

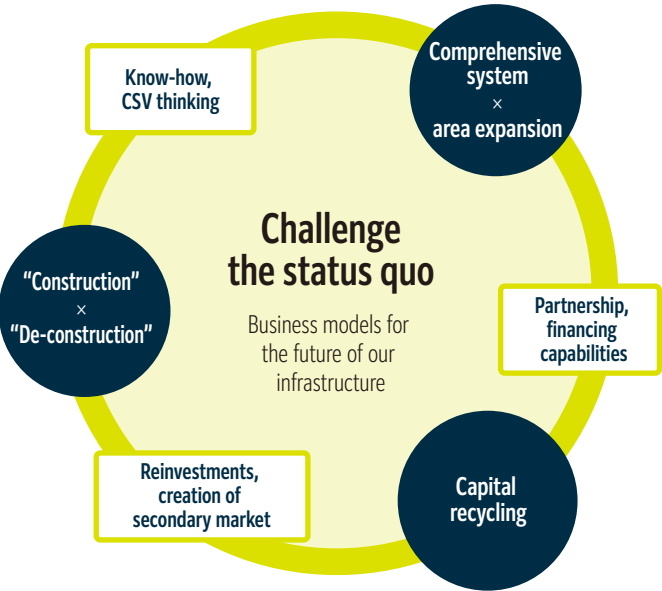
INFRONEER Group's Three Business Models

The INFRONEER Group is focusing on three business models to solve infrastructure challenges through its business while also maintaining business growth and aiming to achieve a world where there's no limit to what can be asked from and what can be delivered by infrastructure services.

Overview of Business Models

The INFRONEER Group is focusing on three business models to deal with each of the following themes: "construction × de-construction," "comprehensive system × area expansion," and "capital recycling."

In pursuit of establishing business models that enable sustained growth unaffected by external factors such as the economy and policies, we will aggressively promote the integrated infrastructure service company model, which offers a comprehensive range of infrastructure management services from upstream to downstream, as the Group's overall priority strategy while capitalizing on the strengths of the business companies. The Group's robust business capabilities are applicable to approaching various fields by utilizing expertise accumulated over many years of engaging in business development and operations; professionals possessing diverse and rich knowledge and experience; and financial competence based on minimization of life-cycle costs and accurate risk assessment. With these advantages, we intend to maximize our competitiveness while creating a highly profitable and stable revenue base.



"Construction" × "De-construction"

Achieving a virtuous growth cycle by strengthening "construction" and expanding "de-construction"

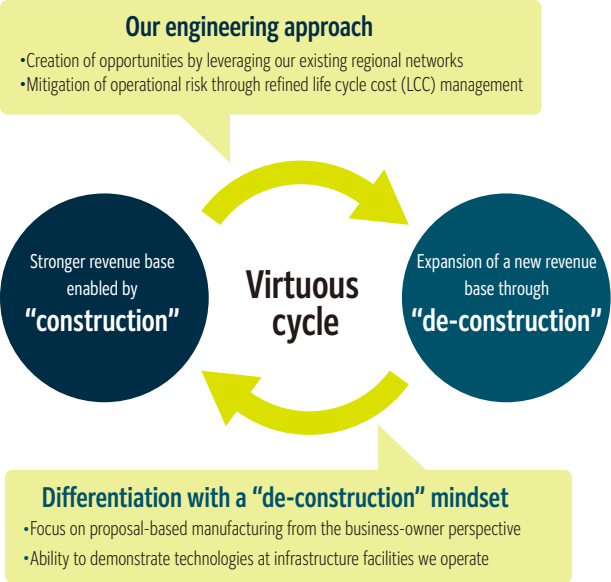
While aiming to stabilize and expand our own revenue, we will take business risks and improve our corporate value through the creation of added value and the continuous provision of infrastructure services to society that can be realized because we are an integrated infrastructure service company.

**"Construction"**

The "construction" business represents a pillar of the Company and its key strength. The robust engineering capabilities and regional networks built up over many years will provide us an essential advantage for promoting the "de-construction" business for reducing business risks and reducing costs. In this sense, strong "construction" business capabilities are important for maximizing returns from engaging in "de-construction" businesses.

