

## Eleven-year Major Financial and Non-financial Data

Fiscal Year (years ended March 31)		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Financial data (Consolidated)</b>												
Construction Business orders received	(Millions of yen)	258,216	320,594	345,853	304,764	360,186	380,378	348,045	376,088	313,437	333,974	340,392
<b>Profit and loss statement (fiscal year)</b>												
Net sales	(Millions of yen)	253,250	314,638	342,989	308,826	315,228	284,412	349,318	391,621	336,241	323,754	339,757
Gross profit	(Millions of yen)	15,615	17,963	22,769	31,104	42,259	40,425	43,423	43,938	39,761	43,772	33,719
Operating income	(Millions of yen)	2,666	4,738	8,710	16,184	25,259	22,752	24,928	25,313	20,950	23,540	12,615
Ordinary income	(Millions of yen)	4,307	6,106	9,938	16,290	25,446	23,548	25,985	25,838	21,561	23,497	13,176
Profit attributable to shareholders of the Company	(Millions of yen)	3,411	5,586	9,220	14,598	19,210	16,914	18,784	18,721	17,166	15,103	9,648
<b>Balance sheet (end of fiscal year)</b>												
Total assets	(Millions of yen)	342,974	374,399	386,469	351,334	385,674	381,355	466,327	497,045	472,440	477,613	513,623
Interest-bearing liabilities	(Millions of yen)	52,907	58,135	53,918	53,175	42,844	43,306	86,167	121,909	115,039	160,039	168,396
Net interest-bearing debt	(Millions of yen)	4,942	4,933	16,346	25,271	3,817	10,807	54,694	75,449	71,269	112,917	114,669
Shareholders' equity	(Millions of yen)	111,853	117,540	122,367	134,190	147,697	158,256	171,828	184,803	196,158	145,459	144,294
<b>Cash flow (fiscal year)</b>												
Cash flows from operating activities	(Millions of yen)	9,776	3,129	(10,448)	4,120	40,763	13,570	(15,882)	14,120	4,907	41,243	34,747
Cash flows from investing activities	(Millions of yen)	(10,770)	(3,246)	(1,236)	(9,688)	(13,945)	(15,422)	(23,633)	(20,147)	5,302	(22,532)	(27,450)
Cash flows from financing activities	(Millions of yen)	6,536	3,750	(5,701)	(2,960)	(15,039)	(4,918)	38,555	20,952	(12,653)	(16,074)	(2,365)
Cash and cash equivalents at end of year	(Millions of yen)	47,865	53,052	37,422	27,903	39,026	32,499	31,473	46,459	43,574	47,121	53,726
<b>Amounts per share</b>												
Profit attributable	(yen)	61.55	100.80	166.45	263.55	348.15	308.52	343.39	342.24	313.83	312.34	244.43
Dividends	(yen)	20	30	50	80	105	95	105	105	105	221	221
Dividend payout ratio	(%)	32.5	29.8	30.0	30.4	30.2	30.8	30.6	30.7	33.5	70.8	90.4
Shareholders' equity	(yen)	2,302.75	2,419.10	2,669.20	2,775.30	3,057.35	3,348.41	3,605.62	3,599.01	3,765.62	3,833.71	3,770.77
<b>Ratio</b>												
ROE	(%)	2.8	4.3	6.5	9.7	11.9	9.6	9.9	9.5	8.5	8.5	6.4
Capital to assets ratio	(%)	37.2	35.8	38.3	43.8	43.5	48.0	42.3	39.6	43.6	31.7	29.0
D/E ratio	(times)	0.4	0.4	0.4	0.3	0.3	0.2	0.4	0.6	0.6	1.1	1.1
Net D/E ratio	(times)	0.0	0.0	0.1	0.2	0.0	0.1	0.3	0.4	0.3	0.7	0.8
<b>Non-financial data</b>												
Number of employees (consolidated)		2,557	2,648	2,678	2,704	2,740	2,825	2,920	3,005	3,060	3,106	3,201
Number of employees (non-consolidated)		2,309	2,385	2,424	2,467	2,504	2,536	2,606	2,684	2,762	2,794	2,804
CO <sub>2</sub> emissions per unit from construction* <sup>3</sup>	(t-CO <sub>2</sub> /100 million yen)	33.7	32.1	32.0	31.8	24.2	18.1	16.1	15.9	20.1	17.1	11.1
Final percentage of construction waste sent for landfill disposal (excluding asbestos-containing industrial waste materials and specially controlled industrial waste)* <sup>1,3</sup>	(%)	—	6.8	5.0	3.1	2.9	2.7	2.1	2.2	2.2	2.4	2.4
Frequency rate of injuries* <sup>2</sup> (occupational injury rate)		0.9	1.0	1.0	1.1	0.7	0.7	1.0	1.0	0.8	0.8	0.5

