




# INFRONEER Medium-term Vision 2024



October 1, 2021

Challenge the status quo

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# 1. Overview of a Holding Company

**Name** INFRONEER Holdings Inc.

**Established** October 1, 2021

**Capital** 20 billion yen

**Structure of Corporate Organs** Company With Nominating Committee, etc.

**Security code** TSE 1st Section No. 5076



## The will that is put in this logo

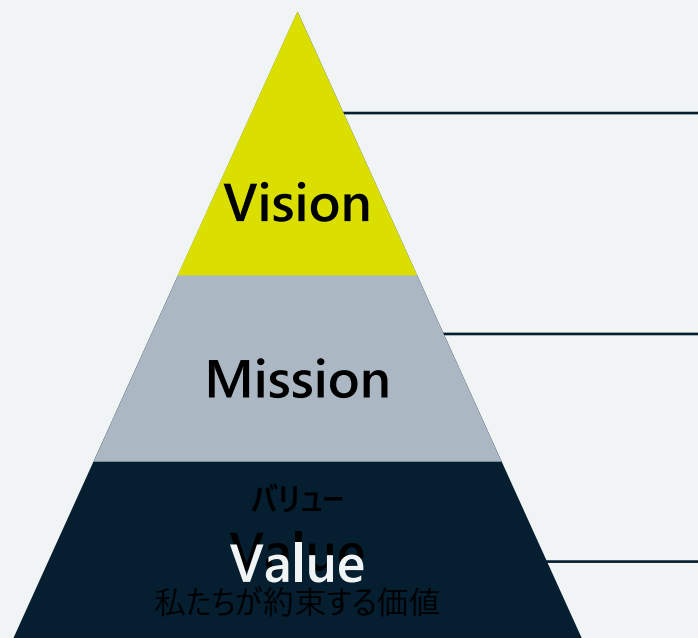
【INFRONEER ARROW】

- Creating future of infrastructure & expanding freedom of infrastructure services. Overcoming preconceptions & expressing intention to innovate through dynamic motif

## The will that is put in this name

【 Infrastructure/ Innovative/ Pioneer/Engineer/Frontier 】

- Coined word representing innovators, pioneers, engineers and frontier for infrastructure services in past, present and future



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

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

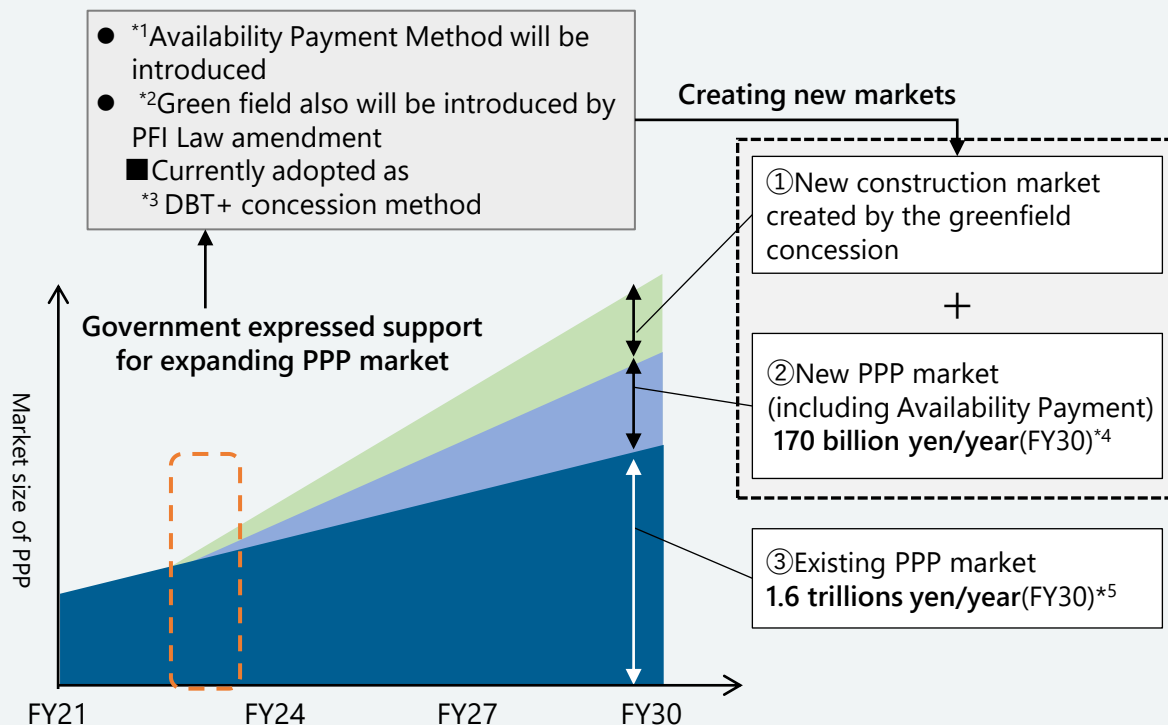
Safety, security, and sustainability of our society and local communities

## 2. Business Environment Forecast

- The Japanese market of new construction is predicted to shrink due to shortage of national and local government budgets.
- As a solution, it is predicted that new markets such as infrastructure maintenance, repair, renewal and new construction by using public-private partnership method (PPP) will expand rapidly.
- Furthermore, by policy promotion for the carbon neutral, it is predicted that the renewable energy market will also expand rapidly.
- In order to deal with the shortage of workers, it is essential to promote work style reforms and make drastic productivity reforms.
- For long-term corporate growth, it is necessary to reinforce ESG management and corporate governance.
- The speed of social changes is accelerating, such as the rapid progress of digital technology, and there is an urgent need for a prompt and agile system.

