

Green Technology System Business

In the Green Technology System Business, we use environmental control technology that comprehensively controls energy, air, and water to create an environment that makes people comfortable and design and install air-conditioning systems that is optimal for manufacturing.



The Company will contribute to the realization of a sustainable society by increasing the added value of the entire business through improved technological capabilities and the promotion of globalization.

Director, Managing Corporate Officer, Chief General Manager, Green Technology System Division

Tadashi Sobue

Business environment (risks and opportunities)

- Increasing demand for low-carbon buildings and the growing need to develop advanced energy-saving technologies
- Accelerating capital investment to realize a sustainable society (carbon neutrality, smart factories, etc.)
- Increasing capital investment by manufacturing companies, faced with a global shortage of semiconductors and competition in the development of electric and fuel-cell vehicles
- Accelerating smartification of factories and other facilities, with increasing need for labor-saving and automation against the backdrop of advances in digital technology and decline in the working population in Japan
- Expected increase of renovation of aging buildings and infrastructure and renewal of carbon-neutral buildings through ultra-large-scale redevelopment projects planned mainly in the Tokyo metropolitan area and other projects
- Lack of future workers in the construction industry and smartification of construction sites through DX

Strengths

- Pursuit-based problem solving cultivated by fulfilling high requirements from customers
- Ability to respond to high-spec projects and extensive construction experience
- Providing customer-oriented solutions
- Our broad global network mainly in Asia

Business environment surrounding Green Technology System Division in light of risks and opportunities

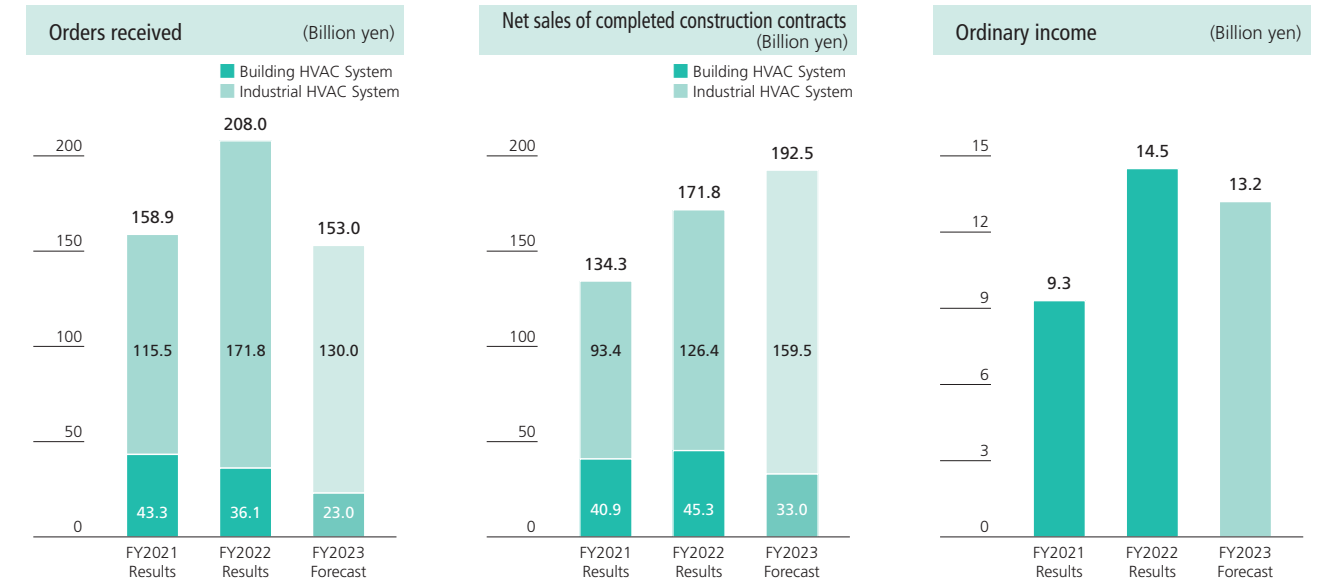
The business of the Green Technology System Division remains sturdy currently backed by strong capital investment and other factors. In order to strive for further growth in the future, the Company intends to make greater efforts to improve technological capabilities by enhancing development of human resources and to promote globalization.

