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Environmental Data | Calculation and Reporting of Environmental Data

Basics

◇ Report period: April 1, 2022 to March 31, 2023

◇ Reporting organizations: Daiwa House Industry Co., Ltd. and its consolidated subsidiaries

Reference: Number of consolidated subsidiaries: 432 (168 in Japan, 264 outside Japan) (as of March 31, 2023)

The scope of these environmental data encompasses the business operations of Daiwa House Industry and its consolidated subsidiaries, which are the target organization of Endless Green Program 2026, our Environmental Action Plan. Excluded from the data, however, are smaller companies that impart no environmental impact for each indicator. The coverage rate of the target companies is 100%. In addition, in the event of a change in the number of consolidated subsidiaries subject to environmental management, the following measures are undertaken in order to facilitate the comparison of any such change.

When the number of relevant organizations decreases during the term (due to a sale, etc.)

Data of such an organization shall be collected for the fiscal year (until it is sold) and excluded from data collection from the next fiscal year on. This measure shall not be applicable to the past data.

When the number of relevant organizations increases during the term (due to an acquisition etc.)

Data on the relevant organization is included beginning with the subsequent fiscal year.

◇ Main referential guidelines

- *Sustainability Reporting Standards* by the GRI (Global Reporting Initiative)
- *GHG Protocol Corporate Accounting and Reporting Standard (Revised)* by the WBCSD/WRI
- *Corporate Value Chain (Scope 3) Accounting and Reporting Standard* by the WBCSD/WRI
- *Environmental Report Guideline (2018 Edition)* by the Ministry of the Environment
- *Manual for Calculating and Reporting GHG Emissions (Ver. 4.8)* by the Ministry of the Environment and the Ministry of Economy, Trade and Industry
- *Basic Guidelines on Calculating Greenhouse Gas Emissions through Supply Chain (Ver. 2.4)* by the Ministry of the Environment and the Ministry of Economy, Trade and Industry
- *Guideline for Quantifying GHG Emission Reduction Contribution* by the Ministry of Economy, Trade and Industry

◇ Report on preceding data

In general, the time period covered by our reports is the preceding 3 to 5 years.

If a calculation method or the scope of reporting is changed, corrections and reports are included in the above-mentioned periods as well as in the benchmarks for the base year.

◇ Stance on greenhouse gas (GHG) emissions

At Daiwa House Group, among GHG emissions, we calculate and report exclusively on carbon dioxide (CO_2) emissions originating from energy.

We exclude GHG other than CO_2 originating from energy. Specifically, these are CO_2 from nonenergy sources, as well as methane (CH_4), Nitrous Oxide (N_2O), and the fluorinated gases of hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). With regard to these, as the result of the Group's calculation of emissions based on the Act on Promotion of Global Warming Countermeasures, we have determined that these gases accounted for less than 1% of our total GHG emissions, and the degree of their impact on our activities was nominal.

◇ CO_2 emission factor

Regarding fuel, etc., we use values based on the Energy Efficiency Act (Act on the Rational Use of Energy and Shifting to Non-fossil Energy) and the Act on Promotion of Global Warming Countermeasures. For purchased electric power, we use market-based values for purchases in Japan (alternative values for purchases from unknown power companies) and alternative values in Japan for overseas purchases.

· Purchasing power	0.441 t-CO_2/MWh (alternative value)	· Kerosene	2.489 t-CO_2/kl
· Gasoline	2.322 t-CO_2/kl	· City gas	2.234 t-CO_2/1,000 m^3 (N)
· Light oil	2.585 t-CO_2/kl	· LP gas	2.999 t-CO_2/t
· No. 2 fuel oil	2.710 t-CO_2/kl	· Cold, Warm Water	0.057 t-CO_2/GJ

The calculation of CO_2 is affected by inherent uncertainty resulting from the incomplete scientific knowledge used to determine emission factors and numerical data.

◇ Heat quantity conversion factor

In the Daiwa House Group, energy consumption is calculated using the Joule (J), a derived unit of energy in the International System of Units (SI), and the following heat quantity conversion factors are used for each energy type. Regarding renewable energy (consumed in-house), it is assumed that electric power purchases have been reduced by its use; therefore, the same heat quantity conversion factor used for purchased electric power is used. In addition, we use the same factors at overseas locations as well.

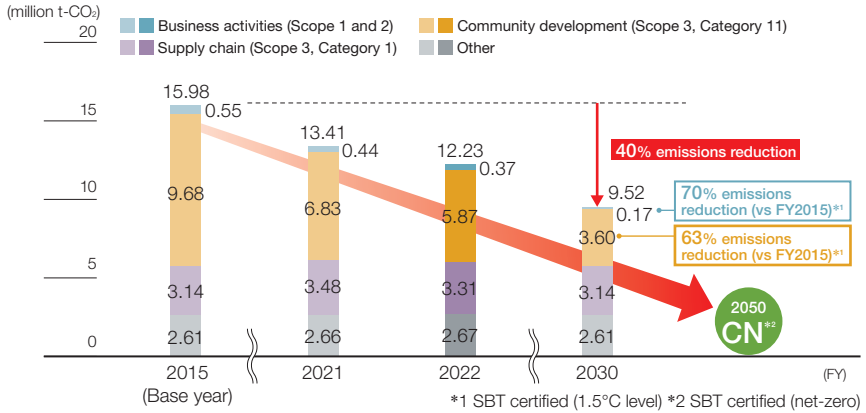
· Purchasing power	9.76 GJ/MWh	· Kerosene	36.7 GJ/kl
· Gasoline	34.6 GJ/kl	· City gas	44.8 GJ/1,000 m^3 (N)
· Light oil	37.7 GJ/kl	· LP gas	50.8 GJ/t
· No. 2 fuel oil	39.1 GJ/kl	· Cold, Warm Water	1.36 GJ/GJ

Environmental Data | Progress of Carbon neutrality Strategy

Measures for Carbon neutrality Strategy	Indices	Unit	FY2021 results	FY2022 results	FY2026 targets	FY2030 targets
Decarbonization throughout the value chain	Reduction rate of GHG emissions throughout the value chain (compared to FY2015)	%	–16.1	–23.5	—	–40
Contributing to the spread of renewable energy	Renewable energy generation equipment construction results (EPC) * Cumulative values since FY2011	MW	2,526	2,706	4,200	5,000
	Renewable energy power plants development and operating results (IPP) * Operating capacity at the end of each fiscal year, excluding on-site consumption.	MW	561	602	1,550	2,500

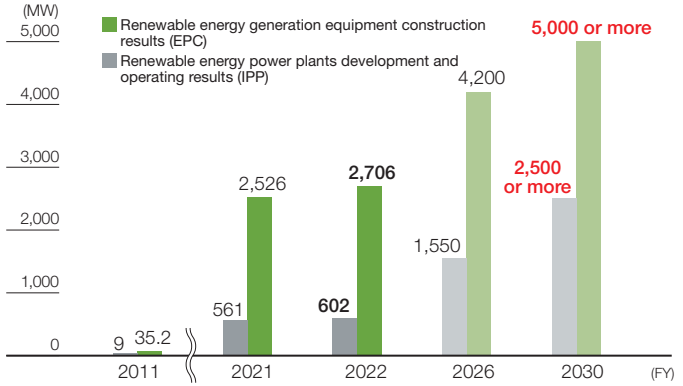
EPC: Contracting of facility construction work as a project that integrates Engineering, Procurement, and Construction.
IPP: Abbreviation for Independent Power Producer. An independent power producer is a company that owns power generation facilities and sells the power it generates.

Target for GHG emissions across the entire value chain (SBT certified)



*1 SBT certified (1.5°C level) *2 SBT certified (net-zero)

Supply results of renewable energy (EPC/IPP)



Calculation method and scope of coverage of environmental data

Target for GHG emissions across the entire value chain

◇ Scope of coverage and Calculation methods

For Scopes 1 and 2, please refer to the calculation methods and scope of coverage for "GHG emissions" on p. 150 and p. 151.
For Scope 3, Category 11, please refer to the calculation methods and scope of coverage for "GHG emissions derived from use of products" on p. 142.
For Scope 3, Category 1 and Others, please refer to the calculation methods and scope of coverage for "Reducing GHG emissions in the value chain" on p. 156.

Calculation method and scope of coverage of environmental data

Renewable energy generation equipment construction results (EPC)

◇ Overview

Daiwa House Group's installation, construction, and renovation work of renewable energy-based generation equipment based on customer orders, as well as construction of renewable energy-based generation equipment attached to the Group's self-developed buildings for sale in the future.

* The results include cases where the installation of renewable energy-based generation equipment was planned at the time construction began for a property for which the Group was contracted to design and construct the main body of the building, and only the installation of renewable energy-based generation equipment was executed by another company for the customer's convenience.

◇ Scope of coverage

The company and six Group companies (Daiwa Lease, Fujita, Cosmos Initia, Daiwa Energy, Eneserve, and Daiwa House Reform)

Renewable energy power plants development and operating results (IPP)

◇ Overview

Renewable energy-based power plants developed and operated by the Group for the power generation business.

* The results include cases in which we acquired renewable energy-based power generation plants planned or developed by other companies (secondary properties).
* Exclude renewable energy-based power generation equipment that is consumed in-house at the Group's business facilities.

