Be a ChangeBuilder.

HAZAMA ANDO CORPORATION

Sustainability Report 2025

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Hazama Ando's Sustainability Strategies

Basic Approach to Materiality

Companies are currently being called on to reflect and put in place a framework to manage a "double materiality" approach in their sustainability strategies, identifying material issues from the perspectives of both the positive and negative impacts on society and the environment and social and environmental risks and opportunities related to the company's growth. Hazama Ando has worked to instill awareness of materiality at every level in the Group and have gradually reflected this in our strategies.

Gradually Strengthening Our Materiality Approach

We have been incorporating a double materiality framework in stages since 2019, taking into account not only various initiatives and ESG evaluation methods, but also regularly obtaining feedback from stakeholders and holding periodic meetings with outside experts and sustainability practitioners. We continue to reflect our findings in various financial and non-financial initiatives and performance indicators.

Process of Gradual Strengthening

2019	2020	2021	2023
Reconstructed key strategic themes (materiality) ■ Reanalyzed various social and environmental policies on the basis of double materiality and analyzed various performance indicators to determine the importance of policies - Impact of business on society and the environment (positive and negative impact on society) - Impact on the Group's sustainable growth and differentiation strategies (financial risks and opportunities)	**Stepped up incorporation of financial (ESG) materiality** ■ Formulated long-term vision Hazama Ando VISION2030, began incorporating ESG factors into Medium-Term Management Plan ■ Medium-Term Management Plan 2025 established most important ESG indicators directly linked to business performance	**Formulated core SDGs and key performance indicators as broad common sustainability indicators** ■ Comprehensively prepared performance indicators common to financial (ESG) and CSR strategies ■ Accelerated strengthening of target management and individual disclosure while continuously updating content	**Further strengthened double materiality approach** ■ Comprehensively prepared performance indicators common to financial (ESG) and CSR strategies ■ Aligned ESG and sustainability policy frameworks with financial strategies (see table below)

Hazama Ando's Materiality and Topics about Core Activities

	Key Sustainability Themes (Material Topics Chosen from an Impact Perspective)	Key Management Issues Identified in the Medium-Term Management Plan (Material ESG Topics Chosen from a Financial Perspective)
Materiality 1 Helping to solve social issues and create value for society S	■ Achieving the satisfaction of society and customers and earning their trust ■ Working in harmony with the communities we serve ■ Creating safe, comfortable working environments	■ Increasing the value of human capital ■ Enhancing business growth (reinforcing digital transformation initiatives and operating businesses in a timely manner to adapt to changes in the external environment)
Materiality 2 Protecting and being attuned to the natural environment E	■ Creating environmental abundance	
Materiality 3 Promoting sustainable management and taking full responsibility for corporate actions G	■ Conducting fair and honest corporate activities ■ Engaging in dialogue with stakeholders	■ Promoting ESG management (strengthening sustainability governance, rigorous compliance)

Particularly Important External Initiatives, Guidance, and ESG Evaluations Referenced

Global Reporting Initiative (GRI) GRI Standards / IFRS Foundation ISSB Standards /
United Nations Sustainable Development Goals (SDGs) and Global Compact / EU European Sustainability Reporting Standard /
Carbon Disclosure Project (CDP) / MSCI ESG Ratings / Task Force on Climate-related Financial Disclosures (TCFD) / SBT Initiative, etc.

Pursuing PDCA in Line with Materiality

In line with our three material issues, we are currently pursuing Group-wide PDCA management of our core SDGs and key performance indicators, which are common financial and CSR indicators.

We updated the content again in July 2024 to underscore the linkage with the Medium-Term Management Plan. Please refer to the Sustainability Report for details.

Priority Core SDGs and Key Performance Indicators

Squares indicate key performance indicators in Medium-Term Management Plan 2025

Material Issues/ Relevant SDGs	Key Sustainability Themes	Core SDGs	Key Performance Indicators	Metrics	Deadline	Results for Fiscal 2024
Helping to solve social issues and create value for society	■ Achieving the satisfaction of society and customers and earning their trust ■ Working in harmony with the communities we serve ■ Creating safe, comfortable working environments	3	Serious work-related accidents	0 cases	Every year	1 case
			Frequency rate	0.40 or less	2024	0.60
		4	Rate of human rights education and training attendance	100%	Every year	100%
		5	Number of female managers (equivalent to manager class)	60 persons	2025	47 persons
		8	Eight or more closures in four weeks*1 Civil engineering Building construction	 100% 100%	 Every year Every year	 88.1% 83.6%
			Employee engagement score	80% or more	2025	77%
			Human resources investment	5.5 billion yen increase (compared to fiscal 2022)	2025	5.4 billion yen increase
			Number of certified employees	Increase by at least 10%	2025	About 4% increase
		9	Productivity improvement*2	Over 10% (compared to fiscal 2020)	2025	31.4%
			Patent applications	75/year	2025	44
		11	Regional development projects	3 or more (over 3 years)	2025	2 cases ongoing
Protecting and being attuned to the natural environment	■ Creating environmental abundance	13	Greenhouse gas emission reduction rate (Scope 1 and 2)	At least 34% (compared to fiscal 2017)	2025	35.7%
			Greenhouse gas emission reduction rate (Scope 3)	At least 21% (compared to fiscal 2017)	2025	31.5%
		7	Number of ZEB projects	5	2025	21
			Scale of renewable energy business development	80 MW	2025	56 MW
			Proportion of renewable energy used for electricity	80%	2030	41%
		12	Serious environmental incidents	0 cases	Every year	0 cases
			Recycling of construction site waste Civil engineering: Reduction of overall mixed waste volume Building construction: Reduction of mixed waste intensity at new construction projects	 0.76 ton/construction cost (100 millions of yen) 6.5 kg/total floor space (m^2)	 2025 2025	 0.50t 7.7kg
Promoting sustainable management and taking full responsibility for corporate actions	■ Conducting fair and honest corporate activities ■ Engaging in dialogue with stakeholders	5	Ratio of female board directors	30% or more	Every year	33.3%
		8	Ratio of external board directors	50% (a majority)	Every year	66.6%
			Information security course attendance	100%	Every year	100%
			Compliance training attendance	100%	Every year	100%
			Number of yearly Sustainability Committee meeting	4	2025	4
			Reduce strategic shareholdings	Reduce ratio of market value of shares held (or net assets if unlisted) to total balance sheet amount to less than 10% of consolidated net assets	2025	17.3%

*1 Beginning in fiscal 2024, data is collected for all sites, including those where eight or more closures are unfeasible.
*2 Calculated based on the productivity index of the Japan Federation of Construction Contractors. Based on construction amount per engineer and skilled worker per 8-hour day (completed construction amount/manpower)

Engagement that Addresses Risks and Opportunities

To make steady headway in addressing the material themes the Group has identified, we are working to grasp fully the expectations, concerns, and demands of stakeholders and build a mechanism to reflect these in our activities, while always being attentive to the risks and opportunities involved. Beginning at the start of 2020, the COVID-19 pandemic significantly impacted our ability to take action related to each key theme. We are currently implementing a PDCA cycle sensitive to the resulting changes in business and living styles.

Megatrends Affecting Hazama Ando (Social and Environmental Risks and Opportunities)

We live in an era where various values exist and diversity is required.

Risks

Slowing economic growth, intensifying competitive environments

Surge in material and fuel prices

Declining birthrate and aging population, shortage in the labor force

Progress of climate change

Sustainability-related

Decarbonization

Technological innovation-based productivity improvement

Human capital management

Rising geopolitical risks

Opportunities

Disaster prevention and mitigation, national land resilience

Increased business co-creation momentum

Society 5.0 realization

Global momentum behind human rights protection

Demands for more robust sustainable management

Stakeholder Engagement

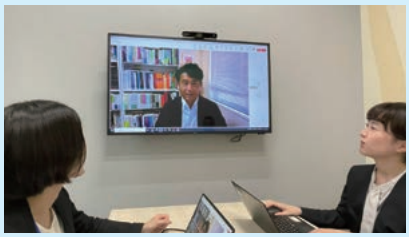
Amid ongoing changes in social values, to fulfill the Group's responsibilities as a member of society and continue to realize building operations that are of value to customers and society, Hazama Ando believes that the process of dialogue and collaboration with various stakeholders is essential. Based on this, we are taking advantage of various opportunities and pursuing initiatives to reflect the concerns of society in our corporate activities. Key content of such dialogue is shared appropriately with management through various committees and other venues, and is reflected in our ongoing response to material issues.

Stakeholder	Approach, Policy	Major Channels for Dialogue	Major Themes, Areas of Interest
Customers	Attentive to the needs of customers and the demands and expectations of society, we will pursue secure, safe, high-quality "good building operations" based on our solid technological prowess. Through these operations, we will strive to bring about customer satisfaction, earn greater trust from society, and address social issues.	Customer inquiry desk, satisfaction surveys, business activities	High-quality building operations, construction that addresses social issues
Shareholders and Investors	By means of timely and appropriate disclosure and two-way dialogue, we will seek the evaluation of shareholders and investors as appropriate. Their opinions and requests will also inform our corporate activities, as we strive to enhance corporate value by contributing to the advancement of society.	General meeting of shareholders, results announcements and briefings, meetings with investors and shareholders and information website (timely disclosure, etc.)	Timely and appropriate disclosure, disseminating information in terms of both risks and opportunities
Business Partners, Partner Companies	By engaging in fair business practices and building a supply chain that is sensitive to human rights, occupational health and safety, and the environment, we will collaborate in helping to bring about a sustainable society and create social value, aiming to grow along with our partners.	Hazama Ando Cooperative Association, business activities, exhibitions, events	Occupational health and safety, appropriate construction management, fair business practices
Employees	To enable diverse employees to work securely, safely, and in a rewarding way as they reach their full potential, we will cultivate working environments and various support systems and endeavor to treat employees fairly and support career development.	Employee satisfaction surveys, regular interviews, labor-management consultations, employee helpline	Occupational health and safety, consideration for diversity, career development, fair treatment
Local Communities	Through our business activities and social contribution activities in various regions, we will contribute to the advancement of local communities and the cultivation of future generations, fulfill our duties as a corporate citizen, and seek to coexist with the communities we serve.	Social and cultural contribution activities, site tours, hands-on workshops	Support for local communities, including harmonious relationships and cultivation of future generations

Consultations with Specialists and Outside Experts
(September 2025)

Each year, in conjunction with preparation of the Corporate Report, Hazama Ando holds regular online and offline meetings with sustainability practitioners and third-party commentators.

At an online meeting held in September 2025, in addition to the content of our disclosure, we reported on the current overall focus of our sustainability activities. The subsequent frank exchange of opinions in light of domestic and international trends yielded suggestions for future improvements.



Meeting with a third-party commentator (Professor Doi, Hosei University Graduate School).

Our CSR Policy

Pursuing rigorous CSR management and helping to bring about a sustainable society are the essential mission of a company. Guided by this conviction, Hazama Ando has established a CSR Policy and is implementing various activities to realize the policy's aims. Going forward, to further reinforce our efforts involving the SDGs and ESG and carry forward the themes set forth in the Group's materiality, we will continue to instill in every employee the policy that forms the backbone of our CSR activities. We will also work together across the Group to meet the ever-increasing expectations of society for a truly sustainable corporate strategy.

CSR Policy

Through the practice of secure, safe, high-quality "good building operations" that draw on sound technology and passionate commitment, Hazama Ando will contribute to the advancement of society and our customers and seek to bring about an abundant, bright future.

SOCIAL

Materiality 1

Helping to solve social issues and create value for society

Overview of Fiscal 2024 Results

To address the material issue of helping to solve social issues and create value for society, the Group is implementing PDCA activities based on three key themes and key performance indicators.

Under the key theme of achieving the satisfaction of society and customers and earning their trust, we continued efforts to develop and apply new technologies and construction methods in the fiscal year ended March 2025. We pursued building information modeling (BIM) and other means of digitally transforming construction to boost productivity and strengthen quality control. At the same time, we are further accelerating the on-site rollout of leading-edge labor-saving and remote operation technologies to address labor shortages and a decline in the population of skilled workers. We are also actively promoting collaboration with Group companies and partner companies in these areas. The results of our measures, which tie in directly to our strengths as a Group, have also been recognized with various awards.

Under the key CSR theme of working in harmony with the communities we serve, we continue to engage in on-site tours and other corporate citizenship activities, activities like firelight Noh performances at Meiji Jingu Shrine that contribute to culture, and activities that contribute to regional revitalization.

With regard to the key theme of creating safe, comfortable working environments, in addition to ongoing improvements to the safety framework following a large fire accident in 2018, we are working to respect diversity, promote health management, and improve various aspects of employee benefits. By continuing to enhance the value of our human capital—a key performance indicator in the Medium-Term Management Plan 2025—we are creating working environments that allow employees to take pride in their work.

Activity Highlights 1

Developing Digital Personnel

We are pursuing two approaches to realize the goals of Digital Transformation Vision 2030: the digital transformation of technological innovation in collaboration with our technology and R&D departments, and digital transformation to reinforce the business in collaboration with the various business divisions. The foundation underpinning these efforts will be to equip every employee with digital skills and hone their practical capabilities.

In this context, we formulated an IT and Digital Transformation Personnel Development Plan in April 2023. We established three categories—IT and digital users, IT and digital promoters, and IT and digital specialists—with the aim of developing personnel capable of adapting to generative AI, big data analysis, and other ever-evolving leading-edge technologies. Having classified the skills required for each category, we launched the respective training programs.

In addition, in September 2024 we categorized employee digital skills into five levels. By defining these skills and linking them to training and qualifications, we are clarifying the skills and growth goals employees should aim for and building a framework to support ongoing skill development.

In this way, we are striving to foster an environment where every employee can contribute to digital transformation and, through ongoing training, acquire the latest techniques and knowledge, thereby raising the Group's overall digital transformation capabilities.

The IT and Digital Transformation Personnel Development Plan defines the following qualities:

1. The type of IT and digital transformation personnel the Group desires

We need personnel who can respond flexibly to changes in the society, who have the mindset of proactively engaging in innovation, and the knowledge and skills in digital technologies needed for their work both now and in the future, and who base their careers on these areas.

2. Digital skill levels (five levels)

Certification requirements for each level include undergoing in-house training, passing comprehension tests, and acquiring external IT certification like the IT Passport. This allows employees to set goals according to their own skill level and enables ongoing human resource development.

3. Personnel development categories

IT and digital users
Personnel who understand the basics of digital transformation and can boost their work efficiency and productivity by actively capitalizing on systems, tools, and data in their daily work.
Required digital skills
Level 1 Level 2

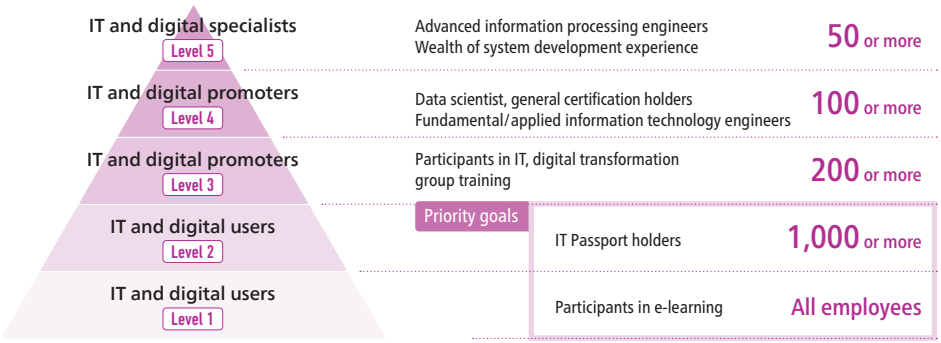
IT and digital promoters
Personnel who understand the basics of data analysis and system development and can improve the business processes of the entire Group by utilizing systems, tools, data analysis, and other resources.
Required digital skills
Level 3 Level 4

IT and digital specialists
Personnel who have advanced expertise and skills in digital technology or specific fields and can build the systems and tools proposed by digital promoters, carrying out improvement activities through data analysis.
Required digital skills
Level 5

4. Goals and visualization of IT and digital transformation personnel development

Having set goals for the end of the fiscal year ending March 2030 in line with Digital Transformation Vision 2030, we are publishing progress via a Digital Human Resources Meter on our in-house digital transformation portal site. In this way, we are visualizing the growth and efforts of each employee, encouraging ongoing improvement in skills.

IT and digital transformation personnel development goals (end of fiscal 2030)



5. Development programs

We are running and improving training programs tailored to the various digital skill levels (levels 1 to 4) as appropriate.

Skill level	Name of training	Training objectives	Targeted employees
Level 1	Group-wide basic training on IT and digital transformation	Fostering a change in thinking about digital transformation by gaining awareness of basic concepts	IT and digital users
Level 2	Support program for IT Passport qualification	Support for outside courses to acquire IT Passport qualification	IT and digital users
Level 3	Training in data utilization	Basic data analysis skills using building information tools, etc.	IT and digital promoters
	Project leader training	Understanding the basics of system development and acquiring skills to drive projects as a digital transformation leader.	IT and digital promoters
Level 4	Support program for data scientist certification	Support for outside courses to acquire data scientist certification	IT and digital promoters
	Support program for general certification	Support for outside courses to acquire general certification qualification	IT and digital promoters

Activity Highlights 2

Raising Up Next-Generation Leaders

Hazama Ando is also committed to developing the next generation of leaders who will carry the Group into the future. We offer three levels of training for selected candidates: beginner, intermediate, and advanced.

