






















■ List of Materiality Issue and Key Management Indicator / Key Metric (2023FY Actual)

Activities that contribute to society through business	Category	Materiality	Main Measure	Key Management Indicator/Key Metric	2023FY Target (Target Year)	2023FY Actual	Related SDGs
	 1. Realizing a resilient society where everyone can feel safe and secure	Building resilient social infrastructure	Disaster prevention and mitigation response	Number of disaster prevention and mitigation projects undertaken	-	Building Construction : 43 Civil Engineering : 6	 
				Status of disaster recovery (in case of when a large-scale)	-	2024/1/1 Disaster recovery response following the Noto Peninsula earthquake 212 people from all over the country were dispatched to the disaster area, mainly from the Hokuriku branch. ① Road clearing work: Between Anamizu and Wajima (Prefectural Roads 1, 271, 303) and 4 others ② Survey of damage status of damaged buildings, etc., and support for reconstruction	
		Increasing longevity of buildings and infrastructure	Response to increase longevity of buildings and infrastructure	Number of orders received for renovation work	-	360	
				Number of orders received for infrastructure renovation work	-	2	
	Category	Materiality	Main Measure	Key Management Indicator/Key Metric	2023FY Target (Target Year)	2023FY Actual	Related SDGs
	 2. Realizing an inclusive society where all people can live together in comfort and health	Building comfortable cities	Providing comfortable spaces and services using digital technologies	Number of DX-Core introductions and project proposals	-	Total number of new introductions: 15 Number of project proposals : 129	  
		Responding Well-being needs	Provide built-environments that enhance health and Well-being	Number of projects contracted for Well certification	7 or more projects (2023)	16	
	Category	Materiality	Main Measure	Key Management Indicator/Key Metric	2023FY Target (Target Year)	2023FY Actual	Related SDGs
	 3. Realizing a sustainable society where future generations can inherit a well-cared for environment	Decarbonization	CO2 emissions reduction in all business activities	Reduction in CO2 emissions from the construction business (vs. FY2017)	10% or more (2023)	18.5%	  
				Reduction in Scope 1 + Scope 2 CO2 emissions (vs. FY2017)	10% (2023) 33% (2030) 100% (2050)	22.1%	
			Promotion of ZEB creation/conversion	Number of properties that obtain ZEB certification	-	17 (cumulative: 34)	
			Renewable energy promotion/popularization	Renewable energy generated in the operation business	300MW, cumulative (2030)	76.7MW, cumulative (Single year results:11.5MW)	
				Percent of owned investment and development properties renewable energy has been introduced in	100% (2030)	67% introducesd (Number of properties introduced : 10)	
		Resource recycling	Pursuit of 4R activities (Reduce, Reuse, Recycle, Recover)	Final disposal rate of construction by-products	3.0% or less (2030)	3.3%	
			Promotion/popularization of wooden architecture	Number of projects using wood and hybrid wooden construction	-	4 (cumulative : 8)	
		Living in harmony with nature (Preserving biodiversity)	Promotion of green infrastructure	Number of projects where quantitative analysis of biodiversity was performed	10 (2023)	10	
		Preventing environmental pollution	Strict environmental compliance	Number of serious environmental incidents	0 (2023)	0	
	Category	Materiality	Main Measure	Key Management Indicator/Key Metric	2023FY Target (Target Year)	2023FY Actual	Related SDGs
The corporation's business and management activities	 4. Promoting a sincere approach to monozukuri (superb craftsmanship)	Enhancing productivity	Building efficient construction production systems through digitalization	Rate of improvement in productivity in the construction business (vs. FY2016)	20% or more (2023)	13.8%	  
		Ensuring optimal product quality	Improvement in customer satisfaction	Number of customer satisfaction surveys conducted	-	176	
		Strengthening supply chains	Promotion CSR Procurement	CSR Procurement Guidelines initiatives indicators	4.0 (2024)	Surveys are conducted once every two years (Survey not conducted in 2023)	
			Improving treatment of skilled jobsite workers and talent development	Number of people accepted into the Shimizu Takumi Training Center	1800 (2023)	2,269 (cumulative: 6,363)	
		Occupational safety and health	Improvement in health & safety management and pursuit of activities to prevent occupational accidents	LTI (lost time injury) Frequency Rate	0.57 or less (2022)	0.54	
	Category	Materiality	Main Measure	Key Management Indicator/Key Metric	2023FY Target (Target Year)	2023FY Actual	Related SDGs
	 5. Creating of new technologies and value that is ahead of the times	Developing cutting-edge technology	Pursuit of technological development aimed at a sustainable society where all people can feel safe and secure and live-in comfort	R&D expenses	18.5 billion yen (2023)	19.9 billion yen	  
		Creating new business models	Galvanizing open innovation	Status of business alliances with other companies and other areas	-	<ul style="list-style-type: none"> •Signed a comprehensive partnership agreement with Waseda University to realize a carbon-neutral society •Explored the challenges and possibilities of 5G/6G and held discussions regarding implementation in collaboration with the University of Oulu, Finland and the University of Tokyo. 	
	Category	Materiality	Main Measure	Key Management Indicator/Key Metric	2023FY Target (Target Year)	2023FY Actual	Related SDGs
	 6. Developing human resources responsible for the next generation and pursuing of job satisfaction	Creating work environments with satisfaction	Building a workplace where employees can work energetically, and in health	Employee job satisfaction index	4.0 or higher (2023)	3.71	  
		Diversity & inclusion	Promoting Diversity	Percentage of women in management positions (Number of women in management positions/Total number of management positions)	10% or more (2030)	3.90%	
		Developing human resources who take the initiative on innovation	Training globally capable leaders	Progress on strategy for facilitating training of personnel as leaders	-	<ul style="list-style-type: none"> •Based on the plan, implement a leadership development program for three levels •A public study abroad system aimed at developing global human resources will be implemented from 2022. 	
		Respecting human rights	Conducting due diligence on human rights	Progress on human rights due diligence	-	<ul style="list-style-type: none"> •Conducted interviews with group companies that accept foreign technical interns. Confirmed that 21 foreign technical intern trainees from Vietnam working in factories were properly accepted. 	
	Category	Materiality	Main Measure	Key Management Indicator/Key Metric	2023FY Target (Target Year)	2023FY Actual	Related SDGs
	 7. Building a business base on the foundation of "The Analects and the Abacus"	Risk management	Thorough risk management	Number of serious legal violations	0 (2023)	0	
		Thorough legal and ethical compliance	Instillation of corporate ethics and strict compliance	Progress on measures to provide corporate ethics training based on The Analects and the Abacus	-	<ul style="list-style-type: none"> •Implementation of corporate ethics training for executives(Once in the first half, once in the second half) •Implementation of compliance training for all employees (including e-learning) 	
		Strengthening information security	Penetration and establishment of information security measures	Number of serious information security incidents	0 (2023)	0	