

Initiatives for Safety, Security and Reliability

Initiatives for ESG to solve infrastructure problems
Segment strategies and related initiatives

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Promote ESG Strategy

Promote ESG strategies for creating sustainable value

E

Environment

Build an offensive and defensive environment-conscious society

Reduce greenhouse gas emissions and build a decarbonized society

In addition to initiatives to recycle resources and introduce efficient, leading-edge technologies,

reduce greenhouse gases in the business value chain itself, we will also promote new renewable energy businesses to develop and construction methods that contribute to reducing our environmental impact (see page 33 "Materiality").

Approve TCFD recommendations and disclose information

In accordance with the TCFD* framework, we will be on responding to climate change risks and

analyze the financial impact of climate change, and disclose climate-related information in line with TCFD's recommendations opportunities (published: June 30, 2022 on our website).

Strengthen environmental management

We took over "Environmental Management No. "Dividends for the Earth (page 58),"continue and

1," which MAEDA Group advocated in 2009. As part of the overall initiatives of INFRONEER Holdings, we will implement the strengthen efforts to preserve biodiversity and build a society that coexists with nature.

*See page 107 "TCFD"

S

Society

Produce value-creating human capital, build a mutually respectful

society, and pursue ease of work and value of work

Contribute to solving social issues

We will work to resolve social issues and promote ensure a stable supply capacity through management

regional revitalization by participating in public-private partnership projects including the concession projects, and we will support and human capital development for cooperating companies that are our partners.

Formulate a Group human capital strategy

We formulated a Group human capital strategy with capital (page 59). We will improve employee properly assign human resources, and make strategic

the aim of increasing added value and improving corporate value through the sustained generation of value-creating human engagement by building a corporate culture and system in which diverse human resources can play an active role, and will investments in training our employees to improve our human capital.

Formulate a Group human rights policy

We published our INFRONEER Group Human Rights We will provide all our officers and employees with activities.

Policy on our website on June 30, 2022, recognizing that our business activities may directly or indirectly affect human rights. appropriate training and education and will disclose relevant initiatives to ensure effective execution of our overall corporate

G

Governance

Develop strong and effective governance

Strengthen the governance structure

We are strengthening our governance structure by management skills. Each committee is chaired by an

increasing the ratio of outside directors (50% or more) and establishing a company with a nominating committee with diverse independent outside director.

Establish effective structure and initiatives

We will set up a Sustainability Committee, build a effective structures for the environment, compliance,

governance structure for ESG, and work to achieve our goals in the medium to long term by employing the PDCA cycle to create risk management, diversity, and other aspects of the entire value chain.

Allocate management resources appropriately

We will allocate management resources accurately, business models that challenge the status quo for the

speedily and with transparency, to each business segment that maximizes added value (maximizes corporate value) using future of our infrastructure.

Use diverse investment funds

We will increase efficiency and speed with use of a

financial strategy that leverages diverse investment funds, not just our own, through an Investment Committee.

Environment

The INFRONEER Group is moving forward with initiatives from a long-term perspective, focusing on decarbonization, resource recycling, and coexistence with nature, to enable the sustainable use of and symbiosis with natural capital, which is our business base. In addition, we are promoting activities through INFRONEER's own "Dividends for the Earth."

Initiatives for a Decarbonized Society

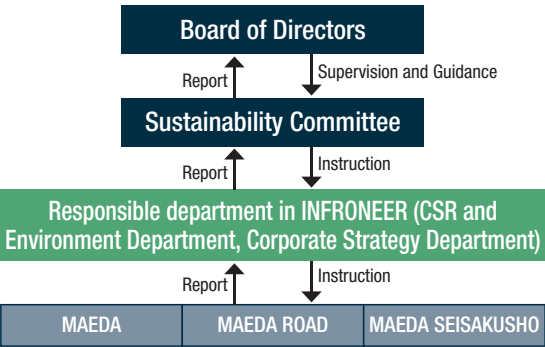
• Policies and Philosophy Regarding Climate Change

As the world moves towards economic recovery after the convergence of the pandemic, we are raising greenhouse gas reduction targets and accelerating the transition to a decarbonized and recycling economy. In the business environment surrounding us, we recognize that the new market for carbon neutral initiatives will expand rapidly in the maintenance, repair, renewal and new construction infrastructure fields through public-private partnerships. We have set out a target value for CO₂ emissions at zero by 2050 and we are driving forward our initiatives.

• Disclose Climate-related Information Based on TCFD Recommendations

Governance

The Group recognizes climate change as one of the key management issues and a major risk. While we have a strong sense of crisis, we also view it as an opportunity and will implement concrete initiatives to achieve our INFRONEER Medium- to Long-term Vision. Our basic policies and issues related to climate change are regularly reviewed by the Sustainability Committee, and we have a structure in place to ensure proper oversight by the Board of Directors.



Strategy

The Group recognizes that climate change is having a significant impact on its business. After identifying changes in the social environment and markets, we identified, analyzed and evaluated risks and opportunities related to migration and physical changes. In the past, we have been proactive in solving environmental and social issues in our businesses with the development of a renewable energy businesses. We will continue to add value by expanding these businesses to support a decarbonized society and sustainable and autonomous local development, with the aim of sustainable growth for the company. We will not only expand our renewable energy businesses as a supplier, but also, as a consumer of large amounts of energy, contribute to building a decarbonized society by reducing carbon emissions through the development of technologies for conserving energy, and by introducing wooden structures and buildings.

Risk Management

This indicates risks, opportunities, and responses related to migration and physical changes based on the assumed climate change scenarios for 2030.

<https://www.infroneer.com/jp/sustainability/environment/>

Targets and Goals

CO₂ Reduction Targets

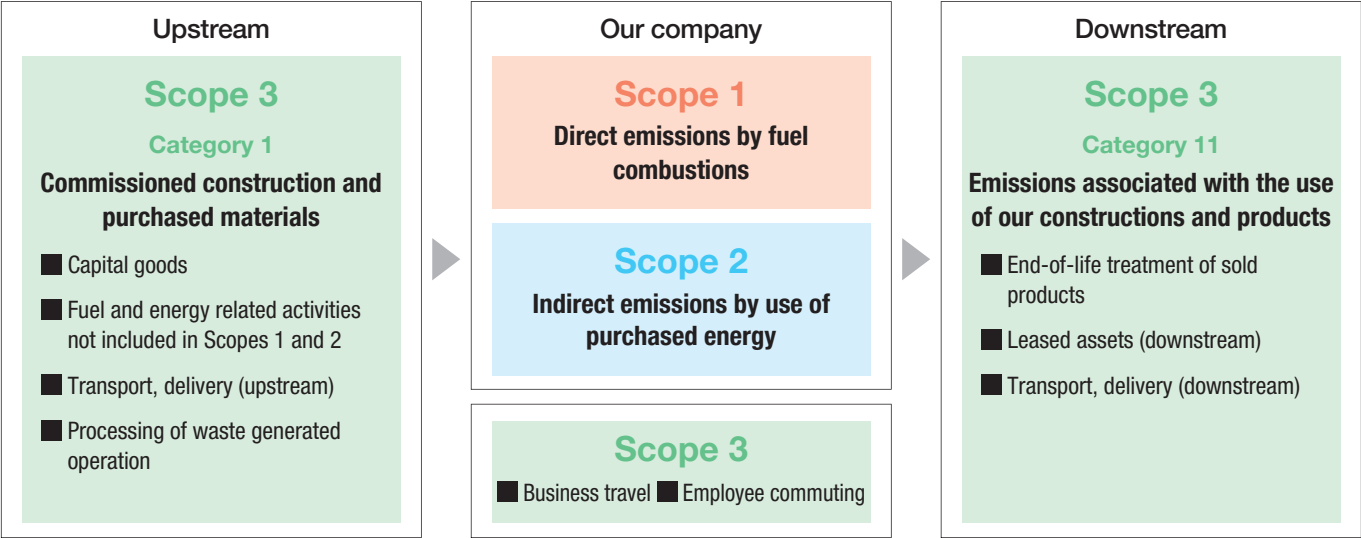
Target	Target (Compared to FY2018)	Indices
Scope 1, and 2 emissions	Substantially zero emissions by FY2050	Disclose graph of results in emissions
	40% reduction by FY2030	
Scope 2 emissions Utilization rate of renewable energy (electrical power)	RE100 in FY2050	Disclose graph of usage rate of renewable energy (electrical power)
	RE60 in FY2030	
Scope 3 emissions (Category 1: Commissioned construction, purchased materials)	40% reduction by FY2030	Disclose emissions from commissioned work and calculable purchased materials
Scope 3 emissions (Category 11: Emissions associated with the use of our constructions and products)	40% reduction by FY2030	Disclose emissions The service period of buildings is calculate with the LCCO ₂ method with CASBEE* *CASBEE: A system for assessing and rating the environmental performance of buildings, targeting new and existing buildings in Japan

*The calculation standard for Group emissions is in accordance with the GHG protocol (obtained third-party assurance in June 2021)

• Reduce Greenhouse Gas (GHG) Emissions Across the Entire Value Chain

The Group is moving towards “carbon neutral 2050” by reducing emissions across the entire value chain. Going forward, in the infrastructure management business, we will aim to build a one-stop management to reduce environmental impact by building an mechanism for exchanging and sharing information to increase the effectiveness of GHG emissions reductions among our suppliers and stakeholders in the value chain. In FY2021, we received third-party assurance for our GHG emissions calculation reports (INFRONEER Holdings supply chain emissions in FY2020). We plan to issue ESG bonds, and the first green bond will be issued in September 2022.

Main CO₂ Emissions in Our Upstream and Downstream Business Activities



Scope	Content of initiatives
Scope 1	<ul style="list-style-type: none">Streamline work and use leading-edge construction machineryPromote the above initiatives with the cooperating companies as the main entitiesReduce emissions during asphalt mixture production (promote foamed asphalt technology, and sell low-carbon mixtures)
Scope 2	<ul style="list-style-type: none">Conserve energy at each business officeOffset with non-fossil fuel certificates and the likeDevelop infrastructure for climate change countermeasures through the renewable energy businessReduce emissions during asphalt mixture production
Scope 3	<p>[Category 1: Commissioned construction, purchased materials]</p> <ul style="list-style-type: none">Accelerate technical development with open innovation centered on ICI for resource recycling and decarbonizationAchieve environmentally friendly procurement through the visualization of scope 3 emissions and resource recycling rates in the infrastructure management business, and promote DX <p>[Category 2: Capital goods]</p> <ul style="list-style-type: none">Contribute to reducing GHG in the supply chain when procuring asphalt mixtures <p>[Category 11: Emissions from our construction projects and products during use]</p> <ul style="list-style-type: none">Submit customer proposals for added value including for the environment, health, and productivity through W ZEB (double ZEB) for new construction projects and renovation and promote wooden structures and buildings.Expand the use of EV construction machinery in the machinery business

<Examples of reducing CO₂ emissions during building operations: ZEB conversion through renovation of medium-sized office buildings>

MAEDA has registered as a ZEB* leading owner and ZEB planner, and we are moving forward with our initiative as a comprehensive energy-saving planner that designs, builds and offers consulting. In particular, while there are fewer examples of ZEB conversion renovations in existing buildings compared to new constructions, in MAEDA, the heat load was reduced by improving the outer skin performance with thermal insulation and solar shielding in the MKD Nagoya Building (Nagoya City, Aichi Prefecture) and the Hitokuchizaka Chuo Building (Chiyoda Ward, Tokyo), which are medium-sized office buildings, and the air conditioning was redesigned. Furthermore, by combining universal energy-saving technologies, both buildings are ZEB Ready. We are working to become a leading company for ZEB by working on "W ZEB" (double ZEB) for new construction and renovation projects.



Hitokuchizaka Chuo Building

*ZEB: Abbreviation of Net Zero Energy Building. Buildings with net zero or negative annual primary energy consumption
Reducing CO₂ emissions in the road civil engineering business (page 82)
Promoting renewable energy in the infrastructure management businesses (page 86) Expanding the use of EV construction machinery in the machinery business (page 90)

Initiatives for Resource Recycling

• Policies and Philosophy Related to Resource Recycling

There is a need to respond to international developments, including conversion to a circular businesses, the business model that results in a circular economy. From a comprehensive perspective as infrastructure operators (ordering parties), emitters, and processors, the INFRONEER Group is introducing design for products that are environmentally friendly throughout their life-cycle to contribute to a circular economy. Almost all of the recycled asphalt mixture and recycled roadbed materials used in our construction business use products recycled and processed at our crushing plant in our road civil engineering business. As a one-stop management system for infrastructure operations from upstream to downstream, we aim to centralize resources and by-product logistics (scope 3) data, improve productivity, and build a social implementation model.

Recycling Construction By-products and Long-term Resource Cycling Initiatives

MAEDA ROAD accepts debris mainly asphalt clumps and concrete clumps, that are waste material from our construction sites, and recycles about 8 million tons of that per year (recycling rate is around 100%). Recycled aggregate is used as a material for recycled asphalt mixture, and is sold as a recycled roadbed construction material.

Industry Waste (Construction) Recycling Diagram



There have been concerns that the quality of the recycled aggregate would be inadequate due to repeated recycling. However, the production of foamed asphalt assemblies suppressed any deterioration in the quality of the recycled aggregate. Also, by reducing the heating temperature by approximately 30°C compared to ordinary asphalt production, the thermal degradation of the old asphalt in the recycled aggregate was suppressed. We will work to manufacture it at our factories nationwide, and develop our quality control and long-term resource circulation.

Towards a Society that Coexists with Nature

• Policies and Philosophy for Biodiversity

The Earth's environment is an indispensable foundation for achieving a world where there's no limit to what can be asked from and what can be delivered by infrastructure services, which is one of our goals. The Group is committed to conserving biodiversity and the sustainable use of resources in all business areas, including procurement, operation and renewal, to increase social and community safety, security, and sustainability. In addition, we are introducing green infrastructure that uses the functions of the natural environment to solve various issues in society. In the civil engineering, building construction and road civil engineering businesses, we are committed to the use of building materials with low environmental impact and the construction of a resource circulation model, especially because it requires a great deal of natural capital input. This year, we built a new government building for Yatsushiro City, Kumamoto Prefecture using local wood, and have worked to popularize wooden buildings. In addition, during development, we conduct environmental assessments to help preserve ecosystems, and the like. We are committed to protecting endangered species and protecting local ecosystems. In the machinery business, R&D in the forestry and processing machinery sectors contributes to the recycled use of forest resources. In the infrastructure management business, in addition to conserving biodiversity with the use of sustainable resources, we are maintaining water resources in connection with the water and sewage concession business.

<https://www.infroneer.com/jp/sustainability/environment/biodiversity.html>

→ See our website for details on wooden structures. <https://kidetatetemiyou.com/projects/>

<Green Infrastructure Example: Hamamatsu Seawall>

MAEDA participated in a 17.5-kilometer seawall development project in Hamamatsu City, Shizuoka Prefecture. By using CSG material (page 74) at the center of the seawall, the CSG will remain firm despite the earth and sand shifting by tsunami, and will remain a firm structure that cushions against a tsunami. Furthermore, the cover soil can be used to regenerate the disaster prevention forests that blend with the environment and the landscape and also suppresses the damage to houses from flying sand and salt. We also cooperated with local NPOs to take into account the natural environment, including protecting sea turtles and transplanting rare plants. During the construction period, we have been working to conserve the Motschulsky (chaetodera laetescripta) with the local Hamamatsu Minami High School. As a result of the school's efforts, which continued after the completion of the conservation activities, they were awarded the Minister of the Environment Award in 2021.



Hamamatsu Seawall

Dividends for the Earth

Because we are conducting business activities with the benefits provided by the Earth's resources, we are introducing "Dividends for the Earth" to return a portion of the business profits to our investor Earth in the same way as we pay dividends to our shareholders. Specifically, those dividends were set at 2% of our consolidated profit. Furthermore, we do not simply contribute funds as a company, we also promote activities that actively involve our employees and their families while collaborating with local communities and NPOs. This scheme is the successor to INFRONEER Holdings, which MAEDA had been undertaking since 2010 "dividends for the Earth" comprises three frameworks. Green Commitment and SII (Social Impact Investment) to promote the company's activities, and an Eco Point System called *Me-pon* to promote individual activities.

Content of Dividends for the Earth

Green Commitment		+	SII(Social Impact Investment)	
INFRONEER Forest	Eco-Aid		Eco Point System <i>Me-pon</i>	
Eco-system	Eco-Angel			
Eco-School	Green R&D			

• Green Commitment

This is mainly a mechanism to support activities designed to solve social issues related to the environment. Each issue is categorized, and the content is carefully reviewed and supported for each of these activities.

• SII (Social Impact Investment)

We provide support through investments in businesses, technologies, and venture companies with ideas that contribute to solving social issues.

• Eco Point System *Me-pon*

This is an eco-point system designed to support employees and their families who proactively engage in environmental activities in their daily lives, and to visualize individual environmental activities. Through our dedicated website, the Company awards points to employees and their families for any voluntary environmental activities they are involved in outside of their work. The accumulated points allow employees to select and purchase environmentally friendly products, and the like. It is a mechanism that is gentle on the Earth.