In the fiscal year ended March 2025, we held beginner-level training for employees in their 20s and 30s, intermediate-level training for mid-career employees in their 40s, and advanced-level training for managers. In each case, participants formed teams across departmental lines and spent several months engaging in repeated discussions among the team members to identify and propose solutions for issues facing the Group. Working with other members with different backgrounds and expertise helps participants to gain perspectives and insights that would be difficult to cultivate through their normal work alone.

Next-generation leader training

Activity Highlights 3

Real Estate Development Project: Kanayama Project

SOLUX Kanayama, a mixed-use building planned and developed by Ryoko Kaihatsu Co., Ltd., a Hazama Ando Group company, was completed in November 2024.

The building is conveniently located near Kanayama Station, the second largest terminal station in Nagoya after Nagoya Station. Capitalizing on this prime location, the planning concept was to create an emblematic downtown landscape to be the face of the southern Nagoya terminal. The building features an exterior glass curtain wall, which is rotated 45 degrees on the sixth floor to yield variation in the facade.

The Group will continue striving to create value for customers by providing a wide range of solutions like this project.

Property overview

Building name:	SOLUX Kanayama
Location:	Kanayama-cho, Atsuta Ward, Nagoya City, Aichi Prefecture
Scale:	Steel structure, 12 floors above ground, total floor area: 3,153 square meters
Main uses:	Offices and retail stores
Completion:	November 2024

Achieving the satisfaction of society and customers and earning their trust

Relevant SDGs

By providing society with high-quality buildings backed by superior technology, Hazama Ando is striving to boost customer satisfaction and earn society's trust.

Policies and Approach

Approach

Since civil engineering and building construction provide Hazama Ando's points of contact with society, the first step toward contributing to the development of society is our commitment to achieve "good building operations" that are responsive to the needs of customers, offering high quality at a fair cost. We will earn and retain the trust of society at large by continuing to support the daily lives of people and the activities of businesses through highly reliable buildings and structures.

Quality Policy

Promote construction activities using reliable technology, contributing to society and seeking customer satisfaction.

1. Understand customer demands and legal requirements, and see situations from the customer's perspective.
2. Pursue activities that add greater value at each stage of sales, design, construction, and follow-up support.
3. Develop and implement new technologies to address the further expectations of customers and society.
4. Continuously improve quality management systems and pursue high quality.

Intellectual Property Strategy

Recognizing the utilization and development of intellectual property (IP) that contributes to business to be a key management issue, the Hazama Ando Group has established the following strategy for promoting the active utilization and development of IP in our businesses.

1. Raise awareness of the importance of invention among all employees, and work together to generate a wealth of IP.
2. Define strategic areas and actively implement IP activities that contribute to business.
3. Build and actively utilize an IP network that ensures competitive superiority.
4. Monitor infringement of owned IP and prevent leakage.

Pillars Supporting Our Initiatives and Promotion Framework

1. Quality Control and Improvement Efforts

Based on our quality management systems, the Group is engaged in production activities to boost customer satisfaction at each stage of sales, design, construction, and follow-up support.

Under the leadership of the representative director, we are promoting efforts to maintain and improve quality. We are also making continuous improvements through management reviews and internal audits, and ensuring that these are implemented at each branch and construction site.

2. Forward-Looking Development of Technology and Construction Methods

We have a dual approach to research and technological development: The Civil Engineering Division and Building Construction Division mainly develop construction technology directly tied to construction sites, while the Technical Research Institute undertakes R&D into basic and leading-edge technologies. Both divisions are in charge of developing technology that supports construction in terms of specific projects; they implement and guide the use of technology on site. The Technical Research Institute is concerned with longer-term issues, advancing R&D into new technological areas ranging from basic to cutting-edge technologies.

Pillars Supporting Our Initiatives 1: Quality Control and Improvement Initiatives

Developing a System to Detect Dangerous Behavior Using AI Image Analysis Technology Drawing on Surveillance Camera Footage at Construction Sites

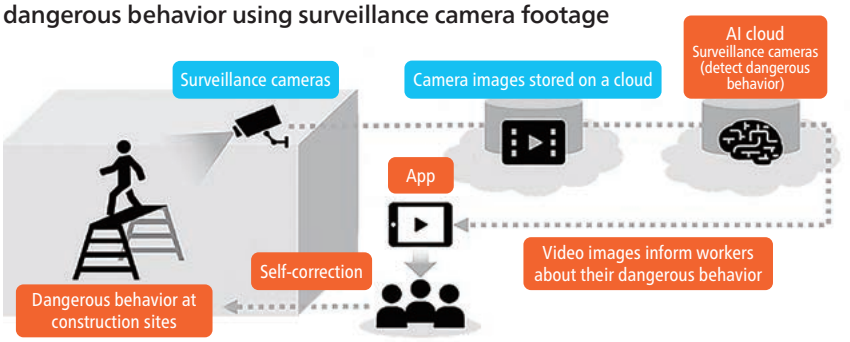
It is critical to raise safety awareness to reduce the risk of accidents at construction sites, but recent labor shortages in Japan have posed challenges to providing adequate safety guidance to on-site workers regarding dangerous behavior.

With the aim of improving safety awareness among workers, we collaborated with NTT Advanced Technology Corporation to develop a system to detect dangerous behavior using AI image analysis technology to analyze surveillance camera footage. Drawing on footage from cameras installed at construction sites, the system uses the AI image analysis technology to detect dangerous behavior by workers and sends notifications to the workers about the behavior, empowering them to check daily behavior that may be dangerous.

We rolled out the system to a Group site under construction as a one-month trial in October 2024, and confirmed its effectiveness, including its impact in terms of raising safety awareness among workers.

With the aim of further raising safety awareness at construction sites, we will continue to improve the system by actively introducing it at other sites, refining its detection accuracy, and broadening the scope of detected behaviors.

Safety awareness improvement cycle stemming from detection of dangerous behavior using surveillance camera footage



Various Awards (in order received)

Numerous technologies and projects developed by the Group have been recognized with awards.

Granting organization	Award	Technology, projects recognized
Japan Building Disaster Prevention Association	Fiscal 2023 (13th) Seismic Retrofitting Excellence and Contributor Awards: Seismic Retrofitting Excellence Award	Tomon Building Renovation Plan 2020
Building and Equipment Long-Life Cycle Association (BELCA)	33rd BELCA Award, Long-Life Category	Kinokuniya Building
Japan Society of Civil Engineers	2023 Outstanding Civil Engineering Achievement Award, Group II	Tateno Dam Construction Project: Construction of the largest flowing water dam in Japan
Japan Construction Occupational Safety and Health Association, Hokkaido Branch	2024 Health and Safety Excellence Award (Construction Site Category)	UD Trucks Hokkaido, Sapporo West Branch new construction
Ministry of Land, Infrastructure, Transport and Tourism, Kanto Region Development Bureau	2023 Excellence in Construction Award for Difficult Construction Work	Meiji Memorial Oiso Residence, East District Phase 2 (22) building renovation and other construction work
Ministry of Land, Infrastructure, Transport and Tourism, Kinki Region Development Bureau	Director's Award for Outstanding Construction Work (Construction)	Osaka Branch: Countermeasure work for upper slope of Takahara Tunnel
Engineering Advancement Association of Japan	16th Special Engineering Commendation Award	Incineration waste solidification and disposal system development project team (joint research with Kyushu University)
Ministry of Land, Infrastructure, Transport and Tourism	7th Japan Construction International Award Grand Prize	Project for construction of Croix-des-Missions and Route Nueve bridges (awarded jointly to Central Consultant Inc.)
Ministry of Land, Infrastructure, Transport and Tourism, Kinki Region Development Bureau	Excellence Award, Innovation Category	GeOrchestra®
Fukuyama City, Hiroshima Prefecture	Fukuyama City Gender Equality Award	Hazama Ando
International Joint Symposium, Sepuluh Nopember Institute of Technology	Best Presenter Award	GeOrchestra®
Overseas Construction Association of Japan (OCAJI)	3rd OCAJI Project Award	East-West Economic Corridor Improvement Project, Package 1, Gyaing Kawkareik Bridge construction (Joint venture of Hazama Ando and PS Construction Co., Ltd.)
Ministry of Land, Infrastructure, Transport and Tourism	2024 Overseas Infrastructure Projects, Excellent Engineer Certification, Award System	East-West Economic Corridor Improvement Project, Package 1, Gyaing Kawkareik Bridge construction Project Manager: Kazuhiro Hara
Mitsubishi Jisho Design Inc.	Excellence Award	Nikon Global Headquarters Innovation Center (constructed by Hazama Ando)
Atomic Energy Society of Japan, Nuclear Fuel Cycle and Environment Division	2024 Best Paper Award	"Effective porosity in groundwater flow analysis for fractured sedimentary rocks: Case studies of the Koetoi and Wakkanai formations in Horonobe, Hokkaido, Japan" Hisashi Imai, Satoru Hirai, five other co-authors (outside Hazama Ando)
Japan Society of Civil Engineers	2024 Japan Society of Civil Engineers Award Tanaka Award, Work Category (newly established)	East-West Economic Corridor Improvement Project, Package 1, Gyaing Kawkareik Bridge construction
Japan Society of Civil Engineers	2024 Outstanding Civil Engineering Achievement Award, Group I	Development of construction technology for large earth-covered tunnels close to the Median Tectonic Line (main construction of San-En-Nanshin Aokuzure Pass Tunnel [tentative name])
Japan Society of Civil Engineers	2024 International Activities Award	Hideaki Aoyanagi
East Nippon Expressway, Niigata Branch	Branch Manager Award for Excellence in Construction	Kan-Etsu Expressway Kizawagawa Bridge floor slab replacement

Pillars Supporting Our Initiatives 2: Aggressive Development of Technologies and Construction Methods

Initiatives to Achieve BIM Level 2

In line with the initiatives of the BIM Promotion Roundtable of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), we are actively working to harness BIM to promote the digitalization of the construction business. We have stepped up efforts to achieve BIM Level 2 standardization, which connects BIM models and BIM information and uses these in processes ranging from design and production design to construction and maintenance.

In the design phase, we developed a BIM design methodology prioritizing BIM models and began applying this to actual projects. Under this method, the latest design, structure, and equipment BIM models are shared on a cloud and, while checking for consistency, we repeat the cycle of making and sharing changes in small increments while confirming the results, defining this process as agile design (Figure 1). This process transformation comports with the requirements of BIM confirmation applications. We also developed and began trialing a concurrent engineering methodology that incorporates construction knowledge from the design stage and feeds check results back into the design model. This will enable better design quality and seamless integration from design to construction. Furthermore, to capitalizing on the knowledge of veteran designers, we developed a system, tentatively called Visual Check-Connect, that enables efficient visual checks of BIM models on a browser (Figure 2).

For the production design phase, we created an environment to allow information to be shared between the BIM software and specialized steel frame software as well as with the 3D CAD used to create drawings for precast components, and have begun applying this system to actual projects. We will continue to verify the seamless connections enabled by the BIM model, striving to improve quality and productivity through collaboration with partner companies and manufacturers.

Going forward, we will further expand the use of BIM models and BIM information, seeking to hone our technology and knowledge to achieve BIM Level 3, which envisions a society where all project data from the construction and other fields can be connected, accumulated, and utilized, with the aim of becoming a leading BIM company in the building construction industry.

Figure 1: Differences between conventional and agile design

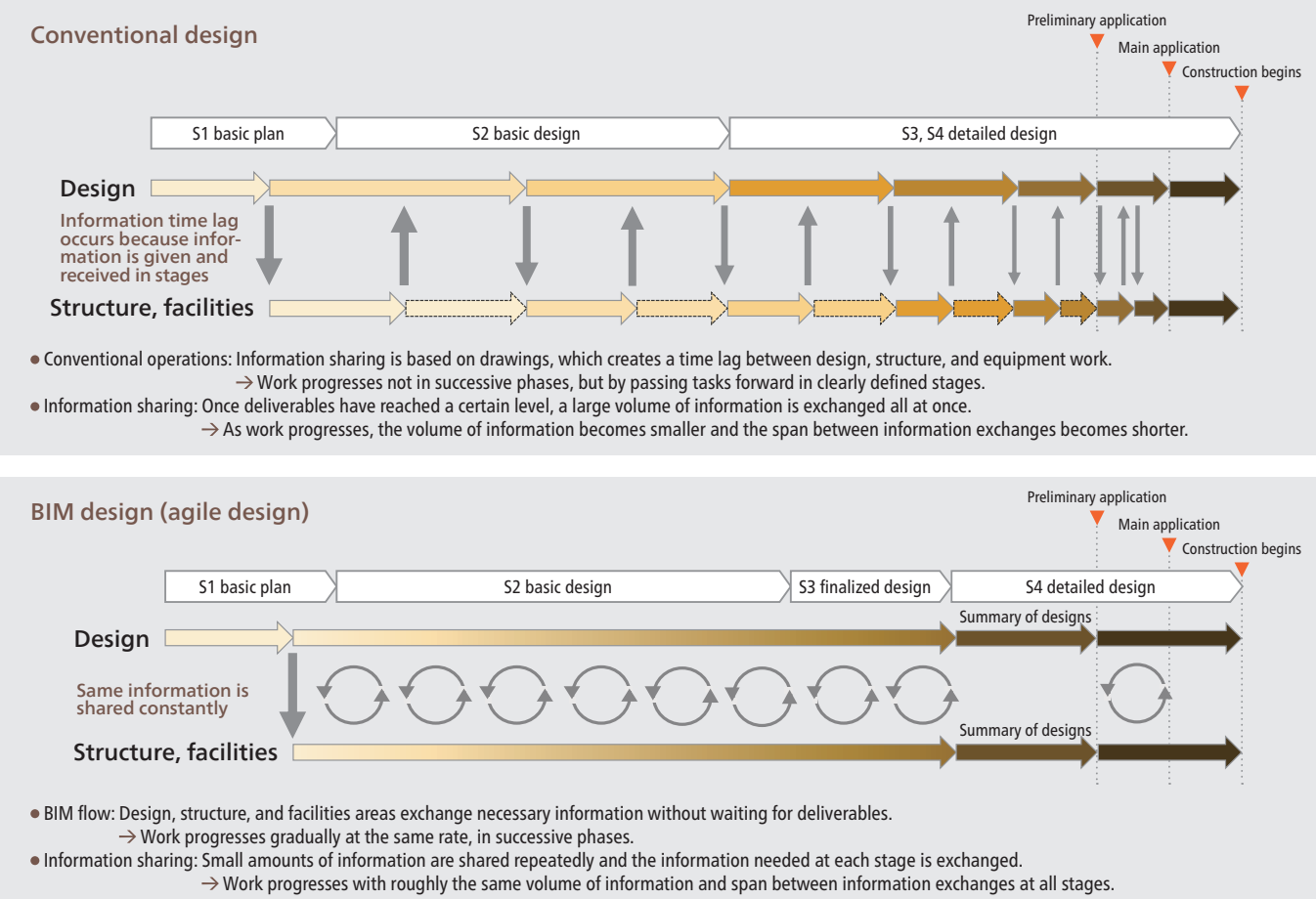
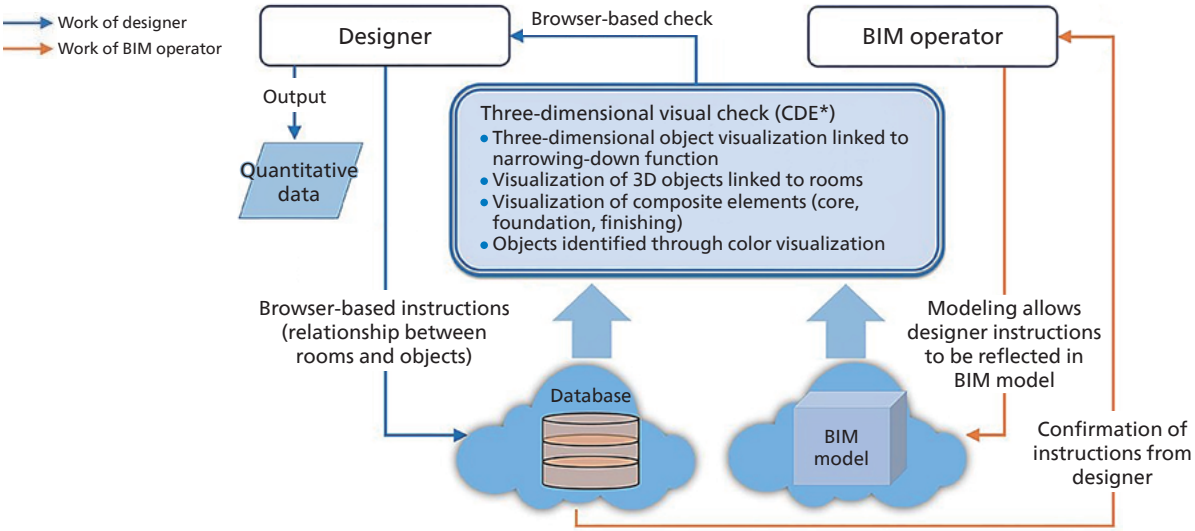


Figure 2: Visual Check-Connect mechanism



* CDE: Common data environment. A single source of information used to collect, manage, and distribute documents, graphical models, and non-graphical data across the project team.

