Building a Prosperous Society and Connecting People with the World for a Better Future



Integrated Report 2026

TOA CORPORATION

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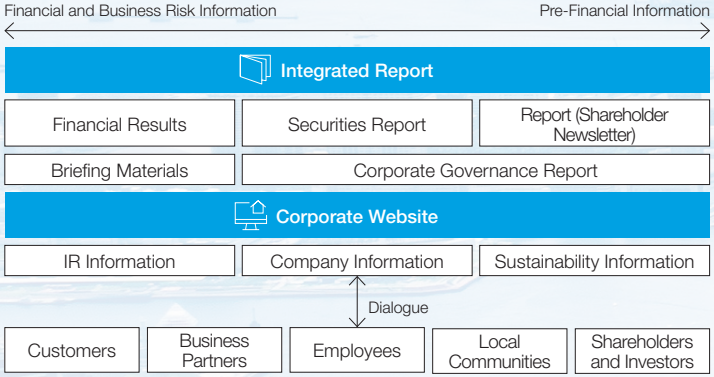
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Tool Map



Report Coverage

- Scope
  This report covers the business activities of TOA CORPORATION and its consolidated subsidiaries (hereinafter, the Group). Where the range of data compilation differs, this is explicitly stated.
- Reporting Period
  Fiscal 2025 (April 1, 2025–March 31, 2026). In addition, some activities from other fiscal years are included as necessary.
- Date of Publication October 2026

Forward-Looking Statements

This report includes performance forecasts, future outlooks, strategies, and objectives, which are forward-looking statements. These statements are based on plans, expectations, and judgments grounded in information currently available to the Company and certain assumptions deemed reasonable. Please note that actual outcomes might differ from these forward-looking statements due to changes in various factors.

Reference Guidelines

- GRI (Global Reporting Initiative) “Sustainability Reporting Standards”
- ISO 26000 “Guidance on Social Responsibility”
- IFRS Foundation “International Integrated Reporting Framework”
- Ministry of Economy, Trade and Industry “Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation”

Editorial Policy

This report aims to clearly communicate the value co-creation story through which the Group is working toward a sustainable future, from both financial and pre-financial perspectives. It systematically presents our vision and strategies for achieving this future, along with our current initiatives and the thinking and background behind them. The links provided throughout the report also offer access to a wide range of the Company’s disclosure materials, which we encourage you to explore.

Note: In this report, we use the term “pre-financial” to describe environmental, social, and governance initiatives, viewing them as factors that will contribute to future corporate value.

INTRODUCTION

Our Philosophy, Vision, and Principles

Corporate Philosophy

A Universal Standard of Value That Remains Unchanged through All Ages

Corporate Philosophy

TOA CORPORATION strives for prosperity with advanced technologies and fulfills its social responsibilities through sound management.

Three (3) Management Policies

1. To enhance competitiveness by strategic management.
2. To maintain everlasting trust through reliable construction works.
3. To strive constantly to improve individual ability and contribute to organizational goals.

Five (5) Main Principles

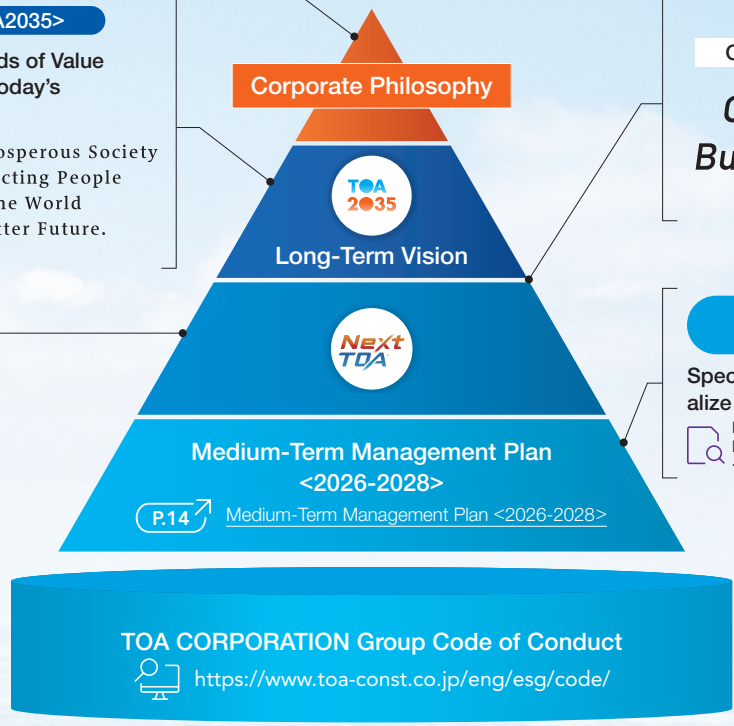
1. Be an expert in your assigned work.
2. Do not miss an essential point and proper timing for your task.
3. Be ever mindful of untiring effort for improvement.
4. Have your own opinion and show it.
5. Discuss in all aspects, and be responsible to carry out the decision.

(Established in August 1981)

<TOA2035>

New Standards of Value Addressing Today's Demands

Building a Prosperous Society and Connecting People with the World for a Better Future.



Corporate Message

Create Value, Build the Future

Medium-Term Management Plan

Specific Action Plan to Realize the Long-Term Vision

Medium-Term Management Plan <2026-2028> P.14

Next TOA

New Action Guidelines Towards the Long-Term Vision

Flexibility

Respond to global changes and maintain the flexibility to move beyond the constraints of the past.

High Aspiration

Find what you want to be and act with the ambition to realize it.

Quick & Speed

Respond timely to the trends and make quick decisions and actions.

Challenge

Continue to challenge every day to make tomorrow better than now.

INTRODUCTION

History of Value Creation

1908–1944 The Era of Modernization and Industrial Infrastructure Development

As industrialization and urbanization progressed, key industries such as electric power, steel, and transportation developed, while infrastructure development laid the foundation for economic growth.



Eiichi Shibusawa



Soichiro Asano



Zenjiro Yasuda

The design of the symbol represents the “tsuru” (crane) symbolizing Tsurumi, the birthplace of the Company, and the “three figures” of Soichiro Asano, Eiichi Shibusawa, and Zenjiro Yasuda

The history of TOA CORPORATION began in 1908, when Soichiro Asano proposed a large-scale land reclamation project for port and industrial use. In 1913, reclamation work commenced in the Tsurumi-Kawasaki area, and by 1927 the entire planned area of approximately 5 million square meters was completed. The reclaimed land later formed the foundation of the Keihin Industrial Zone, thereby realizing the grand vision of our founder, Soichiro Asano.

1908–

1945–1972 The Era of Postwar Reconstruction and Rapid Economic Growth

Following the postwar reconstruction period, Japan entered a phase of rapid economic growth from the mid-1950s onward, accompanied by expanding capital investment and industrial development and a sharp increase in demand for infrastructure.

After carrying out restoration work at Haneda Air Base after the war, we expanded our business through large-scale reclamation projects during a period of rapid economic growth in Japan. In 1963, we ventured overseas, with our initial success in Southeast Asia paving the way for global expansion. We focused on developing new markets both domestically and internationally.



Aerial view of Ogishima, showing reclaimed land in Chidori-cho and Yako-cho, Kawasaki City (Haneda Air Base visible in the distance)



Republic of Singapore Dredging Work at Jurong Area

1945–

1973-1986 The Era of the Oil Crisis and Economic Restructuring

The oil crisis brought inflation and economic recession, while growing awareness of resource constraints and environmental issues prompted a reassessment of economic growth and accelerated structural transformation.

We continued to focus on market development both in Japan and overseas, accumulating extensive experience in land-based civil engineering projects, including railways, the Shinkansen, highways, and bridges. In 1973, we merged with Tomeokagumi to form TOA CORPORATION, establishing ourselves as a General Contractor.



Sanyo Shinkansen Nishi-Asa District Construction



Arab Republic of Egypt Dredging Work in Suez Canal

1973–



1973
Debut of our mascot, TOA Bōya



1977
Established a specialized consultation desk for maritime matters

INTRODUCTION

History of Value Creation

1987–1999

The Era of Globalization and the Bubble Economy

As globalization advanced and Japan experienced the emergence and bursting of the bubble economy, prolonged economic stagnation and structural adjustment emerged as major challenges, while efforts progressed to upgrade and enhance social infrastructure.

We demonstrated our technological expertise in major projects such as Kansai International Airport. Following the bursting of Japan's economic bubble, we expanded our overseas business, particularly in Southeast Asia. We also received the Building Contractors Association (BCS) Award for the construction of Tokyo Sea Life Park and contributed to the restoration of port facilities following the Great Hanshin-Awaji Earthquake.



Kansai International Airport Phase 1 Construction



Tokyo Sea Life Park

1991
Symbol mark changed to the current one

1987–

2000–2019

The Era of Digitalization and Economic Structural Change

Advances in ICT drove the growth of the digital economy, bringing major changes to industrial structures and the global competitive environment, while restoring growth and improving productivity emerged as key challenges.

2000–



Haneda Airport Re-Expansion Project



Sapporo City Yamaguchi Crematorium

At the beginning of the 21st century, we participated in major projects such as the Kyushu Shinkansen and the re-expansion of Haneda Airport. In 2006, we completed the Yamaguchi Funeral Hall in Sapporo City, Japan's first Private Finance Initiative (PFI) project* for a funeral facility, incorporating energy-efficient features.

*Project to develop public facilities using private funding

2020–Present

The Era of Population Decline and the Shift toward Sustainability

As the declining birthrate, population aging, and overall population decline progress, challenges such as labor shortages and a shrinking economy have become increasingly apparent, creating a growing need to build a sustainable society.

2020–



Kesennuma Bay Crossing Bridge



Abidjan Port Cereal Berth Construction Project (Republic of Côte d'Ivoire)



Matsuyama Joto Hospital

In 2020, we announced our long-term vision,<TOA2030>, with the theme "Building a prosperous society and connecting people with the world for a better future." In March 2026, we further developed this vision as <TOA2035>. In 2021, we introduced our corporate message, "Create Value, Build the Future." While cherishing the founding spirit of "benefiting society" as promoted by Soichiro Asano, we strive to create new values and contribute to a sustainable future.

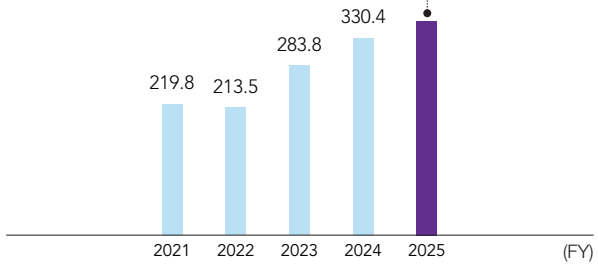
INTRODUCTION

TOA CORPORATION at a Glance (FY2025 Results)

Net Sales (Consolidated)

(Billions of yen)

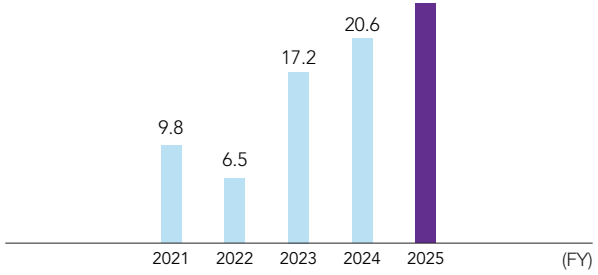
¥358.6 billion



Operating Profit (Consolidated)

(Billions of yen)

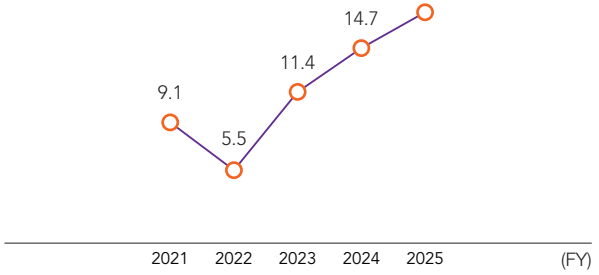
¥24.1 billion



ROE (Consolidated)

(%)

17.4%



Since Founding

118 years

Number of Work Vessels Owned (Domestic & Overseas)

57

(Domestic 35 and Overseas 22)

Number of IR Dialogues

131 times

Overseas Track Record (Cumulative)

54 countries

589 projects

CDP 2025 Climate Change

A list

Greenhouse Gas Reduction Rate

(Scope 1 and 2, compared with FY2020)

28.7%

Ratio of Outside Directors

(as of July 1, 2026)

55.6%

Number of Employees (Consolidated)

(as of March 31, 2026)

2,145*

*Figures reflect the number of employees reported in the securities report.

INTRODUCTION

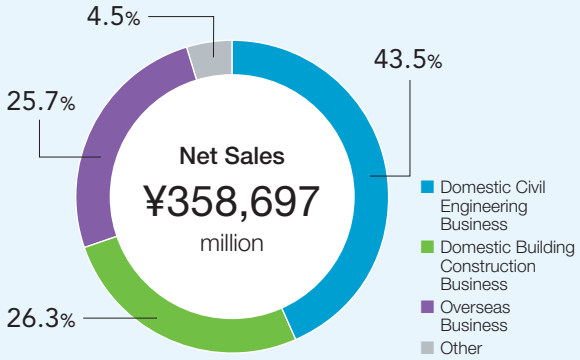
Business Strengths and Fields

Three Pillars Centered on Marine Civil Engineering

TOA CORPORATION is a general construction company with core strengths in marine civil engineering. The domestic civil engineering business accounts for more than 40% of consolidated net sales, covering port works, roads, tunnels, railways, and other land-based construction. The domestic building construction business and overseas business each account for approximately one-quarter of consolidated net sales, including large-scale port and land-based civil engineering projects in the overseas business. These three segments form the main pillars of the Company's operations.

One reason the Company has grown steadily and reliably is the strong collaboration across its business segments. By leveraging the extensive construction know-how and experience built since its founding, along with high-quality technologies that address social challenges, the Company takes a multifaceted approach and will continue to expand its business through its three main pillars: domestic civil engineering, domestic building construction, and overseas business.

Net Sales by Business in FY2025



	Business Overview and Strengths	Major Projects Completed in FY2025
Domestic Civil Engineering Business	The domestic civil engineering business has grown primarily through marine civil engineering projects since our founding in 1908. Over the years—from the Showa era (1926–1989) to the Reiwa era (2019–present)—we have expanded into expressways, Shinkansen railway lines, tunnels, river works, and other fields, contributing to the development of social infrastructure. Our extensive construction experience enables us to respond to a wide range of conditions in different regions. In particular, our marine civil engineering technologies, an area in which we have specialist expertise, have been applied to major projects such as Kansai International Airport and Haneda Airport. We have been involved in approximately 80% of the land reclamation carried out in Tokyo Bay, and today we continue to undertake port construction projects throughout Japan using our own work vessels, including pump dredgers and deep-mixing vessels. We also jointly own with Obayashi Corporation an SEP vessel* capable of operating in waters with severe wave conditions. By playing a role in offshore wind power projects, we are contributing to the realization of a decarbonized society. * Self-elevating platform vessel P.16 Domestic Civil Engineering Business	 R5 Kuji River Right Bank Korofuji North District Improvement Project (Ibaraki Prefecture) Client: Kanto Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism
Domestic Building Construction Business	The domestic building construction business has built a solid track record since 1973 in offices, educational facilities, and residential buildings. In recent years, we have leveraged our expertise in coastal construction for high-performance refrigerated warehouses and multi-tenant warehouses, using proprietary hybrid construction methods to maintain a strong competitive edge. A particular strength is our construction know-how for preventing freezing and condensation in refrigerated warehouses, where temperature control is critical, and we are increasingly taking on large-scale projects using heat- and fire-resistant panels. The use of precast technology allows us to ensure both safety and constructability. We also have top-level experience in Private Finance Initiative (PFI) projects, including school lunch centers and funeral halls, and continue to expand our operations across a wide range of sectors. P.18 Domestic Building Construction Business	 (Tentative) CPD Nishinomiya-Kita Logistics Facility I New Construction Project (Hyogo Prefecture) Client: Kobe Logistics Special Purpose Company
Overseas Business	The overseas business has built a strong track record since we opened our Singapore Office in 1963, primarily across Southeast Asia and the Middle East. In recent years, while maintaining a base in Southeast Asia, we have expanded into South Asia and Africa, strengthening our core marine construction business while also growing in bridges and buildings. To date, we have undertaken 589 projects across 54 countries, including local government projects, Japanese ODA projects, and private-sector projects—one of the largest country coverages in the industry. In fiscal 2025, we steadily expanded into new fields, including securing an order in the People's Republic of Bangladesh to construct the country's first seismically isolated fire station and an order for an airport terminal in the Democratic Republic of Timor-Leste. P.20 Overseas Business	 Namibe Port Container Terminal Expansion Project (Republic of Angola) Client: Ministry of Transportation of the Republic of Angola

INTRODUCTION

Value Creation Process

INPUT

FY2025

Financial Capital

Total assets ¥305.4 billion

Shareholders' equity ¥116.5 billion

Manufacturing Capital

Working vessels (Japan) 35

Working vessels (overseas) 22

Intellectual Capital

Number of patents registered (domestic and overseas) 336

Human Capital

Number of consolidated employees 2,145

Ph.D. Holders 14

First-class architects 112

Professional engineers 156

First-class civil engineering works execution managing engineers 890

First-class construction management engineers 304

Social and Relationship Capital

Consolidated subsidiaries 10

(As of August 1, 2026)

Natural Capital

Energy consumption 399GWh

BUSINESS MODEL

Domestic Civil Engineering Business, Domestic Building Construction Business, Overseas Business

P.16-21

Materiality

P.32-33

Human Resources Strategy

P.26

Corporate Governance

Corporate Philosophy

TOA CORPORATION strives for prosperity with advanced technologies and fulfills its social responsibilities through sound management.

P.14 Medium-Term Management Plan <2026-2028>

FY2028 Management Targets (Financial / Pre-Financial)

Financial Indicators	Business Growth / Strengthening Earnings Power	•Net Sales •Operating Profit	¥380.0 billion ¥21.5 billion
	Improving Capital Efficiency	•ROE 10% or more	
Pre-Financial Indicators*	Reduction in Greenhouse Gas Emissions	•Scope 1+2: 31.4% reduction (vs. FY2020)	
	Occupational Safety and Health	•Number of Serious Accidents: 0	
	Human Resource Acquisition / DE&I / Happiness	•New Graduate Career-Track Hires: 120 or More (Achievement Rate vs. Plan: 100%) •Percentage of Women among Career-Track Hires: 18% or Higher •Employee Engagement Indicator: 3.8 or Higher	

Note: In this report, we use the term "pre-financial" to describe environmental, social, and governance initiatives, viewing them as factors that will contribute to future corporate value.

OUTPUT

FY 2025 Results

Net Sales

¥358.6 billion

Operating Profit

¥24.1 billion

ROE

17.4%

Net Sales per Employee

¥170 million

P.07 Message from the President

P.13 Review of the Previous Medium-Term Management Plan

P.22 Message from the Executive Officer Overseeing Finance

IMPACT

Value Provided to Stakeholders

Shareholders and Investors P.46

Enhanced Corporate Value and Stable Shareholder Returns

Customers P.34 P.40

Value Creation through High-Quality Technologies and Construction

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Building a Sustainable Supply Chain through Co-Creation

Employees P.47

Rewarding Work and Opportunities for Growth

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Contributing to Social Infrastructure Development and Environmental Conservation

P.46 Stakeholder Engagement

P.47 Supply Chain Management

OUTCOME

TOA 2035

Building a Prosperous Society and Connecting People with the World for a Better Future

FY2035 Targets

Number of Employees

2,800

Net Sales

¥500.0 billion

Operating Profit

¥30.0 billion

Net Sales per Employee

¥180 million

P.14 Medium-Term Management Plan <2026-2028>

STRATEGY

Message from the President



Aiming for Growth in Human Resources and Businesses That Respond to Societal Demands

With Everyone Taking the Lead, Moving Beyond the Status Quo to Chart a Growth Path to 2035

President and Representative Director

Takeshi Hayakawa

Introduction

On April 7, 2026, a serious accident occurred at a site where we, as the prime contractor, were dismantling an unloader crane, resulting in the deaths of four people and injuries to two. We extend our deepest condolences to those who lost their lives and our heartfelt sympathies to their bereaved families. We also extend our heartfelt sympathies to those who were injured and sincerely wish them a swift recovery. We deeply apologize to all those concerned for the considerable inconvenience and concern this incident has caused.

We take this accident extremely seriously as something that must never occur at a construction company entrusted with protecting human lives, and we have formulated measures to prevent recurrence with a firm determination never to allow a similar accident to happen again.

All employees will return to our fundamental principle of “putting safety before everything else,” steadily implement the measures to prevent recurrence, strengthen our safety management framework, and pursue corporate reforms that fundamentally change the awareness of each employee.

Review of the Previous Medium-Term Management Plan

Record-high Performance and a Shift in the Earnings Structure toward Greater Earning Power

TOA CORPORATION has achieved sustainable growth while working to resolve social issues through the development of social infrastructure. In fiscal 2025, consolidated net sales and profit at each level reached record highs, demonstrating tangible results from the initiatives under the previous medium-term management plan. We believe we have entered a new phase of growth.

However, our goal is not simply to expand the scale of our business. Under the previous medium-term management plan, we worked to improve the quality of our earnings structure itself by rigorously prioritizing profitability when taking orders, concentrating management resources in areas where we have a competitive advantage, and reviewing our business portfolio.

The essence of these results is not merely higher profit levels, but a shift from reforming the earnings structure to revamping the investment structure. Over the past three years, while maintaining marine civil engineering as our foundation, we positioned the domestic building construction business and overseas business as growth drivers and worked to diversify our business portfolio and strengthen our earnings base.



As a result, we achieved record-high performance while also strengthening the financial foundation needed to fund future growth investment. We have now entered a phase in which we will systematically reallocate profits to human capital, DX-related initiatives, R&D, equipment, sustainability strategy initiatives, and growth markets in Japan and overseas to achieve sustainable increases in corporate value. The foundation built under the previous medium-term management plan will serve as the very source of investment funding for the next decade.

P.13 Review of the Previous Medium-Term Management Plan

P.22 Message from the Executive Officer Overseeing Finance

A Corporate Value Enhancement Story Looking toward 2035

Long-term Vision <TOA2035>: Human Capital and Business Growth as Twin Engines

We position the Medium-Term Management Plan <2026–2028> as the first stage toward realizing our vision for 2035. Accurately predicting the external environment five or 10 years ahead is not easy. That is precisely why we clearly define where we need to arrive and, working backward from that point, determine what we need to do now. We maintain this backcasting approach as a firm management commitment.

Looking toward fiscal 2035, we aim to increase the number of consolidated employees from 2,145 as of the end of fiscal 2025 to 2,800 and expand consolidated net sales from ¥358.6 billion to ¥500.0 billion. Our aim is not to become “a company that increases sales simply by increasing headcount,” but rather “a company that creates greater added value by combining investment in people with higher productivity.”

Our planned growth rate for net sales through fiscal 2035 exceeds the planned rate of increase in employees. The clearest expression of this is net sales per employee, which we aim to raise from approximately ¥170 million to approximately ¥180 million through DX, business process reform, stronger technical capabilities, and optimization of our organizational structure.

We view people not simply as a cost, but as capital for enhancing our future capacity to generate profits. I am convinced that this is the path to achieving sustainable growth and higher capital efficiency through fiscal 2035.

P.14 Medium-Term Management Plan <2026–2028>

Growth Strategy Investment Aligned with National Policy

A Business Structure Combining Growth Strategy and Crisis-Management Investment

Today’s construction market is strongly influenced by government policies promoting green transition (GX), DX, more advanced infrastructure, disaster prevention and mitigation, and national resilience, and strengthening national security. Our main business domains—port and marine infrastructure, logistics facilities, energy-related facilities, defense-related facilities, and overseas infrastructure—are closely aligned with these national policies.

In this environment, our investment strategy clearly distinguishes between offensive growth strategy investment and defensive crisis-management investment, while positioning the two as mutually complementary.

Growth strategy investment targets the domestic building construction business, port and marine infrastructure, defense-related businesses, the overseas business, DX, R&D, and human capital. Human capital in particular is the foundation for executing all these growth initiatives and is both our most important growth strategy and our greatest growth opportunity.

Crisis-management investment, meanwhile, is intended to strengthen our business foundation and address risk. Specific areas include transfer of technical expertise, measures to address

labor shortages, stronger supply chains including partner companies, cybersecurity, BCP, equipment renewal, and stronger organizational structures.

A distinctive feature of our business structure is that fields such as national resilience, stronger defense capabilities, development of key ports, and energy security, which represent crisis-management investment from the government's perspective, also represent growth markets that will form our future earnings base. We will make maximum use of this structure to solve social issues and enhance corporate value at the same time.

P.16-21 Domestic Civil Engineering Business, Domestic Building Construction Business, Overseas Business

P.26 Human Resources Strategy P.28 DX Strategy

Human Capital Is Our Greatest Growth Investment

Forward Investment to Capture Future Demand, Not Simply a Response to Labor Shortages

We position human capital investment as our most important growth strategy investment for achieving net sales of ¥500.0 billion in fiscal 2035.

In the construction industry, human capital is itself production capacity. No matter how much growth markets expand, we cannot capture those opportunities unless we have people who can win orders, execute construction, ensure quality and safety, and convert demand into profits. Medium- to long-term demand is expected in areas such as stronger defense capabilities, national resilience, stronger port functions, logistics facilities, and overseas infrastructure, but securing and developing the people needed to convert that demand into profit growth is essential.

We are planning human capital investment to expand our order-taking and construction capacity in growth markets and, by combining DX investment, business process reform, stronger technical capabilities, and optimization of our organizational structure, raise productivity per employee and evolve into a company with net sales on the scale of ¥500.0 billion. Our specific measures are as follows.

First, we will invest in people to capture growth markets by securing and developing the talent needed in such growth areas as the domestic building construction business, defense-related businesses, port and marine infrastructure, and the overseas business.

Second, we will invest in people to raise productivity by developing talent capable of driving DX, BIM/CIM, AI, data utilization, ICT-enabled construction, and related initiatives, thereby improving operational efficiency.

Third, we will invest in people to transfer technical expertise and cultivate next-generation leaders. We will entrust employees in their 20s and 30s with responsible work and management duties at an early stage, cultivating the core talent who will lead the next generation.

In this way, we regard human capital investment not as a future expense but as an investment in profit generation. By expanding our business scale through the recruitment and development of people, raising productivity through DX and business process reform, and increasing the total amount of profit, we aim to continuously generate ROE above our cost of capital.

P.22 Message from the Executive Officer Overseeing Finance

P.26 Human Resources Strategy P.28 DX Strategy

Areas of Growth Strategy Investment

Our growth strategy investment is concentrated mainly in the following five areas.

First is expansion of the domestic building construction business. We will correct an earnings structure that is overly weighted toward civil engineering and develop the building construction business into a second pillar. Strong demand for logistics facilities



and high-value-added condominiums, combined with labor shortages, has created an opportunity to selectively pursue projects with attractive margins. Orders in the building construction business have expanded rapidly in recent years, and by fiscal 2035 we aim for net sales of ¥200.0 billion in this business, on par with civil engineering.

Second is the advancement of port and marine infrastructure. We will capture demand in energy-related fields such as GX and carbon neutrality and rigorously prioritize investment in high-value-added projects. In public-sector work, we will seek to maintain and expand our order share, particularly in projects related to national resilience, while also applying our technologies to the maintenance and improvement of existing infrastructure to further raise productivity and create added value.

Third is expansion of defense-related businesses. Stronger defense capabilities represent crisis-management investment for the nation, but we regard this field as an important growth strategy investment that will form part of our future earnings base. Against the backdrop of expanding defense-related budgets, we will actively pursue land-based and building construction projects in addition to the port-related facilities where we have traditionally been strong.

Fourth is expansion of the overseas business into new areas. While maintaining large-scale projects centered on Singapore as a core, we will expand into new markets by winning building construction work in Timor-Leste and establishing a local subsidiary in the Philippines, among other initiatives, thereby strengthening our earnings base.

Fifth is productivity improvement through DX investment. In addition to BIM/CIM and AI technologies, we are steadily expanding the use of drones and robots. We plan to invest ¥3.0 billion to fully establish our DX promotion framework and ¥2.0 billion in large-scale systems and the recruitment of digital talent, among other measures, to improve operational efficiency and establish competitive advantages.

P.16-21 Domestic Civil Engineering Business, Domestic Building Construction Business, Overseas Business

Strengthening the Business Foundation through Crisis-Management Investment

Defensive Investment That Supports Sustainable Growth

Crisis-management investment plays an extremely important role as the foundation supporting our growth strategy. Capturing growth markets requires proactive investment, but that investment must rest on a strong business foundation encompassing business continuity, quality, safety, supply chains, information security, and transfer of technical expertise.

Crisis-management investment is foundational investment that makes growth sustainable. We are pursuing it from two perspectives: strengthening the business foundation and enhancing risk management. The four key themes we will focus on are as follows.