→ See our website for details on "Dividends for the Earth." <http://www.maeda.co.jp/csr/sacca/cwsac/>

<Examples of Green Commitment: Forest development activities in the INFRONEER Forest Takamori>

In FY2010, INFRONEER Forest Takamori (Takamori Town, Aso-gun, Kumamoto Prefecture) entered into an agreement with the corporate forestry development system established by Kumamoto Prefecture and have been providing ongoing support. In addition to carrying out forest conservation activities in collaboration with local NPOs, we are expanding the forest creation circle together with our employees and their families by conducting annual forest maintenance. This activity is in its tenth year. Our many years of our efforts, including contributing to preventing global warming by planting trees, clearing forests and contributing to community exchanges through volunteer activities, have been well received, and as a result we received the Prefectural Governor's Award in Kumamoto Prefecture in 2022.

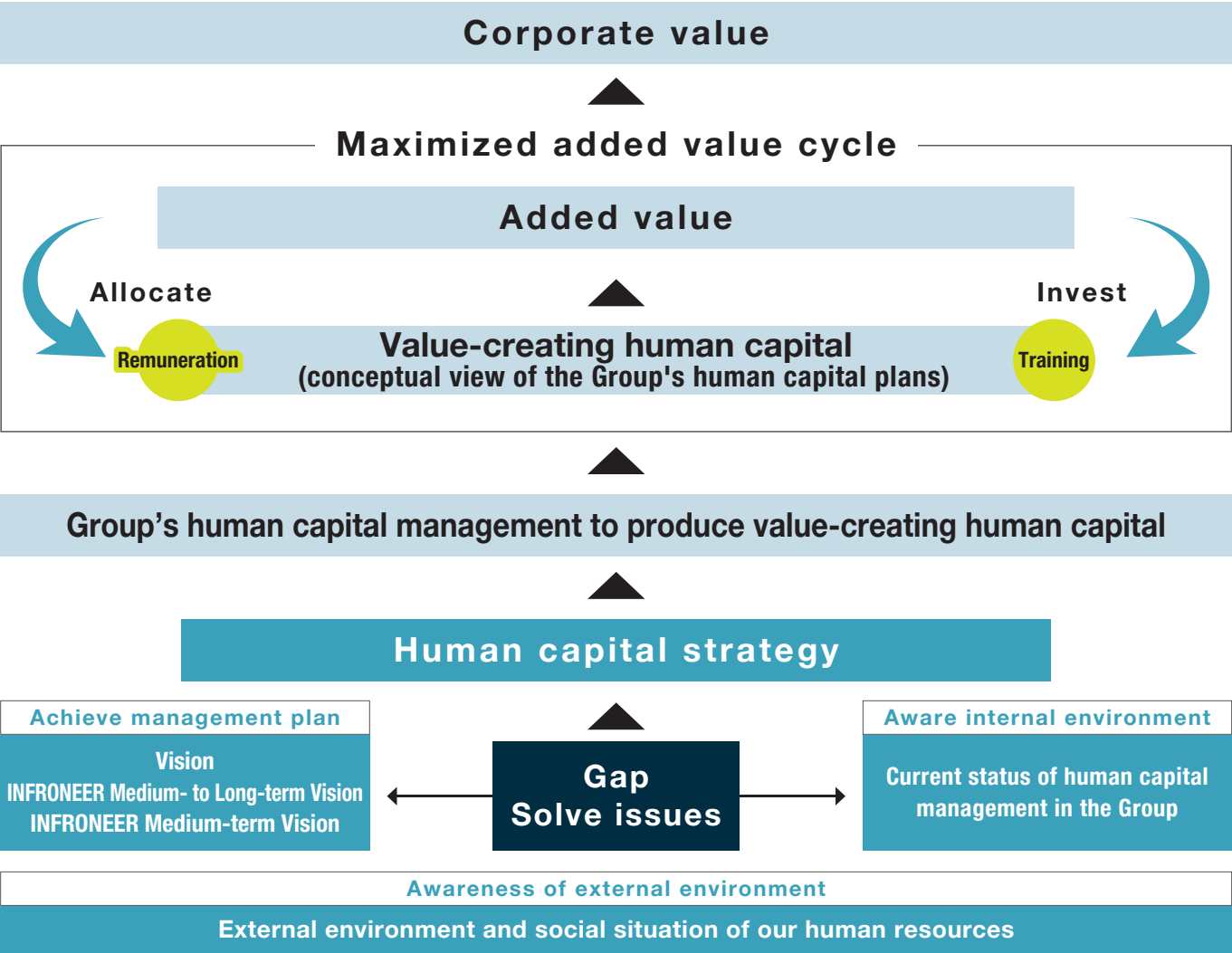


INFRONEER Forest Takamori

Society

The INFRONEER Group has formulated a INFRONEER Medium- to Long-term Vision, and an INFRONEER Medium-term Vision policy to increase added value and improve our corporate value through continuous production of value-creating human capital. Based on this, we formulated a Group human capital strategy based on social conditions, how people work, changes to how value our work, and the current status of human capital management in the Group.

Overall View of the Group's Human Capital Strategy



Executing our Human Capital Strategy

In implementing specific measures, the Holdings Human Resources Strategy Department is responsible for launching an initiatives policy that will optimize companies Group-wide and determine the implementation status of the measures, and demonstrate Group synergy. The Human Resources Department and HR-related departments of the affiliated business implement the measures in the way that best suits their own company, based on the Group's policies.



Maximized Added Value Cycle Through Value-creating Human Capital

The added value created by human capital is the Group's products and services. The revenue earned from the providing these to customers is related to the allocation of and investment in human capital; further added value is created and a cycle is created to maximize added value. In terms of allocating value added to human capital, we use value-added productivity (page 07) as the standard for calculating bonuses, and this allocates for the results in a clear fashion; we have started efforts to motivate employees to improve productivity and foster a sense of organizational cohesion.

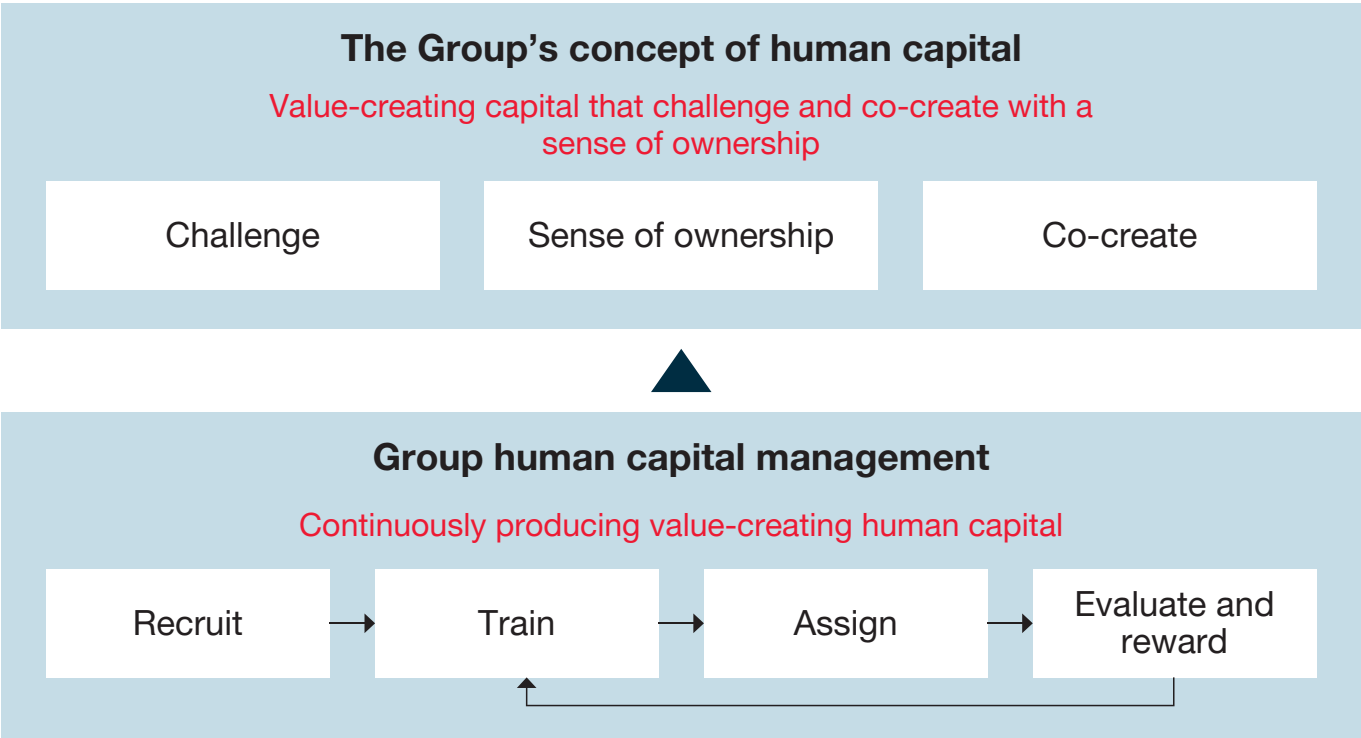
Challenging the Creation of the Future Infrastructures with All of Our Partners

• Management of the Group's Human Capital Management – To Continuously Produce Value-creating Human Capital"

Th Group recognizes that investments in human capital is the starting point for improving corporate value, because our human resources are the driving force for maximizing added value. Based on this recognition, the Group will be proactive in promoting investment. We will manage the Group's human resources to produce continuous value-creating human capital that will challenge and co-create with a sense of ownership," which is identified as the type of human capital the Group needs to improve our corporate value.

• The Group's Concept of View of Human Capital: Value-creating Human Capital that Challenge and Co-create with a Sense of ownership

In the Group, human capital with a sense of ownership refers to employees who are able to manage things to make the business succeed. Even if they do not actually take a management role, they are always conscious of the overall optimal solution and can move outside their area of responsibility, take the initiative, and think and act independently to solve problems. We believe that it is necessary to challenge and co-create with a sense of ownership from a wider viewpoint to continue to create value.



Group Human Capital Strategy

To prioritize issues that are important in managing the Group's human capital to continuously create value, we will formulate key measures and invest through the four pillars of our medium- to long-term human capital strategy.

Conceptual view of required human capital		Human capital management	Strategy pillar	Specific measures
Value-creating human capital	Challenge	Recruitment	Strengthen competitiveness in acquiring human resources	Ensure diversity in recruitment branding
	Sense of ownership	Training	Invest in strategic training of human resources	Train managers and executives systematically Improve basic skills of entire Group
	Co-create	Assignment	Assign human resources optimally	Group talent management*
		Evaluations and remuneration	Pursue ease of work and value of work	Improve engagement Establish Group human resources system

*Talent management: A management method that manages information such as employee abilities, qualities and experience values centrally; it is useful for the strategic development and allocation human resources

• Strengthen Competitiveness in Acquiring Human Resources

We will strategically secure human resources who have diverse values, knowledge, and abilities, and create value through our “comprehensive system ×area expansion” and “contracting × de-contracting” business models. We will build an effective system to that addresses the Group’s future, mission, business and content of work, corporate culture, and that attracts human resources and achieves our targeted human capital.

• Invest in Strategic Human Resources Training

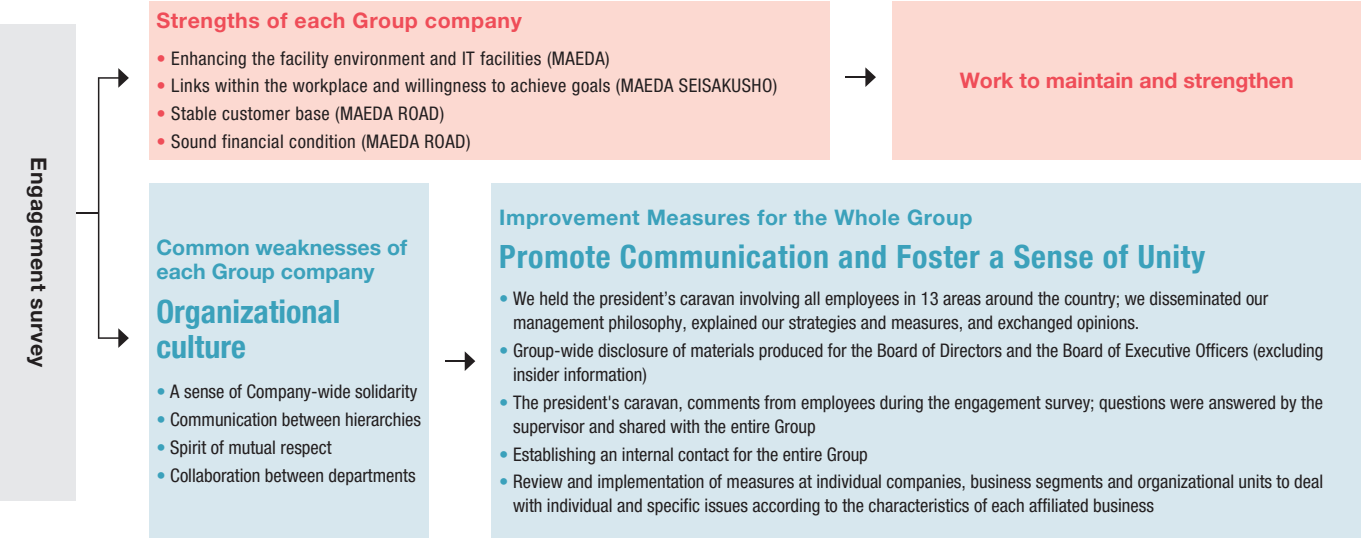
The INFRONEER Group has been investing significantly in developing its human resources so far, but we recognize that to overcome more powerful changes and to continue to grow, it is necessary to plan for the development of capable managers and executives who will lead the entire Group, to invest in the training that is optimal for individual employees and that does not stop at standard training, which retrains employees, but that puts them through continuous re-learning in response to environmental changes, and improves the business basic skills of the entire Group. We will increase the value created by our human capital and the value of our human resources themselves by investing in the standard training across the entire Group and training that imparts the expertise required in each affiliated business.

• Optimally Assign Human Resources

We will maximize value-added by assigning the necessary human resources to implement the strategy, and assigning a sufficient number of employees when needed. By promoting talent management throughout the entire Group, we will systematically train and secure human resources necessary for our medium- to long-term strategy, and aiming to achieve optimal allocation of our human resources.

• Pursue Ease of Work and Value of Work

An employee engagement survey was conducted immediately after the business integration. Our aim is to improve engagement, motivation and productivity by reviewing results, implementing countermeasures and developing PDCA cycles. We will build a system and corporate culture in which diverse human resources can actively participate by promoting a performance-based remuneration system, proactively investing in employee engagement-improvement measures, promoting health management, supporting the work-life balance, and introducing flexible working formats.



President's caravan venue

• Human Rights

We take the impact that risks and opportunities related to human rights have on companies seriously. At the Board of Directors meeting held on June 23, 2022, we decided to implement an the INFRONEER Group Human Rights Policy (hereinafter referred to as the "Human Rights Policy"). We recognize that our business activities may directly and indirectly affect human rights. We will provide all our officers and employees with appropriate training and education to ensure that our Human Rights Policy permeates INFRONEER and the Group and is implemented effectively across all of our corporate activities. Furthermore, we will regularly disclose our commitment to respect for human rights on our website and in our integrated reports.

 <https://www.infroneer.com/jp/sustainability/social/>

Revitalize the Community and Support Partners

We will work to resolve social issues and regional revitalization by participating in public-private partnership projects such as the concession project and others, and we will introduce initiatives that will contribute to improving the stability and productivity of the management of cooperating companies, who are our partners nationwide and who are indispensable in sustaining growth in our company (page 40).

Cash flow

• Create an advance payment system and abolish the reserve money system

In an effort to reduce the load on cash flows and upfront investments at cooperating companies regarding cash flow and upfront investments, we abolished the construction fee payment reserve money system for the purpose of collateral and shortened conventional payment terms. We also created a system for the payment of advance payments for specific sets of contracted work.

Securing and training human resources

• Support the dissemination of cooperating company recruitment information and training

Securing and training skilled construction workers will make the construction industry more attractive and lead to the development of a more developed social infrastructure. Posting recruitment information on the work environment and welfare benefits of our cooperating companies on each Group company's website will support human resources training and secure more workers, and encourage workers to obtain the qualifications necessary for construction work. We plant to hold study meetings and establish an award system that evaluates the performance and technical capabilities at the Group's construction sites and introduce a payment system that is based on the work performance.

• Revitalize the Community and Support Partners

MAEDA's cooperating company association (Zenyu-kai)

As MAEDA's best partners, Zenyu-kai members strive to improve safety and quality through group activities to create a Group that is trusted by all its stakeholders. In addition, TEAM-Z, a recruitment site of Zenyu-kai, disseminates a range of information to members to increase solidarity.



Kenji Kaido, Representative Director and President of Kaido Construction Co., Ltd.; Chairman of Zenyu-kai

Currently, the issues facing the construction industry and companies are accumulating. There are urgent issues, including a shortage of workers, but we need to think about what the world will look like in the future and tackle the issues before the change occurs. We have established an association for Zenyu-kai's next-generation of leaders, comprising managers responsible for the next generation. We hope to expand our business opportunities following our expansion of the new business areas set out by INFRONEER Holdings. The resulting experience, such as de-contracting initiatives with members of MAEDA's next-generation leaders' association, present us with the sustained challenge of facing social changes.



