



Management team and independence criteria for outside officers

For a list of Directors and Corporate Auditors, please see About HASEKO > Management Team website. [For more information, please visit ▶](#)
 For the independence criteria for outside officers, please see the PDF file attached to the Corporate Governance website. [For more information, please visit ▶](#)

Skills matrix for Directors

Name	Position	Company management/Management strategy	Finance/Accounting	Legal affairs/Risk management	Overseas business	Construction/Architecture	Sales/Real estate	Urban development	Technology/DX	ESG/Sustainability
Noriaki Tsuji	Chairman and Director	●		●			●	●		●
Kazuo Ikegami	President and Representative Director	●		●		●			●	●
Shoji Naraoka	Director, Executive Vice President	●	●		●				●	
Kuniyori Mimori	Director, Executive Operating Officer	●				●			●	
Satoshi Kumano	Representative Director, Executive Operating Officer	●		●			●	●		●
Toru Yamaguchi	Director, Executive Operating Officer	●					●	●		
Naoko Yoshimura	Director, Operating Officer	●								●
Kazuhiko Ichimura	Outside Director	●	●	●				●		●
Mami Nagasaki	Outside Director		●	●						●
Toshikatsu Ogura	Outside Director	●	●	●					●	●
Shinsuke Fujii	Outside Director	●	●	●	●					●
Toru Izawa	Outside Director	●		●		●	●	●		

Executive remuneration [For more information, please visit ▶](#)

The basic policy for remuneration of directors is stipulated in the Basic Policy on Corporate Governance, which was revised by the resolution of the Board of Directors in March 2021. In accordance with the Basic Policy on Corporate Governance, the remuneration of directors is determined by resolutions of the Board of Directors based on the criteria for payment of remuneration of directors prepared by the President in consideration of discussions at the Nomination and Remuneration Committee, which is comprised entirely of independent outside directors as well as representative

directors, etc., numbering not more than the independent outside directors.

The Nomination and Remuneration Committee held four meetings in fiscal year 2023, and all the members of two inside directors and five outside directors attended the meeting.

Compliance

Basic approach and policy for compliance [For more information, please visit ▶](#)

With the recognition that strict compliance is indispensable for the continuity of a corporation, the Company formulated the Haseko Group Standards of Conduct, under which Haseko has been working to establish a management system where all directors, operating officers, and staff respect societal standards and take sensible courses of action in keeping with their duties as

members of society, as well as complying with all laws and regulations both in Japan and abroad, and the Company's articles of incorporation, so that the Company can win the confidence of society.

The Company regularly reviews the Standards of Conduct for relevancy and effectiveness and revises it as needed.

System for promoting compliance

The Compliance Department, established in the Risk Management Department as a department responsible for instilling the Standards of Conduct across the Group and advancing compliance efforts, is working to enhance the Group's compliance.

In addition, pursuant to internal rules and regulations on internal audits, the Internal Auditing Department, which is under the direct control of the President, investigates and evaluates whether activities of respective divisions conform to laws and regulations, the articles of incorporation, the Company's rules and regulations, corporate policies, etc. and whether they are reasonable, and works to make improvements based on the results.

If there is any act violating the Standards of Conduct that causes concern that it might produce a material effect, it will be

reported to the President and officers in charge of risk management will make an investigation. As needed, the Compliance Committee chaired by officers in charge of risk management or the President of the Company is convened to work to resolve it through such actions as examining circumstances, analyzing causes, identifying remedies, investigating whether there are any similar events, devising measures for preventing recurrence, and sharing the results in the Company and across the Group.

* For the risk management and compliance system, please refer to the diagram of the Risk management and compliance system below.

Internal whistleblowing system

The Haseko Group has set out the "Haseko Group Whistleblower Protection Rules" pursuant to the Whistleblower Protection Act and relevant laws and regulations. In addition, the Company has established an office in the Compliance Department of the Risk Management Department, as well as in a law firm as an external contact, dedicated to receiving public-interest whistleblowing reports by officers and employees and requests for consultation regarding harassment and compliance issues in general (including issues concerning the prevention of corruption such as graft and bribery).

