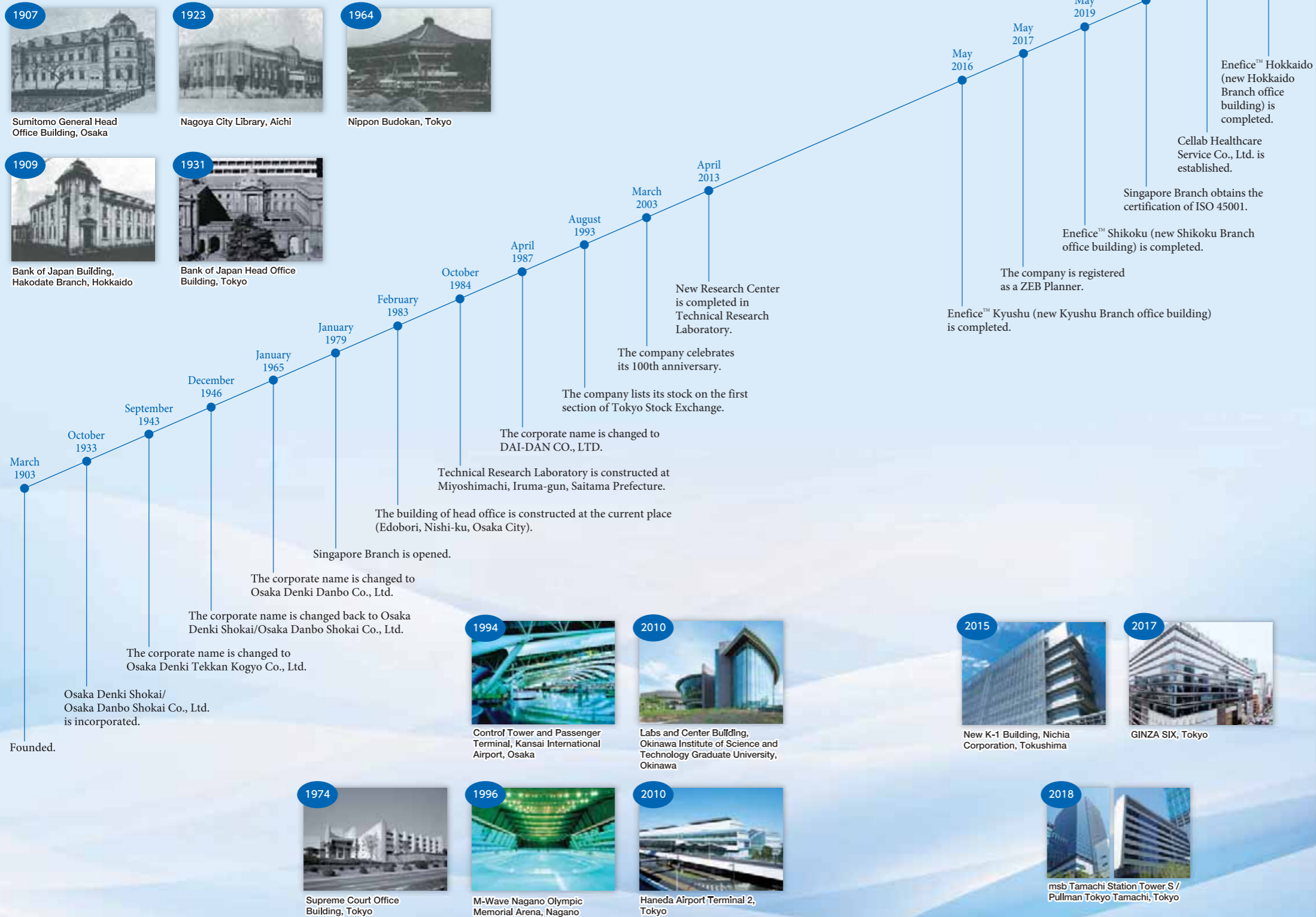


# DAI-DAN REPORT 2021-2022



# Dai-Dan's 118-year History

As a building services engineering and installation provider, Dai-Dan has continued to use its advanced technology to add comfort and vibrancy to interior spaces where people gather. For more than a century, we have been expanding the breadth of our expertise and securing the trust of our customers. At the same time, we are helping to achieve greater harmony with nature.



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### Editorial Policy

Since fiscal 2008, we have been publishing our CSR report as a means of informing our stakeholders of our business operations and CSR initiatives. In fiscal 2014, we renamed this publication the Dai-Dan Report. Compiled as an integrated corporate report, it contains both financial and non-financial data in addition to the conventional content.

### Scope of This Report

• **Target organization**  
This report covers the operations of DAI-DAN CO., LTD. All financial information is reported on a consolidated basis.

• **Period**  
This report covers the fiscal year spanning April 1, 2020, to March 31, 2021. Some data refers to activities after April 1, 2021.

### Report Guideline References

ISO 26000  
Ministry of the Environment *Environmental Reporting Guidelines* (2018)  
GRI *Sustainability Reporting Standards*

## A Message from Management

# Inspired by Light, Air & Water

At Dai-Dan, our duty has always been to provide people with safe, comfortable places in which to live and work, while also giving due consideration to the environment.

This 118-year journey is one we have shared with a variety of stakeholders, not only our customers, but also the shareholders, investors, subcontractors, employees, and communities we have met along the way.

We believe that continuing to meet their expectations will lead to raising our corporate value in a sustainable way.

Going forward, we hope we can count on your continued understanding and support for our activities.

### Shohei Kitano

Representative Director  
Chairman  
DAI-DAN CO., LTD.



### Ichiro Fujisawa

Representative Director  
President  
DAI-DAN CO., LTD.



## Dai-Dan Group Sustainability Policy

The management principles that guide the Dai-Dan Group explicitly challenge us to “create value for our customers while contributing to the development of a better environment and stronger communities.” Those principles underscore the Corporate Code of Ethics on which we seek the trust of our stakeholders and the business activities through which we strive to solve the problems facing society and the environment, and contribute to the realization of affluent but sustainable ways of life. In doing what we can to help steer society towards true sustainability, we at Dai-Dan are committed to:

1. Finding and applying light, air and water technologies that protect the global and local environments while providing comfortable work and living spaces by reducing environmental loads.
2. Fostering a corporate culture that respects the human rights and individuality of all persons by welcoming diversity into the workplace.
3. Ensuring full compliance with laws, regulations and agreements by continuously improving our systems of corporate governance.
4. Maintaining an open dialog with stakeholders that allows us to meet social expectations and demands, and build strong bonds of trust with all.
5. Sharing this policy with group subsidiaries and subcontractors so that we can promote sustainability initiatives in unison.

## Our Services

### Electrical installations



Electricity is what brings a building to life, and it is our electrical installations that support its supply, creation, and storage.

Our installations are comprised of such varied elements as high-efficiency power receiving and transforming equipment, solar power systems for generating electrical power, LED lighting fixtures that help to lower power consumption, storage batteries for optimizing power usage, and IoT-driven control systems.

Dai-Dan assembles the various pieces of equipment into electrical systems that serve the intended purpose whether to build or retrofit buildings with ZEB technologies, ready buildings for disasters as part of business continuity planning, or other need.

### Air conditioning installations



It is our air conditioning installations that maintain optimal levels of temperature, humidity, and airflow to create high-quality living or working environments.

They vary widely in size and performance from typical AC systems for office buildings to precision models required by semiconductor manufacturing plants. Dai-Dan has advanced technologies and vast experience with planning, designing and installing air conditioning systems. In fact, the large data centers that underscore today's internet society adopt many of our technologies—for example—to introduce cold outdoor air in order to reduce air conditioning load and to effectively direct cooled air towards IT equipment. Moreover, we can tap renewable geothermal energy as a heat source in order to efficiently manage a building's energy balance to meet ZEB criteria.

### Plumbing installations



Our plumbing installations both supply water that is high-quality and work to recycle it.

In this field, we are putting our efforts into purification to prevent the contamination of rivers and oceans and we also pursuing greater reuse of water, which is a limited resource. Our environmentally friendly plumbing equipment covers such processes as purifying contaminated water or wastewater from factories, or transporting supplies of water, whether hot or cold, or gas.

In addition to the above, the Plumbing Department also takes charge of firefighting equipment. As a company that is responsible for safety, we constantly strive to create installation technologies that can be relied on.

Water is something that we take for granted in our daily lives, and Dai-Dan is putting its technologies to work to ensure that does not change.

### The Dai-Dan Group—centered on renovations and maintenance

ダイダンサービス関東



ダイダンサービス関西



ダイダンサービス中部



# Helping to bring about a richer, more sustainable society by refining our light, air, and water technologies

In 2023, Dai-Dan will reach its 120th anniversary.

Securities analyst Toshiya Mizutani, a Dai-Dan shareholder and investor, spoke to President Ichiro Fujisawa about the group's vision and strategies for the future.



**Ichiro Fujisawa**

Representative Director & President, DAI-DAN CO., LTD.

April 1979 Joined the company.  
 June 2009 Director, Corporate Officer, Head of Industrial Facilities Division, and Manager of Technical Department  
 April 2013 Director, Senior Executive Corporate Officer, in charge of East Japan Area, and General Manager of Tokyo Head Office  
 April 2018 Representative Director and President (currently)

**Toshiya Mizutani**

Securities Analyst

May 2000 Joined KOKUSAI Securities (now Mitsubishi UFJ Morgan Stanley Securities) where he worked corporate and industry surveys, and was responsible for the construction industry in particular (an industry for which he has been responsible for more than 30 years)  
 2007–2017 For 11 years in a row, he came in first place in rankings produced by an American financial magazine (in 2016, he was inducted into their Hall of Fame)  
 April 2019 onwards Active as a workplace management consultant

## For management, using ZEBs to resolve environmental issues is the top priority

**Mizutani:** During my more than 30 years following various companies as a securities analyst, I get the impression that the past 5 years or so in particular have seen dramatic changes in the market environment. While in the past the only thing asked of companies was to increase profits, I feel that there are now strong demands on companies to also consider ESG perspectives and work more for the environment and society.

**Fujisawa:** The industry in which we work, building systems, is one that requires huge expenditures of energy; our industry's

energy consumption makes up a large proportion of the total used by society as a whole. As such, we have always worked passionately to research and develop ways of saving energy and reducing environmental load for our equipment. In other words, we have long been aware that ESG perspectives, particularly to do with resolving environmental issues, is something that our industry can make a major contribution towards. In recent years, though, I feel more strongly the importance of fully disclosing our efforts and sharing them so that all stakeholders can understand what it is we do.

**Mizutani:** Dai-Dan announced its long-term vision in February this year and selected six areas of materiality, i.e., important issues for management, by evaluating the impact on society and the environment of your corporate activities. The first concerns environmental issues, with net Zero Energy Buildings (ZEBs) as its central theme. I feel that many companies don't clearly address the question of how environmental initiatives tie in to corporate value; how do you position environmental issues within managing the company?

**Fujisawa:** This goes back to what I said a moment ago, but I think carbon neutrality (CN)—moving from a low-carbon society to a carbon-free one—is a major theme for us as a building services engineering and installation provider. On that basis, we will first go even further to achieve CN throughout our business activities, such as through energy-saving measures at our offices or by introducing eco-friendly vehicles.

**Mizutani:** I saw that you have also announced your support for the Task Force on Climate-related Financial Disclosures (TCFD) guidance.

**Fujisawa:** That's right. In future, we will push for more analysis on the impact climate change will have on our business and disclose that information. With regards to encouraging the spread of ZEBs, we will go even further in our promotion efforts than we have been. For ourselves, we are making progress with switching our older branch offices over to ZEBs; so far, we have completed works in Kyushu, Shikoku, and Hokkaido, now we're turning our attention to Hokuriku.

**Mizutani:** It's not just in the construction part either, you're verifying that energy input and output for actual operations are net zero, too.

**Fujisawa:** Yes. We believe that making smaller buildings ZEBs in this way is a key way of achieving CN. That we are gaining experience with these construction projects at the same time as accumulating expertise on the business operations front is becoming one of our strengths. Publicizing and passing these on as we apply them to projects across the country will help to promote ZEBs even further.

## In developing environments where female employees can actively participate, DX now plays a major role

**Mizutani:** Sticking with the theme of the environment, I'd like to hear your thoughts on working environments where people want to work, and which pay due consideration to health and safety.

**Fujisawa:** Last year, we formed a committee to look at ways of improving work-life balances within the company. Both the committee and our change to the age of retirement to 65 are key examples for that topic.

**Mizutani:** Particularly in the case of publicly listed companies, that those companies that have a large proportion of female directors or managers do well in terms of share value and performance is something we see all over the world. How do you view developing environments in which female employees can play an active role?

**Fujisawa:** I'm aware that this is an issue in the construction industry. In the past, women made up only 10% of this company—a woefully low figure. Of the 1,721 officers and employees who currently work for Dai-Dan (as of the end of June 2021), 14%, more than 250, are women. While most work in our offices, the number of female engineers working on job sites in our frontlines is also increasing.

**Mizutani:** From what I've heard, you've fully introduced a digital transformation (DX) and this has been a massively positive major change for female employees.

**Fujisawa:** That's right. While the proportion of female employees has risen, most of that increase is in specialist jobs, such as in design or as CAD operators, and in administrative positions. By promoting DX, we've been able to connect job sites and offices remotely, and it has made it possible for employees to do some job site tasks in the office. This has meant that female office workers have, in a way, taken responsibility for certain aspects of progress made at job sites. As job sites are where the construction industry derives its profits, having female employees be part of our main business, has had a dramatic effect on productivity.

**Mizutani:** That's fantastic.

**Fujisawa:** Full-scale cooperation between our job sites and offices via remote communications first began in 2017. That was four years ago, making us one of the first in the industry to implement DX initiatives. I think that was probably one of the reasons we were selected as a DX Stock.

**Mizutani:** I see.

**Fujisawa:** At the Shareholders' Meeting in June this year, Ikumi Sato, previously an outside auditor, was appointed as an outside director, the first female to sit on the board. I like to think that her accomplishment opens up a career path for our female employees to aspire to.

## Training excellent human resources on job sites is part of Dai-Dan's 120-year-old heritage

**Mizutani:** Moving on the S part of ESG—Social—could you give me some examples of the measures you take to invest in personnel and train younger employees?

**Fujisawa:** As a building services installation and engineering provider, we buy in all sorts of materials and components and our job is to turn those into functioning equipment inside buildings. The important part to make devices and materials into a functional system is people, it is people who design layouts to fit the spaces provided and to complete the actual construction.

**Mizutani:** That makes sense.

**Fujisawa:** Engineers at construction job sites must have a broad swathe of knowledge about materials, equipment, and technologies and they must be able to communicate with a variety of representatives from different professions, as well as keep work moving even as they attend meeting after meeting—in other words, they must have the ability to create building systems.

**Mizutani:** Right.

**Fujisawa:** Then, for new employees, at least in the case of engineers, we carry out six months of group training. After that period, trainees are dispatched for three-month placements at job sites for each of the different corporate offices so that they get a real feel for job sites. Currently, we are incorporating teleworking into the group training—through this and other means we are gradually changing our methods to meet the needs of the times. That said, job-site training as the basis of our training is something we will never alter.

**Mizutani:** That's part of the Dai-Dan corporate culture.

**Fujisawa:** It is. March 2023 marks 120 years since Dai-Dan was founded and throughout all that time there are certain things that have been passed down in an unbroken line, what you could call Dai-Dan's heritage. The changes we are seeing now are undoubtedly dramatic, but training personnel, assigning them to positions, and having them challenge themselves to produce results, is part of a corporate culture that remains unchanged these last 120 years.

## Aiming to make our employees happy, even as we work hard to give back to society and our shareholders

**Mizutani:** I once attended a study seminar that discussed what was important for a company. The conclusion that was reached was that whatever industry the company was in, the answer was information disclosure and dialogue. In other words, companies should disclose information, whether good or bad, and engage in dialogue with investors, shareholders, and even ordinary people. Ultimately, I feel as though that must be true.

**Fujisawa:** In that respect, there are many of our initiatives that are well ahead of the rest of the industry that we could call society's attention to. However, we aren't yet able to disclose or publicize that information well and so people are not sufficiently aware of those; that's something I've reflected on.

**Mizutani:** I see, that is definitely something I'd like to see Dai-Dan improve on.

**Fujisawa:** For instance, during the first state of emergency, declared in response to COVID-19, we fully implemented measures to prevent its spread. Moreover, we continued to carry out maintenance work at medical institutions, including those that cared for those infected with the disease. Within the company, we swore to react swiftly to any requests because a fault in a single pump or ventilator could cause a hospital to stop functioning, we didn't publicize that intent outside the company for more than a brief time.

**Mizutani:** The way in which you announce information is really important. By the way, I feel that the pandemic has transformed how society views companies.

**Fujisawa:** I do, too.

**Mizutani:** In the past, if asked who a company was for, most people would say shareholders. But now, the focus has shifted somewhat from shareholders to stakeholders. So while shareholders are still included, the idea that companies exist to benefit a range of people—society, employees, business partners, the next generation, etc.—has become the mainstream point of view.

**Fujisawa:** I entirely agree.

**Mizutani:** As such, can you, as president of Dai-Dan, tell the stakeholders about the company's aims for the future and its long-term vision?

**Fujisawa:** The company I would personally like to see Dai-Dan become is one where employee happiness comes first. That's because whatever kind of fantastic ideal we might set as our goal, no matter how well we outline our direction or organize the company, unless employees can sympathize with that goal and work autonomously towards its achievement, we will never see any results. Of course, our contribution to sustainability is not something we could step away from, and our shareholders, who support our business activities, are of

vital importance to us. It might sound obvious, but as evaluations of publicly listed companies are predicated on their ability to generate revenue, if we cannot achieve our revenue targets, we will not be judged kindly. That could lead to our market capitalization falling short of the standards set for the Prime Market.

**Mizutani:** That's true.

**Fujisawa:** In terms of our status within the industry, which is a little easier to understand, we have set ourselves targets of 200 billion yen in sales and 10 billion yen in operating income in three years. If we can first achieve these targets, we will have cemented our position as an industry leader. With a new position will come a new perspective, and in turn new ideas and then surely our behavior will also change. On the other hand, that we will contribute, however little, to resolving societal and environmental issues, is a fact that we must share, and so raise the awareness of every one of our employees.

**Mizutani:** I'm not sure if they're worried about being seen as unfairly favoring their employees and business partners, but a surprisingly large number of companies don't expressly declare that they value them. I think that's something Dai-Dan should



be aware of and announce more firmly. I would have thought that boasting to society about your approach of working with employees is something quite important, too.

## An approach of entrusting others to take on challenges will foster Dai-Dan's next generation

**Mizutani:** There's one last thing I'd like to talk about. For example, when you start to further promote DX, have you considered appointing individuals in their thirties or forties to take the lead or some other challenge? I think that could help breathe new life into the company and lead to a new corporate culture.

**Fujisawa:** Actually, only the other day, we renewed the design for our work uniforms. To take charge of the project I picked a number of people I thought seemed capable from among the ranks of the job-site engineers and they were at its heart as it went forwards.

**Mizutani:** Oh, that sounds wonderful.

**Fujisawa:** It really got the employees excited to tackle the project independently. There's a forum for engineers on the company intranet and there's tweet-like messages, mainly various questions and answers about technical matters, that engineers can write freely, from all over the country. When the forum asked employees what they wanted to see for the new uniform, they were soon dozens of replies. It also seems that using teleworking more they were able to make progress.

**Mizutani:** The employees at job sites who will be wearing the

uniforms seem very interested in them, don't they?

**Fujisawa:** Yes. The final result also applied some of the feedback we had from female employees who wanted distinct uniforms for men and women with different silhouettes and for the uniforms to be lined. What we ended up with is a stylish design that doesn't look like work clothing to an old-fashioned type like me! The tops come in an inner and an outer, there are three different varieties of trousers... the list goes on.

**Mizutani:** That's wonderful. There was a frank and lively exchange of ideas. If the project had been left to just higher-ups in the company, it probably wouldn't have turned out like this.

**Fujisawa:** I think that's true.

**Mizutani:** I think this is an excellent example of the company's corporate culture of setting challenges to get results in action. In other fields, say DX or similar, if you can appoint younger employees to work on it, and incorporate some supervision from higher-ups, that could lead to even better results.

**Fujisawa:** I agree. And I think that brings our discussion to a close, thank you for speaking with me today.

# Stage 2030

Moving from building services engineering and installation to creating value in spaces

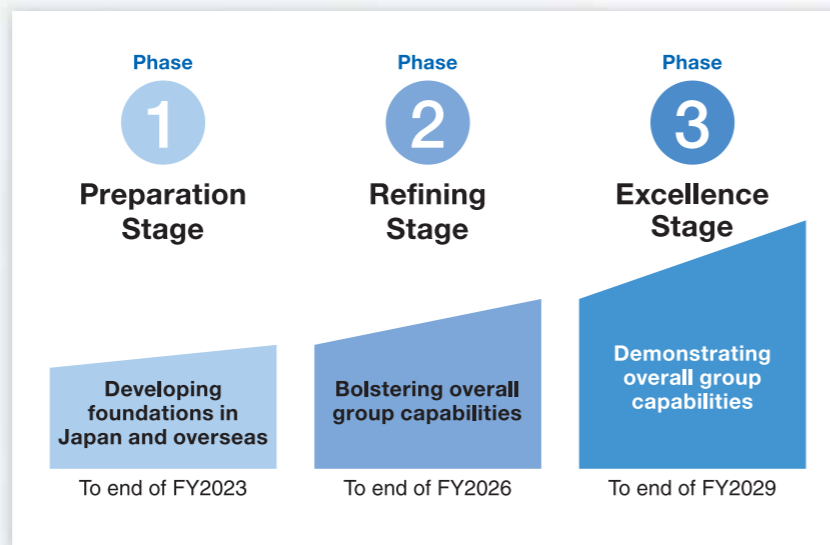
In February 2021, we announced our long-term vision, Stage 2030, which will take us through to 2030. This vision is split into three stages we wish to achieve, the first of which started in April 2021 with our three-year Mid-Term Management Plan, entitled Preparation Stage.

## What is a “space value creator”?

Since our founding, we have always provided the equipment needed for living and working spaces that the times demand as a building services engineering and installation provider.

