

 **JGC Group**
Long-term management vision

2040 Vision (2026 Revised Edition)

Revision : May 14, 2026

Original : May 12, 2021

JGC Holdings Corporation

In May 2021, the JGC Group issued its long-term management vision, the 2040 Vision, which describes the Group's direction based on assumptions regarding the business at the time, the anticipated market outlook toward 2040, and other factors.

In May 2026, we announced a new medium-term management plan, Building a Sustainable Planetary Infrastructure 2030 (hereinafter "BSP2030"). However, there are no changes to the Group's direction in terms of its purpose, the three social issues that JGC Group will focus on, and the three aspects of transformation supporting the 2040 Vision. Put differently, although changes in the business and in segments of interest we expected have occurred since fiscal year 2021, and are likely continue going forward, the Group's intended direction toward 2040 remains unchanged, as described above.

However, as the JGC Group enters to the second phase following the first phase, "Five years of challenge", certain elements of the 2040 Vision require partial revisions. Accordingly, revisions have been made to the following items.

○Revision point 1

p.18 Path to business area expansion

In the original 2040 Vision, we outlined a scenario in which five business areas were divided into three categories based on the timing of when its investments will come to fruition and other factors. While the intent to expand into these five business areas remains unchanged, we will shift to a policy of flexible and strategic development in response to changes in markets and the business conditions.

○Revision point 2

p.19 Target level of operating profit

Originally, the 2040 Vision set targets for adjusted operating profit of 100 billion yen or higher for fiscal year 2030 and 150-200 billion yen for fiscal year 2040. In light of changes in the business conditions and market growth rates, we have revised these targets to 60 billion yen in operating profit for fiscal year 2030 and 100 billion yen or higher in adjusted operating profit for fiscal year 2040.

Purpose

Enhancing planetary health

Background of 2040 Vision

Responding to a rapidly changing business

Achieving long-term growth with a grasp of social changes

2040 Vision

A corporate group that contributes to enhancing planetary health in **five business areas**

Energy transition

Healthcare / Life sciences

High-performance functional materials

Circular economy

Industrial & Urban infrastructure

Three aspects of transformation supporting the 2040 vision

Business areas

Focused on Oil & Gas

Responding to the energy transition, expanding our business areas

Business models

Focused on EPC and manufacturing models

Transformation of EPC business model, diversifying to non-EPC models

Organization

Managed mainly from Japan; organization designed for execution of Mega-sized EPC projects

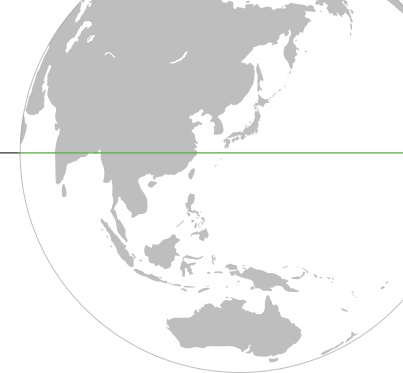
Strengthening our regional management framework and fostering a culture of innovation

Target

FY2040 operating profit*

100 billion yen or higher

* Operating profit (after adjustment): Operating profit plus share of profit of entities accounted for using equity method, dividend income, and interest income



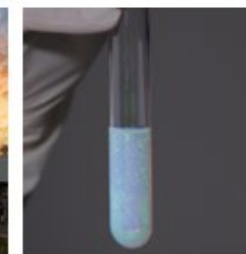
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Purpose of the JGC Group



Historical roles since the company was founded

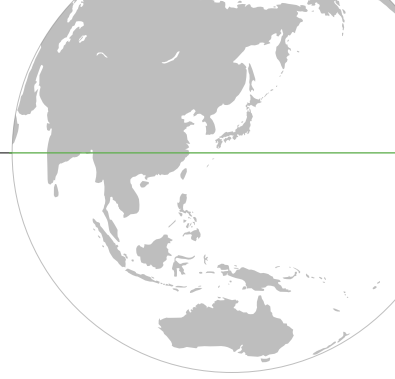
Supporting the foundations of industry and society at large,
at the crossroads of challenges in
balancing energy and environmental needs



I want the company to be a presence that
supports the foundation of industry as well as
society regardless of era

Founder Masao Saneyoshi





Purpose of the JGC Group

Enhancing planetary health

We remain committed to our traditional mission of creating a more prosperous future, which has been redefined to reflect our purpose of enhancing the intertwined health of humans and the Earth.



Social issues that JGC Group will focus on

Pursuing both a stable energy supply and decarbonization



Global primary energy demand by 2040:
17.1 billion toe*

Greater energy demand is expected, driven by a swelling global population and economic growth.



A critical stage in climate change measures

Limiting the increase in average temperature relative to pre-industrial levels to 1.5°C will require reducing CO₂ emissions effectively to zero by 2050.

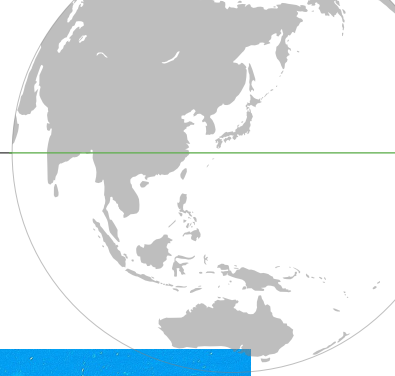


Renewable power by 2040:
3.3 billion toe*

A growing awareness of climate change issues is behind the global trend toward less carbon and even net-zero carbon.

*toe: ton of oil equivalent
Source: IEA World Energy Outlook 2020

Reducing the environmental impact of resource consumption



Higher **CO₂** emissions from manufacturing processes

Greater consumption associated with global economic growth will exacerbate the impact of CO₂ emissions throughout manufacturing processes.



Global waste by 2050:
3.4 billion tons/year

Rising consumption also continues to generate more waste.

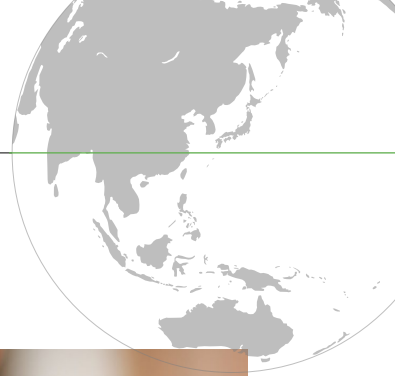


Adverse effects from pollution on ecosystems and human health

Non-biodegradable plastics in particular raise concerns for ecosystems and human health.

Resources with a lighter environmental footprint that limit the generation of new waste must be used.

Building and maintaining vital infrastructure and services



Urbanization in Asia, Africa:
66% of the population

Asia, Africa, and other emerging regions will see an accelerated urban influx as their economies grow, which will drive demand for industrial and urban infrastructure.

Source: United Nations, World Urbanization Prospects
National Institute of Population and Social Security Research "Japan's Future Population Estimate"



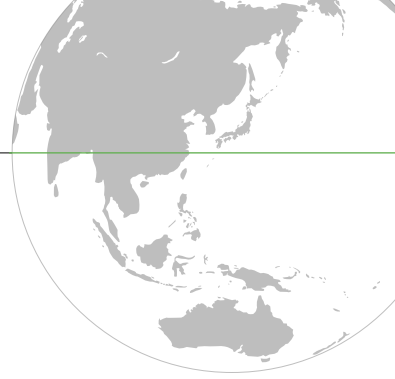
Greater **medical capacity**,
especially in emerging economies

Development of medical infrastructure and better healthcare will be in higher demand, especially in emerging markets with growing economies.



Percentage of the population
65 or older: **35%** (Japan)

Needs for personalized and preventive medicine will increase in Japan and other developed economies as birthrates decline and populations age.



