Supporting forest care — “green” papermaking

Because we need forests to make our dreams come true, we have primarily used paper made from forest thinnings for this publication, to express our commitment to sustainable forest care.
Creating Dreams, Building Hearts

Through its wide range of business activities, the Daiwa House Group aims to help realize a society where people can live truly fulfilling lives. In line with the Group’s fundamental stance of “Co-creating a Brighter Future,” we are promoting a focus on the Group’s corporate social responsibility through various CSR activities.
Creating Dreams, Building Hearts
Support for recovery through caring for psychological needs
(Sendai, Miyagi Pref.)
At the Natsugino Group Home, built by the Daiwa House Group

Living in Harmony with Society

We continue to provide material and psychological support to citizens in the disaster-stricken region

A certain group home in Miyagi Prefecture is serving a temporary accommodation for people who lost their homes in the earthquake and tsunami of March 11 last year. The home provides a living environment carefully designed to meet their needs, and the normal everyday life that they have lost is now gradually returning. Against this background, the PARO®*1 therapeutic robot baby seal is helping bring back smiles all around. In June 2011 we began loaning 50 of these mental commit robot®*2 PARO® therapeutic robots (free-of-charge for a two-year period) to nursing care facilities in the disaster-hit region to assist in the psychological care of the residents. The whole nation of Japan faces a long road toward complete recovery from the disaster, and we will walk this road together with the residents of the stricken region. The Daiwa House Group pledges to provide all the support it can – both material and psychological – to assist this recovery.

*1 PARO® is a registered trademark of Intelligent System Co., Ltd.
*2 Mental commit robot® is a registered trademark of the National Institute of Advanced Industrial Science and Technology (AIST), an independent administrative institution. The mental commit robot PARO® is recognized in the 2002 edition of Guinness World Records as the world’s most therapeutically effective robot, and its effectiveness has been demonstrated in many countries. PARO®, which the Daiwa House Group put on sale in November 2010, is increasingly being adopted in Japan’s nursing care field.
Creating Dreams, Building Hearts

Housing development that preserves the beauty of nature
(Kazusa-no-Mori, Chiharadai, Ichihara, Chiba Pref.)

Nurturing the Environment together with the Community

First example in Japan of landscape planning on a citywide scale*1 in which the developer puts forward a plan together with the residents for the creation of a beautiful townscape

In the large-scale single-family house development Kazusa-no-Mori, Chiharadai*2, Daiwa House Industry is moving ahead with the creation of a new townscape characterized by natural beauty, with the goal of nurturing a community where people can live richly fulfilling lives. For example, as all electric wires are laid underground, extra road width is no longer required for electric utility poles, and the space thus freed up is provided as common space for the residents. To preserve harmony with the natural surrounding and realize an attractive townscape with a feeling of unity, we got together with the residents and our collaborating contractors to put forward a landscape planning proposal as called for in the Landscape Law. This proposal was enforced by the city of Ichihara, Chiba Prefecture, on April 1, 2011, thanks to which we have been able to improve the effectiveness of rules governing the exterior coloring of houses, the pitch of roofs, setback distances for walls, the placing of hedges and tall trees, and other matters.

*1 According to a survey of housing development companies, as of April 1, 2011 this was the first example in Japan of the application of the "System for Proposals by Residents, etc." of Article 11 of the Landscape Law, under which the developer and the residents make preliminary proposals for a landscape plan, on the basis of which a final landscape plan is drawn up and implemented.

*2 Located in the northeastern section of the city of Ichihara in Chiba Prefecture, this development covers an area of 33 hectares with a total area of 9.1 ha (roughly 2.5 times the area of the Chiba Marine Stadium), of which Daiwa House is responsible for 163 subdivision lots.
“We are committed to the recovery to being an excellent company that
—Passing on our founder’s philosophy; creating a brighter future—

As part of our vision for the reconstruction of the disaster-stricken region, we propose
—Utopia Concept—proposed—

On behalf of the entire Group, I would like to take this opportunity once again to express my deepest sympathy for the victims of the Great East Japan Earthquake of March 11, 2011. Since that tragedy, we have been forcefully reminded again and again of the warmth of the human heart, and of the strength of the ties that bind people together. From here onward, we must harness our full energies in the construction of homes and the planning of new communities to assist the nation to fully recover from this disaster. The earthquake and tsunami threw a fresh spotlight on the serious problems faced by Japan’s towns and villages, including the fragility of electric power supply, the aging of the population, and the deterioration in neighborhood and sense of community. We must ensure that new homes and new towns lead the way in serving as a model for solutions to these problems, and help to give the victims of this terrible disaster hope for the future.

With regard to this issue, in June 2011 I announced the Utopia Concept, and in August, as a representative of the Japan Federation of Housing Organizations, I presented a proposal to the government calling for strengthened measures to deal with natural disasters, among other matters, under the title “Regional Reconstruction and Creation of a Nation Fully Prepared for Natural Disasters.”

The Utopia Concept involves turning most of the coastal area, except for areas set aside for the fisheries industry, into public parkland, accompanied by extensive afforestation. On the higher ground to the east of the coastline, low-carbon model towns would be planned and built, and those victims who had lost their homes (as well as others from the affected communities) would move into housing there. The plans would focus on providing both a place to live and a place to work. We took care to make this proposal as practicable and detailed as possible, and from here on we hope to hold a series of talks with government organizations – centered on local governments in the devastated region – and private-sector companies. In parallel with these discussions, Daiwa House Industry will energetically pursue its own unique initiatives.

As for example, we are working to develop and popularize environment-friendly home products, with the aim of launching our Energy Self-Sufficient Home* on the market by 2020 at the latest. This model home will combine the concepts of use of renewable energy sources, energy conservation, and energy storage. In our development of residential areas, too, we pay great attention to raising residents’ asset values through the design of beautiful townscapes with high greenery ratios and all electric wires and cables laid underground. At the same time, we are focusing efforts on creating “net zero energy towns” with zero CO2 emissions.

Nurturing qualified personnel and fostering a superior corporate culture, to make a contribution to the world; putting our full efforts into everything we do, every day

Nobuo Iiishibashi, the founder of the Daiwa House Group, bequeathed to us the principle of “look further ahead, and supply the things that the world will need” as one of the core values in our organizational culture – our “corporate DNA.” In line with this mission, we try always, every day, both as individuals and as a single company, to do those things that we are duty-bound to do, and to put our full efforts into everything, no matter how ordinary it may seem.

At Daiwa House we work tirelessly to practice this philosophy of paying attention to details and putting full efforts into everything. We are thinking ahead to thirty or even fifty years from now, with the goal of expanding on a global scale the businesses that will be indispensable for everyone tomorrow. By the year 2055, when we celebrate the 100th anniversary of the founding of Daiwa House Industry, we aim to have expanded the Group’s overseas businesses to the point where they account for 70% of all our operations. In this way, we will become a corporate group that makes a significant contribution to the entire world.

To make this dream possible, it will be absolutely vital to nurture qualified human resources. What we require of our employees is a high level of motivation. Another saying beloved of our founder was “Where there is a will, there is a way.” With sufficient motivation, human beings can do great things. At the Daiwa House Group, we have already put in place a number of systems for nurturing the personnel we need, including the Daiwa House Juku and the branch managers’ application and training system.

