



INTEGRATED REPORT

Fiscal year ended June 30, 2024





Hokkaido Shin Katsurazawa Dam



Autonomous driving verification testing at Tokyo Waterfront City



Lach Huyen Port, Vietnam



Dhaka MRT Line 6, Bangladesh



Applying biological soil crust by helicopter (BSC method)



Recovery and reconstruction for the Noto Peninsula earthquake



Assistance for Ukraine's recovery and reconstruction



Mombasa Special Economic Zone Development Project, Kenya

Group Management Philosophy

Act with integrity and contribute to society through technology and engineering.

Amidst a society that is changing faster than we can imagine and ever more complex social challenges that are arising as a result, the ID&E Group has made it the core of its business to resolve issues with sincerity.

At the root of this lies the pioneering spirit to tackle new businesses possessed by Yutaka Kubota, the founder of Nippon Koei, and our history of growth up to the present by continuing to provide solutions based on the accumulation of knowledge represented by technology and engineering.

As a consulting and engineering corporate group, we face global social issues that change with the times and keep growing without fear of change to address such issues. We will thus contribute to the realization of a sustainable society.

Mission, Vision, Value

Mission Make the world a better place

Always maintaining high aspirations, we will work hard to improve our skills, and provide services based on our accumulated technological capabilities.

Vision Providing unique value as a company

Evolving into a cohesive global corporate group
Top class worldwide by 2030

Values Tackle your problems with sincerity and the road ahead shall be clear

"Willingness to Try," "Valuing Speed," "Entrepreneurial Mindset," and "Stakeholder Satisfaction"



Meiji Park's Park-PFI



The new Fossil Research Training at Fukui Prefectural Dinosaur Museum



Kagoshima Shin-Sogi Hydropower Station



Nagano Miwa Power Plant



Christie Paterson Cancer Research Centre, United Kingdom



Restoration and renewal of the Palace of Westminster, United Kingdom



Battery-Based Energy Storage System in Ruien, Belgium



Akan Microgrid, Hokkaido

New Medium-Term Management Plan and Materiality

Medium-Term Management Plan

Building Growth 2027

Sustainable growth in three core businesses and expansion of business fields through working together

Growth Policy

Reforms
for growth

Deployment of
matrix management

Advancements in
human resources
and technology

Materiality

We have defined our materiality in the Long-Term Management Strategy and revised these issues in 2024.

An IDEAL world, built with integrity

Building a more
equitable society

Cultivating a beautiful
and habitable planet

Innovating to address
the challenges of the
modern world

Building a global team
with diverse perspectives

Leadership based on integrity
& technology

Message from the President

By working together with stakeholders, we will achieve our mission of Make the World a Better Place.



Hiroaki Shinya
Director and Representative Executive President
Integrated Design & Engineering Holdings Co., Ltd.

Introduction

ID&E Holdings has agreed to a tender offer put forward by Tokio Marine Holdings, Inc. and is scheduled to be delisted of Tokyo Stock Exchange, Inc. (the "TSE"). I would like to once again express gratitude to all our stakeholders for their support over the years since our IPO on the TSE in April 1963.

Through the provision of new services and value to society, the Group aims to become a top-tier consulting and engineering company around the world and to create the foundation as a 100-year-old company.

Redefining our purpose 18 months after the launch of ID&E Holdings

Around 18 months have passed since ID&E Holdings was established in July 2023. The name "ID&E Holdings" is an acronym that stands for Integrated Design & Engineering Holdings Co., Ltd. After we first announced the new company name, many people asked us: "Why did you choose ID&E?" To fulfill our mission of Make the World a Better Place, we are committed to improving the Group's corporate value so that we can provide one-stop solutions to complex social issues by utilizing the extensive, advanced technologies we have cultivated in the fields of civil engineering, architecture, and energy. In this way, we have been able to communicate our aspirations and commitment through the name "ID&E."

In recent years, the world has seen a number of crises, from natural disasters to armed conflicts. We also face a significant number of social issues that need to be resolved, such as disaster prevention, disaster recovery, and urban development for a decarbonized society. The Group has expanded its business reach to address these social issues.

In September 2024, the Noto region—still recovering from the Noto Peninsula earthquake that struck in January 2024—was hit by record-breaking rainfall. The Group has experience working at many disaster sites, including earthquakes and torrential rain. Thus, we understand that responding to a multi-hazard situation where multiple disasters have occurred poses great challenges. At these sites, clients tell us that they can trust ID&E because of our wealth of experience,



Visit to a recovery and reconstruction site in the Noto region

which shows the high level of trust placed in the Group. Meanwhile, overseas, amid Russia's ongoing invasion of Ukraine, we opened an office in Kyiv in 2023 and are working to support recovery and reconstruction efforts locally. While I am concerned about my colleagues working in dangerous locations all over the world, I am also hopeful and proud of their strong sense of mission.

Identified new materiality for an IDEAL world, built with integrity

Clearly defining Group Management Policy as the business environment undergoes major changes

The infrastructure supply-demand gap by 2040 is estimated to be around 15 trillion US dollars*. Demand for infrastructure investment is increasing, driven by such factors as the higher frequency of disasters due to climate change and the growth of emerging countries.

In 2021, we launched our Long-Term Management Strategy through to 2030, called Global Strategy 2030 - Working Together Toward A Future Without Boundaries. Our numerical targets include revenue of 250 billion yen, operating profit of 25 billion yen, and ROE of 15%, with the eventual goal of becoming overwhelmingly No.1 in Japan and becoming a top-tier company worldwide.

The new Medium-Term Management Plan that kicked off in July 2024 represents the second step of three Medium-Term Management Plans that will be implemented during the period of the Long-Term Management Strategy. The goals themselves remain unchanged since we first formulated the Long-Term Management Strategy. Especially now, however, when the business environment is undergoing major changes, we felt it was necessary to once again clearly state the ideas that underpin our management policies and measures. These are the three-pronged Group Management Policy of manifestation of the ID&E brand based on the management policy, further development of sustainability management, and full-scale entry into the private market.

Group Management Policy

Manifestation of the ID&E brand based on the management policy

Continue efforts to maintain/improve the ID&E Group brand and quality, based on the management philosophy of "acting with integrity."

Further development of sustainability management

For the ID&E Group, which has been dedicated to addressing social issues, sustainability is essential for its corporate management and business operations.

Full-scale entry into the private market

Start preparing for full-scale entry into the private market, where further growth is expected, now that the public market is solid.

*G20 Global Infrastructure Hub (GIH)

Message from the President

New materiality: An IDEAL world, built with integrity

In order to advance our business in an even more sustainable manner under the Group Management Policy, we believe it is important to define new materiality as key issues that we must address in achieving the Group’s mission. We believe that by combining the capabilities of each Group company’s business and all staff around our new materiality, we will be able to provide the unique value that we aim for.

Regarding our previous materiality, although we had identified key issues, we received feedback from institutional investors and other stakeholders that they did not convey the Group’s unique character.

Nippon Koei’s founder, Yutaka Kubota, established the company to support post-war reconstruction both in Japan and abroad. Since then, the company has worked on numerous infrastructure development projects that support the development of countries and regions. This is the origin of the Group. Today, in a world where social capital is being destroyed by conflicts and disasters and many face humanitarian crises, we felt it was time to redefine our materiality for realizing an ideal world. In examining this, we sought opinions from a wide range of stakeholders both inside and outside the company, including clients, staff, and investors.

The new materiality and its theme, “An IDEAL world, built with integrity,” were highly praised by those who had provided various opinions on the previous materiality, for being consistent with ID&E’s strategy, including its corporate philosophy, vision, and mission, as well as for matching the medium- to long-term perspectives and interests of stakeholders. I am confident that with these revisions, our message is being conveyed more clearly than ever before.

We have established monitoring indicators that capture the Group’s uniqueness as a company whose business is solving social issues, such as disaster prevention and mitigation-related net sales and the amount of GHG reduction contribution made through our business.

By managing our business with a long-term perspective, we will strive to strengthen initiatives that will steadily lead to sustainable growth and greater corporate value.

New Medium-Term Management Plan Building Growth 2027

Improving the capabilities of our three core businesses and expansion of business fields through working together

Our previous Medium-Term Management Plan called Building Resilience 2024 was positioned as the first step in our Long-Term Management Strategy. It was undertaken as a period of transformation to realize the reforms necessary for future growth, including the transition to a holding company structure. We promoted the greater resilience of the Group and established the foundation for sustainable growth of business fields through working together. As a result of the three-pronged resilience policy: boosting business through three domains, establishing a matrix management system across business and regions, and embodying the ID&E Group brand and quality, we have been able to steadily improve our performance, achieving record highs of 158.9 billion yen in revenue and 14.1 billion yen in operating profit in the plan’s final fiscal year.

Our new Medium-Term Management Plan, which will further expand on the results of the previous plan, is called Building Growth 2027. In the new Medium-Term Management Plan, under the holding company structure, the three businesses will hone their respective capabilities while aiming to foster further collaboration between them. The basic policy has been modified to: Sustainable growth in three core businesses and expansion of business fields through working together. The first key is portfolio management and matrix management.

Portfolio management and matrix management

Comparing our Medium-Term Management Plan to woven fabric, the business axis is the warp and the regional axis is the weft, with the pattern and quality of the fabric representing the brand and service quality. In our previous Medium-Term Management Plan, we considered the finishing touch as carefully weaving the warp and weft together with the aim of improving our brand and quality. This series of processes has led to greater resilience and laid the foundation for our business.

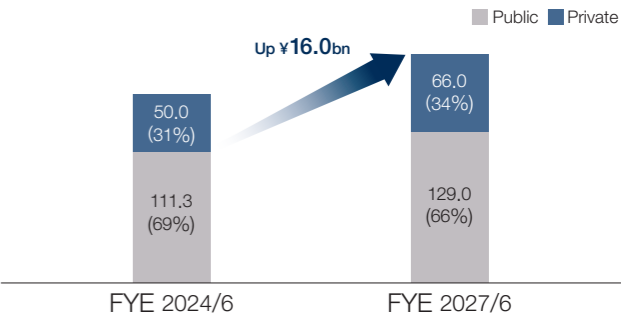
In our new Medium-Term Management Plan, the intersection of warp and weft will become new pivots. This lies in the leadership of our chief regional officers. In matrix management, the thick warp threads of the business axis are pulled again to check their strength, while at the same time the tension of the weft threads of the weaker regional axis is adjusted. We need to consider whether our business mix in each region is appropriate, and which businesses or projects to start from in areas with weaker tension. To achieve this, we must first thoroughly examine every aspect of the Group’s business activities, similar to a medical checkup, and then allocate management resources optimally.

We are preparing to introduce portfolio management, led by Corporate Strategy Operations, a new organization established at ID&E Holdings in July 2024. During the period of the new Medium-Term Management Plan, we will formulate policies for the optimal allocation of management resources along with a new investment strategy based on the results of our extensive review process.

Expansion of business fields through working together

Under the new Medium-Term Management Plan, in addition to our current main focus on public works, we will focus on developing and expanding the large private market. As its population continues to decline, it is expected that Japan will find it difficult to provide infrastructure and disaster prevention functions using public works alone. It is not uncommon for projects that are handled by the public sector in Japan to be carried out by private companies overseas. The enormous demand for infrastructure cannot be met by government agencies and local governments alone, so private companies are also getting involved in various ways. In August 2024, the Group’s UK-based architectural and design company, BDP, launched a Groupwide initiative called “The Good City.” This initiative is an attempt to communicate to external stakeholders a vision for creating ideal urban and spatial development as well as ideas for solutions to 10 common issues faced by many cities. As we move forward with integrated proposals that bring together our civil engineering, architecture, and energy technologies for smart city development targeting major cities around the world and which involve the Group, we expect participation not only from the Group, but also from a variety of other companies.

▼ Orders by public-private composition ratio (Billion yen)



Initiatives to expand private market

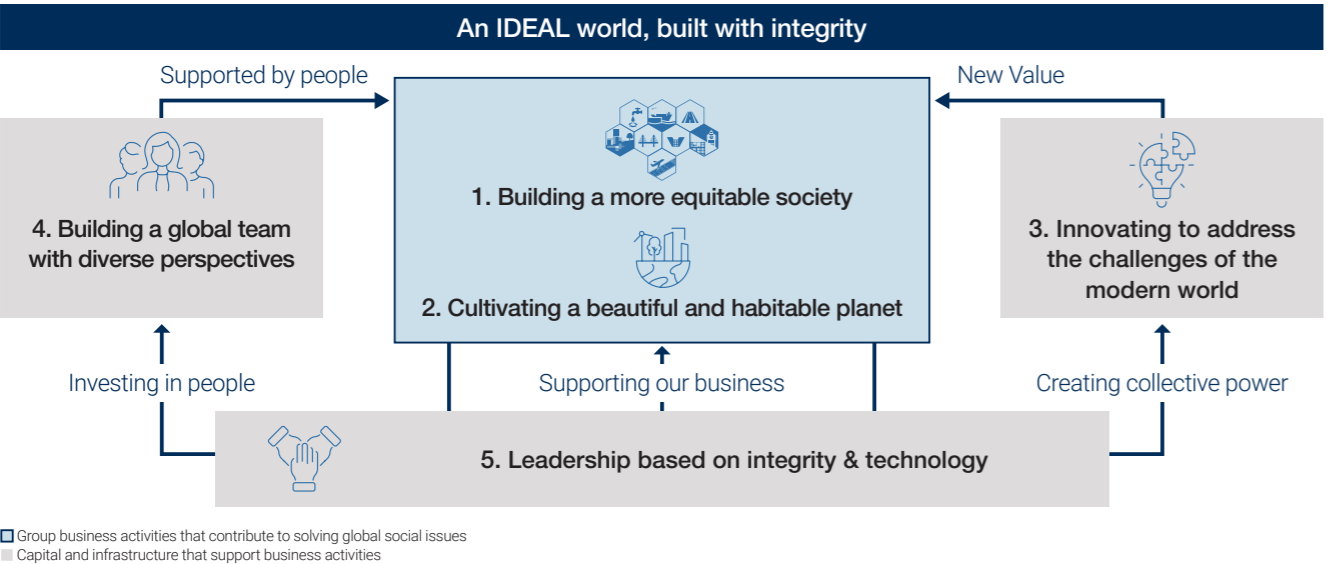
- Enhance business proposals with keywords of “urban” and “decarbonization” that have high market demand.
- Leverage high technical capabilities honed in Japan and Europe, along with personal contacts and network with private clients through overseas offices and local companies.
- With the brisk inbound investment by foreign investors, ID&E Business Promotion & Regional Marketing Operations designates and notifies inbound client marketing managers to Group representatives and major Group companies, and sets up a negotiation team.

Building a talent development platform that impacts the entire industry

We established the ID&E Global Academy in July 2024 to enhance the development of human resources who embody the ID&E brand. In addition to gaining experience through their involvement in projects to Make the World a Better Place, staff also learn about the technology, knowledge, experiences, and values established throughout ID&E’s history through their activities at the academy. The ID&E Global Academy provides a system that supports these independent efforts to maximize one’s potential, grow, and achieve self-actualization.

The goal is to create a platform that allows staff to connect with a variety of people, not just others within the company, but also to build connections with external parties such as universities and stakeholders. As we promote working together, including through M&A, there are companies within the industry that embrace our idea of building a training platform that includes our partners, and we are considering contributing to the enhancement of human resources across the entire industry in the future.

▼ Five materialities and their correlation



Message from the President

Further strengthening our integrated capabilities, our greatest strength

The strengths of the Group are human resources, technology, and the integrated capabilities derived from them. Our integrated capabilities are specifically manifested as the combination of our three businesses. Just as a city built through civil engineering and architecture needs energy to function, we rely on all three of our businesses to achieve our mission of creating a habitable world and cities.

Regarding each business, our Consulting Business serves as a general engineering consultant and covers all areas that make up the civil engineering business. In our Urban & Spatial Development Business, we also integrate elements together such as urban and architectural designs. In the Energy Business, we are involved in a series of processes from power generation, substations, transmission and distribution to services for consumers. These integrated capabilities to provide one-stop services for supply chains provide reassurance that comes from ability to make various proposals from the concept stage to final solutions. This represents the Group's strength.

For future growth, we believe it is important to work together with more partners and pursue ID&E brand quality. If the Group's resources are insufficient to meet the various needs of customers in terms of business and regional strategies, we will consider increasing the number of partners we work together with, including through M&A. BDP joining the Group in 2016 is a prime example of this. BDP has expertise in the construction sector, including medical, education and stadiums. Combining the civil engineering track record of our Consulting Business with BDP's architectural expertise will empower us to actively



promote urban development. In proposing energy-saving buildings, we also utilize the knowledge we have acquired in the Energy Business, and with the three businesses complementing each other, we will continue providing maximum value to our customers.

Aiming to become a corporate Group chosen by stakeholders through sustainability management

We recognize that the Group plays an extremely important role in supporting people's safety and security both in Japan and abroad.

The Group's businesses begin with solving social issues. For this reason, we need to approach our business with a sense of responsibility, and to be considerate of the lives, livelihoods, and dignity of people living in difficult environments. Helping people in need through sincerity and technology—that is what makes the ID&E Group unique.

For the Group, sustainability stands at the core of our management, representing an inseparable component of our business activities. We believe that by increasing sustainability on both the business and corporate management fronts, we can achieve true sustainability management that ensures we will continue to be the choice of our stakeholders.

I will continue to explain in my own words what we aim for and the initiatives we are taking to achieve it. This will lead us to "work together" with all our stakeholders and bring us one step closer to realizing a livable world "Make the world a better place."

Message from the Director in Charge of Finance

ID&E will accelerate its growth, aiming to become a corporate group that stakeholders highly regarded.

Yasushi Hirusaki

Director, Representative Executive Officer,
In Charge of IR and Corporate Management



Basic approach to financial management

The ID&E Group's financial management is based on actions that improve return on capital and ensure financial stability while maintaining and improving corporate value for various stakeholders. These actions include maintaining and improving the Group's brand value and ability to attract talent. As expressed in our mission of "Make the World a Better Place," ID&E Group is a corporate group that supports safe and secure living for people around the world. To continue boldly tackling various social issues, we believe that while cooperation among staff members and Group companies is important, it is even more critical to work with a sense of working together with customers and partner companies, and even local communities and society as a whole. Based on this belief, the concept of our Long-Term Management Strategy is Working Together Toward A Future Without Boundaries. I believe that, in order to work together and earn the trust of our stakeholders over the long term, it is imperative that we consistently achieve our KPIs, continue investing for sustainable business growth, secure investment capacity, and maintain a strong financial base that enables us to achieve this.

Overview of financial management during the previous Medium-Term Management Plan

In the fiscal year ended June 30, 2024, the final year of our previous Medium-Term Management Plan, Building Resilience 2024, we achieved our targets for revenue, operating profit, and ROE. The three-year period of the previous Medium-Term Management Plan posed an extremely challenging business environment. We recorded goodwill impairment losses due to rapid inflation in the UK, BDP's main market, and experienced higher costs mainly due to inflation overseas. Nevertheless, efforts to increase profitability, i.e., growth in the national resilience and disaster prevention fields in the Consulting Business and the launch of the European energy storage business in the Energy Business, paid off, as core operating profit increased significantly by 40% compared to the fiscal year ended June 30, June 2021 (over the three years).

Financial strategy for the new Medium-Term Management Plan

Under the new Medium-Term Management Plan, Building Growth 2027, we aim to maintain a sound financial base by controlling interest-bearing debt balance and the D/E ratio through measures such as shortening the cash conversion cycle (CCC) while strategically allocating cash obtained from operating activities and asset sales to growth investments, thereby growing our businesses and improving return on capital.

As a measure to achieve the target financial KPI of ROE of 12%, we have begun efforts to increase profit margins by strengthening business portfolio management and optimizing the business mix and balance. Additionally, we will closely examine the utilization of the Group's assets, turning them over with assets directly related to our business and eliminating cross-shareholdings in an effort to reduce non-business assets. Through these efforts to optimize our asset mix and the steady execution of our business plan, we aim to achieve an ROE of 12%, our target for the final year of the new Medium-Term Management Plan.

Upgrading risk management

We will maintain our current approach to investment policies and risk management. Taking advantage of a holding company structure, ID&E Holdings is responsible for aggregating funds from each business and raising funds, with the policy of concentrating investments in areas that are considered to be most effective from the perspective of the entire Group. Investment decisions are made on the condition that they meet the standards acceptable to the Group in terms of net present value (NPV) and internal rate of return (IRR). Important matters are ultimately approved by the Board of Directors of ID&E Holdings. We regularly follow-up on the results of investments and M&A already completed. Each operating company also proactively and autonomously monitors and effectively checks both quantitative evaluation items, such as the return to the Company from the investee, cash flow comparison with the actual results, and balance sheet data, and qualitative evaluation items, such as changes in the investment environment.

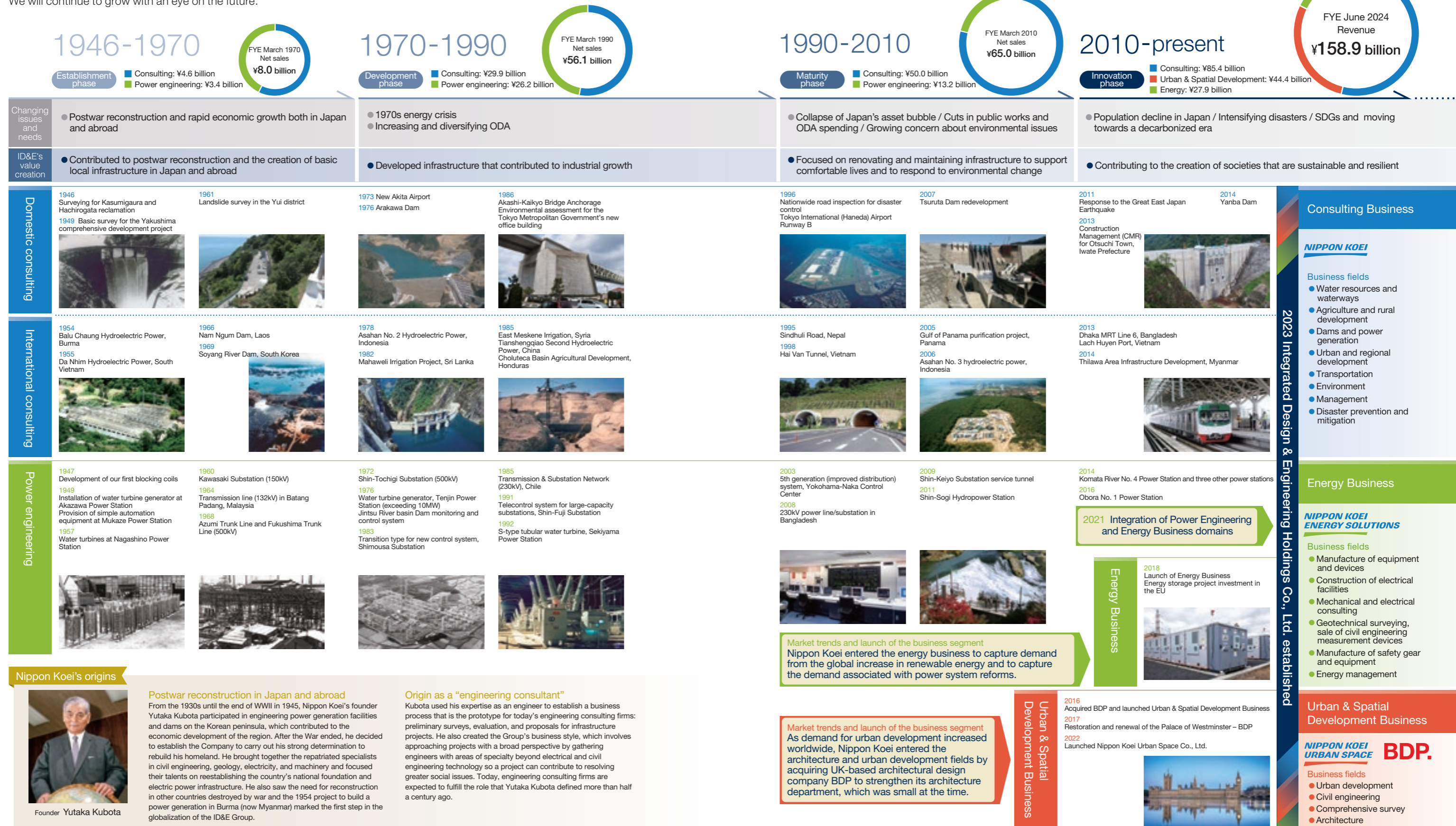
Improving corporate value through stakeholder engagement

Following the announcement of Building Growth 2027, our recent investor relations activities have increased opportunities for dialogue, focusing not only on financial matters, such as specific initiatives toward achieving financial targets and drivers of profit growth but also issues related to our approach, such as how we are involved in solving social issues and how we use this to enhance corporate value. Although ID&E will be taken private following a tender offer by Tokio Marine Holdings, Inc., we will continue working to improve corporate value from a financial perspective through constructive dialogue so that we can continue to meet the expectations of our stakeholders over the long term.

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.



