



May 12, 2021

Long-Term Management Vision “2040 Vision” **Executive Summary**

1. Purpose of the JGC Group

Since the JGC Group’s founding in 1928, we have changed with the times in supporting industry and society at large. The JGC Group business has always stood at the crossroads of issues that must be faced to balance the need for energy with the environment.

Change is now sweeping through the business environment where the JGC Group operates. For the Group to continue to enjoy sustained growth, we must respond swiftly and flexibly to these current trends while transforming ourselves based on the global, long-term perspective of enhancing planetary health and a shared sense of this purpose among the stakeholders the Group brings together.

“Enhancing planetary health” – contributing to a healthy future for people and the Earth – now serves as the reason for the Group's existence. This sense of purpose has guided us in establishing “2040 Vision”, our long-term management vision.

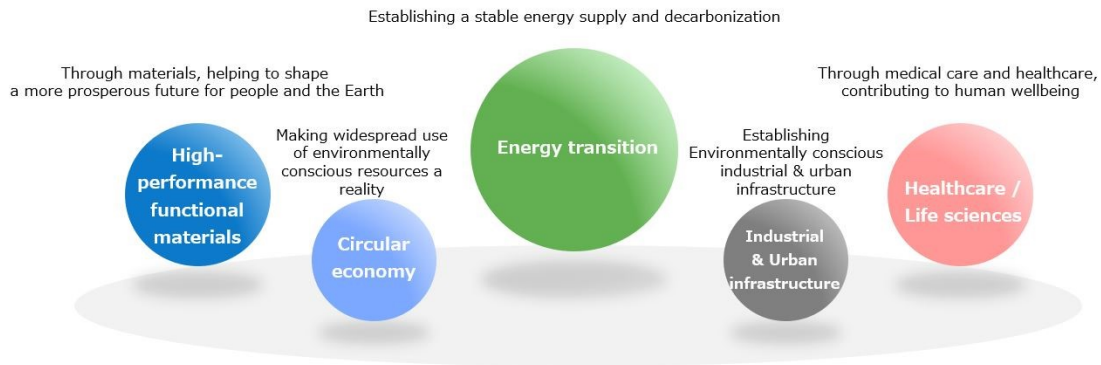
2. 2040 Vision of the JGC Group

Guided by our purpose of enhancing planetary health, the JGC Group will pursue the vision for 2040 by applying proven capabilities and experience to address the three social issues of managing both energy stability and decarbonization, reducing the environmental impact of resource consumption, and building and maintaining vital infrastructure and services.

Working toward these solutions, we will be diversifying operations into the following five (5) areas and transforming into a corporate group that contributes to enhancing planetary health.

Business areas:

- Energy transition
- Healthcare / Life sciences
- High-performance functional materials
- Circular economy
- Industrial & Urban infrastructure

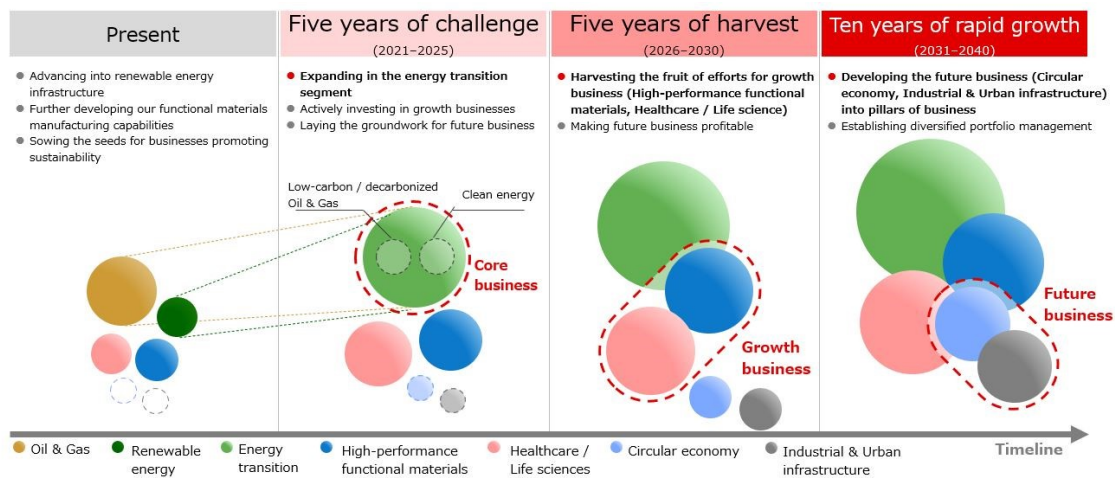


3. Three aspects of the transformation

The JGC Group has enjoyed sustained growth through constantly evolving, and now the decisive transformation we are taking on marks a major turning point: the transformation of our business areas, business models, and organization.

