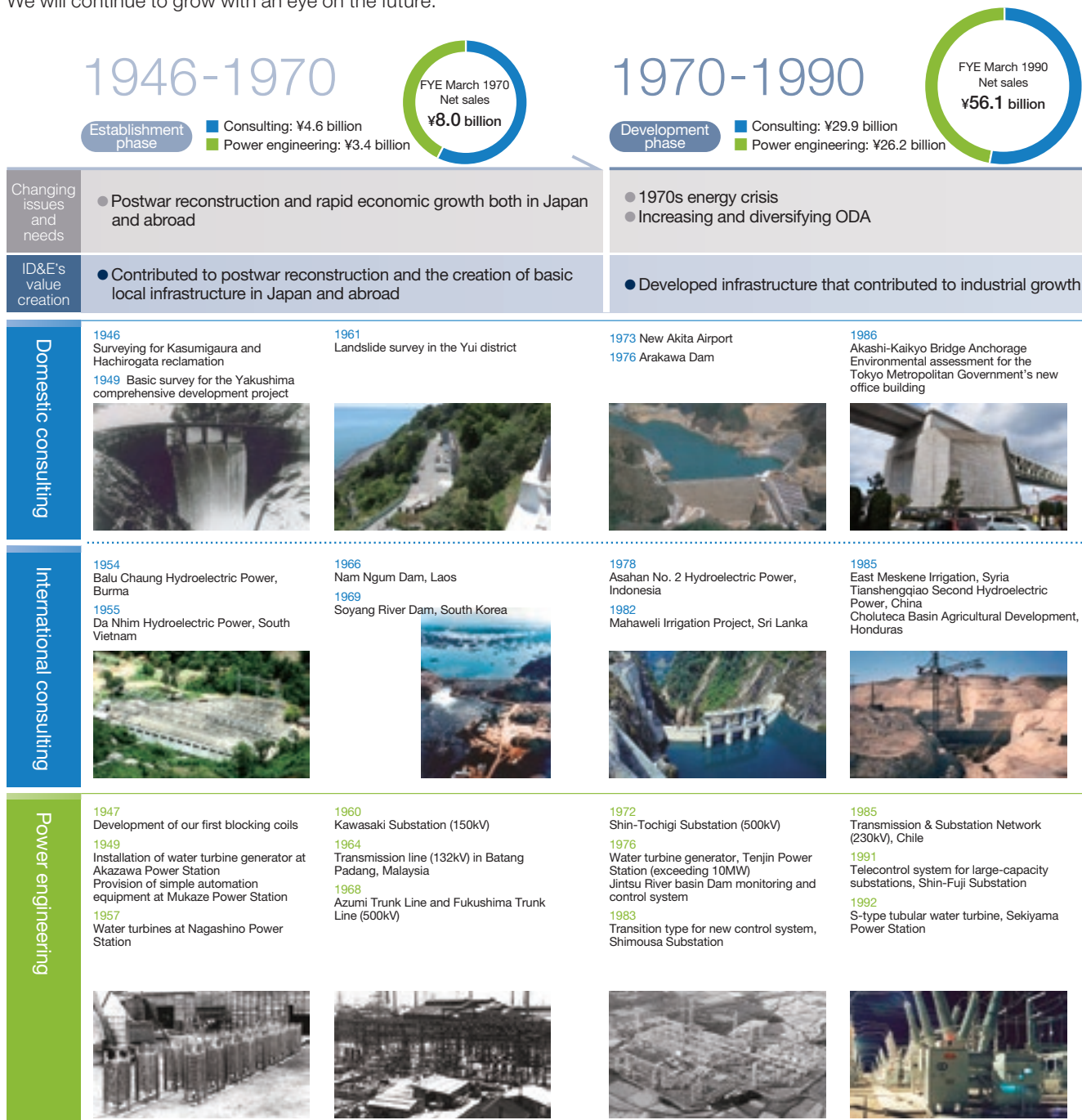


History of ID&E Group

Development of social capital from Japan's post-war reconstruction to today

Inheriting the "business mindset" and "integrity" that our founder, Yutaka Kubota, valued, the ID&E Group has taken on the challenge of pioneering initiatives since its establishment at Nippon Koei Co., Ltd. in 1946. For nearly 80 years, our efforts to find optimal solutions to ever-changing social issues and needs and to commercialize them have led to our current strengths. We will continue to grow with an eye on the future.



Nippon Koei's origins



Founder Yutaka Kubota

Postwar reconstruction in Japan and abroad

From the 1930s until the end of WWII in 1945, Nippon Koei's founder Yutaka Kubota participated in engineering power generation facilities and dams on the Korean peninsula, which contributed to the economic development of the region. After the War ended, he decided to establish the Company to carry out his strong determination to rebuild his homeland. He brought together the repatriated specialists in civil engineering, geology, electricity, and machinery and focused their talents on reestablishing the country's national foundation and electric power infrastructure. He also saw the need for reconstruction in other countries destroyed by war and the 1954 project to build a power generation in Burma (now Myanmar) marked the first step in the globalization of the ID&E Group.