Koichi Sakamoto, Representative Director and President of Sakamoto Kogyo Co., Ltd., the Next-generation Leaders' Association of Zenyu-kai

MAEDA ROAD's cooperating company association (Kyoei-kai, Rekiyu-kai)

In 1968, the Kyoei-kai, and Rekiyu-kai systems were started to strengthen MAEDA ROAD's construction and transportation system. For more than half a century, we have worked as a dedicated cooperative company to create close relationships with each region. Currently, there are 98 Kyoei-kai member companies and 57 Rekiyu-kai member companies including the original members, giving a total of approximately 3,500 people. Meanwhile, the pavement industry today is experiencing severe challenges, including high crude oil prices and a chronic shortage of construction technicians. We need to develop into a group of companies that can continue to grow even under these circumstances. As a partner of INFRONEER Holdings, we will continue to work together on a variety of issues to ensure that we act as one.



(From left to right in the photo)
Shinichi Matsubashi, Representative Director and President of Matsubashi Komuten Co., Ltd.; Chairman of Kyoei-kai
Tokuji Morita, Chairman of the Board of Directors of Morita Shoji Co., Ltd.; Chairman of Rekiyu-kai

* Overview of Zenyu-kai: 12 branches nationwide; 567 member companies. Kyocho-kai was started in 1948 as an association of civil engineering companies, and Zenshin-kai was started in 1967 as an association of building constructors. In 1969, they merged and became Zenyu-kai. (<https://team-z.jp>)

Governance

With the growing awareness of governance in society and to further its aim of becoming an "integrated infrastructure service company," INFRONEER has formed a company with a nominating committee, with a majority of outside directors, to give emphasis to investment decisions and management evaluations from a social perspective.



Director Hiroataka Nishikawa	Director/Executive Officer Masaaki Shioiri Capital Investment Strategy Officer	Director (Outside) Seiichiro Yonekura	Director (Outside) Koichi Moriya Chairman of the Nominating Committee	Director (Outside) Atsushi Takagi Chairman of the Remuneration Committee
Director (Outside) Keiichiro Hashimoto Chairman of the Board of Directors and Chairman of the Audit Committee	Chairman of the Company Soji Maeda	Director, Representative Executive Officer, and President Kazunari Kibe CEO	Director (Outside) Rie Murayama	

Name	Position in the Company	Expected Roles and Expertise Items									
		Company Management M&A	Business Strategy Industry Insights	Financial Accounting	Sales Marketing	Internal Control Risk Management	Human Resource Training Development Labor Management	Engineering R&D Quality Safety	Global Overseas Business Management	IT DX	ESG Sustainability
Soji Maeda	Chairman of the Company Compensation Committee Member	○	○		○				○	○	
Kazunari Kibe	Director Representative Executive Officer and President Nominating Committee Member Compensation Committee Member	○	○		○		○	○		○	○
Hiroataka Nishikawa	Director Audit Committee Member		○		○	○					
Masaaki Shioiri	Director Executive Officer Nominating Committee Member	○	○		○			○			
Keiichiro Hashimoto	Outside Director Chairman of the Board of Directors Nominating Committee Member Chairman of the Audit Committee	○	○	○		○			○	○	○
Seiichiro Yonekura	Outside Director Nominating Committee Member Compensation Committee Member		○				○		○		○
Koichi Moriya	Outside Director Chairman of the Nominating Committee Compensation Committee Member Audit Committee Member	○			○	○	○		○	○	○
Rie Murayama	Outside Director Nominating Committee Member Compensation Committee Member		○	○	○				○		
Atsushi Takagi	Outside Director Nominating Committee Member Chairman of the Remuneration Committee Audit Committee Member		○	○					○		

Note: The above list does not represent the complete expertise of each officer.

Basic Philosophy

INFRONEER Holdings is proud of its business, which creates a living foundation for people and contributes to a prosperous society, and is confidently implementing its social mission. For this, INFRONEER Holdings has established a basic Code of Ethics for its corporate activities, established a compliance system for laws and regulations, and has implemented appropriate operations. The basic standpoint of our management is to identify and eradicate corruption, breaches of trust, and unauthorized construction at every opportunity. In addition to the basic compliance items in our Code of Ethics, we will focus on the following items to conduct fair and large-scale corporate activities at all times.

Anti-corruption

Both in Japan and abroad, the prevention of corrupt practices including bribing public officials, giving and receiving excessive entertainment and gifts, collusive relationships, embezzlement and trespassing is positioned as one of the most important issues in ensuring compliance. In our "Code of Ethics," we have commit ourselves not to conduct acts that are illegal or that could be misconstrued by society, and to maintain a healthy and appropriate relationship with public officials and political organizations. We have signed the UN Global Compact and we support and affirm the principles related to anti-corruption.

Anti-competitive Acts

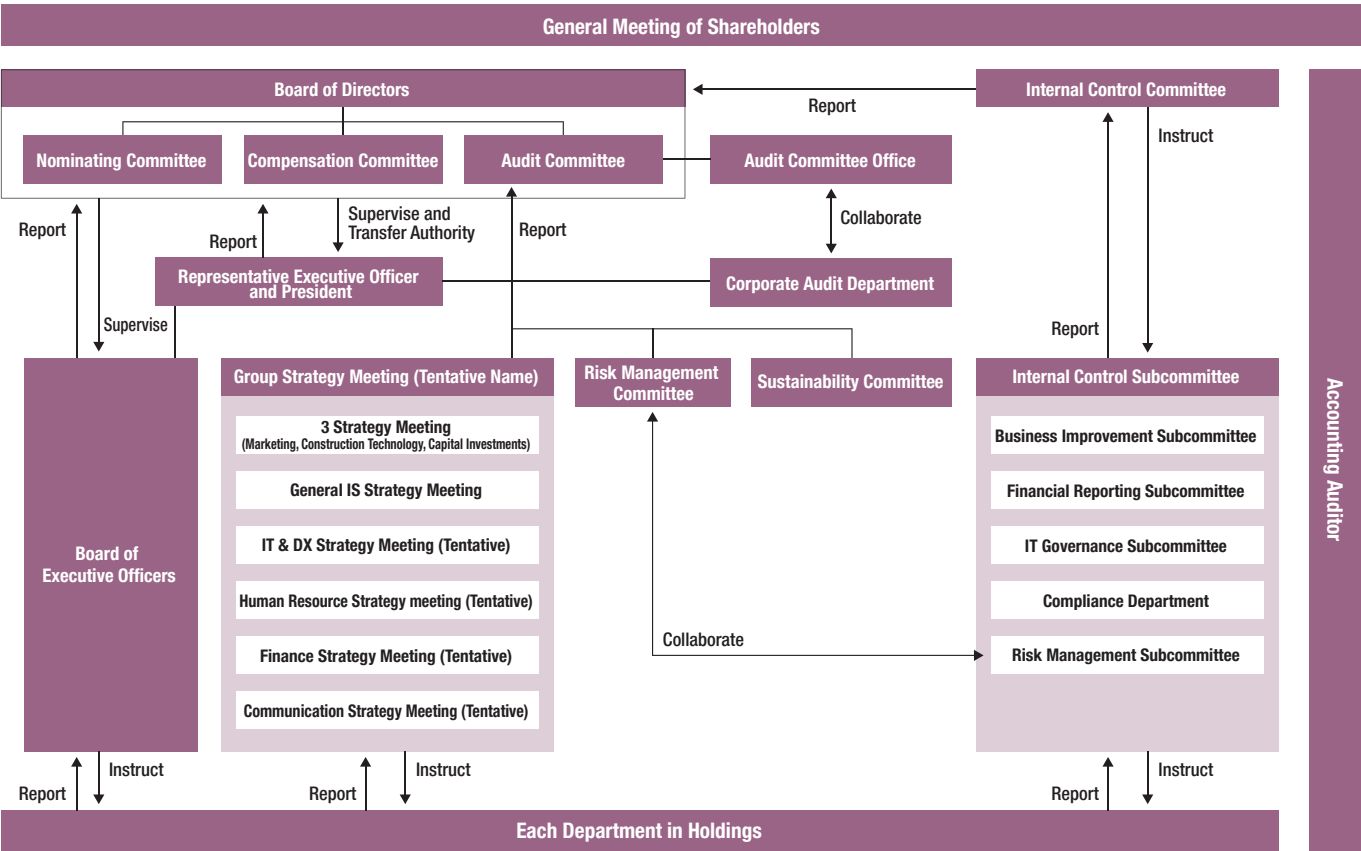
We have set out a "bid rigging prevention policy" to prevent bid rigging at each affiliated business more effectively. In line with policy revisions, employees need to comply with our highly effective "bid rigging prevention rules." For example, we have clarified the rules governing leaving a meeting that apply when an employee suspects a bid rigging is being discussed at a meeting with another company in the same industry. We also fully implement compliance training.

Transparency of Taxes

We will respond appropriately to changes in local laws and regulations and provide timely and appropriate tax information to ensure transparency. Furthermore, we are working to build trust with the tax authorities in each country and re-gion, such as by responding honestly to tax investigations and ensuring transparency and reliability in tax-related matters. We use appropriate and effective measures to reduce our tax burden, and if the tax risk is assumed to be high, we will seek advice and guidance from tax experts to reduce tax risks when necessary.

We will strengthen the internal restraint mechanism and we will establish an internal audit system to ensure that these are implemented, Furthermore, we will always clarify the difference between public and private, correct our own attitude, and respond to the trust of society by staying close to our management philosophy.

Governance Structure



Overview of the Operational Status of the Structure to Ensure Our Business is Appropriate

INFRONEER has built and operates an internal control system to ensure the execution of appropriate administrative orders in the Group and efficient business execution, and audit systems to respond to changes in the business environment quickly and flexibly with good risk management, and compliance.

1. System required for the execution of the instructions of the Audit Committee

The Audit Committee Office, a dedicated organization that assists the Audit Committee in its functions, comprises four employees. To enhance the effectiveness of the audits carried out by the Audit Committee, we hold regular meetings with outside directors and accounting auditors, as well as the presidents of subsidiaries, auditors and internal audit departments to exchange information and opinions.

2. Information storage and management system

All documents related to executive officers' execution of their duties, such as minutes of the Board of Executive Officers meetings and requests for approval, are appropriately stored and managed by relevant departments in an easily searchable state based on relevant laws and regulations and relevant internal regulations, and the status of execution of executive officers' duties is regularly reported to the Board of Directors.

3. Risk management system for the management of risk

We established the risk management regulations and established a Risk Management Committee, the highest level body relating risk management, on a quarterly basis to establish risk management regulations and implement cross-cutting risk management across the entire Group. In FY2021, we conducted cross-cutting evaluations and analyses on themes including governance, compliance, and disaster preparedness and climate change.

4. Compliance system

We disseminate our Code of Ethics, which defines the social roles and responsibilities our company must fulfill, to all employees via our internal intranet to ensure business ethics and compliance. We have also established an internal reporting system, set up methods of contact including a workplace hot-line telephone and a compliance hotline. We will work to prevent and detect fraud at an early stage. We have also established and operate a system that prevents users from being adversely treated.

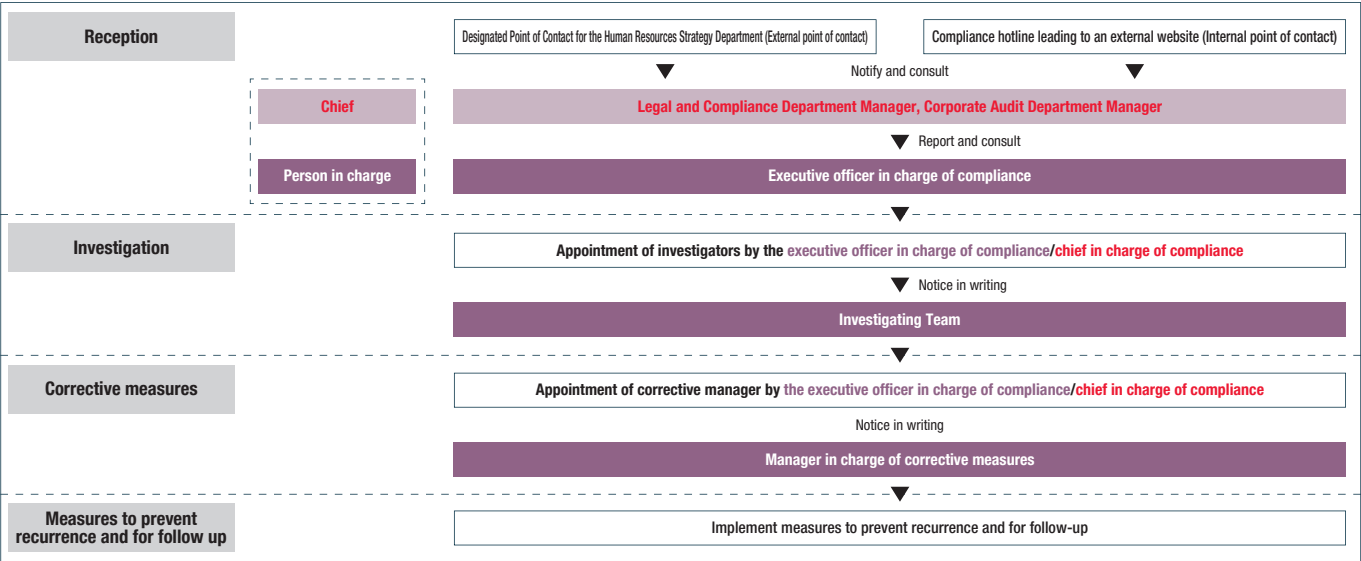
5. Group management system

To ensure that our subsidiaries carry out their business adequately, we have developed a risk management system, a compliance system, a system to eliminate anti-social forces and a system to ensure that documents and other information related to financial calculations relating to Article 24, 4(4) of the Financial Instruments and Exchange Act are kept. These systems receive the approval of the Board of Executive Officers or executive officers according to the level of importance, based on the rules of affiliated companies prescribed by the Company.

6. Internal audit system

The Company has established a Corporate Audit Department that is responsible for conducting internal audits for the entire Group. During an audit, we use a risk approach that reviews the reliability of financial reports, effectiveness of operations, and compliance with laws and regulations. We have also established an internal audit departments at our main subsidiaries that are linked with the Corporate Audit Department to strengthen the Group's internal audit function.

Internal Notification Response Structure (Partial Excerpt)



See our website for details. <https://www.infroneer.com/jp/sustainability/governance/>

System and Policy for Determining Executive Remuneration

The policy that determines the remuneration for Company officers and others is set out by the Compensation Committee, which has a high degree of independence. The Compensation Committee has established an operational process that emphasizes objectivity and transparency, and regularly reviews the rationality of the policy for executive remuneration. In FY2021, we also established Basic Principles of the Executive Remuneration System and a Remuneration System.

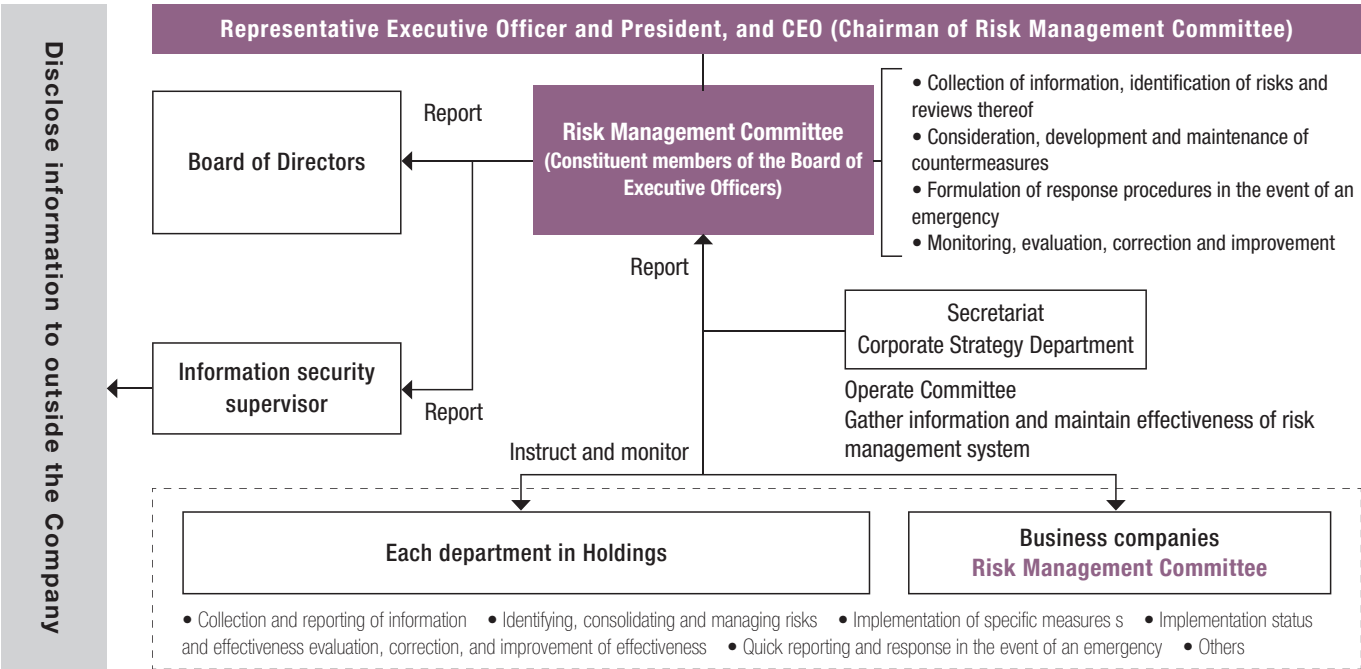
Executive remuneration comprises a base remuneration, performance-linked remuneration and non-monetary remuneration. Performance-linked remuneration is composed of annual incentives that are linked to the achievement of Company-wide performance goals in a single year, and medium- to long-term incentive that is linked to the achievement of performance goals in the INFRONEER Medium-term Vision. Non-monetary remuneration consists of shares with restricted transfers to share interest with shareholders. The remuneration rate for each type of executive remuneration reflects the weight of responsibility for improving performance and corporate value and is subject to a performance-related increase for top management positions.

