

Integrated Report 2026



Philosophy

Our enduring passion and guiding principles

Cultivating technological capabilities,
seeking affluence, and contributing to society

Purpose

Our role in society

Bring the benefits of connectivity to all

EXEO Group believes access to infrastructure should be universal.

Everyone everywhere deserves the basic support functions to pursue happiness on their own terms.

This is the world we're aiming for.

Working closely with our partners in a rapidly evolving world, we're betting on technology and combined expertise, from hardware to software, to bring the benefits of connectivity to all.



Connectivity supporting communications on remote islands

In October 2025, Typhoons Halong and Nakri caused widespread disruptions to communication services on the islands of Hachijojima and Aogashima in Tokyo. Amid numerous incidents of landslides and fallen trees, our Group worked to restore relay transmission lines and utility pole sections, helping to bring communication services back online as quickly as possible.



Utility pole restoration work

Hachijojima is a remote island located about 287 km south of Tokyo, with Aogashima another 70 km south. At one point, fiber-optic internet service and approximately 260 landline phone lines were unavailable on both islands.



Employees involved
in recovery work

1,000
(cumulative)



Social Infrastructure business

Connectivity supporting underground infrastructure development

As a unified Group, we support social infrastructure essential to daily life, including roads, railways, water and sewer systems, and power and communications, through every stage from the manufacture of tunnel excavators to design, construction work, and maintenance. Drawing on technical expertise cultivated over many years, we contribute to people's safety and peace of mind, as well as to the creation of sustainable social infrastructure, not only in Japan but around the world.

Total length of
tunnel excavation

3,000
km*



Trenchless construction achieving one of the world's longest tunnels



Horizontal directional drilling method (Earth Shuttle Method)

* Estimated total excavation length through fiscal 2025 by EXEO Group, Inc., Iseki Poly-Tech, Inc., and Kidoh Construction Co., Ltd.

System Solutions business

Connectivity supporting a circular economy

The Group operates a refurbishment business that recycles and reuses IT equipment both in Japan and around the world. Leveraging our global procurement capabilities, we provide optimal equipment in the rapidly changing IT market. Through our integrated services ranging from procurement to maintenance and resale, we contribute to the long-term utilization of corporate IT assets and the realization of a circular economy.

Waste electrical and electronic equipment (WEEE) recycling volume

292,516
kg
(2025 actual)

Reselling reusable and refurbished IT hardware solutions

Hardware



Providing maintenance services for end-of-life IT assets no longer covered by manufacturer support

Maintenance



Service provided

Life Cycle Service



IT asset disposition (ITAD*1)

Collecting customers' unneeded assets, erasing data, and inventorying reusable items for resale or reuse



Distribution

Selling new and legacy OEM*2 parts through authorized dealer agreements

*1 A service for proper disposal and reuse of used IT devices

*2 Original Equipment Manufacturer: Business of manufacturing products on behalf of other brands



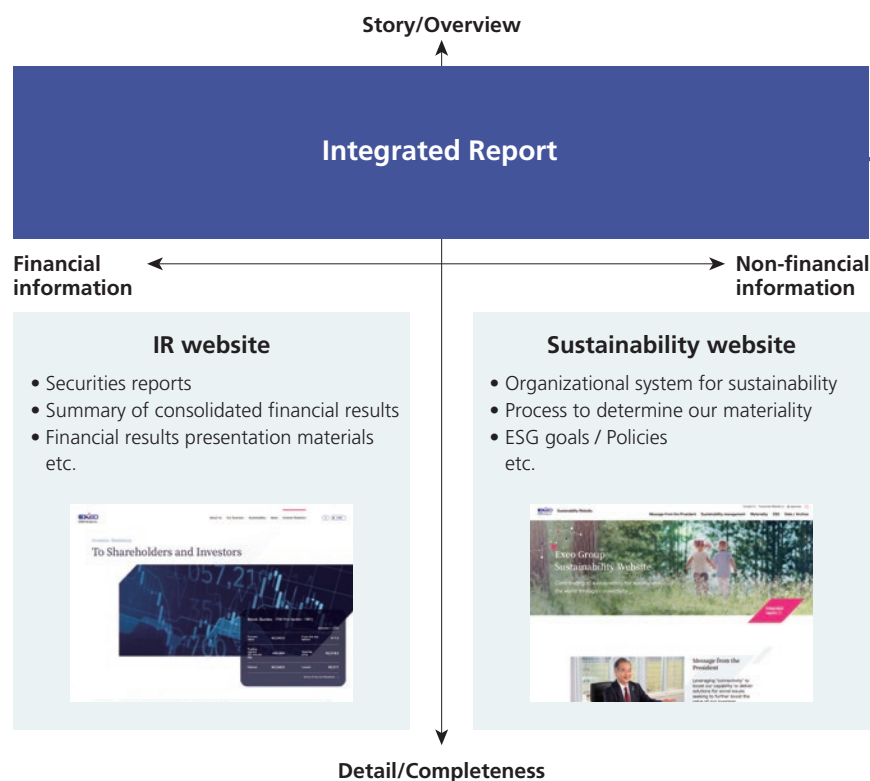
A revised report structure and design to aid better understanding of the Group

In preparing Integrated Report 2026, we have revised the structure around the concept of customer orientation, a key priority in our growth strategy, with the aim of further fostering mutual trust with our stakeholders.

In particular, given that this year marks the first year of our Medium-Term Management Plan (2026–2030), which is themed “Harnessing change, advancing together through strong skills and talent growth,” we have focused on ensuring the content deepens understanding of this strategy. We have also revised the presentation to provide a clearer explanation of the value creation processes aimed at enhancing corporate value, as well as the initiatives undertaken in each business segment. Furthermore, we redesigned the layout to be read horizontally, taking into account not only print versions but also ease of viewing on our website.

We hope this report will help you gain a deeper understanding of our Group and serve as a starting point for ongoing dialogue.

Information disclosures



Key points in Integrated Report 2026

1 Two consecutive fiscal years of record performance

The Group set new all-time highs for both net sales and operating profit for two consecutive fiscal years. Here, we report on the business strategies that drove this growth and the initiatives we are undertaking to achieve even greater success.

2 Announced a new medium-term management plan to further accelerate growth

To achieve our 2030 Vision, we have formulated a new Medium-Term Management Plan (2026–2030). In this report, we clearly explain the overview of our growth drivers and measures to strengthen our business foundation.

3 Clearer descriptions of corporate governance

Incorporating investor feedback, we have worked to enhance the information related to corporate governance and improve transparency.

4 New landscape layout and interactive PDF version

We have redesigned this report with a horizontal layout optimized for viewing on a computer. The published PDF is interactive, with links to reference sources resulting in improved usability.

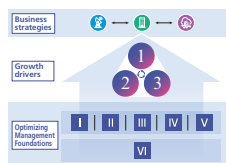
1

Management strategy as told by management

08 Message from management



13 Medium-Term Management Plan (2026–2030)

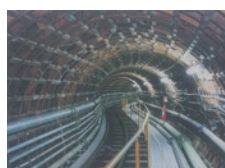


2

Where we are

22 At a glance

23 History of our value creation



25 Our businesses



27 Group network

29 Engaging with our stakeholders

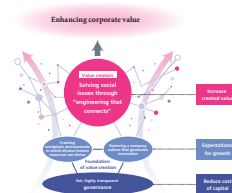
3

The EXEO Group's value creation

31 Value creation process

32 Capital supporting value creation

33 Materiality



4

Practicing value creation

38 Message from the CFO



42 Group management strategy

44 Human resources strategy

48 Digital transformation strategy

50 Environmental management

55 Strategies by segment

- Communications Infrastructure business
- Social Infrastructure business
- System Solutions business

64 Strengthening our global business

5

Governance of value creation

66 Message from the Chairman of the Board of Directors



67 Directors and statutory auditors

69 Skills matrix

70 Corporate governance

80 Risk management

84 Sustainability

85 Respect for human rights

88 Internal control

91 Supply chain management

92 IR activities

Data section

93 Key business data

95 External evaluation

96 Corporate data

Editorial policy

- Referenced guidelines**
- International Integrated Reporting Framework (IFRS Foundation)
 - Company-Investor Dialogue for Collaborative Value Creation (Ministry of Economy, Trade and Industry of Japan)
 - GRI Sustainability Reporting Standards (Global Reporting Initiative)
 - SASB Standards (Sustainability Accounting Standards Board)

Scope of reporting **Period** April 2025 to March 2026
(includes some information relating to before or after the reporting period)

Scope EXEO Group, Inc. and its consolidated subsidiaries
(in some cases EXEO Group, Inc. only)

Published September 2026 (Next scheduled publication: September 2027)

Notice on forward-looking statements

This integrated report contains forward-looking statements such as the future business performance outlook of the Group. As these statements are based on the information available at the time of the preparation of this report, the actual results may differ materially from the content described or suggested therein due to various factors. As this integrated report is not intended for the purpose of soliciting investment, all users of this report are advised to undertake decisions concerning investment at their own discretion. The figures stated in units of ¥100 million and ¥1 million are rounded down.

About the cover page

The cover page shows a network graphic overlaid onto a cityscape, where daily life unfolds, to illustrate the connections within the infrastructure that supports society. The composition, which features a diagonally cropped photograph incorporating the EXEO Group logo motif, visually conveys our Company's unique identity.



1

Management strategy as told by management

08 | Message from management

13 | Medium-Term Management Plan (2026–2030)





Leveraging the Group's collective strengths to enhance profitability and “engineering connecting everything in society” to a new stage

Keigo Kajimura

President and CEO

Overview of fiscal 2025 and Medium-Term Management Plan (2021–2025)

Three consecutive years of profit growth; improving earning power as our next challenge

In fiscal 2025, our Group's consolidated results—including orders received, net sales, and operating profit—all significantly exceeded our initial forecasts, resulting in record-high revenue and profits. I believe this strong performance was achieved because employees across the entire Group, including those in our three segments of Communications Infrastructure, Social Infrastructure, and System Solutions, reliably seized opportunities and favorable conditions in their respective business areas and consistently delivered the diverse value our customers seek.

Fiscal 2025 marked the final year of our five-year Medium-Term Management Plan (2021–2025). We achieved significant growth in this final stage, demonstrating the strength of our organization, and ultimately closed the year with all key financial indicators, including net sales, operating profit, return on equity (ROE), and earnings per share (EPS), substantially exceeding our targets. Our business portfolio-related investments in growth areas have produced clear results, enabling us to achieve our goal of balancing sales across the three segments.

In addition to these financial achievements, over the past five years, we have seen increased momentum in each business department's efforts to pioneer new areas and take on challenges in high-value-added businesses. Furthermore, initiatives aimed at improving management efficiency—such as pursuing synergies through Group-wide organizational restructuring, promoting digital transformation (DX) across the Group, and consolidating back-office operations—are making steady progress. Taking all of the above into account, my assessment is that these past five years have been a period of delivering significant results.

That said, we still face challenges, the most significant of which is strengthening profitability. Of the performance targets set in the previous medium-term plan, we only fell short in operating profit margin, with 6.6% in fiscal 2025 versus a target of 7.5%. We took steps to address factors weighing on profit margins, including the impact of low-margin projects previously secured in the Social Infrastructure business and delays in improving earnings in the global business. While these initiatives produced some results, they unfortunately were not sufficient to achieve our target.

There are various options for measures to enhance earning power, including those that yield results in the short term, those that require a certain amount of time before their effects become apparent, and those that contribute to improving overall profitability even if they do not generate significant profits individually. Since assuming the position of president in June 2025, I have gained a deeper understanding of the importance, difficulty, and expected benefits of these measures. This has reaffirmed my recognition that my most important mission as the chief executive is to determine where and how much management resources should be allocated at this time and to make decisions that contribute to the overall optimization of the Group. Accordingly, while implementing short-term and effective measures, I intend to allocate management resources going forward to initiatives that will enhance the Group's overall earning power from a medium- to long-term perspective.

Objective of Medium-Term Management Plan (2026–2030)

Harnessing change to equalize earning power across three segments

In fiscal 2026, our Group launched a new Medium-Term Management Plan (2026–2030). In this medium-term plan, as the second half of our journey toward the 2030 Vision, "Engineering for Fusion: Engineering connecting everything in society to the future"—we position these five years as a time for "harnessing change, advancing together through strong skills and talent growth."

As performance targets for fiscal 2030, we have announced figures for net sales, operating profit, operating profit margin, ROE, and EPS; we have also set the new goal for our business portfolio to equalize operating profit across three segments. The aim is to build a business portfolio in which the three business areas possess equal earning power, thereby evolving into a resilient corporate group capable of withstanding any changes in the business environment.

To achieve this goal, we will continue to focus on eliminating bottlenecks that hinder profitability and on enhancing the added value of the services and solutions provided by each business. At the same time, we will effectively allocate management resources to initiatives that will strengthen our earning power and expand our capacity over the medium to long term, such as developing new business fields and adopting new technologies, while continuously assessing the progress of each initiative.

Growth driver 1: Strengthening customer orientation

Fostering a market-driven mindset across the Group and enhancing value creation

In the new medium-term plan, alongside specific growth strategies for each business department, we have identified three growth drivers necessary for our Group to leap forward into a new stage of growth. I believe these three drivers serve as the cornerstones of our management as we advance this medium-term plan.

Relevant pages

- pp. 13–20
Medium-term management plan
- pp. 38–41
Message from the CFO



The first is strengthening customer orientation. Our Group's commitment to putting customers first, underpinned by our diligence and integrity, is a key strength; however, precisely because of this integrity, there have often been cases where we declined orders for projects that exceeded the department's experience or capabilities. However, when we look at the Group as a whole, we see a wide range of capabilities, and combining these capabilities greatly expands our potential to provide optimal solutions. Going forward, we aim to instill market-driven thinking across the Group by starting with customer needs and social challenges, and by leveraging the Group's collective strengths beyond the boundaries of segments and business units to address customer challenges.

To build a structure capable of addressing customer challenges from a Group-wide perspective, we have established a new corporate-wide marketing strategy function within the Corporate Planning Division. We will continue to collect and analyze the latest market developments and technology trends in each market, while deepening our marketing activities, technology strategies, and operational strategies from a Group-wide perspective. By serving as a one-stop hub for the wide range of customer challenges identified by our frontline sales teams and integrating assets that transcend organizational boundaries, we should be able to provide high-value-added, comprehensive solutions flexibly and swiftly.

Through these organizational initiatives, I hope to foster a Group-wide mindset of addressing customer challenges as one Group. We aim to transition from our traditional project-based order-taking activities to becoming a partner that works alongside our customers from a medium- to long-term perspective, continuously providing solutions to a diverse range of challenges.

Growth driver 2: Accelerating technology advancement

Evolving EXEO's technology leadership through AI and new technologies

The second growth driver is accelerating technology advancement. While our Group has always regarded technological capabilities as our greatest competitive advantage, the reason we are reemphasizing this now is

the rapid evolution of information technology, exemplified by generative AI. I view this as both a risk and a major growth opportunity for our Group.

It is essential that we anticipate the future of technology, which continues to evolve at an astonishing pace, and actively leverage advanced technologies in our business operations and management for our future sustainable growth. We are already advancing the adoption of advanced technologies across various divisions—such as the partial introduction of AI-driven development in our System Solutions business and the implementation of next-generation cooling technologies (liquid cooling and water cooling) in our data center business. Moving forward, we will strive to keep pace with technological advancements, reliably capture demand in growth sectors, and further solidify EXEO as a technological brand.

Based on this philosophy, our new medium-term plan calls for actively pursuing R&D initiatives and prioritizing the allocation of resources toward identifying advanced technologies, including AI. As part of this effort, we plan to dispatch employees to California in the U.S. to quickly identify and keep pace with the latest technological trends in Silicon Valley and around the world. Furthermore, to strengthen collaboration with cutting-edge and next-generation technologies, we plan to actively pursue investments in and collaborations with venture companies and startups, focusing on fields such as AI, data-driven technologies, and decarbonization. At the same time, to address current customer and social challenges, we have created a Technology Roadmap that clarifies the specific technology areas requiring priority reinforcement.

Through these initiatives, we aim to build a unique and inimitable competitive advantage for our Group by fusing innovative external technologies with the advanced engineering capabilities we have cultivated over many years.

Growth driver 3: Implementing people-centric management

Turning diverse talent into a growth engine with a Group-wide human capital strategy

The third driver is implementing people-centric management. For our Group, whose core business is infrastructure construction, people can be

Relevant pages

- pp. 13–20
Medium-term management plan
- pp. 44–47
Human resources strategy
- pp. 48–49
Digital transformation strategy

said to be our greatest management resource, on par with technological capability. However, in addition to the current labor shortage across the entire construction industry, new growth areas are expanding rapidly, making it an urgent priority to secure and develop a diverse workforce, including digital and global talent, capable of responding to these changes. From this perspective, we plan to review the human resources strategies that have been pursued separately by each business from a Group-wide perspective.

To strengthen our Group-wide human capital management, each business department is currently working to clarify the talent portfolio necessary to achieve its respective business objectives. In parallel with this, we are also building a human capital database that visualizes the attributes, skills, and work status of all employees—including details such as how many employees are located in what part of the Group with what kind of skills, as well as which projects each employee is currently involved in and until when. By aligning this personnel database with the talent portfolios of each business, we aim to promote the optimal allocation of talent resources across organizations, including the reassignment of necessary personnel and their temporary transfer to other projects, thereby maximizing the Group's potential through its diverse expertise and skills.

On the recruiting front, we are also strengthening our efforts to secure more diverse talent, including through enhanced corporate branding. Regarding the hiring of non-Japanese talent—which was previously handled individually by each Group company—we plan to establish a Group-wide platform to provide systematic support, ranging from recruitment activities to post-employment lifestyle support and Japanese language education. We also plan to further enhance talent development by launching a new Group-wide training facility, the EXEO Professional Training Center (EPTC) (tentative name). We intend for the EPTC to also serve as a training venue for our partner companies across various businesses. By strengthening capabilities not only within our Group but across the entire value chain, including our partner companies, we will expand our talent management.

Strengthening our business infrastructure

Deepening integrated Group management through AI/data-driven management

Alongside the three growth drivers mentioned above, I place great importance on the fundamental strengthening of our business infrastructure. In this regard, we have identified six themes in the new medium-term management plan. Among these, I believe the keys to fundamentally transforming our management foundation are putting AI/data-driven management into practice and using this as the basis for advancing Group integration.

For the past two years, our Group has been rapidly advancing the standardization of IT infrastructure and the integration of core systems across approximately 70 domestic Group companies. In fiscal 2025, we completed the integration of core systems at our major companies, achieving Group-wide visibility into performance data. Moving forward, by thoroughly leveraging this integrated data, we will transition to a phase of fully pursuing Group synergies—for example, through cost analysis based on aggregated procurement information and the optimal allocation of resources through the visualization of personnel and labor data.

Alongside the initiatives mentioned above, we will also promote operational reforms using agentic AI leveraging external AI solutions. In fiscal 2025, we implemented measures to improve AI literacy, such as having all employees take the Generative AI Passport exam. Recently, we have also been encouraging employees to develop their own AI agents—essentially digital alter egos—to advance business automation and process optimization.

In fact, I am currently building an AI agent of myself, whom I call Agent Kajimura. I am training him using a variety of data, including my own way of thinking and past statements. In the near future, this Agent Kajimura should be able to instantly answer a wide range of questions from within the Group, dramatically reducing the time spent on preliminary explanations and coordination during meetings. Of course, I will make the final decisions and approvals myself, but I expect that by having each employee utilize

Relevant pages

- pp. 13–20
Medium-term management plan
- pp. 42–43
Group management strategy



AI in this way to drive business reform, the quality of internal communication and work productivity will increase dramatically.

By strengthening our business foundation, including AI and data-driven initiatives, my ultimate goal is to achieve true integrated Group management. Taking the unification of our data infrastructure as a starting point, we will evolve into a strong corporate group capable of combining the diverse technologies, insights, and experiences held by our Group—transcending the boundaries of segments and individual companies—to create optimal solutions for the challenges faced by our customers and society. I believe that “Fusion,” as outlined in our 2030 Vision, is precisely the key to unleashing the Group’s true potential.



Message to stakeholders

Becoming a Group where all employees feel a sense of fulfillment and pride

As the external environment undergoes drastic changes at an unprecedented pace, including increasing geopolitical risks and dramatic technological advancements, it is becoming increasingly necessary to grasp these shifts quickly and accurately. To achieve this, it is crucial not for management to solely make decisions and unilaterally implement strategies and measures in a top-down manner, but to listen to the various insights, perceptions of the current situation, opinions, and perspectives within the Group, and to evolve these into the collective wisdom of the entire organization.

Guided by this philosophy, since joining the EXEO Group as vice president two years ago, I have visited dozens of business sites and Group companies both in Japan and overseas, engaging in repeated dialogue face-to-face with leaders and staff on the front lines. Even after assuming the position of president, I have made it a point to visit as many field sites as possible, listen to diverse opinions, and synthesize them to make decisions that I believe are in the best interest of the entire Group.

Every single employee working within our Group, as well as each of our partners who work alongside us, finds fulfillment in their daily tasks and feels a sense of personal growth through their work. They also take pride in their work, which creates the norms of the future. That is the kind of Group I aspire for us to be. To achieve this, I believe it is essential to possess both flexibility and tenacity. We must adapt to changes in the business environment to autonomously drive transformation and innovation, and we must also never back down from challenges to continuously hone our technological capabilities.

The EXEO Group’s new challenges have only just begun. I sincerely hope that our stakeholders will look forward to our development over the medium to long term.

July 2026

Keigo Kajimura

President and CEO

Relevant pages

→ p. 29

Engaging with our stakeholders

Review of the medium-term management plan

■ Communications Infrastructure business*1 ■ Social Infrastructure business*2 ■ System Solutions business

	Medium-Term Management Plan (2016–2020)			Medium-Term Management Plan (2021–2025)		Medium-Term Management Plan (2026–2030)
Basic policy	Formulated May 2016 1. Reorganize business portfolio, fostering solutions into second core business 2. Expand engineering peripheral businesses by combining existing technologies and services 3. Expand business through M&A and alliances 4. Bolster profitability by increasing productivity through business improvement and implementing thorough efficiency measures 5. Increase shareholder value by boosting capital efficiency			May 2019 revision 1. Creation of group synergy with the three integrated companies 2. Acceleration of solution business and expansion of stock business 3. Building of construction formation for the full-scale launch of 5G 4. Development of overseas business with EXEO Global as a starting point 5. Improvement of productivity through the digitalization of operations and the fostering of highly skilled IT human resources 6. Increase in shareholder value due to the improvement of capital efficiency		2030 Vision: Engineering for Fusion: Engineering connecting everything in society to the future ■ Actively developing 5G, enhancing profitability and productivity ■ Developing new fields, advancing digital transformation in construction ■ Focusing on high-value-added business and expanding recurring business Strengthening our business infrastructure (1) Safety, quality and BCP (2) Environment and energy (3) Human resources strategy (4) Financial strategy (5) Group management (6) Advancement of DX
	2030 Vision: Engineering for Fusion: Engineering connecting everything in society to the future ■ Build a resilient business structure by advancing technology and reforming business processes to foster advanced digital infrastructure ■ Shift resources to electrical facilities field and utilize total support capabilities to implement next-generation social infrastructure ■ Deliver customer-oriented solutions by reallocating resources to high-value-added areas and enhancing capabilities to pursue new technology Optimizing Management Foundations (1) Human capital management (2) Partnerships and collaborations (3) AI/data driven management (4) Group integration (5) Environment/circular economy initiatives (6) Safety and quality					
Performance	FY2020 targets Formulated May 2016 Net sales ¥400.0 billion Operating profit ¥30.0 billion Operating profit margin 7.5% ROE 10.0% EPS*3 ¥100 or more			FY2020 targets May 2019 revision Net sales ¥500.0 billion Operating profit ¥33.0 billion Operating profit margin 6.6% ROE 8.5% EPS ¥105		FY2020 results Net sales ¥573.3 billion Operating profit ¥36.6 billion Operating profit margin 6.4% ROE 8.8% EPS ¥109
	FY2025 targets Net sales ¥630.0 billion Operating profit ¥47.0 billion Operating profit margin 7.5% ROE 9.0% or more EPS ¥140 or more			FY2025 targets Net sales ¥630.0 billion Operating profit ¥47.0 billion Operating profit margin 7.5% ROE 9.0% or more EPS ¥140 or more		FY2025 results Net sales ¥787.7 billion Operating profit ¥52.0 billion Operating profit margin 6.6% ROE 9.4% EPS ¥151
	FY2030 targets Net sales ¥900.0 billion or more Operating profit ¥77.0 billion Operating profit margin 8.5% ROE 12.0% EPS ¥260					
	FY2015 results 64% 23% 13%			FY2020 target 50:25:25 ratio		FY2020 results 47% 26% 27%
	FY2025 target 40:30:30 ratio			FY2025 results 32% 32% 36%		FY2030 target Operating profit ratio of 1:1:1
	Achievements ● Significantly expanded business scale with large-scale M&A ● Achieved balanced sales distribution across three segments and evolved the business portfolio			Issues ● Created synergies with newly acquired companies and standardized business processes ● Improved Group-wide profitability and strengthened earning power		

*1 Telecom Carriers business until FY2025 *2 Urban Infrastructure business until FY2025 *3 Recalculated to reflect the January 2024 stock split

Harnessing change, advancing together through strong skills and talent growth

Business strategies



Communications Infrastructure business

Build a resilient business structure by advancing technology and reforming business processes to foster advanced digital infrastructure



Social Infrastructure business

Shift resources to electrical facilities field and utilize total support capabilities to implement next-generation social infrastructure



System Solutions business

Deliver customer-oriented solutions by reallocating resources to high-value-added areas and enhancing capabilities to pursue new technology

In the Communications Infrastructure business, our core business since our founding, we aim to maximize profits and improve productivity by at least 5% by building a lean and robust business structure. We will also focus on improving profit margins in the Social Infrastructure and System Solutions businesses, achieving a 1:1:1 operating profit balance across the three segments.

→ p. 15, Business strategies

Growth drivers



In this medium-term plan, we have identified three growth drivers for further growth: strengthening customer orientation, accelerating technology advancement, and implementing people-centric management. Through a cycle of addressing customer challenges with advanced technologies and executing solutions through the power of our talent, we aim to move beyond the boundaries of a traditional communications construction company and evolve into a value-creating enterprise for all types of infrastructure.

→ p. 16, Growth drivers

Optimizing Management Foundations



I Human capital management



II Partnerships and collaborations



III AI/data driven management



IV Group integration



V Environment/circular economy initiatives



VI Safety and quality

To support business growth, we will pursue six initiatives, including the enhancement of human capital management. We will promote the use of AI and implement Group-wide IT infrastructure, while strengthening our talent capabilities and emphasizing safety and quality in management, thereby supporting sustainable growth and enhancing corporate value.

→ p. 19, Optimizing management foundations

Business strategies

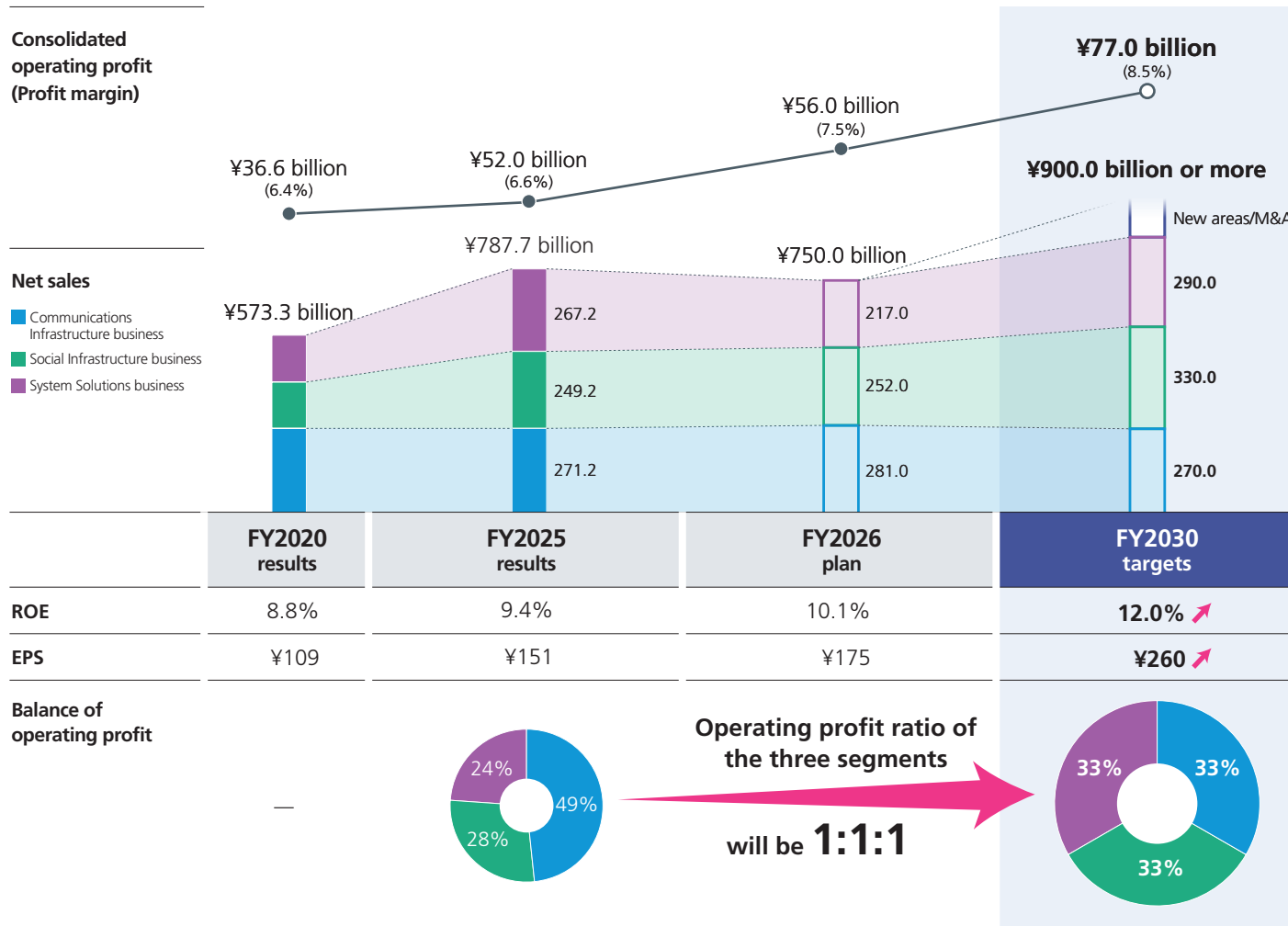
Targets and business portfolio transformation

Improve profitability in each business and achieve a balanced profit structure across segments

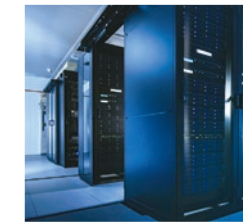
Consolidated operating profit (Profit margin)

Net sales

Communications Infrastructure business
Social Infrastructure business
System Solutions business



Focus areas for target achievement



Data centers

As the rapid growth of generative AI drives market growth, we are striving to expand our business while addressing the changing needs of hyperscalers domestically and internationally.



Social infrastructure construction

The areas in which the Group can leverage its engineering technologies are expanding as social infrastructure is upgraded, including expressways, water supply and sewerage systems, railways, disaster warning systems, and measures to address aging infrastructure.



Diversification of the customer portfolio through consulting-style sales

We will strengthen our proposal capabilities through a Group-wide integrated sales structure, expand our core areas of expertise, such as contract development and construction, and work to stabilize our earnings.



Expanding the scope of solutions offered and enhancing their value

We will enhance our proposal capabilities by expanding our customer-centric offering portfolio, while also increasing investment in AI and emerging technologies to deliver new value.

Growth drivers



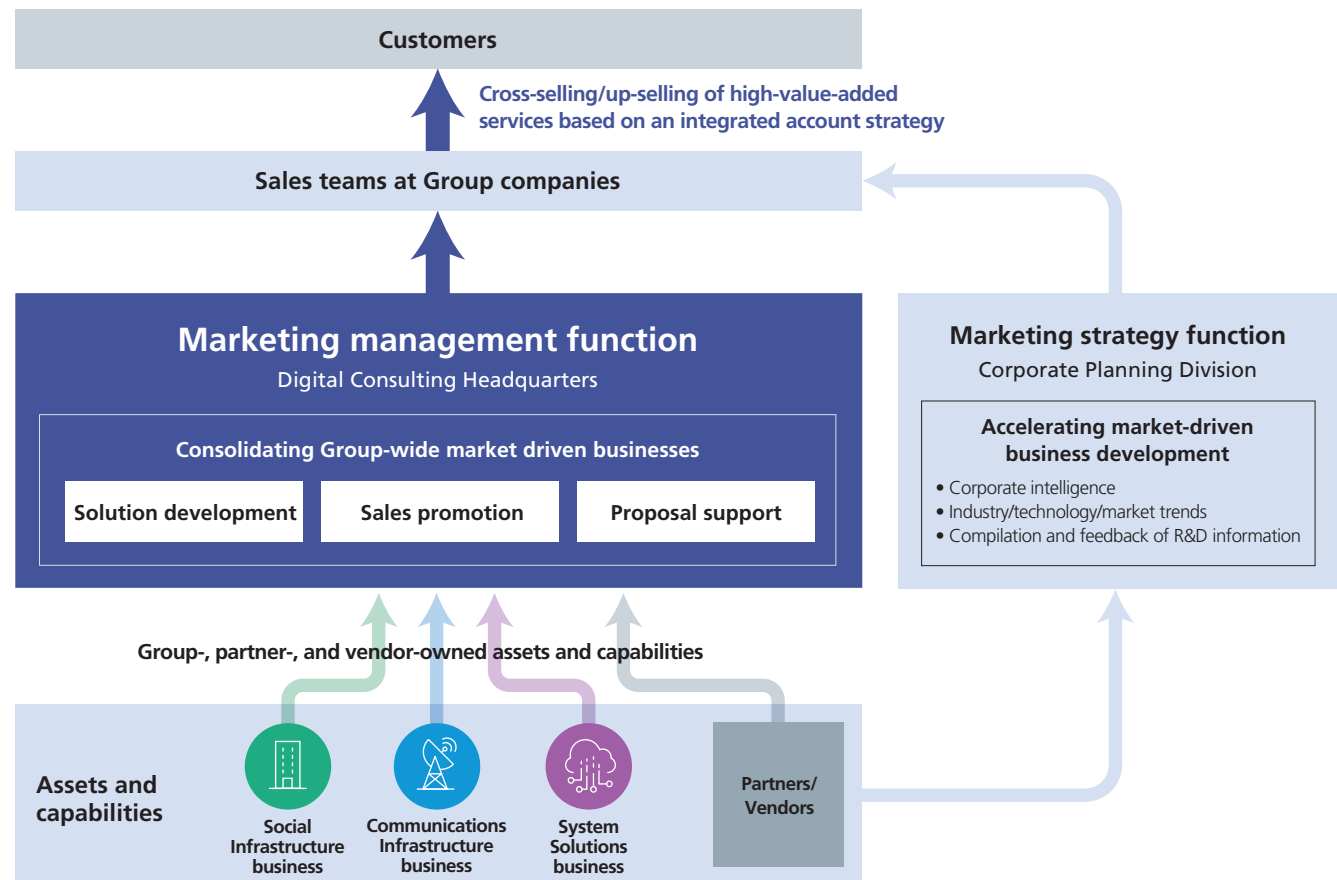
Enhance marketing capabilities and deliver high-value services through market-driven strategies

A key focus of the current medium-term plan is the widespread adoption of market-driven thinking. We will develop our business from a customer-first perspective and maximize the value we provide by combining the assets and capabilities of our Group, contractors, and partner companies.

At the core of this effort, we strengthened two functions that support each business division across the Group and its segments. The first is the marketing management function, led by the Digital Consulting Headquarters, which promotes solution development, sales promotion, and proposal support across the Group. The second is the marketing strategy function, led by the Corporate Planning Division, which provides corporate intelligence by anticipating industry, technology, and market trends while incorporating R&D insights.

By leveraging these two functions as driving forces and flexibly combining optimal Group resources, we will contribute to solving our customers' medium- to long-term challenges and deepen our relationships with them, while simultaneously increasing cross-selling and up-selling to drive sustainable revenue growth.

