

# ID&E Holdings Sustainability Report 2025



A member of Tokio Marine Group

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# Editorial Notes

As the first edition for 2025, this report outlines the ID&E Group's sustainability philosophy, goals, and initiatives, aiming to foster stakeholder engagement and strengthen our sustainability practices.

## Scope of Coverage

This report covers the sustainability-related activities of ID&E Holdings Co., Ltd. and its Group companies. For details on the organisational structure and main Group companies, please refer to [p.7](#).

## Target Period

In principle, this report covers FY 2025/ 06, the fiscal year ending June 2025 (from 1 July 2024 to 30 June 2025), with some information outside this period also included.

Reference: Fiscal Year Notation

| Period referred to in report | Abbreviation |
|------------------------------|--------------|
| 1 July 2023 to 30 June 2024  | FY 2024/ 06  |
| 1 July 2024 to 30 June 2025  | FY 2025/ 06  |
| 1 July 2025 to 30 March 2026 | FY 2025      |

## Terminology Used in This Report

Organisational Scope and Designation

| Entity  | Designation in this report  | Abbreviation            |
|---|-----------------------------|-------------------------|
| Tokio Marine Holdings, Inc. (parent company only)   | Tokio Marine Holdings       | Tokio Marine            |
| Tokio Marine Holdings Group (including subsidiaries such as ID&E Holding Group)                               | Tokio Marine Holdings Group | Tokio Marine Group      |
| Integrated Design & Engineering Holdings Co., Ltd. (a wholly owned subsidiary of Tokio Marine Holdings, Inc.) | ID&E Holdings               | ID&E                    |
| ID&E Holdings Group (including ID&E Holdings Co., Ltd. and its subsidiaries)                                  | ID&E Holdings Group         | ID&E Group or the Group |

## Other Main Group Companies and Abbreviations

| Company Name                            | Abbreviation                  |
|---|-------------------------------|
| Nippon Koei Co., Ltd.                   | Nippon Koei                   |
| Nippon Koei Urban Space Co., Ltd.       | Nippon Koei Urban Space       |
| BDP Holdings Limited.                   | BDP                           |
| Nippon Koei Energy Solutions Co., Ltd.  | Nippon Koei Energy Solutions  |
| Nippon Koei Business Partners Co., Ltd. | Nippon Koei Business Partners |

Note:

• Other main group companies are referred to by their official names or abbreviations, as appropriate, in the main text.

## Guidelines Referenced

- GRI (Global Reporting Initiative) Sustainability Reporting Standards (referenced, not applied)
- TCFD (Task Force on Climate-related Financial Disclosures) Recommendations
- TNFD (Taskforce on Nature-related Financial Disclosures) Recommendations
- ISSB (International Sustainability Standards Board) Standards
- SASB (Sustainability Accounting Standards Board) Standards
- SSBJ (Sustainability Standards Board of Japan) Standards
- ISO 26000
- Ministry of the Environment's Environmental Reporting Guidelines 2018
- Ministry of Economy, Trade and Industry's Value Creation Guidance
- Cabinet Secretariat's Guidelines for Visualising Human Capital

## Disclaimer

This report contains both past and present facts about the ID&E Group, as well as forward-looking statements based on plans, forecasts, and management strategies as of the publication date. Please note that various factors, such as changes in the business environment, may result in future business outcomes and events differing from these forecasts.

## Publication Date

English ver: February 2026 (Japanese ver: November 2025)

# 1. Introduction

## 1.1 ID&E Group Management Philosophy and Mission

### Mission, Vision, and Values

Our Mission, Vision, and Values (MVV) define the foundation of our identity and strategic direction.

#### Mission ..... Make the World a Better Place

Always maintaining high aspirations, we will work hard to improve our skills, and provide services based on our accumulated technological capabilities.

#### Vision ..... Providing Unique Value as a Company

Evolving into a unified, global corporate group  
Top class worldwide by 2030.

#### Values ..... Tackle your problems with sincerity and the road ahead shall be clear

Performance Drivers : Embracing to try, Valuing Speed,  
Entrepreneurial Mindset, Stakeholder Satisfaction

### "Act with integrity and contribute to society through technology and engineering."

Since the founding of Nippon Koei in 1946, we the ID&E Group have consistently positioned our management philosophy—"Act with integrity and contribute to society through technology and engineering"—as the foundation of its business activities.

In 2023, we transitioned to a holding company structure to strengthen group-wide governance, strategic planning, and risk management. This structure enables each operating company to execute its business autonomously while maintaining alignment with shared strategic objectives at the Group level.

In 2025, we joined the Tokio Marine Group. This integration expanded the Group's operational framework by combining consulting and engineering expertise with insurance and financial services, enabling the development of more comprehensive solutions that address a wider range of societal and infrastructure-related challenges.

Today, we operate globally across three business segments: Consulting, Urban & Spatial Development, and Energy. Through these segments, we deliver a wide range of projects addressing infrastructure development, urban space design, and energy systems in diverse regional and market contexts.

Guided by our mission to "Make the World a Better Place," we seek to contribute to sustainable development by applying its technical expertise, accumulated experience, and stakeholder-oriented approaches in each area of its operations.



Disaster Response Activities for the Noto Peninsula Earthquake



## 1.2 ID&E Group's Business Segments

Our Group strategically positions "Consulting," "Urban & Spatial Development," and "Energy" as our three core business segments. Across all fields of infrastructure planning, investigation, and development essential for nation-building and urban development, we deploy comprehensive capabilities generated through "human capital" and "technology" excellence on a global scale.

### Consulting Business:

Infrastructure development and maintenance projects that form the foundation for comfortable living



#### Main Subsidiaries

Nippon Koei Co., Ltd. / Nippon Civic Consulting Engineers Co., Ltd. / Geoplan Namtech Inc. / Koei Research & Consulting Inc. / Nippon Koei Latin America-Caribbean Co., Ltd. / NIPPON KOEI LAC, INC. / NIPPON KOEI LATIN AMERICA - CARIBBEAN, CO. LTD. MEXICO S. DE R.L.DE C.V. / NIPPON KOEI LAC DO BRASIL LTD. / NIPPON KOEI MOZAMBIQUE, LTD. / NIPPON KOEI INDIA PVT, LTD. / NIPPON KOEI BANGLADESH LTD. / NIPPON KOEI VIETNAM INTERNATIONAL CO., LTD. / PHILKOEI INTERNATIONAL, INC. / PT. INDOKOEI INTERNATIONAL / MYANMAR KOEI INTERNATIONAL LTD. / KOEI AFRICA CO., LTD. / PT. CIKAENGAN TIRTA ENERGI / NIPPON KOEI MOBILITY SDN. BHD. / NIPPON KOEI MOBILITY INDIA PVT, LTD.

#### Business

- In Japan, we provide consultancy services for infrastructure development and maintenance, safety measures, and other social infrastructure projects commissioned by government ministries such as the Ministry of Land, Infrastructure, Transport and Tourism, as well as local authorities. In recent years, we have harnessed proven technologies through diverse approaches, delivering comprehensive consultancy that extends beyond infrastructure development to include maintenance management. We are involved in numerous projects that support the essential infrastructure underpinning the lives of people in Japan.
- Centred on Japanese government ODA projects, our international operations have expanded across Asia, Africa, the Middle East, and Latin America. We are engaged in a wide range of infrastructure projects that drive regional and national development in sectors such as water resources and river management, energy, urban and regional planning, transportation, agriculture and rural development, environmental protection and disaster risk reduction. In addition, we play an active role in cross-border social contribution and humanitarian assistance, including environmental initiatives addressing climate change, large-scale transport infrastructure development in rapidly growing emerging economies, and reconstruction support for areas affected by conflicts, earthquakes, and tsunamis.

### Urban & Spatial Development Business:

Meeting urban development demands around the world with both architectural design and civil engineering services



#### Main Subsidiaries

Nippon Koei Urban Space Co., Ltd./ Tamano Ecost Co., Ltd. / Kisho Kurokawa Architect & Associates Co., Ltd./ BDP HOLDINGS LIMITED. and its subsidiaries (Total of 50 companies including Holdings)

#### Business

- Anticipating rising demands in the architectural domain amid global urban development progress, we welcomed UK-based architectural design company BDP into our Group in 2016, launching our Urban & Spatial Development Business. Through our collaboration with BDP, we engage in urban space design that integrates civil and architectural technologies, primarily across Asia. We have also diversified our business domains by incorporating the Canadian company QUADRANGLE, specialising in high-rise architecture (2019), and UK-based company PATTERN, specialising in sports facility architecture (2021).
- Amid growing demand in Japan for projects requiring both civil engineering and architectural expertise—such as urban development and redevelopment—we integrated the Urban & Spatial Development Business, formerly a division of Nippon Koei, with Group company Tamano Sogo Consultant Co., Ltd., establishing Nippon Koei Urban Space in July 2022. This integration combines technical capabilities and functions, enabling us to strengthen our ability to propose and deliver solutions for urban and regional revitalisation, public-private partnership initiatives, and smart city development. Through three efforts, we aim to expand into domestic and international urban infrastructure markets and contribute to sustainable urban development.

## 1.2 ID&E Group's Business Segments

### Energy Business:

Helping Japan and other countries meet electric power demand



#### Main Subsidiaries

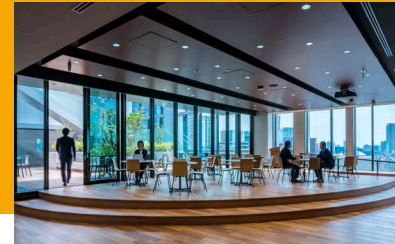
Nippon Koei Energy Solutions Co., Ltd. / KOEI SYSTEM INC.  
/ Koei Energy Co., Ltd. / Flexess Co., Ltd. / Nakatsugawa  
Power Storage LLC / NIPPON KOEI ENERGY EUROPE B.V. /  
RUIEN ENERGY STORAGE NV / RUIEN ENERGY STORAGE 2  
B.V. / RUIEN ENERGY STORAGE 3 B.V. / SCHELLE ENERGY  
STORAGE B.V. / PACIFIC RIM ENERGY INC.

#### Business

- We undertake the construction and renovation of substations, switching stations, and power plants operated by electric utilities, construction of centralised monitoring and control systems for efficient power system monitoring and control, construction of dam management systems at hydropower plants, and manufacturing of related equipment. Beyond Japanese domestic operations, to support emerging countries' power source development and electricity demand, we respond to customer needs from power operators and present optimal solutions.
- As a new initiative we are responding to the recent expansion of domestic and international renewable energy markets and power system reform movements. We engage in investigation, development, design, construction, management and operational support, and system and technology development for energy management businesses utilising distributed energy resources. We have developed our technical expertise in Europe, where electricity unbundling and introduction of renewable energy are highly developed, with the vision for future expansion into Japan and Asia.
- We operate hydropower plants including the sale of renewable electricity. We install small hydropower plants in existing dams not originally intended for power generation, providing clean and economically viable small scale hydropower generation.

### Group Business Management:

Achieving the mission and enhancing corporate value of the entire ID&E Group



#### Main Subsidiaries

Nippon Koei Business Partners Co., Ltd. / Nikki Corporation /  
Aichi-Tamano Information System Co., Ltd. / Ei Koei Co., Ltd.

#### Business

- Within our holding company structure, the Business Management team is responsible for Group-wide governance and service provision functions to realise the entire ID&E Group's mission and enhance corporate value.
- Our role is to "oversee the entire Group to achieve overall optimisation and enhance corporate value," demonstrating our capabilities as a professional collective with expertise.

## 1.2 ID&amp;E Group's Business Segments

## Group Organisational Structure



## Recent Representative Projects Completed by the ID&amp;E Group



Asahan No. 3 Hydropower Plant (Indonesia)



Miwa Power Plant (Japan)



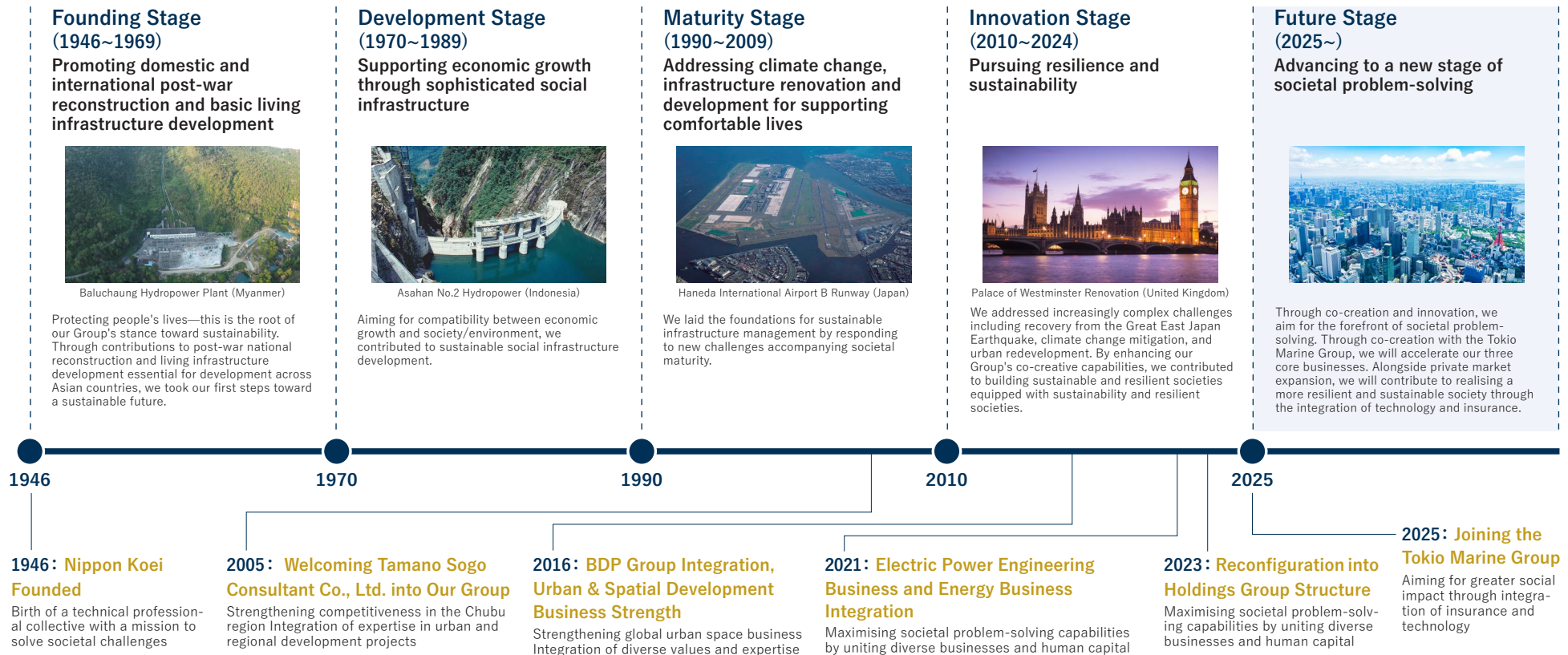
Fukui Prefectural Dinosaur Museum  
– New Building, Fossil Research Experience (Japan)  
(Photo: Nacasa & Partners Inc., Masato Kawano)



National Children's Hospital, Dublin (Ireland)

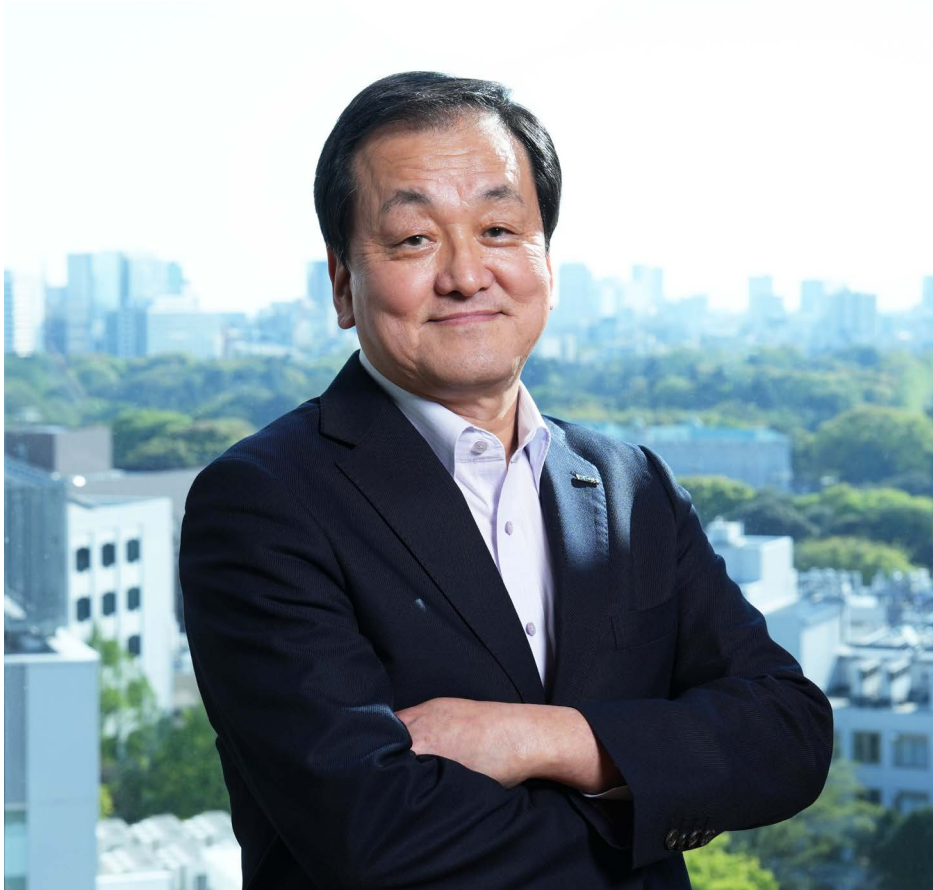
## 1.3 ID&E Group's Journey from Sustainability Perspectives

Since our founding, our Group has confronted societal challenges head-on, leveraging the technology and expertise we have cultivated to continue contributing to the creation of a sustainable society. We have continuously evolved and broadened our business domains from foundational living infrastructure to urban space, energy, disaster recovery, and initiatives in Green Transition (GX)/Digital Transformation (DX), responding to each era's societal challenges. From 2025, we are also embarking on new value creation through integration with the insurance domain of our business.





## 2. Top Message



Hiroaki Shinya Representative Director and President, Integrated Design & Engineering Holdings Co., Ltd.

### Towards Our Vision for the Next 20 years: Co-creating a Sustainable Future

The ID&E Group has built a legacy spanning nearly 80 years since its founding. Today, we stand at a pivotal moment as we look ahead to our centennial milestone. Building on our heritage of experience and trust, we are committed to clearly defining and steadily advancing our vision for sustainability management over the next 20 years.

As numerous future projections indicate, Japanese society is entering an era of unprecedented population decline—a phenomenon unparalleled in world history. Within this context, we must address diverse sustainability challenges, including strengthening disaster resilience, achieving decarbonisation, and enhancing wellbeing.

The ID&E Group is determined to confront these challenges head-on and take a leading role in shaping a sustainable future. We aspire to remain an unwavering presence that continues to support societal safety, security, and quality of life for all.

Building upon nearly 80 years of experience and achievements in social infrastructure development, we will consolidate the collective strength of our globally operating Group companies. Through proactive co-creation with diverse stakeholders, we aim to become a world-class provider of sustainability solutions. The next 20 years is not a distant future. Whilst a gap remains between our current position and our target vision, we will systematically analyse this gap and progress strategically, step by step, starting from this very moment.

### Business Domain Expansion: Evolution and Pursuit Towards a Sustainable Model

In last year's message, I emphasised the necessity of evolving ID&E's business model from the traditional "contract-based model" to a "co-creation model" where we create business value together with our clients, and further to a "sustainable model" that enhances societal sustainability.

This transformation represents an essential pathway to fulfilling our unwavering mission to "Make the World a Better Place" and achieving sustained long-term growth.

To accomplish this, we must develop and expand new businesses that contribute to improving

## 2. Top Message

societal sustainability in private markets, in addition to our operations in the public sector. Our strategic decision last year to integrate with the Tokio Marine Group represents a crucial step to accelerate this transition to a sustainable model and establish a new growth trajectory. We will tackle this major challenge—which could be called our "second founding"—with unified commitment across the entire company. This transformation presents significant opportunities for each employee to acquire new skills and advance their careers.

### Understanding the Value of Sustainability: Making Our Societal Contributions Tangible

We consider it is essential to embed the value of sustainability— aspects that include disaster resilience, decarbonisation, and wellbeing—into all our business activities and make this value visible to society. Sustainability management cannot be achieved by a specialised department alone. Ideally, every employee should deeply understand its significance in their daily work and naturally make sustainability-conscious decisions. However, this is far from straightforward. We will drive both awareness and concrete action through comprehensive company-wide training systems and sharing success stories.

In this regard, the Tokio Marine Group's initiatives in quantifying the social value of business represent a profoundly meaningful challenge for us as well. Whilst considerable debate remains around the definition and measurement methodologies of social value, I am convinced this endeavour represents a crucial first step towards enhancing the transparency and effectiveness of sustainability management and solidifying our identity as the sustainability solutions provider we aspire to become.

### Establishing Sustained Competitive Advantage in Sustainability Solutions: Human Capital, Technology, and Innovation

The source of our sustained competitive advantage lies above all in our human capital and technology.

Furthermore, innovation—which accurately identifies the essential challenges facing both society and our clients, transforming them into new business opportunities—holds the key to unlocking

our future. Creating and promoting continuous innovation requires keen sensitivity to perceive the essence of challenges and freethinking unconstrained by conventional concepts. The ID&E Group possesses abundant excellent human capital with extensive expertise and diverse backgrounds at a global level. To further nurture our human capital and maximise our capabilities, we have established the Global Academy, a new education and training platform. This provides opportunities for employees to deepen their expertise, acquire new skills, and cultivate global perspectives and diverse values.

When each employee sets their goals high for their own growth and possesses a strong will to maximise their capabilities, combined with precise management that consolidates individual strengths and maximises the collective power of our human capital and technology, I believe we will produce outstanding results and contribute to society. I have faith in the unlimited potential of my colleagues in the ID&E Group and their collective strength.

### Realising Our Vision: Our Origins and Future

Finally, in realising our vision, what I consider most important is continuously refining and deepening the spirit embodied in our management philosophy—our very DNA—"Act with integrity and contribute to society through technology and engineering," adapting it to the changing times. ID&E Group's business is characterised by consistently engaging earnestly with the diverse and tangible relationships between people and nature, while delivering optimal solutions tailored to the unique relationships and contexts of each region. While we must thoroughly pursue operational efficiency and enhance the quality of our work through the advanced use of technologies such as AI, artificial intelligence cannot replace the values that arise uniquely from human involvement — deep insight, creativity, empathy, and ethical judgment. "Integrity" means approaching others with an honest heart. Through the relationships built on trust born from this integrity, we will steadily build our brand as a world-leading provider of sustainability solutions, step by step.

Hiroaki Shinya

Representative Director and President  
Integrated Design & Engineering Holdings Co., Ltd.





# Sustainability at the ID&E Group

# 3

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# Overview

## Highlights of Initiatives in 2025

### Environmental



#### ● SBTi Target Validation

Achieved validation of science-based targets for greenhouse gas emissions reduction.

[▶ P50](#)

#### ● Disclosure in Line with TNFD

Published information aligned with the Taskforce on Nature-related Financial Disclosures (TNFD).

[▶ P58](#)

#### ● Expansion of GHG Emissions Calculation Boundary

Starting from FY 2025/06, the scope of greenhouse gas emissions calculations has been expanded to include all consolidated subsidiaries.

[▶ P49](#)

### Social



#### ● Identification and Assessment of Human Rights Risks

Developed the ID&E Group Human Rights Risk Map.

[▶ P71](#)

#### ● Integration of Human Rights Risks into Group-Wide Risk Management

Embedded human rights risk considerations into the Group's comprehensive risk management process.

[▶ P72](#)

#### ● Certified as a Health and Productivity Management Organisation

The ID&E Group has been officially recognised under Japan's "Health and Productivity Management" programme, which certifies companies demonstrating outstanding initiatives to promote employee health and wellbeing as part of corporate management.

[▶ P110](#)

### Governance



#### ● Formulation of Action Plans by ID&E Group Companies

To accelerate sustainability-driven management, each company within the ID&E Group has developed and begun implementing its own action plan.

[▶ P26](#)

#### ● Joining the United Nations Global Compact (UNGC)

As of June 2025, eight ID&E Group companies have joined the UNGC, reinforcing the Group's collective commitment to its principles.

[▶ P32](#)

#### ● Establishment of the Integrity Compliance Program

In February 2025, the ID&E Group introduced the Integrity Compliance Program to strengthen ethical business practices across the organisation.

[▶ P97](#)



## 3. Sustainability at the ID&E Group

### 3.1 Sustainability Policy and Basic Approach

The ID&E Group established its Sustainability Foundational Policy in 2022. This policy provides the basic framework for promoting sustainability management across the Group and guides decision-making related to environmental, social, and governance issues.

Following the establishment of the policy, we positioned sustainability management as a core element of our management approach and incorporated it into the Group Management Policy and the medium-term management plan.

In February 2025, we became part of the Tokio Marine Group. While operating within a different business domain, we continue to apply its existing management philosophy and sustainability policy, aligning them with the broader sustainability framework of the Tokio Marine Group. Based on the Sustainability Foundational Policy, the ID&E Group promotes sustainability management through the following basic approaches:

- Addressing environmental and social issues through its business activities
- Integrating sustainability considerations into management decisions
- Developing organisational structures and internal systems to support sustainability initiatives
- Promoting transparency and appropriate information disclosure

Through these approaches, we aim to ensure consistency in sustainability management across our operations and to support long-term business continuity and development.

### 3.2 Materiality

Back in 2021, ID&E Group announced the results of our materiality assessment with the mission of building a sustainable society in an era of uncertainty. In 2024, we revised our materiality in line with our medium-term management plan development, anticipating dynamic transitions in society and business while listening to stakeholder voices.

Centred on these updated materiality topics, we position sustainability at the core of our management, with every employee working with high awareness and integrity towards realising a sustainable society.

#### 3.2.1 Five Key Material Topics

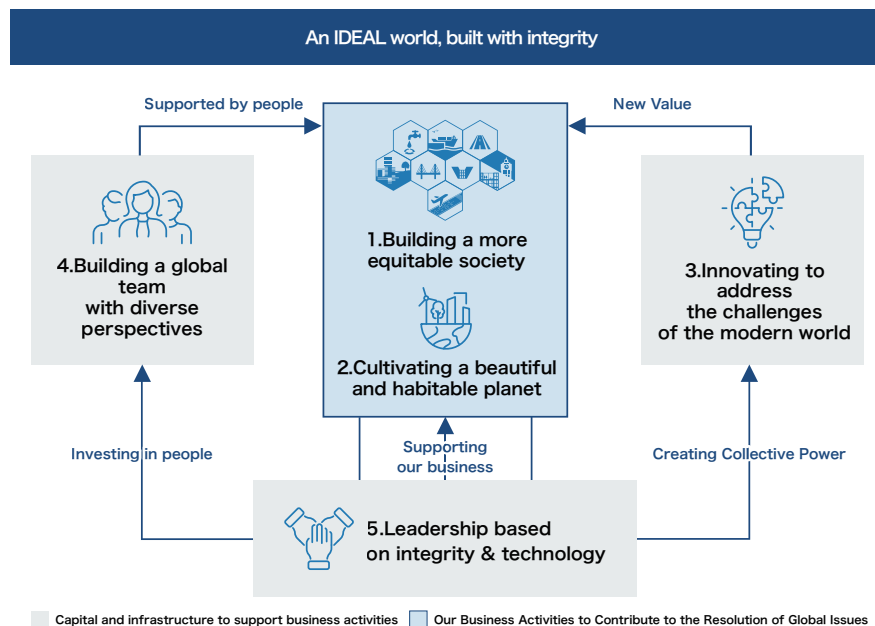
To ensure sustainable growth for our group, we have aligned our mission, vision, and values, and have shared them widely with our internal and external stakeholders. To achieve our mission, we have identified five key material issues that must be prioritised by leaning into our strengths. By deepening collaboration with stakeholders and addressing these material topics, we will contribute to solving various social challenges and creating an ideal future.



### 3.2 Materiality

#### 3.2.2 Relationships Between Material Topics

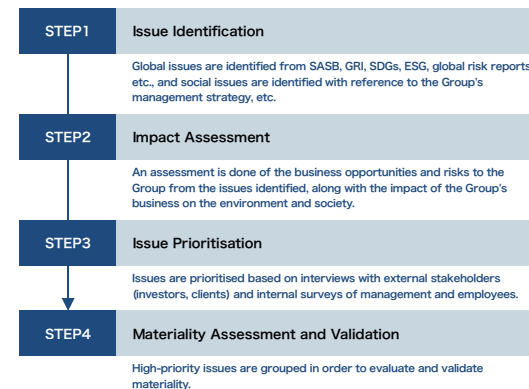
Among the five identified topics through the materiality assessment, Topics 1 and 2 represent our Group's business activities that contribute to solving global social challenges, while Topics 3, 4, and 5 represent the capital and infrastructure that support these activities. These materiality topics representing both business activities and capital and infrastructure are interrelated to generate synergy in our business.



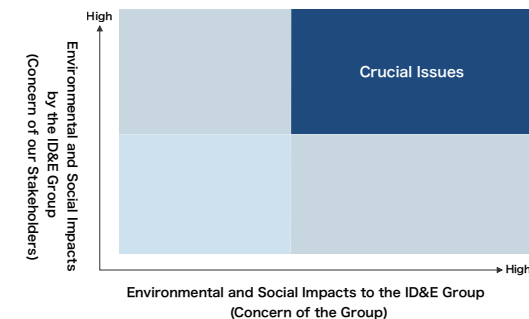
#### 3.2.3 Materiality Assessment Process

In identifying priority topics for our materiality study, we incorporated perspectives on future trends and extracted challenges towards achieving our mission. In determining priority themes, we conducted a double materiality assessment, evaluating challenges based on two axes: relevant social and environmental issues for key external stakeholders and relevant social and environmental issues for internal Group stakeholders. Once we identified high priority items as a result of the study, we synthesised the results into five categories.

##### Materiality Identification Process



##### Double Materiality Matrix: Stakeholder Impact and Group Impact



## 3.2 Materiality

### 3.2.4 Management of Indicators and Targets

Our Group has set specific initiatives, monitoring indicators, and targets for each material topic. The progress status for the one-year period from July 2024 to June 2025 is as documented below.

#### (1) Indicators and Targets and Main Initiatives for FY2025/06

##### 1. Building a more equitable society

###### 1-1 Contributing to society's sustainable development through all our global activities

###### ① Business growth driven by the needs of each global region

|                                 | Target in FY2029 | Results as of FY2025/06 |
|---------------------------------|------------------|-------------------------|
| Revenue (Total)                 | ¥ 250 billion    | ¥ 161 billion           |
| Japan                           | ¥ 125 billion    | ¥ 94 billion            |
| Asia                            | ¥ 65 billion     | ¥ 26 billion            |
| UK, Europe, Middle East, Africa | ¥ 45 billion     | ¥ 30 billion            |
| Americas                        | ¥ 15 billion     | ¥ 11 billion            |

###### ② Consideration for human rights in the Group's business activities (infrastructure development, human resource development, etc.)

|  | Target in FY2029     | Results as of FY2025/06 |
|--|----------------------|-------------------------|
| Status of Human Rights Impact Assessment Study | Solid implementation | Solidly implemented     |
| Status of response to identified risks         | Solid implementation | Solidly implemented     |

###### 1-2 Building a disaster-resilient future through integrated technologies and expertise

###### ① Engagement in disaster-resilient community building, recovery, and reconstruction projects

|   | Target in FY2029 | Results as of FY2025/06 |
|---|------------------|-------------------------|
| Disaster prevention and mitigation related revenue (including revenue of recovery and reconstruction) | ¥ 16 billion     | ¥ 13 billion            |

###### ② Technological development related to disaster prevention and mitigation

|                                  | Target in FY2029        | Results as of FY2025/06 |
|----------------------------------|-------------------------|-------------------------|
| R&D expenditures and investments | 3.2% of related revenue | 2.1% of related revenue |

##### 2. Cultivating a beautiful and habitable planet

###### 2-1 Building a sustainable society through safe and stable energy supply

###### ① Promotion of renewable energy use\*

\*Expansion of RE100 power supply business, expansion of storage battery business in Japan and Asia, promotion of regional microgrids, renewal and augmentation of the power system, etc.

|  | Target in FY2029 | Results as of FY2025/06 |
|--|------------------|-------------------------|
| Revenue related to the promotion of renewable energy | ¥ 43 billion     | ¥ 29 billion            |
| RE100 Power Supply Business Electricity sales volume | 100GWh per year  | 4,794MWh                |

###### ② R&D and investment in renewable energy and next generation energy

|                                  | Target in FY2029       | Results as of FY2025/06 |
|----------------------------------|------------------------|-------------------------|
| R&D expenditures and investments | 15% of related revenue | 2% of related revenue   |

###### 2-2 Creating places where people and nature thrive together in harmony and happiness

###### ① Promotion of The Good City Project\*

\*Improvements to urban living environments, redevelopment of cities and local areas, introduction of sustainable design for public buildings

|  | Target in FY2029 | Results as of FY2025/06 |
|--|------------------|-------------------------|
| Revenue related to the Good City Project | ¥ 42 billion     | ¥ 28 billion            |

###### ② R&D related to habitable spaces

|                                  | Target in FY2029        | Results as of FY2025/06 |
|----------------------------------|-------------------------|-------------------------|
| R&D expenditures and investments | 0.9% of related revenue | 2.1% of related revenue |

###### 2-3 Addressing climate change and ecosystem recovery through smart solutions

###### ① Full-scale entry into sustainability-related businesses\*

\*Decarbonisation, biodiversity, waste, human rights, wellbeing, etc.

|  | Target in FY2029 | Results as of FY2025/06 |
|--|------------------|-------------------------|
| Revenue for businesses that aim to address sustainability issues | ¥ 44 billion     | ¥ 31 billion            |

###### ② Nature-positive contributions (ecosystem maintenance and restoration projects, etc.)

|   | Target in FY2029   | Results as of FY2025/06   |
|---|--|---|
| Total area of ecosystems benefiting from maintenance and restoration          | Direct contribution: 5 ha<br>Indirect contribution: 100,000 ha   | Direct contribution: 0.026ha<br>Indirect contribution: 34,000ha   |
| Status of response to TNFD recommendations for ID&E Group business operations | Quantitative information disclosure for five major operating companies that account for more than 70% of sales | Qualitative information was disclosed in the TNFD report for five major operating companies that account for more than 70% of sales |
| Status of response to identified impacts                                      | Ensuring Responses to Identified Risks and Opportunities   | Identified Risks and Opportunities  |

###### ③ Carbon-positive contributions (GHG reductions, carbon credit and offsetting-related businesses, etc.)

|   | Target in FY2029   | Results as of FY2025/06   |
|---|--|---|
| Contribution to GHG reduction through business activities | Direct Contribution: 36,000 (t-CO <sub>2</sub> )<br>Indirect Contribution: 1,000,000(t-CO <sub>2</sub> ) | Direct Contribution: 39,961 (t-CO <sub>2</sub> )<br>Indirect Contribution: 1,510,000 (t-CO <sub>2</sub> ) |

###### ④ Reduction of GHG emissions of the ID&E Group (TCFD compliant)

|  | Target in FY2029                | Results as of FY2025/06         |
|--|---------------------------------|---------------------------------|
| GHG (Scope 1 and 2) emissions of the ID&E Group (five major operating companies accounting for more than 70% of revenue) | 42% decrease compared to FY2023 | 50% decrease compared to FY2023 |

### 3.2 Materiality

## (1) Indicators and Targets and Main Initiatives for FY2025/06

### 3. Innovating to address the challenges of the modern world

#### 3-1 Creating value for our clients through our Group's unique integrated capabilities

- ① Entry into new markets and creation of new businesses through segment cooperation

#### 3-2 Building value through cross-industry collaboration

- ① Entry into new markets and creation of new businesses through cooperation, alliances and group inclusion of companies from different industries

|                 | Target in FY2029 | Results as of FY2025/06 |
|-----------------|------------------|-------------------------|
| Related revenue | ¥ 10 billion     | ¥ 1.2 billion           |

#### 3-3 Accelerating value through our market leading research and development

- ① Group-wide development and utilisation of AI and other cutting-edge technologies

|                                  | Target in FY2029 | Results as of FY2025/06 |
|----------------------------------|------------------|-------------------------|
| R&D expenditures and investments | ¥ 1 billion      | ¥ 0.5 billion           |

