



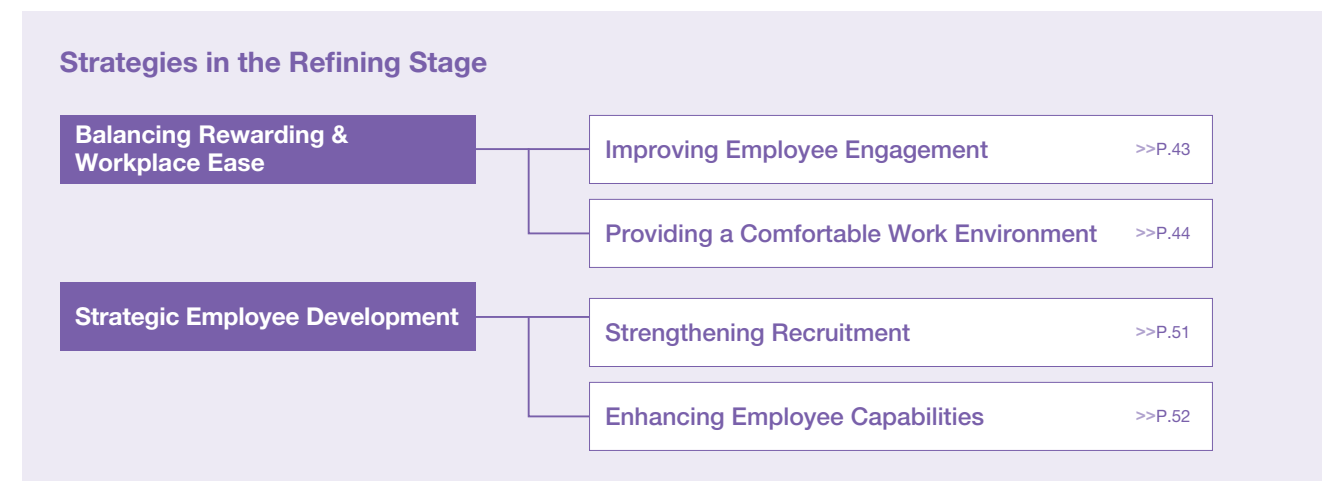
Strategies and Implementation in Phase 2

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Human Resource Strategy

We believe that enhancing corporate value requires improving the abilities and motivation of each employee, and are therefore especially focused on human resource strategies. To create a comfortable working environment for employees, we have implemented a variety of initiatives, including existing measures to promote women's participation, enhancements to leave systems, the "SMILE Project" aimed at correcting long working hours, the introduction of Casual Everyday, and productivity improvements through DX promotion. In addition, we continue our efforts to enhance corporate value by pursuing strategic employee development through measures such as reviewing our recruitment system to increase personnel, building highly effective training programs, and supporting the acquisition of advanced qualifications.

Strategy Deployment Map



Improving Employee Engagement

Dissemination and Establishment of Corporate Philosophy

From April 2024, Phase 2 of our Mid-Term Management Plan, the "Refining Stage," has begun. With the start of our new Mid-Term Management Plan, we have clarified our corporate philosophy to reaffirm internally and communicate externally the vision we aspire to be and the values we hold dear. Furthermore, as we strive to put our corporate philosophy into practice, we have organized the "shared values" that both the company and employees wish to cherish.

Corporate Philosophy		Delivering space values of safety, comfort, and trust to the future of ourselves, society, and the Earth.
Shared Values	Future orientation	Addressing current issues responsibly with future perspective
	Proactiveness	Growing together through ingenuity and positive challenges with professionalism
	Integrity	Accomplishing work live up to the trust with sincerity to surroundings and yourself
	Autonomy	Thinking and acting independently backed by high morals and aspirations
	Empathy	Fostering mutual understanding, building a comfortable environment for all
	Diversity	Respecting individuality and differences to create abundant value

Providing a Comfortable Work Environment

Strong Promotion of Workstyle Reform

Approach to environmental improvement

Our fundamental policy is to create a healthy and comfortable work environment where each employee can fully demonstrate their abilities, achieve work-life balance and a suitable work setting through workstyle reform, respecting employee diversity, and developing systems that offer fair employment, skill development, and advancement opportunities based on individual ability.

Employees are thriving by expressing their individuality and abilities

Our company fosters a work environment where employees can shine and leverage their unique personalities and skills with vibrancy, regardless of gender, age, nationality, or other attributes, even as society continues to diversify.