Marketing enhancement overview

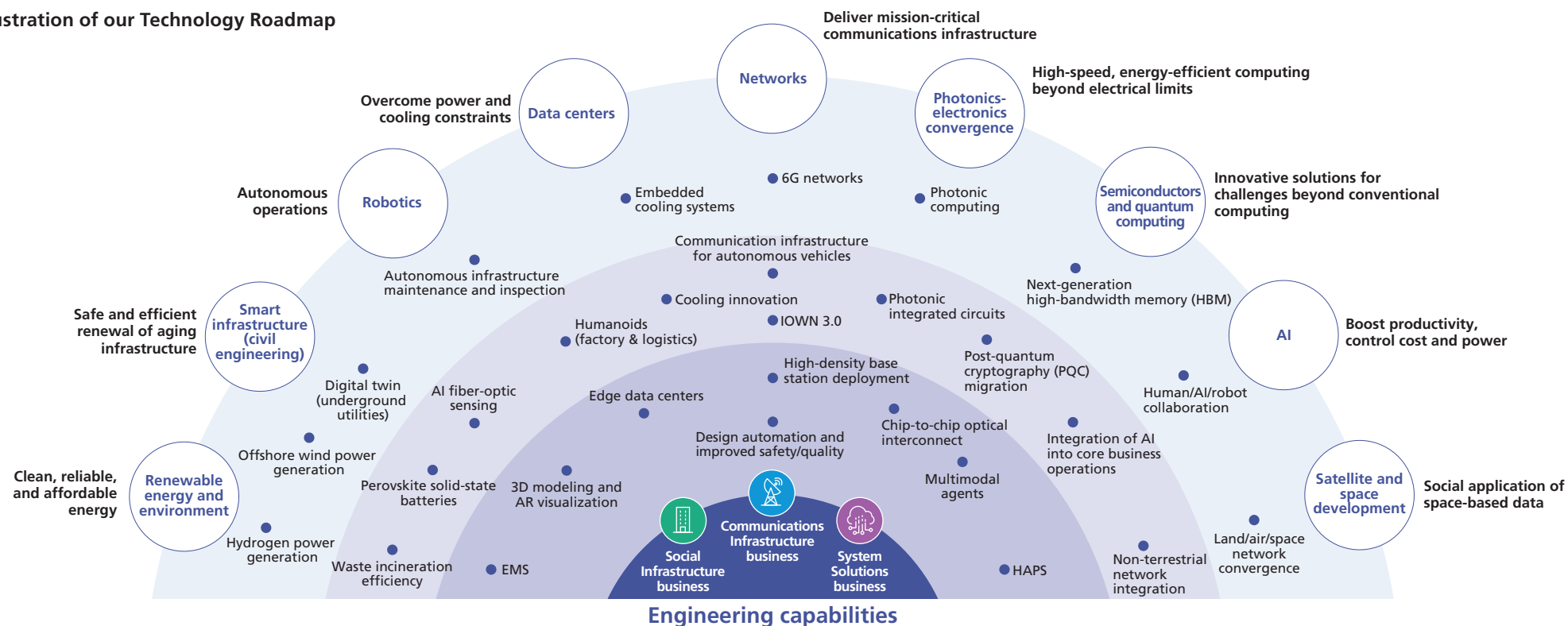


Growth drivers



Enhance R&D through a market-driven approach, addressing social challenges and technology trends

Illustration of our Technology Roadmap



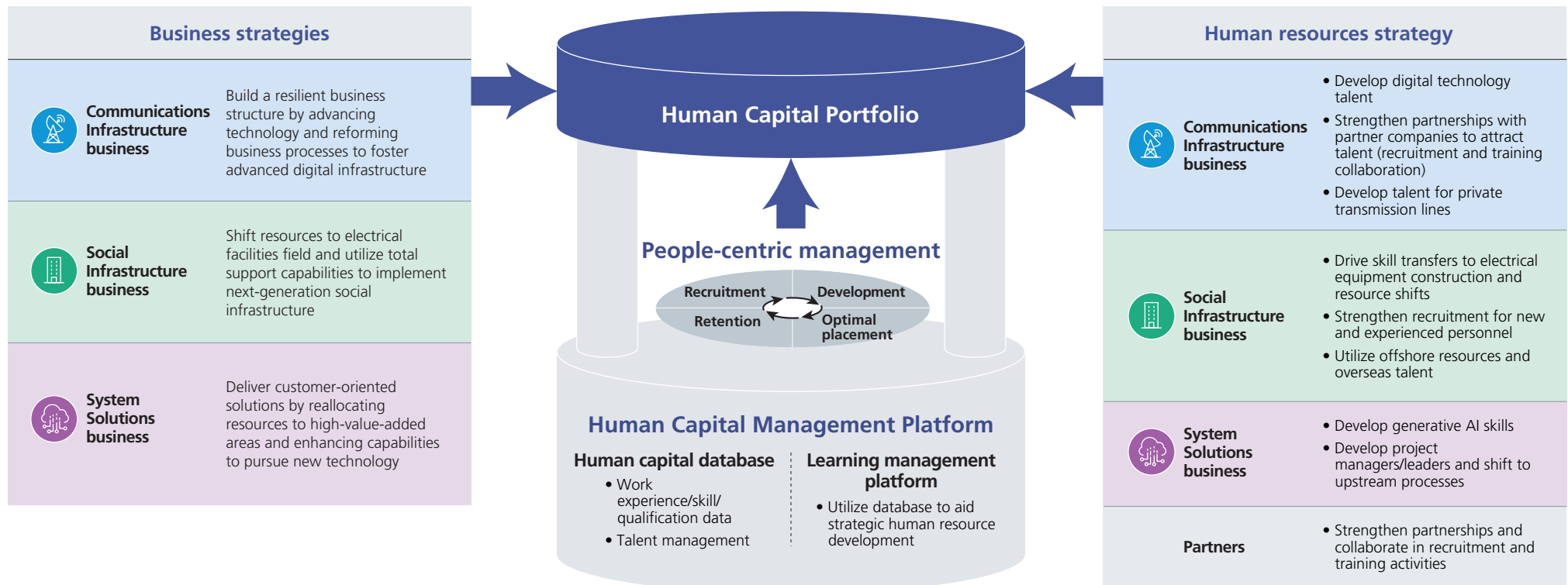
In accelerating technology advancement, we will adopt a market-driven approach to better address technology trends and evolving social challenges. We will dispatch employees to California in the U.S. to accelerate engagement with startups by leveraging venture capital and other resources,

while promoting technology research activities. We will also double our R&D investment-to-sales ratio and drive value creation that responds to the needs of the field and the market in priority areas defined in our Technology Roadmap, such as data centers, AI, and robotics.

Growth drivers



Execute business strategy predicated on the Human Capital Portfolio



Executing each segment's business strategy requires a human capital strategy and talent portfolio aligned with that objective. We will build an AI-enabled talent management function by accumulating data on work experience, skills, qualifications, and other attributes in our

human capital database. By strategically linking recruitment, development, optimal placement, and retention, we will strongly support the establishment of our talent portfolio.

Optimizing management foundations

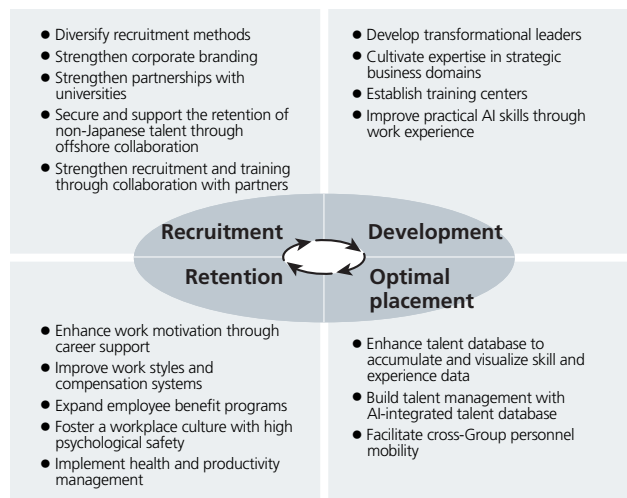
I Human capital management

Strengthen the recruitment, development, optimal placement, and retention cycle

2030 targets

- Transformational leader development: 780
- Employee satisfaction level: 80% or more
- Paternity leave utilization: 85%

Illustration of the cycle of strengthening human capital



As the top priority for strengthening our business infrastructure, we will steadily drive the cycle of recruitment, development, optimal placement, and retention to maximize the potential of the talent that supports our business growth.

II Partnerships and collaborations

Build a win-win ecosystem with partner companies



We will enhance collaboration with construction contractors, suppliers of goods and materials, and business partners/vendors to strengthen our capabilities and secure necessary resources.

III AI/data driven management

Supporting Group-wide business under eight strategic imperatives

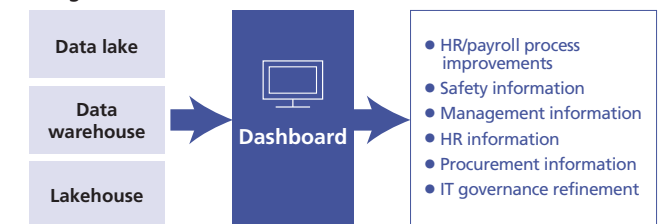
2030 target

- Standardized platform adoption rate: 100%

Initiatives to evolve into an AI-centric Group and implement data-driven management

- Reinforce Group IT governance
- Build/standardize core systems
- Provide IT services to Group companies
- Unify Group communication environment
- Enhance data utilization
- Improve efficiency and transform business through AI utilization
- Create an employee-friendly IT environment
- Reinforce security and compliance

Illustration of infrastructure development through data integration and visualization



Build a foundation for rapid management decisions by integrating and visualizing data on safety, management, personnel, etc.

Optimizing management foundations

IV Group integration

Optimizing organizational structure to generate further Group synergies

Optimize organizational structures aligned with area of business

- Communications Infrastructure/Social Infrastructure: Managed by area considering regional characteristics
- System Solutions: Integrated operation nationwide without area restrictions
- Consolidate overlapping resources and functions

Refine and improve governance structure

- Standardize Group regulations
- Delegate authority to accelerate decision-making

Implement Group-wide IT infrastructure

- Use a centralized IT platform to enable all Group companies/organizations to operate under a common environment

Unify operations through shared services

- Finance, procurement, personnel, payroll, attendance, etc.

We will optimize the Group formation by pursuing area-based integrated operations for the Communications Infrastructure and Social Infrastructure businesses and nationwide integrated operations for the System Solutions business. We will consolidate overlapping resources and functions within the Group to enhance management efficiency and synergies. In governance, we will accelerate decision-making through unified Group-wide regulations and delegated authority, strengthening the effectiveness of integrated Group management.

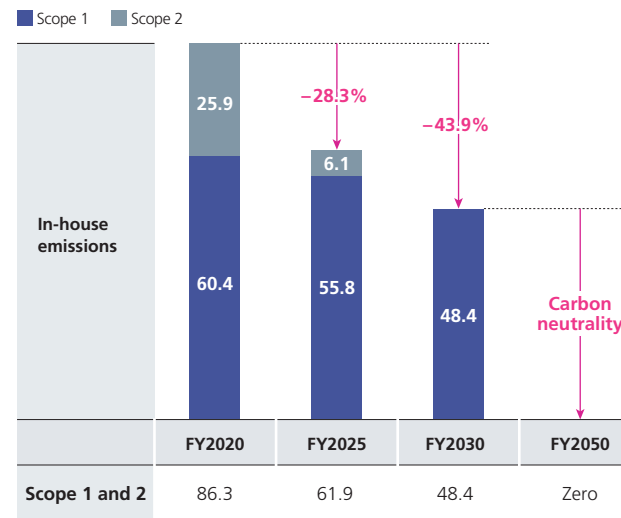
V Environment/circular economy initiatives

Phased internal carbon pricing (ICP) implementation toward 2050 carbon neutrality

2030 targets

- CO₂ emission reductions: –43.9%
- CDP rating: “A List” company

CO₂ emission reduction targets (Unit: thousand t-CO₂e)



We have set two goals for fiscal 2030: a 43.9% reduction in CO₂ emissions and an “A List” CDP rating. We will gradually implement ICP to encourage behavioral changes toward a decarbonized society.

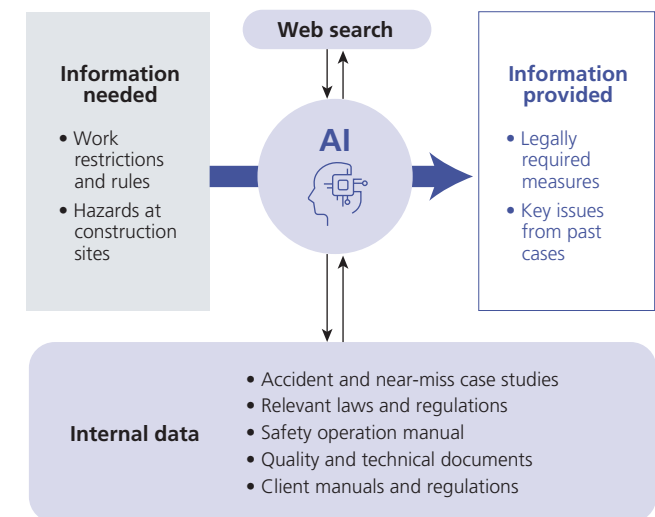
VI Safety and quality

Utilize AI to evolve our hazard prediction system

2030 target

- Zero major incidents

Structure of an AI-driven hazard prediction support system



We will cultivate a culture of safety and quality as we aim for zero major incidents. By combining internal data, such as accident and near-miss cases, with generative AI technologies, we will build a hazard prediction system to further pursue safety and quality enhancement.

2

Where we are

- 22** | At a glance
- 23** | History of our value creation
- 25** | Our businesses
- 27** | Group network
- 29** | Engaging with our stakeholders



Financial

Net sales



¥787.7 billion

YoY +17.4% ↗

Operating profit



¥52.0 billion

(Operating profit margin: 6.6%)

YoY +22.5% ↗

ROE



9.4%

YoY +0.9 pts. ↗

EPS



¥151

YoY +¥22 ↗

Equity ratio



49.5%

YoY -0.5 pts. ↘

Shareholder returns



Since FY2012,

14 consecutive years
of dividend increases

Non-financial

Human resource
development

Skills Competition
gold medals received



WorldSkills
Competition

National Skills
Competition

6 9

Total since 2004

Holders of technical qualifications at
S Ranks (elite ranks) and
above (internal standards)



1,729

YoY +117 ↗

Number of employees who completed
the Transformational Leader
Development Program



Cumulative
total 1,105

YoY +198 ↗

Environment

CO₂ emissions (Scope 1 and 2)



61,900 t-CO₂e

vs. FY2020 -28.3% ↘

Diversity

Ratio of women in managerial
positions



3.8%

YoY +0.3 pts. ↗

Health and productivity
management

Percentage of annual paid leave taken



70.3%

YoY +3.4 pts. ↗

Founding to 1980s

Kyowa Densetsu



Building a communications infrastructure network across Japan supporting society

Topics

Implementing the shield tunneling method in tunnel construction

Tunnels to house underground telecommunications cables were conventionally excavated manually, but starting in the 1960s shield tunneling machines became the standard. Tunnels reaching up to approximately 650 km in total length are currently supporting telecommunications infrastructure throughout Japan.



1980s–



Entered the environment business through waste treatment facilities

Amid rising environmental awareness, we have expanded our end-to-end service coverage from construction to operations and maintenance of waste treatment facilities and biomass boilers, leveraging our technical capabilities cultivated through telecommunications construction.



1954

Established Kyowa Densetsu Kaisha, Ltd.

1950s to 1970s



Handled construction of communications facilities throughout Japan

As Japan entered a period of rapid economic growth, its communications network, particularly telephones, became an indispensable aspect of its infrastructure. We were responsible for the construction of telecommunications facilities throughout Japan, contributing to the development of the communications network.



1960

Rapid economic growth

1970

1972 Listed on the First Section of the Tokyo Stock Exchange

1980s to 1990s



Contributing to the spread of optical fibers for high-volume data transmission

We took part in building the approximately 4,000 km high-speed communications highway spanning all of Japan in the Trans-Japan Optical Fiber Transmission Line project from 1983 until 1985. Doing so, we played a part in bringing about the age of high-volume data transmission.



1980

Privatization of NTT
Liberalization of telecommunications

1990

Emergence of mobile phones

1990s to today

Kyowa EXEO / EXEO Group

Utilizing cultivated technological capabilities to grow business domains

Topics

Helping to bring about a mobile society

From the launch of NTT Docomo's i-mode service at the end of the 1990s to the rise of the smartphone and its prevalence today, our Group has been supporting the explosive growth of data traffic via cellular networks through the construction of wireless stations.



2000s



Shift to a total ICT solutions provider

We have expanded our business domain to the system solutions field, providing total solutions that meet our customers' needs in this era when generative AI use is becoming a norm in addition to the widespread use of smartphones and tablets.



1991–

Kyowa EXEO Corporation

1990s



Construction of public infrastructure and construction of various electrical facilities

Utilizing our technical expertise in urban civil engineering and telecom-related electrical engineering, both cultivated through experience in cable tunnel construction, we have successfully expanded our business to areas such as cable undergrounding, highway/water/sewerage infrastructure construction, and electrical facility engineering in data centers and office buildings. We have also leveraged our engineering and construction expertise to expand into such areas as railroads and disaster-warning radio systems.



2000

Spread of the internet
Increasing severity of climate change

2010

Internet of Things (IoT)

2020

Spread of remote work

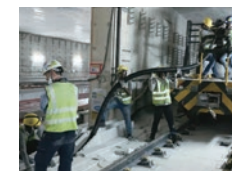
2021–

EXEO Group, Inc.

2010s

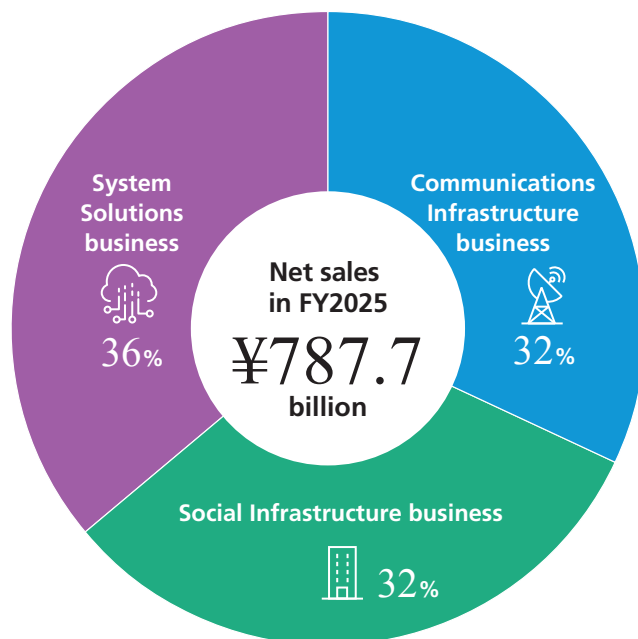
Expanding global business with focus on Southeast Asia

Based out of Singapore, we are expanding our managed services, ICT infrastructure, and mechanical and electrical (M&E) engineering businesses overseas, seeking further growth opportunities as the Japanese domestic market matures.



Bring the benefits of connectivity to all

Connecting people and society through three business segments

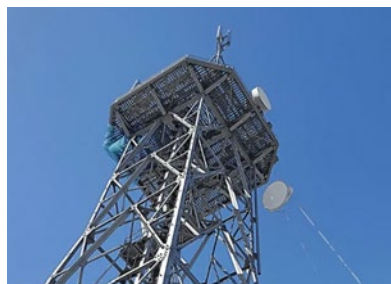


Business segment revisions

From fiscal 2026, the Group revised its business segments to strengthen segment-specific management and provide a clearer understanding of its business activities. The new structure enables each business segment to operate in an integrated manner without distinction between domestic and overseas operations.

The main changes are as follows:

- Renamed the former Telecom Carriers business as the Communications Infrastructure business
- Renamed the former Urban Infrastructure business as the Social Infrastructure business
- Transferred the cable television and infrastructure sharing businesses from the former Urban Infrastructure business to the Communications Infrastructure business
- Reclassified global businesses previously included in the System Solutions business to appropriate segments based on the relevant business areas



Communications Infrastructure business

Throughout Japan, we provide integrated all-in-one services from design to construction, operations, and maintenance, for the communications facilities of telecom carriers. We support construction for a broad range of communications infrastructure, including 5G mobile communications, optical fibers, servers, and routers.

Main products and services

- Access network facility construction and maintenance
- Network facilities construction and maintenance
- Communications civil engineering construction and maintenance
- Mobile base station construction and maintenance
- Communications and electrical facility construction and maintenance
- Infrastructure sharing facility construction

Main customers

- Telecom carriers (cell phones, land lines and cable television)



Social Infrastructure business

From design and construction to maintenance, we provide integrated services covering electrical facilities for data centers and office buildings, as well as a variety of infrastructure works including railroad communication facilities and undergrounding.

Main products and services

- Electrical and air conditioning equipment projects (data centers, various buildings and facilities)
- Social infrastructure construction
- Renewable energy and smart energy facilities
- Urban civil engineering (undergrounding, pipe jacking, etc.)
- Waste treatment plant construction and maintenance

Main customers

- Data center operators in Japan and other countries
- General contractors
- Local government authorities
- Railway operators, etc.



System Solutions business

To support customers' DX initiatives and resolve management challenges, we provide end-to-end, one-stop services ranging from consulting and system development to IT infrastructure construction, maintenance, and operations.

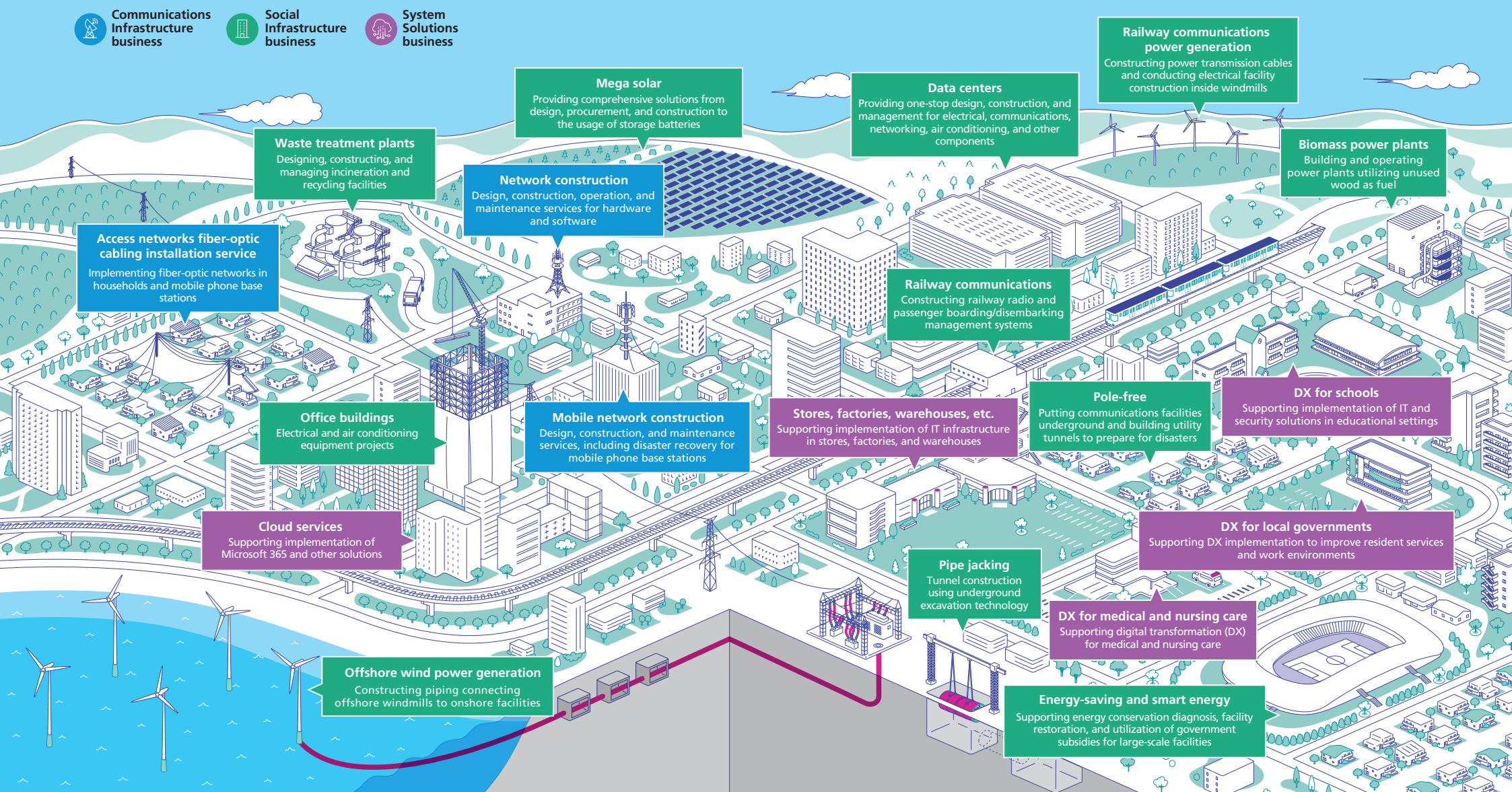
Main products and services

- Software development on consignment
- DX support solutions
- IT infrastructure architecture (servers, wireless LAN, etc.)
- Managed services (system operations and maintenance, security monitoring, etc.)

Main customers

- IT business operators
- General business operators
- Education and medical-related operators, etc.

Helping society flourish with diverse businesses generated by connectivity

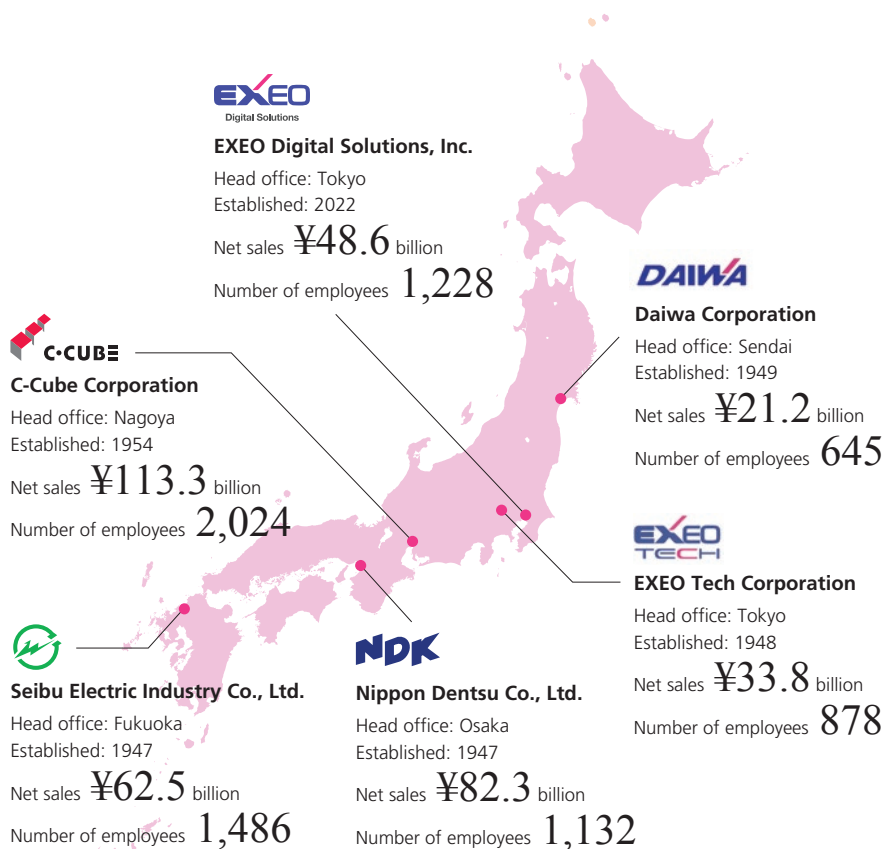


Domestic

Providing integrated services from design and construction to maintenance throughout Japan

EXEO Group, Inc. brings together more than 130 consolidated subsidiaries and more than 17,000 employees to offer integrated services spanning from design and construction to maintenance and management, with uniform quality throughout Japan.

We are also working to expand Group synergies by making the most of the Group's human resources and the presence of major subsidiaries in each region.



Note: Net sales and number of employees are non-consolidated figures for each company.



Communications Infrastructure business

Six major subsidiaries

- C-Cube Corporation
- Seibu Electric Industry Co., Ltd.
- Nippon Dentsu Co., Ltd.
- Daiwa Corporation
- EXEO Tech Corporation

Other Group companies

- EXEO Engineering Hokkaido Co., Ltd.
- EXEO Engineering, Inc.
- Kanac Co., Ltd.
- Denseisha Co., Ltd.
- Denken Co., Ltd.
- Hikari Progress Co., Ltd.



Social Infrastructure business

- EXEO Infra Co., Ltd.
- Ryosei, Ltd.
- Kidoh Construction Co., Ltd.
- Kohken Co., Ltd.
- Iseki Poly-Tech, Inc.
- Koyo Engineering Co., Ltd.
- Sanetsu Corp.
- Kitanihon-Tsushin Co., Ltd.
- Kyoei Dengyou Co., Ltd.
- Core Techno Co., Ltd.
- Ashikaga Eco Power Co., Ltd.
- Furudono Ronden Eco Power Co., Ltd.



System Solutions business

- EXEO Digital Solutions, Inc.

- EXEO System Management, Inc.
- Advanced Information Design Co., Ltd.
- Sun Planning Systems Co., Ltd.
- CPU Inc.
- Interactive Communication Design Co., Ltd.
- NDI Solutions Ltd.
- Where, Inc.
- SAT Co., Ltd.
- Olivier Inc.

Overseas

Providing a wide range of solutions in Southeast Asian countries and around the world

Led by overseas management company EXEO Global, based in Singapore, our Group operates a wide variety of businesses on a global scale.

With the goal of growing overseas business to account for 10% of Group net sales and 10% of operating profit, we are actively pursuing new ventures such as indoor infrastructure sharing and refurbishment.

EXEO Group sites

19 countries/regions

Overseas net sales

¥55.2 billion

Number of overseas employees

1,221

EXEO
GLOBAL

EXEO Global Pte. Ltd.

 Head office: Singapore
 Established: 2018


The Pulse, our global headquarters that houses Group companies including EXEO Global Pte. Ltd., which oversees global affiliates

Group companies headquartered overseas

- Procurri Corporation Pte. Ltd.
- ARCO Japan, Inc.
- Telistar Solutions Pte. Ltd.
- PT EXEO Komunikasi Indonesia
- Guud Pte. Ltd.
- Aeqon TJ Pte. Ltd.
- dhost Global, Inc.
- Ascent Solutions Pte. Ltd.
- EXEO Asia Co. Ltd.
- EXEO Vietnam Company Limited
- Leng Aik Engineering Pte. Ltd.
- Winner Engineering Pte. Ltd.
- 68 Systems & Project Engineering Pte. Ltd.
- MG EXEO Network, Inc.
- EXEO Global Ventures Pte. Ltd.
- EXEO Innovation Fund Management Pte. Ltd.

EXEO Global's offices

Co-create sustainable value through trust and engagement

The EXEO Group places great importance on engagement with its diverse stakeholders. By listening sincerely to the many stakeholders we encounter and incorporating their insights into our management, we aim to sustainably enhance corporate value and address social issues.

Engagement with shareholders and investors

Major stakeholders

- Shareholders: 58,651 (as of March 31, 2026)

Purpose

- To fairly evaluate and build trust
- To provide feedback to management and other internal parties

Engagement forums

- General Meetings of Shareholders
- Financial results briefings
- Individual investor/shareholder relations meetings
- Individual investor briefings
- Messaging via our website and other channels

→ p. 92, IR activities

Engagement with Group employees

Major stakeholders

- Total: 17,751 (consolidated, as of March 31, 2026)

Purpose

- To create vibrant workplaces
- To develop and promote human resources driving value creation

Engagement forums

- Dialogues with supervisors, one-on-one meetings
- Various training and seminar programs
- Internal newsletters
- Internal surveys

→ p. 44, Human resources strategy

Engagement with customers

Major stakeholders

- Telecom carriers
- General contractors
- Local government authorities
- General business operators

Purpose

- To resolve issues faced by customers and society
- To provide high-value-added services
- To improve customer satisfaction for quality, delivery, etc.

Engagement forums

- Sales engagement
- Exhibitions
- Messaging via our website and other channels

Engagement with business partners

Major stakeholders

- Construction partners
- Equipment and materials manufacturers

Purpose

- To enhance value and ensure mutual prosperity across the entire supply chain
- To build trust and strengthen collaboration

Engagement forums

- Engagement through procurement activities
- Surveys
- Support for securing/developing human resources at construction partners

→ p. 91, Supply chain management

Engagement with local communities

Major stakeholders

- Areas around construction sites
- Areas around Group sites

Purpose

- To participate in local communities
- To be mindful of local communities and the natural environment

Engagement forums

- Social and community contribution activities
- Sports/arts support activities
- Disaster support



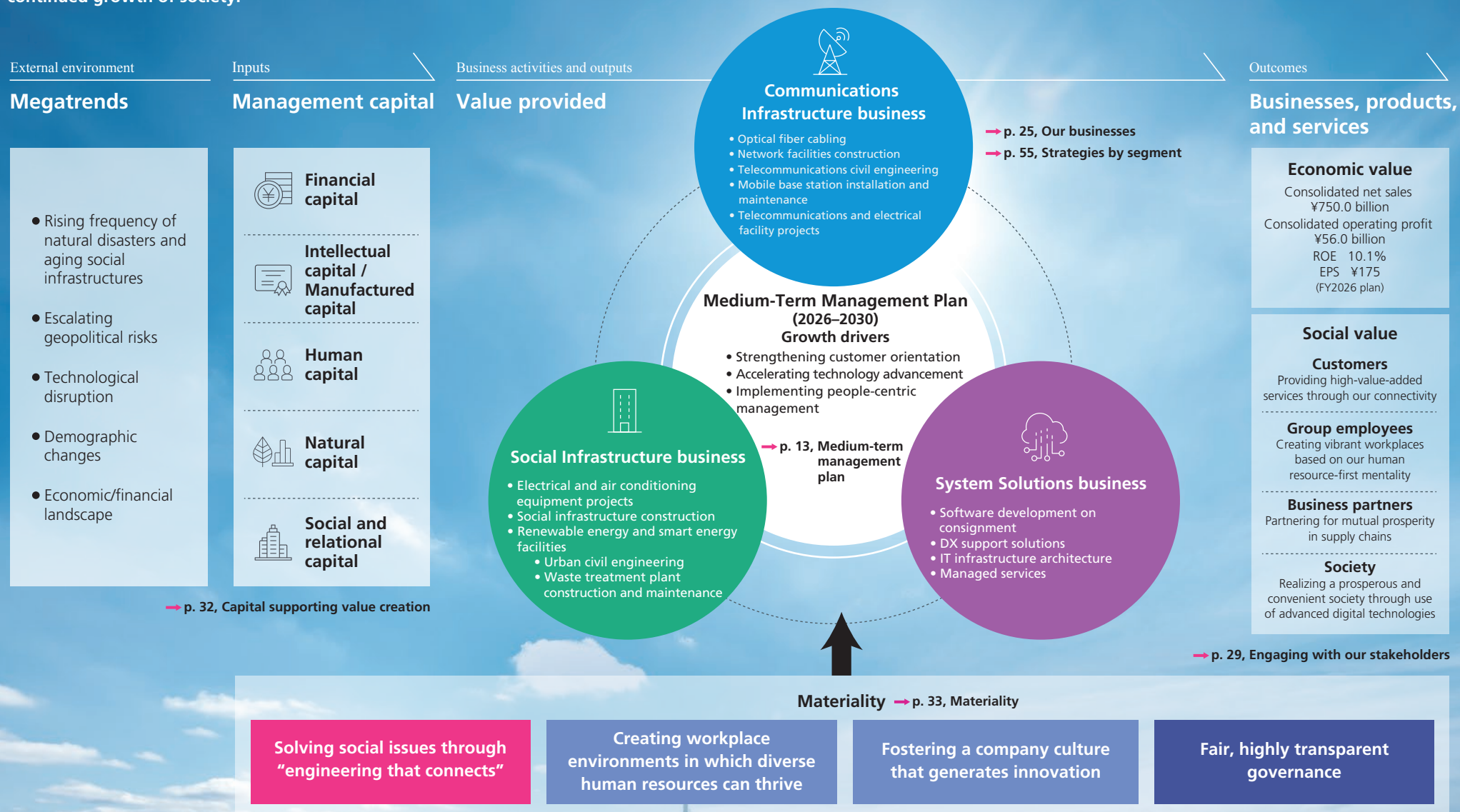
3

The EXEO Group's value creation

- 31 Value creation process
- 32 Capital supporting value creation
- 33 Materiality



The strengths we have acquired since our founding are our technical capability in building ICT infrastructure and our long track record in this field. Leveraging the technical capabilities honed over 70 years to deliver solutions to social issues in many different fields, we contribute to the prosperity of individuals and the continued growth of society.



Our Group's value creation is supported by the diverse capital that underpins our business foundation.

By leveraging the characteristics and strengths of these various kinds of capital and continuously strengthening them in response to changes in the business environment and our growth strategies, we aim to achieve sustainable growth in corporate value.

