

Fiscal Year 2026–2030

Medium-Term Business Plan (BSP2030)

Building a Sustainable
Planetary Infrastructure 2030

Message from the CEO Collaborative partner who connects technologies and tackles global challenges with anticipatory solutions

In the aftermath of the COVID-19 pandemic, the global economy entered a new phase. Yet even today, rising geopolitical risks and shifting decarbonization trends continue to make the path ahead difficult to foresee. More recently, developments surrounding the Strait of Hormuz, against the backdrop of armed conflict in the Middle East, pose serious and ever-growing risks to the global economy.

It is precisely because of this uncertainty in the business conditions that we must be there for our customers, pinpoint their issues, and actively put forth solutions to tackle said issues together. This is the fundamental stance embedded in our newly formulated medium-term business plan, Building a Sustainable Planetary Infrastructure 2030. With a diverse portfolio of technologies spanning multiple business areas, the JGC Group's strength lies in its high level of adaptability. By synergizing the best technologies from both inside and outside the Group, we can be a wellspring of new value. Among the JGC Group's core businesses, the Total Engineering Business continues to serve as an especially important pillar of our earnings base. We will continue honing our sustainable competitive strengths in order to secure stable and resilient earnings, focusing on the LNG sector, where we anticipate solid demand to persist going forward. In addition, we intend to pursue opportunities on an ongoing basis to expand the Functional Materials Manufacturing Business, which has established itself over the past five years as a second core pillar.

We intend to reinvest earnings generated through the aforementioned initiatives toward a range of strategic priorities, which include initiating stable increases of dividends through the shift to DOE (dividend on equity), enhancing shareholder returns, nurturing new growth areas beyond LNG in the Total Engineering Business, accelerating the growth of the Functional Materials Manufacturing Business, pursuing opportunities in solution-based business, and reinvesting in the human capital that drives the execution of said strategies. These initiatives will lay a solid foundation for the JGC Group to achieve sustainable growth and take its next leap forward.

Masayuki Sato
Representative Director, Chairman,
President and CEO



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Expanding the Solution-based Business

Further Strengthening Our Management Foundation: Enhancing Human Capital
& Advancing Investments and Capital Policies to Accomplish Growth Strategies

Executive Summary

Our vision for 2030

Collaborative partner who connects technologies and tackles global challenges with anticipatory solutions

Key Strategies

- 1** Continuously Enhancing the Competitiveness of the Total Engineering Business
 - Stabilizing our earnings base by strengthening our project execution structure
 - Pursuing challenges to evolve the EPC business
 - Achieving adaptability to markets and strategic business cultivation
- 2** Accelerating the Growth of the Functional Materials Manufacturing Business
 - Expanding sales in semiconductor-related markets
 - Creating opportunities for proposal-based projects by enhancing our development capabilities
 - Actively expanding into overseas markets
- 3** Expanding the Solution-based Business
 - Evolving our offering of services that leverage our strengths
 - Taking on the challenge of launching new businesses

Key management indicators

- Operating profit** 60 billion yen
- Net profit** 50 billion yen
- ROE** 10% or higher

- Further strengthening our management foundation**
 - Enhancing human capital
 - Advancing investment and capital policies to accomplish growth strategies

Implementing business strategies and realizing sustainable growth by circulating knowledge and know-how through the linking of individual and organizational learning.

Aiming for further enhancement of corporate value while striking a balance between (1) maintaining financial soundness (an equity ratio of 50%), (2) executing growth investments (280 billion yen), and (3) enhancing shareholder returns (changing policy to a DOE basis).

01. Review and Assessment

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The JGC Group's Journey Toward Its 100th Anniversary

- Since its founding in 1928 as first engineering company in Japan, the JGC Group has supported the foundations of industry and society at large.
- By diversifying its business in step with market changes, the Group has grown while addressing social issues, and it will mark its 100th anniversary in fiscal year 2028.

Founding Spirit

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

Founder Masao Saneyoshi



Aiming for further growth, guided by our founding spirit and purpose

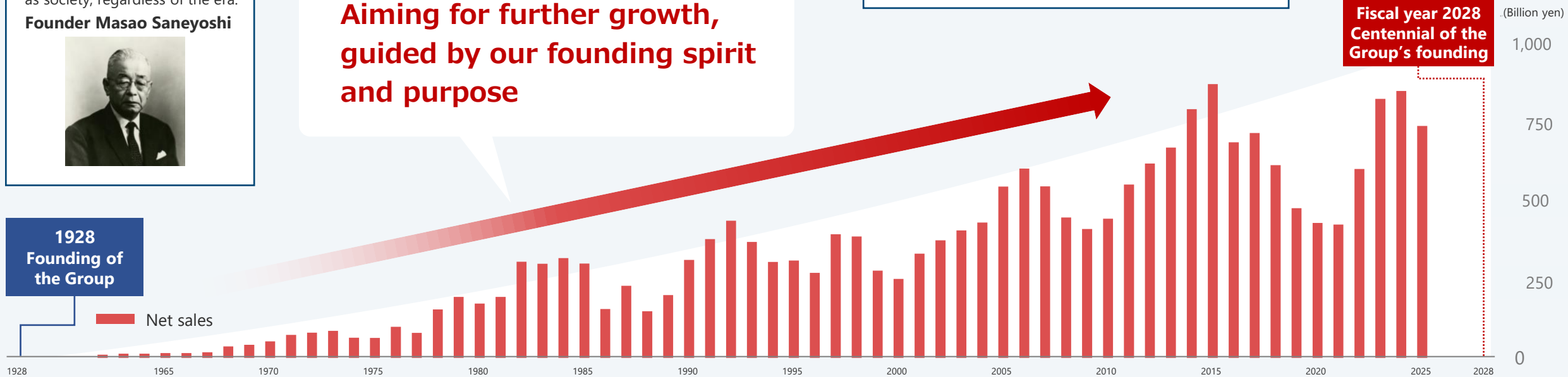
Our purpose of "Enhancing planetary health"

The health of people and the planet are intertwined. By pursuing both, we will create a prosperous future.

Our purpose formulated in 2021:

Enhancing planetary health

Fiscal year 2028 Centennial of the Group's founding



1928
Founding of the Group

1928-1960s 1970s-1980s 1990s-2000s 2010s 2020s

Founding of the engineering business and beginning of overseas expansion

Establishment of a global project execution structure

Transformation into a leading contractor in the LNG field in response to gas demand

Expansion of business segments and regions and adoption of a holding company structure

Working toward further sustainable growth under the long-term management vision, the 2040 Vision

2040 Vision, Our Long-Term Management Vision

- The path the JGC Group is taking to solve its targeted social issues by 2040 remains unchanged. Guided by our purpose, we will continue along the same path to address said issues.

