https://www.taisei-sx.jp/

TAISEI Sustainability
For a Lively World

TAISEI official website | Profile | Investor Relations | 日本語

Top Commitment | Sustainability Management | Materiality and SDGs | Environment(E) | Social(S) | Governance(G) | Library

Sustainability

Annual Report (Library)

What can we help you find?

What's New

Nov.15.2022 [Green Bond] was updated.

Oct.31.2022 The Website was renewed.

Sep.30.2022 [Taisei Corporation Group Sustainable Procurement Guidelines] was revised.

▸ News List



TAISEI VISION 2030
The Ever-Evolving
The CDE^3 Company

Materiality and SDGs
SUSTAINABLE DEVELOPMENT GOALS

Sustainability Management
Message from Chief Sustainability Officer (CSO) ▸

ESG Data and Comparisons

Philosophy and Policies

TOPICS



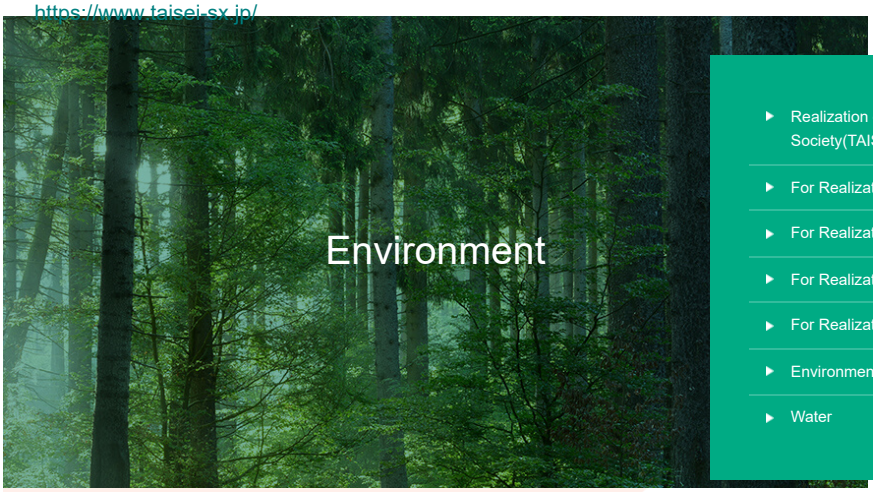
Oct.31.2022

FY21 Result, Taisei Group Annual Report Update



Sep.09.2022

Established [T-ZCB], an evaluation system for CO2 emission reductions, and began verification testing at its own facilities.



- Realization of a Sustainable and Environmentally Friendly Society(TAISEI Green Target 2050)
- For Realization of a Decarbonized Society
- For Realization of a Recycling Oriented Society
- For Realization of a Nature Co-Existing Society
- For Realization of a Safety Secured Society
- Environmental Data
- Water



- Respect for Human Rights
- Promotion of Diversity and Inclusion
- Realization of an Attractive Working Environment That Is Good to Work in
- Enhancing Employee Potential
- Health Management
- Thorough Management of Occupational Health and Safety
- Promotion of Supply Chain Management
- Ensuring Quality and Improving Technology
- Cultivation of Technical Staff and Securing of Human Resources
- Technical Development for Realizing a Sustainable Society
- Contribution to Local Communities
- Social and Cultural Contribution activities
- Social Data

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- Corporate Governance
- Thorough Compliance / Restructuring of the Group Governance System
- Risk Management
- Social and Cultural Contribution activities
- Corporate Governance Report
- Governance Data

Activity Reports(ISO 26000 core subjects)

- Organization Governance
- Fair Operating Practices
- The Environment
- Human Rights
- Labor Practices
- Consumer Issues
- Community Involvement and Development

- Corporate Governance
- Thorough Compliance / Restructuring of the Group
- Risk Management
- Management of Information and Intellectual Property Rights

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Initiatives

Sustainable Finance

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Top Commitment

Sustainability Management
- Message from Chief Sustainability Officer (CSO)
- Sustainability of the Taisei Group
- Philosophy and Policies
- Materiality and SDGs
- The seven core subjects of ISO 26000

Environment(E)
- Realization of a Sustainable and Environmentally Friendly Society(TAISEI Green Target 2050)
- Water
- Environmental Data
- Independent Assurance PDF
- Information Disclosure Based on TCFD Recommendations

Social(S)
- Human Rights
- Labor Practices
- Consumer Issues
- Fair Operating Practices
- Community Involvement and Development

Governance(G)
- Corporate Governance
- Organization Governance
- Fair Operating Practices

External Evaluations/Participation in Initiatives/Sustainable Finance
- External Evaluations
- Participation in Initiatives
- Sustainable Finance

ESG Data and Comparisons
- ESG Data
- GRI Standards Comparison Chart
- ISO26000 Comparison Table
- Information Disclosure Based on TCFD Recommendations

News List

Editorial Policy

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Top Commitment

* The content of this page was originally posted on Annual Report 2022 Integrated Report



Last year, identifying the medium to long-term external environment and structural changes, the Taisei Group formulated the "Medium to Long-Term Vision: TAISEI VISION 2030, The Ever-Evolving CDE^3 (cubed) Company-Construction, Development, Engineering, Energy, Environment-A pioneering corporate group contributing to the development of a resilient society where people can live affluent and cultural lives" based on the Taisei Group Philosophy among other things, and kicked off the "Medium-Term Business Plan (2021-2023)." The three "Xs" (transformations: IX (Industry Transformation), SX (Sustainability Transformation), and DX (Digital Transformation)) that have been identified as the medium to long-term external environment and structural changes have been increasingly focused on over the past year, and we believe it is an important factor that critically influences the competitive advantage and sustainable growth of the Group to address those issues as a pioneer.

Summary of the First Year of the Medium-Term Business Plan

It has been one year since the launch of the “Medium-Term Business Plan (2021-2023).” I would like to explain the management environment surrounding the Taisei Group and an overview of the first year of the Medium-Term Business Plan.

The Japanese economy has been on a moderate recovery path as the suppression on consumption and capital investment due to COVID-19 eases. However, uncertainty about the future has not been eliminated due to concerns over the risk of inflation arising from soaring raw material and energy prices globally, as well as downside risk to the global economy resulting from Russia's invasion of Ukraine.

In the construction industry, public investment has remained firm, driven by the government's disaster prevention and mitigation measures for national resilience, as well as the demand for maintenance and renewal of deteriorating infrastructure. Private capital investment has also been in a recovery phase, supported by increased capital investment in anticipation of post COVID-19 pandemic and large-scale redevelopment projects in urban areas. However, it has become an urgent issue to respond to the changes in the market environment resulting from sharp rises in the costs of construction materials and the crisis in Ukraine.

Under these circumstances, in terms of the operating results, orders received were decreased, net sales were increased, and operating income, ordinary income, and net income attributable to owners of parent were decreased.

As addressing ourselves to environmental issues and respecting human rights are increasingly more important these days, it is necessary to address ourselves to sustainability-related issues more strategically. Accordingly, we have centralized our organizational structure for sustainability management to establish “Sustainability Division (Integrated)”, and appointed Chief of the Division to serve as Chief Sustainability Officer (CSO) to strengthen our efforts on sustainability issues and the SDGs. We also formulated the “Taisei Group's Fundamental Policy on Sustainable Development” whose basic policy is to realize sustainability transformation by working to resolve sustainability issues through businesses centered on the construction business, and to contribute to the creation of a resilient society in which people can live affluent and cultural lives.

Achieving carbon neutrality by 2050 is a challenge to be addressed seriously by the construction industry as well.

The Group has set a new environmental target for 2030 to reduce CO_2 emissions per unit of sales by 50% from FY2019 levels. In addition, we are making full-fledged efforts to achieve the Group's long-term environmental target of “realization of a sustainable and environmentally friendly society.” Such efforts include the introduction of ICP (Internal Carbon Pricing), the issuance of green bonds whose use of proceeds is investment in renewable energy projects and investment in technological development related to decarbonization, and the participation in the “Green Transformation (GX) League Initiative” by the Ministry of Economy, Trade and Industry.

We also recognize human rights as an important issue to be addressed throughout the value chain. We have revised our “Human Rights Policy” with the aim to commit ourselves to contributing to the realization of an inclusive society by voluntarily, aggressively, and proactively fulfilling our corporate responsibilities to prevent negative impacts on human rights from our business activities. The revised Human Rights Policy clearly states the introduction of a human rights due diligence process and identifies human rights risks to be addressed with priority. We will continue our efforts to prevent and mitigate human rights risks by implementing various measures and conducting follow-up surveys related to the prevention and mitigation of human rights risks, and reporting the results to the Board after deliberation by the Sustainability Committee.

Future Order Environment and Forecasts for FY2022 Operating Performance

The Japanese overall economy during FY2022 is expected to stay on a recovery trend as social and economic activities normalize towards recovery from the COVID-19 pandemic and corporate earnings regains strength gradually.

However, it is assumed that the heightened uncertainty will continue due to concerns about a downward spiral stemming from soaring global prices and the crisis in Ukraine. In the construction industry, private construction investment, led by

large-scale projects in the Tokyo metropolitan area, is expected to remain at the same level as the previous fiscal year in addition to solid public investment based on various policies. Meanwhile, we need to be careful of risk factors such as fierce price competition and further increases in raw materials and fuel prices.
In this environment, we assume an increase in orders received during FY2022 due to a larger number of projects expected compared to those during FY2021. We also expect net sales to increase because our large-scale construction projects will progress. On the other hand, operating income, etc., is expected to remain approximately at the same level as that during FY2021, due to the fact that not all of potentially positive factors, such as the acquisition of additional work order in construction projects, have been incorporated while the proportion of large-scale construction projects with low profit margins, which were ordered in a highly competitive environment, will also be increasing.

Regarding Materiality

The Group identifies and periodically reviews materiality (important issues to be addressed) in light of SDGs among other things, in order to clarify what social issues it should help resolve to contribute to society by using its business characteristics and business model in response to demands from society. In the “Medium-Term Business Plan (2021-2023)” we established priority policies and specific measures aimed at addressing the eight material issues.
While the details of the initiatives related to materiality are provided on other pages, I will provide an outline of the initiatives related to natural capital, including decarbonization, and human capital here.

Initiatives Related to Natural Capital

As for our initiatives aimed at realizing a decarbonized society, we are working to reduce CO_2 emissions at the operation stage of buildings after delivery and to expand green procurement. Specifically, we are focusing on (i) the development of ZEB (Zero Energy Building) and ZEF (net Zero Energy Factory), (ii) the promotion of green renewal
ZEB initiatives, (iii) research and development for the commercialization of environmentally friendly concrete, including carbon-recycle concrete that fixes CO_2 inside concrete, and (iv) the promotion of “T-ZCB (Zero Carbon Building)” (aiming to conduct Japan's first demonstration at the Group's facility), which will reduce CO_2 emissions throughout the entire lifecycle of a building, from the procurement and construction stages to the operation stage, to net zero emissions in total. We feel all of these initiatives are attracting keen interest externally too.
As for our initiatives aimed at realizing a society coexisting with nature, we have received high praise for our practical efforts on “development coexisting with nature” in collaboration with industry, government, academia, and the private sector. We believe it is necessary to utilize the knowhow obtained at the Mt. Fuji Nanryo Industrial Park, which received the Minister of the Environment Award (sponsored by the National Institute for the Environment and Nikkan Kogyo Shimbun with the support of the Ministry of the Environment), to continue to promote initiatives that lead to the conservation of biodiversity.
Environment-related measures present a business opportunity to secure a competitive advantage for a company.
As the market is expected to expand in the future, we intend to focus our efforts on this area.

Initiatives Aimed at Strengthening Human Capital

For the Group, which does not have a fixed production facility, it is human resources that are the source of earnings and strengthening human resources is an urgent matter to be addressed.
I am convinced that the company and its employees being connected through strong engagement will also lead to increased

productivity and contribute significantly to the Group's sustainable growth and evolution. We conducted an engagement survey for our employees during the first quarter of this fiscal year in order to first understand the current situation. We will continuously implement improvement measures based on the results.
In addition, with the aim of improving the morale and remuneration, and further enhancing the attractiveness of the construction business and the Company, we will work to improve our personnel and salary systems, enhance our human resource development and training systems, and promote diversity and inclusion. Through these and other measures, we will secure future human resources and improve job satisfaction, thereby strengthening the Company's competitiveness.

Mission of the Taisei Group

In the vision of the Group, I give utmost importance to the “contributing to the development of a resilient society.”
A resilient society is a “society in which social infrastructure withstands the impact of various natural disasters/extreme weather, pandemics, and sharp changes in the economy, etc., and maintains its flexibility and tenacity so that people can live safe and secure lives.” I believe it is indeed the Group's mission to build better social infrastructure by combining the Group's advanced technological capabilities and accumulated expertise to develop infrastructure, making cities resilient to disasters, provide high-quality buildings, engage in disaster recovery, and realize a sustainable and environmentally friendly society, in order to make people's lives safe, secure, and affluent.

Closing Remarks

FY2022 will be the year in which we will accelerate our efforts to achieve our targets for FY2023, the final year of the Medium-Term Business Plan and the 150th anniversary of our foundation, while taking swift measures to address newly emerging challenges without failing to detect changes in the business environment, such as the effects of the COVID-19 pandemic and the crisis in Ukraine.
Our founder Kihachiro OKURA chose a career as an entrepreneur with his foresight in the turbulent era, and was involved in the establishment and management of a variety of companies including Taisei Corporation to contribute to the economic growth of Japan. In line with the pioneer spirit of Kihachiro OKURA, who saw the era of transformations as an opportunity to make a leap forward and took on unprecedented challenges, I will take the lead in overcoming the current highly uncertain management environment, providing new value, satisfaction and excitement to our customers, and striving to resolve social issues and obtain trust and credibility.
The “Taisei Group Annual Report 2022” introduces some of our efforts for the next generation. We would appreciate your understanding of and support to our efforts aimed at realizing the Taisei Group Philosophy of “to create a vibrant environment for all members of society.”

Yoshiro AIKAWA
President and Chief Executive Officer,
Representative Director

Sustainability Dialogue (Annual Report2022) PDF

TAISEI Sustainability
For a Lively World

Sustainability Managementt



Structure of Value and Policy and Fundamental Policy on Sustainable Development /Sustainability Management Framework /Sustainability Promotion System Diagram and Various Committees Related to Sustainability /Value Provided to Key Stakeholders and Engagement methods /Participation in Initiatives



Providing Sustainable Value and Our Structure of Values /Medium to Long-Term Vision: TAISEI VISION 2030 /Action Guidelines for Taisei Personnel and the Taisei Group as a Whole and Individual Policies



Materiality of the Taisei Group /Materiality Identification Process /Materiality and KPIs 2021-2023 (Relationship with SDGs) /Overview of Sustainability-Focused Management and Medium-Term Business Plan Initiatives /Talk on the SDGs

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Message from Chief Sustainability Officer (CSO)

* The content of this page was originally posted on Annual Report 2022（Integrated Report）



Addressing sustainability, which is represented by key terms such as SDGs (Sustainable Development Goals) and ESG, is a global issue, and it is becoming increasingly more important for companies to increase their sustainable value. The Taisei Group has identified eight material issues (Important issues to be addressed) as the Materiality in promoting sustainability management. In response to changes in the external environment and the interests of society and stakeholders, we will review the Materiality periodically and on an ongoing basis to realize a sustainable society.

In April 2022, the Sustainability Division (Integrated) was established to promote sustainability management, and I was appointed as CSO (Chief Sustainability Officer) to lead its activities. The establishment of an organization and a position that bears a name that includes “sustainability” exemplifies the Group’s commitment to placing importance on sustainability.

In November 2021, the Group formulated the “Fundamental Policy on Sustainable Development” and the “Human Resources Development Policy (Diversity & Inclusion Policy)” to further promote initiatives to realize a sustainable society. In February 2022, it revised its long-term environmental target “TAISEI Green Target 2050” to accelerate initiatives toward decarbonization. In addition, in conjunction with the establishment of Sustainability Division (Integrated), the CSR Committee chaired by an External Member of the Board was renamed the Sustainability Committee. Further, the “Human Rights Policy” was revised to establish the framework for human rights due diligence and stipulate that it be carried out on an ongoing basis. Under these policies and organizational structure, we will promote sustainability activities from a variety of perspectives.

The Medium-Term Business Plan (2021-2023) sets key sustainability issues under five themes: “Energy and Environment,” “Safety,” “Technical development,” “DX,” and “Workstyle reform and Corporate governance.” Within the Sustainability Division (Integrated), the Sustainability Management Promotion Division, which is in charge of all strategic functions, and the Clean Energy and Environment Business Promotion Division, which is responsible for project promotion functions, have been established with the common mission of promoting carbon neutral operations, a goal set out under “Energy and Environment,” and will be making every effort to achieve this goal.

The Taisei Group Philosophy of “to create a vibrant environment for all members of society” is indeed a message that precisely describes sustainability. We will continue to engage in dialogue and cooperation with our stakeholders that consist of shareholders and investors, customers, business partners, employees, and local communities, in order to achieve sustainable development for society and the Group.

Jiro TANIYAMA
Senior Managing Executive Officer,
Chief of Sustainability Division (Integrated);
Chief of Clean Energy & Environment Business Promotion Division

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Sustainability of the Taisei Group

Structure of Value and Policy and Fundamental Policy on Sustainable Development

Sustainability Management Framework

Sustainability Promotion System Diagram

Value Provided to Key Stakeholders and Engagement methods

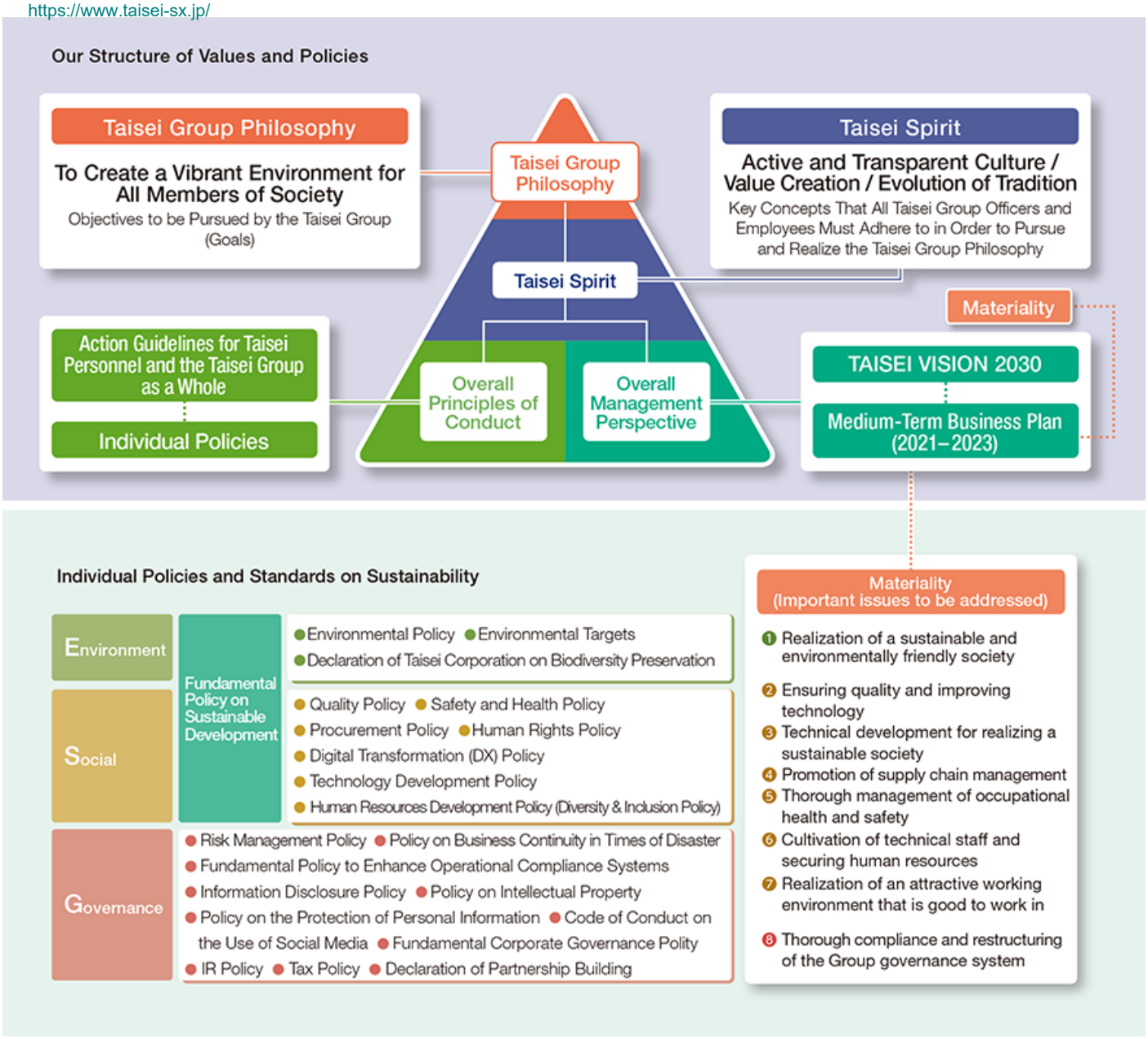
Initiatives

Structure of Value and Policy and Fundamental Policy on Sustainable Development

Based on the Taisei Group Philosophy of “to create a vibrant environment for all members of society,” and the Taisei Spirit of “Active and Transparent Culture,” “Evolution of Tradition” and “Value Creation” in pursuit of the Group Philosophy, the Taisei Group's Fundamental Sustainability Policy is to realize sustainability transformation (SX) by working to resolve sustainability issues through businesses centered on the construction industry, and to contribute to the development of a resilient society where people can live affluent and cultured lives.

In resolving sustainability issues, we recognize that the efforts not only reduce risk but also lead to new opportunities for profit, and we make proactive efforts to address them.

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Click here for detail

Sustainability Management Framework

We take a global perspective on sustainability and conduct business activities in accordance with international codes of conduct. In conjunction with the Action Guidelines for Taisei Personnel and the Taisei Group as a Whole, the Group promotes activities in reference to ISO 26000 (the international standard for organizational social responsibility) and GRI (the guideline for disclosure of information related to sustainability), supports the 10 principles of the United Nations Global Compact, and develops business activities based on the Medium-Term Business Plan and materiality that incorporate the Sustainable Development Goals (SDGs) as activity goals.

Sustainability Promotion System Diagram

On April 1, 2022, Taisei Corporation newly established the Sustainability Division (Integrated), which unifies the Company's response to sustainability issues, and appointed its Chief as Chief of Sustainability Officer (CSO) of the Group.
The Sustainability Division (Integrated) has two divisions. The Sustainability Management Promotion Division unifies strategic functions for overall sustainability, such as CSR, in addition to resolving issues for carbon neutrality.
The Clean Energy & Environment Business Promotion Division unifies functions for promoting businesses related to clean energy and the environment. We will accelerate our efforts to “acquire 100 MW of renewable energy in FY2030” and provide our clients with the latest environmental technologies.
To further clarify our stance of pursuing mutual sustainability in society and in the Group, we have renamed the CSR Committee, which was established within the Board Committees in 2004, to the Sustainability Committee. The Group will strengthen its sustainability activities from a variety of perspectives.



Achievements of the Sustainability Committee in Fiscal 2021

In fiscal 2021, Taisei Corporation held the Sustainability Committee twice a year (in June, February).
The Sustainability Committee discussed revisions to the Taisei Group's materiality and information disclosure based on the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.

Main items to be discussed

Materiality, operational status of corporate ethics and helplines, verification of effectiveness, setting of key performance indicators (KPIs), TCFD recommendations, operational status of Human Rights Due Diligence, editing policy of integrated reports, etc.

Committee members

(Octorber,2022)

Chairperson	External Member of the Board
Members	President and Chief Executive Officer, Representative Director; Executive Vice President, Representative Director, Chief of Civil Engineering Division; Executive Vice President, Representative Director, Chief of Business Administration Division; Senior Managing Executive Officer, Members of the Board; Chief of Architecture & Engineering Division (Integrated); Chief of Building Construction Division Two External Members of the Board, One External Audit & Supervisory Board Member
Observer	Senior Managing Executive Officer, Chief of Sustainability Division (Integrated) Chief of Sustainability Management Promotion Division
Secretariat	Sustainability Management Promotion Division, Sustainability Planning Department

Various Committees

We have established various committees to discuss important issues related to sustainability, such as the Environment Committee and the Personnel Committee. Matters to be deliberated on sustainability related policies, systems and mechanisms are regularly discussed and reported to the Management Committee and the Board.

Various Committees Related to Sustainability (As of April 2022)

	Chairperson	Frequency
Committee within the Board		
● Sustainability Committee	External Member of the Board	Twice a year
Special Committee		
● Compliance Committee	External experts	Once a year
Business Committees		
● Technical Committee	President	12 times a year
● Central Safety Commission	Executive Vice President	Five times a year
● Environment Committee	President	Four times a year
● Risk Management Committee	Executive Vice President	Once a year
● Central Labor Affairs Committee	Executive Vice President	Twice a year
● Digital Transformation (DX) Promotion Committee	Executive Officer, Chief of Corporate Planning Office	Four times a year
● Personal Committee*	Executive Vice President	—

* The Personnel Committee was established in April 2022

Value Provided to Key Stakeholders and Engagement methods

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Employee* / Labor Unions
"Works Remaining on the Map": A Proud life

Engagement methods

Delivery of the President's Message (monthly) / Exchange of opinions with labor unions / Engagement survey / Establishment of various consultation contacts

Shareholders / Investors
Sound financial position and increased corporate value

Engagement methods

General meeting of shareholders, Securities report, IR briefing, Website/Annual report

Clients
Construction of safe, secure and comfortable infrastructure

Engagement methods

Customer satisfaction survey, Website, Annual report, CS (Customer) Center

Business Partners*
Provision of a fair and equitable business environment and the development of capacity building

Engagement methods

Holding various training and seminars / Establish-ment of consultation contacts / Sustainable procurement questionnaire survey

Communities / NPOs / NGOs
Sustainable and abundant earth

Engagement methods

Tours of project sites and the Taisei Advanced Center of Technology / Open innovation / Natural environment conservation activities / Promotion of construction culture

*Supplemental information on "human capital:"
We consider employees as invaluable assets and refer to them as "human capital" in this Annual Report.

*Supplemental information on business partners:
"Business partners" refers to companies such as subcontractors to whom business contracted by clients is outsourced, specialized construction companies, and suppliers.

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Initiatives

Participation in Initiatives

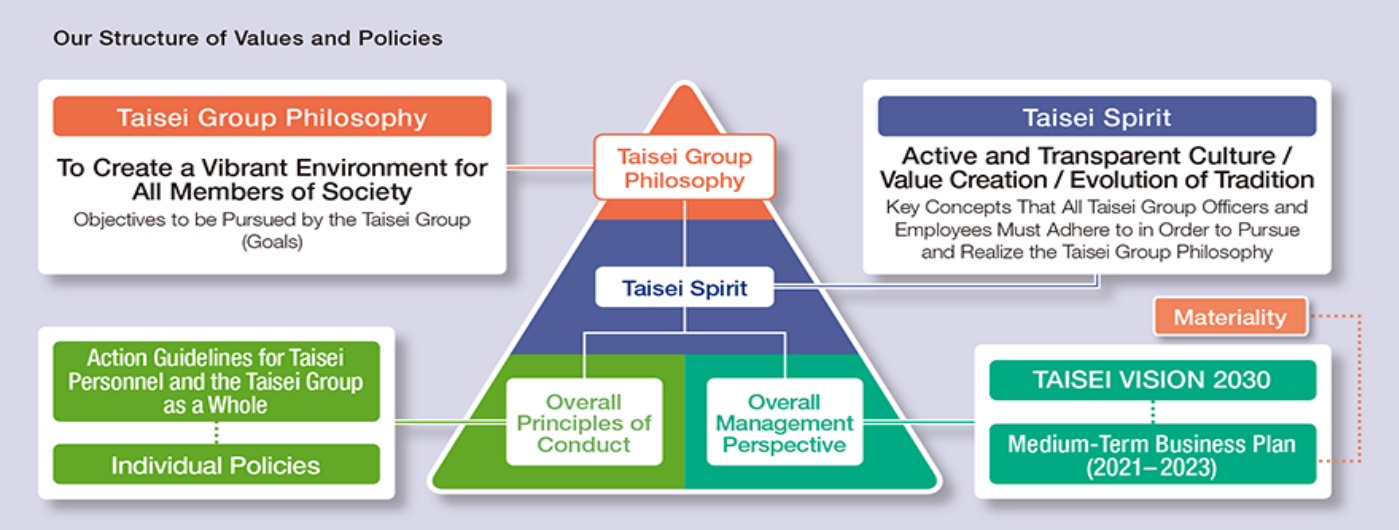
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Philosophy and Policies

Providing Sustainable Value and Our Structure of Values　　Policies

Our Structure of Values and Policies

Providing Sustainable Value and Our Structure of Values



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Raison D'etre of Taisei Corporation PDF

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Policies

ALL

TAISEI VISION 2030 Medium-Term Business Plan

- TAISEI VISION 2030 Medium-Term Business Plan(2021-2023)

Our Structure of Values and Policies

- Action Guidelines for Taisei Personnel and the Taisei Group as a Whole

Environment

- Fundamental Policy on Sustainable Development PDF
- Environmental Policy PDF
- Environmental Targets PDF
- Declaration of Taisei Corporation on Biodiversity Preservation PDF
- Sustainable Procurement Guidelines
- Green Procurement Guideline
- Biodiversity Conservation Guidelines

Social

- Fundamental Policy on Sustainable Development PDF
- Quality Policy PDF
- Safety and Health Policy PDF
- Procurement Policy PDF
- Sustainable Procurement Guidelines
- Human Rights Policy PDF
- Digital Transformation (DX) Policy*
- Technology Development Policy*

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- Human Resources Development Policy (Diversity & Inclusion Policy) PDF

* Please note that this policy is not disclosed to the public.

Governance

- Risk Management Policy PDF
- Policy on Business Continuity in Times of Disaster PDF
- Fundamental Policy to Enhance Operational Compliance Systems PDF
- Information Disclosure Policy PDF
- Policy on Intellectual Property PDF
- Policy on the Protection of Personal Information PDF
- Code of Conduct on the Use of Social Media PDF
- Fundamental Corporate Governance Policy PDF
- IR Policy PDF
- Tax Policy PDF
- Declaration of Partnership Building PDF

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Materiality and SDGs

Materiality　Overview of Sustainability-Focused Management and Medium-Term Business Plan Initiatives

Talk on the SDGs

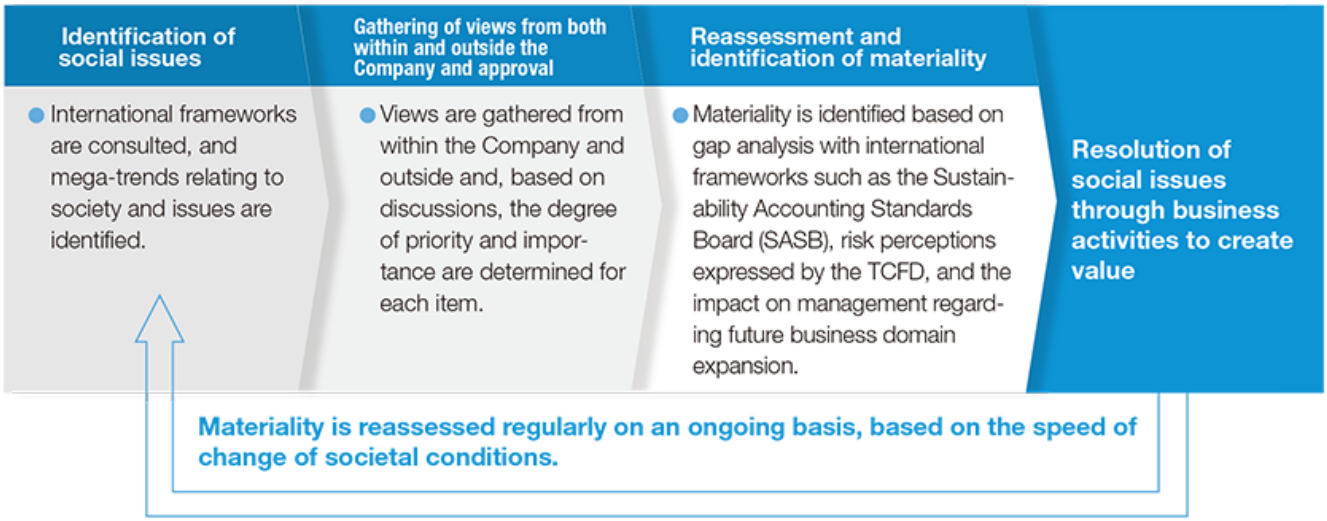
Materiality

Materiality of the Taisei Group

The Taisei Group identified eight important issues (materiality) to be addressed through deliberations by the Management Committee, the CSR Committee (currently the Sustainability Committee), and the Board. The eight material issues clearly define solutions to social issues and value creation through business, and are mutually strengthened by complementing each other. In addition, key performance indicators (KPIs) in line with materiality are established to make efforts visible.



Materiality Identification Process



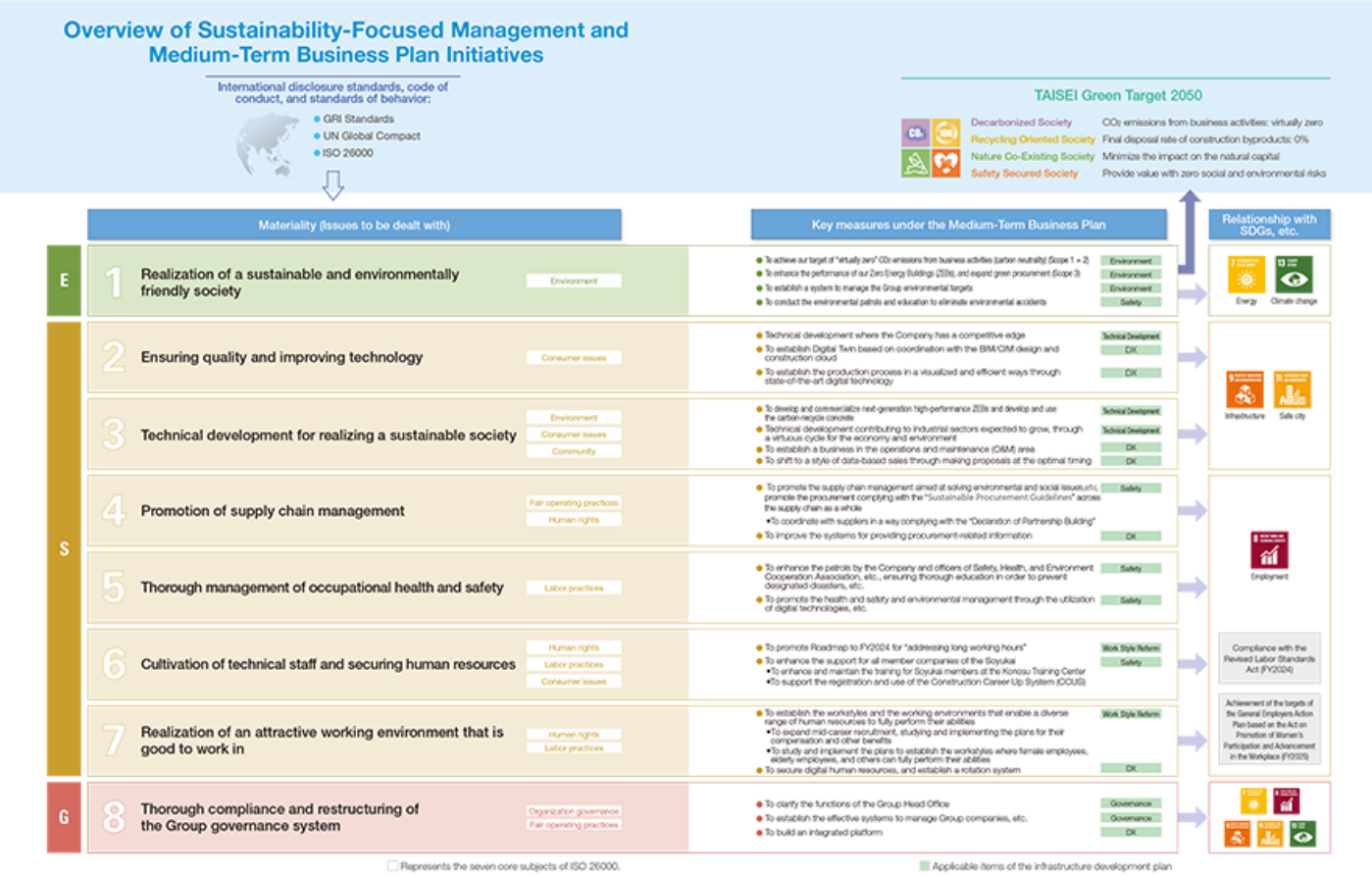
Materiality and KPIs 2021-2023 (Relationship with SDGs)

	Materiality (Related ISO 26000)	Scope of report	Key performance indicators (KPIs)		FY2021 Target	FY2021 Result	FY2023 Target	Contribution to the SDGs
E	① Realization of a sustainable and environmentally friendly society (Environment)	Taisei Group	Scope 1+2	Reduction rate of CO_2 emissions per sales*1	—	3.9%	-15%	4 5 6 7 8 9 10 11 12 13 14 15 16 17
				Reduction rate of total CO_2 emissions*1	—	-11.8%	-6%	
		Non-consolidated	At construction stage	Reduction rate of CO_2 emissions per sales*2	-38%	-30.1%	-41%	
				Reduction rate of total CO_2 emissions*2	-52%	-52.7%	-46%	
			At building operation stage	Reduction rate of design-build estimated CO_2 emissions*2	-41%	-44.6%	-43%	
S	② Ensuring quality and improving technology (Consumer issues)	Non-consolidated	Customer satisfaction (Civil Engineering)		100%	97.6%	100%	
			Customer satisfaction (Building Construction)		100%	90.0%	100%	
		Taisei Group	Productivity (Net sales/number of employees)		¥71 million	¥65 million	¥93 million	
	③ Technical development for realizing a sustainable society (Environment / Consumer issues / Community)	Non-consolidated	Number of patent applications filed		260 cases	272 cases	280 cases	
			Number of orders received for net Zero Energy Buildings (ZEBs)		5 projects/year	6 projects/year	8 projects/year	
	④ Promotion of supply chain management (Fair operating practices / Human rights)	Taisei Group	Supplier's conformity rates with the Taisei Group Sustainable Procurement Standards		—	—	100%	
	⑤ Thorough management of occupational health and safety (Labor practices)		Number of fatal accidents		0 cases	1 case	0 cases	
	⑥ Cultivation of technical staff and securing human resources (Human rights / Labor practices / Consumer issues)	Non-consolidated	Worksite registration rate of Construction Career Up System (CCUS)		100%	100%	100%	
			Health management overtime hours		—	Monthly target: 50 hours Persons who exceeded 720 overtime working hours per year: 22.6%	Monthly target: 50 hours Persons who exceeded 720 overtime working hours per year: 0%	
			Worksite implementation rate of a five-day work week (closed eight days in four weeks) (Civil Engineering)		—	49.5%	100%	
			Worksite implementation rate of a five-day work week (closed eight days in four weeks) (Building Construction)		—	28.6%	100%	
	⑦ Realization of an attractive working environment that is good to work in (Human rights / Labor practices)	Non-consolidated	Number of female managers		260 persons	270 persons	330 persons	
			Rate of taking childcare leave by males		100%	100%	100%	
G	⑧ Thorough compliance and restructuring of the Group governance system (Organization governance / Fair operating practices)	Taisei Group	Number of major information security accidents		0 cases	0 cases	0 cases	
		Non-consolidated	Attendance rate at compliance training including anti-corruption		100%	100%	100%	

*1 Compared to FY2019 (a base year for emissions targets). *2 Compared to FY1990 (a base year for emissions targets).

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Overview of Sustainability-Focused Management and Medium-Term Business Plan Initiatives



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Talk on the SDGs

DX×SDGs Talk



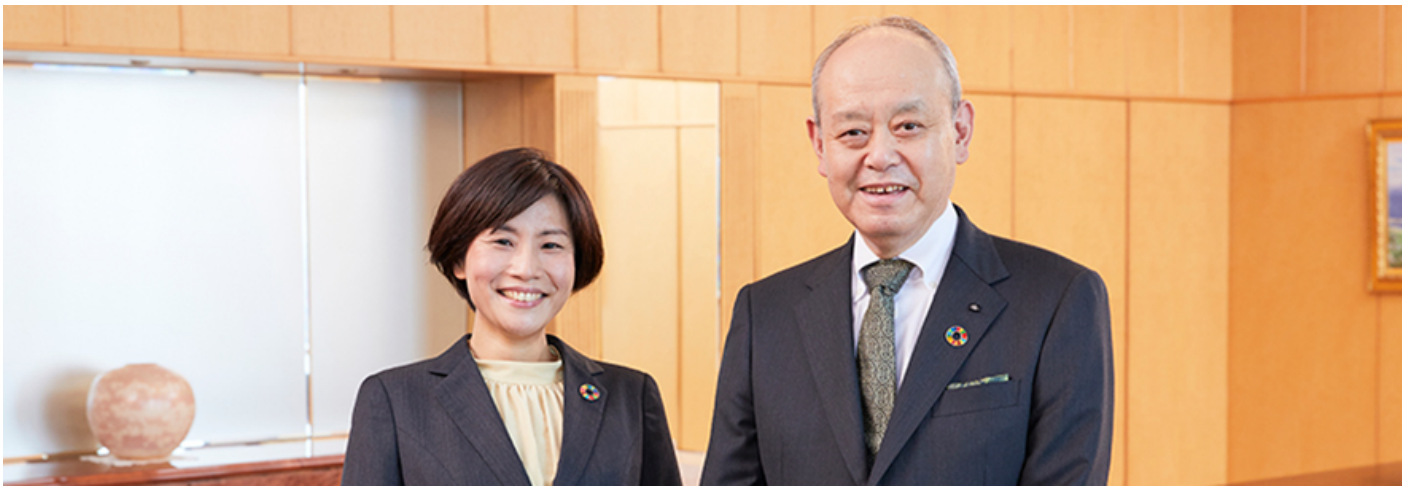
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Recognizing the era in which DX critically affects competitiveness, Taisei Corporation is working on DX throughout the company, with keeping the reforms of production systems and workstyle as well as the development of new ways of interacting with society in mind.

A talk between Mr. Michiaki TANAKA, a professor at Rikkyo University's Graduate School for Business Administration, who is known for his research on leading DX cases around the world, and Mr. Hiroki FUKASAWA, Executive Officer and Chief of Corporate Planning Office, who serves as Chief Digital Officer (CDO) and the chairperson of the “Digital Transformation (DX) Promotion Committee”, a company-wide organization, which explores digital transformation that enables the future Taisei Corporation to progress even more steadily.

Click here for detail PDF

Human Rights×SDGs Talk



How can we put the concepts, SDGs and human rights due diligence, that are essential in the future global trends at the heart of the company and embrace them in a concrete manner? This is an urgent issue for the Taisei Group.

A talk between Jiro TANIYAMA, Chief of the Sustainability Division (Integrated), who was deeply involved in the formulation of the Medium-Term Business Plan (2021-2023) and pursues initiatives for the SDGs, and Ms. Emi OMURA, a lawyer with extensive knowledge on human rights issues around the world, provides an overview of the Group's initiatives and their effectiveness, and the future vision we should aim for.

Click here for detail PDF

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The seven core subjects of ISO 26000

Organization Governance

- Organization Governance
- Thorough Compliance / Restructuring of the Group Governance System
- Risk Management

Human Rights

- Respect for Human Rights
- Human Rights Due Diligence
- Promotion of Diversity and Inclusion
- Promotion of Supply Chain Management
- Thorough Compliance / Restructuring of the Group Governance System
- For Realization of a Safety Secured Society

Labor Practices

- Realization of an Attractive Working
- Enhancing Employee Potential
- Health Management
- Thorough Management of Occupational Health and Safety
- Risk Management

Environment

- Realization of a Sustainable and Environmentally Friendly Society(TAISEI Green Target 2050)
- For Realization of a Decarbonized Society
- For Realization of a Recycling Oriented Society
- For Realization of a Nature Co-Existing Society

Fair Operating Practices

- Thorough Compliance / Restructuring of the Group Governance System
- Risk Management
- Promotion of Supply Chain Management
- Management of Information and Intellectual Property Rights

Consumer Issues

- Ensuring Quality and Improving Technology
- Cultivation of Technical Staff and Securing of Human Resources
- Technical Development for Realizing a Sustainable Society
- For Realization of a Recycling Oriented Society
- Thorough Management of Occupational Health and Safety

https://www.taisei-sx.jp/

- For Realization of a Safety Secured Society
- Water
- Information Disclosure Based on TCFD Recommendations

Community Involvement and Development

- Contribution to Local Communities
- Social and Cultural Contribution activities
- Technical Development for Realizing a Sustainable Society
- Talk on the SDGs

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TAISEI Sustainability
For a Lively World

Environment(E)

Realization of a Sustainable and Environmentally Friendly

- Realization of a Sustainable and Environmentally Friendly Society +
- For Realization of a Decarbonized Society +
- For Realization of a Recycling Oriented Society +
- For Realization of a Nature Co-Existing Society +
- For Realization of a Safety Secured Society +

Water

- Taisei Corporation Policy for Action on Water Issues +

Environmental Data

- Environmental Data +

Information Disclosure Based on TCFD Recommendations

- Information Disclosure Based on TCFD Recommendations +

Examples of Environmental Solutions

- Examples of Environmental Solutions +

Sustainability finance

- Sustainability finance +

TAISEI Sustainability
For a Lively World

Realization of a Sustainable and Environmentally Friendly Society(TAISEI Green Target 2050)

- Policies and Basic Approach
- Goals and Targets
- Sustainability Governance and Oversight
- Initiatives
- Disclosure of Information on Environmental Area
- Supply Chain (Environment)
- Data

Realization of a Sustainable and Environmentally Friendly Society

Policies and Basic Approach

Based on the Taisei Group Philosophy of “to create a vibrant environment for all members of society,” the Taisei Group has set environmental targets for 2050, TAISEI Green Target 2050, with the aim of realizing a sustainable, environmentally friendly society. In harmony with nature, the Group is working to build quality social capital through corporate activities centered on construction. We are also participating in initiatives in Japan and overseas, such as the United Nations Global Compact, the TNFD Forum, the Green Transformation (GX) League Initiative, and the 30 by 30 Alliance for Biodiversity, and are working together with a variety of stakeholders.

Environmental problems such as global climate change, depletion of natural resources, shortage of freshwater resources, loss of biodiversity, and soil and groundwater pollution are becoming increasingly serious, and long-term and drastic measures are required. Under TAISEI Green Target 2050, the Taisei Group has set forth four goals for the realization of a sustainable and environmentally friendly society: a decarbonized society, a recycling oriented society, a nature co-existing Society, and a safety secured society. The Group has set 2030 targets as milestones and is implementing a range of measures.

We will continue to be a “pioneering corporate group contributing to the development of a resilient society where people can live affluent and cultured lives” by resolving environmental and other social issues through our corporate activities.

Goals and Targets

TAISEI Green Target 2050



Refer to:

- Action Guidelines for Taisei Personnel
- Environmental Policy PDF
- Declaration of Taisei Corporation on Biodiversity Preservation PDF
- Initiatives

Environmental Targets

https://www.taisei-sx.jp/

Taisei Corporation’s Fiscal Year environmental targets are set based on the Environmental Policy and on medium- to long-term targets. Aiming to realize an environmentally friendly society, we have set out methods for implementing company-wide measures in four areas and numerical targets thereof.

Refer to:

- Environmental Targets

KPIs

We have identified " Realization of a Sustainable and Environmentally Friendly Society " as a part of Materiality (Important Tasks for the Taisei Group), and this has been established as a principal policy in the Group Medium-term Business Plan (2021-2023).

Refer to:

- Materiality and KPIs PDF

Sustainability Governance and Oversight

Environmental Management

The Taisei Group defines environmental management as corporate activities to realize the Group Philosophy and the Taisei Spirit in terms of the environment. The environmental policy, which is the basic stance of environmental management, is defined as the realization of a sustainable, environmentally friendly society, and we have set specific environmental targets and environmental actions to achieve these targets. We also promote environmental management through the plan-do-check-act (PDCA) cycle of our environmental management system (EMS), which conforms to the ISO 14001 international standard.

https://www.taisei-sx.jp/



Environmental Management System (EMS)

We operate an environmental management system (EMS) conforming to the international standard ISO 14001 at our head office and all of our domestic and overseas branches (100% certification rate). The top management of EMS is the Environment Committee, the President, and the Chief of the Sustainability Management Promotion Division.
Under top management, EMS secretariats in each division and branch office and environmental officers in each division promote and monitor environmental activities and implement a series of PDCA (Plan-Do-Check-Act) to be reflected in the Environmental Targets for the next fiscal year.

ISO14001 certification Scope:

The head office and all 13 branch offices
(certified rate: 100%)

Certification registered in 1998


English Translation

Certificate of Registration


English Translation

Appendix to
Certificate of Registration

Sustainability Committee (a Committee within the Board)

We have established the Sustainability Committee to discuss and promote essential policies and measures concerning sustainability in general. It deliberates on important matters for environmental management that lead to the Environmental Policy, Environmental Targets, and external evaluations that are presented by the Management Committee, before submitting them to the Board.

Environment Committee (Operations Committee)

We have established the Environment Committee to promote environmental management and deliberate on important initiatives that lead to the Environmental Policy, Environmental Targets, and external evaluations, and present reports and advice to the Management Committee.
The Environmental Committee has established subcommittees to respond to various environmental management issues. It promotes the handling of the matters in a way that transcends the boundaries of departments and Group companies with the subcommittee at the construction stage to promote CO_2 reduction in worksites, the subcommittee at building operation stage to promote decarbonization technologies and services, the subcommittee to promote the introduction of renewable energy power supply, the subcommittee to promote the development of CO_2 data aggregation and the Taisei Group Environmental Management Committee to establish Group targets and manage progress.
The Operations Committees including the Central Safety Committee and the Technology Committee are also working to resolve various environmental management issues.

TSA：TAISEI Sustainable Action®, Environmental Impact Reduction Activities Conducted by All Employees of the Taisei Group

In addition to the T-Carbon Watch, we have also developed the T-Carbon E-Site, a system for aggregation and analysis of energy usage at construction sites, and as of January 2022 we have begun introducing it in sequence at approximately 60 energy-intensive construction sites. In this system, units to transfer energy use data are installed in the power receiving facilities, etc. at each construction site, and power usage is measured every 30 minutes (the energy use metric generally used in power contracts) and transmitted in real time to a dedicated cloud server for aggregation.

* TAISEI Sustainable Action (TSA)

Company-wide activities to reduce environmental impact including fuel-efficient driving of heavy machinery and vehicles, use of hybrid heavy machinery and renewable energy, development of a wellness conscious greening environment, paperless meetings, and use of LEDs for temporary lighting.

https://www.taisei-sx.jp/

*CO_2Zero Action

An initiative to reduce environmental impact undertaken by all worksites. There are seven actions, including eco-driving of heavy machinery and vehicles, inspection and maintenance, and controlling the temperature setting of air conditioners.

Initiatives

TCFD, SBT, CDP

Taisei Corporation strives to improve its environmental performance by steadily carrying out activities based on its Environmental Policy, and by actively disclosing information through the Company's Sustainability website, the integrated report, and other means. We strive to increase the trust of our stakeholders, and deliver value to them and create sustainable business opportunities.
In July 2020, the Company agreed with TCFD (Task Force on Climate-Related Financial Disclosures) and decided to actively disclose information on the impact of climate change on its business activities. We also participate in environment-related initiatives such as the Science Based Target (SBT)
In addition, since 2006 Taisei has participated in the Carbon Disclosure Project (CDP), an NGO with an enormous database of environmental information on climate change measures, water, forests and so on. Beginning in FY 2022, Taisei has also provided responses to CDP Water and CDP Forests questionnaires.

United Nations Global Compact (GC), SDGs

At the same time, it is actively participating in various subcommittees sponsored by the Global Compact Network Japan (GCNJ), such as the Subcommittee on Supply chain and the Subcommittee on Human Rights Due Diligence (HRDD), the Subcommittee on Circular Economy.
Taisei also strives to promote awareness of SDGs within the company and reflect them in medium-term business plans, in order to ensure an awareness of the need to contribute to the achievement of the SDGs in the pursuit of construction activities.

Keidanren (Japan Business Federation)　/Nikkenren (Japan Federation of Construction Contractors)

As a member of Keidanren, we respect the content of its Charter of Corporate Behavior and carry out activities toward the “realization of a sustainable society,” which Keidanren aims to achieve. We also participate in the Committee on Environment and Safety, Keidanren Biodiversity Declaration Initiative, the “Challenge Zero” initiative, Global Warming

Countermeasure Subcommittee, and Environment Management Subcommittee, which are tackling global warming countermeasures and the formation of a recycling-based society.
We are also on the Nikkenren's taskforce for Voluntary Action Plan on the Environment in Construction Industry, and on its Construction Byproduct Taskforce and Civil Engineering Byproduct Taskforce which contribute to the effective use of resources. In this way, we share information and engage in collaborative initiatives with other companies, thereby contributing to the environmental activities of the construction industry as a whole. In 2014, Nikkenren set construction industry CO2 reduction targets for 2030 and joined Keidanren's Phase II of the Commitment to a Low Carbon Society.
In May 2021, the Voluntary Action Plan on the Environment for the Construction Industry was revised to establish targets that include reducing Scope 1 and 2 emissions at the construction stage to effectively zero by 2050. As a member company, Taisei strives to achieve the targets established by the Japan Federation of Construction Contractors.

Taisei Corporation's Eco-First Commitment

The Eco-First Program is an initiative launched by the Ministry of the Environment that certifies companies with leading environmental practices. Taisei Corporation has been certified as an "Eco First Company" based on the Eco First Commitment made with the Minister of the Environment in May 2012. The commitment has been renewed thereafter and initiatives have been pursued toward its achievement.

Eco-First PDF

Others

Taisei is also a participant in the TNFD Forum of the Taskforce on Nature-related Financial Disclosures, the GX League Basic Concept, and the "30 by 30 Alliance for Biodiversity" and other initiatives both at home and abroad, working with a diverse array of stakeholders.