Developing Digital Twin App GeOrchestra® and Verifying It in On-Site Application

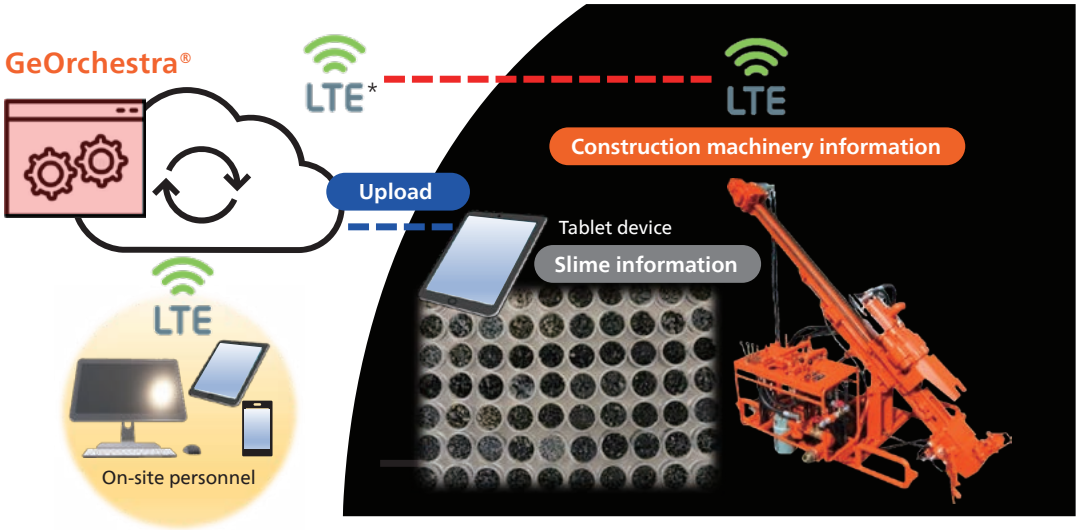
In collaboration with Nittoc Construction Co., Ltd., we have developed GeOrchestra®, a digital twin application equipped with geological evaluation AI and construction information modeling (CIM)*. The app integrates these two technologies: AI that can infer geological classifications in regions that are not visible using various sequential construction information obtained when drilling and excavating the ground, and design CIM. It draws on these two technologies to update and visualize geological classifications and construction information in a web-based three-dimensional space.

We used the application in construction work ordered by the Kinki Region Development Bureau of the Ministry of Land, Infrastructure, Transport and Tourism, which aimed to use ground anchors to prevent landslides on the upper slope of the Takahara Tunnel. We confirmed several effects as a result, including that reliable construction was possible through highly accurate prediction, awareness, and risk avoidance, and that the application's use as a communication support tool improved workability. Going forward, we aim to utilize and expand the application for the advance management of construction that involves drilling and excavation of ground that is not visible.

We will continue to promote initiatives that will lead to improvements in labor savings, productivity, and construction quality by capitalizing on and deploying digital transformation in on-site construction.

* Construction information modeling

GeOrchestra® system overview



* LTE (long-term evolution): A type of mobile communications standard, this technology primarily aims at evolving from 3G to 4G.

Working in harmony with the communities we serve

Relevant SDGs

As a corporate citizen, the Group places high value on our relationships with the various communities we serve through our operations and work proactively to maintain and foster harmony in the community.

Policies and Approach

Approach

Building operation sites are supportable only with daily cooperation between the Group and local residents. We will continue to contribute to the various communities that make up the regional societies in which we work, fulfilling our duties as a corporate citizen. We view as an equally important corporate responsibility our actions, as a Group entrusted with education and culture, to contribute to the younger generation as they prepare to shape the future. We are promoting activities in multiple directions to this end.
Further, we will undertake development projects to address various issues facing regional communities in Japan, including declining birthrates, aging populations, and contraction in the regional economy, seeking to offer new solutions that enhance the appeal of regions, including fostering carbon neutrality and job creation.

Pillars Supporting Our Initiatives

1. Activities that contribute to society
2. Activities that contribute to culture
3. Regional development projects

Pillars Supporting Our Initiatives 1: Social Contribution Activities

Site Tours and Other Activities

We hold tours at our various sites for local residents and elementary, junior high, and high school students, to provide a venue for interaction with the community and to gain greater understanding of our business. We also carry out a range of CSR activities at these sites.

■ **Supporting the Art of Possibility Project: Posting Works by Artists with Disabilities at Construction Sites**

As part of our ESG management, we support the Art of Possibility Project* jointly undertaken by Toppan Holdings, Inc., NPO Support Center DREAM, and the Borderless Art Organization foundation. Our role is to post art on the temporary walls enclosing our construction work sites. Seen by countless passers-by, the walls serve as a platform giving broad public exposure to the artwork. As of June 2025, we had exhibited artwork at 59 sites nationwide—a steady increase from the previous year. We are also working to better familiarize people with the Art of Possibility Project by adopting selected artwork for use in our business card designs and in novelties. We will continue this initiative supporting the more widespread recognition of artists with disabilities.

* An initiative that places value on artwork created by artists with disabilities ("art of possibility"), and aims both to address the social issue of supporting the independence of persons with disabilities and to pursue economic activities.

Artwork painted on a construction site wall

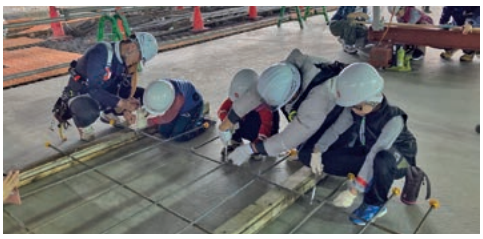
Novelties (mousepads) incorporating an artist's artwork.

[Kanto Branch] Taiyo Yuden Takasaki Global Center Office Tower Construction Site Tour

On August 27, 2024, the Japan Federation of Construction Contractors (Nikkenren) hosted a site tour for elementary school students, called Construction Exploration Team 2024, at the Taiyo Yuden Co., Ltd. Takasaki Global Center office tower construction currently underway in Takasaki City in Gunma Prefecture. Eight groups of seventeen people, including students and their parents, took part in the tour.

On the day of the tour, after an explanation of the kind of work involved in the construction industry and an overview of the construction project, parents and children were given a chance to observe steel frames being erected. Afterwards, the children participated in a hands-on work activity, in which they tried out some of the actual work that is done on-site, including tightening steel bolts, doing scaffolding work while wearing fall prevention equipment, tying rebar together, and conducting measurements using a laser scanner. The children remarked on how fun it was to be able to experience what working people do and reported learning that construction involves many people working together to build a single building.

We will continue to accommodate various site tours, including those organized by Nikkenren.



Hands-on work activity: Tying rebar together

[Nagoya Branch] On-Site Learning Visit by Nagoya Municipal Omori Junior High School Students at Nagoya Castle Work Site

On January 31, 2024, 15 first-year students from Nagoya Municipal Omori Junior High School took part in a site visit at the Nagoya Castle stone wall restoration project (near the rear entrance of the central castle where guards and horses would have been stationed). The Nagoya Branch supports the Nagoya Career Time Supporter program, which provides every student with the opportunity to encounter various types of jobs and people who are active in society; this visit was part of that program. On the day, students received an overview of Hazama Ando, an introduction to the work involved in the construction industry, an overview of the restoration project, and key points regarding construction management. Then they observed the actual stone wall restoration site. Afterwards, students remarked that they learned about the importance of safety management at construction sites, and expressed their amazement at the high technical level of stone wall restoration.

We will continue to work with the Nagoya Career Time Supporter program and promote the rewarding and appealing aspects of working in the construction industry.

Students observing the stone wall restoration work.

Technical Research Institute PR activities

The Technical Research Institute, which opened in 1992 in Tsukuba City, Ibaraki Prefecture, has been carrying out R&D for more than a quarter of a century. Since its opening, the Institute has served as a venue for publicizing the activities not only of Hazama Ando but also of the construction industry as a whole, as we have invited a host of visitors to discuss how the infrastructure of people's lives is created.

We held a two-day Technology Fair on January 23-24, 2025, with the concept of "Creating the future, at the forefront of technology: creating new value for society." Based on this concept, the fair showcased our development technologies and experimental facilities. In addition to the Institute's thermal environment facilities, newly renovated and expanded to meet technological advances and new social needs, and its large triaxial shaking table and geotechnical centrifuge, the fair highlighted technologies related to productivity, national land resilience, carbon neutrality, and energy creation, as well as technologies that will create the future, including in the areas of outer space and coexistence with nature.

Furthermore, on December 18, 2024, the Technical Research Institute hosted the 12th Geotechnical Centrifuge Model Experimental Technology Symposium, sponsored by the Geotechnical Centrifuge Model Experimental Technology Study Group. Around 100 users of geotechnical centrifuges from universities, public research institutes, private-sector companies, and other entities in Japan attended the event and actively exchanged opinions.

Also, at the request of the Japan International Cooperation Agency (JICA), on June 28, 2024, we held a tour for trainees coming from organizations involved in the seismic resilience of buildings in the Dominican Republic.

To foster awareness of our technology going forward, we will continue to actively interact with people in Japan and overseas.

Technology Fair (large triaxial shaking table exhibit).

12th Geotechnical Centrifuge Model Experimental Technology Symposium.

Pillars Supporting Our Initiatives 2: Activities that Contribute to Culture

Preserving, Repairing, and Restoring Cultural Properties and Historic Buildings

For many years, the Group has engaged in preserving, repairing, and restoring cultural properties and historic buildings.

In addition to the repair and seismic retrofitting of buildings constructed since the Meiji era that are modern heritage sites, we also engage in the construction of wooden shrines and temples. At Kamo Wakeikazuchi Shrine, a World Heritage Site commonly known as Kamigamo Shrine, we designed and constructed a new wooden shrine community center.

In the field of castle wall construction, we have received high marks for the technology we use in the seismic retrofitting of castle towers that are deemed national treasures, in the restoration of wooden castle towers using traditional construction techniques, and in preservation and repair work on traditional stone walls.

We are also actively developing technologies that fuse advanced and traditional techniques and continue our work on the 3D modeling of Ozu Castle.

In the past fiscal year, we produced videos about the restoration of the towers at Shiroishi and Ozu castles, as well as the preservation and repair of the former Moji Mitsui Club. We posted the videos on our official YouTube channel*, actively promoting our efforts in this area both inside and outside the Group.

We will continue to contribute to society by applying these technologies to the conservation, repair, and restoration projects for cultural properties, historical buildings, and civil engineering structures.

New Kamigamo Shrine community center (night view).

Ozu Castle (from the official YouTube channel).

* https://www.youtube.com/playlist?list=PLUvcTc07hYzLE8SWSnPpS8BXVdxELoo9O
(Hazama Ando Official Channel "Project"—Japanese only)

Supporting Dedication of Outdoor Firelight Noh Performances at Meiji Jingu Shrine

Hazama Ando co-sponsors the dedication of outdoor firelight Noh performances held at Meiji Jingu Shrine in Tokyo every autumn. The event was held for the 43rd time in 2024 since the first such performance was attended by Prince Hironomiya (the current Emperor) in 1982.

The Group's involvement in the Noh performances began in 1980, when we received an order for the construction of the National Noh Theater in Tokyo's Shibuya Ward. The outdoor performance by firelight was started in the hope of helping to pass on traditional Japanese performing arts and spark interest in the study of Noh theater. Every year, desiring a wide range of people to enjoy Noh by firelight, we invite about 1,600 people to attend without charge, including people from the general public chosen by lottery. The performances have been well received, not only by spectators but also by the Noh and Kyogen (short comic play) performers themselves.

The 43rd dedicated firelight Noh performance held at Meiji Jingu Shrine, entitled "Kikai-ga-shima Island"
(Photograph: Fuminori Mikami)

Pillars Supporting Our Initiatives 3: Regional Development Projects

Co-Creation with Local Communities in New Community Development

By working together with local governments, regional companies, and members of local communities to address the array of issues facing the various regions in Japan, including a declining birthrate and aging population and contraction in regional economies, Hazama Ando seeks to contribute to the development of the regions through regional revitalization.

The Six-Fold Focus of the Group's Community Development

1. Community development driven by the region that capitalizes on local resources
2. Community development that adds new value to enhance the appeal of the region and encourages broad interest in living or visiting there
3. Vibrant community development that attracts businesses and new industries to take advantage of regional strengths, creating jobs
4. Community development that contributes to the realization of a carbon neutral society
5. Robust community development brought about by a regional circular economy
6. Self-sufficient community development through the local production and consumption of energy

Creating safe, comfortable working environments

Relevant SDGs

Our top priority is on ensuring the health and safety of our employees. In addition to complying with all relevant laws and regulations, we strive to cultivate working environments that ensure the safety and health of our employees as well as maintain their comfort.

Policies and Approach

Health and Safety Policy and Promotion Measures

The Group's health and safety policy of "putting safety above all" values every human life. Based on this policy, we are taking ongoing actions to ensure that all of our people, including employees and workers on site, understand the significance of this policy and work together to build an accident-free Hazama Ando.

Health and Safety Policy

Putting safety above all

Fiscal 2024 Basic Plan for Health and Safety Management

Promoting a safety culture

- Preventing the fire accident from fading from collective memory
- Preventing recurrence of accidents that damage underground objects
- Rigorously following the on-site safety management manual
- Rigorously following the Hazama Ando Safety Rules

Health and Safety Slogan

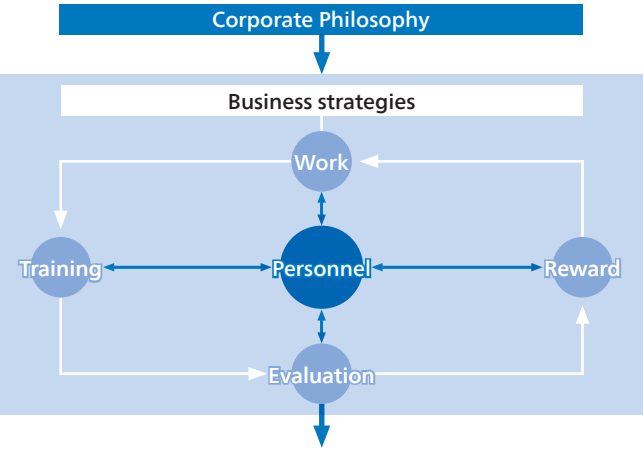
Point-out and call-out safety confirmation
Follow the rules and work safely
"Check!"

Health and Safety Promotion Measures

1. Better safety management through an occupational health and safety management system
2. Rigorous safety education
3. Prevention of public disasters
4. Addressing frequently occurring accidents
5. Thorough health management
6. Greater cooperation with the Hazama Ando Cooperative Association
7. Measures in the event of disaster

Approach to Personnel

Grounded in the Corporate Philosophy, the guiding concept behind our HR systems is a personnel-centered cycle extending from work to training, evaluation, and reward. Through this cycle, we aim to foster employee fulfillment and motivation, boost performance, and bring about a sense of well-being for employees.



- Boost performance
- Bring about a sense of well-being for employees

Guidelines for Personnel Development

Foster an organizational culture where diverse personnel can actively demonstrate their full potential and take on challenges for the benefit of society.

Provide opportunities and support for employees to approach the ideal they envision for themselves.

Continuously, systematically cultivate personnel from a long-term perspective.

Our Expectations for Personnel

Mutual Development: Value the people you work with and grow together with them.

Challenge: Meet adversity with ambition and accomplish your goals.

Creativity: Think for yourself and create new value.

Pillars Supporting Our Initiatives and Promotion Framework

1. Occupational health and safety

To ensure that various individual worksites spread throughout Japan implement unified Group-wide initiatives in line with our health and safety policies, we have formulated the Hazama Ando Safety Rules and the 10 Safety Steps to Avoid Repetitive Accidents and are rigorously implementing these guidelines, working to instill a culture of safety. We review the guidelines annually to reflect trends in accidents.

2. Utilization and training of personnel

Under the Personnel Development Policy we revised in April 2023, we are aiming to instill the values of mutual development, challenge, and creativity throughout the Group so that Hazama Ando and its employees can grow together. While the Career Development Department and the departments in charge of education in each division take the lead in developing an array of educational programs for employees, we view personnel development as an issue involving all employees and are working to foster a culture where people can grow.

Pillars Supporting Our Initiatives 1: Occupational Health and Safety

Initiatives to Prevent Frequent Accidents by Learning from Past Cases

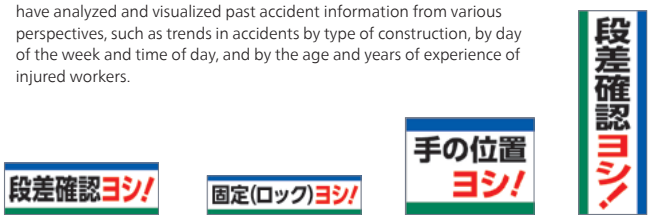
We analyze past accident case studies and, to prevent the recurrence of frequent or serious accidents, have formulated 10 Safety Steps to Avoid Repetitive Accidents (updated annually), disseminating these guidelines to all branches and worksites both in Japan and overseas.

