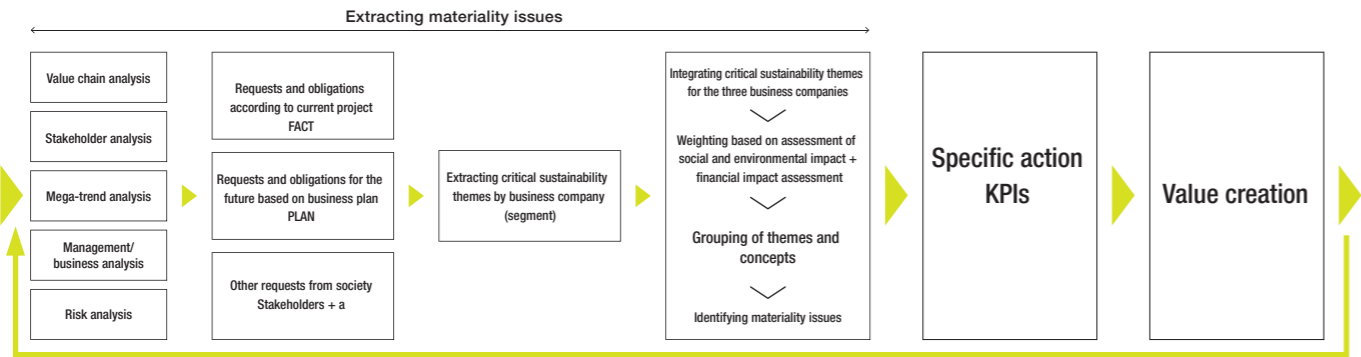
## Identifying Issues for Our Materiality

In FY2022, after converting to a Holdings structure, INFRONEER set up a Sustainability Committee composed of the three business companies. In addition to discussions at management meetings and the Board of Directors meetings, INFRONEER asked members from a variety of fields of the three business companies to have discussions for about six months, to solve social issues and to identify materiality issues that should be addressed specifically.

To give our stakeholders a broader understanding of the challenges surrounding the infrastructure and the activities of INFRONEER, the materiality issues had been summarized in a simple and easy-to-understand expressions. We have also been careful to specifically clarify the association between our business plan, each segment business and the priority issues. We will continuously review our materiality continuously through discussions with management as the main body, based on the changes in the environment and the opinions and expectations of our stakeholders.

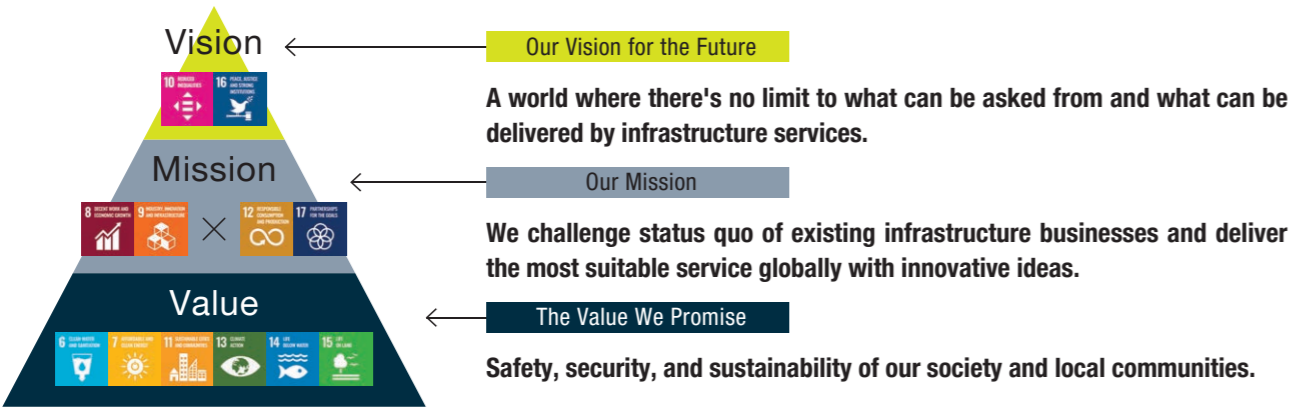


Eleven Sustainability Committee meetings, have been held.



## Implementing SDGs and VMV

In addition to the relationship between the materiality issues and the SDGs, INFRONEER also links its own VMV to the SDGs as a company whose business area is infrastructure, with a diverse and broad social infrastructure. Our mission (MISSION) is to create value provided directly and indirectly from initiatives, business content, domains and value chains (VALUE), as well as to identify what society as a whole can achieve through our initiatives and businesses (VISION).



## Extracting Risks and Opportunities

For the 29 important themes, we examined the risks and opportunities for the entire Group and each business company and evaluated their importance. We examined these as part of our long-term management policy and identified the corresponding management issues.

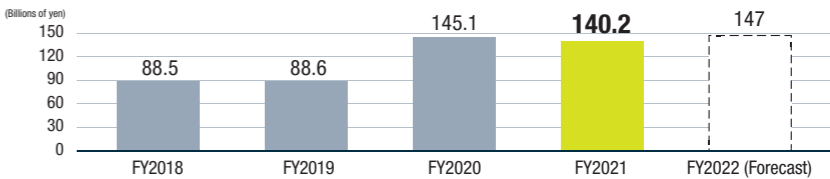
The management issues identified were studied and debated with the management of the Group and the directors, including outside directors, and particularly important issues were designated at the meeting of the Board of Directors.