### 4. Building a global team with diverse perspectives

#### 4-1 Promoting a culture of wellbeing for our people

- ① Realisation of DE&I focused management

|   | Target in FY2029 | Results as of FY2025/06 |
|---|------------------|-------------------------|
| Percentage of female managers                       | 15%              | 6%                      |
| Gender wage gap                                     | 80%              | 78%                     |
| Highly-skilled foreign professionals                | 3.5%             | 2.1%                    |
| Percentage of employees with disabilities           | 3.0%             | 2.5%                    |
| Percentage of male employees taking childcare leave | 85%              | 65%                     |

- ② Promotion of wellbeing focused management

|  | Target in FY2029 | Results as of FY2025/06 |
|--|------------------|-------------------------|
| Findings of health checkups  | 58%              | 67%                     |
| Absenteeism  | 2.3 days         | 2.3 days                |
| Presenteeism*  |                  |                         |
| *A self-assessed measure of work performance over the past four weeks, assuming a 100% represents full capacity in perfect health. Evaluated using the Single-Item Presenteeism Question (University of Tokyo version). Higher scores indicate better performance. |                  |                         |
|  | 85%              | 84%                     |
| Work engagement  | 3.3              | 3.5                     |

#### 4-2 Creating opportunities for growth and career development of our people

- ① Developing talents who embody the ID&E group's corporate philosophy

|   | Target in FY2029                              | Results as of FY2025/06                         |
|---|---|---|
| Total number of participants in training for executive leadership development               | Increase of 360 people from the end of FY2024 | Increase of 64 people from the end of FY2024    |
| Total number of participants in training for global talent development                      | Increase of 600 people from the end of FY2024 | Increase of 126 people from the end of FY2024   |
| Total number of participants in training for DX (digital transformation) talent development | Increase of 600 people from the end of FY2024 | Increase of 2,530 people from the end of FY2024 |

- ② Monitoring and data-utilisation of various indicators aimed at improving employee engagement

|   | Target in FY2029 | Results as of FY2025/06 |
|---|------------------|-------------------------|
| Number of surveys on engagement index                     | 1 time/year      | 1 time/year             |
| Number of surveys conducted to support career development | 1 time/year      | 1 time/year             |

- ③ Exchange and collaboration beyond company limits

|   | Target in FY2029 | Results as of FY2025/06 |
|---|------------------|-------------------------|
| Number of exchange and collaboration measures implemented, such as:   |                  |                         |
| • Dispatch of employees between Group companies   |                  |                         |
| • Support for personnel exchange such as secondment and training  |                  |                         |
| • Support for collaborative research and co-creation projects with other companies or research institutions | 5 measures/year  | 6 measures/year         |
| • Support for studying abroad at domestic and international universities                                    |                  |                         |
| • Encouragement of participation in academic societies and similar organisations                            |                  |                         |



### 3.2 Materiality

## (1) Indicators and Targets and Main Initiatives for FY 2025/06

### 5. Leadership based on integrity & technology

#### 5-1 Fostering trust with society through our organisational culture of "acting with integrity"

##### ① Permeation of corporate philosophy and thorough compliance

|  | Target in FY2029 | Results as of FY 2025/06 |
|--|------------------|--------------------------|
| Implementation percentage in compliance training             | 100%             | 97%                      |
| Awareness of internal consultation channels for compliance   | 100%             | 98%                      |
| Dissemination of Code of Conduct for ID&E Group to new hires | 100%             | 97%                      |

##### ② Ensuring information security

|  | Target in FY2029     | Results as of FY 2025/06 |
|--|----------------------|--------------------------|
| Status of ongoing NIST SP 800 compliance | Solid implementation | Solidly implemented      |

#### 5-2 Trusted quality, though innovative technology and a respect for the planet

##### ① Providing high-quality services

|   | Target in FY2029                             | Results as of FY 2025/06 |
|---|--|--------------------------|
| Number of awards and honours received from external organisations | —  | 167 awards               |
| Number of professional engineers                                  | 2,400 people                                 | 1,806 people             |
| Number of new PhDs obtained*                                      | Increase of 5 people from the end of FY 2024 | 0 people                 |

\*Number of people who obtained their degrees through in-house programmes

#### 5-3 Actively engaging with society and stakeholders to respond to their needs

##### ① Promoting mutual understanding with external stakeholders

|                                      | Target in FY2029     | Results as of FY 2025/06 |
|--------------------------------------|----------------------|--------------------------|
| Dialogues with external stakeholders | Solid implementation | Solidly implemented      |

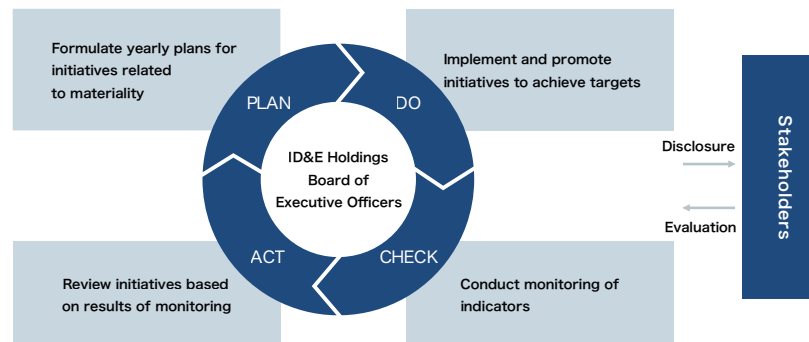
##### ② Implementation of the Action Guidelines for Stakeholder Engagement

|  | Target in FY2029                 | Results as of FY 2025/06                    |
|--|----------------------------------|---|
| Number of Group companies preparing and implementing action plans based on the Action Guidelines | All consolidated group companies | Action plans were prepared for 25 companies |

## (2) Implementation Process

Based on the PDCA (Plan, Do, Check, Act) cycle, we regularly monitor progress while examining challenges and reviewing initiatives when improvements are necessary. We also continuously review targets and material topics in response to internal and external environmental changes.

### Materiality Implementation Process Based on the PDCA Cycle

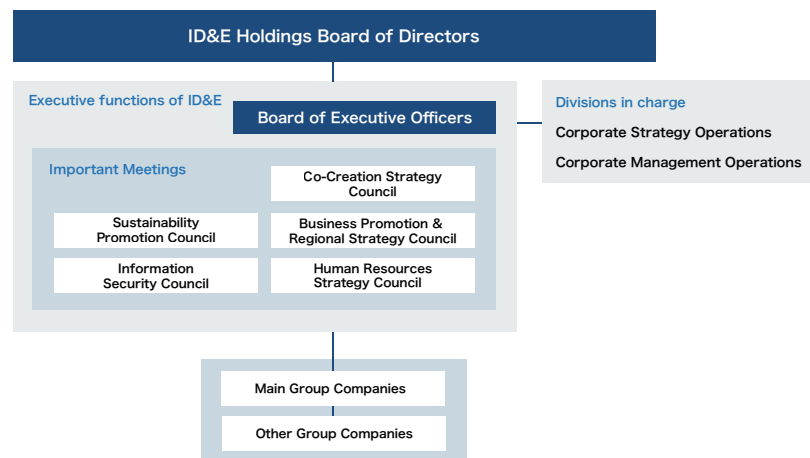


### 3.2 Materiality

#### (3) Implementation Structure

Under the supervision of the Board of Directors, the Board of Executive Officers regularly monitors progress based on a cycle of PDCA, examines challenges, and reviews initiatives when improvements are necessary.

#### Organisational Structure for Materiality Governance



### 3.3 Sustainability Management Policy

#### 3.3.1 Sustainability Foundational Policy

Our Group upholds the management philosophy of "Act with integrity and contribute to society through technology and engineering." Rooted in this management philosophy, we promote sustainability management to establish trust with stakeholders and contribute to the development of a sustainable society under fair and transparent corporate management.

Sustainability in the context of our business encompasses multiple perspectives. We promote the following activities that create societal value by addressing key societal challenges through our business operation.

#### Contribution to society through our business activities

We will actively prioritise building solutions to social issues and developing a sustainable society through commercially viable approaches that deliver optimal infrastructure to meet contemporary needs.

#### Environment



#### Environmental consideration

We will strive to create a richer social environment for society that harmonises the natural environment and living environment by prioritising climate change mitigation, circular economy transitions, and integration of biodiversity in decision making.

#### Social



#### Respect for human rights

In our supply chain, we recognise diversity, respond to human rights risks related to race, nationality, gender, ideology, beliefs, and social status, and have developed systems to avoid contributing to human rights violations.

#### Human resource development

We will develop human resources who have the expertise to meet the needs of our customers and who can work globally, while maintaining fair and equitable employment relationships that enable our employees to play an active role in the company.

#### Working Environment Improvements

We support employee safety whilst proactively promoting health and wellbeing. We strive to develop a working environment where employees can maintain a healthy work-life balance and feel motivated and engaged.

#### Governance



#### Strengthening Governance

We comply with corporate governance policies and ensure management transparency through comprehensive communication with stakeholders to increase reliability.

#### Sincere Business Execution

We comply with corporate ethics including laws, regulations, and social norms, and conduct fair transactions with all business partners by respecting mutual positions.

### 3.3 Sustainability Management Policy

#### 3.3.2 Sustainability Management Framework

For our Group, sustainability management means long-term survival and continuous growth and development, while grounded in environmental responsibility and social contribution, while engaging collaboratively with various stakeholders. To achieve this vision, we formulated the "Sustainability Management Framework" in 2024. The Framework systematically presents the decision-making framework for our Group's sustainability management practices and aims to promote unified Group initiatives.

The Framework includes the following:

- Sustainability Goals: Showing our vision for 2045
- Sustainability Commitments/Targets: Serving as milestones towards achieving those goals
- Policies and Action Guidelines for each challenge

The content will be reviewed and continuously refined in response to the socio-economic climate. The Framework's operational status is regularly reviewed in the Sustainability Promotion Council meetings and is reported to the Board of Executive Officers and Board of Directors.

#### FY 2025/ 06 Initiatives:

In May 2025, the changes we were experiencing as a group, were reflected in our Sustainability Management Framework and its components as follows:

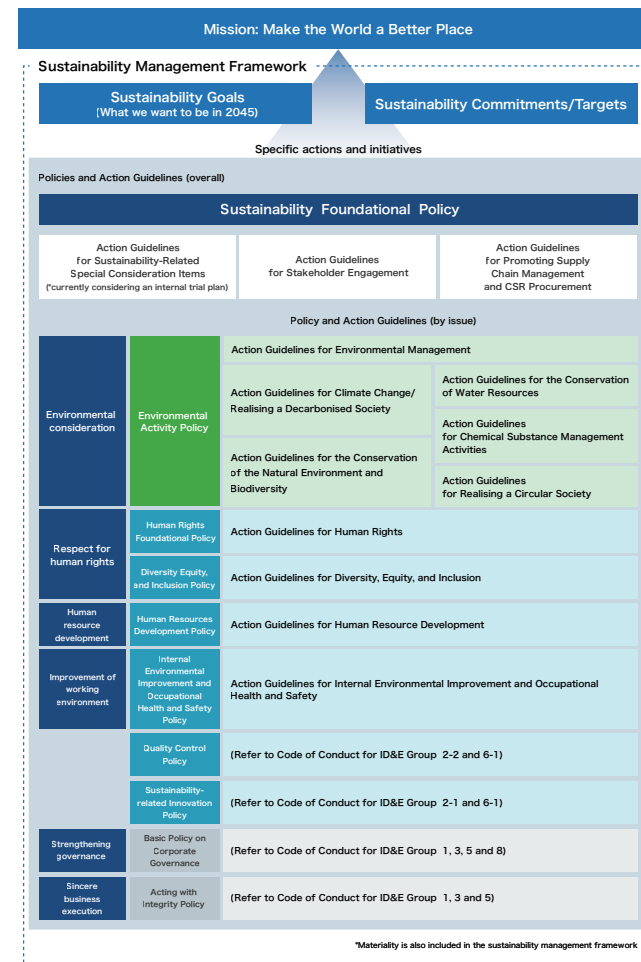
- We invited the Group employees to provide opinions and comments on our Sustainability Management Framework between December 2024 to January 2025 receiving a total of 75 comments. These comments were collected with the aim of improving the Group's sustainability management and making the Framework more practical and widely understood across the organisation. The feedback was carefully reviewed and considered during the revision process and has informed updates to the Framework to better reflect actual conditions and employee perspectives.
- Added Disaster Resilience to our list of Sustainability Targets. This change reflects the aim to recognise the importance of disaster resilience as a foundational aspect of sustainability for ID&E Group and promote disaster resilience initiatives in collaboration with the Tokio Marine Group.
- Merged certain Sustainability Targets (Energy, Climate Change/ Decarbonisation, and Stable and Safe supply of Green Energy) since they all have similar target agendas.

#### FY 2025 Initiatives:

We will continue to review [the Sustainability Management Framework](#) on a regular basis, and we are currently addressing the following:

Revise the Sustainability Management Framework to make it more consistent with Tokio Marine Holdings' sustainability management policy and clarify the Group's differentiating characteristics and uniqueness.

#### Sustainability Management Framework



### 3.3 Sustainability Management Policy

## Sustainability Goals (What we want to be in 2045)

Revised May 2025

For many years, ID&E Holdings Group (ID&E Group) has worked on social capital development and social issue resolution both domestically and internationally, directly connected to people's lives, livelihoods, and happiness, to "Make the World a Better Place."

The world is entering a defining moment in history. Many crises are intertwined—social division and inequality, frequent conflicts and terrorism, climate change resulting in intensified extreme weather events and natural disasters—creating new crises and bringing great uncertainty to the environments and societies surrounding people's livelihoods to capture nuance of everyday life as well as business activities / economic activities.

The ID&E Group, which has operated under the management philosophy of "Act with integrity and contribute to society through technology and engineering" since the era of its founding entity Nippon Koei, positions Sustainability at the foundation of management at this historic turning point.

Against this backdrop, we aim to become a professional group for creating sustainable environments and societies that is chosen more than ever by the world, by mobilising all our diverse technologies and leveraging our Group's comprehensive strength. We also aim to create with our stakeholders a world where people and all living beings can coexist in harmony.

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Supplementary Explanation: Given that most countries and companies have set net zero targets for 2050, the ID&E Group has established its Sustainability Goals for 2045. This timeline reflects the fact that Nippon Koei, the Group's principal entity, will celebrate its 100th anniversary in 2046.

## Sustainability Commitments

Revised May 2025

- We will fulfil our accountability for the sustainability management pursued by the ID&E Group and become a trusted corporate group.
- By pursuing new social issues through co-creation, we will provide solutions that contribute to the realisation of a livable global environment.
- We will contribute to the development of a sustainable society and increase our corporate value by respecting human rights and promoting human capital management.
- We will continue to engage in dialogue and collaboration with stakeholders, fostering mutual understanding and aiding in improving our corporate management.

### 3.3 Sustainability Management Policy

## Sustainability Targets

\*Revised May 2025

| Group Goals   | 2030 Targets   | 2045 Targets   |
|---|--|--|
| <b>Disaster Resilience</b><br><br>Relevant Material Topics:<br>1. Building a more equitable society                                   | <p><b>Development of disaster-resilient companies, towns, and regions; expanding recovery and reconstruction business</b></p> <p>Expand consulting and engineering business related to disaster prevention, mitigation, and implement post-disaster Build Back Better principle for intensifying flood and wind disasters and imminent major earthquakes, contributing to building a resilient society that can withstand disasters.</p> <p>→ Disaster prevention and mitigation-related revenue (including recovery and reconstruction-related business revenue): ¥16 billion</p> <p><b>Technology development related to disaster prevention and mitigation</b></p> <p>→ R&amp;D expenditures and investments: 3.2% of related revenue</p> | <p><b>Growth into world-class consulting and engineering company for disaster resilience improvement</b></p> <p>Place disaster resilience perspectives in all ID&amp;E business activities and highlight the value created.</p> <p>Integrated both pre-disaster (prevention/mitigation) and post-disaster (recovery/reconstruction) approaches to support the resilience of businesses, infrastructure, and people's lives from a technical perspective, thereby establishing our brand as a disaster resilience solution company.</p> |
| <b>Climate Change, Energy and Decarbonisation</b><br><br>Relevant Material Topics:<br>2. Cultivating a beautiful and habitable planet | <p><b>Contribution to carbon neutrality (*2)</b></p> <p>Net Zero target for ID&amp;E Group-wide (*1) Scope 1+2 equivalent emissions to net zero through CO<sub>2</sub> absorption/fixation, emission reduction, etc., including credit purchases.</p> <p><b>Setting greenhouse gas reduction targets based on SBT (Science-Based Targets) standards</b></p> <p>Set greenhouse gas (Scope 1,2) emission reduction targets at SBT-equivalent levels.</p> <p>→ 42% reduction (Scope 1,2), 25% reduction (Scope 3) compared to June 2023.</p>  | <p><b>Contribution to carbon neutrality (*2)</b></p> <p>ID&amp;E Group-wide (*1) supply chain Scope 1+2+3 equivalent emissions to net zero through CO<sub>2</sub> absorption/fixation, emission reduction, etc., including credit purchases.</p>   |

### 3.3 Sustainability Management Policy

## Sustainability Targets

\*Revised May 2025

| Group Goals   | 2030 Targets  | 2045 Targets  |
|---|---|---|
| <b>Climate Change, Energy and Decarbonisation</b><br><br>Relevant Material Topics:<br>2. Cultivating a beautiful and habitable planet | <b>Clean energy infrastructure and technology development</b><br><br>Introduction and stable supply of energy-efficient renewable/next-generation energy infrastructure equipment.<br><br>→ Renewable/next-generation energy R&D expenditures and investments: 15% of related revenue.  | <b>Achievement of "ID&amp;E RE100"</b><br><br>Cover all power required by all ID&E Group locations with renewable energy derived electricity or achieve net zero emissions through environmental certificate purchases.   |
|   | <b>Contribution to decarbonised society through business activities</b><br><br>Contribute to decarbonisation through expansion of renewable/next-generation energy introduction support, energy conservation, smart city promotion, forest conservation/regeneration support, etc. (cumulative).<br>Direct contribution: 36,000 t-CO <sub>2</sub><br>Indirect contribution: 1,000,000 t-CO <sub>2</sub><br><br>Increase proposals for services contributing to decarbonised society transition through utilisation of carbon pricing mechanisms.  | <b>Contribution to a decarbonised society through business activities</b><br><br>Employing a decarbonisation perspective in all ID&E business activities and highlight the value created (direct and indirect contributions to CO <sub>2</sub> emission reduction).<br><br>Establishing a world-level brand as a contributor to a decarbonised society disclosing the value created.  |
| <b>Biodiversity and Natural Capital Response</b><br><br>Relevant Material Topics:<br>2. Cultivating a beautiful and habitable planet  | <b>Contribution to the achievement of the Kunming-Montreal Global Biodiversity Framework 2030 mission</b><br><br>Contribute to achieving the 23 global targets of the Kunming-Montreal Global Biodiversity Framework 2030 Mission by accelerating nature-positive initiatives through expansion and promotion of biodiversity conservation and developing related projects and services.<br><br>→ Area contributing to ecosystem maintenance and restoration (cumulative): Direct contribution: 5ha / Indirect contribution: 100,000ha<br><br>Disclosure of information related to biodiversity impact assessment and biodiversity risk prediction. | <b>Contribution to the achievement of the Kunming-Montreal Global Biodiversity Framework 2050 Vision</b><br><br><ul style="list-style-type: none"> <li>● Contribute to achieving the four long-term goals of the Kunming-Montreal Global Biodiversity Framework 2050 Vision by reducing business activity impacts on nature and biodiversity and accelerating nature-positive initiatives through public-private collaboration.</li> <li>● Place nature-positive perspectives in all ID&amp;E business activities involving nature and visualise created value (ecosystem maintenance and restoration areas, etc.).</li> <li>● Strengthen corporate value and enhance world-level brand as a nature-positive contributor through public disclosure of value created.</li> </ul> |



### 3.3 Sustainability Management Policy

## Sustainability Targets

\*Revised May 2025

| Group Goals  | 2030 Targets   | 2030 Targets  |
|--|--|---|
| <b>Technology and Service Quality</b><br><br>Relevant Material Topics:<br>2. Cultivating a beautiful and habitable planet<br>3. Innovating to address the challenges of the modern world | <b>Technology and service quality assurance from sustainability perspectives</b><br>Establish quality control mechanisms considering sustainability issues such as global environment and occupational health and safety.<br>Research and development related to the development of The Good City project.<br><br>→ Related sales: ¥42 billion<br>→ Research and development costs and investment amounts: 0.9% of related sales<br><br>Innovation that transforms sustainability initiatives into a driving force for corporate growth<br><br>→ Cumulative sales from businesses addressing sustainability issues: ¥44 billion<br><br>Group-wide development and utilisation of cutting-edge technologies, including AI<br><br>→ Annual R&D and investment amount: ¥1 billion | <b>Establishment as a global brand that is a world-class provider of sustainability solutions, with a focus on the quality of technology and services</b><br><br>Continuously create and deliver measurable value for customers and society—such as safety and security, improved quality of life, and enhanced productivity—driven by quality management that incorporates sustainability challenges and through technological innovation. |
| <b>Business and Human Rights</b><br><br>Relevant Material Topics:<br>1. Building a more equitable society  | <b>Commitment to address and respond to human rights issues, including human rights due diligence</b><br><ul style="list-style-type: none"> <li>Identify human rights risks and violations, and implement remedial measures and information disclosure.</li> </ul> <b>Establishment of a monitoring system to address issues relating to human rights</b><br><ul style="list-style-type: none"> <li>Establish the necessary internal systems to effectively monitor and maintain human rights issues.</li> </ul>   | <b>Establishment and embedding of human rights due diligence</b><br>Ensure consistent and reliable implementation of human rights due diligence across the entire ID&E Group (*1), establishing a global reputation as a group of companies that prioritises respect for human rights.  |

### 3.3 Sustainability Management Policy

## Sustainability Targets

\*Revised May 2025

| Group Goals   |  | 2030 Targets   | 2045 Targets  |
|---------------|--|--|---|
| Human Capital | <b>Diversity, Equity, and Inclusion (DE&amp;I)</b><br><br>Relevant Material Topics:<br>4. Building a global team with diverse perspectives   | <b>Building a system to advance DE&amp;I initiatives</b> <ul style="list-style-type: none"> <li>Establish Diversity, Equity, &amp; Inclusion Promotion contact points, implementation frameworks, and verification and improvement cycles for DE&amp;I measures.</li> </ul>  | <b>Establishment of monitoring for promoting diversity, equity, and inclusion (DE&amp;I).</b> <ul style="list-style-type: none"> <li>Implementation of the PDCA (Plan-Do-Check-Act) cycle for DE&amp;I initiatives, ensuring continuous improvement.</li> </ul>   |
|               | <b>Promotion of Wellbeing Management (Occupational Health and Safety/Wellbeing Management)</b><br><br>Relevant Material Topics:<br>4. Building a global team with diverse perspectives | <b>Establishment of occupational accident response monitoring systems</b> <ul style="list-style-type: none"> <li>Determine the number of occupational accidents, investigate the causes, implement safety measures, and disclose the information.</li> </ul> <b>Promotion of wellbeing management measures</b> <ul style="list-style-type: none"> <li>Establish a health monitoring and health education system with an emphasis on disease prevention, and gradually expand support for wellbeing management to Group's business locations worldwide (*1) as well as business partners.</li> </ul>  | <b>Embedding of occupational accident response monitoring systems</b> <ul style="list-style-type: none"> <li>Implement a PDCA cycle to further improve the occupational accident response monitoring system.</li> </ul> <b>Embedding of wellbeing management initiatives and deployment of measures using digital technology</b> <ul style="list-style-type: none"> <li>Establish a health monitoring and health education system with a focus on disease prevention and implement a PDCA cycle of wellbeing management at Group's business locations worldwide (*1) as well as business partners. Additionally, implement measures to maintain and improve health using advanced technologies such as AI.</li> </ul> |
|               | <b>Human Resource Development</b><br><br>Relevant Material Topics:<br>4. Building a global team with diverse perspectives  | <b>Active investment in the "ideal employee" (*3) sought by the ID&amp;E Group</b> <ul style="list-style-type: none"> <li>Invest in the development of employees with global perspectives and enhanced DX and management skills.</li> <li>→ Increase the number of participants in training for management human resource development by 360 compared with the fiscal year by FY 2024/06.</li> <li>→ Increase the number of participants in training for global human resource development by 600 compared with the fiscal year by FY 2024/06.</li> <li>→ Increase the number of participants in training for digital transformation human resource development by 600 compared with the fiscal year by FY 2024/06.</li> <li>Establish and embed a talent development system through the ID&amp;E Global Academy (*4).</li> <li>Increase the number of users of the ID&amp;E Global Academy from ID&amp;E Group's business locations worldwide (*1) (To be quantified at a future date)</li> </ul> | <b>Group-wide deployment of "human resource development" system and provision to external parties</b> <ul style="list-style-type: none"> <li>Invest in the development of employees with global perspectives and enhanced DX and management skills.</li> <li>Establish and commence a corporate university developed from the ID&amp;E Global Academy to enhance collaboration with stakeholders by utilising the expertise and know-how of the ID&amp;E Group.</li> </ul>  |

\*1: All main consolidated group subsidiaries listed on ID&E Holdings official website. [Overseas Network](#) | [About Us](#) | [ID&E Holdings](#)

\*2: The ID&E Group defines "achieving carbon neutrality at the ID&E Group" as achieving the target of "net zero emissions" set forth in the text.

\*3: The ideal employee for global human resources, management human resources and DX human resources listed in the same target, as described in the Human Resource Development Action Guidelines (refer to Attachment 19)

\*4: ID&E Global Academy refers to the platform for human resource development aimed at providing training and knowledge management inside and outside the ID&E Group.

Note: Targets will be reviewed as appropriate in light of the circumstances surrounding the Group.

### 3.3 Sustainability Management Policy

## Sustainability Targets in Japan Related to Human Capital Measures

As a global company, we work toward achieving group-wide targets. However, regarding human capital, because laws and regulations vary by country and region, we set additional targets based on Japan's laws and guidelines, in addition to the globally established ones.

| Sustainability Targets for Human Capital Development in Japan |  | 2030 Targets   | 2045 Targets  |
|---|--|--|---|
| Human Capital   | <b>Diversity, Equity, and Inclusion (DE&amp;I)</b><br><br>Relevant Material Topics:<br>4. Building a global team with diverse perspectives   | <ul style="list-style-type: none"> <li>◆ For all major Japan-based consolidated subsidiaries (**1)               <ol style="list-style-type: none"> <li>1. Ratio of women in managerial positions: 15% or higher</li> <li>2. Gender pay gap 80% (The gender pay gap is 20%)</li> <li>3. Ratio of foreigners in managerial positions: 1% or higher</li> <li>4. Highly skilled foreign talent ratio: 3.5%</li> <li>5. Ratio of mid-career hires to managerial positions: successfully maintained at 30%</li> <li>6. Legally mandated employment rate for persons with a disability: 3.0%</li> <li>7. Male childcare leave take-up rate: 85% or higher</li> </ol> </li> </ul> | <ul style="list-style-type: none"> <li>◆ In all Japan-based companies (**2)               <ol style="list-style-type: none"> <li>1. Ratio of women in managerial positions: 30% or higher</li> <li>2. Eradication of the gender pay gap</li> <li>3. Ratio of foreigners in managerial positions: 5% or higher</li> <li>4. Ratio of mid-career hires to managerial positions: successfully maintained at 30%</li> <li>5. In addition to stable achievement of the legally mandated employment rate for persons with a disability, expansion of the scope of application to special subsidiary companies, and increase of the number of group companies and departments where persons with a disability are employed</li> <li>6. Male childcare leave take-up rate: 100%</li> </ol> </li> </ul> |
|   | <b>Promotion of Wellbeing Management (Occupational Health and Safety/Wellbeing Management)</b><br><br>Relevant Material Topics:<br>4. Building a global team with diverse perspectives | <ul style="list-style-type: none"> <li>◆ Continued recognition of all Japan-based companies (**2) as a Top 500 Certified Health &amp; Productivity Management Outstanding Organizations certified by METI.               <ul style="list-style-type: none"> <li>— Annual health check-up participation rate: 58.3%</li> <li>— Absenteeism (**3) 2.3 days</li> <li>— Presenteeism (**3) 84.9%</li> <li>— Work engagement score (**3) 3.3 points</li> </ul> </li> <li>◆ Implement advanced technologies such as AI (for hygiene environment monitoring, etc.) to enhance workplace health and safety management</li> </ul>   | <ul style="list-style-type: none"> <li>◆ Continued recognition of all Japan-based companies (**2) as a Top 500 Certified Health &amp; Productivity Management Outstanding Organizations certified by METI.</li> <li>◆ Establish a system to monitor workplace safety conditions in real time the introduction and updating of advanced technologies such as AI.</li> </ul>  |
|   | <b>Human Resource Development</b><br><br>Relevant Material Topics:<br>4. Building a global team with diverse perspectives  | <ul style="list-style-type: none"> <li>◆ Gradually increase the number of holders of internally recommended qualifications in all Japan-based companies (**2)               <ul style="list-style-type: none"> <li>— Number of certified engineers: 2,400</li> <li>— Number of new doctoral degrees acquired (using the internal support system): Increase by 5 people from the fiscal year ending June 2024</li> </ul> </li> <li>◆ Quantify educational efforts by identifying the training costs per person/month in all Japan-based companies (**2) and increase them as necessary.</li> </ul>  | <ul style="list-style-type: none"> <li>◆ Increase the number of holders of internally recommended qualifications in all Japan-based companies (**2).</li> <li>◆ Increase education and training costs per person/month in all Japan-based companies.</li> </ul>   |

(\*\*1) ID&E Holdings Co., Ltd. and main Japan-based companies (as of the end of fiscal 2024: Nippon Koei Co., Ltd., Nippon Koei Urban Space Co., Ltd., Nippon Koei Energy Solutions Co., Ltd., Nippon Koei Business Partners Co., Ltd.)

(\*\*2) Main Japan-based locations of all consolidated subsidiaries within the group listed on the official website of ID&E Holdings: [Overseas Network](#) | [About Us](#) | [ID&E Holdings](#)

(\*\*3) Absenteeism: The number of days of leave taken in a year due to illness.

Presenteeism: An evaluation of one's work performance over the past four weeks, assuming 100% performance when there are no illnesses or injuries.

Work Engagement: A state characterised by vigour, dedication, and absorption in one's work.

-All terms are cited from the Ministry of Economy, Trade and Industry's Health Management Guidelines.

Note: Targets will be reviewed as appropriate in light of the circumstances surrounding the Group.

### 3.3 Sustainability Management Policy

#### 3.3.3 Sustainability Action Plan

At ID&E Group, we are committed to putting sustainability management into practice—not just treating it as a concept. To that end, each Group company develops its own action plan tailored to its business characteristics and local social issues, taking the lead in driving sustainability initiatives.

The action plans created by each company incorporate specific initiatives, policies and plans suited to their respective management policies and business formats, centred on four perspectives based on our Group's Sustainability Management Framework:

- Sustainability Management Awareness and Adoption
- Stakeholder Engagement
- Environmental Management
- Human Rights.

#### FY 2025/06 Initiatives

We engaged in dialogues with all domestic and international Group companies, targeting consolidated subsidiaries, and exchanged opinions on sustainability management. Based on these dialogues, action plans were formulated by all target Group companies (25 companies).

Refer to [p.28](#) for individual company dialogue details

#### FY 2025 Initiatives and Beyond

Moving forward, based on the action plans formulated by each Group company, we will accelerate the promotion of synergistic and integrated sustainability activities across our entire Group. Additionally, by regularly reviewing the progress of action plans, we will establish mechanisms to enhance synergistic effects between Group companies, aiming for further advancement of sustainability management through sharing best practices and know-how. This will enable each company to autonomously tackle challenge whilst strengthening organisational capabilities as a Group towards sustainable value creation.

### 3.4 Structure to Promote Sustainability Management

In February 2025, our Group became a member of the Tokio Marine Group, bringing changes to our sustainability management structure. In July 2025, the chairperson of the Sustainability Promotion Council changed from the Representative Director and President to the Director and Chairperson, with the Representative Executive President continuing to participate as a member

ID&E Group Sustainability Structure (from July 2025)



### 3.4 Structure to Promote Sustainability Management

of the Sustainability Promotion Council. This change enhanced the presence of ID&E directors in the Sustainability Promotion Council, strengthening the supervisory and executive functions of sustainability management. Under this reinforced structure, we will ensure consistency with Tokio Marine Group's sustainability management systems whilst building a system where the entire ID&E Group can respond flexibly and promptly to rapidly changing external environments.

#### 3.4.1 ID&E Sustainability Promotion Council

The Sustainability Promotion Council serves as the command centre for Group-wide sustainability management, and is responsible for governance, strategy planning and promotion, management of sustainability-related risks and opportunities, and accountability to stakeholders. This Council is chaired by the Director and Chairperson of ID&E Holdings, with the Representative Director and President participating and comprising Presidents of main companies and Director Generals of each Operations within ID&E Holdings. Relevant parties and external experts also attend depending on the agenda.

For specific issues related to sustainability promotion, we have established specialised committees under the ID&E Sustainability Promotion Council. Following the establishment of the Human Rights Special Committee in June 2024, a new Environmental Special Committee was established in July 2025. Environmental Special Committee aims to identify and evaluate key environmental issues that our Group should prioritise—such as climate change, biodiversity, and water resource management—based on specialised expertise. The Committee also discusses and prepares items for deliberation and reporting to the ID&E Sustainability Promotion Council. Through these specialised committees, we will build close coordination systems with other important meeting bodies established within ID&E, such as the Risk Management Council and Human Resources Strategy Council, advancing strengthening and quality improvement of sustainability management systems.

The main meeting agenda items for FY 2025/ 06 are listed below. Moving forward, the Sustainability Promotion Council will continue to lead Group-wide sustainability management.

#### Main Agenda Items of FY 2025/ 06 Sustainability Promotion Council

|                               |   |
|-------------------------------|---|
| 1st Meeting<br>(July 2024)    | <ul style="list-style-type: none"> <li>Review of FY 2024/ 06</li> <li>Implementation plan for FY 2025/ 06</li> </ul>  |
| 2nd Meeting<br>(October 2024) | <ul style="list-style-type: none"> <li>Revision of Sustainability Management Framework</li> <li>Third-party review of biodiversity-related risks</li> <li>Response to UN Guiding Principles on Business and Human Rights</li> </ul>   |
| 3rd Meeting<br>(January 2025) | <ul style="list-style-type: none"> <li>GHG emission quantification and action plans for future emission reduction</li> <li>Sustainability-related risks and opportunities</li> <li>Creation of action plans based on Sustainability Management Framework</li> <li>Human rights risk response guidelines for overseas projects</li> <li>Development of human resources for sustainability</li> </ul> |
| 4th Meeting<br>(April 2025)   | <ul style="list-style-type: none"> <li>Human rights risk response guidelines for business partners, employees, and local residents</li> <li>Annual review and revision of Sustainability Management Framework</li> <li>Third-party review of GHG quantification and reduction measures</li> <li>Results of third-party review of biodiversity-related risks</li> </ul>                              |
| 5th Meeting<br>(June 2025)    | <ul style="list-style-type: none"> <li>Progress status for FY 2025/ 06 and future direction</li> <li>Information disclosure based on TNFD recommendations</li> <li>Management of sustainability risks and opportunities</li> <li>SBT certification acquisition and future GHG-related information and sustainability-related business</li> </ul>  |

### 3.4 Structure to Promote Sustainability Management

#### 3.4.2 Group Governance for Strengthening Sustainability Management Functions

In FY 2025/06, our Group strengthened multi-layered dialogue and collaboration to further promote sustainability management.

Through multiple meeting bodies including the Sustainability Promotion Committee of Main Group Companies, we conducted consultations and opinion exchanges on important issues, advancing the uptake of sustainability awareness within and outside the Group and deepening initiatives for challenge resolution. Through initiatives such as individual company dialogues (52 sessions) and individual company liaison meetings (18 sessions), we have advanced strengthening initiatives that reflect voices from the field.

#### Strengthening Sustainability Management through Governance and Group Collaboration



#### Reporting and Consultation

| Meeting Name   | Target               | Content  | Frequency                                       |
|--|----------------------|--|---|
| Sustainability Promotion Committee of Main Group Companies | Main Group companies | Sustainability activity reports, sharing challenges, and exchanging opinion                              | Once every two months                           |
| Group Sustainability Promotion Council                     | ID&E Group companies | Sharing information on sustainability management and strengthening collaboration between Group companies | Once annually                                   |
| Individual Company Liaison Meetings                        | ID&E Group companies | Consultation and sharing challenges necessary for promoting ID&E Group sustainability                    | Based on each company's needs and circumstances |



#### Dialogue

|  |   |  |                               |
|--|---|--|-------------------------------|
| Executive Dialogue Sessions for Individual Companies | Executives of ID&E Group companies                        | Individual dialogue with executives from individual companies regarding ID&E Group sustainability management                         | 1 session held (FY 2025/06)   |
| Individual Company Dialogues                         | Sustainability officers and staff of ID&E Group companies | Explanations, consultations, and dialogues with Group companies on individual topics related to ID&E Group sustainability management | 52 sessions held (FY 2025/06) |



P.T. INDOKOEI INTERNATIONAL



MYANMAR KOEI INTERNATIONAL LTD.