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

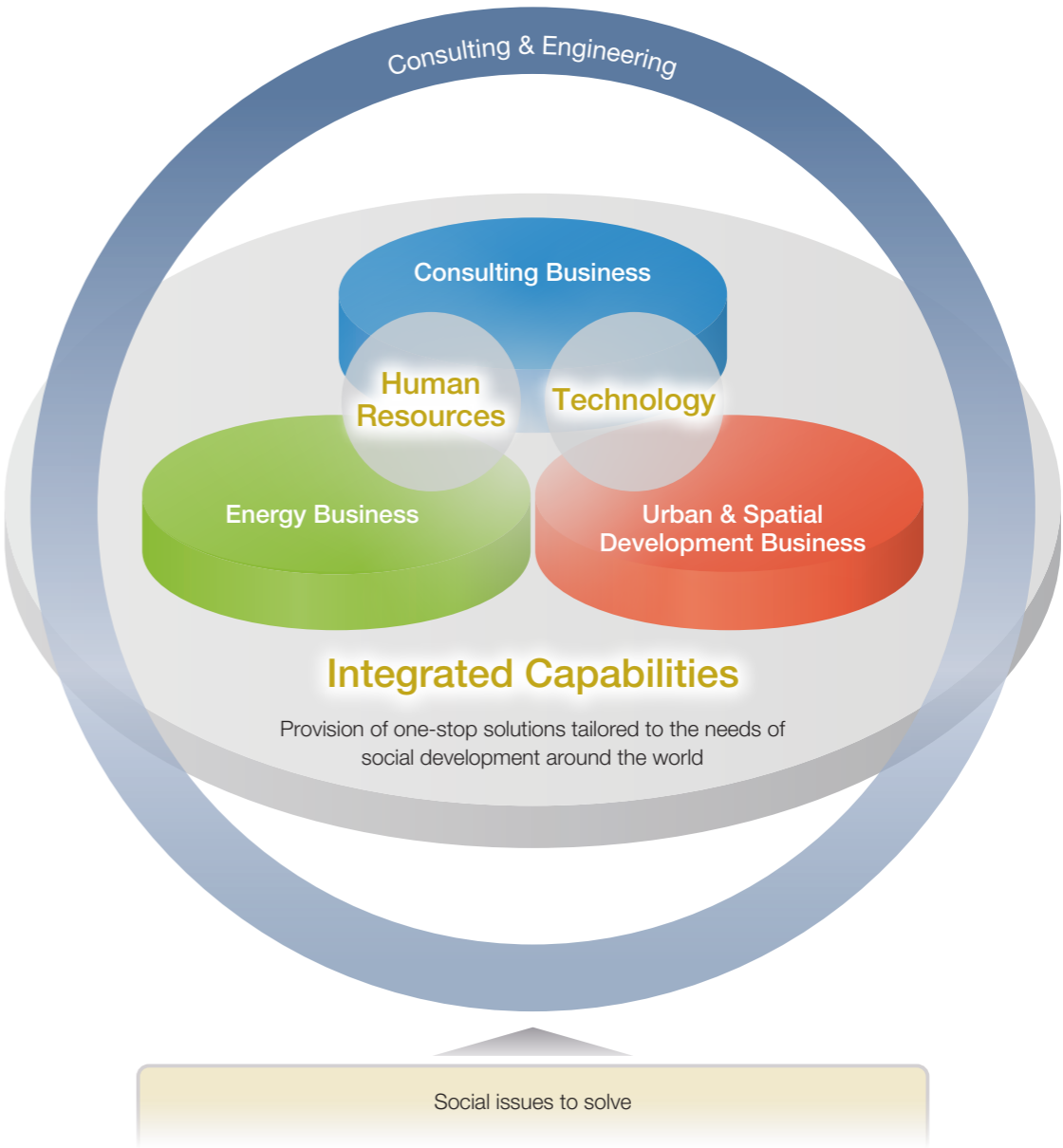
▼ Differences between domestic and overseas projects/public and private projects

	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%)

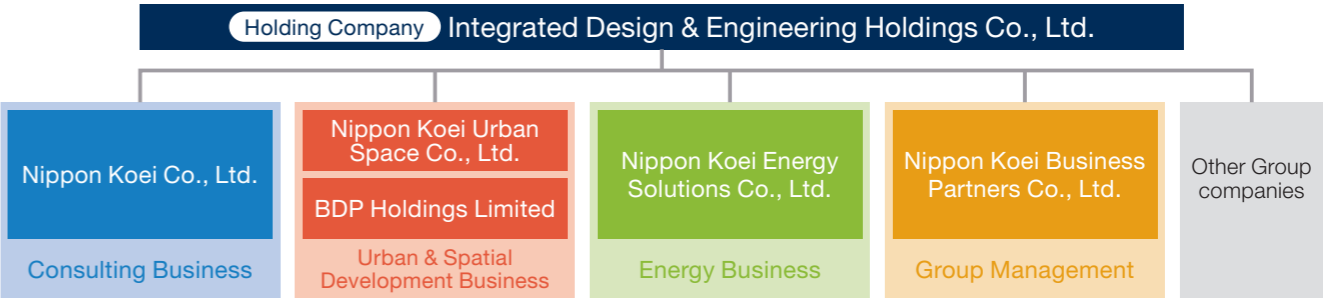
Each know-how is interrelated

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

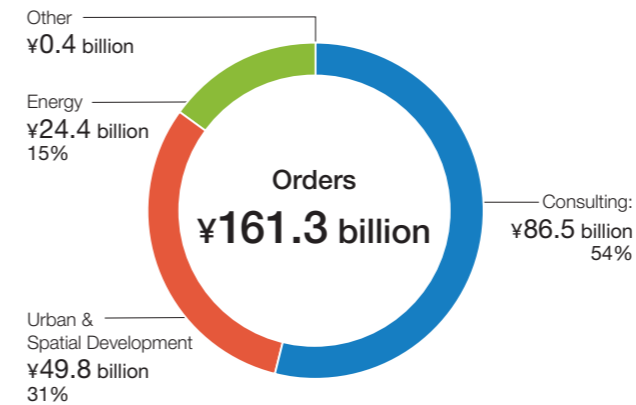
Main client ▶ Power companies, local governments, and private companies

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

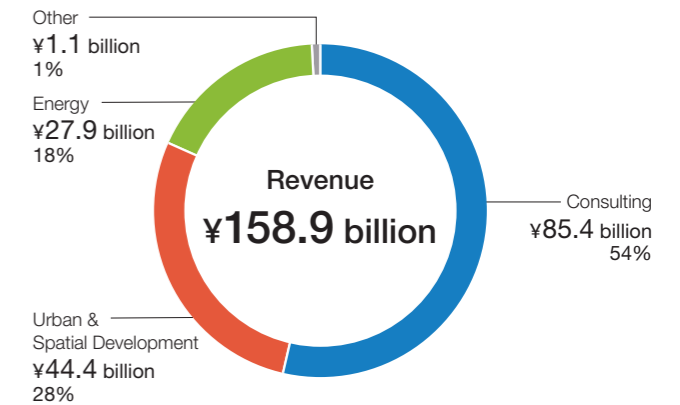
recent expansion of renewable energy markets and power system reforms in Japan and overseas. We are accumulating business and technological know-how in Europe, where the business environment is well established through the unbundling of power generation and transmission system, and the renewable energy 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

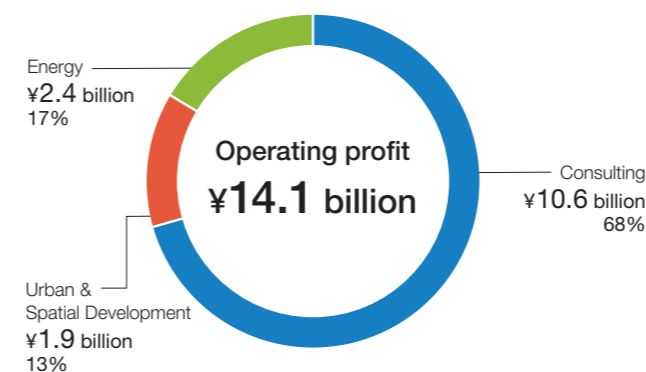
▼ Orders



▼ Revenue

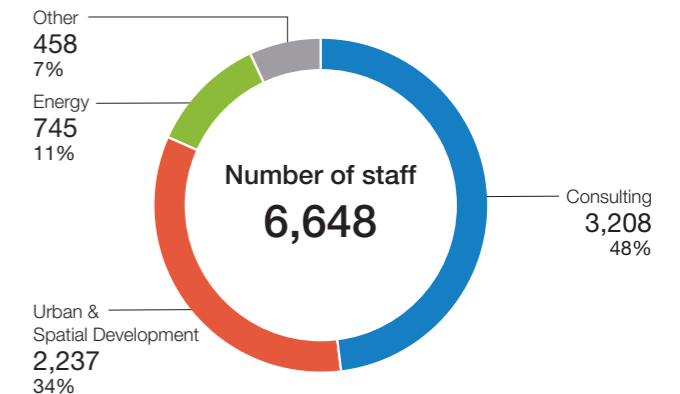


▼ Operating profit



*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

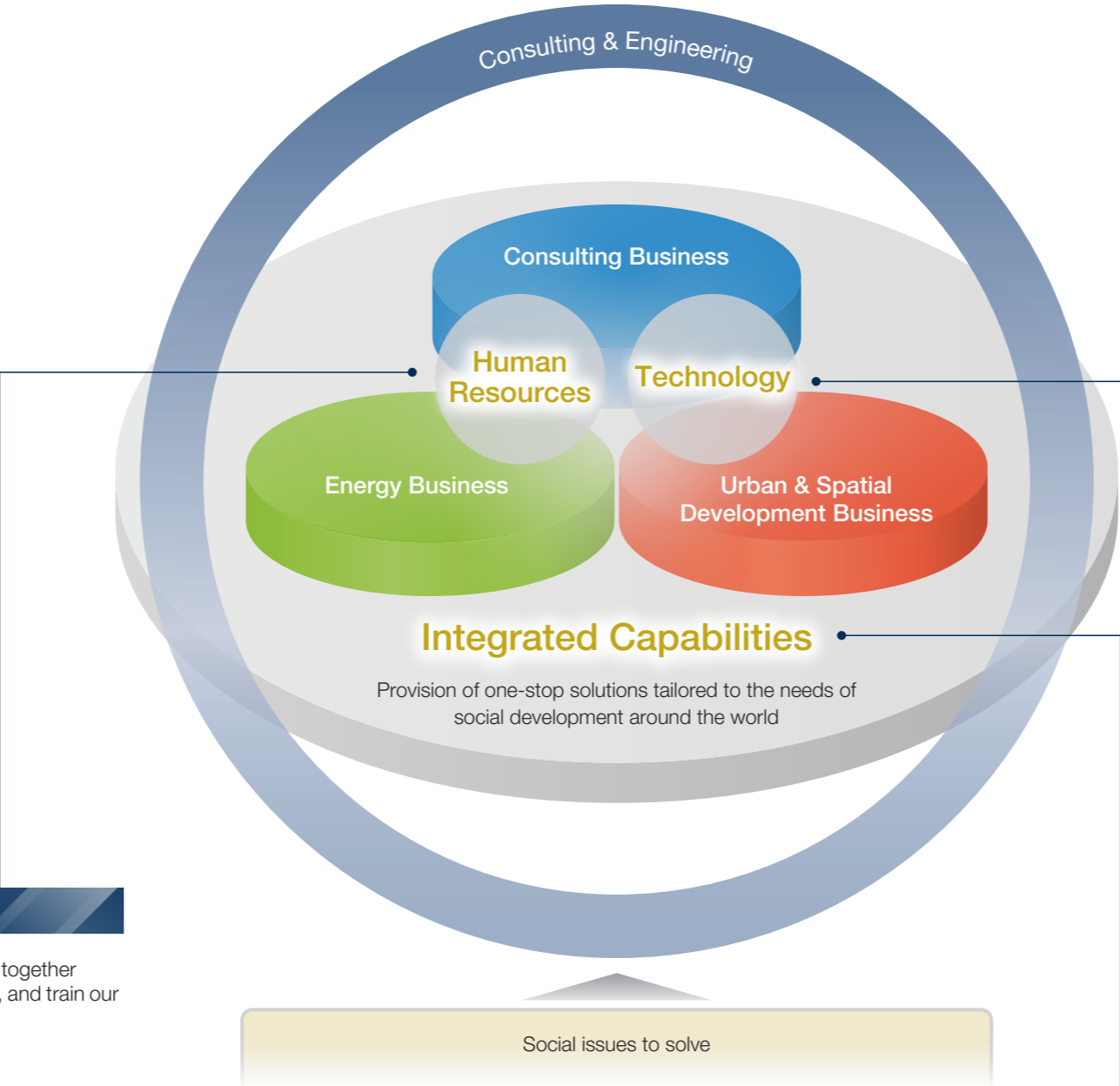
Established in 2024, the ID&E Global Academy aims to foster “human resources with outstanding expertise, high ethical standards, deep insight and management skills” throughout the ID&E Group.

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

- 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.
- 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.
- 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.

 <p>Ranked No. 1 in Sales in Japan’s Engineering Consulting Industry</p> <p><small>* Nikkei Construction April 20, 2024 Issue</small></p>	 <p>Ranked No. 1 in Overseas Orders (consolidated basis) for Engineering Consulting</p> <p><small>* Nikkei Construction April 20, 2024 Issue</small></p>	 <p>Track record in more than 160 countries and regions</p>	 <p>Overseas bases: 73 locations</p>	 <p>MOUs for working together with diverse external partners</p> <p>20 (as of June 30, 2024)</p>
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Value Creation Process

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



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
Realization of medium/long-term growth Ensure financial soundness Provide capital efficiency to achieve a balance between growth and returns <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
New Medium-Term Management Plan: Growth Policy 2 “Deployment of Matrix Management” <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
New Medium-Term Management Plan: Growth Policy 3 “Advancements in Human Resources and Technology” <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
New Medium-Term Management Plan: Growth Policy 3 “Advancements in Human Resources and Technology” <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
Advancing materiality of innovation to address the challenges of the modern world <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
Advancing materiality of cultivating a beautiful and habitable planet <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

External Environment & Risks and Opportunities

ID&E Group identifies its materialities based on an understanding of changes in the external environment as well as opportunities and risks, and implements initiatives to continue sustainable growth over the long term.



Long-Term Management Strategy

ID&E Global Strategy 2030

Concept behind our Long-Term Management Strategy

Working together toward a future without boundaries

In order to respond to increasingly complex social issues and accelerating innovation, it is necessary not only to enhance the power of each staff and mobilize internal capabilities but also to collaborate with external partners who possess advanced technologies and unique know-how and to work together with local people to solve problems. The concept that emerged from this is "Working together."

Within the ID&E Group, each company will use its own discretion to grow by making the most of its own individuality, wisdom, and technologies. We will implement measures with the aim of becoming a group that is an aggregate of such companies. Furthermore, we will aim to create and develop new strengths together with new colleagues.

Three Long-Term Management Strategy co-creation measures

In our Long-Term Management Strategy, we have positioned "Consulting," "Urban & Spatial Development," and "Energy" as the three core businesses of the Group and are aiming for their further growth. To promote autonomy and collaboration, we are transitioning to a new group management structure. By further strengthening group governance and deepening group management from a medium- to long-term perspective, we will further ensure future growth.

Co-creation Measure 1 Reorganization of business segments

■New development of three business domains

In order to respond to a wide range of social needs, we will establish a structure based on three business domains: Consulting, Urban & Spatial Development, and Energy. Through seamless integration and collaboration without segmenting by region or company, we aim to create a business structure that can provide a one-stop shop for services in each domain across the board.

■Full-scale expansion into the business management field

By maximizing and integrating the technologies developed by each of the three domains, we will make a full-scale entry into the business management field, including infrastructure management, urban management, the energy business, and data business.

Co-creation Measure 2 Promote autonomy and collaboration and build a one-stop system

■Transition to a holding company

Group companies formed by business domain and region will manage autonomously while building an organization with a strong centripetal force based on the mission, technology, and governance of ID&E Group.

We will build a flexible and robust governance system by improving the profitability of each business, expediting decision-making, and strengthening our risk structure.

■Build a one-stop system through collaboration with other business segments

Through seamless integration and collaboration without segmenting by region or company, we aim to create a business structure that can provide a one-stop shop for services in each domain across the board.

Co-creation Measure 3 Establish the ID&E brand and ID&E Group quality

■Developing world-class human resources in coordination with our technology strategy

Human resources are the most important management resource of ID&E Group. In addition to expanding educational opportunities and programs that are closely aligned with our technology strategy, we will actively hire local human resources and promote diversity at our bases in each country to develop excellent human resources.

■Realization of digital transformation (DX)

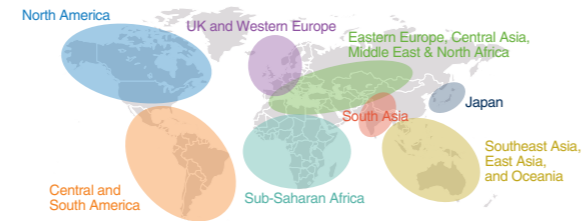
We will provide optimal solutions using DX technology. The

Company will develop promising technologies in-house as well as through alliances with external companies, and apply them to our businesses.

■ID&E Global Academy

By establishing the ID&E Global Academy to cultivate world-class human resources throughout the Group, we will foster human resources who embody the ID&E brand at each of our bases in various countries where we do business.

▼ Matrix management target areas



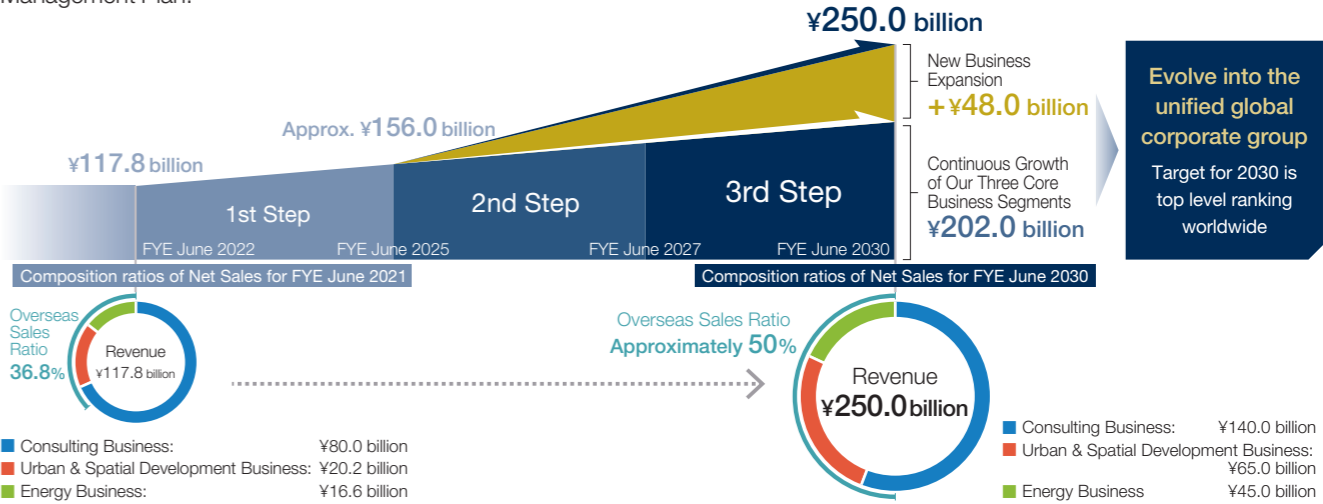
Targets for FYE June 2030

Revenue **¥250 billion**
 Operating profit **¥25 billion**
 Operating Margin **10%**
 ROE **15%**

Long-term Growth Graph and Positioning of the Medium-Term Management Plan

Under the Long-Term Management Strategy, we aim to increase revenue by around 1.7 times through sustainable growth in our three core businesses and growth from new businesses, and to increase revenue in overseas markets from approximately one-third in 2021 to approximately half, thereby making a leap forward to becoming a global, highly profitable company.

To achieve this, we have established medium-term management plans in three-year steps. The first three years were positioned as "Transformation" to solidify our foundation for growth, the next three years as "Expansion" to accelerate the development of new businesses and new markets, and the final three years as "Breakthrough" to build the foundation for a 100-year-old company. For "Expansion" from FYE June 2025 to FYE June 2027, we have formulated the new "Building Growth 2027" Medium-Term Management Plan.



Business strategy by segment

Consulting Business <p>Becoming a world-class consulting firm handling everything from consulting to management</p> <p>2030 Revenue Target ¥140.0 billion</p>	<p>▶ Market Strategy: In the Japanese market, we aim to expand into the private sector and management field with a focus on public works projects. In the international market, we aim for non-ODA-oriented growth at Group companies with a focus on Japanese ODA projects. In regard to regions, we will promote entry into new market areas (Middle East, North America, etc.) while securing stable earnings in Asia as a region of particular importance.</p> <p>▶ Technology Strategy: Accelerate the development of next-generation core technologies and needs-driven technology.</p> <p>▶ Human resources/organizational strategy: We will develop hybrid human resources who can play an active role both in Japan and overseas based on flexible responses to changes in the market environment and staff work-life balance. At our companies overseas, we will promote the training of regional engineers that can be active in third countries.</p>
Urban & Spatial Development Business <p>Comprehensive operations in urban land development, public-private partnerships for urban and regional revitalization, smart city development, etc.</p> <p>2030 Revenue Target ¥65.0 billion</p>	<p>▶ Market Strategy: In the Japanese market, we will focus on architecture, urban redevelopment, public-private partnerships, smart cities, etc. Overseas, we will actively advance large-scale development around transportation hubs in Asia and urban development and redevelopment in Europe, the United States, and Oceania.</p> <p>▶ Technology Strategy: We aim to utilize BIM and Smallworld (an integrated tool for map information and asset management) to use Nippon Koei Urban Space's technologies overseas.</p> <p>▶ Human resources/organizational strategy: We will address environmental improvement and human resources exchange to improve technological capabilities within the segment, and establish a comprehensive production organization for urban redevelopment.</p>
Energy Business <p>Providing one-stop services for power systems associated with stable energy supply</p> <p>2030 Revenue Target ¥45.0 billion</p>	<p>▶ Market Strategy: In addition to developing and operating new businesses in line with the deregulation of electric power, we will focus on the international standardization and sophistication of our core products. Overseas, we plan to establish our energy management business in Europe. In addition, we will promote the development and operation of microgrids, smart city, and renewable energy power generation businesses in Asia.</p> <p>▶ Technology Strategy: We will improve the performance of our main products, strengthen our competitiveness by reducing costs, and develop systems that support DX. In addition, we will develop one-stop solutions integrating core technologies with storage battery and aggregation technologies.</p> <p>▶ Human resources/organizational strategy: We will build a base for strengthening the production structure of manufacturing divisions, building supply chains, and promoting exchanges and collaboration between human resources and departments to provide one-stop solutions.</p>

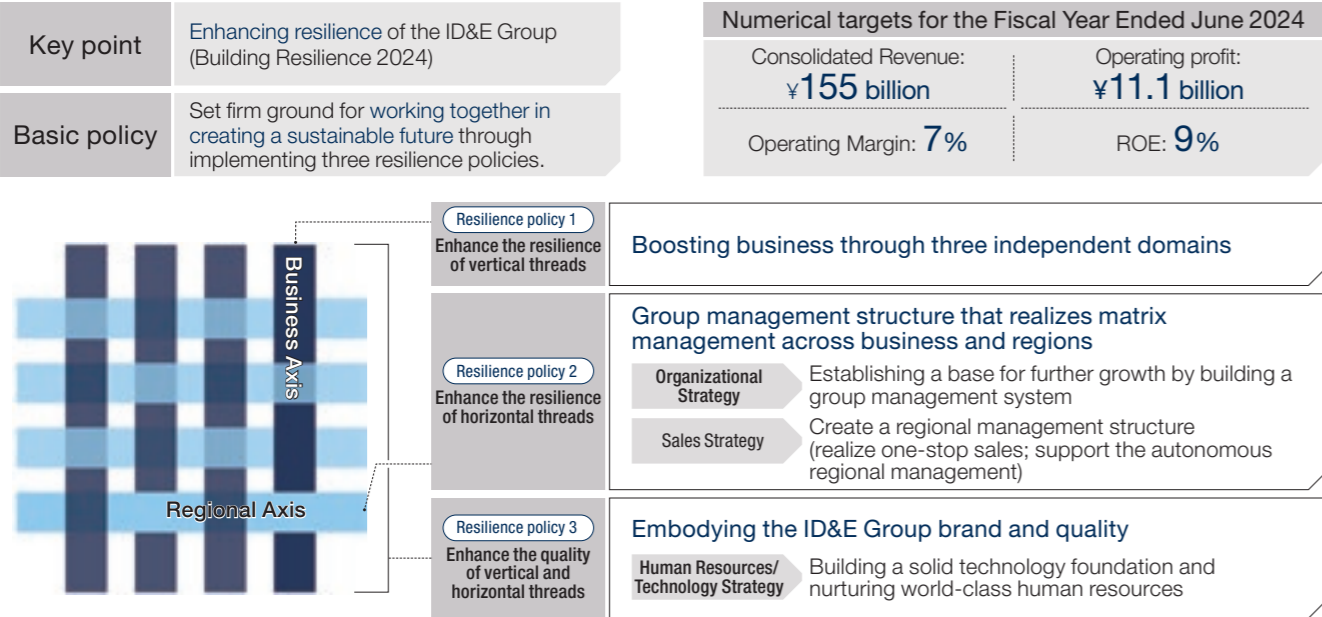
New Medium-Term Management Plan

Building Growth 2027

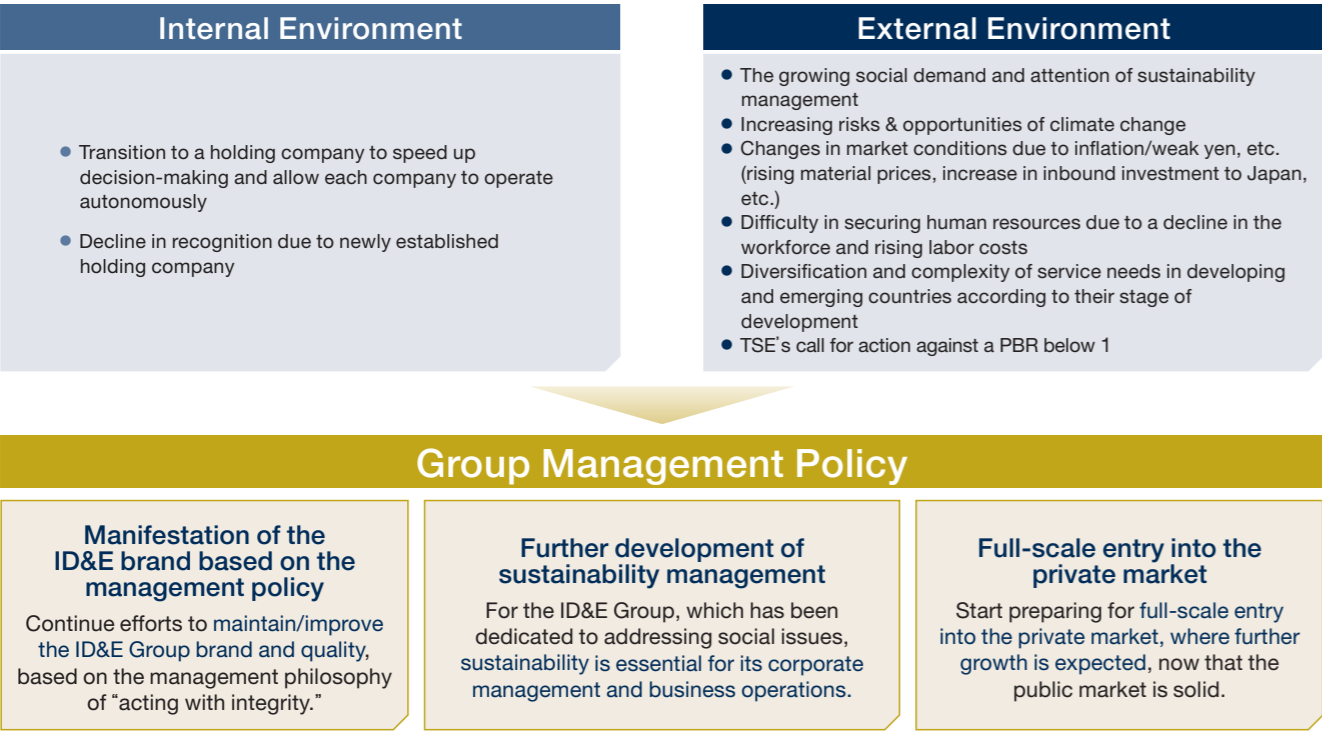
Review of the previous Medium-Term Management Plan

Our previous Medium-Term Management Plan called Building Resilience 2024 was positioned as “Transformation” and the first step in our Long-Term Management Strategy. During this plan, we promoted the greater resilience of the Group and established the foundation for working together toward a sustainable future.

We have achieved positive outcomes in the strategies we set out at the beginning. This includes establishing a new structure through organizational restructuring, growing our three core businesses, appointing chief regional officers as the foundation of our matrix management, and establishing the Global Academy as the foundation for human resource development.