We have successfully fostered the spirit of ambition and enjoyment of a challenge among our employees. For instance, when we recently asked for volunteers for overseas assignments, we received nearly 400 applications. At the Daiwa Group we constantly work to foster motivated staff who will tackle the tasks that the world at large requires, and always with a feeling of gratitude for the opportunities that the Company is given.

By leveraging such human resources to pursue our “Asu Fukaketsuno” (indispensable for tomorrow) businesses, we aim to become a corporate group regarded as indispensable for the welfare of society and characterized by an excellent and healthy corporate culture. We plan to continue improving the quality of our management and our organizational culture, and to make a valuable contribution to the creation of a sustainable society.

Chairman and CEO
Takeo Higuchi

Daiwa House Industry Co., Ltd.
Asking ourselves “Will it benefit society?” to take on new challenges
— A sustainable corporation of value to society —

Taking steps to ensure the Group’s long-term future through compliance, promotion of a good work-life balance, and other measures

The Daiwa House Group is currently pursuing its Third Medium-Term Management Plan, under which we have set a net sales target of ¥2 trillion for fiscal 2013. Our aims under this plan include not only to increase sales, but also to ensure legal compliance, raise the quality of our products and services, and leverage our superior human resources to make significant contributions to society.

For this purpose, while ensuring a good balance between the aggressive and defensive management approaches, we have adopted a management policy that we call “The Three Gs,” referring to the initial letters in “Group,” “Global,” and “Great.” These policies consist of: 1) harnessing the total strength of the Group to reinforce and expand our operations; 2) pursuing an aggressive management stance in which we supply the global market with value that we have created in Japan, and; 3) pursuing defensive management measures – such as strengthening our internal management and ensuring rigorous legal and ethical compliance – in pursuit of our goal of becoming a “great” company.

In fiscal 2011, in response to the occurrence of a problem in which payment for overtime work was not made, we took steps to prevent the recurrence of such problems through staff training aimed at improving our organizational culture and changing attitudes to such issues. Our objective was not solely to prevent a recurrence of the unpaid overtime problem, but also to improve operational efficiency by cutting down on overtime work, and at the same time help our employees realize a better work-life balance. We believe these are current “defensive management” issues of high priority. Henceforward, we will make efforts to create an improved working environment in which this kind of problem will not recur.

We will continue to seek the opinions of disaster victims. The whole Group will come together to provide reconstruction support

The occurrence of the earthquake and tsunami on March 11 forced us to rethink the way we interact with society and local communities. I am constantly conscious of how important it is for us not simply to act from business interests, but to ask ourselves what we should do as human beings. Following last year’s disaster, it struck me that we should try to put ourselves in the position of those who live in the affected communities, and listen directly to the opinions of our customers there. Based on this idea, I delegated full decision-making authority to our local branch staff so that they can respond speedily to customers’ opinions, gleaned from house-to-house visits.

The entire Daiwa House Group has come together to support the activities of those branch offices, and this support has served as an important tie between the Group as a whole and our local offices. These ties conveyed a strong message to our suppliers and collaborating companies all over Japan regarding our need for assistance in supporting the region’s recovery, and such assistance has been duly forthcoming.

Over one year has passed since the disaster, but many regulatory obstacles and other issues remain to be solved, and unfortunately, the work of reconstruction is not going as it should. Amid this situation, so that as many people as possible may begin to rebuild their lives, we have launched and marketed our xevo K series of single-family houses, which have been designed to help the disaster-hit communities achieve recovery. We plan to put effort into supporting the early construction of factories and retail outlets in the region, to help restore places of work to the affected communities.

The next challenge to which we must rise is the creation of new value through our Asu Fukaketsu table businesses, which will prove invaluable to society

As people’s values change as a result of the March 11 disaster and other factors, it is becoming more and more important for us to create new value through our Asu Fukaketsu concept. This phrase is the Japanese for “Indispensable for tomorrow,” and each syllable is the initial syllable of a key word denoting one of the business fields on which we are focusing to create technologies and services indispensable for tomorrow’s world.

For example, “A” stands for “anzen” (safety) and “anshin” (peace of mind). In this area, we have launched rental housing products with anti-burglary features that make them particularly attractive to female tenants living alone, thus meeting and matching the needs of both tenant and owner. The syllable “Fu” stands for “fukushi” (welfare), a field where we have addressed Japan’s serious population aging issue by developing condominiums for senior citizens that incorporate services in which staff at local hospitals are always on call, enabling quick and accurate decision-making on medical questions for elderly residents. The syllable “Ka” stands for “kanryo” (the environment), where we aim to address energy and environmental issues by reducing to zero the environmental burden posed by our housing and other buildings. In housing, last year we launched the SMAxEco Original house which is fitted with lithium-ion storage batteries and features our proprietary HEMS home energy management system. Our efforts henceforward will focus on increasing the capacity of storage batteries, and on incorporating natural wind flow patterns and sunlight into our designs on a residential block basis rather than simply by individual house. We plan to develop and popularize ecologically friendly products in our non-housing business operations. We have already commenced projects for the introduction and testing of advanced environmental technologies in our own offices and manufacturing plants. Apart from helping to bring down the level of our CO2 emissions, the experience thus gained will enable us to make more attractive proposals for our customers’ premises.

President and COO

Naotake Ono

President and COO
Corporate social responsibility and the Daiwa House Group

The Daiwa House Group’s management philosophy is encapsulated in our Company Philosophy (Corporate Creed), our Management Vision, and our Employee Charter. The Group’s corporate social responsibility (CSR) guidelines are drawn up on the basis of these three documents.

- **Develop people through business.**
- A company’s progress depends directly on ensuring a good working environment for its employees.
- **Modern facilities and products created in good faith by honest labor will contribute to society in general.**
- Our Company will develop thanks to the complete solidarity and tireless efforts of all executives and other employees.
- **Through mutual trust and cooperation, by always reflecting deeply on past mistakes, by valuing responsibility, and by actively engaging in mutual criticism, we will advance along the road to growth and success.**

### Company Philosophy (Corporate Creed)

**Connecting Hearts**

Daiwa House Group aims to create, use and holster new values together with its customers as a Group that co-creates value for individuals, communities and people’s lifestyles. In doing so, we hope to realize a society in which people can live fulfilled lives. In addition, we cherish our ties with each and every customer, and continue to strive to build life-long of trust as a partner in experiencing the joys of a lifetime.

### Management Vision

This comprises Group policies drafted to meet the needs of the times to ensure our prosperity, to be implemented by our individual businesses.

### Employees’ Charter

This is a set of conduct guidelines to be born in mind by employees at every stage of daily operations.

As employees of a Group that co-creates value for individuals, communities, and people’s lifestyles, we pledge the following:

- Strive to improve quality, skill and communications to provide safe, reliable products that are in harmony with the environment, and to help create comfortable, relaxing living spaces for our customers. <<The Company’s Perspective>>
- Serve our customers in good faith, and share their excitement and joy. <<Our Customers’ Perspective>>
- Work to improve society’s evaluation of our company and increase its corporate value by conducting ourselves fairly according to society’s expectations and rules. <<Our Shareholders’ Perspective>>
- Aim to grow and develop with our business partners by never forgetting our gratitude to them and dealing with them fairly. <<Our Suppliers’ Perspective>>
- Pursue our own growth and happiness through our work. <<Our Employees’ Perspective>>
- Help people gain fulfillment in their lives and build a better society, with co-creation of a brighter future as our basic aim. <<Society’s Perspective>>

### The Daiwa House Group’s CSR Guidelines

While conducting our business activities in a balanced manner, taking into consideration the requirements of society, the environment, and the economy, we will deal in good faith with all our stakeholders and meet society’s expectations of the Group as a corporate citizen.

