

# Management Resources of the Sanki Engineering Group

The capital accumulated by the Sanki Engineering Group over nearly a century supports our daily business operations and represents the wellspring for our next stage of growth. We will continue to enhance our management resources while improving the quality of our total engineering capabilities, the greatest value offered by the Sanki Engineering Group, to ensure our own sustainable growth.



## Human Capital

The Sanki Engineering Group has been pioneering in each era through the power of technology and considers its people, who possess that technology, to be its greatest asset and the source of its business competitiveness and corporate value. By steadfastly investing in human capital, we strive to create working environments for a more effective development and use of our human resources.

- Secure and foster diverse and highly skilled human resources, who will lead our business in the future, as part of Phase 3 of the Medium-Term Management Plan, which focuses on enhancing the Company's quality and reliability toward becoming the company of choice.
- Provide career development and classroom training for qualification acquisition, as well as practical technical and safety training with actual equipment, at the Sanki Techno Center, our comprehensive training and research facility.
- Provide training and offer the use of research facilities for subcontractors who work with us to support on-site construction operations.
- Maintain efforts for creating working environments that enable each individual employee to work with vigor and pursue self-directed career development by fully demonstrating their capabilities, including accelerating work style reforms by developing systems for supporting site operations and DX, offering a rewarding personnel system, and establishing programs for balancing personal life and work.

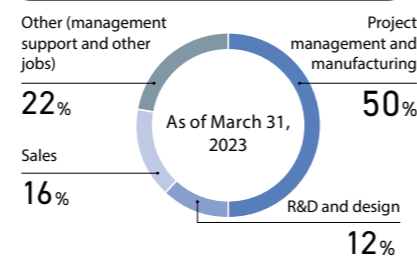
### Related Policies and Measures under the Medium-Term Management Plan Phase 3

- Related Policies**
  - Smile Work Guideline
- Measures under the Medium-Term Management Plan Phase 3**
  - Strengthen core businesses
  - Accelerate work style reforms
  - Invest toward the next era

### Human resource investment (FY2022)

Approx. **23.1** billion yen

### Ratio of employees by job classification



### Project management technician (civil works, construction, electrical construction, pipe laying works)

**1,225** persons

(Consolidated, as of April 1, 2023)



## Manufactured Capital

The Sanki Engineering Group maintains locations in Japan and overseas that serve as base camps for promoting business and cultivating human resources.

- We have operations throughout Japan, and in Asia and Europe. Our 18 domestic branch and branch offices, as well as our five domestic and three overseas consolidated Group companies, also serve as base camps for human resource development to support on-the-job training at construction sites.
- We regard the Sanki Techno Center, which houses the R&D Center, as our "temple of learning" for passing down and developing technical skills.
- The Yamato Product Center, the main production base for conveyors, functions as a site for improving quality, productivity, and development capabilities.

### Related Policies and Measures under the Medium-Term Management Plan Phase 3

- Measures under the Medium-Term Management Plan Phase 3**
  - Strengthen core businesses
  - Promote growth strategies
  - Accelerate work style reforms
  - Invest toward the next era

### Capital investment (FY2022)

**450** million yen

### ICT investment (FY2022)

**1.65** billion yen



## Social and Relationship Capital

We receive orders for various types of construction work based on the trust we have cultivated over the years with a diverse range of customers throughout Japan, including building owners, developers, manufacturers, and government agencies, and we carry out construction work in cooperation with our business partners, including construction companies and subcontractors.

- Maintain and strengthen the customer base cultivated over the years, including financial institutions, electronics manufacturers, and automobile manufacturers.
- To strengthen the construction system, establish a certification and commendation programs as well as regular meetings and training opportunities to maintain and strengthen relationships of trust with members of subcontractor groups throughout Japan that support on-site construction operations.
- Improve payment terms to safeguard a stable business environment for our business partners.
- Actively communicate with governments and other relevant stakeholders in each region in which we operate, and conduct a variety of social contribution activities that benefit regional development.

### Related Policies and Measures under the Medium-Term Management Plan Phase 3

- Related Policies**
  - Sanki Engineering Group Procurement Policy
- Measures under the Medium-Term Management Plan Phase 3**
  - Enhance the Sanki brand
  - Contribute to the sustainability of society

### Members of Subcontractor groups

**859** companies



## Intellectual Capital

By maximizing the use of elemental technologies involving air, water, heat, electricity, machinery, and information, we contribute to meeting customer needs as well as to the resolution of diverse issues faced by society.

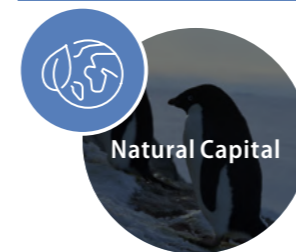
- The R&D Center takes the lead in collaborating with business units to pursue new technologies, improve and enhance the functionality of proprietary technologies, conduct basic research, and investigate new technologies.
- Develop solutions that meet the most advanced needs based on the elemental technologies of total engineering encompassing design, construction, and maintenance in diverse fields, and combine them with the latest IoT and AI technologies while also utilizing open innovation.
- Properly manage and operate intellectual property generated through R&D after compiling a database, including patent summaries and gazettes. Regular internal information sharing and education and training on patents and the like actively promote the utilization and protection of intellectual property.

### Related Policies and Measures under the Medium-Term Management Plan Phase 3

- Measures under the Medium-Term Management Plan Phase 3**
  - Strengthen core businesses
  - Accelerate work style reforms
  - Invest toward the next era

### R&D Expenditures (FY2022)

**1.5** billion yen



## Natural Capital

The Sanki Engineering Group contributes to the creation of a decarbonized society by installing energy-saving and energy-creating equipment in buildings, factories, stores, hospitals, and infrastructure facilities.

- Develop environmentally sound products and construction methods.
- Engage in environmental conservation activities by promoting the SANKI YOU Eco Contribution Point system.
- Quantitatively assess the environmental impact of electricity, and fuel and other energy and water resources used in the Group's business activities, as well as CO<sub>2</sub> emissions and waste, and take steps to improve them, as part of our role in conserving the global environment.
- Promote initiatives to reduce our own environmental impact, including the use of renewable energy.
- Dispatch personnel to the Antarctic Research Expedition for preserving biodiversity in the Antarctic region by maintaining and managing wastewater treatment and HVAC facilities.

### Related Policies and Measures under the Medium-Term Management Plan Phase 3

- Related Policies**
  - Sanki Engineering Group Environmental Policy
  - Sustainability Policy
  - Sanki's Carbon Neutral Declaration
- Measures under the Medium-Term Management Plan Phase 3**
  - Contribute to the sustainability of society
  - Invest toward the next era

### CO<sub>2</sub> emissions by Scope (Consolidated, FY2022)

Scope 1 and 2 **5.34** kt-CO<sub>2</sub>  
Scope 3 **3.93** million t-CO<sub>2</sub>



For more information on financial capital, see: "Message from the Chief Financial Officer"

P. 29 Message from the Chief Financial Officer