



Toda Group realizing society of collaborative creation for the future

This image depicts our vision for a future city concept called SECC (Smart Energy Complex City), which we are proposing as the ultimate embodiment for realizing this vision.

Smart Agricultural Town

Construction x Strawberries

Food x Energy

TODA CREATIVE LAB トダッテ

TODAtte?

A museum to
experience
construction and
think about
the future:
“TODAtte?”

Number of visitors: 13,118 (as of July 31, 2025)

We established the Toda Group's museum TODA CREATIVE LAB “TODAtte?” on the 8th floor of the TODA BUILDING, which opened in November 2024.



? About the Museum

With the construction of the TODA BUILDING, we've created a space where visitors can see, touch, and experience the past, present, and future of the construction industry while learning in an enjoyable way. We also intend for it to be a place where we can work with you to contemplate the various challenges confronting society and all those involved and find solutions.

A wide range of people are welcome here, including students and the general public, as well as construction-related visitors and clients.

Visitor Information

Hours: 9:30 AM – 5:00 PM

Closed: Saturdays, Sundays, holidays, year-end/New Year holidays, and other days designated by Toda Corporation

Reservation website: <https://museum-todatte.toda.co.jp/>

Society of collaborative creation: A society in which people cooperate and collaborate to produce a virtuous cycle, creating new value and achieving sustainability and a sense of well-being

Floating Offshore Wind Power Generation

Energy Town

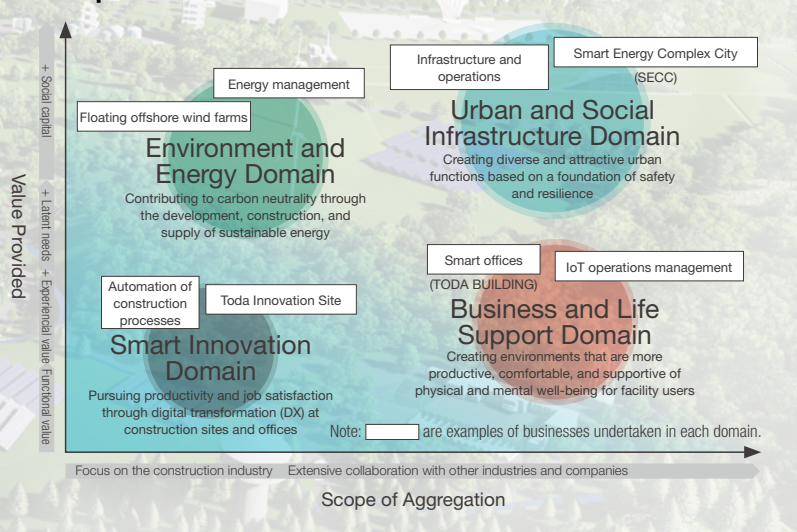
Carbon Negative Lab

Center City

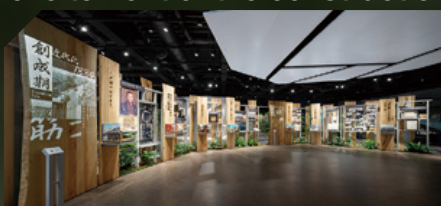
Small-Scale Hydropower

Smart Infrastructure

Development Domain



!Three zones where you can experience the scale and excitement of the construction world and envision new futures



ZONE 1 Corporate Culture and Heritage

This experiential zone traces the journey of the Toda Group from the founding of Toda Corporation's predecessor Toda-kata to the present day, with visitors navigating through each theme as if walking through a grove of trees.



ZONE 2 Wisdom and Technology

This immersive zone features a vast space with a 15-meter wide dynamic large-scale projection and dioramas. It showcases the 'wisdom' behind creating a better society, the 'technology' that addresses social challenges, and the 'work' involved in developing social infrastructure.



ZONE 3 Envisioning the Future

This future-oriented zone portrays the Toda Group's vision for 2050 in a theatre-style set in a lush green hill, based on research and development, experiences, experiments, and co-creative activities with leading companies from other sectors, all of which are aimed at creating a valuable future.

Images provided by: TANSEISHA Co., Ltd.
Photographer: Taichi Misonoo

Our History of Value Creation

Values and Major Works that Have Contributed to Society



1912
Keio 50th Anniversary Memorial Library



1927
Waseda University Okuma Auditorium



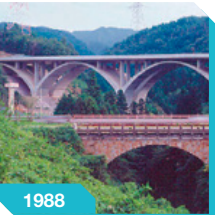
1933
Teito Dentetsu Line
(Keio Inokashira Line Shinsen Station)



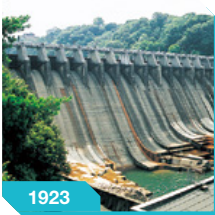
1961
Hakone Bypass Tengu Bridge



1970
Japan World Exposition, Osaka
— Swiss Pavilion



1988
Oinosaka Kameoka Bypass Bridge



1923
Ooi Dam



1933
Residence of Prince Asaka
(renamed the Tokyo Metropolitan
Teien Art Museum)



1958
Ryugasaki Country Club



1964
Komazawa Olympic Park
General Sports Ground Athletic Field



1983
Tsushima Airport



1991
InterContinental Yokohama Grand

Great Kanto Earthquake ▼

End of the War ▼

Oil Shock ▼

1900s–1920s

Contribution to Reconstruction after the Great Kanto Earthquake

After the Great Kanto Earthquake of 1923, Toda received orders for the construction of 10,000 of the 120,000 emergency housing units for disaster victims, contributing to the reconstruction efforts. Schools and hospitals accounted for a large share of the reconstruction work, and it was during this period that the company established its tradition which was well-known for building schools and hospitals and described as the “Toda of Schools and Hospitals.” We have also made contributions to society by taking on the challenge of advanced technology, such as our pioneering and highly regarded work on a steel frame and reinforced concrete structure building (the Tokio Marine Building, one of the largest buildings in Japan at the time, completed in 1918).

1930s–1970s

Contribution to Postwar Reconstruction and Rapid Economic Growth

Before World War II, Toda was involved in the construction of many government buildings throughout Japan, and also contributed to the creation of social infrastructure, including the construction of dams and new electric railway lines.

During the post-war reconstruction, as the Japanese economy was getting back on its feet, Toda’s construction of condominiums and commercial facilities contributed to the development of Japanese industry and the realization of secure and prosperous lifestyles for Japan’s people.

History

1881	Contracting business launched as Toda-kata	1999	Official website launched
1908	Name changed to Toda-gumi	2010	Brand slogan “Created by People, Created with People.” announced
1924	Sales offices opened in Yokohama, Nagoya, Osaka, Fukuoka, and Sendai	2015	Toda Group global vision, “a corporate group that realizes ‘joys’” announced
1936	Reorganized as Toda-Gumi Co., Ltd.	2019	Toda Group logo mark established
1949	Registered as a construction business under the Construction Business Act		Temporary relocation of headquarters to Hatchobori, Chuo-Ku, Tokyo due to building reconstruction
1958	Technology Research Dept. (renamed Toda Institute of Construction Technology) established	2021	140th anniversary “Future Vision CX150” established
1963	Name changed to Toda Corporation	2022	Brand slogan “Build the Culture. Creation from ideas, rooted in passion.” announced
1969	Listed on the stock market		New headquarters TODA BUILDING completed
1972	Full-scale overseas expansion begins (Construtora Toda do Brasil S.A. and Toda America, Inc. established)	2024	

Progressive Initiatives as a Responsible Company

Environment

1994	Toda Global Environment Charter established	2020	Award for Excellence in Climate Change Reporting received at the Environmental Communication Awards
1998	First Environmental Preservation Activity Report (predecessor to the Corporate Report) issued	2022	Issues Climate Emergency Declaration
1999	ISO 14001 certification obtained		Updates the greenhouse gas emission reduction targets to the “1.5°C level”
2000	First company in Japan and in the construction industry to achieve zero emissions	2023	Joins the 30 by 30 Alliance for Biodiversity
2002	Green Procurement Guidelines established		Tsukuba Research and Development Center registered as a Nature Symbiosis Site
2010	Certified as an Eco-First Company	2024	Certified as an A List company by the CDP (for the eighth time and seven consecutive years, including 2016 and 2018 to 2023)
2017	Construction of an environmental technology demonstration building for ZEB conversion completed		Joins the TNFD Forum
	Our greenhouse gas emission reduction targets received SBT certification (first in the construction industry)		TODA BUILDING obtains Japan’s first “ZEB Ready” certification for an entire high-rise mixed-use building
	Issues Japan’s first Green Bonds for the company’s own business		Selected as an “Environmentally Sustainable Company” (twice, for two consecutive years) and an “Environmental Disclosure Progress Company” in the ESG Finance Awards Japan
2019	Joins the RE100 initiative		
	Expresses our support of TCFD Recommendations		

The value that our group provides to society — buildings and infrastructure — will be part of the lives of the people living in those areas for decades. By taking into account not only the needs of our customers, but also the demands of the times and the next generation, we will continue to contribute to the creation of safe and comfortable social infrastructure.



Great Hanshin Earthquake ▼

Great East Japan Earthquake ▼

▼ COVID-19 Pandemic

1980

2000

2020

2031

150th
anniversary of the
company's founding
Future Vision CX150

1980s–2000s

Toward Becoming an “Environmentally Advanced Company”

As interest in conserving the environment grew worldwide in the 1990s, Toda, as a company that “considers the Earth’s tomorrow,” began to focus on preserving and restoring the global environment, becoming the first general contractor to achieve zero emissions in 2000. Under the banner of “Japan’s No. 1 in quality,” we have also helped to create a safe and comfortable society by providing superior construction that meets a wide range of societal needs.

2010s onwards

A Corporate Group that Realizes “Joys”

In 2015, we drew up the Toda Group Global Vision, “a corporate group that realizes ‘joys’.” In 2021, on the occasion of the 140th anniversary of the company’s founding, we developed the “Future Vision CX150” as our vision for the 150th anniversary in 2031, followed by the “Sustainability Vision 2050” in 2022.

The Toda Group will continue to emphasize the aspirations and warmth of all those involved in the construction industry, aiming to create a future in which all stakeholders can share in the joy of our work.

ny

(ESG Initiatives)

Social

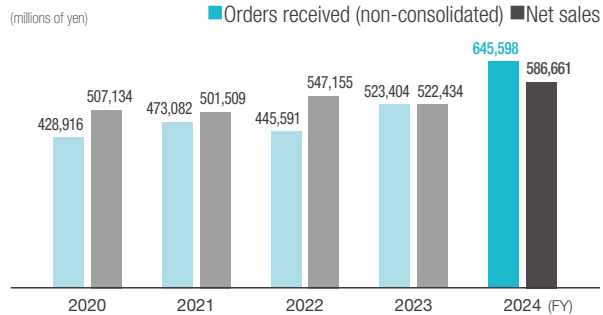
1965	Toda Disaster Prevention Cooperative Association established	2022	Human Rights Policy established
1989	Occupational ability reflected in the personnel system	2023	Receives Silver certification in the PRIDE Index 2023
1990	Toda Rikyukai association established		Receives 3-star “Eruboshi” accreditation
1991	Full 2-day holiday workweek system introduced		Introduces new personnel system transitioning to positions and compensation based on roles and level of contribution
1995	First in the construction industry to receive ISO 9001 certification		Introduction of optional retirement (retirement age extension) system
2001	Performance-focused evaluation introduced in the personnel system		Obtains preliminary WELL Certification for the new headquarters building
2006	BCP (Business Continuity Plan) established		Tsukuba Research and Development Center’s Green Office Building receives the 1st SDGs Construction Award (Ministry of Land, Infrastructure, Transport and Tourism Minister’s Award)
2008	Toda Tokyo Foremen’s Association established		Certified as a Health & Productivity Management Outstanding Organization 2024 (White 500) for the first time in two years and the fifth time overall
2009	Performance and behavioral evaluation introduced in the personnel system	2024	Receives Silver certification in the PRIDE Index 2024 for the second consecutive year
2012	ISO 27001 certification acquired		Endorses and signs the United Nations Women’s Empowerment Principles (WEPS)
2013	Customer center established		Revised dress and appearance guidelines (dress code)
2014	Establishes the Value Creation Promotion Office (renamed the Innovation Group)		Establishment of Life Support Leave
2016	Joins the IkuBoss Corporate Alliance		Tsukuba Research and Development Center’s Green Office Building obtains “Platinum” WELL Certification
2017	Toda Mirai Foundation established	2025	Certified as a Health & Productivity Management Outstanding Organization 2025 (White 500) for the sixth time
2018	Strategic Business Promotion Office established (renamed the Strategic Business Promotion Group)		
2020	Flex-time system introduced		
2021	Obtains “Resilience Certification” as an organization contributing to national resilience		
	Receives 2-star “Eruboshi” accreditation based on the Act on the Promotion of Women’s Active Engagement in Professional Life		
	Receives Bronze certification in the PRIDE Index 2020 for LGBTQ initiatives		
	Receives Silver certification in the PRIDE Index 2021		

Governance

1967	Management Policy established	2021	Board effectiveness evaluation begun
1994	Code of Conduct established		Basic Policy for Corporate Governance revised
2003	Charter of Corporate Behavior established		Basic Sustainability Policy established
2005	Executive Officer System introduced		Sustainability Committee established
2014	First outside director appointed		Annual board operation policy formulation started
	Personnel and Compensation Committee established	2022	Board composition reform (reduction in number of directors, outside directors comprise more than half)
2015	Risk Management Division established (renamed the Legal and Risk Management Division)		Revised to be more performance-based executive compensation system
	Basic Policy for Corporate Governance established		Joins the United Nations Global Compact
2017	Procurement Policy established		Procurement Policy reformed
2018	Corporate Philosophy revised	2023	Selected as a constituent of the FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index (fourth time, four consecutive years)
	Charter of Corporate Behavior revised	2025	
2020	Basic Policy for Corporate Governance revised		
	Code of Conduct revised		
	First female director appointed		

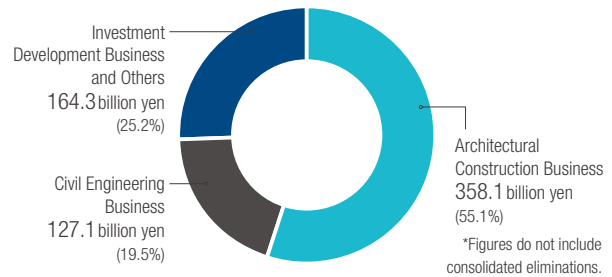
Financial and Non-Financial Highlights

Orders Received (Non-Consolidated) and Net Sales



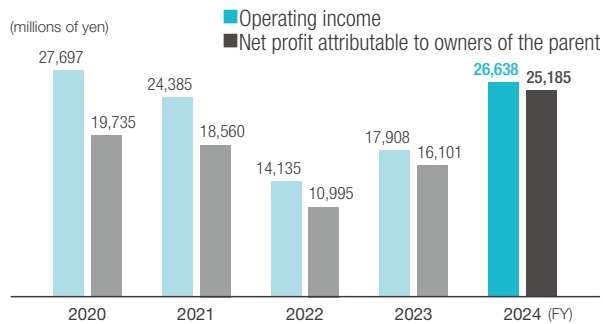
Our orders received (non-consolidated) increased by 18.0% year on year in the architectural construction business, primarily due to increasing orders for domestic public-sector construction and civil engineering projects. Orders were up 24.5% year on year in the civil engineering business. The result was an overall increase of 23.3% to 645.5 billion yen. Net sales amounted to 586.6 billion yen, with an increase in net sales in the architectural construction business, due to progress on existing large-scale construction projects, and in the domestic investment and development business, due to an increase in sales of real estate for sale.

Net Sales by Business Segment and as Percentages of Net Sales



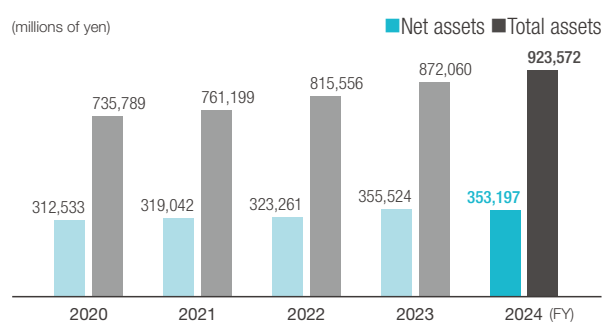
Sales by segment have traditionally been focused on the architectural construction business. While no major shifts in sales to other segments are anticipated, we are focusing on strengthening our investment and development businesses as part of our medium- to long-term business strategy. Due to increases in the overseas investment development business and other factors, net sales in the investment and development business and others were up to 164.3 billion yen (127.2 billion yen the previous year).

Operating Income/Net Profit Attributable to Owners of the Parent



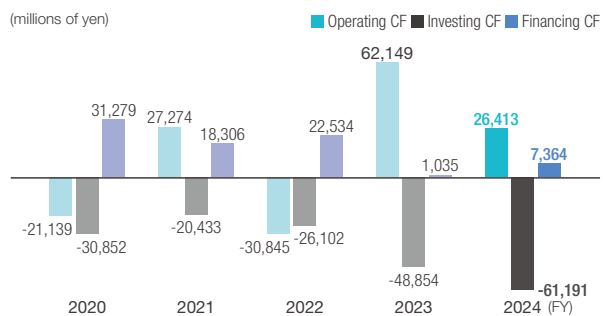
Gross profit increased 21.7% year on year, mainly due to an improvement in profitability in Toda Corporation's architectural construction business and an increase in gross profit on real estate for sale in the domestic investment and development business. Selling, general and administrative expenses increased 11.0% year on year, mainly due to an increase in labor costs. However, operating income increased 48.8% to 26.6 billion yen. Net profit attributable to owners of the parent was 25.1 billion yen, up 56.4% from the previous year, due to gains on sales of investment securities resulting from the sale of cross-shareholdings, despite impairment losses and expected future losses in the environment and energy business.

Net Assets/Total Assets



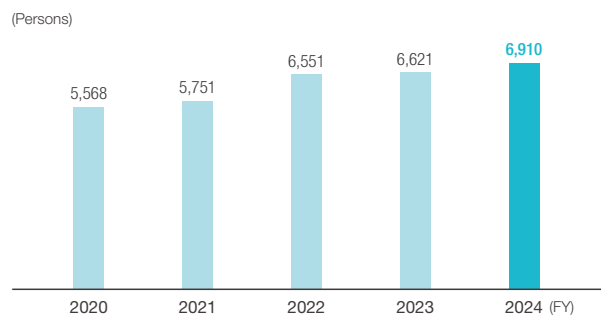
Net assets at the end of the current fiscal year were 353.1 billion yen, down 2.3 billion yen year on year, and the capital ratio was 37.1%. This was mainly due to a decrease of 19.4 billion yen in valuation difference on available-for-sale securities, resulting mainly from the sale of investment securities, dividend payments of 8.6 billion yen, and repurchase of treasury stock of 5.0 billion yen, despite net profit attributable to owners of the parent of 25.1 billion yen. Total assets increased 51.5 billion yen year on year to 923.5 billion yen. This was mainly due to increases of 48.4 billion yen in bills receivable/uncollected money from completed projects, etc., 23.4 billion yen in real estate for sale due to a change in the holding purpose of assets, and 73.0 billion yen in buildings and structures, despite decreases of 30.8 billion yen in cash and deposits, 33.6 billion yen in construction in progress, 22.5 billion yen in investment securities, and 6.6 billion yen in land. The increase in the buildings and structures was mainly due to the completion of construction of the TODA BUILDING.

Cash Flow (Operating, Investing, and Financing)



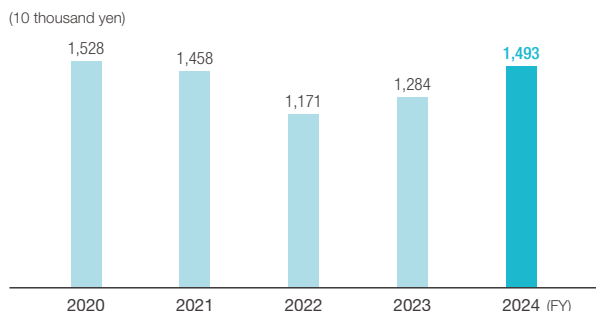
Cash and cash equivalents (hereinafter, "cash") at the end of the current fiscal year amounted to 86.1 billion yen, a decrease of 26.9 billion yen year on year. Although cash decreased due to an increase in accounts receivable, cash flows from operating activities increased by 26.4 billion yen due to factors including an increase in cash resulting from an increase in advances received on uncompleted construction contracts. Cash flows from investing activities decreased by 61.1 billion yen due to factors such as a decrease in cash associated with the purchase of property, plant and equipment, despite an increase in cash due to factors including the sale of cross-shareholdings. Cash flows from financing activities increased by 7.3 billion yen due to the difference between proceeds from financing and repayment of loans, mainly due to the promotion of growth investment, and despite decreases in cash due to dividend payments and the repurchase of treasury stock.

Number of Employees (Consolidated)



The consolidated number of employees increased by 289 year on year. The main reason for this was the acquisition of all issued shares of Kaken Co., Ltd., making it a wholly owned subsidiary. By segment, the total includes 2,700 (2,700 non-consolidated) employees in architectural construction, 1,064 (1,064 non-consolidated) in civil engineering, 1,385 (15 non-consolidated) in domestic group companies, and 1,226 (13 non-consolidated) in overseas group companies. The non-consolidated number of employees for the company stood at 4,315, an increase of 84 persons from the previous year.

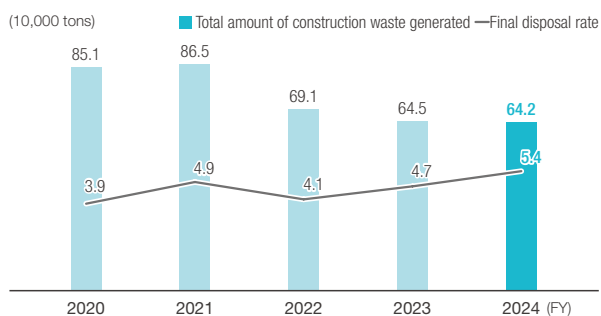
S Labor Productivity (Non-Consolidated)



Labor productivity for fiscal 2024 was 14.93 million yen (target for fiscal 2024 in the Medium-Term Management Plan is 15 million yen), mainly due to an improvement in profitability in the architectural construction business. We are working to further increase productivity by thoroughly implementing a new management system based on "labor productivity per hour," which more directly reflects the efforts of each and every employee to improve productivity.

* Labor productivity = Amount of added value (operating income + total personnel expenses) ÷ number of employees (average for the period, including temporary employees, etc.)

E Total Amount of Construction Waste Generated/ Final Disposal Rate (Non-Consolidated) Third-party assurance



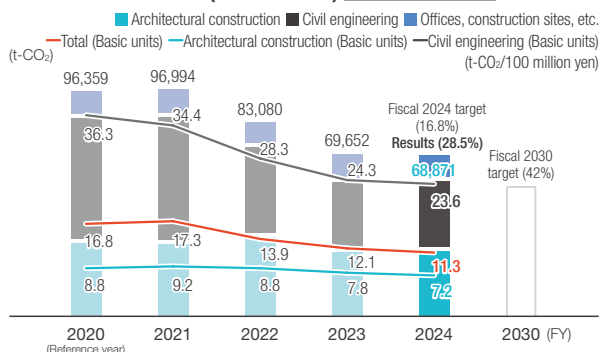
In fiscal 2024, waste volume remained largely unchanged year on year, and the final disposal rate increased slightly.

The increase in the final disposal rate is partly due to an increase in the amount of mixed waste and rubble, which have a low recycling rate, being discharged in the civil engineering sector.

The total waste volume and final disposal rate are greatly affected by the type, amount, and scale of construction work carried out in a given year, but we will continue to work to reduce the volume of waste generated and the amount of waste sent to landfill by implementing waste reduction measures, adopting methods to curb the production of waste, and pursuing 3R activities.

* Final disposal rate is not covered by the third-party assurance.

E Scope 1, 2 Total Emissions/ Basic Unit (Consolidated) Third-party assurance



In fiscal 2024, the total amount of Scope 1 and Scope 2 emissions were 68,871 t-CO₂ (down 1.1% year on year), and emissions per basic unit were 11.3 t-CO₂/100 million yen (down 6.6%). Fiscal 2024 marked the final year of the Medium-Term Management Plan 2024 Rolling Plan.

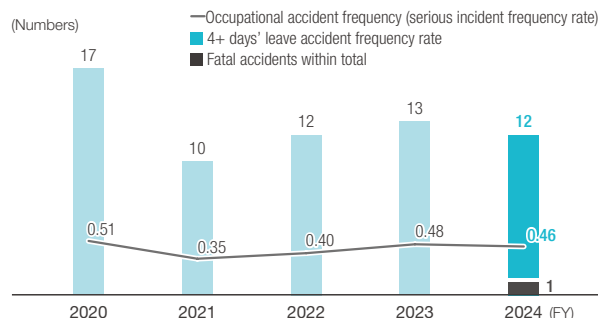
Reductions of approximately 39,000 tons of CO₂ in total emissions were achieved through the use of environmentally friendly fuels (biodiesel fuel, combustion accelerant K-S1, GTL fuel), as well as the use of renewable electricity, etc. This was partially responsible for a reduction of 28.5% compared to fiscal 2020 (the reference year), achieving our target under the Medium-Term Management Plan 2024 Rolling Plan. However, emissions per basic unit fell short of our target.

We will continue to pursue the use of environmentally friendly fuels and renewable electricity, and take further action to reduce emissions.

Third-party assurance

Environmental performance data is third-party assured by Sustainability Accounting Co., Ltd.

S Occupational Accident Frequency/Occupational Accidents Resulting in 4 or More Days' Leave



The serious incident frequency rate in fiscal 2024 was 0.46. The prevention of occupational accidents/incidents, disasters, and accidents involving the public is an absolute prerequisite for the survival and development of the company. Based on the fundamental principle of respect for human life, we view safety as a core value in all of our activities and strive to create a safe and fulfilling work environment.

E Greenhouse Gas Emissions (Consolidated) Third-party assurance

	Unit	2020 <Reference year>	2021	2022	2023	2024
Scope 1	t-CO ₂	72,183	71,101	65,724	58,313	55,932
Scope 2 ¹	t-CO ₂	24,176	25,894	17,356	11,339	12,939
Scope 1/2 total	t-CO ₂	96,359	96,994	83,080	69,652	68,871
Construction sites	t-CO ₂	84,918	85,423	72,677	57,490	58,871
Offices, workshops, etc.	t-CO ₂	11,441	11,572	10,403	12,162	10,823
Scope 3 total ²	t-CO ₂ e	6,658,483	6,763,815	6,215,317	5,903,287	6,610,428
Category 1	t-CO ₂ e	1,411,709	1,445,404	1,529,006	1,323,369	1,285,395
Category 11	t-CO ₂ e	5,069,749	5,159,377	4,478,609	4,313,533	5,033,150
Ratio of renewable energy electricity usage (RE ratio)	%	25.0	35.4	61.0	70.2	68.7

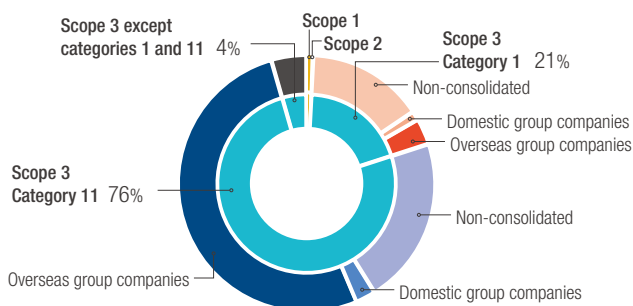
Scope of calculation: All consolidated subsidiaries (43 companies as of the fiscal year ended March 2025)

Environmental performance data for FY2020 and beyond have been retrospectively revised due to a change in scope associated with an increase in consolidated subsidiaries in FY2024.

*1 Calculated using a market-based approach (using adjusted emissions factors for each electricity retailer and different emissions factors for each item). Location-based (using national average coefficients) figures are posted on our official website.

*2 Shows totals for categories 1, 2, 3, 4, 5, 6, 7, 11, 12, and 13. The greenhouse gas emissions for each category are published on our official website (in Japanese).

E Greenhouse Gas Emissions Third-party assurance



Total scope 3 emissions amounted to 6.61 million t-CO₂e in fiscal 2024, up 12.0% year on year. Overall reductions were only 0.7%, falling short of our target of a 10.0% reduction compared to fiscal 2020 (the reference year) under the Medium-Term Management Plan 2024 Rolling Plan. Category 11 emissions account for a large portion of Scope 3 emissions, at 76%. This is mainly because the buildings we deliver in the construction business are used over a long period of time, and we account for the environmental impact of the energy used throughout this period. Within Japan, we are pursuing energy-saving designs and the shift to ZEBs, leading to a progressive decrease in Category 11 emissions. Overseas projects, however, often use electricity sourced from fossil fuels, resulting in higher emissions factors than in Japan, with emissions trending higher. Given this situation, further efforts are required to reduce emissions in overseas construction projects. We will continue to work on reducing greenhouse gas emissions throughout the supply chain.

The Value Creation Process

INPUT

Financial Capital

Total assets:	923.5 billion yen
Equity:	342.2 billion yen
Capital ratio:	37.1%

Manufacturing Capital

Domestic bases:	12
Major overseas bases:	1
Major Group companies:	15 domestic, 9 overseas
Real estate investment	123.0 billion yen
Investment and development plans*	Environment, energy, etc.: 22.0 billion yen

* Cumulative total for fiscal 2024 to 2027

Intellectual Capital

Intellectual property, knowhow, related technology and other such resources that provide the foundation for creating safe and secure social infrastructure
Acquisition of patented technologies through mergers and acquisitions, etc.
Research and development expenses: 3.0 billion yen

Human Capital

Number of employees (consolidated):	6,910
Enhancing digital talent	
Enhancing global human resources	
Leadership development-related training	Training hours per person: 28.7
	Trainees: 676

Social Capital

Strong relationships of trust with stakeholders
All-around group capabilities in the construction life cycle
Collaboration with diverse stakeholders

Natural Capital

Fossil fuel consumption (construction sites + offices):	228.52 million kWh
Electricity consumption (construction sites + offices):	69.93 million kWh
Ratio of renewable electricity usage:	68.7%
Water intake (construction sites + offices):	713,000 m ³
Ready-mixed concrete:	1,132,000 m ³
Cement:	80,000 t
Steel:	269,000 t

Build the Culture. Creation from ideas, rooted in passion

Distinctive strengths of the Toda Group

Close relationship with clients, flexible and dedicated approach to handling their needs

Willingness to tackle projects that are significantly new to the industry

Inherent strengths of a general contractor

Ability to grasp client needs and transform them into tangible form

Project management capability to bring together and integrate various participants

Toda's Strengths

Medium-Term Management Plan 2027

Future Vision CX150

Bringing about a society of collaborative creation as a gatekeeper of value

"Identify and Connect"

Achieving distinctive value and high profitability by identifying and leveraging the Toda Group's solid strengths

Business domains

Smart Innovation

Environment and Energy

Urban and Social Infrastructure

Business and Life Support

Value Provided

Enhancing experience value

Fulfilling latent needs

Creating social capital

Sustainability Vision 2050

A corporate group building a better future

Materiality

Urban development that supports prosperous lifestyles

Infrastructure development in harmony with the environment

Realizing a decarbonized society

Innovating in technology and enhancing the value we provide

Creating workplaces that are a joy to work in

Enhancement of management capital

The Group is pursuing forms of value creation processes to advance sustainability management. Together with our stakeholders, we are striving to be “a corporate group that realizes ‘joys’” and to deliver sustainable growth of corporate value.

OUTPUT

Financial Indicators

Added value to business activities

...

Improved revenue by incorporating solutions to social issues into our business

...

Securing increased market competitiveness and financial returns

Fiscal 2024 Performance

Consolidated net sales:	586.6 billion yen
Operating income:	26.6 billion yen
Net income:	25.1 billion yen
ROE:	7.3%
D/E ratio:	0.75

Social Value Indicators (Non-Financial Indicators)

Contribution to the construction industry and global environment

...

Identification of positive impacts on society

...

Commitment through non-financial indicators and evaluation

Fiscal 2024 Performance

Scope 1+2 reduction rate (compared to FY2020):	28.5%
Scope 3 reduction rate (compared to FY2020):	0.7%
Work engagement (standard score):	51.7
Construction site feedback (evaluation score):	4.32

*See p.19 and p.21 for calculation formulas and details

OUTCOME

Financial Capital

Dividend on equity (DOE):	2.6%
Total return ratio:	55.9%
Total shareholder return (TSR):	161%
Issuer rating, etc.:	A- (R&I)
Free cash flow:	34.7 billion yen
Price-to-book ratio (PBR):	0.807

Manufacturing Capital

Provision of advanced construction products
Environmentally friendly business to support a carbon-free economy
Safe and productive construction sites

Intellectual Capital

Patent filings:	122
Number of registered patents:	70
Number of patents held:	459
Number of ZEB-certified projects (design and construction):	15

Human Capital

Proportion of women in management positions:	4.7%
Paternity leave uptake rate:	100%
Digital transformation talent (number of individuals awarded “Open Badges”):	71

Social Capital

Registration rate of skilled workers in the Construction Career Advancement System:	86%
Serious violations of laws and regulations:	None
Number of outstanding skilled workers:	804
Improving customer satisfaction	
Strong relationships of trust with stakeholders	
Building the Toda Group brand	
Improving the appeal of the construction industry	
Resilient social infrastructure	

Natural Capital

Waste plastic recycling rate:	66.8%
Construction waste recycling rate:	94.6%
Final disposal rate of construction related by-products:	1.8%

Global
Vision

A corporate group
that realizes
“joys”

For the satisfaction of
our customers
For work we can be
proud of
For future generations
and our planet

A corporate group that realizes “joys”

For the satisfaction of our customers

We will build strong, reliable partnerships with our customers by delivering precise technical expertise and comprehensive human resources.

For work we can be proud of

We will create the workplace that allows each and every one of our employees and others involved in the field can work with a strong sense of responsibility to each project we undertake.

For future generations and our planet

We will create an environment-friendly society that is both safe and secure by aggressively tackling challenges posed by changing times and social circumstances.

Editorial Policy

The “Toda Corporation Integrated Report 2025” is published in an easy-to-understand, concise format so that all stakeholders can understand our philosophy, management strategy, sustainability achievements, and the specific value we create. Along with the sustainability information (Sustainability Site) and financial information (IR Site) posted

on our website, we regard this report as one of our most important tools for communicating with our stakeholders, and we will continue to work on further enhancing it in the future.

Reference Guidelines

- IFRS Foundation “International Integrated Reporting Framework”
- Ministry of Economy, Trade and Industry “Guidance for Collaborative Value Creation”
- Japanese Standards Association “ISO 26000: 2010 Guidance on Social Responsibility”
- Global Reporting Initiative (GRI), “Sustainability Reporting Standards”
- Ministry of the Environment “Environmental Reporting Guidelines (2018)”



Reporting Period

2024 fiscal year (April 1, 2024 – March 31, 2025)

* Some information from before and after the reporting period is included.

Scope

This report primarily focuses on our Company's activities and includes initiatives undertaken by our Group companies in Japan and overseas.

Contents

introduction

Realizing Society of Collaborative Creation	1
Our History of Value Creation	3
Financial and Non-Financial Highlights	5
The Value Creation Process	7
Global Vision	9
MESSAGE FROM MANAGEMENT	11

business strategy

Future Vision CX150 / Medium-Term Management Plan 2027	17
Special Feature 1: Nagasaki Stadium	25
Special Feature 2: Do-O Expressway Mamachi River Bridge Deck Replacement Project	27
Special Feature 3: Floating Offshore Wind Power Generation	29
Financial Strategy	31
Human Resources Strategy	35
Safety, Quality, and the Environment	41
Innovation/Research and Development	43
Digital Transformation Strategy	45
Business Climate	47
Architectural Construction Business	49
Civil Engineering Business	51
Strategic Business Promotion	53
Global Strategy	55

sustainability

Initiatives to Make the Sustainability Vision a Reality	57
Topics for Materiality-Based Initiatives	59
Materiality 01	61
Materiality 02	63
Materiality 03	67
Materiality 04	71
Materiality 05	73

corporate governance

Corporate Governance	77
Message from the Chairperson of the Board	83
Three-Way Dialogue among Outside Directors	85
Communication with Our Stakeholders	89
Risk Management	90
Board of Directors, Audit & Supervisory Board Members, and Officers	91
External Evaluation/Inclusion in ESG Indexes	93
Corporate Information/Share Information	94

About our brand logo and slogan

Our slogan "Build the Culture" expresses our desire not only to construct buildings and structures, but also to be a force that supports activities directed at the future. Our brand slogan "Creation from ideas, rooted in passion" expresses our strong sense of mission in pursuing this goal, as well as our sincere attitude to all stakeholders. The logo uses a motif that represents both people and truss structures. It symbolizes our desire to build a new future based on strong connections between our diverse human resources.



Issue Date

September 2025

Forecasts, Projections and Plans Concerning the Future

This report contains not only the past and present facts regarding Toda Group, but also plans and forecasts as of the date of publication, as well as future projections based on management policies and strategies. These forward-looking statements are based on assumptions and judgments made in light of the information available at the time they were made, and changes in conditions may cause the results of future business activities and events to differ materially from those forecasts. We ask our readers for their understanding regarding the above.

About the Cover

The Toda Group has proposed "Future Vision CX150" as our aspiration for our 150th anniversary in 2031. The cover image illustrates our future city concept, SECC (Smart Energy Complex City), which we aim to realize as the ultimate embodiment of this vision.

Production and Content of This Report

As detailed above, in preparing this report, each division across the company collaborated in editing while referring to guidelines such as the IFRS Foundation's "International Integrated Reporting Framework" and the Ministry of Economy, Trade and Industry's "Guidance for Collaborative Value Creation," etc. I have verified the legitimacy of the production process and the content of the report.

Our goal in producing the "Toda Corporation Integrated Report 2025," which combines financial and non-financial information, is to enhance our corporate value in a sustainable manner by helping our stakeholders understand the sustainability management that we are conducting and by using it as a tool for dialogue.

President and Representative Director

Itami Seisuke

MESSAGE FROM MANAGEMENT

By creating unique ‘distinctive value,’ we will increase corporate value over the medium to long term to resolve societal challenges.

President and
Representative Director

Ogami Seisuke

Further expanding our role in solving social issues

In the Japanese business environment, our group faces multiple challenges, including labor shortages in the construction industry and soaring prices for construction materials. At the same time, buildings constructed during the postwar economic boom are now over 50 years old, and due for refurbishment and renewal. In addition, there has been a growing appetite for construction and facilities investments, especially in the manufacturing and semiconductor industries, to pull the economy out of the “lost 30 years” of sluggish investment and slow growth that followed the collapse of the bubble economy. Order-taking has been robust, especially for data centers and semiconductor-related projects. In civil engineering, too, intensifying natural disasters, aging infrastructure, and other challenges are driving the need to boost national resilience. Today’s society is facing many other challenges, including the environment, food supplies, disaster readiness, and regional revitalization, for which we believe the construction industry is especially well suited to address. Examples from our group’s work include the Agriscience Valley Joso, a project that aims to revitalize the local community by promoting the so-called “sixth industrialization of agriculture,” and the floating offshore wind power generation project in Goto City, which not only tackles environmental issues but also helps stimulate local industry. Going forward, we are expecting to further engage in business opportunities with local governments and other bodies to solve social issues.



Achievements of the Medium-Term Management Plan 2024 Rolling Plan

Fiscal 2024 was the final year of the Medium-Term Management Plan 2024 Rolling Plan. The results for the year were as follows. Net sales were 586.6 billion yen (compared to the target of 600.0 billion yen), operating income was 26.6 billion yen (versus 33.0 billion yen), and the operating margin was 4.5% (versus 5.5%). These profitability indices therefore fell short of planned targets. Capital efficiency indicators also came in below target. Net profit attributable to owners of the parent was 25.1 billion yen (versus 26.0 billion yen) and ROE was 7.3% (versus 8.0%). The shortfalls were due mainly to soaring materials prices in the construction business and progress delays in some projects. On the other hand, a revitalization of investment in facilities from the second half of fiscal 2023, especially in semiconductor-related sectors, led to a recovery in profitability in the architectural construction business and an upward revision of our 2024 forecasts. In the priority management businesses being tackled jointly by our core Architectural Construction, Civil Engineering, and Strategic business groups, we achieved significant results with the completion of the TODA BUILDING, a showcase of cutting-edge technology and ideas, and the Agriscience Valley Joso, a new model for town development. Both have become tangible and intangible assets for future business development. In our overseas business, we acquired PT Tatamulia Nusantara Indah and its seven subsidiaries. This has added to our overall sales and served as the foundation for further overseas development.

The Future Vision CX150 and Medium-Term Management Plan 2027

Our Medium-Term Management Plan 2027 begins in fiscal 2025. Medium-Term Management Plan 2027 is the second stage of our three-phase Future Vision CX150. It aims to realize a society of collaborative creation with its theme of restructuring value by “‘Identifying and Connecting’ From Diffusion to Unity: Maximizing Value.” Target numbers are net sales of 800.0 billion yen, operating income of 43.5 billion yen, and an ROE of 10.0%. These numbers reflect the current steady order environment in our architectural construction and civil engineering businesses. Nevertheless, market conditions inevitably change, with good times followed by bad. “Identifying” means identifying our Group’s strengths and preparing to maximize them, so that even during unfavorable market conditions, we are not significantly swayed by them.

“Connect” means expanding both vertically and horizontally. Vertical connections are about strengthening the front line (sales and construction sites). It goes without saying that to expand our business and achieve net sales of 800.0 billion yen, we will need to secure sufficient human

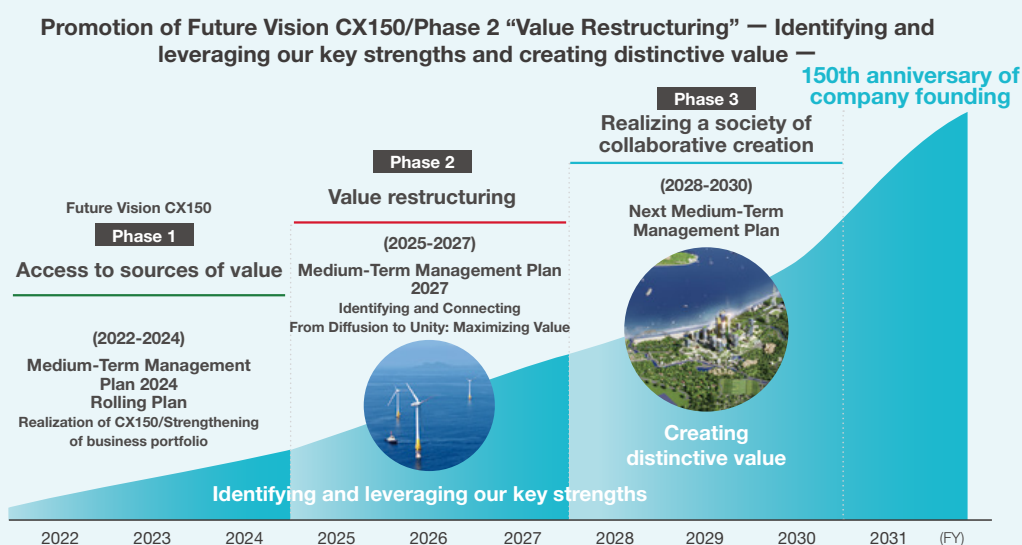
resources. The most pressing issue across the construction industry is labor shortages, with the scarcity being most acute in supply chains. If our group is to grow sustainably, we must address this labor issue not just within our group, but across all our supply chains and the industry overall. We will work to strengthen the front line by reallocating human resources within the Group and also through the entire value chain, including the human resources of partner companies. To this end, we are reforming personnel systems to reward the hardships of frontline work, and through this and other initiatives, raising the significance of work on construction industry sites and increasing the number of people who seek out such frontline work. In addition to group employee work engagement initiatives, the Medium-Term Management Plan 2027 addresses labor shortages by setting construction site



assessment feedback from partner companies as a non-financial target.

Horizontal connections are a continuation of initiatives in the previous medium-term management plan. They generate synergies by linking our construction business, which handles architectural construction and civil engineering projects, and our strategic business, which takes on new business challenges. The Architectural Construction, Civil Engineering, and Strategic business groups work together across their usual boundaries on priority management businesses. We had three priority management businesses under the Medium-Term Management Plan 2024: the TODA BUILDING, the overseas business, and the renewable energy business (offshore wind power generation). In the Medium-Term Management Plan 2027, the businesses will be (1) the Smart Energy Complex City (SECC) project (Phase 1), (2) the environment and energy business (offshore wind power), and (3) the overseas business. The SECC project in particular aims to take us beyond our traditional position to become “a gatekeeper of value working to realize a society of collaborative creation.” This represents the ultimate position for which we aim, the realization of the vision articulated in CX150.

Through our Medium-Term Management Plan, we will identify and deploy our core strengths and build a road toward the creation of our own unique “distinctive value.”



“Build the Culture. Creation from ideas, rooted in passion”

The most important key for our group to achieve our Medium-Term Management Plan targets and realize our Vision CX150 is human capital. Our group has established a brand slogan: “Build the Culture. Creation from ideas, rooted in passion” in 2022. “Build the Culture.” is about what our group aspires to become. “Creation from ideas, rooted in passion” expresses our long commitment to the sense of mission held by each employee, and our commitment to sincerely engaging with the hopes of our stakeholders. This “creation from ideas, rooted in passion” is part of our very DNA, a valued piece of our culture. Having spent much of my career on construction sites, I strongly believe that our group’s approach of collaborating with partner companies and customers to create things with genuine care surpasses that of our competitors. As a result, many partner companies and customers have expressed their desire to work with Toda Corporation.

One of the initiatives I took up when I first became president was fostering the next generation of leaders. For this, I brought together the Group’s inherited DNA and distinctive qualities into “management human resource competencies.” These competencies consist of eight qualities: (1) the ability to see things through; (2) the ability to lead change; (3) the ability to make and drive decisions; (4) the ability to build an organizational culture that ensures psychological safety; (5) the ability to take a wide view; (6) the ability to foster the next generation; (7) the ability to reflect and apply lessons going forward; and (8) the ability to cultivate oneself. These remain the core of employee assessments to this day. It is not necessary to score 100 points in every category, but we do look for employees to possess all of these qualities to some degree. They should then build on this and gain experience in a range of environments and

situations. In this way, they will develop into people of good faith who are capable of facing and tackling difficult problems head on. Since I first became president, I have valued the word *shisei*, or “whole-hearted sincerity,” and shared it within the company. The word appears in classical Chinese texts, such as those of Mencius, and in the writings of Yoshida Shoin, but I personally encountered it when I was working as a site manager at SHOWA Medical University, one of our clients. SHOWA Medical University’s school philosophy is *shisei ikkan*^{*1}, and its healthcare workers indeed act according to its principles. That experience led me to embrace *shisei* as one of my values, and I hope that our group employees are, and will continue to be, human resources that embody that value.

^{*1} *Shisei ikkan*: Contribute to our society with absolute sincerity and dedication

An organizational structure that leverages individuality and specializations

I believe that company management is undertaken by a team, not by individuals. Currently, our group’s management team consists of six individuals: myself and five vice presidents. The five vice presidents are respectively in charge of the Architectural Construction, Civil Engineering, and Strategic business groups, and the Corporate Administration and Innovation groups, which are cross-group organizations. My background includes extensive experience in architectural construction, particularly in execution. Other management members are experienced specialists who possess profound expertise in their respective fields. As president, I am ultimately accountable for all organizational decisions. However, we have developed a management system that brings specialists together as a team, leverages their expertise, and allows us to make the best possible management decisions in each field. In addition, we have established two divisions, the Safety, Quality, and Environment Management Group and the Digital Transformation Administration Division, directly under my management. As a company involved in building infrastructure, quality defects, accidents, and other issues can become major social issues and severely impact our corporate value. While SQE (Safety, Quality, and Environment) have always been our top priorities, creating a group directly led by the president brings them into even sharper focus at the executive level.

With regard to DX, or digital transformation, a DX promotion office was created within the ICT Administration Division of the Administration Group, where it was mostly involved in projects such as smart office environments in the TODA BUILDING. At the time, we saw the need to cultivate within the company human resources capable of handling high-level ICT technologies, and we began by recruiting 50 people over two terms from within the company to attend recurrent training at Toyo University’s Department of Information Networking for Innovation and Design.