### Expansion of new market

#### Public infrastructure going to PPP market

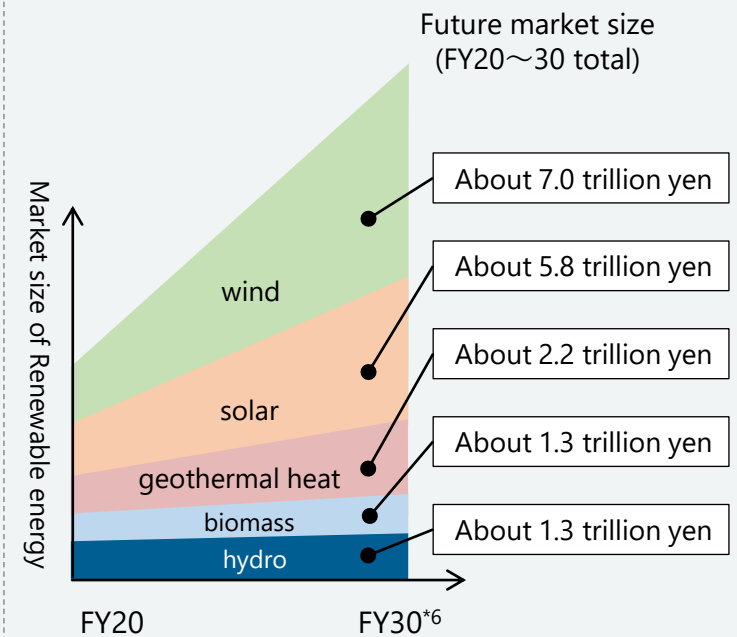


\*1~3 see the references

\*4 originally calculated from the MIC "Local Finance Survey Materials (Reiwa 1st Revised Edition)"

\*5 originally calculated from the Cabinet Office "PPP / PFI Promotion Action Plan (Reiwa 3rd Revised Edition)"

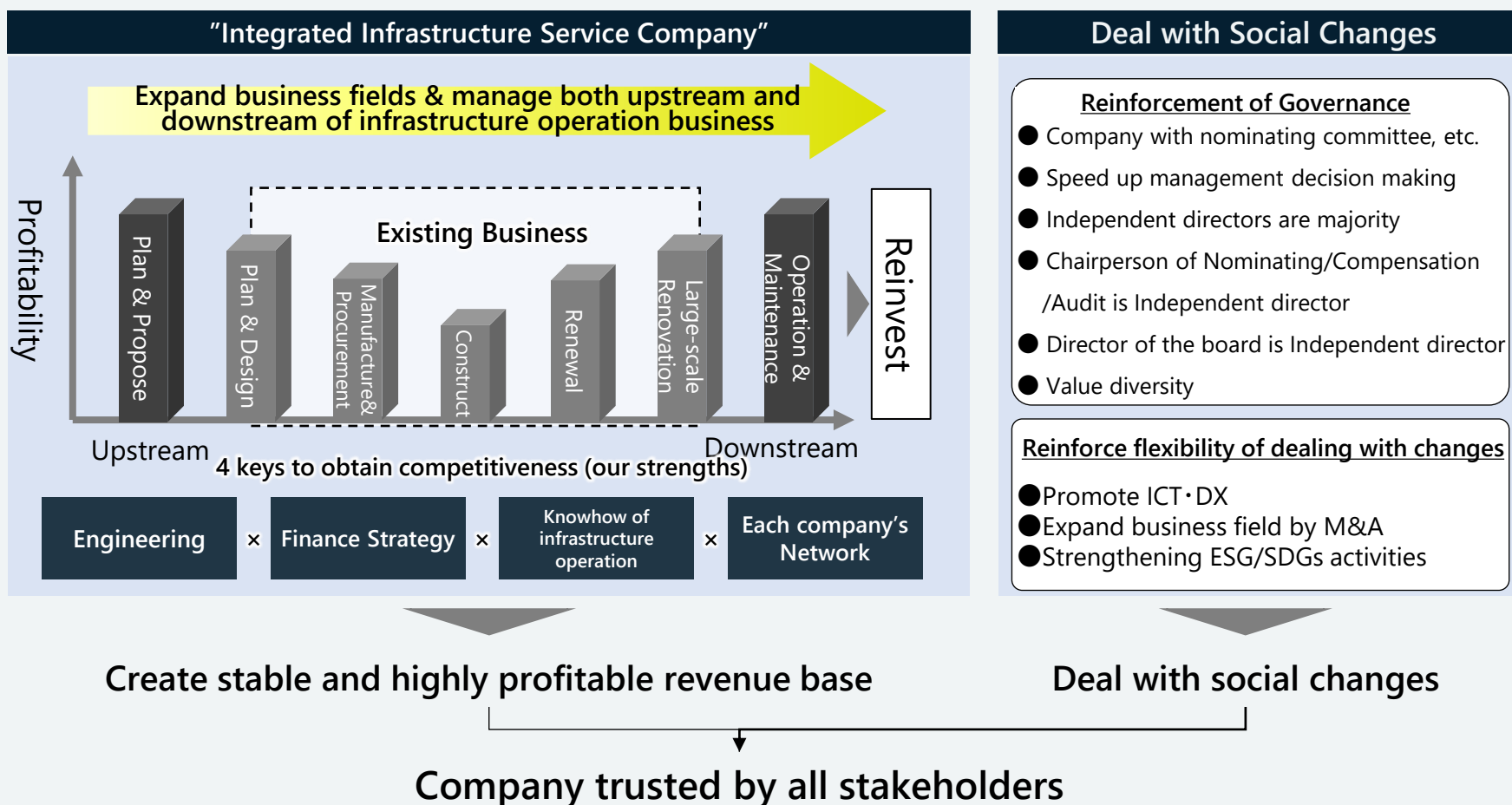
#### Renewable energy markets expanding more



\*6 originally calculated partially from the sixth basic energy plan (draft)