Our purpose "Enhancing planetary health"

Maintain Social issues that the Group will focus on

- 1 Pursuing both stable energy supply and decarbonization**
- 2 Reducing environmental impact of resource consumption**
- 3 Building and maintaining vital infrastructure and services**

Maintain The 2040 Vision of the JGC Group
A corporate group that contributes to enhancing planetary health in five business areas

| | | | | |
|---|--|---|---|--|
| Energy transition Establishing a stable energy supply and achieving decarbonization | High-performance functional materials Helping to shape a more prosperous future for people and the Earth through materials | Healthcare & life sciences Contributing to human well-being through medical care and healthcare | Circular economy Making widespread use of environmentally conscious resources a reality | Industrial & urban infrastructure Establishing environmentally conscious industrial & urban infrastructure |
|---|--|---|---|--|

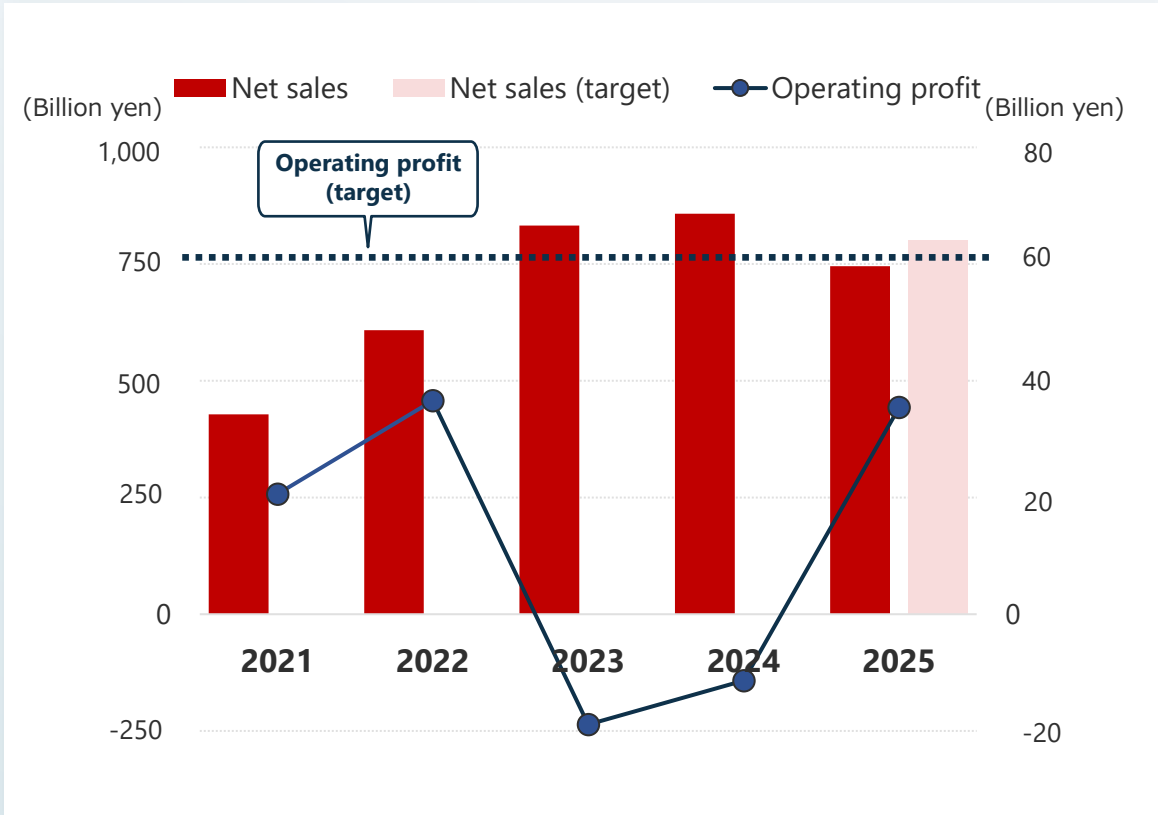
Maintain Pursuing three aspects of Groupwide transformation

| | | |
|--|---|---|
| 1. Business area transformation | 2. Business model transformation | 3. Organizational transformation |
|--|---|---|

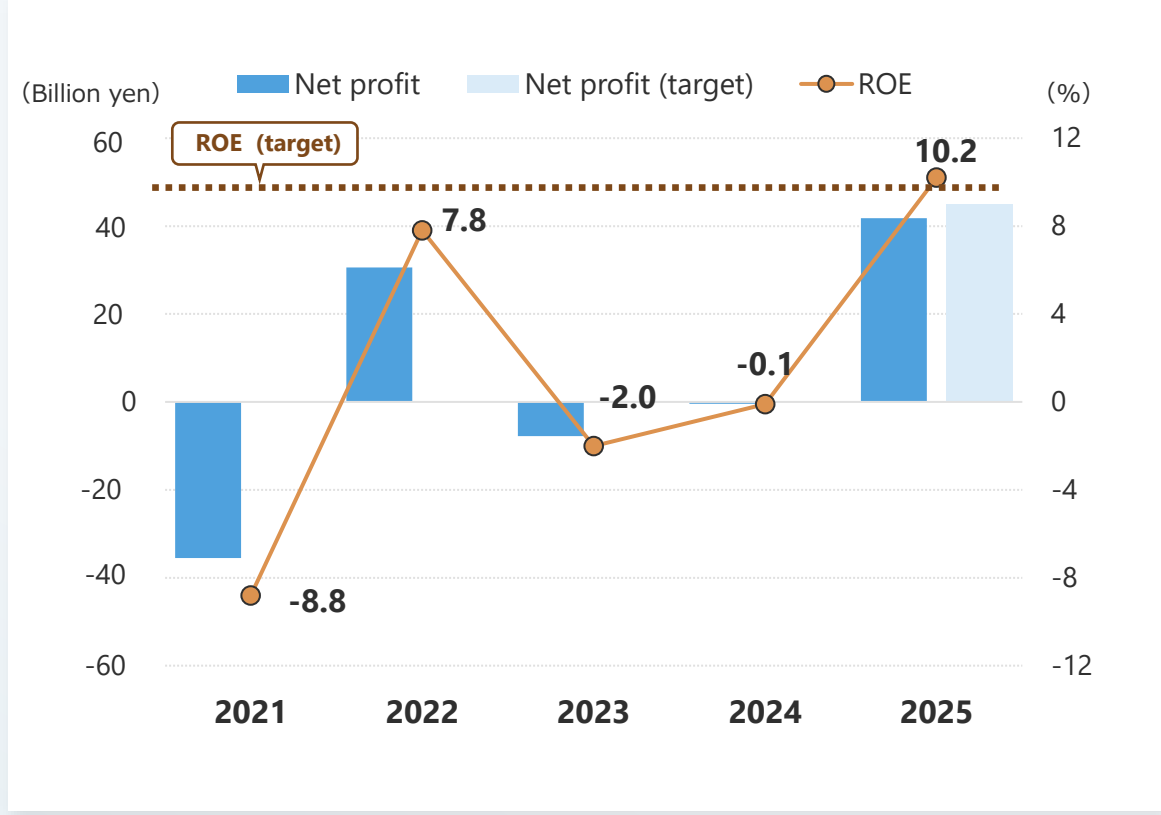
BSP 2025 in Review

- Guided by the 2040 Vision and BSP 2025, the JGC Group expanded its business areas, with net sales trending upward as a result.
- However, the Group recorded losses in fiscal years 2023 and 2024, primarily due to some unprofitable EPC projects overseas.
- Subsequently, the Group continuously strengthened its EPC execution structure, leading to a steady reduction in risks affecting projects in progress as well as significant improvement in profitability in fiscal year 2025.

Net sales and operating profit



Net profit and ROE



BSP 2025 in Review

Key Strategies



Strategic Growth Investments

Achievements and Issues

- We maximized our competitive strengths in LNG projects and secured stable earnings.
- We flexibly advanced growth initiatives in terms of domestic business, including strengthening our organizational framework, acquiring a pharmaceutical business from IHI Plant Services Corporation, and entering into a capital and business alliance with TAKADA CORPORATION.
- In overseas business, prioritizing diversification across markets and sectors to expand our order intake, which led to a dispersal of resources and less-than-optimal allocation, destabilized project execution.
- Issues in human and technological collaboration across domestic and overseas operation and in the implementation of digitalization confirmed the need to enhance the accumulation and utilization of individual know-how as organizational knowledge.

