



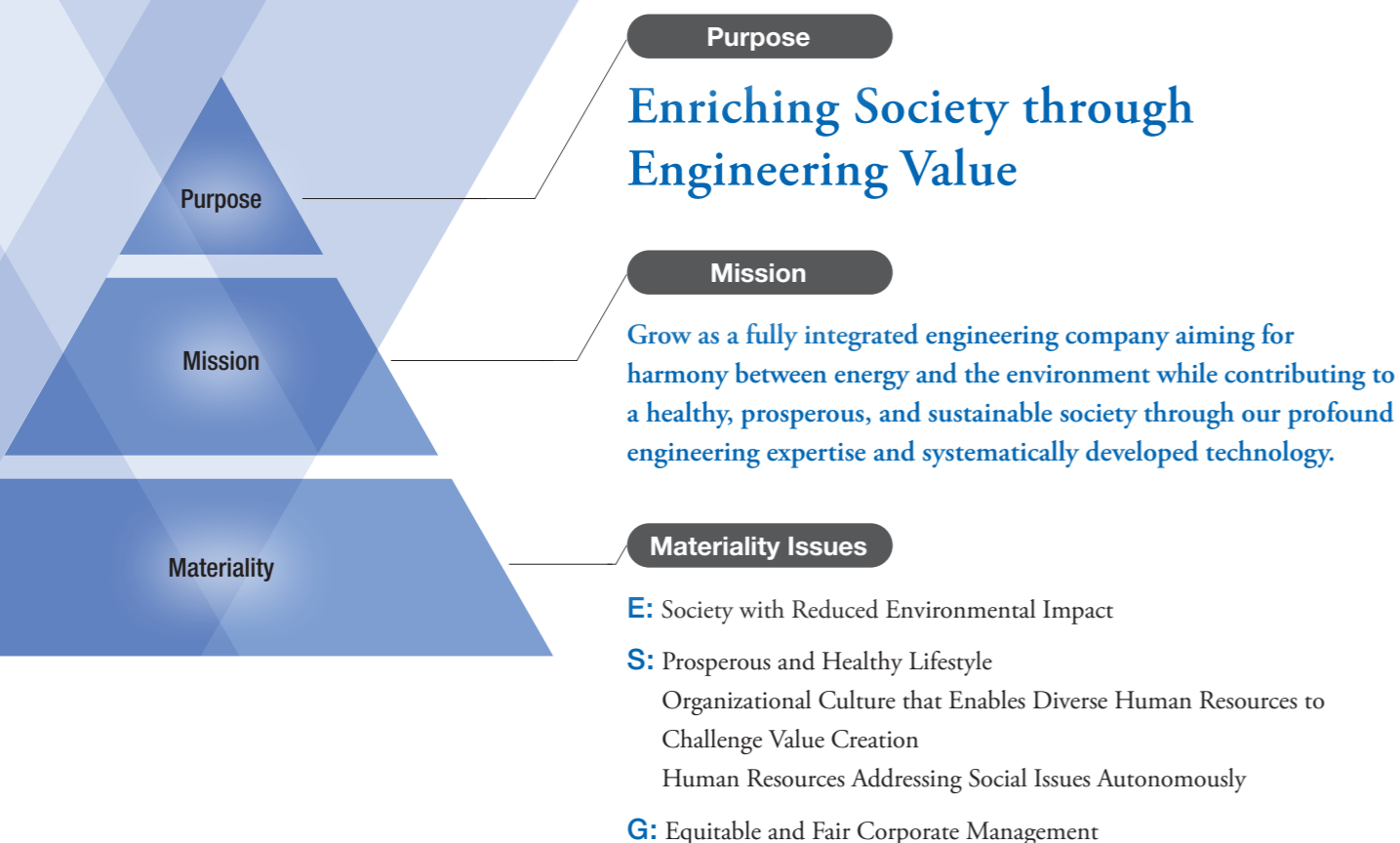
**Enriching
Society through
Engineering
Value.**

Working to Keep Enriching Society

Since our founding, Chiyoda has constantly advanced in tandem with society. For over 75 years, we have leveraged engineering expertise to enrich society in line with the needs of each era. However, in areas from decarbonization to economic security, aging infrastructure, and respect for diversity, issues and expectations facing society are now moving with unprecedented speed. In this age of rapid change, we will work to keep enriching society through engineering value. Looking to the next ten years, we have renewed resolve to continue transforming ourselves. Through the CHIYODA REPORT 2025, centered on the Business Plan 2025 as a first step on this journey, we set out our determination and vision, being unafraid of change as we grow stronger and evolve with even greater adaptability.



Corporate Philosophy System



Our Founding Philosophy of ‘Serving Society through Technology’

The Chiyoda Group was established in 1948 with the aim of being a pioneering engineering company that leverages advanced technological expertise to resolve social issues. With a founding philosophy of ‘Serving Society through Technology,’ delivering technology to address social issues has been our raison d’être ever since. This spirit has underpinned our contribution to the development of heavy chemical industries in the post-war period, our long-term collaboration with Qatar, and, in recent years, our ambitions to establish hydrogen supply chains. The philosophy carried on since our founding is the origin of Chiyoda. To this day, it lives on in our purpose and in the core of our business activities.

**‘Is this for the good of Japan, for the benefit of the country?’
‘Be a conscientious and proud employee of Chiyoda.’**

Founder Akiyoshi Tamaki

As the founder of Chiyoda, Akiyoshi Tamaki developed the company as an advanced engineering enterprise by focusing on technologies for the chemicals industry, supporting the growth of a national plant engineering industry by delivering pioneering technological solutions to its customers.

Since its founding, Chiyoda has emphasized that industrial growth must embrace the needs of the natural environment through its philosophy of ‘Energy and Environment in Harmony.’



CONTENTS

2	Corporate Philosophy System & Founding Philosophy	40	Special Feature 2: Enriching the Future Through Engineering
4	Message from the CEO	44	Human Resource Management
10	Message from the CFO		
	Our Record of Enriching Society through Engineering Value		Our Foundation for Transformation
14	A History of Transformation, Growth, and Enriching Society through Engineering Value	52	Chiyoda DX STORY
16	Our Accumulated Strengths	56	Intellectual Property Initiatives
18	Value Creation Process	58	Corporate Governance
20	Materiality	62	Directors and Officers
	Change to Enrich the Future	64	Risk Management
24	Business Plan 2025	65	Safety Management
24	Transformation Roadmap and Vision	66	Compliance
26	Basic Strategy	67	Human Rights Initiatives
30	Business Areas		
32	Messages from Outside Directors		
34	Special Feature 1: Roundtable Discussion with CEO and Employees Our Transformation—Toward New Value Creation		
			Data Section
		70	Key ESG Data
		72	Eleven-Year Summary
		74	Corporate Information

Editorial Policy

CHIYODA REPORT 2025 is a communication tool to inform all stakeholders, including shareholders, investors, business partners, customers, directors, employees, and society, of the Chiyoda Group’s management policies, business strategies, financial status, corporate values, growth potential, and activities toward realizing a sustainable global society. We continuously strive to improve the quality of information contained in the report to strengthen stakeholder awareness of the Chiyoda Group.

Disclaimer

CHIYODA REPORT 2025 is forward-looking, compiled from information available at the time of release, and actual results may differ materially from statements made within it.



Please refer to the following website for further information on the Chiyoda Group.

<https://www.chiyodacorp.com/en/>

Cover photo: LNG plant under construction (Courtesy of Golden Pass LNG)

Message from the CEO

An Engineering Company that Addresses Social Issues

Chiyoda was founded in 1948, during the post-war recovery period, and aimed to restore refineries and petrochemical plants in Japan. Through a consistent business approach connected to our founding philosophy of 'Serving Society through Technology,' we have responded to the changing needs in each time period throughout our involvement in numerous projects in Japan and overseas. In recent years, in particular, we have made a significant contribution to the world's energy supplies through our work on plant EPC* projects around the world, especially in LNG.

Our core mission underpinning these achievements is to provide technology that delivers the optimal solution for customers' problems. Regardless of the time period, region, or industry, this outlook is constant and is verbalized through Chiyoda Group's purpose of 'Enriching Society through Engineering Value.' Aligning with the future that our customers and society seek to realize and supporting this aim through our engineering expertise and co-creation with various stakeholders is our raison d'être and a

mission that we should continue to fulfill.

At the same time, society's makeup is changing. From the transition towards a decarbonized society to growing geopolitical risks and the development of medical and science fields, society is facing more complex issues that require more advanced and diverse approaches to resolve. Amidst this change, we must evolve to be more flexible and more integrative. To achieve this, in addition to our existing EPC work, we are evolving to transcend the scope of a contractor and be a solution-creating partner, participating in projects from the concept stage through to post-construction stages such as operational support and maintenance. In the future, we aim to be a business partner that goes beyond physical construction and accompanies customers' business creation, creating a new type of value in engineering that supports growth for industries and society as a whole.

* EPC: Engineering, Procurement, and Construction

Business Plan 2025: 'Be the Change'

Immediately after my appointment as President and CEO in April 2024, a large ongoing LNG project in the United States faced an unexpected situation when our joint venture partner fell into financial difficulties and withdrew from the project. This led to us recording significant losses, resulting in a loss for fiscal 2023. These events once again highlighted the highly volatile nature of the business, which the company has battled with for many years.

Even under our Revitalization Plan, which we embarked on in fiscal 2019, while we secured a certain level of revenue in some periods, external factors repeatedly caused sudden performance fluctuations. We originally intended to announce a new

medium-term management plan in fiscal 2024.

However, we strongly felt that without addressing these fundamental structural issues, we cannot achieve sustainable growth in corporate value. Therefore, we decided to revise the medium-term management plan that had been planned for release. In September 2024, we then launched our 10-year plan project led primarily by young and mid-career employees. This project gave the next generation, future leaders of Chiyoda in 5 to 10 years, a space to engage proactively in discussions about Chiyoda's future and incorporated voices from frontline employees. Particularly striking was the frank input from those calling for change, including reviewing our

We will succeed in being the change and evolve as an engineering company that partners with society to create new value.



Koji Ota

Representative Director, President & CEO, CSO*

* Chief Sustainability Officer

Message from the CEO

approach to overseas EPC projects and strengthening our involvement in the concept stage before plant construction. As management, we earnestly considered these opinions as we formulated the new medium-term management plan, Business Plan 2025, which was announced in May 2025. Business Plan 2025 has a core theme of 'Be the Change' and clearly states concrete initiatives to address crucial issues over the next three years, including stabilizing our profit structure, transforming our EPC business, advancing business co-creation, and enhancing our

Rebuilding Our EPC Business and Creating Value through Business Co-Creation

These three years are a time to build the foundation for change, making this period a major turning point on the road to fulfill our 10-year vision. Business Plan 2025 sets out five priority initiatives: steady execution of existing large overseas projects, overseas projects approach reform, increasing domestic project revenue, expanding business co-creation, and creating a robust human resources pool of core talent. These initiatives are closely related to each other; without any one of them, we cannot realize our 10-year vision.

Among these initiatives, overseas projects are key to building a stable revenue base. As I mentioned earlier, our structure has been dependent on large overseas projects. If left unchanged, this dependency makes it difficult to establish a sustainable and stable earnings base. Moving forward, we will fundamentally reform our business structure, reduce reliance on large-scale projects, and transition to a diversified portfolio combining multiple medium-scale projects. In tandem, we will also start reviewing our contract structures. Under previously dominant lump-sum contracts*, contractors take on significant risks related to unforeseeable external factors such as rising material costs. While considering regional characteristics and customer preferences, we will engage in repeated dialogue with customers and move

human resources. During the plan's finalization process, we enhanced specificity regarding business co-creation and human resources.

Business Plan 2025 is much more than a review of our business portfolio. It is an implementation plan outlining the first three years on the way to realizing Chiyoda's vision for the next decade. Through successful execution of 'being the change,' we aim to create sustainable corporate value through both revenue stabilization and business growth.

towards contract structures that enable appropriate risk sharing.

Expanding business co-creation is another major theme of Business Plan 2025. Central to this theme is proactive expansion of business beyond the traditional EPC scope. Not limited to engineering, procurement, and construction, we will engage in early-stage concept development, process design, operations, and maintenance, ultimately extending to business management. Through this approach, we are aiming to be a business co-creation partner that can create value together with customers. For example, in life sciences, using the demonstration facilities at our Koyasu Office & Research Park, we have been working with customers to develop manufacturing processes for advanced pharmaceuticals and biotechnology. Working together from the early conceptualization stage encapsulates a new form of value creation. We are also taking on similar new challenges in the decarbonization field. In the Industrial Solution Department established in the Business Development Division, we are developing and testing hypotheses for technological implementation in different regions in the search for seeds of future joint businesses.

Such efforts are also a strategic move for future business investment. It is a bold step beyond the

traditional contract-based business model, but we strongly believe it is fully achievable by making full use of the discerning eye for technology, project management capabilities, and network of partners built up through EPC. In business investment selection and specific implementation strategies, we are also aware of the need to enhance clarity and remain flexible in adjusting our approach responding to

environmental changes and technological advancements. Currently, we are focusing on life sciences, hydrogen, and advanced materials but our approach is to remain open to revisiting these areas as future societal needs and evolving technologies.

* Contracts requiring a single payment of a fixed amount

Human Resources are the Driving Force of Sustainable Growth

People are the most vital for our future vision. Our strengths - discerning eye for technology, project management capabilities, and partner networks - are all built by outstanding talent. That is why creating a robust pool of human resources is one of our priority initiatives under Business Plan 2025. Not limited to training engineers, we will focus on employing and fostering human resources with diverse experience and skills.

One urgent issue is fostering talent capable of handling business co-creation and investment, in addition to reinforcing EPC specialists. To cultivate the business planning and operational knowledge required for business investment, we are actively working on collaboration with external companies, dispatch of personnel, and recruitment from outside the organization. We are also working to expand and

diversify employees' responsibilities to develop talent with wide-ranging experience, through measures such as shifting employees with experience of large overseas projects to domestic projects. Thereby, we will build a system capable of both enhancing EPC and expanding business co-creation.

We are also focusing on fostering a corporate culture to support change in individual mindsets. I believe that driving the change means sharing the vision of what we strive to be across the entire organization. Based on this belief, in parallel with the 10-year plan, I exchanged opinions with more than 500 employees, from managers to younger employees, through events such as town hall meetings and lunchtime gatherings. Even after the announcement of Business Plan 2025, we have engaged in ongoing dialogue through visits to major overseas projects



Message from the CEO

such as the Golden Pass LNG project in the United States and NFE* LNG in Qatar as well as domestic sites. I have seen that this dialogue has fostered deeper understanding and consensus regarding Business Plan 2025. Based on my motto, 'One for

All, All for One,' I will continue sincere communication, bringing the entire company together to 'Be the Change' for our future vision.

* North Field East

Enhancing Corporate Value

In terms of stabilization of management, we recognize that the remaining preferred shares and subordinated loans implemented under the Revitalization Plan are a major obstacle to the enhancement of our corporate value. In particular, the fact that we have been unable to pay preferred dividends for the past four years is a matter of serious concern. Resolving these issues and achieving financial independence are management's most important responsibilities. As a first step, in the three years of Business Plan 2025, we will start by firmly stabilizing our earnings structure and strengthening our financial foundation to establish the path forward for addressing aspects such as preferred shares.

While it may be challenging for business co-creation to contribute to revenue during the Business Plan 2025 period, looking five to ten

years ahead, it is important to identify areas that can be future pillars, and steadily develop and establish them as seeds of growth.

We intend to diligently and proactively explain these initiatives and our progress to stakeholders, including investors. Taking on feedback that our technological expertise and our efforts are not sufficiently understood outside the company, we are reexamining how we should engage in IR activities and communication.

Although this seems a modest effort, I firmly believe that we can enhance our corporate value by steadily building revenue and corporate strength while clearly showing our future potential. That is why we are committed to fully executing our plan over next three years and taking definitive first steps towards change.

Vision for the Next 10 Years

My vision for Chiyoda in ten years is that of an engineering company achieving stable and sustainable growth through the twin pillars of the EPC business and business co-creation. While continuing to position the EPC business at the core as the soul of Chiyoda, we aim to evolve into a provider of high added value by fully leveraging strengths developed through EPC to pioneer the new field of business

co-creation. The current target is a consolidated net income of 30 billion yen ten years from now, but this is merely a milestone. I have high expectations that the next-generation leaders who led the 10-year plan will set more ambitious targets, such as 50 billion yen and even 100 billion yen and drive Chiyoda's continued growth. To realize this future, my mission is to establish a foundation for growth as soon as possible



and to pass the torch to the next generation.

Of course, Chiyoda aims to accomplish much more than simply achieving numerical targets. At the core of our existence lies our purpose of 'Enriching Society through Engineering Value.' Even as times change, this approach remains unchanged. Our ever-present mission is to use technological expertise to

deliver solutions to social issues and to continuously progress in partnership with society. Beyond today's generation, we are committed to building a society that we can proudly pass on to our children and future generations, thereby creating a prosperous future.

Message to Stakeholders

Chiyoda is receiving growing expectations that transcend industries. In addition to being trusted and selected by our existing clients in the LNG field, we are being recognized for our technological expertise and experience in new industrial fields, including scaling up to practical implementation and commercialization processes. That shows why we must break free from the framework of an EPC contractor and industry conventions to change ourselves. By not clinging to past successes but pursuing flexible change, we believe that we can move forward to create new values by leveraging the engineering expertise we have built up over the years.

The three-year span of our current initiative, Business Plan 2025, is a crucial period of being the change to shape the future we envision. While revising our approach to the EPC business and strengthening our financial foundation by establishing a stronger, more profitable business structure, through the expansion of business co-creation, we will build a strong business foundation for the next generation to be proud of. We invite you to look forward to the future of Chiyoda creating new value.

Representative Director, President & CEO, CSO

Message from the CFO



We Will Dedicate Ourselves to Reinforcing Our Financial Foundation Through Steady Implementation of ‘Business Plan 2025.’

Atsushi Deguchi

Representative Director, Executive Vice President,
CFO & CCO*, and Division
Director of the Finance & Accounting Division

* Chief Compliance Officer

Reflection on FY2024 and Our Revitalization Plan

In the six years since we first announced our Revitalization Plan in 2019 (fiscal 2019 to fiscal 2024), we have reinforced our financial foundation through the implementation of order strategies suited to our resources and initiatives to strengthen risk management and project execution capabilities.

In fiscal 2024, our results at every stage, from total profit on completion to net profit, significantly exceeded the full-year forecasts announced in July 2024. This was driven by a wide range of revenue from the steady execution of ongoing major overseas projects such as our Qatar NFE LNG project and greater earnings from our domestic projects and Group companies. Additionally, profitability was boosted by an agreement with the client for our Golden Pass LNG project in the USA to amend our contract for the first train under a new joint venture framework.

Thorough risk management has been exercised when accepting orders throughout the Revitalization Plan period. As a result, none of the projects awarded since the plan's implementation have been completed in the red. Total profit on completion has improved, rebounding to over 9% in fiscal 2024. However, we fell short of the Revitalization Plan's quantitative target, to steadily generate a net profit of 10-20 billion yen, due to losses in fiscal 2021 and fiscal 2023 resulting from a loss on a major LNG project awarded prior to the plan. We recognized the need to change our business structure so that it is no longer so extremely volatile that one project can have such a dramatic impact on our results.

Outlook for Fiscal 2025

In terms of the business environment surrounding the Group, demand for LNG remains high due to its role as a transitional energy source. In the zero-carbon field, projects involving hydrogen and CCS (carbon capture and storage) have been gradually progressing with a view to social implementation, but increases in investment costs have led clients to put off final investment decisions.

We will carefully select fields and projects in an effort to reduce the volatility of our business structure. We aim to secure orders totaling 250 billion yen in FY2025 with a focus on the domestic decarbonization and life sciences sectors.

Both revenue and profits are set to decrease year-on-year in fiscal 2025 due to factors such as the completion of the copper smelting plant in Indonesia and a downturn in transient profits, but total profit margin on completion is expected to remain at over 9% for the second consecutive fiscal year. While factors such as increasing material and equipment costs and geopolitical risks are creating an uncertain business environment, we will seek to minimize the impact of these factors on the company by strengthening risk management, including measures such as partnering and setting appropriate terms in contracts with clients.

Regarding our Golden Pass LNG project in the USA, we reached a basic agreement with the client in June regarding the revised contracts for Trains 2 and 3, clarifying the allocation of future costs. We are finalizing the detailed terms and plan to promptly review profitability upon execution of the contract (as of September 2025).

Initiatives to Accomplish Business Plan 2025 (FY2025–2027)

The Group aims to be a stable and high-profit company within the next 10 years, with a net profit of 30 billion yen and 20% of that generated by non-EPC businesses. In the three years from fiscal 2025 to fiscal 2027, we will dedicate ourselves to building a strong company management foundation, with the aim of achieving an average net profit of 15 billion yen per year.

To achieve this, we will firstly seek to grow our earnings by completing our current projects, such as the Qatar NFE LNG and Golden Pass LNG in the USA, according to schedule. Additionally, along with building a well-balanced portfolio of orders and businesses that aligns risk and return, we will expand business co-creation and steadily plant seeds for generating earnings in our non-EPC businesses. Through diversification of our business model and revenue sources, we aim to build a strong structure for steady revenue and profits to strengthen capital and our financial foundation.

Resources will be allocated with a good balance between strengthening our EPC businesses and enhancing our non-EPC businesses. We must improve our financial capability to accelerate strategic investments for sustainable growth. To this end, we will continuously monitor profit and loss of ongoing projects while appropriately managing cash flow and fixed costs on a consolidated basis. These efforts will enhance our cash position and financial structure while implementing thorough cash flow management.

Reinforcing Our Financial Foundation and Enhancing Sustainable Corporate Value

Through steady implementation of our Revitalization Plan, we have made progress toward transitioning to a stable and profit-generating organization. However, from a financial standpoint, we are still midway through this journey, and generating stable dividends for our shareholders remains an issue in our management.

To resume dividends at an early stage, we must first address dividends on the preferred shares, which were issued with capital support when the Revitalization Plan commenced. This will be our first priority.

We will steadily carry out the various measures in Business Plan 2025 to enhance our capital and build a strong financial foundation. At the same time, we will broaden opportunities for engagement with stakeholders and give them a more in-depth understanding of our company, which will lead to continuous enhancement of our corporate value.

We sincerely appreciate continued understanding and support of all our stakeholders.

/ Our Record of Enriching Society through Engineering Value

Chiyoda Corporation has consistently addressed social issues since we were first established, and has striven to enrich society for more than 75 years. In this section, we reflect on our past and present, and share our enduring foundations for the future in this era of transformation.

- 14 A History of Transformation, Growth, and Enriching Society through Engineering Value
- 16 Our Accumulated Strengths
- 18 Value Creation Process
- 20 Materiality



A History of Transformation, Growth, and Enriching Society through Engineering Value

1948–1970 Founding

Contributing to Post-War Industrial Recovery and High Economic Growth in Japan

Social Challenges

- A change in energy policy from coal to oil, marking the beginning of the oil era
- Rapid growth fueled by the development of heavy chemical industries

Engineering Expertise

- Actively participating in the oil and petrochemical industries through engineering
- Constructing and renovating domestic refineries and petrochemical plants

1960

Focus Our First Grassroots Oil Refinery

We were awarded a contract for the construction of all three phases of the Mizushima Oil Refinery, our first grassroots oil refinery project, by Mitsubishi Oil Co., Ltd. The project involved the construction of a new large-scale refinery prior to trade liberalization, including petroleum refining equipment, utility facilities such as power generation facilities, and ancillary facilities such as crude oil reception and product shipment amenities.



Mitsubishi Grassroots Oil Refinery

1971–1990 Initial Transformation

Expanding Oil and Petrochemical Businesses and Companywide Internationalization

Social Challenges

- Increasing focus on securing a stable supply of oil and diversifying energy sources following two oil crises
- Yen appreciation triggered by Plaza accord

Engineering Expertise

- Contributing to a stable supply of oil and petroleum products through the construction of overseas oil and petrochemical plants

1984

Focus Construction of a Mega-Large Grassroots Oil Refinery in Saudi Arabia

Chiyoda contributed to the stable supply of petroleum products worldwide through the construction of a mega-large crude oil refinery in Saudi Arabia, with a processing capacity of 250,000 barrels per day, for a joint venture between Petromin Corporation and Mobil Corporation (now ExxonMobil).



Petromin-Mobil Yanbu Refinery, Saudi Arabia

1991–2018 2nd Transformation

Expanding the LNG Business

Social Challenges

- Increasing global demand for LNG to address climate change and preserve the environment

Engineering Expertise

- Contributing to a stable supply of LNG through the construction of large-scale overseas LNG plants
- Expanding into new fields such as renewable energy

2004

Focus The World's Largest LNG Plant in Qatar

We contributed to the economic development of gas producing countries and a stable supply of energy around the world including Japan, and a stable supply of energy around the world, through an EPC contract for two of the largest LNG plants in the world (as of 2004), with an annual production capacity of 7.8 million tons per annum, for Qatar Gas II (70% owned by QatarEnergy and 30% by ExxonMobil). We continue participating in larger, increasingly complex EPC LNG projects around the globe.



LNG Plants 3 & 4 for Qatargas Operating Co Ltd.

2019– 3rd Transformation Towards Sustainable Growth

Creating and Expanding New Business Fields Towards Carbon Neutrality

Social Challenges

- Accelerating the transition towards decarbonization and carbon neutrality
- Innovating AI and digital technology
- Reinforcing life science technologies

Engineering Expertise

- Accelerating initiatives in decarbonization and carbon neutral fields such as hydrogen
- Expanding into fields other than energy, such as DX and life sciences

2020

Focus The World's First Global Hydrogen Supply Chain Demonstration Project

We have successfully completed the world's first global hydrogen supply chain demonstration project* for the large-scale storage and transportation of hydrogen in December 2020. Social implementation plans are progressing, with the goal of achieving large-scale commercialization in the late 2020s.

