

Kinden Group
Integrated Report 2025



Kinden

Kinden Group Integrated Report 2025

Editorial Policy and Contents

We have published this Integrated Report for the first time to present the Kinden Group’s overall picture of sustainable growth and development through our value creation story. The report also aims to communicate our approach and initiatives for enhancing corporate value, centered on our Medium-term Management Plan, to all stakeholders. For more detailed information on our initiatives and performance, please refer to our securities reports, financial information, CSR website, and other disclosure media.

Integrated Report 2025 Content and Disclosure Media

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Kinden Group’s Disclosure Media
<p>▶ For detailed strategic and financial information:</p> <p>Financial Results Presentation Materials (in Japanese) https://www.kinden.co.jp/pdf/2025-05-15_1.pdf</p> <p>Securities Reports (in Japanese) https://www.kinden.co.jp/pdf/111-2.pdf</p> <p>FY2024 Performance Reference https://www.kinden.co.jp/english/pdf/financialresultsbriefing2025_02.pdf</p> <p>Medium-term Management Plan https://www.kinden.co.jp/english/company/strategy.pdf</p>
<p>▶ For detailed non-financial information:</p> <p>CSR (in Japanese) https://www.kinden.co.jp/company/csr/</p> <p>Human Resources Development and Training https://www.kinden.co.jp/english/company/hrd/</p> <p>Research and Development https://www.kinden.co.jp/english/company/randd/</p> <p>Multi-Stakeholder Policy / Partnership Building Declaration (in Japanese) https://www.kinden.co.jp/company/csr/partnership/</p>
<p>▶ For detailed management structure information:</p> <p>Corporate Governance Report (in Japanese) https://www.kinden.co.jp/company/images/governance_2025_06_1.pdf</p>

Q. What kind of company is Kinden?

A. Kinden is an integrated electrical and facility engineering company that supports social infrastructure and people's everyday lives.

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Introduction Building Better Futures for All

Kinden's Purpose and Corporate Philosophy

We regard "human resources and heart" as the foundation of management, pursue sustainable growth and development as a company that supports social infrastructure, and contributes to creating an environmentally friendly, sustainable, and better society.

Corporate Philosophy

We create superior facilities and services, support social infrastructure, and contribute to realize a bright, affluent future.

- We provide peace of mind, safety, and comfort by meeting customer needs with technology and humanity.
- We realize the happiness of all people concerned with our business by sound corporate activities.
- We continue being a company in which we feel satisfaction in our job and live a life full of smiles with our family.

Management Direction We Should Follow

- A company where employees find their work rewarding and satisfying, and are passionate and proud of their jobs
- A company where all people associated with our business and their families can live happily
- A company that naturally attracts talented employees, drives technological progress, and earns social recognition

Strategy

Medium-term Management Plan
Sustainable Growth 2026

~ Human Resources, Heart, and Toward the Future ~

Management Creed

"Harmony and Cheerfulness,"
"Research and Hard Work,"
"Sincerity and Service"



Building Better Futures for All

1. Corporate Slogan and Statement

Corporate Slogan

Building Better Futures for All

Corporate Statement

Lights illuminate buildings. Pleasant air flows within. Information connects.

Breathing life into spaces where people live and work.

This is the mission of Kinden, an integrated electrical and facility engineering company.

We take pride in our diversity of technical skills and abundant creativity.

Supporting safe and secure living, we open up new possibilities for a promising future.

We act on our passion for people and society to create a more vibrant world.

We go beyond today's conventional for a safer, more comfortable tomorrow.

Helping people to share every moment of joy in their daily lives.

People, passion, and the future

We are Kinden.

Communicating Kinden's Philosophy and Appeal Through Our Corporate Slogan and Statement

Establishing our corporate slogan and statement is part of our branding efforts to spread awareness and raise recognition of the Kinden brand. This is a key objective under our Medium-term Management Plan, "Sustainable Growth 2026—Human Resources, Heart, and Toward the Future," launched in 2021. The goal is to build our brand image and foster a broader and more accurate understanding of Kinden, highlighting the value we provide to all stakeholders.

Our corporate slogan and statement were developed through interviews with top management, surveys conducted both internally and externally, and branding workshops focused on employee discussions, which clarified our objectives, intentions, and key points.



Building Better Futures for All

2. Silent Dynamism

To make safety, security and comfort a matter of course, we breathe life into cities every day, often in places unseen. This is Kinden's "Silent Dynamism," our quiet force that sustains communities and the times through the fields of energy, environment and information.



Pursuing comfort in
buildings
Environment

Supporting
everything from
power generation to
consumption
Energy

Essential
to the IT society
Information

Our recruitment website introduces Kinden's business domains under the theme "Kinden is Here." Please take a look. <https://www.kinden.co.jp/recruit/here/> (in Japanese)

Building Better Futures for All

3. "Diligent Work for Daily Lives"—As a Group of Professionals Who Support Social Infrastructure

Drawing on our can-do spirit, as well as our deployment and operational capabilities, we work together as a Group to restore and rebuild social infrastructure following natural disasters.



Construction vehicles assembled at Kinden Gakuen for the Hanshin-Awaji Earthquake restoration

Great Hanshin-Awaji Earthquake (January 17, 1995)

On the day of the earthquake, we sent over 1,300 personnel to the affected areas. To urgently restore power distribution facilities, we mobilized around 3,000 people daily at peak times. We deployed about 1,300 support vehicles, including aerial work platforms, and completed emergency power transmission to nearly the entire area by January 23, seven days after the earthquake.

Great East Japan Earthquake (March 11, 2011)

We started responding to the affected areas on the day of the earthquake. For customer restoration work, our offices in Tokyo, Tohoku, Yokohama, Chubu, and Hokkaido quickly organized response teams, while offices from Kansai westward formed support units. All of Kinden mobilized for the restoration efforts.



Power distribution support teams heading to the site



Restoration work underway



Transport of relief supplies by sea

Typhoon Jebi (September 2018)

Over 1,300 power poles were damaged within the Kansai Electric Power service area. About 2.2 million households experienced power outages, the most since the Heisei era began in 1989. We carried out restoration work, including repairs to customer facilities.



Restoration work underway

Typhoon Faxai (Boso Peninsula Typhoon) (September 2019)

Approximately 930,000 households experienced power outages, mainly in Chiba Prefecture. In response to a support request from Kansai Electric Power, we sent 196 personnel and 171 support vehicles, including aerial work platforms, for restoration work.

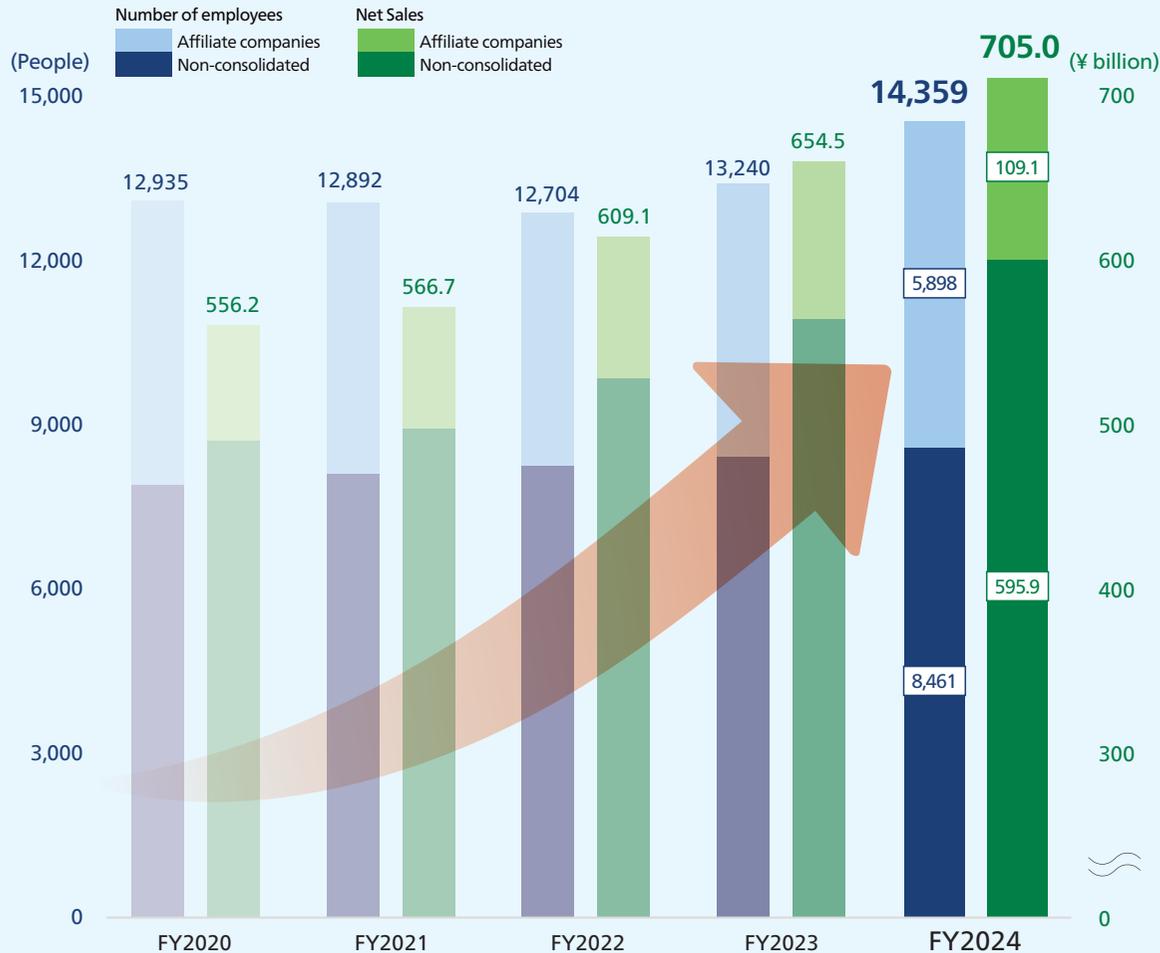


Construction vehicles assembled at the Human Resources Development Center (Chiba) for restoration

Building Better Futures for All

4. Kinden's Business Scale

As a company supporting social infrastructure, the Kinden Group has grown its business and now has industry-leading sales and employee numbers.



Consolidated Net Sales (FY2024)

¥705.0 billion

Non-consolidated

¥595.9 billion

Number of employees (Consolidated)

(As of March 2025)

14,359

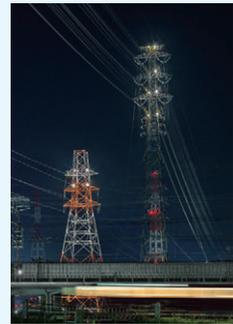
Non-consolidated

8,461

Building Better Futures for All

5. Business Overview by Construction Sector

By combining the various technologies, we have developed over many years in facility construction and delivering tailored solutions for each environment, we meet our customers' diverse needs.



Electric Power & Others

¥20.3 billion

We handle construction, from installing to replacing overhead and underground transmission lines and other facilities, mainly for electric power companies. We also take on construction projects related to solar and wind power generation.



Environmental Management Facilities

¥49.1 billion

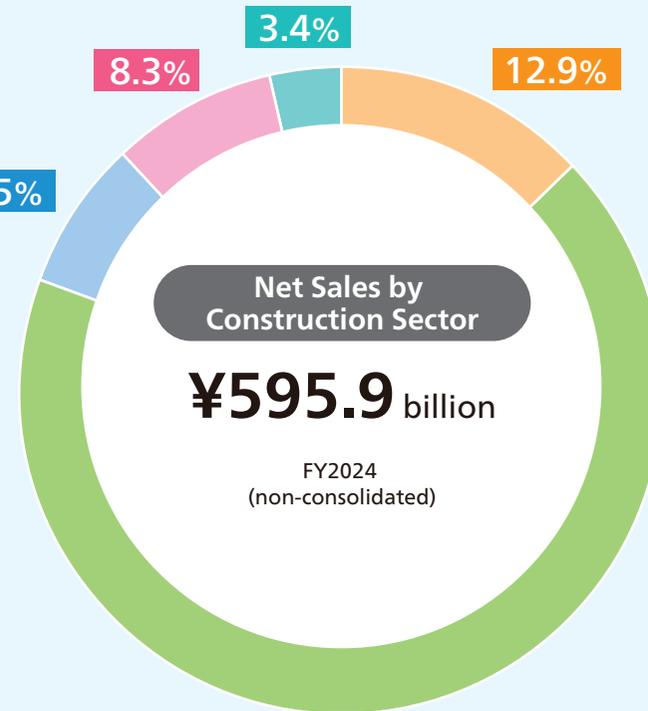
We handle air conditioning and sanitary systems, including HVAC and water supply/drainage, to improve environmental comfort in buildings.



Information & Communications Network

¥44.5 billion

From infrastructure development, including optical fiber, CATV, and mobile phone base station construction, to LAN and instrumentation facilities in factories and buildings, as well as fiber to the home (FTTH) for residential areas, we build and provide systems across a wide range of fields.



Power Distribution Lining

¥77.1 billion

We handle the construction and maintenance of power distribution facilities that supply electricity to customers for electric power companies. We also perform CCBOX (common trench for cables) construction and other related projects.



Electrical

¥404.6 billion

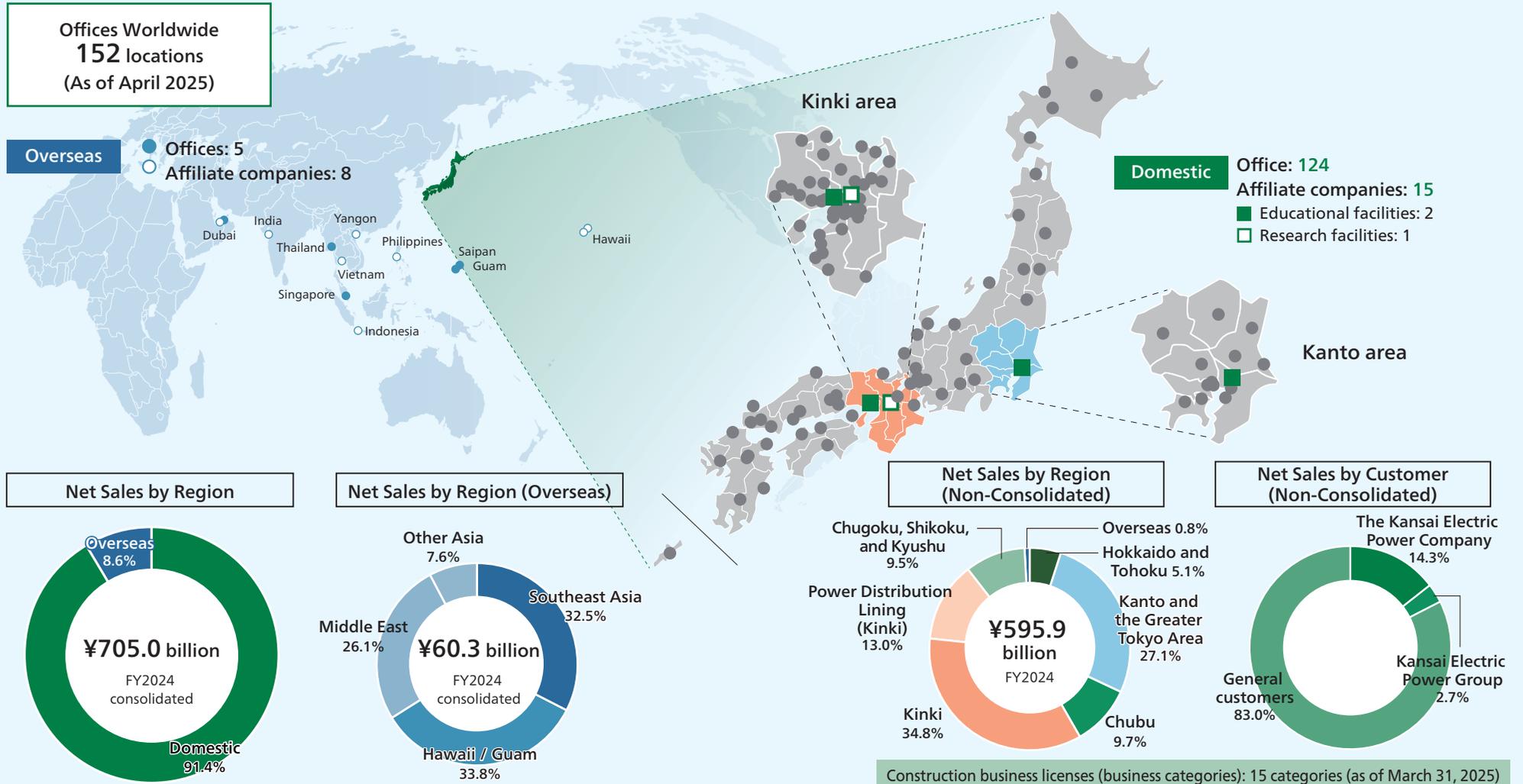
We handle electrical facilities for public facilities, buildings, factories, hospitals, and commercial spaces in a comprehensive way, covering planning, design, construction, maintenance, and renewal proposals. We also handle interior facilities such as system ceilings that can adapt flexibly to space creation and free access floors, reflecting work in an information society.



Building Better Futures for All

6. Business Overview by Region

As an integrated electrical and facility engineering company, we support clients across Japan with a locally-focused approach for all types of facility construction. We also operate internationally, mainly in Asia.



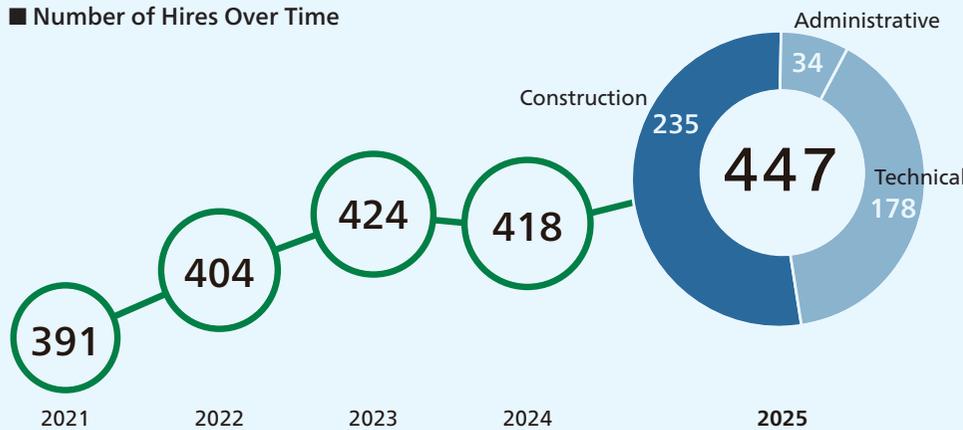
Building Better Futures for All

7. Kinden's Human Resources

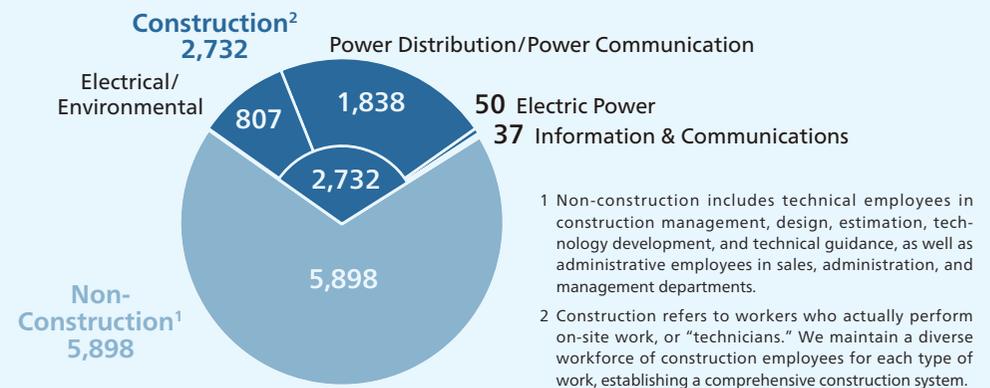
People are our most important management resource and asset. We continue to hire a large number of recruits and develop our human resources through comprehensive education programs, including new employee training at two human resource development centers in Japan.

Human Resources Indicators

■ Number of Hires Over Time



■ Number of Employees by Business Segment (as of March 31, 2025)



Education (Human Resource Development, Skills Enhancement)

Human Resource Development Centers

- Kinden Gakuen (Hyogo Prefecture) Established in 1954 (Scheduled for relocation and reconstruction in FY2027)
- Human Resources Development Center (Chiba Prefecture) Established in 1995
- New Greater Tokyo Area Office Training Center (tentative name) Scheduled for completion in FY2025

New Employee Training (Construction)

- At the above development centers, employees cycle through basic training and on-site training (on-the-job training at construction sites) for each division, honing their skills over roughly two years.
- For WorldSkills Competition participation, we select candidates based on their motivation and aptitude. We provide training specific to WorldSkills Competition, including participation in regional competitions.

WorldSkills International Competition Awards History



Employee Awards (Selected Examples)

- Sep. 1962** 11th WorldSkills Competition (Spain)
Electrical Installations **Gold**
- (Omitted)
- Jul. 2013** 42nd WorldSkills Competition (Germany)
Electrical Installations and Information Network Cabling **Gold Gold**
- Aug. 2015** 43rd WorldSkills Competition (Brazil)
Information Network Cabling **Gold**
- Aug. 2019** 45th WorldSkills Competition (Russia)
Information Network Cabling **Gold**
- Oct. 2022** 46th WorldSkills Competition (Japan)
Renewable Energy **Gold**
- Oct. 2024** 47th WorldSkills Competition (France)
Renewable Energy **Gold**



Q. What is Kinden's approach to enhancing corporate value?

A. Emphasizing "human resources and heart" as the foundation of our management, we aim to enhance our corporate value by working toward value co-creation with all stakeholders and growing together.



Message from the President

The Kinden Way: A Can-Do Spirit — Honoring Our History, Advancing Toward the Future

Publishing the Integrated Report

Thank you for taking the time to read the Kinden Group Integrated Report 2025.

Last year, we celebrated our 80th anniversary. At that time, we introduced a corporate slogan, “Building Better Futures for All,” to foster a broader and more accurate understanding of Kinden and to communicate our philosophy and strengths.

Building on this slogan, we are publishing our first-ever Integrated Report to give stakeholders an even deeper understanding of the Kinden Group.

As reflected in our corporate slogan, fulfilling our mission to support social infrastructure and people’s daily lives requires that we grow and develop into a genuinely attractive company—one that naturally attracts talented employees, drives technological progress, and earns social recognition. This is Kinden’s vision for the future, and it directly ties to our realization of “Human Resources, Heart, and Toward the Future,” the theme of our Medium-term Management Plan.

With this publication, we hope to convey these thoughts and intentions and deepen all stakeholders’ understanding of our value creation process and initiatives for sustainable growth.

Kinden will continue striving to improve its corporate value.

Business Environment and Performance in FY2024

Looking back at FY2024, despite political shifts both in Japan and abroad, the Japanese economy remained strong with a recovery in consumer spending and improved corporate earnings. The construction industry also prospered amid solid capital investment, and society overall experienced some level of price pass-through. While some uncertainties arose, such as U.S. reciprocal tariffs, conditions were generally favorable overall.

Regarding our business performance, both consolidated and non-consolidated results surpassed initial targets. Consolidated performance reached record highs since our founding across all profit metrics, including net sales of completed construction contracts of ¥705.0 billion and operating profit of ¥60.9 billion. Non-consolidated performance also achieved all-time highs in construction orders, net sales of completed construction contracts, and all profit metrics.

FY2024 saw the phased implementation of the New Three Laws for Construction Work Providers.¹ These laws addressed issues such as proper construction timelines, prevention of schedule pressure, securing appropriate labor costs, and contracts to manage soaring material prices. As the industry moved toward securing appropriate construction periods and contract pricing, customer understanding deepened.

For our part, we established an “All Kinden” construction system across branch offices for large-scale projects, built a support framework for on-site management operations, and pursued initiatives to improve productivity. The entire company—including construction, sales, and operations—worked together to thoroughly respond to on-site needs. These efforts helped achieve our strong performance.



¹ New Three Laws for Construction Work Providers refers to the Act on Promoting Quality Assurance in Public Works, the Construction Business Act, and the Act for Promoting Proper Tendering and Contracting for Public Works.

Message from the President

My Responsibilities and Commitment to Increasing Corporate Value

I took over as president in June 2020, as the COVID-19 pandemic was spreading globally and behavioral patterns were drastically shifting due to contact restrictions. At the same time, perspectives such as the SDGs and ESG were gaining importance in corporate management, driving changes and diversification in values.

Upon becoming president in this extraordinary situation, I organized and shared my thoughts and approach by asking: “What are Kinden’s strengths? What awareness should we have regarding social changes, and how should we respond? And what must we continue to protect?”

First, regarding Kinden’s strengths: Throughout our history, we have overcome many difficulties and turned them into springboards. This has fostered our can-do spirit regardless of the situation. This proud and steady spirit is our strength—the essence of Kinden—and we are who we are today because we have inherited this spirit.

Second, regarding awareness of social changes and our response: In an era when stakeholders such as customers, business partners, shareholders, and investors are experiencing significant shifts in their consciousness, the importance of compliance and corporate governance is growing. We must respond decisively to social changes and needs using common sense, social norms, and ethical and moral perspectives appropriate for the times. Our past common sense might not always be correct. As we pursue continued development, we must constantly ask ourselves whether our thinking aligns with society’s current standards or are we out of step? Such continual reflection, grounded in the standards of the times, is crucial. I strongly emphasized these points.

Finally, regarding what we must continue to protect: As a company responsible for supporting social infrastructure, Kinden must continue to exist and fulfill its social mission regardless of how times change. In considering what is most important to preserve, we recognize that Kinden is built upon people, and that our true assets are our human resources and heart.

Ultimately, it is people who make judgments and take action, and what matters most to people is heart. While communicating with words is important, people are only moved when those words carry thoughts and intentions—in other words, heart.

I sincerely hope Kinden remains a company where employees find their work rewarding and satisfying, feeling passion and pride in what they do. I also hope it con-



tinues to be an appealing company that naturally attracts talented employees, drives technological progress, and earns social recognition.

With this in mind, based on the belief that “human resources and heart”—our greatest strengths—are most important, I decided to guide management with this as our foundation. In the Medium-term Management Plan formulated in April 2021, we set the overall theme as “Sustainable Growth 2026 – Human Resources, Heart, and Toward the Future,” establishing the philosophy and intentions I’ve described as our management direction, and we are advancing relevant initiatives.

