

**The Power to
Build Tomorrow.**

Integrated report 2023

**Full-Value
Model**



**MIRAIT
ONE**

MIRAIT ONE Corporation

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Editorial Policy

This paper reports on the short-term, mid-term, and long-term value creation efforts and results of the MIRAIT ONE Group, which is committed to business reform and social contribution. The report focuses on the MIRAIT ONE Group Vision 2030 starting from FY 2022 and the 5th Medium-term Management Plan, with an emphasis on sustainability efforts and materiality, with concise and comprehensive reporting on the five sections: "Values & Vision," "Value Creation Strategy," "Sustainability Management," "Corporate Governance," and "Data."

Scope of Organization in this Report

This report basically covers the entire MIRAIT ONE Group. Please note that numerical data and some of the information presented in this report are based on the information available up to this point, as specified within the text or supplementary notices.

Reporting Period

FY 2022 (April 1, 2022 to March 31, 2023)

Note: This report contains some data outside the above period so far as it complies with the editorial policy.

Guidelines Referenced

"International Integrated Reporting Framework" issued by IFRS (International Financial Reporting Standards Foundation)
"Sustainability Reporting Standard" issued by GRI (Global Reporting Initiative)
"Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation 2.0" issued by METI (Ministry of Economy, Trade and Industry)



Date of Publication

November 2023

Precautions on Future Prospect, etc.

Descriptions in this report about the business performance and financial status of the MIRAIT ONE Group, the prospect and objectives of overall business activities, future plans and other details are based on the plan and prospect made from the information available for us at the time of editing. The actual performance may differ significantly from those described in this report due to changes in circumstances. Therefore, please understand that the accuracy of the prospects and other information in this report is not guaranteed for the future.

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Related Information on Our Website

- Corporate Information
<https://www.mirait-one.com/english/corporate/>
- Services and Solutions
<https://www.mirait-one.com/solution/> (Japanese version only)
- IR Information
<https://ir.mirait-one.com/en/>
- ESG Information
<https://www.mirait-one.com/english/esg/>

(note: previous reports are also available)



As humans, we have nearly achieved the future
of dreams in books, movies and manga.
Not because we dreamed it, but because we kept looking
and discovered ways to give it shape.
Our engineering technology, cultivated through infrastructure,
has the power to implement a bright future.
It's time to use this power to benefit society and build an ideal tomorrow.
We will contribute to the transformation of society more dynamically than ever,
implementing our technologies in multiple fields
from communications and disaster prevention
to education and urban development.

The Power to Build Tomorrow. 

We envision a thriving future because
we are able to bring implementation into every aspect of life and business.

Purpose/Mission/Vision

Purpose

Co-creating an exciting future through challenges and technology.

Mission

Meeting customer expectations and contributing to realize a prosperous society

Constantly refining our technology and business model to add more value

Building and maintaining future social infrastructure with our partners

Creating an attractive corporate culture with a diverse and dynamic workforce

Continuing to be a trusted company through improved sustainability and strict compliance

MIRAIT ONE Group Vision 2030

New growth strategy: Five business transformations (Five changes)

Change 1 People-centric management

Change 2 Acceleration of business growth

Change 3 Top-class profitability

Change 4 Management based on data insights

Change 5 Strong foundation for ESG management

President's Message



President and CEO

NAKAYAMA Toshiki

Accelerating business reform with business growth centered on human resource development

People-centric Management

“Human Resources,” our most important management resource

The MIRAIT ONE Group is driving business growth and transformation through human resource development that emphasizes “People-centric management,” Change 1 of its growth strategy known as the “Five Changes.” Since its establishment in 1946, the Group has grown in the “telecommunications construction market,” where revenues can only be generated by the intelligence and skill of each individual worker on the site. We are currently in the process of restructuring our business in response to the ongoing market contraction, but “human resources” continue to be the most important management resource in our envisioned future of going “Beyond a Telecommunications Construction Company” and the “Full-Value Model” we are pursuing. We will continue our efforts to drive sustainable growth and increase corporate value, with “People-centric management” as a fundamental cornerstone.

In this message, I have shared my candid views on “investment in human capital” and “growth strategies,” which are at the core of Group’s “People-centric management,” incorporating insights I have gained through my daily dialogue with our shareholders, investors, and other stakeholders. The aim is to deepen our future engagement with all parties concerned.

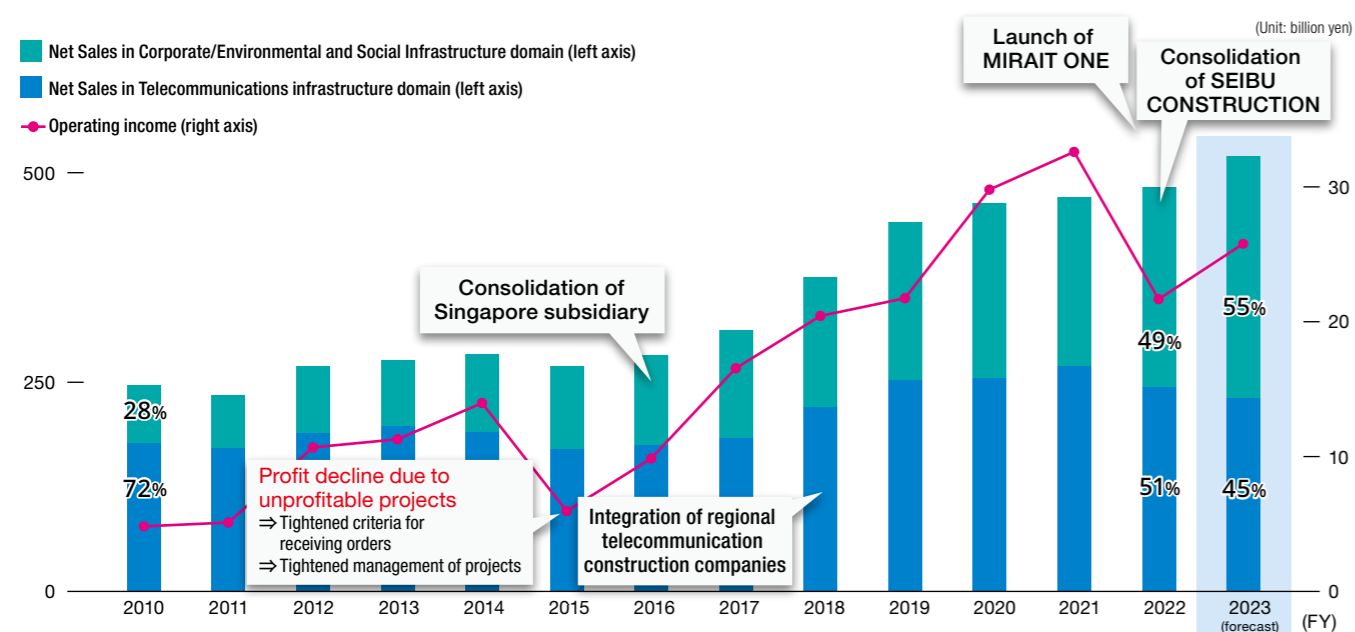
A Lookback on the First Year of Medium-Term Management Plan

Ratio of “MIRAI (future) domains” and “non-telecommunication business,” the future growth areas, increased steadily despite higher revenue and lower operating income

These financial results mark the first full-year performance report for MIRAIT ONE Corporation, which was formed by the merger of three companies¹ in July 2022. FY 2022, which marks the beginning of the “MIRAIT ONE Group Vision 2030” and the “Fifth Medium-Term Management Plan,” was a difficult year financially. Net sales increased 2.9% year on year to 483.987 billion yen, but operating income fell 33.5% to 21.803 billion yen, and the operating income ratio also dropped 2.5 percentage points to 4.5%.

This can be attributed primarily to the contribution of SEIBU CONSTRUCTION, which became a Group company in March 2022, to full-year net sales, resulting in a substantial increase in the environmental and social innovation business. Other factors include a change in the sales composition due to a drop in the sales of goods related to telecommunications equipment and the mobile business, a reactionary decline in the advanced wireless environment improvement business from the previous year, and an increase in branding and other expenses

Business growth and portfolio reforms



related to the merger of the three companies.

On the other hand, the share of sales from the "MIRAI (future) domains" (see page 12), which were identified as future growth areas in the "MIRAIT ONE Group Vision 2030" and the "Fifth Medium-Term Management Plan," increased by 13 percentage points from the previous fiscal year to 29%, thanks to the solid expansion of the global and software businesses, in addition to the environmental and social innovation business mentioned above. The proportion of sales from the "non-telecommunications segment," which we have been working to expand over the past decade, also increased by 6 percentage points year on year to 49%.

We will continue our efforts to promote growth in both areas as we work to achieve our FY 2026 targets, which include a "MIRAI (future) domains ratio of 40% or more" and a "non-telecommunications business ratio of 70% or more." In addition, to improve our operating income ratio (7.5% or more in the FY 2026 management targets), we will prioritize "improving the cost ratio in each business" and "expanding high-return growth investments" (see page 32). We are committed to making steady progress towards these goals.

*1 Merger of three companies: MIRAIT Holdings Corporation, MIRAIT Corporation and MIRAIT Technologies Corporation

Recognition of Business Environment

Short-term: Demand for "urban and regional development" and "DX/GX" that emerged after COVID-19

The "expansion of global risks," including climate change and

geopolitical risks, and the "global expansion of ESG/SDGs/sustainability initiatives," highlighted in last year's Integrated Report, persist as an ongoing megatrend that remains irreversible. Despite sporadic anti-ESG movements observed in the aftermath of the Ukraine crisis, the overall trends continue. In addition, as the COVID-19 pandemic winds down, the demand for "urban and regional development" and "DX/GX" from municipalities and businesses is gaining momentum as a distinct trend that is emerging as a fundamental aspect of the business environment.

In addition, major telecommunications carriers have largely peaked their investments in the 5G fundamentals, and are expected to shift their investments to developing services on 5G networks in the future. Each of the carriers has also launched its own initiatives in urban development, including the DX and GX mentioned above.

As society collectively moves toward sustainability, our Group will embrace the growing complexity and comprehensiveness of customer needs as a key business opportunity. We aim to achieve further revenue growth by capitalizing on our core strengths, including our "multi-engineering capabilities" high-quality "field capabilities," and carrier-grade "technical expertise," which we have cultivated through our efforts up to the previous medium-term management plan. We are committed to further accelerating growth in the "MIRAI (future) domains" by using the "Full-Value Model" to take full advantage of our "competitive and diverse business portfolio," which includes "telecommunications," "electrical installation," "ICT," "civil engineering," and "architecture." This comprehensive portfolio

was established by including SEIBU CONSTRUCTION as a consolidated subsidiary. (see pages 13-14)

Medium- and long-term: Responding to medium- and long-term opportunities and risks with a focus on materiality initiatives

On the other hand, from a medium- to long-term perspective, we will continue our efforts to achieve the management target for FY 2026 outlined in the Fifth Medium-Term Management Plan and the future vision detailed in the "MIRAIT ONE Group Vision 2030" (see pages 9-10). We will address the medium- and long-term opportunities and risks associated with materiality, with the goal of further enhancing sustainable corporate value.

In particular, with regard to environmental and social issues, we will focus our attention on steadily seizing business opportunities related to decarbonization and the growing demand for regional revitalization and smart cities. We will also focus on developing human resources and strengthening our brand recognition based on our commitment to safety quality, and promote the growth of an ecosystem by building and expanding the network of co-creation partners. By promoting these medium- and long-term efforts through our "People-centric management" approach mentioned above, we will enhance our ability to create value by fostering a broader range of ideas and concepts. This, in turn, will enable us to develop innovative solutions to emerging societal challenges in the future. In the area of governance, we will monitor the above-mentioned series of initiatives and proactively reduce factors that impede medium- and long-term growth through rigorous risk management. This strategic approach will ultimately reduce our cost of capital and further enhance our corporate value.

Growth Strategy

Priority business strategy in FY 2023

Based on our recognition of the business environment in the short-, medium- and long-term as outlined above, our Group will accelerate the transition to the next phase of growth by persistently advancing the five business reforms known as "Five Changes." As the second year of the Fifth Medium-Term Management Plan, we have designated FY 2023 as the crucial "first year of strategically driving business growth through human resource development." We will strengthen Change 2 for "Acceleration of business growth" by advancing Change 1, "People-centric management," and accelerate the digital transformation of the current value chain by reinforcing Change 4, "Management based on data insights," with the ultimate goal of growth based on improving profitability in the existing carrier business.

Change 1: "People-centric management"

- Establishing "human resource growth strategy" and

"employee-oriented work style reform" as a powerful growth engine

In FY 2023, we have embarked on the large-scale development of a "human resource growth strategy" that includes a "flexible personnel system that supports challenges" through initiatives such as a job-based personnel system and the partial introduction of an internal part-time employment system, as well as "strategic human resource development" programs, such as Mirai College. These initiatives are supported by "employee-oriented work style reform" (MIRAIT ONE-style work-lifestyle reform).

Many listed companies in Japan, including our own, are attaching great emphasis on human capital management. The business model in the construction industry, including our company, differs from that of manufacturers and telecommunications companies, which generate revenue by combining "people" with "state-of-the-art factories, equipment and facilities." As mentioned earlier, in our business model, revenue is derived solely from the intelligence and skill of each individual worker on the job site. This is why I say that our growth cannot be realized without the development of human resources. In addition, the health and safety of our human resources are fundamental to our operations. In short, ensuring the health and safety of our human resources and promoting the individual growth of each member of our workforce constitute an essential foundation for transforming our business structure to move "Beyond a Telecommunications Construction Company." That is why our Group has been actively promoting a comprehensive set of "human resource growth strategy" and "employee-oriented work style reforms" since FY 2023, positioning them as the driving force behind our business growth strategy (see pages 23-28).

Ensuring the practicality of "People-centric management"

Following the announcement of the Five Changes, including Change 1, in May 2022, I have engaged in dialogue with shareholders and investors and received a range of comments and recommendations. Some stakeholders have stressed the need to implement a mechanism to ensure the practicality of our human capital strategy. Accordingly, we are in the process of establishing a monitoring scheme that will include quantitative "visualization" of the results of Change 1.

Others noted the need to establish a higher wage structure to promote the multi-skilling of our human resources. Management members, including myself, agree, and we are focusing on our transition to the full-value, or high-value-added model for business in the "MIRAI (future) domains" that we have designated as growth areas. In the future, we aim to realize a system that enables human resources who have acquired high-level skills to earn higher compensation by engaging in high value-added-projects. As part of our investment in human capital, we reviewed our compensation and wage structure in FY 2023.



We also received inquiries from others about our readiness to provide psychological support to individual employees as we mobilize approximately 1,000 employees to growth areas. Recognizing the importance of this issue, our management team, including myself, has started a nationwide tour of our operations to actively engage in candid conversations with our frontline employees. We are eager to understand their genuine concerns and feelings about the transition to growth areas and the challenges that must be overcome to facilitate this transformation. We are committed to incorporating their insights into our various initiatives.

Change 2: “Acceleration of business growth”

■ Accelerating business transition to growth areas based on synergy with Change 1

In Change 2, “Acceleration of Business Growth,” in conjunction with the human resource growth strategy outlined in Change 1, our focus for FY 2023 is on improving performance and expanding the customer base within the “MIRAI (future) domains” and “Full-Value Model.” In addition, within the existing carrier business domain, we are actively seeking to expand our business prospects by venturing into adjacent and new sectors.

In terms of “expanding the green energy business,” we will continue to expand our voluntary construction of solar power plants and electricity sales businesses through the “Full-Value Model” initiated in FY 2022. From FY 2023, we will expand our business to include industrial storage plants and interconnection business. In addition, we are committed to expanding our green energy initiatives to include projects beyond solar power generation, such as hydrogen demonstration business. By promoting the advancement of these green energy initiatives in all of the Group's business organizations, we aim to achieve net sales of more than 30 billion yen in FY 2026, which is a threefold increase from the target value announced last year.

In the “acceleration of urban and regional development business,” which is also part of the “MIRAI (future) domains,” we aim to launch “Full-Value Model” projects horizontally on a national scale. These include projects such as the construction of “AOAO Sapporo,” an urban aquarium in the center of Sapporo City, Hokkaido, to “create a vibrant town,” as reported in last year's Integrated Report, and the “CEMS,”² a collective

energy control/management initiative designed to guide towns and communities toward carbon neutrality, in Namie Town, Fukushima Prefecture. We will also focus on the development of sports complexes and resorts through joint undertakings with SEIBU CONSTRUCTION, which has become a member of the Group, with the aim of achieving net sales of 30 billion yen in FY 2026.

Our goal for the “expansion of the carrier business domain,” which was incorporated as a new growth area in FY 2023, is to realize net sales of 25 billion yen or more in FY 2026. We will accomplish this by leveraging the technical capabilities and expertise cultivated in the design, maintenance, and construction of conventional carrier facilities, and by capitalizing on new business opportunities in adjacent fields such as managed services³, infrastructure sharing, and local 5G, as well as in innovative fields such as virtualization and cloud services.

² Community Energy Management System

³ Services designed to maintain and operate IT infrastructure, including servers and networks.

■ Maximizing the value of “Full-Value Model” with precise customer targeting

On the other hand, in our dialogue with investors, some expressed concerns about the value added by the Full-Value Model. In addition, there have been suggestions that there may be greater benefits to customers from outsourcing these operations to industry experts or external providers. However, our clients, primarily small and medium-sized municipalities and companies, often face resource constraints when it comes to planning, proposing and designing projects. There is a growing demand for a comprehensive “Full-Value Model” that can offer these services in a comprehensive, integrated and one-stop manner. Our Group's goal is to maximize the value that clients derive from the “Full-Value Model” by addressing the specific needs of small and medium-sized municipalities and companies.

■ Maximizing synergy with SEIBU CONSTRUCTION

The synergy generated through our collaboration with SEIBU CONSTRUCTION continues to grow in our projects that comprise the “Full-Value Model.” In FY 2022, we received orders totaling 4 billion yen through joint sales efforts and reciprocal orders, as mentioned earlier. For FY 2023, we have planned orders of 6.5 billion yen or more. In particular, as part of a major railway group, the company's extensive “comprehensive capabilities” and strong “brand power” as a general contractor supporting urban infrastructure, including railways, various structures, and recreational facilities, have significantly strengthened the Group's vitality. The company's culture is firmly aligned with that of our Group, which is also committed to building and maintaining urban infrastructure, fostering a sense of unity within the MIRAIT ONE Group. Looking ahead, we aim to receive orders of 25 billion yen or more by FY 2026. We plan to achieve this by leveraging

synergies with the company, primarily by expanding urban development projects within the “MIRAI (future) domains” through joint sales and cross-selling. In addition, we aim to strengthen our efforts in smart general contractor products such as ZEB projects⁴.

Also, we are currently implementing 52 reform initiatives, including a long-term vision, human resources measures, work style reforms, and information system improvements. These efforts are aligned with our goal of creating a framework in which the company leads the Group as a smart general contractor for the expansion of large-scale projects using the “Full-Value Model.” In addition, we are actively pursuing the “Proud Future Realization Project” to further enhance the company's distinctive strengths as a single entity.

⁴ Net Zero Energy Building (buildings that aim to achieve annual primary energy consumption balance of zero)

Change 3 “Top-class profitability”

Change 4 “Management based on data insights”

■ Improving profitability through digital transformation of existing business

In Change 3, “Top-class profitability,” we will continue the structural approach⁵ and operational approach⁶, reported in last year's Integrated Report. In FY 2023, we will focus on DX in conjunction with Change 4 “Management based on data insights” and cost reduction through on-site value chain reform.

In FY 2022, notable progress was made in “inventory/standardization of work processes” and “development of support systems (digitalization)” in the NTT Access business. Our goal was to standardize and digitize the tasks of construction managers who support the construction site. In FY 2023, we intend to broaden the scope of efficiency improvements horizontally by expanding these initiatives to other areas, including mobile communications, civil engineering, and network operations. In addition, we are committed to promoting operational consolidation and base integration through standardization and simplification techniques based on our structural strategy mentioned above. Our goal is to increase the profitability of the carrier business by efficiently sharing and optimizing standardized and simplified tasks across several Multi Carrier Businesses.

In addition to the above, as part of Change 3, we are actively pursuing cost reduction benefits from the merger of the three companies. In FY 2022, we achieved a cost reduction effect of 600 million yen by reviewing base allocation and consolidating teams. Looking ahead, we plan to further consolidate administrative and common departments and facilitate the shift of human resources to growth areas to achieve cost reductions of 1.2 billion yen in FY 2023 and 4.0 billion yen in FY 2026. In addition, through our operational strategy focused on steady cost reduction, we have already achieved a cost reduction of 100 million yen in FY 2022. We intend to expand the scope of this approach to achieve savings of 400 million yen in FY 2023.

⁵ Standardization and simplification of divergent workflows among telecommunications carriers/streamlining through DX of transactions with partners, etc., and renewal of internal information systems

⁶ Efficiency improvement focused on benchmarking activities based on the sharing of best practices among Group companies and activities centered on the “Profit Up (Improvement) Committee,” a group-wide organization

Change 5: “Strong foundation for ESG management”

■ Making diligent progress toward carbon neutrality with a long-term perspective

In our pursuit of ESG management to enhance corporate value, we are advancing our efforts to address materiality through the ESG Management Promotion Committee, which was established in 2021 (see pages 17-18, 33). In addition, we aim to sustainably enhance corporate value by closely linking materiality, growth strategy and sustainability governance. As part of this commitment, we introduced “greenhouse gas emissions” as one of the key performance indicators (KPIs) in our executive compensation system in FY 2022.

In our commitment to decarbonization, we achieved SBT certification in FY 2022, switched to renewable energy sources for the electricity used to power our buildings, and made significant progress in converting our business fleet to electric and hybrid models. We recognize that we are making steady progress toward our FY 2030 goal of “reducing Scope 1+2 emissions by 42% from FY 2020 levels.” However, we acknowledge the need for a sustained, long-term effort to achieve carbon neutrality beyond this point. We are actively exploring a range of measures, with a strong expectation for the development and emergence of new technologies in the future.

In our resource recycling initiatives, our final industrial waste disposal rate improved in FY 2022 from the previous year, and we are making steady progress toward our FY 2030 target. In FY 2023, we will focus on improving our system and developing additional measures to further reinforce our efforts in this area.

In addition, as of June 2023, the Chief Financial Officer (CFO) of the Finance and Accounting Division will be in charge of the Corporate Strategy Department and the ESG Management Promotion Department. This adjustment aims to facilitate the seamless integration of ESG (non-financial) initiatives and business growth strategy (financial) to further accelerate cross-departmental ESG management.

Our Group will continue its efforts to realize business reform and growth by promoting the various strategies described above, with a focus on “People-centric management.” We will move forward by taking steps to go “Beyond a Telecommunications Construction Company” through the combined efforts of our individual employees and management team. We will continue to “visualize” the results and progress of our path, including new KPIs that we plan to disclose in the future, and we will continue to deepen our dialogue with our stakeholders to deliver sustainable improvements in corporate value. We invite you to focus on and anticipate the promising path ahead for MIRAIT ONE Group.

Road Map & Vision

Roadmap for Realizing the Future Vision

The MIRAIT ONE Group will continue to fulfill its responsibility to “create and protect” social infrastructure based on its business reform and growth strategy. Also, we will challenge ourselves to create new values with the aim of going “Beyond a Telecommunications Construction Company,” contributing than ever to the solution of social problems through changes and growth of each and every individual in the Group.

Past

FY 2010 - FY 2021

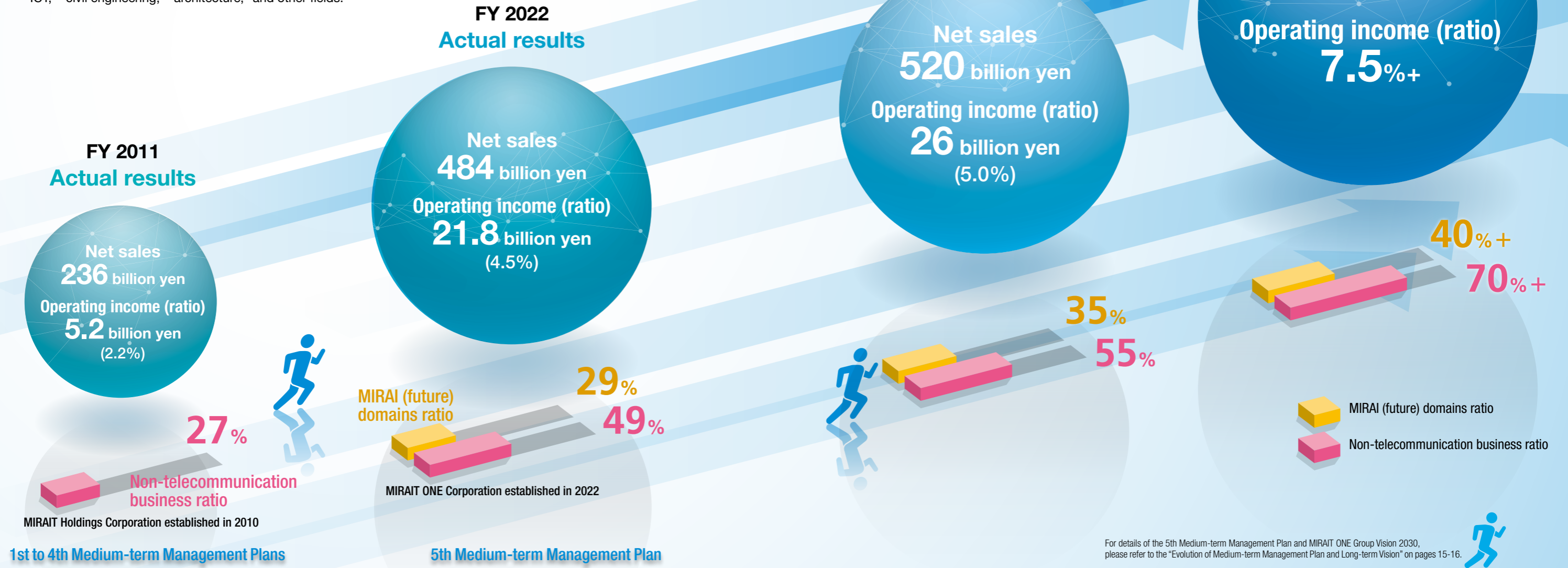
Expanded business domain and strengthened management base to establish a “comprehensive engineering and servicing company”

- Captured the growth of the mobile telecommunications market and aggressively expanded ICT business and environmental/social innovation business
- Expanded regional business/software business/overseas business through M&A in Japan and other countries
- In ten years, net sales nearly doubled and operating income ratio improved by 4.8 point

FY 2022 -

Launched full-scale business reform toward “Full-Value Model” with the aim of going “Beyond a Telecommunications Construction Company”

- Executed transformation into a future implementation company, promoting total solutions from planning to design, construction, and operation with solid strengths in “telecommunications,” “electrical installation,” “ICT,” “civil engineering,” “architecture,” and other fields.



