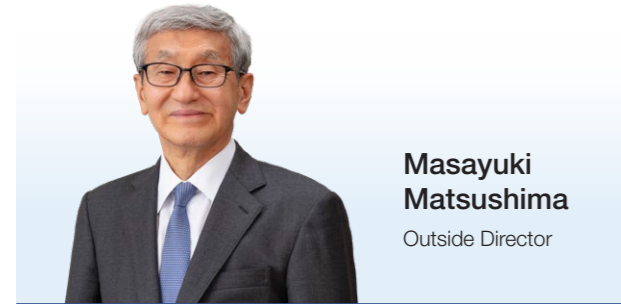


Messages from Outside Directors



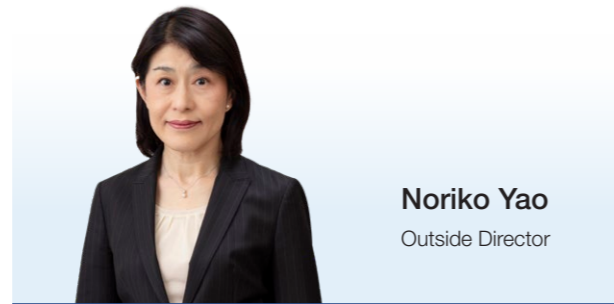
Lessons from the LNG Canada Project

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

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

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

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



Ability to respond to changes without being bound by existing assumptions

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

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

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

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

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



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

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

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

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

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

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

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

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

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



Resilient strength

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

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

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

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

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

Message from Retiring Outside Director

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



Shigeru Endo
Former Outside Director

Genuine talent, with gratitude and hope

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

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

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

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

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

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

Corporate Governance

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

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

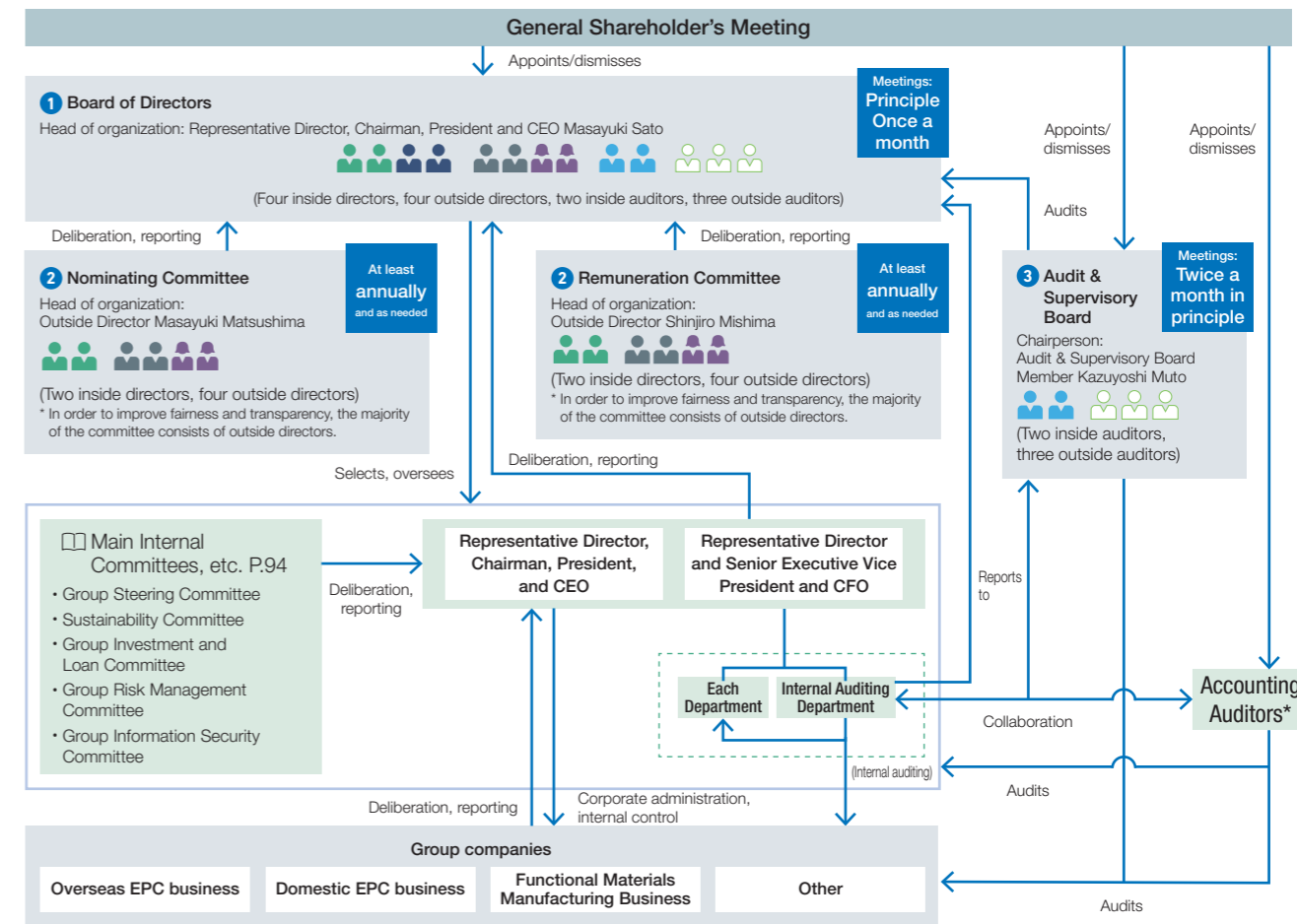
Furthermore, based on our purpose and values, each officer and employee strive to enhance corporate value and achieve sustainable growth while sharing a high sense of ethics, which includes compliance that is essential for proper functioning of corporate governance, and acting with integrity.

Overview of corporate governance

Corporate governance system

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

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



(Note) This is the organizational chart as of the conclusion of the Annual General Meeting of Shareholders held on June 27, 2025.
* CPAs Atsushi Nagata, Otoko Sekiguchi, and Takashi Inoue of KPMG AZSA LLC performed accounting audit services. Audit support staff consisted of 10 CPAs and 18 other individuals.