Message from the President

Long-Term Vision and Medium-term Management Plan

Kinden is built on people, growing through human effort. When developing our Medium-term Management Plan, we first defined the company image we want to achieve and the management direction we should follow. Our most valuable management resource is people. Therefore, we emphasize “human resources and heart” as the foundation of management and strive to be a company where employees find their work rewarding and satisfying, feeling passion and pride in what they do, and where all those connected to our business and their families can live happily. We aim to naturally attract talented employees, drive technological progress, and earn social recognition.

Meanwhile, in “Growth Investments in the Medium-term Management Plan and Initiatives to Enhance Corporate Value,” announced in January 2024, we introduced the concept of co-creating value with multi-stakeholders. Our approach is that growth investments focused on human resources generate value for each stakeholder. This, in turn, enhances corporate and brand value, allowing us to achieve sustainable growth and development as a company that supports social infrastructure. I reaffirmed that co-creating value with all stakeholders—employees of Kinden and Group companies,

customers, business partners, shareholders, and investors—and growing together through our business activities is paramount.

The Medium-term Management Plan, formulated in April 2021, outlined a long-term growth vision for FY2026: aim for management that generates consolidated net sales on a scale of ¥700 billion, with growth indicators of around ¥700 billion in consolidated net sales and around ¥50 billion in operating profit. Amid structural changes in the construction industry and a shrinking Japanese market, these were by no means easily achievable targets. Nevertheless, I urged all Group employees to focus on what matters most: exercising wisdom and working with dedication toward achieving these goals. To foster sustainable growth, aiming high and embracing challenges are essential. When the plan was implemented in FY2021, consolidated net sales stood at ¥566.7 billion, with ¥37.0 billion in operating profit. In FY2022, we surpassed ¥600 billion for the first time, reaching ¥609.1 billion with ¥37.4 billion in operating profit. By FY2024, we achieved ¥705.0 billion in net sales and ¥60.9 billion in operating profit, marking our highest-ever consolidated net sales and profit metrics, and surpassing our growth targets two years ahead of schedule.

Over the course of four years since the start of the Medium-term Management Plan—including initiatives in business strategy and human resources/workstyle strategy—we enhanced our presence in the Tokyo metropolitan area and deepened our ties with customers and local communities, driving growth. Additionally, establishing an “All Kinden” construction system across branch office boundaries for large-scale projects and uniting to provide Group-wide on-site responses—including in construction, sales, and operations—helped secure performance. Furthermore, the growth of the Kinden Group and consistent efforts by the entire team have played a significant role. The Group’s employee count also rose from 12,900 at the end of FY2020 to 14,400 at the end of FY2024.

Looking ahead, although we achieved our growth indicators, the goal of our Medium-term Management Plan remains the sustainable growth and development of the Kinden Group. We strive to maintain and further grow our business scale—in other words, to become a more substantive, stronger company. The entire Kinden Group will continue to focus on developing and expanding the necessary business foundation for this goal.



Message from the President

To All Stakeholders

Our strength lies in our unwavering determination to accomplish things. The Kinden brand has been built by a professional group with a can-do spirit, reflecting our pride and mission as a company that supports social infrastructure. This has earned us the trust of customers that sustains Kinden.

Following the conclusion of Expo 2025 Osaka, Kansai, Japan, we recall our involvement in the Japan World Exposition of 1970, held at Senri Hills in Osaka. At that time, we mobilized the full capabilities of our branch offices nationwide to handle the unprecedented large-scale construction, successfully completing over 70% of all electrical work. Accomplishing this national project—a symbol of postwar Japan's high growth—led to improvements in our technical and construction capabilities and laid the foundation for Kinden's next 50 years.

Fifty-five years later, at Expo 2025 Osaka, Kansai, Japan, the experience, expertise, and technology Kinden has built up were applied throughout the event. As an integrated electrical and facility engineering company, we handled construction across various sectors, including power, electrical systems, HVAC and sanitation, information and communications, and interior systems work. We undertook electrical facility work accounting for more than 50% of the total construction volume. We also conducted demonstration tests using our EMS-AI technology to improve both comfort and energy efficiency at venue facilities. Additionally, we showcased our proprietary comfort evaluation metrics and supporting technologies at a limited-time experiential booth—features not present at the previous Expo.

We approached Expo 2025 with the determination to establish a new foundation for the next 50 years and create a new legacy. Using our "All Kinden" system, we showcased our comprehensive capabilities and are confident that we have laid the groundwork for the future. We plan to use this experience to guide us for the next 50 years.

I constantly tell employees that building an attractive company is one of the most important goals. Since individual employees are the ones who make the company run, I want them to approach their work feeling it is rewarding and satisfying.

Additionally, I want Kinden to remain a company where everyone involved in our business finds their work rewarding and satisfying and that Kinden is company where they can feel passion and pride. At the same time, to meet the expectations and needs



of society and our customers, I want us to continue being a professional group that possesses both "advanced technology and skills passed down through generations," and "a proud and unwavering can-do spirit."

Moving forward, Kinden will continue to generate value for all stakeholders, focusing on our most valuable asset—human resources. Guided by the principles of ESG and the SDGs, we will improve our human capital while being conscious of the environment and steadily advance toward sustainable growth and development as a company that supports social infrastructure.

A handwritten signature in black ink that reads "Takao Uesaka".

Takao Uesaka
President, Representative Director

Q. How does Kinden aim to enhance corporate value?

A. Using our Medium-term Management Plan as a driver and leveraging our strengths in sales, technology, and construction capabilities, we aim for sustainable growth and development as a company that supports social infrastructure.

Chapter 2: Value Creation Story

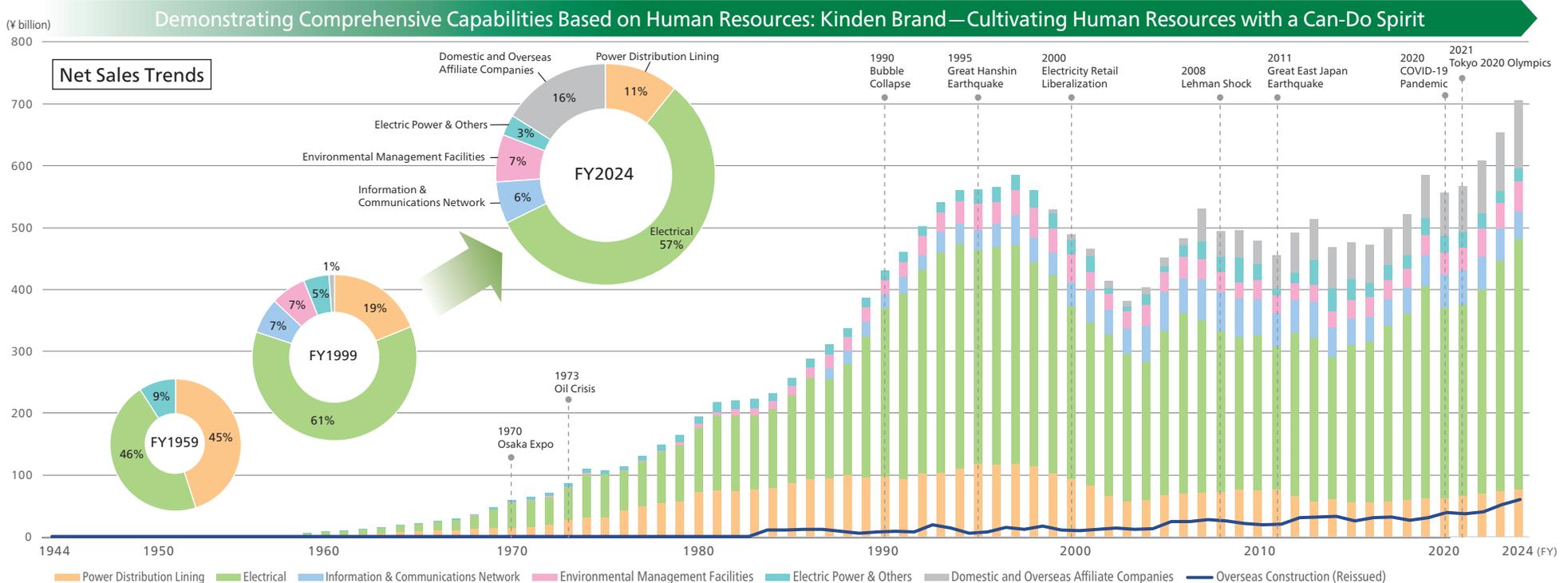
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Growth Trajectory

By responding to ever-changing societal needs, striving to create superior facilities and services, and contributing to society, we have grown both in Japan and internationally as an integrated electrical and facility engineering company with energy, environment, and information as our three pillars.

1944–1970	1971–1994	1995–2024
Establishing Management Foundation: From Founding to Osaka Expo	Development into an Integrated Electrical & Facility Engineering Company: From Company Vision to 50th Anniversary	Evolution of the New Kinden: From Reaffirming Our Mission to 80th Anniversary
1944 Kinki Electrical Construction Co., Ltd. established Head office established in Osaka * Six companies in Osaka Prefecture merged; over 80 businesses merged the following year in 1945 1954 Technical Training Institute (currently known as Kinden Gakuen) opened	1961 Listed on the 2nd section of Osaka Securities Exchange 1962 Management Creed introduced Made our first participation in Electrical Installations category of the 11th WorldSkills Competition, winning gold medal 1969 Listed on the 1st section of Osaka Securities Exchange 1970 Listed on the 1st section of Tokyo Stock Exchange	1973 Joint venture established in Singapore Joint venture established in Malaysia 1983 Business network covering all of Japan's 47 prefectures completed 1989 Tokyo Head Office established 1990 Company name changed to Kinden Corporation 1992 Kinden Kyoto Institute established 1994 50th anniversary of the company's founding celebrated 1995 Human Resources Development Center (Chiba) established 2002 Early retirement program implemented 2003 Current personnel system introduced 2014 Vocational training course opened in Myanmar 2017 Corporate Philosophy introduced 2022 Listed on the Tokyo Stock Exchange Prime Market 2024 Capital policy announced Corporate Slogan and Statement introduced 80th anniversary of the company's founding celebrated



Note: Prior to 1986, Information & Communications Network was included in Electrical.

Source of Kinden's Competitive Advantage

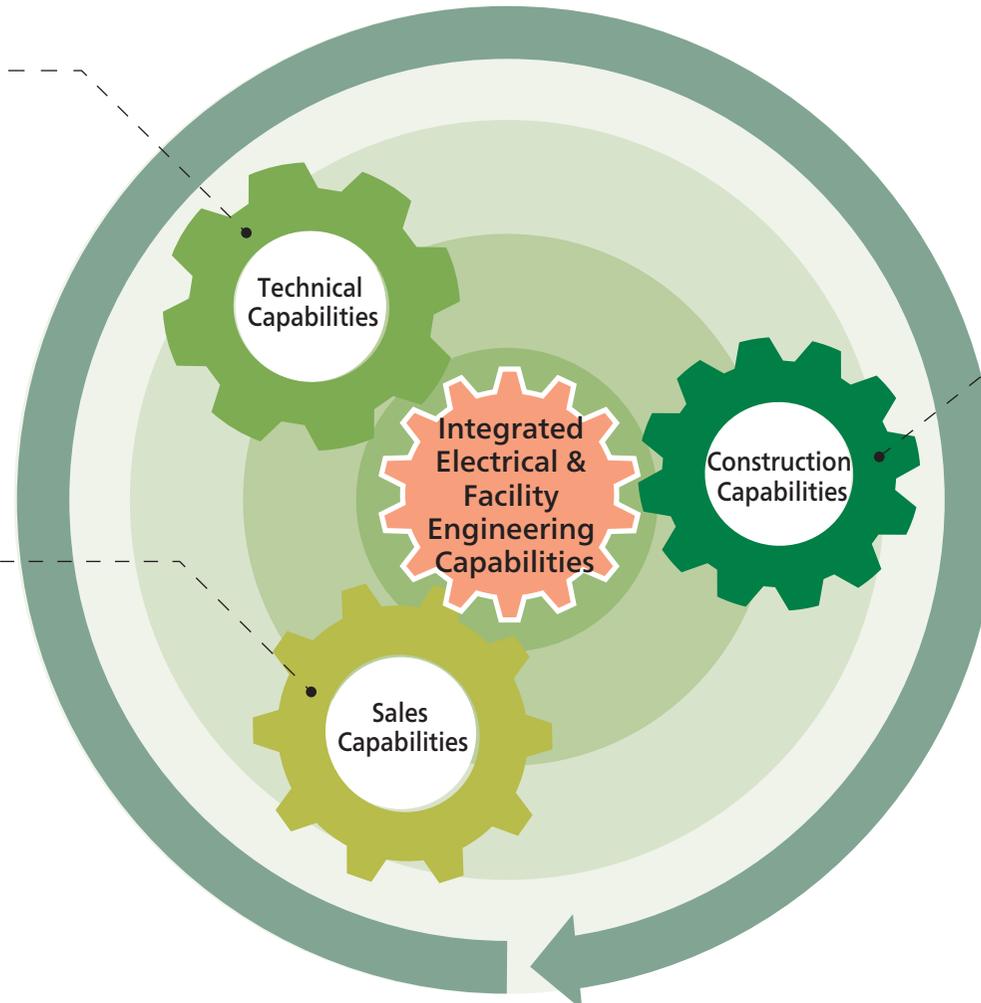
Kinden's strengths are its technical expertise developed by a professional group and the customer trust built over many years. Fueled by our can-do spirit, we have demonstrated integrated electrical and facility engineering skills across all eras, driving growth and progress.

Energy, Environment, Information: Cultivated Technologies

Electrical, Instrumentation, Information & Communications, HVAC and Sanitation, Interior Systems, and Civil Engineering—We integrate technologies from diverse fields to create essential lifelines of society. While further refining the core technologies of integrated electrical and facility engineering, we will keep delivering peace of mind, safety, and comfort to our customers while developing human resources with the sensitivity to detect changes in the times.

Trust and Track Record Built Over 80 Years: Customer Base

Since our founding, we have contributed to a stable power supply. In a highly regionalized electrical industry, we expanded our reach beyond our home Kansai area ahead of other companies, building trust with customers nationwide, including in the Tokyo metropolitan area, through consistent customer-direct sales efforts. We grew our business by responding to diverse needs. Internationally, we have accumulated more than 60 years of experience and achievements in over 90 countries.



The Hallmark of Our Professional Group: Can-Do Spirit

We have grown with the times through strong mental resilience and unity, and above all, the determination and strong sense of responsibility to support social infrastructure. For rapid disaster recovery efforts and large-scale project implementation, we have mobilized human resources from across the country and achieved goals through "All Kinden." This history has fostered our can-do spirit regardless of circumstances, and this DNA continues to be strongly inherited today.

Business Model

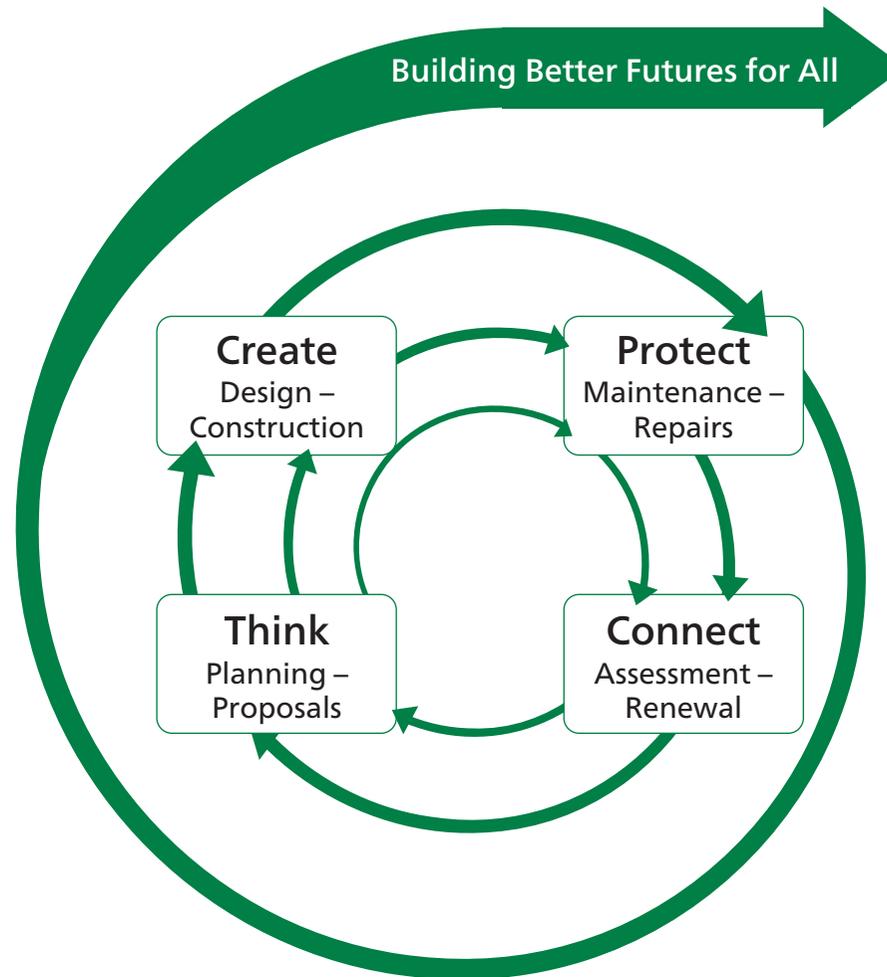
Kinden grows its business by providing the full cycle of “think → create → protect → connect” as a one-stop service and building customer trust.

Kinden Creates

With overwhelming strength in construction and on-site capabilities backed by a proven track record, and by leveraging our accumulated technology and knowledge, we build diverse facilities, create comfortable communities, and shape the future.

Kinden Thinks

We give form to the needs of local communities and customers, planning and proposing our ideas.



Kinden Protects

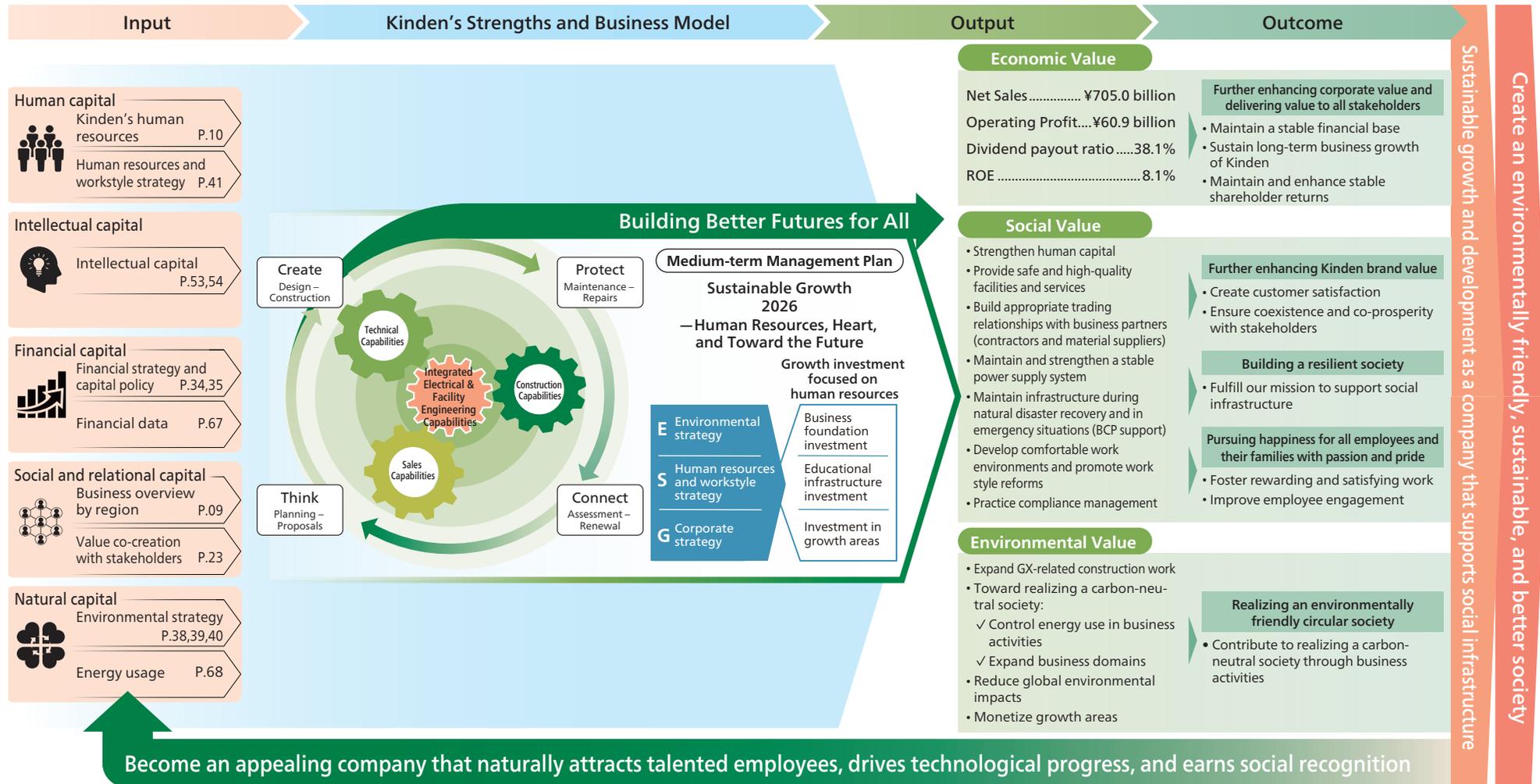
Drawing on our track record and experience, we protect customers' vital facilities, and with a strong sense of mission to support infrastructure, including natural disaster recovery and BCP support, we safeguard people's everyday lives.

Kinden Connects

We update society's traditional norms, linking "people and society" and "safety and comfort" to the next era, and passing on social trust to new "thinking."

Value Creation Process

Guided by our Medium-term Management Plan, we co-create value with all stakeholders, achieving sustainable growth and development while realizing the company image we want to achieve and ultimately striving to create an environmentally friendly, sustainable, and better society.



Q. What is the framework of Kinden's Medium-term Management Plan?

A. We have established "management that generates consolidated net sales on a scale of ¥700 billion" as our growth vision and are carrying out "growth investments focused on human resources" while advancing the development and expansion of our business foundation.

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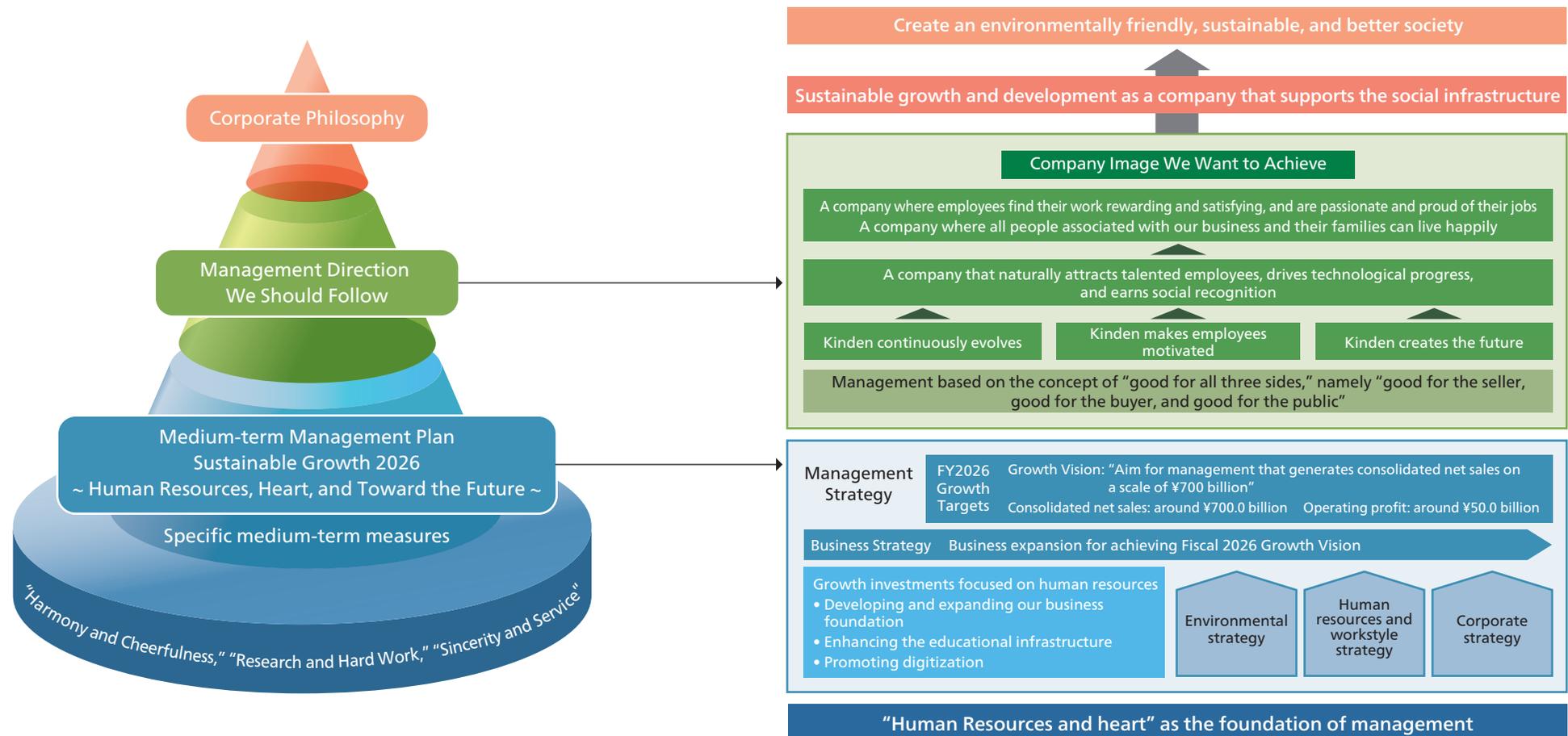
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Medium-term Management Plan: Management Strategy

Overview of the Medium-term Management Plan

Our goal is to achieve sustainable growth and development as a company that supports social infrastructure and contributes to creating an environmentally friendly, sustainable, and better society. To achieve this, we have formulated the Kinden Group Medium-term Management Plan (FY2021–2026).