◇ Scope of coverage

The company and 16 Group companies (Daiwa Energy, Daiwa Lease, Eneserve, Daiwa House Realty Management, Daiwa Logistics, Daiwa Living, KOUYAMAUNYU, DesignArc, Fujita, FUJITA BUILDING MAINTENANCE, Royal Home Center, Wakamatsu KONPOU UNYU SOKO, Sports Club NAS, Yuasa Logitec, Daiwa House Life Support, and Daiwa Life Next)

Results and self-assessment of the Environmental Action Plan (Endless Green Program 2026)

: Target for fiscal 2022 achieved
: Target for fiscal 2022 not achieved (achieved 90% or more)
: Target for fiscal 2022 not achieved (achieved less than 90%)

Mitigating and Adapting to Climate Change

Challenge ZERO	Management indicator (KPI)	2021 results	2022 targets	2022 results		2023 targets	2026 targets	Pages
(1) Challenge ZERO for CO_2 in community development	GHG emissions reduction rate derived from use of product (total) in comparison to FY2015	29.4% reduction	35% reduction	**39.3% reduction**		45% reduction	54% reduction	033, 142
	ZEH rate	53%	80%	**86%**		90%	90%	034, 143
	ZEH-M rate for rental housing	3%	10%	**14.2%**		20%	50%	034, 143
	ZEH-M rate for condominiums	35%	15%	**67.5%**		70%	100%	034, 143
	ZEB rate	38%	40%	**65.7%**		70%	80%	035, 143
	ZEH-renovation equivalent	1,478	1,750	**1,472**	*1	3,200*3	3,500	035, 144
	Sales of electricity generated by the company-owned renewable-energy power stations	121GWh	150GWh	**366GWh**		635GWh	702GWh	144
(2) Challenge ZERO for CO_2 in business activities	GHG emissions reduction rate derived from business operations (total) in comparison to FY2015	20.8% reduction	25% reduction	**33.5% reduction**		50% reduction	55% reduction	033, 148
	Promotion of Electric—Introduction rate of clean energy cars (Company vehicles)	0.3%	1%	**1.5%**	**2.8%**	7%	30%	035, 153
	Promotion of Electric—Introduction rate of clean energy cars (Privately owned vehicles)				**1.0%**	2%	10%	038, 153
	Energy efficiency (EP100) in comparison to FY2015	Up 1.47 times	Up 1.54 times	**Up 1.50 times**	*2	Up 1.61 times	Up 1.90 times	037, 149
	Renewable energy utilization rate (RE100)	18.2%	30%	**41.5%**		100% of purchased electricity converted into renewable energy	100%	037, 150
(3) Challenge ZERO for CO_2 in the supply chain	Setting rate of principal suppliers' SBT standard GHG reduction targets	34%	40%	**65.9%**		60%*4	90%	033, 154
	The number of contracts for renewable energy and energy-efficiency solutions (The number of cases of support)	—	5	**9**		15	50	040, 154

Self-assessment (reasons for not achieving targets, future actions)

*1: Although the overall number of energy-saving renovations increased in fiscal 2022, the total amount of annual primary energy reductions decreased due to a decrease in the amount of primary energy reduction per project, resulting in a total of 1,472 buildings (Note) renovated to ZEH (equivalent to ZEH Oriented) specifications, failing to achieve the target of 1,750 buildings. From fiscal 2023, Daiwa House Chintai Reform and Daiwa Living will be added to the target organizations to promote retrofitting to high-efficiency water heaters and LED lighting fixtures.
Note: The number of buildings equivalent to ZEH-renovated ones is an index that represents "the annual effect of energy-efficiency retrofits, in terms of reduction in primary energy consumption as a result of various insulation and energy-saving retrofits for each building, by converting the reduction into that achieved by the assumed number of existing model houses renovated into the ZEH specifications."

*2: In fiscal 2022, due to the recovery from the COVID-19 pandemic, energy consumption at resorts, sport facilities, hotels, and nursing care facilities increased, resulting in an energy efficiency of 1.50 times, slightly short of the target of 1.54 times. In the future, we will promote the conversion of newly constructed facilities to ZEB, as well as promote energy-saving activities such as energy-saving investments and operational improvements.

*3, 4: The scope of coverage and calculation criteria have been revised (For details, see p. 144 and p. 154).

Harmony with the natural environment (Preservation of biodiversity)

Challenge ZERO	Management indicator (KPI)	2021 results	2022 targets	2022 results		2023 targets	2026 targets	Pages
(4) Challenge ZERO Deforestation	Ratio of C-ranked timber in procurement	2.7%	3%	**3.1%**	*5	3%	0%	046, 158
	Setting rate of zero deforestation policy (primary suppliers)	—	30%	**6.1%**	*6	30%	90%	047, 048, 158
	Setting rate of zero deforestation policy (secondary suppliers and beyond)	—	5%	**—**	—	5%	50%	047, 048, 158
(5) Challenge ZERO Harm to Biodiversity	Eco-friendly surface area of green spaces (cumulative) in comparison to FY2021	—	+ 200,000m²	**+ 257,000m²**		+ 400,000m²	+ 1,000,000m²	046, 159
	Rate of formulation and implementation of protection and management plans of significant sites within premises of the company's facilities	—	Assessing priority levels	**Primary screening completed Assessment of priority levels in progress**	—	Development of management and maintenance plans	100%	051, 160
	Promotion of the Daiwa Plastics Smart Project—Rate of replacement of plastic goods for distribution (offices, etc.)	Daiwa House Industry: 81% All Group: 92%	100%	**Daiwa House Industry: 82.9% All Group: 74.4%**	*7	100%	100%	046, 160

Self-assessment (reasons for not achieving targets, future actions)

*5: In fiscal 2022, the C-rank timber ratio was 3.1%, failing to reach the target of 3% due to the impact of the global wood shock and the failure to implement the spread of the procurement policy for suppliers in the medium- and high-rise rental housing sector, as we began surveying the policy in fiscal 2022. Going forward, we will seek improvements from the suppliers of C-rank timber and promote efforts to improve the content of timber procurement for the entire Group.

*6: In fiscal 2022, as the rate of the zero deforestation policy (primary suppliers) ended at 6.1% and we failed to achieve our target of 30% as we were unable to fully disseminate the need to establish the zero deforestation policy to our suppliers. In the future, we will encourage timber suppliers that have not yet established a policy to do so and establish a membership system to share the policy. In addition, for those suppliers that have already established the policy, we will expand the policy to secondary suppliers and further.

*7: In fiscal 2022, although we switched disposable plastic products to paper for new purchases, the use of some disposable plastic products from our inventory resulted in 83% in the rate of replacement with plastic-free materials (offices, etc.) on our own and 74% for all principal Group companies excluding ours. As a result, we were unable to achieve our target of 100%. We will continue to promote the proper use of plastic products by thoroughly disseminating the guidelines and promote the proper use of plastic products.

Results and self-assessment of the Environmental Action Plan (Endless Green Program 2026)

: Target for fiscal 2022 achieved
: Target for fiscal 2022 not achieved (achieved 90% or more)
: Target for fiscal 2022 not achieved (achieved less than 90%)

Closed-loop resource sourcing and conservation of aquatic environments (Greater durability and waste reduction)

Challenge ZERO	Management indicator (KPI)	2021 results	2022 targets	2022 results		2023 targets	2026 targets	Pages
(6) Challenge ZERO Waste and Reuse	Number of assets subject to effective use	3,989	4,000	**4,276**		4,200	4,500	053, 161
	Number of buildings subject to durability extension	3,246	4,500	**8,984**		9,000	9,150	053, 161
	Recycling rate of waste plastics material (production)	10.9%	10%	**16.8%**		19%	30%	054, 161
	Promotion of the Daiwa Plastics Smart Project Reduction rate of amenities that are plastic-containing products specified in law (hotels) in comparison to FY2021	—	10% reduction	**2.9% Increase**	*8	20% reduction	50% reduction	051, 162
	Promotion of the Daiwa Plastics Smart Project Recycling rate of amenities that are plastic-containing products specified in law (hotels)	—	3%	**0%**	*8	5%	50%	051, 162
	Achievement of zero waste emissions targets by principal suppliers	34.5%	50%	**34.6%**	*9	50%	90%	053, 162
—	Construction waste emissions: Production (per unit of sales)	57.5kg/million yen	60kg/million yen	**53.8kg/million yen**		60kg/million yen	60kg/million yen	164
	Construction waste emissions: New construction (per m²)	20.0kg/m²	20kg/m²	**19.0kg/m²**		19kg/m²	19kg/m²	164
	Construction waste recycling rate	97.7%	97%	**97.9%**		97%	99%	163
(7) Challenge ZERO Water-Associated Risks	Water-saving device adoption rate (housing and hotels)	89.8%	93%	**96.8%**		97%	98%	165
	Water consumption reduction rate (per unit of sales) in comparison to FY2012	46.8% reduction	36% reduction	**42.7% reduction**		37% reduction	40% reduction	053, 165
	Implementation rate of water risk surveys by principal suppliers	—	60%	**85.5%**		90%	100%	058, 167

Self-assessment (reasons for not achieving targets, future actions)

*8: In fiscal 2022, we implemented measures to introduce amenity bars in the hotels operated by our Group, but the effect of the reduction was not sufficient. Furthermore, due to the switch to biomass-based amenity products with larger product weight in some hotels, the specified amenity plastic product reduction rate (hotels), which is weight-based, increased by 2.9%, thus failing to achieve the target of 10% reduction. In addition, although we searched for a place to recycle specified plastic products (amenity products) after use, the material recycling rate for specific amenity plastic products (hotels) was 0%, thus we were unable to achieve the target of 3% because there were few precedents in the industry and each company failed to implement material recycling. Note that only in cases where material recycling is implemented after use, the biomass blended amount shall be accounted for as a reduction. In the future, we will promote outsourcing to material recyclers to improve the reduction rate and the material recycling rate.

*9: In fiscal 2022, as we were unable to fully disseminate the need to set zero waste emission targets to suppliers, among our principal suppliers, those that set zero waste emission targets accounted for 34.6%, thus we were unable to achieve our target of 50%. In the future, we will organize waste issues by industrial sector, clarify the target level required of suppliers, and conduct working sessions specifically for zero waste emissions in order to disseminate the target level.