PHILKOEI INTERNATIONAL, INC.



NIPPON KOEI VIETNAM INTERNATIONAL CO., LTD.



### 3.4 Structure to Promote Sustainability Management

#### 3.4.3 Sustainability Management Integration and Implementation

Our Group places strong emphasis on enhancing the effectiveness of sustainability management and embedding it throughout the organisation—from strategic decision-making to day-to-day operations. We recognise that sustainability awareness and knowledge are the dual drivers essential for successful implementation.

We drive sustainability understanding and engagement across all organizational levels—from executive leadership to frontline employees—through targeted, role-specific initiatives. In FY 2025/ 06, we strengthened capability building through specialised workshops for sustainability coordinators (refer to [p.31](#) for details), comprehensive foundational training for all staff, and executive-level sessions on sustainability and human rights. This systematic approach ensures consistent understanding and commitment from board level through operational teams.

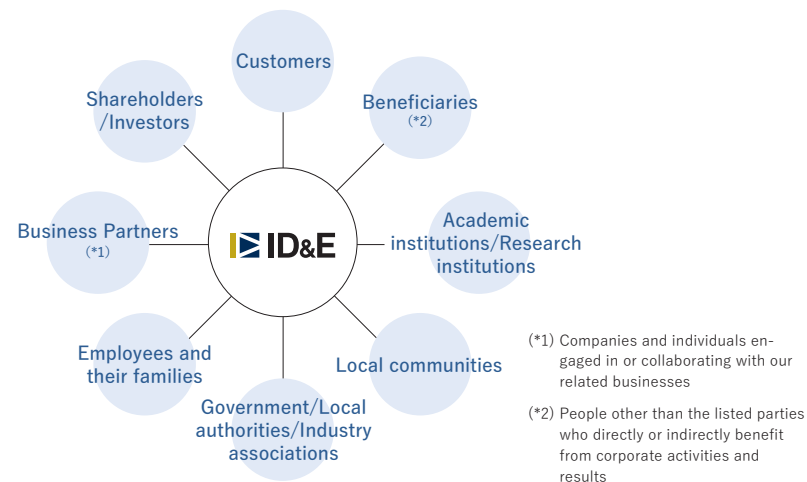
| Target   | Activities   |
|--|--|
| Executive Management   | Study sessions on sustainability and human rights  |
| Sustainability Management Promotion Personnel from Group companies | Workshops for the adoption and practice of sustainability management <ul style="list-style-type: none"> <li>• May: Stakeholder Engagement</li> <li>• June: Environmental Management</li> <li>• August: Business and Human Rights</li> </ul>  |
| All Employees  | Sustainability foundational educational materials (video distribution) <p>Introduction 1:</p> <ul style="list-style-type: none"> <li>• Chapter 1: What is Sustainability?</li> <li>• Chapter 2: Sustainability Management, and why it is necessary</li> </ul> <p>Introduction 2: Chapter 3: Background and History of Sustainability</p> <p>Common Section: ID&amp;E Group's Sustainability Management</p> |

## 3.5 Stakeholder Engagement

### 3.5.1 Policy and Approach

We recognise stakeholder dialogue as fundamental to creating shared value and addressing evolving societal expectations, positioning this as a strategic priority within our materiality framework.

Based on the ID&E Group Action Guidelines for Stakeholder Engagement formulated within our Sustainability Management Framework, we work to understand expectations and demands regarding our Group and strive to identify and resolve social challenges that should be addressed through appropriate collaboration with stakeholders. Our Group identifies the following parties as stakeholders based on their "degree of influence on the organisation," which indicates influence on an organisation's decision-making, and "degree of dependence on the organisation," which indicates dependence on an organisation's business activities, products, and services.



### 3.5 Stakeholder Engagement

## 3.5.2 Communication with Stakeholders

### Initiatives FY 2025/06:

In FY 2025, we delivered a comprehensive stakeholder engagement programme featuring 11 strategic dialogue sessions with key stakeholder groups. The resulting insights were systematically integrated into our governance processes, with findings presented to the Board of Directors and embedded into business strategy development, ensuring stakeholder perspectives drive value creation.

### Main Stakeholder Communications in FY 2025/ 06

|   |  |   |  |  |   |
|---|--|---|--|--|---|
|  Stakeholder   | <div>① Customers (Major electric power companies, etc.)</div>  | <div>② Shareholders and Investors (Institutional investors)</div>   | <div>③ Business Partners (Major construction companies, etc.)</div>  | <div>④ Academic Institutions (National university vice-president)</div>  | <div>⑤ International Organisations (UN agencies)</div> <div>⑥ NGO (Asian human rights advocacy organisation)</div>  |
| <div> Main Dialogue Themes and Stakeholder Concerns</div>          | <div>1. Stakeholder assessment of ID&amp;E Holdings' strategic strengths and improvement areas</div> <div>2. GHG emission reduction initiatives and pathways</div> <div>3. Human rights due diligence and supply chain management approach</div>   | <div>1. Evaluation of ID&amp;E Group's updated materiality framework</div> <div>2. Sustainability performance trends and peer company initiatives</div> <div>3. Short-term and long-term investment considerations and value creation</div>                         | <div>1. Human rights due diligence and supply chain management initiatives</div> <div>2. Grievance response mechanisms and remedial system development</div> <div>3. Internal sustainability governance structures and implementation</div>  | <div>1. ID&amp;E Group materiality framework validation and academic perspective</div> <div>2. Women's advancement initiatives, graduate recruitment priorities and organisational focus areas</div> <div>3. Consultation and reporting system effectiveness and accessibility</div>   | <div>1. Remedial mechanism development and community dialogue methodologies (including dialogue environment considerations)</div> <div>2. Human rights due diligence best practices and implementation standards</div> <div>3. Government and business responsibility delineation in project implementation contexts</div> <div>4. Leading sustainability advancement case studies and benchmarking</div>                           |
| <div> Main Insights and Our Group's Challenges from Dialogue</div> | <div>1. Enhanced accountability for decarbonisation through dedicated governance councils</div> <div>2. Strengthened stakeholder dialogue mechanisms and targeted challenge resolution</div> <div>3. Strategic positioning relative to Japan's "7th Strategic Energy Plan" and future electricity demand forecasts</div> | <div>1. Validation of ID&amp;E Group's enhanced materiality approach</div> <div>2. Investor-focused integrated reporting guidance and strategic communication improvements</div> <div>3. Adoption of sustainability best practices from peer company analysis</div> | <div>1. Accelerated human rights due diligence implementation with supply chain policy framework and field-level examples</div> <div>2. Enhanced grievance response system development and operational readiness</div> <div>3. Optimised contractor-consultant relationship models for sustainability outcomes</div> <div>4. Strengthened internal sustainability governance and implementation structures</div> | <div>1. Enhanced understanding of private sector expectations including ID&amp;E Group positioning</div> <div>2. Refined employer value proposition aligned with graduate talent pipeline objectives</div> <div>3. Strengthened women's leadership advancement and management development programmes</div> <div>4. Enhanced doctoral talent development and strategic utilisation frameworks</div> | <div>1. Enhanced community dialogue protocols with cultural and environmental sensitivity frameworks</div> <div>2. Integrated materiality and cross-sector collaboration approach importance</div> <div>3. Optimised human rights due diligence timing and corporate responsibility during government institutional challenges</div> <div>4. Adoption of sustainability leadership practices from advanced peer organisations</div> |

### 3.5 Stakeholder Engagement

#### 3.5.3 Workshops Contributing to Stakeholder Engagement

In FY 2025/ 06, we delivered comprehensive training workshops for personnel from Japanese Group companies responsible for developing action plans under the Sustainability Management Framework. These workshops were designed to achieve three core objectives: 1) to enable participants to recognise the business imperative of sustainability management; 2) to understand stakeholder engagement principles and integrate these insights into decision-making processes; 3) to develop practical capabilities for achieving both ESG challenge resolution and business growth through informed decision-making. Through participation in these workshops, attendees experienced the complete process of identifying stakeholders for their organisations and formulating corporate response strategies that address stakeholder expectations and concerns. The programme utilised immersive role-play scenarios where participants addressed management challenges within fictitious companies, representing key executive perspectives including chief executive, sales, human resources, and environment and CSR functions. Through this experiential learning approach, participants gained hands-on experience in formulating medium-term business plans that meaningfully incorporate stakeholder engagement, thereby deepening their appreciation of sustainability management's strategic necessity. Post-programme evaluation surveys demonstrated the training's effectiveness, with over 80% of participants confirming they had achieved the workshop objectives relating to stakeholder engagement. This positive feedback validates our approach to practical capability development through interactive group work.

Building on this success, the ID&E Group remains committed to implementing such experiential learning programmes to ensure the principles and importance of stakeholder engagement are embedded throughout our organisation. These initiatives form a critical component of our broader sustainability management capacity-building efforts across the Group.



Group Work Results Presentation: Participants used worksheets to formulate medium-term business plans through each step, including understanding internal and external environments and management situations, stakeholder identification, and important issue organisation.

## 3.6 Participation in External Initiatives

The ID&E Group advances stakeholder collaboration through strategic participation in industry associations, international institutions, and NGOs, strengthening our global sustainability leadership position.

### United Nations Global Compact (UNGC)

The United Nations Global Compact is a voluntary framework enabling companies and organisations to demonstrate responsible and creative leadership as good corporate citizens, contributing to sustainable growth through collective action. Within our Group, Koei Research & Consulting expressed support in December 2017, followed by Nippon Koei in June 2019. Building on this foundation, we have expanded UNGC support across the entire Group, with eight companies participating as of June 2025. We actively participate in working group activities organised by the Global Compact Network Japan, collaborating with other companies to achieve the 10 principles advocated by the UNGC, which span the areas of human rights, labour, environment, and anti-corruption.

Our infrastructure development projects in developing countries, energy initiatives, and environmental conservation activities all directly contribute to advancing the Global Compact's 10 principles. Our Group promotes management aligned with these principles whilst contributing to sustainable society development through our business operations.

### UNGC Participation Status of ID&E Group Companies

| Company Name                  | Date of Joining/Signing | Participation Status      |
|-------------------------------|-------------------------|---------------------------|
| Koei Research & Consulting    | December 2017           | Individual participation  |
| ID&E                          | June 2019               |                           |
| MYANMAR KOEI INTERNATIONAL    | May 2024                | Joined as ID&E subsidiary |
| Nippon Koei Business Partners | June 2024               |                           |
| BDP                           | August 2024             |                           |
| Nippon Koei Urban Space       | September 2024          |                           |
| Nippon Koei Energy Solutions  | October 2024            |                           |
| Nippon Koei                   | June 2025               |                           |

### 3.6 Participation in External Initiatives

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

Our Group recognises climate action as one of the most critical sustainability challenges. We declared support for TCFD in 2023 and have been implementing disclosures aligned with TCFD recommendations. Moving forward, we will continue promoting disclosures that meet various climate-related requirements, using TCFD recommendations as our foundation.



From 2024, our Group participated in Phase 1 of the GX League, established based on the Basic Concept led by Japan's Ministry of Economy, Trade and Industry (participation commenced in FY 2024).

The GX League was established as a platform where companies, government agencies, and educational and research institutions collaborate to achieve Japan's carbon neutrality by 2050, engaging in discussions and practical efforts for Green Transformation (GX), economic and social system transformation, and new market creation.

Currently, four companies from our Group participate within the organisational boundary\*: Nippon Koei, Nippon Koei Urban Space, Nippon Koei Energy Solutions, and Nippon Koei Business Partners.

\*Organisational boundary: the scope of subsidiaries and related companies included in calculations and reporting.

## Science Based Targets Initiative (SBTi)

Science Based Targets (SBT) represent an international initiative aligned with the Paris Agreement, referring to greenhouse gas (GHG) emission reduction targets that companies set in accordance with criteria defined by the Science Based Targets initiative (SBTi). These targets are not arbitrarily chosen but must meet specific annual reduction rates—up to 2.5% for 2°C pathways and at least 4.2% for 1.5°C pathways—to be certified by SBTi.

Our Group obtained SBTi certification in May 2025. We are committed to achieving Group-wide targets of a 42% reduction in Scope 1 and 2 emissions and a 25% reduction in Scope 3 emissions by FY2030 (using FY2023 as the baseline year), and are advancing emission reductions in line with these certified targets.

## Taskforce on Nature-related Financial Disclosures (TNFD) Forum

TNFD is an international framework enabling companies and financial institutions to assess and disclose risks and opportunities related to natural capital and biodiversity.

ID&E joined the TNFD Forum in 2024, implemented information disclosure based on TNFD recommendations (TNFD Report) in July 2025, and was registered as a TNFD adopter in October 2025. Our Group's business operations depend on and impact natural capital and biodiversity, creating business risks and opportunities. Based on this recognition, we are advancing information disclosure by organising and analysing dependency and impact structures according to TNFD recommendations. Moving forward, we will continue deepening our analysis whilst promoting nature-positive initiatives towards achieving the 2030 Mission and 2050 Vision outlined in the Kunming-Montreal Global Biodiversity Framework.



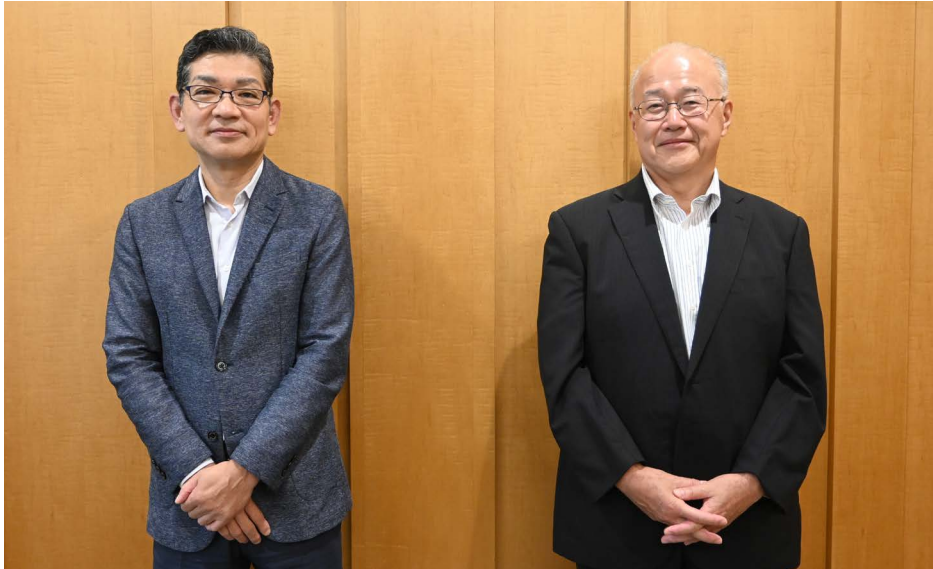
## Special Feature: Realising Disaster- Resilient and Sustainable Societies

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4



## 4. Special Feature: Realising Disaster-Resilient and Sustainable Societies



**Hidetoshi Sumita**

ID&E Holdings  
Executive Officer, Director General of  
Corporate Strategy Operations

**Tamiaki Fujiwara**

Nippon Koei  
Senior Specialist, Land Infrastructure  
Development Operations



[Moderator]

**Takumi Ueshima**

ID&E Holdings  
Senior Executive Officer, Director General of Sustainability  
Promotion Operations

As climate-related disasters such as floods, heatwaves and typhoons intensify globally, and the persistent threat of major earthquakes continues to challenge resilience, we have entered an era in which disasters—whether driven by climate change or not—can no longer be dismissed as unprecedented events.

Disaster resilience extends beyond traditional disaster prevention—it represents the capacity to minimise damage and achieve rapid recovery. Delivering this capability through our Group's solutions and expertise has become a critical challenge in advancing societal resilience.

ID&E Holdings has continuously developed technical expertise and knowledge at the forefront of disaster response over many years. Through specialist technical professionals providing field response, operational networks spanning 160 countries worldwide, and the integration of insurance and technology through collaboration with Tokio Marine Group, we are committed to realising disaster-resilient and sustainable societies.

This article presents insights from two specialists who have confronted disasters throughout their careers, discussing the essence of disaster resilience and ID&E's essential role. We hope this dialogue will provide an opportunity for every member of the ID&E Group to seriously engage with the fundamental question of how to accomplish to realise disaster-resilient societies.

### What is "Disaster Resilience"—Exploring the intersection with Sustainability

**Ueshima:** ID&E's sustainability strategy has recently evolved to incorporate disaster resilience as a material focus area. This strategic repositioning, catalysed by our integration with Tokio Marine Group, reflects our commitment to comprehensive risk management and long-term value creation. This prompts us to revisit the question: what exactly does the concept of disaster resilience encompass?

**Sumita:** Disaster resilience represents a critical capability that transcends traditional disaster prevention and mitigation approaches. Our framework operates on the recognition that complete damage prevention is not feasible, instead prioritising damage minimisation and rapid restoration to original or enhanced operational states. Resilience functions as an essential short-term response capability that must be systematically integrated within our broader sustainability strategy targeting long-term value preservation. Given the increasing frequency of extreme events, proactive engagement across individual, community, and enterprise levels has become a strategic imperative.

**Fujiwara:** Our deployment in response to the Noto Peninsula Earthquake (Japan) demonstrated the critical importance of comprehensive recovery planning. Field observations revealed limited recovery progress and persistent community displacement one-year post-event—a pattern consistent with outcomes from the Great East Japan Earthquake. Traditional disaster response approaches focusing on individual events have proven insufficient. Our analysis indicates the



Noto Peninsula Earthquake (Japan)

necessity for temporal integration across multiple planning horizons, incorporating "Build Back Better" principles through multi-stakeholder collaboration to achieve effective regional recovery outcomes.

**Ueshima:** This illustrates the strategic integration requirements between sustainability—which establishes enduring operational conditions—and resilience—which enables rapid restoration to enhanced performance states are inseparable as concepts.

## Competitive Differentiation Through Technology and Strategic Partnerships

**Ueshima:** What constitutes ID&E Group's competitive positioning within the disaster response and resilience market?

**Sumita:** First, we possess comprehensive technical excellence supported by our expertise and track record. We employ professional technical specialists with deep knowledge across rivers, geology, disaster prevention, transport, and urban planning sectors, maintaining networks spanning 160 countries globally as well as domestically—strengths that other companies cannot easily replicate. Our extensive consulting experience in disaster prevention, mitigation, and infrastructure development particularly distinguishes us from competitors.

Second, our group composition itself represents a key differentiator. Beyond urban spatial and energy sectors, becoming part of Tokio Marine Group enables us to provide integrated solutions that incorporate decision making from the perspective of insurance. This transcends traditional construction consulting, offering unique value through multifaceted approaches to societal challenges.





## Technology Protecting Lives: Disaster Response Rooted in Experience

**Fujiwara:** We were involved in a broad range of operations related to the construction of the Yamba Dam project in Gunma Prefecture, Japan, which we believe truly demonstrated the strength of our integrated capabilities. The project faced numerous challenges, including opposition movements and legal disputes; nevertheless, the Ministry of Land, Infrastructure, Transport and Tourism pressed with determination, responding to local calls for its swift completion. After its completion, tourism facilities were developed, contributing to the revitalisation of the region.

One of the key roles of the Yamba Dam was flood control. During the 2019 typhoon season, Yamba Dam prevented downstream flooding by capturing upstream Tone River waters, despite being in trial impoundment. As the on-site trial impoundment manager, I witnessed our planned slope protection measures function perfectly under rapidly rising water levels. The infrastructure's

ability to capture massive river water volumes and prevent damage was profoundly impactful from an engineering perspective. While this project was met with a range of perspectives and criticisms, I came to truly appreciate that many lives and properties had been protected. It reaffirmed my belief that the path we had taken was the right one.

**Sumita:** Dam construction typically involves incremental increase in water level during trial impoundment phase in the construction, monitoring for leakage or displacement. However, when the typhoon caused rapid water level rises, Yamba Dam's unwavering stability demonstrated our technical excellence.

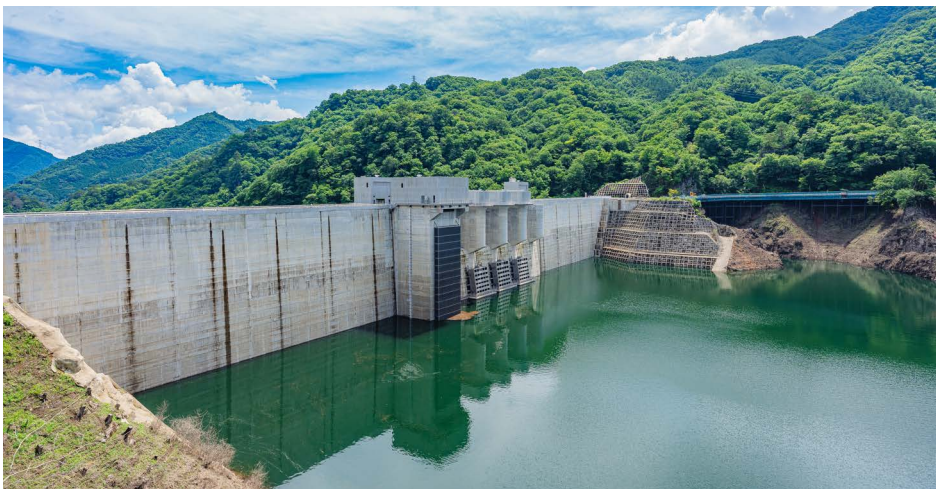
Our involvement in Oda River improvement project (Okayama Prefecture, Japan) exemplifies this urgency—flooding during the planning phase claimed approximately 50 lives that might have been saved through earlier project completion. This experience reinforced our commitment to accelerated recovery and reconstruction programmes, ensuring communities remain protected when similar disasters occur.

## Addressing Sediment Disasters: Managing Recurring Risk

**Ueshima:** Disaster preparedness encompasses a wide range of areas, but among them, landslide countermeasures and sediment control projects represent one of ID&E's longstanding focus areas.

**Fujiwara:** These projects fundamentally address sediment disasters. Slope failures cause devastating regional damage, and without proper countermeasures, disasters repeatedly occur in the same locations, causing continuous harm to communities. We conduct investigations and design countermeasures for such vulnerable areas.

**Ueshima:** Beyond monitoring dams and subsurface conditions, we must focus on protecting lives and livelihoods whilst developing cost-effective solutions. Such judgements require extensive engineering experience.



Yamba Dam (Japan)

**Fujiwara:** Particularly for public works projects, maintaining cost-effectiveness balance is critical. Since these considerations aren't codified in standards or legislation, we prioritise collaborative discussions with clients to determine optimal approaches that balance budget constraints with safety requirements.

## Supporting Resilient Infrastructure Worldwide

**Ueshima:** The importance of disaster resilience is growing not only domestically but internationally. How do you perceive the current situation?

**Fujiwara:** Whilst ASEAN countries experience economic development, their disaster preparedness remains nascent. Prime Minister Ishiba's ASEAN visit confirmed strengthened disaster prevention cooperation, expanding opportunities to deploy Japanese technology to governments and enterprises across these countries. We feel that instances where we can contribute locally are increasing.

**Sumita:** In Japan, disaster resilience is positioned as a national strategy, with policies promoted by the Cabinet Secretariat under the Basic Act for National Resilience. The entire nation, including prefectures and municipalities, works towards resilience enhancement, and ID&E provides technical support aligned with this direction. We also participate in SIP (Strategic Innovation Program), advancing disaster counter-measures utilising cutting-edge technology.

## Private Sector Expansion: New Value Creation Through Insurance and Technology Integration

**Ueshima:** ID&E focuses not only on public sector programmes but also private sector expansion. What value do you provide through group collaboration with Tokio Marine?

**Sumita:** Enhancing value provision in disaster prevention for private operators represents a key objective in our collaboration with Tokio Marine. Particularly in "private disaster prevention," we broadly address soft aspects including corporate BCP (Business Continuity Planning) support,

evacuation guidance, and risk assessment. Numerous latent needs exist in these fields that haven't yet materialised, and we anticipate certain expansion going forward.

**Fujiwara:** For private enterprises, initial investment and post-disaster recovery timing are crucial. Unlike public works, companies make decisions based on 20–30-year cash flow projections. Whilst insurance covers certain aspects, technical approaches are necessary for uncovered areas. Through collaboration with the Tokio Marine Group, providing total solutions combining insurance and technology represents our strength.

## Future Prospects: Taking "Disaster Resilience" Globally

**Ueshima:** Please share your vision for the value ID&E can provide in the future.

**Sumita:** Our distinguishing feature lies in providing comprehensive, one-stop solutions across all processes: prevention, response, assurance, and recovery. Through collaboration with the Tokio Marine Group, we're developing new solutions that integrate insurance and engineering technology. We're also advancing integrated digital infrastructure solutions to address labour shortages, considering delivering new value to society as our mission. Thus, we envision long-term goals that transcend disaster-resilient societies to construct societies that overcome disasters and regenerate better.

**Fujiwara:** We aim to advance shifts in awareness and human resource development so people in all countries can protect their lives and livelihoods from disasters through their own capabilities. Since overseas resources are insufficient, developing locally capable technical professionals is crucial. By leveraging Nippon Koei's networks and Tokio Marine's bases, deploying insurance and technology as integrated packages will establish sustainable frameworks.



The following case studies illustrates how the principles and challenges discussed in the interview are being addressed through on-the-ground initiatives.

## National Land Conservation—Slope Disaster Prevention and Sediment Control Initiatives

Japan's steep and complex terrain makes it particularly susceptible to sediment-related disasters, including landslides, debris flows, and large-scale slope collapses. These events are often triggered by intense rainfall during typhoon seasons or seismic activity and tend to occur simultaneously across wide areas, posing serious risks to both human life and critical infrastructure.

To address these challenges, Nippon Koei has developed a range of advanced engineering solutions aimed at creating safe and resilient environments. Drawing on extensive field experience, our teams provide technical support from a construction consultancy perspective, conducting site investigations, designing countermeasures, and implementing monitoring and mitigation strategies tailored to each region's specific needs.

### Slope Disaster Prevention (Landslide Countermeasures): Yui District Landslide Countermeasures Project

In the Yui-Nishikurasawa area of Shimizu Ward, Shizuoka City, large-scale slope instability has been identified. This region is a vital transport hub, and any landslide event could cause in significant human casualties and economic disruption in the case of severed key east–west transport arteries.

Since FY2005, the Ministry of Land, Infrastructure, Transport and Tourism has designated this site for direct intervention. The project aims to proactively prevent landslides caused by heavy rainfall or earthquakes through comprehensive slope stabilisation measures.

#### Strategic Protection Scope—Safeguarding Lives, Infrastructure and Economic Continuity\*

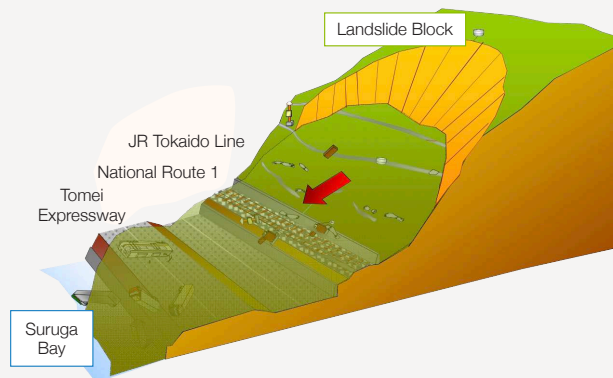
The designated protection area for this countermeasure project includes facilities within the anticipated impact zone that are at risk of being buried by landslide debris. In addition to the threat to human life and property, prolonged disruption of key transport arteries—such as the JR Tokaido Line, National Route 1, and the Tomei Expressway—could have far-reaching consequences not only for the local region but for the Japanese economy as a whole.

To address these risks, slope stabilisation efforts have been continuously implemented in this area since 2005 and remain ongoing today.

|                                |   |
|--------------------------------|---|
| Estimated affected house-holds | 44 (including 3 business premises)                |
| Potential traffic disruption   | approximately 80,000 vehicles per day             |
| Railway passenger impact       | approximately 250,000 people per day              |
| Freight disruption             | approximately 76 million tonne-kilometres per day |

\*This section was prepared with reference to materials produced by the Chubu Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism (Japan).

\*Source: "Yui District Direct Landslide Countermeasure Project Explanation Materials" Available at: [https://www.cbr.mlit.go.jp/kikaku/jigyoku/data/r0612/shiryo\\_06\\_2.pdf](https://www.cbr.mlit.go.jp/kikaku/jigyoku/data/r0612/shiryo_06_2.pdf), pp. 3, 10 (Japanese only)



## Community-Based Sustainable Disaster Prevention Initiatives

The ID&E Group aims to contribute to the realisation of sustainable and secure lifestyles by working with local communities to rethink approaches to disaster prevention. This includes developing and implementing integrated disaster prevention and energy systems that leverage local resources—such as community networks, natural assets, and regional knowledge—to build long-term resilience.

### "Daily Life as Training" Tsunami Evacuation Complex Facility: Izu City's Disaster Prevention Tourism Model

Shizuoka Prefecture's Izu City Toi district became Japan's first nationally designated "Tsunami Disaster Special Alert Zone (Orange Zone)." This region is advancing a tourism-based approach to disaster-resilient urban development, under the theme of "Living with the Sea," exemplified by the tsunami evacuation complex facility "Terrasse Orange Toi" developed within Matsubara Park.



Tsunami evacuation complex facility "Terrasse Orange Toi"

This facility represents Japan's first dual-purpose infrastructure, functioning as a life-protecting tsunami evacuation facility during disasters whilst serving as an observation deck and tourism hub during regular operations. The design incorporates mechanisms whereby routine observation deck visits naturally constitute evacuation training, organically enhancing disaster prevention awareness amongst local residents and tourists.

This project, based on Izu City's tourism disaster prevention urban development promotion programme, involved design and supervision by Nippon Koei Urban Space and the University of Tokyo's Imai Laboratory. Citizen-participatory examination committees were established from the planning phase, and evacuation drills were actively conducted in collaboration with local residents after the construction of the facility, demonstrating disaster-resilient urban development integrated with the community.

### Akan Microgrid: Integrating Agricultural and Renewable Energy Systems

Nippon Koei Energy Solutions participates in the Akan Microgrid project in Kushiro City, Hokkaido, developing regional energy independence and enhanced disaster resilience. The initiative optimises distributed energy resources (DER) including solar power, biogas generation, and battery storage systems centred on dairy farming operations.

Our team delivered the core energy management systems and battery storage infrastructure. This configuration improves dairy facility energy efficiency during normal operations whilst maintaining autonomous power supply to multiple local consumers during grid disruptions.

Planned "non-firm connection" capabilities will enable surplus power sales to transmission networks, generating revenue streams that support both economic viability and operational sustainability.

This project demonstrates successful integration between regional agriculture and renewable energy systems, establishing a replicable model for disaster-resilient and environmentally sustainable rural development. The community-based framework represents measurable progress towards our long-term sustainability objectives.



Battery Storage and Energy Management System

## Katsurao Village Integrated Energy Management System: Post-Disaster Recovery Through Localised Systems

Nippon Koei Energy Solutions participated in a smart community project in Katsurao Village, Fukushima Prefecture, which was implemented to enhance sustainability and disaster resilience. As part of the initiative, Nippon Koei Energy Solutions contributed to the development of an integrated community energy platform. The project deployed solar generation facilities (1.2MW), battery storage systems (700kW/3MWh), a proprietary distribution line extending up to a length of 5km, and a Community Energy Management System (CEMS) to achieve stable power supply whilst promoting local energy production and consumption. Following the 2011 Great East Japan Earthquake, this initiative targeted regional energy self-sufficiency and enhanced disaster preparedness for Katsurao Village's recovery and revitalisation. Our Community Energy Management System (CEMS) optimises power flows between solar generation and battery storage, ensuring economic operation and stable supply-demand balance.



The system enables rapid emergency power supply to the village centre during disasters, significantly enhancing community resilience.

This project established Japan's first distributed energy platform incorporating existing residential consumers across dispersed rural areas into a unified proprietary power system. Despite limited regulatory precedent requiring extensive coordination with METI (the Ministry of Economy, Trade and Industry), power companies, and emergency services, the project achieved successful commissioning and stable consumer power delivery. These initiatives, alongside the Akan Microgrid development, demonstrate ID&E Group's systematic approach to building energy-resilient communities whilst advancing our sustainability commitments. The operational knowledge gained supports our strategic expansion within the renewable energy sector and continued contribution to regional recovery programmes.



# Environmental

# 5

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## 5. Environment

### 5.1 Policy and Approach

The ID&E Group positions environmental challenges as a core component of our sustainability management, aiming to achieve both contribution to sustainable social development and the creation of corporate value for our Group.

Our environmental considerations are grounded in the Group Code of Conduct, Sustainability Foundational Policy, and the Environmental Activity Policy within our Sustainability Management Framework. We have further developed the following action guidelines under our Environmental Activity Policy to promote environmentally conscious business activities.

- ▶ Environmental Activity Policy
- ▶ Action Guidelines for Environmental Management
- ▶ Action Guidelines for Climate Change / Realising a Decarbonised Society
- ▶ Action Guidelines for the Conservation of the Natural Environment and Biodiversity
- ▶ Action Guidelines for Realising a Circular Society
- ▶ Action Guidelines for the Conservation of Water Resources
- ▶ Action Guidelines for Chemical Substance Management Activities

[Refer to the policy and action guidelines above for details.](#)

### 5.2 Governance and Structure

We position environmental response as central to sustainability management. Following our integration into the Tokio Marine Group in February 2025, we are strengthening environmental initiatives through enhanced collaboration and cooperation across the entire Group.

Moving forward, the newly established Environmental Specialised Committee under the ID&E Sustainability Promotion Council will lead efforts to further enhance initiatives responses to natural capital, biodiversity, and climate change adaptation.

▶ [Refer to group organisational structure to promote sustainability management for details](#)

### 5.3 ID&E Group Business and Environmental Relationships

Our business activities are deeply interlinked with the environment and natural capital, both relying on and influencing them. These dependencies and impacts represent both risks and opportunities for our Group. Under our management philosophy of "Act with integrity and contribute to society through technology and engineering," we have positioned "Cultivating a beautiful and habitable planet: addressing climate change and ecosystem recovery through smart solutions" as one of our key material topics.

The ID&E Group extends diverse service in every group company both domestically and internationally and our business domains are able to be divided by three—Consulting, Urban & Spatial Development, and Energy—Each business possesses distinct characteristics and maintains specific environmental relationships:

#### Consulting Business



Delivers sustainable infrastructure advisory services through comprehensive surveys, design, and construction supervision. While exhibiting limited direct natural capital dependencies, plays a pivotal role in environmental impact avoidance and mitigation strategies tailored to regional ecosystem characteristics.

#### Urban & Spatial Development Business



Engages in natural disaster resilience and climate adaptation initiatives through infrastructure development and urban planning. Demonstrates dependencies on critical ecosystem services including flood regulation and soil stabilisation, requiring integrated environmental stewardship throughout design and construction phases.

#### Energy Business



Contributes to the expansion of renewable energy through initiatives such as hydropower generation, solar and wind energy development, and energy storage solutions. The business exhibits substantial dependencies on natural capital, including water resources and flood regulation, and interfaces significantly with biodiversity—necessitating comprehensive environmental impact assessments and continuous monitoring.

※ The above relationships are organised from the "Locate," "Evaluate," and "Assess" perspectives based on the TNFD LEAP approach outlined in TNFD Report 2025.

## 5.4 Risks, Impacts, and Opportunities

As described in "5.3 ID&E Group Business and Environmental Relationships," our Group's operations both depend on and impact the environment. These relationships are not one-directional; for example, our business activities rely on ecosystem services such as water supply and flood regulation, while also influencing biodiversity and land use. While we recognise that such environmental relationships present both risks—such as resource scarcity or climate-related disruptions—it could also provide opportunities, through sustainable solutions that enhance social value. Based on this understanding, we promote initiatives that balance environmental risks and opportunities, aiming to strengthen resilience and contribute to sustainability.

### Initiatives FY 2025/06

The ID&E Group undertook its inaugural comprehensive assessment of natural capital and biodiversity dependencies, impacts, risks, and opportunities in accordance with TNFD (Task Force on Nature-related Financial Disclosures) recommendations. This systematic evaluation represents a foundational step in establishing robust environmental risk management protocols across our operations.

The assessment findings will inform the Sustainability Promotion Council's strategic approach to identifying, evaluating, and managing environmental risks encompassing natural capital, biodiversity and climate change considerations. This integrated methodology ensures comprehensive environmental stewardship aligned with international best practice frameworks.