From this fiscal year, DX functions have been reorganized directly under the president as a Digital Transformation Administration Division. The division will be responsible for fostering DX human resources, improving productivity and quality by using digital technology to transform business processes, accelerating data-driven management, and more.

Linking society and business sustainability

One way in which we can contribute to societal sustainability through our business activities is our handling of climate change. The environment and energy business is one of our priority management businesses in Medium-Term Management Plan 2027. The Goto Offshore Wind Farm, a floating offshore wind farm, is scheduled to at last go online in January, 2026. This will directly generate revenue from operations, maintenance, and electricity sales. However, full-scale floating offshore wind power generation implementation will take place in around

2035, and we are developing large scale equipment and mass production technology in preparation. In the meantime, bottom-mounted offshore wind power generation will remain the focus. We are currently retrofitting a Self-Elevating Platform (SEP) vessel, jointly owned by six companies^{*2}, so that it can accommodate larger turbines and be ready to handle future bottom-





mounted CI^{*3} orders. The SECC project is another priority management business. It builds on past initiatives such as Agriscience Valley Joso, which supports regional revitalization, and the TODA BUILDING, which is aimed at urban renewal, and aims to forge public-private partnerships in city development that solves various local community issues. Under Medium-Term Management Plan 2027, we will proceed with pilot businesses to pave the way for SECC.

Governance is the foundation of our business. Since becoming president, I have focused on improving the effectiveness of our directors. The Board of Directors has been streamlined from twelve members^{*4} to seven, with a majority of four outside directors. Only two members, myself and Vice President Yamazaki Toshihiro, are executives. This helps separate oversight and execution. Under our current Medium-Term Management Plan, enhancing the effectiveness of the Board of Directors is one of our non-financial targets, and we are working to further strengthen corporate governance.

*2 Six companies including Toda Corporation (Toda Corporation, Kumagai Gumi Co., Ltd., Nishimatsu Construction Co., Ltd., WAKACHIKU CONSTRUCTION CO., LTD., IWATA CHIZAKI INC., YOSHIDA-GC) formed Jack-up Wind Farm Construction Co., Ltd. as a company for owning floating offshore wind construction vessels, etc. With an eye toward larger offshore wind turbines, we looked into Self-Elevating Platforms (SEP) capable of constructing foundations and installing turbines for 15 MW-class and larger wind turbines, and signed a procurement contract for an SEP with TERAS SUNRISE.

*3 CI: Construction and Installation

*4 As of July 1, 2021

Becoming a “corporate group that realizes ‘joys’”

In our Medium-Term Management Plan 2027 we have established “enhancing IR meetings” as one of our non-financial targets. We aim to strengthen shareholder returns and achieve medium- to long-term share price growth. Furthermore, by achieving CX150, we will transform our corporate structure to better weather market fluctuations. Our group’s business projects often span many years, and so I believe it is important that we listen to the voices of our stakeholders through dialogue with shareholders and capital markets, and thoroughly communicate our business structure and the potential for medium- to long-term sustainable growth.

We have made being a “corporate group that realizes ‘joys’” our global vision. Ultimately, our goal for the Group is to grow and embody this vision. In his book, “The Five Most Important Questions You Will Ever Ask About Your Organization,”^{*5} Peter Drucker urges companies to ask and reflect upon these five questions: (1) What is our mission? (2) Who is our customer? (3) What does the customer value? (4) What are our results? and (5) What is our plan? I believe that as we think about these questions in the context of the current social climate, the Group’s identity, and the Group’s philosophy, the answers to them will evolve. I believe that this process will enable us to provide value to all our stakeholders and to realize our global vision. Short-term results are important, but our aim is to provide our own unique, distinctive value and be a company that contributes to society in the medium to long term.

*5 “The Five Most Important Questions You Will Ever Ask About Your Organization” (Japanese language edition; Diamond, Inc., publisher)

Understanding the Business Environment and the Future Vision CX150

“Bringing about a society of collaborative creation as a gatekeeper of value”

Our Group formulated the long-term Future Vision CX150* in anticipation of our 150th anniversary in 2031. Rising industrial productivity, advances in digital technology, globalization, and worsening environmental issues are transforming people's values and our cities and communities. In particular, advances in digital technology are making it easier to understand personal needs, and companies are increasingly expected to collaborate across traditional boundaries to meet diversifying demand.

As we transition to a networked society shaped by the needs of individual consumers, the importance of gatekeepers that manage value and the flow of information across networks is growing. We aim to serve as a gatekeeper of value by positioning ourselves between consumers and companies and creating new value through aggregation (collaboration) with our partners.

*Future Vision CX150: Corporate transformation toward the Toda Group 150th Anniversary

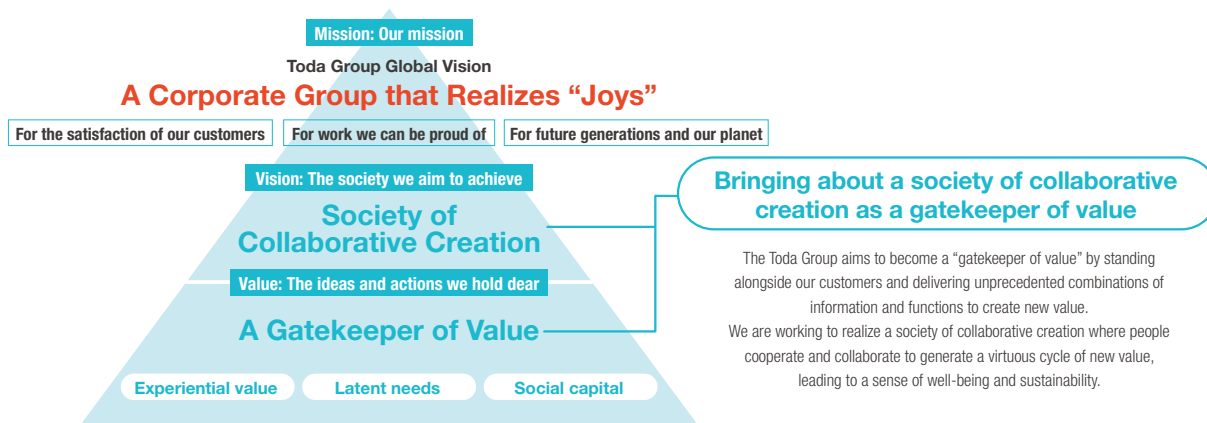
Business Environment and Social Changes	Impact on the Toda Group	
	Risks	Opportunities
Changes in Demographic Structure/Labor Force <ul style="list-style-type: none"> • Ongoing decline in birthrate and aging of population • Reduction in the labor force • Promotion of diversity • Increase in foreign workers 	<ul style="list-style-type: none"> • Labor shortages in the construction industry • Labor shortages • Sluggish future demand • Occurrence of serious accidents • Talent outflow 	<ul style="list-style-type: none"> • Promotion of operational efficiency • Fostering awareness of safety improvement • Improving productivity through ICT utilization • Enhancing the appeal of the construction industry through the creation of a more attractive work environment • Revitalization and resilience through diversity
Changes in the Market Environment <ul style="list-style-type: none"> • Increase in the cost of construction materials • Changes in cities and communities • National resilience/regional revitalization • Globalization • Advancement of the information society/digital technologies 	<ul style="list-style-type: none"> • Decline in office space demand • Decline in construction investment • Surging procurement costs for construction materials • Material supply disruptions due to labor shortages and weakened supply chain functions • Sluggish real estate market • Construction delays • Declining profitability • Information leaks 	<ul style="list-style-type: none"> • Growing demand for logistics facilities and data centers • Increasing demand for school and hospital renovation and reconstruction • Growing demand for smart factories, logistics facilities, hospitals, and office buildings • Market expansion driven by regional revitalization • Expansion into overseas markets • Expansion of business domains
Change in People's Values <ul style="list-style-type: none"> • Diversification of values • Emphasis on experiential value • Focus on long-term value for all stakeholders 	<ul style="list-style-type: none"> • Advancement of industrialized construction methods and modularization • Commoditization of buildings • Declining value of the contracting business model 	<ul style="list-style-type: none"> • Rising expectations for general contractors (e.g., the growing role of public infrastructure in addressing social issues) • Creation of new value through the promotion of collaborative creation with diverse stakeholders • Realization of latent needs • Creation of social capital
Laws, Regulations and Policies <ul style="list-style-type: none"> • Rapid changes in political and economic conditions • Fluctuations in exchange rates • Interest rate policies • Increased activity in ESG investment • Achieving carbon neutrality by 2050 	<ul style="list-style-type: none"> • Decline in market value and profitability of held assets • Rising interest rates • Rapid changes in political and economic conditions and strengthened regulations • Currency exchange risk • Market changes in emerging sectors 	<ul style="list-style-type: none"> • Expansion of the renewable energy market • Expansion of the green infrastructure market • Promotion of technological development to achieve carbon neutrality in construction work • Growing need for ZEB and carbon-negative buildings
The Global Environment <ul style="list-style-type: none"> • Climate change • Progressing global warming • Escalating environmental issues • Occurrence of large-scale natural disasters 	<ul style="list-style-type: none"> • Decline in work efficiency and increased countermeasure costs due to rising temperatures • Changes in labor legislation • Increased material and fuel procurement costs due to rising carbon prices • Increased costs due to disaster-related damage to buildings • Impact of large-scale disasters on business continuity 	<ul style="list-style-type: none"> • Growing demand for offshore wind power generation wind farms • Growing demand for construction of renewable energy power plants • Increased business opportunities such as in electric sales • Growing O&M* needs for renewable energy power plants • Increased sales driven by the spread of ZEB buildings • Growing demand for disaster prevention and mitigation construction

* O&M: Operation & Maintenance. A business that provides operation and maintenance services on behalf of a facility owner.

Toda Group's Direction: Outline of Future Vision CX150

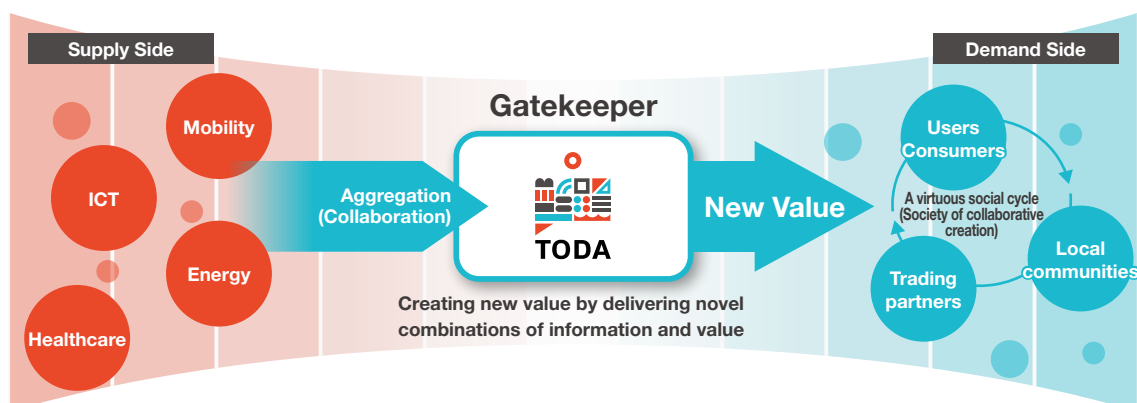
Conceptual Framework

In our Future Vision CX150, we envision the ideal state of our Group as “a gatekeeper of value that brings about a society of collaborative creation” as we approach our 150th anniversary.



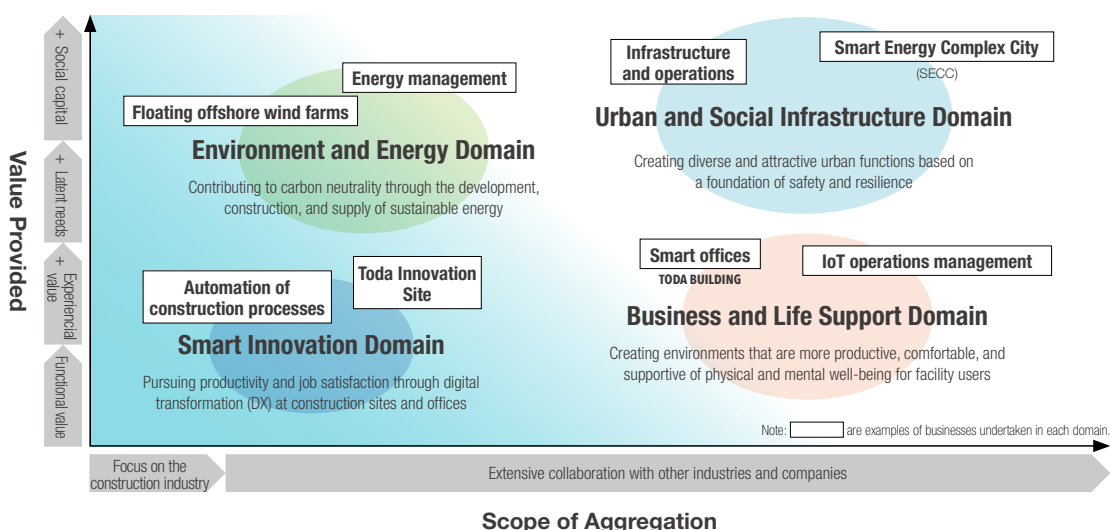
A Gatekeeper of Value

Creating new value through aggregation (collaboration) with our partners, serving as an intermediary between the demand and supply sides. Our Group has been taking on the challenge of creating new value in areas such as floating offshore wind power generation by leveraging the strengths it has developed over the years.



Business Domains

We have identified four business directions as development domains. As a gatekeeper of value, the Toda Group will create added value in these domains and take on the challenge of realizing a society of collaborative creation.



● Roadmap to Realizing CX150

Our Medium-Term Management Plan is not merely a list of three-year performance targets. It is a backcasting strategy based on our long-term Vision CX150, which looks ahead to our 150th anniversary in 2031. This unified approach works backward from our envisioned future state ten years ahead, formulating three-year plans for each phase while taking into account changes in the external environment. Through this planning method, we have established highly effective management that earns the confidence of stakeholders, including employees. The Medium-Term Management Plan 2024 marked Phase 1 of CX150. Under the theme, “Access to sources of value,” we actively promoted forward-looking growth investments

such as building our new corporate headquarters, the TODA BUILDING, launching the Agriscience Valley Joso aimed to support regional revitalization, and initiating the “Floating offshore wind power generation project off the coast of Goto City” to help realize a decarbonized society. The current Medium-Term Management Plan 2027 represents Phase 2, “Value restructuring.” Guided by the theme “Identify and Connect — From Diffusion to Unity: Maximizing Value,” we are advancing initiatives that reframe and elevate the value we deliver. The next Medium-Term Management Plan will advance to Phase 3, focused on achieving our ultimate goal of “realizing a society of collaborative creation.”

● Medium-Term Management Plan 2024 Results and Issues

Under Medium-Term Management Plan 2024, we worked to strengthen our growth foundation from both financial and non-financial perspectives. Although soaring material prices and construction delays prevented us from meeting our targets, profitability, which had been declining since its peak in fiscal 2018, showed signs of recovery in the final fiscal year of the plan. On the non-financial side, we significantly exceeded our target for CO₂ emission reductions. However, we fell short of our goals in safety performance and labor productivity per hour. In our priority management businesses, we made proactive investments in areas aimed at future sustainable growth.

At the same time, we recognized that rapidly changing social conditions, evolving market and customer needs, rising costs, and labor shortages present serious business risks. Strengthening our business foundation and enhancing profitability through group synergies have become urgent priorities. In response, we have formulated our Medium-Term Management Plan 2027, based on three strategic directions: strengthening the business foundation of the construction business; identifying businesses that can facilitate accelerated profit generation for growth investments; and demonstration of mutual synergy across businesses and the group.

Targets not fully achieved, but construction business profits are showing signs from recovery

Key management indicators		2022	2023	2024		Evaluation	Review
		Result	Result	Result	Targets		
Profitability	Consolidated net sales	547.1	522.4	586.6	600.0 billion yen	△	Shortfalls were due to soaring material prices in the construction business and delays in progress on some projects Profits began to recover in the final fiscal year, and earnings forecasts were revised upward
	Operating income	14.1	17.9	26.6	33.0 billion yen		
	Operating margin	2.6	3.4	4.5	5.5%		
Capital efficiency	Net profit attributable to owners of the parent	10.9	16.1	25.1	26.0 billion yen	△	Due to unmet profit targets, ROE and labor productivity targets were also not achieved
	ROE	3.5	4.8	7.3	8.0%		
Productivity	Labor productivity (Non-consolidated)	11.71	12.84	14.93	15 million yen	△	Shareholder return measures were strengthened, including the repurchases of treasury stock
Shareholder returns	DOE	2.6	2.6	2.6	2.5%	○	
	Total return ratio	76.5	84.9	55.9	40.0%		

* Labor Productivity = Amount of added value (operating income + total human resource expenses) ÷ number of employees (average for the period, including temporary employees, etc.)

* DOE (Dividend on Equity) = Total dividends ÷ Equity

* Total Return Ratio = Total amount returned to shareholders (total dividends + total share buybacks) ÷ Net profit attributable to owners of the parent

○ Targets achieved

△ Targets not achieved

CO₂ emission reduction targets achieved

Evaluation indices				2022	2023	2024		Evaluation
				Result	Result	Result	Targets	
E	CO ₂ emissions	Reduction rate (compared to fiscal 2020)		(14.5)	(29.9)	(43.8)	(16.8)% or over	○
	Scopes 1+2	Basic unit (/100 million yen)		13.6	11.7	9.7	11.2 t- CO ₂ or under	
		Reduction rate (compared to fiscal 2020)		(0.8)	(10.9)	(19.8)	(10.0)% or over	
	Scope 3	Category 1: Basic unit (/100 million yen)		700.4	614.2	559.8	540.7 t- CO ₂ or under	
		Category 11: Basic unit (/m ³)		2.9	2.7	2.3	3.5 t- CO ₂ or under	
S	Total accident frequency rate			4.22	3.84	3.80	1.00 or less	△
	Serious incident frequency rate			0.40	0.44	0.46	0.10 or less	
G	Labor productivity per hour			5,567	6,286	7,354	7,500 yen or more	△

* FY24 Scope 1+2 reduction rate is based on full-year forecast as of the end of December. The basic unit is calculated from December results.

FY24 Scope 3 reduction rate is based on full-year forecast as of the end of September.

* Scope 1: CO₂ emissions directly emitted from the use of diesel oil, etc.

Scope 2: Indirect CO₂ emissions from power plants resulting from the use of purchased electricity and heat

Scope 3: Indirect emissions other than Scopes 1 and 2

Category 1: Emissions during the production of construction materials; Category 11: Emissions during the operation of constructed buildings

* Basic unit, Scopes 1+2: Emissions per 100 million yen of sales

Category 1: Emissions per 100 million yen of transaction value;

Category 11: Emissions per m² of completed total floor area

* Total accident frequency rate = total occupational accidents (including minor occupational injuries requiring no more than 1 day of leave including business owners and sole traders) ÷ total working hours (million hours)

Serious incident frequency rate = number of occupational accidents requiring 4 or more days of leave / total working hours (million hours)

* Labor productivity per hour = amount of added value (operating income + total human resources expenses) / number of employees / average total working hours

○ Targets achieved

△ Targets not achieved

● Medium-Term Management Plan 2027

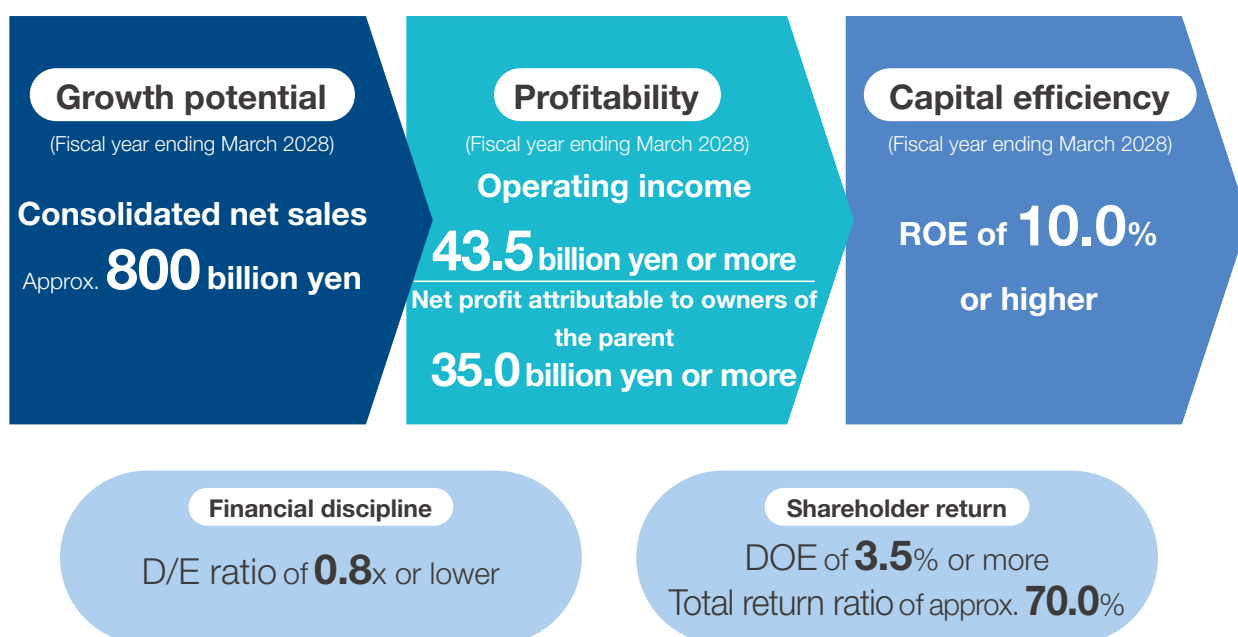
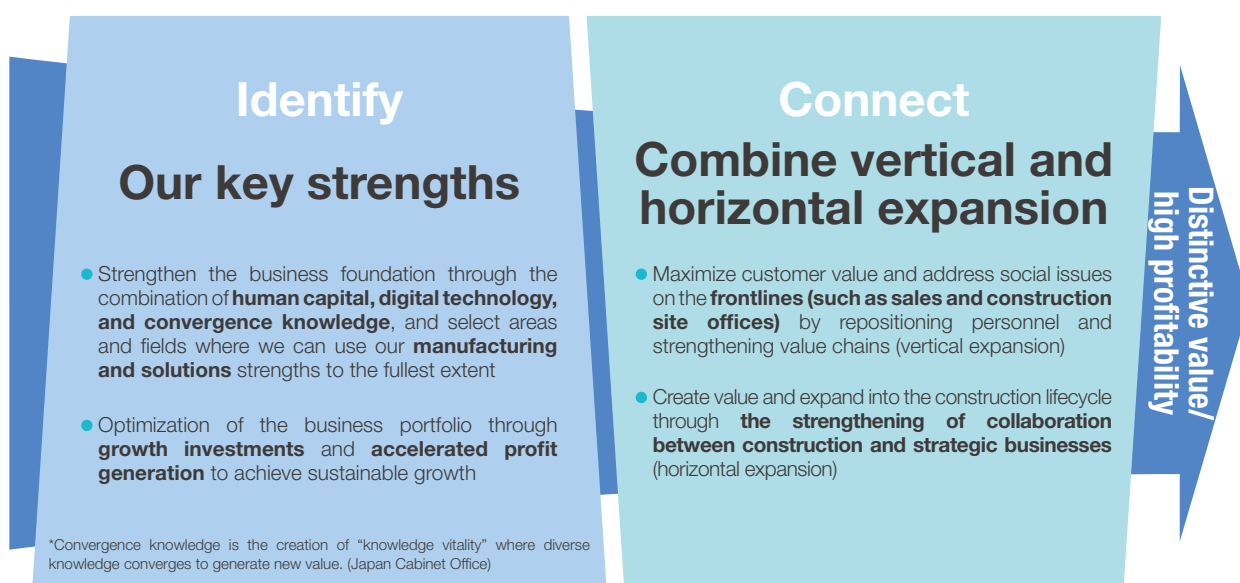
Medium-Term Management Plan 2027 (hereafter, Medium-Term Plan 2027) sets out the core concept: “Identify and Connect - From Diffusion to Unity: Maximizing Value.” Under this concept, we aim to fully leverage our group’s strengths and create distinctive value for sustainable growth.

Under “Identify: Our key strengths,” we harness human capital, digital technology, and convergence knowledge to reinforce our business foundations. We identify domains where our strengths in manufacturing and solutions can be fully utilized, and pursue portfolio optimization through targeted growth investments and

early monetization. This approach will clarify and enhance our group’s competitive advantage. Under “Connect: Combine vertical and horizontal expansion,” we promote “vertical expansion” by reallocating human resources and strengthening value chains to maximize customer value at the frontlines. In parallel, we drive “horizontal expansion” by reinforcing collaboration between our construction and strategic businesses, enabling new value creation and extending our reach across the entire construction lifecycle. Through these efforts, we aim to generate distinctive value and transition toward a high-profit business structure.

Identify and Connect

From Diffusion to Unity: Maximizing Value



Under Medium-Term Plan 2027, we aim to achieve the following targets. In the architectural construction business and civil engineering business we will work on selective order-taking and human resource reallocation. In our strategic business, we will focus on the growth of local companies in Asia (overseas group) and synergies through M&A (domestic group).

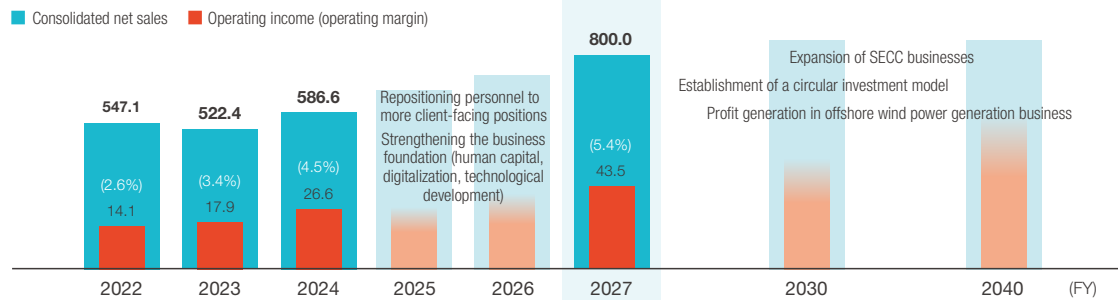
For our non-financial targets, we have set CO₂ emission reduction targets in the medium-term plan aimed at 2050 carbon neutrality. Under S (Society), we

have set new indices for “employee work engagement (deviation value)” and “construction site feedback from partner companies (scores).” We have not set numerical targets for G (Governance). However, we have positioned “enhancing the effectiveness of the Board of Directors” and “enhancing IR meetings” as important initiatives, and are working to strengthen sustainable governance. With these initiatives, our group is paving the way toward the creation of distinctive value, and realizing sustainable growth from the financial and non-financial sides.

ROE (return on equity)



Consolidated net sales/Operating income (billion yen)



		Net sales (billion yen)			Operating income (billion yen)			
		FY2024 results	FY2027 plan	% change compared to FY2024	FY2024 results	FY2027 plan	Operating margin	% change compared to FY2024
Construction Business	Architectural construction	358.1	430.0	20.1%	16.8	22.0	5.1%	30.4%
	Civil engineering	127.1	150.0	18.0%	7.5	9.0	6.0%	19.8%
Strategic Business	Domestic investment and development	47.7	50.0	4.8%	4.7	6.0	12.0%	26.1%
	Overseas group companies	57.4	90.0	56.7%	1.1	3.5	3.9%	198.2%
	Environment and energy	0.9	7.0	650.1%	(1.0)	0.5	7.1%	—
	Domestic group companies	58.2	80.0	37.4%	3.1	3.5	4.4%	10.7%
Consolidated		586.6	800.0	36.4%	26.6	43.5	5.4%	63.3%

*Consolidated totals include eliminations

Non-financial targets			Medium-Term Management Plan targets (FY2027)	
			Objectives of targets	Targets
E	CO ₂ emissions	Total emissions [%] (compared to FY2020)* ¹	Continuous efforts to reduce CO ₂ emissions in business activities, driving progress toward carbon neutrality by 2050	(29.4)% or more
	Scopes 1+2	Basic unit (/100 million yen)* ²		9.1 t- CO ₂ or less
	CO ₂ emissions	Total emissions [%] (compared to FY2020)* ¹		(17.5)% or more
	Scope 3	Category 1: Basic unit (/100 million yen)* ²		604.9 t- CO ₂ or less
		Category 11: Basic unit (/m ²)* ²		1.2 t- CO ₂ or less
S	Work engagement (deviation value)* ³		Advancing human capital management by improving employee job satisfaction and engagement	52.0 or more
	Construction site feedback (scores)* ⁴	New	Strengthening partnerships with partner companies by implementing a structured evaluation and improvement cycle	4.5 or more
G	Labor productivity per hour	New	Enhancing corporate governance by analyzing and assessing the board's overall effectiveness and incorporating the findings into initiatives	—
	Enhancing IR meetings* ⁵	New	Enhancing shareholder and investor engagement through ample meeting opportunities and appropriate and timely disclosure of relevant information	—

*¹ The Company (on a non-consolidated basis) and Group companies in Japan (covering all business activities except for overseas Group companies)

*² The Company (on a non-consolidated basis)

Basic unit, Scope 1+2: Emissions per completed construction projects

Category 1: Emissions per transaction amount / Category 11: Emissions per total floor area of completed construction project

*³ Deviation value of stress check based on ADVANTAGE TOUGHNESS survey results

*⁴ Average evaluation scores of construction sites by partner companies, covering all branches and criteria (for completed construction sites in fiscal 2024)

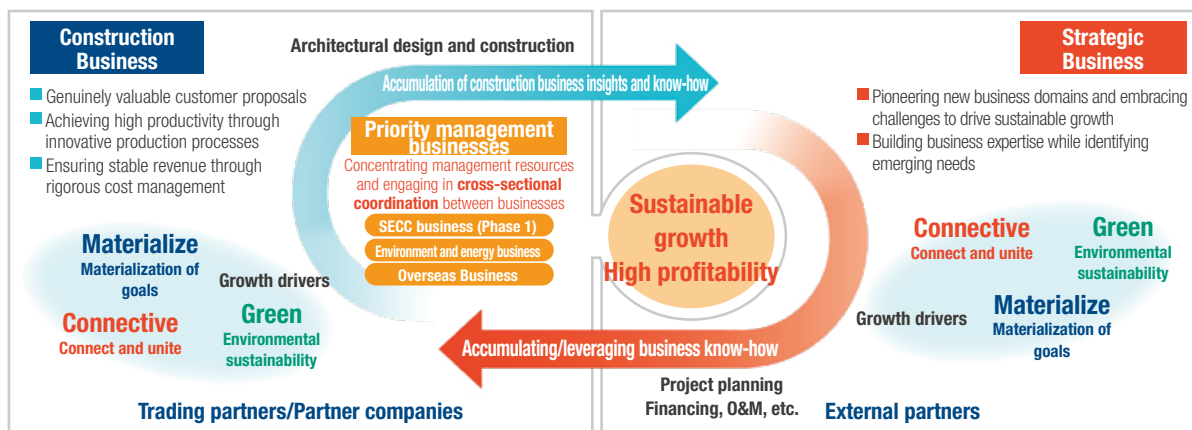
*⁵ IR meetings (financial results briefings, one-on-one meetings, field visits, etc.)

Value Creation Model

To build solid strengths for our group, we leverage the mutual strengths of our construction and strategic businesses and deploy a value creation model aimed at sustainable growth and high profitability. We work to create new value by establishing “priority management

businesses” that integrate the expertise and know-how of both businesses to enable cross-sectional coordination. We believe that initiatives that span businesses and maximally leverage mutual synergies are necessary to our medium- and long-term growth strategies.

Strengthening each business's core advantages while fostering new value creation through collaboration and cross-sector initiatives (priority management businesses)



Business Strategies

In terms of our business strategies, we are promoting the same two-tier approach we set out in Medium-Term Management Plan 2024. Our Architectural Construction, Civil Engineering, and Strategic Business Promotion Groups leverage their respective strengths under “core businesses,” while the same three groups cooperate with the involvement of top management on “priority management businesses.”

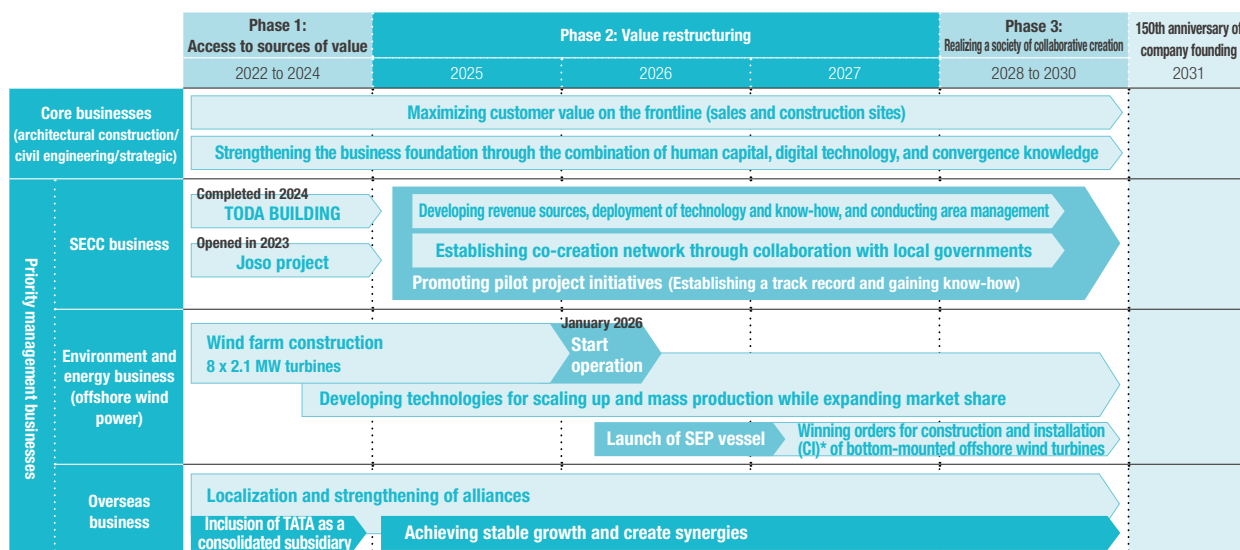
In our core businesses, the construction business will work to strengthen organizational structures and improve productivity and technological capabilities to enable us to accurately meet customer and market needs. We will identify focus sectors in each field, pursue productivity improvements and human resource reallocations, and thereby boost results.

In the strategic business, we will leverage our

accumulated know-how and build a medium- to long-term business portfolio focused on cash flows and per-business ROIC, IRR, and other indices. We will also promote a “circular investment model” through the use of private REIT and other instruments, while also focusing on investment activities that incorporate ESG/SDGs management perspectives, such as realizing a carbon-free society and regional economic growth.

In terms of priority management businesses, we have advanced the TODA BUILDING and Joso project, and newly positioned the SECC initiative as a city development project for the Group. In addition, our environment and energy and overseas businesses are each entering new phases that will accelerate sustainable growth across the entire Group.

Business strategies road map



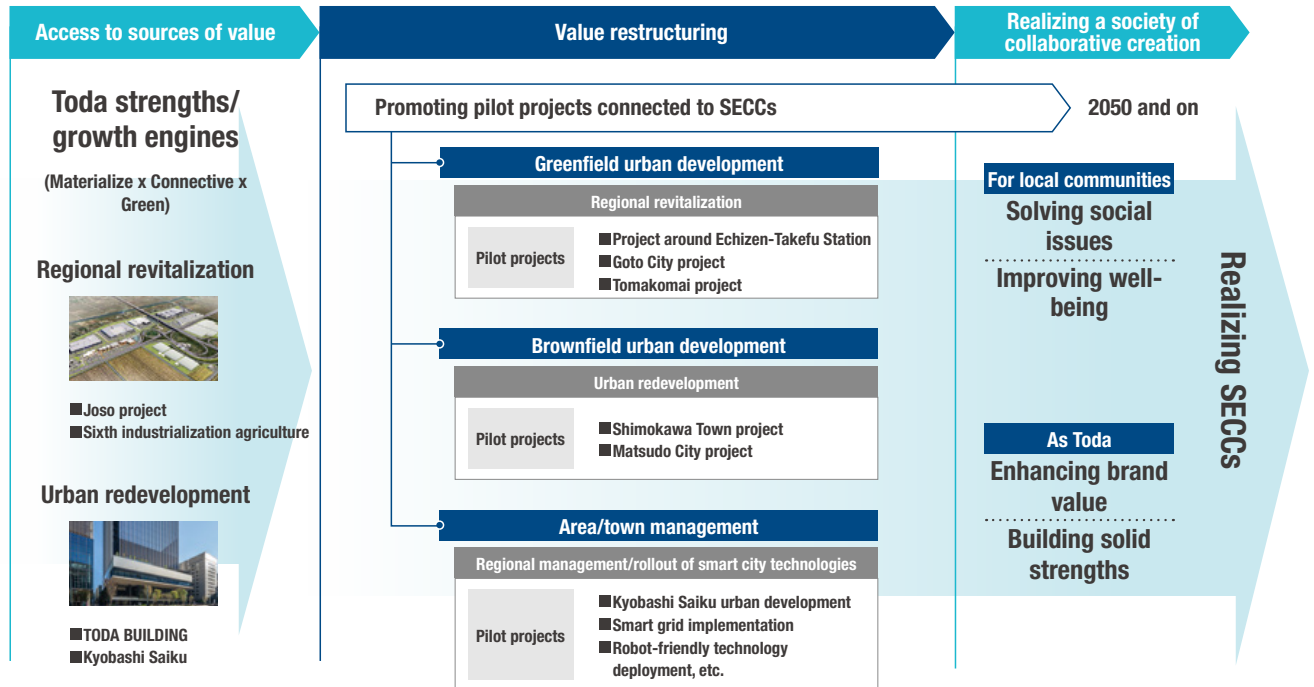
*CI: Construction and installation

Priority management businesses SECC Business

In Medium-Term Plan 2027, the SECC business is positioned as a priority management business. We aim to accumulate results and know-how through the pursuit of pilot projects. As a “gatekeeper of value,” our group

aims to make broad contributions to the building of urban functions, including energy and infrastructure. This is the mission of our group's SECC business.

Promoting initiatives for pilot projects connected to SECCs



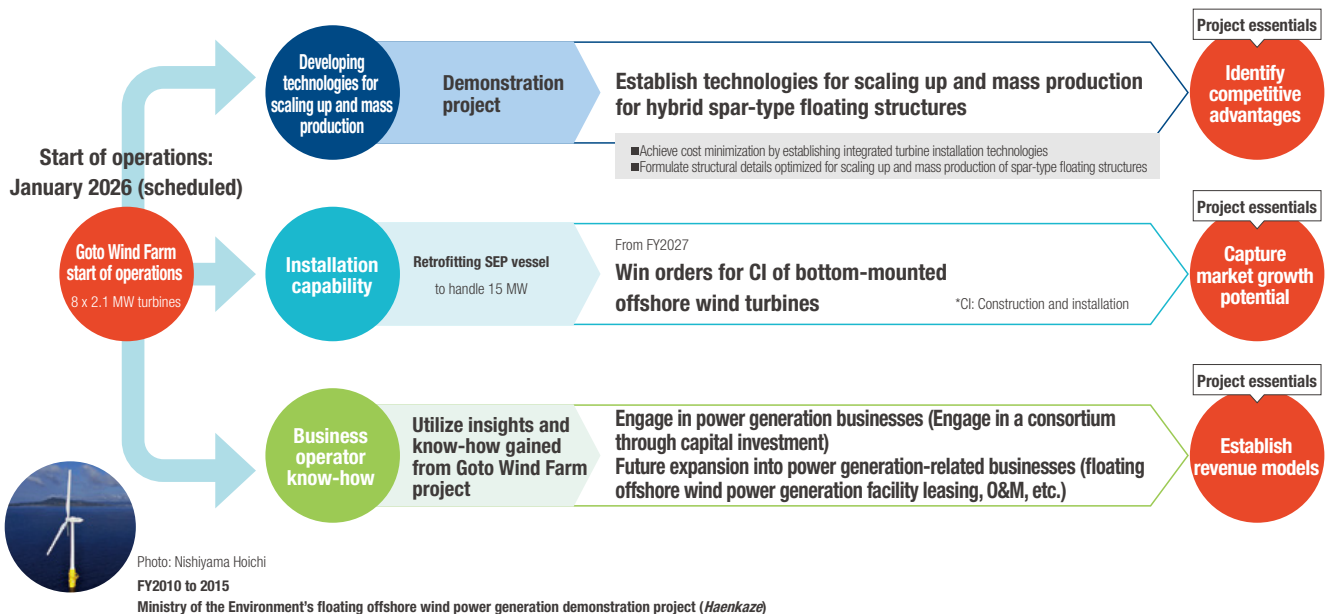
*Pilot projects and initiatives will be updated as appropriate for restructuring best practices.

Priority management businesses Environment and Energy Business (Offshore Wind Power Generation Business)

In the environment and energy business, the floating wind power generation project off the coast of Goto City will go into operation in January 2026. We will leverage this experience and results to (1) develop mass-production and larger-scale technologies for hybrid spar-type floating platforms, (2) expand offshore wind power construction capabilities, and (3) enhance power generation business operator know-how. The self-elevating platform (SEP)

vessel, jointly owned by six companies, will be launched in FY2025. From around 2027, we are planning to take orders for the construction (construction and installation) of bottom-mounted wind power generators. EPCI orders for spar-type floating offshore wind power generators are expected from 2035 onward. With regard to business operator know-how, we will seek participation in power generation and aim to build profitable models.

Use the expertise and know-how gained in the Goto City offshore wind power generation project to build core strengths

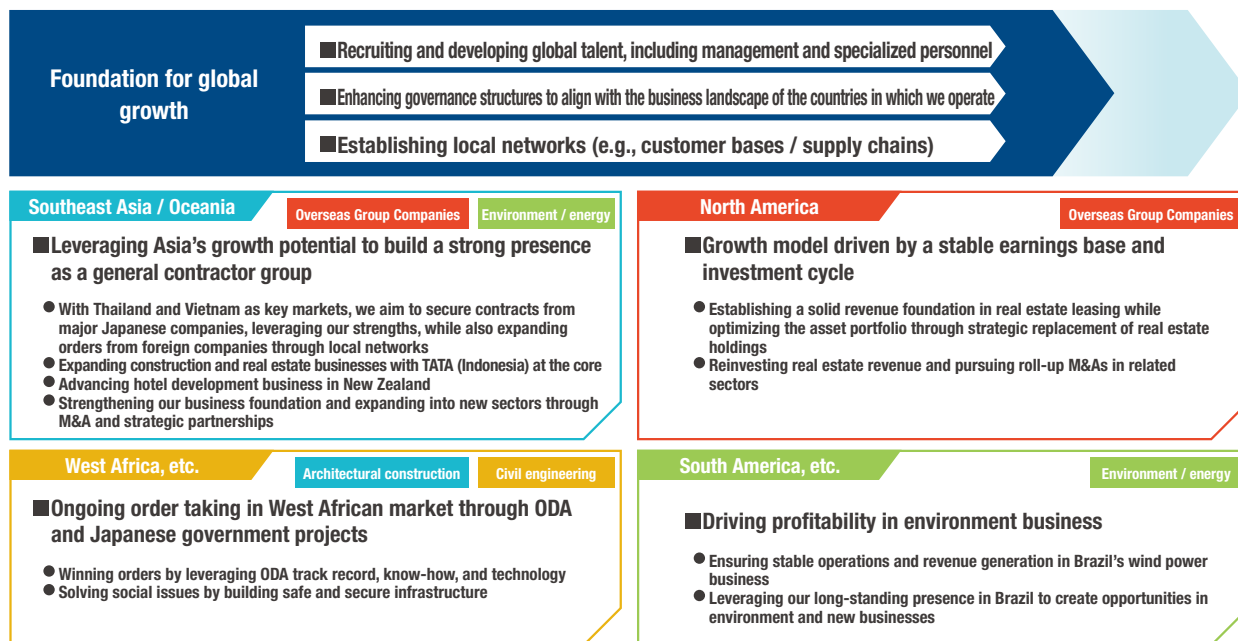


Priority management businesses Overseas Business

In our overseas business, we will expand business mainly in Southeast Asia and North America, while carefully monitoring geopolitical risks. In the key Southeast Asia region, we will enhance our project execution capacity foundations by integrating local construction business resources. In New Zealand, we are establishing a hotel business through a group

company. In North America, we are optimizing our asset portfolio through the strategic replacement of real estate holdings in order to achieve sustainable growth based on stable profit foundations. We will also continue to engage in ODA projects in areas such as West Africa and Southeast Asia, and continue to steadily promote the wind power generation business in Brazil.

Expanding business mainly in Southeast Asia and North America while monitoring geopolitical risks

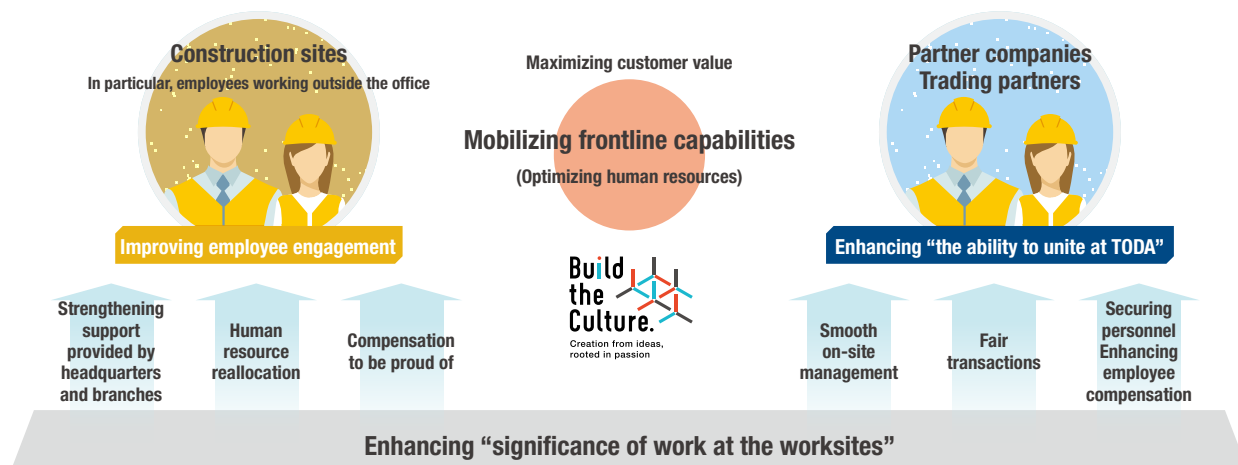


Strengthening Business Foundation

We believe that the most important factor in strengthening business foundation is human capital management. It is essential to foster employee alignment with the Company's vision while providing a comfortable work environment and conditions they can take pride in. We must also collaborate with partner companies through equal partnerships and work together to address social issues. The shortage of skilled labor is a critical issue not

only for our partners but also for our company. Going forward, we will continue to enhance employee engagement through human capital management and fully draw out the collective strength of our group, including partner companies. By elevating the significance of work at the frontline, we will unite our capabilities and consistently meet customer expectations.

Enhancing the "significance of work at the worksites" to unify and mobilize frontline capabilities



Special Feature 1 ◦ Nagasaki Stadium City

Contributing to regional revitalization by transcending corporate boundaries

Nagasaki Stadium City is drawing attention as part of Japanet Holdings' new regional revitalization project. We had a hand in two of the buildings making up the project: the 6,000-seat HAPPINESS ARENA (including sub-arenas) and Nagasaki Prefecture's largest office complex, STADIUM CITY NORTH.

A major, once-in-a-century project set to transform the future of Nagasaki. From the project operator to specialist construction companies, everyone involved came together in a committed, united effort that has won high praise.

Voice Supervisor Comment



Project Manager

Okayama Takaharu

For about a year leading up to construction, we carried out full-scale front-loading work with staff from involved departments within the company, such as sales and design. We identified and solved possible issues in advance to develop efficient construction methods and process plans. Thanks to this, we were better able to bring to life the ideas of the project operator once the actual work began.