● Efforts to extend the retirement age

As part of workstyle reform, we revised our HR system and, beginning in FY2021, extended the retirement age to 65 and set continued employment up to age 70. In order to respond to revisions to the government's Act on Stabilization of Employment of Elderly Persons and Japan's low birthrates and aging society, we plan to tap into the vital asset that elderly workers present, while also securing and fostering younger employees. With the assumption of a career that extends to the age of 65, we are reviewing how we position different levels of qualifications and attendant salaries, and we are also planning to raise the standard of salaries for younger employees.

● Promotion of women's participation

As of June 1, 2018, we earned the two-star "Eruboshi" certification under the Act on Promotion of Women's Participation and Advancement in the Workplace (Women's Participation Promotion Act) for excellence in initiatives supporting active roles for women, and we have maintained this status to the present.

In April 2021, we formulated a new "Action Plan Based on the Act on the Promotion of Women's Participation and Advancement." We are implementing various initiatives to ensure work-life balance, such as creating an environment where men as well as women can take childcare leave.



Action Plan 5-year period from April 1, 2021 to March 31, 2026

Target	Target
1	2
Raise the average career length for women by 15% or more ▶ FY2024 results: 0.1% increase compared to FY2021	Raise the proportion of female managers to 1% or more ▶ FY2024 results: 3.4%



Eriko Abe
Manager of Management Section,
Technical Management
Department, Osaka Head Office

VOICE Voice of a Female Manager

I joined Dai-Dan as a general staff member and transferred to a management position in 2018. In 2022, I left my hometown in Kyushu for the first time in my life, transferred to the Internal Audit Office in Osaka, and in 2024 was appointed Manager of the Administration Section in the Technical Management Department. I had never worked in a technical management department before, so when I received inquiries from the technical department, I kept wondering, "Is this really correct?" I was continuously bewildered. Thanks to the kind (and sometimes strict) support of my team members and supervisors from other departments, I was able to begin my second year as section manager. In the future, I hope to see female managers not only in large offices but also at regional branch offices nationwide, where small teams are responsible for a wide variety of tasks. The proportion of women working in the construction industry is still much lower compared to other industries. I hope that not only women but also young employees will take a proactive approach to work rather than being passive.

Leave system

We offer our employees a variety of leave systems so that they can refresh themselves and enjoy fulfilling lives by making use of their vacation time.

This includes a structured holiday system with the five paid holidays a year mandated by the Labor Standards Act such as three additional days-off in August separate of summer break.

Moreover, persons who have been with the company for a long time are rewarded with travel coupons for their years of service, in addition to receiving allotted holidays.

As a new measure to help employees balance work and medical care, we have introduced an “outpatient leave” system, which allows employees to take leave when they need to visit medical institutions for infertility treatment, menopausal disorders, or follow-up on results from regular health checkups.

► Main leave systems (excluding statutory paid annual leave)

Type of holiday	Activities location (size)
Summer holiday	3 days in summer (July – September)
Refresh leave	7 consecutive days (annual) * For site workers, leave can be taken in single-day increments (up to a total of five days)
Long service leave	10 years of service ... 3 days 20 years of service ... 5 days 30 years of service ... 7 days 40 years of service ... 5 days
Congratulatory or condolence leave	Predetermined number of days for occasions such as weddings
Outpatient Leave NEW	6 days per year

Supporting the balance between work and home

In order to enable employees to balance work and parenting, and to create a comfortable environment for everyone to work in so that all employees can fully demonstrate their abilities, we have set three goals in our action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children and are working toward achieving them.

As a childcare service that can flexibly accommodate the diverse work styles of employees, we are implementing the joint use of “company-led daycare centers” under the Cabinet Office’s “company-led childcare business,” aimed at supporting child-rearing and helping resolve the issue of children on waiting lists.

Action Plan 5-year period from April 1, 2025 to March 31, 2030

Target 1

Increase the ratio of male employees taking childcare leave to at least 30% (Measures)

- Build a culture where it is natural for men to take leave, and proactively inform employees within the company
- Create an environment that makes it easy to return to work

Target 2

Cap overtime work per engineer at 340 hours per year. (Measures)

- Raise awareness through the company newsletter
- Conduct training on labor management for managerial staff
- Work style reform (DX promotion; moving on-site work to the office)

Target 3

Introduce work options that offer greater flexibility to the way people work (Measures)

- Expand childcare leave, nursing care leave, and reduced working hour systems

System Shortened working hours for childcare

The system that allows employees to adjust their working hours—no less than 5 hours and 45 minutes per day—to raise their children will, from FY2025, be extended to cover employees raising children up to the sixth grade of elementary school, which exceeds legal requirements.