As a company involved in space value creation—a space value creator—it is our role to satisfy the needs of customers and society through the “creation” of “spaces” that have the essential and potential “value” they demand.

In order to continue contributing to the realization of a sustainable society and to continue creating value in spaces, we must go beyond the framework of being a building services engineering and installation provider and enter a new stage of our evolution as a space value creator.



## Basic policies and business strategies

Through our business activities, we will help to make a richer society and to resolve the myriad issues that face society.

### Comfortable, optimal spaces

To lead daily lives or to operate businesses requires spaces with comfortable, optimal environments. By refining the elements of light, air, and water through our technologies, we will continue to be a corporate group that can offer new value through spaces.

### Richer, more sustainable society

So that people can lead safer, healthier lives with peace of mind, a more sustainable society is called for. Through our new technologies and advanced specialisms, we will continue to be a corporate group that can help bring about a richer, more sustainable society.

### Trustworthiness and outstanding organization

For an organization to continue to provide value to society, the most important thing is to have reliable personnel. By fostering such human resources, we will raise corporate value and continue to be a corporate group that is trusted by all its stakeholders.

## Mid-Term Management Plan Stage 2030 Phase 1 «Preparation Stage» (FY2021–2023)

### Positioning of the Mid-Term Management Plan, Preparation Stage, within Stage 2030, our long-term vision

- As we move towards 2030, the end point for our long-term vision, the first three years will be the Preparation Stage, in which we strengthen our foundations in Japan and overseas.
- As we try to expand consolidated sales, we will also challenge ourselves to open up new business and establish a corporate group framework.
- We will aim to become a space value creator, and go beyond the framework of being a building services engineering and installation provider to offer value for customers’ spaces.

### Phase 1 «Preparation Stage» Strategies

Basic Policy	Business Strategy	«Preparation Stage» Strategy
Comfortable, optimal spaces	Expand core businesses	<ul style="list-style-type: none"> <li>Expand industrial facility works</li> <li>Strengthen renovation and maintenance services</li> </ul>
	Strengthen overseas business	<ul style="list-style-type: none"> <li>Develop a unified foundation for overseas expansion</li> <li>Open up new business sites</li> </ul>
Richer, more sustainable society	Enhance technical capabilities	<ul style="list-style-type: none"> <li>Strengthen competency for construction job sites</li> <li>Expand ZEB and IoT businesses</li> </ul>
	Open up new businesses	<ul style="list-style-type: none"> <li>Contribute to practical application of regenerative medicine</li> <li>Promote environmental load reduction business</li> </ul>
Trustworthiness and organizational depth	Bolster business foundations	<ul style="list-style-type: none"> <li>Improve working environment</li> <li>Strengthen the corporate group framework</li> <li>Promote DX</li> </ul>

### Phase 1 «Preparation Stage» Targets

Item	Preparation Stage Year 1 (FY2021 forecast)	Preparation Stage Target (FY2023)
Sales (consolidated)	168 billion yen	200 billion yen <small>Increased proportion from consolidated subsidiaries</small>
Operating income (consolidated)	7.5 billion yen	10 billion yen
Financial indices	ROE	8% or higher
	Dividend payout ratio	30% or higher
Investment plan (3-year cumulative)	DX promotion (construction job sites/work style reform) Corporate group reinforcement New business, research, development, etc.	20 billion yen over 3 years

# Materiality at Dai-Dan

## Selecting Areas of Materiality

To promote activities aimed at fulfilling our social responsibilities as a building services engineering and installation provider, we have long been guided by the “challenge of creating value for our customers while contributing to the development of a better environment and stronger communities,” as set forth in our management principles at Dai-Dan. We are conscious of the fact, though, that it is more important than ever to contribute to the achievement of the UN’s Sustainable Development Goals (SDGs) and grow sustainably, hand-in-hand with society. As such, we have evaluated the impact of our business on society and the environment, and selected specific areas of materiality (material issues) in which we should prioritize our efforts.

By addressing these issues, we aim to maximize the value we provide our stakeholders.

## Material Issue Selection Process

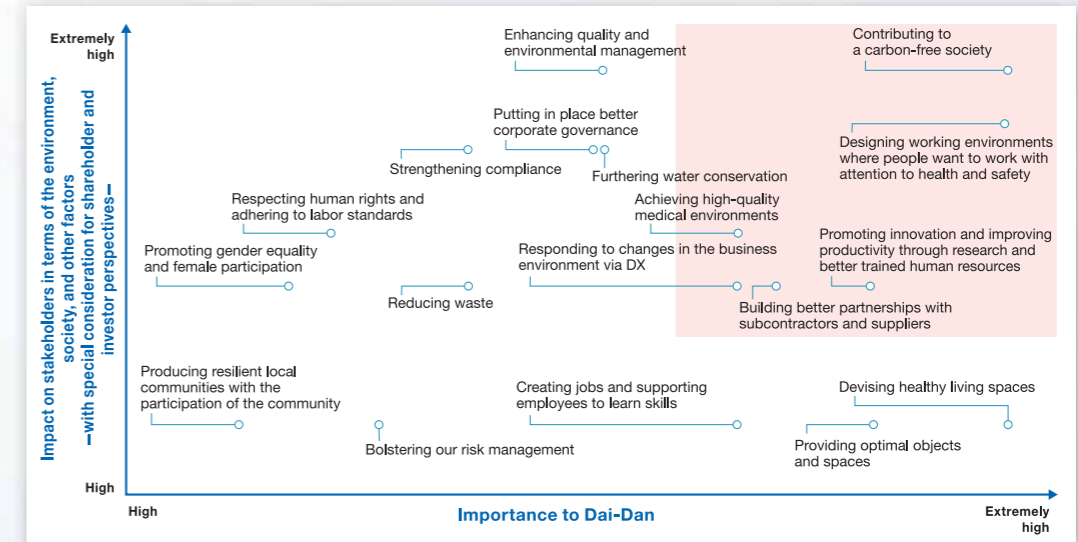


Implementation of the PDCA cycle in line with the period of the Mid-Term Management Plan

## Materiality Mapping

We selected 18 issues for which both the impact on stakeholders in terms of the environment, society, and other factors, and the importance to Dai-Dan, was high.

By mapping the levels of both, we came up with six material issues.



## Material Issues and KPIs

\* In the Features over the following pages, we will introduce our efforts to tackle these material issues.

No.	Material issue	KPI	FY2020 performance	Target	Remarks	SDGs
1	Feature Contributing to a carbon-free society	Reduce greenhouse gas (GHG) emissions (Scopes 1 & 2)	Reduced 36% from FY2013 levels (FY2020: 3,996 t-CO <sub>2</sub> ) (FY2013: 6,235 t-CO <sub>2</sub> )	Long-term target: FY2030 Reduce 46% from FY2013 levels	Set mid-term reduction targets for GHG emissions from electricity consumption, particularly from offices	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
		Reduce GHG emissions by our offices	Reduced 11% from FY2013 levels (FY2020: 1,837 t-CO <sub>2</sub> ) (FY2013: 1,842 t-CO <sub>2</sub> )	Long-term target: FY2030 Reduce 46% from FY2013 levels Mid-term target: FY2023 Reduce 24% from FY2013 levels		
		Increase cumulative total of projects (no. of orders and gross floor area) related to ZEBs	9 orders Gross floor area: 131,405 m <sup>2</sup>	Cumulative total for FY2021-23: 40		
2	Feature Responding to changes in the business environment via DX	Increase instances of job site adoption of ICT tools such as 3D recording and conversion technology	6 cases	—	Disclose the no. of instances for each fiscal year as one of the indicators we monitor	5 GENDER EQUALITY, 7 AFFORDABLE AND CLEAN ENERGY, 8 DECENT WORK AND ECONOMIC GROWTH, 11 SUSTAINABLE CITIES AND COMMUNITIES
		Increase no. of job sites implementing job site support remote teams	217 projects	FY2023: 320 projects		
		Teleworking implementation rate	FY2021 Q1: 32.5%	—		
3	Feature Achieving high-quality medical environments	Expand usage for medical development devices and systems (sputum collection booths and the INF Series)	13 cases	Cumulative total for FY2021-23: 30	Disclose the no. of relationships in practice per fiscal year as one of the indicators we monitor	3 GOOD HEALTH AND WELL-BEING
		Expand usage for regenerative medical devices and systems (incl. animal racks)	3 cases	Cumulative total for FY2021-23: 45		
		Expand collaborative relationships outside the company for business creation (universities, start-ups, etc.)	4 cases	—		
4	Promoting innovation and improving productivity through research and better trained human resources	Increase net sales per domestic engineer	131 million yen per person	FY2021: 135 million yen per person	Answers from employee questionnaires (max score 4.0)	4 QUALITY EDUCATION, 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
		Increase no. of intellectual properties held (incl. patents and other expertise)	Patent rights: 127	—		
5	Designing working environments where people want to work with attention to health and safety	Improve employee satisfaction	2.54	FY2023: 2.7 or above	Calculate employee accidents or illnesses resulting from work tasks that led to one day or more work missed	3 GOOD HEALTH AND WELL-BEING, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
		Frequency rate of job site accidents	0.25	FY2021: 0.25		
		Severity rate of accidents	0.004	FY2021: 0.01		
6	Building better partnerships with subcontractors and suppliers	Improve retention rate for subcontractor Meisters and Excellent Foremen	Meisters: 72% Excellent Foremen: 46%	FY2023: Meisters: 75% or higher Excellent Foremen: 50% or higher	Cumulative total for FY2021-23: 3,600 companies	8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 17 PARTNERSHIPS FOR THE GOALS
		No. of CSR procurement agreement forms collected from subcontractors and suppliers	—	—		

## Participation in the UN Global Compact

We are onboard with the United Nations Global Compact as a signatory and responsible corporate citizen committed to realizing a sustainable society. We fully agree with the Ten Principles espoused in the fundamental areas of “Human Rights,” “Labour,” “Environment” and “Anti-Corruption,” and develop strategies and activities to enact these values with the wholehearted commitment of top management.



## Support for TCFD Guidance

We have announced our agreement with the guidelines published by the Task Force on Climate-related Financial Disclosures (TCFD). To aid in the achievement of a carbon-free society, we will evaluate climate-related risks and opportunities that may come up in our business and proactively disclose their potential impact.





# Steering Our Way to Sustainable Growth

## Material Issues and Progress of Corresponding Efforts

Of the six issues we selected as material issues, here we introduce efforts to address three of them.

### Feature 1 Contributing to a carbon-free society

With an eye on achieving carbon neutrality by 2050, the government declared a target of reducing Japan's CO<sub>2</sub> emissions by 46% from fiscal 2013 levels by 2030.

Of the country's total CO<sub>2</sub> emissions, the business category, which includes office buildings, accounts for around 17%. As such, energy-saving measures for buildings to reduce emissions is an urgent issue. More than ever, ZEBs are indispensable for a carbon-free society—as their specifications that have low environmental load, they are installed with highly efficient equipment, and they use electricity derived from renewable energy sources for virtually zero energy consumption. Dai-Dan is actively working to encourage the spread of ZEBs.

#### Dai-Dan Hokuriku Branch Office Renewal Project



We have started work on a project to renew our Hokuriku Branch Office, both because of the existing building's age and as part of our resilience\*2 measures. Work is expected to continue until June 2022. The design for the new office building is inspired by a fusion of tradition and innovation and uses wooden building materials such as CLT\*3 as well as straight-eave tiles. That design results in a next-generation office building that harmonizes with the surrounding town while also considering both the environment and ease of working. With the building we have achieved ZEB Ready status.

The home of the new building, the city of Kanazawa, has established a set of five courses of action for Imagine Kanazawa 2030 as the city's own SDGs.

Dai-Dan supports Kanazawa's initiative and through the renewal of its branch office will seek to help give form to a more sustainable regional community.

\*2 Refers to the ability of a building to resist damage during an unexpected crisis and remain functional, or its ability to return to normal function as quickly as possible

\*3 Cross-Laminated Timber: wooden building material created by sticking overlapping, perpendicular wooden boards together for a thick material which better resembles natural timber

#### Construction work ends on enefice Hokkaido (Hokkaido Branch Office)

Construction on enefice Hokkaido began in May 2020 with a design that incorporated the following concepts:

- Resilience against disaster damage
- Cold-weather ZEB that pushes forward ZEB technologies further
- A "wellness office" that considers ease of working

Construction work on enefice Hokkaido was completed in June 2021. The building achieved our target of creating a cold-weather ZEB as it received five-star ZEB certification under the Building-Housing Energy-efficiency Labeling System (BELS) as a building with energy-saving characteristics. The building was also given S ranking under the CASBEE-SWO system, which evaluates a building's environmental characteristics, the wellness it offers users, and the specifications, characteristics, and efforts aimed at supporting the maintenance and improvement of comfort.

In terms of the building's running, it uses a cloud-based supervisory control and data acquisition system, REMOVIS™, and promotes further efforts towards becoming carbon-free.



BELS 5☆ [ZEB]



CASBEE rank S



#### Reducing LCCO<sub>2</sub>\*4 effectively

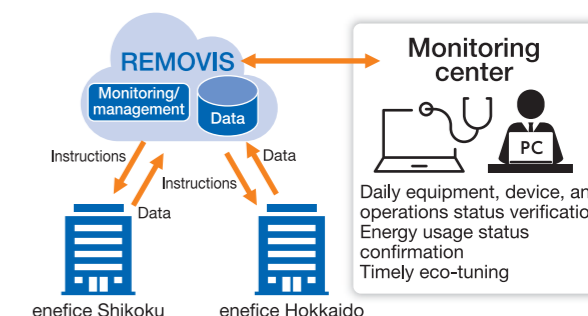
When considering how much a building produces in terms of CO<sub>2</sub> emissions over the course of its whole life cycle, from construction to demolition, more than 60% of CO<sub>2</sub> is emitted during the time the building is in active use. Carbon-free initiatives, therefore, start by creating buildings with a low environmental load, but it is more important that they are also run with a small load.

Since operations began at enefice Shikoku in May 2019, the use of REMOVIS has allowed us to monitor the building remotely and carry out timely eco-tuning so that it meets ZEB criteria even when in use, which led us to receive an award at the 9th Carbon Neutral Awards. To minimize the amount of energy used to heat or cool offices, and resolve the problem of different people feeling temperatures differently, we developed the seat-based, task-specific heating/cooling system, the Clima chair™\*5, and we have been able to verify its validity.

Dai-Dan pays careful attention to comfort and ease of working as it applies effective energy-saving technologies. By continuously optimizing these applications, we will endeavor to reduce LCCO<sub>2</sub> effectively.

\*4 Life Cycle CO<sub>2</sub>: refers to the total amount of carbon dioxide emitted over the entire life cycle of a building (from design to construction, running, and demolition)

\*5 Manufactured by Okamura Corporation



#### Clima chair

Heating mode  
Hamstrings warmed by built-in heater

Cooling mode  
Upper body cooled by air blown from both sides  
Hamstrings cooled by air suction



#### ZEB Leading Owner

Dai-Dan has been registered as a ZEB Leading Owner, an advanced building owner that has constructed a net-zero building. We contribute to the adoption of ZEB by disseminating information through tours and by encouraging customers to experience the benefits of net-zero construction.

Construction record  
Number of ZEB assets 3 units

#### ZEB Planner

Having been registered as a ZEB Planner, we offer potential customers consulting services such as proposal and planning for ZEB conversions as well as design, installation, and operation services.

Planning record  
ZEB Others 3 units 18 units

#### Eco-tuning Provider No. 200144



In March 2021, we were certified as an Eco-tuning Provider; now, we are contributing to improvements to the ways our customers run their buildings appropriately.



## Feature 2 Responding to changes in the business environment via DX



To further promote DX, we have established a new set of IT and digital strategic policies. Since we were selected as a DX Stock 2020, we have been accelerating our efforts and we are now pushing forwards with DX technologies that utilize people.



### 1 Dai-Dan Group IT & Digital Strategic Policies

#### Philosophy & vision

**Promoting DX technologies that utilize people to achieve our long-term vision of becoming a space value creator**

- Use digital technologies in every stage of a building's life cycle to provide customers with better spaces
- Bring about reforms to work styles so employees feel involved through digital technologies and create better human resources to raise organizational value

#### IT and digital strategic policies and measures

##### 1 Promoting building system DX

By promoting DX and BIM in the design and installation stages, we will increase the efficiency of installation processes; we will also carry out R&D towards advanced applications of ICT.

##### 2 Improving and expanding our IT foundations

We will promote reforms to work styles, make use of cloud-based operations, and improve, and then expand, our hardware and telecommunications environment.

##### 3 Strengthening our governance system

We will enhance our information security, strengthen our IT and DX promotion framework, evaluate our performance via major results indices, and disclose information.

### 2 Remote Support Team initiatives using the ICT environment

Using the ICT environment (online meetings, cloud file servers, shared BIM,<sup>\*1</sup> CAD software, etc.), the Remote Support Team of CAD operators, who once had to be stationed onsite, can now offer effective support remotely and are contributing to improvements in productivity. It will also allow us to cater to a variety of work styles, including limited working hours for those raising children, teleworking during the pandemic, or other situations.

#### Remote support RTR<sup>\*2</sup>

As well as splitting up individual support tasks (creation of BIM/CAD diagrams, job-site paperwork, documents to notify government agencies, etc.), adjusting schedules, supporting blueprint and document preparation needed during construction, and making labor-saving changes to job-site tasks, the teams also offer support for organizing survey records and producing other types of construction completion-related documents.



#### Blueprint RTR

Via online meetings, the teams share BIM and CAD 3D images with jobs-site employees and can carry out blueprint reviews or give advice remotely. This allows them not only to verify construction quality, but also contribute to improvements in the engineering skills of less experienced job-site employees.



#### Remote job-site patrols

Mobile web cameras allow images to be shared between offices and workplaces, and we are conducting progress checks and quality patrols remotely.



#### Security patrols

To ensure information security, we can check the running status of job-site computers remotely. This reduces the number of tasks that require employees to visit sites and massively increases efficiency.



\*1 Building Information Modeling: a system that creates building information models that include not only 3D computer-generated modeling information, but material and component specifications and characteristics and finishes, combined with additional, related information about the building. At every stage from design to construction and operations, the system allows blueprint preparation, estimates, various technical calculations, simulations, and other processes to be effectively linked and put into practice, for higher quality.

\*2 Remote Team Review

### 3 BIM applications

BIM integrates stages from design to installation, maintenance and management and to utilize it to make work tasks more efficient, our branch office buildings (in Kyushu, Shikoku, Hokkaido, and Hokuriku) are working to construct a workflow that uses BIM as they go through their building renewals.

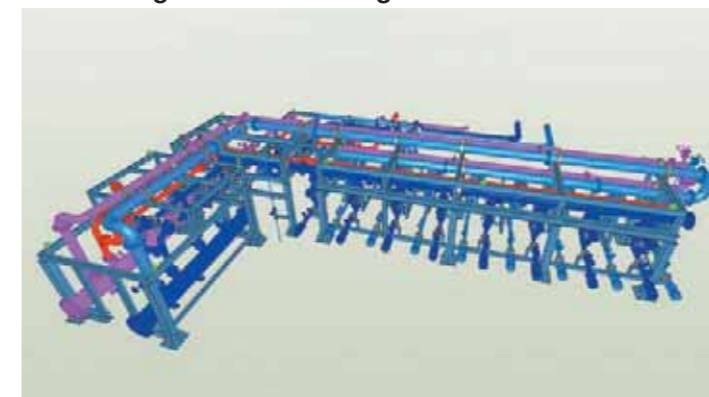
Our BIM coordinators are involved in the projects from the design stage. Their role is to make adjustments to equipment installations and positioning, and to maintenance spaces, to investigate prefabrication for piping and modular equipment and devices, and to carry out front-loading that incorporates this into the installation drawings. After installation work starts, their ability to quickly order materials or undertake work will hopefully allow fewer engineers or workers for construction work.

Furthermore, in addition to ensuring an optimal building environment through various technical calculations and simulations via BIM, we are working on achieving labor savings in daily management tasks (daily cleaning, inspections, preventive and conservation efforts, etc.) in the maintenance and management stage too, by using spatial information.

#### enefice Shikoku (Equipment perspective images)



#### Plumbing unit shown using BIM



#### Hokuriku Branch Office (Night lighting artist's impression)

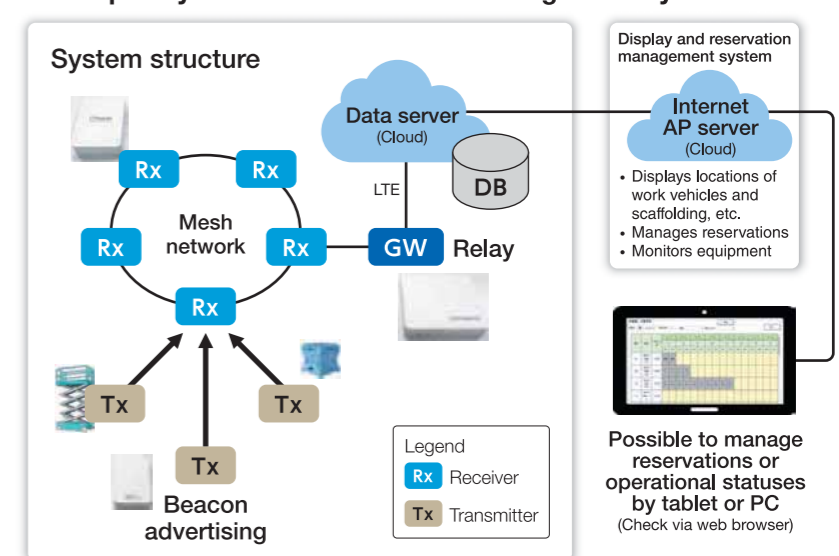


### 4 Application of ICT installation support tools

As part of job-site management or installation, we apply the ICT technologies that we have introduced to make tasks more efficient and increase quality.

