

# Human Capital

## Fundamental Approach

The Taisei Group's greatest asset is its human capital, and the vitality of our employees is the driving force behind enhancing corporate value. We aim to foster innovation and create value by recruiting talent with diverse capabilities, respecting diversity, and cultivating an internal environment where every executive and employee can actively contribute while maintaining high levels of engagement. Moreover, in the [TAISEI VISION 2030] Achievement Plan, the fundamental policy is to "recognize that human capital is a source of our competitiveness, and swiftly implement the necessary measures."

Human Resources Development Policy (Diversity, Equity & Inclusion Policy)

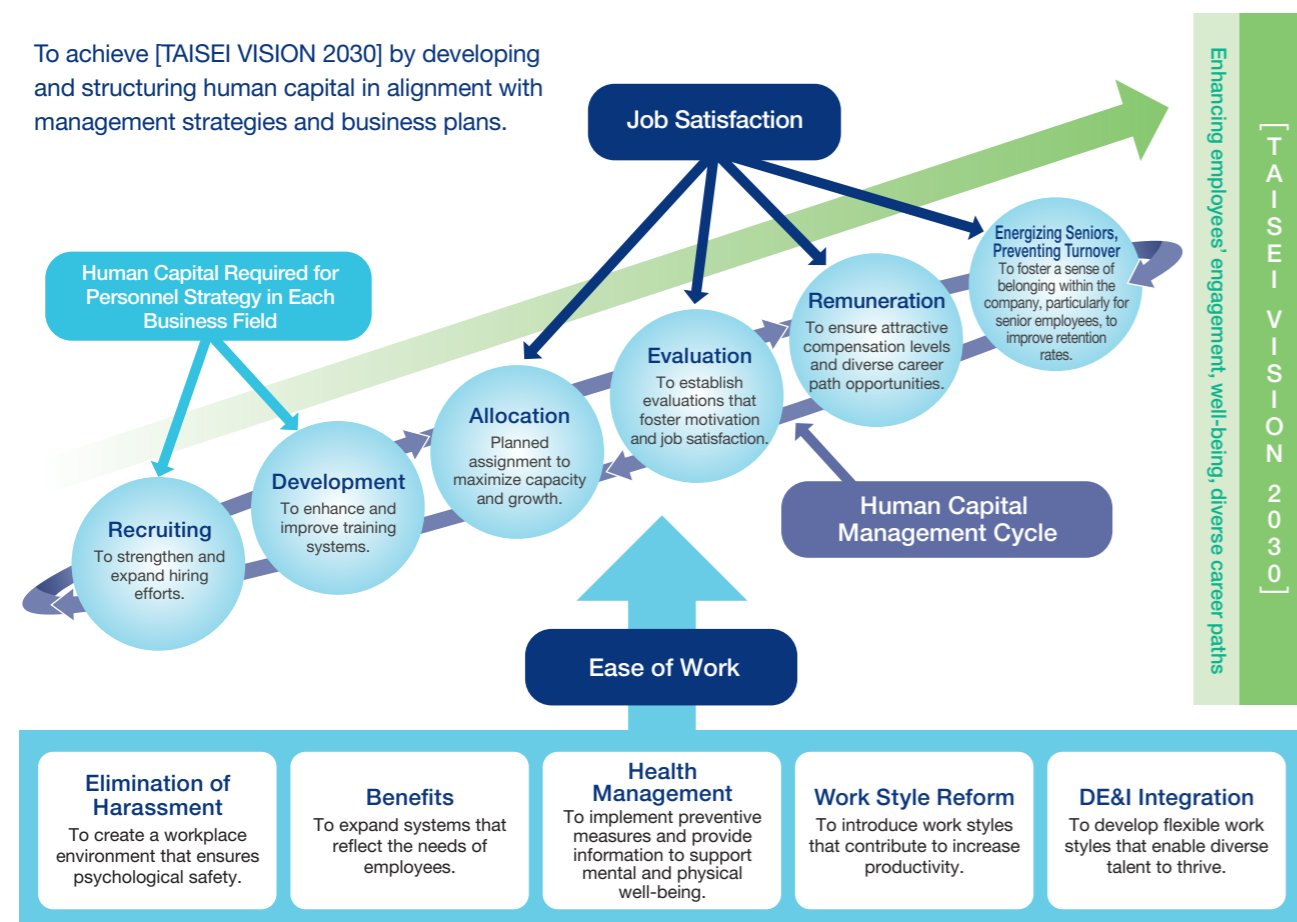
### Risks and Opportunities

<b>Risks</b>	<ul style="list-style-type: none"> <li>Loss of human capital with diverse abilities due to insufficient efforts to leverage diverse attributes and talents, leading to stagnation in innovation and other initiatives.</li> <li>Decreased competitiveness and lower stakeholder evaluation resulting from inadequate disclosure of information about the aforementioned efforts, and a reduction in opportunities for securing contracts.</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>Securing diverse talent by promoting diversity, equity, and inclusion (DE&amp;I) initiatives, enhancing employee and executive engagement, and revitalizing the organization.</li> <li>Securing a competitive edge, enhancing corporate value, and improving stakeholder evaluation as a result of the aforementioned opportunity.</li> </ul>

## Initiatives to Achieve [TAISEI VISION 2030]

- To create an environment in which employees can realize their full potential to enhance their engagement.
- To expand human capital investment to support the Group's sustainable growth.
- Physical, mental, and social health and feelings of happiness (well-being), and realization of diverse career paths.

To achieve [TAISEI VISION 2030] by developing and structuring human capital in alignment with management strategies and business plans.