Using multiple approaches to analyze the nature of accidents, we found that accidents due to a lack of pointing out and calling out potential issues, as well as accidents occurring during so-called "3H" tasks (hajimete = first-time tasks, henko = changed tasks, hisashi-buri = first time in a long time tasks), were the most frequent. Consequently, we are strengthening safety awareness training in these areas. Regarding pointing out and calling out, we are promoting initiatives at worksites by using stickers and other displays as well as educational videos to highlight three major causes of accidents: **(1) uneven surfaces, (2) the position of hands, and (3) fixing objects in place**. We are also reinforcing safety awareness initiatives by clarifying tasks that fall under the "3H" categories in daily work briefings and ensuring that all employees are present during each cycle. We are also drawing on the Motion Board database* to generate monthly process-specific accident prevention plans, with the aim of capitalizing on the Group's accident case studies to help workers prevent accidents at their own worksites and hone their sensitivity to hazards by reviewing the case studies.

10 Safety Steps to Avoid Repetitive Accidents

1. Prevention of accidents due to falls
2. Prevention of accidents involving floor and wall openings
3. Prevention of accidents due to dropping of suspended loads or toppling during lifting
4. Prevention of accidents caused by contact with heavy machinery
5. Prevention of accidents due to fire use
6. Prevention of accidents through appropriate worker assignments based on sound health management
7. Prevention of accidents due to handling of high-pressure, high-output equipment or general equipment
8. Prevention of third-party or public disasters
9. Prevention of accidents due to slope collapse or shaft wall collapse
10. Prevention of accidents involving scaffolding platforms

* A database compiling accident information that has occurred since the establishment of Hazama Ando, accompanied by analytical tools. We have analyzed and visualized past accident information from various perspectives, such as trends in accidents by type of construction, by day of the week and time of day, and by the age and years of experience of injured workers.



Stickers encouraging pointing out and calling out.

Measures to Prevent Recurrence of Fire Accidents

Following a large fire accident which resulted in numerous casualties at a construction site in Tama City, western Tokyo, in July 2018, the Group renewed its commitment to the principle of the health and safety policy, "putting safety above all"—in other words, our conviction that safety that protects human life and health must take precedence over processes, costs, or any other consideration. Strongly convinced of the need to thoroughly reinforce this principle, we have directed all officers and employees to ensure that recurrence prevention measures are implemented.

Each work site is implementing specific measures to prevent recurrence and eliminate the risk of fire, including changing to construction methods that do not use open flames and in principle prohibiting the use of open flames near combustible materials.

July 2025 marked the seventh year since the large fire accident, and since employees who joined the company starting the year after the accident will play a key role going forward, it is critically important, in terms of ongoing measures, to prevent recurrence to ensure that the accident is not forgotten. The first priority in promoting a safety culture is thus to prevent the fire accident from fading from collective memory. We have designated the 26th of each month as Fire Prevention Day. On this day, employees recite the slogan: "Never forget the July 26th large fire!," review the rules for using fire, and confirm firefighting equipment and evacuation routes. Every July, employees also watch a specially produced video about the fire accident and take a review test, providing an opportunity for all officers and employees to reaffirm their strong resolve to never cause another accident or fire.

Pillars Supporting Our Initiatives 2: Utilization and Development of Personnel

Initiatives to Promote Diversity

Hazama Ando promotes diversity and inclusion, including the active participation of women. We have incorporated diversity management training into our training by job position. In addition to content related to the empowerment of women, training covers topics such as how men can take childcare leave and how to interact with younger employees, conveying the need to manage a diverse workforce. In addition, to foster understanding among management, we held a seminar for executives, inviting an outside lecturer to speak on the theme of diversity. The seminar ended with a group discussion with an outside director on the topic of what participants would do as executives to promote diver-

sity. Each participant was thus able to gain the awareness needed to capitalize fully on a diverse workforce.

We also generate career case studies based on interviews with mid-career hires, foreign nationals, and employees who are balancing caregiving or childcare responsibilities, and offer career plans for various job types according to each life stage. Our hope is to promote diversity by encouraging each employee to envision the person they want to become and to hone their areas of expertise, while the Group provides opportunities for employees to achieve their goals.

Recognizing their immense potential to flourish amid globalization, we continue to employ foreign personnel, seeking to realize workplaces where every individual can leverage their abilities regardless of nationality.

Executive Seminars

Our training program for executives includes executive seminars, training for newly appointed executive officers, and training to offer financial knowledge. We held four executive seminars in the fiscal year ended March 2025 and invited outside lecturers, with around 100 executives participating in each session. Seminar themes covered were well-being, diversity, leadership, and integrated reporting in the age of AI. By incorporating group work among participants, the seminars provided an opportunity for executives to exchange opinions and revisit the future direction of the Group.

The seminars were a valuable opportunity to gain new perspectives and ways of thinking, with participants expressing their desire to emphasize human dialogue. Some remarked that they were prompted to think again about their current shortcomings and about how they needed to think and act from a different perspective. We hope to continue to take up a variety of topics going forward, actively creating opportunities for people to gain new insights.

Executive seminar.

Overseas Internships

We offer an open-application overseas internship program for young to mid-career employees who have worked for four years or more for the Group. We launched the program in the fiscal year ended March 2024 with the aim of broadening employees' knowledge and experience and leading to their career advancement through the experience of construction management and administrative work abroad. To date, interns have been dispatched to countries such as Thailand and Nepal.

The program lasts four months, consisting of three months at overseas work sites or sales offices, and two weeks of preparation and debriefing before and after the overseas assignment. Participants have remarked that, although living and working abroad can sometimes be different to how things are done in Japan, the experience broadens one's worldview, and have also noted that even without a perfect level of English, participants can manage as long as they have the will to communicate.

We want to continue running this program as a key measure to broaden the horizons of our future leaders.

Recognized as a Certified Health & Productivity Management Outstanding Organization (White 500)

Hazama Ando was recognized as a Certified Health & Productivity Management Outstanding Organization (White 500) in 2025 under a program jointly sponsored by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi (Japan Health Council). This is the third year in a row we were recognized as a White 500 company.

This program recognizes companies that practice particularly outstanding health and productivity management, with the aim of giving visibility to such companies—large corporations, small and medium-sized enterprises, and other companies—and fostering an environment in which they can receive social recognition among employees, job seekers, affiliates, financial institutions, and others. Top corporations are given the designation White 500.

Having issued a Health Declaration in July 2019, we established a framework to promote health management throughout the company and put initiatives in place to promote better health, including diet, exercise, smoking, and mental health.

We will continue striving to provide a safe, secure, and healthy working environment so that our employees can continue to work energetically.

2025
健康経営優良法人
KENKO Investment for Health
大規模法人部門
ホワイト500

ENVIRONMENT

Materiality 2

Protecting and being attuned to the natural environment

Overview of Fiscal 2024 Results

In addressing the material issue of protecting and being attuned to the natural environment, we are seeking to construct a business framework that can help realize the key theme of creating environmental abundance, centered around the approaches of reducing environmental impact and risks and taking steps to achieve biodiversity.

We made further headway with measures to realize low-carbon and carbon neutral operations in the fiscal year ended March 2025, re-acquiring certification from the Science Based Target (SBT) Initiative after updating our greenhouse gas emissions reduction target to the 1.5°C level and formulating a carbon neutral roadmap. Our efforts have borne much fruit: We promoted next-generation energy projects and pursued the application of ZEB construction, introduced biodiesel fuel at construction sites, and actively expanded the development of Carbon Pool concrete. We also continue to thoroughly implement and improve waste management and recycling.

In terms of respecting biodiversity, in addition to efforts at construction sites, we are exploring technical research and application to actual projects, centered around the work of the Technical Research Institute.

In terms of our PDCA framework, guided by the three-year environmental objectives and targets we set for for the fiscal 2023-fiscal 2025 period, we continue to focus on reinforcing management of the supply chain. We remain committed to improving transparency for stakeholders by making proactive disclosure in line with CDP, TCFD, and various other initiatives, and obtained third-party assurance from SOCOTEC Certification Japan*. We have also recently been recognized for our fundraising capabilities, including through an assessment by Mizuho Eco Finance. We continue to press forward with these initiatives to create environmental value.

* Please refer to the following website for the Independent Third-Party Assurance Report (Japanese only).
https://www.ad-hzm.co.jp/assets/pdf/sustainability/decarbonization/Independent_Assurance_Report2025.pdf

Activity Highlights 1

Introducing Biodiesel Fuel at a Tunnel Construction Site

In June 2024, with the aim of reducing greenhouse gas emissions caused by the use of diesel fuel in construction machinery, we launched the trial use of B5 diesel fuel (diesel mixed with 5% biodiesel fuel*1) at the Oishi tunnel construction site in Nishiwaga-Machi in the Waga District of Iwate Prefecture, where construction of a tunnel is currently underway.

We provided the fuel oil for the generators in use at the work site as well as for the construction equipment brought in by partner companies. By doing so, we were able to switch all fuel used at the site from conventional diesel to B5 diesel fuel.

In the fiscal year ended March 2025, the site used 401 kiloliters of B5 diesel fuel, yielding a reduction in greenhouse gas emissions of about 53 tons of CO_2 compared to normal diesel. This is equivalent to the amount of CO_2 absorbed by 6,000 cedar trees*2 in a year.

This example of switching all fuel used at a single work site to biodiesel fuel breaks new ground, and we will continue to work towards expanding adoption of this fuel while looking into various issues that have been identified.

*1 Biodiesel fuel: It is thought that carbon neutrality can be achieved by offsetting the CO_2 emitted when biodiesel fuel is used with the CO_2 absorbed during the growth process of the plants that form the raw materials for waste cooking oil.
*2 The annual CO_2 absorption of a single cedar tree is estimated at 8.8 kilograms.

B5 diesel fuel tanks.

Activity Highlights 2

Hazama Ando's Technical Research Institute Re-Acquires Ikimono Symbiosis Business Office® Certification

Hazama Ando is pursuing initiatives to protect the natural environment and biodiversity to contribute to nature positivity. As part of such initiatives, efforts of our Technical Research Institute in Tsukuba City in Ibaraki Prefecture have been recognized: In February 2025, the institute was once again given Ikimono Symbiosis Business Office® certification by the Association for Business Innovation in Harmony with Nature and Community.

The Institute received a higher score in this latest re-certification, reflecting the expanded scope of its initiatives and the higher quality of its green spaces compared to when it was initially certified in February 2022. Among its efforts to help protect biodiversity through the management of green spaces, the Institute received perfect scores in the three areas outlined below.

Our environmental policy includes the call to take actions to protect, restore, and create biodiversity to help bring about a society that coexists with nature. Going forward, we will continue to steadily pursue initiatives that contribute to nature positivity, with the aim of protecting and passing down the abundance of the natural environment to the next generation.

❶ Green spaces in harmony with the surrounding environment

- The selection of tree species for the green spaces outside the Technical Research Institute, primarily white oak, takes the local ecosystem into consideration
- The site incorporates flowering and fruit-bearing plants, taking into consideration the habitats and migration routes of creatures

❷ The Institute carries out maintenance and surveys in consideration of the local ecosystem

- It made improvements to further increase biodiversity through the greening of walls and other green space renovations
- The project continuously conducts bird monitoring surveys and attempts to visualize the mechanisms of the ecosystem

❸ The Institute has a system in place for cultivating personnel who will protect biodiversity

- It has set aside personnel to continuously work to protect biodiversity
- It provides employees with environmental education every year

Hazama Ando's Technical Research Institute.

❶ Green spaces that contribute to biodiversity in harmony with the surrounding environment

White oak (native species).

Japanese beautyberry (native species).

❷ Maintenance and surveys carried out in consideration of the local ecosystem

Wall greening and renovation.

Bird monitoring survey.

❸ Cultivation of personnel who will protect biodiversity

On-site staff with professional qualifications (photo of an arborist).

New employee training (online).

Creating environmental abundance

Relevant SDGs

To pass on an abundant global environment to the next generation, the Group will actively work to bring about a carbon-free, circular society. We will also take actions to protect, restore, and create biodiversity to help realize a society that can coexist with nature.

Policies and Approach

Approach

We revised the Group's Environmental Policy in April 2018 to further accelerate environmentally oriented management aimed at bringing about a low-carbon, circular society that can coexist with nature. We obtained Science Based Targets (SBT) re-certification in December 2024, recognizing that our greenhouse gas emission reduction target for 2030 is in line with a 1.5°C level scenario, in which the rise in global average temperature is limited to 1.5°C above pre-industrial levels. Other moves involve participation in the RE100 (Renewable Energy 100%) initiative, as well as disclosing climate change-related information based on the TCFD recommendations.

Environmental Policy

To protect the abundant green earth and bring about a sustainable society, we will contribute to protecting the environment and reducing environmental impact across the Group.

1. Work to reduce greenhouse gas emissions to help bring about a low-carbon society
2. Reduce construction by-products to help bring about a circular society
3. Take actions to protect, restore, and create biodiversity to help bring about a society that coexists with nature
4. Continuously improve environmental management systems and achieve greater results from environmental conservation

Key Environmental Initiatives

We have established key medium- and long-term environmental initiatives to give concrete shape to the Environmental Policy.

1. **Initiatives related to global warming**
   - Reduce greenhouse gas emissions and promote energy saving
2. **Initiatives related to biodiversity conservation and sustainable use**
   - Consider risks to biological resources and ecosystems and minimize impact
3. **Initiatives to ensure material recycling and build a circular society**
   - Mission to achieve net zero construction waste
   - Extend the life cycle of buildings, build an environmentally conscious society
4. **Initiatives related to water conservation**
   - Work toward conserving a sound water environment attentive to the conservation of regional characteristics and biodiversity
5. **Initiatives related to air quality conservation**
   - Reinforce efforts to combat air pollution and deal with asbestos, etc.
   - Reinforce efforts to address living environment issues such as noise and vibrations
6. **Initiatives to establish comprehensive chemical substance measures**
   - Increase understanding of environmental risks caused by chemical substances and reduce risks

Three-Year Environmental Objectives and Targets (Fiscal 2023–Fiscal 2025)

After obtaining SBT re-certification in December 2024, the Group updated its environmental objectives and targets for the fiscal year ending March 2026. We left our environmental targets unchanged; these key medium- and long-term environmental targets were formulated to give concrete shape to Environment Policy, which calls for initiatives to bring about a low-carbon, circular society that can coexist with nature. We revised our targets for greenhouse gas emissions, which are guiding our actions to reduce total CO_2 emissions. We are also stepping up efforts to shift to net zero-energy building (ZEB) standards as an environmentally friendly target for design. In terms of bringing about a society that can coexist with nature, we set targets for biodiversity conservation actions, and have set a target for the reduction of mixed waste intensity to help bring about a circular society. We are also increasing environmental site visits as part of our environmental risk management.

In addition to these targets to implement the Environmental Policy, we are promoting environmentally oriented management across the Group. We hold events during Environment Month and engage in other activities to raise environmental awareness, and set goals for actions that contribute to the environment and society.

Environmental Objectives and Targets (Fiscal 2023–Fiscal 2025)

1. Climate change activities

Area	Objective, target	Fiscal 2023	Fiscal 2024	Fiscal 2025
1.1 Reduce greenhouse gas emissions				
Shared	Reduction of greenhouse gas emissions (Scope 1+2) (compared to fiscal 2017)	15.3%	26.8%	35.2%
Shared	Reduction of greenhouse gas emissions (Scope 3) (compared to fiscal 2017)	—	18.0%	27.7%
Shared	Procure electric power from renewable energy	25.0%	43.0%	49.0%
Civil Engineering Building Construction	CO_2 emissions per completed construction amount at the construction stage	(Civil Engineering) 43.0 tons of CO_2/100 million yen (Building Construction) 9.4 tons of CO_2/100 million yen	18.6 tons of CO_2/100 million yen	14.4 tons of CO_2/100 million yen
Civil Engineering Building Construction	Electrification rate of energy used in construction	—	37.0%	39.0%
Civil Engineering Building Construction	Reduce CO_2 emissions by supplying energy through a next-generation low-CO_2 cogeneration plant	Reduction: 160 tons of CO_2	Begin full-scale operation green hydrogen power generation	Optimize green hydrogen power generation
Offices	Reduce CO_2 emissions at head office, branches, and sales offices Total reduction compared to fiscal 2017 (SBT reduction basis)	Reduction: 2,722 tons of CO_2 Reduction rate: 30.4%	—	—
1.2 Promote environmentally friendly design and technology				
Building Construction	Implement environmental proposals based on life cycle assessment* results for design-build projects of 2,000 square meters or more	100%	100%	100%
Building Construction	Shift to net zero-energy building (ZEB) standards	Verified: 5 (cumulative) Proposed: 5	—	—
Building Construction	Implement net zero-energy building (ZEB) proposals for design-build projects of 2,000 square meters or more	—	100%	100%
Civil Engineering Building Construction Technology	(Top row) Environmental technologies developed (fiscal 2023) Development projects (fiscal 2024-2025) (Bottom row) Environmental technology design and construction projects adopted	Civil Engineering: 1 project 2 projects Building Construction: 1 project 2 projects	5 projects 4 projects	5 projects 4 projects

2. Actions to conserve biodiversity (helping to bring about a society that can coexist with nature)

Area	Objective, target	Fiscal 2023	Fiscal 2024	Fiscal 2025
2.1 Steadily pursue biodiversity-friendly initiatives related to construction projects				
Shared	Instill understanding of biodiversity conservation, take definitive actions at spotlighted work sites, make new proposals, conduct internal and external PR	30	30	30
Technology	Technologies related to biodiversity: a: examinations, b: development, c: trials, d: application to projects	a: 2, b: 1, c: 1, d: 1	a: 2, b: 1, c: –, d: 2	a: 2, b: 1, c: –, d: 2