Overall Framework of the Medium-term Management Plan

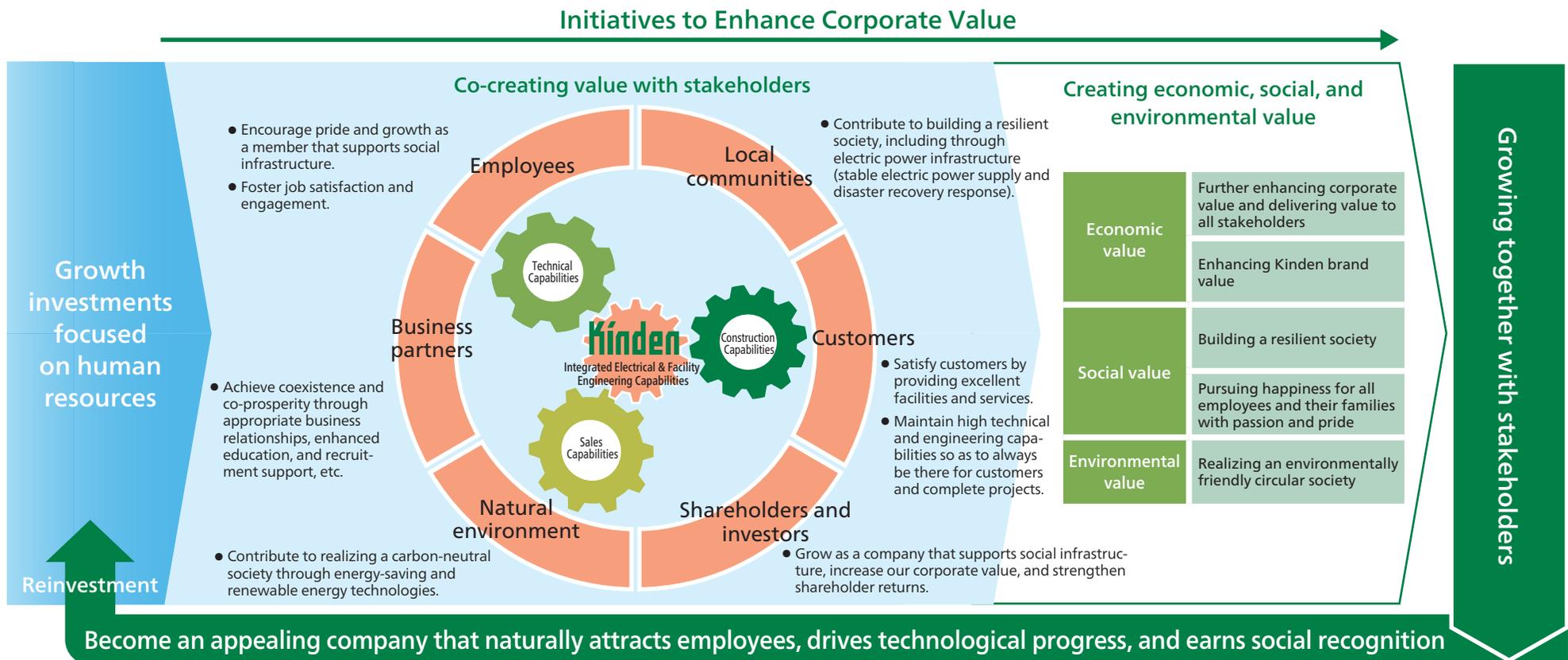


Medium-term Management Plan: Management Strategy

Initiatives to Enhance Corporate Value

Through growth investments focused on human resources, we create social, environmental, and economic value through value co-creation with stakeholders. This approach boosts corporate and brand value, contributing to achieving sustainable growth and development as a company that supports social infrastructure.

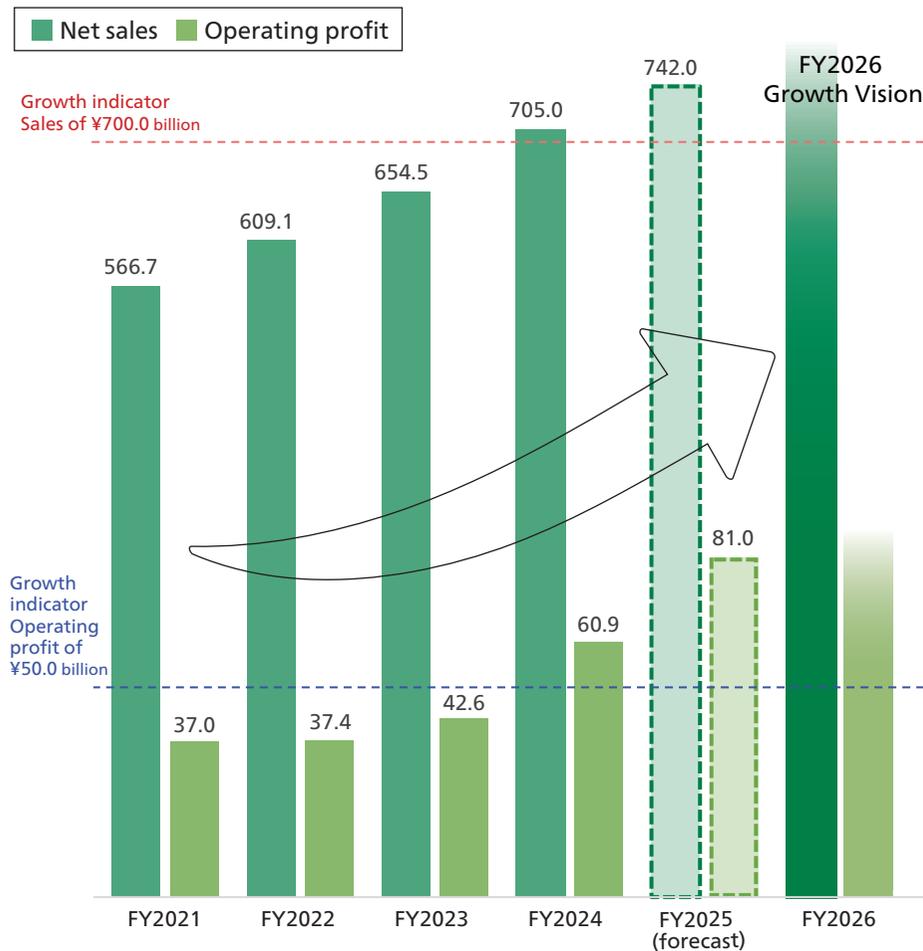
Co-creating Value with Stakeholders



Medium-term Management Plan: Management Strategy

Medium-term Management Plan Progress: Sustainable Growth 2026 — Human Resources, Heart, and Toward the Future

We achieved our growth indicators—around ¥700 billion in consolidated net sales and about ¥50 billion in operating profit—toward realizing our FY2026 Growth Vision of “management that generates consolidated net sales on a scale of ¥700 billion” two years ahead of schedule. To ensure sustainable growth and development of the Kinden Group, we will continue to steadily work toward becoming a stronger company.



Expansion of Existing Businesses

- Continually strengthen and expand the Electrical, Environmental Management Facilities, Information and Communications Network and Interior Systems businesses that serve as our core businesses as an integrated electrical and facility engineering company
 - Strategically expand orders aligned with the times (data centers, semiconductor factories, logistics, etc.)
 - Establish a new office in the Tokyo metropolitan area for business expansion in the capital region
 - Expand construction systems in each area to deepen ties with local communities
 - Made KITA KOUDENSHA Corporation a subsidiary to expand business in the rapidly growing Hokkaido area
- Contribute to the social infrastructure beginning with electricity
 - Secure construction capacity and build construction systems for a stable power supply
 - Reform business processes, including rebuilding core systems, and improve productivity through the use of new tools and construction methods
- Develop overseas businesses taking a long-term perspective
 - Restructure the organization of the International Division
 - Strengthen the business foundations of overseas offices and affiliate companies
- Demonstrate Kinden’s strengths and comprehensive capabilities
 - Build “All Kinden” construction systems through cooperation among business divisions and regions as an integrated electrical and facility engineering company

Challenges in New Fields

- Expand GX-related construction work to realize a carbon-neutral society
 - Expand renewable energy-related construction work
 - Established the Renewable Energy Engineering Center; Made FEN Co., Ltd. a subsidiary
 - Respond to power storage stations
 - Participated in the Tanagawa Power Storage Station development project, a joint project with Kansai Electric Power
- Respond to new infrastructure formats
 - Promote collaboration in existing businesses and create new business areas
 - Formed a capital and business alliance with Micware Co., Ltd.
 - Deployed EMS-AI

Medium-term Management Plan: Management Strategy

Medium-term Management Plan Progress: Sustainable Growth 2026 — Human Resources, Heart, and Toward the Future

To ensure the Kinden Group achieves sustainable growth and development, we are implementing various strategies to support appropriate business operations while considering ESG factors. We have achieved some results and will continue these efforts.

Human Resources and Workstyle Strategy

We are advancing human resource expansion and development, promoting work style reforms, and creating comfortable work environments.

- Developing and expanding human resources
 - Continue recruitment to secure a large number of human resources
 - Hired over 400 new graduates annually, and expanded year-round recruitment through diverse hiring methods
 - Strengthen human resource development
 - Promoted plans to relocate and rebuild Kinden Gakuen to develop educational infrastructure
 - Opened a Training Center (tentative name) at the new office in the Tokyo metropolitan area
- Promoting work style reforms
 - Create mechanisms to reduce working hours
 - Implemented organizational labor time management, including visualization of individual work attendance and on-site conditions through the use of IT tools
 - Promoted planned work styles
 - Prevented health issues from long working hours
 - Raised individual awareness and fostered a workplace culture
 - Conducted checks and follow-ups at all levels from management down
 - Improve productivity
 - Utilized ICT to improve the efficiency of on-site management operations, etc.
 - Built an organizational on-site support system through the establishment of on-site support teams and the expansion of existing organizational roles
 - Develop various measures to achieve 4-week, 8-day closures
 - Secured appropriate construction periods and took other company-wide initiatives, rather than leaving everything to sites
- Developing comfortable work environments
 - Build and renovate offices and facilities, seeking comfort and productivity
 - Formulated concepts for ideal offices (desired state), and comprehensively inspected offices
 - Implemented renovation plans based on this, etc.
 - Prevent turnover of young employees and practice labor management attentive to individuals
 - Institutionalized supervisor-subordinate meetings based on engagement survey results, etc.

Corporate Strategy

While continuing to strengthen and expand core businesses, contribute to social infrastructure, and develop international business from a long-term perspective, we are promoting initiatives that highlight our strengths and comprehensive capabilities.

- Practicing capital policy
 - Announce basic approach, then update content
 - Capital efficiency: Secure ROE exceeding shareholder capital cost Target: ROE 7% or above
 - Strengthening shareholder returns: Target a dividend payout ratio of 40% and a total payout ratio of 50 to 60% (total from FY2023 to FY2026)
 - Reduction of cross-shareholdings: Target approximately 10% of net assets
- Promoting Kinden brand awareness
 - Establish and utilize a corporate slogan and statement
 - Promote utilization through website updates and 80th anniversary activities
- Strengthening governance
 - Introduced the Management Execution Officer system

Environmental Strategy

We are expanding GX-related construction work to achieve a carbon-neutral society and adapting to new infrastructure formats.

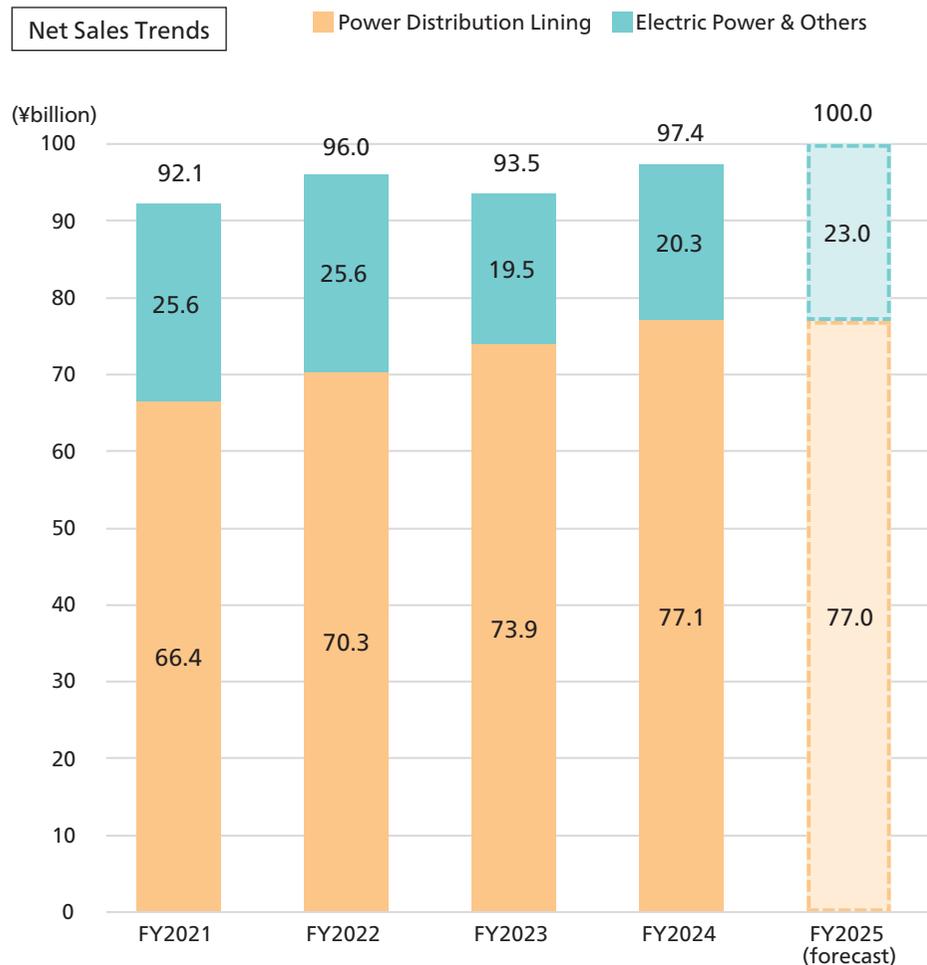
- Setting Kinden's CO₂ reduction targets
 - FY2030 non-consolidated Scope 1 & 2 CO₂ emissions: 50% reduction (compared to FY2020)
FY2024 results: 13.3% reduction
- Implementing initiatives to achieve targets
 - Establish the Carbon Neutrality Promotion Committee to formulate and promote counter-measure plans toward achieving carbon neutrality
 - Set targets for each office and promote the following initiatives:
 - Vehicle electrification/hybridization, building energy conservation, renewable energy self-consumption, purchasing renewable energy-derived electricity, etc.
- Supporting TCFD recommendations and ensuring information disclosure based on the TCFD framework

Medium-term Management Plan: Management Strategy

Business Strategy

Power Distribution Lining: Handling increases in medium- to long-term renovation projects due to the introduction of the revenue cap system

Electric Power & Others: Handling increasing needs in GX-related fields and for the effective use of renewable energy



Power Distribution Lining

As a member of the Kansai Electric Power Group, we contribute to the social mission of ensuring a safe and stable power supply by maintaining and strengthening power distribution facilities.

To fulfill this role, we are securing and strengthening construction capacity through ongoing recruitment of a large number of personnel and comprehensive training programs. We are also boosting productivity by upgrading core systems through business collaboration with Kansai Transmission and Distribution. We are developing tools and construction methods that enhance efficiency and improve the work environment, while leveraging DX and the latest technologies, such as AI.

We will continue to strengthen our construction systems to handle the rise in medium-to long-term renovation projects due to the introduction of the revenue cap system¹ at Kansai Transmission and Distribution.

Electric Power & Others

Under the revenue cap system, as aging transmission and substation facilities are systematically upgraded, we are enhancing construction systems, including contractors, to address the increasing number of renovation and countermeasure projects.

Moving forward, we will continue to handle transmission and substation facility upgrade projects. We will also actively pursue social infrastructure development projects that leverage technologies cultivated in power engineering and construction, and develop new markets through unique new technologies not available at other companies.

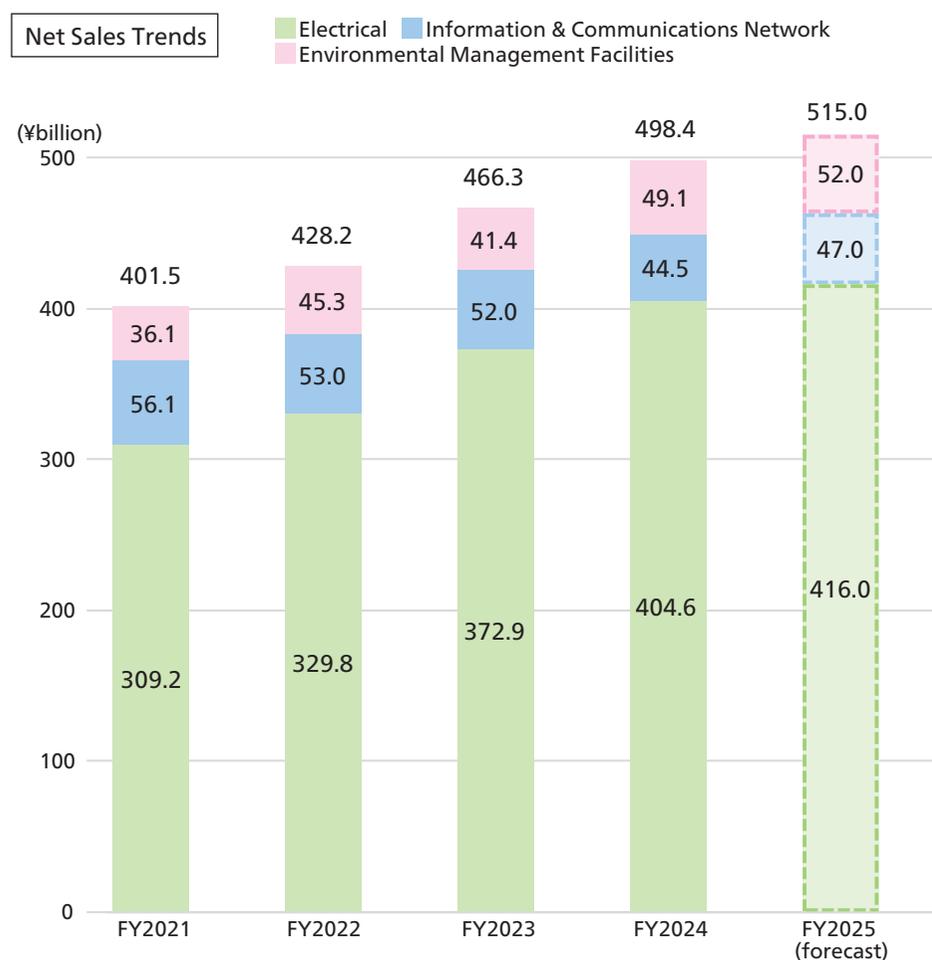
We are currently involved in the Tanagawa Power Storage Station project and will continue expanding renewable energy-related construction, including power storage projects, to promote GX initiatives toward a carbon-neutral society. To this end, we are focusing on securing construction capacity and developing construction systems, while accumulating experience and expertise through various initiatives.

¹ The revenue cap system was introduced in April 2023 to balance maintaining and strengthening transmission and distribution networks with efficiency. Operators develop five-year business plans, and the government reviews necessary costs (revenue cap). The government assesses the achievement of these plans and provides incentives to promote planned investments and efficiency gains. This addresses challenges such as adopting renewable energy, renewing aging equipment, and implementing disaster countermeasures.

Medium-term Management Plan: Management Strategy

Business Strategy

Electrical, Information & Communications Network, Environmental Management Facilities: While continuing and strengthening business development in Greater Tokyo, centered on our new office in the Tokyo metropolitan area, handling changing times and diverse customer needs by demonstrating comprehensive capabilities as an integrated electrical and facility engineering company and leveraging “All Kinden” construction systems



Electrical

Net sales have steadily grown amid strong demand in construction and capital investment. We have accurately understood customer trends and expanded orders in line with current needs. This includes increased demand for data centers and AI-related semiconductors driven by the rapid growth of generative AI, as well as greater investment in EV battery factories. We have also provided attentive customer service to support generally strong capital investments in logistics facilities, office buildings, and other areas. This has contributed to consistent sales growth.

Although there are concerns such as uncertain conditions outside Japan and rising material and labor costs, we expect an active market moving forward. Anticipating this external environment, we will continue to strengthen our construction systems, expand our workforce, and improve productivity, along with fostering inter-regional cooperation and collaboration among business divisions.

Information & Communications Network

For in-building communications, LAN and instrumentation work focused on data centers, factories, and office buildings has progressed steadily. We plan to further expand by strengthening our construction systems.

Meanwhile, in wide-area communications, there is a declining trend due to decreased capital investment in mobile communications. However, while maintaining our current sales level, we will develop strategic order activities aimed at expansion, such as infrastructure development on expressways, disaster prevention radio, fire and emergency radio systems, and FTTH construction, maintenance, and repair work.

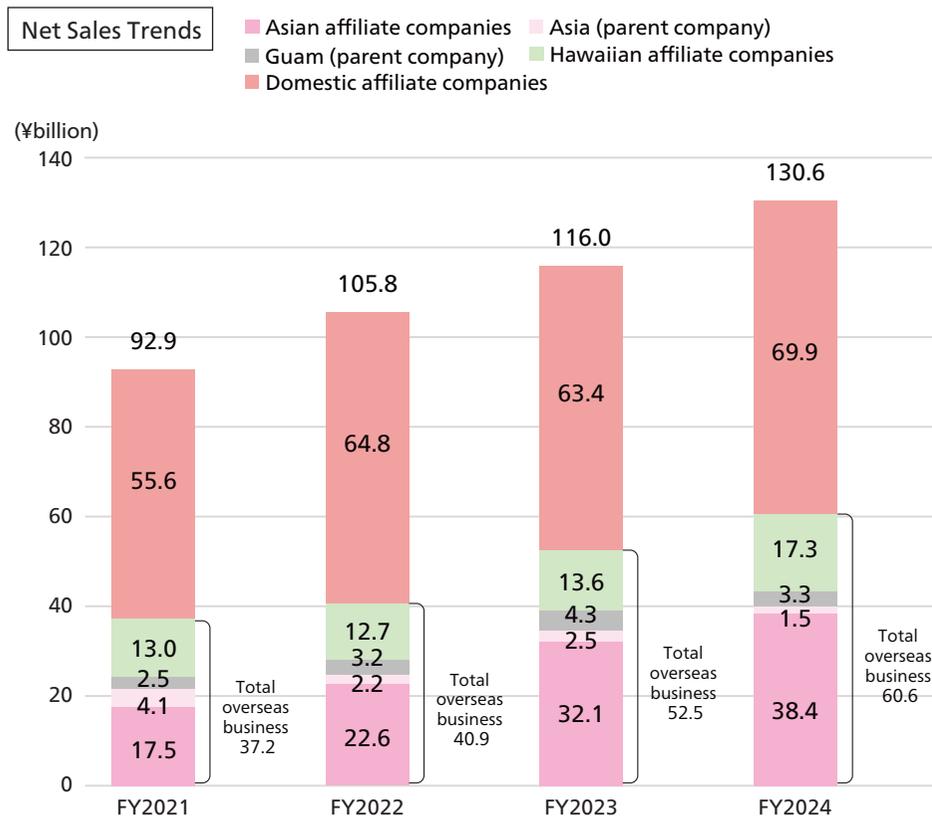
Environmental Management Facilities

Amid strong construction demand and capital investment, sales are steadily growing, focusing on factories and data centers. Despite concerns like uncertain conditions outside Japan and rising material and labor costs, we anticipate an active market. We plan to pursue further growth by expanding our workforce and boosting productivity, while flexibly adapting to changing times and customer expectations, including demonstrating integrated capabilities with the Electrical Division.

Medium-term Management Plan: Management Strategy

Business Strategy

Overseas Business: Developing business from a long-term perspective based on market environments in each country
Domestic Affiliate Companies: Maximizing integrated capabilities across the Group



Overseas Business

As a leading integrated electrical and facility engineering company, we expanded overseas ahead of other Japanese firms since the 1950s. Both abroad and domestically, we meet all customer requests, build trust by delivering high-quality facilities, and grow through locally rooted, attentive business development, now with accomplishments in over 90 countries worldwide.

Regarding recent performance, although some areas like Southeast Asia face challenging market conditions, progress is steady in Hawaii, Dubai, and India.

Under a business structure focused on the International Division, we will strengthen our business foundations and governance systems at five overseas offices and eight overseas affiliate companies, and promote overseas business development from a sustainable and long-term perspective.

Domestic Affiliate Companies

We have 15 domestic affiliate companies across various industries, including electrical, environmental management, wind power generation, and other sectors, expanding performance through collaboration with the parent company.

In April 2025, we welcomed KITA KOUDENSHA Corporation into the Kinden Group, strengthening our business base in Hokkaido and aiming to create synergies. (Consolidated from FY2025)

Wind power affiliate companies and FEN Co., Ltd. will strengthen GX-related initiatives, including renewable energy, in collaboration with the parent company to meet societal and customer needs, aiming to achieve a carbon-neutral society.

For other affiliate companies as well, we aim to showcase the integrated capabilities of the entire Kinden Group, not only the growth of each company, through collaboration with the parent company in maintenance and upkeep support for general divisions and outsourced operations in peripheral work related to electric power.

* Figures before elimination of intra-group transactions.