INFRONEER Holdings FY2022 Risk Map

High-risk areas

Impact leve	Approx. ¥1 billion converted or more	5	<ul style="list-style-type: none">• Natural disasters• Customers	<ul style="list-style-type: none">• Markets• Products and service defects• Environment	<ul style="list-style-type: none">• Existing businesses• Compliance	<ul style="list-style-type: none">• Governance• Organization/corporate culture• Procurement
		4	<ul style="list-style-type: none">• Conflicts and disputes at the national level	<ul style="list-style-type: none">• Shareholder, IR• Financial	<ul style="list-style-type: none">• Competitor• Public relations• Communication• Human capital	<ul style="list-style-type: none">• New businesses• Labor(occupational health and safety)• Information systems• Laws and regulations
	Approx. ¥100 million converted	3	<ul style="list-style-type: none">• Trading partners• Asset preservation (Physical and intellectual property)	<ul style="list-style-type: none">• Overseas business		
		2				
	Approx. ¥10 million converted	1				
			1	2	3	4
			Less than once in 10 years		Less than once in 3 years	
Frequency (Frequency)						

Risk Management System



Challenges in Expanding the Infrastructure Business

For 100 years, the three businesses companies of the INFRONEER Group have been involved in infrastructure businesses that support the growth and development of their communities and society. To anticipate and respond quickly to the diverse needs of infrastructures that is changing with the times, we have grown along with the communities and societies and made efforts to improve our corporate value using the technology and knowledge that each company has developed and our eagerness to take on new challenges.

Now, the pace of change is increasing, and the challenges facing the infrastructure are becoming more complex and diversified. In the meantime, as a company that must survive for the next 100 years with the community and society, we will work together as a Group to face each business challenge with integrity and develop future infrastructure services together with our stakeholders.



Tenjin Business Center



Aichi Arena



Fukuoka PayPay Dome

1980s Transition to high-level construction such as ultra high-rise buildings and domes

- Urbanization and diversifying lifestyles
⇒ Transition to infrastructures to make life enjoyable

1960s Moved into the overseas civil engineering and building construction business

- Urbanization and population growth
⇒ Developed infrastructure for a safer, more secure and richer life

Asphalt mixture production business

- Popularization of automobiles and expanded demand for road maintenance
⇒ Established a structure to provide our asphalt mixture production and sales business to the whole country

Moved into the machinery business

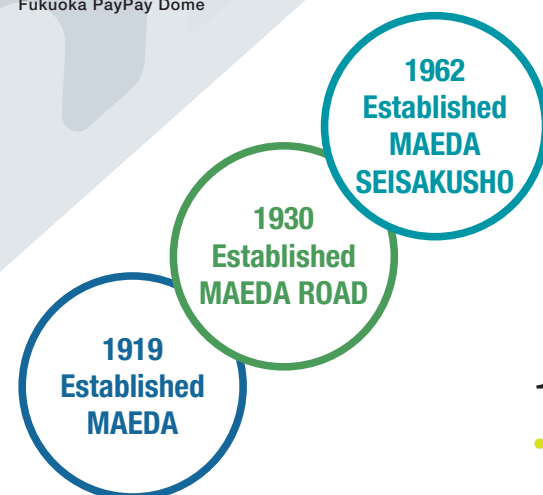
- Expanded demand for machinery
⇒ Ensured safety and quality and streamlined infrastructure maintenance

1950s Moved into the civil engineering business

- Post-war reconstruction
⇒ Setup infrastructure that provides a foundation for living

1920s Moved into the mountain civil engineering business

- Modernization of Japan
⇒ Beginning of setting up an infrastructure to support national development



Legend:

- Social environment changes
⇒ INFRONEER's challenges

Vision

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

2021 Established INFRONEER Holdings Inc.

- Safety, security and sustainability of our society and local communities
⇒ Becoming an integrated infrastructure service company

Mission

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

2020s Moved into comprehensive public facility management business

- Diversity of regional issues
⇒ The challenge of building the best infrastructure services for each region

2010s Moved into the renewable energy concession business

- Increasing environmental awareness and aging infrastructure
⇒ Promotion of de-contracting and "Environmental Management No. 1"

2000s Moved into the PFI business and the retail business

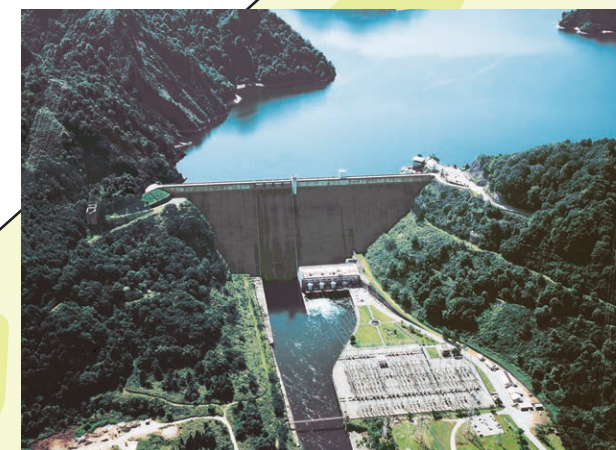
- Shrinking of markets
⇒ Moved into new infrastructure services



Paving construction



Crawler Crane



Tagokura Dam



Umihotaru Parking Area at TOKYO-WAN-AQUA-LINE EXPWY

As an integrated infrastructure service company that provides optimal infrastructure services around the world outside of the established concepts, the INFRONEER Group focuses on the civil engineering, building construction, road civil engineering, infrastructure management and machinery businesses, and has expanded its range of businesses from retail business to real estate. In addition to further strengthening businesses in each segment, we will continue to leverage the strengths of each segment to demonstrate synergy across Holdings and provide safety and security for society and the regions.

INFRONEER Holdings segment	
Civil engineering business	MAEDA CORPORATION civil engineering business MAEDA CORPORATION real estate business (civil engineering)
Building construction business	MAEDA CORPORATION building construction business MAEDA CORPORATION real estate business (construction)
Road civil engineering business	MAEDA ROAD CONSTRUCTION Co., Ltd. (Consolidated)
Infrastructure management business	MAEDA CORPORATION infrastructure management business Anonymous association Goyoan solar-power generation Aichi Road Concession Co., Ltd. Anonymous association Aichi road concession Anonymous association Mine solar-power generation Anonymous association Happon wind power development
Machinery business	MAEDA SEISAKUSHO CO., LTD. (Consolidated)
Related businesses	JM Corporation FBS Corporation Fujimi Koken Co., Ltd. Thai Maeda Corporation Limited

Civil Engineering Business Continuing to be the backbone supporting companies and society

The civil engineering business began with the construction of a hydroelectric power plant in 1919 in the mountains, and expanded in scope to include urban civil engineering and overseas construction, as well as work on dams, tunnels, and shields. Based on MAEDA's founding philosophy of "doing a good job and gaining the trust of customers," we are proud to have been the backbone that supports the company and society through infrastructure development, through monozukuri (manufacturing) implemented with local companies and cooperating companies.

As society faces a declining birthrate and an aging population, and the fiscal situation deteriorates, the way in which infrastructure is operated is changing dramatically. In the field of construction which is our core business, it is necessary to improve our management capabilities and introduce significant improvements in productivity through automated construction, DX, and other technologies. In addition, as the forms of infrastructure businesses diversify, I think that proactively introducing concessions and expanding our business areas will result in the capturing major business opportunities.

Even in this era, although the needs of society have greatly changed, human resource development and technology succession still present the same challenges. This is becoming increasingly important. Each individual has the right sense of responsibility, a sense of crisis, and takes action after observing their surroundings. If we can enjoy these things, our thinking will be a source of organizational strength. We can move forward vigorously as an integrated infrastructure service company that incorporates civil engineering business and INFRONEER Holdings.



Takao Nakanishi, Representative Director and Senior Managing Officer, MAEDA CORPORATION

Building Construction Business Implementing growth as an equal partner in one group

The building construction business has developed a variety of building technologies to meet changing needs. The scale of the business has expanded 1.5 times over the past decade as a result of the growth of the sales, design, and engineering divisions that create upstream businesses. Importance is placed on both the ordering party and the cooperating company continuing to be partners. This is an equal relationship of trust in which we work together from upstream on any project to overcome challenges, and share the risks and value.

For example, we also ask the ordering party to understand so that we must obtain appropriate profits as a business. To do this, it is necessary to provide more value-added products without wasting costs. In fact, we are proud to be the only general contractor who not only incurred additional costs when prices soared, but also returned them when prices fell. This was possible because we have unconventional ideas for sharing, such as the industry's first cost disclosure method of "cost + fee."

This also leads to pride and rewards for our staff and skilled personnel at cooperating companies. We are not worried about the shortage of workers that will be future source of anxiety in the building construction business.

In addition to acquiring projects and developing technologies on our own, we are accelerating our links with partner companies and Group companies, and we will grow together in response to the diverse needs of society and the regions.



Yuuji Hatakama, Director and Senior Managing Officer, MAEDA CORPORATION

Road Civil Engineering Business A spirit of working hard and taking on challenges

The road civil engineering business consists of two businesses. Specifically, they are construction mainly focusing on pavement and asphalt mixture production and sales.

Achieving physical improvement, one of INFRONEER's key goals for sustainable growth, requires deepening these two existing core businesses and employees' taking on challenges to attain that. At MAEDA ROAD, the spirit of working hard to be able to face each one and move the business forward is a byword across the whole company, but I also want to cultivate the spirit of taking on challenges while valuing our commitment to the core business.

Our existing business is in a mature market; further growth will require a new revenue base. For this reason, we are also implementing initiatives in new areas such as comprehensive private contracting in Fuchu City, utilizing the technical skills we built up in our road civil engineering business. We will continue to build on our achievements by taking on business in which we can demonstrate synergy as a Group.

In addition to using ICT to improve productivity by, we will implement and practice new ideas that complement each of our other Group companies and mechanisms generated from the use of IoT and DX to attain reformed productivity. We will switch the type of power and fuel used at our manufacturing plants to renewable energy and work to achieve the target values set by the government.



Satoru Tsuchiya, Senior Managing Officer, MAEDA ROAD CONSTRUCTION Co., Ltd.

Infrastructure Management Business Leading the de-contracting business, and moving to create more value

The infrastructure management business has led the de-contracting business, mainly in the renewable energy business and the concession business. These initiatives and the Holding's management plan also coincide with the government's action plan* announced in June this year. I feel the responsibility to respond reliably to social demands in each business and lead us to the next business area.

Last fiscal year, we were able to provide society with a quality infrastructure, including the commercialization of woody biomass-power generation and the sale of two photovoltaic power generation businesses. We were able to expand our earnings, and this will lead to the next business development and investments. In the concession business, we also expanded our areas, adding the water supply business following airports and toll roads. We will strengthen our links with external partners and Group companies to create a secondary market for infrastructure as well as business development and operations. We will continue to provide society with a quality infrastructure that is complete in both quality and quantity.

To respond to the different needs and issues of each region with optimal infrastructure services, we will combine the engineering capabilities of each Group company with the know-how developed in our infrastructure management business and finance, thereby expanding our de-contracting business and creating further added value.



Motoi Higashiyama, Managing Officer, MAEDA CORPORATION

Machinery Business Contributing to the development of the social infrastructure by integrating the technologies accumulated over the years with leading-edge technologies

For 60 years, the machinery business has been responsible for designing, manufacturing, selling, leasing, and providing after-sales services for construction machinery and the like, and it has played a part in the development of the social infrastructure. We develop original products including our spider cranes and crawler cranes to meet diversified workplace needs. In recent years, we have made further efforts to reduce the impacts on the environment by expanding our lineup of fully electric cranes to achieve carbon neutrality. In addition, we tirelessly develop and manufacture custom-made products based on our extensive technological development. Further, we strongly support our customers with a comprehensive system from design to after-sales services, which is the strength of our business.

As a master exclusive distributor for Komatsu, the world's leading brand, we are proud of our top ranking results in Japan. We have a wide range of state-of-the-art machines, including hybrid construction equipment, machines with our "KOMTRAX" vehicle management system installed and ICT construction equipment that incorporates an integrated construction site management system called "smart construction." By solving the social issues resulting from the decrease in the working-age population caused by the dropping birthrate and the aging population, we are contributing to making work sites more efficient and safer.

We will continue to work with both machine manufacturers and Komatsu master exclusive distributor to strengthen our technical capabilities to meet a range of work site needs. We are committed to expanding our business areas by collaborating with Group companies.



Masahiko Ichigi, Executive Officer and Vice President, MAEDA SEISAKUSHO CO., LTD.

Civil Engineering Business



Civil Engineering Project: Work to Take Measures for Sediment Flow at Yamasubaru Power Plant Dam (Higashiusuki-gun Morotsuka, Miyazaki Prefecture)

Initiatives for National Resilience through 100 Years of Civil Engineering Capabilities Developed

Our civil engineering business was accompanied by growth in Japan, crisis response, and crisis circumvention. We have supported Japan's high economic growth through construction projects, including the development of the power supplies needed after the war, the development of a mobile infrastructure centered on roads and railways and the development of social infrastructure as urbanization progressed.

However, business opportunities have shrunk in Japan and overseas since the collapse of the bubble economy, making it difficult to maintain technical capabilities.

With this as a background, using the Great East Japan Earthquake as an opportunity, we have raised public interest in the development and maintenance of social infrastructure. In recent years, in the construction industry, especially the civil engineering business, national resilience, the renewal of a crumbling social infrastructure, decarbonization, and improvements to our defense capabilities have become pressing issues. Furthermore, due to budgets shortages and the failure of engineers for planning and management, plus a shortage of workers, we are also entering a situation in which smooth business continuity is becoming increasingly more difficult.

We are in an era in which various forms of business are working to solve these issues and problems, and to improve Japan's infrastructure potential. For this reason, we are working to become an integrated infrastructure service company. To achieve this, we are strengthening our core businesses to improve our construction, design, and technological development capabilities in the civil engineering business, and we are accelerating our expansion into new business areas, including in renewable energy, carbon neutrality, and environmental technologies.

Our civil engineering business has a long history , during which we acquired the technical skills that are indispensable for *monozukuri* (manufacturing). In the future, while valuing our history and traditions, we will acquire new technological capabilities and respond to the demands of the era that our social infrastructures serves.

Opportunities

- Expansion of the public-private partnership markets as a result of the financial difficulties in the national and local governments
- Demand for infrastructure renewal has increased because of the deterioration of both public and private infrastructure. Especially, large-scale renewal projects carried out by various road companies have accelerated
- Expansion of environmental businesses, including carbon neutrality, and renewable energy businesses (onshore/offshore wind power and others)

Strengths

- Industry-leading technical evaluation score for an overall evaluation of projects: Ranked in first place for technical evaluation and order acceptance rate**
- Comprehensive evaluation of projects: technical evaluation score: first place, acquisition rate: 37% (average of five periods)
 - Technical evaluation of #1 projects: Order acceptance rate 53% (average of five period)
 - Achievements in renewable energy, EPC, and CM¹: Construction value ¥44 billion (cumulative over the past 5 years)

INF
infrastructure
construction
measures

Strategy

Pursue Group synergy

Establish a structure for new business areas

Promote DX/
shared service

Promote M&A

Strengthen the ability to receive orders, including design and construction projects

- Strengthen the design system by promoting M&A and mid-career recruitment and developing our training system
- Improve the ability to propose value-added solutions that meet customer needs, and strengthen our approach upstream

Expand renewal efforts

- Strengthen competitiveness by developing renewal technologies such as for roads and dams and power, and building on our achievements
- Strengthen relationships and build institutions with specialist companies, and others

Develop and systematize productivity-enhancing technologies

- Introduce BIM/CIM² in all processes, build on and use knowledge
- Develop tunnel construction automation technology (reduce target input labor by 40%)
- Develop a shield tunnel integrated management system (reduce target input labor by 50%)

Synergy through Group collaboration

- Work with MAEDA SEISAKUSHO to reduce manufacturing costs for heavy machinery and shielding machines
- Share the customer networks of each Group company to expand opportunities for orders

Train human resources

- Train human resources that can expand our share of the contracting business, establish a ranking, and secure profits
- Train human resources that can expand business areas and play an active role in new areas

Use DX to minimize lost profits

- Improve the construction management capacity of the entire organization by standardizing the traditional individual construction management skills and aligning them at a high level
- Improve cost control accuracy and ease of design changes by systematizing business management

Establish a sustainable, good-quality supply capacity and system

- Take on the challenges of improving work site productivity in collaboration with cooperating companies
- Implement measures to reduce the load on the cash flow and upfront investments of cooperating companies

Risks

- Worsening profitability caused by soaring prices of construction material
- Drop in work site productivity because of the aging and shortage of workers
- Loss of opportunities to get orders because of problems relating to quality or safety
- Inadequate adaptation to major environmental changes

1. EPC: Acronym for Engineering Procurement Construction. Work flow system comprising design, procurement, construction and test runs in the engineering business
CM: Acronym for Construction Management. A method in which the construction manager manages the design, construction ordering, and process management integrally from the position of the ordering party
2. BIM: Acronym for Building Information Modeling. A method for utilizing streamlined information on planning, design, construction and maintenance by constructing buildings in 3D space on computers
CIM: Acronym for Construction Information Modeling. An attempt to use the concept of BIM, which is becoming popular in the construction field, in civil engineering.