	Characteristics and strengths	Results	Issues (insufficient capital)	Initiatives to strengthen capital
 Financial capital → p. 38, Message from the CFO	We maintain financial soundness by building a solid revenue base through initiatives such as productivity improvements, while also enhancing capital efficiency. Relevant material issues - Advancing digital transformation (DX) in construction - Boosting productivity by advancing DX	- ROE: 9.4% - Operating profit margin: 6.6% - Equity ratio: 49.5% - JCR credit rating: A+	- Improving capital efficiency for growth investments - Improving ROE and operating profit margins	- Proactive investments for future growth, including M&A, human resources, and R&D - Maintaining stable, continuous dividends with dividend on equity (DOE) ratio of 4.5% as benchmark - Flexible share buyback
 Intellectual capital / Manufactured capital → p. 48, Digital transformation strategy	By integrating our technical expertise in telecommunications, electrical, civil engineering, and other fields, and through the proactive use of AI and DX, we are driving improvements in construction efficiency and enhancing safety and quality. Relevant material issues - Advancing DX in construction - Boosting productivity by advancing DX - Encouraging challenges into the unknown and diligent technical self-improvement	- ESP and VE* proposals: 2,596 - IT and R&D investments as a share of sales: 1.67%	- Improving productivity and ensuring safety and quality - Maintaining capabilities to address aging facilities and disaster management - Improving technological capabilities supporting growth	- Improving business processes and construction efficiency through DX - Improving safety and quality control through utilization of network cameras and AI - Developing the Group's IT infrastructure and utilizing AI to support data-driven management - Promoting knowledge sharing, standardization, and joint development within the Group and with external parties
 Human capital → p. 44, Human resources strategy	Through our people-centric management approach, which encompasses recruitment, development, optimal placement, and retention, we have a diverse workforce with advanced expertise in fields such as telecommunications, electrical, and civil engineering. Relevant material issues - Developing and promoting human resources who drive value creation - Safety and health for all working people - Respecting diversity and creating conducive work environments - Establishing brand value as a Group	- Number of employees who completed the Transformational Leader Development Program: 1,105 - Ratio of women in managerial positions: 3.8% - Percentage of male employees taking childcare leave: 81.8% - Percentage of annual paid leave taken: 70.3% - Employee satisfaction index: 79.6%	- Securing and training human resources capable of adapting to rapid technological innovations and market changes - Multi-skilling and reskilling - Shifting human resources to growth fields	- Developing transformational leaders and human resources engaged in strategic fields - Building a Group-wide personnel database - Human resources development based on our shared Group-wide Career Development Program - Enhancing engagement and enabling diverse work styles
 Natural capital → p. 50, Environmental management	In addition to incorporating environmental considerations in construction, procurement, and other business activities, we are successfully balancing the reduction of our environmental impact with business expansion through the promotion of renewable energy and our refurbishment business. Relevant material issues - Achieving a carbon neutral society - Contributing to circular economies	- CO₂ emissions (Scope 1 and 2): 61,900 t-CO₂e - Usage rate of green products (non-consolidated): 94.8% - Final disposal rate of industrial waste (non-consolidated): 2.7%	- Accelerating investment and business development to achieve carbon neutrality in 2050 - Establishing revenue models and managing risks in environment-related business	- Implementing renewable energy and saving energy at Company-owned locations - Pursuing biomass, solar, wind power and other renewable energy businesses - Promoting low-carbon investments through the phased implementation of internal carbon pricing - Reducing environmental impact in construction and procurement (green procurement and eco-friendly construction methods)
 Social and relational capital → p. 29, Engaging with our stakeholders → p. 91, Supply chain management	We are committed to creating social value by establishing strong collaborative relationships with our Group and partner companies and ensuring stable business operations that support social infrastructure. Relevant material issues - Alliances and collaboration with diverse partners - Building and maintaining infrastructure that serves as the foundation of society - Contributing to local communities and building good relationships	- Number of partner surveys conducted: 1,238 - Number of social and community contribution activities: 184 - Holders of technical qualifications at S Ranks (elite ranks) and above (internal standards): 1,729	- Ensuring transparency and fairness in supply chains - Extensive co-creation with communities and social contributions - Maintaining and enhancing disaster management capabilities	- Co-creating with partners and promoting business alliances - Implementing thorough procurement guidelines - Maintaining ongoing dialogues with stakeholders - Community contribution activities - Enabling disaster relief operations and establishing personnel mobility

* Proposals that take a fresh perspective or approach and aim not only to reduce costs but also to maintain or improve quality and functionality

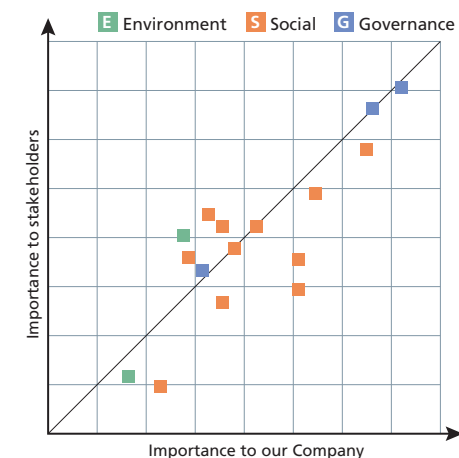
Identification process

Our Group's materiality is broadly composed of four material topics, which are further divided into 17 material subtopics. We will find solutions to various social issues while plotting out the continuous growth of the Group by having each and every employee act with our materiality in mind in all of our business activities.

As society changes, we will flexibly accommodate those changes by making periodical revisions to our formulated materiality.

1 Identify social issues	We compiled a long list of 52 items referencing evaluation criteria in the external guidelines listed below: • GRI Sustainability Reporting Standards • SASB Standards (Engineering & Construction Services) • SASB Standards (Software & IT Services) • Report of the Study Group on Improvement of Sustainable Corporate Value and Human Capital (Ito Report on Human Capital Management 2.0)
2 Prioritize the issues	A total of 25 employees, selected from our various business departments, corporate divisions, and Group companies, assessed the importance of each factor along two axes: importance to stakeholders and importance to our Company. Based on the assessment results, repeated discussions in workshops led to the formulation of a candidate list.
3 Dialogues with internal and external stakeholders	We exchanged opinions with outside experts, consulted with outside directors and statutory auditors, and prepared the final proposal.
4 Decision by management	After considerations in the Management Council and Board of Directors, it was approved and published in May 2023.

Illustration of issue prioritization



Our materiality

E Environment S Social G Governance

Value creation

Solving social issues through "engineering that connects"

- E Achieving a carbon neutral society
- E Contributing to circular economies
- S Building and maintaining infrastructure that serves as the foundation of society
- S Contributing to local communities and building good relationships
- S Advancing digital transformation in construction

Foundation of value creation

Creating workplace environments in which diverse human resources can thrive

- S Developing and promoting human resources who drive value creation
- S Safety and health for all working people
- S Respecting diversity and creating conducive work environments
- S Boosting productivity by advancing DX

Fostering a company culture that generates innovation

- S Encouraging challenges into the unknown and diligent technical self-improvement
- S Establishing brand value as a Group
- S Opening up new possibilities as a global player
- S Alliances and collaboration with diverse partners

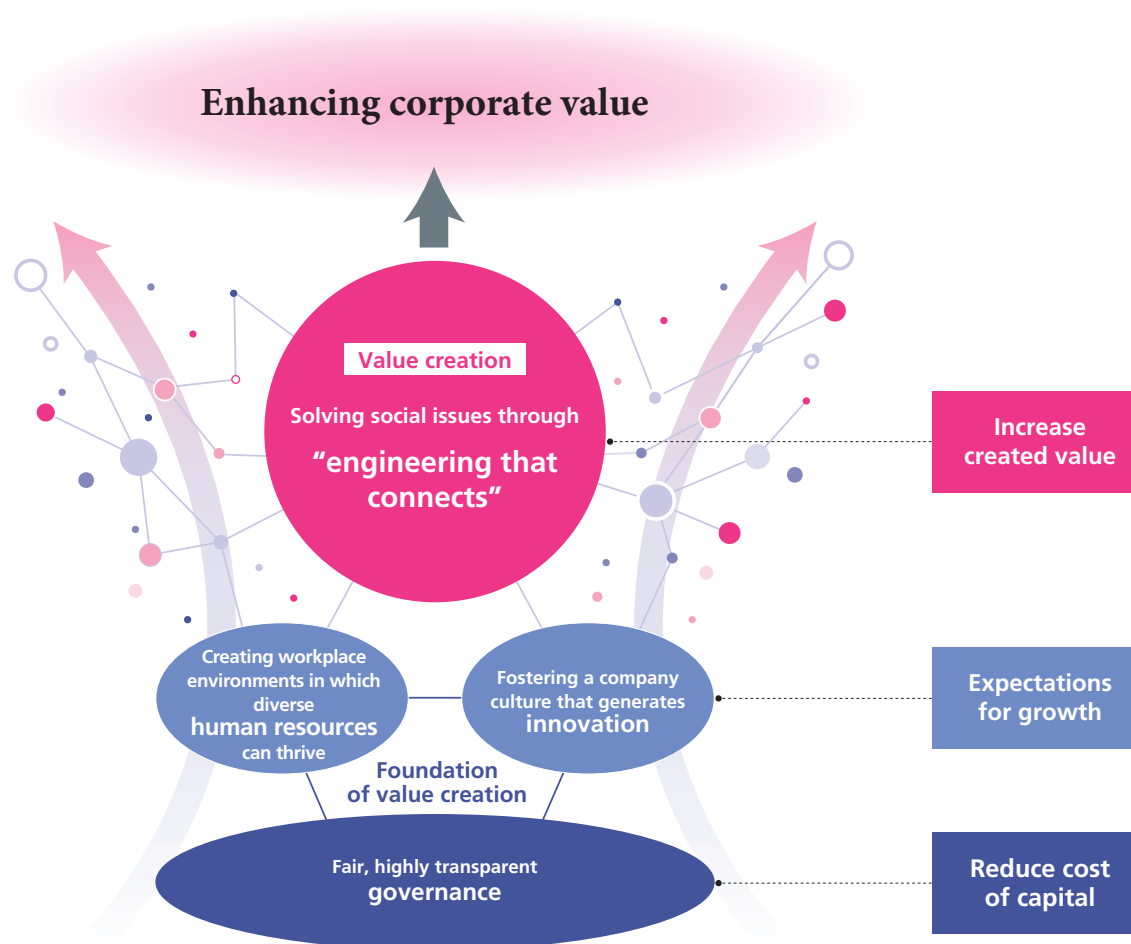
Fair, highly transparent governance

- G Ensuring soundness and transparency in governance
- G Ensuring thorough risk management and compliance
- G Bolstering information security for both physical items and people
- S Respecting human rights

Relation to Corporate Value Enhancement

The Group believes that addressing materiality leads to enhanced corporate value. By addressing each material issue that forms the foundation of our value creation, we will reduce cost of capital, foster human resource development, create environments where employees can fully demonstrate their capabilities, strengthen our competitiveness through innovation, and contribute to our growth.

Furthermore, we will enhance the value we create by solving various social issues through “engineering that connects.”



Message from an outside director



Keiji Yoshida
Director

Using materiality as a compass for corporate management

For me, materiality is a key role for a company to play through its business activities in response to diversifying social needs; in other words, it is a kind of compass for corporate management. Following extensive discussions both within and outside the Company, we identified four material issues in 2023 and have been addressing numerous management issues based on these.

At Board of Directors’ meetings as well, we focus our deliberations on whether the proposed topics are directly relevant to solving social issues and whether they are appropriate from the perspectives of empowering our human resources, innovation, and governance. For example, during M&A transactions, discussions have become more active not only regarding financial benefits but also from the perspective of whether the investment will contribute to enhancing the Company’s business value. Furthermore, under the new medium-term management plan formulated in May 2026, we plan to allocate more management resources than ever before not only to promoting DX and utilizing AI, but also to human resource development and R&D.

The Company’s origins lie in building communication infrastructure that enables human connection. However, today, through increasingly diverse networks of information and energy, the business has expanded to connect people’s lives and hearts. I believe that, precisely because technology is evolving every day and society is undergoing major changes, materiality is becoming increasingly important as the Company’s compass.

Action plans and KPIs based on our materiality

Materiality	Action plan	KPIs (consolidated if not noted otherwise)	FY2025 targets	FY2025 actual	FY2030 targets
Value creation Solving social issues through “engineering that connects” 	E Achieving a carbon neutral society • Reduce CO₂ emissions • Advance smart energy business	(1) CO₂ emissions (Scope 1 and 2) Graph (2) Renewable electric power usage rate ^{*1}	(1) No target (2) 100%	(1) -28.3% vs. FY2020 (2) 100%	(1) -43.9% YoY (2) 100%
	E Contributing to circular economies • Continue initiatives to reduce industrial waste, save energy and save resources • Advance resource recycling-oriented business	(1) Final disposal rate of industrial waste (non-consolidated) (2) Reduction of pieces of paper used (non-consolidated)	(1) -50% vs. FY2020 (2.8%) (2) -50% YoY	(1) 2.7% (2) -23% YoY	(1) 2.8% (2) —
	S Building and maintaining infrastructure that serves as the foundation of society • Work with advancements in telecommunications infrastructure (5G, 6G, IOWN, OREX) • Build and update social infrastructure (expressways, water supply and sewerage systems, putting power lines underground, etc.) • National resilience, disaster recovery support	Holders of technical qualifications at S Ranks (elite ranks) and above (internal standards)	Encourage acquisition of high-rank qualifications	1,729	2,200
	S Contributing to local communities and building good relationships • Engage in community contribution activities and sponsor community events • Enter into partnerships with communities through business	Number of social and community contribution activities	Continue activities	184	200 per year
	S Advancing digital transformation in construction • Use BIM/CIM^{*3} to transform construction workflows • Use AI/webcams to improve safety and work efficiency at construction sites	Number of severe accidents (bodily injury or equipment-related)	Aim for zero	3	Aim for zero
Foundation of value creation Creating workplace environments in which diverse human resources can thrive 	S Developing and promoting human resources who drive value creation • Develop next-generation leaders who drive transformation • Implement various human resource development programs • Develop careers based on dialogues with employees as prerequisite	Number of employees who completed the Transformational Leader Development Program Graph	FY2021–2025 Cumulative total 1,040	FY2021–2025 Cumulative total 1,105	FY2026–2030 Cumulative total 780
	S Safety and health for all working people • Implement safety initiatives (AI/network cameras, surveillance centers, etc.) • Develop safety professionals and improve safety training • Implement health and productivity management	(1) Percentage of annual paid leave taken Graph (2) Percentage undergoing stress checks ^{*2}	(1) 80% (non-consolidated) (2) 100%	(1) 82.0% (non-consolidated) (2) 100%	(1) 80% (2) 100%
	S Respecting diversity and creating conducive work environments • Promote diversity, equity, inclusion, and belonging (DEIB) • Use DX to reform work styles • Raise employee engagement	(1) Ratio of women in managerial positions (non-consolidated) Graph (2) Percentage of male employees taking childcare leave (non-consolidated)	(1) 1.5x FY2020 (2) 20%	(1) 2.2x vs. FY2020 (total 43, 3.1%) (2) 85.3%	(1) 5% or more (2) 85%
	S Boosting productivity by advancing DX • Utilize RPA, AI, tablets and offshore • Build shared IT infrastructure for the Group • Develop DX implementation personnel	IT and R&D investments (including expenses)	At least 1% of annual net sales	1.67% of annual net sales (¥13.13 billion)	FY2026–2030 Cumulative total ¥90.0 billion

^{*1} Domestic locations managed by the Company

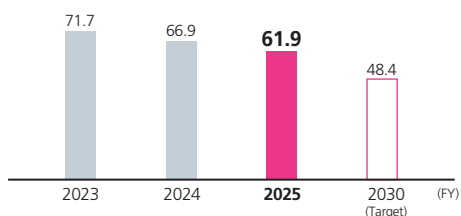
^{*2} Non-consolidated and five major subsidiaries: C-Cube Corporation, Seibu Electric Industry Co., Ltd., Nippon Dentsu Co., Ltd., Daiwa Corporation, and EXEO Tech Corporation

^{*3} Building Information Modeling and Construction Information Modeling/Management, systems designed to digitize information used in construction projects and to enhance efficiency and sophistication by enabling stakeholders to utilize and share data at each stage of survey, design, construction, and maintenance

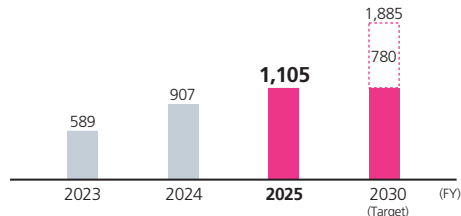
Action plans and KPIs based on our materiality

Foundation of value creation Fostering a company culture that generates innovation  	S Encouraging challenges into the unknown and diligent technical self-improvement	• Develop innovative personnel, foster a culture of innovation • Make proposals related to business creation and technological development • Partner with universities and research institutions	(1) Number of business contest entries (2) ESP and VE proposal activities	(1) No target (2) No target	(1) 0 (2) 2,596	(1) — (2) 3,000 per year
	S Establishing brand value as a Group	• Company promotions via commercials, etc. • Sponsor cultural events, sports teams, etc. • More tie-up activities with universities, etc.	Employee satisfaction level	No target	79.6%	80% or more
	S Opening up new possibilities as a global player	• Further expand global business • Hire overseas personnel • Bolster development of global human resources	(1) Proportion of net sales from global business (2) Number of overseas trainees sent (3) Number of non-Japanese employees hired	(1) At least 10% of net sales (2) No target (3) No target	(1) 7% (2) FY2021–2025 Cumulative total 20 (3) —	(1) — (2) FY2026–2030 Cumulative total 25 (3) FY2026–2030 Cumulative total 50
	S Alliances and collaboration with diverse partners	• Formulate and instill our Procurement Policy • Promote stronger communication with partner companies	Number of partner surveys conducted	No target	1,238	Rate of conducting surveys 100%
Foundation of value creation Fair, highly transparent governance  	G Ensuring soundness and transparency in governance	• Achieve transparent management (ensure diversity and effectiveness of Board of Directors and Board of Statutory Auditors) • More dialogues with stakeholders • Produce various types of information disclosures	(1) Percentage of outside directors (2) Percentage of outside statutory auditors	(1) 1/3 or more (2) More than half	(1) 38.5% (5 out of 13) (2) 60% (3 out of 5)	(1) More than 50% (2) More than 50%
	G Ensuring thorough risk management and compliance	• Strengthen risk analysis using heat map, etc. • Training and learning/development for compliance • Conduct training for various types of risks	(1) Serious violations of laws and regulations (2) Rate of risk assessment implementation for cases involving significant business risks	(1) Aim for zero (2) 100%	(1) Zero (2) 100%	(1) Aim for zero (2) 100%
	G Bolstering information security for both physical items and people	• Bolster Group monitoring through EXEO-SIRT • Conduct information security training, learning/development and drills/exercises • Thoroughly implement recurrence prevention measures when accidents occur	(1) Number of serious information security incidents (2) Rate of conducting security training	(1) Aim for zero (2) 100%	(1) Zero (2) 100%	(1) Aim for zero (2) 100%
	S Respecting human rights	• Establish the EXEO Group human Rights Policy • Conduct ongoing human rights awareness training • Build an organizational structure for human rights due diligence and conduct training	Training completion rate	100%	100%	100%

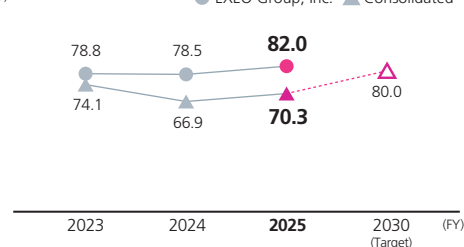
CO₂ emissions (Scope 1 and 2)
 (Thousand t-CO₂e)



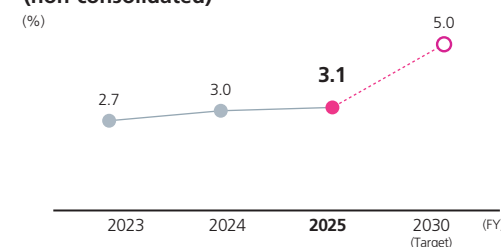
Number of employees who completed the Transformational Leader Development Program
 (People)



Percentage of annual paid leave taken
 (%)



Ratio of women in managerial positions (non-consolidated)
 (%)



Note: Consolidated data if not noted otherwise

* Until FY2023, EXEO Group, Inc. and its five major subsidiaries (C-Cube Corporation, Seibu Electric Industry Co., Ltd., Nippon Dentsu Co., Ltd., Daiwa Corporation, and EXEO Tech Corporation)

4

Practicing value creation

- 38 | Message from the CFO
- 42 | Group management strategy
- 44 | Human resources strategy
- 48 | Digital transformation strategy
- 50 | Environmental management
- 55 | Strategies by segment
- 64 | Strengthening our global business





Shigeki Hayashi

Director and Managing Operating Officer,
General Manager of
Accounts & Finance Division and
General Manager of
Corporate Planning Division, CFO

Improving profitability and capital efficiency toward 12% ROE and 8.5% operating profit margin

Performance for fiscal 2025

Achieved all-time highs in orders received, sales, and profits

In fiscal 2025, the final year of our Medium-Term Management Plan (2021–2025), the Group achieved record highs in all three KPIs—orders received (¥811.8 billion), net sales (¥787.7 billion), and operating profit (¥52.0 billion)—all of which significantly exceeded our initial targets. Furthermore, fiscal 2025 marked a historic milestone, with orders received surpassing ¥800 billion, net sales topping ¥700 billion, and operating profit exceeding ¥50 billion—all for the first time.

Looking at the results by segment, in the Communications Infrastructure business, segment profit and profit margin improved significantly as we steadily met new demand from various telecommunications carriers, including the NTT Group's investments toward quality improvements. In the Social Infrastructure business, net sales and profit also grew significantly, as the Group steadily captured rising demand for large-scale data centers—driven by the rapid spread of generative AI—through close internal collaboration.

Furthermore, in the System Solutions business, net sales grew significantly (up 41% year on year) as the nationwide surge in demand related to the Next GIGA* program was reinforced by strong performances in other digital transformation (DX) and security projects. Among the factors mentioned above, the special demand from Next GIGA projects contributed to the growth in sales, while the expansion of data center-related projects contributed to the growth in profits, both of which drove overall improvement in business performance.

Review of Medium-Term Management Plan (2021–2025)

Exceeded ROE target, fell short of operating profit margin

My assessment of the five years covered by the previous medium-term plan is that it was a time when we delivered very significant results overall. All of our financial indices—net sales, operating profit, ROE, and EPS—ended the plan period at levels that significantly exceeded the initial plan targets set five years prior.

I particularly value the improvement in ROE as a measure

Achievement of financial targets in Medium-Term Management Plan (2021–2025)

	FY2020 results	FY2025 targets	FY2025 results	Results vs. targets
Net sales	¥573.3 billion	¥630.0 billion	¥787.7 billion	+¥157.7 billion
Operating profit	¥36.6 billion	¥47.0 billion	¥52.0 billion	+¥5.0 billion
Operating profit margin	6.4%	7.5%	6.6%	-0.9%
ROE	8.8%	9.0% or more	9.4%	+0.4%
EPS	¥109	¥140 or more	¥151	+¥11

* Next GIGA: Initiatives under the second phase of the GIGA School Program by the Ministry of Education, Culture, Sports, Science and Technology. In addition to upgrading devices and networks, these initiatives aim to advance educational DX through the utilization of educational data and the improvement of teachers' instructional skills.

of profitability. In fiscal 2025, ROE rose to 9.4%, exceeding the medium-term plan target of 9.0% or higher and up from 8.8% five years ago. Although selling, general, and administrative expenses rose due to growth investments, each business segment achieved sufficient growth to offset this increase. As a result, our gross profit margin, the source of our profits, rose from 13.2% five years ago to 14.6% in fiscal 2025. As a result, net income, the numerator in the ROE calculation, grew steadily. Furthermore, we were able to continuously streamline shareholders' equity, the denominator, through measures such as the purchase and cancellation of treasury shares, increase in shareholder dividends, and sale of cross-shareholdings.

However, regarding operating profit margin, another indicator of profitability, our performance of 6.6% fell short of the medium-term plan's 7.5% target, and we recognize this as an area requiring improvement. There are two main factors that suppressed growth in operating profit margin. First, the impact of past low-margin projects, which were secured due to a priority on ensuring a healthy level of orders received, still persists in part due to factors such as extended construction periods. Second, it is taking longer than anticipated for our

global business, in which we continue to invest with an eye toward future business expansion, to become profitable.

To address these challenges, we have implemented measures such as scrutinizing potential orders, adjusting contract prices through the standardization of cost estimation processes, and structurally reforming our global business—including withdrawing from unprofitable areas—but these have not yet led us to target achievement. Going forward, we intend to sincerely assess the results we have seen so far and plan to more rigorously implement the above measures, while also striving to fundamentally strengthen our profitability by optimizing the Group's structure.

Performance targets in Medium-Term Management Plan (2026–2030)

Even stronger profitability in three segments

Under the slogan "Harnessing change, advancing together through strong skills and talent growth," the new Medium-Term Management Plan (2026–2030), which began in fiscal 2026, set the following financial targets for fiscal 2030, the final year: consolidated net sales of ¥900.0 billion

or more, consolidated operating profit of ¥77.0 billion (profit margin of 8.5%), ROE of 12%, and EPS of ¥260. To achieve these ambitious targets, we will work to further strengthen profitability across three segments over the next five years.

In our core Communications Infrastructure business, as investment by domestic telecommunications carriers enters maturity, we will pursue greater efficiency by standardizing business processes and automating design, construction, and cost estimation through the use of AI, with the goal of achieving a segment profit margin of 10%. At the same time, we plan to continue promoting organizational reforms, such as consolidating Group company locations and integrating functions, to transform the business into a leaner and more efficient structure.

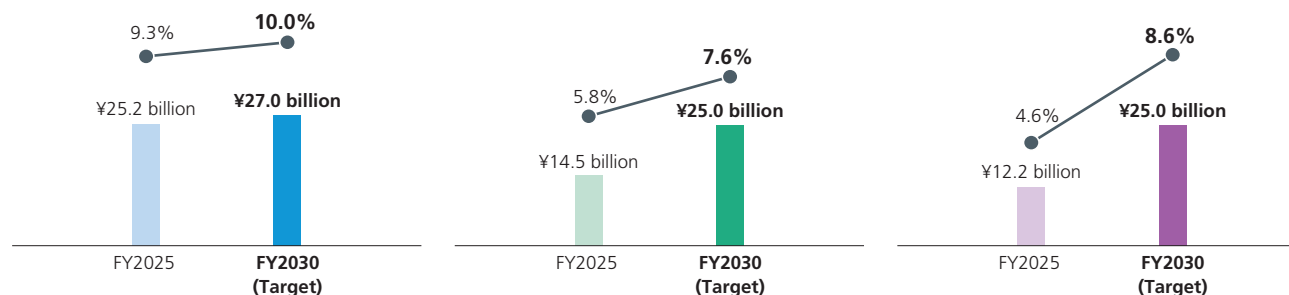
In the Social Infrastructure business, which we have identified as a growth area, we will accelerate the strengthening of our total support capabilities (becoming a full-service subcontractor) for data center projects. We will establish a system capable of providing one-stop services ranging from electrical facility work to telecommunications and air conditioning-related work, and by reliably converting strong

Performance targets in Medium-Term Management Plan (2026–2030)

	FY2025 results	FY2026 plan	FY2030 targets
Consolidated net sales	¥787.7 billion	¥750.0 billion	¥900.0 billion or more
Consolidated operating profit (Profit margin)	¥52.0 billion (6.6%)	¥56.0 billion (7.5%)	¥77.0 billion (8.5%)
ROE	9.4%	10.1%	12.0%
EPS	¥151	¥175	¥260

Segment profit targets in Medium-Term Management Plan (2026–2030)

■ Communications Infrastructure business ■ Social Infrastructure business ■ System Solutions business



market demand into orders, we aim to achieve segment net sales of ¥330 billion.

In the System Solutions business, another growth area, we will accelerate our shift from a business model centered on contract development to high-value-added areas such as generative AI, cloud computing, and security. We have already improved operational efficiency in some projects through the introduction of AI-driven development, and by deploying these best practices laterally, we aim to dramatically increase productivity and achieve a segment profit margin of 8.6%.

Improving ROE

Pursuing an asset-light strategy for greater capital efficiency

Among the financial targets set out in the new medium-term plan, our Finance Department recognizes achieving 12% ROE as a particularly important mission. Regarding the expansion of net income—the numerator of ROE—as mentioned above, we plan to focus on optimizing resource allocation to contribute to improved productivity in each segment and a shift toward high-value-added areas, while also implementing more thorough revenue management in each business.

On the other hand, regarding shareholders' equity—the denominator—we will rigorously practice efficient capital management with a basic policy of ensuring it is no higher than necessary. We will continue replacing assets to build a more asset-light portfolio, including the sale of unnecessary assets nationwide by the Corporate Real Estate (CRE) Office established within the Corporate Planning Division in 2024, as well as further reductions in cross-shareholdings. At the same time, we will enhance capital efficiency by flexibly allocating the cash generated from these efforts toward growth investments and shareholder returns, thereby preventing shareholders' capital from accumulating beyond what is necessary.

Regarding capital allocation, our basic policy is to optimally allocate cash inflows generated from business activities in the three segments, asset sales, and external financing to proactive growth investments and stable shareholder returns. The main source of cash inflows is naturally the operating cash flow generated by each business. Here, we expect to generate approximately ¥350 billion in cumulative operating cash flow over the next five years. In addition to proceeds from the sale of idle real estate and cross-shareholdings, we plan to actively utilize interest-bearing debt. We have set a limit on interest-bearing debt with the goal of maintaining our current Japan Credit Rating Agency, Ltd. (JCR) credit rating of A+; specifically, for the new medium-term plan period, we have set this limit at approximately ¥74 billion over five years—a figure significantly higher than that of the previous medium-term plan's period.

Growth investment

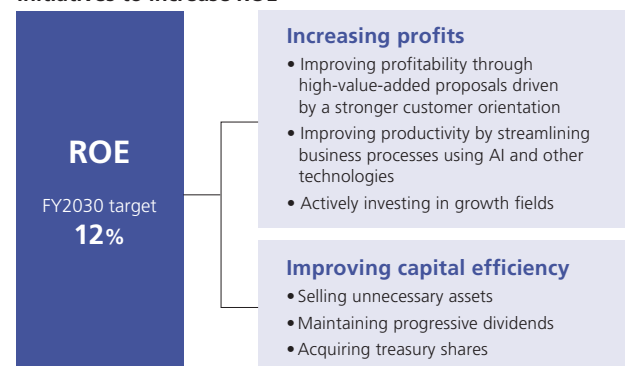
Planning record growth investment of ¥300 billion

Using the aforementioned cash inflows as the source of funds, we have set a growth investment budget of ¥300 billion over

the five-year period in the new medium-term plan. This is a very aggressive plan, representing approximately double the investment amount over the five years of the previous medium-term plan. This investment is broken down into ¥100 billion for business growth and expansion, ¥70 billion for IT and DX, ¥50 billion for human resources, ¥20 billion for R&D, and ¥60 billion for site improvements.

Business growth and expansion investments refer to M&A investments aimed at strengthening the Group's overall capabilities. In our M&A activities ahead, we will prioritize supplementing the capabilities and talent in areas the Group seeks to strengthen, as well as acquiring advanced technologies that lead to the creation of Group synergies, rather than simply expanding our scale. Although the hurdles for closing M&A deals are rising as stock prices climb, we plan to continue implementing a proactive M&A strategy in accordance with our investment discipline, which uses weighted average cost of capital (WACC) as the hurdle rate. If we encounter a deal that offers clear synergies with us and significant foreseeable returns, we intend to carry out leveraged M&A by utilizing debt financing, even if it means temporarily lowering our equity ratio or credit rating.

Initiatives to increase ROE



Cash allocation policy

Cash in	Cash out	Five-year cumulative total	
Financing ¥74 billion	Growth investment ¥300 billion	Business investments and M&A	¥100 billion
Asset sales ¥6 billion		Human capital investments	¥50 billion
Operating cash flow* ¥350 billion		IT and DX investments	¥70 billion
Growth investment ¥120 billion	Shareholder returns ¥130 billion	R&D investments	¥20 billion
		Facility maintenance/development	¥60 billion

* Growth investment expenditures of ¥120 billion are funded by this item.



In IT and DX Investments, we aim to evolve toward data-driven management utilizing AI. With the integration of core systems having established a Group-wide data infrastructure, our next step is to use this visualized data to fundamentally reform our cost structure, while also accelerating

transformations such as the shared management of back-office tasks and business automation through AI agents.

While the majority of investment in human resources consists of what are known as labor costs, the Company—which regards technology and people as its greatest management resources—positions this not as an expense (cost), but as an investment that shapes the Group's future. Based on this understanding, we will make securing AI and digital talent, as well as certified professionals in electrical construction and other fields, our top priority. We will focus on recruiting, development, and retention, further enhance employee engagement, and allocate resources to work-style reforms and improved employee benefits, thereby strengthening our human capital management.

We will also actively increase R&D investment under the current medium-term plan. Though a ¥20 billion investment over five years for this plan may not seem particularly large, the Group is not an R&D-focused organization, and this is more than double the investment in the previous medium-term plan.

In addition to technology research activities involving the dispatch of employees to California in the U.S., we will actively promote investment in and collaboration with startups in cutting-edge fields.

Shareholder returns

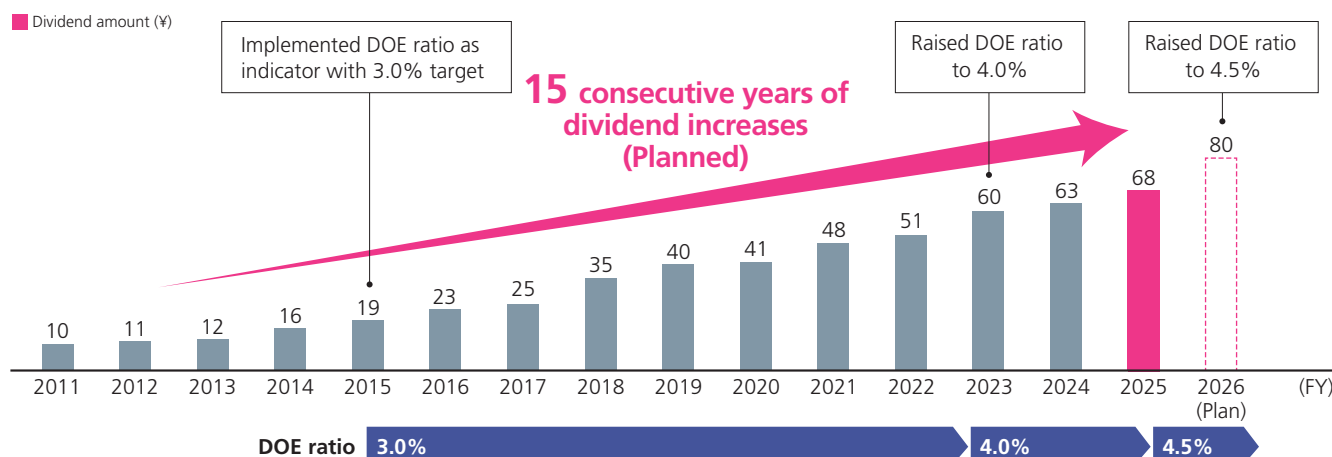
Raising DOE to 4.5% from fiscal 2026, to mark the 15th consecutive year of dividend increases

We will also work to further enhance shareholder returns, another area of capital allocation. To ensure stable returns that are not subject to fluctuations in profits, the Company has adopted the DOE ratio as the standard for its dividends, and we have decided to raise the DOE target from the previous 4.0% to 4.5% starting in fiscal 2026. As a result, we plan to pay an annual dividend of ¥80 for fiscal 2026, a significant increase from the previous year's ¥68, marking our 15th consecutive year of dividend increases. Going forward, we will maintain our target of increasing dividends each year.

In addition, with a target total return ratio of 60%, we are striving to increase the total amount of returns while improving capital efficiency by flexibly purchasing and canceling treasury shares in addition to paying dividends. We have announced that we will purchase approximately ¥4 billion worth of treasury shares in fiscal 2026.

As the officer in charge of finance, I will continue to advance the three priorities of maintaining a sound financial foundation, pursuing proactive investment, and enhancing shareholder returns in an integrated manner, while working to sustainably increase corporate value. I appreciate the continued understanding and support of all our shareholders and investors.

Annual dividend





Message from the managing operating officer in charge

Accelerating qualitative business portfolio transformation by leveraging proactive M&A as a growth engine

Hideaki Yagi

Managing Operating Officer, Head of Strategic Alliances Division

Making proactive M&A a strategic cornerstone to achieve qualitative portfolio transformation

In our new Medium-Term Management Plan (2026–2030), the Group has clearly positioned M&A as a core element of its growth strategy. Our growth is not intended simply as a matter of scale. The essence of proactive M&A lies in a qualitative transformation of the portfolio that is mindful of what business structure we are moving toward and in strengthening the capabilities that serve as sources of competitiveness.

During the period covered by the new medium-term management plan, we plan to invest approximately ¥100 billion to support business growth and expansion, with M&A serving as the core of these efforts. In light of structural environmental changes, such as the maturing of the domestic market, increasingly severe labor shortages, the acceleration of technological innovation, and efforts toward decarbonization and strengthening resilience, there are an increasing number of situations where organic growth focused on existing businesses alone is insufficient to address these challenges. To overcome these, we will strategically acquire highly specialized talent, new technologies, and business platforms through proactive M&A, thereby simultaneously increasing both the certainty and speed of our growth.

Furthermore, with “strengthening our abilities to address next-generation and advanced technologies” as a key topic,

we will actively pursue venture investments. We will incorporate promising technologies and business models at an early stage through partnerships with startups. Building on organic growth as our foundation, we will also leverage proactive M&A to cultivate the seeds of future growth.

Establishing a framework for end-to-end management, from deal sourcing to PMI, and making disciplined growth investments

To date, our Group has steadily and successfully completed several M&A transactions, focusing primarily on partnerships with companies that are highly compatible with our existing businesses. Through this process, we have come to clearly identify specific challenges to sustaining growth, such as assessing profitability, the speed of decision-making, and the appropriate level of involvement in post-merger integration (PMI).

At the same time, through our ongoing execution of multiple M&A transactions, we have systematically built up our ability to evaluate businesses, technologies, and talent, as well as practical expertise covering the entire process from due diligence (DD) to PMI. Based on these experiences, we established the Strategic Alliances Division in 2025 and built a system for end-to-end management and support of the entire process—from opportunity identification to investment

decisions and post-closing PMI. Now, we have implemented a pre-PMI process beginning in the DD phase, and have established a system to verify and quantify potential synergies in advance.

We have clearly defined a forward-looking growth strategy for each business segment. In our Social Infrastructure business, we will work to expand the scope of our business domain—with a focus on facilities—while also strengthening our ability to provide comprehensive services ranging from design to construction and maintenance. In our System Solutions business, we will capitalize on advancements in generative AI and digital technologies to enhance our capabilities in upstream processes and advanced technology areas. In our Communications Infrastructure business, we will work to strengthen the technological capabilities and service infrastructure that underpin next-generation infrastructure. With respect to global business, we will continue to expand our business infrastructure and footprint overseas.