3. Activities toward building a recycling-oriented society

Area	Objective, target	Fiscal 2023	Fiscal 2024	Fiscal 2025
3.1 Recycle construction waste				
Civil Engineering	Reduce overall waste volume per completed construction amount (Civil Engineering)	0.85 tons/100 million yen	0.8 tons/100 million yen	0.76 tons/100 million yen
Building Construction	Reduce mixed waste intensity per total floor area at new construction projects (Building Construction)	6.7 kilograms/square meter	6.5 kilograms/square meter	6.5 kilograms/square meter
Shared	Reduce waste plastic emissions and promote recycling	—	Add trial measures for reducing emissions and recycling, and expand trial model sites	Continue adding trial measures for reducing emissions and recycling Deploy identified measures Group-wide

4. Put environmental activities in practice

Area	Objective, target	Fiscal 2023	Fiscal 2024	Fiscal 2025
4.1 Promote environmental activities and disclosure				
Civil Engineering Building Construction	Environmental site visits * Visits to sites of branch offices	Civil Engineering: 90% Building: Construction: 90%	Civil Engineering: 100% Building: Construction: 100%	Civil Engineering: 100% Building: Construction: 100%
Shared	Promote Environment Month activities * Participation rate for all eligible sites Includes participation in events held during the June Environment Month	Civil Engineering: 100% Building Construction: 100%	—	—
Shared	Promote environmental initiatives through environmental and eco-site visits	30 activities or more	30 activities or more	30 activities or more
Shared	Promote more robust actions that contribute to the environment and society Take actions to contribute to the environment and society	Civil Engineering: 3 per work site Building Construction: 3 per work site Offices: 80 per year	Civil Engineering: 3 per work site Building Construction: 3 per work site Offices: 90 per year	Civil Engineering: 3 per work site Building Construction: 3 per work site Offices: 90 per year

Shared: Indicates entire Group (Civil Engineering, Building Construction, technology R&D, and offices)
* Life cycle assessment (data on CO_2 emissions) is based on a life cycle assessment support system developed in-house

Pillars Supporting Our Initiatives

1. Reducing environmental impact and risks **2. Taking steps to achieve biodiversity**

Pillars Supporting Our Initiatives 1: Reducing Environmental Impact and Risks

Start of Power Cogeneration Trial Using CO_2-Free Hydrogen Produced In-House

As part of our efforts to address energy-related issues in Japan, we have been operating the Hazama Ando Next-Generation Energy Project (Phase 1) since April 2020. The trial moved into its second phase (full-fledged trial) in October 2023, targeting the use of CO_2-free hydrogen*. This project was also chosen for the first-round Fiscal 2023 Sustainable Buildings Pioneer Project (for the Introduction of CO_2 Reductions) by the Ministry of Land, Infrastructure, Transport and Tourism.

The aim of the trial is to further reduce CO_2 emissions from the energy we obtain by supplying hydrogen that we produce as fuel for an existing cogeneration system—installed during the first phase, the system is compatible with hydrogen. Furthermore, we will use our existing wide area reduced CO_2 management system to distribute energy obtained from CO_2-free hydrogen and other fuels to multi-structure facilities and remote buildings.

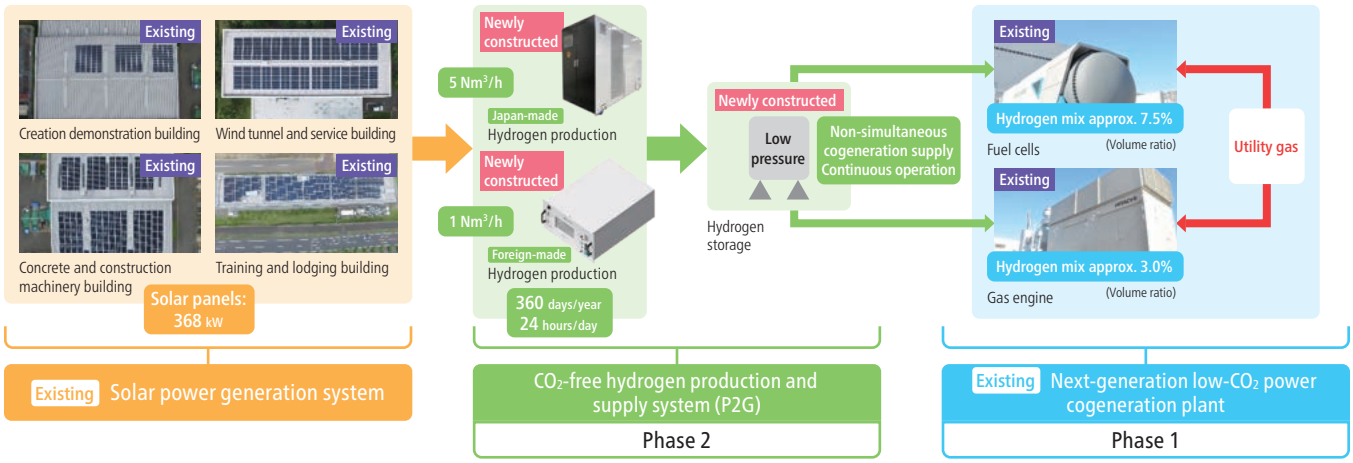
The CO_2-free hydrogen production and supply system under development in this trial has several distinct features. ① With an existing solar power generation system as a power source, it produces and supplies CO_2-free hydrogen by means of electrolyzers. ② CO_2-free hydrogen is used as fuel for an existing next-generation, low-CO_2 cogeneration plant compatible with this fuel. ② For hydrogen production, the project has rolled out two types of electrolyzers with different characteristics—an anion exchange membrane (AEM) electrolyzer made overseas and a proton exchange membrane (PEM) electrolyzer made in Japan. ④ Constant operation producing hydrogen year round except during maintenance.

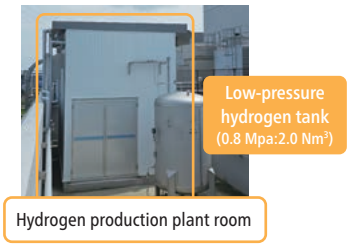
We rolled out the foreign-made AEM electrolyzer at the end of the fiscal year ended March 2024 and conducted a hydrogen co-firing test run to produce hydrogen. The Japanese PEM electrolyzer came online at the end of the fiscal year ended March 2025, starting full-scale operation the following April.

Our aim with the second phase of the trial is to take a leading role in establishing a distributed energy system for the upcoming hydrogen-based society by publicly taking a concrete step forward in the production and use of CO_2-free hydrogen. We will also gather and verify expertise on leading-edge CO_2 reduction technologies and, by further operating and expanding these technologies, will contribute to the construction of next-generation energy management systems and the realization of a sustainable society.

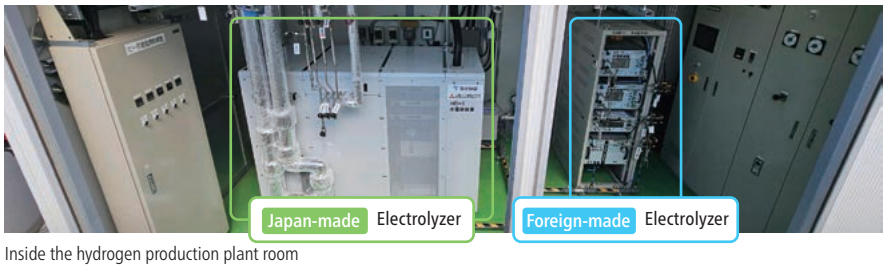
* CO_2-free hydrogen:
- Hydrogen with low greenhouse gas emissions during manufacturing
- Hydrogen produced in a way that significantly reduces CO_2 emissions
- Hydrogen considered to have higher environmental performance, with a focus on CO_2 emissions at the manufacturing stage

Project Overview





Former pallet storage area



Inside the hydrogen production plant room

Environmentally Friendly Design Initiatives

We continue to focus on ZEB*1 construction in the pursuit of environmentally friendly design to realize a sustainable society.

In the fiscal year ended March 2025, with the aim of expanding opportunities for customers to experience and explore ZEB capabilities, we proposed ZEB construction for 100% of design-build projects*2 of 2,000 square meters or more. We also underwent commissioning*3 for multiple ZEB buildings that have been constructed so far, which enabled us to cultivate expertise in optimizing building operations and maintenance to ensure ZEB performance during operation.

LAGO Otsu is a retail complex in the Otsu City in Shiga Prefecture, which started construction in 2023 and was completed in 2025. The project acquired Nearly ZEB certification, reflecting our focus on renewable energy and our efforts to harness geothermal heat, heat from treated waste water, and sunlight. For the surrounding grounds, we sought to recreate a microcosm of biodiverse Japanese rice fields and grasslands, including developing a waterscape facility that uses recycled water.

In the fiscal year ending March 2026, in addition to working on new ZEB construction projects and renovating existing buildings to obtain ZEB certification, we will make use of life cycle assessments*4 to evaluate not only the volume of CO_2 emissions reductions but also total environmental impact, thereby contributing to the reduction of environmental footprints of our buildings.

*1 https://www.ad-hzm.co.jp/solution/zeb/ (Japanese only)
*2 As a rule, new construction implementation and design conforming to Japan's Energy Conservation Act
*3 http://www.bsca.or.jp/english/outline/
*4 https://www.ad-hzm.co.jp/english/info/2023/20230601.php

LAGO Otsu.

Successful Trial to Sequester CO_2 Recovered from Incineration Plant Waste Gas in Concrete

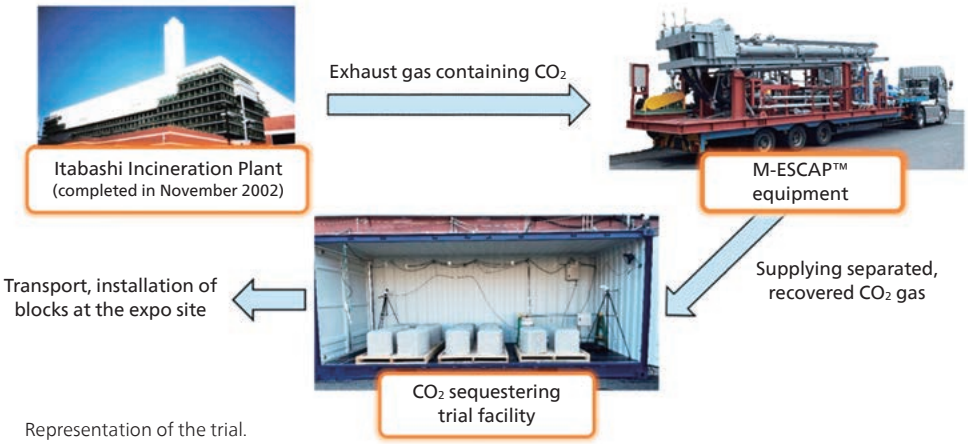
As the lead company of the Carbon Pool Concrete Consortium, Hazama Ando carried out a trial with Tokyo's Clean Authority and Nippon Steel Engineering to sequester CO_2 in concrete. The trial took place at the Itabashi Incineration Plant managed and operated by the Clean Authority, and involved separating and recovering CO_2 using m-ESCAP™ CO_2 recovery equipment developed by Nippon Steel Engineering. Recovered CO_2 was then sequestered in concrete blocks*1 manufactured by the consortium. Trial results showed that 43 kilograms/cubic meter of CO_2 were sequestered.

In the trial, the Clean Authority and Nippon Steel Engineering separated and recovered CO_2 from exhaust gas at the Itabashi Incineration Plant, supplying and sequestering the CO_2 in the form of concrete blocks placed in a CO_2 sequestering trial facility installed by the consortium on the site of the incineration plant. This marks a step toward the realization of CO_2 recycling and decarbonization in local communities. The trial emerged out of collaboration between different research fields. We are participating in a project to develop technology for producing concrete and cement using CO_2 that is one of the Green Innovation Fund projects sponsored by the New Energy and Industrial Technology Development Organization (NEDO), a national research and development institution in Japan. Separately, Nippon Steel Engineering is participating in another Green Innovation Fund project to develop a carbon neutral comprehensive waste incineration treatment system based on CO_2 separation and recovery.

Sequestering CO_2 into concrete blocks is one facet of our efforts to achieve social implementation of CCU*2. Concrete blocks manufactured in this trial were used for benches installed at the City of the Future pavilion at the Osaka-Kansai Expo.

The Carbon Pool Concrete Consortium will continue to work to help bring about carbon neutrality.

*1 Manufactured at the Kikugawa Plant of Hazama Ando Kogyo (Kikugawa City, Shizuoka Prefecture).
*2 Carbon Capture and Utilization: technologies and processes that capture and use carbon dioxide in various ways.



Representation of the trial.

Pillars Supporting Our Initiatives 2: Taking Steps to Achieve Biodiversity

Initiatives That Help Conserve Biodiversity: Active Use of Ikimono Info and Ikimono Plus

Hazama Ando is developing technologies that help conserve biodiversity and is making active use of these technologies at its construction sites.

Ikimono Info (*ikimono* means "living thing" in Japanese) is an in-house platform linked to a database of case studies of the biodiversity conservation activities we have been involved in our civil engineering and building construction work. The platform allows employees to share past success stories and lessons learned and make use of these in future conservation plans.

One feature of Ikimono Plus is a latent natural vegetation map, a design support tool that takes the vegetation of a construction area into consideration, and generates a planting plan suited to the location. Using this tool makes it possible to plant ecosystem-friendly vegetation and thus create a more abundant natural environment.

In our efforts to build a sustainable society, we will continue to capitalize on these tools to create infrastructure and buildings that take living creatures and vegetation in the surrounding region into account, contributing to a more nature-positive society.

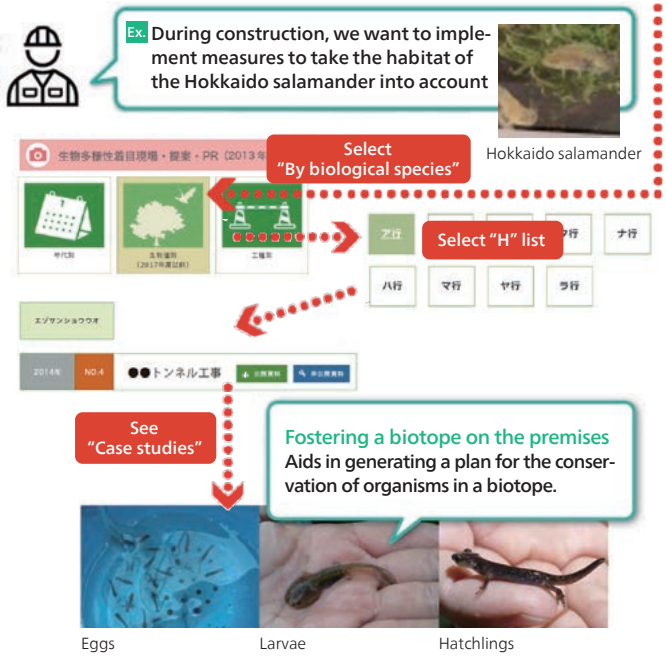
Drawing on Past Conservation Case Studies

Ikimono Info in-house platform.

Taking Regional Vegetation into Consideration with National Latent Natural Vegetation Map

Ikimono Plus, a biodiversity-friendly design support tool

Drawing on Past Conservation Case Studies



National latent natural vegetation map takes regional vegetation into consideration

Japanese beautyberry | Japanese eurya | Wax-leaf privet

Environmental Factsheet

Hazama Ando continues to collect and verify a range of quantitative data on environmental activities, which informs our consideration of environmental goals from a longer-term perspective. Key data from activities in the fiscal year ended March 2025 are shown below.

1 Environmental Management System

Hazama Ando acquired ISO 9001 and ISO 14001 certification on April 1, 2013. We are continuously working to improve our quality and environmental management systems (QMS and EMS).

In line with the September 2015 revision of the ISO standards, we reviewed and completely overhauled our quality and environmental management systems in the fiscal year ended March 2017, and the systems started operation in April.

Results of QMS and EMS Internal Audit

Audit period	Number of divisions audited				
	Head office management divisions	Branch office management divisions	Civil engineering work sites	Building construction work sites	Total
September–October 2024	10	31	8	11	60

Notes: The audit sampling rate was 16.3% (10 of 75 head office departments [13.3%], 31 of 96 branch offices [32.3%], 8 of 93 civil engineering work sites [8.6%], and 11 of 105 building construction work sites [10.5%])
A combined QMS and EMS audit was performed.

Results of External Review

In the fiscal year ended March 2025, we underwent surveillance by the Japan Testing Center for Construction Materials, a review and registration organization. This was QMS review 9-2 and EMS review 8-2 for the Group.

Date of review	Sites reviewed	Review results	
		ISO 9001	ISO 14001
Surveillance November 28–December 4, 2024	Head office, Technical Research Institute, Building Lifecycle Support Division, Sapporo, Kanto, Hiroshima branches	Major nonconformities: 0 Minor nonconformities: 0 Observations: 0	Major nonconformities: 0 Minor nonconformities: 0 Observations: 0

Results of Management Review

Top management of the Group carried out a management review in October 2024 and March 2025. The President in March 2025 issued directives from the management review applicable to the fiscal year ending March 2026.

Compliance with Environmental Laws and Regulations

By means of interim and fiscal year-end reports, environmental site visits, and internal QMS and EMS audits, we confirmed the Group's compliance with environmental laws and regulations. (In the fiscal year ended March 2025, there were no reports of serious violations of laws or regulations that materially affect the environment.)