To promote awareness and understanding of these systems, we have prepared the “Work-Childcare-Nursing Care Balance Handbook,” which supports employees in balancing work with childcare and nursing care.

System Dai-Dan GLTD System

GLTD stands for Group Long Term Disability insurance, a system that covers loss of income not compensated by paid leave or health insurance for employees who cannot work for an extended period due to illness or injury, providing benefits up to age 65. If you are absent or take leave without pay due to illness or injury, you will receive a sickness and injury allowance (up to 18 months) from the Dai-Dan Health Insurance. After these payments end, this system guarantees income until you recover from the illness or injury and are able to return to work (up to age 65).

* In cases of work disability due to mental health conditions, the benefit period (insurance payment period) is limited to a maximum of two years.

Introduction of Casual Everyday

From October 2024, we introduced “Casual Everyday.”

This initiative aims to create an attractive workplace environment by enabling each employee, regardless of their orientation or way of thinking, to work in a style that suits them, and by allowing employees to wear clothes suitable for the seasons and climate, to contribute to environmental conservation by saving energy for air conditioning and other utilities.



SMILE Project to address long working hours

Starting in FY2024, the legal cap on overtime hours under work style reform laws was also applied to the construction industry. The company-wide “SMILE Project” to address long working hours is being led by the Technical Division.

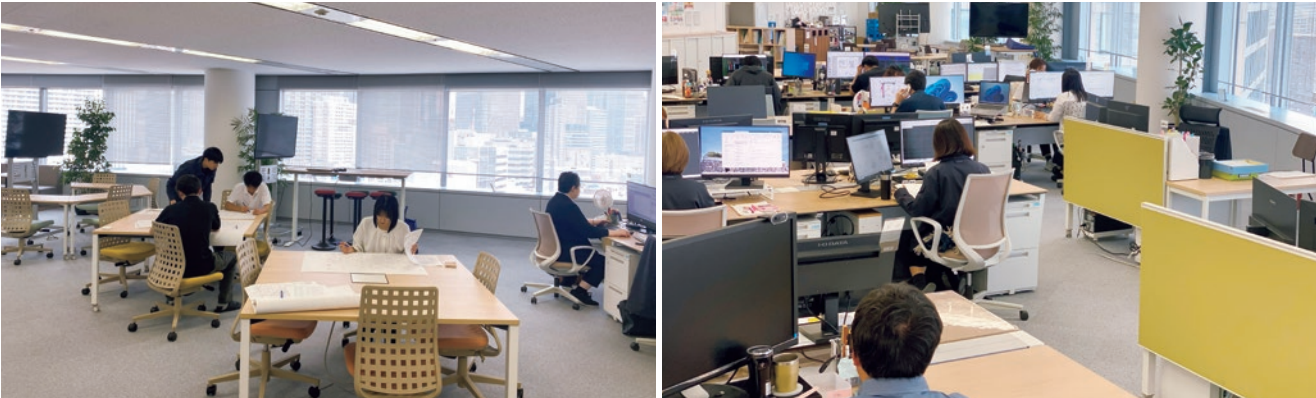
<SMILE Project: Three Pillars>

- (1) Changing awareness company-wide: Eradicating the construction industry mindsets of giving up with the mistaken belief that things cannot be changed or seeing long working hours as a given
- (2) Implementing measures to raise productivity: Imagining and implementing improvements to work processes from a zero base, or using ICT
- (3) Monitoring: Linking of targets and action plans into the sharing of results and improvements

In this project, we are rolling out specific initiatives company-wide to reduce workloads and invigorate communication, advancing the sophistication of the Support Department, and promoting DX to improve operational efficiency. From FY2024, to alleviate the workload of site site deputies, we proactively gather on-site issues and ideas for operational rationalization, further advancing the sophistication of the Support Department and promoting DX to enhance operational efficiency.

In FY2025, we will work to further establish these initiatives and promote activities to achieve eight days off every four weeks for on-site employees and reduce overtime work.

Following the relocation of the East Japan Division’s Support Department in the summer of 2024, the West Japan Division’s Support Department moved to a new office in April 2025, along with the expansion of support services and increased staff.



