

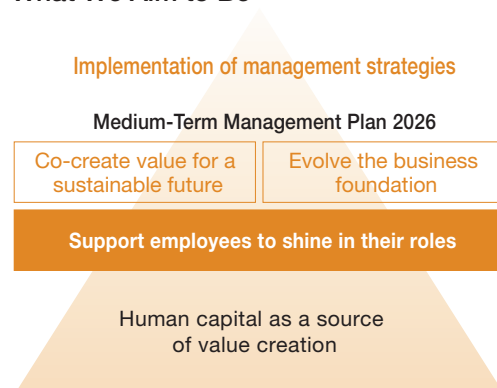
# Human Capital Strategy

For specific initiatives, please see [Human Capital Report 2026](#) and [Sustainability Report 2026](#).

## Overview of Human Capital Strategy

The Daigas Group positions human capital as a source of value creation and closely aligns its management strategy with its human resources strategy. Based on the belief that people are the driving force behind all management strategies, the Medium-Term Management Plan 2026 identifies "support employees to shine in their roles" as a key objective and focuses on three key themes: acquiring and developing talent capable of realizing the Group's management strategy, ensuring the right people are in the right roles, and empowering individuals to thrive. Through these initiatives, the Group seeks to maximize the potential of every employee and foster a relationship of mutual growth between employees and the Company, thereby enhancing sustainable corporate value.

## What We Aim to Be



## Human Resource Challenges and Key Themes for Strategy Implementation

### [ Ideal human resource profile ]

- Individuals capable of responding flexibly to changes in the business environment
- Highly skilled professionals capable of leading the execution of management strategies (achievement of CN, acceleration of overseas energy business, and transformation through DX, etc.)

### [ Medium- to long-term employee and organizational challenges ]

1. Stable securing and rapid integration of highly specialized talent to lead growth areas (CN, overseas business, DX, etc.)
2. Ensuring "the right people are in the right roles" to respond agilely to an increasingly diversified business portfolio
3. Combining diverse talents and fostering a culture that enables breakthrough innovation

### [ Key themes ]



| INPUT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | OUTPUT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | OUTCOME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Investment in human resource development and growth support</b></p> <ul style="list-style-type: none"> <li>● Total training expenses: <b>446</b> million yen</li> <li>● Core training hours: <b>12.1</b> hours</li> </ul> <p><b>Enhancement of environments and investment in systems to support challenges and growth</b></p> <ul style="list-style-type: none"> <li>● Improvement of compensation and benefits through revisions to personnel systems (age-neutral performance evaluation and compensation systems, extension of retirement age, etc.)</li> <li>● Introduction of the employee stock incentive plan</li> <li>● Support for self-directed career development and diverse work styles</li> </ul> | <ul style="list-style-type: none"> <li>● Total number of new graduates and mid-career hires: Cumulative total of <b>250</b> people over two years (FY2027 target: Cumulative total of 330 people over three years)</li> <li>● Recruitment of DX core staff: <b>310</b> people (FY2027 target: 300 people)</li> <li>● Reserve ratio of next-generation management personnel: <b>280%</b> (FY2027 target: 250% or higher)</li> <li>● Work engagement score*: <b>52.8</b> (FY2027 target: 50 or more)</li> <li>● Male childcare leave utilization rate: <b>98%</b> (FY2027 target: 90% or higher)</li> </ul> <p><small>*Deviation in work engagement results for companies using the Advantage Toughness Survey</small></p> | <ul style="list-style-type: none"> <li>● Evolution into robust business portfolio (profit growth in core business areas, such as power/international business)</li> <li>● Operational process reforms and significant productivity improvements through DX</li> <li>● Creation of advanced solutions (automated generation of as-built drawings using 3D photographs)</li> <li>● Sustainable enhancement of corporate value (contribution to achievement of ROIC/ROE targets)</li> <li>● Enhancement of corporate brand value</li> </ul> |



## Examples of Key Measures

For specific initiatives, please see Human Capital Report 2026 and Sustainability Report 2026.