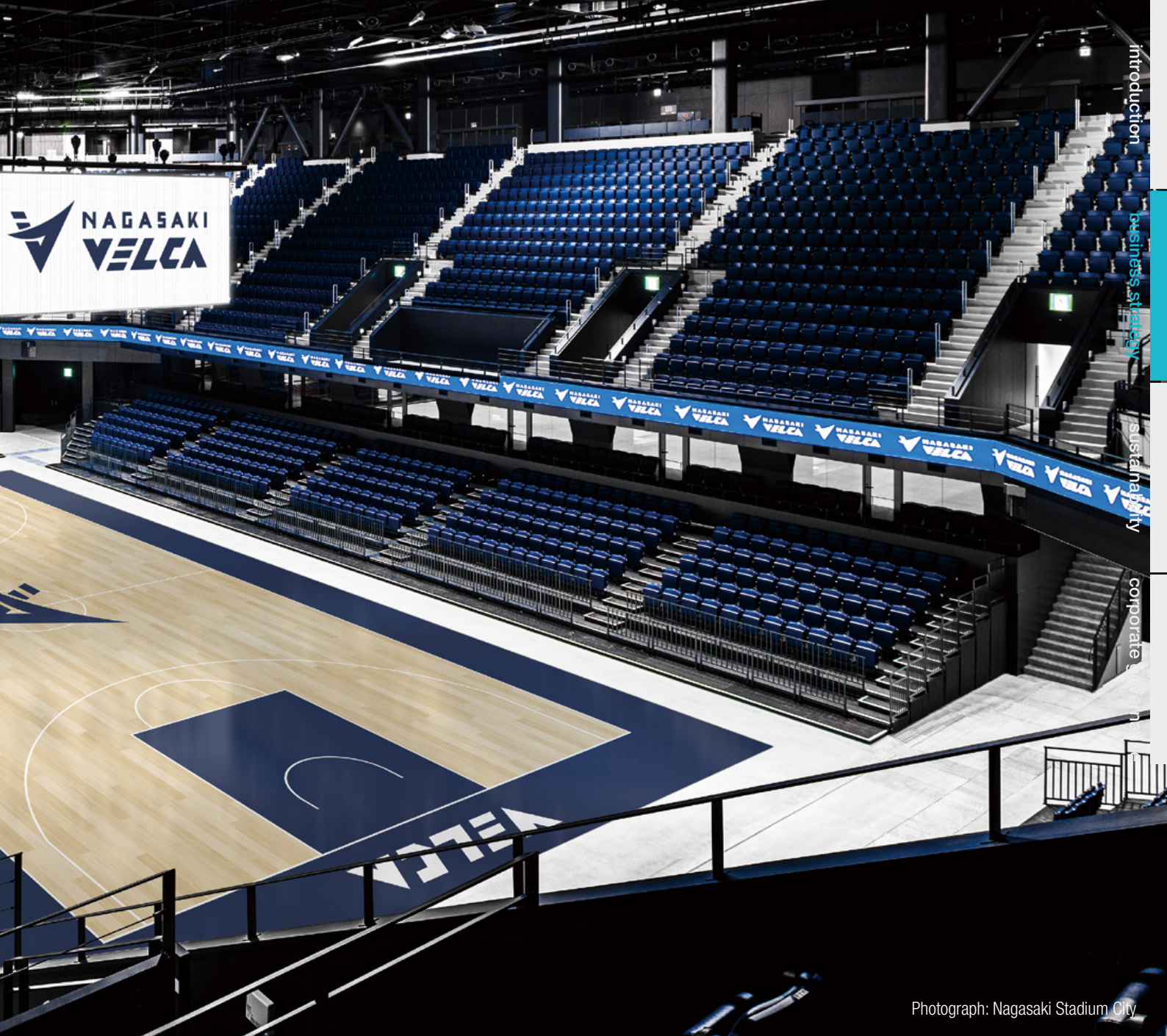
Furthermore, everyone came together to work as a team to complete the project—not only our own participating employees, but also the members of specialist construction companies. I believe that this resulted in high-quality buildings in which we can take pride and satisfaction.

Project Summary

Building names	Nagasaki Stadium City HAPPINESS ARENA/STADIUM CITY NORTH
Location	7-1 Saiwai-cho, Nagasaki City, Nagasaki
Owner	Japanet Holdings Co., Ltd.
ICT Project Management	EY Strategy and Consulting Co., Ltd.
Design and supervision	Basic design: Environment Design Institute/Yasui Architects & Engineers, Inc. Detailed design: Toda Corporation
Planning management	Regional Creation Nagasaki Co., Ltd.
Construction	Toda-Jotaki-Tanigawa Designated Construction Project Joint Venture
Construction management	Mitsubishi Jisho Design Inc.
Structure	Steel-frame structure
Size	Arena: 6 above-ground floors Office: 12 above-ground floors
Total floor area	Arena: 27,373.85 m ² Office: 28,693.48 m ²
Completion	July 2024

Relevant Main SDGs





Photograph: Nagasaki Stadium City

Arena construction with rooftop indoor soccer ground

Nagasaki Stadium City is a complex of multiple facilities, including an arena, hotel, shops, and offices, centered on a soccer stadium. Several large buildings were planned for the site, including the stadium constructed by another company, and as these were being built at the same time, the project required detailed construction planning and smooth process coordination.

We were responsible for the construction and design of the HAPPINESS ARENA. In a first for Japan, it featured an indoor soccer ground on its roof. Nagasaki has many hills and flat land is at a premium, so this rooftop soccer facility is a valuable asset. It is an important facility that embodies the “wakuwaku (excitement)” theme of the project operator, Japanet Holdings. The roof consists of RC slabs and massive truss steel beams 64 m long and 6.4 m deep. This structure provides enough strength to support sporting events, while still providing the arena with an expansive interior.



Nagasaki Stadium City aerial view

A project accomplished through strong teamwork

Nagasaki Stadium City was completed thanks to strong teamwork that transcended barriers between companies and individuals. Everyone involved engaged in continuous discussions in order to realize a wide range of ideas and deliver on the desire of the operator, Japanet Holdings Co., Ltd., to “enhance value and make things better.” The many project members, including specialist construction companies, united around the idea of “shared ideas.” We fused our advanced technological capabilities with teamwork born of close communication to bring this high-level project to successful completion.



Unique office complex offers stadium views from terraced balconies

Special Feature 2 • Do-O Expressway Mamachi River Bridge Deck Replacement Project

Large-scale expressway refurbishment project

Aiming for fast-as-possible reopening

The 336.3 meter-long Do-O Expressway bridge was built in 1978 to span the Mamachi River between the New Chitose Airport and Chitose interchanges. After about 45 years of use, it was in urgent need of refurbishment. As part of this, expressway traffic restrictions would be required when replacing the old deck slabs with pre-cast (PC) slabs. The Mamachi River bridge connects New Chitose Airport to Sapporo city center, and so the work had to be completed in two short stages, in spring and autumn, to avoid peak traffic periods.

Voice

Supervisor Comment



Manager (Project Manager)

Kinoshita Shinji

This was a large-scale refurbishment project that required a variety of work in addition to the deck slab replacement, such as repainting, bearing replacement, and steel girder reinforcement. To help ensure the longevity of important infrastructure, we always work to win the trust of the customer with a sincere commitment to quality.

This site was unusual in that it brought together members of other branches from across Japan, who remained affiliated with those offices. Many were young employees meeting for the first time, and we aimed to create an organization that encouraged the desire for personal growth. It was important that all employees were able to make the most of their strengths and abilities and to take the initiative through their own decision-making.

Project Summary

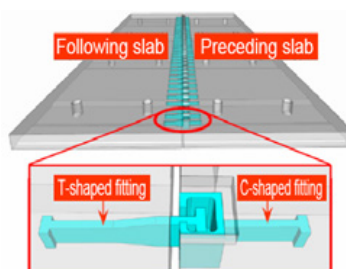
Project name	Do-O Expressway Mamachi River Bridge Deck Replacement Project
Project location	Heiwa, Chitose City, Hokkaido to Omagari, Kitahiroshima City, Hokkaido
Client	Hokkaido Regional Head Office, East Nippon Expressway Company Limited
Design	Yachiyo Engineering Co., Ltd., Toda Corporation
Construction	Toda Corporation
Period	December 24, 2021 to January 31, 2026
Construction details	Deck slab replacement: Approx. 8,000 m ² Repainting: Approx. 25,000 m ² Bearing replacement: 80 bearings Steel girder reinforcement: 3 locations

Relevant Main SDGs



Used the "Suisui C&T Method®"

The deck slabs were joined together with the "Suisui C&T Method." The T-shaped fittings of the following slab are inserted into the C-shaped fittings embedded in the preceding slab, and a special mortar is injected into the joint to seal the slabs together. The simple structure of this original Toda technology helps shorten construction times.



The Suisui C&T Method

Installation of integrated deck slabs and barriers

The plan called for the deck slabs and barriers to be joined at the factory before being shipped to the site, so both could be installed simultaneously. We used EMC barrier walls that are connected with bolts to the deck slabs with minimal gaps in the joints. This is a much simpler process than adding the walls after deck installation.



Installation of integrated deck slabs and barriers



Bearing replacement

After the deck slabs, the bearings were set to be replaced. The bearings transfer loads to the abutments and piers, and they were being replaced not just because of wear and tear, but also to improve seismic resistance. For the latter, the moveable pier bearings were replaced with fixed bearings. This was a very difficult job with few precedents. Everyone involved planned carefully in advance, and thanks to this, the work was completed without any faults. Cold-weather specification seismic dampers were installed on the abutments. The changes will now enable the bridge to withstand the largest of earthquakes.



New bearing installation



Cold-weather specification seismic dampers

Minimizing traffic restrictions

On November 14, 2023, traffic restrictions for the deck slab replacement were lifted. The use of the Suisui C&T Method and integrated deck slabs and barriers provided a more efficient construction cycle, and the original plan of 136 days of traffic restrictions across the spring and autumn periods was reduced by 33 days. The work was completed with only 103 days of traffic restrictions.



Mamachi River Bridge after refurbishment

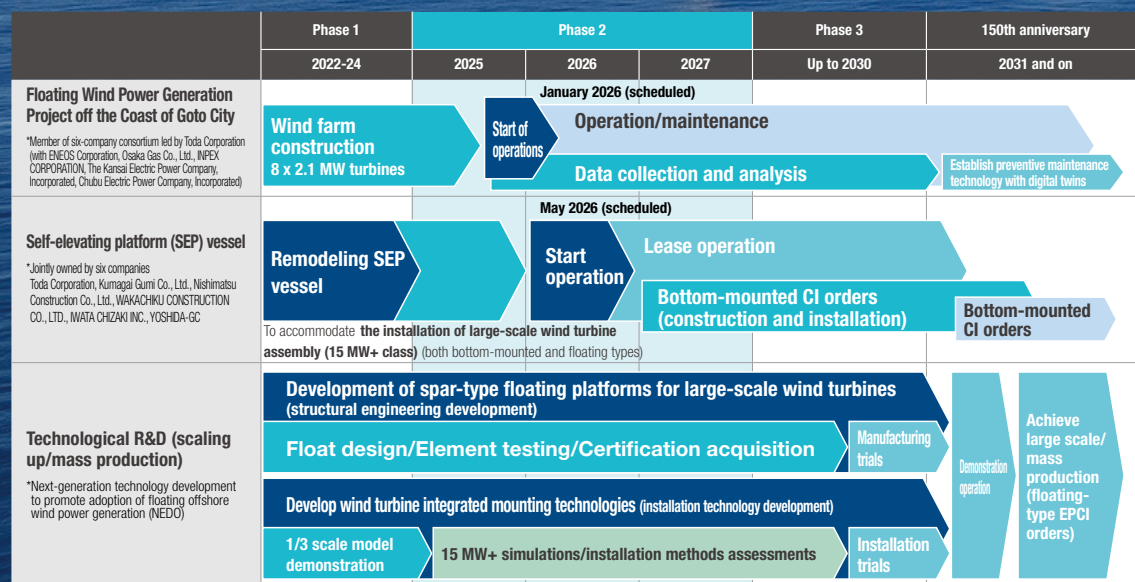
Workstyle reforms, too!

Due to the traffic restrictions, the deck slab replacement work was highly intensive and tended to involve long daily working hours. Making the construction cycle more efficient significantly reduced the working hours of employees and site workers, and thereby contributed to workstyle reform.

A step toward a carbon-neutral society

Expectations are growing in Japan for floating offshore wind power generation, which has the potential to play a leading role in harnessing the country's abundant wind resources. A consortium of six companies that includes ours is building Japan's first commercial-scale floating offshore wind farm in Goto City, Nagasaki Prefecture. The project is scheduled to begin operations in January of 2026. Going forward, our company will continue to contribute to the realization of carbon neutrality and the development of local communities through a range of initiatives.

Pursuing technological R&D for large scale/mass production



Relevant Main SDGs



Floating Wind Power Generation Project off the Coast of Goto City

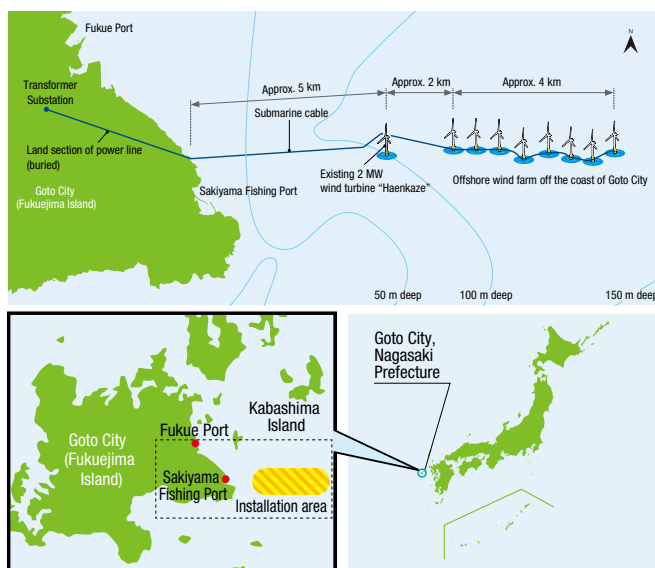
About 15 years ago, we joined the Ministry of the Environment's floating offshore wind power generation demonstration project in Goto City, Nagasaki Prefecture. With the cooperation of the local community, we have been operating "Haenkaze," the country's first 2 MW floating offshore wind power generation facility, ever since.

Furthermore, we have been advancing the construction of a floating offshore wind farm as part of a project aimed at meeting sustainable regional needs, which include coexistence with the fishing industry and preservation of the environment and local lifestyles.

Now nearing completion, the power station will supply a local electricity provider in Goto City, thereby realizing local production and consumption of renewable energy.

Project Overview

Power generation capacity	16.8 MW (8 x 2.1 MW turbines)
Floating turbine size	Height 176 m (100 m above surface) 7.8 m (maximum)
Rotor diameter	80 m





Voice

Supervisor Comment



Manager

Tanaka Koji

Self-elevating platform (SEP) vessel

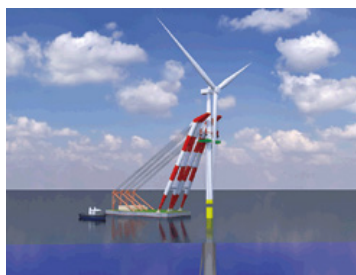
With an eye toward larger wind turbines in the future, we have procured and are refurbishing an SEP vessel (jointly owned with five other companies) capable of constructing foundations and installing 15 MW class and larger wind turbines.



Technological R&D (scaling up/mass production)

We are working to develop floating turbines and technologies for larger scale, mass-produced hybrid spar-type floating platforms.

Furthermore, we were selected for NEDO's "next-generation technology development to promote adoption of floating offshore wind power generation," and are developing "wind turbine integrated mounting technologies to achieve cost reductions."



Japan's first floating offshore wind power generation facility, "Haenkaze," was launched in 2016, and has now been in commercial operation for about ten years. Over the years, we have faced numerous challenges and difficulties. However, with the support of many people, the project has steadily progressed, and we are now close to launching the commercial operation of Japan's first floating offshore wind farm. Going forward, we will continue to harness the significant potential of offshore wind power to enhance the country's energy self-sufficiency and achieve carbon neutrality. We sincerely appreciate continued support in this endeavor.

Financial Strategy

Enhancing corporate value through strategic allocation of human resources and capital, along with proactive stakeholder engagement

Executive Vice President

Yamazaki Toshihiro



In fiscal 2024, despite improved earnings, the Group's performance fell short of the ROE target of 8.0% or higher. The PBR also remained below 1.00, at 0.77, highlighting the urgent need to strengthen the Group's earning power and enhance capital efficiency. At the same time, given increasingly uncertain social and economic conditions, it is essential to structure the balance sheet with financial soundness in mind.

In this context, the Corporate Administration Group is promoting the Group-wide allocation of human resources and capital and

reinforcing the business foundation for sustainable growth, with the aim of achieving the Medium-Term Management Plan 2027. We seek to enhance earning power and management efficiency through a more rigorous investment review process. Furthermore, we believe it is important to communicate a fact-based, medium- to long-term corporate value enhancement narrative to stakeholders through ongoing dialogue with investors.

Progress of Initiatives for Improving PBR

November 2023
Improvement Policies

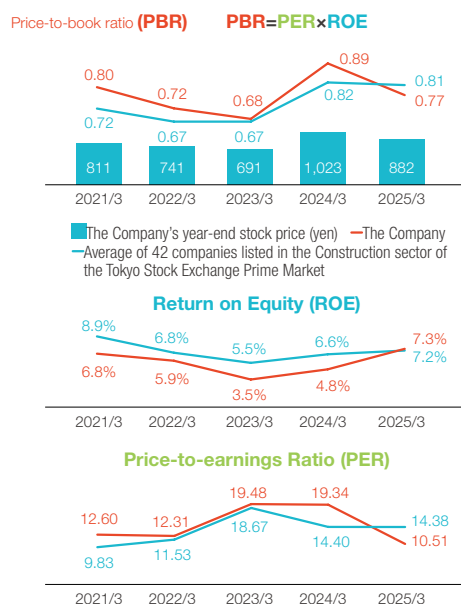
The Group has been working to improve its PBR based on the following policies, aimed at promoting management that is conscious of cost of capital and stock price.

- Enhance the profitability of the construction business
- Asset replacement and sale of cross-shareholdings
- Enhance shareholder returns and strengthen IR activities

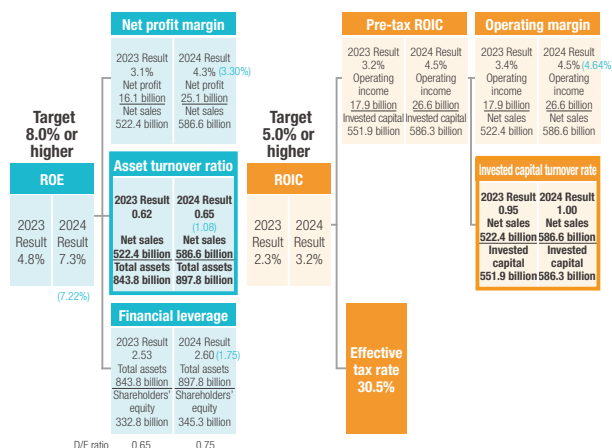
March 2025
Progress

Although ROE fell short of our target of 8.0% or higher, it improved by 3 percentage points from the previous fiscal year to 7.3%, driven by an increase in net profit. While our net profit per share rose, the PER declined by approximately 9 percentage points year-on-year to 10.51%, reflecting the overall downturn in the stock market as of March 31, 2025, and resulting in a PBR of 0.77.

We remain mindful of the cost of equity, and, from a financial perspective, recognize that optimizing the capital structure and improving ROE and ROIC are key challenges as we work toward achieving a PBR of 1.0 or higher.



Key Issues in the Improvement of ROE and ROIC



In fiscal 2024, the Group set KPIs including an ROE of 8% or higher and an ROIC of 5% or higher, with the aim of improving PBR. Although our ROE exceeded the average of 42 companies listed in the Construction sector of the Tokyo Stock Exchange Prime Market, it fell short of the Group's KPI target.

We believe this is attributable to low capital efficiency – specifically, the asset turnover ratio and the invested capital turnover rate – and recognize the need to accelerate the investment cycle by selling inefficient assets, recovering invested capital, and reinvesting.

Although the Group's financial leverage exceeds the average of the 42 companies listed in the Construction sector of the Tokyo Stock Exchange Prime Market, its D/E ratio, carefully managed to uphold financial discipline, remains well under control at 0.8 or lower.

*Total assets and shareholders' equity are the average for the period (beginning balance + ending balance / 2).
Figures in blue represent the average of 42 companies listed in the Construction sector of the Tokyo Stock Exchange Prime Market.

Improving Capital Efficiency and Optimizing Capital Structure

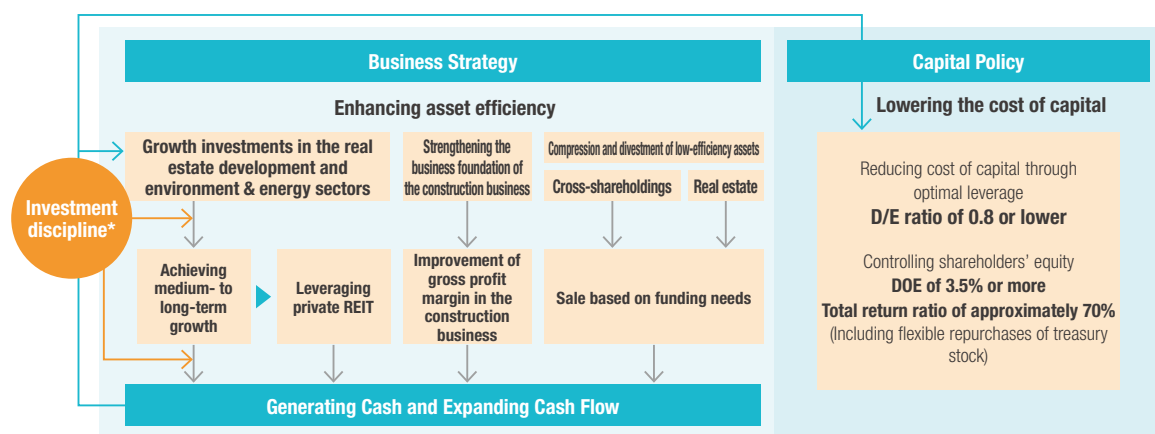
To achieve sustainable growth, we will promote the recycling of invested capital through asset recovery and reinvestment, while enhancing capital efficiency by effectively utilizing our assets and optimizing management resources.

As part of this effort, we will review the screening criteria for investment projects and strengthen post-investment monitoring to achieve an ROE of 10.0% under the Medium-Term Management Plan 2027.

In the construction business, we will focus on expanding profits by reinforcing our business foundation and generating cash through more effective management of income and spending expenditures.

On the procurement side, amid the upward trend in long-term interest rates, we will manage financing through interest-bearing debt to maintain a D/E ratio of 0.8 or lower. The cash generated will be allocated to disciplined growth investments, while any surplus funds will be returned to shareholders in line with our shareholder policy.

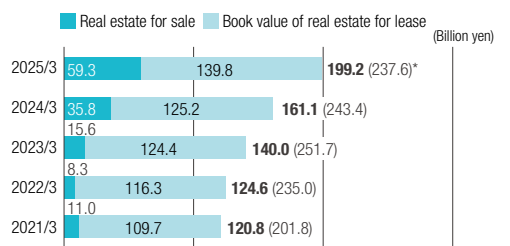
Our Balance Sheet Management



*Investment discipline: Assessment and post-investment monitoring by the Investment Management Committee

Owned Real Estate

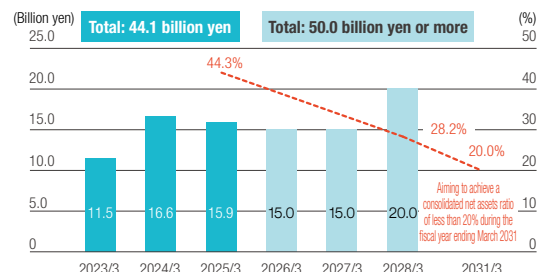
Trend in Owned Real Estate



*Figures in the brackets represent fair value

Cross-shareholdings

Trend in the Sale of Cross-shareholdings



Analysis of the current situation

During the Medium-Term Management Plan period from fiscal 2022 to fiscal 2024, we sold owned real estate with a total book value of 51.6 billion yen.

In fiscal 2024, however, the book value of owned real estate increased by 38.1 billion yen year on year, due to the acquisition of new investment projects and the completion of the TODA BUILDING.

Initiatives during the new Medium-Term Management Plan period

For owned real estate, we are developing a circular investment model through our REIT, aiming to stabilize returns from growth investments. We will gradually sell properties that align with the REIT's portfolio and continue to enhance capital efficiency.

During the Medium-Term Management Plan period from fiscal 2022 to fiscal 2024, we progressively sold cross-shareholdings in line with our policy to dispose of at least 30.0 billion yen on a market value basis. During this period, we sold cross-shareholdings of 44.1 billion yen, with the proceeds allocated to growth investments and shareholder returns.

Our policy is to sell cross-shareholdings at appropriate times, taking into account our financial situation, and to utilize the proceeds to fund investments in areas such as strengthening the business foundation of the construction business, M&A transactions, offshore wind power generation business, and human capital investment. During the new Medium-Term Management Plan period, we aim to sell more than 50.0 billion yen on a market value basis.

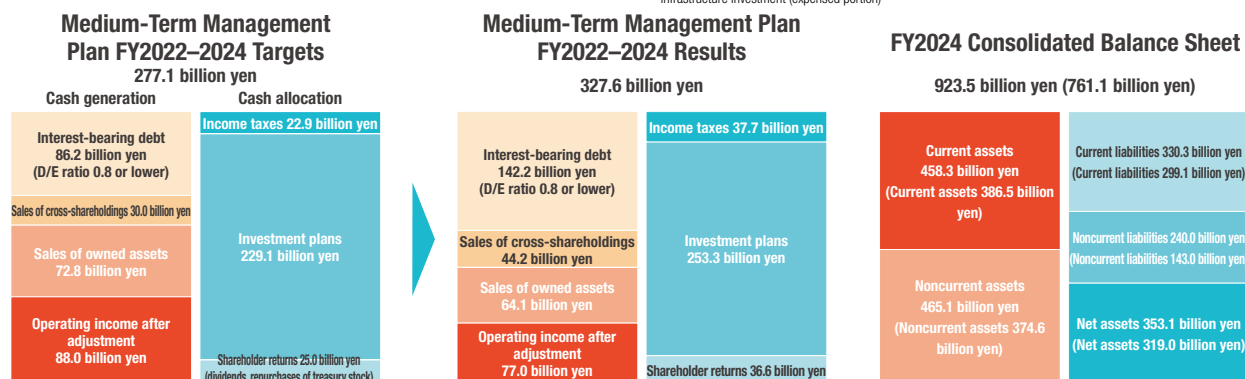
Looking further ahead, our policy is to reduce cross-shareholdings to under 20% of consolidated net assets by the end of FY2030.

Cash Allocation

Based on the projected cash allocation during the previous Medium-Term Management Plan period (fiscal 2022 to fiscal 2024), we addressed the shortfall in operating income after adjustment* by reducing assets and utilizing interest-bearing debt, while pursuing growth investments and shareholder returns beyond the planned level. As a result, in fiscal 2024, total assets on the consolidated

balance sheet increased by 162.4 billion yen compared to fiscal 2021, reaching 923.5 billion yen. The D/E ratio rose from 0.57 in fiscal 2021 to 0.75 in fiscal 2024, reflecting a shift toward a balance sheet that emphasizes leverage and capital efficiency, while maintaining our targeted level of financial discipline.

*Operating income after adjustment: Operating income – Gross profit on real estate for sale + Depreciation + Business infrastructure investment (expensed portion)



Figures in parentheses are for fiscal 2021

Medium-Term Management Plan FY2025–2027

Under the Medium-Term Management Plan 2027, we will maintain financial discipline by keeping the D/E ratio at or below 0.8, while remaining mindful of the net scale of our growth investments. In particular, within our real estate development initiatives, we aim to enhance capital efficiency by transitioning to a circular investment model. Concurrently, we will return surplus funds to shareholders in an appropriate manner, thereby contributing to the sustainable enhancement of corporate value.

Flexible funding	Strategic investment framework
Use of interest-bearing debt	Investment plans 200.0 billion yen
Sale of over 50.0 billion yen in cross-shareholdings	Strengthening business foundation 46.0 billion yen
Sales of owned assets 100.0 billion yen	Real estate development 123.0 billion yen
Operating income after adjustment 150.0 billion yen	Environment and energy 22.0 billion yen
	Other investments 9.0 billion yen
	Shareholder returns
	Income taxes

- M&A investments
- D/E ratio
- Real estate development investment
- Environment & energy investment
- Shareholder returns policy
- DOE
- Total return ratio

Implement separately from the investment plan

0.8 or lower

Net 27.0 billion yen

Net 18.0 billion yen

3.5% or more

Approx. 70%

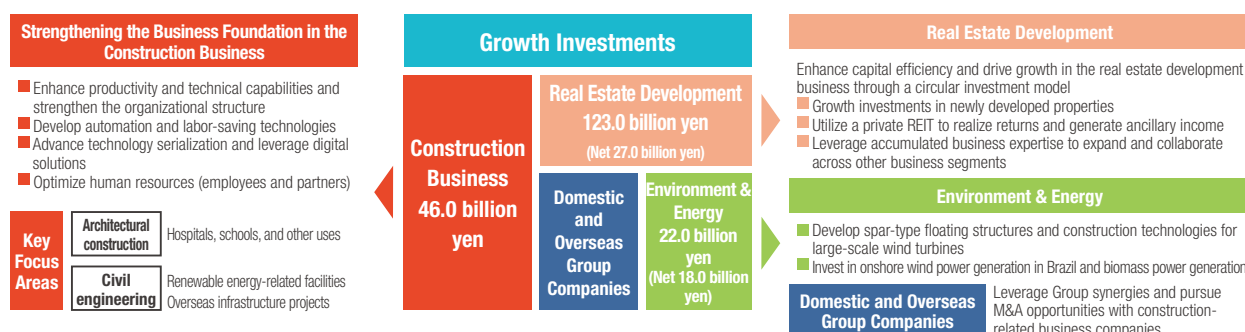
Earning Power and Growth Investments

To achieve an ROE of 10% or higher during the Medium-Term Management Plan 2027 period, we must identify growth areas for the Group, allocate the necessary management resources, and work to further enhance both our operating margin and net profit margin.

During the new Medium-Term Management Plan period, we will invest in strengthening our business foundation, including upgrades to our construction systems, which currently present challenges amid the strong momentum in the construction business. In the real

estate business, we aim to expand profits by participating in projects that generate synergies with our construction operations and by investing in opportunities where we can leverage our accumulated business expertise.

In the environment and energy business, we will continue to invest in research and development focused on larger wind turbines in the floating offshore wind power generation business, positioning these as future-oriented growth investments.



Ensuring Financial Soundness

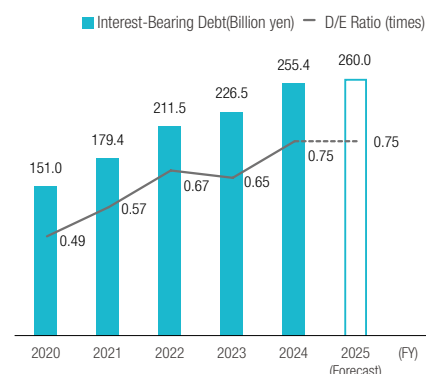
As part of our commitment to financial discipline the Group aims to maintain a D/E ratio (interest-bearing debt/ shareholders' equity) at 0.8 or lower.

Regarding interest-bearing debt, we formulate long-term business income and expenditure plans, forecast future cash flows, and assess our debt repayment capacity and exposure to interest rate fluctuations. We implement appropriate risk countermeasures and procure capital at optimal times, taking into account capital efficiency and the balance between long and short-term borrowings.

In terms of investments essential to sustainable growth, we conduct thorough evaluations based on internal criteria and secure funding within the boundaries of our financial discipline. At the same time, we actively pursue ESG-related opportunities.

Looking ahead, we will continue to engage in capital procurement that supports sustainable growth and enhances corporate value, while also fulfilling our social responsibilities.

Interest-Bearing Debt and D/E Ratio

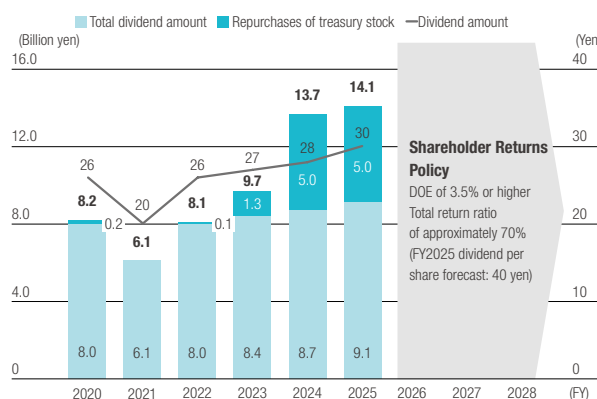


Shareholder Returns

During the Medium-Term Management Plan FY2022–2024 period, we utilized surplus funds, after managing equity levels, to deliver shareholder returns aligned with our target DOE of 2.5% or higher and a total return ratio of 40.0% or more. Specifically, in fiscal years 2023 and 2024, we repurchased approximately 10 billion yen of treasury stock and increased dividend payouts.

Under the Medium-Term Management Plan 2027, we have revised our shareholder returns policy based on profit targets, cash allocation priorities, optimal balance sheet simulations, and dialogue with investors. The updated policy targets a total return ratio of approximately 70.0%, anchored by a DOE of 3.5%. By achieving an ROE of 10.0%, we aim to maintain a sound financial structure and increase dividend payouts.

We will implement treasury stock repurchases flexibly, taking into account factors such as profit levels, stock price, and the specific objectives of each repurchase. We will continue to evaluate options for cancelling or disposing of repurchased shares.



Shareholder Returns Policy
DOE of 3.5% or higher
Total return ratio of approximately 70%
(FY2025 dividend per share forecast: 40 yen)

Engagement with Stakeholders

IR Activities in FY2024	Number of Times	Participants from Toda
Financial results briefings (for analysts and institutional investors)	2	President Group General Manager, Corporate Administration Group
Meetings with domestic investors	16	Executive Officer In Charge IR Department, Planning & IR Division
Meetings with overseas investors	44	Executive Officer In Charge IR Department, Planning & IR Division
Financial results update meetings with securities analysts	16	Executive Officer In Charge IR Department, Planning & IR Division
Seminar for retail investors	1 215 participants	Group General Manager, Corporate Administration Group
Site visits for analysts and institutional investors	1 11 participants	Group General Manager, Corporate Administration Group Executive Officer In Charge IR Department, Planning & IR Division
Shareholder survey	Once per year	Planning & IR Division

*The disclosed information was simultaneously released both in Japanese and English.

In fiscal 2024, we held meetings to strengthen dialogue with institutional investors and analysts, aiming to present a well-grounded narrative of our Group's vision, the initiatives supporting it, and their expected impact.

Key Discussion Points from the Dialogues	
Capital policy	Status of negotiations on the sale of cross-shareholdings and use of proceeds
	Indicators and decision-making logic behind the shareholder returns policy
	Progress toward achieving ROE targets
Construction business	<ul style="list-style-type: none"> Business environment, including orders received and costs Status of gross profit improvement in architectural construction and civil engineering Differentiation from competitors
Priority management businesses	TODA BUILDING: Prospects for future contribution to revenue and profit, and lease status
	Overseas business: Progress of plans at overseas subsidiaries and asset efficiency in the overseas business
	Environment & energy business: Status of the environment & energy business, and profitability of floating offshore wind power generation

Key discussion points from these dialogues have been reflected in our plans for the sale of cross-shareholdings and in our shareholder returns policy.

Human Resources Strategy

Enhancing Human Resources Value Through Increased Investment

Executive Officer

Seo Nobuhiro



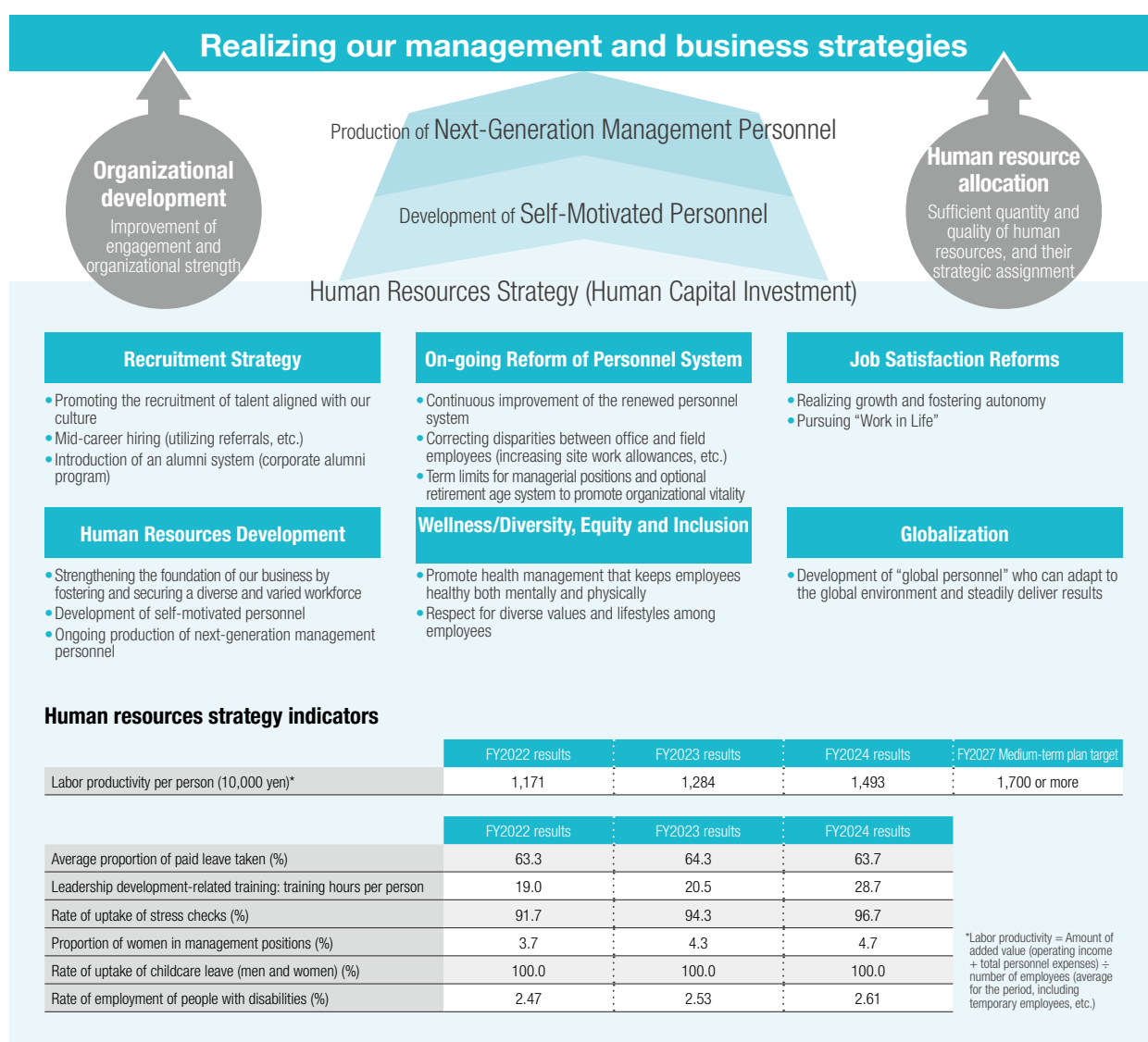
The Toda Group has adopted the mission of being a corporate group that realizes “joys,” and in preparation of its 150th anniversary in 2031, formulated the Future Vision CX150 in 2021. To implement concrete strategies toward achieving this vision, we have developed the Medium-Term Management Plan 2027, covering the three years from fiscal 2025 to fiscal 2027. The entire Group is working together to achieve the goals of this plan.

The main agents for achieving our management and business strategies are our human resources (our employees). We view our human resource strategy as an investment and have defined six areas of focus:

recruitment, personnel systems, job satisfaction, human resource development, wellness/diversity, equity & inclusion, and globalization.

Moving forward, we aim to continually develop human resources with high value who contribute to the realization of our management vision by implementing coordinated measures across each of these areas. Additionally, through organizational development and human resource allocation, we will enhance the effectiveness of these measures and promote initiatives aimed at maximizing organizational strength and human resource value.

Overall view of our human resources strategy



Recruitment Strategy

Based on the belief that human resources are the foundation of corporate growth, we have positioned the recruitment of excellent and diverse human resources at the core of our corporate strategy. We believe that acquiring exceptional talent is essential for strengthening sustainable competitiveness, creating social value, and delivering new value to customers, and we are promoting planned recruitment activities from a long-term perspective.

As the environment surrounding the construction industry undergoes significant changes, we are seeking personnel who have high expertise not only in construction technology but also in diverse fields such as digital technology, environment initiatives, and global operations. In particular, we focus on recruiting individuals who can independently identify issues and proactively take on challenges to solve them, who demonstrate flexibility in embracing diverse values and changes, who possess advanced expertise and a strong desire to contribute to solving social issues, and who can resonate with our corporate culture.

For new graduate recruitment, we create early contact with students through a variety of internship programs ranging from one-day to long-term industry and practical experiences, as well as in-person and online company information sessions, career seminars, and site tours. We are working to deepen understanding of the industry and our company to prevent mutual mismatches.

For mid-career recruitment, we are focusing on discovering and securing diverse and highly specialized talent through employee referrals (introductions from friends and acquaintances) who are likely to match our

corporate culture, as well as utilizing recruitment agencies and job placement agencies. In addition, we have introduced an alumni system (corporate alumni program) from May 2025, which allows us to maintain continuous connections with former employees and provide opportunities for information exchange and networking. Through these efforts, we plan to rehire alumni and create new value by leveraging their knowledge and experience.

As part of strengthening recruitment publicity and appeal, our new TODA BUILDING headquarters completed in 2024, embodies advanced construction technology, environmental initiatives, and work-style reforms in its spatial design, and symbolizes the appeal and future orientation of our group. We are actively promoting it as a brand icon and utilizing various digital channels such as YouTube and Instagram to share information. Moving forward, we will continue to enhance sustainable corporate value enhancement and contribute to society through the acquisition and active engagement of excellent and diverse human resources.

	FY2023 Results	FY2024 Results	FY2025 Planned	FY2026 Target
New graduate hires	137	158	185	196
Acceptance rate among internship participants (%)	18.9%	17.9%	21.4%	22.2%
Percentage of female recruits (%)	24.8%	25.3%	22.8%	30.0%
Percentage of mid-career hires (%)	39.1%	34.2%	33.7%*	27.7%
Retention rate after three years (%)	92.4% (2021 entrants)	94.3% (2022 entrants)	—	—

*As of July 1, 2025

On-going Reform of Personnel System

We revamped our personnel system in fiscal 2023 to help employees feel a sense of fulfillment and achieve self-realization. The new mission-grade system eliminates seniority-based elements and establishes a merit-based rank and compensation system according to roles and contributions. This promotes the advancement of young employees and optimal personnel placement, aiming to enhance the vitality of the entire organization. We have also created an environment that supports diverse career development to eliminate disparities based on gender or life events. Furthermore, we maintain compensation levels aligned with market competitiveness, aiming to attract and retain top talent. We have also introduced fair evaluation systems, a mandatory retirement age for management positions, reemployment opportunities up to age 70, and a system for transitioning out of management roles. These initiatives serve as a foundation for the sustainable enhancement of corporate value.

Moving forward, while continuing to improve the renewed personnel system, we will advance system

reforms that support employee growth and challenges, further strengthening our human resources strategy. In particular, by promoting a shift of human resources to the frontlines, we will increase the number of personnel active on the frontlines, enhance field capabilities across the Company, optimize management resources, and improve on-site responsiveness to flexibly and quickly adapt to environmental changes and customer needs. This will strengthen our competitiveness in the market and lead to greater customer satisfaction. Furthermore, by actively working to improve the treatment of site workers, we aim to provide compensation and benefits that instill the pride, enabling employees to find meaning and pride in working at construction sites and ultimately leading to improved engagement.

Through these personnel system reforms and measures, we will create an environment where each employee can maximize their abilities, draw out our company's unique strengths, and contribute to the further enhancement of corporate value.

Building the foundation of the personnel system

Renewal of evaluation and compensation systems, etc.
Establishing a foundation for job satisfaction and self-realization

Continuous evolution of the personnel system

Continuously verifying and improving the renewed personnel system. Evolving towards optimal talent management

Personnel system renewal Introduced from FY2023

Improvement of the personnel system

Optimization of human resources

Human resource allocation

Concentrating resources on the frontline to enhance on-site responsiveness and project execution capacity, aiming to strengthen competitiveness and management foundations

Correction of disparities between office and field employees

Promoting improved compensation and benefits focusing on site workers
 • Planning to increase site responsibility allowances and site work allowances, convert home travel expenses into allowances, etc.

Evolution of the human resource foundation

Realizing sustainable enhancement of corporate value

Job Satisfaction Reforms

New value is created when each employee feels a sense of fulfillment in their daily work and takes on challenges with a single spirit.

At our company, we consider “work” to be a means to realize the ideal “life” as envisioned by each employee. Accordingly, we are focused on the idea of “Work in Life,” in which, alongside such avenues as family, hobbies, and learning, people choose to work in a way that is more personalized and fulfilling for them.

In light of the cap on overtime work applied from fiscal 2024, in recent years we have been implementing company-wide efforts such as reducing total actual working hours and encouraging the taking of leave.

Furthermore, in FY2022 we introduced our in-house venture business system. The goal of the system is to provide employees with opportunities to experience greater satisfaction and growth, through such experiences as considering business proposals from the perspective of management and taking on challenges in fields unavailable to them in their previous work.

We will continue to build environments in which our employees can pursue Work in Life and find fulfillment in their day-to-day work.

Results from past 3 years

	FY2022	FY2023	FY2024
Total actual working hours* ¹	2,103	2,052	2,030
Average hours of overtime* ²	23.3	17.8	15.3
Average amount of paid leave taken (days)* ³	11.7	12.9	12.7
Average proportion of paid leave taken (%)* ³	63.3	64.3	63.7

*¹ Total actual working hours: Includes management and supervisory personnel and dispatched employees.

*² Average overtime hours: does not include management and supervisory personnel and dispatched employees.

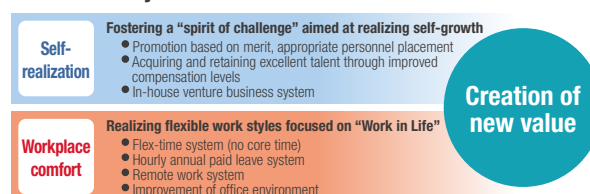
*³ Average amount of paid leave taken and average proportion of paid leave taken: Includes management and supervisory personnel, but not dispatched employees.

Labor productivity results and targets

	FY2024 (results)	FY2027 (targets)
Labor productivity per person (10,000 yen)	1,493	1,750 or more

* See p.6 and p.35 for calculation formulas and details

Initiatives for job satisfaction reform



Human Resources Development

Our Basic Approach

Based on Medium-Term Management Plan 2027, we will promote Phase 2, “Value restructuring,” of the Future Vision CX150. Under this plan, out of the 46 billion yen investment to strengthen our business foundation, we plan to allocate a total of 12 billion yen in human resources investment over three years, which is a significant increase from the 2.3 billion yen in the previous medium-term plan. This reflects our strong commitment to positioning human resources as our most important management asset. We will focus particularly on the frontlines that support our sites, promoting human resource development that fosters a sense of growth and autonomy among employees.

As a specific initiative, our hierarchical training programs are designed with continuity across each level. For younger employees, we consistently provide training that encourages autonomy, with “self-motivated employees” as the key concept. For management, we implement training based on PM theory. In addition, we will continue the planned development of next-generation management personnel who will lead Toda Corporation in the future. Structurally, the results of the major overhaul of Off-JT in fiscal 2022 are gradually becoming evident. By consolidating training related to diversity & inclusion and global human resource development in the Human Capital Development Department, we have established a system that operates from the perspective of company-wide optimization.

We will continue to review and actively invest in specialized training by job category to enhance the expertise required in each business area.

Training Program

Our basic policy for human resource development and training is to strengthen the foundation of our business by fostering and securing a diverse and multifaceted workforce.