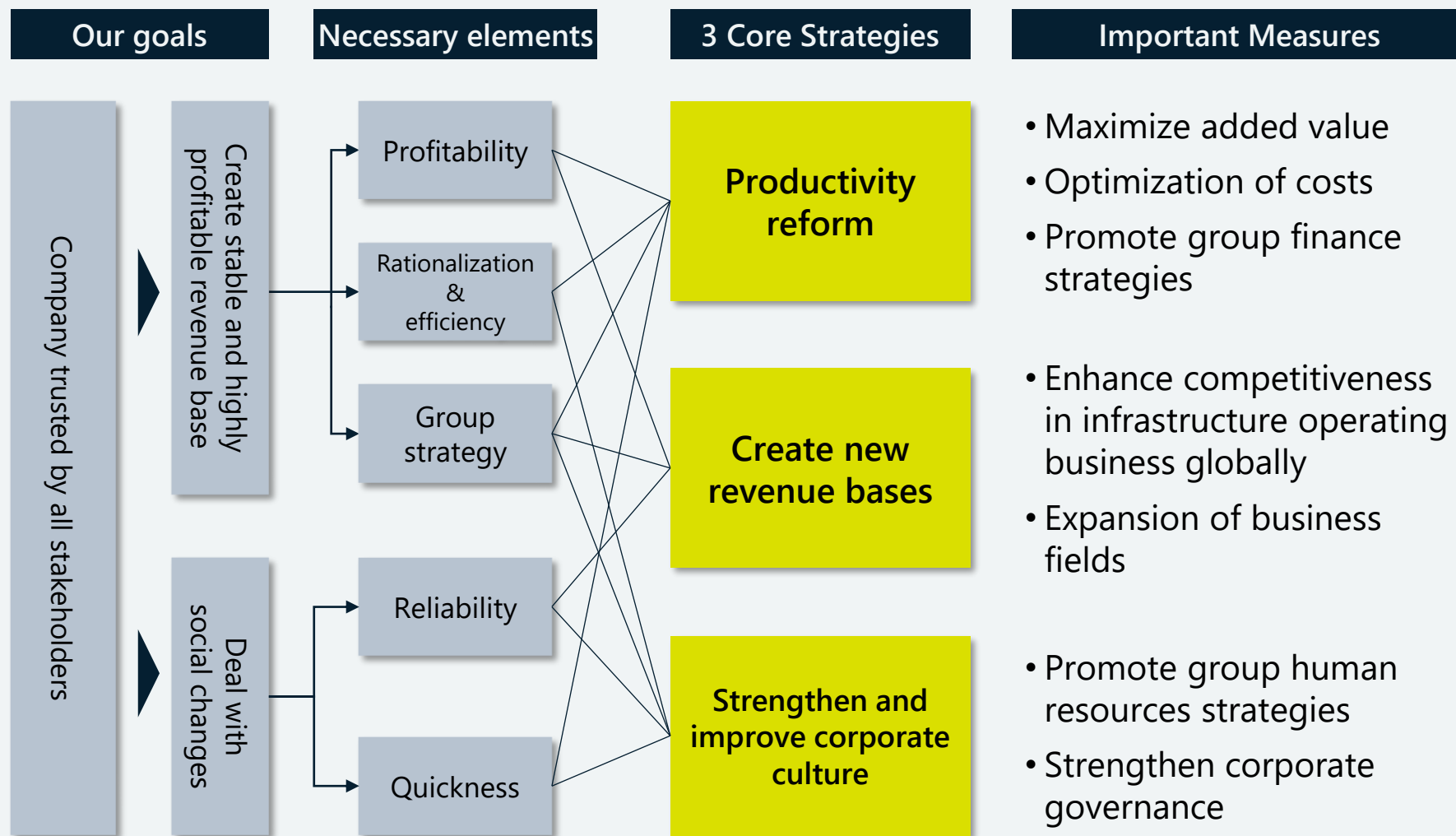
### 3. Our Goal

- Strongly promote “**integrated infrastructure service company**” that manages both upstream and downstream of infrastructure operation business aiming to establish a business model that realizes sustainable growth without being influenced by external factors.
- **Create stable and highly profitable revenue base** by uniting the engineering of each group company, expanding the business fields by M&A and reinforce competitiveness.
- Aim for “**company trusted by all stakeholders**” by establishment of an effective corporate governance system, promote Digital Transformation (DX), realize prompt and appropriate management and reinforcement our “**ability to deal with social changes.**”



## 4. 3 Core Strategies and Important Measures

- In order to realize our goals, we have set "Productivity reform", "Create new revenue bases", and "Strengthen and improve corporate culture" as 3 core strategies.
- In order to achieve the strategies, we formulate important measures for each 3 core strategies.



## 5. Concrete Measures (Medium-to-Long term) of 3 Core Strategies

3 Core Strategies	Important Measures	ESG	Concrete Measures
Productivity reform	Maximize added value	ES	Enhance competitiveness in existing business fields by gathering achievements and knowhow of infrastructure operation business.
		ES	Reinforce business foundation by using the group company's networks (including global expansion)
		ES	Reduce costs for materials and equipment by group joint procurement and centralized purchasing
		S	Secure stable and good-qualified supply through cooperation with subcontractor companies
		S	Maximize productivity in all business fields through promoting digital technology across the whole group
		ES	Accelerating research and development speed by gathering our strengths
		G	Investment for growth considering capital investment efficiency and profitability
	Optimization of costs	G	Relocate workforce to high added-value business by integrating overlapping departments
		S	Optimizing and streamlining workloads through accumulation and centralized management of big data and development of digital tools
EG		Optimization of fixed costs by effective utilization (consolidation) of group assets	
Promote group finance strategies	G	Reduce capital cost by managing group finance	
Create new revenue bases	Enhance competitiveness in infrastructure operating business globally	ES	Enhance competitiveness in infrastructure operating business by mutually sharing management resources
		SG	Global business expansion of infrastructure operation business with our overseas networks
	Expansion of business fields	ES	Reinforce renewable energy business that leads to a carbon free society and sustainable urban development
		ES	Expand business fields by sharing our various (engineering technology, know-how, network, etc.) strengths
		ESG	Expand into new fields of business by mergers and acquisitions
		ESG	Active recruitment of specialist human resources
Strengthen and improve corporate Culture	Promote group human resources strategies	SG	Carry out employee engagement surveys to improve employee's motivation
		SG	Improve employees' motivation thorough investment for education and improvement of human resources system
		ESG	Establishment of CSV thinking and dissemination of management philosophy through joint training and discussion with executives
		S	Promote sustainable development of company and employees through strategic recruiting and education
	Strengthen corporate governance	G	Implementation of management that realizes transparent, fair, speedy and decisive decision making
		ESG	Improve compliance awareness by continuous training
		SG	Improve corporate value by strengthening corporate governance
	SG	Fostering a corporate culture in which diverse human resources can play an active role	

## 6. Positioning of Medium-term Vision

### Point

Medium-term Vision is phase of establishing foundations for phase of growth after FY25