1. We will utilize our unique technologies and know-how to pursue businesses that contribute to society.
2. Through our relationships and conversation with our stakeholders, we will do our best to comprehend their expectations of the Group, and fulfill our obligations as a corporate citizen by responding to them.
3. We will work to ensure a high level of corporate ethics and legal compliance.

### Creating Dreams, Building Hearts

The Daiwa House Group acts as a partner of the community through its business operations, and as a partner of individuals in their daily lives through its products and services. We believe it is important for us to maintain our stance of “co-creating a brighter future,” and to deal with society in good faith.

### The Indicators for Self-Assessment of CSR Activities of the Daiwa House Group, divided into six fields (perspectives)

The Indicators for Self-Assessment of CSR Activities were adopted in fiscal 2006. Assessment of the Group’s CSR activities is made from six perspectives. The indicators are used to measure the achievements of our CSR activities and effect continuous improvement.

- **Co-creating a brighter future**

We have introduced the guidance standards put forward in the ISO 26000* social responsibility standards into the CSR self-assessment indicators used hitherto by the Group, and have drawn up new targets and plans for our CSR activities.

* For an explanation of the ISO 26000 standards, please see P.23

### The seven core themes of social responsibility in the ISO 26000 standards

- **Community involvement and development**
- **Human rights**
- **Consumer issues**
- **Organizational governance**
- **Labor practices**
- **Safe operating practices**
- **Environment**

### The social Themes

that the Daiwa House Group must tackle to achieve sustainable development

The Attitude on which the Daiwa House Group places high priority

Our Stakeholders

with whom each of our employees interacts on a daily basis

Out of all the CSR activities undertaken by the Daiwa House Group in fiscal 2011, the CSR Report 2012 focuses particularly on topics related to the concept of “co-creating a brighter future.”
Emergency support on an unprecedented scale, thanks to our technological expertise and strong sense of responsibility.

"Quickly, DASH to the disaster-hit region!"  Staff and materials gathered from all over Japan — assistance with all our heart

Immediately following the earthquake and tsunami of March 11, 2011, there was an urgent need for a large number of emergency temporary housing units across a very wide region of Japan. The government set a short-term target of 30,000 homes in two months, and in response the Daiwa House Group set up the DASH Project, under which we resolved to erect nearly 10,000 temporary homes. The initial letters of "DASH" stand for Daiwa House Group, Action, Speed, Safety, and Heartfelt. That is to say, our message was that the entire Group would come together to speedily and safely provide housing for the victims of the disaster, and that this commitment was from our hearts.

We went to work at full speed and managed to construct the homes in only three weeks. The number of emergency temporary homes built by the Group came to 11,051.

More than a year has passed since the earthquake and tsunami of March 11, 2011, which robbed many residents of almost all their possessions. During this period, the Group has been engaged in constructing emergency temporary housing, as a place to live is the first requirement for reestablishing a normal daily life for these victims, and without a normal daily life there can be no real recovery.

Firstly, we erected the housing, and then we put our full efforts into doing whatever we could to ease the lives of the residents, including various types of supplementary installation work to support their daily lives in these hastily-erected temporary homes.

As the victims’ period of stay in their temporary accommodation becomes longer and longer, our concerted efforts became all the more necessary.

"Project re-launched" in preparation for winter

This project did not end once we had constructed the temporary homes: from October 8, 2011 we carried out additional work on the homes to prepare for the onset of winter, double-laying the end-walls and fitting double-glazing to the windows, and adding windbreak porches to the homes’ front doors. Amid an increasing amount of reconstruction work throughout the disaster-hit region, we redoubled our efforts, assembling personnel and gathering together materials from all over the country. Thanks to these efforts, we succeeded in completing our schedule within the year.

Making life in temporary housing just that bit more comfortable

At the same time, as a home builder, we continued to give thought to what we could do to make the evacuees lives in their temporary housing that little bit more enjoyable, and we therefore implemented a number of initiatives. We aim to continue such measures and also to learn from our recent experiences so as to effect further evolution in our technology in the field of emergency temporary housing.

Emergency temporary housing constructed by the Daiwa Group

<table>
<thead>
<tr>
<th>(Number of units)</th>
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<tbody>
<tr>
<td>Kesennuma, Miyagi 246</td>
</tr>
<tr>
<td>Morioka, Iwate 178</td>
</tr>
<tr>
<td>(Number of units)</td>
</tr>
<tr>
<td>Ofunato, Iwate 140</td>
</tr>
<tr>
<td>Kesennuma, Miyagi 40</td>
</tr>
<tr>
<td>Minami-Sanriku, Miyagi 113</td>
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</tbody>
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Donating relief supplies

We provided additional work on the homes to prepare for the onset of winter, double-laying the end-walls and fitting double-glazing to the windows, and adding windbreak porches to the homes’ front doors. Amid an increasing amount of reconstruction work throughout the disaster-hit region, we redoubled our efforts, assembling personnel and gathering together materials from all over the country. Thanks to these efforts, we succeeded in completing our schedule within the year.

Donation of LED streetlights

We participated in the planning of a new project with an NPO, and provided support for the installation of green curtains at temporary housing sites.

Loaning of PARO®

We provided tools and materials to enable DIY work such as making shelves and benches.

Donations

We gave donations in the amount of ¥160 million via the Osaka Chamber of Commerce and the Japanese Red Cross Society (Donations scheduled every year from FY2011 to FY2015) ¥500 donated for each new vehicle leasing contract (Daiwa Lease) ¥1,000 donated for each house sold (Daiwa House Ind.) ¥9,999,000 donated by Daiwa House Ind., ¥897,500 by the Association of Chambers of Commerce and Industry of Japan (Daiwa Lease) ¥138,000 donated by Daiwa House Ind. ¥168,500 by Daiwa Lease

Donation of therapeutic robot baby seals

We provided tools and materials to enable DIY work such as making shelves and benches.

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Co-creating a brighter future with Our Customers

Building the homes the disaster-hit region
— Starting the work of reconstruction in the Arahama district of Wakabayashi Ward in the city of Sendai,

On March 11, 2011, the northeastern coast of Japan’s main island of Honshu was struck by several immense tsunami waves. Tsunami of such magnitude are said to occur only about once every thousand years on average. These tsunami not only destroyed and swept away many houses, but also killed thousands of people. Those survivors who had lost loved ones were forced to come to terms with what they had lost while attempting to rebuild their lives. At the Daiwa House Group, we asked ourselves what we could do to help, and an answer to this question was provided by the experiences of one of our staff on the front line.

Meeting with and parting from customers with whom we have forged strong ties; a promise to achieve reconstruction

In 1999 Mr. Fumikazu Eguchi, a member of staff working in the sales section of our Sendai Branch, concluded a house purchase contract with Eiichi Nakajima and his wife Yuriko. Thereafter, Mr. Eguchi became on friendly terms with Mr. Nakajima. The tsunami of March 11 damaged the Nakajima house, and at the end of March Mr. Eguchi received a telephone call from Mrs. Nakajima, informing him that her husband’s body had been found. Mr. Eguchi immediately rushed over to the house and paid his last respects to the late Mr. Nakajima.