**"De-construction"**

By leveraging the engineering capabilities and financial expertise we have cultivated in the "construction" business, the "de-construction" business enables us to minimize risks and generate large returns. Specifically, it involves concession projects of acquiring the right to construct, operate, maintain, and manage public infrastructures such as airports, water supply and sewerage systems, and toll roads. It also includes such businesses as renewable energy projects that make investments in everything from business development and construction to operation, maintenance, management, and sales. We will be able to differentiate our "construction" business by applying the know-how we have accumulated through "de-construction" and leveraging opportunities to demonstrate technologies at infrastructure facilities that we operate.



For details on each business segment, see page 45 or visit our website at: <https://www.infroneer.com/jp/sustainability/segment/> (in Japanese)

Comprehensive System × Area Expansion

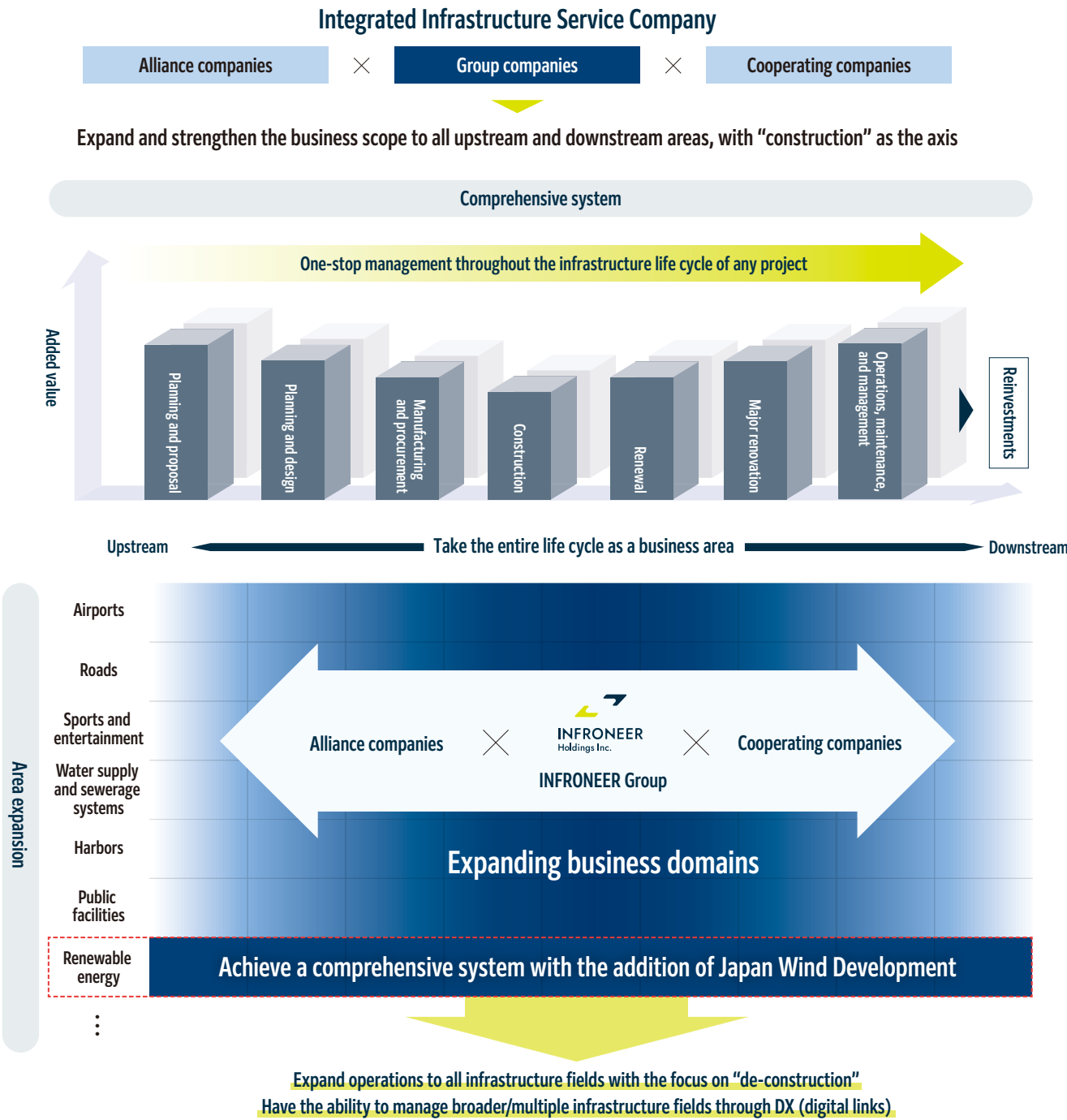
Alliance companies × Group companies × Cooperating companies = ∞