First is transfer of technical expertise and a more balanced workforce composition. We will systematize the transfer of technical expertise through the early development of younger employees, establishment of a career roadmap system, and review of training programs.

Second is strengthening the supply chain. We aim for mutual prosperity with partner companies by ensuring appropriate business practices, respecting quotation conditions, properly administering contracts, and supporting skills development.

Third is optimization of our organizational structure. To expand the domestic building construction business, we are using our nationwide network of civil engineering branches to advance organizational reforms that integrate and incorporate building construction functions into a unified civil engineering and building construction structure. This will help us capture building construction demand and strengthen collaboration between the civil engineering and building construction businesses.

Fourth is stronger risk management, including cybersecurity. We will integrate threat monitoring, incident response, and supply-chain risk management to enhance business continuity.

P.26 Human Resources Strategy P.28 DX Strategy

Capital Allocation

Reallocating Expanded Capital to Generate Future Profits

We have strengthened our financial foundation by improving profitability. The important management issue now is how to use the profits and net assets we have accumulated to generate future profit growth and enhance corporate value.

We will reallocate our expanded capital to human capital, DX-related initiatives, R&D, capital investment, sustainability strategy initiatives, and investment in growth markets, thereby achieving both profit growth and higher capital efficiency. Our basic capital allocation policy is as follows.

Category	Positioning	Purpose	Investment Amount
Human capital investment	Growth strategy investment / crisis-management investment / business foundation investment	Expand construction and order-taking capacity; transfer technical expertise	¥8.0 billion
Capital investment	Growth strategy investment / business foundation investment	Strengthen work vessels, construction equipment, and base functions	¥17.0 billion
Real estate development investment	Growth strategy investment	Strengthen linkage with expansion of the building construction business	¥10.0 billion
DX-related investment	Growth strategy investment	Improve productivity and operational efficiency; establish competitive advantages	¥5.0 billion
R&D investment	Growth strategy investment	Establish technological advantages in port, marine, and environmental fields	¥5.0 billion
Sustainability strategy investment	Growth strategy investment / crisis-management investment	Respond to decarbonization and environmental regulations; maintain competitiveness	¥5.0 billion
Shareholder returns	Capital policy	Provide stable returns targeting a dividend payout ratio of 40% or higher	—

(Investment amounts are for the period of Medium-Term Management Plan <2026–2028>.)

I do not view growth investment and shareholder returns as competing priorities. Sustainable returns require growth in the total amount of profit. In addition to near-term shareholder returns, we will achieve medium- to long-term profit growth through these investments and return the benefits of that growth to our shareholders.

P.14 Medium-Term Management Plan <2026–2028>

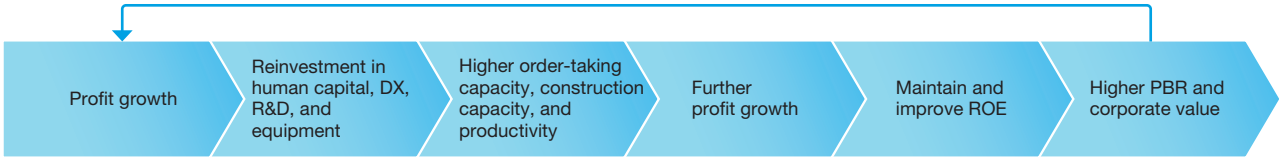
Our Approach to Improving ROE and PBR

Linking Human Capital Investment to Higher Corporate Value

Under the current medium-term management plan, we have set the achievement of ROE that consistently exceeds our cost of capital as an important management target. We aim to continuously generate ROE of 10% or higher by pursuing both profit growth and improved capital efficiency.

What matters for us is not simply accumulating profits, but using accumulated capital to generate future profits and build expectations for our growth in the capital markets. To achieve this, we will make the cycle illustrated below a core part of our management framework.

The starting point of this cycle is always human capital investment. Through such investment, we will reliably capture demand in growth markets and expand the total amount of profit.



To reiterate, human capital investment is not a cost, but an investment in enhancing corporate value. To reliably capture demand in growth markets, people are both the greatest growth strategy and the greatest growth opportunity. By expanding our workforce and raising productivity toward fiscal 2035, we will grow into a company with net sales on the scale of ¥500.0 billion and achieve sustainable profit growth and higher shareholder value.

P.22 Message from the Executive Officer Overseeing Finance

Taking on Social Challenges through Technology

Supporting Japan's Infrastructure through Comprehensive Capabilities Centered on Coastal and Marine Fields

For Japan, a nation surrounded by the sea, ports are critical social infrastructure supporting most imports and exports. If port functions are lost due to a natural disaster, the impact on society and the economy is enormous. As the population declines, maintaining and improving existing infrastructure is also becoming as important as constructing new facilities. Drawing on the technical capabilities we have cultivated in port and marine fields, we will contribute to solving the social issues Japan faces.

We also hope to apply the technologies we have developed at sea to subsea resource development, an area closely linked to national energy security.

P.50 Research and Development

Pursuing Carbon Neutrality from a Medium- to Long-term Perspective

The Group has set a target of reducing Scope 1+2 GHG emissions by 44% by fiscal 2030. In particular, reducing CO_2 emissions from fuel consumed by large work vessels is an important management issue. We are addressing this by introducing next-generation fuels such as biofuels and improving operating efficiency.

We are also contributing to the decarbonization of society as a whole by strengthening our capabilities for net zero energy building (ZEB) projects in the building construction business and developing plants at Group companies that make use of renewable energy.

In offshore wind power, we will steadily pursue fields where we can leverage our strengths while taking a medium- to long-term view of market expansion.

P.34 Toward a Decarbonized Society

Contributing through Blue-Green Infrastructure Technologies

TOA CORPORATION is a company that was nurtured by the





sea. That is why it is now our turn to give back to the sea. Concrete actions include promoting blue-green infrastructure, which integrates natural systems such as seagrass beds and tidal flats into port facilities, and creating blue carbon sinks that store carbon on the seafloor and in the deep sea.

The Blue-Green Infrastructure Technology Development Group at the TOA Research & Development Center is developing technologies to restore seagrass beds and enable seaweed to grow and marine life to thrive even along artificial revetments. These initiatives combine environmental conservation with infrastructure functionality and contribute to the realization of a sustainable society.

P.38 Creating a Recycling-Oriented Society and Blue Carbon

The Importance of Governance and Safety Management

As described above, we are moving into a growth stage driven by investment. In this environment, corporate governance is indispensable.

Since transitioning to a company with an Audit and Supervisory Committee in 2018, we have continued to strengthen our governance framework. In fiscal 2025, outside directors came to constitute a majority of the Board of Directors, creating a management structure that places greater emphasis on the perspectives of shareholders and investors. From a risk-management perspective as well, we are taking steps such as holding active discussions in the Sustainability Committee. As we consider more proactive investment going forward, we believe the risk-management perspective will become even more important.

In addition, the Company experienced a serious accident on April 7, 2026, and is currently implementing measures to prevent recurrence. Safety management is one of the important issues in governance, and management will take responsibility for ensuring that our basic principle of “putting safety before everything else” is fully understood and consistently practiced.

P.30 Occupational Safety and Health

P.54 Corporate Governance

P.61 Message from the Chairperson of the Board of Directors



To Our Stakeholders

Driving Growth through Human Capital and Moving Beyond the Status Quo

Our starting point is the development of social infrastructure—in other words, building the infrastructure that supports society. Our founder, Soichiro Asano, conceived a land reclamation project that would form the foundation of the Keihin Industrial Zone and took on the challenge of bringing it to fruition. That is where TOA CORPORATION began.

The spirit of our founder has been carried forward across generations to the Company today. Society’s demands change with the times, and our role is broader than ever, encompassing national resilience, stronger defense capabilities, energy security, more advanced logistics functions, decarbonization, and the development of overseas infrastructure.

To continue responding to these demands, I have called on all employees to “move beyond the status quo.” This does not simply mean increasing sales or profits. It means moving beyond existing systems and ways of thinking, transforming human capital, technology, DX, and our organization, and evolving into a company suited to the next stage of growth.

Investment in human capital is the most important investment for supporting future profit growth. As each employee grows, takes on challenges, and moves beyond the status quo, we will remain a company that continues to respond to society’s demands.

Every employee will take the lead in moving beyond the status quo, carrying forward the aspirations of our founder as we continue to take on challenges over the next decade and beyond.

We sincerely ask for your continued support as TOA CORPORATION takes on the challenges ahead.

STRATEGY

Review of the Previous Medium-Term Management Plan

Performance and Financial KPIs under the Medium-Term Management Plan <2023–2025>

	Targets	Actual		
Consolidated	FY2025	FY2023	FY2024	FY2025
Number of employees	2,000 employees	1,945 employees	2,052 employees	2,145 employees
Net sales	¥267.0 billion	¥283.8 billion	¥330.4 billion	¥358.6 billion
Operating profit	¥ 12.0 billion	¥ 17.2 billion	¥ 20.6 billion	¥ 24.1 billion
Profit attributable to owners of parent	¥ 8.0 billion	¥ 10.5 billion	¥ 14.9 billion	¥ 19.3 billion
ROE	8% or higher over the medium to long term	11.4%	14.7%	17.4%
Dividend payout ratio	40% or higher	31.3%	40.4%	40.3%

Basic Policy

Enhance Existing Businesses

Maximize organizational capabilities by strengthening collaboration across departments

Accelerate Business Area Expansion

Boldly pursue new business models, including new businesses

Strengthen the Business Foundation

Build a cycle in which employees with a high level of well-being sustainably enhance corporate value

Achievements and Challenges

Achievements

- Achieved net sales and profit targets in all segments
- Made progress in acquiring human resources and achieved the employee headcount target
- Made steady progress on sustainability initiatives and achieved KPI targets, including the target for greenhouse gas (Scope 1+2) emissions reductions

Challenges (Growth Strategy)

- Expand areas of strength and establish competitive advantages
- Take on new business areas that address social issues
- Secure human resources and accelerate the development of younger employees as the business expands
- Improve employee engagement and corporate value
- Transform worksites and improve productivity through DX
- Realize management that is conscious of the cost of capital and stock price

Pre-Financial KPIs under the Medium-Term Management Plan <2023–2025>

Key Indicators (KPIs)	FY2025 Targets	FY2023	FY2024	FY2025
Reduction in greenhouse gas emissions (Scope 1+2) (vs. FY2020)	12.5% or more	8.3%	28.4%	28.7%
Number of serious quality nonconformities*	Civil engineering/building construction: 3 or fewer cases involving losses of ¥5 million or more International: 3 or fewer cases involving losses of ¥10 million or more	—	Civil engineering: 2 Building construction: 1 International: 1	Civil engineering: 0 Building construction: 1 International: 0
Customer satisfaction rating (public)	80 points or higher	80 points or higher	80 points or higher	80 points or higher
Number of serious accidents	0	2	2	1
Number of women in assistant manager and managerial positions	30 or more (FY2030)	10	11	15
Number of serious information security incidents	0	0	0	0
Number of serious legal violations	0	2	0	0

* Indicator adopted from FY2024

Investment Results

Planned Investment	Initially Planned Amount (Three-Year Total)	Revised May 13, 2025	Actual Investment
Technology development	¥4.0 billion	¥4.0 billion	¥4.1 billion
Business area expansion	¥5.0 billion	¥10.0 billion	¥1.7 billion
Human resource development	¥3.0 billion	¥7.0 billion	¥7.2 billion
Capital investment	¥8.0 billion	¥9.0 billion	¥8.8 billion
Total	¥20.0 billion	¥30.0 billion	¥21.8 billion

Medium-Term Management Plan <2026–2028>

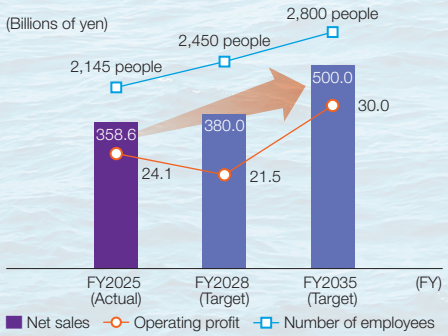
Growth of Human Resources and Businesses That Respond to Societal Demands

- To meet societal needs such as infrastructure development and defense, we will steadily expand our business scale while improving productivity and developing and securing human resources, aiming to achieve net sales of ¥500.0 billion and operating profit of ¥30.0 billion by fiscal 2035.
- By integrating our business and sustainability strategies, we will not only turn changes in the external environment into opportunities for business expansion but also work to prevent and mitigate risks while continuing to grow sustainably together with society.
- We will strengthen our business foundation through human capital investment and capital investment in our strengths, including work vessels, while also focusing on growth investments in real estate development, DX, R&D, carbon neutrality, and other areas that contribute to our sustainability strategy.

Key Financial Targets

	FY2025 (Actual)	FY2028 Financial KPIs			FY2035 Performance Targets
Net sales	¥**358.6** billion	¥**380.0** billion	ROE	10% or higher	¥**500.0** billion
Domestic Civil Engineering	¥156.0 billion	¥160.0 billion			¥200.0 billion
Domestic Building Construction	¥ 94.2 billion	¥130.0 billion	Dividend payout ratio	40% or higher	¥200.0 billion
Overseas	¥ 92.3 billion	¥ 75.0 billion			¥ 80.0 billion
Consolidated subsidiaries, etc.	¥ 16.1 billion	¥ 15.0 billion	Equity ratio	Approx. 35%	¥ 20.0 billion
Operating profit	¥ **24.1** billion	¥ **21.5** billion	D/E ratio	0.7 or lower (guideline)	¥ **30.0** billion
Profit attributable to owners of parent	¥ **19.3** billion	¥ **14.0** billion			¥ **20.0** billion

Net Sales, Operating Profit, and Number of Employees



Investment Plan

Human capital investment*1	¥ 8.0 billion
Capital investment (maintenance of business foundation / enhancement of capabilities)	¥17.0 billion
Real estate development investment	¥10.0 billion
DX-related investment	¥ 5.0 billion
R&D investment	¥ 5.0 billion
Sustainability strategy investment, etc.	¥ 5.0 billion
Total	¥**50.0** billion + M&A (separate)
Of which, period expenses*2	¥17.0 billion
Total (excluding period expenses)	¥**33.0** billion

TOA 2035 Building a Prosperous Society and Connecting People with the World for a Better Future

Business Strategy

- Domestic Civil Engineering Business
- Domestic Building Construction Business
- Overseas Business

Sustainability Strategy

- Carbon Neutrality
- DX Strategy
- Ensuring Safety and Quality
- Human Resources Strategy
- Strengthening Supply Chain Management
- Strengthening Risk Management

Key Indicators (KPIs)

Key Indicators (KPIs)	FY2028 Targets
Reduction in greenhouse gas emissions (Scope 1+2) (vs. FY2020)	31.4%
Development of DX promotion personnel	60 or more
Number of serious quality nonconformities	0
Customer satisfaction rating (public/private)	80 points or higher / B or higher
Number of serious accidents	0
Percentage of women among new general-track hires	18% or higher
Employee engagement indicator	3.8 or higher
Response rate for survey of partner companies on initiatives addressing social issues	72% or higher
Number of serious information security incidents	0
Number of serious legal violations	0
Number of individual IR/SR meetings	150 or more

*1 Includes increases in personnel expenses due to improved compensation and higher headcount (compared with the final year of the previous medium-term management plan), as well as increases in recruitment-related expenses and education and training expenses (compared with the final year of the previous medium-term management plan), among others.
*2 SG&A expenses and other costs already reflected in operating cash flow.

STRATEGY

Business Strategy

Under the Medium-Term Management Plan <2026–2028>, the Company is advancing a business strategy centered on the domestic civil engineering business, domestic building construction business, and overseas business as the pillars of growth toward the realization of the Long-Term Vision <TOA2035>. In each business, we will build on the strengths we have developed, accurately capture demand in growth markets, expand our earnings base and business areas, and pursue sustainable growth and further enhancement of corporate value.



Director and Senior Executive Officer
Chief of International General Headquarters

Katsuhisa Kimura

We aim for sustainable growth in global markets by strengthening the business foundations of our local subsidiaries and collaborating with local partner companies across both civil engineering and building construction as we take on a diverse range of projects. We will also improve operational efficiency by promoting DX and utilizing AI. In addition, we will accelerate the recruitment and development of international talent and build a foundation on which Japanese and non-Japanese employees can thrive together. Through these initiatives, we will further expand the overseas business and enhance corporate value while responding flexibly to changes in the external environment.

P.20 Overseas Business

Senior Executive Officer
Chief of Civil Engineering General Headquarters

Masanobu Kinoshita

In our founding fields of ports and marine engineering, we will maintain our position as a top runner and pursue gradual expansion by capturing demand for the maintenance and renewal of port infrastructure. We will also strengthen growth areas such as defense- and U.S. military-related facilities as a second pillar, while diversifying our business portfolio and further expanding our earnings base by increasing orders in land-based civil engineering, including earthquake reconstruction projects. In addition, we will actively participate in new fields that contribute to a decarbonized society, including new energy, CCS* projects, and offshore wind power.

* Projects that separate and capture carbon dioxide emitted from sources such as thermal power plants and factories and inject and store it deep underground.

P.16 Domestic Civil Engineering Business

Senior Executive Officer
Chief of Building Construction General Headquarters

Kazuyoshi Mugita

Building on our strengths in logistics facilities, residential facilities, and PFI projects, we will boldly expand our business areas by taking on public-sector projects centered on the Ministry of Defense, social and public sectors, including healthcare and welfare facilities, and development projects. We will also secure the human resources needed to support these businesses and promote strategic human resource development, aiming to grow as a sustainable organization. In addition, we will rebuild collaborative relationships with the supply chain, fulfill our social responsibilities as a construction company, and contribute to a sustainable society.

P.18 Domestic Building Construction Business



STRATEGY

Domestic Civil Engineering Business

FY2025 Overview

Net sales in fiscal 2025 were ¥156.0 billion, up 10.6% year on year, as we steadily worked through the construction backlog, particularly on large port projects. Segment profit was ¥13.7 billion, up 4.0%, despite the recognition of provisions for construction losses related to serious accidents and other matters, reflecting higher net sales and improved profitability from securing design changes.

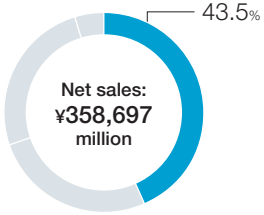
Orders received were ¥157.5 billion, up 14.8% year on year, as we steadily accumulated new orders centered on our core port construction field and secured design changes on major port projects amid a solid market environment supported by national resilience measures, increased defense spending, and carbon-neutrality-related investment. As a result, construction backlog was ¥197.4 billion, up 3.2%, and we continued to maintain a substantial volume of work to be carried forward.

We also made steady progress on decarbonization initiatives toward carbon neutrality, including introducing biofuels on work vessels, while using DX technologies to improve productivity and advance construction management.

Business Policy

1. Maintain our position as a top runner in the port and marine sector
2. Expand land-based civil engineering through strategic initiatives with a view to the future
3. Strengthen initiatives to diversify business areas with a focus on enhancing corporate value
4. Promote initiatives to improve productivity and safety through DX
5. Promote initiatives to achieve carbon neutrality
6. Secure and develop diverse human resources
7. Achieve zero serious legal violations and zero workplace bullying through compliance training

Breakdown of Net Sales (Consolidated)



Strengths

- Over 110 years of technology and experience in the port and marine sector
- Ownership of specialized work vessels for port infrastructure development
- An integrated quality assurance framework involving the head office, branches, and worksites

Opportunities

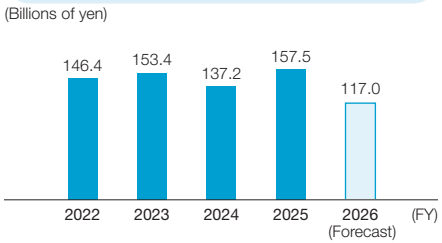
- Continued robust public investment, including disaster prevention and mitigation measures under the First Medium-Term Plan for the Implementation of National Resilience and security-related infrastructure development associated with stronger defense capabilities
- Growing demand for environmental and new energy-related businesses
- Increasing maintenance and renewal work for infrastructure developed during Japan's high-growth period

Risks

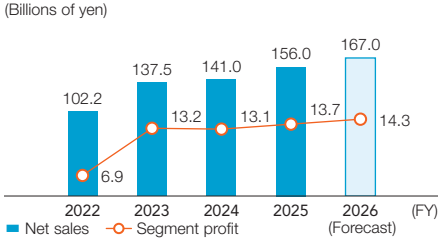
- Difficulty securing workers and transferring technical expertise due to shortages of construction employees and skilled construction workers
- Reduced budgets for public works and private-sector capital investment due to population decline and economic downturns
- Higher costs due to rising labor, material, and energy prices
- Adverse effects of climate change on labor and work environments

Results and Targets

Orders Received (Non-consolidated)



Net Sales and Segment Profit (Consolidated)



Orders Received by Business Area (Non-consolidated)

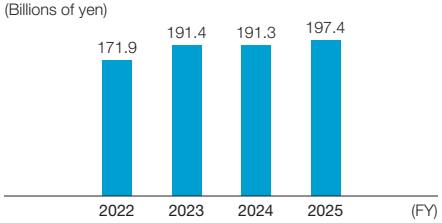
●By Work Type

FY2025	(Billions of yen)
Marine civil engineering	119.8
Land-based civil engineering	37.7
Total	157.5

●Public/Private

FY2025	(Billions of yen)
Public	108.7
Private	48.7
Total	157.5

Year-end Construction Backlog (Non-consolidated)



Future Growth Strategy and Priority Areas

Building on our advanced technologies and extensive construction track record in marine civil engineering, we will strengthen initiatives in fields where demand is expected to expand, including disaster prevention and mitigation measures under the First Medium-Term Plan for the Implementation of National Resilience and security-related infrastructure development associated with stronger defense capabilities.

We will also expand orders in land-based civil engineering, including roads, bridges, and site development, and further strengthen our earnings base by diversifying our business portfolio. In addition, we will actively participate in growth fields that contribute to a decarbonized society, including new energy for achieving carbon neutrality, carbon dioxide capture and storage (CCS)-related businesses, and offshore wind power. At the same time, we will address the advancement of port infrastructure and maintenance and renewal demand, aiming both to solve social issues and expand our business areas.

To strengthen the business foundation supporting these growth strategies, we regard securing and developing human resources as our highest-priority issue and will steadily advance related initiatives. We will also actively use digital technologies such as BIM/CIM and construction automation and remote-operation technologies to transform construction production processes. By utilizing construction data and AI, we will enable faster decision-making, improve the accuracy of construction management, and realize more efficient worksite operations, leading to higher productivity and stronger earnings power.

Through these initiatives, we will enhance business competitiveness with safety and quality as absolute prerequisites. We will also build a strong business foundation and sustainable organizational structure capable of responding flexibly to changes in the business environment, aiming to achieve sustainable growth and enhance corporate value over the medium to long term.

Human Resources Strategy

In the civil engineering business, we are developing the next generation of engineers with “early development and early appointment” at the core of our human resources strategy, particularly with future business expansion and engineer shortages in mind. We give younger employees opportunities from an early stage to gain experience in worksite operations and management, and develop people with both specialized technical expertise and a management perspective through support for professional qualifications and enhanced systematic training programs. Our goal is to develop employees who can oversee worksites as site managers in their early 30s, creating an environment in which they can systematically acquire the capabilities required for worksite management, including schedule, quality, safety, and cost control.

We also regard the knowledge of experienced veteran employees as an important management asset. We are creating mechanisms to codify their construction know-how, examples of problem solving, and experience in on-site judgment and to accumulate and share this knowledge using DX and AI, turning expertise that once depended on individuals into an organizational asset. This allows younger engineers to quickly learn the knowledge they need and apply it in practice, accelerating human resource development and raising technical capabilities.

We will continue to strengthen the human capital foundation needed for sustainable growth by combining younger employees who take on challenges, veterans who support them, and knowledge transfer and capability development through DX and AI.

SPOTLIGHT

Reskilling Training in Surveying Technologies

We held a four-night, five-day training program at the Fuji Education and Training Center to refresh surveying skills (reskilling), eliminate errors in surveying work, and acquire the latest surveying technologies. The program was attended by 41 employees in their third year with the Company and was held in two sessions, October 20–24 and November 17–21. Some participants had never set batter boards or used a pile-navigation system before, making the program an opportunity to learn a broad range of surveying know-how. Participants commented, “I still have a lot to learn about surveying, so this was a valuable opportunity to refresh my skills,” and “Being able to sharpen my surveying skills so intensively gives me confidence for the future.” We plan to build a training framework that includes employees of partner companies as well as our own, raising skill levels and strengthening the supply chain as a whole.



Outdoor surveying practice

TOA Sustainability Initiatives https://www.toa-const.co.jp/eng/esg/effort/



STRATEGY

Domestic Building Construction Business

FY2025 Overview

In fiscal 2025, the final year of the previous medium-term management plan, net sales were ¥94.2 billion, down 14.6% year on year due to the completion of a cycle of large projects, but substantially exceeded the medium-term management plan target of ¥72.0 billion. Orders received were ¥101.4 billion, up 11.7%, as we steadily secured orders for multiple logistics facilities, including large projects, as well as offices, PFI projects, and defense-related facilities. Segment profit was ¥8.1 billion, up 27.2%, reflecting efforts to improve profitability at the time orders were received.

On the environmental front, we achieved our target with CO_2 emissions intensity of 6.3 t per ¥100 million of net sales and made steady progress on decarbonization through ZEB proposals and energy-efficient construction. On safety, we take seriously the occurrence of occupational accidents, including one serious accident, and are strengthening management systems and reforming awareness at worksites with a firm determination never to allow a similar accident to occur again. On quality, following construction-related problems, we have reinforced measures to prevent recurrence and rolled them out horizontally across the organization. On human resources, we strengthened education and the transfer of technical expertise in response to an increase in younger employees, enhancing competitiveness over the medium to long term. We will continue to pursue sustainable growth and enhance corporate value with sustainability management at the core.

Business Policy

1. Establish competitive advantages by enhancing areas of strength such as refrigerated warehouses and passing on technical expertise within the company
2. Strengthen the order base in public-sector, PFI/PPP, healthcare, and welfare fields, centered on the Social and Public Sector Business Development Department
3. Promote new customer development, particularly in waterfront areas, by strengthening collaboration between civil engineering and building construction
4. Expand business areas into real estate development, renovation, and building management in collaboration with affiliated companies
5. Establish the Building Construction Human Resources Strategy Department to strengthen recruitment, development, and passing on technical expertise within the company
6. Improve productivity through greater use of BIM and DX and more efficient construction processes

Strengths

- Competitive advantages based on a strong track record in logistics warehouses, particularly refrigerated warehouses
- Ability to leverage strong relationships with waterfront companies developed through civil engineering
- Ability to build on an extensive track record in PFI projects, including school lunch centers and funeral halls, to take on social and public-sector projects in other applications

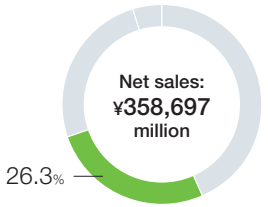
Opportunities

- Apply extensive experience and expertise in logistics facilities and refrigerated warehouses to data centers, factories, and other areas where demand is expected to grow, expanding into new business fields
- Leverage domestic achievements with Japanese companies expanding overseas to generate opportunities for overseas building construction projects
- Strengthen initiatives in public-sector projects amid increased public investment, including stronger defense capabilities

Risks

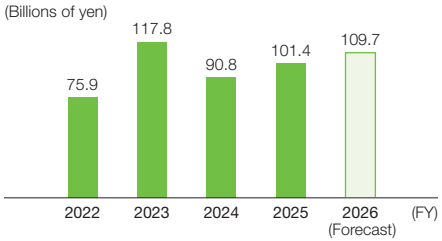
- Shortages of construction management personnel as demand expands, particularly site managers capable of handling large projects
- Difficulty securing labor due to chronic shortages of construction workers and new entrants to the industry
- Higher construction costs due to rising prices for materials, equipment, labor, and energy

Breakdown of Net Sales (Consolidated)

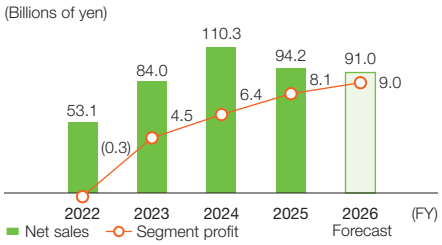


Results and Targets

Orders Received (Non-consolidated)



Net Sales and Segment Profit (Consolidated)



Orders Received by Business Area (Non-consolidated)

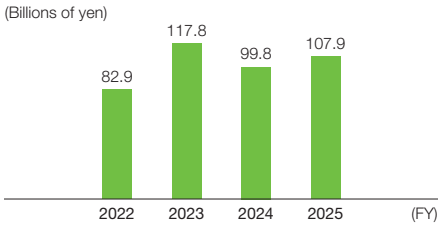
●By Work Type

FY2025	(Billions of yen)
Warehouses and logistics facilities	61.4
Residential	8.1
Other	31.7
Total	101.4

●Public/Private

FY2025	(Billions of yen)
Public	12.6
Private	88.8
Total	101.4

Year-end Construction Backlog (Non-consolidated)



Future Growth Strategy and Priority Areas

To achieve the medium-term management plan launched in fiscal 2026 and realize a business scale of ¥200.0 billion in net sales by fiscal 2035, we will pursue four strategies: (1) deepen and upgrade the core business, (2) establish collaboration between civil engineering and building construction, (3) expand into business development fields, and (4) advance sustainability. We aim to increase orders by further advancing technologies through the establishment of the Refrigerated Warehouse Technology Support Office and building a specialized sales framework through the establishment of the Social and Public Sector Business Development Department. We will also strengthen a collaborative approach based on mutual information sharing between the civil engineering and building construction businesses to broaden the base of building construction customers. In the new field of business development, we will work with developers and Group companies, centered on real estate, to create new earnings opportunities. We will also strengthen building renovation initiatives and work with Group companies to enhance both the earnings value and environmental value of buildings.