Medium-term Vision

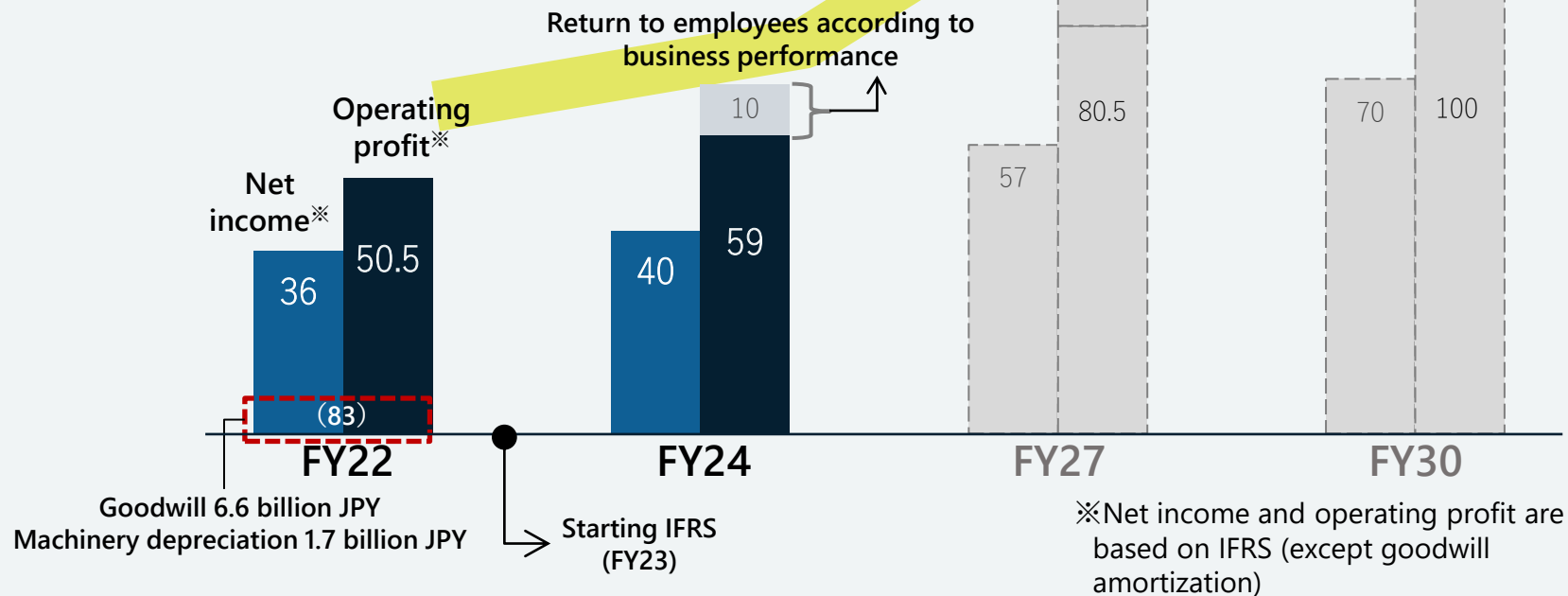
INFRONEER Vision 2030

### Phase of establishing foundations

- Pursuit of group synergies
- Establish a system for new business fields
- Promotion of DX and sharing systems
- Promotion of M&A

### Phase of growth

- Expansion of concessions (domestic and overseas)
- Expansion of availability payments business
- Productivity improvement by DX and sharing systems
- Further promotion of M&A





## 7. Basic policy of Medium-term Vision

### Point

Measures to focus on especially at phase of establishing foundation after FY25

Pursuing group strategy	Improve competitiveness	Mutual application of achievements and know-how of group companies
	Enhance business foundation	Maximum utilization of regional / customer networks of group companies
	Ensure high-quality sharing capability	Integrate the information and strengthen cooperation with partner company of each group company
	Cost reduction	Effective use of group assets (consolidation)
Establish a system for new business fields	Improve competitiveness in the infrastructure operation market	Bringing together the strengths of engineering of each group company, the experience and know-how of infrastructure operation, finance and regional network
	Further expansion of the renewable energy business	Further accelerate the existing renewable energy business
	Expansion of business fields	Fusion of business fields of group companies
Promotion of DX and sharing systems	Cost reduction by sharing systems	Integration of overlapping business processes at each group company, sharing and efficiency of functions, and resource shift to value creation section
	Efficiency and advancement of working by the digital utilization	Data aggregation and centralized management of each group company
Promotion of M&A	Complementing insufficient business fields by M&A	Complementing quickly insufficient business fields necessary for "Integrated Infrastructure Service Company"

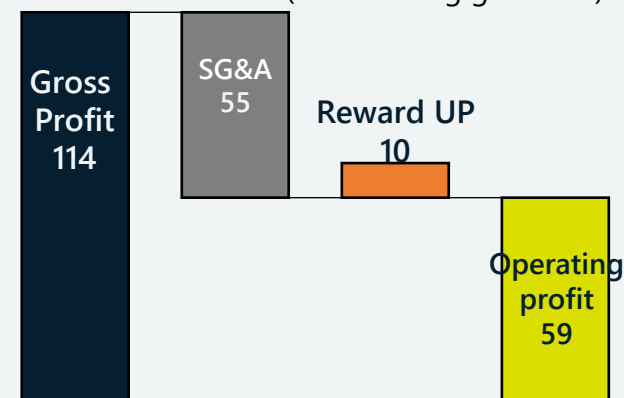
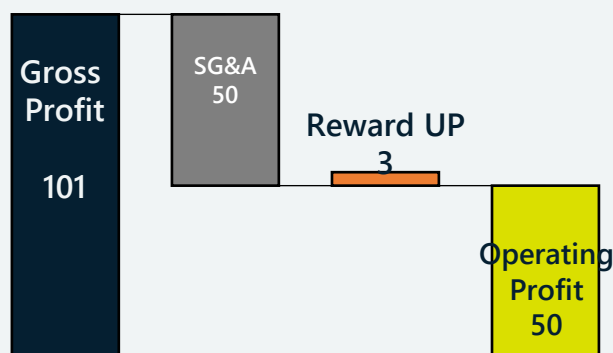
## 8. Performance target figures (Billions of yen)

FY22	
<b>Net Sales</b>	<b>757</b>
<b>Gross Profit</b>	<b>101</b>
Civil Engineering <sup>※1</sup>	23
Building Cnstruction <sup>※1</sup>	26
Infrastructure Operations <sup>※2</sup>	5
Pavement <sup>※3</sup>	35
Machinery <sup>※4</sup>	7
Other <sup>※5</sup>	5
Return to employees according to business performance (included in cost sales of each segment)	▲1.5
<b>SG&amp;A</b>	<b>50</b>
Return to employees according to business performance (included in SG&A)	(1.5)
<b>Operating profit<sup>※6</sup></b>	<b>50</b>
<b>Net income</b>	<b>36</b>