FY2021 Initiatives and Performance Review

In recent years in the civil engineering business, demands for national resilience, renewal of a crumbling social infrastructure, decarbonization and improvements to our defense capabilities have become increased. With this as a background, we have responded to the diverse needs of society, including developing new markets and improving productivity and the like from a long-term perspective.

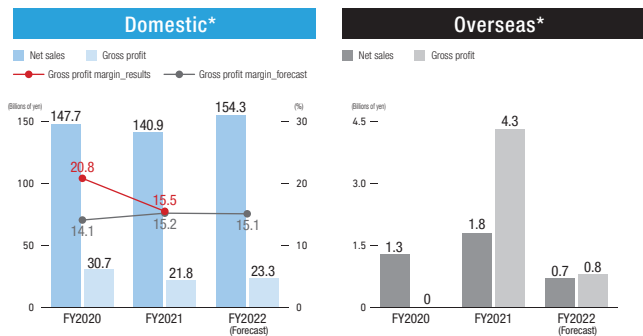
In our core business, we maintain industry-leading overall evaluation capabilities with high technical proposal capabilities and accurate budgeting, which results in us receiving orders. In actual construction, during the large-scale renovation of a dam, we used our high technical capabilities to challenge the social issues including the major natural disasters of recent years and aging, and implemented a flood control recovery function.

This technology allowed us to carry out high-precision construction, achieving significant labor-savings, and shortening the construction cycles for steel shoring work and improving the quality. It has also greatly improved safety when face cutting to prevent rockfall³.

In its recent results, despite factors such as the shrinkage emanating from the Ministry of the Environment and the decrease in net sales of completed construction contracts of large-scale shielding constructions, the Company maintained net sales of about ¥150 billion thanks to robust orders for large-scale private construction projects and other government construction projects. In FY2021, there was a decrease in domestic civil engineering work, including large completed construction projects, and net sales were more than ¥142.6 billion. However, while orders for domestic government construction projects were struggling to grow, orders for private construction projects were robust. For this reason, we obtained a construction volume of more than ¥161.5 billion.

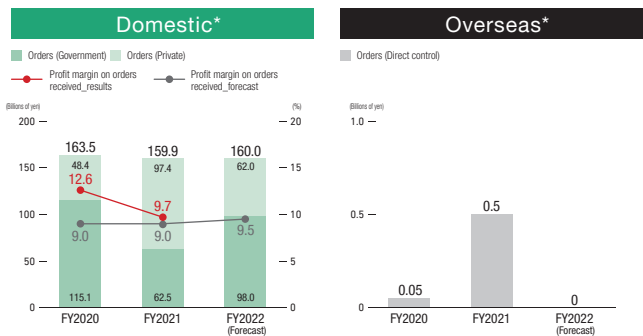
3. Loose rockfalls occurring during face cutting: With the leading-edge technology (face cutting) for excavating at mountain tunnels, the rock face becomes exposed, and industrial accidents can occur as a result of falling rocks.

Results (Net Sales/Profit Margins)



*Because of the numerical values include the real estate business, the numerical values before FY2021 are different from the published data.
*For overseas, the amounts were calculated using the exchange rate at that time.

Results (Orders/Profit Margins)



Future Outlook

The issues to be addressed by the civil engineering business are diverse; they include introducing public-private partnerships to solve the deterioration in the infrastructure and the shortage of financial resources for the future, and reforming working styles against a backdrop of a shortage of workers and required improvements in productivity.

One risk we have recently identified is the rise in material prices caused by delays in large-scale construction projects that have been impacted by major social accidents and changes in the global situation. To seize new market opportunities, we are further strengthening our initiatives in the wind power market, nuclear power plant-related projects, highway re-basing, dam renewal, and local government water supply projects.

In the current technical cooperation to design and construct a tunnel to reroute sediment transportation at the Omachi dam, and others, which is currently being designed, the sediment countermeasures technology is being used to evaluate the flood adjustment capacity of the existing dam. This is the first project we have received the Ministry of Land, Infrastructure, Transport and Tourism ECI⁴, and we are moving forward with initiatives to sign an agreement after the designs are completed. To improve productivity, we are introducing introduction of new technologies including DX, automation, and unmanned vehicles, as well as the training and strengthening cooperation with cooperating company staff.

From the next period onwards, we will continue to maintain our first place ranking in the technical evaluation of comprehensive evaluation projects, and we expect to maintain our performance with orders for solid domestic government construction projects and expand private construction projects.

4. ECI: Acronym for Early Contractor Involvement. One of the ordering methods that involves the construction vendor from the design stage

TOPICS



First Large-scale Dam Renovation Project for an Aging Infrastructure

Many dams in Japan suffer from diminished functional degradation caused by sand and aging. The number of natural disasters such as typhoons has also increased in recent years. Renewal work is one of the major initiatives we use to solve those problems. This project was the first in Japan to undergo a major modification while still generating power.

Civil Engineering Project: Measures for Sediment Flow at Yamasubaru Power Plant Dam
Facility Usage: Power plant/Location: Morotsuka-mura Higashiusuki-gun, Miyazaki Prefecture
Year of Completion: 2022/Received 3rd Civil Engineering Award from the Japan Federation of Construction Federations in 2022

Initiatives for National Resilience Using Dam Technology

Since the Great East Japan Earthquake, the need to be prepared for natural disasters has increased. In this project, we carried out maintenance work on the seawall of a 17.5-km section of the coastal area of Hamamatsu City as a defense against a massive earthquake in the Nankai trough. CSG* dam technology was use as the core. This business is financed with local donations. This project served as a business model for the local region; we were responsible for the general management of this project to strengthen the country's resilience.

Construction of Hamamatsu Seawall : Maintenance Business of Tsunami Control Facilities in Coastal Zone at Hamamatsu City
Facility Usage: Embankment (Coast)/Location: Hamamatsu City, Shizuoka Prefecture
Year of Completion: 2020/ Received 3rd Civil Engineering Award from the Japan Federation of Construction Federations in 2022



*CSG: Acronym for cemented sand and gravel. A new type of dam in which cement and water are added to the locally sourced materials, and a cement-based solidified material produced by simple kneading and mixing is used. By making the cross-section of the embankment a trapezoidal shape, three types of rationalizations of design, materials and construction can be attained.



Unmanned Construction that Improves Safety and Eliminates Labor Shortage

Technological inheritance, safety improvements, and productivity improvement have been issues in the construction industry for many years. This project is a new construction of a flat-bottom tunnel (extension 1,665 m) on the Takachiho Hinokage Road, General National Route No. 218. With special geological layers and severe constraints, we maximized our technical capabilities and successfully penetrated the ground. We also actively took on the challenge of technology development and established technologies that included unmanned steel shoring construction. We will expand the know-how we have developed here into future tunnel and shield construction.

Miyazaki No. 218 Flat Bottom Tunnel Construction
Facility Usage: Road Tunnel (Mountain)/
Location: Hinokage-cho, Nishiusuki-gun, Miyazaki Prefecture/Year of Completion: 2020

Employees Views

Currently, I am responsible for the construction of a bridge over the Kumano River, which flows along the border between Wakayama and Mie Prefectures. In addition to improving the convenience of public transport, this bridge will also play a role as an evacuation site for a Nankai trough earthquake. This construction project has enabled me to understand the importance of infrastructure development more deeply. In my private life, I'm married to one of the civil engineering staff members at MAEDA. Our first child was born in July. After giving birth, my wife also returned to work. We are discussing how we can work together both in raising our children and working. However, we believe that it is necessary to improve the child-rearing support system, which has no vacancies; people are denied admission to any daycare facility pathway through the school year when there is a transfer. If we have the opportunity to be involved in planning-related work in the future, we are enthusiastic about trying to introduce an in-house nursery as part of our company's child-rearing support system.



Takahiro Fukuroi who joined MAEDA CORPORATION in 2015; he's working at Kumano River Bridge Work Site

Building Construction Business



Vision Hotels; Hotel Building New Construction (Taki-cho, Taki-gun, Mie Prefecture)

Diverse construction technologies to meet the changing needs in creating cities

In an era of rapid development of urban areas that resulted from the high economic growth, the Architecture Department was established in 1960 as a foothold for business activity in urban areas. In the following year, it fully expanded into the housing sector. Construction technology was steadily developed, and in the 1990s, the challenge of ultra-high-rise buildings (more than 100 m high) began. In 2008, our capabilities grew to take on THE TOKYO TOWERS (58 stories above ground and two buildings), which were the largest condominiums in Japan at that time. To date, we have completed more than 40 ultra high-rise buildings and are proud to be a leading company in the field of ultra high-rise residential buildings. We have also used this technology to participate in projects exceeding ¥100 billion for the Tokyo Olympics.

In the metropolitan area and its surrounding areas, we are facing challenges that include updating urban functions and revitalizing regions and strengthening disaster-prevention functions against places gathered with wooden houses. Over a long period of time, the Group has worked with local residents and related parties to discuss and plan for the optimal redevelopment of the region.

In recent years, we have begun to achieve this. Now we are able to provide more value-added services that focus on customer satisfaction, with the urban redevelopment project as the axis of our business. We are committed to creating a new city that takes advantage of the history and characteristics of the region, and to turning it into a safe and secure city.

With the new Holdings structure, we are committed to building a new business model that takes full advantage of the synergies between segments. In the previous year, we received an order for a new gymnasium in Aichi Prefecture and we will be involved from the business plan. We are currently moving forward with that construction. We will continue to use the technical capabilities we have developed as a building construction business to focus on solving social issues.

Opportunities

- Expansion of the public-private partnership market to solve social issues
- Expansion of large-scale redevelopment projects
- Expansion of renewable energy markets through carbon neutrality
- Creating new building needs, such as measures to cope with infectious diseases
- The digital revolution that is expanding around the world

Strengths

- Strategy for receiving large-scale redevelopment project and abundant experience
- Industry-leading ultra-high-rise building performance
- Securing profit rates unaffected of market conditions
- Technical ability to meet changing customer needs
- High design capabilities familiar with knowledge of workability and maintenance
- EPC through links with the infrastructure management business
- Highly technical and collaborative ability with trustworthy cooperative groups¹

1. Zenyu-kai: See page 62 Revitalizing the Community and Support Partners

Strategy

Create more value-added not just through contracting, but through our de-contracting philosophy.

- Collaborate with developers on redevelopment areas, and participate from the upstream stage with a view to purchasing seed lots.
- Introduce proprietary technologies such as Floor Chamber Air Conditioning Systems and Space Disinfection and Deodorization Equipment for infection control technology, and increase the number of orders by providing more value-added services that focus on customer satisfaction.

Minimize construction costs, and improve profit rates.

- To accelerate constructability and reduce costs, we will implement menu/standardization of design and construction work to standardize buildings, including tower apartments, logistics warehouses, and factories.

Establish a sustainable supply system by strengthening links with partner companies, including the Zenyu-kai

- Strengthen the supply capacity of cooperating companies centered on the Zenyu-kai by using a combined ordering system (framework and interior and exterior construction.), and support the introduction of and training for ICT technologies that contribute to labor-saving operations, and improve the productivity of cooperating companies.
- Activate recruitment support for cooperating companies and improve the supply capacity of Zenyu-kai

Improved workplace productivity

- Improve the productivity of work place staff by verifying ICT technology and deploying it as a standard tool in the workplace to save labor.
- Activate and diversify design BIM and construction BIM, and improve workplace productivity.

Initiatives to close work sites eight days every four weeks

- Support for cooperative companies and their associated workers to improve productivity to enable work sites to be closed for eight days every four weeks.

Development and implement a new business model based on our de-contracting philosophy

- We will expand business orders by strengthening links with the infrastructure management business division and the CSV strategy division, including the Integrated Infrastructure Services Strategy Office at INFRONEER, to solve local social issues.

Risks

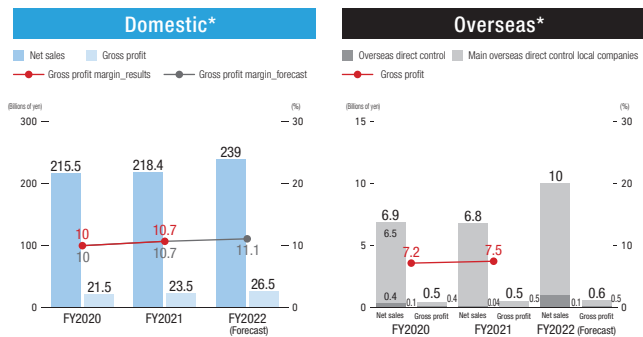
- Worsening performance due to price competition
- Revenue is affected by fluctuations in building materials prices
- Construction delays, generation of extra costs, and loss of credibility because of quality bugs
- Loss of important workers because of industrial accidents
- Lack of awareness of social responsibility for environmental issues
- Low supply and construction capacity resulting from a shortage of workers
- Loss of business opportunities resulting from misreading the market
- Loss of

FY2021 Initiatives and Performance Review

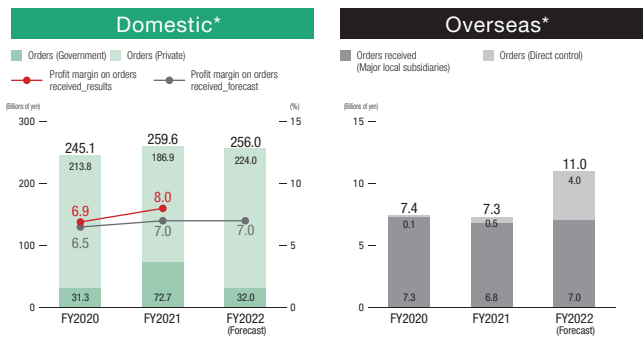
Since FY2014, we have strengthened our efforts to secure large-scale construction projects, and from FY 2015 we have maintained a robust completion profit ratio of approx. 10% by strengthening VE/CD² that has been thoroughly managed for profit rates, low-cost purchasing through centralized procurement and efficient management at the construction sites. At the Tokyo Olympics, we expanded our business area by constructing and dismantling temporary observation seats at several competition venues. Furthermore, we received orders to construct five blocks (six buildings) at Harumi Flag (Athlete's Village), and after the Olympic Games, we are renovating our rentals and subdivided houses and are constructing a new 50-story ultra high-rise housing complex.

In FY2021, we were concerned about the special needs after the Tokyo Olympics and the impact of the new coronavirus. However, by promoting business strategies, including orders for the Build/Transfer+ concession Aichi Arena, manufacturing from upstream of redevelopment projects, and expanding the number of stable customers, we received multiple large-scale orders exceeding ¥10 billion, and achieved a record high order value of ¥260 billion. As the construction industry in general struggled to earn profits because of constant price increases, we exceeded the previous fiscal year in both orders and completion profits.

Results (Net Sales/Profit Margins)



Results (Orders/Profit Margins)



*Numerical values include the real estate business, and so the numerical values before FY2021 are different from the published data.
*For overseas, the amount was calculated using the exchange rate at that time.

Future Outlook

With increased competition and the recent surge in material prices caused by a shrinking construction market after the Tokyo Olympics, our business base, the redevelopment and housing complex businesses, has always secured ¥1 trillion in sales information. Based on this information, we will stabilize our performance in the medium to long term by anticipating future orders and profits for several years with manufacturing from the upstream.

We will also focus on strengthening our efforts to reorganize and rearrange large-scale meat processing facilities, which will be increasing in the future, by leveraging our production engineering capabilities and turnkey³ achievements.

We recognize that it is the responsibility of building engineers to build a decarbonized society. To obtain ZEB/ZEH-M⁴ certification that our company significantly conserves energy, we will introduce design technology that contributes to reducing CO₂ emissions, collaborate in developing floor chamber air conditioning (central air conditioning), and develop medium-sized or larger scale wooden buildings that have a proven track record in each region. We will reduce of CO₂ emissions during construction and building operation.

In the new revenue base of the de-contracting business, the public-private partnership market is expected to expand, so we will increase our fusion of the contracting and de-contracting businesses to create EPC through links with the infrastructure management business. In addition, we will take advantage of our achievements with Aichi Arena and actively participate in the stadium and arena reforms promoted by the Ministry of Economy, Trade and Industry and the Sports Agency.

Based on our extensive construction achievements, we are committed to working with partner companies to build complex resorts such as Auberge that will take advantage of local characteristics and lead to regional revitalization.