- Steady growth driven by strategic products in semiconductor related field was achieved, such as high-thermal-conductivity silicon nitride substrates for power semiconductors and silicon sols for abrasive use.
- We increased production capacity through the construction of new manufacturing factory and the succession of business division at Showa Denko Materials Co., Ltd. (former name).
- Although we sought to develop and deploy catalysts for chemical and carbon recycling applications, as well as life science materials, it needs to reassess our strategy since market growth in these fields were slower than anticipated.

- In low-carbon and decarbonization market, we acquired knowledge by executing basic design work for an overseas green hydrogen and methylcyclohexane production plant and EPC work on a ground facility for a blue hydrogen and ammonia production pilot project in Japan. We also succeeded in commercializing domestic sustainable aviation fuel (SAF) production and establishing Brownreverse Inc.
- However, market development fell below expectations, and it will likely take time before efforts in this area contribute meaningfully to earnings.
- In other areas in which growth had been anticipated, such as offshore wind power, railways, and water treatment, market and economic constraints hindered entry into said markets, and a clear growth trajectory has yet to be established.

- Taking into account changes in the business conditions we executed growth investments amounting to approximately 100 billion yen, exercising flexibility and prudence in decision-making and emphasizing investment discipline.
- Expecting investment returns to materialize over the medium to long term, we will continue to execute growth investments under BSP 2030.

Assessment of Business Conditions

Outlook



- Demand for energy and other resources will continue to grow and diversify. At the same time, compounding geopolitical and environmental risks will make anticipating future scenarios more difficult, while uncertainty will remain high.
- Amid shifts in the pace of low-carbon and decarbonization efforts, it is expected that LNG will continue to grow in importance as a relatively clean and inexpensive solution to overcoming the practical issues in ensuring the stable supply and affordability of energy.

Impact on the JGC Group

- With the number of players declining, the LNG market will retain its importance.
- Uncertainty will affect customers' investment decisions.
- On the other hand, by staying abreast of the latest trends and issues in each market, we can create opportunities for responding to customers' search for optimal solutions in the face of heightened uncertainty.



- The impact of supply chain disruptions and restructuring, driven by rising geopolitical risks, capacity constraints among certain partners, labor shifting to other industries, and other issues, will be felt in areas such as quality, cost, and delivery schedules.
- Labor supply constraints in Japan will have a greater impact, and this impact will become more profound at construction sites both in Japan and overseas.

- Approaches to project execution and responses to issues that rely on traditional cooperative relationships with suppliers will become unsustainable.
- Closer collaboration with supply chain partners, standardization of specifications, using modular construction method, and the development of human resources will become not only instruments for sustaining operations but also sources of competitive advantage.



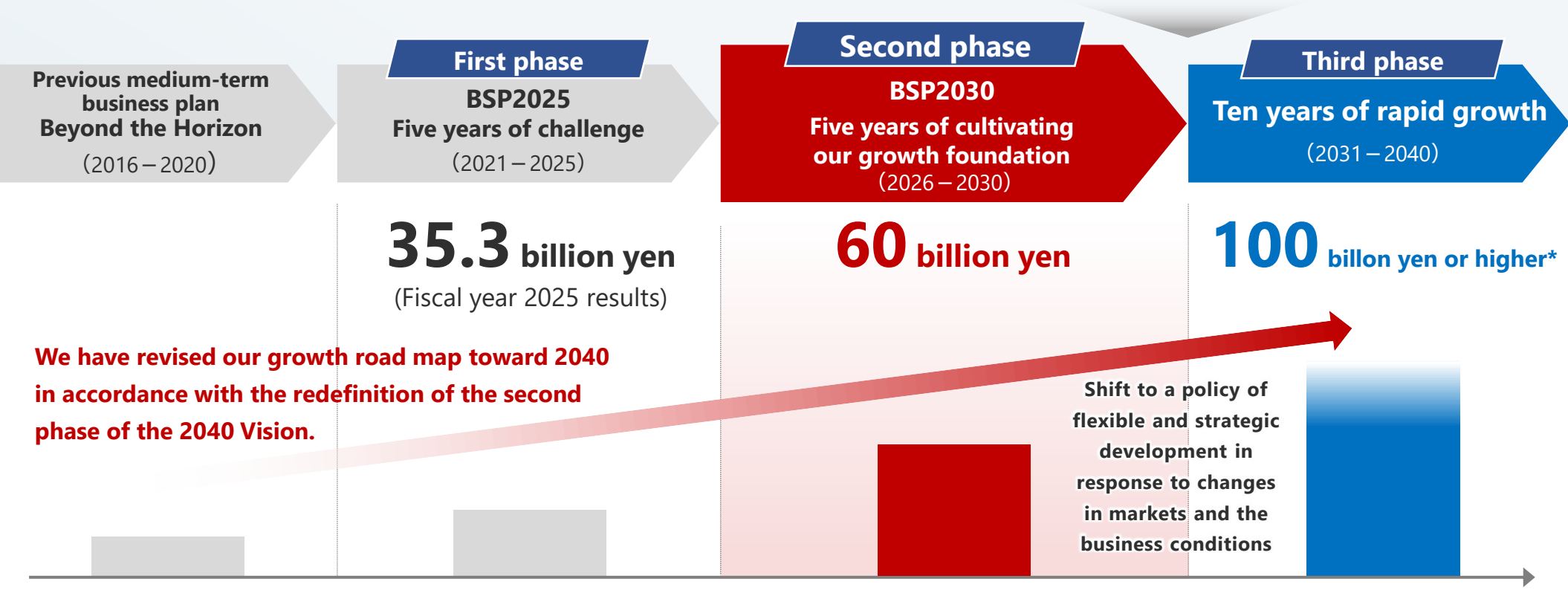
- Advances in AI and other technologies will accelerate improvements in the digitalization of social infrastructure and customer facilities as well as in everyday convenience.
- With digital technologies serving as indispensable elements of business activities, digitalization will eventually reach a point at which it directly influences corporate competitiveness.
- As the number of workers retiring increases, stagnation in the transfer of technical expertise will manifest across industries.

- Demand will continue for the application of digital technologies in the operation, maintenance, and improvement of customer facilities.
- Improvements in productivity and quality realized via the standardization and enhanced efficiency of designs and through the implementation of digital technologies at construction and manufacturing sites will become a driver of business growth.
- Technology acquisition and advancement pursued for the resolution of the social issues expected to emerge in the medium to long term will generate future business opportunities.

Redefining the Second Phase of the 2040 Vision

Building on the lessons learned during the period of BSP 2025 and anticipating future changes in the business conditions, we have redefined the second phase of the 2040 Vision, focusing on stabilizing earnings and establishing a foundation for future growth.

| | | | |
|--|---|--|--|
| <p>The time of 2040 Vision's announcement in 2021 (target level of operating profit)</p> | <p>Five years of challenge (2021 – 2025) 60 billion yen</p> | <p>Five years of harvest (2026 – 2030) 100 billion yen or higher</p> | <p>Ten years of rapid growth (2031 – 2040) 150 billion yen – 200 billion yen</p> |
|--|---|--|--|



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

02. Strategies and Plans

1. Our Ideal State

2. Key Strategies and Management Indicators

Key Strategy

1

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Further Strengthening Our Management Foundation: Enhancing Human Capital
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Our Ideal State

Our ideal state that the JGC Group aims to achieve by 2030 through
the redefined second phase of its 2040 Vision

**Collaborative partner who connects technologies and
tackles global challenges with anticipatory solutions**



Key Strategies and Management Indicators

We aim to realize our ideal state and enhance corporate value through three key strategies and by strengthening the management foundation that supports these efforts.