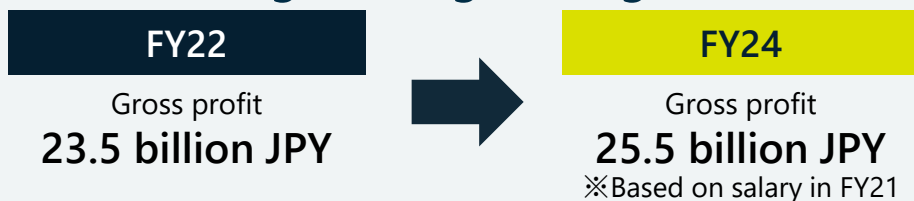
FY24	
<b>Net Sales</b>	<b>875</b>
<b>Gross Profit</b>	<b>114</b>
Civil Engineering <sup>※1</sup>	25
Building Cnstruction <sup>※1</sup>	31
Infrastructure Operations <sup>※2</sup>	11
Pavement <sup>※3</sup>	38
Machinery <sup>※4</sup>	9
Other <sup>※5</sup>	5
Return to employees according to business performance (included in cost sales of each segment)	▲6
<b>SG&amp;A</b>	<b>55</b>
Return to employees according to business performance (included in SG&A)	(4)
<b>Operating profit<sup>※6</sup></b>	<b>59</b>
<b>Net income</b>	<b>40</b>



※1 Maeda Corporation (Non-consolidated) ※2 including increase of profit by M&A ※3 Maeda Road(Consolidated)  
 ※4 Maeda Seisakusho (Consolidated) ※5 Maeda Corporation (Subsidiary) ※6 Profit is based on IFRS (no including goodwill)



## 9. Civil engineering strategies



### Market trends

**Public sector will remain strong, PPP and renewal market will expand**

- New constructions of public sector are expected to increase slightly or remain flat
- Expand PPP market because of financial difficulty
- Increase renewal projects in public and private sector such as toll road companies due to aging infrastructure
- Expand renewable energy and environmental business ( land & offshore wind power generation etc.) with carbon neutrality

### Strength

**Industry-leading order rate and rate of winning 1st place of technical evaluation score in general evaluation system**

- Technical evaluation score in general evaluation system・・・**Rate of winning 1st place 37%** (average in 5 years)
- The project which win 1<sup>st</sup> place of technical evaluation score・・・**Order rate 53%** (average in 5 years)
- Achievement of renewable energy business, EPC, CM, etc.・・・**Total construction expense 44 billion JPY** (past 5 years)

### Concrete strategies to achieve our goals

**Enhance ordering capability including design & construction projects**

- Strengthen design organization by M&A, mid-career recruitment and improvement education system
- Strengthen approach of sales at early phase by improving value proposal that meets customer needs

**Expand infrastructure renewal business**

- Enhance competitiveness by accumulating experience and renewal technology development
- Strengthen relationship between specialized companies and establishment of network

**Minimize lost profits by utilizing DX**

- Strengthen organization capability by knowledge management of construction management skills
- Improve rate of winning design changes and accuracy of cost management by systemization of management

**Development of technology and system for improvement of productivity**

- Introduce BIM/CIM at all processes ,accumulate and knowledge
- Development of tunnel construction automation technology ( input labor reduction target is 40%)
- Development of shield integrated management system (input labor reduction target is 50%)

**Establishment good-qualified and sustainable supply system**

- Challenge "improvement productivity at construction sites" with joint efforts with subcontractor
- Reduce the burden of cash flow and prior investment of partner companies
- Establishment of BCP system through enhancement collaboration with group companies and subcontractors

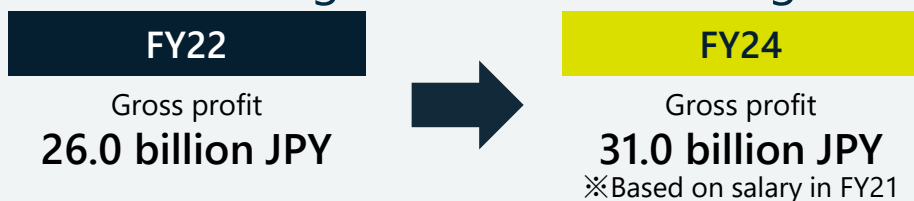
**Human resources development**

- Develop human resources who can expand the market share of the contract businesses, establish a position, and make profit business
- Develop human resources who can expand business fields and perform well

**Synergy of group cooperation**

- Reduce cost of manufacturing by cooperation with Maeda Seisakusho
- Increase opportunities of order through sharing sales network of entire group

# 1 0 . Building construction strategies



## Market trends

### Cost competition will continue in the contract market

- Cost competition will constantly emerge in new construction contract market
- Public-private partnership market will expand in the future due to financial difficulties (BT + concession etc.)
- Further expansion of the renewable energy market through carbon neutrality
- Drastic productivity reform is urgently needed due to the shortage of labors and the impact of work style reform.
- Increasing importance of infectious disease control

## Strengths

### Ordering strategy that does not get involved in cost competition thorough management of profit margin at the time of ordering for more than 10 year

- Expansion of stable customers・・・ increase to 1.5 times (134 companies) (past 7 years)
- Securing information on large-scale projects・・・ Information more than 1 trillion JPY (in the next 5 years)
- Improvement of design and construction rate・・・ improve to 1.3 times (62.9%) (the past 3 years)
- EPC by cooperation with infrastructure operation business (secure profit rate of construction by cost + fee contract at an order)・・・ Order record over 40 billion JPY ( As of the end of the September FY21 )

## Concrete strategies to achieve our goals

### Ordering strategy and securing profits by sales activities from early phase of project

- Improve proposal capability and order competitiveness by strengthening cooperation with sales, design, construction section at the sales stage
- Promote participation from the planning stage of the redevelopment business based on abundant achievements and experience for social issues such as disaster prevention problem areas
- Further strengthen cooperation with infrastructure operation section, increase orders for BT +concession projects, etc.
- Improve competitive advantage through joint technological development with the ordering party (floor chamber air conditioning, etc.)
- Increase orders due to improvement of design skills and construction engineering of wooden and wood-based buildings