The Company has put in place a system for protecting whistleblowers and preserving their anonymity and created an environment where employees feel free to file a report or request consultation in order to ensure that any wrongful act or misconduct be immediately detected and corrected.

Accounts submitted to the office responsible for consultation on internal whistleblowing, and the status of subsequent responses provided, are reported to the representative directors, outside directors, and corporate auditors on a regular basis.

Risk Management

Basic approach to and policy for risk management [For more information, please visit ▶](#)

The Haseko Group has set out the "Haseko Group Risk Management Policy" with the aim of properly managing various internal and external business risks associated with its operations and continuing to maintain and enhance its corporate value.

The Company has put in place its risk management system, and has ensured that rules and measures under the policy are known and implemented by all Haseko Group officers and employees.

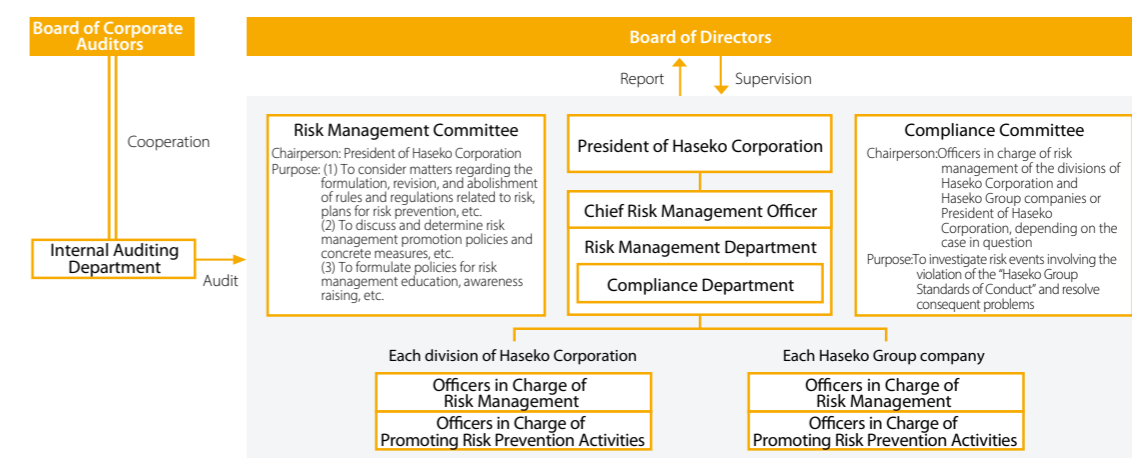
Risk management system [For more information, please visit ▶](#)

The Haseko Group has adopted a risk management system in which the President of Haseko Corporation serves as Chief Officer to implement the "Haseko Group Risk Management Policy." The Company has also appointed a Chief Risk Management Officer, who is responsible for overall risk management, including risk prevention and crisis response across the Group, and officers in charge of risk management, who are responsible for leading risk management in each operating division of Haseko Corporation and Group companies. In addition, each Group company has its risk management department, which makes advice and recommendations regarding the formulation and implementation

of Group-wide measures for promoting risk management and monitors the progress of these measures.

The Company has also established the Risk Management Committee under the chairmanship of the President of Haseko Corporation. The Committee meets once every quarter, while convening an extraordinary meeting as needed when a serious risk event occurs, and works to collect, analyze, assess, and address risk events across the Company. The results of discussions of the Risk Management Committee are reported as needed to the Board of Directors, which assesses and oversees the implementation and effectiveness of the risk management system.

Risk management and compliance system





Business Continuity Plan (BCP)

For more information, please visit ▶

The Haseko Group has formulated a "Business Continuity Plan" with the aim of establishing a mechanism of clarifying operations of Group companies in the event of a major earthquake and other natural disasters, ensuring the safety of "housing" provided by us, preventing the suspension of operations or in the event that they

are suspended, enabling the resumption of operations within the shortest possible time, as well as promptly preserving offices and tasks after ensuring the safety of employees and their families, enabling employees engaged in restoration activities and restoration support to take action autonomously.