For more information on risks and opportunities, visit [https://www.infroneer.com/jp/company/integrated\\_report/materiality.html](https://www.infroneer.com/jp/company/integrated_report/materiality.html)

Important Themes	
Generation of electricity using renewable energy and construction of power generation facilities	Strengthening collaboration with partner companies/strengthening of supply capacities and improving productivity
Promoting design, construction and manufacturing of construction methods, equipment and products that reduce environmental impact (ZEB, wooden construction, geothermal, and others)	Improving public benefit for local communities/preferential procurement in the region
Reducing greenhouse gas emissions across the entire value chain	Improving the working environment and conditions of workers/promoting safety and health
Reducing raw materials derived from fossil resources	Promoting diverse human resources and expanding opportunities for them to play an active role
Reducing the environmental impact of the manufacturing plant	Prevention of illegal work/forced labor (support for foreign laborers)
Conserving biodiversity	Improving understanding of human rights and preventing violations
Improving the utilization rate of recycled materials and to attain zero waste	Enhancement and promotion of education and training
Management and proper disposal of hazardous substances	Promoting disaster prevention and mitigation
Appropriate management of water resources	Strengthening governance
Reducing emissions of harmful substances to the atmosphere	Observance of compliance and prevention of unfair competition and corruption
Management of specific chemicals in building materials	Information security
Promoting the development, sales, and construction of products and construction methods that contribute to improving the functionality and comfort of buildings (buildings, bridges, tunnels, roads, dams, and others)	Customer privacy
Promoting design, construction/development and manufacturing of construction methods, technologies and products that save labor and contribute to efficiency on the construction site	Promoting support for ESG in the entire supply chain
Expanding our infrastructure management business (contribution to solving social issues through the concession business)	Strengthening of risk management
Ensuring the safety and quality of buildings, structures and products	

## Overall KPIs - INF Value Added Amount

INF value added amount =  
Σ (Operating profit + total labor expenses + depreciation expenses + R&D expenses)



	Materiality	Sub-issues	Three Strategic Pillars	2030 Medium- to Long-term Goals (Achievement Vision)	KPIs (Targets for FY2030)
<div>Creating a safe, secure and more comfortable society</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div>	<div>Building a society that is proactively conscious of the environment</div> <div>Page 55</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div>	<ul style="list-style-type: none"><li>Expanding our infrastructure management business (contributing to solving social issues through the concession business)</li><li>Ensuring the safety and quality of buildings (buildings, bridges, tunnels, roads, and dams and others) and products</li></ul>	<div>Establishing a new revenue base</div>	Enhance portfolio and increase profitability	<b>Targets</b> <ul style="list-style-type: none"><li>Operating profit ratio<sup>2</sup> between contracting and de-contracting<sup>1</sup> 50:50</li></ul> <small><sup>1</sup> See page 36</small> <small><sup>2</sup> Operating profit from infrastructure management is the amount of profit contribution</small> <small>See page 85 (Infrastructure Management Business)</small>
		<ul style="list-style-type: none"><li>Promoting the development, sales, and construction of products and construction methods that contribute to improving the functionality and comfort of buildings (buildings, bridges, tunnels, roads, dams, and others)</li><li>Promoting disaster prevention and mitigation</li></ul>		Earn high ratings from customers (quality, safety, functionality, comfort and value-added proposals)	<b>Results in previous fiscal year</b> <ul style="list-style-type: none"><li>81:19</li></ul>
		<ul style="list-style-type: none"><li>Generating electricity using renewable energy and construction and operation of power generation facilities</li><li>Promoting design, construction and manufacturing of construction methods, equipment and products that reduce environmental impact (ZEB, wooden construction, geothermal and others)</li></ul>		Expand businesses involved in renewable energy	<b>Targets</b> <ul style="list-style-type: none"><li>Developed cumulative total power generated 1 million MWh/year (1,000 GWh/year)</li></ul>
					<b>Results in previous fiscal year</b> <ul style="list-style-type: none"><li>546,000 MWh/year (546 GWh/year)</li></ul>
				Strengthen efforts at design and construction facilities that contribute to reducing CO <sub>2</sub> emissions over the product life cycle	<b>Targets</b> <ul style="list-style-type: none"><li>Design and construction ratio are being formulated</li><li>Number of wooden buildings adopted is being formulated</li></ul>
					<b>Results in previous fiscal year</b> <ul style="list-style-type: none"><li>Design and construction ratio: 66.4% (3-year average)</li><li>Cumulative number of wooden buildings adopted: 14</li></ul>
	<div>Strengthening value chain</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div>	<ul style="list-style-type: none"><li>Improving public benefit for local communities/ preferential procurement in the region</li><li>Strengthening collaboration with partner companies/strengthening of supply capacities and improving productivity (hiring and training of workers)</li><li>Promoting design, construction/ development and manufacturing of construction methods, technologies and products that save labor and contribute to the efficiency on the construction site</li></ul>	<div>Productivity reforms</div>	Expand local recruitment rate of locally based employees and intra-regional orders	<b>Targets</b> <ul style="list-style-type: none"><li>Local recruitment rate of locally based employees is being formulated</li></ul>
				Improve the supply capacity of partner companies and train workers	<b>Targets</b> <ul style="list-style-type: none"><li>Construction career advancement system site registration rate: FY2023: 100%</li></ul>
					<b>Results in previous fiscal year</b> <ul style="list-style-type: none"><li>Business registration rate at the registration site: 63%</li><li>Registration rate of technicians at the registration site: 60%</li></ul>
				Labor saving, efficiency and optimization on the construction site	<b>Targets</b> <ul style="list-style-type: none"><li>Net sales of completed construction contracts per person is being formulated</li></ul>
					<b>Results in previous fiscal year</b> <ul style="list-style-type: none"><li>Net sales of completed construction contract per person in civil engineering: ¥105 million/person</li></ul>
				Appropriate allocation of management resources by maximizing operational efficiency and minimizing SG&A expenses by sharing	<b>Targets</b> <ul style="list-style-type: none"><li>ROIC is being formulated</li></ul>
				Accelerate development of certified technologies and products that save labor and contribute to an efficient construction site	<b>Targets</b> <ul style="list-style-type: none"><li>Formulated in conjunction with certified technical standards</li></ul>