* Overseas Affiliate Companies

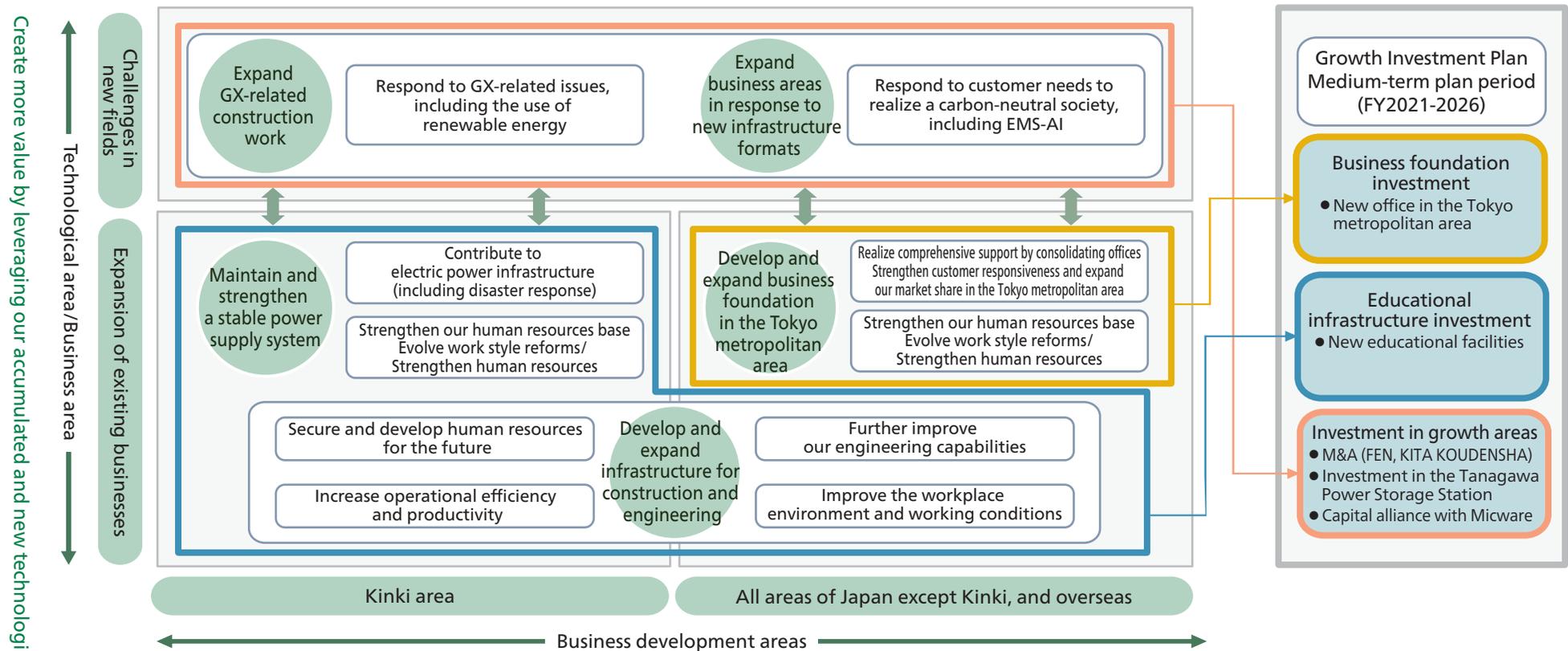
Asia (Kinden Vietnam Co., Ltd., Kinden (Thailand) Co., Ltd., P.T. Kinden Indonesia, Kinden Phils. Corporation, Antelec Private Ltd., International Electro-Mechanical Services Co.)
 Hawaii (US Kinden Corporation, Wasa Electrical Services, Inc.)

Medium-term Management Plan: Management Strategy

Growth investments focused on human resources

People are Kinden's most important management resource and asset. Investment in human resources is the core of our growth investments.

- Open a new office in the Tokyo metropolitan area to serve as a center for general construction work and increase our market share in this large market.
- Develop and expand construction and technical infrastructure from a medium- to long-term perspective by investing in educational infrastructure in order to secure and develop human resources for the future.
- Consider and execute investments in growth areas, such as GX-related fields, to realize a carbon-neutral society.



Strengthen the area framework for reinforcing community-based operations and expanding business in the Tokyo metropolitan area.

Medium-term Management Plan: Management Strategy

Business foundation investment
● New office in the Tokyo metropolitan area

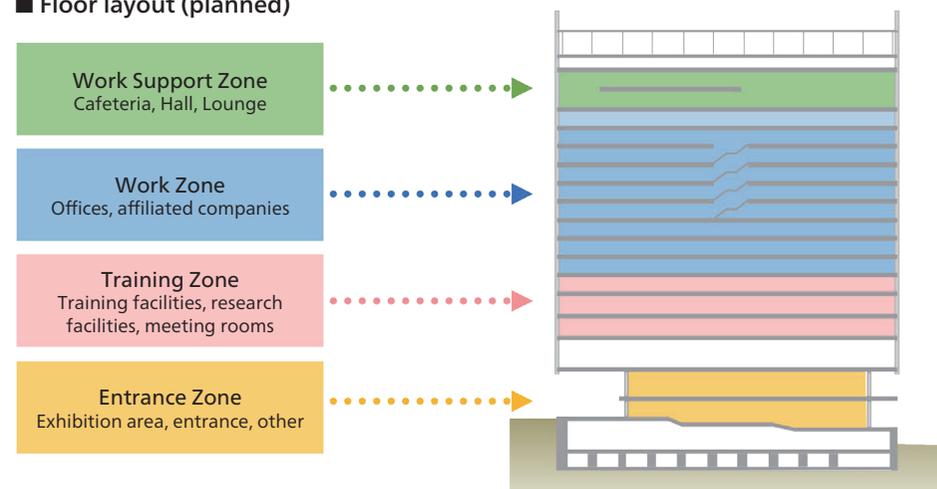
Overview and Progress of Business Infrastructure Investment

We will open a new office in the Tokyo metropolitan area, a major market, as a core base for general construction. It will serve Kinden and Group companies and include training and research functions, establishing a robust business foundation that unites the Group's full capabilities.

Opening a New Office in the Tokyo Metropolitan Area

- Establishing a new core base for general construction work
We will establish a solid business foundation to enhance human resources by consolidating and integrating the functions of divisions and Group company offices scattered throughout Tokyo, while also providing training and research facilities. The new Tokyo office will serve as a core base for general construction, leveraging the Kinden Group's integrated capabilities.
- Installation of training and research facilities
The new office will feature training and research facilities that provide education not only for Kinden but also for Group companies and contractors. This setup will promote communication within the Group while enhancing technology and skills.
- State-of-the-art office space
As an integrated electrical and facility engineering company, the new office will incorporate Kinden's original technologies designed for the future and feature environmentally friendly, sustainable functions.
By combining state-of-the-art office space with training and research facilities, the new office will advance work style reforms, enhance our human resource capabilities, and boost our brand value.

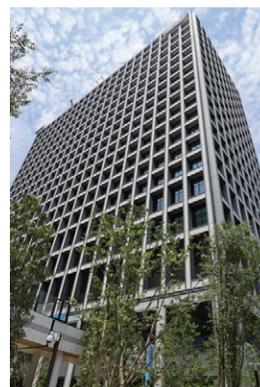
■ Floor layout (planned)



Moving forward, we will continue to meet customer expectations and aim for sustainable growth and development as a company supporting social infrastructure. Beyond the Tokyo metropolitan area and at branch offices throughout Japan, we will further deepen relationships with customers and strengthen community-based operations. We will implement an Area Growth Strategy to promote stronger community-based operations and expand our business, aiming for the sustainable growth and development of the Kinden Group.

Overview of New Office in the Tokyo Metropolitan Area

Address: 2-1-5 Toyosu, Koto-ku, Tokyo
Building name: Kinden Toyosu Building
Completion date: September 30, 2025
Business start: Spring 2026 (scheduled)



Lounge with a calm atmosphere on the 17th floor (perspective drawing)

Medium-term Management Plan: Management Strategy

Educational
infrastructure investment
● New educational facilities

Overview and Progress of Educational Infrastructure Investment

Our competitive edge is our human resources, supported by our core educational facility, Kinden Gakuen Technical Training Center. To attract and cultivate future talent with the “can-do spirit” that embodies the Kinden Brand, we are advancing the development of the New Kinden Gakuen.

Overview of the New Kinden Gakuen

■ Purpose of relocation and reconstruction: Strengthen human resources by expanding educational infrastructure
To shape Kinden’s future, we will develop educational infrastructure such as facilities, equipment, and systems. We aim to create a modern environment where anyone can access effective education anytime and anywhere, maximizing learning impact.

■ Vision of the New Kinden Gakuen: Serving as a central hub and transmission base for company-wide education

- Core educational facility that develops human resources with a “can-do spirit”
- Modern educational environment, looking toward the future
- Recovery base during natural disasters (BCP countermeasures)
- Base for community coexistence and exchange with schools and companies
- Environmentally friendly, sustainable facility (scheduled to obtain ZEB Ready)

■ Facility features: Development and expansion of a modern educational environment

- Educational facilities incorporating cutting-edge technology
 - Maximizing the use of ICT, aiming for easy-to-understand education, including experience through sight, hearing, and touch
 - Enhancement of more advanced educational equipment, leveraging digital tools, including e-learning
- Comfortable facilities (scheduled to obtain WELL GOLD) that balance group living with privacy and enable refreshment
- Equipment considerate of diversity

■ Educational policy: Kinden’s strengths to preserve despite changing times and values

- High-level technical and skill capabilities and a strong sense of mission to support social infrastructure
 - “Can-do spirit”
- Strong conviction to comply with rules; strength of character and communication skills that are the source of team strength
 - “Ensuring safety and high productivity”

■ Target outcomes

- Secure manpower with advanced skills, expand construction capacity
- Improve customer trust through advanced technology and skills, expand order opportunities, and improve cost structure through productivity improvements (labor-saving construction and efficiency)
- Secure and develop human resources for the future
- Strengthen human resource development at Group companies and contractors



Overview of the New Kinden Gakuen
Construction site: Minoh City, Osaka Prefecture / Site area: 65,627 m² / Building area: 24,001 m² / Total floor area: 50,135 m² / Opening period: During FY2027

Medium-term Management Plan: Management Strategy

Investment in growth areas

- M&A (FEN, KITA KOUDENSHA)
- Investment in the Tanagawa Power Storage Station
- Capital alliance with Micware

Overview and Progress of Growth Area Investment

- Consider and execute investments in growth areas, such as GX-related fields, to realize a carbon-neutral society
- Explore our unique advancements and technologies by several methods, including collaboration among industry, academia and government; business investment in technology-owning companies; and M&A.
- Develop growth areas with high affinity to existing areas as an integrated electrical and facility engineering company (energy, environment, and information).

M&A for Expansion into New Fields

■ Making FEN Co., Ltd. a subsidiary

To expand renewable energy construction projects and secure more orders for next-generation information and communications network projects, on July 30, 2021, we made FEN Co., Ltd. (formerly Fujikura Engineering Co., Ltd.) a subsidiary and welcomed it into the Kinden Group.

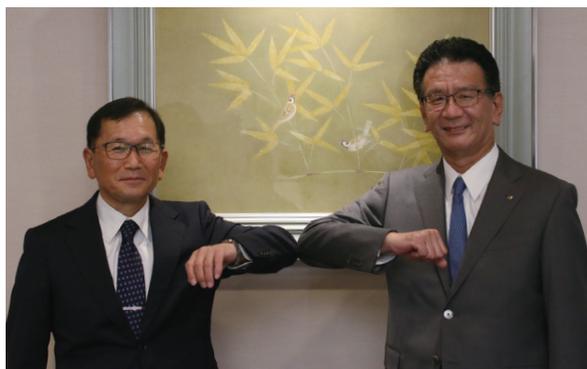
In the renewable energy-related construction market and next-generation information and communications network market, where continued growth is anticipated, FEN and Kinden will mutually complement, share, and utilize each other's management resources.

Overview of FEN

Head office: Daiichi Building Honkan 2-7-23 Kiba, Koto-ku, Tokyo
 Established: May 20, 1994
 Capital: ¥200 million
 Business: Electric power engineering business, communications engineering business
 Employees: 116 (as of March 31, 2025)
 URL: <https://www.kfen.co.jp/> (in Japanese)



FEN is an integrated engineering company specializing in electric power and communications. It provides design, procurement, and construction services for power companies and communications operators, and has established a stable management foundation through high-quality work and extensive experience.



Masayuki Tan,
President, FEN

Takao Uesaka,
President, Kinden

M&A for Business Expansion in Hokkaido

■ Making KITA KOUDENSHA Corporation a subsidiary

To strengthen our business foundation in Hokkaido, where construction demand and renewable energy projects are growing, we made KITA KOUDENSHA Corporation a subsidiary and welcomed it into the Kinden Group.

Moving forward, we will drive growth in Hokkaido by sharing and leveraging the management resources of companies to create synergies, strengthen the Group's regional presence, and enhance corporate value.

Overview of KITA KOUDENSHA

Head office: 23-2-10 Kita 11-jo Nishi, Chuo-ku, Sapporo
 Established: January 29, 1951
 Capital: ¥100 million
 Business: Indoor wiring construction business, power-related construction business, procurement and sales of industrial equipment
 Employees: 227 (as of March 31, 2025)
 URL: <https://www.kitakoudensha.co.jp/> (in Japanese)



Since its founding, KITA KOUDENSHA has contributed to local communities in Hokkaido through electrical facility construction for social and industrial infrastructure, as well as for comfortable offices and living environments. It has an extensive track record in Hokkaido, a solid customer base, skilled technical personnel, robust construction systems, and a strong brand.



Tomoaki Sato,
President, KITA KOUDENSHA

Takao Uesaka,
President, Kinden

Naoki Mabuchi,
Director, KITA KOUDENSHA

Medium-term Management Plan: Management Strategy

Investment in growth areas

- M&A (FEN, KITA KOUDENSHA)
- Investment in the Tanagawa Power Storage Station
- Capital alliance with Micware

Overview and Progress of Growth Area Investment

- Consider and execute investments in growth areas, such as GX-related fields, to realize a carbon-neutral society
- Explore our unique advancements and technologies by several methods, including collaboration among industry, academia and government; business investment in technology-owning companies; and M&A.
- Develop growth areas with high affinity to existing areas as an integrated electrical and facility engineering company (energy, environment, and information).

Participation in the Power Storage Business

■ Participation in the Tanagawa Power Storage Station Development Project

As part of our GX-related field expansion, we are participating in the Tanagawa Power Storage Station Development Project, one of Japan's largest, located in Misa-ki-cho, Sennan-gun, Osaka Prefecture.

◆ Business Structure

Company	Role
The Kansai Electric Power Company, Incorporated	Power storage battery assessment and operation support
Kinden Corporation	EPC construction (design, battery procurement, power storage station construction)
Kinden Kansai Services Company, Incorporated	Power storage station maintenance and upkeep
Kanden Asset Management Co., Ltd.	Operation management of Tanagawa Power Storage Station LLC
E-Flow LLC	Battery operation in the electricity market
Tanagawa Power Storage Station LLC	Ownership of Tanagawa Power Storage Station

◆ Tanagawa Power Storage Station LLC

Established	March 7, 2025
Representative	Hisayoshi Kitagawa
Address	Tokyo Kyodo Accounting Office, 1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Equity ratio	The Kansai Electric Power Company, Incorporated 40%, Kinden Corporation 10%, Japan Infrastructure I, Limited Partnership 50%

Overview of Power Storage Station

Name: Tanagawa Power Storage Station

Commercial operation start: Scheduled for February 2028

Rated output: 99 MW

Rated capacity: 396 MWh

Site area: Approximately 20,000 m²

Battery type: Lithium-ion battery

News release:
<https://www.kinden.co.jp/topics/detail/2025/0507/>
(in Japanese)

Capital and Business Alliance for New Business Creation

■ In February 2025, Kinden concluded a capital and business alliance agreement with Micware Co., Ltd. (Head office: Chuo-ku, Kobe). We aim to deepen collaboration and explore new business fields by combining Micware's advanced software expertise in navigation and location services with Kinden's energy and infrastructure technologies.

The two companies began collaborating in 2020 on joint research into the use of Sigfox¹ for Kinden's energy management service "EMS-AI." At the venue facilities of Expo 2025 Osaka in Kansai, Japan, we conducted a proof-of-concept experiment of "Ee-ki-mo-chi" comfort evaluation values, which are based on Kinden's unique indicators.

News release: <https://www.kinden.co.jp/topics/detail/2025/0411/> (in Japanese)

¹ A communication method q IoT that achieves long-distance communication at low power consumption and low cost

New Business Areas

1. Digital Construction Business Domain

We will promote digital transformation in the construction field by leveraging both companies' infrastructure construction capabilities and ICT.

2. Next-Generation Mobility Service Business Domain

We will implement initiatives to build next-generation mobility with a low environmental impact by highly linking both companies' energy management technology and location information-related technology.

3. Smart City Business Domain

By utilizing both companies' ICT and IoT, we aim to create a sustainable society by creating smart cities that are kind to people and efficient, and that are suited to each region and environment.

Through these business areas, we will utilize the data accumulated by both companies and build a cross-industry collaborative framework. By developing it into a platform for analyzing diverse data, we aim to create added value, improve customer convenience, and help realize an environmentally friendly, sustainable, and better society.

Medium-term Management Plan: Management Strategy

Financial Strategy and Capital Policy

While maintaining a stable financial base, we focus on growth investments focused on human resources and capital efficiency, aiming for sustainable growth of the Kinden Group and long-term increase in shareholder value.

Capital Policy Approach

Kinden’s mission is to support social infrastructure such as electric power. Stable business operations are therefore essential, requiring not only sufficient working capital but also readiness for contingencies such as economic downturns and long-term disaster recovery, as well as sustained employment of our human resources—the company’s greatest asset. Guided by our core financial principle of maintaining **stable financial base**, we respond flexibly to changes in management and business environments. Recognizing that people are Kinden’s capital, we strengthen our medium- to long-term profit-generating capacity through **growth investments focused on human resources** (see p.29) while **improving capital efficiency** by **strengthening shareholder returns** and **reducing cross-shareholdings**.

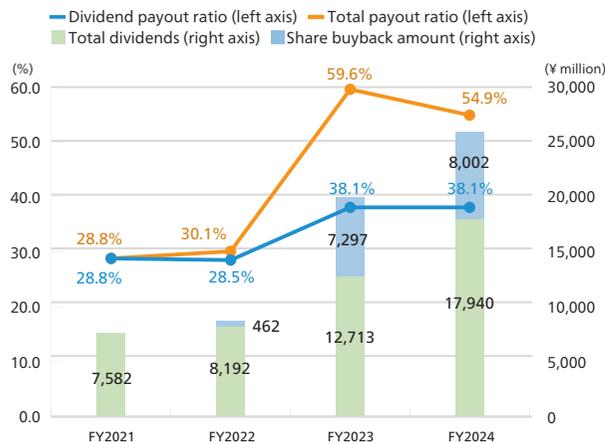
We believe that Kinden’s sustainable growth and development through these initiatives lead to long-term enhancement of shareholder value.

Strengthening of Shareholder Returns

- Phased increase in dividend levels and flexible share buybacks

Our basic policy is to pay stable and continuous dividends according to our business results and financial performance.

- Target a dividend payout ratio of 40% and a total payout ratio of 50–60% (total from FY2023 to 2026)

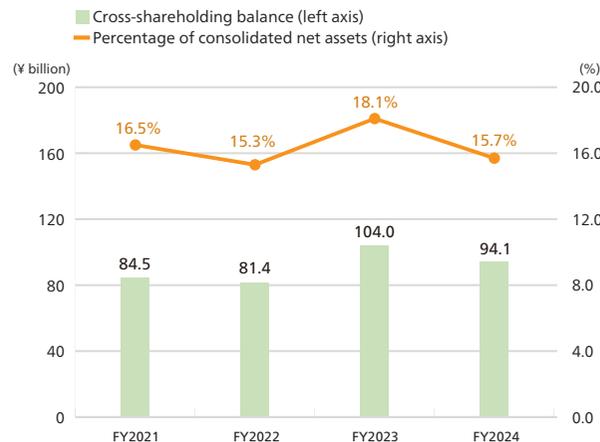


Reduction of Cross-Shareholdings

- Accelerating reduction

We hold cross-shareholdings to expand our business and strengthen partner relationships. Moving forward, we will accelerate their reduction by carefully reviewing the appropriateness of each holding.

- Target: Reduce to approx. 10% of net assets during the Medium-term Management Plan period

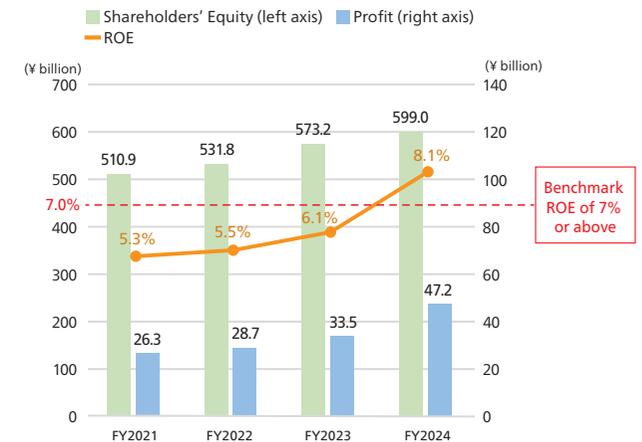


Improving Capital Efficiency

- Continue to secure an ROE that exceeds the cost of shareholders' equity

We will enhance corporate value by securing an ROE that exceeds the cost of shareholders’ equity, which is the expected rate of return for Kinden’s shareholders and investors.

- Benchmark (target): ROE of 7% or above



Medium-term Management Plan: Management Strategy

Financial Strategy and Capital Policy

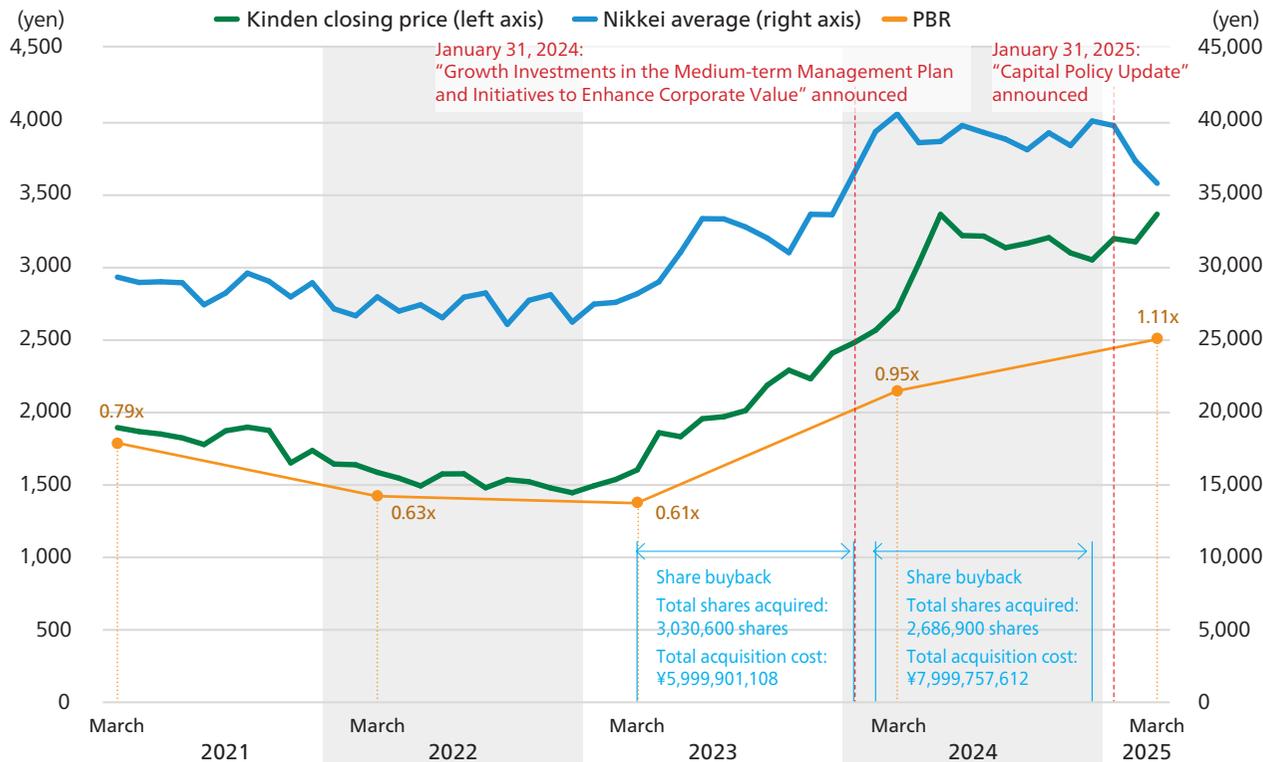
Current Analysis

Based on the approach outlined on page 34, we have implemented key initiatives, including the share buyback in March 2023 and the capital policy and its update in January 2024 and 2025. Along with favorable market conditions and solid business performance, these measures strengthened expectations for management focused on shareholder returns and capital efficiency, driving growth in our stock price and corporate value. Since January 2025, despite a decline in the Nikkei average, our stock price has continued to rise, gaining steady recognition from the market. On August 6, 2025, it closed at

¥5,120—approximately 2.7 times the level at the start of the Medium-term Management Plan—with a PBR of around 1.7 and a market capitalization above ¥1 trillion.

While we place importance on conventional business indicators such as sales and profit, we also fully recognize the significance of metrics like stock price and capital efficiency. We will continue to conduct regular analyses, refine our capital policy based on the results, and aim for sustainable growth and development by co-creating value with all stakeholders.

Trends in Kinden’s Stock Price, Nikkei Average, and PBR



Financial Strategy and Capital Policy: Disclosure Media

► Initiatives to enhance corporate value

Efforts to achieve management conscious of capital costs and stock price

- Growth Investments in the Medium-term Management Plan and Initiatives to Enhance Corporate Value
https://www.kinden.co.jp/english/pdf/corporatevalue_en.pdf
- Capital Policy in the Medium-term Management Plan ~Update based on dialogue with the capital markets~
https://www.kinden.co.jp/english/pdf/2025-medium_term_management_plan_en.pdf

Dialogue with shareholders and others

<https://www.kinden.co.jp/ir/corporatevalue/dialogue.pdf> (in Japanese)

► IR information

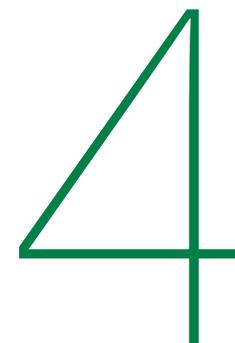
<https://www.kinden.co.jp/english/ir/>

Q. What are Kinden’s strategies for realizing its growth vision?

A. We implement strategies for sustainable corporate management, including human resources and work style strategies centered on people.

Chapter 4: Medium-term Management Plan: ESG Strategy

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Positioning of ESG Strategy and Materiality in the Medium-term Management Plan

We are addressing the materiality associated with each strategy to implement the individual strategies of our Medium-term Management Plan.

Please refer to the webpages and publications listed below for progress on each materiality issue.