## Improvement of Employee Engagement

In FY2022, the Company and its major Group companies began conducting engagement surveys. The three surveys conducted up until FY2023 resulted in "average" scores compared to other companies' data held by the survey company, indicating the need to address various issues to better harness employee vitality. In FY2023, we established a dedicated department to improve engagement and address these challenges.

KPI	Focus company	Dec. 2023	Jun. 2024	FY2030
Indicator		Result	Result	Target
Engagement score	Taisei Corporation	B 50.2	BB 53.2	A 60.0

Note: Engagement Survey by Link and Motivation Inc. The survey used their evaluation system, which ranks on an 11-point scale from AAA to DD.

DD	DDD	C	CC	CCC	B	BB	BBB	A	AA	AAA
Under 33	Under 39	Under 42	Under 45	Under 48	Under 52	Under 55	Under 58	Under 61	Under 67	Over 67

As a company-wide issue, it was identified that there were differences in engagement levels between management and employees. To address this, we have implemented numerous direct dialogues aimed at promoting mutual communication between management and employees. These dialogues serve to reconfirm what the company should aim for and management policies, as well as to share issues identified on the ground. Additionally, we continuously work to incorporate employees' feedback into our management measures. [See (\*1) in Table 1]

### Creating Opportunities for Communication Between Management and Employees

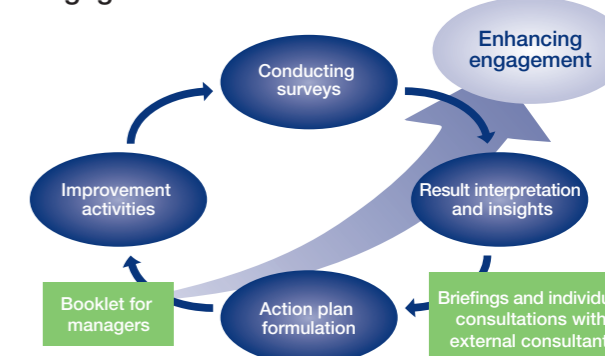


Table 1 Initiatives to Improve Engagement

- Communication from Executives to Employees**  
Executives communicate policies related to engagement and pledges their own actions.
- Direct Dialogue between Executives and Employees (\*1)**  
Approximately 90 sessions were held in FY2023 with 640 participants, and approximately 370 sessions are planned for FY2024 with 2,000 participants.
- Briefings for Managers (\*2)**  
Survey interpretation and insights were explained to approximately 1,300 managers.
- Division-Specific Improvement Initiatives**  
Specialized departments support the interpretation of survey results and the planning and execution of improvement initiatives.
- Horizontal Sharing of Best Practices**  
Making a booklet for managers and other measures to share best practices.