**Comprehensive system**

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

**Area expansion**

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



Capital Recycling

Creation of Added Value through Capital Recycling

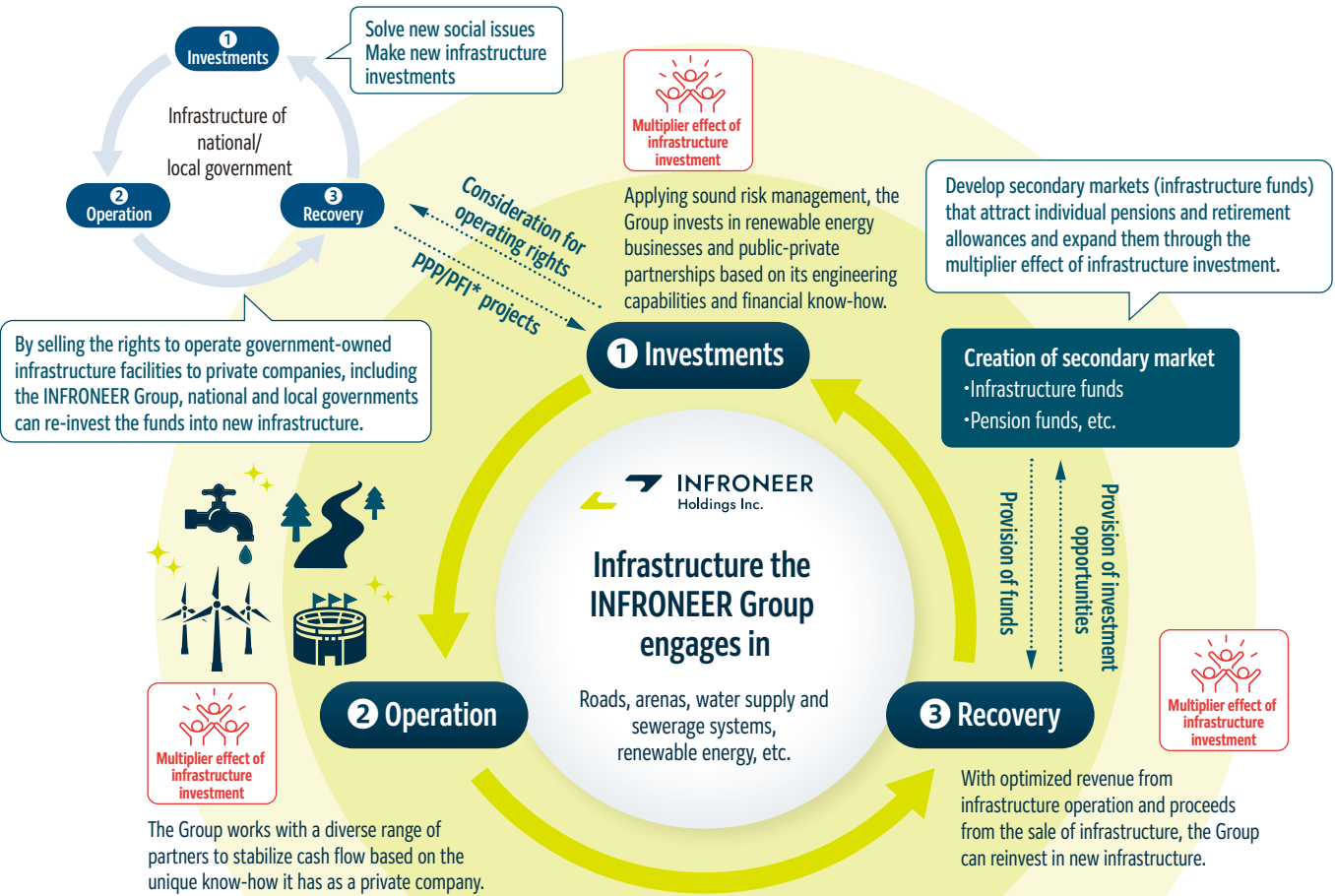
Capital recycling represents the business model of utilizing our engineering capabilities cultivated over many years and the financial know-how we have acquired through forming domestic and international business partnerships, with the goal of promoting reinvestments and creating secondary markets.

**Reinvestments** Based on our engineering capabilities and financial know-how, reinvestments entail creating a capital flow from taking risks to invest in an infrastructure development project, constructing facilities, and managing the project to be able to generate long-term returns. The project is then transferred principally to pension funds, which pursue stable investment performance, with the goal of using gains on the transfer of the project to invest in new projects.