Changes in the internal and external business environment and Group management policy used for the New Medium-Term Management Plan



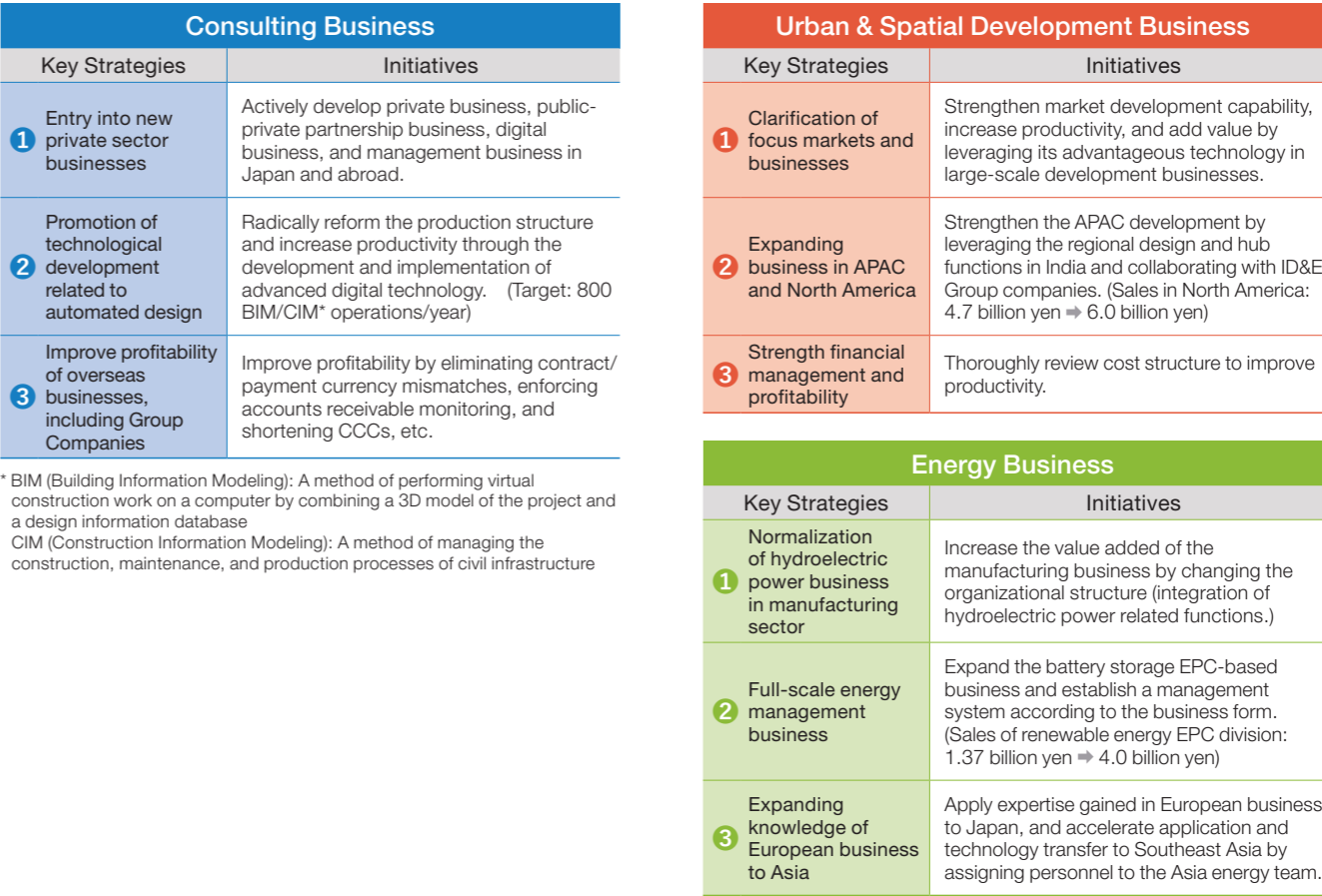
Overview of the New Medium-Term Management Plan

The new Medium-Term Management Plan (spanning from FYE June 2025 to FYE June 2027) is positioned as the “Expansion” period and the second step of our Long-Term Management Strategy. We decided to name this plan “Building Growth 2027.” The plan’s basic policy is defined as “Sustainable growth in three core businesses and expansion of business fields through working together.”



Basic strategy

Aiming for sustainable growth in our three core business segments, we have established segment-specific strategies in our growth policy **1** Reforms for growth.

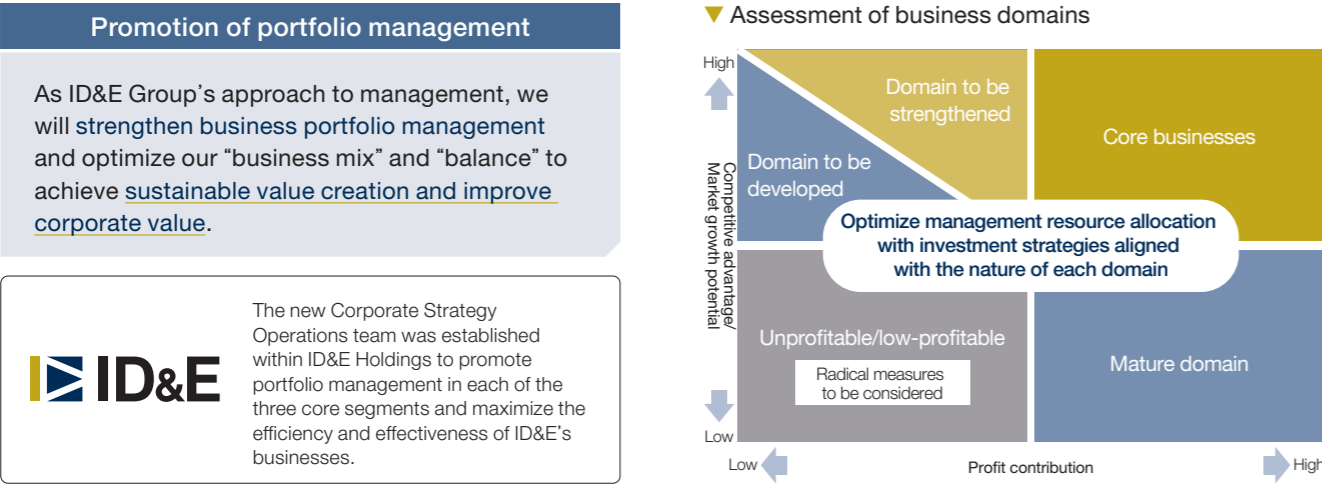


New Medium-Term Management Plan

Building Growth 2027

Reforms for growth

We will invest management resources in more promising growth domains and work to improve capital efficiency. In July 2024, ID&E Holdings established the new Corporate Strategy Operations team, which has begun considering how to implement portfolio management.



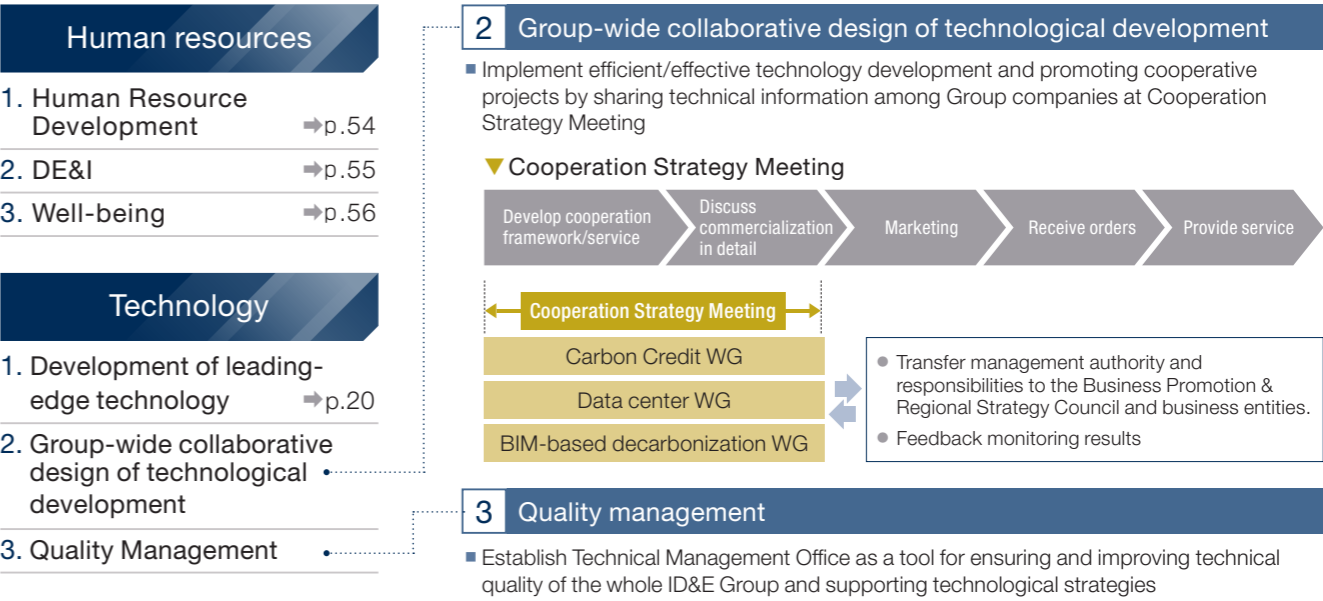
Deployment of matrix management

We have formulated regional strategies in line with market needs and the status of establishment of business structures in the three segments. We have also set ourselves apart by forming projects and businesses through segment cooperation and collaboration in rapidly growing markets.

Regional strategies				
Create added value by leveraging integrated capabilities	Region	FY2024 orders	FY2027 target orders (growth rate)	Key actions for the Medium-Term Management Plan period
Group3 Integrated capabilities with a 3-segment business structure	Japan	¥93.8 billion	¥110.0 billion (+17.2%)	<ul style="list-style-type: none"> Establish a system to respond to inbound investment needs (renewable energy, resorts, data centers). Promote energy management business in response to increased public and private investment in GX. Increase defense orders through cross-segment project proposals and market development.
	Southeast Asia, East Asia, and Oceania	¥23.4 billion	¥36.0 billion (+53.8%)	<ul style="list-style-type: none"> Develop a system to implement urban development/renovation (infrastructure x buildings) mainly in Indonesia and India, which are growing rapidly. Promote renewable energy consulting business, including hydropower investment and eco-industrial parks, to meet decarbonization needs. Strengthen its marketing and production capabilities for the Consulting Business including those of local companies.
	South Asia			
Group2 Multi-segment business opportunities	UK and Western Europe	¥25.5 billion	¥27.0 billion (+5.6%)	<ul style="list-style-type: none"> Propose decarbonization/renewable energy utilization business leveraging NKEE expertise to existing BDP customers. Create projects to support Ukraine for recovery (rebuilding of infrastructure and energy facilities, reconstruction of buildings) Participate in the urban development project in Saudi Arabia with BDP, which has a proven track record in the Middle East, as the core operator.
	EECAMENA (Eastern Europe, Central Asia, Middle East & North Africa)			
	Sub-Saharan Africa			
Group1 Single-segment business development	North America	¥17.7 billion	¥21.0 billion (+18.0%)	<ul style="list-style-type: none"> Expand the BDP Group in North America (with more fields to respond to and expanded areas in the U.S. and other countries). Deepen the consulting business in Central and South America (disaster prevention & management and digital-related business).
	Central and South America			

Advancements in human resources and technology

The ID&E Group’s strength is that we possess advanced technological capabilities in the fields of consulting, urban & spatial development, and energy, and combine them to provide one-stop solutions that meet the needs of global social development. To that end, individuals and organizations must continue to change in order for all staff to grow autonomously and become human resources that can play an active role in the world. The ID&E Group aims to cultivate top consultants who can play an active role on a global scale and “strengthening our foundation through the integration of human resources and technology.”



Special Feature: Matrix Management

Under the leadership of the chief regional officers, we analyze and forecast market trends in each region and, taking into account the scale of our operations, determine priority regions for the ID&E Group.



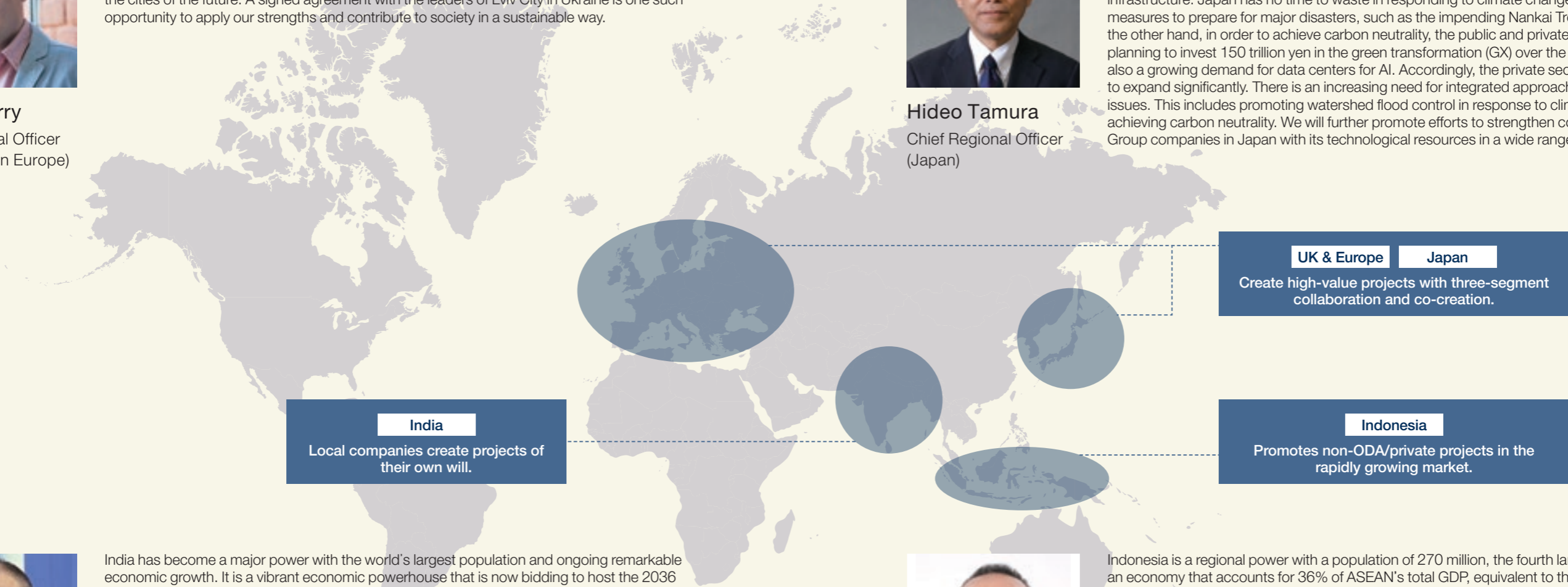
Robert Ferry
Chief Regional Officer
(UK & Western Europe)

The continued drive towards Net Zero Carbon, the UK government’s commitment to build 1.5m new homes in “towns of the future” and the need for new infrastructure in war-torn Ukraine and earthquake-hit Turkey, provides us with considerable opportunity to bring together our design and advisory services from within the region to address these issues. Our successful launch of “The Good City” initiative demonstrates how our diverse expertise can meet these challenges and create the cities of the future. A signed agreement with the leaders of Lviv City in Ukraine is one such opportunity to apply our strengths and contribute to society in a sustainable way.



Hideo Tamura
Chief Regional Officer
(Japan)

In terms of market trends in Japan, public works spending has remained stable in recent years. Following the enactment of legislation in June 2023 for the formulation of a medium-term implementation plan for national resilience, full-scale consideration began for this plan in 2024. In addition, related budgets have been significantly shored up in order to strengthen defense capabilities, with priority given to the seismic-retrofitting and updating of aging Self-Defense Forces’ infrastructure. Japan has no time to waste in responding to climate change and implementing measures to prepare for major disasters, such as the impending Nankai Trough earthquake. On the other hand, in order to achieve carbon neutrality, the public and private sectors in Japan are planning to invest 150 trillion yen in the green transformation (GX) over the next decade. There is also a growing demand for data centers for AI. Accordingly, the private sector market is expected to expand significantly. There is an increasing need for integrated approaches to solving these issues. This includes promoting watershed flood control in response to climate change and achieving carbon neutrality. We will further promote efforts to strengthen collaboration among the Group companies in Japan with its technological resources in a wide range of fields.



Naoki Kudo
Chief Regional Officer
(South Asia)

India has become a major power with the world’s largest population and ongoing remarkable economic growth. It is a vibrant economic powerhouse that is now bidding to host the 2036 Summer Olympics, which would serve to boost its national prestige.

The ID&E Group has four offices in the country—Nippon Koei (New Delhi Office), Nippon Koei India, BDP/BDP India, and Nippon Koei Mobility India—through which it is actively and boldly expanding operations.

Based on our track record and technology in freight, high-speed and urban railways, we have expanded our coverage over the past several years to include urban development, airports, seaports, water supply and sewerage, and irrigation. We are also venturing into the O&M (operation and maintenance) field in the transportation sector, and steadily building up a track record.

In particular, the Mumbai and Ahmedabad area is positioned as our most important region. In Mumbai, we have received orders for multiple bridge and road projects, and are supporting large-scale urban redevelopment projects being carried out by Japanese developers. In Ahmedabad, BDP has been awarded the contract to design the Summer Olympics Stadium, which it is currently working on.

Currently, in addition to the four companies above, we are also collaborating with Koei Research & Consulting Inc., Nippon Koei Urban Space Co., Ltd., and Nippon Koei Energy Solutions Co., Ltd. on integrated urban development and energy, with plans to strengthen and accelerate this collaboration moving forward.



Yasusuke Kurosaki
Chief Regional Officer
(Southeast Asia and Oceania)

Indonesia is a regional power with a population of 270 million, the fourth largest in the world, with an economy that accounts for 36% of ASEAN’s total GDP, equivalent to the combined economies of Thailand, Singapore, and Vietnam. Indonesia is politically stable and has a huge domestic market that is less susceptible to the effects of the external environment, which has resulted in remarkable economic growth in recent years. Further growth and associated infrastructure investment are expected in the future, with particularly active investment by private capital anticipated.

Nippon Koei, the founding company of the ID&E Group, has been involved in many projects in Indonesia since the time of Japan’s postwar reparations in the 1950s. The company is highly recognized in Indonesia and receives many inquiries related to development projects. To act on this robust demand, we are taking steps to utilize the technologies and personnel of our Group companies in Southeast Asia and venture further into this dynamic market. Furthermore, we will expand our human resources in Indonesia and work to develop new businesses in urban development, renewable energy, and new technologies.

Materiality

Modified materiality following the establishment of the Medium-Term Management Plan

The ID&E Group has established a Mission, Vision, and Values to grow sustainably and to share its desired direction broadly with all stakeholders in light of the management environment surrounding us. To accomplish our Mission, we have identified five key issues as our materiality that should be prioritized by leveraging our strengths. We have also defined a theme that represents all five key issues as “An Ideal world, built with integrity.”

By addressing these key issues while deepening cooperation with our stakeholders, we will create an ideal future through the resolution of various social issues.

The Group first announced its materiality in 2021. We then transitioned to a holding company structure in 2023. In 2024, we revised our materiality in line with the establishment of our Medium-Term Management Plan in order to show that we will contribute more than ever before through our businesses amid a rapidly changing external environment.

Materiality identification process

In identifying materiality issues, we incorporated perspectives on the external environment surrounding the company and on future trends, while extracting key issues to achieve our “Mission.” In determining the key themes, we applied the concept of double materiality, evaluating issues based on two axes: “Impact on the environment and society (stakeholder relevance interest level)” and “Impact of the environment and society on our Group (relevance interest level to our Group).” We then consolidated and reorganized high-priority items into five categories, which represent our Group’s materiality issues.







ID&E Group Materiality - An IDEAL world, built with integrity -

Materiality		Main Initiatives	Indicators	Target* ¹ (FYE 2030/6)	Related SDGs			
1	Building a more equitable society	1-1 Contributing to society's sustainable development through all our global activities	① Business growth driven by the needs of each global region	Revenue (Total)				
				Japan		¥250 billion		
				Asia		¥125 billion		
				UK, Europe, Middle East, Africa		¥65 billion		
				Americas		¥45 billion		
			② Consideration for human rights in the Group's business activities (infrastructure development, human resource development, etc.)	Status of Human Rights Impact Assessment Study		¥15 billion		
				Status of response to identified risks		Solid implementation		
				Status of response to identified risks		Solid implementation		
2	Cultivating a beautiful and habitable planet	2-1 Building a sustainable society through safe and stable energy supply	① Engagement in disaster-resilient community building, recovery, and reconstruction projects	Disaster prevention and mitigation related revenue ²				
				¥16 billion				
			② Technological development related to disaster prevention and mitigation	R&D expenditures and investments		3.2% of related revenue		
		2-2 Creating places where people and nature thrive together in harmony and happiness	① Promotion of renewable energy use ³	Revenue related to the promotion of renewable energy		¥43 billion		
				RE100 power supply business Electricity sales volume		100GWh per year		
			② R&D and investment in renewable energy and next-generation energy	R&D expenditures and investments		15% of related revenue		
			2-3 Addressing climate change and ecosystem recovery through smart solutions	① Promotion of The Good City Project ⁴		Revenue related to the Good City Project	¥42 billion	
				② R&D related to habitable spaces		R&D expenditures and investments	0.9% of related revenue	
① Full-scale entry into sustainability-related businesses ⁵	Net sales for businesses that aim to address sustainability issues	¥44 billion						
3	Innovating to address the challenges of the modern world	3-1 Creating value for our clients through our Group's unique integrated capabilities	① Entry into new markets and creation of new businesses through segment cooperation	Total area of ecosystems benefiting from maintenance and restoration				
				Status of response to TNFD recommendations for ID&E Group business operations		Direct contribution: 5 ha Indirect contribution: 100,000 ha		
		3-2 Building value through cross-industry collaboration	① Entry into new markets and creation of new businesses through cooperation, alliances and group inclusion of companies from different industries	Status of response to identified impacts		Quantitative information disclosure for five major operating companies that account for more than 70% of sales		
				Ensuring Responses to Identified Risks and Opportunities				
		3-3 Accelerating value through our market-leading research and development	① Group-wide development and utilization of AI and other cutting-edge technologies	Carbon-positive contributions (GHG reductions, carbon credit and offsetting-related businesses, etc.)		Direct Contribution: 36,000 (tCO ₂) Indirect Contribution: 1,000,000 (tCO ₂)		
				④ Reduction of GHG emissions of the ID&E Group (TCFD compliant)		Contribution to GHG reduction through business activities	42% decrease compared to FYE 2023/6	
						GHG (Scope 1 and 2) emissions of the ID&E Group (five major operating companies accounting for more than 70% of sales)		
						Related revenue	¥10 billion	
			R&D expenditures and investments	¥1 billion				

*1 Targets were set mainly for five major group companies that account for more than 70% of the ID&E Group's revenue (Nippon Koei Co., Ltd, Nippon Koei Urban Space Co., Ltd, BDP Holdings Limited, Nippon Koei Energy Solutions Co., Ltd and Nippon Koei Business Partners Co., Ltd). (Targets of Materiality 4 were set mainly for four companies (Nippon Koei Co., Ltd, Nippon Koei Urban Space Co., Ltd, Nippon Koei Energy Solutions Co., Ltd and Nippon Koei Business Partners Co., Ltd).)

*2 Includes revenue of recovery and reconstruction-related businesses.

Materiality		Main Initiatives	Indicators	Target* ¹ (FYE 2030/6)	Related SDGs	
4	4-1 Promoting a culture of well-being for our people	① Realization of DE&I focused management	Ratio of female managers	15%	   	
			Gender wage gap	80%		
			Highly-skilled foreign professionals	3.5%		
			Percentage of employee with disabilities	3.0%		
			Percentage of male employee taking childcare leave	85%		
		② Promotion of well-being focused management	Findings of health checkups	58%		
			Absenteeism	2.3 days		
			Presenteeism	85%		
	4-2 Creating opportunities for growth and career development of our people	① Developing talents who embody the ID&E group's corporate philosophy	Work engagement	3.3		
			Total number of participants in training for executive leadership development	Increase of 360 people from the end of FY2024/6		
Total number of participants in training for global talent development			Increase of 600 people from the end of FY2024/6			
② Monitoring and data-utilization of various indicators aimed at improving employee engagement		Total number of participants in training for DX (digital transformation) talent development	Increase of 600 people from the end of FY2024/6			
		Number of surveys on engagement index	1 time/year			
③ Exchange and collaboration beyond company limits		Number of surveys conducted to support career development	1 time/year			
		Number of exchange and collaboration measures implemented, such as: · Dispatch of employees between Group companies · Support for personnel exchange such as secondment and training · Support for collaborative research and co-creation projects with other companies or research institutions · Support for studying abroad at domestic and international universities · Encouragement of participation in academic societies and similar organizations	5 measures/year			
		5	5-1 Fostering trust with society through our organizational culture of "acting with integrity"	① Permeation of corporate philosophy and thorough compliance	Implementation rate in compliance training	100%
Awareness of internal consultation channels for compliance	100%					
② Ensuring information security				Dissemination of Code of Conduct for ID&E Group to new hires	100%	
				Status of ongoing NIST SP 800 compliance	Solid implementation	
5-2 Trusted quality, though innovative technology and a respect for the planet	① Providing high-quality services		Number of customer awards	—		
			Number of professional engineers	2,400 people		
5-3 Actively engaging with society and stakeholders to respond to their needs	① Promoting mutual understanding with external stakeholders		Number of new PhDs obtained* ⁶	Increase of 5 people from the end of FY2024/6		
			Number of dialogues with external stakeholders	Solid implementation		
	② Guidelines for Stakeholder Engagement		Number of Group companies preparing and implementing action plans based on the Action Guidelines	All consolidated Group companies		

*3 Expansion of RE100 power supply business, expansion of storage battery business in Japan and Asia, promotion of regional microgrids, and renewal and augmentation of the power system, etc.

*4 Improvement to urban living environments, redevelopment of cities and local areas, introduction of sustainable design for public buildings, etc.

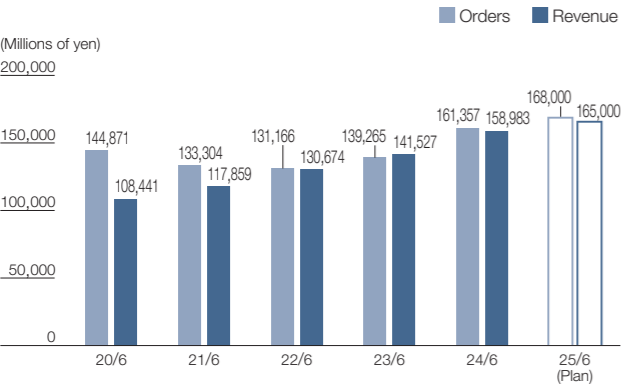
*5 Decarbonization, biodiversity, waste, human rights, well-being, etc.

*6 Number of people who obtained their degrees through in-house programs

Financial and Non-Financial Highlights

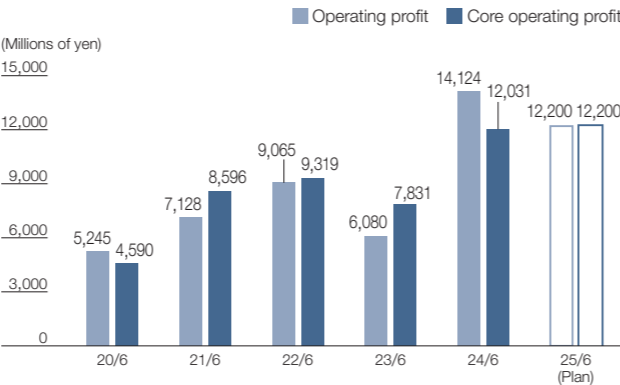
Orders and revenue

For the fiscal year ended June 30, 2024, we achieved the forecasts for orders, revenue, and each profit indicator, all of which reached record highs. We continue to see sustained growth in our three core business segments.



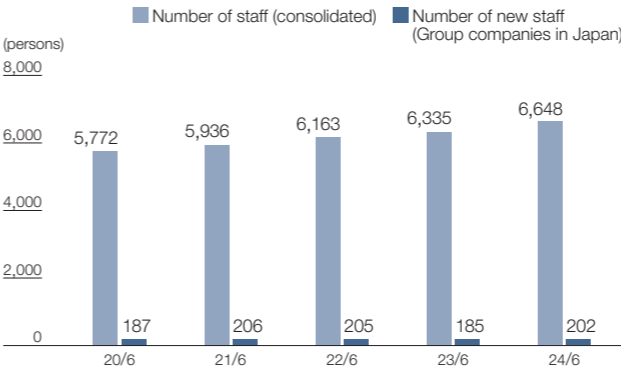
Operating profit and core operating profit

We are also working on measures to improve productivity in order to promote our business efficiently. In the fiscal year ended June 30 2024, the earnings power of our core Consulting and Energy businesses contributed to our performance.



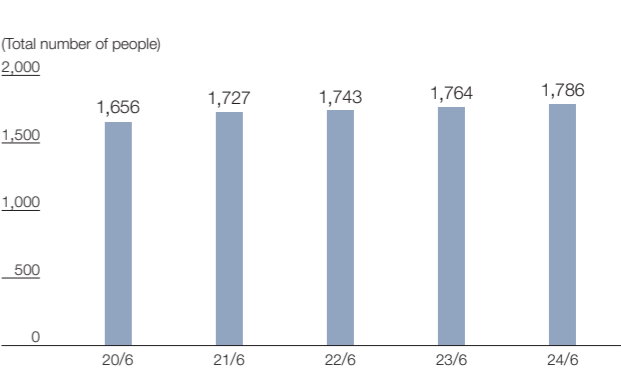
Number of ID&E Group staff

The Group's headcount is increasing due to business expansion. We hire about 150 to 200 new staff every year, including those hired at Group companies in Japan.