### Productivity improvement through operational efficiency and system development

- Increase orders, enhance cost management and maximize profit creation by realization DX of design, quotation, and construction through digitizing cost management and construction process information
- Realize labor saving by promoting to use in-house developed tool (TPMs) and BIM
- Minimize cost and aim for efficiency of construction management by standardizing and centralizing routine work at all construction sites (in construction center)

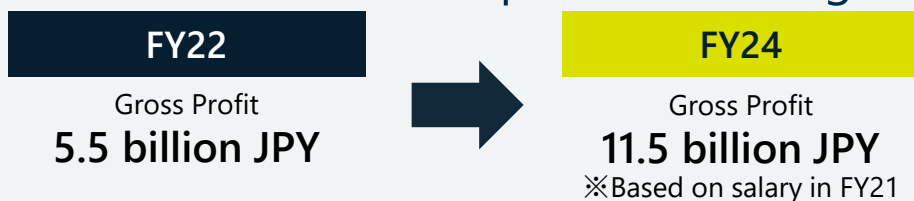
### Human resource development

- Implement selective educational program for human resource of management, project manager and global

### Synergy through group cooperation

- Increase stable customer by expanding sales area through sharing customer network of each group company (around more than 1.2 times)
- Reduce construction cost such as pavement domestic and overseas by cooperation with Maeda Road
- Improve productivity and safety through cooperation with Maeda Seisakusho for the manufacture of temporary machinery, etc.

# 1 1 . Infrastructure operation strategies



## Market trends

### Public-private partnership market : Expand continuously

- Many local governments are considering to start the sports and education facilities PFI operation and "BT + Concession" and "Normal PFI" will expand
- The water and sewage operation business will expand in all fields of construction and sewerage, especially DB Concession and PFI including maintenance and renewal
- With the promotion of comprehensive road consignment by the government, local governments tend to expand it

### Renewable energy market : Expand by reviewing of basic policy by the government

- Expand renewable energy business by government promotion of carbon neutrality

## Strength

### Human resource and achievement of infrastructure operation in various fields

- Based on the achievement of infrastructure operation, the staff who have knowledge are trained and rotated, and in addition to utilizing know-how to win new projects, it makes possible to approach the "essence" of infrastructure operation, such as extracting data necessary for DX

### Deepening businesses by collaboration with core businesses

- The growth of infrastructure operation to a certain business scale promotes human interaction across core businesses division
- As a result, a remarkable synergistic effect has been realized in the quality of work required for design, development, quantity survey, construction management and infrastructure operation.

## Concrete Measure to achieve our goal

### Strengthen competitiveness by collaboration with domestic and overseas companies and M&A

- Establishment various partnership (Consortium, business alliance, joint venture, etc.) with companies which have cutting-edge know-how and experience
- Expand renewable energy business and enhance functions of planning and operation in new business fields such as forestry and waste through and M&A and collaboration with external companies and experts

### Stable and highly profitable revenue through promoting DX and R&D

- Reduce operating costs by deploying the operation system developed for the Aichi Road Concession to other projects and centrally managing them
- Reduce operation cost by utilizing each company's technologies which benefit infrastructure operation and develop insufficient technology with group companies effectively
- Establish of a data platform for collaboration with urban OS for participation in Super City and Smart City operations

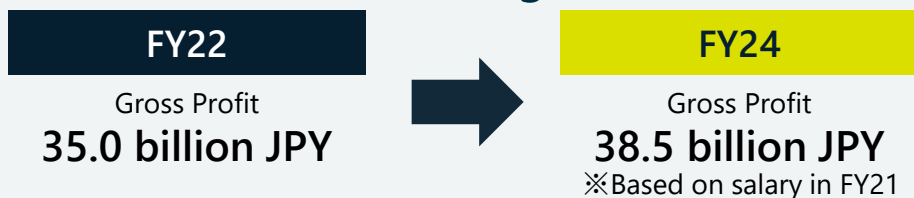
### Secure human resources and strengthen promotion system based on long-term plan

- Systematic hiring of skilled personnel in accordance with development fields and number of projects
- Improve organizational capability by promoting systematic rotation of human resources between the development and bidding departments and the renewable energy, concession, and other project operation companies (SPC)
- Promote personnel exchanges within the Group and develop multi-talented human resources who combine the strengths of each company

### Strategic approach with utilizing benefit of HD

- Enhance lobby activity to create projects by utilizing partner companies and sales personnel who works domestic and overseas
- Improvement of productivity and competitiveness by accumulating know-how and sharing good practice integrated in entire group
- Establish special team (Integrated Infrastructure Service Office) and strategic planning and promotion
- Maximize the driving force by establishing a specialized division (Integrated Infrastructure Service Office) in the Holding company to unify the infrastructure operation strategies of each company and effectively utilize the strengths and management resources of each Group company

## 1 2. Pavement strategies



### Market trends

**Tough market trends are uncertain, business opportunities to create a new revenue base are expected to expand**

- Growth of maintenance market
- Increasing demand from society for ESG and SDGs initiatives

### Strength

**Realize stable and high profitability with a wide customer network through construction and products business**

- Good location business area ···Sales office 112, factories 102, Customer more than 10,000 companies
- Stable cash flow creation ···average operating cash flow in past 10 years 21billion JPY / year
- Accumulate technology and know-how by achievement of Comprehensive road management outsourcing business (3 projects)

### Concrete Measure to achieve our goal

**In addition to maintaining business centered on private construction, which is one of our strengths and Create new revenue bases**

- Establishment of a comprehensive private consignment business model by utilizing abundant achievement of private construction
- Development of new products and new manufacturing technologies ( for environment-friendly and environmental protection)
- Expand sales channels for highly added-value products such as mild patches by utilizing the network of group companies
- Expand comprehensive road management outsourcing services through M&A in the road field (construction and manufacturing plants)

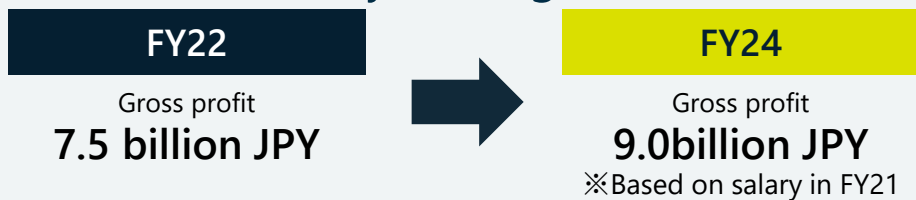
### Productivity reform by DX

- Streamline business management by visualizing and sharing customer and asset information in real time
- Standardize and systemize sales know-how and business processes, and introduce sales support tools to improve sales efficiency and increase orders
- Maximize production efficiency and labor utilization by systemizing the operation management of construction, manufacturing, and shipping, and optimizing resource allocation based on the results of operation data analysis