Health of the Earth



Health of humans

Pursuing both a stable energy supply and decarbonization

- Meeting higher demand of energy
- Responding to the low-carbon / zero-carbon transition
- Achieving net-zero CO₂ emissions

Reducing environmental impact of resource consumption

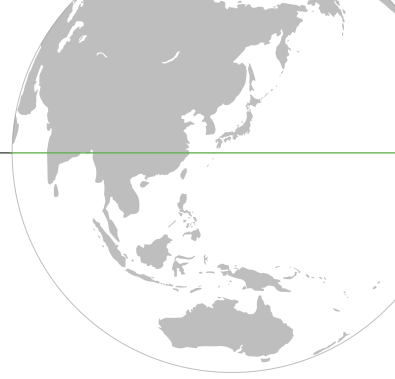
- Reducing CO₂ throughout manufacturing processes
- Reducing the environmental impact of waste
- Popularizing environmentally protective high-performance functional materials

Building and maintaining vital infrastructure and services

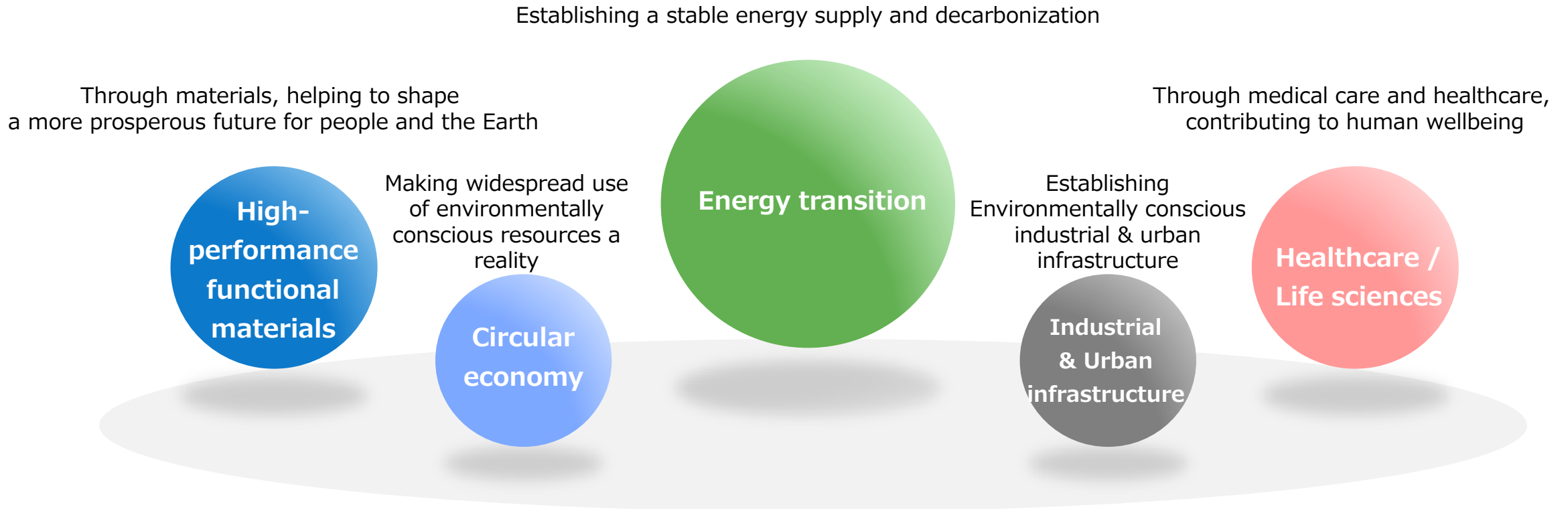
- Establishing and maintaining industrial and urban infrastructure
- Establishing and improving medical infrastructure
- Promoting widespread use of personalized and preventive medical care

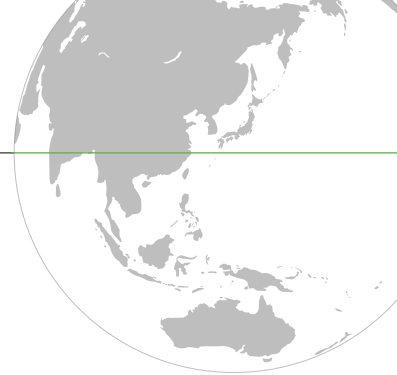
2040 vision of the JGC Group





A corporate group that contributes to enhancing planetary health in five (5) business areas

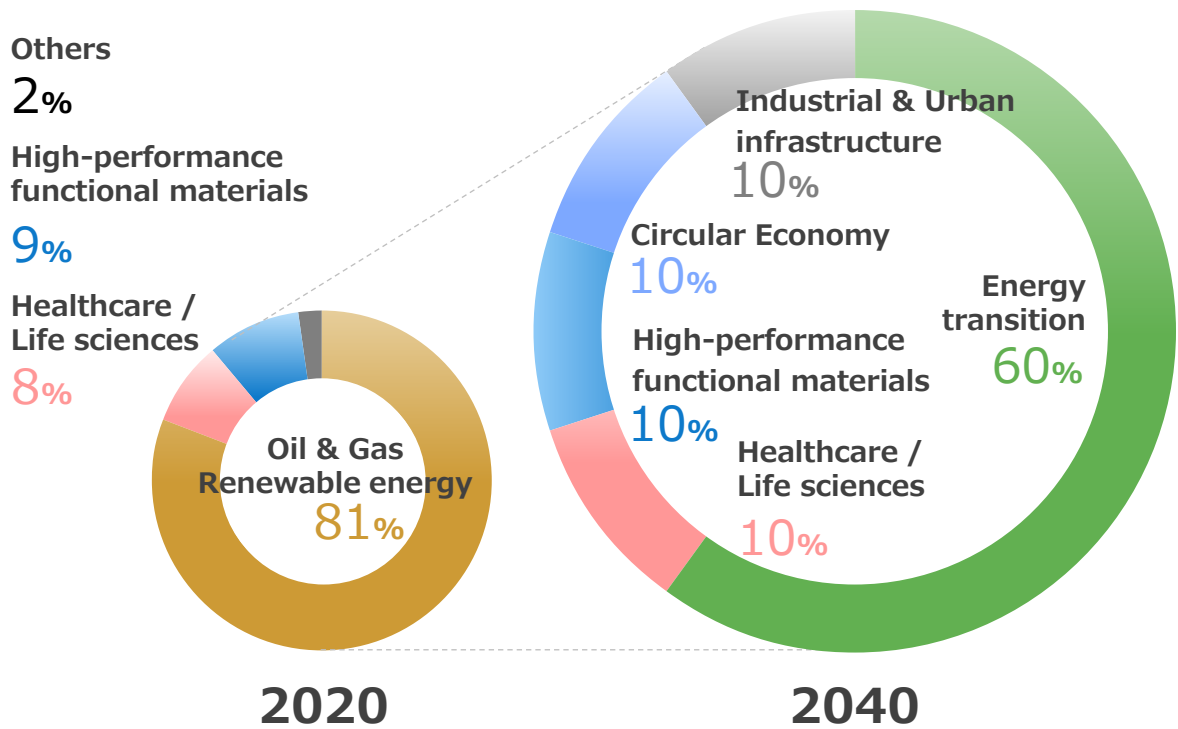




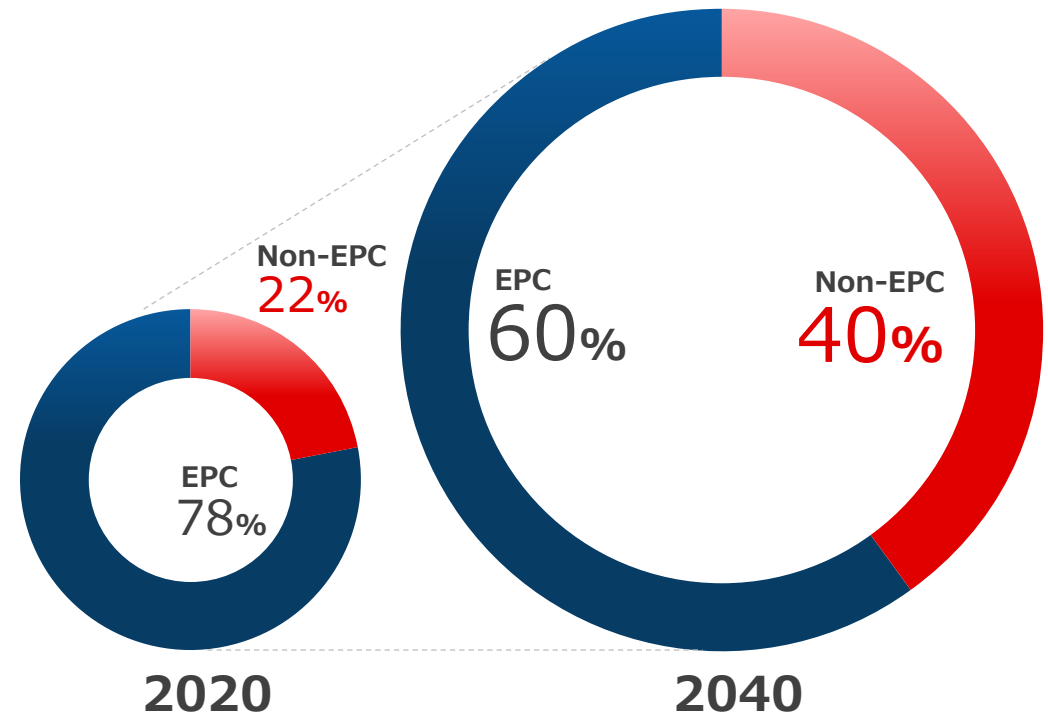
Sales contribution by business areas and models