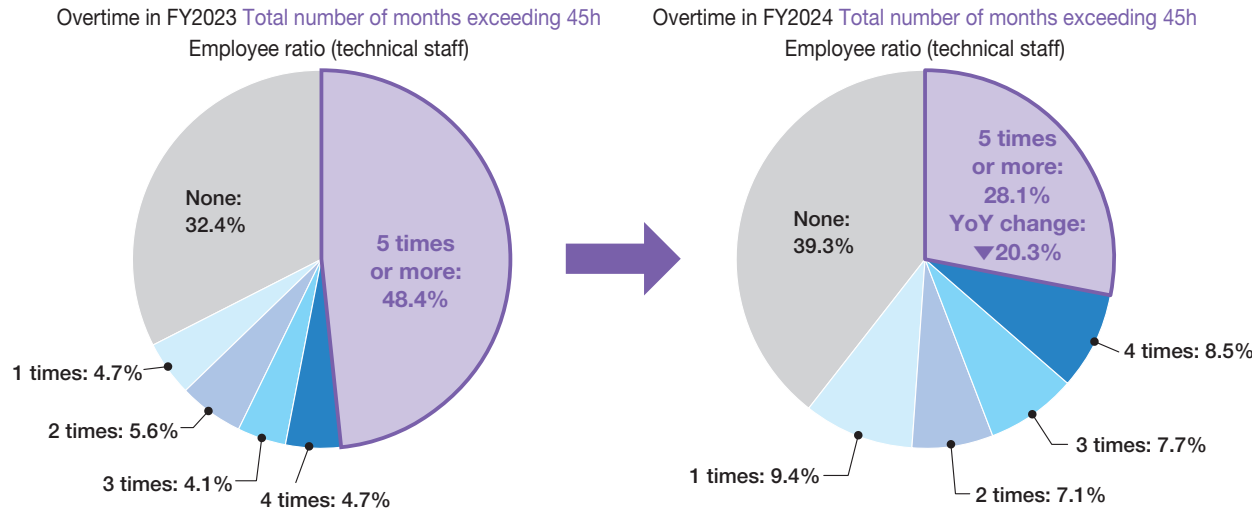
New office of the Support Department, West Japan Division

► FY2024 Main Initiatives

Activity	Implementation
Company-wide questionnaire	Survey engineers regarding the realities of days off and site closures
Thorough labor management to comply with overtime work regulations	- Implement proper labor management through the application of labor management operation rules - Detect signs of overtime in advance and take appropriate actions such as assigning additional personnel
Expansion of Support Department	- Reorgane tasks from sites to offices to reduce on-site workload - Outsource part of the on-site operations - Enhance support services
Effective use of BPO*	Start efforts to enhance on-site business response capabilities by leveraging BPO* at the East-West Division's Support Department
Awareness activities for employees	Reform employee awareness on workstyle changes through initiatives like the Try 4.8 campaign
Measures to invigorate communicatio	Verify the effectiveness of 1-on-1 meetings and other communication measures, and promote their continuous implementation
FY2024 On-Site Hearings	Conduc with 151 engineers at 32 sites across Japan
Introduction of workstyle reform initiatives towards FY2025	- Publish the "Casebook of Work Style Reform Through Field Hearings" - Introduce actual cases by featuring "Key Points for Achieving Winning Stories Through Field Hearings"

*BPO: Business Process Outsourcing

► Trend of monthly overtime working hours



Yuuko Motokado
Support Department, West Japan Division

VOICE

The Support Department of the West Japan Division has moved to a new office. From working in the new office, we have felt that communication has become more active. Specific factors include:

- (1) The space became brighter and more spacious due to more vibrant colocompared to conventional office furniturers and higher ceilings
- (2) The open meeting space allows for immediate discussions
- (3) The café space has become a place of relaxation for everyone, where people eat lunch or drink coffee and new conversations are sparked
- (4) Introducing indoor plants not only has a healing effect, but also creates opportunities for conversation through their growth and watering

The Support Department has increased staff numbers due to the strengthening of its structure. It is especially at this time of increased staf that communication has become even more important.

Initiatives for “Wellness Site Office”

In the construction industry, due to labor shortages and the diversification of business, it is more important than ever to have a work environment where each individual can perform at their best and communicate smoothly. To become a company where every employee can play an active role, we believe it is urgent to create a “comfortable work environment” that balances both rewarding work and workplace ease at the front lines of our company.