Key KPIs for achieving these targets include steady growth in orders received and net sales, securing stable profit margins, increasing ZEB proposal and adoption rates, continuous improvement in safety indicators, and achieving recruitment targets. We also position productivity improvement through DX and BIM, reductions in CO_2 emissions intensity, and maintaining zero serious accidents as important indicators, and will work to enhance safety, quality, and environmental value. To support these initiatives, we will strengthen our human resource base through planned hiring of new graduates and experienced professionals, development of younger employees, and effective use of senior personnel, aiming to establish a strong business foundation capable of responding to changes in the business environment.

Human Resources Strategy

In the building construction business, we are strengthening areas of expertise such as refrigerated warehouses while also focusing on social and public infrastructure, with the aim of achieving net sales of ¥200.0 billion in fiscal 2035. Expanding and executing large-scale projects, including refrigerated warehouses, requires increasing the number of employees who can play central roles in driving change while fostering an organizational culture that “passes the baton of technical expertise” from one generation to the next. We will strengthen mid-career recruitment, enable senior employees to contribute, and accelerate the development of younger employees so that we can systematically cultivate people capable of serving as site managers and deputy site managers, creating a worksite management structure based on a balanced workforce composition. We will also rebuild our level-specific training programs to support earlier appointment to site manager and deputy site manager positions while advancing the transfer of technical expertise.

In enabling senior employees to contribute, we will focus particularly on technical guidance for younger site managers and OJT with younger employees, helping them gain successful experiences early and develop professional awareness and pride. By fostering an organizational culture that passes on technical skills and in which different generations respect and complement one another’s strengths, we will continue to create reliable quality and new value in the rapidly changing construction industry.

The Building Construction Human Resources Strategy Department, established within the Building Construction General Headquarters in fiscal 2026, will take the lead in advancing these human resources strategy initiatives in line with the business strategy.

SPOTLIGHT

Connecting Learning with the Worksite—Developing People for an Era of Labor Shortages

To secure future human resources, we are pursuing multifaceted initiatives centered on collaboration with educational institutions. A visiting class held at Kanagawa Prefectural Yokosuka-Technical Senior High School was attended by 32 second-year students in the Construction Department, which was established in 2022. The class carefully explained the overall structure of construction projects, the relationships among clients, designers, and contractors, and the role of general contractors in overseeing the entire project. Using specific examples, we introduced how construction management consists of multiple areas of control, including safety, quality, schedule, and cost. We also gave students a feel for the appeal of managing a worksite by introducing the daily workflow of younger employees and the judgment and coordination involved on site. Participants appeared to deepen their understanding of the construction industry, with comments such as, “I was able to get a concrete picture of the work,” and “It became easier to imagine my future career.”



Visiting class at Yokosuka-Technical Senior High School

TOA Sustainability Initiatives https://www.toa-const.co.jp/eng/esg/effort/

STRATEGY

Overseas Business



FY2025 Overview

Although orders received declined year on year, they remained at a high level in the ¥70 billion range, confirming that the order environment remains solid. This high level of orders reflected the steady securing of variation orders on existing projects as well as some progress in winning new building construction projects.

Net sales, meanwhile, increased substantially as existing large-scale projects in Southeast Asia progressed smoothly in line with plans.

On the earnings side, improved profitability from variation orders made a significant contribution, while profitability also improved on large projects reaching completion, resulting in substantial overall profit growth. Stronger profitability management and rigorous cost control on individual projects also contributed to improved earnings.

Overall, although orders received temporarily declined, steady progress on projects under construction and improved profit margins worked together to deliver solid growth in both net sales and profit.

Business Policy

1. In civil engineering, secure orders, construction volume, and profit centered on marine construction while developing new fields
2. In building construction, strengthen profitability by expanding and developing our workforce, collaborating with local subsidiaries, and concentrating resources in priority countries
3. Improve earnings power through profit and loss, cash flow, and risk management as well as customer-oriented variation proposals, while preventing unprofitable projects by strengthening cost-estimation capabilities
4. Build a sustainable and resilient organization by appointing younger employees and non-Japanese staff to higher-level positions, making effective use of support from senior employees, raising engagement, and advancing DE&I
5. Improve operational efficiency through DX while passing on technical expertise and know-how
6. Identify profitable new business models and new businesses
7. Put safety first and ensure thorough compliance, risk management, and governance

Strengths

- Extensive overseas experience, technologies, and trust accumulated through a track record in 54 countries since entering overseas markets in 1963
- Technical sales and proposal capabilities developed through numerous design-build projects, centered on Singapore
- Ownership of specialized work vessels such as large dredgers, large pile-driving vessels, and ground improvement vessels
- Diverse human resources comprising numerous Japanese employees experienced in overseas construction, an expanding group of non-Japanese employees now accounting for approximately 15% of the International General Headquarters staff, and growing numbers of locally hired personnel in each country

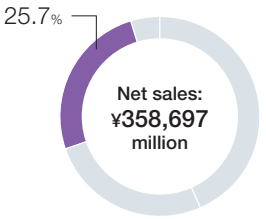
Opportunities

- Continued strong infrastructure demand, particularly in Asia and Africa
- New private-sector projects through the Indonesian local subsidiary established with a local partner in 2023, as well as private-sector projects in other countries in collaboration with local partners
- Growing demand for carbon-neutrality-related business around the world and reductions in CO_2 emissions at our overseas worksites
- Support for overseas expansion by Japanese companies and related orders in collaboration with the domestic building construction business

Risks

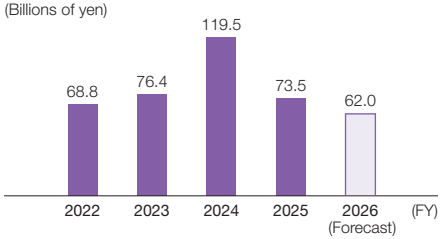
- Growing geopolitical risks amid an uncertain global environment, and rising prices for resources, raw materials, and transportation
- Political changes, revisions to laws and regulations, sharp exchange-rate fluctuations, tax risks, and stronger tax collection in countries where we operate
- Short-term economic disruption and medium- to long-term structural changes in the global economy
- Challenges in passing on overseas know-how and technical expertise to the next generation, and in ensuring governance, education, and shared awareness as the workforce becomes more multinational, including employees hired in Japan and locally overseas

Breakdown of Net Sales (Consolidated)



Results and Targets

Orders Received (Non-consolidated)

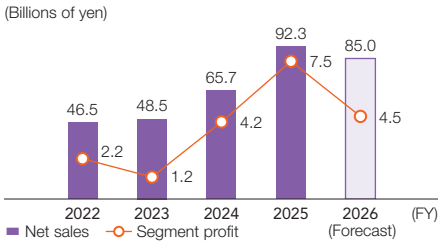


Orders Received by Business Area (Non-consolidated)

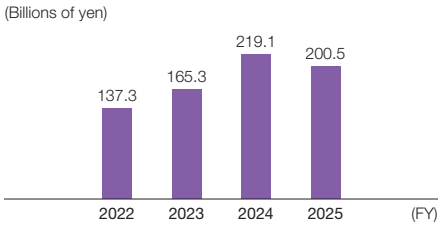
FY2025 (Billions of yen)

•By Work Type	Civil engineering	62.3
	Building construction	11.2
•By Region	Southeast Asia	62.0
	South Asia	6.6
	Africa	4.7
	Other	0.0
	Overseas Business Total	73.5

Net Sales and Segment Profit (Consolidated)



Year-end Construction Backlog (Non-consolidated)



Future Growth Strategy and Priority Areas

Our policy for the overseas business is to maintain an appropriate business scale while steadily executing each project and improving and stabilizing profitability. At the same time, from the perspectives of contributing to local communities and operating sustainably, we will create local employment and develop human resources, aiming to establish a business foundation that grows together with each region.

In civil engineering, we will continue to focus on port projects, an area of strength, while broadening the range of types of work and strengthening initiatives in private-sector projects and new businesses. In building construction, we will emphasize partnerships with local construction companies and pursue steady expansion.

In Singapore, we have steadily built a track record in marine civil engineering since opening our office there in 1963. Building on this experience, know-how, and technical capabilities, we will create new business opportunities and further strengthen our international competitiveness.

In Indonesia and the Philippines, in addition to ODA projects where we have accumulated a track record, we will develop organizational structures and business foundations centered on local subsidiaries to pursue private-sector civil engineering and building construction projects, with the aim of medium- to long-term business development.

Human Resources Strategy

The overseas business has expanded in scale in recent years, with both net sales and orders remaining at high levels. Strengthening our human resource base is essential to sustaining this growth. In fiscal 2025, we established the Human Resources Development Section within the International General Headquarters and are developing a framework to advance a human resources strategy linked to the business strategy.

As overseas projects become larger and more complex, securing and developing people capable of handling them has become an important management issue. We aim to build a framework in which Japanese employees, non-Japanese employees hired in Japan (international talent), and locally hired personnel can collaborate while making the most of their respective strengths. We are strengthening recruitment, development, and retention as an integrated effort and building a stronger organizational foundation.

Specifically, we are securing personnel to lead overseas projects and developing future candidates for overseas site manager positions. We also use an overseas trainee program for younger employees to lower the psychological barrier to working overseas and broaden the pool of future talent. For international talent recruited for overseas projects, we are developing and appointing them to higher-level roles and moving toward longer-term employment to build their capabilities over the medium to long term.

For locally hired personnel, we aim to strengthen autonomous business operations in each region and location through longer-term employment and promotion to management positions. We are also considering the use of AI and other measures to improve productivity and strengthen future competitiveness. By creating an environment in which diverse human resources can fully demonstrate their capabilities, we aim for sustainable growth and greater earnings power in the overseas business.

SPOTLIGHT

Timor-Leste

Since gaining independence in 2002, Timor-Leste has advanced the development of its national foundations and is accelerating its growth following its accession to ASEAN, with the aim of serving as ASEAN chair in 2029. We recognize that constructing an international airport terminal is an important mission that will enhance the country's gateway functions and strengthen its international standing. Although the project faces challenges including shortages of engineers and unstable material supplies, we will provide a safe, high-quality facility through rigorous construction management. We will also develop local human resources and transfer technical expertise, contributing to a stronger and more sustainable industrial foundation. We believe that enhancing airport functions will stimulate tourism and logistics and contribute to the country's economic growth.



Rendering of the completed international airport terminal (scheduled for completion in December 2028)

TOA Sustainability Initiatives https://www.toa-const.co.jp/eng/esg/effort/

STRATEGY

Message from the Executive Officer Overseeing Finance



Charting a Sustainable Growth Trajectory through Proactive Investment in Human Capital

Representative Director and Senior Executive Officer
Chief of Corporate Management General Headquarters
Oversees Internal Audit Office and Secretarial Office

Takeshi Nakao

Review of Performance and Outlook for Fiscal 2026

Record-High Net Sales and Net Profit

Consolidated net sales for fiscal 2025 reached a record high of ¥358.6 billion. After briefly reaching the ¥350 billion level in fiscal 1996, we went through a prolonged period of stagnation as the construction market contracted and for other reasons. Following our return to a growth trajectory in recent years, we have now surpassed that record. What is most significant is what lies behind the figures. We had more than 3,300 employees in fiscal 1996, compared with approximately 2,100 today. I believe this record-high net sales result reflects the steady fruits of greater operational efficiency and productivity by each employee.

We also achieved record-high consolidated net profit of ¥19.3 billion. The previous record of ¥15.2 billion, set in fiscal 2007, benefited from the one-off extraordinary gain on the sale of our head office building and had been difficult to surpass through our core businesses alone. In fiscal 2025, however, we significantly exceeded it through growth in our core businesses.

The strong performance was driven by all three segments—domestic civil engineering, domestic building construction, and overseas—delivering strong results together. In the past, we faced challenges such as lower profits in certain segments due to rising costs and market stagnation during the COVID-19 pandemic. In fiscal 2025, however, all three segments delivered good results in step. Appropriate price pass-through also contributed to the improvement in overall profit margins.

Fiscal 2026 Outlook

For fiscal 2026, although our construction backlog remains ample at around ¥500.0 billion, we expect net sales to increase only slightly, making the year something of a plateau. The backlog remains high, but in construction, we cannot process sufficient work volume without enough people to manage projects. In recent years, we have increased personnel by around 100 each year while raising productivity; this fiscal year, our plan is to make steady progress on the work already in backlog.

Gross profit is expected to remain roughly flat year on year at ¥40.6 billion, while consolidated operating profit is forecast to decline to ¥21.1 billion as we proactively invest in people and DX. Although raw material prices and unit labor costs are trending upward, we will work to secure and further improve profits through price pass-through negotiations and design changes.

While closely monitoring uncertain market conditions, including the potential impact of instability in the Middle East on crude oil prices, we will pursue further productivity gains toward achieving the net sales target of ¥380.0 billion for the final year of the Medium-Term Management Plan <2026–2028>.

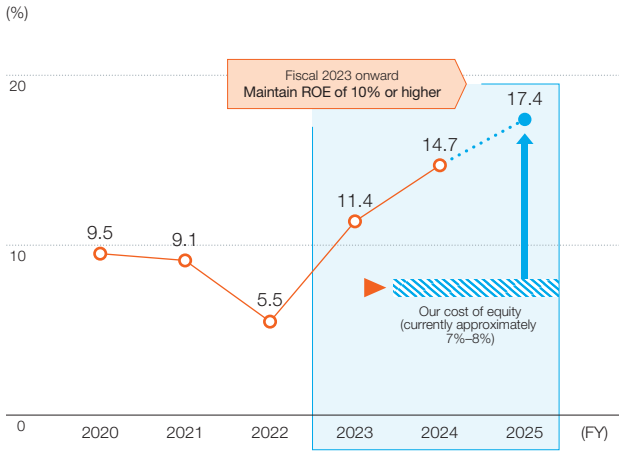
Financial Policy

Targeting ROE of Approximately 12% This Fiscal Year with a Focus on the Cost of Capital

ROE for fiscal 2025 was 17.4%, an exceptionally high level even within our industry. This reflected high profitability across all three segments and, candidly, the result was perhaps somewhat better than we might normally expect. For fiscal 2026, we plan net profit of ¥14.5 billion and ROE of approximately 12%.

We regard ROE of 10% as the ultimate floor required to consistently exceed our cost of equity, currently estimated at 7%–8%. Our planned 12% is above that threshold, but we will seek further margin improvement by continuing careful negotiations with clients on design changes and other matters.

● ROE



Proactively Deploying Capital for Growth

Our business has a structural characteristic in which cash outflows such as construction costs occur before collections, particularly as large projects progress and we invest in work vessels. In recent years, we have seen more large-scale projects in the ¥10.0–¥30.0 billion range, such as logistics center construction, making funding requirements more likely to rise. At the same time, holding excessive cash is inefficient. As a matter of financial discipline, we have maintained a rule limiting cash on hand to 1.5 months of monthly sales and using surplus cash to repay interest-bearing debt.

In fiscal 2025, as many projects entered the collection phase, cash inflows were substantial, interest-bearing debt declined sharply, and our D/E ratio fell below 0.3, leaving us with considerable borrowing capacity. In these circumstances, I feel that simply adhering to our traditional rule could invite criticism from the capital markets that we are not deploying funds efficiently.

Going forward, while maintaining our strong financial health, we intend to make appropriate use of strategic debt financing to fund growth investment. We will also maintain our credit rating to preserve creditworthiness, diversify funding methods through bond issuance and borrowings, and strike a high-level balance between financial stability and efficiency, using an equity ratio of around 35% and a D/E ratio of 0.7 or lower as benchmarks.

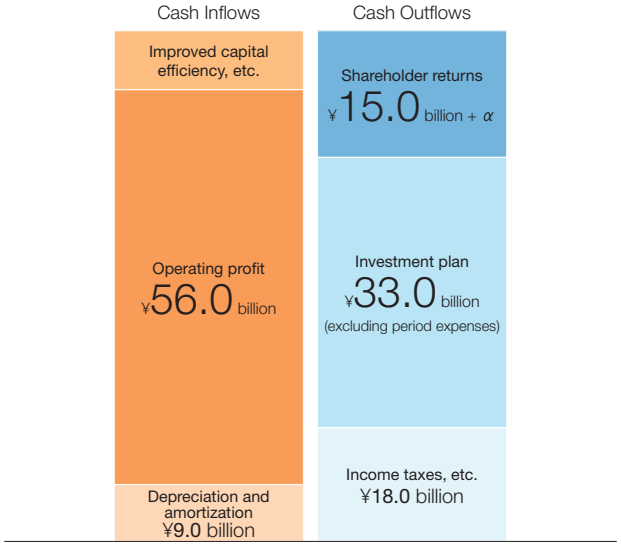
¥50.0 Billion Total Investment Plan

Under the Medium-Term Management Plan <2026–2028> launched in fiscal 2026, we have set out an aggressive investment plan totaling ¥50.0 billion over three years, excluding M&A. We will allocate ¥25.0 billion to strengthening the business foundation, building a solid base for future growth, and another ¥25.0 billion to growth investment for taking on new business challenges, including real estate development, DX, R&D, and sustainability strategy investments.

Of the ¥25.0 billion allocated to strengthening the business foundation, ¥8.0 billion is earmarked for human capital investment, a core component. Construction is a people-driven business in which those who manage worksites are the engine of the operation, and we are currently expanding our workforce by roughly 100 people each year. We will also invest ¥17.0 billion in capital expenditures, including maintaining and strengthening work vessels, one of our core strengths.

Through disciplined financing, we will reliably execute these investments and establish competitive advantages over the medium to long term.

● Cash Allocation
Cumulative over the Three Years of Medium-Term Management Plan <2026–2028>



Reduction of Cross-Shareholdings and ROIC-Based Management

We have long maintained a policy of reducing cross-shareholdings, and under the Medium-Term Management Plan <2026–2028> we are working to lower them to less than 10% of consolidated net assets. In the previous fiscal year, we fully sold 11 holdings and partially sold three, making steady progress in reducing the number of shares held. We will continue pursuing the reduction of cross-shareholdings with strong resolve, not simply to secure funds but primarily to strengthen governance from an investor perspective by unwinding corporate cross-holdings, improving capital efficiency, and attracting sound investment.

ROIC-based management has also attracted attention recently as an indicator for improving capital efficiency, and companies in our industry are beginning to adopt ROIC as a management metric. We have launched internal study sessions on ROIC-based management and are considering targets and evaluation criteria suited to our business model.

Human Resources Strategy as the Foundation for Growth

Steady Development of People Is the Core of Our Human Resources Strategy

The construction industry builds net sales and profits through employees managing work on site, so securing talented people is directly linked to business growth. Acquiring personnel through M&A is one option for addressing today's labor shortage, but the strengths for which stakeholders value us—integrity and trust—are cultivated precisely within the corporate culture we have built over our long history. Even as we consider M&A, I believe carefully educating new graduates and career hires and steadily developing people is ultimately the surest way to maintain and further develop our strengths.

The people we need also differ by business. In domestic civil engineering, where public-sector work is common and many projects are small to medium in scale, we need to develop a large number of site managers capable of taking responsibility for worksites at a young age. In domestic building construction, where large logistics warehouses are a strength, we need experienced site managers who have built their capabilities step by step and can manage enormous projects in the ¥20.0 billion–¥30.0 billion range. In the overseas business, there is an urgent need to develop and secure global talent with project management capabilities in cross-cultural environments, advanced negotiation and language skills, and the ability to lead local staff.

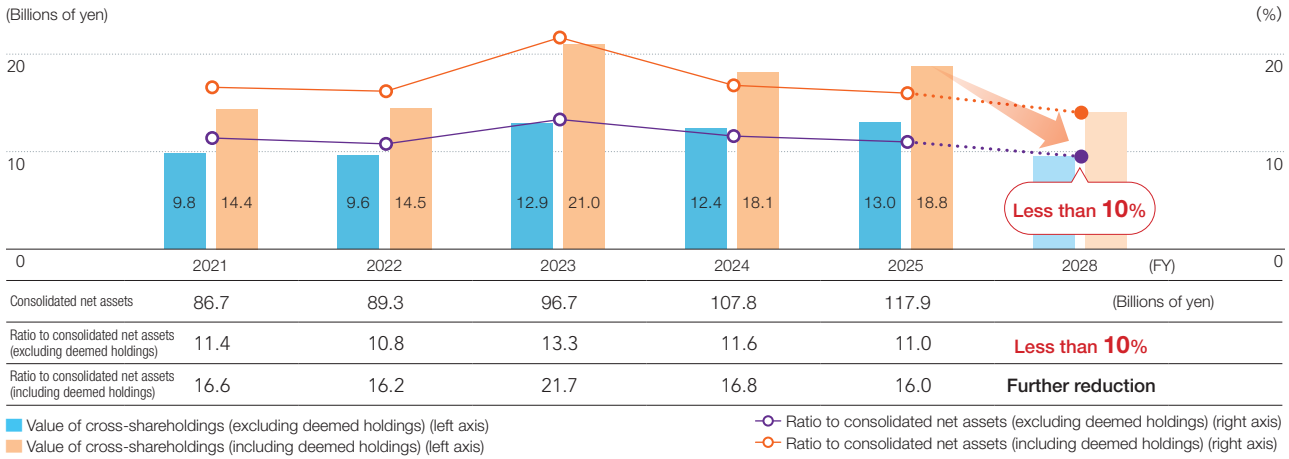
To address these needs, we are introducing a career roadmap system (skill map) focused on the development of each employee. We will raise our construction capacity over the medium to long term, including by creating an environment in which veteran employees in their 50s and older can continue contributing for longer. With this steady and robust human resource development foundation as a prerequisite, we will flexibly combine strategic alliances and M&A toward achieving our goals 10 years from now and chart a reliable growth trajectory.

Collaboration with Partners

Our construction capacity is supported not only by our own employees; it is also essential to build close construction arrangements—a supply chain—with our partner companies. Through long-term partnerships and collaborative efforts such as jointly developing engineers, we will further strengthen our construction framework.

As another form of support for our partners, beginning in fiscal 2026 we have eliminated payment by promissory note for subcontracting contracts and switched to cash payments, helping to strengthen the financial stability of partner companies.

● Status of Cross-Shareholdings



	2021	2022	2023	2024	2025	2028	
Consolidated net assets	86.7	89.3	96.7	107.8	117.9		(Billions of yen)
Ratio to consolidated net assets (excluding deemed holdings)	11.4	10.8	13.3	11.6	11.0		Less than 10%
Ratio to consolidated net assets (including deemed holdings)	16.6	16.2	21.7	16.8	16.0		Further reduction

Value of cross-shareholdings (excluding deemed holdings) (left axis)
Value of cross-shareholdings (including deemed holdings) (left axis)
Ratio to consolidated net assets (excluding deemed holdings) (right axis)
Ratio to consolidated net assets (including deemed holdings) (right axis)

Toward Further Enhancement of Corporate Value

Strengthening IR Activities with Specialist Talent

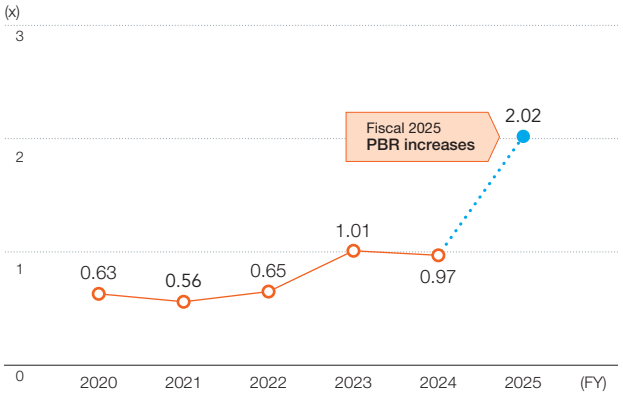
One year after establishing the Corporate Communications Department in fiscal 2025, we have strengthened our organization by increasing headcount, including specialist personnel, and recruiting experienced personnel with strong English skills. As a result, our IR activities have made major strides in both organization and results. Three years ago, we held fewer than 40 individual IR/SR meetings annually; in the previous fiscal year, we conducted 131 dialogues. Our careful disclosure and efforts to feed investor views back into management have received recognition, including being highlighted by the Tokyo Stock Exchange as a good practice.

Enhancing Corporate Value through Continued Dialogue

When we began full-scale IR activities, we started from a challenging market valuation of around 0.4x PBR. We were a latecomer to dialogue with the market, but through steady efforts to deliver sustainable profit growth and communicate information, PBR has remained above 1.0x since fiscal 2025. We feel this has translated into an improvement in the market's assessment of the Company.

Going forward, we are specifically considering direct visits to overseas institutional investors through overseas roadshows and plan to deepen dialogue with a more diverse investor base.

● PBR



Shareholder Returns

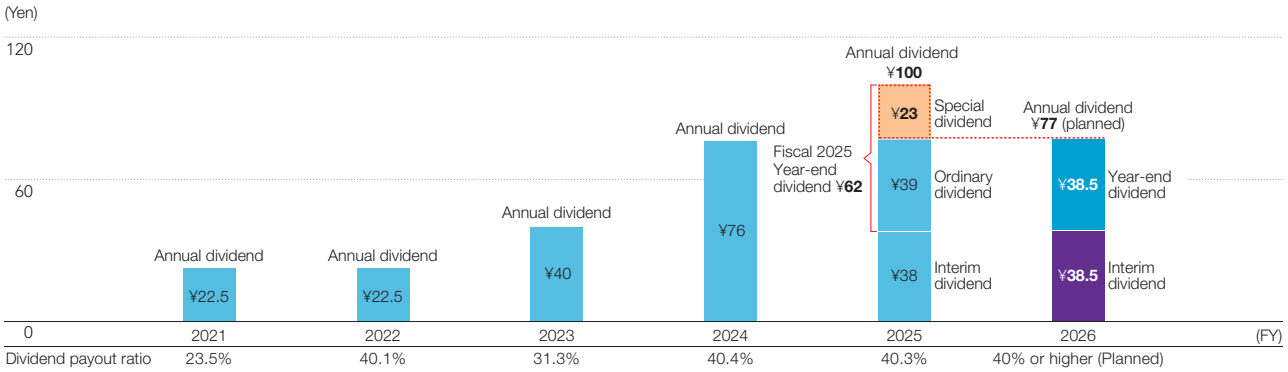
To ensure stable dividends, we have set a dividend payout ratio of 40% or higher and aim to further enhance shareholder returns as profits increase. We will also consider share buybacks flexibly as part of shareholder returns in light of the future business environment and financial position. For fiscal 2026, we plan an annual dividend of ¥77 per share, comprising an interim dividend of ¥38.5 and a year-end dividend of ¥38.5.

Commitment to Growth

The Medium-Term Management Plan <2026–2028> launched in fiscal 2026 is an important milestone looking 10 years ahead. We have not historically placed growth front and center in our messaging, but to reach the ambitious targets of ¥500.0 billion in net sales and ¥30.0 billion in operating profit 10 years from now, we have positioned charting a strong growth trajectory as our highest management priority.

As the executive officer overseeing finance, I will work to sustainably enhance corporate value by executing a disciplined financial strategy that balances appropriate risk control with reliable growth. I appreciate your continued support for our efforts.

● Dividends per Share and Dividend Payout Ratio



* On April 1, 2024, the Company conducted a four-for-one stock split of its common shares. All amounts above reflect the impact of this stock split.

STRATEGY

Human Resources Strategy



Securing and developing human resources is essential to realizing the basic policy of the medium-term management plan, Growth of Human Resources and Businesses That Respond to Societal Demands. Based on the characteristics of each business unit, we will support development and career building suited to employees at every stage, from younger to senior employees, and encourage each employee to take on challenges and grow. At the same time, by developing personnel systems that respond to changes in the operating environment and promoting diversity, equity, and inclusion (DE&I), we will create workplaces where diverse human resources respect one another and can contribute with confidence, thereby supporting sustainable enhancement of corporate value.