### Synergy through group cooperation

- Enhance initiatives for public construction order by sharing know-how of the comprehensive evaluation method among group companies
- Expand opportunities for orders and secure a stable volume of backlogs by utilizing the sales networks of group companies
- Establishment of a new department specializing in infrastructure management (PPP/PFI business department) at Maeda Road to establish a full-scale collaboration system with group companies
- Increase orders for comprehensive road management and road concession projects by utilizing know-how that Maeda Corporation has in bidding and infrastructure operation
- Strengthen initiatives in overseas markets by utilizing the overseas networks of group companies

# 1 3. Machinery strategies



## Market trends

### Interpenetration of work-style reform and reduction of construction labors

- Accelerating the trend toward automation of construction
- Demand for automation and labors saving products (ICT construction machinery )

### Growing demand for carbon neutrality

- Expand electricity product use
- Soundness of forest which absorb CO2

## Strength

### Technology of handling design, manufacturing, sales, and service consistently

- Ability of planning and proposal a wide range of products
- High quality product based on more than 50 years crane manufacturing know-how
- Service (maintenance) & sales network domestical and international
- Service (maintenance) capability as an agency of major construction machinery company

## Concrete Measure to achieve our goal

### Stable sales amount by strategic product development and introduction

- Introduce and expand electrified (battery-powered) products
- Expand sales channels by development products which meet overseas needs

### Action for IT & DX

- Promote efficiency on construction site by proposing construction methods using DX
- Strengthen proposal sales by converting customer needs into data and using analysis tools
- Maximize production efficiency by systemizing the operation management of manufacturing and shipping and optimizing resource allocation based on the results of operation data analysis

### Human resource strategies

- Systematic training of human resources capable of responding to increasingly sophisticated products, including collaboration with external companies and experts
- Aggressive investment in manufacturing education for multi-skilled workers

### Synergy through group cooperation

- Expand business areas by utilizing the domestic and overseas customer networks of group companies
- Create new business fields through product development in the forestry field, etc., utilizing the networks of group companies
- Expansion of rental products specialized in specific fields, such as linear, forestry, and iron & steel, by utilizing the network of group companies
- Manufacture of custom-made machinery to meet the needs of each group company's business (temporary machinery, maintenance machinery, labor-saving machinery, etc.)

## 1 4 . Capital strategies & Return policies

**Basic policy** Set goals for capital efficiency, optimal capital structure, and shareholder returns, with the highest priority on improving corporate value, and implement countermeasures on a regular basis

Medium-term Vision 2024			
Capital effect	ROE	<b>9.5%</b>	Improve profitability by effective investment
	Equity ratio	More than <b>30%</b>	Utilize interest-bearing debt and share buy-back effectively while maintaining financial soundness
Optimal capital structure	D/E ratio	Less than <b>0.6</b> times	
	Shareholder returns	Dividend payout ratio	More than <b>30%</b>
Share buy-back		More than <b>40 billion JPY</b> until FY24	
Asset efficiency	Cross-shareholdings/ Net assets rate	Less than <b>20%</b>	Constant review of validity of ownership and sell while using WACC as a measure of investment efficiency
	Sales of cross-shareholdings	✓ Consider sale or integration of inefficient assets by examining the usage status of group-owned assets	



# 1 5 . Cash flows

## Point

- Gain cash flows by arranging our group-held assets including cross-shareholdings
- We perform appropriate shareholder return which are well balanced with our capital policy

Cash provided by (FY22 to 24 total)	
Gain on sale of cross-shareholdings 20 to 30 billion JPY	<ul style="list-style-type: none"> <li>✓ Review validity of possessing cross-shareholdings while taking WACC into account</li> </ul>
Gain on sale of fixed assets and shares of subsidiaries and associates	<ul style="list-style-type: none"> <li>✓ Disposal or integration of inefficient assets held by group companies</li> <li>✓ Effective and timely sale of shares of subsidiaries and associates</li> </ul>
Gain on appropriate borrowings	<ul style="list-style-type: none"> <li>✓ Integrate group finance activities to reduce finance costs</li> <li>✓ Effective utilization of debts with capital efficiency</li> </ul>
Cash flows from operating activities around 170 to 180 billion JPY	<ul style="list-style-type: none"> <li>✓ Improve profitability of existing business</li> <li>✓ Stable profits from of infrastructure operations</li> </ul>



Cash used in (FY22 to 24 total)		
Investment for increasing our competitiveness	Investment for growth 105 to 110 billion JPY	<ul style="list-style-type: none"> <li>✓ Infrastructure operations (EIRR of 10% or more) , 36 billion JPY for 3 years</li> <li>✓ 50 billion JPY M&amp;A for 3 years</li> <li>✓ Investment for DX and IT (ROI 3.0 or more) , approx. 8 billion JPY for 3 years</li> <li>✓ Conversion for environmentally Friendly or highly productive production facilities</li> </ul>
	Investment for normal operations 45 to 55 billion JPY	<ul style="list-style-type: none"> <li>✓ Combination and reorganization for overlapping assets held by group companies</li> </ul>
Shareholder return for increasing enterprise value	shareholder return 60 to 70 billion JPY	<ul style="list-style-type: none"> <li>✓ Conducted while taking indexes below into account</li> <li>• Capital efficiency</li> <li>• Optimal capital structure</li> <li>• Reward for employees</li> <li>• Investment for growth</li> <li>• Net income</li> <li>• Indexes such as ROE</li> <li>✓ Dividend payout ratio more than 30%</li> <li>✓ Share buy-back of 40 billion JPY until FY 2024</li> </ul>