Prevention of chemical pollution

Challenge ZERO	Management indicator (KPI)	2021 results	2022 targets	2022 results		2023 targets	2026 targets	Pages
—	Compliance with voluntary standards for indoor air quality	96.2%	100%	**97.1%**	*10	100%	100%	060
	Release and transfer reduction rate of PRTR (per unit of sales) in comparison to FY2012	69.3% reduction	63% reduction	**70.4% reduction**		65% reduction	65% reduction	060, 168
	VOC emission reduction rate (per unit of sales) in comparison to FY2013	38.5% reduction	31% reduction	**35.9% reduction**		32% reduction	35% reduction	060, 168

Self-assessment (reasons for not achieving targets, future actions)

*10: In fiscal 2022, the voluntary indoor air quality standard compliance rate was 97.1%, failing to achieve the target of 100%, due to the fact that the voluntary indoor air quality standard values were exceeded in some properties of apartment complexes built using the conventional construction method. We will continue to promote the use of low-formaldehyde emitting building materials and strengthen our efforts in the future, including thorough ventilation during construction.

Environmental management

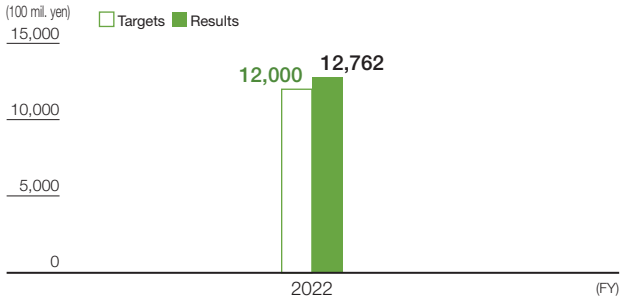
Challenge ZERO	Management indicator (KPI)	2021 results	2022 targets	2022 results		2023 targets	2026 targets	Pages
—	Sales of environmental contribution businesses	—	1,200.0 billion yen	**1,276.2 billion yen**		1,300.0 billion yen	1,600.0 billion yen	022, 138
	Number of those who acquired the Eco Test	19,033	21,000	**26,135**		28,000	38,000	026, 139
	Green purchasing ratio	95.6%	95%	**97.5%**		95%	95%	140
	Implementation status of measures for adopting to climate change	—	—	**Implementing**	—	—	Completing implementation	040

Environmental Data | Strengthening the Foundation of Environmental Management

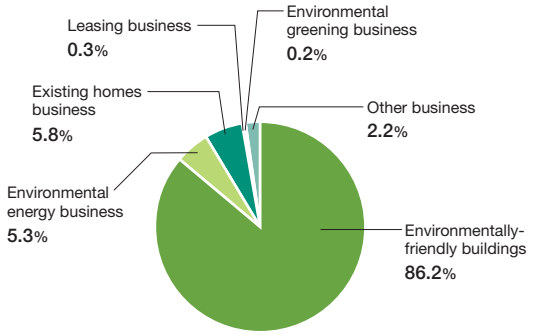
General

Expansion of sales of environmental contribution businesses

■ Sales of environmental contribution businesses



■ Breakdown of environmental contribution businesses (by segment)



Calculation method and scope of coverage of environmental data

■ Sales of environmental contribution businesses

◇ Overview

Each of the businesses in Daiwa House Group works toward the realization of a carbon-free society and a society that is committed to recycling. The combined revenue from businesses capable of contributing to the environment is defined as sales generated by environmental businesses. In specific terms, we have established definitions for environmental businesses as shown on the right.

◇ Scope of coverage

Daiwa House Industry Co., Ltd. and all consolidated subsidiaries (Domestic only)

* However, only companies with businesses that match definitions of environmental businesses

Segment		Definition
Environmentally-friendly buildings	Single-family housing business	Buildings that meet BELS five-star rating (BEI standard value by intended use)
	Rental housing business	
	Condominium business	
	Commercial and office buildings business	

Application	BEI value
Housing	0.8 or less
Hotels, hospitals, department stores, restaurants, assembly halls, etc.	0.7 or less
Offices, schools, factories, etc.	0.6 or less

Segment		Definition
Environmental energy business		Electricity retailing*1, sales of power fueled by renewable energy, PPA*2 business, contract work to install renewable energy facilities / energy-efficient equipment, energy-efficiency solutions, non-fossil fuel energy certificates brokerage
Existing homes business	Home renovation business	Solar power generation systems, storage batteries, energy-efficiency renovation
	Purchase and resale	Resale of existing houses with renovation
Leasing business		Leasing of energy-efficient equipment, leasing of electric vehicles
Environmental greening business		Overall environmental greening business, Park- Private Finance Initiative (Park-PFI)*3 business
Other business		Sales of LED lighting systems, energy-efficient air conditioners and blackout curtains

*1 Electricity retail business: Sales of renewable energy-based electricity and electricity with an emission factor of 0.388 kg/kWh or less

*2 PPA: A system in which electricity generated by photovoltaic power generation equipment installed by a company, which owns and manages such equipment, on land or roofs provided by building owners is provided to electricity users in the building for a fee.

*3 Park-PFI (Publicly solicited installation and management system): A system for publicly soliciting and selecting private operators to develop parks in order to improve the attractiveness and convenience of urban parks.

Environmental management

■ ISO 14001 certification

Company name	Scope certified by ISO 14001 Figures in parentheses indicate rate of acquisition
Daiwa House Industry	Production Department and all 9 factories (100%)
Daiwa Lease	Companywide* (100%) * No overseas offices, only domestic offices
Fujita	Company-wide* (100%) * Obtained only at domestic offices

(as of end- March, 2023)

■ Sites that have the ISO 14001 certification

Company name	Site name	Certification body	Certification No.	Validity of the current certificate	Date of certification acquisition
Daiwa House Industry	Production Department	Japan Testing Center for Construction Materials	RE0008	July 31, 2024	April 15, 1998
Daiwa Lease	Entire company	Union of Japanese Scientists and Engineers	Registration No. JUSE-EG-056	August 28, 2023	August 29, 2002
Fujita	Company-wide (only domestic offices)	Japan Testing Center for Construction Materials	RE0002	November 30, 2023	August 15, 1997

(as of end- March, 2023)

■ Compliance with environmental laws and regulations

	2021	2022
Environmental violation fines	0 yen	**0 yen**

Calculation method and scope of coverage of environmental data

■ Compliance with environmental laws and regulations

◇ Scope of coverage

Daiwa House Industry Co., Ltd. and all consolidated subsidiaries

Environmental Data | Strengthening the Foundation of Environmental Management

Supply chain management (Environment)

Status of dialog with suppliers (FY2022)

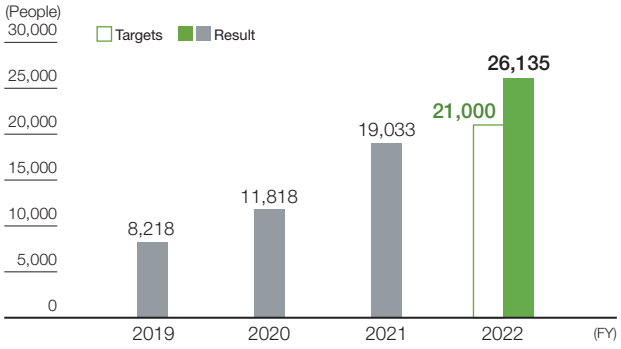
Company/ organization name	Activity name	Details of main activity	No. of participating companies (No. of participants/ No. of frequency)
Daiwa House Industry (The Trillion Club)	Carbon-free working group	Sharing climate change problems, support for setting targets for CO_2 reduction	4 companies (10 attendees)
	Decarbonization dialog	Sharing the response status to climate change problems, changing awareness to raise the level of targets for CO_2 reduction	5 companies (12 attendees)
	Training and education activities	Lectures on climate change issues and the Daiwa House Group's initiatives, video streaming	Twice Played 163 times
Daiwa House Industry (The Setsuwa Club)	Carbon-free working group	Sharing climate change problems, support for setting targets for CO_2 reduction	4 companies (7 attendees)
	Decarbonization dialog	Sharing the response status to climate change problems, changing awareness to raise the level of targets for CO_2 reduction	1 company (4 attendees)
	Training	Lecture on climate change issues and the Daiwa House Group's initiatives	3 times
Daiwa Lease	Training	Lecture on climate change issues and the Daiwa House Group's initiatives	Once

Environmental education

Environmental education provided (FY2022)

Category		Contents	Number of participants and frequency
Specialized education	Waste management	e-learning	534 attendees in 4 courses
	Asbestos-related management	e-learning	233 attendees in 4 courses
	Soil contamination countermeasures	e-learning	170 attendees in 1 course
	ZEB design	e-learning	1,423 attendees in 2 courses
	Proposing indigenous species	e-learning	384 attendees in 1 course
	ZEB	Training	190 attendees in 6 courses
	ZEH, ZEH-M	Training	915 attendees in 22 courses
	Soil contamination countermeasures	Training	1,265 attendees in 3 courses
Grade-specific education	Environmental education	e-learning	32,232 attendees in 2 courses
	Newly appointed manager education	e-learning	296 attendees
	Mid-carrier recruit education	e-learning	220 attendees
	Basic education for new employees	e-learning	561 attendees
	Training for candidates to succeed branch managers	Training	315 attendees
	Training for technical employees (yearly, by rank)	Training	1,600 attendees in 26 courses
	General training for new technical employees	Training	428 attendees in 6 courses
	General training for new sales employees	Training	504 attendees in 4 courses
	Mid-carrier recruit training	Training	99 attendees in 6 courses
	Disaster preparedness and environment management section manager training	Training	Once: 23 attendees
	Disaster preparedness and environment management section staff training	Training	Once: 50 attendees
	Overseas administration division managers training	Training	Once: 53 attendees
Supplier education	Carbon-free working group	Training	8 times: 17 attendees
	Decarbonization dialog	Training	6 times: 16 attendees
	Training	Training	6 times: 400 attendees
		Video streaming	Played 163 times