Respect of Human Rights

Basic approach to human rights

For more information, please visit ▶

The Haseko Group explicitly states "respect of human rights" in the Haseko Group Standards of Conduct. Moreover, in order to deepen our initiatives for respecting human rights, in January 2022 we established the Haseko Group's Human Rights Policy in line with the United Nations Guiding Principles on Business and Human Rights. We instill the Standards and Policy throughout the Group so that each and every employee can deepen his/her

understanding of human rights and engage in operations with a high level of awareness at all times, as well as require our cooperating companies and other supply chain constituents to respect human rights in their own business activities. Moreover, we will pursue management that respects human rights through efforts including human rights due diligence initiatives.

Status of human rights due diligence initiatives

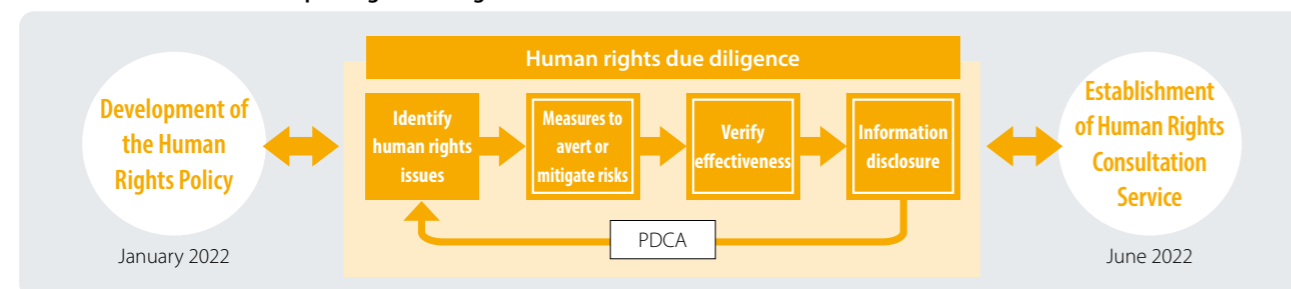
Coinciding with the development of the Haseko Group's Human Rights Policy, we are currently promoting human rights due diligence (HRDD) initiatives. Specifically, the corporate management division and the construction division, which serves as a contact point with cooperating companies, have formed the Human Rights Working Group and identified potential human rights violation risks related to the business activities of the Haseko Group. The Working Group then assessed those risks in terms of their degree of severity and likelihood of occurring and verified the status of actions taken by relevant divisions and Group companies. Those efforts identified human rights issues that require action. In addition, in February 2024, having considered the measures to

avert and mitigate risks that were implemented after the human rights issues had been identified, as well as changes to the nature and environmental conditions of the Group's business, the working group determined that no review of human rights issues is necessary. The status of actions taken to address identified issues is reported to the Board of Directors. We report the status of HRDD, which is planned for continuous future implementation, to the Sustainability Committee for its review (Matters deliberated by and reported to the Sustainability Committee are reported to and supervised by the Board of Directors, and significant matters are referred to the Board of Directors for deliberation and decisionmaking.).

Human rights issues identified

Human rights issue	Major risk
Human rights issues in the upstream supply chain	• Labor problems and impact on the living environment of local communities in the upstream process of the production of construction materials, including logging sites
Forced labor and child labor	• Labor problems related to foreign technical intern trainees and young workers of cooperating companies at construction sites and service provision sites
Occupational health and safety	• Accidents related to the life and health of employees (of the Company and cooperating companies) at construction sites and other sites where the Company provides services
Employment and working conditions	• Long working hours • Cooperating companies' employment and working conditions
Harassment and discrimination	• Harassment at the Company or between the Company and cooperating companies • Cases where employees harass customers or customers harass employees at service provision sites
Impact on local communities	• Impact on the living environment of local communities in the vicinity of construction sites
Customer safety and security	• Accidents when the Company provides services at nursing care sites and in customers' living spaces • Customers' personal information and privacy

Overview of initiatives for respecting human rights



Proclamation of Haseko Corporation's "My Declaration of Human Rights"

Haseko Corporation endorses the aims of the Ministry of Justice's "My Declaration of Human Rights" initiative. By proclaiming its own "My Declaration of Human Rights," the Company has declared that it will carry out business activities that respect human rights, with the aim of creating a society in which everyone respects human rights. The Company's declaration has also been publicized on the "My Declaration of Human Rights" page of the website of the Human Rights Library Japan.