**Secondary market creation** We transfer equity stakes to pension funds and other investors while continuing to engage in the operation, maintenance, and management of infrastructure that increases its added value over time and generates stable returns, with the aim of revitalizing the infrastructure investment market.

▶ Global Infrastructure Management Co., Ltd., in which INFRONEER and Tokyu Corporation are joint shareholders, is building a new infrastructure business platform and creating a secondary market. For details on Global Infrastructure Management, visit their website at: <https://www.gimc.jp/> (in Japanese)

Take on new challenges to address social issues through capital recycling



\* For PPP/PFI, refer to the glossary on page 84.

The multiplier effect of infrastructure investment is the economic magnification effect of infrastructure investment. It means investment in public infrastructure creates direct employment and economic activity, which in turn creates a positive ripple effect in the form of broader economic growth and revitalization of regional communities. This is expected to improve the fiscal position of national and local governments while also having a positive impact on individual pensions and retirement allowances.

We are aiming to establish business as an integrated infrastructure service company to implement these business models effectively and ensure a highly profitable and stable revenue base, with an eye to addressing social issues associated with infrastructure while achieving our sustained growth.

We believe this will enable us to contribute to solving social challenges relating to the entire nation, such as pension financing, in addition to issues surrounding infrastructure.

INFRONEER Group's Competitive Advantages

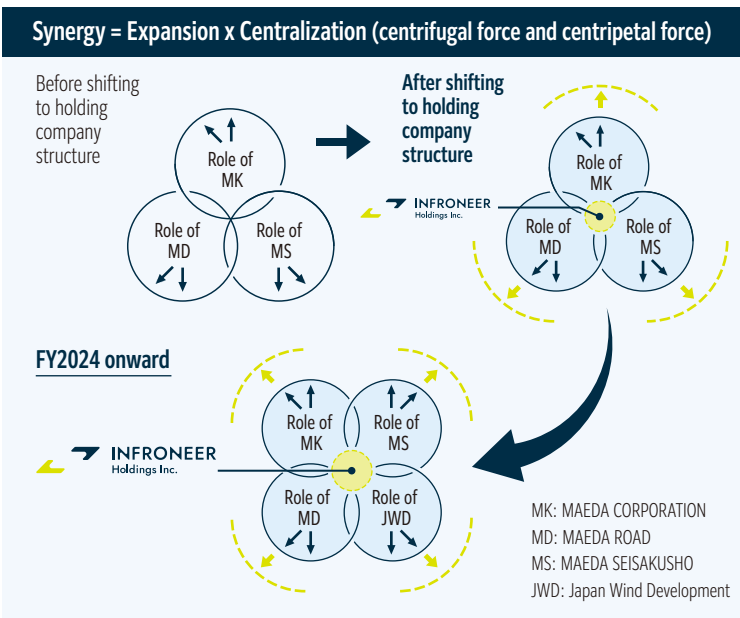
To achieve the perpetual growth of the entire Group, INFRONEER has set the medium- to long-term goal of becoming an integrated infrastructure service company. Toward this end, we are taking on the challenge of transforming to a business model that enables us to maintain stable and high profitability continuously by expanding business areas while leveraging the strengths of the business companies in operating existing businesses. We are promoting this endeavor with Group companies, alliance companies, cooperating companies, and other co-creation partners, with the aim of realizing our vision of creating "a world where there's no limit to what can be asked from and what can be delivered by infrastructure services."

Holding Company Structure

Previously, the major business companies of the Group faced constraints, particularly related to resource efficiency, when individually tackling social challenges surrounding infrastructure. To remedy this situation, the three companies decided to shift to the holding company structure in October 2021 so that each Group company, including MAEDA CORP., MAEDA ROAD, and MAEDA SEISAKUSHO, can demonstrate team synergy throughout the Group. In January 2024, Japan Wind Development Co., Ltd. joined the Group to create further synergies.

The Company is responsible for medium- to long-term strategy planning for the entire Group, ensuring stable capital through IR activities, and enhancing our business portfolio through effective capital allocation. Furthermore, with a focus on business management based on growth and capital profitability, we aim to build a system that enables the entire Group to achieve perpetual growth through timely decision-making.

