

Materiality and KPIs

Specific KPIs and numerical targets were set for 33 KPIs (Company-wide) to resolve material issues. KPIs are listed as follows.

No.	Materiality	Materiality solutions	KPIs (Company-wide)	Specific KPIs	Numerical target	FY2023 results		
1	Realize a society for people with safety and vibrancy 7 7 7 7 7 9 9 9 9 9 11 11 11 11 11 12 12 12 12 12 13 13 13 13 13 14 14 14 14 14 15 15 15 15 15	Create new value that brings together diverse capabilities based on strengths accumulated through social infrastructure development	Increase the number of projects that leverage our strengths	Number of planning proposal-type construction initiatives	3 projects/year	3 projects		
			Promote business collaboration within the Company	Number of ODA subway projects in Southeast and South Asia	3 projects (by FY 2025)	1 project		
				Number of projects in collaboration between new projects (AVA and RES) and construction projects (Civil Engineering, Building, and international)	13 projects (by FY 2030)	—		
		Create environmentally friendly, resilient communities	Improve environmental performance	- Engage in mid- and high-rise wood construction initiatives - Promote ZEB design technology - Convert owned properties to renewable energy	- Number of initiatives wood construction 2 projects or more/year - Number of initiatives ZEB construction 2 projects or more/year 100% (FY2030)	- Wood construction 1 project - Initiatives ZEB construction 6 projects —		
			Improve resilience for national land and towns	Each business division will set specific KPIs and numerical targets to improve the resilience of the national land and cities.				
		Connect the aspirations of the region and customers to create regions and communities that generate people's vitality	Promote development and projects that contribute to revitalizing regions	Build community development business model	3 projects (by FY2025)	0 project		
			Secure stable order-received	Each business unit will set specific KPIs and numerical targets to achieve stable order-received.				
		Preserve the environment and biodiversity while realizing a circular economy through business activities	Promote the formation of a decarbonized society	<Zero30 Road Map 2023> - Reduction rate of Scope 1+2 for all business activities compared to FY2020 - Reduction rate for Scope 3 Category 11 emissions (CO₂ emissions coinciding with energy use during building operation after completion and delivery) - Renewable energy business generation (volume of generated energy sold)	- Compared with FY2020 54.8% REDUCTION (FY2030) - Compared with FY2020 27% REDUCTION (FY2030) 108,000 MWh (FY2030)	- Compared with FY2020 41.6% REDUCTION - Compared with FY2020 47.6% REDUCTION 800 MWh		
				Taking into consideration biodiversity and coexistence with nature	Number of biodiversity preservation activities undertaken	Initiatives at all worksites (As of FY2030)	All worksites	
				Promote the formation of a recycling-oriented society	Final percentage of construction waste sent for landfill disposal	Less than 2.5% (As of FY2030)	2.1%	
2	Create an organization that can maximize on-site capabilities 8 8 8 8 8 9 9 9 9 9 11 11 11 11 11	Build an organization that can continually improve its trusted on-site capabilities	Pass on technologies/ techniques	Completion certification rates for training system centered on a standard course for young employees	100% (Number of certified persons / Number of eligible persons (year of certification)) (FY2025)	98.7%		
			Promote on-site labor savings	Degree of on-site DX promotion	DX engagement (DX promotion survey) 5% improvement than previous fiscal year (FY2024)	2.71 points		
			Improve customer satisfaction	Evaluation by clients	- Ministry of Land, Infrastructure, Transport and Tourism's Average score for the year in construction result evaluations (Average: 80 or higher/target year) - Questionnaire evaluations upon completion of private-sector projects Gain 97% or higher S/A evaluation	78.3 points 98.2%		
			Upgrade and expand the worksite support framework	Set specific KPIs and numerical targets in each business division to enhance the on-site support system.				
		Turn the on-site knowledge of individuals into organizational knowledge	Promote the continued evolution of organizational knowledge	- Maintain collection of details by building type - Increase construction volume per head of Japanese - Human capital data visualization progress rate	- Maintain collection of details by building type Updated 2 times/year - Construction volume per head of Japanese/ 800 million yen (overseas civil engineering), 2.2 billion yen (overseas building) (by FY2030) 100% (FY 2025)	- Updated 2 times/year — 36%		
				- Number of technical status targets achieved by technical institutes - Press releases - Patent applications - Conference presentations - Technical awards from external organizations	24 papers/year 15 papers or more/year - At least one paper person/year as the lead author 2 papers/year	24 papers 36 papers 1.13 papers / person, year 1 paper		
			Utilize knowledge data and promote construction management DX	Progress in construction management DX initiatives (convert tacit to explicit knowledge)	2 projects/year	2 projects		
		3	Put in place partnerships that can maximize value creation 8 8 8 8 8 9 9 9 9 9 10 10 10 10 10 11 11 11 11 11 17 17 17 17 17	Build sustainable supply chains	Continue to implement human rights due diligence	Number of companies engaging in human rights due diligence	400 companies or more	FY2024 initiatives
					Provide training and support to skilled construction workers	- Worksite retention rate of Nishimatsu Meisters and Senior Forepersons - Touch rate for Construction Career Up System (CCUS)	60% 90%(2025)	60.1% 61.1%
Collaborate with partner companies	- N-NET order rate - Conduct satisfaction survey for partner companies; surveys related to procurement guidelines				60% or more 400 companies	59% - FY2024 initiatives		
Cooperate with regions and companies toward the creation of new value	Collaborate with local communities			- Comprehensive partnership agreement with a local government - Secure sales in new markets	3 projects (by 2025) - Sales scale ¥5 billion/year (by FY2030)	0 projects 0 projects		
	Promote cross-industry collaboration			Formation of a new business organization through M&A	Construction contract work begins (from FY2028)	0 projects		