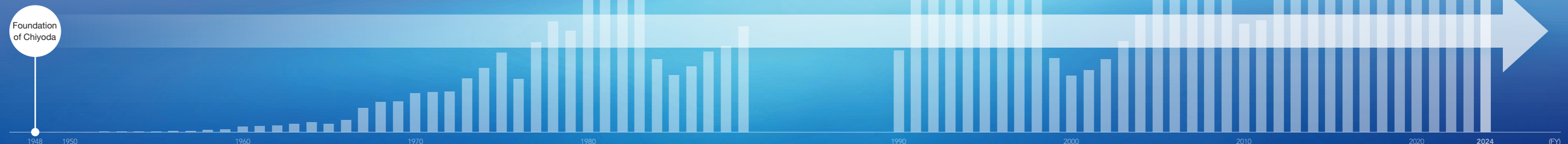


Dehydrogenation Plant at Kawasaki Waterfront

* Chiyoda Corporation, Mitsubishi Corporation, Mitsui & Co., Ltd., and Nippon Yusen Kabushiki Kaisha (NYK Line) formed the Advanced Hydrogen Energy Chain Association for Technology Development (AHEAD), a research association for next-generation energy chain technology, subsidized by the New Energy and Industrial Technology Development Organization (NEDO).

Revenue

(Millions of yen)



Our Accumulated Strengths

Based on our founding philosophy of ‘Serving Society through Technology,’ we continue to apply our unique competitive strengths as an integrated engineering company to sustain growth and fulfill our new purpose of ‘Enriching Society through Engineering Value.’



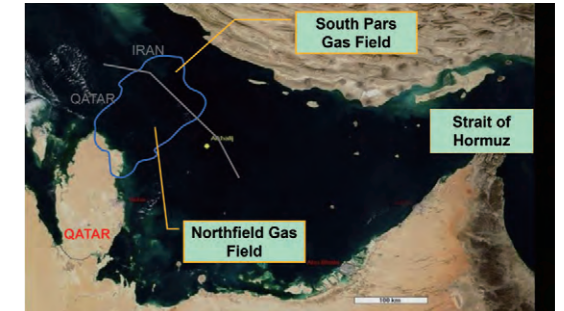
Case Studies

Leveraging Our Extensive Experience in Qatar

The design and construction of LNG plants, which cool and liquefy natural gas to -162°C , require advanced technical expertise and execution capabilities.

Chiyoda has been involved in all fourteen series of LNG plants constructed in Qatar, executing the engineering, procurement, and construction (EPC) for twelve. Four series with an annual LNG production capacity of 8 million tons, the largest in the world for a single series, are currently under construction. The total production capacity of 32 million tons is also the world’s largest.

As Qatar’s national project, the plant area, scale, and number of workers involved are unprecedented and unmatched anywhere in the world.



Northfield Gas Field, the World’s Largest Gas Field

Engineering Design Work for Advanced Carbon Capture and Storage (CCS) Projects: Contribution to Five of Nine Projects Selected by JOGMEC

Amidst factors such as the Japanese Government’s carbon neutrality target of achieving net zero greenhouse gas emissions by 2050, the Japan Organization for Metals and Energy Security (JOGMEC) is working to commercialize CCS projects. In fiscal 2024, JOGMEC called for applications related to ‘Engineering Design Work for Advanced CCS Projects’ involving basic engineering design for the entire CCS value chain and assessment on CO_2 storage potential. Chiyoda is involved in five of the nine projects selected, and we are contributing to carbon neutrality through the social implementation of technology.

Region	Project Name	Client	Scope of Work by Chiyoda
Tomakomai Area of Hokkaido	CCS Project in Tomakomai Area	Idemitsu Kosan Co., Ltd.	Front-end engineering design (FEED) work for the facilities to separate and capture CO_2 at the Hokkaido Refinery
Tokyo Bay Area	Overseas CCS Project	Mitsubishi Corporation	Study for the establishment of a CCS value chain
		Cosmo Oil Co., Ltd.	Feasibility study for CO_2 separation and capturing facilities
Ise Bay Area	Overseas CCS Project	Mitsubishi Corporation	Study for the establishment of a CCS value chain
Higashi-Niigata Area	CCS Projects in the Higashi-Niigata area	Japan Petroleum Exploration Co., Ltd.	Front-end engineering design (FEED) for CO_2 compression facilities
Kyushu Region	Southern Malay Peninsular Offshore CCS Project	Electric Power Development Co., Ltd. (J-POWER)	Study of CO_2 liquefaction and storage facilities for thermal power plants

Launch of Japan’s First ‘Plant Biofoundry’

Chiyoda has successfully developed foundational technology for producing useful substances using plants, as part of the New Energy and Industrial Technology Development Organization (NEDO) project ‘Development of Bio-Derived Product Production Technology to Accelerate Carbon Recycling.’ This project demonstrates the production of human type II collagen, the first of its kind globally, as a model protein for the production of useful substances. This technology utilizing plants allows for animal-free and cost-effective production of products, such as vaccines, pharmaceuticals, regenerative medicine products, cosmetics, and functional foods, while reducing greenhouse gas emissions.

Chiyoda has established this facility, Japan’s first ‘Plant Biofoundry,’ dedicated to the practical development of plant bio-manufacturing, to support research and development from third-party institutions and companies.



Plant Biofoundry Pilot Facility and Plants Under Cultivation

Value Creation Process

As an integrated engineering company with a commanding presence in the global energy supply industry, the Chiyoda Group applies engineering expertise and technological proficiency to deliver optimum solutions to customers as we address society's modern challenges. Our vision to enrich society evolves with its ever-changing needs and we will continue creating value that leverages our accumulated strengths and collaborating with stakeholders who share our vision to engineer new value and implement innovative solutions in a society with increasingly diverse and complex challenges.

Megatrends Opportunities

Global multipolarization	Securing stable energy supplies
Geopolitical risks	Securing stable supplies of advanced materials
Climate change	Establishing circular economies
Demographic changes	Medium- to long-term trend towards decarbonization
Generative AI and other technological innovation	Expectation of advanced medicines
	Maintaining and renewing industrial foundations



Engineering Value

- Minimization of environmental impact and stable supply of energy
- Early implementation of hydrogen and carbon recycling technologies
- Widespread implementation of renewable energy, optimization of distributed power sources, local production and consumption of energy
- Stable supplies of metals and advanced materials necessary for decarbonization
- Realizing prosperous and healthy lifestyles for the global population
- Contributing to sustainable, safe, and secure business activities

Realizing the Chiyoda Group's Purpose

A sustainable and prosperous future for the Earth and its inhabitants

Materiality

The Chiyoda Group has identified major sustainability-related issues, referred to as materiality issues, based on two perspectives: social issues to address through our business and our management foundation in support of sustainable growth. Centered on five themes connected to the areas of E (environment), S (social), and

G (governance), we will leverage the Group's technological expertise, problem-solving capabilities, integrative ability, and social implementation capabilities to achieve our purpose of 'Enriching Society through Engineering Value' and enhance corporate value.

Materiality Analysis

Step 1 Business Areas and Identifying Issues

When identifying materiality issues, an interdepartmental working group was formed inside the Chiyoda Group. Issues that the Group must promote were clarified through a comprehensive process of comparison between our business areas, GRI standards, and the SDGs while also referring to opinions from external experts.

Step 2 Identifying Materiality Issues

From the issues clarified in Step 1, themes of high importance were identified as materiality issues by following the three steps below.

- 1 Analysis from the perspectives of both social and business impact
- 2 Selection of common themes raised as themes of high importance by stakeholders evaluating the Group
- 3 Assessment of opportunities and risks for our Group's business related to each key theme

Step 3 Determination of Materiality Issues

After identifying important issues in Step 2 discussion and careful examination will follow in the Sustainability Committee. Upon approval at a Board of Directors' Meeting, they will be defined as materiality.

Purpose	Enriching Society through Engineering Value				
	E (Environment)	S (Social)	S (Social)		G (Governance)
	Society with Reduced Environmental Impact	Prosperous and Healthy Lifestyle	Organizational Culture that Enables Diverse Human Resources to Challenge Value Creation	Human Resources Addressing Social Issues Autonomously	Equitable and Fair Corporate Management
Materiality					
Key Themes	<ul style="list-style-type: none"> Mitigate climate change by reducing GHG* emissions Stable supply of clean energy Establish a circular value chain <p>* Greenhouse gas</p>	<ul style="list-style-type: none"> Contribute to the healthy lives of people by providing life science solutions Build sustainable industrial fundamentals Respect human rights 	<ul style="list-style-type: none"> Organizational development in line with diversification of values Succession and training of organizational managers to lead transformation of organizational culture Diversity and inclusion Strong promotion of health management Robust labor-management relations 	<ul style="list-style-type: none"> Expand core human resources in businesses Establish specialized education combining off-JT and OJT to support business performance Promote further advancement of seniors Develop digital human resources 	<ul style="list-style-type: none"> Equitable, fair, and respectful behavior Promote fair trade and appropriate disclosure of information Stringent and comprehensive supply chain risk management Stringent and comprehensive compliance and risk management
Initiatives	<ul style="list-style-type: none"> Lead the decarbonization of LNG and contribute to energy security Contribute to a carbon neutral society through CCUS and hydrogen technology Contribute to the stable supply of renewable energy through battery energy storage, renewable energy facilities, and VPP 	<ul style="list-style-type: none"> Contribute to advanced medicines through continuous synthesis technology and business investment Realize the transformation of plant O&M Contribute to the stable supply of materials that are key to realizing a decarbonized society Conduct business with consideration for human rights 	<ul style="list-style-type: none"> Develop and expand key players who accept the challenge of business transformation by further expanding our company's strengths with an Adaptive Mindset Build a sustainable cycle in which human resources and organizations work as 'One Team' to achieve 'Well-Being' and accept the challenge of creating value to embody our new purpose 		<ul style="list-style-type: none"> Prevent damage to corporate value due to compliance issues by engaging in equitable, fair, and respectful behavior
Risks	<p>Cost increases</p> <ul style="list-style-type: none"> Cost increases for decarbonization measures (e.g. purchase of non-fossil certificates) due to the introduction of carbon taxes and stricter laws and regulations Cost increases required to achieve carbon neutrality <p>Loss of Business Opportunities</p> <ul style="list-style-type: none"> Loss of business opportunities due to delays in responding to decarbonization or clean energy businesses <p>Decline in corporate value</p> <ul style="list-style-type: none"> Decline in corporate value due to delays in decarbonization measures Reputational damage caused by failure to conserve natural capital 	<p>Impact on markets and the economy</p> <ul style="list-style-type: none"> Market contraction and rising medical costs due to soaring drug prices <p>Risks related to procurement and technology</p> <ul style="list-style-type: none"> Difficulty in procuring raw materials for pharmaceuticals and products <p>Impact on health and safety</p> <ul style="list-style-type: none"> Risks of health damage and adverse effects on daily life <p>Decline in social trust</p> <ul style="list-style-type: none"> Loss of stakeholder trust due to human rights violations <p>Impact on employees and corporate culture</p> <ul style="list-style-type: none"> Increased employee turnover and decreased motivation Decline in corporate competitiveness 	<p>Human resources and organizational issues</p> <ul style="list-style-type: none"> Decline in execution capability due to human resource shortages and increased employee turnover Delayed response to environmental changes due to lack of close relations with the association <p>Impact on corporate image and trust</p> <ul style="list-style-type: none"> Damage to corporate image Damage to the company's reputation due to legal violations 	<p>Human resources and organizational issues</p> <ul style="list-style-type: none"> Shortage of human resources that support competitive project execution, along with increased employee turnover <p>Impact on business execution and productivity</p> <ul style="list-style-type: none"> Decline in execution capability and labor productivity Decrease in employee motivation <p>Loss of business opportunities</p> <ul style="list-style-type: none"> Loss of business creation and business opportunities Decline in digital competitiveness 	<p>Risks related to trust and reputation</p> <ul style="list-style-type: none"> Reputational damage and loss of stakeholder trust Worsening relations with vendors, suppliers, and business partners <p>Impact on business performance and financial position</p> <ul style="list-style-type: none"> Deteriorated business performance and financial position preventing business continuity <p>Governance and business continuity risks</p> <ul style="list-style-type: none"> Risk of significant losses and disruption of business continuity due to governance issues Loss of business creation and business opportunities
Opportunities	<ul style="list-style-type: none"> Revenue growth of decarbonization businesses due to increasing customer demand for reducing Scope 1 and 2 GHG emissions Business expansion through technology proposals for environmental impact reduction (increased opportunities for environmental upgrades and modifications at existing plants) Expansion of business opportunities and enhancement of corporate value through proactive initiatives in decarbonization and clean energy businesses 	<ul style="list-style-type: none"> Increasing demand for domestic pharmaceutical production facilities from a security perspective Expansion of O&M business opportunities aimed at strengthening aging facilities Business expansion through industrial infrastructure reinforcement and operational efficiency using DX 	<ul style="list-style-type: none"> Expansion of business opportunities through new value creation and promotion of innovation Enhancement of organizational adaptability to environmental changes Response to the era of increased workforce mobility Improvement of performance and productivity of many employees through increased trust in the work environment 	<ul style="list-style-type: none"> Strengthening organizational capabilities through skills visualization and planned development Increase in human resources capable of contributing to the business Diversification of career paths 	<ul style="list-style-type: none"> Expansion of business opportunities through building and strengthening of trust with stakeholders

A Sustainable and Prosperous

Future for the Earth and Its Inhabitants

/ Change to Enrich the Future

The Chiyoda Group has reached a major turning point. In Business Plan 2025, we have established strategies to transform ourselves so that we can continue to respond to changes in the form that enrichment of society takes. In this section, we outline strategies in our roadmap for transformation and Business Plan 2025, along with messages from sites and examples of co-creation, to provide an overview of Chiyoda's vision for the future and our strategies to achieve it.

- 24 Business Plan 2025
 - 24 Transformation Roadmap and Vision
 - 26 Basic Strategy
 - 30 Business Areas
- 32 Messages from Outside Directors
- 34 Special Feature 1:
Roundtable Discussion with CEO and Employees
Our Transformation—Toward New Value Creation
- 40 Special Feature 2:
Enriching the Future Through Engineering
- 44 Human Resource Management



Business Plan 2025 Transformation Roadmap and Vision

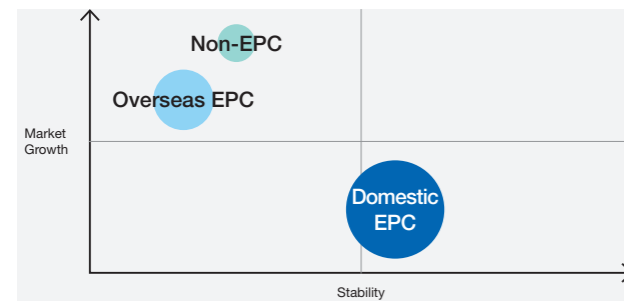
Following the Revitalization Plan, Chiyoda is now initiating its next stage of growth from a medium- to long-term perspective. Over the three years covered by Business Plan 2025, we will focus on stabilizing our earnings structure and diversifying our business portfolio as we solidify our foundation for growth. In the next business plan period, we will establish our business co-creation model and return to a trajectory of full-fledged growth. Beyond that, with a target to achieve a consolidated net profit of 30 billion yen within ten years, we will evolve into a company that continues to create sustainable value.

2019 – 2024 Revitalization Plan

Average consolidated net profit: **5.6 billion yen**

Concentration on Large-Scale Projects

- High earnings volatility (4-year surplus/2-year deficit)
- Improvement of risk management capabilities



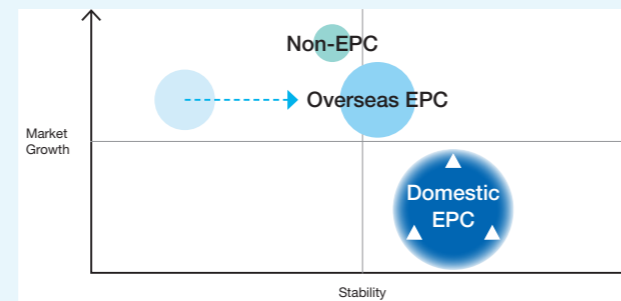
●●● Circle sizes represent scale of net profit (period average)

2025 – 2027 Business Plan 2025

Average: **15.0 billion yen**
(Non-EPC ratio of 5%)

‘Be the Change’: Revenue Stabilization and Diversification

- Reforming overseas projects
- Expanding the revenue base for domestic projects
- Continuing to create Non-EPC business

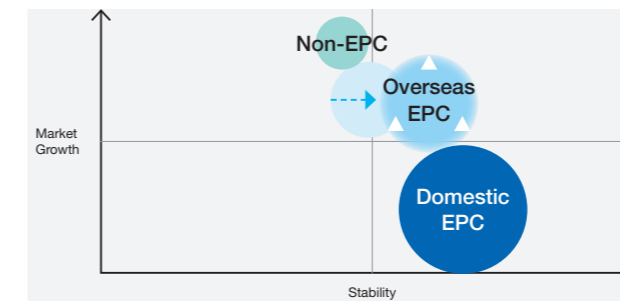


2028 – 2034

Average: **20.0 billion yen**
(Non-EPC ratio of 10%)

Return to Growth Trajectory

- Realization of overseas projects portfolio diversification and cost reduction
- Business co-creation and non-EPC monetization

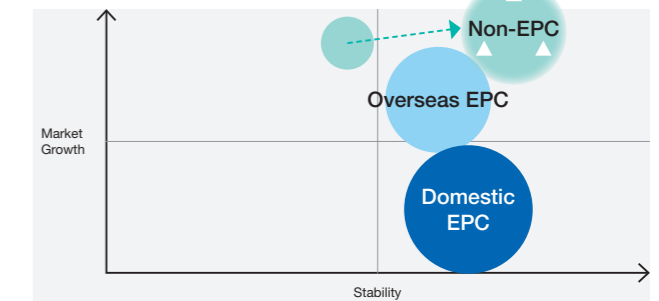


After 10 years, from 2035 onward

To **30.0 billion yen**
(Non-EPC ratio of 20%)

Toward Stable and High Profitability

- Achieving high profitability
- Contribution of business investments to earnings



Background to the Formulation of Business Plan 2025

Since Chiyoda faced financial difficulties in fiscal 2018, our entire Group has collectively worked towards revitalization and strengthened our business foundation. As a result, including large-scale LNG projects ordered before the Revitalization Plan, we successfully completed the processing of almost all losses and transformed our business structure into a stable and profitable one. However, fiscal 2023 once again highlighted the highly volatile nature of our earnings structure, with corporate performance affected by unpredictable events during the execution of large projects.

Based on this, we formulated Business Plan 2025, a new medium-term management plan aiming to stabilize and diversify our earnings under the theme of ‘Be the Change.’

Achieving our future vision and earnings diversification through ‘Be the Change’ will nurture a solid and stable earnings base to increase our corporate value. We will also manage the preferred shares and subordinated loans received for the launch of the Revitalization Plan while steadily advancing our growth strategy.

Our Vision for the Next Decade: Goals and Targets of Business Plan 2025

Under Business Plan 2025, we will evolve from a business portfolio dependent on large projects to stabilize and diversify our earnings through ‘Be the Change.’ We aim to become a stable and high-profit company with consolidated net profits of 30 billion yen within the next ten years, with a non-EPC ratio of 20%.

In order to achieve this target, over the three years from 2025 to 2027, we will focus on stabilizing our business by reaching an average net profit of 15 billion yen. At the same time, we will sow the seeds for profitability in non-EPC businesses with the aim of diversifying earnings through business co-creation. In the next ten years, this will lead to significant success in areas such as securing revenue from business investments in partnerships with other entities.

In terms of overseas projects, enhancing business stability is our top priority in Business Plan 2025, and we will aim to return to a growth trajectory from 2028 by shifting our policies for taking orders.

Our domestic projects are achieving stable earnings, and we will therefore continue to meet strong domestic demand to the maximum extent possible.

In non-EPC businesses, we aim to establish a pillar of stable earnings in high-growth markets and will continue to develop businesses in coordination with the EPC business.

Goals Earnings stabilization and diversification through ‘Be the Change’

Priority Initiatives

- 1 Steady Execution of Existing Large Overseas Projects
- 2 Overseas Project Approach Reform (Order Policy)
- 3 Increasing Domestic Project Revenue
- 4 Expanding Business Co-Creation
- 5 Creating a Robust Human Resources Pool of Core Talent

Quantitative Targets

Consolidated Net Profit
15.0 billion yen (3-year average)

Including Non-EPC Net Profit
1.0 billion yen (fiscal 2027)

Related Indicators

Gross Margin: **10% or greater** (3-year average)

New Orders: **950.0 bn yen** (3-year total)

Net Sales: **380.0 bn yen** (3-year average)

Backlog of Orders: **600.0 bn yen** (3-year average)

Through the business fields of ‘energy and materials’ and ‘life sciences,’ we will achieve harmony between energy and the environment and realize a healthy and prosperous future.

Business Plan 2025 Basic Strategy

Priority Initiative 1 Steady Execution of Existing Large Overseas Projects

During the Business Plan 2025 period, we will continue to execute our existing large-scale EPC projects, the North Field East LNG project in Qatar (NFE Project) and the Golden Pass LNG project (GPX Project) in the United States. By fully utilizing our problem-solving and project management capabilities, we will ensure the successful completion of large-scale projects, thereby securing steady earnings in the present.

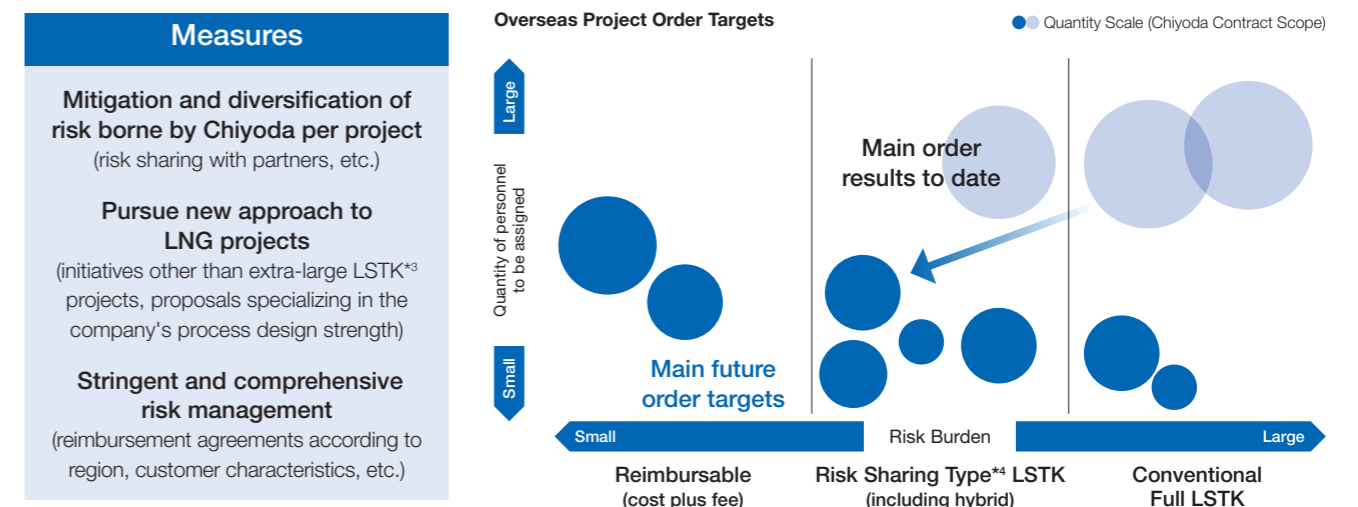
	NFE Project	GPX Project
Basic Information	<ul style="list-style-type: none"> ① Year of Order ② Customer ③ Partner ④ Capacity 	<ul style="list-style-type: none"> ① 2021 ② Qatar Energy ③ Technip ④ LNG: 8 million tons/year x4 series (Following plant completion, production will increase to approximately 100 million tons/year)*1
Problem Solving	<ul style="list-style-type: none"> ➤ Adopting the lasagna method*2 for steel frame structures to increase efficiency and improve construction safety 	<ul style="list-style-type: none"> ➤ Approximately 80% of pipe welding completed off-site
Project Management	<ul style="list-style-type: none"> Improve construction efficiency through AWP (Advanced Work Packaging) (aligning engineering, procurement, and construction to deliver design information, materials, and equipment on site as required) Improve work efficiency utilizing 4D model (visualizing construction progress and workfronts) 	

*1 World LNG trade volume (2023): Approximately 400 million tons (Japan Organization of Metals and Energy Security)
*2 A method of constructing the structure from the lower layer to the upper layer while repeating steel frame installation and piping spool installation alternately

Priority Initiative 2 Overseas Project Approach Reform (Order Policy)

We will reform our policies for taking on orders for overseas projects and build a diversified portfolio, thereby becoming able to select more competitive projects.

The majority of our major overseas projects to date have been lump sum contracts of a significant scale, both in terms of the contract amount and the quantity of personnel. This resulted in an earnings structure in which the contract amount and profit and loss of each project heavily influenced our financial results. Going forward, we will actively seek out and develop projects which allow predictable personnel deployment and smaller-scale contracts that do not involve excessive risk. We will also respond to diverse needs and contribute to enhanced business value for clients.



*3 Lump Sum Turnkey (lump sum contract with fixed contract amount)
*4 Avoiding Lump Sum risks, partner risk sharing, enhancing non-effect clauses, inflation adjustment, etc.

Driving Change: Our Stories

Toward the Completion of the World's Largest LNG Plant

As part of our efforts to contribute to the world's stable supply of energy, we are currently doing our utmost every day to execute the NFE project, Qatar's key national project and one of the world's largest LNG plant construction projects.

Building on our abundant experience and proven track record, we have brought our existing problem-solving and project management capabilities together with an integrated management system making new use of digital technology and the adoption of construction methods delivering outstanding safety and efficiency in the pursuit of optimal safety, quality, processes, and cost.

With on-site construction at its peak, everyone involved is working as one and giving it their all as we approach the handover of Train 1 as a first step. Bringing together people from almost 60 countries and regions around the world, we continue to work hard to complete the plant under the project motto of 'Objective 110 - One Team, One Step Further, Zero Incidents & Defects,' being constantly mindful of the significant role we hope to play in Qatar's total LNG production reaching 110 MTPA (110 million tons per annum) after all four trains are completed.