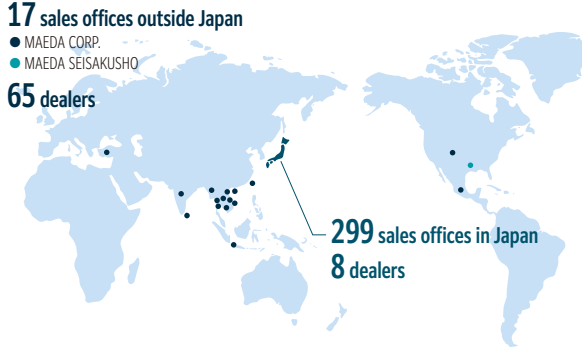
In addition to being able to better focus on their own core businesses as well as operating autonomously, the companies will accelerate collaborative participation in high-compatibility business areas that had previously been difficult for individual companies alone, and improve corporate value for the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



Utilizing Regional Networks of Business Companies to Create Synergy throughout the Group

Making use of local business networks built mainly through each business company's domestic and international sales offices and dealers (sales representatives), we facilitate the sharing of sales information and referral of customers between companies, seeking out new business opportunities.

We use the existing networks of Group companies to obtain a foothold in carrying out global business development in new regions, ensuring efficient market expansion with minimized risks.



Collaboration with and Support for Business Partners

In addition to internal strengthening through M&A and the like, we will accelerate problem-solving in a wider range of areas through business alliances to supplement areas in which we are deficient, collaborative and joint technical development with partner companies that share our strategies, and investment in business partners. In addition to establishing long-term partnerships by enhancing our economic and human resources as well as technical support for cooperating companies, we will proactively develop future partners through investment in promising venture companies.

Business Portfolio Management

To enhance and utilize the strengths of "construction" and "de-construction" as well as promote the expansion of business domains, we intend to accelerate reforms through business portfolio management by the Company as the holding company and utilization of DX. We will evaluate each business by combining market growth potential with ROIC and other capital efficiency indicators and optimize the allocation of management resources based on timely and rational judgments and decision-making.



# Six Business Foundations to Support Growth

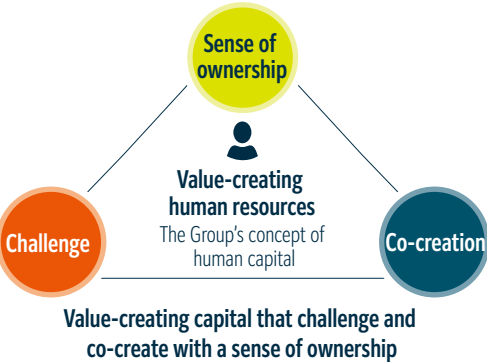
Among the various types of business foundations that constitute a source of value creation, we attach particular importance to the following six types: human capital; financial capital; business know-how; domestic and international bases; long-term partnerships; and natural capital. While enhancing each of these business foundations built up over many years, we are promoting their efficient and effective combination with the objective of facilitating sustainable development of society and the Earth as well as the INFRONEER Group's sustained growth.

## 01 Human Capital

### Human resources who can create value with passion

We are working on the continuous production of value-creating human resources who can attain professional growth through autonomous learning activities and various experiences and take the initiative in co-creation with various partners in pursuit of business success. We are also striving to promote workplace diversity and engagement by improving our recruitment competitiveness, nurturing human resources through various opportunities, and fostering an employee-oriented corporate culture that pursues higher work motivation and satisfaction.

► For details on value-creating human resources, see page 75.

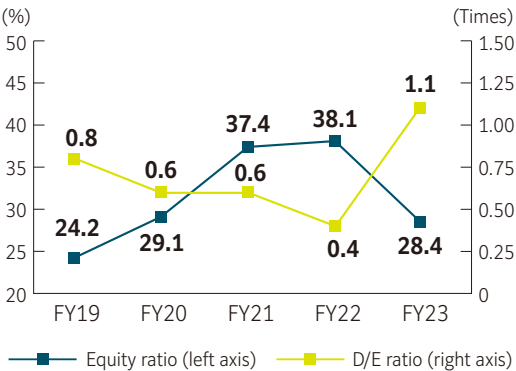


## 02 Financial Capital

### Offensive and defensive financial management

As a challenger to the status quo for the future of our infrastructure, we will promote aggressive, occasionally even risk-taking, investment policies. For investments in new businesses, increasing financial leverage, principally through borrowings, is expected to raise a return on investment in comparison with equity. At the same time, we need to secure a sound financial base in order to ensure ongoing investment activities. For this purpose, we will manage our D/E ratio, equity ratio and other financial indicators, while conducting financing activities appropriately according to the situation based on good relationships with our financial institutions and investors.