Number of those who acquired the Eco Test certification



Calculation method and scope of coverage of environmental data

Number of those who acquired the Eco Test certification

◇ Reporting organizations

Daiwa House Industry and 23 Group companies (Daiwa Lease, DesignArc, Daiwa Logistics, Daiwa Resort, Royal Home Center, Daiwa House Realty Management, Sports Club NAS, Fujita, Daiwa House Reform, Daiwa Life Next, Daiwa Energy, Daiwa Royal Golf, Osaka Marubiru, Daiwa Lantec, Nihon Jyutaku Ryutu, Daiwa Living, Daiwa House Life Support, Daiwa House Parking, Eneserve, Nishiwaki Royal Hotel, Cosmos Initia, Wakamatsu KONPOU UNYU SOKO, Daiwa House Chintai Reform)
(Domestic only)

Number of participants in environmental education for children

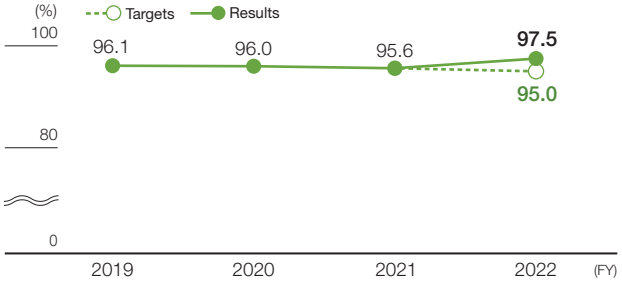
Unit: People

	~2019	2020	2021	2022
Eco Workshop for Children	7,028	20	80	**178**
The King and His House	304	0	0	**0**
Total	7,332	20	80	**178**
Cumulative	7,332	7,352	7,432	**7,610**

Environmental Data | Strengthening the Foundation of Environmental Management

Promotion of green purchasing

■ Green purchasing ratio



Calculation method and scope of coverage of environmental data

■ Green purchasing ratio

◇ Overview

We have adopted our own Green Purchasing Standards for the items (copy paper, forms, catalogs, office supplies, office furniture, and office equipment) used in offices of the Company and 23 principal Group companies. In calculating our green purchasing ratio, we use the following formula on a monetary basis.

◇ Calculation formula

Green purchasing ratio (%) = ∑ (Amount of Green Purchasing Standards-compliant goods purchased (yen)) ÷ ∑ (Total purchase price of target items (yen))

◇ Scope of coverage

Segment	Target	Scope of coverage
Office work	The Company and 23 Group companies*.	Domestic worksites (Head Office, branches, offices, sales offices)

* Refer to P139 (Organizations for the number of those who acquired the Eco Test certification).

■ Green purchasing standards

We have adopted our own Green purchasing standards for six main items (copy paper, forms, catalogs, office supplies, office furniture, and office equipment) used in our offices.

Classification	Main Items	Standards
Paper	Catalogs, etc.	It must be made with Forest Certified Paper.
	Copy paper, forms	It must satisfy one or more of the following conditions i–iii: i) It must be an Eco Mark*1 certified product. ii) It must comply with the Green Purchasing Law. iii) It must be listed in the GPN database*2.
Stationery	Office supplies	
Office furniture	Chairs, desks, shelves, storage fixtures (other than shelves), low partitions, etc.	It must be a product recommended by the Japan Office Institutional Furniture Association (JOIFA) as an environmental product (compliant with the Green Purchasing Law).
Office equipment	Copiers, multifunction machine, fax machines, etc.	It must meet one or more of the following conditions i–ii. i) It is compliant with the Green Purchasing Law. ii) It bears the International Energy Star logo*3.
	Personal computers, printers, etc.	It must meet one or more of the following conditions i–iii. i) It is compliant with the Green Purchasing Law. ii) It bears the International Energy Star logo*3. iii) It is certified under the PC Green Label System*4.

*1 An environmental label attached to products recognized as contributing to environmental preservation following a review by the Japan Environmental Association
*2 A database of environmental products managed by the Green Purchasing Network (GPN)
*3 A logo mark displayed on office equipment that meets energy efficiency standards set by the International Energy Star Program
*4 A labeling system for eco-friendly personal computer products operated by the PC 3R Promotion Center

Environmental Data | Real estate portfolio

GHG emissions, energy consumption, and water use in leased real estate

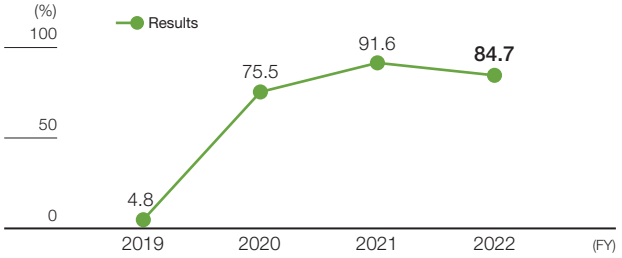
FY2022

Application	Number of properties	Area	GHG emissions				Energy consumption		Water consumption	
			Total t-CO_2			Intensity kg-CO_2/m^2	Total	Intensity	Total	Intensity
	Projects	m^2	Scope1	Scope2	Scope1 and 2	Scope1 and 2	GJ	MJ/m^2	m^3	ℓ/m^2
Offices	1	911	0	42	42	46.29	934	1,024.45	767	841.65
Commercial buildings	146	2,370,505	4,256	126,382	130,638	55.11	2,884,954	1,217.02	1,387,097	623.86
Logistics center	3	11,781	0	319	319	27.10	7,066	599.80	764	64.85
Total	150	2,383,198	4,256	126,743	130,999		2,892,954		1,388,629	

FY2021

Application	Number of properties	Area	GHG emissions				Energy consumption		Water consumption	
			Total t-CO_2			Intensity kg-CO_2/m^2	Total	Intensity	Total	Intensity
	Projects	m^2	Scope1	Scope2	Scope1 and 2	Scope1 and 2	GJ	MJ/m^2	m^3	ℓ/m^2
Offices	1	911	0	87	87	95.29	1,871	2,053.06	686	752.64
Commercial buildings	191	2,620,921	2,651	128,941	131,592	50.21	2,831,219	1,080.24	1,320,412	591.11
Logistics center	5	22,585	0	698	698	30.90	15,037	665.79	2,933	129.86
Total	197	2,644,418	2,651	129,726	132,377		2,848,127		1,324,031	

Rate of Green Building Certification obtained



Green building certified area/total area

Unit: m^2

Segment	2019	2020	2021	2022
Certified area	16,822	434,961	1,501,047	**1,478,442**
Total area	349,556	576,054	1,638,375	**1,746,288**

Calculation method and scope of coverage of environmental data

GHG emissions, energy consumption, and water use in leased real estate

◇ Overview

We surveyed the energy and water consumption of the entire buildings of the real estate properties we own in Japan that are leased for profit, leased for square footage, and non-residential properties, and calculated the annual GHG emissions (total amount) and GHG emissions per square meter (intensity). The CO_2 emission factor and heat conversion factor are the same as for the amounts of GHG emissions and energy consumption shown above. However, GHG emission factors for electricity are based on the location-based method, and alternative values to the emission factors by electricity business operator based on the national "GHG emissions accounting, reporting and disclosure system (the SHK system)" are used.

◇ Scope of coverage

The Company and four Group companies that primarily engage in the rental real estate business (Daiwa Lease, Daiwa House Realty Management, Daiwa Logistics, and Daiwa Living)

◇ Calculation formula

GHG emissions (t-CO_2) = Σ {(Annual consumption of electricity and fuel) × (GHG emission factor for each type of energy)}
GHG emissions intensity (kg-CO_2/m^2) = GHG emissions ÷ total floor area

Energy consumption (GJ) = Σ {(Annual consumption of electricity and fuel) × (Energy conversion factor for each type of energy)}
Energy consumption intensity (MJ/m^2) = Energy consumption ÷ total floor area

Water consumption intensity (ℓ/m^3) = water consumption ÷ total floor area

Calculation method and scope of coverage of environmental data

Rate of Green Building Certification obtained

◇ Scope of coverage

The Company's self-developed properties (used as rental housing, commercial/business facilities)

◇ Calculation formula

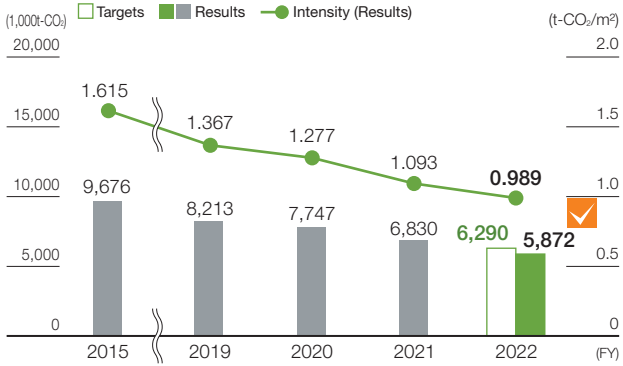
Percentage of properties certified as green buildings (%)
= Total floor area of our self-developed properties that have acquired certification [m^2] ÷ Total floor area of our self-developed properties [m^2].

Environmental Data | Mitigating and adapting to climate change

(1) Challenge ZERO for CO_2 in community development

GHG emissions derived from use of products

■ GHG emissions* derived from use of products and Intensity



* GHG emissions associated with Scope 3/Category 11 (use of products sold) in the Company's group.

Green Building Certification

■ Number of Green Building Certifications acquired

Unit: Units

Name of certification	Application	2019	2020	2021	2022
Long-term excellent housing	Single-family houses	6,430	5,724	5,854	**4,910**
BELS certification	Single-family houses Rental housing Condominiums Commercial and office buildings	1,288	1,659	1,899	**4,017**

Calculation method and scope of coverage of environmental data

■ GHG emissions derived from use of products

◇ Overview

GHG emissions over the lifetime of products sold in the reporting year and buildings developed for future sales are calculated.

◇ Reporting organizations

Daiwa House Industry, Daiwa Lease, Fujita, and Cosmos Initia (all for domestic use only)

◇ Calculation formula

GHG emissions derived from use of products =
Design primary energy consumption × CO_2 emission factor for each energy type × useful life

■ BELS certification

◇ Overview

This is the abbreviation for Building-Housing Energy-efficiency Labeling System, a system whereby third-party assessment agencies evaluate and certify the energy efficiency of newly built and existing buildings. Ratings are given according to the performance level: one to five stars (☆).