Taking on social issues through a variety of business models in more diverse business areas

Business areas

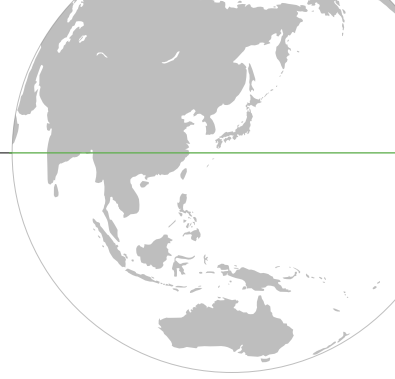


Business models



Overview of transformation supporting the 2040 Vision





Three aspects of transformation supporting the 2040 vision

Business Areas

Focused on Oil & Gas



Responding to the energy transition, expanding our business areas

Business Models

Focused on EPC and manufacturing models



Transformation of EPC business model, diversifying to non-EPC models

Organization

Managed mainly from Japan; organization designed for execution of mega-sized EPC projects

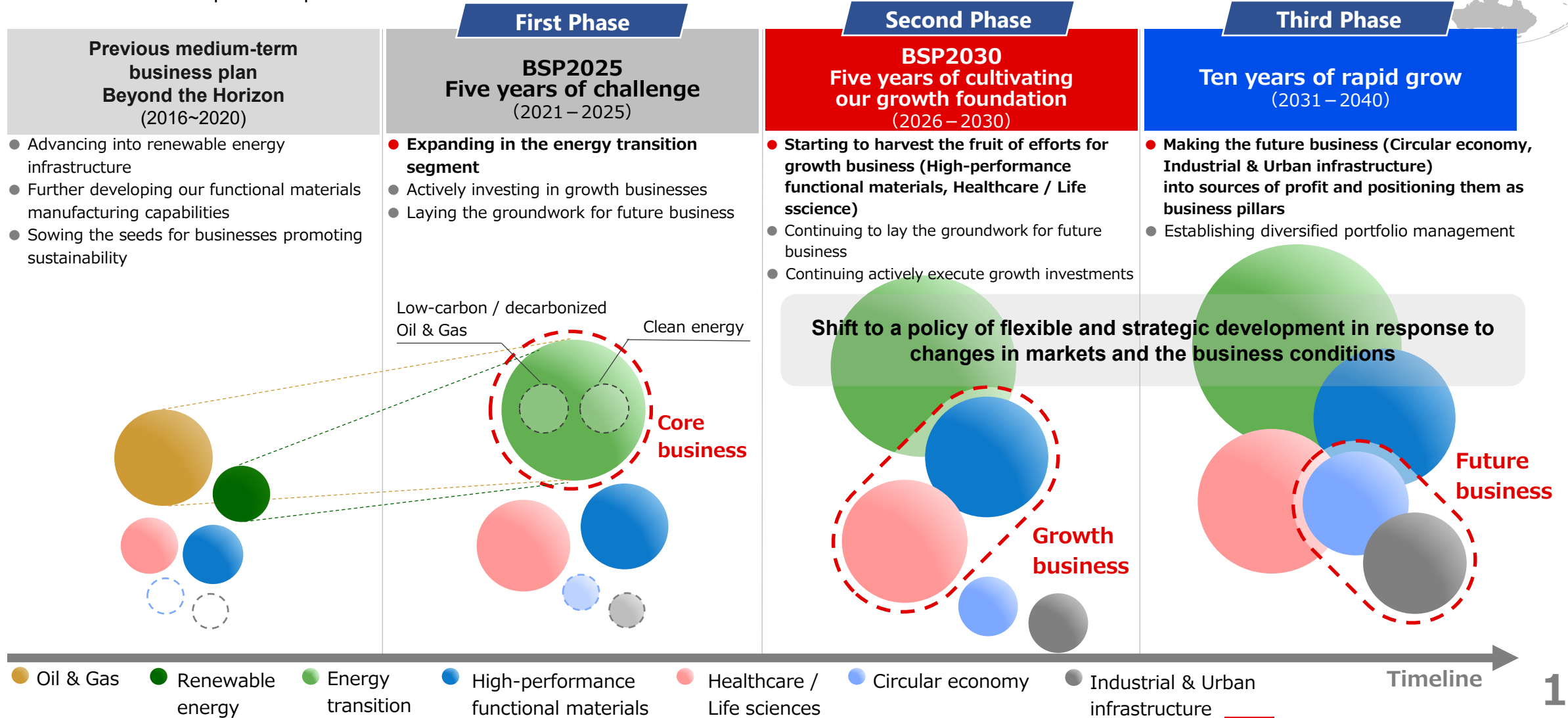


Strengthening our regional management framework, fostering a culture of innovation

Overview of transformation supporting the 2040 Vision

Path to business area expansion (Revision)

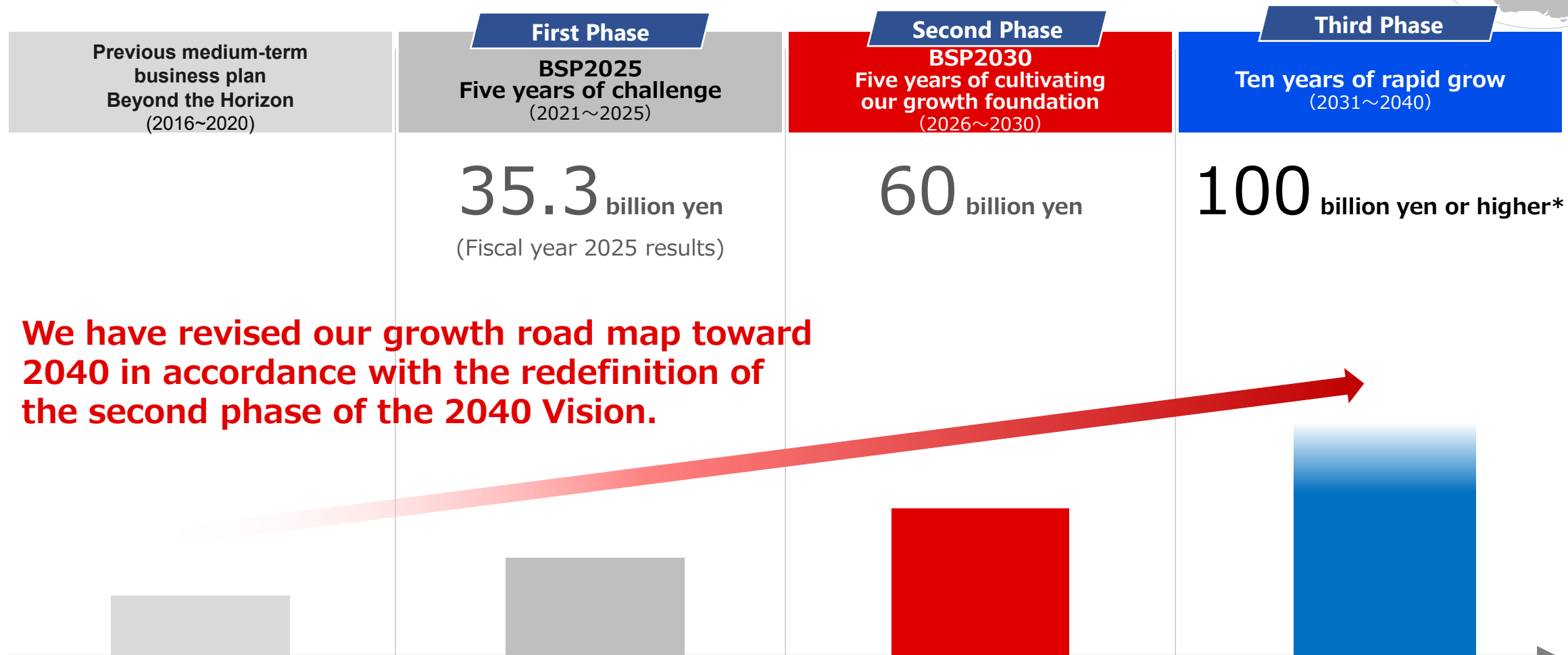
The Group will be expanding into five areas that include core business, growth business and future business which will be developed into pillars of business.