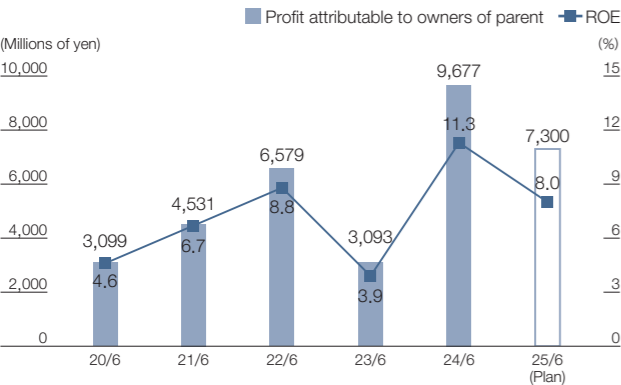
Number of certified professional engineers

The number of the certified professional engineers is increasing year by year due to the enhancement of measures to acquire qualifications such as seminars.



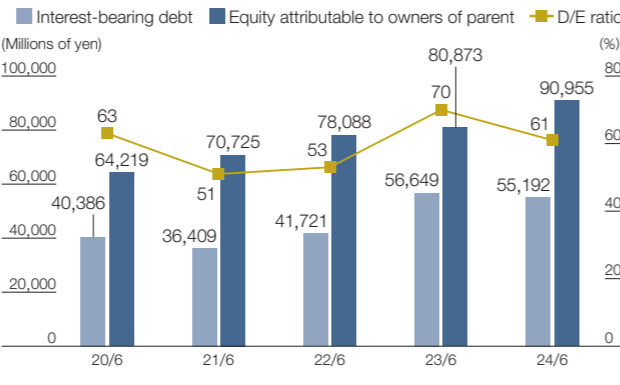
Profit attributable to owners of parent/ROE

We are generating stable profits. For the fiscal year ended June 30, 2024, profit attributable to owners of parent rose in line with the increase in operating profit.



Debt-to-equity ratio (D/E ratio)

We will continue to measure the health of our financial condition. D/E ratio = Interest-bearing debt / Equity attributable to owners of parent



Recognition as an Outstanding Health and Productivity Management Organization for six consecutive years

In order to put ID&E Group's Management Philosophy into practice, we believe that the first priority is the health of staff and their families, both physically and mentally. This is the reason why we promote health management.



Ranked No. 1 in sales in Japan's engineering consulting industry

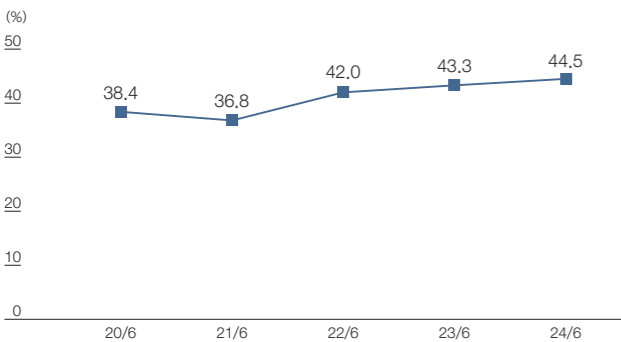
Nippon Koei has established a leading position as a engineering consulting firm in Japan that is ranked No.1 in sales.

* Source: Nikkei Construction
April 20, 2024 Number of overseas orders received by engineering consulting firms in Japan



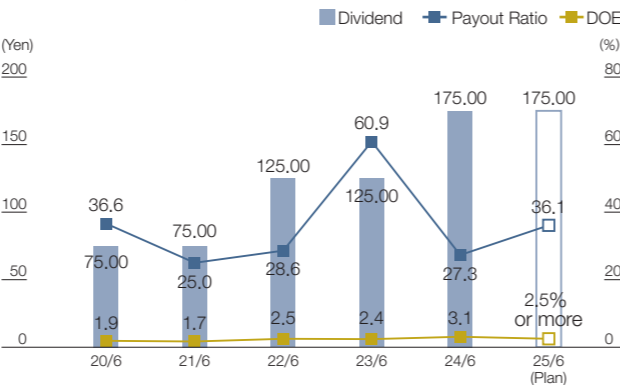
Overseas sales ratio

We will work to strengthen collaboration with major overseas Group companies.



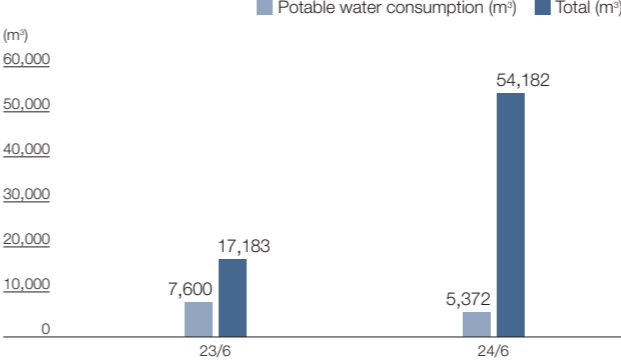
Annual dividend/Dividend payout ratio/DOE

The basic objective of our dividend policy is to provide stable dividends and provide shareholder returns in line with rising profit levels, with a target dividend payout ratio of 30% and target DOE of 2.5% or more over the medium to long term. Most recently, the dividend per share increased in line with the Group's strong business performance.



Water consumption from all sources

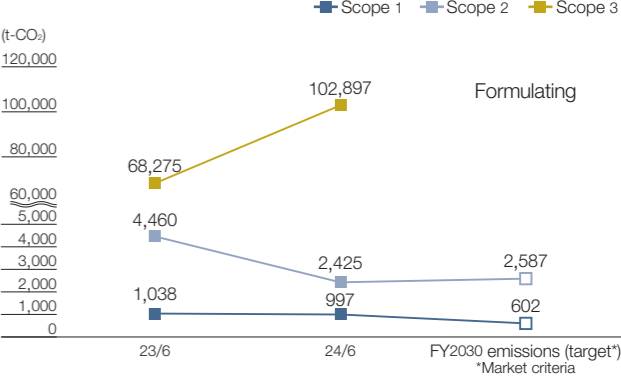
We are promoting the reduction of water usage not only at our own offices, research facilities and other locations, but also in the projects that we are involved in both domestic and overseas. In order to understand water consumption volumes, we are increasing the number of locations subject to data collection.



Greenhouse gases (GHG)


We will expand the number of sites with renewable energy generating systems and promote the reduction of Scope 2 emissions.

Scope: Five main group companies



Strategy by Business

Sustainable growth in three core businesses and expansion of business fields through working together



NIPPON KOEI

Establishment of global business operations that Make the World a Better Place

Haruhiko Kanai
Representative Director and President
Nippon Koei Co., Ltd.

The Consulting Business saw strong orders, sales, and profits in the fiscal year ended June 30, 2024. In Japan, the defense-related infrastructure business and national resilience-related business expanded against the backdrop of a favorable market environment. Overseas, market expansion strategies powered by collaboration with local subsidiaries have been a success.

As part of reforms aimed at growth from fiscal 2025 onwards, we will bolster our production system, including with M&A, create new businesses, enter the management business, and establish the foundations for global business expansion.

In the Japanese market, public works will remain our core business, while we also seek to enter public-private partnerships, leveraging our public works experience since our founding, and to expand into the private sector.

Overseas, we will work to expand yen loan and non-ODA projects as well as further strengthen cooperation with local subsidiaries.

To maintain and improve ID&E quality, we must develop and implement technologies for the times. During the current Medium-Term Management Plan, we will advance research and development related to climate change response, decarbonization, and AI, promote technological development related to automated design, and strive to ensure technical quality and improve productivity. The progress of automated design varies slightly depending on the field, but we are seeing great progress in rivers, disaster prevention and erosion control, and roadways.

Through these measures, we aim to provide unique value as a company with the mission of Make the World a Better Place.



BDP.

Providing comprehensive services for projects of all sizes worldwide

Nicholas Fairham
Chief Executive
BDP Holdings Limited

This year has been a pivotal one for BDP, marked by impressive growth and strong financial and operational achievements. Our UK operations delivered a solid 13.5% growth, while our global network of studios contributed to 38% of group sales from outside the UK. This success has driven our highest staff numbers and record turnover, powered by our exceptional teams.

Our sector-led approach continues to highlight our creative expertise, enabling us to secure and deliver groundbreaking projects worldwide. Notably, the GOlympics in Ahmedabad, in preparation for the 2036 Olympics, showcases the strength of collaboration between our London and Delhi studios, alongside Nippon Koei India.

As a resilient and diverse collective of 19 global studios, we have responded adeptly to the changing demands of the modern world. Our roots as the original multidisciplinary

practice, combined with ongoing investment in technology and AI, ensure that we will continue to lead in using “Design as a Power for Good.”

Financial success underpins our ability to realize our strategic goals, and our sales and profit growth reflect the impact of these efforts. With inflation easing and interest rates stabilizing in key markets, we are optimistic that our clients will increasingly look to us for support in navigating evolving commercial challenges. In response to growing global demand, we’ve expanded our offering through “The Good City,” integrating urbanism expertise with our colleagues at the ID&E Group. This initiative strengthens our commitment to improving quality of life and addressing climate change through thoughtful, integrated design.

We look forward to a prosperous and collaborative 2025 with the ID&E Group.



NIPPON KOEI URBAN SPACE

Comprehensive community, urban and regional revitalization through engineering and architecture

Noriaki Yoshida
Representative Director and President
Nippon Koei Urban Space Co., Ltd.

Nippon Koei Urban Space Co., Ltd. was established in 2022 to provide one-stop services combining civil engineering and architectural technologies in urban development projects. In the previous Medium-Term Management Plan, we worked to form an organizational foundation, and our three business divisions, “urban development consulting, civil engineering consulting, and comprehensive survey consulting,” took action to participate in urban infrastructure development projects both in domestically and overseas. Development needs are high both in Japan and abroad, and yet, delays in shifting target markets are creating challenges in profitability.

To accomplish growth in fiscal 2025 and beyond, we need to transform our business model and strengthen our production system. Specifically, in Japan’s public sector

market, we will increase orders based on technology proposals from price-competitive entities. Furthermore, in the private sector market, we will help form projects and secure orders through proposal-based sales. Toward this end, we made organizational changes in July 2024. In particular, to meet the domestic development needs of robust inbound tourism businesses, we will work with BDP and Kisho Kurokawa Architect & Associates to strengthen collaboration between segments and advance into the private sector.

Overseas, we are cooperating with the BDP Group to advance the “The Good City” initiative, providing one-stop services from concept to operational management.

Our goal is to become a comprehensive producer for the creation of sustainable cities.



NIPPON KOEI ENERGY SOLUTIONS

Providing one-stop services for clean energy

Hiroshi Yokota
Representative Director and President
Nippon Koei Energy Solutions Co., Ltd.

For the fiscal year ended June 30, 2024, we accomplished our forecast for both sales and profits. Under the previous Medium-Term Management Plan, we were able to build the foundations for accelerating future business development, including establishing a system for promoting our energy management business and starting operations in our European energy storage business.

The main customers of the energy segment are electric power companies, who demand high technical capabilities and reliability. Since our founding, we have built up a solid reputation and a stable business foundation. Another feature of Nippon Koei Energy Solutions is that we are undertaking new business ventures, such as the energy storage business in Europe, among others.

While preserving our existing technologies, we also want to invest in advanced technologies and new businesses in

response to the global trend toward decarbonization.

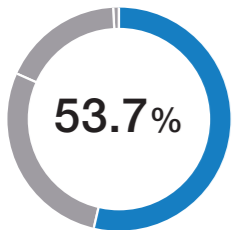
As part of our growth strategy for the fiscal years ending June 30, 2025 and beyond, we will expand our energy management business, with an emphasis on storage batteries. There are few Japanese companies that can cover everything from developing energy storage plants to operating them in the market, so we aim to utilize our advanced knowledge to expand our business footprint in Japan and Asia. Furthermore, our long history in the hydropower industry means we can offer one-stop services from investment to production, construction and maintenance. Through organizational changes implemented in our hydropower departments in July 2024, we will continue to augment our added value by taking advantage of our one-stop services.

Business Overview

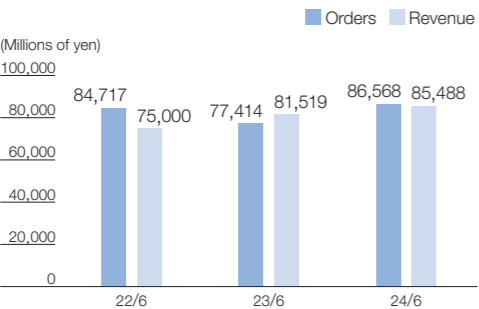
Consulting Business

Main indicators

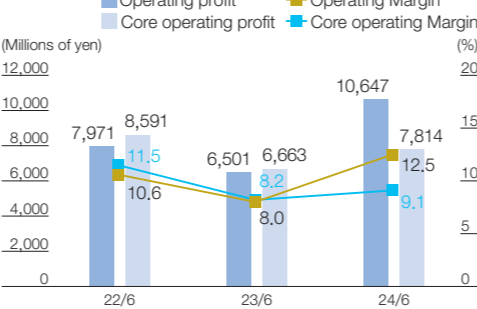
▼ Composition Ratio of Revenue



▼ Orders and Revenue



▼ Operating Profit and Core Operating Profit



Strengths

Comprehensive capabilities and networks in a wide range of fields

With experts in various fields, we will respond to the needs of our clients with our comprehensive capabilities as the world faces increasingly complicated and complex issue. We have offices in all prefectures in Japan, and also major cities in Asia, Africa, the Middle East, Central and South America, and Eastern Europe in overseas.

Human resources with high technical skills

ID&E's commitment to human resource development and technical research for many years has led to the Company reaching its current No.1 position. Each and every one of our staff, who have the responsibility to contribute to the development of infrastructure development, as well as the superior technology and knowledge to realize such responsibility, always learn from each other and play fundamental role for the sustainable growth of our Group.

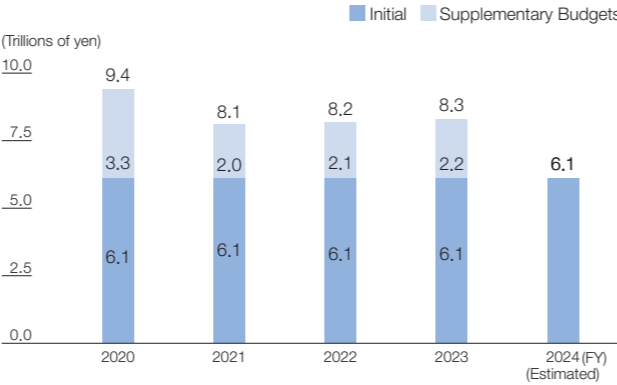
Practical wisdom and visionary R&D

We have accumulated a wide range of technologies and knowhow through numerous projects that have been carried out since our establishment. At the R&D Center, which is the largest of its kind in the industry, we conduct the latest basic research with a view to the future and applied research in large experimental facilities and fields.

Market trends (Japan)

In Japan, our Consulting Business is mainly engaged with the study and design of public and utility projects. Therefore, its performance is affected by factors such as investment in construction and the scale of public investment. In recent years, the volume of work has been increasing due to the growing demand for national resilience and extension of infrastructure service life in the face of increasingly severe disasters. In addition, there is a growing trend toward PPPs (Public-Private Partnerships), where the private and public sectors cooperate to provide public services and PFIs (Private Financial Initiatives), where the private sector alone provides public services. As a result, the role of engineering consultants is also growing year by year.

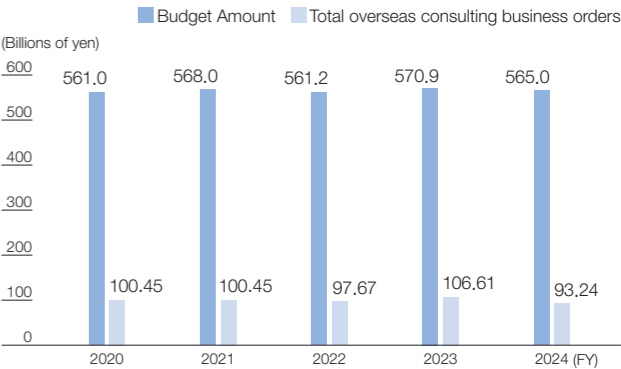
▼ Public Works Expenditures (Initial + Supplementary Budgets)



Market trends (Overseas)

Our clients include the Japan International Cooperation Agency (JICA) and other Japanese ODA implementing agencies, international organizations, such as the World Bank and the Asian Development Bank, and overseas governments. In recent years, due to the increasing demand for infrastructure in emerging countries, the number of projects has been increasing year by year and becoming larger in size. "Infrastructure Systems Overseas Expansion Strategy 2025" issued by the Japanese government set high level of order targets of infrastructure export, and that leads consistently strong demand in overseas projects. In regard to ODA loans, the ratio of projects in India and Bangladesh has been increasing, and in terms of fields, new development of transportation, such as railroads, and urban development, such as smart cities, have been increasing in order to cope with population growth in emerging countries and to achieve a decarbonized society.

▼ Initial ODA Budget in the General Account/Overseas Consulting Business Orders (Industry Total)



Performance Summary for Fiscal Year Ended June 30, 2024

Orders	¥86.568 billion	Orders increased year on year contributed by those for work related to Japan's national resilience and defense.
Revenue	¥85.488 billion	Revenue increased owing to steady progress in ongoing projects both in Japan and overseas.
Operating profit	¥10.647 billion	Operating profit increased as the domestic and overseas Group companies more than offset the downward pressure on profits overseas mainly due to increase in outsourcing costs caused by the weaker yen and inflation.

Strategies and Efforts of the New Medium-Term Management Plan "Building Growth 2027"

Key Strategies	Efforts
<ul style="list-style-type: none"> Entry into new private sector businesses Promotion of technological development related to automated design Improve profitability of overseas businesses, including group companies 	<ul style="list-style-type: none"> Actively develop private business, public-private partnership business, digital business, and management business in Japan and abroad. Radically reform the production structure and increase productivity through the development and implementation of advanced digital technology.(Target: 800 BIM/CIM operations/year) Improve profitability by eliminating contract/payment currency mismatches, enforcing accounts receivable monitoring, and shortening CCCs, etc.

Topics

Recovery and reconstruction for the Noto Peninsula Earthquake

At approximately 4:10 pm on January 1, 2024, the Noto region of Ishikawa Prefecture was struck by the 2024 Noto Peninsula Earthquake with a maximum seismic intensity of 7. In January 2024, the Cabinet Office of Japan published an estimate that damage to homes, infrastructure, and other assets caused by the quake would amount to between 1.1 and 2.6 trillion yen. The Government of Japan has announced that it will allocate 47.5 billion yen from the reserve fund in the 2024 budget to restore infrastructure such as roads, rivers, and water supply, as well as medical facilities.

Following requests for support from the national and local governments immediately after the disaster, the Group has been carrying out on-site inspections, confirmations, studies, analysis, and creating drawings related to the recovery efforts. These operations are centered around Nippon Koei's four business fields (land infrastructure development, watershed and water management, transportation, and infrastructure engineering) and the entire Group is working together to support those areas affected by the quake.

Voice

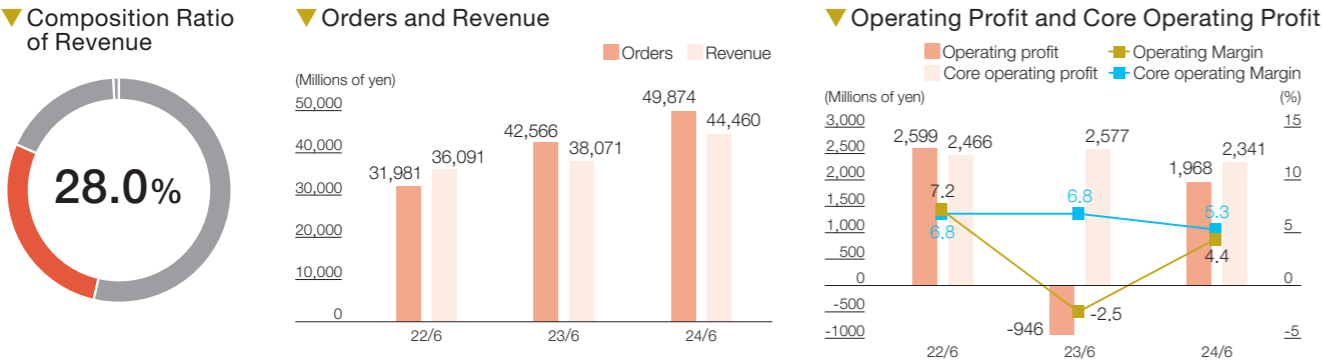
I believe that it is the social mission of an engineering consultant to make every effort to provide safety and security to the local communities as quickly as possible in response to the major disasters such as the Noto Peninsula Earthquake. The Group has dispatched a total of more than 1,000 engineers to the affected areas. Additionally, using our experiences and knowledge gained through recovery support for past major disasters, we have worked diligently to study the current state of landslides, monitor landslide dams in mountain streams, and consider emergency restoration of damaged roads and other infrastructure. We will continue to work together across all business fields to provide safety and security to the local communities as quickly as possible.

Nobuyuki Shibasaki, Director General of Land Infrastructure Development Operations, Nippon Koei Co., Ltd.

Business Overview

Urban & Spatial Development Business

Main indicators



Strengths

Ability to make proposals that combine civil engineering and architecture

The Urban & Spatial Development Business is characterized by its ability to develop not only buildings in specific areas, but also in the dynamic field of infrastructure including water and sewage, electricity, and transportation networks, utilizing skills and experience across the fields of civil engineering and architecture.

Cross-sectoral town planning

In the urban space field, it is necessary to carry out initiatives that bring together multiple fields such as civil engineering, architecture, and the environment, starting with basic surveys of projects. We will support the promotion of the business as a coordinator who coordinates the whole by utilizing our experience in each field.

Solving local issues

We have a wealth of experience working on long-term projects in several regions. Utilizing this experience, we will promote tailored town planning to address the unique issues that differ from region to region, and aim for sustainable regional development.

Market trends

The architecture field is one of the most active fields, accounting for 25% of the sales of international survey and design firms. In Asia, Africa, and Latin America, the market for buildings integrated with transportation-related facilities such as railroads, roads, and airports, base development integrated with peripheral infrastructure development, and ancillary surface development and smart cities is expanding in the urban centers and suburbs of metropolitan areas that will serve as receptacles for population concentration and growth, and the growing industrial economy. In terms of funding, the appetite for infrastructure investment through private funding is increasing.

In Japan, the market is expanding for the effective use and revitalization of the large amount of stock (buildings) that exists nationwide, and for the consolidation and reorganization of highly sustainable bases in regional cities as their populations decline.



Source: Excerpt from the August 2023 Issue of ENR

Performance Summary for Fiscal Year Ended June 30, 2024

Orders	¥49.874 billion	Orders increased year on year owing to the contribution of large-scale orders in the U.K., Canada, and India won by the BDP Group.
Revenue	¥44.460 billion	Revenue increased mainly owing to steady progress in ongoing projects of the BDP Group.
Operating profit	¥1.968 billion	Operating profit increased thanks to the increase in BDP Group revenue. Nippon Koei Urban Space's performance was weak due to intensifying price competition given decline in public works spending by the national and local governments and cost increase accompanying the strengthening of management foundation.

Strategies and Efforts of the New Medium-Term Management Plan “Building Growth 2027”

Key Strategies	Efforts
<ul style="list-style-type: none"> Clarification of focus markets and businesses Expanding business in APAC and North America Strength financial management and profitability 	<ul style="list-style-type: none"> Strengthen market development capability, increase productivity, and add value by leveraging its advantageous technology in large-scale development businesses. Strengthen the APAC development by leveraging the regional design and hub functions in India and collaborating with ID&E Group companies. (Sales in North America: 4.7 billion yen ⇒ 6.0 billion yen) Thoroughly review cost structure to improve productivity.

Topics

Architectural design firm BDP

BDP Holdings Limited (BDP) and its subsidiaries are one of the UK’s leading architectural design firms. They joined the Group in 2016 with the aim of providing more comprehensive and complex solutions to various urban issues. Since then, BDP have continued to take on various challenges together, such as expanding business in Asia, with the aim of increasing the value of social capital through collaboration between Nippon Koei and Nippon Koei Urban Space’s infrastructure development technology and BDP’s building and urban development technology. In 2019, BDP acquired Quadrangle Architects Limited, a comprehensive Canadian architectural and interior design firm, and in 2021 acquired Pattern Design Limited, a British architectural design firm specializing in the sports sector. They are also aggressively expanding their business domain with the opening of a branch office in New York in 2022. They have also been actively expanding in Asia in recent years.

BDP’s penetration in Asia Redevelopment of Geylang Serai (Malay Settlement) in Singapore

BDP worked on the design, architecture and urban planning for the redevelopment project of Geylang Serai, the largest Malay settlement in Singapore. The project was completed in September 2024, and the ceremony was attended by the Prime Minister of Singapore.

Incorporating traditional Malay architectural motifs (such as woodwork, geometric patterns and simple, functional design), the area was redeveloped into an iconic space connecting the past and the future. In addition, a public space for gathering of local communities, multipurpose facility, and exhibition gallery were designed to create opportunities for residents and visitors to share cultural and historical experience and deepen connections.

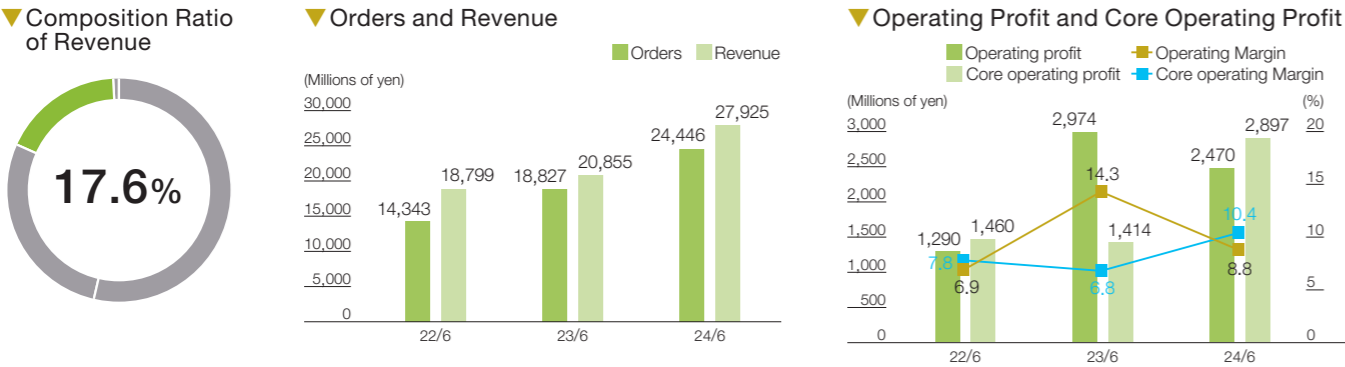


Landmark Gateway Arch and crossroad

Business Overview

Energy Business

Main indicators



Strengths

Long track record in product manufacturing and construction

For many years, our main clients have been Tokyo Electric Power Company and other electric power companies in Japan, with whom we have built a relationship of trust through the manufacture and sale of substation equipment, mechanical and electrical consulting, and planning, investigation, design, and construction for reinforcement and renovation of electrical facilities.

Provision of one-stop services

Provision of one-stop services

ID&E Group provides one-stop services encompassing every stage from planning and investigation to engineering and construction as well as equipment manufacture and maintenance for electric power facilities and equipment in Japan and overseas. This results in speedy response times and reduces the burden on the client.

Knowledge of energy management cultivated in Europe

Knowledge of energy management cultivated in Europe

We are promoting ancillary services*¹ using storage batteries in Europe, where the business environment is well established through the unbundling of power generation and transmission system. We cultivate knowledge of energy management and are able to propose a variety of solutions using storage battery.

*1 A service for stabilizing the quality of electricity.

*2 A market for buying and selling capacity to generate electricity (kW value).

Market trends

Market trends

The Japanese electric power market is expected to shift to a new competitive environment with the unbundling of generation and transmission system and the complete liberalization of generation, transmission, distribution, and retail. At present, we are working to strengthen our production system and earnings management to meet the cost reduction demands of power companies. In the global energy market, increased demand for renewable energy accompanying the drive for low-carbon operations and distributed power sourcing is anticipated. In line with this, it also anticipates the expansion of new markets for ancillary services, peak arbitrage, capacity markets*², etc.