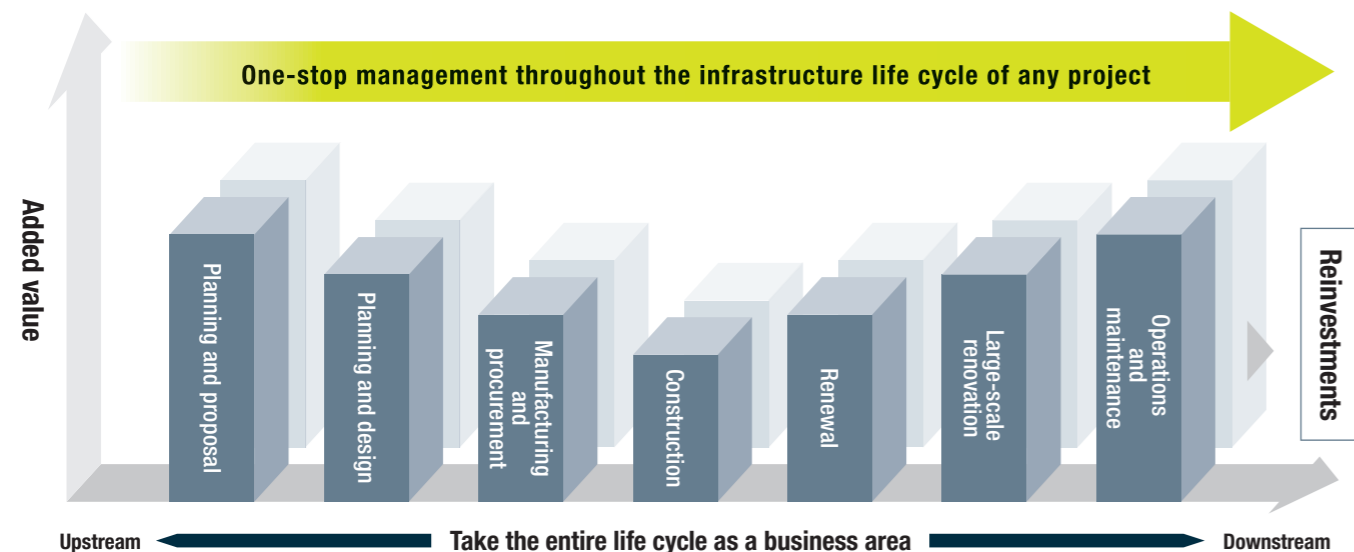
	Materiality	Sub-issues	Three Strategic Pillars	2030 Medium- to Long-term Goals (Achievement Vision)	KPIs (Targets for FY2030)
<div>Building a society that is conscious of protecting our environment</div> <div>Page 55</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div>	<div>Value-creating Human Capital and Mutual Respect</div> <div>Page 59</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div>	<ul style="list-style-type: none"><li>Reducing greenhouse gas emissions across the entire value chain</li><li>Reducing raw materials derived from fossil resources</li><li>Improving the utilization rate of recycled materials to achieve zero waste</li><li>Conserving biodiversity</li></ul>	<div>Strengthening and improving our physical structure</div>	<ul style="list-style-type: none"><li>Reduce greenhouse gas emissions across the entire value chain</li><li>Introduce non-fossil fuel certificates to the entire Company</li><li>Reduce greenhouse gas emissions from plants</li><li>Improve the utilization rate of recycled materials</li><li>Reduce waste in new construction projects significantly</li><li>Reduce waste at plants significantly</li><li>Improve the utilization rate of the recycled road materials</li><li>Establish a management system for biodiversity conservation</li><li>Develop preservation technology for biodiversity</li><li>Continue forestry activities and development</li></ul>	<b>Targets</b> <b>Reduce greenhouse gases</b>  Scopes 1 and 2 <ul style="list-style-type: none"><li>40% reduction by FY2030 (Compared to FY2018)</li><li>Substantially zero emissions by FY2050</li></ul> Scope 2 <ul style="list-style-type: none"><li>Utilization rate of renewable energy (electrical power) RE60 in FY2030 RE100 in FY2050</li></ul> Scope 3 <ul style="list-style-type: none"><li>40% reduction by FY2030 (Compared to FY2018)</li></ul>
		<ul style="list-style-type: none"><li>Education for the Group's human resources strategy (increasing and improving training)</li><li>Improving the working environment and conditions of workers/ promoting safety and health</li><li>Promoting diverse human resources and expanding opportunities for them to play an active role/improving understanding of human rights and preventing violations</li><li>Prevention of illegal work/forced labor (support for foreign laborers)</li></ul>		<ul style="list-style-type: none"><li>Give each employee the full training required</li><li>Improve leave of absence/vacation rate for childbirth/ child care, and the like</li><li>Implement correct working hours</li><li>Reduce occupational accidents</li><li>Maintain physical and mental health of workers</li><li>Build a workplace in which people want to work</li><li>Improve the employment rate of persons with disabilities, female employees and skilled female employees</li><li>Ensure that all employees are aware of respect for human rights and can make appropriate decisions and take appropriate actions</li><li>Continue to ensure legitimate working conditions for all foreigners working on the construction site</li></ul>	<b>Results in previous fiscal year</b> Note: See page 101 for details <ul style="list-style-type: none"><li>Employment rate of female employees: 17.5%</li><li>Frequency rate: 0.51%</li><li>Strength rate: 0.03%</li></ul>
		<ul style="list-style-type: none"><li>Building an effective governance system</li><li>Observance of compliance and prevention of unfair competition and corruption</li><li>Information security</li><li>Customer privacy</li><li>Strengthening of risk management</li></ul>		<ul style="list-style-type: none"><li>Run the Nomination Committee, the Compensation Committee and the Audit Committee</li><li>Establish a Sustainability Committee</li><li>Form a Board of Directors with a majority of outside directors</li><li>Build a governance system that can be trusted by stakeholders</li><li>Reduce the number of serious legal violations to zero</li><li>Eliminate serious information security accidents</li><li>Eliminate customer privacy breaches</li><li>Operate an effective risk management system</li></ul>	<b>Targets</b> <b>Strengthen the governance function by introducing a Nomination Committee into the company system</b> Note: See page 65 for details <ul style="list-style-type: none"><li>Outside director ratio: 50%</li><li>Appoint independent outside directors as the chairpersons of the Board of Directors and the Nomination, Compensation and Audit Committees</li></ul> <b>Results in previous fiscal year</b> Note: See page 101 for details <ul style="list-style-type: none"><li>Outside director ratio: 55.5% (5 people/9 people)</li><li>Appoint independent outside directors as the chairpersons of the Board of Directors and the Nomination, Compensation and Audit Committees</li></ul>