Overview of transformation supporting the 2040 Vision

Target level of operating profit (Revision)

These three aspects of transformation will support us in reaching 100 billion yen or higher in adjusted operating profit* for 2040. Strategic investments to be made over the long term.



We have revised our growth road map toward 2040 in accordance with the redefinition of the second phase of the 2040 Vision.

* Basis for adjusted operating profit: Operating profit plus share of profit of entities accounted for using equity method, dividend income, and interest income

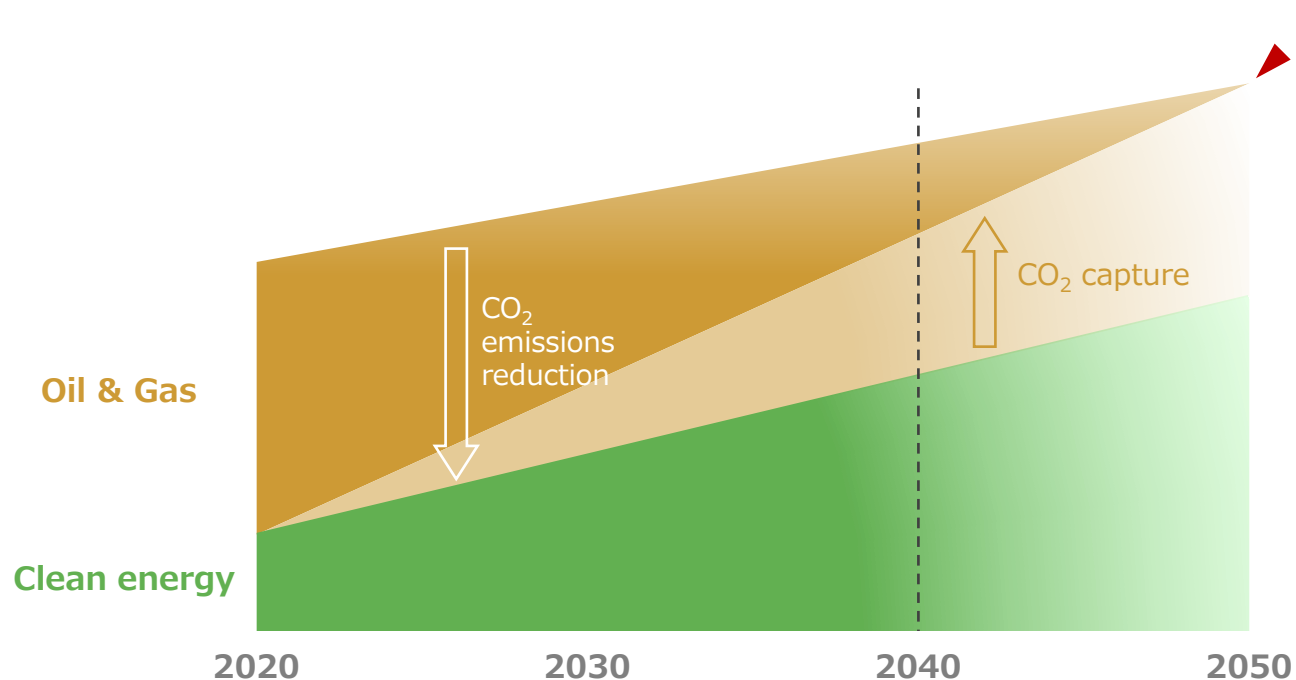


Business area transformation

**From a focus on Oil & Gas
to responding to energy transition and expansion of business areas**

Core business area: Overview of energy transition

Adopting low-carbon / decarbonization practices in Oil & Gas and expanding clean energy, for a net-zero society



Low carbon / decarbonization in Oil & Gas

- Improving energy efficiency of current infrastructure with digital technologies
- Progress in recovery of CO₂ from industrial plants

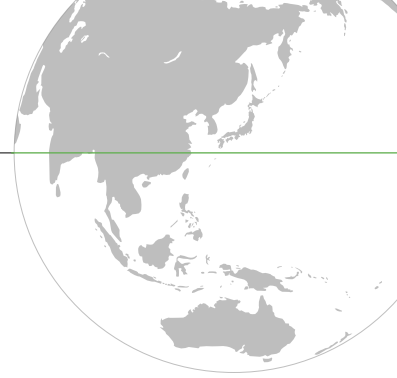
Expansion of clean energy

- Expanding use of renewable energy
- Progress in deploying grid-stabilizing technologies, such as storage batteries and EMS
- Progress in introducing hydrogen / fuel ammonia as a renewable energy carrier
- Making EV chargers widely available
- Establishing market mechanisms for carbon trading

Business to engage in

Low-carbon / decarbonized Oil & Gas

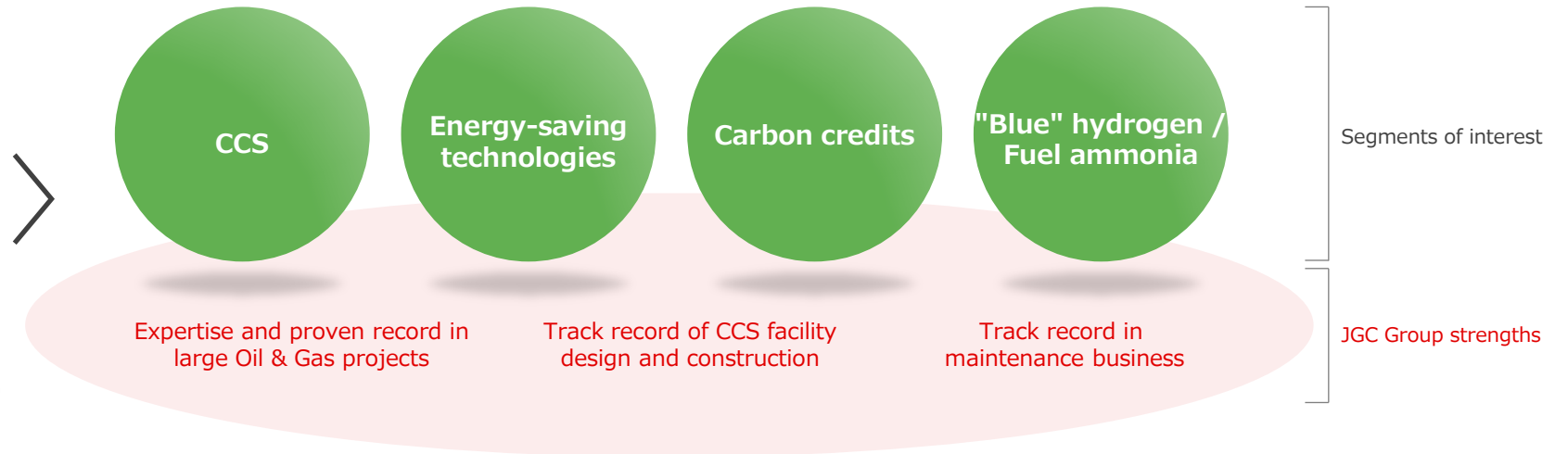
Clean energy



Core business area: Energy transition – low-carbon / decarbonized Oil & Gas

Contributing to carbon reduction / decarbonization in the global Oil & Gas industry

- External factors
- Constant energy demand as economies grow in emerging markets
 - Needs for reduced carbon and decarbonization in fossil fuel consumption



Businesses
Development

Contributing to carbon reduction / decarbonization in Oil & Gas through carbon management

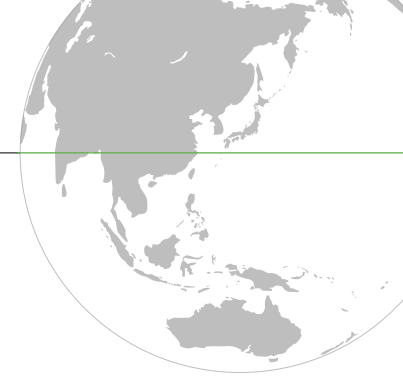
The Group will build on expertise and experience from past CCS facilities at LNG plants and the Tomakomai CCS demonstration project to contribute to carbon reduction / decarbonization. The Group will provide solutions from the planning stage and also participate in business that generate carbon credits.