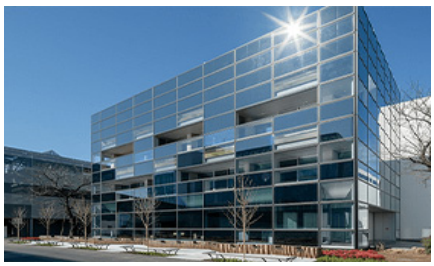
Refer to:

- Initiatives

Disclosure of Information on Environmental Area

https://www.taisei-sx.jp/

Taisei Corporation strives to improve its environmental performance by steadily carrying out activities based on its Environmental Policy, and by actively disclosing information through the Company's Sustainability website, the integrated report, and other means.
We strive to increase the trust of our stakeholders, and deliver value to them and create sustainable business opportunities.
For more information on the various initiatives, please refer to the following websites

Taisei Zero Carbon Buildings (ZCB) and Zero Energy Buildings (ZEB)

Information Disclosure Based on TCFD

Refer to:

- For Realization of a Decarbonized Society
- For Realization of a Recycling Oriented Society
- For Realization of a Nature Co-Existing Society
- For Realization of a Safety Secured Society
- Water

Supply Chain (Environment)

Policies and Basic Approach

The Taisei Group has established "Promoting partnerships with subcontractors and suppliers" in its Group Action Guidelines. This entails clarifying mutual roles and responsibilities with subcontractors and suppliers, establishing relationships that are fair and achieve mutual trust, and selecting subcontractors and suppliers in a rational manner through a comprehensive assessment of price, technical capabilities, financing capacity, social credibility as a company, consideration for the environment and other factors.

Taisei works to promote Zero Energy Buildings (ZEB) and provide other decarbonation technologies and services to customers. In addition, we share policies with affiliates and work with them to reduce CO2 emissions at construction workplaces, as part of our practical initiatives aimed at decarbonizing the entire value chain. Since 2001, we have established and employed Taisei Green Procurement Guidelines for the use and promotion of environmentally friendly construction materials and techniques in the design, construction, use and decommissioning of structures. The content to be observed by suppliers is provided in the form of Taisei Group Sustainability Guidelines (Formulated in 2014, Revised in 2022).
Prior to the start of construction, all specialist construction companies sign a contract relating to Taisei's environmental policy, the prevention of environmental accidents, and environmental preservation activities, and they work together with Taisei toward the achievement of the Taisei Green Target 2050.

Refer to:

- Action Guidelines for Taisei Personnel
- Environmental Policy PDF
- Taisei Group Sustainable Procurement Guidelines
- Promotion of Supply Chain Management

Existing suppliers to identify those that are high risk

We summarized the activities that we want our business partners (suppliers) to promote in the form of Taisei Group Sustainable Procurement Guidelines (established in 2014), and asked them to conduct sustainability activities based on these Guidelines. Since 2016, we have been conducting regular questionnaire surveys for suppliers on compliance with our Taisei Group Sustainable Procurement guidelines.
In fiscal 2020, number of Supplier Surveyed was 1,166 construction companies. And we visited a total of 12 companies to check the status of their efforts and to discuss future improvements with them about action taken to manage the environmental impact.
In FY 2022, Taisei began conducting an annual monitoring survey for suppliers regarding the status of efforts to resolve sustainability issues (such as environmental issues relating to decarbonization, water, forests and so on) in order to identify high-risk activities, and exchanges of views are held as needed in order to effect improvements. Taisei is also considering introducing environmental due diligence to further intensify its efforts to prevent and mitigate environmental risks.
These measures will ensure thorough environmental risk prevention and mitigation at the Taisei Group.

Refer to:

- Promotion of Supply Chain Management

Data

Supply Chain CO_2 Emissions(Scope3)

Category	Unit	FY2020 (Domestic and overseas consolidated)	FY2021 (Domestic and overseas consolidated)	Remarks
1. Purchased goods and services	1,000t-CO_2	1,347	1,283	
2. Capital goods		4	0	
3. Fuel-and-energy-related activities		32	33	
4. Upstream transportation and distribution		9	8	
5. Waste generated in operations		179	209	
6. Business travel		1	1	
7. Employee commuting		5	5	
8. Upstream leased assets		1	0	
9. Downstream transportation and distribution		-	-	Not applicable for calculation.
10. Processing of sold products		-	-	Not applicable for calculation.
11. Use of sold products		3,371	2,284	
12. End of life treatment of sold products		40	51	
13. Downstream leased assets		5	5	
14. Franchises		-	-	Not applicable for calculation.

Category	FY2020 (Domestic and overseas consolidated)	FY2021 (Domestic and overseas consolidated)	Remarks
15. Investments	-	-	
Scope 3 Total	4,491	3,878	

Environmental Data

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TAISEI Sustainability
For a Lively World

For Realization of a Decarbonized Society

Policies and Basic Approach TCFD Goals and Targets Initiatives Achievements Data

For Realization of a Decarbonized Society

Policies and Basic Approach

As part of its long-term environmental target, TAISEI Green Target 2050, the Taisei Group has set a 2050 target of “virtually zero CO_2 emissions from business activities” and aims to realize a decarbonized society by widely contributing to the reduction of CO_2 emissions through transition technologies and initiatives for decarbonization. As a milestone, we have set the Group environmental targets for fiscal 2030 to reduce CO_2 emissions per unit of sales by 50% from fiscal 2019 levels in business activities (Scope 1+2), 32% in business activities-related CO_2 (Scope 3), 40% in business activities-related CO_2 (Scope 1+2), and 20% in business activities-related CO_2 (Scope 3), with the aim of realizing a sustainable, environmentally friendly society.

To achieve these targets, Scope 1+2 is working with suppliers to reduce the environmental impact by means of TAISEI Sustainable ActionR (TSA). In addition to measures at construction sites such as recommending the use of highly energy-efficient heavy machinery and vehicles, net zero energy building (ZEB) is being implemented at temporary worksite offices. The Group is also promoting the possession of renewable energy sources to meet its electricity consumption. Scope 3 includes the development and promotion of low-carbon building materials and the promotion of new construction ZEBs and green renewal ZEBs.

To realize a decarbonized society, the Taisei Group is working to reduce CO_2 emissions throughout the life cycle of buildings, including the planning and design stages, the construction stage, and the operation stage of buildings completed and delivered to customers.

Risks and Opportunities

https://www.taisei-sx.jp/

The Taisei Group analyzes risks and opportunities related to risk management and compliance with climate change in detail through the disclosure of information recommended by the Task Force on Climate-related Financial Disclosures (TCFD).

Information Disclosure Based on TCFD Recommendations

Policy / Commitment

- Action Guidelines for Taisei: Promoting environmental conservation and creation
- Environmental Policy
- Environmental Targets
- TAISEI Green Target 2050: Realization of a decarbonized society
- Promise of Eco-First
- Taisei Group Sustainable Procurement Guidelines
- Taisei Group Green Procurement Guideline
- Green Procurement Standard Guideline
- Medium-Term Business Plan (2021–2023): To target the front-runner status in the environmental sector, accelerating our initiatives toward carbon neutrality

Refer to

▸ Action Guidelines for Taisei ▸ Environmental Policy PDF ▸ Medium-Term Business Plan

Goals and Targets

TAISEI Green Target 2050

2050 Targets: CO_2 emissions from business activities Aim for virtually 0

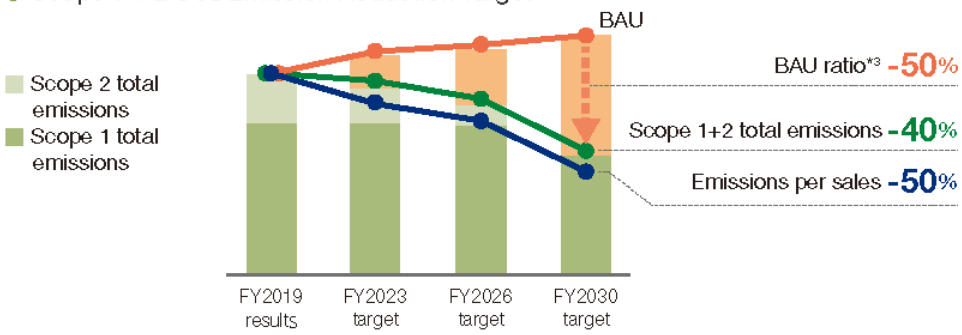
TAISEI Green Target 2050

Milestone

● 2030 Group Environmental Targets

Compared to fiscal 2019	Emissions per sales	Total amount of emissions
Scope 1 + 2*1 CO_2 Emissions from business activities	-50%	-40%
Scope 3*2 CO_2 Emissions from business activities	-32%	-20%

● Scope 1 + 2 CO_2 Emission Reduction Target



*1 Scope 1 + 2: Direct emissions from fuel combustion, etc., and indirect emissions from the use of electricity, heat, etc.
*2 Scope 3: Indirect emissions other than Scope 1 and 2 (emissions from other companies related to our business activities)
*3 BAU ratio: Comparison between estimated amount of CO_2 emissions (BAU) with and without additional reduction measures

KPIs

https://www.taisei-sx.jp/

KPIs

- Scope 1 + 2 CO_2 emission reduction rate per sales

Group targets (FY2023) -15% (Compared to FY2019)

- Scope 1 + 2: Reduction rate of total CO_2 emission

Group targets (FY2023) -6% (Compared to FY2019)

- At construction stage: Reduction rate of CO_2 emission per sales

Non-consolidated targets (FY2023) -41% (Compared to FY1990)

- At construction stage: Reduction rate of total CO_2 emission

Non-consolidated targets (FY2023) -46% (Compared to FY1990)

- At building operation stage: Reduction rate of design-build estimated CO_2 emissions

Non-consolidated targets (FY2023) -43% (Compared to FY1990)



Towards the realization of a sustainable society

Refer to:

▸ Materiality and KPIs PDF

Environmental Targets

Environmental Targets

Initiatives

- TCFD
- SBT
- CDP (Climate Change)

https://www.taisei-sx.jp/

- GX League Basic Concept (Ministry of Economy, Trade and Industry)
- United Nations Global Compact “Environment”
- Challenge Zero (Japan Business Federation)
- Voluntary Environmental Action Plan for the Construction Industry (Japan Federation of Construction Industry)

Refer to:

▸ Initiatives Environmental

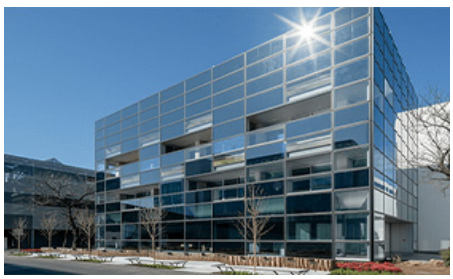
Achievements

Taisei Zero Carbon Buildings (ZCB) and Zero Energy Buildings (ZEB)

The Taisei Group proposes solutions to environmental issues from a variety of perspectives, using various technical capabilities. We work with customers to build a sustainable environmentally conscious society that embodies the hopes and dreams of future generations.



Artist's depiction of Zero Carbon Building



ZEB Demonstration Building within Taisei Technology Center

T-ZCB (Zero Carbon Building)

To promote the construction of Zero Carbon Buildings that achieve net zero CO_2 emissions during the life cycle of the structure, Taisei first visualized the CO_2 emissions throughout the building's life cycle and the effectiveness of CO_2 reduction technologies at the initial planning stage, and then constructed a T-ZCB (Zero Carbon Building) as a system that systematically evaluates the decarbonization of the structure.

To achieve a carbon neutral society by 2050, determining and reducing the CO_2 emissions produced during a building's life cycle (see Fig. 1) is absolutely imperative, not only for designers and construction entities but for the customers who will own and operate the building. The T-ZCB system visualizes and assesses the CO_2 emissions produced during the building's life cycle and the effect of reductions in each phase of the building's life (procurement, construction, operation, repair and demolition). The major technologies that contribute to reducing CO_2 emissions are combined and coordinated with Taisei's ZEB construction technologies to plan building construction in a staged manner and achieve the Zero Carbon Building.



Fig. 1 CO_2 emissions throughout the life cycle of the building
(circle size indicates degree of CO_2 emissions in that phase)

Green Renewal ZEB

Taisei Corporation calls the promotion of the conversion of existing buildings into Zero Energy Buildings “Green Renewal.” We are implementing initiatives to improve the health of people, buildings, and the planet.

Net Zero Energy Factory (ZEF)

Taisei Corporation defined Net Zero Energy Factory (ZEF) as a production facility aiming to reduce its required annual primary energy balance to zero with energy conservation and generation. For ZEF, we adequately evaluate the energy* consumed in the factory, including air conditioning, ventilation, lighting, hot water supply, and elevators in production areas of the plant, which had not been included in the ZEB assessment. By calling it “Green ZEF®,” we will promote the promotion of the application of ZEF as well as the expansion of decarbonizing activities.

The Urban ZEB

Taisei has defined an urban-style Zero Energy Building (ZEB) as a building with a stand-alone annual energy balance of zero, even when constructed on a narrow site in an urban location and regardless of access to sunlight. In 2014, the company constructed a ZEB Demonstration Building on the grounds of the Taisei Technology Center in Yokohama. Subsequently, the building was renovated to create a next-generation work environment that incorporates further improvements to energy performance for economic considerations and office evolution in keeping with the era of health management. New technologies as well as AI and the Internet of Things (IoT) were also employed, resulting in the building's rebirth as a "laboratory of people and space" that can verify ZEB and wellness functions simultaneously.

https://www.taisei-sx.jp/

Refer to:

- T- Green® Multi Solar (Various Technologies Supporting ZEB)

Recycling CO_2 as a Resource Development of Environmentally Friendly Concrete

Taisei Corporation has developed “T-eConcrete®/Carbon-Recycle,” a carbon-recycle concrete that can make the balance of CO_2 emissions negative. We utilize calcium carbonate produced by having CO_2 recovered from factory exhaust gas, etc. react with calcium components. We fix CO_2 inside concrete by solidifying calcium carbonate with a binder mainly composed of blast furnace slag, which is an industrial by-product. By doing so, we have been able to improve issues such as the corrosion of reinforcing rods in concrete and decrease in strength, which had been problems that arose when CO_2 was directly taken into concrete. As a result, it has become possible to take in a large amount of CO_2 and make the CO_2 balance of concrete negative.

Building Made of Wood with CO_2 Fixation Effect

The promotion of the utilization of wood contributes to control of global warming due to its carbon fixation property, and spaces made of wood are effective to keep the mind and body healthy.
Taisei Corporation has a track record that contributed to the creation of new wooden architectural traditions through the succession of innovations working on both traditional and modern buildings.

Refer to

- TOPIC Examples of Environmental Solutions PDF

TSA：TAISEI Sustainable Action®, Environmental Impact Reduction Activities Conducted by All Employees of the Taisei Group

The Taisei Group is implementing TAISEI Sustainable Action® (TSA), an environmental impact-reduction initiative in which all employees participate. In addition to the CO_2 Zero Action*, which is our basic initiative that has been conducted at our worksites since 2011, we have created the TSA Action List in which effective technologies and activities for environmental

impact reduction are presented in 2018. In 2020, we adopted the TSA Points System to visualize and quantitatively evaluate the impact of the initiatives and bring about a change in employees' awareness and behavior. In addition, TSA News is distributed quarterly to all executives and employees to promote TSA and expand specific activities horizontally.

Key TSA Focus Items

	Fiscal 2023 target
Introduction of eco-friendly vehicles at worksites	100%
Introduction of energy-saving temporary offices	70% or more
Adoption of LED lighting	100%
Electrification of high-altitude work vehicles and forklifts	90% or more
Implementation of energy-saving operation training for construction machinery	100%
Adoption of TSA Point System at worksites	100%
Dissemination and implementation of education	100%
Introduction of T-CARBON Watch	All worksites

*CO_2 Zero Action

An initiative to reduce environmental impact undertaken by all worksites. There are seven actions, including eco-driving of heavy machinery and vehicles, inspection and maintenance, and controlling the temperature setting of air conditioners.

Measures towards Reduction

CO_2 Emissions from Business Activities (Scope 1 + 2)

Scope 1 is mainly the emissions from fuel use for heavy machinery used at construction worksites and fuel consumption at asphalt composite materials plants and PC factories that manufacture precast concrete. Scope 2 is the electricity and heat used at Head Office, branches, sales offices, plants and worksites. For the reduction of Scope 1 emissions, the Taisei Group is working on the conversion to hybrid and electric heavy machinery and the utilization of alternative fuels. To cut Scope 2 emissions, besides holding renewable energy sources, we are conducting the conversion of branch offices and precast concrete plants into ZEB.

CO_2 Related to Business Activities (Scope 3)

Scope 3 is mainly CO_2 emitted until materials such as steel and ready-mixed concrete used in construction are produced and CO_2 released during the use of buildings after delivery. The Taisei Group is promoting the selection of materials with low CO_2 impact (green procurement) to reduce Scope 3 CO_2 emissions. In addition, we are actively conducting the development and dissemination of technology for environmentally friendly concrete, T-*e*Concrete®, which significantly reduces CO_2

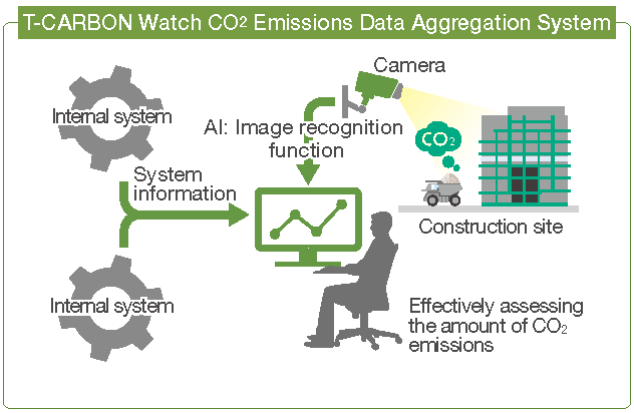
emissions, and wooden construction using wood that stores CO_2. Moreover, to reduce CO_2 emissions from buildings after delivery, we are working on the advancement and popularization of ZEBs as a leader of ZEBs, and also working on the Green Renewal ZEB project, which renovates existing buildings to convert them into ZEBs.

TOPIC Examples of Environmental Solutions PDF

System Development to Promote Reduction

T-CARBON Watch / T-CARBON E-Site

We are promoting the development and operation of the T-CARBON Watch, which efficiently collects, consolidates, and visualizes Scope 1 and 2 at worksites utilizing cameras and AI image recognition functions installed at construction sites, external system information such as electricity consumption, electronic manifests, and in-house system information such as fuel purchases.



T-LCA Simulator CO_2

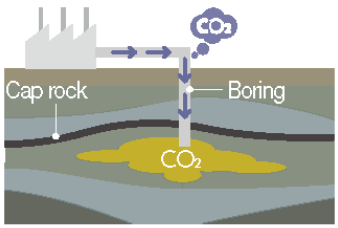
We have developed and are using the T-LCA Simulator CO_2, a tool for evaluating CO_2 emissions throughout the life cycle of buildings by visualizing CO_2 emissions and reduction effects through the phases of procurement, construction, operation, repair, and demolition of building at the initial stage of planning.

Efforts Related to Advanced Technologies to Achieve Decarbonization

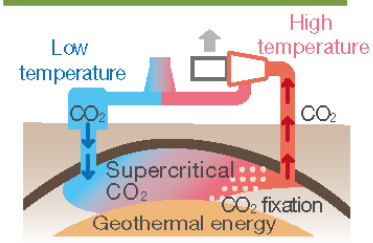
Aiming to achieve carbon neutrality in 2050, we are participating in the development and verification projects of advanced technologies that are expected to be put to practical use.

https://www.taisei-sx.jp/

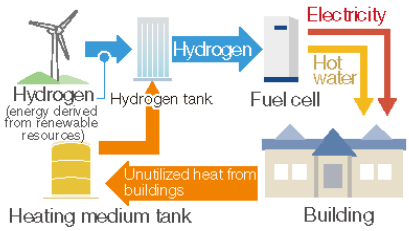
CCS (CO_2 collection and storage technology)



Carbon-recycle CO2 geothermal power generation technology



Utilization of hydrogen



Data

Environmental Data

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TAISEI Sustainability
For a Lively World

For Realization of a Recycling Oriented Society

Policies and Basic Approach Goals and Targets Initiatives Achievements Data

For Realization of a Recycling Oriented Society

Policies and Basic Approach

As part of its long-term environmental target TAISEI Green Target 2050, the Taisei Group has set a 2050 target of 0% for the final disposal rate of construction byproducts, and has set a fiscal 2030 target of 3.0% or less for the final disposal rate of construction byproducts as a milestone toward achieving the target.
We are working to sort, recover and recycle resources based on the “Construction Byproduct Treatment Manual.” At the design stage, Taisei endeavors to use recycled materials and promotes the purchase of construction materials and use of construction methods that reduce environmental load at the design, construction, operation and demolition stage for buildings and other structures, based on the Taisei Green Procurement Guidelines.

Risks and Opportunities

As the transition to a recycling-oriented society becomes an important issue internationally, there is a requirement for sustainable procurement through the supply chain, such as resource conservation, the use of recyclable and reusable materials, and measures against the pollution of the natural environment caused by waste such as plastics. Inadequate efforts to create a recycling-oriented society may result in damage to the Company’s corporate value. The Taisei Group is committed to the effective use and recycling of resources at its worksites, including the proper separation and management of construction byproducts and the development of a recycling system. At the design stage, in accordance with the Taisei Green Procurement Guidelines*, we are promoting the use of materials and equipment with low environmental impact, such as materials and equipment that generate less construction waste during construction and demolition, materials and equipment that use a large amount of recycled materials, and materials and equipment that are suitable for recycling after

demolition. The Taisei Group will contribute to the realization of a recycling-oriented society by reducing construction byproducts and adding new value to promote the efficient and recyclable use of resources.

Policy / Commitment

- Action Guidelines for Taisei: Promoting environmental conservation and creation
- Environmental Policy
- Environmental Targets
- TAISEI Green Target 2050: Realization of a recycling oriented society
- Promise of Eco-First
- Taisei Group Sustainable Procurement Guidelines
- Construction byproduct processing manual
- Taisei Group Green Procurement Guideline
- Green Procurement Standard Guideline

Refer to:

▸ Action Guidelines for Taisei ▸ Environmental Policy PDF

Goals and Targets

TAISEI Green Target 2050

2050Targets: Aim for final disposal rate of construction by products of 0%

TAISEI Green Target 2050

Milestone

2030 Targets: Promotion of green procurement, reduction of final disposal rate of construction waste to 3.0% or less

Environmental Targets

Environmental Targets

Initiatives

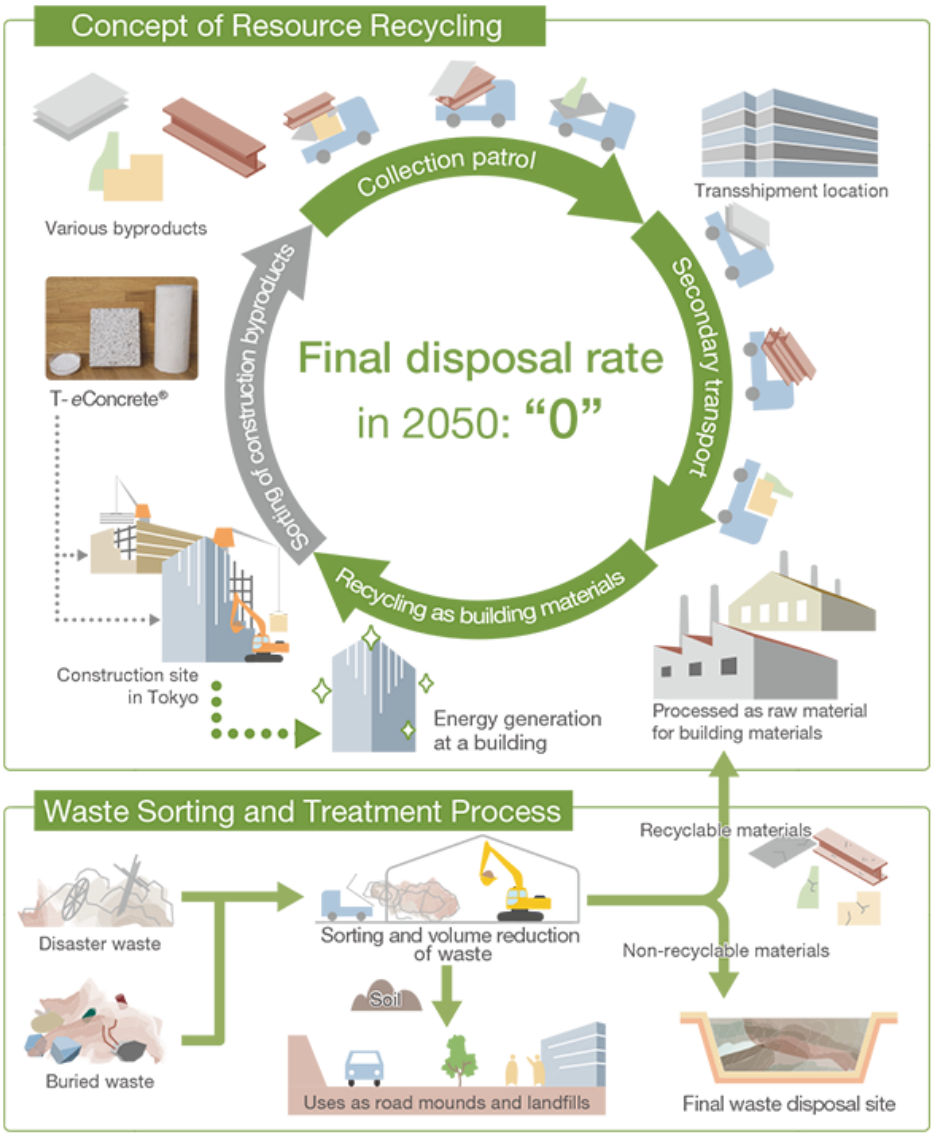
- United Nations Global Compact “Environment”
- Plastic Smart (Ministry of the Environment)
- Water project (Ministry of the Environment)
- Japan Partnership for Circular Economy: J4CE (Ministry of the Environment, Ministry of Economy, Japan Business Federation)
- CDP (Water Security)

Refer to:

▸ Initiatives Environmental

Achievements

https://www.taisei-sx.jp/



Initiatives for the Effective Use of Resources

Promotion of Resource Recycling of Building Materials through Collection Patrol Systems

- We operate a "collection patrol system" for many types of construction edge materials and valuables, including waste plastics at our construction sites in Tokyo, and contribute to the recycling of construction resources.
- We are working to recycle soil from construction sites within and across worksites.

T-eConcrete® That Utilizes Industrial Byproducts

- T-eConcrete® is environmentally friendly concrete that utilizes industrial by-products, such as blast furnace slag (a by-product of steelmaking) and fly ash (a by-product of coal-fired power plants) as cement substitutes.
- It is used as a construction material for tunnel segments and natural stone-like building materials (stone-like building materials used as secondary products of T-razzo zero cement type).

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Recycling of Water Resources

- Appropriate management of construction wastewater is one of the key management items at our worksites. At all our worksites, we check the wastewater standards stipulated by local ordinances and regulations, and strictly observe them.
- At work sites equipped with storage tanks for rainwater and spring water, and sedimentation ponds, stored water is used for sprinkling to prevent dust, and other efforts are made to recycle water resources.
- Taisei Corporation participates in the Water Project, a public-private initiative which promotes initiatives aimed at achieving sound water cycles and water environment preservation. We share information with other companies on water risks initiatives, and considers how to pursue such initiatives internally.

Refer to:

▸ Water

Activities to Reduce Environmental Impact from Waste

Recycled Use of Waste Plastics

- Construction materials, packaging materials, and other waste plastics are sorted thoroughly and properly recycled by specialized disposal companies. In addition, we are implementing measures to utilize waste plastic by combining it with waste wood products and creating artificial recycled wood products.
- Taisei Corporation supports the Plastics Smart Campaign by the Ministry of the Environment.



*Plastics Smart

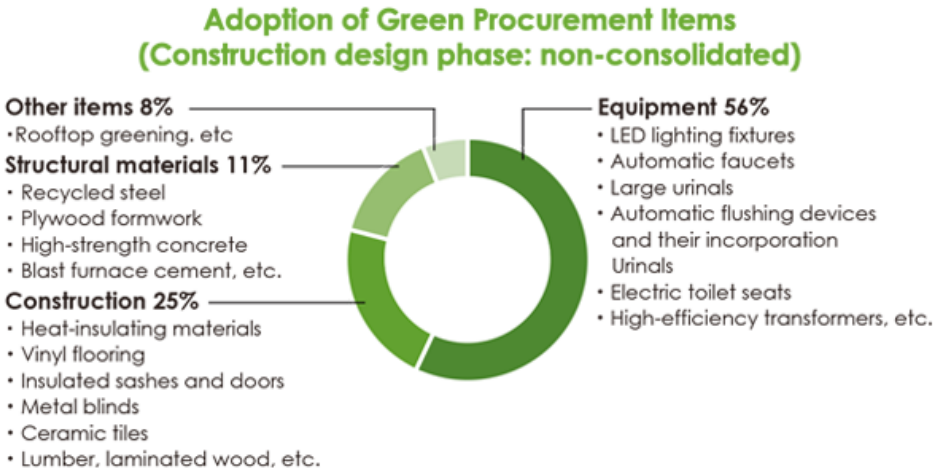
A campaign by the Ministry of the Environment to promote “a smart way of dealing with plastic” nationwide, including thorough elimination of littering and illegal dumping, and thorough reduction of single-use plastic and sorting and collection.

Utilizing the Green Procurement Guideline in Cooperation with Suppliers

In 2001, Taisei Corporation established and put into effect the Taisei Corporation Green Procurement Guideline to promote the use of materials, equipment and building methods that have small environmental impact during the design, construction,

operation and demolition of structures. We also conduct target management on green procurement items, and the number of items adopted in fiscal 2020 was 11.7 items.

By referring to and reflecting the content of the Green Purchase Law (Act on Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities), we review the subject items every year. In fiscal 2020, 94 items were included in the guideline. Company-wide application of the guideline means we can not only recycle resources but also save energy, reduce CO_2 emissions, save resources, avoid use of toxic substances and preserve the natural environment.



Green Procurement Guidelines（excerpt）

A set of guidelines on what the Company and its suppliers should do together. They can be summarized about selection of Green Procurement as

1. Low life-cycle CO_2: ($LCCO_2$): Lifetime CO_2 emissions during the entire period of use, from construction to disposal
2. Energy and resource conservation
3. Low amount of construction waste generated during construction and demolition
4. Consideration of the use of recycled materials and recycling
5. Freedom from harmful substances
6. Consideration of biodiversity and local environment

*$LCCO_2$ ： Lifetime CO_2 emissions during the entire period of use, from construction to disposal

In addition, We have Green Purchasing Standard Guidelines. Guidelines that define important aspects of reducing the environmental impact when purchasing office supplies, equipment, office automation (OA) equipment, etc., or receiving services for use in offices.

TOPIC "Patrol Collection System" promoting the use of the Wide Area Certification System to achieve cyclical use of construction materials

The government's Wide Area Certification System is a method of recycling non-burnable construction waste that is difficult to recycle. In this system, manufacturers of building materials recycle the waste from their own products as raw material for products.



Taisei has deployed the "Patrol Collection System," a recycling activity that promotes the use of the Wide Area Certification System.
In this system, wastes from many products including plastic waste from Taisei worksites in Tokyo are collected, and the waste is carefully sorted at worksites and thorough quantity management is conducted. This system enables total logistics management (collection, reshipment and delivery control) using third party logistics (3PL) and achieves efficient coordinated transport among multiple worksites and multiple receiving factories.
This unique Taisei-developed total logistics system has resolved the problem of increased transport costs caused by the long-distance transport of small quantities of construction wastes, which had become a problem in the use of the Wide Area Certification System at construction sites, and has helped to promote the use of the Wide Area Certification System.
Moreover, this initiative - a construction resources recycling activity by the Network Alliance Corporation, a consolidated subsidiary handling logistics operations together with Taisei - was awarded the Ministry of Economy, Trade and Industry Environment Bureau Director's Award at the FY 2020 Resource Recycling Technology / System Awards.

Data

Environmental Data

TAISEI Sustainability
For a Lively World

For Realization of a Nature Co-Existing Society

Policies and Basic Approach Goals and Targets Initiatives Achievements Data

For Realization of a Nature Co-Existing Society

Policies and Basic Approach

In its Green Target 2050, Taisei's long-term environmental target, the Taisei Group has committed to "Minimizing impact on natural capital" and the achievement a "Nature Positive" policy. To achieve these targets, we will use our unique environmental DNA analysis technology and the Concierge series of biodiversity assessment tools to make proposals and implement construction that takes biodiversity into consideration.
At the construction planning stage, risks to the natural environment and biodiversity are identified, and related departments such as the design department, the construction department of Building Construction Division and Civil Engineering Division, and the Taisei Advanced Center of Technology work together to minimize the impact on the natural environment and biodiversity by using the various technologies they possess. Furthermore, we are actively working to preserve good natural environments and create green infrastructure based on diverse technologies and abundant experience in connection with the natural environment. Promoting the introduction of green infrastructure by preserving and building natural environments that are suited to the region, creating nature in urban environments, restoring undersea and underwater environments and so on will make it possible to plan and build natural environments that take biodiversity into account by 2030, which will achieve a nature positive environment in which biodiversity is a plus.

Risks and Opportunities

There are concerns that construction work will have a significant impact on the natural environment and biodiversity. For this reason, we provide customers with solutions that consider the natural environment and biodiversity and create a rich

environment throughout the planning, design, construction and post-completion building operation stages. At the planning and design stages, we respond appropriately to environmental laws and regulations, create added value related to the conservation of the natural environment and biodiversity; at the construction stage, we work in consideration of the natural environment and biodiversity; and at the completion stage, we provide operational and management support to conserve the natural environment and biodiversity.
We will contribute to the realization of a nature co-existing society by properly evaluating the value of natural capital, minimizing the impact of construction work as much as possible, and providing technologies to preserve the natural environment and preserve and create biodiversity.

Policy / Commitment

- Action Guidelines for Taisei: Promoting environmental conservation and creation
- Environmental Policy
- Environmental Targets
- TAISEI Green Target 2050: Realization of a nature co-existing society
- Promise of Eco-First
- Declaration of Taisei Corporation on Biodiversity Preservation
- Taisei Group Guidelines for Conservation of Biodiversity
- Taisei Group Green Procurement Guideline
- Green Procurement Standard Guideline
- Taisei Group Sustainable Procurement Guidelines

Refer to

▸ Action Guidelines for Taisei ▸ Environmental Policy PDF

Goals and Targets

TAISEI Green Target 2050

2050Targets: Minimizing impact on natural capital

https://www.taisei-sx.jp/

TAISEI Green Target 2050

Milestone

2030 Targets: Biodiversity-conscious implementation of proposals and Construction

Environmental Targets

Environmental Targets

Initiatives

- United Nations Global Compact “Environment”
- Initiative based on the Declaration of Biodiversity by Keidanren (Japan Business Federation, Keidanren Committee on Nature Conservation)
- (One company) Company and the Biodiversity Initiative (JBIB)
- 30 by 30 Alliance for Biodiversity (Ministry of the Environment)
- TNFD Forum
- CDP (Forest)
- Tokyo Greenship Action (Bureau of Environment, Tokyo Metropolitan Government)

Refer to:

▸ Initiatives

Achievements

Various technologies and experiences that contribute to the conservation and creation of nature

- Nature connects the remote mountains, the woodlands in villages, cities, and sea uninterruptedly, and the conservation and generation require comprehensive measures that take a bird's-eye view of the whole situation. Based on its diverse technologies and extensive experience in the natural environment, the Taisei Group is actively promoting sound nature conservation and the generation of green infrastructure.



What is Green Infrastructure?

- Green infrastructure is the concept of utilizing the diverse functions of nature for infrastructure development and land use. It is expected to be effective in a wide range of areas, from disaster mitigation, health and peace of mind, and biodiversity conservation to climate change measures.



Natural Environment Conservation

Initiatives for Sustainable Virtuous Cycles in Local Communities Implemented by the Taisei Group

We jointly participated in the activities to build a forest circulation system for the H1 Building of the Oki Honjo Plant. For the facility, we actively used timber from the Arakawa River basin in Chichibu. We are also engaged in a tree planting initiative by bearing part of the cost to reforest the area where timber has been sourced. We are



contributing to forest recycling by working with our customers and local communities to recover forests and recycle forest resources for the future.

Technology to Conserve Quality Natural Environment

Environmental DNA

- With DNA analysis technology derived from organisms contained in water and soil, we conducted a continuous habitat survey of rare amphibians (salamanders, etc.) living in the conservation target areas around construction sites. This analysis technology enables continuous monitoring of the underwater inhabitation status after the spawning season, which was difficult with conventional visual surveys.

Refer to

- Water: Ⅵ.Development of advanced technologies

Taisei Group Guidelines for Conservation of Biodiversity

The Biodiversity Guidelines constitute guidelines for action in three major areas: company-wide activities, planning and design activities, and procurement and construction activities. By proposing and deploying water resource and biodiversity-related technologies, we are working to reducing the consumption of water resources and reducing the environmental impact of construction in accordance with the guidelines.
we also provide employees with regular environmental training and conduct environmental preservation activities in order to contribute to society.

Biodiversity-Conscious Research, Planning, Construction and Monitoring

Taisei Corporation has adopted mechanisms for identifying risks relating to biodiversity at the construction planning stage and following up on them throughout the entire process from construction through completion. Taisei's ecological planning, one of the company's proprietary environmental planning technologies, will be formulated and executed in all projects in which consideration for ecosystems is judged to be needed.
Ecological Planning is the equivalent of the Biodiversity Action Plan (BAP) in the Convention on Biological Diversity. Taisei uses its various technologies to study and analyze the environment at the construction site and the surrounding area, and then drafts and executes a plan based on regional characteristics in an effort to construct good quality social capital.
Monitoring is conducted following completion and the results are used as feedback for technological improvement.

https://www.taisei-sx.jp/

Taisei has also developed the Concierge series of proprietary biodiversity assessment and planning tools. These tools allow anyone to easily determine the environment at construction sites and share this information to appropriately preserve and create natural environments. We also conduct monitoring and predictive assessments.

Consideration of Biodiversity for Proposal (risk assessment)

During civil engineering construction, there are many chances to face the natural environment. Therefore, we propose measures to protect endangered animals and plants and avoid having an influence on them considering biodiversity. As for construction, our biodiversity evaluation tools such as “IKIMONO-Concierge®” “MORI-Concierge®” and “Mizube-Concierge®” are effectively used for greening plans at construction sites or for redevelopment projects.



Mizube Concierge

***Concierge Series**

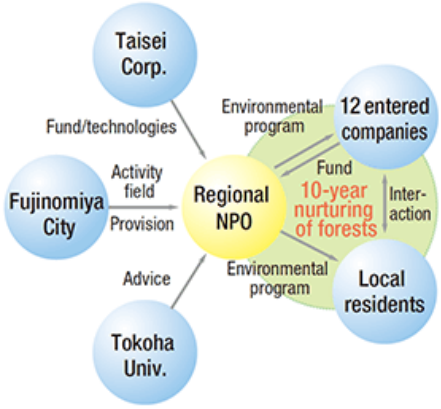
Ikimono Concierge®:Our unique tool for predicting and identifying animals that can be attracted by a planning site.

Mori Concierge®:Our unique tool enabling the selection of plants that can adapt to the environment of a planned site.

Mizube Concierge®:Our tool for developing a unique plan to conserve and compensate for waterside rare fauna and flora whose ecosystems may be affected by construction.

Conservation and Creation of Diverse Natural Environment “10-year Nurturing of Forests”

In the development of the Fujisan Nanryo Industrial Park, we conducted the “10-year nurturing of forests” project, modeled after the natural forest, using trees suitable for the local environment. It has been confirmed that a forest with biodiversity richer than those of the surrounding forests was formed 10 years after the planting of saplings. To create a forest, we used a method of “nature-type greening” that nurtures forests by having trees competing each other. As an industrial park that coexists with nature and interacts with the local community, it has received the Environment Minister’s Award at the 49 Environmental Awards.





Biodiversity Conservation and Creation cases (Commitment to net positive biodiversity impact)

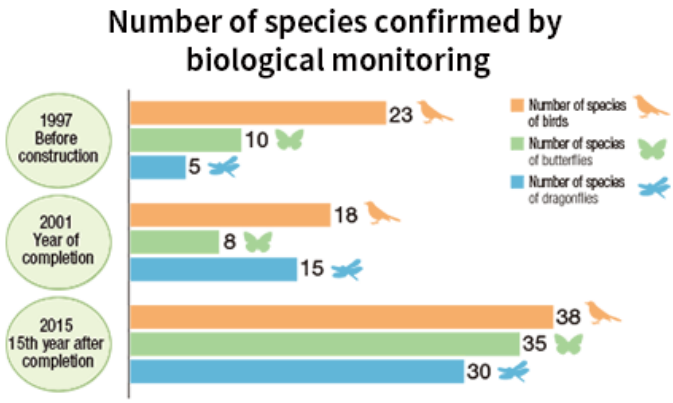
Long-term monitoring surveys -The Sapporo Dome

In the construction of the Sapporo Dome, which was completed in 2001, right from the planning stage, we used our environmental planning technology to plan an external structure that emphasized the conservation of biodiversity. The technology employed in this project was Ecological Planning, Taisei Corporation's proprietary environmental planning tactics, which facilitates the design of spaces that preserve the region's inherent ecosystems from the planning stage.
In order to verify that the environment is actually inhabited by various types of living creatures, we have conducted long-term monitoring surveys based on the number of species of birds, butterflies, dragonflies, and other creatures, from the planning stage in 1997 to the completion of construction in 2001, at both 3 years and 10 years after construction, and also in the present day.
Knowledge and concrete results accumulated during this process have been used for the development of the biodiversity communication tools, the “Ikimono (living creatures) Concierge,” and have contributed to the conservation and sustainable use of natural resources through various environmental awareness activities conducted by Sapporo Dome Co., Ltd.
These initiatives were recognized as “Sapporo Dome ECOMOTION and Taisei Ecological Planning” as an affiliate









Improvement of Facility Value through Biodiversity Conservation and Creation -The ESR Amagasaki Distribution Center

An environmental certification that proves natural environmental consciousness of a facility increases the value of the facility and appeals to customers as proof of an environmentally conscious company.
Leveraging its strength as a general construction firm capable of executing projects from start to finish, from the planning and design of facilities to their construction, Taisei Corporation conducts environmental assessments of projects, including the impact on biodiversity, from the early stages of development planning, and incorporates consideration for the

environment into project plans. In so doing, we strive to minimize environmental impacts and support our clients' environmental activities, such as the conservation and creation of biodiversity as well as the acquisition of environmental certifications.
At the stage of planning and design of the ESR Amagasaki Distribution Center (ordered by ESR), a logistic facility located at the Osaka bay-side area, for example, an outer green area was planned, designed, and constructed by Taisei Corporation to help improve the biodiversity without affecting capabilities as a logistics facility.
The facility earned the “Business Innovation in Harmony with Nature and Community” certification from the Association for Business Innovation in Harmony with Nature and Community (ABINC) as a logistics facility that respects biodiversity.



ESR Amagasaki Distribution Center (ordered by ESR)

Biotope
Eco Globe Kure (Kure City, Hiroshima)

The general waste final treatment plant, Eco Globe Kure, was completed and began operations in 2015 as a place to express and communicate nature restoration technologies. We recreated the waterside environment that was going to be lost with the construction of the treatment plant and created a biotope inhabited by diverse flora and fauna, including rare species.





Support for Biodiversity-Related Initiatives and Cooperation with Stakeholders

The Tokyo Greenship Action project

https://www.taisei-sx.jp/

- Since FY 2003, the Tokyo Metropolitan Government Environment Bureau has conducted activities to preserve natural environments in cooperation with private companies, NPOs, governments and so on in several of the 50 regions of Tokyo Prefecture that have been designated as “conservation areas,” and uses these areas as venues for the Sustainability activities of private companies. Taisei is in agreement with this initiative, and for more than 10 years the company has participated in the Tokyo Greenship Action project to preserve greenery in Nanakuniyama.

The Japan Business Initiative for Biodiversity (JBIB)*

- The JBIB is an organization of companies set up in 2008 to promote active efforts aimed at preserving biodiversity. As a member of the JBIB network, Taisei promotes activities to preserve biodiversity by sharing information regarding the Promotion Guidelines for ABINC registered company and the Association for Business Innovation in harmony with Nature and Community (ABINC) and communicating with member companies.

* Organization of Japanese companies engaged in activities to preserve biodiversity

The Japan Business and Biodiversity Partnership

- Taisei participates in the Japan Business and Biodiversity Partnership as a member company,cooperating with NPOs,NGOs,research institutions and other relevant organizations both at home and abroad to promote corporate activities aimed at preserving biodiversity. Our Group have made biodiversity conservation in Taisei Group Sustainable Procurement Guidelines on the supply chain and is pursuing measures accordingly.

OECM Biodiversity 30 by 30 Alliance

OECM Biodiversity 30 by 30 Alliance PDF

The TNFD Forum

The TNFD Forum

Making dormouse nest boxes

- Since 2004, Taisei Corporation has participated in the Animal Pathway (bridges for tree-dwelling rodents) Research Society, and has supported ecosystem conservation activities for tree-dwelling rodents, such as the dormouse, through development and facilities for animal pathways and monitoring. As part of these activities, our group employees and their families participate every year in

volunteer activities to construct dormouse nest boxes. In our activities held, we donated these boxes to the Dormouse Museum of KEEP, Inc.
We have conducted this environmental volunteering activity every year, with participants working to build a total of 2,945 dormouse nest boxes, thus far.



Dormouse nest boxes made in volunteer activities;

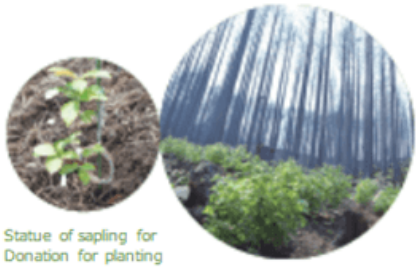
2,945 boxes

TAISEI 1 Ton CLUB

- Since 2010, we have conducted this environmental contribution activity a total of 9 times, under the theme of “simultaneously achieving carbon offsets at the Company and in the homes of employees.”
  In 2012 and 2015, we supported the Kamaishi Forest Owner's Association, which manages the mountain forests of Unosumai District. On May 9, 2017, a large-scale wild fire occurred in the District due to a suspicious fire, resulting in the burning of 413 hectares as well as heavy damage. Accordingly, we continued our support through fundraising to donate the cost of planting saplings for the reforestation of Kamaishi Forest. We were also involved in the construction of Kamaishi Unosumai Memorial Stadium, where trees that had been felled by the fire in Unosumai District were used to make wooden seats, public toilets, benches and louvers sunshades.

Employee participating in the “TAISEI 1 ton CLUB”,FY2020

1,381 people



Statue of sapling for Donation for planting

Data

Environmental Data

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TAISEI Sustainability
For a Lively World

For Realization of a Safety Secured Society

Policies and Basic Approach Goals and Targets Initiatives Achievements Data

For Realization of a Safety Secured Society

Policies and Basic Approach

The Taisei Group has set a 2050 target of “providing value with zero environmental risk to realize a safety secured society” in its long-term environmental targets, TAISEI Green Target 2050. To achieve this target, we will work to continue to have “zero environmental accidents” (zero incidences of serious contamination of soil, water, dust etc.) by properly managing construction byproducts and complying with environmental laws and regulations.

Risks and Opportunities

Environmental pollution caused by construction work has a significant impact on the surrounding environment and society. Accordingly, compliance with environment-related laws and regulations is the most important environmental issue. We will reduce environmental risks during construction work by properly managing construction byproducts, developing and applying technologies that comply with regulations on soil and groundwater pollution, and promoting construction methods that reduce noise, vibration, dust and other environmental impacts. We will also contribute to the realization of a society in which the safety of people is ensured in terms of both hardware and software by providing technologies to prepare for natural disasters such as floods and tsunamis. In addition, as water risks such as droughts and water shortages due to economic development and climate change have become apparent around the world, we are assessing water risks in business activities in water-stressed areas.

https://www.taisei-sx.jp/

Policy / Commitment

- Action Guidelines for Taise: Promoting environmental conservation and creation
- Environmental Policy
- Environmental Targets
- TAISEI Green Target 2050: Realizing a Safety Secured Society
- Promise of Eco-First
- Taisei Group Sustainable Procurement Guidelines
- Taisei Group Green Procurement Guideline
- Green Procurement Standard Guideline
- Safety and Health Policy

Refer to

▸ Action Guidelines for Taisei ▸ Environmental Policy PDF

Goals and Targets

2050 Targets: TAISEI Green Target 2050

Aim to provide value with zero environmental risk

TAISEI Green Target 2050

Milestone

2030 Targets: Zero environmental accidents through compliance with environment-related laws and regulation

Environmental Targets

https://www.taisei-sx.jp/

Environmental Targets

Initiatives

- United Nations Global Compact “Environment”
- Building Byproducts Subcommittee ([Nikkenren] Japan Business Federation)
- Civil Engineering Byproducts Subcommittee ([Nikkenren] Japan Business Federation)
- CDP (Water Security)

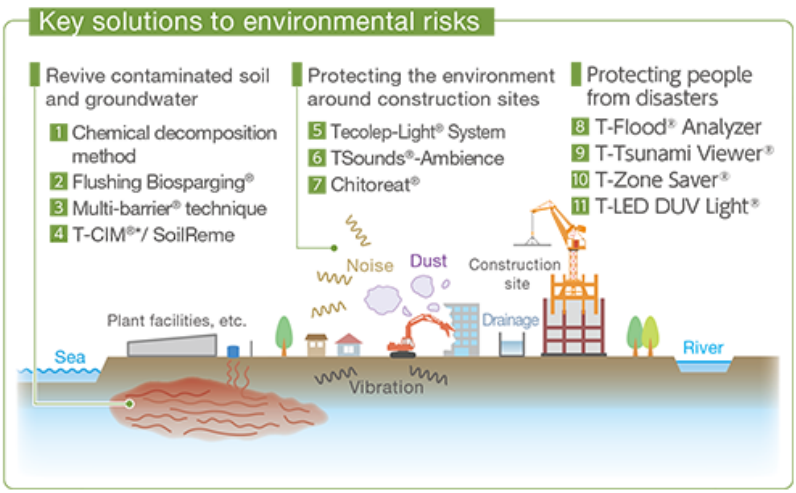
Refer to:

▸ Initiatives

Achievements

Environmental solutions technology for achieving a safety secured society

Since 1991, Taisei has conducted more than 3,000 soil surveys and purification projects to ensure the safety of soil and groundwater environments in various locations both at home and abroad. Taisei is working to reduce environmental risk by developing technologies to reduce soil and groundwater environmental risk and promoting techniques to reduce environmental load in the area around construction sites.



Bringing Contaminated Soil and Groundwater Back to Life	
1 **Chemical decomposition method**	Special purification agents are mixed into the ground and agitated to bring about oxidation-reduction decomposition of the pollutants and render them harmless.
2 **Flushing and bio-sparging® method**	A solution containing air and nutrient salts that activate the purification bacteria in the groundwater is provided to purify the benzene and cyanogen compounds and so on.
3 **Multi-barrier® method**	A maintenance-free method that can achieve simultaneous purification even for complex contaminated groundwater containing trichlorethylene, hexavalent chromium, fluorine and so on. Prevents the discharge of hazardous substances to areas outside the site.
4 **T-CIM®/ SoilReme**	Centralized management of information relating to surveys and countermeasure construction, enabling shortened survey periods and ensuring traceability for the movement of contaminated soil. A 3D viewer promotes sharing of data among participants and faster consensus-building.
Protecting the Environments Around Construction Sites	
5 **Tecolep-Light® System**	Environmentally conscious demolition method for demolishing ultra-high rise buildings taking into account dust and noise. A containment space is constructed at the top of the ultra-high rise building to minimize the impact on the surrounding environment of the dust, noise etc. produced during the demolition process.
6 **TSounds®-Ambience**	A total noise prediction system that can be used for various noise studies such as optimal layout planning, noise predictions in environmental assessments, sound isolation design and equipment soundproofing measures and so on.
7 **Chitoreat®**	The biodegradable natural Chitosan flocculant "Chitoreat" manufactured from crab shells and other seafood byproducts can be used to treat turbid water.
Protecting People from Disasters, etc.	
8 **T-Flood® Analyzer**	Assessment and diagnostic system that can be used in coordination with BIM models to determine flooding risk in building interiors at a glance. An effective tool for devising specific measures to address flood risk concerns.
9 **T-Tsunami Viewer®**	Creates visualizations using 3D images to provide analysis results for tsunami flooding over a wide area and depict the "look and feel" of the wave based on geographical data, and to recreate the complex flow of water in city streets based on state-of-the-art fluid analysis.

https://www.taisei-sx.jp/

Protecting People from Disasters, etc.	
10 **T-Zone Saver®**	Detects locations with high occupant density and issues reminder alerts. Also controls air conditioning and ventilation volume according to the population density at that location.
11 **T-LED DUV Light®**	Space sterilizing lamp that uses deep ultraviolet rays. Detects when people are away from their desks and sterilizes the surface to render viruses inert.

Refer to

- Water: Ⅵ.Development of advanced technologies

Risk Measures at Worksites

To ensure appropriate disposal of construction by-products and observance of environmental laws, environmental safety departments at the Taisei head office and branch offices conduct "Worksite Environmental Patrols" and environmental education and training as an internal audit of the observance of environmental laws and regulations at worksites. Environmental education for employees and specialist construction company personnel is conducted at worksites in accordance with the Key Environmental Management Items Manual. By sharing examples of situations that led to environmental accidents, learning about the appropriate management of asbestos, PCBs and other hazardous chemical substances, promoting appropriate management and purification of contaminated soil and so on, trainees learn the importance of environmental management, helping to prevent environmental accidents.
In FY 2021, 971 environmental patrols were conducted, and inspections with even more stringent targets than the inspections mandated by the national government were conducted, leading to 181 instances of problems being pointed out. Of these, 21 cases involved nonconformities relating to the Waste Management Law and so on. In response to the problems that have been pointed out, corrective and preventive actions are being devised to ensure ongoing improvements.
In FY 2021, there were no incidents of soil, water, dust or other serious contamination, nor were there any instances of serous environment-related legal violations.

Risk Measures

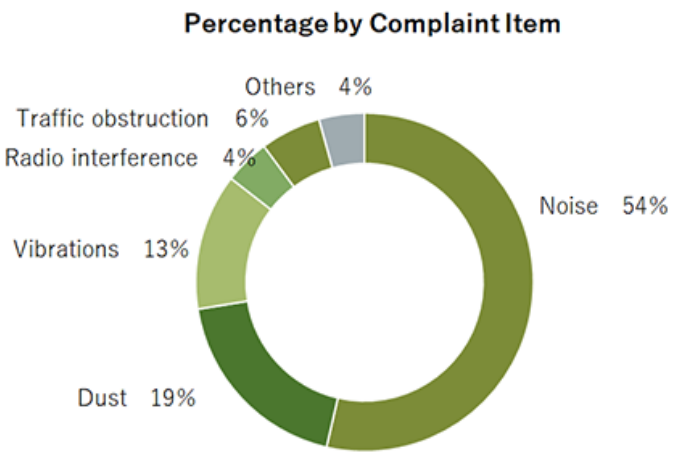
Type	Action (Example)
Noise	Conducted communication with neighbors in response to complaints about nighttime concrete-related work.