Executive Officer
Deputy Chief of Corporate Management
General Headquarters and General Manager of
Human Resources Department

Yuko Hirose

Collaboration between Business-Specific and Company-Wide Human Resources Strategies

Our human resources strategy is pursued on two fronts: business-specific human resources strategies based on the characteristics of the domestic civil engineering, domestic building construction, and overseas businesses, and the Company-wide human resources strategy that provides the foundation for and accelerates those business-specific strategies.

One challenge for our human resources strategy is that many core personnel, including site managers, are concentrated in their 50s and above, making it urgent to strengthen the recruitment and development of successors. However, because construction is a highly experience-driven industry, simply increasing recruitment numbers is not enough; we must rebuild a long-term, systematic human resources development framework. As part of this effort, we are considering introducing a career roadmap system that supports employees' autonomous growth in line with our human resources strategy, with the business units, President's Strategy Office, and Corporate Management General Headquarters working together.

ESG Data (Japanese only)
https://www.toa-const.co.jp/esg/esg_data.html

Corporate Management General Headquarters / Human Resources Strategy Department

- Formulate and plan Company-wide human resources strategies aligned with management strategy
- Design organizational structures and training programs that enable execution of the corporate philosophy
- Partner with business units in developing human resources strategies and organizational structures

Implementation of Corporate Philosophy and Code of Conduct | Happiness (Employee Engagement) | Human Resource Acquisition | DE&I | Building Development Programs Utilization of Human Resource Data

Consultation and Proposals Related to Human Resources Strategy

Collection and Organization of Internal Information

Business Units

- Formulate human resources strategies and recruitment plans aligned with business strategy
- Develop younger and senior employees

Domestic Civil Engineering | Domestic Building Construction | Overseas | DX

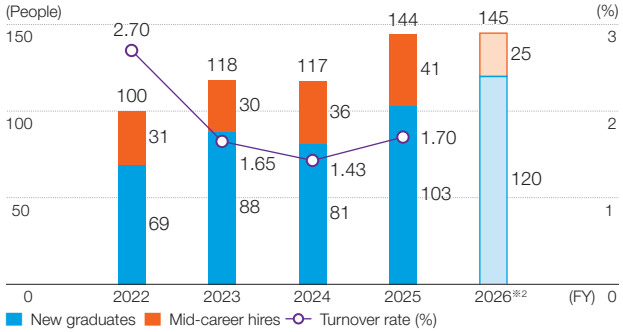
P.16-17 Domestic Civil Engineering Business
P.18-19 Domestic Building Construction Business
P.20-21 Overseas Business
P.28-29 DX Strategy

Company-Wide Human Resources Strategy

Human Resource Acquisition

To secure the human resources that form the foundation of each business's human resources strategy, we are strengthening recruitment across the Company. Through initiatives including the all-employee recruiter program, expanded internships, and broader use of comeback hiring, which gives former employees the opportunity to return and apply knowledge gained after leaving the Company, we are systematically pursuing both new graduate and mid-career recruitment.

● Recruitment and Turnover Rate*1



Notes: *1 The turnover rate refers to the voluntary turnover rate for employees in career-track positions
*2 The number of hires planned for 2026

Promoting the Advancement of Women

By promoting diversity, equity, and inclusion (DE&I), we aim to move beyond a highly homogeneous, male-dominated organizational structure and create an organization capable of generating innovation by combining the knowledge and experience of diverse human resources.

As part of our efforts to advance women, we have set a target of 25 women in managerial positions by fiscal 2030 and have introduced region-specific career-track positions and enhanced training programs. For mid-career recruits, we provide leadership training aimed at expanding their range of responsibilities and cultivating the mindset needed for future leadership. Employees* expected to be appointed to managerial positions in the near future have also participated in practical leadership development training. Supported by these initiatives, four women were newly promoted to section manager this fiscal year, bringing the number of women in managerial positions at the Company to 12 as of August 1, 2026.

* Primarily selected from semi-executive positions (grades eligible for appointment to section manager level or above).

Enhancing Employee Engagement

We are placing particular emphasis on Kaeru Meetings®, an initiative designed to embed psychological safety throughout the Company. In these meetings, teams define the desired state they want to achieve, identify issues standing in the way, and formulate and implement improvement measures. Participation in Kaeru Meetings®, primarily at construction sites, has increased year by year, and open communication among employees is helping us create workplaces where people can work with confidence.

P.46 Stakeholder Engagement

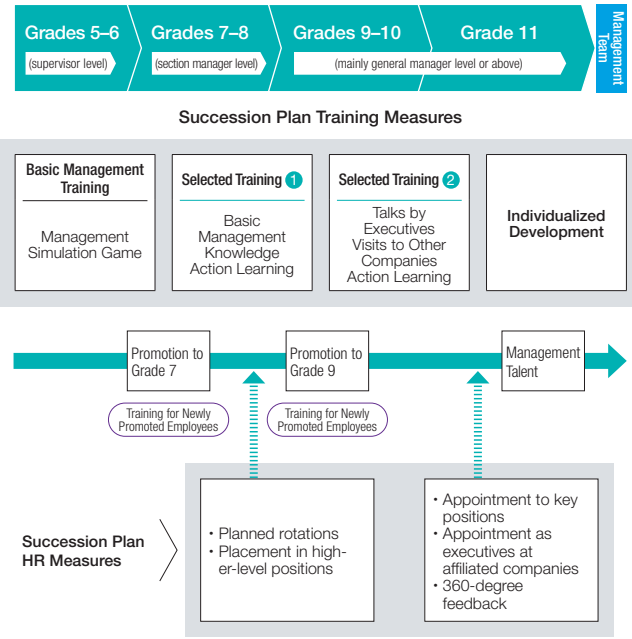


Kaeru Meetings® at a construction site

Developing Management Talent

Our management talent development plan (succession plan) is an important theme for the Company's sustainable growth and creation of new value. In the first stage, all career-track employees in their late 20s to early 30s receive basic management talent training to foster an awareness of management from an early stage. In the second stage, selected employees in semi-executive positions (grades eligible for appointment to section manager level or above) receive training to acquire the knowledge and mindset needed to participate in management. In the third stage, selected employees in executive positions (mainly grades eligible for appointment to general manager level or above) receive more advanced training. Through these initiatives, we are systematically developing the talent that will lead the Company's management in the future.

● Management Talent Development Framework





DX Strategy Overview

Our DX strategy aims to achieve business transformation and enhance corporate value by using digital technologies and data as management resources. We will promote digital utilization across the Company, create an environment in which knowledge and information accumulated in individual departments can be shared and utilized, and build a data platform that supports rapid and accurate decision-making. We also aim to transform ourselves into an organization that continuously generates reform by improving the digital literacy of each employee and fostering a mindset for transformation, thereby contributing to sustainable corporate growth and stronger competitiveness.

Priority Initiatives in Fiscal 2025

Based on the DX Strategy Roadmap, we are promoting Company-wide digital transformation through two complementary approaches: offensive DX—construction DX, data utilization, and work-style DX—and defensive DX—human resource development and information security. In fiscal 2025, we improved productivity through construction DX, developed our data infrastructure, digitized business processes, and promoted the use of AI to improve operational efficiency and support the transfer of technical expertise. We also strengthened governance by developing digital talent, adopting a zero-trust approach, and enhancing information protection systems, thereby building a secure and sustainable foundation for promoting DX.

DX Strategy Roadmap (Japanese only)
https://www.toa-const.co.jp/esg/esg-pdf/dx-strategy.pdf

AI Policy (Japanese only)
https://www.toa-const.co.jp/esg/ai_policy/index.html

DX Strategy Categories

Construction DX

- Automation and autonomous operation of work vessels
- Robotics
- Advanced construction management
- Use of BIM/CIM and BIM
- Use of digital twins

Data Utilization

- Data-driven practices
- Creating innovation through agentic AI
- Transfer of veteran employees' knowledge

Work-Style DX

- Embedding diverse work styles
- Greater sophistication of operational efficiency

Human Resources

- Development and utilization of DX talent
- Improving employee digital literacy in compliance with AI governance
- Support for recruiting ICT concierges

Information Security

- Development of IT infrastructure
- Strengthening management of important documents
- Information security education
- Development of AI governance

SPOTLIGHT

Construction DX Initiatives

Toward Next-Generation Robotics

To realize the on-site transformation through DX set out in the medium-term management plan, we are seeking to transform construction sites through robotics and AI. As part of this effort, we introduced a quadruped robot at the Chokai Dam tunnel construction site in Akita Prefecture. Because there was concern that toxic gases might accumulate inside the tunnel during the winter shutdown period, the robot was equipped with a gas detector, LiDAR,* and a camera, while a remote-control system using fiber-optic cable was adopted to ensure reliable communications inside the tunnel. This enabled inspections for toxic gases, internal tunnel measurements, and visual confirmation of conditions. We also used generative AI to analyze video captured by the robot and automatically detect and notify personnel of disaster risks and unsafe behavior. With an eye to future autonomous patrols and the use of physical AI, we aim to achieve sustainable enhancement of corporate value and realize next-generation robotics. At the breakthrough ceremony for the Chokai Dam Municipal Road Relocation Takuchi Line No. 1 Tunnel Project, held on July 29, 2026, we brought the quadruped robot back to the site and, with President Takeshi Hayakawa in attendance, demonstrated the technology to the client and other local stakeholders.

* Technology that emits laser light and uses information from the reflected light to measure the distance to and shape of objects.



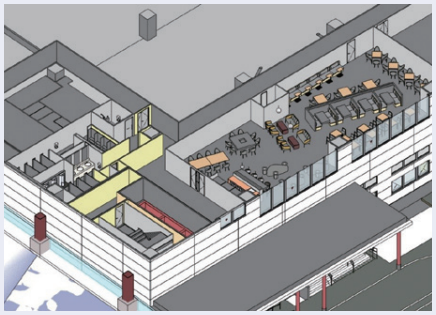
Quadruped robot heading into the tunnel to confirm the breakthrough



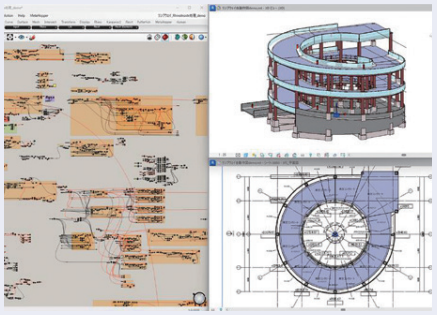
Breakthrough ceremony

Improving Design and Construction Efficiency and Sophistication through BIM

In fiscal 2026, we established the BIM Design Section within the 1st Design Department of the Building Construction General Headquarters and began promoting the preparation of design documents using BIM. Building information modeling (BIM) is a method for centrally managing information on building shape and specifications, equipment, and other elements in a three-dimensional model. By sharing information among stakeholders as design work proceeds, BIM is expected to improve design quality and operational efficiency and reduce rework. For some logistics facility projects, architectural, structural, and building-services considerations have been integrated into three-dimensional models from the basic planning stage, improving coordination efficiency among stakeholders and enabling the preparation of highly consistent basic design documents. We plan to expand this approach to office projects. In addition, by working with the BIM Support Section of the Building Construction Support Department and using BIM to examine temporary works plans and confirm material quantities during the construction stage, we are improving efficiency and quality from design through construction. We are also developing an automated design system specifically for logistics facilities to improve the efficiency of creating BIM data at the basic planning stage.



3D model using BIM



Automated design for logistics facilities

STRATEGY

Occupational Safety and Health

Measures to Prevent Recurrence of Serious Accidents

The serious accident that occurred on April 7, 2026 at an unloader-crane dismantling worksite where the Company was serving as the prime contractor was something that must never happen at a construction company entrusted with human lives, and we take our responsibility for it extremely seriously. All employees will return to our fundamental principle of putting safety before everything else, with a firm determination never to allow a similar accident to occur again. We will strengthen our safety management systems, fundamentally reform the awareness of each individual, and steadily implement measures to prevent recurrence while advancing a change in mindset.

Measures to Prevent Recurrence

(1) Measures at Worksites

For work at heights and other operations where visual confirmation is difficult, we will strengthen methods for assessing worksite conditions while maintaining and reinforcing worksite structures, including those involving partner companies.

(2) Measures by Indirect Departments at the Head Office and Branch Offices

For projects involving unfamiliar or special requirements, we will establish a system that enables the head office to identify and confirm the relevant conditions from the pre-order stage and strengthen support from head-office technical departments.

(3) Measures to Raise Employee Safety Awareness

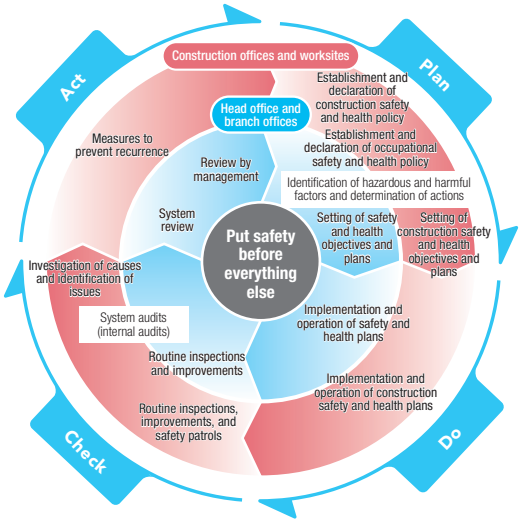
For unfamiliar and highly challenging work, we will go beyond our existing safety-management activities by implementing measures that strengthen employees' awareness of the need to identify risks inherent in the work themselves, rather than leaving matters entirely to partner companies—for example, by independently verifying reports received from partner companies. Through messages from the president, action guidelines, internal notices, and other means, we will once again ensure that employees thoroughly understand the basic principle of putting safety before everything else. We will also embed this principle as a system that is reflected concretely in the actions and decisions of each employee, rather than stopping at simple communication and awareness-raising.

Occupational Safety and Health Policy

Under the basic principle of putting safety before everything else, each employee will take pride in and remain conscious of their responsibility to lead worksites and protect everyone involved in construction from occupational accidents. Through steady and continuous safety activities, we aim for zero serious accidents and zero serious public accidents.

Occupational Safety and Health Management System

We operate an occupational safety and health management system (OHSMS), conducting risk assessments to eliminate hazardous and harmful factors in advance and implementing an occupational safety and health management process based on repeated PDCA cycles.



PDCA Cycle

Establishing a Reliable Worksite Inspection System

- We will proactively conduct joint patrols by the head office and branch offices, demonstrating at worksites the Company-wide commitment to eliminating occupational accidents. By inspecting worksites from a variety of perspectives, we will also work to identify latent risks at an early stage.
- We will participate in web-based patrols of overseas projects and accompany on-site patrols approximately once a year to build and deepen knowledge of worksite environments in each country.

Enhancing the Safety Education System

- In addition to six-tier safety training for employees, we will continue training for mid-career hires and specialized worksite-manager training for mid-level and experienced employees.
- We will appoint branch safety staff as instructors for tiered safety training to improve their teaching skills and enhance and standardize the Company-wide safety education system.

FY2022-2025 Safety and Health Training

FY2022		FY2023		FY2024		FY2025	
Total participants	Training hours per participant	Total participants	Training hours per participant	Total participants	Training hours per participant	Total participants	Training hours per participant
229	10.4	237	9.9	283	10.6	379	16.4

Preventing Similar Accidents through ICT

- We rolled out internally the AI Disaster Search System (HACARUS KY), which incorporates the Company's past accident cases. By utilizing accident data, we aim to eliminate similar incidents.

Occupational Safety and Health Policy
https://www.toa-const.co.jp/esg/msa_safety.html
(Japanese only)

STRATEGY

Quality Assurance

Quality Policy

By adhering to established processes, we will reliably execute the PDCA cycle, with particular emphasis on the effectiveness of C (checking, verification, and evaluation), and provide structures and technical services that satisfy customer requirements.

Progress of Quality Initiatives and Future Policy

ISO Certification

To improve the quality of business operations and earn trust and recognition from society, we have obtained ISO certifications (9001 for quality, 14001 for environment, and 45001 for occupational safety and health). In the 2025 surveillance audit, we successfully maintained our certifications, and in 2026 we are scheduled to undergo the recertification audit conducted once every three years. We operate an integrated manual covering quality, environment, and occupational safety and health and reduce administrative complexity by, for example, consolidating site-level plans into a single document.

Management System (MS) Internal Audits

In fiscal 2025, we conducted 74 audits across Japan, including audits by internal auditors at the head office and branch offices and audits led by the Quality Control Department. As in fiscal 2025, we will continue MS internal audits as in the previous fiscal year while further enhancing and upgrading audit content. We will also focus on following up on audit results and training internal auditors to further improve the effectiveness of the management system.

Enhancing quality
https://www.toa-const.co.jp/esg/quality_management.html
(Japanese only)

Prevention of Nonconforming Products and Improvement of Quality Control

To prevent nonconforming products, we conduct 30 surprise quality audits annually, providing guidance to prevent misconduct and ensure quality. Audits cover projects with concealed work, such as ground improvement, and projects with quality-related concerns, and are conducted at appropriate stages for ensuring quality. During audits, we verify that management is being carried out in accordance with the management system, explain key management points, and provide guidance to prevent nonconforming products.

Human Resource Development for Quality Assurance

To deepen understanding of the importance of quality assurance and the Quality Policy, we provide management-system education through tiered training, beginning with new-employee training. We also conduct internal-auditor training on a planned basis to secure the internal auditors essential to the continuous operation of the management system. To further improve the quality of worksite construction, the civil engineering and building construction divisions each offer proprietary training programs incorporating accumulated know-how.

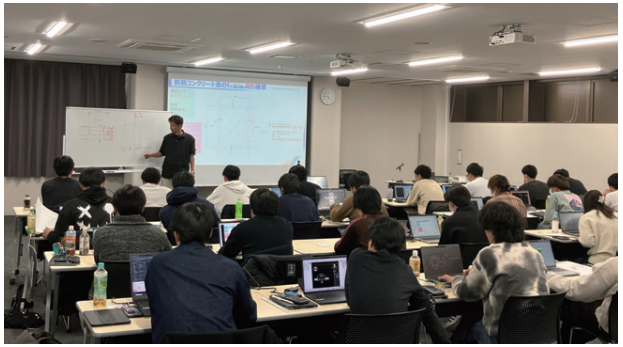
Putting the Partnership Declaration into Practice

We believe that coexistence and mutual prosperity across the entire supply chain, including business partners, are essential to achieving sustainable growth and resolving social issues.

Under the Partnership Declaration, in addition to improving safety and ensuring quality, we promote DX together with the supply chain through initiatives such as improving productivity, developing human resources, and utilizing ICT construction and BIM/CIM. We are also advancing decarbonization in construction through energy-efficient construction and the use of low-carbon materials, while contributing to the sustainable development of partner companies through health and productivity management and support for business continuity plan (BCP) formulation. Furthermore, we are strengthening mutual trust by actively promoting appropriate transactions, fair price determination, and the protection of intellectual property.

We will continue dialogue with business partners and contribute to increasing value across the entire supply chain and realizing a sustainable society.

P.47 Collaboration with Business Partners



Training for fourth- and fifth-year building construction employees



Regular briefings for partner companies

Sustainability Management

Sustainability Management

The Group has established the Long-term Vision <TOA2035>, Support Society, Connect People with the World, and Create the Future, as its vision for 2035, with the aim of achieving both the sustainable development of society and enhancement of corporate value.

To realize this vision, we are integrating our business strategy and sustainability strategy, strengthening our business foundation to mitigate risks associated with environmental and social change and transform solutions to social issues into growth opportunities. In particular, by taking initiatives across the entire supply chain, we are working to develop a business model that combines sustainability and profitability.

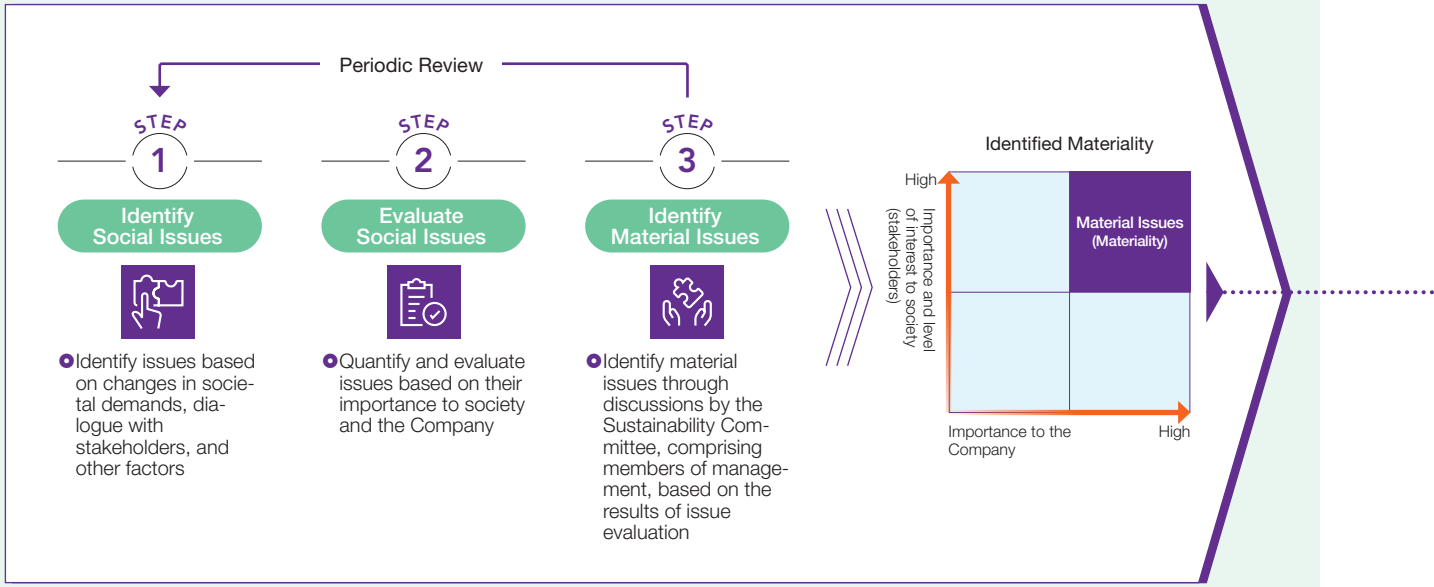
To address sustainability issues including global environmental challenges such as climate change, respect for human rights, occupational safety and health, fair business practices and anti-corruption, assurance of quality and safety, information security, and crisis management for natural disasters, we have established the Sustainability Committee, comprising members of management. The Committee considers policies from both risk and opportunity perspectives, evaluates the progress of measures, and promotes continuous improvement. The Board of Directors receives reports from the Committee and works to enhance these responses from the perspective of increasing corporate value over the medium to long term.

By embedding Sustainability Management throughout the Group to achieve sustainable value creation, we will deepen relationships of trust with stakeholders and continue to grow sustainably together with society.

Sustainability Management
https://www.toa-const.co.jp/eng/esg/

Materiality

TOA CORPORATION identifies social issues based on international standards such as ISO 26000 and the Sustainable Development Goals (SDGs), surveys by external ESG rating agencies, and dialogue with various stakeholders, including customers, shareholders and investors, and employees. Among issues that are highly important to both society (stakeholders) and the Company, we have identified five priority items that require particular focus as material issues (materiality). We also review our material issues annually to respond to changes in risks and opportunities accompanying trends in the social environment.



Material Issues and KPIs for FY2025

	Material Issues		Action Plan	Key Performance Indicators (KPIs)	FY2025 Targets	FY2025 Results
E	Contribution to Global Environmental Conservation	Climate Change	■Adopt low-carbon construction machinery, methods, and energy sources. ■Promote the development of decarbonization technologies. ■Establish an Environmental Project Office within the Building Construction Sales General Headquarters and examine measures to promote carbon neutrality. ■Promote carbon neutrality by strengthening collaboration with partner companies and suppliers.	Reduction in greenhouse gas emissions (Scope 1+2) (compared with fiscal 2020)	12.5% or more 25% or more (fiscal 2030) Net 100% (fiscal 2050)	28.7%
				Reduction in greenhouse gas emissions (Scope 3) (compared with fiscal 2020)	12.5% or more 25% or more (fiscal 2030)	-48.5%
				Building construction: Number of ZEB proposals	5 or more	5
				Building construction: Proportion of ZEB series projects among design-build projects with a contract value of at least ¥1 billion	50% or more	67%
				Number of R&D projects contributing to decarbonization	5 or more	8
		Biodiversity	■Promote nature-positive initiatives.	Number of R&D projects contributing to biodiversity	3 or more	5
			■Enhance the effectiveness of the environmental management system.	Number of serious environmental accidents	0	0
		Resource Circulation	■Promote the 3Rs (reduce, reuse, and recycle) at construction sites and advance zero-emission initiatives. ■Promote the circular economy.	Number of R&D projects contributing to the 3Rs	3 or more	3
				Final disposal rate for construction waste	3% or less	3.0%
S	Contribution to Infrastructure Development through Technological Advancement		■Actively contribute to national resilience initiatives and the maintenance and renewal of aging port infrastructure to protect lives and society from increasingly severe natural disasters, thereby contributing to permanent and highly sustainable infrastructure development. ■Contribute to infrastructure development and improvement that enhance living standards in developing countries.	Number of R&D projects contributing to disaster prevention and mitigation	2 or more	3
				Number of infrastructure development projects undertaken in developing countries	3 or more	5
	Ensuring Labor Safety and Quality		■Advance construction and construction management through the use of information and communication technology (ICT) and new technologies ■Enhance the effectiveness of the quality management system. ■Strengthen initiatives to prevent nonconforming products through collaboration among the Domestic Civil Engineering Business and Building Construction Business, and overseas business.	Number of nonconforming products with losses of ¥5 million or more (civil engineering)	3 or fewer	0
				Number of nonconforming products with losses of ¥5 million or more (building construction)	3 or fewer	1
				Number of nonconforming products with losses of ¥10 million or more (international)	3 or fewer	0
			■Accurately identify construction specifications and customer requirements, align understanding between work sites and management divisions, and provide high-quality products that meet requirements. ■After completion of construction, collect and analyze customer evaluations and feed the results back to subsequent work sites. ■Use building information modeling (BIM) as a platform in the DX Production Design Section to improve productivity.	Customer satisfaction rating (government agencies; internal indicator)	80 points or higher	80.9 points
				Customer satisfaction rating (private sector; internal indicator)	B or higher	C: 1 case
				Customer satisfaction survey response rate	90% or more	92.4%
			■Enhance the effectiveness of the occupational safety and health management system (OHSMS). ■Eliminate occupational accidents and public accidents by putting safety before everything else.	Number of serious accidents	0	1
				Number of serious public accidents	0	0
				Accident frequency rate (four or more days of lost work; domestic)	0.70 or less	0.93
				Accident frequency rate (four or more days of lost work; international)	0.20 or less	0.41
	Developing Diverse Human Resources and Promoting Active Engagement		■With the Human Resources Strategy Section taking the lead, formulate specific measures and promote changes in awareness to achieve diversity and inclusion. ■Secure and develop diverse human resources based on the Basic Human Resources Development Policy. ■Each business division will be responsible for recruitment and for developing the curricula needed to train its personnel. ■Through DX, develop advanced personnel and raise basic skill levels to improve productivity and enable new ways of working, with the aim of being a company that contributes to society. ■Enhance employee benefits and education and improve operations to further advance work-style reform. ■Work to prevent and mitigate human rights risks throughout the supply chain in Japan and overseas, with the understanding of partner companies. ■Through the employee suggestion system, create mechanisms that encourage employees to proactively communicate and implement ideas and foster an open organizational culture.	Employment rate of persons with disabilities	2.5% or more	3.1%
				Number of female employees in career-track positions*1	250 or more (fiscal 2030)	205
				Number of non-Japanese employees in career-track positions	40 or more (fiscal 2030)	36
				Number of women in semi-executive and management positions	30 or more (fiscal 2030)	15
				Number of non-Japanese employees in semi-executive and management positions	10 or more (fiscal 2030)	3
				Number of R&D projects contributing to productivity improvement	6 or more	11
				Average score for the 28 employee satisfaction items in the compliance awareness survey of all employees	Exceed the previous fiscal year score	±0
G	Strengthening Compliance and Governance		■Build a corporate governance framework aimed at enhancing corporate value. ■Maintain and improve the effectiveness of internal controls throughout the TOA CORPORATION Group to prevent recurrence of misconduct.	Number of third-party evaluations of Board effectiveness	Once during the medium-term management plan period	1
				Number of governance monitoring reviews of domestic consolidated subsidiaries*2	Once per year at each company	Conducted once at each company
			■Recognize the possibility of risks occurring and take thorough measures both to prevent them and to respond if they occur. ■Enhance business continuity management (BCM). ■Ensure rigorous information security management.	Number of serious information security incidents	0	0
				Number of Company-wide business continuity plan (BCP) drills	Once per year	Conducted once
				24-hour response rate for safety confirmation drills	100%	89.8%
			■Enhance and strengthen compliance education. ■Prevent employee awareness of past defective construction issues from fading over time.	Number of serious legal violations	0	0
				Compliance e-learning completion rate*3	100%	97.2%
				Average score for the 18 compliance items in the compliance awareness survey of all employees	Exceed the previous fiscal year score	-0.03

*1 Includes region-specific career-track positions. *2 For consolidated subsidiaries with branch offices, branch monitoring is conducted separately once a year. *3 Includes domestic consolidated subsidiaries as well as the Company.