Origin as a "engineering consultant"

Kubota used his expertise as an engineer to establish a business process that is the prototype for today's engineering consulting firms: preliminary surveys, evaluation, and proposals for infrastructure projects. He also created the Group's business style, which involves approaching projects with a broad perspective by gathering engineers with areas of specialty beyond electrical and civil engineering technology so a project can contribute to resolving greater social issues. Today, engineering consulting firms are expected to fulfill the role that Yutaka Kubota defined more than half a century ago.

1990-2010

Maturity phase

■ Consulting: ¥50.0 billion
■ Power engineering: ¥13.2 billion

FYE March 2010
Net sales
¥65.0 billion

2010-present

Innovation phase

■ Consulting: ¥85.4 billion
■ Urban & Spatial Development: ¥44.4 billion
■ Energy: ¥27.9 billion

FYE June 2024
Revenue
¥158.9 billion

- Collapse of Japan's asset bubble / Cuts in public works and ODA spending / Growing concern about environmental issues

- Focused on renovating and maintaining infrastructure to support comfortable lives and to respond to environmental change

- Population decline in Japan / Intensifying disasters / SDGs and moving towards a decarbonized era

- Contributing to the creation of societies that are sustainable and resilient

1996
Nationwide road inspection for disaster control
Tokyo International (Haneda) Airport Runway B



2007
Tsuruta Dam redevelopment



2011
Response to the Great East Japan Earthquake

2013
Construction Management (CMR) for Otsuchi Town, Iwate Prefecture



2014
Yanba Dam

Consulting Business

NIPPON KOEI

Business fields

- Water resources and waterways
- Agriculture and rural development
- Dams and power generation
- Urban and regional development
- Transportation
- Environment
- Management
- Disaster prevention and mitigation

1995
Sindhuli Road, Nepal

1998
Hai Van Tunnel, Vietnam



2005
Gulf of Panama purification project, Panama

2006
Asahan No. 3 hydroelectric power, Indonesia



2013
Dhaka MRT Line 6, Bangladesh
Lach Huyen Port, Vietnam

2014
Thilawa Area Infrastructure Development, Myanmar



2003
5th generation (improved distribution) system, Yokohama-Naka Control Center

2008
230kV power line/substation in Bangladesh



2009
Shin-Keiyo Substation service tunnel
2011
Shin-Sogi Hydropower Station



2014
Komata River No. 4 Power Station and three other power stations
2016
Obora No. 1 Power Station

2021 Integration of Power Engineering and Energy Business domains

Energy Business

2018
Launch of Energy Business
Energy storage project investment in the EU



Market trends and launch of the business segment

Nippon Koei entered the energy business to capture demand from the global increase in renewable energy and to capture the demand associated with power system reforms.

Market trends and launch of the business segment

As demand for urban development increased worldwide, Nippon Koei entered the architecture and urban development fields by acquiring UK-based architectural design company BDP to strengthen its architecture department, which was small at the time.

Urban & Spatial Development Business

2016
Acquired BDP and launched Urban & Spatial Development Business

2017
Restoration and renewal of the Palace of Westminster – BDP

2022
Launched Nippon Koei Urban Space Co., Ltd.



Energy Business

NIPPON KOEI ENERGY SOLUTIONS

Business fields

- Manufacture of equipment and devices
- Construction of electrical facilities
- Mechanical and electrical consulting
- Geotechnical surveying, sale of civil engineering measurement devices
- Manufacture of safety gear and equipment
- Energy management

Urban & Spatial Development Business

NIPPON KOEI URBAN SPACE BDP.