- Temporary installation materials management system that uses Bluetooth beacons (wireless transmitters)
- Tablet-controlled building equipment marking system
- 3D recording (3D scanners and point cloud processing software)
- Mixed Reality projection technologies in job-site progress management tasks
- Information-sharing cloud servers and dedicated websites with subcontractors

#### Temporary installation materials management system



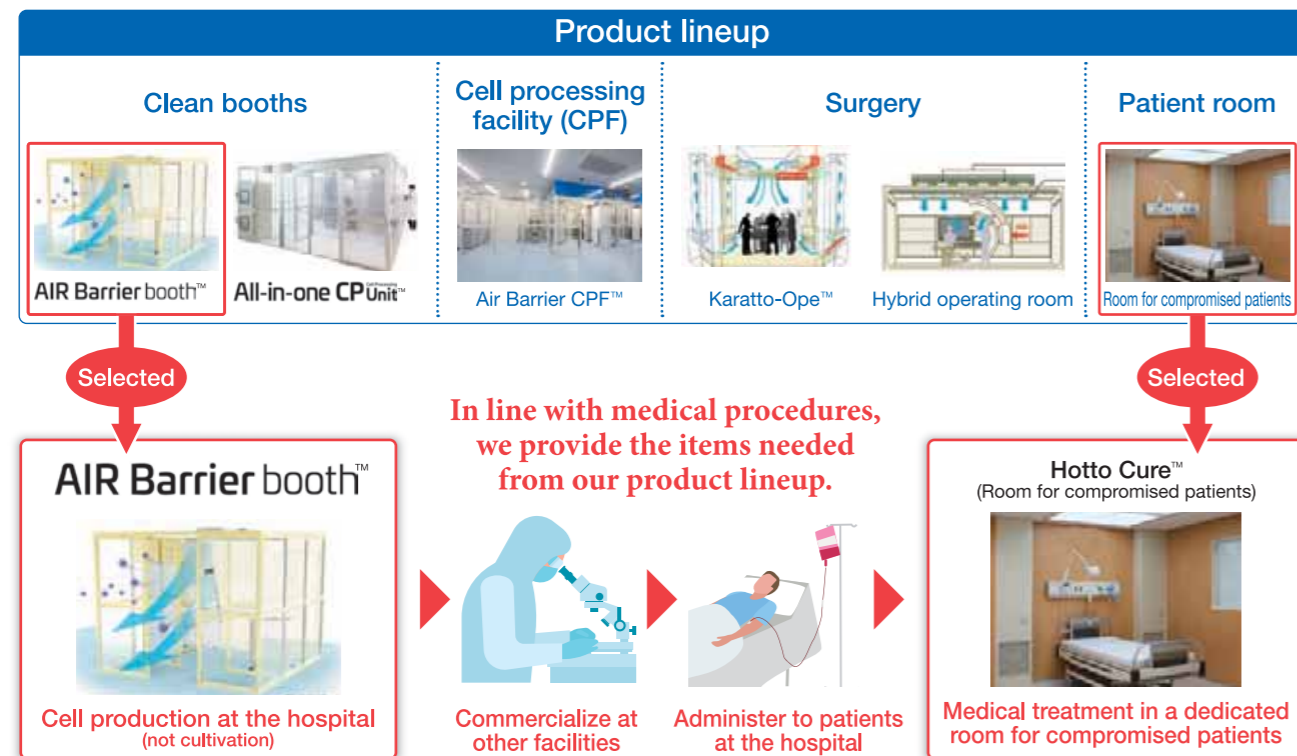
To provide high-quality medical treatment requires there to be a safe medical environment in place. Dai-Dan is an equipment engineering pioneer, and as such we now offer safe, easy-to-use facilities that are optimized for medical institutions that handle cell products as part of regenerative medicine. Currently, as the number of requests we receive from customers for operation support post-installation has increased, so as to propose even better medical environments, we are working to provide services that bring together design, installation, and operation support for assistance that goes beyond just the installation front.

### Launch of operation support services

In order for Dai-Dan to develop products for use in regenerative medicine and offer operational support for cell processing facilities (CPFs), we are utilizing joint research with customers as a means of establishing operation support services that are catered to the specific applications or scales of different facilities. As the first stage of these efforts, we launched a maintenance service business in the last fiscal year, and that business has been taken over by our subsidiary, Cellab Healthcare Service Co., Ltd. (CHS) from this fiscal year onwards. Going forward, we will strengthen cooperation between Dai-Dan and CHS on a range of projects, including preparing operational procedure documentation, providing operation support systems that utilize our cloud-based automatic control system REMOVIS. By proposing a wide array of support tasks, we will help lighten the load for medical practitioners and contribute to making medical environments higher quality and easier to use.



We are also suggesting ways in which our products can be adapted to medical treatment processes in medical institutions. From booths in which cells are produced to the rooms where patients receive treatment, we are supporting medical procedures through medical environments by creating safe, easy-to-use facilities.



### Initiatives to introduce operation support services

Through joint research with universities and other companies, we are gaining the operations management expertise needed for regenerative medicine-related facilities and are giving concrete form to services our customer will find useful.

#### ① Preparing operational procedure documentation (through joint research with the Center for Transfusion Medicine and Cell Therapy at the Keio University School of Medicine)

As part of our joint research with Keio University School of Medicine's Center for Transfusion Medicine and Cell Therapy, we have installed air barrier booths in their CPF and general-use rooms. Given that work applications vary, operational procedure documentation that also takes the installation room into account is required. Keio University Hospital is actually using our air barrier booths in their work, and we are working together to formulate optimal operational procedure documentation using their results.



Air barrier booth for installation in CPFs



Air barrier booth for installation in general-use rooms

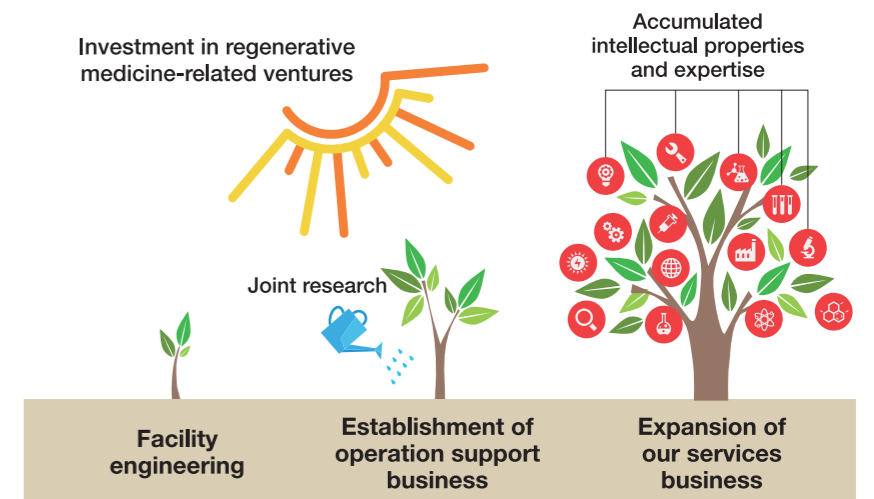
#### ② Developing an operation support system using the IoT and cloud (through joint research with Cuorips)

In conjunction with Cuorips Inc., we are researching methods of managing CPF remotely in an optimal manner using REMOVIS. In order to be able to also monitor the status of manufacturing sites remotely, we are incorporating customer requests into REMOVIS and evaluating those changes. It is expected to do well in future in the medical industry as a CPF management method focused on DX.



### Diversification of our services business

We will combine the facility engineering capabilities that we have gained at Dai-Dan with expertise we have acquired through joint research to create a new business, operation support service. Moreover, as well as in investing in regenerative medicine-related ventures that show future potential, we are active in expanding our business into such areas as cell production contracting.



# Recently Completed Noteworthy Projects

## Projects completed in FY2019



**GRANODE Hiroshima**  
(electrical, air conditioning and plumbing installations)



**Main Building, Daimaru Shinsaibashi Store**  
(electrical installation)



**Furumachi Refuru**  
(air conditioning and plumbing installations)



**HOSHINOYA Okinawa**  
(air conditioning and plumbing installations)



**SHIBUYA FUKURAS**  
(air conditioning and plumbing installations)



**Headquarters Plant, Tokai Capsule Co., Ltd.**  
(air conditioning and plumbing installations)



**CO·MO·RE YOTSUYA**  
(air conditioning installation)



**Nankai Terminal Building**  
Nankai Electric Railway Co., Ltd.  
(electrical installation)

## Projects completed in FY2020



**SE1 Building, AGC Yokohama Technical Center**  
(air conditioning and plumbing installations)



**Komaki City Hospital**  
(air conditioning and plumbing installations)



**Terminal building renovations at Osaka International Airport**  
(plumbing installation)



**Head Office Building, Hirogin Holdings**  
(air conditioning installation)



**Okinawa Arena**  
(air conditioning installation)



**New Main Government Office Building, Ueda City**  
(air conditioning and plumbing installations)



**A1 Building, Kitasato University School of Allied Health Sciences**  
(electrical, air conditioning and plumbing installations)



**LaLaport Aichi Togo**  
(electrical installation)



**Kawakita Factory, Shinko Chemical**  
(air conditioning and plumbing installations)



**The Vale Rusutsu**  
(air conditioning and plumbing installations)



**Government Office Building No. 2, Nishinomiya City**  
(air conditioning and plumbing installations)

## Dai-Dan's Overseas Business

Fiscal 2021 is the first year of our Mid-Term Management Plan, and one of the business strategies we have set is to strengthen our overseas business.

Through our international staff, our goal is to fuse the technologies we use to create the environments customers want that we have developed here in Japan with the individual perspectives of our foreign bases.

### Overseas projects

The Sales Division, Engineering Division, and Technical Construction Division are working together on overseas projects.

### Overseas assignment preparatory training

We take applications from those who want to be assigned overseas and are carrying out preparatory training.

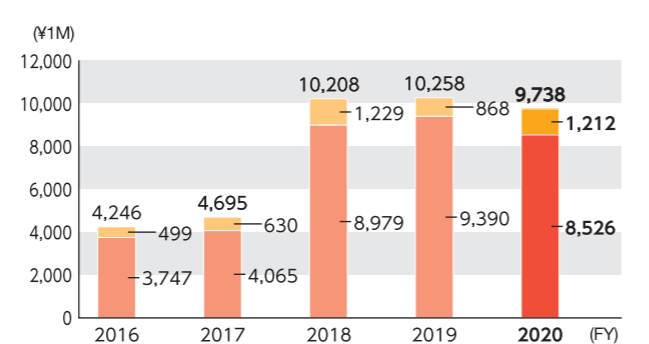
### International staff training

We periodically conduct technical training for staff from each country.

### Overseas information exchanges

We hold periodic meetings to exchange information between staff in different countries.

### Orders received



Continuing to Create and Provide Spaces with Value to Customers via

# Dai-Dan Innovation

In order to meet the ever more complicated and diverse needs of our customers and to do our part in helping to shape a sustainable world, at Dai-Dan, we promote innovation that supports and grows our building services engineering and installation business, and innovation that creates new businesses. The technologies we develop and the businesses we create will continue to offer our customers new value.

To act as a central hub to promote innovation at Dai-Dan, we established the Innovation Division. At the heart of the division is the Technical Research Laboratory, which promotes and publicizes R&D into creating environments for office, medical, and industrial spaces and into the life cycles of buildings. Our innovation goes beyond just technical developments, though. At Cellab Healthcare Service, we are developing services that realize high-quality medical environments, and through this and other efforts we aim to be a space value creator and we will continue to take on the challenge of opening up new businesses.



# Promoting R&D that Matches the Life Cycles of Spaces and Buildings

## Planning stage (planning and design)

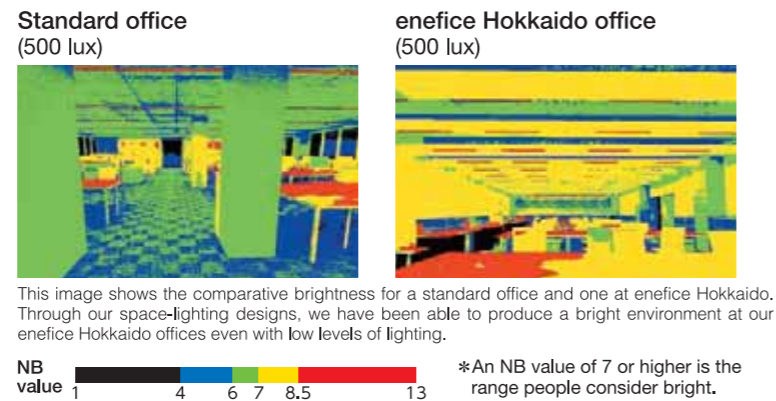
### R&D into building optimal lighting environments



#### Developing space-lighting technologies that consider natural light and brightness sensitivity

To become carbon neutral, it is essential that we reduce the amount of energy we use for lighting. At Dai-Dan, we do not just look at conventional on-desk brightness. Instead, we also tie in natural light and the relative brightness that people feel (luminance) to inform the overall space designs or control technologies we are working towards. Our aim: to create spaces that feel bright but save energy.

We have verified our space-lighting technologies at our enefice series of buildings, and in future we hope to contribute to a carbon-free society and to providing customers with more comfortable spaces.

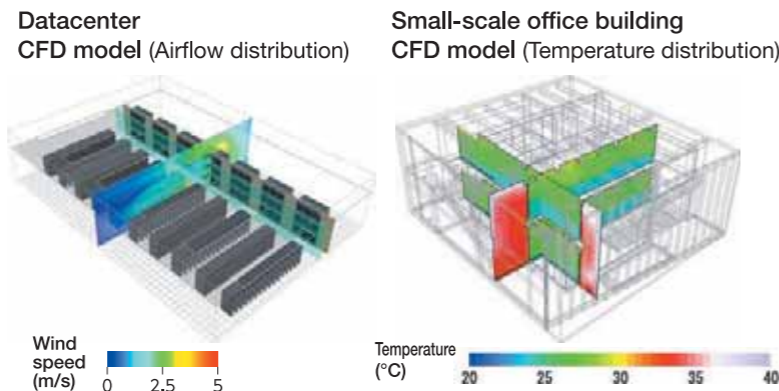


### Initiatives into engineering optimal air conditioning environments



#### Spatial engineering to ensure installation quality

For a building services engineering and installation provider, the validity of designs and ensuring quality during installation is absolutely vital. Using computational fluid dynamics (CFD), we strive to provide customers with optimal spaces, whether it be offices that require energy-saving and comfort for workers, production facilities that demand highly precise air conditioning technology, or any other environment.



### R&D into extending service lives of equipment



#### Understanding the process of corrosion and developing anti-corrosion technologies

The corrosion and deterioration of piping systems are caused by a combination of three elements: environment, materials and operations. At Dai-Dan, we analyze case study surveys and causes and work to clarify the corrosion process through lab testing, and we are busy promoting R&D into corrosion countermeasures. One result of this work is that we have been able to develop equipment designed to extend the service lives of pipes used to supply hot water.

We will incorporate our R&D findings into our designs and installation work, and we aim to contribute even further to making equipment useful for longer.



**Example of corrosion analysis (Piping sampling inspection)**

By checking the condition of pipe interiors and testing the thickness of the remaining pipe material, as well as analyzing matter that has built up inside the piping, we can better estimate the causes of corrosion and deterioration and propose ways of countering it.

**Anti-corrosion device for hot water supply piping**  
Expansion tank with anti-corrosion function

**Cushion Dakki™**  
All-in-one hot water supply unit that combines an expanding tank, circulating pump, and gas-water separator



## Construction stage (installation)

### R&D into raising effectiveness of construction site work

Installation productivity



Practical application of 3D real-time status recording technologies to reduce workloads and raise installation quality

At construction job sites, there are demands for technologies that can raise work productivity to reform work styles. Dai-Dan is using 360-degree cameras to create technologies that can trace 3D data of the actual space (the current situation). As well as preventing oversights during surveys of existing buildings, the data can be taken away to measure dimensions or investigate tie-ins. By doing so, we can minimize the number of journeys needed to and from sites. Moreover, because the 3D data is used as a base for visual representations of the project plan (animations showing project progression), it is easier to get a consensus from installation crews and customers.

Dai-Dan is pushing the creation of effective, impressive processes like these and technical developments that can provide customers with reliable installation quality.

Received the 2020 i-Construction Grand Prize Excellence Award from the Ministry of Land, Infrastructure, Transport and Tourism



## Operations stage (production activities/management/maintenance)

### R&D into raising intellectual productivity of office workers

Intellectual productivity



#### Office spaces that consider employee comfort and health

The spread of ESG-based investments and the diversification of working styles to patterns such as ABW\*1, has also seen the nature of offices change. Dai-Dan is working on R&D into office environments that improve intellectual productivity by allowing workers to do their jobs in comfort and in good health. As well as developing systems that can flexibly adapt their heating or lighting environments to the people that work there, we are also looking into the psychology of offices through concepts such as biophilic design\*2. We are working away on these in our enefice series buildings and our Technical Research Laboratory with the goal of providing our customers with increased comfort, health, and productivity.

**R&D into heating environments (seat-based, task-specific heating/cooling)**



**R&D into biophilic design**

\*1 Activity-Based Working  
A work style where working hours and location are set to match the type of work and its specifics

\*2 Design based on the hypothesis that workers who feel connected to nature will see improvements in happiness and health

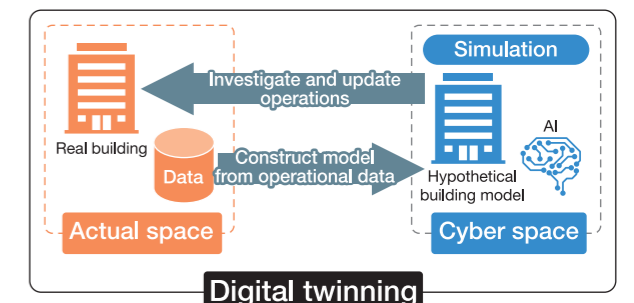
### R&D into raising effectiveness of building operations management

Optimal equipment operations



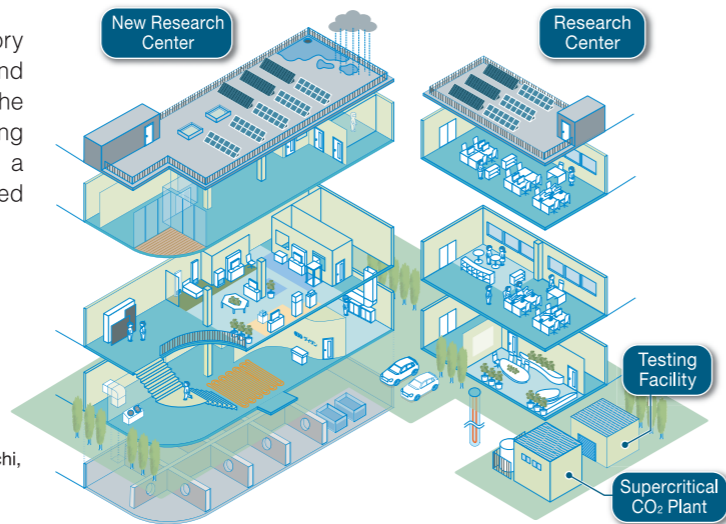
#### Developing digital twins of building systems using AI

With current building systems, data necessary for operations is gathered in centralized monitoring equipment, and the actual building is managed and monitored onsite. Through recent IoT advances, large amounts of data split into smaller fragments can be collated but this has made operations management more complicated. Dai-Dan is working on R&D to make this big data useful and improve management efficiency. One technology that we are currently researching and developing is digital twins using artificial intelligence (AI). The reams of data we have collected in real life are aggregated in a cyber space and the behavior of this hypothetical building model can be simulated. For energy-saving, comfort, or other desired value, the cyber space model can lead us to the optimal method and can be tied in operations management for the real building. Dai-Dan uses AI, digital twins, and other technologies with the aim of realizing advanced, effective operations management.



# Technical Research Laboratory

Dai-Dan's Technical Research Laboratory is a well-equipped facility for basic and advanced research and development. The site comprises research labs, a testing facility, a supercritical CO<sub>2</sub> plant, and a showroom for introducing developed technologies and services.



Facility map for Dai-Dan's Technical Research Laboratory in Miyoshimachi, Iruma-gun, Saitama

## New Research Center / Research Center Renovation of our exhibition area for visiting customers

Eight years have now passed since the New Research Center was erected in 2013. During that time, the environment for building systems has changed dramatically, and the technologies we develop keep advancing. With an eye on further accelerating innovation, we have renovated the exhibition area we provide for visiting customers.

The exhibition area is a space for Dai-Dan to introduce its forefront initiatives, while keeping conscious of the need to communicate with its customers. The area uses a variety of experiential features that can be operated or discovered to find out more about the technologies and services we have developed.

By designing a space that stimulates the kind of conversations that lead to open innovation, we hope to pick up on customer feedback and together create new value in spaces.



Exhibition and ideas exchange area



Next-generation office experience



Experiential features use the latest technologies

## Research Center Creating an area where employees can exchange ideas

As one of many efforts to promote work style reform, Dai-Dan has turned its tech-heavy crunch center into a more comfortable place to work. This has included creating space on office floors where staff can refresh themselves and share information. Nicknamed "Idobata," it has a café-like atmosphere and a rack of industrial and special interest magazines that, besides giving people a place to relax, stimulate communications that hopefully lead to new ideas.



Information exchange area

Giving a Tangible Shape to Customer Ideas

# Dai-Dan Engineering

We attentively listen to what customers have to say and then, through a methodical process of design and installation, have our engineers and specialists transform those ideas into something real and tangible.

## P.27 Industrial Applications

We want to build a clean room at a low cost.  
**Virtual Duct Clean Room System™**

We want to stabilize room pressures  
**Initiatives aimed at providing stable room pressures**



## P.28 Medical Applications

We want an easy way to depressurize our current facilities.  
**Air purification and depressurizing unit (INF Series)**

We want to improve the humidity environment in our surgery  
**Karatto-Ope™**



## P.29 ICT Applications

We want to create the best possible environment for our datacenter.