Against this background, Dai-Dan has been a pioneer in the industry by incorporating the concept of wellness* and building and verifying “Wellness Site Office”—on-site offices that pursue both functionality and comfort, and motive at employees want to come to work In FY2024, as in the previous fiscal year, we implemented wellness initiatives at various scales of on-site offices, utilizing our knowledge of Workplace Ease gained from field offices and our own buildings so far.

Moving forward, we will continue our efforts through these initiatives to further improve employee engagement and raise awareness in society of the construction industry as a more attractive field.

* Wellness: A way of life that designs a rich life based on physical, mental, and social health, and self-actualization

● Further Promotion of the “Wellness Site Office”

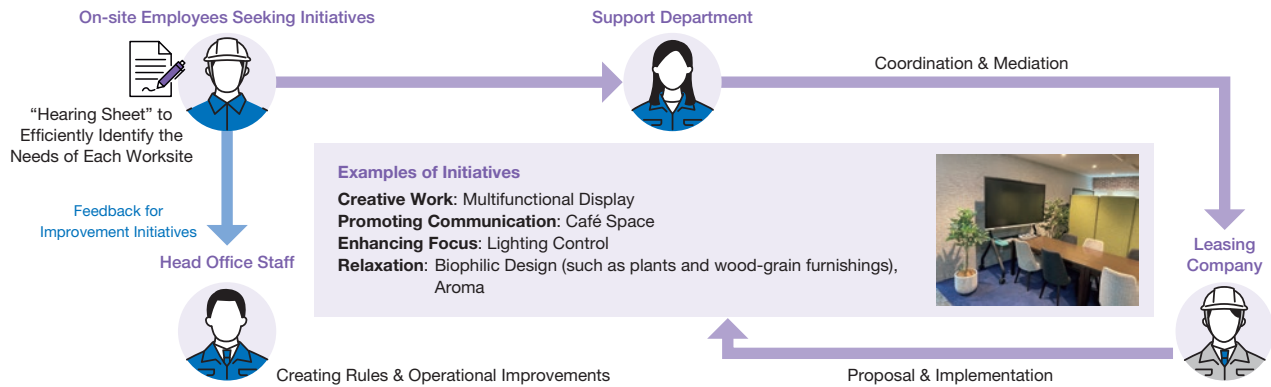
In FY2024, we strengthened schemes for efficiently extracting requirements according to the sacle and nature of the site during office construction, as well as collaboration with relevant internal departments and leasing companies. In addition, autonomous management led by field personnel and support departments has progressed in earnest, so this initiative is rapidly permeating and spreading company-wide.

In a post-implementation survey, 80% of users were satisfied with the wellness transformation, and functional elements such as displays were rated effective for “creative and efficient work,” lighting control for “increased concentration,” and biophilic design* that evokes a sense of nature for “relaxation and refreshment.”

Feedback from site personnel has included comments such as “the space has become comfortable for younger employees to work in” and “awareness of the work environment has increased,” providing opportunities for employees to reconsider their own workplace ease, work efficiency, and communication. Moreover, this initiative has been well received among customers and partner companies visiting the field offices, confirming the importance of wellness transformation and engagement improvement beyond corporate boundaries.

* Biophilic design: A design concept based on the belief that people have an innate desire to connect with nature. It is said to have effects such as alleviating stress and healing mind and body.

► Introduction of the Autonomous Operation Scheme for Wellness Site Office Construction



● Achievements of Initiatives for “Wellness Site Office”

The initiative has steadily expanded, and as of May 2025, wellness transformation has been implemented at a cumulative total of 24 large-scale field offices. Especially in large-scale sites which we are the prime contractor, about half have adopted wellness initiatives. In addition, feedback from employees working in the “Wellness Site Office” is being used to further improve the effectiveness of our initiatives.

We will continue to provide “a comfortable work environment” and “increase engagement” through cooperation beyond departmental and corporate boundaries, while aiming to revitalize and highlight the appeal of the entire construction industry.



Business Process Transformation Through DX

Improving productivity by promoting DX

The “Digital Strategy Policy and Measures” for Phase 2 of the Mid-Term Management Plan have been formulated as follows.