This division has relatively fewer mid-level employees than older employees and young employees. Therefore, the Company recognizes that raising the level of young employee's capabilities as soon as possible through human resource development is an urgent issue. To address such an issue, the Company will proactively work on challenging design and construction projects and improve both the quality and quantity of human resources to increase the number of specialists with technological capabilities. Through these efforts, we will aim to differentiate ourselves from other companies by securing human resources with high technical skills and enhancing the added value of the entire business.

With regard to promoting globalization, current overseas sales ratio in this division is approximately 30% and the Company will continue to increase the ratio. Especially, the Company will aim to expand its market share in India by taking advantage of the strength of Nicomac Taikisha Clean Rooms Private Limited which became its wholly-owned subsidiary.

The Company will also focus on developing global human resources indispensable for promoting globalization. We will develop human resources that will play an active role in the global arena by sending employees who want to gain experience abroad on international assignments while they are young and giving them more opportunities to take on challenges overseas. As for national staff, we will optimize the use of human resources on a group basis by giving them executive education programs and promoting the exchange of workers between Japan and overseas.

Amid growing awareness of decarbonization, the Company believes we are able to seize business opportunities depending on how quickly it can respond to customers' moves. We will endeavor to provide solutions that meet the needs of our customers to realize our long-term vision of "Contribute to a Sustainable Society through Innovative Engineering of Energy, Air and Water."



Key strategies

- Expand orders from non-Japanese customers by utilizing our overseas networks.
- Train professionals with abundant knowledge and experience to enhance construction quality.
- Create opportunities for national staff at overseas affiliates.

- Focus on areas where we can demonstrate our advanced technological capabilities. Strengthen ties with customers and actively follow their technological innovations.
- Develop specialists through cutting-edge technology projects and build an organization with mobility.
- Uncover potential customer needs by utilizing Research and Development Center and R&D Satellite.

- Actively promote the introduction of digital devices and on-site work support tools.
- Use BIM in construction drawing work.

Direction of Mid-Term Business Plan

Business development that continues to create added value

- Further expand our overseas business.
- Enhance engineering capabilities that are the lifeblood of the Company.
- Aim to become a Group where all employees can work lively regardless of country, region or race, and contribute to the economic development and technological improvement of countries where we operate.

Strengthen Taikisha, the Technology Company

- Further strengthen technological capabilities.
- Promote accumulation and transmission of technology.
- Respond flexibly to the technical needs of customers and projects.
- Create opportunities to create new value.

Improve business operation systems and productivity

- Respond to a decline in the working population and a shortage of workers in the construction industry in Japan.
- Reduce working hours and improve the ease of working and work-life balance of employees.

Effective utilization of human resources across the Taikisha Group

The Company established its subsidiary, Taikisha Myanmar Co., Ltd., in Myanmar in December 2013 and has developed businesses focusing on installation work and electric work associated with plant constructions. The Company has a long history with Myanmar. We have engaged in air-conditioning system projects in the medical, transportation, and agricultural fields since the 1980s before the establishment of our subsidiary and grown with the economic development of Myanmar.

However, political and economic conditions in Myanmar have been changing drastically since the 2021 coup. While responding flexibly to changes in the business environment, the Company is working to transfer staff hired in Myanmar who wish to do so to other bases in Asia or to accept them at our Head Office in Japan as part of efforts to efficiently utilize superior human resources across the entire Taikisha Group.

Through these initiatives, the Taikisha Group will contribute to the realization of an inclusive society without prejudice against any nationality, gender, or other characteristics.



A Myanmar employees, working in Head Office, the Green Technology System Division