VALUE CO-CREATION

Value Co-Creation with the Environment

Basic Approach

Society as a whole is increasingly expected to work together to address environmental challenges such as climate change, resource circulation, and the conservation and restoration of natural capital and ecosystems. The Group has established the TOA CORPORATION Group Environmental Code of Conduct and will promote initiatives throughout the supply chain that contribute to realizing a sustainable society, including a decarbonized society, a recycling-oriented society, and a society in harmony with nature.

Three Environmental Challenges and Initiatives



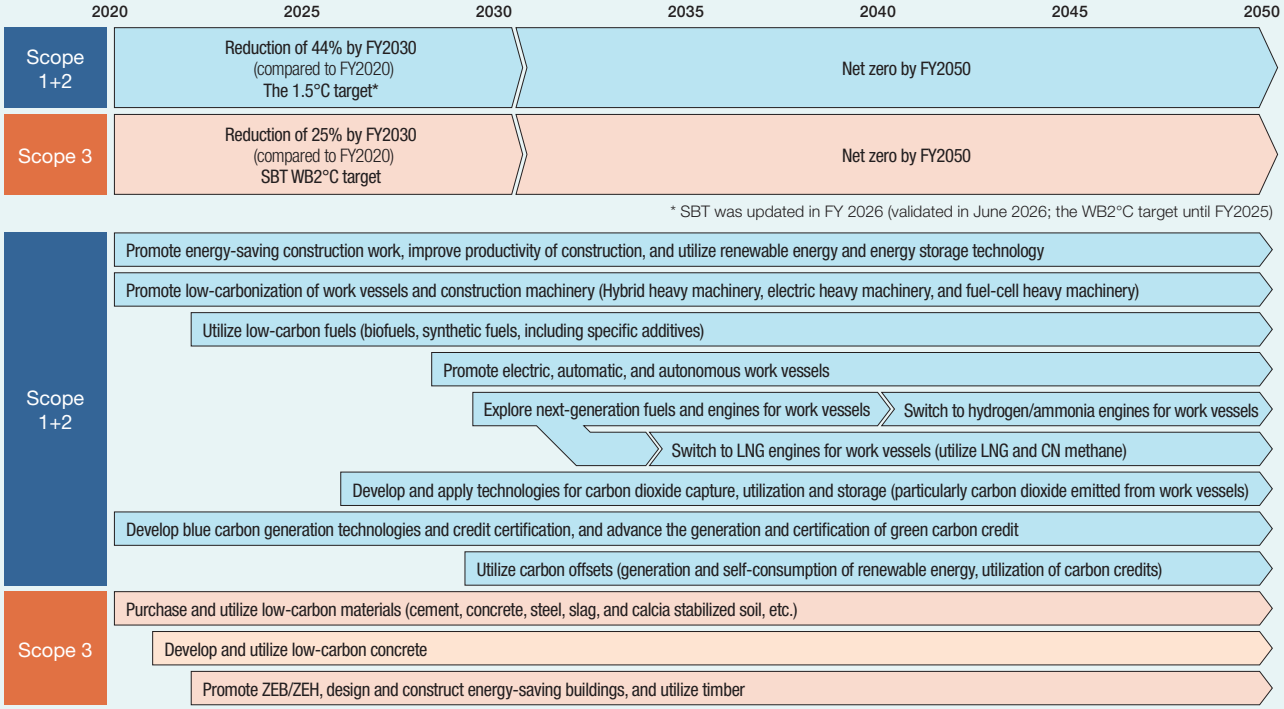


Toward a Decarbonized Society

Advancing Decarbonization toward the 1.5°C Target and Net Zero by 2050

Toward achieving carbon neutrality by 2050, in March 2026 the Group revised its roadmap to target net-zero emissions across the entire value chain, including Scope 3, by fiscal 2050 (see diagram below). We also revised our Scope 1+2 reduction target to a 44% reduction by fiscal 2030 compared with fiscal 2020, shifting from a well-below 2°C (WB2°C) target to a 1.5°C target, which is aligned with limiting global temperature rise to 1.5°C above pre-industrial levels. For Scope 3, the target remains a 25% reduction by fiscal 2030 compared with fiscal 2020 under the WB2°C target. All of these 2030 targets have been recognized by the Science Based Targets (SBT) Initiative, and we will actively address the key issues in the roadmap to achieve them.

● Carbon Neutral Road Map



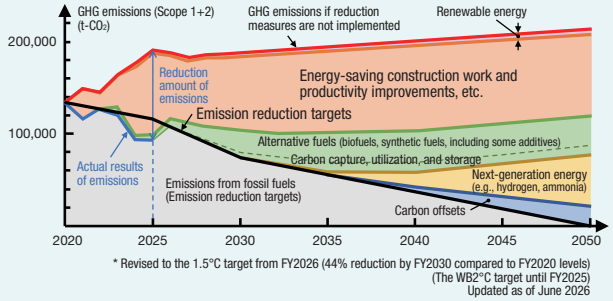
* SBT was updated in FY 2026 (validated in June 2026; the WB2°C target until FY2025)

* Actual results are reported through FY2025
Information update as of June 2026

Revising the Transition Plan and Visualizing Specific Initiative Targets

To achieve net zero by 2050, we revised the transition plan for Scope 1+2 in light of the expected increase in CO_2 emissions as our business volume grows. At the construction stage, we will promote energy-efficient construction and productivity improvements, the use of alternative fuels and next-generation energy, carbon dioxide (CO_2) capture, utilization, and storage, and carbon offsets. As a particularly important initiative to decarbonize port construction, we are proactively introducing biofuels for work vessels. We are also focusing on developing CO_2 capture technologies and creating blue and green carbon. The Group is considering and implementing action plans to realize this transition plan in alignment with its business strategy.

● Transition Plan

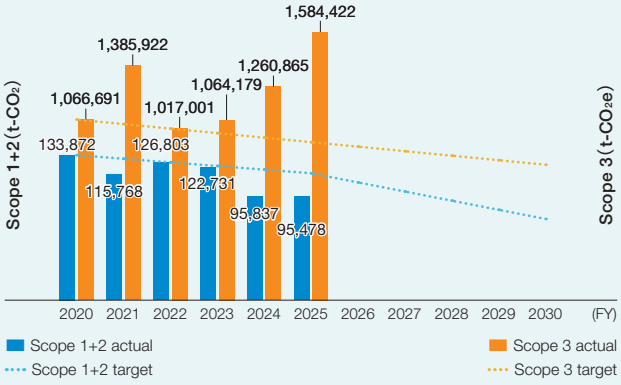


* Revised to the 1.5°C target from FY2026 (44% reduction by FY2030 compared to FY2020 levels)
(The WB2°C target until FY2025)
Updated as of June 2026

Greenhouse Gas (GHG) Emissions Results

In fiscal 2025, the Group's Scope 1+2 emissions decreased 28.7% compared with the fiscal 2020 base year, significantly exceeding the target reduction of 12.5%. Scope 3 emissions, meanwhile, increased 48.5% due to expansion in business volume.

From the current fiscal year, we have shifted Scope 1+2 to the 1.5°C target and will implement initiatives in accordance with the transition plan to achieve this more ambitious target. For Scope 3, we will focus on measures such as increasing the use of ZEBs in buildings and introducing low-carbon materials, while further deepening dialogue and collaboration with the supply chain.



Carbon-neutral initiatives
https://www.toa-const.co.jp/eng/esg/tcfd/

Disclosure of Climate-Related Information in Line with the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

In December 2021, the Group announced its support for the final recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and has promoted climate-related disclosure. We identify and evaluate climate-related risks and opportunities, assess their impacts through scenario analysis, and consider preventive response measures. Based on this work, we have developed a roadmap and transition plan for achieving our targets and integrated climate change mitigation and adaptation initiatives into our management strategy.

Selected for the CDP A List for the Second Consecutive Year

CDP, which operates one of the world's leading environmental disclosure platforms, recognized the Company's climate change initiatives and disclosure, and in fiscal 2025 we were selected for the CDP A List, its highest rating for climate change, for the second consecutive year. We were also named a Supplier Engagement Leader, the highest rating in the Supplier Engagement Assessment, for the third consecutive year.





Offshore Wind Power Business

Offshore wind power has a broad supply chain spanning surveys, manufacturing, installation, and operation, and is expected to generate significant economic ripple effects and has strong potential for large-scale deployment. It is therefore regarded as a key driver for making renewable energy a mainstream power source. In fiscal 2023, we constructed Hakkaku, a self-elevating platform (SEP) vessel. Going forward, we will leverage our expertise in marine civil engineering to contribute to the expansion of offshore wind power in Japan.

Hakkaku
https://www.toa-const.co.jp/eng/RandD/fleet/hakkaku/



SEP vessel Hakkaku berthed at Muroran Port

Recent Major Initiatives

Status of Offshore Wind Power Projects in Promotion Zones

Under the "Act on Promoting the Utilization of Sea Areas for the Development of Marine Renewable Energy Power Generation Facilities," 13 sea areas have been designated as promotion zones and seven operators have been awarded. Project development is progressing toward installation targets of 10 GW by 2030 and 30–45 GW by 2040.

Initiatives in Bottom-Fixed Offshore Wind Power

The survey, construction, and maintenance phases involve a variety of construction and operational activities, and we aim to participate in each phase. The SEP vessel Hakkaku, with a 1,250-ton lifting capacity, can be used for a wide range of applications, including geotechnical surveys, installation of monopile and jacket foundations, installation of foundation-related equipment, and wind turbine installation.

Expansion into Floating Offshore Wind Power

With the expansion of target sea areas into the exclusive economic zone (EEZ), deployment of floating offshore wind power is expected to increase. We actively participate in various demonstration projects and collaborate with companies in other industries. By making maximum use of our accumulated marine construction experience and technical capabilities and the trust we have built with stakeholders, we will contribute to achieving carbon neutrality and preventing global warming through offshore wind power construction projects.

Floating Offshore Wind Construction System Technology Research Association (FLOWCON)
https://flowcon.or.jp/en/

NEDO Green Innovation Fund Project: Cost Reduction for Offshore Wind Power Generation
https://green-innovation.nedo.go.jp/en/

Green Innovation Fund Project / Cost Reductions for Offshore Wind Power Generation / Floating Offshore Wind Power Demonstration Project (Phase 2) – The Southern Akita Floating Offshore Wind Demonstration Project (Japanese only)
https://gi-f2-akita.co.jp/projects/

Environmental Technology and GX Initiatives

First Use of Biofuel on a Cutter Suction Dredger

In December 2025, the Company introduced domestically produced fatty acid methyl ester (FAME) biofuel derived from used cooking oil for the first time on its cutter suction dredger ASIA MARU No.3, which was used in dredging work to deepen and widen the navigation channel at the Port of Osaka. The biofuel was produced at Sanwa Energy Co., Ltd.'s Shin-Sayama Bio Plant, blended with Class A heavy fuel oil at its Kishiwada Bio Plant, and supplied by sea using a bunker vessel. Fuels containing 5% and 24% FAME were tested against conventional Class A heavy fuel oil. The results showed no significant effect on fuel economy or engine performance, confirming that the fuel can be used with existing equipment. The Company is working with Sanwa Energy Co., Ltd. to examine commercialization of marine biofuel supply. Going forward, we will further decarbonize port construction by expanding biofuel use on work vessels and establishing a stable supply system.

Using an electric vessel for surveying

In demolition work on a large tanker berth in the Keihin Canal, after removing an undersea pipeline crossing the canal, we conducted bathymetric surveying using an electric vessel (EV) to check for irregularities in the seabed. Compared with engine-powered vessels, the EV was extremely quiet with little vibration, and survey data were acquired without issue. The EV was charged using surplus solar power generated at the Yokohama Plant of Shell Lubricants Japan K.K. in Yokohama, Kanagawa Prefecture, enabling approximately five hours of operation after a full charge. By using an EV that emits no combustion gases from an engine, we can contribute to reducing CO_2 emissions and lower the environmental impact of civil engineering work.

Reducing Environmental Impact through ZEB Design

The Company regards reducing environmental impact as a material issue and promotes proposals for net zero energy buildings (ZEBs) to customers from the design stage. At the Sendai Izumi Logistics Center, improved building-envelope performance*1 and high-efficiency equipment reduced energy consumption, while solar power generation enabled the use of renewable energy. As a result, the facility received CASBEE A-rank certification and achieved ZEB certification.*2 Local timber and stone were also used in the entrance interior to reflect the character of the region. As a new initiative, we are also focusing on life-cycle CO_2 ($LCCO_2$) calculations. By visualizing CO_2 emissions across construction, operation, and disposal, we aim to further reduce environmental impact throughout the building life cycle and promote environmentally conscious buildings.

*1 Thermal insulation and other performance of roofs, exterior walls, windows, and other parts in contact with the outside air.
*2 A building whose annual primary energy consumption is net zero or negative.

Learn More about ZEB/ZEH Initiatives (Japanese only)
https://www.toa-const.co.jp/tech/needs/zeb/



ASIA MARU No. 3 being bunkered with biofuel



Bathymetric surveying using an EV



Sendai Izumi Logistics Center, a ZEB-certified facility

Creating a Recycling-Oriented Society and Blue Carbon

Developing Infrastructure to Support Effective Use of Dredged Soil

Dredging work carried out to improve logistics efficiency through larger vessels and enhance maritime traffic safety requires facilities to receive dredged soil. In Kyushu, as part of the Phase II Shin-Moji Offshore Dredged Soil Disposal Site Project, the Company constructed 150 meters of southern revetment to provide a disposal destination for dredged soil from the Kanmon Passage, the Shin-Moji Passage at the Port of Kitakyushu, and the main channel at Kanda Port. Once completed, the disposal site will have the capacity to receive approximately 16 million m^3 from the Kanmon Passage, 8 million m^3 from the Shin-Moji Passage, and 8 million m^3 from Kanda Port's main channel. The dredged soil received will later be put to productive use in future land utilization. The Company will continue developing the infrastructure essential for ongoing navigation-channel dredging that supports port logistics, contributing to a recycling-oriented society through the effective use of dredged soil.

Resource Circulation Initiatives

Against a backdrop of advancing climate change, rising resource prices, depletion of natural resources, and biodiversity loss, the importance of resource circulation is increasing globally. At the same time, higher material procurement costs caused by resource depletion and supply constraints, tighter regulations related to resource circulation, rising costs for the reuse and treatment of used materials, and deterioration in corporate reputation due to delayed action all represent significant business risks.

The Company promotes environmentally conscious material procurement, the 3Rs (reduce, reuse, recycle), effective use of construction by-products, expanded use of recycled materials, and the development and provision of resource-circulation technologies. Through these initiatives, we aim to reduce costs by improving resource-use efficiency and expand order opportunities by capturing growing demand for resource circulation, while contributing to higher corporate value and the transition to a circular economy through the creation of environmental value.

TOA CORPORATION Group Environmental Code of Conduct
https://www.toa-const.co.jp/eng/esg/env_standard/

Wakame and Kombu Seeding and Harvesting Event

The Company is working with Yokohama Bayside Marina Co., Ltd., Yachiyo Engineering Co., Ltd., and the Port and Harbor Bureau, City of Yokohama, on a blue carbon creation project that promotes the growth of seaweed on vertical seawalls as a CO_2 sink to help decarbonize ports.

As part of the project, we held an environmental learning event in January 2026 to increase children's interest in the marine environment and deepen their understanding of a decarbonized society. In addition to lectures on blue carbon and marine litter, participants took part in seeding wakame and kombu. In April of the same year, participants observed the harvested wakame and kombu and marine organisms, experienced a touch pool where they could interact with marine life inhabiting seaweed beds, and took part in food-education activities through tasting. Participants commented that they were happy to see how the wakame and kombu had grown and that they had enjoyed learning about the marine environment.



Southern revetment developed as a receiving site for dredged soil

	Risks	Opportunities
Resource Circulation	•Increase in material procurement costs due to resource depletion and constraints •Increase in costs due to tighter regulations on resource circulation •Increase in costs for reuse and treatment of used materials •Decline in corporate reputation due to insufficient action on resource circulation	•Reduction in business operating costs through more efficient resource use •Increase in order opportunities through the provision of technologies that promote resource circulation •Improvement in corporate image through proactive resource-circulation initiatives

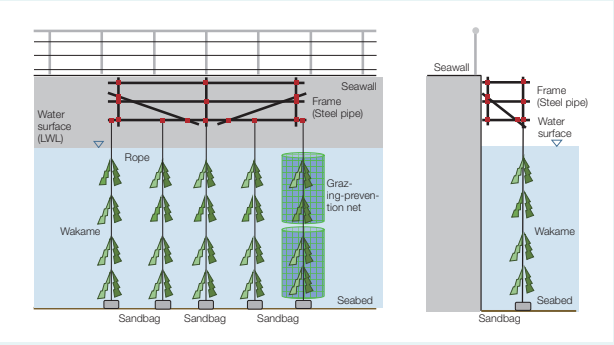


Illustration of wakame and kombu installed on a vertical seawall

Disclosure in Line with the Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD)

Companies today are expected to prepare for a wide range of climate- and nature-related risks and strengthen resilience.

In 2010, the Company established its Biodiversity Action Guidelines and has since pursued procurement, design and construction that take local biodiversity into consideration, as well as R&D that contributes to enhancing biodiversity. To contribute to a sustainable society that protects and makes effective use of natural capital, we will identify nature-related dependencies, impacts, risks, and opportunities in our business activities, implement appropriate responses, and advance disclosure in line with the TNFD recommendations.

Biodiversity (nature-related disclosures)
https://www.toa-const.co.jp/eng/esg/biodiversity/

Locate
- Set the scope of analysis based on the characteristics of business activities and their interfaces with nature

Evaluate
- Use ENCORE, an assessment tool, to identify dependencies and impacts of business activities on nature

Assess
- Identify nature-related risks and opportunities in business activities

Prepare
- Manage and disclose using metrics and targets

Here we report particularly on the impact of nature-related risks and opportunities in the Company's business activities, the corresponding measures, and management metrics and results.

Metrics for Managing Nature-Related Dependencies, Impacts, Risks, and Opportunities

	Metric	Target	Fiscal 2025 Results
Targets for Metrics (Fiscal 2025)	•Number of R&D projects contributing to biodiversity	3 or more	5
	•Number of R&D projects contributing to decarbonization	5 or more	8
	•Number of R&D projects contributing to disaster prevention and mitigation	2 or more	3
	•Number of R&D projects contributing to the 3Rs	3 or more	3
	•Final disposal rate for construction waste	3% or less	3.00%
	•Number of BCP drills	Once per year	Conducted once
	•Serious environmental accidents	0	0
	•Reduction in greenhouse gas emissions (Scope 1+2) (compared with fiscal 2020)	12.5% or more	28.7%
	•Reduction in greenhouse gas emissions (Scope 3) (compared with fiscal 2020)	12.5% or more	-48.5%

Nature-Related Risks and Opportunities in the Company's Business Activities

Business Risks and Opportunities for the Organization		Impact on the Organization's Business	Impact	Response Measures	Time Horizon
Transition Scenario	Legal and regulatory risk	•(Upstream) Increase in raw material procurement costs due to tighter biodiversity-related regulations affecting procurement of iron ore, limestone, and other raw materials	Medium	•Strengthen management of legal and regulatory risks throughout the supply chain and optimize procurement systems •Use and develop alternative materials	Medium term
		•(Upstream) Increase in timber procurement costs due to tighter biodiversity-related regulations and requirements to ensure legality	Medium	•Use and develop alternative materials •Review the entire supply chain and strengthen sustainable use through forest conservation and other measures	Medium term
		•(Direct operations) Increase in construction costs associated with avoiding and minimizing impacts on the surrounding environment during construction due to tighter biodiversity-related regulations	Medium	•Promote development of environmentally conscious construction methods •Improve environmental monitoring technologies and reduce their cost	Medium term
		•(Downstream) Increase in costs due to tighter existing regulations and new legislation associated with promotion of the circular economy, requiring greater waste prevention and recycling in demolition work	Medium	•Develop methods that reduce waste generation during demolition and expand recycling options •Develop design and construction methods that minimize waste generation during demolition	Medium term
	Market risk	•Increase in material procurement and construction costs due to deterioration of ecosystem services, such as rainfall regulation, and fluctuations in market prices	Medium	•Strengthen market risk management •Increase flexibility of procurement systems •Develop alternative materials	Medium term
	Technology risk	•Increase in costs for developing and introducing technologies that reduce environmental impact	Medium	•Promote collaboration in development and introduction of environmentally conscious technologies	Medium term
	Reputational risk	•Decline in share price and corporate value due to inadequate biodiversity responses	Medium	•Strengthen responses to environmental issue risks and information disclosure	Medium term
Physical Scenario	(Acute) Natural disasters	•Increase in response costs due to more frequent natural disasters	High	•Develop technologies that help avoid and mitigate natural-disaster risk; strengthen business continuity management •Strengthening Business Continuity Management	Short to medium term
	(Chronic) Decline in ecosystem services	•Increase in material procurement and construction costs due to deterioration of ecosystem services such as regulation services, and greater damage from larger-scale natural disasters	High	•Enhance the effectiveness of business continuity management (BCM) throughout the supply chain •Develop alternative materials	Medium term
	(Chronic) Increase in water-stressed areas	•Higher construction costs in water-stressed areas and restrictions on water use at site offices	Medium	•Develop construction methods that minimize water use and promote water recycling at construction sites	Medium term
Opportunities	Products and services	•Market expansion driven by demand for blue-green infrastructure •Improved competitiveness through development of environmentally conscious construction methods	Medium	•Promote innovation related to blue-green infrastructure •Improve proposal capabilities through development of environmentally conscious construction methods	Medium to long term
	Biodiversity conservation	•Improved corporate reputation through provision of ecosystem conservation and restoration technologies •Increased opportunities to create new businesses that contribute to biodiversity conservation and enhancement	Medium	•Promote technology development for biodiversity conservation and enhancement •Contribute to resolving regional issues through technology development that supports nature-positive outcomes	Medium to long term

VALUE CO-CREATION

Value Co-Creation with Society

Basic Approach

Carrying forward founder Soichiro Asano's spirit of benefiting society, we protect people's lives and communities from natural disasters. We improve quality and productivity and pursue customer satisfaction. We will enhance the effectiveness of occupational safety and health and quality management, address social issues such as human rights as well as environmental issues, and enhance corporate value.



Creating Social Value through Infrastructure Development

Supporting Community Development through Rail Infrastructure

The continuous grade-separation project around Niigata Station, which began in 2006 as part of urban development around JR Niigata Station, completed elevation of all conventional rail lines in June 2022. In March 2024, a bus terminal opened beneath the elevated station, eliminating the north-south pedestrian divide around Niigata Station and improving access between the Furumachi commercial district to the north and leisure facilities near Toyanogata to the south. The station also introduced same-platform transfers between the Shinkansen and conventional lines, improving transfer convenience and access between the Tokyo metropolitan area and Yamagata and Akita. The elevation project was accompanied by renovation of the CoCoLo Niigata station commercial facility, creating new activity and vibrancy.

Further redevelopment is planned, including improvements to the station forecourt and redevelopment of former platform sites to restructure urban functions around the station. The Company has been involved in the project over the long period since construction began and continues to support regional development and attractive community building.

Infrastructure Development for Larger Container Ships

At Yokkaichi Port in Mie Prefecture, use of the North Wharf, which has a berth with a water depth of 14 meters, has increased in recent years with growth in container cargo and the increasing size of container ships. Cargo volumes are expected to continue rising, and the Kasumigaura District International Logistics Terminal Development Project at Yokkaichi Port is under way to strengthen port functions and consolidate container handling for more efficient cargo operations. The project began with ground improvement work in fiscal 2021 and has progressed through excavation, installation of main piles, foundation work, fabrication and installation of retaining caissons, and construction of the pier superstructure. In fiscal 2025, the Company carried out foundation work and installation of the retaining caisson structures. We will continue contributing through infrastructure development to improving the international competitiveness of a wide range of industries and promoting regional industry.



Elevated Niigata Station and Bandai Plaza pedestrian deck



Installation of retaining caissons

Developing Medical Infrastructure That Supports Life and Daily Living

The Oita Memorial Hospital relocation and reconstruction project is a medical infrastructure initiative intended to strengthen the social foundation for secure living. Centered on patient-centered care and collaboration with the community, it seeks to realize the hospital's basic philosophy of being a kind and compassionate hospital providing thoughtful medical and nursing care, while delivering safe and reliable medical services, promoting team-based care, and establishing a sustainable regional medical service system. The new hospital incorporates resilient features such as redundant emergency power supplies, three days of emergency stockpiles, and facility planning that uses well water. Energy-efficient equipment and design anticipating net zero energy building (ZEB) performance reduce environmental impact, while the integrated development of hospital and nursing-care facilities promotes coordination between regional medical and nursing care.

The multipurpose room will also serve for health seminars and community interaction and as an evacuation base during disasters, contributing to the community both in normal times and emergencies. Through infrastructure development, we will continue contributing to solutions to social issues and the creation of sustainable local communities.

Enhancing Local Community Infrastructure through PFI

The Kojima School Lunch Joint Cooking Center in Okayama Prefecture has the capacity to prepare approximately 6,000 meals per day,*1 supporting food safety and stable meal provision for local schoolchildren through rigorous hygiene management and efficient cooking and delivery systems. The project uses the private finance initiative (PFI) method,*2 an area of strength for the Company. Under a project scheme centered on a special purpose company (SPC), multiple companies work together seamlessly from design and construction through maintenance and operation, ensuring the quality and efficiency of public services. The project also contributes to the local economy through orders placed with local companies and job creation and undertakes food education, workplace-experience programs, cooperation with community events and disaster drills, and waste recycling. The introduction of high-efficiency, energy-saving equipment also reduces life-cycle costs (LCC) and environmental impact. Going forward, we will use diverse project methods to advance infrastructure and create social value.

*1 Includes meals for students with allergies.
*2 A method for developing and operating public facilities using private-sector funds and expertise.

Contributing to Regional Development through Infrastructure

Sihanoukville Port is a strategic hub supporting Cambodia's international logistics and has received support from the Government of Japan and the Japan International Cooperation Agency (JICA) for approximately 30 years. By upgrading port infrastructure, the Company is optimizing logistics efficiency and strengthening the industrial foundation, thereby supporting Cambodia's sustainable growth.

We also promote coexistence with society through measures to reduce environmental impact, improve safety, and engage in dialogue with local communities, while contributing to autonomous regional development through local job creation and human resource development via technology transfer. We will continue balancing the creation of social and economic value under the cooperative relationship between Japan and Cambodia.



Rendering of the completed Oita Memorial Hospital


Kojima School Lunch Joint Cooking Center (Okayama Prefecture)


Sihanoukville Port, Cambodia

Creating a Safe and Secure Society (Disaster Prevention and Mitigation)

Disaster-Prevention Infrastructure Protecting Communities from Storm Surges

The Shimonoseki Port Coast has repeatedly suffered storm-surge damage from typhoons. Typhoon No. 18 in 1999 in particular caused overtopping and overflow from high waves and storm surges, damaging seawalls, disrupting major transportation routes, and flooding homes and businesses, with serious effects on the local community. Infrastructure development is therefore under way to prevent storm-surge flooding, with multiple forms of social value expected, including ensuring the safety and security of residents and maintaining economic activity in inland areas. In the fiscal 2025 Shimonoseki Port Coast (Sanyo District) Revetment Improvement Work (Miyazaki Sluice Gate), the Company upgraded the existing seawall and constructed a new sluice gate at the river mouth, contributing to resilient social infrastructure that responds to increasing natural-disaster risks. We will continue supporting safe and sustainable community life through disaster prevention and mitigation and work to create communities resilient to disasters.

Contributing to Safe Living by Strengthening Coastal Protection Functions

In the Funabashi District of the Chiba Port Coast, coastal protection facilities are being strengthened to protect inland areas from storm surges and earthquake-generated tsunamis, ensure the safety and security of residents, and maintain economic activity. As part of this initiative, the Company carried out offshore ground improvement using a high-pressure jet grouting method in the Chiba Port Storm Surge Countermeasure Work (Sakae Storm Surge Revetment Ground Improvement Work No. 8) to increase the bearing capacity in front of the storm-surge seawall. Before construction, soil tests and trial construction were conducted to confirm the quality of the improved ground, allowing the work to proceed safely and smoothly while maintaining the required quality. The Company will continue supporting the safety and security of local communities and sustainable community development through infrastructure that prepares for increasingly severe natural disasters.

Safety Education and Safety Awards

The Company is working together with partner companies to build safe and reliable construction systems.

Each branch regularly conducts safety conventions, safety patrols, heatstroke prevention measures, and other safety education to raise safety awareness among all workers at construction sites and prevent accidents. We also present safety awards to partner companies that demonstrate outstanding safety activities, sustain accident-free operations, or devise innovative safety improvements, and share these achievements broadly. The award program helps motivate partner companies and encourages voluntary safety initiatives, while raising safety standards across work sites through the horizontal deployment of best practices.