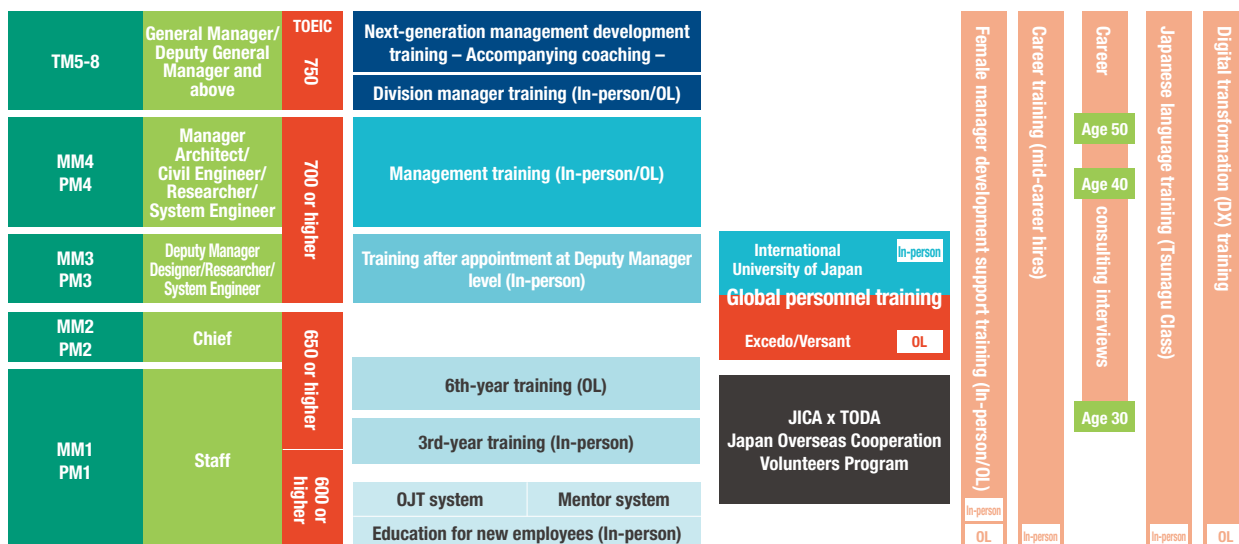
Based on this policy, we use On-the-Job Training (OJT) as the primary method of development, entrusting employees with responsible and wide-ranging duties from an early stage after joining the Company. This enables each employee to gain experience in solving work-related issues independently, promoting skill development.

In Off-the-Job Training (Off-JT), in addition to training programs aimed at improving skills for current duties, we have established capability development programs that can be selected according to individual career aspirations, supporting medium- to long-term growth beyond immediate tasks.

Furthermore, to promote the habit of learning and acquiring advanced specialized knowledge and skills, thereby strengthening human resource value and competitiveness, we are expanding our subsidy program for obtaining public qualifications, licenses, and doctoral degrees. The system currently covers over 200 types of qualifications, and for key certifications such as first-class architect licenses, we also subsidize costs incurred prior to joining the Company. This establishes a framework that supports employee growth and autonomy throughout their careers.

Our achievements in human resources training and development

	FY2022	FY2023	FY2024
Leadership development-related training: Training hours per person (In parentheses: No. of trainees)	19 (523)	20.5 (450)	28.7 (676)
Training expenses (million yen)	74	67	68

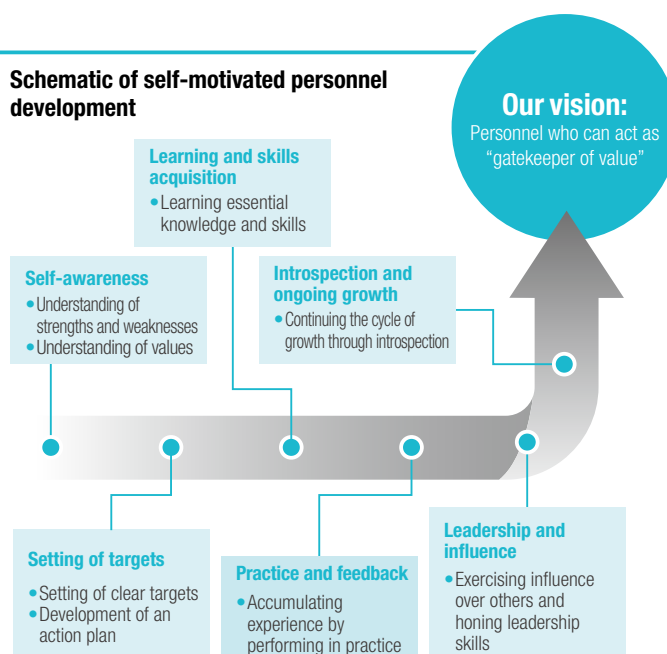


Development of Self-motivated Personnel

To realize value creation through human resources, we are focusing on developing self-motivated personnel who will lead our management in the future. Self-motivated personnel are exactly what we refer to as “gatekeepers of value”^{*} as set forth in our Future Vision CX150. They are keenly aware of social changes and create innovation that becomes the source of sustainable corporate growth by newly combining information and value in response to customers’ latent needs. To develop such personnel, we implement programs that encourage a self-motivated mindset and practice from the early stages of careers, from new employee training to tenure-based training. We have also established an award system that honors challenges that go beyond existing frameworks, rewarding achievements to enhance employee motivation. By encouraging challenges and supporting growth, and by creating an environment that produces this virtuous cycle, we respect individual growth and connect it to value creation for the entire organization.

^{*}See p.18

Schematic of self-motivated personnel development



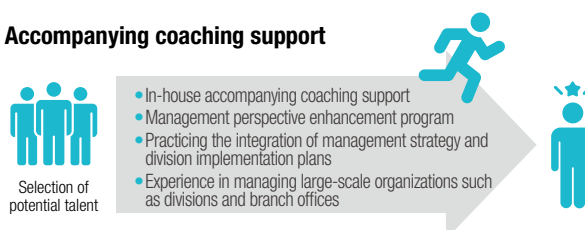
Next-Generation Management Development /Succession Plan

Our group believes that continuous development of the next-generation management talent to lead the realization of our mission is key to enhancing corporate value. To achieve this, we have set a clear goal of building a pool of around 50 next-generation management candidates at any given time by fiscal 2025, and have already developed 99 individuals. Moving forward, we will continue to develop talent as the foundation of sustainable management while formulating clearer and actionable succession plans.

At the core of our development efforts is “accompanying coaching” for potential talent selected from each business group. Through regular one-on-one sessions with career coaches from the Human Resources Administration Division, we maximize learning from experience and cultivate personnel with a management perspective.

Furthermore, this development framework is closely aligned with the president’s succession plan. By advancing the planned development of successors not only for the president’s role but also for key positions such as group general managers, we aim to ensure a robust corporate governance structure and sustainable growth.

Accompanying coaching support



Wellness/Diversity, Equity and Inclusion

In March 2025, we established a Health Support Department as part of the Human Resources Administration Division. This initiative has two main aims: to create an environment where each employee can easily consult about their physical and mental health, and to position employee health as one of the Company's top priorities.

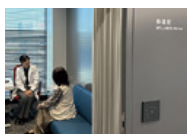
Moreover, we believe that the diverse values and capabilities of our employees are essential for accurately understanding the increasingly personalized needs of

customers and society, and for delivering the value that society requires. Therefore, we are promoting various initiatives, such as establishing a human rights policy and improving workplace environments, to ensure that individuals with diverse backgrounds, including gender, LGBTQ+ identity, nationality, race, religion, and skills, can thrive and play active roles.

Wellness Initiatives

In order to continue our sustainable growth, it is essential that our employees remain healthy both mentally and physically. The Group has adopted "promotion of health management" as a key policy and is implementing various initiatives accordingly.

In terms of physical health, we are implementing initiatives to improve, maintain, and promote health through measures such as follow-ups after regular health checkups, specific health guidance by our in-house public health nurses, company-wide measures to solve sleep problems, and events to raise health awareness. For mental health, we hold mental health seminars, offer individual interviews with psychiatrists and public health nurses to those who request them, and make use of external consultation services to provide support from various perspectives for employees' mental health concerns.



Individual consultations at the headquarters health office

Promoting the Advancement of Women

We consider creating workplaces where people feel the joy of working where diverse personnel can play active roles as an important issue, and are promoting human capital management. In promoting the advancement of female employees, we are strengthening support from both career development and work environment perspectives.

In particular, we are focusing on developing next-generation talent through female manager development support training and dispatching employees to university courses. We have also established the "Narashi Childcare Leave System" for employees returning from childcare leave, as well as a system for working shorter hours than legally required, to support flexible work styles aligned with individual life plans. Under our new personnel system, the mission-grade system, we have eliminated traditional seniority-based elements and placed emphasis on roles and contributions, thereby supporting an increase in the proportion of women in management positions. As a result of these efforts, the percentage of women in management positions increased from 4.3% in the previous year to 4.7% in fiscal 2024. We will continue to steadily promote planned human resource development.

Appointment of female employees

	FY2021	FY2022	FY2023	FY2024
Proportion of women among all employees (%)	15.4	16.2	16.4	17.0
Proportion of women in management positions (%)	3.1	3.7	4.3	4.7
Proportion of women in officer positions (%)*	11.8	16.7	16.7	22.2

* Proportion of women in officer positions: Percentage of director and corporate auditor positions held by women

LGBTQ+ Initiatives

Toda Corporation has explicitly prohibited discrimination on the basis of sexual orientation and gender identity in its Employee Work Rules, and a statement from the President has been issued to eliminate all forms of harassment related to these matters. In fiscal 2021, we introduced a same-sex partnership system and published an "LGBTQ+ Guidebook," as well as distributing original "ally" stickers to those who requested them, in order to expand the circle of allies. From fiscal 2023, we have conducted anonymous awareness surveys and e-learning initiatives on LGBTQ+ for all employees, and received the PRIDE Index Silver certification.



Original "ally" sticker



PRIDE Index "Silver" certification

Balancing Work and Childcare

We believe that in order for women to comfortably balance work and childcare for many years, they must be actively supported not only at home but also by the company. Moreover, since childcare is a life event common to both men and women, we are also strengthening our support system for male employees. In order to enable both male and female employees to balance work and childcare, the Human Resources Administration Division explains the relevant systems to an employee and their superior each time a birth is reported, and interviews are held with male employees who wish to take childcare leave and those who plan to take long-term (28 days or more) childcare leave and their supervisors to ensure that this can be done based on full understanding and peace of mind for both parties. As a result, the number of employees taking childcare leave has increased, and the percentage of male employees taking childcare leave has stood at 100% for five consecutive years since fiscal 2020.

In addition, in October 2022, we introduced our own "Postnatal Paternity Special Leave" system to complement the legally mandated "Parental Leave (Postnatal Paternity Leave)" program.

Number of employees using the childcare leave program and uptake rate

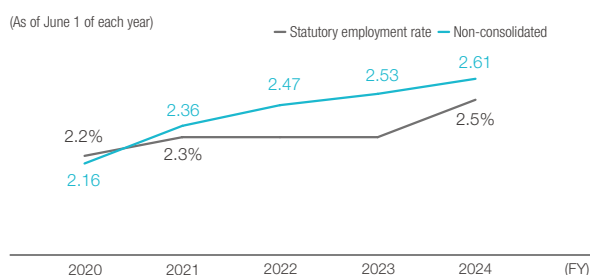
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Men (no. of people)	74 (66.7)	120 (100)	122 (100)	141 (100)	123 (100)	130 (100)
Women (no. of people)	22 (100)	22 (100)	21 (100)	20 (100)	25 (100)	24 (100)

* Figures in parentheses show uptake rate (%)

Promoting the Employment of People with Disabilities

We are continuously working to promote the employment of people with disabilities. This includes providing employment conditions and work environments that take into account individuals' circumstances, allowing them to adapt to and settle into the workplace, as well as providing jobs and workplaces that take into account their individual capabilities. In addition, we accept students, mainly from the high school section of special-needs schools, for work experience training with the goal of employment at a company. Every year, we hire new employees with intellectual disabilities, and have established a business support center where they perform tasks such as clerical work and cleaning. Through these efforts, we are aiming to expand their job opportunities and help them to become firmly established in the workforce, thereby achieving true normalization of disabilities.

Percentage of employees with disabilities



Globalization

Development of Global Personnel

As part of our Medium-Term Management Plan 2027, we are working to enhance the education and work environment of employees who will drive our overseas operations, which we have positioned as a priority management business. We focus on developing global talent who can adapt to increasingly globalized environments, including multinational, multilingual, and multicultural settings, and consistently deliver results. In addition to employees' backgrounds, expertise, abilities, technical skills, and networks, we have created an environment in which they can acquire three essential capabilities: language proficiency, self-motivated thinking, and cross-cultural understanding.

Specifically, under the banner of "talent front-shift," we are strengthening development through practical training in Japan for staff from overseas offices and through industry-academia collaboration with the International University of Japan. Through these initiatives, we will steadily advance Phase 2, "Value restructuring" of our Future Vision CX150, creating TODA Group's "distinctive value" through our activities both in Japan and overseas.

Overseas Staff Training

To develop executive managers who will lead the future of our overseas business, we have been conducting 1.5-year training programs in Japan for local staff from various countries and have completed five terms so far.

Trainees learn not only the Japanese language but also our construction techniques, which are one of our core strengths. Furthermore, they develop a multifaceted perspective by systematically understanding Japanese business practices and culture, as well as the vision of the entire Group.

The knowledge and experience gained while working hard with colleagues of different nationalities become a great strength for them when they return to their home countries to create new value.

We will continue to invest in the development of global human resources and contribute to delivering value to customers around the world.

	1st to 4th terms FY2020-2023	5th term FY2024	6th term FY2025	7th term FY2026	8th term FY2027	9th term FY2028	10th term FY2029	11th term FY2030	Total
Overseas staff training (no. of people)	26	2	4	6	6	6	6	6	62

*Countries of origin: Thailand, Vietnam, Indonesia, Myanmar, Sri Lanka, Niger, Côte d'Ivoire, Benin

Global Human Resource Education

For all employees of our group companies in Japan and overseas, we provide training programs, such as presentation skills, as opportunities for practical English use. This voluntary training contributes to employees' international career development. We have adopted Nihon Keizai Shimbun's Excedo platform and are strengthening input and output by participating in training at the International University of Japan once every six months. We have signed an agreement with the International University of Japan and are focusing on global human resource development through industry-academia collaboration, regularly implementing a practical three-day English-only training program designed specifically for our company.

Dispatch of Employees as Japan Overseas Cooperation Volunteers

Leveraging our track record of over 40 years in Official Development Assistance (ODA) projects, we are focusing on developing personnel who can play active roles globally. As part of this effort, in April 2025, we launched a program in collaboration with the Japan International Cooperation Agency (JICA) to dispatch employees as Japan Overseas Cooperation Volunteers. The purpose of this program is to practically acquire language proficiency, self-motivated thinking, and cross-cultural understanding. One employee has begun activities in the Republic of Benin as the first participant, and we plan to continue dispatching employees primarily to Francophone West Africa. The process of solving problems in developing countries is the very foundation of business, and through this opportunity, we aim to cultivate a global mindset and business skills.



Safety, Quality, and the Environment

Laying the foundations for creating distinctive value

Executive Officer

Kimura
Sachihiro



SQE Approach at Toda Corporation

At Toda Corporation, ensuring and maintaining safety, quality, and the environment is positioned as our most important management item and a prerequisite for stable management foundations.

We face labor shortages due to a decline in skilled construction workers and limits on working hours. At the same time, complying with regulations and rules and respecting human rights are becoming more important, and expectations and demands from stakeholders toward

companies are growing more diverse.

Under these circumstances, we believe that ensuring essential management for safety, quality, and environment is the foundation for distinctive value in order to meet the demands of customers and society.

The Company has established the SQE Basic Policy as part of the president's guidelines to ensure that groups and branches pursue activities with a shared understanding.

SQE Basic Policy

1. We treat safety as one of our core values. We protect the lives and health of all individuals working at our work sites and strive to create a safe and comfortable workplace environment.
2. We sincerely commit ourselves to providing quality that meets expectations and winning the complete trust of society and customers.
3. We work to solve environmental issues in all our business activities and build a sustainable future.

The role of the Safety, Quality Control, and Environment Administration Group

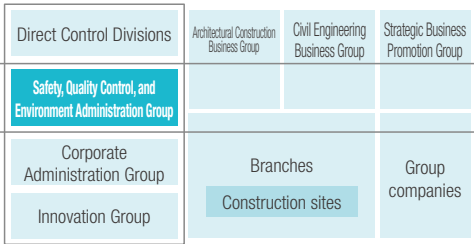
The Safety, Quality Control, and Environmental Administration Group was newly established in March 2025 as an independent group separate from the architectural construction, civil engineering, and other business groups.

The new group carries on the existing safety, quality, and environmental approaches established and managed by the individual organizations in the Architectural Construction, Civil Engineering, and Strategic Business Promotion business groups. In addition, it will take a high-level, cross-sectional view across organizations to identify and respond to company-wide problems and issues, explore how activities in one group might be applied to others, and more.

We must also confirm that current management

methods are still appropriate in the light of changes in social conditions, ways of working, and other areas.

There is also a need to define product guarantees, etc., in fields such as the real estate business, environment and energy business, and new products from R&D. The group's role is to share this information with business groups and collaborate with them in pursuing this work.



Toda Corporation SQE History

We have been a pioneer in the construction industry by actively promoting safety, quality, and environmental initiatives.



Risks and Opportunities

Risks	<ul style="list-style-type: none"> ● Disruption caused to customers and stakeholders due to accidents, quality defects, environmental pollution, or non-compliance with laws or regulations ● Negative impacts on costs, construction schedules, or productivity arising from the need to respond to accidents, quality defects, or environmental disruptions ● Decline in social reputation, loss of order-taking opportunities, loss of cooperation with partner companies
Opportunities	<ul style="list-style-type: none"> ● Improving satisfaction and ensuring safety for partner companies and employees by creating safe and comfortable workplaces ● Contributing to the development of social infrastructure and our customers' businesses by providing high-quality structures ● Contributing to society and expanding business opportunities by taking climate change countermeasures ● Expanding trust within society and among customers, gaining competitive advantage through a high reputation, which leads to securing orders, and increasing order opportunities

Safety

In 2017, our president declared that "Safety is not just a priority but a CORE VALUE." This means that making safety a central priority in all our business activities (actions) is a fundamental part of our thinking as we develop our "Safety First" and "safety always takes precedence" principles to further prevent and eliminate workplace accidents. In practice, this means that when bidding for orders, we avoid orders that set unrealistic schedules or inappropriate prices. In design activities, we create designs that can be safely constructed and safely used. In construction work, we understand the tasks, identify dangers through risk assessment, and formulate countermeasures to mitigate dangers. The administrative divisions create work environments that allow employees to work while maintaining sound

physical and mental health. In these and other ways, we have all divisions make safety a core concern at all stages of their work. In construction in particular, it is essential to identify unsafe practices such as shortcuts and omissions and ensure all required safety equipment is in place, and never allow costs or schedules to be an excuse.

By having all employees act in accordance with this approach, we aim to enhance our value as the No. 1 company in safety and productivity, and continue to improve over time.



Quality and the Environment

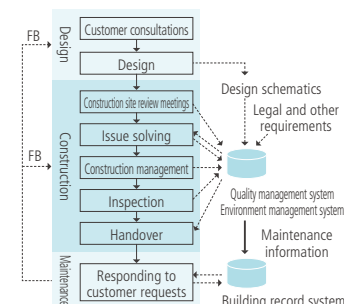
Every day, the demands and expectations of customers and other stakeholders grow more diverse and complex. In building structures, we must respond not only to these requirements, but also to changes in the external environment, such as climate change. In addition, simply completing a structure is not enough. It is even more important that it continues to be used for a long time afterwards.

We leverage digital technology and engage in company-wide quality assurance and environmental management activities throughout the entire project lifecycle—from start to finish and beyond project handover.

In our quality and environment management, we focus not just on preventing defects and troubles, but also dealing with them forthrightly and correctly should they occur, and, furthermore, prioritizing the prevention of reoccurrences so that customers are not affected by repeated mistakes. To this end, we use the administration system as outlined in the chart to the right

to share drawings, management records, and information about defects, etc., and hold construction site review meetings to identify and solve issues. Along with designers and construction site personnel, staff from headquarters and branches attend review meetings at the design and construction stages, provide on-site guidance, participate in inspections and more, thus providing extra sets of eyes to prevent defects and their reoccurrence.

After handing over the structure, we transfer all related data to a building record system, which we can use to quickly respond to requests and inquiries from the customer.



Construction project main processes and management system usage | (outline)



Innovation/Research and Development

Taking the Company into the future with distinctive value!

Innovation Group 2025 activities target Expected value creation: 10 billion yen or more

*Expected value creation: The total expected future increase in operating income value from research and technological development activities carried out each fiscal year, according to a proprietary calculation method that we developed.

Executive Vice President

Asano Hitoshi



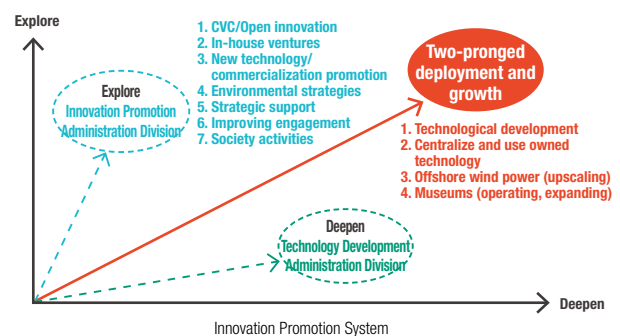
Innovation Group System

Our group boldly tackles social and customer problems and provides optimal solutions by formulating strategies, researching and developing cutting-edge technology, and commercializing technology that we have developed. We lead the sustainable development of the Company through the creation of expected value. The group works to grow and develop through “depth” and “exploration” in two segments. The Technology Development Administration Division does the deep diving, while the Innovation Promotion Administration Division explores the technological landscape.

The Technology Development Administration Division consists of the Technology Research Institute, which pursues research and development related to construction and civil engineering, and the Intellectual Property & Technology Optimization Division, which centralizes development technology information to optimize its use across the company. As a priority management sector, the group also formulates comprehensive strategies for offshore wind power generation projects and oversees

technological development for the upscaling and mass production of wind turbines.

The Innovation Promotion Administration Division is responsible for promoting the company’s environmental activities, commercializing new technologies, generating business from within the company, and investing in start-ups with the possibility of future growth.



Enacting Various Function Strategies Coordinated with Company-Wide Business Strategies

We work to maximize value creation with an integrated, three-pronged strategy of company-wide business strategies combined with our technology and innovation and intellectual property function strategies.

The technology strategies consist of two strategies for the architectural construction and civil engineering sectors. The architectural construction technology strategy consists of five topics: responding to labor shortages and improving engagement; realizing a carbon neutral society; building safe and secure cities and social infrastructure; realizing comfortable living and working environments; and contributing technology to business strategies. The civil engineering technology strategy also has a five-theme focus: further strengthening areas of expertise; enhancing ability to take on national projects; establishing technologies for larger scale offshore wind power; creating national resilience and infrastructure renewal technologies; and contributing technology to business strategies.

Our innovation strategy is a unique function strategy of the Company, and consists of three pillars: exploring new combinations through CVC, open innovation, and similar; making use of outstanding ideas through in-house venture programs and similar; and engaging in activities to extract and maximize the value of our owned technologies.

With our intellectual property strategy, we coordinate with other strategies to bolster intellectual property management, expand its use, and boost competitiveness, in order to maximize the value of the intellectual property that we own.

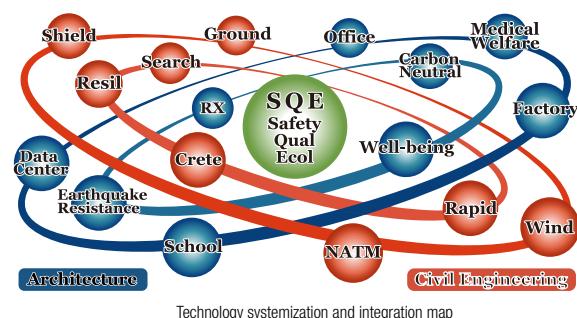


Image of the three-pillar integration of company-wide business strategies and technology/innovation/intellectual property strategies

Driving Technology Systemization and Developing Product Series

By enhancing technology systemization and developing product series, we are promoting innovation focused on growth and development, with a special emphasis on expertise sectors, priority sectors, and future orientation sectors.

Safety, Quality, and the Environment (S-Q-E) are at the center. Immediately around them are functional aspects that need reinforcement, such as fast construction methods, seismic resistance, and seismic isolation technologies. In the outer layer are construction types, such as hospital and school applications, tunnels, and wind power generation. In this way, we engage in selective and focused strengthening of our technological capabilities.



Technology Research and Development Trends and Medium- to Long-Term Strategy

Our research and development divisions formulate strategies and engage in R&D in accordance with the key aim of Medium-Term Management Plan 2027, "Identifying and leveraging our key strengths." We also take a company-wide optimization perspective by making effective use of limited management resources to address shared challenges in the construction industry. We work to optimize our technological R&D through collaborative development in "cooperation fields," for example by participating in the Construction RX Consortium. At the same time, in "competition fields" where differentiation is important, we engage in proprietary R&D to bolster our strengths.

To address the industry-wide issue of labor shortages, we are focused on developing technologies that contribute to safety, labor saving and unmanned work, using mechanization, automation technologies, and ICT. In the architectural construction sector, we have developed many construction technologies that were trialed in the TODA BUILDING project. In the civil engineering sector, we are working to strengthen our areas of expertise, including unmanned cutting face systems and automatic concrete-laying robots for lining mountain tunnels, automated management systems for soil excavation in constructing shield tunnels, and forward exploration visualization technologies.



Full-scale PCa frame structure construction test

We aim to realize a carbon-free society in the architectural construction sector by strengthening our biodiversity initiatives and working for both decarbonization and well-being with trials at our own Green Office Building and TODA BUILDING. Furthermore, we are using our Tsukuba Research and Development Center testing facilities to strengthen our technological capabilities to provide "safety and security" in the face of earthquakes, frequent floods, and other disasters, and "eco-friendliness" in the form of wood structures, etc. We are also developing and trialing technologies for generating customer value, such as the smart control of facilities using ICT.

We are also addressing disasters and aging infrastructure in the civil engineering sector. We are working to develop technologies related to national resilience and infrastructure renewal, and pursuing technological R&D into our own "distinctive value" relating to disaster prevention, disaster mitigation, and social infrastructure maintenance and improvement. Examples include durable riverbank protection and methods for replacing expressway deck slabs.



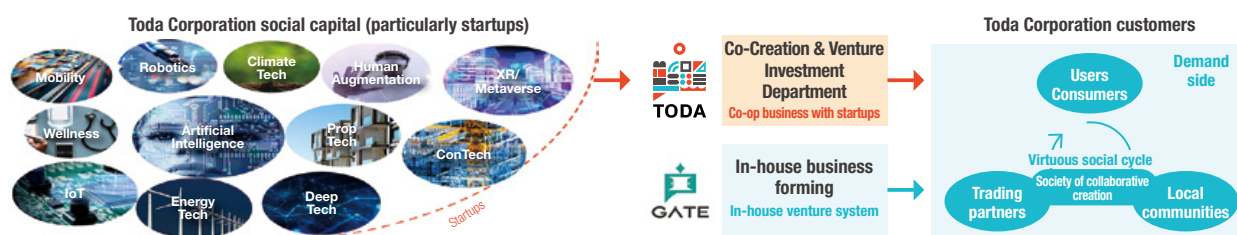
Automatic concrete-laying robot "Centring Futures"® for lining mountain tunnels

CVC, In-House Venture Program

We work to co-create value by investing in and collaborating with startups. The goal is to strengthen our main businesses and create new ones. So far, we have collected information on more than 2,900 domestic and international startups and engaged in over 65 PoCs (including proof-of-concept and trial usage). Since 2020, we have set aside a 3 billion yen investment pool to meet

the funding needs of startup companies, and invested in 13 companies and six funds.

In addition, we launched an in-house venture program in 2023 for employees who want to try developing new businesses. 2025 saw the third round of activity under the program.

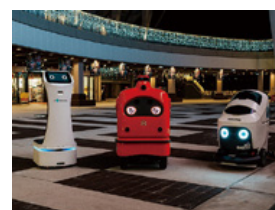


Toward Robot-Friendly Environments

We provide consulting services to customers for the introduction of service robots under the concept of robot-friendly building design. The areas in which service robots are used are set to grow in the future due to labor shortages and the aging society. By proposing the use of robots at the building design stage, we can optimize implementation and maximize operational efficiency.

In fiscal 2024, we provided consulting on the introduction of robots to convey zipline equipment at Nagasaki Stadium City.

In fiscal 2025, we signed an agreement with Sagami City and the Sagami City Robot Business Council to conduct demonstration experiments in city government buildings.



Robots proposed by the Company

Digital Transformation Strategy

Steady promotion of Digital (D) Transformation (X)
for sustainable growth

Corporate Officer

**Haneda
Masaoki**



Modern society has entered an era of “digital transformation,” with dramatic changes to social structures and business models driven by rapidly evolving digital technologies such as AI and IoT. As customer needs diversify, the environments in which companies operate are growing more uncertain. If companies are to achieve sustainable growth, they must transform themselves to respond to change.

In response to the demands of the age, we have declared the DX Vision 2030. The vision promotes digital transformation (DX) across the company, and directs us

to “connect ‘people’ with digital technology to drive value creation in new business areas” and “support the business pursuits of ‘people’ committed to realizing a society of collaborative creation and establish a solid business foundation by collecting and leveraging data. To realize this vision, we are making appropriate use of information (the fourth management resource) to ensure that it flows easily to the places where it is needed, thereby not only improving basic operational efficiency, but also creating new value and contributing to society.

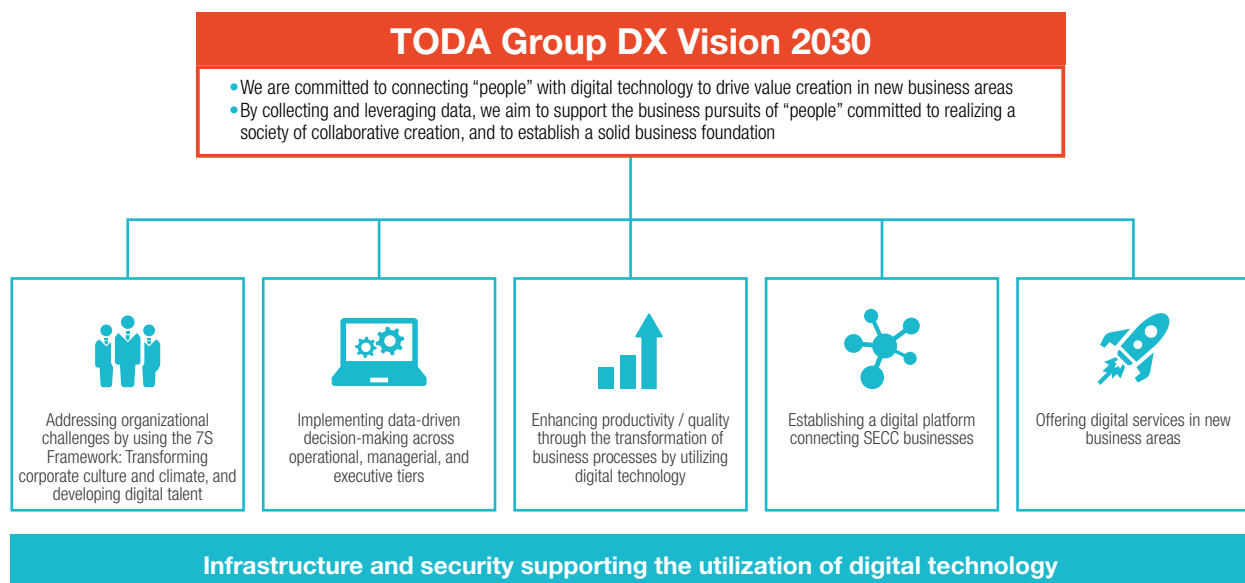
Overall Digital Transformation Strategy

Connecting “people” with digital technology to drive value creation in new business areas, and then support the business pursuits of “people” committed to realizing a society of collaborative creation by collecting and leveraging data—this is the core of our digital transformation strategy under the TODA Group DX Vision 2030. The vision can also lead to the realization of the future vision set forth in our long-term management strategy, CX150: “Bringing about a society of collaborative creation as a gatekeeper of value.”

In promoting our digital transformation strategy, we have identified six key areas of transformation. First, we aim to foster digital transformation human resources and transform our corporate culture by solving the “7S organizational challenges.” Next, we are positioning “information” as the fourth management resource, laying the groundwork for data-driven decision making at all levels and improving the speed and quality of management.

We are aiming to raise productivity and quality through business process transformation, beginning with a company-wide initiative to consolidate information. We are also building a digital platform to support an integrated business model, which will enable us to visualize coordination and contributions across divisional boundaries. Furthermore, we are working to commercialize digital services through our in-house venture system and collaborations with external partners, with the aim of creating new businesses in the digital field. At the same time, we are strengthening the security systems and shared infrastructure that are the foundations of these efforts, and thereby establishing a unified and secure cross-company environment.

We will continue to steadily pursue the six key measures set out in our digital transformation strategy, reinforce our target role as a “gatekeeper of value,” and work to create new value.



Bolstering Human Resources to Drive Digital Transformation

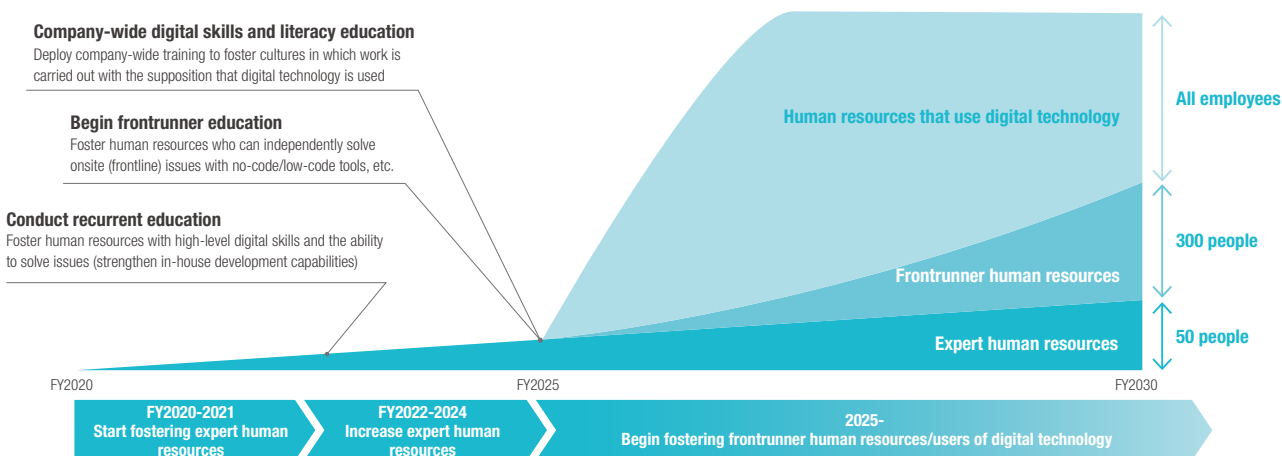
To achieve our digital transformation strategy, it is essential that we foster human resources who can use digital technology to transform businesses and organizations. We define “DX human resources” as those who possess both “digital skills” and a “transformation mindset.” We support their growth and activities across the company.

In the early stages, we set up a recurrent education program (open application and selection based) to raise the level of digital skills and encourage changes in mindset. By strengthening operational skills and improving practical capabilities, we have built a cadre of human resources who can lead the company’s digital transformation efforts.

Currently, we are systemizing re-skilling and up-skilling programs tailored for job roles and operational fields, and building a framework to enable more digital technology use at the worksite and to foster a desire to take on challenges through experiences of success. To encourage the activities of motivated people, we have set up internal and external contests and awards systems, and a Digital Frontrunner Growth Program that enables young and

mid-career employees to learn and apply skills autonomously. With our cross-company community, which gathers and shares digital transformation activities, we have created a venue for information linking and mutual learning among people across divisional lines. These efforts are creating a company-wide transformation movement beyond the activities of individuals. We are also embedding digital transformation human resource growth in our evaluation systems and career paths to create a positive cycle between growth and action.

Going forward, in addition to our Digital Frontrunner Growth Program, we will add more education opportunities to raise digital literacy throughout the organization at large and enable all employees to naturally use digital technology in their work. Through these efforts to build human resource foundations, we are steadily fostering digital transformation human resources who can drive our strategy to “connect people with digital technology.” Going forward, we will continue the sustainable development of digital transformation, supported by the people who can lead transformation.



Creating New Value from Digitalization

At the Company, the practical capabilities that have emerged through our digital transformation human resource training are building the foundations for creating new digital services. For example, the T-BuSS® smart office app being used in our headquarters was co-developed by us and partner companies. The utility of features such as building facilities control, visualization of environmental data, and employee searches, has been refined by testing and assessments performed by our employees as actual users. The digital transformation human resources we have fostered are leading the development and improvement of the app based on our own challenges, and going forward, we are looking at a gradual roll-out of the app to external customers.

Meanwhile, our operations outsourcing support app, ToLabel, developed entirely in-house, is the outcome of problem solving by on-site employees. It integrates functions between our own construction sites and BPO partner companies such as work requests, management of deliverables, chat messaging, task duplication, and archiving. It helps to reduce on-site workloads and improve the visualization and efficiency of operations. The app is being actively used at civil engineering and architectural construction sites.

In both of these examples, digital transformation human resources are taking the lead to identify issues themselves and create new value through repeated validation and im-

provements. These initiatives go beyond simple internal operational improvements to form “digital added value” that can, in the future, be deployed in the external marketplace. Starting with our own transformations, we are using digital capabilities to create new value that is returned back to society. This unified flow is the nucleus of digital business generation in the Company. Going forward, we will link innovation through in-house development and co-creation to accelerate the rollout of new digitalization service businesses in the construction industry.



Business Climate

Architectural Construction Business

Centered on private-sector capital investment, the architectural construction business outlook remains robust. In particular, appetite continues to be strong for capital investment in cutting-edge sectors such as semiconductor manufacturing facilities and data centers.

At the same time, supply-side constraints, such as persistently high construction material costs, soaring labor wages, and pressure on partner companies, continue to be felt. There is also a need to respond flexibly to changes in systems and the environment, such as work-style reforms and securing appropriate construction schedules under revisions to the Construction Business Act.

Looking ahead at the economic situation, while a steady recovery is expected, global political and economic risks are on the rise. Uncertainties such as political change in Europe and the U.S. and prolonged

conflicts may impact the business environment, and so careful, ongoing responses are needed.

In this market environment, we are working to build stable human resources and construction systems through the use of foreign human resources and stronger supply chain collaborations. In addition, we are laying digitalization and data foundations for architectural construction production processes, and focusing on the use of internal and external data to boost productivity and strengthen proposal capabilities.

Furthermore, as a leader in the eco-friendly sphere, we are working to increase the value we provide with the aim of realizing a carbon-free society. We are working with stakeholders in a wide range of fields to create a society of collaborative creation and to build a better, more sustainable future.

Civil Engineering Business

In the civil engineering business, we are placing increasing importance on responding to medium- to long-term social issues. These include disaster prevention and mitigation and national resilience, as well as the rapid renewal of aging infrastructure, as highlighted by the road collapse in Yashio City, Saitama, and the expansion of the renewable energy market. Furthermore, increasing geopolitical risks are driving the construction of defense-related facilities, and we expect the robust order-taking environment to continue.

On the other hand, the construction industry is finding it increasingly difficult to secure human resources. Factors behind this include labor shortages due to a low birth rate and aging population, the aging of skilled workers, and the implementation of limits on overtime work.

Increasing construction costs are also a concern, due to soaring prices worldwide for raw materials and primary energy, rising costs driven by the weaker yen, and other factors. In order to achieve sustainable growth under these conditions, we are further strengthening our traditional core

competencies, such as mountain tunnels, shield tunneling, and other urban civil engineering, land readjustment, and flood control infrastructure. We are also actively expanding our business fields with renewable energy such as offshore wind power generation, infrastructure rehabilitation, PPP projects, and overseas construction.

We are building organizations founded on the autonomy of each individual employee, developing systems that enable multiple layers of vertical and horizontal coordination, and promoting the sound growth of our civil engineering business based on a proper understanding of labor productivity and return on investment capital (ROIC).

Additionally, we are advancing globalization and digitalization through the use of ICT, generative AI, and other technologies, while also focusing on “meaningful work-style reforms” that emphasize job satisfaction and diversity.

Every employee is committed to the societal role that civil engineering occupies, and will continue to strongly safeguard and support social infrastructure.

Strategic Business Promotion

Although Japan’s economy continued to grow in fiscal 2024, the pace slowed, and recovery in individual spending was limited by high prices and weak consumer sentiment. Corporate performance has remained resilient despite uncertainties in the external environment, including a shift toward a stronger yen and soaring costs for materials and energy. During the fiscal year, the Bank of Japan gradually normalized monetary policy by ending negative interest rates and raising rates. Going forward, the bank is expected to carefully raise interest rates while monitoring exchange rates and price trends. A sharp financial tightening is not anticipated, and financial and capital markets are expected to remain relatively stable.

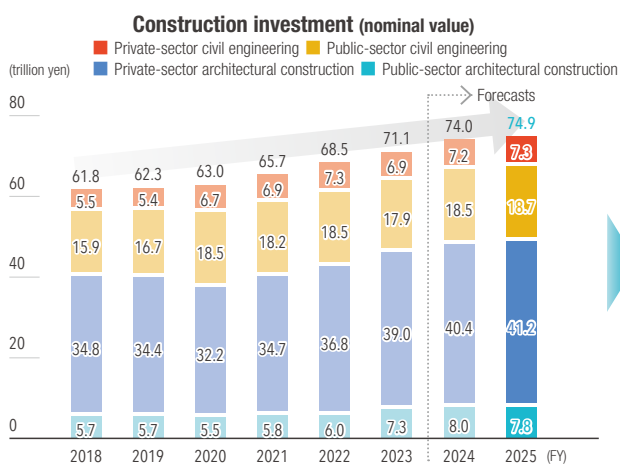
In the global economy, the new U.S. administration initiated major changes in trade and energy policy, and issued executive orders to withdraw from the Paris Agreement, ease greenhouse gas regulations, and expand domestic production of fossil fuels such as oil, gas, and coal. In addition, stronger tariff measures and intensified U.S.-China friction are disrupting global supply chains. These and other factors, such as soaring material and shipping costs, are bound to have a significant impact on the Japanese economy. In

particular, the changes the U.S. is making in terms of support and regulatory relaxation in the renewable energy sector could cast a shadow over Japan’s efforts toward decarbonization and green transformation.

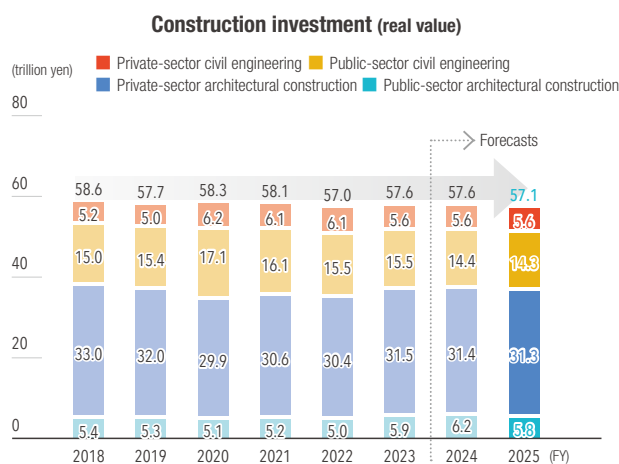
In this uncertain economic environment, the Strategic Business Promotion Group achieved revenue and profit growth for the eighth consecutive year since its establishment, with net sales of approximately 166.3 billion yen (before consolidated elimination). The sale of real estate designated for private funds, undertaken in anticipation of launching our private REIT in fiscal 2025, together with other revenue and profit increases from domestic investment and development business, significantly drove results upwards.

Going forward, we will monitor changes in the external environment, flexibly reassess our business portfolio, and thoroughly manage risk. In addition, we will focus on strengthening partnerships and investment in carbon-free societies in Japan and overseas, aiming to improve corporate value and achieve sustainable growth in this difficult market environment.

Trends in construction investment

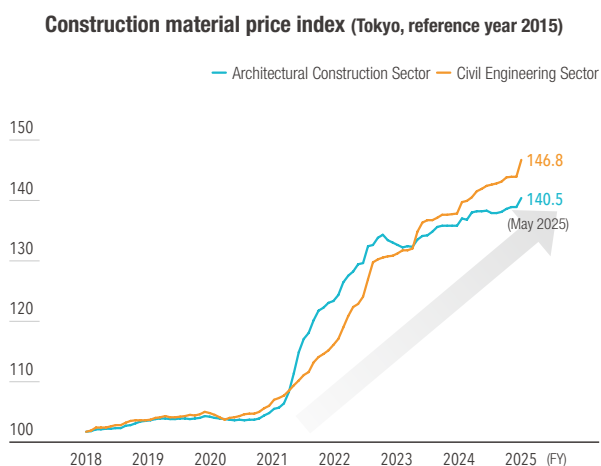


Source: Research Institute of Construction and Economy, "Quarterly Outlook of Construction and Macro Economy (April 2025)"

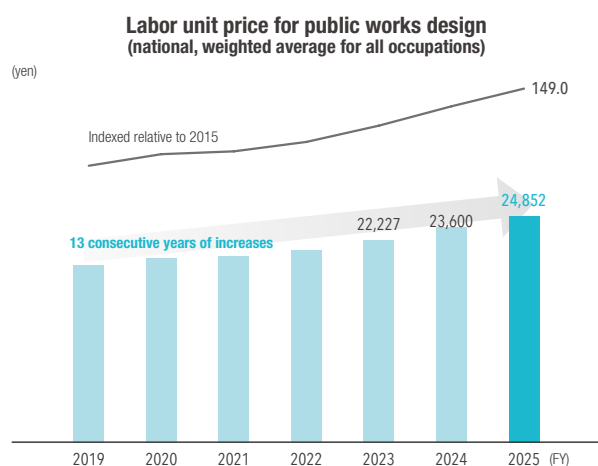


*Real values based on the construction deflator with base year FY2015

Trends in construction costs

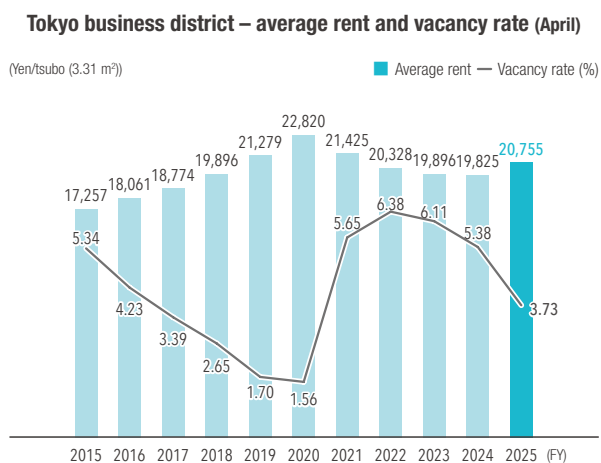


Source: Construction Research Institute



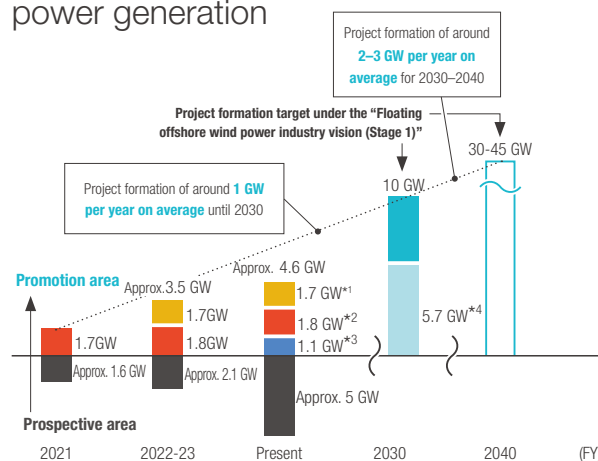
Source: Ministry of Land, Infrastructure, Transport and Tourism

Trends in the real estate market



Source: Miki Shoji "Office Market Report"

Trends in floating offshore wind power generation



Source: Ministry of Economy, Trade and Industry, "Trends in Japan and Overseas Related to Offshore Wind Power Generation," November 2023

*The original graph title: "(Reference) Status of Project Formation for Achieving Targets"

*1 Business operator selection completed (Round 1)

*2 Business operator selection in progress (Round 2)

*3 Business operator selection planned (Round 3)

*4 Introduction targets based on the "Sixth Strategic Energy Plan"

Architectural Construction Business

Taking a new step forward to solve real issues with digital transformation and become a strong Architectural Construction Business Group.