◇ Scope of coverage

Daiwa House Industry

■ Long-Life Quality Housing Certification

◇ Overview

In promoting the effective use of resources, we utilize the Long-term Excellent Housing Certification System under the terms of the "Act on the Promotion of Popularization of Long-Life Quality Housing" as an index to measure progress. In the certification system, requirements are also stipulated including resistance to deterioration involving structural frameworks, seismic resistance, versatility, ease of maintenance and renewal, features to accommodate the elderly, energy-efficiency measures, housing sizes exceeding a certain level, and ensuring good landscaping.

◇ Scope of coverage

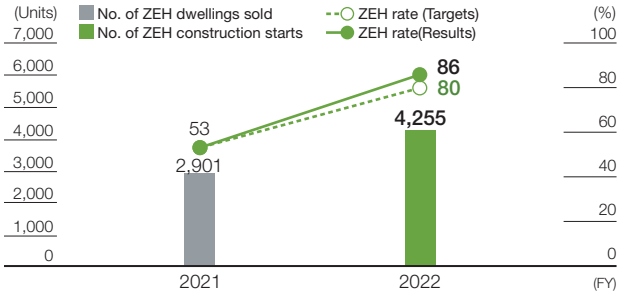
Daiwa House Industry

Purpose of use	Reporting organizations	Scope	Target property	Design primary energy consumption	Electricity generated by solar power facilities	Energy composition ratio	Useful life
Single-family houses	Daiwa House Industry Single-Family Houses Division	Construction starts (Domestic only)	Single-family houses Contracted houses, built-for sales houses	Calculation results for the dwelling unit portion using the "Program compliant with the energy conservation standards for houses" of the Building Research Institute, a national research and development agency	Calculation results for the dwelling unit portion using the "Program compliant with the energy conservation standards for houses" of the Building Research Institute, a national research and development agency	Based on individual calculations	Single-family houses 30 years
Rental housing (low-rise)	Daiwa House Industry Rental Housing Division	Construction starts (Domestic only)	Apartment houses Tenement houses Dwelling houses combined with other uses (Rental housing parts only) Contracted houses, built-for sales houses				Rental housing (low-rise) 30 years
Rental housing (medium- and high-rise) Other Apartment	Daiwa House Industry Rental Housing Division Commercial Facilities Division Logistics, Business & Corporate Facilities Division Daiwa Lease Fujita	Construction starts (Domestic only)	Contracted houses, built-for sales houses		Annual power generation [kWh/year] is calculated by multiplying the installed capacity [kW] by 1000.	(1) For fully electrified properties Electricity: 100% (2) In other cases Electricity: 72%, gas: 28%	Rental housing (medium- and high-rise) 60 years
Condominiums	Daiwa House Industry Condominiums Division Cosmos Initia	Construction starts (Domestic only)	Self-developed properties JV-managed properties				Condominiums 60 years
Non-residential	Daiwa House Industry Rental Housing Division Commercial Facilities Division Logistics, Business & Corporate Facilities Division Daiwa Lease Fujita	Construction starts (Domestic only)	Contracted, self-developed (sold) Total floor area of 300 m² or more (For Daiwa Lease, those less than 300 m² are included)	Calculated by multiplying the BEI after excluding the effect of solar power generation, as calculated by the Building Research Institute's "Program compliant with the energy conservation standards for non-housing", by the actual statistics of primary energy consumption based on the 2016 edition CASBEE - Building (new construction) and floor area		CASBEE - Building (new construction) Based on actual primary energy consumption statistics from the FY2016 edition	Offices 60 years Hospitals, medical/nursing care facilities 60 years Hotels 60 years Schools 60 years Meeting places 60 years Retail stores 30 years Restaurants 30 years Factories, warehouses 30 years Solar power systems 20 years

Environmental Data | Mitigating and adapting to climate change

ZEH rate

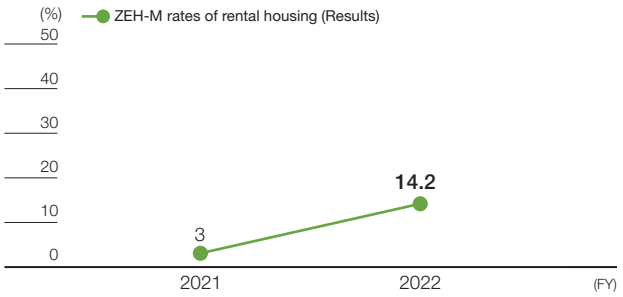
ZEH rate



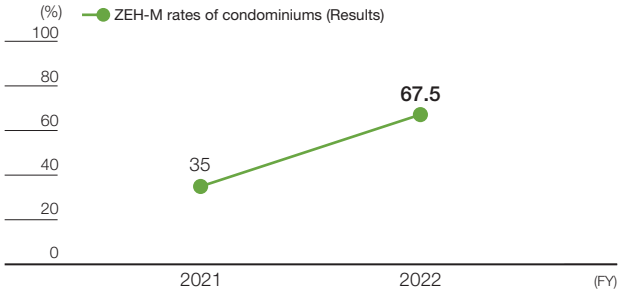
* Result for fiscal 2021 is based on order, while that for fiscal 2022 is based on construction start

ZEH-M rate

ZEH-M rate (Rental housing)

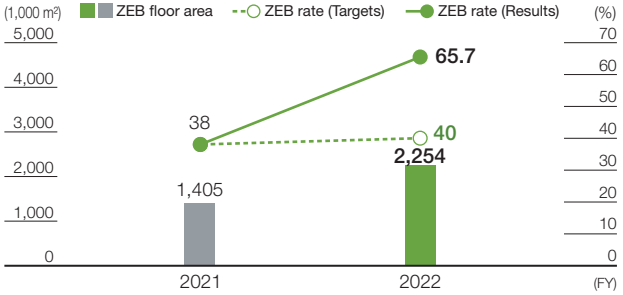


ZEH-M rate (condominiums)

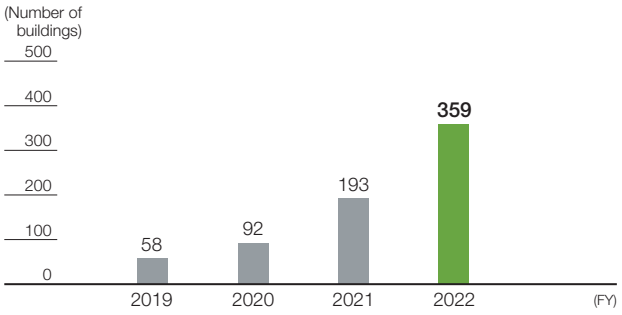


ZEB rate

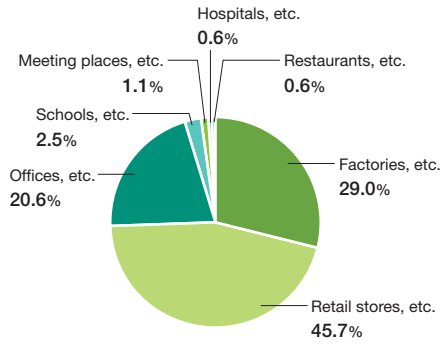
ZEB rate



ZEB units



Breakdown of ZEB units by intended use (FY2022)



Calculation method and scope of coverage of environmental data

ZEH rate

◇ Reporting organizations
Daiwa House Industry (Single-Family Houses Division)

◇ Uses of buildings
Single-family houses

◇ Scope of coverage
Contracted and built-for sales properties (domestic only*; the FY2021 results are based on orders received; the FY2022 results are based on construction starts)
* Excluding the results in Hokkaido

◇ Calculation formula
ZEH rate (%) = ZEH units achieved ÷ total units built
ZEH judgment: Properties that have achieved the requirements for the definition of ZEH ("ZEH", Nearly ZEH, and ZEH Oriented)

ZEH-M rate

◇ Reporting organizations
Daiwa House Industry (Single-Family Houses Division, Condominiums Division), Cosmos Initia

◇ Uses of buildings
Apartments, Condominiums

◇ Scope of coverage
Rental housing: Contracted and built-for sales or self-developed properties (domestic only, based on construction starts)
Condominiums: Self-developed properties, JV projects (only those managed by the Company) (domestic only, based on construction starts)

◇ Calculation formula
ZEH-M rate (%) = Total number of dwelling units that have achieved the ZEH-M requirements ÷ total number of dwelling units in all properties
ZEH-M judgment: Properties that have achieved the ZEH-M standards defined by the government ("ZEH-M", Nearly ZEH-M, ZEH-M Ready, and ZEH-M Oriented)

ZEB rate/ZEB units

◇ Reporting organizations
Daiwa House Industry (Commercial Facilities Division, Logistics, Business & Corporate Facilities Division), Daiwa Lease, and Fujita

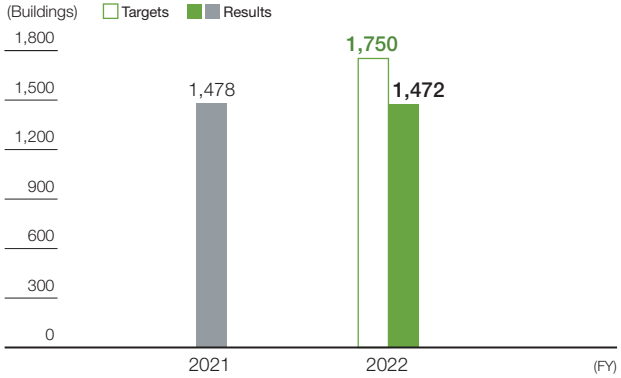
◇ Uses of buildings
All uses of non-residential properties

◇ Scope of coverage
New in-house designed and newly self-developed properties (domestic only, based on construction starts)
Properties with total floor area of 300 m² or more (For Daiwa Lease, those less than 300 m² are included)

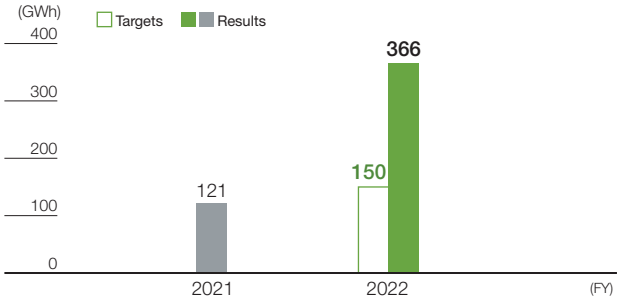
◇ Calculation formula
ZEB rate (%) = ZEB property floor area (m²) ÷ Total property floor area (m²)
ZEB judgment: Properties that have achieved the requirements for the definition of ZEB ("ZEB", Nearly ZEB, ZEB Ready, and ZEB Oriented)

Environmental Data | Mitigating and adapting to climate change

ZEH-renovation equivalent



Sales of electricity generated by the company-owned renewable-energy power stations



Calculation method and scope of coverage of environmental data

ZEH-renovation equivalent

◇ Overview

The number of buildings equivalent to ZEH-renovated ones is an index that represents "the annual effect of energy-efficiency retrofits, in terms of reduction in primary energy consumption as a result of various insulation and energy-saving retrofits for each building, by converting the reduction into that achieved by the assumed number of existing model houses renovated into the ZEH specifications (equivalent to ZEH Oriented)."