Business fields

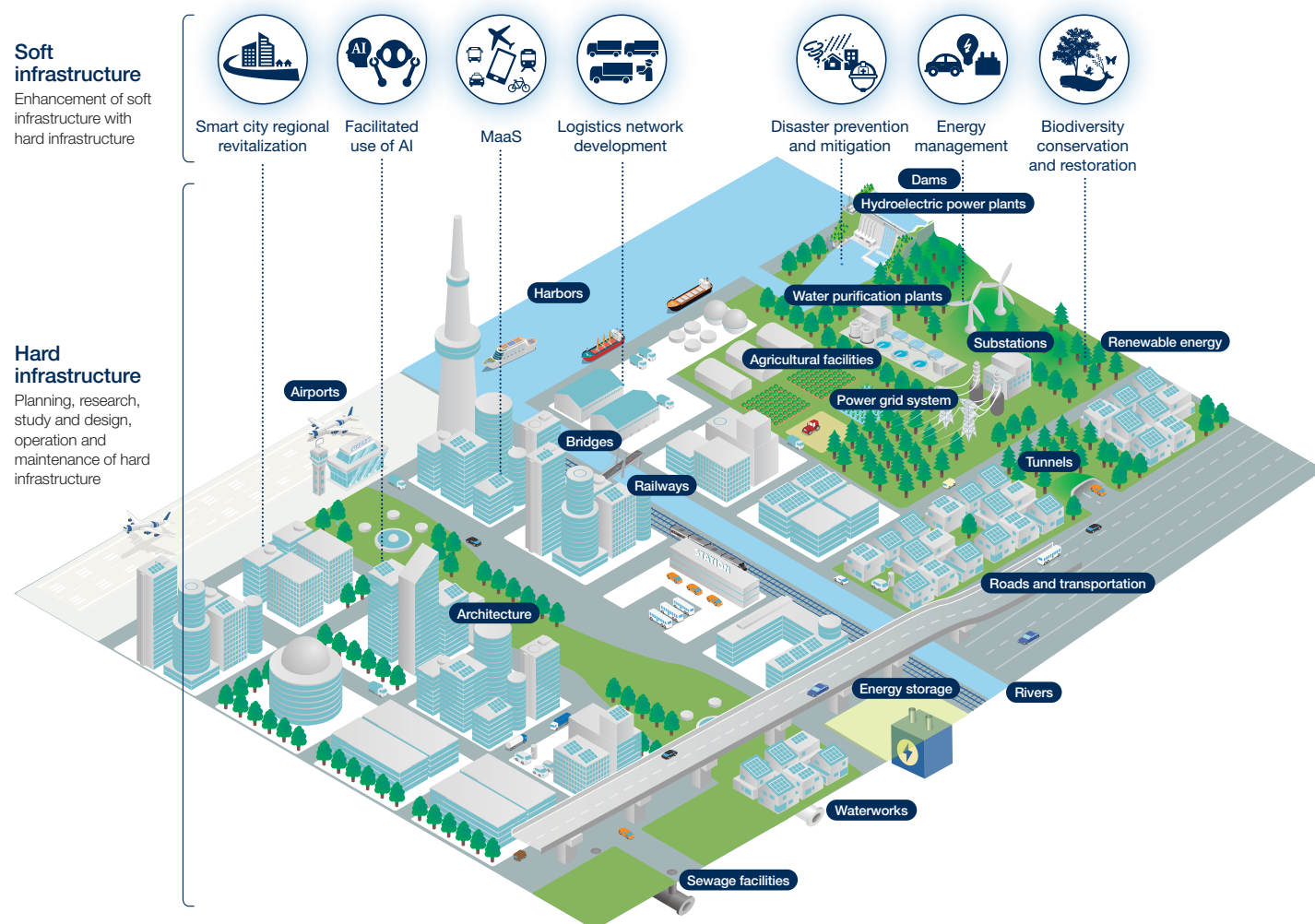
- Urban development
- Civil engineering
- Comprehensive survey
- Architecture

2023 Integrated Design & Engineering Holdings Co., Ltd. established

ID&E Group's Business Areas and Business Model

From social capital development and energy to urban development

ID&E Group has positioned "Consulting," "Urban & Spatial Development," and "Energy" as its three core businesses. We do not specialize in any particular area, but rather harness our integrated capabilities across all fields in the planning, study, and development of infrastructure that is essential for nation-building and urban development.



Key points for understanding our business model

▼ Work process of engineering consulting

	Planning, Studies	Design	Construction			Operation, Management	Maintenance
Japan	Consulting		Construction (general contractor)			Consulting	
Overseas	Consulting		Construction (general contractor) Construction supervision (consultant)			Consulting	
Engineering consulting roles	Conception, Proposal/ Planning feasibility studies	Basic design/ Detailed design	Project tender assistance/ Document preparation	Support bid evaluation and selection	Contract management/ Construction supervision	Operation instruction/ Management consulting	Monitoring/ Countermeasure proposals

▼ Differences between domestic and overseas projects/public and private projects

	Japan	Overseas
Public	<ul style="list-style-type: none"> Specifications and requirements are often carefully defined beforehand Consultants are primarily responsible for study, planning and design 	<ul style="list-style-type: none"> Consulting covers the planning stage of development, construction supervision, and project management, etc. Many projects span extended periods of time
Private	<ul style="list-style-type: none"> Proposals must be based on close communication with customers and their potential needs Know-how cultivated through public projects is also our strength 	
Revenue (composition ratio)	88.1 billion yen (55%)	70.8 billion yen (45%)

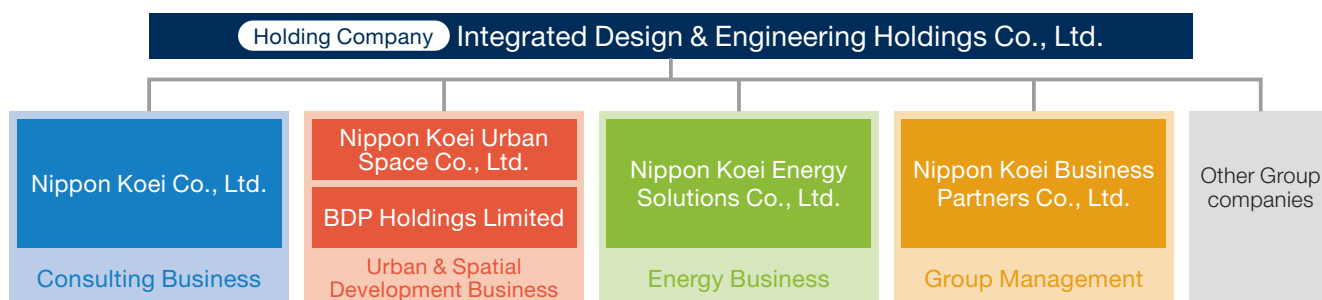
Each know-how is interrelated

ID&E Group's business model

We contribute to nation building around the world through its Consulting business and Energy business related to the creation of social capital which supports safe and secure living and our Urban & Spatial Development business aimed at building prosperous and comfortable environments.