ESG	Individual Strategies	Theme	Materiality	Reference Page/Medium	
E Environment	Environmental strategy	Attain SDGs and promote environmental awareness through business activities	Expand renewable energy construction projects to realize a carbon-neutral society	111th Annual Securities Report April 2024-March 2025 P11-12 https://www.kinden.co.jp/pdf/111-2.pdf (in Japanese)	
			Proactively propose energy-saving and environmentally-friendly equipment to customers	111th Annual Securities Report April 2024-March 2025 P11-12 https://www.kinden.co.jp/pdf/111-2.pdf (in Japanese)	
			Expand business domains in response to new forms of infrastructure	111th Annual Securities Report April 2024-March 2025 P11-12 https://www.kinden.co.jp/pdf/111-2.pdf (in Japanese)	
			Reduce energy use in business activities	111th Annual Securities Report April 2024-March 2025 P11-12 https://www.kinden.co.jp/pdf/111-2.pdf (in Japanese)	
S Social	Human resources and workstyle strategy	Create comfortable work environments	Implement initiatives to respect human rights	Respect for Human Rights https://www.kinden.co.jp/company/csr/human_rights/ (in Japanese)	
			Improve working environments and promote diverse workstyles	111th Annual Securities Report April 2024-March 2025 P13-14 https://www.kinden.co.jp/pdf/111-2.pdf (in Japanese)	
			Promote good health for all employees	CSR > Health Management Initiatives https://www.kinden.co.jp/company/csr/health/ (in Japanese)	
		Become a professional group with a can-do spirit	Improve employee engagement	Foster a sense of “rewarding and satisfying work” and “passion and pride” 111th Annual Securities Report April 2024-March 2025 P13-14 https://www.kinden.co.jp/pdf/111-2.pdf (in Japanese)	
			Promote diversity management	Secure strategic human resources that match our growth vision through flexible hiring	111th Annual Securities Report April 2024-March 2025 P13-14 https://www.kinden.co.jp/pdf/111-2.pdf (in Japanese)
				Implement efficient and effective education to meet the needs of the times and enhance educational infrastructure	Company Profile / Human Resources Development and Training https://www.kinden.co.jp/english/company/hrd/
G Governance	Corporate strategy	Ensure thorough management with a keen awareness of corporate governance and compliance	Strengthen our organizational structure to respond promptly and appropriately to company-wide issues	111th Annual Securities Report April 2024-March 2025 P31-35 https://www.kinden.co.jp/pdf/111-2.pdf (in Japanese)	
			Ensure thorough compliance management	CSR > Compliance https://www.kinden.co.jp/company/csr/compliance/ (in Japanese)	
			Implement the Corporate Governance Code effectively	Corporate Governance Report https://www.kinden.co.jp/company/images/governance_2025_06_1.pdf (in Japanese)	
		Provide appropriate information disclosure to raise our corporate status	Promote effective public relations activities to raise recognition of the Kinden brand	Brand page https://www.kinden.co.jp/english/brand/	

ESG Strategy: Environment

Environmental Strategy—Basic Policy

Under the environmental strategy in our Medium-term Management Plan, we reduce the environmental impact from our own activities. By designing and constructing environmentally-friendly facilities, we also assist customers and society in saving energy and resources, thereby contributing to environmental conservation, including the fight against global warming.

Basic Environmental Philosophy, Environmental Policy and Environmental Management System

As solving environmental issues such as global warming, depletion of resources, and environmental pollution caused by waste products are all key challenges of our time, helping to create a sustainable society by striving for environmental conservation is crucial for companies placing a burden on the environment through their use of energy and resources and discharge of waste associated with business activities.

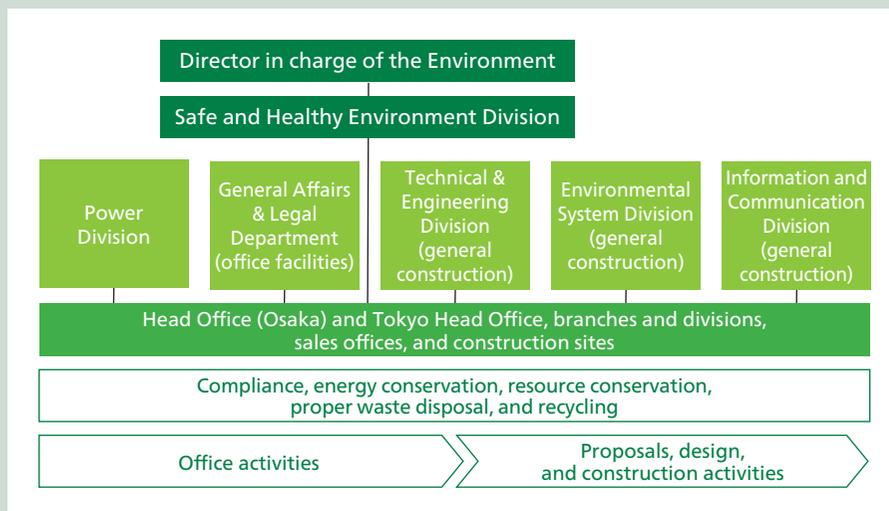
Basic Environmental Philosophy

We recognize environmental conservation as a major issue equivalent to business growth. With this in mind, we strive to reduce our environmental load, while saving energy and resources for customers and society by designing and constructing environmentally-friendly facilities as an integrated facility engineering company based on three business pillars, i.e. energy, the environment and information, and helping conserve the environment such as preventing global warming.

Environmental Policy

- We comply with environmental laws.
- We promote energy-saving, resource conservation, adequate waste treatment and recycling to prevent global warming, establish a recyclable society and control pollution.
- We help preserve the environment for our customers and society by designing and constructing environmentally-friendly facilities.
- We proactively engage in developing environmentally-conscious technologies and construction methods.
- As a community-based company, we strive for environmental conservation in our local community.

Environmental Management System



Medium-term Management Plan: Environmental Strategy

Individual Strategies	Theme	Details of Initiatives
Environmental Strategy	Contribute to achieving the SDGs and promoting environmental awareness through business activities	Promote initiatives for carbon neutrality, such as reducing energy use in business activities

Environmental Materiality

ESG	Materiality	SDGs
E Environment	Expand renewable energy construction projects to realize a carbon-neutral society	7 AFFORDABLE AND CLEAN ENERGY, 11 SUSTAINABLE CITIES AND COMMUNITIES
	Proactively propose energy-saving and environmentally-friendly equipment to customers	
	Expand business domains in response to new forms of infrastructure	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
	Reduce energy use in business activities	

ESG Strategy: Environment

Environmental Strategy—Climate Change Initiatives Including Support for TCFD Recommendations (1)

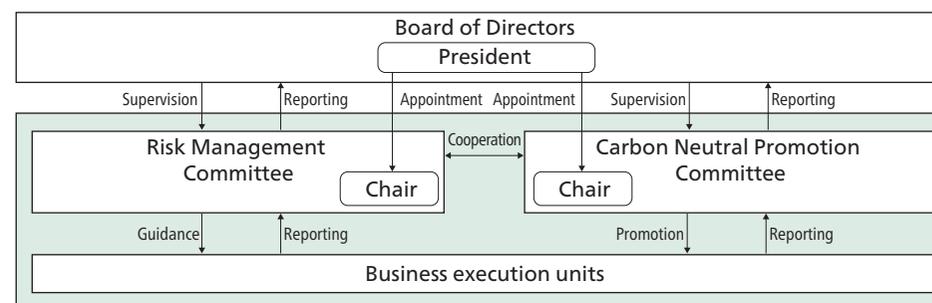
We recognize addressing environmental issues, including climate change, as one of our key management challenges. As part of this effort, we have expressed our support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and disclose information based on them.



Governance

We have established the Risk Management Committee to appropriately manage business risks, including those related to climate change, and support sustainable growth. Based on our Medium-term Management Plan, we also operate the Carbon Neutral Promotion Committee to plan and implement measures for achieving carbon neutrality. The Board of Directors regularly reviews their progress and provides oversight.

Climate Change Governance Structure



Strategic Scenario Analysis

Scenario Analysis Results (1.5°C Scenario)

Scenario	Climate-Related Events	Impact on Kinden	Our Response
Risks	Tighter regulations on GHG emissions	Inability to achieve our reduction targets amid rising demands for CO ₂ emission reductions	<ul style="list-style-type: none"> Promote environmental investments in offices (solar panels, energy-saving equipment, etc.) Promote adoption of EVs Promote use of wind power plants owned by Group companies (environmental value certificates) Purchase renewable energy-sourced electricity
		Increased customer requirements for environmentally-conscious construction	<ul style="list-style-type: none"> Promote procurement of environmentally-friendly low-carbon and recycled materials Develop new technologies and construction methods with lower environmental impact
	Increased environmental awareness and disclosure requirements from stakeholders	Reputational risk from inadequate CO ₂ reduction activities and information disclosure	<ul style="list-style-type: none"> Implement concrete measures to achieve targets and ensure appropriate stakeholder disclosure
Opportunities	Expansion of renewable energy use	Increased demand for renewable energy-related construction	<ul style="list-style-type: none"> Strengthen organization and structure to handle increased demand for wind, solar, biomass and related construction Accelerate technology development and improve technical capabilities for renewable energy construction to enhance our competitive edge
	Energy efficiency in buildings	Increased demand for energy-saving construction	<ul style="list-style-type: none"> Enhance range of energy management and other energy-saving proposals Actively propose sustainable energy-saving solutions to customers
	Expansion of non-fossil fuel use	Increased demand for infrastructure projects accompanying electrification of fossil fuels (charging stations, etc.)	<ul style="list-style-type: none"> Accelerate technology development and improve technical capabilities for new social infrastructure

ESG Strategy: Environment

Environmental Strategy—Climate Change Initiatives Including Support for TCFD Recommendations (2)

We recognize addressing environmental issues, including climate change, as one of our key management challenges. As part of this effort, we have expressed our support for the TCFD recommendations and disclose information based on them.

Strategic Scenario Analysis

Scenario Analysis Results (4°C Scenario)

Scenario	Climate-Related Events	Impact on Kinden		Our Response
Risks	Intensification of natural disasters	Suspension of our office functions due to damage from typhoons, floods, or other natural disasters	Medium/Long-term	· Ensure reliable BCP support to secure business continuity
		Increased emergency response to damage to social infrastructure and customer buildings	Medium/Long-term	· Maintain systems capable of flexible response when disasters occur
	Temperature rise	Increased risk of heat stroke during field work in extreme heat	Short/Medium-term	· Prevent heat stroke through comprehensive heat countermeasures
		Decreased work efficiency at sites due to deteriorating working conditions	Short/Medium-term	· Develop new construction methods and tools that reduce worker fatigue and contribute to work safety · Promote prefabrication and unitization of construction materials to improve construction efficiency
Opportunities	Strengthening of national resilience policies	Increased demand for construction to improve social infrastructure resilience for disaster prevention and mitigation	Medium/Long-term	· Build construction systems to handle increased demand for construction to improve social infrastructure resilience
		Increased demand for building maintenance and renewal construction for disaster prevention and mitigation	Medium/Long-term	· Accelerate technology development and improve technical capabilities for customer BCP support · Build organization and structure to handle increased demand for maintenance and renewal construction

Risk Management

As a basic principle, business execution units independently manage risks related to business activities, including climate change. The Risk Management Committee, created for cross-organizational risk monitoring and company-wide response, oversees these risks comprehensively.

Metrics and Targets

Our CO₂ reduction targets

Target Year	Scope	Reduction Rate
FY2030	Kinden non-consolidated, Scope1 & 2	50% reduction from FY2020

Our CO₂ reduction results (Unit: t-CO₂)

	2020	FY2024	FY2030
Scope1	16,969	14,925	–
Scope2	11,606	9,843	–
CO ₂ emissions	28,575	24,768	14,287
Reduction rate	–	13.3%	50%

ESG Strategy: Social

Overview of Human Resources and Workstyle Strategy

People are Kinden's most important management resource and asset. To build a professional group with a can-do spirit to strengthen and grow our business foundation, we are focused on securing, developing, and promoting the active participation of human resources who will lead the future, while creating rewarding and satisfying work environments.

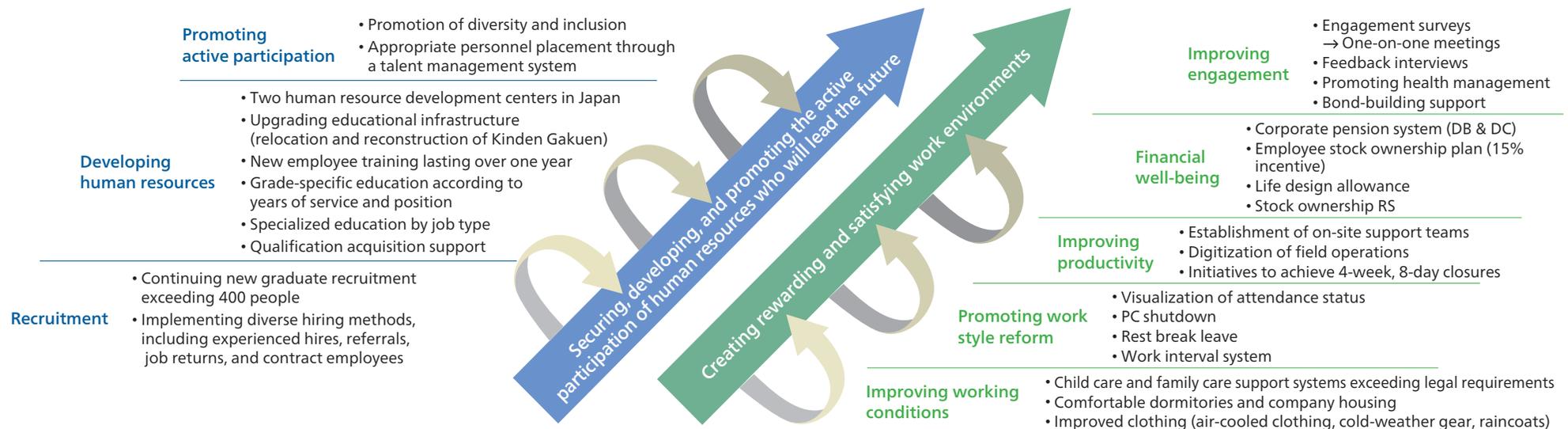
Building a Professional Group with a Can-Do Spirit to Strengthen and Grow Our Business Foundation

Our Ideal Candidate Profile

1. People who can set goals and maintain the determination to see them through

2. People who can take on challenges with creativity and innovation without fear of failure

3. People who can engage in two-way communication and respond flexibly



Personnel System

Qualification system
aimed at maximizing individual motivation and a competitive corporate structure

Evaluation system
based on performance, ability, and motivation

Performance-linked salary and bonus system

ESG Strategy: Social

Human Capital—Securing, Developing, and Promoting Active Participation of Human Resources Who Will Lead the Future (1)

The source of Kinden’s competitiveness lies in its human resources. Their development has been supported by core educational facilities centered on Kinden Gakuen. We are enhancing and expanding educational environments to meet the needs of the times, fostering future professionals with a can-do spirit.

Human Resources Development

Developing human resources with a can-do spirit

Based on the basic policy of developing human resources who can support sustainable corporate growth and contribute to society, we are implementing initiatives such as establishing systematic training curricula and enhancing programs for new employees in construction-related fields, to foster people with a can-do spirit.

Medium-term Human Resources Development Plan (2022–2026)

Basic policy

Developing human resources who can support sustainable corporate growth and contribute to society

- ★ Corporate philosophy education:
Protecting human resources and the heart, and connecting to the future
- ★ Adapting to and evolving with social change:
“What should be changed” and “What should be preserved”
- ★ Thinking and acting independently:
Enhancing strength of character and on-site capabilities

Implemented in alignment with
the Medium-term Management Plan (FY2021–2026)

We reconfirm the objectives of various educational programs, including grade-specific, common, specialized, qualification, on-the-job training (OJT), and self-development programs, and review curricula and teaching methods to maximize their effectiveness.

Aim to become a professional group with a can-do spirit!

Kinden Gakuen

Aiming for the trinity of “Spirits, Skills and Physique”

Kinden Gakuen was established as our 10th anniversary project and serves as a core educational facility for human resource development. We provide comprehensive education based on the trinity of “Spirits, Skills and Physique,” which has been our educational philosophy since day one.

Having developed human resources who are the source of our competitiveness for over half a century, Kinden Gakuen has fulfilled its role and is now planning relocation and reconstruction (see P.31).



Kinden Gakuen exterior view



Heart and Technique Heritage Hall



Human Resources Development Center

Base for technical and skill education in eastern Japan

Established in Inzai City, Chiba Prefecture, in 1995 as part of our 50th anniversary project, the Human Resources Development Center serves as a core base for technical and skill training in the general construction division. Set on a 19,170 m² site with training buildings, a dormitory, and sports facilities.

The center enables simulations covering a wide range of technologies, from basic to specialized, providing practical, forward-looking education. We are developing skilled professionals capable of adapting to advanced information technologies.



Human Resources Development Center



Mock electrical room



ESG Strategy: Social

Human Capital—Securing, Developing, and Promoting Active Participation of Human Resources Who Will Lead the Future (2)

To uphold the tradition of “Kinden, the Company of Technology,” where every employee possesses advanced technical skills and knowledge, we offer comprehensive educational programs across all fields to develop outstanding human resources.

Training Specialists in Each Field (Construction-Related Fields)

Power distribution and transmission courses (power distribution, power communication, and transmission and distribution construction)

Training technicians who deliver electricity from power plants to customers and connect regional communications

We also develop specialists in power transmission and distribution systems that deliver electricity at high voltage from power plants to end users, such as factories, buildings, and homes, as well as in communications.

Given the high-risk nature of working at heights and handling high voltage, training is conducted with utmost seriousness, cultivating mental toughness, physical endurance, and teamwork.

Many technicians who have restored power after natural disasters took these courses. These programs have produced numerous responsible technicians who support the vital infrastructure of electricity and communications.

- Power Distribution Lining:
Includes wiring in urban areas, installation of service lines from utility poles to houses, and electricity meter installation.
- Power Communication Construction:
Wiring work for optical fiber cables used for the Internet and other communication networks.
- Transmission Line Construction:
Extra-high-voltage transmission work from power plants to substations.



General interior wiring course (general interior wiring construction)

Training technicians for indoor wiring work in buildings

We train specialists in indoor wiring for buildings, offices, commercial spaces, public facilities, and other facilities.

In electrical facilities, required skills range from power receiving and transforming, emergency power, lighting, and control systems to broadcasting, communication, and safety equipment. With the growth of information and communication fields, trainees also learn advanced technologies such as optical LAN system construction for highly digitalized buildings and proprietary systems that comprehensively manage electrical and communication infrastructure with high value-added functions.

The WorldSkills Competition showcases young technicians in this field, and Kinden Gakuen has produced many excellent participants.

By 2024, our trainees have earned 12 gold medals and numerous other awards in international categories including Electrical Work, Information Network Cabling, and Renewable Energy—further enhancing global recognition of “Kinden, the Company of Technology.”



HVAC and plumbing course (HVAC and plumbing construction)

Training technicians who create comfortable environments in various types of buildings

We train specialized technicians in plumbing and HVAC work to create comfortable environments in offices, commercial spaces, medical facilities and other buildings.

The scope of HVAC and sanitation systems is broad, covering water supply, hot water supply, drainage, fire suppression, refrigerants, and chilled/hot water systems. As piping materials, connection methods, and tools continue to evolve, mastering both traditional techniques and the latest technologies is essential.

Through the HVAC and Plumbing Course, trainees learn how to circulate water and heat efficiently to ensure safe and comfortable indoor environments. We develop technicians who design and build high value-added facilities that not only enhance each building’s functionality, comfort, and safety, but also improve resilience through BCP measures and contribute to energy efficiency and environmental sustainability.



ESG Strategy: Social

Human Capital—Securing, Developing, and Promoting Active Participation of Human Resources Who Will Lead the Future (3)

At our core educational facility for human resource development, Kinden Gakuen, trainees live together for a year, developing character and solid skills while fostering teamwork.

New Employee Training (Construction Fields)

Solidarity and strong bonds fostered through dormitory life

Electrical construction, our founding business, involves handling invisible electricity. Kinden Gakuen has embraced the Trinity of “Spirits, Skills and Physique” as its educational philosophy to fulfill the vital mission of ensuring a stable supply of high-quality power. The one-year full-dormitory program helps trainees develop character and solid skills while fostering teamwork.

General Interior Wiring Construction Training Curriculum for New Employees (Training periods are subject to change)																
Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	...	Sep.
Introductory Education (Kinden Gakuen, etc.)	On-site Training	On-site Training	Basic Training	On-site Training (Regional offices)	Basic Training (Kinden Gakuen, etc.)	Completion Education (Kinden Gakuen, etc.)				On-site Training (Regional offices)						
➔ Upon completion of training, employees are assigned to offices nationwide, primarily in the Kanto and Kansai regions.																
Power Distribution Construction Training Curriculum for New Employees (Training periods are subject to change)																
Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	...	Sep.
Introductory Education (Kinden Gakuen, etc.)	On-site Training	On-site Training	Basic Training	Basic Education/ Pre-completion Education (Kinden Gakuen, etc.)						On-site Training (Regional offices)						
➔ After training completion: Assignment to offices in the Kansai region																

Daily Training Schedule at Kinden Gakuen (Example)

8:30 - 12:00 Morning

After the morning assembly, trainees attend lectures and practical training. The curriculum is comprehensive, combining specialized academic classes with hands-on training.



13:00 - 17:30 Afternoon

Afternoon lectures and practical training.




6:30 - 8:30 Wake-up

Trainees wake up at 6:30 AM and begin the day with exercise and running before breakfast. Although it may feel a bit tiring at first, the habit of rising early is refreshing, and through maintaining a regular routine, trainees cultivate a sense of responsibility as working adults.



12:00 - 13:00 Lunch

Lunch is served in the cafeteria. The menu changes daily and is well-regarded for its quality.



17:30 - 21:00 Private Time

The daily schedule is finished. After dinner, trainees have free time to relax, refresh, or go shopping following a productive day of training.



ESG Strategy: Social

Human Capital—Securing, Developing, and Promoting Active Participation of Human Resources Who Will Lead the Future (4)

Rooted in the belief that people are key to staying ahead of the times, we are committed to education that cultivates both strong technical skills and management perspectives.

New Employee Training (Administrative and Technical Staff)

Developing employees who pursue technology and possess management perspectives

As an industry leader, we uphold high technical standards and expect employees to work independently. Believing that “people are assets” and “technology is developed by people,” we focus on developing individual capabilities to foster flexibility and problem-solving skills. This reflects our pride in leading the industry and our commitment to education based on Kinden’s belief that “doing what others don’t do is our way.”

We believe a company’s value lies in the strength of each employee. To foster talent that adapts to change and anticipates new needs, we provide diverse training programs, including specialized education, qualification courses, and on-site OJT at Kinden Gakuen, the Human Resources Development Center, and our offices nationwide.



To achieve this, we provide a wide range of educational opportunities. During their first year, employees receive on-site and practical training, as well as programs for qualification acquisition. After assignment, we continue to support individual growth through OJT and targeted programs that strengthen expertise and judgment. We also promote global human resource development by dispatching employees overseas and accepting trainees from affiliated companies abroad.

Annual Schedule												
Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	
Introductory Education	Basic Training	On-Site Work Training OJT (Power Distribution Construction)	On-Site Work Training OJT (General Construction)	Qualification Acquisition Course Practical Training OJT	Follow-up Education	Specialized Education	Practical Training OJT	Follow-up Education	Specialized Education Qualification Acquisition Course	Practical Training OJT	Follow-up Education	March 16 Assignment

Training program to maintain high-level technology and development capabilities

We provide training from the start of employment to prepare for the challenging Professional Engineer exam. By promoting early awareness of qualification goals, we produce many successful candidates each year, with over 150 qualified professionals now on staff—evidence of our growing technological strength. (Please refer to P.47 for the status of qualified personnel.)

ESG Strategy: Social

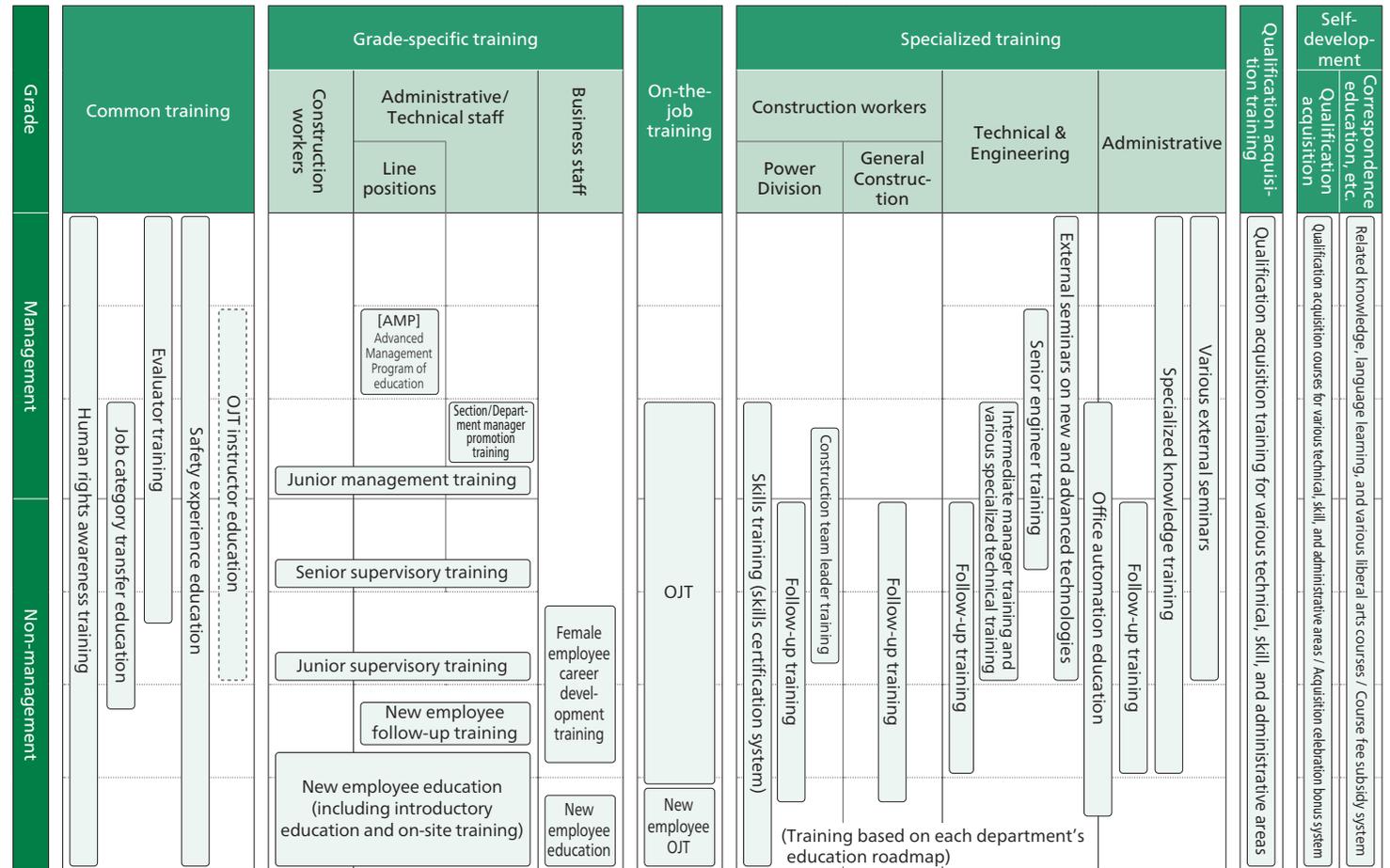
Human Capital—Securing, Developing, and Promoting Active Participation of Human Resources Who Will Lead the Future (5)

We provide various education programs to help all employees reach their full potential.