We will continue deepening partnerships with partner companies, fostering a culture of safety and working toward zero occupational accidents, while strengthening safety initiatives throughout the supply chain.



Revetment improvement work



Offshore ground improvement using the high-pressure jet grouting method



Safety award ceremony

Promoting Well-Being

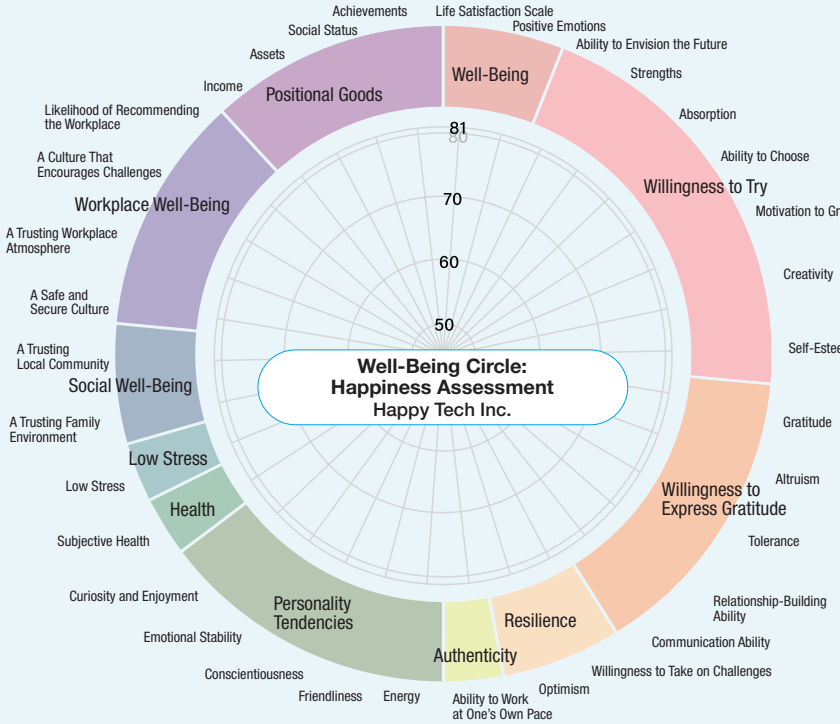
Enhancing Employee Well-Being to Increase Value for Employees and the Company

People with high levels of well-being are known to be more creative and productive, have greater self-esteem and motivation, enjoy strong relationships, and tend to be healthier and live longer. Employee well-being is therefore an important factor affecting not only individual performance but also the results of the organization as a whole. The Company believes that creating mechanisms through which individual employee well-being and Company growth reinforce each other and develop together will strengthen organizational capabilities and enhance corporate value. Based on this understanding, we position improving well-being as an important management strategy and conduct a 34-item employee well-being survey, continuously supporting improvements through measures based on its results.

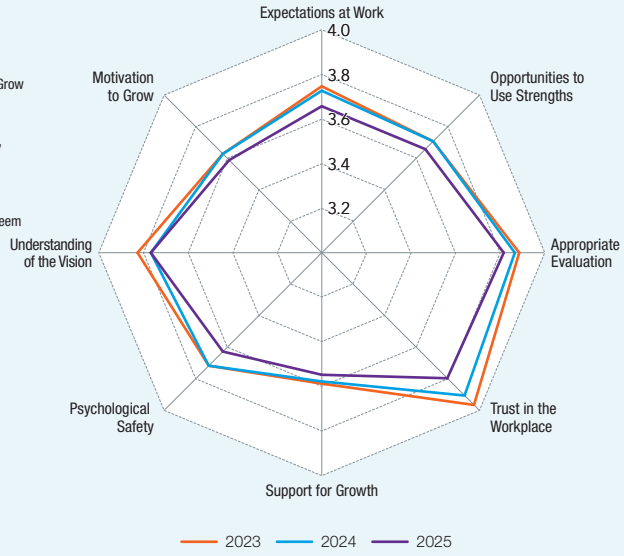
The Company also asks employees to rate their level of fulfillment on a five-point scale across eight items: (1) expectations at work, (2) opportunities to use their strengths, (3) appropriate evaluation, (4) trust in the workplace, (5) support for growth, (6) psychological safety, (7) understanding of the vision, and (8) motivation to grow. The average score is used as the employee engagement indicator. This allows us to understand employee conditions from multiple perspectives and identify priority themes for action.

Based on these analyses, the Company promotes greater employee well-being and fulfillment at work, provides growth opportunities, fosters an open organizational culture, and ensures fair evaluation and treatment. By creating an environment in which every employee can fully demonstrate their abilities and maximizing the value of human capital, we aim to sustainably enhance corporate value.

● Employee Well-Being Survey Items



● Employee Engagement Indicator



Indicator	2023	2024	2025
Employee Engagement Indicator	3.8	3.7	3.7

Score	Evaluation Guide
4.00 or higher	Excellent
3.50–3.99	Good
3.30–3.49	Fairly Good
3.00–3.29	Some Concerns
2.50–2.99	Concerns
Below 2.50	Serious Concerns

Health and Productivity Management

Promoting Health and Productivity Management

The Company regards employee health as a foundation for enhancing corporate value and promotes health and productivity management under its Health Declaration. In fiscal 2025, we worked with the health insurance association, occupational physicians, and others to provide specific health guidance, reduce risks associated with visceral-fat obesity, address mental health, and provide health support for diverse working styles.

These initiatives were recognized with the Company's second certification as a 2026 Certified Health & Productivity Management Outstanding Organization (Large Enterprise Category).

We will continue creating workplaces where employees can work in good health and with vitality.



Body-care stretching seminar for shoulder and lower-back pain (Tohoku Branch)

2026
健康経営優良法人
KENKO Investment for Health
大規模法人部門

Marine Consulting Office

The Marine Consulting Office, established in April 1977, has been in operation for 49 years. Leveraging the extensive know-how the Company has accumulated through years of experience at sea, the office provides prompt and accurate advice on legal matters related to customers' business activities and on a wide range of environmental issues.

Marine Consulting Office (Japanese only)
https://www.toa-const.co.jp/tech/umiso/

Expanding Knowledge and Experience into Strength for Supporting Society

Diverse Presentation and Knowledge-Sharing Activities That Build Organizational Strength

The Company is creating opportunities for employees to bring together and share across the organization the knowledge and experience gained through their daily work, R&D, and construction sites.

At the R&D Center Presentation Meeting, Civil Engineering Technical Presentation Meeting, and Building Construction Technical Presentation Meeting, employees share research results and construction know-how. At the DX Promotion Results Presentation Meeting and Administrative Skills Presentation Meeting, employees learn from one another about the use of digital tools and operational improvements, while the Sustainability Presentation Meeting shares notable sustainability activities from each year.

Beyond presentations, the Company also has recognition programs such as the TOA SMART WORK STYLE AWARD, Challenge Next, and the Safety Promotion Convention and Safety Awards. By sharing branch initiatives and employees' ideas and improvement examples, we spread individual challenges and insights from work sites across the Company. We use this circulation of knowledge and experience to improve technical capabilities, productivity, safety, and quality and strengthen our ability to support social infrastructure.

● Main Presentation and Knowledge-Sharing Themes

Theme	Overview
Civil Engineering Technical Presentation Meeting	Presentation meeting for sharing technical issues and construction know-how from individual work sites in paper and presentation formats
Building Construction Technical Presentation Meeting	Presentation meeting for sharing new technologies and improvement examples from building construction sites
R&D Center Presentation Meeting	Company-wide presentation meeting sharing R&D results on GX, disaster prevention, aquatic environments, new materials, building technologies, and other areas
Sustainability Presentation Meeting	Forum for sharing sustainability activities, community contributions, and decarbonization initiatives by branches and divisions
Administrative Skills Presentation Meeting	Forum for administrative employees to share knowledge, experience, and ideas
TOA SMART WORK STYLE AWARD	Recognition program for outstanding work-style reform and operational improvement initiatives
Challenge Next	Program soliciting employee ideas for new fields and operational improvements
Safety Promotion Convention and Safety Awards	Forum for sharing safety activities and initiatives with partner companies
Kaeru Meetings®	Initiative to accumulate and share ideas and improvement examples from work sites

Human Rights Initiatives

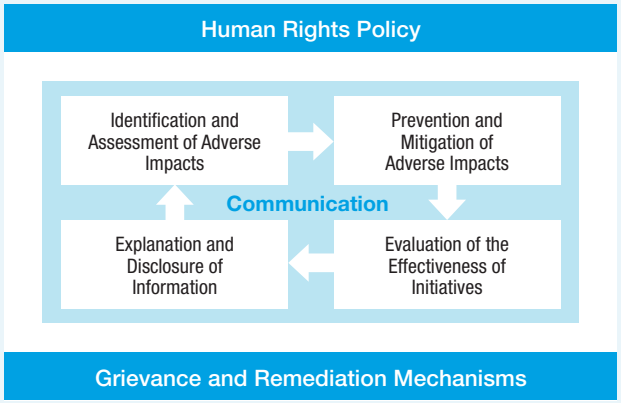
Human Rights Due Diligence

To fulfill its responsibility to respect human rights, the Group has published the TOA CORPORATION Group Human Rights Policy and established and continuously operates a human rights due diligence framework. In light of increasingly diverse human rights risks, we identify human rights impacts in our business, provide employees with various forms of human rights education and training, and maintain internal and external reporting and consultation channels, protecting the anonymity of those who report concerns and working to provide prompt remedy. To promote respect for human rights throughout the supply chain, we also provide partner companies with training on harassment and other human rights issues.

● Key Human Rights Risks Requiring Attention by the Company

1 Insufficient or unpaid wages and living wage	10 Freedom of residence and movement	19 Freedom of expression
2 Excessive or unfair working hours	11 Freedom of association and the right to collective bargaining	20 Rights of Indigenous Peoples and local communities
3 Safe and healthy working environment (occupational safety and health)	12 Rights of migrant workers	21 Human rights issues related to the environment and climate change
4 Right to social security	13 Child labor and children's rights	22 Intellectual property rights
5 Workplace bullying	14 Human rights issues related to technology and AI	23 Bribery and corruption
6 Sexual harassment	15 Right to privacy	24 Human rights issues in the supply chain
7 Harassment due to maternity / paternity	16 Consumer safety and the right to know	25 Human rights issues in communities affected by conflicts and other such events
8 Harassment related to caregiving leave	17 Discrimination	26 Right to access remedies
9 Forced labor	18 Human rights issues related to gender, including sexual minorities	

Source: Prepared by the Company based on Business and Human Rights: What Is Expected of Companies Today—Detailed Version (revised March 2024), published by the Human Rights Bureau, Ministry of Justice, and the Center for Human Rights Education and Training.



TOA CORPORATION Group Human Rights Policy
https://www.toa-const.co.jp/eng/esg/human_right/

Human Rights Survey and Due Diligence for Locally Hired Overseas Staff

As part of its efforts to respect human rights in overseas business, the Company conducted a human rights survey of locally hired staff directly employed at overseas bases. Taking into account differences in laws and social conditions among countries and regions, the survey aims to understand employees' working environments and awareness and actual conditions regarding human rights, and to identify potential human rights risks associated with business activities at an early stage.

The survey was conducted anonymously to provide an environment in which employees could express their views with confidence and thereby collect information that more accurately reflects actual conditions. The results are analyzed for trends by country and region and used, as part of human rights due diligence, to review management systems and consider measures.

● Survey Overview

Item	Details
Respondents	Locally hired staff directly employed at overseas offices and work sites
Survey Method	Anonymous online questionnaire
Number of Responses	Approximately 300
Locations Covered	Eight countries
Purpose	Identify human rights risks and reflect findings in improvement measures

● Main Survey Items

The content of this survey was developed with reference to major international human rights rules, frameworks, and guidelines, including the International Covenants on Human Rights, the ILO core labor standards, the Ten Principles of the United Nations Global Compact, and the OECD Guidelines for Multinational Enterprises. The survey assesses employees' awareness and workplace conditions from perspectives including wages, working hours, occupational safety and health, harassment, discrimination, bribery and corruption, and the right to access remedies.

Future Initiatives

Based on the human rights risks identified through this survey, the Company is strengthening respect for human rights at its overseas bases. The findings are being reflected in ongoing improvement activities, including raising human rights awareness at overseas bases, improving consultation and reporting systems, and promoting human rights education. We will continue regular monitoring to strengthen respect for human rights in overseas operations and create environments in which diverse employees can work with confidence.

VALUE CO-CREATION

Stakeholder Engagement

Basic Approach

We place importance on engaging in dialogue with diverse stakeholders, including shareholders and investors, customers, business partners, employees, and local communities. We identify the expectations of and requests regarding our business activities, as well as how society evaluates them, and apply that feedback to management and business activities to promote initiatives that help resolve social issues and create value.



Dialogue with Shareholders and Investors (IR/SR)

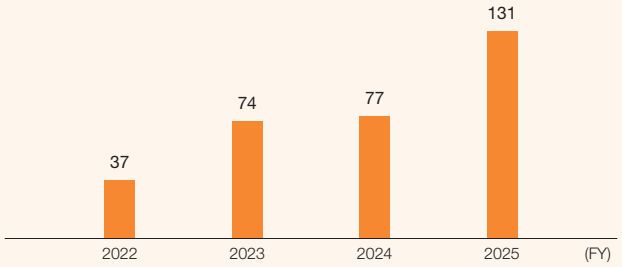
Leveraging Dialogue with Capital Markets to Enhance Corporate Value

We position constructive dialogue with shareholders and investors as an important management process in order to achieve sustainable growth and enhance corporate value over the medium to long term. As a company that supports social infrastructure, we take the capital market's views on changes in the business environment, growth strategies, capital policy, sustainability initiatives, and other matters seriously, and use this feedback to advance management and enhance information disclosure.

Dialogue with Shareholders and Investors in Fiscal 2025

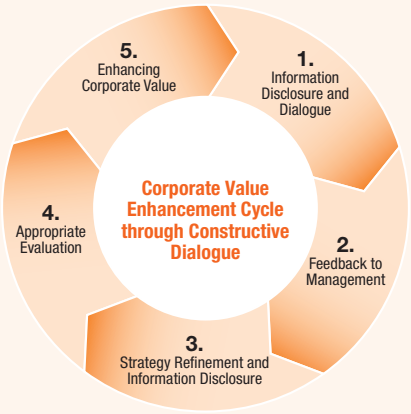
Activity		Results
Financial Results Briefing (Online)		Twice (Q2 and Q4)
Medium-Term Management Plan Briefing (Online)		Once
Individual Meetings	IR Meetings	120 times
	SR Meetings	10 times
	Sustainability Meetings	Once
Small Meetings (Online)		Three times
Institutional Investors Collaborative Dialogue Forum		Once
Individual Investors' Briefing		Twice

Number of IR/SR Individual Meetings



Feedback of Dialogue Topics to Management

The Corporate Communications Department, which is responsible for arranging dialogue with shareholders and investors, provides quarterly feedback to the Board of Directors and Executive Committee on matters of interest, opinions, requests, and other input received from shareholders and investors. We also apply the opinions obtained through dialogue in management measures as we work to enhance corporate value.



Fiscal Year Implemented	Key Measures Drawing on Dialogue
Fiscal 2023	• Review of approach to shareholder returns • Establishment of the IR Communications Office
Fiscal 2024	• Stock split •Cancellation of treasury shares
Fiscal 2025	• Introduction of the interim dividend system •Flexible share buybacks • Disclosure of estimated cost of capital •Establishment of the Corporate Communications Department •Adoption of the AI Policy

Dialogue with Shareholders and Investors (FY2025)
https://www.toa-const.co.jp/eng/ir/governance/dialogue/pdf/C9N6%20.pdf

Communication with Employees

Workplace Discussion Meetings and Forefront Meetings

We place an emphasis on two-way communication with employees, and are continuously holding Workplace Discussion Meetings and Forefront Meetings. At Workplace Discussion Meetings, we share management policies and company-wide goals while gathering the opinions and requests of employees at each workplace through dialogue, and informing management and relevant departments. Discussions cover a wide range of topics, including work styles, human resource development, the workplace environment, and operational improvements—we use the views received to identify issues and consider measures that will bring improvements. At Forefront Meetings, management visits worksites in various locations and engages directly with frontline employees, thereby bringing management and worksites closer together. In many cases, views raised at these sessions have been applied to specific measures. Employees have also commented that they feel their feedback is being taken on board by the Company, and we will continue to use these initiatives to improve employee engagement and build a more rewarding workplace.

Sustainability Presentation Meeting

To instill sustainability management throughout the Group, we hold the Sustainability Presentation Meeting, where the Head Office, branches, and Group companies report their sustainability activities to one another.

In fiscal 2025, we shared a wide range of initiatives undertaken based on sustainability by Head Office departments, branches, and Group companies, including human capital management and DX Strategy initiatives. Under the theme “DX for People and the Environment,” we held a panel discussion addressing perspectives on how to link the growth and job satisfaction of each employee to enhanced corporate value. Through such dialogue and information sharing, the event provided an opportunity to boost understanding of sustainability and steadily advance value co-creation across the Group by sharing and learning from diverse perspectives and expertise throughout the Company.



Forefront meeting



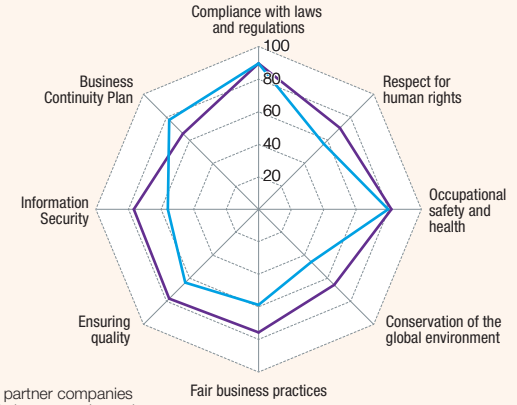
Sustainability Presentation Meeting

Collaboration with Business Partners

Questionnaire Survey of Partner Companies

Given that the entire supply chain is expected to address social issues, we have established the Supply Chain Action Policy and conduct an annual questionnaire survey to determine the status of initiatives at partner companies concerning fundamental matters such as compliance with laws and regulations, respect for human rights, environmental consideration, and fair business dealings. The survey assesses the status of initiatives on a six-level scale, including whether responsible personnel and relevant policies have been established for each matter and whether companies encourage their own business partners to take action. The response rate for the fiscal 2025 survey exceeded 80%, and as shown in the graph, the proportion of partner companies whose initiatives met or exceeded the standard level we consider desirable has been increasing year on year. We are also promoting an understanding of social issues through training and other activities based on the survey results.

We will continue to focus on dialogue with partner companies and strengthen relationships of trust as we seek to create value throughout the supply chain and enhance corporate value.



Ratio of partner companies with initiatives at or above the standard level

Co-Creation with Local Communities

Support for Street Children in Kenya

Through ongoing donations to the locally based non-profit Wema Centre, the Mombasa Project Office works to protect children living on the streets and support their independence. We also participate in an annual charity gala dinner held in November, with the aim of promoting an understanding of these activities and expanding support. The organization provides extensive educational support from primary and secondary school through to university and vocational school, and has created educational opportunities for more than 3,000 children to date. Through these activities, we are contributing to the sustainable development of local communities and the development of next-generation talent.

Expressing Hopes for the Noto Peninsula's Recovery through Sand Sculptures

Our Nanao-Ota Project Office, which is involved in reconstruction work in the wake of the Noto Peninsula Earthquake, partnered with other contractors to create and donate sand sculptures and information boards on the reconstruction work to the Wakura Onsen Tourism Association and six companies, including nearby accommodation facilities that had resumed operations, with the aim of enhancing the area's image. Modeled on Wakutama-kun, the promotional character of Wakura Onsen, and the Wakura Onsen recovery support group JUNRETSU, the sculptures were crafted by young employees from the participating companies working together under the guidance of a sand sculpture artist. An unveiling ceremony was held on the day the sand sculptures were completed, with local preschool children invited to take part in an activity for creating their own miniature sand sculptures. We will continue working with the local community on activities supporting recovery efforts on the Noto Peninsula.

Awarded for Many Years of Ongoing Initiatives

As a volunteer Minato Midori Supporter, the Yokohama Branch regularly conducts cleaning, weeding, and tree planting activities in green spaces around the Shinko District. As part of these efforts, it has been conducting cleaning activities at Zou-no-hana Park in Naka Ward, Yokohama, for many years.

These ongoing initiatives were recognized with an award received from the Kanto Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism. Our social contribution efforts extend beyond cleaning and beautification—the Yokohama National Highway Office presented us with a certificate of appreciation in recognition of being a company that assisted with disaster response efforts, including snow removal following the heavy snowfall in March 2025. As a member of the local community, we will continue to contribute to the region through environmental conservation activities, disaster response, and other efforts.



With children in Kenya



Completed sand sculpture



2025 Marine Day awards ceremony for maritime service

Dialogue and Collaboration with Diverse Stakeholders

Eelgrass Bed Restoration Activities

We continuously undertake eelgrass bed restoration activities to conserve and restore local marine environments.

In May 2025, we sorted and collected eelgrass seeds in Hinase, Bizen City, Okayama Prefecture, the birthplace of eelgrass cultivation. The activity was organized by the Hinase Town Fisheries Cooperative Association, Okayama Coop, and Okayama Environmental Network. In September of the same year, many employees from across various departments and organizations helped to sow eelgrass seeds.

We also jointly conducted an Eelgrass Bed Restoration Demonstration Test in Muneage, Tamano City, Okayama Prefecture, together with the Satoumi Creation Research Council, of which we are a member, and the Muneage Fisheries Cooperative Association. As the first step of eelgrass bed restoration, approximately 2,000 Bemliese balls (mud balls) containing eelgrass seeds were made on the day and placed by divers in an underwater demonstration test area. We will continue to monitor progress while undertaking activities to conserve and restore the local marine environment.

Co-Creation with the Local Community through an Ayu Sweetfish Release Experience

In June 2025, we held an event on the Kuji River in Daigo Town, Ibaraki Prefecture, where approximately 110 local elementary school students and students from a special needs school had the experience of releasing ayu sweetfish. This activity was conducted as part of the R5 Kuji River Right Bank Korofuji North Area Improvement Project that the Company is undertaking, with the aim of contributing to the community and improving the image of the construction industry. On the day, participants received an explanation of the Kuji River's natural environment and the significance of flood control work, after which the students released ayu sweetfish from buckets into the river.

Construction machinery was also on display at the venue, with students able to climb inside, and they showed interest in heavy equipment that they rarely have an opportunity to encounter. Consideration was also given to ensuring access routes for children using wheelchairs, making the initiative a valuable opportunity for learning about the environment and interacting with the community.

Cooperation with the "Private-Sector Company Training for Teachers" Program

We held a two-day Private-Sector Company Training for Teachers program for eight elementary and junior high school teachers from Tokyo. This was the third year that we ran the program, which we continue to offer to promote understanding of the construction industry and contribute to cultivating the next generation. The program included a classroom format providing outlines of our business and initiatives in sustainability management, carbon neutrality, DX, and human capital management, as well as visits to a building construction site and a research and development facility, and exchanges of opinions with worksite employees, giving participants firsthand experience of construction work and technologies. Participating teachers showed a keen level of interest, not only in the importance of infrastructure development but also in CO_2 emissions reduction and technological innovation that leverages AI and DX. We will continue to communicate the appeal and social value of the construction industry by holding exchanges with educational institutions.



Eelgrass bed restoration demonstration test



Eelgrass seed collection and sowing in Hinase



Releasing ayu sweetfish in the Kuji River





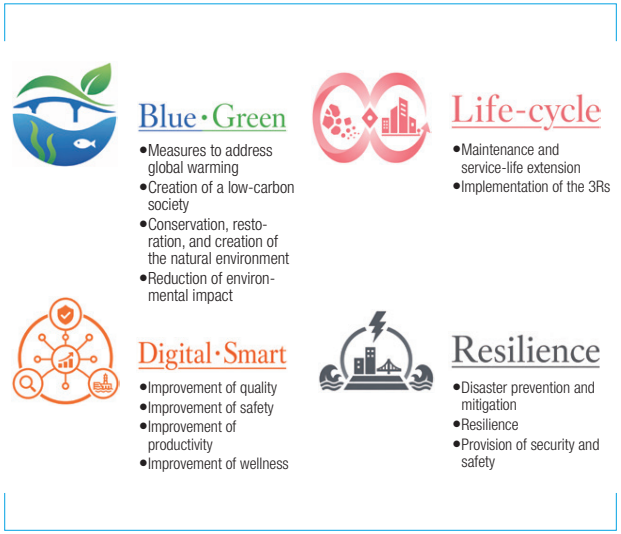
Touring a construction site

VALUE CO-CREATION

Research and Development

Four Materialities for Research and Development

In recent years, achieving carbon neutrality, becoming nature positive, and promoting disaster prevention, mitigation, and national resilience have become important priorities for society as a whole. In particular, responding to large-scale disasters caused by major earthquakes and climate change is an urgent issue, while there is also strong demand for steady measures to address aging infrastructure. To accurately respond to such societal needs, we have identified four materialities and established research and development topics for each. By advancing this research and development in a flexible manner and across organizational boundaries, and accelerating the implementation of technologies in society, we are aiming to help solve social issues while taking a sustainable approach to enhancing corporate value and achieving growth.



Materiality in research and development

Marine Resource Development

Basic Policy

We position marine resource development as a strategic medium- to long-term growth area and are continuously advancing technology development and commercialization initiatives to contribute to stable resource and energy supplies as well as economic security. We are focusing on marine resources in waters near Japan in particular, such as rare earth mud and methane hydrate, and are aiming to create new business opportunities by leveraging the technological capabilities we have cultivated in marine civil engineering.

Technology Development Initiatives

We are working to advance the entire technology chain from sediment collection and lifting operations through processing and utilization, using core technologies such as seabed ground evaluation, dredging, and land reclamation. Through joint research with partners in other industries and research institutions, as well as participation in national R&D projects, we are building up technologies with a view to progressing from preliminary studies to the demonstration stage. With this, we are seeking not only to develop component technologies but also to strengthen the capabilities necessary for practical implementation and future commercialization, and to establish our role in the value chain.

TOA Research & Development Center
https://www.toa-const.co.jp/trdc/
(Japanese only)

Positioning Toward Commercialization

Marine resource development comprises a multistage process encompassing exploration, extraction, transportation, processing, and utilization, and integrating these stages is key to commercialization. Our strengths lie in foundational technologies that can be applied to the resource development process, including sediment handling, volume reduction technologies, and effective utilization. By drawing on these strengths, we aim to establish a strategic position within the value chain that enables sustainable value creation during future commercial operations.

Future Outlook

We will clearly communicate progress at each stage, from preliminary studies through to demonstration and commercialization, and steadily link that progress to value creation. Based on our core technological capabilities cultivated in marine civil engineering, we will seek to create new revenue opportunities while contributing to a sustainable supply of critical resources and solutions to social issues.

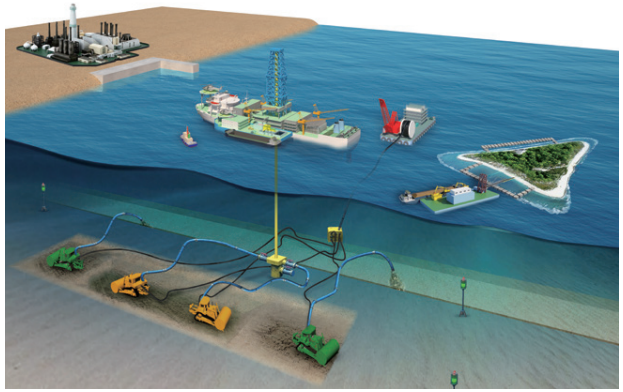


Image of seabed resource development

Recipient of the Ports and Harbours Association of Japan Paper Award 2026

A paper led by our technical advisor Hajime Mase, Professor Emeritus at Kyoto University, and co-authored by our employees Masahide Takeda and Chisato Hara received the Ports and Harbours Association of Japan Paper Award 2026. The paper proposes a new calculation method for determining the volume of seawater flowing onto land due to wave run-up, called wave overtopping rate.

There have been concerns in recent years that global warming will cause sea levels to rise as well as storm surges and high waves to intensify. Yet challenges remained in calculating the wave overtopping rate at wave-dissipating seawalls, which is necessary when considering measures to address these effects.

A key feature of this method is its ability to accommodate complex cross-sections without additional testing, and to calculate wave run-up height and overtopping discharge easily and with a high level of accuracy. We will continue our studies and contribute to more efficient and reliable design.