In the comfortable atmosphere of his own home, the late Mr. Nakajima had often talked about Mr. Eguchi, and seemed to look on him almost like a family member. This reminds us that, at Daiwa House, we are not simply in the business of selling houses to customers; we bear a much greater responsibility than that. Mr. Eguchi’s experiences have been communicated to all members of the Daiwa House Group, as it serves forcefully to make us recognize once again the heavy responsibility we bear as home builders.

We realized something we had forgotten – our responsibility does not end with building houses

In the comfortable atmosphere of his own home, the late Mr. Nakajima had often talked about Mr. Eguchi, and seemed to look on him almost like a family member. This reminds us that, at Daiwa House, we are not simply in the business of selling houses to customers; we bear a much greater responsibility than that. Mr. Eguchi’s experiences have been communicated to all members of the Daiwa House Group, as it serves forcefully to make us recognize once again the heavy responsibility we bear as home builders.

What is needed for a home, so as to realize recovery as quickly as possible

To enable the Nakajimas to make a fresh start with confidence, a sturdy new house was urgently needed. Our staff realized that victims of the disaster like the Nakajimas needed us to quickly build low-cost safe homes, and in response to these needs we developed the xevo series, in which we have preserved the superior basic performance features of our existing xevo series but have also employed rigorous streamlining methods to enable more rapid construction at a low cost. This is the house model chosen by the Nakajimas.

Developing close relationships with our customers; Working together to rebuild lives

The Nakajimas’ new home features a Buddhist family altar in the living room. Yuriko Nakajima says that she and her children wanted to feel that their father was still with them in spirit, and is appreciative of the way the Daiwa House staff accorded to her requests. To Mrs. Nakajima, who is Nichika, the youngest of her children.

Customer’s views
We were able to keep warm during that first winter after the tsunami. We’ll keep on going – with confidence.

I make the decision to buy a new home as the first step to rebuilding a happy life for us, but I never dreamed that I would be able to move in to our new home as early as September. Fortunately, we were all able to keep warm through the long cold winter. We have had no regrets about the house we chose. I sometimes feel as if my late husband were saying to me, with a smile on his face, ‘I told you we’d be alright leaving everything up to Eguchi-san.’

Yuriko Nakajima

Construction manager’s views
We have all done our best. To help rebuild our customers’ lives.

There is a limit to what we can do at the construction site, but all our carpenters are thinking about the plight of the victims as they work. Of course, it is difficult for us, in our position, to contribute to psychological care, but anyway, we are pushing our utmost efforts into building better houses that will help our customers rebuild their lives.

Soichiro Sato (right), almost Representative Director, Komae Sato Building Construction Co., Ltd.

Sales representative’s views
I take pride in the strong ties I have developed with our customers. This is something I couldn’t have experienced in the average marketing position.

I couldn’t stop crying when I heard of the death of Mr. Nakajima, who was like an elder brother to me. I случаяd once again how strong was the relationship we had formed through the sale and construction of Mr. Nakajima’s home. From here onward, I intend to treat every customer with sincerity on an everyday basis, and to tell them, as if they were my own family, of repentant moments. This is my life’s mission, I believe.

Fumikazu Eguchi (left, at rear), Chief, Single Family Housing Division, Sendai Branch

The Nakajimas’ new home, built on high ground.
Housing proposals that are both comfortable and eco-friendly

Realizing practical renewable energy generation systems and energy conservation systems in condominiums

Our goal is to apply eco-friendly specifications not only in our single-family houses, but in all the condominiums we construct. The most difficult problem has been bringing down the cost to an acceptable level, and we achieved this through the pioneering adoption of renewable energy generation and energy conservation systems incorporating new methods, in the eco-friendly condominium Premio Inage-Kaigan, which was completed in February 2012.

A business partner’s views

Offering new energy services that realise customer satisfaction

After discussing with Daiwa House Industry how we could offer an eco-friendly energy service while putting as little burden as possible on our customers, we implemented a trial of an energy service in which the three main utility services – electricity, gas, and water – are supplied as a single package. From here on, we will listen to residents’ opinions and work to provide a service that gives full satisfaction.

Sales representative’s views

We have made it possible for all residents to see their own energy usage pattern for themselves.

To enable all residents to easily monitor their own energy usage, we installed an "Energy Visualization Panel" in the entrance to the building. Particularly as a way to make it easy for parents to check the condominium’s energy status together with their children, we installed an easy-to-operate touch panel that allows monitoring of the photovoltaic power generation system and the amount of electricity consumed, among other statistics.

Satoshi Suzuki
Assistant Manager, East Facility Technical Service Office, Tokyo Gas Co., Ltd.

Takahiro Shimada
Chief, N2Q Sales Office, Condominium Division, Tokyo Branch

VR room

Facilities and equipment for use in the event of a natural disaster

Just outside the first-floor lounge, off to one side, is the Cascade Garden, where a pool and a waterfall. In an emergency, the water can be purified and used by the residents. Also for use in an emergency such as following a major earthquake, we have provided easy-to-assemble water less “matchbox toilets”, as well as an outdoor cooking range utilizing wood or similar materials for fuel. This is normally covered by a bench, which can be removed and used as a table. We are also planning to install such emergency equipment in our other condominiums.

Tokyo Gas Co., Ltd.
Technical Service Office, Tokyo Branch
Satoshi Suzuki
Assistant Manager, East Facility Technical Service Office, Tokyo Gas Co., Ltd.

Takahiro Shimada
Chief, N2Q Sales Office, Condominium Division, Tokyo Branch

The Daiwa House Group has drawn up the 2020 Medium- to Long-Term Environmental Vision, under which we will tackle the challenge of reducing to zero the environmental burden posed by our housing units or other buildings throughout their lifecycle.

To achieve our targets under the Vision, we are pursuing our Endless Green Program environmental action plan, which involves making proposals for lifestyles that make wise use of energy.

One of the keys to such energy-efficient lifestyles is the development and popularization of eco-friendly condominiums.

The Daiwa House Group

Management Communication

Basic Facts

Implementation Report

Highlights

The “Premio Inage-Kaigan” in Mihama Ward, Chiba

Housing proposals that are both comfortable and eco-friendly

Co-creating a brighter future with The Environment

Developing and popularizing eco-friendly condominiums

— The “Premio Inage-Kaigan” in Mihama Ward, Chiba

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The Daiwa House Group has drawn up the 2020 Medium- to Long-Term Environmental Vision, under which we will tackle the challenge of reducing to zero the environmental burden posed by our housing units or other buildings throughout their lifecycle.

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Co-creating a brighter future with Society

Town planning to solve the community’s problems
— Saion Square, a Type 1 Urban Redevelopment Project in Makishi-Asato, Naha, Okinawa

As “a group that co-creates value for individuals, communities, and people’s lifestyles,” the Daiwa House Group pursues business operations across an extremely wide spectrum, and this makes comprehensive town planning projects possible. We regard it as one of our most important missions to leverage our strength in this field. We pursue business operations in this way in order to extend our problem-solving capabilities over a wider field by making the most of the experience we have accumulated in addressing a wide range of issues. Thanks to the Group’s comprehensive strength, the Makishi-Asato community has seen its dream of some thirty years finally come true.