1. Further promote Construction DX	2. Develop and operate digital infrastructure for business resilience	3. Strengthen digital governance systems
(1) Workflow innovation using BIM (2) Improve productivity at construction sites through DX (3) Research and development for advanced ICT utilization (4) Contribute to carbon neutrality through DX	(5) Transform business processes through DX (6) Enhance operations through utilization of generative AI (7) Refor sales activities through DX	(8) Strengthen cybersecurity measures (9) Develop digital talent (10) Continuous information dissemination

Here, we introduce DX-driven business innovations and work style reforms, particularly focused on tackling “labor shortages” and “long working hours” in construction operations.

Further promotion of Construction DX

We will advance various DX efforts at every stage, including design, construction, and maintenance. At the construction stage, in addition to “building consensus with clients and designers” and “building consensus among construction participants,” we will introduce AI-assisted document creation for greater work efficiency.

	FY2024	FY2025	FY2026
(1) Workflow reform using BIM	Centralization of data via the cloud; examination of new workflows	Piloting of new workflows	Full-scale operation of new workflows
(2) Improving Productivity at Construction Sites through DX	Promotion of digitalization at construction sites, building, piloting, and operating ICT model sites		
(3) Research and development for advanced ICT utilization	On-site utilization, verification, and promotion of construction support tools such as 3D technology		
(4) Promotion of decarbonization through DX	Development of data linkage modules and systems for smart buildings		

Development of digital talent

From FY2024, we have begun digital literacy education for all employees. We will continue to focus on developing digital talent in the future.

Contents of development initiatives

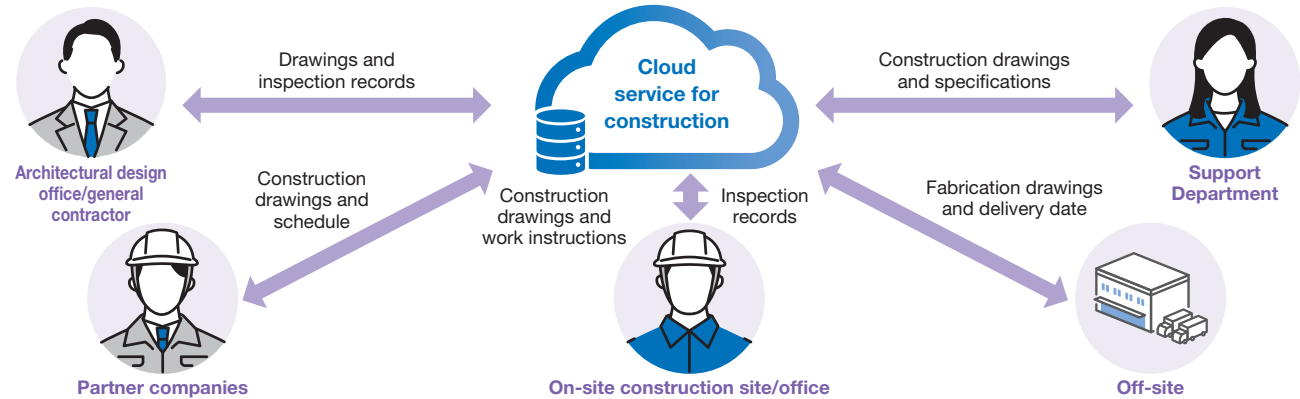
- Implementation of ongoing digital literacy education
- Implementation of education for the development of core DX human resources (personnel who can utilize and leverage digital technology)
- Planning of DX training for young employees aimed at improving engagement

Utilization of cloud services for construction

By treating information stored on cloud services for construction as the SSOT (Single Source of Truth), it is easy to manage the latest(1) versions, leading to improved productivity and quality.

Even without dedicated software, drawings can be viewed from anywhere, and collected information can be edited simultaneously by involved parties.

To further enhance effectiveness at work, we are also developing internal operating rules and creating educational content.



Utilization of ICT tools

By actively using various ICT tools linked with BIM models on tablet devices at construction sites, we are improving productivity.

At construction sites, ICT tools allow for checking drawings and 3D models, sharing information on various inspection items, managing construction progress status, and viewing equipment delivery specifications and construction manuals.

We are also working on developing essential communication environments for utilizing ICT tools at construction sites.