In addition to these company-wide initiatives, we believe that voluntary efforts by each organization are also crucial for improving engagement. To this end, we conduct surveys twice a year to enable managers to accurately assess the status of their respective organizations and promptly implement improvement activities. Nationwide training sessions were held to help all managers understand and interpret the survey results. [See (\*2) in Table 1] Furthermore, individual consultation meetings with external consultants are available for managers who feel they need additional support in addressing organizational challenges, providing them with valuable insights for improvement. Our goal is to create a highly engaged organization that fosters both job satisfaction and ease of work.

### Company-Wide Improvement Cycle for Engagement



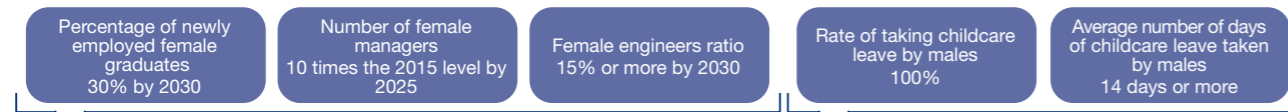
## Promotion of Health and Productivity Management

Health is an essential element for a vibrant workplace and the happiness of families. We provide both mental and physical supports to our employees. Specifically, we focus on reducing health problems by implementing follow-up measures based on health checkup results and offering face-to-face guidance to employees experiencing high levels of mental and physical fatigue. Utilizing our proprietary health examination management system, we statistically analyze health checkup results and daily lifestyle and dietary habits. Additionally, we are working to improve employee health literacy through initiatives that make company health issues more visible.

## Promotion of Diversity, Equity & Inclusion (DE&I)

Since establishing a specialized organization in 2007, the Group has actively promoted diversity, with a particular focus on advancing women's participation in the workforce. We have continuously evaluated and improved the effectiveness of our efforts. Moving forward, we will place greater emphasis on ensuring diversity and equity, considering each employee's unique attributes (gender, child-rearing, caregiving, disability, sexual orientation, etc.). Our initiatives have evolved into a broader effort to "Promote Diversity, Equity & Inclusion," and we are implementing the following measures:

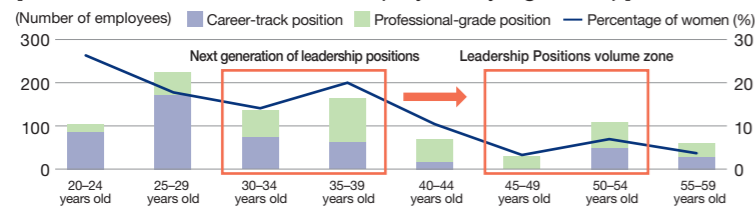
### Five Numerical Targets



### Accelerating Women's Empowerment

To accelerate the empowerment of women, we conduct training for female employees who are candidates for leadership positions, focusing on improving and acquiring the qualities and skills necessary for management. These efforts are followed up over multiple years to ensure continuous development.

### [Number and Ratio of Female Employees by Age Group]



### Supporting Men's Participation in Childcare

We distribute the "Papa's Support Book for Balancing Childcare and Work" to male employees who are expecting a new child, providing suggestions on preparing to take childcare leave, utilizing childcare-related systems, and how to spend time during childcare leave. Furthermore, even after returning to work, employees can utilize the "Flextime System for Balancing Childcare and Work" and an increased number of telework days to balance childcare and work. In addition, we are expanding flexible working options so that employees can continue to participate in family life.

### Promoting Diversity and Equity

#### Addressing Women's Health Concerns

In order to address the unique health challenges that women face and to ensure they can continue to work comfortably and thrive in their careers, we believe that it is necessary to improve the health literacy of our employees and to create a workplace environment where they can understand and support each other. We have implemented several initiatives, including:

#### Establishment of External Specialist Consultation Services

Employees and their families can utilize this service. As of the end of March 31, 2024, 268 employees had registered for the service, bringing the total number of consultations to 280.