► For initiatives on capital strategy, see page 31; for specific financial data, see page 79.



## 03 Business Know-how (Intellectual Capital)

### Consolidating and upgrading know-how accumulated by each business company

For many years, each business company of the Group has been involved in infrastructure businesses that support the growth and development of regional communities and society. To anticipate and respond quickly to the diverse infrastructure needs that are changing with the times, each company has cultivated its engineering capabilities and expertise and acquired financial know-how through engaging in challenging new projects. Enhancing these strengths, we have pursued mutual growth with regional communities and society while improving our corporate value. Going forward, while endeavoring to further reinforce the major business domains—civil engineering, building construction, infrastructure management, road civil engineering, and machinery—we will realize synergistic effects across the Group as an integrated infrastructure service company in a bid to challenge the status quo for the infrastructure.

► For details on each business segment, see page 45; for details on each business, visit our website at: <https://www.infroneer.com/jp/sustainability/segment/> (in Japanese)

## 04 Domestic and International Bases (Manufacturing Capital)

### INFRONEER bases and regional network that realize comprehensive responses

In addition to the headquarters and branch offices in Japan and overseas, the INFRONEER Group has its own base and regional network that realize comprehensive responses such as the satellite sales offices (franchise companies) of MAEDA ROAD. We aim further to strengthen our business base and ensure our competitive advantage by utilizing and collaborating with this regional network.

MAEDA CORP.	38 domestic bases (4 head offices, 12 branches, 22 sales offices) 16 overseas bases
MAEDA ROAD	224 domestic bases (13 branches, 108 sales offices, 103 plants)
MAEDA SEISAKUSHO	28 domestic bases, 8 dealers 1 overseas base, 65 dealers
Japan Wind Development	9 domestic bases (3 branches, 6 offices)

## 05 Long-term Partnerships (Social and Relationship Capital)

### Partnerships for establishing business as an integrated infrastructure service company

In the major business segments of civil engineering, building construction, and road civil engineering, we form partnerships with many specialized construction companies. For this purpose, we mobilize our large network of cooperating companies, which are known for their established track record and trust and are capable of stable and high-quality performance. In the infrastructure management segment, we expand our business domains both upstream and downstream through forming international alliances with leading players in the relevant fields. In the process, we have earned the trust of the client base, including government agencies, real estate companies, transportation infrastructure operators, and energy developers.

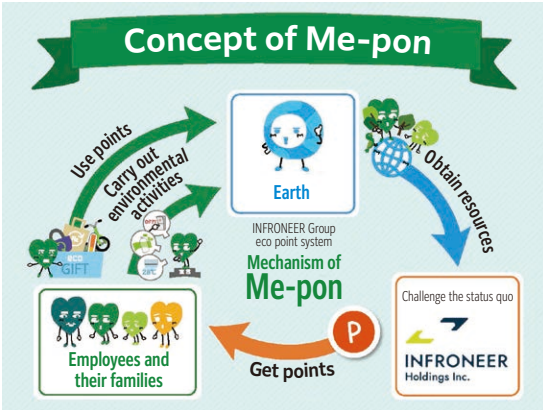
Cooperating companies (number of member companies)	Civil engineering and building construction segment: Zenyu-kai (584 companies) Road civil engineering segment: Kyoei-kai (95 companies), Rekiyu-kai (56 companies)
Alliance partners	Nippon Telegraph and Telephone Corporation, Tokyu Corporation, Accenture Japan Ltd, Fukuoka Jisho Co., Ltd., GL events, AEG, Suez, Whole Earth Foundation, Macquarie Group Limited, and others
Customers	Government agencies, real estate companies, transportation infrastructure companies, energy companies, and others

## 06 Natural Capital

### Treating the Earth as a valuable stakeholder

Because we are conducting business activities with the benefits provided by the Earth's resources, we set aside 2% of our consolidated net income as "dividends for the Earth" in the same concept as we pay dividends to our shareholders. We do not simply contribute funds as a company but we also promote activities that actively involve our employees and their families while collaborating with local communities and NPOs. We also administer the in-house eco point system "Me-pon" to visualize individual environmental activities.