Future

MIRAIT ONE Group Vision 2030

FY 2023 -

Acceleration of “Business Growth through Human Resource Development”

- About 1,000 employees will be transferred to growth areas (MIRAI (future) domains) by FY 2026 based on a medium-term human resources mobility plan.
- Employee-oriented work style reform and strategic human resources development (MIRAIT ONE-style smart work-lifestyle reform and Mirai College)
- Business transition to growth areas will be accelerated
- DX of existing business will be promoted

FY 2026 Medium-term management plan targets

Values & Vision

Value Creation Strategy

Sustainability Management

Corporate Governance

Data

For details of the 5th Medium-term Management Plan and MIRAIT ONE Group Vision 2030, please refer to the “Evolution of Medium-term Management Plan and Long-term Vision” on pages 15-16.



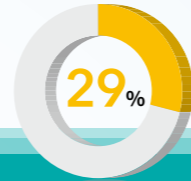
At a Glance

Business of MIRAIT ONE

To achieve the goals of the 5th Medium-term Management Plan, the MIRAIT ONE Group has divided its business into “Corporate/Environmental and social infrastructure domain,” which focuses on solutions business, and “Telecommunications infrastructure domain,” which deals with the domestic telecommunications construction business. MIRAIT ONE Group is now launching four business areas as shown below.

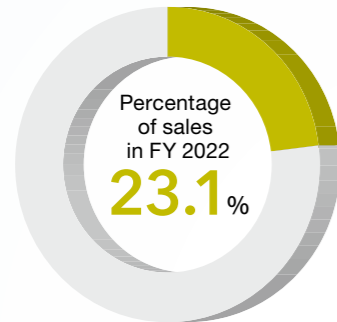
By redefining growth areas as the “MIRAI (future) domains” and mobilizing and concentrating its resources, the Group will accelerate its transition to a new stage of growth.

Actual results for MIRAI (future) domains ratio in FY 2022

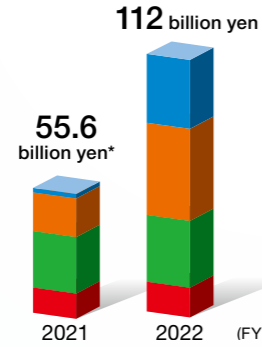


Corporate/Environmental and Social Infrastructure domain

Environmental and Social Innovation Business



Sales breakdown in the past two years



Major services

● We provide comprehensive solutions related to renewable energy, electricity/air conditioning, social infrastructure (civil engineering/water and sewer services), architecture/renovation, and other fields.

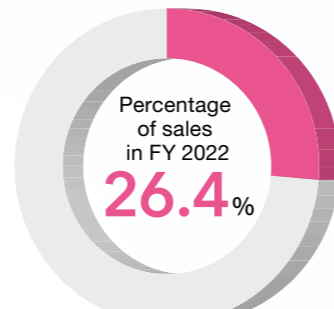
Major customers

- Local governments
- Private enterprises
- Others

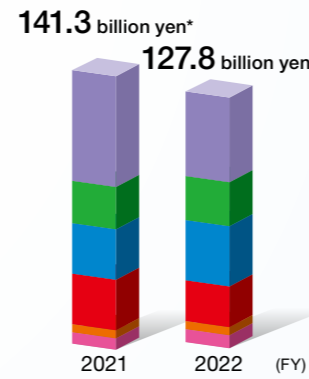
- Architecture/renovation
- Civil engineering/water and sewer services
- Electricity/air conditioning
- Renewable energy, etc.



ICT Solutions Business



Sales breakdown in the past two years



Major services

● Our services include the construction of ICT infrastructure involving cloud/office solutions and Wi-Fi, software, global and sales of goods.

Major customers

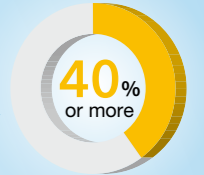
- Private enterprises
- Local governments
- Others

- Sales of goods, others
- Software
- Global
- LAN, etc.
- DC/cloud
- Stock



* The FY 2021 sales breakdowns are shown in terms of the new business domains.

Of the FY 2026 sales target of 720 billion yen, the Group will seek to increase the MIRAI (future) domains ratio to 40% or more



MIRAI (future) domains ratio target for FY 2026

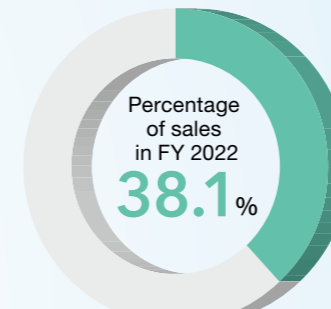
● Areas that target business growth will be redefined as the

“MIRAI (future) domains”

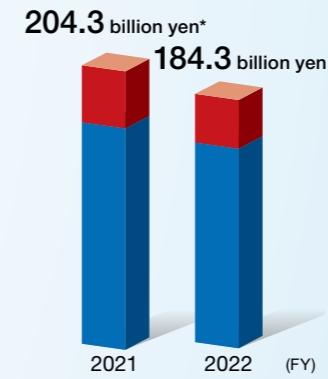
● The focus of the “MIRAI (future) domains” will be primarily on the four areas: “urban and regional development/Corporate DX and GX,” green energy, software and global businesses, and on promoting these businesses in “full value.”

Telecommunications infrastructure domain

NTT Business



Sales breakdown in the past two years



Major services

● We conduct the construction and maintenance of fixed and mobile telecommunications equipment for NTT Group nationwide.

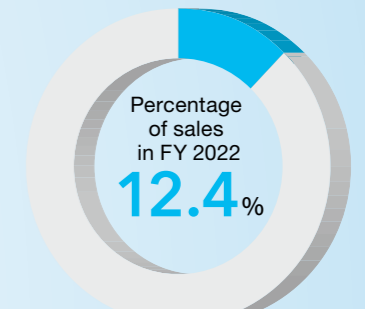
Major customers

- Nippon Telegraph and Telephone East Corporation
- Nippon Telegraph and Telephone West Corporation
- NTT DOCOMO, INC
- Others

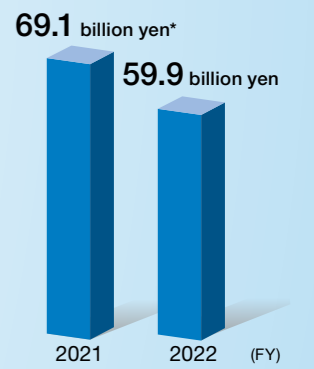
- Mobile telecommunications
- Fixed telecommunications



Multi Carrier Business



Sales in the past two years

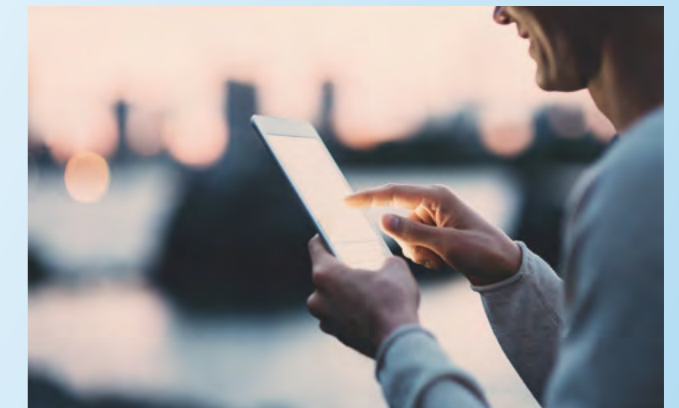


Major services

● We conduct the construction and maintenance of fixed and mobile telecommunications equipment for NCC nationwide.
● We also conduct business related to CATV construction and broadcast radio wave (television reception measures).

Major customers

- KDDI Corporation
- Softbank Corporation
- Rakuten Mobile, Inc.
- Others



Values & Vision

Value Creation Strategy

Sustainability Management

Corporate Governance

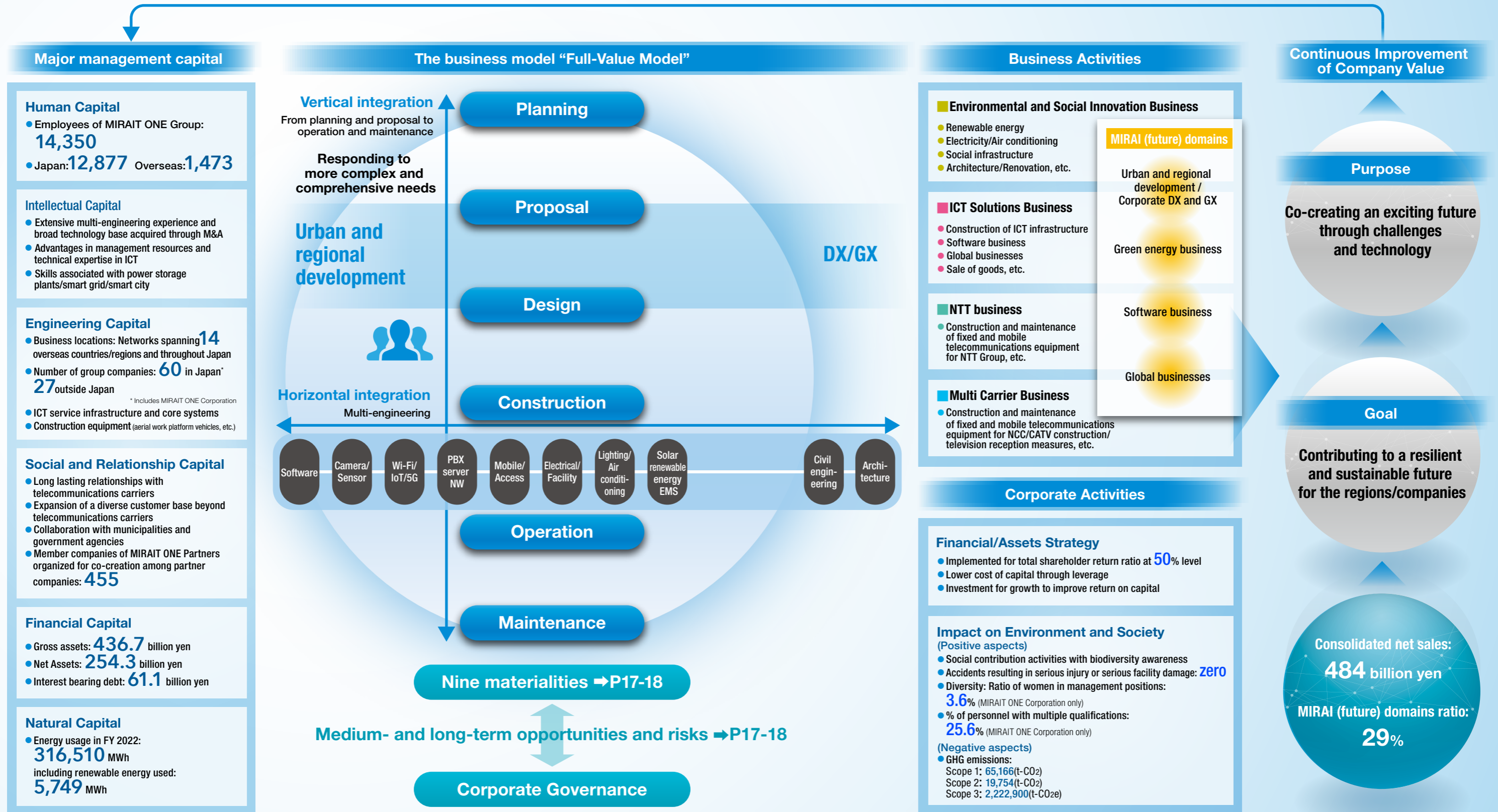
Data

Value Creation Model

Value Creation Process of MIRAIT ONE

As sustainability efforts for the global environment and human species expand across the world, customer needs are shifting to complex/comprehensive themes such as “urban and regional development” and “DX/GX.” To respond to this trend, we are focusing on the “Full-Value Model,” which simultaneously promotes “horizontal integration” that comprehensively combines various technical fields such as telecommunications, electric construction, ICT, civil engineering, and architecture, and “vertical integration” that provides seamless services from planning and proposition to operation and maintenance.

In future, we will continue to expand the “MIRAI (future) domains” through the development of the “Full-Value Model,” while refining the management resources we have cultivated since our establishment based on our recognition of medium- and long-term opportunities and risks in recognition of materiality (see pages 17-18). Our ultimate goal is to fulfill our mission to “contribute to a future of resilient and sustainable community and business,” thereby fulfilling our purpose (meaning of existence) and enhancing sustainable growth in corporate value.



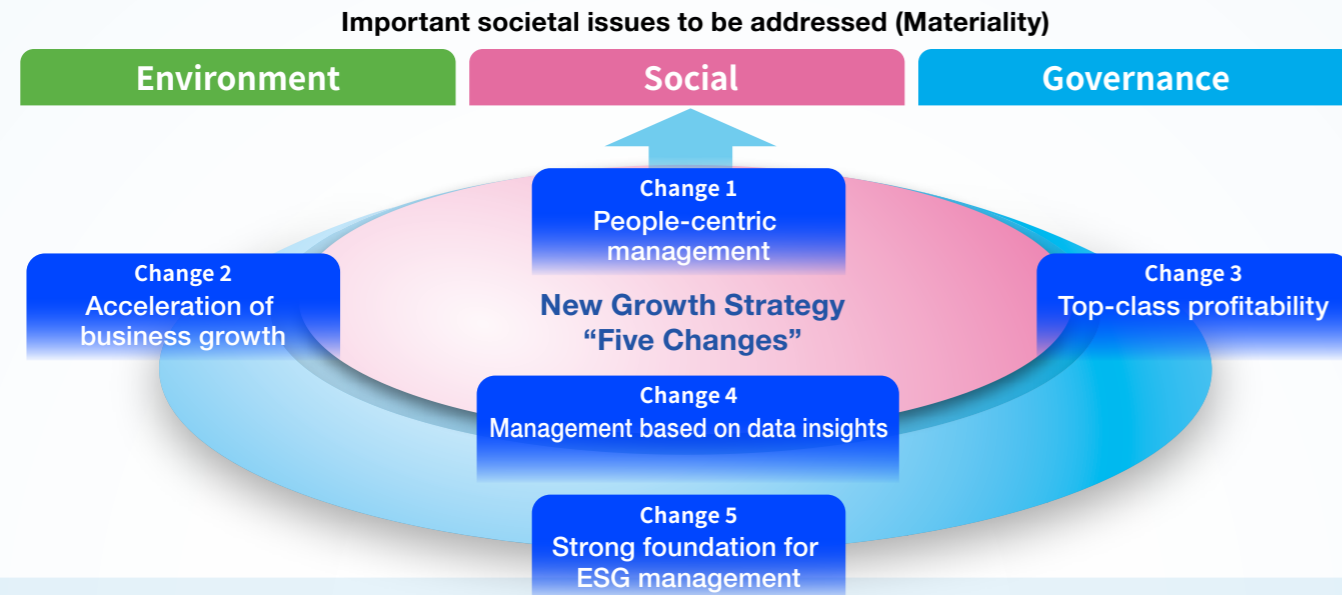
* Figures are as of FY 2022 or March 31, 2023, unless otherwise noted.



Mid-term Management Plans and Long-term Vision

Evolution of Medium-term Management Plan and Long-term Vision

With MIRAIT ONE Group Vision 2030, the MIRAIT ONE Group focuses on five business reforms, “Five Changes,” as the new growth strategy for going “Beyond a Telecommunications Construction Company.” The Group aims to grow in the next 10 years by conducting business along the Full-Value Model, enhancing the comprehensive engineering and servicing capabilities that have been cultivated based on the 4th Medium-term Management Plan ending in FY 2021.



4th Medium-term Management Plan (2019-2021)

Basic approach

- Maximize the management resources that have expanded by the business merger in a business environment undergoing major changes, such as the transformation of the business model of telecommunications carriers that are our customers, the anticipation of new services to be provided based on 5G, the growing demand for new solutions for the coming era of full-fledged IoT, and the acceleration of the reconstruction of social infrastructure toward 2020.
- Aim for further growth by accelerating the transformation of business structure centered on “comprehensive engineering and servicing” and by maximizing the synergy of business mergers.

Target

Net sales: **450** billion yen ■ Operating income: **27** billion yen ■ Operating income ratio: **6.0** % ■ ROE: **8.0** % or more

Key initiatives

- Generation of new business opportunities**
 - Develop solution business by leveraging the expanded regional coverage achieved through management integration
 - Challenge to capture new business opportunities beyond the framework of conventional business areas and technologies
- Acceleration of transformation of business structure**
 - Accelerate the transition from carrier business to solution business
 - Promote qualitative transition in the solution business (emphasis on profit)
- Enhancement of productivity and reduction of costs through efficient operations**
 - Ensure smooth construction operation through closer cooperation with partner companies
 - Pursue system sharing and consolidation of shared operations
- Strengthening of the basis of human resources**
 - Improve productivity and secure talent through work style reforms
 - Strengthen and revitalize human resources to support expansion into new business domains and operational innovation
- Promotion of ESG-oriented management and safety/quality**
 - Identify business risks and opportunities from an ESG perspective and take appropriate action
 - Establish the MIRAIT Group brand to meet customers’ needs for peace of mind and reliability with “safety and quality improvement”
- Capital policy**
 - Maintain a sound financial structure
 - Execute management with an awareness of the cost of capital
 - Acquire own shares in order to achieve an ROE of 8.0% or higher

Performance

	FY 2019	FY 2020	FY 2021	Difference from target
Net sales	441.1 billion yen	463.7 billion yen	470.3 billion yen	+20.3 billion yen
Operating income	21.9 billion yen	30.1 billion yen	32.8 billion yen	+5.8 billion yen
Operating income ratio	5.0%	6.5%	7.0%	+1.0P
ROE	7.4%	11.0%	10.7%	+2.7P

MIRAIT ONE Group Vision 2030

Basic approach

Based on the redefined Purpose (meaning of existence)/Mission (public mission), the Group aims to evolve into a company group that will continue to contribute to solving social problems in a broader area of social infrastructure. In order to continue to be a trusted company group that “builds and maintains” future social infrastructure, the Group is now operating under the “MIRAIT ONE Group Vision 2030” as the vision for 2030 and the “5th Medium-term Management Plan,” which is the five-year plan ending in FY 2026.

New Growth Strategy: “Five Changes”

Change 1: People-centric management

- Strategic learning and re-skilling at the Mirai College (Driving force behind business reform that provides “learning” and “connection”)
- “Health and productivity management” that creates a friendly working environment and protects the physical and mental health of employees
- Employee-oriented “work style reform”

Change 2: Acceleration of business growth

- Clearly redefine growth areas as the MIRAI (future) domains and inject resources (promote business structure reform for a Full-Value Model)
 - Promote urban and regional development business (regional revitalization business), Corporate DX, and green operations
 - Strengthen green energy business that contributes to decarbonization
 - Strengthen software business that contributes to customers’ DX
 - Strengthen global businesses that promote overseas data center-related and infrastructure sharing business
- Strengthen the customer base of existing business (response to the expansion and growth of customers)

Change 3: Top-class profitability

- Strengthen the management foundation through concentration and efficiency improvement achieved by the integration of three companies
- Improve efficiency through the fundamental revision of operations and utilization of data insights
- Review existing operations and costs by promoting group coordination

Change 4: Management based on data insights

- Establish knowledge-based data environment and optimize sales approach (aggressive DX)
- Execute value chain reform and smart construction, and utilize BPO/RPA/robotics (defensive DX)
- Develop experts and core human resources and improve companywide literacy (development of talent for DX)

Change 5: Strong foundation for ESG management

- Initiatives aimed at the achievement of greenhouse gas reduction targets (science-based targets)
- Co-creation of social value through the MIRAIT ONE Partner Association
- Strengthen the audit function by enhancing the audit system and the three-lines of defense
- Strengthen corporate governance through a new Group management system

5th Medium-term Management Plan (2022-2026)

Financial Targets

	FY 2022 results	FY 2023 plan	Management targets of FY 2026
Net sales	484.0 billion yen	520 billion yen	720 billion yen or more
MIRAI (future) domains ratio*	29%	35%	40% or more
Operating income (ratio)	21.8 billion yen (4.5%)	26 billion yen (5.0%)	Operating income ratio 7.5% or more
ROE	6.0%	—	10% or more
EPS	151.20 yen	190.79 yen	Annual growth rate of 10% or more

* Ratio of MIRAI (future) domain in net sales

Further strengthening of shareholder returns

- Implemented for total shareholder return ratio at 50% level
 - Stable dividend growth and flexible share buyback
- Consider the retirement of treasury stock that has no intended use

Enhance investment for growth

- Free cash flow after shareholder returns is allocated with a priority to growth investments
- Utilize liabilities based on the assumption that the external credit rating of [A] will be maintained

Non-financial Targets

		Environment	
Decarbonization	Percentage reduction of greenhouse gas emissions	Scope 1+2	42% down (FY 2030) compared to FY 2020
		Scope 3	25% down (FY 2030) compared to FY 2020
Resource recycling	Industrial waste final disposal ratio	1.5% or below (FY 2030)	
		Social	
Safety and Quality	Number of accidents resulting in injury or death/number of serious facility accidents	Aim for zero	
Human resource development	% personnel with multiple qualifications	50% or more (FY 2026)	

Environment

- Formulated and announced the policy on disposal of industrial waste (July 2022)
- Formulated and announced the green procurement guideline (November 2022)
- Acquired the SBT certification (February 2023)

Social

- Opened the Mirai College/Health and Productivity Management Declaration/basic policy on human rights (July 2022)
- MIRAIT ONE-style smart work-lifestyle declaration/Diversity & Inclusion Declaration (December 2022)
- Declaration of Partnership Building (MIRAIT ONE Corporation, March 2023)

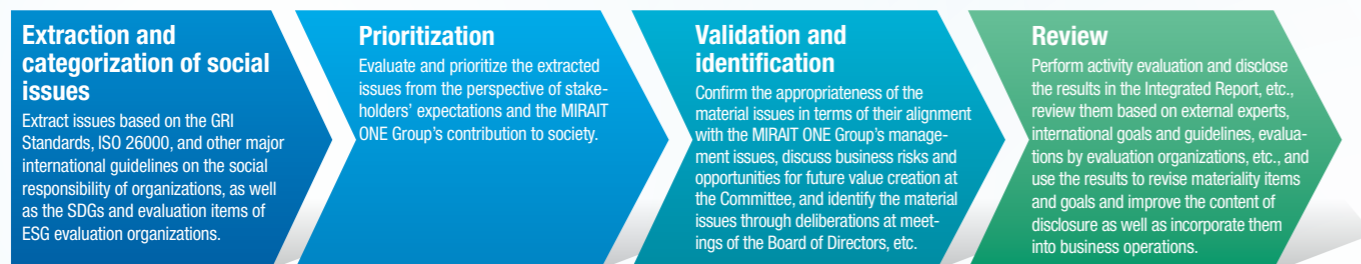


Material Issues and Growth Strategy

Close Interlocking of Materiality and Growth Strategy

To realize sustainable growth in the medium- and long-term and increase corporate value, MIRAIT ONE Group will need to capture abundant business opportunities, such as global efforts to decarbonize society, and to take measures to address various risks related to human capital and climate change. In light of these opportunities and risks, the materiality points established in 2021 identify social problems that the Group should address, which are listed as key initiatives of the medium-term management plan.

Materiality Identification Process



Medium-term, Long-term, and Continuous Improvement of Company Value

Accomplish the **MIRAIT ONE Group Vision 2030** by evolving to a company group that continuously contributes to the solution of various social problems in a wider area of social infrastructure.

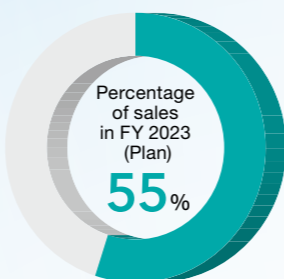
Drive materiality initiatives as the **non-financial targets and as key initiatives of the 5th Medium-term Management Plan (2022-2026)**

Materiality	Medium- and long-term opportunities and risks ■ Opportunities ● Risks	Non-financial targets tackled as key initiatives of the 5th Medium-term Management Plan	FY 2022 results	Initiatives / Targets for FY 2023	Covered SDGs	
Building and Maintaining an Environmentally-Friendly Society	Environment Realization of a decarbonized society through business activities Contribution to environmentally-friendly and resilient urban and regional development	<ul style="list-style-type: none"> Expansion of various business opportunities associated with decarbonization Intensification of natural disasters, etc. (transition risk/physical risk) Growing needs for regional revitalization/smart city Delay in "horizontal integration" and "vertical integration" of the Full-Value Model 	<ul style="list-style-type: none"> Reduction of greenhouse gas emissions: 42% reduction from the FY 2020 level by FY 2030 (Scope 1+2) 25% reduction from the FY 2020 level (Scope 3) Promotion of green products procurement Reduction of industrial waste final disposal ratio: 1.5% or below by FY 2030 	<ul style="list-style-type: none"> Acquisition of SBT certification Transition to renewable energy for power used in company-owned buildings: 28% completed Percentage of EV/HV for general-purpose vehicles: 14% completed Industrial waste final disposal ratio: 3.41% 	<ul style="list-style-type: none"> Transition to renewable energy for power used in company-owned buildings: 54% completed Percentage of EV/HV for general-purpose vehicles: 25% completed 	
	Society Safety and quality improvement Co-creation of social value through collaboration with partners	<ul style="list-style-type: none"> Securing human resources through the pursuit of safety-first quality and enhancing brand power Loss of confidence and business opportunities due to accidents Establishing and expanding the ecosystem by increasing the number of co-creation partners Reduced capacity to respond to change resulting from long-term fixation of partnership 	<ul style="list-style-type: none"> Eradication of accidents resulting in serious injury or serious facility damage: Aim for zero accidents 	<ul style="list-style-type: none"> Accidents resulting in serious injury or serious facility damage: zero Establishment of the Charter on Safety and Compliance Launching of "MIRAIT ONE Partners" Declaration of Partnership Building Non-consolidated (MIRAIT ONE Corporation only) 	<ul style="list-style-type: none"> Installation of network cameras to expand the areas covered by on-site monitoring 	
Building and Maintaining a Culture Where People Respect the Diversity of Human Resources and Learn from Each Other	Promotion of human resource development, work style reform, and health and productivity management Respect for human rights and promotion of diversity and inclusion	<ul style="list-style-type: none"> Resolving social problems with People-centric management Decrease in growth potential due to deterioration of or damage to human capital Increase in value creation potential with diversification of ideas and concepts Malfunctioning of the value chain due to the emergence of human rights risks 	<ul style="list-style-type: none"> Percentage of personnel with multiple qualifications enabled by the promotion of the Mirai College: Target 50% or more by FY 2026 	<ul style="list-style-type: none"> Opening of "Mirai College" Percentage of personnel with multiple qualifications: 25.6% Non-consolidated (MIRAIT ONE Corporation only) Establishment of Basic Policy on Human Rights Health and Productivity Management Declaration Health and Productivity Management Outstanding Organization 2023 Non-consolidated (MIRAIT ONE Corporation only) MIRAIT ONE-style smart work-lifestyle declaration 	<ul style="list-style-type: none"> Review of definitions to accelerate the acquisition of qualifications in business growth areas Effective utilization of Mirai College Promotion of MIRAIT ONE-style smart work-lifestyle reform 	
Building and Maintaining a Fair and Transparent Corporate Group	Governance Enhancing Corporate Governance Thorough Compliance Thorough Risk Management	<ul style="list-style-type: none"> Increase in business opportunities and corporate value by enhancing the soundness and transparency of management Governance failure and loss of confidence due to a decline in checking functions Strengthened business processes through strict legal compliance initiatives Decrease in confidence and business opportunities due to compliance violations Reducing capital costs and increasing corporate value by decreasing factors that inhibit medium- and long-term growth Manifestation of risks, resulting in deteriorating business performance and decline in corporate value 	<ul style="list-style-type: none"> Strengthen corporate governance as a company with an Audit and Supervisory Committee 	<ul style="list-style-type: none"> Transition to company with an Audit and Supervisory Committee Introduction of greenhouse gas emissions reduction targets as KPIs for performance-based stock compensation 	<ul style="list-style-type: none"> Enrichment of the content of the corporate governance report Thorough implementation of the Charter on Safety and Compliance Monitoring by the risk management committee 	

Business Strategies

In line with its sustainable business growth, the MIRAIT ONE Group will seek to expand the customer base and the number of customers in the B2B and B2G (local governments, etc.) markets in the “Corporate/Environmental and social Infrastructure domain,” which merges environmental and social innovation business with the ICT Solutions Business. In the “Telecommunications infrastructure domain,” which combines the NTT business and the Multi Carrier Business, the Group will respond to the growth and evolving needs of telecommunications carriers, its primary main customers.