2. VE/CD: Acronym for Value Engineering & Cost Down
3. Turnkey: To deliver the product to the customer in a ready-to-run state.
4. ZEM/ZEH-M: Acronym for Zero Energy Building & Net Zero Energy House Mansion. Buildings and homes with net zero or negative annual primary energy consumption

TOPICS



Participate in the Super City Project, the Detonator for Regional Revitalization

In the regional revitalization of local cities, it is necessary to create cities that will attract tourists and generate local employment. This project is a composite hot spring facility on the themes of healing and food that utilizes the nature surroundings and ingredients from the region. Our company participates as part of the business.

New Construction of Hotel Building at Vision Hotel

Facility Usage: Resort Hotels and Inns/
Location: Taki-Cho, Taki-gun, Mie Prefecture; Year of Completion: 2021

Support the Diverse Construction Needs of Sporting Events

We constructed facilities for athletes to stay and temporary observation seats for one of the world's largest international sporting events. After the games, we renovated the facility into rentals and subdivision housing and constructed ultra-high-rise residential buildings (50 stories).

Redevelopment of type 1 urban area; western area of Harumi 5-chome New Construction at 5-5 Tower Building

Facility Usage: Shared House/Location: Chuo-Ku, Tokyo/
Year of Completion: 2025 (Planned)



Introduction of Japan's first Build/Transfer+ concession Method* at the Arena A World-class Arena Project that Implemented State-of-the-Art Technology

The Ministry of Economy, Trade and Industry and the Sports Agency are committed to stadium and arena reforms. This is a core of urban development and regional revitalization that will act as a hub for exchanges between diverse generations. As one of the model businesses for that, the Arena has adopted Japan's first Build/Transfer+ concession method, making full use of private sector vitality, to provide high-level hospitality services.

Construction work related to the development and operation of a new gymnasium in Aichi Prefecture (Aichi Arena)

Facility Usage: Gymnasium/Observatory/Location: Nagoya City, Aichi Prefecture/
Year of Completion: 2025 (Planned)

* Build/Transfer+ concession method: A method in which a business operator designs and builds based on its own proposal, transfers ownership to the prefecture government after completion, and then the prefecture assigns the operating rights for public facilities to the business operator to implement maintenance and operation.

Employees Views

For the last two and a half years, I have been engaged in construction work at construction sites for large commercial facilities. I noticed that the children's park in the commercial facility for which I was responsible became a walking route for the local nursery school, and that students, couples with children and elderly people come to the commercial facility to shop. I felt that I had connected with the local residents through this construction work. I want to continue to take leadership as a member of the INFRONEER Group and create value for society by constructing buildings that will continue to be loved. Also, although the number of key female staff has been increasing since I joined the Company, I still feel that the ratio is low. In the future, I would like to think carefully about how to build an environment where women can work, I would like to think carefully about it and keep my eyes open to see our strengths.



En Chon who joined MAEDA CORPORATION in 2015; she's working at South Ikebukuro 2-Chome Redevelopment Workshop

Road Civil Engineering Business



2nd Tomei Expressway Fuji Nishi Pavement Works Fuji City, Shizuoka Prefecture

Technical Innovation to Create a Path that Connects People

The road civil engineering business began operations in 1930 as a pioneer for asphalt paving work. We have worked on roads and various exterior facilities nationwide, including highways, and have supported the development of social capital and worked to provide attainment of a rich life for the local community for more than 90 years.

In the 1960s, in order to quickly respond to an the automobile-based society and changes in people's lives during the period of high growth, we began installing asphalt mixture factories in various regions of Japan to sell our products and expand our business area.

Currently, we have 111 sales offices and 100 asphalt mixture factories that manufacture and sell asphalt mixture nationwide. Taking advantage of the community-based company, we implement construction directly linked to roads and people's lives and the supply of asphalt mixture. We are addressing various regional issues such as creating safe and secure roads.

In the future, while the new road construction market will shrinks, the maintenance market for aging roads and the like is expected to expand. Therefore, in the road civil engineering business, we have positioned the infrastructure maintenance and management business as a third pillar using the construction and product technology capabilities that we have developed so far. The pressure for solving problems for the local governments all over the country to solve problems is increasing in the area of comprehensive private contracting, which we are already involved in; we will continue to focus more on that in the future, taking advantage of the achievements that other companies have made.

We will make the depth of our links to regional construction companies and municipalities, which have been a source of strength in the road civil engineering business, one of the driving forces behind our integrated infrastructure service company.

In recent years, the road paving industry has faced many challenges, including soaring raw material prices caused by soaring crude oil prices and exchange rate fluctuations, and environmental problems. In our countermeasures for environmental problems, the particular focus of our company is on low-carbon asphalt mixtures. We will work to maintain and improve both the living and natural environments and nature through these people-friendly paths.

Opportunities

- Maintenance market expands because of the aging infrastructure
- Accelerating large-scale renewal projects carried out by road management companies
- Expanding society's demand for ESG and SDGs(low-carbon asphalt mixtures)

Strengths

- Achieve stability and high profitability with a wide customer network based on two axes: construction and products.**
- Secure a good business base... 111 sales offices, 100 plants, and over 10,000 customers.
 - Stable cash flow creation capability
 - Build up our road operation know-how from the operation results of the comprehensive private contracting for local municipalities (3 cases).

INF
infrastructure
construction
measures

Strategy

Pursue Group synergy

Establish a structure for new business areas

Promote DX/sharing

Promote M&A

Establish a new revenue base in addition to private construction, which is our strength

- Build our own comprehensive private contracting model that uses the abundant private construction achievements to date.
- Develop new products and new manufacturing technologies (environmentally friendly technologies and environment-preserving technologies)
- Use the network of each company in the Group to expand the sales channels for high value-added products such as mild patches.
- Develop a comprehensive private contracting nationwide through M&A in the road sector (construction and manufacturing plants)
- Expand business areas through planning and proposals for new environmental construction laws.
- Expand share through manufacturer and sales of low-carbon asphalt mixtures.

Productivity reforms through DX

- Streamline business management by visualizing and sharing customer and asset information and the like in real time
- Systemize by standardizing sales know-how and business processes, and introduce sales support tools, to increase sales efficiency and expand orders.
- Maximize production efficiency and labor utilization rate by systematizing construction, manufacturing and shipping operation management, and optimizing resource allocation using analysis results of operation data.
- Improve productivity and quality through the use of digital technologies (ICT construction, etc.)

Synergy through Group collaboration

- Share the know-how of the comprehensive evaluation system of each company in the Group, and strengthen our efforts for government agency construction projects
- Use the sales networks of each company in the Group to expand opportunities for obtaining orders and stabilize the amount of construction on hand.
- Establish a new department specializing in infrastructure operations (PPP/PFI Division) for MAEDA ROAD, and build a full-scale collaboration structure with each company in the Group.
- Expand orders for the comprehensive private contracting and road concession business using the bidding support and operational know-how held by MAEDA.
- Leverage the overseas network of each company in the Group to strengthen our initiatives in overseas markets.

Human capital strategy

- Give continuous training to employees to raise awareness of compliance (compliance with laws and regulations).
- Implement training in collaboration with companies in the Group to improve safety awareness.
- Implement planned training for human resources with a management perspective.

Risks

- Higher crude oil prices caused by the global situation and interest rate fluctuations between Japan and the United States
- Labor shortage caused by fewer skilled construction technicians
- Construction delays caused by quality bugs, generation of extra costs and loss of credibility
- Loss of social trust because of late adaptation to environmental problems

FY2021 Initiatives and Performance Review

In FY2021, we focused on the following three areas because of the growing interest in ESG and SDGs.

- Initiatives to manufacture of low-carbon mixtures
- Promotion of DX
- Started Comprehensive Management Project Including Roads in Fuchu City

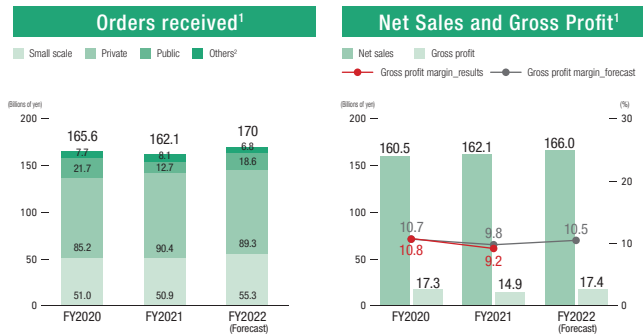
This was a year in which our initiatives for decarbonization accelerated. As a road civil engineering business, we have been working to promote foamed asphalt technology and to manufacture and sell low-carbon mixtures to achieve decarbonization. Foamed asphalt generators have been installed in 44 plants nationwide, and we will move forward with installing them in all mixing factories during this period. By reducing CO₂ emissions when manufacturing the asphalt mixture, we are creating a path that is friendly to people and the environment.

We are also introducing ICT construction as a response to the shortage of construction skilled construction workers. We are working to improve the construction productivity and reducing the number of workers on the site. At the same time, we are improving construction precision and safety.

In the construction sector, efforts have been increased not only in private construction projects, which has been one of our strengths, but also in government construction projects and comprehensive road commissioning. We are working on a wide variety of construction projects using the know-how of each company in the Group. In April 2021, we launched the Comprehensive Management Project Including Roads in Fuchu City (East Area), a joint venture between MAEDA ROAD, MAEDA and six other companies. We provide high-quality services that are unique to the private sector and that fuse the engineering capabilities of MAEDA ROAD in road construction with MAEDA's know-how in infrastructure operations.

We experienced a very difficult year because of soaring crude oil prices. However, the new initiatives described above produced significant results that will lead to future success.

Construction Business Results(Net Sales/Profit Margins)



1. Previous consolidated figures for MAEDA ROAD; does not take into account the consolidated elimination within the INFONEER Group. "Small scale" refers to work with a contract value of ¥5 million or less.
2. Others: Orders received by affiliated companies (mainly government construction) and elimination of intra-segment transactions

Future Outlook

In the road civil engineering business, we will continue to create diverse paths in the medium term to contribute to the development of social capital and the enrichment of local communities. For that purpose, we are working to maintain and improve the environment by promoting key measures such as physical improvement, productivity reforms, and establishment of a new revenue base.

In the construction business, we aim to develop the road comprehensive management business, based on the performance of the Comprehensive Management Project Including Roads in Fuchu City (East District), and to develop multiple bases rooted in the region.

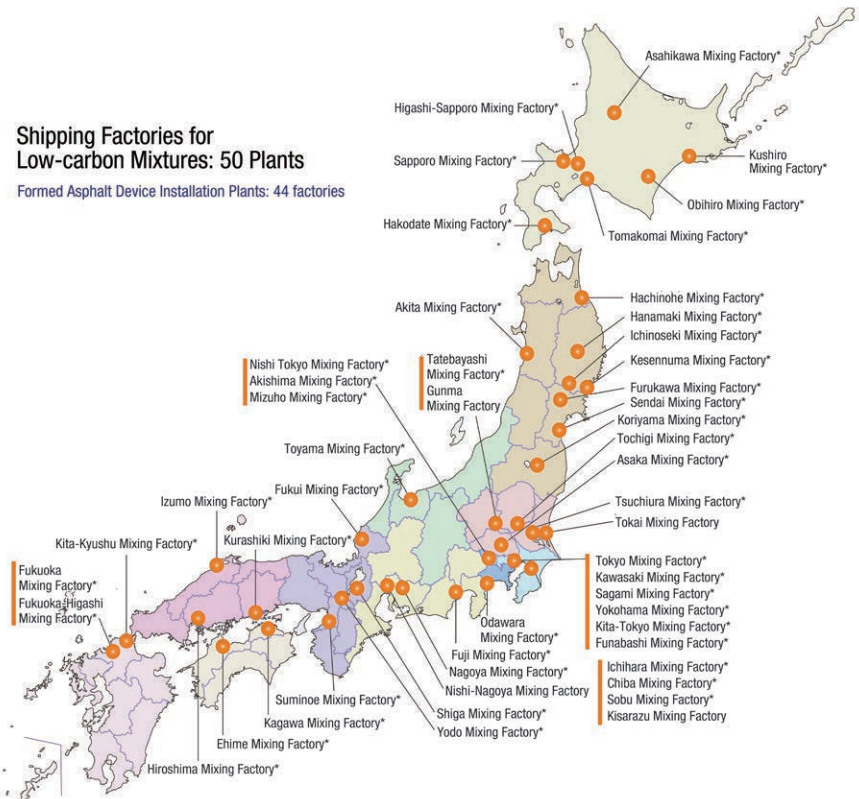
We will strengthen our ability to submit proposals for a wide range of needs that include rainwater control and landscaping projects, and will use our strengths in taking on new challenges such as the development of ICT construction technology, which is important in small-scale projects.

For this reason, from FY2022, we are introducing initiatives at the ICI General Center to develop technologies across business segments.

In our product business, we aim to reduce CO₂ emissions by 2030 by expanding the use of low-carbon mixtures designed for the environment through the use of mid-temperature asphalt mixtures and biomass fuels.

This technical development and development of new materials will strengthen our core construction business and product sales business, and expand into new business areas.

TOPICS



Initiatives to Reduce CO₂ Emissions Across the Entire Supply Chain and to Solve Regional Problems by Manufacturing and Selling Foamed Asphalt (FA) Technology and Low-carbon Mixtures

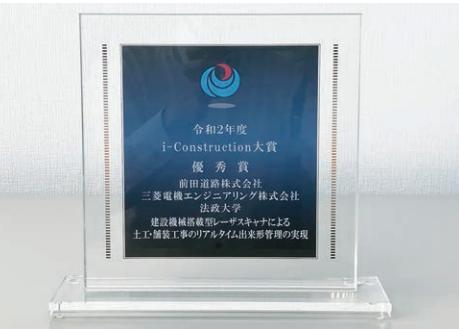
MAEDA ROAD sells an asphalt mixture (our name: LEAB) manufactured using FA technology (mechanical microforming method), a medium-temperature technology for asphalt mixtures. We will use FA technology to reduce the manufacturing temperature of asphalt mixtures to reduce CO₂ emissions, and work to solve regional problems by enabling future sustainable supplies of asphalt mixtures to areas where supply is a concern.

We are also introducing initiatives to reduce GHG in our corporate activities through the sale of low-carbon mixtures. "Low-carbon mixtures" is a generic name for asphalt mixtures manufactured using a method with lower CO₂ emissions than the conventional method. The low-carbon production method involves using biomass fuel, RE100 power, FA technology and a regenerative deodorizing furnace. We are also introducing initiatives to share value with our customers and evaluate low-carbon mixtures across our entire supply chain.

Initiatives to Improve Productivity at the Construction Management Stage Using a Laser Scanner Equipped on Construction Machinery

An as-built management system that uses a laser scanner equipped on construction machinery is a technology that performs real-time, three-dimensional as-built management of pavement work. The acquired data can also be used as BIM/CIM at the maintenance management stage.

This technology has received a great deal of attention as one that will improve productivity at the construction site. For example, it was awarded the 2020 i-Construction Award for Excellence of the Ministry of Land, Infrastructure, Transport and Tourism.



Employees Views

Let me give you a simple description of the road maintenance business that we perform for Yashio City in Saitama Prefecture. The work includes patrolling the roads (309.2 km) throughout the entire city, and using our company's mild patches to maintain and repair road surfaces. This falls under preventive maintenance management. Previously, City Hall consistently received complaints and implemented repairs. However, by proposing and carrying out guaranteed road maintenance workers and strategic preventive maintenance management and getting involved in system design to reduce LCC (Lifecycle Costs), our company has outsourced road maintenance work that continues to the present day. In the future, we will play a role as an integrated infrastructure service company by maximizing local advantages and expanding the scope of our work with road weeding operations and the management of ancillary facilities.



Hiroyoshi Yamauchi who joined MAEDA ROAD CONSTRUCTION Co., Ltd in 1994; he's working at Saitama Sales Office

Infrastructure Management Business



First toll road concession in Japan
In our operation of toll roads in Aichi Prefecture, we are implementing the "Aichi Accelerated Field" initiative which uses actual infrastructure facilities to demonstrate technologies that will solve problems with the operation and maintenance of the social infrastructure.
<https://www.arco.jp/>

Diverse Initiatives to Make Regions More Attractive

In recent years, as requirements to maintain infrastructure have diversified and the pace of change has increased, it is not possible for us to meet the expectations of society by simply following through on contracting projects. To develop sustainably and continue to return value to society, it is essential to work in both contracting and de-contracting cycles to build a stable revenue base and create added value that is unaffected by the external environment.

Since 2009, we would aim to become No. 1 in the environmental management field and from 2011 we have been deploying de-contracting as our management strategy. We are leading the concession business in Japan, implementing initiatives with global partners to operate the Sendai International Airport since July 2016, the toll roads in Aichi Prefecture since October of the same year, and the Aichi Sky Expo since August 2019. In recent years, the social needs of the concession business have increased, and its scope extends to various sectors that now include arenas and water supply and sewage. In the renewable energy business, we have been involved in a number of solar power businesses since 2013, and the wind power business since 2015. In the future, it will be necessary to respond to a wider range of needs, including the biomass business.