► For details on "dividends for the Earth," see page 62 or visit our website at: <https://www.infroneer.com/jp/sustainability/dividend.html> (in Japanese)



Stakeholder Dialogue

To achieve our goal of creating “a world where there’s no limit to what can be asked from and what can be delivered by infrastructure services,” it is important to conduct appropriate information disclosure and stakeholder dialogues. INFRONEER has had dialogues and communication with stakeholders in various ways, and will continue to do so to maintain good and smooth relationships and build relationships of trust with stakeholders. Based on such relationships, we will encourage joint efforts to pursue common benefits and create long-term value, thus contributing to generating social value.

▶ For major communication channels and dialogues in addition to the following, visit our website at: <https://www.infroneer.com/jp/sustainability/stakeholder.html> (in Japanese)

INFRONEER's Primary Stakeholder Communication Channels

In recent years, there has been a rise in public expectations for businesses to address social issues, which have been increasingly becoming complicated and severe. To accurately understand these social expectations and promote initiatives aimed at achieving a sustainable society, the INFRONEER Group strives to ensure effective communication with stakeholders while building relationships of trust. The following is an excerpted list of our major means of communication with stakeholders.

Stakeholder	Major engagement opportunities	Reflection in management processes and business activities
<div>outer</div> <div>Investors, ratings agencies, shareholders</div>	<div>Investor presentation ————— Quarterly</div> <div>Issuance of securities reports/quarterly securities reports ————— Quarterly</div> <div>Issuance of reports/Information disclosure on the website ————— As needed</div> <div>Individual meetings with investors in Japan and overseas ————— As needed</div> <div>Ordinary general meeting of shareholders ————— Annual</div>	We will ensure management transparency, strengthen governance, and build relationships of trust through active dialogue and timely and appropriate information disclosure. We will also strive to provide appropriate shareholder returns and enhance corporate value.
Local communities	<div>Cooperation with economic organizations and trade organizations — As needed</div> <div>Dialogues with NPOs and NGOs ————— As needed</div> <div>Dialogues with municipalities and local communities ————— As needed</div> <div>Cooperation/sponsorship for social contribution activities/Support to post-disaster reconstruction efforts ————— As needed</div> <div>Offering site/facility tours ————— As needed</div>	We will aim to resolve the issues faced by individual communities by contributing to and co-existing with local communities. We will also seek to raise CSR awareness among employees through social contribution activities.
Customers	<div>Customer satisfaction survey ————— As needed</div> <div>Day-to-day sales activities ————— As needed</div> <div>Inspection and maintenance of buildings and products ————— Periodical</div> <div>Trade exhibitions and events ————— As needed</div> <div>Information disclosure through PR magazines and the website ————— As needed</div>	We will take customer feedback seriously and provide optimal infrastructure services around the world, thereby helping resolve customer issues and ensure the safety, security, and sustainability of societies and local communities. We will also manage customer information appropriately.
New hires and their families (recruitment)	<div>Information distribution via “talentbook” and Instagram (Group common) ————— At least twice a month</div> <div>Offering company tours, site tours, and internship programs for students (business companies common) ————— As needed</div> <div>Providing student loan repayment support (MAEDA ROAD) ————— Every year</div> <div>Joint research with local schools and support through support groups (MAEDA ROAD and MAEDA SEISAKUSHO) ————— As needed</div>	We will enhance the quality and quantity of our recruitment population through increased visibility and understanding. We will work to resolve the shortage of construction industry personnel and secure and develop our own technical personnel. We will aim to resolve the social issue of unrepaid student loans, provide financial support to employees, and improve their engagement.
Cooperating companies, alliance partners	<div>Awards program for cooperating companies ————— As needed</div> <div>Study sessions and education programs with cooperating companies (safety, quality, successor training) ————— As needed</div> <div>Making facilities of ICI Center available for public use ————— As needed</div> <div>Conducting supplier evaluations on an ongoing basis ————— As needed</div> <div>Setting up whistle-blowing channels ————— As needed</div>	We will work together on safety, health, and quality initiatives to achieve safe workplaces and make the necessary accommodations for foreign workers. We will pursue the development of the next generation of leaders as well as co-creation projects. We will work to incorporate legal compliance, human rights, and environmental considerations throughout our supply chains.
<div>inner</div> <div>Employees and their families</div>	<div>Holding town meetings (at 13 locations) ————— Annual</div> <div>Holding philosophy dissemination sessions ————— As needed</div> <div>Joint new employee orientations ————— Annual</div> <div>Employee engagement survey ————— Annual</div> <div>Use of the Group website and Group newsletters ————— As needed</div>	We will work to realize well-being by conducting appropriate personnel evaluations, developing and utilizing human resources, improving our corporate culture, achieving work-life balance, maintaining and improving physical and mental health, complying with laws and regulations, and respecting human rights.
Earth	<div>Regularly disclosing data on environmental impact ————— Annual</div> <div>Development of ecological technologies and products ————— As needed</div> <div>Activities and donations through “dividends for the Earth” ————— As needed</div> <div>Cooperation/sponsorship for social contribution activities ————— As needed</div> <div>Internal eco point system “Me-pon” ————— As needed</div>	We will comply with environmental laws and regulations. We will aim for sustainable development together with societies, and commit to addressing climate change, building circular societies, and conserving biodiversity. We will also provide products with reduced environmental impact.