Executive Vice President

Sonehara Tsutomu



FY2027 Architectural Construction Business Management Targets

Results forecast

Operating Income **22.0** billion yen

Assessment of Current Situation

Opportunities	<ul style="list-style-type: none"> Arrival of the digital society and “new lifestyles” Growing expectations for eco-friendly building construction such as ZEB^{*1} buildings Increasing demand for smart factories, schools, hospitals, and office buildings Rising demand for BCP and sustainability (maintenance, management, renewal services, etc.) Global demand for energy conservation and CO₂ reductions
Architectural Construction Business Strengths	<ul style="list-style-type: none"> A customer base backed by history Proven track record in community development and redevelopment Design and construction capabilities for energy-efficient buildings as a leader in environmental awareness Specialized construction expertise, technology, and energy management capabilities Responsiveness through information sharing to meet customer needs, and ability to act quickly based on strong trust with group companies and subcontractors
Risks	<ul style="list-style-type: none"> Rising material costs and labor shortages Labor shortage due to declining birthrate and aging population Growing uncertainty in global markets
Countermeasures Against Risks	<ul style="list-style-type: none"> Enhancing purchasing power through standardization, labor saving construction, PC use, and automation Strengthening recruitment of foreign human resources

^{*1} Zero Energy Building: The concept and building type aimed at reducing the energy consumption to nearly zero.

Overview of Achievements



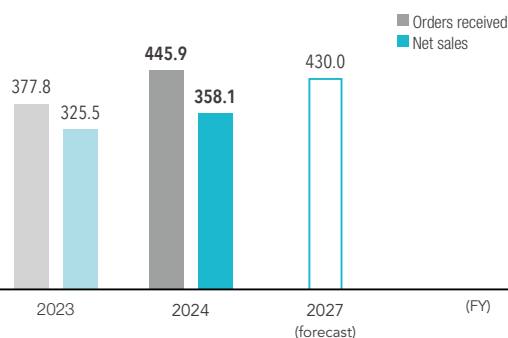
ESR Nanko OS1 Data Center



Izumiotsu Medical Center

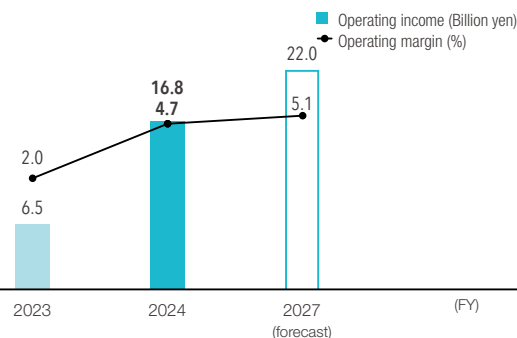
Orders Received (Non-Consolidated) and Net Sales

(Billion yen)



Net sales for fiscal 2024 were 358.1 billion yen (up 10.0% year on year), and orders received increased for both public and private sectors, reaching 445.9 billion yen (up 18.0% year on year).

Operating Income and Operating Margin



Operating income for fiscal 2024 was 16.8 billion yen (an operating margin of 4.7%) due to an improvement in the construction-to-completion profit margin, which reflects a recovery in the volume of construction work in hand.

Medium- to Long-Term Strategy

While external risk factors, such as uncertainty in global markets and rising prices, continue to persist, domestic private-sector capital investment is expected to remain strong from fiscal 2025 onwards. In the short term, demand for semiconductor manufacturing facilities and data centers is expected to continue to increase due to the evolution of generative AI, but in the medium- to long-term, demand and needs related to buildings are expected to change in ways that are difficult to predict.

Given these circumstances, it is essential to identify customers' latent needs and deliver value that exceeds expectations in order to be chosen by customers. We aim to realize building life-cycle consulting by developing human resources to strengthen our proposal capabilities, and by leveraging wide range of data, including data on post-construction maintenance and renovation.

Meanwhile, in the field of construction production, we are advancing education and operational transformation to promote BIM utilization. It is important that we improve the quality and speed of the value we provide to our customers by using BIM from the design stage and making use of the various information associated with the model, and also to link this to productivity improvements, including the digitalization of expertise, estimates, and purchasing.

We are also initiating a transformation in sales by moving away from sales styles that tend to rely on individuals' skills. Instead, we are strengthening our organizational sales capabilities incorporating digital tools.

To support these efforts, we are building a data utilization platform that integrates diverse data sources to improve the quality and speed of decision-making. By actively leveraging accumulated data and AI, we will promote technology transfer and enhance productivity.

In order to share accurate information across the departmental boundaries and respond swiftly, we will not only reform our data systems, but also drive significant transformation of our internal structures.

We believe that these initiatives will lead to data-driven management in the architectural construction business going forward.

We will also continue to strengthen our partnerships with our group companies and partner companies.

At Vietnam's TOBIC Co., Ltd., we are further enhancing BIM model creation and strengthening systems to support design proposals from other companies. In Japan, we believe we can meet a wide range of customer needs by reinforcing collaboration with group companies, including Toda Bldg. Partners Co., Ltd., which handles building maintenance, operations and management, and renewal work, APEC Engineering Co., Ltd., which specializes in facilities construction, and Sato Kogyo Co., Ltd. and Showa Construction Co., Ltd., which are engaged in community-based construction projects.

In the energy field, we are not only implementing energy-saving measures for buildings (ZEB, etc.). We are also engaging in energy management such as micro-grids, collaborating with other industries on biomass projects, and pursuing other initiatives to solidify our position as a leader in environmental awareness.

The architectural construction business has been our core business since the Company's founding, and we have built up its brand value by working alongside our customers. We will work to provide even more value to our customers through management that responds flexibly to the changing times.

Project Summary

New Shibuya Marui Construction

We have been involved in numerous building projects for Marui Group Co., Ltd., and are currently working on the reconstruction of Shibuya Marui. Located on Shibuya's Koen-dori Avenue, Shibuya Marui has long been a familiar landmark in the area. This reconstruction project will transform it into a hybrid building with a wood-frame structure at the front (facing Koen-dori Avenue), and a steel-frame structure at the back adjacent to the JR Yamanote Line. It will become the first true, large-scale wood-structure commercial facility in the world. The wood-structure columns and beams will consist of fire-resistance certified members, and cross-laminated timber (CLT) will be used for the floors. The west-facing exterior and major interior finishes on each floor will largely be made of wood materials, including Japanese cedar (*sugi*) sourced from Tokyo's Tama region. The building is expected to obtain LEED and WELL environmental certifications.

The rear of the building is directly adjacent to the Shibuya Station redevelopment construction area and the JR Yamanote Line tracks. The front faces Koen-dori Avenue, which experiences heavy vehicle and pedestrian traffic, and the sides are extremely close to



neighboring buildings. Due to the proximity to the JR tracks, the steel-frame erection at the rear of the building had to be carried out at night, when the trains were not running. Immediately after construction commenced, we began holding regular meetings of a wood-structure subcommittee composed of the design and supervision office and relevant departments within the Company. The committee worked swiftly to resolve wood-structure related issues. A meticulous construction plan was developed, enabling us to achieve high-quality and highly productive construction project.



Relevant
Main SDGs



Civil Engineering Business

Every employee thinks about the significance of the civil engineering business and strives to play an emphatic role in safeguarding and supporting social infrastructure.

Executive Vice President

Fujita Ken



FY2027 Civil Engineering
Business Management Targets

Results forecast

Operating
Income

9.0 billion yen

Assessment of Current Situation

Opportunities	<ul style="list-style-type: none"> Growing floating offshore wind power generation market Promotion of national disaster prevention, disaster mitigation, and national resilience Growing demand for aging infrastructure renewal Security and emergency supply chain maintenance response
Civil Engineering Business Strengths	<ul style="list-style-type: none"> Wide range of capabilities developed through the construction of many renewable energy power plants Track record and technical capabilities in construction of mountain tunnels Corporate culture and growth potential to create new technologies Cooperation and collaboration with all kinds of internal and external organizations
Risks	<ul style="list-style-type: none"> A business model oriented toward contract projects Responding to increasingly severe climate change caused by greenhouse gases Addressing overtime capping regulations and the shortage of future workers Price increases due to international tumult and exchange rate fluctuations
Countermeasures Against Risks	<ul style="list-style-type: none"> Active engagement in PPP business Technical research and development and collaboration with manufacturers aimed at significantly reducing emissions from heavy machinery and dump trucks Utilization of DX technology, promotion of BPO utilization, securing personnel Cooperation with the Corporate Administration Group on currency management and contract risk management

Overview of Achievements

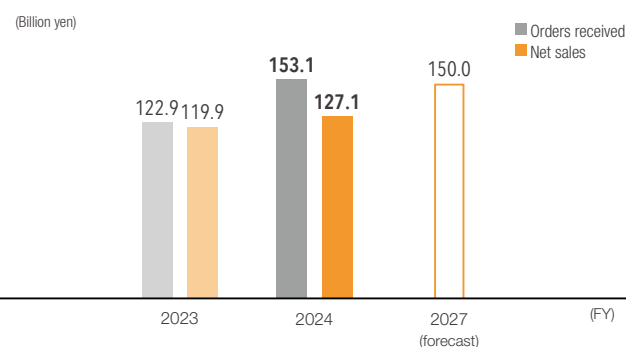


Kubokawa-Saga Road Hiragushi Tunnel



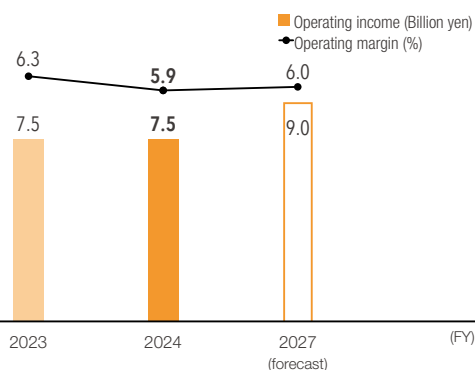
Kanto Regional Development Bureau Furuya sluice refurbishment, Iruma River

Orders Received (Non-Consolidated) and Net Sales



Net sales for fiscal 2024 were 127.1 billion yen (up 6.0% year on year), and orders received (non-consolidated) were 153.1 billion yen (up 24.5% year on year), primarily due to an increase in public-sector construction projects.

Operating Income and Operating Margin



Operating income for fiscal 2024 was 7.5 billion yen (an operating margin of 5.9%) due to the construction-to-completion profit margin (non-consolidated) standing at 15.0% (down 1.3 points year on year)

Medium- to Long-Term Strategy

In the civil engineering business, there are growing calls to respond to medium- to long-term social issues. These include disaster prevention and mitigation and national resilience measures by the government, demand for the rapid renewal of aging infrastructure, as demonstrated by the road collapse in Yashio City, Saitama, and expansion of the renewable energy market. Additionally, increasing geopolitical risks are driving construction of defense-related facilities, and so we expect civil engineering order-taking to remain robust over the near future.

On the other hand, even as construction demand increases, the labor supply market around the construction industry is becoming increasingly tight. Factors behind this include construction industry labor shortages due to a low birth rate and aging population, the aging of skilled workers, and the enforcement of penalties under the limits on overtime work that came into effect in April 2024.

To respond to these changes in the business environment, we aim to align ourselves with the inherent values and diverse and high-level needs of our customers, collaborate with all our stakeholders to solve issues, and be a company that continues to be chosen by society.

In practice, this means further refining our core businesses such as mountain tunnels, urban infrastructure engineering, land readjustment, and flood control infrastructure, while actively committing resources and growing our business in new sectors such as offshore wind power generation and other renewable energy, infrastructure rehabilitation, PPP, and overseas projects. Furthermore, we are putting together 11 groups of held technologies to address social issues. Going forward, we aim to fully develop each of our existing technology groups, and also to increase their number so that we can address even more social issues.

In our business activities aimed at achieving decarbonization, we are implementing ZEB standards in

long-term construction site offices, using RE100 power supplies, and actively introducing electric-powered construction machinery, as well as working to develop CCUS technology and build sustainable infrastructure.

To support this work, we are creating organizations of autonomous individuals and systems that enable multiple layers of vertical and horizontal coordination. In addition, we are encouraging a full and correct understanding of management indicators such as labor productivity and the return on invested capital (ROIC), and redefining and strengthening the “foundational capabilities” required for civil engineering business activities so that we can continue to meet the expectations of our stakeholders.

We are also working to be a company chosen by labor markets. We are pursuing digitalization and globalization and engaging in “real work-style reforms” by promoting diversity, increasing job satisfaction, and ensuring psychological security.

Digitalization is the first step of digital transformation, and we are actively leveraging the latest ICT tools and generative AI to boost productivity with remote and automated construction and other initiatives. Overseas, we will further pursue globalization by, for example, cooperating with foreign companies and employing foreign human resources when taking on large-scale projects.

The civil engineering business is not just a business, but a mission that contributes to the development of the country and society as a whole. We are fostering a workplace culture in which every employee continually seeks meaning and asks, “what are we working for?” This not only increases engagement, but also preemptively avoids errors in judgment, harassment, and failures of governance.

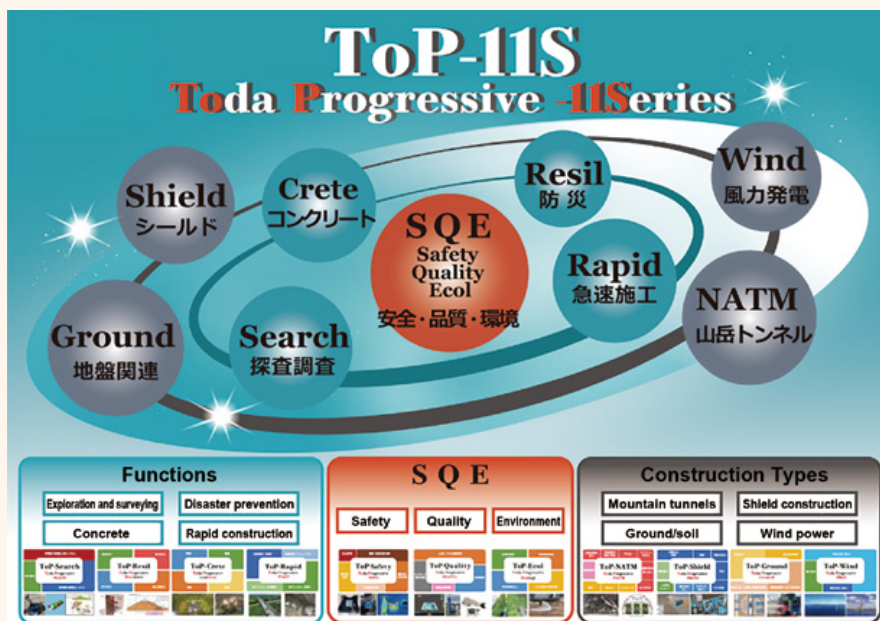
Going forward, we will support the growth of every employee, work to maintain and strengthen our competitiveness, and play an emphatic role in safeguarding and supporting social infrastructure.

Project Summary

ToP-11S

We have developed a series of 11 technology groupings under the name ToP, which we call the ToP-11S. These are made up of our three core SQE values (Safety, Quality, and the Environment), four functions, and four construction types. In the future, we are planning to expand this technology series and provide distinctive value to society as a whole by addressing social issues and creating value where previously none existed. Each grouping in the series will be trademarked with the Toda brand to increase brand value.

Relevant
Main SDGs



Strategic Business Promotion

Growing corporate value even further by “generating distinctive value”

Executive Vice President

Uekusa Hiroshi



FY2027 Strategic Business Promotion Management Targets	Results forecast	Investment and development / GX	Domestic group companies	Overseas group companies
	Operating Income	6.5 billion yen	3.5 billion yen	3.5 billion yen

Assessment of Current Situation

Opportunities	<ul style="list-style-type: none"> Expectations for renewable energy such as offshore wind power, and energy management, as we move toward carbon neutrality by 2050 Active participation in overseas business and acquisition of new business opportunities abroad through the human networks of Indonesia's TATA Contribution to ESG and the SDGs through the evolution of the Strategic Business Promotion Group's core businesses Development of new business through a diverse composition of workforce, including foreign nationals and mid-career hires Investment in and collaboration with companies in new renewable energy businesses
Strategic Business Strengths	<ul style="list-style-type: none"> A leading position in floating offshore wind power generation High potential for floating wind power in Japanese coastal waters, with significant latent business opportunities Horizontal expansion of regional revitalization models based on the sixth industrialization of agriculture in Joso City, Ibaraki Prefecture Securing quality development projects through collaboration with the land readjustment business, which boasts a top industry track record Relatively ample cash reserves and favorable financing enabled by a strong financial foundation Real estate development and property appraisal capabilities beyond the reach of typical investors Generating distinctive value across the entire value chain through co-creation among architectural construction, civil engineering, and strategic business promotion
Risks	<ul style="list-style-type: none"> Worsening of yen-based results and decline in the value of domestic and overseas held assets due to interest rate hikes and exchange rate fluctuations Soaring project costs due to rising material and labor costs Unexpected deterioration of real estate and other assets resulting from lifestyle changes Rapid changes in political and economic conditions and tightening of regulations in countries where investments are made Governance challenges related to domestic M&A and partnerships with overseas companies Employee retirements
Countermeasures Against Risks	<ul style="list-style-type: none"> Conduct risk surveys and analysis deploying external experts and consultants Diversify our portfolio by investing in a range of assets with different risk-return profiles Improve safety and productivity through the sharing and utilization of business data acquired by the head office and group companies Maintain and improve governance of both domestic and overseas group companies Build organizations where individual growth is directly linked to performance outcomes

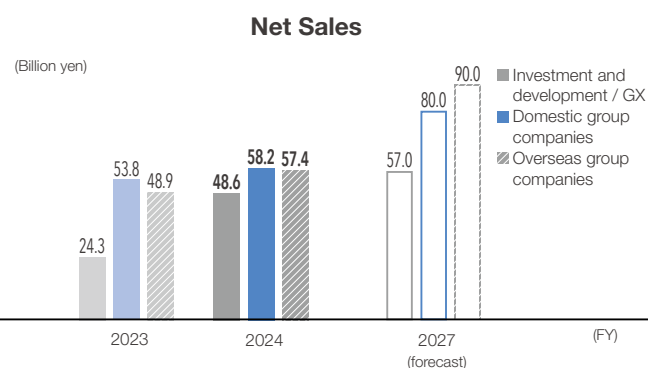
Overview of Achievements



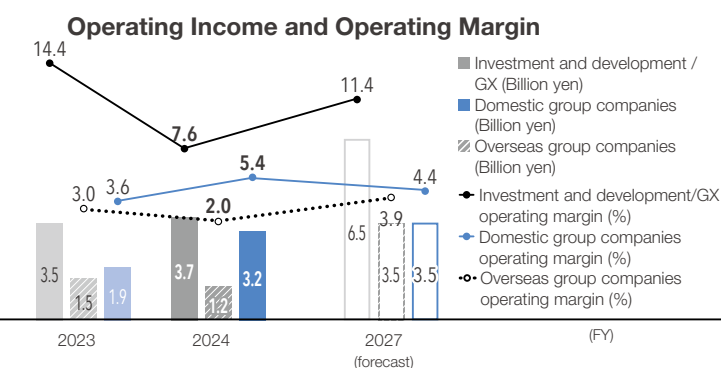
Brazil Onshore Wind Power Project Phase 2



Acquisition of Kaken Co., Ltd. (spa facilities operations and facilities construction business)



In fiscal 2024, net sales increased for the eighth consecutive year, mainly due to a significant rise in the sales value of real estate for sale in the domestic investment and development business.



Among our domestic construction subsidiaries, profitability on ongoing projects improved, and in the domestic investment and development business, increased gains from the sales value of real estate for sale contributed to higher profits.

Medium- to Long-Term Strategy

Under the mission to “build a third pillar for generating revenue,” the Strategic Business Promotion Group has been working to expand the scale of business and take on new business fields through active growth investment. We have generated distinctive value that sets us apart from other companies by pursuing a diverse range of initiatives, including regional revitalization through the sixth industrialization of agriculture, development, operation, and art-related projects of the TODA BUILDING, domestic and overseas M&A, and the Goto PF business. The results of these efforts have not only increased sales and profits but also strengthened the overall capabilities of the Group.

Going forward, our goal is to establish a circular investment model by continuously returning the value generated through growth investment to the next generation of employees, customers, and local communities. This model utilizes private funds and a private REIT to realize a new investment cycle through the early recovery of investment capital. Through this, we aim to achieve investment efficiency and business results (ROE, ROIC) that satisfy all our stakeholders. Furthermore, through sustainable corporate growth, we seek to enhance employee engagement and improve job satisfaction for every individual.

Establishing a “circular growth model” for investment

With the completion of the TODA BUILDING in fiscal 2024 and the start of business operations there, we have been working to achieve ROE and ROIC acceptable to our stakeholders. In addition to private funds built around our own assets, we established a private REIT in July 2025. Through the early recovery of investment capital via the development, operation, and sales cycle, and ongoing reinvestment in new developments, we aim for net-zero investment and a positive “investment and growth” spiral. At the same time, we will flexibly respond to changing investment environments and financing methods, refine our innovative business formation capabilities, and generate new sources of revenue.

Expanding priority management businesses and securing revenue

The Smart Energy Complex City business, environment and energy business, and overseas business are all priority management businesses. We will work to secure revenue and expand these businesses by collaborating with the Architectural Construction Group, Civil

Engineering Business Group, and group companies in Japan and overseas.

In the SECC business, we aim to create new business approaches that address regional issues through public-private partnerships. At the same time, we are working to expand revenue through superior business deployment enabled by early participation in projects at the planning, design, and land acquisition stages. We will evolve this into a fully integrated, end-to-end business through co-creation with the Architectural Construction Group, Civil Engineering Business Group, and group companies.

In the environment and energy business, we are working on “diffusion model commercialization.” The pilot wind farm project in Goto City, a floating offshore wind power generation facility, will be completed and begin operation in January 2026. In the next phase, we will establish new technologies in line with the trend toward larger wind turbines. Additionally, we aim to secure revenue while addressing social issues by expanding businesses that contribute to decarbonization, such as other renewable energy generation projects and energy management.

In our overseas business, we are expanding construction and development activities centered on Southeast Asia and Oceania, while also promoting asset replacement and M&A in the North American market. Furthermore, we are strengthening our presence in real estate-adjacent sectors. Through these efforts, we aim to both establish a stable revenue base for the entire group and diversify risks.

Effectively using human capital and strengthening organizational capabilities

In our management, we are determined to lead by example, developing people by showing and then letting them try for themselves. We pursue career hires, the use of experts, and other approaches to maximize growth environments and the abilities of diverse human resources. We are working to strengthen organizational capabilities and enable autonomous growth for employees in a diverse and globalized business environment, and promote the creation of workplaces that provide job satisfaction and motivation to take on challenges. We are also further strengthening collaboration with group and partner companies and aiming to boost our collective capabilities through the sharing of expertise and know-how.

Project Summary

TODA BUILDING

The large-scale Kyobashi 1-chome East District development, which included the reconstruction of our headquarters, opened on November 2, 2024. The project forms an “arts and culture hub” that contributes to the urban regeneration special district. The development offers added value for offices in the form of high seismic resistance, environmental functions, and disaster mitigation. In addition, the lower floors house cultural facilities and provide art programs created with the involvement of our own ART POWER KYOBASHI art business. The renewable public art provides experiential value to workers and visitors, and helps maintain and enhance the value of the real estate. Going forward, we will continue to engage in office building operations that help create new urban value through art and area management.

Relevant
Main SDGs



©Kawasumi-Kobayashi Kenji Photograph Office

Global Strategy

Pursuing new growth markets through co-creation while strengthening our business foundations in Southeast Asia and North America

Corporate Officer

Shima Yoshirou



Our base concept in the global business is realizing a society of collaborative creation through “individual value creation capabilities” and “integration and evolution.”

To that end, we integrate growth, stability, and governance to create a high-value business with presence and appeal. This is driven by three core policies:

1. Formation of a general contractor group with a strong presence in Asia
2. Stable revenue generation in the investment business
3. Gradual entry into new markets

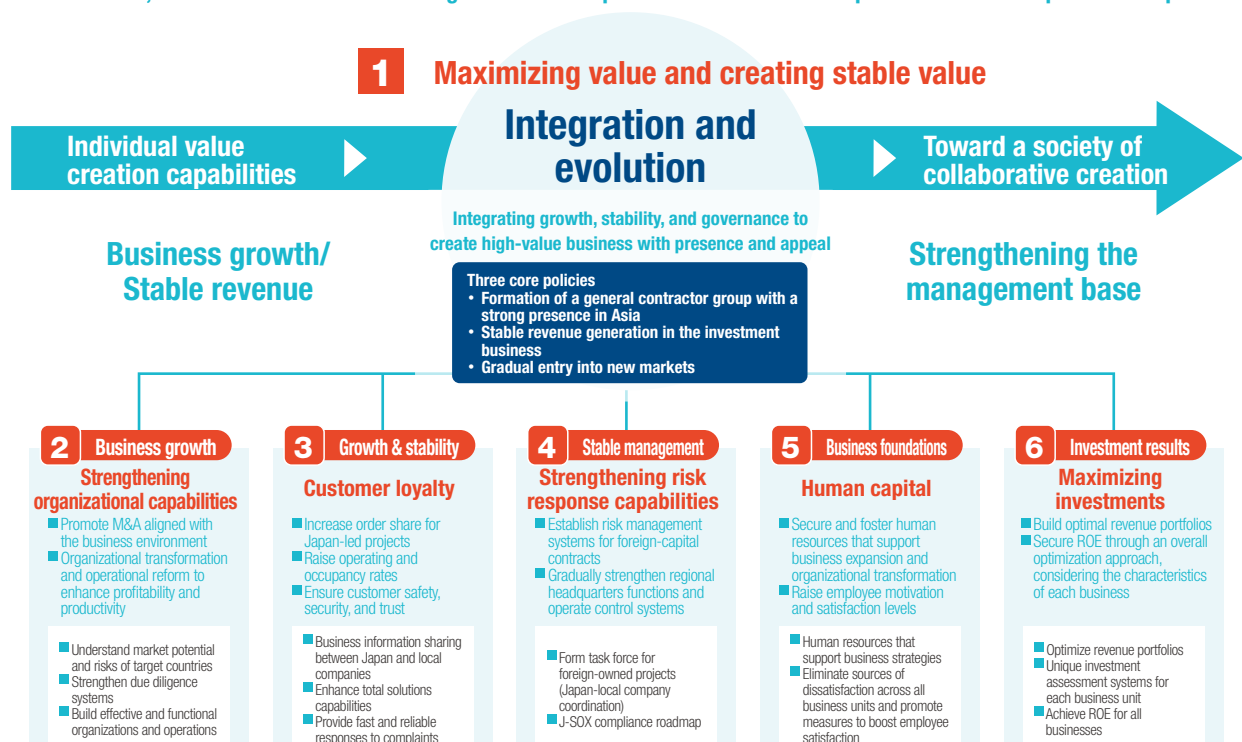
- **Maximizing value and creating stable value:** Until now, value creation capabilities have been strengthened through individual (local company) strategies, but the Medium-Term Management Plan 2027 aims to maximize value through increased cooperation between local companies and the Japanese headquarters.

- **Strengthening organizational capabilities:** We will enhance profitability and productivity through operational reforms and organizational transformation, including the pursuit of M&A.
- **Increasing customer loyalty:** We will build long-term partnerships to deepen trust with customers.
- **Enhancing risk response capabilities:** We will ensure stable business operations by leveraging regional headquarters functions and establishing a risk management system for foreign-capital contracts.
- **Building up human capital:** We will focus efforts on securing and fostering human resources that support business expansion and organizational transformation, and work to raise employee satisfaction levels.
- **Maximizing investment:** We will aim to achieve business-wide ROE targets by building carefully selected investment portfolios and introducing systems to maximize investment effectiveness.

Through these initiatives, we will secure the profitability and sustainable growth of the global business, and continue to create value that contributes to society.

Global Business Base Concept

Value creation capabilities have been strengthened through individual (local company) strategies. Under the Medium-Term Management Plan 2027, we aim to maximize value through increased cooperation between local companies and the headquarters in Japan.



Relevant
Main SDGs



Project Summary

Launch of New Zealand hotel investment business

Currently constructing new guest residences for a luxury resort hotel

Singapore-based Toda Asia Pacific Pte. Ltd. has launched a new hotel investment business in New Zealand through investment in its New Zealand subsidiary, Coherent Hotel Ltd.

On June 18, 2024, a signing ceremony was held at the New Zealand Embassy in Japan, attended by Prime Minister Christopher Luxon during his visit to Japan.

Currently, 11 new luxury low-rise guest residences, collectively named Noctis by Kamana, are being built adjacent to the existing hotel buildings of Kamana Lakehouse. (Scheduled for completion in May 2027)



Signing ceremony/Concept art of completed guest accommodation

Foreign-owned company project initiatives at Thai Toda Corporation

Building on its long-standing record and ongoing orders from Japanese companies, Thai Toda Corporation has begun initiatives to win new orders from foreign-owned companies.

The company completed the Schutz New Factory project in September 2024, and in July 2024, secured a new order for the large-scale foreign-owned company project, Lumentum Nava Site Expansion.

Thai Toda Corporation is leveraging its extensive construction record, proven quality, and advanced technical capabilities developed over many years to support the entry and expansion of foreign-owned companies in Thailand, aiming to strengthen customer loyalty among both Japanese and foreign-owned clients.



Lumentum Nava Site Expansion

Overseas group executive training and leveraging foreign human resources

In November 2024, we invited executives from overseas group companies in Thailand, Vietnam, and Indonesia to Japan for executive training. The program included visits to ongoing construction sites and tours of research and development facilities.

At the same time, we continue to host and train foreign personnel at construction sites throughout Japan.

Currently, more than 1,300 foreign employees are working across the Group. This human capital is a key management foundation for the global expansion of our business, and we are committed to acquiring and developing talent while improving employee satisfaction.



Toda America acquires landscaping firm in California

Through a newly established subsidiary, Toda America acquired the business of Platinum Landscape, Inc. on August 28, 2024. The company, which is involved in landscape installation and maintenance in California, became a wholly own subsidiary of Toda America.

In North America, we are strengthening real estate-adjacent fields to build a stable foundation for our business and expand our business domains.



Landscape installation work

Major Construction in Fiscal 2024



Indonesia

The Newton 2

Construction: RC
Scale: 42 stories above ground, 1 basement floor
Floor area: 49,075m²
Use: Residential complex



Thailand

SCHUTZ New Factory

Construction: RC, steel roof structure
Scale: 2 stories above ground + mezzanine
Floor area: 19,350 m² (including attached buildings)
Use: Factory



Indonesia

Icon Bali

Construction: S-RC
Scale: 4 stories above ground, 2 basement floors
Floor area: 61,860m²
Use: Shopping mall

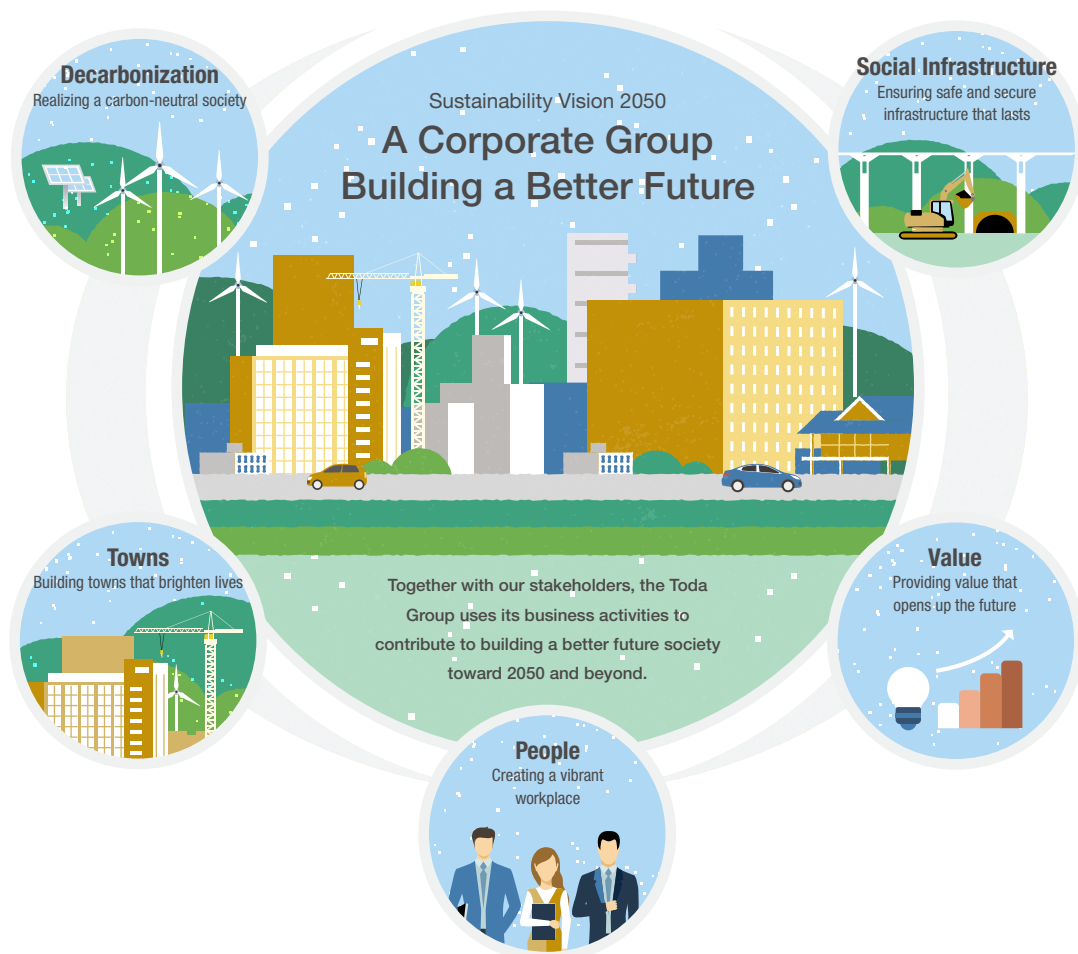
Initiatives to Make the Sustainability Vision a Reality

Together with our stakeholders, the Toda Group uses its business activities to contribute to building a better future society toward 2050 and beyond.

The management policy of the Toda Group calls for “contributing to the development of society,” “achieving sustainable growth of the company’s business,” and “enhancing stakeholder value.” With our stakeholders in mind, we have always managed our business in line with the concept of sustainability, paying full attention to the impact of our business activities on customers, employees, partner companies, local communities, shareholders, investors, and the global environment, and building relationships of trust through dialogue. In addition, as part of our efforts to protect the global

environment from climate change and to address issues relating to the natural environment, we are conducting analysis and disclosure in accordance with the recommendations of the TCFD and TNFD.

Under the Global Vision we laid out in 2015, the Toda Group operates its business based on our ongoing desire to be a corporate group that realizes “joys” for all its stakeholders. In order to realize a sustainable society, we have once again identified materialities (key issues) and defined our management vision for the year 2050 as “Sustainability Vision 2050.”



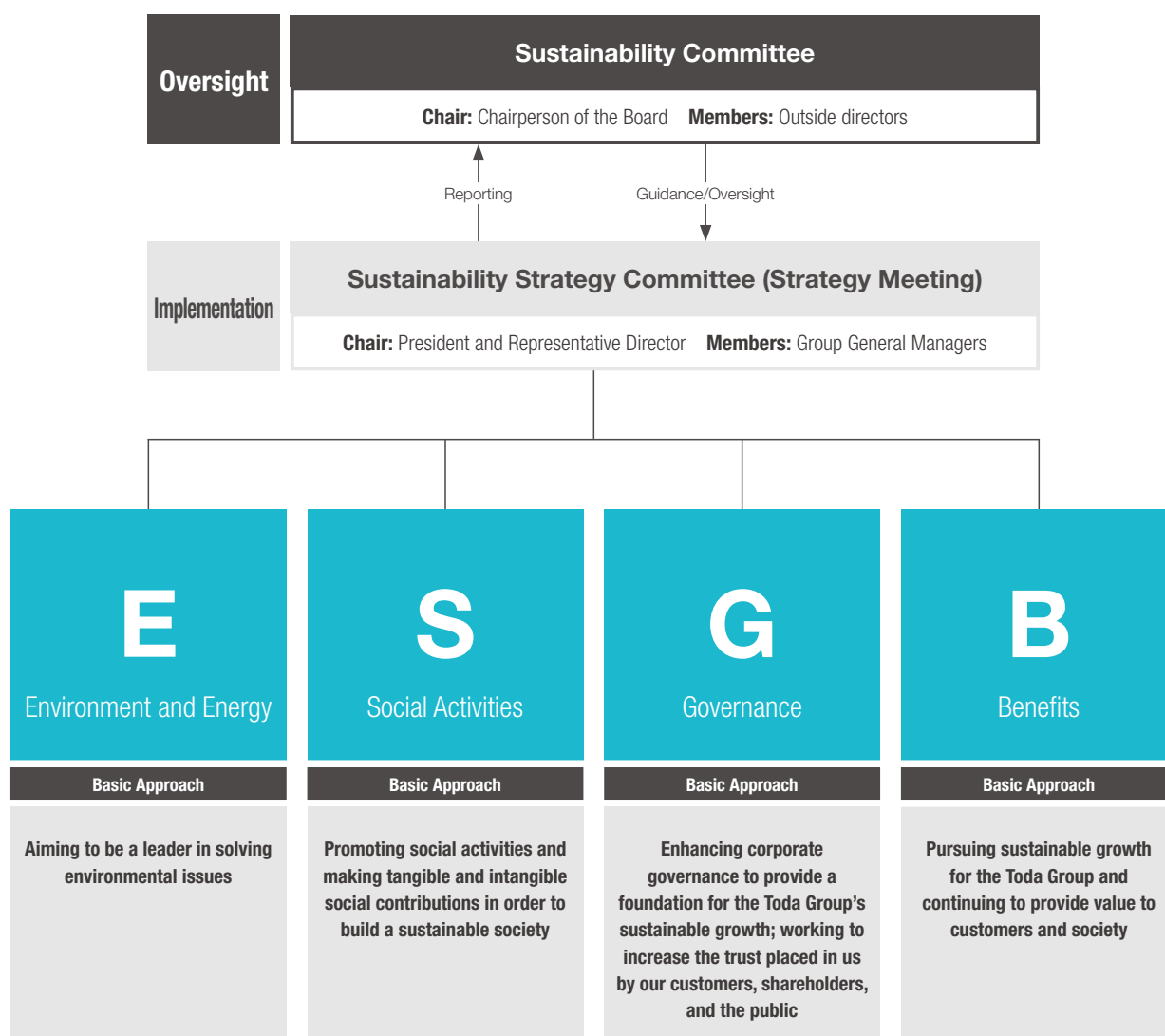
Sustainability Promotion Policy/Promotion System

Establishing and Operating a Sustainability Promotion System

The Sustainability Committee, which oversees and guides the promotion of sustainability, has been established within the Board of Directors, and the Sustainability Strategy Committee has been established on the executive side. The committee has defined topics to be addressed from the four perspectives of ESG+B (E: Environment and Energy, S: Social Activities, G: Governance, B: Benefits), and is holding in-depth discussions on how to reflect these in business strategies based on an appropriate allocation of management resources. Efforts to resolve issues identified by the Sustainability Strategy Committee are prioritized and implemented by executive departments such as groups and divisions.

Public Outreach

Our efforts to resolve sustainability issues, as well as risks and the opportunities for profit associated with those issues, will be disclosed to our stakeholders through this report and the company's official website (on the sustainability pages) as appropriate.

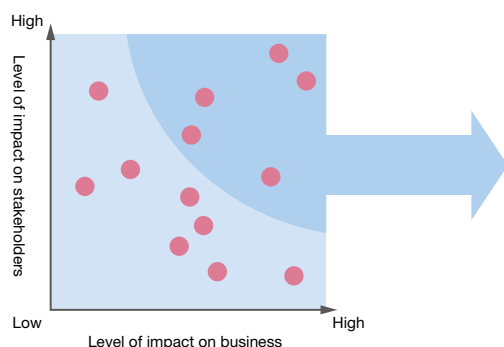


A "List of Plans and Results of Sustainability Activities for FY2024" is available on our official website (in Japanese).

Topics for Materiality-Based Initiatives

The Toda Group's Materialities (Key Issues)

Looking ahead to the year 2050, the Toda Group has evaluated various social issues and business-related challenges on the two axes of “impact on business” and “impact on stakeholders,” and identified them as “Toda Group Materialities.”



Main Initiatives Under Each Topic

	Materiality	Risks
Urban Development that Supports Prosperous Lifestyles 	In order to create resilient towns and buildings, the Toda Group will draw on its experience and technology to carry out construction business. Meanwhile, by staying at the side of the people who live there, we will work to revitalize these communities, including promotion of culture and the arts. In the field of medical and welfare facility, which is one of our strengths, we provide valuable services not only as a builder, but also through our comprehensive support for medical and welfare management. Through these efforts, we are working to create a society where people can live with peace of mind.	Due to damage caused by earthquakes and the increased severity of flooding as a result of climate change, there is a growing interest in the resilience of towns and BCP measures for buildings. We believe that a lack of technical proposal capabilities to meet these needs is a risk that could result in losing out on orders.
Infrastructure Development in Harmony with the Environment 	The Toda Group will undertake technological development to extend the service life of buildings and infrastructure. Meanwhile, with a view to the next generation, we will engage in activities to help improve disaster prevention and mitigation capabilities and provide support for disaster recovery and reconstruction. In addition, we will take into account biodiversity, on which construction work can have a significant impact, and work actively to conserve forests.	If environmental considerations are not sufficiently taken into account when developing infrastructure, it will have a significant impact on the natural environment. With calls for action to promote a nature-positive approach around the world, we believe that if companies do not have sufficient infrastructure development techniques that make full use of technology to reduce, avoid, and even repair the impact they have on the natural environment, they will risk not only their reputation but also the opportunity to win construction contracts.
Realizing a Decarbonized Society 	In order to achieve carbon neutrality by 2050, the Toda Group will reduce greenhouse gas emissions in its business activities, including the supply chain, construct ZEB (Net Zero Energy Building) and energy-efficient buildings, and provide advanced energy management. We will also undertake the construction and operation of renewable energy power generation facilities, with a focus on floating offshore wind power generation plants, an area in which we have been a pioneer relative to our competitors. In addition, we will contribute to the transition to a circular economy by ensuring the effective use of resources throughout our operations.	As we work toward achieving carbon neutrality by 2050, increasing attention is being paid to companies' efforts to reduce greenhouse gas emissions. As such, failure to monitor greenhouse gas emissions from business activities and take steps to reduce them poses a reputational risk.
Innovating in Technology and Enhancing the Value We Provide 	In addition to ensuring the quality of our buildings, infrastructure, and services, the Toda Group is committed to creating buildings with higher added value by collecting data from the planning to the operational phases of building construction and putting it into practical application. We will pursue the digitalization of all our operations to improve the overall efficiency of our business, as well as the value we provide. To make these innovations a reality, we will engage in value co-creation with a wide range of business partners.	In the construction industry, it is necessary to improve the value provided to customers based on factors such as productivity, safety, and quality through technological innovation. Insufficient innovation in this regard will lead to a decline in our competitiveness, and in the area of labor saving and automation in construction, for example, we will be unable to solve the problem of a shortage of manpower, making it impossible to maintain our existing production system.
Creating Workplaces that Are a Joy to Work In 	As well as ensuring safety during construction work, the Toda Group respects the human rights of all people involved in the supply chains of our business activities, including the procurement of materials. In addition, through our relationships with our partner companies, we will strive to reform working styles at construction sites, secure human resources, and create workplaces where a diverse range of personnel feel joy in their work.	There is an increasing level of diversity among the members of the workplace, including women, the elderly, and foreign employees. If the working environment is not sufficiently prepared to allow a diverse range of personnel to play an active role, there is a risk that each individual will not be able to perform at a high level, leading to a decline in productivity and quality in various areas of work.

A Foundation for Sustained Growth

	Materiality
Foundations Building a foundation for our business operations	As a foundation for sustainable growth, the Toda Group will strive to further strengthen the trust placed in us by our customers, shareholders, and society by enhancing corporate governance, increasing brand value, promoting globalization, and strengthening information dissemination to our stakeholders and dialogue with them.

The Materiality Identification and Review Process



* Exchanges of opinions with external experts and other stakeholders are planned for future reviews.

Developments after Materiality Identification






To achieve our management vision for 2050, which we have defined as Sustainability Vision 2050, we will pursue our Future Vision CX150 and promote sustainability management.


Sustainability Vision 2050

A Corporate Group Building a Better Future

Materialities (Key Issues)

Materiality	Address through CX150 (target figures/strategies)	Address through non-financial targets
Urban Development that Supports Prosperous Lifestyles	○	
Infrastructure Development in Harmony with the Environment	○	
Realizing a Decarbonized Society	○	○
Innovating in Technology and Enhancing the Value We Provide	○	
Creating Workplaces that Are a Joy to Work In		○
A Foundation for Sustained Growth		○

Opportunities	Initiative Topic	Related SDGs
We believe that accumulating technologies and know-how that contribute to improving resilience will contribute to our competitiveness and further enhance the strength of our brand.	<ul style="list-style-type: none"> Responding to a declining population and an aging society Improving resilience of towns and buildings Building smart energy complex cities Helping to further enhance the value of medical services Revitalizing local communities and generating prosperity 	
We believe that environmentally friendly design and improved construction technology will help to improve our competitiveness with respect to winning orders.	<ul style="list-style-type: none"> Maintaining, renewing, and extending the service life of infrastructure Disaster recovery for the next generation Biodiversity conservation, and management and effective use of forests 	
It is said that emissions related to construction account for about one third of the world's greenhouse gas emissions, and we believe that strengthening our ability to propose low-carbon technologies to building clients will make us more competitive with respect to winning orders, and that other opportunities for our company include building energy management, expanding floating offshore wind power generation, and flood prevention work.	<ul style="list-style-type: none"> Reducing greenhouse gas emissions, including in the supply chain Providing ZEB and energy-efficient buildings Providing advanced energy management Contributing to the growth of renewable energy sources Ensuring effective use of resources, reducing waste, and promoting recycling 	
We believe that promoting the digitization of construction projects will lead to higher productivity and quality assurance in all processes, including planning, construction, and maintenance management, and that the added value of equipping buildings with features such as smart technology will also serve as an opportunity to enhance our competitiveness.	<ul style="list-style-type: none"> Ensuring the quality of the products and services we provide Advancing the digitalization of construction Transitioning to smart buildings Streamlining and automating the construction process Making use of open innovation 	
Diversity and inclusion initiatives will contribute to improving organizational performance.	<ul style="list-style-type: none"> Pursuing safety in construction work Addressing the shortage of construction workers Conducting supply chain management Respecting human rights Respecting diversity Improving employees' QOL (quality of life) and pursuing rewarding and comfortable workplaces 	

Initiative Topic	Related SDGs
<ul style="list-style-type: none"> Building brand value assets Addressing globalization Enhancing corporate governance 	

Urban Development that Supports Prosperous Lifestyles

In order to create resilient towns and buildings, the Toda Group draws on its experience and technology to carry out the architectural construction business. By staying at the side of the people who live there, we work to revitalize these communities, including promoting culture and the arts.

In the field of medical and welfare facility, which is one of our strengths, we provide valuable services not only as a builder, but also through our comprehensive support for medical and welfare management. Through these efforts, we are working to create a society where people can live with peace of mind.

Building Smart Energy Complex Cities

Creating an Office You Want to Come More Often!

As part of the TODA BUILDING construction project for our new headquarters, we have developed and implemented a smart office service called T-BuSS^{®*1} to create an office people want to come to work more. This service has been introduced in our office floors (8-12F) called TODA CREATIVE LAB in our new headquarters building, TODA BUILDING, which opened on November 2, 2024.

We have installed tags called T-BuSS tags at more than 2,000 locations throughout our office, including all seats and meeting rooms. Simply scanning these tags with a smartphone allows users to easily access various functions tailored to their current location without confusion.