In the future, we will not only need to work for single facilities, but also to solve issues related to the infrastructure and public facilities that are specific to a region, while grasping the issues specific to that region and a vision for the future. One of these issues is the comprehensive management business. We started work as the INFRONEER Group by combining the know-how accumulated through our concession business and renewable energy business with the strengths that include our maintenance management know-how and establishing regional bases for each INFRONEER Group company.

In addition to our maintenance and operation performance for infrastructures across a wide range of sectors, we will promote DX and R&D to achieve stable and efficient operations and build and strengthen our promotional structure by developing and training the required human resources. Through these initiatives, we will work to create high-quality and attractive infrastructure services.

Opportunities

- Continued expansion of the public-private partnership market**
- Expansion of Build/Transfer+ concession and conventional PFI in various regions for sports and literary projects typical of arenas
 - Expansion of the public-private partnership market in all fields of water and sewage, especially the expansion of PFI projects, including the renewal of pipelines, whose aging will problems will soon become apparent
 - Promotional support from the Japanese government, which is moving forward with introducing the availability payment method for infrastructure such as general roads.
- Reviewing the basic energy plans to expand the renewable energy market**
- The renewable energy market will expand rapidly with government promotion to achieve carbon neutrality.

Strengths

- Operational performance and human capital in diverse fields**
- Human resources with know-how accumulated through infrastructure business development and operations, and diverse and in-depth knowledge and experience
 - Financing capabilities based on minimization of LLC and appropriate risk assessment
- Deepening collaboration with core businesses**
- Synergy effect emerging from the fusing of engineering capabilities and infrastructure operation know-how in core businesses in each company of the Group
 - Diverse regional networks in each company of the Group

Strategy

INF
infrastructure
construction
measures

Pursue Group synergy

Establish a structure for new business areas

Promote DX/
shared services

Promote M&A

- Strategic approach that utilizes the benefits of establishing INFRONEER Holdings**
- Strengthen the lobbying activities for project creation by utilizing our sales staff at partner companies and for each company in the Group that is expanding in Japan and overseas.
 - Improve competitiveness and productivity by accumulating and deploying best practices in the infrastructure management business undertaken by each company in the Group
 - Establish an Integrated Infrastructure Services Strategy Office in INFRONEER Holdings to unify the infrastructure operational strategies of each company, and maximize the driving force by effectively utilizing the strengths and management resources of each company in the Group.
- Develop human resources and strengthen the promotional structure based on a long-term plan.**
- Implement a plan for hiring of skilled workers according to the development field and number of projects.
 - Improve our organizational capabilities by systematically promoting human resource rotation between the development and bidding support departments and business management companies (SPCs) for renewable energy and concessions, etc.
 - Promote human exchanges within the Group, and develop multi-personnel resources that combine the strengths of each company
- Drive DX and R&D for more stability and profitability**
- Reduce operating costs by deploying the operating system developed for toll roads in Aichi Prefectures to other projects and managing them centrally.
 - While making maximum use of the technologies possessed by each company in the Group, cooperate with each company to reduce infrastructure operating costs by efficiently developing and implementing the required technologies.
 - Build a data platform that includes links with the City OS for participation in supercities and smart city operations
- Improve competitiveness through collaboration with domestic and overseas companies and M&A.**
- Build diverse partnerships (consortiums, business alliances and joint ventures, and others) with domestic and international companies with leading-edge know-how and experience.
 - Expand renewable energy PJ, and expand planning and management functions for new fields such as forestry and waste materials through collaboration with external companies and experts, and through M&A.

Risks

- Intensified competition caused by market expansion related to public-private partnerships
- Changes in policies and regulations related to the environment and energy
- Rapid changes in market conditions and rising infrastructure construction costs led to lower business revenues.
- Costs of capital procurement rose in line with fluctuating interest rates.
- The occurrence of force majeure and reduced market for public-private partnerships caused by the resurgence of the COVID-19 pandemic.
- Risks associated with the agreement formation process with administrative organs in public-private partnership projects

FY2021 Initiatives and Performance Review

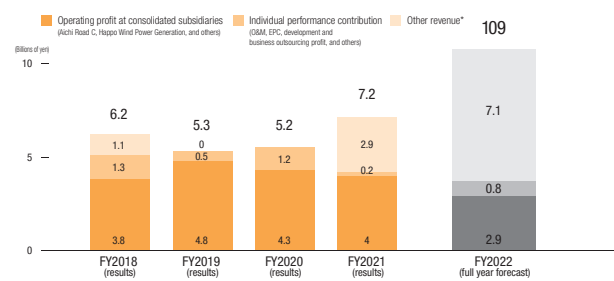
In the infrastructure management business, to contribute to building the integrated infrastructure service company that the Group is working towards, we have been developing new projects centered on the public-private partnership business, including concessions, and the renewable energy business, and managing and selling existing projects. In FY2021, affiliated businesses including Aichi Road Concessions Co., Ltd. and others had strong results. In addition, two solar power projects were sold, resulting in net sales of ¥18.7 billion and a gross profit of ¥7.6 billion.

As a new project in the field of concessions, since April 2022 we have been operating Osaka City Industrial Water Specific Operation Project, the first industrial water concession in Japan to include work from pipeline maintenance to renovation and renewal. In addition, with the new gymnasium development and operation project in Aichi Prefecture (Aichi Arena), we established affiliated businesses with domestic and overseas partners to produce a new value creation model that will revitalize the economy and local society through an arena adapted to global-level specifications. (Construction began in July 2022 and operation is scheduled to begin in April 2025).

In the renewable energy business, we will implement a wood biomass power generation project in Ozu City, Ehime Prefecture. (Construction started in June 2022, and power sales are scheduled to start from August 2024). Biomass power generation is one of the renewable energy power generation businesses that has been developing rapidly in Japan in recent years for carbon neutral power generation business with a low environmental impact.

Both public-private partnerships and renewable energy are on the rise, and we have strengthened our structure by setting up a special department in INFRONEER Holdings. We will use these as a tailwind to contribute to the growth of the Group.

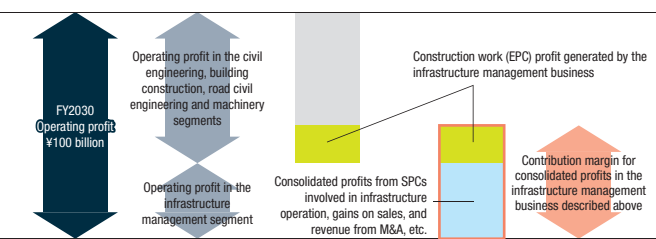
Results (Profit Contribution and Profit Margins)



*Other income includes gain on sales and dividends on non-consolidated SPC shares.

What is the "Profit Contribution Margin?"

The contribution margin for consolidated profits in the infrastructure management business above is a numerical value that combines construction work (EPC) profit generated by the infrastructure management business and consolidated profits from SPCs involved in infrastructure operation, gains on sales, and revenue from M&A, etc.



Future Outlook

In June 2022, the Cabinet Office announced the PPP/PFI Promotion Action Plan (Revised Edition, 2022)*, thereby accelerating public-private partnerships, as local governments were feeling the pressure from the effects of the COVID-19 pandemic and the declining population. In the concession business, we will actively create projects in new fields such as education and cultural facilities and parks, and implement horizontal developments in fields in which we have a proven track record, including airports, roads, exhibition halls, arenas, and water supply.

We believe that there is a high social demand for arena facilities against the backdrop of sports promotion and local regeneration. We view them as the same type of local infrastructures such as airports and roads, and actively work to contribute to local coexistence and development that embodies "sampo yoshi (three-way satisfaction)" for the public, the region, and private sectors.

In the water business, we will establish a technology that determines and monitors the status of pipelines and maintains them through our Osaka Industrial Water Specific Operation Project, the first concession project in Japan that includes renewals and upgrades in the maintenance of pipelines. We aim to expand nationwide with partners who have global knowledge at home and abroad.

In the field of renewable energy, power generation projects are being planned and are underdevelopment focusing on onshore wind power, offshore wind power, and wood biomass.

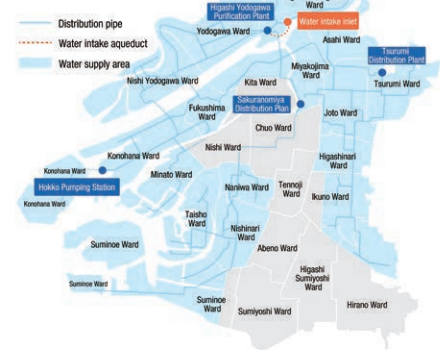
In addition, we will create new business and expand revenue opportunities by expanding into new areas such as forestry and waste treatment.

In addition, We will provide high-quality infrastructure services on the technological demonstration project, Accelerated Field, for operating toll roads in Aichi Prefecture and on DX in pipeline operations in the water supply business, Osaka Industrial Water Specific Operation Project.

*PPP/PFI Promotion Action Plan (Revised Edition, 2022) https://www8.cao.go.jp/pfi/actionplan/action_index_r4.html

TOPICS

Osaka City Industrial Water Supply Specified Operation Project



Japan's First Industrial Water Concession Project

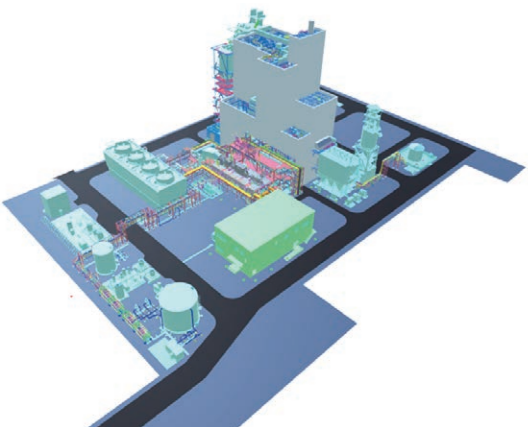
This is a one-stop management project for the operation and maintenance of water purification plants and water distribution plant facilities, and the maintenance and renewal of pipelines that receives fees from users. It is operated under the approval of the Minister of Economy, Trade and Industry. Based on the results of this project, we will strengthen our ability to respond to various water projects.

Project name: Osaka City Industrial Water Supply Specified Operation Project/Facility Usage: Industrial Water/
Location: Osaka City, Osaka Prefecture/Project Period: 10 years (Commencing April 2022)

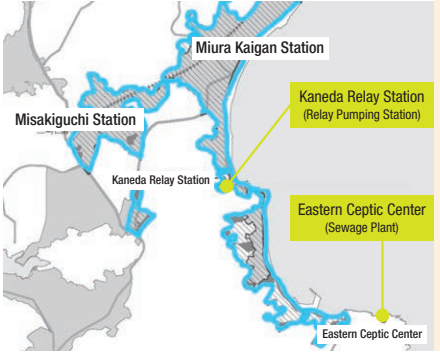
Promotion of the Renewable Energy Business to Attain Carbon Neutrality by 2050

This project is our company's first large-scale, woody biomass power generation project. We estimate that 200,000 tons of wood pellets will be used for fuel annually. In terms of fuel procurement, we will establish a structure for the continuous and stable supply of fuel from FSC-certified local suppliers (mainly in Southeast Asia) to attain sustainable business activities. MAEDA also received our first order for a large-scale biomass power generation project as a contractor.

Project name: Ozu Biomass Power Generation Project/Facility usage: Biomass Power Plant/
Location: Ozu City, Ehime Prefecture/Year of completion: 2024 (Planned)



Miura City Eastern Treatment Area



Japan's First Sewage Concession Project

This project is one of six concession projects supported by the government based on the PPP/PFI promotion action plan*. It is the first scheme in Japan that includes from maintenance to renewal of all processing plants, pumping stations and pipelines in one processing area. The knowledge gained from this project will lead to the solution of issues common to the sewage business with a new sewage business model through systematization and further improvement.

Project name: Miura City Public Sewerage (Eastern Treatment Area) Operation Project/Facility usage: Public sewage/
Location: Miura City, Kanagawa Prefecture/Project period: 20 years (Commencement scheduled for April 2023)

Employees Views

Since February 2021, I have been working on the development and operation of the Ozu Biomass Power Generation Project. As an employee of an SPC (special purpose company) representative company, I am daily considering how to improve the company's operating structure while consulting and coordinating with various related parties.

In some of the work that we do in our position as business owners, we consider and develop the necessary paths to complete the project after detailed discussions on the rules and structures. Then, when the project is actually implemented, I am able to experience a great sense of accomplishment. The strength of our business strategy department is that we have human resources with diverse experience and knowledge of, infrastructure development and operational know-how. These give us competitive power in implementing projects. I will continue to contribute to projects by working to expand my own personal knowledge.

Mizuki Tsuchiya who joined MAEDA CORPORATION in 2020; she is in charge of Business Strategy



Machinery Business



One-of-a-kind Technical Capabilities to Meet Diversified Field Needs

The Machinery Business has contributed to mechanization, labor savings, and safety in the construction and civil engineering industries for more than half a century, providing a range of high-quality products, from designing, manufacture, sales, leasing, and after-sales services for construction and industrial machinery from 1962. In addition to cranes, we have pushed forward with manufacturing civil engineering equipment, dam equipment, water gates, bridges and special vehicles, with the aim of creating new value. In our main crane business, our detailed attention to safety and security has been recognized by users around the world. Today, we have sales agents in various parts of the world, and we are responding to every kind of demand from the market.

Whenever there have been requirements for labor saving and safety in the field, we have met the expectations of society through our machines, using the proposal and development capabilities that we have accumulated over many years. Today, with the decline in the working-age population, industrial labor shortages are issues for all of society. In the machinery business , we will contribute to improving labor-saving on the construction site and productivity/safety by proposing efficient ICT construction machines and strengthening construction method proposals utilizing DX.

In addition to the engineering capabilities of our machinery business, by using closer Group cooperation than ever before, we will establish a business model that will build a stable revenue base and achieve sustainable growth, unaffected by external factors. Specifically, we will work proactively to invest in growth products and environment-related businesses, promoting innovation with DX, investing proactively in human capital and using the Group's networks to expand our business areas.

Opportunities

- Reducing the number of skilled construction workers and popularizing work style reforms**
- Accelerated flow of automated construction work
 - Increased demand for automation and labor-saving products (ICT construction machines)
- Increasing demands to build a decarbonized society**
- Expansion of the use of electrical products
 - Restoration of forests that absorb and capture carbon dioxide

Strengths

- Technical capabilities to consistently handle design, manufacture, sales, leasing, and after-sales services**
- Ability to plan and propose a wide range of products using mobility
 - High product quality resulting from over half a century of crane manufacturing know-how
 - Wide sales and service (maintenance) network in Japan and overseas
 - Service (maintenance) capabilities as a major construction machine manufacturer dealer

INF
infrastructure
construction
measures

Strategy

Pursue Group synergy

Establish a structure for new business areas

Promote DX/sharing

Promote M&A

- Ensure sales through development and introduction of strategic products.**
- Develop products to meet needs in the field in addition to labor saving and safety on the work site.
 - Expand the lineup of electric cranes equipped with lithium-ion batteries introduced to the market in FY2020 to reduce the impact on the environment
- Initiatives for DX**
- Strengthen the sales proposal by automating customer needs data
 - Propose construction methods using DX to improve efficiency on the work site
 - Maximize production efficiency by systematizing the management of manufacturing and shipping operations and optimizing resource allocation.
- Human capital strategy**
- Actively invest in monozukuri (manufacturing) to develop multi-skilled workers to equalize work and improve productivity amid concerns of a declining workforce due to the falling birthrate and aging population.
 - Build a structure that does not compromise on technology or quality by systematically training human resources to meet progressive needs in the field, including collaboration with external companies and experts
- Synergy through Group collaboration**
- Develop special custom-made machinery to meet the business needs of each company in the Group.
 - Leverage the domestic network of each company in the Group to strengthen our business areas.
- In addition, we will develop new products that meet the needs in the field by expanding into new business areas.
- Create a strong company**
- Promote work-life balance to increase employee motivation.
 - Foster a corporate culture in which diverse human resources play a role by promoting diversity.

Risks

- Decline in productivity caused by increased product lineup
- Obsolete commercial power resulting from the rise in competitor manufacturers
- Production delays caused by insufficient or delayed parts supply due to supply chain disruptions
- Product cost increases resulting from higher raw materials costs
- Compensation for damages caused by product defects

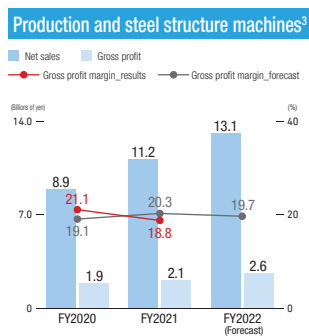
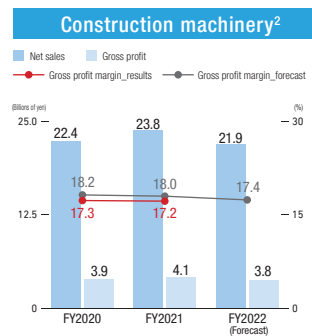
FY2021 Initiatives and Performance Review

In FY2021, although economic activities stagnated temporarily because of the COVID-19 pandemic in Japan. However, economic activities resumed, including holding the Tokyo Olympic and Paralympic Games, which had been postponed during the coronavirus pandemic. Overseas, although the situation varied by country and region, there were signs of recovery from the downturn caused by the pandemic. However, the global shortage of raw materials and components, as well as the soaring price of materials have significantly affected production in the machinery business, making it a year in which we needed to be able to respond to change.