Corporate/Environmental and Social Infrastructure domain



Environmental and Social Innovation Business

Corporate/Environmental and Social Infrastructure domain

Basic Policy

The Group builds, maintains, and operates facilities related to solar power generation systems, EV charging, and storage batteries, and conducts hydrogen project demonstrations to support the deployment of new energy infrastructures that contribute to the decarbonization of society. In addition, our electrical and air conditioning work, including utility pole removal and LED installation, water and sewage work, and road infrastructure work, such as bridge construction, support the building of environmental and social infrastructure through civil engineering, architecture, and renovation works by SEIBU CONSTRUCTION.

Performance Overview

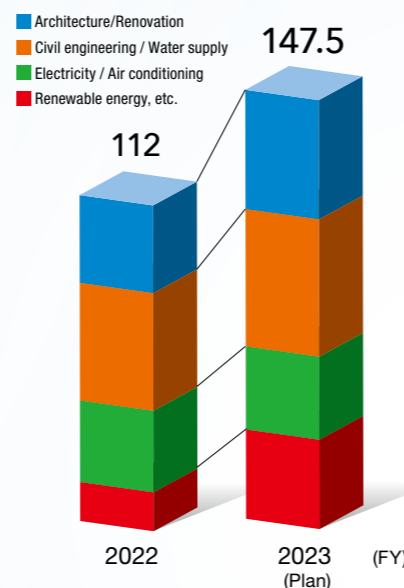
In FY 2022, the Group’s sales increased by 56.4 billion yen year-on-year, thanks to a significant expansion in the civil engineering, water supply and renewable energy sectors, as well as a full-year contribution in the architecture/renovation business by SEIBU CONSTRUCTION, which joined the Group in March 2022. Revenue growth is expected to continue in FY 2023, supported by further expansion of the renewable energy and architecture/renovation businesses.

Market Growth Prospect/Strategy, etc.

The Group will focus on further expanding the high quality, low cost green energy business it has cultivated to date, taking advantage of the continued upward trend in the renewable energy market supported by global decarbonization efforts. In addition, the Group will seek to expand its industrial power storage plant and interconnection business by leveraging its long-standing expertise in telecommunications construction.

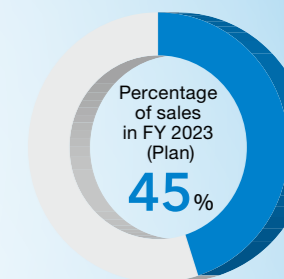
Net sales

(Unit: billion yen)



* FY 2022 sales are presented in the new business segmentation.

Telecommunications infrastructure domain



NTT business

Telecommunications infrastructure domain

Basic Policy

The Group will conduct the construction, maintenance, and operation of the NTT Group’s fixed and mobile telecommunications equipment, and support the dissemination of optical fiber networks and mobile networks. In the event of a disaster, the Group will assume the role of guardian of telecommunications networks by conducting emergency recovery and reconstruction. Although the domestic telecommunications construction market is slightly declining, we will continue to enhance the management resources and strengths that we have cultivated by operating in this market as our core business since the early years of the Group history, in order to contribute to the Group’s continuous growth.

Performance Overview

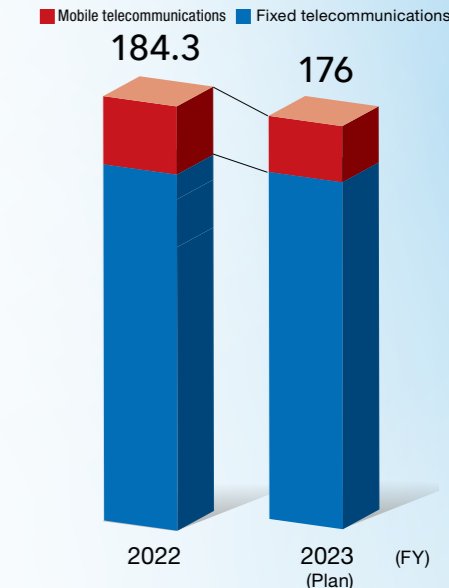
In FY 2022, revenue recorded a year-on-year decrease of 20 billion yen. This decline can be attributed to the completion of a basic investment cycle in 5G and a reactionary downturn in the advanced wireless environment development business. Revenue is expected to decline in FY 2023 due to a contraction in the NTT Access business.

Market Growth Prospect/Strategy, etc.

While NTT Group’s investment in telecommunications construction is declining, we will leverage our “field capabilities” and “carrier-grade technical expertise” cultivated in this sector to tap growth areas. In addition, we will expand our carrier business domain, particularly in the areas of local 5G, infrastructure sharing, virtualization, cloud services, and other related fields.

Net sales

(Unit: billion yen)



* FY 2022 sales are presented in the new business segmentation.

ICT Solutions Business

Corporate/Environmental and Social Infrastructure domain

Basic Policy

With our ICT technology, we provide high-quality solutions that respond to a wide range of social and business issues, including introducing LAN/PBX and Wi-Fi, ensuring security, building management advancement, and promotion of operational efficiency. We are also building and operating data centers and using drones to further expand the breadth of these solutions. At present, we are strategically strengthening global businesses, which involve the enhancement of data centers and infrastructure sharing in other countries.

Performance Overview

Despite the solid performance of the global and software business, which comprise the “MIRAI (future) domains” in FY 2022, the Group registered a year-on-year decrease in sales of 13.5 billion yen. This was due to inventory adjustments by some customers in the goods sales business, which handles telecommunications equipment, and the impact of construction delays caused by a shortage of semiconductors and supply chain disruptions.

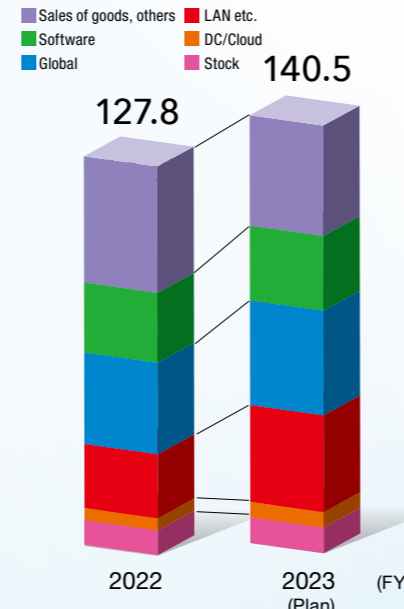
Although sales of goods are projected to decline, revenue is expected to increase in FY 2023 due to an expansion of data center-related businesses and nationwide ICT installation and maintenance businesses, and by capitalizing on demand for DX.

Market Growth Prospect/Strategy, etc.

In view of the upward trend of business opportunities backed by the increasing demand for DX, we will continue to expand the scale of business and strengthen the recruitment and cultivation of human resources through cooperation within the Group with MIRAIT ONE SYSTEMS and others.

Net sales

(Unit: billion yen)



* FY 2022 sales are presented in the new business segmentation.

Multi Carrier Business

Telecommunications infrastructure domain

Basic Policy

The Group is engaged in the construction, maintenance, and operation of primarily non-NTT Group mobile communications facilities to support mobile networks that are becoming faster and larger in capacity. More recently, the Group has been preparing to expand its carrier business into new areas, in the same way as the NTT business. These efforts reflect the expected completion of the 5G service area expansion.

Performance Overview

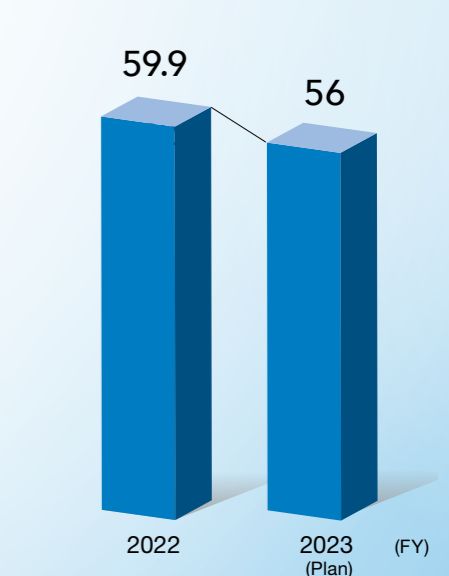
In FY 2022, the Group experienced a year-on-year revenue decline of 9.2 billion yen. The reduction was primarily due to a reactionary decline in advanced wireless environment improvement projects for cable TV companies and a decrease in broadcast wave-related projects, despite the consistent growth in the number of 5G improvement projects. Revenue is expected to decline in FY 2023 due to a contraction in the mobile-related business.

Market Growth Prospect/Strategy, etc.

After several years of continuous growth, capital investments in the mobile business of NCC carriers are expected to level off in the future. We are also witnessing a shift in customers’ network investments to the virtualization/software domain. In light of these developments, we will prioritize the expansion of our carrier business in areas such as infrastructure sharing, virtualization, and cloud services, in line with the NTT business.

Net sales

(Unit: billion yen)

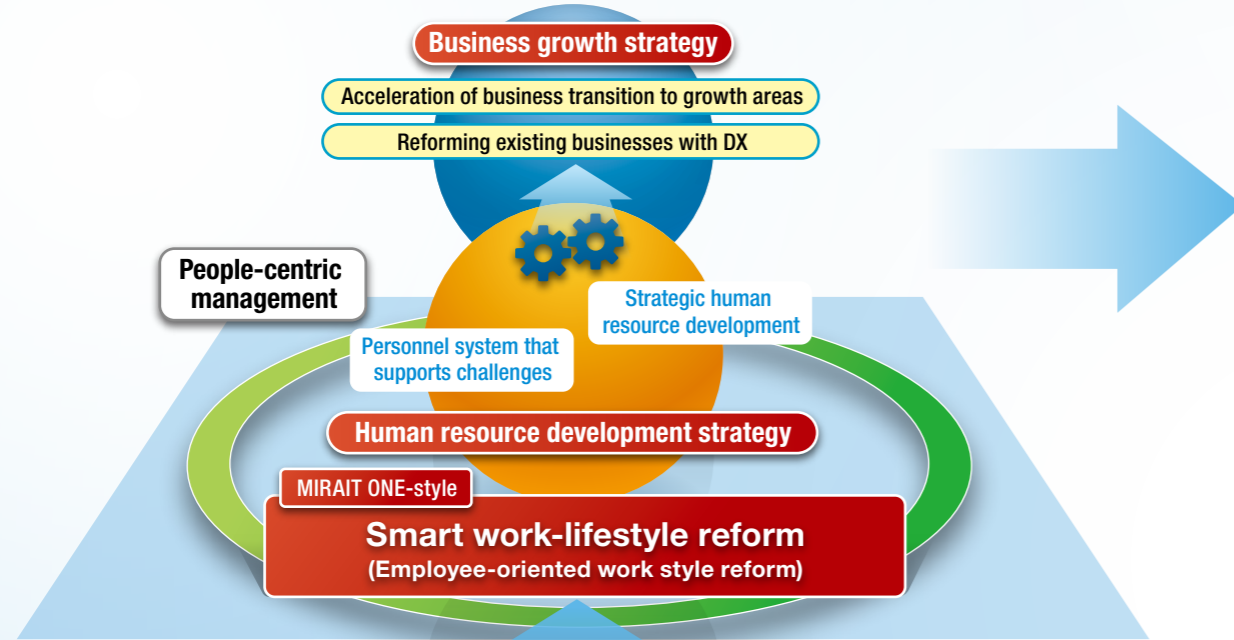


* FY 2022 sales are presented in the new business segmentation.

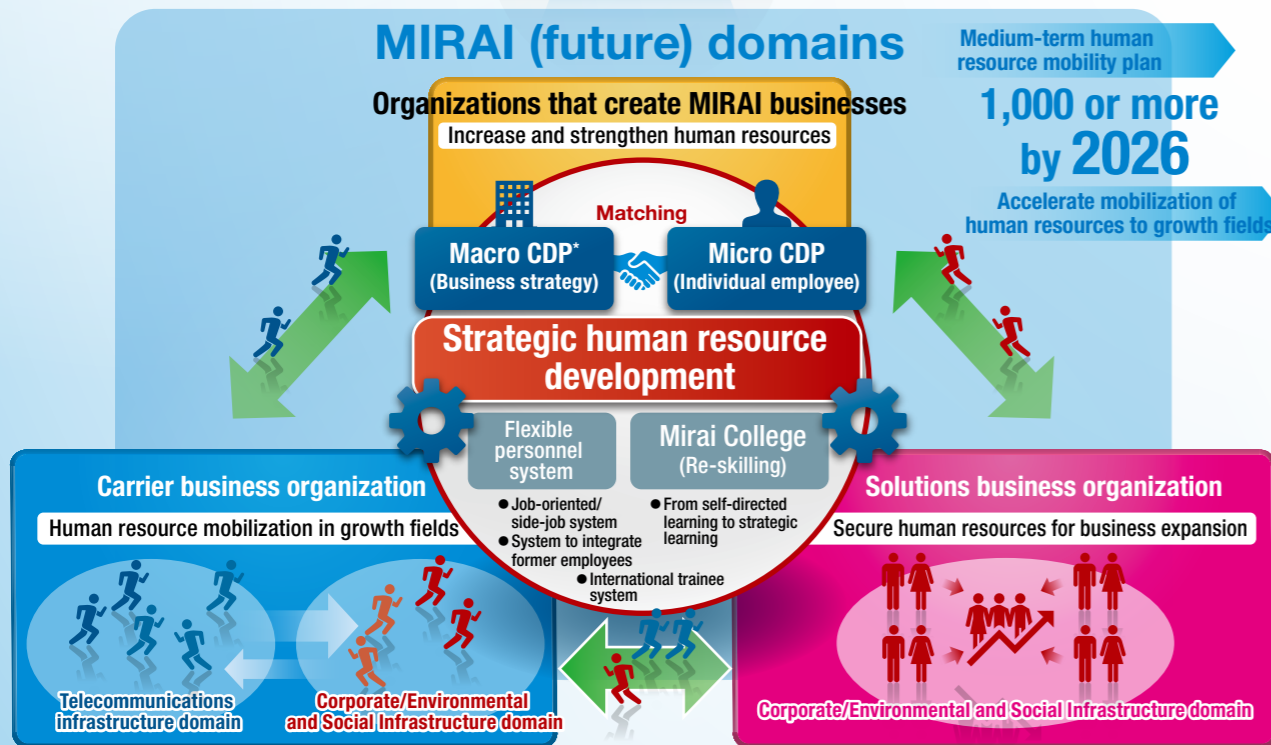
Acceleration of Business Growth and Transformation through Human Resource Development

As part of our efforts to accelerate business reform to go “Beyond a Telecommunications Construction Company,” the Group has set FY 2023 as the starting year for “business growth through human resource development.” Specifically, the Group has launched a growth strategy that closely integrates the three pillars of “business growth strategy by accelerating a business shift to growth fields,” “human resource development strategy that supports our business,” and “MIRAIT ONE-style smart work-lifestyle reform.”

“Change” to business growth based on human resource development



“Start” human resource development strategies for business growth

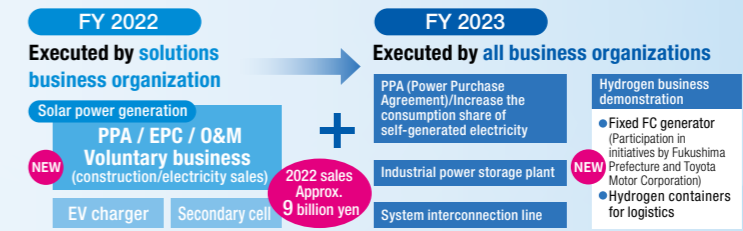


*Career Development Program

“Accelerate” business transition to growth areas

1 Expansion of green energy business

The Group aims to expand its business through a company-wide commitment to new areas such as industrial power storage plant and interconnection business, in addition to the conventional initiatives that include voluntary solar power plant construction and electricity sales.



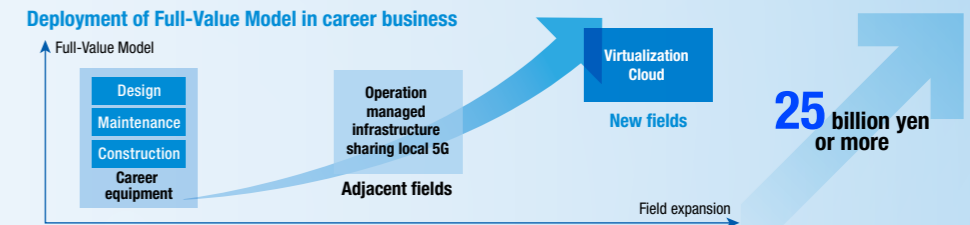
2 Acceleration of urban and regional development business

The Group will accelerate expansion by spreading the success of the Full-Value Model horizontally across the country. In addition, we will use the same model to expand our Architecture/Renovation business with SEIBU CONSTRUCTION.



3 Expansion of career business domains

The Group will seize the opportunities presented by the evolving business and investment landscape in the telecommunications construction business and leverage its expertise in ICT technology to expand it as a new business area.



4 Strengthening of software business

The Group aims to achieve rapid business expansion by mobilizing specialized human resources from within the Group. This strategic approach is in line with the growing significance of software business, driven by the development of enterprise DX and infrastructure virtualization.



5 Strengthening of global businesses

In global businesses, the focus will be on strengthening the business portfolio with an emphasis on data center-related business and telecommunication tower business, as well as expanding new areas such as green energy-related business.



Human Resource Strategy

CHRO Message

Supporting business growth and portfolio transformation through a “virtuous cycle” of People-centric management

Toward Business Growth through Human Capital Growth —Change 1: Progress in the First Year of “People-centric management”

In MIRAIT ONE Group Vision 2030 and the 5th Medium-term Management Plan, we are focusing on Change 1, “People-centric management,” as the first of five business transformations, “Five Changes,” which is our new growth strategy. In FY 2022, the first year of the program, we sought to disseminate the concept of “People-centric management” through dialogue between management and employees, and also listened to the thoughts, feelings, hopes, and true intentions of each and every one of our 14,000 employees through questionnaires. This is strongly reflected in the “HR System to Support Challenges” and “Strategic Human Resource Development” from FY 2023, the “MIRAIT ONE-style smart work-lifestyle declaration” and the “Diversity & Inclusion declaration” established in December 2022, and the “20% Reform”¹ Project to Create Excitement in Each and Every Employee” based on these declarations. As a mechanism to strategically promote business growth through human resource development, in addition to monitoring by the Board of Directors, the Human Resource Enhancement Promotion Committee and the Work-Life Style Reform Committee, which are attended monthly by senior management and key business personnel, ensure timely discussions and thorough implementation of the PDCA cycle.

¹ Reform both “work” and “lifestyle” by shortening the equivalent of 20% of conventional working hours through various efficiency improvements, DX, etc., to be used for multi-skilling and improving quality of life.

Goals of the 5th Medium-Term Management Plan

More than **1,000** employees to be mobilized to growth areas by FY 2026

Mobilize 1,000 human resources to growth areas over the next three years

We have positioned FY 2023 as the first year of “business growth through human resource growth,” and we will accelerate our “human resource system that supports challenges” and “strategic human resource development,” aiming to mobilize more than 1,000 employees in the next three years until FY 2026 to “MIRAI (future) domains” and other growth fields.

Specifically, the Career Company² will promote the flow of human resources into growth areas such as the Corporate/Environmental and Social Infrastructure domain, while the Solutions Business Company³ will strengthen the acquisition of human resources through mid-career recruitment and M&A, in addition to the flow of human resources from the Career Business Organization, etc., for further expansion in the Corporate/Environmental and Social Infrastructure domain and the MIRAI (future) domains.



Director and Managing Executive Officer CHRO
WAKIMOTO Hiroshi

² NTT business and Multi Carrier Business

³ Environmental and social innovation business / ICT Solutions Business

Operating a flexible personnel system that supports challenges

In order to ensure the mobility of human resources, it is also important to mobilize work without organizational personnel transfers (shifting of work content). Therefore, we operate a flexible personnel system to link individual challenges to company growth, including partial application of a job-type system, an in-house side job system, and strategic secondments to external companies.

First, with regard to the job type system, we have established a system that allows partial application of the job type system on a project-by-project basis in order to utilize the power of internal and external human resources with advanced and specialized skills throughout the Group for the expansion of new business areas such as the MIRAI (future) domains. In addition, the in-house side job system is designed to motivate employees to take on new challenges, for example, by reflecting in their evaluations their work evaluations in the departments where they work on the side. In the future, we intend to further increase the mobility of human resources into growth fields by combining these systems with an internal open recruitment system.

In addition, in the advanced fields related to the MIRAI (future) domains, in addition to the participation of human resources from various fields in internal projects, since there are many areas where internal achievements are still limited, a system to foster core human resources through strategic secondment to other companies, recurrent education at universities and specialized institutions, and study abroad and overseas trainee programs has been institutionalized and put into operation in FY 2023.

Non-financial targets of the 5th Medium-term Management Plan

% of personnel with multiple qualifications (FY 2026)

50 % or more

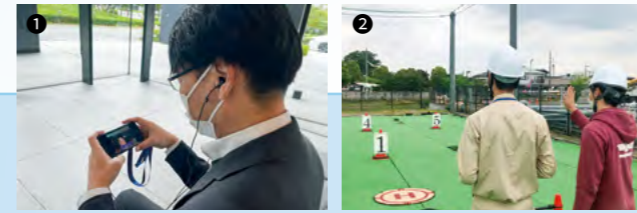
FY 2022 Results Non-consolidated (MIRAIT ONE Corporation only)

25.6 % (Number of persons in 2 or more fields: 1,126)

Strengthening “Mirai College” initiatives for individual reskill

In July 2022, we opened “Mirai College,” an in-house university to strengthen diverse skills including “data insight utilization skills” and “DX skills.” Also, we encourage individual workers to “gain multiple skills,” involving “mobile,” “cloud,” “renewable energy,” “plan suggestion” and “project management” in order to reskill each individual, which is a precondition for shifting human resources to growth fields. The Mirai College, consisting of real campuses (Chiba/Saitama/Hyogo) and digital campuses,

Mirai College (1) e-learning lecture, (2) drone training



offers courses in the three fields of “Technical Faculty (technical skills),” “Management Faculty (management skills),” and “Social Faculty (social skills).” In FY 2022, more than 70% of all 14,000 Group employees took advantage of the courses. In FY 2023, in addition to accelerating the expansion of the program to partner companies, the Digital Campus will be broadened to 300 courses, mainly related to “MIRAI (future) domains,” and the Real Campus will also extend “strategic learning” for business expansion and development by enhancing facilities and equipment. Through these efforts, we will promote the development of human resources who will be responsible for both the creation of “MIRAI (future) domains” businesses and the steady growth of their footprints.

To raise the effectiveness of these investments in human capital, we aim to achieve the percentage of personnel with multiple qualifications to 50% or higher by FY 2026 as a non-financial target in our Medium-term Management Plan.

Thorough “macro and micro CDP”⁴ matching” and “engagement” to create steady results

In order to ensure that our human capital policies result in steady portfolio transformation, business growth, and corporate value enhancement, we place the greatest importance on ensuring that our employees can take on challenges in new fields with a sense of security and excitement by carefully communicating and reconciling the Group’s human capital growth strategy (macro CDP) and our development plan (micro CDP) based on the will of each individual human resource. As a first step toward this goal, in FY 2023, we have begun to systematically grasp the skills of individual human resources at present and to share them through a system, as well as to refine the matching process through regular 1-on-1 meetings.

⁴ Career Development Program: A plan to support the career development of individual employees from a medium- to long-term perspective

Developed “MIRAIT ONE Group Mirai Juku” as part of the Succession Plan

Meanwhile, for the systematic development of next-generation management executives from a medium- to long-term perspective, we established the “MIRAIT ONE Group Mirai Juku” in July 2020. By conducting specific solutions to the Group’s management issues, workshop and discussion-based training programs for future management-level candidate human resources, including those from Group companies, will broaden participants’ perspectives on corporate management and enhance their ability to respond appropriately as managers. The discussions and examinations within and among training teams also help cultivate an internal network and a mentality of assuming responsibility for the future management of the Company’s group on their own. In FY 2023, we are in the process of fostering the third phase.

“MIRAIT ONE-style smart work-lifestyle reform” to Support Business Growth through Human Capital Growth Under Change 1, “People-centric management,” these series of human resource growth strategies will be supported by the “MIRAIT ONE-style smart work-lifestyle reform,” centered on the “20% Reform Project to Create Excitement in Each Employee.”

Based on the results of interviews with all Group employees, as mentioned above, the reforms, which were based on a detailed understanding of the actual situation onsite unique to the construction industry, are designed to promote measures such as “promotion of work styles that do not depend on time and place to accommodate diverse lifestyles,” “development of a system for reskilling,” and “promotion of health and productivity management,” in a consistent and integrated manner.