Design	Quotation	Procurement arrangements	Construction drawings	Logistics management	Construction management	Safety & quality	Inspection report	Maintenance & operation
Load calculation Energy-saving calculation Equipment selection application Drawing comparison application	Estimation application Drawing comparison application	Utilization of BIM information	Preparation of manuals Safety documents Drawing sharing Specification AI application	Order management Delivery management Process coordination	Information communication & sharing Progress management Drawing management Photo management Form management Minutes management	Drawing management Photo management Form management Minutes management Safety AI support Quality AI support	Inspection records Measurement records Report creation Issue records Application form preparation	Fixed-point camera utilization application Photo management Report preparation

Signed a Memorandum of Understanding (MOU) regarding strategic partnership with Autodesk

We recognize the establishment of an efficient construction system utilizing BIM data as a key issue, and will adopt Autodesk’s BIM software “Autodesk Revit” (hereinafter, Revit) and the cloud service specialized for construction work “Autodesk Construction Cloud” (hereinafter, ACC) as platforms in order to build workflows that strengthen the collaboration among HVAC, plumbing, and electrical equipment. We aim to achieve higher productivity and quality improvements by maximizing the use of BIM data through this implementation. In addition, through Autodesk, we will actively utilize knowledge and resources related to DX and BIM not only in Japan, but also worldwide.



President Nakanishi, Autodesk (left) / President Yamanaka, Dai-Dan (right)

<Main initiatives under the MOU>

1. Building workflows that strengthen the collaboration among HVAC, plumbing, and electrical equipment

By utilizing Revit and ACC, which strongly support collaboration, we will build an environment where HVAC, plumbing, and electrical equipment—including front-loading—can be comprehensively examined with a single BIM model, realizing not only efficiency but also added value enhancement.

2. Realizing data-driven project management to visualize the “now” at construction sites

Various application and ICT tool data will be consolidated with BIM data at the core, enabling accurate decision-making based on data and facilitating smooth project management.

3. Building CDE (Common Data Environment) and data platforms to strengthen data utilization and linkage

We will promote data utilization with a data platform based on ACC and enhance processes overall.

Strengthening Recruitment

Review of the Recruitment System

Organizational restructuring to strengthen recruitment

In the construction industry, the average age of workers is high, the number of younger entrants is declining, and the aging population is progressing. In light of such structural issues, we position human resource strategies as one of our most important themes as a policy for realizing our long-term vision. In the Mid-Term Management Plan Phase 2, in addition to strengthening recruitment, we are promoting mechanisms that enable younger employees to play an active role from an early stage by implementing training and rotations to help them gain experience. Through strategic employee development and review of the recruitment system, we aim

for the sustainable enhancement of corporate value.

In addition, as changes in the business environment accelerate and uncertainty increases, we have consolidated and strengthened the functions of corporate planning, HR/recruitment/labor relations, and public relations/IR under the President's Office to enhance responsiveness to human capital and overall decision-making functions.

In the President's Office, we are increasing the speed and ability to execute decisions through regular collaboration with the President and promptly advancing the introduction of new systems and peoplecy reviews.

Increase in number of employees through new graduate and mid-Mid-career recruitment

We have strenghtotalened our recruitment efforts both for new graduates and mid-career hires to continuously enhance our organizational foundation while responding to changes in the labor market. As a result, we have been able to secure a certain level of recruitment and steadily increase the number of employees.

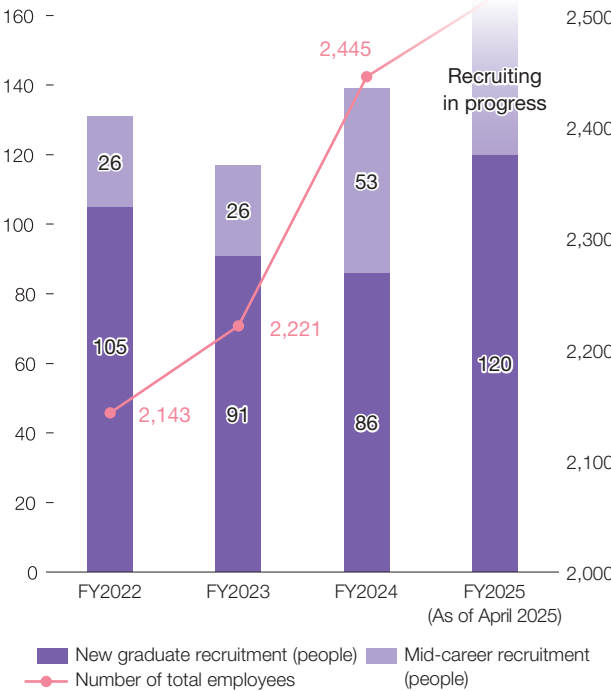
In new graduate recruitment, we introduced a recruiter system from FY2024. This initiative involves selected employees engaging in discussions and exchange with candidates to help dispel questions and concerns, thereby deepening understanding of our company and enhancing the quality of the selection experience. By narrowing the gap between the company image and the actual work style, we aim to reduce mismatches and improve retention rates.