▼ ID&E Group Structure



ID&E Group's Three Businesses

Three businesses vital to nation-building and urban development

The ID&E Group is focusing on new cross-functional initiatives that span its three core businesses.

Consulting Business

Main client ▶ National and local governments, JICA, overseas government agencies, and private companies

In Japan, the Consulting Business provides a full range of civil engineering consultation related to infrastructure development, maintenance, and safety for local and national government agencies, such as the Ministry of Land, Infrastructure, Transport and Tourism. With proven technologies informed by diverse experience and R&D, the operation has grown into a comprehensive consulting service covering a vast array of projects encompassing the improvement, management, and maintenance of infrastructure supporting daily community life.

For overseas countries, we are developing business in Asia, Africa, the Middle East, Central and South America, and other regions mainly under Japanese ODA projects. We

play an active role in infrastructure development projects that support regional and national development in a wide range of fields, including water resources and rivers management, energy, urban and regional development, transportation, agriculture and rural development, the environment, and disaster prevention. ID&E Group is also active on the front lines of global social issues and humanitarian aid across borders. Examples of our activities include environmental measures to combat global warming, development of regional transportation infrastructure in emerging countries with robust economic growth, and assisting in reconstruction of regions affected by conflict or natural disasters.

Urban & Spatial Development Business

Main client ▶ National and local governments, and private companies

Anticipating growing needs in the architectural field amid global urban development, we welcomed UK-based design company BDP to the Group in 2016 and launched our Urban & Spatial Development Business. Through collaboration with BDP, we are working to create urban spaces in Asia by combining civil engineering and architectural technologies. We are also working to diversify our business fields by adding Canada-based Quadrangle, which specializes in high-rise buildings, to our Group in 2019, and UK-based Pattern, which specializes in sports facility, to our Group in 2021. In response to the growing number of projects in Japan that need to be approached from both civil engineering and

architectural perspectives, such as urban development and rejuvenation, we merged the urban & spatial development unit of Nippon Koei with one of its group companies named Tamano Consultants, and then formed a new company, Nippon Koei Urban Space, in July 2022. By integrating the technologies and functions of both companies, we aim to enter the market for urban infrastructure formation in Japan and overseas, and become a comprehensive producer with greater proposal and development capabilities than ever before for urban and regional rejuvenation projects, public-private partnerships, and smart city development, in order to work toward the formation of sustainable cities.

Energy Business

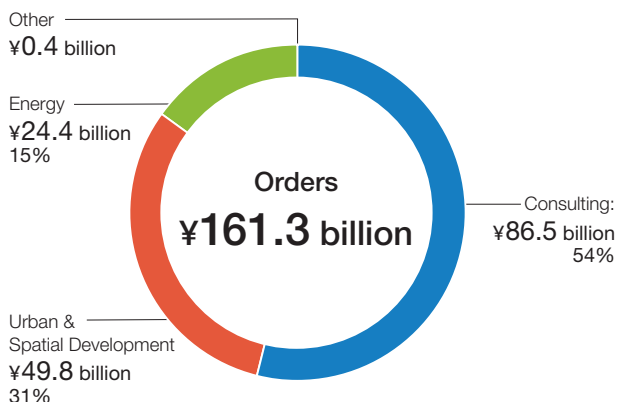
Main client ▶ Power companies, local governments, and private companies

The segment constructs and repairs substations, switching stations, and power plants operated by power companies, constructs central monitoring and control systems to improve operating efficiency of electricity system, constructs dam control systems at hydropower plants, and manufactures related equipment. The Energy Business proposes optimal solutions for electric power companies to support electric power development and meet electric power needs in Japan and emerging countries. As a new initiative, we are engaged in research, development, design, construction, management and operation support, and system and technology development for energy management projects utilizing distributed energy resources in response to the

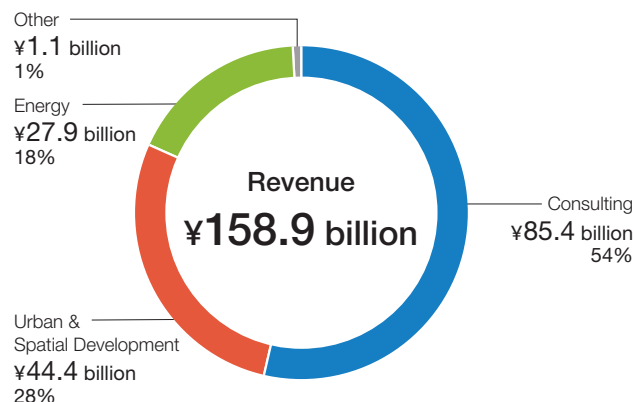
recent expansion of renewable energy markets and power system reforms in Japan and overseas. We are accumulating business and technological know-how in Europe, where the business environment is well established through the unbundling of power generation and transmission system, and the renewable energy penetration is generally high, and are aiming to expand our business in Japan and other Asian countries in the future. ID&E Group is also involved in the business of operating hydroelectric power plants and sale of electricity. We install small-scale hydroelectric power plants in existing dams that are originally not used for power generation purposes to generate clean electricity by an economical measures.