The complete analysis based on TNFD recommendations has been consolidated within TNFD Report 2025, with the Japanese edition published in July 2025 and the English edition published in September 2025.

► [For further details, refer to the TNFD Report 2025](#)

Risk management process encompassing climate change, natural capital, and biodiversity across environmental domains



Moving forward, natural capital and biodiversity risks will be integrated alongside climate change within our established risk management frameworks. These risks will be monitored through both the Group Risk List and Main Domestic Companies Risk Management List, following the introduction of a dedicated Sustainability category to our risk assessment protocols in FY 2024/ 06.

## 5.5 Metrics and Targets

Our Group has established indicators and targets related to natural capital, biodiversity, and climate change. Based on these indicators and targets, each Group company develops action plans and pursues goal achievement through progress management.

► [Refer to Sustainability Goals, Sustainability Commitments/Targets for further details](#)

5.5 Metrics and Targets

Initiatives FY 2025/ 06

TNFD Report 2025 presents the indicators and targets for natural capital, biodiversity, and climate change shown in the table below.

Results and Targets for the Group's Indicators

| Indicators  | Results (FY 2024) FY 2024/ 06   | 2030 Group Targets   | Remarks and Main Initiatives   |
|---|---|--|--|
| Greenhouse gas emissions (market-based) (Scope 1, 2)                          | 3,422 (t-CO <sub>2</sub> )*   | 3,189 (t-CO <sub>2</sub> )   | Emissions from five main companies 42% reduction compared to FY2023/06, with an average annual reduction rate of 6%.<br>*Figures updated from the figures published in the Sustainability Report 2024 due to calculation errors.             |
| Greenhouse gas emissions (Scope 3)  | 102,897 (t-CO <sub>2</sub> )  | 51,187 (t-CO <sub>2</sub> )  | Emissions from five main companies 25% reduction compared to FY2023/06, with an average annual reduction rate of 3.6%.   |
| ID&E Carbon neutral (cumulative)  | 2,432 (t-CO <sub>2</sub> )*   | The entire group's emissions of greenhouse gases (equivalent to Scope 1+2) are reduced to practically zero through CO <sub>2</sub> absorption/sequestration, emission reductions, etc., including the purchase of credits. | Sustainability Management Framework, Sustainability Targets.<br>*Total from Scope 2 reduction equivalents and other CO <sub>2</sub> absorption, fixation and reduction measures.   |
| Contribution to the reduction of greenhouse gas emissions through the project | Direct contribution: 24,102 (t-CO <sub>2</sub> )*<br>Indirect contribution: to be confirmed | Direct contribution: 36,000 (t-CO <sub>2</sub> )<br>Indirect contribution: 1,000,000(t-CO <sub>2</sub> )   | Contribution to carbon positive.<br>*Reduction contribution from the Group's hydropower projects.  |
| Water consumption of all sources Total water consumption                      | 54,182 (m <sup>3</sup> )  | Quantitative targets under consideration   | Figures for FY 2024 are the sum of consumption at Nippon Koei Building, Kojimachi Mid Square, and BDP.   |
| Waste emissions Total   | 937 (t)   | Quantitative targets under consideration   | Figures for FY 2024 are totals for Nippon Koei Building and BDP offices.   |
| Sales related to the promotion of renewable energy                            | ¥27.6 billion*  | ¥430 billion   | Promotion of renewable energy* (e.g. expansion of RE100 power supply business, development of storage battery business in Japan and Asia, promotion of regional microgrids, renewal and enhancement of power grids, etc.)                    |
| RE100 Electricity supply projects Electricity sales                           | 17 (GWh) **   | 100 GWh per year   | *Relevant sales of NKES<br>**Estimated based on the average annual electricity production of each power station in operation in Japan.   |
| Area contributing to ecosystem maintenance and restoration (cumulative)       | Direct contribution: 0.026 (ha)*<br>Indirect contribution: 536,588 (ha)**                   | Direct contribution: 5 (ha)<br>Indirect contribution: 100,000 (ha)   | *Contribution area estimated based on the implementation or funding of related projects within the Group.<br>**Total area of various types of assistance provided through the Group's operations since 1999 for which records are available. |
| Status of response to identified impacts.                                     | n/a   | Response to identified risks/opportunities   | Contribution to nature positive (e.g. projects for ecosystem maintenance and restoration)  |

We committed to the Science Based Targets initiative (SBTi) in September 2024 and received certification in May 2025. We will establish SBTi-based reduction targets and advance their achievement.

5.6 Environmental Management and Quality Control

5.6.1 Policy and Approach

The ID&E Group actively engages in environmental management as part of our commitment to cultivating a beautiful and habitable planet. Up to now as well, we have undertaken numerous domestic and international projects that contribute to the improvement and creation of both natural capital and social infrastructure. At the same time, as a collective of professionals, we take pride in delivering high-quality, safe, and reliable technical services and products—earning customer trust and satisfaction while upholding our standards for quality assurance. Within our Sustainability Management Framework, we are upholding the Action Guidelines for Environmental Management and Quality Control Policy.

▶ [Action Guidelines for Environmental Management](#)

▶ [Quality Control Policy](#)

5.6.2 Management

The Group maintains Quality and Environmental Management Systems across multiple subsidiaries, operating in full compliance with ISO 9001 and ISO 14001 standards. This integrated approach ensures comprehensive quality assurance whilst embedding active environmental stewardship throughout our business operations. Our systematic response to quality as well as environmental risks and opportunities enables enhanced operational performance and elevated customer satisfaction, simultaneously fulfilling our broader social

## 5.6 Environmental Management and Quality Control

responsibilities. The Quality and Environmental Management Systems incorporates continuous environmental impact reduction through strategic business—SDG alignment and comprehensive outcome monitoring, ensuring measurable progress towards sustainability objectives.

### 5.6.3 Initiatives and Achievements

#### (1) Environmental Capacity Building

The Group provides environmental education opportunities for all officers and employees, with various programmes implemented across Group companies to enhance employee environmental awareness.

- New Employees Programme :

To deepen understanding of sustainability management promoted by the ID&E Group, an explanation of basic sustainability knowledge and the "Sustainability Management Framework" has been provided.

- ID&E Global Academy :

To encourage employees to make sustainable choices, basic information on sustainability and initiatives within the ID&E Group will be provided through e-learning.

#### (2) Environmental and Social Stewardship

We pursue environmental impact reduction through sustainable service and product delivery, striving to create a prosperous and resilient society. Our Group's operations carry significant public interest, with service and product provision generating extensive impacts across stakeholder communities.

With this responsibility in mind, we integrate environmental stewardship into our quality management processes whilst actively proposing technology-driven environmental impact reduction measures throughout our service delivery.

### The Good City

The project "The Good City" led by BDP aligns with our Group's mission of "Making the World a Better Place" based on the principle that "cities are good for us and should remain so," targeting sustainable urban development that positively impacts economic growth, quality of life, wellbeing, arts and culture, and the environment.

The Good City encompasses initiatives such as energy-efficient building design, promotion of renewable energy utilisation, and public transport development. These efforts are expected to reduce urban energy consumption and suppress greenhouse gas emissions. We organise urban planning and architecture events and conferences, sharing development strategies and sustainable urban design practices for each city. In July 2024, we held The Good City Launch Event, conducting vibrant discussions with various industry experts to transform cities worldwide into better places for everyone.

As part of The Good City, we have launched The City Observatory to gain a deeper understanding of urban challenges, utilising global expertise and researching best practices for envisioning Good Cities, implementing programmes in 10 cities worldwide. We have published — on Tokyo, Japan and Delhi, India.

Through this project, we aim to highlight sustainable urban models around the world, not only through BDP but through collaborations across Group companies, contributing to urban development and expansion that achieves both environmental conservation and social benefits.



[Tokyo, Japan](#)

[Delhi, India](#)



## 5.6 Environmental Management and Quality Control

### Vietnam's First Metro Line Opens

To address severe traffic congestion and environmental challenges caused by rapid population growth, Ho Chi Minh City constructed Metro Rail Line 1 as part of its vision for sustainable urban development. From 2008, Nippon Koei provided comprehensive consulting services including basic and detailed design, tender support, contract and construction management, and pre-opening advisory. The railway line officially commenced operations in December 2024.



Line 1 of the Ho Chi Minh City Metro Rail

The project has been recognised for its integration of environmental and social considerations alongside infrastructure development, earning selection in TIME magazine's "World's Greatest Places 2025."

Now in operation, the metro line is contributing to smoother traffic flow and is expected to further reduce commute times, traffic accidents, and greenhouse gas emissions by encouraging public transport use. Promoting public transportation reduces car use and, as a result, helps improve air quality.

The ID&E Group views railway infrastructure as a strategic business domain for decarbonisation and resilient urban development and we remain committed to supporting similar projects worldwide.

### (3) Integrated Environmental Solutions

We recognise that comprehensive approaches prove more effective than individual responses to interconnected environmental challenges encompassing climate change, biodiversity, and waste management etc. The ID&E Group delivers diverse solutions advancing integrated environmental strategies across these multifaceted sustainability domains.

### Nippon Koei Central Research Institute Initiatives

Established in 1992, Nippon Koei Central Research Institute serves as the core research and development hub for the Group's civil engineering, environmental, and social science domains. It conducts diverse research activities aimed at realising a sustainable society, addressing global challenges such as climate change adaptation, ecosystem services, and circular economy development through scientific insight and technological innovation.



Nippon Koei Central Research Institute

The Institute operates, as private consulting company in Japan, one of the largest private-sector research facilities in Japan, including hydraulic experiment facilities, geotechnical testing laboratories, and environmental analysis centres. Research outcomes are applied to infrastructure development, urban planning, and ecological restoration projects both domestically and internationally, contributing to the delivery of environmentally integrated and sustainable solutions.

Going forward, the Institute will continue to collaborate with business divisions and play a vital role in advancing the ID&E Group's sustainability agenda—realising our corporate mission of "Making the World a Better Place."

For further details on our research themes, please visit [the Central Research Institute website](#).

## 5.6 Environmental Management and Quality Control

### (4) Quality Enhancement Initiatives

#### ID&E Group

Main Japanese group companies promote participation in external quality training programmes and internal professional development sessions. Through ID&E Global Academy, executive engineers lead comprehensive foundational and advanced curricula across business domains, driving Group-wide quality excellence initiatives. We conduct systematic customer satisfaction assessments actively incorporating stakeholder feedback into our continuous improvement processes.

#### Others

##### BDP Supplier & Subcontractor Consultant Survey

BDP conduct comprehensive supplier and subcontractor consultant assessments addressing environmental and social impact considerations. These evaluations require new suppliers and subcontractor consultants to demonstrate alignment with questions. This process enables strategic collaboration with partners who maintain transparent quality, sustainability, and corporate social responsibility policies, ensuring comprehensive supply chain accountability.

### BDP Sustainability Champions and Climate and Social Action Design Framework (CAD-F) Implementation Results

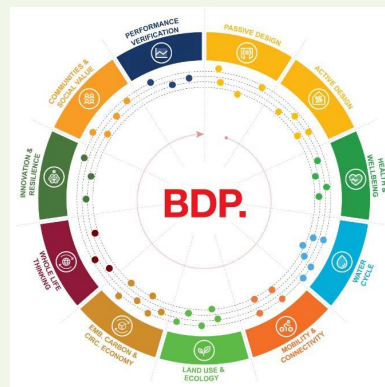
BDP's "Sustainability Champion Network" assigns designated Sustainability Champions to serve as sustainable design promoters in each studio, leading project teams to conduct sustainability assessments. Assessments utilise the Climate and Social Action Design Framework (CAD-F) sustainability evaluation tool.

In FY 2025/06, CAD-F was pilot-tested across various projects, collecting feedback for improvements towards the next development phase. CAD-F enables sustainability goal setting, initial design phase direction reviews, and performance data collection and analysis for each project based on 10 key themes BDP emphasises within the SDGs. This promotes client reporting and challenge sharing between similar projects, establishing a framework for sustainability penetration throughout the design process.

Projects reviewed in FY 2025/06: 33

Sustainability Champions also play crucial roles in introducing new tools for designers, particularly contributing to "Autodesk Forma" implementation supporting environmental analysis in early design processes.

These initiatives represent important steps towards achieving BDP's goal of achieving net-zero carbon across the entire lifecycle of all projects.



CAD-F Key Themes Table

| 1  | Land Use and Ecosystems                 | Promoting biodiversity and responsible land use practices  |
|----|---|--|
| 2  | Health and Wellbeing                    | Achieving design that positively impacts residents' physical and mental health   |
| 3  | Community and Social Value              | Enhancing social value and strengthening community engagement  |
| 4  | Embodied Carbon and Circular Principles | Minimising embodied carbon and promoting circular economy principles   |
| 5  | Whole-Life Carbon Approach              | Considering impacts, costs, and carbon emissions across the entire project lifecycle   |
| 6  | Water Cycles                            | Implementing sustainable water management practices  |
| 7  | Passive and Active Design               | Optimising strategies that combine design leveraging natural forces (passive) with design utilising machinery and equipment (active) to enhance building operational energy efficiency |
| 8  | Innovation and Resilience               | Encouraging innovative solutions and strengthening climate change resilience   |
| 9  | Performance Verification and Aftercare  | Ensuring performance target setting and maintenance from design process through post-occupancy   |
| 10 | Mobility and Connectivity               | Promoting sustainable transportation and connectivity solutions  |

## 5.7 Climate Change Response / Realising a Decarbonised Society

### 5.7.1 Policy and Approach

Climate action and decarbonisation represent strategic priority areas where ID&E Group delivers substantial impact through our core engineering and infrastructure expertise developed since in-ception. We have established a comprehensive "Action Guidelines for Climate Change / Realising a Decarbonised Society" to guide our climate response.

We maintain rigorous accountability standards aligned with international climate frameworks, fostering multi-stakeholder collaboration to promote comprehensive and advanced initiatives toward the realisation of decarbonised society.

► [Refer to Action Guidelines for Climate Change / Realising a Decarbonised Society for further details](#)

### 5.7.2 TCFD Recommendations Initiatives

For ID&E Group, climate change response presents both risks and numerous opportunities. Based on Task Force on Climate-related Financial Disclosures (TCFD) recommendations, we continue efforts to clearly communicate climate change impacts on our Group's corporate activities to stakeholders.

We conducted our first TCFD-based disclosure in September 2023, and updated disclosure content in April 2024.

### FY 2025/06 Initiatives

— Science Based Targets initiative (SBTi) commitment (September 2024) and certification (May2025)

— TCFD recommendation-based information disclosure

Our Group discloses information across four categories based on TCFD recommendations: Governance, Risk Management, Strategy, and Metrics and Targets.

► [For details of information on "Governance," "Risk Management," and "Strategy" \(as of April 2024\)\\*, see our website](#)

► [For details of our risk management process, see p.44](#)

### Details of information on Metrics and Targets

The Group monitors greenhouse gas emissions from business activities and evaluates their management implications through comprehensive Scope 1, Scope 2, and Scope 3 CO<sub>2</sub> emissions quantification across five main group companies, implemented since FY 2023/ 06 in alignment with our scenario analysis methodology. Until FY 2024/ 06, GHG emissions accounting was limited to five principal subsidiaries. From FY 2025/ 06, we have expanded the reporting boundary to include all consolidated subsidiaries. To better reflect actual emissions, we are reviewing and enhancing our data collection and calculation methodologies. Our reduction strategy includes proactive transition to hybrid and electric vehicles (HV/EV), and increased procurement of electricity derived from renewable energy sources. Furthermore, from FY 2025, we will begin Carbon Footprint (CFP) assessments for products manufactured in the Energy segment, marking a significant step forward in reducing emissions across our supply chain.

## 5.7 Climate Change Response / Realising a Decarbonised Society

### ID&E Holdings Main Group Companies Greenhouse Gas Emissions

| Category                        | FY 2023/06<br>Emissions (t-CO <sub>2</sub> ) | FY 2024/06<br>Emissions (t-CO <sub>2</sub> ) | FY 2025/06 Emissions (t-CO <sub>2</sub> )*2 |                       |
|---------------------------------|--|--|---|-----------------------|
|                                 | Main Group<br>Companies                      | Main Group<br>Companies                      | Main Group<br>Companies                     | 26 Group<br>Companies |
| Scope1                          | 1,025.12                                     | 994.97                                       | 913.35                                      | 1,804.16              |
| Scope2<br>Market based          | 4,357.00                                     | 2,235.83                                     | 2,250.51                                    | 4,226.25              |
| Scope1, 2 Total<br>Market based | 5,382.12                                     | 3,230.81                                     | 3,163.86                                    | 6,630.40              |
| Scope3*1                        | 68,249.04                                    | 102,813.13                                   | 101,616.58                                  | —                     |

\*1 Emissions from waste included in Scope 3 Category 5 do not fully reflect all sites of Nippon Koei and Nippon Koei Urban Space.

\*2 Main Group Companies: Nippon Koei, Nippon Koei Urban Space, BDP, Nippon Koei Energy Solutions, Nippon Koei Business Partners. Group Companies: 26 companies in total, including Main Group companies (refer to "[Method of Calculation and Scope in Data Collection for Key Sustainability Indicators](#)")

Notes: The GHG emissions figures above are aggregated based on the calculation methods and boundaries defined by the ID&E Group, and may not necessarily align with those previously used by the Tokio Marine Group.

### SBT (Science-based Targets) Reduction Targets

In our TCFD recommendation-based disclosure in April 2024, our Group's five main consolidated subsidiaries established Scope 1 and Scope 2 emission reduction targets at SBTi aligned by FY 2030.

We declared SBTi commitment in September 2024 and obtained SBTi certification in May 2025.

Moving forward, we will advance Scope 1, Scope 2, and Scope 3 emission reductions according to SBTi-certified reduction targets.

### SBTi Certification Standard-Based 2030 Reduction Targets (Group-wide)

| Category                          | Baseline Year<br>(FY 2023/06)<br>Emissions<br>(t-CO <sub>2</sub> ) | FY 2024/06<br>Emissions<br>(t-CO <sub>2</sub> ) | FY 2025/06<br>Emissions<br>(t-CO <sub>2</sub> ) | FY 2030<br>Target<br>Emissions<br>(t-CO <sub>2</sub> ) | Reduction Rate<br>(Annual Average<br>Reduction Rate)<br>(%) |
|-----------------------------------|--|---|---|--|---|
| Scope1                            | 1,461.83   | 1,156.70  | 1,804.16 *1                                     | 847.86   | 42%<br>(6%)   |
| Scope2<br>(Market-based)          | 6,282.31   | 2,599.24  | 4,226.25 *1                                     | 3,643.74   | 42%<br>(6%)   |
| Scope1, 2 Total<br>(Market-based) | 7,744.14   | 3,755.94  | 6,030.40 *1                                     | 4,491.60   | 42%<br>(6%)   |
| Scope3 *2                         | 96,120.95  | 119,524.26                                      | 119,534.32                                      | 72,090.71  | 25%<br>(3.6%)   |

Notes:

For emissions from Group companies other than the five Main Group companies, the previous method estimated emissions using the sales ratio of the five Main Group companies for the relevant fiscal year. However, starting from June 2025, the aggregation method has been changed to use actual Scope 1 and Scope 2 emissions data.

The above GHG emissions figures are aggregated based on the calculation methods and boundaries defined by the ID&E Group, and may not necessarily align with those previously used by the Tokio Marine Group.

\*1 Actual measurements from 26 Group companies

\*2 Scope 3 emissions are estimated by taking the actual measurements from the five Main Group companies and applying the sales ratio of these five companies to the entire Group for the relevant fiscal year to calculate the Group-wide estimated emissions.

## 5.7 Climate Change Response / Realising a Decarbonised Society

### SBTi Certified Reduction Targets for 2030 (Main Group companies)

| Category                          | Baseline Year<br>(FY 2023/06)<br>Emissions<br>(t-CO <sub>2</sub> ) | FY 2024/06<br>Emissions<br>(t-CO <sub>2</sub> ) | FY 2025/06<br>Emissions<br>(t-CO <sub>2</sub> ) | FY 2030<br>Target<br>Emissions<br>(t-CO <sub>2</sub> ) | Reduction Rate<br>(Annual Average<br>Reduction Rate)(%) |
|-----------------------------------|--|---|---|--|---|
| Scope1                            | 1,025.12   | 994.97  | 913.35  | 594.57   | 42%<br>(6%)   |
| Scope2<br>(Market-based)          | 4,357.00   | 2,235.83  | 2,250.51  | 2,527.06   | 42%<br>(6%)   |
| Scope1, 2 Total<br>(Market-based) | 5,382.12   | 3,230.81  | 3,163.86  | 3,121.63   | 42%<br>(6%)   |
| Scope3                            | 68,249.04  | 102,813.13                                      | 101,616.58                                      | 51,186.78  | 25%<br>(3.6%)   |

\*The GHG emissions figures above are aggregated based on the calculation methods and boundaries defined by the ID&E Group, and may not necessarily align with those previously used by the Tokio Marine Group.

### SBTi Certified Reduction Targets and Transition Plan

By FY 2030, a 42.0% reduction in Scope 1 and Scope 2 compared to baseline year FY 2023 is required, with an annual average reduction rate of 6.0%. A 25.0% reduction in Scope 3 is required, with an annual average reduction rate of 3.6%. For Scope 1: Assumes vehicle hybridisation, electrification, and other applicable reduction measures. For Scope 2: Achievement anticipated through ID&E RE 100 expansion initiatives.

### Carbon Neutral Targets

In addition to SBTi certification-based reduction targets, the ID&E Group established the following Carbon Neutrality Contribution as one of our Sustainability Targets in the Sustainability Management Framework published in July 2024. Moving forward, we plan to strengthen various absorption, sequestration, and reduction measures towards our Group's carbon neutrality goals.

### Our 2030 and 2040 Targets

- 2030: Achieve net-zero Group-wide greenhouse gas (Scope 1+ 2 equivalent) emissions through CO<sub>2</sub> absorption, sequestration, emission reductions including credit purchases
- 2045: Achieve net-zero Group-wide supply chain greenhouse gas (Scope 1+ 2+ 3 equivalent) emissions through CO<sub>2</sub> absorption, sequestration, emission reductions including credit purchases

We will work towards further expanding information disclosure based on the four information disclosure items (governance, strategy, risk management, metrics and targets) required by TCFD recommendations, ISSB Standards, and SSBJ Sustainability Disclosure Standards.

### 5.7.3 Initiatives and Achievements

Our Group actively advances both mitigation strategies targeting greenhouse gas absorption, sequestration, and emissions reduction, and adaptation measures addressing anticipated climate change impacts. Across urban development, transport, forest conservation, renewable energy, and disaster risk reduction sectors, we integrate established technical expertise with innovative technologies to deliver comprehensive solutions addressing both mitigation and adaptation requirements.

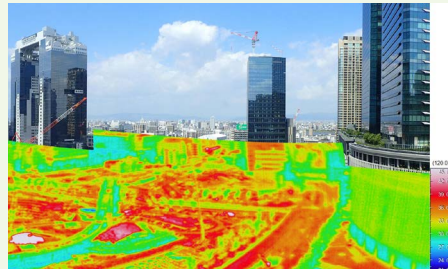


## 5.7 Climate Change Response / Realising a Decarbonised Society

### (1) Mitigation Initiatives

#### Quantitative Verification and Visualisation of Green Infrastructure Functions

Green infrastructure, as defined by Japan's Ministry of Land, Infrastructure, Transport and Tourism, refers to initiatives that promote sustainable and attractive development of national land, cities, and regions by leveraging the ecological functions of nature in both physical infrastructure and land use planning. While green infrastructure offers benefits such as disaster risk reduction and enhanced resilience, its implementation serve to contribute the sustainability of a whole society. Nevertheless, this initiative is in middle of development and to accelerate its adoption, it is essential to evaluate its diverse benefits accurately and foster collaboration among public, private, and academic sectors, along with financial support mechanisms.



Areas including parks in Osaka Umekita 2nd District

Nippon Koei has conducted a project to quantitatively assess and visually demonstrate the environmental benefits of green infrastructure, aiming to promote its broader application in society. In the Umeda 2nd District of Osaka, under a preliminary study commissioned by the Urban Renaissance Agency, we began by identifying suitable evaluation methods tailored to the site's characteristics and environmental context. We collected data on local climate conditions, wind patterns, and green space visibility, and used this to model and quantify expected benefits such as heat reduction and improved thermal comfort. These results were then visualized to clearly communicate the effects of green infrastructure.

The ID&E Group promotes green infrastructure initiatives not only through Nippon Koei but also across its other subsidiaries. Through our three core business segments—Consulting, Urban & Spatial Development, and Energy—we remain committed to contributing to the realisation of a more sustainable society.

#### Participation in Grid Storage Battery Project in Nakatsugawa City, Gifu Prefecture

Advancing decarbonisation through renewable energy utilisation—including solar and wind power with variable output and quality—requires expanded grid storage battery deployment to charge surplus daytime electricity and discharge during nighttime electricity shortages.

Nippon Koei Energy Solutions has operated battery storage projects across Europe, where energy markets lead global development, since 2017. In March 2025, the company announced entry into the grid storage battery project in Nakatsugawa City, Gifu Prefecture. This project represents Nippon Koei Energy Solutions' inaugural Japanese domestic venture. We will advance this initiative leveraging battery project development, EPC (Engineering, Procurement, Construction), and aggregation expertise cultivated across Europe, alongside energy management system capabilities for optimal battery control.



Nakatsugawa Power Station completion concept image

Nakatsugawa Power Station is a large-scale grid storage battery facility. Whilst general household circuit breakers typically handle 4kW electricity, Nakatsugawa Power Station possesses 20,000kW output capacity.

Furthermore, with specifications enabling four-hour continuous charge/discharge operations, it can supply electricity to 5,000 households for up to four hours. Nakatsugawa Power Station is anticipated to contribute significantly to Chubu area grid stabilisation.

ID&E Group will deepen engagement in battery-related projects both domestically and internationally, further addressing energy-related social challenges through enhanced service provision.

## 5.7 Climate Change Response / Realising a Decarbonised Society

### Carbon Credit Survey and Application Support

The Carbon Credit System represents a mechanism enabling greenhouse gas (GHG) reductions achieved through decarbonisation technology deployment to be credited and traded between countries and enterprises. Despite the fact that increasing numbers of companies that establish and publicise ambitious GHG reduction targets, emissions reduction through internal efforts alone can prove challenging.

Meanwhile, Enhanced decarbonisation regulations are anticipated globally, surpassing current requirements. Accordingly, corporate demand for carbon credits is expected to increase substantially. Nippon Koei conducts carbon credit feasibility studies, comprehensive credit application support, and MRV (Monitoring, Reporting and Verification) services domestically and internationally in response to anticipated demand growth. Regardless of country or technology sector, we have recently begun to provide extensive consulting services to enterprises participating in voluntary credits and bilateral credit mechanisms (carbon credit frameworks implemented through bilateral agreements to achieve international commitments under the Kyoto Protocol and Paris Agreement). We also conduct various research and development and demonstration studies relating to decarbonisation and carbon credits, including biochar initiatives (Refer to section 5.8.3).

Our Group pursues continued GHG emissions reduction whilst expanding service provision opportunities across decarbonisation and carbon credit domains.

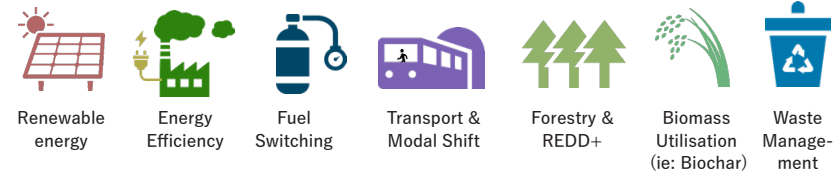
\*Carbon credits are generated when differences arise between emission quantities or absorption/removal volumes resulting from greenhouse gas reduction, absorption, and removal measure implementation, and quantities that would have been emitted or not absorbed/removed without such measures (baseline).

### Carbon Credit Survey and Application Support

#### Carbon Credit Consulting Services Flow



#### Technical Domains for Carbon Credit Application



Nippon Koei's consulting services

## 5.7 Climate Change Response / Realising a Decarbonised Society

### Akita Coastal Treatment Centre Energy Supply Base Project —Local Production and Consumption of Renewable Energy at Surrounding Public Facilities

The Akita Coastal Treatment Center Energy Supply Base Project, awarded by Akita Prefecture in 2024 with Nippon Koei Energy Solutions as lead contractor, is advancing successfully. This initiative targets public facility cost and CO<sub>2</sub> emissions reduction by installing new renewable energy generation facilities, battery storage systems, and microgrids\* at Akita Prefecture's sewage treatment plant. Construction commenced in 2024, with approximately two years of infrastructure development planned for FY2025–2026, followed by 20-year operations from 2027 to 2047.



Completion concept image

Akita Coastal Treatment Centre is located in Akita City's Mukainohama district, which exhibits the highest electricity consumption among Akita Prefecture's public facilities. This project supplies renewable energy electricity from anaerobic gas (biogas) generation, wind, and solar power to 10 public facilities in Mukainohama district whilst optimising supply-demand balance through battery storage, hydrogen production utilisation equipment, and Energy Management Systems (EMS). This achieves over 70% of annual area electricity demand (approximately 22,000MWh) through locally produced and consumed renewable energy, with the remaining 30% sourced from external renewable energy procurement, realising zero CO<sub>2</sub> emissions from electricity consumption. Additionally, during grid outages from disasters, area generation facilities and EMS enable continued electricity supply to public facilities surrounding the coastal treatment centre, contributing not only to regional decarbonisation but also to enhanced resilience.

\*Microgrid: A system enabling efficient renewable energy utilisation during normal operations and energy self-sufficiency within areas independent from grid systems during emergencies. It provides benefits during both normal and emergency conditions by preventing outages and enabling local production and consumption of renewable energy within the area.

### Reducing GHG Emissions while Providing Safety and Comfort through Shuttle Bus Services

Manila, Philippines—Philkoei International, Inc. (PKII), headquartered in the eastern part of the nation's capital, operates in a metropolis heavily impacted by traffic congestion and environmental pollution brought about by rapid urban growth.

PKII launched its commuter shuttle service in 2020, at the height of the COVID-19 pandemic. The program was initially designed to safeguard employee health and wellness by minimizing exposure to the virus in crowded public transportation.

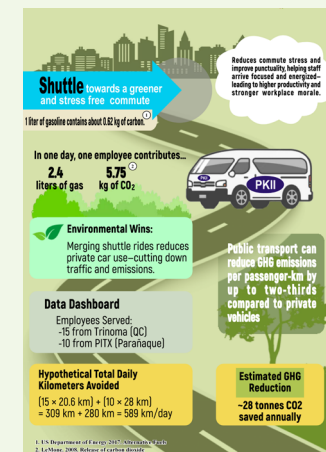
Even post-pandemic situation, the shuttle service remains in full operation, with designated pickup points in both the northern and southern regions of Metro Manila. This dual-route system ensures accessibility for most employees, encouraging a culture of shared transportation and environmental responsibility. PKII significantly reduces the number of individual vehicles on the road as well as carbon emissions.

Beyond this positive environmental impact, PKII continues to assess and expand the program's coverage, viewing it not just as an incentive for employees, but as a strategic investment in corporate sustainability and social responsibility. PKII's model demonstrates how businesses can trailblaze in building more resilient cities—shuttle towards greener and stress-free commute.

Our Group will continue examining and expanding initiatives contributing to health management, wellbeing, and decarbonisation outcomes through such approaches.



Shuttle bus operated by PKII



Overview of shuttle bus programme

## 5.7 Climate Change Response / Realising a Decarbonised Society

### Myanmar Mon State Off-Grid Renewable Energy, Energy Efficiency Solutions, and Entrepreneurship Skills Development Support

Myanmar's electrification rate remains approximately 50% nationally even in the 2020s, with only 30% of rural villages connected to grid systems. Myanmar's National Electrification Plan (NEP) targets electricity supply to all Myanmar households by 2030.

This project represents a technical support initiative commissioned by UNDP to MYANMAR KOEI INTERNATIONAL LTD., aimed at improving electricity access and livelihood enhancement in Myanmar's rural communities.

We provided the following support targeting households experiencing poverty in Mon State's non-electrified areas:

- ① Introduction of 245 off-grid renewable energy solutions (Solar Home Systems: SHS)
- ② Deployment of 245 high-efficiency cooking stoves
- ③ Comprehensive training and skills development covering entrepreneurship, financial management strengthening, SHS, and efficient stove operation

This project is positioned within UNDP's framework as follows:

- Supporting achievement of Myanmar's Community-First Programme's Community Recovery and Resilience Enhancement Project (ENCORE), strengthening resilience of Myanmar's most vulnerable rural communities
- Connecting enterprises with community development and service provision

MYANMAR KOEI INTERNATIONAL LTD. contributed beyond equipment procurement support through comprehensive training and capacity development, enhancing social wellbeing and providing green business opportunities within target communities. Additionally, renewable energy-focused off-grid solutions and high-efficiency stove deployment expansion contribute to CO<sub>2</sub> emissions reduction.

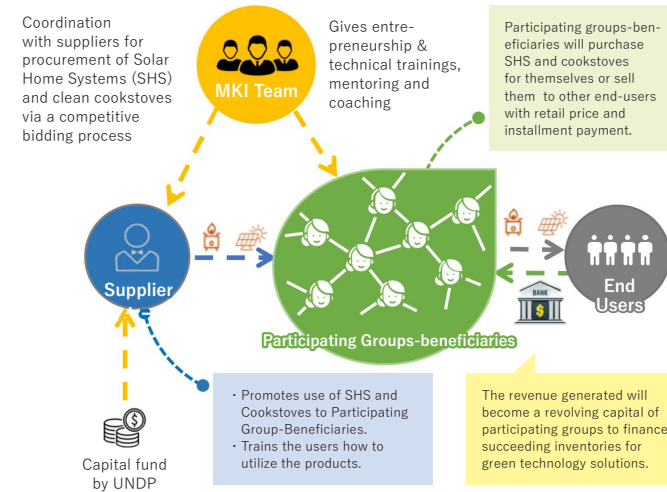
This project provides direct support to regional communities and residents, realising our Group's corporate mission of "Making the World a Better Place" at the village level. We will continue supporting environmental and social sustainability improvements across both urban and rural areas.



Explanation of SHS  
(Solar Home System)



High-Efficiency Cooking Stove



## 5.7 Climate Change Response / Realising a Decarbonised Society

## (2) Adaptation Initiatives

**Demonstration Experiment on Quantitative Resilience Assessment of Combined Infrastructure at Kimitsu Social Innovation Platform (K-SIP)**

In November 2024, a Demonstration Experiment on Quantitative Resilience Assessment of Combined Infrastructure jointly proposed by Nippon Koei and Tokyo Metropolitan Sewerage Service Corporation was selected for Chiba Prefecture Kimitsu City's Kimitsu Social Innovation Platform (K-SIP). K-SIP is a platform matching enterprises addressing social challenges with Kimitsu City, supporting proof-of-concept experiments and social implementation of services.

With climate change intensifying the frequency and severity of disasters, and the risk of large-scale earthquakes, there is an urgent need for resilient infrastructure that can maintain functionality and recover quickly after damage. This includes robust disaster prevention and mitigation strategies.

The demonstration project in Kimitsu expands previously developed resilience assessment technologies for individual infrastructure systems to a multi-infrastructure framework. It incorporates interdependencies between infrastructure networks and evaluates urban functionality as a whole.

The project aims to demonstrate the feasibility of Evidence-Based Policy Making (EBPM), enabling rational and data-driven decision-making for infrastructure planning using operational-scale network models.

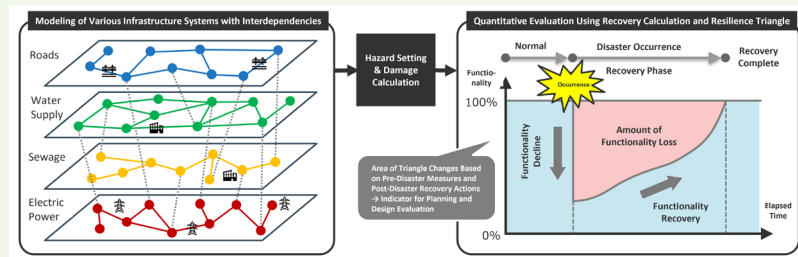


Image of Artificial DNA Tracer

**Towards Carbon Neutrality through Inflow Water Identification — The Challenge of Artificial DNA Tracer Technology**

In July 2024, the DNA tracer jointly researched and developed by Nippon Koei and Yamaguchi University was selected for the SBIR Construction Technology Research and Development Grant System. This programme supports technology development addressing national and regional challenges, with FY2024 themes focusing on construction sector productivity enhancement and carbon neutrality realisation.