Helping facilities scale up for blue hydrogen / fuel ammonia market growth through our technologies

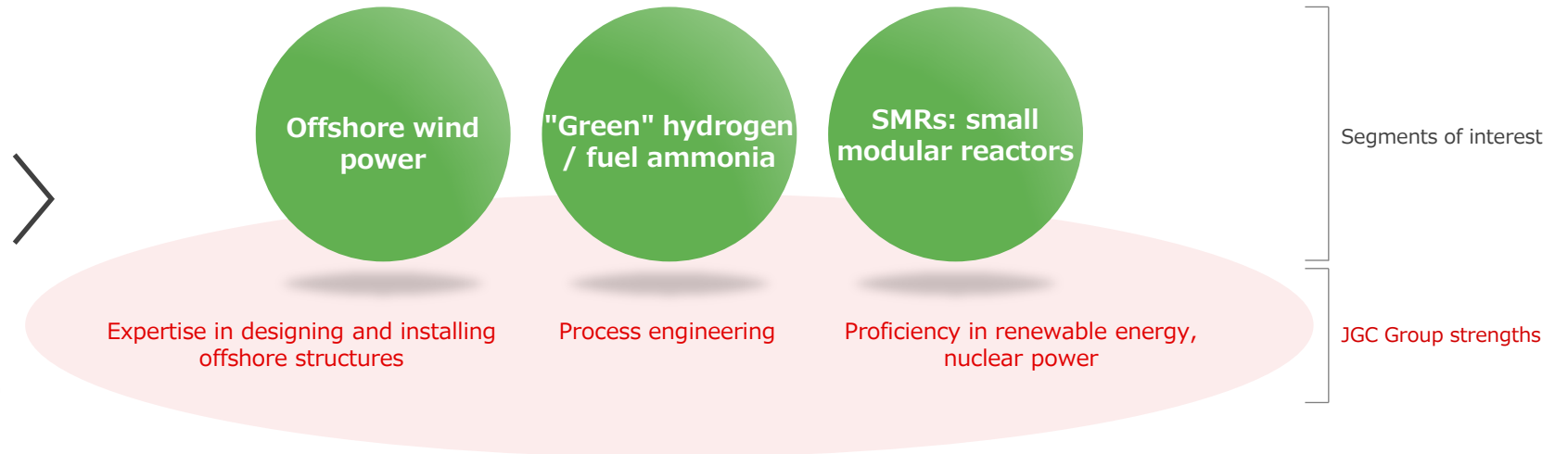
In production of blue hydrogen / fuel ammonia (CO₂-free energy derived from fossil resources), the Group will apply expertise and risk management capabilities from plant expansion in LNG operations. The Group will also invest in technology development and promote strategic partnerships.

Core business area: Energy transition – clean energy

Supporting decarbonization in Japan and overseas, starting with clean energy technologies



- External factors
- Global market growth in offshore wind power and hydrogen applications
 - Carbon neutrality targeted by 2050 in the government's Green Growth Strategy



Businesses
Development

Entering offshore wind power, starting in Japan and building on expertise in construction management

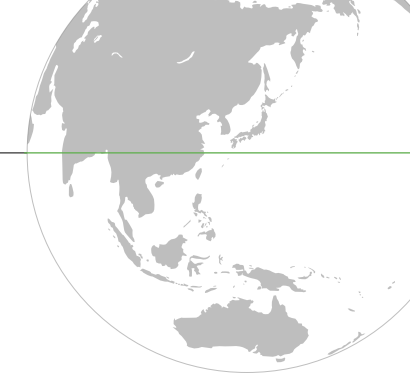
Through alliances, the Group will accumulate expertise, initially in Japan. Besides EPC, the Group will fund special purpose companies in offshore wind power generation.

Demonstrating technologies supporting green hydrogen / fuel ammonia from renewable energy

The Group will promote green hydrogen / fuel ammonia pilot programs demonstrating feasibility in society, which link renewable energy production areas with areas where there is demand. The Group will also participate in new value chains.

Making advance investments in the potential of SMRs

Accumulating achievements and technical expertise outside of Japan, the Group will aim at practical adoption of SMRs.

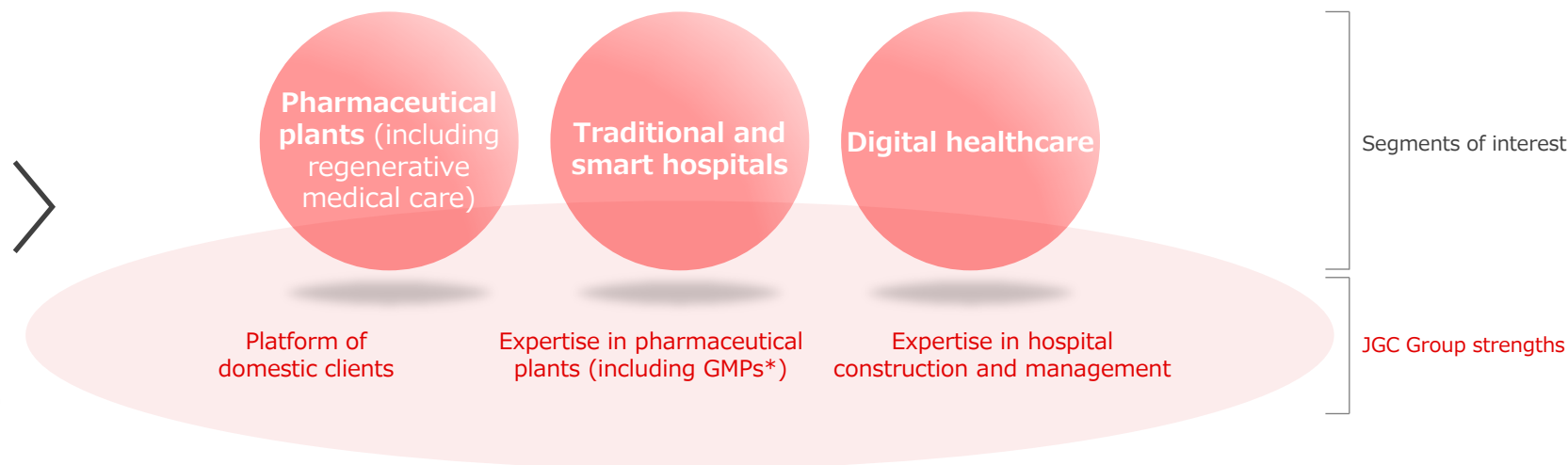


Growth business area: Healthcare / Life sciences

Developing pharmaceutical / hospital-related business domestically and in emerging economies, promoting health through medical care

External factors

- Personalized and preventive medicine needs, mainly in Japan
- Market growth arising from higher standards of healthcare in emerging economies



Businesses
Development

Expanding domestic and overseas pharmaceutical plant EPC operations, including regenerative medicine

The Group will expand operations and strategic partnerships to meet growing domestic and international pharmaceutical needs, including global vaccine demand. Production technology will be developed for pharmaceutical plants (including those serving new modalities).

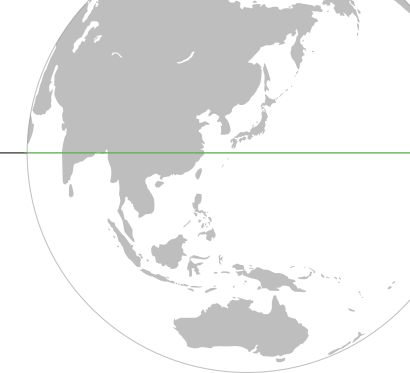
Expanding business through early adoption of digital technologies at hospitals and clinics, expanding digital healthcare business

The Group will acquire smart medical technologies through open innovation. Advance investments will be made in digital technologies for hospitals and clinics, for expansion of smart hospital business. In overseas expansion, the Group will seek system-building and strategic partnerships rooted in local communities.