\*1 Final percentage of construction waste sent for landfill disposal: Before the fiscal year ended March 31, 2019, excludes construction sludge and special substances such as specified substances.  
From the fiscal year ended March 31, 2019, includes construction sludge and excludes special substances such as specified substances.

\*2 Expresses the rate of occurrence by the number of fatalities and injured workers from occupational accidents per one million actual work hours.

\*3 Calendar year data for the fiscal years ended March 31, 2013 to March 31, 2019.

# ESG Data

## FY2022 Sustainability Activity Targets and Evaluations

ESG	New value	SDGs	Activity details	Activity status	Indices for measuring achievement	Numerical target	Achievement score	Achievement level	
Environment	Environment		Implementation of the ZERO30 Roadmap	5	Total CO <sub>2</sub> emissions from business activities	(1) CO <sub>2</sub> reduction during construction: 4,572t-CO <sub>2</sub> (2) CO <sub>2</sub> emissions other than from construction: 1,194t-CO <sub>2</sub>	4	133%	
			Implementation of biodiversity preservation activities	5	No. of activities implemented	All worksites		4	133%
			Maintain the final percentage of waste sent for landfill disposal at 3% or lower	5	Final percentage of construction waste sent for landfill disposal	2.1% or lower		2	67%
			Promote environmentally friendly design and construction	3	(1) Introduction of ZEB elemental technology into our own buildings, no. of tests (2) Reduction of CO <sub>2</sub> emissions in the fiscal year (%) (3) No. of certifications acquired under various certification systems	(1) At least one ZEB elemental technology to be installed in the Company's properties (2) CO <sub>2</sub> reduction effect of 25% or more (3) Acquisition of at least one certification from various evaluation systems		3	60%
			Convert NCO properties to LED illumination	4	No. of NCO properties that have switched to LED lighting	Finish switching 4 floors to LEDs		3	80%
			Promote energy-saving/creating buildings	3	No. of installations of energy-saving equipment in the Company's real estate	One installation per year of energy-saving equipment at a property which started operation in or after FY2022		3	60%
			Develop environmental technologies to create new value	4	No. of practical environmental technologies developed (technologies/year)	3 technologies or more/year		1	27%
Society	Client satisfaction (quality)		Improve Company evaluations (Civil Engineering)	5	No. of mistakes costing 5 million yen or more (1) No. of cases (2) Total loss amount	(1) 4 cases or less (2) 100 million yen or less	4	133%	
			Gain high evaluations from clients (Civil Engineering)	5	Ministry of Land, Infrastructure, Transport and Tourism's (1) Average score for the year in construction result evaluations (2) Target construction achievement rate that clears target score Questionnaire evaluations upon completion of private-sector projects (3) S/A evaluation acquisition rate (4) No. of S evaluations acquired	(1) Average: 80 or higher (2) 80% (3) Gain 90% or higher (4) 1 item or more for each site		2	67%
			Significantly reduce construction defects (Building)	4	Total annual expenditures on defect repairs (¥100 million/year)	¥730 million/year		3	80%
			Gain high evaluations from clients (Building)	4	Questionnaire evaluations upon completion of private-sector projects (1) S/A evaluation acquisition rate (2) No. of S evaluations acquired	(1) Gain 97% or more (2) 1 item or more for each site		2	53%