Highlights of our three businesses

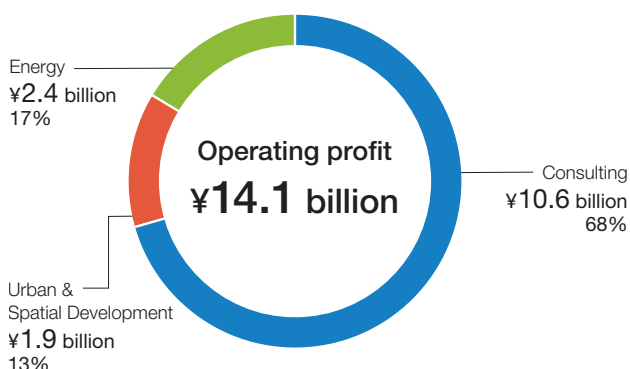
▼ Orders



▼ Revenue

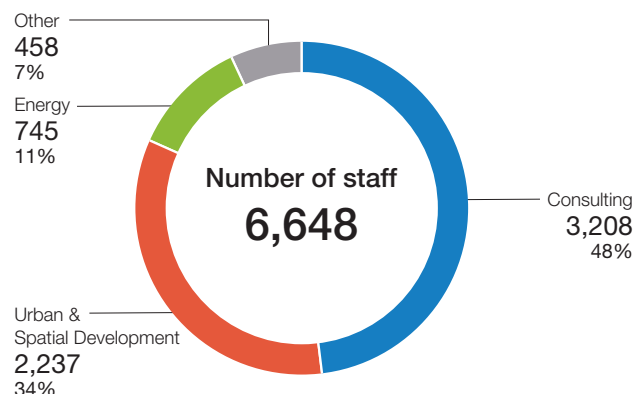


▼ Operating profit



*Other: -¥0.9 billion

▼ Number of staff



Case studies that demonstrate our integrated capabilities

“The Good City,” an initiative to help cities across the world become better

In July 2024, ID&E Group companies launched The Good City initiative to improve cities around the world in order to realize the ID&E Group’s mission of Make the World a Better Place.

The project is steadily underway, and progress is being made with several initiatives. One example is the cross-segment private showcase called Innovation Revolution Showcase 2024 Malaysia attended by approximately 250 people in Kuala Lumpur, Malaysia in preparation for the implementation of The Good City in urban development.



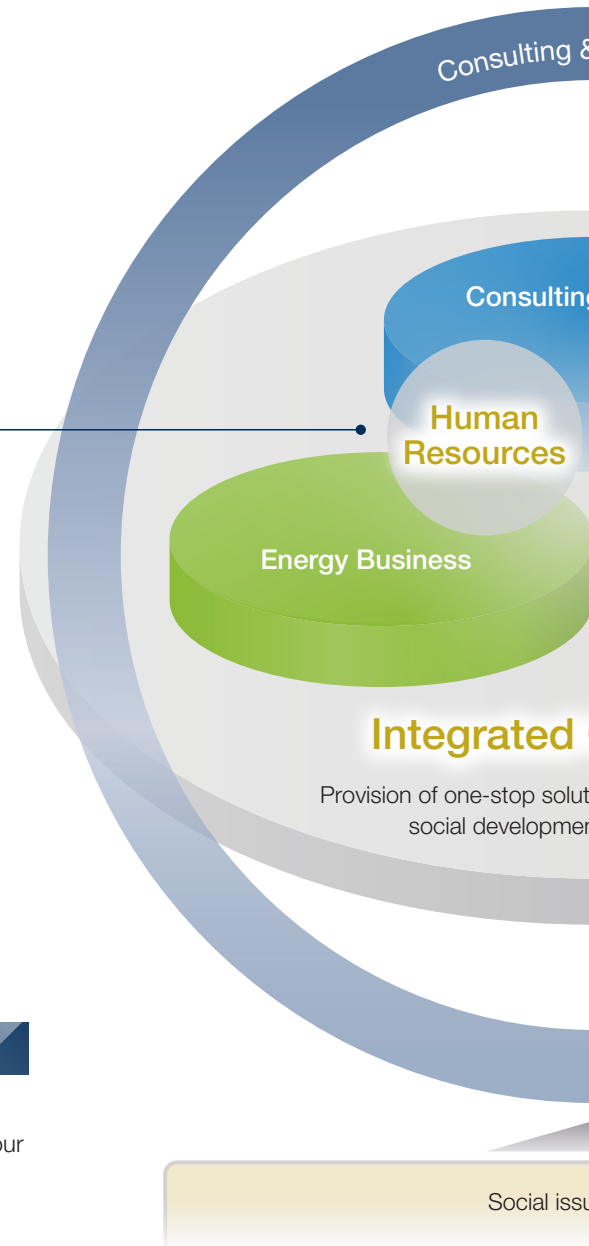
Jeremy Farrington, BDP Principal and Head of Asia Pacific (Private showcase in Kuala Lumpur, Malaysia)

Strengths of ID&E Group

Integrated Capabilities Derived from Human Resources and Technology

The ID&E Group has grown to this point by continuing to provide solutions for constantly changing global social issues through the accumulation of “wisdom” represented by our technologies. As our corporate name, Integrated Design & Engineering, suggests, we are honing our expertise in the three domains of “consulting,” “urban & spatial development,” and “energy,” while continuously maintaining the mission of “Make the world a Better Place.”