Recent infrastructure facility aging and increased heavy rainfall from climate change have caused water of an unknown source (inflow water) to enter sewage systems, creating excessive electricity consumption and increased operational management costs at treatment plants. Since inflow water investigation requires substantial effort and costs with challenging source identification, Nippon Koei and Yamaguchi University developed a technology utilising artificially created DNA as tracers (tracking substances). This DNA tracer is engineered by adapting naturally occurring materials, allowing it to be released at specific locations and tracked to understand the movement of water and substances. This enables inflow water and leakage source identification, facilitating effective countermeasure implementation. This technology is expected to have broad future applications—not only for identifying the origin of unknown water inflows, but also for tracing the sources of facility leaks and construction-related water leakage. Inflow water source identification and countermeasures can suppress excessive electricity consumption at treatment plants, contributing to carbon neutrality as an anticipated breakthrough technology.



Image of Urban Functionality Assessment



## 5.7 Climate Change Response / Realising a Decarbonised Society

### Vietnam Long Xuyen Bypass Road Opens

In June 2024, Long Xuyen Bypass Road operations commenced in An Giang Province, Vietnam. This project, supported through ODA assistance from the Australian Department of Foreign Affairs and Trade, Korea Eximbank, and the Asian Development Bank, involved Nippon Koei and Nippon Koei Vietnam International Co., Ltd. collaborating with local enterprises on detailed design, construction contractor tender support, and construction management. The 15.3km new road incorporates two major bridges, 16 smaller bridges, and three major intersections, developed as critical infrastructure contributing to Mekong Delta region traffic congestion alleviation and economic development.

This project's distinctive characteristic lies in design and construction addressing both climate change mitigation and adaptation considerations. Particularly noteworthy is Nature-based Solutions (NbS) implementation. NbS represents approaches utilising natural forces to resolve social challenges—achieving climate change response, disaster risk reduction, and biodiversity conservation simultaneously through natural environment conservation, restoration, and utilisation including forests, wetlands, and vegetation.

Long Xuyen Bypass Road employed methods focusing on vegetation on embankment slopes, achieving rainwater infiltration and soil stabilisation whilst promoting harmony with surrounding ecosystems.

Additionally, route elevation setting and drainage design considering sea level rise risks create structures capable of withstanding future climate change impacts. Furthermore, recycled construction material utilisation contributed to resource circulation and greenhouse gas emission suppression. These initiatives represent sustainable development practices enhancing regional resilience whilst coexisting with nature, transcending mere infrastructure development.

NbS addresses not only climate change impact mitigation but also contributes to natural environment/ biodiversity and circular society construction. Our Group plans to expand NbS-based service development beyond this project.



Long Xuyen Bypass Road



Opening Ceremony

## 5.8 Natural Capital and Biodiversity Conservation

### 5.8.1 Policy and Approach

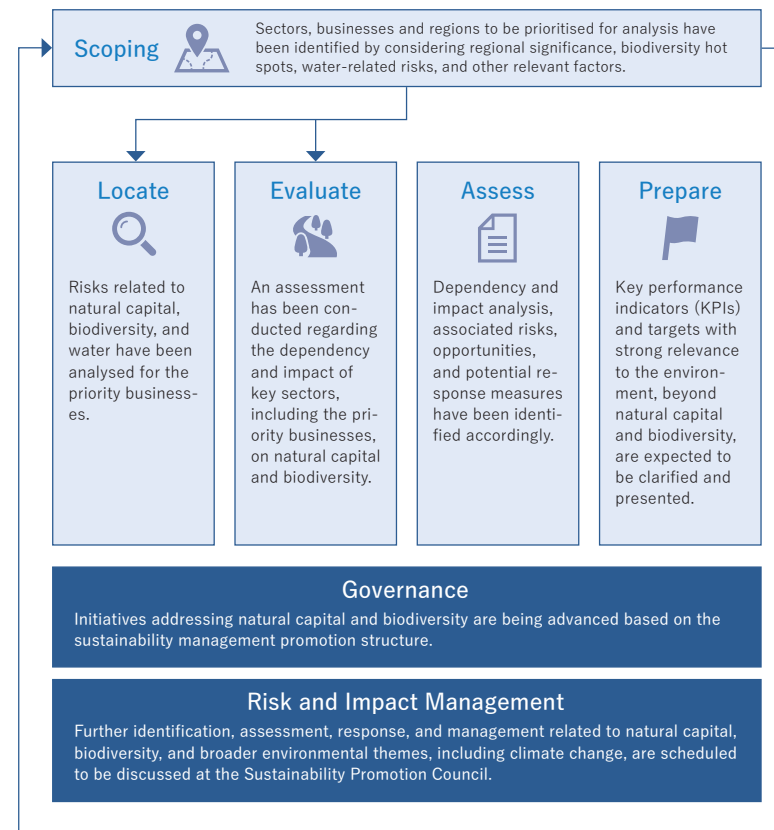
The ID&E Group has delivered diverse projects and services contributing to natural capital conservation and management across domestic and international markets, including environmental protection, forest conservation, ecosystem preservation, and environmental assessments. With Cultivating a Beautiful and Habitable Planet as one of our material topics, we have established Action Guidelines for the Conservation of the Natural Environment and Biodiversity within our Sustainability Management Framework to demonstrate our commitment in these areas. Based on these Action Guidelines, our Group continues to enhance both internal responses and related service delivery.

▶ [Reference: See Action Guidelines for the Conservation of the Natural Environment and Biodiversity for further details](#)

### 5.8.2 Response to TNFD (Taskforce on Nature-related Financial Disclosures) Recommendations

#### FY 2025/ 06 Initiatives

Following publication of the final TNFD recommendations report in September 2023, we have been preparing disclosures aligned with TNFD recommendations. In March 2024, we joined the TNFD Forum and conducted scoping across five main Group companies. In FY 2025/ 06, based on scoping outcomes, we performed analysis and evaluation according to TNFD recommendations for priority companies and business units. We disclosed these results as a [TNFD report](#) in July 2025 and achieved TNFD Adopter registration in October 2025. Moving forward, we plan to implement the necessary measures considering potential future obligations to disclose nature-related financial information under ISSB standards and SSBJ sustainability disclosure standards. Refer to TNFD Report for comprehensive details.



## 5.8 Natural Capital and Biodiversity Conservation

### 5.8.3 Initiatives and Achievements

The ID&E Group endeavours to minimise adverse impacts on the natural environment and biodiversity across domestic and international operations, working to preserve diverse natural benefits for future generations. We actively participate in business operations and research contributing to nature conservation, advancing natural environment protection. Furthermore, we advance activities utilising technology to restore healthy natural environments and ecosystems, proposing social infrastructure development that coexists with nature. We contribute to building sustainable and resilient environmental and social systems.

[Our TNFD report](#) also presents our Group's initiatives related to natural environment and biodiversity.

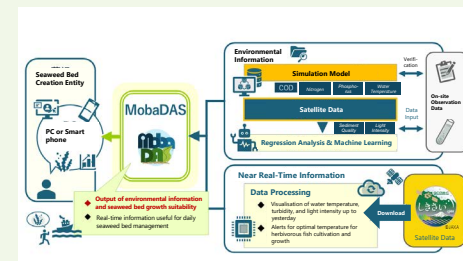
## Natural Capital and Biodiversity Conservation Initiatives

### Blue Carbon Ecosystem Contribution: MobaDAS (Seaweed Beds)

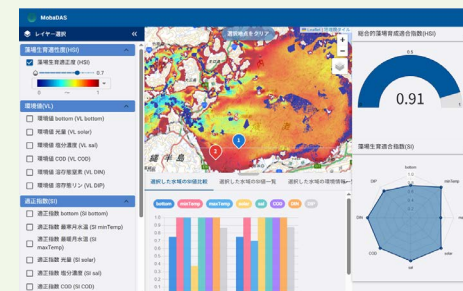
Seaweed beds function as feeding grounds for organisms consuming seagrass and seaweed, whilst serving as spawning and nursery areas for fish and shellfish. Recently, they have gained recognition as marine carbon sequestration ecosystems that actively remove carbon dioxide (CO<sub>2</sub>) from the atmosphere (commonly referred to as blue carbon ecosystem in Japan). In recent years, a phenomenon called isoyake (sea dessert), where seaweed drastically decreases, has progressed nationally, becoming a critical issue. Responding to challenges including biodiversity conservation and decarbonisation advancement, demand for seaweed bed restoration and creation is increasing. Nippon Koei has developed MobaDAS as a system analysing seaweed bed growth potential. MobaDAS integrates existing scientific knowledge, satellite imagery analysis with diverse wavelengths and characteristics, and underwater environment prediction through hydrodynamic water quality modelling, amongst other multifaceted technical areas related to aquatic environments, to comprehensively evaluate seaweed bed growth suitability by location. Moving forward, MobaDAS will advance research by expanding evaluable seaweed bed types and target water areas, targeting service launch by 2026 through demonstration experiments.

In January 2025, MobaDAS achieved first place (Theme 1: Carbon Credit Infrastructure Development—Green and Blue Carbon, etc.) in the satellite data utilisation development contest NEDO Challenge, Satellite Data for Green Earth hosted by the New Energy and Industrial Technology Development Organisation (NEDO). The recognition valued active satellite data utilisation for seaweed bed growth potential assessment, including accuracy improvements through simulation modelling and service provision using near real-time information.

Our Group targets expanding practical application through research and development contributing to biodiversity conservation and decarbonisation advancement across blue carbon ecosystems and beyond.



「MobaDas」 Service Overview



「MobaDas」 System Image

## 5.8 Natural Capital and Biodiversity Conservation

### Biochar Production Demonstration Initiatives

Biochar refers to carbonised material (carbon derived from biological resources) obtained through incomplete combustion of organic waste (biomass) such as rice husks under oxygen-free (low-oxygen) conditions. Recently, biochar's soil improvement abilities and carbon sequestration capability have gained recognition, attracting global attention.

As crucial CDR (Carbon Dioxide Removal) for achieving carbon neutrality, biochar is expected to deliver various benefits beyond carbon credits, including effective organic waste utilisation, regenerative agriculture and carbon storage through agriculture promotion, forest fire prevention, and local resident and community benefits.

Since 2014, Nippon Koei has developed biochar expertise through commissioned work from the Ministry of Economy, Trade and Industry, Ministry of the Environment, and private enterprises, including biochar production and application feasibility studies and carbonisation furnace efficiency and energy-saving assessments.

Currently, as part of Nippon Koei's research and development, we conduct the following biochar-related demonstration studies:

#### Biochar Production Experimentation in Riau Province, Indonesia

- **Project Overview:** In 2024, we signed a cooperation memorandum with Indonesia's National Riau University and, with local NGO and resident group cooperation, operated biochar production demonstrations through controlled carbonisation processes using internationally certified simple

methods for palm industry waste (empty fruit bunches, rachis, old tree trunks). We produced 9 tonnes of biochar in 2024.

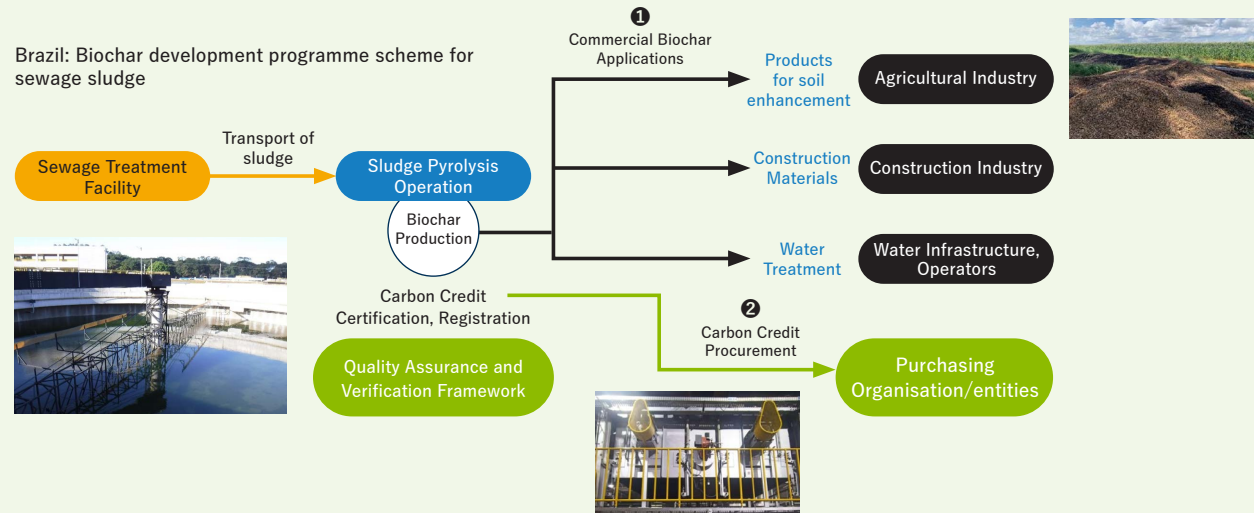
#### Brazil: Sewage Sludge Biochar Development Programme

- **Project Overview:** In Brazil, where sewage sludge treatment has become a social challenge, we conduct sludge-derived biochar production and application demonstrations to verify biochar credit business feasibility. We examined utilisation possibilities including biochar agricultural application and confirm circular economy contribution effectiveness and carbon credit creation

through sewage sludge carbonisation.

Both projects continue as pilot initiatives. ID&E group view biochar activities as opportunities contributing to 1) environmental and social value creation and 2) high-value CDR credit creation and acquisition. Furthermore, through biochar production and credit issuance, we target business expansion across other countries and regions beyond Indonesia and Brazil, including Japan.

#### Brazil: Biochar development programme scheme for sewage sludge



## 5.8 Natural Capital and Biodiversity Conservation

### Restoring Lost Waterside Areas: Habitat Creation Using Agricultural Land

Nippon Koei's Okinawa Branch has developed habitat restoration technology utilising sedimentation ponds\*<sup>1</sup> and fallow rice fields that function as a soil erosion management\*<sup>2</sup> measure, targeting rare aquatic insect conservation in the Amami-Okinawa region. This initiative, re-evaluating and redesigning these ponds and fields as biodiversity-contributing environments, creates multi-faceted value as venues for resident-cooperative management activities and environmental education where children learn whilst interacting with nature.

In the Amami-Okinawa region, aquatic insects are rapidly declining due to rice paddy and pond reductions, pesticide usage, and droughts. Approximately 80% of endangered species in the Okinawa Prefecture Red Data Book are aquatic insects.

Managing sedimentation ponds as biotopes\*<sup>3</sup> increased aquatic insect species from 48 preconstruction to 52 approximately six months post-construction. Rare species including *Platambus fimbriatus* and *Allopachria sharpi* were confirmed, clarifying habitat functionality. On Yonaguni Island, we created waterside environments utilising fallow rice fields and proposed maintenance management using subsidies provided by the Japanese government (MAFF).

Technologies contributing to endangered fauna conservation, exemplified by this initiative, are essential for nature-coexistent social infrastructure development. Our Group continues advancing such technology and service provision.

\*1 Sedimentation ponds: Constructed wetland systems that intercept agricultural runoff, enabling natural settlement processes to remove suspended sediments and protect downstream aquatic ecosystems

\*2 Soil erosion management: In Okinawa and the Southwest Islands, heavy rainfall causes red soil runoff that threatens marine biodiversity and coral reef ecosystems, necessitating integrated soil conservation strategies.

\*3 Biotope: Compound word combining biology (bio) and space (top), referring to managed spaces designed to support specific biological communities and enhance local biodiversity.



Observation Session at Sedimentation Ponds and Fallow Rice Fields Following Pilot Implementation

### TNFD Support and Intra-Group Collaboration

Within our Group, we conduct TNFD recommendation-based surveys, analyses, evaluations, and TNFD report preparation centred on Nippon Koei.

By sharing and collaborating on TNFD-related initiatives and expertise across our Group, we are able to offer TNFD-related services to our clients. Natural capital and biodiversity responses and initiatives closely relate to realising a decarbonised society, circular economy transition, and disaster-resilient society building, contributing to better world creation. Our Group plans to further strengthen intra-Group collaboration.



## 5.8 Natural Capital and Biodiversity Conservation

### Urban Forests for the Future: Sustainable Challenges at Tokyo Metropolitan Meiji Park

Tokyo Metropolitan Meiji Park represents Tokyo's inaugural Park-Private Finance Initiative (Park-PFI)\* project, led by Nippon Koei Urban Space. The park features Hokori-no-Mori (Pride Forest), a green space resembling satoyama-style natural environments (traditional Japanese sustainable landscape management creating biodiversity-rich habitat mosaics), creating new urban organism habitats and forming green networks contributing to biodiversity enhancement.

The approximately 7,500㎡ Hokori-no-Mori contains roughly 500 deciduous trees and 200 evergreen trees. To protect indigenous ecosystems, the selection of trees was carefully considered to emphasise native varieties. For example, incorporating deciduous trees enables fallen leaves to return to soil, creating mechanisms fostering rich soil environments serving as microorganism and small animal habitats. Through management plans conscious of forest cycles, we pursued a natural regeneration process that allow balanced forest development over time.

Tokyo Metropolitan Meiji Park achieved triple recognition in 2024 via the Good Design Award, 18th Kids Design Award, and 40th Urban Parks Competition, receiving high evaluation for natural symbiosis, regional collaboration, and sustainability. Such initiatives contribute to green infrastructure development and urban natural capital and biodiversity conservation and enhancement. Our Group plans to expand related technology and service provision.

Official Website: [Tokyo Metropolitan Meiji Park - MEIJI PARK PROJECT](https://www.meiji-park.jp/)

\*Park-PFI: Development methodology utilising business revenue from publicly solicited park facilities to develop public areas including plazas and conduct park tree selection and management



Vegetation survey in Hokori-no-Mori



Workshop at Hokori-no-Mori

## 5.9 Building a Circular Society

### 5.9.1 Policy and Approach

The ID&E Group is delivering technologies and services centred on waste management. To build a circular society, it is essential to ensure accountability in both business contributions and Group implementation. Considering these aspects, our Group has established Action Guidelines for Realising a Circular Society within our Sustainability Management Framework. Based on these Action Guidelines, we will further specify and advance our Group's circular society approach.

► [Action Guidelines for Realising a Circular Society](#)

### 5.9.2 Initiatives and Achievements

Our Group delivers waste management technology services domestically and internationally, promoting waste reduction and resource reuse. We pursue zero emissions targeting environmental impact reduction and energy efficiency enhancement, contributing to sustainable circular society realisation through waste recycling and energy recovery.

## 5.9 Building a Circular Society

### Supporting Sustainable Urban Development Through Waste Management: Challenges in the Dominican Republic and Mozambique

With rapid global urbanisation, waste management represents a critical challenge for achieving a sustainable society. Nippon Koei has participated in Japan International Cooperation Agency (JICA) technical cooperation projects, supporting waste management system construction and operational capacity strengthening in the Dominican Republic and Mozambique\*.

In the Dominican Republic, waste collection and treatment systems were underdeveloped, with numerous final disposal sites facing environmental and sanitary challenges. We collaborated with the Ministry of Environment and Natural Resources, supporting institutional development, municipal operational capacity strengthening, and disposal site improvement planning. We particularly contributed to presenting feasible models considering local government financial and technical constraints and building resident-participatory municipal management systems.

In Mozambique's Maputo Metropolitan Area, increasing waste generation confronted challenges including low collection rates and inappropriate disposal. We collaborated with Maputo City and the surrounding municipalities, supporting the optimisation of collection routes, vehicle operation improvements, and strengthening disposal site management. Furthermore, through school and community environmental education and separation awareness activities, we contributed to resident awareness improvement, cooperation system building, sanitary environment improvement, and sustainable management system establishment.

Our Group's value lies in comprehensively supporting our clients from institutional design through field operations, human resource development, and resident collaboration, establishing locally rooted sustainable waste management mechanisms. These achievements enhance expertise and reliability whilst providing foundational value for future business including institutional strengthening services and site-specific environmental technology implementation.

\*Dominican Republic National Comprehensive Waste Management System and Capacity Strengthening Project Phase 2 Project Period: 2020-2023

\*Mozambique [Maputo Metropolitan Integrated Waste Management Capacity Building Project](#) (Japanese only) Project Period: 2019-2023



Environmental Education



Final Disposal Site

## 5.9 Building a Circular Society

### Recovery Planning and Disaster Waste Management Seminars in Southeast Turkey Earthquake Affected Areas

Nippon Koei, commissioned by JICA, conducted a Recovery Planning Seminar and a Disaster Waste Management Seminar in southeast Turkey earthquake affected areas as part of the Türkiye Local Government Disaster Risk Management and Waste Management Capacity Building Project.

The Recovery Planning Seminar was held on 3 October 2024 in Kahramanmaraş, with approximately 130 local government officials participating in person and over 250 online. This seminar aimed to disseminate and discuss Kahramanmaraş city centre recovery plans, sharing specific urban reconstruction initiatives and recovery planning information based on Build Back Better principles. Participants expressed hopes for implementing recovery planning for disaster resilience improvement throughout Turkey.

The Disaster Waste Management Seminar was held on 17 October 2024 in Gaziantep, with over 150 participants. This seminar shared knowledge and conducted consultations based on the Türkiye Disaster Waste Management Guidelines that Nippon Koei supported to develop in developing. The finalisation of the Guidelines was based on seminar discussions and disaster waste management plan creation, and implementation at provincial and municipal levels are to be expected.

Our Group aims to deploy and utilise knowledge gained from this work across other countries and regions from disaster recovery and disaster waste management perspectives, as well as disaster prevention resilience and circular economy promotion.



Recovery Planning Seminar



Disaster Waste Management Seminar

## 5.10 Water Resource Conservation

### (1) Water Resource Conservation and Usage Reduction Efforts

#### 5.10.1 Policy and Approach

Our Group has been engaged in global water resource development since its foundation, and water resource conservation and efficient utilisation is a high-priority sustainability challenge. We have established Action Guidelines for the Conservation of Water Resources within our Sustainability Management Framework. Based on these Action Guidelines, we earnestly pursue water resource conservation, contributing to our Group's material topic of Cultivating a Beautiful and Habitable Planet.

► [Action Guidelines for the Conservation of Water Resources](#)

#### 5.10.2 Initiatives and Achievements

Our Group delivers solutions for water resource conservation, usage reduction, sustainable water resource utilisation, and wastewater management and water pollution prevention by applying various technologies across both our own operational sites and infrastructure projects developed for clients. We comply with wastewater management and water pollution prevention laws and regulations, implementing appropriate wastewater treatment and leakage countermeasures.

#### Water Security Compass—Opening the Future of Water Resource Conservation: Collaboration with University of Tokyo and Suntory

Nippon Koei jointly developed the online platform Water Security Compass with the University of Tokyo Graduate School of Engineering and Suntory Holdings Co., Ltd. The platform enables multi-indicator understanding of water shortage risks based on global water supply and demand over time. As of July 2025, the Global version assessing global water resource risks is published as a beta version preceding official release. The Japan version, focused on nationwide coverage and assessing water resource risks at approximately 2km mesh high resolution, is published as an alphaversion. Official Global version release is targeted for early 2026.

The main features and applications of Water Security Compass include:

- ① Visualising water resource shortage status relative to water demand required by humans and river-dwelling organisms
- ② Providing regional water demand composition and water resource volume information, enabling understanding of the risk structure
- ③ Identifying regions where water shortages may actually occur, enabling countermeasure to be developed

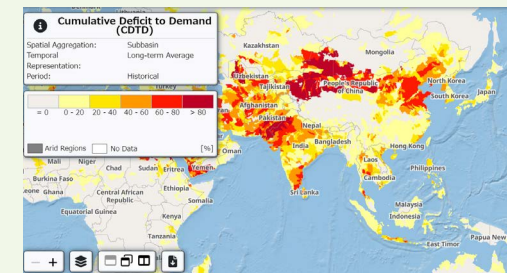
We have also jointly developed the water resource risk assessment indicator SS-DTA with government agencies, universities, and companies. SS-DTA is a risk assessment indicator that compares water resource availability during drought years with regional water demand patterns. It incorporates the impact of water resource infrastructure—such as reservoirs, pipelines, and treatment facilities—on supply capacity and assess the severity of water resource risk based on regional demand composition.

Water Security Compass aims to improve accuracy of screening priority regions for water risk countermeasures undertaken by global companies and organisations, leading to enhanced global water resource conservation activity promotion. Our Group also utilised Water Security Compass to determine water risks at target facilities and regions in TNFD recommendation-based surveys, analyses, and evaluations of our own Group.

Moving forward, our Group targets contributing to broader global-scale utilisation and international water-related rule formation discussions beginning internationally, based on Water Security Compass and SS-DTA.

► [Water Security Compass](#)

\*An indicator that represents the total amount of water naturally present and available for use in a region, such as river water and groundwater.



Screen Image of Water Security Compass

## 5.10 Water Resource Conservation

### (2) Wastewater Management and Water Pollution Prevention Initiatives

#### Aguas Claras Wastewater Treatment Plant Project

Since 2012, Nippon Koei Latin America-Caribbean Co., Ltd. (NKLAC) has participated in the Aguas Claras Wastewater Treatment Plant Project implemented by Colombia's public enterprise Empresas Públicas de Medellín (EPM) in Bello City, Antioquia Department, handling everything from pre-construction verification through design and post-construction completion supervision. This project targets significant wastewater treatment capacity improvement in the Medellín metropolitan area, developing South America's largest secondary treatment facility capable of processing domestic wastewater for 2.2 million people.



Aguas Claras Wastewater Treatment Plant

This facility possesses capacity to reduce BOD(biochemical oxygen demand) and SS (suspended solids) flowing into the Medellín River by 80%, significantly contributing to regional water quality improvement and aquatic environment conservation. Furthermore, the facility incorporates environmental impact reduction considerations, including utilising facility-generated biogas to self-supply approximately 90% of required energy. Biosolids (sludge) thermal drying systems enable appropriate waste treatment and resource valorisation. These technical innovations are recognised as best practice examples of sustainable wastewater treatment.

The facility also incorporates the Aguas Claras Integrated Living Unit (UVA) developed as an environmental education and recreation space, deepening connections between local residents and the aquatic environment. Facility frontage features a plaza with fountains and community centre, transforming wastewater treatment plants that residents typically avoid into community gathering spaces.

Aguas Claras Wastewater Treatment Plant represents an advanced urban water infrastructure model comprising the trinity of treatment capacity, environmental consideration, and regional collaboration. NKLAC's design and supervision support delivered comprehensive value beyond facility construction, including energy self-sufficiency, biosolids resource recovery, and community-based environmental education facilities.

Utilising such experience around integrated water treatment facility construction, the ID&E Group will deploy solutions realising sustainable water resource management, resource circulation, and regional coexistence.

#### Contributing to Water Supply and Sanitation Infrastructure Quality Enhancement in Indian Urban Areas

Nippon Koei India Pvt. Ltd. (NKI) is engaged in the "Contract Management & Supervision Consultancy CMSC-II, Jodhpur" project, part of the Rajasthan Urban Infrastructure Development Project (RUIDP) in northwestern India, a 60 months project commenced from June 2020 and scheduled for completion in June 2025. Under this initiative, NKI is responsible for contract management and construction supervision, supporting the redevelopment and expansion of water supply and sanitation infrastructure across 29 cities in the state. The project aims to improve urban living conditions and promote the sustainable use of water resources.



Part of sewage treatment plant related facilities

India faces serious challenges related to water pollution and resource scarcity, driven by rapid urbanisation and population growth. It is estimated that approximately 70% of the country's drinking water is contaminated, and the lack of adequate wastewater treatment facilities has led to untreated domestic and industrial effluents being discharged into rivers and groundwater sources.

In response, NKI is contributing to the improvement of water distribution networks, the implementation of 24/7 water supply systems, and the installation of household water connections. In parallel, the company is supporting the rehabilitation and expansion of sewerage and sanitation systems to ensure proper wastewater treatment and prevent water pollution.

NKI's construction supervision efforts are helping to enhance the quality of urban water and sanitation services, while also fostering collaboration with local authorities and communities to achieve sustainable water resource management and improved living environments. Notably, the introduction of continuous water supply and household-level connections represents a critical step toward building trust in urban service delivery.

Leveraging this experience and expertise, our group will continue to expand its value proposition by delivering sustainable water infrastructure solutions tailored to the specific needs of cities facing challenges such as water contamination and service disparities.



## 5.10 Water Resource Conservation

### Comprehensive Sanitation Plan for Panama City and Panama Bay

NIPPON KOEI LATIN AMERICA-CARIBBEAN participated Panama Bay sanitation project from 2008 to 2025 and designed wastewater treatment plant modules for Panama City within the Panama City and Panama Bay Purification Project and participated in drainage capacity expansion.



Panama City Wastewater Treatment Plant

This project contributes to sanitary environment improvement for citizens of Panama by ensuring efficient wastewater management and reducing health risks through water quality enhancement. Furthermore, this project has led to improvement of the sanitary conditions of Panama Bay and contributes to coastal biodiversity.

The wastewater treatment process incorporates advanced biological treatment technologies, including high-efficiency removal of nitrogen and phosphorus. It also utilizes biogas generated during treatment for power generation, reducing the carbon footprint and promoting resource recovery.

A distinctive feature of this project is the establishment of an interactive environmental education centre. This facility provides opportunities for students and local communities to learn about climate change adaptation, resource conservation, and renewable energy promotion. These efforts aim to foster continuous environmental awareness and introduce new approaches for sustainable development.

Our Group continues incorporating considerations and assessments that contribute to natural capital and biodiversity conservation across activities for infrastructure and social systems development.

## 5.11 Chemical Substance Management

### 5.11.1 Policy and Approach

Our Group, operating manufacturing divisions and research facilities, bears responsibility for pollution prevention from chemical substances. To ensure chemical substances are safely procured, researched, developed, used, and disposed of without causing human health hazards or adverse effects on the environment, we have established Action Guidelines for Chemical Substance Management Activities within our Sustainability Management Framework. Based on these Action Guidelines, we pursue pollution prevention, contributing to our Group's material topic of Cultivating a Beautiful and Habitable Planet.

► [Action Guidelines for Chemical Substance Management Activities](#)



### 5.11.2 Initiatives and Achievements

Our Group's business offices, factories, and research facilities handling chemical substances comply with occupational health and safety laws and other relevant chemical substance handling regulations whilst implementing thorough management at each handling stage and earnestly fulfilling accountability.

## 5.11 Chemical Substance Management

### (1) Appropriate Management

#### Sri Lanka: Safe and Appropriate Pesticide and Fertiliser Use Promotion Project

Nippon Koei has implemented the JICA technical cooperation project Safe and Appropriate Use of Pesticides and Fertilizers in Sri Lanka since 2023. In Sri Lanka, improving agricultural worker occupational health and safety and reducing adverse effects on natural environment and public health represent urgent challenges. Particularly, producer and consumer health hazards and export crop issues arising from excessive pesticide and chemical fertiliser use necessitate technical and institutional responses.

In 2024, we conducted third-country training in collaboration with Thailand's Kasetsart University, where Sri Lankan government officials and agricultural extension officers learned integrated pest management (IPM) and soil diagnosis-based fertilisation management techniques in Thailand. In 2025, we conducted training in Japan, visiting the Ministry of Agriculture, Forestry and Fisheries, prefectural agricultural and forestry offices, agricultural cooperatives, and farms to learn safe agricultural methods. This project is expected to strengthen relevant institution and organisation capacity through comprehensive action plan formulation and implementation for promoting safe and appropriate pesticide and chemical fertiliser use in Sri Lankan rural areas, alongside technical and extension package development and training implementation.

Our ID&E Group endeavours to provide and expand technologies and services related to appropriate chemical substance management and various capacity strengthening contributing to rural and regional development.



Fertilisation Trial for Cabbage Cultivation

### (2) Procurement, Manufacturing, Use, and Disposal

#### Chemical Substance Response in Manufacturing Processes

Nippon Koei Energy Solutions' manufacturing divisions implement risk assessments based on the Industrial Safety and Health Act and take appropriate measures based on results to prevent occupational accidents caused by chemical substances.

To promote environmental conservation activities, we monitor quantities of target chemical substances discharged into the environment from business facilities and quantities moved outside facilities as waste, based on the pollutant Release and Transfer Register system.

### (3) Investigation, Research, and Development

#### Chemical Substance Handling at Nippon Koei Central Research Institute

Nippon Koei Central Research Institute, responsible for research and development in civil engineering, environmental, and social science fields, emphasises safe and appropriate chemical substance handling whilst pursuing solution creation utilising scientific knowledge and technical capabilities. To ensure environmental conservation and employee health whilst developing new innovations, we comply with international standards in chemical substance management and enhance knowledge through regular education and training. We adhere to appropriate waste disposal whilst pursuing chemical substance usage reduction and efficiency improvements in research processes. To realise a sustainable future, we target environmental impact reduction through technological innovation, ensuring all research activities proceed with environmental consideration.

Our Group will advance appropriate chemical substance management within our own Group alongside providing external technologies and services related to chemical substance management.



## 6 Social

6

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## 6. Social

### 6.1 Human Rights

#### 6.1.1 Policy and Approach

For over 80 years, the ID&E Group has been engaged in projects supporting livelihoods and the dignity of people worldwide. Respecting the human rights is core principle that underpins our management and business activities, and has guided our approach throughout our history. With this in mind, we treat human rights as a central issue and actively collaborate with stakeholders across our supply chain to address related challenges. Our challenge is to contribute a sustainable society where everyone's dignity is respected.

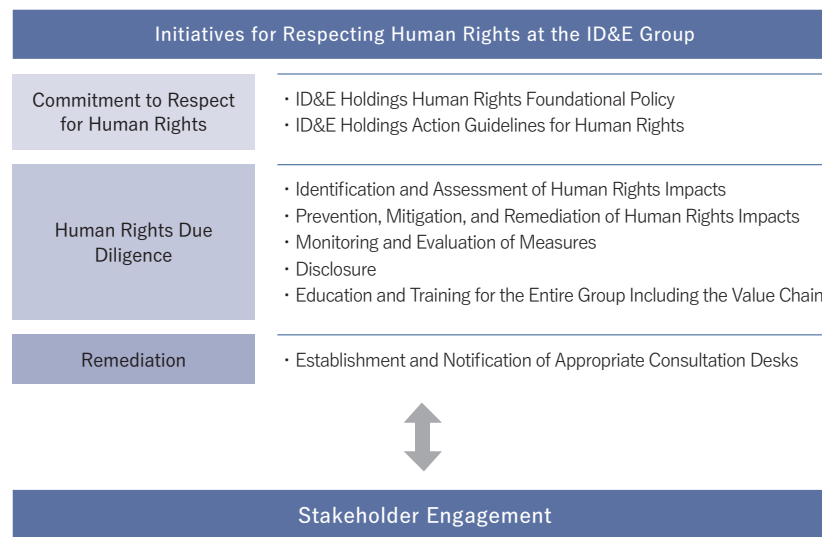
Since July 2023, our Group has identified human rights response as a priority action item. In May 2024, we established the Human Rights Foundational Policy and Action Guidelines for Human Rights as part of our Sustainability Management Framework.

The Human Rights Foundational Policy establishes our commitment to respecting human rights based on international norms including the International Bill of Human Rights encompassing the Universal Declaration of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. The policy also explicitly states our expectation that not only our Group's officers and employees, but also our business partners understand and endorse this policy.

The Action Guidelines for Human Rights provide detailed definitions of specific human rights issues that our Group should prioritise, based on the Human Rights Foundational Policy. We also declare our commitment to building systems to address human rights issues, ensuring reliable implementation of human rights due diligence, and developing remedial measures.

Based on this foundational policy and action guidelines, we are creating human rights action plans across our domestic and overseas Group companies (25 companies) and advancing Group-wide initiatives toward the respect of human rights.

► For further details, see [Human Rights Foundational Policy and Action Guidelines for Human Rights](#)



## 6.1 Human Rights

### 6.1.2 Structure: Ensuring the Respect of Human Rights Across the ID&E Group

As described in [3.4 Structure to Promote Sustainability Management](#), our Group promotes sustainability activities including measures to ensure human rights are respected. To strengthen and advance our initiatives on human rights issues, we established the Human Rights Special Committee under the ID&E Sustainability Promotion Council in July 2024. As a cross-organisational body, this committee includes: executive officers and division heads from main Japan-based companies otherwise appropriate representatives designated by each company president (management level), who regularly consider human rights issues and countermeasures. The matters considered by this committee are reported and discussed at the ID&E Sustainability Promotion Council before being submitted to and reported to the Board of Directors. Moreover, in response to growing social interest in corporate activities in countries and regions with high human rights risks, we recognise that direct or indirect human rights violations related to business activities could have significant impact on our Group. We coordinate responses with the ID&E Risk Management Council accordingly. For responses to risks affecting business including human rights risks, please refer to [7.3 Risk Management](#).

### 6.1.3 Human Rights Due Diligence

Our Group implements human rights due diligence based on the UN Guiding Principles on Business and Human Rights.