*GMPs: Good Manufacturing Practices

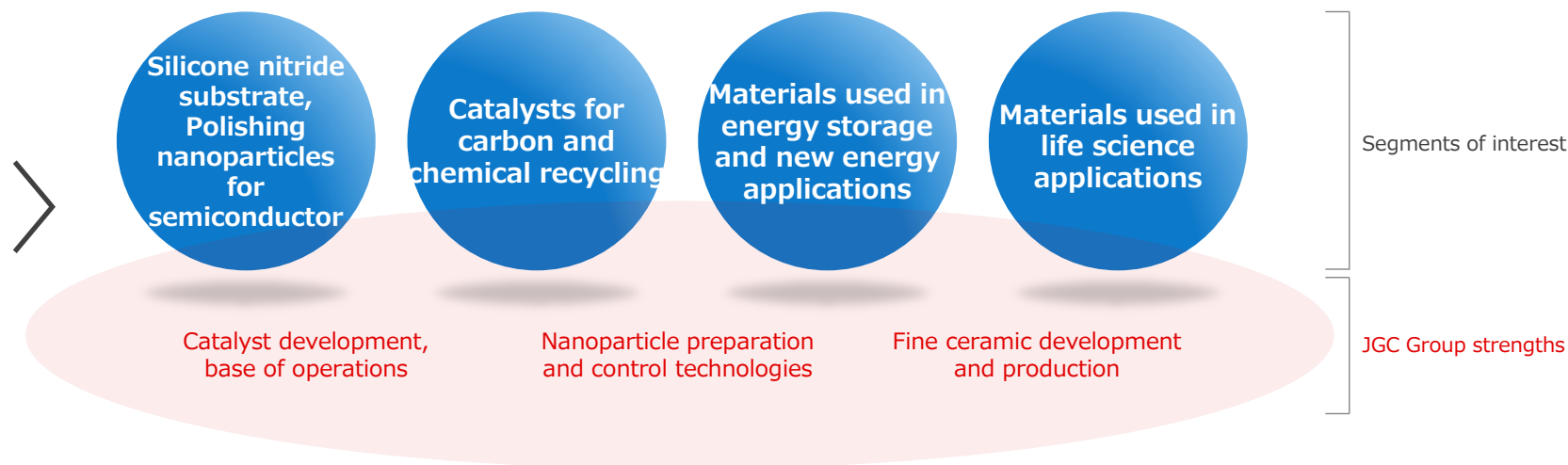
Growth business area: High-performance functional materials

Developing and producing unique high-performance functional materials in growth segments, applying the Group's core technologies



External factors

- Growth of semiconductor / ICT segments
- Growing needs in carbon / chemical recycling and environment / new energy segments
- Growing needs in medical / testing segments



Businesses
Development

Strengthening frameworks to develop new products, accelerating this process

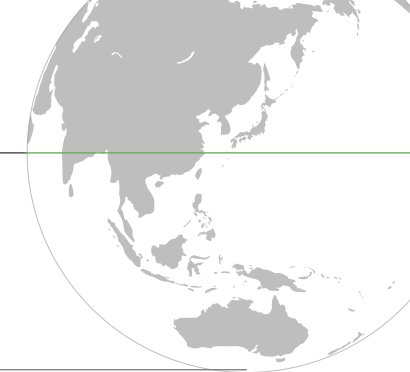
The Group will venture into new as well as related segments, applying core technologies and accelerate product development.

Improving production technologies and capacity

Manufacturing technologies for products such as high thermal conductivity silicon nitride substrates and polishing nanoparticles for semiconductor will be improved and capacity expanded.

Expanding sales and market share of existing products

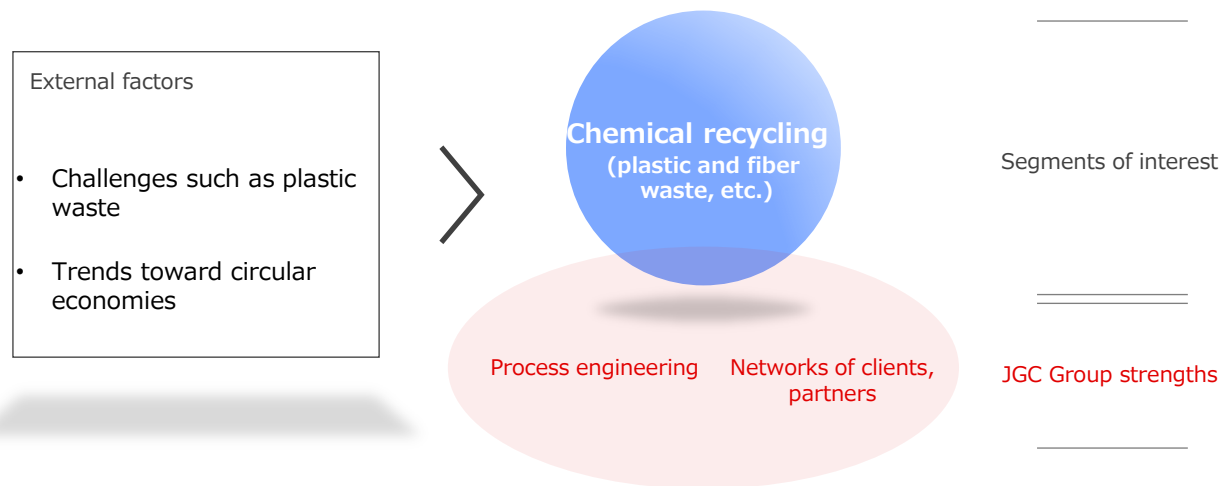
The Group will reinforce high-performance material supply chains in growth segments, capture a larger market share and expand overseas.



Future business area: Circular economy, Industrial & Urban infrastructure

Circular economy

Showing leadership in market formation and ecosystem building to support a circular economy for sustainable society



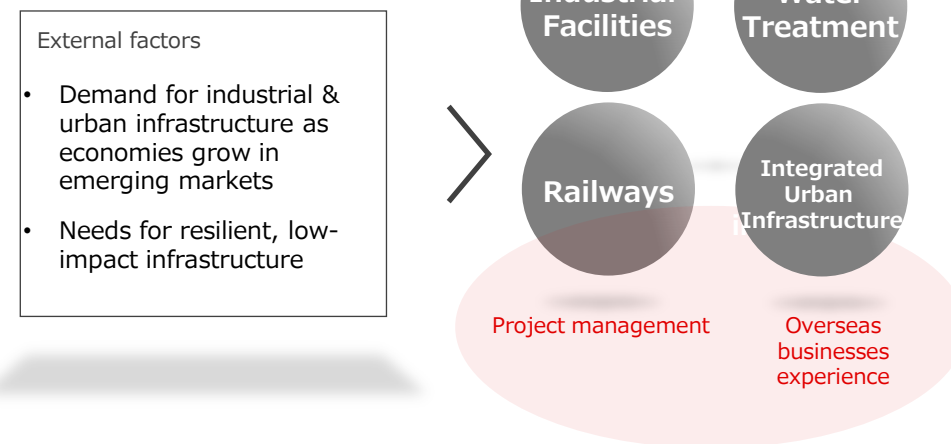
Creating recycling value chains through partnerships

Businesses Development

The Group will acquire chemical recycling technologies, such as for plastic and fiber waste, for widespread adoption in society. The Group will provide licensing as well as operational consulting applying operational expertise from commercial demonstrations.

Industrial & Urban infrastructure

Providing environmentally conscious industrial & urban infrastructure integrating multiple systems



Becoming a major player in the Industrial & Urban infrastructure market, venturing into integrated infrastructure development

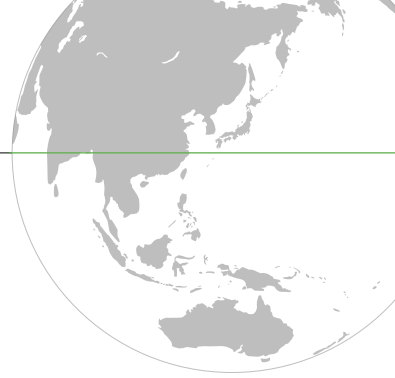
Businesses Development

The Group will construct industrial facilities, expanding its track record, while accumulating an array of technologies and a solid record in the Industrial & Urban infrastructure segment, such as for railways and water treatment. Services to be provided range from conceptual design to construction and operation of integrated infrastructure (as seen in industrial parks and urban development).