Masami Tamura
Project Director
NFE Project

Towards the First LNG

It has been one year since the GPX project restarted under the two-company structure between Chiyoda and McDermott, following the unanticipated withdrawal of one of our joint venture partners in May 2024.

While the situation was challenging at first, all team members are unwavering in carrying on their duties, and continue to push forward every day to complete the project, which is a key initiative under Business Plan 2025.

Coming after a contractual amendment regarding Train 1 of the project in November 2024, we reached a basic agreement regarding Trains 2 and 3 in June 2025. With final arrangements for contract signing currently underway, the project is progressing steadily.

In addition, the main work at the Texas site is transitioning from construction to commissioning. Chiyoda Corporation plays a major role in this phase, meaning the time is coming for us to demonstrate our capabilities. With 'The First LNG Success in Fiscal 2025' as our motto, we are uniting our wisdom and strengths to drive forward towards our goal.



Tatsuya Hishinuma
Project Director
GPX Project

Priority Initiative 3 Increasing Domestic Project Revenue

Based on our track record in EPC, we will build a business foundation to meet the growing demand in life sciences and low carbon solution sectors. Specifically, we will promote the development of multi-talented human resources, strengthen collaboration with the companies we work with, and enhance systems for strategic collaboration with partner companies to build a foundation that enables us to meet diverse needs.

Resilient Business Portfolio

Seize business opportunities early by leveraging our capabilities in a wide range of fields

- Strengthen acquisition of projects in growth fields such as life sciences and low carbon solutions
- Continue focusing on petrochemicals, advanced materials, energy management, etc.

Provide value to a wide range of customers, regardless of project size

Target Orders

120.0 billion yen

Revitalization Plan (Average)

200.0 billion yen

Fiscal 2027

Strengthening Foundations of Order Receiving System

- Expand responsibilities through multi-talented project managers and engineers
- Improve productivity through DX and design standardization and increase the utilization of design centers

Maximizing Consolidated Profit

- Provide services across the entire plant life cycle together with CXO*5
- Expand business areas and customer segments of CXO

Expanding Collaboration with Partners

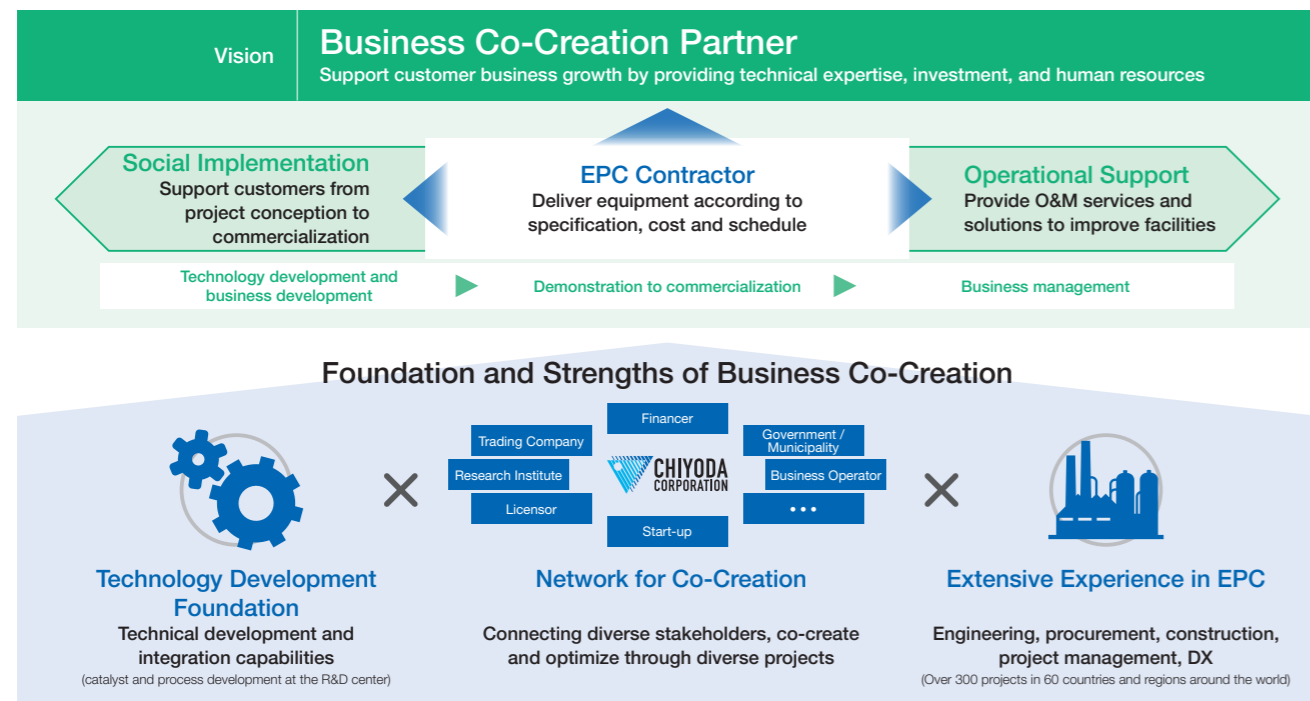
- Enhance strategic responsiveness by leveraging the strengths of both partners and collaborators (JFE Engineering Corporation, Mitsubishi Heavy Industries, Ltd., etc.)
- Maintain and strengthen collaboration with construction subcontractors and those involved in detailed design

*5 Chiyoda X-ONE Engineering Corporation (100% owned subsidiary; established through the merger of three domestic construction subsidiaries in April 2023)

Business Plan 2025
Basic Strategy

Priority Initiative 4 Expanding Business Co-Creation

Previously, Chiyoda has mainly acted as an EPC contractor, and we have expanded the value to include supporting customers from early technology development to social implementation and operation in facility maintenance. By further strengthening these efforts, we aim to maximize the value we provide from technological to business areas, and to achieve business co-creation whereby we act as partners making business investments alongside our clients. Bringing together Chiyoda's strengths of a technology development foundation, extensive experience in EPC, and a network for co-creation with diverse stakeholders, we will expand business co-creation with our clients and partners.



Operational Support to Realize Business Co-Creation (O&M-X* Solutions)

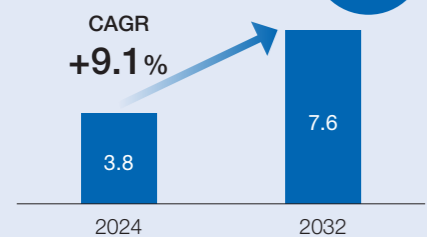
Chiyoda is working with Chiyoda X-ONE Engineering (CXO) to provide O&M-X solutions combining established EPC and maintenance expertise with the latest digital technology. This supports business co-creation on both physical and digital fronts.

* Operation and Maintenance Transformation

Business Environment

Due to the advancement of AI and other technologies, demand for digital-based maintenance using digital technology is strong. Demand for physical services in Japan is strong due to plant aging.

Global Predictive Maintenance Market
(US \$1 billion)



Source: Condition Based Maintenance Systems Market (Market Research Intellect)

Business Strategy

Core Solution for plantOS® (Ver.2)

plantOS® is a digital and physical O&M service brand that provides 'Business Safety**' to plant owners.



** A concept proposed by Chiyoda Corporation, meaning 'Safe and secure corporate activities that ensure business sustainability and enable flexible adaptation to environmental and social changes'

Priority Initiative 5 Creating a Robust Human Resources Pool of Core Talent

Chiyoda's human resources portfolio is currently centered on EPC execution as our core business. In Business Plan 2025, in order to meet clients' diversifying needs, alongside concentrating effort on further expanding human resources to handle EPC execution, we will also promote the development of key human resources in non-EPC areas as we expand business co-creation. Looking to the future, we aim to expand our pool of key human resources with both EPC and technology/business development expertise for business co-creation.

⇒ P.44 Human Resource Management

Vision for Key Human Resources	Identify social issues independently, lead co-creation inside and outside the company to support higher added value and revenue				
	Revitalization Plan	Business Plan 2025	After 10 years		
Expanding Key Human Resources	<ul style="list-style-type: none"> Key EPC Human Resources Key Business Co-Creation Human Resources 	<ul style="list-style-type: none"> EPC Non-EPC Business Co-Creation 	<ul style="list-style-type: none"> EPC Non-EPC Business Co-Creation 		
	<ul style="list-style-type: none"> Key human resources in EPC areas Expand key human resources in non-EPC areas 	<ul style="list-style-type: none"> Expand key EPC human resources to meet the diversifying needs of customers Develop key non-EPC human resources to enhance business co-creation 	<ul style="list-style-type: none"> Combine EPC and non-EPC expertise and expand key human resources for business co-creation 		
Enhancing Initiatives	Professional education	Business and organizational leaders	Cross-division rotation	Cross-company dispatch	Mid-career recruitment
Foundation of Human Resources Development	Human Resources Development Policy				
	A fluid organizational culture		Pride and ambition for continuous challenges		Adaptive mindset

Formulating Business Plan 2025

In formulating our new medium-term management plan, Business Plan 2025, our strong desire to enrich the future acted as a driving force as we held extensive discussions.

Under Business Plan 2025, we reflected on the Revitalization Plan, which started in 2019, while also looking to our vision for the next 10 years. This led to the theme of 'Be the Change – Enriching the Future.'

Through the efforts of the Revitalization Plan, we steadily strengthened our risk management capabilities, which were an issue to be addressed, and achieved a certain level of success. However, we felt a renewed sense of urgency that we had not completely moved away from the existing volatile business structure dependent on large-scale projects. Informed by this awareness, we formulated Business Plan 2025 to redefine our vision for the future, aiming to stabilize and diversify earnings through five priority initiatives, with our officers and employees showing unwavering determination to embody this change.

Moving forward, to enable all of Chiyoda to work together as one to steadily implement a concrete plan to enrich the future, we will devote effort to internal dissemination activities on the road to being the change and realizing sustainable growth.



Medium-term Management Plan Promotion Office (From left: Yusuke Nishino, Hiroshi Suzuki, Masato Matsubara, Yu Matsuzawa, Takunori Miki)

Business Plan 2025 Business Areas

Energy and Materials

We will leverage our extensive experience and technological expertise in LNG, oil, and petrochemicals to expand into low carbon solutions and advanced materials sectors.

Strengths in the Energy and Materials Field

Expertise and customer base as an EPC contractor reinforced by achievements

Technology and knowledge required for plant development and scale-up

Support, analysis, and diagnostic technology to upgrade facility maintenance



Liquefied natural gas plant for BP Berau



Storage battery system for Hokkaido Kita Wind Power Transmission Co., Ltd.

Areas to be Developed

LNG (including Cleaner LNG), Petroleum, and Petrochemical

Low Carbon Solutions
(hydrogen, low-carbon fuel, CCUS, energy management, etc.)

Metal/Advanced Materials
(non-ferrous metal smelting, storage batteries, semiconductor materials, etc.)

O&M-X Solutions

Life Sciences

We aim to evolve into a bio-life science solution provider by leveraging EPC expertise and experience in pharmaceutical plants.

Strengths in the Life Sciences Field

Process development and scale-up of culture areas (antibodies and cells)

Continuous production of synthetic areas and knowledge of solid-phase and liquid-phase methods

Development of demonstration test equipment for ISS*
* ISS: International Space Station

Advanced maintenance support, analysis, and diagnostic technology



Koyasu Office Research Park



Shionogi & Co., Ltd. manufacturing facility for vaccine APIs

Areas to be Developed

Pharmaceuticals and Food
(low and medium molecules, macromolecules, microorganisms, cell pharmaceuticals, etc.)

Contract Development of Manufacturing Process
(cell culture and plant bio) (space and low earth orbit platform)

O&M-X Solutions

INTERVIEW

Priority Initiative 3: Toward Greater Domestic Project Revenue



Katsuhisa Ito, Assistant to Division Director of Global Environment & Green Energy Project Operations Division

Ryuichi Kaida, Assistant to Division Director of Technology and Engineering Division

Q1 As the ratio of domestic projects increases compared to overseas projects, could differences in project execution styles lead to lower productivity in engineering?

Kaida / In Chiyoda's Technology & Engineering Division, we develop engineers capable of handling both overseas and domestic projects. We have also further enhanced these efforts by actively implementing internal job rotation since fiscal 2023. These initiatives ensure that the required productivity is maintained, both for overseas and domestic projects.

In addition to understanding commercial practice in Japan, the risk management skills and know-how gained from experience on large-scale overseas projects enable us to handle both types of projects flexibly. Recently, domestic projects have also been growing larger and more complex, so overseas experience contributes to the smooth execution of domestic projects. Every year, a certain number of engineers gain experience on domestic projects, so the pool of engineers with an expanded scope of competencies is steadily growing. In line with Business Plan 2025, we will accelerate talent exchange between the Global Environment & Green Energy Project Operations Division and the Technology & Engineering Division to enhance productivity while ensuring quality.

Q2 With the increasing number of domestic feasibility studies (FS) and front end engineering design (FEED) projects, is there a risk of resource shortages or decline in engineering quality in EPC projects?

Ito / To prevent resource-related issues, securing resources is a major prerequisite when taking on EPC project orders. In addition to partnering with our domestic Group company, Chiyoda X-One Engineering (CXO), we work with external companies from the FS and FEED stages as we advance projects, complementing areas where we each lack resources. In particular, in terms of piping engineering and civil engineering, which require significant resources, we are strengthening collaboration with the Chiyoda Engineering Association and expanding our resources both domestically and internationally. We are also aiming to leverage our overseas Group company, Chiyoda Philippines Corporation (CPH), in a wider range of business activities, and we are further enhancing our ability to handle domestic projects through Japanese language education and collaboration with CXO.

Q3 As more project members who were responsible for overseas projects are now being assigned to domestic projects, are they able to adapt smoothly to differences regarding elements such as client expectations and cultural practices?

Ito / Even among overseas projects, commercial practices and cultural customs vary depending on the country, client, and project. Our engineers have already adapted to these differences, and the same applies in domestic projects. While there may be some confusion at first, they gradually adapt. In terms of project composition, we haven't had significant issues related to projects having a mix of members with domestic and international experience. The biggest hurdle for those who do not have domestic experience is knowledge of domestic laws and regulations; however, we handle that through training and support from experienced colleagues. In addition, as of 2025, at least 60% of the Technology & Engineering Division was working on or had experience on domestic projects. As such, we are securing a team with ample domestic experience.

Q4 Has the increase in domestic projects led to changes in terms of training and passing on skills in project and engineering departments? In particular, what is the impact on young engineers?

Kaida / In our project and engineering departments, we have seen changes in terms of both training and passing on skills. While we were already working to develop engineers who can handle both domestic and overseas projects, we are increasing rotation internally to further strengthen our domestic project capabilities. Unlike large-scale overseas projects, which usually take a long time to complete, domestic projects tend to require broader responsibility and have shorter cycles. This facilitates learning, which is suited to developing young engineers, and interest in this opportunity is increasing.

In addition, domestic projects are growing in scale, leading to more cases requiring overseas-style management and organizational approaches. Rotation of internationally experienced personnel also leads to the growth of domestic departments and human resources. Leveraging synergies between our domestic and overseas knowledge and experience, we will continue to develop talent who can meet clients' diversifying needs.

Messages from Outside Directors



Ryo Matsukawa
Outside Director

Being the Change and Enriching Society through Engineering Value

Since 2019, Chiyoda has moved forward with its Revitalization Plan, focusing on thorough risk management and proactively addressing past unprofitable orders as we worked to improve our business structure to ensure profitability. In May 2025, we then announced Business Plan 2025, which outlines our vision for ten years and five priority initiatives to work on over the next three years. Moving forward, in order to achieve more stable, more diverse revenue, it is important that every employee embraces the mindset of 'being the change.' While implementing each of the priority initiatives, I hope we take a holistic view and make full use of our integrated engineering expertise built up through EPC.

To build virtuous cycles of mutual success by working closely with clients, as an Outside Director, I am committed to contributing to the company's continued growth through the accomplishment of Business Plan 2025's priority initiatives and ongoing risk management, and from the perspective of appropriate corporate governance.



Yutaka Kunigo
Outside Director

Expectations for the Expansion of Business Co-Creation

In May 2025, we announced Business Plan 2025, which outlines the first three years of an action plan for Chiyoda to enrich the future over the next decade. Under this plan, as we move forward with 'Be the Change,' I have particularly high expectations for priority initiative number four, expanding business co-creation. Manufacturing companies, which are our core clients, are exploring ways to create new added value amidst increasingly severe labor shortages. We have previously shown our strengths in the realm of 'how,' supporting our clients to achieve their goals. We should now aim to step forward to 'what', proposing what we want our customers to achieve. Engaging deeply with clients' businesses is no easy task, but our clients have high expectations of our technological expertise and project execution capabilities. Having previously worked in the LNG industry, I am confident in clients' expectations and Chiyoda's potential. I encourage Chiyoda Group employees to jump into clients' businesses with confidence on the road to expanding business co-creation.



Yumiko Matsuo
Outside Director
Audit & Supervisory
Committee Member

'Be the Change' — Ambitions for 10 Years in the Future

Through company-wide discussions, we have set out our ideal vision for the next ten years. We also established our new medium-term management plan, Business Plan 2025, as the first step toward its realization. The main theme of this three-year plan is 'Be the Change.' As a company with strengths in large-scale EPC projects, this will be a significant challenge requiring changes in our business structure. Over these three years, it will not be easy to build a foundation for stable and diverse revenue while also steadily executing existing projects.

We have enhanced our risk management capabilities through the Revitalization Plan, but distributing and mitigating risk in future overseas projects, as well as the complexity of risks associated with growing domestic orders, will require new perspectives in risk analysis and evaluation, accompanied by even greater project management capabilities on a case-by-case basis. As an Outside Director, I am committed to overseeing these initiatives and further strengthening governance to enable management to take risks appropriately.



Shoko Kuroki
Outside Director

Toward a Truly Resilient Company

In Business Plan 2025, the new medium-term management plan, Chiyoda has set out a main theme of 'Be the Change' and a clear pathway to sustainable growth by stabilizing and diversifying our revenue structure. I see this plan as a way to further strengthen the foundation built through the Revitalization Plan and to evolve into a truly resilient company.

As an Outside Director, I am particularly focused on three areas. The first is moving away from dependence on high-risk, large-scale projects and restructuring into a revenue portfolio with a good balance of overseas, domestic, and non-EPC projects. The second is transitioning to business co-creation, whereby we conceptualize and implement businesses together with clients. This approach can be expected to lead to more profound value creation beyond EPC. The third is strategic development of key human resources and strengthening of our organizational competencies as a foundation for achieving the aforementioned changes.

In our position as Outside Directors, from the perspective of ensuring both objectivity and transparency in business management, we will continuously monitor the progress and effectiveness of this plan while also proactively providing recommendations related to risk governance and human capital strategy.

It is never easy for a company to 'Be the Change.' However, I am confident that Chiyoda's stated aim of enriching the future and collective efforts across the company will lead to further enhanced corporate value and contribution to a sustainable society. As an Outside Director, I will continue to support management from a long-term perspective and to earn the trust of all stakeholders.



Takashi Mukuno
Outside Director
Audit & Supervisory
Committee Member

Establishing a Business Co-Creation Model with a Spirit of Challenge

I was appointed as an Outside Director and Audit & Supervisory Committee Member in June 2025. Business Plan 2025 is an important three-year plan to strengthen our organizational foundation and achieve our next goal of a return to a growth trajectory. Among the five priority initiatives set out under the theme of 'Be the Change,' I am particularly focused on expanding business co-creation.

To provide new value beyond the traditional EPC framework, we must earn trust from clients to be recognized as business partners capable of co-creation. This often requires responses that would be unacceptable from a conventional business perspective, such as actions that do not prioritize cost efficiency, and the enthusiasm of the person in charge who is trying to push something through, as well as the company's capabilities to embrace such efforts. Transcending boundaries and venturing into uncharted areas requires a strong spirit and keen insight. I believe that this initiative centered on business co-creation represents a process of establishing a new Chiyoda brand, moving from the perception that Chiyoda has changed to the assurance that Chiyoda took action. By sharing success and failure and continuously taking on the challenge of transcending boundaries without hesitation, I expect to see the establishment of a distinctive Chiyoda style of co-creation.

Through repeated dialogue with management and frontline staff, I will provide constructive advice to contribute to Chiyoda's sustainable growth as an Outside Director and an Audit & Supervisory Committee Member.

Special Feature 1

Roundtable Discussion with CEO and Employees

Our Transformation – Toward New Value Creation



Masami Ohtani

Energy Project Operations Division

Koji Ota

Representative Director, President, CEO, and CSO

Yoshiko Nomi

Bio & Pharmaceutical Business Section, Life Science Business Department

Chie Tanaka

Human Resources Development Section, Human Resources Development

Joichi Munakata

Life Science Project Department

Kunio Nagai

Next-generation Engineering Transformation Group/ Digital Engineering Transformation Group, Engineering Innovation Team

Toyotaka Ueda

Section 2, Global Business Development Department

'Be the Change' is the core theme of Business Plan 2025, Chiyoda's new medium-term management plan. For Chiyoda to transform itself by stabilizing and diversifying earnings, it is essential that each employee also embody this change, as the people who will implement the plan's five priority initiatives. This roundtable discussion brought a diverse range of employees working on the frontlines in different departments together with Chiyoda President Koji Ota. The participants shared their respective outlooks on change, specific initiatives, and their future visions. The discussion highlighted the current state of Chiyoda as it strives to change and the possibilities for evolution.

Ota / Chiyoda has centered its business on large overseas projects for many years. This led to highly volatile earnings and challenges regarding stability. We must change this structure to achieve truly independent business management and growth into the future. At the same time, we must also define a clear direction for the fields and services in which we can deliver significant value.

In response, Business Plan 2025 establishes five priority initiatives: steady execution of existing large overseas projects, overseas project approach reform (order policy), increasing domestic project revenue, expanding business co-creation, and creating a robust human resources pool of core talent.

Setting our sights 10 years in the future, this plan is the first step on a journey of growth into a more attractive company that delivers even greater added value with strong profitability. This ambition requires significant transformations. I look forward to hearing about efforts and thoughts from the front line.



Transformation to Advance Priority Initiatives

Priority Initiative 1

Steady Execution of Existing Large Overseas Projects

Ohtani / I worked on the Golden Pass LNG Project (GPX) in the United States up to July 2025. While we confronted various difficulties, including the impact of COVID-19 and the withdrawal of our joint venture (JV) partner, the project is currently progressing smoothly and the site has regained its energy.

One key area in completing the GPX project is to efficiently advance the commissioning*¹ through rigorous management of the remaining construction work schedule and quality. To that end, we created a system whereby JV partners and the client work together as 'One Team' on site. For example, the client now also attends the progress meetings, which were previously held among the JV partners. Not only does this enhance information transparency, it also provides speedy communication. We also established a governance committee comprising management from both the JV partners and the client, fostering a mindset and building a foundation for a unified direction across the site. This has built a collaborative structure among the client, partners, and Chiyoda, accelerating the progress of commissioning work more than ever before. Proactive communication that deepens mutual understanding is essential

to achieving true unity among team members with different cultures and backgrounds. Through these efforts, we have cultivated stronger teamwork.

In addition, to implement steady project execution, including beyond GPX, transformation in terms of using data is also required. I want to see us properly assess the essence of large-volume project data and diligently increase data quality, which can lead to highly accurate forecasting, thereby enhancing steady project execution and our competitiveness.

*1 The test run of the equipment to ensure that it meets the client's functional and quality requirements

Priority Initiative 2

Overseas Project Approach Reform (Order Policy)

Ueda / In my role in the Overseas Sales Promotion Division, I am focusing on securing stable orders for small- and medium-scale projects. With the large-scale LNG projects that we used to focus on, we had limited competition and Chiyoda's excellent track record gave us a strong advantage. Small- and medium-scale projects, on the other hand, are extremely challenging, with more competition and a more demanding market in terms of price and other requirements.

Roundtable Discussion with CEO and Employees Our Transformation—Toward New Value Creation



In such challenging environments, we need to fundamentally transform our sales mindset. Rather than blindly pursuing every project, it is important to deepen communication with clients from an early stage and engage in proactive information exchanges on a regular basis that will lead to orders in future. This enables us to spot potential future projects as soon as possible. Building on that, we need to identify areas where Chiyoda can leverage its strengths, then strategically select and acquire projects where we can differentiate ourselves from competitors. Selecting projects requires our overseas offices and the sales and project divisions at our Yokohama Headquarters to collaborate closely, sharing their knowledge and diligently seeking out new projects.

In conversations with clients, we emphasize our track record and project management capabilities as key strengths. At the same time, the budget limitations of small- and medium-scale projects mean that measures to ensure profitability are also essential. We will carefully analyze the requirements and risks of each project and propose realistic and optimized project execution plans that share risks with clients, leading to mutually agreeable solutions. Adjusting to clients' requests can be challenging at times, but we will continue building trust through persistent dialogue.

Ota / Conventional lump-sum contracts place the majority of the risk on the contractor, and this has impacted project quality and delivery timelines in some cases. Clients are therefore beginning to recognize the importance of appropriate risk sharing.

Cooperation with partners is another effective way to mitigate risk. Even for large-scale projects, leveraging each party's strengths can provide the leeway to execute multiple projects simultaneously while distributing risks and resources. I believe it is essential for both sales and technical departments to work as one, trying various methods and embracing the challenge of change with determination.

Priority Initiative 3

Increasing Domestic Project Revenue

Munakata / Domestic projects have grown in scale in recent years, making them difficult to handle using our previous approach. To respond to this change, we need to leverage the strengths Chiyoda has built up through both domestic and overseas projects, integrating their distinct characteristics.

After my experience in a domestic pharmaceutical project, I worked on an LNG project overseas before returning to domestic projects. This broad experience of domestic and overseas projects showed me the differences between them and demonstrated Chiyoda's strengths. Domestic projects are executed by relatively small teams, meaning each person has a broad scope of responsibilities. This develops individuals' capabilities. Moreover, since many projects often have undefined specifications, the ability to make proposals is required. Overseas projects, on the other hand, involve huge numbers of people, placing importance on having the management capabilities to mobilize large organizations.