By strategically pursuing M&A in line with these directions, we will achieve further growth and enhance corporate value over the medium to long term.

Accelerating growth in each segment to enhance corporate value over the medium to long term

As we work to enhance corporate value over the medium to long term, we are also working to clarify investment decision-making criteria, develop guidelines, and standardize processes in order to identify risks early and ensure consistent decision-making.

Our investment decisions are based on three pillars: strategic fit, profitability, and risk management. With the fundamental requirement that investment returns exceed the weighted average cost of capital (WACC), we verify risk tolerance through multiple simulations, including downside scenarios. We will promote disciplined growth investment by strictly adhering to a policy of not proceeding with projects that do not meet these criteria, regardless of their size or growth potential.

Topics

M&A case study SAT Co., Ltd.



Providing LCM services for IT hardware through synergy with third-party maintenance services

SAT Co., Ltd. is a company that provides third-party maintenance services for IT hardware—such as servers, storage systems, and network devices—that have reached end-of-support by the original manufacturers. With a particular focus on third-party maintenance for large-scale storage systems, the company possesses advanced technical capabilities and operational expertise.

With the company joining our Group, we have established a framework in Japan that enables us to provide comprehensive IT hardware life cycle management (LCM) services by combining ARCO Japan, Inc.'s refurbishment business with EXEO System Management, Inc.'s IT system construction, maintenance, and operation services. Furthermore, on a global scale, the collaboration between Procurri and EXEO Global is expected to strengthen our maintenance capabilities and parts procurement capacity across a wide geographic area, including regions outside Japan.

Third-party maintenance services extend the useful life of existing equipment, helping to reduce environmental impact through waste reduction and more efficient use of resources. Through the provision of LCM services such as these, the Group will work to solve customer challenges and achieve medium- to long-term growth.

M&A case study Olivier Inc.



Successfully initiated collaborative projects at an early stage through pre-PMI activities

Olivier Inc. is a systems integrator based in Sapporo and Tokyo that operates primarily in finance and payments. Although it is a relatively young company with approximately 130 employees and only 10 years since its founding, its high level of technical expertise has earned it second place among system development companies in the Hokkaido region in the Mynavi/Nikkei University Student Employment Popularity Ranking for the class of 2027. The company possesses both a flexible development framework and the technical expertise to meet the diverse needs of its customers. By combining the company's advanced technical capabilities—including cloud, security, and blockchain technologies—with our Group's customer base and solutions, we expect to be able to provide services with even greater added value.

In connection with the acquisition of Olivier, we began an early pre-PMI process during the DD phase, where we conducted preliminary analysis of the synergies to be created and defined the respective roles of each organization. As a result, within six months of Olivier joining the Group, we have delivered tangible results, such as successfully submitting a joint proposal with EXEO Digital Solutions, Inc. and launching collaborative projects.

Initiative case study Standardization and harmonization of business processes

Generating Group synergies across a wide range of areas, including governance, human resources systems, and back-office functions

In fiscal 2025, the Group continued to focus on standardizing and harmonizing business processes as a key topic and worked to generate synergies.

In terms of governance, we developed and reviewed internal rules, including those regarding approval, and worked to standardize control levels across the Group, including new Group companies acquired through M&A. We also worked to gradually unify our human resources systems under a common framework across the Group.

For back-office functions such as accounting and human resources, we are working to visualize and standardize business processes, while also gradually expanding the use of shared services, primarily in the areas of human resources, payroll, and attendance management, as well as finance. Furthermore, as we continue to develop our data infrastructure and explore ways to utilize AI, initiatives aimed at enhancing business operations and accelerating decision-making are taking shape. In fiscal 2026, we plan to continue enhancing the Group's overall productivity and competitiveness and focus on sustainable value creation.

Areas for potential back-office standardization through use of shared services

Human resources
and labor
relations

Finance and
accounting

Procurement,
purchasing, and
outsourcing

Companies joining the Group in fiscal 2025

Name	Business segments	Date joined	Business description
SAT Co., Ltd.	System Solutions	May 2025	- Maintenance services for IT hardware equipment - IT infrastructure development, IT solution implementation and operation
Olivier Inc.	System Solutions	September 2025	System integration business for a wide range of industries, including telecommunications, logistics, and the public sector, with a focus on the finance sector



Message from the managing operating officer in charge

Strengthening human capital management and optimizing our human resources portfolio

Eiko Sakai

Operating Officer,
General Manager of Human Resources Development Department

Implementing a human resources strategy aligned with our 2030 Vision and directly linked to our management strategy

The Group regards human resources as one of its most important forms of management capital, and promotes a human resources strategy aligned with its business strategy. To achieve our 2030 Vision and Medium-Term Management Plan (2026–2030), we will comprehensively advance initiatives in recruitment, development, optimal placement, and retention. These efforts will maximize the value of our human capital in order to enhance corporate value over the medium to long term.

Under Medium-Term Management Plan (2026–2030), as we shift resources from the communications infrastructure sector to the electrical equipment sector within social infrastructure and high-value-added areas within system solutions, the most critical task of our human resources strategy is to establish a talent portfolio capable of adapting to our changing business structure. To overcome these challenges, guided by our fundamental human resource-first mentality, we regard each employee as an irreplaceable asset and are committed to developing human resources capable of responding flexibly to environmental changes and creating value autonomously. Furthermore, to help deliver on our business strategy, we have newly defined the ideal talent profile for our human resources strategy, as shown in the figure below.

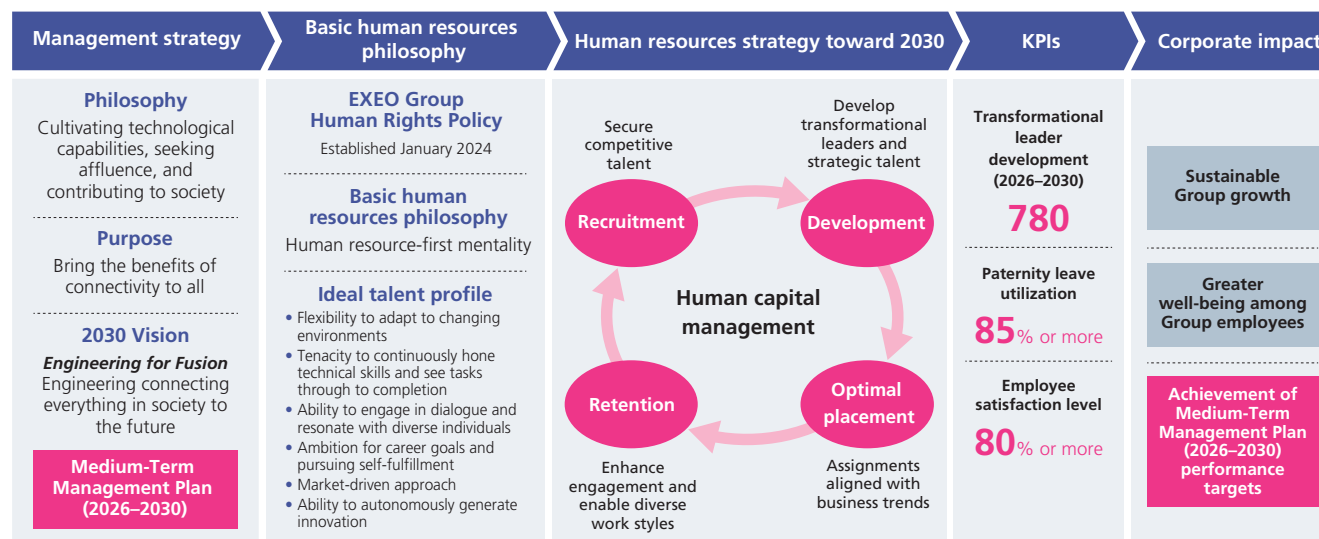
By driving a human resources strategy cycle encompassing recruitment, development, optimal placement, and retention, we will develop talent aligned with this ideal profile, enhance the value of our business portfolio, and contribute to achieving the Group-wide profitability target of 12% ROE.

Strengthening talent acquisition through employer branding and diversification of recruitment channels

To transform our business portfolio, securing talent—particularly engineers in key areas such as electricity and power, civil engineering, and other infrastructure sectors—is a prerequisite for business growth. Therefore, we are strengthening our employer brand, diversifying recruitment channels, and advancing initiatives to attract non-Japanese talent.

Accordingly, the Human Resources Development Department is making efforts to diversify and expand our recruitment channels—such as hiring engineering students from liberal arts backgrounds, referral hiring, and alumni hiring—in addition to strengthening our recruitment branding through the use of online commercials and social media. We have also introduced a student loan repayment support program. In addition, we are working to strengthen recruitment capabilities across the entire Group through initiatives such as joint Group visits to schools.

Human resources strategy based on management strategy



Furthermore, regarding non-Japanese employees, we collaborated with Group companies at overseas locations, in addition to recruiting international students in Japan, to provide comprehensive support ranging from local hiring to Japanese language education and lifestyle support, which led to the hiring of nine employees in fiscal 2025.

Cultivating talent to drive value creation through transformational leadership and strategic capability development

To adapt to rapid environmental changes and cultivate talent who possess both technological and transformation capabilities, our Group offers training programs that include systematic management training, support for self-directed learning, and opportunities for global exposure. Key efforts include new employee training, level-based training, and specialist development programs, as well as an overseas trainee program and initiatives focused on organizational transformation and fostering a strong corporate culture.

To achieve the business portfolio our Group aspires to build, we must develop talent capable of taking on challenges in new domains and driving organizational transformation on the front lines. With the goal of developing leaders who can drive these kinds of organizations, we have been implementing the Transformational Leader Development Program since fiscal 2021. To date, 1,105 participants have completed the program, receiving high praise with a satisfaction rate of over 90%. Many graduates are taking the initiative in their respective workplaces, contributing to a stronger sense of unity across the Group. In fiscal 2026, we plan to improve the program by expanding an in-house training program where graduates serve as instructors to provide coaching, as well as a cross-industry networking program designed to broaden participants' perspectives through learning alongside individuals from diverse industries and professional backgrounds. Our goal is to develop an additional 780 transformational leaders by 2030.

Strengthening reskilling is also an important priority in order to respond to changes in our business structure and accelerate the shift of talent toward growth areas. As part of our

strategic talent development, we have identified the electrical field, security, and AI as future sources of competitiveness. In the electrical field, we will strengthen support for obtaining 1st Class Construction Management Engineer certifications in electrical and plumbing work, as well as the training of power line jointers. Additionally, we have incorporated the development of information security talent into our strategic human resource development initiatives as a measure to address information security risks. In addition to supporting employees in obtaining certifications, we provide recurrent education at the Institute of Information Security and, in 2025, held a security hacking contest among Group companies.

We will continue to focus on developing information security talent going forward. Furthermore, in fiscal 2025, as our inaugural year of generative AI, we promoted the acquisition of the Generative AI Passport certification across the entire Group, resulting in 9,230 employees passing the exam.

We are also exploring ways to enhance our training facilities to ensure the stable and timely development of engineers. We will focus on creating an environment where employees can learn with confidence and concentrate on their training, including by expanding the capabilities of our three training centers located in Saitama and Hyogo Prefectures.

Training system

		Year-based/level-based	Transformational leader development (selective)	Specialization	Global	Communication	DEIB	Self-development	Mid-career hiring
Managers	Executives	Newly appointed officer training							
	Senior managers	Director candidate assessment Senior manager training	DCD* (IC**)						
	Managers	General manager candidate assessment Middle manager training Newly appointed manager training	DCD (SH***) GLOBIS Business School (CRT***) Women's leadership training Cross-industry networking training	Sales training (Intermediate) (Advanced) Strategic human resource development (electricity and power, security, AI, etc.)					
General employees	Deputy managers	Section chief candidate assessment Management training							
	Supervisors	10th-year training Leadership training		Field leaders (Newly appointed) (Mid-level)	Overseas trainee program Short-term overseas language training	AI English conversation	Psychological safety seminar		
	General staff	4th-year training 2nd-year training New employee training							
		Innovation training Mentor training							

*1 DCD: Driving corporate dynamism

*2 IC: Internal coach

*3 SH: Stakeholder

*4 EMP: Executive management program

*5 MMP: Middle management program

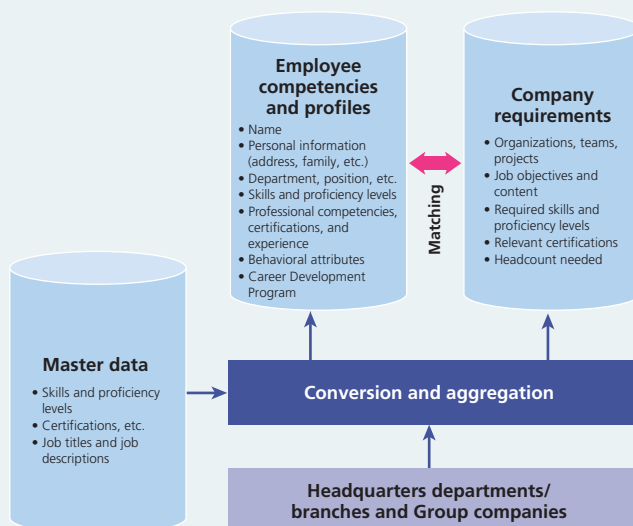
*6 CRT: Critical thinking

Topics

Optimal placement through an advanced human capital database

We are advancing the development and utilization of a human capital database to accumulate and visualize data on Group employees' skills, work experience, and certifications. This enables us to flexibly and dynamically put the right person in the right role across the Group—such as shifting personnel from the communications business to growth areas such as electrical engineering and data center operations, or assigning project managers and project leaders to upstream phases of system development projects. Furthermore, by defining job requirements for each position, integrating our Career Development Program, and leveraging AI, we aim to enhance our talent management capabilities to achieve the optimal allocation of internal resources and talent development in line with the business trends across the entire Group.

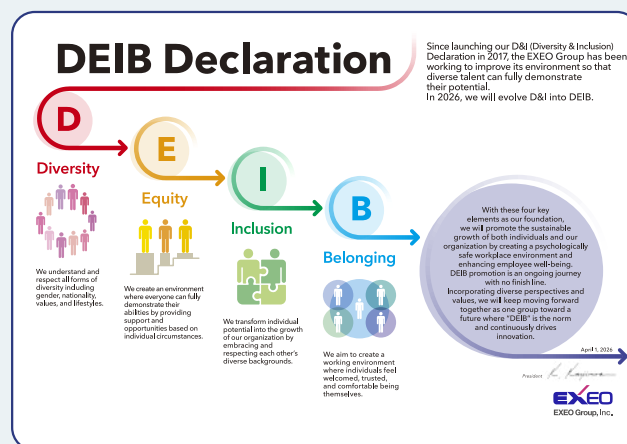
Personnel database illustration



Accelerating the creation of a safe and secure work environment under the DEIB Declaration

Since issuing our D&I Declaration in 2017, our Group has been committed to creating an environment where diverse talent can fully demonstrate their abilities. From fiscal 2026, we have established a new DEIB Declaration, adding E (Equity) and B (Belonging) for the further strengthening of psychological safety. Through this, we will create workplaces with a high level of psychological safety and enhance employee well-being, thereby fostering an environment where both individuals and the organization can achieve sustainable growth.

Specifically, we have expanded and enhanced programs and policies that enable diverse talent to thrive, including initiatives to advance women's career development, support for balancing work with childcare, elder care, and medical treatment, partnership benefits, and health and productivity management, all at standards that exceed legal requirements. Furthermore, in light of the increasing number of non-Japanese personnel, we are working to create a safe and secure working environment, such as by establishing a prayer room at our head office.



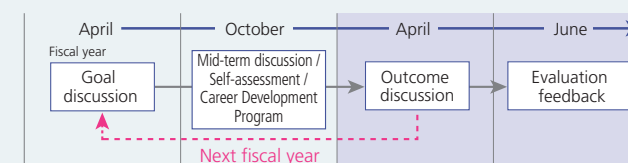
Additionally, the Company and one Group company received gold certification in the PRIDE Index in fiscal 2025 for the first time following the introduction of partnership benefits. The PRIDE Index is an evaluation metric for sexual minorities, including the LGBTQ+ community, developed by the organization "work with Pride." Furthermore, we have been awarded the highest possible rank in the D&I Award, "Best Workplace for Diversity & Inclusion," for five consecutive years from fiscal 2021 through fiscal 2025. This award recognizes companies actively committed to diversity and inclusion.



Enhancing work styles and compensation systems to maximize employee capabilities

As a system to fairly evaluate outcomes, employees hold discussions with their superiors three times a year to discuss their progress and achievement of self-established goals. We improve the perceived fairness and acceptance of evaluations through direct feedback on assessment results. In addition, during mid-year discussions, we provide opportunities for supervisors and employees to discuss job satisfaction and the employee's Career Development Program. We also hold regular one-on-one meetings to improve daily communication and ensure psychological safety.

Discussion schedule



Topics

Furthermore, in fiscal 2025, we launched the Construction Manager Working Group, in which 15 on-site construction managers engaged in direct dialogue with senior management, leading to lively discussions on operational efficiency, improved working conditions, and career development. The results of these discussions are being reflected in the compensation system for construction managers, accelerating improvements driven by the front lines. In addition, we launched training programs focused on psychological safety and sessions led by certified coaches.

Furthermore, we conduct annual employee attitude surveys to assess attitudes toward work and overall job satisfaction, and to analyze the impacting factors. We use the results when considering measures to improve engagement going forward. By 2030, we aim to achieve an employee satisfaction level of 80% or higher across the entire Group and will work to enhance our systems accordingly.

Supporting women's career advancement and childcare leave for male employees

We have formulated an action plan based on the Act on Promotion of Women's Participation and Advancement in

the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children. Under this plan, the Human Resources Development Department, the Human Resources Department, and our various headquarters departments/branches and Group companies are working together to advance initiatives in both areas.

With respect to supporting women's career advancement, the Company and three Group companies have been recognized by the Ministry of Health, Labour and Welfare with its Eruboshi certification, while the Company and two Group companies earned the Kurumin Mark accreditation from the same ministry.

General Employer Action Plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children

(EXEO Group, Inc.)

Plan period	April 1, 2026 to March 31, 2031 (5 years)
Target	(1) Ratio of women in managerial positions: 5% or more (2) Percentage of male employees taking childcare leave: 85 % or more (3) Percentage of annual paid leave taken: 80% or more (4) Monthly average overtime working hours: 26.5 hours or less

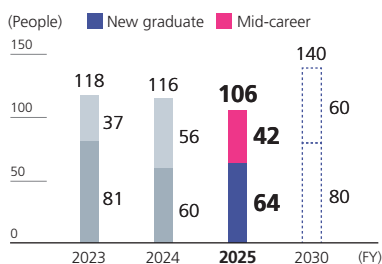
Advancing health and productivity management

We consider the health of all employees engaged in our Group's operations and their families to be a valuable corporate asset. Accordingly, we value the health of all employees and aim to create an environment where each individual can proactively think and act with respect to their own mental and physical well-being. Furthermore, by building supportive systems and corporate culture—from a health perspective—that enables employees to fully utilize their abilities and achieve a good balance between job satisfaction and work-life balance, we will contribute to organizational revitalization and improved productivity.

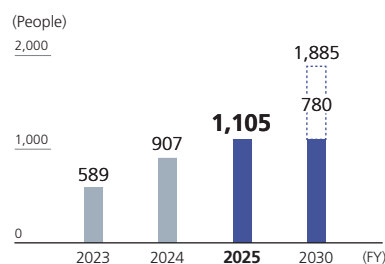
To achieve this, we established the EXEO Group Health & Productivity Management Declaration and the EXEO Group Health & Productivity Management Basic Policy in April 2024 and have been promoting activities aimed at maintaining and improving the health of our employees and their families. In March 2026, we were once again certified as an Outstanding Organization of KENKO Investment for Health (large enterprise category), following our certification in 2025.

Human capital highlights

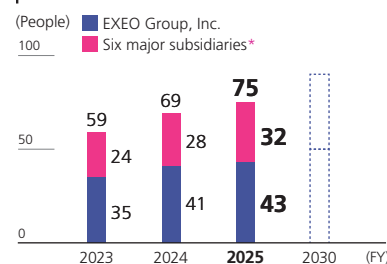
Number of new hires (non-consolidated)



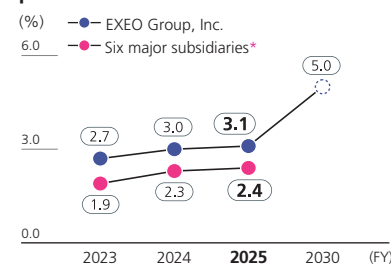
Number of transformational leaders developed (domestic consolidated)



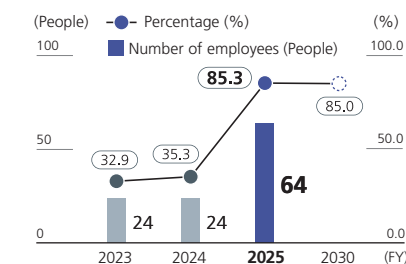
Number of women in managerial positions



Ratio of women in managerial positions



Percentage and number of male employees taking childcare leave (non-consolidated)



* C-Cube Corporation, Seibu Electric Industry Co., Ltd., Nippon Dentsu Co., Ltd., Daiwa Corporation, EXEO Tech Corporation, and EXEO Digital Solutions, Inc.



Message from the managing operating officer in charge

Shifting to data-driven management for greater Group competitiveness and corporate value

Tadafumi Oke

Managing Operating Officer,
Head of Digital Transformation Strategic Division, CIO

Unified Group DX efforts as part of management transformation

Our business environment is undergoing significant changes: chronic labor shortages, difficulties in passing down technical expertise, rapid technological change, and rising safety and security risks. If operations continue to rely solely on field experience, this will not only lead to a decline in productivity but could also result in increased safety and quality risks and a decline in the Group's competitiveness.

Based on this understanding, in our recently announced Medium-Term Management Plan (2026–2030), we have defined the role of digital transformation (DX) within our Group as extending beyond the development of IT and digital infrastructure to include a shift toward data-driven management (with a focus on decision-making) and evolution into an AI-centric company that embraces AI as a fundamental component. Our mission is to provide the IT and DX infrastructure that underpins the Group, to support the businesses and transformations carried out on that foundation well into the future, and to enhance corporate value. DX is not merely an IT initiative; it is a management strategy that transforms both people and business as a unified whole. We aim to transform the Group into an organization that uses data as a starting point to connect management, field operations, and human resources, thereby continuously creating value.

Clear progress in developing a shared Group infrastructure

Two key elements are essential in driving digital transformation: a culture in which each department takes the initiative, and an IT and DX infrastructure that supports the entire Group. Our rigorous focus in this area over the

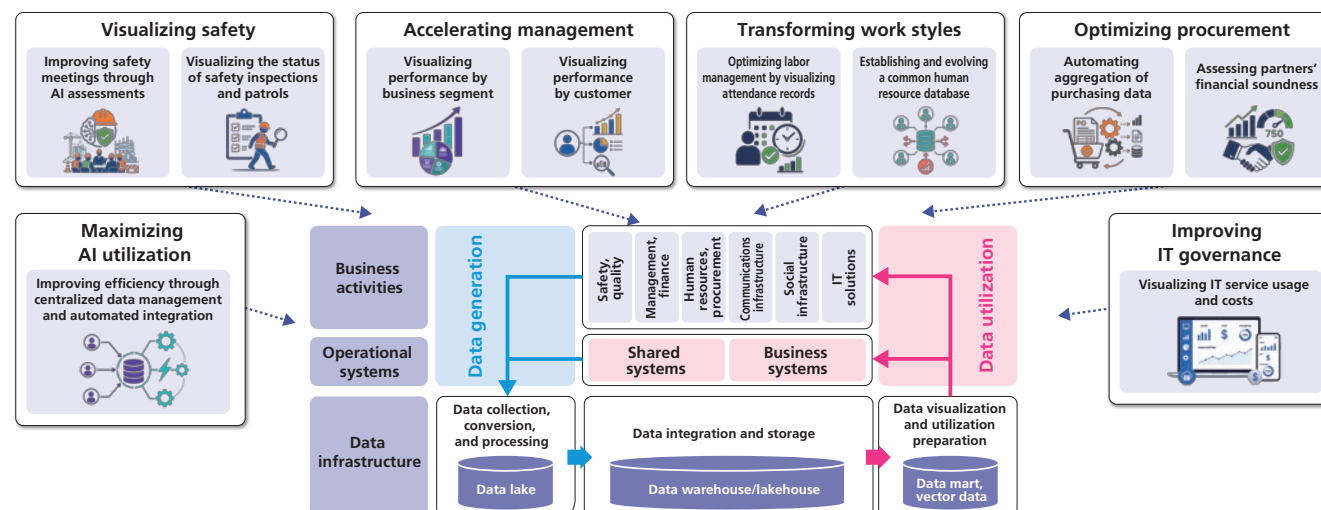
past few years has yielded tangible results, particularly in terms of infrastructure development.

Examples include the Group consolidation of network, server, and security infrastructure; the establishment of shared core systems; and the standardization of tools. As a result, our shared IT infrastructure now covers more than 80% of all employees.

In addition, we are moving forward with the development of a data infrastructure that can be utilized across the Group, and we plan to achieve 100% coverage by fiscal 2030. This will eliminate information silos within individual companies and departments, enabling consistent data utilization from management through to the front lines.

In addition, IT optimization assessments conducted for each Group company have made it possible to evaluate DX initiatives in terms of technology, security, and effectiveness. The use of generative AI and data is also gaining momentum, yielding results across a wide range of areas—from back-office operations such as management, procurement, and human resources to design automation and safety management in frontline business departments.

Unlocking fast-paced Group management through a data management infrastructure



Still, we have a long way to go in eliminating the fragmented practices and silos that exist within each business, workplace, and company. Based on the understanding of IT and business operations as inseparable, the Digital Transformation Strategic Division will strengthen cross-Group collaboration among IT departments and thereby contribute to greater business collaboration and standardization across the Group.

Transforming front-office and back-office operations with data infrastructure and AI

Our top priority leading up to 2030 is thoroughly strengthening our data infrastructure and AI utilization. The development of data infrastructure has allowed us to integrate and visualize diverse information on the Group's people, facilities, and business processes, laying the foundation for consistently enhancing everything from management decision-making to field operations. Then, by integrating AI, we will simultaneously achieve significant automation of business operations and more sophisticated decision-making. Specifically, through the introduction of AI assistants and agentic AI, we are advancing the automation and streamlining of back-office operations, while also promoting automation in front-office business processes of design, construction, and maintenance. Furthermore, by utilizing physical AI, we are working not only to reduce the labor required for field operations but also to dramatically improve safety and quality.

These initiatives go beyond mere efficiency improvements; they represent a fusion of the EXEO Group's unique field expertise and digital technologies, and serve as a source of competitive advantage.

Our DX is transformation aimed at ensuring the sustainable growth of our entire business. Going forward, we will continue to vigorously drive the enhancement of corporate value as a unified group by integrating our IT and DX infrastructure, our talent, and the strength of our frontline operations.

Topics

Improving hazard prediction accuracy with introduction of an AI-driven Voice-KY solution

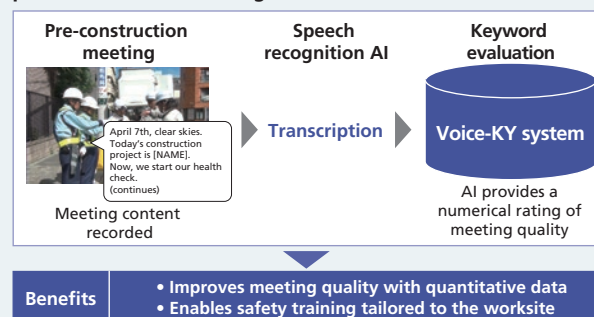
At hazard prediction meetings ("KY meetings") held before construction begins, we have been using the Voice-KY solution to track information shared via speech recognition when construction personnel identify and discuss the day's hazardous tasks and safety precautions. This helps us raise safety awareness among construction personnel and work toward eliminating accidents.

To further ensure safety, we have been moving forward with the introduction of an augmented, generative AI version of Voice-KY starting in fiscal 2025.

In this new initiative, we use AI to analyze audio recordings from hazard prediction meetings, assign scores based on whether sufficient risk awareness is being conveyed during the meetings, and evaluate and provide guidance on the quality of these meetings for each construction crew.

Going forward, we will work to implement these measures across all construction projects with the goal of improving safety throughout the entire Group. We have also begun efforts to further improve the quality of our hazard prediction meetings by integrating them with the vast amount of near-miss data we have accumulated over the years.

Voice AI-driven mechanism for evaluating pre-construction meetings



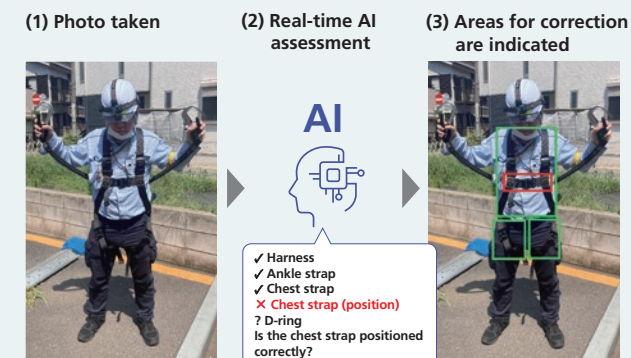
Replicating experienced workers' expertise with AI, standardizing and streamlining construction site safety inspections

As part of our construction operations, we are advancing safety AI initiatives that utilize images captured by smartphones and webcams.

Conventional pre-work safety checks had several issues, including: (1) inconsistencies in the checks due to the subjective judgment of the person in charge; (2) a lack of knowledge transfer regarding the insights and expertise of experienced workers; and (3) the time required to perform the checks. Therefore, we introduced a system that automates the safety checks typically performed by experienced workers and notifies workers of the safety assessment results generated by AI. We expect the implementation of this Safety AI solution to have a significant impact on workplace safety and accident prevention.

Going forward, we will work on making AI-based webcam analysis real-time, while also expanding the scope of our safety checks to cover a variety of tasks. We have also begun offering this as a solution for external clients.

Illustration of AI-driven pre-construction inspections



Environmental Policy and main initiatives

EXEO Group Environmental Policy

We have formulated the EXEO Group Environmental Policy with the aim of clarifying our stance on addressing environmental issues and communicating to both internal and external stakeholders our guidelines for action to practice environmentally friendly management.

Key Environmental Policy items

1. Response to climate change
2. Realization of a circular society
3. Preserving biodiversity
4. Compliance with laws and regulations, etc.
5. Information disclosure and communication
6. Maintenance and improvement of environmental management system
7. Education and training

Note: The full text is available on the sustainability section of our website.

Initiatives for fiscal 2025

Switching to renewable energy sources

At domestic locations owned by the Company (including consolidated subsidiaries), we have been switching to electricity generated from renewable energy sources since fiscal 2021, with a 100% switch by fiscal 2025 set as a mandatory KPI.

As of March 2026, the switch had been completed at all 166 target locations, reducing CO₂ emissions associated with electricity consumption at domestic locations owned by the Company to zero.

Introducing internal carbon pricing

Anticipating the growing impact of CO₂ emissions on operating costs, we have adopted internal carbon pricing through a phased approach.

In automobiles, for example, the Company converts the cost and CO₂ reduction benefits of fuel efficiency improvement measures into monetary terms, encouraging behavioral change toward climate action. Furthermore, moving forward, we will promote switching to alternative fuels by quantifying the cost savings associated with CO₂ reductions achieved through the use of biofuels and other alternative fuels.

Publication of the Climate Change Bulletin

To respond to rapidly changing global trends regarding climate change, starting in July 2025, we began a monthly initiative to publish the Climate Change Bulletin, which includes information collected and organized by staff members of the Sustainability Promotion Office, on a special section of our internal portal.

Bulletin topics cover issues highly relevant to our business activities—such as the growing demand among investors for disclosure of water usage data at data centers and trends in next-generation energy—thereby raising awareness of environmental challenges related to our operations.

Analysis of water security

In fiscal 2025, we conducted a tool-based analysis of water security at our overseas subsidiary in the Philippines. For this analysis, we primarily used the Aqueduct Water Risk Atlas developed by the nonprofit World Resources Institute (WRI). The analysis revealed that the risk of drought and flooding was consistently high, and we also confirmed the presence of some locations experiencing high water stress.

In fiscal 2026, we plan to conduct a similar analysis at our overseas subsidiary in Indonesia.

Forest conservation activities: EXEO Forests

We have entered into revenue-sharing forestry development agreements with Regional Forest Offices in five regions: Hokkaido, Tohoku, Kansai, Chugoku, and Kyushu. We have named the forests covered by these agreements “EXEO Forests,” where we regularly conduct maintenance and cleanup activities, such as maintaining walking trails, clearing undergrowth and vines, and installing bird nest boxes. We also use these areas as venues for awareness-raising activities regarding biodiversity conservation.

In addition, Group companies Seibu Electric Industry Co., Ltd. and C-Cube Corporation are each engaged in ongoing forest conservation activities.



An activity at an EXEO Forest (Kansai Branch)



Tree-planting activities at Seibu Forest of Kikuchi (Seibu Electric Industry)

Web

- Engagement with the TCFD Recommendations
- ESG Data Book

Information disclosures based on TCFD recommendations

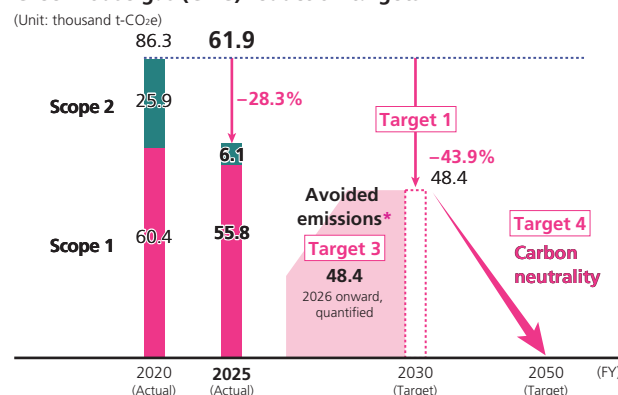
The Group considers addressing environmental problems such as climate change an important management issue. In December 2021, we declared our support for the recommendations published by the Task Force on Climate-related Financial Disclosures (TCFD) and joined the TCFD Consortium (now reorganized as the GX Future Consortium). Our Group discloses information in accordance with the TCFD framework.

For more details about engagement with the TCFD recommendations, please visit our website.

Web | • Engagement with the TCFD Recommendations



Greenhouse gas (GHG) reduction targets



Scope 3: Reduce CO₂ emissions by 25% by FY2030 (SBTi-validated) Target 2

* Amount of contribution to reduced emissions by society overall through provision of the Group's service

Submetrics for GHG reduction targets

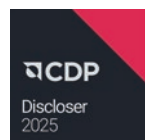
	FY2023 actual	FY2024 actual	FY2025 actual	FY2025 targets	Achievement status	FY2030 targets
Switch to renewable energy sources ^{*1}	77.8%	94.5%	100%	100%	Achieved	100% (Consolidated domestic)
Adoption of EVs and other low-emission vehicles ^{*2}	96.7%	96.8%	100%	100%	Achieved	100%

^{*1} Scope of data: Locations managed by EXEO Group, Inc.

^{*2} Scope of data: EXEO Group, Inc. general vehicles

External evaluation

- We have been evaluated in the climate change category by CDP, a nonprofit organization that conducts global environmental surveys and information disclosure. In addition, we have received the highest rating for three consecutive years since 2023 in its supplier engagement assessment (see p. 94 for scores).
- For our fiscal 2030 target, we received SBTi validation in July 2024.
- In April 2025, we joined the Japan Climate Leaders Partnership (JCLP), an organization that supports companies in their efforts to combat climate change.



GHG emissions by Scope

(Scope of data: consolidated) (Unit: thousand t-CO₂e)

Classification	Description	FY2020 (Base year)	FY2025	Difference	% change
Scope 1	Direct emissions	60.4	55.8	-4.6	-7.6%
Scope 2	Indirect emissions	25.9	6.1	-19.8	-76.6%
Total (Scope 1 and 2)		86.3	61.9	-24.4	-28.3%
Scope 3	Supply chain	1,757.0	1,265.3	-491.7	-28.0%
Category 1	Purchased goods and services	275.9	263.2	-12.8	-4.6%
Category 2	Capital goods	41.5	53.2	11.7	28.2%
Category 3	Fuel- and energy-related activities	12.7	12.4	-0.2	-1.8%
Category 5	Waste generated in operations	2.4	4.7	2.3	94.6%
Category 6	Business travel	1.9	2.3	0.4	23.5%
Category 7	Employee commuting	3.4	4.2	0.8	23.5%
Category 11	Use of sold products	1,418.4	905.4	-513.0	-36.2%
Category 13	Downstream leased assets	0.9	20.0	19.0	2,045.5%

Notes: 1. Companies subject to consolidated accounting are the scope of cumulative total emissions.

2. An independent third-party assurance report has been obtained from Sustainability Accounting Co., Ltd. for these emissions figures.

3. Numerical values for the base year are subject to change if applicable scope or calculation methods are modified as they become more sophisticated, or in an event where our business growth exceeds plans.