			No. of technical training sessions held, no. of high-rise building study groups held, no. of items identified by quality patrols	3	Items requiring improvement identified in quality patrols, etc.	(1) Technical training sessions: 8 times/year (2) High-rise building study groups: 3 times/year (3) Quality patrol implementation rate (implemented/planned): 100% (4) No. of quality items indicated: 1.0 cases/time or less (building management)		2	40%
			Promote maintenance and renovation works business (Civil Engineering)	4	No. of renovation construction orders	3 orders or more received by each regional headquarters		3	80%
			100% BIM involvement in all large logistics facility properties	4	(1) BIM process rate (%) (2) No. of properties for which BIM is utilized (design → production design → construction)	(1) Large logistics facility (S construction) design and construction properties: 100%; condominium (RC construction) design and construction properties: 20% (2) 1 or more properties		3	80%
			Promote one-stop business (Urban Development)	4	No. of PM or BM contracts with Nishimatsu Jisho Co., Ltd.	3 PM or BM contracts/year		4	107%
			Cross-industry collaboration and provision of new services (value)	5	No. of collaborative projects	2 projects formed		4	133%
			Investment in start-up companies	3	Investment	¥600 million/year		1	20%
			Infrastructure business field	3	(1) No. of PPP/PFI projects received (2) Progress of smart city projects	(1) 2 or more projects (2) Oki Town Zero Carbon Grid Project in Oki Town → Subsidy applied for October 2022; operation started October 2023		1	20%
			Initiatives in environment and energy-related business	3	(1) No. of new rooftop PPA projects (2) No. of new small hydropower projects (3) Woody biomass progress (4) No. of new biogas (methane fermentation) projects (5) No. of new geothermal projects	(1) 3 projects (2) 3 projects (3) Establishment of Sanyo Onoda subsidiary (4) 2 projects (5) Start of 1 survey		1	20%
			Initiatives in plant factories	3	(1) Tamagawa factory net sales (2) Ichihara factory closure progress	(1) Tamagawa factory sales of 74 million yen (2) Policy for Ichihara factory disposal method decided		3	60%
OKIPPA-related business	3	(1) OKIPPA net sales (2) OKIPPA GREEN net sales (3) Progress of cloud ear mushroom business	(1) OKIPPA sales: 76 million yen (2) OKIPPA GREEN sales: 5 million yen (3) Establishment of "Nishimatsu-version container"		1	20%			
Technology	Technology		Promote core technology development that supports the Construction Business	5	No. of practical technologies developed per year	10 technologies or more/year	2	67%	
			Technology development for resilience relating to disaster prevention/mitigation and recovery technology, etc.	3	No. of technological development starts (cases per 3-year medium-term management plan)	1 technology or more per 3-year medium-term management plan		4	80%
			Thoroughly promoting DX through data utilization	4	DX planning (1) No. of new transformation projects started (2) Existing project target progress rate (3) Target KPI achievement rate for each project ICT system (4) No. of new projects started (5) Annual downtime of system infrastructure (6) No. of security incidents (7) No. of improvements and proposals/support	(1) 2 projects (2) 100% (3) 70% (4) 5 projects (5) Less than 10 hours (6) 0 incidents at Level 3 or above, less than 3 incidents at Level 2 (7) 25 improvement proposals		4	93%