3.1 Business area transformation

As we make steady progress in expanding JGC Group business into five areas, this long-term transformation will occur over three phases, in consideration of factors such as when our investments will come to fruition. The course we have charted will take place in three phases: “five years of challenge” (2021–2025) focused on our core business in energy transition, “five years of harvesting” (2026–2030) the fruit of efforts in the growth businesses of high-performance functional materials manufacturing and healthcare / life sciences, and “ten years of rapid growth” (2031–2040) as we add the future business of circular economy and industrial & urban infrastructure as pillars of business.



We will take the following courses of action in five (5) business areas:

- **Energy transition**

Adopt low-carbon / decarbonization practices in the Oil & Gas sector and expand clean energy, for a net-zero society.

- **Healthcare / Life sciences**

Further develop segments providing pharmaceuticals and hospitals domestically as well as in emerging economies, to promote health through medical care.

- **High-performance functional materials**

Develop and produce unmatched high-performance functional materials in growth segments, applying core technologies.

- **Circular economy**

Cultivate markets and build ecosystems supporting circular economy for a sustainable society.

- **Industrial & urban infrastructure**

Provide environmentally conscious industrial & urban infrastructure integrating multiple systems.

3.2 Business model transformation

In EPC business, we will implement our “IT Grand Plan 2030” and “EPC DX” in particular for the transformation of the EPC business model. We will seek business model expansion upstream and downstream in the value chain, building on our accumulated experience, and establishing new business models applying digital

technologies.

In the area of non-EPC business models, while reinforcing our existing high-performance functional materials production, we will undertake transformation that leverages JGC Group strengths such as in licensing, PMC and other consulting, maintenance and digital O&M, digital platform business, as well as participation in new business.

3.3 Organizational transformation

To guide the transformation of our business areas and business models steadily toward success, we will also promote organizational transformation. Here, we will focus on strengthening our framework for “regional management” to solve local social issues and fostering a “culture of innovation” to develop new technologies and business more rapidly and creatively.

4. Target level for operating income

Through our transformation, we envision the Group will generate operating income of ¥60 billion by 2025, ¥100 billion or more by 2030, and ¥150–200 billion by 2040. We will also make strategic investments for greater revenue over the long term.

Target level of operating income*

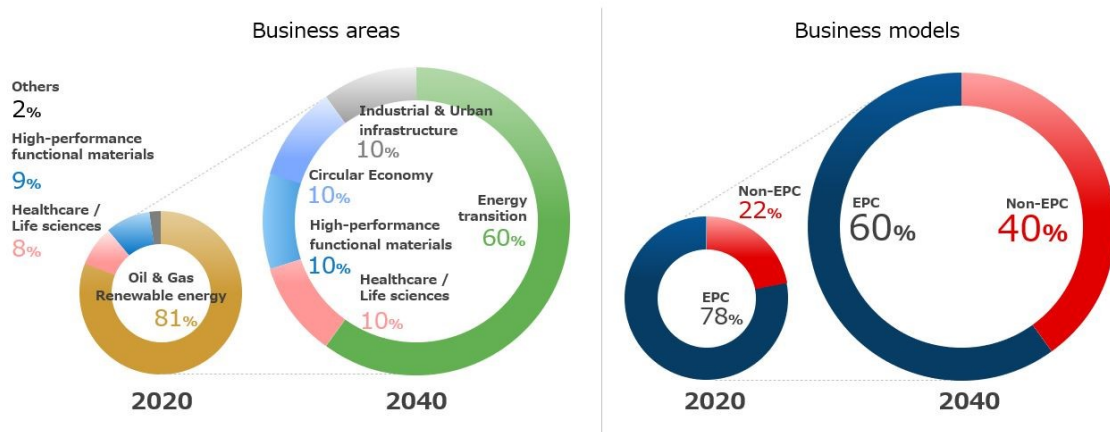
These three facets of transformation will support us in reaching ¥150–200 billion of income in 2040. Strategic investments to be made over the long term.



The transformation of our business will be complete by 2040, when our diversified portfolio will reflect these changes.

Sales contribution by business areas and models

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



Group message

In establishing the 2040 Vision, the JGC Group makes the following three commitments to all stakeholders over a period of 20 years. For the JGC Group to transform itself, achieve sustainable growth, and fulfill a valuable role in society, nothing is more important than for us to continue to provide an environment for all engaged in and with the Group to work with high motivation.

1. We will foster a culture that challenges the unknown and encourages innovation
2. We will work toward a shared purpose, and maintain a tradition of mutual respect
3. We will create an environment where exchanges of diverse ideas from a vibrant workforce results in positive outcomes and new values