1 Continuously Enhancing the Competitiveness of the Total Engineering Business

- Stabilizing our earnings base by strengthening our project execution structure
- Pursuing challenges to evolve the EPC business
- Achieving adaptability to markets and strategic business cultivation

2 Accelerating the Growth of the Functional Materials Manufacturing Business

- Expanding sales in semiconductor-related markets
- Creating opportunities for proposal-based projects by enhancing our development capabilities
- Actively expanding into overseas markets

3 Expanding the Solution-based Business

- Evolving our offering of services that leverage our strengths
- Taking on the challenge of launching new businesses

Further strengthening our management foundation

- Enhancing human capital
- Advancing investment and capital policies to accomplish growth strategies

Key management indicators*

Operating profit

60 billion yen

Net profit

50 billion yen

ROE

10% or higher

* Earnings from M&A activities described later are not reflected in the above figures.

Continuously Enhancing the Competitiveness of the Total Engineering Business

- Building on lessons learned from the decline in profitability that occurred in some projects over the period of BSP 2025, we will implement multiple initiatives to stabilize the Total Engineering Business as a solid source of earnings.
- We will respond to changes in the EPC business conditions and pursue stable growth by leveraging our strengths, with the objective of continuously enhancing our competitiveness.

Three key initiatives

Stabilizing our earnings base by strengthening our project execution structure

Working toward a more sustainable business model

Pursuing challenges to evolve the EPC business

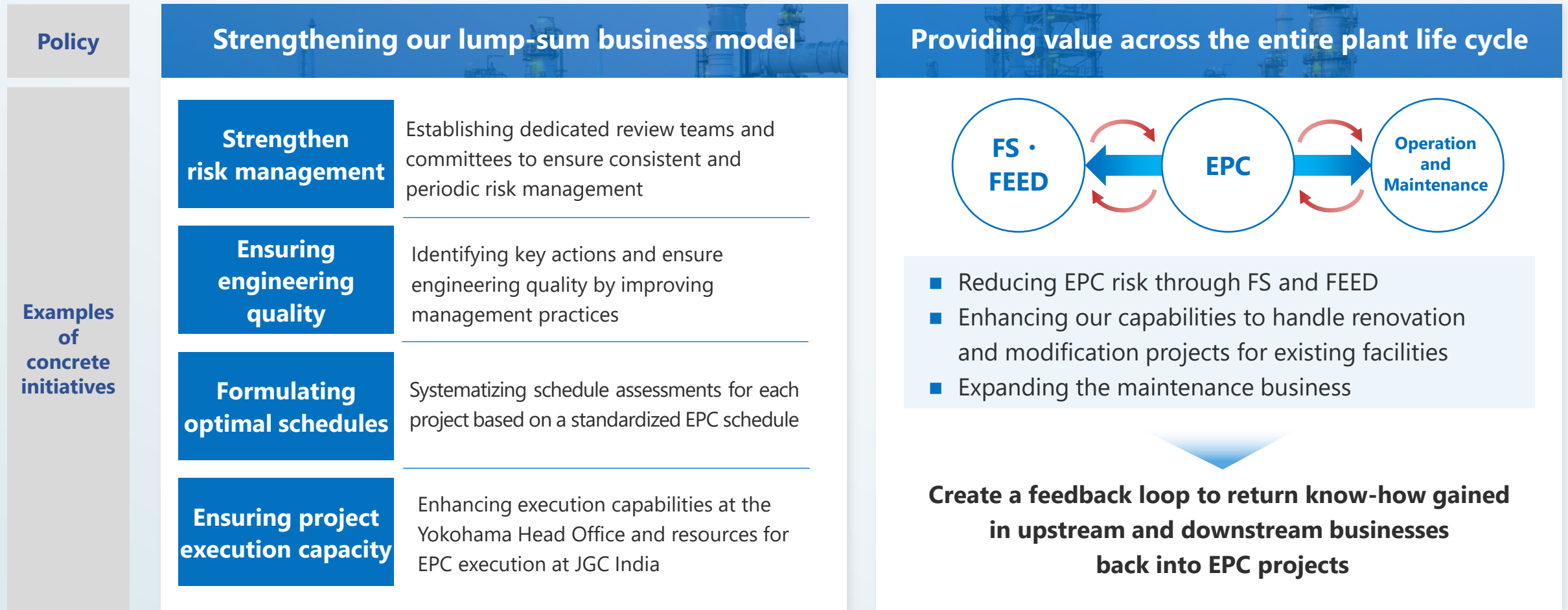
Working toward achieving a greater competitive advantage

Achieving adaptability to markets and strategic business cultivation

As a collaborative partner

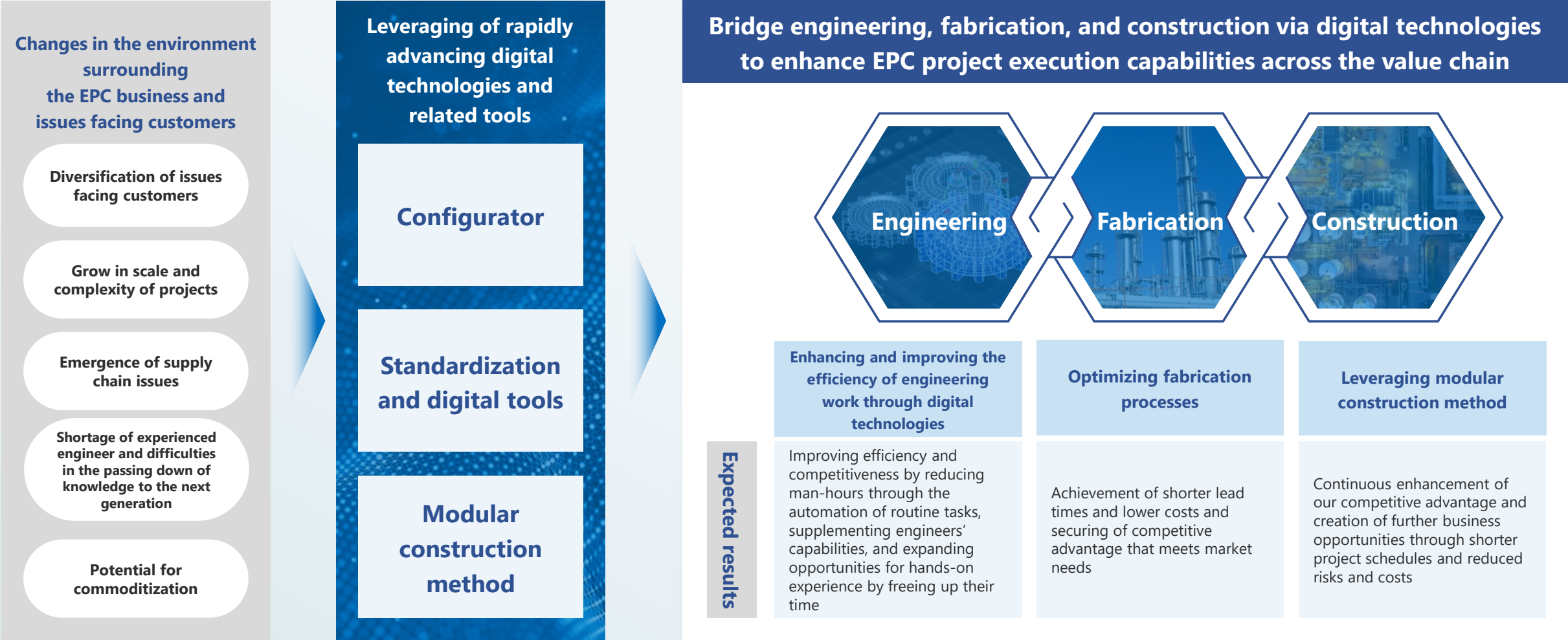
Stabilizing our earnings base by strengthening our project execution structure

- We will strengthen our execution structure for EPC projects based on a lump-sum business model—a major strength of the Group—and reducing the risks therein.
- We will promote initiatives to enhance the value we provide via non-EPC business and reduce volatility in the Total Engineering Business.