# Three Business Models That Are Challenging the Future of Our Infrastructure

## 1. Comprehensive system (Line) × Area Expansion (Surface) Model

### Comprehensive System

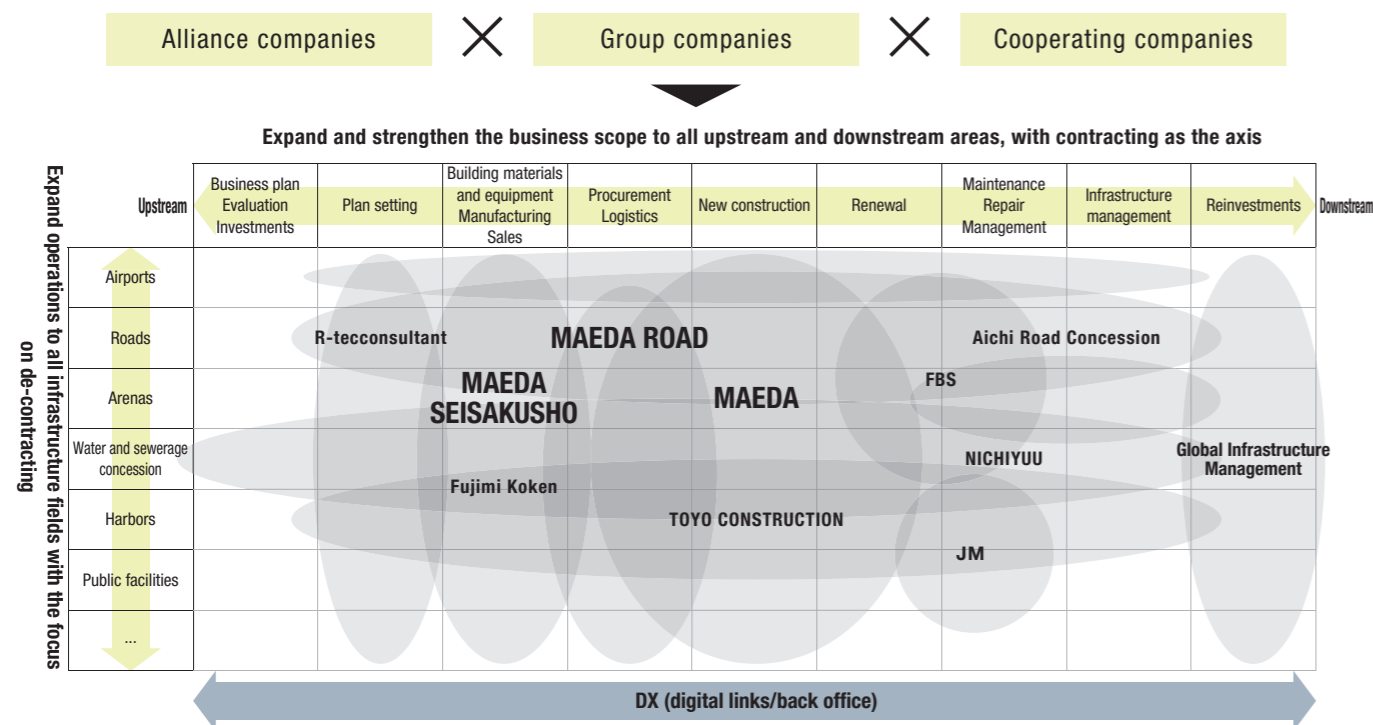
Taking the entire life cycle of the infrastructure, including planning proposals, construction, and operation and maintenance, as a business area, we strive to achieve consistency, maximize the value added throughout the infrastructure life cycle and the value chain, and maintain and expand the Company's revenue base.



### Area Expansion

By expanding our business portfolio into a variety of infrastructure fields, including roads, airports, water and sewerage concession, and combining multiple fields, we will be able to provide more comprehensive and efficient services to towns and cities, and to all of society. As a result, we will contribute extensively to solving various problems faced by the government, local governments, and private business owners. Also, in order to increase corporate value through our growth strategy, we will expand our business through M&A and alliances, in addition to the growth of our own business and that of cooperating companies.