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Type	Action (Example)
Vibration	Changed to work during a factory holiday in response to complaints about heavy machinery work in the factory.
Dust	Implemented measures such as spraying water and installing sheets in response to complaints about dust from construction work.
Water pollution	Conducted communication with neighbors in response to complaints about nighttime concrete-related work.

Complaint to Worksites and Handling Thereof

We take proper measures regarding environment-related complaints addressed to a workplace, make a record and report using a communication sheet based on an environment management system (EMS) procedure and share the information horizontally among concerned departments or within the entire Company as required.
In addition, we are properly handling comments given by citizen groups.



Data

Environmental Data

TAISEI Sustainability
For a Lively World

Water

Taisei Corporation Policy for Action on Water Issues

The preservation and renewal of water resources and the water environment is a global environmental challenge. Through the **TAISEI Green Target 2050**, Taisei Corporation is working to resolve water resource and water environment issues, helping to reduce water usage through effective and efficient use of water resources.
To achieve a **Safety Secured Society**, Taisei is working to develop technologies to purify contaminated soil and contaminated groundwater and apply these in construction operations. To preserve water environments in each region, Taisei also ranks the appropriate management of construction effluent as a critical management task at its workplaces both at home and abroad.
To achieve a **Recycling Oriented Society**, Taisei promotes the effective use of water resources and the use of recycled water.
To achieve a **Nature Co-Existing Society**, Taisei works to develop technologies to preserve and renew waterside ecosystems and apply these technologies in construction operations.
Through these activities, Taisei is working to preserve and renew the water resources and water environments that are essential in order to "Create a Vibrant Environment for All Members of Society."

TAISEI Green Target 2050



Taisei Corporation's Approach to Water Issues

Preservation of local water circulation

Appropriate management of construction effluent (zero environmental accidents)

▸ Ⅰ

Reduction of environmental risk

・Contaminated soil
・Contaminated groundwater purification technologies
・Development of advanced water-related technologies
・Achievements of water-related projects

▸ Ⅲ ▸ Ⅳ ▸ Ⅵ

Contribution to recovery from flood damage, etc.

Speedy response in disaster recovery efforts

▸ Ⅳ



Preservation and renewal of waterside ecosystems

Technical development and application in construction work

▸ Ⅵ

Effective use of water resources and reduction of use quantities

Efforts by all employees to reduce water use Active use of recycled water, reclaimed wastewater

▸ Ⅱ

Business activities in water-stressed regions

Determination of water risks in business activity regions (using "Aqueduct Water Risk Atlas" etc.) and appropriate management

▸ Ⅴ

Ⅰ. Appropriate management of construction effluent

Taisei Corporation has been certified under ISO14001 and, as part of its Environmental Management System (EMS), exercises thorough management of construction effluent at all of its approximately 700 offices and workplaces both at home

and abroad, using its own "Manual of Environmental Priorities for Branch Offices and Workplaces" and "Checklist of Environmental Laws and Regulations, etc. checklists."

In addition, various site patrols by general managers and branch officials as well as specialized environmental patrols (by environmental patrol personnel who have received training based on in-house standards) are conducted, in order to assess activities at each workplace and provide guidance for improvement.



1. During construction work planning, the Checklist of Environmental Laws and Regulations is used to confirm effluent destinations, effluent standards established in local ordinances, and relevant laws and ordinances.
2. Drainage methods and management plans are prepared, based on the characteristics of the surrounding environment and the construction site and effluent standards that are appropriate for the workplace.
3. If necessary, consultations with the government and the local community are held prior to the start of construction.
4. Workplaces manage water quality, such as the pH level of construction effluent, based on management plans. (The frequency of measurement varies depending on the workplace.)
5. Both regular and irregular environmental patrols are conducted and follow-up action is taken.

In construction projects, most of the production activities at construction sites are conducted by specialist construction companies, so coordination with specialist construction companies is essential for environmental management at worksites, including the treatment and management of construction effluent. Taisei Corporation works together with some 7,000 primary specialist construction companies conducting environmental management of the workplace and striving to ensure that there are no environmental accidents. In the event of a problem with the management of construction effluent by a specialist construction company, or an environmental accident, a report is sent to Taisei Corporation without delay, and if the company fails to fulfill its obligations, action that may include suspension of the business relationship is taken.

Ⅱ. Effective use of water resources

1. Taisei Corporation is promoting the Taisei Sustainable Action (TSA), a series of activities involving all employees with the aim of reducing environmental load.



In 2011, Taisei began its "CO_2 Zero Action" initiative at all construction worksites. This initiative consists of seven basic activities aimed at reducing environmental load. One of the activities was "the effective use of rainwater and spring water," and this activity continues to this day.

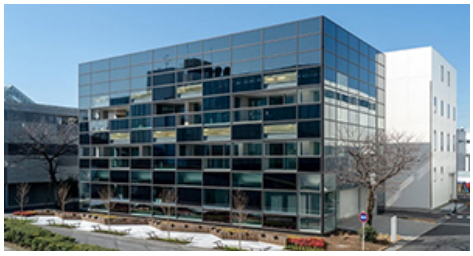
In 2018, a "TSA Action List" was prepared, listing specific activities to reduce environmental load. One item included on the list was "Cyclic use and reuse of construction water (including on-site use of rainwater and spring water)." Taisei works to enable reuse of the water from construction operations by purifying it according to the intended purpose of use, and to use rainwater and spring water within the construction site for sprinkling and cleaning the tires of construction vehicles and so on. The TSA Action List is reviewed each year and updated to add new measures, etc.

In 2020, a TSA Point System was introduced, in which point scores are used to assess the effectiveness of environmental load reduction activities at workplaces. Highly effective activities on the TSA Action List are selected and assigned points. Examples include "Cyclic use of construction water" "Making the results of water quality measurements visible" and "Preserving rare animals and plants." Assigning points according to the status of the activities and making the scores visible is done in an effort to further energize TSA activities.

2. Workplaces strive to reuse water, etc. to ensure that water resources are used effectively and to reduce the quantity of clean water that is used.
   Use of recycled water

   - Slurry shield tunnel construction and soil contamination countermeasures work involve the transport of excavated earth and sand and face stabilization, as well as the use of large quantities of water for purification with the soil washing method. To reduce use quantities, muddy water (sediment transport water and water used for cleaning) is subjected to turbid water treatment and the resulting recycled water is used.
   - Taisei also promotes the use of treated water (purified construction effluent) as well as rainwater and spring water for sprinkling within the site and washing the tires of construction vehicles.

3. Taisei also promotes the use of low-flush toilets and water-saving faucets at workplace temporary offices as well as head and branch offices.
4. The ZEB Demonstration Building in the Taisei Technology Center, a "laboratory of people and space, has from the time of its completion collected the rainwater that falls on the solar panels mounted on its roof in a rainwater use tank. The water is used to flush the toilets on the 1st and 2nd floors.



ZEB Demonstration Building in Taisei Technology Center

5. For its supply chain, Taisei established the "Taisei Group Sustainable Procurement Guidelines" listing guidelines in areas such as the environment, human rights and compliance that must be observed throughout the supply chain. All specialist construction companies and equipment and materials suppliers are required to observe these guidelines. Taisei also works with all of its suppliers to preserve water resources (by reducing water use, ensuring efficient use, reducing the discharge of / ensuring effective management of industrial wastes, hazardous chemical substances and contaminants, and observing environment-related laws and ordinances in order to prevent environmental accidents).
6. Taisei Corporation is a participant in the Environment Ministry's Water Project[*1], a public-private project that promotes activities to maintain and restore healthy water environments. Taisei shares information on activities concerning water risks with other companies to study ways to promote such efforts.
   In addition, Taisei cooperates with U.N. agencies and other international organizations and NGOs, etc. in each country. Taisei also endorses the goals of the Japan Water Forum (JWF), an NPO working to resolve water issues, and participates in its activities.





Multiple offices and workplaces participate in "Mission Uchimizu" organized by the Japan Water Forum (JWF)

＊1 The Water Project is a project founded in 2014 by the Ministry of the Environment, based on the Basic Act for Water Circulation, with the aim of creating a venue for public-private cooperation.

7. Taisei Corporation's total water intake and discharge

Unit: 1000 m^3

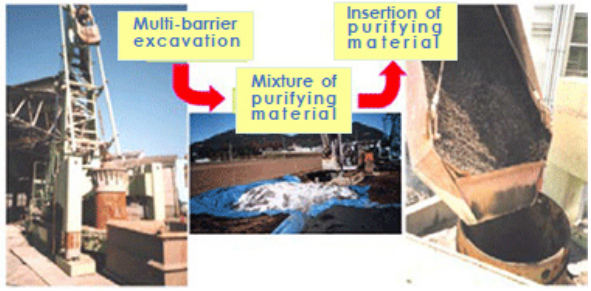
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Intake	1,691	1,436	1,414	1,412	2,266
Discharge	4,701	4,483	4,288	6,625	9,677

Note:As construction locations change each year, comparisons with the previous year would not be useful.

Ⅲ. Technologies for purifying contaminated soil and contaminated groundwater

Since the 1990s, Taisei Corporation has promoted the development of technologies for purifying soil and groundwater contamination. Taisei has conducted more than 1,500 soil and groundwater surveys and more than 1,550 soil and groundwater purification projects.

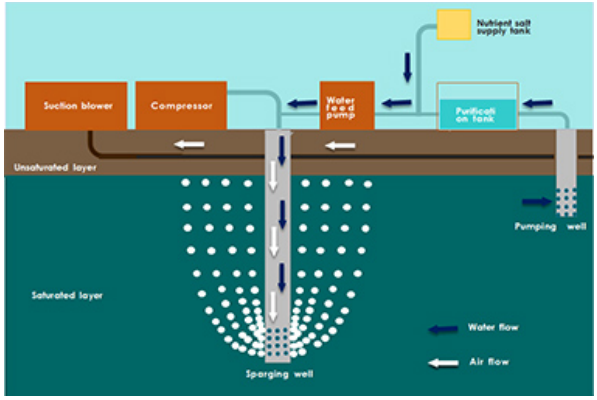
Multi-barrier method



A permeable underground diaphragm wall is constructed on the downstream side of the groundwater flow to purify the contaminated groundwater using volatile organic compounds and heavy metals, etc. while preventing the contaminants from flowing out from the site.

- Enables maintenance-free in-situ groundwater measures.
- Reliably prevents contaminated groundwater from spreading.
- Uses the permeable groundwater purification wall method that can deal with groundwater contaminated with various types of contaminants.

Flushing and bio-sparging method

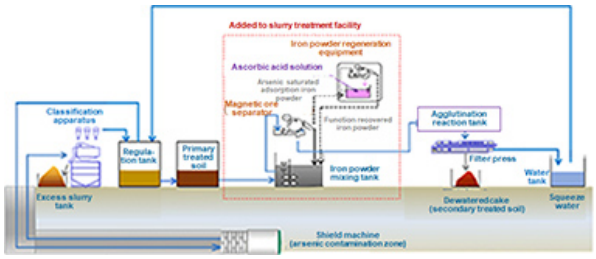


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With this technology, a solution containing air and nutrient salts that activate the purification bacillus is provided to the groundwater, purifying the benzene and cyanogen compounds.

- The air and nutrient salts spread in the groundwater at the same time, resulting in even purification.
- Purification takes less time than the conventional microbial decomposition method.
- Purification of contamination ranging from highly concentrated to low-concentration contamination can be conducted without changing the method.

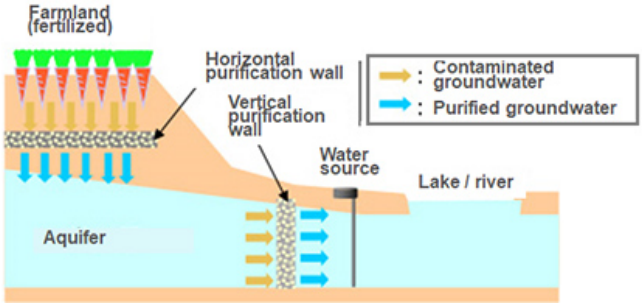
Cyclic usage technology for slurry in slurry shield tunnel construction (including naturally occurring arsenic)



The slurry used in slurry shield tunnel construction is treated in a turbid water treatment plant, and the squeeze water that comes out of the dewatering process is reused. If arsenic or other contaminants are included, this process can remove the contaminants. The arsenic is also removed from the dewatered sludge (secondary treated soil), so it can be reused as well.

- Both water and soil can be resource-recycled.
- Technology for regenerating the iron powder to which the arsenic is attached enables the iron powder to be used repeatedly, reducing material costs and environmental load.
- The arsenic removal equipment is compact and can easily be installed in existing slurry treatment facilities.

Technology for preventing groundwater contamination by nitrate nitrogen



With this technology, a purification wall, which contains purification material (sustained-release organic matter) mixed in to release organic matter over a long period of time, is used to bring about a denitrification reaction in microorganisms in the

groundwater flow channel that is contaminated with nitrate nitrogen. The nitrate nitrogen is converted into harmless gaseous nitrogen. Two types of purification walls have been developed: a vertical purification wall to protect water source regions and the like, and a horizontal purification wall placed beneath farmland that contains large quantities of fertilizer to reduce the load of nitrate nitrogen on aquifers.

- Purifies the nitrate nitrogen in groundwater for decades without obstructing use at the surface of the ground.
- Enables maintenance-free purification with no need for pumping up or other treatment.
- Purification technology uses the denitrification action of microorganisms, so safety is high and secondary contamination does not occur.

Ⅳ. Achievements of water-related projects

Improved water quality for rainwater drainage

3rd rain reservoir project of the Shibaura Water Reclamation Center



This facility collects sewage from all parts of Minato Ward, most parts of Chiyoda, Chuo, Shinjuku and Shibuya Wards and some parts of Bunkyo, Toyoshima, Shinagawa, Meguro and Setagaya Wards and then treats it and discharges it into Tokyo Bay. The project was to construct a a rain reservoir to serve as a combined sewerage system improvement facility to store the initial rainwater that is collected and improve the water quality at the discharge location.

Reduction of water use

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Shinagawa Season Terrace

Joint project with co-developer Tokyo Metropolitan Government Bureau of Sewerage



An environmentally friendly office building was built on the grounds of the Shibaura Water Reclamation Center owned by the Tokyo Metropolitan Government Bureau of Sewerage. The building used a previously unprecedented development method in which a sewerage facility was placed underground and a business and commercial building was constructed above. This was a public-private partnership project by the Tokyo Metropolitan Government and NTT Urban Development Corporation, Taisei Corporation, Mizuho Trust & Banking Co., Ltd. and Tokyo City Development Co., Ltd.

The facility will provide water for a variety of uses, including treated water produced by purifying kitchen wastewater, reclaimed water from purification and treatment of restroom sink wastewater and so on, reclaimed water purchased and brought infrom the Sewage Bureau, and rainwater for toilet flushing water and plant watering, etc.

Ochanomizu Sola City



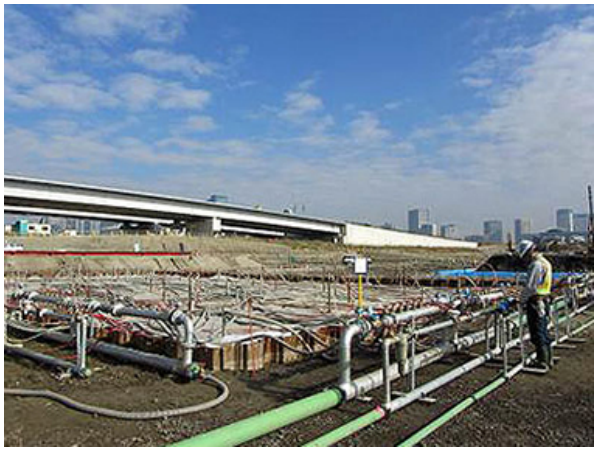
https://www.taisei-sx.jp/

This development project is being promoted by a Special Purpose Corporation with investment by three companies: Taisei Corporation, Yasuda Real Estate Co., Ltd. and Taisei-Yuraku Real Estate Co.

This facility will receive the spring water and the rainwater that falls on the site and roof of Shin-Ochanomizu Station on the Chiyoda Subway Line, after which the water will be filtered and used as cooling water for the water-cooled chillers, as well as for the automatic sprinklers that water the outdoor plants and as toilet flush water, in order to ensure effective water use.

Soil and groundwater contamination measures

New Toyosu Market Soil Contamination Remediation Project



This was a project to treat the contaminated soil and contaminated groundwater that had been contaminated by specified hazardous substances (benzene, cyanogen compounds, arsenic, lead, mercury, hexavalent chromium and cadmium) that had been produced by the operations of a city gas factory. The contaminated soil was transported to a temporary soil plant (separate work) and the treated soil was returned and used as backfill. The contaminated groundwater was purified by pumping-up and flushing using the flushing and bio-sparging method. The area subjected to soil contamination remediation measured approximately 130,000 m^2.

Flood damage recovery

Emergency disaster measures for the levee breach on the Kinugawa River in the Tone River System

The concentrated heavy rainfall in the Kanto region in September 2015 resulted in a levee breach on September 10, extending for approximately 200m on a levee in the Kinugawa River. This caused damage that included many homes being washed away by the inundation flow in the area of the breach. Working 24 hours a day, Taisei Corporation conducted emergency repair work of the levee breach. A week after the breach, the placement of foot protection blocks and earth filling for the temporary embankment were completed. On September 24, two weeks after the breach, the emergency repair work that included the construction of a reinforcing double-wall cofferdam was successfully completed.

This emergency disaster recovery work was conducted based on a disaster relief agreement with the MLIT Kanto Regional Development Bureau.

Emergency work in the Aizome River System (recovery work following the Atami landslide disaster)

As emergency repair work on the Aizome River in the wake of the landslide that occurred on July 3, 2021 in the city of Atami, debris exclude works, construction roads and temporary dam works were constructed. To remove the rubble of the existing dam, helicopters were used for transport of earth and sand, and a wide access road on the right bank and construction roads were built to enable sediment transport by land as well. To prevent secondary disasters from occurring in downstream resident communities and the sectors where emergency recovery work was underway, net roll sandbags and temporary block dams were constructed in the FY 2021 work. The FY 2022 work will focus on construction of the new permanent dam.

Joint research and development

Joint research and development relating to

- development of manufacturing technologies for bio-derived products to accelerate the achievement of carbon recycling
- verification of industrial agent production systems
- development of a new effluent treatment process to enable biological methanation and biofuel manufacture

Saitama University, Chubu University, Kazusa DNA Research Institute and Taisei Corporation have signed a Cooperative Research and Development Agreement, and have been contracted by NEDO to develop a new effluent treatment process that will enable biological methanation and biofuel manufacture.

V. Business activities in water-stressed regions

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At workplaces both at home and abroad, the Aqueduct Water Risk Atlas*2 of the World Resource Institute is used to determine the water risk in each region where business activities (civil engineering and construction) are conducted, and appropriate management is conducted for business activities in high water stress regions.

(1) Business activities in Japan

A check using the Aqueduct Water Risk Atlas of the locations where approximately 650 workplaces and head and branch offices in Japan are located revealed that there were no workplaces or offices in regions with a water stress*3 assessment of (4) High or greater.

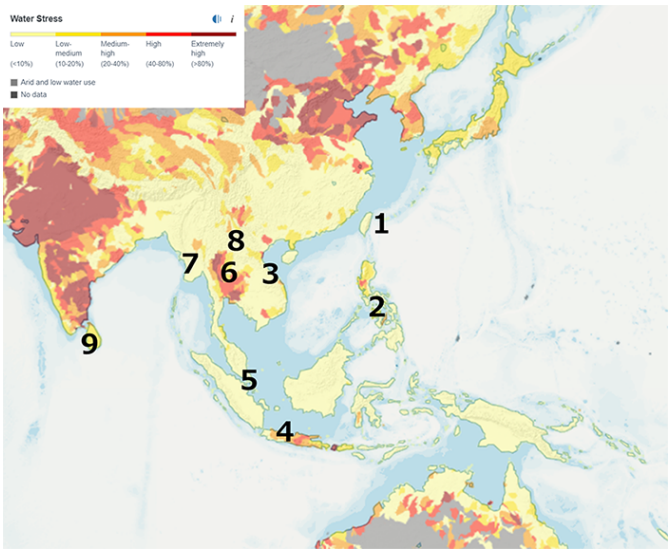
(2) Business activities overseas

A check using the Aqueduct Water Risk Atlas of the locations of the main overseas workplaces revealed that there were two regions with workplaces having a water stress*3 assessment of "High" or "Extremely high." Appropriate management is being conducted for all workplaces including these two workplaces.

＊2 Aqueduct Water Risk Atlas: A water risk analysis tool that assesses water risk in five levels using 13 indicators in three categories (water quantity, water quality, and regulatory and reputational risk).

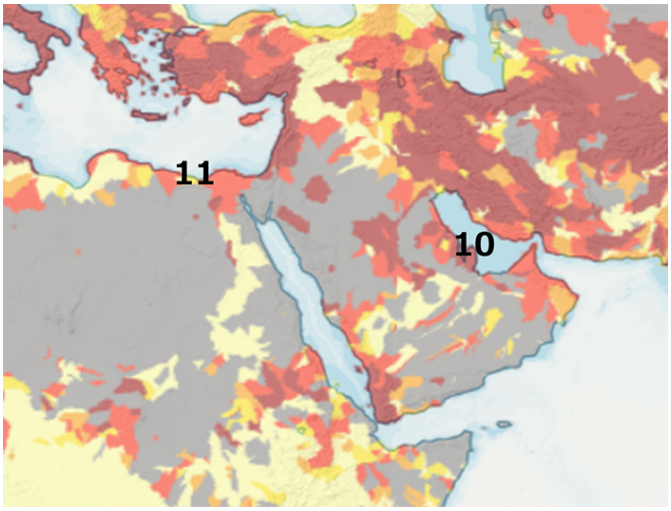
＊3 Water stress: An indicator of the degree to which water resources are under stress, derived by dividing annual water intake by annual water runoff.

Asia region



Mideast / Africa region

No.	Country / region	No. of workplaces	Water risk
1	Taiwan Taipei, Taichung, etc.	7	①Low
2	Philippines Manila, etc.	6	②Low - medium
3	Vietnam Hanoi, etc.	6	①Low
	Vietnam Ho Chi Minh City, etc.	3	②Low - medium



Source：https://www.wri.org/initiatives/aqueduct

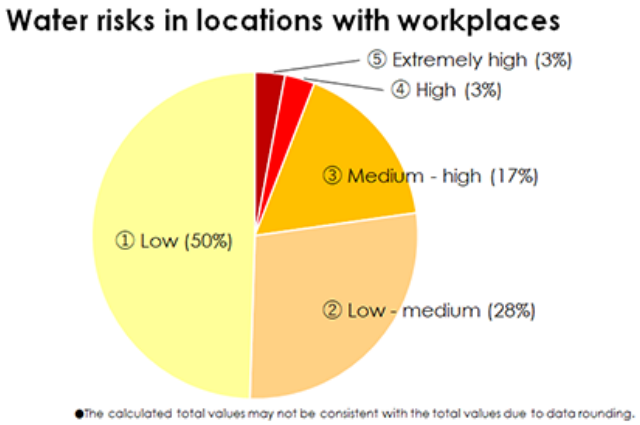
Map numbers indicate country numbers in the table at right.

No.	Country / region	No. of workplaces	Water risk
4	Indonesia Jakarta	1	①Low
	Indonesia West Java Province	2	③Medium - high
5	Singapore	2	①Low
6	Thailand Rayong Province, etc.	4	③Medium - high
7	Myanmar Yangon	1	①Low
8	Laos Vientiane	1	①Low
9	Sri Lanka Colombo	1	②Low - medium
10	Qatar Doha	1	⑤Extremely high
11	Egypt Alexandria	1	④High

Water risk in locations with workplaces	No. of workplaces	Percentage
⑤Extremely high	1	3%
④High	1	3%

Water risk in locations with workplaces	No. of workplaces	Percentage
③Medium - high	6	17%
②Low - medium	10	28%
①Low	18	50%

As the data values are rounded off, the sum of the values may not add up to 100.



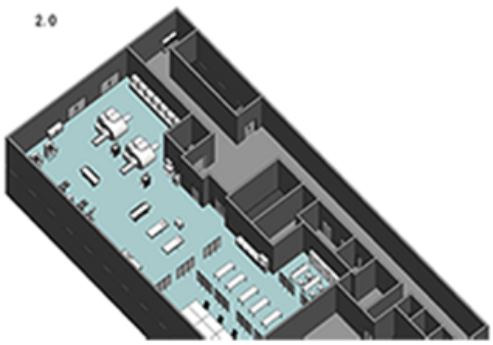
Ⅵ. Development of advanced technologies

T-Flood® Analyzer flood risk assessment system

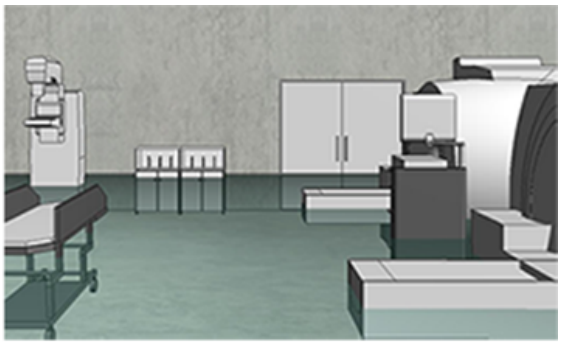
This technology simulates the building interior inundation status in the event that the area around the building is flooded and inundated. It allows the results of analysis, such as the inundation path to each room in the building, the inundation quantity and the inundation time to be visualized at an arbitrary location. This enables the inflow path to each room in the building and the inundation depth to be determined at a glance.

In addition, the shortest evacuation route from each room to the ground level exit and the time required in the event of inundation can also be calculated. The system can also be used for buildings for which only information based on the design documentation and site survey is available. In such cases, information on the areas for which an inundation analysis is needed (layout of each room, room and corridor doors, window width etc.) can be converted into CAD data to shorten the amount of time required to prepare input data. Input data can be prepared automatically if BIM data for the building are

available, enabling even more rapid analysis. In addition, the results of analysis can be displayed in three dimensions from an arbitrary perspective, making it easy to share inundation status and inundation risk data among participants and enabling it to be used effectively as a consensus-building tool as well.



Bird's-eye view

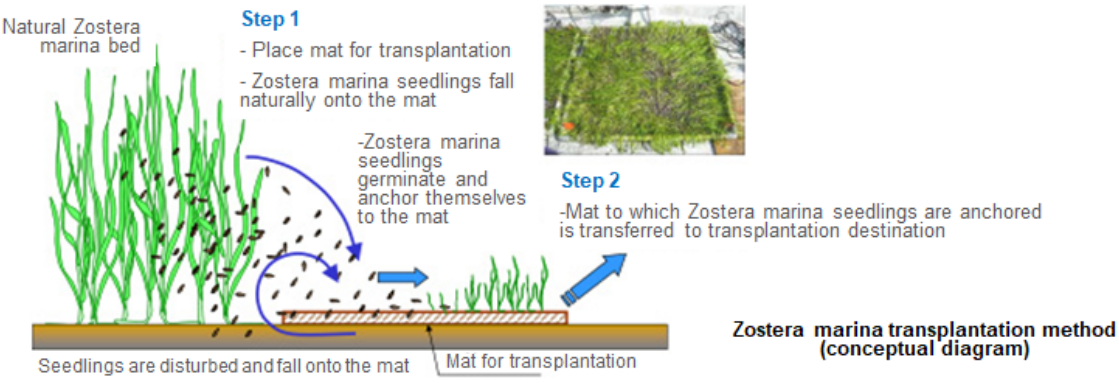

Room interior

Energy producing type groundwater treatment technology to help achieve decarbonization

A Membrane Bio Reactor (MBR), a new sewage treatment technology combining anaerobic treatment and membrane separation technology, has been developed, and the performance of the technology is currently being confirmed using test equipment installed at a sewage treatment plant. Compared to the conventional activated sludge method, this technology not only uses less energy but also can collect methane which can be used for power generation, so it is expected to help promote energy conservation in sewage treatment.

Seagrass transplantation technology

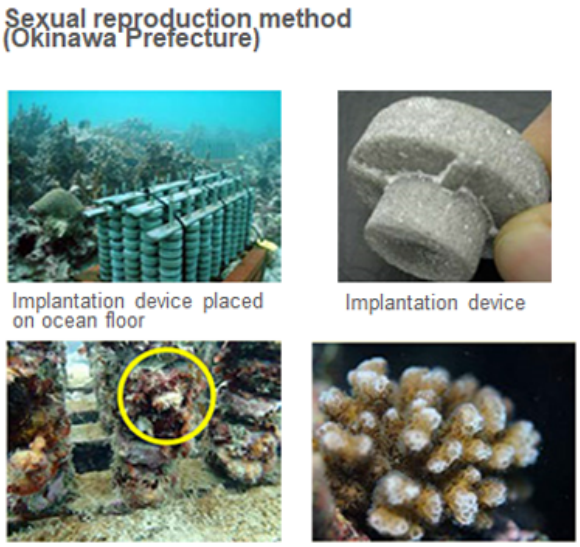
This is a simple seagrass transplantation method that does not require seeding and stock planting. It causes less damage to the natural seagrass beds that are the source of transplantation than conventional methods, and it uses the natural germination capability of seagrass, enabling seagrass transplantation more easily than with conventional methods. To transplant Zostera marina, palm fiber mats are spread in the natural Zostera marina bed, and the Zostera marina seedlings fall naturally onto the mats and germinate, thereby affixing themselves to the mat which can then be simply moved to the transplantation destination. In marine tests, this method was verified to produce the same degree of propagation and growth as natural Zostera marina. In addition, using thick palm fiber mats as the transplantation bed makes it possible for the method to be used for transplantation of seagrasses that propagate by means of rhizomes. Site tests verified that the seagrass attaches itself to the mat by the rhizomes which extend from the top to the interior of the mat.



アマモの移植工法（概念図）

Coral transplantation technology

This is a technology for coral transplantation via sexual reproduction that uses coral egg laying to induce propagation. After spawning, the coral larvae that return from the eggs are affixed to an implantation device. After maturing on the implantation device, they are transplanted into individual containers. A concrete implantation device that is cheaper than the conventional ceramic implantation device was developed. Suitable locations for implantation are determined using coral larvae floating simulations and habitat selection models.

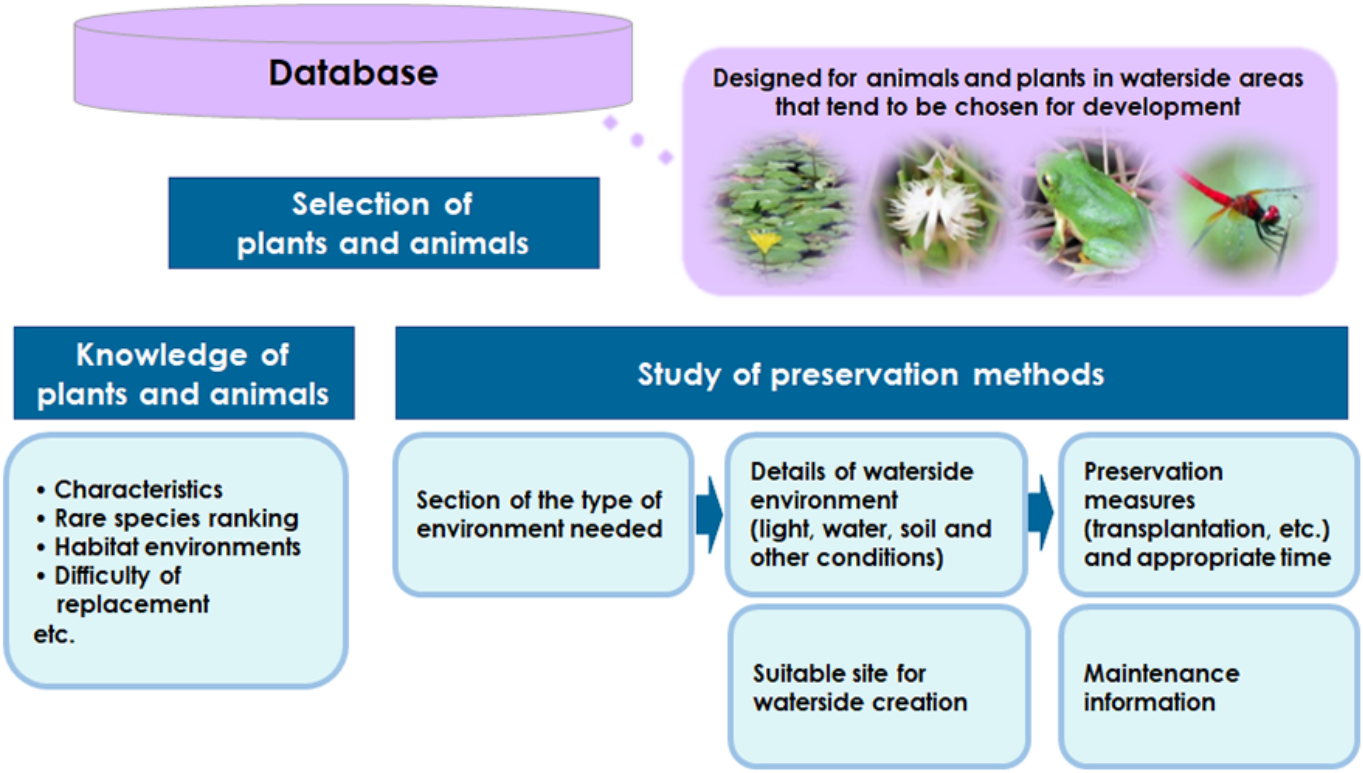


Mizube Concierge

This tool makes it possible to study and plan preservation sites for rare animals and plants quickly, for example to create replacement sites to protect rare animals and plants that inhabit waterside areas near construction sites. A tablet shows the information needed to formulate preservation sites visually in an easily understandable way, making it easy to share

information and smoothly achieve consensus with related entities, as well as quickly preparing preservation plans (selecting appropriate replacement candidate sites and so on).

- Entering the name of a rare animal or plant displays the information needed to formulate preservation plans in an easily understandable visual manner.
- Candidate sites where waterside environments can be created as replacement sites can be appropriately selected.
- Enables preservation plans to be drafted more quickly and in a shorter period of time than conventional methods.



Determination of underwater habitation status of rare amphibians using environmental DNA analysis technology

A technology called environmental DNA analysis technology for analyzing the DNA from animals in water and soil (animal fragments, excrement etc.) was used for an ongoing study of habitats of rare amphibians (salamanders) that inhabit conservation areas near building sites. The use of this analysis technology makes it possible to determine the habitat status in water following spawning, something that was difficult to accomplish by conventional visual inspection. This technology enables more long-term monitoring of habitat status during building construction, making it possible to take more reliable preservation measures.

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Other

- The medium-term business plan (2021-2023) allocates JPY 60 billion for environment-related investment. Of this amount, approximately JPY 100 million will be for water-related research and development expenses in FY 2021.
- To continue business operations even in the event that the head or branch offices and construction workplaces sustain flood damage or other type of damage, a Business Continuity Plan (BCP) has been formulated, and drills are conducted each year. The content of the BCP is revised as needed to ensure that it reflects disaster damage that has actually occurred and the situation in society. Each year approximately JPY 100 million is disbursed for equipment and system installation and the purchase of stockpiles and so on.

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Environmental Data

Environmental Targets
TAISEI CORPORATION Material Flow (FY2021)
TAISEI CORPORATION Material Flow
Material Flow for Group Companies
Projected CO_2 emissions and reduction rate in the building operation phase (stand-alone)
Supply chain CO_2 emissions(Scope3)
Building waste emissions (stand-alone)
Quantity and Recycling Rate by Construction Waste Category
Control of hazardous substances (stand-alone)
Environmental data / indicator calculation method / criteria

Environmental Targets

Environmental Targets for FY2022 and result for FY2021

TAISEI Green Target 2050	Annual Targets	FY2021		FY2022 Target Values
		Targets Values	Result	
Decarbonized Society CO_2	At construction stage [*1]: KPI Reduction of CO_2 emissions per construction cost (intensity)	-36%	-30.1%	-38%
	At construction stage[*1]: KPI Reduction of total CO_2 emissions	-52%	-52.7%	-51%

	Annual Targets		FY2021 Targets Values	FY2021 Result	FY2022 Target Values
	At building operation stage*1: KPI Reduction of design-build estimated CO_2 emissions (including dissemination and promotion of ZEB)		-41%	-44.6%	-42%
	Reduction of energy consumption per office floor area (intensity)*2		-25%	-22.2%	-
Recycling Oriented Society	Adoption of green (environmentally conscious) procurement items at building design stage		11 items per project or more	11.7 items per project	11 items per project or more
	Reduction of final disposal rate of construction waste		3.3% or less	2.8%	-3.3% or less
Nature Co-Existing Society	Implementation of biodiversity conscious proposal	Promotion of projects contributing to improvement in biodiversity*3	35 project or more	49 project	40 project or more
	Implementation of biodiversity conscious construction		10 project or more	23 project	
Safety Secured Society	Proper management of Construction byproducts and compliance with environmental-related laws and regulations		Zero environmental accidents	Zero environmental accidents	Zero environmental accidents

*1 Compared to FY1990

*2 Compared to FY2010

*3 Beginning from FY 2022, the fiscal year management targets have been integrated.

KPI Key performance indicator

TAISEI CORPORATION Material Flow (FY2021)

INPUT		
Total fossil fuel use	90.4	10^3kL
Diesel	74.3	
Kerosene	3.1	
Heavy oil	11.0	
Gasoline	1.7	
GTL	0.2	
Total electricity use	179	10^6kWh
Sites (construction sites)	121	
Factories	35	
Offices	23	
Total quantity of the main construction materials	-	-
Ready mixed concrete	1,523	10^3m^3
Cement	120	10^3t
Aggregates (gravel, crushed stone, etc.)	315	10^3t
Steel	539	10^3t
Water (consumption)	2,367	10^3m^3

OUTPUT		
Total CO_2 emissions(Scope1+2)	325	10^3t-CO_2
Sites (construction sites)	243	
Factories	66	
Offices	16	
Scope 1	245	10^3t-CO_2
Scope 2	79	
Scope 3	4,632	
Category 1	1,529	
Category 11	2,689	
Other Category	414	
Construction waste	2,452	10^3t
Quantity recycled	2,379	
Quantity of direct final disposal	73	
Water (discharged)	9,785	10^3m^3

CO_2 emissions(Scope1+2)		
TAISEI CORPORATION	224	10^3t-CO_2
Taisei Rotec Corporation	93	
TAISEI U-LEC CO., LTD.	5	
Other 5 companies	3	

industrial waste generated		
TAISEI CORPORATION	1,976	10^3t
Taisei Rotec Corporation	388	
TAISEI U-LEC CO., LTD.	71	
Other 5 companies	16	

TAISEI CORPORATION Material Flow

Third-party assured values are indicated with the ✓ mark

INPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
Total energy use	10^9MJ	3.90	4.14	4.39	3.60	3.77 ✓
Construction Site (building)	10^9MJ	1.72	1.61	1.99	1.04	1.45 ✓
Construction Site (civil engineering)	10^9MJ	1.95	2.31	2.18	2.35	2.10 ✓
Offices	10^9MJ	0.23	0.22	0.22	0.22	0.22 ✓
Total fossil fuel use	10^3kL	68.9	79.0	76.7	61.4	62.7 ✓
Diesel	10^3kL	66.3	77.8	75.2	60.0	62.2 ✓
Kerosene	10^3kL	2.0	0.5	0.6	0.9	0.5 ✓
Heavy oil	10^3kL	0.6	0.8	1.0	0.5	0.1 ✓
Total electricity use	10^6kWh	125	111	145	122	136 ✓
Construction Site (building)	10^6kWh	49	43	57	21	34 ✓
Construction Site (civil engineering)	10^6kWh	60	52	73	87	85 ✓
Offices	10^6kWh	16	15	15	15	16 ✓

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INPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
City gas (offices)	10^3m^3	227	140	213	259	165 ☑
Quantity of the main construction materials*1	10^3t	6,811	6,540	7,369	4,966	-
Ready mixed concrete*2	10^3m^3	4,375 (10^3t)	3,375 (10^3t)	4,066 (10^3t)	3,855 (10^3t)	1,523 ☑
Cement	10^3t	283	695	263	172	120 ☑
Aggregates (gravel, crushed stone, etc.)	10^3t	1,679	2,038	2,514	387	315 ☑
Steel	10^3t	446	414	506	534	539 ☑
Water (consumption)	10^3m^3	1,691	1,436	1,414	1,412	2,266 ☑

*1 Up through FY 2020, the contract quantities were tabulated. Beginning in FY 2021, the targets were tabulated for the four main construction materials (ready-mixed concrete, cement, aggregate and steel) and the turnover quantities are tabulated and shown.

*2 From FY 2017 through FY 2020, quantities have been shown as "10^3t."

OUTPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
Total CO_2 emissions(Scope1+2)	10^3t-CO_2	245	261	267	216	224 ☑
Construction Site (building)	10^3t-CO_2	110	102	124	66	91 ☑
Construction Site (civil engineering)	10^3t-CO_2	124	148	133	140	123 ☑
Offices	10^3t-CO_2	11	11	10	10	10 ☑
At construction stage Reduction of CO_2 emissions per construction cost (intensity)	t-CO_2/JPY 100 million	19.6	19.5	18.8	19.1	19.1 ☑
Total CO_2 emissions*1	10^3t-CO_2	245	261	267	216	4,102

OUTPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
Scope 1[*2]	10^3t-CO_2	178	204	198	159	162 ☑
Scope 2	10^3t-CO_2	67	57	69	57	61 ☑
Scope 3[*3]	10^3t-CO_2	-	-	-	-	3,878
Category 1	10^3t-CO_2	-	-	-	-	1,283 ☑
Category 11	10^3t-CO_2	-	-	-	-	2,284 ☑
Other Category	10^3t-CO_2	-	-	-	-	311
NO_X	t	1,151	1,345	1,302	1,039	1,085 ☑
SO_X	t	175	205	200	158	162 ☑
Quantity of Chlorofluorocarbon and halon recovered[*4]	t	12	15	21	-	-
Construction waste	10^3t	2,644	2,020	2,411	1,787	1,976 ☑
Quantity recycled	10^3t	2,528	1,924	2,283	1,715	1,914
Quantity of direct final disposal	10^3t	116	96	128	71	62
Water (discharged)	10^3m^3	4,701	4,483	4,288	6,625	9,677

*1 Up through FY 2020, the figures were shown as the total of Scope 1 and Scope 2. Since FY 2021, the figures have been shown as the total of Scope 1, Scope 2 and Scope 3.

*2 In FY 2021, in accordance with the Japan Federation of Construction Contractors guidelines, emissions at Taisei workplaces for fuel listed under Scope 3 in FY 2020 was included in Scope 1.

*3 Beginning in FY 2021, Scope 3 shows the value based on the GHG Protocol, etc.

*4 Up to FY2019, the quantities of fluorocarbons and halons emitted by Taisei that have been recovered have been tabulated and disclosed (halon recovery quantities since FY 2018), in accordance with the Fluorocarbon Recovery and Destruction Act.
In FY2020, leak quantities were tabulated in accordance with the Act for Rationalized Use and Proper Management of Fluorocarbons. Leak quantities were minute and were therefore not disclosed.

Material Flow for Group Companies

Third-party assured values are indicated with the ☑ mark

INPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
Total energy use	10^9MJ	1.53	1.62	1.68	1.70	1.70 ☑
Sites (construction sites)	10^9MJ	0.29	0.39	0.32	0.37	0.42 ☑
Factories	10^9MJ	1.12	1.10	1.23	1.20	1.15 ☑
Offices	10^9MJ	0.13	0.12	0.12	0.13	0.12 ☑
Total fossil fuel use	10^3kL	25	26	26	27	27.6 ☑
Diesel	10^3kL	9	12	10	11	12.2 ☑
Kerosene	10^3kL	2	2	3	3	2.7 ☑
Heavy oil	10^3kL	12	11	11	11	10.8 ☑
Gasoline	10^3kL	2	2	2	2	1.7 ☑
GTL	10^3kL	-	-	-	0	0.2 ☑
Total electricity use	10^6kWh	41	40	43	43	43 ☑
Sites (construction sites)	10^6kWh	1	1	1	1	1 ☑
Factories	10^6kWh	33	33	35	35	35 ☑
Offices	10^6kWh	7	7	7	7	7 ☑

INPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
City gas	10^3m^3	3,794	4,628	5,692	5,056	4,169 ☑
LPG	t	63	378	485	575	598 ☑
Water (consumption)	10^3m^3	153	115	138	109	102

OUTPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
Total CO_2 emissions(Scope1+2)	$10^3t\text{-}CO_2$	95	100	101	102	101 ☑
Sites (construction sites)	$10^3t\text{-}CO_2$	19	27	22	25	29 ☑
Factories	$10^3t\text{-}CO_2$	68	66	72	70	66 ☑
Offices	$10^3t\text{-}CO_2$	7	7	7	7	6 ☑
Total CO_2 emissions[*1]	$10^3t\text{-}CO_2$	95	100	101	102	854
Scope 1[*2]	$10^3t\text{-}CO_2$	74	80	81	83	83 ☑
Scope 2	$10^3t\text{-}CO_2$	21	20	20	19	18 ☑
Scope 3[*3]	$10^3t\text{-}CO_2$	-	-	-	-	753
Category 1	$10^3t\text{-}CO_2$	-	-	-	-	246
Category 11	$10^3t\text{-}CO_2$	-	-	-	-	405
Other Category	$10^3t\text{-}CO_2$	-	-	-	-	103
NO_X	t	211	257	227	224	280
SO_X	t	106	107	103	105	107

OUTPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
Quantity of Chlorofluorocarbon and halon recovered	t	2	3	2	2	6
Total industrial waste generated	10^3t	259	266	485	416	476 ✓
Quantity recycled	10^3t	248	256	475	406	465
Final disposal quantity	10^3t	11	10	10	10	11
Water (discharged)	10^3m^3	143	109	74	76	108

*1 Up through FY 2020, the figures were shown as the total of Scope 1 and Scope 2. Since FY 2021, the figures have been shown as the total of Scope 1, Scope 2 and Scope 3.

*2 In FY 2021, in accordance with the Japan Federation of Construction Contractors guidelines, emissions at Taisei workplaces for fuel listed under Scope 3 in FY 2020 was included in Scope 1.

*3 Beginning in FY 2021, Scope 3 shows the value based on the GHG Protocol, etc.

Supply chain CO_2 emissions(Scope3)

Supply chain CO_2 emissions(Scope3)

Projected CO_2 emissions and reduction rate in the building operation phase (stand-alone)

	Units	FY2017	FY2018	FY2019	FY2020	FY2021
Projected CO_2 emissions	10^3t-CO_2	24	10	15	42	19 ✓
Calculated values according to 1990 standard	10^3t-CO_2	46	17	25	72	34 ✓
(reduction rate)	%	48.1	40.2	39.5	41.4	44.6 ✓
Emissions by floor space	kg-CO_2 /Year·m^2	20	30	23	32	17 ✓

Building waste emissions (stand-alone)

OUTPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
Building waste emissions	10^3t	2,644	2,020	2,411	1,787	1,976
Not including sludge and industrial wastes subject to special control		1,644	973	1,268	1,066	1,119
Final disposal quantity		116	96	128	71	62
Not including sludge and industrial wastes subject to special control		105	88	74	51	38
Quantity recycled		2,528	1,924	2,283	1,715	1,914
Not including sludge and industrial wastes subject to special control		1,539	886	1,194	1,016	1,082

Quantity and Recycling Rate by Construction Waste Category

(10^3t)

	Civil engineering	Building			Total	Recycling rate(%)
		新築	解体	Total		
Concrete remnants	105	285	308	592	697	100%
Asphalt-concrete remnants	37	133	7	140	176	100%
Construction site sludge	589	220	18	238	827	-
Mixed waste	8	28	5	33	42	73.6%

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	Civil engineering	Building			Total	Recycling rate(%)
		新築	解体	Total		
Wood scrap	15	9	3	12	27	95.0%
Metal scrap	2	16	21	37	39	99.3%
Miscellaneous	52	84	31	116	168	72.2%
Total	808	775	393	1,168	1,976	-

Control of hazardous substances (stand-alone)

Emissions by type of building waste

OUTPUT	Units	FY2017	FY2018	FY2019	FY2020	FY2021
Asbestos-containing material	10^3t	8	4	14	5	15
Waste asbestos, etc.		1	1	2	1	3
Mercury		0	0	0	0	0

Compliance with PCB etc.

OUTPUT	Units	FY2019	FY2020	FY2021
PCB waste production quantity / disposal quantity		0	0	1 lot(31kg)
VOC emissions		-	-	-

* No applicable items

Environmental data / indicator calculation method / criteria

Category by type of project	Categorized as workplace (civil engineering / construction projects), office (not including development projects and other projects) or factory
CO_2 emissions Scope categories	Scope 1: CO_2 emissions from burning of fossil fuels (including transport of construction byproducts from worksites) Scope 2: Indirect CO_2 emissions from the use of power, steam or hot and cold water Scope 3: CO_2 emissions from other companies involved in business activities

TAISEI CORPORATION

CO_2 emissions by type of project		Calculation method / criteria
CO_2 emissions (Scope1+2)	10^3t-CO_2	Aggregation criteria • Aggregated in conformance with the Act on the Rational Use of Energy, Act on Promotion of Global Warming Countermeasures and GHG Protocol, etc., and based on in-house regulations relating to environmental data management and the Taisei Group environmental data aggregation manual. • For the aggregation of CO_2 emissions, Taisei Corporation uses the values for fuel usage of the Japan Mechanization Association with the exception of the values for oil and fat content. CO_2emissions coefficient • Light oil, heavy oil etc.: Calculated using the emissions coefficients in the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures. • Power: Calculated using 0.439 t-CO_2/MWh, the 2020 post-adjustment emissions coefficient from the receiving end in the figures announced by the Japan Business Federation. For offices, calculated using the post-adjustment emissions coefficient for the FY 2020 results for each electric power company. • City gas: Calculated using the standard calorific value of city gas suppliers and the emissions coefficient in the Act on Promotion of Global Warming Countermeasures. • CO_2 emissions at construction stage (workplace (civil engineering / construction)): For calculation of CO_2 emissions at Taisei Corporation workplaces, in some cases temporary or special construction, etc. that has a major impact on data continuity is omitted.
CO_2 emissions(intensity)	t-CO_2/JPY 100 million	

CO_2 emissions(Scope3) Category 1 & 11	10^3t-CO_2	Aggregation criteria • Aggregated in conformance with the basic guidelines for calculation of greenhouse gas emissions throughout the supply chain, etc., and in-house regulations relating to environmental data management. CO_2 emissions coefficient • Calculated using the emissions coefficient in the basic guidelines for calculation of greenhouse gas emissions throughout the supply chain (LCI database IDEAv2 (for calculation of supply chain greenhouse gas emissions)). Category 1: Purchased products / services • Calculated by multiplying the purchase quantities of the major raw materials — steel (including steel reinforcements), ready-mixed concrete, cement and aggregate — by the emissions coefficient. Category 11: Use of sold products • Calculated by multiplying the total floor area of the completed building by the emissions coefficient for each use (basic unit from design results for the past 3 years) and the service life (Comprehensive Assessment System for Building Environmental Efficiency (CASBEE) assessment manual).

Projected CO_2 emissions at building use stage and reduction factor		Calculation method / criteria
Calculated value based on 1990 level	10^3t-CO_2	Of the buildings constructed by Taisei Corporation, emissions for the 1.11 million m^2 from 52 projects with a total floor area of 300 m^2 or greater were calculated using the Energy Of the buildings constructed by Taisei Corporation, emissions for the 1.11 million m^2 from 52 projects with a total floor area of 300 m^2 or greater were calculated using the Energy Use Reduction Plan for each project at the design stage. • Energy Use Reduction Plan: Compilation of the steps to be taken to reduce energy usage by building thermal insulation and air conditioning equipment, etc. in accordance with the Act on the Rational Use of Energy, etc. Must be submitted at the design stage for buildings with a total floor area of 300 m^2 or greater.
Projected CO_2 emissions	10^3t-CO_2	
Projected CO_2 reduction factor	%	
Emissions by floor area	kg-CO_2/year·m^2	

Emissions and recycle rate for construction waste by type		Calculation method / criteria
Construction wastes	10^3t	Construction wastes from independent construction work and construction work as the leader of a consortium, and construction by-products produced at owned factories, etc. (wastes / valuable resources).
Recycle rate	%	

Taisei Corporation Material Flow

<table>
<tr><th colspan="2">INPUT</th><th>Calculation method / criteria</th></tr>
<tr><td>Total fossil fuel use</td><td>10^3kL</td><td rowspan="4">Aggregation criteria
• Aggregated in conformance with the Act on the Rational Use of Energy, Act on Promotion of Global Warming Countermeasures and GHG Protocol, etc., and based on in-house regulations relating to environmental data management and the Taisei Group environmental data aggregation manual.

Energy and water use
• Office: Annual purchase quantity and usage are aggregated for each month.
• Civil engineering and construction projects (workplaces): Usage for a two-month period during FY 2021 was aggregated for 169 sampled workplaces, and usage (basic unit) for the value of finished work for each construction project during the aggregation period was calculated. Annual usage was calculated by multiplying this basic unit by the value of finished work for the year. For civil engineering projects, the value was calculated for each type of work.

* Usage of "energy-related" fossil fuels (heavy oil, light oil, gasoline, kerosene), power and city gas and the energy converted values for these figures.
* The sum total of energy usage is the value of (fossil fuel usage + power usage + city gas (office) usage) converted into joules.</td></tr>
<tr><td>Total electricity use</td><td>10^6kWh</td></tr>
<tr><td>City gas (offices)</td><td>10^3m^3</td></tr>
<tr><td>Water (consumption)</td><td>10^3m^3</td></tr>
<tr><td>Total quantity of the main construction materials</td><td>-</td><td>• Main building materials usage: Purchase quantity of main building materials directly purchased for independent construction work by Taisei Corporation and construction work as the leader of a consortium.