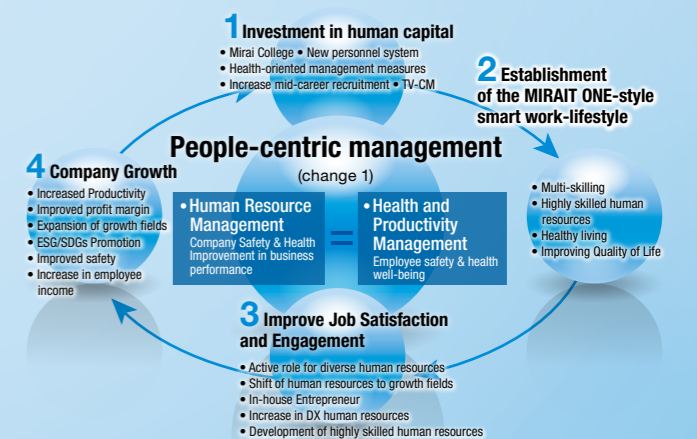
Specifically, employees will be able to work more efficiently by going directly to and from work sites and teleworking, etc., to create the equivalent of 20% of the time they used to work, and use it to enrich their lives, including reskilling at Mirai College, childcare and nursing care, and for employees involved in large-scale projects, to refresh themselves by taking “leave after projects,” etc. By providing diverse and flexible work lifestyles suited to each workplace and individual, we aim to further enhance job satisfaction and engagement.

Achieve a “virtuous cycle” through People-centric management, leading to sustainable growth and increased corporate value

Through the above initiatives and the various measures detailed on the next page and beyond, the Group will realize a “virtuous cycle” through People-centric management to support business growth and portfolio transformation.

To this end, we place “company safety & health/improvement in business performance” and “employee safety & health/well-being” on the same level as the concept of People-centric management, and will continue to invest in human capital, the source of value creation, through continuous investment in a flexible personnel system and Mirai College, thereby establishing the “MIRAIT ONE-style smart work-lifestyle” and realizing multiskilled/highly skilled human resources/healthy lifestyles/improved quality of life for employees. This will increase employee job satisfaction and engagement, and will enable us to expand growth areas, improve profitability and productivity, and achieve company growth through the active participation of diverse human resources/mobility of human resources to growth areas/increase in DX human resources/development of highly skilled human resources. By continuing to turn this virtuous cycle while reinvesting the cash generated in human capital, we will achieve sustainable growth and increase corporate value.

“Virtuous Circle” through People-centric management



Human Resource Strategy

Human Resource Development Measures for Sustainable Growth

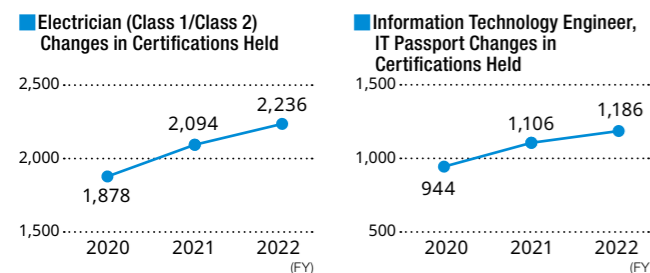
Personnel Training System

The personnel training system of the MIRAIT ONE Group comprises the “sectorial model system,” designed to enhance specialized professional capabilities for business operations, and “stratified training system,” aimed at promoting mastery of universal know-how required at each professional level. Together, the system supports the growth of each employee and systematically reinforces human capital that backs up future business growth.

From introductory training for workers who have just joined the company to training for senior managers, our program is designed to enable each employee to acquire the skills and knowledge required to fulfill the roles expected at the respective level, as well as skills and knowledge they need to learn in each career stage. In particular, we offer extensive education and training programs for new employees, which are designed to enable them to succeed in their careers regardless of whether they have a scientific or liberal arts background. Through the aforementioned embodiment of their own goals and career development by the CDP, we encourage employees to actively take on the challenge of obtaining various certifications. In addition, our reward system based on the degree of difficulty is designed to meet the growth aspirations of individual employees. In addition, we conduct training to develop DX human resources and have introduced an in-house DX qualification certification system.

Changes in the number of employees with qualifications in the past three years (Six operating companies*)

Main qualifications	FY 2020	FY 2021	FY 2022
Installation Technician (Types AI/DD)	714	761	792
First-Class Electrical Construction Managing Engineer	366	386	400
First-Class Construction Managing Engineer	349	354	548
First-Class Certified Architect	16	15	86
Qualified Managing Engineer	2,108	2,108	2,621
First-Type Electrical Worker	418	438	423
First-Class Technical Radio Operator for On-The-Ground Services	130	186	244
On-The-Ground I-Category Special Radio Operator	1,202	1,328	1,408
First-Class CATV Engineer	37	34	50
Cisco Certified Internetwork Expert (CCIE)	51	49	40
Information Technology Engineer (Basic/Applied)	198	277	304
JUIDA Operation Skill	95	103	160
IT Passport	746	829	882



* Until FY 2021: MIRAIT Corporation, MIRAIT Technologies Corporation, TTK Co., Ltd., SOLCOM Co., Ltd., and Shikokutsuken Co., Ltd.
 FY 2022: MIRAIT ONE Corporation, TTK Co., Ltd., SOLCOM Co., Ltd., Shikokutsuken Co., Ltd., SEIBU CONSTRUCTION CO.,LTD., and MIRAIT ONE SYSTEMS Corporation

Mentoring Program

We have a mentoring program in place for new employees. Under this program, a senior employee is appointed as the

mentor for each new employee, aside from his or her supervisor at the assigned section, to provide guidance and counseling. The program is designed to encourage new employees (mentees) to grow spontaneously and autonomously through awareness and advice based on dialogue. The feedback on regular reporting and monthly interviews in this program support the growth of new employees as well as that of senior employees who serve as mentors.

Training Programs at Overseas Operations

The MIRAIT ONE Group conducts various training programs for employees hired at their overseas locations. For instance, the Lantrovision Group assigns a full-time staff in charge of human resource development and training. The Group provides a wide range of programs from basic training on on-site cable design, construction, testing, etc. to practical training involving bidding, quoting, and contracts to raise employees' skills and motivation. The Group has taken the initiative in obtaining cable vendor certifications to strengthen quality control, improve customer satisfaction and bolster business competitiveness.

We also recruit and dispatch overseas trainees, mainly young employees of the MIRAIT ONE Group, to learn technologies in green power generation projects promoted by our overseas subsidiaries and to develop human resources that will support our global businesses in the future.



Training of locally-hired employees at Lantrovision (S) Ltd. (Singapore)

To further improve job satisfaction and engagement

Development of a Comfortable Working Environment

The MIRAIT ONE Group has in place a compensation system that outperforms labor-related laws and regulations, beyond compliance with the Labor Standards Law and other labor-related laws and regulations, to enhance employees' job satisfaction even further. In respect of the idea of equal pay for equal work, we ensure that non-regular employees are treated fairly and equitably with regular employees. For instance, non-regular employees are compensated at the same extra rate as regular employees for special work and overtime allowances, etc., and granted special leave and offered opportunities for promotion to regular employees.

System that outperforms labor-related laws and regulations

Regular working hours (per week, per day)
Break time and days off
Number of days of annual paid leave granted by the year of employment
Extra pay for overtime, holidays, and late nights, etc.

Optimization of Overtime Work and Encouraging Employees to Take their Annual Leave

Our goal is to create a worksite environment where employees

find it easy to balance work and family life and promote their well-being. To this end, we have introduced no-overtime days, encourage employees to leave work on time, and support employees taking their annual paid leave before or after the Golden Week holidays, New Year holidays, project vacations, summer vacation, etc.

We are committed to reduce total working hours by raising operational efficiency through KAIZEN (improvement) activities and promotion of ICT utilization at each workplace, and using a PC log system to monitor/record the appropriate working hours.

Non-financial targets of the 5th Medium-term Management Plan

70% Annual paid leave utilization rate: Non-consolidated (MIRAIT ONE Corporation only)
72.1% FY 2022 Results: Non-consolidated (MIRAIT ONE Corporation only)

Empowerment of Diverse Employees through Flexible Workstyles

We have created an environment in which all of our diverse human resources can efficiently succeed while achieving work-life balance. This is accomplished through the promotion of flexitime, partially flexible shifts, variable working hours and remote work (working from home, on business trips, or at satellite offices).

In addition, as a cost reduction measure for telecommuters, a daily subsidy of 200 yen is provided based on the number of days of implementation.

Awarded Three Stars in the 6th Nikkei “Smart Work Management Survey”

In November 2022, MIRAIT ONE was awarded a three-star rating in the 6th Nikkei Smart Work Management Survey, which selects leading companies that are taking on the challenge of revolutionizing productivity through work style reform.

The survey, conducted by Nikkei Inc. and Nikkei Research Inc. since 2017, targets listed companies and leading non-listed companies nationwide. The survey defines “smart work management” as efforts to maximize organizational performance through three elements: “realization of diverse and flexible workstyles,” “system for new business creation,” and “ability for market development.” Companies are rated out of five stars.



MIRAIT ONE SYSTEMS was selected as one of the “Top 100 Telework Pioneers” for FY 2022.

In November 2022, Group company MIRAIT ONE SYSTEMS Corporation was selected as one of the “Top 100 Telework Pioneers” for FY 2022. The “Top 100 Telework Pioneers” is a measure implemented by the Ministry of Internal Affairs and Communications (MIC) since FY 2015, in which companies and organizations that have been promoting the introduction and utilization of telework are designated as “telework pioneers” and companies with sufficient achievements are announced as the “Top 100 Telework Pioneers.”

After launching its Telework Division in April 2019, MIRAIT ONE SYSTEMS has been promoting telecommuting operations by hiring dedicated teleworkers and reviewing its telecommuting rules and regulations. In FY 2022, we will change from “telecommuting rules” to “telework work rules” to promote diversification of work styles regardless of location, and we are also promoting workcation initiatives. We will continue to consider initiatives in cooperation with local governments to further promote location-independent work styles.

Health and Productivity Management Initiatives

Promoting Health and Productivity Management under the Leadership of Top Management

Our group is focusing on promoting health management, which is one of our material issues, and has placed it as critical element of Change 1 “People-centric management” in our medium-term management plan. In July 2022, we issued the MIRAIT ONE Group’s Health and Productivity Management Declaration. We promote our health and productivity management under the leadership of our president and accelerate it by the organizational structure shown on the next page.

Health management support for employees

In addition to regular health checkups for all employees, we also conduct comprehensive health checkups for those who have reached a certain specific age and specific health guidance for employees to support employee’s health management. We also continue to implement health promotion measures such as creating opportunities for refreshment by providing recreational facilities around the country and walking events organized by our health insurance association (HIA). From 2023, we have started some new projects such as new health management tools to manage physical condition/health consultation, increase the number of public health nurses, and expand support for comprehensive health checkups.

Mental Health

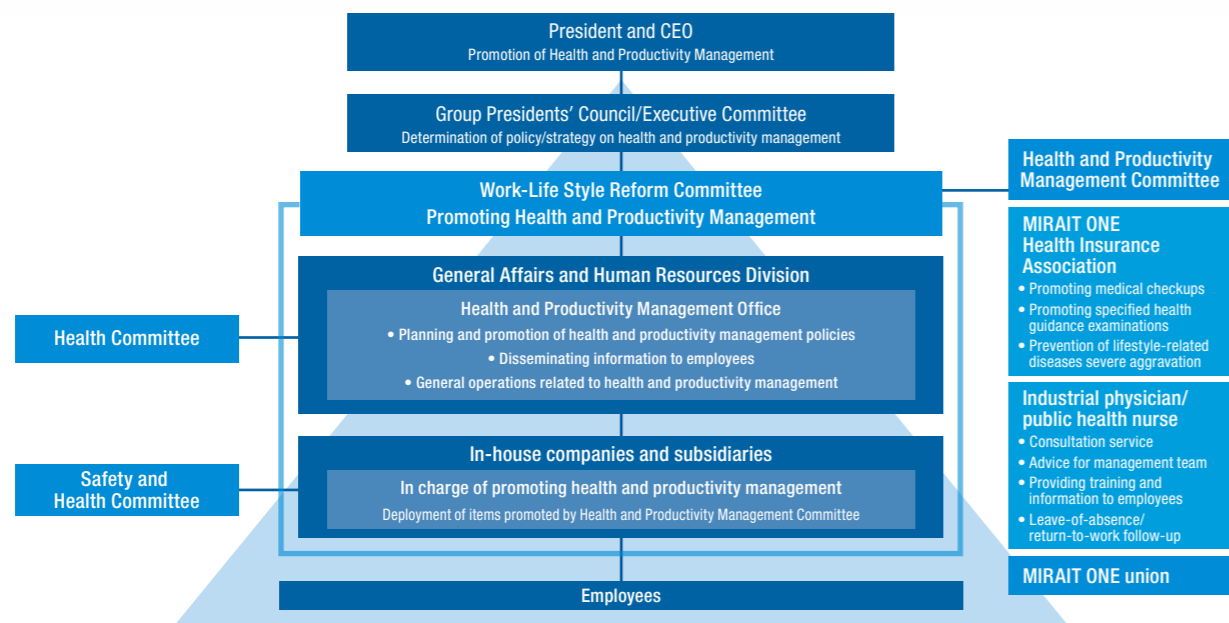
The “stress check program” mandated by the Ministry of Health, Labor and Welfare is aimed at primary prevention of mental health problems by making employees aware of their own stress and improving the workplace. Our group introduced a mental condition follow-up (consultation desk, etc.) before the program becomes mandatory. Based on group analysis of the stress check results, in order to prevent mental illness we conduct mental health trainings into every department.

Support for returning to work for employees on sick leave due to mental illness

For employees who are on medical leave or sick leave due to mental illness, we provide comprehensive support from the start of leave to follow-up after returning to work, including support from mental health promotion personnel. During leave, we will carry out a “rework program” that utilizes rework facilities. If the employee expresses an intention to return to work, the reinstatement examination committee will decide whether to return to work based on a diagnosis by the physician in charge and in collaboration with the industrial doctor and the company management. After returning to work, we provide employment con-

Human Resource Strategy

Organizational structure for Health and Productivity Management



siderations such as enforcing short working hours and limiting overtime work.

Health and Productivity Management Excellent Corporation Certification

In March 2023, MIRAIT ONE and Shikokutsuken Co., Ltd. was certified by the Ministry of Economy, Trade and Industry as a 2023 Health and Productivity Management Organization (large-scale corporation category) as a company that practices excellent health and productivity management.

Using this certification as a starting point, we will work more to improve the environment for health and productivity management, then create a virtuous cycle for sustainable growth and corporate value improvement, with "health" as one of its core values.



Diversity & Inclusion

Continue to be an "attractive company group" with diverse employees working actively.

The MIRAIT ONE Group respects individual personality and seeks to build workplaces where its employees perform to their full potentials, regardless of age, gender, educational background, nationality, disability, sexual orientation, gender identity, etc.

We have established the Diversity & Inclusion Office, a specialized organization to promote diversity and inclusion, in the General Affairs and Human Resources Division to leverage diverse perspectives and values in corporate management. Our focus is on building a workplace environment and developing management-level personnel to maximize the characteristics

and potential of each individual employee.

Diversity & Inclusion, one of the Group's material issues, is positioned as a key initiative. Our Mission (public mission), which clearly defines our approach to each stakeholder, declares our commitment to "continue to be an attractive corporate group where diverse employees work with passion and vitality."

In addition, as part of "People-centric management," we are dedicated to developing a pool of diverse human resources including non-Japanese engineers.

To further develop these series of diversity and inclusion initiatives, we established the "Diversity and Inclusion Declaration" in December 2022. We will promote diversity and inclusion to realize a corporate culture that respects each individual and makes them a strength of the organization.

Empowering Female Employees

We devise action plans for the purpose of enabling female employees to reach their full potential and pursue their careers in a wide range of arenas. Specific numerical targets are set for the ratio of women in new graduate hires and in managerial positions and to expand occupational fields for women. PDCA cycles are employed to achieve these targets. In addition, we actively promote work-life balance by developing a working environment that enables employees to balance childcare and nursing care responsibilities with professional career.

General Employers Action Plan based on The Act on Promotion of Women's Participation and Advancement in the Workplace

(Plan period: July 1, 2022~March 31, 2026) Non-consolidated (MIRAIT ONE Corporation only)

- ① Aim for **25%** ratio of women in new graduate hires
- ② To increase the number of women in managerial positions by **20%** from the current level.
- ③ Aim for a **70%** annual leave utilization rate

Supporting employees to balance childcare and nursing care responsibilities with professional career

We have instituted programs that employees can use during important life events such as childbirth, childcare, and nursing care beyond the standards stipulated by law, so that employees can continue working with a sense of security for a long time. They include the parental leave, which is available until the child reaches three years of age, and shorter working hour arrangement that can be used until the child completes the third year of elementary school.

As of the end of FY 2022, the childcare leave acquisition rate among female employees is 100% with the leave acquisition rate for childcare and other reasons among male employees at 78%. We have promoted efforts to maintain the childcare leave acquisition rate and raise it even further. Also, we implement support measure to ensure employees on childcare leave can return to work smoothly and play an active role in the company. The measures include providing information on developments in the company during their absence and conducting interviews prior to their return.

General Employers Action Plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children

(Plan period: July 1, 2022~March 31, 2025) Non-consolidated (MIRAIT ONE Corporation only)

- ① Establish an environment that facilitates the use of childcare leave for both men and women
- ② Create a worker-friendly environment

Support for Elderly Employees

In response to the declining birthrate and aging population in Japan, we have created an environment where willing senior workers can continue to play active roles. This was done by establishing a reemployment system after retirement to support the active participation of senior human resources who hold qualifications in advanced technologies required for the telecommunications construction industry and MIRAI (future)

Support system for balancing career with childcare and nursing care (MIRAIT ONE Corporation)

Related items	Program for balancing family and career	Legal requirements
Maternity leave	Paid for 6 weeks before and after childbirth, unpaid for the portion exceeding 6 weeks after childbirth	Unpaid
Leave for childbirth of spouse	2 days (paid)	—
Leave by accumulating expired annual leave	Nursing care for family members, maternity checkups, infertility treatment, childcare associated with the childbirth by a spouse	—
Childcare leave	Under 3 years old (until turning 3 years old)	Under 1 year old (within 1 year up to 14 months old with Dad and Mom Parental Leave Plus)
Shorter working hours for childcare	Up to 3rd grade	Under 3 years old
Child nursing leave	Up to 4th grade (Paid leave can be taken by the hour.)	Until the child enters elementary school (unpaid)
Restrictions on overtime and late-night work	Up to 3rd grade	Until the child enters elementary school
Nursing care leave (short-term)	Paid leave taken by the hour	Unpaid
Nursing care leave (long-term)	Up to 1 year per person	Up to 93 days per person (may be divided)

domains.

We also hold life plan seminars for employees who have reached a certain age and support them with work designing and financial planning after employment extension.

Status of reemployment after retirement (as of the end of FY 2022)

Number of employees subject to mandatory retirement	77
Number of rehired employees	68
Reemployment rate	88.3%

* MIRAIT ONE Corporation only

Promoting the Active Role of Local Personnel in Foreign Countries

The MIRAIT ONE Group currently runs overseas bases in 14 countries and regions (as of March 31, 2023), mainly in Asia-Pacific region where locally hired personnel play important roles. To make it easier for each employee to work and make the most of his or her individuality, we implement various measures, such as improving technical capabilities through mutual support, including the dispatch of personnel between overseas bases, and exchange meetings at bases.

MIRAIT Philippines Inc. also contributes to the local community and enhances its credibility by planting approximately 500 trees in Cebu City with the participation of 43 local employees.



Tree Planting in Cebu City (MIRAIT Philippines Inc.)

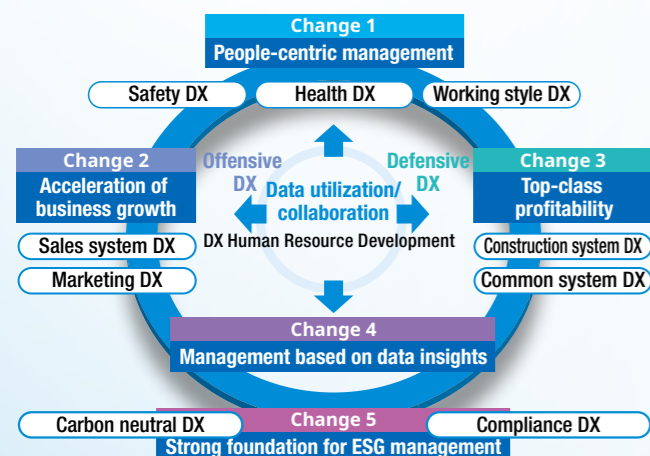
Digital Strategy

We will evolve all value creation through DX reforms.

Focus on DX as the core of growth strategy

Change 4 “Management based on data insights” and FY 2023 Key Strategy “DX Reform of Existing Businesses”

The MIRAIT ONE Group Vision 2030 and the 5th Medium-Term Management Plan include Change 4 “Management based on data insights” as one of the five business transformations. We will focus on “offensive DX” (development of a knowledge-based data environment and optimization of sales approaches), “defensive DX” (value chain reform, smart construction, and utilization of BPO/RPA and robotics), and “DX human resources development” (development of experts and core human resources and improvement of company-wide literacy) across the Group to realize the other four “Changes (growth strategies).” In this way, we are working to visualize all of our value creation from both quantitative and qualitative perspectives, and to transform our business through the effective use of data.



In FY 2023, the second year of the 5th Medium-term Management Plan, we will especially promote “DX Reform of Existing Businesses” as a business growth strategy as important as the aforementioned “Acceleration of Business Shift to Growth Fields,” by pursuing “value chain reform” through DX and the effects of the 2022 merger* of the three companies, and by promoting steady cost reduction, we aim to improve the profit margin of the carrier business by 3 percentage points by FY 2026.

* Merger of MIRAIT Holdings Corporation, MIRAIT Corporation and MIRAIT Technologies Corporation - the three companies implemented on July 1, 2022.

Goals of the 5th Medium-Term Management Plan

Improve profit margin of carrier business through DX reforms (FY 2026)
3 points or more

Both “offensive DX” and “defensive DX” progressed

Specifically, in “offensive DX,” we are building a process management system by utilizing data, sharing information, and introducing SFA* to strengthen sales capabilities, and we have also launched the “Mirai Business Community” to promote

new businesses such as “MIRAI (future) domains,” and are expanding the knowledge database and strengthening cooperation among members.

In “defensive DX,” standardization and visualization of construction manager operations and creation of digital support tools are underway, modeled on the NTT access business, and horizontal deployment to other businesses has begun in FY 2023. We are also expanding the use of network cameras to expand smart construction.

* Sales Force Automation (sales support system)

Acceleration of efforts for Five Changes through top-down approach by the “DX Promotion Committee”

In order to comprehensively promote and accelerate the realization of the other four Changes through DX in Change 4 “Management based on data insights” as mentioned above, the Group has organized a DX Promotion Committee chaired by the CDO directly under the President and CEO, and is promoting various measures across the organization under this committee and five subcommittees (Marketing, Sales, Construction, Procurement, and Data Driven Management). The DX Promotion Committee then manages progress under evaluation indicators set for each DX.

DX Human Resource Development

In order to develop DX human resources, which is an urgent issue, Mirai College first holds a “DX Basic Course” for all employees to acquire basic DX literacy and mindset, and by June 2023, all employees of MIRAIT ONE have already taken the course. In addition, all employees of major group companies are expected to successfully complete the course by the end of FY 2023.

In addition, in order to develop “core human resources” who are responsible for planning and promoting DX in each organization, a “DX Intermediate Course” has been held at Mirai College since March 2023, aiming to develop approximately 2,000 core human resources by FY 2026, including selection of mid-level human resources and development of new graduate employees.

Goals of the 5th Medium-Term Management Plan

DX Core Human Resource Development (FY 2026)

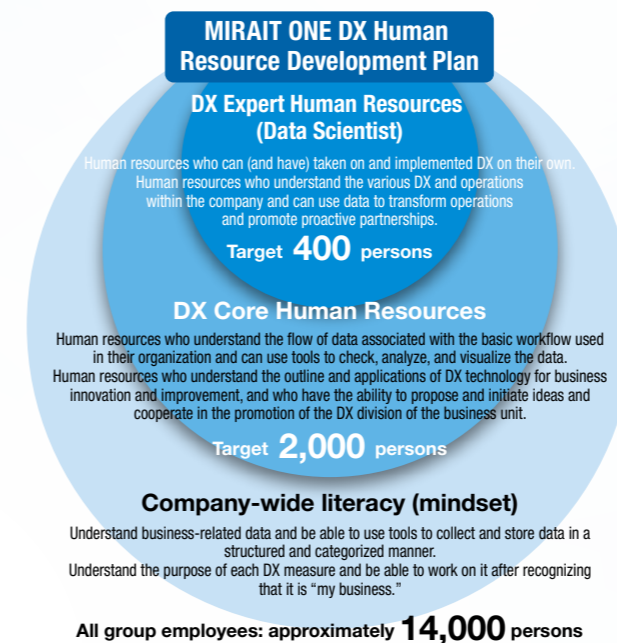
Development of approximately **2,000** core human resources

In addition, to develop expert human resources (data scientists), who are indispensable not only to improve operational efficiency through DX, but also to realize high value-added business operations, we will not only train internal human resources, but also strengthen mid-career hiring and collaboration with external human resources to enhance the ability to utilize data throughout the entire organization.

In order to raise the DX mindset and literacy of management, who are responsible for formulating a series of DX strat-

egies and monitoring their progress, we are also promoting DX reform company-wide by offering DX courses for executives.

Desired DX human resources profile and target numbers



Fostering a DX Promotion Mindset with “KAIZEN” as a Keyword

To foster a DX promotion mindset among all Group employees, which is the foundation for DX reform, we are holding the “DX & KAIZEN Award” from 2022. The convention, which has added DX reform case studies to the existing KAIZEN convention theme, will present awards for outstanding case studies, and aims to accelerate DX reform throughout the Group by horizontally spreading the concept to other business locations. FY 2022 marked the first time the competition was held since the launch of the MIRAIT ONE Group, with more than 8,000 people watching and voting during the two-week online period.

We will continue to focus on DX to translate the ingenuity and business improvement mindset we have built up over many years of KAIZEN activities into fundamental business transformation.