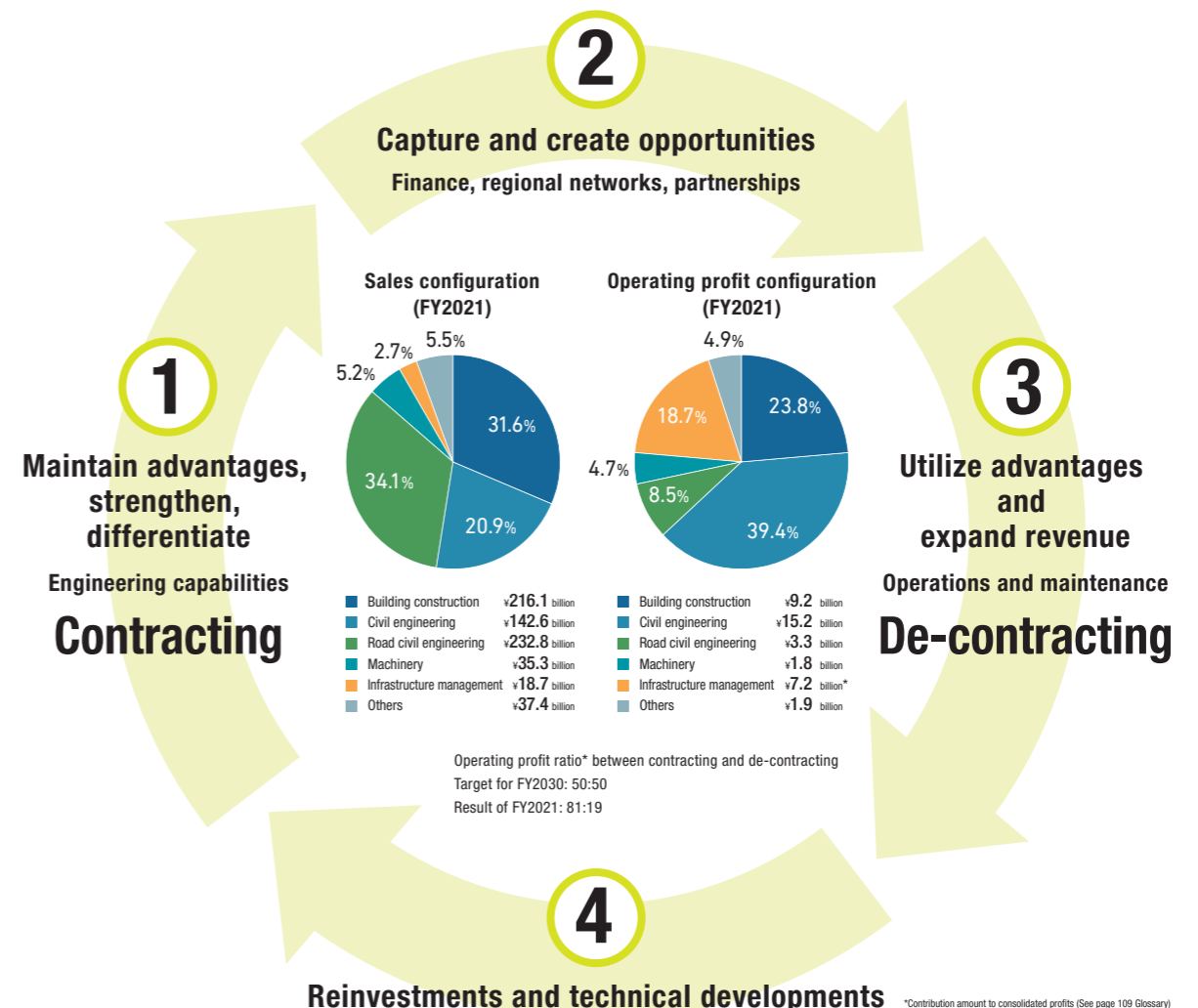
## Comprehensive Infrastructure Services Company



## 2. Contracting × De-contracting Model (Strengthening Advantages and Utilization Model)

### Contracting × De-contracting

While aiming to stabilize and expand our own revenue, we will take business risks and improve our corporate value through the creation of added value that can be realized because we are a comprehensive infrastructure services company. In this way, we aim to continuously provide infrastructure services to society.



- 1 Strengthen and maintain engineering capabilities and advantages through contracting projects (construction, etc.)
- 2 Create opportunities and reduce risks by combining engineering and financing
- 3 Open new areas utilizing our advantages and expand revenue (De-contracting infrastructure business)
- 4 Obtain stable and continuous returns and make further reinvestments

The phrase “de-contracting” or “exiting contracts” includes not only our conventional contracting business, but also the intention to take on business risk of projects as a construction vendor. Specifically, a business acquires the right to operate social infrastructures such as airports, water and sewerage systems, and toll roads, and comprehensively manages all related businesses, such as its construction, operation, and maintenance. Contracting business is a kind of fee-earning business, but infrastructure business with such investments can also generate returns beyond contracting business by utilizing engineering and financial know-how. These will also lead to further growth investments.

3. Creation of Capital Recycling

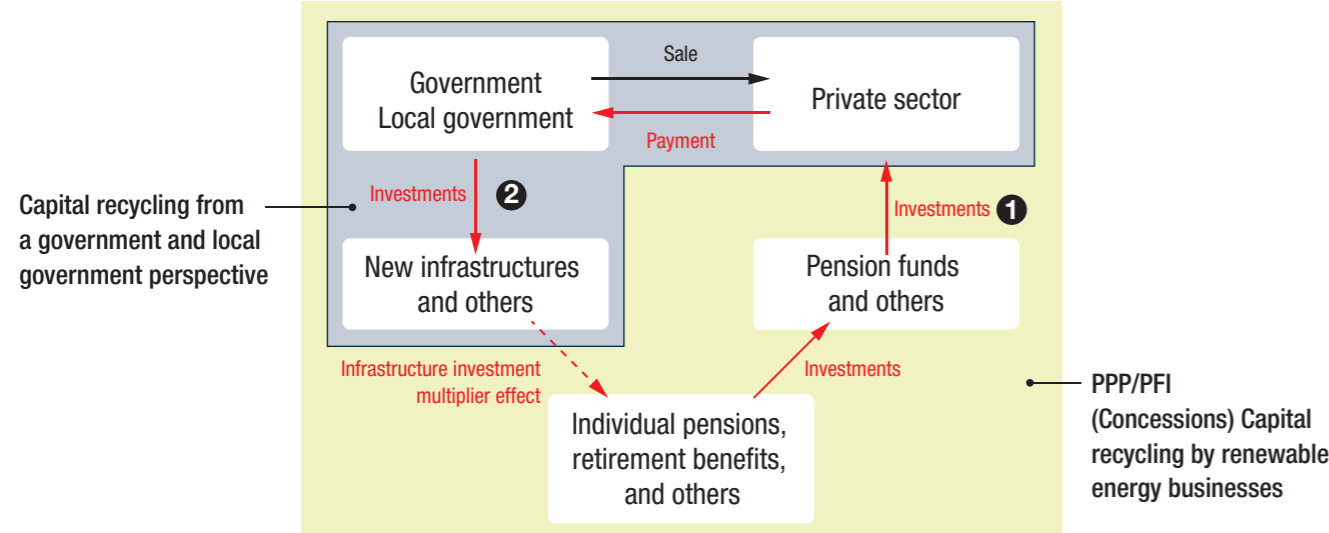
Creation of Value Through Capital Recycling

INFRONEER will supply society with its infrastructures taking on development risks and generating long-term returns. Based on our engineering capabilities we will create buildings and infrastructures all across the stages of planning, design, construction, and maintenance and operation.