◇ Scope of coverage

Target	Eligible energy-saving retrofits
Daiwa House Reform*	· Insulation remodeling · Bathroom remodeling · Water heater remodeling · Lighting remodeling · Remodeling of warm-water washing toilet seats

* The scope of coverage will be expanded from fiscal 2023.

◇ Calculation formula

$$\text{The number of buildings equivalent to ZEH-renovated ones} = \frac{\text{Total amount of primary energy reduction obtained through insulation and energy conservation retrofits [MJ] (excluding renewable energy)}}{\text{Primary energy reduction obtained by energy-saving renovation of one existing model house fitted for the ZEH specifications (equivalent to ZEH Oriented) [MJ] (18,635 [MJ])}}$$

Sales of electricity generated by the company-owned renewable-energy power stations

◇ Overview

Renewable energy-based electricity sales volume is a value indicating the sales volume of renewable energy-based electricity and renewable energy value that fall under the following categories.

· Electricity retailing that can be counted as zero CO_2 emissions under the Global Warming Law (excluding non-fossil fuel energy certificates derived from nuclear power generation)
· Electricity retailing compliant with the RE100 technical requirements
· Renewable energy-based electricity supplied by PPA projects (on-site and off-site)
· Sales of renewable energy value (J-credits, non-fossil fuel energy certificates, and green power certificates designated for renewable energy)

◇ Reporting organizations

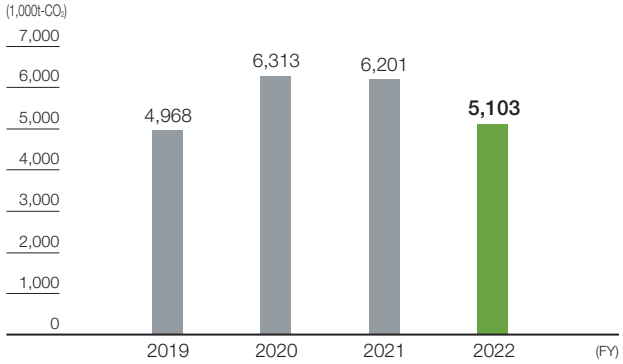
Daiwa House Industry and two Group companies engaged in the environmental energy business (Eneserve and Daiwa Energy)

Reporting organizations	Main items for sale
Daiwa House Industry's environmental energy business	Electricity retailing (PPS), sale of renewable energy-based electricity under the PPA model, and brokerage of non-fossil fuel energy certificates
Eneserve	Electricity retailing (PPS)
Daiwa Energy	Electricity retailing (PPS), sale of renewable energy-based electricity under the PPA model

Environmental Data | Mitigating and adapting to climate change

Contribution to GHG reduction

Contribution to GHG reduction (Groupwide)



Contribution to GHG reduction (by segment)

Unit: 1,000t-CO_2

Segment	2019	2020	2021	2022
Single-family housing business	301	300	358	**302**
Rental housing business	341	346	360	**421**
Existing homes business	60	46	38	**42**
Condominium business	136	114	87	**128**
Commercial and office buildings business	2,206	2,647	3,535	**3,091**
Environmental energy business	1,924	2,860	1,824	**1,121**

Calculation method and scope of coverage of environmental data

Contribution to GHG reduction

◇ Overview

Contribution to GHG reduction is represented by a numerical value that indicates "how much we have been able to contribute to the reduction of GHG emissions by providing housing and buildings as well as promoting energy-efficiency and energy-generation solutions." Using flow-based calculations, the Group calculates GHG emissions at the use and operation stages for products (housing, buildings, solar power generation, etc.) in use up to the end of their service life for the relevant fiscal year. We then calculate the contributed reduction in GHG emissions by subtracting the result from the GHG emissions generated by a comparable equivalent product. As for the contributed reduction of an ESCO business*, the value is calculated by the existing home base method, and the annual GHG emissions of all facilities subject to ESCO services during the fiscal year (cumulative amount for an existing house) are calculated. We calculate the contributed reduction by deducting it from the GHG emissions of a comparable facility.

* ESCO: An abbreviation for "Energy Service Company." A business that reduces the costs of its customers' utilities and water, and is compensated for any reduction achieved.

◇ Calculation formula

Example of flow base method

Method ① (New houses):
contribution to GHG reduction (t-CO_2) = {∑ (Annual GHG emissions (t-CO_2/year) in the usage or operation stages of the products being compared
− ∑ (Annual GHG emissions (t-CO_2/year) in the usage or operation stage of products offered during the fiscal year)}
× Number of assumed years of use(year)

Method ② (New buildings):
contribution to GHG reduction (t-CO_2) = ∑ {Total floor area (m^2) × Annual energy consumption per unit of floor area by application or scale (MJ/m^2·year)
× Energy reduction rate (%) × CO_2 emission factor (t-CO_2/MJ) × Estimated number of years of use (year)}
Note: Energy reduction rate (%) = 1 − BEI* *Design energy consumption (MJ/year) ÷ Reference energy consumption (MJ/year)

Method ③ (Energy generation facility):
contribution to GHG reduction (t-CO_2) = ∑ {Annual renewable energy generated (kWh/year) × CO_2 emission factor (t-CO_2/kWh) × Estimated number of years of use (year)}
Note: Includes power sales

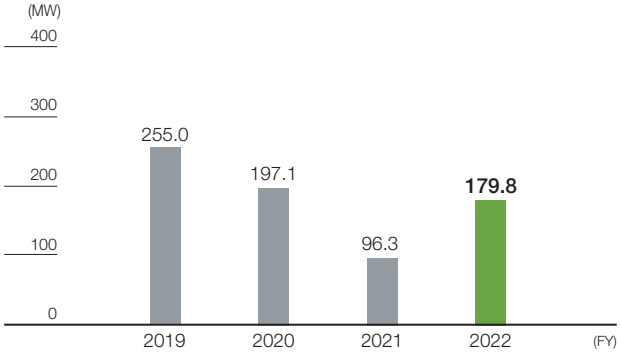
Method ④ (Energy efficiency improvement):
contribution to GHG reduction (t-CO_2) = ∑ {(Annual GHG emissions (t-CO_2/year) before energy-efficiency retrofits
− Annual GHG emissions (t-CO_2/year)) after energy-efficiency retrofits × Estimated number of years of use (year)}

Method ⑤ (Electricity retailing):
contribution to GHG reduction (t-CO_2) = ∑ {(Adjusted emission factor of general electric power supplier (t-CO_2/kWh)
− Adjusted CO_2 emission factor in current fiscal year (t-CO_2/kWh)) × Supplied electric energy (kWh)}

Example of base method for existing home
contribution to GHG reduction (t-CO_2/year) = ∑ {(Annual GHG emissions (t-CO_2/year) of comparable facilities)
− (Annual GHG emissions (t-CO_2/year) of equipment subject to ESCO services provided during year)}

Installed capacity of solar power generation systems

Trend in installed capacity of solar power generation systems



Trend in installed capacity of solar power generation systems (by segment)

Unit: kW

Segment	2011–2018	2019	2020	2021	2022
Single-family housing business	184,808	15,409	17,793	17,277	**18,570**
Rental housing business	143,696	3,997	877	1,004	**9,676**
Existing homes business	156,767	3,400	898	208	**1,540**
Condominium business	470.0	0	0	14	**18**
Commercial and office buildings business	131,515	15,190	9,788	15,509	**43,333**
Environmental energy business	1,360,209	217,048	167,719	62,330	**106,704**
Total	1,977,465	255,044	197,075	96,342	**179,841**
Cumulative	1,977,465	2,232,509	2,429,584	2,525,926	**2,705,768**

Environmental Data | Mitigating and adapting to climate change

Calculation method and scope of coverage of environmental data

■ Contribution to GHG reduction

◇ Scope and calculation criteria [1/2] (all for domestic use only)