**Acquiring and developing talent capable of realizing the Group's management strategy**
**Enhancement of HR Systems to Encourage Employees' Challenges and Growth**

Following the revision of our HR systems in April 2025, we introduced and enhanced HR-related systems, from October onward to further support employees' challenges and growth, while ensuring a sense of security, that serves as the driving force behind taking on challenges. We strengthened our career development support through initiatives such as the "Yume-Deca Nation" program, which provides prospective employees with opportunities for challenge and growth prior to joining the Company, Overseas TameSkill, an internal internship program, and recurrent leave, which enables employees to take a leave of absence for a specified period to pursue academic studies. In addition to providing subsidy programs for student loan repayments, rent, housing loans, and nursery school fees for employees who meet certain requirements, we also introduced grandparent leave, donor/infertility treatment leave, and four-day work week system for employees with caregiving responsibilities, thereby providing comprehensive support for employees' lives outside of work.

**Identified issues**

- Provision of a sense of security in employees' lives, which is the driving force of taking on challenges
- Enhancement of support for diverse lifestyles in line with individual needs

**FY2026 results**

- Introduction and enhancement of various new systems

**Introduction of the Employee Stock Incentive Plan**

To enhance the link between company performance, stock price, and employee compensation, and to improve engagement, in February 2026 we introduced a remuneration system using an employee stock incentive plan. As part of the system, management-level employees are granted company stock after three years of continuous service. By creating a system in which share price appreciation helps employees build assets, alongside the restricted stock remuneration system we introduced in 2021 for Directors\* and Executive Officers, we have built a framework in which management and employees can work together to enhance our sustainable corporate value.

**Identified issues**

- Medium- to long-term enhancement of corporate value
- Improvement of link between company performance, stock price, and employee remuneration, as well as engagement

**FY2026 results**

- Total value of shares acquired: Approx. 300 million yen

\*Excluding Directors who are Audit and Supervisory Committee Members and Outside Directors

**Empowering individuals to thrive**
**Internal Internship Program and Internal Side Job System to Promote Autonomous Career Development**

To enable employees of all ages and generations to autonomously and proactively develop their careers and broaden their possibilities, we have introduced an internal internship program for employees to experience other departments and an internal side job system in which employees get involved in other roles using their own skills. In addition, 1,158 employees have registered with the Career Portal to review the career paths of more experienced colleagues and request consultations with them. Through these initiatives, we have created a cycle in which employees can learn, think, and take action.

**Identified issues**

- Autonomous and proactive career development by every employee

**FY2026 results**

- Number of internal internship program participants: **153**
- Number of employees registered to take part in employee-supervisor consultations: **1,158**

**Improvement of Work-life Balance to Support the Driving Force of Innovation**

In addition to encouraging all male employees to take one-month childcare leave, we have made pre- and post-leave meetings with managers a mandatory process and used guidebooks to promote awareness of the leave system. Moreover, by enabling employees to flexibly combine different systems including flextime, hourly paid leave, and remote working, we have created an environment that enables employees to balance work and childcare after returning to their roles, providing a platform for employees to continue taking on new challenges.

**Identified issues**

- Creation of an environment that supports the driving force of taking on new challenges
- Support for smooth work-life balance between work and childcare

**FY2026 results**

- Percentage of male employees who have taken childcare leave: **98%** (Between approximately 90–100% over the past five years)
- Selected as Next Nadeshiko: Companies Supporting Dual Careers and Co-parenting

**Ensuring the right people are in the right roles**
**Visualization of Talent Management and Succession Plans**

To support our diverse business portfolio, we are improving the visibility of talent profiles and matching them more precisely with job requirements. By classifying operations into a total of 18 domains, and integrating employees' technical skills and portable skills into a system we are enhancing the visibility of succession plans primarily for executive management and organizational heads. Through these initiatives, we are working to assign employees to roles in which they can sustainably deliver strong performance and to systematically develop next-generation management talent.

**Identified issues**

- Matching talent profiles with job requirements across a diverse business portfolio
- Systematic successor development for sustainable organizational management

**FY2026 results**

- Reserve ratio of next-generation management personnel: **280%**