This makes it possible to do the following.

- (1) Pass on equity to investors such as in pension funds while continuously contributing to operational management.
- (2) Through PPP/PFI business, the government and local governments will invest in new infrastructures using the income obtained from the sale of operating rights.

Further, we will contribute to the revitalization of the energy market and the attaining of carbon neutrality by creating a high-quality power generation business in the renewable energy market and supplying society. In this way, we believe that by proactively implementing initiatives to recycle capital and to create a secondary market, we will contribute to solving the problems faced by the development and renewal of infrastructures, and pension finances.



Providing Development Projects to Society (Secondary Market Creation)

- FY2021 Sale of two solar power projects to infrastructure funds
- FY2022 Sale of one wind power projects to an infrastructure fund

Global Infrastructure Management Co., Ltd.: Established Two Infrastructure Funds

As part of our efforts in the capital recycling model, together with TOKYU CORPORATION (hereinafter referred to as "TOKYU"), we have established Global Infrastructure Management Co., Ltd., which plays a role in supporting infrastructures from a financial aspect. Utilizing the different strengths of our own companies, which have been involved in the infrastructure business for many years, we aim to respond quickly and effectively to the growing market needs for new infrastructures in recent years. The company is responsible for providing financing and investment support for infrastructure projects, mainly through its specialist human resources in the financial field. In Japan, many policies have been announced in recent years such as promoting public-private partnerships and the introduction of renewable energy, aiming to promptly respond to infrastructure issues. In June 2022, the Cabinet Office announced the "PPP/PFI Promotion Action Plan (Revised Edition, 2022)\*." We believe that the company's role will expand as attention focuses on new investment opportunities for capital needs and capital markets that are seeking stable cash flow.

In order further to develop businesses in the PPP (public-private partnerships) and environmental energy sectors and to foster the domestic infrastructure capital market, the company has also made preparations for the establishment of two infrastructure funds in FY2021 for establishment in FY2022. Specifically, they are the Asset Creation Fund Series (hereinafter referred to as "ACF") and the Income Fund Series (hereinafter referred to as "ICF"). The establishment of these two types of infrastructure funds to create and promote recycling of capital is also a major step forward for our shareholder Tokyu, and our company in which to take the initiative.

Global Infrastructure Management Co., Ltd. <https://www.gimc.jp/>

\*See PPP/PFI Promotion Action Plan (Revised Edition, 2022) [https://www8.cao.go.jp/pfi/actionplan/action\\_index\\_r4.html](https://www8.cao.go.jp/pfi/actionplan/action_index_r4.html)

Six Business Foundations to Support Growth

Human Capital	Human resources who can create value through passion
<b>Page 98, page 101 to page 102 Non-financial Information</b>	
<b>[Ethics and compliance]</b> <ul style="list-style-type: none"><li>Types and number of complaints filed</li><li>Ratio of employees who have been trained in ethics and compliance</li></ul>	<b>[Health and safety indicators (workers employed by our company)]</b> <ul style="list-style-type: none"><li>Number of labor-related accidents (incidence rate)</li><li>Number of labor-related fatalities</li><li>Percentage of health and safety training participants</li></ul>
<b>[Diversity]</b> <ul style="list-style-type: none"><li>Diversity of the workforce (gender, age, disability, nationality)</li></ul>	<b>[Human resource development]</b> <ul style="list-style-type: none"><li>Investments in human resource training</li><li>Training time per employee</li><li>Content and participation rate of training sponsored by human resources department</li></ul>

Financial Capital	Offensive and defensive financial management
<b>Page 97 IR Information</b>	
FY2021 results	
Net sales: ¥682.9 billion; gross profit: ¥91.6 billion (gross profit margin: 13.4%); general administrative expenses: ¥54.1 billion; operating profit: ¥37.5 billion (operating profit to net sales: 5.5%); ordinary profit: ¥38.0 billion (ordinary profit to net sales: 5.6%); profit: ¥26.7 billion (profit to net sales: 3.9%); equity: ¥346.9 billion; ROE: ¥15.0%; EPS: ¥94.7; EBITDA: ¥69.1 billion; value-added: ¥140.2 billion	
Total of gains from the sale of cross-shareholdings: ¥7,808 million	
Acquisition of treasury shares:	
Accumulated treasury shares acquired up to April 13, 2022	
(1) Total number of shares acquired: 19,180,600 shares (2) Total amount of acquisition ¥19,999,983,864	

Business Know-how	100 years of know-how, technology, and intellectual property
<b>Page 67 Challenges in Expanding the Infrastructure Business Page 69 Segment Introduction</b>	
Achievements of designing, manufacturing, sales, rental and services of civil engineering, building construction, road civil engineering, infrastructure management, construction machinery, and other related businesses	

Domestic and International Bases	Community-based services
<b>Page 107 Company Overview</b>	
[ M A E D A ] 44 domestic bases (16 head offices and branches, 28 sales offices), 15 overseas bases	
[ M A E D A R O A D ] 223 domestic bases (11 branches, 111 sales offices, 100 plants), 1 overseas base	
[MAEDA SEISAKUSHO] 29 domestic bases (2 branches), 1 overseas base, 56 dealers	
[ J M ] 14 domestic bases (34 satellite offices), 3 overseas bases	