ESG	New value	SDGs	Activity details	Activity status	Indices for measuring achievement	Numerical target	Achievement score	Achievement level	
Society	Society		Distribute accurate and detailed information to potential investors	5	No. of interviews with potential investors, sell-side analysts, etc.	60 or more interviews	2	67%	
			Engagement with shareholders and investors	5	(1) No. of dialogues with shareholders and investors (2) Approval rate for proposals at the General Meeting of Shareholders (3) Dividend payout ratio (4) PBR	(1) No. of dialogues: 5 or more (2) Average approval rate for proposals at the General Meeting of Shareholders: 85% or higher (3) Dividend payout ratio: 70% (4) PBR: 1x		2	67%
			Actively promote and continue social contribution activities	2	No. of social contribution activities implemented per year	50/year		3	40%
			Train local staff and young employees (International)	3	(1) No. of local overseas staff participating in training (2) No. of participants in overseas on-site workshops	(1) Cumulative total of 130 people (2) 10 or more people		3	60%
			Securing diverse human resources and creating an environment where they can maximize their abilities	2	(1) No. of proposals and implementation of measures to secure diverse human resources and utilize their abilities (2) No. of business divisions and departments that have developed various training plans	(1) 3 proposals (2) 5 business departments		2	27%
			Promote work environment improvements (civil engineering worksites)	2	(1) Worksite closure rate (2) Overtime working hours	(1) Worksite closure rate: 8 closed sites = 60% or higher; 7 closed sites = 80% or higher (2) 7 or more times for 45 hours per month and 720 or more hours per year (legal violation) 6% or lower		2	27%
			Promote work environment improvements (building worksites)	3	(1) Overtime working hours (2) Holiday use rate	(1) 7 or more times for 45 hours per month and 720 or more hours per year (legal violation) 6% or lower (2) Use of Company-designated holidays (121 days) or more: 80%		2	40%
			Promote work environment improvements (international)	3	For Japanese employees working overseas: (1) Percentage of employees taking leave to return home (2) Average duration of paid leave taken	(1) 100% (2) 4 days		2	40%
			Create a workplace that is motivating and comfortable	4	(1) Voluntary resignation rate (2) 3-year turnover rate (3) Employee satisfaction (4) No. of employees hired (5) No. of women in career-track positions (6) Employment percentage of persons with disabilities (7) Paternity leave take-up rate (8) Percentage of employees exceeding overtime target based on total working hours (9) Paid leave use rate (10) Follow-up medical checkup attendance rate	(1) Less than 1.5% (2) 10% or lower (3) 3.83 or higher (4) 130 new graduate/mid-career hires (5) 170 or more (6) 2.3% (7) 60% (8) 8% or lower (9) 70% or higher (10) 60% or higher		2	53%
			Improve safety management standards	5	(1) Frequency rate for injuries requiring four days or more of absence from work (2) Frequency rate for injuries requiring 1 day or more of absence from work	(1) 0.6 or lower (2) 1.0 or lower		3	100%
			Zero deaths	5	No. of deaths	0		1	33%
			Provide a safe workplace environment (International)	4	Frequency rate for injuries requiring four days or more of absence from work	0.6 or lower		4	107%
			Expanding training support for High-Caliber Technician Training Program	4	Worksite retention rate of Nishimatsu Meisters and Senior Forepersons	60% or higher		3	80%
Appealing work styles Governance	G		Continuously improve business continuity plans to formulate highly effective plans and enhance and strengthen management systems Improve crisis management awareness and response ability of all executives and employees	4	(1) Early response rate for safety confirmation (2) BCP training for emergency headquarters (3) BCP training for all executives and employees	(1) Daytime weekdays: 90% within 3 hours after alarm; Nighttime and holidays: 90% within 6 hours after alarm (2) Twice a year (3) Twice a year	2	53%	
			Appropriately promote risk management	4	Progress of risk management initiatives	High-risk items with "A" evaluation: 0 items	2	53%	
			Enhance corporate governance	4	Implementation status of the Corporate Governance Code (after revision)	All items implemented (full compliance)	3	80%	
			Practice compliance management in response to social changes	3	Overall Compliance Awareness Survey score	FY2023 long-term target: 1.35 or higher	3	60%	
			Effectively operate the whistle blowing system	4	Awareness survey (awareness of hotline use) score	FY2023 long-term target: 1.10 or higher	3	80%	
Actively implement compliance training	3	Awareness survey (evaluation of understanding of training) score	FY2023 long-term target: 1.07 or higher	3	60%				

### Activity Status

- 5: The activity was adopted Group-wide and its continuation for the medium to long term is assured.
- 4: A system for the activity was created, and the activity was rolled out throughout the Group.
- 3: An effective activity was implemented, and a system for the activity has been created in business divisions.
- 2: The activity was implemented, but a system for the activity was not created in business divisions.
- 1: The activity was implemented, but only partially.
- 0: A specific activity target was established, but the activity was not implemented.