Integrating our diverse technologies across Consulting, Urban & Spatial Development, and Energy empowers the utilization of our strengths as the ID&E Group to create a resilient society.



Human Resources

In order to contribute to “solving global social issues,” it is necessary to bring together diverse knowledge and ideas, expand our horizons to tackle new challenges, and train our creativity.

ID&E Global Academy

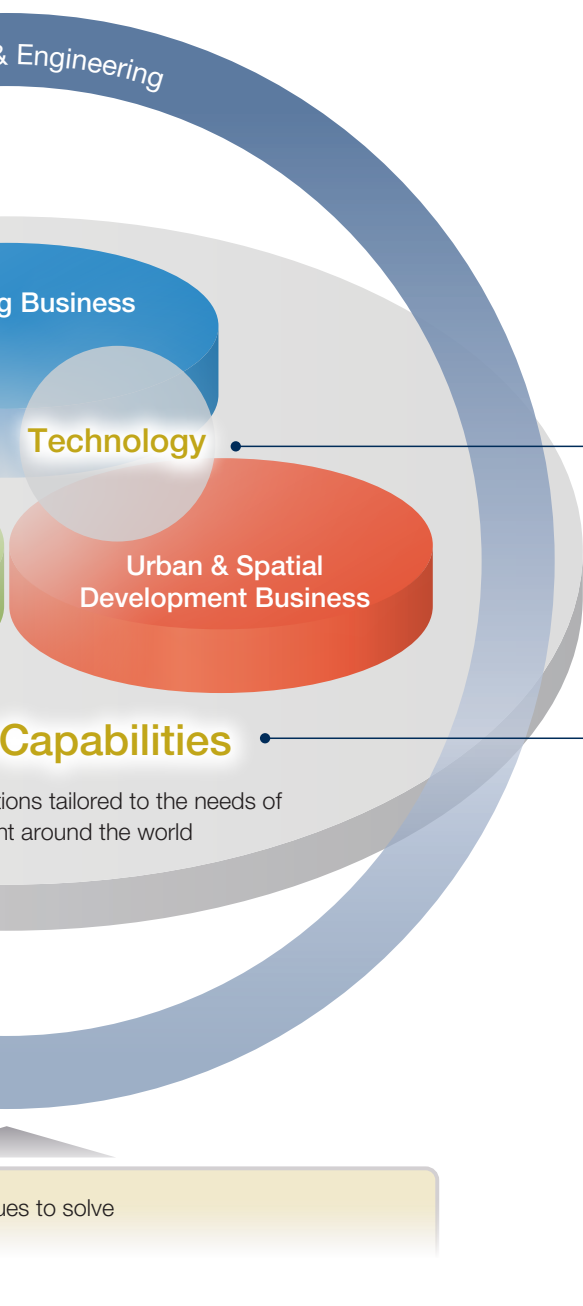
Established in 2024, the ID&E Global Academy aims to foster “human resources with outstanding expertise, high ethical standards, deep insight and management skills” throughout the ID&E Group.

The academy is a learning ecosystem for all members of the ID&E Group to work and grow together, providing an environment where they can learn the skills, knowledge and information necessary to succeed in the world.

ID&E Global Academy

Features

- 1 Learning from in-house instructors with top-level industry knowledge.** The academy offers over 100 different programs in which staff themselves act as instructors and share know-how based on their own experience. Programs that create new customers and businesses are led and produced by professionals in various fields such as consulting, urban development, and energy. These programs, which cover everything from corporate culture and mindset to technology and business skills, serve as the foundation of learning for the ID&E brand.
- 2 Collaboration with different knowledge.** The academy seeks to strengthen and expand the networks we have established so far with universities, research institutes, and other companies to generate new value on a global scale.
- 3 Support for upskilling and career development.** The academy provides an environment where staff can autonomously learn the skills necessary to advance our businesses, including assistance for obtaining qualifications and distance learning. By sharing individual career paths within the company, we support staff in proactively developing their own careers.



Technology

Continuous improvement of our technical development capabilities is one of our basic policies. In order to provide technical services that accurately meet the needs of our domestic and overseas customers, which are becoming increasingly sophisticated and complex, it is of utmost importance that we have the ability to develop technologies backed by a broad range of knowledge and expertise.

Our Research & Development Center (located in Tsukuba, Ibaraki Prefecture) is one of the largest research facilities of a private consulting firm in Japan. It is fully equipped with facilities for hydraulic, soil, and environmental testing.

We maintain high quality in our deliverables by physically verifying the input physical properties and output phenomena of numerical analysis through various experiments.

The Research & Development Center has established the following four centers to conduct research and development in a wide range of fields.

- Center for Advanced Research
- Center for Technology Development
- Testing & Experiment Center
- Digital Design Center

<https://www.n-koei.co.jp/consulting/english/rd/rd-center/>



Integrated Capabilities

Through the integration of our three core businesses, we will be able to provide one-stop solutions to the world's social development needs along with increasingly sophisticated and complex social issues.