**Modeling by airflow simulation and mockup**

We are looking for vapor-free humidification.  
**WIT WET™**



# Industrial Applications

## Catering to those who want clean rooms at a low cost

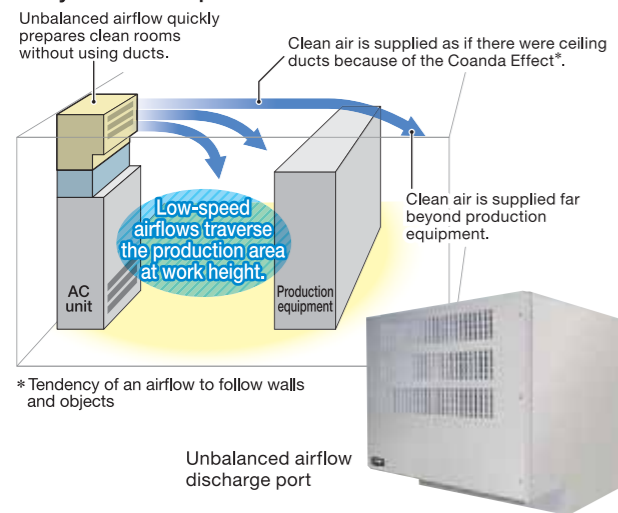
### Equipping electronics and precision-item factories with **Virtual Duct Clean Room System**

This ductless air conditioning is suited for ISO Class 6-8 clean rooms. Using a proprietary discharge unit that emits an unbalanced airflow, it delivers the same level of temperature and clean factor uniformity as a conventional system built with ceiling ducts and HEPA filters.

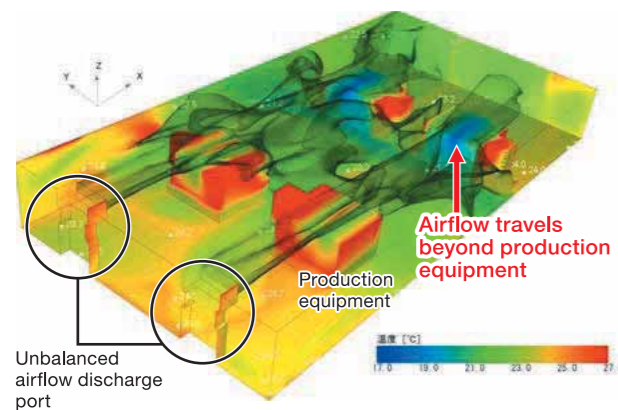
#### Features

- ① Similar low-cost to direct blow AC systems
- ② Good temperature, humidity and clean factor uniformity
- ③ No ceiling duct work required. Little time needed to install.
- ④ Easy-to-relocate AC unit

#### System concept



#### Airflow simulation



## Catering to those who want to stabilize room pressures

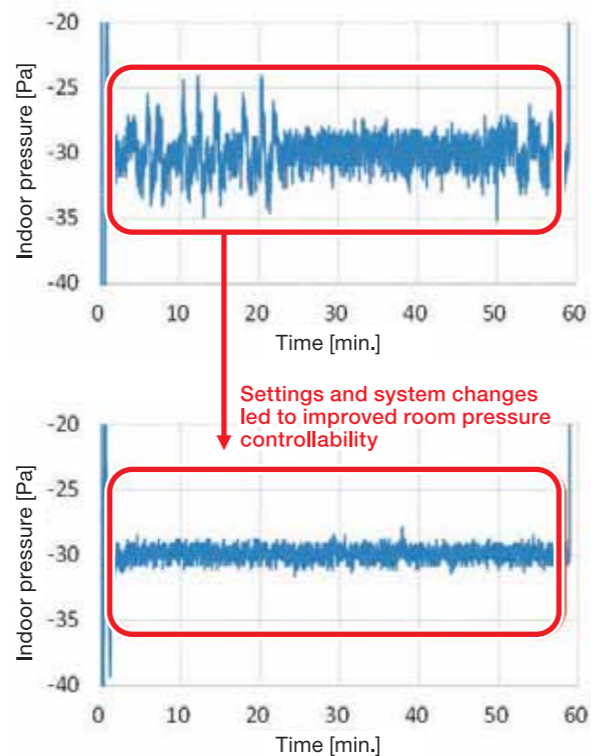
### Providing pharmaceutical plants and similar with **Initiatives aimed at providing stable room pressures**

Important facilities such as pharmaceutical plants or research institutions require rooms to be airtight and for room pressure to be stable. However, in the past, achieving the highly precise room pressure control needed to maintain airtightness was considered challenging. Through modeling using mockups and from our own installation accomplishments, we are gaining the expertise and knowledge needed to control room pressure to a precise degree and endeavoring to raise our proposal and technical capabilities.

#### Example of modeling using a mockup



#### Example of improvements to room pressure controllability



# Medical Applications

## Catering to those who want an easy way to depressurize their current facilities

### For simple infection countermeasures at medical and care facilities **Air purification and depressurizing unit (INF Series)**

As last year's COVID-19 pandemic shows, when a new infectious disease breaks out, even general medical institutions or care facilities require separated room into which to temporarily admit those who are infected or suspected to be infected.

This unit purifies the air and depressurizes the room in which it is placed and requires little in the way of installation to create a simple depressurized room. The design has been chosen to cater not only to medical facilities, but also to care facilities.

#### Features

- ① Small-scale installation for air purification and depressurization
- ② Uses HEPA filters to purify circulated and vented air.
- ③ Rooms can be outfitted for depressurizing with simple duct work.

#### INF Series



INF-301 (Floor standing type) installation concept

## Catering to those who want to improve the humidity environment in their surgeries

### For energy-saving dehumidifying for surgeries **Karatto-Ope** \*Handled by Cellab Healthcare Service

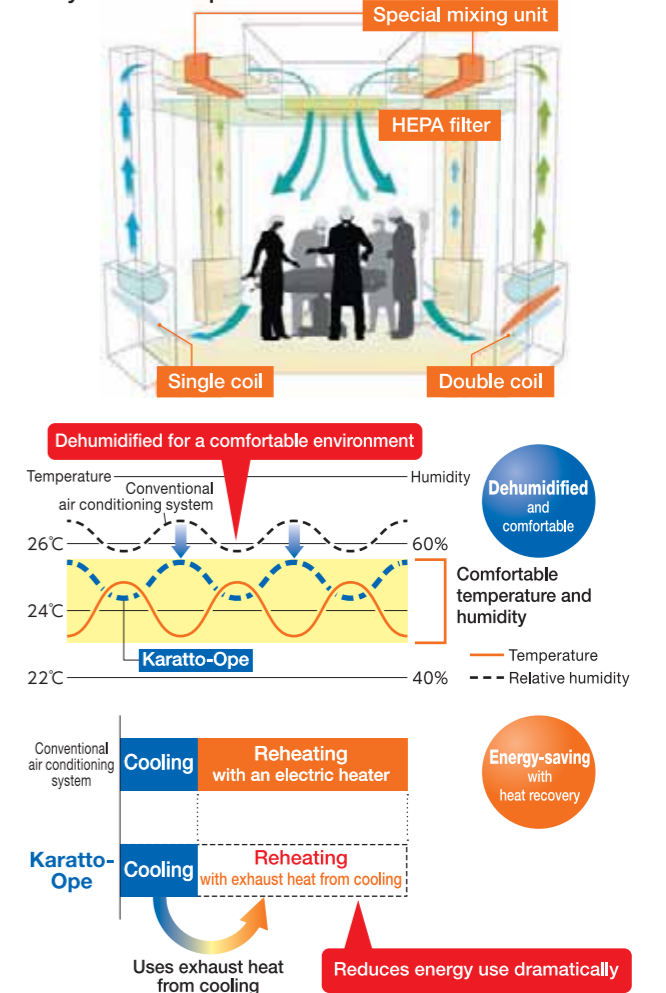
In cases where air from outside the surgery is not processed by reheating it, the room can become very humid, such as during the rainy season. This can, in some cases, lead to trouble such as condensation building up in medical equipment.

With Karatto-Ope we have focused on heat recovery technology using coolant, for an air conditioning system where the exhaust heat produced during cooling is used for reheating. Compared to conventional electric heaters, the result is superlative energy-saving and a comfortable environment.

#### Features

- ① Cools and dehumidifies surgery interior.
- ② Highly energy-efficient air conditioning system uses control technology for multiple air conditioners that can independently heat or cool at the same time.
- ③ The air conditioning system in each room is a complete unit so it is easy to maintain.

#### System concept



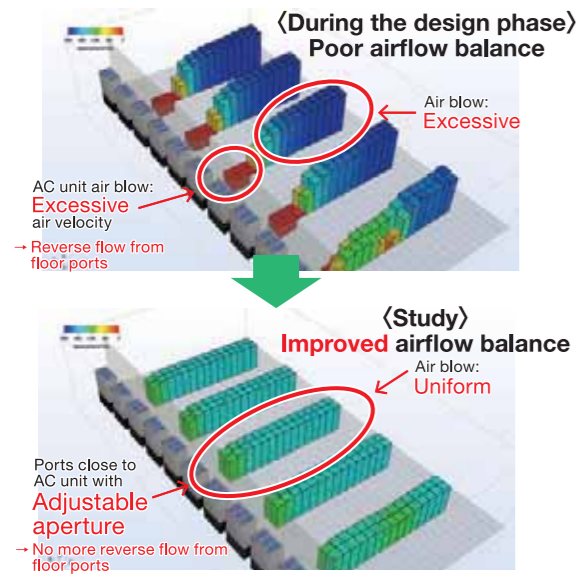
# ICT Applications

Catering to those who want to create the best possible environment for their datacenter

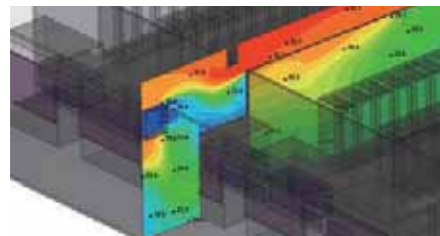
## Modeling by airflow simulation and mockup

Dai-Dan has done numerous datacenter installation jobs. Those experiences have led our engineers to using airflow simulations and mockups to identify and solve potential issues in new projects, as well as to develop new technologies.

### Simulation of floor-blown airflow distribution



### Simulation of temperature distribution of outside and circulating air in outdoor air cooling (Intake side)



### Study of outdoor air cooling using a mockup (Mixing of outside and circulating air)

Measurement conditions	Photo of mockup	Temperature distribution on AC intake side
Outside air intake angle	0°	<p>Max. 18.4°C, Min. 17.5°C                      Max. ΔT: 0.9°C</p>
Airflow ratio (Outside air : Circulating air)	3:1	
Circulating air temperature when blown	33.7°C	
Outside air temperature when blown	11.6°C	

Catering to those who are looking for vapor-free humidification

## WIT WET

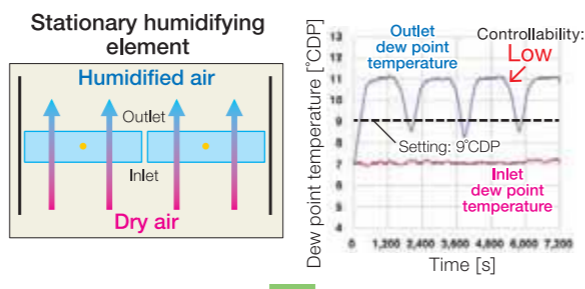
Brings accurate humidity control to evaporative humidifiers

This is a new evaporative humidifier with a rotating humidifying element that was developed as a direct outdoor air-cooling system to be used in datacenters. A problem with conventional evaporative humidifiers is the low degree of control over humidity, which this system resolves and so is especially effective at controlling humidity when using direct outdoor air cooling. Another characteristic of this evaporative humidifier is that it allows energy-saving through its cooling effect and the precise control over humidity that it offers. It is also suitable for locations other than datacenters, such as offices, hospitals, or art museums.

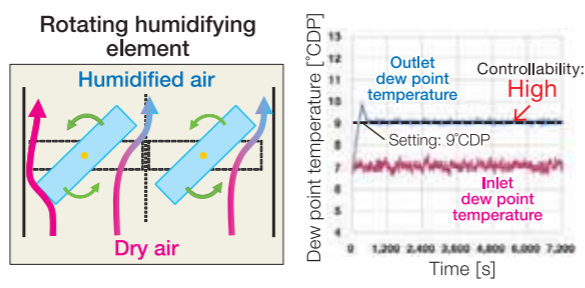
### Features

- 1 The humidifying element can be turned to regulate airflow and control humidity.
- 2 Humidity control is highly accurate and features stepless setting, effectively eliminating over-humidification and hunting.
- 3 Reduced pressure loss during seasons that do not require humidification

### Conventional evaporative humidifier



### WIT WET



### WIT WET's rotating humidifying element in action



Exceeding customer expectations with knowledge, experience and action

# Dai-Dan's Practical Competence

Every building system we deal with is unique and different, which requires us to employ flexibility and creativity when challenged to accommodate a variety of building structures, usage patterns and customer needs. As a building services engineering and installation provider, we are committed to exceeding the expectations of our customers by applying the knowledge and experience we have gained throughout our history. Moreover, since our establishment, we have exhibited the ability to provide design solutions and installation expertise with inherent skill.

This is Dai-Dan's practical competence in the field.

## Introducing Our Installations

Installation example ①  
ICT facility

Datacenter new build



Installation example ②  
Large-scale R&D

SE1 Building,  
AGC Yokohama  
Technical Center



Installation example ③  
Office and commercial spaces, and residences

D Tower Nishi-Shinjuku  
(D Marks Nishi-Shinjuku Tower)



Enhancing Our Installation Expertise and Ability to Provide Design Solutions ..... P. 34





Installation example ①  
ICT facility

## Datacenter new build



Installation example ②  
Large-scale R&D

## SE1 Building, AGC Yokohama Technical Center

This datacenter was designed to be the Tokyo metropolitan area's largest, and construction was completed in August 2020. Dai-Dan installed air conditioning equipment and plumbing. Here we will take a closer look at the characteristic air conditioning equipment that was used in the server room.

AGC Inc. designed, and in December 2020 completed construction of, a new research building and associated buildings to form part of the AGC Yokohama Technical Center where they could develop new materials and cutting-edge technologies. Here we give an overview of the role Dai-Dan played in installing air conditioning and plumbing systems.

Dai-Dan's Practical Competence Installation example ①

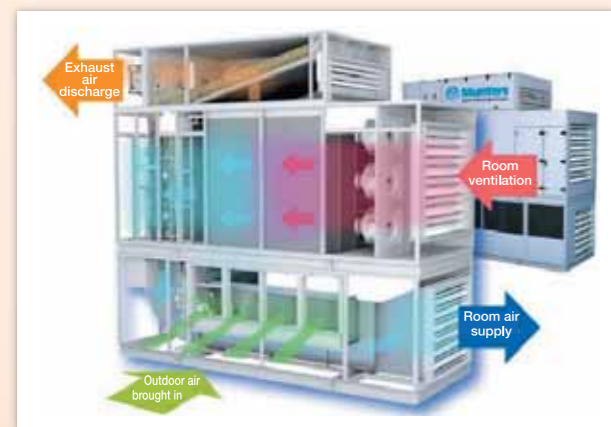
### Building outline

Location	Tokyo
Use	Datacenter
Scale	Gross floor area: approx. 26,000 m <sup>2</sup> , seismic isolation floors, 3 stories above ground
Construction	Steel, reinforced concrete
Completed	August 2020

### Overview of the server room air conditioning equipment (Equipment count includes those to be installed in future)

Indirect evaporative air conditioners: 120
Outdoor-air-processing air conditioners: 22; dehumidifiers: 16
Electric steam humidifiers: 16

For the server room used for this installation, the air conditioning system uses indirect evaporative air conditioners. These conditioners combine for a highly efficient air conditioning system aimed at datacenters and uses outdoor air or vaporization heat from water. Depending on the condition of the outdoor air, it can switch between three different cooling modes (winter, summer, and in-between) for highly energy-efficient operations year round.



Indirect evaporative air conditioner (courtesy of the NTT Facilities, Inc. website)

### Customer review

A major characteristic of this datacenter is that it is the first in Japan to use indirect evaporative air conditioners on such a large scale.

The project proved challenging with 60 pieces of large equipment, each weighing 8 tonnes, but we are very thankful to all those who ensured it was completed on time and without incident.

During a pre-completion test using equipment with a thermal load of 2 MW, we realized quite how impressive Dai-Dan's technical capabilities were during the process from planning, to preparations, operations on the day of the test, and then through analysis of the results.

**Takuya Ogawa**  
NTT Ltd. Japan

### Straight from the frontline

For this project, we used indirect evaporative air conditioners, something that doesn't have much of a track record in Japan, even for datacenters. Work to bring in and install the conditioners and fit ancillary equipment was by no means easy, but we had carried out a full range of performance tests—including mockups and IST tests. As such, we were able to install all the equipment and fully satisfy the customer's criteria demands.

For the incident-free completion of this project, we are incredibly grateful to everyone from NTT Ltd. and NTT Facilities, Inc. who worked so hard and to everyone else who was involved.



**Yoshiaki Kotaniguchi**  
Manager  
Engineering Section 2  
Engineering Department  
Yokohama Branch

### Building outline

Location	Tsurumi-ku, Yokohama, Kanagawa
Use	R&D facility
Scale	New research building: 4 stories above ground; gross floor area: 44,833 m <sup>2</sup> New safety building: 2 stories above ground; gross floor area: 292 m <sup>2</sup> New welfare building: 3 stories above ground; gross floor area: 2,699 m <sup>2</sup>
Construction	Steel (seismic isolation), partial steel reinforced concrete
Completed	December 2020

The new research building comprises standard labs; cleanroom (CR) labs; constant-temperature, constant-humidity labs; low-humidity labs; office area; a cafeteria; and more.

The various lab rooms use a variety of air conditioning and ventilation equipment—including outdoor units, air conditioners, and local venting fans—to control airflow and regulate room pressures. There are also devices such as scrubbers or wastewater neutralizing equipment to process the air or water taken out of the labs. In such ways, we created an equipment system that allows the customer to operate their facility safely.

### Overview of the equipment

Heat sources	<ul style="list-style-type: none"> <li>Gas-fired absorption cold/hot water makers (1,407 kW × 2 units, 985 kW × 1 unit)</li> <li>Air-cooled HP chiller (1,080 kW × 1 unit)</li> <li>Air-cooled HP air conditioner</li> </ul>
Air conditioning and ventilation	<ul style="list-style-type: none"> <li>Outdoor unit + air-cooled HP + local venting (for standard labs)</li> <li>Outdoor unit + air conditioner + FFU + local venting (for CR labs)</li> <li>Air conditioner and desiccant air conditioner (for constant-temperature, constant-humidity labs and low-humidity labs)</li> <li>Scrubbers (for local venting) (approx. 360,000 m<sup>3</sup>/h)</li> </ul>
Plumbing	<ul style="list-style-type: none"> <li>Wastewater neutralizing equipment (approx. 270 m<sup>3</sup>/day)</li> </ul>

### Customer review

The new research building features not only labs, where the technical development that is the foundation of the facility goes on, but also spaces set aside for collaborating with other companies or research institutions. The facility was constructed following the concept of achieving the opening up of new domains and creating new value. Thank you to everyone who helped us install air conditioning equipment across the building and its more than 40,000 m<sup>2</sup> of gross floor space, despite increased demand for Olympics-related facilities and the ongoing pandemic situation.

**Kohei Yoshino**  
Co-create Space Construction Project Leader  
Technology GD, AGC Inc.

### Straight from the frontline

This project's busiest period overlapped with that of other large-scale projects in the Tokyo metropolitan area and there were labor shortages across the country. Despite this, we used prefabricated materials as well as less labor-intensive construction methods such as automatic marking devices, and we strove to improve the efficiency of our installation work and other tasks. To ensure the characteristics of the large-scale research facility with its advanced equipment, we had repeated discussions, and with the kind assistance of AGC, Rui Sekkeishitsu, Fujita, manufacturers, and subcontractors, we were able to complete the project without any issues. I'd like to express my sincere thanks to all the people involved.



I genuinely look forward to seeing all the as yet unseen materials that will come out of this new building.

**Seiya Kubota**  
Project Master  
Engineering Section 2, Engineering Department  
Yokohama Branch

Dai-Dan's Practical Competence Installation example ②



**Installation example ③**  
Office and commercial spaces, and residences

# D Tower Nishi-Shinjuku (D Marks Nishi-Shinjuku Tower)

D Tower Nishi-Shinjuku is a large-scale office project by Daiwa House Industry Co., Ltd. in Nishi-Shinjuku in the heart of Tokyo that was completed in April 2020. Our electrical installation work was carried out under Taisei Corporation, and here we will introduce an overview of the building and some characteristics of the installation.

Dai-Dan's Practical Competence Installation example ③

### Building outline

Location	Shinjuku-ku, Tokyo
Use	Office and commercial spaces, and residences
Scale	Gross floor area: 39,460.84 m <sup>2</sup> 29 stories above ground, 2 stories under
Construction	Steel, reinforced concrete, steel reinforced concrete
Completed	April 2020



Rooftop cubicles



Office floor

The project took place in a skyscraper with seismic isolation construction close to Nishi-Shinjuku Station. The underground level is used for parking, while the lower floors contain a nursery school and a shopping floor, the central section has columnless office floors, and the upper stories are residential floors (D Marks Nishi-Shinjuku Tower: rental residences and service apartments).

### Overview of the equipment (Office and commercial spaces)

Power receiving method	High voltage: 6.6 kV Main and backup lines (×2)
Power receiving and transforming equipment	Outdoor cubicles: 28 Total equipment capacity: 7,050 kVA
Backup power generation equipment	6.6 kV 750 kVA Underground fuel tank: Fuel oil A, 12,000 L
Other equipment	Sub-main cable service, secondary power supply service, electric light outlets, phones, communal TVs, guidance and support, disaster and crime prevention, lightning rod, storage batteries, solar power generation

### Comment from the job-site liaison

This long-term project took three years from start to finish. The peak season for this project happened to fall at the same time as projects related to the Olympics and Paralympics. Despite a scarcity of both materials and workers, we dealt with both and pulled off the management of this project with perseverance.

That we could do this without incident or injury is testament to the hard work of the building's owners, the construction company, subcontractors, and everyone from the other departments at head office, for which I am incredibly grateful.

I'd like to take this opportunity to express my thanks.