By integrating these distinct strengths built up in domestic and overseas projects, we can maintain each individual's proposal skills and broad perspectives while also building a system that demonstrates management capabilities. To drive change, rather than being stuck in previous methods, we must take on methods developed through overseas projects and new ideas in pursuit of the best way forward. More people with experience overseas are participating in domestic projects now. I believe that this synergy will grow and lead to increased revenue in domestic projects.

Nagai / The Technology & Engineering Division previously worked mainly on overseas projects, but we are increasingly involved in domestic projects with the aim of expanding profitability from domestic projects. We have set up a



working group to organize the technological elements developed overseas for application to domestic projects and to review our work processes to enhance productivity and competitiveness. Domestic and overseas projects also place significantly different demands on the Technology & Engineering Division. In overseas projects, clients have strict design specifications that must be applied to hundreds of systems and packages. Rigorous process management is therefore crucial. In domestic projects, we often work with clients to develop specifications, requiring a more flexible approach.

To address these differences, the Technology & Engineering Division is advancing various changes. One example is promoting the development of multi-talented human resources. In response to the need for more lead engineers (LEs) due to the increasing number of small- and medium-scale domestic projects, we significantly shortened LEs' training period while also developing talent that can handle a wide range of areas, rather than being limited to conventional specialist fields. We are also reinforcing our team-based approach to project execution. As LEs' scope of responsibilities spreads wider, including many areas beyond their previous experience, engineers with the relevant experience are assigned as advisors to support LEs on projects. By having team members with specialist knowledge supervising and guiding multiple projects across teams, we are building an organizational structure to proceed with work flexibly and efficiently.

Priority Initiative 4

Expanding Business Co-Creation

Nomi / In the Frontier Business Division, we are sowing the seeds for various new businesses with the aim of producing results both domestically and internationally. In my current field of work, we are evolving the concept of EPC to support the development of production processes for cellular medicine using human cells. We are aiming to shorten development time by ensuring that the client's R&D proceeds efficiently and by preventing reworking while also providing support by supplementing human resources and know-how. We believe that this will ultimately connect to the EPC business in future.

When we first launched this business, Chiyoda had limited recognition in the life sciences industry and while our record as an engineering company was acknowledged, there

was skepticism about what we could contribute to human cell cultivation processes. However, by continuing to diligently put forward proposals over a long period of time, we have gradually built up trust. We are now getting more requests for support and the business is gradually sprouting.

This is a field where it is difficult to achieve significant results immediately, as this is a minority area within an engineering company, which can make it difficult to obtain internal understanding. Because it is difficult to determine which initiatives can be commercialized, we need to steadily accumulate short-term results and persistently, diligently explain the prospects for long-term value and growth within the company. Commercialization will still take some time, but we are committed to building a firm foundation for that process during the Business Plan 2025 period.

Ota / New businesses are not expected to be profitable during the period of Business Plan 2025. The important thing is to steadily nurture the shoots of a business that can provide value as a pillar of Chiyoda in the next decade. In the cellular medicine field, we are building a technological foundation in collaboration with institutions such as universities, which we expect to lead to future commercialization. Rather than purely selling equipment, we are seeking models that deliver profits based on results, such as possessing production processes or participating in operations.

As Ms. Nomi pointed out, those involved in the oil and gas EPC field may have difficulty understanding why we would continue a business that is not producing revenue. However, I believe that dual-track management, maintaining stable revenue through EPC while developing future-oriented businesses, is the key to Chiyoda's long-term



Roundtable Discussion with CEO and Employees Our Transformation—Toward New Value Creation

growth. I want all of our employees to understand Chiyoda's direction and to be aware of their role in that vision as they approach their daily work.

Priority Initiative 5

Creating a Robust Human Resources Pool of Core Talent

Tanaka // In the Human Resources Development Department, we are implementing an inter-divisional transfer program as part of our systematic human resource development. Where career paths had been treated as tacit knowledge, we have identified and formalized the paths essential for developing key human resources, and systematized a portion of these as transfers to be implemented each year. The Human Resources Development Committee approved this initiative, which began operating in fiscal 2024. For those being transferred, a meeting is held among HROs (Human Resources Officers), the employee themselves, and the manager of the receiving department to clarify their future career path, with reference to the employee's career to date. After transfers, HROs continue to follow up with employees to provide reassurance and support their growth.

We are also working to visualize Chiyoda's training assets across the company. Previously, each department carried out training and skill development independently, making it difficult to get an overall picture of the company's training assets. To address this, we started by organizing the skills in each department, and linking them to content such as training resources and videos covering areas including knowledge, manuals, and work processes accumulated by executing projects. Through this, we are working to create a system where employees can efficiently access the learning resources they require. Building this type of learning environment and implementing transfers will combine to accelerate employees' development.

Looking ahead, we will formulate strategies to develop key human resources to lead future businesses, and we will further clarify the necessary career paths. We will also promote the transfer policy and enhance visualization of training resources in an integrated manner and work to align the company's direction with each employee's aspirations for their own career.

Ota // We need to advance human resource development in an even more systematic manner. Until now, human resources were often allocated based on the status of projects, which sometimes led to urgent responses. However, systematic human resource development with a vision of the future Chiyoda is now essential. For example, we need to envision the scale of the EPC business ten years from now, clarify the required number of project managers, and formulate specific development plans to bridge the gap between current capabilities and future needs. In business co-creation, too, it will be necessary to clarify the required skills in each field, then implement strategic development and recruitment. We are also starting initiatives such as sending engineers and finance personnel to partner companies for joint projects with the intention that they return to Chiyoda with essential knowledge and experience.

To promote initiatives such as these, the Medium-term Management Plan Promotion Office is collaborating with the Human Resources Development Department to progress discussions towards building a new human resource development system. I believe that new systematic human resource development will expand the scope of each employee's experience, and develop key human resources to support our future businesses and Chiyoda's growth.

Enriching the Future through Transformation

Ueda // I joined Chiyoda because, as one of the world's leading engineering companies, I was attracted to its dynamism in creation of plants by diverse specialists. As a company driving social implementation, in addition to technological expertise, Chiyoda has the ability to implement technologies, meaning that we also contribute to society by responding to customer needs. My aim is to build a business that creates new value in a sustainable manner. Through Business Plan 2025, we can deliver a sense of security and fulfillment for employees while simultaneously producing stable revenue as a business. Ultimately, I want to



build a sustainable Chiyoda that creates mutual benefits for clients, society, shareholders, and employees.

Munakata // I want to build a flexible organization where anyone can take on all kinds of projects, regardless of whether it is domestic or overseas. This flexibility will enable us not only to adapt to the situation in each project, but also to broaden perspectives and enhance experience through diverse challenges. I have also been engaged in pharmaceutical projects and LNG projects before returning to domestic projects, pursuing areas that aligned with my interests. In recent years, there are more opportunities for flexible transfers, regardless of domestic or overseas, and I hope this organizational culture will continue to expand.

Ohtani // The attraction of working in an engineering company lies in the opportunity to take on challenges in various fields. I first worked in the Technology & Engineering Division and have been involved in various projects, including domestic projects and overseas petroleum and LNG projects. In my career, the feeling of fulfillment and accomplishment when completing a project has been an invaluable experience of success that cannot be found anywhere else. I believe that, regardless of the field, the experience of successfully overcoming difficulties leads to self-transformation and promotes further growth. In the process of carrying out projects, collaborating with numerous stakeholders and sharing that sense of joy leads to a strong sense of trust. I want to grow more team members who make clients, partners, and collaborators want to work with us again, which will lead to new opportunities and contribute to a more vibrant Chiyoda.

Nagai // Like Mr. Ohtani, what I find most exciting is working to create something as 'One Team' and the sense of accomplishment. For example, when construction work at our site in Papua New Guinea was almost complete, seeing the first flame from the plant chimney almost moved me to tears. To continue delivering such moving experiences to younger employees, we are currently focusing on increasing productivity and creating an environment where each person can take on new challenges in high-value-added work.

Regardless of whether projects are domestic or overseas, I want Chiyoda to continue bringing shared joy to as many allies as possible through teamwork. As a company that supports society, I hope we can leave behind a better planet for our children.

Nomi // I have been engaged in regenerative medicine since I was a student, and have always wanted to give back to the world through Japan's outstanding technology. While Japan has exceptional technologies, they are not fully leveraged. I believe that Chiyoda has the capacity to realize this vision. Since Chiyoda has worked on overseas EPC projects and addressed social issues for many years, we have a corporate culture with low barriers to overseas expansion that enables contributions to society in various ways. While Chiyoda has typically focused on energy and EPC, I hope that we will transcend those areas to contribute to society in diverse fields.

Tanaka // I decided to join Chiyoda because of its people, who are our most important asset. In the Human Resources Development Department, we are committed to supporting opportunities for such inspiring talent to broaden their careers and enable them to grow in this company. We are currently implementing the functions of the talent management system and are using goal-setting and career-development dialogue sheets to visualize employees' career paths. We aim to clarify career options, training, and experiences to enhance employees' learning and sense of ambition. At the same time, we will define Chiyoda's vision for human resources, align the direction of individuals and the company, while fostering both personal and company transformation.

Ota // This roundtable discussion has encouraged me by allowing me to see that everyone is giving serious thought to Chiyoda's future and their own growth. Everyone clearly has a firm grasp of the issues and possibilities at Chiyoda from their respective positions and is actively working to achieve change.

As I mentioned earlier, Business Plan 2025 is the first step towards making Chiyoda an attractive engineering company delivering high added value for the next decade, when all of you will be central to our management. Being the change is essential to grasp opportunities for leveraging Chiyoda's engineering capabilities in various fields. We must therefore also change the company as we take on new challenges in various businesses. While specific initiatives vary depending on our positions, the entire company should have a coherent direction and move forward with a sense of unity. I hope each of you fully understand Business Plan 2025, and will work together to achieve change.





Special Feature 2

Enriching the Future Through Engineering

In 'Enriching Society through Engineering Value,' Chiyoda devotes itself to engineering in partnership with diverse stakeholders. We believe that engineering is the act of sharing values and challenges and working together to create new value based on mutual trust. This outlook is expressed through various elements of our work, including long-term collaboration with clients, research and development with industry, academia, and the public sector, and the way we take on challenges in new fields. In this section, we present specific initiatives aiming to realize a decarbonized society through engineering.

Envisioning the Future of a Hydrogen Society through Engineering Leading the World with a Water Electrolysis System Producing Hydrogen from Water



Akio Yoshida
Section Leader, Section 1,
Energy Business Development
Department

Takuo Yasunishi
Assistant Division Director,
Frontier Business Division

Takanori Koyama
Product Solutions Section,
Project GX Strategy &
Development Department

Yoshihiro Hojo
Group Leader,
Water Electrolyzer Development
Group,
Technology Acceleration Section
Hydrogen Business Department



Partner's Message



Norishige Konno
Group Manager
Electrolyzer Group,
Hydrogen Business Div.,
Hydrogen Factory,
Toyota Motor Corporation

Changing the Future with Hydrogen

In countries like Japan, which lack natural energy resources, the development and widespread adoption of locally-made hydrogen production facilities is a source of immense hope to energize our future. We strongly feel the expectations placed upon Chiyoda and Toyota. With its ability to transform into alternative forms of energy, we are excited by the possibilities of hydrogen which can serve as an interface connecting over 5.5 million people who make automobiles run (people working in the automotive industry) and many other new stakeholders.

Whenever we meet with the Chiyoda team, we are struck by their confidence and expertise in this field. It is clear to us that this confidence stems from Chiyoda's history of competing on the global stage. For those of us venturing into the equipment sector, Chiyoda is an incredibly reliable and inspiring partner.

In 2026, we will also finally begin large-scale demonstration tests at the Toyota Honsha Plant. Inspired by this demonstration equipment, we're working with Chiyoda to create a water electrolysis plant to compete on the world stage!



Hydrogen Park at the Toyota Honsha Plant

In February 2024, Chiyoda and Toyota Motor Corporation agreed to jointly develop a large-scale water electrolysis system that produces hydrogen from water and construct a strategic partnership. Collaboration is ongoing, with plans to demonstrate the system in fiscal year 2025.

This project involves developing a 'water electrolysis system' that generates hydrogen by electrolyzing water, repurposing the mechanism of the fuel cell stack, a key technology of the fuel cell vehicle MIRAI, which produces water from hydrogen and oxygen and uses the electric energy generated in the process to drive the motor. The aim is to implement this system in society using Japanese technology on the road to realizing a hydrogen society.

Engineering with Toyota to Lead a Hydrogen Society through Japanese Technology



Both companies' shared aspiration of implementing water electrolysis systems in society using Japanese technology became the driving force behind our partnership.

By combining Toyota's water electrolysis cell stack technology with Chiyoda's plant expertise, we are jointly developing a large-scale water electrolysis system for a new market.

Our expertise and extensive experience in large-scale plant engineering are also essential to optimize scaling up, integrating multiple small-scale 5MW-10MW units to meet the client's requirements regarding hydrogen demand and installation space.

We will continue to take on new challenges as 'One Team' to achieve an annual production scale of 1GW by 2030 through collaboration with Toyota, contributing to future business growth and benefiting the world!

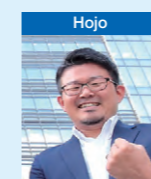
Leveraging Plant Business Expertise for the Social Implementation of Water Electrolysis Systems



Using our proprietary technology, SPERA Hydrogen™, Chiyoda successfully conducted the world's first global hydrogen supply chain demonstration project from 2015 to 2020 to transport and store hydrogen. The insights and expertise from the overseas market for green hydrogen (hydrogen derived from renewable energy) are essential in advancing this project. The water electrolysis system is composed of multiple components such as rectifiers and separators, as well as the water electrolysis cell stack developed by Toyota. By leveraging our know-how in module construction applied in plant projects, we aim to simplify the installation of devices for customers and improve quality through aspects such as compact, plug-and-play concept implementation and full modularity with enhanced transportability. Our project management know-how that we have built up in numerous domestic and overseas projects also plays a key role in advancing technology development.

Chiyoda's strength as an engineering company lies in 'nurturing, connecting, and implementing new technologies.' By fully leveraging these strengths, we intend to differentiate ourselves in the field of water electrolysis systems. We aim to bring this vision to life as soon as possible, targeting a full-scale rollout for fiscal 2029.

Ambitions for Low-Cost Hydrogen Production to Accelerate a Decarbonized Society

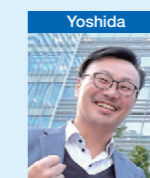


A crucial factor in promoting the widespread adoption and expansion of water electrolysis systems is the reduction of hydrogen production costs. If we cannot achieve low-cost hydrogen production, the business will become unsustainable and widespread hydrogen adoption and utilization cannot be achieved. Reducing hydrogen production costs throughout the customer lifecycle is also important.

The main challenge is how to maximize the potential of the water electrolysis cell stack, which is the core component of the water electrolysis system. Toyota is actively working on continuous improvement and we are engaged in trial and error to overcome this challenge and maximize the value of the system.

My priority is to get the first unit up and running as soon as possible. To achieve this, it is crucial for us to develop a system that is more appealing than our competitors'. I believe that fulfilling this role will bring us closer to realizing a decarbonized society.

Capturing the Global Market with Japanese Technology and Contributing to a Hydrogen Society



The Japanese government, in its 'Basic Strategy on Hydrogen,' aims to secure a 10% share (15GW) of the global water electrolysis system market by 2030 for Japanese companies. We aim to contribute to this goal by joining forces with Toyota.

The market for water electrolysis systems is currently led by foreign companies. However, if our system is adopted globally, it will bring us one step closer to realizing a hydrogen society and will contribute to Japan's energy security.

Technological developments towards the realization of a decarbonized society are ongoing and it remains uncertain which will become the main contender. In this situation, collaboration that leverages the strengths of each participant company is essential. My dream is to contribute to the widespread adoption and expansion of water electrolysis systems, and to redraw the global map of the hydrogen market, leveraging our partnership with Toyota.

Joint Development of Large Water Electrolysis System

We are developing a water electrolysis system that, despite being among the world's smallest, has a high hydrogen production efficiency. Specifically, we are developing 5MW-10MW class equipment as the basic unit (floor area: 2.5m x 6m, hydrogen production capacity: approx. 100kg/hour), for multiplication to create a standard package, allowing the construction of large-scale water electrolysis systems.

Looking forward to future large-scale hydrogen production, we are currently developing a highly efficient 20MW-class system. Commencing from fiscal 2025, we plan to introduce the water electrolysis system in the Hydrogen Park at the Toyota Honsha Plant for verification and development.



A model of the water electrolysis system. The green area is the 'water electrolysis cell stack' developed by Toyota.

Chiyoda and Toyota Jointly Developing Large-scale Water Electrolysis System (2024 Version) – YouTube

<https://www.youtube.com/watch?v=6t8uSeBWEjY&list=PLIS9DpxOE8iZTx5TJ94FZ1D0SYt58bVo&index=6>

Chiyoda and Toyota Jointly Developing Large-scale Electrolysis System v2025-Movie Created by Toyota

<https://www.youtube.com/watch?v=igU6nUigPrg>

Special Feature 2 Enriching the Future Through Engineering

Implementing Decarbonization Technology Early for a Carbon-Neutral Society

Chiyoda is developing technologies to realize a carbon-neutral society. These include separating and recovering low-concentration CO₂ from natural gas power plant exhaust gas, producing ethylene (a basic chemical) and paraxylene (a raw material for polyester fibers and other products) from CO₂, and generating hydrogen from ammonia for use as a fuel in power generation. All of these projects have been adopted by the New Energy and Industrial Technology Development Organization (NEDO).



Osamu Hirohata
Corporate Planning Section,
Corporate Planning Department

Yui Kotani
Assistant Group Leader,
Development Group 2,
Social Implementation Section,
Business Co-Creation Department

Jun Matsumoto
Group Leader,
Technology Group 1,
R&D Energy / Environment
Section,
Research & Development Center

Hiroki Ichikawa
Development Group 2
Social Implementation Section,
Business Co-Creation Department

PROJECT 1 Manufacturing Sustainable Polyester Fibers from CO₂ and Hydrogen

Hirohata Chiyoda is collaborating with the University of Toyama, Nippon Steel Corporation, Highem Co., Ltd., Mitsubishi Corporation, and ENEOS Corporation to develop the world's most advanced technology for production using CO₂ and green hydrogen. This technology synthesizes paraxylene from CO₂ and hydrogen by passing them through an independently developed catalyst. We constructed a small pilot plant in Chiyoda's Koyasu Office Research Park in 2022 and successfully manufactured compounds, mainly composed of CO₂-derived paraxylene, and were able to isolate paraxylene from these compounds.

We formed a partnership with Goldwin Inc. in 2024, and established a supply chain in collaboration with seven companies across five countries for more sustainable polyester fiber utilizing CCU technology. In this initiative, the CO₂-derived paraxylene produced by Chiyoda has been used as a raw material for the polyester fiber. This is the world's first attempt to produce CO₂-derived paraxylene in collaboration among upstream material companies and downstream apparel companies. The polyester fiber was used for the uniforms of Japanese and South Korean climbers representing their countries.

Chiyoda is a global front-runner in this technology. Our goal is to maintain this leading position and achieve early commercialization of the technology. By the early 2030s, we envision a world where clothing made from CO₂ is available in stores just like any other product.

Starting from the initial launch of a business, our expertise in combining process development and catalyst development enables us to propose unique solutions for a wide range of social challenges. I will continue striving to establish Chiyoda as a leader in the decarbonization field so that when people think of carbon neutrality, they think of Chiyoda Corporation.



Partner's Message



Norishige Konno
Section Manager,
Carbon Innovation Section,
C1 Business Department,
Sustainability and Innovation Division,
HighChem Co., Ltd.

In a world where the decarbonization of fuels is advancing, the decarbonization of paraxylene—a chemical product—and polyester, primarily made from paraxylene, feels more tangible and related to the general public. I am delighted with this opportunity to execute this project with Chiyoda, as its implementation carries a profound carbon-neutral message that reaches all of society.

I am particularly impressed by Chiyoda Corporation's approach to technological developments within this project and their professional execution based on fundamental principles across many aspects. Chiyoda's project management methods and practices have also provided valuable learning experiences for me. As a leading engineering company representing Japan, Chiyoda's efforts in this initiative will have a meaningful impact on the world in the years ahead. I hope Chiyoda will continue to strive for excellence and drive this important mission forward.

PROJECT 2 Separation and Recovery of Low-Concentration CO₂ from Natural Gas Power Plant Exhaust Gas



We are collaborating with JERA Co., Inc. and the Research Institute of Innovative Technology for the Earth (RITE) to develop Japanese-originated technology to separate and recover low-concentration CO₂ from natural gas power plant exhaust gas with lower costs.

JERA Co., Inc. has the largest natural gas power capacity in Japan and provides advice and consultation on development processes from the user's perspective. RITE develops low-cost solid absorbents that efficiently absorb low concentrations of CO₂, and Chiyoda develops equipment and explores processes to use such solid absorbents. Chiyoda fulfills its role as JV leader, with all three partners contributing their respective technologies and expertise, and roles effectively allocated to leverage each party's strengths.

Having completed lab-scale development of solid absorbents and the conceptual design of commercial equipment, we started construction of bench-test equipment in the grounds of our research institute in February 2025 and will collect the data required for scaling up and perform operational checks. In the next phase, we will conduct operational demonstrations using the exhaust gas from an actual thermal power plant, with the goal of commercializing large-scale equipment by the end of fiscal 2030.

Recovering CO₂ as a useful carbon resource and reutilizing it to produce diverse carbon compounds is a promising strategy. This approach addresses climate change issues and contributes to securing a stable supply of new resources. I wish to contribute to a decarbonized society through the early implementation of technology for efficient separation and recovery of CO₂.

PROJECT 3 Generating Hydrogen for Power Generation from Ammonia



Chiyoda is collaborating with JERA Co., Inc. and NIPPON SHOKUBAI CO., LTD. on development to improve and reduce the cost of large-scale technology for generating hydrogen by cracking (decomposing) ammonia.

The project is currently at the lab-test stage. There are many issues to be resolved for large-scale commercialization, and repeated tests using trial and error are being performed. Chiyoda is also playing an important role in areas such as processes to raise the temperature and pressure to the levels required for the decomposition reaction of ammonia, the heat recovery process, the thermal efficiency of the entire system of the plant, and economic efficiency. Requests and comments from JERA Co., Inc. are being reflected in the technology development and the goal is to scale up the technology to generate large amounts of hydrogen to produce power generation fuel.

While catalyst development would typically require 10 to 20 years, we were able to shorten the development period in collaboration with NIPPON SHOKUBAI CO., LTD., who developed the base catalyst before the project commenced which was a significant advantage. It is important for each partner to share their final objectives and to move forward as one.

Ammonia is expected to be an energy carrier for low-cost transportation and storage of hydrogen. By steadily overcoming each challenge, I will continue working on this project until we achieve our goals.

PROJECT 4 Synthesizing Ethylene through Electrolytic Reduction following Separation and Recovery of Atmospheric CO₂



Chiyoda is a member of NEDO's Moonshot R&D program and has been working on developing technology to synthesize ethylene through electrochemical reduction of CO₂ diffused in the atmosphere, in collaboration with industrial, academic, and government bodies, such as the University of Tokyo, the University of Osaka, RIKEN, UBE Corporation, Shimizu Corporation, Furukawa Electric Co., Ltd., Maxell, Ltd., Carlit Co., Ltd., and Nippon Kayaku Co., Ltd.

As the concentration of CO₂ in the atmosphere is very low, about 0.04%, capturing CO₂ requires large equipment. To address this, we put forward a new 'urban Direct Air Capture (DAC) system' that leverages buildings' air conditioning systems as DAC devices for CO₂ capture. Alongside working on development related to the application of DAC systems in buildings, Chiyoda also has a central role in areas such as CO₂ concentration and the integration of the electrolytic reduction process.

We plan to scale up to bench tests and perform commercialization exploration by fiscal 2027, and to carry out pilot demonstrations around 2029. Looking further ahead, our goal is for the total amount of recovered CO₂ to exceed the CO₂ in the atmosphere and exhaust gas, as we move toward social implementation.

Collaboration with industry, academia, and government from the brainstorming stage broadens and accelerates technological development. I aim to promote this initiative to the world and drive it forward as part of efforts to realize a decarbonized society by improving familiar equipment.



Partner's Message



Takashi Nagao
General Manager,
Technology Development Unit,
Technology Strategy Group,
O&M Engineering Strategy Division,
JERA Co., Inc.

Providing cutting-edge solutions for the world's energy challenges is JERA's mission and, as a pioneering player, we aim to commercialize solutions using low-carbon fuels such as hydrogen, ammonia, and CCS. The project with Chiyoda is essential for achieving this goal. Expectations within JERA are high, and we are approaching the project with a strong sense of purpose and motivation.

Chiyoda has long been at the forefront of engineering and technological development to address energy and environmental issues.

Their role in designing and developing processes that integrate the performance of catalysts and absorbents into power generation systems is vital, and they have specialists capable of tackling challenging technological developments such as this project. In relation to the development of cracking technologies, we place a high priority on safety evaluations and measures when handling hydrogen and ammonia. As we move forward with our considerations, we draw on Chiyoda's extensive experience with domestic and international projects. While the path to establishing this technology is still a 'work in progress', we bring together the strengths of each company to ensure the technology can be successfully implemented into society.



Partner's Message



Masakazu Sugiyama
Director and Professor,
Research Center for Advanced
Science and Technology,
The University of Tokyo

In our Moonshot Project, we are developing groundbreaking technology to capture CO₂ from urban buildings and convert it into chemical raw materials for products such as clothing, PET bottles, and tires. The energy required for this process is sourced from solar and wind power, and the system is designed to be compact enough to fit into limited spaces, such as building basements, by applying principles of electrochemical systems like fuel cells. Imagine breathing inside a building, where the CO₂ we exhale is transformed into chemical products, and the oxygen generated during the process is absorbed back into the atmosphere—creating a new value that allows us to experience being part of nature's cycle, even indoors.