### Achievement Score (Based on Achievement Level)

- 4: Achievement rate of 120% or higher
- 3: Achievement rate of 100% to 119%
- 2: Achievement rate of 60% to 99%
- 1: Achievement rate of 59% or lower

# IR Activities

## Status of dialogue with shareholders

Through constructive dialogue with our shareholders, we aim to achieve Nishimatsu Construction's sustainable growth and enhance its corporate value over the medium to long term.

At dialogue meetings, the President, the director in charge of investor relations (who is also the general manager of the Management division), and the general managers of the Strategy Management Office and the Corporate Planning Department serve as speakers and interact with shareholders. In order to enhance dialogue on specific topics, such as sustainability or voting rights, managers from respective departments also attend these sessions.

The results of dialogue in FY2022, an overview of the shareholders with whom we held dialogue, the main themes of dialogue, and matters that were of interest to shareholders

are set out below.

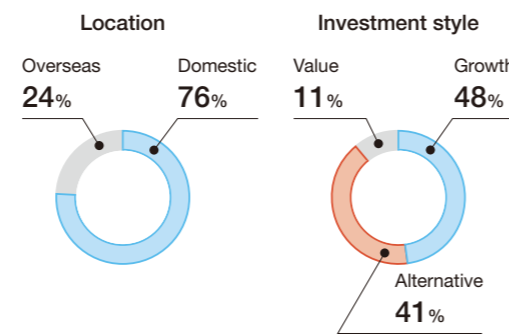
Shareholders' opinions and concerns ascertained through dialogue are fed back to the management team as necessary, and important matters are reported to the Board of Directors. Reports received from securities company analysts are also fed back to management as necessary, and the status of investor and shareholder relations activities is also reported to management on a monthly basis.

We reflect shareholder opinions obtained through dialogue in our management policies as appropriate. In FY2022, we comprehensively determined the balance between growth investments and shareholder returns in Medium-Term Management Plan 2025 on the basis of the opinions obtained through dialogue with shareholders.

### Dialogue Results

Category	Number of times	Major Nishimatsu attendees
Individual interviews	59	General Manager of the Management Division, General Manager of the Strategy Management Office, General Manager of the Corporate Planning Department, heads of ESG-related departments, etc.
Small meetings	6	President, General Manager of the Management Division, General Manager of the Strategy Management Office, etc.
Financial results briefings	2	President, General Manager of the Management Division, General Manager of the Strategy Management Office, etc.
Long-term vision/ Medium-Term Management Plan briefing session	1	President, General Manager of the Management Division, General Manager of the Strategy Management Office, etc.

### Overview of shareholders with whom we held dialogue



### Main themes of dialogue and matters of interest to shareholders

Item	Dialogue themes and matters of interest to shareholders
Business environment, growth strategy, performance outlook, business risks	<ul style="list-style-type: none"> <li>Measures to improve profits in the Domestic Building Business and areas to focus on in the future</li> <li>Measures to improve profits in the Overseas Civil Engineering Business</li> <li>Growth strategies for the Asset Value-Added Business and Regional Environmental Solutions Business</li> <li>Progress of synergies with ITOCHU Corporation, our capital and business alliance partner</li> <li>Impact of 2024 overtime cap regulations on business performance</li> <li>Measures to deal with risk of price increases, such as costs of materials and labor costs</li> </ul>
Financial strategy, growth investment, shareholder returns	<ul style="list-style-type: none"> <li>Balance between growth investment and shareholder returns</li> <li>How to utilize treasury shares held</li> </ul>
Sustainability, human resource strategy, climate change response	<ul style="list-style-type: none"> <li>Wage hikes</li> <li>Human resource strategy</li> <li>Employee engagement disclosure</li> <li>Turnover rate, composition by age, ensuring diversity, rate of men taking childcare leave, etc.</li> <li>Future direction of climate change-related disclosures</li> </ul>
Corporate governance	<ul style="list-style-type: none"> <li>Requests for further reduction of cross-shareholdings</li> <li>Formulation and implementation of president succession plan</li> <li>Review of the officer compensation system (evaluation indicators and performance-linked compensation ratio)</li> <li>Board of Directors' skill sets and diversity</li> <li>Qualifications and number of concurrent positions held by external directors</li> <li>Role and positioning of the Nomination and Compensation Committee</li> </ul>

# Investor FAQ

## Q1

### What do you think is important for raising stock prices and improving PBR?

To improve earnings, it is our belief that we must steadily implement Medium-Term Management Plan 2025 and achieve a return on capital that exceeds the cost of capital. We will also actively disclose information on our path toward future growth and strive to raise and maintain our stock price/earnings ratio.