Pursuing challenges to evolve the EPC business

- It is also necessary to enhance the project execution capabilities and competitiveness of the JGC Group in line with changes in the business conditions and the issues that customers face.
- We will build the foundation necessary to achieve future growth in the EPC business based on an awareness of medium to long term trends and on a comprehensive view of our supply chain.

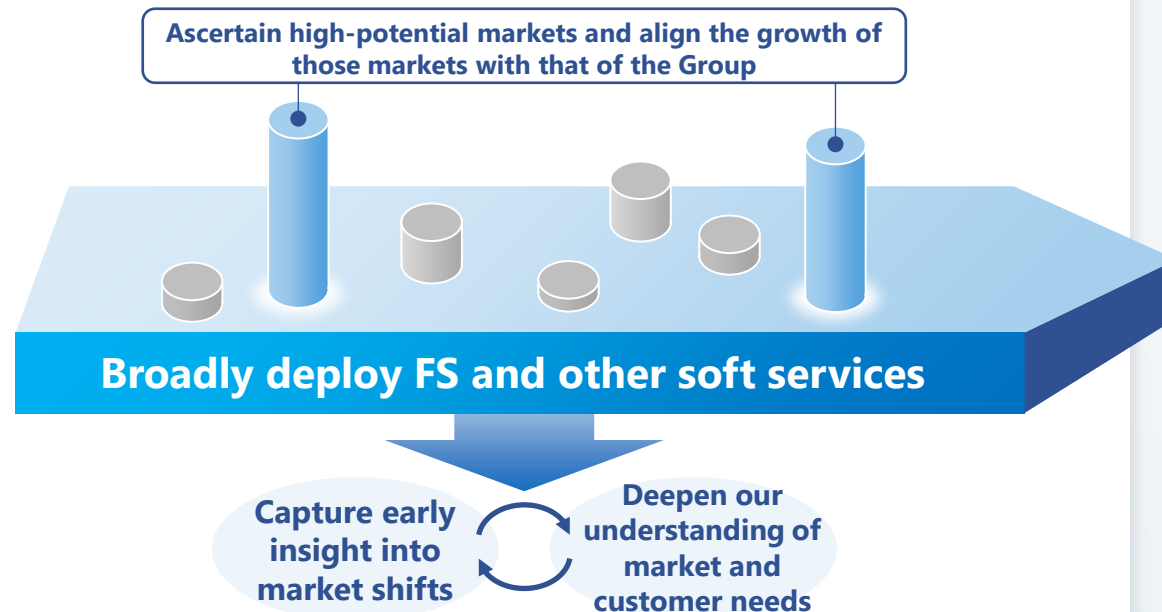


Achieving adaptability to markets and strategic business cultivation

- We will adopt a flexible market approach in line with the level of market maturity and our own position, increasing the likelihood of steady business growth even in highly uncertain times.
- We will deploy technologies and business models originating in Japan to overseas markets, enabling the Group to leverage its distinct strengths.

Market approaches aligned to the level of maturity of markets

Approach to markets at the introduction stage through to their growth stage



- Capture market shifts and customer needs by increasing contact points, and accumulate such insight as organizational knowledge to leverage further
- In addition, focus on discovering promising technologies and partners

Approach to markets at their growth stage through to their maturity stage

Refine our strengths and pursue efficiency and quality

Maintain and reinforce a stable earnings base

Key initiatives of the Total Engineering Business will also contribute to the success of our market approach

Stabilizing our earnings base by strengthening our project execution structure

Pursuing challenges to evolve the EPC business

(Reference) Examples of focus areas and our outlooks therefor

Food factories

Progress to date

In this area, technologies from the pharmaceutical field can be leveraged, and we have a track record of project execution. There is currently demand for the restructuring of domestic production sites due to aging facilities and for labor-saving measures and automation.

Future initiatives

From the conceptual design and basic planning stages, we will propose solutions that are aligned with customer needs and which are centered on the "smart factory" concept, pursuing differentiation and enhanced competitiveness.

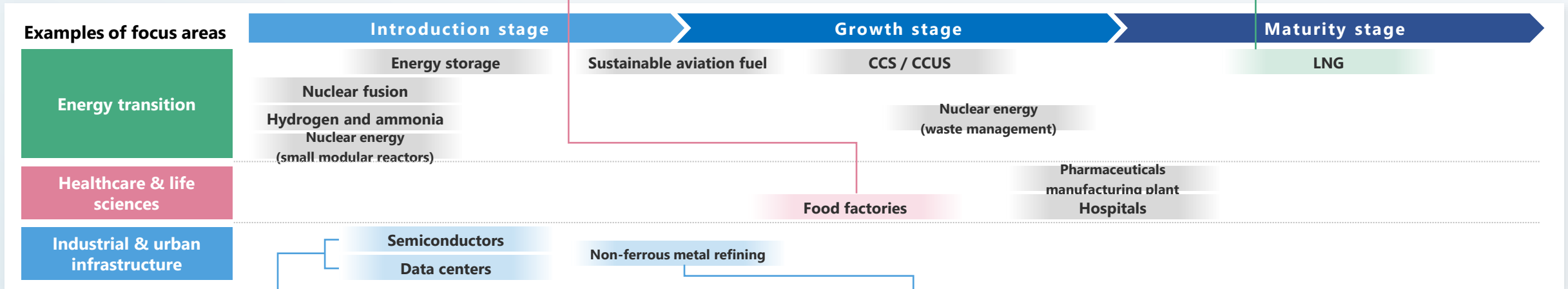
LNG

Progress to date

We have successfully executed multiple projects, establishing a solid position as an industry leader.

Future initiatives

We will hone our modular and carbon-reduction technologies to compete in the large-scale EPC market and continuously secure stable earnings.



Semiconductors and data centers

Progress to date

In collaboration with Exyte GmbH, we are taking on the challenge of expansion into the Southeast Asian market under the Nixyte brand.

Future initiatives

We are also expanding our target markets in Japan and aim to enter these markets by combining in-house and external technologies.

Nonferrous metal refining

Progress to date

We have a track record in hydrometallurgical plants and possess unique WINTRAY® technology. We are currently working to expand our reach, including by exploring a potential collaboration with Metso Corporation.

Future initiatives

Recognizing the growth potential of the critical minerals sector, in which demand is expected to increase, we will spur demand both in Japan and overseas.

Accelerating the Growth of the Functional Materials Manufacturing Business

- Having established itself as the JGC Group's second core pillar under BSP 2025, the Functional Materials Manufacturing Business will be positioned into a core business of non-EPC business models, through building a stronger earnings base.
- In addition, we will continue to strengthen collaboration between the Total Engineering Business and sustainability-related businesses.

Three key initiatives

Expanding sales in semiconductor-related markets

Operating in high-growth markets

Creating opportunities for proposal-based projects by enhancing our development capabilities

Striving to improve profit

Actively expanding into overseas markets

Further expanding sales channels

Promotion system for the accelerated growth of the Functional Materials Manufacturing Business

- We will accelerate business growth by establishing the Functional Materials Business Office in the headquarters. The office will spur business growth by carrying out two roles: Business planning and Business management and support.