Worldwide renewable energy capacity is expected to grow 2.7 times by 2030 compared to 2022. The share of renewable energy in final energy consumption is projected to increase from 13% in 2023 to nearly 20% by 2030.

Source: Renewables 2024 published by the International Energy Agency (IEA)

Performance Summary for Fiscal Year Ended June 30, 2024

Orders	¥24.446 billion	Orders increased year on year due to demand related to the renewal of electric power facilities under the revenue cap framework* and additional orders related to project on hand. * The development plans with forecast of investment and expenses for grid transmission and distribution network are reviewed and approved by the government, and then wheeling charges are set.
Revenue	¥27.925 billion	Revenue increased due to steady progress in large-scale power plant/transmission projects on hand.
Operating profit	¥2.470 billion	Operating profit progressed steadily by leveraging scale advantages from increased revenue and improving our structure to generate profits, though it decreased year on year due to the absence of gains on the sale of shares of PT. ARKORA HYDRO (a former affiliate) and gains on investments in securities (approximately 1.9 billion yen) recorded in FYE 2023/6.

Strategies and Efforts of the New Medium-Term Management Plan “Building Growth 2027”

Key Strategies	Efforts
<ul style="list-style-type: none"> Normalization of hydroelectric power business in manufacturing sector Full-scale energy management business Expanding knowledge of European business to Asia 	<ul style="list-style-type: none"> Increase the value added of the manufacturing business by changing the organizational structure (integration of hydroelectric power related functions.) Expand the battery storage EPC-based business and establish a management system according to the business form. (Sales of renewable energy EPC division: 1.37 billion yen ⇒ 4.0 billion yen) Apply expertise gained in European business to Japan, and accelerate application and technology transfer to Southeast Asia by assigning personnel to the Asia energy team.

Topics

Full-scale expansion into the energy management business

Full-scale expansion into the energy management business

Storage batteries and energy management systems (EMS) are an effective means to make the most of renewable energy power generation facilities that use natural energy, such as solar power, which is the most variable type of renewable energy.

Nippon Koei Energy Solutions Co., Ltd. is expanding into the aggregation and large-scale storage battery

Full-scale expansion into the energy management business

businesses in the leading European market, while also developing its energy management business in Japan. We will utilize our know-how cultivated in Europe and Japan in renewable energy, storage batteries and EMS to expand our business towards the realization of a decarbonized society.

Project Information

A Project to make Akita Rinkai Processing Center an energy supply base

This project involves the construction and operation of a microgrid based at the Akita Coastal Treatment Centre located in the Mukaihama district of Akita City. Renewable electricity generated from digestion gas, wind power, and solar power will be supplied to 10 public facilities in the Mukaihama district, while adjusting the supply and demand balance using storage batteries, energy management system, and hydrogen production and utilization equipment.

This project will enable more than 70% of the approximately 22,000 MWh of electricity consumed by the entire facility annually to be replaced with renewable energy. In addition, by purchasing the remaining roughly 30% of electricity from renewable sources, the facility expects to reduce its CO₂ emissions by around 10,000 t-CO₂ per year, achieving zero CO₂ emissions from electricity consumption.

This project is a joint venture between six companies*, including local companies, with Nippon Koei Energy Solutions, as the lead company, responsible for the entire project, from design and construction to operation.

* Nippon Koei Energy Solutions Co., Ltd. (lead company), Sawakigumi Co., Ltd., Local Denki Co., Ltd., Tokyo Densetsu Service Co., Ltd., Tsukishima JFE Aqua Solution Co., Ltd., and Choshu Industry Co., Ltd.

Sample diagram of the project

Conceptual diagram of power generation facilities upon completion

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Environment

Since its establishment, the ID&E Group has been committed to contributing to the development of a sustainable society by undertaking numerous projects and initiatives aimed at improving and creating a better “natural environment” as well as “social environment.” In alignment with various policies and action guidelines in the environmental domain, we will continue to advance sustainability management.



Disclosure following the TCFD recommendations

For our Group, which operates globally, addressing climate change presents not only risks but also numerous opportunities. Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we are making efforts to communicate to stakeholders in an easy-to-understand manner the impacts of climate change on the Group’s corporate activities.

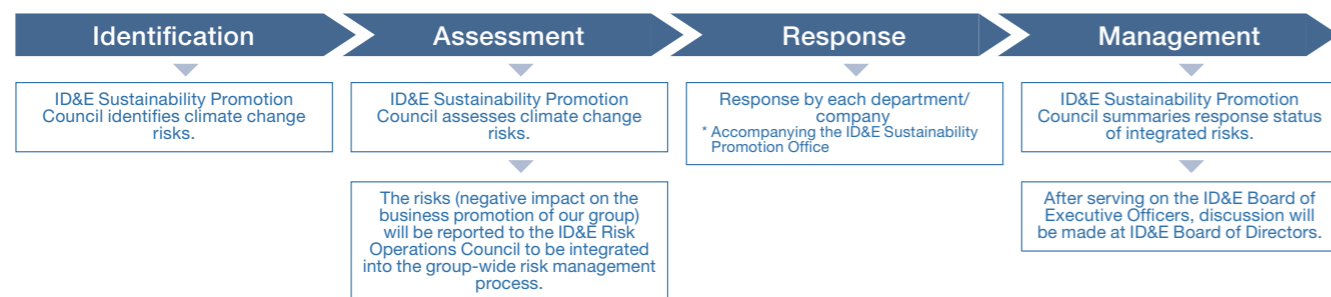
Governance

As described in section Sustainability Management, we are promoting sustainability initiatives related to climate change. However, given that the Sustainability Promotion Council addresses a wide range of topics, it has been challenging to focus solely on discussions regarding climate change. Going forward, we will establish a specialized committee dedicated to climate change, which will work on detailed discussions and the implementation of climate change-related practices.

Climate change risk management process

For FY2024/06, the Group established the following risk management process for climate change, integrating it into the overall risk management system, and began its implementation. The Group is also considering applying a similar process to manage other sustainability related risks beyond climate change.

In implementing these integrated management processes, the Group added “Sustainability” as a new risk category in both the “Group Risk List” and the “Main Group Companies Risk Management List,” and added “Adverse impacts of climate change on business” to the “Expected risk events” under this new category. Looking ahead, the Group is also considering applying a similar process to manage other sustainability related risks beyond climate change.



Metrics and targets

▼ 2030 reduction targets based on the transition plan (market-based)

Category	Baseline year (FY2023) emissions (t-CO ₂)	FY2030 emissions (t-CO ₂)	Reduction rate (average annual reduction rate)
Scope1	1,038	602	42% (6%)
Scope2	4,460	2,587	42% (6%)
Scope1, 2 Total	5,498	3,189	42% (6%)

* The total values for Scope 2 and Scope 1, 2 are market-based emissions figures
* By FY2030, a 42.0% reduction in Scope 1 + 2 emissions compared to the baseline year FY2023 is required, corresponding to an average annual reduction rate of 6.0%.
* Scope 1 assumes the use of electrification and J-Credit certificates, etc.
* For Scope 2 emissions, expansion of the NKRE100 initiative is expected to enable achievement of the targets.
* This time, reduction targets are set for Scope 1 and Scope 2; thus, if Scope 2 reductions are large, Scope 1 reductions can be smaller. For this reason, progress in introducing renewable energy is recognized as an important factor.

Strategy

▼ Climate-related risks, and countermeasures

Risk Types		Risk Details	Time-frames	Impact on Business and Finance		Countermeasures
				Below 1.5° C	4° C	
Transition Risks	Policy and Legal	Increased energy procurement costs, such as fuel costs, due to carbon pricing.	Long-term	Low	—	· Transition to and insourcing of renewable energy (NKRE100) · Comprehensive promotion of energy-saving measures · Carbon footprint-conscious design and construction management · Promotion of research and development for environmental impact reduction
		Higher costs for acquiring carbon credits.	Long-term	Low	—	
		Increased utility and vehicle costs due to the introduction of carbon pricing	Long-term	Low	—	
		Increased operational costs from the implementation of carbon pricing	Long-term	Low	—	· Transition to and insourcing of renewable energy (NKRE100) · Promotion of energy-saving equipment and devices to reduce utility costs through reduced energy consumption · Mitigate vehicle expenses through the introduction of fuel saving EVs · Streaming operations through AI adoption
		Indirect operational cost increases due to the introduction of policies and regulations.	Long-term	Low	—	
Physical risks	Chronic	Increased electricity and water consumption due to rising temperatures.	Ultra-long-term	Low	Low	· Capital investment in energy efficiency improvements · Installation of water-saving equipment · Utilization of remote working
		Disruptions to employee access to offices and project sites caused by extreme weather events.	Ultra-long-term	Medium	Medium	· Ensuring continued work through the use of satellite offices and remote work · Improvement of BCP (Business Continuity Planning) · Reducing risks of inaccessibility to project sites by incorporating potential delays from extreme weather into pre-project planning

* Timeframe: Short-term (2024), Medium-term (~2027), Long-term (~2030), Ultra-long-term (2030~)
* Impact on Business and Finance: Low (up to JPY10m), Medium (JPY10m to JPY100m), High (JPY100m or more)
* For transition risks, the Company examines items impacted by policies and market changes implemented by governments to limit global warming to below 1.5° C (transition risks under the 4° C scenario are not considered)
* For physical risks, the Company evaluates items that could affect the Company due to temperature increases under the 1.5° C and 4° C scenarios. Qualitative assessments of business impacts for 2030 and 2050 are conducted, with significant differences in temperature and business impacts observed by 2100.

▼ Climate-related opportunities and countermeasures

Opportunity Types	Opportunity Details	Time-frames	Impact on Business and Finance		Countermeasures
			Below 1.5° C	4° C	
Resource efficiency	• Reduction of energy-related costs through the introduction of subsidy programs	Medium-term	Low	—	• Reduction of costs for renewable energy and energy-efficient facilities through subsidies under GX promotion. • Enhanced information disclosure to meet disclosure requirements for subsidy utilization.
Products and Services	• Expansion of investment opportunities in renewable energy	Medium-term	High	—	• Promotion and development of hydropower projects (small-scale and pumped hydro storage). • Business development leveraging battery-related technologies (e.g. development and operation of demand-supply management systems)
Physical Opportunities	• Supporting the development of regional circular and ecological spheres by leveraging local characteristics.	Medium-term	High	—	• Further promotion of decarbonization support in urban development. • Application of the company’s know-how and technologies to support “Regional Circular and Ecological Spheres” in urban development. • Expansion of smart city-related services.
	• Increased orders for renewable energy-related projects.	Medium-term	High	—	• Identifying demand for renewable energy facilities. • Strengthening sales structures to capture demand in response to the growing need for renewable energy facilities • Promotion of technological development for renewable energy.
	• Rising demand for infrastructure construction, maintenance, and repair for disaster prevention, mitigation, recovery, and reconstruction due to natural disasters and rising sea levels.	Long-term	High	High	• Active support for infrastructure development needs related to disaster prevention, mitigation, recovery, and reconstruction overseas. • Rapid response to demand changes driven by national resilience policies.
	• Increased order opportunities associated with enhancements to power generation and transmission infrastructure.	Long-term	High	High	• Strengthening sales structures to capture demand in response to increasing equipment needs. • Promoting renewable energy introduction in Japan through the acquisition of cutting-edge international information and technologies.
Market	• Rising needs for the development of new products or services driven by research, development, and innovation.	Long-term	High	High	• Manufacturing and developing decarbonization products and services by utilizing new technologies. • Reducing manufacturing costs through the use of new technologies.
	• Improved profitability due to diversified consumer behavior and increased awareness of environmental issues, leading to increased demand for new environment-related services.	Long-term	High	High	• Understanding environmental demand. • Expansion of existing GX and sustainability-related businesses. • Promotion and development of green infrastructure and renewable energy projects in line with demand. • Branding using our own initiatives and result • Monitoring trends through participation in the GX League.
	• Expansion of customer preference by contributing to GHG emissions reduction for clients through decarbonization-related services.	Long-term	High	High	• Investment in and development of low-carbon technologies for green infrastructure and policy support. • Strengthening proposal capabilities to client companies and local governments that are actively addressing climate change.

* Timeframe: Short-term (2024), Medium-term (~2027), Long-term (~2030), Ultra-long-term (2030~)
* Impact on Business and Finance: Judged on the same scale as risks.
* Opportunities are evaluated for items impacted by policies and market changes by governments aiming to limit global warming to below 1.5° C (transition risks and opportunities under the 4° C scenario are not considered).
* Opportunities are also evaluated for items impacted by temperature increases and their implications for the Company.

[Web](#) For details, please see our sustainability report.

<https://www.id-and-e-hd.co.jp/english/sustainability/sustainability-management/report/>

Climate change and achieving a decarbonized society

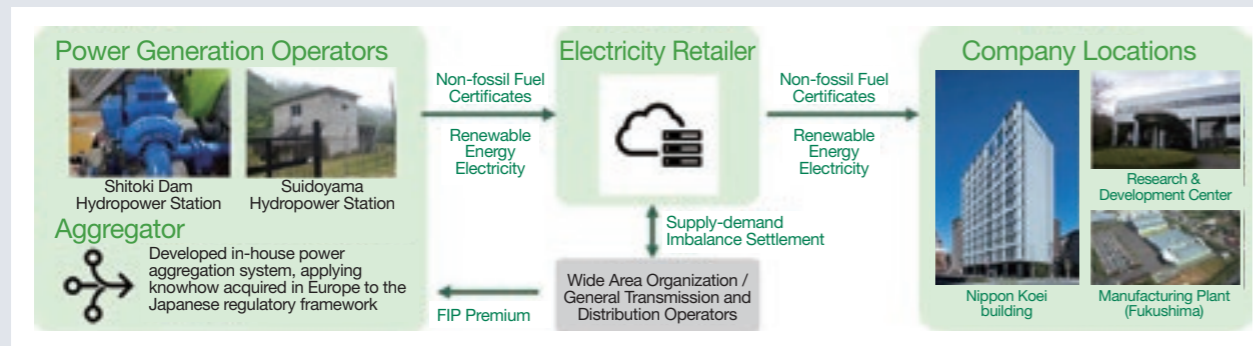
The ID&E Group provides consulting services to reduce greenhouse gas emissions in various business fields. This includes promoting modal shift from automobiles to rail and sea transportation, switching to renewable energy, supporting efficient energy use, reducing greenhouse gas emissions by improving waste treatment technology, and supporting Joint Crediting Mechanism (JCM) projects.

In the Energy Business, we recognize the importance of both reducing the environmental impact at the time of our founding and reducing the environmental impact when customers use the Group's products during the equipment manufacturing process and the construction of substations and power plants, and as a result, we are promoting efforts on both fronts.

Topics

Launch of "NKRE100" pilot project for 100% renewable energy use in Nippon Koei Buildings

In July 2023, the ID&E Group launched the "NKRE100" pilot project to achieve 100% renewable energy use at three sites in Japan: the Nippon Koei building, the Research & Development Center, and the Fukushima Office. Under this initiative, approximately 5,000 MWh of electricity is supplied annually from the Shitoki Dam Hydropower Station and Suidoyama Hydropower Station in Fukushima Prefecture, with an estimated annual reduction of around 2,300 t-CO₂ of greenhouse gas emissions. We have also introduced an electricity pricing structure that is linked to the power market, aiming for stable energy supply. Furthermore, Nippon Koei Energy Solutions has implemented a "Virtual PPA" (Power Purchase Agreement), separating the environmental value from renewable energy power, and collaborates with the Group's retail electricity providers to procure power. This initiative aims to efficiently utilize renewable energy, reduce CO₂ emissions, and achieve both stable energy supply and cost reduction.



Sample image of NKRE100 implementation

Nature-positive contributions (ecosystem maintenance and restoration projects)

Biodiversity conservation and natural capital

The ID&E Group has carried out various projects and services, both in Japan and internationally, that contribute to the conservation and management of natural capital, including environmental protection, forest conservation, ecosystem preservation, and environmental assessments. Through our hydropower operations and survey/ design projects, we engage in business activities that directly or indirectly depend on or impact the natural environment. With the materiality of "Cultivating a beautiful and habitable planet," ID&E has established the "Action Guidelines for the Conservation of the Natural Environments and Biodiversity,"

which outlines the company's commitment in these areas. Based on these guidelines, the ID&E Group aims to further enhance its internal responses as well as the related services it provides.

▼ Targets for FYE 2030/6

Total area of ecosystems benefiting from maintenance and restoration

Direct contribution: 5ha
Indirect contribution: 100,000 ha

Response to the TNFD (Taskforce on Nature-related Financial Disclosures) recommendations

Following the release of the final report on the TNFD recommendations in September 2023, the ID&E Group has been preparing to align its disclosures with these guidelines. In FYE 2024/06, the ID&E joined the TNFD Forum and conducted scoping for five main group companies. For

FYE 2025/06, the Group plans to expand the extent of the scoping and aims to conduct analysis, evaluation, and disclosure for priority companies and businesses in line with the TNFD recommendations and register as a TNFD Adopter. Moving forward, the Group will implement the necessary measures, considering the potential future obligations of disclosing nature-related financial information under international accounting standards.

Topics

Utilizing "Environmental DNA Technology"

Our Group actively employs Environmental DNA (eDNA) technology, which analyses the genetic information of organisms found in the environment. eDNA technology contributes to biodiversity conservation and natural capital management in the following ways:

- It swiftly assesses the health of ecosystems in lakes, rivers, and forests, supporting environmental assessments, impact evaluations, and conservation measures.
- It tracks the presence of endangered and rare species, aiding in their conservation and protection efforts.
- It serves as an information tool for predicting and preventing infectious disease outbreaks, such as COVID-19.
- It helps estimate the flow of river water and groundwater using DNA as a marker.

eDNA technology is particularly suited for detecting a wide range of species from minute DNA samples found in the environment. Since it does not require the capture or observation of organisms, it is a low-impact and environmentally friendly method.

Conservation of water resources

For the ID&E Group, which has been engaged in water resource development around the world since its founding, the conservation and efficient use of water resources is a top priority sustainability issue. We use a variety of technologies not only at our own business locations but also

in infrastructure development to create solutions for water conservation, reduction of water usage fees, sustainable use of water resources, wastewater management, and prevention of water pollution.

Topics

Developing and launching a platform for global water risk assessment

Nippon Koei, Suntory Holdings, and the University of Tokyo jointly developed Water Security Compass, the world's first online platform that enables users to assess future water scarcity risks based on water demand and supply across various regions by water usages. By incorporating into the simulation, the impact of seasonal changes and infrastructure such as dams on water volume, Water Security Compass is able to accurately grasp the amount of water needed and supplied in various parts of the world, as well as visualize the extent to which water resources will be in short supply and for what purposes from the present to the future. Water Security Compass has been available free of charge since the summer of 2024, with the primary aim of use in research on water resources across a wide range of fields across industry, government, and academia.

<https://water-sc.diasjp.net/beta/jp/>



Society

Since its establishment, the ID&E Group has been committed to contributing to the development of a sustainable society by undertaking numerous projects and initiatives aimed at improving and creating a better “natural environment” as well as “social environment.” In alignment with various policies and action guidelines in the social domain, we will continue to advance sustainability management.

Human rights

Human Rights Foundational Policy

Recognizing that respect for human rights is a corporate social responsibility, ID&E Group has established and is committed to complying with the Human Rights Foundational Policy.

- Items of the Human Rights Foundational Policy**
1. Endorsement of relevant principles and declarations
 2. Persons whose human rights are to be respected
 3. Action guidelines for respecting human rights
 4. Scope of application and expectations of business partners

Establishment of the Human Rights Specialized Committee

In July 2024, ID&E Group established the “Human Rights Specialized Committee” under the ID&E Sustainability Promotion Council to address human rights issues from a more specialized perspective. As a cross-organizational body, it includes Executive Officers and Director Generals of main group companies in Japan. It is examining the following improvements and other matters.

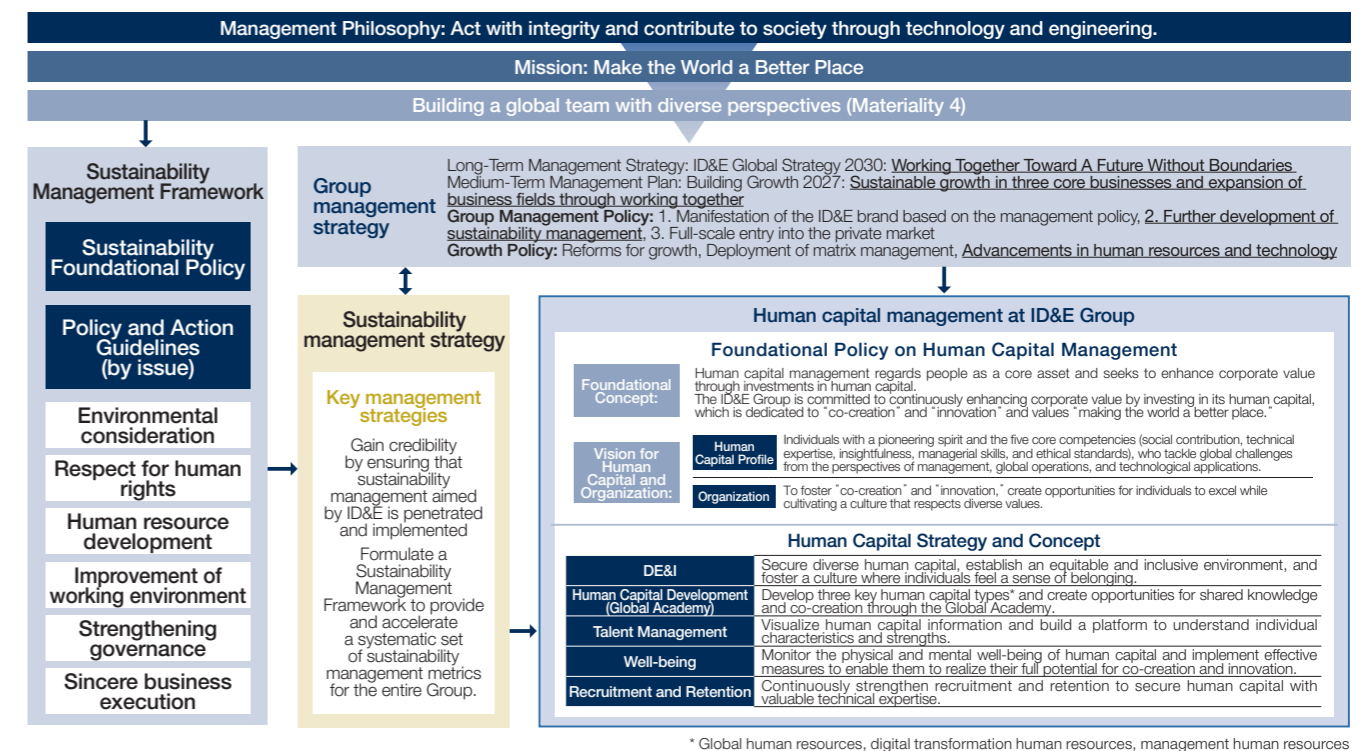
- i) the implementation and improvement of the Human Rights Foundational Policy
- ii) the execution of human rights due diligence
- iii) the identification and response to human rights risks
- iv) disclosure of information related to human rights risks
- v) development of grievance mechanism
- vi) improving human rights literacy within the Group.

ID&E Group’s human capital management

The ID&E Group positions the resolution of sustainability challenges as the starting point for corporate value creation. We can pioneer new business opportunities and continually enhance corporate value. To move beyond our traditional model of public works contracts and proactively provide innovative solutions to societal challenges, it is essential for all employees across the Group to be highly responsive to

external environmental changes. They must independently enhance their skills as professionals and fully maximize their capabilities. In light of this, the ID&E Group is committed to collectively advancing “human capital management to the next level.”

▼ Overall Picture of ID&E Group Human Capital Management



* Global human resources, digital transformation human resources, management human resources

Human Resource Development

The ID&E Group positions human resources as one of its most critical resources and recognizes it as the source of value creation. Accordingly, the Group has established a “Human Resources Development Policy” and an “Action Guidelines for Human Resource Development.” By ensuring that each individual fulfils their role with exceptional expertise and strong ethical standards, the Group aims to achieve sustainable growth.

ID&E Global Academy

The ID&E Global Academy was established in FY2024/06 as a learning ecosystem designed to foster the growth of all employees within the ID&E Group and cultivate future global leaders who embody the ID&E brand. The Academy is open to all ID&E Group employees and is structured around three core functions: “Knowing Oneself,” “Learning Together,” and “Connecting with the World.” The functions of the Academy are as follows:

1. “Knowing Oneself” : Realizing data-driven human resources management through a talent management system.
2. “Learning Together” : Enhancing employees’ skills and capabilities through training and educational programs.
3. “Connecting with the World” : Building a knowledge network through co-creation with stakeholders.

By establishing these functions as the foundation for human resources development, the Academy creates an environment where employees can access collective knowledge across the ID&E Group, learn autonomously, and share their own learning and experiences. This enables all employees to grow together beyond the boundaries of individual Group companies. ID&E Global Academy plans to gradually expand its service scope and content in stages up to 2030.

ID&E Global Academy

<https://www.id-and-e-hd.co.jp/english/academy/>



What Can Be Achieved Through the Global Academy

DE&I

Diversity, Equity, and Inclusion Policy

ID&E Group recognizes the importance of the value provided by diversity in growing into a company that is always one step ahead of the times and that can respond flexibly and resiliently to any change. We promote "Diversity (respect for diversity), Equity (provision of fair and equal opportunities for diverse human resources), and Inclusion (fostering a culture that embraces diversity)."

	Women	Global	Challenged
Overview	The proportion of female university students in civil engineering and mechanical engineering departments is said to be around 15%. To increase the number of female managers, we are promoting a workplace environment where women can work comfortably and thrive in the long term.	We hire talent regardless of nationality through new graduate and mid-career recruitment. For new graduates in general positions, we also promote the development of global talent in conjunction with self-directed career planning.	Aichi Tamano Information Systems Co., Ltd. was established in 1987 to promote the employment of persons with disabilities and was certified as a special subsidiary in 1989. In 2023 it was transitioned from being a subsidiary of our group company Tamano Consultants Co., Ltd. (Current Nippon Koei Urban Space) to a subsidiary of ID&E itself, in order to drive more effective employment practices.
Specific Examples	<ul style="list-style-type: none">Conducting "Company Seminars by Female Employees" exclusively for female university students to propose empowering working styles for women.Creating opportunities for interaction with senior employees who have diverse experiences, such as maternity leave or overseas assignments.	<ul style="list-style-type: none">Recruiting new foreign students who wish to find employment in Japan (new graduates).Starting to hire international students not only for technical positions but also for administrative and sales positions.Local subsidiaries hire diverse talents with various skills and abilities according to their business needs.	<ul style="list-style-type: none">Promoting direct employment at Japan-based main group companies and employment at special subsidiaries.Creating an employment environment to foster a workplace where individuals find a sense of purpose.

▼ Important targets of main group companies in Japan for 2027



Work style reform and Improvement of productivity

The Group has established a Work-Life Balance Promoting Committee to pursue a balanced work style that emphasizes the quality of labor so that individual staff can work with a sense of satisfaction and fulfillment and fulfill their work responsibilities. The systems such as flextime and telework that have been implemented in response to the "work style reform" and the corresponding expansion of the IT infrastructure environment, such as the shift to cloud computing, digitization of various internal applications (move to a paperless approach), and the establishment of online meetings, have not only promoted diverse work styles but also increased productivity.

Creating a work environment that encourages communication

■ Direct Dialogue with Management

We aim to improve staff engagement through direct dialogue between management and staff. Management and staff actively exchange opinions on issues related to career development, business management policies, and personnel/labor management measures.



Streamed a video internally explaining the new Medium-Term Management Plan

Topics

Nippon Koei develops a generative AI system to support interpretation of standards and bidding

Nippon Koei launched an organization specializing in AI research and development in July 2018. Since then, it has accumulated a great deal of knowledge on AI.

With the aim of improving and enhancing business efficiency, we developed a system that uses generative AI to interpret technical standards, analyze bidding cases, visualize data, and more. We are currently promoting its deployment within the company.

Well-being

Health management

In order for our human resources, the foundation of the Group, to fully demonstrate their abilities, we have established the Group Health Declaration and are working on health management that considers staff health from a management perspective and strategically promotes various measures to improve staff health.