Human rights due diligence refers to a series of processes through which companies identify and assess risks of human rights violations within their own operations and across their value chains, and take appropriate measures to prevent, mitigate, and remedy those risks.

#### Identifying and Assessing Risks on Human Rights

As part of our human rights due diligence, we are progressively identifying human rights risks for our Group employees and stakeholders (including business partners and local communities).

In identifying stakeholder risks, we evaluate international human rights indicators and country-specific human rights risks. We also prioritise business types where human rights risks are more likely to materialise—such as construction supervision and infrastructure development—when selecting target projects.

Following our Group's integration into the Tokio Marine Group in February 2025, a comprehensive review of the human rights risk map was conducted across the Tokio Marine Group, and a dedicated human rights risk map was developed for our Group.

We are committed to addressing the priority human rights risks identified through this mapping process.

► [For details on the human rights due diligence conducted across the entire Tokio Marine Group, please see Tokio Marine Group website.](#)



## 6.1 Human Rights

### Status of Human Rights Impact Assessments Conducted in Japan and Overseas bases

|          | FY 2024/06  | FY 2025/06  |
|----------|---|---|
| Japan    | Interviews with employees at Japanese Main Group companies (focusing on employee human rights)  | On-site inspections and stakeholder interviews for energy-related projects (covering human rights of employees and stakeholders such as business partners and local residents)  |
| Overseas | On-site inspections and stakeholder interviews for technical cooperation and construction supervision projects in Southeast Asia, and construction supervision projects in Africa (covering human rights of employees and stakeholders) | Interviews on human rights initiatives at Main Group companies in the UK, and on-site inspections and stakeholder interviews for two construction supervision projects in Latin America and two in South Asia (covering human rights of employees and stakeholders) |

#### Main Human Rights Risks

- Working conditions and freedom of residence relocation for Group employees
- Harassment against Group employees
- Impact on Group and partner employees, the environment, and local residents due to high-risk project conditions
- Forced relocation resulting from project involvement
- Child labour and forced labour within our Group and among business partners
- Harassment, occupational health and safety, and working hours of business partners' employees
- Treatment of foreign workers in manufacturing operations and among business partners

### Mitigation and Corrective Measures for Negative Impacts

Based on the human rights impact assessment conducted in FY2024/06, we added the following three identified risk events to our Group risk management plan:

- ① Discrimination based on employee attributes such as nationality and gender
- ② Risk of human rights violations affecting employees of business partners during project execution and business operations
- ③ Risk of human rights violations affecting local residents in areas impacted by our business activities

The ID&E Group operates businesses worldwide, with different business partners and stakeholders for each project. Therefore, we are creating guidelines to conduct consistent and coordinated risk management across the Group. Specifically, key matters regarding risk event management for ② and ③ are defined in the "Human Rights Risk Response Guidelines for Partner Company Employees and Local Residents," and major companies have begun implementation.

#### Corresponding Measures (Implemented in FY 2025/06)

- Review of the company housing scheme, including the restructuring of associated allowances to ensure fairness and transparency across employee groups.
- Ongoing implementation of harassment prevention training, aimed at fostering a respectful and inclusive workplace culture.
- Development of the ID&E Group Harassment Response Guidelines, providing a clear framework for prevention, reporting, and resolution of harassment cases.
- Integration of three key human rights risk events into the ID&E Group Risk Management Plan:
  - ① Discrimination based on employee attributes such as nationality or gender
  - ② Human rights violations affecting business partners' employees during project execution
  - ③ Human rights violations affecting local residents during project execution
- Establishment of the Guidelines for Responding to Human Rights Risks Affecting Business Partners' Employees and Local Residents, which outline procedures for mitigating risks to human rights and the environment in projects involving our Group. These guidelines are now being implemented by Main Group companies.
- Delivery of human rights training for management-level employees across the Group, enhancing awareness and accountability in leadership roles.
- Establishment and promotion of consultation, reporting, and inquiry channels, ensuring that employees and stakeholders have accessible and trusted mechanisms to raise concerns and seek support.

## 6.1 Human Rights

### 6.1.4 Metrics and Targets: Towards Zero Human Rights Violations

Our Group has established sustainability goals along with related commitments and targets. Respect for human rights is a key pillar of these efforts, and we aim to achieve our objectives by formulating action plans across the Group and managing progress accordingly.

#### Action Plans for 25 Japanese/Overseas Group Companies

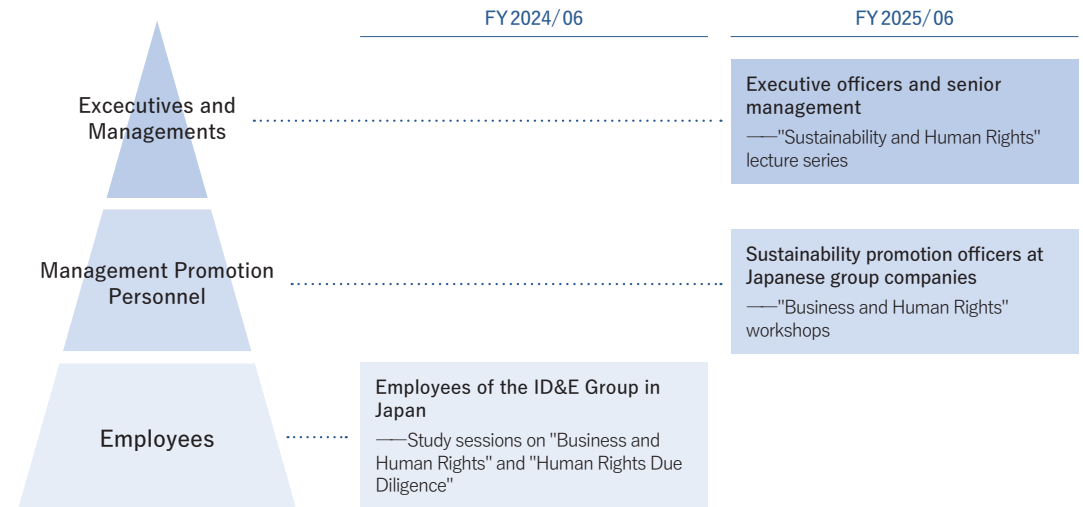
##### FY 2025

- Spreading knowledge and awareness about harassment, 100% participation rate in harassment prevention training
- Project monitoring based on the Human Rights Risk Response Guidelines for Partner Company Employees and Local Residents
- Establishment of grievance mechanisms
- Implementation of human rights due diligence
- Consideration of establishing dedicated human rights response departments

### 6.1.5 Education and Training for Human Rights Awareness

#### Improving Human Rights Literacy

Our Group conducts study sessions and workshops on business and human rights for officers and employees.



## 6.1 Human Rights

### "Sustainability and Human Rights" Lecture

On 4 February 2025, we invited Mr. Ryusuke Tanaka from the International Labour Organization (ILO) Office for Japan to give a talk on Sustainability and Human Rights. This talk was conducted for officers and senior employees with the aim of deepening understanding of "Business and Human Rights."

Mr. Tanaka, who leads international labour standards advancement within SDG and business and human rights frameworks, demonstrated the business case for embedding international standards into corporate human rights strategies.



Sustainability and Human Rights Lecture

### "Business and Human Rights" Workshop

In August 2025, we delivered a strategic Business and Human Rights workshop that transformed our Group companies' human rights action plans from compliance frameworks into business value drivers. Participants mastered international human rights trend analysis, risk assessment methodologies, and value creation integration techniques. Interactive business case exercises enabled teams to identify material human rights risks embedded within their operations and design commercially viable mitigation strategies. Cross-functional challenge-solving sessions created shared implementation protocols and best practice frameworks, systematically advancing our Group-wide human rights due diligence maturity.

This programme established the foundational capabilities required to achieve sustainable business model transformation through human rights leadership.

## 6.1.6 Remediation

Our Group accepts consultations and reports from various parties to respond swiftly and appropriately to damage caused by negative impacts related to human rights. We give full consideration to the personal information of consultants and reporters, coordinate necessary responses among relevant departments, and strive for appropriate handling and resolution.

For Group employees and partner company employees, we ensure confidentiality in accordance with the Group Consultation and Reporting System Regulations and promise that no disadvantages will arise for consultants and reporters.

### Target Parties

ID&E Group Employees, etc.

Partner Company Employees, etc.

Affected Communities and External Stakeholders

### Reporting Channels

- Company-specific contact point
- Harassment contact point (dedicated internal and external contact points)
- ID&E Holdings contact point
- External lawyer contact point
- Tokyo Marine Group contact point (hotline)

- Company-specific contact point
- ID&E Holdings contact point
- External lawyer contact point
- ID&E Holdings website enquiry site

[Contact Us | ID&E Holdings](#)

- ID&E Holdings website enquiry site
- [Contact Us | ID&E Holdings](#)

## 6.2 Human Capital Management

### 6.2.1 ID&E Group's Approach to Human Capital

Yutaka Kubota, founder of Nippon Koei, the forerunner of the ID&E Group, once stated, "The power of creativity unique to humans is what a consultant embodies."

The value created by people encompasses not only technical skills and expertise in specialised fields but also invaluable qualities such as insight, creativity, trustworthiness, relationships, corporate culture, and brand reputation—intangible assets that foster sustainable competitive advantage. This perspective is rooted in the experiences gained through our long-standing involvement in nation-building and human development projects, both in Japan and internationally. We believe that having partners and stakeholders who are keen to collaborate with us is one of the foundations of sustainable corporate development.

Our Group's workforce comprises diverse professionals, including those who address societal challenges through their technical expertise and those who tackle management and operational issues. ID&E aspires for these professionals to grow as problem-solving experts who contribute to the growth of knowledge in their respective fields.

Whilst we have long proclaimed that human capital is our greatest management resource and the source of value creation, we are reaffirming our belief that human capital is the foundation of corporate value and embodies the ID&E brand itself. With this as our cornerstone, we will intensify our investment in human capital to ensure that every employee can independently and fully realise their potential, while feeling both mentally and physically fulfilled in a safe and supportive workplace.

### 6.2.2 ID&E Group's Foundational Policy on Human Capital Management

In 2023, during a pivotal period marked by the organisational restructuring of the ID&E Group, we had a chance to rethink the ideals of our founder, Yutaka Kubota. In 2024, to enhance the effectiveness of our human capital management for the future, we established a new foundational policy on human capital management.

In February 2025, we took a new step forward as a member of the Tokio Marine Group. Through this milestone, we will continue to pursue sustainable business growth with employees as a key capital foundation and further deepen our human capital management.

#### Foundational Policy on Human Capital Management

##### Foundational Concept

- Human capital management regards people as a core asset and seeks to enhance corporate value through investments in human capital.
- The ID&E Group continuously drives corporate value by investing in human capital who are committed to co-creation and innovation, and who prioritise "Making the World a Better Place" making the world a better place.

For diverse individuals with various perspectives to fully realise their potential, it is essential for them to deeply empathise with ID&E's mission of "Making the World a Better Place" and possess the determination to boldly challenge themselves to co-create and innovate for the future. The ID&E Group will continue to enhance corporate value by investing in such human capital.

## 6.2 Human Capital Management

### ID&E's Ideal Human Capital Profile and Organisation

#### [Human Capital Profile]

The ID&E Group aims to become a collective of individuals with a pioneering spirit, equipped with five core competencies: 1. Social Contribution, 2. Technical Expertise, 3. Insightfulness, 4. Managerial Skills, 5. Ethical Standards. These individuals will tackle global challenges through three key approaches: efficient and responsible management, adaption to global needs, and technological innovation for solving societal issues.

In particular, we envision the following types of individuals:

- Individuals who carry forward the pioneering spirit of our founder, Yutaka Kubota, and who continue to address complex global and local challenges by shaping the future and improving themselves.
- Individuals who uphold the principles of responsible management, global responsiveness, and technological innovation—values embodied by Kubota—and who act with integrity.

#### [Organisation]

To foster co-creation and innovation, to create opportunities for individuals to excel while cultivating a culture that respects diverse values.

Each individual must recognise their role as a professional in their jurisdiction, experience personal growth, fully demonstrate their abilities, and find fulfilment in their work. To achieve this, we will establish personnel systems, training programmes, and mechanisms for continuous skill development. Additionally, we value the mental and physical wellbeing of our employees, respect the diversity of individuals' backgrounds and aspirations, and cultivate a culture that fosters co-creation among those with differing values. We actively enhance workplace environments and support employees' happiness in their personal lives.

## 6.2.3 Human Capital Strategy and Management Strategy

The ID&E Group is strategically committed to human capital management that integrates the Group's overall business strategy and human resources strategy to continuously enhance corporate value. To realise our Long-Term Management Strategy for 2030, Working Together Toward A Future Without Boundaries, we have positioned "Accelerating Sustainability Management" as one of the core principles of our medium-term management plan. For employees to continuously adapt flexibly to changes in social environments and values, learning and growth that provide new perspectives for each individual are essential. The Advancements in Human Resources and Technology initiative in our medium-term management plan is a crucial element that embodies the ID&E brand and ID&E quality, positioning employee skills and experience as the source of value creation. By leveraging the power of human capital, we aim to enhance Group growth and competitiveness whilst contributing to sustainable society.

To markedly advance the evolution of talent across the entire Group, we have established a new Foundational Policy on Human Capital Management and five pillars below are positioned as an important element of human capital strategy:

1. Diversity, Equity, and Inclusion
2. Human Resource Development (Global Academy)
3. Talent Management
4. Wellbeing
5. Recruitment and Retention



## 6.2 Human Capital Management

### Five Key Issues Addressed in the Human Capital Strategy Scheme

**Management Philosophy:** Act with integrity and contribute to society through technology and engineering

**Mission:** Make the World a Better Place

**Building a global team with diverse perspectives (Material Topic 4)**

#### Group Management Strategy

Long-Term Management Strategy: ID&E Global Strategy 2030: Working Together Toward A Future Without Boundaries

Medium-Term Management Plan: Building Growth 2027: Sustainable growth in three core businesses and expansion of business fields through working together

Group Management Policy: 1. Manifestation of the ID&E brand based on the management policy 2. Further development of sustainability Management 3. Full-scale entry into the private market

Growth Policy: Reforms for growth, Deployment of matrix management, Advancements in human resources and technology

#### Human Capital Strategy Scheme

Group Companies' Business Strategy

1. Define the Ideal Human Capital Profile and Understand the Current State

Implemented by each group company

Define the quality and quantity of the ideal human capital profile



Assess the current status of human capital quality and quantity

Gap

2. Identify Gaps Between the Ideal and the Current State

Identified by each group company

Analyse Gap

3. Determine Key Strategic Issues

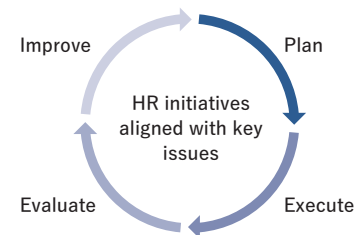
Conducted across the ID&E Group

Key Issues in Human Capital Strategy:

1. Diversity, Equity & Inclusion (DE&I)
2. Talent Development (Global Academy)
3. Talent Management
4. Wellbeing
5. Recruitment and Retention

4. Plan, Execute, Evaluate, and Improve Initiatives

Conducted across the ID&E Group



## 6.2 Human Capital Management

### 6.2.4 Governance

To effectively implement human capital management, we have established the Human Resources Strategy Council to convene under the ID&E Board of Executive Officers. This council meeting is held in principle six times a year, and its outcomes are reported to the Board of Executive Officers and the Board of Directors. The chairperson and members are appointed by the Board of Executive Officers and are officers responsible for human resources strategies at main Group companies in Japan.

### 6.2.5 Risk Management

For the ID&E Group, whose business is consulting and engineering, people are the source of our competitive advantage. To engage in nation-building and human development worldwide whilst creating sustainable corporate value, we believe that professionals with technical expertise and insights in specialised fields, as well as strengths in social contribution, insightfulness, managerial skills, and ethical standards, are indispensable.

If the five human capital strategies\* and concepts in human capital management are not executed effectively or fail to achieve their intended outcomes, the Group may face several risks. These include lower employee engagement, which can lead to reduced productivity, declining revenues and profits, and ultimately, challenges in sustaining effective human capital management. Such challenges may result in talent shortages, increased attrition, and missed opportunities for co-creation, further impacting overall business performance.

For risks and opportunities from a long-term perspective, the ID&E Sustainability Promotion Council takes the lead in management, coordinating with the Risk Management Council as necessary to ensure appropriate responses. For further details, please see [p.100](#).

\* The five human capital strategies are as follows: 1. Diversity, Equity, and Inclusion, 2. Human Resource Development (Global Academy), 3. Talent Management, 4. Wellbeing, 5. Recruitment and Retention

### 6.2.6 Metrics and Targets for Human Capital Management

Our Group has established Sustainability Goals and related Commitments and Targets in our Sustainability Management Framework. We formulate action plans across the Group and manage progress whilst aiming to achieve targets.

#### ► Sustainability Goals, Sustainability Commitments/Targets

For "Human Capital," we have established KPIs based on human capital strategies as shown in the following table, which also align with the above Sustainability Goals and Targets.

| Human Capital Strategy                      | HR Initiative KPIs   | FY 2025/06 Performance |
|---|--|------------------------|
| DE & I                                      | Male parental leave ratio: Over 70% as of FY 2026                                      | 65.4%                  |
|   | Female manager ratio: Over 10% as of FY 2026, 15% as of FY 2029                        | 6.2%                   |
|   | Foreign national employment ratio: Over 2.5% as of FY 2026, 3.5% as of FY 2029         | 2.1%                   |
|   | Foreign manager ratio: Over 1% as of FY 2026   | 0.4%                   |
|   | Mid-career hire manager ratio: Over 30% as of FY 2026                                  | 29.2%                  |
|   | Employment ratio of persons with disabilities: Over 3% as of FY 2026, 3% as of FY 2029 | 2.52%                  |
| Talent Management                           | Frequency of Engagement Survey: Conducted once annually                                | Once a year            |
| Human Resource Development (Global Academy) | Cumulative number of participants (management, global, DX talent: 1,560 as of FY 2029  | 2,720 people           |
|   | Number of professional engineer qualification holders: 2,400 as of FY 2029             | 1,806 people           |
| Wellbeing                                   | Findings Rate in Annual Health Checkups: 58.3% or lower                                | 67.2%                  |
|   | Absenteeism* <sup>1</sup> : Maintained at 2.3 days or fewer in FY 2029                 | 2.3 days               |
|   | Presenteeism* <sup>2</sup> : Maintained at 85% or higher in FY 2029                    | 84%                    |
|   | Work Engagement* <sup>3</sup> : Maintained at a score of 3.3 or above in FY 2029       | 3.5 points             |
|   | Annual Overtime Hours per Employee: Maintained at 140 hours or fewer in FY 2026        | 139.5 hours            |
|   | Annual Paid Leave Utilisation Rate: Maintained at 60% or higher in FY 2029             | 66.5%                  |
| Recruitment and Retention                   | Achievement status of new graduate recruitment plans: 100% in FY 2026                  | 84.8%                  |
|   | Turnover rate for new graduates within 3 years: 8% or lower in FY 2026                 | 7.2%                   |
|   | Overall turnover rate: 3.5% or lower in FY 2026  | 3.6%                   |

\*<sup>1</sup>Number of sick leave days taken per employee in one year due to illness

\*<sup>2</sup>Employees evaluate their own work performance over the past four weeks, assuming 100% performance when there is no illness or injury. This is measured using the Single-item Presenteeism Question (SPQ), University of Tokyo one-item version

\*<sup>3</sup>Work engagement is assessed through questions on vigour, dedication, and absorption based on the Utrecht Work Engagement Scale (shortened version).

## 6.2 Human Capital Management

### 6.2.7 Five Human Capital Strategies

The following sections provide details on the ID&E Group's five human capital strategies:

1. Diversity, Equity & Inclusion; 2. Human Resource Development; 3. Talent Management;
4. Wellbeing; and 5. Recruitment & Retention.

#### Strategy 1. Diversity, Equity & Inclusion (DE&I)

Our Group has established the Diversity, Equity, and Inclusion Policy and Action Plan in our Sustainability Management Framework. Based on this policy, we believe that enabling diverse talent to demonstrate their individuality and capabilities, regardless of gender, age, nationality, race, disabilities, sexual orientation, religion, beliefs, values, or employment conditions, is essential for corporate growth. We will develop internal systems and workplace environments that allow a wide range of talent to fully realise their potential.

Moving forward, while respecting diversity, we will promote various initiatives aimed at advancing equity (providing fair and equal opportunities for diverse talent) and fostering inclusion (cultivating an environment that embraces diversity)

▶ [Diversity, Equity, and Inclusion Policy](#)

▶ [Action Guidelines for Diversity, Equity, and Inclusion](#)

### (1) Efforts and Experience to Secure Human Capital

To enhance the diversity of our Group, we believe that securing and retaining diverse talent is of utmost importance. We pursue improvements to our recruitment practices primarily from three perspectives:

#### Our recruitment practices primarily from three perspectives

| Women   | International Talent   | People with Disabilities  |
|---|--|---|
| To increase the number of female managers, we are promoting a workplace environment where women can work comfortably and thrive in the long term.   | We actively recruit both new graduates and mid-career professionals, regardless of nationality, to build a diverse and capable workforce. For new graduates in general positions, we also support the development of globally minded talent through self-directed career planning and targeted training programs.  | Aichi-Tamano Information Systems Co., Ltd. was established in 1987 to promote the employment of persons with disabilities and was certified as a special subsidiary in 1989. Since 2023, it has transitioned from being a subsidiary of our group company Tamano Consultants Co., Ltd. to a subsidiary of ID&E Holdings, promoting more effective employment. |
| <b>Specific Examples</b> <ul style="list-style-type: none"> <li>Conducting Company Seminars by female employees exclusively for female university students to share real-life career experiences and promote understanding of inclusive work styles—encouraging interest and applications from future female talent</li> <li>Increase more communication or interaction with senior female employees who have experiences of maternity leave and/or working overseas</li> </ul> | <b>Specific Examples</b> <ul style="list-style-type: none"> <li>Recruiting new international students who wish to find employment in Japan (new graduates)</li> <li>Starting to hire international students not only for technical positions but also for administrative and sales positions</li> <li>Local subsidiaries hire diverse talents with various skills and abilities according to their business needs</li> </ul> | <b>Specific Examples</b> <ul style="list-style-type: none"> <li>Promoting direct employment at Japan-based main group companies and employment at special subsidiaries</li> <li>Creating an employment environment to foster a workplace where individuals find a sense of purpose</li> </ul>   |

### (2) Various initiatives to improve employee retention and support long-term engagement and success

To improve retention and foster innovation, we aim to enhance internal communication and create a work environment that supports diverse working styles and individual needs. In developing this environment, we recognise the importance of systems that address not only Diversity, but also Equity and Inclusion. We will continue to explore and implement initiatives aligned with these principles.

## 6.2 Human Capital Management

### Initiatives Supporting Employee Retention and Success

| Purpose of Initiatives                                  | Initiative Overview Examples   |
|---|--|
| Promotion of Diverse Working Styles                     | <p><b><u>Implementation of Flexible Work Arrangements:</u></b><br/>We have introduced flextime, telework, and no-overtime days to support work-life balance. We are driving forward initiatives to help employees continue working flexibly throughout different life stages.</p> <p><b><u>Development of Systems to Support Life Events:</u></b><br/>We have established systems to support various life events such as childbirth, childcare, and caregiving. In addition to legally mandated leave programs, we offer Group-specific benefits to help employees navigate key life transitions:</p> <ul style="list-style-type: none"> <li>• Child nursing leave system</li> <li>• Special childcare leave system</li> <li>• Special leave for partner's childbirth</li> <li>• Reemployment program for employees who left due to childbirth, childcare, or spouse's relocation</li> <li>• Caregiving leave system</li> <li>• Support system for employees selected as bone marrow donor candidates</li> <li>• Gynecological health leave system</li> </ul>  |
| Promotion of Global Human Resources                     | <p><b><u>Support for In-House Communication Beyond "Japanese":</u></b><br/>Although Japanese is the official language within our Group, we have established an environment where employees who find communication in Japanese challenging can easily consult with support staff assigned to each department.</p> <p><b><u>Respect for Diverse Religions and Customs:</u></b><br/>We acknowledge and respect religious practices and worship associated with diverse cultural backgrounds and religious traditions of our employees.</p>  |
| Aichi-Tamano Information Systems Co., Ltd.              | <p><b><u>Initiatives to create workplaces where people with disabilities can play an active role</u></b><br/>In cooperation with recruitment agencies and higher education institutions specialising in people with disabilities, we are fostering inclusive workplaces where individuals can work comfortably and thrive. In FY 2025/ 06, we organised workplace tours and dialogue sessions to explain our initiatives, welcoming associate professors and students from specialised institutions. Through these efforts, we continue to provide opportunities for people with disabilities to actively contribute and grow within our organisation.</p>   |
| Promotion of Activities for Employees with Disabilities | <p><b><u>Workplace Environment Improvement for Employees with Disabilities</u></b><br/>In departments where employees who are deaf or hard of hearing work, we conduct in-house sessions to foster teamwork, where hearing employees who know sign language and deaf employees collaborate on shared tasks, ensuring mutual consideration and support amongst all team members.</p> <p><b><u>Support for Technical Skill Development for Employees with Disabilities</u></b><br/>We enter the National Vocational Skills Competition for Persons with Disabilities, hosted by the Japan Organisation for Employment of the Elderly, Persons with Disabilities and Job Seekers under the jurisdiction of the Ministry of Health, Labour and Welfare. The competition provides a valuable opportunity for employees to present the skills they have cultivated and to find renewed motivation in their work. Our employees have consistently earned awards, and in the November 2023 competition, one employee received the Gold Prize and the Minister of Health, Labour and Welfare Award. This achievement granted the right to compete in the qualifying round for the international Abilympics scheduled for 2027.</p> <p>*"Abilympics" is a coined term combining "Ability" and "Olympics," referring to vocational skills competitions for persons with disabilities.</p> |

## 6.2 Human Capital Management

### Case Study on Diversity, Equity & Inclusion

#### Sign Language Experience Workshop for Creating an Inclusive Workplace

The Business Support Team at Nippon Koei Business Partners includes employees who are hard of hearing. Aiming to create a workplace environment where all employees can work together with peace of mind, we held a sign language experience workshop in-house in 2025.

Approximately 40 people participated in this workshop, learning sign language for daily greetings and self-introductions including hobbies alongside members of the Business Support Team. This initiative, as part of diversity promotion, aims to create an environment where all individuals can understand each other and collaborate. We will continue working towards realising a workplace where everyone can work comfortably.



Sign Language Experience Workshop

#### BDP Belonging

BDP Belonging is a global operating group aimed at promoting equality, diversity, and inclusion (EDI), with 23 representatives participating from studios worldwide, including the UK, Dublin, and Toronto. Composed of both director and employee levels, it provides advice and support on EDI-related issues whilst leveraging the voices and experiences of each studio. It also plays a role in feeding back concerns, suggestions, and ideas from studios to the organisation as a whole.

BDP aims to create an inclusive organisation where everyone feels they "belong," promoting activities centred around BDP Belonging.

In FY2025 activities have been focused on the following four themes:

- Gender equality
- Racial diversity and advancement of black representation
- Inclusive design
- Improvement of social mobility

BDP Belonging communicates its activities through blogs and regional events, working to identify issues and raise awareness. It also responds flexibly to urgent issues whilst continuously generating positive change. In FY2023-2024, it held two global events and quarterly regional events, deepening understanding and empathy for topics of interest.

These initiatives embody our Group's commitment to respecting diversity and contributing more broadly to society, contributing to the organisation's sustainable growth and value creation.



## 6.2 Human Capital Management

### Strategy 2. Human Resource Development

Our Group positions human capital as one of our most critical resources and recognises it as the source of value creation. We have established the Human Resource Development Policy and Action Plan in our Sustainability Management Framework. By ensuring each individual fulfils their role with exceptional expertise and strong ethical standards in their work, we will connect this to our Group's sustainable growth.

▶ [Human Resource Development Policy](#)

▶ [Action Guideline for Human Resource Development](#)

#### 【ID&E Global Academy】

The ID&E Global Academy was established in the fiscal year ending June 2025 as a learning ecosystem designed to support the growth of all employees across the ID&E Group and to develop future global leaders who embody the ID&E brand. The Academy is open to all employees within the Group and is structured around three core functions: Know Yourself, Learn Together, and Connect with the World. Each function enables the following:

1. **Know Yourself:** Employees can assess their current skill levels and roles, identify the competencies they need to develop, and discover relevant training programs. At the Group level, a talent management system is utilised to enable data-driven human resource management.
2. **Learn Together:** Through a wide variety of learning programs and training opportunities offered by the Academy, employees are supported in enhancing their skills and capabilities.
3. **Connect with the World:** Employees across the global ID&E Group engage in co-creation with external stakeholders, helping to build and expand business platforms through global collaboration.

By establishing these functions as the foundation for talent development, the Academy fosters an environment where employees can access and share collective knowledge, learn autonomously,

and grow together across Group companies. It encourages individuals to actively share their learning and experiences, promoting cross-organisational growth and collaboration. The ID&E Global Academy will continue to expand its services and offerings in phases through to 2030.

#### (1) Education and Training ~ Learn Together ~

The improvement of the ID&E Group's talent development infrastructure provides employees with an environment where they can independently pursue growth and career development beyond the boundaries of individual Group companies.

The education and training functions of the ID&E Global Academy are broadly categorised into three key talent development programmes:

##### ① Organisational Effectiveness Programmes

These programmes are designed for employees aiming to shape their careers. They include leadership programmes that support the development of "executive talent," "DX talent," and "global talent," aligned with the long-term business strategy. Additionally, there are tier-based training sessions and programmes aimed at strengthening organisational functions.

##### ② Technical Enhancement Programmes

These programmes are designed to enhance technical expertise. Developed under the supervision of the ID&E Global Academy and Executive Engineers within the ID&E Group, they are tailored for employees at all levels, from junior to senior, and follow a syllabus aligned with the IPD framework. These include programmes focused on specialised technologies, integrated management skills, overseas project management, and programmes tailored for overseas Group companies.



What the Global Academy can achieve.

## 6.2 Human Capital Management

### ③ Career Development Support Programmes

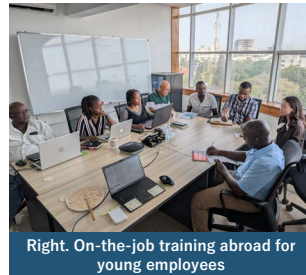
Employees can freely participate in these programmes, which focus on career development. This includes programmes such as career development courses and professional engineer qualification support.

### (2) Exchange Programmes - Connect with the World

These programmes broaden the perspectives of participants. They include special study assignments to various universities or research institutions, exchanges between Group companies, and overseas on-the-job training (OJT).



Left. Special assignment to study at a domestic university



Right. On-the-job training abroad for young employees

### (3) Talent Management ~ Know yourself ~

Refer to the next section for details.

| Main Categories       | Group Synergy  |                                     | ID&E's Technical Expertise   |  | Career Development Support   |   |
|-----------------------|--|-------------------------------------|--|--|--|---|
| Subcategories         | Essentials for ALL ID&E  | three priority issues               | Follow Initial Professional Dev.   | Only for Subsidiaries Located in Japan<br>Specialized skill                            | Voluntary Study  | Rank-based PGM  |
| Executive             | Philosophy of ID&E<br>Compliance<br>Information security<br>Sustainability | Management HR<br>DX HR<br>Global HR | Ethics, Environmental, Safety, and Quality Management as an Engineer<br>PGM supervised by Executive Engineer<br>Basic Education for Engineers<br>Regional engineer<br>Specialized Field Training | BIM/CIM Training<br>Project Management Advance Skill<br>Project Management Basic Skill | OnDemand e-learning<br>Professional Capability Enhancement Programme | FDM Training<br>Personnel Evaluation<br>Management Track Candidates<br>TDF<br>TD<br>Employees in Their Third Year<br>New Employees<br>Mid-Career Entry Training |
| Upper Manager         |  |                                     |  |  |  |   |
| Middle Manager        |  |                                     |  |  |  |   |
| Mid-Level/Team leader |  |                                     |  |  |  |   |
| New & Junior          |  |                                     |  |  |  |   |

## 6.2 Human Capital Management

### Strategy 3. Talent Management ~ Know yourself ~

The Talent Management System is being developed as a shared platform across the ID&E Group, with customisation tailored to the specific needs of each Group company. The system is scheduled for full implementation by June 2027, and will be progressively expanded to support visualisation of talent and organisational structures, analysis and trend identification, and strategic workforce planning.

#### (1) Visualisation and Utilisation of Talent Information

Human resource data is centralised, enabling visual confirmation of employees' skills, experiences, and positions. This supports the continuous development and strategic utilisation of talent, including project assignments and optimal personnel placement.

#### (2) Supporting Self-Directed Learning

Through the Talent Management System, which is a core component of the ID&E Global Academy, each employee can compare their current status with their future aspirations and design their own career vision. The system recommends learning content aligned with individual career goals and records learning history, thereby promoting autonomous and proactive learning.

#### (3) Fair Evaluation of Talent

In parallel with various career development programmes, the ID&E Group has introduced a Management by Objectives (MBO) system. In principle, employees have biannual meetings with their supervisors to receive feedback on their career aspirations. Each department also prepares a Career Path Sheet, outlining the specialised technical skills required for each role. Employees input their personal goals and achievement levels into this sheet once a year. Based on this input, employees receive objective and transparent evaluations, along with advice on growth opportunities. Furthermore, the Group conducts an annual Career Questionnaire Survey targeting employees of ID&E and its key Group companies in Japan. The results are used to inform talent placement decisions, taking into account each individual's career vision and aptitudes.

### Strategy 4. Wellbeing

The ID&E Group is committed to fostering a work environment where each employee feels fulfilled in their role whilst effectively managing their responsibilities. We prioritise a balanced approach to work that focuses on the quality of work, promoting efficient and meaningful ways of working.

By evolving our focus from work-life balance to wellbeing, we aim to create a workplace where employees can continue to work with vitality, maintaining physical, mental, and social wellbeing. While we have implemented various initiatives in the past, we remain dedicated to actively advancing our wellbeing management strategies in the future.

Additionally, to realise wellbeing management and effectively communicate these initiatives to our stakeholders in a timely and appropriate manner, we have established the Internal Environmental Improvement and Occupational Health and Safety Policy and Action Guidelines in our Sustainability Management Framework to ensure that employees can continue to work energetically whilst fully utilising their abilities.



► [Internal Environmental Improvement and Occupational Health and Safety Policy](#)

► [Action Guidelines for Internal Environmental Improvement and Occupational Health and Safety](#)

## 6.2 Human Capital Management

### (1) Work-Life Balance Initiatives

We implement work-life balance initiatives to ensure that employees can maximise their potential and achieve a more fulfilling life.

These initiatives are classified into ten categories, based on the nine categories outlined in the Japanese Cabinet Office's Action Plan for Vibrant Workstyles, with an additional "Other" category.

These 10 categories are further divided into three sections: "Systems and Mechanisms," "Investment and Tools," and "Others."