An urban development for the future, built together with its residents

Five urban development concepts aimed at solving the district’s problems
- 1. Protecting the community against natural disasters
- 2. Constructing vital urban infrastructure elements
- 3. Creating “amenity spaces”
- 4. Offering all the various elements needed for urban life
- 5. Revitalization of city center area

Numerous plans had been put forward for the redevelopment of the Makishi-Asato district of Naha, Okinawa’s capital city, but each time the redevelopment projects were terminated for one reason or another. In a heavily populated residential district such as this, it is difficult to independently pursue rebuilding plans, and the commercial area at the eastern end of kokusai-dori (the city’s main street) was going downhill. The district faced many thorny problems, such as what to do about the Asato River that runs through the district and that had many times burst its banks after heavy rains. A solution to these longstanding issues was finally found after five clear-cut concepts were proposed.

Concern for biodiversity — regeneration of unique local ecosystem

In this urban redevelopment project incorporating the major work of redirecting a river, a vital theme was taking care to preserve the area’s biodiversity. We therefore sought the opinions of experts, on whose advice we carefully preserved the trees growing on the site and then replanted them when the construction work was completed. We also carried out work on the river’s estuary to help encourage the growth of a healthy ecosystem, and employed Ryukyu limestone in the building of the seawalls, as this encourages marine creatures’ build homes and procreate. Crabs can now be found in the area.

Conclusion: Aiming to be a subtropical garden city boasting a long history and proud culture

Since the end of World War II, kokusai-dori has been a crowded, bustling area that has developed at a dizzying pace; it has thus been nicknamed “the Miracle Mile.” In this project, what the landowners, the government of Naha, and the Daiwa House Group all aimed at was to create a model “subtropical garden city” blessed with ample water and greenery, where residents could live in security, free from anxiety. The heart of the project was given the name of Saion Square in memory of Sa Ono (1862–1975), one of Okinawa’s greatest statesmen and a major figure of the Ryukyu Kingdom. In this way, we have paid tribute to the long history and high-level culture for which this area is famous.

Landowner’s views
Once again, a miracle is unfolding on the Miracle Mile

Plans for redevelopment were going nowhere for a long time, but once we had teamed up with Daiwa House, things proceeded quickly. At the ceremony to mark the downing of the Asato River tree, our new tree was filled with hope for the future. A tree is not a real tree unless people live there, and thanks to this redevelopment the number of residents has increased, and our beloved kokusai don’t once again butting with shoppers.

Kazuo Hokomori (second from right)
Director, Makishi-Asato Urban Redevelopment Association

Views of a local government representative
We are proud to be a city that serves as Japan’s gateway to East Asia, and are ready to welcome visitors from overseas.

Responding to the wishes of local citizens, we decided on the colors, lighting, greener and other details after consulting with experts. We are also grateful for the assistance of Saion House in improving the waterfront attractiveness of the district. I hope that the city of Naha will continue to develop as Japan’s gateway to East Asia.

Satoshi Higa (second from left)
Former head of Urban Development and Improvement Section, City Planning Division, Naha City

Views of the general project manager
This has been a very satisfying project that has pushed the boundaries of the possible in the field of urban redevelopment.

This project has allowed the Daiwa House Group to fully display its comprehensive strength (comprising local landowners, a viable, rejecting plan incorporating newbery proposals) as well as the combination of improves, Residential, and Commercial facilities, and the diversion of the Asato River. I am really proud that the Group was able to respond to the expectations of the residents by proposing a completely new redevelopment project.

Masakazu Muneyuki (far right)
Head of Saion Square Project Team, General Manager, Okinawa Redevelopment Office

Views of local staff manager
The completion of this project is not the goal, it is the start of many years of support to come.

For me, this project began with negotiations with about 100 local landowners. It was my first experience of a redevelopment project. I was taught that it is important to get the major job done. The completion of the project is just the start for us, and we are providing support for more in Okinawa the entire city.

Masakazu Tanaka (far left)
Assistant Head of Saion Square Project Team, Manager, Okinawa Redevelopment Office of Okinawa Urban Development Department

Huge shisa statue becomes symbol of newly developed district

The Asato River has played an important part in the 300-year-old history of Tsuboya-yaki pottery, for which Okinawa is famous. Boats carrying cargoes of clay and feeding for the kilns used to be used on the river’s banks. To symbolize this history in physical form in the newly developed town, we commissioned and erected the world’s largest ceramic shisa. (The shisa is a Ryukyuan mythical creature, a cross between a lion and a dog, which is used as a traditional decoration.)

The huge Tsuboya-yaki pottery shisa, called the Asato Shisa (as means ‘Asato’ in the district of Okinawa), stands in proud featuring the use of reclaimed water (highly purified sewer water).
Co-creating a brighter future with Our Employees

Training our staff with a focus on front-line experience

— At Daiwa House, we are further enhancing our ability to nurture capable staff through our emphasis on experience in actual work projects

Nobuo Ishibashi, the founder of Daiwa House Industry, was a strong advocate of looking at market trends from the viewpoint of the front line of actual work. He believed that this would help one to identify what customers want, and create unique businesses to meet their needs.

At the Daiwa House Group, we have inherited this focus on the front line, and have adopted as one of our principles the nurturing of human resources through actual work experience. Personnel are our most valuable asset, and we take great care to train and nurture the qualified and motivated staff that we need.

In line with this emphasis on practice, we constantly seek to further perfect our staff training system, and the training menu that has emerged from this process has proven its worth in enhancing our employees’ practical skills.

Learning the basics of business at actual work sites, for one’s personal growth

A wide range of instruction courses to support on-the-job training

At the Daiwa House Group, we believe that practical, on-the-job training (OJT) is the key to developing the sort of skills we require in our employees, and we therefore implement a variety of instruction courses. For instance, since 2004 we have been conducting our “practical on-the-job training” for all new hires, regardless of planned specialization. Here, at actual work sites, they receive hands-on training in the principles of manufacturing and construction, and acquire specialist knowledge. We also operate the OJT Veteran-Guidance System, in which teams of employees led by older staff take charge of educating new hires; the Daiwa House Junior, a management school to train the Group’s future leaders; and the branch manager application and training system, which operates on a voluntary basis. All these and other systems, which are unique to Daiwa House, are employed to nurture human resources through actual work experience.

In 2011 we started training our staff in good manners, as well as in the principle of “putting full efforts into everything, every day.”

At Daiwa House, we believe that the Company’s motive power rests on our ability to thoroughly train our staff in the very basis of interaction with our customers and business partners, such as how to greet people courteously and how to bow properly. These things are taken for granted, but often neglected, and through our training we ensure that our employees perform them as though by instinct. As part of this overall training regime, since 2011 we have been conducting training in good manners, as well as in the principle of “putting full efforts into everything, every day.”

This training is conducted separately at all the Group’s places of business, and all staff, including management (level personnel), are required to take part. This training is conducted by the staff of our Human Resources Training Center in line with our belief that a company should educate its employees in good manners and proper behavior.

Employees practice bowing from the waist, while other employees use a special apparatus to check that the angle of the bow is appropriate.

Views of training instructor

Our training is centered on hands-on methods, and we focus particularly on training with immediate practical value and long-term consistency.

In the training sessions, I try to convey the importance of good manners using examples that are easy to relate to. From the Company I have learned about, or from my personal experience. Because all employees are obliged to attend these sessions, we can aim to raise the standards of professionalism throughout the entire office or other place of business. We see a change in employees’ manners and deportment right from the day after a training session, and I have had staff tell me that the atmosphere in their place of work had improved. It also seems that the employees themselves can use such a change in their own eyes; this makes them constantly conscious of their manners and prevents a relapse back to their old habits. This sort of improvement makes my work very rewarding.