Additionally, we are working to create a more attractive workplace for young people by expanding economic support measures such as support programs for student loan repayment and raising starting salaries. Furthermore, to continuously build relationships with universities, we have acquired naming rights to a hall at Nara Women's University and are working to establish long-term points of contact with students.

For mid-career recruitment, we have introduced new job listing media to improve recruitment efficiency and strengthen appeal to the target audience, and have developed our candidate pool. Additionally, through the use of referral recruitment and the partial relaxation of hiring conditions, we are expanding opportunities to connect with talent from diverse backgrounds. As a result of these initiatives, the number of mid-career hires doubled year-on-year.

We also pay attention to corporate social responsibility in the hiring process by establishing and communicating

Trends in Number of New Graduate Hires / Mid-career Hires / Total Employees



original rules to prevent recruitment harassment, thereby striving to build trust with candidates and realize healthy recruitment activities.

Enhancing Employee Capabilities

Building Highly Effective Training Systems

Our training system begins with new employee training and provides a step-by-step training program to support employees' career advancement.

The new employee training program consists of general training, introductory technical training, and basic technical training, which are conducted as group training over a six-month period.

The introductory technical training provides fundamental knowledge related to our core business of equipment (HVAC, plumbing, sanitation, and electrical) construction by spending one month on understanding equipment overviews and hands-on experiences such as facility tours.

The basic technical training focuses on acquiring the specialized foundational knowledge necessary for the job over a period of five months. During the training period, in addition to lectures and drafting drawings, opportunities are provided to "observe," "touch," and "do," to help acquire knowledge and skills, improve drawing abilities—essential for engineers—and develop immediate workforce capabilities.

For certifications that can be challenged during basic technical training, such as the First-Class Plumbing Work Operation and Management Engineer (air conditioning/sanitation), Fire Protection Equipment Engineer Class 4 (electrical), and Second-Class Electrical Engineer (electrical), we conduct preparation lectures and encourage all new technical employees to pursue qualification acquisition.

After completing the group training, a six-month program is provided to help trainees understand workplace responsibilities (process, safety, work content, and drafting construction drawings), thereby completing the one-year new employee technical training program.

In addition to hierarchical training received by all employees, we offer position-based training, such as training on company-developed technology for engineers, specialized field training, and public qualification seminars, to continuously improve our engineers' skill levels. Even for other job categories (sales / administration), we make sure that basic technical knowledge is understood, so that through training and OJT focused on sales and administrative staff, employees can acquire broader perspectives, flexibility, and a wider range of skills.

Additionally, in order to address the shortage of human resources and enhance the attractiveness of our industry, we provide training not only to regular employees but also to temporary staff, with content tailored step-by-step according

Pick UP! Education for Newly Graduated Temporary Staff

We offer one month of in-person training for newly graduated temporary staff. The training curriculum is equivalent to that of full-time employees, incorporating extensive hands-on practice for more effective education. After assignment, they immediately become valuable contributors, and during training, engaging in team-based activities helps foster connections among temporary staff.

Curriculum

- Acceptance start
- Overview of construction equipment
- Basic safety education
- CAD training
- Site tour
- Practical training (on-site measurement, drawing modification, material ordering)
- Usage of apps
- Material receipt and acceptance experience
- BIM training
- Special training (aerial work platform)
- On-site assignment



New Employee Training

to years of experience and other factors. Rather than relying solely on on-site training, we provide high-quality training on a company-wide, collaborative basis.

Encouragement for Obtaining Advanced Qualifications

We have a well-developed system for encouraging the acquisition of qualifications, with the goal of continuously improving employees' technical skills and fostering research motivation.

The company covers the costs of exam fees, external seminar fees, registration fees, and renewal seminar fees for employees pursuing certifications. In addition to awards for qualified employees, they receive monthly certification

bonuses and may also receive special promotions, which help boost examinee motivation.

Particularly, we have a system in place to fully cover the costs of external seminars for employees selected each year to obtain qualifications such as "Engineer," who has advanced knowledge and applied skills in science and technology, and "First-Class Architect," which is indispensable for design and construction supervision of buildings.