Web | • Engagement with the TCFD Recommendations

Risks and opportunities

Scenario	Type	Type factor	Timeline of impact ^{*1}	Level of impact ^{*2}		Key response measures
				2030	2050	
1.5°C (Transition risks)	Policies and legal restrictions	Introduction of carbon tax	Medium / Long	▼▼ 10	▼ 0	• Shift to the use of net-zero impact renewable energy for electric power, switching to eco-friendly cars, efforts to save energy
		Emissions controls	Medium / Long	▼ 0	▼ 2	• Achieve reduction targets by implementing the CO ₂ emissions reduction measures shown above to avoid the costs of purchasing emissions quotas
		Obligation to disclose information	Short / Medium / Long	▼ 1	▼ 1	• Avoid increased costs to handle emissions calculations by implementing digital transformation (DX) in the calculation operations
		CO ₂ reduction cost	Short / Medium / Long	▼ 1	▼ 2	• Efforts to save energy
		Surging raw materials prices	Short / Medium / Long	—	—	• Mitigate cost increase risk by raising construction work prices in proportion
	Markets and technologies	Advancements in energy-saving and renewable energy	Short / Medium / Long	▼▼ 25	▼▼ 93	• Mutually complement resources through M&A and business partnerships as a measure against order capacity limitations attributable to engineer shortage
	Reputation	Changing customer preferences, stakeholder assessments	Short / Medium / Long	—	—	• Engage in decarbonization activities within the Group, improve assessments from environmental ratings agencies
4°C (Physical risks)	Acute	Intensifying weather	Medium / Long	▼ 9	▼▼ 21	• Better business continuity plan (BCP) preparedness in the event of a disaster, regular hazard risk assessments for properties owned
	Chronic	Higher temperatures	Medium / Long	▼▼ 12	▼▼ 16	• Countermeasures against heatstroke, ensure and improve operating efficiency through DX of construction sites, secure sufficient construction periods
1.5°C (Opportunities)	Business opportunities	Expansion of renewable energy-related construction	Short / Medium / Long	▲ —	▲▲ —	• Expand renewable energy-related businesses such as solar power, offshore wind power generation and biomass (mutually complementary resources through business partnerships, expand construction domains through capital contributions, etc.)
		Services for climate change mitigation and adaptation	Short / Medium / Long	▲▲ —	▲▲ —	• Expand Urban Infrastructure (undergrounding, zero emissions buildings) and refurbishments businesses
	Resilience	Adaptation to climate change	Short / Medium / Long	▲ —	▲ —	• Make further efforts toward flexible work styles
	Reputation	Stakeholder assessments	Short / Medium / Long	—	—	• Engage in decarbonization activities within the Group, improve assessments from environmental ratings agencies • Raise funds through means such as Sustainability-Linked Loans

^{*1} Timeline of impact: Short: 3 years or less, Medium: Over 3 and up to 10 years, Long: Over 10 years

^{*2} Level of impact: Values (unit: ¥Billion) for financial impact (profit) on business activities of the Group in fiscal 2030 and fiscal 2050 are calculated under the assumption of certain conditions. Anticipating the relative magnitudes, risks are expressed as "▼▼▼ (large)," "▼▼ (medium)," and "▼ (small)," and opportunities as "▲▲▲ (large)," "▲▲ (medium)," and "▲ (small)." Impact scale in financial terms is (large): ¥10.0 billion or more, (medium): From ¥1.0 billion to less than ¥10.0 billion, and (small): Less than ¥1.0 billion

Web | • Engagement with the TNFD Recommendations

Report based on TNFD recommendations

Declaration of alignment with TNFD principles

We conduct our analyses using the LEAP approach^{*1} advocated by the Taskforce on Nature-related Financial Disclosures (TNFD). Additionally, we declared our alignment with TNFD principles and became a TNFD Forum member in July 2024.

^{*1} An approach to locate (L) interfaces with nature, evaluate (E) dependencies and impacts, assess (A) materials risks and opportunities, and prepare (P) to respond and report.



The TNFD Forum:
<https://tnfd.global/engage/tnfd-community/>

Identifying priority locations

We identified priority locations among our business sites and compiled them into the diagram below.

We position biomass power plants, building sites, and construction sites identified as both “sensitive locations” and “material locations” as priority locations, where we assign higher priority when considering and executing measures to achieve the global goal of “nature positive.”

Dependencies and impacts on nature

Based on ENCORE,^{*2} we analyzed the dependencies on ecosystem services and influences on the environment in the business activities of the Company. The results identified a high dependency on timber which is turned into fuel at our biomass power plants.

In terms of influences on the environment, we learned we could very likely be impacting the environment through a variety of factors such as land and water usage and emissions of GHG and water and land contaminants in the Communications Infrastructure and Social Infrastructure segments in which we perform various types of construction. The results we identified are as shown in Table 1.

^{*2} A tool developed by organizations including the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) to understand the dependencies and impacts on nature of each business process

Diagram: Identifying priority locations

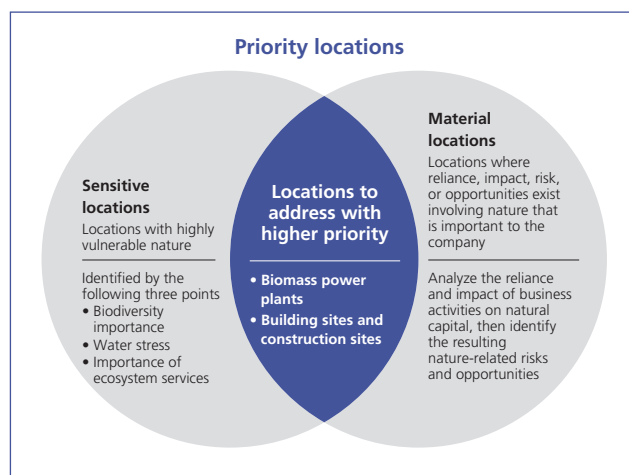


Table 1: Relationships between dependencies indicated by ENCORE and our activities

Type	Dependency/Impact	Relationship with the Company
Dependency	Fibers and other materials	Fuel procurement in biomass power generation
	Rainfall pattern control	Flood risk mitigated by forests and marshlands at construction sites
Impact	Use of terrestrial, freshwater, and marine ecosystems	Land modifications and use of heavy machinery in construction, laying of undersea cables
	Water usage	Biomass power generation, cooling at data centers, cleaning at solar power plants
	GHG and non-GHG emissions	Fuel burning in construction activities and biomass power generation
	Contaminants in water	Contaminating water and releasing chemicals into land in construction
	Soil contaminants	Using paints, coatings, and anti-corrosion agents and also runoff of harmful substances in construction
	Solid waste	Generating ashes and other waste after fuel burning in biomass power generation
	Disruptions (nuisances)	Noise and bright lights due to construction or laying of cables

- Web**
- Engagement with the TNFD Recommendations
 - ESG Data Book

Identifying risks and opportunities

Based on the results of using the ENCORE tool to map the impact of nature-related dependencies, we referred to the TNFD Risk and Opportunity Registers and guidance by sector to identify risks and opportunities relevant to our direct operations as well as upstream activities in our value chain. The results of the policies arranged to address these are shown in tables 2 and 3.

In fiscal 2025, we developed the Biodiversity Guidelines to ensure these measures are implemented at the construction site level. Going forward, we will work to ensure these guidelines are fully understood and to raise awareness through Group-wide training and other initiatives.

Global core indexes

Category	No.	Disclosure index	Reference
Climate change	—	GHG emissions	Integrated Report p. 51
Land/ freshwater/ ocean area used	C1.0	Total spatial footprint (land)	
	C1.1	Change in used area (land)	
Contamination/ decontamination	C2.1	Wastewater	Web ESG Data Book
	C2.4	Non-GHG air pollutant emissions from biomass power plants*	
Usage/ replenishment of resources		Water usage	No locations relevant
	C3.0	Water intake from high water stress regions	
	C3.1	Commodity procurement (timber)	

* Particulate matter, SOx, NOx

Table 2: Risks identified by LEAP analysis and countermeasures

		● Dependency ● Impact		
Risk category	Dependency or impact	Impact on the Company	Timeline	Measures, etc., to address risks
Policies and regulations	● Land area used	• Potential difficulties in establishing power generation facilities in areas of high biodiversity importance as a result of forest conservation regulations	Medium	• Gather information on the latest policy trends such as forest conservation regulations • Assess impact on natural environment in priority locations, and implement response measures by location (★) • Engage in sustainable timber procurement (★)
	—	• Increasing costs (research and analysis) to comply with stricter requirements for information disclosures on nature conservation	Short / Long	
	● Soil contaminants ● Pollutant emissions	• Higher costs to comply with stricter rules related to natural capital (ash dispersion from combustion at biomass power plants, generating white smoke, air pollution, water stress due to high volume water intake, water pollution from drainage, etc.)	Medium	
	● Non-GHG air pollutants ● Land area used	• Less choices of suppliers and obstructions to procuring certified materials due to market changes and stronger regulations to prevent forest destruction	Medium	
Reputation	● Disturbing noise, light, etc.	• Light and sound pollution or vibrations from facilities, construction sites, or suppliers' manufacturing plants located near protected areas disturbing the reproduction of rare species (birds of prey, etc.), leading to reputation damage among community residents and causing loss of business value, orders, and profits	Medium / Long	• Conduct research on protected areas near construction sites and establish construction rules considerate of the natural environment (★) • Provide detailed explanations to community residents and build good relationships with them (★) • Plan and execute operations considerate of the surrounding environment (★)
	● Water usage ● Land area used	• Conflicts and criticism in communities and damage to social reputation due to water usage and detrimental impact on landscape	Medium	
	—	• Reputation decline due to conducting business operations without consideration for biodiversity, causing business partners (both upstream and downstream in supply chains) to cease dealings	Medium / Long	
Acute	● Land area used ● Rainstorm mitigation ● Supplying biological resources	• Effects of logging, infringing on natural habitats incidental to construction, and lack of disaster preparedness caused by land modifications leading to increase in cost to address damage caused by extreme weather	Medium / Long	• Better BCP preparedness in the event of a disaster
	● Flood control ● Rainstorm mitigation	• Limitations on construction during abnormal weather occurrences, rising labor costs, and increasing risk of floods or landslides due to loss of ecosystem services for flood and rainstorm control	Medium / Long	
	● Rainfall pattern control ● Supplying biological resources	• Increased procurement costs of biomass power generation fuel materials (e.g., wood chips) due to unstable tree growth caused by changes in rainfall patterns and ecosystem services	Medium / Long	
Chronic				• Establish stable procurement structures by diversifying timber suppliers

* ★ indicates response measures related to our priority locations

Table 3: Opportunities identified in LEAP analysis and response measures

		● Dependency ● Impact		
Risk category	Dependency or impact	Impact on the Company	Timeline	Measures, etc., to address risks
Products and services	● Freshwater area used	• Enter new markets by providing services utilizing DX technologies to support biodiversity	Short / Long	• Enter the environmental solutions business utilizing IoT technologies
Products and services/ Resource efficiency	● Soil contaminants ● Pollutant emissions	• Increase projects and earnings in high-efficiency waste treatment facilities as a result of growing interest in recycling-based society and biodiversity conservation	Short / Long	• Help to improve power generation efficiency and resource recovery rates at waste treatment facilities
Reputation	—	• Increase business value by actively disclosing biodiversity initiatives	Short / Long	• Engage in biodiversity-related efforts and work on information disclosures throughout the Group • Engage in sustainable timber usage such as thinned wood and establish procurement structures accordingly • Engage in green procurement
	● Using biological resources	• Boost reputation in the community through tree thinning	Short / Long	
Protecting, restoring and revitalizing ecosystems	● Land area used	• Boost reputation in the community and secure human resources as a result of forest conservation activities	Medium / Long	• Establish stable procurement structures by diversifying timber suppliers • Engage in forest conservation and continue conducting activities to raise awareness about biodiversity conservation • Promote the development of construction technologies that lead to ecosystem conservation and build a reputation in construction
	● Seabed area used	• Gain more opportunities to receive orders by employing new construction methods that protect marine ecosystems (Earth Shuttle Method, Marine Shuttle Method)	Short / Long	

* Timeline: Short term is 3 years or less, medium term is from 3 years to 10 years, long term is over 10 years



Communications Infrastructure business

Net sales in FY2025: **¥271.2 billion**

Strong fiber-optic line construction performance in access engineering

In fiscal 2025, the Telecom Carriers business (renamed the Communications Infrastructure business starting fiscal 2026) saw strong performance in fiber-optic line construction in access engineering, driven by the expansion of high-speed fiber-optic access service coverage and sales promotion initiatives.

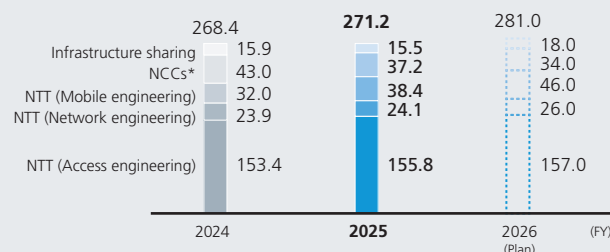
In mobile engineering, we swiftly put the necessary structure in place to address telecom carriers' investment needs, including construction work to improve connectivity, particularly in urban areas. We also sought to further enhance profitability by improving operational efficiency through subsidiary restructuring and site consolidations, and integrating access and mobile engineering operations.

Going forward, to promote the widespread adoption of advanced digital social infrastructure, we will aim to achieve cost efficiencies across the Group by building a robust business structure through technological advancement and business process reform.

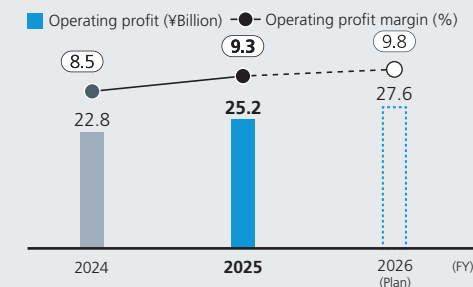
Yusaku Shima

Managing Operating Officer,
Head of Communications
Infrastructure Segment,
General Manager of
Communications Infrastructure
Headquarters,
Responsible for the Procurement
Division

Net sales (¥Billion)



Operating profit / Operating profit margin



	Main businesses	Main customers
NTT (Access engineering) 	- Construction and maintenance of access network facilities - Operation of facilities - Communications civil engineering	
NTT (Network engineering) 	Construction and maintenance of network facilities	
NTT (Mobile engineering) 	Construction and maintenance of NTT Docomo base station facilities	Telecom carriers
NCCs* 	Construction and maintenance of various communications infrastructure facilities for KDDI, SoftBank, and Rakuten Mobile	
Infrastructure sharing 	Construction of facilities related to communications infrastructure sharing	- Telecom carriers - Infrastructure sharing service providers - Cable television operators

* New Common Carrier; refers to telecom carriers KDDI, SoftBank, and Rakuten Mobile



Communications Infrastructure business

Medium-Term
Management Plan
(2026–2030)

Basic policy

Build a resilient business structure by advancing technology and reforming business processes to foster advanced digital infrastructure

FY2030 targets

Net sales
¥270.0 billion

Operating profit
¥27.0 billion

(Operating profit margin)
10.0%

	Market assessment	Strengths
NTT (Access engineering)	Opportunities - Internet backbone expansion driven by increasing communications traffic (common) - Increased investment driven by advancements in cutting-edge technologies such as IOWN (access engineering, network engineering) - Demand for facilities renovations due to aging communications infrastructure (access engineering, network engineering) - Demand for facilities replacement driven by the migration from copper facilities to fiber optics (access engineering) - Increased investment driven by advancements in cutting-edge technologies such as 6G (mobile engineering) Risks - Reduced capital expenditures resulting from changing trends in the business strategies of telecom carriers - Decline in construction capacity due to a shortage of skilled workers (access engineering)	- Extensive track record and advanced technical expertise in telecommunications infrastructure construction, cultivated since the Company's founding (common) - Nationwide service delivery system capable of providing consistent, high-quality, and highly reliable services (common) - Structure capable of providing integrated services from design through construction, operations, and maintenance (access engineering, network engineering) - Structure capable of providing integrated services from negotiation, consulting, planning, and design through construction, operations, and maintenance (mobile engineering)
NTT (Network engineering)		
NTT (Mobile engineering)		
NCCs		
Infrastructure sharing	Opportunities - Growing demand for shared use of telecommunications infrastructure due to increased traffic Risks - Obsolescence of existing equipment due to advancements in communications technology, etc. - Decline in profitability due to intensifying competition among carriers	- Extensive business track record in the Asia-Pacific region, including Indonesia - Provision of high-quality services that combine business expertise with technical expertise in domestic mobile network construction and maintenance

Business strategy toward 2030

1 Maximize profits through cross-Group cost efficiency (5%+ productivity improvement)

- Standardize processes and utilize generative AI and digital technologies for design, construction, and indirect task optimization
- Conduct site surveys with 3D technology and automate design and cost estimation using generative AI
- Automate quality inspections with AI for document preparation
- Revise construction systems by consolidating tasks, enabling area-free operations, and expanding offshore work
- Reduce fixed costs through site consolidation

2 Enhance capabilities and secure workforce in line with telecom carrier business trends

- Improve communication quality and network construction capabilities to handle increasing traffic
- Establish systems to promote service transfer and metal migration deployment
- Secure personnel through partner programs and collaborative training

3 Keep up to date on advanced technologies (e.g., IOWN, 6G, and satellite communications)

- Develop engineering and implementation capabilities for advanced technologies supporting next-generation digital infrastructure, such as photonics-electronics convergence and satellite communications

4 Train and shift resources to new growth areas

- Train personnel in power line jointing to grow power line engineering business
- Strengthen engineering capabilities for edge data centers by leveraging expertise in cabling and power construction



Communications Infrastructure business Topics

Introduction of partner programs to secure workers

Facing the structural challenge of a declining workforce of skilled workers responsible for field construction, the Group has identified securing and developing workers as a critical management priority to maintain a stable construction framework into the future.

Accordingly, starting in fiscal 2025, we introduced partner programs to secure and develop talent not only within our own Group but also in collaboration with partner companies. Under these programs, the Group will subsidize a portion of the training costs required for new hires and reskilling at partner companies, while the partner companies will promote systematic talent acquisition and development. In providing training support, we will focus on developing talent with multidisciplinary skills, aiming to simultaneously improve efficiency in existing fields and strengthen our ability to address growth areas.

Moving forward, we will work to secure a sufficient number of skilled workers and facilitate their transition to the necessary skills, with the goal of establishing a sustainable construction framework and further deepening our partnerships.

Overview of partner programs for securing workers



Resolving labor shortages and optimizing costs through offshoring

Our Group offshores operations to Group entities overseas to address labor shortages in Japan. We launched this initiative in 2023 and are currently expanding its scope beyond EXEO Group, Inc. to include operations at major subsidiaries.

The scope of offshoring is being expanded in stages, starting with areas where business processes have been standardized, including post-construction photographic inspections and CAD-based preparation of facility drawings.

Going forward, we will further expand the scope of standardization while also working to secure and develop talent in conjunction with Japan's Specified Skilled Worker program, aiming to further enhance our offshore framework.

Main business activities subject to offshoring

Construction type	Tasks	Offshore locations	Start date
Access engineering	Post-construction photographic inspections	Philippines (MG EXEO Network)	July 2023
	Design support (e.g., drafting facility drawings using CAD)	Vietnam (EXEO VIETNAM)	June 2024
Mobile engineering	Design work (e.g., planning wireless equipment placement and cabling routes, creating drawings)	Vietnam (EXEO VIETNAM)	January 2025



An office working on offshored tasks at EXEO VIETNAM





Social Infrastructure business

Net sales in FY2025: **¥249.2 billion**

Strong performance in large-scale data centers and other electrical construction projects

In fiscal 2025, inquiries regarding large-scale data centers remained strong, and electrical construction projects—including large-scale commercial building projects—performed well. In the public sector, we adopted a more rigorous order acceptance policy to improve profitability. For the energy industry, demand expanded for EV charging infrastructure and battery storage system installations. Furthermore, with a view to future business expansion, we continued to develop human resources responsible for constructing self-operated power lines.

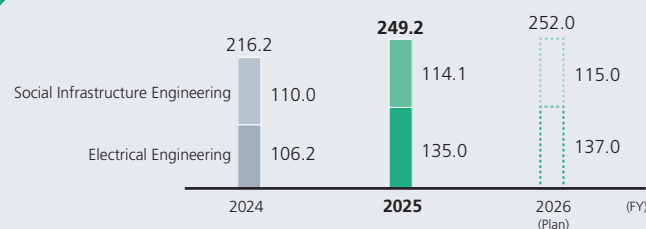
Going forward, we will shift resources toward the electrical facility sector, where robust demand is expected, and contribute to solving social and customer challenges through total support that leverages the Group's collective engineering capabilities.



Noriyuki Watabe

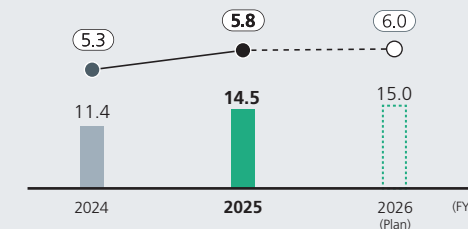
Vice President, Director and Operating Officer,
Head of Social Infrastructure Segment,
Chief Marketing Officer (CMO)

Net sales (¥Billion)



Operating profit / Operating profit margin

■ Operating profit (¥Billion) ● Operating profit margin (%)



	Main businesses	Main customers
Electrical Engineering	- Electrical and air conditioning installation for data centers, office buildings, condominiums, etc. - Renewable energy projects, such as solar, biomass, and wind power generation - Power transmission and distribution construction - Construction, operation, and maintenance of waste treatment plants, etc.	- Domestic and international data center operators - General contractors and developers - Local government authorities - Power generation companies, etc.
Social Infrastructure Engineering	- Urban civil engineering projects involving undergrounding and trenchless tunnel construction - Construction and maintenance of various communications infrastructure facilities for local governments and government agencies, including national resilience initiatives and measures to address aging infrastructure - Construction and maintenance of various communications infrastructure facilities for private companies such as railway operators	- Local government authorities - Operators of public infrastructure such as expressways - Railway operators, etc.



Social Infrastructure business

**Medium-Term
Management Plan
(2026–2030)**
Basic policy

Shift resources to electrical facilities field and utilize total support capabilities to implement next-generation social infrastructure

FY2030 targets

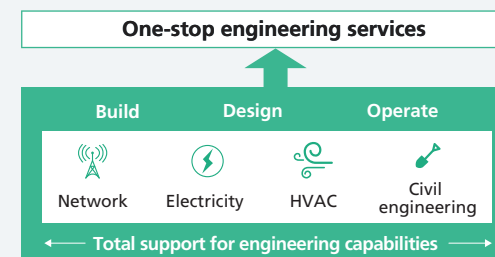
Net sales
¥330.0 billion

Operating profit
¥25.0 billion (Operating profit margin 7.6%)

	Market assessment	Strengths
Electrical Engineering	Opportunities - Growing demand for data centers driven by the advancement of AI and other data-driven technologies - Growth of the renewable energy market on the path to achieving a decarbonized society Risks - Shortage of engineers capable of meeting rising demand and delays in workforce development - Surging costs of raw materials and longer lead times for procurement	- Technological and operational capabilities established through decades of experience in construction of electrical facilities in data centers and office buildings - Knowledge in plant construction and operations, including biomass power generation
Social Infrastructure Engineering	Opportunities - Increasing demand to upgrade aging public infrastructure such as expressway facilities and water supply and sewerage systems - Continued public investment driven by disaster preparedness, mitigation, and national resilience policies Risks - Shortages of personnel with various qualifications - Surging costs of raw materials and longer lead times for procurement	- Cross-functional and comprehensive construction capabilities in communications, electrical, and urban civil engineering - Possession of cutting-edge civil engineering technologies including shield tunneling and various jacking methods

Business strategy toward 2030
1 Expand data center and electrical facility business utilizing enhanced Group-wide total support capabilities

- Cover electrical, communication, network, and HVAC for data centers, providing one-stop design, construction, and maintenance
- Strengthen construction capabilities for grid-scale storage batteries, power transmission and distribution construction, and semiconductor factories amid expected market growth


2 Leverage Group engineering expertise

- Support national resilience (disaster prevention), defense facility development, highway upgrades, and railway automation

3 Enhance construction capacity through bold personnel shifts

- Strengthen recruitment and training in the electrical field through a dedicated task force (40 new hires annually, including new graduates and experienced professionals)
- Shift talent actively via skill transfers
- Recruit, train, and utilize international personnel

4 Improve Group-wide profits

- Deploy advanced design and cost estimation analysis methods across Group companies

5 Enhance technology to secure competitive advantage

- Strengthen construction techniques and streamline processes using AI (AI remote operation support technology)



Social Infrastructure business Topics

New two-phase DLC unlocks more energy-efficient and stable data centers

With the widespread adoption of generative AI, GPU servers in data centers are generating increasingly high levels of heat, making it difficult to maintain stable cooling with conventional air-cooling methods. In response, the Group has developed GPU servers that utilize two-phase direct chip cooling (also known as direct liquid cooling, or DLC). Commercial use began in December 2025, marking the first such implementation in Japan.

Two-phase DLC is a technology that uses both liquid and gaseous refrigerants to remove heat by circulating coolant directly over the GPU chip, delivering cooling performance far superior to air cooling. Furthermore, the system's use of an insulating refrigerant prevents damage to devices even in the event of a leak. Reducing the output of high-airflow fans also improves PUE*, contributing to the reduction of energy consumption and CO₂ emissions.

Our Group will continue to enhance our expertise in data center construction and operation, contributing to the advancement of green transformation in data centers.

* Power Usage Effectiveness: An indicator of how efficiently a data center uses electricity

Challenges of conventional methods and solutions through two-phase DLC

Challenges of conventional methods	Solutions using two-phase DLC
1: Air cooling Low thermal conductivity	1: Directly dissipates heat, achieving high heat transfer efficiency
2: Single-phase water cooling Risk of water leakage	2: Ensures safety with an insulating refrigerant
3: Cooling from auxiliary equipment (high-airflow fans, etc.) Increased power consumption and CO ₂ emissions	3: Reduces fan power consumption through highly efficient heat removal

Foundations for two-phase DLC-equipped next-generation data centers

Advanced cooling technology + Expertise in data center construction and operation

Training power line jointers to handle private line construction for renewable energy

With the growing adoption of renewable energy, demand is growing for private transmission line construction—the laying and connection of cables from power plants to the power grids of transmission and distribution companies. At the same time, the power line jointers responsible for connecting extra-high-voltage cables face challenges due to an aging workforce and a shortage of skilled personnel.

Our Group is leveraging technologies cultivated through communications infrastructure construction to retrain communications engineers as power line jointers. As of March 2026, 26 employees have obtained certification from cable manufacturers, qualifying them to handle extra-high-voltage connections of 66 kV or higher.

Since our Group's engineers, who already possess communication engineering skills, can handle both power cable and fiber-optic cable connections, they are expected to contribute to shortening project timelines in the future. Furthermore, by leveraging the capabilities of our Group company, RYOSEI, Ltd., we have built one-stop capabilities covering the full process, from underground cable laying to overhead power transmission and cable connection work.

These talent development and capability-building efforts are directly linked to our ability to handle large-scale private transmission line projects, such as offshore wind power generation, which is expected to gain momentum in the future. Our Group will continue to accelerate investment in talent to ensure we capitalize on the growth of the renewable energy market.



Extra-high-voltage cable connection work



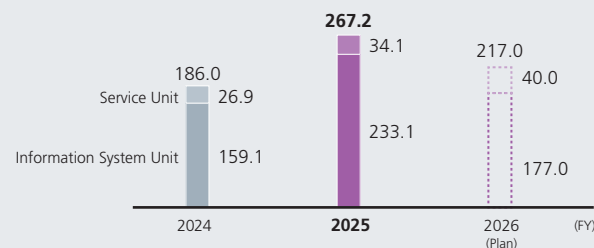
Underground cable laying and connection work



System Solutions business

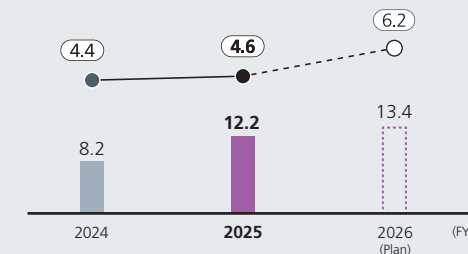
Net sales in FY2025: **¥267.2 billion**

Net sales (¥Billion)



Operating profit / Operating profit margin

■ Operating profit (¥Billion) ● Operating profit margin (%)



Focusing on growth in our DX Support Business

In fiscal 2025, businesses in the education field related to the government's Next GIGA project performed well. In addition to maintaining proactive sales activities targeting customers where our Group has a competitive advantage, we worked to expand our DX Support Business, which involves participating in projects from the initial stages to provide one-stop solutions to customer needs. Furthermore, we worked to expand our business and improve productivity through the use of generative AI, including the establishment of a Generative AI Center and participation in various AI-related events and exhibitions.

Going forward, we will continue to pivot our resources toward high-value-added areas and enhance the sophistication of our customer-centric solutions.



Koichi Maeda

Director and Managing Operating Officer,
Head of System Solutions Segment,
General Manager of Solutions Headquarters,
President and Representative Director, EXEO Digital Solutions, Inc.

	Main businesses	Main customers
Information System Unit	- Large-scale contract development in the public sector, communications, manufacturing, and finance sectors - Network solution services, including servers, wireless LAN, security, cloud, EMS, and sensing - Business support solutions	- IT business operators - General corporations
Service Unit	- Operation/maintenance of customers' systems - Sales/maintenance of various licenses - Managed services	- Education and medical - General corporations



System Solutions business

Medium-Term
Management Plan
(2026–2030)

Basic policy

Deliver customer-oriented solutions by reallocating resources to high-value-added areas and enhancing capabilities to pursue new technology

FY2030 targets

Net sales
¥290.0 billion

Operating profit
¥25.0 billion

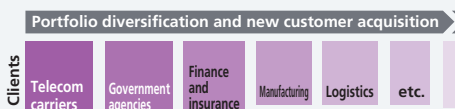
(Operating profit margin)
8.6%

	Market assessment	Strengths
Information System Unit	Opportunities - Growing demand for system upgrades driven by data utilization and AI adoption - Continuing expansion of digital transformation (DX) investment by corporations and government agencies - Increasing demand for enhanced cybersecurity and cloud migration Risks - Constraints on service delivery capacity due to a shortage of system development talent - Service obsolescence resulting from technological innovation - Soaring labor costs due to a shortage of IT talent	- IT engineering capabilities centered around telecommunications facilities construction - Providing all-in-one services from consulting/design/construction to operations and maintenance - Broad support capability through partnership with Group companies with strengths in each field
Service Unit	Opportunities - Increasing demand for subscription-based managed services due to more efficient IT operations at companies - Increasing demand for system operation and maintenance due to digital transformation (DX) Risks - Declining service unit prices due to intensifying price competition - Soaring labor costs due to a shortage of IT talent	- Extensive track record in providing operational support for IoT devices and other technologies in the education sector - Track record in help desk operations including with the NTT Group

Business strategy toward 2030

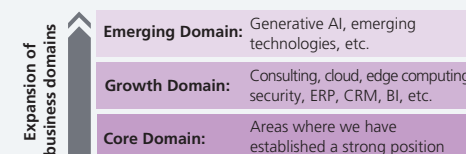
1 Strengthen proposals and diversify customer portfolio

- Develop Group-wide account plans based on client business trends and challenges
- Core Domain: Expand custom development and construction from key clients to heighten loyalty and secure recurring revenue



2 Expand range of solutions and enhance value

- Growth Domain: Accelerate customer-oriented solution offerings, strengthening consulting, cloud, edge computing, security, enterprise resource planning (ERP), customer relationship management (CRM), and business intelligence (BI) proposals to improve customer reach and increase revenue and profits
- Reinforce ERP capabilities to gain competitive advantage delivering all-in-one applications combining low-code software development with security and cloud services
- Emerging Domain: Strengthen R&D in AI and other emerging technologies to deliver new value and acquire new customers



3 Shift talent and skill sets

- Expand business focusing on Growth and Emerging Domains, developing project manager/leader talent skilled in AI and shifting resources to upstream processes
- Promote talent rotation among Group companies to generate synergies

4 Improve productivity

- Integrate AI into business processes to pursue efficient, AI/data-driven operations



System Solutions business Topics

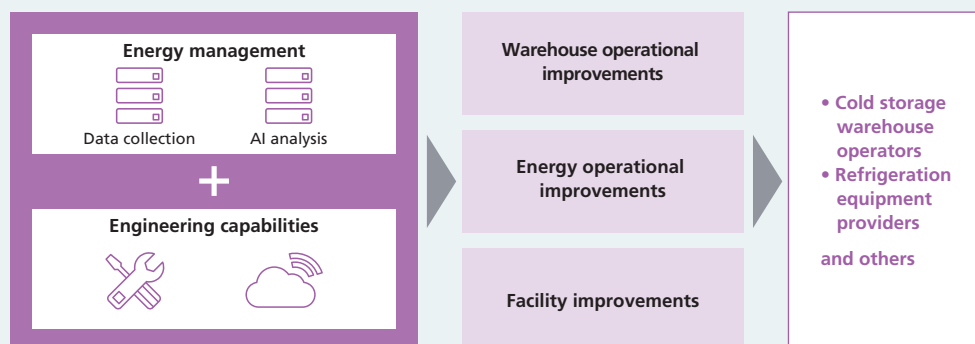
Visualizing experience and intuition with data to demonstrate energy savings in cold storage warehouses

As momentum grows toward a decarbonized society, the cold chain sector—where energy consumption is rising alongside expanding logistics volumes—is one of the key areas requiring green transformation (GX). Given these circumstances, in December 2025, our Group conducted a demonstration analysis in collaboration with Fukuyama Reizo Co., Ltd. (Headquarters: Nagoya City, Aichi Prefecture).

Energy conservation in cold storage facilities has traditionally relied on field experience and intuition; however, in this demonstration analysis, our Group attempted to transform tacit knowledge into explicit knowledge by objectively analyzing data based on Fukuyama Reizo's operational expertise and key decision-making criteria in the field. The analysis revealed that by implementing measures such as revising set temperatures, adjusting defrost frequency, and utilizing pre-cooling operations, energy savings of up to approximately 8% can be achieved while maintaining storage quality.

Going forward, we will collaborate with industry organizations such as the Japan Association of Refrigerated Warehouses to promote energy-efficient operations in cold storage warehouses. Furthermore, through dialogue with stakeholders who share similar concerns, we will work to resolve additional challenges in the cold chain sector.

Approaches to address energy conservation in cold storage warehouses



Launch of a new service to support co-creation, guidance, and implementation of DX for mid-sized companies

In April 2026, EXEO Digital Solutions, Inc. launched EX-LIGN, a new one-stop service designed to support mid-sized companies in advancing their DX.



The primary reason DX efforts stall at many companies is not the technology or tools themselves, but rather the disconnect between management, the front lines, and IT. EX-LIGN is an integrated service offering that directly addresses this challenge by providing one-stop support across the entire process—from identifying issues and formulating roadmaps through consulting, to developing system and network infrastructure, and further to operations and continuous improvement.

In Phase 1, the company is prioritizing the rollout of 13 areas where it has systematized its accumulated knowledge and track record into best practices. Moving forward, in Phase 2, it will expand the scope of these areas while continuing to work closely with clients to support the creation of organizations capable of sustainably advancing DX.

Scope of EX-LIGN services

	I. Initial rollout	II. Expanded rollout
Management strategy/ Business structure	Modernization and optimization of core business operations	- Business performance management, KPIs, and analysis - Enabling data-driven management - Strengthening business competitiveness and transforming business operations
Operations	- Digitalization and reform of field operations - Modernization and operational evolution of IT infrastructure - Creation of revenue opportunities and transformation of the customer experience (CX)	Integration of logistics and supply chains
Human resources and organizations	- Transformation of safety and quality management - Transformation of organizations and talent	- Reform of business processes - Organizations, talent, and governance
Technology infrastructure	- Strengthening security and compliance - Accelerating digital product and service development - Optimizing cloud adoption and utilization	Data centralization and master data integration
Specialized support	- Construction - Medical and welfare - Hotel and lodging - Public sector	- Manufacturing - Education and learning support

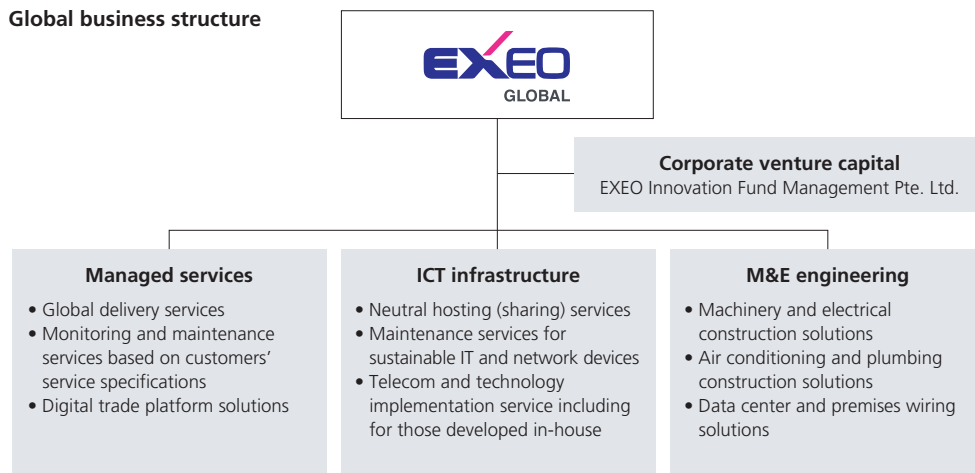
Rebuilding overseas business structures to capture data center demand in the generative AI era

With the rapid adoption of generative AI, data processing volumes are exploding, and new demand centered on hyperscale data centers is expanding globally, even in the field of engineering. Specifically, areas related to GPU servers—such as high-voltage electrical engineering, advanced cooling technologies including air conditioning and direct liquid cooling (DLC), and the installation of large volumes of fiber-optic and LAN cables within server rooms—are attracting significant attention.