In the near future, I would like to design dedicated training programs closely tailored to particular divisions of the Company or specific job descriptions.

Miyuki Kawakita
Chief, Human Resources Training Center

Views of Human Resources Training Center staff

We place great importance on the continual pursuit of training that will be of value in actual business operations.

Employees who achieve personal growth are those who have been exposed to the discipline of actual work, day after day, and we implement a wide range of training programs to support such growth. We constantly seek to improve our methods, asking ourselves: ‘If we cannot create training courses that put the lessons learned from actual business practice to even better use in addition to more formal training courses conducted at our business facilities, how do we plan to further expand our menu of training courses to incorporate many ideas that will be of immediate use on the front line, such as education in good manners?’
Setting new targets for improvement of our CSR activities

In parallel with the increasing globalization of the Daiwa House Group’s business operations, we are applying international standards to the evaluation of our CSR activities, and are employing the results of such evaluation to appraise the state of those activities and to effect improvements. We are in the process of creating a high-quality management system, and plan to commence CSR activities informed by the ISO 26000 social responsibility standard.

In preparation for the drafting and adoption of our new CSR guidelines, we have drawn up and commenced a three-year plan.

The target-setting process

- Identify priority issues
- Debate order of priority of identified issues
- Revise index in line with issues to be tackled first

What is the ISO 26000?

ISO 26000 is an international standard providing guidelines for social responsibility, launched in November 2010 by ISO, the International Organization for Standardization. It offers guidance on the implementation of a corporate social responsibility program. It also provides a framework for businesses, non-profit organizations, and governments to achieve higher standards of performance through a systematic approach to their social responsibilities.

Activities in FY2011

- Identified priority issues
  - Identified stakeholders
    - We identified the key stakeholders from the ISO 26000 standard, and then prioritized them by considering their importance and the degree of influence they would have on the company.
  - Identify the importance of themes
    - We prioritized the themes from the ISO 26000 standard, and then prioritized them by considering their impact on the company.

Order of precedence for tackling issues discussed at stakeholder meetings

- Stakeholder meeting (May 2011)
  - To ensure a decision on the priority of the 12 selected issues, we held a meeting with representatives of various stakeholders.

Order of precedence for tackling issues discussed in-house

- In-house deliberation panel (Dec. 2011)
  - On the basis of the opinions expressed at the stakeholder meeting, we discussed the order of precedence for tackling the issues in question (by priority level and importance level).

Implemented CSR activities focused on solutions to social issues of international concern while making it easier to visualize progress and goals

In FY2012, the Daiwa House Group adopted the Indicators for Self-Assessment of CSR Activities (CSR indicators) developed by the International Organization for Standardization (ISO) and the World Business Council for Sustainable Development (WBCSD). These indicators are designed to help companies and other organizations to effectively and efficiently implement CSR activities, and to ensure that the results of those activities are observable. They are also designed to help companies to improve their social responsibility and to contribute to the achievement of the United Nations' Sustainable Development Goals (SDGs).

In FY2013, the Daiwa House Group adopted the Indicators for Self-Assessment of CSR Activities (CSR indicators) developed by the International Organization for Standardization (ISO) and the World Business Council for Sustainable Development (WBCSD). These indicators are designed to help companies and other organizations to effectively and efficiently implement CSR activities, and to ensure that the results of those activities are observable. They are also designed to help companies to improve their social responsibility and to contribute to the achievement of the United Nations' Sustainable Development Goals (SDGs).

In FY2014, the Daiwa House Group adopted the Indicators for Self-Assessment of CSR Activities (CSR indicators) developed by the International Organization for Standardization (ISO) and the World Business Council for Sustainable Development (WBCSD). These indicators are designed to help companies and other organizations to effectively and efficiently implement CSR activities, and to ensure that the results of those activities are observable. They are also designed to help companies to improve their social responsibility and to contribute to the achievement of the United Nations' Sustainable Development Goals (SDGs).
Stakeholder meetings

Every year Daiwa House Industry holds meetings where stakeholders can express their opinions about the Company’s operations. We ensure that these valuable opinions are reflected in our approach to CSR.

The Daiwa House Group
Overview of the Eighth Stakeholder Meeting

On November 23, 2011, we held a stakeholder meeting, our eighth such meeting at our head office. At the meeting, against the background of the Group’s adoption of the ISO 26000 social responsibility standard as a guideline for our CSR management, we received frank opinions from our stakeholders regarding the social issues being tackled on a priority basis by Daiwa House Industry, which form the core of the said CSR management. Subsequent to this meeting, opinions voiced both at separate sectional meetings and at the main stakeholder meeting were discussed at the CSR management. Subsequent to this meeting, opinions voiced both at separate sectional meetings and at the main stakeholder meeting were discussed at the CSR management.

Hereunder, we present a selection of the discussions held at that meeting, together with the results of the debate in the in-house deliberative panel.

Overview of the Eighth Stakeholder Meeting

The Daiwa House Group

The stakeholders were divided into six groups, which each held separate meetings. Each group decided the order of priority for twelve agenda items.

Separate Meetings

The Facilitator (Prof. Koyama)

The stakeholders selected as leaders of each group, one by one and in the predescribed order, presented the opinions decided by the groups. Professor Koyama, the facilitator, summarized the opinions presented, and a consensus among the stakeholders was arrived at.

* Stakeholders other than the group leaders sat in on the main meeting as observers, but were given an opportunity to express their opinions at certain points during the meeting.

Order of priority issues decided at the main stakeholder meeting

The order of priority of the issues that was determined at the stakeholder meeting was subsequently debated at two meetings of the in-house deliberative panel, composed mainly of Company executives with responsibility for related fields, and a final decision was made.

Order of priority issues determined by the Company

Social issues to be tackled on a priority basis by the Daiwa House Group

The following social issues are set as top priorities by the Daiwa House Group’s CSR Management Communication Committee. They are tackled on a priority basis by Daiwa House Industry, which form the core of the said CSR management, and will be handled by the Company’s CSR management.

Top-priority issue No.1

Nurture human resources (staff training)

Adequate awareness and sense of responsibility on the part of employees is vital in achieving solutions to other issues.

We would like to see Daiwa House help train a large number of personnel – not only construction specialists, but also workers with expertise in many other fields.

A company is a line of people, and its success depends on the quality of its staff. This concept is at the very core of society.

Top-priority issue No.2

Realize active involvement in local community development in collaboration with local government and other organizations

The development of the local economy is essential for a company’s development, and this will not be possible unless the company works hand in hand with the local community. It is also important for the surrounding community to recognize the company’s existence as necessary.

Social contribution activities at the level of local places of business are not enough in themselves. Daiwa House Industry should be able to do more.

Top-priority issue No.3

Invest in development of local communities

The Daiwa House Group should become more actively involved in local community issues, such as through town planning aimed at minimizing loss of life and property from natural disasters, and from planning that addresses the problems of an aging population. We would like to see action that leverages the Group’s strengths.

The Group is not prepared to respond to changes in local communities over the long term, such as when the demography of the local community changes. We would like to see the Group invest more directly with local communities over the long haul.