**Yuichi Kinami**  
Project Master  
Engineering Section 2  
Engineering Department 1  
Tokyo Head Office

## Enhancing Our Installation Expertise and Ability to Provide Design Solutions

### Sharing and utilizing the enhanced value generated by our on-site expertise

#### Case study presentations for sharing expertise and integrity throughout Dai-Dan

We held our "13th Case Study Presentations" in November 2020. This event gives our employees an opportunity to present the achievements they have made through expertise and integrity in the course of their day-to-day work. Awards are also presented. A video conferencing system is used so that employees across the country can participate. We also use a web conferencing system to broadcast the presentation live to employees.

By taking lessons and ideas presented through the case studies at the presentations and bringing these remarkable achievements into our offices and job sites to share and utilize them in in-house education, we are contributing to the further enhancement of Dai-Dan's technical capabilities, safety, and quality.



Award recipients

#### VOICE

#### Comment from the winner of the Chairman's Award

Quality Section, Technical Management Department, Osaka Head Office  
**Mutsumi Tomiha, Chief** (Photo as representative)  
**Harumi Iseki, Chief**  
**Akiko Hamada, Chief**



We are genuinely honored to have been chosen to receive the Chairman's Award at the 13th Case Study Presentations, despite the many other excellent design, installation, proposal, and improvement examples that were submitted from all over Japan.

The project that we received the award for was a case study of increasing task efficiency using IT to adapt to COVID-19 countermeasures and the work style revolution.

As we have moved into a new way of living, it has become possible for employees to operate their company computers remotely from home and thought that it must be possible for us to do security checks on site computers without having to go to the job site.

Because this has meant employees do not need to go to sites, it has decreased the risk of infection and, through some ingenuity concerning the way of doing patrols, reduced the time needed for checks. This led to a lower workload for site supervisors and tied in to job-site support. That result seemed to be viewed favorably, and I think was the reason we received the Chairman's Award.

In the future, we will be working on other types of job-site support than just information security patrols, we will do our very best to develop things even further.

#### Technical Reports

Our "Technical Reports" predominantly detail designs and case studies of installations, and are published with the aim of leveling up through technical accomplishments and advancing standards.

In the latest issue, there are articles with information about five of the winning entries to the Case Study Presentations, four case studies related to medical facilities (one about regenerative medicine), seven related to industrial facilities, and nine for other building applications.

The magazine is targeted at all engineers and includes introductions to such advanced topics as: our promotion



of i-Construction to raise productivity, inventiveness and method improvements, cost-suppressing efforts, and presentations and unit construction methods that use BIM, 3D scanners, renewable energy, and VR video.

#### Step Up Training

Step Up Training is a component of our workshops for employees, predominantly those engaged in a technical capacity. It teaches participants about four fields where our core technologies play significant roles: medical treatment, industry, innovation, and electricity. Training is split over three levels (Step 1 for beginners, Step 2 for intermediate trainees, and Step 3 for advanced trainees) and is conducted to foster specialists in each of our core fields.

#### Training content over the past year

##### Hospitals

- Hospital equipment guidelines for surgical departments
- Basic knowledge of regenerative medicine facilities

##### Industrial facilities

- Basic knowledge of pharmaceutical plants, validations and equipment installation
- Basic knowledge of air conditioning and utility systems for electronic devices plants

##### Innovation

- IoT foundations and overview of cloud-based automatic control system REMOVIS
- Main points and concerns about planning, design, and installation of ZEB air conditioning equipment

##### Electricity



- DALI lighting control system
- ZEB overview and web program
- Cogeneration systems
- Grounding and lightning protection equipment
- Extra-high-voltage power receiving and transforming equipment

















Dai-Dan's Practical Competence Enhancing Our Installation Expertise and Ability to Provide Design Solutions

# FY2020 CSR/ESG Targets and Performance

In order to enable continuous improvement of our CSR activities, we set targets for each fiscal year and complete the PDCA cycle accordingly. In this report, our FY2020 targets and performance are summarized according to the seven core themes of ISO 26000\*1. This information is organized into the three ESG (Environmental, Social, and Governance) categories.

Note: Until FY2020, we have referred to ISO 26000 when setting and working toward targets and issues, but from FY2021, we will set and work toward indices that are based on materiality and consider the impact we have on society and the environment through our business activities. Refer to pages 11–12 for more details.

Self evaluation  Target achieved  Target not achieved

Theme	Items	FY2020 targets	FY2020 performance	Self evaluation	Core subjects of ISO 26000							Page		
					Organizational governance	Human rights	Labor practices	The environment	Fair operating practices	Consumer issues	Community involvement and development			
Environmental (E)	Environmental conservation initiatives	Achieve environmental management system plan targets. * Refer to page 37 for FY2020 environmental targets and results.	Greenhouse gases	Increased emissions of greenhouse gases. Promoted introduction of environment-friendly vehicles. Reduced CO <sub>2</sub> emissions through design proposals.									37	
			Waste	Reduced industrial waste. Increased general waste. Promoted sorting of industrial waste.					✓					
			Water resources	Increased water consumption. (Office water consumption was reduced.) Increased water consumption (intensity).										
Social (S)	Meeting Customer Expectations	Quality improvement initiatives	Achieve quality management system plan targets.	<ul style="list-style-type: none"> <li>• Raised level of customer satisfaction.</li> <li>• Reduced quality issues.</li> </ul>								✓	39	
	Initiatives with Subcontractors	Activities with subcontractors	Continue the activities of the sectional committees.	Implemented the activities of the sectional committees.								✓	40	
		Workplace health and safety management system	Achieve workplace health and safety management system plan targets.	<ul style="list-style-type: none"> <li>• Eight fewer work-related accidents than the previous fiscal year.</li> <li>• Safety results: frequency was 0.25, severity was 0.004.</li> </ul>				✓					41	
		Partnerships with subcontractors	Ensure the Dai-Dan Meister System is implemented.	Conferred Dai-Dan Meister certification*2.								✓	42	
	Valuing Our Employees	Work-life balance and the work environment	Check and review the effectiveness of the Dai-Dan Mentor System.	Monitored individual circumstances through additional interviews with each mentor.				✓						43
			Strengthen technical expertise.	Improved technical expertise through major reviews of training session plans.				✓						
			Continue initiatives to raise awareness of human rights.	Raised awareness through new employee training session.				✓						
Work style reformation initiatives			<ul style="list-style-type: none"> <li>• Conducted mental health seminars.</li> <li>• Conducted stress checks for all employees.</li> <li>• Percentage of persons working long hours who saw a physician (97.9%)</li> <li>• Percentage of persons working long hours (1.08%)</li> </ul>				✓							
Partnering with Hosting Communities	Dissemination of technical information to external parties	Contribution to the construction industry	<ul style="list-style-type: none"> <li>• Delivered 2 lectures at the nationwide meeting of the Institute of Electrical Installation Engineers of Japan.</li> <li>• Delivered 10 lectures at meetings of the Society of Heating, Air-Conditioning and Sanitary Engineers of Japan.</li> </ul>									✓	45	
	Social contribution activities	Targeted number of activities: more than 360	Dai-Dan's offices across Japan voluntarily conducted 365 activities.									✓	46	
Governance (G)	Fair and Transparent Business Practices	Corporate governance	Strengthen corporate governance to meet changes in social trends so as to ensure ethical execution of operations.	<ul style="list-style-type: none"> <li>• Management conducted reasonably and efficiently based on Dai-Dan's Corporate Governance Guidelines</li> <li>• Corporate law internal control system functioned appropriately.</li> <li>• Proactively disclosed information at the appropriate time.</li> </ul>		✓						✓	47	
		Compliance	Perform ongoing awareness-raising activities regarding compliance and ensure our business activities comply with the Antimonopoly Act and other relevant laws and regulations.	<ul style="list-style-type: none"> <li>• Group training sessions, briefings, and seminars were held to familiarize attendees with the importance of compliance with laws and regulations.</li> <li>• Published issue Nos. 24–27 of Compliance News to raise awareness.</li> </ul>		✓	✓			✓			49	
		Risk management	<ul style="list-style-type: none"> <li>• Newly prepare head office and divisional emergency manuals and timelines for logging responses to an emergency on a timeline as support tools.</li> <li>• Continue to explore unaddressed areas and responses to serious risks in order to make risk management stronger.</li> </ul>	<ul style="list-style-type: none"> <li>• Prepared head office and divisional emergency manuals and timelines (earthquake and storm/flood versions).</li> </ul>		✓				✓			50	

\*1 A guide on how businesses can operate in a socially responsible way \*2 The Dai-Dan Meister Awards Ceremony was canceled due to the pandemic, and instead certification was conferred at individual offices.

# Environmental Contribution

We believe it is our mission to contribute to the emergence of a society committed to global environmental sustainability.



## Environmental Conservation Initiatives

### Efforts to reduce the environmental load of our business activities

We positioned "Contributing to a carbon-free society," as an area of materiality (material issue), and so we are working to both reduce greenhouse gas emissions and encourage use of renewable energy.

The biggest contribution that we as a company can make to bring about a more sustainable society is to provide building systems that has little environmental load. To that end, we are actively advancing our proposal-making activities. It is also vital that we reduce the environmental load that is produced as part of our business activities and so we are making efforts to save energy and minimize resource use at both our offices and installation locations.

We think it is important to continue our ongoing efforts to prevent fluorocarbons from escaping into the atmosphere where they cause global warming, to reduce and sort the industrial waste we generate, and to reduce our water consumption and protect water resources. Dai-Dan also maintains ISO 14001 certification at all business sites in Japan, conducts activities to raise awareness of environmental protection amongst our workforce and cooperating companies, and contributes to greater efforts to achieve SDGs and preserve biodiversity.

### Our Environmental Management System: FY2020 environmental targets and results

○: Target achieved △: In progress

	Main target or item to be monitored	FY2019 performance	FY2020 performance	FY2020 target	Assessment
Greenhouse gases	Identify and reduce Scope 1 (direct emissions)*1.	1,929 tCO <sub>2</sub>	1,783 tCO <sub>2</sub>		—
	Identify and reduce Scope 2 (indirect emissions)*2.	1,997 tCO <sub>2</sub>	2,213 tCO <sub>2</sub>		—
	Identify and reduce Scope 1 + 2 (intensity). Greenhouse gas emissions per ¥1M in net sales	24.3 kgCO <sub>2</sub> /¥1M	26.6 kgCO <sub>2</sub> /¥1M		—
	Identify and reduce power consumption.	3,971,195 kWh	4,422,585 kWh		—
	(Portion of that derived from renewable resources)	(70,462 kWh)	(100,397 kWh)		—
	Reduce greenhouse gas emissions from offices.	1,529 tCO <sub>2</sub>	1,637 tCO <sub>2</sub>	Max. 1,600 tCO <sub>2</sub>	
	Increase percentage of environment-friendly vehicles in company fleet.	87.1%	94.1%	Min. 90%	
Waste	Promote Scope 3 CATEGORY 11*3 reduction proposal. Proposed reduction in CO <sub>2</sub> emissions by design proposal	27,844 tCO <sub>2</sub>	34,079 tCO <sub>2</sub>	Min. 30,000 tCO <sub>2</sub>	
	Promote Scope 3 CATEGORY 11 reduction proposal. Contribution to reduction in CO <sub>2</sub> emissions by adoption of design proposal	14,968 tCO <sub>2</sub>	20,494 tCO <sub>2</sub>	Min. 15,000 tCO <sub>2</sub>	
	Identify and reduce total discharge of industrial waste.	8,251 tonnes	6,493 tonnes		—
	Identify and reduce industrial waste buried as landfill.	1,124 tonnes	885 tonnes		—
Water resources	Identify and reduce general waste discharged from offices.	89 tonnes	103 tonnes		—
	Promote sorting of industrial waste. Increase number of industrial waste sorting categories per workplace.	4.2/workplace	4.2/workplace	Min. 4.2/workplace	
Other	Identify and reduce water consumption.	55,761 m <sup>3</sup>	58,690 m <sup>3</sup>		—
	(Portion of that consumed by offices)	(14,448 m <sup>3</sup> )	(12,287 m <sup>3</sup> )		—
Other	Identify and reduce water consumption (intensity). Water consumption per ¥1M in net sales	0.345 m <sup>3</sup> /¥1M	0.390 m <sup>3</sup> /¥1M		—
	Increase green purchasing rate.	46.7%	48.9%	Min. 50%	
Other	Reduce consumption of copy paper by offices.	57.4 tonnes	51.7 tonnes	Max. 56 tonnes	

\*1 CO<sub>2</sub> emissions from gas, kerosene or gasoline consumption \*2 CO<sub>2</sub> emissions from secondary energy (electric power) consumption  
\*3 CO<sub>2</sub> emissions from operating installed equipment

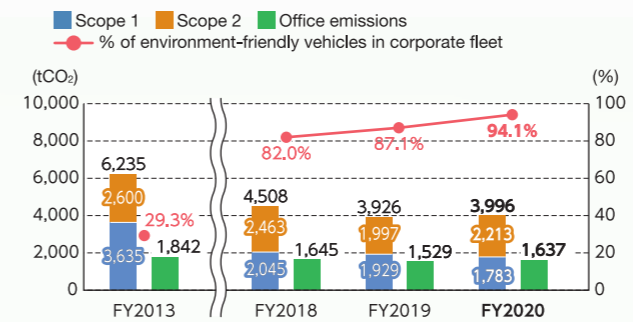
### Efforts to reduce greenhouse gas emissions

Dai-Dan is addressing greenhouse gas emissions by reducing office energy consumption and proactively introducing environment-friendly vehicles into the corporate fleet.

In fiscal 2020, as one of our measures to reduce the risk of spreading COVID-19, we increased the amount that we ventilate and as such we consumed more energy.

Greenhouse gas emissions from offices in fiscal 2020 decreased by 11% from the level recorded in fiscal 2013. Moreover, after adding the effect of a larger fleet of environment-friendly vehicles, greenhouse gas emissions dropped to a level 36% below the high posted in fiscal 2013.

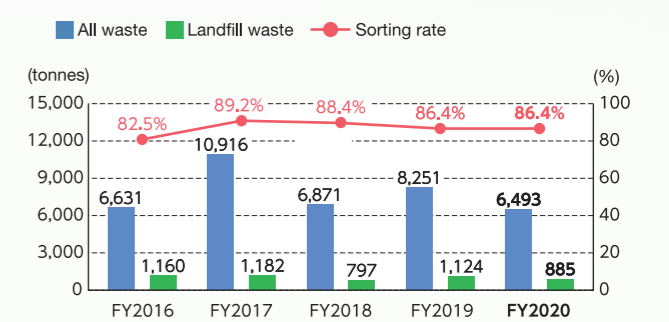
#### Greenhouse gas emissions



### Efforts to sort industrial waste

At Dai-Dan, we promote the sorting of waste at all our installation sites. Throughout fiscal 2020, we produced 6,493 tonnes of industrial waste, of which 86.4% was sorted. Furthermore, we encourage reducing and sorting waste at our offices. In fiscal 2020, our offices produced 103 tonnes of general waste.

#### Industrial waste sorting rate



### Quality and Environmental Management System

#### Quality and Environmental Protection Policies

"As a building services engineering and installation provider, we continually take on the challenge of creating value for our clients while contributing to the development of a better environment and stronger communities"; in keeping with these management principles, we ensure our business practices contribute to quality and environmental preservation. Moreover, with the goal of improving customer satisfaction, we are contributing to the emergence of a society committed to a sustainable environment.

- We strive to contribute to social development and environmental preservation by complying with laws and norms of society regarding quality and environmental standards as well as regulations established by our company.
- While working to strengthen our field capabilities and improve productivity, we strive to improve the skills of our employees and strengthen our partnerships with subcontractors to provide assured quality.
- We are dedicated to developing, proposing, and applying technologies that help to reduce environmental impact and promote the effective use of resources and energy.
- Through our corporate initiatives, we will contribute to the mitigation of climate change and the conservation of water resources while conserving biodiversity and protecting ecosystems.
- We, as a good corporate citizen, carry out environmental and social contribution activities as well as positive information disclosure, to enhance communications with society.
- We publicize our quality and environmental targets internally and continue to strengthen them in order to improve the results of our initiatives.

### Efforts to protect water resources

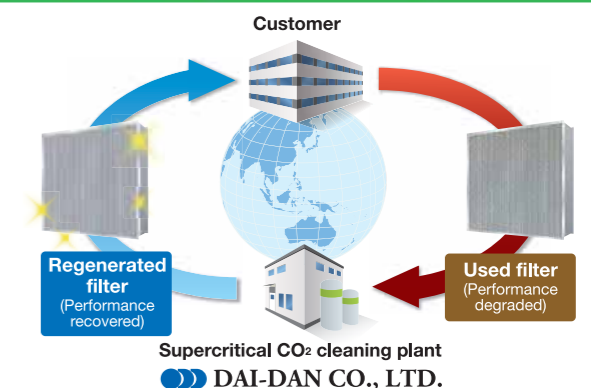
Dai-Dan is working diligently to identify and reduce the amount of water consumed by offices and job sites, and is strongly encouraging customers to effectively use alternative water resources with proposals on using rainwater, wastewater and equipment that cuts back on water usage. Moreover, the company encourages and supports employee participation in local environmental activities like cleanups and beautification efforts along coastlines and rivers.

### Air Filter Regeneration Service — New business for reducing waste from R&D activities

#### Air filter regeneration using supercritical CO<sub>2</sub>\*

Factories use large quantities of air filters and adsorbents to remove volatile organic compounds (VOC), which they then discard at the end of their service-life. Dai-Dan figured out a way to regenerate these air filters using supercritical CO<sub>2</sub> and started a business with it in order to promote sustainable, material recycling practices in industry. The business-customers Dai-Dan is serving have strongly welcomed the service as it is helping them to reduce waste, contribute to SDGs and invest more in ESG. Since the service was launched in 2014, Dai-Dan has seen many repeat customers and helped them to reduce about 50 tonnes of waste.

\* Supercritical CO<sub>2</sub>: Fluid CO<sub>2</sub> held at or above its critical temperature and critical pressure where it exhibits both the diffusibility of a gas and the solubility of a liquid.



Helped reduce about 50 tonnes of waste

# Meeting Customer Expectations

We continue to work towards ever-higher levels of quality in order to further improve customer satisfaction.



# Initiatives with Subcontractors

Working closely with our subcontractors to solve problems is how we continually improve our engineering performance at Dai-Dan.



## Quality Improvement Initiatives

### Our vision of quality

At Dai-Dan, reasoning and a strong sense of duty tell us that providing sound quality will increase customer satisfaction and trust. Therefore, in order to provide customer-pleasing quality, we maintain ISO 9001 certification current for all of our business sites in Japan and attentively manage the quality of our services and work, starting with in-depth preliminary studies before breaking ground and covering our steps along the way with every imaginable kind of testing. Moreover, education and training are tools we use to ensure good quality by honing the skills and acumen of our work force and subcontractors.

### Works Review Meetings

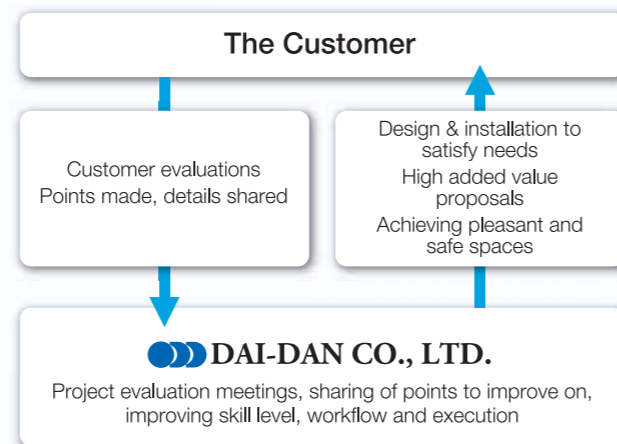
Throughout our long history we have provided building systems and services to customers in various industries with diverse building applications. In order to capitalize on our long track record of installations and our knowledge of customer systems, we hold Works Review Meetings for each project with the attendance of the sales, engineering and other specialized departments concerned. We strive to provide high-quality systems that best serve our customers from the perspectives of functionality, quality, cost and energy efficiency.

### Building Chart System

We have been using a Building Chart System, an internal information system, in order to make the most of our installation experiences. The Building Chart System is used to record the details of the installation and recommendations, as well as customer requirements for each building. We enhance customer satisfaction by recommending detailed renovation options that contribute to comfortable use of a building.

### Customer evaluations

Knowing what our customers think of us and our work is an important first step towards doing a better job, so we probe customer satisfaction after completing and signing off on every project. More specifically, we get them to rank our technical abilities and project management performance on a scale of 4 (4 being the highest) and to explain anything that did not meet with their satisfaction and any requests they have of us. In fiscal 2020, we collected 555 replies to our customer satisfaction surveys and earned an average overall rating of 3.65. The survey is an excellent tool for learning what customers like and do not like, and improving how we go about business, so we will continue to use it proactively alongside every opportunity of direct dialog to communicate with customers on a deeper level.



### Customer satisfaction survey results

4-point scale  
(4: Satisfied 3: Generally satisfied 2: Somewhat dissatisfied 1: Dissatisfied)

Item	FY2018	FY2019	FY2020
Installer capacity	3.50	3.52	3.58
Installation management	3.46	3.48	3.56
Creativity and solution proposals	3.46	3.51	3.56
Backup capacity	3.44	3.45	3.51
Overall evaluation	3.53	3.56	3.65

Number of surveys completed: FY2018; 650/FY2019; 662/FY2020; 555

### Activities with subcontractors

To safely deliver high-quality building systems to customers by a date they desire, cooperation that produces a successful marriage between project engineering and job-site skill is critical. This means that Dai-Dan, as the project planner and manager, and the numerous subcontractors that do the actual installation work must think and act as one. This cohesion is available at every Dai-Dan office via a network of trusted subcontractors with whom we have worked for a long time. They are divided by their fields of expertise into sectional committees and asked to weigh in on a plethora of subjects, one recent issue being the search for more efficient, less labor-intensive construction methods needed to counter a growing shortage of manpower caused by an aging labor pool and fewer young people entering the trade. To meet the demands and expectations of customers, we will continue to improve our engineering performance in terms of safety, quality, and costs, and organically integrate that into finished products in conjunction with our subcontractors.

### Questionnaire for subcontractors

We conduct a questionnaire survey with our major subcontractors so as to grasp problems with Dai-Dan from the subcontractor's point of view as well as issues they have themselves. The results are then applied to help improve employee training, the Dai-Gen Kai, and Safety & Health Association.