EXEO Global is leveraging its strength as a one-stop provider of these solutions in Southeast Asia to maximize business growth in collaboration with our head office in Japan. As for IT equipment installed in data centers and other facilities, growing demand for refurbished older-generation GPU servers—driven by DDR memory shortages and the rapid release of new GPUs—is providing a tailwind for Procurri, the Group company that drives our refurbishment business.

In addition, in our global business, we are focusing on structural reforms such as the integration of Group companies and the consolidation of business sites. In fiscal 2025, we integrated the overhead functions of our global business into EXEO Global and consolidated our overseas sites from 73 at the end of fiscal 2024 to 61. We plan to further consolidate these sites to 48 in fiscal 2026. At the same time, we are expanding shared services across the Group to reduce costs, strengthen Group governance, and improve business quality.

Global business structure



Topics

Surge in data center demand drives growth in fit-out construction needs

With the global adoption of AI, demand for data centers is surging in Southeast Asia and South Asia as well. The Group is advancing fit-out construction projects primarily in Johor Bahru, Malaysia, and Chennai, India.

We are expanding our business scale by dispatching engineers from Japan to enhance construction quality, while leveraging our strength in providing one-stop services for construction, operation, and maintenance.



Supporting the NTT Group's overseas startup partnership event

In September 2025, the NTT Group held Partnership Day in Singapore as a new initiative under the group's program to promote overseas startup partnerships.

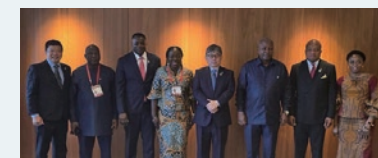
Our Group supported the event by providing EXEO Global's headquarters, The Pulse, as the venue, contributing to the NTT Group's new business initiatives and enhancing collaboration.



Helping to strengthen transportation infrastructure in the Republic of Ghana

In August 2025, Fumitoshi Imaizumi, Managing Operating Officer of the Company and Chief Executive Officer of EXEO Global Pte. Ltd., met with President John Dramani Mahama of the Republic of Ghana, who was visiting Japan for the Ninth Tokyo International Conference on African Development (TICAD 9), and signed an agreement on cooperation for the development of transportation infrastructure, including roads, railways, airports, and maritime transport.

Based on this agreement, we are currently proceeding with the introduction of an integrated passenger information and reservation system, CT-based baggage screening equipment, and shoe security screening equipment at Kotoka International Airport in Accra, the country's capital.



5

Governance of value creation

- 66 Message from the Chairman of the Board of Directors
- 67 Directors and statutory auditors
- 69 Skills matrix
- 70 Corporate governance
- 80 Risk management
- 84 Sustainability
- 85 Respect for human rights
- 88 Internal control
- 91 Supply chain management
- 92 IR activities





Tetsuya Funabashi
Chairman of the Board of Directors

Toward a Board of Directors engaged in constructive discussion to sustainably enhance corporate value

In June 2025, I assumed the role of Chairman of the Board of Directors, shifting my focus away from executive responsibilities as president to a supervisory position overseeing management. As Chairman of the Board of Directors, my top priority is to create a forum and an environment that fosters constructive and substantive discussions aimed at enhancing the effectiveness of the Board.

I chair Board meetings in a way that allows each director, with their specialized expertise and experience, to actively offer suggestions from diverse perspectives. Furthermore, I see differences of opinions as a valuable opportunity to delve deeper into the issues at hand, and I strive to ensure that these discussions lead to higher-quality deliberations. In addition, to ensure that sufficient time is allocated for substantive discussion, outside officers are briefed on the details of agenda items in advance, and our meeting procedures are designed so that each director can fully contribute their expertise on the day of the Board meeting. In formulating Medium-Term Management Plan (2026–2030), which was announced in May 2026, the Board of Directors engaged in lively discussions regarding financial strategies, including cash allocation and shareholder returns, as well as the appropriate nature of management objectives in consideration of our cost of capital.

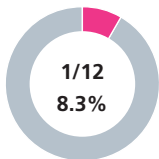
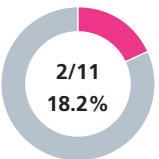
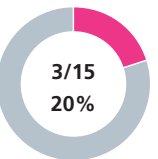
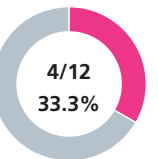
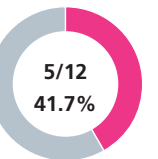
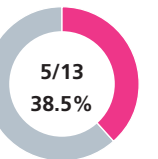
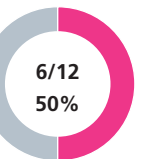
Board members are provided with a wide range of information—not limited to agenda items—including feedback gathered through dialogue

with shareholders and investors, as well as updates on initiatives such as sustainability and information security measures. We also strive to ensure that Board members use worksite visits at actual project locations and other sites to evaluate management’s strategic direction and deepen their understanding of our business.

As a result of these efforts, in evaluations of the Board of Directors’ effectiveness, our outside directors have praised our meetings as “candid forums where opinions can be expressed freely.” That said, improving the effectiveness of the Board of Directors is not a one-time effort; it should be flexibly reviewed in response to changes in the business environment and business structure. Going forward, we will continue our efforts to ensure that the issues identified through the effectiveness evaluation are consistently incorporated into improvements to Board operations.

Ensuring fair decision-making and strengthening corporate governance are my primary responsibilities as Chairman of the Board of Directors. As a Group that supports social infrastructure, including communications services as one of its essential components, we bear a significant responsibility in society. Under our Group purpose, “bring the benefits of connectivity to all,” we will continue to do our utmost to live up to the trust of all our stakeholders and contribute to the sustainable enhancement of corporate value.

Transition to a stronger governance system

	FY2014	FY2015	FY2018	FY2020	FY2023	FY2024	FY2026
Number and percentage of outside directors  Outside directors	 1/12 8.3%	 2/11 18.2%	 3/15 20%	 4/12 33.3%	 5/12 41.7%	 5/13 38.5%	 6/12 50%
Female directors	1	1	1	1	2	2	3
Measure	Appointed the Company’s first outside director	- Increased the number of outside directors to 2 - Using a third-party organization, conducted a questionnaire for evaluating the effectiveness of the Board of Directors	Increased the number of outside directors to 3	- Increased the number of outside directors to 4 - Made outside officers the majority of Nomination Committee and Compensation Committee members	- Increased the number of outside directors to 5 - Made outside officers Chair of both the Nomination Committee and Compensation Committee	Strengthened initiatives to improve the effectiveness of the Board of Directors (e.g., site visits)	Increased the number of outside directors to 6 (50% of directors)

Directors



Keigo Kajimura

President and CEO

Born 1965
Director tenure: 2 years
Number of the Company's shares held: 21,000



Tetsuya Funabashi

Chairman and Director

Born 1956
Director tenure: 8 years
Number of the Company's shares held: 107,000



Noriyuki Watabe

Vice President, Director and
Operating Officer,
Head of Social Infrastructure Segment,
Chief Marketing Officer (CMO)

Born 1958
Director tenure: 4 years
Number of the Company's shares held: 37,000



Shigeki Hayashi

Director and Managing Operating Officer,
General Manager of Accounts & Finance
Division and General Manager
of Corporate Planning Division,
Chief Financial Officer (CFO)

Born 1967
Director tenure: 3 years
Number of the Company's shares held: 14,000



Koichi Maeda

Director and Managing Operating Officer,
Head of System Solutions Segment,
General Manager of Solutions Headquarters,
President and Representative Director,
EXEO Digital Solutions, Inc.

Born 1965
Director tenure: 1 year
Number of the Company's shares held: 13,000



Masaki Kobayashi

Director and Managing Operating Officer,
General Manager of Civil Engineering
Business Division

Born 1966
Director tenure: 1 year
Number of the Company's shares held: 3,000



Yasushi Kohara

Director

Born 1953
Director tenure: 8 years
Number of the Company's shares held: 7,000

Outside
Independent



Naoko Iwasaki

Director

Born 1975
Director tenure: 7 years
Number of the Company's shares held: 3,000

Outside
Independent



Keiji Yoshida

Director

Born 1953
Director tenure: 5 years
Number of the Company's shares held: 8,000

Outside
Independent



Tomoko Aramaki

Director

Born 1968
Director tenure: 3 years
Number of the Company's shares held: None

Outside
Independent

Note: Number of the Company's shares held is rounded down to the nearest 1,000 shares.



Eiichiro Mitani

Director

Born 1961

Director tenure: Appointed in June 2026

Number of the Company's shares held: None

Newly appointed
Outside
Independent



Nobuko Yamakoshi

Director

Born 1967

Director tenure: Appointed in June 2026

Number of the Company's shares held: None

Newly appointed
Outside
Independent

Statutory auditors



Naruhiko Yamada

Standing Statutory Auditor

Born 1963

Statutory auditor tenure: 2 years

Number of the Company's shares held: 17,000



Yuichi Koyoma

Standing Statutory Auditor

Born 1959

Statutory auditor tenure: 1 year

Number of the Company's shares held: 69,000



Eiko Osawa

Statutory Auditor

Born 1963

Statutory auditor tenure: 3 years

Number of the Company's shares held: None

Outside
Independent



Akira Harashima

Statutory Auditor

Born 1960

Statutory auditor tenure: 2 years

Number of the Company's shares held: None

Outside
Independent



Yukako Oshimi

Statutory Auditor

Born 1976

Statutory auditor tenure: 1 year

Number of the Company's shares held: None

Outside
Independent

Note: Number of the Company's shares held is rounded down to the nearest 1,000 shares.

Skills matrix of directors and statutory auditors

■ Director
■ Statutory auditor

Rank	Name	Responsibilities / Roles	Corporate management / ESG	Innovation / DX	Engineering	Marketing / Global business	Finance / Accounting	Legal / Human resources / Labor relations
Chairman and Director	Tetsuya Funabashi	Chairman of the Board of Directors						
President and CEO	Keigo Kajimura							
Vice President, Director and Operating Officer	Noriyuki Watabe	Head of Social Infrastructure Segment, Chief Marketing Officer (CMO)						
Director and Managing Operating Officer	Shigeki Hayashi	General Manager of Accounts & Finance Division and General Manager of Corporate Planning Division, Chief Financial Officer (CFO)						
Director and Managing Operating Officer	Koichi Maeda	Head of System Solutions Segment, General Manager of Solutions Headquarters President and Representative Director, EXEO Digital Solutions, Inc.						
Director and Managing Operating Officer	Masaki Kobayashi	General Manager of Civil Engineering Business Division						
Director	Yasushi Kohara	Independent officer, Chair of the Compensation Committee						
Director	Naoko Iwasaki	Independent officer, Chair of the Nomination Committee						
Director	Keiji Yoshida	Independent officer						
Director	Tomoko Aramaki	Independent officer						
Director	Eiichiro Mitani	Independent officer						
Director	Nobuko Yamakoshi	Independent officer						
Standing Statutory Auditor	Naruhiko Yamada							
Standing Statutory Auditor	Yuichi Koyoma							
Statutory Auditor	Eiko Osawa	Independent officer						
Statutory Auditor	Akira Harashima	Independent officer						
Statutory Auditor	Yukako Oshimi	Independent officer						

Note: These are the skills that each director and statutory auditor is particularly expected to have, and this table does not comprehensively indicate their entire skill sets.

Reasons for selecting the skills required of directors and other officers

Corporate management and ESG	The Board of Directors must deliberate objectively and from multiple perspectives on the appropriateness and risks of business activities, drawing on extensive management experience and broad knowledge. We therefore consider knowledge in governance based on experience in the management of a company to be a prerequisite skill. Since we define the issues to be resolved through our business activities as our materiality and aim to achieve a sustainable society, we have also identified experience, knowledge, and expertise in ESG as required skills.	Marketing and global business	Accurately gauging the business environments and desires of our customers and providing services beneficial to them is fundamental to our business activities and is the source of our value creation. Since we are also operating business globally, it is important to incorporate geopolitical, economic, and government policy trends into our management strategies in a timely manner, and build management and governance structures accordingly. Therefore, we consider experience, knowledge, and expertise in the corresponding areas to be necessary skills.
Innovation and DX	In our 2030 Vision, we have defined “Innovation to solve issues” as one of our three challenges. We will aim to establish more in-depth cycles of value creation and achieve even greater long-term corporate value through the use of digital technology. In order to monitor new value creation through innovation and efforts to leverage data and digital technologies owned by the Group, we have identified experience, knowledge, and expertise related to these areas as required skills.	Finance and accounting	Understanding the cost of capital and having a management mindset with consciousness of share price is key to ensuring growth, efficiency, and soundness of our financial base that can deliver appropriate cash allocations and shareholder returns over the medium to long term. We also consider experience, knowledge, and expertise related to the corresponding areas to be required skills for ensuring the proper supervisory function of the Board of Directors.
Engineering	Our Group’s mission is to leverage the technological capabilities we have attained since our founding in order to deliver solutions to social issues. Deep understanding of the engineering field and experience grounded in problem-solving are important foundations to create new value by integrating technologies and expertise in various areas of business. Thus, we have defined experience, knowledge, and expertise in the corresponding areas as required skills.	Legal, human resources and labor relations	Similar to finance and accounting, these are basic functions that support business management. In addition to being necessary skills for ensuring proper supervisory functions, they are necessary from the standpoint of strengthening and reforming governance. Boosting human capital and improving engagement are particularly crucial to our sustainable growth. We therefore consider experience, knowledge, and expertise related to the corresponding areas to be necessary skills.

Governance system and rationale for adopting this system

The Company has adopted a Company with an Audit and Supervisory Board format, having determined this system to be the most conducive to ensuring appropriate corporate governance. Members of the Board of Statutory Auditors attend meetings of the Board of Directors and other important meetings in accordance with the audit policy and audit plan. They observe, from a perspective of fairness and

impartiality, the execution of duties by the Board of Directors and audit the business and financial conditions of major offices and Group companies.

We have also adopted an operating officers system to separate the management decision-making and supervisory function from the business execution function, to achieve prompt and appropriate decision-making and business

execution while further strengthening our corporate governance. The Board of Directors, chaired by the Chairman, makes decisions on important matters and supervises business execution. Operating officers execute operations based on the Board of Directors' decisions. Furthermore, in our Management Council we discuss important matters pertaining to business execution.

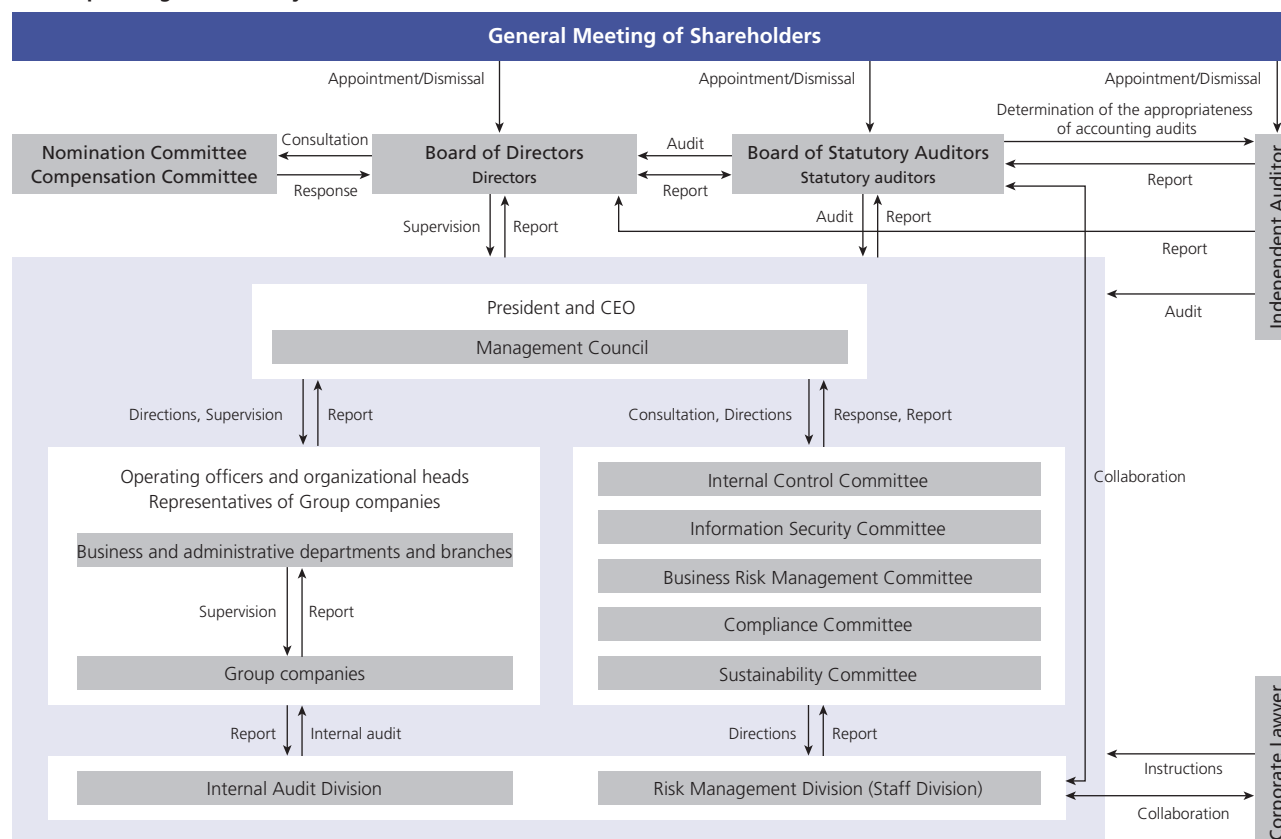
Simplified chart of corporate governance system

Format	Company with Audit and Supervisory Board
Directors	12 (including 6 outside directors)
Statutory auditors	5 (including 3 outside statutory auditors)
Operating officers system	Yes
Operating officers	38
Internal units of the Board of Directors	Nomination Committee and Compensation Committee

Meetings in fiscal 2025

Board of Directors	14 meetings
Board of Statutory Auditors	15 meetings
Nomination Committee	3 meetings
Compensation Committee	4 meetings
Internal Control Committee	4 meetings
Information Security Committee	4 meetings
Business Risk Management Committee	12 meetings
Compliance Committee	4 meetings
Sustainability Committee	2 meetings

Our corporate governance system (As of June 25, 2026)



Board of Directors

The Company works to enhance the effectiveness of its Board of Directors, including by distributing Board meeting materials early, enhancing the explanations provided in advance to outside directors and outside statutory auditors, and arranging for site visits by outside directors and outside statutory auditors. Starting in fiscal 2025, we have established a system to monitor performance across our three segments. In addition, to further enhance strategic discussions from a medium- to long-term perspective, we have set aside time in the afternoon on days when the Board of Directors meets. Furthermore, in formulating the medium-term management plan, which started in fiscal 2026, several discussions were held on dates other than Board of Directors' meeting dates, thereby striving to enhance the quality of deliberations.

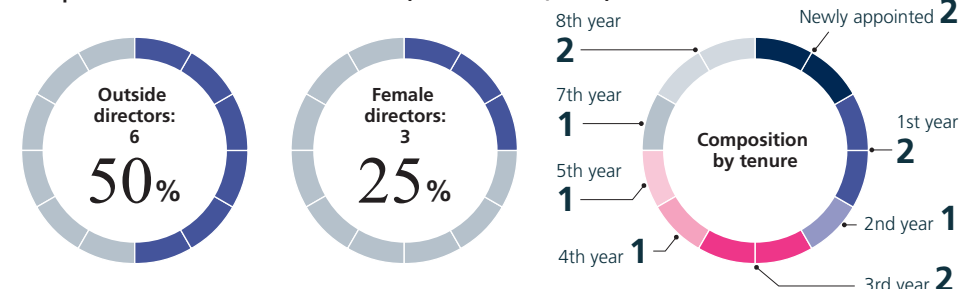
In the Vector Meetings held in conjunction with Board of Directors' meetings to discuss and align business strategies, we addressed 30 items during fiscal 2025.

Key agenda items at the Board of Directors in fiscal 2025 [14 meetings*]

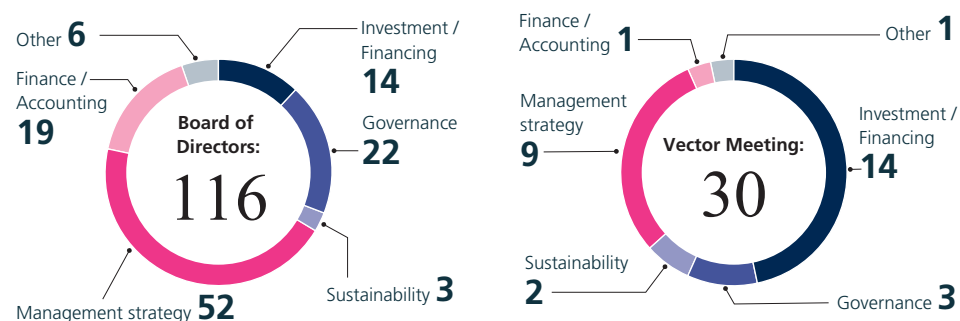
1	April 2025	● Governance: Revision of the Policy on Determining Compensation of Directors (Deliberation) ● Sustainability: Initiatives to Respect Human Rights (Report)
2	May 2025	● Management Strategy: Fiscal 2025 Business Plan (Deliberation) ● Governance: Fiscal 2025 Basic Guideline for Establishing Internal Control Systems (Deliberation)
3	May 2025	● Other: Notice of the 71st (June 2025) Ordinary General Meeting of Shareholders
4	June 2025	● Governance: Evaluation of the Effectiveness of the Company's Board of Directors (Deliberation) ● Governance: The Company's Response to the Corporate Governance Code (Deliberation)
5	June 2025	● Management Strategy: Appointment of the Representative Director and Executive Directors
6	July 2025	● Governance: Board of Statutory Auditors Audit Plan for the 72nd Fiscal Year (Deliberation) ● Governance: Revision of Regulations (Related to the Review of Organizational Functions for Group Companies, etc.) (Report)
7	August 2025	● Sustainability: Establishment of the Environmental Policy (Deliberation) ● Other: Sale of Idle Real Estate (Bundled Sale) (Deliberation)
8	September 2025	● Governance: Revision of Regulations (Related to the Review of Organizational Functions for Group Companies, etc.) (Report)
9	October 2025	● Governance: Verification of Cross-Shareholdings (Deliberation) ● Finance and Accounting: New Financing for Fiscal 2025 (Deliberation)
10	November 2025	● Management Strategy: Shareholder Returns (Deliberation) ● Management Strategy: Reorganization of Subsidiaries (Deliberation)
11	December 2025	● Governance: Review of Various Corporate Governance Committees (Report) ● Management Strategy: Progress on EXEO Global's Key Projects (Report)
12	January 2026	● Management Strategy: Sale of GCL Shares by EXEO Global Asset Holdings Pte. Ltd. (Report)
13	February 2026	● Management Strategy: Share Buybacks and Cancellation of Treasury Shares (Deliberation) ● Management Strategy: Reorganization of Subsidiaries Integration of Shared Services Companies) (Deliberation)
14	March 2026	● Management Strategy: Fiscal 2026 Business Plan (Deliberation) ● Finance and Accounting: Revision of Working Capital Loan Limits and Bank Borrowing Limits for Group Companies (Deliberation)

* Excluding three deemed resolutions

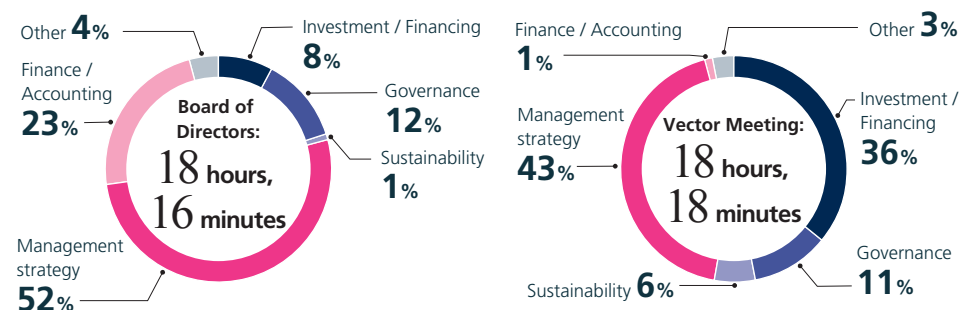
Composition of the Board of Directors (As of June 25, 2026)



Breakdown of fiscal 2025 agenda items



Fiscal 2025 deliberation time by issue



Evaluating the effectiveness of the Board of Directors

To enhance the function of the Board of Directors and corporate value, we evaluate the effectiveness of our Board of Directors based on the results of questionnaire surveys among all directors and statutory auditors, which are collected and analyzed by an external organization to ensure objectivity. Based on the results of the analysis and discussion among the Board of Directors, we have confirmed that our Board of Directors has adequate scale and structure and is appropriately operated to ensure proper decision-making on important management agendas and supervision of business execution.

We also continued early distribution of Board meeting materials and enriched advance briefings in addition to

arranging site visits for independent outside directors and independent outside statutory auditors. During fiscal 2025 we also conducted “Vector Meetings” for 30 projects, in which all business units get together at earlier stages to discuss business strategies and build common ground. Outside directors and outside statutory auditors actively make valid remarks from an independent standpoint grounded on sufficient insight in discussions at meetings of the Board of Directors. We see the undeniable effects of these efforts in the strengthened effectiveness of the Board of Directors.

Effectiveness evaluation process



Survey items (40 questions in 9 areas)

Survey questions on the following items were rated on a five-point scale, with free-response fields provided as necessary.

- | | |
|--|--|
| (1) State of the Board of Directors (governance structure, role) | (5) Internal control, risk management (crisis management framework, monitoring function) |
| (2) Composition of the Board of Directors (members, diversity, necessary skills) | (6) Support for directors and statutory auditors (information provision) |
| (3) Operation of the Board of Directors (number of deliberation items, deliberation time, timing of Board material distribution) | (7) Dialogue with shareholders and investors |
| (4) Management strategy and planning (business portfolio, cost of capital, stock price) | (8) Respondent initiatives (exchanges of views among officers) |
| | (9) Overall evaluation (Board effectiveness) |

Message from an outside director



Naoko Iwasaki
Director

Discussions toward formulation of the medium-term management plan

Many views are exchanged not only during Board of Directors' meetings, but also at Vector Meetings, which are held to align direction on business strategies at an early stage. For agenda items related to the medium-term management plan, discussions have been held from a broad perspective, with constructive dialogue aimed at formulating the growth strategy.

Discussions covered various aspects of strengthening the business foundation under the medium-term management plan, including business strategies by segment, capital efficiency, the balance between investment and shareholder returns, and specific action plans for becoming an AI-centric company, but the issue that drew the most attention was human capital.

The need for an integrated human capital strategy was emphasized, covering not only recruitment and training but also the reemployment of skilled workers, the hiring of non-Japanese talent, and stronger retention measures. Recognizing that securing talent is vital, the Company reaffirmed the importance of continuously enhancing these initiatives and is practicing people-centered management.

Issues identified from the survey results and corresponding action policy

Topic	Description	Actions in FY2026
State of the Board of Directors	- Developing an optimal governance structure - Reviewing the composition of the Board of Directors (including the optimal structure in terms of the number of members and their terms of office) and optimization of functions in light of changes in the business environment - Developing a skills matrix that clearly shows the knowledge, experience, and expertise needed to execute the medium-term management plan - Developing a succession plan for senior management - Developing a governance framework incorporating diverse internal and external expertise to enhance medium- to long-term corporate value	- Assessing the Rules of the Board of Directors (matters requiring resolution) - Reviewing the appropriate size of the Board - Updating the skills matrix to clarify its alignment with the skills needed to drive business operations - Developing a succession plan - Reviewing ways to enhance the effectiveness of the executive side
Operation of the Board of Directors and discussions therein	- Securing time for discussion and deliberation - Enhancing the provision of information to outside directors	- Ensuring sufficient time for Board of Directors' meetings - Business briefings for newly appointed outside directors
Other	Assistance for making appropriate decisions	- Expanding the annual agenda list - Providing outside directors with information on business operations to enhance transparency and effectiveness - Conducting site visits and exchanges of opinions by outside directors and outside statutory auditors

State of monitoring by the Board of Directors

Based on our effectiveness assessments from previous fiscal years, the Group conducts ongoing monitoring of the following topics. The monitoring status for fiscal 2025 is as follows.

State of monitoring by the Board of Directors based on the effectiveness assessment

Topic	Responsible department	Monitoring status
Real estate investment plan	Corporate Planning Division Corporate Real Estate (CRE) Office	Reports regarding execution status of acquisition and sale transactions and refurbishment plans are provided. As the progress against plans is verified, concerns about individual cases are also shared. Regarding sales transactions, we continue to consider bundling harder-to-sell properties.
System investment plans	Digital Transformation Strategic Division	In addition to sharing the status of IT budget use, progress reports regarding the following initiatives are provided: standardizing core systems across the Group, promoting the use of generative AI and field support tools, integrating security and rolling out a standardized security model across the Group, and enhancing data utilization.
M&A investment plans	Strategic Alliances Division	The progress of high-probability transactions in the Group's M&A investment plan is monitored. Concurrently, the progress of post-merger integration (PMI) for completed M&A transactions is also shared, and the Board engages in discussions regarding the full M&A process from a broader perspective.

Topic	Responsible department	Monitoring status
R&D investment plans	Innovation Development Unit	Status of corporate initiatives and support initiatives selected as subjects for R&D and status of R&D Committee operation are reported. Discussions also include R&D management improvements focusing on Group collaboration, appropriate accounting practices, and intellectual property monetization.
Workforce plan	Human Resources Department	The progress of hiring plans for Group companies and the EXEO Group is analyzed by segment and by company. Discussions also cover the effectiveness of various hiring methods, such as strengthening referral and alumni hiring, recruiting non-Japanese talent, converting temporary employees to permanent positions, and direct recruiting.
Training plan	Human Resources Development Department	Progress on various key initiatives such as the Transformational Leader Development Program, development of highly skilled professionals, and one-on-one meeting training for managers, aimed at promoting higher employee engagement and ensuring psychological safety.

Appointing directors and statutory auditors

Message from the Chair of the Nomination Committee



Naoko Iwasaki
Director

Selecting upper management talent capable of driving sustainable growth through frank and constructive discussions

My recent appointment as Chair of the Nomination Committee has bestowed upon me a sense of solemn responsibility in this important role. From my previous participation in committee discussions as one of its members, I have recognized that the role played by the Nomination Committee is becoming increasingly important for the sustainable enhancement of the Group's corporate value.

Amid significant changes in the business environment, I see a director composition that embodies diversity—including of gender, professional backgrounds, and areas of expertise—as a crucial foundation for decision-making based on multifaceted perspectives. I also believe that optimizing the size of the Board of Directors and striking the right balance between inside and outside directors are key issues for achieving effective corporate governance.

Moving forward, building on the discussions held to date, we at the committee will work to select members of upper management that will support the Company's sustainable growth through more candid and constructive discussions, with the aim of achieving the goals of the new medium-term management plan.

Nomination Committee

The Nomination Committee engages in activities with the objective of strengthening corporate governance by ensuring the objectivity, timeliness, and transparency of matters related to the appointment of officers.

During Nomination Committee meetings in fiscal 2025, the committee discussed the size and composition of the Board of Directors with a focus on diversity and, based on those discussions, deliberated on the director candidates selected accordingly. In addition, following the retirement of Director Tatsushi Mochizuki, who served as Chair of the Nomination Committee through fiscal 2025, Naoko Iwasaki, an outside director, assumed the role of Chair of the Nomination Committee in fiscal 2026.

Composition of the Nomination Committee for fiscal 2026

Chair	Members				
					
Naoko Iwasaki Director	Noriyuki Watabe Director	Tomoko Aramaki Director	Eiichiro Mitani Director	Nobuko Yamakoshi Director	
	Outside directors				

Reasons for selection as Chair: As an outside director, Naoko Iwasaki has participated in the Nomination Committee's discussions for many years and has a deep understanding of its role and challenges. Furthermore, given that she is expected to contribute to enhancing the diversity and effectiveness of the Board of Directors through her high level of expertise as an academic and her independent perspective, we determined that she is well-suited to serve as Chair.

Desired qualities and appointment process

Our method for choosing candidates for directors is to hold deliberations in the Nomination Committee, an internal unit of the Board, on those with excellent character and insight, strong

moral character, the energy to drive transformation, leadership skills, and the ability to make accurate decisions. The representative director then gives recommendations, suitability of the candidates is deliberated by the Board of Directors, after which candidates are informally approved, and proposals are submitted to the General Meeting of Shareholders.

Appointments and dismissals of representative directors and executive directors are decided by the Board of Directors.

If there is a director who should be dismissed, the Board of Directors raises a motion for dismissal of the director in the General Meeting of Shareholders.

To choose candidates for statutory auditors, the representative director recommends those with business management experience, expertise in finance and accounting, and the high-level insight needed to fulfill the role of a statutory auditor. Motions are then sent to the General Meeting of Shareholders after approval by the Board of Statutory Auditors.

Composition of the Board of Directors

We are committed to improving the activity level and governance of our Board of Directors by ensuring balance and diversity among their backgrounds and areas of expertise. Based on the belief that the number of directors we appoint enables us to swiftly and accurately accommodate drastically changing business environments, we adopt an operating officers system in order to further accelerate our decision-making.

Successor planning

In addition to internal promotions, we appoint and recruit management talent from outside the Group. From among these personnel, the representative director identifies individuals who deeply understand our Group philosophy and management vision, have high ethical standards, leadership qualities, and the capability to drive the ongoing growth of the Group, and nominates them as successors. Decisions on these successors are then made after deliberation in the Nomination Committee and Board of Directors.

- Web**
- Nomination Committee and Compensation Committee
 - Director appointment, composition, and succession planning

Remuneration of officers

Message from the Chair of the Compensation Committee



Yasushi Kohara
Director

Further enhancing communication with top management and fulfilling our role

It has been four years since I, as an outside director, assumed the role of Chair of the Compensation Committee. At the committee, we manage the Company's officer remuneration system with a constant focus on whether it functions appropriately as an incentive to enhance corporate value and whether it is structured in a way that ensures sufficient understanding and acceptance from all relevant stakeholders.

For fiscal 2025, the committee conducted extensive deliberations on the overall direction of remuneration systems—including revisions to the officer bonus system to ensure a balance with employees, an increase in the proportion of stock-based compensation to further share value with shareholders, and measures to strengthen alignment with the medium-term management plan that was launched in April 2026—and submitted its recommendations to the Board of Directors.

The Company's business has grown significantly over the past few years, and we will continue to proactively refine our remuneration system to support and accelerate this momentum, while ensuring a high level of transparency and fairness. To that end, it is of the utmost importance to further strengthen communication between this committee and top management, and we will fulfill this role to the fullest.

Compensation Committee

The Compensation Committee engages in activities with the objective of strengthening corporate governance by ensuring the objectivity and fairness of the compensation and other conditions of officers.

In fiscal 2025, the committee met four times to deliberate and consider matters related to the officer remuneration system and submitted its recommendations to the Board of Directors. The committee consisted of three outside directors and two inside directors and was chaired by an outside director. In fiscal 2026, as part of efforts to further strengthen governance, the committee's composition has been revised to comprise four outside directors and one inside director. The committee will also increase the frequency of its meetings and further enhance the quality of its discussions.

Composition of the Compensation Committee for fiscal 2026

Chair	Members				
					
Yasushi Kohara Director	Shigeki Hayashi Director	Keiji Yoshida Director	Eiichiro Mitani Director	Nobuko Yamakoshi Director	
	 Outside directors				

Reasons for selection as Chair: Yasushi Kohara has a proven track record of leading discussions within the Compensation Committee as an outside director and contributing to ensuring the objectivity and fairness of officer remuneration. Furthermore, given his practical insights gained through management experience at the Toyota Group, the Company believes he is the right person to lead the design and review of remuneration systems that will contribute to enhancing business value over the medium to long term.

Web

- Nomination Committee and Compensation Committee
- Remuneration of officers

Compensation structure

The compensation for directors (excluding outside directors) consists of base compensation, performance-linked compensation, and long-term incentive compensation.

Base compensation consists of a fixed amount based on rank and is set at an appropriate level based on consideration of the business environment and market rates. In addition, we require directors (excluding outside directors) to contribute a certain percentage or more of their base compensation to the Officer Shareholding Association to acquire the Company's shares.

Bonuses are paid to directors (excluding outside directors) as performance-linked compensation. Bonuses are determined based primarily on performance for the fiscal year under review, while comprehensively taking into account the business environment and other factors. The metrics used for calculating bonuses are set forth on the following page; the

Matters in determining remuneration for directors (and other officers)

Basic policy		• Effectively functioning incentives to drive medium- to long-term growth in business value • Setting levels that enable us to secure and retain outstanding talent • Decision-making processes that are transparent and fair
Decision methodology		Deliberate in the Compensation Committee (chaired by an independent outside director) and approved by resolution of the Board of Directors
Delegation of authority	Scope	The president and CEO determines the specific breakdown of compensation (base compensation and bonus amount for each director) for each individual director based on authority delegated by resolution of the Board of Directors
	Reason	Because the president and CEO is most suited to evaluating the businesses headed by the directors while taking an overall view of the Company as a whole
	Condition	The Compensation Committee verifies the appropriateness of base compensation for each director

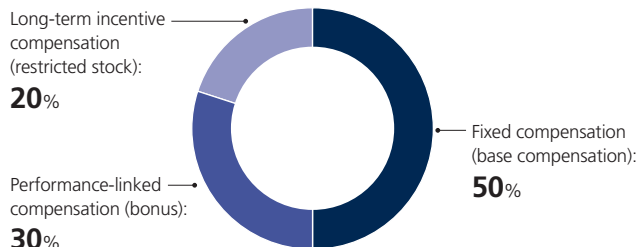
- Web**
- Nomination Committee and Compensation Committee
 - Remuneration of officers

reasoning behind the use of these metrics is that directors have responsibility as managers for the overall consolidated performance. For calculation of bonuses, we multiply base compensation by an index that accounts for achievement level of the business plan and a qualitative evaluation.