* Usage of main building materials: ready-mixed concrete, cement, aggregate (gravel, crushed stone etc.) and steel.</td></tr>
</table>

OUTPUT		Calculation method / criteria
CO_2 emissions	10^3t-CO_2	Aggregation criteria • Aggregated in conformance with the Act on the Rational Use of Energy, Act on Promotion of Global Warming Countermeasures and GHG Protocol, etc., and based on in-house regulations relating to environmental data management and the Taisei Group environmental data aggregation manual. • For the aggregation of CO_2 emissions, Taisei Corporation uses the values for fuel usage of the Japan Mechanization Association with the exception of the values for oil and fat content. CO_2 emissions coefficient • Light oil, heavy oil etc.: Calculated using the emissions coefficients in the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures. • Power: Calculated using 0.439 t-CO_2/MWh, the 2020 post-adjustment emissions coefficient from the receiving end in the figures announced by the Japan Business Federation. For offices, calculated using the post-adjustment emissions coefficient for the FY 2020 results for each electric power company. • City gas: Calculated using the standard calorific value of city gas suppliers and the emissions coefficient in the Act on Promotion of Global Warming Countermeasures. • CO_2 emissions at construction stage (workplace (civil engineering / construction)): For calculation of CO_2 emissions at Taisei Corporation workplaces, in some cases temporary or special construction, etc. that has a major impact on data continuity is omitted.
NOx	t	Emissions from light oil, heavy oil and kerosene are calculated using the emissions coefficient in the Architectural Institute of Japan "Building LCA Guidelines: Assessment Tool for Global Warming, Resource Consumption and Waste Measures (revised version)."
SOx	t	
Construction waste	10^3t	Construction wastes from independent construction work and construction work as the leader of a consortium, and construction by-products generated at owned factories, etc. (wastes / valuable resources).

Material Flow for Group Companies

INPUT		Calculation method / criteria
Fossil fuel use	10^3kL	Aggregation criteria Aggregated in conformance with the Act on the Rational Use of Energy, Act on Promotion of Global Warming Countermeasures and GHG Protocol, etc., and based on in-house regulations relating to environmental data management and the Taisei Group environmental data aggregation manual. Energy / water usage • Office / factory: Annual purchase quantities and usage amounts are aggregated each month. • Civil engineering / construction projects (workplaces): Aggregated based on the Taisei Group environmental data aggregation manual. • * Energy, fossil fuel (heavy oil, light oil, gasoline, kerosene, GTL), power, city gas and LPG usage and energy converted values. • * The sum total of energy usage is the value of (fossil fuel usage + power usage + city gas + LPG) converted into joules.
Electricity use	1 million kWh	
City gas	10^3m^3	
LPG	t	

OUTPUT		Calculation method / criteria
CO_2 emissions	10^3t-CO_2	Aggregation criteria • Aggregated in conformance with the Act on the Rational Use of Energy, Act on Promotion of Global Warming Countermeasures and GHG Protocol, etc., and based on in-house regulations relating to environmental data management and the Taisei Group environmental data aggregation manual. CO_2 emissions coefficient • Light oil, heavy oil etc.: Calculated using the emissions coefficients in the Act on the Rational Use of Energy and Act on Promotion of Global Warming Countermeasures. • Calculated using the 2.36 kg-CO_2/l calculated by GTL "Shell Global Solutions." • Power: Calculated using 0.439 t-CO_2/MWh, the 2020 post-adjustment emissions coefficient from the receiving end in the figures announced by the Japan Business Federation. For offices, calculated using the post-adjustment emissions coefficient for the FY 2020 results for each electric power company. • City gas: Calculated using the standard calorific value of city gas suppliers and the emissions coefficient in the Act on Promotion of Global Warming Countermeasures.

OUTPUT		Calculation method / criteria
Construction waste	10^3t	Construction wastes from independent construction work and construction work as the leader of a consortium, and construction by-products at owned factories, etc. (wastes / valuable resources).

Target organizations	• Domestic enterprises of Taisei Group companies (Taisei Corporation, Taisei Rotec Corporation, Taisei-Yuraku Real Estate Co., TAISEI U-LEC CO., LTD, Seiwa Renewal Works, Taisei Setsubi Co., Ltd., J-FAST Co., Ltd., Taisei Housing Corporation) • The target organizations cover more than 90% of the sales of the entire Taisei Group.

Third-Party Verification click here PDF



EY

Translation

Independent Assurance Report

July 27, 2022

TO:
Mr. Yoshiro Akiyama
President and Chief Executive Officer,
Representative Director
Taisei Corporation

Kenji Sawami
Engagement Partner
Ernst & Young ShinNihon LLC
Tokyo, Japan

We, Ernst & Young ShinNihon LLC., have been commissioned by Taisei Corporation (hereafter the "Company") and have carried out a limited assurance engagement on the Key Environmental Performance Indicators (hereafter the "Indicators") of the Company, TAISEI ROTEC CORPORATION*, TAISEI U-LEC CO.,LTD*, Taisei-Yuraku Real Estate Co.,Ltd.*, TAISEI SETSUBI CO.,LTD.*, TAISEI HOUSING CORPORATION*, SEIWA RENEWAL WORKS CO.,LTD* and J-FAST Co., Ltd.* for the year ended March 31, 2022 as included in "Sustainability (Activity Reports (ISO 26000 core subjects) /The Environment / Environmental Data (Material Flows)" on the Company's website (hereafter the "Report"). The scope of our assurance procedures was limited to the Indicators marked with the symbol "○" in the Report.

1. The Company's Responsibilities
The Company is responsible for preparing the Indicators in accordance with the Company's own criteria, which it determined with consideration of Japanese environmental regulations as presented in the Report.
Greenhouse gas (GHG) emissions are estimated using emissions factors, which are subject to scientific and estimation uncertainties given instruments for measuring GHG emissions may vary in characteristics, in terms of functions and assumed parameters.

2. Our Independence and Quality Control
We have met the independence requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is based on the fundamental principles of integrity, objectiveness, professional competence and due care, confidentiality, and professional behavior.
In addition, we maintain a comprehensive quality control system, including documented policies and procedures for compliance with ethical rules, professional standards, and applicable laws and regulations in accordance with the International Standard on Quality Control 1 issued by the International Auditing and Assurance Standards Board.

3. Our Responsibilities
Our responsibility is to express a limited assurance conclusion on the Indicators included in the Report based on the procedures we have performed and the evidence we have obtained.
We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000*) (Revised) and, with respect to GHG emissions, the International Standard on Assurance Engagements Assurance Engagements on Greenhouse Gas Statements (ISAE 3410*), issued by the International Auditing and Assurance Standards Board.
The procedures, which we have performed according to our professional judgment, include inquiries, document inspection, analytical procedures, reconciliation between source documents and indicators in the Report, and the following:
- Making inquiries regarding the Company's own criteria that it determined with consideration of Japanese environmental regulations, and evaluating the appropriateness thereof;
- Inspecting relevant documents with regard to the design of the Company's internal controls related to the Indicators, and inquiring of personnel responsible thereof at the headquarter and sites visited (1 construction site, 1 office and 1 factory);
- Performing analytical procedures concerning the Indicators at the headquarter and sites visited (1 construction site, 1 office and 1 factory);
- Testing, on a sample basis, underlying source information and conducting relevant re-calculations at the headquarter and sites visited (1 construction site, 1 office and 1 factory).

The procedures performed in a limited assurance engagement are more limited in nature, timing and extent than a reasonable assurance engagement.
As a result, the level of assurance obtained in a limited assurance engagement is lower than would have been obtained if we had performed a reasonable assurance engagement.

4. Conclusion
Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Indicators included in the Report have not been measured and reported in accordance with the Company's own criteria that it determined with consideration of Japanese environmental regulations.

* CO_2 emissions, energy use, fossil fuel use, electricity use, city gas, LPG, industrial waste emissions only.

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Building a better working world

Translation

The following is an English translation of an independent assurance report prepared in Japanese and is for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.

Independent Assurance Report

July 27, 2022

TO:

Mr. Yoshiro Aikawa
President and Chief Executive Officer,
Representative Director
Taisei Corporation

Kenji Sawami
Engagement Partner
Ernst & Young ShinNihon LLC
Tokyo, Japan

We, Ernst & Young ShinNihon LLC., have been commissioned by Taisei Corporation (hereafter the "Company") and have carried out a limited assurance engagement on the Key Environmental Performance Indicators (hereafter the "Indicators") of the Company, TAISEI ROTEC CORPORATION* , TAISEI U-LEC CO.,LTD*, Taisei-Yuraku Real Estate Co.,Ltd.*, TAISEI SETSUBI CO.,LTD.*, TAISEI HOUSING CORPORATION*, SEIWA RENEWAL WORKS CO.,LTD*. and J-FAST Co., Ltd.* for the year ended March 31, 2022 as included in "Sustainability /Activity Reports (ISO 26000 core subjects) /The Environment / Environmental Date (Material Flow)" on the Company's website (hereafter the "Report"). The scope of our assurance procedures was limited to the Indicators marked with the symbol "☑" in the Report.

1. The Company's Responsibilities

The Company is responsible for preparing the Indicators in accordance with the Company's own criteria, which it determined with consideration of Japanese environmental regulations as presented in the Report.
Greenhouse gas (GHG) emissions are estimated using emissions factors, which are subject to scientific and estimation uncertainties given instruments for measuring GHG emissions may vary in characteristics, in terms of functions and assumed parameters.

2. Our Independence and Quality Control

We have met the independence requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is based on the fundamental principles of integrity, objectiveness, professional competence and due care, confidentiality, and professional behavior.
In addition, we maintain a comprehensive quality control system, including documented policies and procedures for compliance with ethical rules, professional standards, and applicable laws and regulations in accordance with the International Standard on Quality Control 1 issued by the International Auditing and Assurance Standards Board.

3. Our Responsibilities

Our responsibility is to express a limited assurance conclusion on the Indicators included in the Report based on the procedures we have performed and the evidence we have obtained.
We conducted our limited assurance engagement in accordance with the *International Standard on Assurance Engagements: Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ISAE 3000") (Revised) and, with respect to GHG emissions, the *International Standard on Assurance Engagements: Assurance Engagements on Greenhouse Gas Statements* ("ISAE 3410"), issued by the International Auditing and Assurance Standards Board.
The procedures, which we have performed according to our professional judgment, include inquiries, document inspection, analytical procedures, reconciliation between source documents and Indicators in the Report, and the following:

- Making inquiries regarding the Company's own criteria that it determined with consideration of Japanese environmental regulations, and evaluating the appropriateness thereof;
- Inspecting relevant documents with regard to the design of the Company's internal controls related to the Indicators, and inquiring of personnel responsible thereof at the headquarter and sites visited (1 construction site, 1 office and 1 factory);
- Performing analytical procedures concerning the Indicators at the headquarter and sites visited (1 construction site, 1 office and 1 factory);
- Testing, on a sample basis, underlying source information and conducting relevant re-calculations at the headquarter and sites visited (1 construction site, 1 office and 1 factory);

The procedures performed in a limited assurance engagement are more limited in nature, timing and extent than a reasonable assurance engagement.
As a result, the level of assurance obtained in a limited assurance engagement is lower than would have been obtained if we had performed a reasonable assurance engagement.

4. Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Indicators included in the Report have not been measured and reported in accordance with the Company's own criteria that it determined with consideration of Japanese environmental regulations.

* CO_2 emissions, energy use, fossil fuel use, electricity use, city gas, LPG, industrial waste emissions only

TAISEI Sustainability
For a Lively World

Information Disclosure Based on TCFD Recommendations

Governance Strategies Risk Management Indicators and Targets

Information Disclosure Based on the Recommendations by The Task Force on Climate-Related Financial Disclosures (TCFD)

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Climate change and resulting natural disasters are occurring more frequently and on a larger scale than before, and the safety and security of our homes and lives are threatened. These changes have created a major trend toward decarbonization leading to the adoption of the Kyoto Protocol, the Paris Agreement, and the SDGs. They have had a significant impact on the policies of countries around the world, including Japan, and there are growing expectations for the role that companies will play.

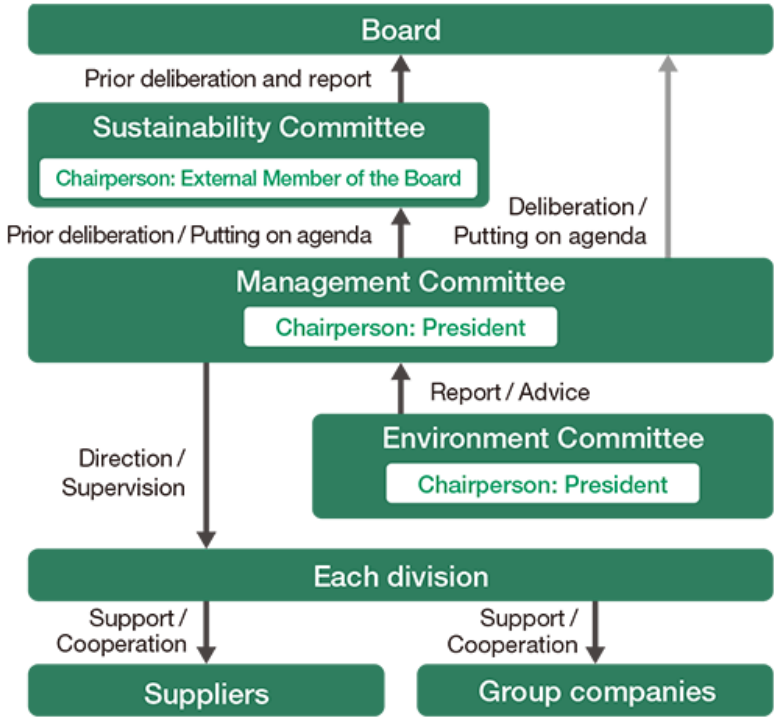
The Taisei Group recognized the impact of climate change on its business as a crucial management issue and endorsed the TCFD recommendations in July 2020. In response to the government's Carbon Neutrality Declaration in October 2020, we have reviewed the TAISEI Green Target 2050 in 2021, and are aiming to achieve "virtually zero CO2 emissions from business activities" by 2050. In addition to our efforts to reduce carbon emissions, we shall work with the value chain to contribute to the realization of a decarbonized society.

Furthermore, to contribute to the achievement of a decarbonized society, in February 2022, we established new Group Environmental Targets for 2030 as a milestone in our long-term environmental targets, the TAISEI Green Target 2050. While we will continue to promote information disclosure based on the TCFD recommendations, we will pay close attention to the impact of climate change and the government's policies and social trends for the reduction of CO2 emissions. We will take appropriate measures, and aim to achieve a sustainable society and the improvement of corporate value.

Governance

- As meeting bodies to deliberate on proposals related to climate changes, we have set up the Sustainability Committee and the Environment Committee. After discussion by each meeting body, matters are discussed and determined by the Board.
- Important policies and measures related to ESG in general are discussed by the Sustainability Committee, which is a committee of the Board. The formulation of basic policies and medium to long-term targets related to environmental management are deliberated on by the Environment Committee, which is an advisory body to the Management Committee.
- Proposals deliberated on and decided by the Board are communicated by the Management Committee to each business division and Group company, and are reflected in their management plans and business operations. Then, the details are incorporated into the specific action items at a construction site. We will also request our suppliers to cooperate.

Chart of Climate-Related Governance System



Strategies

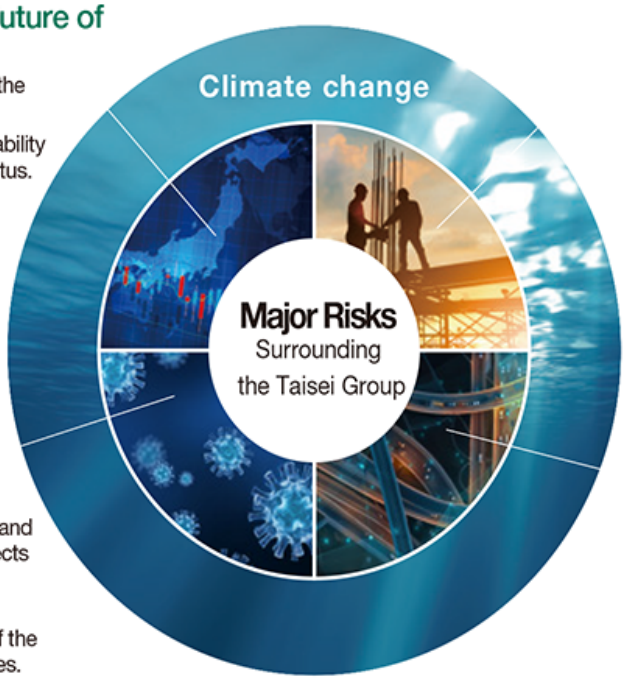
- We recognize various Medium- To Long-Term risks including the major ones listed above. We conducted scenario analysis on one of them, climate change risk.
- Climate change risk includes risk caused by transitions such as the reinforcement of regulations to minimize temperature increases and changes in the market, and risk that arises with physical changes such as acute abnormal weather that occurs due to higher temperatures.
- To establish business strategies that flexibly respond to climate change, we use multiple scenarios to evaluate the impact on our business. For the scenario analysis, we refer to the Sustainable Development Scenario (SDS) by the International Energy Agency (IEA) for the scenario where transitions will progress, and the Representative Concentration Pathways (RCP) scenario by the Intergovernmental Panel on Climate Change (IPCC), etc. for cases where physical changes will progress. In this way, we verify the validity of our business strategy.

Uncertainty about the future of the Japanese market

- Price competition intensifies as the construction market shrinks.
- It may lead to a decline in profitability and deterioration of financial status.

Shortage of workers

- The shortage of construction workers due to the shrinking working population and aging society is directly linked to the decline in construction capacity.
- There is an urgent need to improve productivity through technological development and business improvement, and to create an attractive working environment.



Spread of infectious diseases

- Infection of officers, employees and skilled construction workers affects business continuity.
- Of concern is the impact of the cancellation or postponement of the client's construction plan on sales.

Intensifying competition for technological development

- The utilization of digital technology and data is being accelerated in the construction industry as well.
- Delays in technological development may result in declining competitive advantage.

Major risks and opportunities concerning climate change

Classification	Risk/Opportunity		Description	Impact level
Shift	Market shrinkage and increase in construction cost due to the introduction of carbon pricing and tightened CO_2 emission regulations	Risk	• Decrease in private construction investment and equipment investment due to the introduction of carbon pricing and the reinforcement of CO_2 emission regulations • Increase in construction costs due to a hike in the prices of building materials and electricity	Medium
			• Increase in costs due to the application of carbon pricing to the CO_2 that is generated by our business activities	Low
	Increase in demand for renewal	Opportunity	• Increase in demand for renewal to improve energy efficiency of existing facilities	Medium

	Risk/Opportunity		Description	Impact level
	Increase in demand related to energy-saving and renewable energy	Opportunity	• Increase in demand related to ZEB and smart cities • Expansion of demand for renewable energy-related works such as offshore wind power	Medium
Physical	Increase in average temperature during summer	Risk	• Decline in productivity due to an increase in damage to the health (heat stroke, etc.) of skilled construction workers and the avoidance of extremely hot hours • Accelerated worker shortage due to the decline in the number of new workers in the construction industry because of the degraded working environment	Medium
	Increase in severity and frequency of natural disasters	Risk	• Work suspension, process delay, and increase in labor and temporary work costs due to damage to construction worksites, etc.	Medium
	Increase in severity and frequency of natural disasters	Risk	• Increase in procurement costs and process delays due to damage to suppliers	High
		Opportunity	• Increase in demand to improve the resilience of equipment and infrastructure against intensified disasters	High
		Opportunity	• Increase in new construction and relocation works due to growing demand for relocation from disaster hazard areas	High
	Rise in sea level	Opportunity	• Increase in the capital investment for improved resilience in areas with a flood risk and demand for relocation from areas with a flood risk	High

Note: Possible works are classified by the significance of impact as “High,” “Medium” and “Low.”

Countermeasures for Climate Change

Countermeasures required for the risks and opportunities identified with scenario analysis are reflected in the Medium-Term Business Plan (2021–2023). They are also incorporated into the business operations of each division. Accordingly, we will reduce the risks associated with climate change and expand opportunities.

Response to the market shrinkage and construction cost increase due to the introduction of carbon pricing and the tightening of laws and regulations	• Owning renewable energy power sources for the purpose of covering the power consumption of the Group • Consideration and introduction of fuel improvement measures (biodiesel fuel/fuel additives) for construction worksites • Enhancement of green procurement such as the development and utilization of carbon-recycle concrete
Response to the increase in demand related to renewal, energy-saving and renewable energy	• Establishment of an organization dedicated to renewal, and expansion of the organization that handles work related to wind power generation • Development and commercialization of next-generation high-performance ZEB and the development of energy support services • Technological development that contributes to the industries that are expected to grow through a virtuous cycle of the economy and the environment
Response to the reduced productivity of construction worksites due to abnormal weather	• Reduction of health damage through the nationwide promotion of wellness worksites and the improvement of working environment during extremely hot hours • Consolidate some of the operations of worksites into specialized organizations such as digital product centers • Reform the production process at worksites by developing and deploying unmanned construction technology, robot construction technology, etc.
Response to abnormal weather, increase in the severity and frequency of disasters and sea level rises	• Advancement of infrastructure development technology for national resilience and the improvement of the proposing skills • Development of real-time flood risk prediction/simulation for heavy rain, etc. • Securing a business continuity system by building a BCP system with clients and suppliers and conducting regular training

Risk Management

- As for climate change risk, we established a company-wide TCFD Working Group (TCFD WG) to identify the climate change risk related to each department's business and analyze the degree of impact on the business. We also conduct evaluations relative to risks other than climate change risk, and confirm that the necessary measures are being taken. The risks analyzed by the TCFD WG are deliberated by the Sustainability Committee and reported to the Board meeting.
- In addition, it is consistent with the risks evaluated and identified with the environmental management system (EMS) based on the international standard ISO 14001.

Indicators and Targets

- In the environmental targets for fiscal 2050 "TAISEI Green Target 2050," we set the goal of "virtually zero" CO_2 emissions from business activities. Moreover, we set out "Realization of a Sustainable and Environmentally Friendly Society" as one of the materiality (our important issues), and set KPIs for fiscal 2023 using the CO_2 emission reduction rate as an index.
- We are aiming to reduce CO_2 emissions through the implementation of priority measures under the Medium-Term Business Plan (2021-2023). Going forward, scenario analysis will be carried out in stages to identify potential risks and formulate and implement business strategies.
  We will also actively promote green projects through the issuance of green bonds.

CO_2 emission reduction target for each fiscal year	**FY2023**	**FY2030**	**FY2050**
	KPI	**TAISEI Green Target 2050**	
Scope 1+2 reduction rate of CO_2 emissions per sales[*1](Taisei Group)	-15%	-50%	We will aim for "virtually zero" CO_2 emissions from business activities.
Scope 1+2 reduction rate of total CO_2 emissions[*1](Taisei Group)	-6%	-40%	
At construction stage: Reduction rate of CO_2 emissions per sales[*2] (Non-consolidated)	-41%	-64%	
At construction stage: Reduction rate of total CO_2 emissions[*2] (Non-consolidated)	-46%	-66%	
At building operation stage: Reduction rate of design-build estimated CO_2 emissions[*2](Non-consolidated)	-43%	-59%	In addition to our reduction efforts, we will work on the value chain, and contribute to the realization of a decarbonized society.

*1 Compared to FY2019. *2 Compared to FY1990.

Refer to:

▸ For Realization of a Decarbonized Society

Social(S)

Human Rights

- Respect for Human Rights +
- Promotion of Diversity and Inclusion +
- Human Rights Due Diligence +

Labor Practices

- Realization of an Attractive Working Environment That Is Good to Work in +
- Enhancing Employee Potential +
- Health Management +
- Thorough Management of Occupational Health and Safety +
- Cultivation of Technical Staff and Securing of Human Resources +

Consumer Issues

- Ensuring Quality and Improving Technology +
- Technical Development for Realizing a Sustainable Society +

Fair Operating Practices

- Promotion of Supply Chain Management +

Community Involvement and Development

- Contribution to Local Communities +
- Social and Cultural Contribution activities +

Respect for Human Rights

Policies and Basic Approach Goals and Targets Initiatives
Sustainability Governance and Oversight Achievements Data

Respect for Human Rights

Policies and Basic Approach

The Action Guidelines for Taisei Personnel and the Taisei Group as a Whole emphasize “Respect for fundamental human rights and diversity,” and stipulate that the Taisei Group and Taisei Personnel shall not discriminate on the basis of race, religion, gender, nationality, social status, disabilities, or sexual orientation, nor shall they commit any act in violation of human rights, such as sexual harassment or abuse of authority.
Underpinning every corporate activity of Taisei Corporation is its support and respect for internationally agreed human rights protections such as the Universal Declaration of Human Rights, the eight fundamental conventions of the International Labour Organization (ILO) relating to the Declaration on Fundamental Principles and Rights at Work, and international labor standards including ISO 26000, and we are committed to not being complicit in human rights violations.
In April 2022, based on a resolution of the Board of Directors, the Human Rights Policy was revised to incorporate the clear commitment of the Taisei Group to fulfill the responsibility to respect human rights both within and outside the company, and to establish a Human Rights Due Diligence mechanism as a specific activity and ensure its ongoing implementation. The Human Rights Policy is communicated both within and outside the company via the official Taisei Group website.
The Taisei Group will respect human rights in accordance with its Human Rights Policy and will work with its business partners and other relevant entities to promote the human rights of all stakeholders involved in the Group's business activities.

Risks and Opportunities

https://www.taisei-sx.jp/

The lynchpin of business activities in the construction industry is a multitiered supply chain that extends throughout the country and the world and is made up of skilled workers in many different fields, companies that procure, process and transport raw materials and so on. To Taisei, respect and consideration for the human rights of every person throughout the entire supply chain which includes employees, skilled workers and the local community is a serious matter. Efforts to protect human rights at companies have grown more and more important in recent years. Taisei recognize the need for efforts to protect human rights both within the company and throughout the supply chain and is promoting efforts to this end.

Policy / Commitment

- Action Guidelines for Taisei: Cultivating an open corporate culture/Respect for fundamental human rights and diversity
- Human Resources Development Policy (Diversity & Inclusion Policy)
- Human rights Policy
- Medium-Term Business Plan: To promote the measures that emphasize an attractive working environment, as well as diversity and inclusion

Refer to:

- Action Guidelines for Taisei
- Human rights Policy PDF
- Human Resources Development Policy (Diversity & Inclusion Policy) PDF
- Medium-Term Business Plan

Support for Human Rights in the UN Global Compact

In April 2018, the Taisei Group announced its support for the UN Global Compact and its two principles relating to human rights. We also support the UN Guiding Principles for Business and Human Rights(UNGPs), the Children's Rights and Business Principles, and we promoting initiatives for human rights due diligence in supply chains.

The Ten Principles of the UN Global Compact

Human Rights	**Principle 1:**Businesses should support and respect the protection of internationally proclaimed human rights. **Principle 2:**Make sure that they are not complicit in human rights abuses.

https://www.taisei-sx.jp/

Labour	**Principle 3:**Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; **Principle 4:**The elimination of all forms of forced and compulsory labour. **Principle 5:**The effective abolition of child labour. **Principle 6:**The elimination of discrimination in respect of employment and occupation.
Environment	**Principle 7:** Businesses should support a precautionary approach to environmental challenges. **Principle 8:**Undertake initiatives to promote greater environmental responsibility. **Principle 9:**Encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	**Principle 10:**Businesses should work against corruption in all its forms, including extortion and bribery.

Goals and Targets

Target

- Promote Human Rights Due Diligence in an ongoing manner to identify and assess negative impacts and strive to prevent and mitigate human rights risks.
- Conduct follow-up investigations to determine the effectiveness of measures, and work to determine the state of human rights issues in the supply chain, ensure the effectiveness of Human Rights Due Diligence, and work to intensify efforts to ensure respect for human rights.
- Provide regular reports on the status of efforts to management meetings, meetings of the Sustainability Committee and the Board of Directors, and disclose information as appropriate.

Performance

https://www.taisei-sx.jp/

Year	Progress toward Achievement of Objectives
FY 2022	• Revision of Human Rights Policy • Revision of Taisei Group Sustainable Procurement Guidelines • Preparation of Taisei Sustainability Handbook that takes into account the Human Rights Policy and human rights activities of the Taisei Group, and distribution to all Taisei and Group company employees (25,000 copies). In addition, holding of explanatory briefings to ensure a thorough understanding of the Human Rights Policy and the Sustainable Procurement Guidelines. • Engagement between the Taisei CSO and key figures with a knowledge of global human rights issues with regard to human rights issues, and release of an integrated report • Human rights training and compliance training for all executives and regular employees • Opinion survey and interviews of suppliers (scheduled)
FY 2021	• Identification of high risk sectors for human rights in the supply chain and review by outside experts, based on result of opinion survey of suppliers conducted during the previous fiscal year and international guidance relating to human rights • Disclosure on website of mechanism for Human Rights Due Diligence and identified human rights risks • Human rights training and compliance training for all executives and regular employees, in addition to CSR (now "Sustainable") Procurement training
FY 2020	• Opinion survey of 1,116 primary suppliers and site visit survey of 12 supplier companies to confirm that there are no human rights issues • Human rights training and compliance training for all executives and regular employees, in addition to CSR (now "Sustainable") Procurement training

KPIs

Supplier’s conformity rates with the Taisei Group Sustainable Procurement Standards

Refer to:

▸ Promotion of Supply Chain Management ▸ Materiality and KPIs PDF

Initiatives

- United Nations Global Compact,“Human Rights,” “Labor,”“Environment,” and “Anti-Corruption”
- My Declaration of Human Rights
- ISO26000
- HRDD Sub-Committee (GCNJ)
- Supply Chain Sub-Committee(GCNJ)

Refer to:

- Initiatives

Sustainability Governance and Oversight

Human Rights Management

Taisei Corporation pursues various initiatives relating to human rights through coordination between Sustainability Committee, Personal Committee, Compliance Committee and other Committees is structured so that its activities are appropriately supervised by the Board of Directors.

Promotion Item	Description of Activity and Achievements
Sustainability Committee (Board of Directors Committee)	• Important matters relating to human rights are discussed in advance, first at a management meeting and then at a meeting of the Sustainability Committee, after which they are referred and reported to the Board of Directors. The Sustainability Committee revises and abolishes the Taisei Group Action Guidelines, works to ensure understanding of the UN Global Compact, reports on the status of operation of the corporate ethics helpline that has been discussed by the Compliance Committee, and revises the Human Rights Policy.

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Promotion Item	Description of Activity and Achievements
Compliance Committee (Special Committee)	• The Compliance Committee is headed by an outside expert (lawyer) and has been set up as a special committee that answers to an advisor to the president. The committee is under the direction and supervision of the Chief Risk Management Officer (CRO) and its activities are centered on the Compliance Promotion Office, the committee's promotion department. The committee works with the officers and the promotion and execution personnel in each department to ensure a thorough awareness of compliance responsibilities, such as preventing harassment and discrimination and preventing human rights issues.
Personnel Committee (Operations Committee)	• Compliance with the personnel utilization policy (diversity and inclusion policy) is supervised by the Taisei Board of Directors and promoted by the personnel department in the administrative division. An engagement survey is conducted for all executives and regular employees, and the results of this survey and important matters relating to diversity and inclusion are discussed by the Personnel Committee and, depending on the content, are referred and reported to management meetings and the Board of Directors.
Human Rights Education Committee	• The Human Rights Education Committee, chaired by the Chief Sustainability Officer (CSO) and made up of promotion committee members at the head office divisions and all branches, discusses basic policy, measures etc. relating to human rights issues and then formulates activity plans, reviews human rights education activities, studies and obtains approval for policies and plans, and promotes ongoing improvement activities.
Sustainable Procurement Committee	• The Sustainable Procurement Committee is made up of the managers of departments involved in procurement (civil engineering, construction, procurement and safety) and personnel from the Sustainability Planning Department. It revises the Sustainable Procurement Guidelines of the Taisei Group and conducts studies relating to the sustainable procurement opinion survey and so on.

Contacts for Consultations regarding Human Rights Violations and Relief

As shown in the table below, various contacts for consultations have been established to handle consultations from all stakeholders both within and outside the company. In the event that the Taisei Group is discovered to have caused or furthered adverse impact on human rights, immediate relief will be provided and corrective action will be taken using appropriate means in accordance with the Human Rights Policy.

<Contact>	<For>

https://www.taisei-sx.jp/

<Contact>	<For>
Personnel Affairs Consultation Contact (personnel system, workplace environment, human rights, harassment etc.)	Company employees
EAP Consultation Contact (mental health of employees and their family members, etc.) (outside consultation is also available)	Company employees and their families
Vibrant Workplace Promotion Section Consultation Contact (support for diversity, childcare and nursing care, LGBTQ issues etc.)	Company employees
Harassment Consultation Contact at head office and branch offices (sexual harassment, abuse of power etc.)	Company employees
Corporate Ethics Helpline, Group Helpline (all compliance violations)	Company employees / Group companies and directly contracted suppliers
Whistleblower Contact (all compliance violations)	Workers at business operators working on Taisei projects that have a direct contractual relationship with Taisei
Contact for Inquiries on the Taisei official website	All Stakeholders

Achievements

Human Rights Awareness Activities

Based on the Taisei Group slogan “For a lively world,” the Action Guidelines for Taisei Personnel and the Taisei Group as a Whole emphasize “Respect for fundamental human rights and diversity.” Taisei strives to foster a corporate climate that respects human rights and continues to work to improve awareness of the importance of human rights throughout the Taisei Group.

The Human Rights Policy that was first established in 2015 was revised in April 2022 to incorporate the clear commitment of the Taisei Group to fulfill its responsibility to respect human rights both within and outside the company. As a specific activity in this regard, a Human Rights Due Diligence mechanism was also established, and this mechanism will be implemented in an ongoing manner.

Moreover, Taisei has posted its Human Rights Policy on its website to make its policy clear to all stakeholders, and has also issued the Taisei Group Sustainable Procurement Guidelines that require respect for human rights in all business activities.

Furthermore, Taisei has prepared the Taisei Sustainability Handbook, a training manual that explains activities relating to sustainability issues that include the Human Rights Policy, human rights due diligence and other matters concerning respect for human rights. This handbook is issued to every employee at Taisei Corporation and the Taisei Group companies to

ensure a thorough understanding of the Human Rights Policy. Briefings are also held at individual departments to ensure understanding.
Moreover, to ensure that each employee has a deep understanding of the Human Rights Policy and is able to conduct business activities with respect for human rights, online training sessions are conducted each year for all employees, and human rights training is incorporated into the educational programs for employees at each level and within each department. Group training is conducted for a variety of topics including international human rights issues, the Burakumin issue, persons with disabilities, LGBTQ issues, harassment and so on.
In addition, we conduct various types of training for employees about the importance of respecting human rights. Employees who are the consultation contact for human rights violations established in each department receive online training by specialists. In addition, employees at the managerial level and above view training videos designed to prevent power harassment and bullying and receive training in how to respond to incidents, and participate in the Human Rights Awareness Supervisor Training sponsored by the Industrial Federation for Human Rights, Tokyo and held for newly appointed members of the Human Rights Awareness Promotion Committee.
We also conduct ongoing activities to promote awareness of human rights, including publishing and distributing to all employees a “Human Rights Handbook” about the importance of respecting human rights and a handbook for supporting persons with disabilities (Happy Communication Guidebook), as well as soliciting essays and slogans on human rights each year and awarding prizes for outstanding contributions.

Taisei Corporation Human Rights Awareness Promotion Committee (As of 1 April,2022)

In 1984, Taisei established the Taisei Corporation Human Rights Awareness Promotion Committee, made up of promotion members at the head office and all branch offices, for the purpose of supporting excellent character-building for employees and nurturing employees who are very aware of the importance of human rights. Each year, the Committee discusses basic policies and measures relating to human rights issues, formulates activity plans, and reviews human rights awareness promotion activities, in order to promote human rights awareness activities company-wide and in individual departments. Moreover, once each year, in coordination with the annual committee meeting, a training session by outside specialists is held in an effort to increase awareness of the importance of human rights.

- Frequency :Twice a year
- Head Office Committee Members
  Chairperson : Senior Managing Executive Officer, Chief of Sustainability Division (Integrated)

  Deputy
  Chairperson : Chief of Sustainability Management Promotion Division

  Deputy
  Chairperson : Manager of Human Resources Department of Business Administration Division

  Committee : Managers of Administration Department of each division (16 department)
- Secretariat :Chief Manager of Planning Section. Sustainability Planning Department
- Branch Office Committee Members
  Chairperson :Managers of Administration Department (13 branch)

  Deputy
  Chairperson :Managers of each division (13 branch)

Stakeholder engagement with regard to human rights issues

With regard to significant human rights issues in the construction industry, the Taisei Group Human Rights Policy stresses the “need to thoroughly eliminate human rights violations involving foreign workers in particular.” As part of the activities that demonstrate its commitment to the resolution of such issues, Taisei discloses discussions between its Chief Security Officer (CSO) and outside experts in an integrated report. Moreover, in accordance with the United Nations Guiding Principles on Business and Human Rights, Taisei has initiated due diligence activities for its suppliers regarding human rights in the supply chain, and conducts interviews and the like with suppliers and foreign workers. In addition to risk reduction and continuing improvements through due diligence, Taisei also complies with laws relating to human trafficking, equal work, equal compensation, immigrant labor and so on, and works to ensure respect for human rights.

Refer to:

- Human Rights Due Diligence
- Human Rights×SDGs Talk

Data

SocialData

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TAISEI Sustainability
For a Lively World

Human Rights Due Diligence

- Human Rights and Supply Chains
- 1. Identification of adverse human rights impacts (Foundational Principle 18)
- 2. Prevent and mitigate adverse human rights impacts (Foundational Principle 19)
- 3. Track the effectiveness of the response (Foundational Principle 20)
- 4. Provide information and communicate externally (Foundational Principle 21)

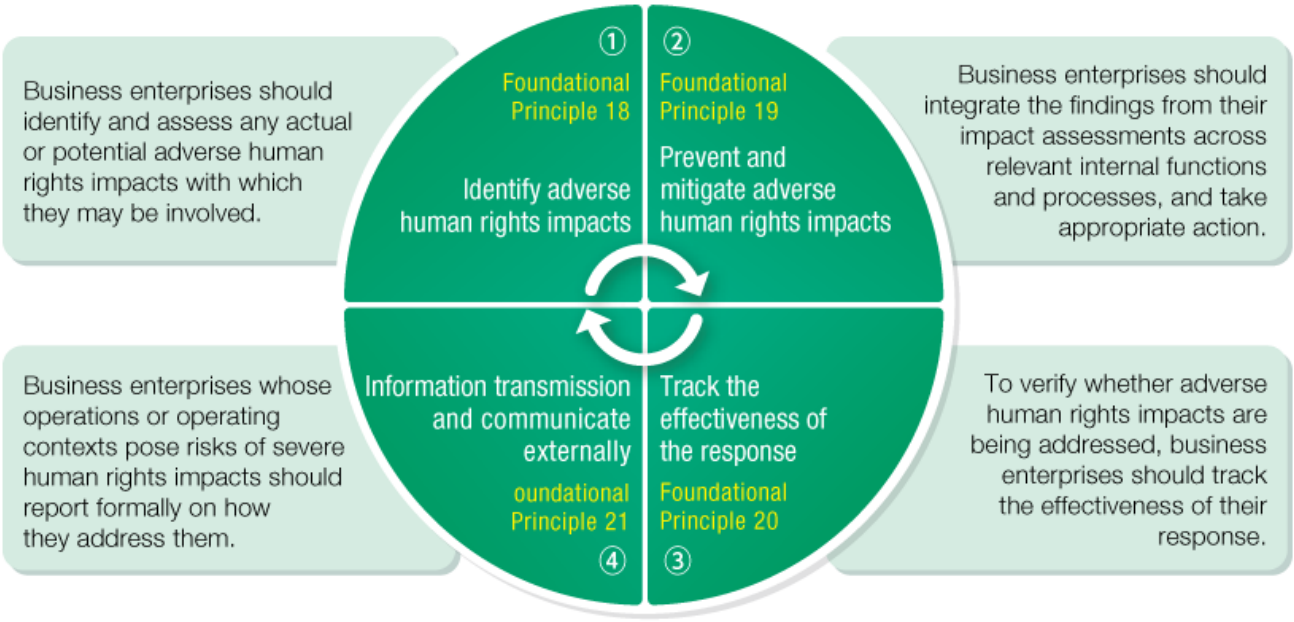
Taisei Corporation clearly state “Respect for fundamental human rights and diversity” in the Action Guideline for the Taisei Group. In addition, we believe that supporting and respecting the protection of internationally agreed human rights, such as international standards, including ISO26000, is the premise of our corporate activities. Viewing that not infringing on human rights is our responsibility that we shall fulfill, in October 2015, we decided on our Human Rights Policy. Since then, we have been proceeding with initiatives. We acknowledge that recently the importance of the companies’ initiatives for respect for human rights has been increasing, and the activities related to human rights are required to involve the supply chain beyond the company itself. In April 2022, with the Board’s approval, we revised the Human Rights Policy to explicitly commit the Group’s stance that we will fulfill the responsibility to respect human rights internally and externally.
As a specific measure, we have established the framework for human rights due diligence and decided to implement it periodically.

Human Rights and Supply Chains

The construction industry is made up of skilled workers in various fields and raw material procurement, processing and transport companies. Multilevel supply chains that extend both domestically and internationally are the bedrock of corporate activities. For Taisei Corporation as well, consideration and respect for human rights throughout the entire supply chain, including all involved personnel, skilled workers and the local community, is an important issue.
For this reason, Taisei has introduced a Human Rights Due Diligence (HRDD) system as established in the United Nations Guiding Principles on Business and Human Rights, to identify and assess the negative impact on human rights of its

corporate activities, and to identify critical issues that need to be resolved on a priority basis. With the advice of outside specialists, we have identified the human rights risks in our supply chains.
The risks that are identified and policies to prevent and minimize these risks are discussed at management meetings and meetings of the Sustainability Committee and reported to the Board of Directors. Taisei will continue to promote policies to prevent or minimize human rights risks at the Taisei Group.

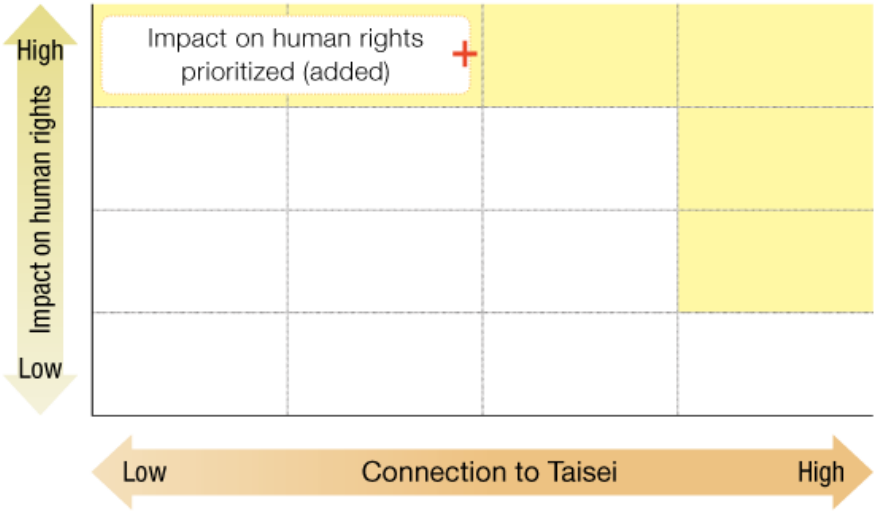
Procedure



1. Identification of adverse human rights impacts (Foundational Principle 18)

- Based on international guidance regarding human rights (the Human Rights Guidance tool of the United Nations Environment Program Finance Initiative), Taisei identifies common human rights risks faced by the industry as a whole as well as risks that are specific to the construction industry, and assigns points ratings for risks such as health and safety, labor issues, bribery and corruption and so on from the two standpoints of "impact on human rights" and “connection to own company.”
- In addition, the major human rights risks were determined (added), and the colored sections of the figure below were identified as “human rights risks that must be dealt with on a priority basis.”
- In risk identification and mapping, a careful check was conducted at the Sustainable Procurement Council, based on advice from an outside consultant firm (SOMPO RISK MANAGEMENT). In addition, in important matters, outside legal counsel reviews all agenda items in advance.

Human rights risk map



Human rights risk map PDF

Human rights risks that should be dealt with on a priority basis

Affected Group	Priority Issue	Risk
Specialist construction company workers and other workers (both domestic and overseas projects)	Health and safety (safety and hygiene)	Workplace accidents and other safety considerations and death and injury due to insufficient mental health measures
	Wages and welfare benefits	Financial losses caused by failure to pay adequate wages in line with working hours
	Discrimination and harassment (in the workplace)	Inappropriate language and harassment at work and unequal opportunities for advancement, pay raises etc. and unequal wages
(Domestic projects)	Long working hours	Death and injury from chronic long working hours and overwork due to rapid order response
	Personal information and privacy	Psychological distress caused by leakage of personal information and invasion of privacy

Affected Group	Priority Issue	Risk
(Overseas projects)	Discrimination (in hiring)	Application rejected for other than rational reasons, or discriminatory deployment following hiring
	Immigrant labor	Debt servitude, poor working environment, non-payment of wages, conditions of enslavement due to seizure of passport to restrict freedom of movement, etc.
	Freedom of association	Financial losses due to lack of means of labor-management consultation
Supplier workers involved in collection, manufacture and transport of construction materials and raw materials	Health and safety (industrial accidents)	Death or injury due to industrial accidents at company factories or during transport
	Immigrant labor	Debt servitude, poor working environment, non-payment of wages, conditions of enslavement due to seizure of passport to restrict freedom of movement, etc.
	Forced labor / human trafficking	Work under conditions of enslavement, such as work that is against one's will, work that restricts the freedom to leave one's job, forced overtime etc.
Local community	Civic order (safety of local residents)	Excessive security at overseas workplaces, or death or injury from terrorist acts targeting overseas workplaces
	Bribery and corruption	Financial losses due to improper providing of profits to foreign officials, inflow of financing to criminal organizations etc.
	Conflict commodities	Death or injury caused by procurement or use of raw materials included in conflict commodities, etc.
	Activities in countries experiencing conflict	Death or injury cause by providing of profits to organizations that engage in military force or other human rights violations

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Affected Group	Priority Issue	Risk
	Involvement with antisocial forces	Conditions of enslavement due to transactions with antisocial forces

2. Prevent and mitigate adverse human rights impacts (Foundational Principle 19)

- The measures to prevent and mitigate human rights risks that have been identified will be reflected in the Taisei Group Sustainable Procurement Guidelines.
- The entity in charge will be the Sustainable Procurement Council under the auspices of the Sustainable Management Promotion Division, and training activities for Group executives and suppliers (affiliates) using e-learning, etc. will be conducted on an ongoing basis.

Refer to:

▶ ”Sustainable Procurement Guidelines” PDF

3. Track the effectiveness of the response (Foundational Principle 20)

- The viability of the HRDD process will be confirmed by opinion surveys conducted to confirm observance of the procurement guidelines, in addition to interviews, lateral deployment of excellent precedents, interviews with foreign technical trainees etc., in order to improve the level of the overall supply chain.

4. Provide information and communicate externally (Foundational Principle 21)

- Regular reports regarding the status of implementation of the HRDD will be presented to management meetings, meetings of the Sustainability Committee and the Board of Directors, and will be disclosed on the official website and in integrated reports.

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Remedy

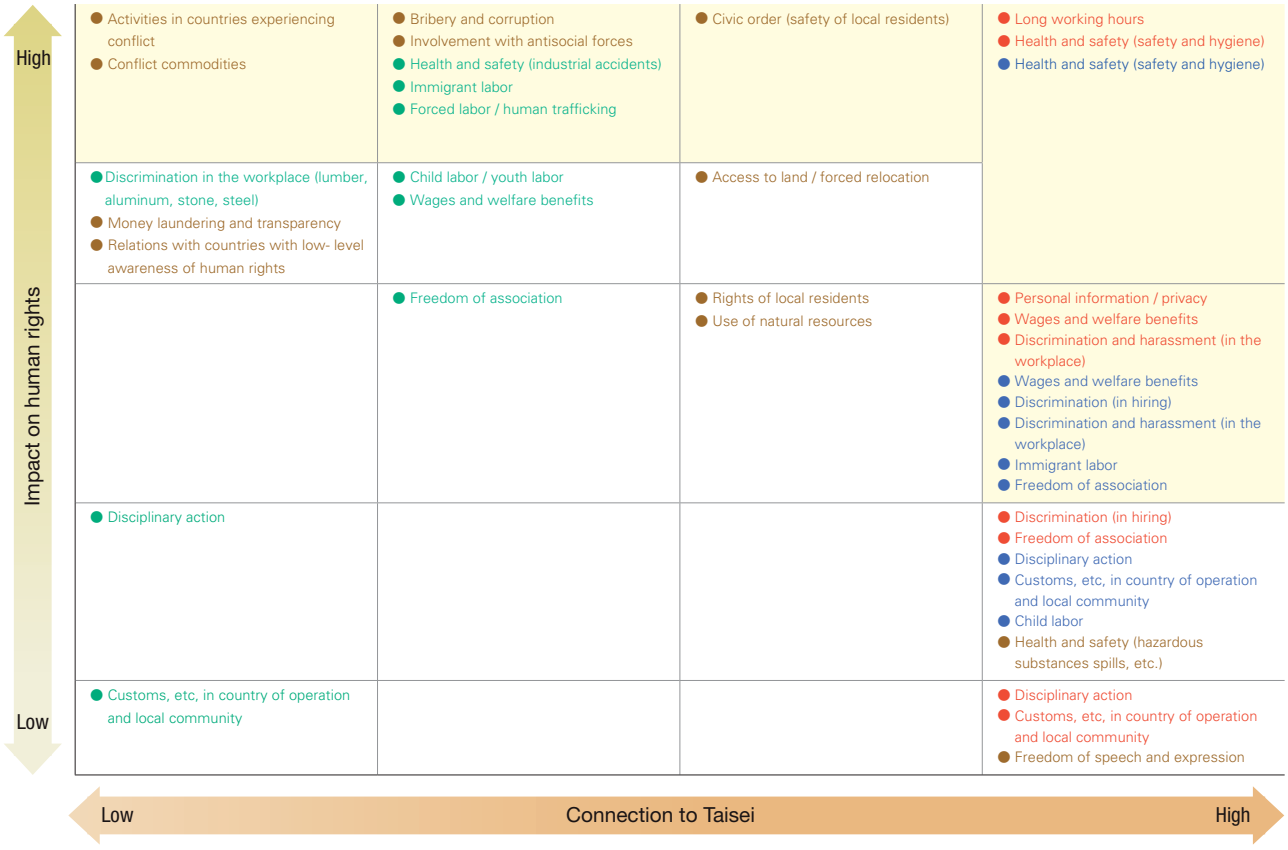
Taisei has set up a whistleblowing system that are particularly geared toward Taisei Group employees, Group companies and directly contracted suppliers. And as well as It has set up a “Contact” on our official website stakeholders including local communities. We respond appropriately to any grievances.

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Results of human rights risk mapping

[Legend] Group category for risk exposure

● Workers at domestic offices ● Workers at overseas offices ● Workers at suppliers ● Local community



Realization of an Attractive Working Environment That Is Good to Work in

Policies and Basic Approach Goals and Targets Sustainability Governance and Oversight
Achievements Data

Realization of an Attractive Working Environment That Is Good to Work in

Policies and Basic Approach

The Taisei Group includes “Securing a Pleasant Working Environment” in the Group Action Guidelines and works to achieve a work-life harmony through respect for diverse work styles and efforts to improve productivity.
In November 2021, the Taisei Group formulated the Group’s Human Resources Development Policy (Diversity and Inclusion Policy), and is working to further strengthen the development of a workplace environment in which diverse human resources can make the most of their abilities, taking advantage of not only gender, age, nationality, disability, sexual orientation and gender identity, religion, creed and values, but also diversity in their careers, experiences and work styles. In order to understand the state of employee engagement and to efficiently and continuously implement measures to improve organizational issues, in May 2022 Taisei Corporation started an engagement survey (a motivation cloud provided by Link and Motivation Inc.), replacing the previous employee satisfaction survey. Based on the top-down approach of the management, we will recognize the gap between the values of the Company and its staff, strive for mutual understanding, and promote the realization of a rewarding and attractive work environment.
In fiscal 2022, in consultation with the employees’ union, we increased wages by raising salaries for all employees and by raising the starting salaries of new graduates. In the future, we will continue to emphasize diversity, fairness and inclusiveness, and work to improve the overall treatment of our employees to enhance their ease of work and job satisfaction.

Risks and Opportunities

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The working-age population is decreasing due to the declining birthrate and aging population in Japan. In order to secure workers, it is indispensable to utilize women, the elderly and foreign nationals. Taking advantage of initiatives for employees with diverse attributes (such as the promotion of active participation by women), as well as initiatives to promote diverse work styles (such as support for balancing work with child care and nursing care), will lead to improved individual performance and business growth.

Policy / Commitment

- Action Guidelines for Taisei: Cultivating an open corporate culture/Respect for fundamental human rights and diversity
- Human Resources Development Policy (Diversity & Inclusion Policy)
- Human rights Policy
- Medium-Term Business Plan: To promote the measures that emphasize an attractive working environment, as well as diversity and inclusion

Refer to:

- Action Guidelines for Taisei
- Human rights Policy PDF
- Human Resources Development Policy (Diversity & Inclusion Policy) PDF
- Medium-Term Business Plan

Goals and Targets

KPIs



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Milestone and Performance

- The number of female managers increased approximately 7 times from 39 in fiscal 2015 to 270 in fiscal 2021.
- The number of female engineers in fiscal 2021 was 767 (738 in the previous fiscal year). The number of female employees who work at worksites has increased significantly from 135 in fiscal 2014 to 202 in fiscal 2021.

2030 Goals for Women's Participation and Advancement

	2024 target	2030 target
Ratio of newly hired female engineers	20%	25%
Ratio of newly hired female employees	25%	30%
Ratio of female engineers	–	15%

KPIs



Performance

- At the Diversity Management Training Program, which is aimed at leaders who have subordinates with diverse attributes, training is conducted to learn how to nurture subordinates by making the most of their individuality. A total of 845 employees have participated in the program.
- Since fiscal 2019, the percentage of male employees taking childcare leave has reached 100% for three consecutive years, with the average number of days taken for childcare leave reaching 9.7 (as of the end of March 2022).
- We will continue to provide information to support the keeping of work, childcare and nursing care, such as nursing care consultation meetings and work-life harmony seminars to attend with a partner, in addition to disseminating various systems such as the childcare leave system and short-time work hour system for child care.