Business model transformation

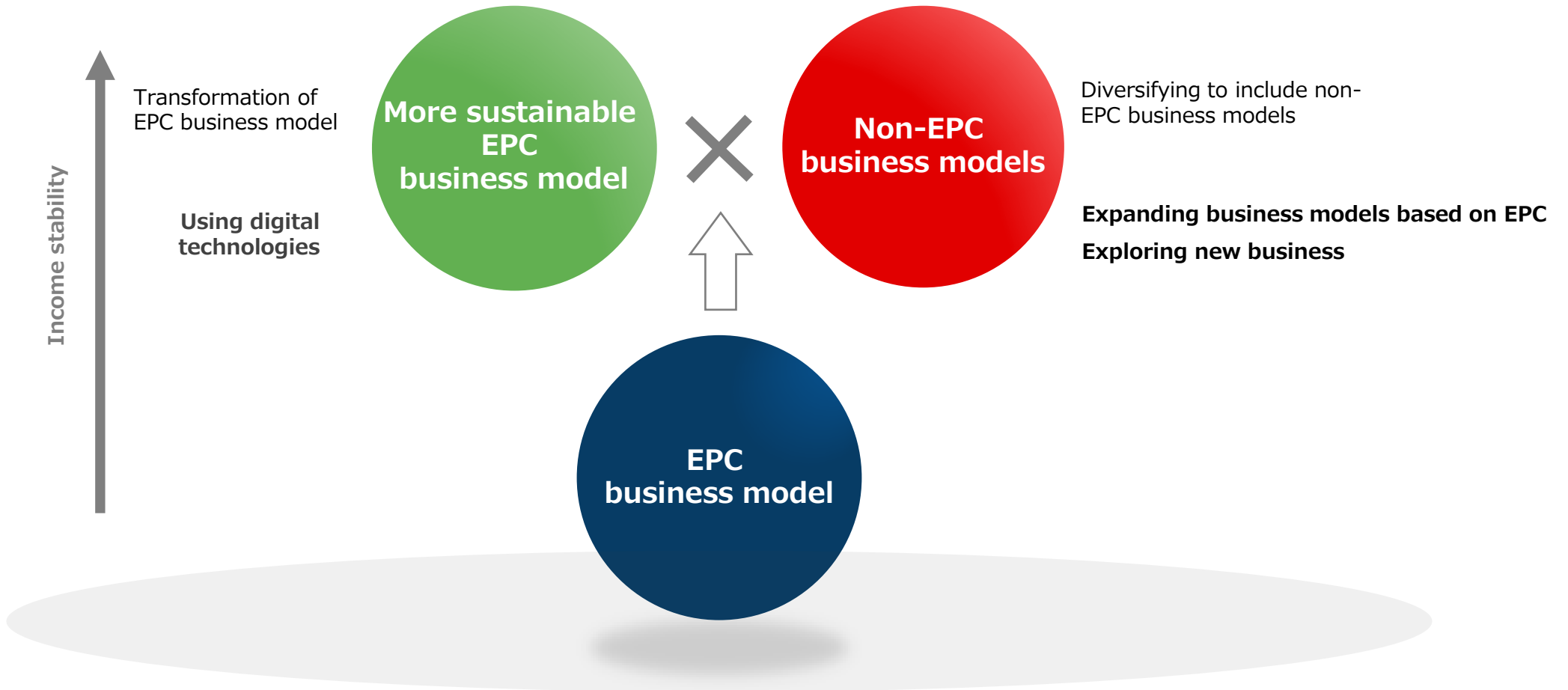
**From a focus on EPC / manufacturing models
to transformation of EPC model and developing non-EPC models**

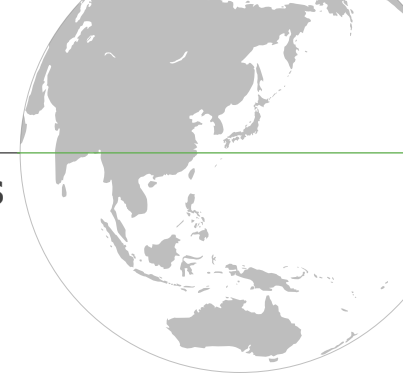


Toward a more sustainable EPC business model and diversification in non-EPC models

Transformation of EPC business model to stabilize income

Additionally, diversifying the revenue structure to include both non-EPC models based on EPC and new business models

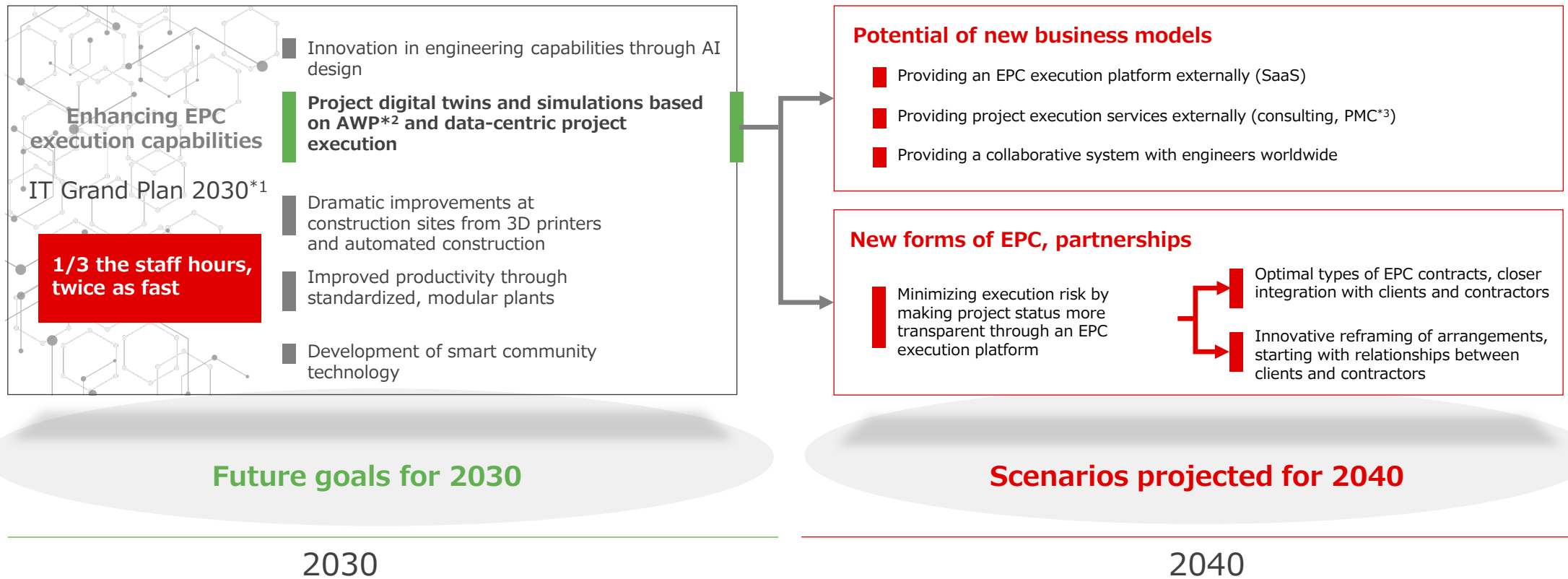




Measures for transformation of EPC business model: Initiatives using digital technologies

Strengthening EPC execution capabilities by promoting the IT Grand Plan 2030 and using digital technologies

Anticipating future digital technologies and transforming EPC business through advance investments



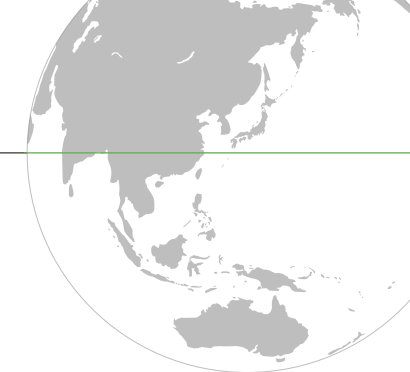
*1 IT Grand Plan 2030: Long-term information strategy established in 2018.

*2 AWP: Advanced Work Packaging

*3 PMC: Project Management Consulting

Business model diversification

Expanding EPC-based business models upstream and downstream while venturing into new business models for diversification



Non-EPC business model expansion based on EPC

Diversification into new business models

| Example of business | Non-EPC business model expansion based on EPC | | | Diversification into new business models | |
|-----------------------------------|--|--|---|--|---|
| | Licensing | Consulting/ PMC | Maintenance, digital O&M | Digital Platform | Business Participation |
| Energy transition | <ul style="list-style-type: none"> Hydrogen / fuel ammonia technologies | <ul style="list-style-type: none"> Low-carbon, decarbonization consulting | <ul style="list-style-type: none"> CO₂ emission optimization support Smart O&M | <ul style="list-style-type: none"> Platform for generating and monitoring carbon credits Energy supply / demand optimization | <ul style="list-style-type: none"> CCS / CCUS business Offshore wind business Hydrogen / fuel ammonia business |
| Healthcare / Life sciences | — | <ul style="list-style-type: none"> Basic / master planning for hospitals | <ul style="list-style-type: none"> Smart hospital O&M | <ul style="list-style-type: none"> Digital healthcare (medical information banks) | <ul style="list-style-type: none"> Hospital management |
| Circular economy | <ul style="list-style-type: none"> Chemical recycling technologies | <ul style="list-style-type: none"> Related technology consulting | — | <ul style="list-style-type: none"> Supply chain platforms | <ul style="list-style-type: none"> Commercial demonstrations of chemical recycling |
| Industrial & Urban infrastructure | — | <ul style="list-style-type: none"> PMC for urban development | <ul style="list-style-type: none"> Urban infrastructure O&M | — | — |