2 Relationship with the Environment (Material Balance)

The following outlines the environmental impact of Hazama Ando's business activities in the fiscal year ended March 2025 in terms of the use of resources and emissions, as well as our efforts to protect the environment.

Major Resources Used (Inputs)

Construction activities

Energy*

Electric power	40.58 million kWh
Light oil	14 thousand kl
B5	267.7 kl
Kerosene	449 kl
GTL fuel	0 kl
Bunker fuel A	16 kl

Main construction materials*

Ready-mixed concrete	556 thousand m^3
Crushed stone	150 thousand m^3
Cement	106 thousand tons
Steel	171 thousand tons
Rebar	56 thousand tons

Office activities (permanent offices)

Energy

Electric power	3.34 million kWh
Tap water	17.2 thousand m^3
Gas (utility gas, LPG)	559 thousand Nm^3
Fuel	183 kl

Environmental issues

- Global warming
- Resource depletion
- Impact on biodiversity

Efforts to Protect the Environment

Technology development

- Technology to prevent global warming — Energy conservation, use of ICT, greening of rooftops, walls, etc.
- Waste disposal and recycling technology — Effective use of coal ash, dismantling of incinerators, technology to build impermeable final disposal sites, etc.
- Technology to conserve surrounding environments and ecosystems — Noise and vibration prevention, landscape design, etc.
- Technology to restore the environment — Soil remediation, river purification, air purification, etc.
- Technology to create environments — Artificial undersea mountains, environmental visualization technology, carbon sequestration techniques, etc.

Construction activities

Planning, design
- Energy and resource conservation
- Coexistence with the natural environment
- Reduction of construction waste
- Longer building life cycles
- Realization of net-zero energy building (ZEB) standards
- Adopting eco-materials, etc.

Construction
- Containing generation of construction by-products
- Recycling construction by-products
- Construction that conserves energy and resources
- Protection of local environments
- Using less tropical-wood formwork, etc.
- Using electricity from renewable energy sources, etc.

Operation and renovation
- Energy conservation diagnostics, seismic diagnostics
- Proposals for energy conservation, renewal
- Reducing construction waste, etc.

Waste
- Promoting separate breakdown by material
- Promoting recycling
- Protection of local environments
- Proper disposal of harmful substances, etc.

Office activities

- Conserving energy and resources
- Green purchasing
- Reducing waste and recycling
- Using electricity from renewable energy sources, etc.

Major Emissions (Outputs)

Construction activities

CO_2 emissions*	51 thousand tons of CO_2
Construction waste	567 thousand tons
Amount recycled or reduced	463 thousand tons (81.6%)
Final disposal amount	104 thousand tons (18.4%)
Processed asbestos	7,209 tons

Office activities

CO_2 emissions	2 thousand tons of CO_2

Environmental issues

- Global environment
  Global warming, ozone depletion, acid rain, rainforest depletion, impact on biodiversity, etc.
- Local environments
  Construction pollution, construction by-products, groundwater fluctuations, destruction of natural environment, etc.

* Estimated value calculated by sampling

3 Greenhouse Gas Emissions and Use of Electric Power from Renewable Energy Sources in Fiscal 2024

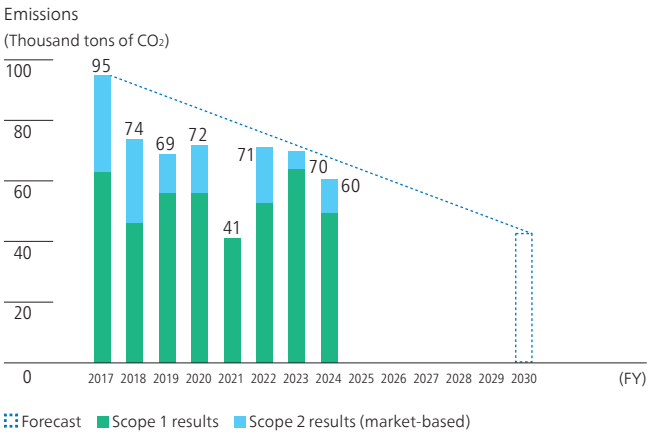
(Group total for the period from April 2024 to March 2025)

The table below shows the Group's greenhouse gas emissions and the ratio of electric power from renewable energy sources in the fiscal year ended March 2025. We will continue to pursue measures to meet our targets in helping address global warming issues. We also obtained third-party assurance from SOCOTEC Certification Japan regarding greenhouse gas emissions (Scope 1, 2, and 3) and energy consumption for the year.

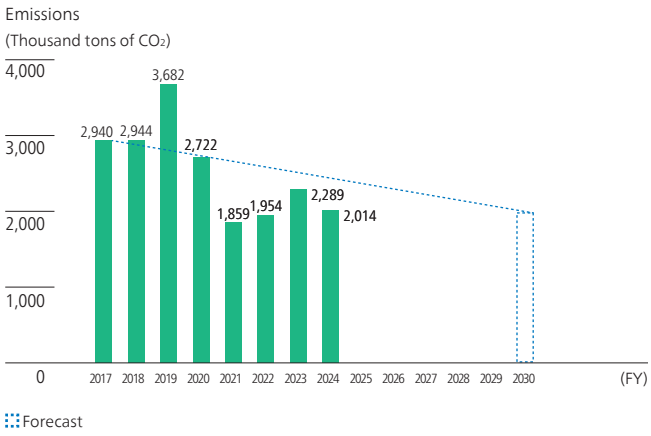
Category		Unit	Fiscal 2017 (base year)	Fiscal 2023 (previous year)	Fiscal 2024
GHG	Scope 1	Thousand tons of CO_2	63	64	49
	Used internally		—	—	15
	Used by partner companies		—	—	33
	Scope 2 (location-based)		31	22	19
	Scope 2 (market-based)		32	6	11
	Scope 1 and 2*1		95	70	60
	Scope 3*2		2,940	2,289	2,014
	(1) Purchased goods and services		810	756	928
	(1)-1: Main materials such as ready-mixed concrete, office supplies		541	506	654
	(1)-2: Purchased civil engineering and construction services		270	250	274
	(2) Capital goods		14	38	20
	(3) Fuel- and energy-related activities (not included in Scope 1 or Scope 2)		6	13	11
	(4) Upstream transportation and distribution		34	25	23
	(5) Waste generated in operations		50	1	6
	(6) Business travel		1	0	1
	(7) Employee commuting		1	1	1
	(11) Use of sold products		1,932	1,431	1,005
	(12) End-of-life treatment of sold products		91	23	20
	(13) Downstream leased assets		0	0	0
RE100	Electricity usage	MWh	60,707	54,861	48,506
	Electric power from renewable energy*3	MWh	—	37,424	20,081
	Ratio of electric power from renewable energy	%	—	68	41

*1 Scope 1 and 2 are market-based values.
*2 (8) Upstream leased assets, (9) Downstream transportation and distribution, (10) Processing of sold products, (14) Franchises, and (15) Investments are not applicable and are not included in the above calculations.
*3 Includes only renewable energy electricity that meets RE100 standards.

Progress in Scope 1 and 2 targets



Progress in Scope 3 targets



4 Progress toward Environmental Objectives and Targets in Fiscal 2024

(April 2024–March 2025)

Outcomes of activities for the fiscal year ended March 2025 toward achieving the environmental objectives and targets the Group has set over a three-year period are shown below. We will continue acting to reach the targets, guided by the Group's environmental management system.

Area	Objective, target	Unit	Group targets for fiscal 2024	Year-end Group results for fiscal 2024	Assessment
1. Actions to address climate change					
1.1 Reduce greenhouse gas emissions					
Shared	Reduction of greenhouse gas emissions (Scope 1+2) (compared to fiscal 2017)	(%)	26.8	35.7	○
Shared	Reduction of greenhouse gas emissions (Scope 3) (compared to fiscal 2017)	(%)	18.0	31.5	○
Shared	Procure electric power from renewable energy	(%)	43.0	41.4*	△
Civil Engineering Building Construction	CO_2 emissions per completed construction at the construction stage	(tons of CO_2/ 100 million yen)	18.6	16.4	○
Civil Engineering Building Construction	Electrification rate of energy used in construction	(%)	37.0	37.4	○
Civil Engineering Building Construction	Reduce CO_2 emissions by supplying energy through a next-generation low-CO_2 cogeneration plant	Reduction: (tons of CO_2)	Begin full-scale operation green hydrogen power generation	166	○
1.2 Promote environmentally friendly design and technology					
Building Construction	Implement environmental proposals based on life cycle assessment results for design-build projects of 2,000 square meters or more	(%)	100	100 (23 out of 23 target projects)	○
Building Construction	Implement net zero-energy building (ZEB) proposals for design-build projects of 2,000 square meters or more	Proposals carried out (%)	100	100 (21 out of 21 target projects)	○
Civil Engineering Building Construction Technology	Environmental technology development projects Environmental technology design and construction projects adopted	(projects)	5 4	7 (Civil Engineering: 3; Building Construction: 4) 6 (Civil Engineering: 4; Building Construction: 2)	○
2. Actions to conserve biodiversity (helping to bring about a society that can coexist with nature)					
2.1 Steadily pursue biodiversity-friendly initiatives related to construction projects					
Shared	Instill understanding of biodiversity conservation, take definitive actions at spotlighted work sites, make new proposals, conduct internal and external PR	(projects)	30	44	○
Technology	Technologies related to biodiversity: a: examinations b: development c: trials d: application to projects	(instances)	a: 2 b: 1 c: – d: 2	a: 2 b: 1 c: – d: 1	△
3. Activities toward building a recycling-oriented society					
3.1 Recycle construction waste					
Civil Engineering	Reduce overall waste volume per completed construction amount (Civil Engineering)	(tons/ 100 million yen)	0.8	0.5	○
Building Construction	Reduce mixed waste intensity per total floor area at new construction projects (Building Construction)	(kilograms/ square meter)	6.5	7.7	△
Shared	Reduce waste plastic emissions and promote recycling	—	Add trial measures for reducing emissions and recycling, and expand trial model sites	Implement additional measures Maintain current trial status	△
4. Put environmental activities in practice					
4.1 Promote environmental activities and disclosure					
Civil Engineering Building Construction	Environmental site visits * Visits to sites of branch offices	(%)	Civil Engineering: 100 Building Construction: 100	Civil Engineering: 83.67 Building Construction: 87.34	△
Shared	Promote environmental initiatives through environmental and eco-site visits	(visits)	30 or more	144	○
Shared	Promote more robust actions that contribute to the environment and society Take actions to contribute to the environment and society	(actions taken)	Civil Engineering: 3 per work site Building Construction: 3 per work site Offices: 90 per year	Civil Engineering: 7.16 per work site Building Construction: 3.58 per work site Offices: 127 per year	○

(Assessment ○: met or exceeded target △: somewhat below target ×: far below target (less than 70% achievement)

* Including amounts procured by non-fossil fuel certificates.

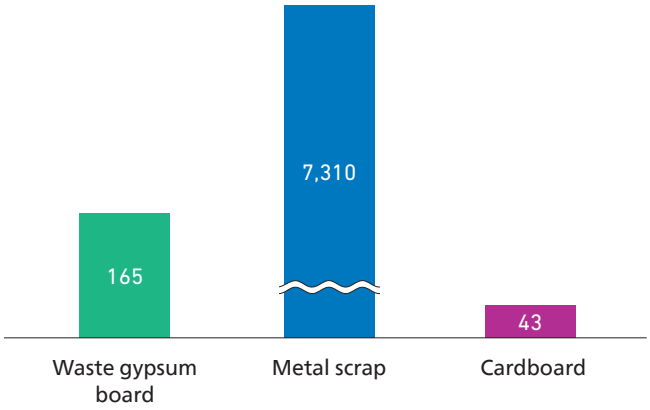
5 Recycling through wide-area certification systems, etc.

Hazama Ando has signed basic agreements with certified product manufacturers to recycle as much as possible the waste we generate, primarily at new construction sites, such as gypsum board and autoclaved lightweight concrete (ALC).

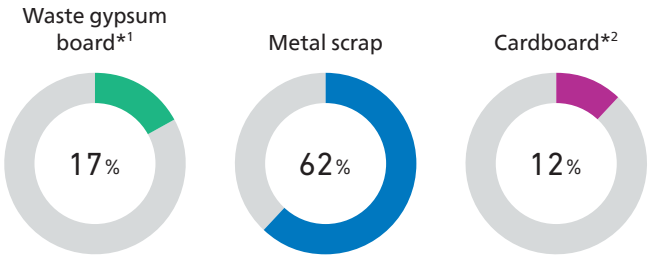
We also turn over metal scrap and cardboard to specialist recycling companies as valuable materials or exclusive recycling materials.

Amount Recycled (Fiscal 2024)

(tons)



Recycling Rate (Fiscal 2024)



*1 Percentage of waste gypsum board generated from work other than demolition that is recycled using a certified wide-area recycling system.
*2 Percentage of cardboard waste generated at construction sites that is recycled.

Mizuho Eco Finance Agreement with Mizuho Bank

Hazama Ando entered into an agreement with Mizuho Bank, Ltd. to pursue financing using the bank's Mizuho Eco Finance* product again in the fiscal year ending March 2026. The agreement allows us to receive financial support from Mizuho Bank and other participating financial institutions that endorse our efforts to combat climate change. This is the third such agreement we have entered into.

Hazama Ando VISION2030, our long-term vision, calls for the creation of environmental value, while Medium-Term Management Plan 2025 also sets out metrics for reducing greenhouse gas emissions and undertaking various initiatives, including the introduction of energy-creating and energy-saving technologies, as part of our commitment to society and the environment. We continue to take steps to this end.

In addition to joining Japan's GX League business consortium in May 2023, we first received certification under the SBT Initiative in 2019, and obtained re-certification in December 2024 under an updated 1.5°C scenario.

The Mizuho Eco Finance agreement recognizes these initiatives as meeting high standards vis-à-vis the metrics used in Mizuho's environmental assessment model.

* Mizuho Eco Finance is an environmental assessment-based financial product developed by Mizuho Bank that aims to take action alongside companies to advance the shift to a carbon neutral society. The bank uses an environmental assessment model, developed by Mizuho Research & Technologies based on globally trusted environmental accreditation and assessment criteria, to score corporate initiatives and benchmarks, among other factors. Companies that meet a certain score qualify for financing.

Materiality 3

Promoting sustainable management and taking full responsibility for corporate actions

Overview of Fiscal 2024 Results

Our response to the material issue of promoting sustainable management and taking full responsibility for corporate actions entails PDCA activities based on two key themes.

First, under the key theme of conducting fair and honest corporate activities, we are pursuing ongoing measures to enhance governance and ensure rigorous compliance, the unchanging premises upon which a company is built. In the fiscal year ended March 2025, the second year since we transitioned to a company with an Audit and Supervisory Committee, we worked to make governance more effective by monitoring the business more closely and encouraging more active discussions at Board of Directors meetings. Regarding sustainability activities as well, the Sustainability Committee met regularly during the year, more fully exploring and addressing individual issues by dividing responsibilities and collaborating among the various advisory committees. Meanwhile, we continue to promote the independence, diversity, and transparency of management while maintaining the ratio of external directors and female directors at or above our targets.

This material issue is the basis for Hazama Ando's practice of sustainable management and the realization of the Four Value Creation strategies set out in Hazama Ando VISION2030. A robust response to this issue necessitates collaboration with everyone associated with our business. Under the key theme of engaging in dialogue with stakeholders, we continue to expand and deepen dialogue with everyone we come into contact with across the supply chain to strengthen our engagement with society.

Conducting fair and honest corporate activities

Relevant SDGs

Policies and Approach

Approach to Corporate Governance

The Group's business activities are based on safe, secure, high-quality "good building operations." Through these operations, we aim to contribute to the advancement of society and our customers and fulfill our mission and duty to society. To achieve this, we believe it is critical to maintain and improve a management system capable of responding swiftly to changes in the business environment, to ensure the transparency and fairness of management supervision, and to ensure rigorous compliance. To this end, we are working continuously to enhance corporate governance.