Chiyoda is a key player in implementing numerous plants into society, supporting our everyday lives, and excels in project management by bringing together diverse stakeholders to successfully execute complex projects. This is a unique strength derived from applying chemical engineering—a multidisciplinary science—into real-world applications. Chiyoda's expertise and dedication are contributing enormously to our project, enabling us to achieve world-leading outcomes.

Human Resource Management

CHRO Message



Masaki Kumagai
Senior Vice President,
CHRO & CDO

The Importance of Human Resource Management

The Chiyoda Group's greatest asset is its human resources. To create sustainable value in a rapidly changing business environment, we are fostering a working environment built on a fluid organizational culture with mutual respect and continuous challenges, in which human resources challenging social issues with pride and ambition can fully engage in their work.

We aim to realize the well-being of both the organization and its people. Maximizing the potential of the organization and human resources amplifies the value we provide to society and stakeholders. We hope to create a virtuous cycle whereby providing this value further enhances the well-being of people and the organization.

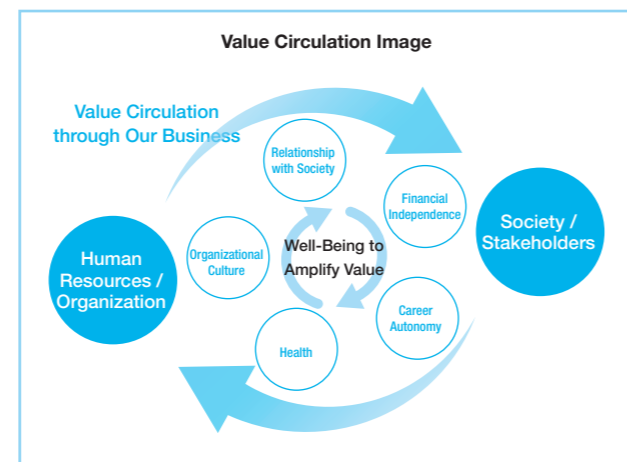
Key to Well-Being

A Fluid Organizational Culture with Mutual Respect and Continuous Challenges

- Organizational development initiatives for diversified values
- Implementing a generational change of organizational managers leading organizational reform and educating these managers
- Promotion and education about diversity and inclusion
- Enhancement of health management
- Robust labor-management relations

Human Resources Tackling Social Issues with Pride and Ambition

<ul style="list-style-type: none"> • Expansion of key human resources • Maximizing performance of seniors • Establishing specialized education combining off-the-job training and 	<ul style="list-style-type: none"> on-the-job training to support business execution abilities • Developing digital human resources
--	---



My Mission as CHRO

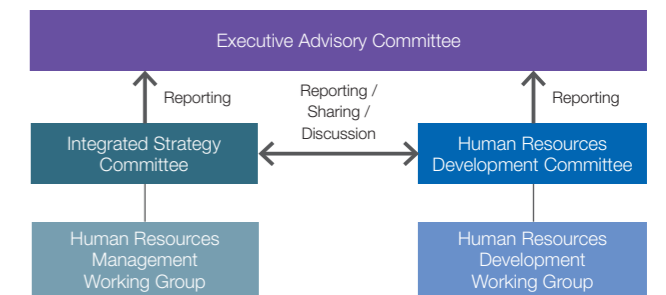
As an engineering company, Chiyoda has cultivated highly regarded talent within the industry and beyond. In the future, even amidst significant changes in the needs of our business environment and society, we will remain a resilient and evolving organization, which aims for even greater heights. Human resources are the most important factor in realizing the aims of Business Plan 2025, and we will expand our pool of key human resources that can lead our businesses as we strive to 'Be the Change' toward stabilized and diversified earnings.

As CHRO, my mission is to align business strategy with employees' career ambitions, enhancing our ability to implement business strategies and supporting continuous growth for the company and employees.

To achieve this, Chiyoda has appointed Human Resources Officers (HROs) from each job category, working under the Chief Human Resources Officer (CHRO) (currently also serving as Chief Digital Officer (CDO)). The HROs have a deep understanding of business strategies and employees' career aspirations, and their job is to connect these two elements.

In addition, the Integrated Strategy Committee considers and deliberates on the optimal allocation of management resources, including human resources. The Human Resources Management Working Group, which operates under the Integrated Strategy Committee, formulates human resource allocation strategies that align with our business strategies. The Human Resources Development Committee also collaborates with the Integrated Strategy Committee to make decisions regarding human resource development strategies.

Through these structures, we continuously identify and evaluate risks and opportunities related to human resources, then discuss and implement appropriate policies through our committees with the aim of minimizing risks and constantly strengthening our human resources.



Human Resource Management in Practice: Strategic Provision of Experience and Opportunities to Support Growth

Diverse experience is required to fulfill specific positions and responsibilities at Chiyoda. Building up this experience is crucial to driving forward the company's medium- to long-term development and the growth of each individual employee.

Based on this outlook, we are implementing the following four key initiatives.

- Identify talent profiles aligned with business strategies
- Clarify the work experience required to develop human resources that can realize business strategies, and systematize them into programs
- Establish a platform for sharing employees' career plans and their progression among managers, HROs, and employees themselves
- Align the talent profiles required by business strategies and each employee's vision for their own development

Through these initiatives, we are creating an environment where each employee can build up experience and feel a sense of personal growth. We will prepare the ground for motivated people to take on challenges, fully support those who strive for development, and implement measures and systems that properly recognize even everyday work, as long as it is carried out with professionalism, thereby achieving well-being for the organization and its human resources.

Human Resource Management

Transformation of Organizational Culture

Organizational Culture Survey

Chiyoda introduced the Organizational Culture Survey in fiscal 2023 as a measure to visualize and improve organizational issues and culture with the aim of enhancing employee engagement. The company monitors the progression of the results of the survey as an important human resource management KPI.

Starting in fiscal 2024, we have integrated dialogue based on the survey results into existing PDCA cycles, including for formulating operational plans for each division and setting individual goals, to encourage autonomous efforts to reform our organizational culture.

KPI

Chiyoda considers the results of the Organizational Culture Survey as a human resource management KPI. Survey items with a positive response rate of 65% or higher are recognized as our strengths.

Measurement Category	Index (Results of Organizational Culture Survey)	FY2025 Target	FY2024 Result
A Fluid Organizational Culture with Mutual Respect and Continuous Challenges	Rate of utilization of employees in the workplace	Positive response rate: 65% or higher	Positive response rate: 68%
Human Resources Challenging Social Issues with Pride and Ambition	Rate of employee engagement		Positive response rate: 62%

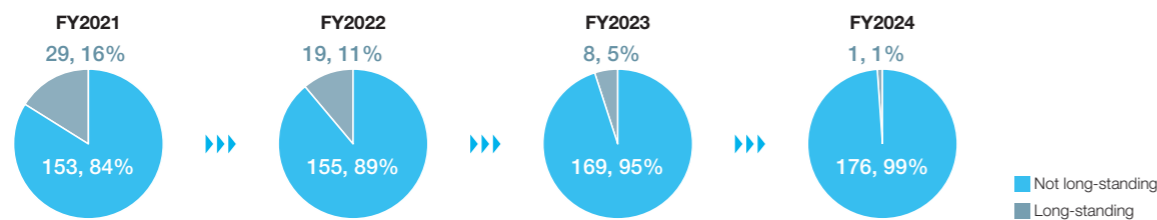
Initiatives to Develop Talent to Take Charge of Organizational Management

The company aims to provide management experience from an early stage to enhance organizational management literacy.

Decisions for promotions to management positions are made regardless of age. Candidates are selected from a wide range of cross-divisional perspectives, including HROs' perspectives. We are continuously identifying new managers to revitalize our organizations.

Starting in fiscal 2022, upper limits were placed on the number of years for which an employee can hold the same position, and we have encouraged transfers and other forms of personnel rotation. We have also formulated succession plans for all management positions, implemented measures to identify candidates, advanced the systematic appointment of successors, and maintained healthy turnover.

Turnover of managers



Diversity and Inclusion (D&I)

Respecting diverse qualities, realizing an organizational culture where each employee can thrive and demonstrate their capabilities and entrenching D&I is essential to achieve our purpose.

Promoting the advancement of women is one key theme related to realizing our D&I policy. We aim to further enhance retention of female employees and promote their success as leaders, and we are working with a focus on measures to encourage women to continue their careers and are strengthening hiring of women. In addition, we continue to create even better working environments by enhancing support for employees' work-life balance, regardless of gender.

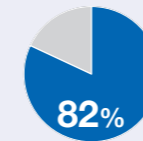
Index	FY2024 Result	FY2027 Target
Ratio of Women in Career-track Roles	14%	15%
Rate of Childcare Leave Taken by Male Employees	73.8%	75% or higher

Promoting Diversity: Organizational Evolution Through Diversity (Presentation)

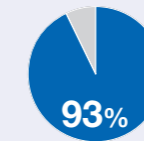
As part of our D&I program for managers, Cradle Inc. founder and artist Sputniko! was invited to lead a presentation entitled Promoting Diversity: Organizational Evolution Through Diversity, which was attended by 519 people. The presentation addressed Chiyoda's challenges and covered areas such as why the diversity of organizations is important, gender roles, and issues faced at work sites, providing an opportunity for participants to reach new realizations and change their perspectives.

Reference data: Attendance survey results

Percentage of participants satisfied with presentation content



Percentage of participants who said that their understanding of and agreement with D&I had increased



From left: Chiyoda President Koji Ota, Sputniko!, and Division Director Nobutaka Nagahashi

After the presentation, Sputniko! took part in a roundtable discussion with Chiyoda President Koji Ota and HR & Corporate Affairs Division Director Nobutaka Nagahashi. The honest, practical dialogue covered the possibilities that diversity brings for organizations and considered the issues that Chiyoda is facing.

This event was an opportunity to renew shared awareness that D&I is not purely a philosophical concept and that creating systems to lead to behavioral change is important. Building on insight gained through the presentation, we will develop measures befitting Chiyoda and continue to build an environment where all employees can thrive.

Health Management

Since releasing its Declaration of Health and Productivity Management in April 2020, Chiyoda has continued working to build workplaces that support both the mental and physical health of employees. Our highly effective initiatives include feeding back analyses of different types of health-related data and the results of group stress check analyses to the organization to inform workplace improvement activities.

Chiyoda also has a Health Management Promotion Council, led by the Chief Wellness Officer (CWO), which meets three times per year. Management from all departments discusses health management measures that the company should address based on trends observed in regular health and stress checks, leading to various types of employee training and internal measures.

As a result of these initiatives, Chiyoda was highlighted as a selected organization under the 2025 Certified Health & Productivity Management Outstanding Organizations Recognition Program in March 2025, the fifth consecutive year that the company has received this certification.

Index	FY2024 Result
Overall health risk	78 (value above 100 indicates that employees are more likely than the national average to require time off work)
Health & Productivity Management Outstanding Organizations Recognition Program	Certified



Chiyoda Wellness Project

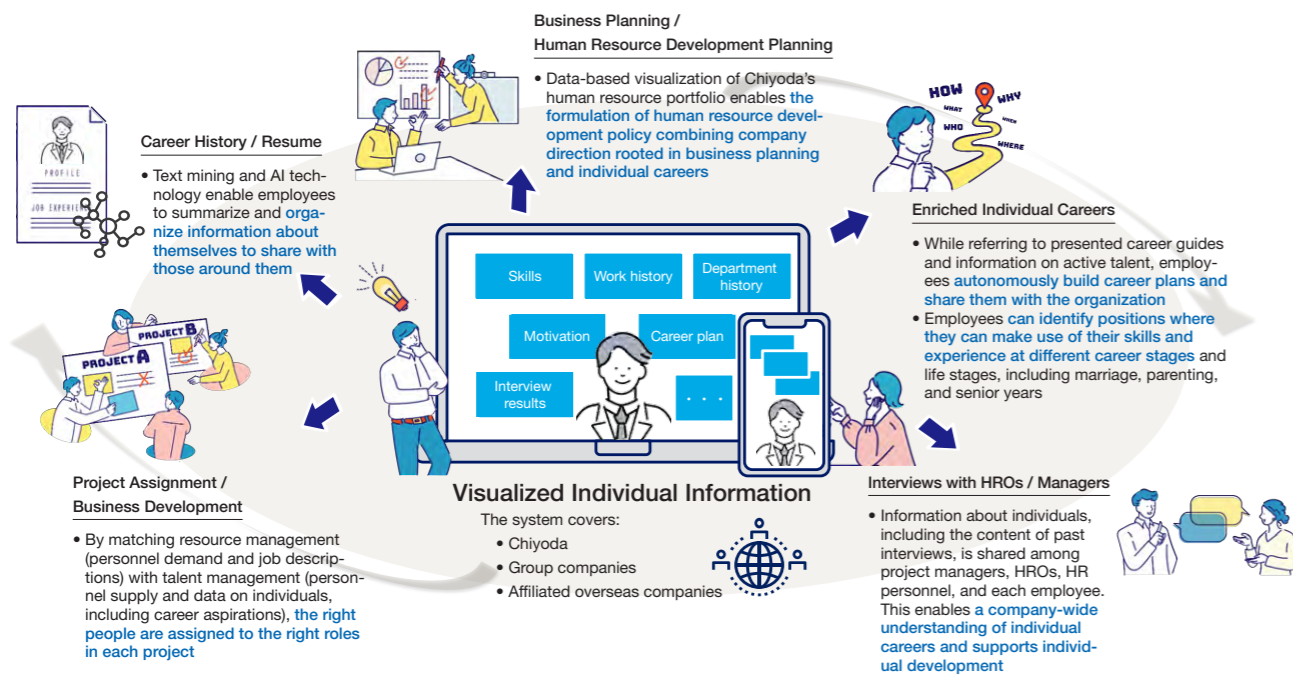
As part of its health management promotion activities, Chiyoda has been implementing the Chiyoda Wellness Project (CWP), offering practical programs open to all employees since fiscal 2022. Specific initiatives include walking events, mental care seminars covering self-care and care from line managers, the introduction of a diet improvement app, and sleep seminars. These activities enable employees to become more aware of health-related issues and to adopt healthy habits.

Human Resources Development

Talent Management System

Chiyoda continues to build on its talent management system, a digital foundation supporting human resource development initiatives. This system brings together all employees' work experience, project history, goal-setting, and career-development dialogue, alongside skills and positions required by the company. This provides an environment where employees can clarify the skills they require for their own growth and feel tangible career development as they take ownership of career planning. This information is shared among managers, HROs, and each employee, linking the required skills with on-the-job (OJT) and off-the-job training (Off-JT). This clarifies development pathways and promotes systematic career development.

Through the talent management system, we aim to support employees' autonomous career development while systematically cultivating key human resources to lead Chiyoda's businesses.



Development of Key Human Resources

'Creating a Robust Human Resources Pool' is one of the priority initiatives set out in Business Plan 2025. The plan states that key human resources should 'identify social issues independently' and 'lead co-creation inside and outside the company to achieve higher added value and revenue.' Going beyond the business execution abilities that we have built up through EPC, we will take on the perspectives of customers and social issues in order to accurately grasp social changes and needs, promote business co-creation, and achieve the social implementation of new value.

To develop key human resources, we will strategically design opportunities for employees to gain diverse experience. In addition to broadening horizons through transfers within the company, we will actively create and promote opportunities for employees to deepen their understanding of customer perspectives and social issues through external assignments and chances to study abroad.

COLUMN Employee Interviews

We interviewed two employees who are taking on new roles as part of their autonomous career progression. Building on specialist knowledge and experience they gained in technological divisions, they have expanded into the new fields of PR and sales. We asked them how their new roles have changed their perspectives, what they have learned, and about their future outlook for their careers.



Yuki Miyazaki
Group Leader, PR & Sustainability Group, IR, PR & Sustainability Advanced Section, Corporate Services Department

Leveraging Frontline On-Site Experience in PR

Since joining Chiyoda in 2007, I worked on numerous projects as a lead engineer in the rotating machinery section, including large overseas LNG projects. In January 2025, I transitioned into IR and PR, where I currently work to enhance corporate value by effectively communicating Chiyoda's strengths and the initiatives we are engaged in to both internal and external stakeholders.

I first started thinking about a career shift when the company made a loss in fiscal 2018. Amidst anxiety about colleagues leaving, I felt a strong desire to work together to turn Chiyoda into a profitable company where each employee can also find fulfillment. I took part in volunteer activities launched at that time with the aim of driving the bottom-up transformation of the company. Through initiatives that fostered psychological safety regardless of generation or roles, and that valued growth and excitement, I was inspired to promote both the virtues of internal transformation and the strengths of the company itself. This experience became a major turning point that led me to consider transferring.

At the same time, I felt hesitation because there was no precedent for that career path, and I found fulfillment in my current position as a Group Leader. Through dialogue with my managers and the new department, my interest in supporting employees' growth through PR work grew, and I became confident that gaining new perspectives and insights in a different environment would benefit me. Those factors helped me decide to make the transfer.

Since the transfer, my perspective and approach to people and work have changed significantly, and I continue to learn every day while taking on new challenges. I find great meaning in leveraging Chiyoda's technological expertise and project management capabilities, which I gained through my frontline experience, and communicating them accurately to both internal and external audiences. Moving forward, I aim to further refine my multifaceted knowledge and perspectives, including in technological, project-based, and corporate areas, and contribute to enhancing corporate value and trust by communicating Chiyoda's appeal with internal and external stakeholders.



Privatnanupunt Pantira
Section 1, Strategic Solution & Incubation Department

Leveraging Technological Expertise in Sales

Since joining Chiyoda in 2013, I have worked in the Gas & LNG Process Engineering Department, working on phases from FS¹ to Pre-FEED, FEED², and EPC. In process engineering, I had the opportunity to apply my specialized knowledge to support the development of strategic approaches, including proposals to customers. Through that experience, in addition to specialist technological knowledge, I realized the importance of understanding industry trends and client needs. This realization sparked a strong desire to pursue a career in sales with high-level technological expertise. After discussing my career aspirations with my manager, I spent two years working in both process engineering and sales. In April 2025, I made a full-scale start to my career in the Strategic Solution & Incubation Department.

I am currently working to enhance engagement with potential customers and partners with the aim of building businesses in areas such as SPERA Hydrogen^{TM3}. By collecting and analyzing information, we are exploring ways to effectively convey Chiyoda's technological expertise and capabilities while incorporating clients' input. We are starting to put forward proposals that align with their needs and challenges. Efforts like these cannot be handled by sales divisions alone; collaboration with technology and business divisions is essential. I work closely with relevant departments as I continue taking on new challenges every day.

In the future, I want to lead the development of competitive strategies that fully leverage Chiyoda's strengths and result in securing project orders. To achieve that, with my technical foundation, I am enhancing my knowledge in areas required for business development, such as financing and geopolitics. As a sales professional with strong technological expertise, I aim to serve as a bridge between technology and business, delivering true value to our clients.

¹ Feasibility Study: Conceptual design and evaluation of profitability from various perspectives
² Front End Engineering Design: Basic engineering carried out after conceptual design and FS; comprises studies covering technical issues and estimation of rough investment cost
³ Technology that reacts toluene with hydrogen to convert it into the liquid organic hydrogen carrier methylcyclohexane (MCH), enabling storage and transportation of hydrogen at ambient temperature and pressure.

/ Our Foundation for Transformation

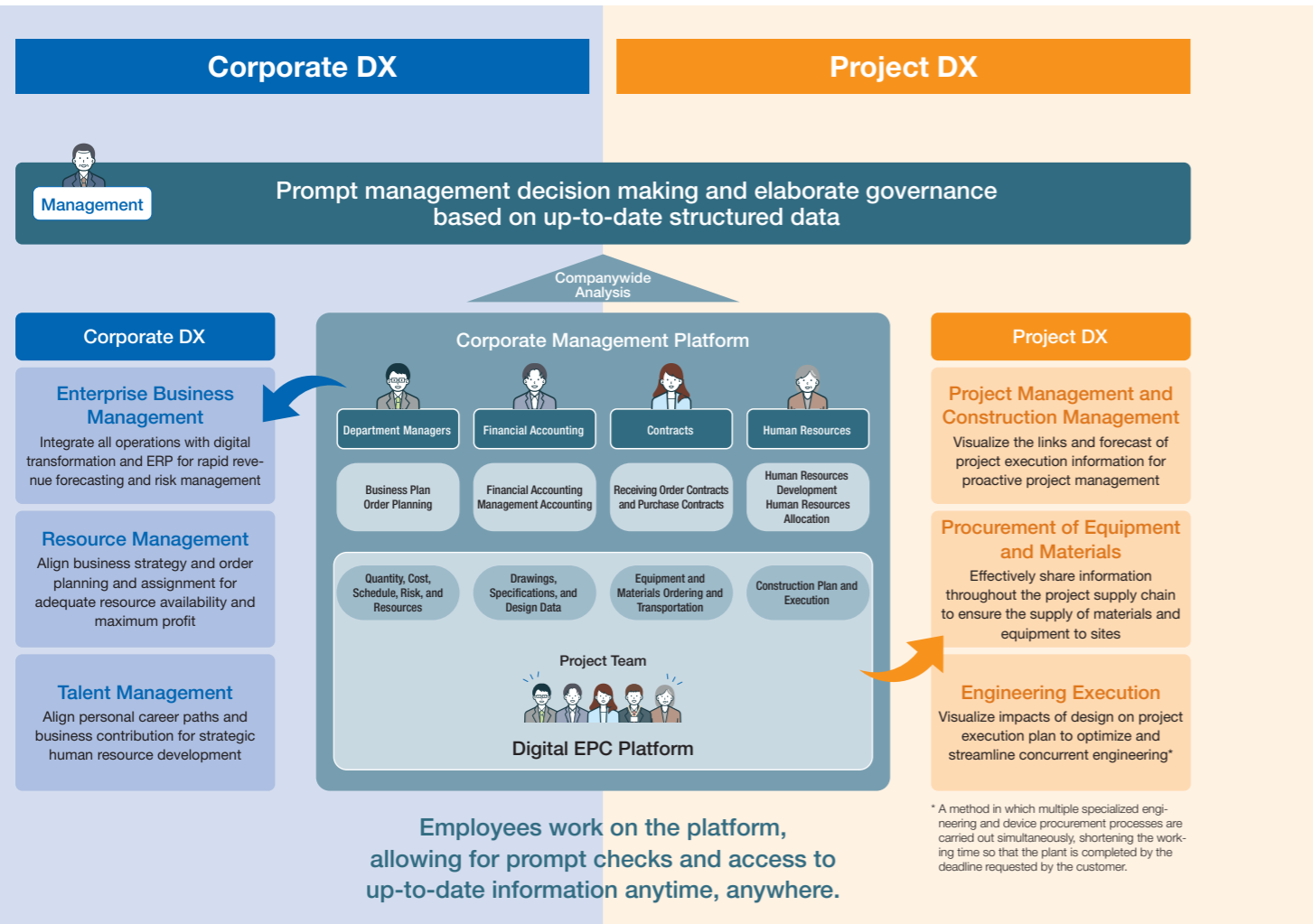
Sound business foundations are essential in order to evolve as a sustainable company amid rapid social change. In this section, we provide a multifaceted explanation of our initiatives to strengthen the foundations that underpin our transformation.

- 52 Chiyoda DX STORY
- 56 Intellectual Property Initiatives
- 58 Corporate Governance
- 62 Directors and Officers
- 64 Risk Management
- 65 Safety Management
- 66 Compliance
- 67 Human Rights Initiatives

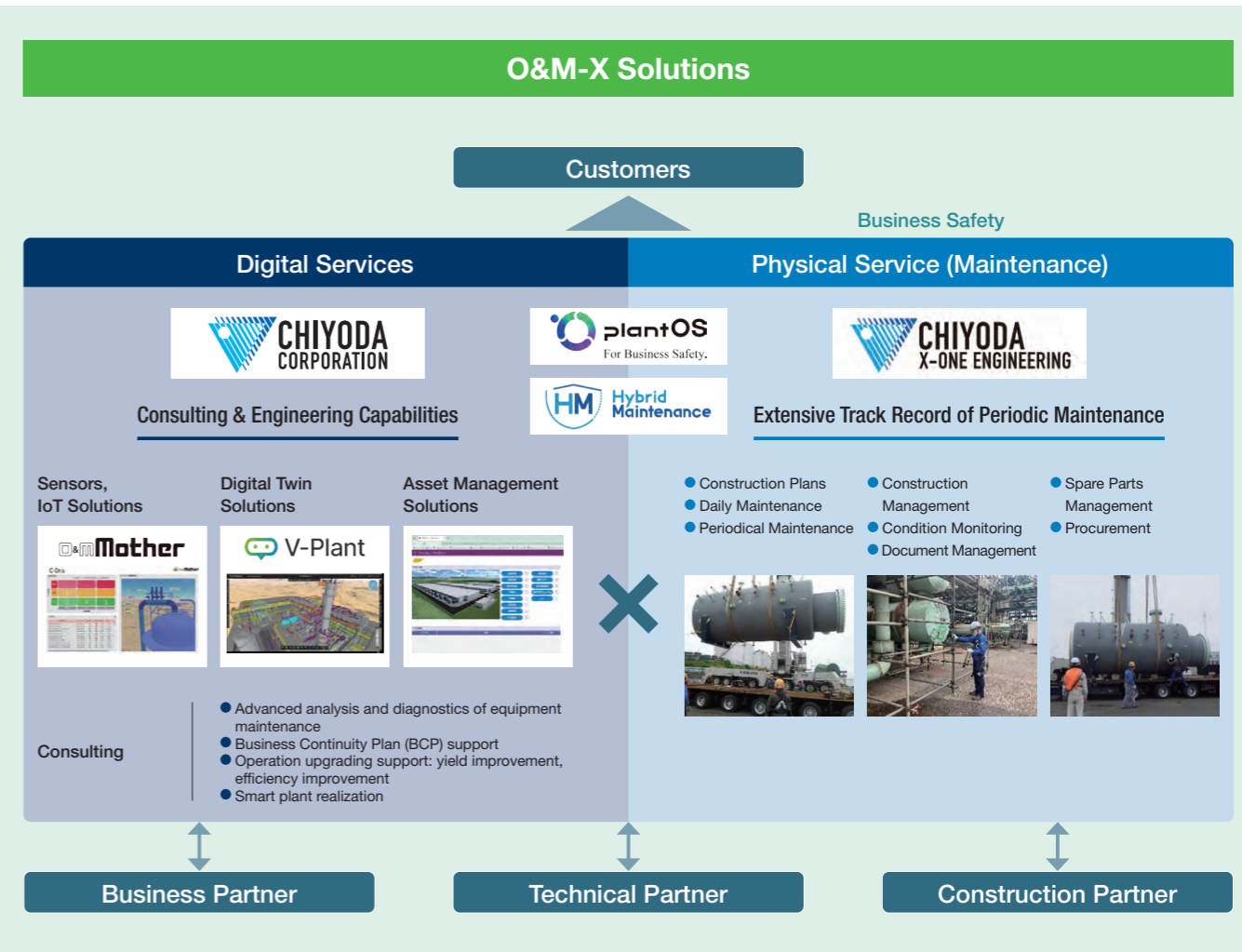




DX Initiatives to Support Co-Creation




The Chiyoda Group is accelerating transformation through Chiyoda DX STORY, Chiyoda's DX initiative designed to accelerate fulfillment of our purpose of 'Enriching Society through Engineering Value'. Here we will outline our progress on the three themes of Chiyoda DX STORY: Corporate DX, Project DX, and O&M-X Solutions Business.