Ranked **No. 1** in Sales
in Japan's Engineering
Consulting Industry

* Nikkei Construction
April 20, 2024 Issue



Ranked **No. 1** in
Overseas Orders
(consolidated basis) for
Engineering Consulting

* Nikkei Construction
April 20, 2024 Issue



Track record in more
than **160** countries
and regions



Overseas bases:
73 locations



MOUs for working
together with diverse
external partners

20
(as of June 30, 2024)

Value Creation Process

To Make the World a Better Place, we are creating value for society through our business activities based on global megatrends.

Mission

Make the

Megatrend

Management resources (input)

Rapid urbanization

Climate change and lack of resources

Intensification of disasters

Changes in demographic structure

Shift in global economic power

Technological advancement

Changing work styles

Financial capital

- Financial management that balances growth and returns

Manufacturing capital

- Track record in more than 160 countries and regions. Creating safe and secure infrastructure using our three businesses structure that meets the needs of each market and region.

Intellectual capital

- Knowledge gained through cutting-edge technology research and advanced operations at the Research & Development Center

Human capital

- Diverse and professional workforce with advanced expertise in Japan and overseas

Social capital

- Strong customer base built through many years of experience in domestic infrastructure development and support for developing countries through ODA
- Domestic and international partner companies working together
- Transfer of technologies to developing countries and human resource development

Natural capital

- Contributing to environmental conservation through business activities

Long-Term Management Strategy

Transformation (July 2021 to June 2024)

Previous Medium-Term Management Plan
“Building Resilience 2024”

Business model and strengths



World a Better Place

Strategy

Strategy “ID&E Global Strategy 2030”

Expansion (July 2024 to June 2027)

Breakthrough
(July 2027 to June 2030)

Long Medium-Term Management Plan
“Building Growth 2027”

Output

Consulting Business

Civil engineering consultation related to infrastructure development

- Rivers, water resources, and hydropower development ■ Dams and power generation
- Agriculture and rural development ■ Water, sewerage, and urban drainage
- Disaster prevention and mitigation ■ Defense ■ Urban planning and development ■ Traffic planning
- Ports and airports ■ Roads, bridges, and tunnels ■ Railways ■ Infrastructure/asset management
- Public-private partnerships ■ Environment ■ Geology and soil ■ Information ■ Disaster management
- Satellite information services

Urban & Spatial Development Business

Promoting urban development through engineering and architecture

- Urban development**
- Urban renewal ■ Urban development ■ Spatial design ■ Architecture ■ Overseas development
- Civil engineering**
- Road bridges ■ Watershed water works ■ Water and sewerage ■ Global environment
- Comprehensive survey**
- Geospatial information ■ Base information ■ Site compensation
- Architectural design**
- Architecture ■ Building facilities ■ Landscape and urban design ■ Interior design and graphics
 - Structural design ■ Project management ■ Sound and lighting ■ Others

Energy Business

One-stop service covering power generation, transmission, distribution and consumers

- Energy development and operation**
- Battery ancillary services ■ Domestic hydro development, O&M ■ Aggregation business
 - Energy-saving services
- Manufacturing**
- Civil engineering systems-related, disaster prevention-related ■ Substation system-related
 - Substation equipment-related ■ Energy management-related ■ Hydroelectric power station related
- Electric power equipment, civil engineering work, electromechanical consulting**
- Electrical equipment installation work ■ Electric power civil engineering
 - Domestic electromechanical consulting (planning and detailed design)
 - Overseas electromechanical consulting (planning, design, construction supervision) ■ Engineering

Outcome

Create an ideal future by solving various social issues through efforts to address materiality

Materiality

An IDEAL world, built with integrity

1. Building a more equitable society

- 1-1 Contributing to society’s sustainable development through all our global activities
- 1-2 Building a disaster-resilient future through integrated technologies and expertise

2. Cultivating a beautiful and habitable planet

- 2-1 Building a sustainable society through safe and stable energy supply
- 2-2 Creating places where people and nature thrive together in harmony and happiness
- 2-3 Addressing climate change and ecosystem recovery through smart solutions

3. Innovating to address the challenges of the modern world

- 3-1 Creating value for our clients through our Group’s unique integrated capabilities
- 3-2 Building value through cross-industry collaboration
- 3-3 Accelerating value through our market-leading research and development

4. Building a global team with diverse perspectives

- 4-1 Promoting a culture of well-being for our people
- 4-2 Creating opportunities for growth and career development of our people

5. Leadership based on integrity & technology

- 5-1 Fostering trust with society through our organizational culture of ‘acting with integrity’
- 5-2 Trusted quality, though innovative technology and a respect for the planet
- 5-3 Actively engaging with society and stakeholders to respond to their needs

Financial and Non-Financial Capital

Creating Value through ID&E Group Capital and its Utilization

The ID&E Group is strengthening its financial and non-financial capital to create value by leveraging its strength of integrated capabilities.