DX & KAIZEN activities of the MIRAIT ONE Group



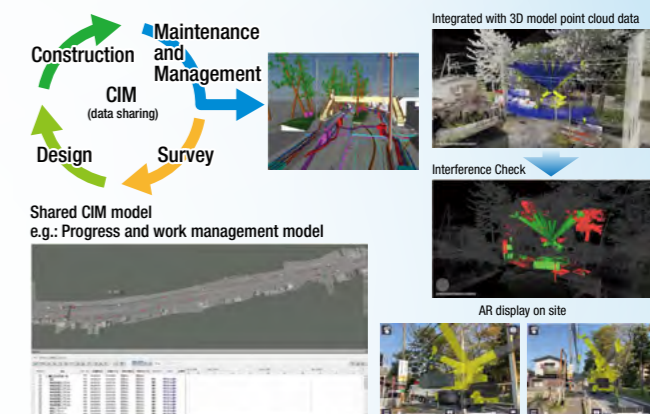
Core system renewal

The renewal of the core system as the IT infrastructure to promote DX is under way to build a new core system for the entire group. By maximizing the characteristics of the ERP package, we will respond flexibly to changes and reduce costs, and by applying it to group companies as well, we will achieve DX reform for the entire group. In addition, we will build a data-driven management foundation by enhancing data analysis functions in line with the revamping of the core system.

External Evaluation in DX

In June 2021, the Company received DX certification from the Ministry of Economy, Trade and Industry (METI) for deepening existing businesses (water pipe business, casting table, etc.), creating new business models (store DX using 3D point clouds and electronic shelf tags, etc.), and providing new solutions for the smart society.

Example of construction system DX (deepening of electric cable joint ditch construction using 3D point cloud data)



In June 2023, the certification was renewed in recognition of the progress of the business model and Change 4 “Management based on data insights” direction, strategies and tactics based on MIRAIT ONE Group Vision 2030.



In June 2022, we were selected as one of the “DX Hot Companies 2022” by the Ministry of Economy, Trade and Industry (METI), the Tokyo Stock Exchange (TSE), and the Information-technology Promotion Agency, Japan (IPA), in recognition of our environmental and social innovation business based on know-how cultivated in the telecommunications construction industry, promotion of ICT Solutions Business, entry into green power business, development of new businesses through promotion of various DX, and efforts to shift business structure to a Full-Value Model, etc.





Financial/Assets Strategy

The Group's basic financial policy is to maintain both a stable financial base and capital efficiency. The Group will strive to enhance corporate value by creating new business opportunities and accelerating the transformation of its business structure. To this end, the Group will strategically allocate management resources with an awareness of the cost of capital while maintaining a sound financial position.

Shareholder returns

Further Strengthening of Shareholder returns from the 5th Medium-term Management Plan

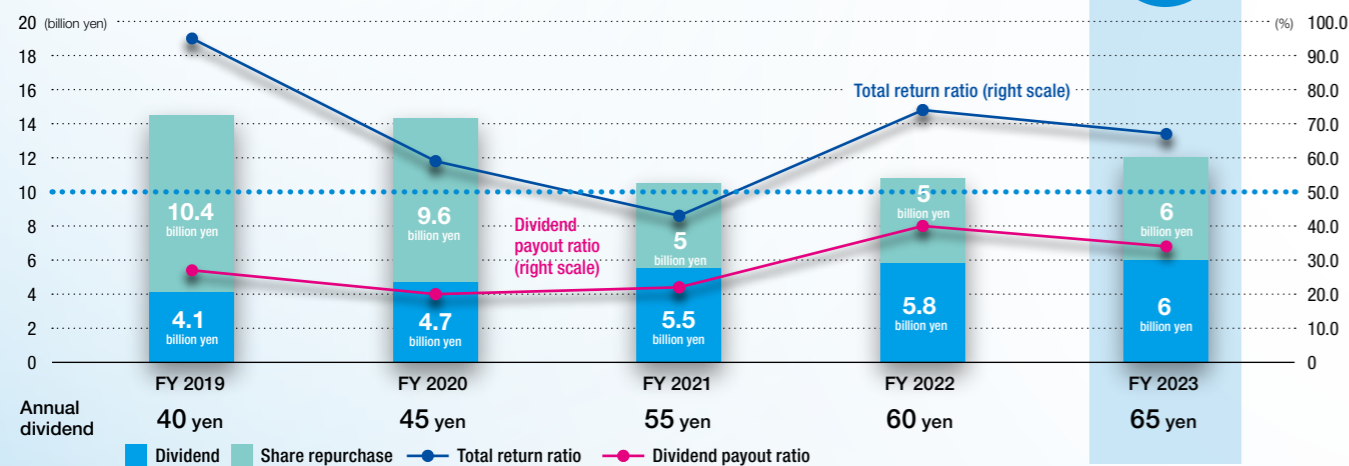
- ▶ Total shareholder return ratio at **50%** level
 - Stable dividend growth and flexible share buyback
- ▶ Considering retirement of treasury stock that has no intended use

Shareholder Returns Forecast for FY 2023

- ▶ Annual dividend per share of **65** yen (5 yen dividend increase)
- ▶ Share repurchase: **6** billion yen*

* Includes 1 billion yen implemented in April 2023.

Track record of shareholder returns



Shareholder Return Policy

In the 5th Medium-term Management Plan announced in May 2022, the Company revised its existing shareholder return policy, aiming for a total return ratio of 50% through stable dividend growth and flexible share buybacks, while comprehensively taking into account its capital policy, business performance, and financial situation. On the other hand, the Company will consider the retirement of treasury stock that has no intended use. Our basic policy is to pay dividends from surplus twice a year, an interim dividend and a year-end dividend, with the Board of Directors deciding on the payment of the interim dividend and the General Meeting of Shareholders deciding on the payment of the year-end dividend.

FY 2022 results

Based on the above policy, the year-end dividend for FY 2022 was set at 30 yen per share, and the annual dividend, including the interim dividend of 30 yen per share, was set at 60 yen per share. In addition, in order to enhance shareholder returns and enable the execution of a flexible capital policy in response to changes in the business environment, we conducted a share repurchase during FY 2022 (3.14 million shares, 5 billion yen). This resulted in a total return ratio of 73.2% for FY 2022.

Forecast for FY 2023

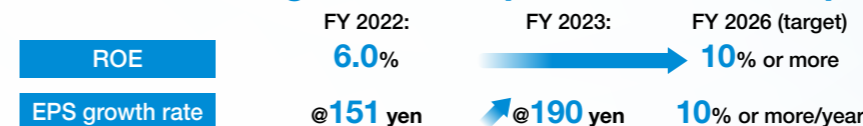
For FY 2023, in addition to the resolution in May 2023 to repurchase treasury stock (up to 4.5 million shares/5 billion yen), the annual dividend per share will be increased by 5 yen to 65 yen (interim dividend: 30 yen, year-end dividend: 35 yen). In April 2023, the Company repurchased 600,000 shares of its own stock (600,000 shares, 1 billion yen), in accordance with a resolution in March of the same year.

Investment for growth

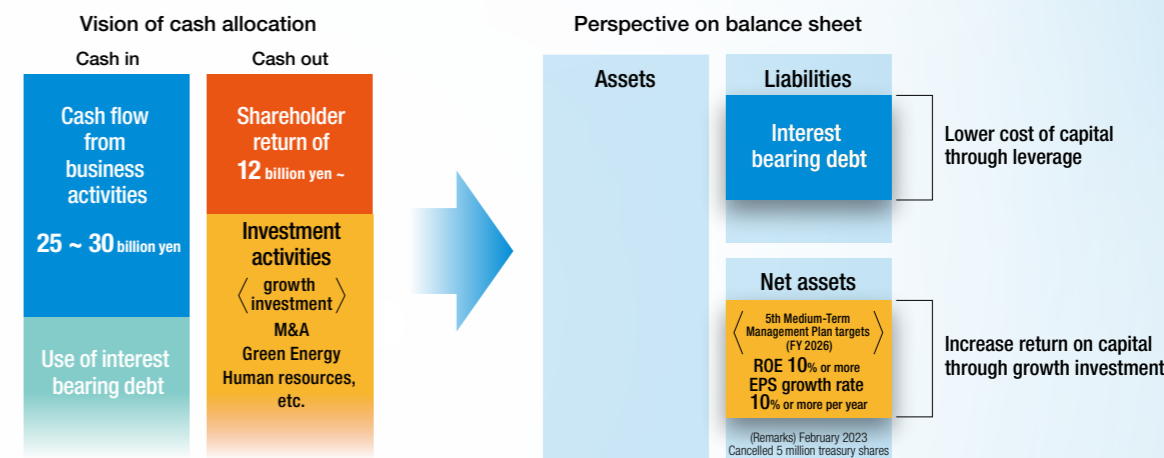
Enhance investment for growth

- ▶ Allocation of Free Cash Flow after shareholder returns will be prioritized to growth investment
- ▶ Utilization of Liabilities will also be considered (assuming external credit rating of [A] is maintained)

Investment for growth to improve return on capital



Vision of Cash allocation and balance sheet for FY 2023



Cash allocation

Capital requirements of the Group include ordinary working capital—such as materials, subcontracting, and labor costs for construction, and expenditures related to investment activities—such as capital investment funds for the acquisition of business assets and investment and loan funds for M&A for future growth.

With a target total return ratio of 50%, the Group will also allocate its cash flow to shareholder returns, mainly by purchasing treasury shares to pursue stable and continuous dividend growth and implement flexible capital policies.

Method and Status of Financing

The Group basically finances its operations with internal funds and uses a cash management system (CMS) to effectively use the Group funds. In case the Group needs a capital temporarily, it procures short-term funds from financial institutions.

To prepare for capital requirements for emergencies and growth investments such as M&A, the Group ensures to hold appropriate amounts of cash and deposits on hand. In addition, the Group works to build a fund-raising structure such as by maintaining and strengthening relationships with financial institutions to establish commitment lines for short-term borrowings and obtaining external credit ratings.

In particular, when making large investments such as M&A, we also utilize debt on the assumption of maintaining the external credit rating of [A].

Through a series of these measures, we are striving for highly capital-efficient management with the targets of “ROE of 10% or more” and “EPS growth rate of 10% or more per year” in the 5th Medium-term Management Plan.

Promote ESG-oriented Management to Contribute to the SDGs and Enhance Corporate Value for Sustainable Growth

The MIRAIT ONE Group promotes ESG-oriented management with the aim of contributing to the SDGs and enhancing corporate value for sustainable growth.

The ESG Management Promotion Committee, which was established in September 2021, implemented the “identification of material issues (materialities)” and “endorsement of the TCFD” in FY 2021, and acquired “SBT certification” in FY 2022.

The 5th Medium-term Management Plan that begins in FY 2022 identifies “strong foundation for ESG management” as one of the “Five Changes” stated in the growth strategy to realize MIRAIT ONE Group Vision 2030. They include the “initiatives aimed at the achievement of greenhouse gas reduction targets,” “co-creation of social value through the MIRAIT ONE Partner Association,” “enhancement of audit system and strengthening of audit functions through three-lines of defense,” and “strengthening of corporate governance through new Group management system.”

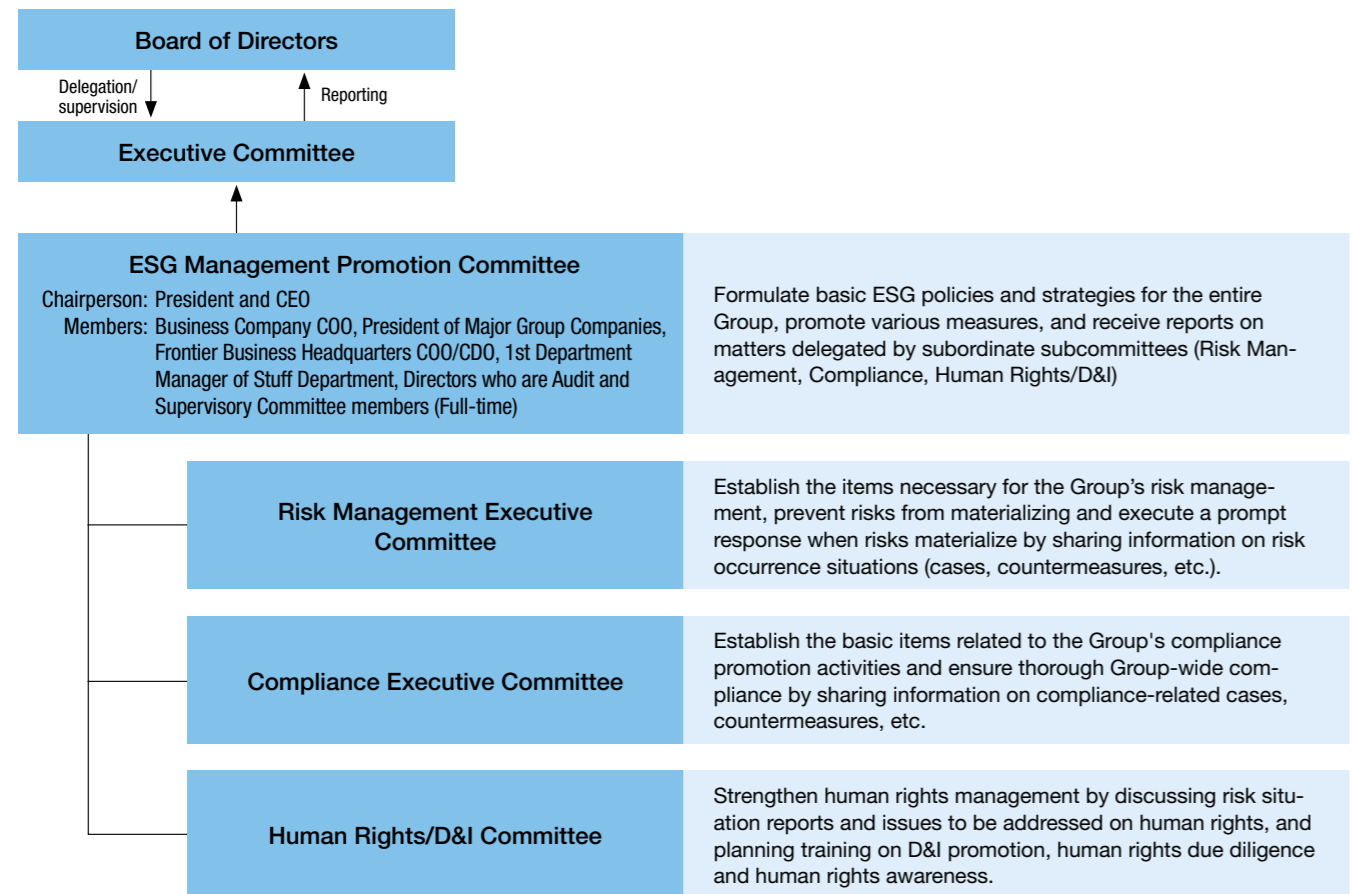
ESG Management Promotion Structure

The ESG Management Promotion Committee, chaired by the President and CEO, formulates basic policies and strategies on ESG management in general, identifies material issues, and responds to various environmental initiatives.

Starting in July 2022, the “Risk Management Executive Committee,” “Compliance Executive Committee” and “Human Rights/D&I (Diversity and Inclusion) Committee,” chaired by the compliance officer, are administered under the ESG Management Promotion Committee. The Risk Management

Executive Committee deliberates and decides on policies and systems for effective and efficient risk management, while the Compliance Executive Committee reports and corrects cases of compliance incidents in the Group and examines measures to raise compliance awareness. The Human Rights/D&I Committee reports on human rights risk situations, and discusses and examines issues to be addressed, Diversity & Inclusion promotion and other items.

ESG Management Promotion Structure Chart



For the Preservation of the Global Environment

MIRAIT ONE Group aims for “building and maintaining an environmentally-friendly society” through our effort toward materiality, i.e., “realization of a decarbonized society through business activities” and “contribution to environmentally-friendly and resilient urban and regional development.” The Group will also achieve both the continuous enhancement of corporate value and the solution of social problems by steadily grasping growing business opportunities related to decarbonization and mitigation of water risk as well as rising needs for regional revitalization and transformation to smart cities.

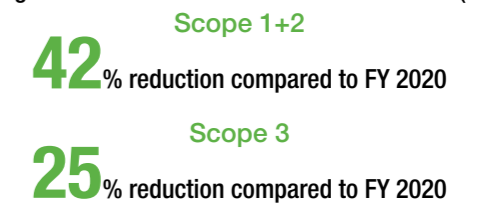
Effort toward Decarbonization

Topics

In February 2023, the Group received certification from SBTi (Science Based Targets initiative) for FY 2030 target of greenhouse gas emissions reduction that was set forth toward the realization of carbon neutrality in 2050. For information disclosure based on the recommendations of TCFD (Task Force on Climate-related Financial Disclosures) including these targets, see the following:
<https://www.mirait-one.com/english/esg/environment/>

Non-financial targets of the 5th Medium-term Management Plan

Percentage Reduction of Greenhouse Gas emissions (FY 2030)



Actual results

Greenhouse gas emissions compared to FY 2020 (base year) are as follows.

Greenhouse gas emissions

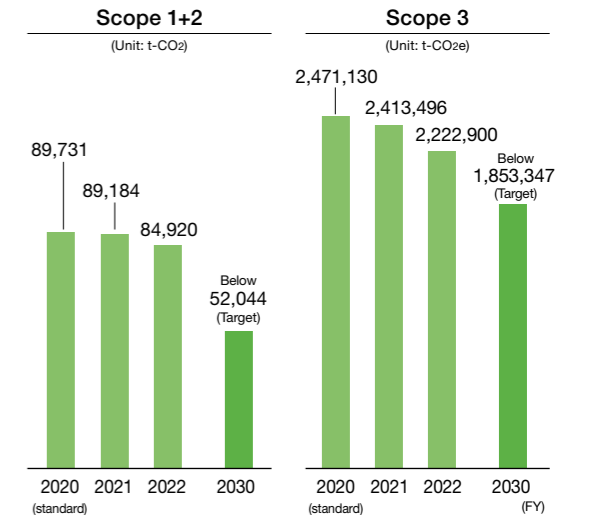
Category	Emissions		
	FY 2020 (standard)	FY 2021	FY 2022
Scope 1 Direct emissions	66,890	67,907	65,166
Scope 2 Indirect emissions	22,841	21,277	19,754
Scope 3 Other indirect emissions	2,471,130	2,413,496	2,222,900
Category1 Purchased goods and services	513,292	452,295	337,073
Category11 Use of sold products	1,892,870	1,848,997	1,814,356
Others (Category2, 3, 5, 6, 7, 12, 13) Total	64,968	112,204	71,471 ^(*)
Sum of Scope 1-3	2,560,861	2,502,680	2,307,820

* Figures for FY 2020 (Standard) include those for SEIBU CONSTRUCTION CO., LTD.
 * Emission unit: Scope 1, 2: t-CO₂, Scope 3: t-CO₂e

*1 Reference: Breakdown of others

Category	Emissions (t-CO ₂ e)
Category2 Capital goods	32,442
Category3 Fuel- and energy-related activities (not included in Scope 1 or 2)	13,165
Category5 Waste generated in operations	3,362
Category6 Business travel	1,866
Category7 Employee commuting	3,392
Category12 End of life treatment of sold products	3,163
Category13 Downstream leased assets	14,081

* Category4, 8, 9, 10 are not applicable to our company.



Environmental Management

Conformance to ISO 14001

Each of our Group companies complies with and practices environmental management system (ISO 14001) (ratio of certified locations: 100%). Each business location evaluates the environmental impact of its operations, formulates measures to address significant environmental impacts, and implements a PDCA cycle for continuous improvement. Over the eight years from 2015 to 2022, our Group companies in Japan have reported zero cases of the violation of environmental laws and

regulations, accidents/pollution that leads to environmental problems, or complaints about environmental problems.

In PDCA of these environmental protection activities, the actual values of our main performance indicators (CO₂ emission, electricity consumption, consumption of fuels such as gasoline and kerosene, emission of paper waste, household waste and industrial waste, and green purchasing payments) are utilized for monitoring and analysis. In summer and winter, when electricity consumption increases, each workplace im-

plements its own targets to reduce power consumption based on the actual values of performance indicators.

Green Development Guidelines

In FY 2017, the Group established the “Green Product Development Guidelines,” which outline the items to be considered in the development stages to protect the global environment. In the development of construction methods, products and services, we comply with relevant laws and regulations and take into account the environmental impact throughout the life cycle.

Environmental Standards for Evaluating and Selecting Business Partners

As part of our integrated management system, we evaluate and select our business partners in order to ensure their compliance with our product requirements by determining whether they are capable of supplying products and services that satisfy our requirements. Specifically, suppliers whose transaction value exceeds the predetermined amount are evaluated based on the Supplier Evaluation Criteria Table, which is shared across the Company.

The evaluation items include items related to quality, deadline, and management, as well as items dedicated to the environmental area (E) of ESG, such as ISO 14001 certification and efforts to reduce environmental impact.

Items subject to supplier score evaluation

Control items	Evaluation items
Deadline	Adherence to deadline and delivery
Environmental protection	Reduction of environmental load
Quality	Existence of defects
Improvement activities	Initiatives for improvement activities
Data asset management	Establishment of data asset management system
Management	Management stability

Environmental Protection through Business Activities

Focusing on Green Energy Businesses as the Core of Growth Strategy

We aim to realize a decarbonized society by constructing, operating, and maintaining more efficient social infrastructures and advanced energy-related systems as part of our business activities, and by promoting the supply of renewable energy.

We contribute directly to creating energy infrastructure needed for a decarbonized society through environmental and social innovation Business in the Corporate/Environmental and social Infrastructure domain. Specifically, this is performed through the design, construction, operation and maintenance of power generation systems that rely on solar power and other renewable energy sources, installation and maintenance of LED lighting and EV charging systems, supply of energy management and storage battery systems, and the acquisition of the planner certification of ZEB (Net Zero Energy Building). We also take an active part in initiatives toward realizing high-efficiency smart energy systems and smart cities, in addition to developing broadband wireless sensor network systems.

From FY 2023, which is the second year of the 5th Me-

dium-Term Management Plan, we set forth “enhancement of green energy businesses” as one of the important growth strategies, and will make corporate-wide effort on local government PPA, industrial power storage facilities, and inter-system connection businesses, in addition to existing businesses related to solar power generation, EV battery chargers, and rechargers, aiming for net sales of 30 billion yen from these new businesses in FY 2026.

Initiatives in Company Offices, Business Locations, etc.

Energy Conservation and Energy Creation in Construction Centers

At local construction centers, we have installed LED lighting, demand monitoring systems for power consumption, and rooftop solar power generators to promote energy conservation.

Total annual power generation by solar power generators at MIRAIT ONE Corporation offices

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
(10 thousand kWh)	13.8	13.2	13.7	28.5*	32.4

* The scope of aggregation was changed in FY 2021.

Promotion of Energy Conservation and Transition Toward Renewable Energy

To reduce electricity consumption, which accounts for a large portion of energy consumption in offices, the entire Group is working together to promote multifaceted power-saving measures. They include: reducing the number of printers and copy machines, and using them more efficiently; setting PCs to a power-saving mode; optimum indoor temperature control; switching off unnecessary lighting; and raising awareness on using elevators less frequently.

The Group is working to transition to the use of renewable energy in different business locations. In FY 2022, 28% of the energy used in the company building was changed to renewable energy.

Vehicles with Better Fuel Efficiency/Reduction of Greenhouse Gas Emissions

In addition to accelerating the conversion to low-emission, fuel-efficient vehicles such as EVs and hybrids, we also use cloud-type drive recorders to promote “eco-driving,” which has a lower environmental impact and helps lower the number of traffic accidents. In addition, we are working to reduce greenhouse gas emissions through better fuel efficiency and company-wide educational campaigns on the use of fuel additives that cut greenhouse gas emissions. In FY 2022, we changed 14% of business-use automobiles to EVs and hybrid automobiles.



Promoting the use of EVs

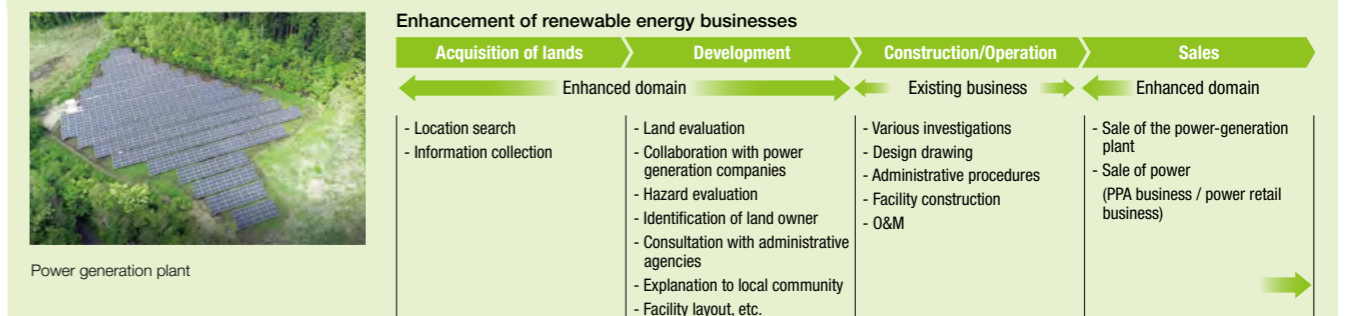
Environmental Topics

Constructing a Solar Power Generation Plant, As a Green Power Business Operator

We started the construction of a solar power generation plant in Fujinomiya City, Shizuoka Prefecture in September 2022. The plant started operation in March 2023, and started providing power to electricity retailers from April 2023.

This project not only builds and operates power generation facilities as the first green energy business in MIRAI (future) domains, but also significantly enhances our business domain by

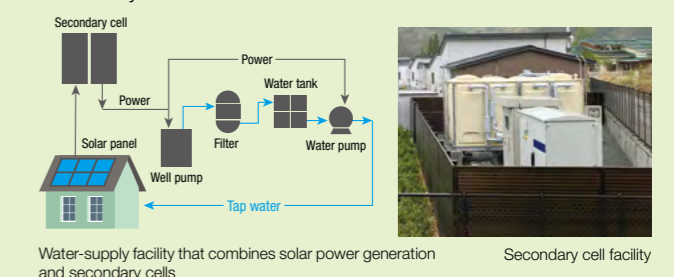
playing the role of a power generating company to gain lands, develop facilities, and sell power. Moving forward, we will work toward the enhancement of this business based on the technological competence that we cultivated through the construction of telecommunication facilities and total facilities, to solve problems of customers and society and to vitalize local communities.



Constructing Green Water-Supply Facility Robust over Natural Disasters

In Namie-machi, Fukushima Prefecture, the Group has been contributing to the renewal of the town through an EMS (Energy Management System) that bundles renewable energy generated locally by various devices including solar generators, wind generators, hydrogen-fuel cells, and solar heat collectors. From July 2022, the Group also started the construction of a green water-supply facility that is robust against natural disasters by combining solar power generation and secondary cells, and the facility started operation from March 2023. Power is supplied to water-supply machines such as well pumps and water-supply pumps from secondary cells that are charged from solar panels installed on roofs of houses. This water-supply facility is an off-grid facility (not connected to the power grid of power companies), so that it can continue operation even in a disaster or power failure in which grid power is not available, as long as solar

power systems are operating. Also, even when solar power systems are not generating power, the system provides power from secondary cells for at least 72 hours, contributing to the safety and security of the local community.