(→ P.19 Message from the General Manager of the Management Division)

## Q2

### Please tell us about the progress made in your capital and business alliance with ITOCHU Corporation.

We have received orders for public-private partnership projects with ITOCHU Corporation, including collaboration on a circular real estate business model. The transaction amount for construction material procurement is also increasing. We will aim for further collaborative synergies in the years to come.

(→ P.6 Message from the President, P.34 Special Feature)

## Q3

### Please tell us about your response to the overtime work cap regulation that will be come into effect from April 2024.

Up to now, we have advanced the establishment of a new backup department, the promotion of outsourcing, and the utilization of DX tools. Going forward, we will continue to consider and work on specific measures designed to maintain our construction system.

(→ P.6 Message from the President)

## Q4

### In Medium-Term Management Plan 2025, what was the reason behind changing the shareholder return policy from “consolidated dividend payout ratio of 70% or more” to “consolidated dividend payout ratio of 70%?”

This was to ensure a consistent, more stable return of profits to our shareholders. During the course of Medium-Term Management Plan 2025, we will focus on improving earnings and promote investment in growth fields.

(→ P.19 Message from the General Manager of the Management Division)

# Statement of Authenticity

## On the publication of Nishimatsu Construction Co., Ltd. Integrated Report 2023



**Yuichi Kono**  
 Representative Director, Executive Vice President  
 General Manager of the Management Division  
 General Manager of the Human Resources Strategy Office  
 In charge of the Regional Environmental Solutions Business  
 In charge of Investor Relations

To help our stakeholders gain a better understanding of the Group's initiatives, we have been engaging in dialogue with our stakeholders by issuing a Corporate Report since FY2017 and an Integrated Report since FY2021.

Integrated Report 2023 provides a detailed explanation of the long-term vision Nishimatsu-Vision 2030, which has been renewed with an eye toward 2030, and Medium-Term Management Plan 2025, which was formulated with FY2023 as its first year. We also worked to enhance the disclosure of ESG information, which provides the foundation for medium- to long-term growth, including our efforts to address the environment and climate change, human resource development policies, and corporate governance.

This report was produced mainly by the Corporate Planning Department of the Strategy Management Office in cooperation with many relevant departments. As the person in charge of overseeing the production of this report, I hereby declare that the process of creating this report was fair and that its content is accurate. I hope that this report will assist a wide range of stakeholders, including shareholders and investors in further deepening their understanding of Nishimatsu Construction's value creation initiatives.