### Sectional committee activities (Details of initiatives)

For the fiscal 2019/2020 period, sectional committee activities in the Tokyo Dai-Gen Kai were based on the theme of promoting use of tools designed to raise installation efficiency with the aim of identifying and actually using and verifying items that can improve efficiency. Activities were organized between the following four sectional committees. In fiscal 2020, sectional committee activities were highly restricted but using Teams they were able to hold meetings online, or face-to-face but with reduced numbers, as part of pandemic countermeasures.

Sectional committee	Topics and principal activities
Electricity Sectional Committee	Small cameras (Miru Search Mini Wi-Fi) Automatic following trolley (Kamon) Trunk line cable stripper (Tajima Muki Chopper) Model job sites specified, actually used and verified
Air Conditioning Sectional Committee	Information-sharing app (+Message) In the Dai-Gen Kai Air Conditioning Sectional Committee, subcontractors are lent iPads and job-site operations are managed using the +Message app. Model job sites specified, actually used and survey conducted
Plumbing Sectional Committee	Online meeting app (Teams) • Four meetings were held via Teams Upward-facing assist suit (TASK AR 2.0) Model job sites specified, actually used and verified • Supported at job sites (twice) using assist suit
Safety Sectional Committee	Health and safety activity promotion using ICT (LookCa (VR System)) Danger sensing training conducted (130 participants)

### VOICE

#### Tokyo Dai-Gen Kai

Yoshiyuki Sekiguchi  
President, Noda Kogyo Co., Ltd.  
Chairman, Tokyo Dai-Gen Kai



To get through the pandemic, the Tokyo Dai-Gen Kai has been giving careful consideration to the digital revolution. Through the sectional committees' activities, we have repeatedly investigated, researched, and verified matters relating to this theme from the perspective of specialists. The results can, I think, be applied to job-site operations to raise productivity. As the average age of workers rises, and their numbers decrease, radical reforms that use DX to improve labor-savings are necessary. The various companies of the Tokyo Dai-Gen Kai will continue to give thought to the concept of space value creation outlined in Stage 2030. I genuinely believe that as specialists in the field of engineering services, we should continue to create and be active as we respond to the trust placed in us as a group that can achieve mutual prosperity as a kind of "Team Dai-Dan."

### VOICE

#### Tokyo Safety & Health Association

Yoshimasa Okuda  
President, Taihei Kogyo Co., Ltd.  
Chairman, Tokyo Safety & Health Association



Through collaboration between the company and subcontractors, the number of work-related accidents at the Tokyo Head Office has slowly been trending downwards over the last few years. I would like managers and workers to work together to quickly spot potentially dangerous situations and avoid dangerous tasks. With the pandemic situation, fiscal 2020 saw companies of the association really struggling to maintain their activities, and so we introduced remote activities and found clever ways of working. I would like us to also persistently pursue higher quality and lower costs, by developing and applying new technologies, as well as fewer work-related accidents on the safety front. We here at the Tokyo Safety & Health Association, too, will fulfill our role as part of "Team Dai-Dan" to swiftly grasp, and respond to, the Dai-Dan's corporate needs and contribute to society.

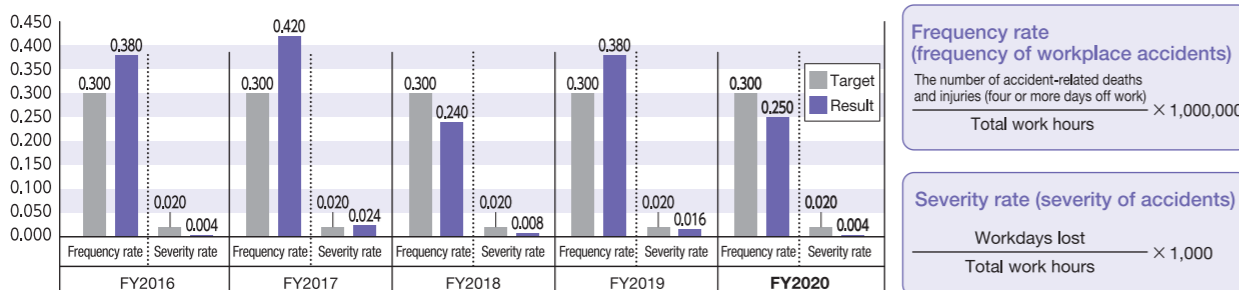
## Continuously Improving Health and Safety Initiatives with the Goal of Eradicating Industrial Accidents

### Our Policies for Health and Safety

“Ensuring Health and Safety” is our obligation to all the employees of our companies, their families and the society. Dai-Dan considers the health and safety of everyone working for the company as a top priority, regardless of age, gender, country of origin or level of ability. All employees from top management down are expected to cooperate in improving productivity, building a motivating workplace environment, and earning and maintaining the trust of society.

1. We shall utilize “Health and Safety Management Systems” to eradicate all industrial accidents. We shall endeavor to eliminate risk and hazards in all work activities, and continuously improve and enhance the health and safety of our workplace.
2. In compliance with workplace safety and health-related laws including our company’s internal health and safety management systems regulations, we shall enhance health and safety standard of our employees and executives, preserve and improve their health, and create comfortable rewarding workplaces.
3. Through diverse work styles and opportunities to play an active role, we shall aim to improve employees’ work-life balances and support healthier, richer lives.
4. We shall regularly communicate with subcontractors and encourage them to launch and promote self-directed health and safety activities with clear role assignments.
5. We shall educate all people working for Dai-Dan in our policies for health and safety and also disclose them to the public.

### Safety performance



## Workplace health and safety initiatives

### Risk assessments

We conduct risk assessments prior to starting work at all of our job sites. We specify aspects of our work that have the potential to cause harm or damage and decide on measures to minimize those risks, as well as carrying out reviews each month in line with installation progress.

### Health and safety management framework

We are developing a health and safety framework that includes the Central Health & Safety Committee and similar committees for each of our offices. In the office health and safety committees, members are representatives of labor and management. The Central Health & Safety Committee, which oversees the entire company, takes guidance from the president and is chaired by the Head of the Technical Construction Division.

### Initiatives to reduce overly long working hours

To reduce overly long working hours, we are working on measures in line with each country’s laws and regulations, such as introducing a structured holiday system, and ensuring employees can take several days off in a row such as for the summer break or New Year period. We are also promoting productivity and installation efficiency improvements by adopting i-Construction and conducting patrols remotely through wearable cameras and similar technologies.

### How we fared for work-related accidents in FY2020

Work-related accidents in fiscal 2020 decreased by 8 from the previous year to 36 (4 requiring site shutdowns, 32 not). The reductions in accidents requiring site shutdowns in terms of both frequency and severity rate were a dramatic improvement over the previous fiscal year.

### FY2021 Safety and Health Management Plan

In fiscal 2021, in order to reduce the number of incidents that lead to site shutdowns, we are completely reviewing installation plans, carrying out preliminary studies of work procedures prior to work beginning, and enforcing strict adherence to daily management practices, especially in regards to installing and maintaining safety equipment required by law.

Moreover, to minimize the risks of human errors, we are thoroughly pushing our standard practices and code of conduct. In our fiscal 2021 efforts to improve our safety record, we will raise the following points across the company.

- ① Safety management that begins with prevention
- ② Management of working hours and measures for preventing overly long working hours
- ③ Good health management practices and COVID-19 countermeasures

## Application of the Meister Program and Establishment of Partnerships with Our Subcontractors across Japan

### Maintaining quality assurance through strong partnerships with our subcontractors

#### Dai-Dan Meister Program

Since 2011, we have been fairly evaluating and rewarding foremen so as to improve job safety, efficiency, and quality, and secure skilled foremen from our subcontractors.

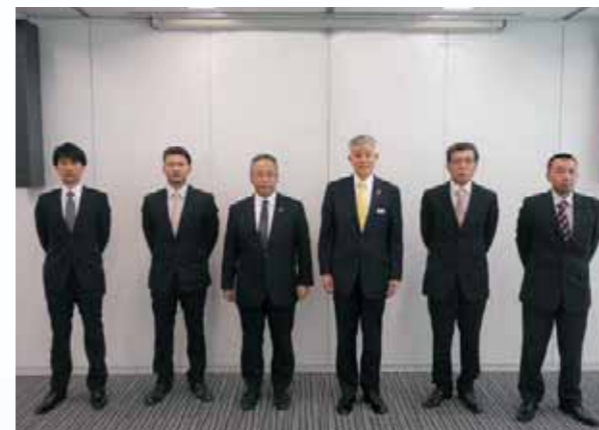
Within the program, financial aid for high-level certifications is given to test candidates to offset the associated costs and financial incentives are paid to Meisters and Excellent Foremen for the work they do at job sites of ours, as a way of developing more Excellent Foremen and High-Level Foremen, in addition to Meisters. In July 2021, certifications were awarded to 51 persons from 32 companies and cash rewards were given to 131 Meisters and Excellent Foremen.

#### Recognizing Meisters

In December 2020, of the foremen working on Dai-Dan job sites, 766 were selected as High-Level Foremen and 19 as Excellent Foremen. Those who were evaluated highest, a total of 6 individuals, were recognized as Meisters.

The annual Meister Awards Ceremony was canceled due to the pandemic, but the certification was conferred at the respective offices.

We currently have a total of 40 certified Meisters: 10 electrical workers, 18 plumbers, 7 duct installers, 3 refrigerant pipers, and 2 insulation workers.



Conferring Meister certification at Nagoya Branch Office

#### Dai-Dan’s network of subcontractors

In the building installation services industry, the availability of human resources varies greatly from region to region, to the degree that labor pools can be considered unstable. Moreover, many of the available workers are getting older and retiring, which is making the labor shortage even worse. In order to maintain flexibility in our installation schedules under these circumstances, we built a nationwide network of subcontractors that extends beyond the purview of individual offices and allows us to dispatch human resources from around the country to offices where labor shortages are anticipated. In such ways we are actively ensuring we have an installation framework in place that allows us to deal with increases in work.

We are further expanding this network to ensure every job site has the workers it needs and, by promoting interaction between subcontractors, we are creating in the process more opportunities for subcontractors to improve their skills. Moreover, the network helps us to safely provide customers with high quality building systems.

### VOICE

#### Comment from a Meister



Haruo Kumada  
ECR Ltd.

I would like to express my sincere thanks for being recognized with the title of Dai-Dan Meister in the FY2020 program. At the same time, I feel the weight of the responsibility that has been placed upon me.

The Tohoku area, where I’m based, has been striving every day to dig itself out from under the mountains of rubble, which were all that was left after the 2011 Great East Japan Earthquake a decade ago, and rebuild. This lesson has taught me that we installation providers have a role and an importance that are indispensable in people’s lives and once more I’ve become aware of the intimate relationship we have with our local areas. Through this, construction sites have, on a daily basis, evolved at breakneck speed as the times have changed. People demand higher-level process management, quality management, installation management, and safety management—better results, faster and more accurately. Our line of work is always evolving with new equipment, new materials, high-performance tools, and new ways of doing things. As such we need to understand new technologies and carry out superior job-site tasks more efficiently. With the awareness that comes from being a Dai-Dan Meister, I will be working every day to ensure that installation projects are carried out to a high level and with exacting safety management.

# Valuing Our Employees

Respect for everyone,  
support for work-life balance.



## Work-Life Balance and the Work Environment

### Approach to human resource development

Based on the concept that people are our biggest asset, we foster a corporate culture that promotes human resource development. Our aim is to develop the knowledge, techniques, and other capabilities needed to achieve our corporate goals, and the fundamental policy of our human resource development is to instruct and train sincere, talented workers for the construction industry. Our training is made up of three parts: on-the-job training (OJT), off-the-job training (OFFJT), and self-development (SD).

### Approach to environmental maintenance

Our goal is a working environment defined by ease-of-use and good health where every employee can demonstrate their full potential. Through reform to work styles, we will achieve a better work-life balance and appropriate labor environment. Our fundamental approach is also to respect the diversity of our employees, employ workers to match their abilities, develop their capabilities, and improve the system to offer them fair opportunities for advancement.

### Initiatives to reform work styles

In September 2017, we established a committee, which pushed forward our systemic changes towards reforming work styles until March 2021.

Major changes made:

- Extension of retirement and post-retirement working age
- Improvements to how non-regular employees are treated
- Introduction of a “Between Jobs Holiday” system to correct practice of working long hours

The committee also developed regulations, etc., related to the above.

To further promote reforms to work styles from April 2021 onwards, we established a new committee, the Work-Life Balance Improvement Committee. Overseen by the Board of Directors, the committee is mainly promoting shorter working hours, a better childcare and family care system, and increased female participation. The committee is leading the push for developing a working environment where, through diverse work styles and opportunities for active participation, employees are able to lead healthy, rich lives. In particular, to adapt to the new normal of the pandemic world, the focus is on work styles with the following measures being implemented.

- Fixing in place of teleworking by formulating a set of regulations for working from home
- Establishment of satellite offices across Japan

### Health & Productivity Management Recognized by METI in 2021

Continuing on from our being recognized as an Outstanding Health & Productivity Management Organization (large enterprise category) in fiscal 2020, we were once again recognized in 2021.

Since we formed Health Promotion Committees on the corporate and divisional levels, we have been working with the company's group-managed health insurer to encourage healthy, safe workplaces. Now, to expand the scope of the corporate-level committee, we will promote further measures under its new title of Well-Being Promotion Committee. The company is responsible for its employees' health, and so to further develop the company, we aim to keep in mind our contribution to the society of the future, increase the percentage of employees who get personal health issues checked and provide health education. Going further, we will promote original health and welfare-based business activities within the company, improve how we perform in health scoring reports, and keep implementing activities that allow us to acquire recognition as a Safety and Health Superior Enterprise. Through these and other efforts, we aim to create an environment that ensures that employees not only do not get ill, but that they have the motivation to energetically take on their jobs.



### Employees are hard at work, demonstrating their personality and abilities

Even as society diversifies, we are developing working environments where employees can show off their individual personalities and capabilities, regardless of their gender, age, nationality, or other characteristics. On June 1, 2018, Dai-Dan was awarded the “Eruboshi” mark with two stars for its exemplary record as a woman-friendly workplace under a certification program based on the Act on



Promotion of Women's Participation and Advancement in the Workplace (APWPAW). More recently, in April 2021, we formulated a new action plan based on the APWPAW. We are implementing a wide range of initiatives aimed at ensuring employees have a healthy work-life balance, as seen through such trends as the rise in both women and men taking childcare leave these days.

### Leave system

Dai-Dan offers its employees a variety of leave options so that they can refresh themselves and lead rewarding lives. This includes a structured holiday system with the five paid holidays a year mandated by the Labor Standards Act such as three additional days-off in August separate of summer break. Employees are allowed to take seven days off in a row, but must schedule these holidays at the beginning of the fiscal year so that holidays are taken in turn. Moreover, persons who have been with the company for a long time are rewarded with travel coupons for their years of service, in addition to receiving allotted holidays.

#### Major leave systems (excluding statutory paid annual leave)

Type of holiday	Details
Summer holiday	3 consecutive days in summer (July – Sep)
Refresh leave	Within 7 consecutive days (annual)
Long service leave	10 years: 3 days 20 years: 5 days 30 years: 7 days 40 years: 5 days
Congratulatory or condolence leave	Predetermined number of days for occasions such as weddings

#### “Refresh leave” take-up rate

Fiscal year	Rate
FY2018	96.8%
FY2019	95.2%
FY2020	98.6%

\* In fiscal 2019, the corporate leave system was changed so that contracted workers and part-time employees could take time-off to refresh themselves like regular employees.

### Supporting the balance between work and home

By creating an environment in which all employees can work with ease and employees can balance work with childcare, we are working towards our next goal by devising an action plan in line with the “Act on Advancement of Measures to Support Raising Next-Generation Children” so that all employees can exercise their abilities to the full.

#### Action Plan

(April 1, 2020–March 31, 2025)

**Target 1 To improve the workplace environment to ensure that childcare leave is easy to take and the staff easy to return**

〈Action〉

- While the plan is in effect, Dai-Dan will use corporate bulletin boards and other information tools to inform employees about childcare leave and restrictions on overtime and late night work under the Childcare and Family Care Leave Act, paid childcare leave under the Employment Insurance Act, and maternity leave under the Labor Standards Act.

**Target 2 To increase the number of men employees taking childcare leave to at least 7%**

〈Action〉

- Dai-Dan will introduce a program that makes it easier for men to take childcare leave and effectively increases the number that do during the plan period.

**Target 3 To introduce work options that offer greater flexibility to the way people work**

〈Action〉

- Dai-Dan will expand its exceptions on irregular working hours and shortened work schedules, introduce teleworking as a regular work option, and take other action during the plan period to ensure employees have time to care of children.

### Initiatives to address mental health issues

At Dai-Dan, we educate our workforce about mental health so that they remain mentally fit and feel comfortable in their workplace environment. We also conduct annual stress tests as required under the Industrial Safety and Health Act and recommend to anyone with a high stress level to see a physician. Moreover, follow-up interviews are done after the stress tests, as part of providing a good workplace environment. As well as stress tests, we carry out employee satisfaction surveys to quantify and visualize employee motivation.

Fiscal year	Employee satisfaction (4 being the highest)
FY2019	2.52
FY2020	2.54

### Employee training

Employee training at Dai-Dan begins with our program for new recruits and continues with specialized level-based training as employees develop their careers.

Our training program for new recruits (introductory and basic engineering) gives incoming employees a general understanding of electric, air conditioning, and plumbing equipment and systems. They also have chances to see the hardware up-close through facility tours and prepare design or installation blueprints. We combine these types of training with the goal of having employees gain the fundamental technical knowledge they need to perform their tasks. The rest of our training system features multifaceted content that is geared to the level of experience and skill of the individual and we have an environment in place where anyone, regardless of age or position, can continue to learn. At Dai-Dan, we view human resource development as a business priority because training passes on knowledge and skills that are instrumental to personal growth.

### Sound relationship between labor and management

The Dai-Dan Labor Union was established in 1973 and in August 2021 entered its 48th year. During that time, the union has been active pushing for better working conditions and working environments. Dai-Dan holds periodic discussions with the union, which enables active dialogue and builds and maintains relationships between labor and management.

# Partnering with Hosting Communities

We undertake a variety of initiatives to make contributions to the industry and community in our position as a responsible corporate citizen.



## COVID-19 measures

Dai-Dan's corporate response to the COVID-19 outbreak for all officers and employees follows the "new lifestyle norms" announced by a governmental panel of experts. The company laid out a basic policy of lowering the risk of contagion while steadfastly continuing business activities. Features of the basic policy include the following.

- Having employees work from home or at satellite office to reduce office attendance
- Staggering office shifts to avoid congested public transportation
- Ensuring employees avoid the Three Cs (Closed spaces, Crowded places, and Close-contact settings)

For employees who work from home, Dai-Dan has formulated a set of regulations as well as providing a computer and networking gear needed to stay connected, and has taken all due security precautions.

At the Technical Research Laboratory, we have been producing hypochlorous acid solution and distributing it to hospitals, local governments, and other bodies, and we are playing our part in preventing the spread of the disease.

## Signing of the Disaster Prevention Agreement (Cooperation with local communities)

Dai-Dan has, through its industrial associations, signed a Disaster Prevention Agreement with local governments concerning post-disaster emergency activities. We have also entered into agreements directly with some municipalities and industry organizations, and have established a system that allows for the swift provision of post-disaster emergency assistance.

We aim to assist with the swift recovery of the local community and local businesses by proactively participating in reconstruction efforts of the affected region.

## Assistance through the Dai-Dan Society Activity Fund

In April 1993, as part of our social contribution activities for our 90th anniversary, the Dai-Dan Society Activity Fund was established in the Osaka Community Foundation. From returns on fund assets, we support social welfare enhancement activities especially for persons with physical disabilities, including human rights education.

## Dissemination of technical information to external parties

In order to contribute to the development of Japan's building services industry, Dai-Dan supports the running of academic conferences and dispatches lecturers to external organizations. In particular, Dai-Dan's engineers are dispatched to external training centers and educational institutions across Japan as lecturers to provide classes on building service technologies.

### External organization memberships and positions (as of September 2021)

Organization	Position
The Society of Heating, Air-Conditioning and Sanitary Engineers of Japan	General Director
Institute of Electrical Installation Engineers of Japan	General Director
Air-conditioning & Plumbing Contractors Associations of Japan	Vice Chairman
Japan Electrical Construction Association	Advisory committee member
Association of Japan Instrumentation Industry	Administration council member
Japanese Association of Building Mechanical and Electrical Engineers	General Director
Association of Building Engineering and Equipment	General Director
Japan Architecture Facilities Inspection Association	General Director
Japan Electrical Engineer Association	Vice Chairman
Institute for Building Environment and Energy Conservation	General Director

### Organizations to which Dai-Dan employees are dispatched as lecturers

Organization	Position
Kanto Gakuin University	Part-time lecturer
Kogakuin University	Part-time lecturer
Toyo University	Part-time lecturer
Osaka Piping Higher Training School	Lecturer

### Publication of the DAI-DAN Technical Current News

With the objective of publicizing the technology we develop and our research initiatives, we publish the DAI-DAN Technical Current News every September. The publication gives comprehensive explanations of experiments, assessment methods and analysis results using charts and images.

The 115th edition was published in September 2021. Copies of these publications are donated to the National Diet Library.



#### Articles

- Planning for enefice Hokkaido, the new Hokkaido Branch Office
- Functions of biophilic design
- Visualizing office indoor environments
- Airborne particles and different types of air conditioning
- Highly controllable evaporative humidifier
- Anti-corrosion measures for bronze piping used with well water for heat converters
- Anti-infection technologies at medical facilities
- Local cleaning systems for cell culture robots
- 3D recording technologies that use 360° cameras

## Charity with Love—Food Goodies Bag Program 2020

On November 21, 2020, the Dai-Dan Singapore Branch organized a food drive for Fei Yue Community Services. For the event, branch staff and volunteers from cooperating companies collected donations and distributed bags of food to low-income households (408 households in 4 HDB buildings).



## Donations

Dai-Dan contributes financial support for various causes to help create and build a better community.