Within JGC Holdings Corporation



Group Companies



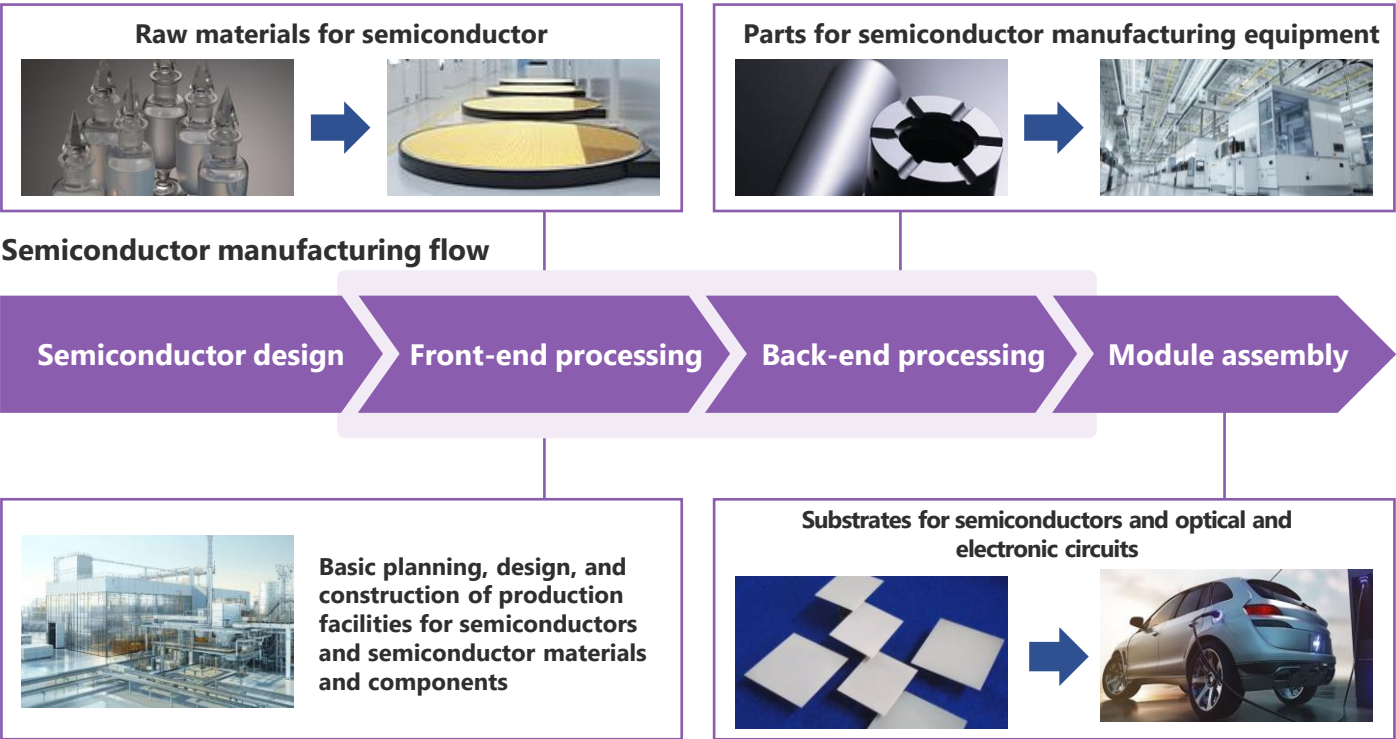
* An equity-method affiliate

We will achieve improved efficiency and speed in business operations

Expanding sales in semiconductor-related markets

- Expanding sales of existing products in semiconductor-related markets**
 Promote the expansion of sales of ceramic components, silicon nitride substrates, polishing abrasives, and other products
- Enlarging our customer base by expanding our product lineup**
 Roll out improved products to increase our share among existing customers and acquire new customers
- Strengthening production and development systems through capital investment and external collaborations**
 Keep pace with the speed of market developments through active capital investment and by leveraging external manufacturing capacity and technologies

The JGC Group's semiconductor-related product portfolio



Semiconductor-related growth initiatives

- | | |
|--|--|
| <p>Sales expansion initiatives</p> <ul style="list-style-type: none"> Expand sales of existing products Expand our product lineup Launch improved products | <p>Customer base expansion initiatives</p> <ul style="list-style-type: none"> Increase our share among existing customers Acquire new customers |
|--|--|

- Foundations supporting growth**
- Promote external collaborations
 - Eliminate technological and production bottlenecks

Creating opportunities for proposal-based projects by enhancing our development capabilities

- **Gain an understanding of future customer needs by strengthening marketing functions**
Strengthen collaboration with customers and companies to gain an understanding of future customer needs
- **Creating opportunities for proposal-based projects by enhancing our capabilities for developing technologies needed for commencing product development**
Develop solutions to cater to anticipated customer needs ahead of competitors to create project proposals that offer high added value
- **Leverage M&A activities and external collaborations to strengthen our business foundation**
Actively leverage M&A activities and external collaborations to create opportunities for proposal-based projects and improve profit margins
- **Build a value co-creation ecosystem through the above initiatives**

Contract-based production business

Manufacturing based on customer specifications

Enhanced manufacturing efficiency

Improvements in specifications lead to improvements in profit margins



Proposal-based business

Promotion system

- Functional Materials Business Office leads marketing and the development of technologies as launchpad for product development
- Promotion of collaboration with group companies
- Promotion of M&A activities and external collaborations

Technology development preceding product development + marketing + technological proposals

Creation of project proposals that offer high added value

Improved profit margins

Actively expanding into overseas markets

- Bolster overseas expansion of the catalysts business
- Expand sales of semiconductor-related materials to overseas customers
- Develop sales and technical service bases

Increase overseas sales ratio through the aforementioned initiatives

Focusing on the three areas below, we will promote the development of bases in line with their characteristics respectively

East Asia

- Hub for semiconductor development and production
- Hub for semiconductor substrates and circuits

North America

- Hub for innovations in semiconductors and ICT

Southeast Asia and India

- Hub for major semiconductor equipment manufacturers
- Growing demand in the catalysts segment

Expanding the Solution-based Business

- The JGC Group will leverage its strengths cultivated through the Total Engineering Business and Functional Materials Manufacturing Businesses and apply them to new business models, diversifying revenue streams and achieving profit growth.
- Further, we will engage in the medium to long term transformation of our business portfolio, which is currently concentrated in large-scale EPC projects, and reduce earnings volatility while continuously enhancing the competitiveness of the Total Engineering Business and accelerating the growth of the Functional Materials Manufacturing Business.

Two key initiatives

Evolving our offering of services that leverage our strengths

Promoting open innovation

Taking on the challenge of launching new businesses

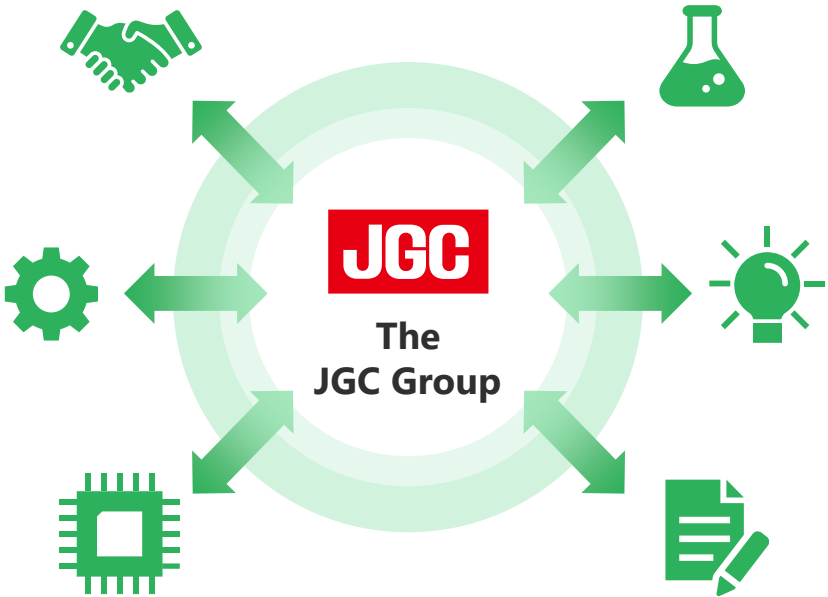
Establishing a biomanufacturing foundation

Evolving our offering of services that leverage our strengths

- Capitalizing on a business environment giving rise to a diverse range of emerging technologies, the JGC Group will earnestly develop versatile solutions unconstrained by conventional business models in order to provide value to the broad customer base it has cultivated.