Leaders' Messages

Driving Change: Our Stories

Theme: Digital EPC Platform




Minoru Aoyama
General Manager
Business Process Transformation Office

Chiyoda has established 'Enriching Society through Engineering Value' as its purpose. To fulfill this purpose, we are striving to create the future, while transforming ourselves, through our digital EPC platform.

We already possess project management know-how and have systematized those strengths as 'the Chiyoda Way.' I want to utilize these systems to enable everyone, including young employees, mid-career hires, and personnel who do not have much experience at the company, such as engineers from overseas, to execute high-quality projects. We also aim to build systems to realize optimal collaboration with external partners and encourage further evolution. I view this as operational transformation and aim to realize new formats for the execution of operations using our digital EPC platform. With my experience in the execution of EPC projects, I see this operational transformation as one internal project, where each of the employees involved in our operations becomes both a customer facing an issue and a problem-solver who strives to realize the ideal outcome. In doing so, I am committed to driving success through this transformation.

Driving Change: Our Stories

Theme: O&M-X plantOS®



Toru Yoneyama
Associate Fellow
O&M Transformation Solution Business Department

In Business Plan 2025, Chiyoda seeks to be a company that will 'Be the Change,' and we are implementing measures to stabilize our earnings base and diversify our business portfolio. PlantOS®, a next-generation integrated solution service for operation and maintenance (O&M), plays a central role in this transformation. PlantOS® is a hybrid O&M solution that combines cutting-edge digital technology such as AI, 2D/3D digital twins, and IoT with physical services tailored to the realities of site operations. Operational efficiency and safety are improved dramatically through robotics utilized to provide support in assessing equipment statuses, detecting abnormalities, and reducing workers' workload in the field, as well as support for improvement of operations at sites.

This comprehensive approach enables companies to adapt flexibly to the rapid changes in markets and regulatory environments while ensuring business safety: sustainable, safe, and secure business activities. Chiyoda will utilize the knowledge and execution capabilities developed through EPC to promote the rebuilding of value chains by integrating digital and physical functions in the O&M market. Through this strategy, we aim to co-create new value together with clients and establish a position as a strategic partner for sustainable growth.



O&M Total Solutions

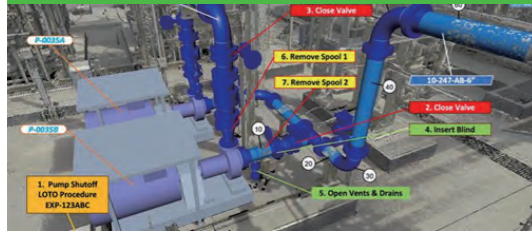


Image of 3D Digital Twin



O&M Total Solutions

Wataru Fujii

Domestic Project Section
O&M Transformation Solution Business Department

3D Digital Twins

As we announced in the press release dated June 24, 2025, we were contracted to implement Japan's first 3D digital twin solutions. In the lead-up to the signing of the agreement, we conducted demonstration testing together with the client and allowed them to use a small-scale solution on an ongoing basis while conducting close and long-term discussions about the value of this solution and in-depth use cases. This success was

made possible through close collaboration among our projects, engineering, and sales departments, working as One Team with the client. We will maintain and manage this 3D digital twin environment on an ongoing basis and continue to provide value to complement our clients' O&M.

Project DX

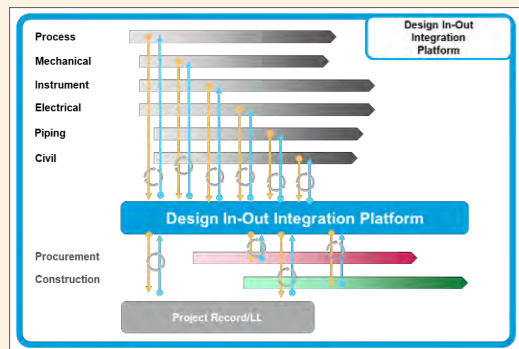


Image of Design In-Out Integration Platform



Project DX

Kunio Nagai

Next-Generation Design Transformation Group/
Digital Engineering Transformation Group
Engineering Innovation Team

Design In-Out Integration Platform

Our Design In-Out Integration Platform is a platform with a concept never seen before. During the phase for defining the requirements, we struggled to identify issues and use cases for the designers and connect resolvable digital technologies. By introducing this platform, design information, including schedules, is connected from upstream to downstream and the workflow and progress of design tasks are visualized. By recording

and visualizing the entire process, tacit design knowledge will be standardized. We anticipate that design operations will evolve dramatically by working with AI in future.



Project DX

Naoko Tanaka

Procurement Department

Supply Chain Collaboration Platform (SCCP)

We have developed a new platform called SCCP and have begun using it for actual projects. Data, email chains, and other information from every stage, including purchasing, process management, transportation, and warehousing are now batch-managed on one platform instead of being managed separately like before. By visualizing this information in a timely manner on a dashboard, SCCP has revamped our work practices and

accelerated the improvement of efficiency. It enables us to assess the overall situation on the dashboard, detect signs of potential issues, and take specific actions. Some difficulties have occurred with the introduction of the system, such as reviewing workflows and coordinating with various stakeholders, but we are overcoming these as a team with the aim of full-scale implementation.

Corporate DX

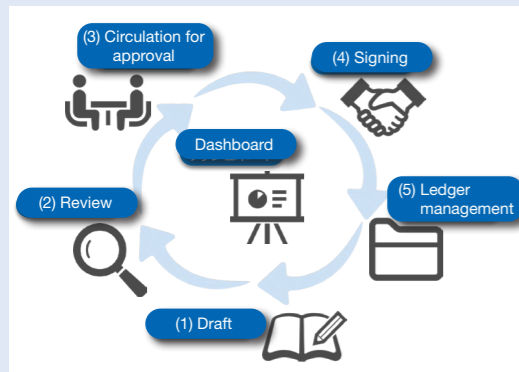
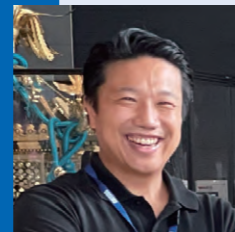


Image of Contract Life-Cycle Management



Corporate DX

Soji Ogami

Human Resources Development Section,
Human Resources Development Department

Talent Management System

Our talent management system was introduced in 2023 as a platform to support autonomous career development, and we have been expanding its function each year since. In fiscal 2024, a function using AI to present goals for career paths was developed and introduced together with our internal AI team. A particular focus with this function is clarifying what kind of experience has accelerated employees' growth. Trial and error took

place during the development with the objective of encouraging employees to change their actions. With data such as records of one-on-one reviews also being collated in the system, the system is evolving into a platform that enables human resource development through day-to-day dialogue with employees to become further entrenched in the realities of the workplace.



Corporate DX

Miho Kubota

Legal Section, Legal Department

Contract Life-Cycle Management (CLM)

During the requirement definition phase of the internal development, the Legal Department and contracted operations personnel conducted close discussions and applied their ideas about serviceability and automation of operations to our CLM. Full-scale use began in early fiscal 2025, and the efficiency of our operations has been improved through the batch management of contracted workflows, clear visualization of the status of

projects, and quick access to information through the dashboard. Going forward, the system will be continuously updated, and by leveraging past contract data and the visualized life cycles of contracted operations, further evolution of our contract-related operations can be expected.



Corporate DX

Takuya Ono

Risk Management Section,
Project Management Department

Citizen Development

In the implementation of DX through citizen development, the users of the operations play a central role. This makes cross-departmental knowledge sharing essential in addition to support from the IT Department. This is driven by our company culture of transparency, and operational reforms are being carried out in each department. Positive feedback from users is increasing, such as 'I can focus on my actual job' and

'operations have become more standardized and efficient,' and this bottom-up value creation has become a strength of Chiyoda. Additionally, since employees experience the trial and error of DX as developers, they have become more conscious of DX implementation across the entire company. Going forward, we will continue working on citizen development with the entire company as One Team.

Intellectual Property Initiatives

Basic Principles

Chiyoda protects its intellectual property (IP) to fuel our position ahead of the competition. We also implement rigorous measures to protect the IP of others to avoid infringements.

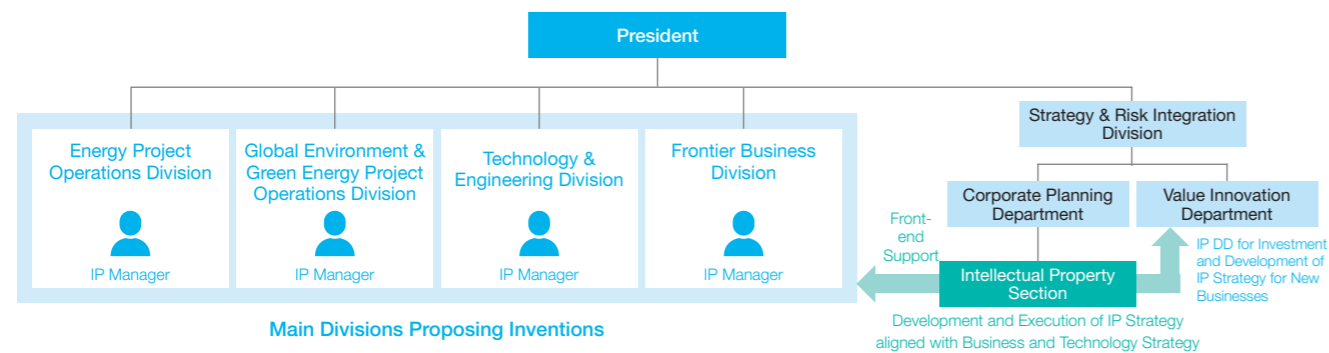
Organizational Structure

The IP Section is part of the Corporate Planning Department, which consolidates our companywide business and technology strategies. It formulates and implements IP strategy aligned with business and technology strategies.

The IP Section visualizes and organizes our IP, and that of others, related to new businesses, using methods such as IP landscaping to identify technologies for development and partnering.

The IP Section also collaborates with business and technology divisions to extract inventions and organize our patent portfolio, and implements stringent and comprehensive IP investigations prior to developing a new business to mitigate the risk of infringing the IP rights of others.

The IP Section also conducts IP due diligence (IP DD) for the Value Innovation Department prior to investing in start-up companies and conducts IP strategy development for new businesses adopted in the in-house entrepreneurship program.



Initiatives to Share and Utilize Intellectual Property (Chiyoda's Technology Landscape)

As an integrated engineering company, we socially implement systems (such as plants) that combine our own internal technologies and external technologies owned by others to accumulate IP in the form of technology and technological expertise. The technology and expertise we have accumulated is transformed from tacit knowledge into explicit knowledge and mapped to be shared within the company as Chiyoda's Technology Landscape. Based on the common understanding developed through Chiyoda's Technology Landscape, we promote value creation through our intellectual property, such as proposing solutions to customers, building co-creation schemes with others, and formulating technology development strategies.

Please refer to the following page of our website for details.
<https://www.chiyodacorp.com/en/csr/governance/information-security.html>

TOPICS: Case Study of Value Creation Using Intellectual Property

Development of PROFORCE, a Simulator to Predict Progress on Projects

Through our involvement in many EPC and technology development projects, the company has accumulated intellectual property in the form of much expertise related to technology and project execution. We will introduce PROFORCE, a simulator to predict progress on projects, as a case study on the utilization of this expertise in business.

PROFORCE is a simulator for predicting the progress of projects. In EPC projects, the overall schedule is created by compiling a series of individual activities based on work volume, productivity, and the workforce size. The progress of a project can typically be predicted by recompiling based on the results for each metric, such as disturbances during execution and productivity.

PROFORCE, on the other hand, takes an overall view and predicts the progress on work such as civil engineering, steel structures, and piping according to the connection between each of the processes. This has made it possible to predict progress much more quickly than with the conventional method, and has meant that project teams do not miss opportunities to take necessary measures.

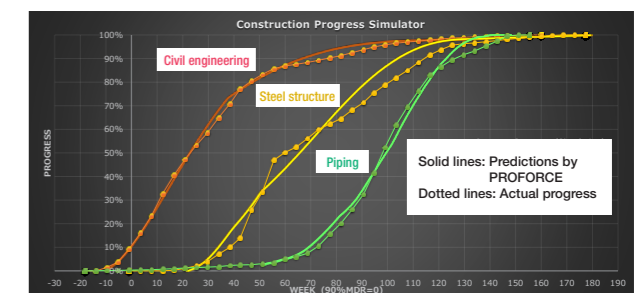
The achievements of the EPC projects that we have been involved in domestically and overseas over the last few decades are a major asset of Chiyoda. Upon analyzing the progress from these EPC projects and noting the connection between individual tasks, we identified a unique scheduling method for predicting progress by observing how progress on the early processes of a task affects subsequent processes from a holistic view. PROFORCE was developed as a progress prediction simulator based on this.

Each of the projects we handle differs in terms of factors such as scale, location, restrictions, and peculiarities, but the scheduling method we have built has enabled us to track and predict progress for projects as a whole regardless of these differences. PROFORCE has transformed tacit project management expertise into explicit knowledge based on data, which can then be utilized in the next projects.

By using PROFORCE to manage ongoing EPC projects, we are now able to identify signs of delays, and the length of those delays, helping to take measures in advance. This has enabled us to prevent decreases in earnings.

While the details of the unique scheduling method we identified are a critical business secret and are thus confidential, the PROFORCE system containing that method is protected by patent rights.

Example of schedule tracking using PROFORCE



Driving Change: Our Stories




Hiroshi Oinaka (Patent Attorney)
Intellectual Property Section Leader,
Corporate Planning Department

With the launch of Business Plan 2025, the whole of Chiyoda is working together to 'Be the Change.' Among the key initiatives in Business Plan 2025, I recognized that intellectual property plays a particularly vital role in business co-creation. Specifically, the utilization of intellectual property information and support for business departments through the use of our IP Landscape method will contribute to the acceleration of business co-creation.

We will also continue to carry out initiatives to identify and utilize the technology and technological expertise we have accumulated as an integrated engineering company. Such initiatives will further solidify our platform for business co-creation and contribute to new value creation.

Driving Change: Our Stories



Atsushi Takeuchi
General Manager, Schedule Management
Special Promotion Department

I have been involved in project execution as a project manager for many years. In addition to the projects I myself have managed, I have witnessed Chiyoda's execution capabilities in many other projects. The project execution management expertise passed down from various senior personnel has been elevated into a scheduling method through analysis of past results, turning it into explicit knowledge in the form of PROFORCE as a progress prediction simulator. By sharing and utilizing it throughout the company, I want to increase the company's project execution in the entire Chiyoda Group instead of relying on the discretion of individuals who have developed expertise.

Corporate Governance

Basic Principles

Chiyoda's vision is one of management that maintains the trust and empathy of all its stakeholders, including shareholders, customers, business partners, creditors, employees, and local communities. This philosophy is the basis of our corporate activities and we continue to strengthen Chiyoda's business foundations, ensuring sound and transparent operations to realize sustainable growth over the medium to long term. We will also continue to strengthen corporate governance and reinforce our internal control system as material issues.

Governance Structure (as of July 31, 2025)

Organizational Structure	Company with Audit & Supervisory Committee
Executive Officer System	Yes
Number of Directors, Number of Whom are Outside Directors (Independent Directors)	12 5 (5)
Term of Office of Director (Excluding members of the Audit & Supervisory Committee)	One year
Number of Audit & Supervisory Committee Members, Number of Whom are Outside Directors	3 2
Number of Board of Directors' Meetings Held (Fiscal 2024)	32
Number of Audit & Supervisory Committee Meetings Held (Fiscal 2024)	19
Remuneration System for Directors and Audit & Supervisory Committee Members	<ul style="list-style-type: none"> Directors (excluding those who are Audit & Supervisory Committee members): Base remuneration (according to roles and responsibilities and based on individual assessments), performance-linked remuneration (reflecting the company's business performance each term), and performance-based stock compensation (linked to medium- to long-term improvements in the company's business performance) Directors who are Audit & Supervisory Committee members: Base remuneration (according to roles and responsibilities)

Note: Remuneration for Outside Directors consists solely of base remuneration in accordance with roles and responsibilities.

Overview of Corporate Governance Structure

Chiyoda is a company with an Audit & Supervisory Committee composed mainly of Outside Directors. Chiyoda operates a system whereby Directors who are Audit & Supervisory Committee members have voting rights at Board of Directors' meetings and are involved in the nomination of Representative Directors and overall business execution decision-making (excluding decision-making responsibilities delegated to the Directors).

- ▶ Chiyoda has appointed five Outside Directors to ensure objective and neutral monitoring of its management functions.
- ▶ Chiyoda has improved objectivity and transparency and ensured the appropriateness of its processes for appointing Directors and determining Director remuneration through involvement of Independent Outside Directors in decision-making, with the full-time Audit & Supervisory Committee members also in attendance, fulfilling a similar role to a voluntary nomination and remuneration committee.

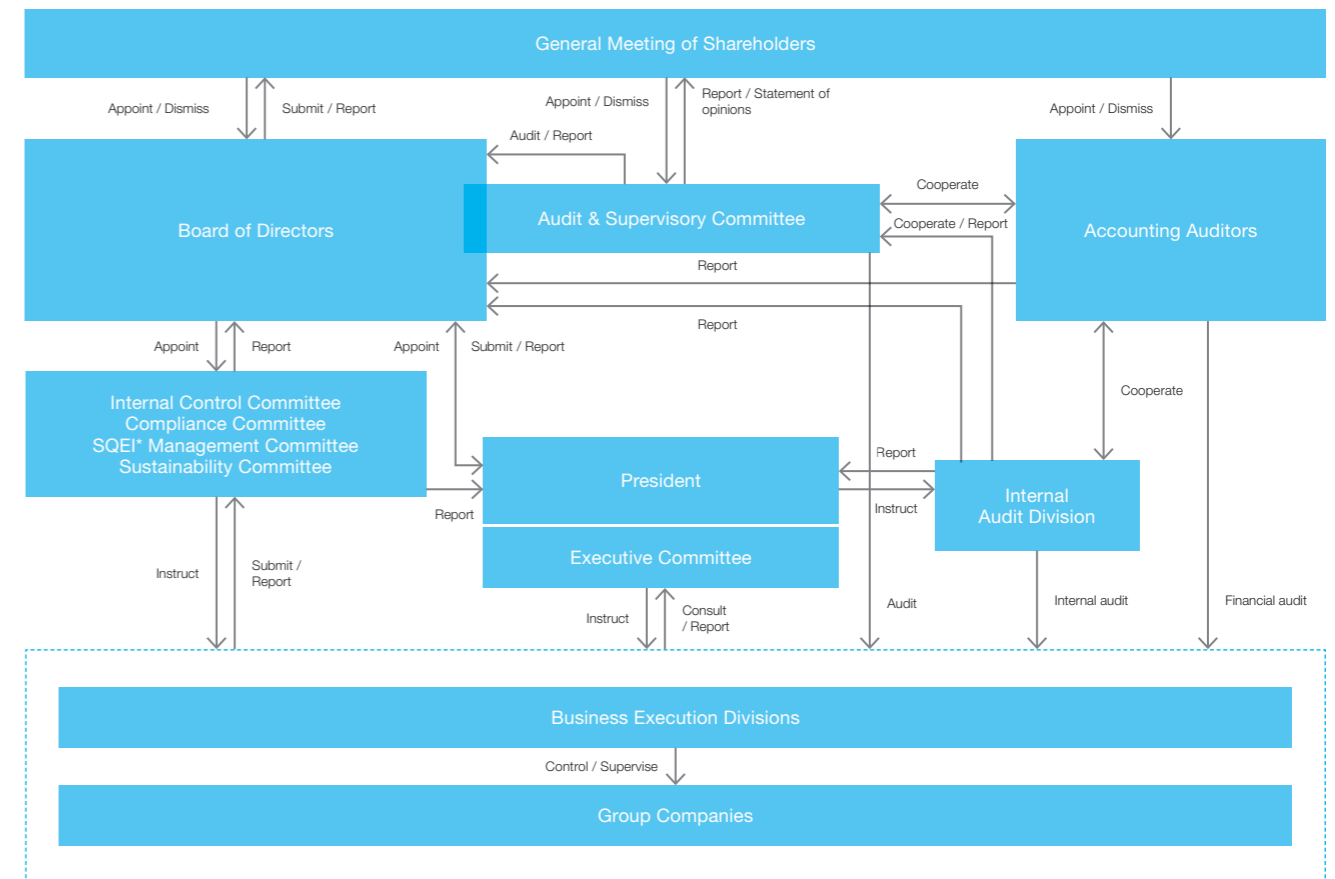
Committee	Composition and Roles / Responsibilities
Board of Directors	<ul style="list-style-type: none"> 12 Directors, including Audit & Supervisory Committee members. Monthly Board meetings. Important management matters are determined and business execution is monitored. Appropriate decision-making and management supervision is ensured based on the objective and neutral perspectives of the Outside Directors. Matters to be decided include management plans, important matters regarding human resources, and major investments and loans.
Executive Committee	<ul style="list-style-type: none"> In order to facilitate prompt decision-making on operational matters, an Executive Committee was established on the basis of a resolution of the Board of Directors, as an advisory body to the President, who oversees the execution of the company's business. The Committee consists of the Representative Directors concurrently serving as Executive Officers (excluding the Chairman, who attends as an observer), Executives at Senior Vice President level and above stationed at headquarters, Division Directors, Operations Directors, and Executives at Executive Officer level or above designated by the President, with a quorum requiring the presence of the majority of its members. The Committee decides matters regarding business execution adopted by a resolution of the Board of Directors and prior deliberation of matters to be decided by the Board of Directors, and reports to the President, who is responsible for Chiyoda's business execution.
Audit & Supervisory Committee	<ul style="list-style-type: none"> Three members (one of whom is full time) consisting of two Independent Officers and one Audit & Supervisory Committee Member with extensive finance and accounting expertise. The Committee conducts audits on the overall business execution of Directors. To strengthen its auditing activities, a dedicated staff member is assigned to assist the Audit & Supervisory Committee in the execution of its duties.

Development and Management of the Internal Control System

In accordance with laws and regulations, Chiyoda manages an internal control system to ensure appropriate execution of operations.

- ▶ Chiyoda established an Internal Control Committee to coordinate and summarize member opinions and proposals. At the end of the term, or when required, the Internal Control Committee proposes internal control improvements to the President.
- ▶ The President, through the Executive Committee, reviews proposals from the Internal Control Committee and the Board of Directors makes decisions on the internal control system as required.
- ▶ To enhance the framework for compliance with laws and regulations, Chiyoda has established the position of CCO (Chief Compliance Officer) and a Compliance Committee.

Corporate Governance and Internal Control System



* Safety, Quality, Environment, Information security

Compliance with the Corporate Governance Code

In compliance with the Corporate Governance Code of the Tokyo Stock Exchange, Chiyoda has formulated a Corporate Governance Policy, detailing its basic views and guidelines on corporate governance, and promotes initiatives to strengthen corporate governance.

Please refer to the following pages of our website for further information on corporate governance.

- Corporate Governance Policy (Japanese)
https://www.chiyodacorp.com/en/csr/assets/20250627_CGPE_r2.pdf
- Corporate Governance Report
https://www.chiyodacorp.com/en/csr/assets/20250627_CGR_E.pdf
- Basic Policy on Internal Control System
https://www.chiyodacorp.com/en/csr/assets/20250326_internal_control_E_r1.pdf

Corporate Governance

Board of Directors

Chiyoda's Board of Directors is composed of nine Directors and three Directors who are Audit & Supervisory Committee members, thus ensuring balance and diversity through a combination of Outside Directors with experience in their fields of expertise and Directors with specialist skills and knowledge.

Name	Position and Title	Skills and Experience					
		Management	Finance / Accounting	Legal Affairs, Compliance, and Risk Management	Overseas Experience	Project Experience and Technical Expertise	Sustainability
Masakazu Sakakida	Director, Chairman of the Board	●		●	●	●	●
Koji Ota	Representative Director, President & CEO*1, CSO*2	●		●	●	●	●
Hiroyuki Shimizu	Director, Senior Executive Vice President & CWO*3				●	●	
Atsushi Deguchi	Representative Director, Executive Vice President & CFO*4 and CCO*5	●	●	●	●		
Naoki Kobayashi	Representative Director, Executive Vice President	●		●	●	●	
Satoshi Sato	Director	●			●	●	
Ryo Matsukawa	Outside Director*6	●		●		●	●
Yutaka Kunigo	Outside Director*6	●				●	
Shoko Kuroki	Outside Director*6		●		●		●
Shuhei Watanabe	Director (Full-Time Audit & Supervisory Committee Member)		●	●	●	●	
Yumiko Matsuo	Outside Director*6 (Audit & Supervisory Committee Member)			●	●		
Takashi Mukuno	Outside Director*6 (Audit & Supervisory Committee Member)	●			●		●

As of October 1, 2025

Note: The table above does not necessarily list all of the skills and experience possessed by Directors.