Long-term Partnerships	Cooperating companies, alliances, customers
<b>Page 26 Value Creation Process Page 29 Stakeholder Remarks Page 69 Segment Introduction</b>	
<b>[Cooperating companies]</b> Civil engineering and building construction segment Zenyu-kai (number of member companies: 567), road civil engineering segment Kyoei-kai (number of member companies: 98), Rekiyu-kai (number of member companies: 57)	
<b>[Alliances]</b> Nippon Telegraph and Telephone Corporation, Tokyu Corporation, Accenture Japan Ltd, Fukuoka Jisho Co., Ltd., GL events, AEG, and others	
<b>[Customers]</b> Government agencies, real estate companies, transportation infrastructure and energy companies, and others	

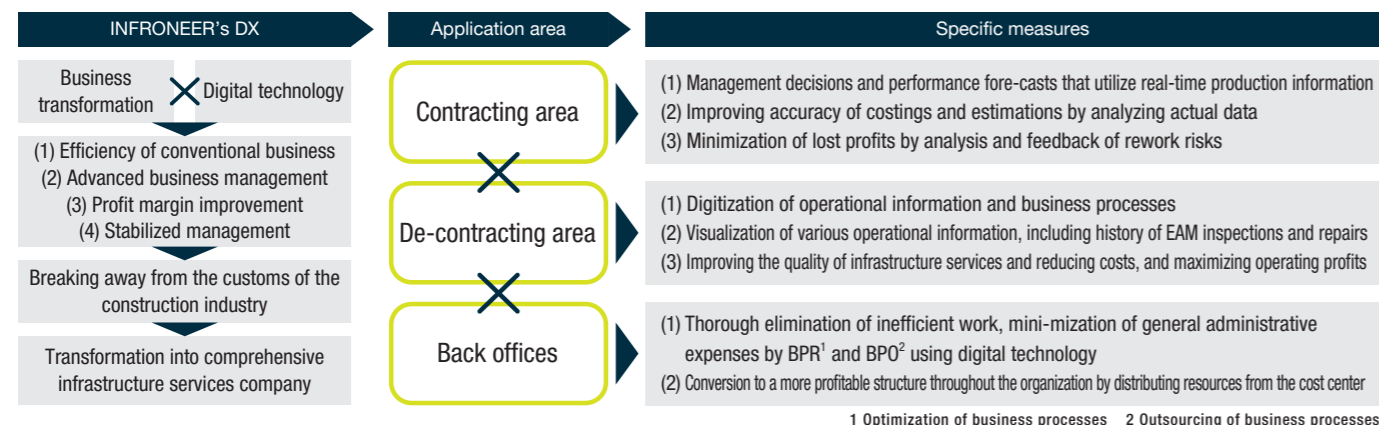
Natural Capital	Earth
<b>Page 55 Initiatives for the Environment</b>	
<b>[Energy]</b> Power (crude oil conversion) 39,119.445 kl, green power 4,538,000 kwh, heavy oil 47,856.01 kl	
<b>[Materials]</b> To be disclosed in FY2023	
<b>[Water resources]</b> To be disclosed in FY2023	

## Accelerating Reforms Through DX

### INFRONEER's DX Strategy

The essence of INFRONEER's idea of DX is to break through the traditional conventions embedded in the construction industry, not merely to improve the efficiency of conventional businesses, but also to improve business management itself, to improve profit margins and to attain management stability.

By utilizing digital technologies, including contracting and de-contracting areas and back offices, INFRONEER is promoting DX specifically by transforming into a comprehensive infrastructure services company as yet unseen in the world, that provides low-cost, high-quality infrastructure services worldwide from construction to operation.



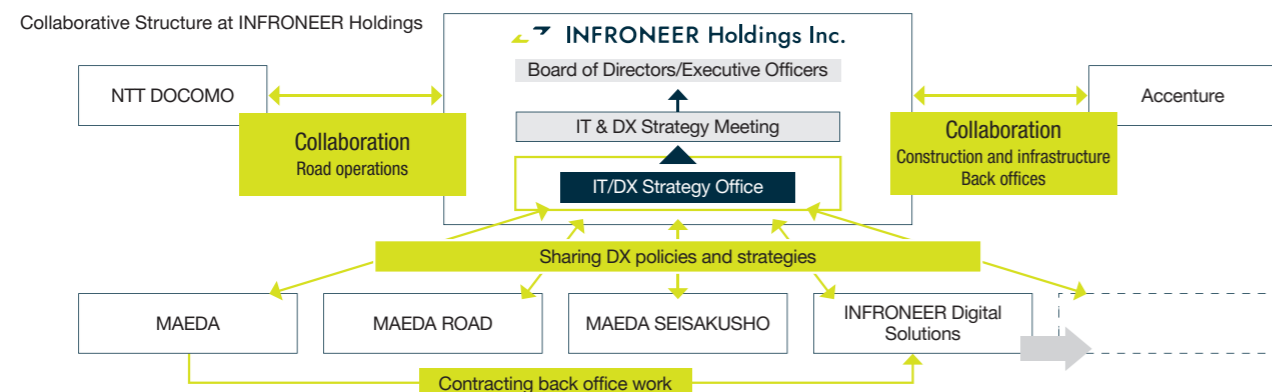
In construction and production, it is necessary to assemble a tailored, optimal production process based on different project conditions and flexibly dealing with uncertainties such as market conditions and the weather over a long period of time. For that reason, it has been difficult to make predictions and to standardize, and the process of making judgments and decision-making also tended to be based on personal know-how. At INFRONEER, we are transforming these traditional approaches into data-driven mechanisms wherever possible, thereby ensuring more reliable management decision making.

In the civil engineering, building construction, and road civil engineering segments of the contract area, we will focus on construction cost data, share in-formation including costs with stakeholders, and aim to stabilize our income structure by agreeing on ap-propriate costs and fees.