# Terminologies

Terms	Meaning
30by30 Alliance	An alliance of companies, local governments, and organizations working to achieve the goal of effectively conserving at least 30% of the land and ocean as healthy ecosystems by 2030 (30 by 30). Under the Alliance, efforts are being made to expand protected areas domestically and to certify areas that have been preserved mainly by companies as Other Effective area-based Conservation Measures (OECMs).
3R	Reduce, Reuse, and Recycle. Three specific ways to reduce final waste in order to create a resource-recycling society.
AR	Augmented Reality. Technology that adds digital information to the real world by viewing it through smartphones, tablets, or sunglass-type AR glasses.
BIM/CIM	Building Information Modeling (BIM)/Construction Information Modeling (CIM). A 3D model with information that can be used in construction operations.
Existing lining cutting	Partial removal of the existing lining to provide the necessary space to renew the concrete lining.
Front loading	To intensively study in advance changes in specifications, etc. that are likely to occur in later processes during the initial process in order to improve quality and shorten the construction period. In the BIM approach, a typical example, a 3D building model is created at the design stage and attribute information is added, aiming to improve and solve problems in advance through simulation and verification at each stage of design, construction, operation, etc.
Lining	The (arch) concrete built over the interior surface of a tunnel.
Lining renewal work	This refers to constructing new lining by partially removing the existing lining that has cracks or leaks made mainly by the traditional tunneling method.
MR	Mixed Reality. A further development of AR. By wearing the MR device, digital information can be displayed according to the user's position and movement, and the user can directly manipulate the digital information. This technology allows multiple people to experience it at the same time.
Multi-axis trolley	Tire-type trolleys are used to transport heavy structural parts. One example is their use for the transportation of bullet trains by road.
N-TEMS	Nishimatsu Tunnel Energy Management System. A system for reducing energy use by controlling demand for contra-rotating ventilation fans and dust collectors during mountain tunnel excavation. N-TEMS facilitates the reduction of ventilation equipment power consumption by around 40%.
PFI	Private Finance Initiative. This is one type of public private partnership as defined by Japan's Private Finance Initiative Act, and is a method of utilizing the funds, management and technical capabilities of the private sector for the construction, maintenance, management, and operation of public facilities.
PPA	Power Purchase Agreement. A service in which a company that owns and manages photovoltaic power generation equipment (PPA operator) installs the equipment in a space provided by the facility owner, such as a site or roof, and distributes the power generated there to the power consumers of the facility for a fee.
PPP	Public Private Partnership. The government and the private sector cooperate in the construction, maintenance, management, and operation of public facilities, utilizing the creativity and ingenuity of the private sector to achieve efficient use of fiscal funds and administrative efficiency.
RE100	An international coalition of companies committed to 100% renewable energy for electricity used in their business activities by 2050. As a minimum interim target, Japanese companies are encouraged to use 60% renewable energy in 2030 and 90% in 2040.
Renewed lining	New linings (cast-in-situ, formwork: tunnel lining shutter) made by lining renewal method.
SBT	Science-Based Targets. Its governing initiative, the Science-Based Targets initiative, is encouraging companies to set greenhouse gas emission reduction targets based on scientific evidence in order to achieve the goals of the Paris Agreement. The 1.5°C target requires a reduction level of at least 42% for Scope 1+2 and 25% for Scope 3 compared to the base year (2020) over a 10-year period.
TCFD	Task Force on Climate-related Financial Disclosures (TCFD). This task force recommends that companies develop climate-related governance and risk management systems, as well as understand and disclose the financial impact of climate change. Companies listed on the Prime Market of the Tokyo Stock Exchange are effectively required to respond.
Tunnel lining shutter	A formwork used to construct a lining. Mobile formwork is often rail-based.
ZEB	Net Zero Energy Building (ZEB). Significant energy savings have been achieved by controlling energy load through advanced architectural design, proactively utilizing natural energy, and introducing highly efficient equipment systems. In addition, the aim of ZEB is to achieve an annual primary energy consumption balance of zero by introducing renewable energy.

# Corporate Outline and Stock Status

## Corporate Outline

Registered Name Nishimatsu Construction Co., Ltd.  
 Head Office Toranomon Hills Business Tower 17-1, Toranomon 1-chome, Minato-ku, Tokyo, 105-6407, Japan  
 Representative Nobutoshi Takase, Representative Director and President  
 Founded 1874  
 Established September 20, 1937  
 Paid-up Capital ¥23,513,643,819  
 Number of Employees Non-Consolidated: 2,804  
 Consolidated: 3,201 (As of March 31, 2023)

## Regional Headquarters and Branch Offices

### Domestic Offices

North Japan Regional Headquarters (Sendai-shi) Sapporo Branch (Sapporo-shi)  
 Kanto Civil Engineering Regional Headquarters (Minato-ku, Tokyo)  
 Hokuriku Branch (Niigata-shi)  
 Kanto Architectural Regional Headquarters (Minato-ku, Tokyo)  
 West Japan Regional Headquarters (Osaka-shi) Chubu Branch (Nagoya-shi)  
 Chugoku Branch (Hiroshima-shi) Shikoku Branch (Takamatsu-shi)  
 Kyushu Regional Headquarters (Fukuoka-shi) Okinawa Branch (Naha-shi)