■ ID&E Group Health Declaration

The ID&E Group believes that in order to put into practice our management philosophy of "Act with integrity and contribute to society through technology and engineering" our staff and their families must be healthy, both physically and mentally. By maintaining and promoting the health of staff and their families and creating a vibrant work environment and highly productive work styles that respect diversity, we will realize a favorable work-life balance of staff as well as the well-being of the Group and contribute to the development of a sustainable society through our business.

■ System for supporting health management

We established the Health, Safety and Working Environment Council (chaired by the Executive Officer in charge of health management) under the Risk Operations Council, which is chaired by the President, to discuss and promote various measures related to health management and the development of a good working environment. Furthermore, we established Health, Safety and Working Environment Committee at each main group companies to advance and implement initiatives at each company.

ID&E and Nippon Koei Business Partners established the Health & Safety Management Department as a department dedicated to promoting health management. Under this organization, they also set up the ID&E Group Health Management Office. In addition, we hold various meetings across the entire Group to promote health management.



Scope of Certification

ID&E, Nippon Koei, Nippon Koei Energy Solutions, and Nippon Koei Business Partners.

Labor safety

■ Safety patrols at domestic and overseas projects

In domestic and overseas projects, we conduct "safety patrols" according to the scale and content of the project in order to eradicate occupational accidents and foster employees' safety awareness.

For projects that carry out construction supervision and management, we check the status of implementation of safety measures at the site and those involved in the construction by means of monthly joint safety patrols by the owner, contractor, and main group company's, and weekly safety patrols by contractors.

■ Security survey

For overseas projects such as international development cooperation projects, we have established our own risk standards and make decisions on orders and travel. For projects in high-risk countries, at the time of project launch, we conduct security surveys such as project offices and dormitories with the cooperation of experts from crisis management companies that the Company contracts with. Based on the points made by crisis management experts in the survey, we will strengthen security measures at offices and dormitories and prepare and establish health and safety system so that staff can work in a safe and secure environment.

Message from the Chairperson of the Board of Directors



Ryuichi Arimoto
Chairperson of the Board of Directors

The fiscal year ended June 30, 2024 was the first year since we transitioned to a holding company and a company with a nominating committee, etc. governance structure. This was also a year in which we implemented our first governance reforms since our founding. In 2016, we established “autonomy and collaboration” as the basic policy for group management. Since then, we have been managing our business operations with the aim of achieving organic growth that maximizes the individuality of our main businesses and creating new value through business collaboration. However, the reality of our management was that a strongly centralized organizational culture persisted, and we felt the organization lacked strength in areas such as strategy formulation, human resource development, and risk control.

We asked the next generation of staff to consider transitioning to a holding company in conjunction with the formulation of our Long-Term Management Strategy. They concluded that while there were many issues that needed to be resolved, working together both inside and outside the company was important to achieving the goals of the Long-Term Management Strategy, and that a holding company structure would be ideal from the perspective of creating an environment that would promote working together.

In addition, we believed that clarifying the roles and responsibilities of the Board of Directors, which is primarily composed of Outside Directors with diverse knowledge in industry, government, and academia, and Non-Executive Directors, as well as the Executive Officers responsible for management, would lead to greater transparency in management and enhanced corporate governance, and therefore we made the decision to change our governance structure to a company with a nominating committee, etc.

Although we have yet to see immediate results in the first year, we are at least laying the groundwork for building a strong management team through the three points that I am looking for.

- Improved coaching of executive management by the Board of Directors
- Upgrade business portfolio management led by the Board of Executive Officers
- Create an organizational culture that fosters managerial talent through broad delegation of authority.

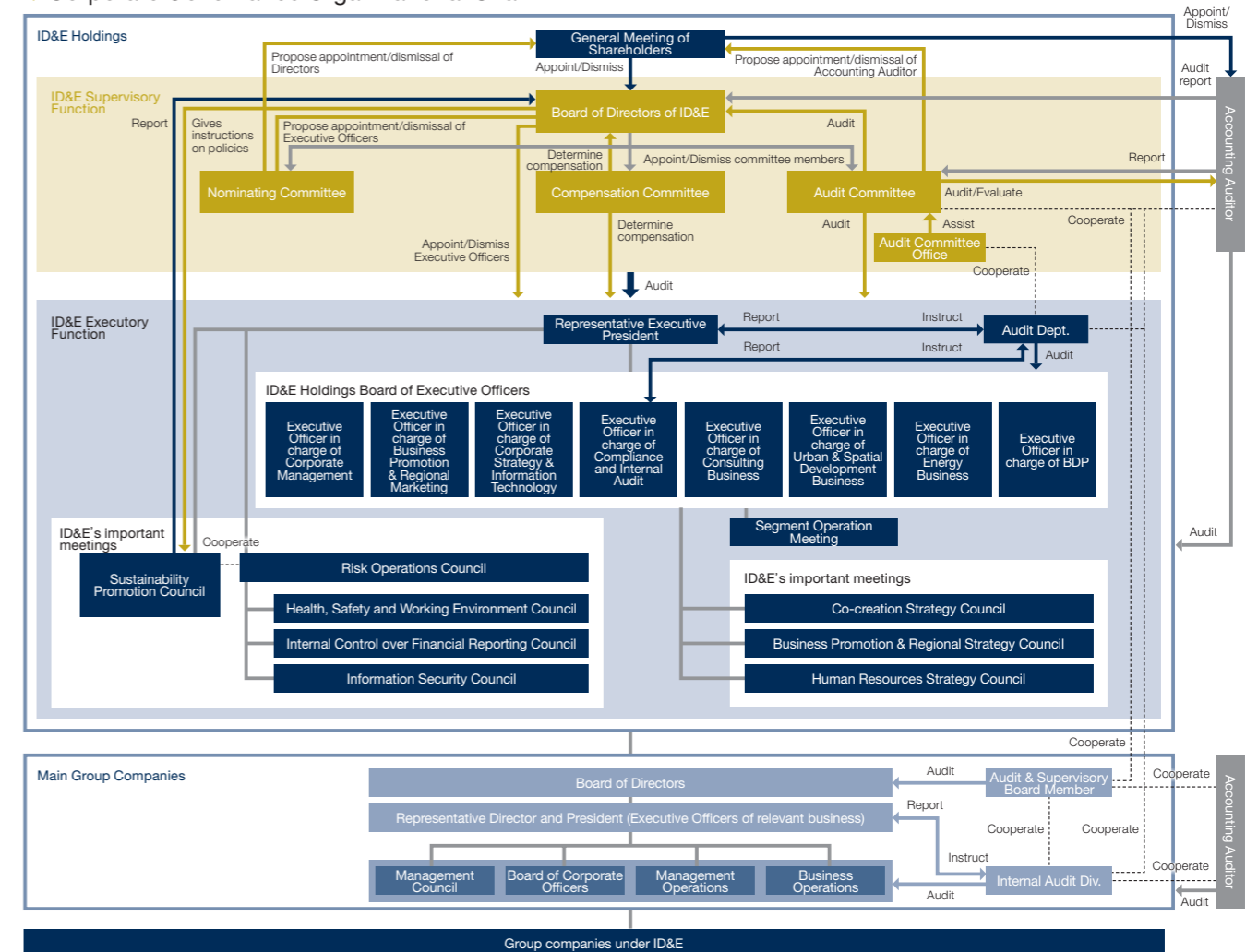
Comparing the role of the Chairperson of the Board of Directors to that of an orchestra conductor, I believe that my role is to keep a close eye on the relationships between the Outside Directors and the management team, between customers and the workplace, and between society and the company, and to produce beautiful music that strikes a good balance between tension and harmony.

Main initiatives for strengthening corporate governance

	2003	2016	2023
Corporate structure		From 2023 Transitioned to company with a nominating committee, etc. after establishing the holding company	From 2023 ID&E Holdings
President	From 2001 Katsuyoshi Wada	From 2004 Shu Takahashi	From 2008 Noriaki Hirose
Separation between management oversight and business execution	2003 Changed the number of Directors stipulated in the articles of incorporation to 15 or less Adopted executive officer system		From 2023 Transitioned to a holding company structure
Outside Director	From 2003 1 (11 Directors)	From 2014 2 (11 Directors)	From 2020 3 (11 Directors)
Outside Audit & Supervisory Board Members or Audit Committee Members	From 2001 1 (3 Audit & Supervisory Board Members)	From 2006 2 (3 to 4 Audit & Supervisory Board Members)	From 2023 3 (3 Audit & Supervisory Board Members)
Nominating and compensation committees		From 2016 Nominating and Compensation Advisory Committee	From 2023 Nominating Committee and Compensation Committee
Management Philosophy	Established in 2001		
Code of Conduct (Group)	Established in 2001	Revised in 2006	Revised in 2013
Basic Policy on Corporate Governance		Established in 2016	

Note: Data provided is for Nippon Koei, except for any point in or after July 2023

Corporate Governance Organizational Chart



Main committees related to governance

Committee/Council Name	Purpose	Meeting Frequency	Number of Members	Head
Board of Directors	The Board of Directors deliberates and makes decisions on issues stipulated by laws and regulations and basic management matters, and oversees execution of the duties of Executive Officers.	Meetings are normally held once a month	Composed of 8 Directors. 4 are Outside Directors.	Director
Nominating Committee	The Nominating Committee determines proposals for the appointment/dismissal of Directors and the criteria for the election of candidates for Directors of the holdings company.	3 to 5 times a year	Composed of 4 members. 3 are Outside Directors.	Outside Director
Compensation Committee	The Compensation Committee decides on basic policies for determining the compensation details, etc. for individual Directors and Executive Officers and the amount of compensation, etc. for individual Directors and Executive Officers.	3 to 5 times a year	Composed of 4 members. 3 are Outside Directors.	Outside Director
Audit Committee	The Audit Committee audits and supervises the execution of duties by Directors and Executive Officers, prepares audit reports, and determines the content of proposals for the appointment, dismissal, and non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders.	Meetings are normally held once a month	Composed of 4 members. 3 are Outside Directors.	Outside Director
Board of Executive Officers	In accordance with the Company's management policy determined by the Board of Directors, the Board of Executive Officers renders decisions on important matters related to Group management, and oversees/monitors the promotion of Group management.	Meetings are normally held twice a month	Composed of 9 Executive Officers with the President serving as the Chairperson. One Full-time Audit Committee Member attends Board of Executive Officers meetings as an observer.	Representative Executive President
Sustainability Promotion Council	Sustainability Promotion Council considers and formulates measures to promote sustainability (management promotion and business promotion) throughout the ID&E Holdings Group and promotes their implementation.	Meetings are normally held four times a year	Composed of 11 Directors with the President serving as the Chairperson. One Outside Director attends Board of Executive Officers meetings as an advisor and one Full-time Audit Committee Member attends Sustainability Promotion Council meetings as an observer.	Representative Executive President
Risk Operations Council	In accordance with the Company's "Internal Control Basic Policy," the Risk Operations Council oversees the overall promotion of risk management within the Group.	Meetings are normally held once a month	Composed of 10 Executive Officers and an outside attorney with the President serving as the Chairperson. One Full-time Audit Committee Member attends Risk Operations Council meetings as an observer.	Representative Executive President

Board of Directors (as of October 1, 2024)

Outside Independent

Note: Each work history section only list the most important events in the individual's work history.

Directors



Ryuichi Arimoto

Director

Chairperson of the Board of Directors

1977 Joined Nippon Koei
2009 Director and Executive Officer
Director General of Corporate Headquarters and General Manager of Corporate Planning Department
2011 Director General of Corporate Headquarters and General Manager of Personnel & General Affairs Department
2014 Representative Director and President
2021 Director and Chairman
2023 Director of ID&E (current position)



Hiroaki Shinya

Director

1985 Joined Nippon Koei
2017 Director and Executive Officer
Director General of Domestic Consulting Operations
2018 Director and Managing Executive Officer
2020 Director and Senior Managing Executive Officer
Director General of Consulting Operations Headquarters Executive Officer in charge of Urban & Spatial Development
2021 Representative Director and President
2023 Director of ID&E (current position)



Takayasu Tsuyusaki

Director

1979 Joined Nippon Koei
2017 Director and Managing Executive Officer
Director General of Global Strategy Headquarters, General Manager of Business Development Office, and General Manager of Singapore Office
2019 Director and Senior Managing Executive Officer
2020 Director General of Business Promotion Headquarters
2021 Director and Executive Vice President
2022 Director and Vice President/In charge of Sustainability, NKG Global Expansion, and Health and Productivity Management
2023 Director of ID&E (current position)



Yasushi Hirusaki

Director

1985 Joined Nippon Koei
2017 Director and Executive Officer
In charge of IR, Director General of Corporate Headquarters and General Manager of Personnel Department
2018 General Manager of the 75th Anniversary Secretarial Office
2020 Director and Managing Executive Officer
2023 Director of ID&E (current position)



Outside Independent

Hiizu Ichikawa

Director

Chairperson of Compensation Committee

1970 Joined The Mitsubishi Bank, Ltd.
1993 General Manager of Singapore Branch of The Mitsubishi Bank, Ltd.
1996 General Manager of Industrial Research Department of The Bank of Tokyo-Mitsubishi, Ltd.
1997 General Manager of Sales Screening Department of The Bank of Tokyo-Mitsubishi, Ltd.
1999 Senior Executive Director of The Resolution and Collection Corporation
2001 Senior Executive Director of Chiyoda Corporation
2004 Representative Director and Managing Director of Mitsubishi Motors Corporation
2010 Representative Director and Executive Vice President of Mitsubishi Motors Corporation
2014 Outside Corporate Auditor of The Hyakugo Bank, Ltd., Outside Director of Nippon Koei
2023 Outside Director of ID&E (current position)



Outside Independent

Kazumasa Kusaka

Director

Chairperson of Nominating Committee

1970 Joined Ministry of International Trade and Industry (MITI)
1984 MITI Energy Minister of the International Energy Agency (IEA) of the Organization for Economic Co-operation and Development (OECD)
2001 Director-General, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry (METI)
2002 Director-General, Trade Policy Bureau, METI
2003 Commissioner of Agency for Natural Resources and Energy, METI
2004 Vice-Minister for International Affairs, METI
2006 Adviser, Dentou Inc.
2007 President of Japan Cooperation Center for the Middle East
2008 Special Advisor to the Cabinet
2009 Senior Vice President of Mitsubishi Electric Corporation
2011 Visiting Professor of Graduate School of Public Policy, The University of Tokyo
2013 President of the Foundation for International Trade and Industrial Co-operation Chairman of Japan Economic Foundation
2015 Outside Director of Nippon Koei
2021 Adviser, Japan Economic Foundation
President of the Institute for International Trade and Investment (current position)
2023 Outside Director of ID&E (current position)



Outside Independent

Yoshiko Koizumi

Director

Chairperson of Audit Committee

1972 Registered in bar association (The Daini Tokyo Bar Association)
Joined Kikuchi Law and Patent Office
1980 Partner at Masuda & Ejiri Law Office (current Nishimura & Asahi / Foreign Law Joint Enterprise)
2000 Chair of Women Business Lawyers Committee, Inter-Pacific Bar Association (IPBA)
2003 Expert member of Food Safety Commission of Japan
2007 Auditor at Bosch Corporation
2008 Counsel at Nishimura & Asahi / Foreign Law Joint Enterprise
2009 Partner at City-Yuwa Partners (current position)
2012 Deputy Chair of the Government Procurement Review Board
2013 Director of the Japan Bar Association (current position)
2015 Visiting Professor of Taiheiyō Cement Corporation (current position)
Outside Director of Dowa Holdings Co., Ltd. (current position)
2016 Outside Auditor of Sumitomo Bachelite Co., Ltd.
2017 Outside Audit & Supervisory Board Member, Nippon Koei
2023 Outside Director of ID&E (current position)



Outside Independent

Yoko Ishida

Director

1991 Head of Corporate Planning Department, System Science Consultants Co., Ltd.
1997 Head of Project Department No. 2, KRI International Corp.
2006 Head of Evaluation Business Department, International Development Center of Japan
Executive Director, International Development Center of Japan Head of Evaluation Business Department, International Development Center of Japan
2010 Director, The Japan Nepal Society (current position) Director, International Development Center of Japan (current position) Professor, Center for the Study of International Cooperation in Education, Hiroshima University
2015 Cooperating Faculty, Education Culture Course, Graduate School for International Development and Cooperation, Hiroshima University
2017 Deputy Executive Director (in charge of gender equality (current position)) of Hiroshima University
Director of The Japan Society for International Development
2020 Director, International Education Development Program, Division of Educational Sciences, Graduate School of Humanities and Social Sciences, Hiroshima University Outside Director of Nippon Koei Auditor of The Japan Society for International Development
2021 Director, Center for the Study of International Cooperation in Education, Hiroshima University Professor, Center for the Study of International Cooperation in Education, the IDEC Institute, Hiroshima University
2022 President, The Japan Evaluation Society (current position)
2023 Vice President (Equity, Diversity and Inclusion), Vice Head of The Institute for Diversity & Inclusion, and Professor (Special Designation) of Hiroshima University (current position) Outside Director of the Company (current position)
2024 President, Asia Pacific Evaluation Association (current position)

Executive Officers

Representative Executive President

Hiroaki Shinya

Representative Executive Officers

Haruhiko Kanai

Yasushi Hirusaki

Executive Officers

Noriaki Yoshida

Tomohisa Fukuoka

Hiroshi Yokota

Ken Nishino

Yoshizo Goto

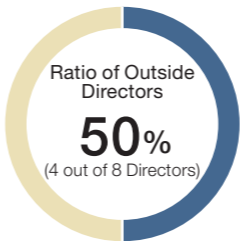
Nicholas Fairham

Diversity and specialization of the Board of Directors

Officer Skills

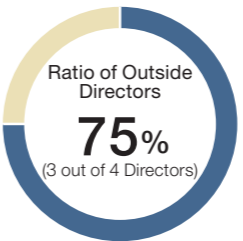
Name	Title (As of June 30, 2024)	Age (Gender)	Skills (experience, knowledge, ability)								Activity status (for reference)	
			Corporate Planning	Technology/ IT	Sales/ Marketing	Human Resources Development	Financial/ Accounting	Legal/ Internal Control	Environmental/ Energy	Global	Number of years in the position (As of September 30, 2024)	Number of Board of Directors Meetings Attended (FYE June 2024)
Ryuichi Arimoto	Director	71 (Male)	●			●	●	●	●	●	1 year and 3 months	15/15 100%
Hiroaki Shinya	Director	64 (Male)	●	●	●	●		●	●		1 year and 3 months	15/15 100%
Takayasu Tsuyusaki	Director	68 (Male)	●		●	●			●	●	1 year and 3 months	15/15 100%
Yasushi Hirusaki	Director	62 (Male)	●			●	●	●		●	1 year and 3 months	15/15 100%
Hiizu Ichikawa	Outside Director	77 (Male)	●		●	●	●	●	●	●	1 year and 3 months	15/15 100%
Kazumasa Kusaka	Outside Director	76 (Male)	●		●	●		●	●	●	1 year and 3 months	14/15 93%
Yoshiko Koizumi	Outside Director	80 (Female)	●			●		●		●	1 year and 3 months	15/15 100%
Yoko Ishida	Outside Director	66 (Female)	●	●		●			●	●	1 year and 3 months	15/15 100%

Composition of the Board of Directors



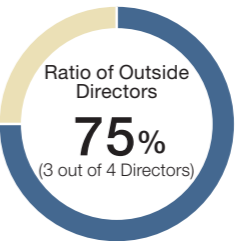
(As of June 30, 2024)

Composition of the Nominating Committee



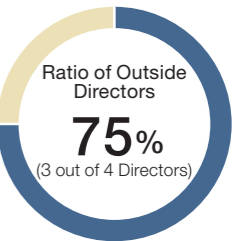
(As of June 30, 2024)

Composition of the Compensation Committee



(As of June 30, 2024)

Composition of the Audit Committee



(As of June 30, 2024)

Roundtable Discussion with Outside Directors

Promoting dialogue to improve the functionality of the new corporate structure and realizing growth by seizing business opportunities in an agile manner



Yoko Ishida
Outside Director

Hiizu Ichikawa
Outside Director
(Chairperson of Compensation Committee)

Kazumasa Kusaka
Outside Director
(Chairperson of Nominating Committee)

Yoshiko Koizumi
Outside Director
(Chairperson of Audit Committee)

In October 2024, we organized a roundtable discussion that looked back on the one year period since ID&E's transition to the new corporate structure, discussed new materiality and key points of the Medium-Term Management Plan, and explored thoughts on the Group's future growth.

Transition to a holding company structure and a company with a nominating committee, etc.

Initiatives in the first fiscal year after the transition

Ichikawa The transition to a holding company structure was undertaken to enable ID&E to seize various changes and boldly transform them into business opportunities, and to enable the company to build a flexible organization that will make these opportunities possible. Under the holding company structure, the operating companies maintain a parallel relationship. If there are functions the company wants to strengthen in response to changes in the business environment, it will be easier to bring in new organizations from outside the company. On the other hand, it will also be easier to organize overlapping functions and businesses that should undergo reviews.

In addition, based on the strong will of the management team, at the same time as transitioning to a holding company structure, the Group has chosen the governance structure of a company with a nominating

committee, etc., which separates supervision and execution functions to promote fair, transparent, swift and decisive management. Even among companies listed on the Tokyo Stock Exchange's Prime Market, less than 5% have such a governance structure in place. ID&E has been using trial and error in discussions and initiatives to find a way to create the right and necessary check function that suits the Group without being overly excessive and ensures objective are achieved. The Group is now finally starting to see some forward progress in this regard. As Chairperson of the Audit Committee, what are your thoughts on this, Ms. Koizumi?

Koizumi I feel the same way as Mr. Ichikawa. The thing I noticed that has improved is the way the Board of Directors is run. As a result of the transition to a new corporate structure, authority was transferred to operating companies and Executive Officers, which narrowed down the items to be resolved at Board of Directors meetings. The great benefit therein has been the deeper discussions on truly important resolutions.

On the other hand, as ID&E has transitioned from a company with a board of company auditors to a company with a nominating committee, etc., I

have once again come to realize the importance of the Audit Committee's role and the breadth of its activities. ID&E has established an Audit Committee Office, which is working to improve the functioning of the Audit Committee by working closely with the holding company's Audit Department and the Audit & Supervisory Board Members of major Group companies. Specifically, we receive various written reports, such as reports from the Audit & Supervisory Board Members of each operating company, minutes of Board of Executive Officers meetings, and reports from the Risk Management Committee. We also visit the site and conduct numerous interviews to confirm the legality of the business and determine its appropriateness.

The Group is involved in three business areas involving cutting-edge technologies in countries and regions around the world, including developing countries, so it is exposed to geopolitical and technological risks. It is difficult to fully understand the risks that may impact the Group and all of its business activities, but the Audit Committee remains committed to addressing these risks on an ongoing basis.

Kusaka I'm also a member of the Audit Committee, and I get what Ms. Koizumi is saying. The Nominating Committee is advancing its activities based on the initiatives of the previous Nominating and Compensation Advisory Committee, and is currently discussing the design of the future human resource development system.

The Nominating Committee must not only present a list of director candidates to the General Meeting of Shareholders, but also plan the development of the human resources who will be responsible for managing the company in the future. If it doesn't have the right people to realize its growth strategy, the company will need to consider bringing them in from outside. The committee will consider what kind of human resources are needed in the future, including those at the Executive Officers and General Manager levels, and will develop them by providing them with experiences to take on management roles. As the company expands its business fields, those in charge should have experience in all three existing segments—Consulting, Urban & Spatial Development, and Energy. As each of these are highly specialized fields, it is not easy to gain this experience. The committee is currently exploring how to create a system that will produce personnel from each operating company who have a certain level of expertise and can lead the entire Group.

In July 2024, we established ID&E Global Academy to promote talent management across the ID&E Group. The intention is to create a more diverse and inclusive organization by having human resources from Japan and abroad thrive in their fields of specialization and be involved in the management of the entire ID&E Group.

Ichikawa With regard to compensation, it is important to create a system that makes staff feel motivated by compensation and increases their pay commensurate with their work, while also using peer company

comparisons. The company's executive compensation consists of three components: fixed compensation, performance-linked compensation, and restricted stock compensation. In terms of staff compensation, performance-linked compensation and stock-based compensation will become more important so that improved business performance and rising stock prices can be reflected in pay and benefits. Over the past year, the Compensation Committee has reviewed the current system, and although still not complete, has made changes to the compensation system, particularly for executive compensation, to provide an added sense of purpose and engagement.

Ishida I also see firsthand the improvements to the Board of Directors and expanded discussions in each committee that Ms. Koizumi talked about. I feel that even greater improvements can be made going forward.

I worked at KRI International Corp. (currently, Koei Research & Consulting Inc.) from 1997 to 2005 as a development consultant. From this experience, I have come to realize the importance for each staff to embrace the organization's policies. In particular, the transition to a holding company structure was undertaken after Nippon Koei had considered its future direction on occasion of its 75th anniversary in 2021. This marks a major event in the Group's history. Even if the company's name recognition temporarily declined after the holding company went public, it is important that the Group continue to explain to staff in even greater detail the aims and ambitions it wants to achieve under the new corporate structure, as well as what the company is currently trying to do, and continue this dialogue so that we can move forward together.



New materiality "An IDEAL world, built with integrity" and new Medium-Term Management Plan "Building Growth 2027"

Formulation process and key points of future initiatives

Kusaka Discussions were held on how to envision our growth strategy for the future up to 2030 and how to realize it. The company's materiality and Medium-Term Management Plan express what we place importance on. During the formulation process, a number of these

discussions were held among the company’s frontline staff, and I believe that the plan has taken shape as a reflection of their passion. I believe that expressing what is important to society and to our Group in ID&E-specific words, not trendy or borrowed words, and spreading this awareness, and steadily progressing with the initiatives post formulation, will lead to the Group’s growth.

Ichikawa I’m sure this process was packed with a lot of emotion, but when you try to integrate each of the emotions and present them in a way that’s easy for the outside world to understand, I feel like it ends up becoming too general and vague. That’s why numerical targets and plans are important. By linking the desired state with the target values, the gap with the current situation and the priorities that need to be addressed will become clearer. As supervising side, we want to fully support the executive team so that the plans can be realized. However, when a situation arises where it seems difficult to complete all of the initiatives or achieve all of the goals, it is also our role to reassess the timeline, set priorities, and provide advice on how to tackle the plan in stages. I think this is also a necessary and sufficient form of a check function that is not overly excessive.

For example, even if the Long-Term Management Strategy states “overwhelmingly No. 1 in Japan and top class worldwide,” it is easy to understand when it is presented as a goal to aim for. However, depending on the situation at the time, such as placing emphasis on consulting or engineering, the path to the resulting numerical target will be different. In addition to the size of the company, other important factors include organizational resilience, such as strength, flexibility, and elasticity, and whether the company offers something truly meaningful for society. Taking these things into account, even if the desired direction has been indicated, it is necessary to dig deeper into the specifics as appropriate. By digging deeper, the priorities of each initiative become visible, allowing for course corrections to be made according to priority level.

Ishida In terms of the priority of staff efforts, this may not be something that receives much attention in a Medium-Term Management Plan, but I think that examples include whether staff are able to focus on what they were unable to do in the previous term, whether they are steadily identifying issues in each project that could lead to major risks, and whether the company is developing its human resources. I also feel it necessary to carefully discuss such steady efforts to establish a foothold with all staff and finalize future targets and priorities. It is important to recognize those who are working on fundamentally important things through such steady efforts and use this recognition to further motivate them.

Koizumi As Chairperson of the Audit Committee, I deal with risks and internal control on a daily basis, so I understand very well the importance of the steady



efforts that Ms. Ishida mentioned.

With regard to the new Medium-Term Management Plan, I am paying attention to the leadership of chief regional officers in matrix management. The stated intention of building a system that aims to maximize business through personal exchanges with local engineers and sharing of know-how and knowledge is in line with the Group’s overseas expansion. Furthermore, and this is also related to materiality, I would like to inform stakeholders of the Group’s contributions to recovery and reconstruction support activities in countries and conflict zones where war is occurring. For a long time, the Group has been conducting business activities in countries such as Pakistan, Bangladesh, Afghanistan, Iraq, Ukraine and Sudan. I sincerely hope that more people will become aware of the important role that ID&E has played, and continues to play, in Japanese diplomacy and global peacebuilding. When it comes to contributing to world peace, I’m proud that the Group is truly “top class worldwide.”