Consideration and implementation of measures to avert or mitigate risks

Many of the human rights issues identified had already been recognized as "company-wide risks" or "department-specific risks" and has been addressed as part of our existing "risk prevention activities." For this reason, in our "risk prevention activities" for FY2023, we worked on raising awareness of the human rights issues that had been identified, along with identifying human rights risks among the risks that had been recognized by each department. In this way, each department could check for any human rights issues that might exist within their own

department. From now on, we plan to review the need for additional measures based on the results of the checks.

At the same time, some of the human rights issues identified had not sufficiently been recognized as issues for the Group in the past, and the actual situation was not fully understood. To address these human rights issues, we started by conducting the following survey of partner companies from July to August 2023 to ascertain the situation.

Overview of the questionnaire for cooperating companies

	Questionnaire regarding timber procurement	Questionnaire regarding foreign technical intern trainees
Target respondents*	Companies involved with timber procurement from among the members of the Ken-ei-kai, Kenshokai, Shinwakai and Juyukai	All member companies of the Ken-ei-kai, Kenshokai, Shinwakai, Juyukai and Koshokai
Objectives and content	In order to understand the current situation, we checked the status among respondent companies of their awareness of issues related to the sustainability of timber procurement, the status of the traceability of timber, the handling of certified wood and domestic wood, and more	To check for the existence of problems, we checked the employment, working and living conditions of foreign technical intern trainees at the responding companies and their cooperating companies (and also made them aware of the relevant legal considerations)
Results and measures	We achieved our objective of understanding the current situation. Based on these results, we will proceed with further investigations into the details and consider appropriate responses.	We confirmed that the cooperating companies were generally taking appropriate measures. We will continue to monitor the situation.

*Each of the associations is an organization of the Group companies' cooperating companies given below.
◆ Ken-ei-kai: Haseko Corporation ◆ Kenshokai: Fujikensetsu Co., Ltd. ◆ Shinwakai: Hosoda Corporation ◆ Juyukai: Haseko Reform Inc. ◆ Koshokai: Haseko Community, Inc.

Acceptance and handling of consultations related to human rights

Human Rights Consultation Service

Haseko Corporation has established a Human Rights Consultation Service on its website. The service receives consultations related to concerns about human rights violations associated with the corporate activities of the Group. Members of the general public can also use the service, and any inquiries received are treated confidentially and anonymously.

Internal whistleblowing system

In accordance with the Whistleblower Protection Act and related laws and regulations, the Haseko Group has established the "Haseko Group Whistleblower Protection Rules" and has implemented an internal whistleblowing system for all officers

and employees, as well as all providers of labor at all business sites. We have established an internal contact desk in the Compliance Department in the Risk Management Department, as well as an external contact point at a law firm, and we accept consultations not only about legal and regulatory violations, but also about violations of internal rules, harassment, and general compliance issues. The Company has put in place a system for protecting whistleblowers and preserving their anonymity, creating an environment where employees feel free to file a report or request consultation in order to ensure that any wrongful act or misconduct be immediately detected and corrected

Supply Chain Management

Haseko Group CSR Procurement Guidelines

For more information, please visit ▶

The Haseko Group has formulated the "Haseko Group CSR Procurement Guidelines" to fulfill its social responsibility across the entire supply chain. The Group will work to meet the demands of society by having Group companies follow these guidelines in procuring materials, labor and other resources, while also asking its business partners (includes not only suppliers, but also all entities with whom the Group does business, such as subcontractors and agents) to observe these guidelines in their business activities. The Haseko Group has had its main business partners sign an agreement stating that they commit to these guidelines.

Additionally, we are currently incorporating compliance clauses, in line with these guidelines, into contracts for transactions with all business partners, including those mentioned above, to ensure the clear communication of our requirements.

To verify the status of our business partners' compliance with the "Haseko Group CSR Procurement Guidelines," we conducted a questionnaire, using a self-checklist, and verified that, overall, appropriate action is being taken.