Meanwhile, through our transformation, we introduced activities to capture new challenges and opportunities in leaps and bounds to improve growth and profitability. In FY2021, the final year of MAEDA SEISAKUSHO's medium-term three-year business plan, our slogan of “achieving growth” became “transform change into growth.” We worked proactively to use digital technologies, participate in fields outside construction and civil engineering, rebuild the safety and health system, and reduce the impact on the environment.

In addition to these activities, we introduced activities aimed at sharing information with suppliers and improving the efficiency of parts procurement. Sales of construction machinery remained strong, and sales of our original product, the spider crane, were improved mainly through overseas exports. Furthermore, we worked to reduce our production costs. As a result, both net sales and operating profit increased from the previous year.

Results (Net Sales/Profit Margins)¹



1. Within the machinery segment, numerical values for the main business of the construction machinery business, industrial and steel structure machinery and others.
2. The business focuses mainly on the sales, servicing, and leasing of Komatsu products.
3. Business focused on the design, manufacture and sale of cranes and others of our own products

Future Outlook

In promoting mechanization, we have introduced hybrid machines and machines with excellent energy-saving performance such as ICT machines to the market, to build a low-carbon society. In the future, we will expand our lineup of cranes equipped with lithium-ion batteries that can achieve zero emissions, in light of the demand for environmentally friendly products, and this will increase globally.

MAEDA AMERICA Inc., a subsidiary of MAEDA SEISAKUSHO, was established to increase our market share in North America, which is the largest market for construction machinery, and in which we have been struggling until now. We will increase our market share in North America by building a strong dealer network through market-based activities.

We also want to focus on forests that function in various multifaceted ways to prevent global warming by capturing CO₂, conserving water resources, preserving biodiversity and preventing soil and sand disasters. We will actively work to develop technology so that we can strongly support the use of wood materials and use mechanization to develop rugged forestry sites.

Although the environment we find ourselves in continues to change at a faster rate than ever before, we are committed to working for economic development, solving social issues and preserving the environment, and we will use the technical, proposal, and service capabilities that we have developed so far to build a sustainable society through monozukuri (manufacturing). We are working to establish a business model that will achieve sustainable growth unaffected by external factors.

TOPICS



Lithium-ion Battery Powered Machines that are Carbon Neutral

Up to now, we have contributed to reducing our environmental impact by providing various types of machines that comply with emissions regulations around the world. Currently, we are committed to developing and expanding battery-powered cranes to further reduce our environmental impact. Machines equipped with lithium-ion batteries are compact and achieve zero emissions, and have a performance far superior to engine driven machines.



Use in Art and Other Forms of Expression

A spider crane was used in a fashion show held in Paris by Rick Owens, the global fashion brand. The compact and flexible nature of the crane can be exhibited not only at construction sites, but also at cultural sites as an expression of art and fashion. You can view the show on INFRONEER's social media.



Facebook



Instagram

Employees Views

Currently, I am responsible for developing a new spider crane model. With limitations on the chassis weight, we are working to accommodate our customers' requirements to suspend heavier objects at higher levels and farther away. In addition, we are making completely new innovations to the functions and structure of the crane. Because these innovations are without precedent, many things that do not go as planned. Every day I have to use trial and error to move forward with my work.

I am involved in design work, which is often very difficult, but I love this environment because it presents me with new challenges. Even if I fail, I am working in an environment where I can try different things to investigate the causes and work out countermeasures. I have to think about what needs to improve to move the design forward. I enjoy working with my team members to create the new product, and to motivate them in turn through anticipation of the satisfaction we will feel when we finally ship the product to our customer.




Yuta Nakamura, Technical Headquarters (Joined MAEDA SEISAKUSHO in 2015)

Main Related Businesses (Others): FBS, JM, Fujimi Koken

Our other businesses cover from the retail business to the manufacture and sale of construction materials, building management and real estate. Net sales were more than ¥37.4 billion and segment profits were over ¥1.8 billion.

FBS Corporation



Business overview

- Building management (building management and operation, equipment inspection and security, and others)
- Construction (renovation, seismic reinforcement, and others)
- Civil engineering (ground improvement, structural reinforcement, and others)

Strengths


- One-stop management for a wide range of applications from design to construction and building management
- Proposal-oriented company that improves the value of assets with its ability to submit proposals that address both present and future needs

Net sales

Operating profit margin

Year	Net sales (Billions of yen)	Operating profit margin (%)
FY2020	23.0	4.3
FY2021	21.0	5.0
FY2022 (Forecast)	21.4	4.6

JM Corporation



Business overview

- Building equipment maintenance and upkeep
- Lifecycle management of building equipment
- EV charger and small-scale solar/storage battery maintenance
- Regional generation Comprehensive control work for autonomous bodies
- BPO and outsourcing services

Strengths

- A nationwide network system with franchises across all regions of Japan
- Use of IT to streamline the operations of local craftsmen
- Know-how accumulated through the maintenance and management of 210,000 facilities

Net sales

Operating profit margin

Year	Net sales (Billions of yen)	Operating profit margin (%)
FY2020	19.8	-0.5
FY2021	21.0	2.5
FY2022 (Forecast)	21.0	2.2

Fujimi Koken Co., Ltd.



Business overview

- Manufacturing and sales of concrete secondary products including concrete segments, precast concrete building members and SEED form¹

Strengths

- Differentiated from other companies by its proprietary technologies (SEED, REED², one-pass joints)
- Nationwide business development by the Alliance Plant (SEED, REED)
- Stable and continuous supply of manufacturing services to other general contractors (construction precast)

Net sales

Operating profit margin

Year	Net sales (Billions of yen)	Operating profit margin (%)
FY2020	7.3	4.2
FY2021	7.4	3.8
FY2022 (Forecast)	8.7	2.0

TOPICS Comprehensive public facility management in Konosu City

In April 2022, the JM, FBS, and MAEDA CORPORATION consortium began the comprehensive management of 118 public facilities owned by Saitama Prefecture's Konosu City. In this project, we will unify business standards, improve the quality of maintenance and management, improve business efficiency, and establish sustainable management and operation of the public facilities. In doing this, we will prevent malfunctions by conducting inspection patrols, digitize work, introduce facility-specific examination records, and setting up a management center. We will continue to share data with Konosu City and contribute to reducing the work load. In FY2022, the consortium will support the city's Digital Garden City Nation promotion grant project and build a foundation for leading-edge infrastructure management.



¹ Status of comprehensive management work within the Group: four projects are in operation; two projects have acquired priority negotiation rights and are being prepared for operation (at end of September 2022)

Review of the Previous Period and Future Outlook

In FY2021, the first period of FBS 21-24, our new medium-term management plan designed to transform the company in a way that will improve the value of our assets, the measures we implemented included restructuring the organization and focusing our management resources on specific areas. As a result, we achieved both our net sales and operating profit targets.

In FY2022, which is the second period of the new medium-term management plan, in addition to expanding our three existing businesses—construction, civil engineering, and building management—we will work to improve our corporate value through initiatives that will include expanding decarbonization-related proposals in the area of the environmental, focusing on comprehensive management projects in the social area, and solving bottom-up issues through our internal governance.

Review of the Previous Period and Future Outlook

In FY2021, in addition to working for our existing partnership with major private companies including SEVEN-ELEVEN JAPAN CO., LTD., Nissan Motor Co., Ltd., Idemitsu Kosan Co., Ltd., JAPAN POST Co., Ltd., and Starbucks Coffee Japan, Limited, and others, the company began the comprehensive management of local public facilities. In 2022, we are entering the comprehensive management business in Konosu City, Saitama Prefecture (118 facilities) and Izu City, Shizuoka Prefecture (91 facilities). The number of electric vehicle (EV) charging facilities we installed exceeded 40,000 in total, and we are the top constructor/provider of these installation in Japan (related article: Go to the website and access TOPICS).

JM will continue to use its know-how in the maintenance and management know-how of private facilities and provide technological innovations and DX to the people responsible for building maintenance in each region to address the aging of local buildings and facilities. We will also work with private companies, municipalities, and citizens to provide both hard and soft technologies in the construction of regional platforms, and contribute to the revitalization of the local economy.

Review of the Previous Period and Future Outlook

In FY2021, the COVID-19 pandemic and soaring raw material prices did not significantly affect our performance. The company was unable to ship PC products because of delays to the start of large-scale construction projects. Also, in the SEED and REED divisions, net sales dropped because of the decrease in the number of projects. However, the company's results showed an increase in sales and profits as production volumes increased and sales and profits increased significantly thanks to an improvements in the productivity of large-scale segment projects under the segment division.

For the future, we are studying how to develop and use peripheral technologies with our own technologies and are exploring the development of new businesses. We will actively work to introduce IT into each business, secure and train the human capital that will form the next generation of workers and reduce CO₂ emissions.

1. SEED form

The SEED form is a precast form that significantly improves the durability and crack dispersion characteristics of structures by using high-strength mortar with a low water-cement ratio as the base material and mixing in vinylon fiber as a reinforcement material. This ensures that the buried form has adequate bending strength, and improves the durability of the concrete structure. The rear of the SEED form is given a rough surface using a joint surface-treatment agent and high-pressure jet water cleaning, to ensure it bonds with the concrete. Use of the SEED form can eliminate formwork removal work and concrete curing, shortening the construction period.



SEED form installation status

2. REED construction method

The REED method is a structural form and construction method for a steel-concrete composite structural pier that uses H-shaped steel with protrusions and SEED forms. Because it involves repetition of a simplified process, it is possible to reduce the number of workers and labor involved and speed up construction. The method gives excellent seismic resistance through the use of high-rigidity H-shaped steel. In addition, the SEED form is set on the surface of the pier, which improves the aesthetic appearance.



REED construction status

Open Innovation Facilities that Solve Social Issues

In 2019, the ICI General Center (ICI) opened in Toride City, Ibaraki Prefecture as a base for corporate transformations on the occasion of the 100th anniversary of the establishment of MAEDA CORPORATION. In addition to the functions of the Institute of Technical Research, our predecessor, we will promote business development that contributes to solving social issues through open innovations. We are aiming further to accelerate and leap forward development related to integrated infrastructure services since MAEDA ROAD and MAEDA SEISAKUSHO's technology research departments were joined.

<https://www.ici-center.jp/>

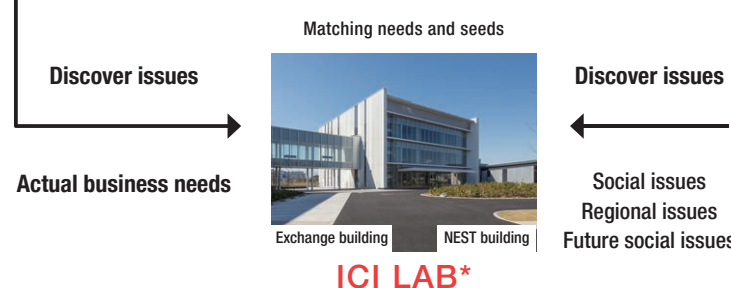
Phase 3 : Demonstration

Demonstration through the fields of construction sites and infrastructure management projects (toll roads in Aichi Prefecture, Aichi Sky Expo, Sendai International Airport, ad others) and others.



Actual business field

Phase 1 : Creation and promotion



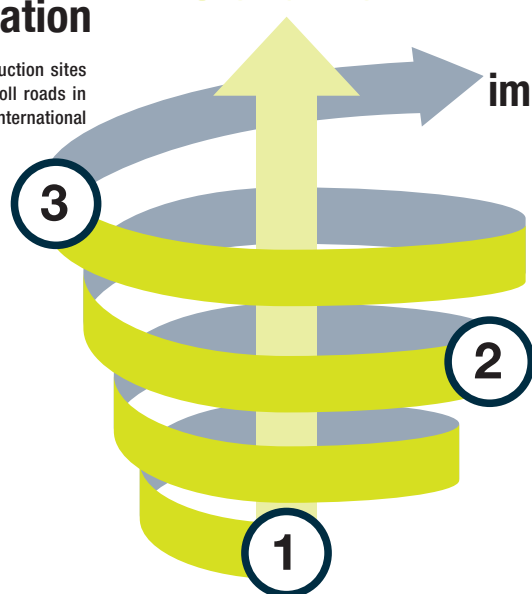
Exchange building NEST building

ICI LAB*

Venture companies in Japan and overseas (technology seeds and business ideas)

Note: The ICI Lab Exchange building has received multiple awards related to carbon neutrality and energy conservation as a next-generation office that achieves ZEB and improvement of intellectual productivity.

Solution



Social implementation BUSINESS

The organization desired by INFRONEER

- Permanent growth
- Stable and profitable constitution
- Trusted by all stakeholders
- Solving social issues around the world

Phase 2 : Verification

Verification with well-equipped equipment, space and human resources that support diverse and leading-edge experiments and research



Wind and environment experiment facility
Winner of the Japan Society of Wind Engineers Technical Development Award

Communication with human resources co-creation and co-creation partners



ICI CAMP



ICI STUDIO

Expectations for further leaps forward and acceleration thanks to the conversion to Holdings

Employees Views (MAEDA ROAD)

ICI and our Institute of Technical Research have been conducting technical exchanges through facility tours and the like since FY2019. Up to now, we have made use of ICI's laboratory facilities and their technologies, and have made achievements in the evaluation of thermal environmental risks in paving work. Starting from this period, the Merger Review Committee was launched in anticipation of the relocation of our facilities to ICI. Our goal is to create valuable technologies by holding discussions at the practitioner level on the study issues and deepening our mutual ties.

Yasunari Shimizu, MAEDA ROAD CONSTRUCTION Co., Ltd.
Technical Research Market Strategy Information Office



Employees Views (MAEDA SEISAKUSHO)

I am responsible for the development of mechanical equipment (hardware) for the commercialization of WOODSTAR (multi-axis machining tool). We had a frank exchange of views between the project members at the development meetings, and others. I have been able to take advantage of my work experience so far in practice, and I feel that my work is very rewarding. I look forward to taking on challenges in businesses into which we have not yet ventured by becoming Holdings.

Michiya Ito, MAEDA SEISAKUSHO CO., LTD.
Industrial Machinery Headquarters WS Promotion Division



ICI LAB — Open Lab for Solving Social Issues Facing Infrastructures —

[MAEDA CORPORATION and MAEDA SEISAKUSHO]

Accelerate Wood Utilization and Construction DX — WOODSTAR (Multi-axis Machining Tool) —

WOODSTAR is a robotic arm-type wood processing machine developed in a joint venture of the Group company. We began business in 2021, starting with a joint research project with the Hirasawa Lab at Chiba University.



[MAEDA CORPORATION and Aichi Road Concession]

Demonstration Experiments Utilizing Infrastructure Facilities in Service — Aichi Accelerated Field —

Together with Aichi Road Concessions, we are extracting issues related to the operation and maintenance of infrastructures.

We are implementing technology demonstrations that use actual infrastructure facilities relating to issues extracted for the operation and maintenance of social infrastructures.

[FY2021: Results]

- Reverse running vehicles and pedestrian intrusion prevention system using three-dimensional laser radar
- Expansion of application bridge types and careful reviews of costs in application of UAV inspection of bridges



ICI CAMP — Connecting Local Memories to Make a Place for Sustainable Learning and Exchange —

[MAEDA CORPORATION and Toride City, Ibaraki Prefecture]

Renovation of an Abandoned Primary School into a Training Facility

We are renovating a part of the old Hakusan Nishi Elementary School that has been abandoned, into a training facility, and we are taking on the challenge to make this abandoned school usable.

As an emergency evacuation facility for when a disaster strikes, we are cooperating with Toride City and implementing symbiosis with the local community.



[MAEDA CORPORATION and Venture Companies]

Conferences and Digging up Social Issues

The largest startup conference in Japan, "SVS*," was held at ICI Camp, hosted by Samurai Incubate Co., Ltd., a co-creation partner.

We have built a new network through workshops on the theme of water infrastructure and through discussions with the participants.

*Samurai Vision Summit



ICI STUDIO — Fusing Old and New Technologies and Art to Attain a Base in a Living Area —

Relocation of Historic Buildings — Residence of Jinkichi and W-ANNEX—

In April 2022, the former residence of Jinkichi Watanabe was relocated to the ICI General Center for the purpose of preserving the historic buildings for future generations.

Parts that are corroding and cannot be repaired are 3D scanned. We cut out new parts using WOODSTAR, and conducted our restoration. Furthermore, W-ANNEX has also been setup as a base for activities that will lead to the promotion of culture and the arts.



What is the former residence of Jinkichi Watanabe?

The former residence of Jinkichi Watanabe was built in the pre-war period of Japan's economic prosperity as the personal residence of Mr. Jinkichi Watanabe, the 14th generation of the Watanabe family in Gifu who ran the banking business.

- It is one of the few authentic Tudor styles in Japan; an extremely sophisticated technique was used to decorate the home.
- The highest standards of experience and knowledge for Japanese residential construction at the time was employed in its construction.
- Its original appearance is almost completely preserved, including the characteristic decorations.
- There is a rich introductory literature and objective cultural value in this structure with relevant literature and furniture have been left behind