A critical step in enhancing competitive advantage and nurturing new sources of revenue

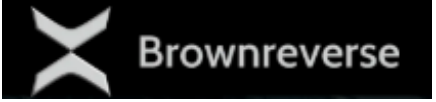
Build robust alliances with technology partners through open innovation activities



Achieve scalability of the JGC Group's businesses while maximizing customer value



(Reference) Examples of solutions provided in anticipation of future market changes

| Solutions (examples) |  | Dokodemo hatsudensho™ (translated as "Power Plant Anywhere") | CO₂ capture | LDES (Long Duration Energy Storage) |
|----------------------|---|--|---|--|
| Business description | Digital transformation of plant maintenance activities | Local production of renewable energy via thin-film solar cells for local consumption | Sale of CO ₂ capture modules | Sale of CO ₂ batteries |
| Targets for 2030 | Leverage the tailwind of growing demand for labor-saving solutions to increase the number of INTEGRANCE VR installations threefold while expanding services through the development of additional functions | Expand factory and warehouse services across Japan to achieve profitability by 2030 | Develop CO ₂ capture modules in collaboration with SLB Capturi and develop end-to-end solutions for launching projects | Explore collaboration with ENERGY DOME S.p.A. to develop joint solutions and launch projects based thereon in Japan, where demand for energy storage facilities is growing |

Taking on the challenge of launching new businesses

- The JGC Group will pool its strengths to address demand for transitioning from fossil resources and forming a circular economy for a sustainable society, with the aim of becoming a biomanufacturing platform provider.

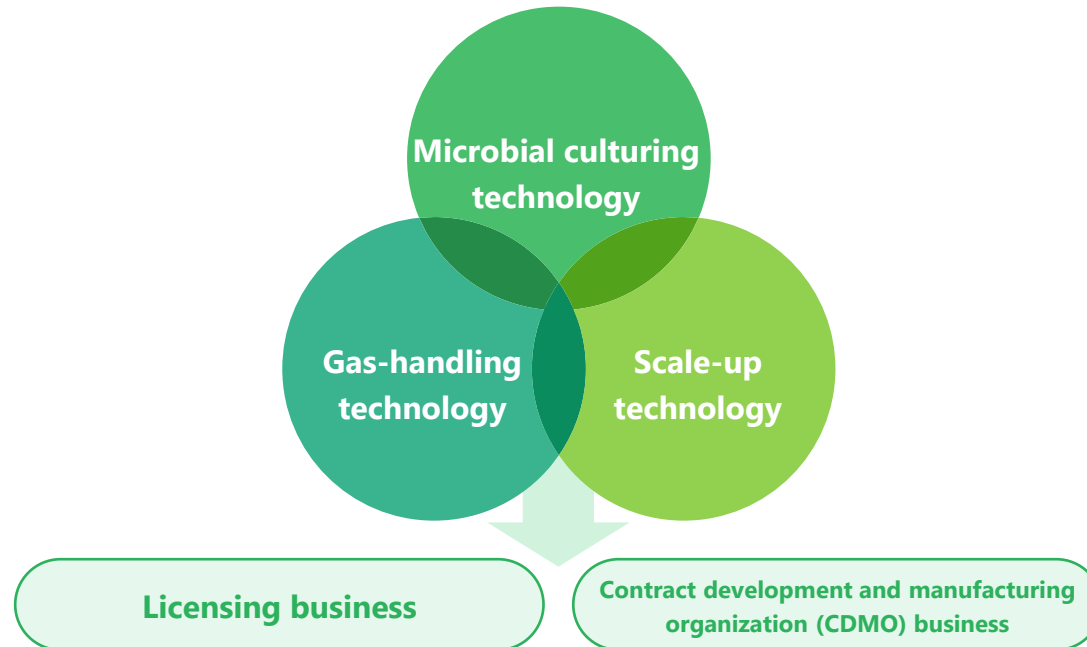
Background

The biomanufacturing market is expanding from the perspectives of resource security and decarbonization

Scale of the global biomanufacturing market:
200,000 billion yen
(OECD estimate for 2030)

The JGC Group's vision Become a biomanufacturing platform provider

Bring together the strengths of the Group to build a new business model for biomanufacturing



Initiatives we will consistently carry out over the next five years toward achieving our 2030 targets

- Build an R&D and business foundation through two large-scale projects with the Japanese government
- Establish a track record demonstrating social implementation and develop the market

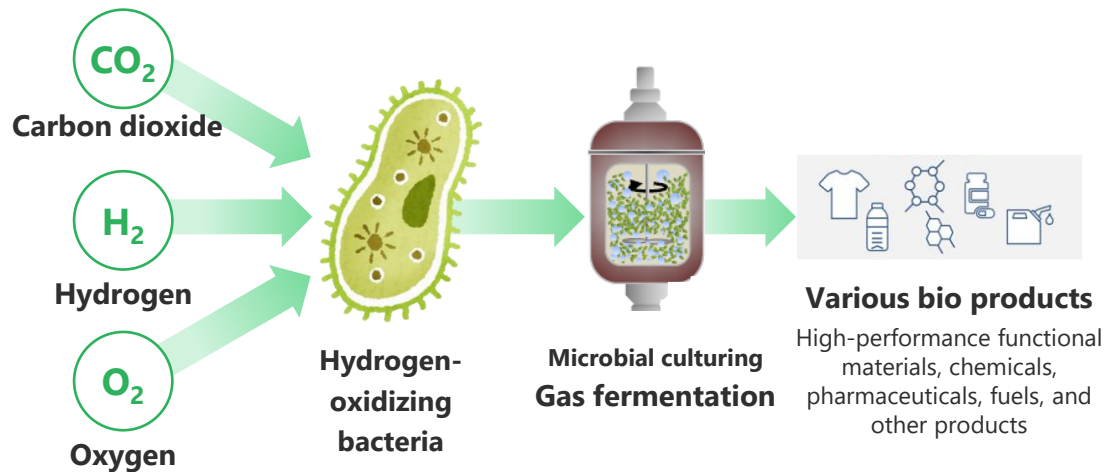
Targets for 2030

- Establish a commercial track record in biodegradable biopolymers using CO₂ as a raw material for Kaneka Corporation
- Advance the provision of biomanufacturing process technologies that leverage the infrastructure of paper manufacturing facilities to Oji Holdings Corporation
- Advance joint development (seven or more projects) through work with Bacchus Bio innovation Co., Ltd. on Integrated Biofoundry®

(Reference) Two Japanese government projects promoting the biomanufacturing business*

Green Innovation Fund Project

- Leveraging of flammable gas-handling technology to develop the world's first gas circulation fermentation process
- Completion of Bioprocess Technology Center in Kobe City (January 2026)
- Commencement of planning for pilot demonstration plant (scheduled for completion in December 2027)



- In fiscal year 2030, jointly develop process technologies for Kaneka Corporation's semi-commercial plant to produce biodegradable biopolymers using CO₂ as a raw material, supporting efforts to address the issue of microplastics