In the area of de-contracting, we aim to expand our business to all areas of infrastructure operations, regardless of the country or region. Aichi Prefecture toll roads have introduced EAM (Enterprise Asset Management System), and implementing data-driven management decisions, including repair plans based on inspection and repair history. In the future, we will improve the quality of infrastructure services and reduce costs to maximize operating profits while utilizing construction and production data accumulated in the contracting area.

### Collaboration with Business Partners

In our collaboration with Accenture, we are committed to eliminating inefficient operations in the back-office sector and to BPR and BPO using digital technology. We are focusing on conversion to a more profitable structure throughout the organization by distributing resources from the cost center. In order to maximize acceleration of digital utilization, we will proactively expand collaboration with our partners that have leading-edge technologies, such as Accenture and NTT DOCOMO.



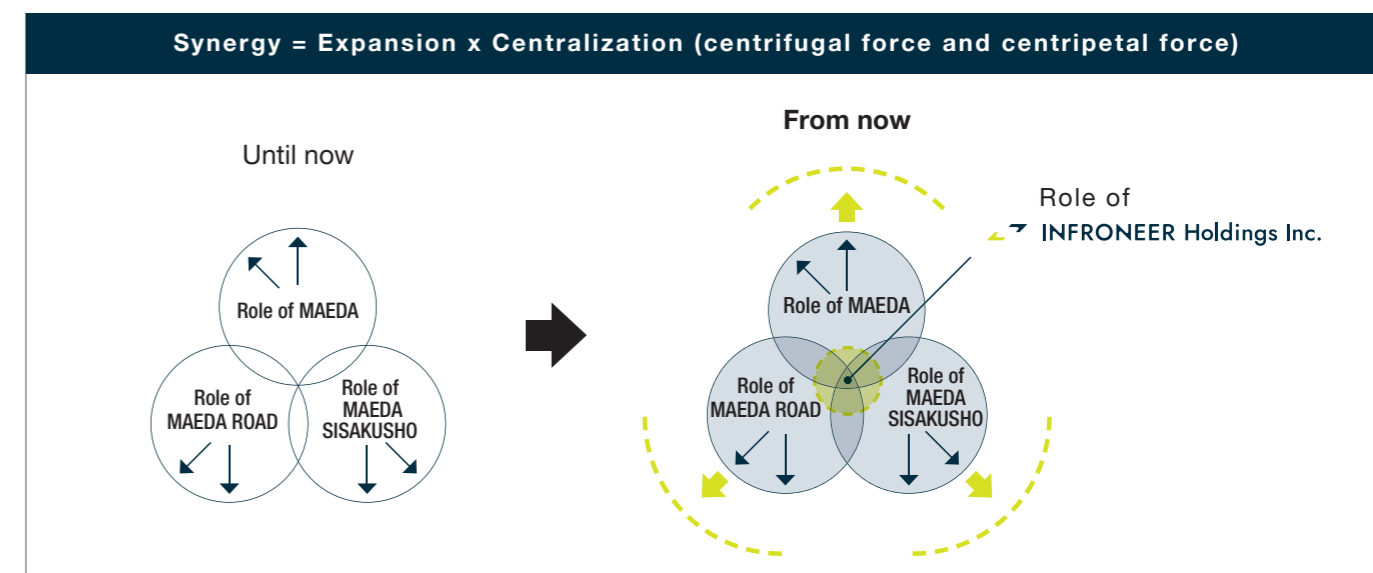
## Ensuring a Competitive Advantage

### Conversion to Holdings Structure

In October 2021, the three MAEDA Group companies (MAEDA, MAEDA ROAD and MAEDA SEISAKUSHO) shifted to the Holding structure and established INFRONEER Holdings, through a business integration.

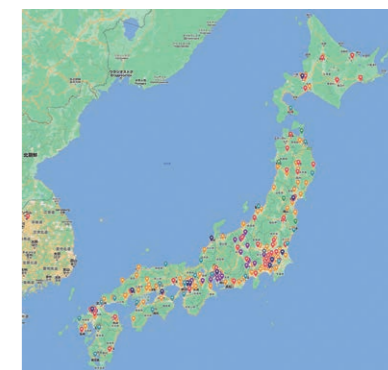
INFRONEER Holdings is responsible for medium- to long-term strategy planning for the entire Group, ensuring stable capital through IR activities, and enhancing our business portfolio through effective capital allocation. Furthermore, with a focus on business management based on growth and capital profitability, we aim to build a system that achieves Group-wide added value and ROE goals through timely decision-making.

In addition to being able to focus on their own core businesses as well as operating autonomously, the companies will accelerate collaborative participation in high-compatibility business areas that had previously been difficult for individual companies, and improve corporate value for the entire Group.



### Domestic and International Offices and Regional Networks Providing Comprehensive Services

In addition to the headquarters of each business company in Japan and overseas, INFRONEER has its own base and regional network that realize comprehensive responses such as our sales offices for MAEDA ROAD and the satellites (franchise companies) of JM (a 100% subsidiary of MAEDA). We aim further to strengthen our business base and ensure our competitive advantage by utilizing and collaborating with this regional network.



### Collaboration with and Support for Business Partners

In addition to internal strengthening through M&A, and the like, we will accelerate problem-solving in a wider range of areas through business alliances to supplement deficient areas of shortage, collaborative and joint technical development with partner companies that can share strategies, and investment in business partners that understand our strategies. In addition to establishing long-term partnerships by enhancing our economic and human resources, and technical support for cooperating companies, we will proactively develop future partners through investment in future venture companies (Page 62 Revitalize the Community and Support Partners).

### Business Portfolio Management and Competitive Advantage

In pursuing the enhancement and utilization of the strengths of contracting and de-contracting, and in promoting the expansion of segments and areas (enrichment), we intend to accelerate reforms through strict business portfolio management by Holdings, and through DX. We will evaluate each business by combining market growth potential with ROIC, and optimize the allocation of management resources based on timely and rational judgments and decision-making.