Our contributions include donations to organizations that protect the global environment, donations to university scholarship funds and art-related activities, and the sponsoring of community events in areas across the country where our sites are based. For a decade now, we have now continued to donate to the areas affected by the 2011 Great East Japan Earthquake—Miyagi, Iwate, and Fukushima prefectures—to support children orphaned by the disaster. We are also contributing to society by buying equipment to be used by medical agencies to fight COVID-19, and by supporting students who are finding it difficult to continue in their studies.

## Social contribution activities

Dai-Dan promotes social contribution activities. Our major activities are clean-up of the local community, which we encourage all employees to participate in. All the activities we run are published on the intranet notice board to raise awareness of social contribution activities.

### Forest maintenance, tree planting, and flower planting

Sites	Activity
Chiba Branch	Town Open Garden Operation
Technical Construction Division Engineering Division Innovation Division	Miyoshi Green Support Squad

### Other activities

Activity	Details
Traffic Safety Guard Activity	We posted traffic safety guards. (Tokyo Head Office and Nagoya Branch)
Nichiban Core Eco Project	We participated in Nichiban Core Eco Project involving "Collection of discarded tape cores to protect the green earth." The funds are used to plant mangrove trees. (Chugoku Branch, Kyushu Branch and Innovation Division)
Donation of emergency reserves	We donated food and drink we no longer needed due to switching out emergency supplies to charity groups. The donated items were then distributed to welfare institutions and organizations and to individual people in need. (Tokyo Head Office, Nagoya Branch, and Chugoku Branch)
Shinano River cleaning operations	We participated in activities to give the Shinano River a deep clean that were organized by the city of Niigata. (Niigata Branch)

### Company-wide activities

Activity	Details
Eco-cap Project	In fiscal 2020 we collected 30,152 caps, used as a source for reprocessed plastic that is converted to money and donated to causes that provide medical support, vaccines, assistance for people with disabilities, and children's environmental education.
Charity Calendar	In fiscal 2020, we collected calendars and notebooks from across the country and put them to use in support activities after regional disasters such as the heavy rain damage in the west of Japan.
Japan Deaf Football Association	Dai-Dan has a Silver Sponsorship agreement with the Japan Deaf Football Association (JDFA) in support of their vision and activities for realizing a true society where the hearing impaired and those not can play soccer/futsal together.



Miyoshi Green Support Squad



Participants from the Traffic Safety Guard Activity



Training wear for the Japanese national team bearing the Dai-Dan logo (Dai-Dan is a JDFA Silver Sponsor.)



# Fair and Transparent Business Practices

In order to ensure the sustainable creation of corporate value, we seek to improve and strengthen our corporate governance system in a sustainable manner.



## Corporate Governance

### Our approach to corporate governance

As a building services engineering and installation provider, we are committed to the management principles of always taking on the challenge of creating value for our customers while contributing to the development of a better environment and stronger communities. In justifying the trust placed in us by all stakeholders including shareholders, customers, business partners, employees, and local communities, we remain focused on continuously enhancing our corporate governance in order to maintain effective management practices.

Our basic policy on corporate governance is as follows.

- Ensure the rights and equality of shareholders
- To ensure transparency, fairness, speed, and decisive decision making, the Board of Directors will carry out its functions appropriately and efficiently
- Endeavor to disclose information appropriately and hold constructive dialogues with shareholders
- Work appropriately with stakeholders other than shareholders

### Dai-Dan's Corporate Governance Guidelines

We have established the Dai-Dan Corporate Governance Guidelines, a policy that systematically expresses our views concerning such matters as the protection of shareholders' rights, running the Board of Directors, dialogue with shareholders, and issues relating to social and environmental problems and other sustainability issues. We will continue taking measures to strengthen and improve corporate governance to make it more effective.

### Our corporate governance system

The objective of Dai-Dan's corporate governance system is to ensure appropriate and efficient management by maintaining discrete decision-making, oversight, and administrative functions, thereby enabling swift and appropriate deliberation and implementation of decisions. We adopted a corporate auditor system and effectively utilizes the following managerial structure.

#### Board of Directors

The Board of Directors comprises nine directors, three of which are external directors. It convenes monthly and holds special meetings as necessary. In addition to overseeing business operations, the board deliberates on important matters related to corporate management, including subjects discussed in Executive Committee meetings. The articles of incorporation of Dai-Dan provide that the Board of Directors should consist of 12 people or less.

#### Board of Auditors

The Board of Auditors comprises four auditors, two of which are external auditors. It is headed by one of the standing (or external) auditors who is elected by the other auditors. As a rule, the Board of Auditors meets once a month and otherwise whenever necessary. The Board of Auditors discusses and decides on important matters related to auditing such as auditing policy, audit plans and who actually conducts audits.

#### Executive Committee

The Executive Committee meets whenever necessary and consists of the representative directors and directors, auditors and officers elected by the Board of Directors. Members discuss and determine a broad range of important matters concerning Dai-Dan and its group subsidiaries like business policy, management strategies and business in general. They also provide advice for making decisions and, whenever necessary, go before the Board of Directors.

#### Corporate Officers' Committee

As a rule, the Corporate Officers' Committee meets once every three months. When meetings are convened, they examine, discuss and verify the state of execution of the corporate officers' business operations. Corporate officers also explain and report on selected themes, and discuss and explore new trouble spots and issues.

#### General Managers' Meeting

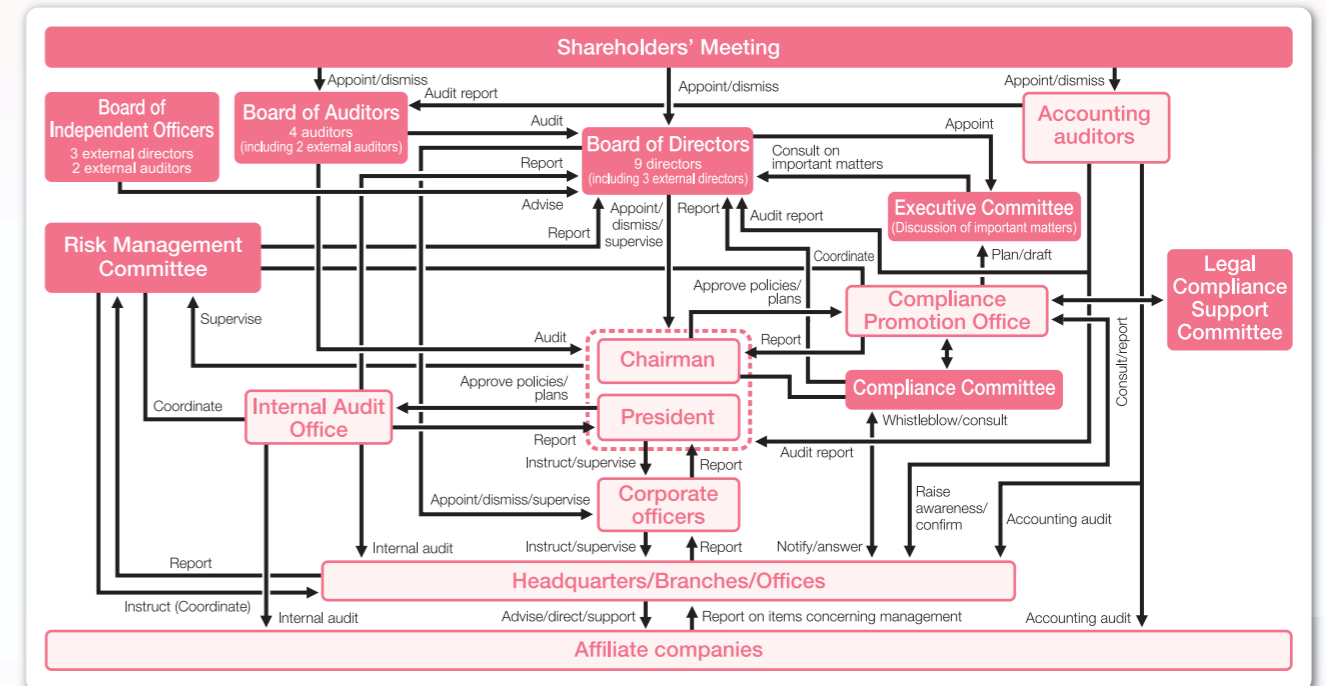
General managers meet once a month to make sure operations across the company are executed in similar fashion. At their meetings, they convey decisions by the Board of Directors and explain management policies and actions, while parallel to that, verifying the progress made by divisions and business sites, and discussing and promptly resolving problems.

#### Board of Independent Officers

Composed of three outside directors and two outside auditors, the Board of Independent Officers meets once a month or as needed to share information and exchange opinions (including exchanges with the representative directors). More importantly, they analyze the performance of the Board of Directors via a self-evaluation survey, extract issues and report those results to the Board of Directors, and propose improvements on how the Board of Directors and Executive Committee operate.

They also provide advice on rules governing the selection of representative directors, remuneration for directors and corporate officers, and the payment of performance-based bonuses.

### Corporate governance system (as of September 2021)



### Internal control system

We have developed an internal control system that focuses on the improvement of internal rules. This is intended to ensure compliance across our entire company and subsidiaries and includes the execution of tasks by directors in compliance with laws and the articles of incorporation as well as appropriate performance of all tasks. In addition, we confirm the operational status of the company's internal control system each fiscal year and report our findings to our Board of Directors while continuing to revise and improve this system in order to improve efficiency and legal compliance.

### Internal control system for financial reporting

In April 2008, we implemented an internal control system for financial reporting under the Financial Instruments and Exchange Act. The Internal Audit Office under the president examines and assesses the effectiveness of the system.

The fiscal 2020 assessment concluded that, as of the end of fiscal 2020, our internal control system for financial reporting is effective. An independent auditor also provided a similar opinion.

# Compliance (Legal Compliance and Corporate Ethics)

## Dai-Dan Group Action Standards

We have developed 5 Action Principles and 14 Action Standards to guide our group's officers' and employees' compliance with laws and regulations and support their demonstration of good social conscience. The Action Principles summarize the concepts to be kept top of mind during the performance of day-to-day tasks.

**Excerpt from our Dai-Dan Group Action Standards** Our Action Standards serve as practical guidelines to the Action Principles on which they are based.

### Action Principles

1. Observe laws and social norms and conduct business activities in a sensible manner.
2. Participate in the building of a society that can sustain its development.
3. Respect the fundamental human rights of all.
4. Maintain a fair and transparent relationship with stakeholders.
5. Recognize our place in society and strive to contribute to the emergence of a better society.

### Action Standards

1. Maintain positive relationships with customers and users
2. Ensure safety and quality
3. Ensure fair and open competition
4. Engage in ethical business transactions
5. Fairly disclose corporate information
6. Ethically manage critical information
7. Protect and respect intellectual property rights
8. Improve working conditions and work environments
9. Respect human rights and individuality
10. Address environmental issues
11. Practice proper accounting and tax payment
12. Maintain sound relationships with politicians and the government
13. Eliminate any dealings with antisocial forces
14. Avoid engaging in self-serving actions

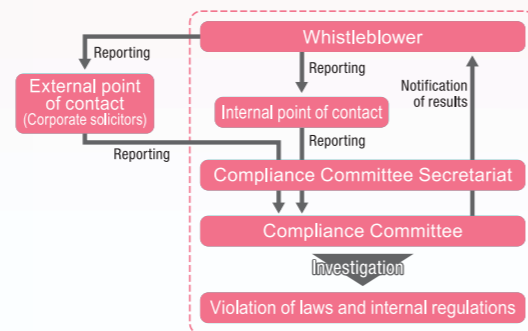
## The whistleblowing and consultation system

Dai-Dan has established an internal whistleblowing and consultation body for the purpose of swiftly identifying issues in the workplace, which are otherwise difficult to identify (behavior or actions that contravene laws, internal regulations or social ethics). We have implemented this by establishing a reporting route independent from the operational chain of command.

The body is staffed by female as well as male representatives, and has been developed to make it even easier for whistleblowers or seeking counseling. Since April this year, the whistleblowing and consultation body has been extended to also cover officers and employees from group companies and we developed a similar whistleblowing body responsible for the whole group so that they too can easily access consultations.

Anyone that reports an event is guaranteed by the Corporate Code of Ethics that they will not be subjected to any unfair treatment for legitimate whistleblowing. Reports can also be submitted anonymously to ensure the privacy of the whistleblower.

## Internal whistleblowing and consultation flowchart



Events can be reported to either the Compliance Committee Secretariat or female staff who serve as an internal point of contact.

### Compliance Committee

The Compliance Committee was established to ensure compliance with laws and internal regulations, and to strengthen fair and ethical company operations with strong compliance. The committee is chaired by the chairman, and is responsible for boosting officers' and employees' compliance awareness, receiving and investigating reports of violations, and developing preventive measures. During fiscal 2020, the committee met on four occasions.

## A system to ensure thorough, fair and appropriate business operations

Dai-Dan has strengthened its compliance promotion system with the recognition that "managing the company in conformity with the spirit of compliance" is part of our management foundation. We continue to improve awareness of compliance while ensuring thorough business operations in accordance with relevant laws and regulations.

### Compliance Promotion Office

In April 2021, in order to further promote compliance and to strengthen our monitoring functions, we reorganized the Compliance Office as the Compliance Promotion Office. The Compliance Promotion Office collaborates with the Compliance Committee in planning, drafting, and implementation to help ensure that our business activities comply with the Antimonopoly Act and other relevant laws and regulations. This office cooperates with the Internal Audit Office and continues to monitor compliance activities in our offices.

### Legal Compliance Support Committee

The Legal Compliance Support Committee is a professional organization supporting the Compliance Promotion Office. The Committee is composed of external experts and provides expert advice applicable to the initiatives carried out by the Compliance Promotion Office. It also holds seminars on legal compliance and conducts awareness-raising activities for all our offices.

# Risk Management

## Risk management policy and system

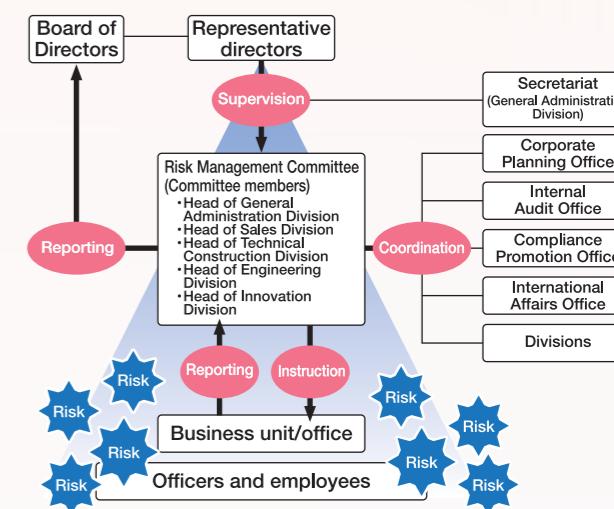
In order to continue providing value for years to come, we have built a risk management system to prevent risks from unexpectedly emerging and to minimize the likelihood of risks that do emerge coming about. We have established a Risk Management Policy to guide us in the best direction for managing all of the risks we face.

We have also added a Risk Management Committee as per our Risk Management Rules. On a regular basis, this committee discusses matters related to risk management and reports those matters to the Board of Directors.

Where a crisis does occur, we form a task force as outlined in the aforementioned rules as part of our crisis control framework to minimize damage or loss. As well as receiving reports, the Board of Directors' role is to maintain and oversee this risk management system.

Additionally, in order to heighten risk perception and make our organization healthier, we periodically train all employees in risk sensitivity.

## Risk management system



## Primary risks and countermeasures

Risk	Description	Countermeasures
Information leak	Unauthorized use or external leak of information, shutdown or malfunction of information systems, etc.	Publish a "Security Handbook," etc. Impart training in information security.
Human resource related	Unattained hiring plans, loss of human resources, drop in morale, etc.	Promote work style reforms. Conduct stress tests.
Legal	Legal compliance, anti-corruption efforts, contracts, responding to changes in regulatory systems	Impart compliance training. Use the whistleblowing system.
Natural disasters	Typhoons, river flooding, earthquakes and other natural disasters	Craft a BCM. Introduce a safety check system.
Work related	Safety, degraded quality of installed systems, etc.	Craft a safety and health management plan. Conduct job-site patrols.
Trust	Credit recipient in financial difficulty, non-performance on contract obligations, etc.	Take action to manage credit as appropriate. Seek an objective assessment from an outside institution.

## Initiatives to strengthen information security

As we introduce increasing numbers of cloud services to our internal systems, we are putting in place cloud security services and strengthening our information security. There are also Information System User's Guidelines, available to officers and employees on the corporate intranet, which provide cautions regarding the use of electronic equipment in everyday work.

Information security training is conducted via e-learning, and drills are conducted on how to handle targeted e-mail attacks to increase information security awareness and prevent the occurrence of accidents such as information leaks.

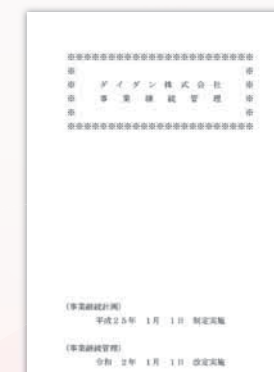
Moreover, for the purpose of strengthening information security at job sites, we established Network Building Guidelines for Job Sites and Information Security Guidelines for Job Sites, and make sure that countermeasures are implemented in line therewith. We also offer training in information security to job-site personnel.

Implementation	Date
e-learning	March 2021
Drill on how to handle targeted e-mail attacks	August 2021

## From Business Continuity Plan to Business Continuity Management

Because of the recent slew of large-scale natural disasters and accidents around the world, we rebuilt our Business Continuity Plan (BCP) to function more effectively should the call arise, by replacing the education- and drills-based approach to preparedness with PDCA mechanisms that repeatedly pursue improvements, thus allowing us to wield the plan more like a Business Continuity Management (BCM) tool.

In November last year, we reviewed our manual for how task force action standards and operations are set, and we also compiled a checklist for restoring normal operations. The checklist brings together a timeline of what to do first when a disaster occurs and a continuity plan for head office tasks considered particularly urgent for business continuity. We created more specific tools like the checklist for the manual and included information that would be effective should something happen.

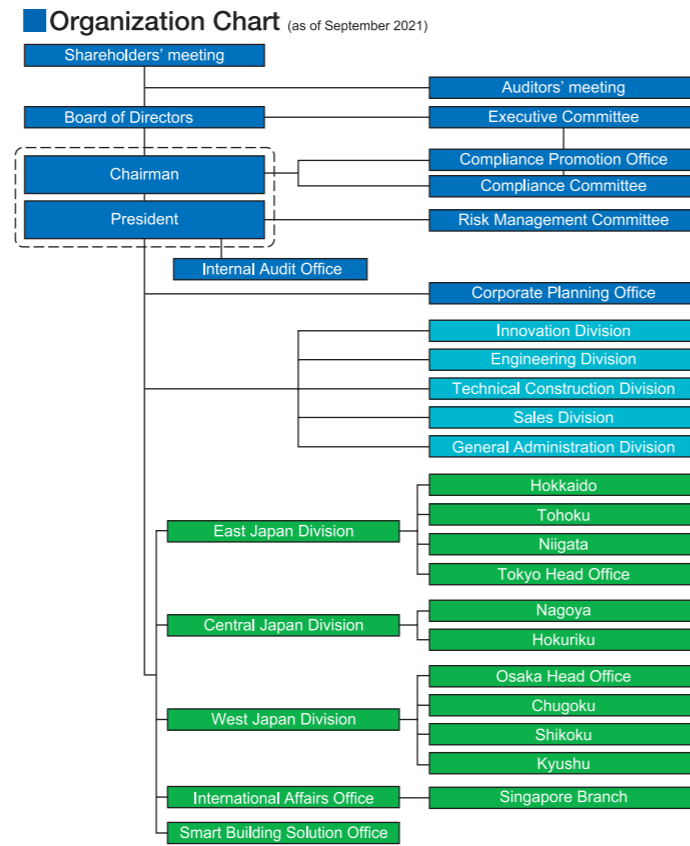


Cover page of our BCM manual

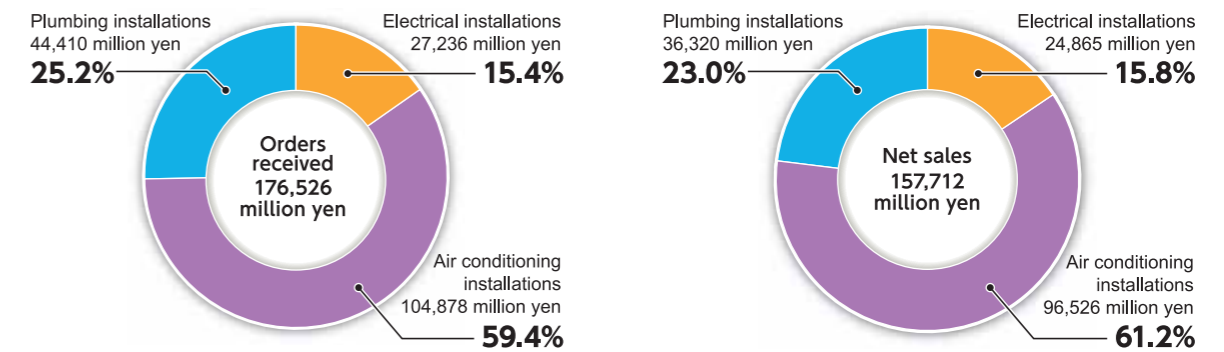
# Dai-Dan's Businesses

## Corporate Profile

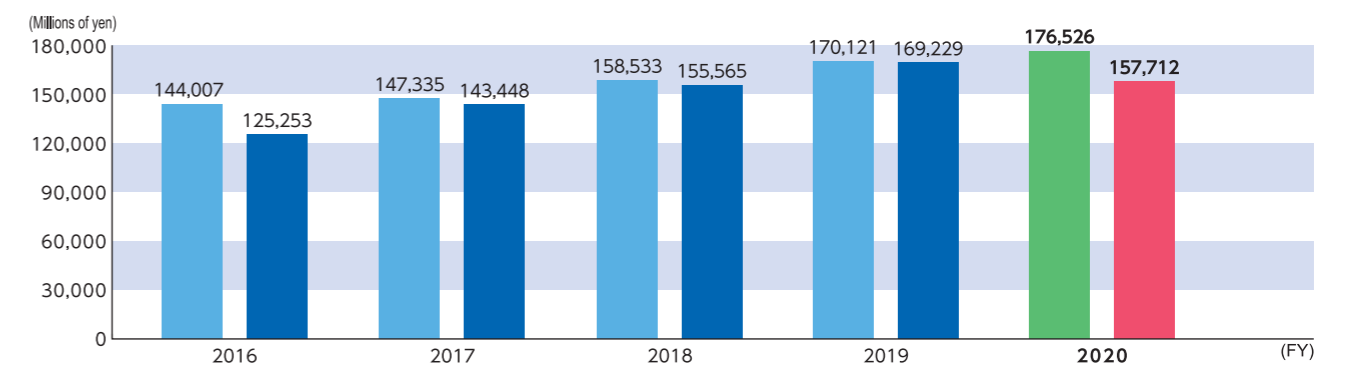
Company name	DAI-DAN CO., LTD.
Head office	1-9-25 Edobori, Nishi-ku, Osaka, Japan
Founded	March 4, 1903
Incorporated	October 10, 1933
Capital fund	4,479,725,988 yen
Employees	1,721 (as of June 30, 2021) consolidated
Stock listing	The first section of Tokyo Stock Exchange