KPI

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Health management overtime hours

Refer to:

- Materiality and KPIs
- Medium-Term Business Plan
- Human Rights Policy

Human Capital -For the Advancement of Management Capital

The Taisei Group poses the TAISEI VISION 2030 of which basic stance is “Achieving safety and security” and “Optimal utilization of `Human Capital,' `Technology' and `Intelligence.'” We believe that investing in human resources is one of the most important investments. For our employees, we are promoting diversity and inclusion, aiming to create a comfortable working environment and a personnel and salary system that allow them to perform at their full potential in various areas.

In May 2022, we conducted an engagement survey (Motivation Cloud provided by Link and Motivation Inc.) for all employees working at the Company. Under the top-down management approach, we recognize the gap between the values of the Company and its employees, strive for mutual understanding, and promote the creation of an attractive and rewarding work environment, aiming to realize the TAISEI VISION 2030.

Initiatives

- United Nations Global Compact,“Human Rights,” “Labor,”“Environment,” and “Anti-Corruption”
- The Valuable 500
- My Declaration of Human Rights
- “Male Leaders Coalition for Empowerment of Women”by the Gender Equality Bureau, Cabinet Office
- Action Plan for the Act on the Promotion of Female Participation and Career Advancement in the Workplace (Cabinet Office)
- Voluntary action plans on the promotion of women to managerial and board positions ([Keidanren] Japan Business Federation)

Refer to:

- Initiatives

Sustainability Governance and Oversight

Promoted items	Activities
Promotion of work style reform	Achievement of production system innovation and work style reform through the digital transformation (DX)
	Attractive working environment and promotion of policies that stress diversity & inclusion
	Initiatives to Correct Long Working Hours
Childcare suppor	Promoted childcare leave usage among male employees by partly paying during the leave and allowing employees to split childcare leave to separate occasions.
	Childcare support program: Holding of work-life harmony support seminar
	Creation of a temporary day-care center during training and employees who are raising children.
	Secured preferential use of about 113 nurseries across Japan to accommodate children in collaboration with our employees and nursery operators by cooperating with nurseries.
	Distribution of babysitting vouchers.
Nursing-care support	Distribution of nursing care guide and provision of information through nursing care seminars
	Individual consulting meetings with outside organizations on nursing-care
	Three-person meetings for employees who are facing nursing-care (nursing care support program).
Support for time off	Annual paid leave and promotion of acquisition of “refreshment leave” (a system that offers time off to employees and their facilities as a reward for continuous service milestones) and “milestone leave” (leave that can be acquired by workers at workplaces when they transfer to different workplaces or at work process milestones)
Various Systems	Property accumulation savings system, employee stock ownership plan, group insurance system, etc.

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Promoted items	Activities
Various mechanisms for other labor issues	Compliance with various basic working conditions established in Japan and other countries Prevention of child labor: Taisei employs persons 18 years of age or older. Prevention of forced labor: Entry by applicant is a prerequisite; after screening, applicant is notified that he/she has been hired. In addition, working conditions are presented upon company entry, and employee is hired based on his/her agreement to those conditions. Living wage support: Beginning salary for new graduate hires (university graduate / main career track) is at a level exceeding the national weighted average for the minimum wage in that region. Note:In FY 2021, this was equivalent to approximately 166% (149% compared to the minimum wage in Tokyo). In FY 2022, it was equivalent to approximately 168% (150% compared to the minimum wage in Tokyo).

Achievements

The Taisei Group Human Rights Policy explicitly states the need to observe local laws and regulations, consider the occupational health and safety of all employees and suppliers, and improve long working hours, and Taisei is working to maintain and improve employee health, prevent overworking, and reduce overtime work. To this end, we have set up a Working Hours Reduction Committee and Working Hours Reduction Promotion Committee as venues for coordination, and each year the Working Hours Reduction Committee formulates working hour reduction activity policies in order to reduce excessive working hours. In addition, the President's Message is sent to all employees each month to indicate the company's basic stance on these and other issues.

Taisei Corporation formulated Roadmap to fiscal 2024 for “addressing long working hours” with annual targets of “health management overtime (total of statutory overtime working hours and holiday working hours),” “regular leave and compensatory leave,” and “closures of worksites.” We have made efforts under the leadership of internal consultation bodies including the Committee for the Reduction of Working Hours and the Working Hour Reduction Promotion Committee. In order to change employees’ awareness and behavior, all employees are expected to discuss and carry out practical measures to reduce working hours according to the conditions of individual workplaces. Activities that positively contributed to addressing long working hours are shared across Group companies and continuously promoted to maintain momentum.

***Health management overtime:**

Overtime used as an indicator for deciding whether measures to prevent health problems (e.g. guidance by a physician) need to be taken. (Total of statutory overtime working hours and holiday working hours)

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Refer to:

- Materiality and KPIs PDF
- Medium-Term Business Plan
- Human Rights Policy PDF

Support for a Balance between Work and Family/Childcare

Taisei Corporation has put in place a variety of systems to help employees raise children in a better work environment, including the Childcare System and Flexible Working Hours for Employees During Childcare.
We also support balancing work and nursing care by developing a support system that is more extensive than legally required, including nursing care leave, and holding seminars.
Since 2016, we had placed particular emphasis on male involvement in childcare and, as one of its workstyle reform policies, has targeted a childcare leave usage rate of 100% for male employees. We promoted this initiative on a company-wide basis with the involvement of affiliated departments and superiors.
In April 2017, we joined the Ikuboss Corporate Alliance, a network whose goal is to nurture the ideal boss for the new age. In addition, we received the Ikumen Enterprise Award 2016 as well as recognition for achievements based on the Act on Advancement of Measures to Support Raising Next-Generation Children. As a result of implementing various measures that include sending congratulatory messages to male employees and their direct superiors when the employee has had a child born, encouraging the employee to take childcare leave, and enhancing the childcare leave system, the childcare leave usage rate by applicable male employees reached 100% and the average number of days taken was 9.7days (as of the end of March 2022).
To support employees who have worries about balancing work and nursing care, we have established systems for nursing care holidays and nursing care leave, etc. that exceed legal requirements, and also distribute an original nursing care guide and hold regular individual counseling sessions where employees can consult specialists free of charge. We also have a careful follow-up support system in which we hold online nursing care seminars during long vacation periods in which employees can participate with their family members, as well as nursing care seminars that are open to participation by specialist construction company employees at workplaces.

[PICK UP] Enhancement of measures to prevent employees from being forced to leave their jobs to care for family members and holding of online seminars

Taisei provides support for employees caring for their family members so that highly skilled employees can work longer without having to leave their jobs to provide care. Since 2010, we have held caregiving seminars at the head office to provide basic knowledge about nursing care and remote nursing care options.
In 2014, we expanded these seminars to branch offices and workplaces nationwide, and to date they have been attended by approximately 2,343 employees. The seminars held at workplaces have been attended by both company employees and workers.

Initiatives to Improve Labor Standards

In order to fulfill its social responsibility as stated in the Group Action Guidelines, the Taisei Group has laid out initiatives for its global business activities and ensures thorough compliance with the laws and regulations of the countries and regions where it operates. In terms of labor standards such as wages and working hours, we comply with each country's minimum wage laws and regulations and pay wages above those standards to ensure that we recruit and retain talented people to achieve sustainable growth. The average annual salary of the Group's employees in FY 2021 was JPY 9,635,000. We actively hired a total of 302 new employees in FY2021.

In addition, we are enhancing our internal job posting system and a range of other systems to support the continued engagement of our employees, so that each employee can maintain high motivation and demonstrate their full potential over a long period. We provide work descriptions in detail during the recruitment process to avoid mismatching. For young new employees, we offer the opportunity for private interviews after joining the Company, including a trial of a mentor system in some cases.

In May 2022, we started an engagement survey, replacing the previous employee satisfaction survey. Based on the top-down approach of the management, we will recognize the gap between the values of the Company and its staff, strive for mutual understanding, and promote the realization of a rewarding and attractive work environment. Note that the voluntary turnover rate for full-time employees in FY2021 was 1.5%.

Promotion of Women’s Participation and Advancement

To further enhance its initiative to promote diversity, Taisei Corporation has formulated a “voluntary action plan on promotion of women to managerial and executive positions” as well as an “action plan on women’s active participation in the workplace.” The aim is to promote a change to corporate culture, talent development, expansion of career advancement opportunities, recruitment and development, creation of a pleasant workplace, and the like.

Refer to:

- Promotion of Diversity and Inclusion

Data

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Enhancing Employee Potential

Policies and Basic Approach Sustainability Governance and Oversight Achievements Data

Enhancing Employee Potential

Policies and Basic Approach

The Taisei Group includes "Striving to create value" in its Group Action Guidelines and emphasizes the importance of being ahead of the times and striving to improve one's knowledge and abilities.
Taisei Corporation, under its basic educational philosophy of “meeting the changes and needs of the times, and fostering professionals who are full of originality and capable of rising to the challenge of transformation,” carries out a wide range of human resource development measures.
We offer a wide variety of human resource development programs to enhance expertise and provide support to obtain certifications and improve management capabilities and other skills. In FY2021, the total time spent in training programs for skill development of all employees was 231,706 hours.

Refer to:

- Action Guidelines for Taisei

Sustainability Governance and Oversight

Career Development Support

Taisei conducts various types of training in each phase after employees have joined the company in order to ensure that personnel have specialist skills, creativity and so on. Training is conducted according to rank across all divisions, for all personnel ranging from prospective employees slated for hiring to management personnel. Within each division as well, training to impart specialist knowledge and on-the-job training by experienced employees are conducted, in addition to annual training for young employees, training for management and global personnel, leadership development training for female employees and so on, in order to increase employee capabilities.
In FY2021, the time spent on training per employee was 26.7hours.

Achievements

Development of Global Human Resources

We are also making efforts to develop global human resources, such as by conducting training to improve foreign language proficiency and to facilitate an understanding of different cultures, as well as training at overseas worksites. Other initiatives include sending employees to graduate schools and other companies both in Japan and overseas.
In particular, the departments in charge of overseas businesses are independently promoting the reinforcement of “human resource” development, through the following training programs.

Training key personnel for overseas projects

Taisei Corporation works to train key personnel who will be involved in overseas projects.
We have established a Personnel Training Policy and Personnel Training Organization and conduct training in the areas of job skills, communication skills and management skills, to ensure that employees are able to use their specialist skills and knowledge in conducting construction business overseas. Diverse training that includes studying abroad at universities in foreign countries and being dispatched to other companies fosters a global outlook on the part of employees and improves their capabilities.

Support for Qualification Acquisition

Taisei Corporation helps all employees improve skills in their area of work, by supporting their acquisition of qualifications, in order to develop engineers and managers with strong specializations.
The Company assists payment of test fees, registration fees, and renewal fees if employees pass tests for qualifications designated as necessary to execute business. Rewards are also paid for qualifications that are in particularly need.

FY2021	
Construction work	**Civil engineering work**
First-class architect	Professional engineer
First-class building operation and management engineer	First-class civil engineering works execution managing engineer
First-class plumbing work operation and management engineer	Chief concrete engineer
Building mechanical and electrical engineer	Certified chief managing engineer for dam construction
Design	**International**
First-class architect	Licensed Architect
First-class architect in structural design	Professional Engineer
First-class architect in facility design	Project Management Professional
US licensed architect	APEC Architect/Engineer
Development	**Engineering**
The Association for Real Estate Securitization certified master	Professional engineer
Redevelopment planner	First-class plumbing work operation and management engineer
Professional engineer	First-class electrical work operation and management engineer
Real estate notary	
Administration	
Construction industry accountant	Registered real-estate broker

Data

Number of Public Qualification Holders

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(As of April,2022)

Number of Employees	8,667 Persons
First-class architects	2,552 Persons
First-class civil engineering construction management engineers	1,877 Persons
First-class construction accountants	262 Persons

FY2021

Type of major training	Category by type of participant	Number of applicable participants (Persons)	Actual number of participants (Persons)	Participation rate(%)	Total hours of training (hours)	Training hours per person (hours)
Introduction training for new employees	all	321	321	100.0	12,438.75	38.75
Step-Up Training for managers	Employees who have been promoted	172	172	100.0	3,999.00	23.25
Power-up management training	newly-appointed	103	103	100.0	2,394.75	23.25
Training for newly-appointed general manager	Employees who have been promoted	57	57	100.0	883.50	15.50
Training for Business leaders	Employees endorsed by the department	54	54	100.0	1,046.25	19.38

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FY2021						
Global training	Employees endorsed by the department	-	-	-	-	-

* Some of the training sessions that had been scheduled in FY2021 will be held in FY2022 in order to prevent the spread of the novel coronavirus.

Social Data

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TAISEI Sustainability
For a Lively World

Health Management

Policies and Basic Approach | Sustainability Governance and Oversight | Achievements | Data

Health Management

Policies and Basic Approach

In accordance with the Taisei Group slogan "For a Lively World," the Group Action Guidelines clearly stipulate that “Taisei personnel shall endeavor to maintain their mental and physical health, and superiors shall give due consideration to the mental and physical health of their subordinates.”
In addition to maintaining compliance with the labor laws and regulations in each country, we have established an organization for management and improvement and we are working to reduce excessive working hours in particular. Matters relating to workplace hygiene and reducing working hours for employees at the head office and branch offices are studied and reviewed, and a Hygiene Committee has been established with the aim of preventing health problems and maintaining and upgrading health.
In addition, the head office and each of the branch offices establish a Mental Health Policy and provide various types of health support measures.

Mental Health Policy (excerpt)

We have established a Mental Health Policy declaring that maintaining mental health is recognized as a serious issue for ensuring the happiness of employees and their families and creating a vibrant workplace, and we are promoting the following items.

1. Stress checks
2. Mental health
3. Provision of training and information
4. Preparation of documents and manuals
5. Protection of personal information

Refer to:

- Action Guidelines for Taisei

Sustainability Governance and Oversight

Taisei Corporation has established Health Committees at the head office and each branch office, which are chaired by the General Manager of the Human Resources Department (in the case of the head office) or the Chief of Branch (in the case of a branch office). The Health Committee meets once each month with the participation of occupational health physicians, health and safety managers, persons in charge of health promotion at each division, and branch executive members of the employees' union. At these meetings, the administrator shares information on the status of employees needing health-related care with the personnel division, in order to conduct risk management with regard to employee health. The administrator's superior also endeavors to determine the administrator's health and shares issues with the personnel department.
The Health Committee discusses matters such as frameworks to support employee health and the improvement of workplace environment while obtaining advice from occupational health physicians. The minutes of Health Committee meetings are posted on the Intranet for all employees to view.

Achievements

Thorough Health Management

Taisei requires employees to have a regular annual health check-up that includes a chest X-ray for early detection of pulmonary tuberculosis, lung cancer, pneumonia and so on. We work to achieve 100% compliance with the regular health check-up and strive to ensure that various tests are conducted and that proper after-care and health guidance are provided. In addition, Taisei also provides assistance for the costs of outpatient services to help people quit smoking in order to reduce the impact of lifestyle-related diseases, as well as for the costs of cancer screenings for breast cancer, uterine cervical cancer and other gynecological cancers, in order to promote awareness regarding employee health advancement.

Overwork prevention measures

In terms of measures to prevent overwork, Taisei promotes appropriate management of working hours and recommends interviews and guidance by a physician for persons whose interview management time* exceeds a certain standard, in order to maintain health and prevent serious illness.

* Interview management time: The "calculated time of interviews and guidance for employees working long hours, based on the Industrial Safety and Health Act" or "Taisei health management overtime hours" per month, whichever is greater.

Mental health

A health management site has been set up on the Intranet to provide useful information as necessary, including basic knowledge on mental health, a manual on procedures for return to work, contacts for both internal and external consultation, information on specific health guidance to prevent metabolic syndrome, information on subsidies for quitting-smoking treatment costs (as a means of promoting a smoke-free environment at the Company) and health-related articles, in order to help employees obtain information related to health management.
We have set up a dedicated consultation desk for employees to consult external professional counselors (health welfare professionals, clinical psychologists, etc.) responsible for health management and EAP. We also hold counseling sessions at the head office and branch offices to encourage and provide the opportunity for employees to consult external professional counselors.
In addition, as initiatives for mental health education, we periodically provide training sessions and e-learning programs on LINE Care for employees in managerial positions, and other self-care and related matters for general employees.

Stress checks

In FY 2020, the stress check participation rate was 91.6%. Through participation in stress checks, guidance is provided to employees determined to be under high stress, and active measures are conducted to improve workplace environments with high health risk values.

Refer to:

- Initiatives to correct long working hours

Global health maintenance activities

In an effort to maintain and improve the health of employees living overseas, Taisei conducts regular health check-ups for personnel on overseas assignments and accompanying family members (prior to departure, during the overseas assignment and after returning to Japan), and issues cautionary advisories regarding various diseases that are endemic to the assignment location and infectious diseases that originate in the hygienic environment (malaria, dengue fever, rabies, MERS, monkeypox etc.), as well as devising preventive measures in accordance with the actual situation in each country and region (recommending various types of inoculations and antimalarial drugs) in order to reduce the risk of disease.
In addition, Taisei cooperates comprehensively with outside medical consultant firms to determine the basic medical situation and health risks in the countries in which it conducts business, and gathers information in a timely manner on illnesses and infectious diseases prevalent at work locations. Taisei has also established mechanisms by which various types of support can be provided if needed in the event that an employee or family member receives outpatient care or is hospitalized at a local medical institution.
With regard to the COVID-19 pandemic as well, Taisei has established a mechanism to enable online medical consultations and examinations by the doctors at medical consultant firms, as well as a system for emergency medical transport in preparation for the risk of severe illness. In this way, Taisei implements policies needed to place the highest priority on maintaining and improving the health of employees on overseas assignments and their families.

Data

Social Data

TAISEI Sustainability
For a Lively World

Thorough Management of Occupational Health and Safety

Policies and Basic Approach | Goals and Targets | Initiatives
Sustainability Governance and Oversight | Achievements | Data

Work in Thorough Management of Occupational Health and Safety

Policies and Basic Approach

The Action Guidelines for Taisei Personnel and the Taisei Group as a Whole include efforts to maintain a safe and healthy workplace environment and prevent industrial accidents. The Guidelines identify this as a crucial human rights issue that should be addressed to ensure the health and safety of all employees and suppliers, stipulating it in “4. Dealing with Human Rights Issues” of the Human Rights Policy. In addition, the Human Rights Policy also states that the support should be obtained from business partners including customers and suppliers.
Moreover, “Achieving zero fatal accidents and zero serious accidents” is also listed as a key sustainability-related issue in the Medium-Term Business Plan (2021-2023). Based on this health and safety policy that is applicable to Group employees and contracted specialist companies, all construction-related personnel bring together technologies and promote efforts to manifest safety on a daily basis.
At Taisei Corporation, we have established the Central Safety Committee, which deliberates on matters related to safety management, prevention of environmental accidents, and safety, health and the environment of specialized construction companies, and reports to the President. The Branch Safety Committee, which consists of the branch supervisory health and safety managers, employees and the labor union, meets at each branch office, and regularly holds consultations with the labor union. In close cooperation with the Taisei Corporation Safety, Health, and Environment Cooperation Association, which is organized by partner companies throughout Japan, we hold the Thoroughgoing Safety Convention and Safety Promotion Convention to prevent accidents and injuries.

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We are actively promoting the development and introduction of safety management and monitoring systems through the use of ICT and AI technologies, working together with partner companies to strengthen safety and health systems that resonate with people working at construction sites, striving to improve and maintain a safety and health environment that gives workers peace of mind, and aiming to become a company that is accepted by local communities with trust and empathy.

Risks and Opportunities

As the number of foreign workers increases with the aging of construction workers reflecting the aging population with low birth rate in Japan, the establishment of a safety and health system is becoming increasingly important. In addition, while the rise in natural disasters due to climate change and the normalization of extreme heat may lead to the risk of industrial accidents, the development of technologies that contribute to ensuring the safety and security of construction worksites, such as the robotization of hazardous work and labor-saving through the use of digital technology, will lead to the Group's competitive advantage.

Policy / Commitment

- Action Guidelines for Taisei: Securing a pleasant working environment, promoting partnerships with subcontractors and suppliers
- Human Rights Policy
- Safety and Health Policy
- Medium-Term Business Plan (2021–2023): To achieve zero fatal accidents and zero serious accidents

Refer to:

- Action Guidelines for Taisei
- Human Rights Policy PDF
- Safety and Health Policy PDF
- Medium-Term Business Plan

Goals and Targets

KPIs

https://www.taisei-sx.jp/

Number of fatal accidents

Non-consolidated target (FY2023) 0 cases



Thorough management of occupational health and safety

Performance

- We have established "Number of fatal accidents 0" as a KPI objective for FY 2023.
- Between January and December 2021, there were 45 accidents that required time off from work (35 last year), resulting in an occurrence rate of 0.44 (0.35 last year) on a non-consolidated base. In addition, to our deepest regret, there was one fatal accident.
- An analysis of the accidents in 2021 reveals that “falls” are the most common type of disaster, followed by “drop and falls from places less than 2 m height.” To ensure thorough safety and health management based on the TAISEI OHSMS*, we practice thorough workplace patrols and safety education for workers. In FY2021, a total of 1,200 employees who work at a construction site participated in various safety training programs.

Refer to:

▶ KPIs Materiality and KPIs PDF

Initiatives

- United Nations Global Compact, “Human Rights” and “Labor”
- ISO45001
- Safety Measures Subcommittee ([Nikkenren]
- Japan Federation of Construction Industry)
- Labor Committee ([Nikkenren] Japan Federation of Construction Industry)

Refer to:

- Initiatives

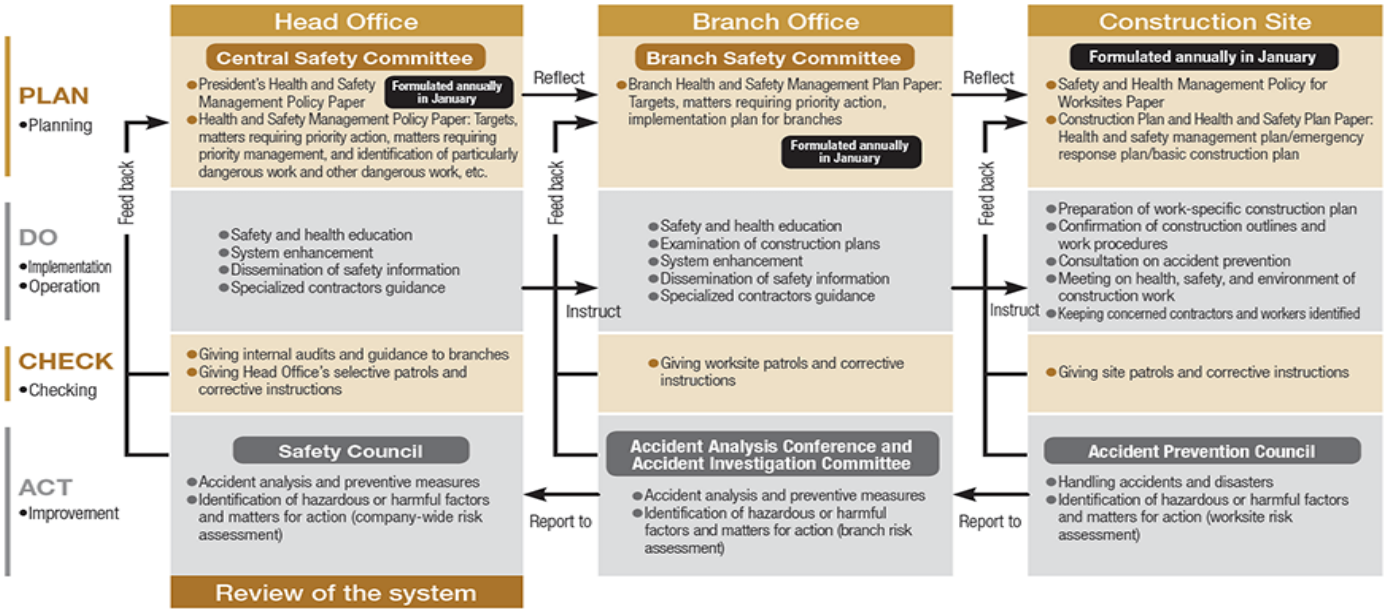
Sustainability Governance and Oversight

TAISEI OHSMS

aisei Corporation have established the Central Safety Committee where safety management, prevention of environmental accidents, as well as issues related to the safety, health, and environment of specialized contractors are discussed and reported to the President. A Branch Safety Committee, composed of branch supervisory health and safety managers, employees, and labor unions, is also held to communicate with labor unions periodically.

Based on our occupational health and safety management system “TAISEI OHSMS*,” we properly implement and operate the PDCA (plan-do-check-act) cycle, and we conduct risk assessments (e.g., particularly when creating construction safety and health plans and participating in Accident Prevention Council meetings after holding review meetings when acquiring a construction project) and take necessary measures based on the results (e.g., have the head office and branches conduct health and safety patrols at all sites where work is being done once construction starts) to mitigate residual risks in the workplace. When a serious accident occurs, a disaster analysis will be conducted and the accident information will be horizontally shared over the intranet and other media to prevent recurrence. We also provide safety education for those concerned at construction sites to make sure workers comply with safety rules.

Conceptual Diagram of TAISEI OHSMS (Occupational Health and Safety Management System)



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* Our proprietary occupational health and safety management system developed in reference to the guidelines issued by the ILO and the Ministry of Health, Labour and Welfare. As November of fy2021, none of our business sites has obtained OHSAS 18001 certification.

Achievements

Worksite patrols

At Taisei, patrols are conducted to confirm the safety and hygiene status at construction sites. In addition to patrols by Taisei employees and the owners and safety personnel of affiliates, the President himself visits and patrols construction sites during National Safety Week to make sure that each and every employee and worker shares the company's strong commitment to its "safety first" policy. In Fy 2022, the President patrolled construction sites at the Tokyo, Nagoya, Chiba and Kanto branches. Following the patrol, President Aikawa provided instructions to business owners, workers and company employees and instructed them to conduct thorough safety management based on the situation at each worksite, and asked both employees and executives to work together to ensure thorough safety management. The worksite patrols by the President are conducted to impress upon all employees, specialist company workers and suppliers through this action the firm commitment to safety on the part of the company's top management.



President Aikawa on safety patrol

Support for safety education of specialized contractors (cooperating companies)

By working closely with the Taisei Health, Safety and Environment Cooperation Association, comprising cooperative companies in Japan, we make efforts to prevent accidents and disasters. The members of the association participate in the Safety Conference held in January and Safety Promotion Conference in June every year. To prevent accidents and disasters, we utilize a bulletin, “Kyoryoku (Corporation)” and a list of disastrous cases for the education and guidance of safety and sanitation management.

Awards system

Taisei has established several awards in an effort to improve the quality of health and safety, including the President's Commendation, the President's Award (safety and hygiene category), the President's Merit Award (Safety Order of Merit), and the Safety and Hygiene Environment Cooperative Federation Chairman's Award (Special Award). In addition, each year during National Safety Week (July 1 - 7), the Ministry of Health, Labor and Welfare presents the Minister of Health, Labor and Welfare Award to workplaces for excellence in workplace health and safety and persons of merit who have made a major contribution to the long-term improvement and development of safety and hygiene standards of a region, organization or relevant workplace. The following Taisei workplaces have received awards.

Award Minister of Health, Labor and Welfare Award Incentive Award (for outstanding performance in securing a safe working environment)

Taisei Corporation / Joban Kaihatsu Co. Ltd. Special Construction Consortium Iwaki Shiritsu Sogoiwakikyoritsu Clinics New hospital construction project
For exemplary performance in achieving no accidents during the entire construction period from September 2014 through March 2021, conducting risk assessments at the work planning stage, implementing double safety measures for work that posed the risk of serious accident, use of IC chips to prevent contact of workers with heavy machinery, use of information and communications technologies to achieve high-level work management and process control enabling rapid sharing of information, use of VR to provide training that gives a true sense of danger, and other active efforts conducted with both originality and ingenuity.

Data

Safety Performance

(Year)

	2017	2018	2019	2020	2021
Reference) Frequency rate for all industries	1.66	1.83	1.80	1.95	2.09
Reference) Frequency rate for general construction	0.81	1.09	1.69	1.30	1.39
Frequency rate (Consolidated)	0.44	0.58	0.64	0.37	0.56
Frequency rate (Nonconsolidated)	0.41	0.43	0.62	0.35	0.44
Severity rate	0.22	0.14	0.26	0.34	0.08

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*Frequency rate: The number of deaths and injuries due to industrial accidents per 100 million man-hours of work represents the frequency of accidents.
Severity rate: The number of working days lost per 1,000 man-hours of work represents the severity of the accident.

Employee safety education

We provide employee training to deepen their understanding on accident and disaster prevention, improvement of health and safety awareness, and laws and regulations related to safety. Education is provided based on the job level of the employees according to year of enrollment and job functions to provide basic knowledge necessary for their job roles. A monthly Accident and Disaster Report is distributed on the intranet to share information including

Type of Education	Number of Participants
Basic safety training	530 Persons
Practical safety training	406 Persons
Administrator, supervisor and former manager training	150 Persons
Supervisor training	60 Persons
New employee introductory training (at time of hire)	54 Persons
Total	1,200 Persons

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Cultivation of Technical Staff and Securing of Human Resources

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Cultivation of Technical Staff and Securing of Human Resources

Policies and Basic Approach

At Taisei Corporation, we are focusing our efforts on disseminating and promoting the Construction Career Up System (CCUS)*, which makes it possible to objectively and continuously accumulate and confirm the experience and skills of each and every skilled construction engineer, through cross-industrial, unified rules.
In addition to focusing on securing and developing workers who will support the construction industry in the future, we have formulated a policy for a reduction in working hours, and are working to correct long working hours for staff and close worksites on holidays. In addition, the Japan Federation of Construction Contractors (Nikkenren), to which the Company belongs, has formulated the Guidelines for Reducing Overtime Work and the Action Plan for the Realization of a Five-Day Work Week to strengthen industry-wide efforts to reduce overtime work. As a member company of Nikkenren, we are making concerted efforts to create a workplace where skilled construction engineers can work for a lifetime with pride.

Risks and Opportunities

The number of construction skilled workers (engineers) in Japan in 2021 was 3.09 million, and one in three is 55 years of age or older, making it an industry with many elderly people. Accordingly, it is essential to improve the training and treatment of the next generation of skilled workers. In addition, the construction industry's working hours are approximately 320 hours

longer per year than the average for all industries, raising questions once again about how attractive the conditions are that Taisei Corporation can offer to engineers and workers at worksites.

Policy / Commitment

- Action Guidelines for Taisei: Promoting partnerships with subcontractors and suppliers, securing a pleasant working environment
- Medium-Term Business Plan (2021–2023): To enhance support for Soyukai member companies
- Declaration of Partnership Building

Refer to:

▸ Action Guidelines for Taisei ▸ Medium-Term Business Plan

Goals and Targets

KPIs



Milestone and Performance

- In June 2021, we formulated the CCUS Dissemination and Promotion Roadmap (FY2021 to FY2023).
  In line with the Japan Federation of Construction Industry's new targets, we target achieving 100% of the three indicators, the registration rate of business operators, the registration rate of skilled workers, and the employment history accumulation rate, by the end of FY2023. We also set yearly goals to reach these targets.

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- As of March 2022, the registration rate of business operators was 90%, the registration rate of skilled workers was 81%, and the employment history accumulation rate was 79%.

KPIs



- We have formulated Roadmap to FY2024 for “addressing long working hours.”
- We set annual stepwise targets of “health management overtime hours (total of statutory overtime working hours and holiday working hours),” “regular leave and compensatory leave,” and “closures of worksites.”
- Then, we have worked under the leadership of internal consultation bodies including the Committee for the Reduction of Working Hours, etc.

KPIs



Milestone and Performance

- The number of employees who took“regular leave and compensatory leave” for 104 days a year (equivalent to 4 weeks and 8 days off) increased to 96.8% of the total (95.7% in the previous fiscal year). “Health management overtime hours” averaged 42.4 hours per month (42.5 hours in the previous fiscal year). For“closures of worksites,” we set a goal of “closed eight days in four weeks” and are working to reform the way we work.
- All employees will continue to discuss, select, and implement specific actions to reduce working hours in accordance with the situation in their respective workplaces. We will also arrange the activities that have been effective in reducing working

hours to be spread horizontally across the entire company and established as ongoing activities.

Refer to:

- Materiality and KPIs PDF

Initiatives

- United Nations Global Compact “Labor”
- Overtime Work Reduction Guideline ([Nikkenren] Japan Federation of Construction Industry)
- Plan to Realize a Five-day Working Week ([Nikkenren] Japan Federation of Construction Industry)

Refer to:

- Initiatives

Sustainability Governance and Oversight

Construction Career Up System (CCUS)

At Taisei Corporation, we are focusing on the dissemination and promotion of the Construction Career Up System (CCUS), which enables us to objectively and continuously accumulate and confirm the experience and skills of each and every construction engineer, which has been difficult to objectively grasp and visualize in the past, through cross-industrial, unified rules

Efforts to Address Long Working Hours / Response to Closures of Worksites on Weekends

Taisei Corporation formulated Roadmap to fiscal 2024 for “addressing long working hours” with annual targets of “health management overtime (total of statutory overtime working hours and holiday working hours),” “regular leave and

compensatory leave," and "closures of worksites." We have made efforts under the leadership of internal consultation bodies including the Committee for the Reduction of Working Hours and the Working Hour Reduction Promotion Committee. In order to change employees' awareness and behavior, all employees are expected to discuss and carry out practical measures to reduce working hours according to the conditions of individual workplaces. Activities that positively contributed to addressing long working hours are shared across Group companies and continuously promoted to maintain momentum.

Achievements

Efforts to Address Long Working Hours

Refer to:

- Realization of an Attractive Working Environment That Is Good to Work in

Dissemination and Promotion of Construction Career Up System (CCUS)

We established the CCUS Promotion Roadmap (fiscal 2021–2023) in June 2021. In accordance with the new target of the Nikkenren, we have determined to achieve 100% for three indicators, namely the service provider registration rate, skilled worker registration rate and working history accumulation rate, by the end of fiscal 2023, and have set annual targets to achieve it. We will continue promoting CCUS and encourage our cooperating companies (suppliers) to register more service providers and skilled workers.

Worksite registration rate of CCUS

	UNIT	2020	2021
the registration rate of business operators	%	83	90
the registration rate of skilled workers	%	71	81
the employment history accumulation rate	%	67	79

Securing and Fostering Skilled Construction Workers

Taisei Corporation promotes the improvement of the working conditions of skilled construction workers by requesting partner companies to submit quotations and other documents that expressly state the appropriate labor cost (labor wage) that is in accordance with the purpose of improving the labor wages of skilled construction workers and by also respecting such documents, based on the Statement for Respecting Fair Labor Cost Estimation released by Japan Federation of Construction Contractors.

Securing and Developing Human Resources for Construction Workers

Establishment of Various Foremen Systems

Taisei Corporation has introduced certification systems (System for reward to excellent civil engineering skilled workers, systems for first-class foremen and highest quality foremen in building construction), in order to promote “securing and developing skilled construction workers who will support the industry in the future” and “improving their working conditions”.
In the civil engineering field, the system for rewards for excellent civil engineering skilled workers, under which a reward is paid to the workers with excellent construction skills who contribute to construction work at the sites of Taisei Corporation, is introduced to improve the overall capabilities, including quality, safety and skills.
In the building construction field, a system for the highest quality foremen was newly established and has been put into operation upon partial revision of the first-class foremen system during FY2015 to further improve the foremen's construction management capability, including quality, skills and safety to strengthen the production system.

Data

System for reward to excellent civil engineering skilled workers, systems for first-class foremen and highest quality foremen in building construction

Category	Name of system	Amount of payment	Time for certification / Number of certified persons	Subject	Start of system
Civil engineering	skilled workers (BMT*)	2,000 per day	Annually / 781 workers	Skilled workers who meet the specified requirements including qualifications All over Japan	January 2013

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Category	Name of system	Amount of payment	Time for certification / Number of certified persons	Start of system
Building construction	System for first-class foremen (partially revised)	1,000 per day	Annually / 854 workers	April 1995
Building construction	System for highest quality foremen	3,000 per day	Annually / 67 workers	November 2015

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Ensuring Quality and Improving Technology

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Sustainability Governance and Oversight | Achievements | Data

Ensuring Quality and Improving Technology

Policies and Basic Approach

At Taisei Corporation, we have established the Quality Policy, and each department (Building Construction Division, Civil Engineering Division, Design Division, Engineering Division, Nuclear Facility Division, etc.) has set individual policies to efficiently promote production activities. Each division and group company receives ISO 9001 certification, carries out quality management, and prepares manuals and implementation guidelines for each Civil Engineering Division and Building Construction Division. We are working closely with all relevant divisions to ensure proper quality control, eliminate defects caused by quality, conduct customer satisfaction surveys after delivery, and build better relationships with customers.

Risks and Opportunities

While there is a decrease in the number of skilled engineers due to the aging population with a low birth rate in Japan, an increase in natural disasters, and the risk of a decline in quality control capabilities due to the normalization of intense heat, etc., the development of technologies that contribute to the productivity improvement of construction worksites, triggered by the use of robots and digital technologies, will enhance the competitive advantage of the Taisei Group.

Policy / Commitment

https://www.taisei-sx.jp/

- Action Guidelines for Taisei: Pursuing customer satisfaction, ensuring and improving safety and quality
- Quality Policy
- Medium-Term Business Plan (2021–2023): Realize changes in production systems and work styles through DX

Refer to:

▸ Action Guidelines for Taisei ▸ Quality Policy ▸ Medium-Term Business Plan

Goals and Targets

KPIs / Performance



Building Construction Division

- In the Building Construction Division, each branch conducts a questionnaire survey on customer satisfaction. The survey questions are on a five-point scale, and include those on workmanship, usability, and worksite office management during construction. The satisfaction rate in fiscal 2021 was 90.0%.
- For low scoring items, we analyze their causes, establish countermeasures, and reflect them in post-construction review meetings. In this way, we aim for further improvement and the establishment of good relationships with customers.

Civil Engineering Division

- The Civil Engineering Division sets customers' evaluation scores on the construction work as an indicator of customer satisfaction. Adding to that, the division conducts customer satisfaction interviews. The satisfaction rate in fiscal 2021 was 97.6%.

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- Each branch reflects the research results in the postconstruction review for further improvement. Going forward, the Head Office and branches will continue working as one for better customer satisfaction.

KPIs / Performance



- As an index to measure the results of technological improvement, we visualize performance with productivity per person (sales/number of staff) to raise each staff member's awareness on productivity. In this way, we are working together as one group to improve productivity.
- Productivity in fiscal 2021 was ¥65 million, down from the previous year (¥67 million in the previous fiscal year). Due to COVID-19, which started expanding in 2020 all over the world, working style innovation including telework and online meetings accelerated. Meanwhile, there were discussions regarding the suspension of construction work with customers and the postponement of onsite tours, the relationship with our customers and people who work at construction sites was questioned during the year.

Refer to:

▸ Materiality and KPIs PDF

Initiatives

- ISO9001
- Productivity Improvement Promotion Headquarters ([Nikkenren] Japan Federation of Construction Industry)
- International Committee ([Nikkenren] Japan Federation of Construction Industry)

Refer to:

▸ Initiatives

Sustainability Governance and Oversight

- Under the slogan TAISEI QUALITY®, the Group as a whole strives to provide customers with safe and secure construction products and aftersales service under a quality control system.
- Each of the divisions and the Group companies has obtained ISO9001 and implements certified quality management.

*TAISEI QUALITY®:
Our Group's activities for quality promotion are summarized into TAISEI QUALITY®. The Taisei Group employees are proud to dedicate to quality, and strive to earn the trust of customers and society.

Refer to:

- Action Guidelines for Taisei
- Quality Policy

Quality Policy of each Division

Building Construction Division

We established the “Construction Quality Management Standards” in April 1984 to realize quality assurance in the construction business and have promoted quality management according to a consistent assurance system encompassing the entire process from receiving order, construction to after-sales services.
Later, we obtained ISO9001 certification by 1997, and have realized quality management conforming to the certification.
Upon transitioning to ISO9001: 2015, we positioned the “Construction Work Standards” established in 2008 as an equivalent to a quality management manual, and have ensured quality management by implementing workflow according to the Standards. Based on the current Medium-term Business Plan (FY2018-FY2020), the Building Construction Division has laid down a Quality Policy declaring that it will satisfy and win the confidence of customers by continuously providing high-quality construction products and related services to meet the needs of customers and society.

Civil Engineering Division

In order to provide high-quality civil engineering structures based on customer needs, we bring together our collective wisdom and organizational capabilities as a general construction company and pursue the quality and service that will

satisfy our customers by faithful and prompt cooperation of all parties involved in the construction project.
To further improve customer satisfaction, we continuously improve the effectiveness of our quality management system for more effective operation.

Engineering Division

The Engineering Division was established in 1968 as the first engineering division among general construction companies in Japan and has the longest history and a proven track record spanning more than 50 years. For more than 20 years since it obtained ISO9001 certification in 1996, the first among all divisions in Taisei Corporation, it has engaged in quality management activities, realizing customer needs and building the trust of many customers.
In 2020, the Engineering Division switched to the same certification body as the Building Construction Division and Design Division, and further continues to take great strides as a division capable of satisfying requirements consistently from project planning to design and construction.
In order to achieve customer satisfaction, the Engineering Division upholds “continuously providing high-quality facilities and services that satisfy customer needs” as its own quality policy under the corporate Quality Policy and engages in activities to improve quality by establishing specific principles of conduct as follows:

1. Precisely understanding customer needs and providing the right solution
2. Fostering human resources who can offer advanced services
3. Ensuring compliance with laws, ordinances and regulations
4. Appropriate operation, continued maintenance and management of the quality management system

Design Division

The Design Division obtained ISO9001 certification in March 1997 for both the corporate Design Division and design departments in eight branch offices combined, allowing us to establish a mechanism to ensure design quality in all departments across the country. Since then, we have built a mature quality management system by continuously following the PDCA cycle.
Every year, we continuously review the project processes in cooperation with the sales departments and the Building Construction Division and reflect the results in the Construction Work Standards and the quality system of the Design Division. While implementing integrated quality management together with the Building Construction Division from upstream to downstream, we established the Taisei Corporation First Class Architect Office for Construction Supervision in 2016, and are supervising construction work with an independent authority.
With the rapid adoption of information and communication technologies and associated changes in the way we work, new risks are emerging and system review is becoming ever more necessary.
The Design Division obtained BS7799 (now ISO27001) in June 2002 as the world's first construction industry player to obtain a certification for information security management systems. It promotes comprehensive risk management through ISO activities in the areas of quality, environment and information security.

Nuclear Facilities Division

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The quality policy of the Nuclear Facilities Division under the corporate Quality Policy is “to improve customer satisfaction through the provision of design, investigation, research and development services, verification tests and technical support for nuclear-related facilities and to contribute to the safety, reliability and environmental preservation of nuclear-related facilities.”
The Division is capable of meeting quality assurance needs of individual customers including power companies by conforming to the “Rules of Quality Assurance for Safety of Nuclear Power Plants: JEAC4111” (The Japan Electric Association), “Guidelines for Quality Improvement of Analysis Related to Application for Permits and Approvals for Nuclear Facilities” (Japan Nuclear Safety Institute), and “Quality Assurance Requirements for Nuclear Facility Applications (NQA-1)” (The American Society of Mechanical Engineers: ASME), etc., as necessary.

Achievements

Productivity Improvement Initiatives

Taisei Corporation utilizes T-CIM® and BIM to manage the information obtained through planning, design, construction and operation. We also established the DX Promotion Committee in fiscal 2020, and build a structure to work on DX on a company-wide basis. We provide the best service and solution to each customer, while reviewing our business processes by visualizing performance with productivity per person (sales/number of employees) as an indicator to raise each employee's awareness on productivity. In this way, we are working together as one group to improve productivity.

T-CIM® is our proprietary system that integrates a construction system utilizing Information and Communications Technology CIM (Construction Information Modeling) proposed by the Ministry of Land, Infrastructure, Transport and Tourism, with attribute information associated with a 3D model of each construction project.
BIM, an abbreviation for Building Information Modeling, is a construction information database which links a 3D building model created with a computer and attribute information including the specification, layout and cost of building components and equipment.

Leveraging ICT to Realize Immediately Effective Productivity Improvements

Since FY2017, Taisei Corporation has been pursuing an initiative aimed at productivity improvement and technological innovation based on ICT. We are striving to implement this initiative company-wide, with approximately 80 employees responsible for its promotion assigned to the Head Office and branches. Apart from utilizing T-CIM® and BIM for managing information obtained through planning, design, construction and operation, we make most of ICT as a measure to raise production capacity at construction worksites in the most efficient and immediate manner. Specifically, mainly at worksites, we steadily introduced a network called “Worksite Net,” which facilitates information sharing between personnel involved in projects, both internal and external, as well as Field Pad®, which helps improve the efficiency of operations such as viewing and recording construction management information.

Field Pad® is used for overall construction management operation including the storing and reporting of construction progress photos at worksites, contributing to shortening work time, and increasing productivity.

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Innovation of construction production system with T-CIM®(Civil Engineering Division)

Since 2014, the Civil Engineering Division has been developing the T-CIM system that aims to improve productivity and quality at construction sites. Construction Information Modeling/Management (CIM) promoted by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) since 2012 is a technology that links a 3D model with attribute information including construction member specifications. Our proprietary T-CIM system, however, is characterized by the fact that it does not require 3D modeling.
There are several types of T-CIM systems, including T-CIM /Concrete that supports general concrete works and T-CIM /Tunnel that supports specialized construction works, as well as other types of T-CIM systems specialized in different works related to earthmoving, dams, shields, bridges, railways, marine engineering, soil decontamination and others. All of these systems allow users to view the final as-built image, quality information and progress information from anywhere by utilizing cloud computing.
In particular, the T-CIM/Concrete system manages information ranging from mixing of fresh concrete* to concrete placing by cloud computing over the Internet. The system allows users to view the progress status on a real-time basis and is being deployed to not only civil engineering sites but also construction sites. The effectiveness of the system has been confirmed by the MLIT's Public/Private R&D Investment Strategic Expansion Program (PRISM) in FY2018/FY2019/FY2020 and received high acclaim.

* Fresh concrete refers to soft concrete mixture before solidification. Mixing is the process to blend the ingredients of concrete so that they are evenly mixed.

Human Resources Development of the Next Generation of Engineers and Woman engineers

Building Meister System / HQ Staff's Coaching System(Building Construction Division)

The “meister system” and the “HQ staff's coaching system” were put into practice from 2009 as part of the “TAISEI QUALITY” activities to promote the acquisition of skills and expertise in order to securely pass along our technologies and know-how, with the aim of strengthening productivity and the construction management system.
The employee's appointed as meister and the executive staff of the Building Construction Division, with abundant on-site experience, make actual visits to the sites and provide education and guidance on the skills and quality/site management and other capabilities through OJT, in close contact with the young and middle-aged employee's.

Educational Supporter System (Civil Engineering Division)

Under the “educational supporter system” introduced in 2009, educational supporters appointed from among employee's with experience as construction site managers check the progress of OJT education of young employee's and provide support and guidance. The Civil Engineering Division strengthens employee's management capability to reinforce productivity and the production system, in addition to “improvement of the working environment” and “securing of human resources.” Specifically, under the goal of “increasing the employee's capabilities at production sites,” the “On the Job

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Training (OJT) education" is introduced and operated to enhance the capabilities of process management, design, estimation, negotiation and action, among others.

Promoting Female Participation through Kensetsu Komachi

Taisei supports the "Kensetsu Komachi" project of the Japan Federation of Construction Contractors in order to boost the activities of female engineers as one part of its effort to promote an active role for women in construction workplaces. Since 2014, Taisei has provided opportunities for dialogue between executives and female engineers in its Civil Engineering and Building Construction Divisions in an effort to create a workplace environment in which women can thrive.
Through activities such as this, Taisei works to incorporate the perspective of women in its in-house operations in the belief that this will create new value. Taisei also participates as a member of the Kensetsu Komachi Committee established by the Japan Federation of Construction Contractors and works to collect data on construction companies that are engaged in progressive initiatives. We will continue to work to create a workplace environment in which the talents of female employees are recognized and manifested.

The Kensetsu Komachi Empowerment Award was established by Nikkenren with the objective of hiring and retaining workers, advancing diversity, and renewing the image of the construction industry for greater female participation in the industry.

Data

ISO Acquisition Status

		Certification Name		Certifying Body
TAISEI	TAISEI CORPORATION	EMS[*1]	ISO14001:2015	JTCCM MS
	Civil Engineering Division	QMS	ISO 9001:2015	JTCCM MS
	Building Construction Division	QMS	ISO 9001:2015	JTCCM MS
	Design Division	QMS	ISO 9001:2015	JTCCM MS
	Engineering Division	QMS	ISO 9001:2015	JTCCM MS
	Nuclear Facilities Division	QMS	ISO 9001:2015	JTCCM MS
Group	TAISEI ROTEC CORPORATION	EMS	ISO14001:2015	JUSE-ISO Center
		QMS[*2]	ISO 9001:2015	MSA

	Certification Name		Certifying Body
Taisei-Yuraku Real Estate Co., Ltd.	EMS*3	ISO14001:2015	JICQA
	QMS*4	ISO 9001:2015	JICQA
TAISEI U-LEC CO., LTD.	EMS*5	ISO14001:2015	JUSE-ISO Center
	QMS*5	ISO 9001:2015	JUSE-ISO Center
TAISEI SETSUBI CO., LTD.	EMS*6	ISO14001:2015	BCJ-SAR
	QMS*6	ISO 9001:2015	BCJ-SAR
SEIWA RENEWAL WORKS CO., LTD.	QMS	ISO 9001:2015	MSA
J-FAST Co., Ltd.	QMS	ISO 9001:2015	MSA

*1 TAISEI CORPORATION acquires 100% of EMS. (Scope: The head office and all 13 branch offices)

*2 Production engineering department acquired QMS.

*3 Taisei-Yuraku Real Estate Co., Ltd. acquires 100% of EMS.

*4 Building Management Headquarters acquired QMS (Scope: Building maintenance work of 5 Branch Capital area), Condominium management Business Headquarters acquired QMS (Scope: accounting procedure application about Condominium Management), Kyusyu Bruch acquired QMS. (Scope: Building maintenance work)

*5 TAISEI U-LEC CO., LTD.acquires 100% of EMS&QMS.

*6 TAISEI SETSUBI CO., LTD. acquires 100% of EMS&QMS. (Scope: Head office and 10 Brunch)

Social Date

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Technical Development for Realizing a Sustainable Society

Policies and Basic Approach | Goals and Targets | Initiatives
Sustainability Governance and Oversight | Achievements | Data

Technical Development for Realizing a Sustainable Society

Policies and Basic Approach

The Taisei Group selects R&D themes with a view to contributing to the achievement of the SDGs. Under the supervision of the Technology Committee chaired by the President, the Group promotes technological development with a focus on technologies that contribute to industries which are expected to grow.
In addition, to further enhance the intellectual property capabilities of the Group companies, we have included “management of information and intellectual property rights” in the section “Fulfilling social responsibilities” of the Action Guidelines for Taisei Personnel and the Taisei Group as a Whole, and also established the Taisei Group Policy on Intellectual Property. We are steadily implementing intellectual property strategies, including the creation, protection and utilization of intellectual property, the reduction of risks associated with intellectual property, and the strategic use of our brand.

Risks and Opportunities

The business environment is changing rapidly due to the intensification of natural disasters caused by climate change, the aging population with a low birth rate in Japan, global population growth and widening inequality, and the outbreak of pandemics. And also, social issues, including the environment, and human rights, are mounting. For this reason, technological development in areas where markets have yet to become apparent may lead to resolving these issues.

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Resolving social issues through the creation of innovation that goes beyond conventional ideas will lead to the creation of new value for the Taisei Group.

Policy / Commitment

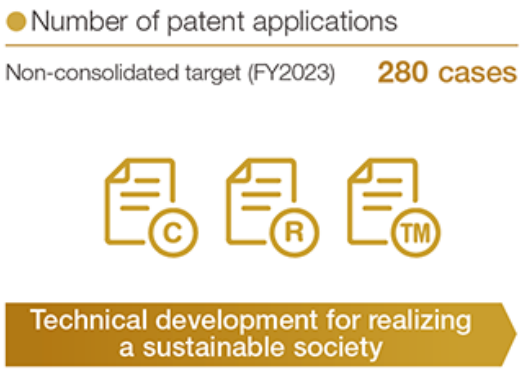
- Action Guidelines for Taisei: Action Guidelines for Taisei: Striving to create value, fulfilling social responsibilities
- Policy on Intellectual Property
- Policy on Technological Development
- Medium-Term Business Plan (2021–2023): Promote technological development to solve environmental and social issues through the use of open innovation

Refer to:

- Action Guidelines for Taisei
- Policy on Intellectual Property PDF
- Medium-Term Business Plan

Goals and Targets

KPIs



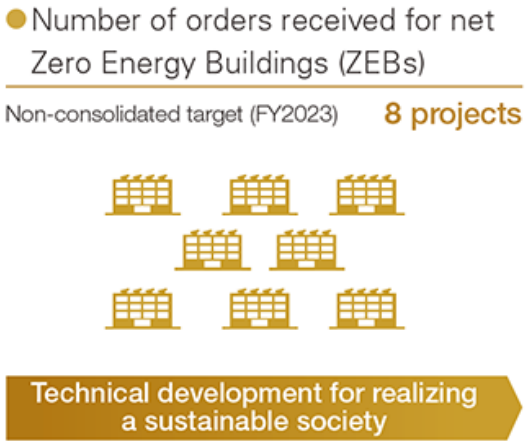
Performance

- To contribute to the development of industry, we are promoting management that emphasizes intellectual property. We are implementing strategic management and utilization of intellectual property in general, including copyrights and construction and business knowhow in addition to patent rights.

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- By actively developing and utilizing rights based on the intellectual property strategy, the Company has achieved a patent assessment rate of 88.4%, which is higher than that for all industry sectors of 74.9% (the average for the past three years in Annual Report on Patent Administration 2021).
- By creating intellectual properties with new value, we will contribute to society through the development of new technologies, technical support for workplaces, and the utilization of intellectual property through the tripartite integration of our business strategy, research and development strategy, and intellectual property strategy.

KPIs



Performance

- Improving ZEB performance is one of the priority issues in the Medium-Term Business Plan, and we are making every effort to evolve and popularize ZEB/ZEF as an area where we can expect growth in the future. We have customers understand our decarbonization efforts such as the utilization of natural energy. As a result, we had six orders to convert a building into a ZEB in FY2021.