For realizing what the ID&E Group aims for

For unlocking greater growth in the future



Kusaka As expected, improving the functionality of the holding company structure is key. As Mr. Ichikawa said at the beginning, by adopting a holding company structure, it will be easier for the Group to expand into new areas at the best possible timing. It is a good idea to have a group of specialized personnel at each company. The holding company structure makes such dynamic mobility possible.

Furthermore, for the Group, human resources are everything. In addition to interviewing candidates for

the next generation of executive officer positions, I also visit various work sites to determine how young people approach their work and how they are growing. As Chairperson of the Nominating Committee, my role is to thoroughly oversee improvements to the functionality of the holding company structure from the perspective of human capital.

Ishida In an internal survey conducted after becoming a holding company, in response to the question of what motivates them at work, many staff chose “contributing to society and resolving social issues through work.” I believe this also reflects the strength of the Group’s human capital.

Koizumi I agree. Another distinctive feature of the Group’s corporate culture is respect for founder, Yutaka Kubota, and passing on his spirit. The older generation who actually worked with Mr. Kubota are sharing his stories with the current generation. Mr. Kubota’s thoughts and anecdotes are often included in company newsletters and other publications. While management must change with the times, if it can maintain its unchanging spirit of valuing technology and sincerity, the Group can become an even better company that continues to resolve global issues as a strong, flexible organization.

Furthermore, in order to develop as a global company, it is important to have a strong internal control system. My mission is to ensure that staff at the Group’s overseas consolidated companies, who have different cultures and backgrounds, have an in-depth understanding of the internal control system and related regulations. The unifying force behind this will undoubtedly be the founder’s spirit. This will require a great deal of effort, and I hope to move forward in cooperation with each company’s audit department.

Ishida Looking at the changes in the business environment since the 1990s, when I was working as a development consultant, the government’s overall ODA budget and public works-related budget have both fallen by nearly half from their peak in 1997. This may be a contributing to the sense of malaise. On the other hand, it has become much easier to collect and disseminate information, and the Group is working together with companies from different industries that have cutting-edge technology and know-how. I look forward to the progress made in terms of the Group working together with various companies, both domestically and internationally. The Good City project, which was initiated by BDP, is going to be implemented in various cities in Japan and abroad. I also support dialogue that leads to new challenges.

In order to take on new challenges by working together with external parties, it is important for the Group to disseminate information about its initiatives more proactively and widely. I feel that it is a shame that even though many staff find contributing to society through their work rewarding, public awareness of our businesses remains low. In fact, if our businesses are

not widely known, it will likely become even more difficult to recruit talent in the future. By proactively publicizing ID&E’s role and activities in disaster recovery and conveying the social significance, I believe that more people will become aware of the ID&E Group, resulting in greater empathy and cooperation.

Ichikawa The business lines of Japan’s leading companies have changed since their founding. When a company is founded more than 50 years ago, its business portfolio tends to change. Companies that incorporate systems and a culture of business transformation that anticipates changes in the times into their organization will be able to grow over the long term. The source of revenue changes with the times. It would not be surprising if the focus of the Group’s business were to change. For example, as we enter the age of AI, demand for electricity is increasing. Therefore, in the Energy Business, it may be necessary to consider bolder investments and working together with other industries.



One of the essential values of the Group’s business is responding to emergencies such as natural disasters and earthquakes. Given that these needs are growing while national budgets are decreasing, efficient and productive solutions are crucial. The very reason for the Group’s existence is to resolve social issues, and by thoroughly discussing the issues while imagining how responding to social needs leads to profits, new themes will emerge and the things the Group needs to do will become clear.

Kusaka That’s right. If we think of ourselves as an infrastructure provider, the Group’s work is extremely broad and activities in the private market are expanding more and more. I hope to freely exchange opinions with people of different generations about how they see the future and what they want to achieve.

Ichikawa The Group will gradually implement a long-term plan that will secure management resources, develop human resources, and potentially welcome companies with the necessary functions into the Group. Envisioning the future as a century-old company, the Group will continue to work hard to help resolve social issues, which will lead to growth for the Group and improved market valuation.

Initiatives to Increase the Effectiveness of the Board of Directors

The Company analyzes and evaluates the effectiveness of the Board of Directors every year with the aim of improving the functions of the Board of Directors and enhancing governance. We promote a PDCA cycle to improve the effectiveness of the Board of Directors by discussing the identified issues at the Board of Directors meetings and making improvements.

Activities of the Board of Directors –Main agenda items reviewed in the fiscal year ended June 30, 2024

The Board of Directors reviews issues related to important personnel and organizational matters, the general meeting of shareholders, business plans, executive compensation, and other important issues related to the execution of business operations.

Process for evaluating the effectiveness of the Board of Directors



Activities of Committees

Audit Committee

Number of meetings: **13**
Attendance rate (average): **98%**

The Audit Committee audits and supervises the execution of duties by Directors and Executive Officers, prepares audit reports, and determines the content of proposals for the appointment, dismissal, and non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders. The Articles of Incorporation stipulate that the members of the Audit Committee shall be appointed from among the Directors by a resolution of the Board of Directors.

Details of activities in the fiscal year ended June 30, 2024

Matters to be resolved and reported by the Audit Committee

- (Matters to be resolved)
- Selection of full-time Audit Committee members, selected Audit Committee members, and specific Audit Committee members
 - Establishment of audit standards for the Audit Committee
 - Formulation of audit policy and audit plan
 - Agreement on compensation for, evaluation of appropriateness of, and reappointment of accounting auditor
 - Preparation of Audit Committee audit report
- (Matters to be reported)
- Reports on major meetings other than the Board of Directors attended by the full-time Audit Committee members, such as the Board of Executive Officers and the Risk Operations Council (monthly)
 - Reports on liaison meetings between the full-time Audit Committee members, the Audit Committee Office, and the Audit & Supervisory Board members of major Group companies (monthly)
 - Business audit report by full-time Audit Committee member
 - Reports on internal audit results from the Audit Department

Collaboration between the Audit Committee and audit departments

At regular Audit Committee meetings, the General Manager of the Audit Department (who also serves as the General Manager of the Audit Committee Office) reports to the Audit Committee on the results of internal audits and the status of activities of the internal auditing offices of main group companies, as appropriate. In addition, the full-time Audit Committee members and the Audit Committee Office hold monthly liaison meetings with the Audit & Supervisory Board members of main group companies to understand the status of main group companies and also share audit information as well as exchange opinions between the Audit Committee and the Audit & Supervisory Board members of each main group companies at least once a year. The Audit Committee strives to enhance its organizational audits by coordinating with these audit departments.

Topics

Site inspection tours to improve effectiveness

For the businesses the Group focuses on, we conduct site inspection tours to understand important issues and the latest themes on the frontline of our business operations.

In the landslide disaster recovery construction site inspection tour held in December 2023, inside and Outside Directors (including Directors who also serve as Executive Officers) participated and inspected the establishment of a vigilance system at the construction site, which uses an automated monitoring system, the process and management of the wide-ranging disaster recovery construction work, and evacuation in the event of another landslide, deepening their insight into the challenges of this project.

December 2023

Restoration work for landslide damage at Chichibu Muse Park in Saitama Prefecture contracted by Nippon Koei

April 2024

Comprehensive contract for the Nishi-Futenma Housing Area in Okinawa Prefecture, led by Nippon Koei Urban Space

May 2024

Large-scale renovation work for Miwa Power Plant in Ina City, Nagano Prefecture, led by Nippon Koei Energy Solutions

May 2024

Construction of Naruse Dam in Akita Prefecture where Nippon Koei serves as the main consultant

Inspection of landslide disaster recovery work at Chichibu Muse Park in Saitama Prefecture

Nominating Committee

Number of meetings: 4 Attendance rate (average): 100%

The Nominating Committee determines the content of proposals for appointing and dismissing Directors. The majority of the committee members are outside Directors, ensuring the appropriateness of nominations.

Main agenda items reviewed in the fiscal year ended June 30, 2024

- Determination of proposals for the General Meeting of Shareholders regarding the appointment and dismissal of Directors
- Selection criteria for ID&E director candidates
- Selection of the Nominating Committee members
- Board of Directors meeting proposals regarding the appointment and dismissal of Executive Officers
- Proposal of selection criteria for ID&E executive officer candidates
- Proposal of President Succession Plan, etc.

▼ Process



The Nominating Committee thoroughly deliberates the successor candidates proposed by the current President, taking into account the candidates' exchange of opinions and compatibility with medium-to long-term management strategies. It strives to ensure transparency, fairness, and objectivity of the plan.

Development of executive management candidates

We recognize the importance of forming a group of executive management candidates in order to enhance the above-mentioned candidate pool for President and to strengthen as well as stabilize the management foundation of our Company and our Group. As a measure to realize this, we have introduced a system for training and selecting candidates for management positions from the stage preceding promotion to the highest level of staff qualification.

Specifically, staff of main group companies with certain internal qualifications and positions are selected through recommendations by their organization heads to take Senior Management Course (SMC) training, which aims to foster the ability to make strategic decisions from a management perspective.

Candidates for promotion to the highest level of internal qualification will be recommended from among the participants of this SMC training, and promotion will be decided through

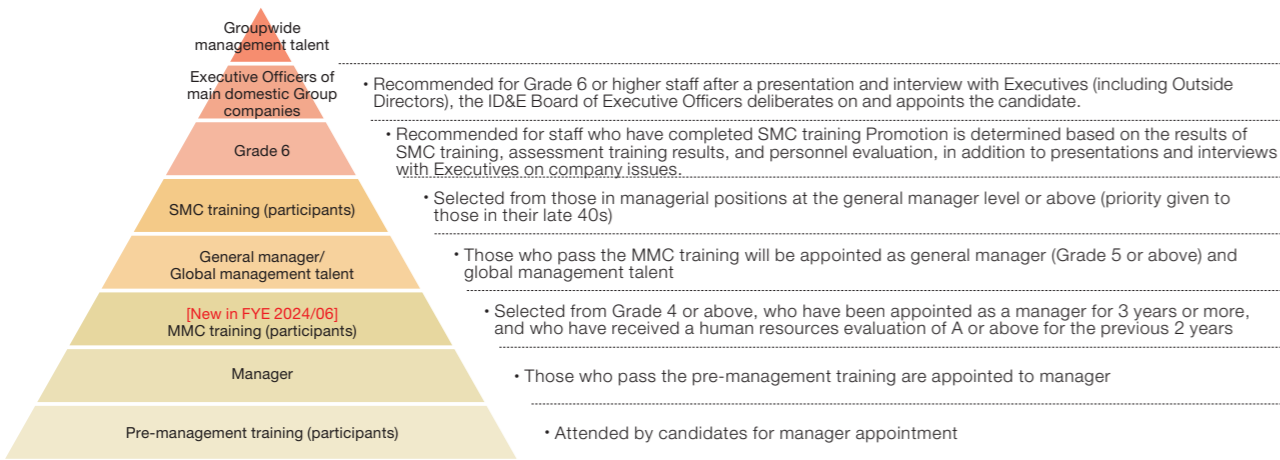
Summary of succession plan

The President Succession Plan was established by the Nominating Committee for the purpose of selecting candidates who meet the personnel requirements for the position of President of the Company.

interviews. Additionally, those promoted will participate in training organized by external organizations to acquire the general knowledge necessary for management candidates. Furthermore, those candidates whom the presidents of main group companies recommend as executive officer candidates of the relevant group companies are interviewed by Executive Officers, and, based on interviewers' opinions, are appointed as Executive Officers through prescribed procedures, including resolutions by the Board of Directors of each company. Directors of main group companies, Executive Officers of the Company, etc. are appointed through deliberation by the Nominating Committee, from the Group of senior management candidates formed through such training and selection processes.

In the fiscal year ended June 30, 2024, we reviewed our training system for developing management candidates and established a new Middle Management Course (MMC) training as a job rank-based training program, thus reorganizing our management talent development and training system.

▼ Training system for developing executive management



Compensation Committee

Number of meetings: 5 Attendance rate (average): 100%

The Compensation Committee decides on basic policies for determining the compensation details, etc. for individual Directors and Executive Officers and the amount of compensation, etc. for individual Directors and Executive Officers. The majority of the committee members are Outside Directors, ensuring the appropriateness of compensation.

Main agenda items reviewed in the fiscal year ended June 30, 2024

- Determination of compensation for individual Directors and Executive Officers
- Stock compensation for ID&E Directors and Executive Officers (issuance conditions, etc.)
- Proposed compensation structure and levels for Directors of the Company and main group companies
- Performance evaluation results (bonuses) for Directors of the Company and main group companies
- Selection of the selected Compensation Committee members, etc.

Summary of ID&E's executive compensation

Compensation of company officers shall be based on a compensation system that takes into account the interests of shareholders in order to function adequately as an incentive to sustainably increase corporate value. The basic policy of the Company is to set the compensation of individual officers to an appropriate level based on their respective responsibilities.

▼ Compensation system

Internal Non-Executive Director	Fixed compensation (base compensation) and restricted stock compensation
Outside Director	Fixed Compensation (Base Compensation)
Executive Officer	For non-Japanese Executive Officers who do not reside in Japan, fixed compensation (base compensation), results-based compensation (bonus), and restricted stock compensation (phantom stock are used in place of restricted stock compensation.)

(Additional Note) For Directors who also serve as Executive Officers, the compensation system for Executive Officers is applied and they are not paid compensation as Directors.

▼ Standard composition ratio of compensation (composition ratio of compensation for the current period)

	Fixed Compensation (Base Compensation)	Results-based compensation (bonus)	Restricted Stock Compensation
Internal Non-Executive Director	90%	—	10%
Executive Officer	61-64%	26-28%	9-13%

(Additional Note) For non-Japanese Executive Officers who do not reside in Japan, in addition to the compensation paid in their country of residence based on standards determined after taking into consideration related laws, regulations, practices and levels for the compensation in the country, compensation is paid taking into consideration the level of compensation for Executive Officers residing in Japan.

▼ Compensation for Directors and Executive Officers for the fiscal year ended June 30, 2024

Officer Classification	Total Amount of Compensation (million yen)	Total amount by type of compensation (million yen)			Number of Officers Eligible
		Fixed Compensation		Results-based Compensation	
		Base Compensation	Restricted Stock Compensation	Bonus	
Directors (excluding Outside Directors)	87	79	7	—	2
Outside Director	60	60	—	—	4
Executive Officer	386	213	35	138	9

Results-based compensation (bonus)

Results-based compensation (bonus) is positioned as an incentive for short-term performance improvement, and revenue and profit attributable to owners of parent company for the consolidated performance of each fiscal year are selected as appropriate performance evaluation indicators, which is reflected in the form of a cash bonus.

Specifically, a standard amount is determined according to the achievement rate based on the planned value of consolidated performance revenue and profit attributable to owners of parent company as a bonus payment standard, and the Representative Executive President evaluates the degree of achievement of business performance and the degree of contribution to the company, etc. of each Executive Officer. Results-based compensation is deliberated and determined by the Compensation Committee. The determined amount is paid as a bonus every year at a certain time after the end of the relevant fiscal year.

Restricted Stock Compensation

Restricted Stock Compensation has been implemented with the intention of having directors share with shareholders the merits and risks of share price fluctuations and providing additional motivation to contribute to increase in the share price and enhancement of corporate value. Restricted transferable shares with a transfer restriction period of three years are allocated at a certain time each year by having the monetary compensation claims paid to each Officer in accordance with predetermined standards for each position be contributed in kind.

Non-Japanese Executive Officers who are not resident in Japan are granted phantom stock under the same terms and conditions as those of this plan.

Risk Management

We believe that a solid risk management system is essential for conducting a wide range of business activities on a global level and implementing our business strategies.

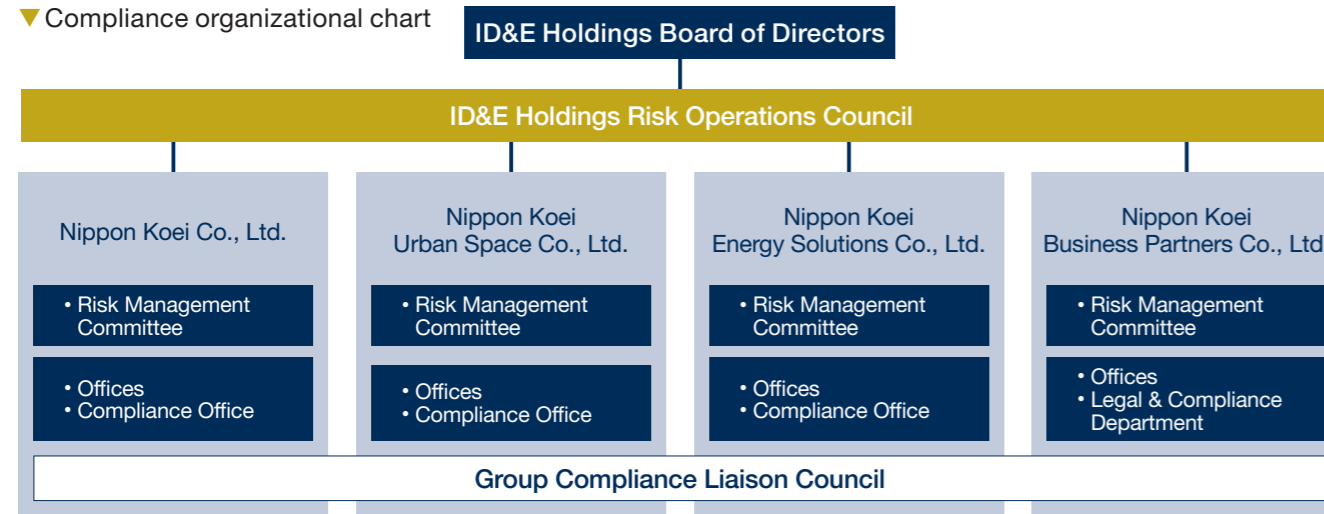
Risk management and compliance system

The Group has established the ID&E Risk Operations Council as the organization responsible for overseeing the overall promotion of risk management. The council deliberates, discusses, determines, and exchanges information on important matters related to not only risk management but also compliance. Risk management committees have been established at each main group companies (Nippon Koei, Nippon Koei Urban Space, Nippon Koei Energy Solutions, and Nippon Koei Business Partners). These committees make the Code of Conduct for ID&E Group known to all, comply with the ID&E Group Risk and Crisis Management Regulations and each company's Risk and Crisis

Management Regulations, and proactively manage risks on a day-to-day basis in accordance with the characteristics of their businesses.

If a risk event occurs, it is reported to each company's risk management committee or the ID&E Risk Operations Council depending on the risk level, followed by action being taken. Additionally, the Group Compliance Liaison Council, which is made up of compliance officers from main group companies, shares information regarding compliance and risk management associated with business activities within the Group and is responsible for fostering awareness of compliance.

▼ Compliance organizational chart



Risk management plan formulation and PDCA cycle

Every year through the Risk Operations Council, the Group compiles the risk management plans of each company and approves/determines these plans as the Group Risk Management Plan. In addition, the Risk Operations Council regularly monitors the progress of the plan, reviews progress, issues, and future measures, and implements a PDCA cycle.



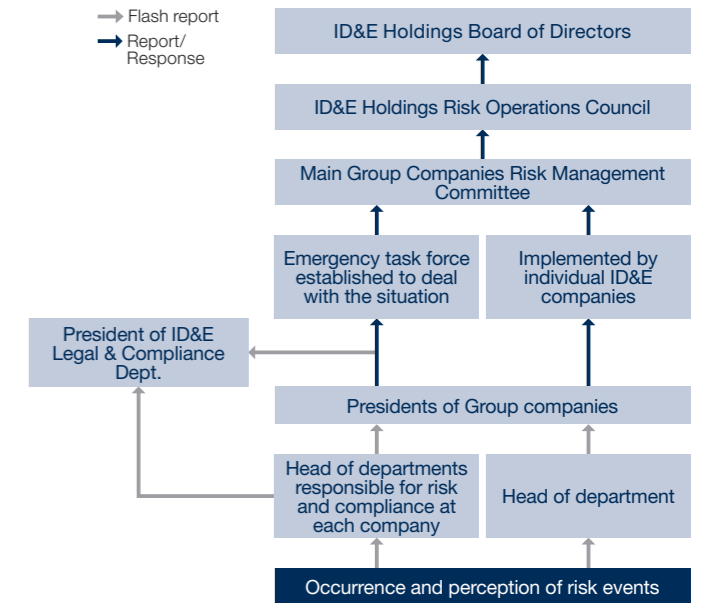
Response to risk events

The Group Crisis Management Regulations classifies the degree of impact of risk events into five levels, organizes guidelines and specific examples for each level of impact by area, and has established a response workflow according to the level of impact.

▼ Analysis of risk events

- Asset preservation, financial reporting, internal control
- Health and safety
- Incident/Scandal (compliance)
- Business continuity (disaster, etc.)
- Information Security
- Other material risks of the Group, etc.

▼ Workflow of response to risk event that emerges



Business continuity initiatives

If we do not have adequate countermeasures for natural disasters as well as for epidemics and outbreaks of infectious diseases, there is a risk that we will be forced to suspend operations for a long period of time, which could result in significant losses that would have a major impact on our stakeholders. As a company involved in the infrastructure that supports people's daily lives, we believe that it is our social responsibility to continue to provide stable services. Therefore, we have established a business continuity plan (BCP) and are working to create and regularly review procedures for responding quickly and appropriately in the event of a crisis.

Information security

The Group has established an information security system to appropriately manage the confidential information of customers in order to receive order for and perform various types of services, including consulting services requested by customers such as government and public agencies. Specifically, based on the ID&E Group Information Security Policy, we have established and implements regulations such as the "Group Information Management Regulations" to protect and manage all information obtained in the course of duties and to prevent unauthorized use and leakage

of information. Additionally, as a response to increasing information security risks such as cyberattacks and other risks, we have established the Information Security Council and continuously improve information security measures under the supervision of the Council. In addition, some Group companies have been audited by a third-party organization and have obtained the ISO27001 certification, an international standard for information security management systems (ISMS).



Compliance

In order to conduct business appropriately in a global society and to prepare for all kinds of risks that may hinder business activities, initiatives and guidance that serve as common guidelines worldwide are becoming increasingly important. We are aware that thorough compliance is a source for increased corporate value, and we are striving to achieve highly transparent management. In addition, we are systematically responding to compliance risks in promoting our business by visualizing them as much as possible.

Code of Conduct for ID&E Group

We have established the “Code of Conduct for ID&E Group” defining a set of common behavior standards to elevate true corporate value by embedding it into the daily actions of every officer and employee. This code of conduct has been translated into seven languages, including Japanese, English and Spanish, and shared with our staff worldwide. To build a

highly transparent management system and establish strong trust throughout the Group, we established and implement a compliance system to ensure not only compliance with laws but also adherence to social norms, in line with our management philosophy “Act with integrity and contribute to society through technology and engineering.”

Sections of the Group Code of Conduct

1. Winning the confidence of society
2. Providing quality technical service
3. Fair and transparent operating practices
4. Establishing a motivating work environment

5. PR activities and information disclosure and protection
6. Considering the environment
7. Contribution to society
8. Enhancing the brand value
9. Ensuring proper channels for reporting and process of correction

Consultation and reporting system

The Group has established the “Group Consultation and Reporting System Regulations,” allowing staff who become aware of any actions that violate or may violate compliance regulations to consult directly with the compliance department or an external lawyer. Communication is conducted in Japanese for Japanese entities (with English

available when necessary) and in local languages for some overseas entities.
This system is available to officers, staff, temporary staff, and partner company staff of the Company and its Group companies (including those within one year of retirement).

▼ Number of Internal Reports (Main Group Companies)

FYE 2022/6	FYE 2023/6	FYE 2024/6
7	12	30

* Figures for consultations and reporting up to the fiscal year ended June 30, 2023 are for Nippon Koei before it transitioned to a holding company.

Compliance awareness survey

The Group conducts an annual compliance awareness survey of all staff within the Group, including overseas Group companies. The purpose of the survey is to accurately understand the current state of staff awareness of compliance and any issues that may arise, and using the results, to promote effective compliance activities in the future. Surveys are conducted anonymously with the results disclosed within the Group and reflected in our compliance activities and Group Risk Management Plan for the next fiscal year.

▼ Group compliance awareness survey for the fiscal year ended June 30, 2024

Implementation period	March to April 2024
Subjects	Staff of the ID&E Group along with temporary and part-time workers
Method	Anonymous survey
Responses	4,439 in Japan (79.8% response rate) and 814 overseas (64.9% response rate)

Compliance training

The Group provides compliance training tailored to different career levels, hosts Group compliance lectures for Executives and senior staff, and conducts compliance training for Group staff. These sessions use specific cases to discuss causes and preventive measures, while also focusing on laws and regulations closely related to the Group’s business. Additionally, through the Group’s e-learning system, employees are educated and tested on various topics, such as antitrust law compliance and harassment prevention, offering opportunities to further their understanding of compliance.

▼ Group compliance lectures and Group compliance trainings (FYE 2024/6)

- Importance of engineering ethics
- Case commentary: causes and impacts
- Measures to prevent recurrence: approach to risk management system

Initiatives for preventing corruption

As our Group is expanding its business globally, we cannot deny the possibility of facing the risk of being asked to provide improper financial benefits in the course of promoting business, discussions, and negotiations with local government agencies, etc. Therefore, since the ID&E Group is a signatory to the UN Global Compact, it has incorporated the four areas of human rights, labor, environment, and anti-corruption, and their ten principles, into our Code of Conduct, which we adhere to. It stipulates that we shall conduct our business activities in compliance with laws and regulations

under fair, transparent, and free competition without pursuing profits by unfair means.
In addition, in order to ensure thorough compliance, we have established and operate internal rules such as the Anti-Bribery Regulations.
As a general rule, we do not offer benefits to public officials, etc., and we address the risk of misconduct by establishing rules regarding the types of benefits offered, approval standards, and approval procedures.