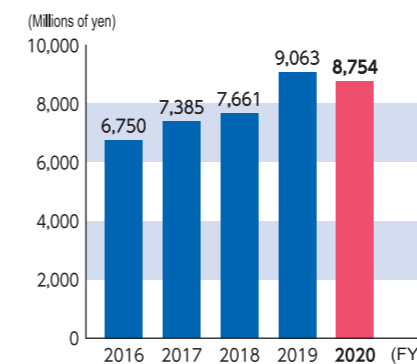
## Fiscal 2020 Orders Received and Net Sales Ratios by Segment



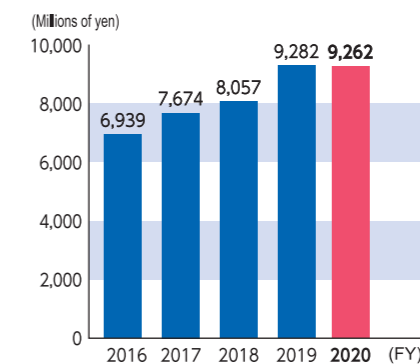
## Orders Received/Net Sales



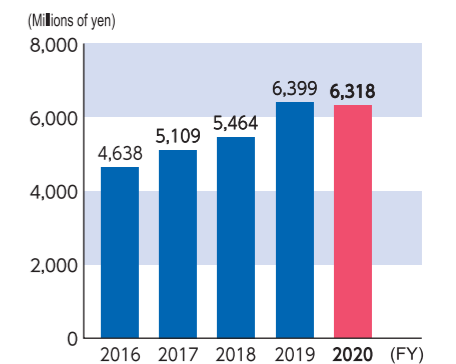
## Operating Income



## Ordinary Income



## Net Income



## Financial Highlights (Consolidated)

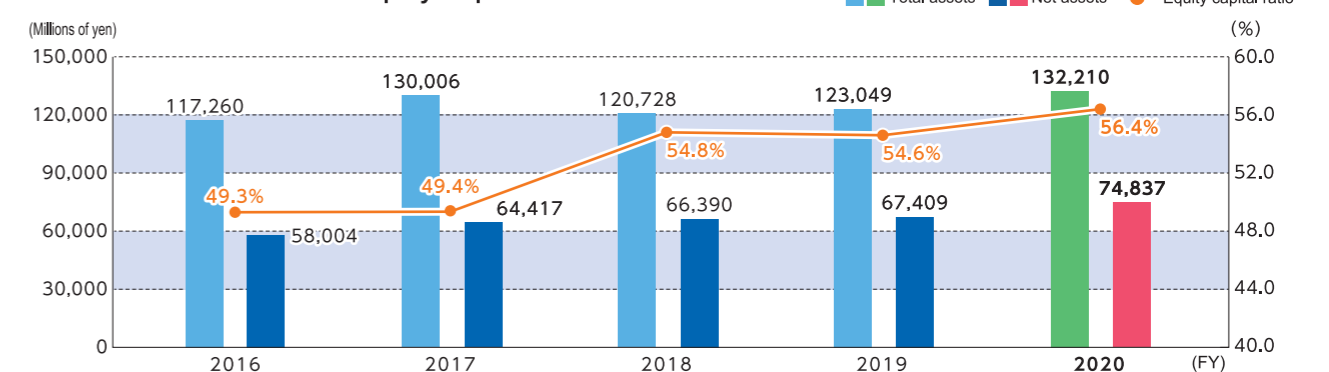
### Accounting Year

	FY2016	FY2017	FY2018	FY2019	FY2020
Orders received	144,007	147,335	158,533	170,121	176,526
Net sales	125,253	143,448	155,565	169,229	157,712
Selling, general and administrative expenses	11,038	11,400	11,450	11,993	12,767
Operating income (loss)	6,750	7,385	7,661	9,063	8,754
Ordinary income (loss)	6,939	7,674	8,057	9,282	9,262
Net income (loss)	4,638	5,109	5,464	6,399	6,318
Return on assets (ROA) (%)	5.8	6.2	6.4	7.6	7.3
Return on equity (ROE) (%)	8.3	8.4	8.4	9.6	8.9
Cash flows from operating activities	5,395	3,320	(13,541)	12,742	14,241
Cash flows from investing activities	(1,442)	(315)	(232)	(636)	(718)
Cash flows from financing activities	(925)	(1,711)	(1,317)	(3,240)	(3,487)
Cash and equivalents at end of period	26,549	27,858	12,776	21,616	31,747

### Fiscal Year-End

	FY2016	FY2017	FY2018	FY2019	FY2020
Total assets	117,260	130,006	120,728	123,049	132,210
Net assets	58,004	64,417	66,390	67,409	74,837
Equity capital ratio (%)	49.3	49.4	54.8	54.6	56.4

## Total Assets/Net Assets/Equity Capital Ratio



## Third Party Opinion

These opinions were written in line with the Corporate Social Responsibility Guidelines published by the Japan Federation of Bar Associations (JFBA) and prepared with the help of attorneys (Motohiro Shibuya, Satoko Ochi and Koji Busujima) who are members of the Kinki Branch of the JFBA. This section presents opinions of this report that were formulated after posing questions and conducting interviews as to the content of Dai-Dan's activities, including in respect to the prominence of SDGs and ESG management, revisions to corporate governance policies, and reviewing and evaluating the responses.

This report details Dai-Dan's SDG- and ESG-related initiatives, dialogue with the top management, how the company sets appropriate key issues, and its progress in tackling them. This, and other information, is included in a form and lay out that is easy to understand for stakeholders. As we explain in the opinions detailed below, we were also able to praise Dai-Dan highly for the report's contents, too.



**Masatoshi Ohara**  
Attorney, Licensed to practice in New York State (USA)  
Former Deputy Chairman, Japan Federation of Bar Associations  
Former Chairman, Osaka Bar Association  
General Director, Japan CSR Promotion Association; Director, Kinki Branch

### Initiatives related to environmental preservation

In regards to the environment, as the newly created materiality mapping shows, Dai-Dan has positioned initiatives to tackle environmental issues—such as contributing to a carbon-free society—as its most important issue, and the featured interview with President Fujisawa brings up the contribution Dai-Dan is making through its operations and ZEBs with the environment as a material issue and its first priority. The company's approach of proactively tackling the environmental issues that are inherent in today's society can be highly commended. In particular, through interviews we were able to confirm that the ZEB accomplishments in the company's own offices and the active efforts the company is making to inform the public about ZEBs. We have even higher expectations for Dai-Dan's continued promotion to spread the concept.

When we asked about the company's new business that will contribute to reducing waste, its air filter regeneration services, we discovered that the services are being employed by semiconductor manufacturing companies and that the repeat business rate is 100%. That semiconductor manufacturing companies, which have exacting standards because of the difficulty of ensuring clean environments in their clean rooms and other manufacturing spaces, are repeat customers is a clear indication of the same level of effectiveness as new air filters. I, too, hope to see this business, and its contribution to waste reduction, go from strength to strength.

Dai-Dan meticulously monitors and analyzes information reported here on Dai-Dan's fiscal 2020 environmental targets and the results of its activities according to its environmental management system. For instance, while this year's Scope 2 (indirect) emissions exceeded those of the previous year, each year Dai-Dan monitors emissions from its offices and job sites separately and so was able to prudently and appropriately ascertain the causes and results, such as that office emissions, which had previously been on a downward trend, rose in fiscal 2020 due to the impact of COVID-19.

Additionally, as a part of their social contribution activities, Dai-Dan continued efforts around their business sites this fiscal year such as cleanups, forest management activities and planting trees and flowers. Its efforts to clean up the Shinano River were particularly tied to regenerating and restoring the environment, and as a new environmental initiative is extremely admirable. During interviews with the third-party panel, we heard of other projects that are leading to further environmental restoration that are going on within Dai-Dan. Future social contribution activities are likely to become even more beneficial.

### Initiatives related to work-life balance and improving the work environment

On the subject of Dai-Dan's work safety and health activities, while the frequency of work-related accidents and the severity rate have decreased since the previous fiscal year, the company has set even more stringent targets than previously for fiscal 2021. That the company is continuing to go ever further in its efforts to reduce work-related accidents is praiseworthy. In regards to reducing overly long working hours, Dai-Dan forecasts being to apply an upper limit on hours worked outside scheduled hours in the construction industry from April 2024, and is currently gradually reducing the maximum annual amount of such work through 36 separate agreements—again, highly commendable. However, we believe that further efforts are needed to reduce hours even more from diversified perspectives such as by raising the efficiency of work tasks by promoting DX. As such, we eagerly await the results of Dai-Dan's investment in DX promotion in their Mid-Term Management Plan.

Dai-Dan also deserves praise for its efforts to do with work-life balances and employee working conditions. Dai-Dan has not only changed its systems in response to the government's Action Plan for the

Realization of Work Style Reform, it has continued to implement initiatives under its Work-Life Balance Improvement Committee. Since last year, Dai-Dan has set up five satellite offices around Japan to respond to pandemic conditions and established regulations for working from home. The percentage of employees that are teleworking is excellent and we hope the company will look more specifically at work styles with a focus on the post-COVID-19 world.

For leave, Dai-Dan has been making developments on the system front, and has improved, and then maintained, an admirably high standard for its leave uptake rate. The uptake rate by male employees of childcare leave, previously an issue, has also increased gradually but with the government's revisions to the Child Care and Family Care Leave Law, there are calls for it to be raised even higher. We have high hopes that Dai-Dan will set itself even more challenging targets and work to achieve those.

### Initiatives related to corporate governance and legal compliance

In terms of corporate governance, Dai-Dan has reviewed the regulations on how it manages affiliate companies and is striving to further strengthen group governance. They have also appointed a female outside director, and are making efforts to ensure employee diversity, including by encouraging female participation. That is laudable. We anticipate that Dai-Dan will be able to use the opportunity this presents to ensure greater diversity in its human resource development, and turn it into a strength the company can use to achieve sustainable growth. When it comes to decision-making for important matters, such as appointing a president or changing executive compensation rules, Dai-Dan is working hard to ensure its transparency and fairness by specifically taking on opinions expressed by the Board of Independent Officers, which is composed of outside directors and auditors.

On the compliance front, the company formulated the Dai-Dan Group Action Standards and is endeavoring to foster uniform awareness of compliance throughout the group companies. At the same time, Dai-Dan has been expanding its consultation framework to promote the use of its whistleblowing body throughout all group companies. We hope that the next step will be to apply what they have learned to an external whistleblowing body that is more objective and neutral. The efforts to develop and expand the compliance framework, and the strengthening of collaboration with the Internal Audit Office, are also noteworthy.

Lastly, for risk management, Dai-Dan has expanded its risk sensitivity training to all employees, is strengthening security as it increases the number of cloud services it uses, and is reviewing its task force manuals to be more aware of the risk of natural disasters. Through these and other efforts, Dai-Dan is carefully considering risk, based on current circumstances.

## VOICE

### Reflecting on the third party opinions

**Yasuo Kamei**

Director, Corporate Officer, Head of General Administration Division

I would like to express my sincere thanks to Mr. Ohara, Mr. Shibuya, Ms. Ochi, and Mr. Busujima for offering their valuable opinions.

This is the first time that we at Dai-Dan have set out a long-term vision and reviewed the material issues that face us and I am thankful for their evaluations of our efforts towards the SDGs and ESG management; I believe they will prove highly encouraging for our future business activities.

We will definitely take on board their proposals as a matter of urgency and endeavor to make an even bigger contribution to the realization of a more sustainable society.

## Global Network

### Headquarters Organizations

Name	Zip Code	Address	Telephone Number	Name	Zip Code	Address	Telephone Number
Corporate Planning Office	102-8175	2-15-10 Fujimi, Chiyoda-ku, Tokyo	03-5276-4568	Engineering Division	163-0525	25F Shinjuku Nomura Bldg., 1-26-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo	03-5326-7133
Compliance Promotion Office	550-8520	1-9-25 Edobori, Nishi-ku, Osaka City	06-6447-8050	Innovation Division	354-0044	390 Kita-Nagai, Miyoshimachi, Iruma-gun, Saitama Prefecture	049-258-1511
	102-8175	2-15-10 Fujimi, Chiyoda-ku, Tokyo	03-5276-4652	Technical Research Laboratory Innovation Division	354-0044	390 Kita-Nagai, Miyoshimachi, Iruma-gun, Saitama Prefecture	049-258-5725
Internal Audit Office	550-8520	1-9-25 Edobori, Nishi-ku, Osaka City	06-6447-8065	Regenerative Medicine Promotion Office	210-0821	R407 Life Innovation Center, 3-25-22 Tonomachi, Kawasaki-ku, Kawasaki City, Kanagawa Prefecture	044-276-5010
General Administration Division	550-8520	1-9-25 Edobori, Nishi-ku, Osaka City	06-6447-8000	New Business Management Department Innovation Division (Celab Tonomachi)			
Sales Division	102-8175	2-15-10 Fujimi, Chiyoda-ku, Tokyo	03-5276-4551	Regenerative Medicine Promotion Office	650-0047	Rm 654 Kobe International Business Center, 5-5-2 Minatojima-Minamimachi, Chuo-ku, Kobe City	078-302-9060
Technical Construction Division	163-0525	25F Shinjuku Nomura Bldg., 1-26-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo	03-5326-7007	New Business Management Department Innovation Division (Kobe Office)			

### Branch/Office Organizations

East Japan Division				West Japan Division			
Hokkaido Branch	001-0020	5-1-43 Kita 20jo Nishi, Kita-ku, Sapporo City, Hokkaido	011-716-9116	Osaka Head Office	550-8520	1-9-25 Edobori, Nishi-ku, Osaka City	06-6441-8231
Obihiro Office	080-0010	4F Aobatokachi Bldg., 12-20 Odoriminami Obihiro City, Hokkaido	0155-25-3559	Tenri Branch	632-0012	4-228 Toyoda-cho, Tenri City, Nara Prefecture	0743-63-1231
Hakodate Office	041-0851	4-17-40 Hondori, Hakodate City, Hokkaido	0138-55-7086	Kobe Branch	651-0088	7F Nihon Seimei Sannomiya Ekimae Bldg., 7-1-1 Onoe-dori, Chuo-ku, Kobe City	078-221-7777
Tohoku Branch	980-0811	1-15-17 Ichiban-cho, Aoba-ku, Sendai City	022-225-7901	Kyoto Branch	604-8186	2F Urbanex Oike Bldg., East Wing, 361-1 Umeya-cho, Kurumaya-cho-sagaru, Nakagyo-ku, Kyoto City	075-251-6411
Aomori Office	030-0802	4F Tanuma Bldg., 2-4-10 Hon-cho, Aomori City	017-773-1582	Wakayama Office	640-8203	4F-408 Nankai Wakayamashi Station Bldg., 3-17 Higashikuramae-cho, Wakayama City	073-433-9431
Akita Office	010-0951	6F Sanno Piares Bldg., 2-2-17 Sanno, Akita City	018-824-6491	Shiga Office	520-2331	3-A Finesu, 2101-2 Koshinohara, Yasu City, Shiga Prefecture	077-518-1035
Morioka Office	020-0034	3F Angel Bldg., 16-14 Morioka Ekimae-dori, Morioka City	019-654-3023	Chugoku Branch	730-0812	2-22 Kakomachi, Naka-ku, Hiroshima City	082-241-4171
Fukushima Office	960-8002	4F Daichi Kosan Bldg., 15-1 Moriai-cho, Fukushima City	024-525-7080	Okayama Branch	700-0984	6-10 Kuwada-cho, Kita-ku, Okayama City	086-223-3106
Yamagata Office	990-0043	1F Honcho Bldg., 2-4-3 Hon-cho, Yamagata City	023-634-2620	Yamaguchi Office	754-0011	4F Sanyo Bldg. Ogori, 4-9 Ogorimiyukimachi, Yamaguchi City	083-976-0121
Niigata Branch	950-0088	2-3F Niigata Tokio Marine & Nichido Bldg., 2-3-6 Bandai, Chuo-ku, Niigata City	025-247-0201	San-in Office	690-0015	#103 Heights Shalom, 2-29-13 Agenogi, Matsue City	0852-27-5890
Tokyo Head Office	102-8175	2-15-10 Fujimi, Chiyoda-ku, Tokyo	03-3261-8231	Shikoku Branch	760-0032	6-17 Honmachi, Takamatsu City	087-811-2301
Kanto Branch	330-0854	3F GINZA YAMATO 3 Bldg., 1-10-2 Sakuragi-cho, Omiya-ku, Saitama City	048-644-8468	Matsuyama Office	790-0942	2-22-13 Furukawa-Kita, Matsuyama City	089-957-5021
Gunma Office	371-0805	7F Daidoseimei Maebashi Bldg., 3-9-5 Minami-cho, Maebashi City	027-226-7720	Kochi Office	780-0088	10-16 Kitakubo, Kochi City	088-884-8231
Tochigi Office	321-0953	6F Yamaguchi Bldg., 4-1-20 Higashishukugo, Utsunomiya City	028-637-3380	Tokushima Office	770-0872	4-1-10 Kitaokinosu, Tokushima City	088-664-8121
Ibaraki Office	300-0037	7F Regal Tsuchiura Bldg., 1-16-12 Sakuramachi, Tsuchiura City, Ibaraki Prefecture	029-825-6656	Kyushu Branch	810-0023	3-1-24 Kego, Chuo-ku, Fukuoka City	092-771-4361
Nagano Office	380-0824	5F Choeidaichi Bldg., 1282-11 Minamishido-cho, Nagano City	026-228-3820	Kumamoto Branch	862-0941	1-7-6 Izumi, Chuo-ku, Kumamoto City	096-364-7134
Matsumoto Office	390-0811	2F Orii Bldg., 1-1-2 Chuo, Matsumoto City, Nagano Prefecture	0263-33-7016	Miyata Office	823-0016	680-1 Shiromaru, Miyawaka City, Fukuoka Prefecture	0949-33-2602
Chiba Branch	261-0023	25F m BAY POINT Makuhari, 1-6 Nakase, Mihama-ku, Chiba City	043-211-8881	Saga Office	841-0031	#101 Sungarden Yarita, 436-1 Yaritamachi, Tosu City, Saga Prefecture	0942-84-2350
Yokohama Branch	231-0062	24F Nisseki Yokohama Bldg., 1-1-8 Sakuragi-cho, Naka-ku, Yokohama City	045-683-1050	Nagasaki Office	850-0027	#202 Grand Mansion, 31-3 Okeya-machi, Nagasaki City	095-828-0772
Central Japan Division							
Nagoya Branch	461-0005	16F Urbannet Nagoya Bldg., 1-1-10 Higashisakura, Higashi-ku, Nagoya City	052-973-4750	Oita Office	870-0033	#402 Matsumoto Bldg., 1-3-22 Chiyomachi, Oita City	097-532-4350
Toyota Branch	471-0835	1-20 Akebono-cho, Toyota City, Aichi Prefecture	0565-28-1841	Miyazaki Office	880-0933	#201 Inoue Bldg., 2189-2 Kusabazaki, Otsu-cho, Miyazaki City	0985-54-6382
Mikawa Office	448-0011	5-6-4 Tsujii-cho, Kariya City, Aichi Prefecture	0566-27-0324	Kagoshima Office	890-0046	1F San Laqua Bldg., 2-25-12 Nishida, Kagoshima City	099-256-3662
Shizuoka Office	422-8067	17F-1704 South Pot Shizuoka, 18-1 Minami-cho, Suruga-ku, Shizuoka City	054-281-3501	Okinawa Office	900-0015	4F Arute Bldg. Naha, 3-15-9 Kumoji, Naha City	098-868-1700
Mie Office	514-0004	2F-B Kasama Bldg., 3-261 Sakaemachi, Tsu City	059-225-3840	International Affairs Offices			
Gifu Office	500-8844	10F Daidoseimei Hirose Bldg., 6-16 Yoshino-machi, Gifu City	058-265-8224	International Affairs Office	102-8175	2-15-10 Fujimi, Chiyoda-ku, Tokyo	03-5276-5021
Hokuriku Branch	920-0855	3F CROSS Musashimachi 1-16 Musashi-machi, Kanazawa City	076-261-6147	Singapore Branch	—	315 Outram Road #15-09, Tan Boon Liat Building, Singapore, 169074	+65-62218488
Toyama Office	930-0019	1-10-20 Yayoi-cho, Toyama City	076-441-3371				
Fukui Office	910-0005	4F Fukui Hosokaikan, 3-4-1 Ote, Fukui City	0776-23-2166	Smart Building Solution Office	354-0044	390 Kita-Nagai, Miyoshimachi, Iruma-gun, Saitama Prefecture	049-258-2930

The blue shading indicates regional headquarters.

 **DAI-DAN CO., LTD.**

<https://www.daidan.co.jp/>

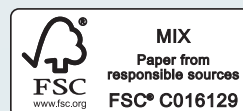
**For any feedback or inquiries relating to this report,  
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