Refer to:

▶ Materiality and KPIs PDF

Initiatives

- The Japan Intellectual Property Association
- Construction Technology Development Committee ([Nikkenren] Japan Federation of Construction Industry)
- Engineering Work Operation Meeting ([Nikkenren] Japan Federation of Construction Industry)

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Refer to

- Initiatives

Sustainability Governance and Oversight

Innovation Management

In the Group Infrastructure Development Plan: Technology Development of the Medium-Term Business Plan, the Group has identified as a key issue “To promote the technical development to solve environmental and social issues through open innovation.” We are strategically investing management resources in “technical development contributing to industrial sectors expected to grow, through a virtuous cycle for the economy and environment” as well as “technical development where the Company has a competitive edge.”
Specifically, we are pursuing the development, efficiency, and cost reduction of new technologies in the following fields: offshore wind power; logistics, people flow, and infrastructure; carbon recycling; housing and building, next-generation PV; lifestyle-related industry; hydrogen; nuclear power; foods, agriculture, forestry, and fisheries; and resource circulation.
We are also developing special technology for applying to large projects and technology contributing to higher added value and higher quality.

*Open Innovation refers to a methodology for innovation by mobilizing cross-organizational knowledge and technology.

Intellectual Property Strategy

Taisei Corporation has formulated the Policy on Intellectual Property, based on which we practice our Intellectual Property Strategy.
We strategically manage and utilize all intellectual property including patents, copyright, construction and business know-how to promote management that is focused on intellectual property. Regarding management of intellectual property, we intend to improve operational efficiency through building a search function for our own patents and preparing a database for managing patents.
We implement thorough risk management in all business processes to prevent and mitigate intellectual property-related risks that may cause a material impact on business management, such as infringement of our rights or rights of others, and technology leakage. We have established the Rules for Handling Intellectual Property Information to ensure the management of classified information. We also take measures to reduce the risk of infringing the intellectual property rights of third parties, such as making the technical departments and business departments thoroughly aware of other companies' patent information.

Achievements

Research and Development Activity

In order to respond to more sophisticated and diversified technical needs and increase the efficiency of investment into technological development, we actively promote external alliances with universities and other research institutes, companies of the same and different industries, etc. as well as open innovation activities.

Refer to:

- Taisei Advanced Center of Technology

Patents That Contribute to the Resolution of Social Issues

Article 1 of the Patent Act states that the “purpose of this Act is to encourage inventions by promoting the protection and utilization of inventions, and thereby contribute to the development of industry.” Taisei Corporation promotes business management with a focus on intellectual property not only to secure its competitive advantage but also to achieve this original purpose, and strategically manages and utilizes all intellectual property including patents, copyright, construction and business know-how.
In addition, we have been further enhancing the intellectual property capabilities of the entire Group by establishing systems and exchanging information on intellectual property across the Group.
We also conduct training to ensure that employees are fully informed about this policy and utilize intellectual property strategically in order to strengthen our competitiveness and improve our corporate value. In FY2021, we conducted intellectual property courses for Group companies, technical departments in the head office and operations departments in branch offices of Taisei Corporation as well as e-learning for all officers and employees, including the utilization of application rights and a series of awareness raising campaigns about infringement.

For the Enhancement of ZEB Performance

A net zero energy building (ZEB) is a state-of-the-art building that achieves significant energy saving by using solar shading and natural energy through ingenuity in construction planning, high heat insulation, and high efficiency. At the same time, it greatly reduces annual energy consumption by generating energy through photovoltaic and other power generation systems. By achieving ZEBs and making them popular, the energy supply demand structure is expected to fundamentally improve. At the Taisei Group, we have set enhancement of ZEBs as a key issue in the Medium-Term Business Plan, and our ZEB initiative is positioned to lead to the achievement of SDGs. As a promising sector to become a growth market going

forward, we will make full efforts to evolve and spread ZEBs.
Specifically, we are focusing on (i) the Message from the President development of ZEB (Zero Energy Building) and ZEF (net Zero Energy Factory), (ii) the promotion of green renewal ZEB initiatives, (iii) research and development for the commercialization of environmentally friendly concrete, including carbon-recycle concrete that fixes CO_2 inside concrete, and (iv) the promotion of “T-ZCB (Zero Carbon Building)” (aiming to conduct Japan's first demonstration at the Group's facility), which will reduce CO_2 emissions throughout the entire lifecycle of a building, from the procurement and construction stages to the operation stage,to net zero emissions in total.

Refer to:

- For Realization of a Decarbonized Society

Taisei Corporation's Digital Transformation

In our Medium-Term Business Plan (2021-2023), we at Taisei Corporation recognize that we are heading “Toward an era where digital transformation determines competitiveness.” As one of the key issues, we set the target of “To innovate production systems, and reform workstyles through digital transformation (DX).” In this way, we are implementing company-wide DX initiatives. Since the activity satisfied the certification standards set by the Ministry of Economy, Trade and Industry, we obtained DX certification.
We will continue to working to achieve the medium- to long term vision TAISEI VISION 2030 “The Ever-Evolving CDE^3 (cubed) Company: A pioneering corporate group contributing to the development of a resilient society where people can live affluent and cultural lives,” and accelerating activities.

Refer to:

- See the Annual Report 2022 p.35“SDGs×DX Talk” PDF

Data

Research and Development Expenditure (Consolidation)

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	FY2017	FY2018	FY2019	FY2020	FY2021
Research and development expenses	¥11.6billion	¥12.4billion	¥13.5billion	¥14.2billion	¥15.1billion

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Promotion of Supply Chain Management

Policies and Basic Approach Goals and Targets Sustainability Governance and Oversight
Achievements Data

Promotion of Supply Chain Management

Policies and Basic Approach

For the Taisei Group, our subcontractors and suppliers are important business partners that are key to resolving social issues such as the environment and human rights. In response to the recent establishment of international standards for sustainable procurement and social demands, in April 2022 we revised our Human Rights Policy and the Sustainable Procurement Guidelines and requested compliance with them. Through these and other measures, we are making more thorough assessments of ourselves and our suppliers and are working to build effective sustainable procurement.
In addition to holding training and briefing sessions by class or divisions such as the Company's executives and employees, chief of branch offices, procurement managers, project managers and overseas project sites, we hold briefings by the chief of branch offices for business partners, e-learning training on human rights, environmental issues and other social issues, as well as on-site audits and monitoring surveys. Through a variety of methods, we are working to strengthen suppliers' capabilities and raise their awareness and effectiveness of sustainable procurement.
The plan for these activities, the results of their implementation, and future developments are discussed by the Sustainable Procurement Council, which is comprised of managers from related departments (Civil Engineering, Building Construction, Procurement and Safety), and reported to the Sustainability Committee.

Risks and Opportunities

It is a global standard for companies to address social issues such as the environment and human rights not only within their own group but also across the entire supply chain, including subcontractors and suppliers. While there is a risk that our

reputation may deteriorate due to the emergence of environmental and human rights risks, promoting sustainable procurement by securing high-quality suppliers, working to resolve social issues throughout the supply chain, and actively disclosing the status of such efforts will lead to improved competitiveness.

Policy / Commitment

- Action Guidelines for Taisei: Promoting partnerships with subcontractors and suppliers, ensuring fair business transactions
- Procurement Policy
- Human Rights Policy
- Taisei Group Sustainable Procurement Guidelines
- Green Procurement Guideline
- Medium-Term Business Plan (2021–2023): To promote the supply chain management aimed at solving environmental and social issues

Refer to:

- Action Guidelines for Taisei
- Procurement Policy PDF
- Human rights Policy PDF
- Taisei Group Sustainable Procurement Guidelines
- Medium-Term Business Plan

Goals and Targets

KPIs

Supplier's conformity rates with the Taisei Group CSR Procurement Standards

Non-consolidated target (FY2023) 100%



Promotion of supply chain management

Performance

- The Taisei Group's senior-level position holders participates in the Human Rights Due Diligence (HRDD) Subcommittee and the Supply Chain Subcommittee of the Global Compact Network Japan (GCNJ), which consists of companies participating in the United Nations Global Compact. In addition, Taisei Corporation has become a EcoVadis' registered supplier and started information disclosure in 2019.
- Since 2016, we have periodically conducted a questionnaire survey on our suppliers' compliance with the CSR Procurement Guidelines (current Sustainable Procurement Guidelines) and their management status of foreign technical interns.In 2021, we identified human rights risks in the supply chain and reported the introduction of human rights due diligence, including measures to prevent and mitigate risks and monitoring surveys to confirm their effectiveness, to the Board after deliberation by the Management Committee and the CSR Committee (current Sustainability Committee). In 2022, we will start implementing measures in accordance with the human rights due diligence process to prevent and mitigate human rights risks in the Group.
- In FY2022, we will expand the scope of monitoring surveys to include suppliers of the Group companies. With our suppliers, we are working to reduce environmental burden, prevent and mitigate human rights violations such as child labor, and manage compliance risks, with the aim of achieving sustainable growth throughout the entire Taisei Group supply chain.

Refer to:

- Materiality and KPIs PDF
- Human Rights Due Diligence

Initiatives

- United Nations Global Compact, “Human Rights,” “Labor,” “Environment,” and “Anti-Corruption”
- ISO26000
- EcoVadis
- HRDD Sub-Committee (GCNJ)
- Supply Chain Sub-Committee (GCNJ)

Refer to:

- Initiatives

Sustainability Governance and Oversight

Sustainable Procurement Promotion Framework

We have issued the Taisei Group Sustainable Procurement Guidelines (Formulated in 2014, Revised in 2022) to familiarize suppliers with the contents of their compliance with the guidelines. We also request that sustainability activities be conducted in accordance with the guidelines.
The effort to raise awareness of Sustainable Procurement includes holding educational training and seminars tailored to individual responsibility levels such as officers and employees at all levels, branch managers, procurement managers, worksite managers, and overseas worksites, etc.; and providing suppliers with opportunities to participate in meetings with branch managers, e-learning training, on-site surveys and questionnaires, etc., among various other activities. Plans and results of these activities and future developments are discussed at the Sustainable Procurement Committee composed of responsible personnel from relevant divisions including Civil Engineering, Building Construction, Procurement, and Safety Administration, and reported to the Sustainability Committee.

Officer in charge	Chief of Sustainability Division (Integrated)
Organ for consultation	Sustainability Committee (Committee of the Board) -Important matters related to supply management that have been deliberated are proposed/reported to the Board via the Sustainability Committee.
Promotion committee	Sustainability Management Promotion Division, Sustainability Planning Department
Secretarial	Sustainable Procurement Committee -The committee organizes and conducts training and explanatory meetings, survey visits, questionnaire surveys,and the like.

Taisei Group Sustainable Procurement

Taisei encourages its suppliers to conduct sustainable activities in accordance with the Taisei Group Sustainable Procurement Guidelines. The guidelines are reviewed on an ongoing basis in accordance with changes in the environment and social issues due to increased interest in these matters on the part of the general public.

*Supplier Reference :
- Scope of supplier:
Main Group Companies (Taisei Rotec Corporation, Taisei-Yuraku Real Estate Co., Ltd., TAISEI U-LEC CO., LTD., TAISEI SETSUBI CO., LTD., TAISEI HOUSING CORPORATION, SEIWA RENEWAL WORKS CO., LTD., and J-FAST Co., Ltd). Souyu-kai Mamber Companies
- Souyu-kai:

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The organization of Taisei's main cooperating companies (about 620 companies) Safety, Sanitary, and Environmental Cooperation Association: Association to which all the companies that enter Taisei's works sites belong
(about 7,000 companies)

Refer to:

- Taisei Group Sustainable Procurement Guidelines
- Utilizing the Green Procurement Guideline in Cooperation with Suppliers

Achievements

Risk Management/Assessment

Supply chain monitoring of Sustainable Procurement for Suppliers

Since 2016, we have been conducting regular questionnaire surveys for suppliers on compliance with our Taisei Group Sustainable Procurement guidelines and on the systems for managing foreign technical interns. In the fiscal 2020 survey, we broadened the traditional scope of around 50 companies centering on Soyukai, our proprietary organization for core subcontractors, to approximately 1,700 companies with which we have constant business transactions. We are thus conducting educational activity for a wider range of business partners. Based on the survey results, we selected some 50 suppliers that have or need to address social challenges including environmental/human rights issues and labor problems. After considering and judging whether a site visit is required, we visited about 12 companies, and, while exchanging opinions with the business owners and the like, requested to enhance sustainability activities and educate and instruct their business partners. In this way, we are striving to enhance efforts throughout the entire supply chain.
Meanwhile, we have developed an online system and conducted the questionnaire survey through it to improve the usability and accessibility for suppliers regarding the survey.

Supply chain monitoring result (September, 2020)

- Target companies: Number of major* suppliers * 1,166 companies （Percentage of companies surveyed on a contract value basis: approx. 68.5%）
- Survey method: Progress of the following items, as set forth in the“Procurement Guideline”
  (1) Compliance with laws and regulations
  (2) Impartial and fair transactions
  (3) Respect for human rights

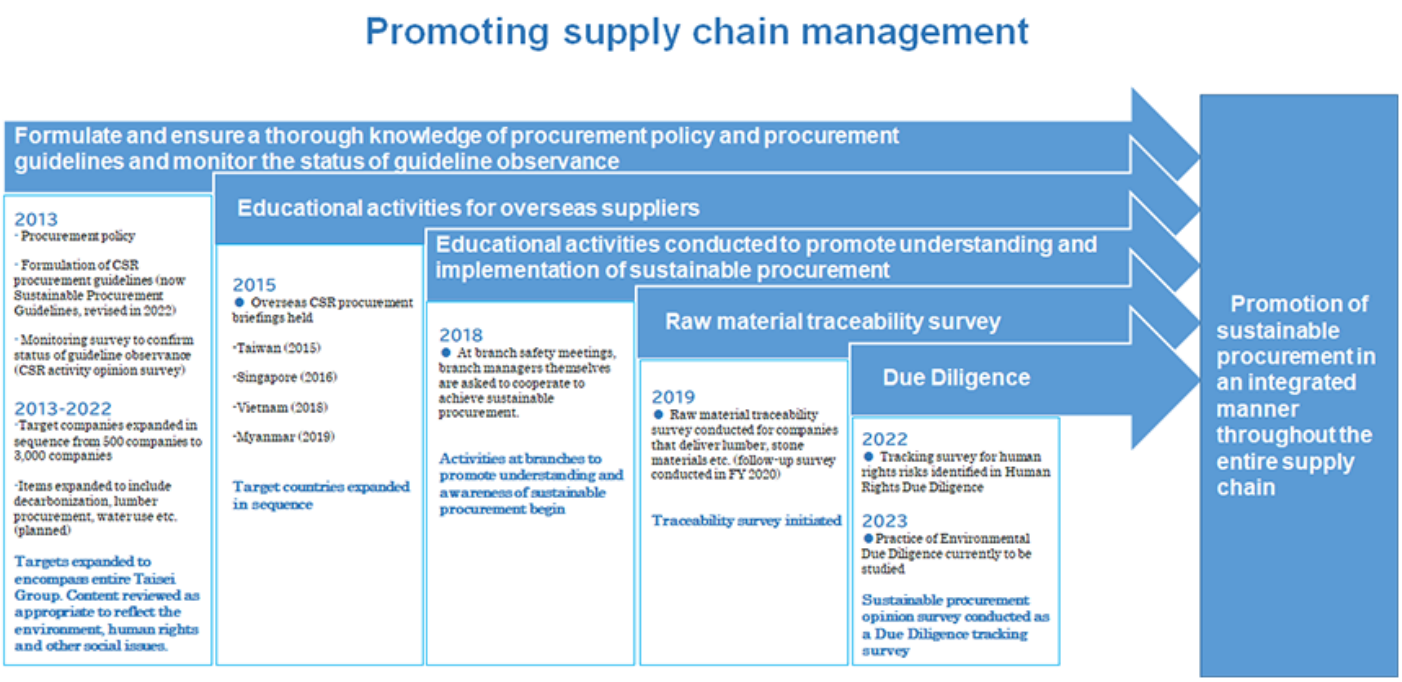
(4) Health and Safety
(5) Assurance and improvement of quality
(6) Information disclosure
(7) Information security
(8) Social contribution activities
(9) Business continuity planning (BCP) (Business activities at the time of a disaster)
(10) Promotion of Sustainable Procurement

Note : Suppliers are asked to observe the following in their activities to reduce and manage environmental impact.
1. Determination of energy usage and efficient use
2. Efficient use of resources
3. Preservation of water resources
4. Procurement of construction equipment and materials with low environmental load
5. Consideration for biodiversity, etc.
In addition, if the results of opinion surveys indicate that improvements are needed, an inspection visit is conducted for that supplier and improvements are requested.

- Average score 3.73 (Highest score;5) 74.6%

- Survey results : In addition to disclosing the tally results on the public website, we visited a total of 12 companies (as of December 2020) to check the status of their efforts and to discuss future improvements with them. (Due to the spread of COVID-19, visits planned for January 2021 and beyond have been postponed.)

* Major suppliers: The major 1,645 Japanese companies which the organization of Taisei's main cooperating companies (Souyu-kai) and major cooperating company.



the Survey on the Acceptance Conditions of Foreign Technical Interns

Taisei Corporation has established acceptance criteria for the foreign technical interns employed by suppliers, in order to ensure smooth acceptance at workplaces and to enable high-level technical interns to be employed. Local supplying organizations and cooperating monitoring groups are surveyed and information is provided to suppliers.

In recent years, many foreign technical interns in the construction industry have come to Japan, but there have been reports of various improprieties involving foreign technical interns. In the light of this situation, it is important that the outsourcers (prime contractors) for the companies employing foreign technical interns be able to determine the current situation.
Since FY 2017, Taisei Corporation has conducted regular surveys as part of its due diligence for foreign interns in order to assess and identify potential and actual human rights risks, and we have established a human rights due diligence mechanism to prevent or mitigate these risks. Moreover, when it is clear that negative impact with respect to human rights has been produced directly in work processes or there has been complicit involvement, we endeavor to provide help based on proper in-house or outside procedures.
In FY 2020, we asked about the status of employment of foreign technical intern trainees in our sustainability activities survey, and responses were received from 219 companies that employ foreign technical interns.
We made follow-up visits to six companies to interview them directly and found no major human rights risks (inappropriate collection of money, pay deductions, non-payment of wages etc.). Taisei has declared a policy (procurement policy) for fulfilling our social responsibility to ensure that foreign workers can engage in their work under appropriate conditions in terms of residential environment and working conditions (content of tasks, working hours, wages etc.).
We conduct regular fact-finding surveys of foreign technical interns and we will ensure that the employing companies foster a better foundation for accepting these interns.

Overview of the Survey on the Acceptance Conditions of Foreign Technical Interns (September,2020)

Target companies :	Number of major suppliers* surveyed in FY2020;1,645 companies
Survey method :	A self-check on the following items for companies accepting foreign technical interns, regardless of whether they are being dispatched to Taisei Corporation(Conducted in conjunction with the sustainability activity survey): (1) Checking that employees are in possession of their own passports and other items (2) There has been no inappropriate collection of monies such as guarantee deposits (3) There are no discrepancies between the prepared technical intern plan and the actual work (4) Appropriate payment of wages and deductions (5) Living environment, including dwellings (6) Status of social insurance enrollment (7) Assignment of instructors (8) Status of physical checkups (9) Troubles due to the internship or living arrangements.
Responses :	Number of responding companies: 219
feedback :	In the related opinion survey that was conducted, many responses suggested "sustainability activities" and "major disaster response and activities to preserve the environment" as initiatives that are currently insufficient at Taisei (and its subcontractors and suppliers).

Efforts to Promote Sustainable Procurement of Materials and Equipment

Diverse raw materials including wood and stone are used in the construction industry. For raw materials whose place of origin is a developing country, there is increasing societal concern regarding illegal sourcing (cutting), oppression of native populations, forced labor and child labor and other legal and regulatory violations, environmental destruction, human rights violations and so on.

For this reason, in January 2019 Taisei conducted a questionnaire survey of its major material suppliers, in order to confirm their supply chains from raw material sourcing through delivery at worksites, and to determine whether there had been any legal and regulatory violations, human rights violations, or other violations by the overseas companies in these supply chains.

Based on the survey results below, in FY 2019 we visited the business partners who participated in our questionnaire survey, as well as their wholesalers and trading companies related to wood materials, stone materials and tiles, to conduct a follow-up survey, and explained our Procurement Policy (and the Taisei Group Sustainable Procurement Guidelines) and requested their understanding of our Sustainable Procurement activities. We also conducted interviews to exchange views regarding the current status and future challenges of traceability.

In an effort to align the supply chain for wooden materials of wooden frames and wooden furniture in particular with the recommendations of NGOs on issues concerning the human rights of native peoples of deforested areas in Southeast Asia, we discussed the current local situation and the future use of domestic timber and certified timber. We plan to continue to periodically review these items and companies and to conduct surveys on an expanded basis.

* traceability survey: To make a production history and distribution channel traceable.

Overview of the Traceability Survey (January, 2019)

Target companies :	43 major material suppliers handling wood, stone, ceramics (tiles), sand/aggregate (ready-mixed concrete), aluminum (fittings/hardware), iron (rebar/steel), and copper (electrical wires)
Survey method :	(1) Confirmed the names and locations of the trading companies, manufacturers and wholesalers, etc. in each supply chain, from the sourcing of raw materials to the delivery at worksites (2) Checked the overseas companies in the supply chain regarding the presence of violations of laws and regulations, forced/child labor, long working hours, discrimination, consideration provided for employee health and safety, appropriate payment of wages, violations of the rights of indigenous people, etc.
Survey results :	(1) At 32 of these 43 companies, it was possible to identify all of the companies in the supply chain, down to the original raw material suppliers (wood, stone, sand/aggregate, iron). (2) There were no cases of improprieties, such as violations of laws and regulations at the overseas companies in the supply chains.

Implementation of Sustainable Procurement Seminars

Employee online training and workshops

In October 2020, an online training course in the Sustainable Procurement Guidelines and global social issues in the supply chain including human rights and labor issues was conducted for all employees including those in the Taisei Corporation Procurement Division. Moreover, in September 2022, the Taisei Sustainability Handbook was prepared and distributed to all Taisei and Group company employees to ensure a thorough awareness of the basic policy regarding sustainability, the Human Rights Policy and so on. In addition, workshops were held in each department to ensure awareness.

Explanation of Sustainable Procurement by Branch Managers

At the annual Safety Conference (held every year in January) and other venues, each of the managers of all 12 branches in Japan explained the importance of Sustainable Procurement to business partners, and asked for their corporation in the promotion of activities at each company.

Social Supply Chain policy which is communicated globally to all suppliers

Taisei Corporation conducts Sustainable Procurement Seminars to communicate its stance and policies regarding social issues, with a particular emphasis on forced labor, child labor and other human right violations. These seminars were conducted for our local worksites, local affiliates and local suppliers in Taiwan (2015), Singapore (2017), Vietnam (2018) and Myanmar (2019). The Sustainable Procurement Seminar held in November 2019 at the worksite for the construction of the New Yangon Specialist Hospital in Myanmar was participated in by 10 people from four local suppliers. We presented an explanation of the purchasing policy and the Taisei Group Sustainable Procurement Guidelines and held a survey and an exchange of views.
An explanation was also given to the Taisei employees working at the site that day, and their understanding and cooperation was requested with regard to the promotion of Sustainability activities in cooperation with suppliers at the workplace. As some overseas locations pose a greater risk in terms of human rights and labor issues than locations in Japan, we plan to continue to hold Sustainable Procurement Seminars overseas. (In FY 2020, these seminars were canceled due to the COVID-19 pandemic.)

Our suppliers by holding supplier training on social issues

Among the partner companies of Taisei Corporation branch offices, the Souyu-kai, an organization of key affiliates (both the national Souyukai and branch Souyukai which is made up of members at individual branches), has established multiple councils for discussions with Taisei, at which regular exchanges of views and training sessions are conducted. Exchanges of

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views focus on training successors at affiliates and activities to improve benefits, and the results are reflected in policy. In addition, regular annual training in sustainable procurement is conducted for the employees of Taisei Group suppliers in order to achieve sustainable procurement. In January 2022, the training introduced Taisei's sustainable procurement activities that include efforts to resolve environmental issues and social issues including human rights issues, and continued cooperation was requested.

Sustainable Procurement e-learning program (January, 2021)	
Target companies	All business partners
Number of participants and participating companies	Total of 153 companies, 96 companies
Other	In a questionnaire conducted in conjunction with the e-learning program, many respondents raised “Business activities at the time of a disaster” and “environmental conservation activities” as initiatives for which they are not putting in sufficient efforts.

Data

SocialData

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Contribution to Local Communities

Policies and Basic Approach Sustainability Governance and Oversight Achievements

Contribution to Local Communities

Policies and Basic Approach

In its Taisei Vision 2030, the Taisei Group outlines its medium- to long-term vision as "a pioneering corporate group contributing to the development of a resilient society where people can live affluent and cultural lives" and includes among its goals the achievement of a "Sustainability Transformation (Sx)" that will resolve sustainability issues through its core construction industry activities.

As a basic approach to deploying these activities, Taisei has included "Communication with the Local Community" in its Group Action Plan and works to establish a good relationship with local communities. Through our branches, sales offices, construction sites, technology centers and so on in Japan and other parts of the world, we strive to conduct activities that will make a social and cultural contribution while prioritizing the building of relationships of trust with regional and local communities.

In addition, we indicate our approach in "Technical development for realizing a sustainable society," one of the materiality factors relating to the Sustainable Development Goals (SDGs), and we provide support to researchers to contribute to the development of academic research and work to resolve issues facing society through technical development that will lead to the resolution of sustainability issues. Taisei places particular emphasis on the three areas of "promoting coexistence with local communities," "conducting environmental preservation efforts" and "teaching the next generation and supporting culture and the arts," in an effort to promote local communities and resolve sustainability issues.

Refer to:

- Action Guidelines for Taisei Personnel and the Taisei Group as a Whole
- Materiality and SDGs

Sustainability Governance and Oversight

Collaboration with Stakeholders and Our Major Initiatives

Taisei promotes two-way communication with local communities and conducts community investment and autonomous volunteer efforts to promote investment and development and create local jobs. In addition to establishing a leave of absence and vacation time mechanism to create a workplace environment that makes it easy for employees to engage in volunteer activities in local communities, Taisei has also introduced an awards program to recognize the activities of employees engaged in disaster recovery efforts.
Moreover, Taisei works to provide improved value for the regional community and promote local communities through cooperation and collaboration with various stakeholders that include customers, local governments, Care International Japan (an international assistance NGO), the Council for Better Corporate Citizenship (CBCC), the Japan NPO Center and other outside organizations and public and private entities. Through its membership in and support of various organizations, Taisei works to help resolve sustainability issues.
As a company that conducts business activities in various countries and regions throughout the world, Taisei endeavors to help to achieve regional sustainable development by hiring local workers in these regions and purchasing locally and so on.

Donations to activities that contribute to society and culture

At its branch offices, sales offices, construction sites and technical centers both at home and abroad, Taisei places particular emphasis on the three areas of "promoting coexistence with local communities," "conducting environmental preservation efforts" and "teaching the next generation and supporting culture and the arts," and actively works to conduct activities to support local communities.
In addition, since it joined the Keidanren 1% Club of the Japan Business Federation, Taisei has provided funding equivalent to approximately 1% of its current earnings to fund activities that contribute to local communities.

FY 2021 Community activities and volunteering investment costs

Unit: million JPY

Priority area	Major items	Cost expenditure (%)	
Local society	Social welfare / health / disaster assistance / international contributions / sports support / local community, etc	324	41.2%
Environmental protection	Environmental protection, etc.	33	4.2%
Academic / cultural factors	Academia / education / culture	429	54.5%

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Priority area	Major items	Cost expenditure (%)	
Other	Human rights, etc.	1	0.1%
Total		787	
Rate of contribution input to ordinary income			1.0%

Refer to:

- “ESG Data”

Achievements

Social and Cultural Contribution activities

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TAISEI Sustainability
For a Lively World

Social and Cultural Contribution activities

- Striving for a World without Poverty
- Establishment of the “Taisei Corporation International Student Scholarship”
- Grants from the Taisei Corporation Public Trust of Funds for Natural and Historic Environments
- Forest Creation Activities by the Forest Saver Project (FSPJ)
- Support for Bread Sales as a Practical Activity Helping to Achieve Independence of People with Disabilities
- The Satoyama Woodland Preservation activities
- Support for Animal-Pathway & Wildlife Association and Animal-Pathway Research Society
- Support for the Borneo "Ongaeshi" (Rewarding) Project using Vending Machines Equipped with a Donation Function
- Environmental Contributions through the "Taisei 1-Ton Club"
- Establishment of The Taisei Foundation (General Incorporated Foundation)
- Operation of “Galerie Taisei” to Spread Construction Culture
- Support for "Taisei Cup Seirei-sen" Female Shogi Player Competition
- Special Lectures at Yokohama National University
- Participation in “Riko-challe” to Encourage Women to Enter STEM Fields
- Support for B & G Foundation “Experiencing Nature Project”

Social and Cultural Contribution activities

[Local Society] [Academic/Cultural Factors]

Striving for a World without Poverty

Programme regarding prevention and control of global health issue

In order to manage the risks of the spread of HIV among workers of large-scale construction sites triggering a decline in the labor force and productivity as well as the contraction and instability of the market, a program to prevent HIV infection had been provided through the HIV/AIDS Prevention Program for the Can Tho Bridge Construction Project (Bridge to Health Project) for two years since 2006.
Since 2008, as a corporate member, we have continuously donated to and supported CARE International Japan (“CARE Japan”), an organization that carries out humanitarian aid activities, such as solving global education issues, with a focus on child labor, education opportunities and disparities, and development aid. CARE Japan is a member of the NGO CARE International, which carries out humanitarian aid activities in over 100 countries worldwide with the goal of creating a world without poverty by providing emergency relief aid during disasters, supporting agricultural water enhancement projects, and helping empower women and girls. CARE International has offices in over 100 countries, and provides specialized, long-term, comprehensive support not only in education, but also in the areas of empowerment, health, water and sanitation, environment, and community development.

Refer to:

- “NGO Care International Japan”

[Local Society] [Academic/Cultural Factors]

Establishment of the “Taisei Corporation International Student Scholarship”

Community investment

As a company with extensive business operations in Malaysia, Vietnam, Indonesia, Taisei Corporation provides Scholarship support to foster reciprocal understanding between Japan and find solutions to issues affecting the community in Japan. We established the Taisei Foundation in March 2017 in order to support the researchers who are realizing the Taisei Group Philosophy. The Taisei Foundation will endeavor to play a role in improving Japan's construction technologies by supporting new Supporting the development For FY2021, the four year, one Vietnamese students, three Malaysian student and one Indonesian student were selected.

[Local Society] [Environmental Protection]

Grants from the Taisei Corporation Public Trust of Funds for Natural and Historic Environments

Community investment

Since its founding in 1933, the Taisei Corporation Nature, History and Environment Foundation has contributed. This foundation contributes to the conservation of the natural environment, which is the common heritage of present and future humanity. For 28 years, we have granted subsidies of ¥15 million each year (for a total 668 grants) to projects conducive to the preservation of the natural environment and others that are the common property of present and future humanity.

[Local Society] [Environmental Protection]

Forest Creation Activities by the Forest Saver Project (FSPJ)

The Initiatives Developing the Fujisan Nanryo no Mori FSP scheme received the Minister of Environment Award

Under the theme of “a manufacturing base where greenery, people and production come together”, Taisei Corporation carried out the Fujisan Nanryo Industrial Park (Eco-Factory Mt. Fuji) development project in Fujinomiya City located at the south foot of Mt. Fuji.

Developing the Fujisan Nanryo no Mori the Forest Saver Project (FSPJ) scheme, a sustainable action to nurture forests in collaboration of industry, government, academia, and local people, we have supported nurturing forests for more than ten years from completion of construction. This is a pioneering initiative to balance economic activity and harmonious coexistence with nature in that it adopts forest nurturing methodology from a medium- to long-term perspective and business model with forest as its theme. We intend to utilize and deploy this as a tool to realize a nature coexisting society. In fiscal year 2022, the initiatives developing the Fujisan Nanryo no Mori Forest Saver Project scheme received the Environmental Award of the Minister of Environment Awards.

[Local Society]

Support for Bread Sales as a Practical Activity Helping to Achieve Independence of People with Disabilities

Creation of Helping to Achieve Independence in People with Disabilities

At the Taisei Advanced Center of Technology, weekly assistance for bread sales is provided to the training program to achieve independence of people with disabilities at the local activity home "Hikari" in Higashi Totsuka. Tours of the Center's activities are also provided for local elementary, junior high school and other students, as well as members of the general public.

(Note: Suspended from in February 2020 due to the COVID-19 pandemic.)

[Environmental Protection] [Local Society]

The Satoyama Woodland Preservation activities

Employee volunteer program

Since 2007, Taisei Group has participated in the Tokyo Greenship Action Sustainability program conducted by the Tokyo Metropolitan Government, working together with local organizations, NPOs and so on to preserve the mixed forest satoyama and other natural environments in the Nanakuniyama Greenery Preservation Area in Machida, Tokyo.

Employees put in physical effort to participate in building a safe and secure community, which also helps to broaden communication with the local community.

[Environmental Protection]

Support for Animal-Pathway & Wildlife Association and Animal-Pathway Research Society

Mechanisms to facilitate employee engagement

Since 2004, Taisei Corporation has participated in the Animal Pathway (bridges for tree-dwelling rodents) Research Society, and has supported ecosystem conservation activities for tree-dwelling rodents, such as the dormouse, through development and facilities for animal pathways and monitoring. As part of these activities, our group employees and their families participate every year in volunteer activities to construct dormouse nest boxes. In our activities held, we donated these boxes to the Dormouse Museum of KEEP, Inc.
We have conducted this environmental volunteering activity every year, with participants working to build a total of 2,945 dormouse nest boxes, thus far.

[Environmental Protection]

Support for the Borneo "Ongaeshi" (Rewarding) Project using Vending Machines Equipped with a Donation Function

Employee volunteer program

Taisei has put in place vending machines that are equipped with a donation function at the Taisei head office and branch offices, in order to donate a portion of sales to the NPO Borneo Conservation Trust Japan (BCTJ). This is in support of the Borneo "Ongaeshi" (Rewarding) Project whose goal is to protect the Borneo elephant, a species that has become endangered due to the reduction of tropical rain forests in Borneo. From FY2010 to as May 2022, we andprovided about ¥33 million as the 12-year total with a Donation.

[Environmental Protection]

Environmental Contributions through the "Taisei 1-Ton Club"

Employee volunteer program

Since 2010, we have conducted this environmental contribution activity a total of 9 times, under the theme of “simultaneously achieving carbon offsets at the Company and in the homes of employees.”
In 2012 and 2015, we supported the Kamaishi Forest Owner's Association, which manages the mountain forests of Unosumai District. On May 9, 2017, a large-scale wild fire occurred in the District due to a suspicious fire, resulting in the burning of 413 hectares as well as heavy damage. Accordingly, we continued our support through fundraising to donate the cost of planting saplings for the reforestation of Kamaishi Forest. We were also involved in the construction of Kamaishi Unosumai Memorial Stadium, where trees that had been felled by the fire in Unosumai District were used to make wooden seats, public toilets, benches and louvers sunshades.

[Academic/Cultural Factors]

Establishment of The Taisei Foundation (General Incorporated Foundation)

Community investment for technology development for the next generation

We established The Taisei Foundation (general incorporated foundation) in March 2017. To support researchers who realize the Taisei Group Philosophy “To create a vibrant environment for all members of society,” we provide funds for academic research in fields including construction, civil engineering, development, energy, the environment, and disaster prevention. This is to support technology development for the next generation and improve construction technologies in Japan, and contribute to the progress of academic research. The foundation publicly invites researchers who wish to be subsidized once every year.
From FY2017 to 2021, we had 321 applications as the four-year total. We selected 61 projects to grant subsidies to, and provided about ¥175 million as subsidies. It will be open to the public, and the research results will be widely publicized.

[Academic/Cultural Factors]

Operation of “Galerie Taisei” to Spread Construction Culture

Community investment for people of learn architecture

The Galerie Taisei was established in 1992 to spread construction culture by introducing the works (architecture and paintings) of Le Corbusier, some of which have been inscribed on the World Cultural Heritage list. We lend items from our collections and cooperate in the planning of art exhibitions at museums such as The National Museum of Western Art in Tokyo and the Fondation Louis Vuitton in Paris.
On our website, we have created a 3D-CG virtual gallery based on a museum plan which was designed by Le Corbusier but could not be realized. His works of art are available for viewing in the virtual space. Other than the collections of art works by Le Corbusier, we also lend the works of artists like Marc Chagall and Charles-François Daubigny to exhibitions.

Refer to:

- “Galerie Taisei”

[Academic/Cultural Factors]

Support for "Taisei Cup Seirei-sen" Female Shogi Player Competition

Promotion of Women's Participation

Taisei sponsors the Taisei Cup Seirei-sen" competition for female shogi players in cooperation with the Japan Shogi Association. Through this competition, Taisei strives to disseminate and promote Japanese traditional culture and helps to promote full participation by women in the workplace.

[Academic/Cultural Factors]

Special Lectures at Yokohama National University

Research and personnel training through the Cross Appointment Program

The Taisei Advanced Center of Technology holds special lectures each year at Yokohama National University. These special lectures are held 13 times each year for students in their 3rd year or higher of study of the university's College of Urban Sciences. Topics covered include technologies to prevent natural disasters, development of new materials and new construction techniques, environmental measure technologies, national projects and so on. After commemorating the one year anniversary of the signing of the Comprehensive Partnership Agreement in 2019, the university confirmed that it plans to use the new Cross Appointment Program to further strengthen cooperation and promote research. As a result of this program, Yokohama National University faculty members can also serve as Taisei technical advisors, and this is expected to accelerate joint research in this field.

Major achievements

No. of courses	13
Major course content	Latest examples of national civil engineering projects and large-scale building construction, as well as disaster prevention activities and activities to resolve environmental issues, and introduction of the technologies that made these possible. In addition, examples of the contributions of construction projects to society and engineer ethics. In addition to lectures, site visits and visits to technical centers are also conducted.
Examples of specific courses	• The Construction Industry and Technical Development • Disaster Prevention Technologies for Construction • Coastal Zone Development and Disaster Prevention • New Materials and New Construction Techniques • Environmental and Energy Issues • Efforts to Preserve Biodiversity • Use of ICT Technologies in the Construction Industry

No. of technical advisors	13 (no. of instructors)
No. of students	33 (FY 2021)
Cumulative no. of students since 2019	2021: 33 2020: 24 2019: 38 (Prior to 2018, classes were held, but the number of students is unknown, so only the figures since FY 2019 are noted here.)

[Academic/Cultural Factors]

Participation in “Riko-challe” to Encourage Women to Enter STEM Fields

Supporting STEM education

Since 2015, Taisei has supported the "Riko Challenge" (“Riko-Challe”), a program to encourage more women to enter the fields of science and technology (riko in Japanese). The program is designed for female elementary, junior high and high school students and is jointly sponsored by the Gender Equality Bureau Cabinet Office, the Education Policy Bureau of the Ministry of Education, Culture, Sports, Science and Technology (MEXT), and the Keidanren (Japan Business Federation). As part of this effort, Taisei participated in the “Summer Riko-Challe: Riko Work Experience” event.
In past years, students visited technology centers and construction work sites, but due to the COVID-19 pandemic, in 2021 the event was held in the form of an online round-table discussion. Following a description of the construction industry and past projects undertaken by Taisei, young female employees who are involved in building construction and civil engineering projects in various parts of the country talked about the projects they had worked on. And we answered many questions from the attendees, and they appeared excited and inspired by a series of first-ever experiences.
We hope the event sparked strong interest in construction, leading to the development of future human resources to become involved in the construction sector.

[Local Society]

Support for B&G Foundation “Experiencing Nature Project”

Support for children's rights through programmes

The goal of the Blue Sea and Green Land Foundation (B&G Foundation) is to ensure a healthy upbringing for the children who will be the leaders of the next generation, and to promote healthy lifestyles from infancy through old age, through marine recreation and other activities that provide the opportunity to experience nature.
Taisei sponsors the goals of B&G Foundation and has contributed to support its activities since 2019. In August of FY 2021, Taisei sponsored the Wakasu Marine Sports Experience.
In accordance with the goal of eliminating disparities in opportunities to experience nature, which is one of the key missions of the B&G Foundation, this workshop is designed to enable participation by all: children with disabilities, children's homes, single parent households and so on. On the day of the workshop, approximately 40 children and staff from children's homes in Tokyo gathered at the Wakasu Yacht Training Center to enjoy marine sports such as canoeing, stand-up paddling (SUP) and boat excursions.
Taisei Corporation will continue to support the B&G Foundation's activities that bring smiles to the faces of children and deepen ties with the local community.

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TAISEI Sustainability
For a Lively World

Governance(G)

Organization Governance

- Corporate Governance
- Risk Management +

Fair Operating Practices

- Thorough Compliance / Restructuring of the Group Governance System +
- Management of Information and Intellectual Property Rights +

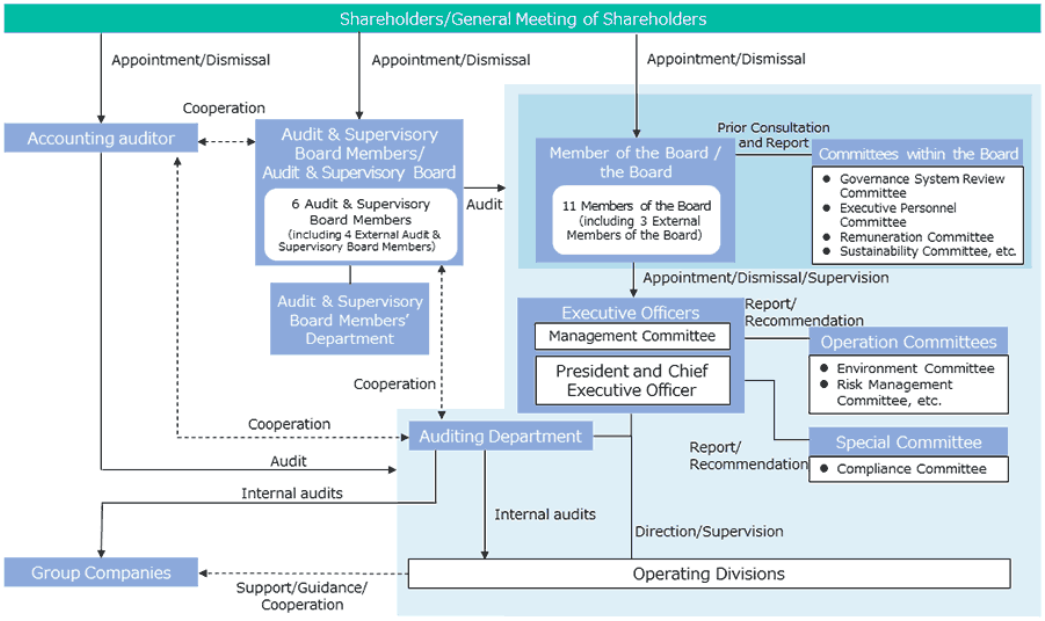
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Corporate Governance

Our Basic Approach to Corporate Governance

- The Company aims to achieve sustainable development and improvement in the mid- to long-term value of the Company and its subsidiaries and affiliates (collectively, the “Taisei Group”) in accordance with the philosophy of the Taisei Group, being "to create a vibrant environment for all members of society" (the “Taisei Group Philosophy”) and the so-called “Taisei Spirit”, which embodies our commitment to “Active and Transparent Culture”, "Value Creation" and "Evolution of Tradition."
- The Company's fundamental approach to corporate governance is to conduct the management and decision-making of the business in a swift, appropriate, fair and transparent manner in order to continue to grow as a corporation in a sustainable and socially responsible manner.
- Please refer to our "Fundamental Corporate Governance Policy (PDF: 231KB) " on this website, which was established based on the above basic approach, responding to each principle of the Corporate Governance Code.

Corporate Governance Structure



Please see the following PDFs for details.

- Fundamental Policy to Enhance Operational Compliance Systems (PDF: 37KB)
- Corporate Governance Report(PDF: 639KB)
- Fundamental Corporate Governance Policy (PDF: 231KB)

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Profile

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TAISEI Sustainability
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Organization Governance

Corporate Governance Risk Management Initiatives
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Corporate Governance

Click here for Corporate Governance

Risk Management

Initiatives

Based on our Risk Management Policy and the Basic Risk Management Rules, we have established a risk management system that is systematized throughout the Company. Under the supervision of the Board of Directors, we have also developed an appropriate management system that addresses major ESG-related risks such as quality, compliance, information, safety, and the environment.
In order to ensure the effective functioning of company-wide risk management and the appropriateness of business operations, we implement advance risk measures stipulated in internal regulations and manuals. In the unlikely event that a risk should materialize, we take appropriate measures to minimize losses and ensure business continuity and the trust of society.

Refer to:

- Fundamental Policy to Enhance Operational Compliance Systems
- Risk Management Policy PDF

Sustainability Governance and Oversight

Promotion of Company-Wide Risk Management System

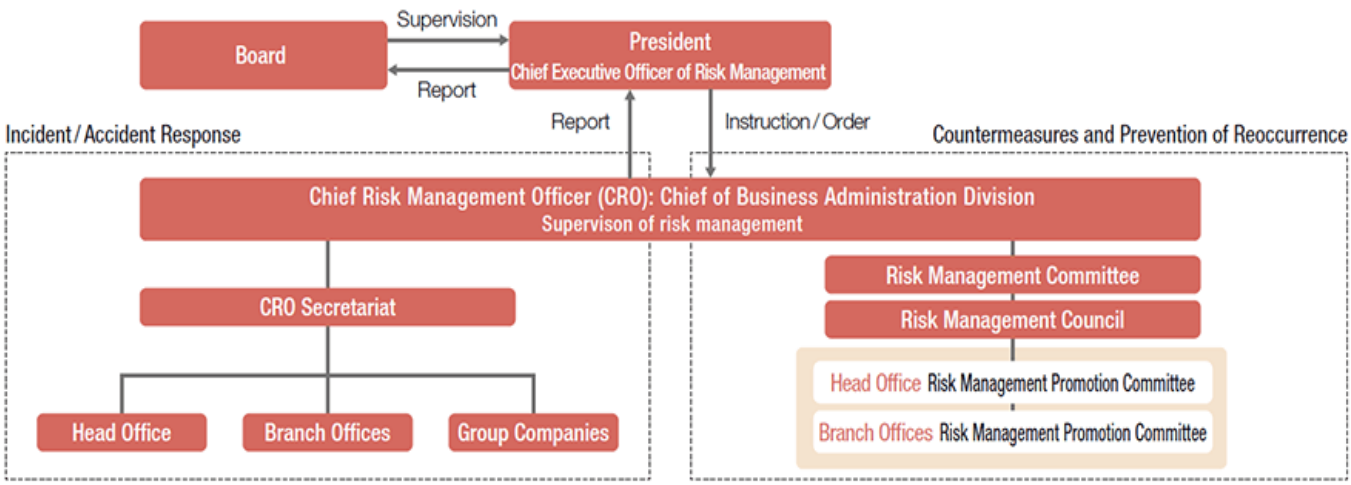
The establishment of compliance is the foundation of management and a major prerequisite for sustainable corporate development. It is also essential to establish an effective Group company management system to maximize Group synergies. As the business environment changes rapidly and becomes more complex, it is becoming increasingly important for the Group to strengthen internal controls as it seeks to expand its business domain.

At Taisei Corporation, we work to continuously operate the risk management system to appropriately identify and manage risks associated with business operations. Under the risk management system, the President is the Chief Executive Officer of Risk Management and the Chief of the Business Administration Division serves as the Chief Risk Management Officer (CRO).

Each year, we take into account the risks that became apparent during the current fiscal year to review the risk management for the following fiscal year through the PDCA cycle and verify the effectiveness of the risk management system.

Based on the Basic Risk Management Rules, each division of the Head Office, in cooperation with the branches, reviews and identifies all risks associated with their business activities and selects the “Head Office-governed risks.” The “Head Office-governed risks” are then narrowed down to risks that can possibly have a material impact especially on corporate management. Such risks are selected as “key company-wide risks” and are subject to risk management across the entire company. The “key company-wide risks” are determined by the CRO after deliberation by the Risk Management Committee headed by the CRO. The President and the Board receive reports on the risks and confirm the operating status of the risk management system and maintain the effectiveness of the system.

Company-Wide Risk Management System



Refer to:

- Corporate Governance Structure

Business and Other Risks

Taisei Corporation has in place a system to prevent and evade risks and pursue corrective actions.
Risks that may possibly have a material impact on corporate management are reported to the Management Committee and the Board for comprehensively examining and determining the policy to handle such risks and reporting the policy under “Business and Other Risks” in the Securities Report.

Business and Other Risks

(1) Market Risk
①Trend of the construction market
②Fluctuations in prices of materials
③Asset holding risk
④Retirement benefit obligations
⑤Fluctuations in interest rates
⑥Risks of related or incidental businesses

(2) Risk of violation of laws and regulations in the Civil Engineering business and the Building Construction business
①Risk of violation of the Construction Business Act and related laws and regulations
②Risk of violation of the Antimonopoly Act

(3) Risk of infringement of intellectual property rights

(4) Risk of inappropriate financial reporting

(5) Risk related to anti-social forces

(6) Risk associated with quality due to construction failure

(7) Risk of design flaw

(8) Risk of process delays

(9) Risk of accidents

(10) Risk of information leakage and system trouble

(11) Risk of large-scale disasters

(12) Risk associated with the working environment

(13) Risk of violation of environmental laws and regulations

(14) Risk associated with climate change issues

(15) Risk associated with the response to sustainability issues

(16) Credit risk

(17) Contract risk

(18) Risk of the spread of infectious diseases

(19) Country risk

Refer to:

- Business and Other Risks (Annual Securities Report) PDF

Climate Change-Related Risks

https://www.taisei-sx.jp/

In terms of climate change-related risks, we specify and assess risks based on various scenarios created and promote initiatives in response to the TCFD Recommendations.

Refer to:

- Information Disclosure Based on the Recommendations by TCFD

Achievements

Initiatives for Business Continuity Planning (BCP)

In 2005, we established the Policy on Business Continuity in Times of Disaster to fulfill our responsibilities as a general construction company that supports the infrastructure for social and economic activities, in addition to ensuring the lives and physical safety of executives and employees and their families, even in the event of a large-scale disaster or accident.
Based on this policy, we formulate the business continuity plan (BCP) to be implemented in times of disaster, conduct disaster training at least once a year, in which all executives and employees of the Company and the Group companies take part, and fully review and update the BCP based on the results of the training and other factors each time.
In recognition of our efforts to improve business continuity on a continuous and regular basis, we have obtained Resilience Certification.
In addition, since 2015 we have conducted annual joint training with the Japan Federation of Construction Contractors and other organizations to establish a company-wide recovery support system that can respond immediately to requests for assistance.

Refer to:

- Policy on Business Continuity in Times of Disaster

Response to Risks Related to Infectious Diseases and Pandemics

New coronavirus (COVID-19) infections have been spreading widely throughout the world. In response, we have a system in place where the CRO Secretariat leads the effort of centralizing information on the infection situation, etc., at worksites in Japan and overseas and having the entire Company take a crisis response in a comprehensive and prompt manner.

https://www.taisei-sx.jp/

Furthermore, in November 2020 we realigned the contents of the conventional “Novel Influenza Response Guidelines” and other guidelines so that they could be adopted for COVID-19 and any new infectious diseases and formulated the “BCP to Be Implemented in the Advent of Infectious Disease.” Specific countermeasures against infectious diseases are implemented as needed in line with the policies of the state and local governments and the guidelines of the Japan Federation of Construction Contractors and others. At the same time, we are working to prevent the spread of infection by developing an ICT environment and promoting initiatives to facilitate online meetings and telecommuting. We are also taking appropriate measures for overseas construction based on the policies of the governments of each country.
In addition, we have carried out three doses of workplace vaccination for approximately 30,000 workers wishing to be vaccinated (as of July 2022). They included all executives and employees (including contract workers and dispatched workers) of the Taisei Group and their families and staff of cooperating companies entering our worksites nationwide.

Major Infection-Prevention Measures at Taisei Corporation’s Office Work Departments and Worksites

1. Ensuring handwashing, mask wearing, physical distancing with others and avoiding the 3Cs (closed spaces, crowded places, close contact settings)
2. Temperature measurement and hand disinfection at entrances
3. Installation of acrylic partitions between seats
4. Prohibition of non-essential business trips and non-urgent travel within emergency action areas and priority action areas
5. Continuing to implement telecommuting, dispersing workspace, staggered commuting, etc.
6. Active use of online meetings and ICT tools (avoiding business trips and face-to-face meetings)
7. Proactive cooperation with requests from the national and local governments to restrict activities, and prompt contact investigations without waiting for an investigation by health centers, etc.

Information Security Measures

In the construction industry, sharing information with a large number of stakeholders, such as clients and contractors (specialized contractors, etc.), is essential in the construction process. Therefore, the Taisei Group has set forth “Management of information and intellectual property rights” under the Action Guidelines for Taisei Personnel and the Taisei Group as a Whole, and has implemented various measures related to information security. We have also established the “Policy on the Protection of Personal Information” and the “Code of Conduct on the Use of Social Media.”
At Taisei Corporation, we have compiled a booklet containing minimum rules to be observed and have been providing education and guidance to all officers and employees as well as business partners. Since fiscal 2016, we have been working to strengthen the information security environment at our overseas sales offices and worksites. We also work to strengthen measures against the risk of information leaks associated with telecommuting (working from home).
In addition, in order to prevent and mitigate intellectual property risks such as infringements of rights and technology leaks that have a serious impact on corporate manage- ment, we implement thorough risk management in all business processes.

https://www.taisei-sx.jp/

To respond to the increasingly serious risk of cyber attacks, we established the Taisei-Security Incident Response Team (SIRT) and work to collect the latest information on cyber attacks and take measures to prevent cyber attacks in cooperation with external organizations through the Nippon CSIRT Association, which we joined in March 2013.

Data

Governance Data

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TAISEI Sustainability
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Thorough Compliance / Restructuring of the Group Governance System

Policies and Basic Approach Goals and Targets Initiatives
Sustainability Governance and Oversight Achievements Data

Thorough Compliance
Restructuring of the Group Governance System

Policies and Basic Approach

The Taisei Group regards the implementation of compliance and risk management as one of the most important issues for the Group management, and the Governance System Review Committee has established a group governance system and is thoroughly committed to compliance and the prevention of bribery and corruption. We have identified “To maximize synergies by rebuilding Group governance systems” as a priority issue in our Medium-Term Business Plan, and are reviewing the Group governance structure and the basic framework for Group management.
In addition, as DX evolves, cybersecurity threats are becoming more serious and diverse each day. Taisei Corporation, together with its Group companies and suppliers, is implementing a variety of measures related to information security and aiming for zero information security incidents in all business processes.