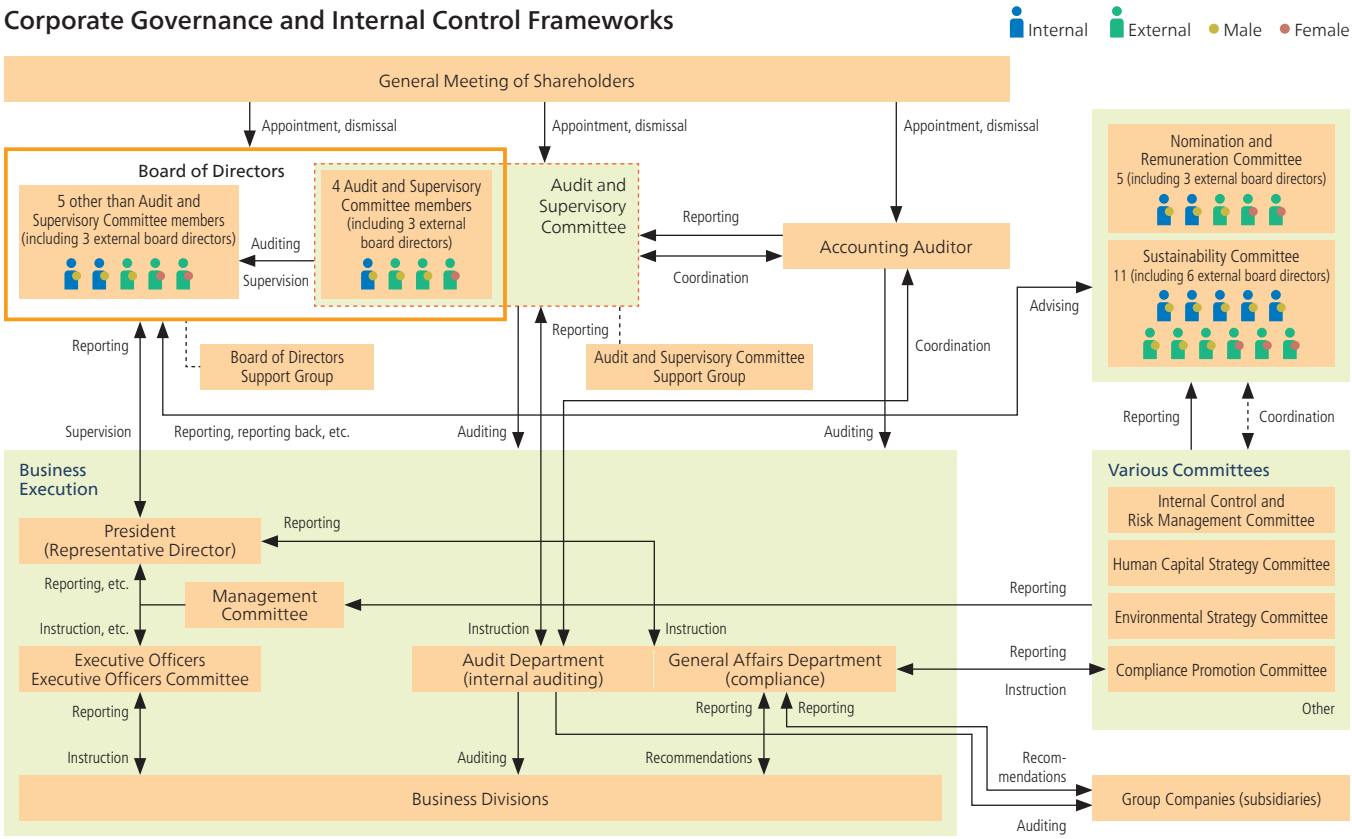
Pillars Supporting Our Initiatives

1. Corporate governance
2. Compliance
3. Internal control and risk management
4. Respect for human rights

Pillars Supporting Our Initiatives 1: Corporate Governance

Hazama Ando is seeking to further enhance corporate governance and increase corporate value in a sustainable manner by further reinforcing the supervisory function of the Board of Directors and enabling more flexible business execution. To this end, we transitioned to a company with an Audit and Supervisory Committee in July 2023.

Corporate Governance and Internal Control Frameworks



Independent, Diverse, Transparent Management

Board of Directors

The Board of Directors consists of five members (including three external board directors) other than members who are Audit and Supervisory Committee members and four members who are Audit and Supervisory Committee members (including three external board directors), for a total of nine members. It makes decisions on important business matters and oversees business execution.

The Articles of Incorporation stipulate that some or all important decisions about business execution can be delegated to board directors. Some authority has also been delegated to the Representative Director and President. The Board of Directors thus focuses more narrowly on high-level discussions of more critical agenda items and on monitoring business execution.

Audit and Supervisory Committee

The Audit and Supervisory Committee is made up of four board directors (three of whom are external). One internal board director has been appointed as a full-time member of the Audit and Supervisory Committee. Meeting monthly in principle, the committee met 16 times in the fiscal year ended March 2025.

It has the authority to direct the Audit Department, which is tasked with internal auditing, and works closely with the department as well as with the accounting auditor to confirm the status of audits and evaluations of the internal control system, and to audit the execution of duties by directors.

Nomination and Compensation Committee

We established a Nomination and Compensation Committee as an advisory body to the Board of Directors to deal chiefly with procedures related to the nomination and compensation of directors and executive officers.

To strengthen the independence and accountability of the functions of the Board of Directors and to ensure the fairness, transparency, and objectivity of the Board's decisions, the majority of committee members are independent external directors, and an external director is also appointed as chair.

The committee meets at least twice a year in principle, and met a total of eight times in the fiscal year ended March 2025. The committee deliberates and decides on the nomination of director candidates, the appointment of executive officers, and matters related to the compensation of the Company's directors and executive officers (excluding board directors who are members of the Audit and Supervisory Committee and external board directors), and reports to the Board of Directors.

Sustainability Committee

To pursue more thorough-going sustainability management and address ESG-related matters across the Group, the Group established a Sustainability Committee in June 2023. With the participation of board directors, the committee takes a comprehensive approach in considering and deliberating on various key ESG issues from a long-term, wide-ranging perspective.

Pillars Supporting Our Initiatives 2: Compliance

Internal Compliance Promotion Framework

We established the Compliance Promotion Committee to ensure fair and transparent business operations in the Hazama Ando Group. We have also appointed compliance officers and staff at our head office and branches and at Group companies to effectively implement various promotion activities.

Overseas, we have set up and are operating a system to specifically address bribery risk, and are working to raise awareness through educational activities in various regions. We continually check whether activities are being properly carried out.

Implementation of Compliance Activities

The Group is continuously working to raise awareness of compliance among executives and employees through a range of compliance activities.

Compliance Education

In the fiscal year ended March 2025, we implemented educational programs based on an annual plan. These included video-based training, group training, training by job position, and test-based e-learning. In the training by job position, employees undergo individual compliance risk diagnostics to visualize their own risks before attending the training, with the aim of modifying behavior. We also distribute monthly e-mail newsletters to raise awareness and instill knowledge.

We also work to confirm and evaluate compliance points relevant to each workplace and strive to prevent compliance violations by ensuring employee awareness of the relevant points in their day-to-day operations.

We carry out a series of measures during Compliance Promotion Month in November, including a message from top management, lectures by outside speakers, renewed confirmation of the code of conduct, group reading of the compliance manual, and poster displays. We hold talks by outside lecturers to familiarize employ-

Compliance awareness poster (fiscal 2024).

ees with the concept of integrity, with the aim of fostering we aim to foster a corporate culture of continually improving compliance awareness.

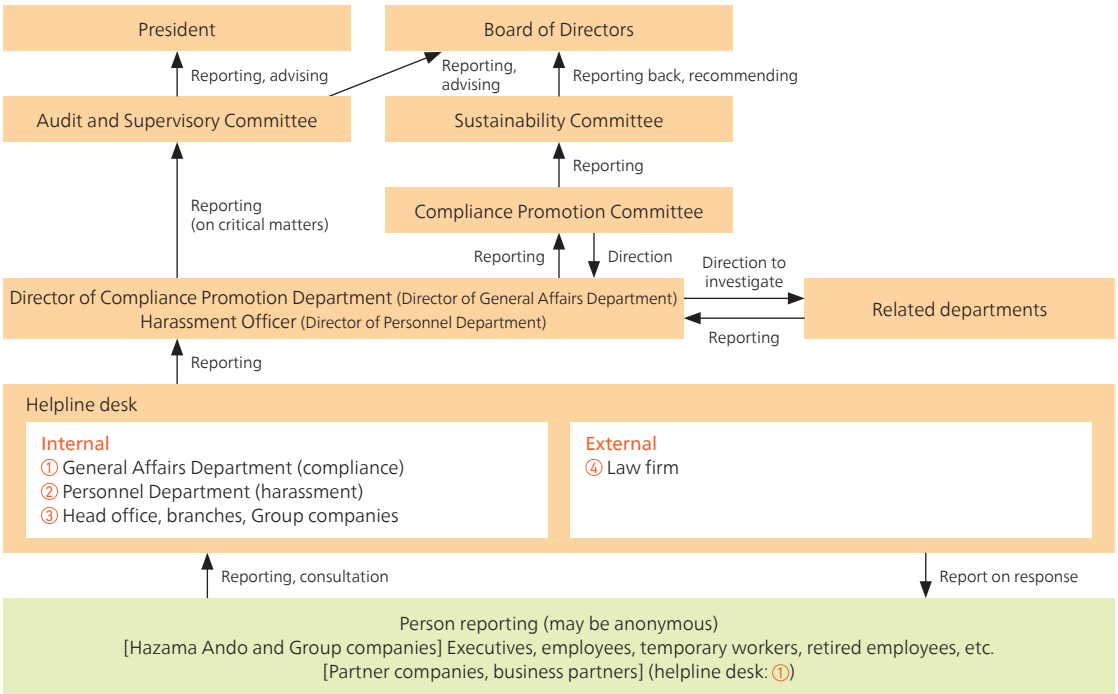
Compliance Audit

We conduct compliance audits at the head office, all branches, and at Group companies. Audit results are reported to the President, the Audit and Supervisory Committee, and the Board of Directors. We are making the Group's compliance framework more effective through various measures, revising, adjusting, and improving the framework as needed.

Compliance Helpline

We have set up a Compliance Helpline to enable people, including from outside the Group, to report and consult, for the purpose of early identification and correction of compliance violations. In the fiscal year ended March 2025, there were no reports that would have a material impact on management. We actively ensure awareness of the reporting system, while placing top priority on protecting those who report violations.

Compliance Helpline Response



Pillars Supporting Our Initiatives 3: Internal Control and Risk Management

Internal Control and Risk Management

We strive to maintain and operate relevant systems based on our internal control system policy*.

By resolution of the Board of Directors meeting held on June 29, 2023, we reorganized the Internal Control Committee into the Internal Control and Risk Management Committee, to act in an advisory capacity in connection with the Sustainability Committee, which is an advisory body to the Board of Directors. The committee deliberates and reports to the Sustainability Committee regarding the effectiveness, management status, improvement measures, and other aspects of the overall internal control system, taking ongoing steps to improve the system.

* We revised the policy on June 29, 2023 to comply with legal requirements in line with the transition to a company with an Audit and Supervisory Committee.

Rigorous Information Security

Information security-related risks are multiplying daily, as advances in ICT technology broaden the scope of application and cyberattacks grow more diverse and more sophisticated.

Under the medium-term management plan, we are pursuing digitalization through digital transformation. Having positioned information security as a critical management issue, we are strengthening initiatives to mitigate risk.

1 Collecting and Sharing Information

Our information security measures make reference to outside information, including the Cybersecurity Management Guidelines of the Ministry of Economy, Trade and Industry. We also actively participate in various conferences to gather and capitalize on external information.

In addition, we bring in outside specialists to lead annual study sessions for personnel in all related divisions, analyzing the risks facing the Group and exploring effective response measures.

2 Four Pillars Supporting Our Response Measures

Establishing rules

We have established rules and regulations pertaining to actions to be taken with regard to the information security framework, roles, and employees, and are working to ensure that all employees are aware of this content.

Centralizing asset management

By centrally managing assets related to information systems, we are able to ensure the steady implementation of response measures and have laid the groundwork for responding swiftly in the event of an incident.

Physical response measures

We are systematically rolling out and updating various tools, seeking to reduce risks automatically.

Personnel response measures

We strive to mitigate risks that are incapable of being prevented physically by carrying out ongoing education, checking inventories, and conducting audits.

3 Examples of Specific Initiatives

Supply chain response measures

Recognizing the importance of comprehensive response measures that encompass our partner companies, we conduct various ongoing activities to raise awareness, including training for new onsite workers and education across the Group during Japan's cybersecurity month.

Employee education

We conduct regular, ongoing education on information security and training on targeted email attacks for all employees, revising the content as necessary.

Training for information security staff

We encourage staff to acquire IPA (Japanese information security agency) certification and strive to cultivate personnel with expertise in information security.

4 Other Measures (Preparations against Cyberattacks)

In particular, recognizing the threat of cyberattacks as a priority risk, we are working to reinforce response measures from both physical and personnel perspectives, such as by introducing the latest tools and conducting ongoing emergency drills under incident scenarios.

Business Continuity Plan Recertification and Ongoing Training

The Group has formulated a business continuity plan which assumes a Tokyo inland earthquake or massive Nankai Trough earthquake. The plan is based on four objectives: ① ensuring the safety of life, ② preventing secondary disasters, ③ supporting recovery of customers, and ④ helping the community. We also obtained construction company disaster-ready business continuity certification from the Kanto Region Development Bureau of the Ministry of Land, Infrastructure, Transport and Tourism in October 2013 and from the Ministry's Kinki Region Development Bureau in April 2017. We have since continued to obtain recertification.

For the fiscal year ended March 2025, we carried out training at all Group branches and Group companies in Japan in November, positing the occurrence of a massive earthquake in regions across the country. We set up an emergency response headquarters at the head office as well as at all Group branches and Group companies, and verified the effectiveness of our business continuity plans.

We also confirmed expected damage from a tsunami by overlying all site facilities, including the head office, branches, and the sales offices of Group companies, all active construction work sites, and our assigned sections of Japan's infrastructure disaster agreement on a tsunami hazard map. We used this as a basis for first-response training. We also held training on video-based damage reporting via Starlink, a satellite communications service, from the worksites expected to be impacted by a tsunami. Furthermore, for branches expected to suffer the most damage, in cooperation with partner companies with which we have emergency transport agreements, we also conducted a push-type tabletop support drill—i.e., training for a proactive response without waiting for support requests—to transport stockpiled equipment, food, and drinking water from the Technical Research Institute on the morning after a disaster. Meanwhile, at the head office, we conducted training for the business continuity planning office to review our response in the event that a major earthquake makes it difficult for employees to go home, as well as to confirm the distribution of emergency stockpiles.

Going forward, we will continue to revise and improve the plan, anticipating large storms, floods, and epidemics, striving to reinforce the Group's comprehensive resilience.

Group training (head office response headquarters).

Formulation of a Procurement Policy

The Group's business activities depend on collaboration with partners. We recognize that engaging in procurement activities that align with our corporate social responsibility (CSR) necessitates actions up and down the supply chain. We have formulated a Procurement Policy and are working with partners to promote CSR procurement.

Procurement Policy

1. **Compliance with laws, prevention of corruption, elimination of antisocial forces**
   We will comply with all relevant laws and regulations, international rules, internal rules, and social norms, and conduct sound procurement. We will eliminate all forms of bribery and corruption, while taking a resolute stance against antisocial forces that threaten the order and security of civil society, and will sever all relationships with such forces.
2. **Implementation of fair and honest procurement**
   When choosing business partners, we will evaluate each candidate comprehensively and fairly and make honest choices, considering factors such as quality, safety, price, delivery date, and technical capabilities.
3. **Respect for basic human rights and consideration for occupational health and safety**
   We will respect basic human rights, including eliminating child labor, forced labor, and other unfair labor practices as well as various types of discrimination and harassment. We will conduct procurement that is sensitive to working environments and health and safety.
4. **Consideration for the environment**
   In accordance with the Environmental Policy of Hazama Ando, we will procure materials that contribute to conservation of the environment and reduction of environmental impact.
5. **Maintaining, improving quality and ensuring safety**
   To realize safe, secure, high-quality "good building operations," which are the basis of the Group's business activities, we will engage in procurement based on the ability to maintain and improve the quality of the buildings, services, and other products we provide and ensure safety.
6. **Contribution to local communities**
   Fully aware that companies are members of society, we will pursue procurement activities that contribute to the development of local communities and local economies together with our partners.
7. **Appropriate management of information and intellectual property**
   We will appropriately manage and protect confidential information, personal information, and customer information obtained through our procurement activities. We will also appropriately manage and use intellectual property held by the Group, without illegally obtaining, using, or infringing the intellectual property of third parties, including patents, utility models, designs, or trademarks.
8. **Building good relationships with business partners and mutual flourishing**
   Through our procurement activities, we will deepen mutual understanding with our business partners and strive to build good relationships. We will work together with partners to hone technical capabilities and develop human resources, aiming for the sustainable enhancement of corporate value.