10-Year Summary of Consolidated Financial Data

Japanese GAAP						
	FYE June 2015	FYE June 2016	FYE June 2017	FYE June 2018	FYE June 2019	
Profit and Loss Statement						
Orders	87,573	104,019	117,442	104,350	118,085	
Net sales	81,839	81,865	101,338	106,023	108,589	
Cost of sales	60,054	59,505	70,400	73,664	75,627	
Gross profit	21,785	22,359	30,937	32,359	32,962	
Selling, general and administrative expenses	17,283	17,636	25,472	25,797	27,851	
Operating profit	4,502	4,723	5,464	6,561	5,110	
Non-operating profit (loss)	975	(357)	493	159	473	
Ordinary income	5,477	4,365	5,958	6,721	5,584	
Extraordinary income/loss	2,086	(333)	(764)	443	—	
Income taxes	3,266	2,178	1,870	2,556	2,180	
Profit attributable to owners of parent	4,261	1,823	3,288	4,555	3,318	
Consolidated Balance Sheet (end of period)						
Total assets	84,110	100,989	113,865	113,890	113,175	
Current assets	44,820	46,153	54,798	54,263	52,446	
Cash and deposits	12,148	11,174	19,593	16,392	13,147	
Non-current assets	39,289	54,836	59,067	59,626	60,728	
Property, plant and equipment	24,525	24,561	24,535	27,624	29,882	
Intangible assets	570	16,620	13,900	12,964	13,501	
Goodwill	—	10,312	8,685	8,185	8,193	
Investments and other assets	14,193	13,654	20,630	19,037	17,345	
Investment securities	9,861	8,285	10,491	9,176	7,228	
Total liabilities	31,128	49,529	58,991	54,440	52,969	
Current liabilities	24,466	43,107	30,341	28,441	28,082	
Short-term loans payable	—	16,000	—	—	—	
Non-current liabilities	6,662	6,421	28,650	25,999	24,886	
Long-term loans payable	1,526	1,260	21,413	18,934	17,639	
Total net assets	52,981	51,460	54,874	59,449	60,205	
Consolidated Statement of Cash Flows						
Cash flows from operating activities	881	379	6,376	(602)	3,109	
Cash flows from investing activities	2,702	(17,705)	(4,172)	977	(3,504)	
Cash flows from financing activities	(745)	15,199	4,846	(3,062)	(1,936)	
Effect of exchange rate change on cash and cash equivalents	103	(146)	(124)	(22)	(309)	
Net increase (decrease) in cash and cash equivalents	2,942	(2,272)	6,925	(2,709)	(2,641)	
Cash and cash equivalents at beginning of period	8,465	11,673	9,400	17,083	15,233	
Cash and cash equivalents at end of period	11,673	9,400	17,083	15,233	12,663	
Segment information						
Orders	Domestic Consulting Business	45,057	44,109	48,265	48,529	52,855
	International Consulting Business	28,889	25,936	41,573	26,716	28,482
	Power Engineering Business	13,595	14,716	14,087	15,943	15,411
	Urban & Spatial Development Business	—	16,251	13,460	12,855	20,510
	Energy Business	—	—	—	179	723
	Other	30	64	55	126	100
Net sales	Domestic Consulting Business	41,845	40,778	43,516	46,595	49,593
	International Consulting Business	20,174	22,070	24,491	28,889	24,928
	Power Engineering Business	17,857	17,522	17,577	15,762	16,531
	Urban & Spatial Development Business	—	—	14,347	13,040	15,359
	Energy Business	—	—	—	354	719
	Real Estate Leasing Business	821	514	473	440	439
	Other	1,141	979	931	940	1,016
Operating profit	Domestic Consulting Business	2,723	2,956	3,298	4,279	4,990
	International Consulting Business	285	1,156	1,887	2,649	841
	Power Engineering Business	2,834	3,048	2,683	1,873	2,089
	Urban & Spatial Development Business	—	—	81	173	151
	Energy Business	—	—	—	(18)	(365)
	Real Estate Leasing Business	584	386	401	403	409
	Other	(1,925)	(2,824)	(2,886)	(2,799)	(3,006)

* Orders for the 4th quarter of the fiscal year ended June 30, 2016 include BDP's outstanding orders (16.251 billion yen) as of April 1, 2016.
 * Effective from the fiscal year ended June 30, 2017, the basis for calculating orders received was changed to a method that excludes differences due to foreign currency calculation.
 * Due to the change in BDP's fiscal year end for the fiscal year ended June 30, 2017, BDP's results for the 15-month period from April 2016 to June 2017 have been consolidated.
 * In the fiscal year ended June 2018, the Group changed its basis for recording sales from the completed-contract method to the percentage-of-completion method.
 * For the fiscal year ended June 30, 2020, the correction dated December 14, 2020 has already been reflected.
 * International Financial Reporting Standards (IFRS) have been applied from the end of the fiscal year ended June 30, 2021.
 * The Company has been conducting business in three business segments since FYE June 2022. For the Consulting Business, we combined our domestic and overseas consulting businesses and combined our former Power Engineering and Energy businesses to form our current Energy Business. Since Real Estate Leasing Business is no longer a company business segment, it has been included in "Other."

IFRS						
(Millions of yen)						
	FYE June 2020	FYE June 2021	FYE June 2022	FYE June 2023	FYE June 2024	
Orders	144,871	133,304	131,166	139,265	161,357	
Revenue	108,441	117,859	130,674	141,527	158,983	
Cost of sales	(75,202)	(80,124)	(89,975)	(99,181)	(108,567)	
Gross profit	33,238	37,735	40,699	42,346	50,415	
Selling, general and administrative expenses	(28,436)	(29,173)	(31,610)	(34,611)	(38,644)	
Operating profit	5,245	7,128	9,065	6,080	14,124	
Financial profit (loss)	(216)	48	1,734	293	1,139	
Profit before tax	5,029	7,176	10,800	6,373	15,264	
Profit attributable to owners of parent	3,099	4,531	6,579	3,093	9,677	
Total assets	147,408	156,137	173,926	195,391	206,386	
Current assets	62,027	68,570	83,535	99,147	101,965	
Cash and cash equivalents	15,472	17,838	17,971	31,679	25,242	
Non-current assets	85,380	87,566	90,390	96,244	104,420	
Property, plant and equipment	42,039	40,832	41,403	52,718	54,759	
Intangible assets	5,480	6,502	7,025	7,544	7,830	
Goodwill	7,964	9,182	10,207	7,327	7,475	
Other financial assets	6,721	7,434	6,423	5,106	7,835	
Investments accounted for by the equity method	1,974	2,077	2,434	1,830	2,209	
Total liabilities	81,687	83,843	91,956	111,607	112,288	
Current liabilities	49,963	48,889	55,840	77,955	72,892	
Loans payable	15,778	8,320	13,148	28,716	23,723	
Non-current liabilities	31,723	34,953	36,116	33,652	39,396	
Loans payable	14,923	18,712	19,288	17,385	19,588	
Total equity	65,721	72,294	81,969	83,784	94,097	
Cash flows from operating activities	4,365	12,073	4,820	8,345	7,792	
Cash flows from investing activities	(7,129)	(2,750)	(6,949)	(2,859)	(5,064)	
Cash flows from financing activities	4,529	(7,928)	1,892	8,298	(8,832)	
Effect of exchange rate change on cash and cash Equivalents	465	970	369	(77)	(331)	
Net increase (decrease) in cash and cash equivalents	1,765	1,395	(235)	13,784	(6,104)	
Cash and cash equivalents at beginning of period	12,663	15,472	17,838	17,971	31,679	
Cash and cash equivalents at end of period	15,472	17,838	17,971	31,679	25,242	
Orders	Consulting Business	106,931	97,769	84,717	77,414	86,568
	Urban & Spatial Development Business	17,874	21,457	31,981	42,566	49,874
	Energy Business	19,986	13,991	14,343	18,827	24,446
	Other	79	86	125	457	467
Revenue	Consulting Business	72,594	80,098	75,000	81,519	85,488
	Urban & Spatial Development Business	18,142	20,274	36,091	38,071	44,460
	Energy Business	16,452	16,621	18,799	20,855	27,925
	Other	1,251	865	783	1,080	1,109
Operating profit	Consulting Business	5,457	6,126	7,971	6,501	10,647
	Urban & Spatial Development Business	1,759	2,266	2,599	(946)	1,968
	Energy Business	640	814	1,290	2,974	2,470
	Other	(2,611)	(2,079)	(2,794)	(2,449)	(961)

* Consulting Business figures for the fiscal year ended June 30, 2020 are simple totals for the Domestic Consulting/International Consulting businesses before elimination of internal transactions.
 * Energy Business figures for the year ended June 30, 2020 are simple totals of the Power Engineering Business and Energy Businesses before elimination of internal transactions.
 * PT. Cikaengan Tirta Energi was reclassified from an Energy Business segment company to a Consulting Business segment company, and Aichi Tamano Information System Co., Ltd. was reclassified from a Consulting Business segment company to listed under the "Other" segment in the fiscal year ended June 30, 2022. The figures for the fiscal year ended June 30, 2021 are also prepared based on the new reportable segments.
 * Nippon Koei Urban Space (formed from the merging of the former Tamano Consultants Co., Ltd. and Nippon Koei's Urban Space Business), its subsidiary Tamano Ecost Co., Ltd., and its consolidated subsidiary Nakaze Kamp Co., Ltd. changed their business segment classification from "Consulting Business" to "Urban & Spatial Development Business" in the fiscal year ended June 30, 2023. Therefore, segment information the fiscal year ended June 30, 2022 is also prepared based on the new reportable segment classification.

Non-Financial Data

Environment

		FYE June 2023	FYE June 2024	Remarks
Total Energy Consumption	Total (GJ)	53,960	58,171	Consumption by main group companies
Water consumption from all sources	Total (m³)	17,183	54,182	The figures for FY2023/06 are the combined consumption of BDP bases/offices, Nippon Koei building and Kojimachi Mid-Square building. The figures for FY2024/06 are the total amount for bases/offices under the umbrella of main group companies for which consumption was identified (the total amount has increased due to an increase in the number of bases/offices included in the calculation compared to FY2023/06).
Total CO ₂	t-CO ₂ (Market-based emissions)	5,498	3,422	Equivalent to Scope 1 + Scope 2 emissions of main group companies
Waste Discharge	Total (t)	697	937	The figures for FY2023/06 are the combined figures for Nippon Koei Building and BDP bases/offices. The figures for FY2024/06 are for bases/offices under the umbrella of main group companies where data were available (the total amount has increased due to an increase in the number of bases/offices included in the calculation compared to FY2023/06).

Society

Number of Employees	As of the end of June 2024		
	Men	Women	Total
ID&E Holdings	15	1	16
Consulting segment	2,377	827	3,204
Nippon Koei Co., Ltd.	1,605	384	1,989
Other Group companies	772	443	1,215
Urban & Spatial Development segment	1,421	819	2,240
Nippon Koei Urban Space Co., Ltd.	682	185	867
BDP Holdings Limited	726	625	1,351
Other Group companies	13	9	22
Energy segment	662	74	736
Nippon Koei Energy Solutions Co., Ltd.	561	63	624
Other Group companies	101	11	112
Business Management segment	171	273	444
Nippon Koei Business Partners Co., Ltd.	100	94	194
Other Group companies	71	179	250
Nippon Koei Health Insurance	1	1	2
Total	4,647	1,995	6,642

* The number of employees does not include Directors, project employees, and part-time employees.

For details of non-financial data, please see our sustainability report.

<https://www.id-and-e-hd.co.jp/english/sustainability/sustainability-management/report/>

External Recognitions and IR Activities

Participation in major initiatives and external recognitions

Signatory of the UN Global Compact —



ID&E announced its support for the United Nations Global Compact (UNGC) in June 2019. ID&E Holdings will carry on this UNGC signature and promote support for UNGC throughout the Group.

TCFD (Task Force on Climate-related Financial Disclosures)

We recognize that addressing climate change is one of the most important sustainability issues. In 2023 we declared our support for the TCFD and have been disclosing information in line with its recommendations. Going forward, we will continue to promote disclosure that meets various climate change-related requirements, with a focus on information disclosure based on the TCFD recommendations.

Certified Health & Productivity Management Outstanding Organization



The "Certified Health & Productivity Management Outstanding Organizations" recognition program, certified by the Japan Health Council, aims to "visualize"

large and small corporations that practice outstanding health management. It allows them to receive social recognition from employees, job seekers, related companies, and financial institutions. Our Group has been certified as a "Certified Health & Productivity Management Outstanding Organization (Large Enterprise Category)" for six consecutive years.

Scope of Certification: ID&E, Nippon Koei Co., Ltd.; Nippon Koei Energy Solutions Co., Ltd.; Nippon Koei Business Partners Co., Ltd.

Platinum Kurumin —



ID&E acquired the Kurumin and Platinum Kurumin Certification from the Ministry of Health, Labour and Welfare as a company with a high-standard of support for child raising in accordance with the Act on

Advancement of Measures to Support Raising Next-Generation Children. The Kurumin Certification is awarded to the companies that outlined an action plan according to the Act on Advancement of Measures to Support Raising Next-Generation Children and achieved the target. Platinum Kurumin is the special certification awarded to Kurumin-certified companies who go even further to fulfill a certain set of requirements for initiatives supporting an even higher level of work-life balance.

Scope of Certification: Nippon Koei Co., Ltd.; Nippon Koei Urban Space Co., Ltd.; Nippon Koei Energy Solutions Co., Ltd.; Nippon Koei Business Partners Co., Ltd.

Sports Yell Company —



The Japan Sports Agency recognizes companies that actively promote sports activities to promote the health of employees as "Sports Yell Company" with the aim of promoting the implementation of sports for the "working generation" and fostering social momentum

for sports. The Company provides and recommends sports opportunities to employees in various situations, such as conducting and raising awareness of original gymnastics (NK Taiso), supporting club activities, and holding other events.

Scope of Certification: Integrated Design & Engineering Holdings Co., Ltd., Nippon Koei Co., Ltd., Nippon Koei Urban Space Co., Ltd., Nippon Koei Energy Solutions Co., Ltd., Nippon Koei Business Partners Co., Ltd.

NIKKEI Smart Work Management Survey



ID&E received a 4-star rating in the 7th NIKKEI Smart Work Management Survey, which selects advanced companies revolutionizing

productivity through work style reforms. The survey, conducted by Nihon Keizai Shimbun since 2017, targets listed companies and well-known unlisted companies across the country. "Smart work management" is defined as initiatives to maximize organizational performance through three elements: enabling diverse and flexible work styles, systems for creating new businesses, and the ability to expand markets. The evaluation is conducted on a 5-star scale.

Certified companies: ID&E Group companies

Results of IR activities and disclosure

	FYE 2023/6	FYE 2024/6
Individual meetings with institutional investors	61	47
Financial results presentation	<ul style="list-style-type: none">Financial results presentation for 1H FYE June 2023 (February 21, 2023)Financial results presentation for FYE June 2023 (September 5, 2023)	<ul style="list-style-type: none">Financial results presentation for 1H FYE June 2024 (March 5, 2024)Financial results and Medium-Term Management Plan presentation for FYE June 2024 (September 6, 2024)
Briefings for individual shareholders	<ul style="list-style-type: none">au Kabucom Securities online briefing for individual investors (May 22, 2023)NIKKEI IR Fair (September 1 and 2, 2023)	<ul style="list-style-type: none">Nikko Investor Relations online briefing for individual investors (April 20, 2024)NIKKEI IR Fair (August 23 and 24, 2024)



Financial results and Medium-Term Management Plan presentation for FYE June 2024 in progress



The ID&E booth at NIKKEI IR Fair 2024

Corporate data

Corporate name	Integrated Design & Engineering Holdings Co., Ltd.	 https://www.id-and-e-hd.co.jp/english/
Head office	5-4 Kojimachi, Chiyoda-ku, Tokyo 102-8539, Japan	
Phone	(Main line) +81-3-3238-8030	
Representative	Representative Executive President Hiroaki Shinya	
Established	July 3, 2023	
Share capital	7,522 million yen	
Business areas	Management of the business activities of the Group companies under its control and ancillary/related operations	

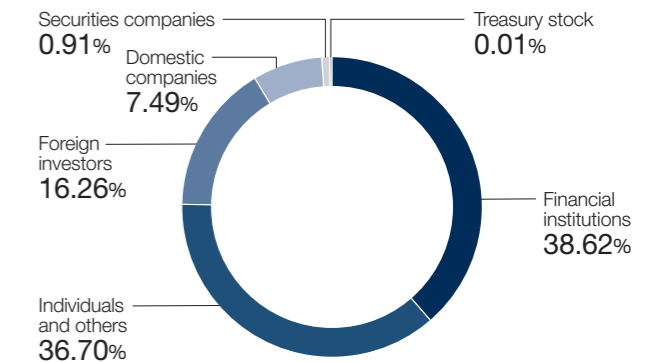
▼ Main Group companies

	Nippon Koei Co., Ltd. 5-4 Kojimachi, Chiyoda-ku, Tokyo 102-8539, Japan TEL: +81-3-3238-8030 https://www.n-koei.co.jp/consulting/english/	
	Nippon Koei Urban Space Co., Ltd. 2-17-14, Higashisakura, Higashi-ku, Nagoya 461-0005, Japan TEL: +81-52-979-9111 https://www.n-koei.co.jp/urbanspace/english/	
	BDP Holdings Limited 11 Ducie Street Piccadilly Basin Manchester M1 2JB United Kingdom https://www.bdp.com/	
	Nippon Koei Energy Solutions Co., Ltd. 5-4 Kojimachi, Chiyoda-ku, Tokyo 102-8539, Japan TEL: +81-3-3238-8030 https://www.n-koei.co.jp/energy/english/	
	Nippon Koei Business Partners Co., Ltd. 5-4 Kojimachi, Chiyoda-ku, Tokyo 102-8539, Japan TEL: +81-3-3238-8030 https://www.n-koei.co.jp/businesspartners/english/	

Stock information

Number of shares authorized	38,000,000
Number of shares issued	15,079,625
Number of shareholders	7,836
Fiscal year-end	June 30
Stock listing	Tokyo Stock Exchange (Prime Market)
Securities code	9161
Transfer agent	Mizuho Trust & Banking Co., Ltd.

▼ Shareholder distribution

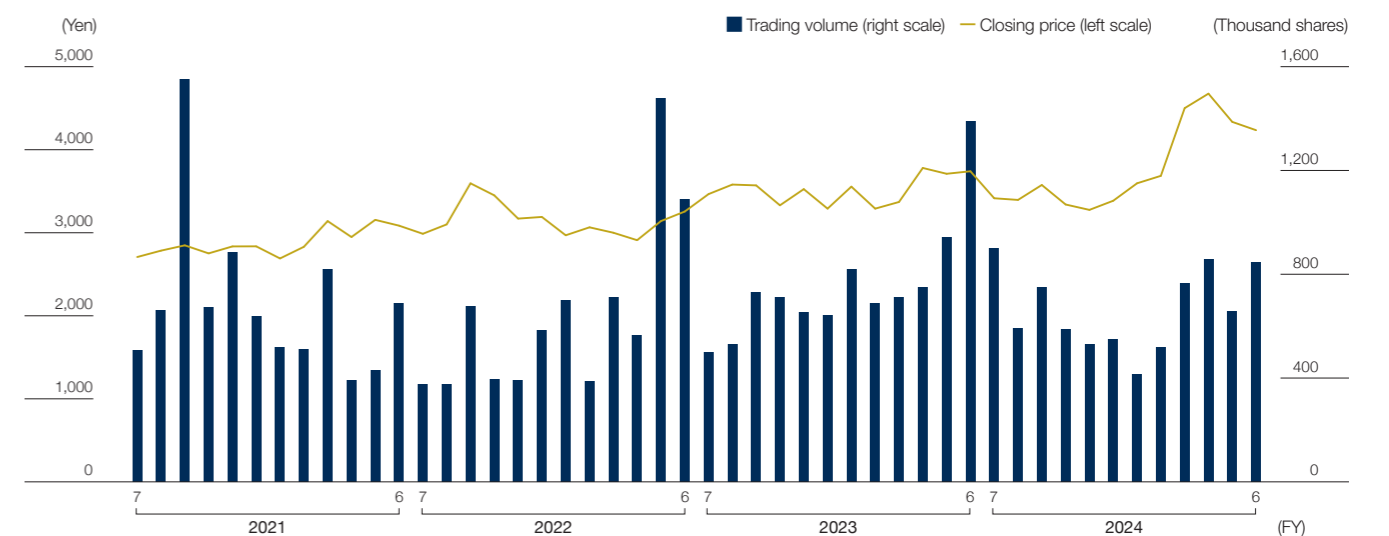


▼ Chief shareholders (Top 10 by Shares Owned)

	Chief shareholders (Top 10 by Shares Owned)	Shares owned (Thousand shares)	Percentage of total shares owned (%)*
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	1,918	12.72
2	The ID&E Holdings Group Employee Shareholding Association	1,155	7.67
3	Custody Bank of Japan, Ltd. (Trust Account)	944	6.27
4	MUFG Bank, Ltd.	739	4.91
5	Meiji Yasuda Life Insurance Company	564	3.75
6	Mizuho Bank, Ltd.	382	2.53
7	Custody Bank of Japan, Ltd. (Pension Trust Account)	330	2.19
8	RE FUND 107-CLIENT AC	317	2.11
9	GOVERNMENT OF NORWAY	304	2.02
10	DFA INTL SMALL CAP VALUE PORTFOLIO	276	1.83

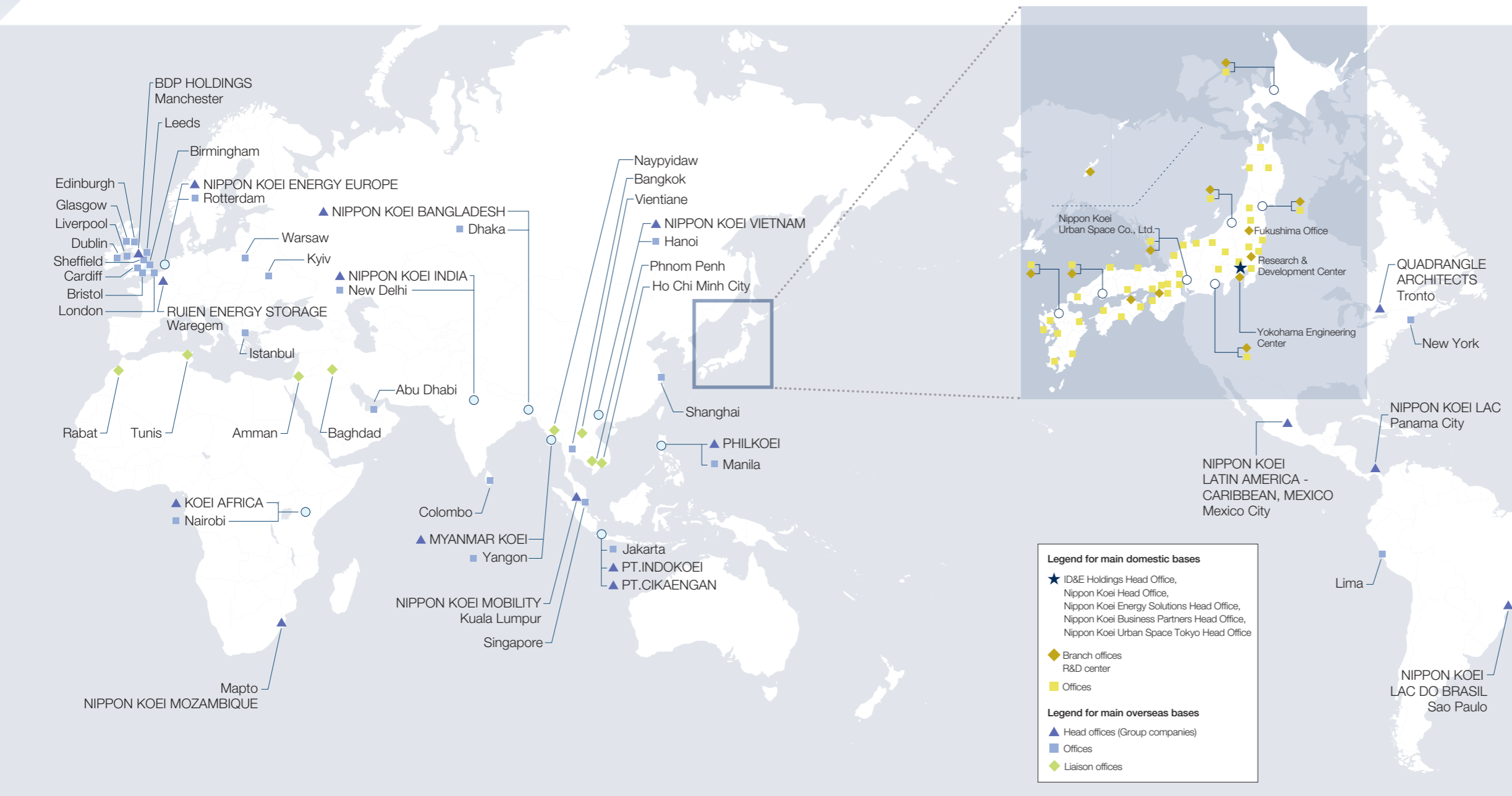
* Shown in the same manner as in the quarterly and annual securities report (rounded to two decimal places).

▼ Stock price



Network

(as of December 31, 2024)



This map indicates the locations of main group companies (Nippon Koei, Nippon Koei Urban Space, BDP, Nippon Koei Energy Solutions, and Nippon Koei Business Partners).

Main Group Companies (consolidated subsidiaries)

Consulting Business

- Nippon Koei Co., Ltd.
- Nippon Civic Consulting Engineers Co., Ltd.
- Geoplan Namtech Inc.
- Koei Research & Consulting Inc.
- Nippon Koei Latin America-Caribbean Co., Ltd.
- NIPPON KOEI LAC, INC.
- NIPPON KOEI LATIN AMERICA - CARIBBEAN, MEXICO S. DE R.L. DE C.V.
- NIPPON KOEI MOZAMBIQUE, LTDA.
- NIPPON KOEI LAC DO BRASIL LTDA.
- NIPPON KOEI INDIA PVT. LTD.
- PHILKOEI INTERNATIONAL, INC.
- KOEI AFRICA COMPANY LIMITED
- NIPPON KOEI MOBILITY SDN. BHD.
- NIPPON KOEI BANGLADESH LTD.
- NIPPON KOEI VIETNAM INTERNATIONAL CO., LTD.
- PT. INDOKOEI INTERNATIONAL
- MYANMAR KOEI INTERNATIONAL LTD.
- PT. CIKAENGAN TIRTA ENERGI

Urban & Spatial Development Business

- Nippon Koei Urban Space Co., Ltd.
- Tamano Ecost Co., Ltd.
- Kisho Kurokawa Architect & Associates Co., Ltd.
- Nakaze Kamp Co., Ltd.
- BDP HOLDINGS LIMITED
- BUILDING DESIGN PARTNERSHIP LIMITED
- QUADRANGLE ARCHITECTS LIMITED

Energy Business

- Nippon Koei Energy Solutions Co., Ltd.
- Koei System Inc.
- Koei Energy Co., Ltd.
- NIPPON KOEI ENERGY EUROPE B.V.
- RUIEN ENERGY STORAGE NV

Other

- Nippon Koei Business Partners Co., Ltd.
- Nikki Corporation
- Aichi Tamano Information System Co., Ltd.
- Ei Koei Co., Ltd.

History

- 1946** Nippon Koei established in Chiyoda-ku, Tokyo
- 1954** Received order for planning of Baluchaung Hydropower Plant in Burma (Company's first overseas project)
- 1958** Acquired Nikki Manufacturing Co., Ltd. (name changed to Nikki Corporation in July 1982, currently a consolidated subsidiary)
- 1963** Shares listed in the Second Section of the Tokyo Stock Exchange
- 1978** New head office building completed in Kojimachi, Tokyo; relocated head office; listing moved to the First Section of the Tokyo Stock Exchange
- 1986** Koei System Inc. established (currently a consolidated subsidiary)
- 1989** Philkoei International, Inc. established in the Philippines (currently a consolidated subsidiary)
- 1992** PT. Indokoei International established in Indonesia (currently a consolidated subsidiary) Ei Koei Co., Ltd. established (currently a consolidated subsidiary)
- 1995** KRI International Corp. established
- 2003** Nippon Koei Latin America-Caribbean Co., Ltd. established (currently a consolidated subsidiary) Nippon Civic Consulting Engineers Co., Ltd. becomes a subsidiary (currently a consolidated subsidiary)
- 2005** Tamano Consultants Co., Ltd. becomes a subsidiary (name changed to Nippon Koei Urban Space in July 2022 (currently a consolidated subsidiary))
- 2007** Nippon Koei LAC do Brasil Ltda. established in Brazil (currently a consolidated subsidiary)
- 2008** Nippon Koei India Pvt. Ltd. established in India (currently a consolidated subsidiary)
- 2010** NKLAC, Inc. established in Panama (name changed to Nippon Koei LAC, Inc. in September 2011 (currently a consolidated subsidiary))
- 2012** Nippon Koei Vietnam International Co., Ltd. established in Vietnam (currently a consolidated subsidiary)
- 2013** Myanmar Koei International Ltd. established in Myanmar (currently a consolidated subsidiary)
- 2015** KOEI Energy Co., Ltd. established (currently a consolidated subsidiary)
- 2016** UK-based architectural design company BDP Holdings Limited becomes a subsidiary (currently a consolidated subsidiary)
- 2017** Koei Research & Consulting Inc. established (Koei Research Institute International Corp. and System Science Consultants Co., Ltd. merged (currently a consolidated subsidiary))
- 2018** Nippon Koei Bangladesh Ltd. established in Bangladesh
- 2019** Canada architectural design company Quadrangle Architects Limited becomes a subsidiary (currently a consolidated subsidiary)
- 2020** New head office building completed in Kojimachi, Tokyo (reconstruction)
- 2021** 75th Anniversary Project Implemented
- 2022** Nippon Koei Urban Space Co., Ltd. Launched
- 2023** Established Integrated Design & Engineering Holdings Co., Ltd. and transitioned to a holding company structure

Integrated Design & Engineering Holdings CO.,LTD.

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