Reporting organizations	Segment	Scope	Calculation criteria		
			Calculation methods and calculation tools	Comparison	Estimated number of years of use
Daiwa House Industry	Single-family housing business	All new housing of single-family housing business	Calculation method: Flow base method ①·③ Calculation tool used: Energy Consumption Performance Calculation Program	Building Energy Efficiency Act /Buildings compliant with the 2016 standard specifications	Single-family housing: 30 years Solar power generation: 20 years
	Rental housing business	All newly built houses in rental housing business (low-rise)			Rental housing (low-rise): 30 years Solar power generation: 20 years
		All newly built houses of the rental housing business (medium- and high-rise)			Rental housing (medium- and high-rise): 60 years Solar power generation: 20 years
	Condominium business	All housing starts of condominium business			Condominiums: 60 years Solar power generation: 20 years
	Commercial and office buildings business	All construction starts of projects of at least 300 m² of the commercial and office buildings business, and installation of solar power generation systems	Calculation method: Flow base method ②·③ Calculation tool used: Energy Consumption Performance Calculation Program		Store, warehouse, factories: 30 years Other applications: 60 years Solar power generation: 20 years
	Environmental energy business	All energy-efficiency and energy-generation solution projects of the environmental energy business	Calculation method: Flow base method ③·④ Calculation of power generation amount/energy-saving effect: Calculated with our proprietary simulation tool (in combination with trial calculations by the manufacturer).	Example of energy-efficiency solutions: Before implementation of energy-efficiency retrofit Example of energy-generation solution: Before introduction of energy-generating facility	Lighting fixture replacement: 15 years Air conditioner replacement: 15 years Solar power generation: 20 years
Daiwa Lease	Commercial and office buildings business	All construction starts of the commercial and office buildings business (excluding lease items), and installation of solar power generation systems	Calculation method: Flow base method ②·③ Calculation tool used: Energy Consumption Performance Calculation Program	Building Energy Efficiency Act /Buildings compliant with the 2016 standard specifications	Store, warehouse, factories: 30 years Other applications: 60 years Solar power generation: 20 years
Fujita	Office buildings business	All construction starts of projects of at least 300 m² of the office buildings business and installation of solar power generation systems			Store, warehouse, factories: 30 years Other applications: 60 years Solar power generation: 20 years
Daiwa House Reform	Existing home business	All energy-efficiency retrofits and energy-generation installation projects of the home renovation business	Calculation method: Flow base method ③·④ Calculation tool used: Energy Consumption Performance Calculation Program (Equipment that cannot be evaluated by this program is evaluated with our own calculation.) Calculation of power generated/energy-saving effect: Assuming that all the energy-efficiency retrofits and energy-generation installations for the fiscal year share the same construction site and plan as the comparable dwelling unit, the effect of each energy-efficiency measure is calculated with the program methodology, and the reduction effect is multiplied by the number of units constructed during the year.	Construction site: 6 areas. Family composition: 4-person family. Plan: Model plan for single-family house. Total floor area: 131.14 m² Exterior insulation: 1980 Energy efficiency standard, Hot- water supply: General gas water heater. Cooker: Gas stove. Power generation facilities: None	Insulation upgrade: 15 years Lighting fixture replacement: 15 years Air conditioner replacement: 15 years Solar power generation: 20 years

Environmental Data | Mitigating and adapting to climate change

Calculation method and scope of coverage of environmental data

■ Contribution to GHG reduction

◇ Scope and calculation criteria [2/2]

Reporting organizations	Segment	Scope	Calculation criteria		
			Calculation methods and calculation tools	Comparison	Estimated number of years of use
Cosmos Initia	Condominium business	All housing starts of condominium business	Calculation method: Flow base method ①·③ Calculation tool used: Energy Consumption Performance Calculation Program	Building Energy Efficiency Act /Buildings compliant with the 2016 standard specifications	Condominiums: 60 years Solar power generation: 20 years
Daiwa Energy	Environmental energy business	All ESCO businesses, energy-efficiency and energy-generation solution projects	Calculation method: Flow base methods ③·④, existing home base method (ESCO projects only) Calculation of power generated/energy-saving effect: Calculated with our unique simulation (in combination with trial calculations by the manufacturer).	Example of energy-efficiency solutions: Before implementation of energy-efficiency retrofit Example of energy-generation solution: Before introduction of energy-generating facility	Lighting fixture replacement: 15 years Air conditioner replacement: 15 years Solar power generation: 20 years
Eneserve	Environmental energy business	(Until FY2016) All Power Producer and Supplier (PPS) business	Calculation method: Flow base method ⑤ Calculation of power sales: The amount of electricity supplied by each supply area of the general electric power supplier is calculated, and any differences between adjusted emission factors are accounted for.	Adjusted emission factors are published by Hokkaido Electric Power, Tohoku Electric Power, Tokyo Electric Power, Chubu Electric Power, Hokuriku Electric Power, Kansai Electric Power, Chugoku Electric Power, Shikoku Electric Power, Kyushu Electric Power, and Okinawa Electric Power.	–
		(From FY2017) All energy-efficiency and energy-generation solution projects of the environmental energy business	Calculation method: Flow base methods ③·④ Calculation of power generation amount/energy-saving effect: Calculated with our proprietary simulation tool (in combination with trial calculations by the manufacturer).	Example of energy-efficiency solutions: Before implementation of energy-efficiency retrofit Example of energy-generation solution: Before introduction of energy-generating facility	Lighting fixture replacement: 15 years Air conditioner replacement: 15 years Transformers: 15 years Solar power generation: 20 years

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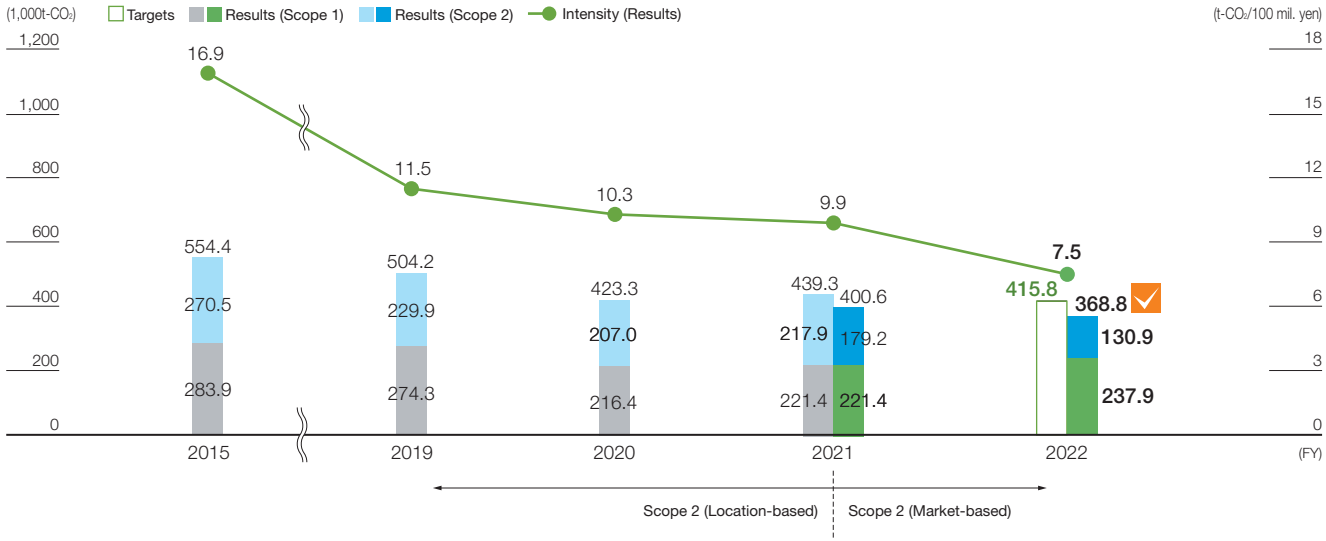
(2) Challenge ZERO for CO_2 in business activities

GHG emissions

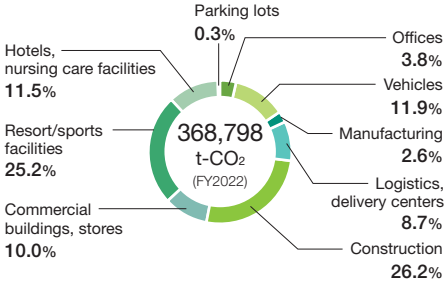
■ GHG emissions and intensity



* Since FY2022, the Scope 2 calculation method has been revised to a market-based method. Accordingly, the results for FY2021 have been recalculated and are shown together with the previous location-based results.

■ Breakdown of GHG emissions

(by segment)



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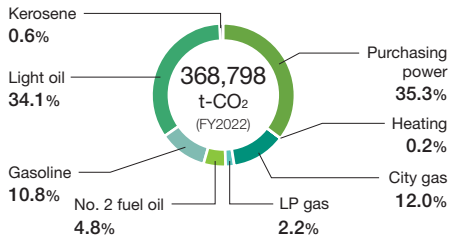

■ GHG emissions (by segment)

Unit: t-CO_2

	2015	2019	2020	2021	2022
Offices	36,619	31,486	29,607	29,576	**13,916**
Vehicles	55,265	46,584	41,393	47,075	**43,707**
Manufacturing	36,094	29,898	26,795	28,647	**9,469**
Logistics, delivery centers	37,426	35,075	33,978	33,594	**32,004**
Construction	148,840	146,368	113,091	98,752	**96,705**
Commercial buildings, stores	69,072	54,209	53,075	58,797	**36,787**
Resort/sports facilities	137,337	115,068	86,023	94,810	**92,982**
Hotels, nursing care facilities	30,954	42,883	36,508	45,120	**42,273**
Parking lots	2,790	2,637	2,853	2,943	**957**

■ GHG emissions (by type)

Unit: t-CO_2

		2015	2019	2020	2021	2022
Scope 2	Purchasing power	270,504	229,344	206,402	217,318	**130,049**
	Heating	0	596	553	548	**854**
Scope 1	City gas	34,522	40,859	33,528	39,592	**44,227**
	LP gas	9,147	8,460	6,382	6,929	**7,976**
	No. 2 fuel oil	25,348	21,113	13,911	16,208	**17,645**
	Gasoline	55,765	45,020	40,053	40,531	**39,929**
	Light oil	153,894	156,813	120,394	115,968	**125,777**
	Kerosene	5,216	2,002	2,099	2,220	**2,341**

■ GHG emissions (Japan, outside Japan)

Unit: t-CO_2

	2015	2019	2020	2021	2022
Japan	538,663	484,350	411,963	421,217	**352,352**
Outside Japan	15,734	19,858	11,358	18,096	**16,447**