Major Dialogues

Investors

IR Day 2024

We held our first IR Day for the purpose of deepening the understanding of our businesses. The executives of each business company presented the strengths and future strategies of each segment and engaged in discussions with analysts. We aim to enhance our corporate value by pursuing active dialogue and carefully disseminating IR information.



Analyst comment

I believe that the stock market has gained a deeper understanding of INFRONEER through detailed explanations by the president himself, IR Day initiatives, and site tours. I hope the company will continue undertaking proactive IR activities, disclosing information on concessions and renewable energy, and sharing its vision for profit growth.

Yugo Hamakawa, Construction Sector Analyst  
Equity Research Dept., Nomura Securities Co.,Ltd.



Investors (Overseas)

Overseas IR activities

We have been actively exchanging opinions not only with domestic investors but with overseas investors. Last year saw us carry out IR efforts in North America, Europe, and Asia, directly communicating our strengths and strategy to overseas investors and receiving their feedback. We will continue our aggressive overseas IR activities to deepen the understanding of our company among both Japanese and global stock market participants.

Analyst comment

I am looking forward to seeing how investments in new business fields, such as renewable energy and concessions that lie outside the conventional framework of the construction industry, will play out to enhance corporate value in the future. I anticipate further evolution of the company's IR activities to deepen mutual understanding with investors.

Aiko Hemmi, Research Analyst  
Equities, AllianceBernstein Japan Ltd.



Local Community (School)

Exchange of views on the environment with Ageo Higashi Junior High School students

As a result of interest in MAEDA CORP.'s “Let's build something made of wood” website, we exchanged views with six second-year students from Ageo Higashi Junior High School in Saitama Prefecture on general environmental issues and our vision for the future, focusing on the problems of deforestation and marine pollution. This proved to be an opportunity to learn from each other while encouraging a greater understanding of the construction industry and raising environmental awareness.



Comments from Ageo Higashi Junior High School students

We received comments such as “I was able to learn about the relationship between tree-planting activities and the construction industry,” “I learned that the ocean and forests are closely related and that, if we take care of forests, both living creatures and humans can thrive,” and “I want to better understand forests and take better care of them.”

Local Community (NPO)

Symposium on forestation

MAEDA CORP. spoke at a symposium on forestation entitled “Expanding Forestation Nationwide through Collaboration!” Under the theme of collaborative forestation by companies, local governments, NPOs, and citizens, the company's representatives offered presentations and participated in a panel discussion on their forest maintenance activities aimed at providing “dividends for the Earth.” We will continue engaging in dialogue with people with various perspectives and reflecting on the outcomes in our initiatives.



Comment from collaborating NPOs

We have been partners with MAEDA CORP. in solving social issues since the “MAEDA Forest” activities in 2011. There exists a clear relationship between the company's management philosophy and its CSR approaches, and the company has demonstrated a solid and long-term commitment to such efforts.

Hideonobu Takegaki, Representative Director  
NPO The Life style Research Institute of Forests

Employees

MAEDA SEISAKUSHO Women's Workshop

In view of survey results showing a lack of opportunities for female employees to share concerns about their careers, a Women's Workshop was held with the attendance of a total of 87 participants, including female employees from across the company. In addition to offering explanations of company programs and engaging in panel discussions, the speakers talked about childcare, careers, and support for male employees on paternity or administrative leave. We will continue our efforts to create workplace environments where all employees can demonstrate their individuality and abilities.



Comments from Women's Workshop participants

The training gave the participants a sense of togetherness and provided a chance to think about their own careers. Many expressed remarks such as, “Actually meeting my colleagues in person will make my work easier,” “I felt closer to the company,” “It offered me tips for my private life as well as my work,” and “It gave me hope that I could take on a managerial position while raising my children.”