Commended by a Supplier for Our Secondary Cell Business

In April 2023, MIRAIT-X Corporation, one of group companies, received Customer Service Excellence Award from TESLA for its excellent services in sales and construction that involves Powerwall, TESLA's secondary cell system.

Moving forward, we will enhance sales in the green energy business by conducting the construction, maintenance, and

operation of facilities that use secondary cells and accumulating expertise and know-how in this field.



Contributing to Circular Society

Policy

The MIRAIT ONE Group will reduce geoenvironmental impact by properly disposing of industrial waste generated from our business operations on our own responsibilities and by promoting environmental conservation activities in consideration of sustainable use of resources.

Non-financial Targets of the 5th Medium-term Management Plan

Industrial waste final disposal ratio (FY 2030)

1.5 % or less

FY 2022 results

3.41 %

Establishing Policy on Disposal of Industrial Waste

In order to translate resource recycling and waste reduction steps into sustainable growth and enhanced corporate value, the Group has established targets on the Industrial waste final disposal ratio for FY 2030 in its 5th Medium-term Management Plan that begins in FY 2022. In July 2022, the "MIRAIT ONE Group Policy on disposal of industrial waste" was established to develop this initiative into effective policies.

Recycling Construction By-products

We continuously work to minimize construction by-products generated at each construction site and to find ways to recycle by-products that are generated. As part of that effort, we launched an initiative in 2008 in the telecommunications construction industry to transition from conventional, disposable wooden drums for winding steel stranded wire to reusable ECO drums. Today, ECO drums are used for most drum sizes.



ECO drums

Promoting Recycling of Used Construction Products

We collect used uniforms and helmets to promote recycling through material processing (to be reused as new raw materials).

Reducing Paper Use

MIRAIT ONE Corporation promotes specific measures and initiatives to reduce paper use by using less paper at meetings, eliminating the need to stamp paper documents and reforming business processes.

Green Procurement

The Group promotes green procurement of paper and stationery with a target green procurement rate of 80% to be achieved by the end of FY 2025. The result in FY 2022 was 82.5%.

Contribution to the Reduction of Water Risks and Effective Use of Water Resources

Policy

The Group considers water risks as significant as climate change risks, and is working to provide various solutions centering around the maintenance and construction of water infrastructures. The Group considers these efforts as examples of business-based contribution for the reduction of water risks and effective use of water resources.

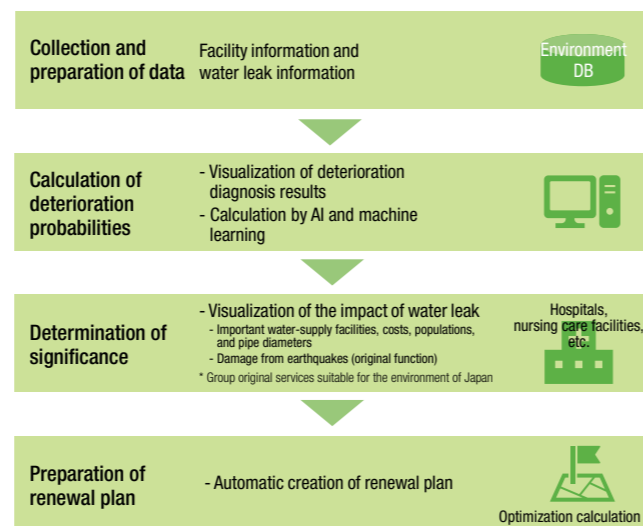
Providing DX Promotion Solution for Water and Sewerage Construction

There is a global rise in the importance of measures against water risks and the effective use of water resources, and also there are serious domestic problems of the aging of social infrastructures and the decrease of working population. Under these circumstances, the Group conducts water engineering business of several billion yen every year to support stable and continuous operation of water infrastructures and the effective use of water resources.

In September 2022, the Group started providing water DX solutions that include the deterioration diagnosis, construction, and maintenance of water pipes using data and ICT technologies, based on customer needs and lessons that we have learned through our water business. Through the eight solutions described below, the Group provides environmental values related to water resources, as well as social values through operation streamlining.

(1) Solution for deterioration prediction, impact evaluation, and planning of water pipe renewal

The solution estimates breakage risks and deterioration conditions by algorithms of AI and machine learning that use customers' data of water pipe path facilities and water leak records. The solution provides a map display of business risks that would be caused by water leak, and automatically creates action plans in consideration of costs.



* A system provided by FRACTA is used.

(2) Solution for water pipe construction management (photoreduction water)

We provide our original functions specialized for water pipe construction. Construction management tasks can be reduced by approximately 30% using ICT technology.

(3) Water-supply smart meter solution

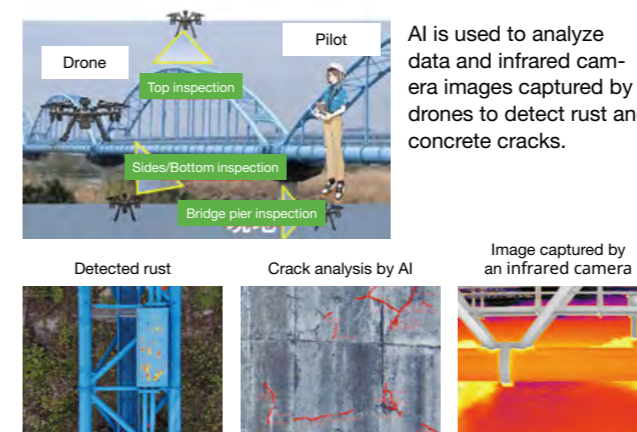
The solution automatically sends flow data by wireless communication. Automatic meter reading, water leak detection, and real-time water flow display are possible without service personnel visiting different sites.

Automatic meter reading and water leak detection



(4) Solution for water pipe bridge inspection using drones

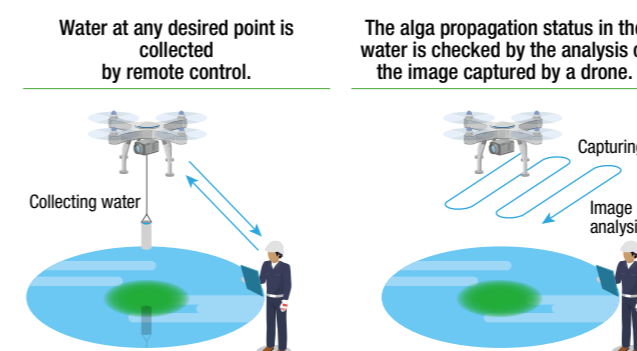
This solution contributes to the prevention of water leak and pipe breakage caused by the aging of water-supply facilities using drones and ICT technology.



AI is used to analyze data and infrared camera images captured by drones to detect rust and concrete cracks.

(5) Water quality inspection

The use of drones facilitates the inspection of water quality and alga in reservoirs conducted as environment conservation measures. The alga propagation status is checked by the analysis of image captured by a spectrum camera.



(6) Water and civil engineering

(7) Construction of water purification plant

We will propose the effective construction and renewal of water-supply facilities using data obtained by the above solutions.

(8) Solution for monitoring, operation, and maintenance of facilities

We respond to the needs for full outsourcing of the operation and maintenance of facilities by our 24-7 support system after they are deployed.

Initiative for Biodiversity

Policy

Based on its materiality theme, "Contribution to environmentally-friendly urban and regional development," the Group makes effort not only in business but also in social contribution activities such as volunteerism toward the realization of sustainable society that is mindful of biodiversity including the preservation of the ecosystem.

Advocating "rice farming" that aims for the preservation of the ecosystem and transition to environment-friendly agriculture

The Group supports "rice farming" carried out by one of our partners, Murayama Construction Co. Ltd., for the preservation of the ecosystem, transition to environment-friendly agriculture, the use of deserted cultivated land, and the preservation of the original landscape of Satoyama (village hill forest). Volunteers from the Group help with the farm work. The Group suspended this activity from 2019 due to the COVID-19 pandemic, but started it again in October 2022 and volunteers including President Nakayama harvested rice.

Certain limited amount of rice harvested from the MIRAIT ONE Rice Field in Tokamachi City, Niigata Prefecture, is sold to stakeholders as "MIRAIT ONE rice."

We will continue our efforts to preserve biodiversity through this and other initiatives.



Realizing a Safe and Secure Society

The MIRAIT ONE Group aims for “Building and Maintaining a Safe, Secure, and Prosperous Society” through its effort in Group Materiality of “Safety and Quality Improvement” and “Co-creation of social value through collaboration with partners.” Thus, in order to enhance business opportunities to realize continuous improvement of corporate value, the Group seeks talented personnel and improved brand power through the pursuit of safety and quality, and works to form and expand an ecosystem by increasing co-creation partners.

Safety Management

Policy

The MIRAIT ONE Group, which builds the infrastructure of society as its business domain, creates value based on the basic premise of guaranteeing and improving safety, and implements business processes that prioritize safety.

Effort toward Non-financial Targets of the 5th Medium-term Management Plan

Number of accidents resulting in injury or death/
number of serious facility accidents

Zero
(FY 2022 results)

Establishment of Charter on Safety and Compliance

In July 2022, the Group established the “MIRAIT ONE Group: Charter on Safety and Compliance,” which reaffirms its priority on commitment to safety as the cornerstone of corporate management. With all employees of the Group dedicated to ensuring safety and compliance based on this Charter, our goal is to create a corporate group that earns the trust of all stakeholders and contribute to realizing a sustainable society.

For Further Improvement of Safety Awareness

For the elimination of accidents and further improvement of safety awareness, the Group reminds its employees of the importance of everyday reflection on basic manners of operation, prepares safe operation procedure manuals, provides safety training, creates videos of accident cases, and is proceeding with the visualization of safety rules. In addition, the Group works to activate communication with workers, reconfirm safety awareness, and disseminate safety measures, through frequent visits of management executives including the President to workplaces and annual Safety Convention that involves group companies and partner companies.

Danger Simulation Training

In order to eliminate accidental falls, which account for approximately 40% of fatal accidents in the construction industry, the Group provides a VR-based danger simulation training. The purpose of this training is to remind the students of the importance of basic movements and fall prevention equipment and to raise safety awareness through simulated experience of fall accidents.

Ensuring Safety During Emergencies

To be prepared for large-scale natural disasters, acknowledging the rising importance of our support for the restoration of

information and communication infrastructure in the event of a disaster, the Group holds periodic disaster response drills twice a year to learn the principles of actions to be taken in the event of a disaster, safety confirmation methods, methods of gathering disaster-related information. Also, during the period of COVID-19 pandemic, which started in 2020, we learned the effectiveness of the safety confirmation system for flexible workstyles such as homeworking and teleworking.

Promoting the Acquisition of Authorization of Workers for High Elevation Work Safety

We encourage our engineers to obtain the “Authorization of workers for high elevation work safety (Access system)” or “Authorization of workers for high elevation work safety (Network system)” so that they can work safely and reliably in high places.

Number of new candidates for authorization of workers for high elevation work safety (number of candidates)

	FY 2020	FY 2021	FY 2022
Access system	81	104	109
Network system	30	32	64



VR-based danger simulation training



Training to experience high elevation work

Introduction of Cloud-type Drive Recorders

From 2019, the Group uses cloud-type drive recorders for business vehicles in order to eliminate traffic accidents during trips to work sites or other occasions. As of the end of FY 2022, drive recorders have been installed in about 85% of the Group vehicles (approximately 2,000 vehicles), resulting in 46% reduction of traffic accidents in FY 2022 compared with the previous fiscal year.

Acquisition of ISO 45001 Certification

We operate occupational health and safety management systems in compliance with ISO 45001. As of March 31, 2023, all business locations of MIRAIT ONE are certified. We comply with laws and regulations as well as occupational safety and health requirements, reduce and eliminate occupational safety risks through risk assessment and activities to anticipate danger, and promote safety and security through educational exchanges in accordance with the Policy on Occupational Safety and Health, which explicitly names safety as the highest priority in opera-

tions. We continuously improve our performance by identifying all actions that can lead to accidents resulting in injury or death, serious traffic accidents, serious facility accidents and other seriously unsafe incidents as supervision check-points.

Quality Management

The Group considers quality as important a business challenge and source of competence as safety. The “MIRAIT ONE Group: Charter on Safety and Compliance” reaffirms “quality assurance” as a material issue and emphasizes the commitment to “constantly incorporate new technologies and provide high-quality, superior deliverables to meet customer expectations.”

Improving and Maintaining Technical and On-site Capabilities

The Group implements training and a technical certification system to steadily improve and maintain its technical strengths that support service quality.

In recent years, worksite supervisors* who play the important business role as the representatives of work sites are required to have a wide range of skills to deal with the increasing number of construction projects and the diversification and growing complexity of construction projects. As a concrete measure for such a situation, the Group carries out “Worksite Supervisor Training” for newly appointed worksite supervisors and deputy worksite supervisors.

* One of the supervisory positions appointed by the Group to oversee individual works.

The Engineer Training Subcommittee, aimed at developing specialized technicians, offers various training programs for employees of the Group and partner companies. Especially, 1,685 employees have received the mobile skill training to build their skills since the start of training in 2010.

Also, the Group participates in “National Skills Competition” organized by Japan Vocational Ability Development Association every year, and our employees won a Bronze Medal for Excellence in Information Network Cabling at the “60th National Skills Competition” held in November 2022. We will continue to improve our technical capabilities through participation in competitions and other means to offer and maintain safe, reliable and high-quality services.



Our medal-winning employees

ISO 9001-Conformant Quality Management System

The Group builds and operates a quality management system in compliance with ISO 9001, and our Quality Policy

comprises: “swift response to legal regulations and customer demands,” “raising customer satisfaction by enhancing the quality of products and services as well as construction (while realizing efficient production and services),” and “maintaining and improving QCD through quality risk reduction.” Specific processes, procedures, and decision criteria are defined in internal rules and regulations for the realization of the policy. Mobile terminals are used in checking and verifying the quality of the respective tasks. Also, the achievement status of targets set by each group company based on the nature of their business (number of facility accidents, number of problems reported after inspection, customer satisfaction evaluation score, etc.) is reviewed for reflection in the subsequent fiscal year and beyond.

Collaboration with Partners

MIRAIT ONE Partners

In July 2022, the MIRAIT ONE Group launched MIRAIT ONE Partners with some 400 core partners among approximately 2,200 partner companies. In addition to tackling the challenges of “MIRAI (future) domains” business in growth areas, we support the growth and transformation of our partners by strategic learning opportunities in the “Mirai College,” a human resources development institution. Also, we will work with our partners to promote safety-health-oriented management and work style reform at work sites and on-site value chain reform through DX for the co-creation of social value and enhancement of corporate value.



MIRAIT ONE Partners Portal Site

Fair Trade and Partnership

The “MIRAIT ONE Group: Charter on Safety and Compliance” emphasizes, in “6. Fair Trade and Partnership,” our commitment to comply with various laws and regulations on business transactions, conduct transactions in a fair and transparent manner, and maintain cooperative relationships with partner companies so that we can work together toward solving social issues.

* For details, visit our website (<https://www.mirait-one.com/english/info/000213.html>).

Making “Declaration of Partnership Building”

The Group has been building and maintaining telecommunication infrastructure, which plays a part in ensuring safe and secure society. Under the recognition that the most important thing for us to build and maintain future social infrastructure is the co-creation with partners, the Group will proceed with the co-creation of social values based on fair trade and partnership, aiming for continued contribution to the solution of social problems in an even wider scope of social infrastructure. In March 2023, the Group made “Declaration of Partnership Building” to enhance co-creation with partners aiming for sustainable society and the improvement of corporate value.



New Value Creation through Open Innovation

The MIRAIT ONE Group has focused on the implementation of advanced technologies in the telecommunications, ICT, and other fields in social infrastructure as a growth driver. The Group will continue its dedication to open innovation together with startup companies and others in and outside of Japan to contribute to value creation in leading-edge fields and the resolution of social issues.

In November 2022, we started the development and trial operation of an electric scooter charging station (autonomous power supply equipment) using our independent-type solar-power charging kit in collaboration with BRJ Inc. (BRJ,

hereafter), a company that provides an electric scooter sharing service. BRJ receives investment from a venture capital fund “B Dash Fund No.4, Investment Limited Partnership” that the Group invests in. With the philosophy of giving consideration to safety and security and contributing to environmental issues through remote monitoring and control of electric scooters and related services, the Group is working to solve problems of public transportation in the field of micro-mobility. This trial operation is a business collaboration demonstration experiment for the realization of carbon neutrality in the field of micro-mobility, and is conducted as one of the solutions for various regional issues in “urban and regional development” that the Group engages in. The Group conducts the project aiming for the fusion of our various engineering capabilities including the construction of energy-related facilities and advanced wireless ICT solutions to create new solutions. Moving forward, the Group will actively drive the initiatives for the creation of synergy and new values together with prospective start-up companies through open innovation.

In January 2023, the Group organized the Alliance Business Department in order to accelerate the creation of businesses related to “urban and regional development/Corporate DX and GX” businesses with an eye on social implementation of new information and communication platforms such as IOWN (Innovative Optical and Wireless Network), leveraging engineering know-how that the Group has cultivated in the fields of telecommunications infrastructure and ICT. Moving forward, the department will also engage in the collaboration with alliance partners through various open innovations to develop businesses that contribute to the convenience and wealth of society.

Dialogue with Stakeholders

In the process of growth in MIRAI (future) domains such as “urban and regional development/Corporate DX and GX” and global businesses, customer segments expanded from conventional telecommunication carriers to local governments and private enterprises, and collaboration partners will also significantly increase. So, the Group will strength stakeholder engagement mainly in efforts toward the Purpose (meaning of existence) and Mission (public mission), which defines the Group stance toward different stakeholders.

Purpose/Mission, Stakeholders in view

Purpose	
Co-creating an exciting future through challenges and technology	
Mission	Stakeholders in view
Meeting customer expectations and contributing to realize a prosperous society	Customers
Constantly refining our technology and business model to add more value	Shareholders and investors
Building and maintaining future social infrastructure with our partners	Partners
Creating an attractive corporate culture with a diverse and dynamic workforce	Employees
Continuing to be a trusted company through improved sustainability and strict compliance	Overall society

Shared values and communication channels in stakeholder engagement

	Customers	Shareholders and investors	Partners	Employees
Shared values	Measures against changes of the times and social problems	Improvement of corporate value	Human capital growth, business growth, and sustainable growth	Growth of the company and individuals
Communication channels	Domestic/Overseas business offices and workplaces	General meetings of shareholders, results briefing, and other various meetings	MIRAIT ONE Partners, domestic/overseas business locations	Various opportunities of dialog, one-on-one meeting

Major interests raised in dialog with shareholders and investors

Listed below are major opinions and questions that we received

in dialogue with shareholders and investors. They are fed back to the management personnel for the improvement of management and the strengthening of engagement.

Item	Opinions and questions
Results and evaluation	Prospect of the result of this term, and external environmental factors (materials, sharp rise of energy costs, logistics disruptions, and exchange rate fluctuations)
Medium-term Management Plan	Premise for the next period prospect, impact on new medium-term business plan if any, progress status, evaluation of and employees' reaction so far to the Group after the merger of three companies, philosophy of new KPIs related to shareholder returns and capital policy, change of employee wages, and possibility of disclosure of profits of individual businesses
Business trend	Prospect of businesses that will come after advanced wireless environment promotion projects, conditions and prospect of near-term order reception from telecommunications carriers, profit rate, matters related to SEIBU CONSTRUCTION (contribution to profit, synergy effects), conditions and future prospect of global businesses, financial and M&A strategies, and ESG initiatives (GHG reduction plan, current human resources mobility, and diversity of directors)

* For the content of dialogue with shareholders and investors, see the web site (<https://ir.mirait-one.com/en/dialogue/index.html>).

Building and Maintaining a Culture Where People Respect the Diversity of Human Resources and Learn from Each Other

Respect for Human Rights

The MIRAIT ONE Group has launched group-wide efforts to earn the utmost satisfaction and trust of its customers based on its primary Mission (public mission) of creating a better environment where people and society can coexist in harmony. The Group believes that its sustainable growth and corporate value enhancement in the future can only be achieved through understanding the human rights of all stakeholders involved in the corporate activities and by fulfilling its group-wide responsibility to respect human rights.

MIRAIT ONE Group Establishes Basic Policy on Human Rights

In July 2022, the Group established the “MIRAIT ONE Group Basic Policy on Human Rights” as its top policy on human rights to send out a strong message of its commitment on the respect for human rights and clearly identify its awareness within the Group. The Group is dedicated to promoting actions on the respect for human rights in all its corporate activities in collaboration with various stakeholders. Based on the concept described above, the Group has emphasized “Respect for Human Rights and Promotion of Diversity and Inclusion” as one of its material issues. Based on this policy, all employees of the Group will act with an awareness of respect for human rights as the foundation of all its business activities, as we aim to build a company that is widely trusted by all members of society and contributes to the realization of a sustainable society.

Articles of MIRAIT ONE Group Basic Policy on Human Rights

1. Basic approach on human rights
2. Compliance with laws and regulations and respect for human rights codes
3. Scope of application
4. Execution of human rights due diligence
5. Remedial and corrective measures
6. Education and awareness activities
7. Dialogue and consultation with stakeholders
8. Promotion system

Promotion System

To ensure that all officers and employees understand and respect human rights issues involving all corporate activities, the “Human Rights/D&I Committee” has been established under the ESG Management Promotion Committee, chaired by the President and CEO (see page 33). The committee reports on risk situations related to human rights and diversity, discusses issues and measures to be addressed, and works to strengthen human rights management and promote diversity and inclusion measures.

Examples of Actions Taken

The Group takes the protection of workers' rights seriously by never using child labor or forced labor and paying wages above the minimum wage level mandated by law. Even in extremely adverse business situations, the Group has made every effort to maintain the employment of its employees and has never dismissed any employee by nomination or liquidation.

In addition, we have conducted stratified training and compliance promotion activities to raise awareness of human rights. Three types of hotlines, the “Compliance Meyasubako,” “Nandemo Sodanshitsu (consultation window for anything),” and “External Reporting Line,” are on standby for problem-solving while giving due consideration to whistleblower protection.

Messages from Outside Directors

As an outside director, I will support the Group's effort of responding to social needs and changes of the times.

I assumed the position of Outside Director in July 2022, when the Group took a new step as the MIRAIT ONE Group. For the Group, which builds and maintains information and communication infrastructure indispensable for our daily lives, the strengthening of corporate governance is an important issue in order to respond to social needs adequately with the aim of "Beyond a Telecommunications Construction Company." Looking back on this year, the Group has operated business in the new corporate structure, paying attention to the effectiveness of the corporate governance code, and has actively made advance explanation and site tours for outside directors to provide them with deeper understanding of the background and important points of resolution items of the Board of Directors meetings. Also, active discussion was made in the Nomination and Compensation Committee chaired by an outside director. In addition, in the regular opinion exchange meetings of outside directors, people from relevant departments join us to exchange opinions on a wide range of subjects. I feel that these activities add to fruitful discussions in Board of Directors.

Upholding "People-centric management," the Group considers that it is the foundation of growth that each and every employee develops skills and fully exerts competence they have. In addition to systematic learning in Mirai College, I think it is important to pass down skills in daily work from seniors to juniors and to encourage and maintain free and active communication in workplaces in order to steadily proceed with "People-centric management." As for the promotion of diversity, which is one of the mainstays of "People-centric management," the Group set forth a general employers' action plan in July 2022, based on the Next-generation Act and Act on Promotion of Women's Partici-

Outside Director, Member of Nomination and Compensation Committee
TSUKASAKI Yuko



pation and Advancement in the Workplace. The percentage of women in hired new graduates is rising fairly toward the target of the plan. On the other hand, the percentage of women in management positions is still low, although the first female executive officer marked a progress. I consider that it is important to continue the cultivation of female executives through "MIRAIT ONE Group Mirai Juku" and other activities and the realization of work-life balance through the promotion of work-style reform.

The COVID-19 pandemic had a great impact on our lives. There has been a rapid spread of workstyles that are not bound by locations of work. But it is not the only impact of the pandemic. The result of a survey that I conducted shows that there are many people who redesigned their lives during the period of the COVID-19 pandemic with plans to move from urban areas to rural areas to realize desired life careers. In order to make lives and careers in rural areas attractive, the preparation of information and communication infrastructure is indispensable. As a company that has unique strength in information communication and civil engineering, we will be required to fulfill its social responsibilities more than ever by adequately responding to challenges such as "urban and regional development" and "DX/GX." As an outside director, I will work to be of help to the development of the Group, leveraging my experiences in administrative agencies and universities.

I will support the realization of business reform and the Purpose from the stand points of an Outside Director and an Audit and Supervisory Committee Member.

I assumed the position of Outside Director Who is a Member of Audit and Supervisory Committee when the MIRAIT ONE Group was born in July 2022. This year was the first year in which the Group embarked on the business structure reform aiming to go "Beyond a Telecommunications Construction Company" and the corporate governance reform as a company with an Audit and Supervisory Committee.

Compared with a company with company auditors, a company with an Audit and Supervisory Committee is considered to be an organization structure based on the monitoring model, and able to make quick decisions by entrusting important business decisions to Directors and focusing the function of Board of Directors on supervision. This is the first time for me to be a Director who is a Member of Audit and Supervisory Committee. I feel that looking at management from two standpoints while also attending Board of Directors meetings is meaningful for understanding issues more deeply. I think transparent and active discussion currently made in Board of Directors meetings constitutes a good governance platform for achieving the steady growth of the Group from two reforms that the Group engages in. I consider that the next challenge of the Group is to improve the effectiveness of governance including partner companies.