### Overseas Offices

Singapore Office Vietnam Offices Malaysia Office  
 Myanmar Office Philippines Sales Office

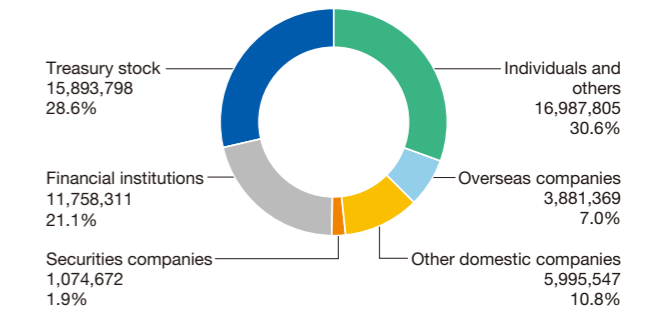
### Main Subsidiaries

Nishimatsu-Jisho Co., Ltd. (Minato-ku, Tokyo)  
 Nishimatsu Asset Management Co., Ltd. (Minato-ku, Tokyo)  
 Thai Nishimatsu Construction Co., Ltd. (Thailand)  
 Nishimatsu Vietnam Co., Ltd. (Vietnam)  
 Nishimatsu Real Estate & Development (Asia) Pte. Ltd. (Singapore)  
 Bangkok Sathorn Hotel Management Co., Ltd. (Thailand)

## Stock Status (As of March 31, 2023)

Total number of authorized shares 160,000,000  
 Total number of issued shares 55,591,502 (including 15,893,798 shares of treasury stock)  
 Number of shareholders 41,209

## Shareholder Distribution



## Major Shareholders (Top ten shareholders)

Name	Shares held (Thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	5,230	13.18
ITOCHU Corporation	4,022	10.13
Custody Bank of Japan, Ltd. (Trust account)	2,152	5.42
Meiji Yasuda Life Insurance Company	915	2.31
Nishimatsu Construction Employee Stock Ownership Association	869	2.19
Mizuho Bank, Ltd.	614	1.55
Sumitomo Realty & Development Co., Ltd.	612	1.54
Custody Bank of Japan, Ltd. (Trust account 4)	612	1.54
Mizuho Trust & Banking Co., Ltd.	600	1.51
STATE STREET BANK WEST CLIENT - TREATY 505234	480	1.21

\* Shareholding ratio is calculated after deducting 15,893,798 shares of treasury stock. Treasury stock does not include 225,300 shares of the Company held by the Board Benefit Trust (BBT).

## Third-party Assurances

To increase the reliability of the information disclosed in this report, we have obtained assurances of the following data from Sustainability Accounting Co., Ltd.

### Matters covered by assurances

- Group CO<sub>2</sub> emissions in Japan and overseas ▶ P.15, 64, 65
- Percentage of females in management-level positions ▶ P.15
- Percentage of males taking childcare leave ▶ P.15
- Occupational injury frequency rate ▶ P.48, 64, 65

## Editorial Policy

This report is an instrument for dialogue with our stakeholders. The purpose of this report is to deepen stakeholders' understanding of our value co-creation process with stakeholders and possibly improve our corporate value, as well as our efforts to address materiality (priority issues) in order to realize our corporate philosophy of "Creating a sustainable society and environment where people can live with peace of mind."



## Coverage

Information on the activities of Nishimatsu Construction Co., Ltd. and its consolidated subsidiaries.

## Applicable Period

April 1, 2022, to March 31, 2023 (including some information after April 1, 2023).

## Referenced Guidelines

In producing this report, we refer to the "Integrated Reporting <IR>" of the IFRS Foundation, the International <IR> Framework, the "GRI Standards" of the Global Reporting Initiative (GRI), the "Environmental Reporting Guidelines" issued by the Ministry of the Environment, and the "Guidance for Collaborative Value Creation" formulated by the Ministry of Economy, Trade and Industry of Japan.

## Forward-Looking Statements

This report includes forecasts of future results regarding the Group's outlook, goals, plans, and strategies. These statements reflect our judgment and analysis concerning existing information and various trends available at the time of writing. Actual results may differ from these forecasts due to various factors.