Risks and Opportunities

The establishment of compliance is the foundation of management and a major prerequisite for sustainable corporate development.
It is also essential to establish an effective Group company management system to maximize Group synergies. As the

business environment changes rapidly and becomes more complex, it is becoming increasingly important for the Group to strengthen internal controls as it seeks to expand its business domain.

Policy / Commitment

- Action Guidelines for Taisei: Compliance with laws and regulations, management of information and intellectual property rights
- Policy on the Protection of Personal Information
- Code of Conduct on the Use of Social Media
- Code of Conduct on the Basic Policy regarding Group Operation
- Medium-Term Business Plan (2021–2023): To maximize synergies by rebuilding Group governance systems

Refer to:

- Action Guidelines for Taisei
- Policy on the Protection of Personal Information PDF
- Code of Conduct on the Use of Social Media PDF
- Medium-Term Business Plan

Goals and Targets

KPIs

Attendance rate at compliance training including anti-corruption

Non-consolidated target (FY2023) 100%



Thorough compliance and restructuring of the Group governance system

Performance

- In FY2021, we conducted compliance education for the owners of the suppliers (specialized contractors) at all 12 branches in Japan, as well as compliance training in an e-learning format for all executives and employees twice.
- 100% of employees participated in e-learning compliance training. Compliance training has been regularly proved. To improve awareness, we will continue to educate employees on important topics.

Refer to:

- Materiality and KPIs PDF
- Human Rights Due Diligence

KPIs

Number of serious information security incidents

The Taisei Group target (FY2023) 0 cases



Thorough compliance and restructuring of the Group governance system

Performance

- The number of serious security incidents involving electronic information in FY2021 was 0 (1 in the previous fiscal year).
- We provide education to all executives and employees on new threats, such as risks associated with cloud services and targeted cyber-attacks, which have increased in recent years.In FY2021, information security education was conducted three times.

Refer to:

- Materiality and KPIs PDF

Initiatives

- United Nations Global Compact “Anti-Corruption”
- Nippon CSIRT Association
- Cyber Risk Intelligence Center—Cross Sectors Forum (CRIC CSF)
- Information Security Subcommittee ([Nikkenren] Japan Federation of Construction Industry)

Refer to:

▸ Initiatives

Sustainability Governance and Oversight

Our Basic Approach to Corporate Governance

The Company aims to achieve sustainable development and improvement in the medium- to long-term value of the Company and its subsidiaries and affiliates (collectively, the Taisei Group) in accordance with the philosophy of the Taisei Group, being “to create a vibrant environment for all members of society” (the Taisei Group Philosophy) and the so-called “Taisei Spirit,” which embodies our commitment to “Active and Transparent Culture,” “Value Creation” and “Evolution of Tradition.”
The Company's fundamental approach to corporate governance is to conduct the management and decision-making of the business in a swift, appropriate, fair and transparent manner in order to continue to grow as a corporation in a sustainable and socially responsible manner.

Action Guidelines for Taisei Personnel and the Taisei Group as a Whole(excerpt)

Chapter 1 Active and Transparent Culture

1. Cultivating an open corporate culture
2. Securing a pleasant working environment
3. Respect for fundamental human rights and diversity

Chapter 2 Value Creation

4. Creating a vibrant environment for all members of society
5. Striving to create value
6. Pursuing customer satisfaction
7. Ensuring and improving safety and quality

Chapter 3 Evolution of Tradition

8. Respect for traditions
9. Promoting partnerships with subcontractors and suppliers
10. Promoting environmental conservation and creation
11. Communication with local communities
12. Conduct in the international community
13. Appropriate disclosure of information
14. Fulfilling social responsibilities
    (1)Mutual prosperity with society
    (2)Compliance with laws and ordinances

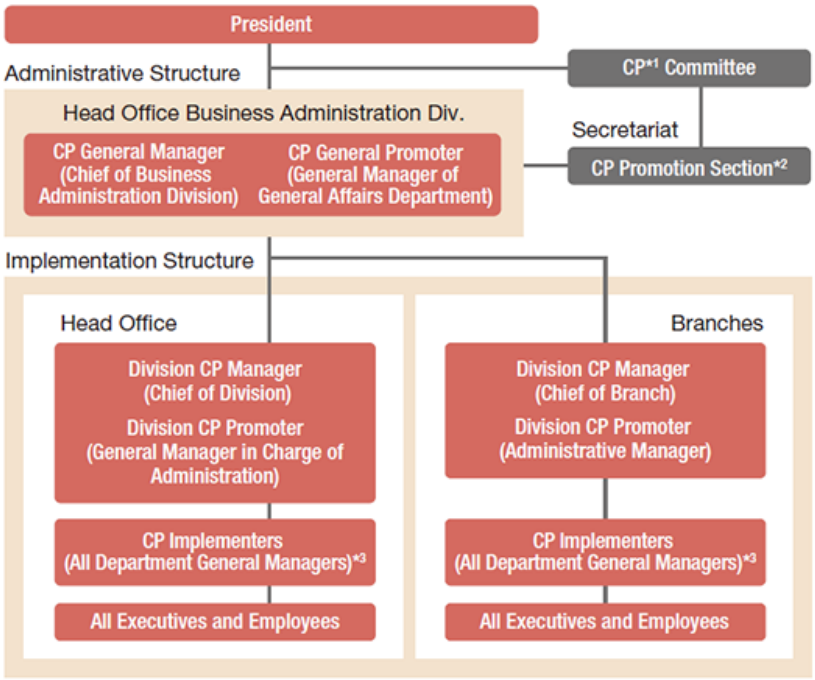
Refer to:

- Action Guidelines for Taisei Personnel and the Taisei Group as a Whole Rules on Enforcement of the Compliance System for the Action Guidelines for Taisei Personnel and the Taisei Group as a Whole
- Fundamental Policy to Enhance Operational Compliance Systems PDF

Compliance Promotion System

As shown in the diagram on the right, the Company has appointed managers, promoters and implementers in each division, and has established an internal compliance promotion system. In addition, the Compliance Committee, chaired by an external expert (lawyer), has been established as the Special Committee that responds to consultations with the President. We are working to heighten the awareness among all executives and employees and further ensure compliance by establishing a system to set stricter disciplinary actions, etc., against any legal and other violations committed by executives and employees and to call for compliance with the Antimonopoly Act, implementing a range of measures based on the recommendations by the Compliance Committee and compliance training in each division, and taking other steps.

Compliance Promotion System

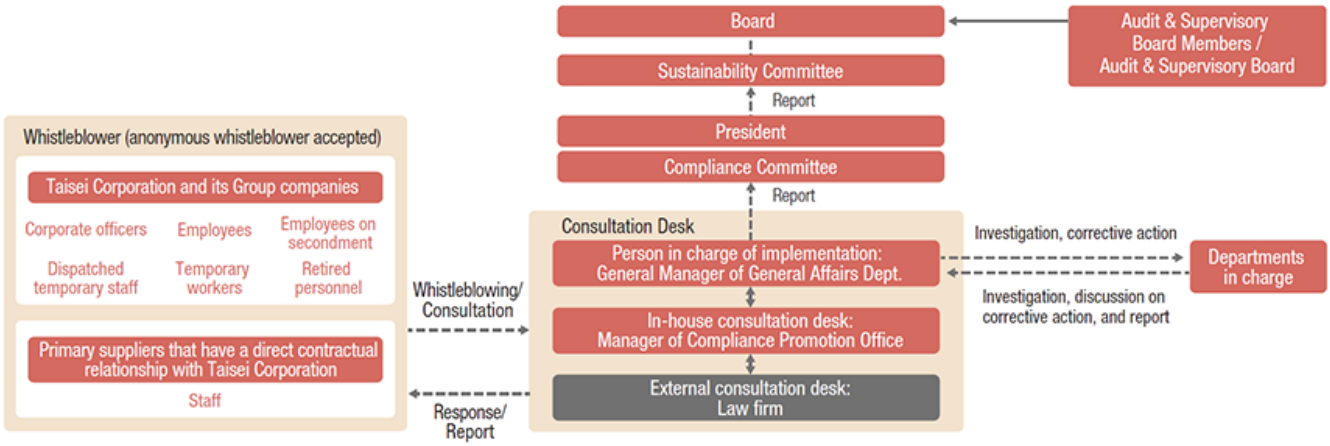


*1 CP: abbreviation of compliance
*2 Promotes and embeds compliance awareness among executives and employees. Also functions as a secretariat for the Compliance Committee.
*3 All heads of departments are appointed compliance implementers. The heads of each department educate and inform all executives and employees in their own departments about compliance.

Whistleblowing and Consultation System

Based on the Whistleblower Protection Act, at the Taisei Group, we have established an internal whistleblowing system (the Corporate Ethics Helpline / Group Helpline /Whistleblowing System) in which executives and employees as well as external parties (staff of partner companies [primary suppliers] that have a direct contractual relationship with the Company) can report and consult on illegal acts including bribery and other corruption committed by executives and employees and acts that violate (or an act intended to violate) the Action Guidelines for Taisei Personnel and the Taisei Group as a Whole, and we have established consultation desks in-house and at an external organization (a law firm). The system also allows anonymous reporting to obtain information clues on a wide range of violations. In addition, to enhance the effectiveness of the system, we actively conduct educational activities such as distributing the Help Line Cards summarizing the outline of the system to all executives and employees, and introducing the contents and operational results of the system through e-learning and Compliance Newsletter.
In response to reports received, we will investigate the facts of the report received and take corrective action as required. In doing so, we ensure that the whistleblower's information is kept confidential and strictly follow internal regulations to ensure that the whistleblowers are not treated disadvantageously for reporting. For external stakeholders who do not have a direct contractual relationship with the Company, our website provides inquiries on human rights,environmental issues and other issues.

Flow of Internal Whistleblowing Based on the Helpline System



Achievements

Compliance Education and Training

At Taisei Corporation, we conduct annual compliance training for all executives and employees to raise compliance awareness. In addition, to strengthen compliance across the entire Group, we regularly hold meetings for legal affairs managers to share information and opinions on legal affairs issues with Group companies in Japan. We also hold group compliance hearings to confirm the status of compliance promotion and exchange opinions, and strive to ensure thorough compliance and promote communication.
Furthermore, compliance training is conducted annually for business partners (specialized contractors) and new employees of the Soyukai* (Taisei Corporation's proprietary organization for core subcontractors) to ensure thorough compliance throughout the supply chain.

Soyukai

Originated from the Harusamekai established in 1917, Taisei Corporation's organization for its core subcontractors was reestablished in February 2014 to strengthen cooperation between the Company and Soyukai members. As of April 2022, approximately 700 companies have joined the organization. The main purpose of the organization is to promote the improvement of construction capabilities and stable management of member companies through cooperation with the Company's business.

Conduct Compliance Questionnaire (Annually)

The Taisei Group conducts the Compliance Questionnaire for all executives and employees with the aim of understanding the current status and issues related to compliance and further promoting compliance.
The results of the questionnaire are analyzed, measures are considered, reported to top management, and disclosed to all executives and employees through the Compliance Newsletter, and necessary measures are taken in cooperation with related departments to promote compliance.

Education / training	Topics covered in recent years
Compliance Newsletter (monthly)	• Risk management of Taisei Corporation • Anti-corruption (entertainment and gifts) • Construction Business License and Supervision Disposition under the Construction Business Act • About the Taisei Spirit • Results of the compliance questionnaire
E-learning training (twice a year)	• Bribery, harassment and the whistleblowing system • Power harassment • Rules related to contact with other companies in the same industry and the in-house leniency system, etc. • Corporate Ethics Helpline (whistleblowing system) and others

Political donation

As part of its social contribution activities, Taisei Corporation makes political donations when necessary. When making political donations, we thoroughly comply with the Political Funds Control Act and conduct a rigorous review based on procedures pursuant to our internal rules, namely, the “Code of Conduct on Relationship with Politicians and Disbursement of Expenses.” The total amount of political donations made during FY2021 was 18 million yen.

Anti-Corruption Policy

Taisei supports the anticorruption provisions of the United Nations Global Compact which it signed in 2018. In accordance with Principle 10 of the Global Compact, Taisei includes “Ensuring fair trade” “Maintenance of proper relationships with individuals or entities engaged in politics and government” and “Dealing with people, associations or organizations engaged in anti-social behavior” in its Action Guidelines for Taisei Personnel and the Taisei Group as a Whole, in order to prevent coercion, bribery, money laundering, obstruction of justice and the various other forms of corruption. This makes it clear that the Taisei Group and Taisei personnel shall not offer or promise any unjust money or goods nor provide entertainment or gifts beyond the social norm to corporate clients and individual executives and employees of the client, and shall not, in their dealings with politicians and government officials (including foreign government officials), engage in activities that would violate criminal laws (such as those relating to bribery) or activities that may be understood as such, or agree to unreasonable requests made by antisocial forces or organizations. We have also established a code of conduct with regard to the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade

(Anti-Monopoly Act) and also require employees to conduct themselves responsibly to ensure that there are no violations of the criminal laws relating to bid-rigging, the Anti-Monopoly Act and so on.
To educate politicians and government officials (including foreign government officials) regarding the prevention of bribery, a small booklet entitled “Quick Guide to Compliance” has been prepared and online education courses are conducted for all employees, to ensure that they understand that bid-rigging and other acts that obstruct fair competition (a comprehensive category that includes bribery and other corrupt practices) are strictly prohibited, in order to increase employees' knowledge and awareness of the importance of preventing corruption.
With regard to relationships with foreign officials, for which particular caution is needed, in FY 2020 we introduced a pre-check system as an anticorruption measure for foreign officials, etc., and we are working to completely eliminate corrupt practices.

Impartial and Fair Transactions

At Taisei Corporation, we have set forth “Promoting partnerships with subcontractors and suppliers” under the Action Guidelines for Taisei Personnel and the Taisei Group as a Whole, and declare establishing fair and reliable relationships with our partners in the supply chain and conduct transactions on an equal footing.
Furthermore, we have set out Measures for Dealing with Anti-Social Forces and Organizations, stipulating that we will take a resolute stance against anti-social forces and will reject illegitimate demands. In order to eliminate anti-social forces we have included a condition in our contracts, including the basic contract for specialized subcontractors, declaring that the supplier is not an anti-social force and that if revealed otherwise, the contract may be canceled without notice.
In August 2020, we prepared and announced the Declaration of Partnership Building which incorporates prosperous coexistence for the entire supply chain, new collaboration regardless of the company's scale and existing business relationships, and observance of “Promotion Standards” as defined in the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises. We disseminate our stance on impartial and fair transactions in connection with preventing corruption to employees of the Company and Group companies as well as to our suppliers, including sub-contractors and intermediaries.
We also cover impartial and fair transactions in our CSR Procurement Guidelines and work to reduce risks so as not to get involved in transactions with anti-social forces, corruption, bribery, and organizations engaging in inhumane labor.

Verification of Compliance with Laws and Regulations (Guidance)

To ensure the legitimacy of bids, Taisei Corporation operates an in-house system whereby the heads of branch offices confirm that there are no inappropriate acts in the process of bidding operations, produce the documents, and keep all bids on file.
Every year, the legal department verifies the legitimacy of bids and checks compliance with the Construction Business Act, the Antimonopoly Act and the Subcontractors Protection Act.

Specific Measures for Compliance with the Antimonopoly Act

Taking the fact seriously that we were indicted on suspicion of violating the Antimonopoly Act in connection with the Linear Chuo Shinkansen construction project, we have implemented the measures indicated below based on deliberations by the Compliance Committee chaired by an external lawyer and resolution by the Board. We continued to operate and implement the measures below in FY2021.

1. Revision and tightening of internal rules relating to contracts with competitors (September 2018)
2. Reinforcement of procedures to confirm the appropriateness of the bidding process (September 2018)
3. Implementation of e-learning for all executives and employees (implemented every fiscal year since FY2018)
4. Implementation of training by an external lawyer for executives and employees in the sales departments and the technical departments that engage in operations related to taking orders (implemented every fiscal year since FY2018)

Tax Compliance

Taisei Corporation established its Tax Policy in August 2020 as a guideline for complying with tax laws and regulations and fulfilling its social responsibilities, and is striving to fulfill its tax obligations appropriately. In addition, since fiscal 2013, we have conducted an annual e-learning program to raise awareness of tax compliance, and we are working to disseminate our tax policy in relation to the contents of tax audits.
We are also working to reduce tax risks by encouraging all officers and employees to consult with the appropriate department regarding different from usual transactions, etc.

Refer to:

▸ Tax policy

Thorough Awareness of Structure of Values and Policies

We created a portable card of the Structure of Values and Policies, which was updated in 2010, in an effort to spread and establish it. Since FY2011, we have been conducting an e-learning program on our Structure of Values and Policies each year to further disseminate and establish the structure while relating it to social needs and internal efforts.
In FY2021, we conducted an e-learning program for employees on the Taisei Group Philosophy, the Taisei Spirit and the Action Guidelines for Taisei Personnel and the Taisei Group as a Whole, and the participation rate was 95%.

Refer to:

- Our Structure of Values and Policies

Data

Review of Compliance with the Group's Action Guidelines and Handling of Violations

The Taisei Group specifies in its Rules on Enforcement of the Compliance System for the Action Guidelines for Taisei Personnel and the Taisei Group as a Whole (“Action Guidelines”) that, in the event that a regular employee or executive has violated the Group's Action Guidelines (including anti-corruption, etc.), the facts are reviewed carefully and rigorously by the Board of Directors or the Management Council, and disciplinary action is taken in accordance with in-house rules.
In the event of a serious violation of compliance against the Action Guidelines, we thoroughly implement measures to prevent the recurrence of the violation. We also strive to accurately ascertain the facts by investigating relevant factors, including related persons, course of events, nature and details of the violation, amount of damage, and impact on persons of interest, and then report to relevant authorities as necessary.
The perpetrators are subject to necessary disciplinary action, including dismissal.
In FY2021, there were 30 cases reported via our Compliance Promotion Office and external contacts regarding compliance by TAISEI, its group companies, and subcontractors with whom we have contractual relationships, which were related to violations of internal regulations as well as harassment cases.None of these cases had a significant impact on the management of the Group. In addition, there were no cases of legal action or payment of fines or penalties based on corrupt or anti-competitive behavior in our company.

Status of Compliance Reporting

Operational results of Whistleblowing and Consultation System	FY2019	FY2020	FY2021
	24 cases	28 cases	30 cases

Governance Data

TAISEI Sustainability
For a Lively World

Management of Information and Intellectual Property Rights

Policies and Basic Approach Goals and Targets Initiatives
Sustainability Governance and Oversight Data

Management of Information and Intellectual Property Rights

Policies and Basic Approach

The sharing of information with many clients, subcontractors (specialist construction companies, etc.) and other stakeholders in construction projects is essential in the construction industry. The Taisei Group includes "Management of Information and Intellectual Property Rights" in its Group Action Guidelines, and Taisei implements various policies relating to information security. In addition to establishing the Policy to Protect Personal Information and Codes of Practice for the Use of Social Media, the Taisei Group has also established a Policy on Intellectual Property and faithfully implements intellectual property strategies that include those to create, protect and use intellectual property, to reduce risks relating to intellectual property, and for the strategic use of brands. In addition, we have identified "Thorough Compliance and Restructuring of Group Governance System" as a part of Materiality (Important Tasks for the Taisei Group), and this has been established as an important policy in the Taisei Group Medium-term Business Plan (2021-2023).
In addition, " Number of major information security accidents zero " has been established as a KPI objective. Taisei will determine the impact of materiality on society and will clarify issues in accordance materiality and promote initiatives, in order to resolve social and create value through business activities.

Refer to:

- Policy on Intellectual Property PDF
- Policy on the Protection of Personal Information PDF
- Code of Conduct on the Use of Social Media PDF

Risks and Opportunities

The establishment of compliance is the foundation of management and a major prerequisite for sustainable corporate development. It is also essential to establish an effective Group company management system to maximize Group synergies. As the business environment changes rapidly and becomes more complex, it is becoming increasingly important for the Group to strengthen internal controls as it seeks to expand its business domain.

Policy / Commitment

- Thorough Compliance Restructuring of the Group Governance System: Compliance with laws and regulations, management of information and intellectual property rights
- Policy on the Protection of Personal Information
- Code of Conduct on the Use of Social Media

Refer to:

- Action Guidelines for Taisei
- Policy on the Protection of Personal Information PDF
- Code of Conduct on the Use of Social Media PDF

Goals and Targets

KPIs

- Number of major information security accidents
- Number of patent applications filed

Refer to:

- Materiality and KPIs PDF
- Thorough Compliance / Restructuring of the Group Governance System
- Technical Development for Realizing a Sustainable Society

Initiatives

- Nippon CSIRT Association
- Cyber Risk Intelligence Center—Cross Sectors Forum (CRIC CSF)
- Information Security Subcommittee ([Nikkenren] Japan Federation of Construction Industry)

Sustainability Governance and Oversight

Intellectual Property Strategy

Taisei Corporation has formulated the Policy on Intellectual Property, based on which we practice our Intellectual Property Strategy. We strategically manage and utilize all intellectual property including patents, copyright, construction and business know-how to promote management that is focused on intellectual property. Regarding management of intellectual property, we intend to improve operational efficiency through building a search function for our own patents and preparing a database for managing patents.

We implement thorough risk management in all business processes to prevent and mitigate intellectual property-related risks that may cause a material impact on business management, such as infringement of our rights or rights of others, and technology leakage. We have established the Rules for Handling Intellectual Property Information to ensure the management of classified information. We also take measures to reduce the risk of infringing the intellectual property rights of third parties, such as making the technical departments and business departments thoroughly aware of other companies' patent information.

In addition, we have been further enhancing the intellectual property capabilities of the entire Group by establishing systems and exchanging information on intellectual property across the Group.

We also conduct training to ensure that employees are fully informed about this policy and utilize intellectual property strategically in order to strengthen our competitiveness and improve our corporate value.

In FY2021, we conducted intellectual property courses for Group companies, technical departments in the head office and operations departments in branch offices of Taisei Corporation as well as e-learning for all officers and employees, including the utilization of application rights and a series of awareness raising campaigns about infringement.

Information Security Measures

At Taisei Corporation, we have compiled a booklet containing minimum rules to be observed and have been providing education and guidance to all officers and employees as well as business partners. Since fiscal 2016, we have been working to strengthen the information security environment at our overseas sales offices and worksites. We also work to strengthen measures against the risk of information leaks associated with telecommuting (working from home).In addition, in order to prevent and mitigate intellectual property risks such as infringements of rights and technology leaks that have a serious impact on corporate management, we implement thorough risk management in all business processes.

https://www.taisei-sx.jp/

To respond to the increasingly serious risk of cyber attacks, we established the Taisei-Security Incident Response Team (SIRT) and work to collect the latest information on cyber attacks and take measures to prevent cyber attacks in cooperation with external organizations through the Nippon CSIRT Association, which we joined in March 2013.

Data

Governance Date

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External Evaluations/Participation in Initiatives/Sustainable Finance



Our activities aimed at developing a more sustainable society have earned the Taisei Group high marks from numerous external organizations.



We Introduce of our main Initiatives and Groups Taisei is involved with.



We Introduce of Taisei Green Bonds and Sustainability Linked Loans

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External Evaluations

External Evaluations

Major Selection and Certification

FTSE Blossom Japan Sector Relative Index

Taisei Corporation listed on the FTSE Blossom Japan Sector Relative Index.(As of Apr.2022)
An investment index designed by FTSE Russell, a wholly owned subsidiary of the London Stock Exchange Group. This index reflects the performance of Japanese corporations that demonstrate strong Environmental, Social and Governance (ESG) practices relative to their sector. In addition, to encourage the transition to a low-carbon economy, for companies with especially high greenhouse gas emissions, only companies whose improvement initiatives have been evaluated using TPI Management Quality Score are included.

FTSE Blossom Japan Sector Relative Index

MSCI ESG Leaders Indexes

Developed by US company MSCI and companies with high ESG ratings in their respective industries.(As of July,2022)

2022 MSCI ESG Leaders Indexes Constituent

* The inclusion of Taisei Corporation in any MSCI Index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Sumitomo Forestry by MSCI or any of its affiliates. The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names and logos are trademarks or service marks of MSCI or its affiliates.

MSCI ESG Leaders Indexes

MSCI Japan ESG Select Leaders Index

With Free float-adjusted market capitalization weighted index based on the MSCI Japan IMI Top 500 Index of MSCI, Inc. as a parent index, it represents relative sector weights of companies that excel in ESG.(As of July,2022)



MSCI Japan ESG Select Leaders Index

MSCI Japan Empowering Women Index (WIN)

Index for Japanese stocks selected by the Government Pension Investment Fund, Japan (GPIF) as one of its three ESG indices in July 2017. With MSCI Japan IMI Top 500 Index as a parent index, it represents weighs of companies that excel in gender diversity that excel in gender diversity.(As of July,2022)



MSCI Japan Empowering Women Index

S&P/JPX Carbon Efficient Index

Discloses the S&P/JPX Carbon Efficient Index, jointly developed as an environmental index by the Japan Exchange Group, the Tokyo Stock Exchange, and the S&P Dow Jones Index.(As of July,2022)



S&P/JPX Carbon Efficient Index

SBT Certified

Taisei Corporation is certified by "Science Based Targets (SBT)," an international initiative

ongreenhouse gas emission reduction, for its goal to reduce greenhouse gas emissions by 2030.

CDP

The renowned non-profit organization CDP awarded Taisei Corporation the Climate Change A-level, in recognition to our measures against climate change and high transparency of the related information (As of Dec.2021). Moreover, in the supplier engagement assessment of the Carbon Disclosure Project (CDP), Taisei has been chosen as a Supplier Engagement Leader for the second year in a row (As of Feb.2022).

CDP (Carbon Disclosure Project)

Refer to:

- Taisei Corporation Listed on “CDP's Climate Change A List 2020” for Most Pioneering Environmental Performance

SOMPO Sustainability Index

The SOMPO Sustainability Index is an ESG evaluation by Sompo Asset Management Co., Taisei corporation were selected in the SOMPO Sustainability Index managed by SOMPO Asset Management Co., Ltd. (“SOMPO Asset Management”) (As of June, 2022).

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TAISEI Sustainability
For a Lively World

Participation in Initiatives

ALL Environment Social

ALL

United Nations Global Compact (GC), SDGs

The Taisei Group participated in the GC in April 2018 and committed to disseminating and implementing the Ten Principles in the four areas of human rights, labor, the environment, and anti-corruption. We support the 10 principles on human rights, labor, the environment, and anti-corruption, and raise the awareness of our employees to solve social issues, and as a global energy co-creation company, it will further step up its efforts to create a sustainable society through business operations. And we will advance various initiatives that contribute to realizing the UN Sustainable Development Goals (SDGs) through our business activities.

Ten Principles of the UN Global Compact

Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.
	Principle 2: Make sure that they are not complicit in human rights abuses.

Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
	Principle 4: The elimination of all forms of forced and compulsory labour.
	Principle 5: The effective abolition of child labour.
	Principle 6: The elimination of discrimination in respect of employment and occupation.
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.
	Principle 8: Undertake initiatives to promote greater environmental responsibility.
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Work with Global Compact Network Japan（GCNJ）

The GCNJ consists of subcommittees for deliberations and exchanging ideas on specific topics concerning approaches and initiatives for sustainability.
In FY2021, Taisei Corporation participated in the following subcommittees.

- Human Rights Due Diligence (HRDD) Subcommittee
- Reporting Research Subcommittee
- Supply Chain Subcommittee

Refer to:

- The Global Compact Network Japan (GCNJ)
- Sustainable Development Goals (SDGs)

ESG Disclosure Study Group

https://www.taisei-sx.jp/

Taisei corporation joined the ESG Information Disclosure Study Group in August 2022.
The purpose of this study group, which was launched is to help create a mechanism that harmonizes the sustainable development of society with the company growth through research on the appropriate way of ESG information disclosure. By participating in it, we strive to improve mutual understanding with stakeholders.

Refer to:

- ESG Disclosure Study Group(Japanese)

Japan Forum of Business and Society (JFBS)

With regard to the relationship between companies and society and various issues in sustainable development, we participate in the JFBS, a forum for connecting theory, field, and policy through wide-ranging cooperation between academic circles, industry, government, labor circles, consumer organizations, NPOs, and NGOs in Japan and overseas. We make use of knowledge gained at its annual conference and other events to promote Sustainability activities.

Keidanren (Japan Business Federation)

The Taisei Group is committed, as a member of Keidanren, to respect the content of its Charter of Corporate Behavior and carry out activities toward the “realization of a sustainable society,” which Keidanren aims to achieve. We participate in the committees including the following:

- Committee on Supply Chain
- Start-up Committee
- Committee on Environment
- Resources and Energy Task Force Committee
- Committee on Responsible Business Conduct & SDGs Promotion
- Committee on Diversity Promotion
- Committee on Crisis Management and Social Infrastructure Strengthening
- Committee on Development Cooperation Promotion

Nikkenren (Japan Federation of Construction Contractors)

Nikkenren is a nationwide association of general construction companies and their member contractor associations, which represents the construction industry and works to resolve basic domestic and international issues in the construction industry, including various construction-related systems.
We participate in the committees including the following:

Environment

TCFD (Task Force on Climate-related Financial Disclosures) - TCFD Consortium

In July 2020, Taisei Corporation declared its support for the TCFD (Task Force on Climate-related Financial Disclosures) recommendations, which aim to facilitate companies to disclose climate-related information. As a member of the TCFD consortium, We will continue to practice appropriate disclosure in line with TCFD recommendations.

Information Disclosure Based on TCFD

SBT

An organization founded in 2015 that calls on companies to commit to set Science Based Targets (SBT) to contribute to the Paris Agreement, which limits the rise in global average temperatures to below 2 degrees Celsius above pre-industrial levels. The 2030 reduction target of greenhouse gas emissions has been certified as Science Based Targets (SBT) by the international initiative on the reduction of greenhouse gas emissions.

CDP/CDP Japan Club

CDP is an ESG evaluation program that urges leading companies (in terms of market capitalization) in major countries to disclose their climate change strategies and greenhouse gas emissions. Replies from such companies, together with their scores, are provided to institutional investors. Taisei Corporation has been responding to the questionnaire from the CDP Climate Change, a global disclosure program for corporate information on climate change risks. And we have responded to the questionnaire on timber from CDP Forests, and to the questionnaire from CDP Water Security, a global disclosure

program for corporate information related to forest risks.
As a member of the CDP (formerly Carbon Disclosure Project) Japan Club, sponsored by CDP Worldwide Japan, Taisei promotes activities to find solutions to climate change and other environmental issues, holds exchanges of views regarding information disclosure and issues requests to the CDP secretariat. Based on the information obtained through our activities in the CDP Japan Club, we will intensify our efforts to take action on climate change and disclose appropriate environment-related information.

External Evaluations ; CDP (Carbon Disclosure Project)

GX League Basic Concept

Taisei Corporation has announced its support for the basic concept of the “Green Transformation League” (“GX League”), which the Ministry of Economy, Trade and Industry (METI) plans to establish.
The GX League aims to transform the economic and social system by engaging a group of companies working to decarbonize their operations, as well as governmental, academic, and financial institutions, discuss the creation of sustainable markets and rule-making, as well as emissions trading.

Refer to:

- GX League Establishes the "GX BusinessWorking Group" to Build a Framework and Promote Evaluation and Disclosure on Climate-related Opportunities

OECM Biodiversity 30 by 30 Alliance

Taisei Corporation is participating in the “OECM Biodiversity 30 by 30 Alliance” established by Japan's Ministry of the Environment. The goal of the Alliance is to support efforts to expand and manage biodiversity protection lands through the development and use of Taisei technologies for living in harmony with nature and preserving the environment.

Participation in “Biodiversity 30 by 30 Alliance” PDF

The TNFD Forum

Taisei Corporation have become the first general construction contractor to join the TNFD Forum, the forum of the Taskforce on Nature-related Financial Disclosures (TNFD). Through our participation in the TNFD Forum, we will work to set up a framework for the appropriate assessment and disclosure of the risks and opportunities relating to natural capital and biodiversity, in order to actively contribute to the achievement of sustainability and resilience for society as a whole.

Refer to:

- Taisei Joins the TNFD Forum

Eco-First Promotion Council

Taisei is a participant in the Eco-First Promotion Council made up of Eco-First companies. As a leader in the area of environmental preservation. Taisei will carry out proactive efforts as promised to the Ministry of the Environment in line with the Council's Statement of Intent to Establish an Eco-First Promotion Council, and will work to achieve collaboration with other Eco-First companies under the guidance of the Ministry of the Environment in order to help to achieve further progress in Japan's climate change action and other efforts to preserve the global environment.

Japan Business and Biodiversity Partnership

Taisei Corporation participates in the Japan Business and Biodiversity Partnership as a member company, cooperating with NPOs, NGOs, research institutions and other relevant organizations both at home and abroad to promote corporate activities aimed at preserving biodiversity. Our Group have made biodiversity conservation in Taisei Group Sustainable Procurement Guidelines on the supply chain and is pursuing measures accordingly.

Participation in Japan Partnership for Circular Economy (J4CE)

Japan for Circular Economy (J4CE) is a platform for a decarbonized, decentralized society and circular economy established in March 2021.Taisei Corporation join the Japan Partnership for Circular Economy (J4CE), which was

established by the Ministry of the Environment, Ministry of Economy, Trade and Industry and the Japan Business Federation.
we are pursuing open innovation that transcends corporate and industrial boundaries, and for Realization of a Recycling Oriented Society by publicly declaring its commitment to ambitious challenges that will bring society closer to a cyclical economy.

Refer to:

- Japan Partnership for Circular Economy (J4CE)

Work with “Challenge Zero” (Keidanren)

Taisei Corporation endorses Nippon Keidanren's Declaration on “Challenge Zero.” This is a new initiative launched in June 2020 by the Japan Business Federation (Keidanren). The Group participates by sharing specific information on how it is innovating to meet ambitious goals that will contribute to a carbon-free Japan.
By actively striving to develop net-zero emissions technology and generating an upward spiral of environmental protection and business growth, the Group aims to solve social issues through innovation.

Social

EcoVadis

EcoVadis is a ratings provider that has developed its own platform for evaluating the performance of companies in terms of environmental and social sustainability. Taisei Corporation has been registered with EcoVadis since fiscal 2019 as a supplier and started to disclose required information.

The Valuable 500

The Valuable 500 is a global initiative launched during the World Economic Forum (Davos) held in January 2019. On May 7, 2021, Taisei Corporation (President: Yoshiro AIKAWA) joined “The Valuable 500,” a global initiative aiming to enhance disability inclusion in society through business leadership and opportunity.

My Jinken (human rights) Declaration

In July of 2021, Taisei Corporation announced our support for the "My Jinken (human rights) Declaration" project of the Ministry of Justice, which invites people to declare their intention to conduct activities to respect human rights in order to achieve a society in which everyone respects human rights.

Human Capital Management Consortium

The Consortium was established for the purpose of sharing advanced examples of human capital management practices, discussing inter-company cooperation in Japan.
Taisei Corporation is participating in the Human Capital Management Consortium, which was established in August 2022 with the Ministry of Economy, Trade and Industry and the Financial Services Agency as observers.
Through our participation in this consortium, we will deepen our knowledge and practice "human capital management" that leads to medium- and long-term improvement of corporate value.

Work with Council for Better Corporate Citizenship (CBCC)

Council for Better Corporate Citizenship (CBCC) is an association, established in 1989 by Keidanren (Federation of Economic Organizations), which facilitates the acceptance of Japanese companies by regional communities overseas as good corporate citizens, and more recently, promotes Sustainability activities and assists companies in their practice. As a member company of the Council for Better Corporate Citizenship (CBCC), Taisei corporation participate in CBCC's Sustainability awareness activities.

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TAISEI Sustainability
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Sustainable Finance

Green Bonds

Taisei Corporation has issued green bonds with the aim of raising awareness of the Group's environmental initiatives among a wide range of stakeholders and contributing to the realization of a decarbonized society.

Sustainability Linked Loans

Taisei Corporation signed sustainability-linked loans agreement with the aim of raising awareness among a wide range of stakeholders about its environmental initiatives and contributing to the realization of a decarbonized society.

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TAISEI Sustainability
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Green Bond

- Purpose and Background of This Issuance
- 1. Overview of Green Bonds
- 2. Third-party Assessment of Eligibility
- 3. Investment Announcement Regarding These Green Bonds
- 4. Reporting

Purpose and Background of This Issuance

Based on our group philosophy of “to Create a Vibrant Environment for All Members of Society,” TAISEI Corporation has established an environmental policy that strives to create high-quality social capital through corporate activities centered on the construction business in harmony with nature. In addition, “TAISEI Green Target 2050,” our set of medium- to long-term environmental targets, sets forth four societies (a decarbonized society, a recycling oriented society, a nature co-existing society, and a safety secured society) toward the realization of a sustainable, environmentally friendly society, and aims to achieve virtually zero CO_2 emissions from business activities by 2050 to realize a decarbonized society.
In order to realize our group’s Medium- to Long-Term Vision, “TAISEI VISION 2030,” our Medium-Term Business Plan (2021-2023) specifies that focused efforts will be made over a three-year period as a priority issue. Regarding sustainability, the plan calls for accelerating efforts toward carbon neutrality and promoting the development of technology to solve environmental and social issues.
Against this background, our company has issued green bonds with the aim of raising awareness of the Group’s environmental initiatives among a wide range of stakeholders and contributing to the realization of a decarbonized society.

1. Overview of Green Bonds

Name	TAISEI Corporation 40th Issuance of Unsecured Bonds (with inter-bond pari passu clause) (Green Bonds or TAISEI Green Bonds)
Condition Determination Date	December 3, 2021

Issue Date	December 9, 2021
Total Amount Issued	10 billion yen
Maturity Period	5 years
Interest Rate	0.100%
Use of Funds	(1) Renovation of existing facilities to make them more energy efficient (TAISEI Kansai Branch and Yokohama Branch buildings, TAISEI U-LEC Kawagoe Plant) ＜Planning to obtain ZEB certification*1 under the Building-Housing Energy-efficiency Labeling System (BELS)＞ (2) Investment in renewable energy businesses (Solar power and wind power generation facilities) (3) Investment in the development of decarbonization technology (areas related to offshore wind power generation, carbon recycling and concrete, ZEB*2 and energy conservation, and utilization of hydrogen)
Lead Organizers	Nomura Securities Co., Ltd. (Admin), Mizuho Securities Co., Ltd.
Green Bond Structuring Agent*3	Mizuho Securities Co., Ltd.
Acquired Rating	A+ (Rating and Investment Information, Inc.), AA- (Japan Credit Rating Agency, Ltd.)

*1 Building-Housing Energy-efficiency Labeling System (BELS) ZEB certification
A certification system in which a third-party evaluation organization evaluates and displays the energy-saving performance of new and existing buildings, led by the Ministry of Land, Infrastructure, Transport and Tourism. A Building Energy-efficiency Index (BEI) value is calculated according to the calculation method determined by the government, and the number of stars received is determined by this value. Among the highest ranked five-star buildings, those with even better energy-saving performance are certified as ZEB (ZEB, Nearly ZEB, ZEB Ready, or ZEB Oriented).

*2 ZEB: (Net Zero Energy Building)
“Buildings in which annual primary energy consumption is reduced to zero or almost zero on a net basis by improving the energy-saving performance of the building or facilities, making full use of energy, utilizing on-site renewable energy, etc.” In other words, a building that consumes as little energy as possible and has facilities for generating energy, resulting in an annual energy balance of zero.

*3 Green Bond Structuring Agent
Those who support the issuance of green bonds through the formulation of a green bond framework, giving advice on obtaining second opinions, etc.

2. Third-party Assessment of Eligibility

As a third-party assessment regarding the eligibility of these green bonds, a second party opinion was obtained in the “JCR Green Bond Rating,” conducted by Japan Credit Rating Agency, Ltd. (JCR). They determined that the bonds comply with the Green Bond Principles 2021 and the Green Bond Guidelines 2020, and gave their highest rating, “Green1.”

3. Investment Announcement Regarding These Green Bonds

We would like to introduce the investors who have announced their investment in these green bonds.

(As of December 3, 2021, listed in Japanese alphabetical order)

- OTEC CORPORATION
- The Kagoshima Bank, Ltd.
- Shinkin Central Bank
- SUMITOMO LIFE INSURANCE COMPANY
- Daitokyo Shinyokumiai
- THE TOHO BANK, LTD.
- Japan Earthquake Reinsurance Co., Ltd.
- NIHON DENGI CO., LTD.
- THE HACHIJUNI BANK, LTD.
- HIGASHI-NIPPON BANK, Ltd.
- Mitsubishi UFJ Trust and Banking Corporation
- The Miyazaki Taiyo Bank, Ltd.

4. Reporting

Once a year, a report on the status of fund allocation and environmental benefits will be disclosed on the Company's Sustainability website.

TAISEI Green Bonds	First reporting following issuance of Green Bonds (40th issuance of unsecured bonds) PDF

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November 15, 2022
Taisei Corporation

First reporting following issuance of Green Bonds (40th issuance of unsecured bonds)

1. Status of appropriation of procurement funds (December 2021 - September 2022)

The following table shows the status of appropriation of funds procured through Green Bonds (40th issuance of unsecured bonds) that were issued on December 9, 2021.

Item	Amount (JPY million)
① Amount raised (amount of Bond issue minus various issuing expenses)	**9,943**
② Amount of appropriation (1.+2.+3.)	**1,538**
1. Renovation of existing facilities to make them more energy-efficient	390
2. Investment in renewable energy businesses	0
3. Investment in the development of decarbonization technology	1,148
③ Non-appropriated balance (①-②)	**8,405**

2. Environmental impact

1. Renovation of existing facilities to make them more energy-efficient

- 1 . ZEB certification acquisition status

All three existing facilities (Taisei Corporation Kansai Branch Building, Taisei Corporation Yokohama Branch Building and Taisei U-LEC Corporation Kawagoe Plant) were awarded ZEB certification under the Building-Housing Energy-efficiency Labeling System (BELS) in April 2022.
https://www.taisei.co.jp/about_us/wn/2022/220426_8771.html (Japanese)

- 2 . Amount of reduced energy consumption due to energy conservation measures

Construction is underway with completion expected at the end of March 2023. For the anticipated environmental improvement benefits, etc., see page 51 of the Taisei Group Annual Report 2022.
https://www.taisei-sx.jp/english/environment/pdf/Environmental_Solutions.pdf

2. Investment in renewable energy businesses

There was no investment during the period.

3. Investment in the development of decarbonization technology

As of September 2022, of the 279 technical development items managed as "technical development" in the Medium-Term Business Plan, 75 are related to decarbonization.

- Click the following link for the status of development and implementation of T-e Concrete® environmentally friendly concrete.
  https://www.taisei.co.jp/english/t-econcrete/

- See the following Taisei press releases (in Japanese) for the progress in major technical development items contributing to decarbonization between December 2021 and September 2022.

・ "Development of Technology for Carbonate Use" implemented in the "Project to develop technologies for the manufacture of concrete, etc. using CO_2" which was selected as a NEDO Green Innovation Fund Project (January 28, 2022)
https://www.taisei.co.jp/about_us/wn/2022/220128_8674.html (Japanese)

・ "T-LCA(Life Cycle Assesment) Simulator CO_2" tool for evaluating CO_2 emissions throughout the life cycle of buildings developed (May 30, 2022)
https://www.taisei.co.jp/about_us/wn/2022/220530_8796.html (Japanese)

・ T-ZCB(Zero Carbon Building) assessment system for effectiveness of CO_2 emissions reduction developed, demonstration at company facilities begins (September 9, 2022)
https://www.taisei.co.jp/about_us/wn/2022/220909_8933.html (Japanese)

・ "T-CARBON SoilReme" CO_2 emissions assessment tool developed (September 12, 2022)
https://www.taisei.co.jp/about_us/wn/2022/220912_8952.html (Japanese)

・ Support activities begin in preparation for formulation of ZEB guidelines, etc. for public buildings in Setagaya Ward (September 26, 2022)
https://www.taisei.co.jp/about_us/wn/2022/220926_8969.html (Japanese)

Taisei Signs DBJ Interactive Sustainability-Linked Loan Agreement with the Development Bank of Japan

December 24, 2021
Taisei Corporation

On December 24, Taisei Corporation (President: Yoshiro Aikawa) and Development Bank of Japan (DBJ) (President: Hajime Watanabe) signed a loan agreement for a DBJ interactive sustainability-linked loan (hereafter "loan").

The loan will be based on the Sustainability Linked Loan Principles (SLLP) formulated by the Loan Market Association and other entities and the Green Loan and Sustainability Linked Loan Guidelines established by the Ministry of the Environment (hereafter "MOE Guidelines"). The lender, DBJ, will use an interactive process to provide assistance to the borrower in establishing appropriate Key Performance Indicators (KPI) and Sustainability Performance Targets (SPT) to help achieve advanced sustainable operation, and will also conduct regular dialogue to help to achieve the SPT during the loan period.

Taisei is working to become a front runner in the environmental field as expressed in its "Taisei Vision 2030," its vision for the medium- to long-term, and its midterm management plan (2021-2023). Taisei is also working to help to achieve a sustainable and environmentally conscious society as expressed in its Taisei Green Target 2050 that contains the company's environmental targets for the year 2050, and is promoting adoption in the value chain through the development and practical realization of next-generation advanced function Zero Energy Buildings (ZEB) and so on. Accordingly, Taisei has established the environmental target for "Reduction of design-build estimated CO_2 emissions at building operation stage" as the KPI and SPT for this loan.

KPI	SPT
Anticipated CO_2 emissions reduction rate of Taisei design and construction projects (compared to 1990 levels)	FY 2023 reduction rate 43%

Taisei will continue to actively promote efforts to achieve a sustainable and environmentally conscious society based on the Taisei Group Philosophy "To Create a Vibrant Environment for All Members of Society."

[Content of internal review]

1. Selection of internal review

For the execution of the loan, Taisei and the DBJ held discussions regarding confirmation of compliance with the SLLP and MOE Guidelines, and selected an internal review.

2. SPT outline

Taisei has established guidelines for measuring the status of the application of energy-saving technologies including ZEB, which help to reduce CO_2 emissions at the building operation stage, in the building design.

3. Internal expertise relating to SPT

Based on the Taisei Group Philosophy “To Create a Vibrant Environment for All Members of Society” and the Taisei Spirit, Taisei is working to resolve sustainability issues through operations centered on the construction industry. The company's basic sustainability policy is to help to achieve a resilient society that enables people to live lives filled with culture and abundance.

Key policies and measures relating to overall environmental, social and governance (ESG) criteria are reviewed by the company's CSR Committee, and the basic policy for environmental management and the formulation of medium- to long-term targets is reviewed by the Environment Committee, after which they are discussed and finalized at a meeting of the Board of Directors.

TAISEI For a Lively World Sustainability

ESG Data and Comparisons

ESG Data

- Data on Environmental Contribution
- Data on Social Contribution
- Data on Governance Contribution

GRI Standards Comparison Chart

- 100 series (Universal)
- 200 series (Economic topics)
- 300 series (Environmental topics)
- 400 series (Social topics)

ISO26000 Comparison Table

- Organizational Governance
- Human Rights
- Labor Practices
- The Environment
- Fair Operating Practices
- Consumer Issues
- Community Involvement and Development

Information Disclosure Based on TCFD Recommendations

- Governance
- Strategies
- Risk Management
- Indicators and Targets

ESG Data

Data on Environmental Contribution　Data on Social Contribution　Data on Governance Contribution

ESG Data

Data on Environmental Contribution

Environment Data

(FY)

	Indicators	Unit	2018	2019	2020	2021	GRI
KPI	Scope 1+2 reduction rate of CO_2 emissions per sales[*1] (Taisei Group)[*5]	%	—	—	—	3.3	305-4
	Scope 1+2 reduction rate of CO_2 emissions[*1] (Taisei Group)[*5]	%	—	—	—	-11.8	305-5
	At construction stage: Reduction rate of CO_2 emissions per sales[*2]	%	-28.9	-32.0	-30.3	-30.1	305-4
	At construction stage: Reduction rate of total CO_2 emissions[*2]	%	-44.7	-43.7	-54.5	-52.7	305-5
	At building operation stage: Reduction rate of estimated CO_2 emissions[*2, 3]	%	-40.2	-39.5	-41.4	-44.6	

Indicators	Unit	2018	2019	2020	2021	GRI
Scope 1+2 total CO_2 Emissions (Taisei Group)☆	10^3tCO_2	361	368	318	325	305-1,2
Scope 1+2 total CO_2 Emissions☆	10^3tCO_2	261	267	216	224	
Scope 1☆	10^3tCO_2	204	198	159	162	305-1
Scope 2☆	10^3tCO_2	57	69	57	61	305-2
Scope 3☆	10^3tCO_2	—	—	4,491	3,878	305-3
1. Purchased goods and services	1,000t-CO_2	—	—	1,347	1,283	305-3
2. Capital goods	1,000t-CO_2	—	—	4	0	305-3
3. Fuel-and-energy-related activities	1,000t-CO_2	—	—	32	33	305-3
4. Upstream transportation and distribution	1,000t-CO_2	—	—	9	8	305-3
5. Waste generated in operations	1,000t-CO_2	—	—	179	209	305-3
6. Employee commuting	1,000t-CO_2	—	—	1	1	305-3
7. Employee commuting	1,000t-CO_2	—	—	5	5	305-3
8. Upstream leased assets	1,000t-CO_2	—	—	1	0	305-3
9. Downstream transportation and distribution	1,000t-CO_2	—	—	—	—	305-3
10. Processing of sold products	1,000t-CO_2	—	—	—	—	305-3
11. Use of sold products	1,000t-CO_2	—	—	3,371	2,284	305-3
12. End of life treatment of sold products	1,000t-CO_2	—	—	40	51	305-3

Indicators		Unit	2018	2019	2020	2021	GRI
13. Downstream leased assets		1,000t-CO_2	—	—	5	5	305-3
14. Franchises		1,000t-CO_2			—	—	Not applicable for calculation.
15. Investments		1,000t-CO_2	—	—	—	—	305-3
Energy consumption☆		10^9MJ	4.14	4.39	3.60	3.77	302-1
In office divisions: Reduction rate of energy consumption per floor area (basic unit)*4		%	-21.0	-23.3	-22.4	-22.2	302-3
Water (amount of water used) ☆		10^3m^3	1,436	1,414	1,412	2,266	303-3
Nox emissions ☆		10^3tCO_2	1,345	1,302	1,039	1,085	305-7
Sox emissions☆		10^3tCO_2	205	200	158	162	
ET	Final disposal rate of construction wastes	%	3.4	3.9	2.7	2.8	306-2
	Amount of construction waste☆	10^3t	2,020	2,411	1,787	1,976	
	Number of green procurement items adapted at construction design stage	Item/PJ	9.7	10.0	11.7	11.7	301-2
	Number of projects contributing to biodiversity improvement	Projects	—	52	44	72	304-3
	Number of environmental accidents	case	0	1	0	0	307-1
Acquisition rate of ISO 14001 certification		%	100	100	100	100	102-11

*1 Compared to FY2019

*2 Compared to FY1990

*3 Estimated CO_2 emissions from design and construction projects (including promotion of ZEB)

*4 Compared to FY2010

*5 The scope of coverage: Taisei Corporation and the Group companies.

Notes: 1. KPI = Key Performance Indicator (2021 - 2023) PDF

Notes: 2. ET= Environmental Targets

Notes: 3. The FY2021data of items with ☆ mark has obtained third-party warranty.

Refer to:

- Environment Data

Data on Social Contribution

Human Resources Data (Non-Consolidated / Partial Consolidated)

(FY)

Indicators	Unit	2018	2019	2020	2021	GRI
Number of employees (consolidated)	Persons	14,433	14,562	14,620	14,518	
Civil Engineering business (consolidated)	Persons	4,108	4,161	4,257	4,263	
Building Construction business (consolidated)	Persons	8,123	8,163	8,160	8,103	102-7
Real Estate Development business (consolidated)	Persons	2,056	2,074	2,044	1,979	
Other businesses (consolidated)	Persons	146	164	159	173	
Male (consolidated)	Persons	11,906	11,971	11,959	11,822	102-8
Female (consolidated)	Persons	2,527	2,591	2,661	2,696	
Japanese employees (consolidated)	Persons	13,567	13,658	13,692	13,585	405-1
Non-Japanese employees (consolidated) 866 904	Persons	866	904	928	933	
Number of employees	Persons	8,490	8,507	8,572	8,579	
Civil Engineering business	Persons	2,298	2,273	2,323	2,324	102-7
Building Construction business	Persons	6,040	6,072	6,084	6,084	
Real Estate Development business	Persons	152	162	165	171	
Male	Persons	6,949	6,937	6,970	6,955	102-8
Female	Persons	1,541	1,570	1,602	1,624	
Japanese employees	Persons	8,391	8,394	8,457	8,454	405-1
Non-Japanese employees	Persons	99	113	115	125	
Twenties	%	16.5	17.1	18.0	18.5	102-7
Thirties	%	19.0	19.2	19.7	20.4	

Indicators	Unit	2018	2019	2020	2021	GRI
Forties	%	30.1	26.3	22.8	21.0	
Fifties or more	%	34.4	37.4	39.4	40.1	
Number of non-regular employees	Persons	1,134	1,173	1,288	1,255	102-8

Data on Recruitment, Annual Salary, Length of Service, and Average Age (Non-Consolidated / Partial Consolidated)

(FY)

Indicators	Unit	2018	2019	2020	2021	GRI
Number of hires (new graduates)	Persons	251	264	329	302	401-1
Male	Persons	207	215	270	253	—
Female	Persons	44	49	59	49	405-1
Number of mid-career hires	Persons	30	27	11	28	401-1
Male	Persons	29	22	11	23	—
Female*1	Persons	1	5	0	5	405-1
Average annual salary	Thousand yen	10,512	10,103	9,850	9,635	—
Average age	Years old	43.0	43.0	43.0	43.0	—
Male	Years old	43.3	43.3	43.3	43.3	
Female	Years old	41.8	41.8	41.6	41.5	405-1
Average service years	Years	18.3	18.3	18.3	18.2	—
Male	Years	18.6	18.7	18.8	18.8	
Female	Years	16.6	16.5	16.2	15.9	405-1
Turnover rate (Taisei Group)*2	%	—	—	—	2.1	401-1
Turnover rate *3	%	1.1	1.2	1.2	1.5	
Turnover rate of employees within three years of hiring*3,4	%	5.4	7.4	7.6	8.3	

*1 Target:25% Ratio of newly hired female engineers/30% Ratio of newly hired female employees

*2 The scope of coverage: Taisei Corporation and seven major Group companies.