#### Preconception Care

Seminars were held to raise awareness about health management to prepare for future pregnancies, and simple fertility test kits were distributed free of charge to those who wished, regardless of gender.

#### Work-Life Balance Support System for Employees Undergoing Infertility Treatment

Employees can utilize the flextime system and use up to 80 days of paid leave for hospital visits related to infertility treatment.

#### Efforts to Prevent Employees from Leaving Due to Caregiving Responsibilities

We believe that one of our responsibilities in an era of declining population is to create an environment where employees who provide caregiving can continue to play an active role without quitting their jobs, and we have established various support programs to balance work and caregiving responsibilities.

<b>Work-Life Balance Support System for Employees Who Provide Caregiving</b>	For each family member requiring care, we provide 15 days of caregiver leave per year (20 days per year if there are two or more family members).
<b>Regular Caregiving Seminars</b>	We hold regular seminars on various topics (e.g., stress management during caregiving, financial aspects of caregiving) that employees and their families can participate in together. These seminars are designed to raise awareness of caregiving issues, regardless of whether they are currently providing care.

### Support for LGBTQ Employees

#### Awareness-Raising Activities for Employees

A dedicated LGBTQ page has been set up on the Company's intranet to provide employees with basic knowledge on topics like sexual orientation, gender identity, outing, and harassment. Additionally, e-learning is available for all employees, and it is incorporated as one of the themes in training programs for young employees within three years of joining the Company.

#### Establishing Internal and External Specialist Consultation Services

In August 2020, we established a dedicated consultation desk staffed by specialists for employees. To further enhance the psychological safety of those affected, we partnered with external experts (Out Japan Co., Ltd.) in May 2023, creating an external consultation service. This service is available not only to employees directly affected but also to their supervisors and colleagues. The external service maintains strict confidentiality and will not disclose any personally identifiable information to the company without the explicit consent of the individual seeking consultation.

## Initiatives for Human Capital Development

We aim to realize the Taisei Group philosophy by supporting each employee in continuous learning, fostering independent career development, acquiring liberal arts knowledge in addition to strong human qualities and expertise, and driving innovation while embodying the Taisei spirit.



### Introducing Liberal Arts Education

In the VUCA era, business success requires not only logical thinking but also a rich sensitivity, imagination, and creativity. To promote holistic personal growth, we will offer all management-level employees educational opportunities to learn liberal arts thinking.

### Expanding Interprofessional Training Opportunities

We aim to achieve synergistic effects through a training system that encourages interaction among employees from different fields, allowing them to enhance both their business skills and humanity while broadening their perspectives. We offer diverse programs for reskilling, regardless of age.

### To Introduce Innovation Training

We will launch "New Business Proposal Training." This program includes workshops designed to teach the mindset and skills necessary for creating new businesses and planning innovative projects. Creative proposals generated during the training will be considered for further development and potential implementation. This program will serve as a catalyst for business transformation by fostering the creation of new business ventures.

## Supporting Self-Driven Career Development

We support our employees with a variety of development initiatives so that they can continuously learn and challenge themselves, fostering independent career development. We are also strengthening partnerships with external educational institutions that offer programs to support learning for acquiring qualifications and improving skills. These partnerships provide our employees with access to corporate discounts, further encouraging self-directed learning among our employees.



### Supports for Certification Exams and Language Learning

We partner with external educational institutions that offer corporate discounts for various courses (correspondence and in-person) related to national qualifications and certification exams, providing these courses to our employees at reduced rates.

### Developing Female Managers

Based on the concept of "positive action"—initiatives aimed at eliminating the gender gap in employment—we support the development of female managers through training focused on building networks and enhancing the skills necessary for female employees to actively seek and embrace promotions and demonstrate their management abilities.

### Famous Guest Speaker Series

As part of our reskilling efforts to foster personal and professional growth among our employees, we regularly invite famous guest speaker to deliver public lectures.

### Next-Generation Executive Development Program

Each year, we carefully select candidates for future executive positions and systematically develop them through a structured training program.

### Executive Seminar

Executives convene for keynote lectures from external speakers and engages in discussions on management challenges, gaining valuable insights to enhance organizational effectiveness.