Education System Overview

Basic concepts of various education programs

1. Common and grade-specific education:
Aimed at developing qualities and gaining and improving abilities and knowledge based on grade and job category
2. On-the-job (OJT) training:
Junior staff receiving guidance from senior staff members in all workplaces to enhance their qualities and gain business knowledge, techniques, and skills through actual work
3. Specialized training:
Aimed at gaining and improving specialized abilities, knowledge, techniques, and skills based on job categories and work content within each department (specialized education provided by each department)
4. Qualification acquisition training:
Aimed at acquiring qualifications deemed necessary to perform job duties
5. Self-development:
Employees independently set goals to improve their own qualities and abilities without instructions from superiors (such as correspondence education, language schools, etc.)



ESG Strategy: Social

Human Capital—Securing, Developing, and Promoting Active Participation of Human Resources Who Will Lead the Future (6)

Many employees have earned various qualifications and showcase their abilities in their respective positions and roles.

Status of Qualified Personnel (As of March 31, 2025)

Qualification	Number of Holders	Qualification	Number of Holders	Qualification	Number of Holders
Professional Engineer (Engineering Management)	9	Second-Class Piping Engineer	47	Second-Class Construction Management Engineer	183
Professional Engineer (Electrical & Electronics Engineering)	185	Air-Conditioning and Sanitary Equipment Engineer (A/C)	31	First-Class Landscape Construction Management Engineer	45
Professional Engineer (Civil Engineering)	3	Air-Conditioning and Sanitary Equipment Engineer (Sanitary)	23	Second-Class Landscape Construction Management Engineer	28
Professional Engineer (Environmental Engineering)	17	Energy Manager	74	Surveyor	4
Professional Engineer (Mechanical Engineering)	1	Class-1/Class-2 Boiler Expert	62	Assistant Surveyor	54
Professional Engineer (Information Engineering)	1	Chief Telecommunications Engineer (Category I transmission and switching technology)	64	First-Class Radiation Protection Supervisor	1
Professional Engineer (Industrial Engineering)	1	Chief Telecommunications Engineer (Transmission line technology)	41	Second-Class Radiation Protection Supervisor	3
First-Class Chief Electricity Engineer	7	Cisco Certified Network Professional (Network support)	15	Pollution Control Manager	10
Second-Class Chief Electricity Engineer	30	Cisco Certified Network Associate (Network support)	444	First-Class Construction Accountant	115
Third-Class Chief Electricity Engineer	941	Installation Technician (Analogy & digital)	226	Second-Class Construction Accountant	629
First-Class Electrician	2,477	Installation Technician (Analog type 1)	135	Third-Class Construction Accounting Clerk	383
Second-Class Electrician	3,911	Installation Technician (Analog type 2)	26	Technical Engineer (Network)	10
First-Class Electrical Construction Management Engineer	2,244	Installation Technician (Analog type 3)	768	Information Technology Engineer (System Auditor)	4
Second-Class Electrical Construction Management Engineer	307	Installation Technician (Digital type 1)	155	Application Systems Engineer	1
First-Class Plumbing Work Operation and Management Engineer	258	Installation Technician (Digital type 2)	14	Software Design & Development Engineer	7
Second-Class Plumbing Work Operation and Management Engineer	81	Installation Technician (Digital type 3)	321	Fundamental Information Technology Engineer	72
First-Class Construction Management Engineer	55	Installation Technician (AI & DD)	100	Applied Information Technology Engineer	7
Second-Class Construction Management Engineer	22	Installation Technician (AI type 1)	9	Information Security Management	44
First-Class Architect	19	Installation Technician (DD type 1)	52	Industrial Safety Consultant (Electricity)	11
Second-Class Architect	19	Installation Technician (AI type 3)	29	Industrial Safety Consultant (Civil Engineering)	2
Building Mechanical and Electrical Engineer	100	Installation Technician (DD type 3)	289	Labor and Social Security Attorney	9
First-Class Instrumentation Engineer	532	First-Class Technical Radio Operator for On-the-Ground Services	41	Real Estate Transaction Specialist	77
Second-Class Instrumentation Engineer	74	Second-Class Technical Radio Operator for On-the-Ground Services	44	Certified Administrative Procedures Legal Specialist	15
Class A Fire Defense Equipment Officer (Category IV)	1,440	First-Class On-the-Ground Special Radio Operator	292	MEP Design First-Class Architect	6
Class B Fire Defense Equipment Officer (Category VII)	398	Second-Class On-the-Ground Special Radio Operator	330	First Class Health Supervisor	655
Chief Engineer for Water Feed System Construction (Water Supply Act)	31	Third-Class On-the-Ground Special Radio Operator	314		
First-Class Piping Engineer	36	First-Class Construction Management Engineer	169		

ESG Strategy: Social

Human Capital—Securing, Developing, and Promoting Active Participation of Human Resources Who Will Lead the Future (7)

“We contribute to society through power distribution lining supported by teamwork” —Voices from construction employees

Trainee Period, When I Met Lifelong Friends

I joined Kinden after developing an interest in power distribution lining during my high school electrical engineering course. At first, dorm life and new work made me anxious, but through group training at the Kinden Gakuen, I made close friends, gained specialized skills, and gradually adapted to company life with the people who matter most to me.

Colleagues support each other through the toughest times and share in the joys. I still have strong connections with the friends I made back then, whom I consider lifelong precious gifts. I am grateful I joined Kinden, even if only because it gave me the chance to meet these people.

A Job Where the Growth of Junior Colleagues Is the Greatest Joy

Currently, while working on power distribution lining, I also mentor junior colleagues. New employees team up with senior staff for training to develop practical skills through real on-site experience. Just as it was for me, new employees often feel nervous during training. I try to guide them in a way that eases their anxiety while still helping them master the necessary technology and skills. Seeing new employees grow each day when my teaching pays off often makes me happier for them than for myself.

Additionally, I learn a lot from what junior colleagues say and do while I mentor them. That ability to grow through collaboration is the most rewarding part of teaching.

Getting the Best Work Done through Teamwork

Satisfactory results simply cannot be achieved alone in the work of power distribution lining. It’s not possible to deliver safe electricity to people’s homes unless technicians in the field work together and improve their teamwork. That’s why we routinely look out for each other, and also strive to grow together by sharing information and techniques. This dedication is the key to providing our best work.

Improving together as a team—not alone—is challenging; sometimes it involves many difficult aspects. But it’s so rewarding to hear customers say, “Thank you!” after overcoming these challenges multiple times and completing the job properly that it instantly washes away all the hardship and fatigue experienced to that point. From here on, too, I want to continue working while valuing teamwork and never losing sight of this feeling.

Contributing to Society through Our Work

Our job is to safely deliver the electricity people use without thinking about it. While it may not be glamorous, there’s no doubt that it’s important work that supports society.

I want to contribute to society through this work. I believe that naturally developing such feelings is one of the great attractions of working at Kinden.



ESG Strategy: Social

Human Capital—Securing, Developing, and Promoting Active Participation of Human Resources Who Will Lead the Future (8)

“Kinden is a company with many opportunities for young human resources”—Voices from administrative/technical employees

Eager to Absorb Everything When I First Joined

When I first joined Kinden, I was eager to quickly accomplish work I could be proud of. The greater the responsibility in this job, the more rewarding it becomes. I believed that construction management, where you can run your own site, was the most appealing part of the job. While I was more determined than anyone, there was so much I didn't know at my first site. I shadowed senior colleagues during their consultations, desperately trying to absorb knowledge by taking notes on what they discussed and the problems they faced.

Learning My Work Approach from Failure

Like anyone else, I learned a lot from my failures. I believe my first failure after joining the company taught me how to approach work.

The site was a high-rise with over 20 floors. While delivering equipment, I noticed all the distribution panels were labeled “5F.” Without thinking, I sent them all to the fifth floor until a senior colleague rushed over and said, “What are you doing? No single floor needs this many panels!” He explained that “5F” meant all floors from the fifth upward had the same specifications, so any panel could be used there. I regretted my mistake and learned the importance of understanding the overall workflow and confirming anything uncertain right away.

My First Major Responsibility

At my next site, I was appointed as the site supervisor. In my first major role, I worked hard, recalling my seniors' advice and determined to do the job well.

Even so, I often felt anxious, unsure what would happen next. I should have asked for help, but I was determined to finish everything on my own. Seeing this, a senior colleague stepped in, helped me regain my composure, and got me back on track.

Gaining Real Confidence

I felt the greatest joy when a proposal I made was accepted for the first time.

For one project, I explained potential risks to the customer and suggested an alternative plan, which they gladly accepted. Completing the entire construction from start to finish gave me a strong sense of accomplishment. The customer's satisfaction and that achievement gave me new confidence, and since then I've rarely felt the same anxiety about work.

A Company Where Grand Dreams Can Become Real Goals

Our work doesn't end with project completion. After customers move in and start using the lighting and elevator systems we installed, I sometimes visit the facility office and ask, “Any issues or difficulties?” When they reply, “Everything's fine—no problems at all,” I feel truly relieved, as if the job has come full circle. At the same time, I welcome comments like “Could this be made easier to use?” because such feedback helps me improve and grow. Building on these experiences, my goal is to take on extra-high-voltage projects with larger capacities. Although I've only worked on high-voltage power-receiving sites so far, I hope to handle projects over 100,000 m² and someday contribute to landmark developments that define a city.

I feel Kinden is a company where such grand ambitions are not just dreams but real goals you can pursue.



ESG Strategy: Social

Human Capital—Securing, Developing, and Promoting Active Participation of Human Resources Who Will Lead the Future (9)

We will address diverse, increasingly complex customer needs and promote corporate growth by leveraging human resources with diverse abilities, values, and ideas.

Promoting Diversity and Inclusion

By leveraging a diverse workforce—including women, foreign nationals, seniors, people with disabilities, and mid-career hires—we respond to diverse customer needs and improve efficiency to enhance corporate value and achieve sustainable growth. We hire talent regardless of gender, age, nationality, or disability, support senior employment, and ensure fair and equal opportunities for advancement while promoting diversity and inclusion across the organization.

Company	Gender Wage Gap (%)			Rate of Men's Childcare Leave and Other Leave for Childcare (%)
	All Workers	Regular Employees	Non-Regular Employees	
Kinden Corporation	61.8	63.9	53.5	64.8
Nishihara Engineering Co., Ltd.	72.1	75.7	72.7	46.2
Kinden Services Company, Incorporated	94.8	84.3	60.7	—

Notes

- While we do not differentiate wages by gender within the same job category and role, the gender wage gaps exist because of the higher percentage of men in higher-paying job categories.
- “—” indicates that there are no applicable employees for that item.

Promoting women's advancement

At Kinden, we are implementing various initiatives to support women's advancement and create workplace environments where women can work comfortably, including expanding childcare and family care leave systems.

Indicators and Targets

Indicator	Target	FY2024 Results
Number of women technical staff in new graduate hiring	At least double (vs. FY2021)	5.0 times
Gender difference in average years of service	Maintain 70% or more	104.6%

Securing and developing global human resources

To promote diversity and strengthen our global talent base, we actively hire foreign nationals and offer overseas training for young and mid-level employees. Through approximately three years of overseas site management experience, participants gain international perspectives, leadership skills, and a spirit of challenge. We also recruit engineers for domestic and international work by joining job fairs for international students and promoting skilled temporary staff to permanent positions.

Overseas dispatch training
23 participants since 2013

Promoting active participation of people with disabilities

Aiming to create a society where people mutually respect each other's personalities and individuality, we set disability employment targets for each office and provide environments and opportunities for people with disabilities to demonstrate their abilities.

We are also exploring different responses to handle future rises in the legal employment rate and drops in the exemption rate.

Employment results (as of March 31, 2025)

Number of employees with disabilities:
175.5 (Employment rate: 2.52%)

* Statutory employment rate: 2.5% (from April 2024)

* Construction industry exemption rate: 10% (from April 2025)

Promoting mid-career hiring

We actively hire mid-career professionals with advanced technical skills, expertise, and construction management experience. Employees are evaluated solely on ability and performance, with no distinction between new graduates and mid-career hires. Many already serve as managers across departments and offices.

We also strive to actively secure women management candidates by using various recruitment tools and actively promote our Career Return System.

ESG Strategy: Social

Human Capital—Rewarding and Fulfilling Work Environment

Kinden emphasizes “human resources and heart” as the foundation of management, striving to be a company where employees find their work rewarding and live happily, smiling with their families.

Improving the Work Environment

To help our human resources work with energy and purpose, we maintain workplaces that respect human rights, prevent harassment, and encourage open communication. We promote engagement and mutual understanding through surveys and one-on-one meetings, fostering job satisfaction and fulfillment.

We are also strengthening our business foundation through targeted investments in people and workplace infrastructure. To create comfortable, functional offices that reflect social trends and support productivity, we have developed new office concepts and are advancing renovations.

Health management

In October 2022, we declared Health and Productivity Management and established our Health and Productivity Management Vision to promote employee well-being, believing that physical and mental health drive Kinden’s sustainable growth. We continue to implement initiatives that improve health awareness and encourage positive lifestyle habits.

▶ Health Management Initiatives

<https://www.kinden.co.jp/company/csr/health/> (in Japanese)

Main initiatives:

1. 100% participation in health examinations
2. 100% participation in re-examinations for those requiring them
3. Assistance for health support expenses
4. Implementation of e-learning

Human rights awareness initiatives

We place strong emphasis on respecting human rights to create workplaces where everyone can work with energy and confidence. The Kinden Group Code of Conduct prohibits discrimination based on race, beliefs, gender, social status, religion, nationality, age, or disability, and calls for respect for individual dignity and character.

We continue to promote human rights awareness through ongoing education, offering training programs for all employees, executives, and new hires, Group company staff, and partner company employees via e-learning and online sessions.

Training Content	Method	Participants	Schedule
New employee human rights education	Lecture	Approx. 400	Apr. annually
Human rights awareness training (partner and affiliated companies)	Lecture	Approx.200	Jul. and Nov. annually
Grade-specific human rights education (supervisors)	Lecture	Approx.100	Nov. annually
Human Rights Week commemorative lecture	Web	Approx. 12,000	Dec. annually
Executive human rights training	Lecture	Approx.50	Mar. annually
Human Rights One-Point Lecture ¹	Web	Approx. 12,000 per session	Monthly

1. Human Rights One-Point Lecture themes: Discrimination against foreigners, discrimination against people with disabilities, Dowry issues (discrimination against certain Japanese social groups), unconscious bias, SDGs and human rights, internet use, understanding LGBTQ, etc.

Building Mind, Technique, and Body Through the Power of Sports: Contributing to Communities Through Our Volleyball and Rugby Teams

Through the activities of our volleyball team (V.LEAGUE MEN) and rugby team (Top West B League), we promote sports by strengthening connections with local communities. Activity information is available on the following websites:

- Volleyball Team Kinden Trinity Blitz Osaka
<https://www.kinden-sports.jp/kindentrinityblitz/> (in Japanese)
- Rugby Team Kinden Trident Blitz
<https://www.kinden-sports.jp/kindentridentblitz/> (in Japanese)

First Recipients of Long-Service Award for Employees with Disabilities from Osaka Employment Development Association

The award honors employees with disabilities who have served at the same company for over 25 years with outstanding performance. On October 6, 2023, five employees from Kinden and Group companies received it for the first time.



Special Advisor Ikoma (far left) and award recipients at the ceremony

ESG Strategy: Social

Social Contribution and Community Activities

Kinden actively engages in community-based social contribution activities and community partnerships through sports.

Social Contribution Activities

Cleaning Wakayama Castle's stone walls

Since 1992, we have been cleaning the stone wall of Wakayama Castle as part of our community service. All offices under the Wakayama Branch also prune trees at local elementary and special needs schools.



Inspection and cleaning of park lights around Himeji Castle

Since Himeji Castle was declared a UNESCO World Cultural Heritage site in 1993, we have conducted annual volunteer inspections and cleaning of its outdoor lights, as well as litter collection around the castle since 1994. We will continue these activities with gratitude to the local community, helping visitors from Japan and abroad enjoy their visit.



Community Partnership

Exhibition booth at KISHIWADA SPORTS FES 2024

Our volleyball team, Kinden Trinity Blitz Osaka, partnered with Kishiwada City to run a booth at KISHIWADA SPORTS FES 2024, hosted by the city and its Board of Education on December 1, 2024, giving visitors a chance to experience the appeal of volleyball.



The event featured various sports experiences, in partnership with companies and professional teams. Ten booths were set up, including volleyball, futsal, and archery. Kinden's booth, operated by 10 current players, welcomed about 300 visitors.



Participation in Everyone's Challenge Academy—Exciting Sports FES in Kishiwada, Osaka

On June 21, 2025, we participated in Everyone's Challenge Academy—Exciting Sports FES in Kishiwada, Osaka, hosted by the NPO Children's Educator Research and Development System Organization. Players from our volleyball team, Kinden Trinity Blitz Osaka, served as instructors, teaching volleyball.



The program, launched in 2009, aims to strengthen children's minds and bodies, improve life skills, and enhance parent-child communication through sports led by top athletes. About 400 local elementary and middle school students and their parents joined the event.



ESG Strategy: Social

Intellectual Capital—Research & Development, DX (1)

Kinden continues ongoing research and development to contribute to the future across the broad fields of energy, the environment, and information.

Kyoto Institute

A key facility with the dual missions of cutting-edge technology development and on-site support research

Originating from the New Technology and Skills Development Office founded in 1985, the Kyoto Institute has operated since October 19, 1992, as an independent research facility in Kizugawa, Kyoto Prefecture.

Its mission is to advance cutting-edge technologies and support on-site operations through practical, forward-looking research that drives DX in the field, such as developing software and robotics.

Our R&D spans five “EARTH” fields—E: Energy, A: Amenities, R: Recycling, T: Technology, and H: Human. Guided by creativity beyond conventional thinking, we deliver innovations that benefit people, society, and the planet, from energy efficiency and indoor environment assessment to resource recycling, ICT, and healthcare applications.



DX and Productivity Enhancement

Business process reform initiatives
(power distribution lining)

■ Building the Multi-Function Support System for power distribution

Not dependent on location or device, this system integrates with various other systems to centralize information.

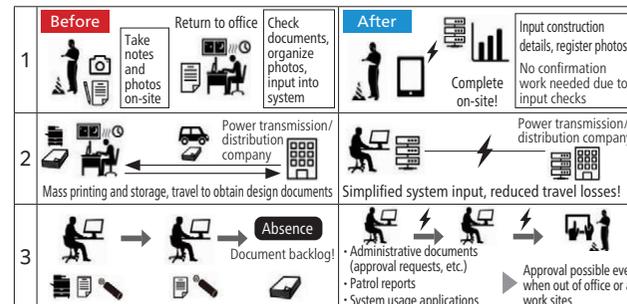
By having all workers use the system on tablets, we are streamlining operations and improving efficiency.



Elimination of duplicate processing through on-site system input and improved accuracy through system checks

Reduced travel losses and simplified system input through data integration with internal and external systems

Faster process from drafting to approval and communication through the digitalization of construction-related documents



Example On-Site Productivity Enhancement Initiative

■ Smart Construction Switch

We jointly developed the Smart Construction Switch with San-Ei-sha Co., Ltd. (headquarters: Shinagawa-ku, Tokyo). This switch helps prevent human errors that could cause accidents during uninterrupted power distribution work using construction switches, while also easing worker burden through engineering solutions.



Features:

1. Lift-and-open function
Moving from traditional visual confirmation of the open state (“off” state), the system forcibly opens when load is applied during lifting, preventing accidental energization and ground faults.
2. Visualization of charging and phase sequence status using a tablet
Visualizes the switch’s charging and phase sequence status. When using multiple switches, target devices are identified through communication lamps.
3. Interlock function
Locks can only be released when safety conditions are met, preventing incorrect operation due to phase-detection errors and the operation of non-target equipment.
4. Plug-in terminals and casters for labor savings
One-touch connection/disconnection terminals and transport casters reduce worker burden.
(JECA FAIR 2025—Osaka Mayor’s Award Winner)

ESG Strategy: Social

Intellectual Capital—Research & Development, DX (2)

Kinden continues ongoing research and development to contribute to the future across the broad fields of energy, the environment, and information.

Example On-Site Productivity Enhancement Initiative

■ Single-Phase/Three-Phase Wiring Checker for completing pre-energization checks for main lines and outlets with one device

We developed the wiring checker, which allows pre-energization inspections of main lines and outlets, regardless of circuit type (lighting or power), with a single device. It enables safe and efficient verification of circuit destinations, continuity, and connections before energization.



Development background:

Pre-energization checks of main lines and outlets are conducted to prevent problems during energization, such as verifying destinations and connections. Previously, multiple testers had to be used depending on circuit type and test requirements, and no pre-energization testers for power outlets were commercially available. To address this, we co-developed a compact, lightweight tester with a transmitter and receiver with Showa Dengyosha Co., Ltd. (head office: Ichihara, Chiba Prefecture).

Features:

1. Safe checking of main lines and lighting/power outlets before energization
2. Enables destination verification, continuity testing, and wiring confirmation
3. Warning lights and sounds if accidentally connected to live circuits

Demonstration Experiment Using the Energy Management Service “EMS-AI”

Visualizing “Ee-Kimochi” (“Feels Good”) facility information at Expo 2025 Osaka, Kansai, using EMS-AI

We participated in the “Green Expo” Future Society Showcase project¹ at Expo 2025 Osaka, Kansai, Japan. We carried out a demonstration experiment during the event (April 13–October 13) to test our “Ee-kimochi” comfort evaluation values at venue facilities, working with Micware Co., Ltd. (head office: Chuo-ku, Kobe), another project participant.

Initiative details:

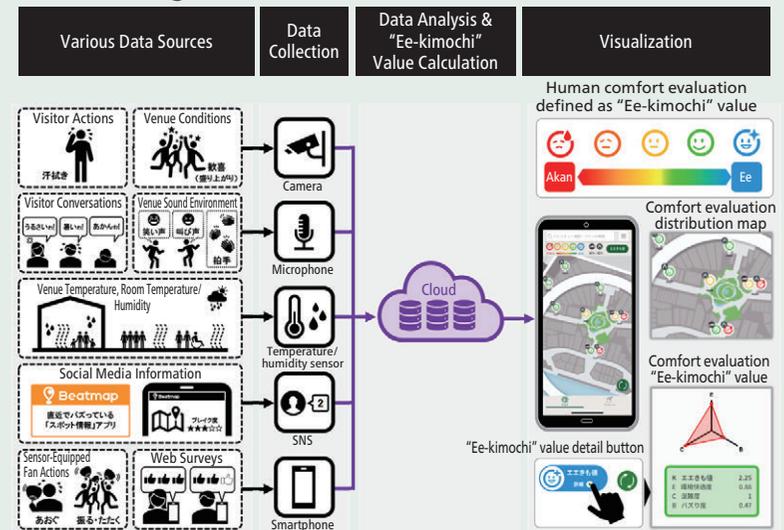
This experiment calculates the “Ee-kimochi” comfort evaluation values from various data, including temperature, humidity, and sound, and displays them in a dedicated smartphone app for cooperating stakeholders who agree with the experiment’s purpose. This allows visualization of pavilion and facility comfort levels.

The “Ee-kimochi” value is calculated using data on temperature, humidity, and Expo reservations, captured through cameras, microphones, and sensor-equipped fans, as well as trending information from Micware’s Beatmap.² The cloud-based analysis evaluates comfort, congestion levels, and trending activity, displaying results on a five-level scale from “Ee” (comfortable) to “Akan” (uncomfortable).

Linked with the Energy Management Service “EMS-AI,”³ it optimizes air conditioning to balance comfort and energy savings.

- 1 Aims to realize aspects of future society by incorporating advanced technologies and systems at the Expo venue as a showcase for future society.
- 2 An outing information app that uses AI to analyze trending locations posted on social media, making them easily searchable through maps and keywords.
- 3 A Kinden service that achieves energy and CO₂ savings through optimal control of air conditioning, power generation, and power storage equipment using AI technology.

Overview Diagram of “Ee-kimochi” Comfort Evaluation Values



ESG Strategy: Social

Society—Occupational Safety and Health

Recognizing that safety and health are the foundation of all corporate activities, we strive to create a company where all those connected to our business and their families can live happily in a rewarding and satisfying workplace.

FY2025 Basic Occupational Safety and Health Management Plan

I. President's Basic Safety and Health Policy

Last year, we experienced electrical shock and fall accidents and sadly lost colleagues in unexpected disasters, falling short of our safety goals.

While pursuing ambitious growth under our medium-term management plan, we must remember that safety and health are the foundation of all corporate activities.

Our greatest strength lies in our people—their skills and their spirit. Together, we must create workplaces where everyone and their families can live and work with confidence and happiness.

We will deeply reflect on past incidents and uphold the principle of protecting ourselves and our colleagues. From management to front-line workers, everyone must ensure safety in their own roles.

In health management, we will promote balanced work styles, comply with overtime limits, and, under our Health Management Declaration, actively support employee well-being and workplace improvements.