In order to succeed in two major reforms that the MIRAIT ONE Group aims at, efforts are in progress for the strengthening of governance as well as the enhancement of business in new fields such as "urban and regional development" and "DX/GX," which are big business opportunities that emerged with the change of the market and

Outside Director, Audit and Supervisory Committee Member
SUEMORI Shigeru

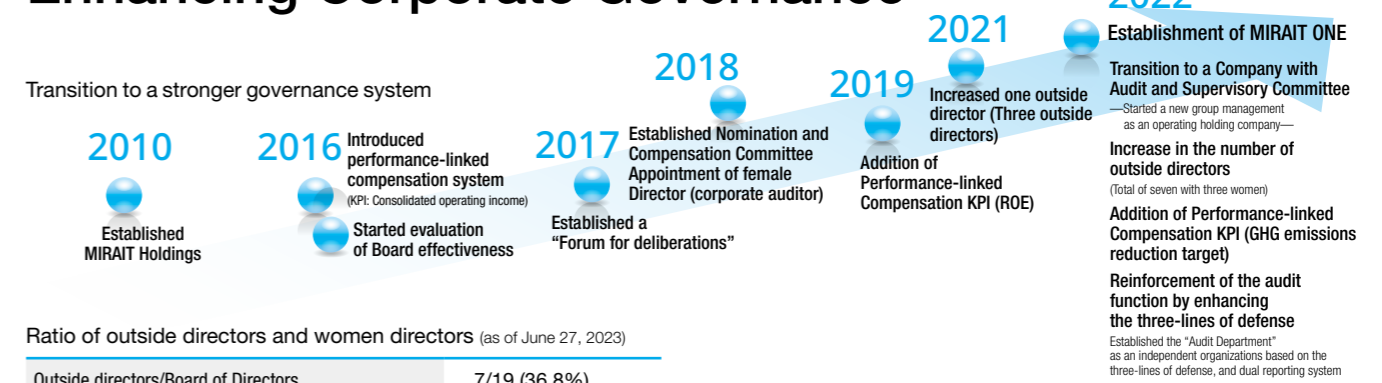


environment. These efforts are being made by sharing the Purpose and Mission that were defined in 2022 and leveraging the strength and human resources that the Group has had from before. There are always failures when you take a challenge. I think the important thing for an organization is to make scientific analysis and take measures, that is, an organization should make risk management to prevent a fatal failure and careless mistakes, and learn from lessons to prevent the repetition of the same mistakes. It is said that diversity is one of the factors that makes such risk management possible. The Board of Directors of our Group is highly diverse involving outside directors, and has the culture of finding and discussing issues from multiple points of view. I think that the group should leverage this cultural platform to enhance organizational capabilities of risk management and learning, and thereby can cultivate a corporate culture in which each employee can take challenges spontaneously, at ease, and with excitement, enabling the targeted reform and steady growth in business.

With my experience in manufacturing and management targeting overseas markets in a manufacturer of the information and communication field, I will serve as an outside director with the motto of "be committed and earnest" so as to contribute to the realization of the Group Purpose: "Co-creating an exciting future through challenges and technology."

Enhancing Corporate Governance

Transition to a stronger governance system



Ratio of outside directors and women directors (as of June 27, 2023)

Outside directors/Board of Directors	7/19 (36.8%)
Outside directors/Audit and Supervisory Committee	3/5 (60.0%)
Women directors/Board of Directors	3/19 (15.8%)

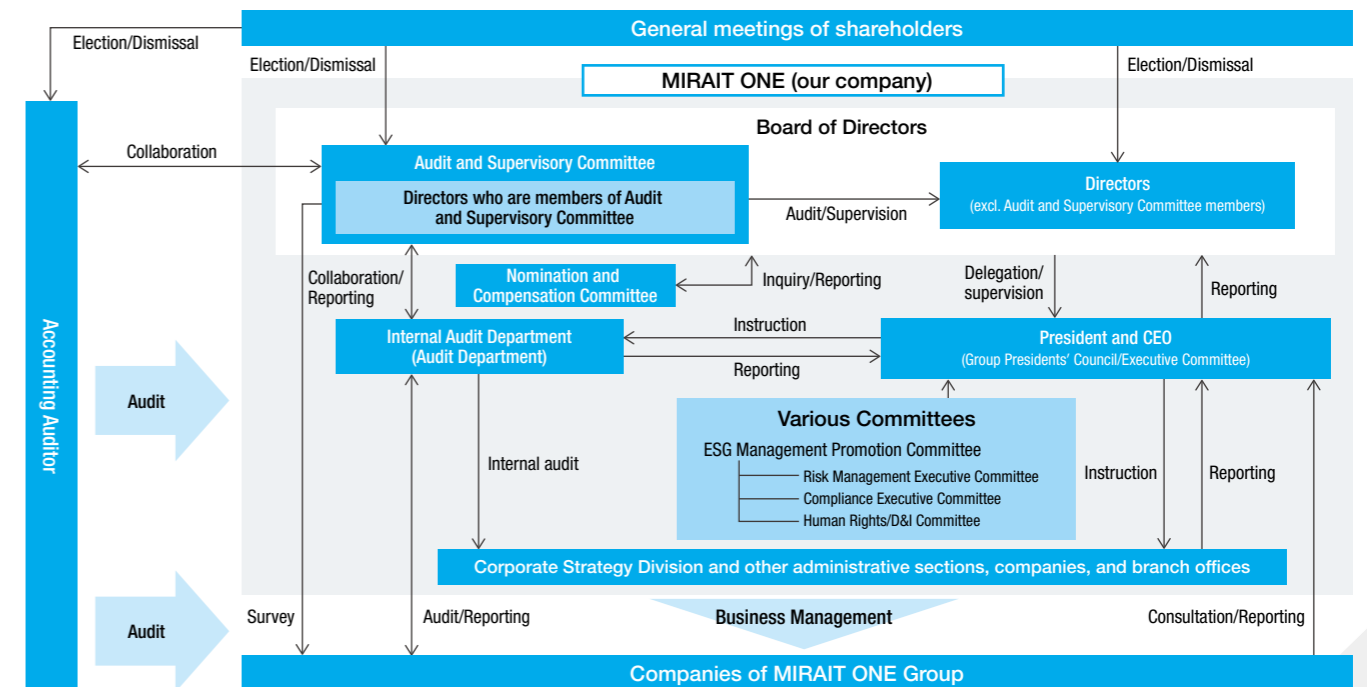
Basic Approach

Recognizing the importance of management as a socially-responsible company, the MIRAIT ONE Corporation has established organizational structures and systems to ensure transparency and fairness in decision-making. Building trusting relationships with all of our stakeholders including shareholders is positioned as the most important aspect of management.

We believe that effective corporate governance is essential to building trust with our stakeholders. This is accomplished by

- Protecting shareholder rights and ensure shareholder equality,
- Engaging appropriately with non-shareholder stakeholders,
- Disclosing information appropriately and ensure transparency,
- Fulfilling responsibilities, especially those of the board of directors, and

Governance Structure



- Engaging with shareholders to improve the effectiveness of corporate governance.

Governance Structure

We are an audit and supervisory committee company, overseen by a Board of Directors, an Audit and Supervisory Committee, and Accounting Auditors.

We have set up a system for reciprocal cooperation where the Audit and Supervisory Committee, together with an internal audit section and accounting auditors, each performs independent inspections.

Also, we are working to improve corporate value by strengthening the governance and the internal audit structure based on the policy of three-lines of defense, strengthening corporate governance through a close liaison between the Audit and Supervisory Committee and the internal audit section, improving the soundness and transparency of management, and making quick decisions.

Overview of Established Corporate Bodies

Name (No. of meetings held in FY 2022)	Purpose/Authority	Representative/Chair	Members
Board of Directors (22)	Body to resolution on legal matters related to management of the company, determine fundamental management policy and important matters concerning the execution of business, in addition to oversee the execution of duties of Directors	President and CEO NAKAYAMA Toshiaki	Directors who are not Audit and Supervisory Committee members TOTAKE Yasushi, TAKAHASHI Masayuki, MIYAZAKI Tatsumi, TAKAYA Yoichiro, WAKIMOTO Hiroshi, MITSUYA Takaaki, IGARASHI Katsuhiko, OHASHI Hiroki, TAKAGI Yasuhiro, BABA Chiharu, YAMAMOTO Mayumi, KAWARATANI Shinichi, TSUKASAKI Yuko Directors who are Audit and Supervisory Committee members YAMAMOTO Yasuhiro, AOYAMA Koji, KATSUMARU Chiaki (ISHIKAWA Chiaki), SUEMORI Shigeru, HAYAKAWA Osamu
Nomination and Compensation Committee (10)	Body established as an advisory committee for the Board of Directors for the purpose of heightening the objectivity in matters related to the nomination and compensation of directors	Director (Outside) BABA Chiharu	Director YAMAMOTO Mayumi, KAWARATANI Shinichi, TSUKASAKI Yuko, NAKAYAMA Toshiaki
Audit and Supervisory Committee (10) <small>* Audit Committee until June 2022 (4)</small>	Reports on audits of Directors' execution of duties, etc., and resolutions on important matters related to audits	Director, Audit and Supervisory Committee Member YAMAMOTO Yasuhiro (full time)	Audit and Supervisory Committee Members AOYAMA Koji (Full-time), KATSUMARU Chiaki (ISHIKAWA Chiaki), SUEMORI Shigeru, HAYAKAWA Osamu
Group Presidents' Council (35)	Body to receive reports and deliberate on vital policies about important matters related to management policies (mainly concerning business)	President and CEO NAKAYAMA Toshiaki	Business Company COO, Strategy Headquarters Manager of Business Company, President of Major Group Companies, Strategy Headquarters Manager of Major Group Companies, Frontier Business Headquarters COO/CDO, 1st Department Manager of Staff Department, Directors who are Audit and Supervisory Committee members (Full-time)
Executive Committee (19)	Body to receive reports and deliberate on vital policies about important matters related to management policies	President and CEO NAKAYAMA Toshiaki	Business Company COO, President of Major Group Companies, Frontier Business Headquarters COO/CDO, 1st Department Manager of Staff Department, Directors who are Audit and Supervisory Committee members (Full-time)
ESG Management Promotion Committee (5)	Formulate basic ESG policies and strategies for the entire Group, promote various measures, and receive reports on matters delegated by subordinate subcommittees (Risk Management, Compliance, Human Rights/D&J)	President and CEO NAKAYAMA Toshiaki	Business Company COO, President of Major Group Companies, Frontier Business Headquarters COO/CDO, 1st Department Manager of Staff Department, Directors who are Audit and Supervisory Committee members (Full-time)

* Directors: BABA Chiharu, YAMAMOTO Mayumi, KAWARATANI Shinichi, TSUKASAKI Yuko, KATSUMARU Chiaki (ISHIKAWA Chiaki), SUEMORI Shigeru, HAYAKAWA Osamu are outside directors.

Status of Accounting Auditor

Name of audit corporation	Continuous auditing period	Certified accountant who executed the independent audit	Composition of assistants involved in accounting audit work
KPMG AZSA LLC	9 years	Designated limited liability partner, business execution partner, certified public accountant, NAGASAKI Yasuyuki Designated limited liability partner, business execution partner, certified public accountant, KOBAYASHI Keiji Designated limited liability partner, business execution partner, certified public accountant, NAKAMURA Kohei	Certified public accountants: 16 people Accountant exam passers, etc. 10 people Others: 15 people

* The above assistants include those involved with MIRAIT Corporation and MIRAIT Technologies Corporation from April 2022 to June 2022.

Skills Matrix for Directors

		Corporate Management/ Business Strategies	Sales/Marketing	Construction/ Operation of Communication Facilities, etc.	Technology/ Innovation/ DX	Global businesses	New Business Development	Personnel/Labor/ HR Development	Financial Accounting/ Finance	Legal/Risk Management/ Compliance/ Governance	Public Policies/ Academic Research
Directors who are non-members of Audit and Supervisory Committee	NAKAYAMA Toshiaki	Internal	●	●	●	●	●	●	●	●	●
	TOTAKE Yasushi	Internal	●	●	●	●	●	●	●	●	●
	TAKAHASHI Masayuki	Internal	●	●	●	●	●	●	●	●	●
	MIYAZAKI Tatsumi	Internal	●	●	●	●	●	●	●	●	●
	TAKAYA Yoichiro	Internal	●	●	●	●	●	●	●	●	●
	WAKIMOTO Hiroshi	Internal	●	●	●	●	●	●	●	●	●
	MITSUYA Takaaki	Internal	●	●	●	●	●	●	●	●	●
	IGARASHI Katsuhiko	Internal	●	●	●	●	●	●	●	●	●
	OHASHI Hiroki	Internal	●	●	●	●	●	●	●	●	●
	TAKAGI Yasuhiro	Internal	●	●	●	●	●	●	●	●	●
	BABA Chiharu	Outside	●	●	●	●	●	●	●	●	●
	YAMAMOTO Mayumi	Outside	●	●	●	●	●	●	●	●	●
	KAWARATANI Shinichi	Outside	●	●	●	●	●	●	●	●	●
	TSUKASAKI Yuko	Outside	●	●	●	●	●	●	●	●	●
Directors who are members of Audit and Supervisory Committee	YAMAMOTO Yasuhiro	Internal	●	●	●	●	●	●	●	●	●
	AOYAMA Koji	Internal	●	●	●	●	●	●	●	●	●
	KATSUMARU Chiaki (ISHIKAWA Chiaki)	Outside	●	●	●	●	●	●	●	●	●
	SUEMORI Shigeru	Outside	●	●	●	●	●	●	●	●	●
HAYAKAWA Osamu	Outside	●	●	●	●	●	●	●	●	●	

* The above does not represent all the knowledge and experience of the individuals.

Policy and Procedures for the Nomination of Candidates for the Board of Directors

In the process of nominating candidates for the Board of Directors, the MIRAIT ONE Corporation selects a wide variety of candidates from both inside and outside the company, consults with the Nomination and Compensation Committee, which is chaired by an independent outside director, and determines the candidates who have excellent personalities, superior insight and high managerial capabilities, at the Board of Directors' meetings based on the responses from the Committee.

* The rationale for selection of each director is outlined in the "Notice of general meeting of shareholders."

Effective use of outside directors

For outside directors, we appoint individuals who have abundant experience and knowledge across different fields who can perform their roles and duties with a specialized and objective viewpoint by providing guidance and management oversight from the perspective of enhancing the Company's medium- to long-term corporate value. For independent outside directors who serve on the Audit and Supervisory Committee, we appoint those who have abundant experience and knowledge across different fields and who can properly supervise the Board of Directors' managerial decisions, execution of duties, and compliance with laws and regulations with independent and objective views, thereby enhancing the transparency of the Board of Directors and serving greater corporate value.

Outside directors attend meetings, including Board of Directors meetings, to understand the Group's management issues.

In addition, they offer their opinions from their respective professional and objective viewpoints as needed, and strive to ensure transparency and efficiency in management by exchanging views with other directors.

* The criteria for determining the independence of outside directors of the Company and the status of their activities are provided in the "Corporate Governance Report" and other documents.

Board Structure that Balances Diversity in Gender, Internationality, etc. and Appropriate Size

As a business holding company that oversees various business fields, the Company ensures that the composition of the Board of Directors is well-balanced by appointing individuals with a wealth of experience and superior knowledge in various specialized fields, such as business strategy, international strategy, finance, and personnel affairs.

In addition, the Company aims to ensure transparency and enhance corporate value by having individuals with many years of practical experience in corporate management, experts in corporate legal affairs and finance, and academic experts join the Board of Directors as outside directors and provide an outside perspective.

As for the size of the Board of Directors, we have achieved greater effectiveness and efficiency by functioning sufficiently as a business holding company while at the same time having some board members who also serve as directors of core

Group companies.

The Company has appointed four women executive officers: two directors who are not members of Audit and Supervisory Committee, one director who is a member of Audit and Supervisory Committee and one executive officer.

The expertise and experience required of directors are shown in the "Skills Matrix for Directors."

Efforts to Ensure the Efficient Execution of Duties by Directors

In accordance with the "Regulations of the Board of Directors," the Board of Directors meets once a month and as needed, and held 22 meetings in FY 2022. The meetings of the Board of Directors deliberate on all matters to be discussed at the meetings of the Board of Directors in accordance with the Internal Regulations and actively exchange views on each matter, as well as receive quarterly reports on the status of the performance of duties by each director. To further improve its functioning, the Board of Directors is subject to an evaluation of its effectiveness.

Also, in light of the Corporate Governance Code, the "Nomination and Compensation Committee," a voluntary advisory committee, was established under the Board of Directors to enhance the objectivity of nomination and compensation. The Committee met ten times during FY 2022.

Independent outside directors hold regular meetings with representative directors to strengthen the monitoring function for the execution of duties by directors.

Efforts to Ensure the Effective Implementation of Audit and Supervisory Committee Member

In addition to inspecting significant approval documents, Audit and Supervisory Committee Members attend meetings of the Group Presidents' Council, the Executive Committee and other key meetings. This involvement helps them to keep track of the company's major decision-making processes and the progress of business execution. In addition, Audit and Supervisory Committee Members, CEO, Accounting Auditors, and others communicate with each other and exchange opinions to ensure that the audits of Audit and Supervisory Committee Members are conducted effectively.

The Company has established the Audit and Supervisory Committee Office with full-time staff to assist the Audit and Supervisory Committee in its duties, and three individuals have been assigned to this office.

Appraisal of the Effectiveness of the Board of Directors

Board meetings serve as a platform for assessing the performance of directors, including compliance with laws and regulations, the status of risk management and information sharing, and the prompt resolution of issues. The Company is also committed to enhancing the effectiveness of the Board by holding meetings between representative directors and outside directors.

In addition, once a year, all directors are subject to a self-assessment of the effectiveness of the Board of Directors

with the aim of improving the functioning of the Board of Directors as a whole and sharing awareness of the direction in which our corporate governance is headed.

More specifically, the self-assessment is conducted through an anonymous questionnaire to ensure that candid opinions are heard, and the questionnaire consists of major assessment items asking about the structure, operational status, responsibilities and functions of the Board of Directors and the state of the Board of Directors from the perspective of outside directors. The responses are collected by an external law firm under a confidentiality agreement and analyzed by a third party. Based on the results of this analysis, the Board of Directors has reviewed and evaluated the current situation, which produced favorable results. The Board of Directors continues to discuss matters pertaining to the Board.

Overview of the Effectiveness Assessment Made in FY 2021 and Results of Measures Taken

[Major opinions]

Following the establishment of the new consolidated corporation in July 2022, it is imperative to have more in-depth discussions on the composition of the Board of Directors, the role of the Nomination and Compensation Committee, and the restructuring and effective operation policy of the Group-wide risk management framework.

[Measures Having Been Taken]

The Company has actively sought to maintain and improve the effectiveness of the Board of Directors on an ongoing basis. This is achieved by fostering in-depth discussions within the Board through the Deliberation Forum (established in FY 2017), where members of the Board of Directors can have an open and frank exchange of views on medium- to long-term business strategies and management issues.

Overview of the Effectiveness Assessment for FY 2022

[Major opinions]

In order to facilitate more substantive discussions aimed at increasing corporate value over medium- to long-term, the Management Executive Committee needs to explore specific issues related to identifying issues at stake, sharing information, narrowing the agenda, securing time for deliberation, and delegating the execution of business execution.

[Measures Being Taken]

Prior to deliberations at Board meetings, the Company is actively working to intensify discussions at Board meetings by providing additional opportunities for preliminary briefings and exchanges of views with representative directors, in addition to the existing "Deliberative Forum."

Training of Directors

We provide an executive officers' training program for directors to deepen their awareness of their roles and legal responsibilities on a regular basis. Beginning in FY 2023, the Company has established a systematic and regular series of executive seminars for directors and executive officers of the MIRAIT ONE Group. These seminars serve multiple purposes, including: (1) instilling and strengthening basic management skills appropriate for a prime market company; (2) providing opportunities to develop a comprehensive understanding of the market, technology and

global trends including global conditions; and (3) aligning the direction of the directors and executives.

In addition, outside directors and other relevant persons are given the opportunity to visit business establishments and construction sites as appropriate, so that they can deepen their understanding of the Company's business operations and current conditions.

Planning and Development of Successors for the CEO, etc.

The Company appropriately plans and develops successors for the CEO and other senior executive positions based on its management philosophy and business strategies. The Nomination and Compensation Committee, chaired by an independent outside director, is consulted on the appointment of the CEO, and the Board of Directors votes on the appointment based on the report of the Nomination and Compensation Committee.

Compensation, etc. of Executive Officers

Basic Policy

With regard to the compensation of directors (excluding the directors who are Audit and Supervisory Committee Members. The same applies below), the total amount (limit) is set by the General Meetings of Shareholders after approval by the Board of Directors, and each director receives compensation in accordance with their roles and responsibilities.

Also, with regard to the policy for deciding the compensation of each director, for the purpose of enhancing objectivity and transparency, the "Nomination and Compensation Committee" (chaired by an independent outside director), which is an advisory body to the Board of Directors and consists of four independent outside directors and the President and CEO, reports the results of its deliberations to the Board of Directors, which then makes decisions based on the report.

Outside directors, who are responsible for supervisory functions, are paid only monthly basic compensation in light of their duties.

* Details of compensation for executive officers are provided in the "Securities Report."

Introduction of Performance-linked Compensation System

The Company has introduced the "Board Benefit Trust," a performance-linked stock compensation system, to clarify the link between the compensation of executive officers and the Company's business performance and stock value, and to increase awareness of their contributions to the Company's performance and value over the medium to long term.

As for the indicators for performance-linked compensation, the Company has chosen the degree of achievement in areas such as the "consolidated operating income," "ROE," and "ESG indices." These metrics were selected for their ease of understanding and are designed to raise awareness of one's contribution to improving the Group's consolidated performance and corporate value. A benchmark was established by allocating 30% of the monthly compensation for a period of three months

in accordance with the "Internal regulations on issuing shares to executives." Under the point system, the number of points is calculated by multiplying the performance-linked coefficient determined by the level of achievement of the Company's "consolidated operating income," "ROE" and "ESG Indices." Upon retirement, one share is granted for each point earned.

Also, in FY 2022, the Company introduced the "GHG reduction target" into the set of indexes for performance-linked compensation as a consolidated ESG index to raise awareness of ESG initiatives among management personnel.

Percentage of the Amount of Monetary Compensation and the Amount of Performance-linked Compensation, etc.

Monthly Compensation (Fixed Compensation)	Variable Compensation	Non-monetary Compensation
80%	20%	6%

* In consideration of insider trading regulations, etc., and in order to heighten management awareness and the common goal of increasing shareholder value, directors (excluding outside directors) are required to contribute at least 10% of their monthly compensation to the Executive Officers' Stock Option Plan, which effectively changes the percentages: 72% for fixed compensation, 28% for variable compensation, and 14% for non-monetary compensation (stock-based compensation).

Matters Concerning Delegation of Authority for Determining Compensation, etc. of Individual Directors

For FY 2022, it has been resolved that the decision on the amount of basic compensation for each director and the amount of bonuses based on the business performance of each fiscal year would be left to President and CEO NAKAYAMA Toshiki, on the understanding that the Nomination and Compensation Committee would be consulted within the range of the total amount approved at the General Meeting of Shareholders, based on the resolution of the Board of Directors on June 14, 2022. The reason for this delegation of authority is that the President and CEO is considered to be the most qualified person to evaluate the performance of each director's duties while having a bird's eye view of the Company's overall business.

Total Amount of Compensation for Each Executive Class, Total Amount of Compensation by Type, and the Number of Eligible Executive Officers

Executive Class	Total Amount of Compensation (million yen)	Total Amount of Compensation by Type (million yen)		Number of Eligible Executive Officers (Number)
		Fixed Compensation	Performance-linked Compensation	
Directors (excluding Audit and Supervisory Committee Members and Outside Directors)	206	155	50	14
Audit and Supervisory Committee members (excluding outside auditors)	31	31	-	2
Auditors (excluding outside auditors)	6	6	-	2
Outside executive officers	67	67	-	9

* The compensation paid to the auditors relates to the period prior to the transition to an audit and supervisory committee company. Meanwhile, the compensation paid to directors who are Audit and Supervisory Committee Members relates to the period after the transition to a company with an Audit and Supervisory Committee.

Total Amount of Consolidated Compensation, etc. for Each Executive Officer

This information is not provided because no executive officer received a total of 100 million yen or more in consolidated compensation, etc.

Transactions among Related Parties

The Company requires that competitive transactions and conflict-of-interest transactions conducted by directors be delib-

erated and approved by the Board of Directors, and that the status of such transactions be reported to the Board of Directors on a regular basis.

The requires executive officers to submit a "Statement of Confirmation by Related Parties" to identify any transactions with related parties, including themselves, their immediate family members, organizations they represent, and organizations in which they have majority voting rights.

With regard to transactions with major shareholders, the internal regulations require the person with decision-making authority to confirm the appropriateness of such transactions to ensure that they are not detrimental to the Company or to the common interests of the shareholders, and to report particularly important transactions to the Board of Directors.

Strategic Shareholdings

Criteria and Concepts for Classification of Investment Shares

The Group classifies investment securities as held for purposes other than investment if they fall into one of the following categories:

- A. Maintaining and strengthening business relationships with the investee company
- B. Maintaining and strengthening cooperative relationships to promote alliance business
- C. Cooperation aimed at facilitating efficient construction and similar purposes

Investment securities for other purposes are classified and held as securities for investment only.

Methods of reviewing the holding policy and rationality of investment shares held for purposes other than investment, and details of the review by the Board of Directors, etc. of whether or not to hold individual issues

A. Holding policy

Our Group holds shares of its business partners when it believes that holding such shares will enhance the Group's corporate value and benefit its shareholders. After reviewing the purpose of holding shares and the status of transactions, etc., if the holding of such shares is deemed to be of little significance through quantitative and qualitative review, the Company will gradually reduce the holding through divestment, etc.

B. Methods of verifying the rationality of shareholding

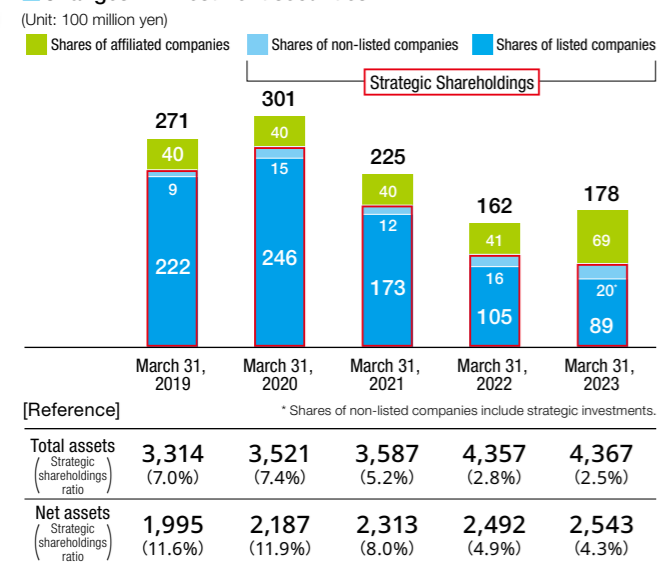
The Company conducts quantitative and qualitative review of investment shares held for non-investment purposes in terms of medium- to long-term economic rationality and future prospects based on return and risk, etc.

C. Details of review by the Board of Directors, etc. as to whether or not to hold individual issues

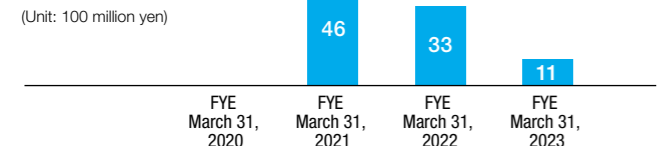
With regard to investment shares held by the Group for purposes other than pure investment, the Company conducts a review of the purpose of holding such shares, the status of transactions, etc., and determine whether or not to continue holding such shares by reviewing each individual issue quantitatively and qualitatively once a year at a meeting of the Board of Directors, in terms of whether the returns and risks associated with the holdings are commensurate with the cost of capital, the purpose of the holdings, future business trends, etc.