We issue restricted stock to directors (excluding outside directors) as a form of long-term incentive compensation. Restricted stock consists of performance-linked restricted stock and continuous service-linked restricted stock.

Furthermore, since outside directors and statutory auditors are independent of the execution of business, their remuneration is limited to base compensation.

Composition of director compensation (excluding outside directors)



Note: Ratios include employee salaries and bonuses in the case of directors who also serve as employees.

Performance-linked compensation (bonus) calculation metrics, targets, and results

Metrics	Targets	FY2025 actual
Consolidated net sales	¥760.0 billion	¥787.7 billion
Consolidated operating profit	¥53.0 billion	¥52.0 billion
Profit attributable to owners of parent	¥32.0 billion	¥31.0 billion
ROE	9.7%	9.4%

Total amount of remuneration, etc., for directors and statutory auditors

Classification of officers	Total amount (¥Million)	By type (¥Million)			Number of eligible officers
		Monetary remuneration		Long-term incentive compensation	
		Base compensation	Bonus	Restricted stock	
Directors (excluding outside directors)	341	155	115	70	10
Statutory auditors (excluding outside statutory auditors)	50	50	—	—	3
Outside officers	Outside directors	63	—	—	5
	Outside statutory auditors	30	—	—	4

Notes: 1. Amounts are rounded down to the nearest million yen.

2. The above figures include two directors and two statutory auditors who retired at the conclusion of the 71st Ordinary General Meeting of Shareholders held on June 25, 2025.

Details of long-term incentive compensation

Type	Performance-linked metrics	Overview and rationale for selection as metrics
Performance-linked restricted stock	Consolidated operating profit CDP score	This stock is granted in accordance with the rank of the employee, based on linkage with the achievement of business results through medium- to long-term consolidated profits, for the purpose of providing medium- to long-term incentives for continued increases in our business value and promoting the sharing of value with shareholders. For performance-linked metrics (number of transfer-restricted shares to cancel decided according to level of achievement), we use consolidated operating profit since it is directly linked to the achievement of performance targets and sharing of value with shareholders, and the CDP score as a metric linked to the practical application of ESG management to increased business value.
Continuous service-linked restricted stock	—	The condition for waiving the restriction on transfer is that the employee continuously serves as one of our directors or in a certain other position for a certain period of time.

Matters concerning resolutions of the General Meeting of Shareholders regarding remuneration, etc., of directors and statutory auditors

Classification	Type of compensation	Maximum compensation amount	Resolutions at the General Meeting of Shareholders
Directors	Monetary remuneration	Up to ¥350 million/year ^{*1}	June 23, 2009 55th Ordinary General Meeting of Shareholders
	Remuneration for performance-linked restricted stock ^{*2}	Up to ¥80 million/year, up to 100,000 shares/year ^{*3}	June 25, 2025 71st Ordinary General Meeting of Shareholders
	Remuneration for continuous service-linked restricted stock ^{*2}	Up to ¥50 million/year, up to 100,000 shares/year ^{*3}	June 21, 2019 65th Ordinary General Meeting of Shareholders
Statutory auditors	Monetary remuneration	Up to ¥100 million/year	June 25, 2025 71st Ordinary General Meeting of Shareholders

^{*1} Not including employee salaries in the case of directors who also serve as employees

^{*2} Outside directors are not eligible.

^{*3} We conducted a two-for-one share split of our common stock with an effective date of April 1, 2024. Accordingly, our upper limit for restricted stock remuneration per year is now 100,000 shares.

Board of Statutory Auditors

The Board of Statutory Auditors considers auditing policies, audit plans, and business management from the sustainability perspective, the development and operational status of internal control systems, the appropriateness of accounting audits, and agreements on the evaluations and compensation of accounting auditors. Additionally, this Board receives detailed explanations from the Finance Department and independent auditors hold lively discussions, and express opinions about key audit matters.

For statutory auditor audits, they conduct audits according to the auditing policy and audit plan in compliance with the statutory auditor audit standards determined by the Board of Statutory Auditors. Specifically, they attend important meetings such as the Board of Directors, audit the

proceedings and resolutions, and express opinions when necessary. Aside from that, they conducted interviews and field visits with the representative director, head office executives, main business locations, and subsidiaries to audit business operations and financial conditions.

Standing statutory auditors report to the Board of Statutory Auditors on the results of their active communication and information sharing with related departments on important decision-related documents viewed, deliberations in the Management Council, and on the various issues. In everyday auditing activities, they gather information internally to comprehend the issues in our business groups and share information and opinions with outside statutory auditors in a timely manner.

Outside statutory auditors express opinions from broad perspectives in the Board of Directors and Board of Statutory Auditors based on their extensive range of work experience and high-level expertise. Exchanging opinions also with the President and CEO, they receive explanations of management policies and leverage their expertise and experience to express their opinions from an outside perspective.

In addition to the above, during fiscal 2025, three outside statutory auditors conducted worksite visits to gain a deeper understanding of business operations. The Board of Statutory Auditors also strives to foster collaboration by providing opportunities for information sharing with outside directors to enhance their ability to gather information without compromising their independence.

Statutory auditors' activities in fiscal 2025

Item	Overview	Number of times	Method used	Standing statutory auditor	Outside statutory auditor
Auditing the execution of duties and tasks by directors, etc.	Meetings with the president	2	Face-to-face	●	●
	Meetings with head office executives	23	Face-to-face	●	●
	Meetings with main business locations	6	Face-to-face and web conference	●	●
Monitoring Board of Directors' meetings	Monitoring actions in decision-making and supervisory duties	15	Face-to-face and web conference	●	●
Monitoring important meetings other than the Board of Directors	Monitoring actions in decision-making and supervisory duties (details of discussions reported to outside statutory auditors in Board of Statutory Auditors' meetings)	62	Web conference	●	—
Reviews regarding internal control systems	Checking internal controls in the Companies Act by auditing the execution of duties by directors and through monitoring and reports at important meetings	5*1	Web conference	●	—
	Verifying reports from independent auditors and the Internal Audit Division on internal controls for financial reporting in the Financial Instruments and Exchange Act	3*2	Web conference	●	●
Accounting audits	Verifying the independence of the independent auditor and determining the adequacy of methods and results of audits related to financial reports (reports from independent auditors)	8	Face-to-face and web conference	●	●
Auditing corporate groups	Attending Board of Directors' meetings of subsidiaries as non-standing statutory auditors	50	Face-to-face and web conference	●	—
	Attending statutory auditors committee meetings of subsidiaries as non-standing statutory auditors	43	Face-to-face and web conference	●	—
	Exchanging opinions with standing statutory auditors of major domestic subsidiaries	1	Face-to-face	●	●
	Exchanging opinions with statutory auditors of domestic subsidiaries	1	Web conference	●	●
	Meetings with major domestic subsidiaries	30	Face-to-face and web conference	●	●
	Meetings with major overseas subsidiaries	1	Web conference	●	●
Worksite visits for deeper understanding of business, etc.	Worksite visits by outside statutory auditors, visits to business locations, exchange of opinions with general managers and other personnel (joint participation with outside directors)	3	Face-to-face	—	●

*1 One for Internal Control Committee reports, four for the Compliance Committee *2 One for independent auditors, two for the Internal Audit Division

Use of outside directors and statutory auditors

Roles and selection policy

As the Company enters the first year of its new medium-term management plan, we have identified strengthening corporate governance as a key issue for achieving sustainable growth and enhancing corporate value. In particular, the Board of Directors is expected to further enhance their supervisory function in management and the quality of strategic decision-making, and the role of outside directors—who play a central role in this effort—is becoming increasingly important. Outside directors are expected to oversee the management

team's execution of business from an independent standpoint, provide advice from a multifaceted perspective that takes into account changes in the business environment and social demands, and enhance the quality of discussions within the Board of Directors. Furthermore, by engaging human resources with specialized expertise, experience, and diverse backgrounds, we are working to enhance supervision functions regarding key management topics, such as strengthening risk management and internal controls, and addressing sustainability challenges.

When selecting outside directors and statutory auditors, we first identify the skills, expertise, and experience required for the overall Board of Directors in light of the Company's

business characteristics, management strategy, and medium-to long-term management issues, and then conduct an objective evaluation based on its skills matrix. When selecting candidates, we place a high priority on their ability to provide effective supervision of management from an independent standpoint, in addition to possessing the expertise necessary to contribute to the Group's sustainable growth. Furthermore, by ensuring diversity in terms of gender, professional background, areas of expertise, and other factors, we are broadening the scope of discussion within the Board of Directors and working to establish a decision-making structure capable of responding flexibly to changes in the business environment.

Reasons for selection and activity status of outside directors and statutory auditors

Job title	Name	Year appointed	Reasons for selection and activity status	Affiliated advisory committees
Directors	Yasushi Kohara	2018	Having gained deep experience and insight in corporate management at the Toyota Group, Mr. Kohara has provided appropriate advice and recommendations in important management decisions of the Company, appropriately fulfilling his role as an outside director.	Compensation Committee (Chair)
	Naoko Iwasaki	2019	Ms. Iwasaki is a leading international researcher and expert on digitalization in international relations, national and local government administration, disaster countermeasures and BCP, aging society, and women's career advancement. She has provided appropriate advice and recommendations in important management decisions of the Company, appropriately fulfilling her role as an outside director.	Nomination Committee (Chair)
	Keiji Yoshida	2021	Mr. Yoshida has a wealth of experience and insight in corporate management as an officer of JFE Engineering Corporation and other companies. He has provided appropriate advice and recommendations in important management decisions of the Company, appropriately fulfilling his role as an outside director.	Compensation Committee
	Tomoko Aramaki	2023	Possessing a wealth of experience and expertise in finance and accounting as a CPA and tax accountant and insight in business management, Ms. Aramaki has provided appropriate advice and recommendations in important management decisions of the Company. She is appropriately fulfilling her role as an outside director.	Nomination Committee
	Eiichiro Mitani	2026	As Executive Officer and CIO of Mitsubishi Electric Corporation, as well as in promoting digital transformation (DX) across the Mitsubishi Electric Group, Mr. Mitani has a wealth of experience and insight in the field of system solutions, including IT, networking, and security. With his track record in building social infrastructure for the power, railway, and government sectors, as well as his experience in developing overseas business, he is expected to contribute to strengthening the Board of Directors' supervisory function and provide strategic advice regarding the Company's operations.	Nomination Committee and Compensation Committee
	Nobuko Yamakoshi	2026	Ms. Yamakoshi has been involved in key positions in central government ministries and local governments for many years. With the insight she has accumulated through her career, she is expected to contribute to strengthening the Board of Directors' supervisory function and to provide advice from a broad management perspective.	Nomination Committee and Compensation Committee
Statutory auditors	Eiko Osawa	2023	Possessing a wealth of global experience and expertise in finance and accounting as a CPA at a major auditing firm, Ms. Osawa has been auditing the business execution of directors from an independent standpoint while also appropriately fulfilling her role as an outside statutory auditor.	
	Akira Harashima	2024	Possessing a wealth of experience and outstanding knowledge in business management, including in global business as an officer at Tokio Marine Holdings, Inc., Mr. Harashima has been auditing the business execution of directors from an independent standpoint while also appropriately fulfilling his role as an outside statutory auditor.	
	Yukako Oshimi	2025	Ms. Oshimi has abundant experience and expertise in law as an attorney at law, has served as a director and Audit & Supervisory Board member at listed companies, and has been auditing the business execution of directors from an independent standpoint while also appropriately fulfilling her role as an outside statutory auditor.	

Initiatives to deepen outside officers' understanding of the business

To facilitate better Board of Directors' meetings, the Company distributes Board of Directors' meeting materials to outside directors and statutory auditors early on, and provides them advance explanations on the backgrounds, objectives, and details of proposals for Board of Directors' agenda items.

In addition, we conduct worksite visits to deepen understanding of the Group's businesses. In fiscal 2025, we conducted worksite visits focusing primarily on locations that had not previously been visited, thereby further deepening the understanding of businesses and facilities.

During visits to business offices, views were exchanged with managers in these areas, such as branch managers, presidents of Group companies, general managers, as well as mid-level and junior employees. Through these dialogues, outside officers have opportunities to deepen their understanding of the Group's business activities, actual conditions at worksites, and its personnel.

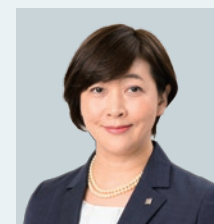
Status of worksite visits in fiscal 2025

Date	Worksite	Participants
October 2025	Shikoku Branch, Kanac Co., Ltd.	Kohara, Mochizuki, Yoshida, Aramaki, Osawa
January 2026	Fuchu General Technical Center	Kohara, Iwasaki, Mochizuki, Yoshida, Osawa, Harashima, Oshimi
March 2026	EXEO Tech Corporation Okuniya Electric Industry Co., Ltd.	Kohara, Yoshida, Harashima



At worksite visits (Top: October 2025, Takamatsu City, Kagawa Prefecture; Bottom: March 2026, Koto Ward, Tokyo)

Message from an outside director



Tomoko Aramaki
Director

High praise for evolution of systems to provide and present information

The Company's system for providing and presenting information to outside directors has evolved significantly in recent years. Compared to when I first took office, improvements have been made in every aspect—including the quality of materials, the timeliness of information sharing, and the availability of opportunities for explanation—showing an environment that is rapidly coming together to support outside directors in fulfilling their roles. I also offer high praise for the fact that a culture of responding promptly and sincerely to new requests is deeply ingrained in the organization.

On the other hand, outside directors have limited opportunities to gain direct access to information from the front lines. In that regard as well, the initiatives we are implementing—such as worksite visits and exchanges of opinion with employees—are extremely valuable for gaining a deeper understanding of the actual situation. These have also contributed to improving the quality of discussions at meetings of the Board of Directors, and I believe they will continue to play an important role.

The environment surrounding publicly listed companies has been changing rapidly in recent years. To adapt to such changes in the business environment, outside directors must also stay up to date. I believe that timely information sharing and training opportunities—which serve to enhance such knowledge—will become increasingly important going forward.

Risk management framework

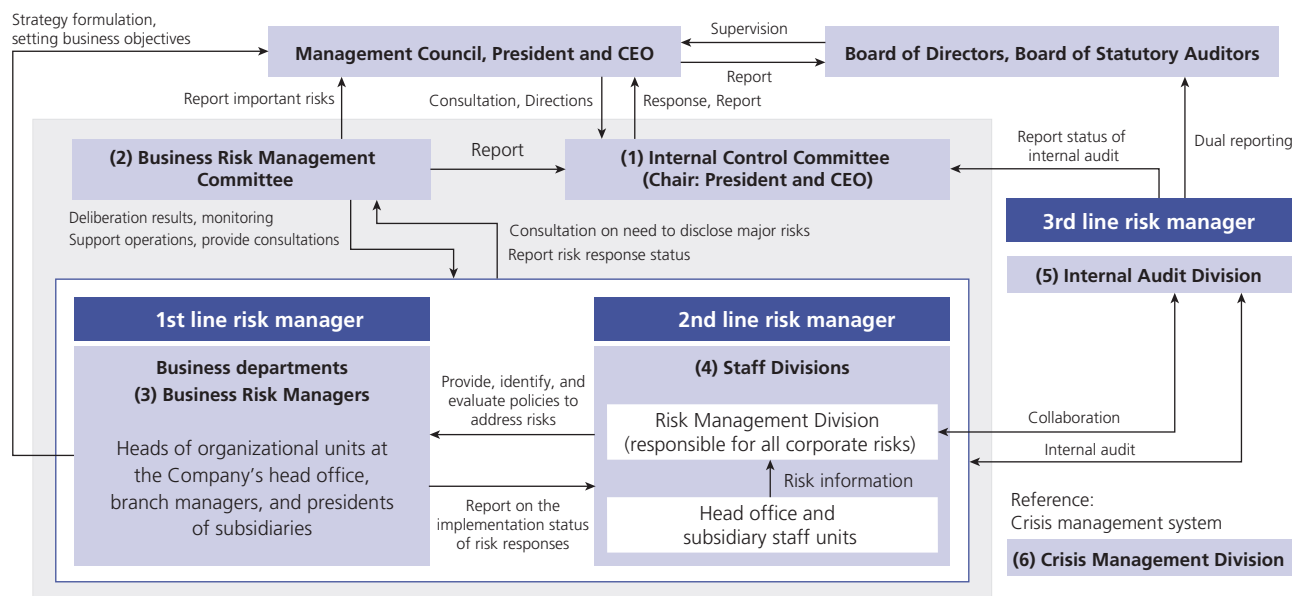
Our Group has established the Risk Management Rules that specify the basic points involved in risk management, and we have implemented a management framework based on the Three Lines Model by the Institute of Internal Auditors. We have established risk categories and their corresponding staff divisions and the Risk Management Division, and have set up the Business Risk Management Committee as the Group-wide risk manager. Through this, we have a system in place to identify and evaluate risks on a Group-wide level, while also formulating and implementing business continuity plans (BCPs) that can keep business functioning.

Additionally, we have established a crisis management system to minimize loss when risks that are larger than anticipated materialize. This includes the task of establishing crisis management committees whenever a crisis arises that could have a significant impact outside the Group.

Meetings in fiscal 2025

Internal Control Committee	4 meetings
Business Risk Management Committee	12 meetings

Risk management framework diagram



(1) Internal Control Committee	- According to our Basic Guideline for Establishing Internal Control Systems, establishes an implementation framework and other measures to ensure observance of laws and regulations, the effectiveness and efficiency of operations, and the reliability of financial reporting - Ascertains and evaluates the status of internal control system operation
(2) Business Risk Management Committee	- Evaluates whether the first line risk manager's formulation and implementation of business strategies and objectives, as well as related performance, align with the Group's mission, vision, and core values - Manages the Group-wide impact of risks resulting from having chosen the aforementioned strategies and business objectives
(3) Business Risk Manager (1st line risk manager)	- Formulates business strategies that align with our Group's mission, vision, and core values - Develops specific risk management plans in accordance with the policies set forth by each staff division and monitors their progress
(4) Staff Division (2nd line risk manager)	- Provides the guidelines for addressing risk in the Group for the applicable risk category - Monitors the appropriateness, effectiveness, and status of corrective actions
(5) Internal Audit Division (3rd line risk manager)	- From an independent standpoint, evaluates the appropriateness and effectiveness of the first- and second-tier managers' performance, implementation processes, and the risk management and compliance structures they have established - Provides information when needed while also requesting improvements
(6) Crisis Management Division	- Oversees Group-wide crisis management operations to ensure business continuity - In the event of an urgent and serious situation, such as a large-scale natural disaster, establishes a crisis management headquarters

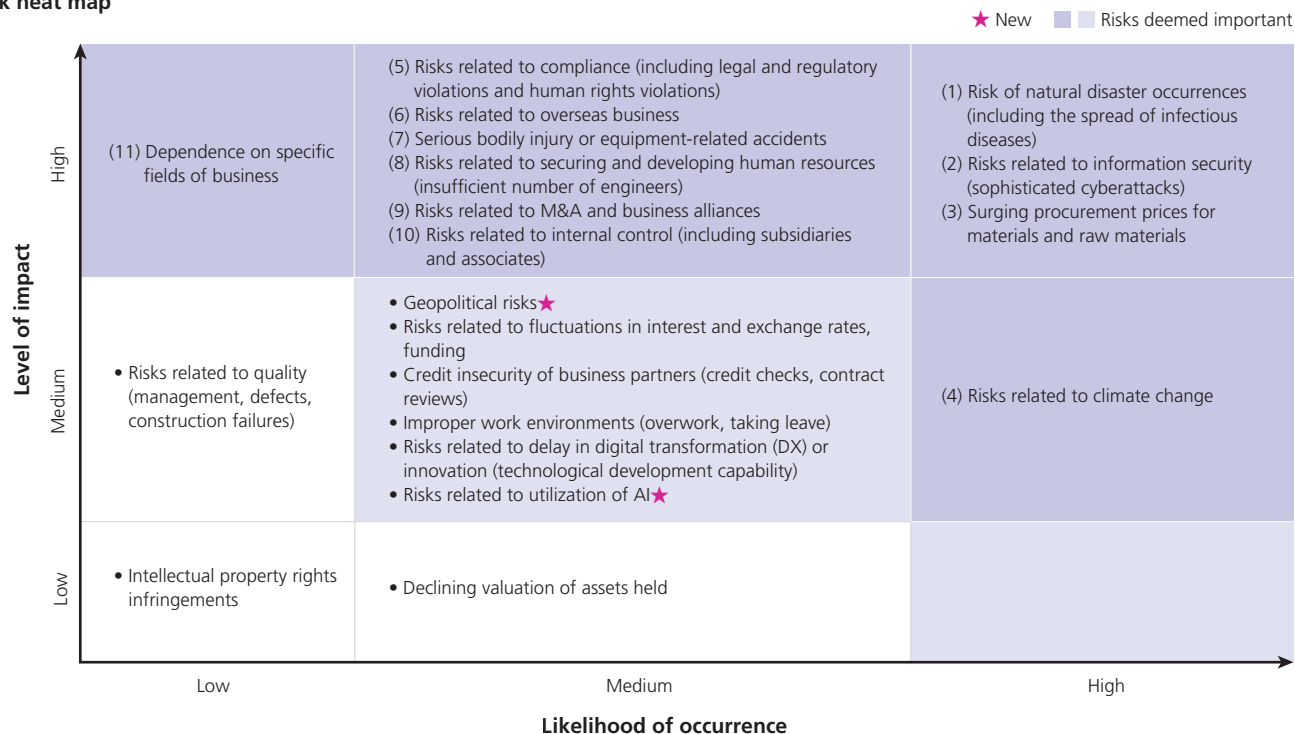
Assessment, management, and monitoring process

The Group creates risk heat maps, graphically indicating priority risks along two dimensions: level of impact and likelihood of occurrence.

In addition, as part of our annual risk assessment process, the Business Risk Management Committee identifies major risks, which are then evaluated and reviewed by the Management Council and the Board of Directors. In this review, we added geopolitical risks and risks related to utilization of AI as new categories, taking into account economic changes driven by international affairs and advancements in AI and other technologies.

The staff divisions corresponding to each risk handle the related risk management and monitoring. Circumstances assessed as serious risks are reported to the Business Risk Management Committee. Concrete actions are taken to mitigate the risks and make improvements based on the Group's organizational structure for risk management.

Risk heat map



Status of addressing important risks

Risk	Primary staff division	Details of risks	Measures to address risks	Relevant pages
(1) Risk of natural disaster occurrences (including the spread of infectious diseases)	Crisis Management Office	Disruption of lifelines, construction stoppages or delays due to shortages of fuel, materials, or personnel, damage to the buildings or equipment of business offices	- Conduct training and prepare rules and manuals - Implement staggered work hours and teleworking systems - Administer flu vaccines in the workplace, etc.	Web - BCP - Work style reform - Health and productivity management
(2) Risks related to information security (sophisticated cyberattacks)	Cybersecurity Division	- Data leakage such as customer technical data and customer data (lost computers or smartphones, theft or mishandling, unauthorized access, computer virus infections, cyberattacks originating externally, etc.) - Lost trust from customers and obligation to compensate damages caused by system outages	- Establish an information security system - Acquire certification and PrivacyMark for information security management systems - Detect and protect against cyberattacks, support actions against viruses and data leaks - Conduct employee education (e-learning, training for spear phishing email attacks, study sessions to raise security awareness, etc.)	→ p. 89, Information security Web Information security
(3) Surging procurement prices for materials and raw materials	Procurement Division	- Unstable procurement (natural disasters affecting suppliers; war, terrorism, and the spread of infectious diseases; instability in international affairs; tightening of export controls and trade restrictions; deteriorating business performance at supplier companies, etc.) - Rising procurement costs (higher raw material prices, soaring energy and fuel costs, increased logistics costs, rising labor and outsourcing costs, impact of exchange rate fluctuations, etc.) - Supply constraints and longer procurement lead times for certain materials, including semiconductors	- Placing materials orders early - Securing diverse suppliers - Passing on cost increases into construction prices - Incorporating conditions for price spikes into contracts - Minimizing the impact of construction schedule adjustments	→ p. 91, Supply chain management Web - Procurement Policy - Procurement Guidelines (Japanese) - Declaration of Intention to Build Partnerships (Japanese)
(4) Risks related to climate change	Sustainability Promotion Office	- Transition risks due to climate change - Physical risks due to climate change	- Reduce greenhouse gas emissions and develop business in the renewable energy field - Strengthen BCP response for disasters and use ICT for safety management and improve work efficiency at construction sites	→ p. 51, Information disclosures based on TCFD recommendations Web - Climate change initiatives - Engagement with the TCFD Recommendations
(5) Risks related to compliance (including legal and regulatory violations and human rights violations)	Risk Management Division	- Amendment or repeal of laws and regulations, changes to applicability of new related rules (Construction Business Act, Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators, Antimonopoly Act, Industrial Safety and Health Act, environmental laws, etc.) - Misconduct or harassment by employees - Behavior that violates human rights across the supply chain - Compliance violations such as leaked personal information or trade secrets	- Swiftly deploy Group-wide methods for dealing with changes to laws - Conduct annual "Legal Compliance Inspection" voluntary self-inspections - Verify the state of compliance through internal audits and implement corrective measures - Conduct compliance education (e-learning training for all employees, level-based training, promoting awareness of the internal reporting system, raising awareness via making posters, etc.) - Instill understanding based on the EXEO Group Human Rights Policy within the Group. Develop a culture where diverse values are respected - Take actions across the supply chain based on the Procurement Policy and Procurement Guidelines	→ p. 90, Compliance → p. 85, Respect for human rights Web - Compliance - Respect for human rights - Anti-corruption and whistleblowing system - Procurement Policy - Procurement Guidelines (Japanese)

Risk	Primary staff division	Details of risks	Measures to address risks	Relevant pages
(6) Risks related to overseas business	Global Business Department	Changes in the business environment in regions where we operate	- Practice governance centered on EXEO Global, our company managing business in Asia - Assign Japanese officers and employees to local subsidiaries - Improve internal reporting systems for employees of overseas Group companies	→ p. 64, Strengthening our global business → p. 90, Group governance
(7) Serious bodily injury or equipment-related accidents	Safety and Quality Management Headquarters	Lost trust from customers, obligation to compensate damages, or fewer chances to receive orders due to incidents or accidents	- Introduce safety-minded vehicles, tools, and equipment - Introduce network camera-based monitoring and safety equipment check functions using AI and DX, take management measures such as hazard prediction training - Deploy dialogue-oriented patrols and recognitions of excellence or praiseworthy cases internally - Obtain and manage certifications for occupational safety and health management and quality management systems	→ p. 88, Occupational safety and health Web - Occupational safety and health - Quality control and customer safety and health
(8) Risks related to securing and developing human resources (insufficient number of engineers)	Human Resources Development Department	Inability to sufficiently secure and train human resources lowers competitiveness of the Group and employee morale	- Strengthen human resource acquisition through diverse hiring methods - Retain and secure human resources by creating comfortable work environments - Strengthen partnerships with partner companies and promote collaborative development	→ p. 44, Human resources strategy Web - Human resource development - Diversity - Work-life balance
(9) Risks related to M&A and business alliances	Strategic Alliances Division	- Inability to identify effective investment opportunities - Inability to earn the initially expected returns on investment - New risks associated with entering new business domains and markets - Goodwill-related impairment losses due to changes in the business environment after acquisition	- Identify potential risks associated with target companies (including investigations by external attorneys and financial advisors, and analysis using WACC as the hurdle rate) - Revise investment criteria and investment decision-making process as needed - Conduct PMI and monitoring after M&A execution	→ p. 42, Group management strategy → p. 90, Group governance
(10) Risks related to internal control (including subsidiaries and associates)	Risk Management Division	Ineffective internal controls	- Establish systems to ensure observance of laws and regulations, effectiveness and efficiency of operations, and reliability of financial reporting according to our Basic Guideline for Establishing Internal Control Systems - Establish an Internal Control Committee to comprehend and evaluate the overall operating state of internal controls	→ p. 88, Internal control Web Internal control
(11) Dependence on specific fields of business	Corporate Planning Division	Changes in telecommunication carriers' capital investment patterns and structures	Implement the respective growth strategies of our three business segments according to Medium-Term Management Plan (2026–2030)	→ p. 13, Medium-term management plan

Web | • Sustainability management
> Organizational system

Sustainability Committee

The Company has established the Sustainability Committee, chaired by the president and CEO. The committee's stated purpose is "deliberating on our direction, important issues, goal setting, and information disclosure in terms of sustainability and monitoring the status of initiatives as part of the Group's business strategy," in the overall scheme of our operations.

In principle, this committee meets twice per year to deliberate and report to the Management Council and Board of Directors on important matters. In fiscal 2025, the committee met twice, in June 2025 and March 2026.

Organizational system for sustainability



Main issues discussed at the Sustainability Committee in fiscal 2025

Regulatory action	• Overview of new obligation to follow Sustainability Standards Board of Japan (SSBJ) standards
Environment	• Establishment of environment policy • Biodiversity initiatives • Implementation of ICP • Initiatives to reduce Scope 2 emissions
Society	• Initiatives to respect human rights • Sustainable procurement activities

Sustainability Promotion Office in the General Affairs Department

We have established the Sustainability Promotion Office within the General Affairs Department as an organization dedicated to sustainability.

This office serves as the administrative center for the Sustainability Committee, and also coordinates with Group companies to set goals and manage progress on various sustainability measures such as climate change, human rights, and natural capital.

Sustainability Promotion Liaison Meeting

To ensure the steady execution of environmental initiatives across the entire Group, we hold an annual Sustainability Promotion Liaison Meeting for the sustainability promoters appointed in each division and Group company. We view this liaison meeting as an opportunity to feature presentations by external experts, review the greenhouse gas emissions status of each Group company—including by the Company itself—align our understanding of reduction measures, and reach a shared understanding of current progress and challenges.

In fiscal 2025, we held a lecture by an external expert titled "Future Sustainability Based on Global Trends," as well as meetings to align understandings regarding the fiscal 2025 activity plan, implementation status, and the rollout of reduction measures.

- Web**
- Respect for human rights
 - EXEO Group Human Rights Policy (PDF)

Human Rights Policy and governance

Basic policy

The EXEO Group believes it is important to take a comprehensive approach—ranging from declaring its commitment to human rights to establishing a system for remedial measures—while taking into account the three key points outlined in the United Nations Guiding Principles on Business and Human Rights (UNGPs). To advance these initiatives, we established the EXEO Group Human Rights Policy in January 2024, based on these principles. Based on

this policy, we will prevent and mitigate risks of human rights violations by conducting human rights due diligence (DD) in line with international standards and utilizing remediation mechanisms as part of our commitment to management that respects human rights.

This policy applies not only to all officers and employees (including contract and temporary employees) of all Group companies, both domestic and overseas, but also calls upon our Group’s customers, suppliers, partner companies, and other business partners to understand and support this policy.

Commitment

As an enterprise operating globally, the Group supports the following international covenants and treaties that have been adopted as common standards for all people and countries to achieve.

In addition, we comply with the laws and regulations applicable to each country and region in which we conduct business activities. In cases where there is a conflict between internationally recognized human rights and the laws and regulations of each country or region, we will seek ways to respect international human rights principles while complying with local laws and regulations.

- Universal Declaration of Human Rights (UDHR)
- International Covenant on Economic, Social and Cultural Rights
- International Covenant on Civil and Political Rights
- UN Guiding Principles on Business and Human Rights (UNGPs)
- ILO Declaration on Fundamental Principles and Rights at Work
- Children’s Rights and Business Principles (CRBP)

Governance

Human rights initiatives are overseen by the Sustainability Committee, which includes the CEO, and are led by the Sustainability Promotion Office of the General Affairs Department (see p. 84, Sustainability). Respect for human rights is considered to be an important sustainability issue and the Sustainability Committee regularly reports to the Board of Directors on the status of human rights DD efforts.

Efforts related to salient human rights issues are reported to the Board of Directors for discussion and supervision.

Applicable scope of the Human Rights Policy (from the Human Rights Handbook)

People connected to the EXEO Group’s supply chain



Raw material procurement

- Workers at suppliers
- Local residents



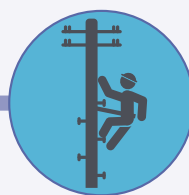
Component manufacturing and processing

- Workers at component manufacturers



Transportation

- Truck drivers
- Transport ship crew
- Local residents



Construction, development, and maintenance

- EXEO Group employees
- Partner company employees
- Local residents



Use

- Corporate customers
- Users



Recycling and disposal

- Users
- Disposal workers
- Local residents

Human rights due diligence (DD) mechanism

The Group will respond appropriately if its business activities cause or contribute to any adverse human rights impacts. We strive to prevent and mitigate adverse human rights impacts that are directly linked to our business activities, products, or services through business relationships, even if they do not contribute to adverse impacts.

In order to fulfill our social responsibility to respect human rights, we will establish a human rights DD system and will implement it on a regular and ongoing basis.

Human rights risk map

In 2024, based on the Guiding Principles on Business and Human Rights, we identified the human rights issues that companies should respect (as outlined in the International Bill of Human Rights and the ILO Fundamental Conventions). Taking into account the likelihood and severity of human rights violations within the Group—and drawing on external data from RepRisk as well as the results of past materiality assessments—we created a human rights risk map. Unlike (a map of) business risks, severity is assessed based on the situation of the victims whose human rights have been violated.

The importance of each issue may change due to shifts in the business environment, social trends, or the occurrence of incidents; therefore, we will conduct regular reviews.

Human rights DD mechanism

Identify adverse impacts

Identify and assess the potential adverse impacts that our business activities and dealings could have on human rights (human rights risks).

- Evaluate priorities, considering the impact on human rights and on business
- Regularly and continuously gather information about areas where adverse impacts are deemed severe and the forms in which adverse impacts arise

Prevent and mitigate adverse impacts

Integrate assessment results into organizational functions and processes to prevent or mitigate potential impact.

- Cease or reduce activities that cause or foster adverse impacts
- Formulate and execute plans to prevent and mitigate potential adverse impacts (training/development and calls to attention for employees, etc.)

Communication

Provide explanations and disclosures on information sets pertaining to policies, progress, and results related to human rights DD.

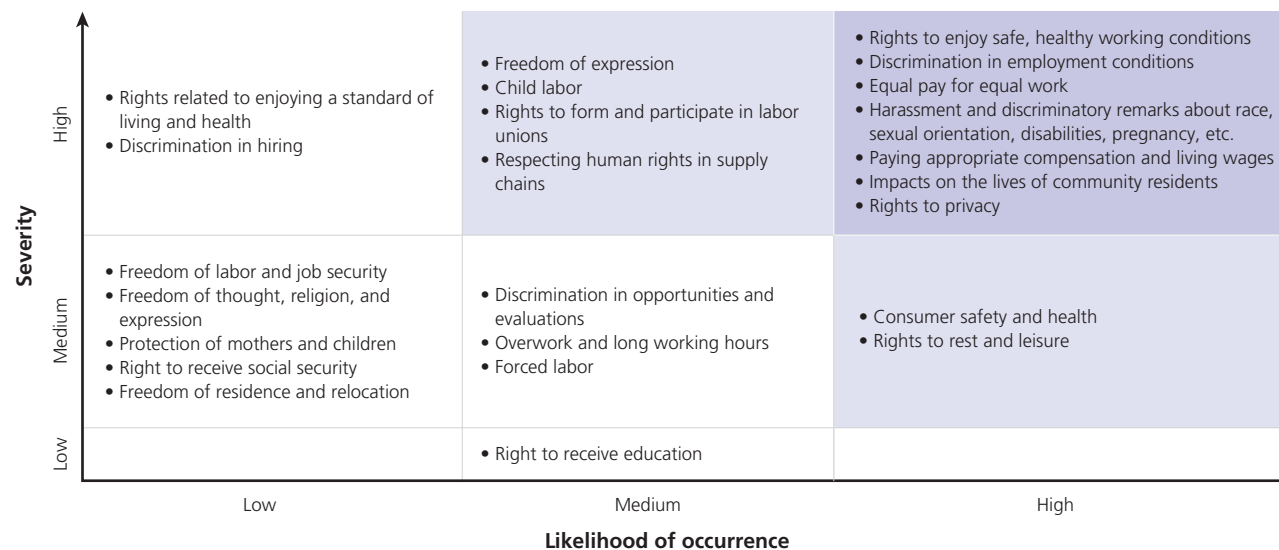
- Continuously disclose information on website and integrated report

Monitoring

Assess effectiveness of the identification, assessment, prevention, and mitigation regarding adverse impacts on human rights, and push forward with improvements based on the results.

- Set the appropriate qualitative and quantitative goals and KPIs, measure the effectiveness of prevention and mitigation measures

Human rights risk map



Human rights issues to address

Identify adverse impacts

We strive to assess the status of human rights initiatives and identify issues across the entire Group.

In fiscal 2025, we distributed a questionnaire consisting of approximately 50 items, categorized by attributes and industry, to 66 locations (18 business departments and branches, 35 Group companies, 7 shared headquarters divisions, and 6 overseas subsidiaries). In addition, at 10 of these locations, we conducted individual interviews with the involvement of external experts to assess the situation through field visits and remote meetings.