We are united in our commitment to making every site and workplace safe, secure, and comfortable.

II. Targets

Safety: Zero fatal accidents
Zero electrical shock and arc flash accidents, zero fall accidents

Health: Year-on-year improvement in health-related indicators

1. Decrease in the sick leave rate due to mental disorders, including depression
2. Decrease in the rate of employees requiring treatment based on regular health checkups
3. Increased participation rate in the Health Challenge Campaign
4. Increased implementation rate of face-to-face guidance for long-hour workers

III. Slogans

Safety: "Hidden dangers in routine work
—Follow procedures for zero disasters"

Health: "Small acts of care, strong bonds
—Creating comfortable workplaces together"

IV. Priority Implementation Items

- Safety:
1. Enhancement of safety management system functions
 2. Strengthening and practicing risk reduction activities in daily work
 3. Development of human resources who prioritize safety
 4. Enhancement of efforts to reduce traffic accidents
- Health:
1. Prevention of and early support for mental health issues
 2. Follow-up and guidance after health checkups
 3. Reliable implementation of face-to-face guidance by occupational physicians for long-hour workers



©Kobe City

▶ Safety and Quality Initiatives:
<https://www.kinden.co.jp/company/csr/quality/> (in Japanese)

ESG Strategy: Social

Society—Quality

We will continue to improve through PDCA cycles across three management systems: quality, environment, and occupational safety and health.

Kinden Management System (KMS) Initiatives

The Kinden Management System (KMS) covers six key management areas for projects in our general construction division: Quality (Q), Cost (C), Delivery (D), Safety & Health (S), Environment (E), and Compliance (+C), incorporating ISO requirements for quality, environment, and occupational safety and health.

Building on over 20 years of ISO experience with ISO 9001/14001:2015, Kinden transitioned from ISO certification to ISO conformity certification through KMS operations in February 2022, and has been working to improve customer satisfaction and business performance in the general construction division.

Furthermore, we obtained a certificate of conformity to ISO 45001:2018 (OHSMS Occupational Health and Safety Management System) in February 2025.

Moving forward, we will continue to improve through PDCA cycles across three management systems: quality, environment, and occupational safety and health.

ISO conformity certification is one method of declaring that a company's management system conforms to ISO standards. ISO standards recognize four approaches:

1. Declaring that the company's management system conforms to ISO standards
2. Having stakeholders, such as customers, confirm ISO conformity
3. Having external third parties confirm ISO conformity
4. Obtaining certification/registration from external organizations

Given our connections with many customers, we opted for method 3 (third-party confirmation), switching from method 4 (certification registration), and obtained ISO conformity certification.



KMS Newly Obtains ISO Conformity Certification for Occupational Health and Safety Management System



On February 3, 2025, the KMS obtained ISO 45001 certification for occupational health and safety, adding to its ISO 9001 and ISO 14001 certifications earned in 2022. This makes Kinden the first company in Japan's electrical construction industry to receive ISO conformity for an integrated management system covering quality, environment, and occupational health and safety. By operating KMS in line with ISO standards, we will continue to strengthen construction management, enhance customer satisfaction, and deliver high-quality facilities and services.

News release :
<https://www.kinden.co.jp/topics/detail/2025/0218/> (in Japanese)

ESG Strategy: Governance

Introduction of Lead Executive Officer System

As part of governance reform, we introduced the Lead Executive Officer system in June 2025 to establish a structure in which the Board of Directors can focus on supervision and the executive bodies can concentrate on business execution, thereby clarifying the roles of supervision and execution and enhancing their respective functions.

Objectives

Through the Lead Executive Officer system, we aim to increase the percentage of independent outside directors on the Board of Directors and improve decision-making and supervisory functions. By establishing the Management Executive Meeting and reviewing decision-making authority, we create an environment where Lead Executive Officers can concentrate on business execution, thereby speeding up execution and strengthening executive functions.

Lead Executive Officers, as part of our management team, oversee important areas of management and take part in decision-making on key issues.

System Overview

- ◆ Lead Executive Officers execute duties delegated by the Board of Directors under delegation agreements with the company.
- ◆ The term of Lead Executive Officers is one year, with their selection and dismissal determined by the Board of Directors.
- ◆ Lead Executive Officers may concurrently serve as directors.

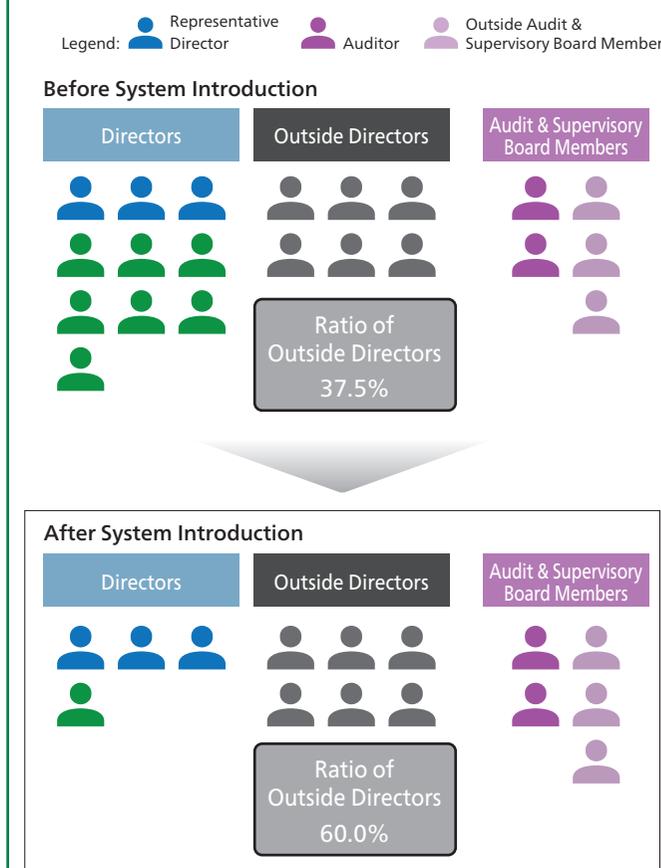
Implementation date: June 25, 2025

Lead Executive Officer Structure (As of June 25, 2025)

Name	New Title and Responsibilities	
Yoshihiro Doi ¹	Chairman	
Takao Uesaka ¹	President	
Hiroyuki Hayashi ¹	Vice President, Lead Executive Officer	Chief of Tokyo Head Office Chief Executive of Tokyo Business Promotion Division In charge of General Sales
Moriyoshi Sato	Vice President, Lead Executive Officer	In charge of Osaka Business Promotion Division and Management Planning Department
Takashi Fukuda	Senior Lead Executive Officer	Assistant Chief of Tokyo Head Office In charge of Sales
Masanori Horikiri	Senior Lead Executive Officer	General Manager of Associated Engineering Division Chief Executive of Information and Communication Division
Koji Izaki ¹	Managing Lead Executive Officer	In charge of Corporate Division (Secretariat, Investor Relations & Public Relations, Management Planning, General Affairs & Legal, Finance & Accounting)
Kenji Yoshimasu	Managing Lead Executive Officer	Chief Executive of Technical & Engineering Division In charge of Kyoto Institute
Mamoru Shimada	Managing Lead Executive Officer	Chief Executive of Osaka Business Promotion Division
Kenji Enomoto	Managing Lead Executive Officer	Chief Executive of International Division General Manager of Tokyo Metropolitan Business Promotion Division In charge of Sales
Yasuo Kakiuchi	Managing Lead Executive Officer	Chief Executive of Power Division In charge of Safe and Healthy Environment Division Central General Safety and Health Manager

¹ Concurrently serves as a director

Board of Directors Composition



Q. What is Kinden's management structure for this?

A. We have established a structure where the Board of Directors focuses on supervision and the executive bodies concentrate on business execution, advancing business operations with effective governance.

Chapter 5: Corporate Governance

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5

Corporate Officers (1) (As of June 25, 2025)

Directors



Yoshihiro Doi

Chairman,
Representative Director

Jun. 2009: Managing Director, The Kansai Electric Power Co., Inc.
Jun. 2013: Director, Managing Executive Officer, The Kansai Electric Power Co., Inc.
Jun. 2016: Representative Director, Executive Vice President, The Kansai Electric Power Co., Inc.
Jun. 2017: Outside Audit & Supervisory Board Member, Hitachi Zosen Corporation (current Kanadevia Corporation)
Apr. 2020: President and Director, Kansai Transmission and Distribution, Inc.
Jun. 2023: Chairman, Representative Director, Kinden Corporation (present post)



Takao Uesaka

President,
Representative Director

Apr. 1980: Joined the Company
Jun. 2011: Executive Officer, General Manager of Chubu Branch Office
Mar. 2015: Managing Executive Officer, General Manager of Chubu Branch Office
Jun. 2016: Managing Executive Officer, General Manager of Tokyo Branch Office
Jun. 2018: Director, Managing Executive Officer
Jun. 2020: President, Representative Director (present post)



Hiroyuki Hayashi

Representative Director

Apr. 1983: Joined the Company
Jun. 2016: Managing Executive Officer, Chief Executive of Tokyo Business Promotion Division
Jun. 2017: Director, Managing Executive Officer
Jun. 2018: Director, Senior Executive Officer
Jun. 2023: Vice President, Representative Director
Jun. 2025: Representative Director, Vice President, Lead Executive Officer (present post)



Koji Izaki

Director

Apr. 1983: Joined the Company
Jun. 2019: Executive Officer, General Manager of Shikoku Branch Office
Jun. 2021: Executive Officer in charge of operations related to secretariat, management planning, general and legal affairs
Jun. 2022: Managing Executive Officer in charge of Secretariat Department and General Affairs & Legal Department, in charge of operations related to management planning, and in charge of general administration
Jun. 2023: Director, Managing Executive Officer
Jun. 2025: Director, Managing Lead Executive Officer (present post)



Hanroku Toriyama

Director

Outside Independent

Apr. 1988: Admitted as an attorney, joined Irokawa Law Office
Jan. 1995: Partner, Irokawa Law Office
Jun. 2001: Outside Audit & Supervisory Board Member, Nihon Yamamura Glass Co., Ltd.
Jun. 2008: Outside Audit & Supervisory Board Member, Commuture Corp. (current MIRAIT ONE Corporation)
Jan. 2015: Partner, Irokawa Legal Professional Corporation
Jun. 2015: Director, Kinden Corporation (present post)
Jan. 2018: Representative Partner, Irokawa Legal Professional Corporation
Jan. 2020: Partner, Representative of Tokyo Office, Irokawa Legal Professional Corporation
Apr. 2024: Deputy Representative Partner, Irokawa Legal Professional Corporation (present post)



Keiji Takamatsu

Director

Outside Independent

Apr. 1973: Joined Kintetsu Railway Co., Ltd. (current Kintetsu Group Holdings Co., Ltd.)
Jun. 2012: Senior Executive Vice President, Kintetsu Railway Co., Ltd.
May 2013: Director, Kintetsu Department Store Co., Ltd.
Jul. 2013: Senior Executive Vice President Officer, Kintetsu Department Store Co., Ltd.
May 2014: President, Kintetsu Department Store Co., Ltd.
May 2019: Chairman of the Board, Kintetsu Department Store Co., Ltd.
Jun. 2020: Director, Kinden Corporation (present post)
May 2023: Senior Advisor, Kintetsu Department Store Co., Ltd.



Kazunobu Sagara

Director

Outside Independent

Apr. 1993: Professor, Department of Architecture, Faculty of Engineering, Mie University
Apr. 2003: Professor, Division of Architectural Engineering, Graduate School of Engineering, Osaka University
Apr. 2005: Professor, Division of Global Architectural, Graduate School of Engineering, Osaka University
Apr. 2017: Principal, Shikoku Polytechnic College
Jun. 2022: Director, Kinden Corporation (present post)



Haruko Kokue

Director

Outside Independent Woman

Apr. 1981: Joined Mitsui Petrochemical Industries (current Mitsui Chemicals, Inc.)
Apr. 2006: General Manager of Sales & Marketing, MITSUI PHENOLS SINGAPORE PTE. LTD
Apr. 2011: General Manager of SCM Division, Mitsui Chemicals, Inc.
Apr. 2013: Senior Director, General Manager of CSR Division, Mitsui Chemicals, Inc.
Apr. 2016: Senior Director, General Manager of Corporate Communications Division, Mitsui Chemicals, Inc.
Jun. 2020: Outside Director, TOPPAN FORMS CO., LTD. (current TOPPAN Edge Inc.)
Jun. 2022: Outside Director, Sojitz Corporation
Jun. 2023: Director, Kinden Corporation (present post)
Jun. 2024: Outside Director, Audit and Supervisory Committee Member, Sojitz Corporation (present post)



Fumi Musashi

Director

Outside Independent Woman

Apr. 1982: Joined CHORI CO., LTD.
Apr. 2016: President, CHORI (China) Co., Ltd.
Jun. 2018: Chairman and President, CHORI (China) Co., Ltd.
Dec. 2020: Assistant General Manager of Corporate Planning Division and Assistant to the Executive Chief Representative for China, CHORI CO., LTD.
Jun. 2022: Outside Director, Duskin Co., Ltd. (present post)
Jun. 2023: Director, Kinden Corporation (present post)



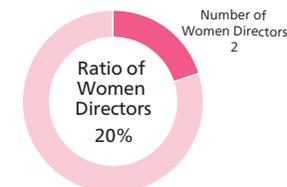
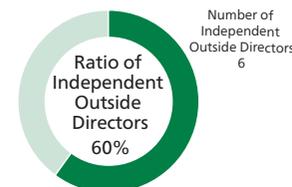
Miyuki Ishihara

Director

Outside Independent New

Apr. 1981: Joined Sumitomo Light Metal Industries Co., Ltd. (current UACJ Corporation)
Jun. 2018: Representative Director & President, UACJ Corporation
Jun. 2022: Representative Director, President, UACJ Corporation
Apr. 2024: Director and Chairman of the Board, UACJ Corporation (present post)
Jun. 2025: Director, Kinden Corporation (present post)

Board of Directors Composition



Corporate Officers (2) (As of June 25, 2025)

Audit & Supervisory Board Members



Kazuaki Nishikiori

Permanent Audit & Supervisory Board Member (full-time)

Apr. 1982: Joined the Company
Jun. 2016: Executive Officer in charge of Finance & Accounting Department, General Manager of Finance & Accounting Department
Jun. 2018: Managing Executive Officer in charge of Finance & Accounting Department, General Manager of Finance & Accounting Department
Jun. 2020: Senior Executive Officer in charge of Finance & Accounting Department and IR&PR Department, General Manager of Finance & Accounting Department
Jun. 2021: Senior Executive Officer in charge of Finance & Accounting Department and IR&PR Department
Jun. 2023: Permanent Audit & Supervisory Board Member (full-time) (present post)



Hideo Tanaka

Audit & Supervisory Board Member (full-time)

Apr. 1981: Joined the Company
Jun. 2014: Executive Officer, General Manager of Associated Engineering Division, General Manager of Technical & Engineering Division
Mar. 2015: Managing Executive Officer, General Manager of Technical & Engineering Division
Jun. 2016: Managing Executive Officer, General Manager of Technical & Engineering Division in charge of Kyoto Institute
Jun. 2018: Director, Managing Executive Officer
Jun. 2024: Audit & Supervisory Board Member (full-time) (present post)



Masami Yoshioka

Audit & Supervisory Board Member

Outside Independent

Apr. 1978: Joined Osaka Regional Taxation Bureau
Jul. 2009: Manager, Co-ordinated Examination and Information Management Division, First Large Enterprise Examination Department, Osaka Regional Taxation Bureau
Jul. 2013: Deputy Assistant Regional Commissioner, Second Large Enterprise Examination Department, Osaka Regional Taxation Bureau
Jul. 2015: District Director, Nara Tax Office
Aug. 2016: Certified tax accountant, Yoshioka Masami Tax Accountant Office (present post)
Jun. 2018: Audit & Supervisory Board Member, Kinden Corporation (present post)



Toshimitsu Kamakura

Audit & Supervisory Board Member

Outside Independent

Apr. 1990: Qualified as a lawyer; joined Kamakura and Higaki Law Office (current Higaki-Kamakura-Terahiro Law Office)
Apr. 1995: Partner, Kamakura and Higaki Law Office (present post)
Jun. 2018: Audit & Supervisory Board Member, Kinden Corporation (present post)
Jun. 2019: Director (part-time), TOCALO Co., Ltd. (present post)



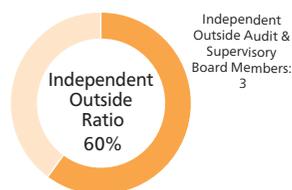
Isamu Osa

Audit & Supervisory Board Member

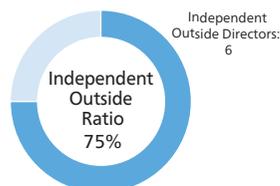
Outside Independent

Apr. 1971: Joined Tsubakimoto Chain Co.
Jun. 2009: Representative Director and President, Tsubakimoto Chain Co.
Jun. 2015: Representative Director, Chairman and CEO, Tsubakimoto Chain Co.
Jun. 2020: Audit & Supervisory Board Member, Kinden Corporation (present post)
Jun. 2021: Senior Adviser, Tsubakimoto Chain Co. (present post)

Audit & Supervisory Board Composition



Advisory Committee Relating to Nominations and Remuneration Composition



Directors and Audit & Supervisory Board Members Skills Matrix / Meeting Attendance (FY2024 Performance)

Name	Position	Business Management/Strategy	Marketing/Sales	Engineering/Safety and Quality/DX Promotion	Governance/Legal	Finance and Accounting/Risk Management	Human Resources and Labor/Human Resource Development	Sustainability (ESG/SDGs)	Global	Meetings Attended		
										Board of Directors	Audit & Supervisory Board	Advisory Committee Relating to Nominations and Remuneration
Yoshihiro Doi ★	Chairman, Representative Director	○	○	○	○	○		○	○	8		2
Takao Uesaka	President, Representative Director	○	○	○	○	○	○	○		8		2
Hiroyuki Hayashi	Representative Director	○	○	○		○	○			8		
Koji Izaki	Director	○	○	○	○	○	○	○		8		
Hanroku Toriyama	Director (Outside)				○					8		2
Keiji Takamatsu	Director (Outside)	○			○					8		2
Kazunobu Sagara	Director (Outside)			○			○	○		8		2
Haruko Kokue	Director (Outside)		○					○	○	8		2
Fumi Musashi	Director (Outside)	○			○				○	8		2
Miyuki Ishihara	Director (Outside)	○		○	○			○		— ¹		— ¹
Kazuaki Nishikiori	Permanent Audit & Supervisory Board Member (full-time)					○		○		8	11	
Hideo Tanaka	Audit & Supervisory Board Member (full-time)	○		○			○	○		6 ²	7 ²	
Masami Yoshioka	Audit & Supervisory Board Member (Outside)					○				8	11	
Toshimitsu Kamakura	Audit & Supervisory Board Member (Outside)				○					8	11	
Isamu Osa	Audit & Supervisory Board Member (Outside)	○			○		○		○	8	11	

★ Chair of the Board of Directors Note: The above list does not represent all the expertise of each director and audit & supervisory board member.

¹ Miyuki Ishihara was elected and assumed office as a director at the 111th Ordinary General Meeting of Shareholders held on June 25, 2025.

² Hideo Tanaka retired as a director upon completion of his term at the conclusion of the 110th Ordinary General Meeting of Shareholders on June 25, 2024, attending all two board meetings held before retirement. He was elected and assumed office as an Audit & Supervisory Board Member at the same meeting and has attended all six board meetings and seven audit & supervisory board meetings since his appointment.

Corporate Officers (3) (As of June 25, 2025)

Lead Executive Officer Structure



Chairman
Yoshihiro Doi¹



President
Takao Uesaka¹



Vice President,
Lead Executive Officer
Hiroyuki Hayashi¹

Chief of Tokyo Head Office
Chief Executive of Tokyo
Business Promotion Division
In charge of General Sales



Vice President,
Lead Executive Officer
Moriyoshi Sato

In charge of Osaka
Business Promotion
Division and Management
Planning Department



Senior Lead
Executive Officer
Takashi Fukuda

Assistant Chief of Tokyo
Head Office
In charge of Sales



Senior Lead
Executive Officer
Masanori Horikiri

General Manager of
Associated Engineering
Division
Chief Executive of Informa-
tion and Communication
Division



Managing Lead
Executive Officer
Koji Izaki¹

In charge of Corporate
Division
(Secretariat, Investor Rela-
tions & Public Relations,
Management Planning,
General Affairs & Legal,
Finance & Accounting)



Managing Lead
Executive Officer
Kenji Yoshimasu

Chief Executive of Technical
& Engineering Division
In charge of Kyoto Institute



Managing Lead
Executive Officer
Mamoru Shimada

Chief Executive of Osaka
Business Promotion
Division



Managing Lead
Executive Officer
Kenji Enomoto

Chief Executive of
International Division
General Manager of Tokyo
Metropolitan Business
Promotion Division
In charge of Sales



Managing Lead
Executive Officer
Yasuo Kakiuchi

Chief Executive of Power
Division
In charge of Safe and Healthy
Environment Division
Central General Safety and
Health Manager

Executive Officers

Senior Executive Officer	Tetsuya Yamamoto	Chief Executive, Environmental System Division
Managing Executive Officers	Yutaka Ippyo	Deputy Chief Executive, Osaka Business Promotion Division
	Masanori Kotera	In charge of Personnel Management Department and Human Resources Development Department
	Shingo Yoshihara	In charge of Finance & Accounting Department and Investor Relations & Public Relations Department; General Manager, Finance & Accounting Department
	Tomoaki Sato	President, KITA KOUDENSHA Corporation
	Yoshiaki Tsuji	General Manager, Kyoto Branch Office
	Mamoru Yasuda	General Manager, Nara Branch Office
	Katsuyuki Okai	General Manager, Shiga Branch Office
	Kiyotaka Ishifuji	General Manager, Tokyo Branch Office
	Yoshihide Suetsugu	General Manager, Higashi-Kanto Branch Office
	Yuji Washida	General Manager, Chubu Branch Office
	Yasushi Yoshida	General Manager, Kyushu Branch Office
Masaki Oikawa	General Manager, Tohoku Branch Office	
Executive Officers	Yasuyuki Yonekura	Deputy Chief Executive, Tokyo Business Promotion Division; General Manager, Business Promotion Department 1; General Manager, Business Development Department
	Yukihiro Mouri	Deputy Chief Executive, Power Division; General Manager, Administration Planning Department
	Masafumi Nishida	In charge of Information Security and DX Promotion
	Norihide Hotta	General Manager, Secretariat Department
	Hiroaki Kobayashi	General Manager, General Affairs & Legal Department
	Hajimu Yukawa	General Manager, Procurement Department
	Yukiyasu Hayashi	General Manager, Superintendence Operations Office
	Yoshinori Matsuo	General Manager, Plant Engineering Department, Technical & Engineering Division
	Masahiro Numata	General Manager, Chuo Branch Office
	Sadao Tano	General Manager, Kobe Branch Office
	Kohei Tanabe	General Manager, Himeji Branch Office
	Toshiya Habara	General Manager, Wakayama Branch Office
	Hideaki Takahara	General Manager, Osaka Branch Office
	Masahiko Uchida	General Manager, Yokohama Branch Office
	Katsuyoshi Abe	General Manager, Kita-Kanto Branch Office
Ryuji Kimachi	General Manager, Chugoku Branch Office	
Takashi Umeki	General Manager, Hokkaido Branch Office	
Tatsuya Arai	General Manager, Shikoku Branch Office	
Sadanobu Nishikawa	General Manager, Electric Power Branch Office	

¹ Concurrently serves as a director

Corporate Governance Overview (1)

Basic Philosophy and Policy

Kinden recognizes strong corporate governance as essential for faster, more effective operations and for adapting to changes in the business environment. We are committed to strengthening governance, giving priority to the following two measures:

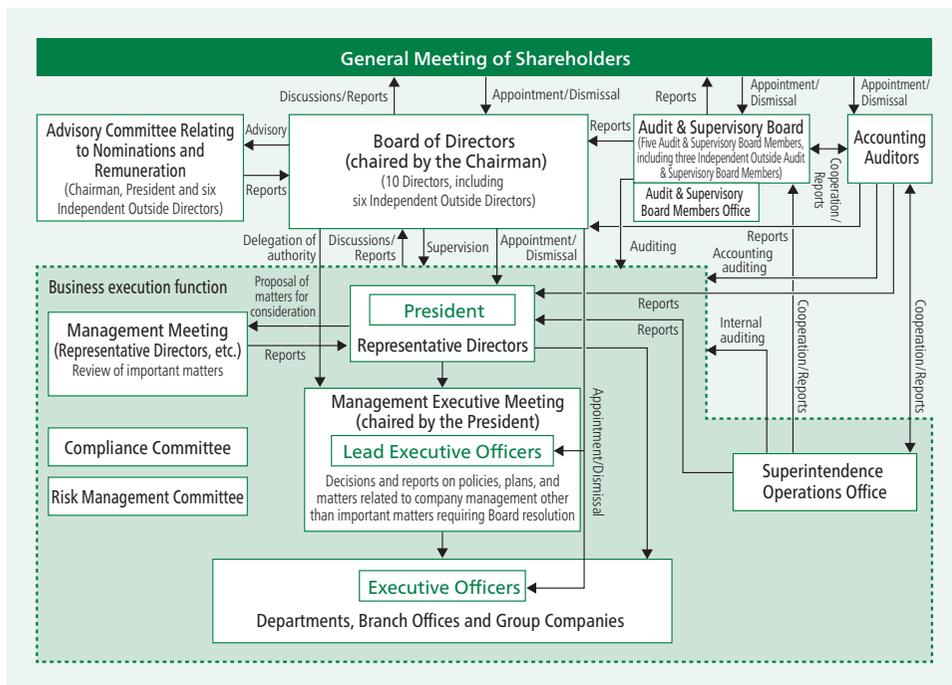
Improving the transparency of operations

We will continue to fulfill our accountability to shareholders and investors while enhancing the speed, accuracy, and quality of disclosures, driving progress in management reform.