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4	Advance technological strategies that lead to safety and excitement   	Increase construction efficiency through technological development and utilization	Increase construction efficiency through the development of technologies	Development of technologies that contribute to society and the sites, including productivity improvement (automated tunnel construction technology, etc.)	10 technologies or more/year	21 technologies
			Increase construction efficiency through the use of technology	• BIM adoption rate at each phase • Number of BIM application packages installed	• BIM adoption rate at each phase Design phase S manufacturing logistics 100%, RC housing 100% (2027) Detailed design phase S manufacturing logistics 100%, RC housing 100% (2027) Construction phase 65% of all construction sites (2027) • Number of BIM utilization packages installed 360 packages (2027)	• Design phase S manufacturing logistics 100% RC housing 66% Detailed design phase S manufacturing logistics 44% RC housing 7% Construction phase 40% of all construction sites • 0 packages
				Use of proprietary (developed) technologies on-site	50 technologies or more/year	75 technologies
		Engage in technological development that looks to the future	Engage in DX technological development	Progress of each measures of DX Vision (smart construction site) • Design and Planning DX • Construction Management DX • Construction DX	Number of projects (2 projects/year)	2 projects
				Rate of achievement of DX technology (labor-saving and productivity improvement) development goals based on the technology development roadmap	Average development goal achievement 70%	Target achievement rate 97%
				Engage in technological development to assist in disaster prevention/mitigation and renovation works	Average development goal achievement 70%	Target achievement rate 87%
				Engage in technological development to assist in decarbonization, energy, coexisting with nature, and resource circulation	Average development goal achievement 70%	Target achievement rate 93%
5	Create systems that enable diverse human resources to play active roles with excitement      	Provide environments in which everyone can work with a sense of fulfillment and demonstrate their abilities	Promote the active participation of diverse human resources	• Percentage of newly hired female employees • Percentage of female managers	• 20% or above (FY2025) • 2.0% or above (FY2025)	• 17.6% • 0.4%
			Implement measures utilizing diverse human resources	• Percentage of male employees taking childcare leave (including leave for the purpose of childcare) • Percentage of dialogue implemented between supervisors and subordinates • DX Vision (work style) implementation progress	• 100% (From FY2024) • 100% (FY2024) • 5 projects/year	• 75.8% • Measures to be implemented • 5 projects
			Put in place conditions under which employees can energetically play active roles	• Engagement score of employees • Percentage of high-stress check employees • Participation rate of detailed examination after regular health checkups • Voluntary resignation rate	• 3.68 or above (FY2024) • 9.0% or below (FY2024) • 80% (FY 2025) • Below 1.5% (FY 2025)	• 3.68 • 9.09% • 61.1% • 2.99%
			Promote work environment improvements	Frequency rate (4 or more days of absence from work)	0.4 or below (2025)/0.2 or below (2030)	0.67
			Instill cross-organizational thinking	Foster a cross-organizational, collaborative mindset	Create award system to reward engagement in collaborative projects and challenges	Initiatives from FY 2025
		Create cross-organizational, collaborative systems		Establish a mechanism to evaluate cross-organizational and collaborative efforts	Initiatives from FY 2025	—
		6	Adhere strictly to compliance  	Reinforce risk management systems	Reinforce risk management systems	• Implement security measures for information risks • Risk and opportunity management effectiveness • BCP training
Upgrade, expand, and continue compliance education	Upgrade, expand, and continue compliance education			Compliance training attendance rate	100%	100%