Floating Caisson Motion Reduction Technology

First Field Application of the Motion-Reduction Tank Method

Through the Research and Development Program for Innovative Social Infrastructure run by the Port and Airport Research Institute of the National Institute of Maritime, Port and Aviation Technology, we developed the Motion-Reduction Tank*2 Method, a technology that reduces the motion of floating caissons*1. In October 2025, we applied it in the field for the first time in the Fushiki-Toyama Port Quay Construction Project under the jurisdiction of the Hokuriku Regional Development Bureau, Ministry of Land, Infrastructure, Transport and Tourism. This project is being used to verify the effectiveness of the technology in reducing motion while floating, saving labor during construction, and improving safety.

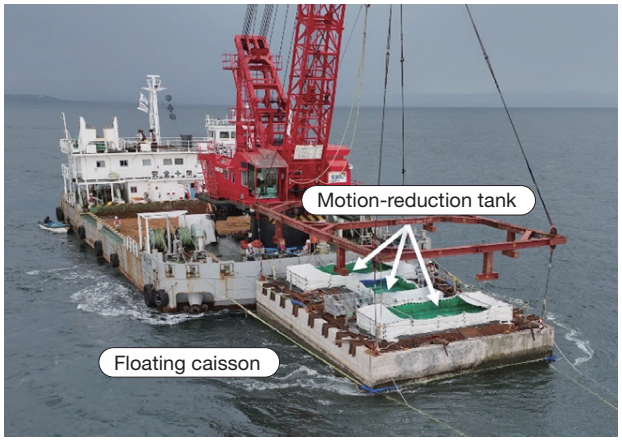
*1 Caisson: A large box, primarily made of reinforced concrete, used as an underwater structure for breakwaters and similar facilities
*2 Motion-reduction tank: A rectangular container holding a shallow layer of water

Caissons used for breakwaters and similar structures are greatly affected by waves because they are set afloat at sea for towing and installation. Caissons floating at sea face the problem of substantial wave-induced motion, particularly on the open ocean.

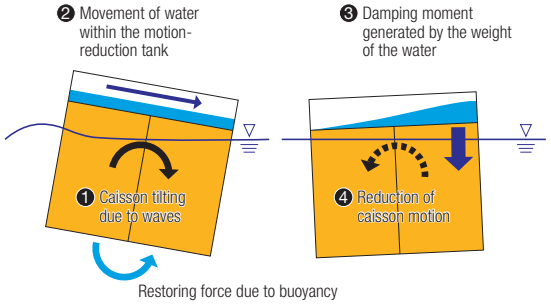
This method requires no power source and uses the movement of water in a motion-reduction tank*2 mounted on the caisson to reduce the motion of floating caissons during towing and other operations. This contributes to greater construction safety and workability. It also helps shorten construction periods on projects involving the installation of numerous caissons or long-distance towing. Going forward, we will build up a track record by using the method in technical proposals and awarded projects, and seek to achieve further development.



Award ceremony



Application of this technology to quay construction in the Toyama District at Fushiki-Toyama Port



Principle of motion reduction using a motion-reduction tank

Decarbonization Technology

Low-Carbon Concrete with High-Volume Fly Ash Replacement

Low-carbon concrete that uses industrial by-products to replace Portland cement has increasingly been applied at construction sites in recent years. In particular, portland blast-furnace slag cement using ground granulated blast-furnace slag and concrete with a high blast-furnace slag content are widely used as decarbonization technologies. Meanwhile, to broaden the options for effectively using industrial by-products, we jointly developed Low-Carbon Concrete with High-Volume Fly Ash Replacement with Chubu Electric Power Co., Inc. (research commissioned to Chubu Electric Power by JERA Co., Inc.), in which 30% to 70% of the cement is replaced by fly ash. This can be used as underwater concrete, including anti-washout underwater concrete, and as self-compacting concrete. We will contribute to the realization of a decarbonized society through the application of this concrete.

Vibration Control Technology

Folded Plate Buckling-Restrained Brace (FP-BRB®)

Braced rigid-frame structures*1 offer the greatest cost savings for the construction of logistics warehouses. We therefore make extensive use of buckling-restrained braces, which provide stable performance under both compression and tension. Various types of buckling-restrained braces with different shapes, materials, and manufacturing methods of their core and restraining members have been put into practical use. We developed*2 a new lower-cost vibration-control brace, the Folded Plate Buckling-Restrained Brace (FP-BRB®), and obtained structural performance evaluation ERI-K25001 from JAPAN ERI CO., LTD.

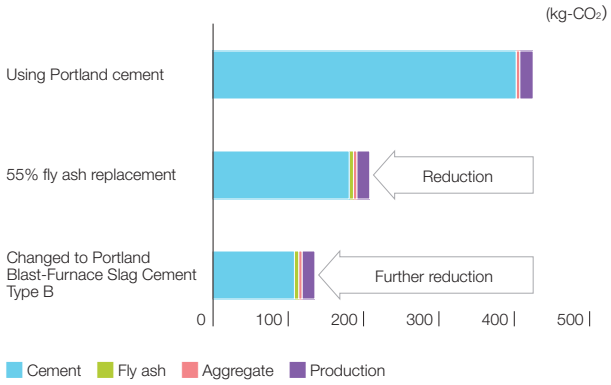
The FP-BRB® is a vibration-control brace that provides a buckling-restraining effect. Its folded mechanism joins the ends of multiple parallel steel plates in a continuous path, allowing adjacent steel plates serving as tension members to push back against and restrain the force that would have caused the steel plates serving as compression members to buckle.

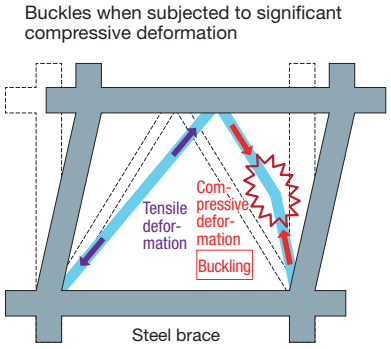
This brace consists solely of steel and requires no specialized processing or welding, allowing it to be manufactured by steel fabricators. This means that costs can be reduced compared with conventional buckling-restrained braces offering an equivalent level of performance.

The brace can be used not only in logistics warehouses but also in commercial facilities, office buildings, and other structures. Going forward, we will move ahead with the application of this brace to actual projects and seek to use it in a wide range of buildings. By making further advances to the technology, we will contribute to the wider adoption of seismic and vibration-control technologies and to greater business continuity through lower construction costs.

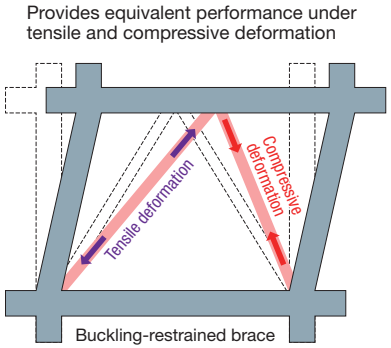
*1 A structure where diagonal members, or braces, are incorporated into a framework of columns and beams, known as a rigid-frame structure, to ensure building strength
*2 Jointly developed with Asunaro Aoki Construction Co., Ltd. and Nagoya Structure Design Inc.

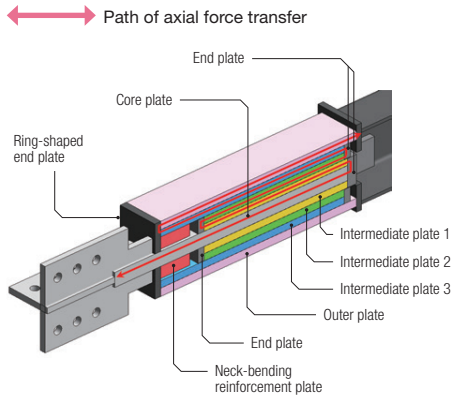
● CO_2 Emissions During Manufacturing





Overview of a braced rigid-frame structure





Detailed perspective view of damper section

Automation Technology

Initiatives to Automate Work Vessels

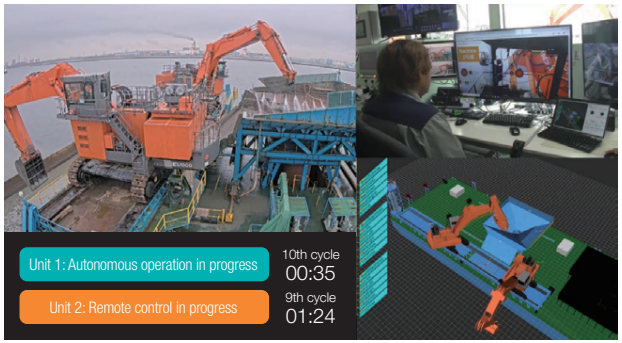
Sand-spreading vessels are used to spread sediment over the seabed to construct seawall foundations and improve the marine environment of fishing grounds, as well as to backfill seabed depressions. During this process, sediment is excavated from a soil carrier moored alongside the sand-spreading vessel, loaded into the sand-spreading vessel's hopper, and then deposited on the seabed. A backhoe mounted on the sand-spreading vessel performs all operations, from excavation through deposition.

Our sand-spreading vessel "Sunrise" is equipped with two backhoes, and their operators coordinate the timing of their work to prevent the backhoes from colliding.

To spread sediment over the seabed at a uniform thickness, a consistent volume must be continuously loaded into the hopper. However, the time required and accuracy depended on the skills and experience of the operators.

A shortage of workers caused by the declining birthrate and aging population has also reduced the number of skilled operators, creating demand for automated operation to reduce staffing and labor requirements. We are therefore working to establish a Remote-Controlled and Autonomous Operation System for Work Vessels with a view to fully automating sand-spreading vessels in the future. Last fiscal year, we applied this system to the "Sunrise" and rolled it out for the first time in Japan on a highly challenging marine civil engineering project, where the vessel was subjected to wave-induced motion. Through actual construction operations, we confirmed that a single operator could remotely control two backhoes simultaneously, and that excavated sediment could be autonomously loaded into the sand-spreading vessel's hopper. We also confirmed that while one backhoe was remotely controlled to excavate sediment, the other could autonomously complete loading sediment into the hopper. After detecting that the backhoe completing the loading operation had autonomously returned to the excavation position, the system could automatically begin slewing the waiting backhoe that had completed excavation.

We are currently optimizing autonomous operation, from slewing through to loading, to bring the cycle time closer to that of a skilled operator. We are also working on measures to address video latency, which impedes remote control. We will continue advancing these initiatives toward full automation.



Construction status using remote-controlled/autonomous operation system

Safety Support Technology for Marine Construction

On-Site Hazard Watcher

Given that offshore construction is highly susceptible to weather and marine conditions, rapidly communicating the latest weather information to workers is important for ensuring safety. We had been using wristwatch-type terminals that communicate information through sounds and vibrations, but have now upgraded them to "On-Site Hazard Watchers."

These resolve previous limitations in communication range and can provide real-time notifications of highly urgent warnings and other information to wearable devices. They can also deliver customized text messages and other notifications. These help to make early decisions and take action, such as suspending work and evacuating. The vibration pattern for incoming notifications, the number of notifications, and their urgency level can also be configured to the required level, helping to prevent messages from being missed and enabling appropriate alerts based on importance.



On-Site Hazard Watcher

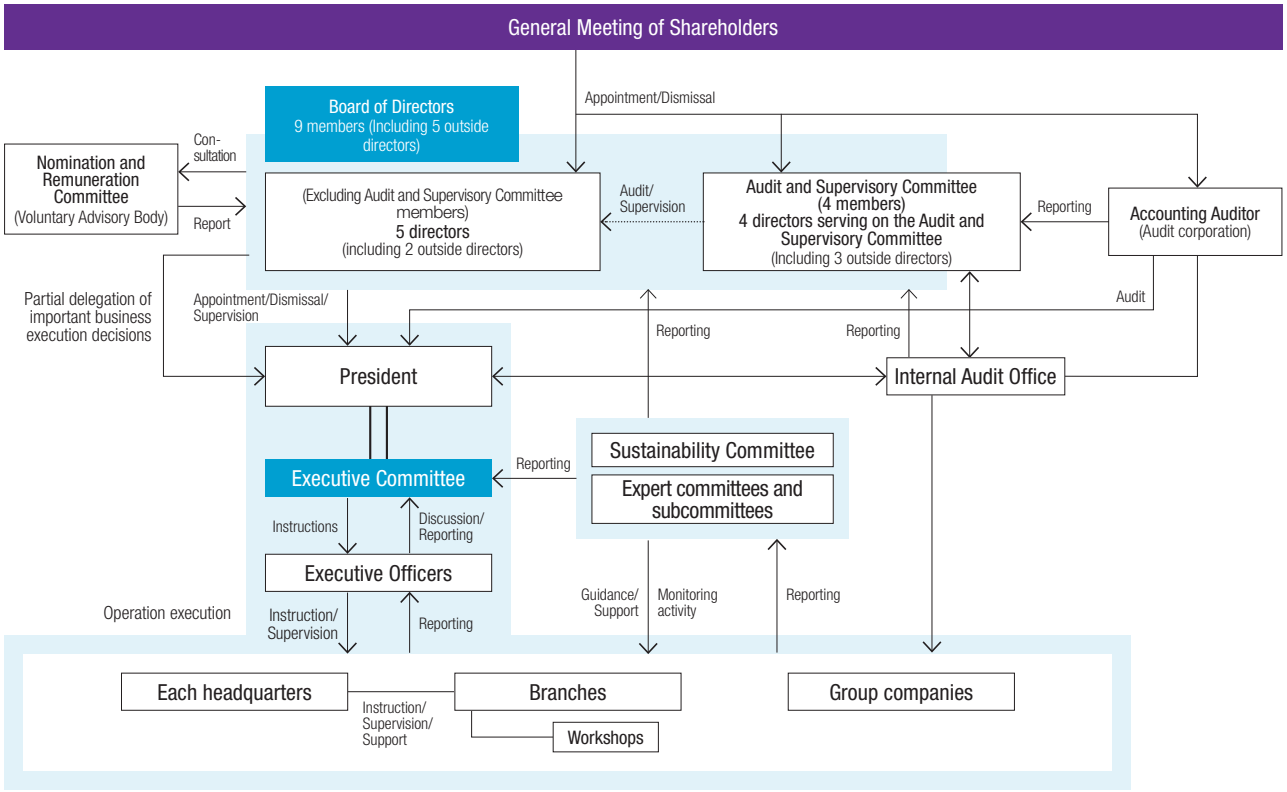
Corporate Governance

Basic Approach

Under the corporate philosophy of "TOA CORPORATION strives for prosperity with advanced technologies and fulfills its social responsibilities through sound management," the TOA CORPORATION Group has set its Long-Term Vision <TOA2035>, "Building a prosperous society and connecting people with the world for a better future." By steadily implementing its domestic civil engineering, domestic building construction, overseas, and other businesses, the Company aims to achieve management practices that are trusted by all stakeholders and meet their expectations, and will also promote sustainability management and contribute to achieving a sustainable society.

Our basic policy is to continually ensure the soundness and transparency of our corporate activities by consistently adhering to laws, regulations, social norms, and corporate ethics, and by establishing a management structure that enables prompt and flexible responses.

● Corporate Governance Structure (As of July 1, 2026)



● Overview of Corporate Governance System

	Number of meetings in FY2025	Composition in FY2026
Board of Directors	At least once a month with additional meetings as needed (16 meetings in fiscal 2025)	9 Directors (4 Internal, 5 Outside) *Chairperson: Outside Director
Audit and Supervisory Committee	At least once a month with additional meetings as needed (18 meetings in fiscal 2025)	4 Members (1 Internal, 3 Outside) *Committee Chair: Outside Director
Nomination and Remuneration Committee	As needed (5 in fiscal 2025)	5 Members (2 Internal, 3 Outside) *Committee Chair: Outside Director
Executive Committee	Once a week (47 in fiscal 2025)	Composed of full-time directors and executive officers Executive Officers, etc. 11 members (All Internal)
Sustain-ability Committee	Twice a year or as needed (3 in fiscal 2025)	15 Members (13 Internal, 2 Outside)

Corporate Governance
https://www.toa-const.co.jp/eng/ir/governance/cg/

Evaluation of the Effectiveness of the Board of Directors

The Company positions the effectiveness of the Board of Directors as one of its key management issues in order to achieve the Group's sustainable growth and enhance corporate value over the medium to long term. To continuously review and improve the status of the Board's performance of its roles and responsibilities, the Board conducts an effectiveness evaluation every fiscal year.

We recently evaluated the effectiveness of the Board of Directors meetings held in fiscal 2025 and reported and deliberated the results at the Board of Directors. An overview is provided in "Overview of Analysis and Evaluation Results for Fiscal 2025" in the right-hand column.

Director Training Policy

The Company continuously offers all directors the necessary training and seminars to effectively fulfill their roles and responsibilities.

In addition, we provide independent outside directors with opportunities to acquire essential knowledge and information about the Group's business, financial affairs, and organizational structure.

Overview of Analysis and Evaluation Results in Fiscal 2025

Scores from the questionnaire with a 5-point rating scale improved year on year. Based on our analysis, we determined that the Board of Directors generally functions appropriately in terms of both operations and supervision, and that a certain level of effectiveness has been ensured. In particular, significant year-on-year improvements were confirmed in the operation of the Board of Directors, with frank and vibrant discussions being held that included outside directors, and the provision of information. Meanwhile, we recognized the need to further enhance the Board's function as a monitoring board, particularly with its oversight of risk management and serious risk matters.

Evaluation Subject	Board of Directors meetings (16 in total) and the Nomination and Remuneration Committee meetings (5 in total) held from April 2025 to March 2026
Evaluators	All directors (9 in total, as of the end of March), comprising 5 independent outside directors, 3 of whom were Audit and Supervisory Committee members
Evaluation Method	Questionnaires with a 5-point rating scale and open-ended responses
Evaluation Criteria	• Composition and operations • Business strategy and management planning • Risk management • Nomination and remuneration • Dialogue with shareholders and others • Individual contributions of directors * Evaluation criteria include those related to the Nomination and Remuneration Committee

● Key Issues Identified

Items	Future Issues and Initiatives
Number, Composition, Functions, and Roles of the Board of Directors	• Further enhance discussions on the long-term direction of the Board of Directors to firmly establish its function as a monitoring-oriented Board, and further improve its effectiveness
Matters Deliberated by the Board of Directors	• Provision by executive divisions of information required to deliberate on strategies
	• Further expand and deepen discussions on medium- to long-term management strategies, capital allocation, and the cost of capital
Information Provided to Outside Directors	• Regular provision by executive divisions of information on the business environment and other matters
	• Continue early distribution of materials
Oversight of the Risk Management Framework	• Deepen broad-based, regular discussions concerning enterprise risk management
	• Further deepen discussions on how serious risk matters should be reported to and monitored by the Board of Directors
Matters Related to Nomination and Remuneration	• Further enhance discussions and supervision related to succession planning, including for top management

Future Initiatives

Based on the results of this effectiveness evaluation, the Company will continue to address the identified issues and further enhance the Board of Directors' supervisory function and effectiveness.

Executive Remuneration

The Company's basic policy regarding the determination of remuneration for individual directors and executive officers is established by the Board of Directors, following deliberations by the Nomination and Remuneration Committee. This committee is chaired by an independent outside director and is composed of a majority of independent outside directors.

The remuneration of the Company's directors consists of monetary compensation and non-monetary compensation in the form of stock awards, with points varying according to performance. However, for directors and outside directors who are Audit and Supervisory Committee members, remuneration is set as a fixed monetary amount, without any performance-based variation, to ensure their independence.

● Results of the Previous Board Effectiveness Evaluation and Fiscal 2025 Responses

Issues Identified in the Previous Evaluation	Specific examples of improvement of issues
• The Board is composed predominantly of internal directors, making it difficult for outside directors to fully exercise their independence and for the Board to perform its supervisory functions effectively • Transition to a structure in which outside directors constitute a majority	• Transition to a monitoring-oriented Board where outside directors constitute a majority, comprising 5 Directors who are not Audit and Supervisory Committee members (including 2 outside directors) and 4 Audit and Supervisory Committee members (including 3 outside directors) • Transition to a structure in which an Outside Director serves as Chairperson of the Board of Directors, resulting in enhanced discussions focused on important topics
• Insufficient discussion of medium- to long-term management strategies • Promote delegation of authority by raising the threshold amount for matters submitted to the Board • Establish planned opportunities for discussion toward the next medium-term management plan	• Revision of the Board of Directors Regulations to raise certain threshold amounts for delegating important business execution decisions, thereby expanding the scope of delegation • Enhanced discussions centered on formulating the medium-term management plan
• Disparity in the volume of information available to outside directors serving as Audit and Supervisory Committee members and those who are not • Establish opportunities for advance briefings and information provision	• Advance briefing sessions for Outside Directors who are not Audit and Supervisory Committee members • High evaluations for "Information Provided to Outside Directors" and the "Annual Schedule of the Board of Directors"
• Insufficient systematic explanations of risk management and broad-based discussions • Development of a risk management system	• Development of systems and enhanced cross-functional deliberation centered on the Sustainability Committee, including establishment of the Risk Management Subcommittee • Understanding and deepening discussions of priority risks remain topics for improvement
• Insufficient discussion and systematization of the Executive Development Plan (Succession Plan) • Insufficient reporting to the Board of Directors on discussions by the Nomination and Remuneration Committee • Establish regular opportunities for discussion by the Board of Directors	• Greater coordination between the Nomination and Remuneration Committee and the Board of Directors by sharing discussion content helped to improve nomination and remuneration overall, and raised its evaluation • In contrast, the evaluation of "monitoring of the Succession Plan" remained low

● Total Amount of Remuneration for the Board of Directors and Audit and Supervisory Committee Members, etc. (Fiscal 2025)

Category	Total Amount of Remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. (Millions of yen)				Number of Eligible Recipients
		Monetary Compensation			Non-Monetary Compensation	
		Fixed Compensation	Variable Compensation	Short-Term Incentive Compensation	Performance-Linked Stock Compensation	
Directors (excluding Audit and Supervisory Committee members) (Of which outside directors)	295 (19)	67 (19)	87 (–)	28 (–)	111 (–)	8 (2)
Directors (Audit and Supervisory Committee members) (Of which outside directors)	48 (31)	48 (31)	– (–)	– (–)	– (–)	5 (4)

Reasons for Appointment of Outside Directors

For more information, please refer to the Corporate Governance Report available on our website.

https://www.toa-const.co.jp/eng/ir/pdf/corporate_governancer_report_eng.pdf

Skills Matrix

Internal: 4 members, External: 5 members	Corporate Management	Safety, Environment, and Quality	Financial/ Accounting	Technology	Sales*1	Legal*2	Global	Human Resource Develop-ment*3	Board of Directors	Audit and Supervisory Committee Members	Nomination and Remuner-ation Commit-tee Members	Executive Committee	Sustainability Committee Members
Takeshi Hayakawa	●	●		●	●		●		●		●	◉	◉
Takeshi Nakao	●		●			●		●	●		●	●	●
Katsuhisa Kimura		●		●	●		●	●	●			●	●
Shiro Kuniya Outside Independent	●					●	●		◉				
Kanako Sekine Outside Independent	●	●	●			●	●		●				●
Masahiko Okamura Outside Independent	●				●		●		●	◉	◉		●
Michi Handa (Michi Sasano) Outside Independent	●		●			●	●	●	●	●	●		
Tetsuya Kimura			●			●			●	●		●	●
Satoshi Tamai Outside Independent			●			●			●	●	●		

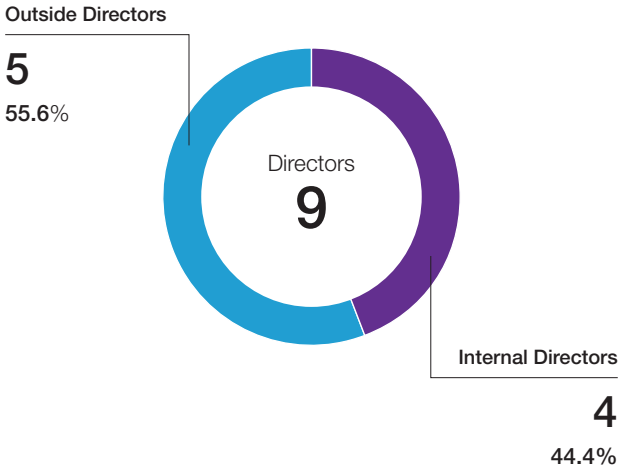
Note: The checklist does not represent all knowledge and experience of the directors. Note: "◉" indicates Chairperson or Presiding Officer. *1 Sales: Sales/Marketing *2 Legal: Legal/Risk Management *3 Human Resource Development: Human Resource Development/Diversity

Outside : Outside Director Independent : Independent Director

● Definitions of Each Skill

Skill	Definition
Corporate Management	To develop management policies and strategies from a medium- to long-term perspective in light of socioeconomic trends, making timely and appropriate decisions to manage and advance the Company's entire business.
Safety, Environment, and Quality	To possess specialized knowledge and ample experience aimed at preventing labor accidents and environmental incidents at construction sites, actively promoting the eradication of such accidents. To understand societal demands regarding global environmental issues, such as decarbonization, and possess the insight to turn these challenges into business opportunities.
Financial/Accounting	To objectively analyze corporate management from a financial perspective, formulate financial policies by considering various funding methods in light of the status of capital investments, and to provide appropriate financial and accounting information to external stakeholders.
Technology	To advance each business operation and R&D initiative by leveraging digital technologies, backed by advanced specialized knowledge and extensive experience in civil engineering and building construction.
Sales/Marketing	To craft and execute sales strategies, having a thorough understanding of market trends in civil engineering, building construction, and overseas businesses.
Legal/Risk Management	To make critical decisions in risk control and undertake legal evaluations in management strategies, being well-versed in corporate law. In addition, to proactively prevent compliance violations based on a sound ethical perspective.
Global	To drive our overseas business strategy forward, armed with extensive knowledge and experience in global construction markets, risk trends, and overseas business.
Human Resource Development/Diversity	To possess the knowledge and experience required to develop personnel who can ensure the continuity of our business in the future. In addition, to have the expertise and experience in nurturing a diverse range of talents, including women, foreign nationals, and persons with disabilities.

● Ratio of Internal and Outside Directors (as of July 1, 2026)



Internal Control System

To achieve sound management and fulfill its corporate social responsibility, the Company is committed to building an appropriate and effective business execution framework. Alongside this, we emphasize the promotion of company-wide compliance awareness, accurate identification and control of risks related to overall business execution, and the establishment of an independent internal audit system. These efforts are implemented through cross-organizational measures, led primarily by divisions in charge of planning, administration, and internal audit, aiming to enhance the effectiveness of the internal control system.

Establishment of the Internal Control System (Japanese only)
https://www.toa-const.co.jp/ir/company/cg_system/

Initiatives to Strengthen Group Governance

To promote sustainability management, we hold an annual Sustainability Presentation Meeting as a forum for branches and Group companies to share their sustainability activities.
In fiscal 2025, with the goal of strengthening governance across the Group, reports were presented on compliance education at Group companies and initiatives to enhance psychological safety at branches, helping to raise awareness of governance.



Presentation by Group Companies

Risk Management

The TOA CORPORATION Group has established a three-line risk management framework. In the first line, the departments responsible for each risk execute risk management based on a risk register. In the second line, the Sustainability Committee, composed of management members, monitors the risk response status of the first line and, based on proposals from the Risk Management Subcommittee, reviews the risk register, issues directives for countermeasures, and reports the status to the Board of Directors. The third line, the Internal Audit Department, operates independently from the first and second lines, ensuring proper risk management and reporting the status of these efforts to the Board of Directors.

Business Continuity Plan (BCP)

We recognize the swift restoration of social infrastructure following a large-scale disaster as a critical responsibility and have accordingly developed a business continuity plan (BCP). Understanding that it is essential not only to create the BCP but also to integrate it across the Company and continuously improve it, we conduct annual BCP drills.

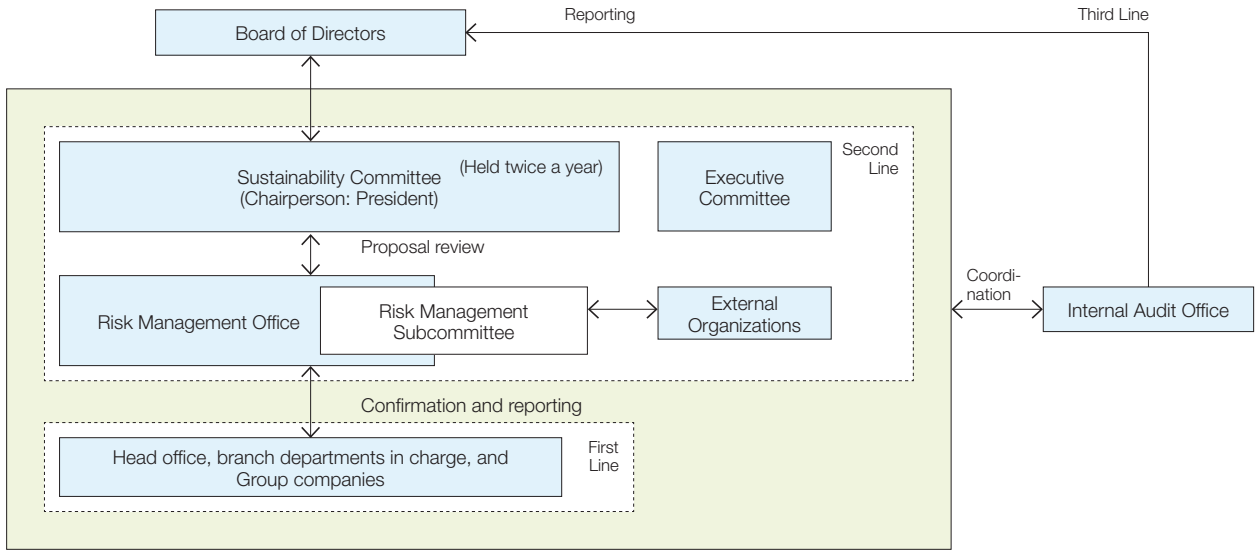
Information Security

To further strengthen security, the Company has implemented a company-wide zero-trust* environment. This initiative improves the environment for securely accessing cloud services and other systems from on-site offices while significantly enhancing overall information security levels.