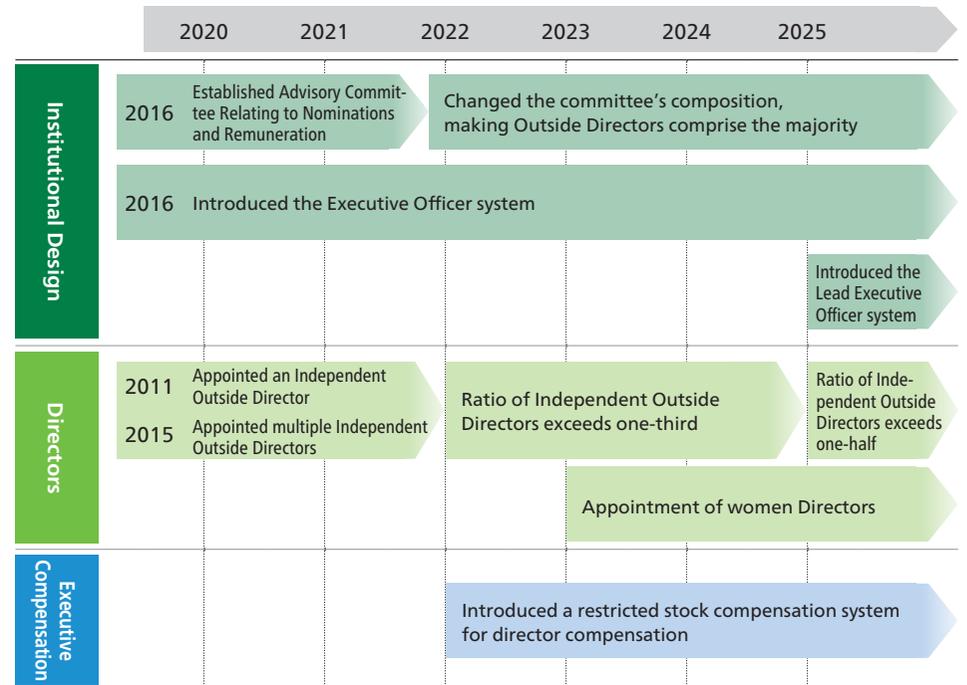
Observing absolute compliance

We remain committed to complying with laws and the Company's articles of incorporation, refraining completely from fraudulent or antisocial corporate conduct, and pursuing healthy profit growth.

Corporate Governance Structure (As of June 25, 2025)



Evolution of Initiatives to Strengthen Corporate Governance

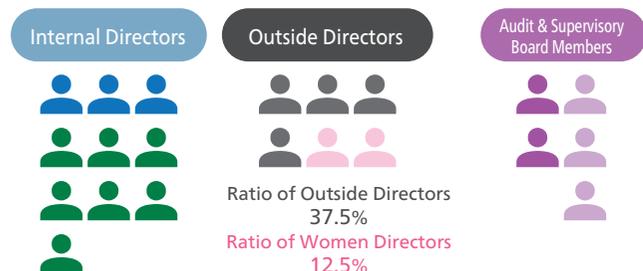


Corporate Governance Overview (2)

Board of Directors

Consisting of 16 members, including six outside directors, the Board of Directors decides key matters related to the Company's operations as required by law or the articles of incorporation, and oversees business execution.

Board Composition (As of March 31, 2025)



The Board reviewed business execution during the fiscal year including progress on the current Medium-term Management Plan, capital policy, cross-shareholdings, and financial results. Through discussions on other key issues, the executive division reported to and shared information with the Board in a timely and appropriate manner.

Effectiveness assessment

The Company conducts annual analyses and evaluations of the overall effectiveness of the Board of Directors. Each March, all directors and Audit & Supervisory Board members complete self-evaluations through questionnaires, and the results are used to further enhance the Board's effectiveness.

FY2024 analysis and assessment

The Board was found to have a well-balanced mix of knowledge, experience, and skills, with no issues regarding diversity or size. Board operations were appropriate in terms of agenda items, meeting frequency, and materials, and discussions on management issues were active, ensuring overall effectiveness. Regular reports on internal audit results, Compliance Committee activities, and risk management status, for monitoring the internal control system, were submitted to the Board, maintaining a shared understanding of risks.

Oversight by outside directors and outside Audit & Supervisory Board members was appropriate, confirming that corporate governance is properly ensured.

Future initiatives

Based on the analysis and assessment results above, we will continue working to improve the overall effectiveness of the Board of Directors.

Introduction of Lead Executive Officer system (June 25, 2025)

As part of governance reform, the Company introduced the Lead Executive Officer system in June 2025 to clearly separate supervisory and executive functions. This structure enables the Board to focus on supervision and executive bodies on business execution, strengthening oversight and accelerating business execution.

Audit & Supervisory Board

The Audit & Supervisory Board consists of five members, including three outside members, who perform appropriate audits in accordance with laws and audit policies.

Audit & Supervisory Board Composition (As of March 31, 2025)



The members include those with experience in our accounting department, as well as tax accountants, lawyers, and corporate managers, and they possess extensive expertise and broad knowledge. They cooperate closely with the internal audit department and the accounting auditor, receiving reports and attending audits as necessary. Quarterly meetings with the accounting auditor are held to exchange views and ensure fair, proper auditing.

Advisory Committee Relating to Nominations and Remuneration

The committee serves as an advisory body to strengthen the independence, objectivity, and accountability of the Board of Directors in important matters such as the nomination and compensation of directors and Audit & Supervisory Board members. It consists of independent outside directors, the chairman, and the president, with the Secretariat Department serving as its secretariat.

Committee Composition (As of March 31, 2025)



Director and Audit & Supervisory Board Member Remuneration

Director Remuneration

Director remuneration comprises fixed monthly pay, performance-based bonuses, and non-monetary restricted stock compensation to enhance incentives for increasing corporate value and improving business performance. Outside directors receive only monthly pay due to their roles and independence.

Individual remuneration is determined based on the following policies:

1. Monthly Pay Policy

The amount is determined based on each director's position and degree of contribution and is paid monthly.

2. Bonus Policy

Bonuses are determined based on operating profit, net sales of completed construction contracts, and each director's contribution relative to the standard bonus amount.

3. Restricted Stock Compensation Policy

Each director's restricted stock compensation is determined by: (1) establishing a compensation equivalent based on monthly pay, and (2) calculating the allocated shares using this amount and the stock price on the business day before the Board resolution date.

4. Remuneration Ratio Policy

The allocation ratio of each compensation type is determined based on the following characteristics: fixed monthly pay, short-term performance-linked

bonuses, and restricted stock compensation as a medium- to long-term performance incentive. The ratio is optimized to enhance the Company's corporate value and performance.

5. Individual Remuneration Content and Payment Schedule

The President, who is authorized by a Board resolution, determines the specific amounts and payment schedule for individual monthly pay and bonuses. The Board of Directors determines the amounts and timing of individual restricted stock compensation.

All individual remuneration decisions—on fixed pay, bonuses, and restricted stock compensation—are made in consultation with the Advisory Committee on Nominations and Remuneration.

Audit & Supervisory Board Member Remuneration

Kinden has established a policy for calculating Audit & Supervisory Board member remuneration. Remuneration consists of monthly pay determined through consultation among members, considering their position and full-time or part-time status.

Director and Audit & Supervisory Board Member Remuneration Amounts (FY2024)

Category	Total remuneration (¥ million)	Sum of each remuneration type (¥ million)			Number of recipients
		Fixed remuneration	Performance-based remuneration	Non-monetary remuneration	
Directors (excluding Outside Directors)	631	427	135	68	11
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	74	74	—	—	3
Outside Directors and Outside Audit & Supervisory Board Members	67	67	—	—	9

Note: The above includes remuneration for one Director and one Audit & Supervisory Board member who retired at the conclusion of the 110th Ordinary General Meeting of Shareholders on June 25, 2024.

Compliance and Risk Management Systems

Compliance System

Kinden has established two committees that each meet twice a year. The Compliance Committee, composed of members of the Management Meeting, a representative of the Audit & Supervisory Board, and the officer responsible for compliance, works to strengthen compliance by reviewing basic policies, systems, and frameworks, and by providing improvement guidance. The Risk Management Committee, comprising responsible officers and the heads of major departments at head offices, enhances risk management by assessing and directing improvements to related systems and structures. The General Affairs and Legal Department serves as the secretariat for both committees.

Kinden Group Code of Conduct

The Board of Directors has established the Kinden Group Code of Conduct to ensure that directors and employees comply with all laws and the articles of incorporation, and perform their duties in line with sound social norms. The Company also established a Compliance Committee to ensure the effective implementation of the code. The President consistently conveys its principles to directors and employees to instill the understanding that compliance is essential for all business activities.

1. Establishment of professional ethics and legal compliance
2. Compliance with the Construction Business Act and related laws
3. Compliance with the Antimonopoly Act
4. Appropriate use of company funds and accounting reports
5. Promotion of environmental preservation
6. Contribution to local communities
7. Appropriate handling of information
8. Prohibition of conflicts of interest and maintaining public-private boundaries
9. Prohibition of gifts and entertainment exceeding social norms
10. Legal political donations and contributions
11. Excluding relationships with antisocial forces
12. Respect for human rights
13. Creating good workplace environments
14. Reporting violations and cooperating with investigations

Risk Management System

Regulations and Other Systems Concerning the Management of Risk of Loss (Risk Management)

- (1) Kinden follows its Risk Management Regulations to prevent risks and reduce or avoid losses when they occur. Cross-organizational risks are monitored by a designated general risk management section, while each department is responsible for managing risks associated with its own operations.
- (2) A Risk Management Committee has been established to ensure effective risk management. Regulations and guidelines for each area, as well as relevant committees, are also in place, and education for directors and employees is provided.
- (3) The following management systems are used for continuous monitoring of risks associated with business activities, ensuring the avoidance and reduction of risks.
 - Important matters affecting the entire company are organized and deliberated upon in executive meetings composed of principal directors, ensuring careful decisions through multifaceted examination.
 - Internal audits are conducted to assess the state of our business operations and to promote continuous improvement.

Internal Whistleblowing System

FY2024 Internal Whistleblowing System Operation Results

1. The internal whistleblowing secretariat carefully protected whistleblower confidentiality, responded while confirming the whistleblower's intentions, and ensured that whistleblowers or investigation collaborators did not face any disadvantageous treatment. Reports received at the internal whistleblowing desk were promptly investigated with expert advice, such as from lawyers, as needed. When legal or other violations or issues requiring improvement were identified, corrective actions were taken.
2. FY2024 Results

Number of reports	Cases where violations were confirmed and corrective actions, such as recurrence prevention, were implemented
21	8

DATA SECTION

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Financial and Non-Financial Data

Financial Data

Indicator	Unit	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Business Performance												
Net sales	¥ million	467,972	475,345	472,591	500,700	521,283	585,905	556,273	566,794	609,132	654,516	705,058
Operating profit		29,325	33,450	36,062	38,618	40,354	45,026	42,948	37,087	37,430	42,677	60,979
Profit attributable to owners of parent		20,552	23,669	26,375	29,478	28,844	32,500	32,356	26,366	28,722	33,553	47,250
Construction orders (non-consolidated)		421,731	420,716	436,775	448,740	504,409	500,924	507,222	525,998	558,320	560,416	619,160
Contract backlog by operation at the end of period (non-consolidated)		289,551	293,974	320,046	329,145	376,792	361,521	382,038	414,312	448,400	448,862	472,105
Return on equity (ROE)	%	5.7	6.3	6.8	7.1	6.5	7.1	6.8	5.3	5.5	6.1	8.1
Cash Flows												
Cash flows from operating activities	¥ million	28,805	19,793	44,028	19,132	23,931	46,732	43,338	32,952	30,153	38,520	24,545
Cash flows from investing activities		(6,718)	(898)	(4,224)	(10,867)	(11,608)	(28,934)	(5,846)	(9,977)	(27,393)	(22,179)	3,605
Cash flows from financing activities		(3,957)	(6,133)	(5,998)	(5,939)	(7,158)	(15,761)	(17,277)	(8,254)	(9,340)	(15,978)	(24,976)
Financial Position												
Total assets	¥ million	542,246	547,554	570,037	600,925	634,064	654,279	683,022	700,259	742,841	815,887	821,693
Net assets		377,659	376,521	399,228	433,227	450,265	464,235	493,209	511,843	532,713	574,053	599,738
Cash and cash equivalents at end of period		93,558	105,793	139,333	141,478	147,191	149,008	169,146	184,501	179,477	180,517	184,662
Equity ratio	%	69.3	68.5	69.8	71.9	70.8	70.8	72.0	73.0	71.6	70.3	72.9
Interest-bearing debt ratio	%	4.7	4.5	4.1	3.8	3.5	3.5	3.4	3.2	2.9	2.7	2.5
Depreciation	¥ million	4,451	4,523	4,928	5,225	5,322	5,415	6,161	6,684	6,804	6,732	7,109
Capital investment		1,915	5,190	3,556	2,983	3,781	6,592	4,417	5,935	29,480	25,953	10,176
R&D expenses		394	450	464	548	498	571	575	651	671	649	705
Stock Indicators												
Book value per share (BPS)	¥	1,731.52	1,728.33	1,834.53	1,991.52	2,070.11	2,189.45	2,400.90	2,493.25	2,598.73	2,848.11	3,014.06
Earnings per share (EPS)	¥	94.67	109.09	121.57	135.87	132.95	150.19	156.46	128.65	140.15	165.34	236.26
Dividend payout ratio	%	21.1	22.0	21.4	20.6	22.6	21.3	22.4	28.8	28.5	38.1	38.1
Dividends per share	¥	20	24	26	28	30	32	35	37	40	63	90
Stock price at end of period		1,502	1,380	1,554	1,762	1,834	1,595	1,885	1,578	1,595	2,696	3,350
Price-to-book ratio (PBR)		0.87	0.8	0.85	0.88	0.89	0.73	0.79	0.63	0.61	0.95	1.11
Price-earnings ratio (PER)	Times	15.87	12.65	12.78	12.97	13.79	10.62	12.05	12.27	11.38	16.31	14.18

Financial and Non-Financial Data

Non-Financial Data

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Human capital						
Number of employees (consolidated)	Persons	12,935	12,892	12,704	13,240	14,359
Number of employees	Overall	7,801	7,995	8,136	8,302	8,461
	Men	7,197	7,363	7,472	7,607	7,742
	Women	604	632	664	695	719
Average age	Overall	41.6	41.6	41.7	41.7	41.7
	Men	41.5	41.5	41.6	41.6	41.5
	Women	42.3	42.8	42.9	43.1	43.0
Years of service	Overall	20.0	20.0	20.0	19.9	19.7
	Men	20.3	20.3	20.3	20.2	20.1
	Women	16.8	16.5	16.4	16.5	16.5
Turnover rate (resignations / employees at beginning of period)	Overall	3.2	3.7	4.0	4.1	4.0
	Men	3.1	3.8	4.1	4.2	3.9
	Women	3.9	3.2	3.0	3.2	4.0
Number of regular hires	Overall	355	391	404	424	418
	Men	346	382	392	406	400
	Women	9	9	12	18	18
Employment rate of people with disabilities	%	2.61	2.52	2.41	2.56	2.52

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024	
Human capital							
Rate of men's childcare leave and other leave for childcare	%	50.5	48.9	55.4	67.4	64.8	
Re-employment rate after retirement (including transfers to affiliated companies)	%	92.8	92.3	91.0	91.2	91.1	
Annual paid leave days taken	Days	8.4	8.9	10.2	10.2	10.6	
Average total working hours per person/month	Hours	177.4	177.5	174.8	173.1	169.2	
Average annual salary	Overall	¥ thousand	8,848	8,878	8,500	8,488	8,881
	Women-to-men wage ratio	%	60.7	60.7	60.4	60.8	61.8

Note: There is no pay differential between men and women within the same job category and role. The overall pay gap reflects the higher proportion of men in higher-paying positions.

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Environment						
CO ₂ emissions	t-CO ₂	28,575	29,178	25,664	25,355	24,768
Electricity usage	Million kWh	17.83	18.03	18.08	17.79	18.73
Vehicle fuel consumption	Million L	—	—	6.02	5.95	5.82
Total industrial waste generated	t	53,332	51,720	102,849	66,376	70,943
Industrial waste recycling rate	%	73.7	63.5	90.1	80.1	74.9

Information on Affiliated Companies (as of September 30, 2025)

Name	Location	Capital (¥ million)	Main business activities	Voting rights owned or held (%)	Relationship
(Consolidated subsidiaries) Kinden Shoji Company, Limited	Chuo-ku, Osaka City	450	Leasing and sales of vehicles, general insurance agency services, and property maintenance and leasing	100	Complements and cooperates in Kinden's construction business. Also engages in leasing buildings, etc., with Kinden, leasing buildings, etc., to the Kinden Group. Concurrent officers, etc.: Four transferred employees
Nishihara Engineering Co., Ltd.	Minato-ku, Tokyo	1,367	Plumbing and sanitation installation work and related businesses	100	Concurrent officers, etc.: Two transferred employees, one seconded employee
FEN Co., Ltd.	Kotoku-ku, Tokyo	200	Electric power and telecommunications construction and related businesses	100	Concurrent officers, etc.: None
KITA KOUDENSHA Corporation	Chuo-ku, Sapporo City	100	General electrical and electric power work and related businesses	100	Concurrent officers, etc.: One seconded employee
Kinden Tokyo Services Company, Incorporated	Shinagawa-ku, Tokyo	302	Maintenance, management, and construction of general electrical facilities	100	Cooperates in construction for Kinden's construction business. Concurrent officers, etc.: One transferred employee
Kinden Chubu Services Company, Incorporated	Nakamura-ku, Nagoya City	20	Maintenance, management, and construction of general electrical facilities	100	Cooperates in construction for Kinden's construction business. Also, Kinden leases buildings and other facilities to the company. Concurrent officers, etc.: Two transferred employees
Kinden Kansai Services Company, Incorporated	Higashinari-ku, Osaka City	200	Maintenance, management, and construction of general electrical facilities	100	Cooperates in construction for Kinden's construction business. Also, Kinden leases buildings, etc., to the company. Concurrent officers, etc.: Three transferred employees
Kinden Nishinoh Services Company, Incorporated	Nishi-ku, Hiroshima City	20	Maintenance, management, and construction of general electrical facilities	100	Cooperates in peripheral work for Kinden's construction business. Also, Kinden leases buildings and other facilities to the company. Concurrent officers, etc.: Three transferred employees
Daito Denki Kouji Co., Ltd.	Hyogo-ku, Kobe City	20	Maintenance, management, and construction of general electrical facilities	100	Concurrent officers, etc.: One seconded employee
Kinden Services Company, Incorporated	Naniwa-ku, Osaka City	30	Contracting of peripheral work for power distribution lining	100	Cooperates in peripheral work for Kinden's construction business. Also, Kinden leases buildings and other facilities to the company. Concurrent officers, etc.: Three transferred employees
KINDENSPINET CORPORATION	Kita-ku, Osaka City	50	Sales and engineering services for information and communication systems	100	Complements and cooperates in Kinden's construction business. Also, Kinden leases buildings and other facilities to the company. Concurrent officers, etc.: One transferred employee, one seconded employee
Shirama Wind Farm Co., Ltd.	Hidaka-gun, Wakayama Prefecture	10	Wind power generation business	100	Kinden provides loans. Also, Kinden leases buildings and other facilities to the company. Concurrent officers, etc.: Two transferred employees
Shiratakiyama Wind Farm Co., Ltd.	Shimonoseki City, Yamaguchi Prefecture	10	Wind power generation business	100	Kinden provides loans. Also, it engages in leasing of buildings and other facilities with Kinden. Concurrent officers, etc.: Two transferred employees
Shirama Greenenergy Co., Ltd.	Hidaka-gun, Wakayama Prefecture	100	Wind power generation business	100	Concurrent officers, etc.: One transferred employee
Shiratakiyama Greenenergy Co., Ltd.	Shimonoseki City, Yamaguchi Prefecture	100	Wind power generation business	100	Concurrent officers, etc.: One transferred employee
Nishihara Construction Co., Ltd.	Kotoku-ku, Tokyo	12	Construction and maintenance management of plumbing and sanitation work	100 (100)	Concurrent officers, etc.: None
US Kinden Corporation	Hawaii, USA	USD 2 million	Management and operation of subsidiaries (holding company)	100	Concurrent officers, etc.: One seconded employee
Wasa Electrical Services, Inc.	Hawaii, USA	USD 238,000	Design and construction of general electrical work	100 (100)	Kinden provides performance guarantees and other support. Concurrent officers, etc.: None
P.T. Kinden Indonesia	Indonesia	IDR 10,189 million	Design and construction of general electrical work and HVAC piping work	95	Kinden provides guarantees for bank loans, etc. Concurrent officers, etc.: Two seconded employees
Kinden Phils. Corporation ¹	Philippines	PHP 10 million	Design and construction of general electrical work and HVAC piping work	40	Kinden provides guarantees for bank loans, etc. Concurrent officers, etc.: Two seconded employees
Kinden Vietnam Co., Ltd.	Vietnam	VND 16,050 million	Design and construction of general electrical work and HVAC piping work	100	Kinden provides guarantees for bank loans, etc. Concurrent officers, etc.: One seconded employee
Kinden (Thailand) Co., Ltd. ¹	Thailand	THB 21.1 million	Design and construction of general electrical work and HVAC piping work	46.4	Kinden provides guarantees for bank loans, etc. Concurrent officers, etc.: Two seconded employees
Antelec Private Ltd.	India	INR 4.896 million	Design and construction of general electrical work	100	Kinden provides loans and performance guarantees, etc. Concurrent officers, etc.: One seconded employee
International Electro-Mechanical Services Co. (L.L.C.) ¹	Dubai, United Arab Emirates	AED 101 million	Design and construction of HVAC piping and general electrical work	49	Kinden provides loans and performance guarantees, etc. Concurrent officers, etc.: None
(Equity-method affiliate) KINKA Corporation	Naniwa-ku, Osaka City	20	Transportation business	50	Complements and cooperates in Kinden's construction business. Concurrent officers, etc.: Two transferred employees
(Other affiliate) The Kansai Electric Power Company, Incorporated ²	Kita-ku, Osaka City	630,040	Electric power business	Owned 37.0 (7.4)	Kinden receives orders for power generation construction, etc. Kinden deposits funds with the company. Concurrent officers, etc.: None

¹ Although ownership is less than 50%, these subsidiaries are deemed consolidated subsidiaries due to effective control. ² Files securities reports.

Corporate Overview / Stock Information

Corporate Overview (as of March 31, 2025)

Name	KINDEN CORPORATION
Date of Establishment	August 26, 1944
Head Office (Osaka)	2-3-41 Honjo-Higashi, Kita-ku Osaka 531-8550, Japan Tel: +81-6-6375-6000
Head Office (Tokyo)	2-1-21 Kudan-Minami, Chiyoda-ku, Tokyo 102-8628, Japan Tel: +81-3-5210-7272
Research Center	Kyoto Institute (Kizugawa, Kyoto Prefecture)
Training Centers	Kinden Gakuen (Nishinomiya, Hyogo Prefecture) Human Resources Development Center (Inzai, Chiba Prefecture)
Capital	¥26.4 billion
Construction Business License	Construction License of the Ministry of Land, Infrastructure, Transport and Tourism Special Construction License (3), No.114 (15 business categories)
Electrical Systems Work Business Notification	Notification of the Minister of International Trade and Industry No. 4662
Worker Dispatching Business License	27-302236

Stock Information (as of March 31, 2025)

Securities Code	1944
Stock Exchange	Tokyo Stock Exchange
Fiscal Year-End	March 31 annually
Ordinary General Meeting of Shareholders	June annually
Record Date	Ordinary General Meeting of Shareholders: March 31 annually Year-end dividend: March 31 annually Interim dividend: September 30 annually
Number of Shares per Unit	100 shares
Method of Public Notice	Electronic public notice (However, in the event that electronic public notice is not possible due to accidents or other unavoidable circumstances, public notice will be made in the <i>Nihon Keizai Shimbun</i> .)
Administrator of Shareholder Registry and Special Accounts	Mitsubishi UFJ Trust and Banking Corporation
Contact	Osaka Securities Agency Division, Mitsubishi UFJ Trust and Banking Corporation 3-6-3 Fushimi-machi, Chuo-ku, Osaka 541-8502, Japan Tel: 0120-094-777

Matters Regarding Shares (as of March 31, 2025)

<https://www.kinden.co.jp/english/pdf/ShareholdersMeeting2025.pdf>

- (1) Total number of authorized shares: 600,000,000 shares
- (2) Total number of issued shares: 199,954,180 shares (including 1,204,610 treasury shares)

Note: The total number of issued shares decreased by 2,686,900 shares from the end of the previous fiscal year due to the cancellation of treasury shares conducted on February 28, 2025.

- (3) Number of shareholders: 9,273

- (4) Major shareholders

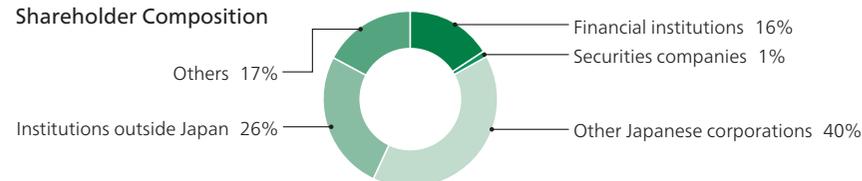
Shareholder	Shares Held (Thousand Shares)	Percentage of Shares (%)
The Kansai Electric Power Company, Incorporated	58,905	29.64
The Master Trust Bank of Japan, Ltd. (Trust account)	22,258	11.20
Kanden Realty & Development Co., Ltd.	14,507	7.30
Kinden Employees' Shareholding Association	9,038	4.55
Custody Bank of Japan, Ltd. (Trust account)	6,771	3.41
STATE STREET BANK AND TRUST COMPANY 505001	4,721	2.38
JP MORGAN CHASE BANK 380055	2,704	1.36
GOVERNMENT OF NORWAY	2,283	1.15
STATE STREET BANK AND TRUST COMPANY 505103	2,150	1.08
J.P. MORGAN BANK LUXEMBOURG S.A. 384513	2,101	1.06

Notes: 1. Kanden Realty & Development Co., Ltd. is a wholly owned subsidiary of The Kansai Electric Power Company, Incorporated.
2. The percentage of shares held is calculated after deducting treasury shares.

Stock Price Trends



Shareholder Composition



Website Information

Homepage
<https://www.kinden.co.jp/english/>

Shareholder & Investor Information
<https://www.kinden.co.jp/english/i/>

Kinden

KINDEN CORPORATION

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