	Capital characteristics	Highlights from FYE 2024/6
Financial capital	Achieve a balance between growth and returns by building a strong financial base and achieving high capital efficiency that allows for flexible investment	<ul style="list-style-type: none"> • Equity ratio: 44.1% (41.4% in the previous period) • ROE: 11.3% (3.9% in the previous period) • Payout ratio: 27.3% (60.9% in the previous period) • ROE: 3.1% (2.4% in the previous period) • Rating and Investment Information, Inc. (R&I) credit rating: BBB+ (upgrading) (as of November 20, 2024)
Manufacturing capital	Track record in more than 160 countries and regions. Creating safe and secure infrastructure using our three businesses structure that meets the needs of each market and region.	<ul style="list-style-type: none"> • Nippon Koei Energy Solutions Started Business (October 2023) • Started power supply-demand adjustment service at Tollgate in the UK
Intellectual capital	Accumulate advanced intellectual capital through the foundation of advanced technology research at the Research & Development Center and knowledge gained through advanced operations while creating new value through innovation	<ul style="list-style-type: none"> • Establishment of the AI Technology Center (July 2024)
Human capital	Drive all types of value creation through a diverse workforce of highly specialized domestic and international professionals	<ul style="list-style-type: none"> • Establishment of the ID&E Global Academy (July 2024) • Recognition as an Outstanding Health and Productivity Management Organization 2024 (Large Enterprise Category) for six consecutive years
Social capital	Stable and continuous value creation through a solid client base and strengthened relationships with partner companies, etc. based on a long history and track record of supporting developing countries through domestic infrastructure and ODA	<ul style="list-style-type: none"> • Received the highest rating in the Price Negotiation Promotion Month run by the Ministry of Economy, Trade and Industry and the Small and Medium Enterprise Agency • Business collaboration for working together with domestic and international companies • Kicked off "The Good City," an initiative to help cities across the world become better • Number of MOUs: 20
Natural capital	Contributing to conservation of the natural environmental conservation through business activities and reducing environmental burdens	<ul style="list-style-type: none"> • Expansion of TCFD scenario analysis • ID&E joined the TNFD Forum and conducted scoping for five main Group companies within the Group. • Trial project called "NKRE100," which aims to achieve 100% renewable energy usage at Nippon Koei building and other locations • The Graduate School of Engineering at the University of Tokyo, Suntory Holdings Limited, and Nippon Koei jointly developed and released a world-first online platform called Water Security Compass • ID&E Holdings Releases First Sustainability Report

Basic policy and reinforcement measures	Main related pages
<p>Realization of medium/long-term growth</p> <p>Ensure financial soundness</p> <p>Provide capital efficiency to achieve a balance between growth and returns</p> <ul style="list-style-type: none"> • Medium-Term Management Plan ROE target (FYE 2027/6): 12% • Equity ratio: Over 40% • Introduction of a new shareholder return policy that includes payout ratio (maintain at around 30%) as well as DOE of 2.5% or higher • Buyback/cancellation of treasury stock as necessary to achieve an appropriate total return ratio 	<ul style="list-style-type: none"> • Message from the Director in Charge of Finance p.12 • New Medium-Term Management Plan: Financial Strategy p.32
<p>New Medium-Term Management Plan: Growth Policy 2</p> <p>"Deployment of Matrix Management"</p> <ul style="list-style-type: none"> • Forming projects and businesses through segment cooperation and collaboration in rapidly growing markets • Developing and expanding the private market 	<ul style="list-style-type: none"> • Special Feature: Matrix Management pp.33-34 • Strategy by Business pp.39-40 • Business Overview: Consulting Business pp.41-42 • Business Overview: Urban & Spatial Development Business pp.43-44 • Business Overview: Energy Business pp.45-46
<p>New Medium-Term Management Plan: Growth Policy 3</p> <p>"Advancements in Human Resources and Technology"</p> <ul style="list-style-type: none"> • Development of leading-edge technology • Group-wide collaborative design of technological development spearheaded by the Cooperation Strategy Meeting • Strengthening quality control centered on the newly established Technical Management Office 	<ul style="list-style-type: none"> • Strengths of ID&E Group pp.19-20 • New Medium-Term Management Plan Basic Strategy: Advancements in Human Resources and Technology p.32
<p>New Medium-Term Management Plan: Growth Policy 3</p> <p>"Advancements in Human Resources and Technology"</p> <ul style="list-style-type: none"> • Advancement of three elements that increase engagement (human resource development, DE&I, and well-being) 	<ul style="list-style-type: none"> • Strengths of ID&E Group pp.19-20 • Sustainability/ESG: Social pp.53-56
<p>Advancing materiality of innovation to address the challenges of the modern world</p> <ul style="list-style-type: none"> • Creating value for our clients through our Group's unique integrated capabilities • Building value through cross-industry collaboration • Accelerating value through our market-leading research and development 	<ul style="list-style-type: none"> • Strengths of ID&E Group pp.19-20 • Long-Term Management Strategy pp.27-28
<p>Advancing materiality of cultivating a beautiful and habitable planet</p> <ul style="list-style-type: none"> • Building a sustainable society through safe and stable energy supply • Creating places where people and nature thrive together in harmony and happiness • Addressing climate change and ecosystem recovery through smart solutions 	<ul style="list-style-type: none"> • Sustainability/ESG: Environmental pp.49-52