The Company will divest shares that, after review, are determined to make little sense to hold, taking into consideration the share price and other factors. In addition, the Company will use the annual review to manage the status of holding and reduction of investment shares held throughout the entire Group for purposes other than investment. Based on the above policy, etc., the Company divested 4 issues in FY 2022.

Changes in investment securities



Gain on sales of investment securities



Management of Insider Information as well as Timely and Fair Disclosure

Our company discloses accurate and timely information through TDnet and EDINET in accordance with the Disclosure Policy, which is published separately. We also actively use media such as our corporate website (<https://www.mirait-one.com/english/>) and press releases to further disseminate information. We also strive to provide beneficial information that is easy for shareholders and other investors to understand, such as the materials used in our IR activities.

In our dealings with all shareholders and other investors, we will fully and properly manage information in accordance with "Rules on insider trading regulations" when we are in possession of material information that has not yet been disclosed to the public.

Efforts to Enhance Communication

The IR Department undertakes investor relations activities as the department in charge of investor relations under the supervision of the Director and Chief of Finance and Accounting Division,

who is responsible for the handling of information. Investor Relations managers personally consult with all of our shareholders and other investors whenever possible. The Company holds financial results briefings twice a year for analysts and institutional investors and distributes the briefings on its website, etc. In addition to providing timely and important information in English to overseas institutional investors, we also conduct investor relations activities in the North America, Europe and Asia. As a general practice, our representatives make personal presentations at financial results briefings and at our overseas investor relations activities to encourage constructive dialogue with all of our shareholders and other investors.

In addition, to enhance understanding of our business, we participate in online, live streaming company briefings for individual investors, and, as appropriate, individual investor information sessions held by securities companies. Feedback from shareholders and investors is provided to management at meetings of the Board of Directors and the Group Presidents' Council. Our dialogue with our shareholders can also be found on the Company's website. In addition, the Group sends all shareholders twice a year the "MIRAIT ONE Report," a booklet containing updates and highlights of the business performance.

* For details of dialogue with shareholders and investors, see the Company's website (<https://ir.mirait-one.com/en/dialogue/index.html>).

Status of measures to facilitate the operation of the General Meeting of Shareholders, and the exercise of voting rights

With regard to the conduct of general meetings of shareholders, we are making efforts to facilitate the understanding of shareholders by, for example, printing the convocation notice in color and incorporating video presentations into the delivery of business reports. The convocation notice, reference documents, and reports are also available on the Company's website.

The notice for the 13th Annual General Meeting of Shareholders, scheduled for June 27, 2023, was sent on June 9, 2023, 18 days prior to the meeting (the legal date is June 12, 2023). On June 1, 2023, (26 days prior to the General Meeting of Shareholders), the Company initiated electronic delivery measures on the Tokyo Stock Exchange and the Company's website (the legal date was June 6). This was done to ensure that shareholders had sufficient time and access to information to exercise their voting rights. Should there be a need for additional information, it will be posted on the Company's website.

In order to deepen the understanding of shareholders and others who were unable to attend the meeting, the business report was posted in video format on the Company's website in advance, and the meeting was streamed live on the day of the meeting. The video of the meeting is also made available after the meeting for shareholders who were unable to view the live stream.

Thorough Compliance

Establishing Thorough Compliance as Corporate Culture

Setting forth the slogan "Give importance to sustainability and compliance to respond to the expectations of society" as one of its Missions (public mission) and focusing on "thorough compliance" as one of its Materiality items, the Group established the "MIRAIT ONE Group Charter on Safety and Compliance" to make sure all directors and employees understand that thorough compliance is a key to successful corporate management.

The Charter sets forth basic policies regarding "efforts to foster morality," "fair trading," "information disclosure," "elimination of relationship with antisocial forces," and so forth, as the top priority issues to be addressed.

(1) Training

Given the increasing importance of compliance in driving the company's business, we are actively engaged in raising awareness of the importance of compliance. This is achieved through consistent communication on compliance in training for executive officers, for different job levels, and with partner companies.

(2) Development of Internal Reporting System

The Company has established a system to receive warnings and consultations from personnel, including directors, employees, non-regular employees, dispatched members, and retired workers within one year of retirement in the Company, Group companies, and partner companies.

1. Compliance Meyasubako

As part of our whistleblower program, we encourage the reporting of potential issues related to fraud, misconduct, improper accounting, embezzlement, bribery, bid rigging, corruption and other compliance violations. This proactive approach enables us to identify internal risks in their early stages and take steps to mitigate those risks and prevent violations.

2. Nandemo Sodanshitsu (consultation window for all matters)

This service, which handles a wide range of consultations including working conditions and human rights (including harassment), allows us to actively listen to the opinions and suggestions and take steps to resolve problems.

3. External consultation desk

We have established an external consultation window, staffed by legal experts, to provide assistance in cases where employees have difficulty seeking internal advice.



Also, based on the "Compliance regulations," the "Compliance Executive Committee," chaired by a director in charge of compliance, met twice in FY 2022 under the ESG Management Promotion Committee, chaired by the President and CEO, to share information on individual issues and compliance-related incidents and measures.

The internal audit section conducts monitoring to verify the effectiveness of compliance promotion activities. In addition, the MIRAIT ONE Group is committed to eliminating misconduct not only through operational audits, but also by designating Compliance Promoters within each organizational unit who are tasked with monitoring their respective units for any signs of irregularities or deficiencies, including potential instances of bribery. This approach strengthens the self-policing capabilities of each organization, resulting in early detection and prompt corrective action.

Furthermore, the Group conducts a yearly survey of employees regarding risks that they have heard about or believe may arise in their daily operations, as well as their own and their departments' compliance awareness, to help identify issues and consider countermeasures.

In FY 2022, SOLCOM Co., Ltd., a consolidated subsidiary, was issued a cease and desist order by the Japan Fair Trade Commission for violating the Antimonopoly Act. The company submitted a report outlining the measures taken to investigate the cause of the problem and to prevent its recurrence. The company was informed that the corrective action report had been reviewed and approved, signifying the successful completion of this order. The MIRAIT ONE Group will continue its efforts to strictly adhere to all relevant laws and regulations, raise employee awareness, and strengthen its compliance system.

Due Payment of Taxes

The Group complies with the tax laws and regulations specific to each country and region in which it operates, as well as international taxation rules such as the BEPS* Action Plan. We are committed to maintaining and improving tax compliance and ensuring the payment of fair and due taxes.

* BEPS: Base Erosion and Profit Shifting

Thorough Risk Management

Handling of Risks

The Company has taken steps to ensure accurate and effective risk management by formulating "Risk Management Regulations" to define essential matters concerning the risks associated with the MIRAIT ONE Group.

The "Risk Management Executive Committee," chaired by the director in charge of compliance, was established under

the ESG Management Promotion Committee chaired by the President and CEO to deliberate on risk management issues. The committee met twice in FY 2022.

In addition, the internal audit section conducts monitoring to verify the effectiveness of risk management.

As of the end of March 2023, the items listed in the table on the following page are the main risks that we believe could affect our business performance and financial position.

Development of Internal Control System

Our Board of Directors has adopted the Basic Policies for the Internal Control System to ensure the appropriateness of the Group's operations. We have also established the "Administrative Regulations for Subsidiary Companies" and a Group-wide

internal control system in an effort to appropriately manage the Group through specific internal controls at our subsidiaries.

In addition, we manage important matters that have a significant impact on the entire Group by receiving reports from and discussing them with subsidiaries, and take necessary measures as a Group.

Thorough Risk Management

Major risks	Overview	Measures
(1) Excessive dependence on particular clients	The main clients of the Group are telecommunications carriers such as the NTT Group. Owing to the fact that they account for a large portion of net sales, their capital expenditures or technological breakthroughs and other factors could affect the Group's business results.	The Group is expediting the transition of its business structure from the telecommunications carrier business to the solutions business and shifting to "MIRAI (future) Domains," which is positioned as new growth areas, as well as creating new business opportunities beyond its traditional business domains and technologies.
(2) Safety and quality issues	In the event of serious accidents, quality issues or other contingencies, there may be severe consequences which may result in the loss of clients' confidence and restrictions on the Group's operating activities, affecting its business results.	The Group is therefore wholly committed to ensuring safety and quality controls needed to deliver quality engineering and services that deserve customers' trust and appreciation, by leveraging the integrated safety and quality management system.
(3) Management of critical information	The Group may access critical information, such as technical data and personal information provided by clients. In the event of unforeseen information leakage or malicious use of such information, the Group may suffer liability for damages and others with potential impact on its financial results. Such event may also result in the loss of client's confidence, affecting the Group's business results.	The Group is wholly committed to the prevention of leakage of classified information through the use of ISMS (information security management system).
(4) Uncertainties regarding clients' credit quality	If uncertainties arise regarding the credit quality of a client, the Group may not be able to receive payments for construction work or may be forced to delay projects, which could affect the Group's business results.	The Group adopts measures to avoid credit risks, such as the use of external credit agencies for client credit risk management, and contract document reviews by the legal section.
(5) Material procurement and price hikes	In the event of difficulty in the material supply or delays in delivery due to natural disasters, war, terrorism, or epidemics of novel infectious diseases, or in the event of rising construction costs due to soaring prices of raw materials, equipment and materials, and energy, construction projects may be suspended or delayed. Furthermore, the Group's business performance may be affected if clients hold back on investments or postpone investment decisions.	The Group meticulously manages the process to minimize the extension of the construction period by, for example, prioritizing the processes that are not experiencing shortages of supplies. In addition, measures are taken to mitigate the risk of rising construction costs by incorporating into contract clauses the terms and conditions for raw material price increases, and by passing the higher costs on to construction prices.
(6) Assets held by the Group	The Group holds assets such as securities that are necessary for its business operations. Significant fluctuation in market prices thereof could affect the Group's business results.	The Group adopts measures to avoid risks associated with fluctuations in value of such assets, such as by assessing its securities holdings both quantitatively and qualitatively and gradually reducing those that have less significance for the Group's business.
(7) Natural disasters, etc.	The occurrence of contingencies such as severe natural disasters and the spread of epidemic diseases could cause direct damage on the Group's employees, subcontractors and facilities, or cause outage of lifeline utility and fuel shortage. In such an event, construction may be halted and the contracted construction period may be delayed, which may affect the Group's business results.	The Group has adopted countermeasures against events such as natural disasters including earthquakes and the spread of epidemic diseases, including the formulation of a business continuity plan (BCP), establishment of a system to confirm the safety of employees, conducting of evacuation drills, and adopting of new workstyles.
(8) Overseas businesses	The Group operates businesses in countries outside of Japan, primarily in Asia and Oceania. Significant changes in the political and economic climate, currency exchange rate and the legal and regulatory framework, or the spread of epidemic diseases, or rapid rises in material prices and labor costs in these countries may affect the Group's business results.	The Group is striving to prevent and mitigate such risks by gathering information within the Group and by appropriately diversifying the countries in which the Group operates.
(9) Climate changes	As problems caused by global climate change are becoming more apparent, companies are required to give consideration to the environment mainly by reducing greenhouse gas emissions and industrial waste. Such consideration is often required of not only individual companies but also all companies in the supply chain. If the Group companies and partner companies fail to take appropriate measures, our business with suppliers may be restricted and the Group's business performance may be affected.	The Group clarified its commitment to "building and maintaining an environmentally friendly society" as its material issues. The Group also endorsed the Task Force on Climate-related Financial Disclosures (TCFD) to analyze risks and opportunities in the Group's business in line with its framework. Furthermore, we are working to identify greenhouse gas (GHG) emitted through our business activities and are committed to initiatives and other measures to reduce it and to further reduce industrial waste.
(10) M&A	The Group strives to expand its business domains and transform business models through M&A with which synergy effects are expected, with the aim of increasing corporate value of the Group. However, if outcomes such as the profit growth and synergy effects expected from an M&A target company are not realized, the Group's business performance may be affected.	Before conducting an M&A, the Group carefully examines whether the M&A is in line with the Group's growth strategy. We also consider the outlook for future market trends, business plans, and synergies with the Group. In the post-acquisition integration process, the Group identifies the items to be implemented and the timeframe for their achievement, strengthens monitoring, and works to maximize synergy effects.
(11) Legal compliance	The Group is authorized and licensed under laws and regulations including the Construction Business Act, Telecommunications Business Act, and Radio Act, and conducts its business activities in accordance with relevant laws and regulations in business operations. In the event of a violation of any of these laws, the Group's business performance and credibility may be affected.	The Group closely monitors legal revisions and other developments in the relevant internal departments and promptly shares such information within the Group, reviewing internal regulations as necessary. In addition, efforts are continuously made to ensure compliance with laws and regulations by conducting awareness-raising activities for employees of the Group and partner companies, and by establishing an effective internal audit and consultation system.

Board Members

(as of June 27, 2023) (No. of Board of Directors meetings attended for FY 2022)



Representative Director
President and CEO
NAKAYAMA Toshiki
Shares owned: 17,548
No. of Board of Directors meetings attended 22/22 (100%)



Representative Director
Senior Managing Executive Officer
TOTAKE Yasushi
Shares owned: 9,017
No. of Board of Directors meetings attended 22/22 (100%)



Director
Senior Managing Executive Officer
TAKAHASHI Masayuki
Shares owned: 12,903
No. of Board of Directors meetings attended 13/13 (100%)



Director
Senior Managing Executive Officer
MIYAZAKI Tatsumi
Shares owned: 6,585
No. of Board of Directors meetings attended 13/13 (100%)



Director
Managing Executive Officer
TAKAYA Yoichiro
Shares owned: 3,003
No. of Board of Directors meetings attended 13/13 (100%)



Director
Managing Executive Officer
WAKIMOTO Hiroshi
Shares owned: 6,028
No. of Board of Directors meetings attended 13/13 (100%)



Director
Managing Executive Officer
MITSUYA Takaaki
Shares owned: 4,485
No. of Board of Directors meetings attended - (Newly appointed)



Director
IGARASHI Katsuhiko
Shares owned: 16,507
No. of Board of Directors meetings attended 22/22 (100%)



Director
OHASHI Hiroki
Shares owned: 7,983
No. of Board of Directors meetings attended 13/13 (100%)



Director
TAKAGI Yasuhiro
Shares owned: 7,620
No. of Board of Directors meetings attended 13/13 (100%)



Outside Director
BABA Chiharu
 Shares owned: 515
 No. of Board of Directors meetings attended 22/22 (100%)



Outside Director
YAMAMOTO Mayumi
 Shares owned: 257
 No. of Board of Directors meetings attended 22/22 (100%)



Outside Director
KAWARATANI Shinichi
 Shares owned: 1,030
 No. of Board of Directors meetings attended 22/22 (100%)



Outside Director
TSUKASAKI Yuko
 Shares owned: 515
 No. of Board of Directors meetings attended 13/13 (100%)



Director, Audit and Supervisory Committee Member (Full time)
YAMAMOTO Yasuhiro
 Shares owned: 20,019
 No. of Board of Directors meetings attended 22/22 (100%)



Director, Audit and Supervisory Committee Member (Full time)
AOYAMA Koji
 Shares owned: 16,154
 No. of Board of Directors meetings attended 22/22 (100%)



Outside Director, Audit and Supervisory Committee Member
KATSUMARU Chiaki
 (ISHIKAWA Chiaki)
 Shares owned: 1,846
 No. of Board of Directors meetings attended 22/22 (100%)



Outside Director, Audit and Supervisory Committee Member
SUEMORI Shigeru
 Shares owned: 0
 No. of Board of Directors meetings attended 11/13 (85%)

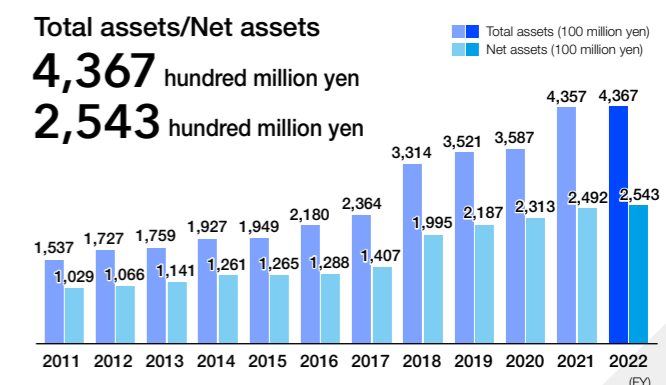
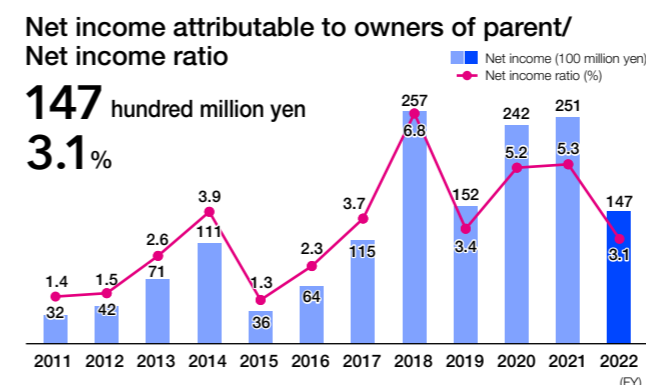
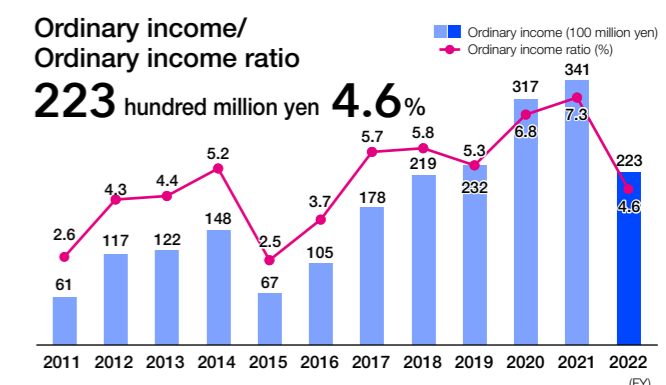
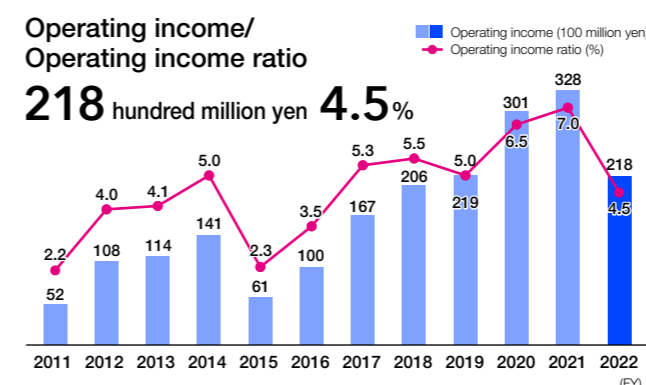
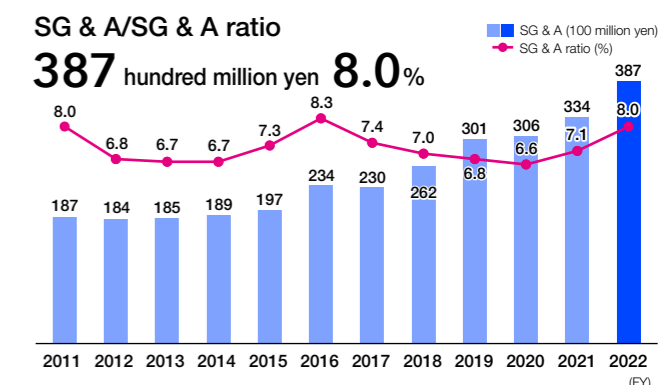
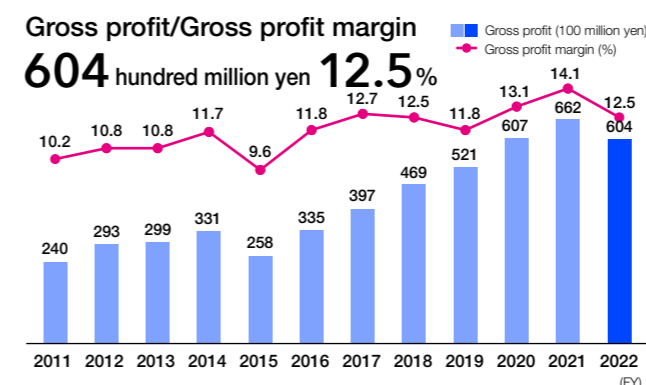
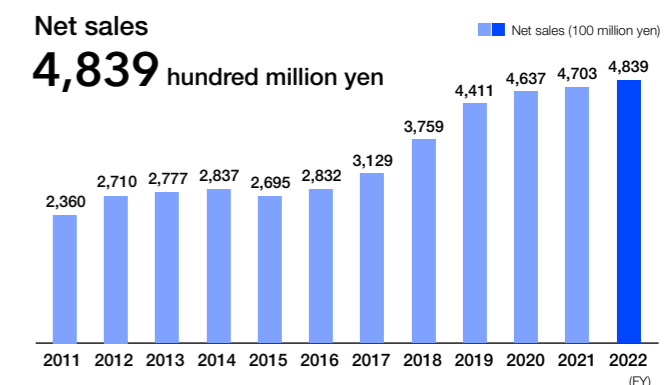
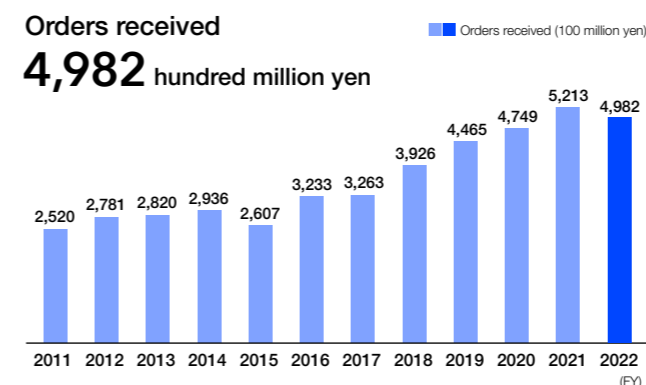


Outside Director, Audit and Supervisory Committee Member
HAYAKAWA Osamu
 Shares owned: 0
 No. of Board of Directors meetings attended - (Newly appointed)

Highlights in 11-year Financial Management

To continue to be a company group recognized and trusted by society, we are committed to continuous growth and the improvement of the company value by accomplishing business structure reform.

* The latest information can be found at our website (<https://www.mirait-one.com/english/>).



* Numbers for FY 2018 include the impact of extraordinary gains from business merger (negative goodwill and other factors amounting to 100 hundred million yen).

Company Information/Stock Information

Overview of MIRAIT ONE Corporation (As of March 31, 2023)

Date of establishment	October 1, 2010
Head office	5-6-36 Toyosu, Koto-ku, Tokyo, Japan
Representative	NAKAYAMA Toshiki, President and Chief Executive Officer
Capital	7.0 billion yen
Ratings	Rating and Investment Information, Inc. (R&I): A Credit Rating Agency, Ltd. (JCR): A+
End of fiscal year	March 31
Employees	3,635 (MIRAIT ONE Group 14,350)

Status of Shareholders (As of March 31, 2023)

The latest information can be found at our website (<https://www.mirait-one.com/english/>).

Stock Listing	Tokyo Stock Exchange (Prime Market) (Security code: 1417)
Total authorized shares	330,000,000
Total outstanding shares	103,325,329 (treasury shares: 7,114,552)
Number of shareholders	28,637 (excluding treasury shares)

Major Shareholders (Top 10)

Name	Number of shares held (in hundreds)	Ownership (%)
The Master Trust Bank of Japan, Ltd. (trust account)	150,308	15.62
Custody Bank of Japan, Ltd. (trust account)	79,192	8.23
Sumitomo Electric Industries, Ltd.	36,687	3.81
Sumitomo Densetsu Co., Ltd.	24,886	2.59
STATE STREET BANK AND TRUST COMPANY 505001	22,997	2.39
Employee Stock Ownership Plan of MIRAIT ONE	20,912	2.17
NOMURA AYA	13,974	1.45
Mizuho Bank, Ltd.	13,005	1.35
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	12,806	1.33
STATE STREET BANK WEST CLIENT - TREATY 505234	12,479	1.30

*1 The ratio of shares held is calculated after subtracting the treasury shares (7,114,552).

*2 The number of shares held shown is rounded down to the nearest 100 shares and the ownership is calculated by rounding off to two decimal places.

Share Distribution By Owner Type (Excluding treasury shares)

Number of shares by owner type (shares)	Ratio (%)	Number of shares by owner type	Number of shareholders	Ratio (%)	
Financial institutions	33,970,728	35.3	Financial institutions	43	0.2
Financial instruments business operators	1,180,734	1.2	Financial instruments business operators	35	0.1
Other corporations in Japan	11,714,319	12.2	Other corporations in Japan	335	1.2
Foreign corporations, etc.	23,011,626	23.9	Foreign corporations, etc.	243	0.8
Individuals/other	26,333,370	27.4	Individuals/other	27,981	97.7
Total	96,210,777	100.0	Total	28,637	100.0

Concept of the Corporate Brand Name

'ONE' in our corporate name MIRAIT ONE is the simple representation of our goal and determination.

ONE for All, All for ONE

The collective strength of all employees comes together as one.

MIRAIT ONE aims to represent the unity and solidarity within the Group.

only ONE

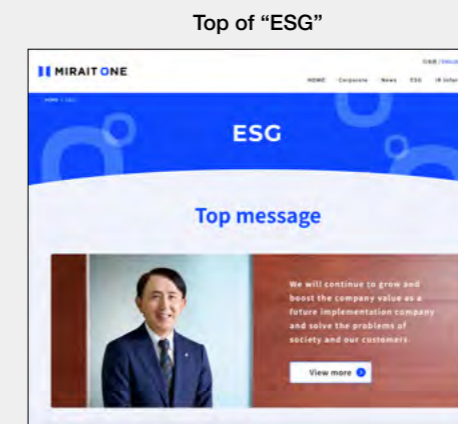
We aim to be the ONE and only company that provides the best quality and best technology/service levels in the MIRAI (future) domains and existing domains, with respect for the important individuality of every employee.

Number ONE

We aim to be a global leading company by continuously taking on challenges.

Please visit our website for detailed ESG information and our latest initiatives.

In the "Integrated Report" published once a year, the Group discloses in-depth and focused information on its Story of Creating Values, Growth Strategy, sustainability management, etc., while detailed ESG-related information and the latest initiatives are comprehensively disclosed in the "ESG" and "News" sections of the website and updated as needed.



<https://www.mirait-one.com/english/esg/>



<https://www.mirait-one.com/english/info/>



MIRAIT ONE Corporation

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