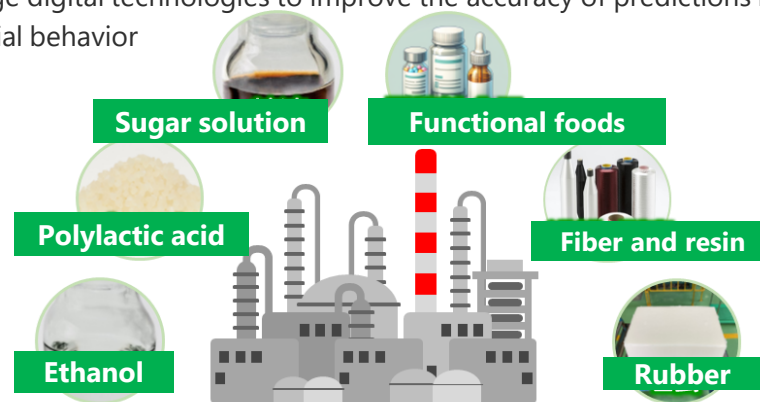
Partner companies

Kaneka Corporation / Bacchus Bio innovation Co., Ltd. / Shimadzu Corporation

For details, [please refer to the press release dated March 22, 2023.](#)

R&D of Technologies to Promote Biomanufacturing

- Develop a wide variety of bioprocesses using underutilized biomass
- Undertake large-scale renovation of our Research & Development Center in Oaraimachi, Ibaraki Prefecture, to establish a platform for scaling up
- Leverage digital technologies to improve the accuracy of predictions regarding microbial behavior



Biomanufacturing that leverages the infrastructure of paper manufacturing facilities

- In fiscal year 2031, provide biomanufacturing process technologies that leverage the infrastructure of paper manufacturing facilities to Oji Holdings Corporation, contributing to industrial transformation

Partner companies

Oji Holdings Corporation / Bacchus Bio innovation Co., Ltd. / ENEOS Materials Corporation
/ Osaka Gas Co., Ltd. / Toray Industries, Inc.

For details, [please refer to the press release dated July 29, 2024.](#)

* Projects by NEDO (New Energy and Industrial Technology Development Organization)

Further strengthening of our management foundation

- As part of our efforts to enhance human capital, the JGC Group will implement measures aimed at advancing the circulation (accumulation and utilization) of knowledge and know-how through the linking of individual and organizational learning.
- During the period of this BSP2030, the second phase of the 2040 Vision, we will build the foundation for the further growth through the implementation of various measures centered on our three key strategies.

Two key initiatives

Enhancing human capital

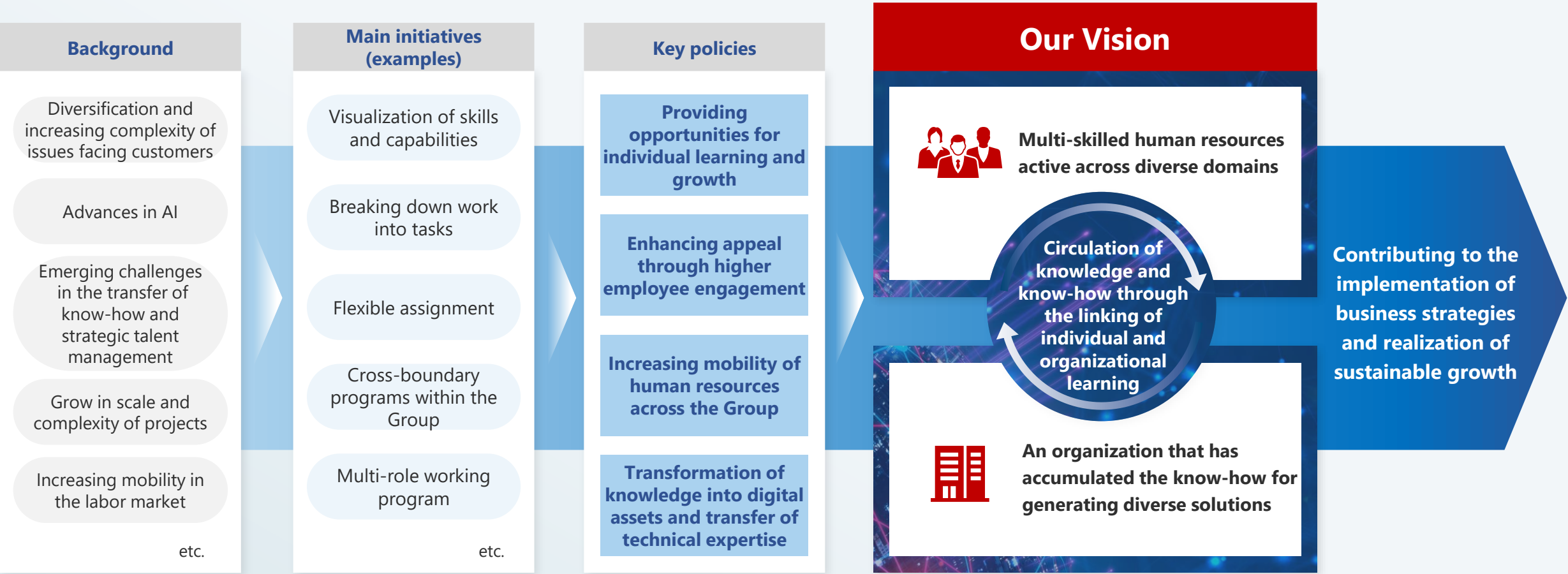
Contributing to the implementation of business strategies and realization of sustainable growth

Advancing investment and capital policies to accomplish growth strategies

Aiming for further enhancement of corporate value

Enhancing human capital

- Human resources underpin the management foundation of the JGC Group, which possesses diverse business domains and business models.
- To accomplish our key strategies, we will maximize the potential of our human resources and organization, creating a virtuous cycle for growth.
- We aspire to be a company where employees, filled with pride and a strong sense of mission, thrive by offering diverse solutions with a global perspective.



Advancing investment and capital policies to accomplish growth strategies

- The JGC Group will strike a balance between maintaining financial soundness, executing investments to build the foundation for the next stage of growth, and enhancing shareholder returns in order to further heighten corporate value



Maintain strong financial foundation

- Maintain a stable equity ratio of **50%** or higher
- Secure liquidity on hand equivalent to two months of net sales plus the balance of advanced payments received

Execute growth investments

- Make growth investments totaling **approximately 280 billion yen** over five years
- Aim to realize returns at an early stage centered on **M&A activities and capital investments**

Enhance shareholder returns

- Change the shareholder return policy from a dividend-payout-ratio basis to a **DOE*** basis, first aiming to achieve a DOE of 3% in the fiscal year 2026 and then targeting a **DOE of 4%** by the fiscal year 2030
- Consider executing share buybacks as appropriate

* Dividend on equity: The ratio of total dividends to consolidated shareholders' equity (excluding accumulated other comprehensive income and similar items)

Advancing investment and capital policies to accomplish growth strategies

- The JGC Group will engage in cumulative growth investments (including M&A activities) of approximately 280 billion yen over five years.
- We will focus on growth investments of high strategic importance via which returns can be realized at a relatively early stage.

Approach to cash allocation



Growth investment details

M&A activities

- Expanding business areas in the Total Engineering Business
- Augmenting the capabilities of the Functional Materials Manufacturing Business (advancing transformation of business areas and business models)

Functional materials manufacturing

- Enhancing development capabilities
- Increasing production capacity
- Repairing and renewing aging facilities

Solution-based Business

- Continuing to sow the seeds for future businesses beyond BSP 2025 and expanding our service offerings
- Promoting the biomanufacturing business

Human capital and information infrastructure

- Transforming knowledge into digital assets
- Investing in information infrastructure, including AI utilization
- Enhancing human capital

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