Survey of Initiatives Requesting the Cooperation of Business Partners under the Procurement Policy

1. Survey overview

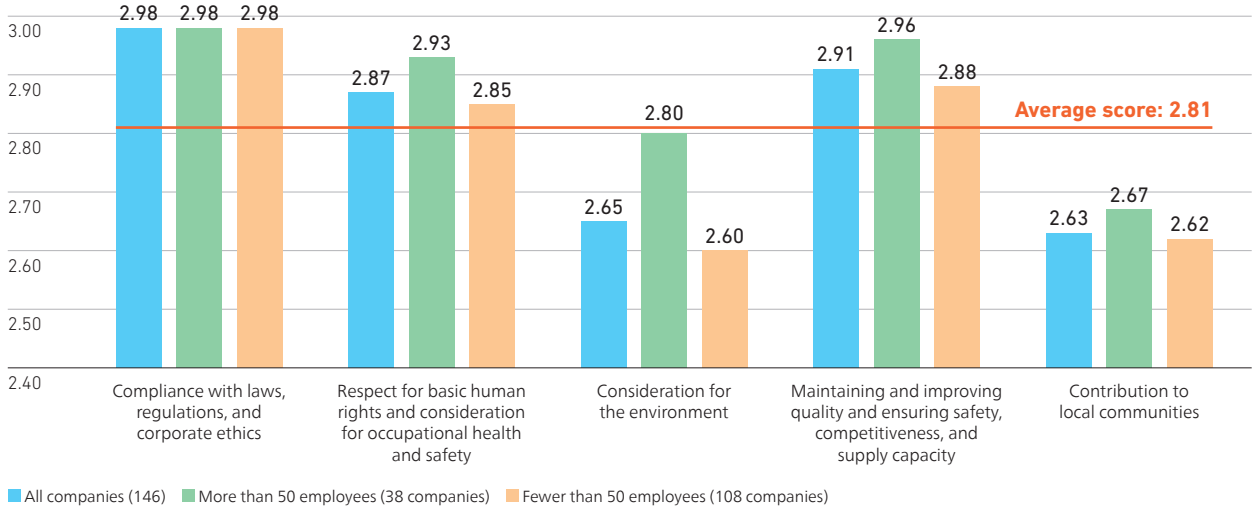
1 **Survey period**	August 19–October 28, 2024
2 **Survey scope**	146 partner companies designated by Hazama Ando
3 **Survey objective**	To confirm progress on requests for the cooperation of business partners under the Procurement Policy
4 **Survey methodology**	Questionnaire (total of 38 questions). Dialogue with partner companies as needed
5 **Survey content**	Status of partner company responses to five requests for cooperation: compliance with laws, regulations, and corporate ethics; respect for basic human rights and consideration for occupational health and safety; consideration for the environment; maintaining and improving quality and ensuring safety, competitiveness, and supply capacity; and contribution to local communities

2. Survey results

1 **Evaluation method**	Respondents were ranked on a scale of 1 to 3 depending on the progress of initiatives. Average scores were calculated for each topic and question. We also confirmed whether any actions had been taken that could lead to legal issues.
[Choices]	3 points: Taking initiatives 2 points: Planning to take initiatives 1 point: No initiatives at present

2 Evaluation results

- Maximum score was 3. Overall average score was 2.81.
- We confirmed that companies are making progress in the areas of compliance with laws, regulations, and corporate ethics; respect for basic human rights and consideration for occupational health and safety and maintaining; and improving quality and ensuring safety, competitiveness, and supply capacity.
- Regarding consideration for the environment and contribution to local communities, we confirmed that companies, especially smaller companies, are not making progress with voluntary initiatives.



3 Initiatives going forward

- Expand the scope of partners surveyed, continue to monitor the status of initiatives for each of the five requests
- Promote initiatives by providing specific examples of each request

Pillars Supporting Our Initiatives 4: Respect for Human Rights

Hazama Ando Human Rights Policy (Established April 1, 2023)

Compliance with international norms and laws

The Hazama Ando Group respects and supports several international norms, including the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Ten Principles of the United Nations Global Compact, the Children's Rights and Business Principles, the OECD Guidelines for Multinational Enterprises, and the U.N. Declaration of the Rights on Indigenous Peoples, and complies with the laws and regulations applicable in the countries and regions where we conduct business. If there are any discrepancies between these laws and regulations and international norms, we will pursue an approach that respects international norms to the extent possible while complying with laws and regulations.

This policy has been created based on the U.N. Guiding Principles on Business and Human Rights.

Scope of application

This policy applies to all officers and employees of the Group as well as seconded, dispatched, and contract employees. We also expect our business partners to support the policy. In particular, we ask our suppliers to cooperate with the Group in respecting human rights in the supply chain.

Respect for human rights

While recognizing items listed in the Appendix as human rights issues to be addressed as priorities, the Group will strive to prevent any negative impact on human rights, not limited to the items listed. We will review and update the items listed in the Appendix according to changes in the internal and external context.

Governance and promotion framework

The Board of Directors oversees the human rights initiatives of the entire Group, while an advisory committee is tasked with promotion. This policy has been approved by the Board of Directors.

Human rights due diligence

To identify, prevent, and mitigate negative impact on human rights in the Group or among its suppliers and other business partners, the Group has established a human rights

due diligence framework and has put in place an ongoing cycle of implementing, evaluating, improving, and disclosing initiatives.

Rectification, remedy

If the Group has caused a negative impact on human rights, or if it becomes clear that the Group has directly or indirectly contributed to such an impact, we will take appropriate measures to rectify and remedy the situation. Moreover, if the Group's business or services are directly related to a negative impact on human rights as a result of its relationships with suppliers or other business partners, even though the Group has not endorsed this, we will strive to make improvements after consulting with the parties involved.

Compliance Helpline

The Group has established a Compliance Helpline for our own employees, the employees of suppliers, or other persons for reporting and consulting on human rights-related issues. In operating this helpline, we will strive to ensure its effectiveness as a mechanism for dealing with complaints.

Education and training

The Group will provide education and training to all Group officers and employees so that this policy is understood, fully accepted, and put into practice. We will also work to ensure that our suppliers understand the policy.

Dialogue with stakeholders

The Group engages in dialogue and discussions with relevant stakeholders regarding the impact of its business activities on human rights and its response to human rights issues.

Disclosure

We will regularly disclose progress on our efforts to respect human rights based on this policy through various reports and on our website.

Approach to Human Rights Awareness

In the course of respecting the basic human rights guaranteed to all people and fulfilling our corporate social responsibilities, we are engaged in concrete activities to address a range of human rights issues, including social discrimination.

We strive to ensure that the human rights of all officers and employees and everyone we come into contact with through our business are thoroughly respected. Specifically, supported administratively by the Personnel Department, the Human Rights Awareness Committee, an organization that spans the Group, maintains a harassment consultation desk and carries out various human rights awareness activities. Should a human rights violation be suspected, we respond promptly while protecting the rights of the person seeking consultation.

Thorough Respect for Human Rights

The tasks of the Human Rights Awareness Committee include exploring and determining annual action plans. Moreover, the human rights framework we have put in place encompasses all Group companies, and includes a consultation desk to enable prompt action should a human rights issue arise.

With the aim of adequately fulfilling our duty to respect human rights, we have formulated a Human Rights Policy. The policy identifies seven priority human rights issues: ① forced labor and child labor, ② discrimination, ③ harassment, ④ occupational health and safety, working environments and working conditions, ⑤ freedom of association, ⑥ rights of foreign workers, and ⑦ impact on local communities. We offer education and training in these areas to prevent human rights violations from occurring and will continue to improve our internal environment and systems.

As part of our human rights due diligence initiatives, we are implementing a regular cycle involving the following steps, including management of the supply chain: ① human rights impact assessment, ② education and training, ③ development of internal environments and systems, ④ supply chain management, ⑤ follow-up surveys, and ⑥ external disclosure. We also work to rectify any human rights violations we may cause.

We have taken other actions to eliminate harassment for many years now. Other initiatives include rigorously fair hiring and selection, asking employees to submit human rights slogans, and pursuing activities with various organizations.

Harassment Prevention Declaration

- The Hazama Ando Group will never tolerate harassment in the workplace.
- We have a harassment consultation desk. We will protect privacy and deal with matters promptly and fairly.
- We will not treat disadvantageously persons seeking consultation about harassment or persons who cooperate with fact-finding.

Engaging in dialogue with stakeholders

Relevant SDGs

Disclosure to Investors

The Group holds results briefings for analysts and institutional investors twice a year. Explanations directly from top management cover Group performance, the current situation, and forward-looking management strategies. In the fiscal year ended March 2025, we held the second quarter briefing using a hybrid in-person and online format and held the year-end briefing online. Both drew high attendance. Briefing materials can be viewed on the corporate website.

At the same time, based on Tokyo Stock Exchange disclosure standards, we file disclosure information on the Timely Disclosure Information Transmission System (TDnet) and post it on the IR Library page of the corporate website.

We are working to enhance our English-language disclosure to provide overseas investors with information in a timely manner. In the fiscal year ended March 2025, in addition to the timely disclosure of financial results in English, we proactively disclosed non-financial information in forums such as our Corporate Report and Sustainability Report.

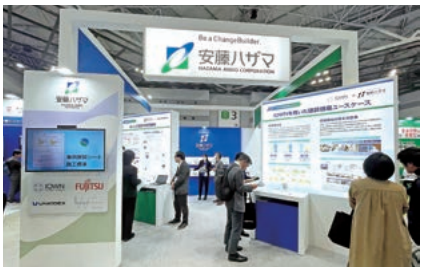
Results briefing (online).

Sharing Technology and R&D Achievements: Taking Part in Exhibitions Nationwide

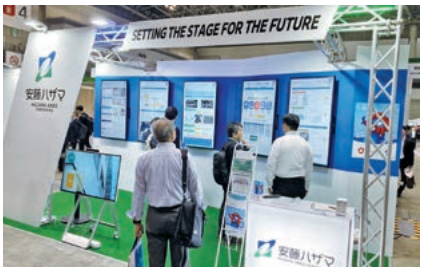
Hazama Ando actively participates in exhibitions across the country to showcase a range of technologies in both the civil engineering and building construction fields. Our exhibits feature technologies that incorporate ICT and AI to boost productivity through the digital transformation of construction techniques, such as the automation of construction machinery aimed at unmanned and labor-saving construction; technologies that contribute to national land resilience; environmentally friendly technologies for carbon reduction, green infrastructure, and other applications; and technologies that increase energy efficiency in buildings.

As in previous years, we set up booths mainly at exhibitions held by various regional development bureaus in Japan. We also took part in a variety of other exhibitions, such as the Global Warming Prevention Exhibition, the Green Infrastructure Industry Exhibition, and the International Nanotechnology Exhibition & Conference, thus actively seeking to gain greater understanding for our initiatives while exchanging technical knowledge with people across a range of fields.

Date	Exhibition	Organizer	Venue
May 2024	8th International Conference on Earthquake and Geotechnical Engineering	Japanese Geotechnical Society	Osaka
May 2024	Global Warming Prevention Exhibition 2024	Nippo Business Co., Ltd.	Tokyo
May 2024	Japanese Congress for Infrastructure Management Kinki Headquarters Forum 2024	Japanese Congress for Infrastructure Management Kinki Headquarters	Osaka
June 2024	Engineering Exhibition Tohoku ‘24	Engineering Exhibition Tohoku Planning Committee	Miyagi
June 2024	Concrete Techno Plaza 2024	Japan Concrete Institute	Ehime
July 2024	59th Geotechnical Engineering Research Conference	Japanese Geotechnical Society	Hokkaido
September 2024	73rd Japanese Society of Irrigation, Drainage and Rural Engineering Conference Lecture	Japanese Society of Irrigation, Drainage and Rural Engineering Conference Secretariat	Aomori
September 2024	Highway Technology Fair 2024	Express Highway Research Foundation of Japan	Tokyo
October 2024	Concrete Technology Networking Meeting	Japan Concrete Technology	Tokyo
October 2024	Kyushu Construction Technology Forum 2024	Kyushu Construction Technology Forum Planning Committee	Fukuoka
October 2024	2024 Chugoku Regional Construction Technology Development Exchange	Chugoku Regional Construction Technology Development Exchange Planning Committee	Okayama
October 2024	Construction Technology Forum 2024 in Chugoku	Japan Federation of Construction Contractors (Chugoku Regional Development Bureau)	Hiroshima
November 2024	Construction Technology Expo 2024 Kinki	Nikkan Kensetsu Kogyo Shimbun (Daily Engineering & Construction News), Kinki Construction Association	Osaka
November 2024	Construction Technology Expo 2024 Kanto	Nikkan Kensetsu Kogyo Shimbun	Tokyo
November 2024	Construction RX Consortium Exhibition 2024	RX Consortium	Tokyo
November 2024	Construction Technology Fair 2023 in Chubu	Nagoya International Trade Fair Commission, Chubu Regional Bureau; Nagoya Industries Promotion Corporation	Aichi
December 2024	SDGs Week Expo 2024	Sustainable Management Promotion Organization, Nikkei Inc.	Tokyo
December 2024	JAPAN BUILD Tokyo	RX Japan	Tokyo
January 2025	16th National Symposium on Rock Mechanics	Japanese Society for Rock Mechanics	Kumamoto
January 2025	Green Infrastructure Industry Exhibition 2025	Nikkan Kogyo Shimbun	Tokyo
January 2025	International Nanotechnology Exhibition & Conference 2025	International Nanotechnology Exhibition & Conference Planning Committee	Tokyo
February 2025	Japan Society of Defense Facility Engineers Annual Forum 2025	Japan Society of Defense Facility Engineers	Tokyo



JAPAN BUILD Tokyo.



Global Warming Prevention Exhibition.

Hazama Ando Foundation Initiatives

With the desire to encourage initiatives related to securing and training workers for specialist contractors, we established the Hazama Ando Foundation in April 2020 to offer grants for such initiatives. In the fiscal year ended March 2025, the Foundation chose five projects to subsidize from the fund it set up to support the PR activities of specialist contractors, and chose four projects to receive a grant for the development of young construction technicians and skilled workers, which offsets costs arising from activities aimed at developing and retaining young workers.

Some companies, feeling a sense of crisis about securing human resources, have begun hiring new workers as full-time employees to ensure that they have an adequate pool of skilled workers. They used the funds to cover the costs of producing and distributing a video showcasing their companies to convey to students the appeal of the work they do and the work environment, and to offset the costs of setting up a work training facility within their plants to train inexperienced workers.

The Foundation posts such case studies on its website* to highlight outstanding initiatives that serve as a model for other companies.

(Japanese only)
* https://www.ad-hzm-zaidan.or.jp/casestudy/

Work training facility.

Collaboration with Hazama Ando Cooperative Association

The goals of the Hazama Ando Cooperative Association are to strive to put health and safety actions at the heart of construction, improve construction quality and technology, and, at the same time, pursue the mutual flourishing of the Group and association members. In addition to the head office, the association has 12 branches nationwide. Its roughly 1,400 member companies, who make up the core of the Group's construction operations, are engaged in various activities.

Particularly with regard to safety, under Hazama Ando's health and safety policy of "putting safety above all," the Group and the association together carry out safety activities on a daily basis. Every June, we also jointly sponsor a nationwide Safety Promotion Rally, to further improve health and safety management standards and eliminate accidents.

The entire construction industry in Japan is working to support the career advancement of construction workers. Together with the association, the Group is pursuing initiatives such as supporting registration of business operators and skilled workers. In addition, since Japan's Work Style Reform Act has come into force, the association regularly exchanges information and opinions with its various branches regarding ways of dealing with the cap on overtime work that now applies to the construction industry. In this way, we are further advancing and gaining understanding for Group initiatives while reflecting the viewpoints of association members in Group measures.

Nationwide Safety Promotion Rally (June 2024).

Hazama Ando Named by TIME Magazine as One of Asia-Pacific's Best Companies of 2025

We were selected by U.S.-based TIME Magazine as one of Asia-Pacific's Best Companies of 2025, ranking 444th overall (118th in Japan) out of a list of more than 5,000 companies in the region during the year.

The ranking, carried out jointly by TIME Magazine and the global data and business intelligence platform Statista, evaluates companies based on three main factors: ① employee satisfaction; ② financial soundness; and ③ the transparency of sustainability.

New Tagline (slogan) : Be a ChangeBuilder.
Our First-Ever TV Commercials Aired, Featuring Schoolboys Passionate About Construction

Hazama Ando formulated a new tagline—"Be a Change Builder."—to express our strong desire to change society through construction. We also began airing a series of television commercials in October 2024 with the aim of further increasing recognition of the Group.

Since the founding of our predecessor companies (ANDO Corporation in 1873 and HAZAMA Corporation in 1889), we have always taken on the challenge of creating new value, never being satisfied with the status quo, thus contributing to people's lives and to the development of society by drawing on the robust technologies and experience we have built up over the years.

In highly uncertain times like today, we believe it is essential, in terms of better adapting to shifts in the business environment and continuing to achieve sustainable growth, not only to recognize such change but also to create change ourselves.

Our new tagline and statement express our aim to become a gathering of personnel who can effect change by harnessing technologies that have been passed down across generations, as well as our strong desire to foster an environment that can help maximize the value of our people.

The series of TV commercials that began airing in October showcase the Group's track record through the eyes of two elementary school students, Kenchi and Dobo, who are huge Hazama Ando fans and are passionate about building construction and civil engineering. The commercials declare our intention to "change society through construction."

With a view to the future we will create together with everyone who is connected to the Hazama Ando Group, we continue to capitalize on people and technologies to bring about positive social change through construction.

Tagline: Be a ChangeBuilder.

TV commercial.

Sponsoring Professional Female Golfer Yumeno Masada
Sponsorship of Triple Tree Racing's Female Racing Driver Juju Noda

Hazama Ando entered into a sponsorship contract with female professional golfer Yumeno Masada in September 2024. Yumeno qualified as a pro golfer in 2023 and currently competes on the JLPGA Tour. Despite being a newcomer, Yumeno golfs with an air of self-possession and has promise for a bright future as a golfer who is a member of the so-called "platinum generation."

In her golfing, Yumeno has continued to place value on taking on challenges, which dovetails with Hazama Ando's spirit of constantly embracing the challenge of creating new value. This is what attracted us to the sponsorship agreement, and we look forward to growing together with her.

In January 2025, we signed a main sponsor contract with Triple Tree Racing, which represents professional racing driver Juju Noda, with whom we started to build a partnership in the previous year.

For a young female driver to carve out a new space for women in the male-dominated world of motorsports has much commonality with the construction industry Hazama Ando operates in. Juju's attitude of being the first to take on challenges on a global stage also makes her a true changemaker in the racing world. This also aligns with our branding strategy and values—"Changing society through construction. Be a ChangeBuilder."

By supporting the activities of young professionals in the sporting world, Hazama Ando will continue to encourage the young people who will lead the next generation to embrace new challenges.

Yumeno Masada.

Juju Noda.