When scanning a T-BuSS tag at a seat, your seat location is displayed on floor signage based on the position information obtained from the tag, greatly reducing the time and effort typically spent looking for people in a free-address environment. By linking the scan time with attendance recording and making it easy to register work hours, we encourage users to scan tags as part of their daily routine.

Employee Location Information

T-BuSS tag scanning allows users to locate colleagues' seats. Additionally, the



*1 T-BuSS stands for Toda Building Smart System.

system works in conjunction with office Wi-Fi connectivity status, providing information on approximate whereabouts when away from the desk or whether someone has left the office.

Air Environment Information

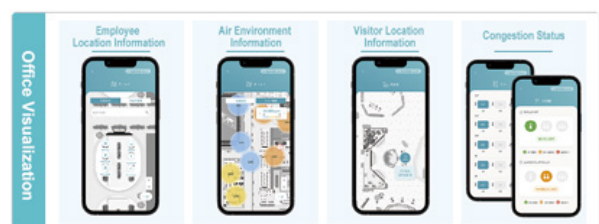
Environmental sensors installed at 171 locations allow monitoring of temperature, humidity, and CO₂ concentration.

Visitor Location Information

Visitors can be located by providing them with electronic tags at the Toda Group museum TODA CREATIVE LAB "TODAtte?" adjacent to the visitor area.

Congestion Status

Users can check real-time information on the availability of toilet stalls on each floor and the congestion status of the cafeteria. This information is also displayed on floor signage.



Future Prospects

T-BuSS operation has only just begun. As users, we will continue to uncover our own needs, analyze accumulated data, and continue development to evolve the system. T-BuSS is a core function of smart buildings. We will propose its introduction in future new buildings and develop smart building applications for various types of buildings beyond offices. Smart buildings serve as an interface between people and buildings, and from an urban perspective of a smart city, they also function as an interface between people and the city. These initiatives

are important components in realizing our future urban concept, Smart Energy Complex City (SECC). We will continue to take on challenges with a focus on creating comfortable communities where everyone can live vibrantly.



● Revitalizing Local Communities and Generating Prosperity

Opening of the Hot Spring Facility Joso ONSEN & SAUNA Oyumusubi

Our company, along with Towa Kanko Kaihatsu Co., Ltd. (a member of our group) and SAKURA PIRATES, has opened a hot spring facility called Joso ONSEN & SAUNA Oyumusubi in Agriscience Valley Joso (Joso City, Ibaraki Prefecture), where our company participates as a PPP project partner.

The facility concept is a small spa and sauna resort in a rural setting. The bathhouse offers natural hot spring water drilled on-site, high-concentration carbonated spring water created by dissolving carbon dioxide in the natural hot spring water, a cold bath using natural groundwater, and a high-temperature sauna. We have also introduced energy-saving and environmentally-friendly equipment, using electricity generated by solar panels installed on the roof for on-site consumption. Unusually for recent hot spring sauna facilities, we have installed bag filter systems. By eliminating the need for “backwashing” (pipe cleaning that cannot be avoided with commonly used sand filters), significant reduction in

water usage is expected. The bag filter systems maintain pipe cleaning effectiveness while offering performance comparable to sand filtration.

The facility has introduced solar power generation equipment through an on-site PPA*¹ model, utilizing renewable energy. We have installed 225 solar panels on the facility roof with a panel capacity of 127 kW. The electricity (renewable energy) generated by this equipment is purchased from the PPA operator, Kanto YAWARAGI Energy Co., Ltd. (headquarters: Ashikaga City, Tochigi Prefecture; President: Choji Mimura) and used for self-consumption. The estimated annual power generation of the installed panels is approximately 125 MWh, with an expected carbon dioxide (CO₂) emission reduction effect*² of approximately 55 t-CO₂ per year.

*1 PPA: Abbreviation for Power Purchase Agreement. A mechanism where electricity consumers directly conclude long-term power purchase agreements with power generation companies.

*2 Carbon dioxide (CO₂) emission reduction effect: Calculated using the national average factor of 0.000438 (t-CO₂/kWh) for electricity based on the Ministry of the Environment's FY2022 actual results.



Conclusion of a Disaster Agreement

Additionally, this facility has concluded an Agreement on the Provision of Bathing and Related Facilities in Times of Disaster with Joso City (Mayor: Takeshi Kandatsu).

This agreement was concluded for the purpose of providing bathing facilities to disaster victims at the request of the city in the event of a large-scale disaster such as an earthquake, typhoon, or landslide in Joso City, and to maintain the health and clean living environment of affected citizens and provide mental care during disasters.



About Agriscience Valley Joso

Agriscience Valley Joso is an industrial park of food, agriculture, and health with the theme of the “Sixth Industrialization of Agriculture” promoted through a PPP (Public Private Partnership) by Joso City, our company, and landowners on approximately 45 hectares surrounding the Joso Interchange on the Ken-O Expressway.

Michi no Eki Joso, which opened in April 2023, doubled its target welcoming over 2 million visitors in its first year of operation, realizing community development for regional revitalization. This facility contributes to the formation and development of Joso City's vibrant and distinctive local community by further expanding the tertiary industry venue where diverse customers gather, as part of the sixth industrialization of agriculture being promoted in Agriscience Valley Joso.

Infrastructure Development in Harmony with the Environment

The Toda Group, while working to resolve nature-related issues through infrastructure development in harmony with the environment, is committed to utilizing the functions of nature and to reducing and restoring the impact on nature through environmentally friendly design and construction.

In addition to promoting the development of technologies to extend the service life of infrastructure, etc. in a way that takes resource conservation into account, we are also engaged in activities to improve disaster prevention and mitigation capabilities and provide support for disaster recovery and reconstruction with a view to the next generation.

Disclosure of Information on Nature-Related Issues Based on the TNFD Recommendations

We are working to understand and address nature-related issues in our business activities in order to create a nature-positive society. In March 2024, we participated in the TNFD Forum and are gradually working to implement appropriate information disclosure based on the TNFD recommendations. Among our business activities, our architectural construction and civil engineering businesses have an impact on nature through excavation, land development, logging, vibration, noise, erection of structures, and more. Furthermore, the processes of procuring and manufacturing the various raw materials used to produce construction supplies, such as concrete and steel

frames, also involve the natural environment. The Goto Offshore Wind Farm (8 × 2.1 MW units), which is currently under construction off the coast of Goto City in Nagasaki Prefecture by a consortium in which we participate, will continue to require environmental impact studies.

We analyze the degree of dependence and impact of our business activities on natural capital using tools such as ENCORE*¹ for our architectural construction, civil engineering, and floating offshore wind power generation businesses, and use these results to identify risks and opportunities. We will continue to conduct analyses on an ongoing basis, and will deploy the findings in activities aimed at realizing a nature-positive society.

Six General Requirements of the TNFD Recommendations and Our Approach

General requirements	Our approach to information disclosure
The application of materiality	Evaluation using single materiality consistent with SSBJ standards* ² and TCFD recommendations
The scope of disclosures	Evaluation was performed for the following: <ul style="list-style-type: none"> Domestic construction businesses (architectural construction and civil engineering) Floating wind power generation project off the coast of Goto City
The location of nature-related issues	<ul style="list-style-type: none"> Urban areas, mountainous areas, rivers, ports, etc. (architectural construction business and civil engineering business have nature-related issues unique to each region and type of work, etc.) Coast of Goto City, Nagasaki Prefecture (sea area where the floating offshore wind power generation facility will be installed)
Integration with other sustainability-related disclosures	Consider integration with climate change-related disclosures based on the TCFD recommendations.
The time horizons considered	<ul style="list-style-type: none"> Short term Medium term (2030) Long term (2050)
The engagement with stakeholders	(See "Governance/Managing Risks and Impacts" below.)

*1 An abbreviation of "Exploring Natural Capital Opportunities, Risks and Exposure." A tool developed jointly by the Natural Capital Finance Alliance (NCFA), the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), and other organizations for the purpose of identifying the extent of corporate activities' dependence on and impact on nature.

*2 Japan's sustainability disclosure standards established by the Sustainability Standards Board of Japan (SSBJ), which was established within the Financial Accounting Standards Foundation.

Governance / Managing Risks and Impacts

We are working to evaluate and address risks and opportunities based on the results of our analysis of our business activities' dependence and impact on natural capital. Management's role in the process, oversight by the Board of Directors, and management of risks and opportunities are structured similarly to those for climate change, with specific discussions of nature-related issues taking place in the Environment and Energy Committee, which is under the Sustainability Strategy Committee (see p. 67).

Nature-related dependencies and impacts, risks, opportunities, etc. are assessed, taking into account the

impact on stakeholders in the same way as for climate change. In particular, issues related to human rights are discussed by the Social Activities Committee, which is under the Sustainability Strategy Committee, while issues related to human rights and stakeholder engagement activities are discussed jointly by the Environment and Energy Committee and the Social Activities Committee. In addition, our Human Rights Policy stipulates that we will fulfill our responsibility to respect human rights throughout our business activities, while our Procurement Guidelines declare that we will respect human rights throughout our supply chain.

Strategy

Using ENCORE and other methods, we analyzed our business activities' dependence and impact on natural capital and found that there is a possibility of significant dependence on "water supply" in the manufacturing stage of construction materials for architectural construction and civil engineering businesses. Given the architectural construction sector's recent interest in construction that uses wood and wood-based materials in addition to concrete, cement, steel frames, and various other

construction materials, we believe that sustainability-conscious procurement of wooden construction materials will also become increasingly important in the future. In terms of impacts on natural capital, we reaffirmed that architectural construction and civil engineering businesses have a particularly large impact on terrestrial and marine ecosystems, and that offshore wind power generation has the potential to have a significant impact on marine ecosystems.

Dependence and Impact on Natural Capital

																Very low	Low	Moderate	High	Very high		
Business	Process, etc. *1	Dependence										Impact										
		Supply services		Coordination and maintenance services								Climate change	Land modification			Resources		Pollution			Other	
		Water supply	Textiles, etc.	Water flow maintenance	Water quality	Climate regulation	Flood mitigation	Detoxification	Disease control/pollination	Land stabilization	Soil conditioning	GHG emissions	Terrestrial ecosystems	Freshwater ecosystems	Marine ecosystems	Water use	Other resource use	Air pollution	Water pollution	Soil pollution	Waste	Disturbance
Architectural construction business Civil engineering business	Cement production	▲	—	—	▼	—	—	—	—	—	—	▲	▲	▲	▲	—	—	■	■	—	▲	▲
	Steel production	■	—	■	—	▼	—	—	—	▼	—	▲	—	—	—	▲	—	—	—	—	▲	—
	Wood product manufacturing	▲	—	■	—	—	■	—	—	▼	—	▲	▲	—	—	—	—	▲	▲	—	—	
	Architectural construction and civil engineering work	—	—	—	—	—	—	—	—	■	—	▲	▲	▲	▲	—	▲	■	▲	■	▲	
Architectural construction business	Building use	▲	—	—	—	—	▼	—	—	—	—	▲	▲	—	—	—	—	■	■	■	▲	—
Floating offshore wind power generation business	Wind power generation (including onshore)	—	—	—	—	▲	■	—	—	■	—	—	*2	*2	▲	—	—	—	▼	▼	—	■

*1 The following industry subgroups in the GICS (Global Industry Classification Standard) were used as a reference for evaluating each process using ENCORE. Cement production: construction materials; steel production: steel; wood product manufacturing: forestry products; architectural construction and civil engineering work: construction and civil engineering; building use: real estate management company; wind power generation (including onshore): renewable energy power generation company

*2 ENCORE evaluates the impact of onshore wind power generation

Based on the results of our analysis of our business activities' dependence and impact on natural capital, we have provisionally assessed and identified events that represent nature-related risks and opportunities. As the impacts of the architectural construction and civil engineering businesses on natural capital are wide-ranging, we believe it is important to reduce the negative impacts on natural capital by applying environmentally friendly design and biodiversity conservation technologies

during construction. We believe that expanding the use of sustainable timber in the architectural construction sector will not only create business opportunities for our company, but will also have a positive impact on maintaining healthy forest environments and ecosystems. We will also continue monitoring, etc., of the environmental impact of floating offshore wind power generation, and accumulate knowledge to minimize any negative impacts.

Identification of Priority Areas

In Japan, the National Biodiversity Strategy 2020-2030 aims to effectively conserve at least 30% of land and sea areas as healthy ecosystems by 2030, known as the 30by30 target. We consider natural parks, which are among the protected areas targeted in this goal, to be

priority areas for our nature-related activities when we implement construction work or projects in these areas. For areas such as wildlife sanctuaries, green conservation districts, and OECMs^{*3} in protected areas, we evaluate their importance individually in light of our activities.

*3 Areas that contribute to biodiversity conservation outside of protected areas (OECM: Other Effective area-based Conservation Measures).

Nature-Related Risks and Opportunities

Risk / Opportunity category		Analysis of risks and opportunities		Measures to address risks and opportunities		Time horizons	Remarks
Risks	Transition	Technological	■ Loss of sales opportunities due to insufficient ability to propose technologies that contribute to biodiversity conservation and mitigation	■ Promotion of technology development and accumulation of experience in construction ■ Accumulation of expertise through registration as Nature Symbiosis Site	■	Short / Medium / Long	
		Reputational	■ Impact of floating offshore wind power generation on ecosystems	■ Ongoing monitoring of the floating wind power generation project off the coast of Goto City	■	Short / Medium / Long	
	Physical	Chronic	■ Decreased work productivity and increased health risks for workers due to rising temperatures	■ Promotion of construction labor conservation and automation ■ Introduction of health management devices for workers	■	Medium / Long	Stated as a risk in common with TCFD
		Acute	■ Damage to owned real estate due to risk of floods, etc.	■ Assessment of risk of floods, etc. on owned real estate and when purchasing real estate ■ Flood control measures and acquisition of appropriate insurance	■	Short / Medium / Long	Stated as a risk in common with TCFD
Opportunities	Market		■ Growing demand for environmentally friendly buildings	■ CASBEE evaluation for all designed and constructed properties ■ Promotion of environmentally conscious design using our proprietary "Global Environmental Conservation Checklist"	■	Short / Medium / Long	
			■ Growing demand for buildings made from wood and wood-based materials derived from sustainable timber	■ Promotion of technology development and accumulation of experience in construction ■ Promotion of sustainable timber procurement	■	Medium / Long	Demand also increasing as a climate-related opportunity
			■ Growing demand for green infrastructure technology	■ Promotion of technology development and accumulation of experience in construction	■	Medium / Long	

Our Initiatives for Nature-Related Risks and Opportunities

Toda Corporation is engaged in various initiatives to reduce risks and create opportunities in relation to nature.

Key Initiatives

- Development of technologies that contribute to biodiversity conservation and mitigation
- Design and construction of environmentally friendly buildings
- Development of technology to realize and popularize construction using wood and wood-based materials for medium- and high-rise buildings
- Registration of our facility (Tsukuba Research and Development Center) as a Nature Symbiosis Site

Conducted a Survey on the Use of Sustainable Formwork Plywood

As the importance of sustainable construction material procurement increases, much of the formwork plywood used in concrete construction in Japan is made from imported wood (from Malaysia, Indonesia, and other countries). Some of this material has been identified by NGOs as potentially linked to illegal logging that raises concerns about human rights violations and environmental destruction. To promote the use of sustainable formwork plywood, we conducted a survey of our formwork subcontractors at our construction sites regarding their use of certified wood and domestically produced wood.

The survey results revealed that approximately 52% of formwork plywood used at our construction sites is

certified wood or domestically grown wood, with the majority being certified imported wood. It was also found that 75% or more of this certified imported wood is PEFC-certified from Sarawak, Malaysia.

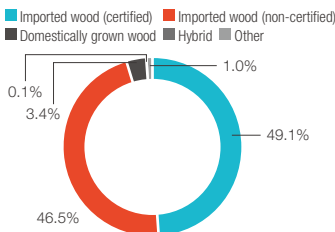
From the comments in the survey, we identified challenges for further expanding the use of certified wood, such as the difficulty of maintaining stamp control for certification once formwork plywood is cut, and concerns about the cost of obtaining and maintaining Chain of Custody (CoC) certification*.

We will continue to promote the procurement of sustainable construction materials through efforts to identify and resolve issues with our partner companies and within the supply chain.

*A system that certifies the appropriate management and processing of timber and other products derived from forests that have received Forest Management (FM) certification.

Survey Overview

- 1 **Target:** 82 companies
- 2 **Implementation period:** December 2024
- 3 **Response rate:** 72%
- 4 **Question examples:**
 - Annual purchase quantity and origin
 - Certified/non-certified wood
 - Free comments (cost, delivery time, needs, management, etc.)



Origin of imported wood (certified)

Certification	Type	Composition ratio
PEFC	Sarawak, Malaysia	75.4%
	Other states, Malaysia	9.9%
	Indonesia	1.5%
FSC	Sarawak, Malaysia	6.8%
	Other states, Malaysia	0.9%
	Indonesia	3.2%
	Other	2.3%

Initiatives to Promote Recycling of Waste Plastic

Traditionally, the main methods for processing construction waste plastic have been thermal recovery and landfill disposal. However, since thermal recovery involves significant greenhouse gas emissions, there is a growing demand for increased material recycling*1 and chemical recycling*2. Among construction waste plastics, PVC pipes and non-chlorine/rigid plastics can be materially recycled as raw materials for plastic products. We are working on material recycling of construction waste plastics through advanced sorting at our work sites.

For these efforts, we received the Minister of Land,

Infrastructure, Transport and Tourism Prize at the FY2024 3Rs (Reduce, Reuse, and Recycle) Promotion Merit Awards.



*1 Reuse as raw material for plastic products. *2 Reuse as blast furnace reducing agents, coke oven chemical raw materials, etc.

Advanced sorting of waste plastic (image)



Mixed waste plastic



Waste plastic sorting yard

Our Efforts in Priority Areas

The Goto Offshore Wind Farm LLC, in which we participate, is currently constructing the Goto Offshore Wind Farm (8 × 2.1 MW units) off the coast of Goto City, Nagasaki Prefecture. Through this project, we aim to expand floating offshore wind power generation toward realizing a decarbonized society. We applied for this sea area based on the Act on Promoting the Utilization of Sea Areas for the Development of Marine Renewable Energy Power Generation Facilities, and it became the first offshore wind power plant in Japan to receive certification for a public occupancy plan.

Part of the Goto Islands is designated as Saikai National Park. Although this project does not involve the installation or operation of floating offshore wind power generation equipment in areas designated as national parks, we consider the project area to be an important region for nature from the perspectives of the landscape

and biodiversity of Saikai National Park.

For this project, an environmental assessment* based on the Environmental Impact Assessment Act has been conducted regarding items associated with the operation of the power plant, such as noise, infrasound, birds, plants and animals inhabiting the sea area, and scenery, confirming that the impact has been reduced as much as possible. Furthermore, steps are being taken to ensure coexistence with local communities and fisheries, such as consultations with local fishing industry workers and conducting fishery impact studies. We will continue to monitor the environmental impact of the project and conduct sufficient follow-up investigations, etc. In addition, various measures are being taken to protect the environment during construction, such as the use of existing yards for the construction of floating structures, which eliminates the need for new land development and modification.

* The environmental assessment was conducted based on the plan of 22 MW (8 × 2.1 MW units + 1 × 5.2 MW unit) as of 2018, rather than the current plan (16.8 MW). Additionally, in fiscal 2024, we conducted civil engineering work that included permission for the installation of new structures (installation of telecommunications equipment for wind power generation facilities) within the special zone of Nishi-Chugoku Mountain Quasi-National Park, which we carried out after obtaining the appropriate permits and approvals.
*See p. 29 for the layout of wind turbines in the installation sea area

Metrics and Targets

We collect and manage data on various indicators that may cause environmental impact from our business activities, including greenhouse gas emissions, construction waste volume, NOx and SOx emissions, water withdrawal, consumption, and discharge. These

are based on TNFD core global indicators. We will continue to quantitatively monitor and analyze this data and consider additional indicators and targets that should be managed.

Indicator number	Drivers of nature change	Target	Indicators	Reporting year results (FY2024)	Targets
	Climate change	Greenhouse gas emissions (Scope 1, 2, 3)		(See p. 68, Disclosure of Information Related to Climate Change Based on TCFD Recommendations "Metrics and Targets")	
C2.2	Pollution / Pollution removal	Construction byproducts (individual)	Landfill disposal rate	1.8%	FY2030: 3% or below FY2050: 0%
		Construction waste (individual)		5.4%	—
C2.3		Waste plastic (individual)	Emissions reductions	-0.9% (6,497 t)	FY2030: -4.5% reduction or more (compared to the three-year average for FY2019-2021)
			Recycling rate, etc.	66.8%	FY2035: 100%
C2.4		NOx emissions/SOx emissions		370 t-NO _x / 91 t-SO _x	—
C3.0	Resource use / Resource replenishment	Group-wide water withdrawal / water consumption / water discharge		713,000 m ³ / 247,000 m ³ / 7,050,000 m ³	—
C3.1		Ready-mixed concrete / cement / steel frames and reinforcement		1,130,000 m ³ / 85,000 m ³ / 269,000 m ³	—
Other		Technology proposals considering biodiversity (individual)	Number of proposals	26	20 or more each year

A Sustainable Future in Harmony with the Natural Environment

Tokorozawa City Second General Waste Final Disposal Site Construction

This project involves the design and construction of a new general waste final disposal site in Tokorozawa City, which we won through a public proposal process. During the planning stage, we contributed to the construction of a safe and secure final disposal site that would be accepted by the local community through initiatives such as creating a planting plan that considers biodiversity by incorporating the JHEP (Japan Habitat Evaluation and Certification Program) concept and adopting Slagrete, which is an effective measure to combat global warming.



Disaster Prevention, Mitigation, and National Resilience

Construction of Embankment for Arakawa River No. 2 Regulating Reservoir

This project involves the construction of embankments for the Arakawa River No. 2 Regulating Reservoir, which protects the Arakawa river basin in southern Saitama Prefecture and Tokyo from flooding. The presence of these embankments narrows the area affected by small and medium-scale floods, enabling long-term land use of the riverbed and reducing damage to the basin environment. We will continue to contribute to coexistence with the environment through infrastructure development for disaster prevention.



Realizing a Decarbonized Society

The Toda Group is committed to realize a decarbonized society by reducing greenhouse gas emissions across its business activities, including the supply chain. As part of our efforts to achieve this goal, we are implementing measures throughout the life cycle of buildings and civil engineering structures. These measures include the use of low-carbon building materials, energy conservation and renewable energy during construction, and ZEB design.

Disclosure of Information Related to Climate Change Based on TCFD Recommendations

We will enhance our corporate resilience by properly identifying and addressing the physical and transition risks associated with climate change, while identifying business opportunities that need to be addressed and dealing with them in a planned and strategic manner.

In May 2019, we announced our support of TCFD^{*1} and began actively disclosing financial information relating to climate change based on the TCFD recommendations. Since our first scenario analysis^{*2} in 2020, we have been reviewing our analysis every year to ensure that the social changes required to achieve our 1.5°C target are integrated into our business operations.

■ Governance/Risk Management

We evaluate climate change-related risks and opportunities based on strategic impact^{*3} and financial impact^{*4}, with their priority determined from these two factors.

Our key risks are identified from among these risks and opportunities through discussions in the Environment and Energy Committee and reported to the Sustainability Strategy Committee. These key risks are then coordinated with the Risk Management, Financial, Corporate Planning, and Public Relations divisions, and

integrated into the Company's management strategy and other relevant plans.

The Board of Directors receives reports on climate change-related matters from the Sustainability Strategy Committee and discusses them at Sustainability Strategy Committee meetings as necessary to oversee the progress of efforts to address climate change-related issues.

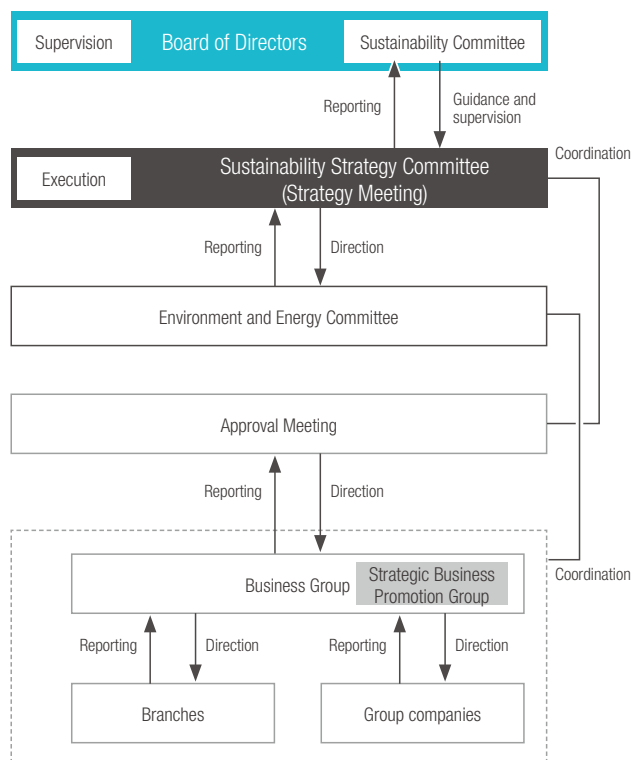
■ Strategy

We identify, analyze, and assess climate change-related risks and opportunities on a short-term (3 years or less), medium-term (3–10 years), and long-term (10 years or more) timescale.

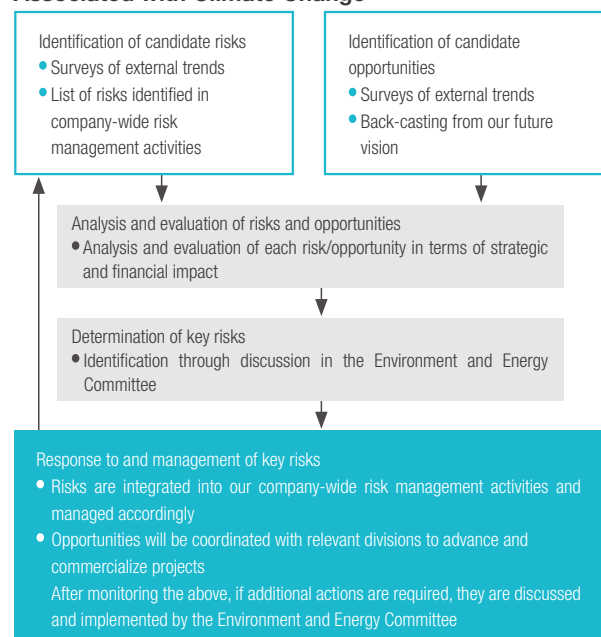
Strategies and financial plans for addressing these risks and realizing opportunities are appropriately incorporated into our Medium-Term Management Plan 2027 and other business strategies.

In order to balance our business activities with the attainment of our greenhouse gas emission reduction targets, we are pursuing activities in accordance with our "Action Plan to Achieve Carbon Neutrality," formulated in 2022.

Framework for Addressing Climate Change-Related Issues



Process for Managing Risks and Opportunities Associated with Climate Change



^{*1} Financial Stability Board (FSB) task force on the disclosure of climate-related financial information.

^{*2} The 4°C scenario (RCP8.5 scenario, etc.) and the well-below 2°C (1.5°C) scenario (NZE scenario, etc.) are used.

^{*3} Evaluated based on the impact and likelihood of occurrence (four-point scale) of risks and opportunities.

^{*4} Evaluated based on the threshold amount in income, expenses, assets and liabilities, and others, of risks and opportunities.

■ Metrics and Targets

Our greenhouse gas reduction targets have obtained SBT certification*¹. In our Medium-Term Management Plan 2024 Rolling Plan, we set reduction targets for fiscal 2024 in accordance with SBT and worked on reduction activities*².

The reduction target for Scope 1+2 (total volume) in the Medium-Term Management Plan 2024 Rolling Plan, which set fiscal 2024 as the target year, achieved a 28.5% reduction in fiscal 2024, exceeding the target value. Scope 2 reductions in particular have progressed, with the proportion of renewable electricity in power consumption for business activities increasing to 68.7%. The reduction target for Scope 1+2 (basic unit) for construction work was 11.3 tons- CO₂/100 million yen, slightly below the target value. Many construction projects span multiple years, and the type of work being performed in a given fiscal year affects greenhouse gas emissions. The achievement of the Scope 1+2 (total volume) target in fiscal 2024 was partly influenced by the relatively small amount of earthwork, such as excavation, which uses large amounts of energy, during the consolidated fiscal year. Therefore, we believe it is necessary to continue working on further greenhouse gas reductions.

Regarding the Scope 3 (total volume) reduction target with fiscal 2024 as the target year, our domestic business achieved the target reduction rate, primarily through design-build projects that featured improved energy efficiency of buildings, exemplified by ZEB. However, the consolidated figures (both total volume and basic unit) failed to meet targets due to the large number of completed construction projects at overseas group companies. Among Scope 3 emissions, Category 11 (CO₂ emissions from the use of sold products) accounts for the largest proportion of our Scope 3 emissions, as it includes all future operational emissions from buildings completed in the relevant fiscal year. Since most of these operational emissions come from electricity use, in countries and regions where a large proportion of electricity is generated from fossil fuels, the emission coefficient for electricity is high, resulting in higher Scope 3 emissions even when using the same amount of electricity. Going forward, we consider it a medium- to long-term challenge to apply domestic know-how and expertise to overseas construction projects, especially in countries and regions with high electricity emission coefficients.

We will continue to work toward achieving the greenhouse gas emission reduction targets in our Medium-Term Management Plan 2027.

Greenhouse Gas Reduction Targets and Results (Medium-Term Management Plan 2024 Rolling Plan)

	Target		Units	Reference year results* ³ (FY2020)	Reporting year results (FY2024)		Target	
				Emissions	Results/Rate of progress	Emissions	FY2024	FY2030
Medium-Term Management Plan 2024 Rolling Plan	Scopes 1+2	Total emissions	t-CO ₂	96,400	-28.5%	68,900	-16.8%	—
	Scopes 1+2 (for construction work only)	Basic unit	tons CO ₂ /100 million yen* ⁴	16.8	—	11.3	11.2 or under	—
	Scope 3	Total emissions	t-CO ₂ e	6.66 million	-0.7%	6.61 million	-10%	—
	Category 1	Basic unit	tons CO ₂ e/100 million yen* ⁵	649.9	—	581.2	540.7 or under	—
	Category 11		t-CO ₂ e/m ² * ⁶	4.0	—	3.7	3.5 or under	—
SBT/ECO First commitments	Scopes 1+2	Total emissions	t-CO ₂	96,400	-28.5%	—	—	-42%
	Scope 3		t-CO ₂ e	6.66 million	-0.7%	—	—	-25%

Targets for Renewable Electricity Use

	Target	Units	Reporting year results (FY2024)	Target	
				FY2040	FY2050
RE100	Ratio of renewable energy electricity usage	%	68.7	50	100

*¹ Science Based Targets. Company greenhouse gas reduction targets in accordance with the levels required by the Paris Agreement.

*² We have adopted a system in which greenhouse gas reduction target attainment is linked to executive compensation. (See P.80–81)

*³ Due to changes in the scope of consolidation and other factors, emissions since the reference year (fiscal 2020) were retroactively adjusted when calculating fiscal 2024 results.

*⁴ Emissions per 100 million yen of construction completed

*⁵ Emissions per transaction value of construction materials

*⁶ Emissions per square meter of completed gross floor area

■ Climate-Related Material Risks and Response Measures

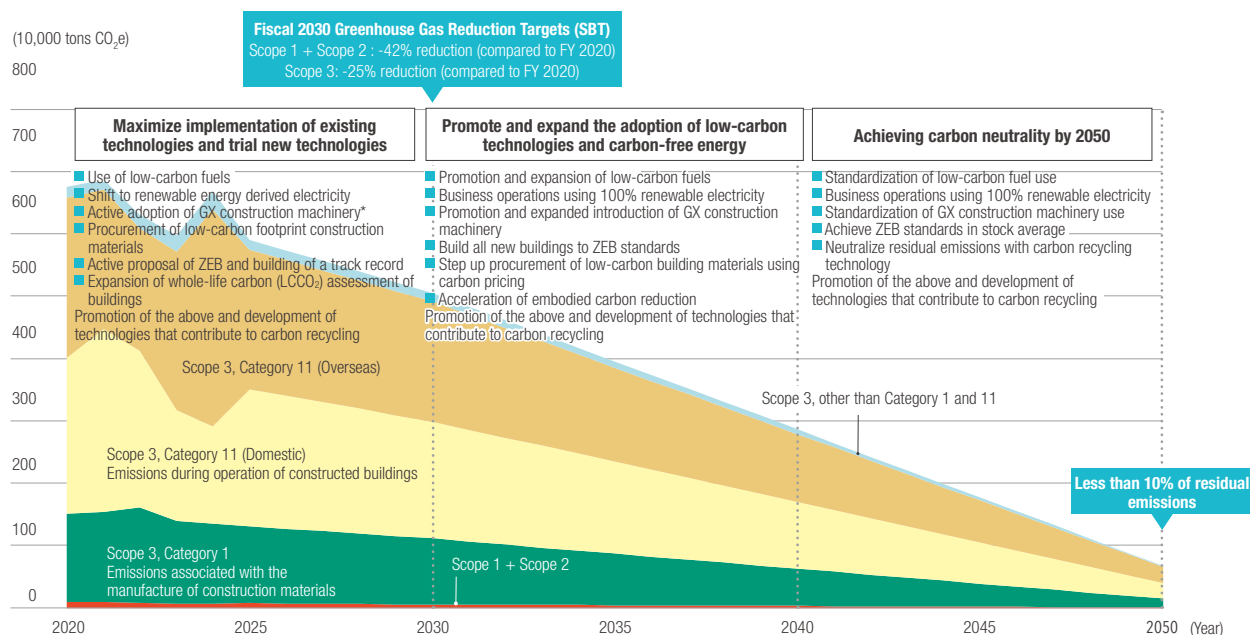
We are working on measures to address the material risks we have identified.

Risk / Opportunity category	Major items	Examination of risks and opportunities	Measures to responses to risks and opportunities	Time axis
Risks	Chronic	Temperature rise	<ul style="list-style-type: none"> Promotion of construction labor conservation and automation Introduction of health management devices for workers 	Medium/Long
	Acute	Risk of floods, etc.	<ul style="list-style-type: none"> Assessment of risk of floods, etc. on owned real estate and when purchasing real estate Flood control measures and acquisition of appropriate insurance 	Short/Medium/Long
	New regulations	Changing client needs Carbon price	<ul style="list-style-type: none"> Promotion of identification and procurement of low carbon products Low-carbon building material R&D and expansion of applications Promotion of designs for buildings with high energy efficiency performance Promotion of low-carbon construction through TO-MINICA 	Short/Medium/Long
Opportunities	Products / Services	Energy-saving construction	<ul style="list-style-type: none"> Promotion of technology development and accumulation of experience in construction R&D to achieve carbon-negative building construction 	Short/Medium/Long
	Market	Changes in the energy mix Expansion of offshore wind power generation plants	<ul style="list-style-type: none"> Construction of renewable energy power plants and concentration of resources on renewable energy projects Building a track record in power generation through floating offshore wind power, and commercialization of same Concentration of resources and development of construction technology in floating offshore wind power generation 	Short/Medium/Long
		Construction of flood control measures	<ul style="list-style-type: none"> Concentration of resources on construction work for disaster prevention and mitigation 	Medium/Long

Action Plan to Achieve Carbon Neutrality

■ Action Plan Summary

With the goal of achieving carbon neutrality in our business activities by fiscal 2050, we are working to reduce greenhouse gas emissions, guided by the roadmap and the four key activities outlined below.



*Electric construction and other machinery, certified under the GX Construction Machinery Certification System established by the Ministry of Land, Infrastructure, Transport and Tourism.

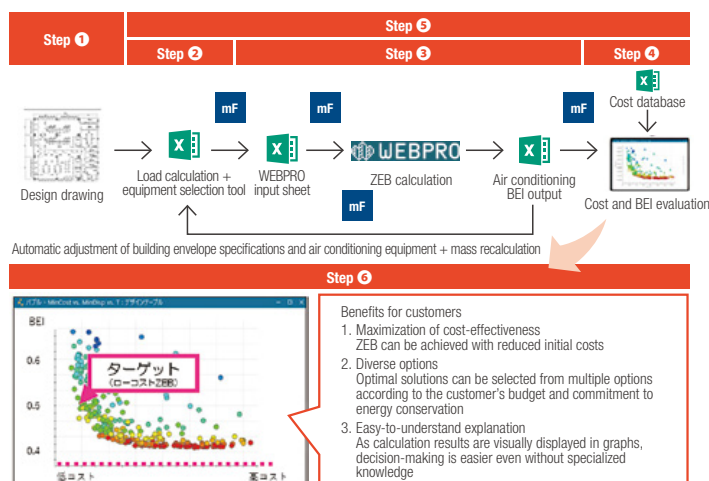
Development of TODA ZEB-kun™, a ZEB Design Support Tool

We have developed and implemented TODA ZEB-kun, a design support tool that significantly streamlines ZEB design work and enables optimal proposals tailored to customer needs.



Six simple steps of TODA ZEB-kun

- 1 Extract building information from design drawings
- 2 Perform heat load calculations and automatically select air conditioning equipment
- 3 Calculate BEI using WEBPRO automatic calculation
- 4 Automatically calculate costs and evaluate correlation with BEI
- 5 Automatically adjust building envelope and air conditioning equipment, and perform mass recalculation
- 6 Select the optimal ZEB proposal with the customer based on the results



Features of TODA ZEB-kun

- **Adoption of multi-objective optimization technology**
Simultaneous optimization of conflicting elements—cost and energy-saving performance—using modeFRONTIER®, a world-class optimization engine
- **Automation technology that enables design using only design drawings**
Enables ZEB design from design drawings alone. Automatically complements envelope and equipment information from minimal building data, achieving accurate ZEB proposals in the early design stage.
- **Fast automatic verification of hundreds of design patterns**
Automatically selects building envelope specifications and air conditioning equipment, quickly creating and analyzing hundreds of case studies. Reduces processes that traditionally take 1-2 weeks to just hours.
- **Visualization of cost and energy-saving performance**
Visually presents multiple optimal solutions on a graph based on investment cost and BEI, supporting the selection of the best solution according to customer needs.

Adaptation to Climate Change

Heat Stroke Countermeasures at Construction Sites and Sustainable Initiatives

In recent years, average temperatures in Japan have reached the highest levels on record, and global warming is expected to have serious impacts on people's lives. As part of our heat stroke prevention measures, we have created a workplace environment where workers can easily report when they feel unwell, and we encourage them to promptly stop work and seek medical attention when they notice any abnormal symptoms. Through these efforts, we aim to prevent symptoms from becoming severe.

We also strengthen collaboration with partner companies, ensuring the implementation of mandatory health check-ups and the maintenance of health management records to effectively monitor and manage workers' health conditions. Additionally, we have implemented specific and visible measures such as introducing fan-equipped work clothes, wearable devices,

helmet-type safety management systems, and setting rest periods according to the working environment (heat index).

In June of this year, the revised Ordinance on Industrial Safety and Health were enacted. This revision made it mandatory for employers to establish systems for early detection, create measures and procedures to prevent conditions from becoming severe, and inform relevant workers, with penalties for non-compliance. We comply with these regulations, prioritizing the health and safety of all workers, and aim to build better workplace environments together and realize a sustainable society.



Helmet-type safety management systems



Heat stroke countermeasures at construction sites (fan-equipped work clothes)

Use of Electric Heavy Machinery, Certified as GX Construction Machinery by the Ministry of Land, Infrastructure, Transport and Tourism

We use GX construction machinery based on the GX Construction Machinery Certification System* established by the Ministry of Land, Infrastructure, Transport and Tourism at our construction sites.

At tunnel construction sites, we use 0.05 m³ battery-powered electric backhoes (GX construction machinery) for drainage and roadbed maintenance inside and near tunnel entrances. By using renewable energy for charging, we contribute to reducing greenhouse gas emissions.

For shaft excavation in shield work in urban areas, we

use 0.45 m³ wired electric backhoes (GX construction machinery). Not only do they reduce greenhouse gas emissions, but their electric operation also reduces noise impact on the surrounding environment.



Roadbed maintenance work at tunnel entrance



Excavation work at shield shaft



GX Construction Machinery certification label

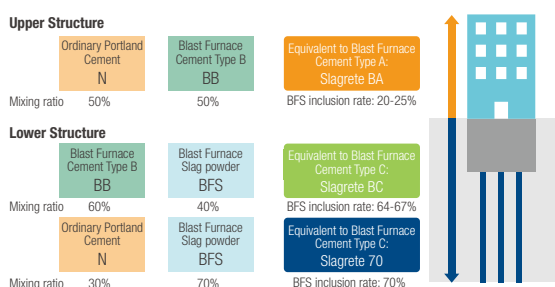
* GX Construction Machinery Certification System: A system established to promote the adoption of GX construction machinery such as electric heavy equipment, with the aim of reducing greenhouse gas emissions in construction and contributing to environmental conservation.

Expanded Application of Environmentally Friendly Concrete (Low Carbon) Slagrete®

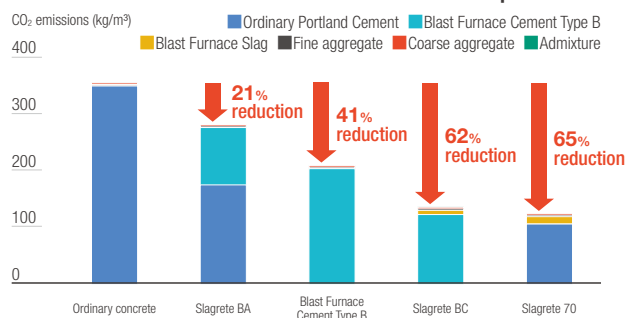
Slagrete is concrete that reduces carbon dioxide emissions during manufacturing by 20% to 65% by using blast furnace slag powder, an industrial byproduct, as a cement substitute. It offers options equivalent to blast furnace cement types A and C concrete, allowing selective application of environmentally friendly concrete throughout structures for both architectural construction and civil engineering projects (this technology was jointly developed with Nishimatsu Construction).

In fiscal 2024, we obtained Construction Technology Verification (Building Technology)* from the Building Center of Japan for our jointly developed environmentally friendly concrete Slagrete®. With this third-party verification and the development of operational manuals for confirmation applications, we plan to further promote and expand this technology to actively apply high-environmental-performance concrete to actual structures in the construction field as part of our efforts toward achieving a low-carbon society.

Conceptual diagram of Slagrete use



Carbon dioxide emission reduction effect in concrete production



* A system in which the Building Center of Japan evaluates the performance of newly developed construction technologies from a third-party perspective and issues verification certificates for the performance of these technologies.

Innovating in Technology and Enhancing the Value We Provide

In addition to ensuring the quality of our buildings, infrastructure, and services, the Toda Group is committed to creating buildings with higher added value by collecting data from the planning to the operational phases of building construction and putting it into practical application.

We are pursuing the digitalization of all our operations to improve the overall efficiency of our business and raise the value we provide. To make these innovations a reality, we will engage in value co-creation with a wide range of business partners.

Quality Monitoring Method During Concrete Construction

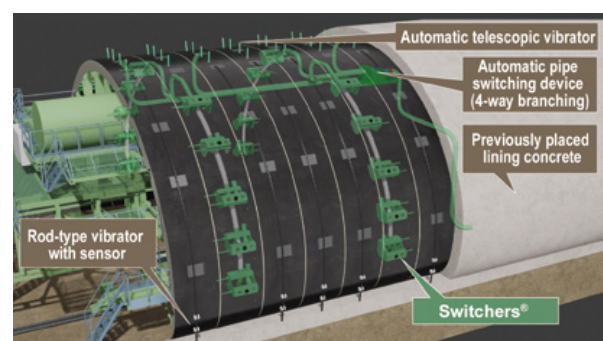
Our long sheet-type sensor Juten Mieruka® (Fill Visualization), originally developed for detecting the filling and compaction of lining concrete in mountain tunnels, has diversified into pinpoint types and formwork-mounted types to enhance applicability to other concrete

structures in response to market demands. We have further developed these sensors to devise methods for evaluating material segregation. This initiative was recognized with the JSCE Award (Innovative Technique Award) for fiscal 2024.



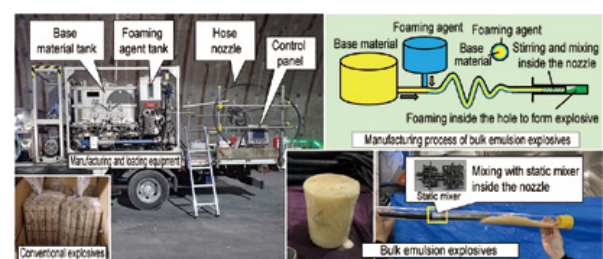
Centring Futures®

Centring Futures® is a technology that automates the entire process of pouring and compacting lining concrete in mountain tunnels. Traditionally, this work has consisted of labor-intensive manual operations in confined spaces. This technology reduces manual labor and saves human resources by automatically controlling the Switchers® (a sliding pipe switching device with automatic opening and closing functions for concrete inlets) and various vibrators using different sensors for specific purposes. We aim to further refine this technology, advance labor-saving capabilities, and develop an autonomous placement robot for lining concrete.



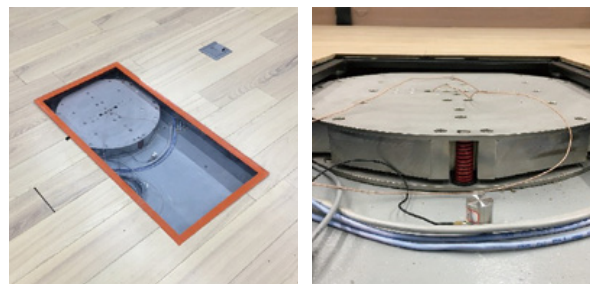
Bulk Emulsion Explosives

This is a mayonnaise-like explosive manufactured on-site by mixing non-explosive base materials with foaming agents using specialized manufacturing and filling equipment for blasting operations in mountain tunnels. Conventionally, workers manually loaded factory-made paper-wrapped water gel explosives into holes in the excavation face, which posed a risk of rock fall accidents. This technology enhances the safety and efficiency of blasting operations as it allows for precise loading from a distance from the excavation face using hoses and nozzles. It is a technology that will contribute to the future remote operation and automation of blasting work.



Ultra-thin Floor Vibration Control Device That Can Be Installed Beneath Raised Access Flooring

We have developed a new ultra-thin floor vibration control device to eliminate uncomfortable vibrations in offices and other living spaces caused by people walking or vehicles passing. This device achieves significant thinning (approximately 6.5 cm in height) by adding the Company's unique innovations to conventional Active Mass Damper (AMD) technology. By enabling installation in confined spaces such as under raised access flooring*, we provide customers with comfortable living spaces without compromising room usability.



External view of ultra-thin AMD

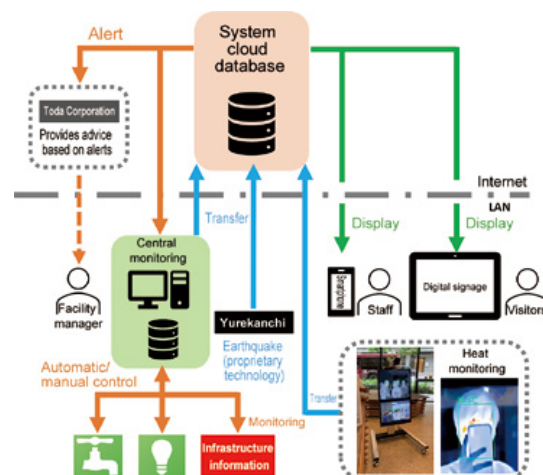
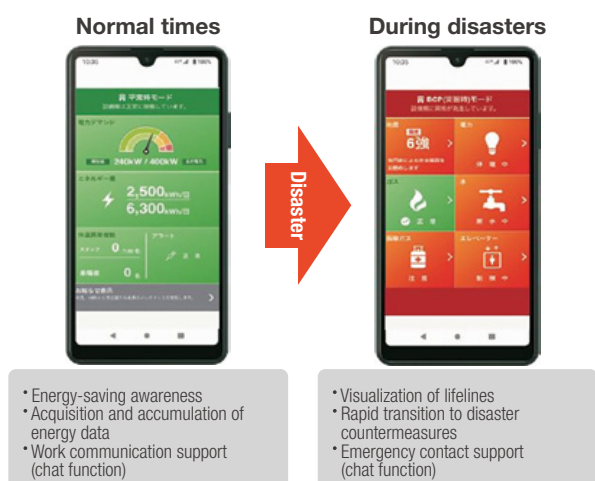
*A raised floor with space underneath for network cables and other utilities. Also called free access flooring or double flooring.