Prevent and mitigate adverse impacts

As a general rule, we distribute the Human Rights Handbook and conduct human rights training when new Group employees join their respective companies. In addition to human rights training for all employees across the Group, we conduct a total of three training sessions per year, tailored to specific roles and levels, such as during onboarding and when new managers are appointed, to ensure that our Human Rights Policy is thoroughly understood.

Furthermore, we are committed to regularly sharing information through our intranet, including the regular publication of human rights features starting in October 2025 and the display of human rights posters each

Training completion rate

Goal	FY2023 actual	FY2024 actual	FY2025 actual	FY2030 target
100%	Training not conducted	100%	100%	100%

Note: Excludes employees on leave, etc.

December to coincide with Human Rights Day and Human Rights Week.

Are you causing harassment in the workplace without even realizing it?

- ✓ Forcing someone to stand still in front of others and continue to yell at them loudly for a long time
- ✓ Assuming that your subordinate can't do their job properly, and not giving them work that is befitting of their position (without explanation)
- ✓ Requesting that someone comes to work on their day off or at night, even when it is not essential or urgent
- ✓ Asking someone to do simple or menial tasks (Insufficient demands)
- ✓ Yelling at business partner employees on the phone for long periods of time about dissatisfaction with delivered items
- ✓ Unnecessarily touching someone else's body or persistently asking them to eat together, or go out on a date together Asking about sexual facts or sharing personal sexual experiences
- ✓ Browsing adult sites, and making colleagues who see them feel distressed and unable to concentrate on their work
- ✓ Showing lack of understanding in the workplace environment leading to bullying, prejudice, and harassment based on sexual orientation or gender identity
- ✓ Revealing anything relating to sexual orientation or gender identity to a third party without the person's consent (Outing)



Human Rights Handbook (excerpted)

Monitoring

Once a year, we administer a Human Rights Training Comprehension Test to all Group employees with the aim of reinforcing their basic understanding of respect for human rights, and we also use this test to verify that the knowledge they have acquired has been retained.

In fiscal 2026, we plan to enhance the training curriculum, including the use of generative AI and other tools, to deepen understanding.

Communication

About twice a year, we hold meetings with the Company's labor union to exchange views on human rights. We strive to create a better work environment by sharing the labor union's opinions and requests regarding the Company's difficulties and future initiatives.

In fiscal 2025, we shared information on the results of the fiscal year's human rights initiatives and recent social trends regarding human rights. We also continued our discussions toward holding dialogues involving the Group's labor unions in fiscal 2026 and beyond.

Human rights consultation service

The Group has established a human rights consultation service (internal reporting channel) as a remedial mechanism and is working to raise awareness of the system through regular awareness-raising initiatives.

Since there were no human rights-related consultation cases in fiscal 2025, and given that there may be psychological barriers to using the service, we recognize that we must verify whether the system provides employees with a safe and secure environment in which to seek assistance.

In the fiscal 2026 compliance survey, we will include questions regarding the consultation and reporting service to assess the level of awareness and trust in this service, as well as the factors contributing to a lack of trust. Based on these results, we will consider specific improvement measures.

Occupational safety and health

Safety Action Charter

In March 2026, the Group established the Safety Action Charter. In developing this document, we gathered input not only from the Company but also from our core subsidiaries. In addition, to ensure the same level of safety and quality in the Group overseas as in Japan, we have simultaneously released an English version.

Going forward, by utilizing this code of conduct, we will articulate our Group-wide commitment to safety in the Safety Action Charter and work to further instill and deepen our corporate culture that values safety and quality.

Safety Action Charter (excerpt) Basic philosophy

Regardless of how the times change, in order to continue earning the unwavering trust of our customers so they can entrust us with their work with total peace of mind, we will protect the lives and health of every individual involved in our projects, including our partner companies. Each of us will maintain high safety skills and awareness, and by consistently utilizing superior and advanced technologies, we aim for “Zero Accidents.”

To achieve this, we hereby establish the following Safety Action Charter.

1. We will comply with all laws, regulations, and fundamental rules at all times.
2. If you encounter the unexpected, always: Stop & Look + Report.
3. We will face past accident cases seriously and never allow similar accidents to happen again.
4. We will proactively learn and foster a culture that values communication.
5. We will protect safety with advanced technology.

Education and training

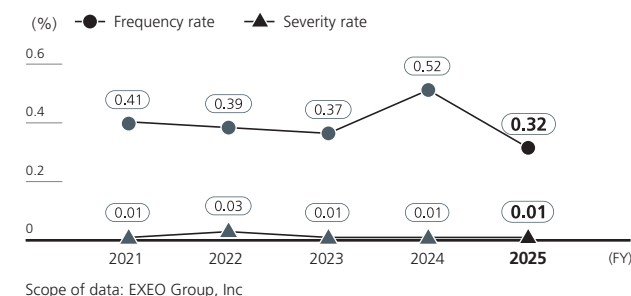
The Group conducts occupational safety and health training based on responsibility levels. We conduct new field leader training programs for newly appointed construction managers and project leaders, as well as experienced field leader training programs for personnel with time already served in these roles.

We also conduct foreman training for those who directly supervise workers on-site.

Training results for fiscal 2025

New field leader training	323 participants
Experienced field leader training	261 participants
Foreman training	112 participants

Occupational accident rates



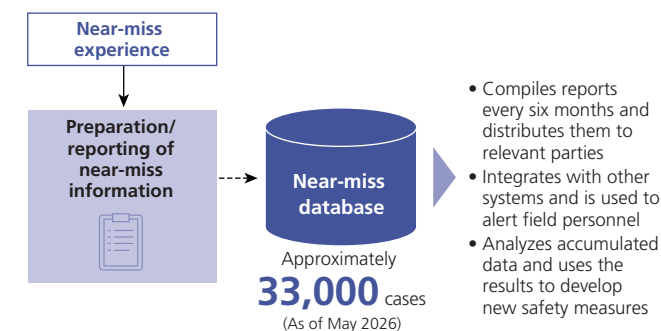
Initiative case study

“Aruaru-kun”: Preventing accidents before they happen by visualizing near-misses

“Aruaru-kun” is a web-based system for collecting, analyzing, and sharing near-miss reports from the field. When workers log near-miss incidents via their PCs or tablets, these incidents are not only shared across the entire organization, but they can also be searched and analyzed. Our Group utilizes this system to provide more effective safety training and prevent serious accidents before they occur. We also utilize best practices by sharing them across the organization to prevent recurrence and improve safety and quality.

Furthermore, to prevent serious accidents, we are promoting the practice of “Stop & Look + Report.” This initiative encourages workers to stop work and consult with or confirm details with the office or a supervisor—rather than making decisions on their own—whenever they have questions or concerns during work, or when unusual or unexpected situations arise, such as discrepancies between instructions and on-site conditions, shortages of equipment or materials, or sudden changes in weather.

Overview of the “Aruaru-kun” near-miss information sharing system



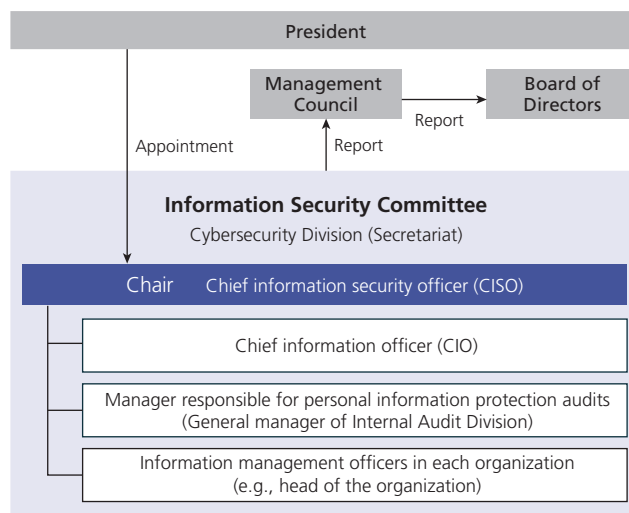
Information security

Organizational framework

In the course of its business operations, the Group handles important information, such as technical data and customer data owned by customers. We are working to strengthen our information security, given the increasingly critical importance of appropriate information management, amid the spread of cloud services and social media.

From an organizational structure perspective, we have developed our management framework through such means as assigning an officer in charge as the chief information security officer (CISO), as well as assigning an information management officer for each organization. At the Information Security Committee, we determine policy for the Group's initiatives, monitor the overall status of the efforts, consider

Information security framework

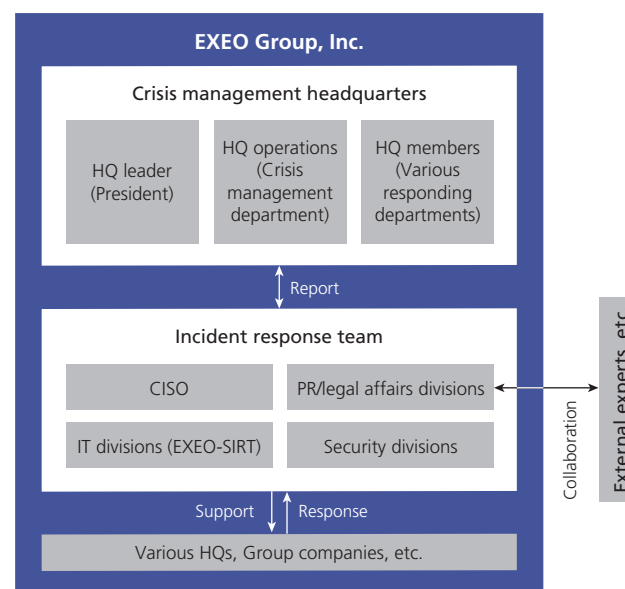


measures to prevent recurrence in the event of an incident, conduct training and make assessments via e-learning systems, and make efforts toward continuous improvement. Furthermore, by providing regular monitoring reports to management and the Board of Directors, we are strengthening management's active engagement in security matters.

In the event of a security incident, the relevant department promptly reports the incident to the division in charge of security and to management. Under a response framework that includes EXEO-SIRT,* we aim to resolve the incident as quickly as possible and implement measures to prevent recurrence. During serious incidents, we set up a crisis management headquarters led by the president and CEO for taking Group-wide actions.

* EXEO-SIRT: EXEO Group Security Incident Response Team

Incident response structure



Education and training

The Group conducts annual educational training on information security and personal information protection for all Group employees. As part of this training, we explain and repeatedly emphasize the importance of safeguarding information, the roles and responsibilities of each employee, the potential consequences of incidents or accidents, and security measures, including case studies based on the Ten Basic Tenets for Preventing Information Leaks.

We also run simulations for dealing with spear phishing email attacks and conduct various types of security inspections.

Completion status of information security training

	FY2023	FY2024	FY2025
Number of participants	20,614	20,725	21,665
Completion rate (%)	100	100	100

Web | • Compliance
• BCP

Compliance

All members of our management team maintain a high standard of ethics when conducting business based on the EXEO Group Basic Actions Declaration. Furthermore, each officer and employee takes principled actions grounded in compliance to fulfill their social responsibility.

All Group employees (including contract and temporary employees) receive basic compliance training upon joining their respective companies, and we conduct annual compliance training for all employees to foster a higher level of awareness.

In addition, in compliance training sessions for our management, we invite external instructors specializing in specific topics to conduct annual sessions that cover timely and management-relevant content.

EXEO Group Basic Actions Declaration

Based on the EXEO Group Compliance Program, the officers and employees of the Group presuppose compliance with not only laws and regulations but also corporate ethics, including the spirit underlying those ethics, and engage in activities with high social value, thereby contributing to society.

Given that a company is part of society, it is a prerequisite for all stakeholders in a company, irrespective of whether they are officers or employees of the company, to comply with laws and corporate ethics when carrying out the company's business operations. Such compliance is also to be expected of us as individual members of society.

In addition, ensuring such compliance is indispensable for the company to maintain the trust of society and realize the Group's corporate philosophy of "Contributing to Society."

In light of the above, we shall without hesitation prioritize laws, regulations, and corporate ethics in case we are forced to choose between earnings or ethics in our own activities.

BCP

Our Group's basic policy is to maintain the minimum necessary business operations based on predetermined roles in the event of a disaster or other emergency (major earthquake, new pandemic, etc.), in order to ensure the future continuation of our business and to prevent or minimize resulting damage to the Group's corporate value.

In the event of a disaster or other emergency, we have designated priorities for work operations in advance, taking into consideration that in-house resources could be limited under such circumstances.

Development and training

To ensure that processes and operations can be carried out smoothly in the event of a disaster or other emergency, our Group conducts training and other sessions for employees and other personnel (including contractors) upon joining their respective companies and at least once a year.

In addition, we conduct drills at least once per year to practice the procedures to be followed when the BCP is activated (including safety confirmation). Measures are implemented to address the issues discovered in the response drills and are used to improve our BCP. In fiscal 2025, in light of the recent trend toward increasing cyberattack risks and drawing on incidents that have attracted public attention, we conducted cyberattack response drills based on practical scenarios.

Group governance

We ensure the reliability and appropriateness of our Group companies' sales results, financial status, and other key management information by enforcing a reporting and/or approval process by the Company according to our stipulated rules for subsidiaries. The Company's Internal Audit Division audits the effectiveness and appropriateness of each Group company's work operations.

We formulate a medium-term business plan for the business execution of directors at Group companies and find ways to ensure their efficiency. We also install divisions in the Company to manage Group business and strive to operate business smoothly through Group company president meetings and other arrangements.

For risk management, we formulated the Risk Management Rules for the Group as a whole, and we manage risks throughout the Group in an all-inclusive and comprehensive manner.

For compliance, we established our Group compliance risk control standards. Based on unified rules that meet the standards expected by society, we are establishing the structures and operational processes that will be the foundation for compliance-related activities by each Group company while steadily and thoroughly implementing compliance programs.

Basic policy

Procurement Policy and Procurement Guidelines

In April 2024, the Group established and published the Procurement Policy to promote responsible procurement activities. Then in September of the same year, we enacted and published our respective Procurement Guidelines, which specify what we expect our business partners to observe regarding the Procurement Policy.

Going forward, the Group will continue to work toward building a fair and sustainable supply chain by appropriately complying with laws and regulations and responding to social demands, as well as through dialogue with its partner companies. Internally, we will share the principles of responsible procurement through training for all employees, and we will also work to extend these principles to our Group companies.

Declaration of Intention to Build Partnerships

The Group places a high priority on collaboration and mutual prosperity with the partner companies that make up its supply chain, and we are committed to ensuring fairness and transparency in our business dealings.

The Declaration of Intention to Build Partnerships was initially published across our Group companies in September 2024. In response to the amendment to the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises, which took effect in January 2026, we have revised and resubmitted the declaration. In this revision, we have made it clear that we expect not only our direct business partners but also their suppliers to embrace the concept of mutual prosperity throughout the entire supply chain and to demonstrate a commitment to understanding and complying with the overall promotion standards as described in the amended Act.

Our Group will continue to build partnerships based on trust through ongoing improvements aimed at ensuring fair business practices.

Specific initiatives

Confirming partner agreement and conducting surveys

In fiscal 2025, we reached out to all 1,719 partner companies to confirm their agreement to our Procurement Policy and Procurement Guidelines. As a result, we received understanding and agreement for said policy and guidelines from 1,238 companies, representing approximately 72% of all partner companies (76% of total procurement value).

In addition, we conducted surveys to gather responses based on each company's self-assessment of the status of their initiatives. The responses revealed that many of our business partners are implementing sustainability procurement initiatives. On the other hand, we also recognized that there are still some challenges remaining, as a small number of business partners have yet to address certain items.

In fiscal 2026, we plan to conduct similar surveys to confirm agreement and gather feedback from our six major subsidiaries.

Survey responses (EXEO Group, Inc.)

Fiscal year	Companies contacted	Responses received	Share of procurement value	High-risk companies
2025	1,719	1,238	76%	11

Note: Refers to business partners with large transaction volumes that have yet to address certain items

Web

- Procurement policy
- Procurement Guidelines (Japanese)
- Declaration of Intention to Build Partnerships (Japanese)

Improving operational efficiency and transparency through digitalization

In fiscal 2025, in conjunction with the Group's IT initiatives, we moved forward with the implementation of an electronic data interchange system for purchasing, an outsourcing contract management system, and an electronic contract system (CONTRACTHUB) with the aim of improving operational efficiency and transparency in procurement and outsourcing operations.

As a result, we expect to standardize business processes across the entire Group, such as ordering, contracting, and performance management, facilitate the exchange of information with partner companies, and raise management standards to ensure quality and safety.

Internal awareness-raising

In fiscal 2025, the Company conducted training on its Procurement Policy and Procurement Guidelines, and all employees completed the training.

As for Group companies, we have begun training at our six major subsidiaries and plan to complete this during fiscal 2026. We plan to roll out similar initiatives at other Group companies starting in fiscal 2026.

Awareness-raising for partners

In fiscal 2025, in order to foster a common understanding throughout the supply chain, we provided information on key issues, such as human rights, safety and health, and the environment, as specified in our Procurement Guidelines when conducting our partner surveys. This helped raise awareness among our partner companies, encouraging them to take the initiative in advancing these efforts.

Going forward, we will continue to use these initiatives to strengthen the foundation of our entire supply chain.

Implementing management conscious of cost of capital and stock price

We have held a series of discussions in our Board of Directors' meetings regarding the request made by the Tokyo Stock Exchange in March 2023 that all listed companies on the Prime and Standard Markets take "action to implement management that is conscious of cost of capital and stock price." Currently, we understand our cost of capital to be around 8%, and we will focus on achieving a high ROE level that consistently exceeds cost of capital from a medium- to long-term perspective. In line with this fundamental approach, we have set a target ROE of 12% in the new Medium-Term Management Plan (2026–2030).

To achieve this target, we are continuing our efforts toward maximizing profit while simultaneously pursuing capital efficiency that does not accumulate more equity than necessary. We have increased our dividends in line with our dividend policy targeting a dividend on equity (DOE) ratio of 4.5% while continuing to purchase treasury shares, aiming for a total return ratio of 60%. Alongside these efforts, we intend to foster stronger relationships with external parties by strengthening our IR activities and working to sustain and improve our price-to-book (P/B) ratio.

Initiatives to enhance dialogue

Three dedicated personnel for IR are assigned to the Corporate Communications Office of the Corporate Planning Division, where they engage in daily IR activities.

We also coordinate with the Corporate Planning Division, Accounts & Finance Division, General Affairs Department, Risk Management Division, and other related divisions, business divisions, and subsidiaries of the Group to promote dialogue

and ensure the effectiveness of our IR activities.

We also post the same level of information provided to management to our intranet as part of our efforts to create an environment where all employees can access external information. In addition, we actively share the state of our IR activities at meetings attended by presidents of Group companies.

IR initiatives

Main voluntary disclosure materials	- Financial results presentation materials - Financial results supplementary materials - Monthly orders received
English disclosure	Publishing English-language materials substantially equivalent to the Japanese materials
Quiet period	Four weeks leading up to financial results announcement
General Meetings of Shareholders	- Avoid days with high concentrations of other shareholders' meetings - Dispatch the convocation notice early - Disclose the convocation notice prior to dispatch - Enable online exercise of voting rights - Participate in the voting rights exercise platform - Introduce a smartphone-based voting right exercise service - Accept questions in advance - Hold hybrid interactive and virtual General Meetings of Shareholders - Disclose an English-language convocation notice

IR activities statistics

Meetings	Speaker	FY2023	FY2024	FY2025
Financial results briefings	President and CEO	2	2	2
Small meetings	President and CEO	7	6	6
One-on-one meetings	General Manager of Corporate Planning Division	24	24	20
	Outside directors	1	—	1
	IR representative	136	104	128
ESG meetings	Head of relevant division or organization	3	2	1
Attend conferences hosted by securities companies	President and CEO	1 (6 sessions)	—	—
Visit overseas investors (including online)	President and CEO	2 (15 sessions)	2 (17 sessions)	2 (16 sessions)
	General Manager of Corporate Planning Division	1 (7 sessions)	1 (12 sessions)	1 (9 sessions)
Individual investor briefings	IR representative	2	2	3
Briefings at sites	IR representative	1	2	1

Main questions from institutional investors

- NTT East and NTT West's investment trends regarding telecom infrastructure
- Information on and future outlook for orders received from mobile communications carriers
- Background behind profit increases in the Communications Infrastructure segment
- Status of data center project orders and medium- to long-term outlook
- Overview and future impact of unprofitable projects
- Factors driving profit increases in the System Solutions segment
- Progress of improvements in global business
- Response to lengthening cash conversion cycle (CCC)
- Room for streamlining the balance sheet
- Approach to modifying the basic policy on shareholder returns (dividends, treasury share buybacks)
- Background to the revision of the fiscal 2025 earnings forecast and factors behind the shortfall in results
- A review of the medium-term plan that concluded in fiscal 2025 and direction of the new medium-term plan

Major initiatives originating from institutional investors' opinions

- Canceled treasury shares (FY2021 to present)
- Disclosed profit by segment (FY2021 to present)
- Held one-on-one meetings with outside directors (FY2023, FY2025)
- Held information sessions at worksites (FY2024 to present)
- Disclosed orders and sales by business unit (FY2025 to present)

Eleven-year financial data

Item	Unit	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Operating results												
Orders received	¥Million	300,438	324,102	325,029	424,318	556,321	631,088	595,373	625,689	656,533	712,415	811,839
Net sales of completed construction contracts	¥Million	287,437	298,825	312,669	423,727	524,574	573,339	594,840	627,607	614,095	670,822	787,715
Gross profit on completed construction contracts	¥Million	35,795	38,480	43,354	58,337	68,327	75,865	84,323	81,837	89,158	100,481	114,670
Selling, general and administrative expenses	¥Million	17,382	17,607	17,732	26,620	37,226	39,241	41,942	49,285	55,037	58,016	62,654
Operating profit	¥Million	18,412	20,873	25,621	31,716	31,100	36,623	42,380	32,552	34,121	42,465	52,016
Ordinary profit	¥Million	18,512	21,409	26,448	33,431	30,669	38,186	45,217	33,771	36,922	43,508	52,723
Profit attributable to owners of parent	¥Million	12,184	13,789	17,993	40,219	15,603	24,192	27,766	22,391	20,058	26,855	31,031
Capital expenditures	¥Million	13,215	7,139	4,256	3,945	15,855	12,239	20,802	15,263	20,710	21,328	15,685
Depreciation	¥Million	3,001	3,251	3,272	4,725	6,473	6,789	7,414	8,700	10,142	11,439	12,799
Financial status												
Total assets	¥Million	238,301	243,438	261,305	416,483	444,905	491,574	535,617	577,941	591,637	642,505	691,154
Property, plant and equipment	¥Million	59,830	62,002	62,664	97,955	107,677	113,375	126,900	135,635	145,954	155,716	154,475
Net assets	¥Million	151,241	158,280	176,101	267,811	270,109	288,884	307,053	308,100	319,217	326,783	346,736
Balance of interest-bearing debt (balance of loans payable, bonds payable, etc.)	¥Million	16,299	12,825	11,435	18,049	47,167	57,520	80,619	115,716	106,431	133,843	141,759
Cash flow status												
Cash flows from operating activities	¥Million	5,389	15,504	24,800	12,770	17,299	6,301	26,406	5,483	41,902	6,842	33,230
Cash flows from investing activities	¥Million	(13,907)	(6,027)	(4,538)	(17,609)	(17,085)	(9,249)	(20,388)	(13,332)	(13,591)	(18,432)	(14,989)
Free cash flow	¥Million	(8,518)	9,477	20,262	(4,839)	213	(2,947)	6,018	(7,849)	28,311	(11,589)	18,240
Cash flows from financing activities	¥Million	313	(10,230)	(5,137)	(4,924)	4,227	(1,750)	5,023	3,298	(30,555)	2,887	(16,505)
Cash and cash equivalents at end of period	¥Million	16,037	15,241	30,343	41,469	46,012	41,246	53,727	50,204	47,430	39,413	41,376
Per share data*												
Earnings per share (EPS)	¥	62.95	72.62	94.71	195.12	69.87	108.67	125.32	103.22	94.76	128.97	151.13
Net assets	¥	784.54	834.15	921.48	1,171.71	1,197.58	1,288.39	1,374.11	1,416.85	1,490.44	1,551.71	1,676.23
Cash dividend	¥	19	23	25	35	40	41	48	51	60	63	68
Payout ratio	%	30.2	31.7	26.4	17.9	57.2	37.7	38.3	49.4	63.3	48.8	45.0
Financial indices												
Operating profit margin	%	6.4	7.0	8.2	7.5	5.9	6.4	7.1	5.2	5.6	6.3	6.6
Profit attributable to owners of parent to net sales	%	4.2	4.6	5.8	9.5	3.0	4.2	4.7	3.6	3.3	4.0	3.9
Return on equity (ROE)	%	8.2	8.9	10.8	18.3	5.9	8.8	9.4	7.4	6.5	8.5	9.4
Return on assets (ROA)	%	5.2	5.7	7.1	11.9	3.6	5.2	5.3	4.0	3.4	4.4	4.7
Equity ratio	%	63.3	64.8	66.6	63.4	59.9	58.1	56.6	52.5	52.9	50.0	49.5
Stock price*												
Highest stock price	¥	771.5	872.0	1,537.5	1,705.0	1,567.5	1,515.0	1,532.5	1,241.0	1,685.0	1,859.5	3,003.0
Lowest stock price	¥	548.0	571.0	779.5	1,154.5	953.0	1,091.0	1,130.5	1,017.0	1,184.0	1,350.5	1,502.0

* We conducted a two-for-one stock split for common stock effective April 1, 2024. Numerical values shown for past years are recalculated figures taking this stock split into consideration.

Five-year non-financial data

Item	Unit	Scope of data	FY2021	FY2022	FY2023	FY2024	FY2025	FY2030 targets
Environment								
CO ₂ emissions (Scope 1 and 2)	Thousand t-CO ₂ e	Consolidated (domestic and overseas)	79.9	76.9	71.7	66.9	61.9	-43.9% vs. FY2020
Procurement of renewable power	%	Locations managed by EXEO Group, Inc.	33.6	73.2	77.8	94.5	100	100
Adoption rate of EVs and other low-emission vehicles	%	EXEO Group, Inc. general vehicles	95.5	96.1	96.7	96.8	100	100
Usage rate of green products	%	EXEO Group, Inc.	71.4	78.0	82.1	88.0	94.8	95
Final disposal rate of industrial waste	%	EXEO Group, Inc.	2.5	3.2	3.3	2.7	2.7	2.8
CDP evaluation (climate change)	—	Consolidated (domestic and overseas)	—	B	A-	A	B	A
Social								
Number of women in managerial positions ^{*1, *2}	People	EXEO Group, Inc.	22	27	35	41	43	5% or more
		Consolidated (domestic)	40	42	57	141	162	—
Ratio of women in managerial positions	%	Consolidated (domestic) ^{*3}	1.6	1.7	2.3	3.5	3.8	—
Number of female employees ^{*2}	People	EXEO Group, Inc.	313	328	343	365	379	11% or more
		Consolidated (domestic)	538	560	595	2,716	3,131	—
Percentage of male employees taking childcare leave ^{*4}	%	EXEO Group, Inc.	7.5	17.5	32.9	35.3	85.3	85%
		Consolidated (domestic)	—	—	—	40.7	81.8	—
Percentage of annual paid leave taken	%	EXEO Group, Inc.	64.5	76.0	78.8	78.5	82.0	85%
		Consolidated (domestic)	62.1	71.5	74.1	66.9	70.3	80%
Employee satisfaction level in the engagement survey ^{*5}	%	EXEO Group, Inc.	—	—	—	84.6	85.2	—
		Consolidated (domestic)	—	—	—	78.8	79.6	80% or more
Ratio of mid-career hires	%	EXEO Group, Inc. ^{*6}	25	26	24	38	34	—
Serious bodily injury or serious equipment-related accidents	Cases	EXEO Group, Inc. and its five major subsidiaries ^{*7}	4	4	2	5	3	Aim for zero
Human rights training completion rate ^{*8}	%	Consolidated (domestic and overseas)	—	—	—	100	100	100
Cumulative number of employees who completed the Transformational Leader Development Program	People	Consolidated (domestic)	24	362	589	907	1,105	1,885
Standardized platform adoption rate ^{*9}	%	Consolidated (domestic and overseas)	8.5	23.0	22.5	59.5	82.0	100
Governance								
Serious violations of laws and regulations	Cases	Consolidated (domestic and overseas)	0	0	0	0	0	Aim for zero
Serious information security incidents	Cases	Consolidated (domestic and overseas)	0	0	0	0	0	Aim for zero
Rate of risk assessment implementation for cases involving significant business risks	%	Consolidated (domestic and overseas)	100	100	100	100	100	100
Percentage of outside directors	%	EXEO Group, Inc.	36.36% (4 of 11)	36.36% (4 of 11)	38.46% (5 of 13)	38.46% (5 of 13)	38.46% (5 of 13)	More than 50%
Percentage of outside statutory auditors	%	EXEO Group, Inc.	60% (3 of 5)	60% (3 of 5)	60% (3 of 5)	60% (3 of 5)	60% (3 of 5)	More than 50%
Other								
Number of consolidated employees	People	Consolidated (domestic and overseas)	15,847	16,772	17,056	17,260	17,751	—
Number of consolidated subsidiaries	Companies	Consolidated (domestic and overseas)	107	135	142	139	136	—

^{*1} Includes operating officers ^{*2} Calculated based on hiring company (including secondment) ^{*3} Until fiscal 2023, EXEO Group, Inc. and its five major subsidiaries (C-Cube Corporation, Seibu Electric Industry Co., Ltd., Nippon Dentsu Co., Ltd., Daiwa Corporation, and EXEO Tech Corporation)

^{*4} Includes contract employees ^{*5} Percentage of respondents indicating they agree or somewhat agree to a four-option question asking about overall satisfaction

^{*6} Calculated using total new graduate hires, mid-career hires, and hires accepted through other companies as the denominator

^{*7} C-Cube Corporation, Seibu Electric Industry Co., Ltd., Nippon Dentsu Co., Ltd., Daiwa Corporation, and EXEO Tech Corporation

^{*8} Excludes employees on leave, etc. ^{*9} Percentage of Group employees able to use dashboards on the data utilization portal, etc.

Measures to combat climate change

CDP is a London-based global nonprofit organization that collects, analyzes, and evaluates information about the environmental activities of major companies around the world. In fiscal 2024, the Group was selected as an “A List” company, the highest rating in the field of climate change, for the first time.

SBT

In July 2024, our greenhouse gas reduction targets for 2030 received Science Based Targets initiative (SBTi) validation as being based on scientific evidence.

Outstanding Organization of KENKO Investment for Health

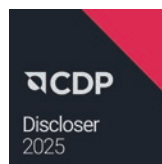
In March 2026, we were certified by the Ministry of Economy, Trade and Industry (METI) as a “2026 Outstanding Organization of KENKO Investment for Health (large enterprise category)” as an organization with outstanding practices in health management.

Supporting women's career advancement

EXEO Group, Inc. has formulated an action plan in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace to create and support opportunities for women's career advancement in the workplace. As a result, the Ministry of Health, Labour and Welfare (MHLW) has recognized EXEO Group, Inc. with its Eruboshi certification, which is awarded to companies for outstanding efforts to support women's career development. We have also been recognized by the METI and the Tokyo Stock Exchange for three consecutive years, being selected as a Nadeshiko Brand in 2019 and as a Semi-Nadeshiko Brand in 2020 and 2021.

Work-life balance

We formulated an action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children, developing an environment that makes it easy for both men and women to balance work and childcare responsibilities. As a result, in 2015, we earned the Kurumin Mark, an accreditation from the MHLW recognizing companies providing support for childcare.



Respecting diversity

Since 2021, we have received silver certification for four consecutive years under the PRIDE Index, an evaluation framework established by “work with Pride,” a voluntary organization that supports the promotion and integration of diversity management related to sexual minorities. In 2025, we received gold certification for the first time.

Also, for five consecutive years starting in 2021, we have been awarded the highest possible rank “Best Workplace” by the D&I Award presented by JobRainbow Co., Ltd., recognizing companies making admirable efforts toward diversity and inclusion.

Work-style reform

We were awarded a four-star rating in the Nikkei Sustainable Comprehensive Survey for Smart Work Management, which recognizes leading companies that aim to generate new innovations, improve productivity, and maximize corporate value by making the most of their talent and accelerating investment in them. The Smart Work Management survey has been conducted by Nikkei Inc. since 2017. It targets listed companies and leading unlisted companies across Japan and evaluates them on a five-star scale based on three factors: talent utilization, investment in talent, and technology utilization.

SDG-aligned management and ESG initiatives

We were awarded a four-star rating in the Nikkei Sustainable Comprehensive Survey for SDGs Management conducted by Nikkei Inc. This survey comprehensively evaluates companies that have incorporated the Sustainable Development Goals (SDGs) into their business strategies and are working to simultaneously address social and environmental challenges and enhance corporate value, based on four perspectives: SDG strategy and economic value, social value, environmental value, and governance.

DX certification

Based on the DX Certification System of the METI, EXEO Group, Inc. was recognized as a certified DX operator in March 2022 and renewed its certification in March 2026.



Company overview

Company name	EXEO Group, Inc.
Established	May 17, 1954
Paid-in capital	¥6,888 million
Fiscal year-end	March 31
Stock listing	Listed on Prime Market of Tokyo Stock Exchange
Common stock authorized	300,000,000 shares
Issued	205,624,838 shares
Total number of shareholders	58,651
Representative	Keigo Kajimura, President and CEO
Net sales	¥787.7 billion (consolidated) (fiscal year ended March 31, 2026)
Number of employees	17,751 (consolidated) (as of March 31, 2026)
Head office	29-20, Shibuya 3-chome, Shibuya-ku, Tokyo
West Japan head office	2-10, Uchihonmachi 2-chome, Chuo-ku, Osaka
Number of business offices	Headquarters and branch offices: 14, Sales offices: 18
Consolidated subsidiaries	136 companies (excludes non-consolidated subsidiaries (15 companies) and affiliated companies (15 companies))
Correspondent banks	Mizuho Bank / Sumitomo Mitsui Banking Corporation / MUFG Bank / Sumitomo Mitsui Trust Bank

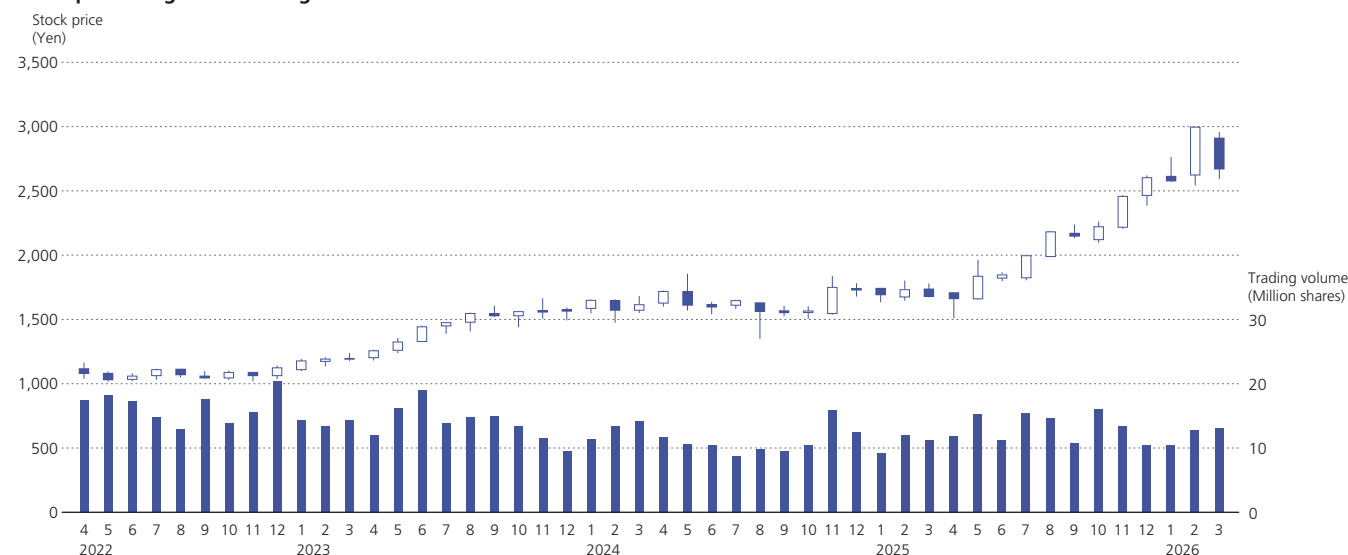
Major shareholders

Name	Number of shares held (thousand)	Percentage of total (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	34,479	16.90
Custody Bank of Japan, Ltd. (Trust Account)	19,391	9.50
EXEO Group, Inc. Employee Shareholding Association	11,539	5.65
BBH (LUX) FOR FIDELITY FUNDS-JAPAN ADVANTAGE POOL	6,591	3.23
Sumitomo Life Insurance Company	4,833	2.37
STATE STREET BANK AND TRUST COMPANY 505001	3,759	1.84
Custody Bank of Japan, Ltd. (Mitsui Sumitomo Trust & Banking Co., Ltd. Retirement Benefit Trust Account)	3,668	1.80
Custody Bank of Japan, Ltd. (portion managed as sub-custodian of Sumitomo Mitsui Trust Bank & retirement benefit trust account for Sumitomo Electric Industries, Ltd.)	3,000	1.47
JP MORGAN CHASE BANK 385781	2,875	1.41
GOVERNMENT OF NORWAY	2,785	1.37

Note: The Company holds 1,548 thousand shares of treasury stock although those shares are not included in the above table.

Treasury shares are also excluded from calculation of equity stake.

Stock price range and trading volume



Note: We conducted a two-for-one stock split for common stock effective April 1, 2024. Numerical values shown for past years are recalculated figures taking this stock split into consideration.

Shareholding structure