*1 Chief Executive Officer *2 Chief Sustainability Officer *3 Chief Wellness Officer *4 Chief Financial Officer *5 Chief Compliance Officer *6 Independent Director in accordance with Rule 436-2 of the Tokyo Stock Exchange Securities Listing Regulations

Evaluation of the Effectiveness of the Board of Directors

Chiyoda evaluates the effectiveness of its Board of Directors annually. Improvements and issues are discussed at Board of Directors' meetings to further enhance effectiveness.

Enhancing the Effectiveness of the Board of Directors in Fiscal 2024

Process	<ul style="list-style-type: none"> A questionnaire on the effectiveness of the Board of Directors was provided to all Directors (including Audit & Supervisory Committee members) Improvements compared to previous evaluations were confirmed Opinions on the current fiscal year's evaluation and on further improvements to the Board's effectiveness were exchanged Results and issues going forward were confirmed by the Board of Directors
Questionnaires	<p>Main Items</p> <ol style="list-style-type: none"> Composition and Management of the Board of Directors Management and Business Strategies Business Ethics and Risk Management Performance Monitoring and Management Evaluation Dialogue with Shareholders
Evaluation of Effectiveness and Initiatives Going Forward	<p>Evaluation in Fiscal 2024 and Initiatives in Fiscal 2025</p> <p>In fiscal 2024, the Board of Directors shared information appropriately with Directors, including Outside Directors, and engaged in active discussions. In addition, it was confirmed that the Board of Directors is supervising the proper establishment and operation of internal control systems required for the Group.</p> <p>Based on the results of the questionnaire, the following four areas received particularly high ratings: appropriate composition of the Board of Directors, responsibilities of Independent Outside Directors, proper monitoring and supervision of compliance by management, and effectiveness of the internal audit system.</p> <p>On the other hand, feedback indicated that further efforts and initiatives are needed in the following three areas: optimal capital structure commensurate with business risks, proper supervision of human resource strategies, and communication with shareholders depending on the situation.</p> <p>In fiscal 2025, under the medium-term management plan 'Business Plan 2025,' we will pursue 'Be the Change' as our theme. While aiming to realize this theme, we will consolidate a stable revenue structure and diversify revenue sources. At the same time, we will also further deepen discussion on the areas identified as needing improvement. Through these efforts, we will work to enhance the effectiveness of the Board of Directors.</p>

Director Remuneration System

Basic Policy and Approval at the General Meeting of Shareholders	Chiyoda's Director remuneration system was approved at the 93rd Ordinary General Meeting of Shareholders held on June 23, 2021, based on its purpose of enhancing Director awareness of the importance of contributing to improvements in business performance and corporate value over the medium to long term.
Revisions to the Director Remuneration System	<p>The following revisions were made to the remuneration system for Directors, not including those Directors who are Audit & Supervisory Committee members.</p> <ul style="list-style-type: none"> 'Base remuneration' reflects an individual's job responsibilities and individual performance. 'Remuneration for acquiring treasury stock' has been abolished in favor of 'performance-based stock compensation.'
Process	<ul style="list-style-type: none"> Chiyoda's system of Director remuneration (excluding Audit & Supervisory Committee members) strengthens links with performance, shares value with shareholders, and increases motivation to improve business results. The system consists of base remuneration (corresponding to roles and responsibilities and linked to individual performance evaluation), performance-linked remuneration (corresponding to results in each term, based on quantitative factors such as net income attributable to owners of the parent and shareholder dividends), and performance-based stock compensation (linked to long-term corporate value improvement). The total remuneration in each category is notified to shareholders. Director remuneration is determined by the Board of Directors based on factors such as internal remuneration standards, within the framework of total remuneration determined at the General Meeting of Shareholders. Individual performance evaluations reflected in remuneration are discussed between Representative Directors, including management content and economic conditions. To enhance objectivity and transparency and ensure the appropriateness of decision-making, the opinions of Independent Outside Directors and full-time Audit & Supervisory Committee members are also considered. The structure of the remuneration system is also reviewed by the Board of Directors as required.

Details of the Director Remuneration System

Position	Classification	Remuneration Principles	Overview of Remuneration System
Directors (Excluding Those Who Are Audit & Supervisory Committee Members)	Base remuneration	Linked to job duties and annual individual performance evaluations	No greater than ¥3690 million per annum
	Performance-linked remuneration	Linked to the year's business results, taking into consideration quantitative factors such as net profit and dividends attributable to the parent's shareholders	
	Performance-based stock compensation*2	Linked to medium- to long-term improvement in business performance	
Audit & Supervisory Committee Members	Base remuneration	Linked to job duties	No greater than ¥60 million per annum

*1 The revision of the maximum limit of monetary compensation was approved at the 97th Ordinary General Meeting of Shareholders, held on June 25, 2025.

*2 At the meeting of the Board of Directors held on May 29, 2024, the period of eligibility for the performance-based stock compensation plan was extended to the fiscal year ending March 31, 2027.

Outside Director Activities / Reasons for Appointment

Classification	Name	Outside Director Activities / Reasons for Appointment
Outside Director	Ryo Matsukawa	Mr. Matsukawa's role is to supervise the company's management objectively and professionally based on his extensive knowledge and experience in the plant engineering industry and corporate management. He attended all Board of Directors' meetings (32) in fiscal 2024 and provided comments ensuring appropriateness of decision-making. He fulfilled his role by providing suggestions, advice, and other comments from a multifaceted and expert perspective on all aspects of management.
Outside Director	Yutaka Kunigo	Mr. Kunigo's role is to supervise the company's management objectively and professionally based on his extensive knowledge and experience in the energy industry and corporate management. He attended all Board of Directors' meetings (32) in fiscal 2024 and provided comments ensuring appropriateness of decision-making. He fulfilled his role by providing suggestions, advice, and other comments from a multifaceted and expert perspective on all aspects of management.
Outside Director	Shoko Kuroki	Ms. Kuroki's role is to supervise the company's management objectively and professionally based on her extensive knowledge and experience related to ESG, accounting, and finance. She attended all Board of Directors' meetings (19) in fiscal 2024 after being appointed as Director (July 31, 2024). She fulfilled her role by providing suggestions, advice, and other comments from a multifaceted and expert perspective on all aspects of company management.
Outside Director (Audit & Supervisory Committee Member)	Yumiko Matsuo	Ms. Matsuo has knowledge and experience as a lawyer, and her role is to contribute to strengthening the company's legal, compliance, and governance framework by auditing and supervising the company's management from an objective perspective with her high level of expertise. She attended all Board of Directors' meetings (19) and Audit & Supervisory Committee Meetings (14) in fiscal 2024 after being appointed as Director (July 31, 2024). She fulfilled her role by providing suggestions, advice, and other comments from a legal perspective, including explaining the purpose of laws.
Outside Director (Audit & Supervisory Committee Member)	Takashi Mukuno	Mr. Mukuno has served as President of Asahi Photoproducts Europe, President of Asahi Kasei America, Inc., and Senior Executive Officer and General Representative for China, Asahi Kasei Corp. He possesses extensive knowledge and experience gained through his overseas assignments and corporate management roles. He has been appointed as an Outside Director and Audit & Supervisory Committee Member in the expectation that he will contribute to the auditing and oversight of management of the company from an objective and multifaceted perspective and with a high degree of expertise.

Directors and Officers

(as of July 1, 2025)

Directors and Audit & Supervisory Committee Members



Masakazu Sakakida
Chairman of the Board

1981: Joined Mitsubishi Corporation (Heavy Machinery Department)
2001: Mitsubishi International Corporation, New York, USA
2006: General Manager, Plant & Heavy Machinery Unit, Plant & Industrial Machinery Business Division of Mitsubishi Corporation
2012: General Manager for Group Strategy Planning, Machinery Group CEO Office, and Group CIO*1, Machinery Group of Mitsubishi Corporation
2013: Senior Vice President, Chairman & Managing Director, Mitsubishi Corporation India Private Ltd., and Deputy Regional CEO, Asia & Oceania (Southwest Asia) (New Delhi)

2017: Executive Vice President, Corporate Functional Officer, Chief Compliance Officer, and Officer, Emergency Crisis Management Headquarters of Mitsubishi Corporation
2021: Director of Mitsubishi Corporation, Representative Director, Chairman of the Board, CEO, and CWO of the Company
2022: Representative Officer, Chairman, President & CEO, CSO, and CWO of the Company (current position)
2024: Chairman of the Board (current position)



Yutaka Kunigo
Outside Director*2

1977: Joined Tokyo Gas Co., Ltd.
2010: Managing Executive Officer, Chief Executive of Resources Business Division of Tokyo Gas Co., Ltd.
2013: Director, Managing Executive Officer, Chief Executive of Energy Production Division of Tokyo Gas Co., Ltd.
2014: Representative Director, Vice President, Executive Officer, Chief Executive of Energy Solution Division of Tokyo Gas Co., Ltd.
2015: Representative Director, Vice President, Executive Officer responsible for Power Business Planning Department, Business Renovation Project Department, and Sales Innovation Project Department of Tokyo Gas Co., Ltd.

2016: Representative Director, Vice President, Executive Officer responsible for Power Business Control Department, Chief Executive of Energy Production Division responsible for Power Business Planning Department of Tokyo Gas Co., Ltd.
2017: Director and Chairman, Tokyo Gas Engineering Solutions Corporation
2020: Outside Director, Nippon Paper Industries Co., Ltd. (current position)
2022: Outside Director, Ise Chemicals Corporation (current position)
Outside Director of the Company (current position)



Koji Ota
Representative Director,
President & CEO, CSO

1989: Joined Mitsubishi Corporation
2012: General Manager, Smart Community Business Integration Unit, Environment & Infrastructure Business Division of Mitsubishi Corporation
2013: General Manager, Environment Energy Business Unit, Environment & Infrastructure Business Division of Mitsubishi Corporation
2015: Director, Lithium Energy Japan
2018: Director, Executive Vice President, Lithium Energy Japan
2019: Senior Vice President, Division COO, Plant Engineering Division of Mitsubishi Corporation

2022: Executive Vice President, Group CEO, Industrial Infrastructure Group, Division COO, Plant Engineering Div. of Mitsubishi Corporation, Director of the Company
2023: Executive Vice President, Group CEO, Industrial Infrastructure Group of Mitsubishi Corporation
2024: President & CEO, CSO of the Company (current position)



Shoko Kuroki
Outside Director*2

1987: Joined Mitsubishi Trust and Banking Corporation (currently Mitsubishi UFJ Trust and Banking Corporation)
2017: Director, Corporate Officer, General Manager of General Affairs and Accounting Headquarters (CFO / CHRO*3) of JASTEC Co., Ltd.
2019: Assistant to CAO*4, FUJI OIL Holdings Inc. (currently FUJI OIL CO., LTD.) Outside Director, IX Knowledge Inc.

2021: Outside Director, C'BON COSMETICS Co., Ltd. (current position)
2022: Professor, Faculty of Economics, Teikyo University (current position)
2023: Outside Director, Osaki Electric Co., Ltd. (current position)
2024: Outside Director, Park24 Co., Ltd. (current position)
Outside Director of the Company (current position)



Hiroyuki Shimizu
Director, Senior Executive
Vice President & CWO

1984: Joined the Company
2016: Vice President, Deputy Division Director of Gas & LNG Project Operations No.1 of the Company
2019: Senior Vice President, Energy Business Operations and Division Director of Energy Project Operations Division of the Company

2021: Executive Vice President, Energy Business Operations, Division Director of Energy Project Operations Division of the Company
2024: Senior Executive Vice President, Operations Director of Energy Project Operations Division & CWO of the Company (current position)



Shuhei Watanabe
Director
Full-Time Audit &
Supervisory Committee
Member

1991: Joined Mitsubishi Corporation (Energy Administration Department)
2013: Department Manager, MC Group Business Infrastructure Support Office and Team Leader, Planning & HR Team of Corporate Division, Mitsubishi Corporation
2014: General Manager, Business Administration Department, Metal One Corporation
2016: General Manager, Corporate Accounting Department, Metal One Corporation

2018: Chief Financial Officer, Latin America and Caribbean Region, Mitsubishi Corporation and Chief Financial Officer, Mitsubishi Corporation do Brasil S.A.
2021: Board Director, Senior Managing Executive Officer, Mitsubishi Corporation Life Sciences Limited
2023: Director of the Company (Full-Time Audit & Supervisory Member) (current position)



Atsushi Deguchi
Representative Director,
Executive Vice President,
CFO & CCO

1991: Joined The Bank of Tokyo Ltd. (now MUFG Bank, Ltd.)
2016: President of Bank of Tokyo-Mitsubishi UFJ Turkey A.S. (now MUFG Bank Turkey A.S.)
2018: President, MUFG Bank Turkey A.S.
2019: Managing Director, Head of Corporate Banking Division 1, Corporate Banking Group 1, MUFG Bank, Ltd.
2020: Executive Officer, Managing Director of Corporate Planning Department (Special Assignment), MUFG Bank, Ltd.
2021: Executive Officer, Regional Executive, MUFG Bank of India and Sri Lanka

2023: Representative Director, Executive Vice President, CFO, CCO, and Division Director of the Finance & Accounting Division of the Company (current position)



Yumiko Matsuo
Outside Director
Audit & Supervisory
Committee Member*2

1990: Registered as a lawyer (Daini Tokyo Bar Association), joined Anderson Mori & Rabinowitz (currently Anderson Mori & Tomotsune)
1995: Admitted to practice of law in the State of New York, United States of America
1997: Joined Hirakawa, Sato & Kobayashi (currently City-Yuwa Partners)
2010: Registered as a lawyer (Kanagawa Bar Association), joined Minato International Law Office
2016: Outside Director (Audit & Supervisory Committee Member), SDS Biotech K.K. (current position)
2018: Outside Director, Triumfield Holdings Co., Ltd. (current position)

2020: Outside Director (Audit & Supervisory Committee Member), Kawasumi Laboratories, Inc. (currently SB-Kawasumi Laboratories, Inc.)
2020: Outside Director (Audit & Supervisory Committee Member), Transaction Co., Ltd. (current position)
2022: Outside Director (Audit & Supervisory Committee Member), Sigmakoki Co., Ltd. (current position)
2024: Outside Director (Audit & Supervisory Committee Member) of the Company (current position)
2025: Joint Representative Attorney at Law, Minatomirai Law Office (current position)



Naoki Kobayashi
Representative Director,
Executive Vice President

1998: Joined Mitsubishi Corporation (Heavy Machinery Department)
2012: Executive Vice President, General Manager of Rio de Janeiro Branch, Mitsubishi Corporation (Brazil)
2016: General Manager, Plant Projects Department, Mitsubishi Corporation
2018: General Manager, Infrastructure & Industrial Projects Department, Mitsubishi Corporation
2019: General Manager, Chiyoda Turnaround and Growth Management Office, Plant Engineering Division, Mitsubishi Corporation
2020: Assistant to Division Director, Strategy & Risk Integration Division of the Company

2021: Vice President, Strategy & Risk Integration Division and Assistant to Division Director, Technology & Engineering Division of the Company
2023: Senior Vice President, Division Director of Strategy & Risk Integration Division of the Company
2024: Representative Director, Executive Vice President Division Director of Strategy & Risk Integration Division of the Company (current position)



Takashi Mukuno
Outside Director
Audit & Supervisory
Committee Member*2

1981: Joined Asahi Chemical Industry Co., Ltd. (currently Asahi Kasei Corp.)
2001: President & Director, Asahi Photoproducts Europe
2006: General Manager, New Business Development Office, Asahi Kasei Corp.
2008: President & Director, Asahi Kasei America, Inc.
2015: General Manager, Secretarial Office, Asahi Kasei Corp.
2017: Executive Officer, General Representative for China, Asahi Kasei Corporation
2019: Lead Executive Officer, General Representative for China, Asahi Kasei Corp.

2021: Senior Executive Officer, General Representative for China, Asahi Kasei Corp.
2022: Advisor of Asahi Kasei Corp.
2023: Outside Director (Audit & Supervisory Committee Member), SWCC Corporation (current position)
2025: Outside Director (Audit & Supervisory Committee Member) of the Company (current position)



Satoshi Sato
Director

1991: Joined Mitsubishi Corporation (Heavy Machinery Department)
2002: Rio de Janeiro Branch, Mitsubishi Corporation do Brasil S.A.
2019: General Manager, Construction Equipment & Rental Business Department, Industrial Machinery Division, Mitsubishi Corporation
2021: Division COO, Industrial Machinery Division, Mitsubishi Corporation

2022: Senior Vice President, Division COO, Industrial Machinery Division, Mitsubishi Corporation
2025: Executive Vice President, Group CEO, Urban Development & Infrastructure Group, Mitsubishi Corporation (current position)
Director of the Company (current position)



Ryo Matsukawa
Outside Director*2

1979: Joined Tokyo Shibaura Electric Co., Ltd. (currently Toshiba Corporation)
2007: General Manager, Technology Management Div., Toshiba Corporation Power Systems Company
2011: General Manager, Fuchu Complex, Toshiba Corporation
2013: Executive Quality Leader, Toshiba Corporation Power Systems Company

2014: Representative Director, President and Chief Executive Officer, Toshiba Plant Systems & Services Corporation
2021: Outside Director of the Company (current position)

Executive Officers

President	Executive Vice Presidents	Senior Vice Presidents	Vice Presidents
Koji Ota (CEO & CSO)	Atsushi Deguchi (CFO & CCO)	Masaki Kumagai (CHRO*3 & CDO*5)	Masami Tamura Nobutaka Nagahashi
	Naoki Kobayashi	Toshiaki Saito	Katsuhiko Jogan Toshiyuki Ito
	Tetsuya Konno		Yuzo Masuda Tomoaki Matsunaga
Senior Executive Vice President			Kimiho Sakurai Masashi Yamahata
Hiroyuki Shimizu (CWO)			Masato Matsubara Satoshi Hara

*1 Chief Information Officer *2 Outside Director as stipulated in Article 2, Item 15 of the Companies Act (five Outside Directors are Independent Directors)
*3 Chief Human Resources Officer *4 Chief Administrative Officer *5 Chief Digital Officer

Risk Management

Basic Principles

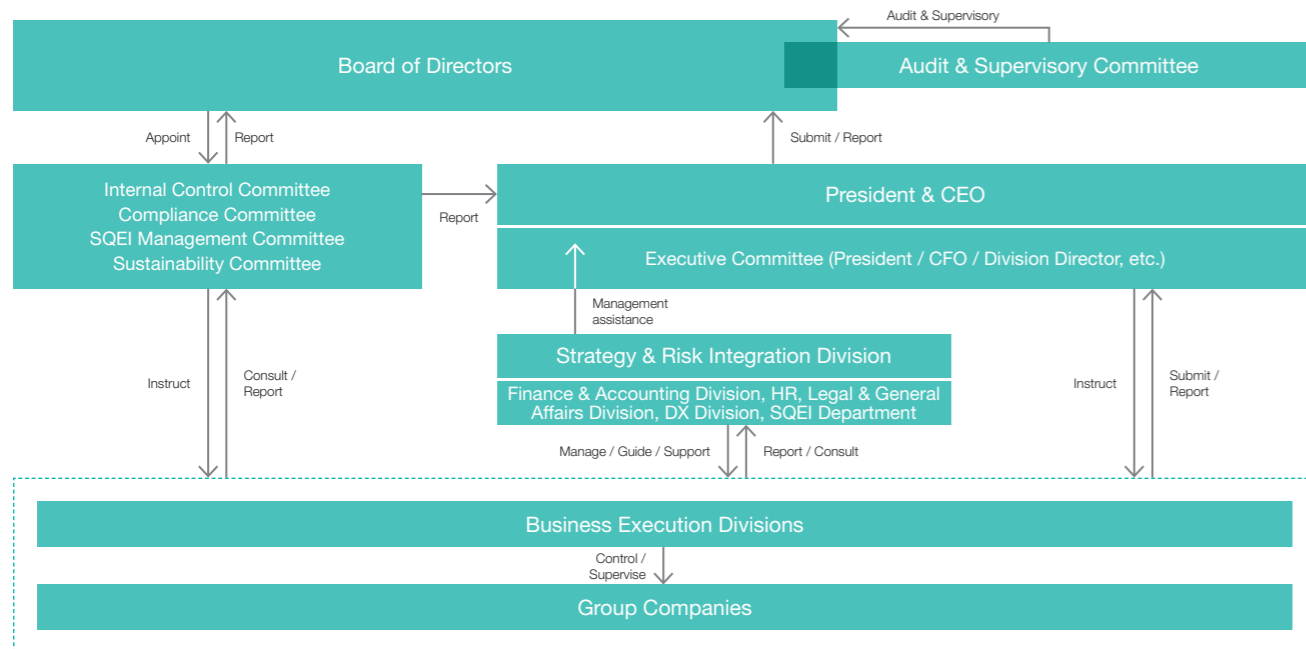
The Chiyoda Group continues to enhance the sophistication of its risk management and project execution systems to minimize future uncertainties and losses (risks) and maximize opportunities (returns). We recognize that risk management is a continuous process that the entire organization must address, and are building, executing, and improving appropriate risk management frameworks with the aim of continuously improving our corporate value.

Risk Management System

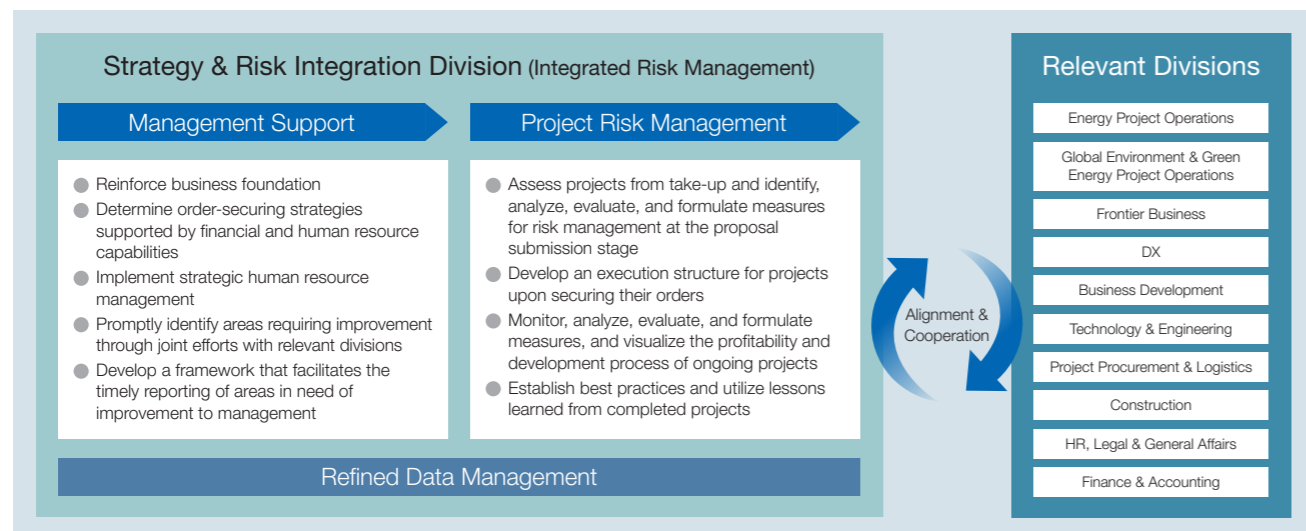
The Chiyoda Group continuously enhances the reporting, informing, and consulting processes (known as the 'Ho-Ren-So' principle in Japanese business culture) as part of company regulations and harnesses employee feedback from regular risk management workshops organized to raise risk awareness and instill a risk-conscious culture throughout the Group.

The Strategy & Risk Integration Division serves support and check functions covering companywide management and regarding each division within the company, and promotes risk management on a companywide basis. It also assumes the role of a 'control tower' in project management, centrally managing project risk identification and mitigation and providing management support throughout every stage of a project from estimations and prior negotiations to execution, completion, and delivery.

Risk Management System



Project Risk Management Structure



Safety Management

Basic Principles

The Chiyoda Group is aware that contributing to the development of a sustainable society is the starting point of our business activities, and is working to promote SQE (safety, quality, and environment) management under our Corporate SQE Policy so that everyone employed by the Group demonstrates leadership and works together with stakeholders to meet the requirements of our customers and society.

C-Safe Program

All executives and employees in the Chiyoda Group continuously receive education and training that incorporates C-Safe, our proprietary safety program. True to the phrase, 'I see myself working safely, I see you working safely, we see each other working safely,' C-Safe aims to foster an interdependent safety culture, in which employees look after not only their own safety but also that of their colleagues. The motto is that everyone returns home safely to their families.

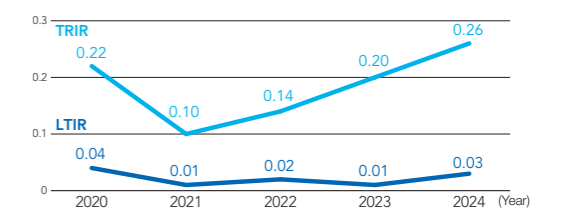
Specific C-Safe activities include the newly adopted Good Catch Initiative. This initiative encourages employees to identify unsafe conditions and actions that could lead to incidents or near-misses before they occur and report them to each other, thereby creating safer working environments. After starting at Chiyoda X-ONE Engineering Corporation in fiscal 2024, the initiative has significantly contributed to reducing the number of construction site incidents and is now being expanded across the entire Chiyoda Group, aiming to foster an even more robust, unified safety culture.



Safety Performance

As stated in the Chiyoda Group's SQE policy, we believe that 'safety is the first priority' and 'every incident is preventable,' and we relentlessly pursue zero accidents and incidents in the workplace, while instilling a 'learner mindset' on all our construction sites. The graph on the right illustrates the Chiyoda Group's safety performance over the five calendar years up to 2024 and we continue to monitor LTIR*1 and TRIR*2 on domestic and overseas construction sites as key safety indicators.