#### Work-Life Balance Initiatives Details

|  | Systems and Mechanisms  | Investments and Tools  | Others |
|--|---|--|--------|
| 1. Enhancing Conditions for Flexible Work Arrangements | <ul style="list-style-type: none"> <li>• Flexible Employment Contract System</li> <li>• Pathway to Permanent Employment for Fixed-term Employees</li> </ul>   |  |        |
| 2. Optimising Compensation and Workforce Productivity  | <ul style="list-style-type: none"> <li>• Performance-based Bonus System</li> </ul>  | <ul style="list-style-type: none"> <li>• Regular Compensation Enhancement</li> <li>• Base Salary Increases</li> </ul>  |        |
| 3. Managing Working Time Effectively                   | <ul style="list-style-type: none"> <li>• Intensive Working Time Management Programme (January to March)</li> <li>• Working Hours Monitoring and Verification Implementation of No Overtime Days</li> <li>• Email Alerts Regarding Working Hours</li> <li>• Strict Enforcement of Substitute Leave</li> <li>• Encouragement for Continuous 10-day Summer Leave</li> <li>• Designation of Paid Leave Promotion Days and Encouragement of Paid Leave Usage</li> <li>• Principle Ban on Sunday Work</li> <li>• Principle Ban on Late-night Overtime</li> <li>• Enforcement of No Meetings After Regular Hours</li> <li>• Encouragement of Standing Meetings</li> <li>• Reinforcement of Weekly Working Style Practices</li> <li>• Promotion of Direct Return Home After Business Trips</li> <li>• Encouragement of Overnight Stay for Early Morning Business Trips</li> <li>• Long-term Leave System Based on Years of Service (5–15 Days)</li> </ul> | <ul style="list-style-type: none"> <li>• Automated Telephone Response System</li> <li>• Timer-based Light Shutdown on No Overtime Days</li> <li>• Operational Efficiency Enhancement Programme (through introduction of tools, surveys and evaluations)</li> </ul>     |        |
| 4. Creating Agile Working Environments                 | <ul style="list-style-type: none"> <li>• Satellite Office Work</li> <li>• Remote Working</li> <li>• Career Track System (Four distinct professional pathways)</li> <li>• Encouragement of Early Morning Work</li> <li>• Flexible Working Hours</li> <li>• Location-specific Employment System</li> </ul>  | <ul style="list-style-type: none"> <li>• Focused Working Environment Creation</li> <li>• Use of Online Meeting Tools</li> <li>• Remote Access Services</li> <li>• Provision of Personal Smartphones</li> <li>• Provision of IT Equipment for Remote Working</li> </ul> |        |

## 6.2 Human Capital Management

|   | Systems and Mechanisms  | Investments and Tools  | Others  |
|---|---|--|---|
| 5. Enabling Work-Life Balance for Care Responsibilities | <ul style="list-style-type: none"> <li>• Special Childcare Leave System (up to 10 days for children under 18 months)</li> <li>• Employee Wellbeing Assessment Implementation</li> <li>• Childcare Leave System (up to 18 months for children under 3)</li> <li>• Carer's Leave Entitlement (up to 365 days)</li> <li>• Aid Carer's Leave (up to 5 paid days per year)</li> <li>• Shortened Working Hours System for Childcare (available until end of primary school)</li> <li>• Childcare Leave System (up to 5 paid days per year)</li> <li>• Partner's Childbirth Leave (up to 3 paid days)</li> <li>• Career Return Programme for Former Employees</li> </ul> | <ul style="list-style-type: none"> <li>• Work-Life Integration Support Programme</li> <li>• Mental Wellbeing Training Programmes (conducted as part of targeted development initiatives)</li> <li>• On-site Childcare Facility Establishment (industry first)</li> </ul>   |   |
| 6. Integrating Global Talent                            | <ul style="list-style-type: none"> <li>• English Language Business Operations</li> </ul>  |  | <ul style="list-style-type: none"> <li>• Global Talent Recruitment for Graduate and Experienced Professionals</li> </ul>  |
| 7. Advancing Women's Career Development                 | <ul style="list-style-type: none"> <li>• Implementation of the Action Plan for Promoting Women's Participation</li> <li>• Women's Leadership Development Programme (held annually)</li> </ul>   |  |   |
| 8. Enhancing Professional Development and Learning      | <ul style="list-style-type: none"> <li>• Professional Development Stipend (up to 30,000 yen per year)</li> <li>• Academic Achievement Recognition Programme (5,000–100,000 yen per award)</li> <li>• Special Assignment and Self-funded Study Abroad System</li> <li>• MSP System (Inter-departmental Talent Exchange Programme)</li> <li>• Goal Management and Evaluation Systems</li> <li>• Mentorship System for Junior Employees</li> <li>• Overseas On-the-Job Training System</li> <li>• Secondment System to External Organisations</li> </ul>   | <ul style="list-style-type: none"> <li>• Leadership Development for Section Management</li> <li>• Conducting Various Technical Training and Seminars</li> <li>• Implementation of Company-wide E-Learning</li> <li>• Employment Relations Training</li> </ul>  |   |
| 9. Enabling Senior Workforce Participation              | <ul style="list-style-type: none"> <li>• Limited-term Employee System for Contract Workers</li> </ul>   |  | <ul style="list-style-type: none"> <li>• Promotion of Senior Engineer Recruitment</li> </ul>  |
| 10. Other   | <ul style="list-style-type: none"> <li>• Streamlined Document Management and Reduction</li> <li>• Improvement of Meeting Efficiency and Review of Meeting Formats</li> <li>• Work-life Balance Achievement Recognition</li> <li>• Employee Wellbeing Promotion</li> <li>• Utilisation of Career Surveys</li> <li>• Paperless Operations</li> </ul>  | <ul style="list-style-type: none"> <li>• Digitalisation of Various Administrative Procedures</li> <li>• Elder Care Support Services (C-Care)</li> <li>• Installation of Collaboration Areas</li> <li>• Free Address Seating (ABW: Activity Based Working)</li> <li>• Utilisation of Knowledge Management Systems</li> <li>• Website Improvement</li> </ul> | <ul style="list-style-type: none"> <li>• Workplace Open Days Implementation</li> <li>• Inclusive Recruitment and Career Development for People with Disabilities</li> <li>• Work-Life Integration Communications</li> <li>• Community Engagement and Social Impact Initiatives (e.g., Office Neighbourhood Clean-up Activities)</li> <li>• Technical Talent Recruitment Enhancement</li> <li>• Employee Wellness and Recreation Programmes</li> </ul> |

## 6.2 Human Capital Management

### (2) Health and Productivity Management

#### ① Strategy

For our human capital, the foundation of our Group, to fully demonstrate their abilities, we have established the ID&E Group Health Declaration and are committed to health and productivity management by considering employee health from a managerial perspective and strategically promoting various measures that contribute to health improvement.

#### ID&E Group Health Declaration

The ID&E Group believes that in order to put into practice our management philosophy of "act with integrity and contribute to society through technology and engineering," our employees and their families must be healthy, both physically and mentally.

By maintaining and promoting the health of staff and their families and creating a vibrant work environment and highly productive work styles that respect diversity, we will realise a favourable work-life balance of staff as well as the wellbeing of the Group and contribute to the development of a sustainable society through our business.

ID&E Holdings Co., Ltd.  
Representative Director and President  
Hiroaki Shinya

#### ② Governance

We have established the Health, Safety, and Working Environment Council (chaired by the Executive Officer in charge of wellbeing management) under the Risk Management Council, which is chaired by the Representative Director and President of ID&E, to discuss and promote various measures related to health management and the improvement of the working environment. Furthermore, we have established a Health, Safety, and Work Environment Committee at each Japan-based main Group company to promote and implement initiatives at each company. ID&E and Nippon Koei Business Partners have established the Health and Safety Management Department as a dedicated department for promoting wellbeing management, which includes the ID&E Group Health Management Office.

For details, please refer to [our company website](#).

#### Governance Structure for Health and Productivity Management



#### Major meetings regarding the promotion of health and productivity management

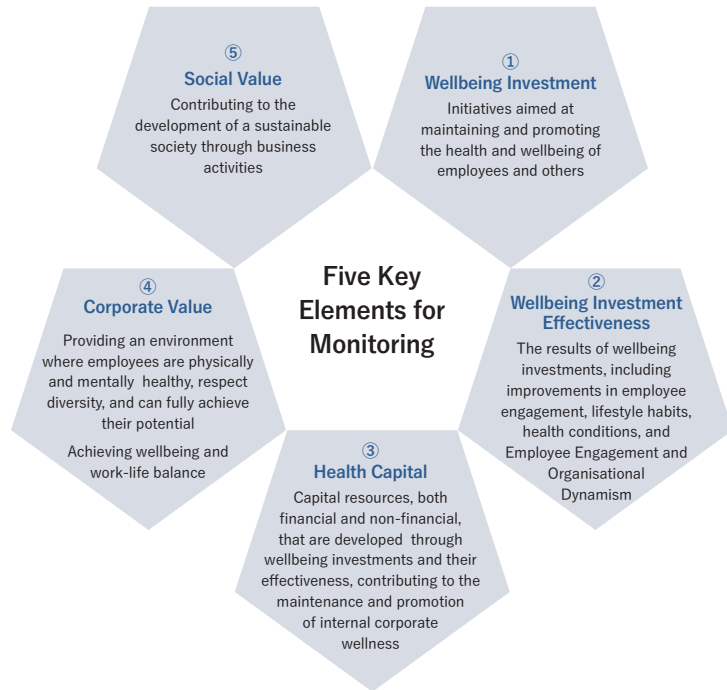
| Safety and Health Committee<br>at each business unit   | Health Promotion Liaison<br>Committee  | Health and Safety Manager's<br>Liaison Meeting  |
|--|--|---|
| Discuss and share information about health management initiatives and occupational safety and health | ID&E's Health & Safety Management Dept., Health Management Office, Personnel Department, and Nippon Koei Health Insurance monitor various measures | Health managers, health management promoters, and business personnel of the ID&E Group companies (based in Japan) will hold discussions and share information on health management and follow-up measures for health checkups |



## 6.2 Human Capital Management

As a Group that manages wellbeing investments, the ID&E Group follows both the costs associated with health-related activities and the outcomes derived from those activities. By making the costs and returns of wellbeing management visible, we aim to foster understanding and awareness amongst internal and external stakeholders, ensuring the efficient and effective management of health initiatives.

The elements for monitoring wellbeing investments comprise the following five components:

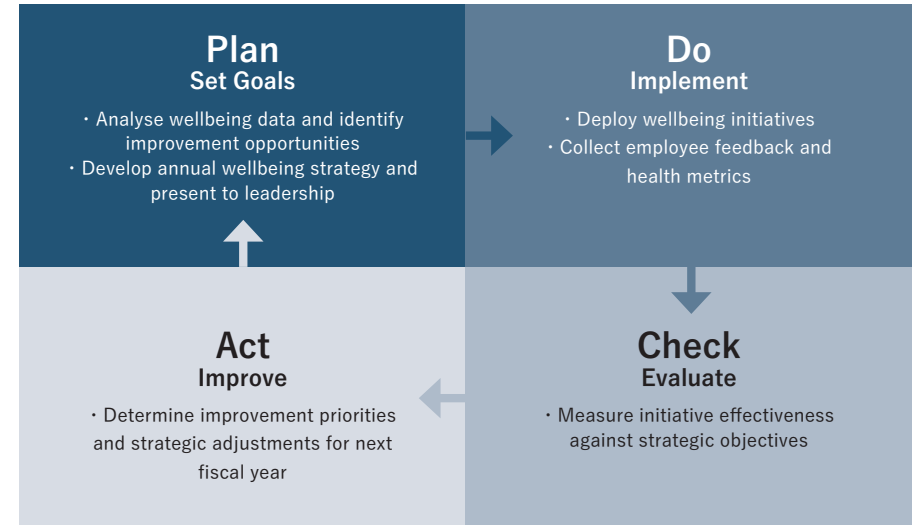


These five elements are centrally managed through our Group's Wellbeing Management Strategy Map, which demonstrates the connection between these components and our Group's business challenges and desired objectives.

### ③ Programme

By implementing a PDCA (Plan-Do-Check-Act) cycle in wellbeing management, we identify health issues and evaluate and improve the results of our annual plan. This continuous process ensures improvements are made each year.

### Conceptual Framework for Continuous Improvement



## 6.2 Human Capital Management

### ④ Initiatives and Measures Supporting Employee Health and Safety

#### Employee Health and Wellness Support

We prioritise preventive measures against serious illnesses with comprehensive initiatives.

#### Enhancement and Thorough Implementation of Regular Health Check-ups:

- Employees under 35: Legal requirements plus lifestyle disease-related items
- Employees aged 35-75: Comprehensive medical examinations including cancer screening
- Women (all ages): Gynecological examinations (breast cancer, cervical cancer screening)
- Families: Legal requirements plus lifestyle disease-related items

#### Health Check-up Follow-ups:

- Based on health check-up results, occupational physicians and public health nurses conduct interview guidance and health consultations.
- Employees with abnormal values receive prompt occupational physician follow-ups
- Employees requiring treatment or improvement are referred to specialised medical institutions
- Health guidance and specific health guidance are conducted face-to-face or online at the Health Management Office, with arrangements available for remote locations

#### International Health and Wellness Knowledge Transfer

As part of the Non-Communicable Disease Control Project Phase 3 in Fiji (commissioned by the Japan International Cooperation Agency (JICA)) implemented by our Group company Koei Research & Consulting, we hosted training in Japan for 10 officials from Fiji's administrative agencies (Ministry of Health, Prime Minister's Office, etc.).

With nearly half the population in Fiji being obese and NCDs increasing, this training aimed to enhance health and wellness awareness amongst Fiji's citizens and gain insights for establishing workplace wellbeing promotion systems, including health check-ups. The training included introductions to our Group's wellbeing management initiatives, tours of mobile health check-up services, and hands-on experiences, providing participants with practical learning opportunities.

#### Regular Implementation of In-House Walking Event "Minna de Arukatsu"

As a tangible wellbeing promotion initiative, we regularly implement the "Walking with Everyone" (walking activity) wellbeing event, encouraging daily walking as part of life. Voluntary teams are formed across departments to track daily steps and compete based on total steps. The programme also includes side events where employees walk together, fostering communication opportunities and strengthening workplace relationships.

#### Implementation of Health and Wellbeing Seminars and Training Programmes

In conjunction with the ID&E Global Academy, we plan and implement various wellbeing-related training programmes. Seminar and training themes cover a wide range of topics, including diet, lifestyle diseases, women's specific health issues, neck and back pain prevention, and mental health. For detailed information, please visit [our company website](#).

### Strategy 5. Recruitment and Retention

To secure and retain human resources with valuable technical expertise, the ID&E Group will continuously strengthen recruitment and retention efforts. Specifically, we will focus on early retention measures for newly hired employees, whether new graduates or mid-career hires, as well as retention strategies for mid-level employees and utilisation of senior staff.

## 6.3 Value Chain Sustainability

### 6.3.1 Policy and Approach

The ID&E Group recognises that achieving a sustainable society requires a commitment not only within our own operations but across the entire value chain. This includes environmental stewardship, human rights, occupational health and safety, and information security. As a global organisation with diverse business operations around the world, we engage with a wide range of stakeholders in each project. This makes it essential to manage our value chain responsibly, extending beyond direct relationships. With this understanding, we have established the "Action Guidelines for Promoting Supply Chain Management and CSR Procurement" under our Sustainability Management Framework. Through shared values and deeper partnerships, we are working to build a more sustainable value chain.

► [Action Guidelines for Promoting Supply Chain Management and CSR Procurement](#)

### 6.3.2 Value Chain Business Structure Analysis

As a foundational step toward promoting responsible practices across our entire value chain, the ID&E Group conducted a systematic analysis of each business structure and clearly identified both internal and external stakeholders relevant to our operations. In our consulting business, for instance, key relationships include partner companies in upstream phases and contractors and subcontractors during implementation stages. Conversely, our energy business requires essential collaboration with power companies and suppliers for hydropower plant operations and equipment manufacturing. Based on this comprehensive analysis, we collaborate with value chain stakeholders from the perspectives of environmental conservation, human rights, occupational health and safety, and responsible procurement to strengthen our collective initiatives.

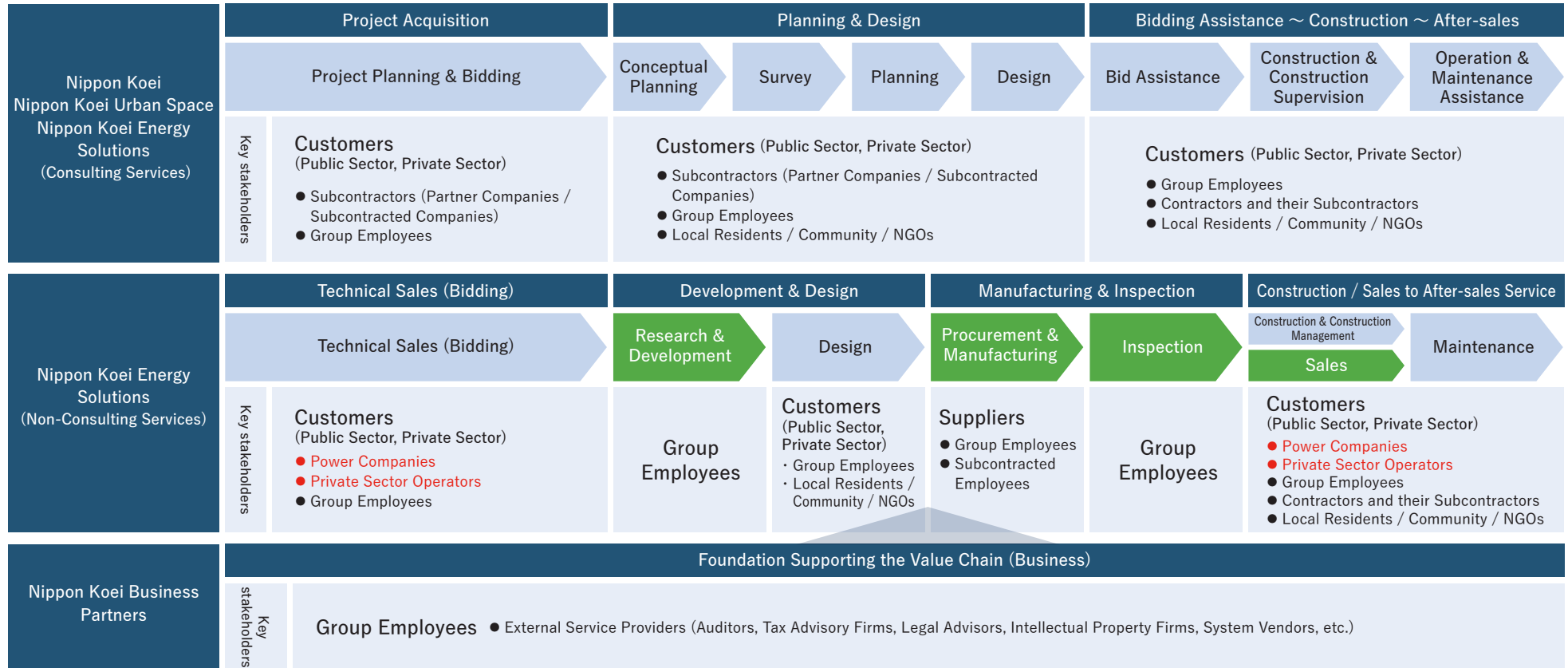
### 6.3.3 Sustainable Value Chain Development

The ID&E Group advances human rights and environmental considerations throughout our value chain as we pursue a sustainable future. As part of these efforts, we prioritise stakeholder dialogue and will provide our suppliers with a concise document outlining the ID&E Group's human rights policies and available consultation channels. We also strengthen collaboration with suppliers by encouraging cooperation in refining greenhouse gas emission quantification, promoting responsible procurement and environmental impact reduction.

## 6.3 Value Chain Sustainability

## ID&amp;E Group's Value Chain Image

The overall structure of the business, including suppliers, was analysed across the Value Chain, organising rights holders and stakeholders.



Energy Sector-specific Processes

Red text: Energy Sector-specific Stakeholders

## 6.3 Value Chain Sustainability

### 6.3.4 Examples

#### Regular Health and Safety Promotion Committee Meetings Inclusive of Trading Partners

Nippon Koei Energy Solutions conducts monthly Health and Safety Promotion Committee meetings that include trading companies. These committees share detailed best practices and near miss incidents from various sites using diagrams and photographs, promoting awareness through morning briefings and on-site displays. Monthly safety slogan selection and announcements are conducted to enhance labour safety awareness together with our trading partners.



Occupational Health and Safety Promotion Committee with participation from business partners

#### Promoting Fair Trading Practices

In June 2023, Nippon Koei endorsed the Partnership Building Declaration promoted by Japan's Cabinet Office and Small and Medium Enterprise Agency, committing to advance collaboration and mutual prosperity with suppliers whilst building new partnerships from the procuring party position.

The declaration encourages collaboration across companies of different sizes and corporate groups to enhance the overall value of the supply chain and achieve mutual prosperity. It also promotes support for Business Continuity Planning (BCP) and employee health management, while clearly stating the importance of fair and desirable trading practices between parent companies and subcontractors. Nippon Koei is committed to these principles and continues to strengthen supplier partnerships through responsible procurement and internal awareness initiatives.

► [Partnership Building Declaration](#) (Japanese only)

## 6.4 Social Contribution

### 6.4.1 Policy and Approach

The ID&E Group traces its origins to founder Yutaka Kubota's philosophy of "act with integrity and contribute to society through technology and engineering." From post-war reconstruction support to the present day, we have provided solutions leveraging technology and expertise to address social challenges both domestically and internationally. This philosophy continues as our Group's guiding principle, forming the foundation for our officers' and employees' business activities. Beyond social contribution through our business operations, we provide opportunities for each employee to engage with local communities and participate individually in solving social challenges.

► [ID&E Group Code of Conduct](#)

### 6.4.2 Initiatives and Achievements

#### ID&E Group Disaster Relief Fund

As part of our disaster support efforts, our Group collects employee donations and implements gift matching whereby the company provides a donation that matches the amount donated by employees.

For 2025/06, we provided the following disaster support through Japanese Red Cross Society:

- Relief fund for July 2024 heavy rain disasters in Akita and Yamagata Prefectures (Japan)
- Relief fund for September 2024 heavy rain disaster on the Noto Peninsula, Ishikawa Prefecture (Japan)
- Relief fund for January 2025 fire in Ofunato City, Iwate Prefecture (Japan)
- 2025 Myanmar earthquake relief fund

## 6.4 Social Contribution

### Japan-Kenya Friendship Sondu-Miriu Library Activities

The Sondu-Miriu Public Library, located in the Nyakach district of western Kenya, was established in 2001 through collaboration between the local Hera Women Group and engineers involved in Japanese ODA hydropower plant construction. At the time, students had limited access to textbooks, which were locked away and only available during class hours, making it difficult for children to study at home. To address this, a building—previously used as a material testing room during construction—was repurposed into a library where children could freely access textbooks and enjoy a variety of books. Operated by the Hera Women Group, the library hosts composition contests, art classes, and reading promotion activities, contributing to both educational opportunities and cultural enrichment for children and local residents.



Hera Women Group with Japanese supporters



Art class activities

Even after the completion of the power plant in 2008, volunteer employees have continued their support through the "Library Support Association." This group promotes the activities of the Hera Women Group, manages a blog to raise awareness, and encourages donations of books and funds. With a collection of over 7,300 books and more than 6,000 annual users—primarily children—the library remains a vital hub for community development and learning.

### River Cleaning Activities

Our Group engages in river cleaning activities aimed at protecting the global environment and connecting with local communities.

**BDP:** Participated in the London Ravensbourne River cleaning event hosted by Thames 21 in July 2024. During three hours of community interaction, we conducted cleaning work whilst engaging in dialogue about local landscape design.



the London Ravensbourne River cleaning event

#### Nippon Koei and Nippon Koei Urban Space Sendai Branch:

Participated in the Hirose River 10,000 People Project conducted in spring and autumn along the Hirose River in Sendai City, Miyagi Prefecture. We also serve as executive committee members.

#### Nippon Koei Urban Space Okinawa Branch:

Participated in the Kokuba River Water Ashibi rubbish collection event held along the Kokuba River flowing through Naha City, Okinawa Prefecture. This event provided opportunities to deepen understanding of waterside environmental conservation through wildlife observation sessions and mangrove exploration following rubbish collection.



Hirose River 10,000 People Project



## 6.4 Social Contribution

### Regional Environmental Conservation Collaboration

Nippon Koei Energy Solutions conducts activities aimed at contributing to local communities. The Fukushima office implements cleaning activities twice annually around the office vicinity for the purpose of environmental site management. Additionally, each substation conducts regular cleaning activities jointly with trading companies. These efforts contribute to regional beautification whilst strengthening community connections. These activities serve as important opportunities not only for contributing to local environmental protection and beautification but also for raising employee environmental awareness.



Fukushima office cleaning activities



joint cleaning activities with supplier companies

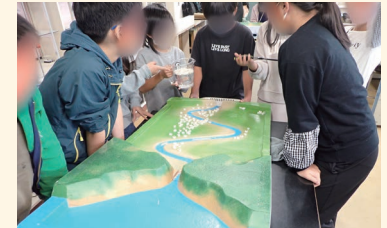
### Educational Outreach Programmes

Nippon Koei regularly conducts educational outreach programmes as part of educational support for children who will lead the next generation. Engineers serve as instructors, providing easy-to-understand explanations of themes including environmental conservation, disaster prevention, and infrastructure development, offering opportunities to deepen understanding of social challenges through experiments and hands-on programmes.

The Sendai branch has dispatched instructors to local primary schools since 2011 for lessons on Dam Functions and Creating Ecosystem Pyramids. These programmes have reached over 100 children annually, earning appreciation certificates from the Sendai City Board of Education.

Additionally, our development consultants conducted educational outreach at Gakushuin University on the theme of Urban Planning and Urban Development in Developing Countries. We directly communicated to students about daily life on overseas project sites, the rewards and challenges of our work, and the unique fascination and appeal of the development consulting experience. Through these initiatives, we endeavour to cultivate future talent contributing to social challenge resolution and promote understanding and interest in development consulting careers.

We will continue contributing to regional communities whilst supporting the healthy growth of future generations.



Dam experiment scene



Classroom experience



Scenes from a visiting lecture at Gakushuin University

# Governance

# 7

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## 7. Governance

The ID&E Group maximises enterprise value through strengthened supervisory functions, enhanced transparency, and agile business execution. We recognise governance in sustainability as the foundation for delivering high-quality services consistently and as the source of our competitive advantage. This section outlines our governance framework, decision-making processes, ethics and compliance systems, and risk management practices that underpin our Group's sustainability performance.

### 7.1 Corporate Governance

#### 7.1.1 Policy and Approach

The ID&E Group's fundamental approach centres on meeting stakeholder expectations and maximising corporate value by strengthening management oversight functions, ensuring transparency, establishing agile business execution systems, and enhancing corporate governance effectiveness.

#### 7.1.2 Corporate Governance Structure Diagram

| Governance Body                                   | Purpose  | Meeting Frequency  | Composition  | Chair  |
|---|--|--|--|--|
| Board of Directors                                | Deliberates and decides on matters stipulated by law and fundamental management issues whilst supervising directors' execution of duties   | Monthly  | Comprises 7 directors, with 1 Audit & Supervisory Board member in attendance   | Representative Director and President                                |
| Board of Executive Officers                       | Based on management policies determined by the Board of Directors, makes decisions on important Group management matters and oversees Group management advancement   | Twice a month  | 9 members comprising the chair and executive officers, plus Audit & Supervisory Board members  | Representative Director and President                                |
| Sustainability Promotion Council                  | Formulates and promotes strategies for sustainability advancement (management promotion and business promotion) across the entire ID&E Holdings Group  | Quarterly  | 14 members comprising the chair and officers   | Director and Chairperson   |
| Risk Management Council                           | Based on the Company's Basic Policy on Internal Control, oversees comprehensive risk management advancement across the Group   | Monthly  | 10 members, comprising the President (Chair), executive officers, the Senior Compliance Officer, and external legal counsel. Observers include one Audit & Supervisory Board member, the Audit Office Manager, and the Head of the Audit Department                                | Representative Director and President                                |
| Health, Safety and Working Environment Council    | Ensures thorough health and safety management to prevent human and equipment disasters whilst creating comfortable workplace environments and contributing to employee welfare improvement and sound corporate development   | Quarterly  | 5 members selected by the Board of Executive Officers, plus 1 occupational physician as observer   | Executive Officer responsible for Health and Productivity Management |
| Internal Control over Financial Reporting Council | Established to implement evaluation systems for internal control over financial reporting under the Financial Instruments and Exchange Act, ensuring financial reporting reliability through member roles  | Quarterly  | 10 members comprising the chairperson and internal control officers from main companies  | Executive Officer responsible for Management Administration          |
| Information Security Council                      | Addresses information security challenges across Group companies, preventing information security incidents and implementing risk management according to information security risk levels to establish Group-wide information security governance and advance information security management | Quarterly  | 6 members selected by the Board of Executive Officers  | Executive Officer in charge of Corporate Strategy and IT             |
| Management Strategy Council                       | Deliberates and formulates policies, strategies, and plans aimed at maximising the corporate value of the ID&E Group and achieving optimal group-wide management   | Quarterly  | 9 members, including the chair, Director and Chairperson, and Executive Officers.  | Representative Director and President                                |
| Co-Creation Strategy Council                      | Based on business and technology strategies of each Group company, examines and promotes collaboration strategies to achieve synergy effects and optimise ID&E Group business operations   | Quarterly  | 7 members comprising business strategy (or technology strategy) officers from main group companies (Director General level), and officers from Nippon Koei Business Partners' Sales & Regional Management Division and Management Administration Division (Director General level) | Executive Officer in charge of Corporate Strategy and IT             |
| Business Promotion & Regional Strategy Council    | Conducts information exchange for planning and executing sales and regional strategies and promoting segment collaboration   | Two groups with online meetings in principle bi-monthly, plus two joint face-to-face meetings annually | 10 members comprising the chairperson, regional managers, deputy regional managers, and Management Strategy Division managers  | Executive Officer responsible for Sales & Regional Management        |
| Human Resources Strategy Council                  | Discusses and examines human resource development and utilisation at ID&E Holdings and domestic main companies   | 6 times a year   | 6 members comprising the chair, presidents and vice presidents of Japanese main group companies  | Representative Director and President                                |

## 7.2 Compliance

### 7.2.1. Policy and Approach

In the global business environment, legal compliance and ethical conduct are paramount, with international frameworks such as the UN Global Compact forming the foundation of corporate activities.

The ID&E Group defines compliance as "conducting honest and fair corporate activities that comply with laws and internal rules whilst adhering to social norms." We pursue fair and transparent management based on our recognition that thorough compliance is the source of enhanced enterprise value.

### ID&E Group Code of Conduct

The ID&E Group's management philosophy is: "Act with integrity and contribute to society through technology and engineering." To put this philosophy into practice, we have established the ID&E Group Code of Conduct as a common set of behavioural standards for all Group companies. This framework ensures adherence not only to legal requirements but also to ethical standards and societal expectations. By embedding these principles into daily actions, every officer and employee strengthens compliance and contributes to enhancing corporate value. The Code of Conduct has been translated into seven languages, including English and Spanish. Employees worldwide are required to acknowledge and comply with it, ensuring transparent management systems and fostering trust-based relationships across the Group. Under the ID&E Group Sustainability Management Framework, we have also formulated our Acting with Integrity Policy, promoting initiatives that encourage every employee to recognize its importance and take appropriate action.

► [ID&E Holdings Acting with Integrity Policy](#)

### Integrity Compliance Programme

The ID&E Group established its Integrity Compliance Programme (ICP) in February 2025. The ICP requires officers and employees throughout our Group to comply with laws, act with integrity and honesty, and take responsibility for their actions. It also provides management guidelines and procedures for those in positions of management and supervision of business operations. Specific initiatives within the ICP include prohibiting corrupt practices, defining leadership responsibilities, conducting employee due diligence, establishing rules for entertainment and gifts, and ensuring transparency in business partner relationships. Furthermore, we enhance compliance awareness throughout the organisation by establishing internal reporting systems, conducting regular risk assessments, and promoting compliance education.

The ICP aligns with the World Bank's Integrity Compliance Guidelines for corporate ethics and compliance frameworks.

## 7.2 Compliance

### 7.2.2 Compliance Structure

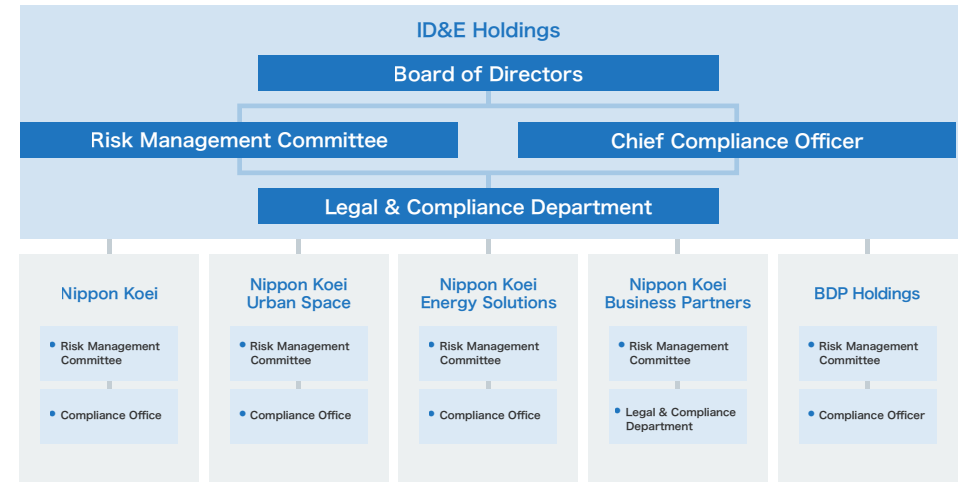
Based on the Group Compliance Regulations and ICP, the ID&E Group has established compliance departments or officers at each company to enhance compliance across the Group. Principal roles include:

- Ensuring compliance with social norms, laws, and internal regulations, and promoting comprehensive compliance activities
- Operating and managing each company's compliance programmes
- Establishing and promoting anti-bribery frameworks across the ID&E Group

Compliance departments or officers at each company report compliance matters to presidents of main Group companies, who in turn report to the President of ID&E Holdings. ID&E Holdings appoints a Chief Compliance Officer to oversee all compliance matters, with the authority and responsibility to report issues directly to the Board of Directors from an independent position when necessary.

The ID&E Group has established the Risk Management Council as an organisation overseeing compliance and risk management, conducting deliberations and information exchange on important matters. Subordinate Risk Management Committees at domestic main Group companies are established, and when compliance-related risk events occur, they are reported to and addressed by each company's Risk Management Committee or the Risk Management Council according to risk level. Additionally, the Group Compliance Liaison Committee, comprising compliance department heads from domestic main Group companies, shares information and raises awareness regarding Group-wide compliance and risk management associated with business activities.

#### Compliance Structure



## 7.2 Compliance

### 7.2.3 Initiatives and Achievements

#### 1. Anti-Corruption Mechanisms

##### Anti-Bribery Prevention

The ID&E Group operates globally across various countries, and whilst advancing business in collaboration with local administrative agencies, the possibility exists of facing risks where improper financial benefits may be solicited. To address such risks, the ID&E Group is a signatory to the UN Global Compact, incorporating and adhering to its 10 principles across four areas: human rights, labour, environment, and anti-corruption. We prohibit pursuing profits through improper means and conduct sales activities in compliance with laws under fair, transparent, and free competition.

To ensure thorough compliance, we have established and operate internal regulations including Anti-Bribery and Corruption Regulations, principally prohibiting the provision of benefits to public officials. When exceptional benefit provision occurs, we prevent corruption risks by clearly defining approval standards and procedures.

Should any cases arise within the ID&E Group involving suspected bribery, legal action, or fines and penalties, these are promptly reported to ID&E Holdings. No such cases occurred during FY 2025/06.

##### Consultation and Reporting System

The ID&E Group has established Group Consultation and Reporting System Regulations, whereby employees who become aware of actions that violate or may violate compliance can directly consult with or report to compliance departments or external legal counsel.

Japanese entities operate principally in Japanese, whilst overseas entities operate principally in

local languages.

This system is available to officers, employees, temporary staff, and partner company employees of the Company and Group companies (including those within one year of retirement).

##### Internal Reporting within Main Group Companies (case number)

| FY 2022/ 06 | FY 2023/ 06 | FY 2024/ 06 | FY 2025/ 06 |
|-------------|-------------|-------------|-------------|
| 7           | 12          | 30          | 22          |

\*Figures up to FY2023/06 represent consultation and reporting cases at Nippon Koei prior to corporate restructuring.

#### 2. Group Compliance Awareness Survey

The ID&E Group conducts annual Group Compliance Awareness Surveys targeting Group employees including overseas entities to accurately understand current compliance awareness and challenges and improve compliance activity effectiveness. All surveys are conducted anonymously, with results disclosed to employees and reflected in compliance activity improvements and enhancements.

#### 3. Compliance Training

We implement compliance training by career level, including Group Compliance Seminars for officers and senior employees and Group Compliance Training for employees. Each training session focuses intensively on laws closely related to our Group's operations, providing instruction on cause analysis and prevention measures using specific cases wherever possible. Additionally, utilising our Group's E-learning system, we conduct learning and confirmation tests on themes such as antitrust law compliance and harassment prevention, establishing a framework for employees to continuously learn about compliance.