Kikimi Yell® Hospital BCP Support System

This system shares information about infrastructure and facility damage status, elevator operation restrictions, etc., via smartphones owned by hospital staff or digital signage for visitors during hospital business continuity

crises caused by natural disasters such as earthquakes.

We will continue to update the system with the aim of expanding it to multiple applications (schools, public facilities, offices, and other locations).

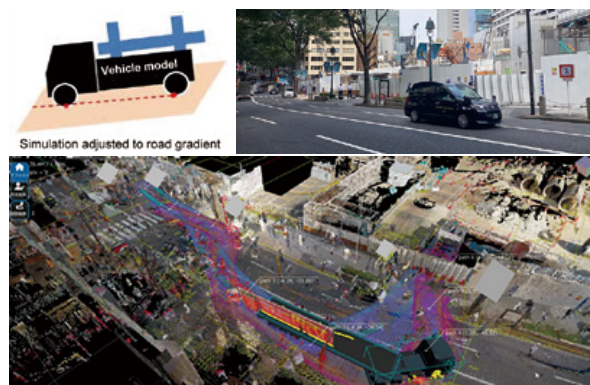
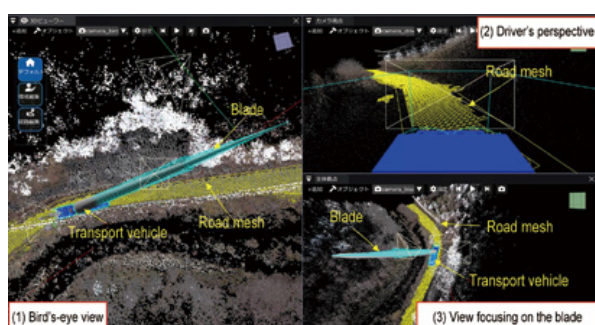


Route Master 4D® Transport Simulation System

This is a transport planning support tool that recreates the three-dimensional space around construction sites based on point cloud data and BIM/CIM information, enabling three-dimensional verification of transport vehicle movements. Smooth and safe loading and unloading are required near construction gates with heavy vehicle and pedestrian traffic. In this system, AI automatically generates the optimal route and trajectory for transport vehicles, making it possible to check for potential contact risks with surrounding structures in advance. Furthermore, it features simulation functions that reflect road gradients and vehicle

characteristics, as well as display functions that can be checked from multiple perspectives, enabling more accurate and reproducible planning compared to conventional plans that rely on drawings and experience.

The system is utilized in architectural construction and civil engineering sites for various applications, including feasibility studies for delivery on narrow roads, advance verification of long-distance transport routes for wind power generation equipment with a total height of around 60 meters, and creation of future transport planning scenarios using BIM/CIM.



Creating Workplaces that Are a Joy to Work In

Toda Group respects the human rights of all individuals involved in the supply chain of our business activities, including those related to procurement materials, and is committed to ensuring safety in construction work. Through partnerships with our partner companies, we strive to promote work style reforms at construction sites and to secure a stable workforce, while fostering workplaces where diverse talent can experience the joy of working.

● Initiatives for Becoming the No.1 Company in Safety

Initiatives for Improving Safety and Health

■ Improvement and Deployment of Management Systems

In 2003, we established and implemented our proprietary occupational health and safety management system (TODA-OHSMS) based on the OHSMS guidelines issued by the Ministry of Health, Labour and Welfare and the COHSMS guidelines of the Japan Construction Occupational Safety and Health Association. Since its introduction, we have continuously improved the system to strengthen risk assessment and have promoted voluntary safety and health management activities in collaboration with our partner companies.

■ Activities on July 1 (National Safety Day)

Every year on July 1, the first day of National Safety Week and National Safety Day, we conduct the President's safety patrol. On the day of the patrol, the President joins the morning safety assembly and personally addresses frontline employees and skilled workers the importance of preventing occupational accidents. In the afternoon, during the Company's anniversary ceremony, we recognize workplaces that have demonstrated exceptional safety and health initiatives and performance in the previous fiscal year, with the aim of further raising safety awareness among all employees.



■ Implementation of Hazard Experience Education

Challenges in safety and health management at construction sites include the fact that primary cause of accidents is often unsafe behavior, compounded by the aging and diversification of the workforce due to labor shortages, and the increasing concealment of hazards resulting from advancements in work environments and equipment. These challenges call for further enhancement of safety and health

management standards, as well as the strengthening of each worker's hazard awareness and resilience.

Hazard experience education involves the concrete demonstration of dangers to facilitate intuitive understanding and learning about safety and health through experience rather than as abstract concepts. It is widely adopted as an educational approach to compensate for workers' lack of experience and to enhance individual safety awareness.

In September 2015, we established a Hazard Experience Facility equipped with dedicated tools, including VR devices, and staffed with specialized personnel to deliver hazard experience education in a safe and sustainable manner. Since its opening, the facility has been actively used not only for training our employees and partner company workers but also for contributing to the local community through collaborations with various organizations, school education programs, and recruitment support activities. By leveraging the expertise developed at the facility and expanding outreach education to regional areas, we are providing frontline workers with opportunities to engage in hazard experience education, thereby helping to improve safety awareness and hazard sensitivity.

■ Operating "Hiyarepo"

We have developed and currently operate Hiyarepo®, an application designed to collect near-miss information at construction sites. By allowing workers to input near-miss incidents, previously recorded on dedicated forms, directly through an app on their individual smartphones, and by automatically aggregating the data, we have enabled labor-saving and timely risk assessments, thereby enhancing both safety and productivity.

■ Operating Safety Portal

Since 2018, we have been operating an integrated safety management system called Safety Portal. By inputting information about accidents that occur at worksites into a web interface and sorting it in a database, the system centralizes and manages various aspects, including the distribution of flash reports, creation of various reports, and tracking of injured workers' recovery status. Furthermore, by incorporating functions such as accident case searches, information on inspections by labor standards inspection offices, and labor management including working hours, the system is operated as an efficient and rational tool supporting everything from daily management by worksite staff to planning by company safety officers.

● Efforts to Make the Construction Industry More Appealing and Aspirational

Initiatives to Secure Leaders in the Construction Industry

The construction industry plays an important role in building the infrastructure essential for safe and secure living and corporate activities. However, due to the aging of the construction workforce, the number of skilled construction workers is projected to decline by 1.2 million by 2025 (based on a 2015 estimate by the Japan Federation of Construction Contractors), raising concerns

about a future labor shortage. To address this issue, Toda Corporation is actively working to enhance the appeal of the construction industry by improving productivity and the working environment, while also supporting the training and recruitment of young construction technicians and foreign technical interns, etc.

Initiatives for the Construction Career Up System

Beginning in fiscal 2025, our construction sites are, in principle, accumulating CCUS* work history records exclusively through facial recognition cameras.

To support this operation, we have implemented initiatives such as establishing a CCUS inquiry desk, providing assistance for CCUS coordination tasks, following up on CCUS job classification registrations, and supporting worker facial photo registration.

As of the end of March 2025, the Company has achieved 85% CCUS operator registration and 86% CCUS technician registration. We will continue to work closely with our partner companies to reach a 100% CCUS registration rate.

Construction Career Up System Registration Rate

	As of March 2021	As of March 2022	As of March 2023	As of March 2024	As of March 2025
Operator registration	58%	73%	77%	81%	85%
Technician registration	58%	77%	81%	84%	86%

*Construction Career Up System (CCUS): A framework promoted by the Ministry of Land, Infrastructure, Transport and Tourism to register and accumulate cross-industry data on technicians' qualifications, social insurance enrollment status, and work history at construction sites. Its aim is to create an environment where technicians are treated in accordance with their skills and experience, and to secure a stable workforce for the construction industry into the future.

Support for Recruitment Activities

In cooperation with the National Riyukai Federation, an organization composed of our partner companies, we actively support their efforts to recruit new graduates nationwide. Specific support activities include assistance with site tours, guest lectures and school visits for students, parents, and teachers, as well as support for the creation of the Riyukai official website and promotional leaflets. In addition, the Toda Mirai Foundation's Education Promotion Grant Program provides grants to high schools engaged in educational promotion activities related to construction.



Riyukai Official Website (in Japanese)

Toda Mirai Foundation Initiatives

In October 2016, we established the Toda Mirai Foundation. Through subsidy programs that support the recruitment and development of young technicians by partner companies and organizations, the Foundation undertakes various initiatives aimed at addressing the challenge of future labor shortages and contributing to the overall advancement of the construction industry.



Subsidy program for young technicians (participation in the WorldSkills Competition)



5th Japanese Speech Contest

1. Subsidy Program for Recruitment, Training, and Qualification Acquisition of Young Construction Technicians		
Held 17 times	February 2017–March 2025	142 grants (67 organizations, 75 companies)
2. Step-up Subsidy Program for Recruitment, Training, and Qualification Acquisition of Young Construction Technicians		
Held 6 times	February 2020–March 2025	26 grants (10 organizations, 16 companies)
3. Subsidies for the Promotion of Construction-Related Education		
Held 7 times	May 2019–May 2025	219 grants (Grant A: 23 organizations Grant B: 196 schools)
4. Projects to Promote Employment of Women Technicians		
Held 2 times	May 2017–May 2020	39 recipients (7 occupations)
5. Subsidy Program for the Intake of Technical Intern Trainees from Other Countries		
Held 3 times	February 2018–February 2020	26 companies, 50 trainees
6. Japanese Speech Contest for Technical Intern Trainees from Other Countries in the Construction Industry (Preliminary: First Round Essay Screening)		
Held 5 times	December 2020, November 2021, December 2022, December 2023, November 2024	Total number of preliminary round participants: 332 Total number of finalists: 50

Improving Employees' QOL (Quality of Life) and Pursuing Rewarding and Comfortable Workplaces

Initiatives to Encourage Employees to Take on Challenges

To promote businesses creation and human resources development, Toda Corporation introduced an in-house venture program (called “GATE” in fiscal 2022). Under this program, employees propose new businesses ideas to the Company. If approved, the Company provides a certain amount of support such as funding, facilities, and project backing, with the goal of commercializing the idea or establishing a new company. Through their participation in the program, selected employees receive training and mentoring support from external partners with expertise in new business development. A key feature of the program is the Company’s ongoing support to help employees maintain their passion and commitment to the project.

A total of 80 applications was submitted in fiscal 2023 and 2024, and 15 teams participated in the program. Of these, 5 teams passed the final judging and have advanced to the pre-seed stage toward commercialization.

This bottom-up program is built around business ideas that employees are deeply committed to. By providing accompanying support to employees, the Company encourages employees to explore new areas, fosters a lively and dynamic corporate culture, and aims

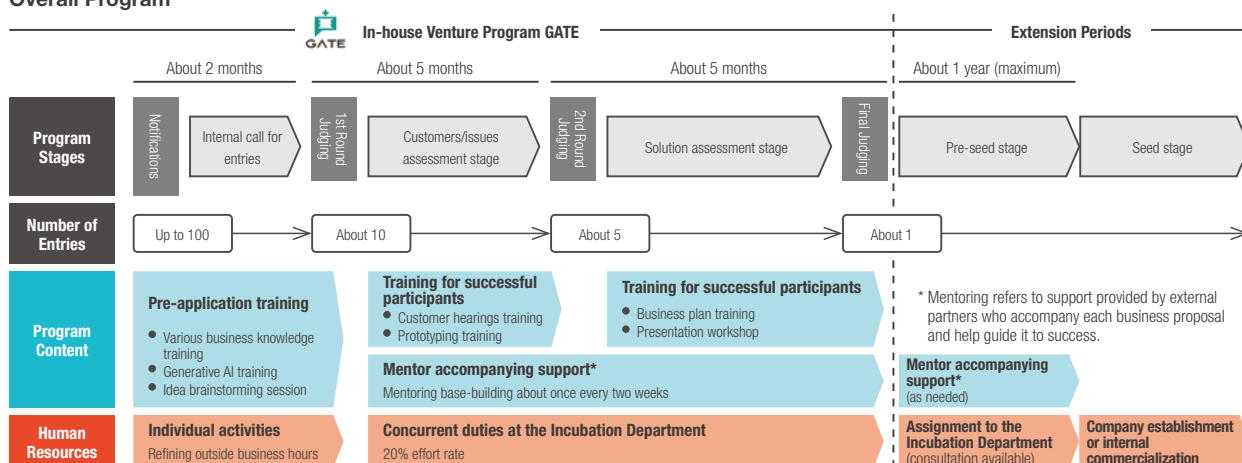
to cultivate innovative talent with a management mindset.

Going forward, we will continue to promote initiatives that enhance job satisfaction by creating opportunities for employees to experience meaningful work, a sense of achievement, and personal growth.



Final judging

Overall Program



External Evaluation

■ Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500)

The Certified Health & Productivity Management Outstanding Organizations Recognition Program recognizes corporations that demonstrate exceptional health management practices based on initiatives addressing local health issues and health promotion activities advocated by the Nippon Kenko Kaigi*.

This year, Toda Corporation was certified for the sixth time as a Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500) by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.

*Nippon Kenko Kaigi is an organization established for the purpose of extending the healthy life expectancy of each citizen and promoting appropriate medical care. It is a collaborative effort undertaken by private organizations conducting effective activities with the full support of the government.



■ Eruboshi Certification

Eruboshi certification is awarded by the Ministry of Health, Labour and Welfare to companies that have formulated and submitted a general employer action plan (a plan that specifically defines the development of an employment environment for employees to balance work and childcare) based on the Act on Promotion of Women’s Participation and Advancement in the Workplace, and that meet certain requirements, such as having excellent implementation status of initiatives related to the promotion of women’s participation. We have received the highest three-star certification as a result of meeting all five criteria (employment, continued employment, working hours, the ratio of women in management positions, and diverse career paths) and publishing our achievements in the “Database of Companies Promoting Women’s Activities” every year.



Human Rights Initiatives

We consider respect for human rights to be a universal standard of conduct for all companies, and we support and respect all international human rights norms, beginning with the UN Guiding Principles on Business and Human Rights. We are also a signatory to the UN Global Compact and have committed ourselves to its 10 principles, including those related to human rights, and we promote initiatives to advance respect for human rights as part of our ESG-conscious management.

Human Rights Policy

Toda Group has established a global vision to be a corporate group that realizes “joys,” aiming to create joy for our customers, employees, partner companies, and ultimately society as a whole, and to continue growing by transforming this into confidence and pride. Furthermore, to realize this vision, we have formulated the brand slogan “Build the

Culture. Creation from ideas, rooted in passion.” and share the commitment to adopt a corporate stance that places people at the center. Under these corporate philosophies of our group, we regard respect for human rights as a global standard of conduct required of all companies, and this policy clearly defines our approach and responsibilities.

- | | | |
|--|---|--|
| 1 Compliance with laws, regulations, and international norms relating to human rights | 2 Scope of application | 3 Responsibility to respect human rights in all business activities |
| 4 Human rights governance and implementation framework | 5 Ongoing implementation of human rights due diligence | 6 Correction and remediation |
| 7 Dialogue and consultation with stakeholders | 8 Education and training | 9 Information disclosure |

Human Rights Policy https://www.toda.co.jp/sustainability/social/pdf/human-rights_02.pdf

Establishment and Ongoing Implementation of Mechanisms for Due Diligence on Human Rights

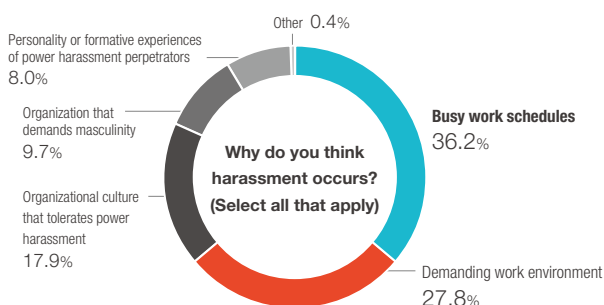
The Toda Group is developing and implementing human rights due diligence processes in accordance with the UN Guiding Principles on Business and Human Rights. These are a series of ongoing processes based on the Toda Group Human Rights Policy (formulated in July 2022). The processes begin with the identification of human rights

issues within the Toda Group value chain, followed by planning and implementing corrective measures, monitoring, disclosing information, and communicating with external stakeholders. We continuously cycle through these steps to promote respect for human rights and achieve sustainable business operations.

Conducting Human Rights Training for Executives and Employees

To effectively implement human rights due diligence, we conduct regular monitoring and continue efforts to link the results to ongoing improvement.

We have been conducting human rights training since fiscal 2022. In fiscal 2024, we invited an external lecturer in December and conducted Business and Human Rights training for executives and branch general managers on the theme of “Mechanisms of Power Harassment and Its Countermeasures.” In addition, from January to February of the following year, training was conducted for all employees, including those from group companies, seconded staff and dispatched employees, with the aim of reducing human rights risks and enhancing human rights management capabilities. In the post-training questionnaire, common responses to “Why do you think harassment occurs?” included “busy work schedules,” “demanding work environment,” and “organizational culture that tolerates power harassment.” Based on these findings, we have established a new subcommittee and initiated activities aimed at creating a workplace environment where psychological safety is ensured.



We will continue to fulfill our responsibility to respect human rights by identifying, evaluating, preventing, and mitigating impacts on human rights, and by tracking our responses to them.

Dialogue with Stakeholders

The dialogue with stakeholders conducted in February 2025 was a crucial step in our human rights due diligence process. In particular, securing workers in the construction industry and improving the labor environment for foreign technical intern trainees were identified as priority issues in assessing the impact of our business activities on human rights. Through this dialogue, the Company will further concretize our human rights due diligence and implement measures to address these challenges.

We will continue to engage in regular dialogue with stakeholders to enhance the effectiveness of our human rights due diligence.



(From left) Mr. Endo, Chairman of Toda Riyoukai Association; Mr. Otani, President; Mr. Toda, Chairman of the Toda Social Activities Committee; and Mr. Seo, Chairman of the Human Rights Activities Promotion Committee

held 15 times in fiscal 2024. Directors held discussions with the executive team to build consensus on management strategies. These included discussions on medium- to long-term strategies in the first half of the fiscal year and the Medium-Term Management Plan in the second half.

■ Major Matters of Discussion at Board Meetings

In fiscal 2024, in addition to the standard matters to be decided under the Companies Act, the board discussed and made decisions on important management matters such as medium- to long-term management plans, policies on sustainability, investments and asset transfers of a certain scale, principally in the investment development business, and the reorganization of subsidiaries.

When screening investment proposals, the merits of a given investment are evaluated based on a risk-weighted hurdle rate and internal rate of return (IRR), so as to enable management that emphasizes the cost of capital and return on capital. In addition, before a resolution is made, a qualitative assessment is performed involving rigorous discussion of the significance of a given initiative within the overall business portfolio.

In specific terms, the board actively debated, discussed, and approved the following proposals: the acquisition of the business of a planting company in California, U.S., in June, the establishment of an electricity wholesale company in Goto City, Nagasaki Prefecture, in July, the establishment of a foundation in Côte d'Ivoire in October, the acquisition of shares in a domestic equipment construction and spa facility business company in November, and the establishment of TODA Private Reit, Inc. in December.

In addition, the board reviewed the content of a shareholder's proposal submitted by an overseas institutional investor to the annual general meeting of shareholders for fiscal 2024, and resolved to oppose it.

Meanwhile, with regard to the three priority management businesses identified by the company under Medium-Term Management Plan 2024, namely the new TODA building business, the overseas business, and the renewable energy business, as well as dialogue with institutional investors, the Board of Directors receives progress reports on a frequent basis, with outside directors taking the lead in providing meaningful input.

Personnel and Compensation Committee

We have established a Personnel and Compensation Committee consisting of five directors, including four outside directors (four directors including three outside directors in fiscal 2024). Its purpose is to assess the eligibility of candidates for important positions (directors, Audit & Supervisory Board members, and key executive management positions) and the appropriateness of compensation for directors and other officers, and to report the results to the Board of Directors. In addition, the Committee is responsible for hearing succession plans for key executive management positions from the president and chief corporate officer, and reporting to the Board of Directors, as necessary.

The Committee met eight times in fiscal 2024. It

debated, deliberated, and otherwise dealt with a number of matters, including the appropriateness of basic and performance-linked compensation, etc., for directors, the eligibility of corporate officer and branch general manager candidates, the next-generation management personnel development plan (presidential succession plan), and candidates for the positions of outside director and outside Audit & Supervisory Board member. In particular, with the first revision of the amounts and evaluation metrics for performance-linked compensation and share-based compensation for corporate officers in three years, the Committee conducted thorough discussions on the current situation, trend analysis, and revised figures, as well as the situation at other companies.

Succession Planning for the President

The Personnel and Compensation Committee began full-scale discussions on succession planning for the president in fiscal 2024. The roadmap to selecting the company's next president has been established, as shown below. In addition to the first step of next-generation management development, which is already underway, it is considering Step 2, the evaluation of current management personnel—corporate officers and branch general managers—based not only on annual

performance but also on their suitability as potential future presidents. Furthermore, the Committee held deeper discussions regarding the ideal attributes of a president and the evaluation criteria for selecting presidential candidates. Moving forward, the Personnel and Compensation Committee will continue to engage in discussions concerning Step 3, the selection and development of the company's next president.



Evaluation of Effectiveness of the Board of Directors

In accordance with the Basic Policy for Corporate Governance, we have conducted an annual analysis and evaluation of the effectiveness of the Board of Directors based on directors' self-assessments.

The evaluation of the effectiveness of the Board of Directors for fiscal 2024 (April 2024 to March 2025) was carried out according to the following procedure.

- 1 **Purpose:** Analyze and assess the effectiveness of the Board of Directors as a whole and reflect the results in initiatives for the next fiscal year
- 2 **Implementation period:** April to mid-May 2025
- 3 **Procedure:** 1. Survey (for all six board members and all three Audit & Supervisory Board members); 2. Individual interviews with all outside directors and outside Audit & Supervisory Board members; 3. Third-party (lawyer) review
- 4 **Reporting of results:** The results of the effectiveness evaluation are reported and discussed at the May meeting of the Board of Directors.

■ Survey Details

- | | |
|---|---|
| 1 Overall effectiveness of the Board of Directors | 5 Contributions of officers |
| 2 Composition of the Board of Directors | 6 Oversight of execution |
| 3 Operation of and support for the Board of Directors | 7 Personnel and Compensation Committee |
| 4 Deliberations at Board of Directors meetings | 8 Several questions per each of the eight areas to address with respect to issues from the previous fiscal year |

■ Survey Results (Overall)

● There were 39 questions with a five-point achievement scale. Of these, 35 had an average score of 4 or higher. In particular, the “Personnel and Compensation Committee,” “Proceedings and constructive discussions,” and “Contribution of the Board of Directors” received high scores of 4.8 or above. Conversely, four items scored in the 3-point range, with the lowest score of 3.3 given to “Management and supervision of subsidiaries,” the same as last year.

● Compared to the previous year, 23 items scored higher, 11 items scored lower, and 4 items scored the same. The main items that scored higher were “Proceedings and constructive discussions” and “Personnel and Compensation Committee Evaluation,” up 0.8 points, while the main items that scored lower were “Collaboration between the Audit & Supervisory Board (members) and the Board of Directors” and “Internal control system,” down 0.5 points.

■ Survey

(Evaluation of Issues from the Previous Year's Effectiveness Evaluation Results and Initiatives)

Based on the results of the effectiveness evaluation of the Board of Directors for the previous fiscal year, the board identified three operational issues as challenges for fiscal 2024 and implemented initiatives. An outline of these initiatives and the results of the survey evaluations (scores) are presented below.

1 Discussion of the appropriate form of the new Medium-Term Management Plan, starting with the formation of a consensus on management strategy: 4.6 points

At the aforementioned directors' roundtable meetings, directors held timely discussions on medium- to long-term strategies and the Medium-Term Management Plan 15 times throughout the year in a diverse, flexible, and open atmosphere.

2 Improve the system for post-hoc reporting and review of Board of Directors agenda items: 4.3 points

The Company initiated a mechanism to promote post-hoc reporting, by sharing the content of board meetings with corporate officers, and to conduct reviews through the Investment Screening Committee.

3 Continued discussion of succession planning for the president: 4.3 points

During fiscal 2024, the president reported on next-generation management personnel development plans to the Personnel and Compensation Committee in June and February, with the aim of maintaining regular reporting (at least once per year).

4 Adoption and operation of the Board of Directors Operation Policy: 4.4 points

Based on the effectiveness evaluation report of the previous fiscal year, the directors formulated a Board of Directors Operation Policy, including issues with which the board should engage, measures to address these issues, and the priority agenda items planned for each year. The policy was reported by the chair at a board meeting.

■ Third-Party Review

For the third-party evaluation, we presented the results of our surveys and interviews to an outside lawyer with expertise in corporate governance. This lawyer conducted a review of our effectiveness evaluation methods and the issues derived from the evaluation results.

Our evaluation of the Board of Directors' effectiveness was appraised as follows.

● As in fiscal 2023, our evaluation methodology was to conduct interviews with outside directors and outside Audit & Supervisory Board members, in addition to a survey asking each director and Audit & Supervisory Board member to provide a rating and an open-ended response to the questionnaire items. This methodology

remains appropriate and effective. Respondents provided candid comments.

● Reviewers raised the following evaluation points: 1. Active discussions were held regarding the formulation of the new Medium-Term Management Plan; 2. There was an improvement in information sharing with outside directors regarding the status of subsidiary businesses; 3. The Personnel and Compensation Committee is operating at a high level; 4. There are substantial opportunities for communication between outside directors and the executive team.

● There is room for improvement in the following areas. Reviewers suggested holding discussions on the effectiveness of the board of directors during each fiscal year and, since discussions on the formulation of the Medium-Term Management Plan have been completed, setting new priority agenda items and evaluating the adequacy of these discussions.

■ Results Summary

● In fiscal 2024, the Company's Board of Directors was composed of six directors (three internal and three outside) and three Audit & Supervisory board members, forming a small team. In the effectiveness evaluation, overall, the Board of Directors was deemed to have attained a high level of effectiveness.

● In particular, regarding “Discussion of the appropriate form of the new Medium-Term Management Plan, starting with the formation of a consensus on management strategy,” which was highlighted as an issue to address in fiscal 2024, the vigorous and ample discussions held at meetings of the directors' roundtable and the Board of Directors were highly evaluated.

● Regarding the second issue, “Improve the system for post-hoc reporting and review of Board of Directors agenda items,” respondents observed improvements in the system. While they highly evaluated the actual post-hoc reporting of multiple cases and monitoring reports on investment projects, they also expressed a desire for further continuation and development in the future, and several respondents noted that discussions and reports concerning subsidiary management are insufficient.

● Some respondents commented on the considerable need, from a medium- to long-term perspective, to discuss business portfolio management, human resource strategy, subsidiary management, cross-shareholdings, the governance structure, and other related matters from fiscal 2025, the first year of the new Medium-Term Management Plan.

■ Future Tasks

It is extremely important to improve the effectiveness of the Board of Directors, which oversees our company's sustainable growth and enhancement of its medium- to long-term corporate value. Fiscal 2025 marks the beginning of the new Medium-Term Management Plan, and the Board of Directors is dedicated to verifying the progress of the plan. At the same time, it must adopt a medium- to long-term perspective, linking its decision-making on important matters and its supervision of business execution by corporate officers to the maximization of corporate value. In light of these points, it has been concluded that the following three tasks must be undertaken.

- 1 Ensure the continuation of post-hoc reporting and review of Board of Directors agenda items
- 2 Enhance supervision of the management of subsidiary companies
- 3 Supervise progress on the Medium-Term Management Plan and participate in more in-depth discussions of priority agenda items

■ Including Tasks in the Board of Directors Operation Policy

We have included our responses to the three tasks based on the above-described effectiveness evaluation results in our FY2025 Board of Directors Operation Policy, certified by the Chairperson of the Board. This was explained and communicated at the board meeting held immediately after the annual general meeting of shareholders.

Board of Directors Support System

As a company listed on the Prime Market, we are required to enhance our corporate governance. Therefore, in order to support the operation of the Board of Directors, we established a Board of Directors Office staffed by the dedicated employees responsible for secretarial duties and for pursuing measures that help improve the effectiveness of the board. For outside directors, the office provides opportunities to attend site tours of architectural construction and civil engineering projects, technical research presentations, branch management review

meetings, and group company reporting sessions, as well as supplying and explaining board meeting documents prior to meetings to facilitate the timely provision of information. In addition, the office is responsible for planning and running the aforementioned roundtable discussions, and also undertakes secretarial duties for the Personnel and Compensation Committee. In fiscal 2025, the office also assisted in the selection of new candidates for the position of outside director.

Enhancement of Auditing Systems

We have adopted a system of audit & supervisory board members, under which four Audit & Supervisory Board members (of which three are outside Audit & Supervisory Board members) attend meetings of the Board of Directors and audit the status of the directors' execution of their duties by visiting operating units. We also maintain the effectiveness of our audits by arranging opportunities to share management information with the representative directors and the accounting auditors on a regular basis and to attend various corporate meetings.

The Auditors Office is a division that assists Audit & Supervisory Board members in their duties. Our rules call for

personnel and organizational changes in this office to be determined in advance by the Audit & Supervisory Board or in accordance with advice sought from auditors designated by the Audit & Supervisory Board. This arrangement maintains the independence of staff of the Auditors Office from the directors and executive divisions. (Refer to "Board of Directors, Audit & Supervisory Board Members, and Officers" on P. 91-92 for attendance records of the Personnel and Compensation Committee, Board of Directors meetings for each director, and Audit & Supervisory Board meetings for each Audit & Supervisory Board member in fiscal 2024.)

Enhancement of Internal Controls

Toda Corporation's Board of Directors has resolved on basic policies on creating internal control systems to ensure the appropriateness of operations in accordance with the Companies Act, and we are working to ensure its establishment and proper operation to strengthen our management foundation. The status of internal control systems is overseen by the Internal Control Division and reported to the Board of Directors.

For Group companies, the management regulations both domestically and internationally specify matters that require prior approval from, or reporting to, the Company. Matters of significant importance to management are submitted to or reported at meetings of the Company's Board of Directors and other bodies. Additionally, the Strategic Business

Promotion Group, which oversees the management of Group companies, provides thorough support and guidance through daily monitoring and regularly holds meetings to facilitate information sharing among Group companies.

We have also established an Internal Audit Division as an internal audit unit that conducts regular audits of the status of operations in the various internal departments and divisions, as well as Group companies. Audit results are reported to the President, the Board of Directors, and the Audit & Supervisory Board, and the Board of Directors evaluates and monitors the division's effectiveness. The Internal Audit Division aims for mutual coordination between accounting and internal auditors, including the regular exchange of opinions.

Compensation for Directors and Corporate Officers

Compensation for directors and corporate officers is set at a level that enables us to secure and retain management talent. On this basis, we have also introduced performance-linked compensation with the aim of improving medium- and long-term business performance, increasing corporate value, and promoting a shareholder-oriented management mindset.

In fiscal 2024, the Personnel and Compensation Committee deliberated on five occasions regarding issues such as the compensation system for corporate officers. We have decided that, in fiscal 2025, we will revise the levels and structure of compensation according to the roles, responsibilities, etc., expected of officers, and implement a partial revision of the evaluation metrics, etc., for executive compensation aimed at providing appropriate incentives in annual bonuses and share-

based compensation. Based on this, we have also reviewed and revised our policy on compensation for directors and corporate officers (resolved by the Board of Directors in May 2025).

Our basic approach to compensation for directors and corporate officers is presented below.

Basic Approach to Compensation for Directors and Corporate Officers

- Under the Toda Group's Global Vision, "a corporate group that realizes 'joys,'" the compensation system shall be designed to communicate with various stakeholders and contribute to sustainable growth over the medium to long term.
- In order to maximize the value of the company as a whole, the compensation system shall be designed to motivate driving appropriate growth in each business with a view to overall optimization.
- Compensation shall be designed to ensure rationality and a transparent decision-making process.

■ Compensation Levels and Structure

Levels of compensation shall be set appropriately in comparison with listed companies of a similar size in Japan, with reference to compensation data and other objective information provided by an external specialist organization.

Compensation for directors and corporate officers shall consist of basic compensation, performance-linked compensation (annual bonuses), and share-based

compensation. The proportions of each type of compensation shall be commensurate with position, within the range of approximately 1 : 0.35–0.45 : 0.35–0.45 for basic : performance-linked : share-based compensation (1 : 0.40–0.50 : 0.40–0.50 after the revision). Two thirds of the share-based compensation shall be performance-linked and one third non-performance-linked.

Composition of Compensation Structure: Example of President and Representative Director's Compensation (Post-revision)

Basic compensation (1.0) 50%	Annual bonuses (0.50) 25%	Share-based compensation (0.50) 25%	
		Performance-linked (0.33) 17%	Non-performance-linked (0.17) 8%

Compensation for directors who do not concurrently serve as corporate officers shall consist of basic compensation and share-based compensation (non-performance-linked portion only). The proportions of each type of compensation shall be approximately 1 : 0.55 for basic : share-based compensation (1 : 0.55 after the revision) for internal directors and 1 : 0.1 for basic : share-based compensation (1 : 0.1 after the revision) for outside directors.

(Reference) Composition of Compensation for Corporate Officers, Outside Directors, and Audit & Supervisory Board members

	Basic compensation	Annual compensation	Share-based compensation Performance-linked	Share-based compensation Non-performance-linked
Corporate officers (including those concurrently serving as directors)	○	○	○	○
Outside directors	○	—	—	○
Audit & Supervisory Board members	○	—	—	—

■ Basic Compensation and Annual Bonuses

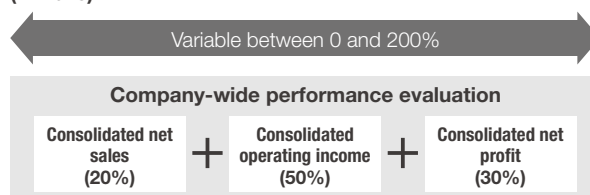
Basic compensation is set based on position and paid monthly.

Annual bonuses are provided as performance-linked compensation to raise awareness of the need to improve performance each fiscal year. The performance evaluation period is one year, and payment is made at a certain time each year. The President and Representative Director shall receive only a company-wide performance evaluation, while all others shall receive a company-wide performance evaluation (weighted at 70%) and an individual performance evaluation (weighted at 30%).

From fiscal 2025, the indicators for company-wide performance will be consolidated net sales (weighted at 20%), consolidated operating income (weighted at 50%), and consolidated net profit (weighted at 30%). The amount paid will vary between 0 and 200% of the

standard amount for each position, depending on the degree to which targets are achieved in the company-wide performance evaluation and individual performance evaluation (except for the President).

Company-Wide Performance Evaluation for Annual Bonuses (FY2025)



■ Share-Based Compensation

Share-based compensation comprises a performance-linked portion aimed at raising awareness of improving medium-term business performance and a non-performance-linked portion aimed at raising awareness of improving long-term corporate value.

The performance-linked portion is based on the achievement of performance targets for three years after points are awarded, at a certain time each year (with one point equivalent to one share). Shares are delivered three years later. Performance evaluation shall consist of company-wide performance evaluation and ESG evaluation.

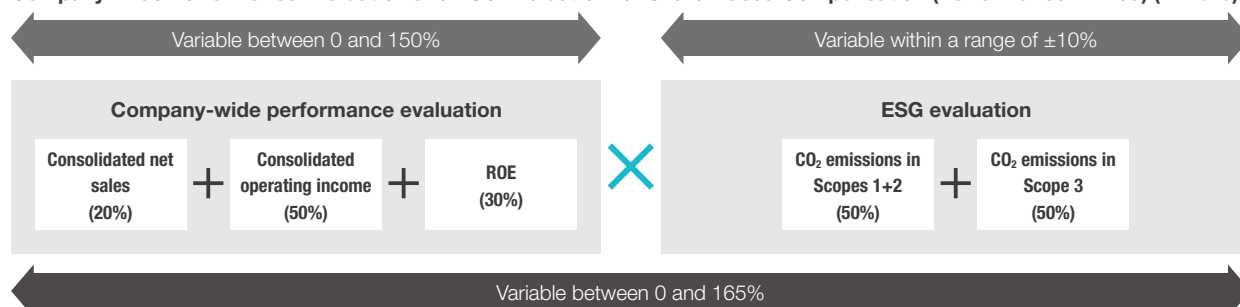
The indicators for company-wide performance will be consolidated operating income (weighted at 50%), ROE (weighted at 30%), and consolidated net sales (weighted at 20%), which are emphasized in the Medium-Term Management Plan. The number of shares to be granted will

vary within a range of 0 to 150% (assuming a rate of 100% when targets are achieved), depending on the achievement of the targets set at the time points are granted (at the beginning of each performance evaluation period).

The ESG evaluation will be based on CO₂ emissions in Scopes 1+2 (weighted 50%) and CO₂ emissions in Scope 3 (weighted 50%), which are emphasized in the practice of ESG management to enhance corporate value. The number of shares to be granted, calculated based on the company-wide performance described above, will vary within a range of ±10%, depending on the achievement of the targets set at the time points are granted (at the beginning of each performance evaluation period).

The non-performance-linked portion is based on points awarded at a certain time each year, and shares equivalent to the accumulated points are delivered upon retirement from any position as director or corporate officer.

Company-Wide Performance Evaluation and ESG Evaluation for Share-Based Compensation (Performance-Linked) (FY2025)



Thoroughly Enforce Compliance

■ Definition of Compliance

At the Toda Group, we define compliance as “not only complying with laws and regulations, but also acting based on our Corporate Philosophy and social ethics; it also refers to the establishment of rules, regulations, and systems to ensure that such actions are carried out.”

■ Compliance System

The Group’s compliance initiatives are managed within the corporate governance and compliance structures. In 2015, we established the “Head Office Compliance Committee,” formerly the “Corporate Ethics Committee,” at Head Office and the “Branch Compliance Committees” at all branch offices to institute compliance-conscious business execution and oversight systems, as well as promote awareness and education. Close cooperation between Head Office and our branches has been maintained up to the present day.

Through the leadership of the Head Office Compliance Committee, chaired by the president, we have developed the Toda Group Corporate Code of Conduct and other related regulations, and established and continue to operate a reporting and consultation service (corporate ethics hotline).

■ Toda Group Corporate Code of Conduct

We have established the Toda Group Corporate Code of Conduct as a guideline that each employee of Toda Group companies should be mindful of and reflect in their daily conduct, to promote compliance-based management and put our Corporate Philosophy into practice. A booklet titled *Compliance at the Toda Group*, which includes the Code of Conduct, is distributed to all Group employees and used in departmental training and other activities. In addition, a compliance card summarizing the Group’s Corporate Philosophy in a portable format is distributed to all employees to promote their understanding of the Corporate Philosophy and how to reflect it in daily work.

■ Confirming Compliance when Receiving Orders

The Group considers compliance violations in the process of receiving orders to be a significant risk event. In order to ascertain and visualize compliance issues, we have established a “Compliance Confirmation Form,” which requires the person in charge of each individual sales project to check for misconduct and corruption, and submit the form to the secretariats of the Branch Compliance Committees, thereby ensuring that sales activities are conducted in compliance with laws and internal regulations.

Compliance Education and Awareness Surveys for All Officers and Employees

The department in charge of compliance at Head Office conducts various training programs to raise awareness of compliance and to improve knowledge of laws and regulations relating to our business operations. In fiscal 2024, we continued to disseminate information on recent issues related to compliance and our compliance system, through face-to-face training for all branches and Group companies and various training programs requested by individual divisions.

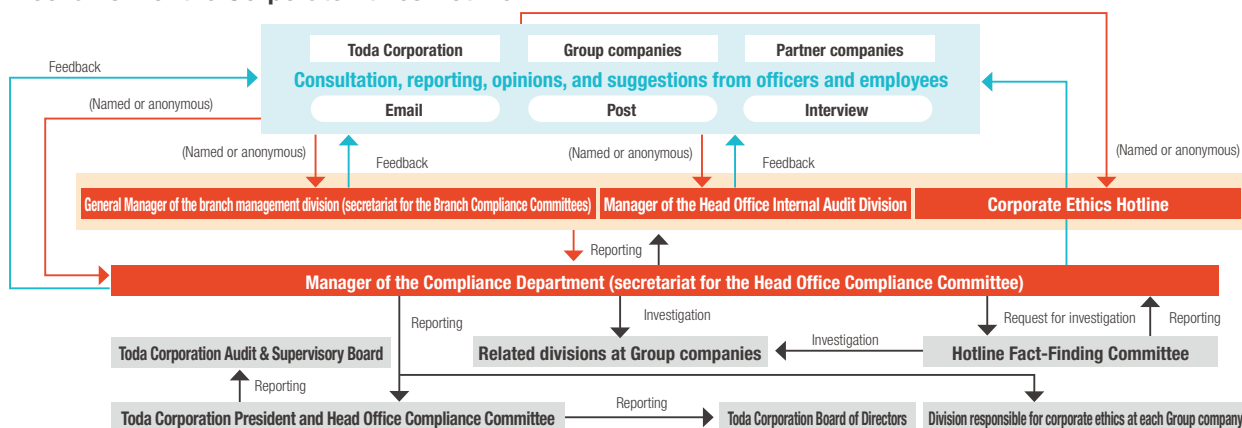
We also use an e-learning system to provide training on compliance for all employees twice a year, and for in-person training for newly hired employees upon hiring. In addition, in order to objectively confirm the effectiveness of compliance measures and activities and make further improvements, we have conducted a compliance awareness survey of the employees of all domestic Group companies and ascertained their degree of understanding.

Mechanism of the Corporate Ethics Hotline

The Corporate Ethics Hotline has been established as a contact point for reporting or consulting when acts are discovered that violate or may potentially violate the Toda Group Corporate Code of Conduct. Using this hotline, employees can help prevent problems before they occur and facilitate early resolution. The

Corporate Ethics Hotline addresses a wide range of compliance issues, including legal violations such as breaches of antitrust or bribery regulations, violations of internal or external rules, and labor issues. It is available not only to employees of Group companies but also to those at partner companies.

Mechanism of the Corporate Ethics Hotline



A Board of Directors that Promotes “Growth and Dialogue”

Amid an increasingly challenging business environment for the construction industry, the Board of Directors, composed of diverse members, supports Toda Corporation's sustainable growth by making decisions from a medium- to long-term perspective and promoting dialogue with stakeholders. The Chairperson of the Board, who leads it, shares his thoughts on this topic.

Chairperson of the Board
Chairperson and
Representative Director
Imai Masanori



Toward Sustainable Growth: Sharing Our Vision

For a company to achieve sustainable growth, it is essential to establish a clear vision and have every employee share that vision and practice it daily. In corporate management, the continual enhancement of the company's uniqueness and our response to the demands of the times and society are just as important as increasing revenue and business scale.

Since I became President and Chairperson of the Board in 2013, Toda Corporation has thoroughly reexamined its reason for purpose, mission, and the values and technological capabilities it should uphold. In 2015, we formulated our vision to be “a corporate group that realizes ‘joys.’” This vision embodies integrity, spirit of challenge, and desire to contribute to social development through the manufacturing that we have valued throughout our history.

Despite significant changes in the corporate environment, we are confident that maintaining such unwavering principles differentiates us from other companies and leads to further sustainable growth for the Toda Group. At the same time, our advanced technological capabilities, practical expertise, and the diversity of our human resources are effective sources of competitive strength. Moving forward, we will continue to undertake consistent action, from decision-making to on-site practice, in line with the direction indicated by our vision,

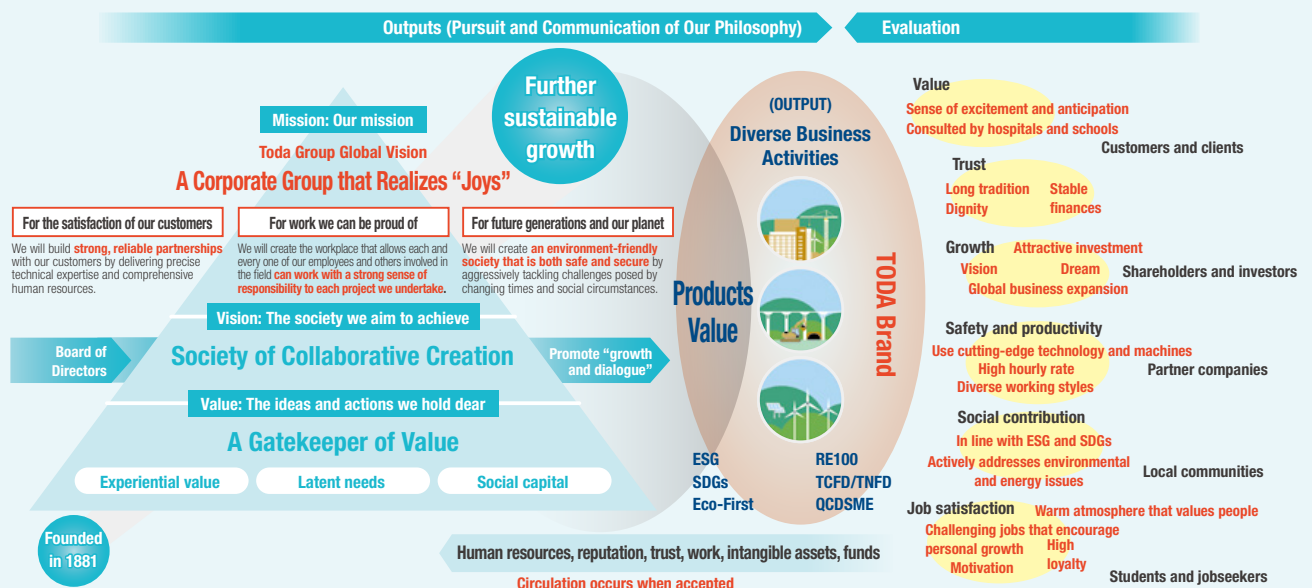
aiming to meet the expectations of all stakeholders and to remain a company that continues to be needed by society.

I believe that the role of the Board of Directors within this framework can be summed up in its promotion of “growth and dialogue.”

Our Business Environment and the Role of the Board of Directors

Our business environment is becoming increasingly complex year by year, and we have truly entered an era of VUCA: high volatility, uncertainty, complexity, and ambiguity. Recent economic trends, geopolitical risks, changes in the supply chain, as well as critical social needs relating to issues such as labor shortages in the construction industry and carbon neutrality, are all having a significant impact on corporate management. In addition, Japan's listed companies are facing even more stringent demands from investors and shareholders for accountability and the enhancement of corporate value in the context of Japan's Corporate Governance Code, established in line with the government's industrial policies.

In this challenging environment, the Board of Directors must enhance its supervisory functions over management and its ability to engage with stakeholders. By assembling members with diverse expertise, including outside directors, we have strengthened our governance structure. In particular, since 2022, we have increased the proportion of outside directors to more than half, facilitating both management oversight and strategic



recommendations. This allows us to incorporate perspectives from both outside and inside the company in a balanced manner, enabling decisions that focus on medium- to long-term value creation rather than being constrained by short-term results.

Turning our attention to the Company's stakeholders, we believe that the Company's sustainable growth leads to true benefits not only for employees and their families but also for customers, partner companies, shareholders and investors, and the wider community. As a collective entity, a company must think beyond short-term profits and manage its businesses from a long-term perspective. We have a responsibility to act with a long-term view, considering not only short-term results in the coming year or two but also looking ahead to the next decade and beyond. At the same time, amid ceaseless changes in society and the market environment, it is necessary to make timely, appropriate, and precise adjustments while carefully assessing trends and outcomes.

Board members must firmly share the vision, adopt a comprehensive perspective on both internal and external matters, update their knowledge and common sense, and, through practical governance, steadfastly guide the future of the company and its stakeholders.

Board of Directors Skills Matrix

As Chairperson of the Board, I believe that the active intersection of insights from directors and Audit & Supervisory Board members with diverse backgrounds is the driving force behind sustainable growth and risk resilience. In fiscal 2024, the board comprised nine members in total—six directors and three Audit & Supervisory Board members—including three outside directors. These outside directors provide strict oversight of management decisions from an external perspective and enhance investment decision-making, business transformation, risk management, and sustainability-based management by applying the expertise they have gained in fields outside the construction industry. In particular, the formulation of the new Medium-Term Management Plan (hereinafter referred to as the “medium-term plan”) was achieved through careful discussions over the course of a whole year. Specifically, after each regular board meeting, we held directors' roundtable meetings for further discussion. In the first half of the fiscal year, we discussed long-term management strategies for each business and function, with our vision for 2030 and 2040 in mind. In the second half, we reviewed the current medium-term plan and discussed the draft of the new one. Throughout the year, we held 15 sessions for the in-depth and active exchange of opinions between the executive team and board members. We also used two board meetings to deliberate on and refine the final draft of the new medium-term plan.