In addition, to prepare for potential information leaks, the Company has established a Computer Security Incident Response Team (CSIRT) and conducts annual drills. It also provides security training for all employees, including those at Group companies, through phishing simulations and e-learning programs.

Furthermore, the Group has unified IT infrastructure such as networks and e-mail systems and centralized their management, strengthening the overall defense posture across the Group.

*A network environment built on the principle of “never trust, always verify” for all communications.



Risk Management
https://www.toa-const.co.jp/eng/ir/risk/

Compliance

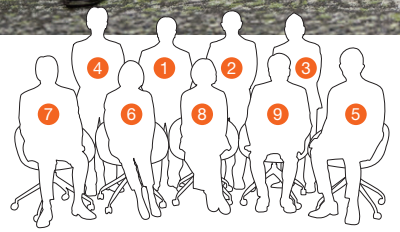
Thorough Compliance Education

The Group ensures that its officers and employees comply with the TOA CORPORATION Group Code of Conduct and handle business activities based on it, thereby working to fulfill the management philosophy of fulfilling social responsibilities. External instructors provide compliance guidance during training for new employees, during specific promotions, and for mid-career hires, tailored to key career stages and their positions and roles. In addition, compliance education is continuously incorporated into group training sessions, with executive officers serving as instructors to provide practical instruction on the importance of compliance in sustainability management and on engineering ethics.

TOA CORPORATION Group Code of Conduct
https://www.toa-const.co.jp/eng/esg/code/

List of Directors





Photographed at "TOA THE PARK," an open space at the head office

* Please refer to our website for the career histories, reasons for appointment, and significant concurrent positions of each director.

Corporate Governance Report
https://www.toa-const.co.jp/eng/ir/pdf/corporate_governancer_report_eng.pdf

Directors and Officers
https://www.toa-const.co.jp/eng/corp_overview/outline/executive/

Internal Directors

1 Takeshi Hayakawa
President and Representative Director

2 Takeshi Nakao
Representative Director
Chief of Corporate Management General Headquarters; overseeing Internal Audit Office and Secretarial Office

3 Katsuhisa Kimura
Director, Senior Executive Officer
Chief of International General Headquarters

4 Tetsuya Kimura
Director, Audit and Supervisory Committee Member

Outside Directors

5 Shiro Kuniya
Outside Director, Chairperson of the Board of Directors
Attorney-at-Law (Japan and New York State, U.S.)
Partner, Ohebashi LPC & Partners
Outside Director (Audit and Supervisory Committee Member), NEXON Co., Ltd.
Outside Director, JERA Co., Inc.

6 Kanako Sekine
Outside Director
Kyrgyz Investment and Credit Bank
External Director
Former European Bank for Reconstruction and Development
Managing Director

7 Masahiko Okamura
Outside Director, Audit and Supervisory Committee Member
Former Executive Managing Officer, Mitsui & Co., Ltd.
General Manager, Osaka Office

8 Michi Handa (Michi Sasano)
Outside Director, Audit and Supervisory Committee Member
Certified Public Accountant / Certified Tax Accountant
Control Solutions K.K.
Representative Director and President
Outside Director, AUCNET INC.
(Audit and Supervisory Committee Member)

9 Satoshi Tamai
Outside Director, Audit and Supervisory Committee Member
Certified Public Accountant
Representative, Satoshi Tamai CPA Office

VALUE CO-CREATION

Message from the Chairperson of the Board of Directors



Engaging in Full Dialogue with the Executive Side to Support the Sustainable Enhancement of Corporate Value

Chairperson of the Board of Directors
Shiro Kuniya

Our Mission Is Supporting Appropriate Risk-taking

One mission of the Board of Directors is to monitor and supervise the executive side and enhance corporate value. Yet if the Board remains simply an observer, governance may become a mere formality and lose its effectiveness. As Chairperson of the Board of Directors, I am seeking to bring the Board together and engage with the executive side after gaining an understanding of the personalities and capabilities of the President and other members of management, as well as the Company's culture and history. This is because even under similar circumstances, the line between a case that a company may allow and one in which management should be pressed on whether it is truly necessary differs from company to company.

Another role is to provide appropriate advice when the executive side faces a difficult decision and support the Company's growth. An example of this is when discussing the allocation of funds generated by strong performance in recent years to growth investments, including mergers and acquisitions (M&A)—the Board proposed setting a budget and establishing a specialized team. In response, the executive side incorporated an ambitious growth investment plan and new organizational structure into the medium-term management plan, leading to swift action.

Naturally, ongoing discussions do not always result in agreement, and the executive side may advocate deferring an investment because the risk is too great considering the Company's current resources and investment would be difficult at that time. In this uncertain era, it is rare for either side to be 100% correct when it comes to decision-making, and there is not necessarily any single correct approach.

What matters is determining whether a risk should truly be avoided or if it presents an opportunity for the next stage of growth. I believe an important role of the Board is to use its objective perspective to highlight where opportunities exist and encourage management to pursue them.

Asking Effective Questions Based on Diversity and Independence

Independent outside directors constitute a majority of our Board of Directors, while outside directors serve as the Chair of the Board and the chairs of each committee, meaning we have a highly objective and independent governance structure. The members of the Board also exhibit a distinctive character. In addition to Director Handa (Sasano) and Director Tamai, both of whom have business experience and extensive knowledge of finance and accounting, Director Okamura has substantial global experience at a general trading company. Director Okamura has repeatedly advocated investment in people. Director Sekine, who built her career in finance overseas, also provides new insights from a perspective unconstrained by Japanese frameworks.

Among this group of professionals with diverse expertise and skills, I am committed to asking effective questions based on my own extensive involvement as an attorney in M&A, international legal affairs, and compliance matters. Beyond legal considerations, I seek to examine the business rationale and background of each choice and determine whether the executive side has overlooked any blind spots.

Fortunately, none of our outside directors hesitate to speak out, and we have cultivated an atmosphere where everyone actively exchanges views based on their expertise. Since I joined the Board of Directors, the intensity of discussions has steadily increased each year, and deliberations lasting several hours are not uncommon. As the Chair, I cherish the process of collecting the opinions and questions of others and bringing the discussion together.

Committed to Investment in the Future to Support Sustainable Growth

Discussions on “Investment in People” have started to produce results through proposals based on the belief that people are not costs, but investments.

Raising employee salaries and introducing a stock option program, thereby improving employee compensation, was a highly valuable step from the perspective of strengthening engagement.

Looking ahead to stronger recruitment and the acquisition of global talent, we are also proposing human resource practices based on clear job descriptions so that expertise is evaluated fairly and employees are able to remain motivated and fully demonstrate their capabilities.

We also continuously exchange views with the executive side regarding the research and development (R&D) budget. Our R&D investment is conservative compared with that of larger general contractors, and the executive side has explained that differences in business scale make it difficult to raise investment to the same level. Yet R&D investment is essential for addressing structural issues such as improving productivity and addressing labor shortages. To encourage a departure from the status quo, I once questioned: “Will we continue saying the same thing for the next century?” The executive side recognized this concern and decided to increase the R&D budget as an investment in the future. We are now accelerating the development of next-generation technologies, including construction automation through on-site DX.

Looking ahead, the marine field that we excel in is a promising topic for our R&D. The ocean is the source of all life and is also an area of strong interest from an environmental, social, and governance (ESG) point of view. It should not only demonstrate our contribution to resolving social issues but also serve as a driving force for attracting people in Japan and overseas who want to work for this Company.

Addressing Ongoing Issues with Effectiveness Evaluations

The most recent evaluation of the Board of Directors’ effectiveness found that its operations generally met the required standard. Outside directors raised few concerns about insufficient discussion time, and I believe an appropriate decision-making process is functioning effectively.

In contrast, the process for the Succession Plan (Executive Development Plan) was identified as an ongoing issue. Plans to develop successors, including for top management, are an important topic that will shape the future of the Company. The Nomination Committee is currently spearheading discussions from a medium- to long-term perspective on the appropriate process for developing capable next-generation personnel and translating this into an effective plan.

Another target of improvement that the Board of Directors is continuously addressing is making sure outside directors understand the conditions at worksites. It is precisely because outside directors do not execute management duties that they must make proactive efforts to gain a real sense of conditions at worksites rather than merely receiving written reports and data. Outside directors serving as Audit and Supervisory Committee members visit many worksites in Japan and overseas during audits. I have also personally visited construction sites in Singapore and Yokohama, while Director Sekine has inspected worksites in Hokuriku, Hokkaido, and elsewhere. I have found that outside directors’ familiarity with worksites helps make discussions more grounded and improves the quality of the questions they ask.

Toward achieving the Long-Term Vision <TOA2035> through Dialogue with Stakeholders

To enhance the effectiveness of the Board of Directors in a meaningful way, sincere dialogue is essential, not only within the Company but also with shareholders and other stakeholders.

Calls from investors for improved capital efficiency have intensified throughout the market, and we seek to address them directly through careful and open investor relations (IR) activities. The Board of Directors continuously discusses enhancing shareholder returns and improving capital efficiency. This process, which clearly demonstrated the effectiveness of the Board of Directors, was highly regarded by the Tokyo Stock Exchange as a model case and now provides the foundation for our sincere engagement with the capital markets.

Through IR activities, investors continue to ask how we will specifically strengthen our core marine business and request greater information disclosure on the progress of defense and public works projects. I hope to continue incorporating these views into Board of Directors discussions. When it comes to information disclosure on defense and public works projects in particular, the Board of Directors will continue discussing approaches to maximize transparency while taking into account the need for confidentiality.

As the Chairperson of the Board of Directors, I intend to further enhance the Board’s effectiveness toward achieving the Medium-Term Management Plan and Long-Term Vision <TOA2035> and contribute to maximizing the corporate value of the TOA CORPORATION Group.

Group Companies Supporting TOA CORPORATION

TOA Tekko Co., Ltd.

Strengths and roles

Supports the operational foundation of the marine and construction fields through ship repair and construction and manufacturing steel structures



Location: Yokohama, Kanagawa Prefecture
Business description: Ship repair and construction, and manufacturing of steel structures

https://www.toatekko.co.jp/ (Japanese only)

TOAKIKAI KOUGYOU CO., LTD.

Strengths and roles

Provides the supply infrastructure supporting the construction business, leveraging its expertise in manufacturing steel structures



Location: Shimonoseki, Yamaguchi Prefecture
Business description: Manufacturing of steel structures, construction materials and equipment

https://www.toakikai.com/ (Japanese only)

TOA Agency Co., Ltd.

Strengths and roles

Provides integrated trading, insurance, leasing, and business support functions, supporting the construction business and undertaking risk management



Location: Chiyoda-ku, Tokyo
Business description: Insurance agency services, trading, leasing, and business process support services

https://www.toa-agc.co.jp/ (Japanese only)

TOA KAIUN SANGYOU CO., LTD.

Strengths and roles

Procures materials taking into consideration the environment and society as a maritime transportation specialist



Location: Chiyoda-ku, Tokyo
Business description: Domestic marine transportation, domestic tramp shipping business for passenger transport

https://www.toakaiun.co.jp/ (Japanese only)

TOA REATEC Co., Ltd.

Strengths and roles

Enhances the asset value of buildings through a circular renovation business



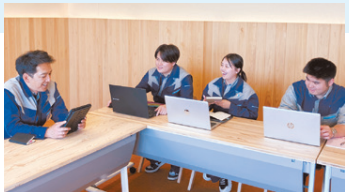
Location: Shinjuku-ku, Tokyo
Business description: Real estate development, leasing, sales, and brokerage, comprehensive building management, renewal and renovation

https://www.toa-reatec.co.jp/ (Japanese only)

SHINKO CORPORATION

Strengths and roles

Supports the Group's high-quality on-site capabilities through the construction and repair of civil engineering works and buildings



Location: Chiyoda-ku, Tokyo
Business description: Port and marine civil engineering work, land civil engineering work, lease of ships and equipment

https://www.shinko-con.co.jp/ (Japanese only)

PT TOA Tunas Jaya Indonesia

Strengths and roles

Combines TOA's expertise with that of local partners to create sustainable infrastructure and a prosperous future in Indonesia



Location: Jakarta, Indonesia
Business description: Building construction work, construction and repair of civil engineering works

https://www.toa-tji.co.id/

R2TOA CORPORATION

Strengths and roles

Strengthens the foundation for overseas business development in the Philippines by leveraging local responsiveness



Location: Manila, Philippines
Business description: Building construction work, construction and repair of civil engineering works

In preparation

DATA

Financial Data

TOA CORPORATION and Consolidated Subsidiaries
Fiscal years ended March 31 and as of March 31

(Millions of yen)

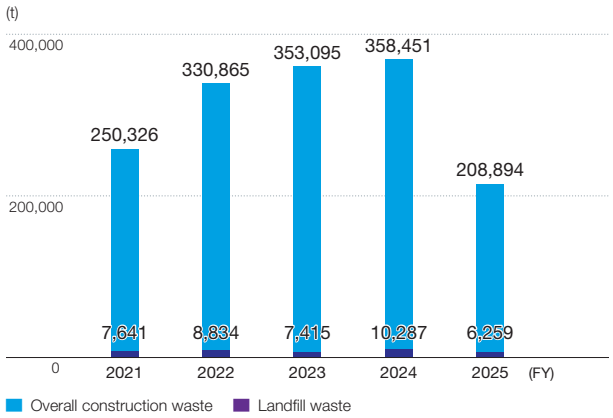
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Results											
Net sales	200,282	167,200	161,045	173,692	190,278	189,712	219,814	213,569	283,852	330,472	**358,697**
Net sales to consolidated net sales ratio	1.04	1.05	1.06	1.04	1.05	1.05	1.04	1.05	1.05	1.04	**1.05**
Operating profit	11,789	6,196	2,879	3,980	7,957	8,714	9,874	6,555	17,231	20,621	**24,199**
Ordinary profit	10,606	5,897	2,714	3,943	7,604	9,247	10,138	6,614	16,630	20,073	**24,600**
Profit attributable to owners of parent	6,038	(7,438)	1,750	3,072	5,007	6,859	7,385	4,835	10,517	14,908	**19,361**
Financial Position											
Total assets	196,491	183,735	190,276	202,514	202,657	204,200	212,916	226,928	272,936	298,939	**305,435**
Shareholders' equity*1	70,684	64,426	67,191	68,216	68,462	75,446	86,028	88,629	95,634	106,546	**116,537**
Net assets	71,143	64,958	67,747	68,845	69,166	76,175	86,725	89,361	96,700	107,873	**117,926**
Interest-bearing debt*2	29,905	29,195	28,632	28,252	34,470	28,740	30,862	47,043	47,703	50,471	**25,135**
Cash Flows											
Operating cash flows	19,850	(8,769)	9,928	(2,347)	11,496	1,471	(2,671)	(13,947)	39,350	(14,255)	**48,006**
Investing cash flows	(2,467)	(1,263)	(714)	(1,496)	(2,851)	(4,731)	(2,391)	(2,578)	(2,639)	93	**(1,542)**
Financing cash flows	65	(1,639)	(674)	(1,042)	3,373	(8,254)	4,550	12,723	(8,493)	(1,250)	**(39,122)**
Cash and cash equivalents at the end of the period	39,896	28,187	36,652	31,799	43,746	32,310	32,017	28,278	57,044	41,583	**49,231**
Per-share Information*3 (yen)											
Basic earnings per share	72.22	(88.97)	20.93	36.75	61.16	87.66	95.70	56.14	127.73	187.94	**248.40**
Net assets per share	845.41	770.61	803.72	815.99	873.08	986.53	984.92	1,017.96	1,206.27	1,342.70	**1,507.27**
Dividend per share	10.00	—	5.00	7.50	12.50	20.00	22.50	22.50	40.00	76.00	**100.00**
Major Indicators											
Return on equity (ROE)*4 (%)	8.7	(11.0)	2.7	4.5	7.3	9.5	9.1	5.5	11.4	14.7	**17.4**
Debt-to-equity (D/E) ratio (times)	0.45	0.50	0.48	0.45	0.53	0.41	0.39	0.57	0.57	0.53	**0.25**
Equity ratio*5 (%)	36.0	35.1	35.3	33.7	33.8	36.9	40.4	39.1	35.0	35.6	**38.2**

*1 Net assets at the end of the fiscal year less non-controlling interests.
*2 The sum of short-term borrowings, commercial paper, corporate bonds, and long-term borrowings (including zero-coupon convertible bonds with stock acquisition rights).
*3 The Company conducted a 1-for-10 consolidation of its common stock on October 1, 2016, and a 4-for-1 stock split of its common stock on April 1, 2024. Basic earnings per share, net assets per share, and dividends per share have been calculated assuming that both the share consolidation and stock split had been conducted at the beginning of fiscal 2015.
*4 Profit attributable to owners of parent divided by the average shareholders' equity during the fiscal year calculated in *1.
*5 The amount calculated in *1 divided by total assets, or total liabilities and net assets, at the end of the fiscal year.

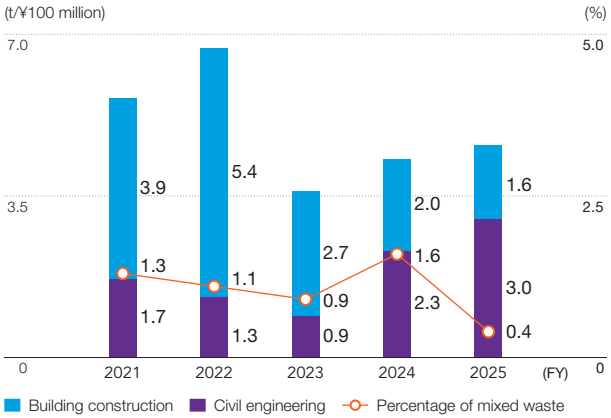
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Pre-Financial Highlights

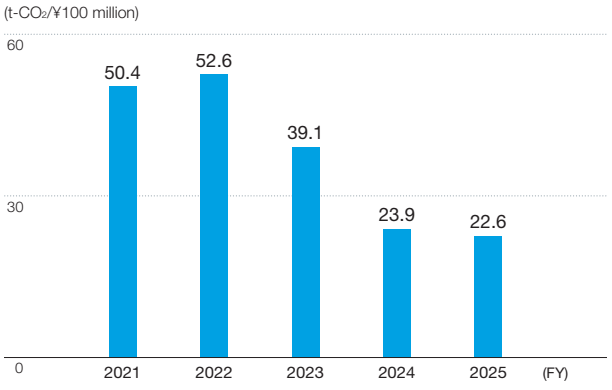
Construction Waste Emissions (Non-Consolidated)



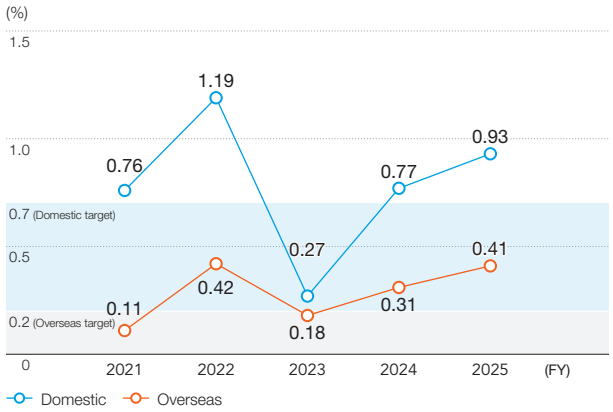
Mixed Waste per ¥100 Million of Completed Construction Contracts and Percentage of Mixed Waste (Non-Consolidated)



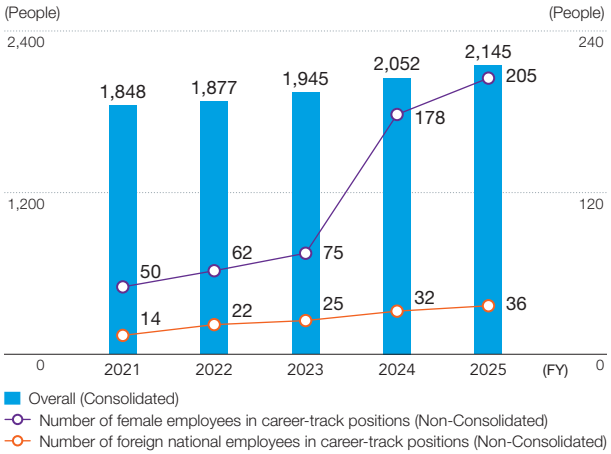
CO_2 Emissions per Completed Construction Contracts (Non-Consolidated, Domestic Construction Projects)



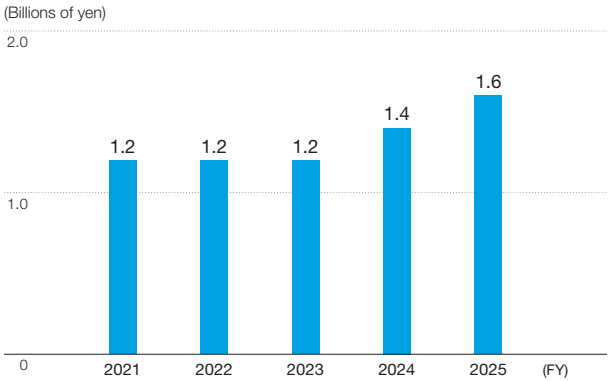
Accident Frequency Rate (Non-Consolidated)



Number of Employees in Career-Track Positions



R&D Expenses



DATA

Corporate Profile (As of March 31, 2026)

Company name:	TOA CORPORATION
Head Office:	Shinjuku Park Tower, 3-7-1 Nishi-shinjuku, Shinjuku-ku, Tokyo 163-1031, Japan
Establishment:	1908
Founding:	March 4, 1914
Incorporation:	January 23, 1920
Common stock:	¥18,976,658,924
Representative:	Takeshi Hayakawa, President and Representative Director
Number of employees:	2,145 (consolidated)
Description of businesses:	General contractor
Main businesses:	Marine civil engineering, land civil engineering, dredging, reclamation, building construction, land development and sales, development, construction consulting, etc.
Construction business licenses:	Minister of Land, Infrastructure and Transport (Toku-4) No. 002429
Registration of class-1 architect office:	Governor Registration No. 13191, Tokyo
Building lots and buildings dealer's license:	Minister of Land, Infrastructure, Transport and Tourism (16) No. 475

Initiatives We Support and External Evaluations

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

FTSE JPX Blossom Japan Sector Relative Index

CDP A List 2025

CDP Supplier Engagement Leader 2025

女性が活躍しています！

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門

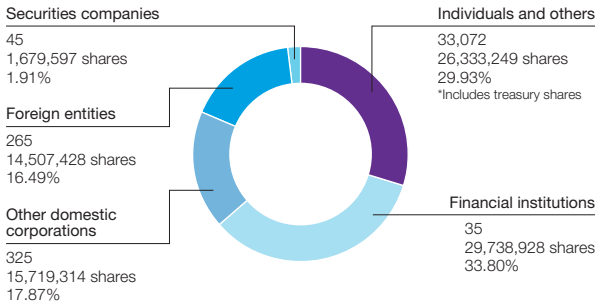
For more information, please visit our website.

External ESG Evaluations
https://www.toa-const.co.jp/eng/ir/#external_evaluation

Stock Information (As of March 31, 2026)

Total number of authorized shares:	240,000,000
Number of issued shares:	87,978,516 (including 6,164,556 treasury shares)
Total number of shareholders:	33,742
Administrator of shareholder registry:	Mizuho Trust & Banking Co., Ltd.
Ordinary General Meeting of Shareholders:	During June of each year
Stock exchange listings:	Tokyo Stock Exchange Prime and Sapporo Securities Exchange

Shareholder Composition



Major Shareholders

Shareholders	Shares Held (Thousands)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	9,739	11.90
Custody Bank of Japan, Ltd. (trust E account)	4,497	5.50
Taiheiyo Cement Corp.	4,274	5.22
Custody Bank of Japan, Ltd. (trust account)	3,445	4.21
Meiji Yasuda Life Insurance Company	3,082	3.77
TOA CORPORATION KakusyuKai	2,811	3.44
TOA CORPORATION Employee Shareholding Association	2,465	3.01
STATE STREET BANK AND TRUST COMPANY 505223	1,698	2.08
The Nomura Trust and Banking Co., Ltd. (trust account 2052256)	1,267	1.55
Mizuho Bank, Ltd.	1,039	1.27

*The shareholding ratio is calculated excluding treasury stock of over 6,164,000 shares. It should be noted that this treasury stock figure does not include over 4,497,000 shares of the Company held by the trust account for the Share Benefit Trust (BBT, J-ESOP-RS).

Efforts to Prevent Recurrence and Restore Trust

In response to the construction defects and false reporting issues that emerged in 2016 within a series of our ground improvement projects, we have conducted a thorough verification of the facts and a rigorous analysis of the causes. Based on these findings, we have developed a comprehensive plan to prevent such incidents from reoccurring, which is being diligently implemented by all our executives and employees.
The TOA CORPORATION Group is actively working on reforming the mindset of our executives and employees and enhancing our corporate culture to ensure that such misdeeds are never repeated.

Overview of the Recurrence Prevention Action Plan

To enhance the effectiveness of our Recurrence Prevention Action Plan, we conduct annual revisions, addressing any issues that arise during the implementation of specific measures. In April 2026, we updated the plan to its 11th version, focusing on the following key strategies to rebuild trust.

❶ **Shifting Perspectives for Management, Executives, and Employees**
Ensuring that fulfilling social responsibilities is always a priority, the management team leads by example in deeply instilling our management philosophy so that management, executives, and employees can make appropriate decisions under all circumstances.

❷ **Improvement of Internal Control Systems**
We continuously enhance our internal control system by ensuring timely and appropriate management, supervision, guidance, and decision-making in all business operations, and by continuously revising our governance, management systems, and internal regulations.

❸ **Enhancement of Construction Management and Support**
By consolidating and leveraging onsite information, we aim to enhance employee technical skills and improve construction quality, actively managing and supporting projects with high difficulty levels.

❹ **Intensification of Development Technology Review**
Through strict implementation of development technology review procedures, we increase the reliability and completeness of new methodologies, ensuring their proper application on sites.

❺ **Technical Review of Owned Construction Methods**
We conduct annual technical reviews of our construction methods to identify technical issues early, thereby preventing construction quality problems.

❻ **Establishment of the Recurrence Prevention Measures Monitoring Committee**
A monitoring committee, consisting of external experts, has been established to oversee recurrence prevention measures, with the aim of enriching these measures and enhancing their effectiveness.

Efforts to Prevent Forgetting and Sustain Memory

In October 2018, to prevent the fading of memories related to construction defects and false reporting incidents from the consciousness of our management, executives, and employees, and to ensure the transmission of our resolve to “never allow such incidents to recur,” we established the Incident Prevention Archive Room within the TOA Research & Development Center.

This room showcases equipment and materials related to the incidents, relevant documents, and contemporary newspaper articles. It provides detailed explanations via panels and videos about the nature and sequence of the incidents, the causes behind them, the societal repercussions and performance impact on the Company, along with our current and future commitments to addressing these issues. The room is utilized for various internal training programs.

From fiscal 2024, in addition to covering why the misconduct occurred and how we are working to prevent recurrence, the program emphasized helping each employee recognize that insufficient support can isolate the workplace, lowering psychological safety and potentially leading to similar misconduct as in the past, which could also happen to oneself. Training sessions were held, led by the responsible director, utilizing the Incident Prevention Archive Room to prevent fading of awareness and ensure knowledge retention.

A total of ten sessions were held, with 184 employees participating. In the post-training survey, 93% of respondents answered “very satisfied” or “satisfied,” and the training will also be conducted in fiscal 2026.

We will continue our efforts to prevent recurrence, helping all employees reaffirm their resolve to never allow such misconduct to occur again.

https://www.youtube.com/@toa-corporation

https://x.com/toa_corp



About the Cover Artwork:
“The Sea, the City, and Everyday Life”

This work was created by an inclusive artist at TOA CORPORATION. Through a scene in which the sea, the city, and people’s everyday lives exist in harmony, the artist expresses a vision of a prosperous society extending into the future.

TOA CORPORATION

Corporate Management Department,
Corporate Management General Headquarters

https://www.toa-const.co.jp/eng/



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