Daiwa House has taken the initiative with respect to its collaboration with communities in providing support to the disaster-hit region. We would like to see the Company continue taking such measures and investing human resources where they are needed.

Top-priority issue No.4

Eliminate discrimination and provide equal opportunities

Further efforts are needed to ensure equality of treatment within the Company, including prevention of abuse or authority in sexual harassment.

Considering the Group’s trend toward global expansion, this issue will have a serious impact on its operations in China, Southeast Asia, and elsewhere.

The United Nations Global Compact contains principles relating to human rights, and looking at the situation worldwide, there are serious problems such as child labor. Hence, in Japan too, this issue is extremely important, as workplace harassment and mental health issues are frequently in the news.

Top-priority issue No.5

Provide a safe and healthy working environment

Unless it offers its employees a working environment that is safe and healthy from both the physical and mental aspects, a company cannot nurture the human resources it needs, and will not be able to offer high-quality goods.

We would like to see efforts made to ensure safety not only in offices but also at construction sites.

Top-priority issue No.6

Reduce CO2 emissions and help retard global warming

The social impact of this issue is huge. Action on this front is essential to ensure a better future.

There seems to be no particular problem as far as the CO2 emissions level of Daiwa House is concerned. The Group’s reduction targets are consistent with the company’s voluntary targets, and it has made clear its action levels.

It goes without saying that global warming is a problem affecting the entire world, but as CO2 emissions here in Japan by both households and industry on the increase, we would like to see Daiwa House help tackle this issue.
Social contribution activities by the Daiwa House Group

At the Daiwa House Group we take very seriously the relationships between each Group company, office, plant or other place of business with its local community. We work to identify the needs of each region and perform the social contribution activities that are required to enable the development of the community and improve the standard of living of local citizens.

Our social contribution activities help realize opportunities for dialog with a wide spectrum of our stakeholders, including our customers and business partners, the government, and NPOs/NGOs. These opportunities create a virtuous cycle in which our involvement in the local community increases.

From here onward, too, we intend to continue seeking out our stakeholders’ opinions and incorporating their advice into our activities with the goal of co-creating a better society in which we can all live together in harmony.

Our Social Contribution Philosophy

The Daiwa House Group engages in a wide variety of community-based social contribution activities with the aim of supporting the development of local communities and improving local citizens’ living environments. With the objective of getting as much of our employees as possible involved in social contribution activities, we devised and announced a social contribution slogan in fiscal 2007, and introduced the President’s Award Program to recognize particularly meritorious employee activity in the social contribution field. These activities also give us precious opportunities to interact with a wide range of stakeholders, including our customers and business partners, the government, and NPOs/NGOs. We will continue incorporating our stakeholders’ opinions into our activities so as to help us all jointly build a better society where we can live in harmony.

Meeting of Committee for Promotion of Social Contributions

The Committee for Promotion of Social Contributions, composed of one member from each office and manufacturing plant around the country, meets once every six months. At these meetings, the members review activities during the past six months and announce new policies. They also engage in information-sharing between different places of business, as well as group discussions, to inject further vitality into the Group’s social contribution activities.

Social Contribution Programs

1. Special paid leave for Volunteer Activities

Program: Special paid leave for Volunteer Activities

Started: April 2005

2. Employee Fund-Raising Program

Program: Employee Fund-Raising Program

Started: Oct. 2005

3. Appointment to Committee for Promotion of Social Contributions

Program: Appointment to Committee for Promotion of Social Contributions

Started: Nov. 2006

4. President’s Award Program

Program: President’s Award Program

Started: Sep. 2007

5. Social Contribution Cost-Bearing Program

Program: Social Contribution Cost-Bearing Program

Started: Oct. 2008

Social Contribution Activities Undertaken by the Daiwa House Group in FY2011

Our Social Contribution Activity Mission Statement

We will actively engage in social contribution activities, principally in the three fields of the environment, nursing care, and education, to help realize the sort of future society that local communities and society as a whole look forward to, and through these activities, we aim to realize personal growth.

School construction project to realize a brighter future for the children and the Kingdom of Cambodia

As part of a broader program of CSR activities in Cambodia in which the Group has been engaged for several years, in October 2011 we made a donation for the construction of the Tuol Koki Junior High School in the village of Tuol Koki, Battambang Province. Thanks to this donation, a school building comprising five classrooms was completed in February 2012, and the school was opened on the 29th. Currently, 318 students attend the school, and a “sister-school” project has been started that will promote exchanges between the school and a junior high school in Ishinomaki City, which was devastated by the tsunami on March 11 last year. We will continue to provide support for Cambodia in its areas of need.

Our Social Contribution Program

Environmental preservation

Social welfare

Public welfare

Education

The Three Elements of Social Contribution

Environmental preservation

Social welfare

Public welfare

Education

Support for disaster-hit regions

Local cleanup initiatives

Other local activities

Educational support

International cooperation

Humanitarian aid

Environmental preservation

Social welfare

Social contribution activities by the Daiwa House Group

Tree-Planting Results

Locations: 9

Staff involved: 1,143

Number of trees: 26

* As of March 31, 2012

Schoolchildren help staff plant a cherry tree

Support for disaster-hit regions

Local cleanup initiatives

Other local activities

Educational support

International cooperation

Humanitarian aid

Environmental preservation

Social welfare

Environmental preservation

Social welfare

Public welfare

Education

Support for disaster-hit regions

Local cleanup initiatives

Other local activities

Educational support

International cooperation

Humanitarian aid

Environmental preservation

Social welfare

Preserving Japan’s beautiful spring scenery for future generations The SAKURA PROJECT

In the Sakura Project, started in fiscal 2010, we plant cherry trees (sakura), mainly in the grounds of elementary schools, to pass on Japan’s beautiful spring scenery to future generations and teach children the importance of preserving nature. This is a project that we pursue together with our customers. For every one of our eco-friendly xevo houses that is sold, a portion of the sales is used to fund the tree planting. Each tree-planting ceremony features a live performance of traditional Japanese music, helping to make children aware of the wonderful Japanese culture to which they are heirs.

For more details, see:
http://www.daiwahouse.co.jp/csr/sakura/
Social contribution activities by the Daiwa House Group

The School Smiles Project, a tree-planting initiative

In May 2011, having realized that there was comparatively little greenery in the vicinity of their offices, the staff of the Yokohama Branch of Daiwa House Industry initiated the School Smiles Project, in which they undertook to plant trees in the grounds of local elementary schools. The costs of this project, in principle, come from donations by the employees themselves, and they are proceeding at a pace of one school every six months. In FY2011, trees were planted at one school in May and one in June, followed by another school the next March. The Branch staff received a letter of thanks from the Ward Office of Yokohama's Nishi-ku.

Protecting the ecosystem of Lake Biwa: Fishing competition under theme of “Getting rid of invasive fish species”

Every year since 2009 the Shiga Branch of Daiwa House Industry has been organizing a fishing competition aimed at helping rid Lake Biwa of invasive species of fish. The third such competition was held on June 10, 2011 with the participation of 109 anglers from the Shiga Branch, Nihon Jyutaku Ryutu, Daiwa Living, and collaborating companies, and under the slogan “Let’s Contribute to Society While Having Fun.” The anglers formed teams that competed against each other amid a friendly atmosphere. A total of 45.4 kilograms of invasive-species fish were landed that day.