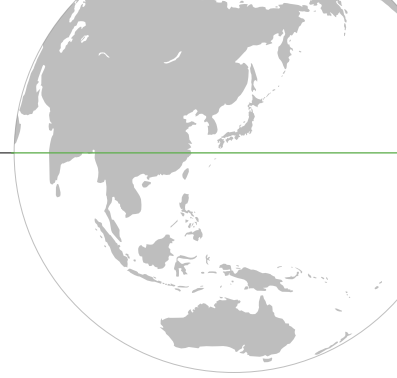


Organizational transformation

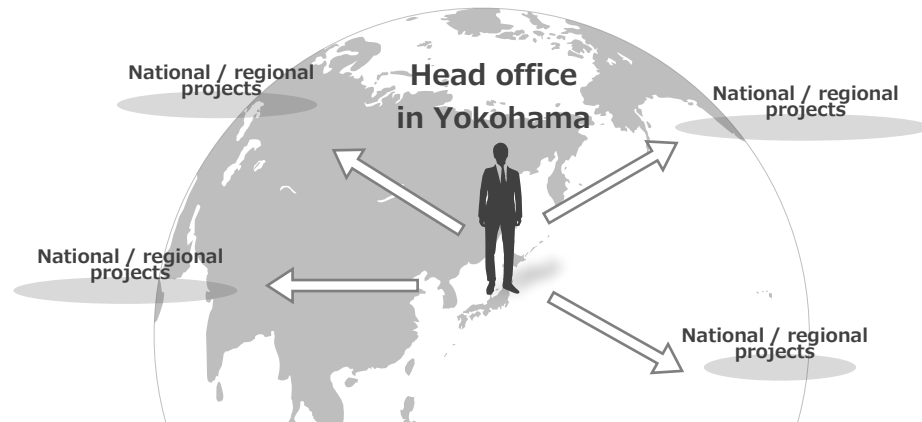
Strengthening our regional management framework and fostering a culture of innovation

Stronger framework for regional management

Strengthening our regional management framework, with a focus on enhancing responsiveness to customers in growth markets by proposing and implementing local solutions in a timely manner.



Clients in various regions mainly approached from the head office in Japan



- Responding to client inquiries
- Focused on mega-sized projects
- Coordinated from head office

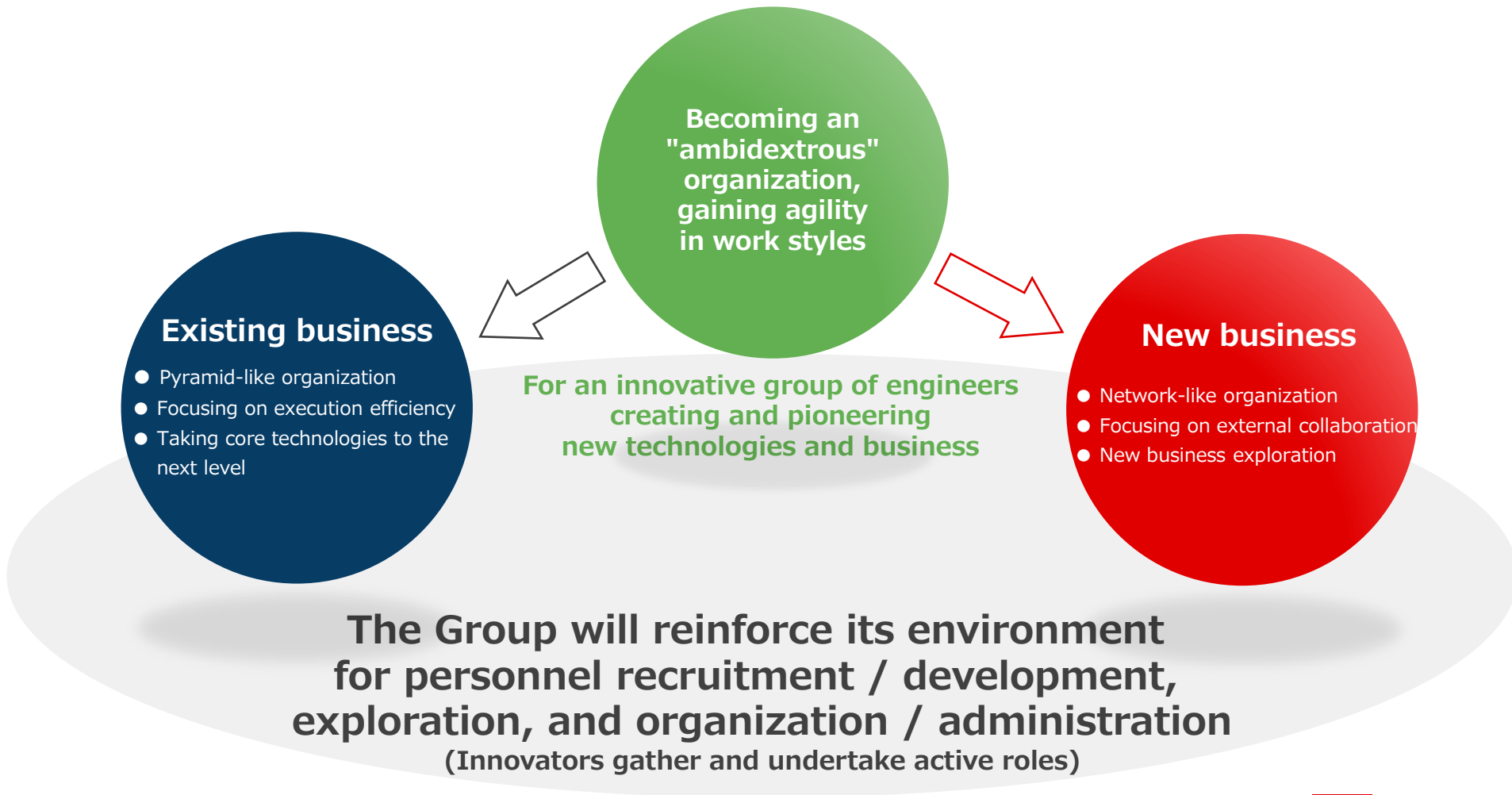
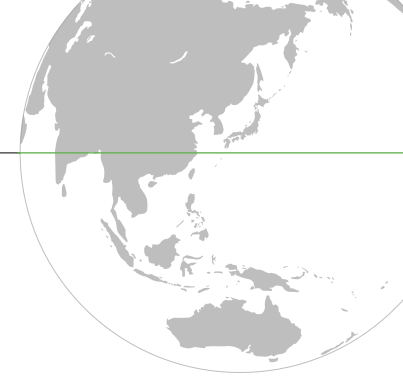
Focus on local projects by national workforce, for greater responsiveness



- Closely focused on clients, identifying needs and creating project opportunities
- Focused on medium or small-sized projects
- Promoting delegation of authority and more agile operations

More vibrant culture of innovation

Fostering a more vibrant culture of innovation required for technical commercialization and business model development to support transformation of business areas and models



Commitment to carbon neutrality by 2050

The JGC Group is committed to **the ambitious target of reducing the Group's CO₂ emissions to net-zero by 2050, and helping our stakeholders reduce emissions to achieve global carbon neutrality, a key element of "Enhancing planetary health".**



For all stakeholders

Creating an environment of high-motivation

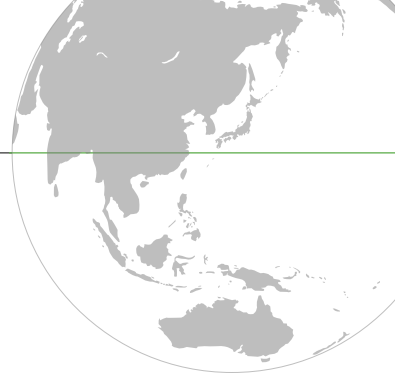
Three commitments are made to our stakeholders to achieve the JGC Group's vision in 20 years:

We will foster a culture that challenges the unknown and encourages innovation

We will work toward a shared purpose and maintain a tradition of mutual respect

We will create an environment where exchanges of diverse ideas from a vibrant workforce results in positive outcomes and new values

Our goal is the satisfaction of all working for and with the JGC Group



This presentation may contain forward-looking statements that reflect JGC's plans and expectations.

Such statements are based on currently available information and current assumptions of future events which may not prove to be accurate. Such statements are also subject to various risks and uncertainties that could cause actual results to differ materially from those forward-looking statements.

JGC Holdings Corporation undertakes no obligation to update any forward-looking statements after the date of this presentation. These potential risks and uncertainties include, but are not limited to:

- Changes in general economic conditions, including foreign currency exchange rates, interest rates and other factors that could affect our profitability
- Changes in government regulations or tax laws in jurisdictions where we conduct business

For questions concerning this material please contact :

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