This year saw the launch of the new Medium-Term Management Plan 2027, which marks Phase 2 of the Future Vision CX150. We took this opportunity to reexamine what skills the Board of Directors should have in light of this new medium-term plan and confirmed that we must strengthen our skills in “corporate management,” “DX,” and “global business.”

In fiscal 2025, we welcomed Mr. Mizuhara Kiyoshi as a new independent outside director. Mr. Mizuhara has extensive experience in corporate management as Representative Director at Komatsu Ltd., a global construction machinery company with strong DX capabilities, and also possesses advanced knowledge of global business through his experience as CMO and various overseas assignments. We believe that this further enhances the balance of the board's skills matrix.*1

*1 Refer to P. 91 for the skills matrix of the entire Board of Directors.

Relationship Between the Board of Directors and the Executive Team

The internal directors on Toda Corporation's Board of Directors consist only of myself, the President, and the Executive Vice President overseeing corporate functions. Currently, as I am a non-executive director, explanations and reports on important business execution matters are presented by the President, the Executive Vice President, or by the responsible corporate officer or division head. In particular, the Executive Vice Presidents who are the Group General Managers of the Architectural Construction Business Group, Civil Engineering Business Group, and Strategic Business Promotion Group, frequently attend board meetings and directors' roundtable meetings, providing explanations that clearly outline the positioning and importance of each project within the Company's management. I believe that the Board of Directors and the executive team, centered around the corporate officers, are not in opposition or a hierarchical relationship, but rather work in tandem as the two wheels that drive management. The Board of Directors has the responsibility to determine the company's major direction, including the medium- and long-term management strategies, work together with the executive team to make decisions on important business matters, and provide effective oversight by receiving reports on the execution of the duties delegated to corporate officers. In reality, discussions can sometimes become heated and take on an adversarial feel. However, through our frank mutual views and debates, including problem-raising from a shareholder perspective led by outside directors, as well as through dialogue at directors' roundtable meetings and other forums, we feel that the roles and relationships of both the board and the executive team are progressing toward an appropriate form.

Toward Further Improvement in the Effectiveness of the Board of Directors

The Company's Board of Directors has actively promoted the appointment of outside directors since 2014, achieving significant progress in terms of management transparency and accountability. I particularly feel that the lively exchange of opinions, together with candid feedback, has contributed to deepening our corporate culture and governance.

Furthermore, we ensure that the Board of Directors' effectiveness evaluation*2 reliably follows a PDCA (Plan-Do-Check-Action) cycle every year, as we strive to improve its effectiveness. In this evaluation, we avoid mere formalities, highlighting issues for the board to tackle from the evaluation results, then formulating and implementing improvement measures and verifying them on an ongoing basis.

*2 Refer to P. 80 and P. 81 for our evaluation of the effectiveness of the Board of Directors.

In recent years, we earnestly recognize the requirement for Japan's publicly listed companies to engage in “management that is conscious of the cost of capital and stock price” to revitalize the national economy. The Board of Directors regards the sustainable enhancement of corporate value as a major management issue and will continue to make prudent and balanced decisions and provide sound management oversight, while promoting long-term growth strategies aimed at improving business performance and the sustainable expansion of shareholder returns.

I am convinced that, with the Board of Directors supporting the revitalization of business activities in this way, the Toda Group will achieve sustainable growth, and that this is the way to bring “joys” to all our stakeholders, which is what we aim for in our Global Vision.



Three-Way Dialogue among Outside Directors

Earnest Dialogue that Creates Corporate Value Our Outside Directors Talk about Strategic Growth and Governance

Three outside directors exchanged views on the formulation process and governance evolution of the Medium-Term Management Plan 2027. In addition to ambitious financial targets, they shared their visions for the future of the Toda Group, emphasizing dialogue with stakeholders through innovative projects that highlight Toda's uniqueness, such as SECC and offshore wind power generation.

High Evaluation of the Medium-Term Management Plan 2027 Formulation Process

Itami: The Company has formulated the new Medium-Term Management Plan 2027 (hereinafter referred to as the "medium-term plan"). Positioned as Phase 2 of the Company's strategy to achieve its Future Vision CX150, the plan focuses on "value restructuring." In response to the uncertain business environment ahead, it sets forth the Company's determination to identify and leverage its solid strengths and to create distinctive value that enhances the competitive advantages of the Toda Group. Personnel from a wide range of divisions and departments participated in the formulation of the medium-term plan, leveraging their convergence knowledge, and I believe it contains highly meaningful content. It sets ambitious targets, including ROE of 10.0% or more, DOE of 3.5% or more, a total return ratio of approximately 70.0%, and a D/E ratio of 0.8 or less. I feel a strong commitment from all employees, guided by the management team. I am confident that this commitment will lead to favorable outcomes.

Arakane: In recent years, there is an increasing feeling, even in Japanese companies, that medium-term plans themselves have become redundant. However, I believe that medium-term plans have value as a shared

landmark, enabling all employees to work toward a common goal. Equally important is the process of creating them. While some plans may be formulated using a top-down approach or built bottom-up by simply aggregating numerical targets from each department. However, this medium-term plan is neither. It began with a creation of a "strategy book" that summarized the medium- to long-term management strategy for employees. The three-year plan was then formulated in tandem with discussions on how each employee can personally engage with the larger objectives. As outside directors, we also shared in this process and were able to establish the plan in a form we all believed in.

Muroi: Independent outside directors are responsible for monitoring and supervising the company from a position separate from the executive team. It is therefore essential for us to reflect the perspectives of stakeholders such as shareholders, customers, employees, business partners, and the local community. During the formulation of this medium-term plan, I repeatedly raised issues to strengthen the process, suggesting, for example, that higher targets should be set in light of feedback from the capital market and shareholders. The executive team also demonstrated a deep understanding of stakeholder

expectations, voluntarily setting ambitious targets that require additional effort and submitting them to us for approval. I was greatly reassured by this sound process.

Arakane: In fiscal 2024, we held directors' roundtable meetings nine times in the first half and six times in the second half, making a total of 15 meetings, during which we discussed the Company's management strategy and medium-term plan. Unlike regular board meetings, these roundtables serve as a forum for open discussion without requiring votes on resolutions. I am certain that the executive team also convened numerous strategy meetings in preparation for submitting proposals to the directors' roundtable. Given this extensive preparation and discussion, I believe that the process that went into formulating the plan was of very high quality.

Muroi: The executive team had a strong determination to make this happen, no matter what. At first, there were aspects of the plan that we, as outside directors, found difficult to fully grasp. However, through repeated dialogue, we came to appreciate their significance in light of the Company's culture and ethos.

Itami: I was also very impressed by the way the Company used the strategy book to identify issues that should be addressed over the medium- to long-term, discuss its vision for the Toda Group, and clarify the goals to be achieved over the next three years. This process has enabled the Company to establish a new and unprecedented framework, which I value highly. Looking ahead, I believe it is essential to continue these discussions and to maintain an attitude of constantly reviewing whether any adjustments are needed to the current plan targets.

Muroi: This medium-term plan is not just about the numbers; it also encompasses many visionary initiatives, such as floating offshore wind power generation, the Smart Energy Complex City (SECC), and Agriscience Valley Joso. If these projects succeed, they will create spaces cherished by local communities across Japan. Such achievements would represent a distinctive differentiation strategy for the Toda Group and a genuine demonstration of its convergence knowledge.

Engaging in Rigorous Debates at Board Meetings, While Leveraging Directors' Roundtable Meetings

Arakane: The Board of Directors is responsible for deliberating and making decisions on the matters submitted to it. In this context, I believe that in fiscal 2024, the separately established directors' roundtable played a particularly significant role. While the term "roundtable" might evoke the image of a pleasant, casual conversation, in practice we engaged in active discussions on the measures necessary to enhance the Company's value. In fiscal 2024, the roundtable meetings focused on the medium-term plan. As outside directors, we voiced a wide range of opinions, which the executive team sincerely considered and incorporated into the plan. I think these roundtable meetings provided highly valuable opportunities, including their approach to the involvement of outside directors.

Itami: I also felt that board meetings alone did not provide sufficient time, and therefore I believe that the directors' roundtable meetings made a significant contribution to the formulation of the medium-term plan. Group general managers and corporate officers also participated, enabling substantial and in-depth discussions, which I found to be highly intensive and meaningful. After each roundtable meeting, the three of us would continue our conversations upon return to our offices, reflecting on how the meeting had gone and considering what might be needed for next one. These conversations helped us to provide input at subsequent board meetings and directors' roundtable meetings.

Arakane: Director Muroi, you also have extensive experience at other companies. How do you view this?

Muroi: Toda Corporation is a company with an Audit & Supervisory Board, so the law requires that certain resolutions must be deliberated on by the Board of Directors. However, in essence, the board's role and purpose are to discuss the company's overall vision, medium- and long-term strategies, and future goals, as well as to discuss the business portfolio with capital efficiency in mind. In the past, many boards in Japan may have been too occupied with minor matters to devote sufficient time to major issues. In recent years, however, the Prime Market as a whole has been moving in the right direction, allocating time to important topics and engaging in thorough debate. I feel that the Toda Group is at the forefront of this trend. The three of us, as outside directors, tend to speak our minds without much deference, even though this might be tough for the executive team.

Itami: In other words, I think we are able to engage in truly open and free discussions because our psychological safety is sufficiently ensured.

Arakane: Beginning around fiscal 2024, the Company revamped its investment review system, which has fostered more active and engaged discussions on investment projects.

Itami: This awareness led to the establishment of the Investment Review Committee in 2024, with the purpose of strengthening the Company's risk assessment and monitoring functions for investment projects. To date, post-hoc evaluations have been carried out for more than 40 investment projects, and I have high expectations for the role the Investment Review Committee will play going forward.

We must convey the Toda Group's aspirations more passionately to stakeholders.

—Muroi Masahiro

PROFILE

Muroi Masahiro After engaging in system development, technology development, and business development at Nomura Research Institute, Ltd., Mr. Muroi was appointed as Director there in 2000, responsible for the new business solutions division. From 2013, he served as Representative Director and Executive Vice President, overseeing the headquarters organization, risk management, and other key areas. In 2015, he became Director, Vice Chairman, responsible for chairing board meetings. Since then, he has served as an independent outside officer at several companies. In June 2022, he became an outside director of Toda Corporation, where he draws on his extensive management experience and expertise in the IT field to contribute to active board deliberations from an independent and objective perspective.

June 2000: Director, Nomura Research Institute, Ltd.
June 2013: Representative Director and Executive Vice President, Senior Management, Corporate Division
June 2015: Director, Vice Chairman & Chair, Board of Directors
June 2016: Outside Director, RYODEN Corporation
June 2017: Outside Director, MARUI GROUP CO., LTD.
June 2018: Audit & Supervisory Board, The Norinchukin Bank (to present)
June 2022: Director, Toda Corporation (to present)



Muroi: At board meetings, we rigorously examine each investment project, with particular focus on improving ROIC, IRR, and NOI yield. At the same time, it is important to advance projects with the conviction that they are strategically indispensable. Investment discipline has become stricter, making it somewhat harder for the execution team to submit proposals, but I would be happy to consider proposals for ambitious investments that overcome these hurdles and embody a forward-looking vision.

More Constructive Engagement with Shareholders and Institutional Investors

Arakane: At the general meetings of shareholders in fiscal 2022 and 2023, the Company received shareholder proposals from institutional investors. The Board of Directors carefully discussed the content of these proposals and expressed the Company's opinions. Even prior to that, we had been working to promote constructive dialogue with institutional investors. I had my first meeting with overseas institutional investors two years ago. It provided a valuable opportunity to reflect deeply on fundamental questions, such as whom the company belongs to, how we should approach the stock price, and how shareholders and investors perceive the company's operations.

Itami: We sincerely appreciate the opinions of our shareholders and investors. It is important to carefully consider the context and concerns behind such views, engage in thorough discussion, communicate the conclusions, and foster understanding. Opinions that should be accepted must be embraced with humility, while those that cannot be accepted should be addressed with clear and reasoned explanations. I believe it is essential to follow this process diligently and with care.

Arakane: Many companies tend to communicate with shareholders and investors by disclosing only past results and short-term goals that extend from them. Yet what the market truly seeks is not the announcement of strong performance or the acceptance of convenient shareholder proposals, but genuine dialogue. What we think, what we value, and what are we striving toward? Where are the gaps between our thinking and that of shareholders and investors? And what efforts will we make to close those gaps? I strongly feel that such dialogue is essential.

I feel a strong company-wide commitment to harnessing the convergence knowledge of each department and driving forward to achieve ambitious goals.

—Itami Toshihiko

Muroi: Over the past two to three years, feedback obtained through IR activities, including earnings briefings, meetings with institutional investors both in Japan and abroad, and sessions with securities analysts, has been reported to the Board of Directors, enabling open discussions with the participation of outside directors. In addition, the Company has been proactively disclosing information in English whenever it is deemed necessary for overseas investors.

Itami: Japan's Corporate Governance Code recognizes dialogue with shareholders as an effective means of appropriately strengthening the management foundation and promoting sustainable growth. Looking ahead, I believe it will be increasingly important to deepen mutual understanding through thoughtful and respectful dialogue with all stakeholders.

Arakane: I think the Company has long paid close attention to the voices of employees and business partners. By comparison, awareness of shareholders and investors seemed somewhat limited, but in recent years I feel that this awareness has been steadily increasing.

Itami: From fiscal 2025, the number of outside directors has increased to four, once again forming the majority of the Board of Directors. The Company has also clarified its approach to dividends and the total return ratio, while making progress on its policy to reduce cross-shareholdings. I feel that the board has engaged in particularly in-depth discussions on this issue. With the strengthened board structure, I expect we will be able to engage in even deeper discussions that incorporate external perspectives.

Arakane: I think that momentum has been growing for management to commit to achieving a higher stock price and ROE, after harsh criticism from outside directors regarding capital efficiency.

Itami: Certainly, I think awareness of the cost of capital has increased considerably.

The Highly Effective Activities of the Personnel and Compensation Committee

Arakane: As outside directors, we serve on the Personnel and Compensation Committee. The Committee is structured around two key areas: executive personnel matters, such as succession planning, and compensation matters, such as incentive systems for corporate officers. Three years ago, we revised the compensation system for directors and corporate officers, moving away from a seniority-based model to the one linked to the Company's financial results and performance. In fiscal 2024, we further revised the compensation system and evaluation metrics for corporate officers. These revisions were agreed upon by the executive team, and I believe they have created a stronger sense of motivation. By aligning the Company's long-term vision with individual responsibilities, the changes have helped each member gain a deeper understanding of their role.

Muroi: The Company's Personnel and Compensation Committee is a non-statutory body, but it fulfills functions

PROFILE

Itami Toshihiko After serving in key positions such as Chief Prosecutor of the Tokyo District Public Prosecutors Office, Deputy Prosecutor-General of the Supreme Public Prosecutors Office, and Superintending Prosecutor of the Osaka High Public Prosecutors Office, Mr. Itami has worked as a lawyer specializing in corporate governance, corporate crisis management, and compliance. He possesses extensive experience and advanced expertise in these fields. He was appointed as an outside director of the Company in June 2018, where he has applied this experience and knowledge to decision-making and oversight of business execution from an objective perspective as an independent director. Since June 2024, he has served as Chair of the Personnel and Compensation Committee, playing a central role in the committee's operations.

April 1980: Public Prosecutor, Tokyo District Public Prosecutors Office
July 2012: Chief Prosecutor, Tokyo District Public Prosecutors Office
July 2014: Deputy Prosecutor-General, Supreme Public Prosecutors Office
December 2015: Superintending Prosecutor, Osaka High Public Prosecutors Office
November 2016: Registered as an Attorney at Law
Advisor, Nagashima Ohno & Tsunematsu
June 2018: Director, Toda Corporation (to present)
June 2020: Outside Director (Audit & Supervisory Committee Member), JP-HOLDINGS, INC. (to present)
September 2025: WIN LAW OFFICE (to present)

The process of formulating the medium-term management plan itself had value, and it now serves as a pillar guiding all employees toward a common goal.

PROFILE

Arakane Kumi Ms. Arakane served as the head of research and development, product development, and quality assurance at KOBAYASHI KOSÉ COMPANY LIMITED (currently KOSÉ Corporation) and was involved in the execution and supervision of management as a director and Audit & Supervisory Board member there since 2011. She was appointed an outside director of Toda Corporation in June 2020, where she leverages her expertise as a Doctor of Pharmacology together with her extensive experience and insight in corporate management to contribute to decision-making and oversight of business execution from an objective perspective as an independent director.

March 2006: Executive Officer, Deputy Director-General of Marketing Headquarters and General Manager of Product Development Dept., KOSÉ Corporation
March 2010: General Manager, R&D Laboratories
June 2011: Director (in charge of Quality Assurance Dept., Customer Service Center, Purchasing Dept., and Product Designing Dept.)
June 2017: Audit & Supervisory Board Member
March 2020: External Director, Kagome Co., Ltd. (to present)
June 2020: Director, Toda Corporation (to present)
March 2021: Outside Director, Kubota Corporation (to present)

—Arakane Kumi



similar to the Nominating Committee and Compensation Committee in companies with a nominating committee, etc., under the Companies Act. Compensation for corporate officers consists of a mix of fixed pay, STI, and LTI. Most recently, we have increased the proportion of LTI by incorporating sustainability factors and capital efficiency indicators such as ROE into the KPIs.

Itami: I believe the process of appointing corporate officers has also become more transparent and effective, with open discussions on their aptitudes and other competencies.

Arakane: If not conducted properly, meetings of committees such as the Personnel and Compensation Committee can easily become mere formalities. At Toda Corporation, however, the Committee serves as a substantive forum for addressing important matters. In particular, we devote considerable attention to discussions on succession planning for senior executives, including the president.

Muroi: I was impressed by the breadth of the Committee's activities. All corporate officers undergo a 360-degree evaluation and behavioral assessment based on an 11-item competency framework, in addition to quantitative and qualitative evaluations of their achievements in the current fiscal year. Annual incentives are determined comprehensively based on these assessments. Succession planning is not only for the president but also includes corporate officers, and is implemented as a "next-generation management development program" for a large number of people. There are probably not many companies that implement such detailed programs for young employees. Toda Corporation also operates 12 branches across Japan, where each branch general manager is responsible not only for sales management and talent development, but also for building relationships with customers and the local community. Although their job title is "branch general manager," they play a role almost like a company president. Through this structure, the company is effectively nurturing future senior managers on a daily basis. As outside directors, we participate in the branch management meetings held annually around June. I think that these meetings, which last about two hours per branch, provide a very meaningful forum for reporting and discussing the management situation.

Arakane: Participating in these meetings has been extremely valuable for deepening our understanding of each branch's unique characteristics and the individual qualities of each branch general manager.

Itami: For subsidiaries as well, we annually hold the group companies strategy meeting for domestic subsidiaries and the local subsidiaries reporting meeting for overseas subsidiaries. Since fiscal 2024, outside

directors have also participated in these meetings, which has greatly enhanced our understanding of the management situation at the company's subsidiaries.

Management Issues for the Company

Itami: From the perspective of an outside director, I believe that securing and developing human resources is the key to addressing the management issues facing Toda Corporation. We must consider how to attract and retain talent, how to offset workforce shortages through automation and new technologies, and how to further strengthen succession planning and next-generation development programs. Addressing the issue of human resources in a comprehensive and integrated manner will be essential.





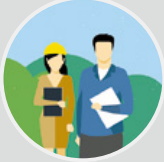
Arakane: In the medium-term plan, the Company continues to pursue its strategy of investing in and growing its core construction businesses, architectural construction and civil engineering. However, I believe the very nature of these businesses will change in the future. I have heard that the deeply rooted "contracting business" style is one of the characteristics of this industry, but looking ahead, it is indispensable to have talented personnel who can consider the technologies that will be needed in the future and identify new business domains. The medium-term plan also proclaims "shaping the future through the TODA Group's distinctive value." To realize this, it is vital to develop talent with both creativity and technical expertise, and to foster a corporate culture where these capabilities can firmly take root.

Itami: As the number of subsidiaries continues to grow both in Japan and overseas, it is important that we pay close attention to their management. I believe this, too, should be recognized as a key management issue.

Muroi: If I had to narrow our challenges down to just one management issue, it would be IR and PR (public relations). In recent years, the Company's IR and PR activities have advanced rapidly, even earning the Excellence Award in the Integrated Report Awards. Materials such as financial results announcements and medium-term management plans have also become much clearer and easier to understand. At the same time, the Company is made up of very sincere and earnest people. Because of this, I feel that they are not particularly adept at articulating and expanding upon their aspirations, and their communications can somewhat be too modest, which is something of a lost opportunity. Going forward, I hope that it will further sharpen its IR and PR skills to help shareholders, investors, and the general public, as well as other stakeholders, more deeply understand Toda Group's story of corporate value creation.

Communication with Our Stakeholders

Society is facing an increasingly difficult set of challenges, including climate change. By contributing to the resolution of a variety of issues through our business, the Toda Group is committed to ensuring that each and every employee has a clear understanding of the expectations and demands of society and stakeholders, as we strive to realize a sustainable society.

Stakeholder	Approach	Main activities and opportunities for dialogue	Issues / Explanations
Customers 	<p>In order to provide buildings that meet our customers' expectations, we are committed to emphasizing communication, thinking from the customer's point of view, and responding to customer feedback.</p>	<ul style="list-style-type: none"> • Construction site activities • Sales activities • Integrated report / Official site • Customer center service and support • Customer Satisfaction Survey (undertaken in fiscal 2022) • The TODA CREATIVE LAB "TODAtte?" corporate museum 	<ul style="list-style-type: none"> • Provision of buildings that meet customers' expectations • Timely and fair disclosure of information
Shareholders and investors 	<p>We are committed to meeting the expectations of our shareholders and investors, by disclosing corporate information fairly and impartially, emphasizing highly transparent management and communication, and fulfilling our accountability.</p>	<ul style="list-style-type: none"> • Annual General Meeting • Integrated report / Official site • Financial results briefings • Individual meetings 	<ul style="list-style-type: none"> • Held annually in June / Return of profits commensurate with performance • Timely and fair disclosure of information • Active promotion of IR and PR
Employees 	<p>We are committed to respecting the qualities and individuality of each of our employees, developing their abilities, respecting the individuality of others, and creating a work environment that is mutually considerate and provides job satisfaction.</p>	<ul style="list-style-type: none"> • In-house magazine / Official site • Labor-management conferences • Training and seminars • Employee engagement survey (conducted fiscal 2024) • Cultivation of loyalty • Sharing information on high-quality compliance 	<ul style="list-style-type: none"> • A work environment that provides job satisfaction • Development of abilities and appropriate assignment • Improvement and enhancement of systems
Suppliers 	<p>We are committed to building relationships of trust with our business partners by engaging sincerely, complying with laws and regulations, and conducting fair and impartial transactions while fulfilling our social responsibilities.</p>	<ul style="list-style-type: none"> • National Federation of Toda Riyukai Associations • Partnerships committee • Business Partner Satisfaction Survey (conducted fiscal 2023) 	<ul style="list-style-type: none"> • Fair business and co-creation relationship • Training of young technicians • Improving productivity • Succession and labor shortages
Local communities and external organizations 	<p>We are committed to contributing to the development of local communities and making them prosperous through our business activities. We are committed to promoting environmental initiatives not only in the construction industry but also through partnerships with NPOs, NGOs, and other organizations.</p>	<ul style="list-style-type: none"> • Construction site activities (ecosystems) • Community service activities • Site tours and site briefings • Receiving company visits • Collaborative activities with NPOs and NGOs 	<ul style="list-style-type: none"> • Participation in local events and volunteer activities • Information dissemination • Collaboration with related government agencies and municipalities

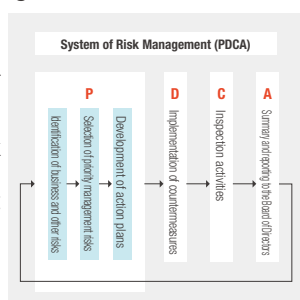
Risk Management

In order to enhance the safety and efficiency of Toda Group's operations, we have established a framework to appropriately identify and assess internal and external risks related to our business and manage them accordingly. Going forward, we will continue to implement appropriate risk management, including the development and operation of a business continuity plan (BCP) for responding to major natural disasters and infectious disease pandemics, as well as the establishment of a climate change risk management system.

Risk Management System

System of Risk Management

We have established organizational systems for Group-wide risk management, with the President bearing ultimate responsibility. Each department throughout the company is responsible for identifying risks that may have a significant impact on its management objectives and business activities, developing and implementing risk reduction measures, and taking the necessary cross-departmental measures to minimize damage and loss in the event that a risk materializes. Priority management risks are selected for each administration division, based on both business and other risks identified from a company-wide perspective and risks highlighted through departmental risk management activities. These priority management risks are then communicated to the relevant business departments. Reports on risk inspection activities and summary reports based on internal audits are regularly submitted to the Board of Directors, and we maintain a continuous PDCA cycle to ensure ongoing improvement.



Business and Other Risks

Business and other risks that may significantly impact management are identified from a company-wide perspective, and their importance is assessed by multiplying the frequency of occurrence by the potential impact. These risks are then reviewed and approved by senior management. Information on risks that the company has

determined require active management is shared across the organization, and appropriate countermeasures are implemented. For this fiscal year, the key business and other risks identified include rising construction costs, geopolitical risks, large-scale natural disasters, and labor shortages. We will implement appropriate risk management measures to address these risks.

Crisis Management

We have established the Crisis Management Basic Manual to ensure swift and appropriate risk management and response in the event of a crisis, and have communicated it to all relevant parties. The manual defines the roles of each department during emergencies, outlines advance preparations, communication systems, and response procedures, and aims to minimize damage while enhancing officers' and employees' crisis management awareness.

• Extract from Business and Other Risks for FY2025

Specific risk	Frequency of occurrence	Potential impact	Risk assessment	Countermeasures, etc.
Soaring procurement prices for construction materials Labor shortages and rising unit cost of labor	4	4	16	<ul style="list-style-type: none"> Constantly monitor the market prices for key materials and labor conditions Obtain rapid feedback on price information through close collaboration between the estimation and procurement departments Incorporate the inflation escalation clauses in construction contracts and implement associated claims
Rise and manifestation of geopolitical risks	4	4	16	<ul style="list-style-type: none"> Collect information on political and economic conditions from multiple sources and consider countermeasures as necessary Share information on potential geopolitical risk-related supply chain disruptions throughout the company and closely monitor domestic and international social and economic conditions
Occurrence of large-scale natural disasters Epidemics	4	4	16	<ul style="list-style-type: none"> Implement disaster drills and other training based on the business continuity plan (BCP) Establish basic manuals on disaster countermeasures and epidemics
Negative impact on human rights Shortage of personnel	4	4	16	<ul style="list-style-type: none"> Implement human rights due diligence based on the Group's Human Rights Policy Improve the relief mechanism Create rewarding workplaces and improve employee engagement Achieve new graduate recruitment targets and utilize referrals and other methods to hire talented professionals

BCP (Business Continuity Plan) Initiatives

Basic Approach

In this era of increasing uncertainty, events that could have a profound impact on society, including not only natural disasters such as earthquakes, floods, and volcanic eruptions, but also global outbreaks of infectious diseases, could occur at any time. In order to minimize the impact on our business, continue our operations, and support the restoration of social infrastructure, we have instituted a business continuity plan. Through annual drills, we test and improve the effectiveness of our disaster response capabilities and train each employee to be able to respond independently.

- Conduct the response with human life as the top priority
- Ensure safety and prevent secondary disasters at sites where work is in progress, and assist in the restoration of customers' facilities
- Support the restoration of social infrastructure
- Support local residents and contribute to community mutual aid

Risk Identification and Damage Estimates

We anticipate risks that could have a major impact on social activity and potentially shut down our head office functions, such as major earthquakes (particularly those

directly under the Tokyo metropolitan area), other natural disasters (major windstorms, floods, volcanic eruptions, etc.), fires and other facility accidents, terrorism and other man-made disasters, and global outbreaks of infectious diseases.

Specific Action Items

• Ongoing Company-Wide Comprehensive Disaster Drill








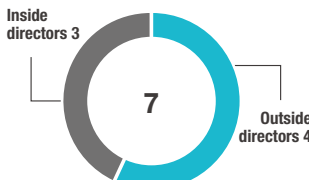
The drill for fiscal 2024, the 20th conducted by the Company, simulated a scenario deemed likely based on past disasters: a severe incident involving a maximum intensity earthquake occurring in multiple locations at 11:00 p.m. on a weekday, followed by tsunami. The Disaster Control Headquarters training for executives examined potential damage in the event of a Tokyo inland earthquake or a warning of an eruption of Mt. Fuji, while also testing and strengthening the decision-making process of the Control Headquarters. We will continue to conduct periodic drills to maintain and improve our business continuity capabilities.







Board of Directors, Audit & Supervisory Board Members, and Officers (as of July 1, 2025)

7 Directors

*Attendance at Board of Directors and Audit & Supervisory Board meetings for FY2024 is not shown for Mr. Mizuhara Kiyoshi and Mr. Machida Satoshi, as they were appointed in June 2025.

 <p>Imai Masanori Chairperson and Representative Director Director Chair of the Sustainability Committee Personnel and Compensation Committee member Attendance at Board of Directors meetings 100% (17 out of 17 meetings)</p>	 <p>Otani Seisuke President and Representative Director Chief Executive Officer Director Attendance at Board of Directors meetings 100% (17 out of 17 meetings)</p>	 <p>Yamazaki Toshihiro Executive Vice President Director Attendance at Board of Directors meetings 100% (17 out of 17 meetings)</p>	 <p>Itami Toshihiko Outside Director Director Independent Sustainability Committee member Chair of the Personnel and Compensation Committee Attendance at Board of Directors meetings 100% (17 out of 17 meetings)</p>
 <p>Arakane Kumi Outside Director Director Independent Sustainability Committee member Personnel and Compensation Committee member Attendance at Board of Directors meetings 100% (17 out of 17 meetings)</p>	 <p>Muroi Masahiro Outside Director Director Independent Sustainability Committee member Personnel and Compensation Committee member Attendance at Board of Directors meetings 100% (17 out of 17 meetings)</p>	 <p>Mizuhara Kiyoshi Outside Director Director Independent Sustainability Committee member Personnel and Compensation Committee member Attendance at Board of Directors meetings 100% (17 out of 17 meetings)</p>	<p>Composition of Directors (As of July 1, 2025)</p> 

4 Audit & Supervisory Board Members

 <p>Momoi Shunji Audit & Supervisory Board Member (standing, outside) Audit & Supervisory Board member Independent Attendance at Audit & Supervisory Board meetings 100% (19 out of 19 meetings)</p>	 <p>Wakabayashi Hidemi Audit & Supervisory Board Member (standing) Audit & Supervisory Board member Attendance at Audit & Supervisory Board meetings 100% (19 out of 19 meetings)</p>	 <p>Nishiyama Junko Audit & Supervisory Board Member (outside) Audit & Supervisory Board member Independent Attendance at Audit & Supervisory Board meetings 94.7% (18 out of 19 meetings)</p>	 <p>Machida Satoshi Audit & Supervisory Board Member (outside) Audit & Supervisory Board member Independent</p>
---	---	--	---

Corporate Officers (as of April 1, 2025)

Chief Executive Officer		Executive Vice President					Senior Executive Officer		
Otani Seisuke		Yamazaki Toshihiro	Fujita Ken	Sonehara Tsutomu	Uekusa Hiroshi	Asano Hitoshi	Kamio Tetsuya	Shiraishi Kazutaka	Nakayama Satoru

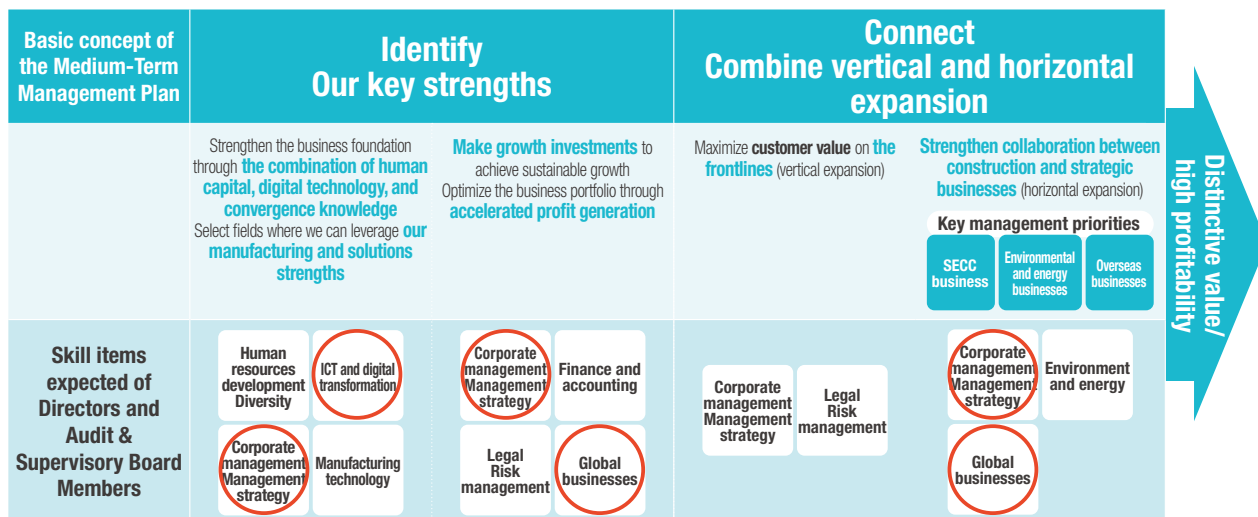
Executive Officers					Corporate Officers				
Tateno Takano	Nagai Mutsuhiro	Nakahara Masaki	Sugahara Shuichi	Wakuda Kichiro	Shima Yoshiro	Kudou Masato	Hosokawa Kouya	Miwa Kaname	Takashima Toshinori
Ukegawa Makoto	Fukushima Hiroo	Kimura Sachihiro	Nakai Tomomi	Yabuki Seichi	Kobayashi Osamu	Nozaka Hiroshi	Hayashi Kazuo	Shigemoto Akira	Ishida Makoto
Seo Nobuhiro	Kamoshita Yasuhiro	Shinohara Kenji			Watanabe Masanori	Hasegawa Yuuichi	Miyake Ryouji	Haneda Masaoki	Arai Kazunori

Board of Directors Skills Matrix

The Board of Directors is entrusted by shareholders to make decisions on basic management strategies and management plans, as well as the execution of important business operations. It is also responsible for appointing corporate officers and supervising their execution of duties. We have identified eight skills that the Company's Board of Directors should possess to perform these roles: **"Corporate management and management strategy," "Finance and accounting," "Human resources development and**

diversity," "Legal and risk management," "Global businesses," "Manufacturing and technology," "ICT and digital transformation," and "Environment and energy."

In fiscal 2025, upon reassessment of the skills required of directors and Audit & Supervisory Board members in light of the new Medium-Term Management Plan 2027, we confirmed the need to strengthen skills in the areas of **"Corporate management," "Digital transformation," and "Global businesses."**



Following the Annual General Meeting of Shareholders held on June 26, 2025, the Board of Directors consists of seven directors and four Audit & Supervisory Board members. We have re-identified the specific skills

expected of each individual, as outlined below. We believe that, at present, this ensures a balanced skill set for the board as a whole.

Skills Matrix of Directors and Audit & Supervisory Board Members

	Name	Expected expertise, experience, and skills							
		Corporate management and management strategy	Finance and accounting	Human resources development and diversity	Legal and risk management	Global businesses	Manufacturing technology	ICT and digital transformation	Environment and energy
Director	Imai Masanori	●					●		●
	Otani Seisuke	●		●			●		
	Yamazaki Toshihiro		●		●				
	Itami Toshihiko			●	●				
	Arakane Kumi			●	●		●		
	Muroi Masahiro	●	●		●			●	
	Mizuhara Kiyoshi	●				●		●	●
Audit & Supervisory Board member	Momoi Shunji		●		●	●			
	Wakabayashi Hidemi		●	●	●				
	Nishiyama Junko				●		●		●
	Machida Satoshi		●		●				

*The above shows up to four specialties in which each director and Audit & Supervisory Board member is particularly expected to possess expertise, experience, and skills. It is not intended to represent all of their skills.

External Evaluation/Inclusion in ESG Indexes

List of Major External Awards and Recognitions (FY2024) *Some awards from fiscal 2025 are also included.

Name	Awarded Projects and Recognitions	Host Organizations
2023 Healthcare Architecture Award	Japanese Red Cross Tokyo Katsushika Perinatal Center	Japan Institute of Healthcare Architecture
FY2024 Hokkaido Labour Bureau Director Awards	Construction of the Dohoku Wind Power Kawaminami Wind Farm	Hokkaido Labour Bureau
Tokyo Labour Bureau Director Awards	(Tentative name) Nishiazabu Roppongi Street Building Reconstruction Project, etc.	Ministry of Health, Labour and Welfare Tokyo Labour Bureau Tokyo Federation of Labour Standards Associations
Outstanding Construction Project Award	Emergency Reinforcement Work on the Main Girder of Tanihana Bridge on the Ban-Etsu Expressway	NEXCO East Japan Niigata Regional Head Office
Excellent Safety Management Award / Excellent Quality Control Award	Seismic reinforcement work for Shigenobu River Bridge and five other bridges on Matsuyama Expressway Seismic reinforcement work for Takase Overpass and five other bridges on Takamatsu Expressway	West Nippon Expressway Company Shikoku Regional Office
65th BCS Prize, Nikkenren Awards 2024 PICK UP ①	Meiji University 140th Anniversary Izumi Learning Square	Japan Federation of Construction Contractors
Good Design Award 2024	Office building at the Company's Narita Plant	Japan Institute of Design Promotion
Fukushima Regional Environment Office Excellent Contractor Award (Safety Management)	FY2022 Namie Town temporary storage site restoration and related construction work	Ministry of the Environment
FY2024 3Rs (Reduce, Reuse, and Recycle) Promotion Merit Awards	Construction of new logistics facilities in blocks 2 and 4 of the land readjustment project in the area around Joso IC	The 3Rs Promotion Council
28th Kumamoto Artpolis Promotion Award	Philia restaurant, Kumamoto Health Science University	Kumamoto Prefecture
Silver certification, PRIDE Index 2024	Toda Corporation	work with Pride
FY2024 Construction Future Created with Foreign Talent Award	Toda Mirai Foundation	Ministry of Land, Infrastructure, Transport and Tourism
FY2024 Excellent Construction Works of Agricultural and Rural Development Projects	Joint venture between Toda Corporation and Daiichi Kensetsu Corporation	Tohoku Regional Agricultural Administration Office
Selected for CDP 2024 Climate Change A List PICK UP ②	Toda Corporation	Nonprofit organization (Headquarters: London)
FY2024 Infrastructure Maintenance Award	East Nippon Expressway Company Hokkaido Regional Head Office, Toda Corporation, NEXCO-Maintenance Hokkaido	Japan Society of Civil Engineers
34th BELCA Award	Kyudo Gakusha	Building and Equipment Long-life Cycle Association (BELCA)
Excellence Award, FY2024 Integrated Report Awards	Toda Corporation	Nikkei Inc.
Certified Health & Productivity Management Outstanding Organizations Recognition Program (White 500)	Toda Corporation	Ministry of Economy, Trade and Industry Certified Health & Productivity Management Outstanding Organizations Recognition Program
Public Buildings Awards, Excellence Award	Kamaishi Civic Hall	Public Buildings Association
FY2024 Excellent Construction Contractors Award	Toda Corporation	Japan Sewage Works Agency
SHASE Technology Promotion Award	Green Office Building at the Company's Tsukuba Research and Development Center	Society of Heating, Air-Conditioning and Sanitary Engineers of Japan (SHASE)
Society of Heating, Air-Conditioning and Sanitary Engineers of Japan Award	New government building, Yamatotakada City	Society of Heating, Air-Conditioning and Sanitary Engineers of Japan (SHASE)
FY2024 JSCE Awards	Toda Corporation employees	Japan Society of Civil Engineers
Selected for the FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index PICK UP ③	Toda Corporation	FTSE Russell (London)
Safety and Health Promotion Award	Toda Corporation employees	Ministry of Health, Labour and Welfare
Excellence Award	Construction work for pipeline installation and maintenance shafts within the water transmission pipe (2,600mm) tunnel from Oizumi-Gakuencho 4-chome to Shakujidai 1-chome in Nerima Ward	Ministry of Health, Labour and Welfare Tokyo Labour Bureau

PICK UP ①

Awarded the 65th BCS Prize at the Nikkenren Awards 2024

The Izumi Learning Square, a teaching building at Meiji University's Izumi Campus (Suginami Ward, Tokyo), constructed by Toda Corporation, was awarded the BCS Prize by the Japan Federation of Construction Contractors (Nikkenren). The BCS Prize is awarded annually to outstanding buildings to promote the creation of excellent architectural assets and contribute to Japanese cultural development and global environmental conservation.



PICK UP ②

Selected for the CDP 2024 Climate Change A List

We were selected for the CDP 2024 Climate Change A List, the highest ranking, by CDP, a global non-profit organization headquartered in London that undertakes environmental evaluations. This selection recognizes us as a globally leading company in terms of our initiatives and information disclosure to address climate change. We have been the only general contractor to be included in the Climate Change A List for seven consecutive years, since 2018.



PICK UP ③

Selected for the FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index

FTSE Russell (a registered trademark of FTSE International Limited and Frank Russell Company) certifies that Toda Corporation has met the requirements for inclusion in the FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index, based on the results of a third-party review, and has become a constituent of these indices.



FTSE Blossom Japan Index



FTSE Blossom Japan Sector Relative Index

FTSE Blossom Japan Index:
<https://www.lseg.com/ja/ftse-russell/indices/blossom-japan>

Corporate Information/Share Information

Corporate Information (As of March 31, 2025)

Corporate Name	TODA CORPORATION
Head Office	1-7-1 Kyobashi, Chuo-ku, Tokyo 104-0031 Japan
Foundation Date	January 5, 1881
Establishment Date	July 10, 1936
Capital	¥23.0 billion
Total Employees	6,910 (Consolidated)
Business Description	<ol style="list-style-type: none"> ① Research, planning, design, supervision, construction, and comprehensive engineering and consulting services related to all aspects of architectural construction, civil engineering work, etc. ② Research, planning, design, supervision, construction, comprehensive engineering and consulting services related to regional and urban development, etc. ③ Real estate sale and purchase, rental, intermediary services, management, and appraisal ④ Power generation and related business using renewable energies, etc.

■ Branches (Domestic)

Tokyo Branch, Metropolitan Area Civil Engineering Branch (Chuo-ku, Tokyo), Chiba Branch, Kanto Branch (Saitama City), Yokohama Branch, Osaka Branch, Nagoya Branch, Sapporo Branch, Tohoku Branch (Sendai City), Hiroshima Branch, Shikoku Branch (Takamatsu City), Kyushu Branch (Fukuoka City), Tsukuba Research and Development Center (Tsukuba City)

■ Major Domestic Group Companies (As of March 31, 2025)

- Toda Bldg. Partners Co., Ltd. (comprehensive building management, construction, real estate, insurance agency services, etc.)
- Toda Road Inc. (road pavement construction, civil engineering work, etc.)
- APEC Engineering Co., Ltd. (air conditioning and sanitary equipment installation, etc.)
- Offshore Wind Farm Construction Corp. (offshore construction related to floating wind power generation facilities, etc.)
- Sato Kogyo Co., Ltd. (general construction work)
- Misawa Environmental Technology Co., Ltd. (geothermal heat utilization facility construction business)
- Showa Construction Co., Ltd. (civil engineering, construction, paving, asphalt mixtures, etc.)
- Kaken Co., Ltd. (installation of various equipment, management of KITANOYU super public bathhouses)
- TGC General Service Co., Ltd. (staffing services, sales of civil engineering and construction materials, etc.)
- Toda Finance Co., Ltd. (intra-group finance, office automation equipment leasing, etc.)
- Towa Kanko Kaihatsu Co., Ltd. (management of Marissa Resort Sazanseto Suo-oshima and Riverte Kyoto Kamogawa, operation of Tsutaya Bookstore Josso Interchange)
- Goto Floating Wind Power LLC (business related to power generation and sales)
- Goto Floating Wind Farm LLC (business related to power generation and sales)
- TODA Noubou Inc. (farming agricultural products and agriculture-related business, regional development and local revitalization projects)
- Toda Solar Energy Fukaya LLC (supply of electricity from solar power generation)

■ Main Overseas Bases

- Singapore Branch

■ Main Overseas Group Companies

- THAI TODA CORPORATION LTD. (architectural construction work, etc.)
- TOBIC CO., LTD. (BIM, etc.)
- PT TODA GROUP INDONESIA (real estate business)
- TODA VIETNAM CO., LTD. (architectural construction work, etc.)
- TODA AMERICA, INC. (real estate business)
- TODA INVESTIMENTOS DO BRASIL Ltda. (business holding company)
- PT Tatamulia Nusantara Indah (construction business)

Share Information (As of March 31, 2025)

Major Shareholders	Number of shares held	Proportion of shares held (%)
Daiichi Shokusan Co., Ltd.	42,923 thousand shares	14.19%
The Master Trust Bank of Japan, Ltd. (Trust Account)	37,320 thousand shares	12.33%
Custody Bank of Japan, Ltd. (Trust Account)	10,090 thousand shares	3.33%
General Incorporated Association Ali	8,977 thousand shares	2.97%
Toda Hiroko	6,611 thousand shares	2.19%
State Street Bank and Trust Company 505001	6,331 thousand shares	2.09%
MUFG Bank, Ltd	5,891 thousand shares	1.95%
Toda Corporation Business Partners Shareholding Association	5,663 thousand shares	1.87%
TODA Corporation Employee Shareholding Association	5,044 thousand shares	1.67%
Yakult Honsha Co., Ltd	4,955 thousand shares	1.64%

Total number of authorized shares
759,000,000

Total number of issued shares
322,656,796

Number of shareholders
12,462

Notes:

1. In addition to the above, the Company owns 20,094 thousand shares of treasury shares.
2. The proportions of shares held are calculated excluding treasury shares.

Strategic Business Group

1-7-1 Kyobashi, Chuo-ku, Tokyo, Japan
Phone: +81-3-3535-6140

Main overseas affiliated companies

TODA AMERICA, INC.

111 Pacifica, Suite 135, Irvine CA 92618 U.S.A.
Phone: +1-415-284-8242

THAI TODA CORPORATION LTD.

199 Column Tower 20th Floor, Ratchadapisek Road, Klongtoey, Bangkok 10110,
Thailand
Phone: +66-2-261-6544 Fax: +66-2-261-6545

TODA VIETNAM CO., LTD.

10th Floor, Star Building, 33ter-33bis Mac Dinh Chi Street, Tan Dinh Ward,
Ho Chi Minh City, Vietnam
Phone: +84-28-6291-4129 Fax: +84-28-6291-4126

TOBIC CO., LTD.

3rd Floor, KOVA CENTER
92G-92H Nguyen Huu Canh, Thanh My Tay Ward, Ho Chi Minh City, Vietnam
Phone: +84-28-3823-9326

PT.TODA GROUP INDONESIA

Sampoerna Strategic Square, South Tower 28 Floor, Jl. Jend. Sudirman Kav.
45-46, Jakarta 12930, Indonesia
Phone: +62-21-252-7897

PT TATAMULIA NUSANTARA INDAH

Sapta Mulia Center, Jl. Rawa Gelam v kav. OR-3B, Jakarta 13930, Indonesia
Phone: +62-21-460-6960

TODA INVESTIMENTOS DO BRASIL LTDA

Avenida Paulista 1079, Torre João Salem Conj. 92,
Jardim Paulista, São Paulo, S.P. BRASIL
Phone: +55-11-3287-2800



We have signed up to the RE100 initiative.



We have endorsed the recommendations of the TCFD.



Our CO₂ emission reduction targets were certified as science-based targets (SBT).



In October 2016, we became a member of Japan-CLP. Going forward, we will continue to actively work to realize a sustainable society.



We have been included on the CDP's 2024 Climate Change A List.



We have been named to the Leaderboard, the highest level in the CDP2024 Supplier Engagement Rating.