## 7.3 Risk Management

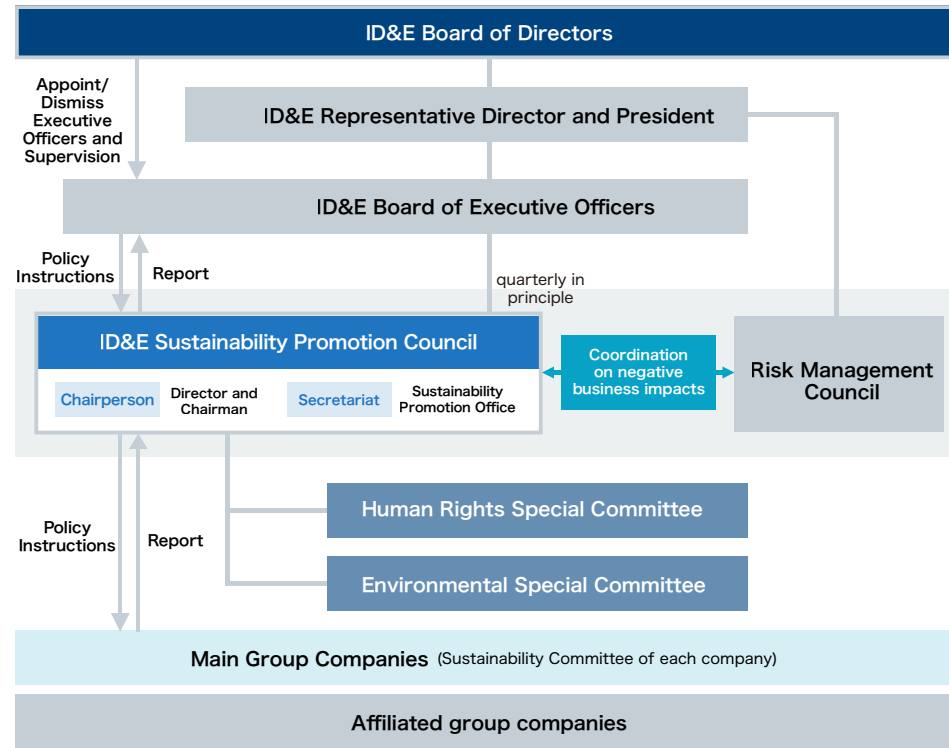
### 7.3.1 Policy and Approach

The ultimate goal of risk management aligns with sustainability objectives: ensuring corporate continuity and growth. Therefore, we address sustainability-related risks that may adversely affect our Group's business operations; through our Sustainability Promotion Council, which collaborates closely with the Risk Management Council.

To address high-impact human rights risks, we established the Human Rights Specialised Committee in July 2024. This committee comprises executive officers and director generals from main companies and undertakes the following initiatives:

- ① Operating and improving the Human Rights Foundational Policy
- ② Implementing human rights due diligence
- ③ Identifying, specifying, and responding to human rights risks
- ④ Establishing remedial measures

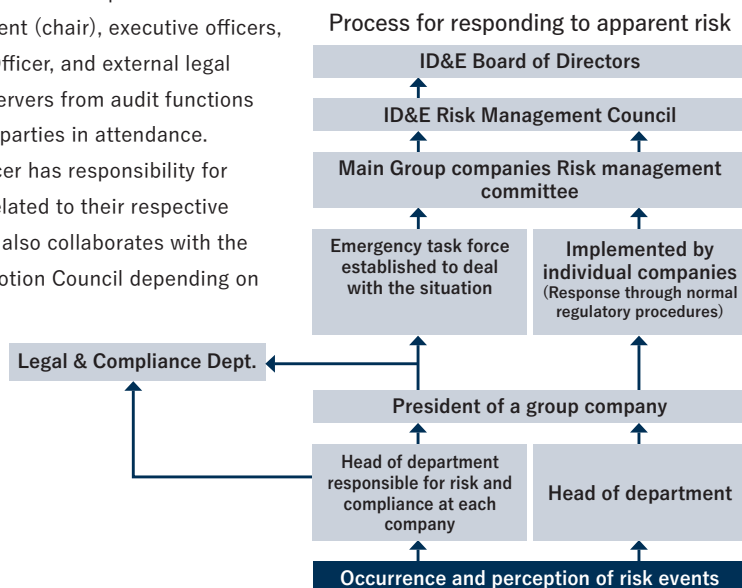
Collaboration Image Between Sustainability Promotion Council and Risk Management Council



## 7.3 Risk Management

### 7.3.2 Risk Management Structure

The ID&E Group has established the Risk Management Council as the comprehensive risk management organisation. This Council systematically identifies and evaluates risks across the Group whilst promoting appropriate countermeasures and preventive measures. The Risk Management Council (meeting monthly in principle) operates based on Group Risk and Crisis Management Regulations, with the mandate to conduct comprehensive risk control across the ID&E Group associated with global and wide-ranging business execution whilst minimising losses. Specifically, it identifies, evaluates, and manages risks preventively, issues crisis response instructions, and monitors and guides response situations. The Risk Management Council comprises 10 members: our Representative Director and President (chair), executive officers, Chief Compliance Officer, and external legal counsel, with 3 observers from audit functions and 5 other related parties in attendance. Each executive officer has responsibility for risk management related to their respective duties. The Council also collaborates with the Sustainability Promotion Council depending on risk content.



### 7.3.3 Risk Management Process

Each Group company comprehensively identifies risks it holds and develops Risk Management List. For critical risks where impact and frequency exceed certain criteria, individual Risk Management Forms are created with quarterly monitoring implementation. This monitoring evaluates risk countermeasure implementation status and effectiveness, reporting results to each company's Risk Management Committee and the ID&E Risk Management Council. Furthermore, as part of risk management, we promote establishing the following frameworks:

- **Business Continuity Planning (BCP):** Constructing systems to continue critical operations even during natural disasters or major incidents.
- **Quality and Environmental Management Systems:** Implementing continuous improvement for product and service quality assurance and environmental impact reduction.
- **Information Security Organisational Structure:** Establishing management systems to address cyber risks and information leakage risks.

### 7.3.4 Identification, Assessment, and Management of High-Priority Sustainability-Related Risks

Among sustainability-related risks, the ID&E Group integrates those judged to have particularly significant impact on business growth into our Group Risk Management Plan in collaboration with the Risk Management Council. During FY 2025/ 06, we integrated three human rights-related risk items into the Group Risk Management Plan. This ensures sustainability-related risks are evaluated and managed holistically alongside other business advancement risks across the Group. We will continue ensuring consistency between sustainability-related risks and Group-wide risk management systems whilst providing timely and appropriate responses.



# Sustainability- Related Innovation 8

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Innovation ————— P103

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## 8. Sustainability-Related Innovation

### 8.1 Policy and Approach

The ID&E Group has positioned innovation at the core of our corporate culture, guided by our management philosophy: "Act with integrity and contribute to society through technology and engineering." This philosophy drives our passion for technological innovation and our committed approach to addressing social challenges.

To respond to rapidly changing social environments and increasingly complex challenges, we regard innovation as the key to sustainable growth. We aim to realise our mission of "Making the World a Better Place" by creating distinctive value that meets evolving societal needs and expectations. Whilst our Consulting, Urban and Spatial Development, and Energy business domains operate autonomously, we maximise synergies across the Group and strengthen integration between sustainability and innovation.

In our medium-term management plan, we have positioned Further Advancement of Sustainability Management as one of the key pillars of our Group management policy, pursuing the resolution of social challenges and creation of new business opportunities through innovative technologies and solutions. Through these efforts, we aim to achieve sustained enhancement of corporate value whilst contributing to the sustainability of society as a whole.

### 8.2 Linking Sustainability Strategy and Innovation

#### Contribution to Material Topics

The ID&E Group applies innovation in a targeted and systematic way to address key sustainability issues, aiming to build a more sustainable society and strengthen corporate value. Working towards the materiality "Cultivating a Beautiful and Habitable Planet and Leadership

Based on Integrity and Technology", we are driving innovation by harnessing our Group's integrated strengths to meet needs of society and clients:

- ➔ Technology development for disaster prevention and mitigation
- ➔ Expansion of renewable energy business
- ➔ Research and development of renewable energy and next-generation energy
- ➔ Sustainable urban design through "The Good City Project"
- ➔ Provision of smart solutions contributing to decarbonisation and ecosystem recovery etc.

Furthermore, in the materiality "innovating to address the challenges of the modern world," we are advancing value creation leveraging our Group's comprehensive capabilities through cross-industry collaboration and AI-powered advanced research and development.

#### Risk Response and Opportunity Creation Through Innovation

Our Group enhances response capabilities through forward-looking, strategic innovation to address risks including regulatory changes, resource depletion, climate change impacts, quality risks arising from the loss of technical expertise and operational know-how, and intellectual property infringement. Simultaneously, we regard innovative technology as an essential driving force for capturing new social and market opportunities in decarbonisation, circular economy, and disaster response.

The Sustainability Management Framework formulated in 2024 clearly positions innovation as a core element.

#### Framework Supporting ID&E Group Innovation

► [ID&E Holdings Sustainability-Related Innovation Policy as Framework Supporting ID&E Group Innovation](#)

## 8.3 Innovation Sources and Promotion Structure

We integrate innovation into our core business practices to address material sustainability challenges, contributing to a sustainable society and enhancing long-term corporate value.

### Management Resources Supporting Innovation

- **Research and Development Investment:** The specific target investment amounts outlined in our materiality goals (as of FY2030) are as follows:
  - Disaster prevention and mitigation research and development expenses and investment: 3.2%
  - Renewable energy and next-generation energy research, development, and investment: 15% of related revenue
  - Urban space development research and development expenses and investment: 0.9% of related revenue
  - Research and development expenses and investment for Group-wide development and utilisation of advanced technologies including AI: ¥1 billion
- **Innovation Talent Development:** Human capital represents our Group's most important asset and the key driver of innovation. We focus on developing talents with expertise to meet customer needs and the ability to play active roles globally, providing various forms of development opportunities to enhance employees' specialist knowledge and technical capabilities. Our internal business competition, now in its fifth year, is conducted under the theme "Beyond Boundaries: Create Unique Value for Tomorrow!" Additionally, innovation talent training programmes implemented by the Global Academy are designed to connect with this business competition, aiming to increase the possibility of innovative ideas being deployed as actual businesses.



Business competition theme 2025 "Beyond Boundaries: Create Unique Value for Tomorrow!"



Business competition award ceremony 2024

- **Access to Cutting-Edge Technology:** Through the AI Technology Centre and the Digital Design Centre at Nippon Koei Central Research Institute, among others, we promote AI and digital technology development and innovation across the entire Group. We actively incorporate cutting-edge technologies and accelerate innovation through development and implementation of internal generative AI systems.
- **Central Research Institute Supporting Enhanced Technology Development Capabilities:** The Nippon Koei Central Research Institute within our Group contributes to building sustainable social infrastructure by utilising technologies in the field of civil engineering, environmental management, and social science. The testing and experimental centre at the institute comprises research facilities of the largest scale among Japanese engineering consultant companies. The centre allows us to employ applied research to address complex social challenges and provide solutions for diverse domestic and international projects.
- **Protection and Utilisation of Intellectual Property:** Protection and utilisation of intellectual property is crucial for our Group's innovation advancement. We promote strategic utilisation of intellectual property through establishment of organisational structure at Group companies, installation of invention review committees, and employee education.

## 8.3 Innovation Sources and Promotion Structure

### Innovation Promotion Structure

In addition to initiatives to promote innovation at each Group company, the Co-Creation Strategy Council, one of ID&E's important meeting bodies, examines and promotes collaboration strategies to optimise our Group's business based on the business and technology strategies of each Group company, demonstrating synergistic effects.

### Protection and Utilisation of Intellectual Property

Our Group recognises that the protection and utilisation of intellectual property supporting innovation is of critical importance.

In the ID&E Group Code of Conduct, we have established provisions for contributing to society's sustainable development through the protection, management, and utilisation of intellectual property.

We also stipulate the importance of respecting and not infringing upon the intellectual property rights of others.

[▶ ID&E Group Code of Conduct](#)

#### (1) Structure

Our Group has established intellectual property contact points at major main group companies and executes activities necessary for intellectual property protection and utilisation, including acquisition and management of intellectual property rights, licensing to others, and prevention of intellectual property rights infringement. Overall coordination of intellectual property rights acquisition and management across our Group is handled by the Legal and Compliance Department of Nippon Koei Business Partners.

### Establishment of Invention Review Committees

To promote innovation within the ID&E Group, we have established invention review committees at major main group companies. These committees are responsible for evaluating employee inventions, determining the necessity of patent filings and subsequent continuation applications, and calculating performance-based rewards. Each committee consists of a chairperson, internal members, and external experts such as lawyers or patent attorneys. These committees comprise a chairperson, committee members, and external experts (lawyers or patent attorneys).

### Employee Education

Within our Group, we believe that enhancing intellectual property literacy amongst employees through intellectual property education contributes to sustainable corporate growth, and various programmes are implemented:

- Patent seminars for Central Research Institute employees (basic knowledge of patent rights, employee invention systems, key points for patent applications, etc.)
- Awareness activities using the company intranet (basic knowledge of patent and copyright laws, etc.)
- E-Learning system training
- Seminars using specific cases at ID&E Global Academy aimed at revitalising intellectual property business

#### (2) Patent Acquisitions

Currently held patents: 48 cases

Nippon Koei, Nippon Koei Urban Space, and Nippon Koei Energy Solutions operate a system to pay rewards to inventors when employee inventions are filed, registered, and when registered patents are used in business to generate profit, in order to encourage inventions made by employees as part of their duties (employee inventions).

In FY2024/06, 12 patents were subject to rewards.

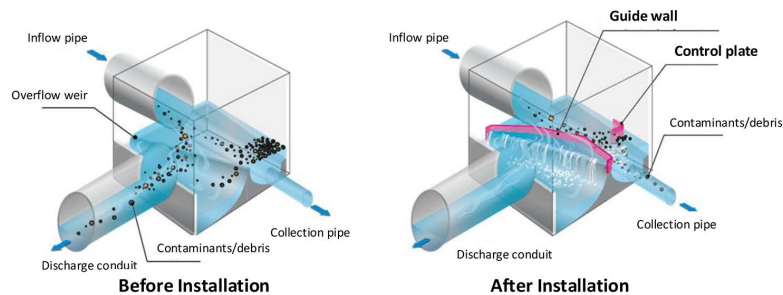


### 8.3 Innovation Sources and Promotion Structure

#### (3) Case Study of Patent Utilisation

##### Protecting Urban Water Environments with Patented Technology: Application of Vortex-Type Water Surface Control Devices

Our Group prioritises the use of intellectual property to address social challenges and enhance business value. The vortex-type water surface control device developed by Nippon Koei addresses overflow issues in urban sewerage systems during heavy rainfall. This innovative solution works by simply installing two plates—a guide wall and control plate—within existing facilities, creating vortices that suppress the outflow of contaminated water. Powered entirely by water flow, the device requires no electricity, reducing environmental impact. Protected by patent rights, the technology enable ongoing improvements and wider deployment while preventing imitation. Already contributing to the improvement of urban water environments, it is expected to expand to other regions in the near future.



## 8.4 Innovation Examples: Innovation in Practice

Our Group connects innovation to realising a sustainable society through specific services, products and other solutions. The following introduces major example of our innovation.

##### Addressing Traffic Challenges in Bengaluru, India—Realising Co-Creative Smart Cities Through ITS Implementation

Nippon Koei and Nippon Koei Energy Solutions, in collaboration with the Japan International Cooperation Agency (JICA), are implementing a project to introduce an Intelligent Transport System (ITS) in central Bengaluru, India.

Supported by Japanese government grant aid, this initiative aims to alleviate severe traffic congestion and environmental issues caused by rapid urbanisation and economic growth.

The project involves the deployment of an Area Traffic Control System (ATCS), a traffic information provision system (MODERATO), and real-time congestion monitoring using GPS data. While these technologies are established, their integrated application in Bengaluru represents a significant step forward in urban traffic management.

Operations commenced in December 2024, and the system is expected to reduce average travel times, lower CO<sub>2</sub> emissions, and improve both traffic flow and traffic management efficiency and safety.

The project is being advanced through co-creation among Nippon Koei, local stakeholders, and Nippon Signal Co., Ltd. as a sub-consultant, with diverse expertise contributing across technical and local practice domains.

By blending Japanese and Indian technologies and operational know-how to address the complex social challenge of urban mobility, we are shaping a vision for sustainable urban futures.

## 8.4 Innovation Examples: Innovation in Practice

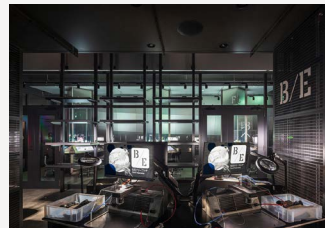
### Nurturing Future Researchers Through Experiential Exhibits at Fukui Prefectural Dinosaur Museum—"Fossil Research Experience" received the Minister of Economy, Trade and Industry Award (Excellent Award) at the Kids Design Award

Kisho Kurokawa Architect & Associates (KKA), a Group company, carried out the design and construction supervision for the Fukui Prefectural Dinosaur Museum, which opened in 2000. KKA also carried out the architectural design and construction supervision for major renovations and new building additions when it reopened following renovation in 2023.

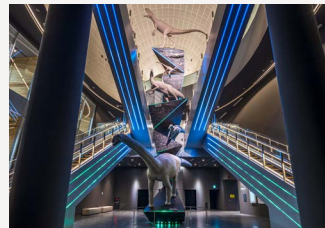
This project responded to increased visitor numbers whilst evolving the exhibition approach from "viewing" to "experiencing." Particularly noteworthy is the Fossil Research Experience area that simulates specialist research activities. This programme enables visitors to experience simulated research equivalent to that conducted by actual researchers, including fossil cleaning, fossil scanning, and fossil replica assembly using equipment and environments equivalent to specialist research. This space, where visitors can experience deep learning by touching the fossils themselves, was designed with the hope that children will be inspired to return as future researchers.

This project was realised through collaboration with Fukui Prefectural Dinosaur Museum and Tanseisha.\* Its innovation and educational value received high recognition, winning the iF Design Award Gold (highest prize) and Kids Design Award (Minister of Economy, Trade and Industry Prize). Our Group continues contributing to nurturing next-generation talents through expanding learning possibilities via spatial creation.

\*Architectural design: KKA, Exhibition design: KKA + Tanseisha, Exhibition construction: Tanseisha



Fossil Research Experience area



Fukui Prefectural Dinosaur Museum interior

### Next-Generation Agricultural Models Realised Through Technology and Collaboration—Smart Agriculture Package Challenge

To address challenges such as labour shortages and climate change in Japan's agricultural sector, Nippon Koei Energy Solutions is developing a "Smart Agriculture Package." This initiative integrates our proprietary environmental control system, a-MAC, with greenhouse cultivation techniques using polyester-based growing medium developed by Kinki University and partners. A pilot project is currently underway at Noen Musubi, a strawberry farm in Kakegawa City, Shizuoka Prefecture.

The package collects and shows environmental data—such as temperature, humidity, and CO<sub>2</sub> concentration—both inside and outside the greenhouse. This data enables remotely control of cultivation conditions through connected systems, including automated ventilation, misting, and lighting. By allowing precise and remote management, the system reduces farmers' physical workload for and supports stable, high-quality production. In addition, the package is expected to revitalise idle agricultural greenhouses and attract new entrants to farming by lowering operational barriers.

Looking ahead, we aim to further refine cultivation techniques by analysing monitoring data and feeding insights back into the system. Through this, we seek to enhance productivity and sustainability in regional agriculture and promote more flexible use of agricultural assets. The ID&E Group remains committed to addressing social challenges by advancing sustainable agriculture through technological innovation and strong regional partnerships.



Easily managed using smartphones and tablets

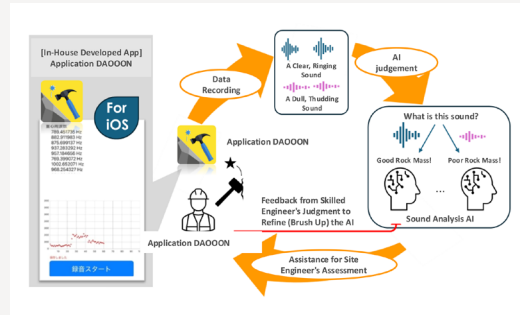


Environmental monitoring sensor box

## 8.4 Innovation Examples: Innovation in Practice

### Fusion of Expert Skills and AI—DX Solution for Material Determination Through Impact Sound

Nippon Koei has developed an innovative solution that leverages AI and smartphone applications to address the challenge of subjectivity in quality assessment at infrastructure inspection and construction sites. This initiative enables consistent and reliable quality evaluation by anyone, through AI learning based on expert engineers' auditory judgements used to distinguish rock and concrete materials by the sound of impact.



The DAOOON Feedback Loop: Refining AI Rock Mass Judgment with Expert Input

This technology delivers high accuracy, achieving approximately 90% agreement between expert assessments and AI determinations. Furthermore, a beta version of the smartphone application DAOOON, designed to support on-site data collection, has been developed. It allows simple recording and utilisation of impact sounds through an intuitive UI (user interface), digitally supplementing judgements that previously relied dependent on engineers' five senses and reducing quality variations.

This initiative accelerates DX in the civil engineering industry while contributing to the resolution of social challenges such as the inheritance of expert skills and labour shortages. We will continue to actively advance DX, creating new value through innovation.

### Supporting Island Futures Through Smart Mobility Demonstration—Implementing Three Types of Smart Mobility Demonstration Projects on Hachijojima

Commissioned by the Tokyo Metropolitan Government, Nippon Koei launched three smart mobility demonstration projects on Hachijojima from July 2024. This initiative addresses regional challenges such as declining birth rates, an ageing population, and driver shortages, with the aim of providing sustainable transport services. The projects include the following three elements:



Demonstration Project Image

- 1. AI Demand Taxi:** Real-time AI dispatch enables efficient ride-sharing even with a limited number of vehicles. Supporting mobility for the elderly residents.
- 2. Sharing Mobility:** Offers visitors convenient travel options through to electric-assist bicycles.
- 3. Autonomous Bus:** Tests public transport possibilities through autonomous operation on routes connecting Hachijojima Airport and Sokodo Port.

These initiatives represent steps toward achieving smart town development that fuses next-generation mobility and AI technology whilst efficiently utilising regional transport and tourism resources.

# Others

## 9

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## 9. Others

### 9.1 External Evaluations

#### Recognition as a Certified Health & Productivity Management Outstanding Organisations



The Certified Health & Productivity Management Organisations recognitions programme, administrated by Ministry of Economy, Trade and Industry (METI), aims to identify corporations that demonstrate excellence in health management, enabling them to gain social recognised recognition from employees, job seekers, related companies, and financial institutions. Our Group has been continuously certified as a Health and Productivity Management Outstanding Organisation since 2019.

##### Scope of Certification

Group companies certified as Health & Productivity Management Outstanding Organisation 2025 (Large Enterprise Category, Top 500):

ID&E, Nippon Koei, Nippon Koei Urban Space, Nippon Koei Energy Solutions, Nippon Koei Business Partners, Koei Research & Consulting

Group companies certified as Health & Productivity Management outstanding Organisation 2025 (Large Enterprise Category):

Koei System, El Koei Koei System Inc., El Koei Co., Ltd.

#### Platinum Kurumin



Based on Japan's Act on Advancement of Measures to Support Raising Next-Generation Children, our Group has received both "Kurumin" and "Platinum Kurumin" certifications from the Minister of Health, Labour and Welfare of Japan, recognizing our high-level efforts to support childcare. "Platinum Kurumin" is a special certification awarded to companies that have already received "Kurumin" certification by meeting action plan targets and demonstrating higher standards of work-life balance support, subject to meeting specific criteria.

##### Scope of Certification

Nippon Koei, Nippon Koei Urban Space, Nippon Koei Energy Solutions, Nippon Koei Business Partners

#### Sports Yell Company



The Japan Sports Agency certifies companies as "Sports Yell Companies" that actively promote sports activities to enhance employee health, aiming to increase social awareness of sports and encourage participation among the "working generation." Our

Group provides various opportunities for employees to engage in sports, including implementation and promotion of original exercise programmes (NK Taiso), club activity support, and organising marathon competitions. Our biannual walking event "Walking with Everyone," utilising smartphone applications to compete in average step counts over one month for teams and individuals in spring and autumn, sees increasing participation each time, with over 30% of our Group employees participating.

##### Scope of Certification

ID&E, Nippon Koei, Nippon Koei Urban Space, Nippon Koei Energy Solutions, Nippon Koei Business Partners, Koei Research & Consulting

## 9.2 ESG Data

### 9.2.1 Environment

| Data Item (Primary)                | Data Item (Secondary)                          | FY 2023/ 06          | FY 2024/ 06          | FY 2025/ 06          |            | Remarks   |
|------------------------------------|--|----------------------|----------------------|----------------------|------------|---|
|                                    |  | Main Group Companies | Main Group Companies | Main Group Companies | Group-wide |   |
| Total Energy Consumption           | Total (GJ)                                     | 53,960               | 53,115               | 48,415               | 94,785     |   |
| Energy Source Breakdown            | Kerosene (L)                                   | 8,344                | 12,975               | 11,402               | 11,402     | Used only at Nippon Koei and Nippon Koei Energy Solutions facilities  |
|                                    | Liquefied Petroleum Gas (LPG, m <sup>3</sup> ) | 3,485                | 3,649                | 3,590                | 3,590      |   |
|                                    | City Gas (m <sup>3</sup> )                     | 21,332               | 20,872               | 25,892               | 33,260     | Used only at Nippon Koei, Nippon Koei Urban Space, and Nippon Koei Business Partners facilities   |
|                                    | Electricity (kWh)                              | 10,672,420           | 10,698,166           | 9,760,424            | 19,117,925 |   |
|                                    | Renewable Energy/Certified Electricity (kWh)   | 57,707               | 6,807,051            | 5,791,948            | 5,791,948  |   |
|                                    | Renewable Energy Rate (%)                      | 1                    | 64                   | 59                   | 30         |   |
| Water Consumption from All Sources | Total (m <sup>3</sup> )                        | 17,183               | 59,461               | 52,745               |            | FY 2023 figures represent combined consumption of BDP facilities, Nippon Koei Building and Kojimachi Mid-Square Building.<br>FY 2024 figures represent total consumption for Main Group Company facilities where consumption data was available (total amount increased due to expansion of calculation scope compared to FY 2023)<br>FY 2025 figures represent the total consumption of main group companies and the subsidiaries under their umbrella, based on the sites where usage data could be obtained. |
|                                    | Potable Water Consumption (m <sup>3</sup> )    | 7,600                | 56,907               | 50,975               |            | The total water consumption of the Nippon Koei building, including reclaimed water, as well as the consumption at sites where the Type of water used is not specified.  |
|                                    | Other (m <sup>3</sup> )                        | 9,583                | 2,554                | 1,770                |            |   |
| Total CO <sub>2</sub>              | t-CO <sub>2</sub> (Market-based)               | 5,382.12             | 3,230.81             | 3,163.86             | 6,030.40   | Equivalent to Scope 1 + Scope 2 emissions   |
| Greenhouse Gases (GHG)             | Scope 1 (t-CO <sub>2</sub> )                   | 1,025.12             | 994.97               | 913.35               | 1,804.16   | *Calculation methods for Scope 1, 2, and 3 and breakdown of each category can be found in <a href="#">"Method of Calculation and Scope in Data Collection for Key Sustainability Indicators"</a><br>*The Group's total estimated emissions, calculated based on the emissions of five major companies, amount to 119,534.32 t-CO <sub>2</sub> .   |
|                                    | Scope 2 Market-based (t-CO <sub>2</sub> )      | 4,357.00             | 2,235.83             | 2,250.51             | 4,226.25   |   |
|                                    | Scope 2 Location-based (t-CO <sub>2</sub> )    | 4,685.00             | 4,610.91             | 4,186.25             | 6,183.26   |   |
|                                    | Scope 3 (t-CO <sub>2</sub> )                   | 68,249.04            | 102,813.13           | 101,616.58           | —          |   |
| Waste Discharge                    | Total (t)                                      | 697                  | 937                  | 965                  |            | FY 2023/ 06 figures represent combined figures for Nippon Koei Building and BDP facilities.<br>FY 2024/ 06 figures represent Main Group Company facilities where discharge data was available (total amount increased due to expansion of calculation scope compared to FY 2023/ 06)<br>FY 2025 figures represent the total consumption of main group companies and the subsidiaries under their umbrella, based on the sites where usage data could be obtained  |

\*1 Main Group Company: Nippon Koei, Nippon Koei Urban Space, BDP, Nippon Koei Energy Solutions, Nippon Koei Business Partners

\*2 Group-wide: details can be found in ["Calculation Methods and Scope for Key Sustainability Data"](#)

\*3 Definitions of various data are created in accordance with Ministry of the Environment guidelines and GHG Protocol standards

Note: The GHG emissions figures above are aggregated based on the calculation methods and boundaries defined by the ID&E Group, and may not necessarily align with those previously used by the Tokio Marine Group.



## 9.2 ESG Data

### 9.2.2 Social

#### 9.2.2.1 ID&E Group Employee Numbers

| Data Item                          |                                     | As of End of June 2024 |       |       | As of End of June 2025 |       |       |
|------------------------------------|-------------------------------------|------------------------|-------|-------|------------------------|-------|-------|
| Group Employee Numbers             |                                     | Men                    | Women | Total | Men                    | Women | Total |
| ID&E Holdings                      |                                     | 15                     | 1     | 16    | 32                     | 12    | 44    |
|                                    | Consulting Segment                  | 2,377                  | 827   | 3,204 | 2,481                  | 907   | 3,388 |
|                                    | Nippon Koei                         | 1,605                  | 384   | 1,989 | 1,641                  | 431   | 2,072 |
|                                    | Other Group Companies               | 772                    | 443   | 1,215 | 840                    | 476   | 1,316 |
|                                    | Urban & Spatial Development Segment | 1,421                  | 819   | 2,240 | 1,382                  | 751   | 2,133 |
|                                    | Nippon Koei Urban Space             | 682                    | 185   | 867   | 733                    | 202   | 935   |
|                                    | BDP                                 | 726                    | 625   | 1,351 | 637                    | 539   | 1,176 |
|                                    | Other Group Companies               | 13                     | 9     | 22    | 12                     | 10    | 22    |
|                                    | Energy Segment                      | 662                    | 74    | 736   | 687                    | 84    | 771   |
|                                    | Nippon Koei Energy Solutions        | 561                    | 63    | 624   | 588                    | 71    | 659   |
|                                    | Other Group Companies               | 101                    | 11    | 112   | 99                     | 13    | 112   |
|                                    | Business Management Segment         | 171                    | 273   | 444   | 169                    | 284   | 453   |
|                                    | Nippon Koei Business Partners       | 100                    | 94    | 194   | 88                     | 101   | 189   |
|                                    | Other Group Companies               | 71                     | 179   | 250   | 81                     | 183   | 264   |
| Nippon Koei Health Insurance Union |                                     | 1                      | 1     | 2     | 1                      | 1     | 2     |
| Total                              |                                     | 4,647                  | 1,995 | 6,642 | 4,752                  | 2,039 | 6,791 |

#### 9.2.2.2 Other Employee Information

Information for companies where data can be aggregated, including ID&E, Nippon Koei, Nippon Koei Urban Space, Nippon Koei Energy Solutions, and Nippon Koei Business Partners. We plan to continue expanding the scope of data aggregation within the ID&E Group.

## 9.2 ESG Data

ID&E, Nippon Koei, Nippon Koei Urban Space, Nippon Koei Energy Solutions, Nippon Koei Business Partners (Total employees 3,899 people)

| Data Item   | As of End of June 2024 |            |              | As of End of June 2025 |             |              | Remarks                |
|---|------------------------|------------|--------------|------------------------|-------------|--------------|------------------------|
|   | Men                    | Women      | Total        | Men                    | Women       | Total        |                        |
| Number of Management Personnel                              | 660                    | 38         | 698          | 669                    | 44          | 713          | *1                     |
| New Graduate Hires in Japan                                 | 120                    | 70         | 190          | 125                    | 70          | 195          | *1                     |
| Mid-career Hires in Japan                                   | 72                     | 31         | 103          | 52                     | 40          | 92           | *1                     |
| Average Years of Continuous Employment (Regular Employees)  | 13.8                   | 7.6        | 12.2         | 13.7                   | 7.3         | 12.3         | *1                     |
| Number of Regular Employee Resignations (Ratio)             | -                      | -          | 102 (3.2%)   | -                      | -           | 119 (3.6%)   | *1                     |
| Annual Total Working Hours per Person (Average)             | -                      | -          | 1947.2       | -                      | -           | 2190.3       | *2                     |
| Annual Overtime Hours per Person (Average)                  | -                      | -          | 139.7        | -                      | -           | 375.3        | *2                     |
| Annual Paid Leave Days Taken (Ratio)                        | -                      | -          | 11.7 (66.4%) | -                      | -           | 11.9 (66.8%) | *3                     |
| Employment Rate of Persons with Disabilities (%)            | -                      | -          | 2.42         | -                      | -           | 2.52         | *3                     |
| Gender Pay Gap (%)  | -                      | -          | 74.2         | -                      | -           | 70.9         | *3                     |
| Maternity and Childcare Leave Uptake (People) (Ratio)       | 46 (61.3%)             | 14 (82.3%) | -            | 55 (64.7%)             | 30 (120.0%) | -            | *3                     |
| Return-to-Work Rate After Maternity and Childcare Leave (%) | -                      | -          | 100          | -                      | -           | 100          | *3                     |
| Average Days of Male Parental Leave                         | 73.3                   | -          | -            | 84.5                   | -           | -            | *3                     |
| Number of Professional Engineers                            | -                      | -          | 1,786        |                        |             | 1,806        | Total number of people |
| Work-related Accidents (During Work)                        | 9                      | 0          | 9            | 9                      | 1           | 10           |                        |
| Work-related Accidents (Commuting)                          | 4                      | 1          | 5            | 6                      | 1           | 7            |                        |
| Work-related Fatalities                                     | 0                      | 0          | 0            | 0                      | 0           | 0            |                        |

## 9.2 ESG Data

### Other Group Companies

| Data Item  | As of End of June 2024 |       |           | As of End of June 2025 |       |          | Remarks | Remarks |
|--|------------------------|-------|-----------|------------------------|-------|----------|---------|---------|
|  | Men                    | Women | Total     | Men                    | Women | Total    |         |         |
| Number of Management Personnel                             | 41                     | 18    | 59        | 36                     | 17    | 53       | *4      | *1      |
| New Graduate Hires in Japan                                | 5                      | 7     | 12        | 6                      | 2     | 8        | *4      | *1      |
| Mid-career Hires in Japan                                  | 6                      | 6     | 12        | 9                      | 10    | 19       | *4      | *1      |
| Average Years of Continuous Employment (Regular Employees) | 13.7                   | 9.8   | 12.6      | 13.5                   | 9.6   | 12.3     | *4      | *1      |
| Number of Regular Employee Resignations (Ratio)            | -                      | -     | 15 (5.2%) | -                      | -     | 12(4.1%) | *4      | *1      |
| Work-related Accidents (During Work)                       | 0                      | 0     | 0         | 0                      | 0     | 0        | *5      | *1      |
| Work-related Accidents (Commuting)                         | 0                      | 0     | 0         | 1                      | 0     | 1        | *5      | *1      |
| Work-related Fatalities                                    | 0                      | 0     | 0         | 0                      | 0     | 0        | *5      | *1      |

\*1 Aggregation scope: Regular employees only. Does not include directors, contract employees, advisors, part-time employees, or non-regular staff.

\*2 Aggregation scope: Regular employees, contract employees, and part-time employees. Does not include directors, advisors, or non-regular staff.

\*3 Aggregation scope: Regular employees, contract employees, advisors, and part-time employees. Does not include directors.

\*4 Nippon Civic Consulting Engineers, Koei Research & Consulting, Koei System, El Koei (Reference: Total employees 585 people)

\*5 Koei Research & Consulting, Kisho Kurokawa Architect & Associates, Nikki Corporation (Reference: Total employees 136 people)

#### 9.2.2.3 Kubota Fund Scholarship Recipients\*

| FY 2023                      | FY 2024                     | FY 2025                     |
|------------------------------|-----------------------------|-----------------------------|
| 12 recipients / 11 countries | 12 recipients / 9 countries | 12 recipients / 9 countries |

\*Established by Kubota Yutaka, founder of Nippon Koei, to support technical students from Low-and Middle-Income Countries. The ID&E Group has provided operational and financial support since its establishment in 1984.

## 9.2 ESG Data

### 9.2.3 Governance

#### 9.2.3.1 Internal Reporting Cases

Target: Main Group Companies

Number of case

| FY 2022/ 06 | FY 2023/ 06 | FY 2024/ 06 | FY 2025/ 06 |
|-------------|-------------|-------------|-------------|
| 7           | 12          | 22          | 22          |

\*Figures until FY2023/06 reflect the number of consultations and reports prior to the corporate split of former Nippon Koei

#### 9.2.3.2 Responses to the Compliance Awareness Survey

Target: Group Companies based in Japan and Overseas Countries

Response count

| FY 2022/ 06 | FY 2023/ 06 | FY 2024/ 06 | FY 2025/ 06 |
|-------------|-------------|-------------|-------------|
| 4,857       | 5,234       | 5,253       | 5,260       |

#### 9.2.3.3 Patent Holdings

Target: Registered Patents in Japan by Main Group Companies  
(Nippon Koei, Nippon Koei Urban Space, Nippon Koei Energy Solutions)

Number of patent

| FY 2022/ 06 | FY 2023/ 06 | FY 2024/ 06 | FY 2025/ 06 |
|-------------|-------------|-------------|-------------|
| 55          | 50          | 49          | 48          |



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