“The School Smiles Project, a tree-planting initiative”

The photo shows a ceremony to hand over a letter of thanks from the Nishi-ku Ward Office to the staff of our Yokohama Branch following the completion of tree-planting at the first elementary school on the list. The photo is from the sight see Mr. Katsuyuki Matsuzaki, principal of Sengendo Elementary School, Mr. Hisashi Hayashi, head of Nishi-ku, and Mr. Kohei Yamasaki, Yokohama Branch Manager.

“Calligraphy performance” held as part of Smile Action community action program

Since opening a commercial facility in 2005 in the town of Shonai in Yamagata Prefecture, Daiwa Information Service has been regularly holding a “Shonai Goods Fair” at a commercial facility in Karasawa, Yamagata Prefecture. At the eighth such fair in 2010, in line with a proposal from the Shonai local government, a two-day “one overnight stay,” “experience learning” tour was arranged for parents and children from Shonan. In 2011, a reverse event was staged, in which parents and children from Shonan were invited to Shonai for a similar tour. These two events were organized by the “parents and children exchange associations” of the two districts.

Deepening interaction between urban areas and the countryside — “Farming experience tour of Shonai” and “Shonan children’s social studies class & interchange event”

A variety of Smile Action events have been held at Frespo Tosu, a shopping center in the city of Tosu in Saga Prefecture. As part of this program, a “calligraphy performance” was held by students of the Karasawa Prefectural High School in November 2011 as part of a celebration of the second anniversary of the opening of Frespo Tosu. The event drew a large and appreciative crowd, and was followed by a month-long exhibition of the calligraphy works. Building on the popularity of this event, in January 2012 a collaborative event was staged together with members of the koto (traditional Japanese string instrument) club at the Tosu Prefectural Commercial High School.

This fun social contribution event, with a strong regional flavor, draws plenty of participants each year.

The photo shows a single snapshot of the “Shonan farming experience tour.” For children from Shonan, which is a heavily built-up area close to Yokohama and Tokyo, getting their legs muddy in a rice paddy was a rare and valuable experience.

To mark the occasion of each tree-planting, Daiwa House donates a plaque bearing the name of the school and messages such as “Let’s Fill Nishi-ku with Greenery.” The plaque is then attached to a tree.

To mark the completion of tree-planting, Daiwa House donates a plaque bearing the name of the school and messages such as “Let’s Fill Nishi-ku with Greenery.” The plaque is then attached to a tree.
Third-party opinion

Yoko Takahashi,
The Japan Philanthropic Association

Response to the Third-party opinion

We have now carried Mr. Yoko Takahashi’s opinions in the CSR Report for seven consecutive years, and I would like once again to express the gratitude of the Daiwa House Group for her unfailingly valuable and perceptive observations regarding our CSR activities.

In response to the Great East Japan Earthquake, the Daiwa House Group made earnest efforts to fulfill its social mission as a home builder, primarily through the provision of temporary homes to house evacuees from devastated areas, and subsequently over the past year via a variety of measures in support of the region. Henceforth, we will continue to fulfill our social responsibilities – including through our main businesses – with the goal of assisting in the reconstruction of the disaster-hit region.

With regard to the priority themes, we hold discussions every year at the stakeholder meetings, and this has led to the formulation of the Company’s CSR strategy. These discussions cover a wide range of topics, from the environment to social contribution activities, and the cumulative attendance at these meetings has amounted to over 600 people. As a result of these discussions, we have developed a number of initiatives intended to address the needs of our stakeholders.

The report on the stakeholder meeting contains a very detailed description of the discussions held regarding the priority issues. The cumulative attendance at these meetings has amounted to over 600 people. As a result of these discussions, we have developed a number of initiatives intended to address the needs of our stakeholders.

Opinions from our stakeholders

I would like to see eco-friendly homes become more widely popular. I also urge Daiwa House to do more to protect Japan’s mountain forests, as this is something only a large company can achieve. (One of our shareholders)

In keeping with the idea of a “dialogue”, we have had to be rather selective about the information included in the report, and we used the space thus freed up to enlarge the photographs. We reduced the number of pages in the 2011 report to 34 from 54 last year.

Tamio Ishibashi
Head of CSR Office

Effective use of ISO 26000 in CSR indicators

Daiwa House is currently diversifying its business operations and we will be able to utilize the ISO 26000 guidelines to conduct CSR activities across a wider range of businesses related to temporary housing, and at the same time it is aiming to grow as a global enterprise, in activities in every CSR category must be pursued effectively. I believe that this edition of the Company’s CSR Report has successfully employed a mix of comments and photographs on each page to clearly convey the Group’s vision and the views of many of the personnel involved.

The full version of this report (available in Japanese only) has a wide spectrum of people to comprehend the Daiwa House Group’s social contribution activities at a glance. We are also examining the idea of printing a booklet to make our CSR activities more widely known.

In addition, a more detailed description of the Group’s response to the disaster is provided in the detailed version of the Report. The Group’s support for the recovery of the disaster-hit region is described in the special feature on P.3 in the Implementation Report Highlights (1), (2) or P.13-16.

In the 2011 edition of the report, we carried a variety of opinions from stakeholders. Below is a selection of some of these opinions, I would like to thank our stakeholders for their cooperation. We will continue to feature stakeholders’ opinions in our CSR Report, and will reflect them in our activities.

In both the digital version and full version (in Japanese only) of the Daiwa House Group CSR Report, we carry the results of a questionnaire submitted to stakeholders. In the 2011 edition of the report, we carried a variety of opinions from stakeholders. Below is a selection of some of these opinions, I would like to thank our stakeholders for their cooperation. We will continue to feature stakeholders’ opinions in our CSR Report, and will reflect them in our activities.

The construction industry has always played the vital social role of providing society with a shelter to call home and a place to learn and grow. Moreover, construction work is a field that can help to create a sense of community and a feeling of empathy, particularly through the work of reconstruction after natural disasters. (From one of our customers.)

In the 2011 edition of the report, we carried a variety of opinions from stakeholders. Below is a selection of some of these opinions, I would like to thank our stakeholders for their cooperation. We will continue to feature stakeholders’ opinions in our CSR Report, and will reflect them in our activities.
About the Daiwa House Group

As a group that co-creates value for individuals, communities, and people’s lifestyles, the Daiwa House Group aims to realize a society where all people can live richly fulfilling lives. To this end, we create and offer Asu Fukaketsuno* (indispensable for tomorrow’s society) through our activities in the eight operating segments detailed below.

* The term Asu Fukaketsuno consists of the initial syllables of the Japanese words for safety & comfort, speed/stock, welfare, the environment, health, information & communications technology, and agriculture.

- **Net sales (Consolidated)** ¥1,848.7 billion

  - Single-Family Houses ¥336.3 billion
  - Condominiums ¥306.8 billion
  - Commercial Facilities ¥227.2 billion
  - Business and Corporate Facilities ¥207.1 billion
  - Rental Housing ¥98.6 billion
  - Existing Home Business ¥81.5 billion

- **Net sales (non-consolidated)** ¥1,114.6 billion

  - Single-Family Houses ¥295.6 billion
  - Condominiums ¥280.4 billion
  - Commercial Facilities ¥210.6 billion
  - Business and Corporate Facilities ¥180.3 billion
  - Rental Housing ¥55.6 billion
  - Existing Home Business ¥41.5 billion

"Our Philosophy"

We develop and construct safe and comfortable condominiums, sell and manage, and operate.