*3 Voluntary turnover rate

*4 Target:6% by FY2026/4% by FY2030

Data on Stakeholder Engagement (Non-Consolidated)

(FY)

Indicators	Unit	2018	2019	2020	2021	GRI
Percentage of all employees covered by collective bargaining agreements	%	—	90.6	90.8	90.1	102-41
Labor union participation rate	%	100	100	100	100	
Employees satisfaction rate*	%	—	80.8	—	77.6	102-43

* The survey was conducted every other year by union members in Taisei Corporation. From FY2022, we plan to conduct an engagement survey (results) covering all employees.

Diversity and Inclusion Data (Non-Consolidated / Partial Consolidated)

(FY)

Indicators		Unit	2018	2019	2020	2021	GRI
KPI	Number of female managers*1	Persons	167	197	236	270	
AC	Female managers ratio	%	3.2	3.8	4.5	5.2	
Number of female engineers		Persons	663	698	738	767	
AC	Female engineers ratio*2	%	9.1	9.5	9.9	10.2	
Rate of employment of persons with disabilities (consolidated)		%	—	—	—	2.10	405-1
Rate of employment of persons with disabilities		%	2.33	2.35	2.20	2.27	
Number of employees reemployed after leave retirement		Persons	739	800	862	878	
Number of former employees who took advantage of the Job-Return system*3		Persons	2	3	3	4	

*1 目標2025年度10倍 400名以上

*2 目標2030年度15%以上

*3 This is a system that provides employment information for the Company and its Group companies and offers opportunities for employees to return to work if they wish to reenter the workforce due to the elimination or alleviation of reasons for retirement after having resigned due to various reasons.

Notes: 1. KPI = Key Performance Indicator (2021 - 2023)

Notes: 2. AC: Action Plan based on The Act on Promotion of Women's Participation and Advancement in the Workplace (Cabinet Office)

Data on Diversity and Inclusion Training (Non-Consolidated)

Indicators	Subjects	Unit	Achievements	
Number of participants in diversity management training	managerial staff	Persons	845	FY2013 ～Total
Next Generation Leader Development Training　Number of participants	female employee		229	FY2012 ～Total
Number of female position leadership and coaching training participants	Position holder		8	FY2021 ～Total
Number of Non-Japanese employees taking training	Non-Japanese employees		132	FY2013 ～Total

Ratio of Female Wages to Male Wages

***The wage gap between men and women is due to differences in average age, etc., but not to the system**

(FY)

Indicators	Unit	2018	2019	2020	2021	GRI
All employees	%	—	—	—	58.2	405-2
Regular employees		—	—	—	57.4	
Career-track positions		—	—	—	66.0	
Professional-grade positions		—	—	—	72.1	
Minor career-track positions		—	—	—	83.3	
Non-regular employees		—	—	—	58.3	

Childcare and Nursing Care Data

(FY)

Indicators		Unit	2018	2019	2020	2021	GRI
Number of employees taking leave for childcare		Persons	285	290	299	281	401-3
Male			244	241	253	232	
Female			41	49	46	49	
Rate of taking childcare leave*		%	94.9	100	100	100	—
KPI	Rate of taking childcare leave by males		94.2	100	100	100	
AC	Average number of days of childcare leave taken by males	Days	—	—	—	9.7	
Rate of taking childcare leave by females		%	100	100	100	100	
Rate of return to work after childcare leave			97.7	99.7	100	99.7	401-3
Male			100	100	100	100	
Female			97.5	97.9	100	97.9	
Number of employees who use flextime for childcare (cumulative)		Persons	12	27	35	45	
Number of employees taking nursing care leave		Persons	0	2	1	1	—
Number of employees taking paid nursing care leave		Persons	—	—	—	168	—

* Target :100% acquisition rate , More than 14 days to obtain

Notes: 1. KPI = Key Performance Indicator (2021 - 2023)

Notes: 2. AC: Action Plan based on The Act on Promotion of Women's Participation and Advancement in the Workplace (Cabinet Office)

Data on Working Hours and Holidays (Non-Consolidated)

(FY)

Indicators		Unit	2018	2019	2020	2021	GRI
Total hours worked per month		Hours	192.8	193.9	194.1	190.9	403-9
Average overtime hours per month*1		Hours	37.8	39.0	39.8	38.5	—
Equivalent to 4 weeks and 8 days off*2		%	—	—	—	96.8	
KPI	Health management overtime hours (Rate of employees who worked more than 50 overtime hours per month or 720 overtime hours per year)	Hours	—	—	25.4	22.6	
	Worksite implementation rate of a five-day work week (closed eight days in four weeks) (Building Construction)	%	—	—	—	26.6	
	Worksite implementation rate of a five-day work week (closed eight days in four weeks) (Civil Engineering)		—	—	—	49.5	

*1 Average overtime hours per month for employees(excluding managers)

*2 The number of employees who took “regular leave and compensatory leave” for 104 days a year (equivalent to 4 weeks and 8 days off). Target：100% by FY2022.

*3 Health management overtimehours; Overtime working hours used to judge whether or not measures to prevent health impairment (such as face-to-face guidance by physicians) should be taken. They are the total of statutory overtime working hours and holiday working hours.

Rate of paid leave utilization and refresh leave utilization

(FY)

Indicators	Unit	2018	2019	2020	2021	Target
Rate of paid leave utilization	%	47.5	46.2	46.5	49.3	60% by FY2025 100% by FY2030
Rate of milestone leave utilization		94	84.5	79.2	83.4	100% every year
Rate of refresh leave utilization		92.2	91.9	55.8	15.4	100% every year

*1 Milestone leave : Special leave able to be taken when a employee at a construction site office is transferred or reaches certain milestones of the construction project.

*2 Refresh leave：Special leave that can be taken when reaching certain milestones concerning years of employment. The refresh leave utilization rate decreased as compared to a normal year because acquisition restrictions were extended due to the COVID-19 pandemic in FY2020 and FY2021.

Data on Training and Career in Capacity Development (Non-Consolidated)

(FY)

Indicators	Unit	2018	2019	2020	2021	GRI
Total training hours for capacity development	Hours	—	261,059	233,143	231,706	404-1
Training hours per person		36.6	30.5	27.0	26.7	
Total training budget	Thousand yen	—	—	—	298,937	—
Total number of trainees	Persons	—	—	—	4,360	—
Number of regular employees promoted from non-regular employees	Persons	45	28	20	38	404-2
Implementation rate of career development review*	%	87.7	86.5	88.0	89.0	404-3
Training hours per person for new employee	Hours	253.7	281.1	176.3	176.7	—

* Target: 100% every year

Data on CCUS and Productivity

(FY)

Indicators		Unit	2018	2019	2020	2021	GRI
KPI	Worksite registration rate of Construction Career Up System (CCUS)*1	%	—	75	100	100	—
	Productivity (net sales/number of employees) (Taisei Group)*2	Million yen	—	—	0.67	0.65	

*1 CCUS: system to register and visualize the skills, experience and qualifications, status of enrollment in social insurance programs, etc., of each of the skilled construction workers under uniform rules of the industry, to strengthen cooperation with partner organizations.

*2 The scope of coverage: Taisei Corporation and 19 major Group companies.

Notes: 1. KPI = Key Performance Indicator (2021 - 2023) PDF

Data on Health and Safety Relations (Non-Consolidated / Partial Consolidated)

(FY)

Indicators		Unit	2018	2019	2020	2021	GRI
KPI	Accident frequency rate (Taisei Group)*1 *2	—	0.58	0.64	0.37	0.56	403-9
	Accident frequency rate*2		0.43	0.62	0.35	0.44	
	Accident severity rate*2		0.14	0.26	0.34	0.08	
	Number of occupational accident leaves (excluding fatal accidents)*1	Cases	50	74	35	45	
	Number of fatal accidents (Taisei Group)*2	Cases	—	—	5	1	
	Number of fatal accidents*2	Cases	2	4	5	1	
	Number of fatalities of regular employees*2	Persons	0	0	0	0	
	Contract employ*2		0	0	0	0	
	Number of fatalities at partner companies (specialized contractors)*2		2	4	5	1	
	Number of employees receiving safety and health training		1,025	1,049	1,063	1,200	403-5

*1 The scope of coverage: Taisei Corporation and six major Group companies.

*2 Aggregated from January to December

Notes: 1. KPI = Key Performance Indicator (2021 - 2023) PDF

Data on Health Relations (Non-Consolidated)

(FY)

Indicators	Unit	2018	2019	2020	2021	GRI
Implementation rate of stress checks*	%	89.8	90.2	91.6	91.0	403-6
Response rate of health awareness survey*		—	—	—	100	
Number of empoyees using the fconsultation services for female health problem (Femtech)	Persons	—	—	—	21	

* Target: 100% every year

Quality Data (Non-Consolidated / Partial Consolidated)

(FY)

Indicators		Unit	2018	2019	2020	2021	GRI
KPI	Customer satisfaction (Building Construction)	%	92	88	90.0	90.0	416-1
	Customer satisfaction (Civil Engineering)		96	98	98.6	97.6	
Acquisition rate of ISO 9001 certification		%	100	100	100	100	416-2

Notes: 1. KPI = Key Performance Indicator (2021 - 2023) PDF

Data on Technology Development and Intellectual Property (Non-Consolidated / Partial Consolidated)

(FY)

Indicators		Unit	2018	2019	2020	2021	GRI
Research and development expenditure (consolidation)		Billion yen	12.4	13.5	14.2	15.1	—
Environmental technology development expenses		Billion yen	—	1.1	3.7	12.3	
Number of patents registered		Cases	250	169	202	209	
KPI	Number of patent applications filed	Cases	219	188	266	272	
	Number of orders received for net Zero Energy Buildings (ZEBs)		—	—	5	6	

Notes: 1. KPI = Key Performance Indicator (2021 - 2023)

Data on Social Contribution Expenditures and Donations (Non-Consolidated)

(FY)

Indicators	Unit	2018	2019	2020	2021	GRI
Expenditure on social contribution activities	Million yen	700	838	492	787	203-1

Data on Procurement Practices, and Human Rights (Non-Consolidated / Partial Group Companies)

(FY)

Indicators		Unit	2018	2019	2020	2021	GRI
KPI	Supplier's conformity rates with the Taisei Group CSR Procurement Standards (Taisei Group)*	%	74.2	—	92.1	—	412-1
Human rights training precipitation rate		%	97.9	97.4	99.5	95.3	412-2
Cases of violation of the rights of indigenous peoples		Cases	—	—	—	0	411-1

* The scope of coverage: Taisei Corporation and seven major Group companies. Figures for FY2018 are the average implementation rate of sustainability activities.

Notes: 1. KPI = Key Performance Indicator (2021 - 2023) PDF

Data on Governance Contribution

Number of Members of the Board, Audit & Supervisory Board Members, and Executive Officers

(FY)

Indicators	Unit	2018	2019	2020	2021	GRI
Number of Members of the Board	Persons	12 (4)	12 (4)	12 (4)	12 (4)	102-22
Male		11 (3)	11 (3)	11 (3)	11 (3)	
Female		1 (1)	1 (1)	1 (1)	1 (1)	
Number of Audit & Supervisory Board Members		6 (4)	6 (4)	6 (4)	6 (4)	—
Male		6 (4)	6 (4)	5 (3)	5 (3)	
Female		0	0	1 (1)	1 (1)	
Number of Executive Officers		58	59	58	63	
Male		58	59	58	63	
Female		0	0	0	0	

Data on Officer Remuneration (Non-Consolidated)

(FY)

Indicators	Unit	2018	2019	2020	2021	GRI
Members of the Board	Million yen	755	741	814	738	102-36
External Members of the Board		46	58	62	62	

Data on Ethics, Security (Non-Consolidated / Partial Group Companies)

(FY)

Indicators		Unit	2018	2019	2020	2021	GRI
Participation rate of e-learning for the Group's Structure of Values and Policies		%	97	94	94	95	102-16
KPI	Response rate of Corporate Ethics Helpline and Group Helpline (Taisei Group)*1	%	100	100	100	100	205-1
Operational results of the whistleblowing and consultation system*2		Cases	—	24	28	30	
KPI	Rate of participation in compliance training, including anti-corruption training	%	100	100	100	100	205-2
Number of dismissals due to corruption and bribery		Persons	—	0	0	0	205-3
Political contributions		Million yen	—	18	18	18	415-1
KPI	Number of major information security accidents (Taisei Group)*3	Cases	0	0	1	0	418-1
Number of information security education sessions		Times	19	5	4	3	—

*1 The scope of coverage: Taisei Corporation and 21 major Group companies.

*2 The scope of coverage: Cooperating companies with whom we have a direct contractual relationship

*3 The scope of coverage: Taisei Corporation and eight major Group companies.

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TAISEI Sustainability
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GRI Standards Comparison Chart

- 100 series (Universal)
- 200 series (Economic topics)
- 300 series (Environmental topics)
- 400 series (Social topics)

100 series (Universal)

Disclosures No.	Requirements	Reasons for Omission/Additional Information
GRI102: General Disclosures 2016		
1.Organisational Profile		
102-1	Name of the organization	AR: P.101
102-2	Activities, brands, products, and services	AR: P.7-10 AR: P.101
102-3	Location of headquarters	AR: P.101
102-4	Location of operations	AR: P.101 SR: P.07
102-5	Ownership and legal form	AR: P.101
102-6	Markets served	AR: P.9-12 AR: P.101 SR: P.29

Disclosures No.	Requirements	Reasons for Omission/Additional Information
102-7	Scale of the organization	AR: P.97-100 AR: P.11-12 AR: P.101 SR: P.9-
102-8	Information on employees and other workers	AR: P.10-11 AR: P.97-100 SR: P.9- <Supplementary Note on Employees> “Employee” refers to employees of Taisei Corporation. “Personnel” refers to personnel working at Taisei Corporation, including dispatched and seconded personnel.
102-9	Supply chain	AR: P.62 AR: P.49 Web: Promotion of Supply Chain Management
102-10	Significant changes to the organization and its supply chain	Not applicable
102-11	Precautionary Principle or approach	AR: P.20-21 AR: P.43-44 AR: P.47-50 AR: P.74-78
102-12	External initiatives	Web:Initiatives AR: P.47-50 AR: P.53-66 AR: P.75
102-13	Membership of associations	Web:Initiatives AR: P.48-50
2. Strategy		

Disclosures No.	Requirements	Reasons for Omission/Additional Information
102-14	Statement from senior decision-maker	AR: P.4-6 AR: P.13-18 AR: P.22
102-15	Key impacts, risks, and opportunities	AR: P.4-6 AR: P.22 AR: P.20-21 AR: P.48-50 AR: P.53-66 SR: P.12-16
3. Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	AR: P.1-2 AR: P.4-6 AR: P.22 AR: P.43-44 AR: P.74-78 AR: P.97-100
102-17	Mechanisms for advice and concerns about ethics	AR: P.67 AR: P.74-76
4. Governance		
102-18	Governance structure	AR: P.43-44 AR: P.67 Web: Corporate Governance Report
102-19	Delegating authority	AR: P.43-44
102-20	Executive-level responsibility for economic, environmental, and social topics	AR: P.43-44
102-21	Consulting stakeholders on economic, environmental, and social topics	AR: P.43-44 AR: P.67 Web: Corporate Governance Report

Disclosures No.	Requirements	Reasons for Omission/Additional Information
102-22	Composition of the highest governance body and its committees	AR: P.67 Web: Corporate Governance Report
102-23	Chair of the highest governance body	AR: P.67 Web: Corporate Governance Report
102-24	Nominating and selecting the highest governance body	AR: P.67 Web: Corporate Governance Report
102-25	Conflicts of interest	Web: Corporate Governance Report
102-26	Role of highest governance body in setting purpose, values, and strategy	AR: P.43-44 AR: P.19-22 AR: P.67-73
102-27	Collective knowledge of highest governance body	AR: P.43-44 AR: P.67-73
102-28	Evaluating the highest governance body's performance	Web: Corporate Governance Report
102-29	Identifying and managing economic, environmental, and social impacts	AR: P.13-18 AR: P.20-21 AR: P.35-42 AR: P.43-44 AR: P.47-50 AR: P.53-66

Disclosures No.	Requirements	Reasons for Omission/Additional Information
102-30	Effectiveness of risk management processes	AR: P.20-21 AR: P.43-44 AR: P.47-50 AR: P.53-66 AR: P.74-78 Web: Corporate Governance Report
102-31	Review of economic, environmental, and social topics	AR: P.20-21 AR: P.43-44 AR: P.47-50 AR: P.53-66 AR: P.74-78
102-32	Highest governance body's role in sustainability reporting	AR: P.20-21 AR: P.43-44
102-33	Communicating critical concerns	AR: P.20-21 AR: P.43-44
102-34	Nature and total number of critical concerns	AR: P.20-21 AR: P.43-44
102-35	Remuneration policies	AR: P.72-73
102-36	Process for determining remuneration	AR: P.72-73
102-37	Stakeholders' involvement in remuneration	AR: P.72-73
102-38	Annual total compensation ratio	AR: P.72-73
5. Stakeholder Engagement		
102-40	List of stakeholder groups	AR: P.2
102-41	Collective bargaining agreements	AR: P.91-94
102-42	Identifying and selecting stakeholders	AR: P.2 AR: P.13-16 AR: P.35-42

Disclosures No.	Requirements	Reasons for Omission/Additional Information
102-43	Approach to stakeholder engagement	AR: P.2 AR: P.13-16 AR: P.35-42
102-44	Key topics and concerns raised	Not applicable
6. Reporting practice		
102-45	Entities included in the consolidated financial statements	AR: P.3 SR: P.7-8
102-46	Defining report content and topic Boundaries	AR: P.3 AR: P.20-21 AR: P.43-44
102-47	List of material topics	AR: P.33-34
102-48	Restatements of information	Not applicable
102-49	Changes in reporting	Not applicable
102-50	Reporting period	AR: P.3
102-51	Date of most recent report	AR: P.3
102-52	Reporting cycle	AR: P.3
102-53	Contact point for questions regarding the report	Web: Contact
102-54	Claims of reporting in accordance with the GRI Standards	AR: P.3
102-55	GRI content index	-
102-56	External assurance	AR: P.3 Web: Editorial Policy PDF
GRI 103: Management Approach		
103-1	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: c. Any specific limitation regarding the topic Boundary.	AR: P.20-21 AR: P.43-44

Disclosures No.	Requirements	Reasons for Omission/Additional Information
103-2	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component:	AR: P.20-21 AR: P.43-44
103-3	a. An explanation of how the organization evaluates the management approach, including:	AR: P.20-21 AR: P.43-44 AR: P.53-66

200 series (Economic topics)

Disclosures No.	Requirements	Reasons for Omission/Additional Information
GRI 201:Economic Performance		
201-1	Direct economic value generated and distributed	AR: P.88-90 SR: P.66 Web:Community activities and volunteering investment costs
201-2	Financial implications and other risks and opportunities due to climate change	SR: P.12-26 AR: P.20-21 AR: P.43-44 AR: P.47-50 AR: P.53-66
201-3	Defined benefit plan obligations and other retirement plans	SR: P.70-73
201-4	Financial assistance received from government	-
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Web:Recruitment Guidelines and Process(Japanese)
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	AR: P53-66 AR: P.97-100 Web: Community activities and volunteering investment costs
203-2	Significant indirect economic impacts -	AR: P.20-21
GRI 204: Procurement Practices		

Disclosures No.	Requirements	Reasons for Omission/Additional Information
204-1	Proportion of spending on local suppliers	-
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	-
205-2	Communication and training about anti-corruption policies and procedures	AR: P.62 AR: P.74-76 AR: P.45-46 AR: P.97-100
205-3	Confirmed incidents of corruption and actions taken	AR: P.62 AR: P.74-76 AR: P.97-100
GRI 206: Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	AR: P.62 AR: P.74-76 AR: P.97-100
GRI 207: Tax 2019		
207-1	Approach to tax	AR: P.74-76
207-2	Tax governance, control, and risk management	-
207-3	Stakeholder engagement and management of concerns related to tax	-

300 series (Environmental topics)

Disclosures No.	Requirements	Reasons for Omission/Additional Information
GRI 301:Materials		
301-1	Materials used by weight or volume	Web: Environment Data
301-2	Recycled input materials used	AR: P.97-100 Web: Environment Data
301-3	Reclaimed products and their packaging materials	-
GRI 302: Energy		
302-1	Energy consumption within the organization	AR: P.97 Web: Environment Data
302-2	Energy consumption within the organization	-
302-3	Energy intensity	AR: P.97 Web: Environment Data
302-4	Reduction of energy consumption	-
302-5	Reductions in energy requirements of products and services	-
GRI 303: Water		
303-1	Interactions with water as a shared resource	AR: P.57 Web: Water Web: Environment Data
303-2	Management of water discharge-related impacts	-

Disclosures No.	Requirements	Reasons for Omission/Additional Information
303-3	Water withdrawal	AR: P.97 Web: Water Web: Environment Data
303-4	Water discharge	AR: P.97 Web: Water Web: Environment Data
303-5	Water consumption	AR: P.97 Web: Water Web: Environment Data
GRI 304: Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	AR: P.58 Web: For Realization of a Nature Co-Existing Society Web: Environment Data
304-2	Significant impacts of activities, products, and services on biodiversity	AR: P.58 Web: For Realization of a Nature Co-Existing Society Web: Environment Data
304-3	Habitats protected or restored	AR: P.58 Web: For Realization of a Nature Co-Existing Society Web: Environment Data
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-

Disclosures No.	Requirements	Reasons for Omission/Additional Information
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	AR: P.48-50 AR: P.45-46 AR: P.53-56 AR: P.97 Web: For Realization of a Decarbonized Society Web: Environment Data
305-2	Energy indirect (Scope 2) GHG emissions	AR: P.48-50 AR: P.45-46 AR: P.53-56 AR: P.97 Web: For Realization of a Decarbonized Society Web: Environment Data
305-3	Other indirect (Scope 3) GHG emissions	AR: P.48-50 AR: P.45-46 AR: P.53-56 AR: P.97 Web: For Realization of a Decarbonized Society Web: Environment Data
305-4	GHG emissions intensity	AR: P.55-56 AR: P.97 Web: For Realization of a Decarbonized Society Web: Environment Data

Disclosures No.	Requirements	Reasons for Omission/Additional Information
305-5	Reduction of GHG emissions	AR: P.97 Web: For Realization of a Decarbonized Society Web: Environment Data
305-6	Emissions of ozone-depleting substances (ODS)	-
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	AR: P.97 Web: Environment Data
GRI 306: Effluents and Waste		
306-1	Water discharge by quality and destination	AR: P.97 Web: For Realization of a Safety Secured Society Web: Water Web: Environment Data
306-2	Waste by type and disposal method	AR: P.97 Web: Environment Data
306-3	Significant spills	AR: P.59 AR: P.97 Web: For Realization of a Safety Secured Society Web: Water Web: Environment Data
306-4	Transport of hazardous waste	Not applicable
306-5	Water bodies affected by water discharges and/or runoff	-
GRI 307: Environmental Compliane		

Disclosures No.	Requirements	Reasons for Omission/Additional Information
307-1	Non-compliance with environmental laws and regulations	AR: P.59 AR: P.91 Web: For Realization of a Safety Secured Society Web: Environment Data
GRI 308: Supplier Environmental Assessment		
308-1	a. New suppliers that were screened using environmental criteria	
308-2	Negative environmental impacts in the supply chain and actions taken	AR: P.58 AR: P.62 Web: Promotion of Supply Chain Management

400 series (Social topics)

Disclosures No.	Requirements	Reasons for Omission/Additional Information
GRI 401: Employement		
401-1	New employee hires and employee turnover	AR: P.91-94
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	AR: P.97-101
401-3	Parental leave	AR: P.45-46 AR: P.97-100
GRI 402: Labor/Management Relations		
402-1	Minimum notice periods regarding operational changes	* When an employee is transferred for a business reason, such an employee is notified immediately after the decision is made.
GRI 403: Occupational Health and Safety		
403-1	Workers representation in formal joint management–worker health and safety committees	AR: P.63 AR: P.74-78 Web: Thorough Management of Occupational Health and Safety

Disclosures No.	Requirements	Reasons for Omission/Additional Information
403-2	Hazard identification, risk assessment, and incident investigation	AR: P.45-46 AR: P.63 AR: P.74-78 Web: Thorough Management of Occupational Health and Safety Web: Realization of an Attractive Working Environment That Is Good to Work in Web: Health Management
403-3	Occupational health services	AR: P.78 Web: Thorough Management of Occupational Health and Safety Web: Realization of an Attractive Working Environment That Is Good to Work in Web: Health Management
403-4	Worker participation, consultation, and communication on occupational health and safety	Web:Thorough Management of Occupational Health and Safety Web: Realization of an Attractive Working Environment That Is Good to Work in Web: Health Management

Disclosures No.	Requirements	Reasons for Omission/Additional Information
403-5	Worker training on occupational health and safety	AR: P.97-100 Web: Thorough Management of Occupational Health and Safety Web: Realization of an Attractive Working Environment That Is Good to Work in Web: Health Management
403-6	Promotion of worker health	AR: P.63 AR: P.64 AR: P.97-100 Web: Thorough Management of Occupational Health and Safety Web: Realization of an Attractive Working Environment That Is Good to Work in Web: Health Management
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	AR: P.63 AR: P.64 AR: P.91-94 Web: Thorough Management of Occupational Health and Safety Web: Realization of an Attractive Working Environment That Is Good to Work in Web: Health Management

Disclosures No.	Requirements	Reasons for Omission/Additional Information
403-8	Workers covered by an occupational health and safety management system	AR: P.63 Web: Thorough Management of Occupational Health and Safety Web: Realization of an Attractive Working Environment That Is Good to Work in Web: Health Management
403-9	Work-related injuries	AR: P.11-12 AR: P.63 AR: P.64 AR: P.97-100 AR: P.45-46 Web: Thorough Management of Occupational Health and Safety Web: Health Management
403-10	Work-related ill health	AR: P.97-100 Web: Health Management
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	AR: P.97-100 Web: Enhancing Employee Potential
404-2	Programs for upgrading employee skills and transition assistance programs	AR: P.97-100 Web: Enhancing Employee Potential Web: Community Involvement and Development

Disclosures No.	Requirements	Reasons for Omission/Additional Information
404-3	Percentage of employees receiving regular performance and career development reviews	AR: P.97-100
GRI 405:Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	AR: P.65 AR: P.97-100 Web: Promotion of Diversity and Inclusion
405-2	Ratio of basic salary and remuneration of women to men	AR: P.97-100
GRI 406:Non-Discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Web: Compliance Web: Respect for Human Rights
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	AR: P.47 AR: P.62 Web: Promotion of Supply Chain Management Web: Human Rights DD Web: Realization of an Attractive Working Environment That Is Good to Work in
GRI 408: Child Labor 2016		

Disclosures No.	Requirements	Reasons for Omission/Additional Information
408-1	Operations and suppliers at significant risk for incidents of child labor	AR: P.62 AR: P.47 Web: Promotion of Supply Chain Management Web: Human Rights DD Web: Realization of an Attractive Working Environment That Is Good to Work in
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	AR: P.47 AR: P.62 Web: Promotion of Supply Chain Management Web: Human Rights DD Web: Realization of an Attractive Working Environment That Is Good to Work in
GRI 410:Security Practices 2016 M		
410-1	Security personnel trained in human rights policies or procedures	（At present, no information is collected）
GRI 411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	AR: P.62 Web: Promotion of Supply Chain Management Web: Human Rights DD

Disclosures No.	Requirements	Reasons for Omission/Additional Information
GRI 412:Human Rights Assessment 2016		
412-1	Operations that have been subject to human rights reviews or impact assessments	AR: P.47 AR: P.62 Web: Promotion of Supply Chain Management Web: Human Rights DD
412-2	Employee training on human rights policies or procedures	AR: P.97-100
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	AR: P.47 AR: P.62 Web: Promotion of Supply Chain Management Web: Human Rights DD
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	AR: P.58 Web: For Realization of a Nature Co-Existing Society Web: Community Involvement and Development
413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable
GRI 414: Supplier Social Assessment 2016		

Disclosures No.	Requirements	Reasons for Omission/Additional Information
414-1	New suppliers that were screened using social criteria	AR: P.62 Web: Supply Chain(Environment) Web: Promotion of Supply Chain Management Web: Human Rights DD
414-2	Negative social impacts in the supply chain and actions taken	AR: P.62 Web: Supply Chain(Environment) Web: Promotion of Supply Chain Management Web: Human Rights DD
GRI 415: Public Policy 2016		
415-1	Political contributions	AR: P.97-100
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	AR: P.45-46 AR: P.60 AR: P.68 AR: P.97-100
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	AR: P.97-100
GRI 417:Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Web: Technology & Solution
417-2	Incidents of non-compliance concerning product and service information and labeling	-
417-3	Incidents of non-compliance concerning marketing communications	-

Disclosures No.	Requirements	Reasons for Omission/Additional Information
GRI 418:Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	AR: P.66 AR: P.97-100
GRI 419: Socioeconomic Compliance 2016		
419-1	Non-compliance with laws and regulations in the social and economic area	AR: P.66 AR: P.74-78

※ This Website and Annual Report 2022 have been prepared in accordance with the Core option of the GRI Sustainability Reporting Standards.

※ AR：Annual Report 2022 (Octorber,2021) / SR：Taisei Security Report : The 162nd Business Term

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TAISEI Sustainability
For a Lively World

ISO26000 Comparison Table

Organizational Governance | Human Rights | Labor Practices | The Environment
Fair Operating Practices | Consumer Issues | Community Involvement and Development

Core Subjects/Issues		References	Annual Report2022 pages
6.2	Organizational Governance	▸ Top Commitment ▸ Sustainability Management ▸ Corporate Governance ▸ Thorough Compliance / Restructuring of the Group Governance System ▸ Risk Management ▸ Stakeholder Engagement ▸ Investor Relations	P.2.43-66, 67-78,97-100
6.3	**Human Rights**		
6.3.3	Due diligence	▸ Respect for Human Rights ▸ Human Rights Due Diligence	P.2.47,62-65, 74-75,97-100
6.3.4	Human Rights risk situations	▸ Human Rights Due Diligence	
6.3.5	Avoidance of complicity	▸ Human Rights Due Diligence ▸ Promotion of Supply Chain Management	

Core Subjects/Issues		References	
6.3.6	Resolving grievances	▸ Respect for Human Rights(Contacts for Consultations regarding Human Rights Violations) ▸ Thorough Compliance /Restructuring of the Group Governance System（Whistleblowing and Consultation System） ▸ Thorough Management of Occupational Health and Safety	
6.3.7	Discrimination and vulnerable groups	▸ Promotion of Diversity and Inclusion	
6.3.8	Civil and political rights	▸ Realization of an Attractive Working Environment That Is Good to Work in(Labor-management relations)	
6.3.9	Economic, social and cultural rights	▸ Promotion of Diversity and Inclusion	
6.3.10	Fundamental principles and rights at work	▸ Respect for Human Rights ▸ Realization of an Attractive Working Environment That Is Good to Work in(Labor-management relations) ▸ Promotion of Supply Chain Management	
6.4	**Labor Practices**		
6.4.3	Employment and employment relationships	▸ Promotion of Diversity and Inclusion ▸ Realization of an Attractive Working Environment That Is Good to Work in(Labor-management relations) ▸ Thorough Management of Occupational Health and Safety	P.2.47,62-65, 97-100

Core Subjects/Issues		References	
6.4.4	Conditions of work and social protection	▸ Enhancing Employee Potential ▸ Cultivation of Technical Staff and Securing of Human Resources ▸ Promotion of Diversity and Inclusion ▸ Realization of an Attractive Working Environment That Is Good to Work in(Labor-management relations) ▸ Thorough Management of Occupational Health and Safety	
6.4.5	Social dialogue	▸ Promotion of Diversity and Inclusion ▸ Realization of an Attractive Working Environment That Is Good to Work in(Labor-management relations) ▸ Stakeholder Engagement	
6.4.6	Health and safety at work	▸ Health Management ▸ Thorough Management of Occupational Health and Safety ▸ Risk Management	
6.4.7	Human development and training in the workplace	▸ Enhancing Employee Potential ▸ Cultivation of Technical Staff and Securing of Human Resources	
6.5	**The Environment**		
6.5.3	Prevention of pollution	▸ Realization of a Sustainable and Environmentally Friendly Society (TAISEI Green Target 2050) ▸ For Realization of a Recycling Oriented Society ▸ For Realization of a Safety Secured Society ▸ Water ▸ Environmental Data	P.2.41-59, 62,97-100

Core Subjects/Issues		References	
6.5.4	Sustainable resource use	▸ Realization of a Sustainable and Environmentally Friendly Society (TAISEI Green Target 2050) ▸ For Realization of a Recycling Oriented Society ▸ For Realization of a Nature Co-Existing Society ▸ Water ▸ Environmental Data	
6.5.5	Climate change mitigation and adaptation	▸ Realization of a Sustainable and Environmentally Friendly Society (TAISEI Green Target 2050) ▸ For Realization of a Decarbonized Society ▸ Information Disclosure Based on the Recommendations by The Task Force on Climate-Related Financial Disclosures (TCFD) ▸ Environmental Data	
6.5.6	Protection of the environment, biodiversity and restoration of natural habitats	▸ Realization of a Sustainable and Environmentally Friendly Society (TAISEI Green Target 2050) ▸ For Realization of a Nature Co-Existing Society ▸ Social and Cultural Contribution activities ▸ Water ▸ Environmental Data ▸ Stakeholder Engagement	
6.6	**Fair Operating practices**		
6.6.3	Anti-corruption	▸ Corporate Governance ▸ Thorough Compliance /Restructuring of the Group Governance System ▸ Risk Management ▸ Promotion of Supply Chain Management	P.2.60.61,51-52,58, 66,78,97-100
6.6.4	Responsible political involvement	▸ Corporate Governance ▸ Thorough Compliance /Restructuring of the Group Governance System ▸ Risk Management	

Core Subjects/Issues		References	
6.6.5	Fair competition	▸ Corporate Governance ▸ Thorough Compliance /Restructuring of the Group Governance System ▸ Risk Management	
6.6.6	Promoting social responsibility in the value chain	▸ Corporate Governance ▸ Thorough Compliance /Restructuring of the Group Governance System ▸ Risk Management ▸ Promotion of Supply Chain Management	
6.6.7	Respect for property rights	▸ Corporate Governance ▸ Thorough Compliance /Restructuring of the Group Governance System ▸ Risk Management ▸ Technical Development for Realizing a Sustainable Society ▸ Management of Information and Intellectual Property Rights	
6.7	**Consumer Issues**		
6.7.3	Fair marketing, factual and unbiased information and fair contractual practice	▸ Ensuring Quality and Improving Technolog ▸ Technical Development for Realizing a Sustainable Society ▸ Management of Information and Intellectual Property Rights ▸ Thorough Compliance /Restructuring of the Group Governance System	P.2,60,61,51-52,58, 66,78,97-100
6.7.4	Protecting consumers' health and safety	▸ Ensuring Quality and Improving Technolog ▸ Management of Information and Intellectual Property Rights ▸ Thorough Compliance /Restructuring of the Group Governance System	

Core Subjects/Issues		References	
6.7.5	Sustainable consumption	▸ Ensuring Quality and Improving Technolog ▸ Management of Information and Intellectual Property Rights	
6.7.6	Consumer service, support, and complaint and dispute resolution	▸ Ensuring Quality and Improving Technolog ▸ Management of Information and Intellectual Property Rights	
6.7.7	Consumer data protection and privacy	▸ Ensuring Quality and Improving Technolog ▸ Management of Information and Intellectual Property Rights	
6.7.8	Access to essential services	▸ Ensuring Quality and Improving Technolog	
6.7.9	Education and awareness	▸ Ensuring Quality and Improving Technolog ▸ For Realization of a Nature Co-Existing Society	
6.8	**Community Involvement and Development**		
6.8.3	Community involvement	▸ Contribution to Local Communities ▸ Social and Cultural Contribution activities ▸ For Realization of a Nature Co-Existing Society ▸ Examples of Environmental Solutions PDF ▸ Technical Development for Realizing a Sustainable Society ▸ Stakeholder Engagement	P.2,51-52,58, 61,97-100
6.8.4	Education and culture	▸ Contribution to Local Communities ▸ Social and Cultural Contribution activities	

Core Subjects/Issues		References
6.8.5	Employment creation and skills development	▸ Contribution to Local Communities ▸ Social and Cultural Contribution activities ▸ For Realization of a Nature Co-Existing Society ▸ Examples of Environmental Solutions PDF
6.8.6	Technology development and access	▸ Social and Cultural Contribution activities ▸ For Realization of a Nature Co-Existing Society ▸ Technical Development for Realizing a Sustainable Society ▸ Examples of Environmental Solutions PDF
6.8.7	Wealth and income creation	▸ Contribution to Local Communities ▸ Social and Cultural Contribution activities
6.8.8	Health	▸ Contribution to Local Communities ▸ Social and Cultural Contribution activities ▸ Health Management
6.8.9	Social investment	▸ Contribution to Local Communities ▸ Social and Cultural Contribution activities

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Information Disclosure Based on TCFD Recommendations

Governance Strategies Risk Management Indicators and Targets

Information Disclosure Based on the Recommendations by The Task Force on Climate-Related Financial Disclosures (TCFD)

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Climate change and resulting natural disasters are occurring more frequently and on a larger scale than before, and the safety and security of our homes and lives are threatened. These changes have created a major trend toward decarbonization leading to the adoption of the Kyoto Protocol, the Paris Agreement, and the SDGs. They have had a significant impact on the policies of countries around the world, including Japan, and there are growing expectations for the role that companies will play.

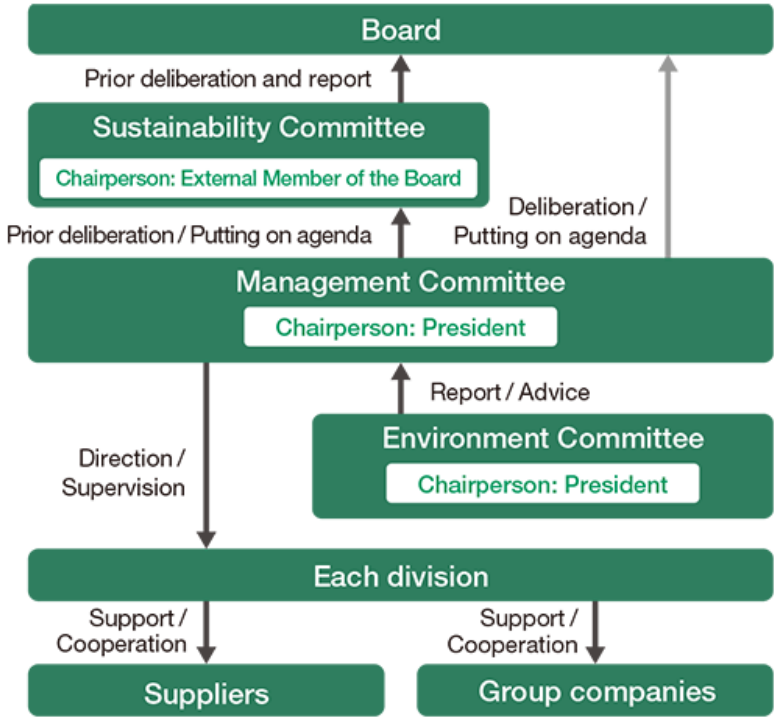
The Taisei Group recognized the impact of climate change on its business as a crucial management issue and endorsed the TCFD recommendations in July 2020. In response to the government's Carbon Neutrality Declaration in October 2020, we have reviewed the TAISEI Green Target 2050 in 2021, and are aiming to achieve "virtually zero CO2 emissions from business activities" by 2050. In addition to our efforts to reduce carbon emissions, we shall work with the value chain to contribute to the realization of a decarbonized society.

Furthermore, to contribute to the achievement of a decarbonized society, in February 2022, we established new Group Environmental Targets for 2030 as a milestone in our long-term environmental targets, the TAISEI Green Target 2050. While we will continue to promote information disclosure based on the TCFD recommendations, we will pay close attention to the impact of climate change and the government's policies and social trends for the reduction of CO2 emissions. We will take appropriate measures, and aim to achieve a sustainable society and the improvement of corporate value.

Governance

- As meeting bodies to deliberate on proposals related to climate changes, we have set up the Sustainability Committee and the Environment Committee. After discussion by each meeting body, matters are discussed and determined by the Board.
- Important policies and measures related to ESG in general are discussed by the Sustainability Committee, which is a committee of the Board. The formulation of basic policies and medium to long-term targets related to environmental management are deliberated on by the Environment Committee, which is an advisory body to the Management Committee.
- Proposals deliberated on and decided by the Board are communicated by the Management Committee to each business division and Group company, and are reflected in their management plans and business operations. Then, the details are incorporated into the specific action items at a construction site. We will also request our suppliers to cooperate.

Chart of Climate-Related Governance System



Strategies

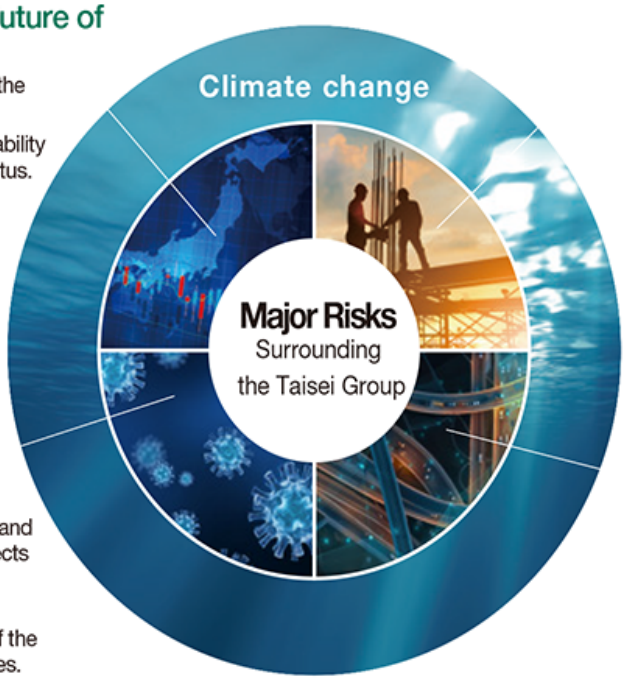
- We recognize various Medium- To Long-Term risks including the major ones listed above. We conducted scenario analysis on one of them, climate change risk.
- Climate change risk includes risk caused by transitions such as the reinforcement of regulations to minimize temperature increases and changes in the market, and risk that arises with physical changes such as acute abnormal weather that occurs due to higher temperatures.
- To establish business strategies that flexibly respond to climate change, we use multiple scenarios to evaluate the impact on our business. For the scenario analysis, we refer to the Sustainable Development Scenario (SDS) by the International Energy Agency (IEA) for the scenario where transitions will progress, and the Representative Concentration Pathways (RCP) scenario by the Intergovernmental Panel on Climate Change (IPCC), etc. for cases where physical changes will progress. In this way, we verify the validity of our business strategy.

Uncertainty about the future of the Japanese market

- Price competition intensifies as the construction market shrinks.
- It may lead to a decline in profitability and deterioration of financial status.

Shortage of workers

- The shortage of construction workers due to the shrinking working population and aging society is directly linked to the decline in construction capacity.
- There is an urgent need to improve productivity through technological development and business improvement, and to create an attractive working environment.



Spread of infectious diseases

- Infection of officers, employees and skilled construction workers affects business continuity.
- Of concern is the impact of the cancellation or postponement of the client's construction plan on sales.

Intensifying competition for technological development

- The utilization of digital technology and data is being accelerated in the construction industry as well.
- Delays in technological development may result in declining competitive advantage.

Major risks and opportunities concerning climate change

Classification	Risk/Opportunity		Description	Impact level
Shift	Market shrinkage and increase in construction cost due to the introduction of carbon pricing and tightened CO_2 emission regulations	Risk	• Decrease in private construction investment and equipment investment due to the introduction of carbon pricing and the reinforcement of CO_2 emission regulations • Increase in construction costs due to a hike in the prices of building materials and electricity	Medium
			• Increase in costs due to the application of carbon pricing to the CO_2 that is generated by our business activities	Low
	Increase in demand for renewal	Opportunity	• Increase in demand for renewal to improve energy efficiency of existing facilities	Medium

	Risk/Opportunity		Description	Impact level
	Increase in demand related to energy-saving and renewable energy	Opportunity	• Increase in demand related to ZEB and smart cities • Expansion of demand for renewable energy-related works such as offshore wind power	Medium
Physical	Increase in average temperature during summer	Risk	• Decline in productivity due to an increase in damage to the health (heat stroke, etc.) of skilled construction workers and the avoidance of extremely hot hours • Accelerated worker shortage due to the decline in the number of new workers in the construction industry because of the degraded working environment	Medium
	Increase in severity and frequency of natural disasters	Risk	• Work suspension, process delay, and increase in labor and temporary work costs due to damage to construction worksites, etc.	Medium
	Increase in severity and frequency of natural disasters	Risk	• Increase in procurement costs and process delays due to damage to suppliers	High
		Opportunity	• Increase in demand to improve the resilience of equipment and infrastructure against intensified disasters	High
		Opportunity	• Increase in new construction and relocation works due to growing demand for relocation from disaster hazard areas	High
	Rise in sea level	Opportunity	• Increase in the capital investment for improved resilience in areas with a flood risk and demand for relocation from areas with a flood risk	High

Note: Possible works are classified by the significance of impact as “High,” “Medium” and “Low.”

Countermeasures for Climate Change

Countermeasures required for the risks and opportunities identified with scenario analysis are reflected in the Medium-Term Business Plan (2021–2023). They are also incorporated into the business operations of each division. Accordingly, we will reduce the risks associated with climate change and expand opportunities.

Response to the market shrinkage and construction cost increase due to the introduction of carbon pricing and the tightening of laws and regulations	• Owning renewable energy power sources for the purpose of covering the power consumption of the Group • Consideration and introduction of fuel improvement measures (biodiesel fuel/fuel additives) for construction worksites • Enhancement of green procurement such as the development and utilization of carbon-recycle concrete
Response to the increase in demand related to renewal, energy-saving and renewable energy	• Establishment of an organization dedicated to renewal, and expansion of the organization that handles work related to wind power generation • Development and commercialization of next-generation high-performance ZEB and the development of energy support services • Technological development that contributes to the industries that are expected to grow through a virtuous cycle of the economy and the environment
Response to the reduced productivity of construction worksites due to abnormal weather	• Reduction of health damage through the nationwide promotion of wellness worksites and the improvement of working environment during extremely hot hours • Consolidate some of the operations of worksites into specialized organizations such as digital product centers • Reform the production process at worksites by developing and deploying unmanned construction technology, robot construction technology, etc.
Response to abnormal weather, increase in the severity and frequency of disasters and sea level rises	• Advancement of infrastructure development technology for national resilience and the improvement of the proposing skills • Development of real-time flood risk prediction/simulation for heavy rain, etc. • Securing a business continuity system by building a BCP system with clients and suppliers and conducting regular training

Risk Management

- As for climate change risk, we established a company-wide TCFD Working Group (TCFD WG) to identify the climate change risk related to each department's business and analyze the degree of impact on the business. We also conduct evaluations relative to risks other than climate change risk, and confirm that the necessary measures are being taken. The risks analyzed by the TCFD WG are deliberated by the Sustainability Committee and reported to the Board meeting.
- In addition, it is consistent with the risks evaluated and identified with the environmental management system (EMS) based on the international standard ISO 14001.

Indicators and Targets

- In the environmental targets for fiscal 2050 "TAISEI Green Target 2050," we set the goal of "virtually zero" CO_2 emissions from business activities. Moreover, we set out "Realization of a Sustainable and Environmentally Friendly Society" as one of the materiality (our important issues), and set KPIs for fiscal 2023 using the CO_2 emission reduction rate as an index.
- We are aiming to reduce CO_2 emissions through the implementation of priority measures under the Medium-Term Business Plan (2021-2023). Going forward, scenario analysis will be carried out in stages to identify potential risks and formulate and implement business strategies.
  We will also actively promote green projects through the issuance of green bonds.

CO_2 emission reduction target for each fiscal year	**FY2023**	**FY2030**	**FY2050**
	KPI	**TAISEI Green Target 2050**	
Scope 1+2 reduction rate of CO_2 emissions per sales[*1](Taisei Group)	-15%	-50%	We will aim for "virtually zero" CO_2 emissions from business activities.
Scope 1+2 reduction rate of total CO_2 emissions[*1](Taisei Group)	-6%	-40%	
At construction stage: Reduction rate of CO_2 emissions per sales[*2] (Non-consolidated)	-41%	-64%	
At construction stage: Reduction rate of total CO_2 emissions[*2] (Non-consolidated)	-46%	-66%	
At building operation stage: Reduction rate of design-build estimated CO_2 emissions[*2](Non-consolidated)	-43%	-59%	In addition to our reduction efforts, we will work on the value chain, and contribute to the realization of a decarbonized society.

*1 Compared to FY2019. *2 Compared to FY1990.

Refer to:

▸ For Realization of a Decarbonized Society

Editorial Policy

Scope of Reporting Reference Guidelines Independent Assurance

Scope of Reporting

Editorial policy	To promote sustainability initiatives, we have established the Fundamental Policy on Sustainable Development and are implementing sustainability management with reference to ISO26000, the international standard for organizational social responsibility. Annual Report is intended to provide investors, shareholders, and other stakeholders with an easy-to-understand overview of the Taisei Group's value creation process as a whole. This Website "sustainability" complements the Taisei Annual Report 2021.We provide detailed ESG and sustainability activity iso26000 information on our website. And we published the Environmental Social Governance Report 2022 (PDF version) PDF , it is a consolidated PDF version of the sustainability-related information on our website as of the end of November 2022.
Period of Coverage	The fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022). Some contents concern the data for the previous fiscal year or the most recent activities.
Scope of Coverage	This report covers the activities of Taisei Corporation and the Taisei Group companies (consolidated subsidiaries) as of March 31, 2022, unless otherwise noted.
Publication Date	November,2022 (Previous publication date: September 2021; next publication scheduled for September 2022)

Reference Guidelines

https://www.taisei-sx.jp/

- GRI Sustainability Reporting Standards
- ISO26000: 2010 (International Organization for Standardization)
- United Nations Global Compact
- Integrated Reporting Framework (International Integrated Reporting Council: IIRC)
- Guidance for Collaborative Value Creation (METI)
- SASB (Sustainability Accounting Standards Board) PDF
- Environmental Reporting Guidelines (2018 Version) (Ministry of Environment)
- TCFD (Task Force on Climate-Related Financial Disclosures)

Independent Assurance

- Environmental Data
- Third-Party Assurance on This Report* PDF

* “Independent Assurance Report” on the environment data and indices by Ernst & Young Shin Nihon LLC

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Sustainability Accounting Standards Board (SASB) Comparison Table

Below are the indicators of Sustainability Accounting Standards Board (SASB) for Engineering and Construction Services sector.

Taisei Corporation look to the standards for identification of material issues for the Group, and endeavor to ensure information disclosure based on the SASB materiality map.

■AR : Annual Report2021（Sep.2021）https://www.taisei.co.jp/english/sustainability/library/
■ER : Environmental Report 2021（Sep.2021）https://www.taisei.co.jp/english/sustainability/library/#anc2021
■FR : FY2020 Consolidated Financial Results（May.2021）https://www.taisei.co.jp/english/ir/library/results/

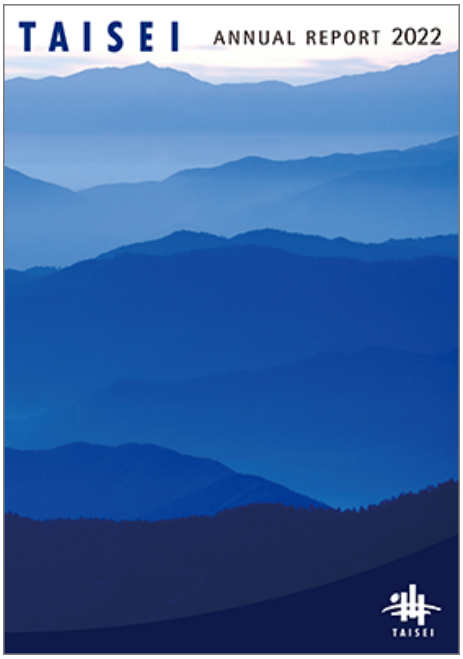
TOPIC	METRIC	SASB CODE	Rerrerence	
Environmental Impacts of Project Development	Number of incidents of non-compliance with environmental permits, standards, and regulations	IF-EN-160a.1	■AR : p.52 ■AR : p.114 ■ER : pp.16-17 ◇WEB	Environmental Section[For Realization of a Safety Secured Society ESG Data For Realization of a Safety Secured Society https://www.taisei.co.jp/english/sustainability/iso26000/environment/safe.html#anc2
	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	IF-EN-160a.2	■AR : pp.47-48 ■ER : p.1-3 ◇WEB	Environmental Section [Realization of a Sustainable and Environmentally Friendly Society] Realization of a Sustainable and Environmentally Friendly Society https://www.taisei.co.jp/about_us/sustainability/iso26000/environment/
Structural Integrity & Safety	Amount of defect- and safety-related rework costs	IF-EN-250a.1	-	-
	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	IF-EN-250a.2	-	-
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	IF-EN-320a.1	■AR: p.9 ■AR: pp.114-116 ■AR: pp.31-32 ■Web	11-Year Financial and Non-Financial Summary ESG Data [Materiality/ KPIs] Labor Practices > Improving Health and Safety Standards https://www.taisei.co.jp/english/sustainability/iso26000/labor/safety_health.html
Lifecycle Impacts of Buildings & Infrastructure	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	IF-EN-410a.1	-	-
	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	IF-EN-410a.2	-	-
Climate Impacts of Business Mix	Amount of backlog for (1) hydrocarbon related projects and (2) renewable energy projects	IF-EN-410b.1	-	-
	Amount of backlog cancellations associated with hydrocarbon-related projects	IF-EN-410b.2	-	-
	Amount of backlog for non-energy projects associated with climate change mitigation	IF-EN-410b.3	-	-
Business Ethics	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	IF-EN-510a.1	-	-
	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anticompetitive practices	IF-EN-510a.2	■AR: pp.72-74 ◇WEB	Risk Management/Compliance Compliance, Fair Competition https://www.taisei.co.jp/english/sustainability/iso26000/fair_operating/#anc1
	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behavior in the project bidding processes	IF-EN-510a.3	■AR: pp.72-74 ◇WEB	Risk Management/Compliance Compliance, Fair Competition https://www.taisei.co.jp/english/sustainability/iso26000/fair_operating/#anc1
Activity Metrics	Number of active projects	IF-EN-000.A	-	
	Number of commissioned projects	IF-EN-000.B	-	
	Total backlog	IF-EN-000.C	■FR: p.26	FY2020 Consolidated Financial Results https://www.taisei.co.jp/english/ir/library/results/

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