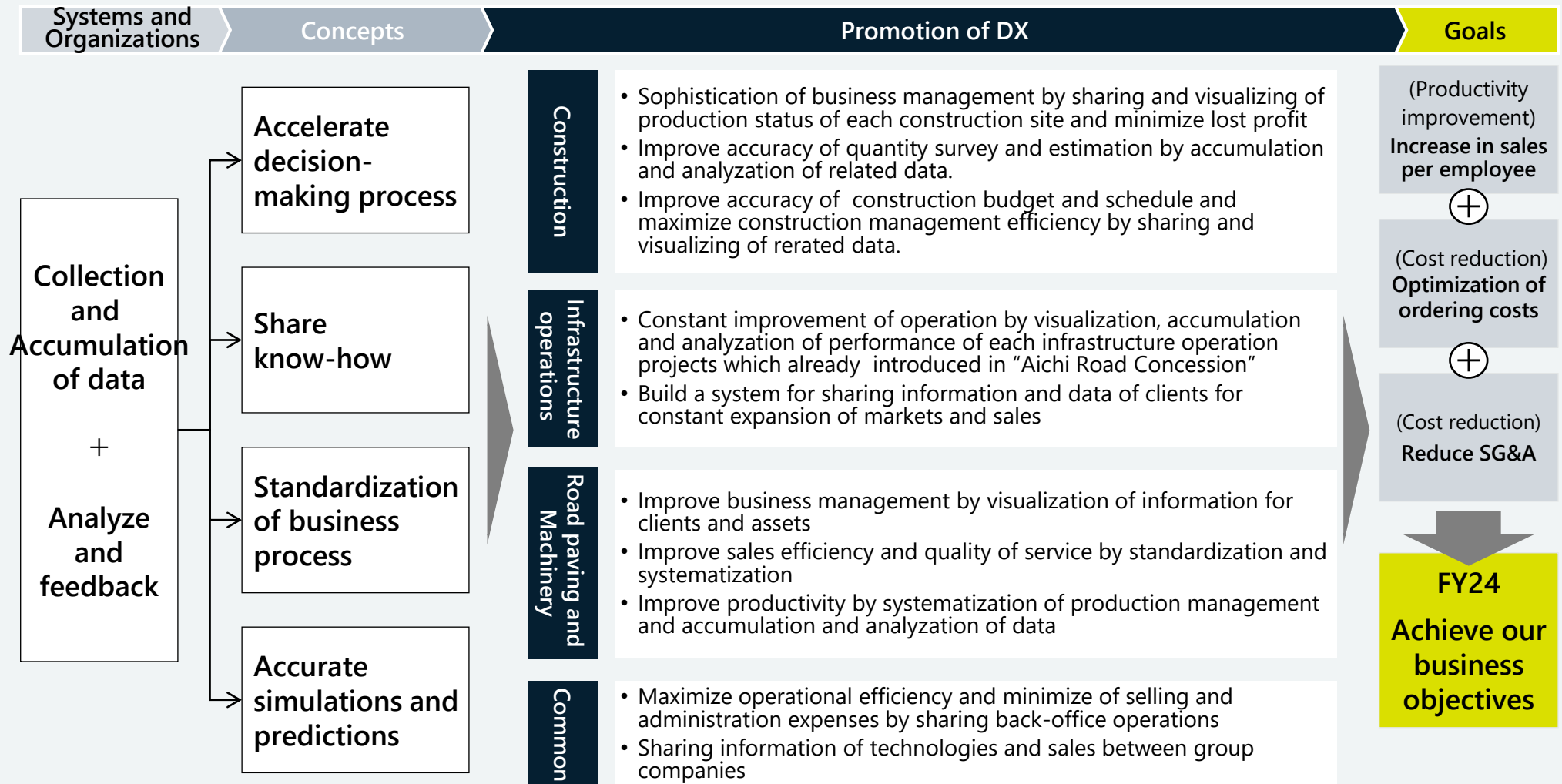
# 1 6 . IT and DX Strategies

## Basic policy

We break down preconceived notions which comes from characteristics of existing business collaborating with major consulting firm with measures backed by data and digital technologies

## Approach

- Collect, accumulate and analyze our business data and organize bases, systems and tools for all process of our business
- Inspect and rebuild every process of our entire business to cross-departmental reorganization for improvement of productivity of our group



## 1 7. ESG management to maximize our added value

- Before the concept of ESG was widely spread, we have been working on such as renewable energy business and public-private partnership business, showing “No.1 company in environmental management.”
- From now, we aim for achievement of both solution of social issues and sustainable development of our company as integrated infrastructure service company.
- We formulate business plans such as greenhouse gas reduction target in accordance with TCFD frameworks.
- We will establish ESG governance systems to achieve ESG targets as below.

E

### Greenhouse gas reduction

< SCOPE 1 > 2030 : Reduce greenhouse gas emission 30% below 2018 levels. 2050 : Net-zero

< SCOPE 2 > 2030 : Reduce consumption of electricity in offices and plants 60% below 2018 levels. 2050 : Net-zero

< SCOPE 3 > 2030 : Reduce greenhouse gas emission from materials, products and services 30% below 2018 levels

### Contributions for carbon neutral society

- Further promotion of renewable energy business (Increase the rate of electricity created by renewable energy)
- Realize carbon neutral in infrastructure operation business

### Contributions for solving social issues

- Regional vitalization through concession business and “Super City Initiative” business
- Support subcontractors to secure stable supply

### Respect for diversity

- Establish company culture and rules which respect diversity and productivity for employees
- Conduct human resources training to improve individual abilities

S

G

### Reinforcement of company governance systems

- Adoption of structure of corporate organs as company with nominating committee, etc.
- Majority of board of directors are outside directors
- Director of the Board and Chairperson of Nominating, Compensation, and Audit is Independent director
- Implementing the PDCA cycle under the supervision of the Group Sustainability Committee led by the president

Challenge the status quo

 **INFRAONEER Holdings Inc.**

# Appendix

## Reference

### \*1 Availability Payment Method

A fee structure that public agency makes payments according to concession contractor's performance on operation and management of infrastructure.

The payments are covered by public agency budgets.

In Europe and the United States, Availability Payment have been introduced in many projects such as schools, hospitals, courts, roads, transportation, and water service.

### \*2 Green field

Project structure that includes various stages of project such as new construction, acquirement of operating rights, maintenance, large-scale repairs and renewals.

On the other hand, Brown field is project structure that includes only acquirement with operating rights of existing facility, large-scale repairs and renewals.

### \*3 DBT + concession

Project structure that combines DBT (Design Build Transfer) and the concession.

Private company constructs a facility and transfers ownership to the public agency.

After transferring the ownership to the public, a private company will acquire the operating right of the facility and do maintenance, large-scale repairs, renewals.