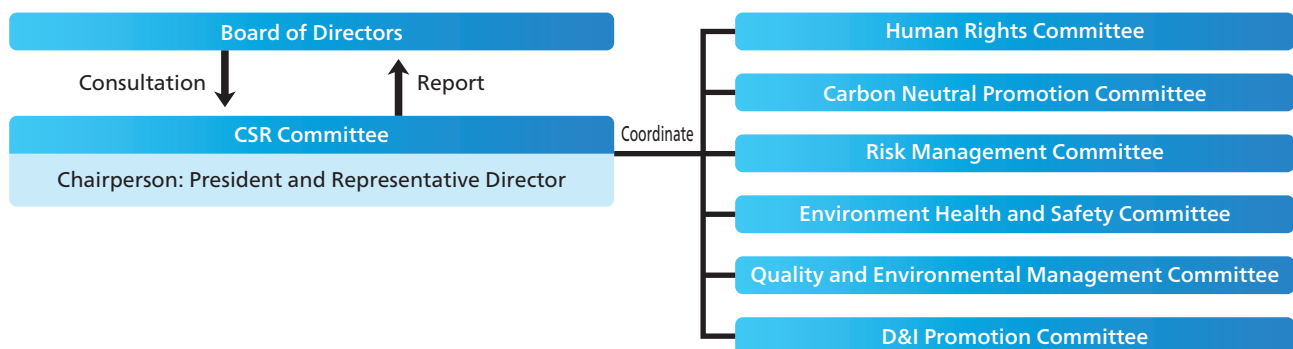


Practicing Sustainability Management

Penta-Ocean Construction Group believes that its greatest contribution to society is the construction of high-quality infrastructure and buildings, and practices ESG-oriented sustainability management. By offering reliable quality backed by safety, environmental considerations, and technology, we aim to be a company that appeals not only to our shareholders, clients, business partners, and employees, but also to the local communities we serve.

» Sustainability Management Governance Structure

We believe that appropriate responses to sustainability-related issues are important management issues that not only reduce risks but also increase profit-earning opportunities. In this context, under the CSR Committee chaired by the President and Representative Director, we have established the Human Rights Committee, the Carbon Neutral Promotion Committee, the Risk Management Committee, the Environment, Health and Safety Committee, the Quality and Environmental Management Committee, and the Diversity & Inclusion (D&I) Promotion Committee to promote ESG-oriented sustainability management. The Board of Directors regularly shares the activities of the above-mentioned committees and holds in-depth discussions to ensure that the outcomes are linked to medium- to long-term corporate activities.



		FY 3/23 or earlier
Creating Mechanisms to Deepen Sustainability Management	Establishment of Structures	<ul style="list-style-type: none"> ● July 2022: Reinforcement of the Structure of the CSR Planning Office ● From July 2022: Incorporating Sustainability Training into Various Training Programs <p>● December 2022:</p>
	Identification of Materiality	<ul style="list-style-type: none"> ● October 2022: Start of the Materiality Identification Process
Promotion of Initiatives on Material Business Issues	Respect for Human Rights ▶ P.47	<ul style="list-style-type: none"> ● October 2022: Start of Human Rights Risk Analysis and Review of a Draft of the Human Rights Policy
	Sustainable Supply Chain (SSC) ▶ P.49	<ul style="list-style-type: none"> ● November 2020: Declaration of Partnership Building

》Creating Mechanisms to Deepen Sustainability Management

Endorsement and signing of the UN Global Compact

In December 2022, we signed a petition expressing our support for the United Nations Global Compact (UNGC) proposed by the United Nations and became a registered participating company.



Revision of Code of Conduct ▶ P.3

In May 2023, we revised the “Penta-Ocean Construction Group Code of Conduct” based on our management philosophy as standard behavior requirements for officers and employees to sincerely address sustainability issues in our corporate activities and fulfill our social responsibility.

Identification of Materiality ▶ P.31

In promoting sustainability management, we will pursue two distinctive goals of medium- to long-term corporate growth and sustainable development of society. To this end, we have identified materiality, or material business issues, to be addressed as important management issues in May 2023.

Revision of Corporate Philosophy Structure ▶ P.3

In October 2023, as part of our efforts to deepen our sustainability management, we revised the Penta-Ocean Construction Group's Corporate Philosophy Structure. The Corporate Philosophy Structure is the basis for all business and corporate activities of Penta-Ocean Construction Group, and consists of our “management philosophy,” “vision” and “materiality” of sustainability management, and “Code of Conduct.”

》Promotion of Initiatives on Material Business Issues

▶ Please refer to p.33 for specific initiatives and indicators for materiality

Penta-Ocean Construction Group will implement specific initiatives to address each of the issues identified in the materiality and monitor the results. We are making special efforts to promote initiatives related to “Respect for Human Rights” and “Sustainable Supply Chain,” which were identified as critical issues to focus on in the materiality identification process.

FY 3/24	FY 3/25 onwards
<ul style="list-style-type: none"> ● May 2023: Revision of Code of Conduct ● October 2023: Revision of Corporate Philosophy Structure Endorsement and signing of the UN Global Compact 	(Items without a specific month and year indicate future implementation)
<ul style="list-style-type: none"> ● May 2023: Identification and Disclosure of Materiality 	<ul style="list-style-type: none"> ● Enhancement and monitoring of activities based on materiality
<ul style="list-style-type: none"> ● May 2023: Establishment of the Human Rights Committee ● June 2023 Establishment and Disclosure of the Human Rights Policy ● From July 2023: Implementation of Human Rights DD (internal hearings, discussions with human rights experts, human rights education) 	<ul style="list-style-type: none"> ● August 2023: Establishment of the Human Rights Consultation Desk ● From September 2023: Human Rights DD Monitoring Survey (within POC + subcontractors + suppliers) ● From May 2024: Consideration of the improvement plan based on the results of human rights monitoring ● Disclosure of Progress of Human Rights DD
<ul style="list-style-type: none"> ● May 2023: Disclosure of the Multi-Stakeholder Policy 	<ul style="list-style-type: none"> ● November 2023: Establishment and Disclosure of the SSC policy and SSC guidelines ● From November 2023: Implementation of SSC Training (gradually shifting the target from POC to the supply chain) ● From July 2024: Start of request to complete a self-assessment questionnaire (SAQ) (in stages) ● Implementation of Monitoring