TRIR / LTIR at Overseas and Domestic Sites



*1 Lost time incident rate, number of victims (work absence, including fatal cases) / total number of hours worked x 200,000
 *2 Total recordable incident rate, number of victims (includes death, work absence, work restriction, medical treatment) / total number of hours worked x 200,000

Compliance

Compliance is a cornerstone of the Group's management, and we recognize that the trust and empathy of society and our stakeholders are fundamental to our corporate activities. In addition to establishing internal regulations and educating employees to prevent compliance violations such as illegal or unauthorized activities and human rights infringements including harassment, we have established a framework to quickly detect violations, address and rectify issues promptly, and reliably prevent recurrence. The entire Group is committed to ensuring compliance.

Group Compliance System

The Board of Directors has appointed a Chief Compliance Officer (CCO), who oversees all compliance matters across the Group, and Compliance Officers (COs) for each headquarters execute various compliance measures within their organizations under the direction and supervision of the CCO. In addition, the president of each group company serves as the Group Company Compliance Officer (GCO) of the company and, under the supervision of the Compliance Officer (CO) of the headquarters overseeing the company, implements various measures and policies related to compliance within the company. Chiyoda also holds annual meetings of the Compliance Committee, chaired by the CCO with the COs as members, and Group Companies Compliance Liaison Meetings, chaired by the CCO with Group Company Compliance Officers as members, to facilitate coordination, communication, and discussion of compliance measures.

Efforts to Prevent Compliance Violations

The Chiyoda Group regularly assesses compliance risks and identifies priority items through a risk-based approach. As shown below, we also conduct compliance training in wide-ranging fields and implement dedicated initiatives covering high-risk areas. In addition, we monitor the appropriate implementation of these initiatives and review initiatives every year.

Main Initiatives		Details of Initiatives
Improving Awareness and Knowledge of Executives and Employees about Compliance		<ul style="list-style-type: none"> Establishing and disseminating the Chiyoda Group Code of Conduct to provide clear standards for the judgments and conduct of Group executives and employees. E-learning on compliance for all executives and employees (every year) Publishing of email magazine about compliance (monthly)
High-Risk Items	Prevention of Bribery of Foreign Officials	<ul style="list-style-type: none"> Establishment and dissemination of the Chiyoda Group Basic Policy on Prevention of Bribery and internal regulations for each company Introduction of prior application procedures for high-risk activities (providing benefits to public officials, designation of third parties as a point of contact with public officials) Holding bribery prevention seminars (every year)
	Prevention of Cartels	<ul style="list-style-type: none"> Establishment and dissemination of internal regulations at each company Ensuring thorough application procedures for high-risk activities (participation in competitive bidding projects)
	Harassment Prevention	<ul style="list-style-type: none"> Establishment and dissemination of Human Rights Policy (with 'Elimination of Discrimination and Harassment' identified as a priority human rights issue) Establishment and dissemination of internal regulations at each company Holding harassment prevention seminars (every year)
	Economic Sanctions and Export Controls for Economic Security	<ul style="list-style-type: none"> Introduction of prior confirmation procedures required before conducting transactions
	Prevention of Human Rights Violations	⇒ P.67 Human Rights Initiatives

Compliance Consultation and Reporting System

We have introduced a Group-wide Compliance Consultation and Reporting system so that issues such as illegal or unauthorized activities and human rights violations including harassment can be detected early, corrected, and prevented from reoccurring. In addition to establishing internal contact points and external contact points such as an attorney's office, we provide the contact information on the company intranet and on the Internal Whistleblowing Cards distributed to all Group executives and employees, to promote awareness and utilization of the Compliance Consultation and Reporting System.

Compliance Consultation and Reporting cases for the Chiyoda Group

Type	FY2022	FY2023	FY2024
Legal Violations	0	4	2
Violations of Internal Rules	14	10	12
Power Harassment	24	29	25
Sexual Harassment and Pregnancy Discrimination	1	1	2
Workplace Environment Issues	7	20	2
Other Consultations	30	17	17
Total	76	81	60

Please refer to the following page of our website for details on the Chiyoda Group's compliance initiatives.
<https://www.chiyodacorp.com/en/csr/governance/initiatives.html>

Human Rights Initiatives

We have established the Chiyoda Group's Code of Conduct/Conduct Guidelines, prescribing the importance of respecting human rights, prevention of human rights violations, and respecting international human rights standards. Human rights issues cover a wide range and targets should therefore cover all business enterprise activities, including supply chains. Respect for human rights is managed by responsible divisions/departments/sections in cooperation with other divisions/departments/sections and domestic and overseas Chiyoda Group companies.

Operational Framework for Human Rights

The Chiyoda Group pursues human rights distinction through an Operational Framework for Sustainability. Since fiscal year 2024, a Human Rights Working Group has been established under the Sustainability Committee to advance effective human rights initiatives through cross-organizational dialogue and discussion. These initiatives reflect the Group's business risks, characteristics, and operational practices, based on each division's identification and understanding of the relationship between business activities and human rights.

Policy-Based Commitment

The Chiyoda Group has established a Human Rights Policy that clearly addresses the Group's compliance with international laws and norms regarding human rights, our continuous implementation of human rights due diligence, the seven priority human rights issues recognized by the Group (elimination of discrimination and harassment, prohibition of forced labor and child labor, respect for diversity and work-life balance, occupational health and safety, working hours and wages, respect for basic labor rights, harmony with society) and the Group's expectations of stakeholders.

Human Rights Due Diligence

The Chiyoda Group carries out human rights due diligence in accordance with the processes detailed in the United Nations Guiding Principles on Business and Human Rights, while holding dialogue with stakeholders and cooperating with external consultants.

Human Rights Risk Assessment

With respect to the seven priority human rights issues and in collaboration with external experts, the Chiyoda Group conducted risk mapping for the countries and business sectors in which it operates and identified businesses and projects requiring human rights due diligence implementation on a priority basis.

Implementation of Prevention and Remedial Action

The Chiyoda Group provides human rights training for executives and employees, including seminars and e-learning. Recognizing the high risk of human rights violations in supply chains, the Group implements risk-based management in its global procurement activities. Specifically, the Chiyoda Group investigates and evaluates supplier endeavors and initiatives to respect human rights through questionnaires prior to engaging in business with them. In addition to communicating identified concerns to suppliers and encouraging them to implement additional mitigating or prevention measures to address shortcomings, the Chiyoda Group's contractual terms and conditions guarantee respect for human rights, including by second and subsequent tier suppliers. During project execution, the Group implements measures including the provision of on-site bulletin boards and materials in multiple languages, regular surveys of workers, training and workshops for subcontractors, and discussions with stakeholders to address human rights issues such as prohibiting forced and/or child labor, ensuring occupational health and safety, preventing unpaid remuneration, respecting diversity, and improving living environments.

Evaluation of Effectiveness

The Chiyoda Group carries out audits of major overseas projects, conducts an annual survey of the corporate culture for compliance, and monitors respect for human rights to evaluate the effectiveness of its human rights due diligence for review and improvement.

Relief

The Chiyoda Group has established a Compliance Consultation and Reporting System to address human rights issues appropriately. At sites for major overseas projects, hotlines are established to allow on-site workers, including second and subsequent tier supplier employees, to report human rights concerns.

Please refer to the following pages of our website for details on the Chiyoda Group's human rights initiatives.
<https://www.chiyodacorp.com/en/csr/society/human-rights.html>

/ Data Section

This section provides a summary of quantitative data on aspects such as ESG initiatives and financial performance. This offers an objective view of progress on Chiyoda's transformation and the soundness of our business.

- 70 Key ESG Data
- 72 Eleven-Year Summary
- 74 Corporate Information



Key ESG Data

Environmental Initiatives

We strive to remain a company that is indispensable to society by fully leveraging highly-refined technologies and aiming to achieve harmony with the Earth and economic and social activity.

KPI	Unit	2021/3	2022/3	2023/3	2024/3	2025/3
CO₂ Emissions*¹						
Scope 1	t-CO ₂	52,942	60,395	86,336	89,218	80,696
Scope 2	t-CO ₂	16,870	8,843	7,293	5,779	2,751 ²
Scope 1 + 2	t-CO ₂	69,812	69,238	93,629	94,997	83,447
Emissions per unit	t-CO ₂ /net sales	22.1	22.3	21.8	18.8	18.3
Scope 3 ³	t-CO ₂	-	-	-	-	361,904
Environmental Data for Domestic Construction Sites						
Industrial waste disposal quantity (excluding sludge)	Tons	13,549	16,577	9,905	3,108	5,676
Final landfill disposal quantity (excluding sludge and incinerated ash)	Tons	1,432	828	787	472	333
Industrial waste recycling rate (excluding sludge)	%	89.7	95.0	92.1	84.8	94.1
Electronic manifest penetration rate	%	90.2	99.0	99.5	76.3	90.1
Adoption of environmental proposals	Cases	237	132	138	116	132
Environmental Data for Overseas Construction Sites						
Industrial waste disposal quantity	Tons	4,097	3,841	12,207	23,184	23,563
Final landfill disposal quantity (excluding recyclable resources and incinerated ash)	Tons	3,075	1,976	4,873	5,480	7,496
Industrial waste recycling rate	%	3.5	5.6	49.5	75.5	69
Adoption of environmental proposals	Cases	150	98	59	52	56
Environmental Data for Chiyoda Group Company Offices						
Power consumption	1,000 kWh	8,294	8,426	8,415	9,043	8,985
Energy consumption	kl t-CO ₂	2,678	2,754	2,807	2,953	2,965
Chilled water consumption	1,000m ³	9.8	11.3	17.0	12.9	12.7
Steam consumption	GJ	4,849	5,428	5,434	4,480	4,615
Cold water consumption	MG	10,865	10,938	11,880	12,648	13,649
Waste disposal volume	Tons	214	147	208	285	138
Waste recycling rate	%	92.9	89.7	88.2	94.7	88.2
Printing paper consumed	Tons	43	25	23	19	11

*1 Starting in the fiscal year ended March 2025, CO₂ emissions are calculated according to the financial control approach of the Greenhouse Gas Protocol.

*2 By market standards.

*3 Refer to the following page of our website for details on each Scope 3 category.
<https://www.chiyodacorp.com/en/csr/esg/factsheet-data.html>

Governance Initiatives

We always conduct business in a fair, sustainable manner based on high ethical standards, and strive to enhance transparency and stability.

KPI	Unit	2021/3	2022/3	2023/3	2024/3	2025/3
Compliance-Related Actions						
Number of employees receiving compliance training (new recruits, mid-career hires, and executives and associate executives)	Persons	114	83	123	106	106
Number of employees receiving compliance training (overseas assignment, site managers at field offices, export control, and bribery prevention)	Persons	422	1,254	1,788	3,303	4,155
Number of companywide employees attending seminars held by external instructors*	Persons	2,021	1,235	1,921	-	-
Number of employees receiving compliance training via e-learning	Persons	5,189	5,179	5,289	5,064	4,648
Number of reports submitted under the Compliance Consultation and Whistleblowing System	Cases	93	108	64	81	60
Initiatives for Business Continuity						
Business continuity plan (BCP) training	Times	1	0	2	2	1
Actions for Information Security						
Number of serious information security-related incidents	Cases	0	0	0	0	0
Governance-related Data						
Number of Outside Directors	Persons	4	4	4	4	5

* Starting in the fiscal year ended 2023, the number of companywide employees attending seminars held by external instructors is included in the number of employees attending compliance training.

Social Initiatives

We strive to contribute to local communities through human resource development and environmental protection in our businesses. We also respect the diversity and individuality of our employees, and aim to create a corporate culture that is comfortable and rewarding to work in and which employees and their families are proud to be part of.

KPI	Unit	2021/3	2022/3	2023/3	2024/3	2025/3
Employee Status						
Average years of service	Years	14.2	14.2	12.2	13.3	14.5
Average age of employees	Years	41.2	41.4	41.8	42.2	42.5
Turnover rate excluding retirement	%	2.9	3.6	3.3	5.3	4.6
Employee Diversity						
Ratio of female employees among new recruits	%	31	21	24	20	35
Number of female employees among new recruits	Persons	11	7	10	11	16
Ratio of mid-career employment	%	36.7	59.1	66.1	52.2	54.5
Ratio of women among all employees	%	16	17	17	16	17
Average years of service of female employees	Years	9.4	9.6	9.6	10.1	10.4
Number of women in management positions	Persons	28	54	90	17	21
Ratio of women in management positions	%	3.7	6.3	8.3	3.5	4.1
Ratio of employment of persons with disabilities	%	1.7	1.6	1.6	2.1	2.4
Number of non-Japanese employees	Persons	77	71	78	76	57
Employee Support						
Number of employees taking childcare leave	Persons	43	50	68	56	57
Number of employees taking sick / injured childcare leave	Persons	18	4	6	8	9
Number of employees taking nursing care leave	Persons	10	5	4	6	10
Number of employees taking temporary retirement for nursing care	Persons	0	0	0	2	1
Number of employees working reduced hours for childcare	Persons	24	31	39	46	29
Number of employees dispatched for on-site training / on-site instruction	Persons	24	25	30	50	26
Volunteer Activities						
Number of employees participating in reconstruction assistance	Persons	-	-	-	14	16
Number of employees participating in cleanup activities (around Chiyoda Global Headquarters and Koyasu Office)	Persons	25	8	12	122	86
Number of vaccines donated through the collection of plastic bottle caps under ECOCAP Program	Vaccines	207	184	210	228	221
Number of school lunches donated through TABLE FOR TWO	Lunches	1,386	1,288	1,285	1,370	1,503

Note 1: Employees of the company who are seconded to other companies were previously not included in the total number of employees; however, starting in the fiscal year ended March 2024, employees of the company who are seconded to other companies are included in the total, and employees of other companies seconded to the company are not included.

Note 2: Starting in fiscal 2023, targets for management position totals have been changed from Group Leader / Section Manager level and above as stated in the Action Plan to Promote Women's Advancement to supervisory positions in line with Japan's Labor Standards Act (C1 positions and above).

Note 3: Starting in fiscal 2024, the method for counting non-Japanese employees has been changed from including those who are seconded from other companies to counting only those directly employed by the company.

Eleven-Year Summary

Chiyoda Corporation and Consolidated Subsidiaries

Millions of yen (excluding key ratios)

	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3
Business Results											
Revenue	480,979	611,548	603,745	510,873	341,952	385,925	315,393	311,115	430,163	505,981	456,969
Gross Profit (Loss)	45,651	41,520	38,223	8,618	(181,148)	42,823	20,061	22,794	32,709	(157)	42,319
SG&A Expenses	24,185	25,505	22,543	20,948	18,647	16,033	13,046	12,249	14,592	14,849	17,897
Operating Income (Loss)	21,466	16,015	15,680	(12,330)	(199,795)	26,789	7,015	10,545	18,116	(15,006)	24,421
Ordinary Income (Loss)	22,271	16,205	(3,080)	(10,100)	(192,998)	18,644	8,462	11,431	20,322	(5,461)	32,196
Net Income (Loss) Attributable to Owners of the Parent	11,029	3,375	(41,116)	6,445	(214,948)	12,177	7,993	(12,629)	15,187	(15,831)	26,987
Total Orders Received	746,791	403,595	351,780	301,214	771,559	179,836	898,834	415,940	154,975	237,545	211,260
Balance of Orders Received	1,416,901	1,164,991	876,819	653,516	1,016,356	811,847	1,126,072	1,331,014	1,148,890	993,878	739,857
Financial Position at Year-End											
Current Assets	444,578	455,030	425,244	374,470	326,929	360,387	305,891	372,682	382,958	404,359	437,274
Current Liabilities	294,339	311,106	301,182	247,847	392,505	319,878	244,657	350,675	356,256	412,156	409,531
Total Assets	515,839	528,219	461,331	420,337	352,341	385,051	329,583	395,396	406,588	426,967	461,034
Interest-Bearing Debt	11,010	10,348	10,211	10,000	15,989	35,871	45,747	45,621	29,090	23,600	23,600
Net Assets	208,405	202,128	157,125	159,418	(59,154)	24,943	36,747	15,761	22,310	6,077	25,456
Shareholders' Equity	206,395	200,166	155,339	157,557	(60,114)	24,423	36,399	15,654	22,180	4,858	23,705
Cash Flows											
Cash Flows from Operating Activities	(24,145)	55,526	(4,375)	(34,115)	(37,941)	(32,217)	(20,806)	(25,591)	44,157	62,747	51,175
Cash Flows from Investing Activities	(5,444)	(26,750)	10,433	(1,428)	778	(7,828)	(2,250)	(3,787)	7,889	(1,567)	(4,181)
Cash Flows from Financing Activities	(4,569)	(3,942)	(2,693)	(1,468)	4,020	89,200	9,478	(4,197)	(17,057)	(5,851)	(298)
Cash and Cash Equivalents, at End of Year	113,246	136,919	138,889	101,767	68,306	115,932	98,738	69,099	106,682	166,208	221,238
Key Ratios											
Gross Profit (Loss) Margin (%)	9.5	6.8	6.3	1.7	(53.0)	11.1	6.4	7.3	7.6	(0.0)	9.3
Return on Assets (ROA) (%)	4.5	3.1	(0.6)	(2.3)	(50.0)	5.1	2.4	3.2	5.1	(1.3)	7.3
Return on Equity (ROE) (%)	5.5	1.7	(23.1)	4.1	(441.2)	(68.2)	26.3	(48.5)	80.3	(117.1)	189.0
Shareholders' Equity Ratio (%)	40.0	37.9	33.7	37.5	(17.1)	6.3	11.0	4.0	5.5	1.1	5.1
Current Ratio (%)	151.0	146.3	141.2	153.0	83.3	112.7	125.0	106.3	107.5	98.1	106.8
Debt Equity Ratio (DER) (Times)	0.05	0.05	0.07	0.06	(0.27)	1.47	1.26	2.91	1.31	4.86	1.00
Earnings Per Share (EPS) (Yen)	42.58	13.03	(158.76)	24.89	(830.02)	40.94	22.76	(56.88)	50.54	(69.22)	96.05
Book-Value Per Share (BPS) (Yen)	796.89	772.89	599.83	608.41	(232.13)	(182.07)	(143.94)	(218.11)	(201.02)	(275.91)	(211.23)
Dividend Per Common Share (Yen)	13	10	6	7.5	-	-	-	-	-	-	-
Common Dividend Payout Ratio (%)	30.5	76.7	38.7	30.1	-	-	-	-	-	-	-
Dividend Per Type A Preferred Share* (Yen)	-	-	-	-	-	-	20.78	-	-	-	-
Price Earnings Ratio (PER) (%)	24.1	63.3	(4.5)	40.3	(0.3)	5.2	21.0	(8.3)	7.7	(5.8)	3.5

* Type A Preferred Shares were issued in July 2019.

Corporate Information

(As of March 31, 2025)

Company Profile

Company Name	Chiyoda Corporation
Established	January 20, 1948
Paid-In Capital	¥15,014 million
Number of Employees	3,419 (consolidated and equity-method affiliates)
Business Activities	Integrated engineering business
Main Offices	Chiyoda Global Headquarters Koyasu Office & Research Park
Project Experience	In approximately 60 countries and regions

Major Shareholders

1. Common Stock (10 Largest Shareholders)

Shareholder	Number of Shares Owned (Thousands of Shares)	Ratio of Shares Owned (%)
Mitsubishi Corporation	86,931	33.45
MUFG Bank, Ltd.	9,033	3.48
Chiyoda Employee Shareholding Association	5,137	1.98
The Mitsubishi UFJ Trust & Banking Corp.	3,874	1.49
STATE STREET BANK AND TRUST COMPANY 505001	2,923	1.13
JP MORGAN CHASE BANK 385781	2,139	0.82
Chiyoda Kyoeikai	2,121	0.82
The Tokyo Tanshi Co., Ltd.	2,100	0.81
Meiji Yasuda Life Insurance Company	2,039	0.78
Nomura Securities Co.,Ltd.	1,714	0.66

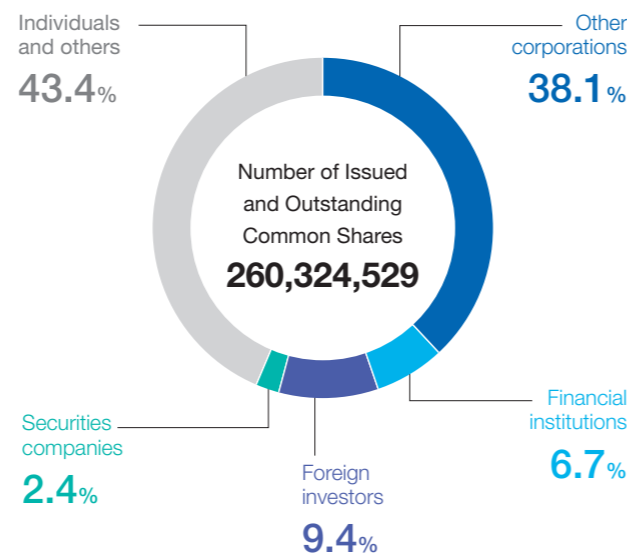
2. Type A Preferred Shares

Shareholder	Number of Shares Owned (Thousands of Shares)	Ratio of Shares Owned (%)
Mitsubishi Corporation	175,000	100

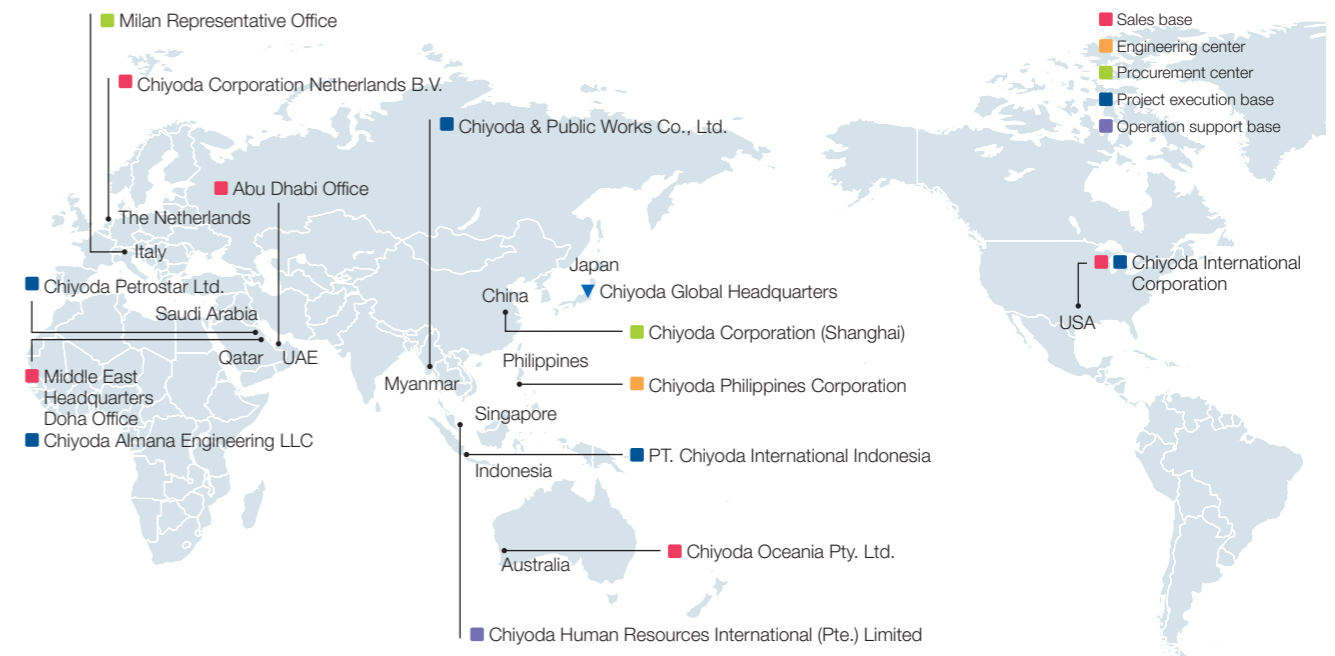
Stock Information

Fiscal Year	April 1 to March 31 of the following year	
Ordinary General Meeting of Shareholders	June	
Number of Authorized Shares	Common Stock	1,500,000,000
	Type A Preferred Shares	175,000,000
Number of Issued and Outstanding Shares	Common Stock	260,324,529 (1 unit = 100 shares)
	Type A Preferred Shares	175,000,000 (1 unit = 1 share)
Number of Shareholders	Common Stock	41,675
	Type A Preferred Shares	1
Listing of Shares	Tokyo Stock Exchange, Standard Market	
Stock Transaction Unit	100 shares	

Breakdown of Shareholders



Chiyoda's Global Network (Major Overseas Subsidiaries and Offices)



Major Subsidiaries and Affiliated Companies

Engineering

Chiyoda X-ONE Engineering Corporation

Services: Comprehensive engineering business (planning, engineering design, procurement, construction, commissioning, maintenance) and insurance business (non-life insurance and life insurance agency business) related to industrial equipment, etc.

<https://cxo.chiyodacorp.com/english/>

Digital

TIS Chiyoda Systems Inc.

Services: Consulting, development, and operation for integrated IT systems

<https://www.tc-systems.co.jp/english/>

Business Support

Chiyoda U-Tech Co., Ltd.

Services: Technical consulting in energy and environmental fields, engineer staffing, and outsourcing services

<https://www.utc-yokohama.com/english/>

Arrow Business Consulting Corporation

Services: Consulting for finance and accounting

Inquiries

Chiyoda Corporation
IR, PR & Sustainability Advanced Section, Corporate Services Department
Minatomirai Grand Central Tower 4-6-2, Minatomirai, Nishi-ku, Yokohama 220-8765, Japan

Inquiries
<https://www.chiyodacorp.com/en/contact/index.php>



Chiyoda Corporation joined the UN Global Compact in 2012, declaring its commitment to 10 universal principles in the following four areas: human rights, labor, the environment, and anti-corruption. Guided also by the spirit of CSR Value, we are promoting initiatives in each of these four areas.



Chiyoda Global Headquarters

Minatomirai Grand Central Tower,
4-6-2, Minatomirai, Nishi-ku,
Yokohama, Kanagawa, Japan
<https://www.chiyodacorp.com/en/>