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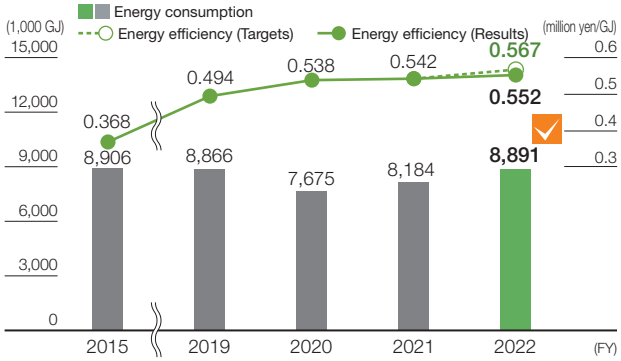
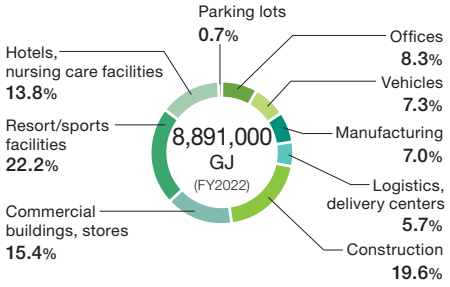
Energy consumption

Energy consumption and energy efficiency (EP100)



Breakdown of energy consumption

(by segment)



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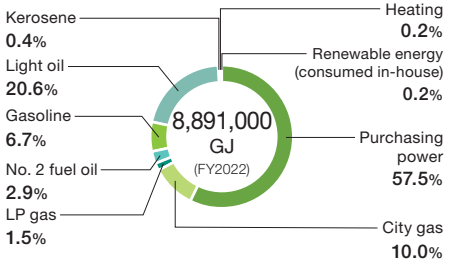

Energy consumption (by segment)

Unit: 1,000 GJ

	2015	2019	2020	2021	2022
Offices	628	635	616	644	**735**
Vehicles	823	693	616	699	**650**
Manufacturing	604	582	538	592	**619**
Logistics, delivery centers	570	567	556	556	**505**
Construction	2,227	2,221	1,762	1,533	**1,746**
Commercial buildings, stores	1,179	1,085	1,102	1,263	**1,369**
Resort/sports facilities	2,288	2,174	1,676	1,880	**1,974**
Hotels, nursing care facilities	541	855	750	953	**1,225**
Parking lots	47	53	59	63	**66**

Energy consumption (by type)

Unit: 1,000 GJ

	2015	2019	2020	2021	2022
Purchasing power	4,534	4,587	4,286	4,682	**5,111**
City gas	692	819	672	794	**887**
LP gas	155	143	108	117	**135**
No. 2 fuel oil	366	305	201	234	**255**
Gasoline	831	671	597	604	**595**
Light oil	2,244	2,287	1,756	1,691	**1,834**
Kerosene	77	30	31	33	**35**
Heating	0	14	13	13	**20**
Renewable energy (consumed in-house)	7	10	10	15	**19**

Energy consumption (Japan, outside Japan)

Unit: 1,000 GJ

	2015	2019	2020	2021	2022
Japan	8,683	8,554	7,481	7,880	**8,599**
Outside Japan	223	312	193	303	**292**

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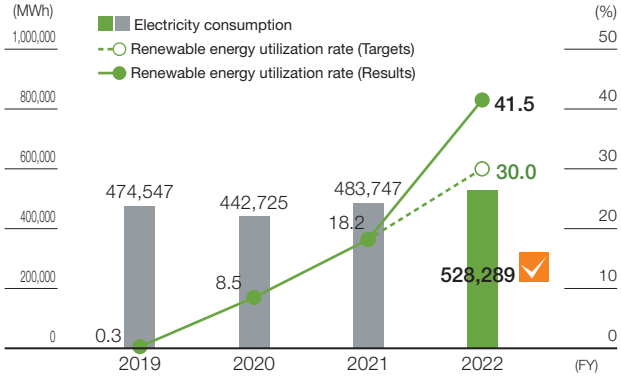
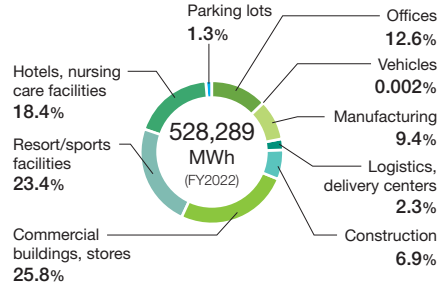
Electricity consumption

Electricity consumption and renewable energy utilization rate (RE100)



Breakdown of electricity consumption

(by segment)



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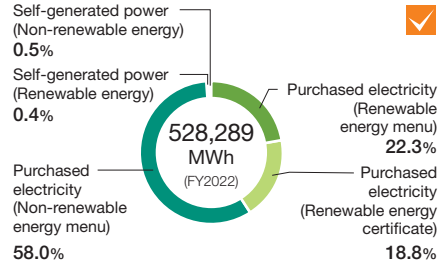

Electricity consumption (by segment)

Unit: MWh

	2019	2020	2021	2022
Offices	56,788	55,310	58,117	**66,432**
Vehicles	0	0	0	**9**
Manufacturing	47,123	43,939	48,060	**49,412**
Logistics, delivery centers	20,864	20,442	20,978	**12,361**
Construction	32,712	38,688	29,226	**36,189**
Commercial buildings, stores	108,330	108,071	124,392	**136,251**
Resort/sports facilities	135,318	107,265	118,030	**123,780**
Hotels, nursing care facilities	68,010	62,940	78,448	**97,197**
Parking lots	5,403	6,070	6,496	**6,748**

Electricity consumption (by type)

Unit: MWh

		2019	2020	2021	2022
Purchasing power	Renewable energy menu	415	36,642	81,940	**118,043**
	Renewable energy certificate*	0	0	4,650	**99,345**
	Other	469,552	402,511	393,141	**306,288**
Self-generated power	Renewable energy	1,000	1,075	1,558	**1,925**
	Non-renewable energy	3,580	2,498	2,459	**2,687**

* Non-fossil certificates with tracking (purchased by consumers)

Electricity consumption (Japan, outside Japan)

Unit: MWh

	2019	2020	2021	2022
Japan	466,390	433,692	472,709	**514,593**
Outside Japan	8,158	9,033	11,038	**13,696**

Calculation method and scope of coverage of environmental data

GHG emissions/ energy consumption/ electricity consumption

◇ Overview

GHG emissions refers only to CO_2 emissions originating from energy, and energy consumption is calculated on a heat quantity basis. The emissions are calculated by multiplying the CO_2 emission factor and heat quantity conversion factor for each type of energy based on purchasing data for electricity and fuel, respectively. It also includes a partial estimate for the construction segment.

◇ Calculation formula

GHG emissions (t-CO_2)	= ∑ {(Annual consumption of electricity and fuel) × (GHG emission factor for each type of energy)}
Energy consumption (GJ)	= ∑ {(Annual consumption of electricity and fuel) × (Energy conversion factor for each type of energy)}
GHG emissions intensity (t-CO_2/100 mil. yen)	= ∑ (GHG emission) ÷ consolidated net sales
Energy efficiency (million yen/ GJ)	= Consolidated net sales ÷ ∑ (Energy consumption)
Electricity consumption (MWh)	= ∑ {Annual purchased electricity + electricity generated by self-consumption generation (including renewable energy)}
Renewable energy utilization rate (%)	= renewable energy utilization* ÷ electricity consumption

* Out of electricity consumption, total of self-generated power (renewable energy), purchased power (renewable energy menu), and purchased power (renewable energy certificates)

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◇ Scope and calculation criteria (Japan)

Segment	Target	Scope (Number of locations as of end- March, 2023)				Calculation criteria
Offices	Daiwa House Group	All offices (Head Office, affiliates, branches and sales offices), research labs, training centers and housing exhibition		Total	1,055 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor.
				Offices	882 locations	
				Research laboratories	2 locations	
				Training centers	4 locations	
				Housing exhibition	167 locations	
Vehicles	Daiwa House Group	All company vehicles and privately owned permitted vehicles		Total	13,229 vehicles	At each site, we use gasoline credit card billing data or refueling receipts to determine the amount of gasoline consumed and multiply it by the respective CO_2 emission factor.
Factories	Daiwa House Group	All production sites		Total	28 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor.
Logistics, delivery centers	Daiwa House Group	Transport	All transportation in the logistics business (our company vehicles only)	Total	785 vehicles	At each site, we use the monthly bill from the fuel supplier to identify the energy consumption and multiply it by the respective CO_2 emission factor.
		Delivery center	All delivery centers required for transporting materials (our company operations only)	Total	90 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor.
Construction	Daiwa House Group	Construction sites for new houses and buildings and civil engineering works (excluding demolition/renovation)		Construction area: Total	6,752,000 m^2	We estimate* the overall situation by multiplying the sales floor area (sales amount) in the data collection period by the energy consumption per sales floor area (or sales amount) at a sample property. From this figure, we estimate the energy consumption by subtracting the energy consumption reduction estimated based on the implementation rate of energy-efficiency initiatives. This is calculated by multiplying the above energy consumption by the respective CO_2 emission factor. * We estimate data by application
				Housing construction	2,247,000 m^2	
				Building construction	4,506,000 m^2	
				Civil engineering	154 locations	
Commercial buildings, stores	Daiwa House Group	Commercial buildings and shops operated by our company		Total	880 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor. Note: Excludes the tenants' portion. (However, some tenant portions are included in facilities where such inclusion is required under the Energy Efficiency Act.)
				Commercial buildings	819 locations	
				Home improvement centers	61 locations	
Resort/sports facilities	Daiwa House Group	Resort hotels, golf courses, fitness clubs, warm bathing facilities and restaurants operated by our company		Total	109 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor.
				Resort hotels	29 locations	
				Golf courses	10 locations	
				Fitness clubs	67 locations	
				Warm bath facilities, Restaurants	3 locations	
Hotels, nursing care facilities	Daiwa House Group	Urban hotels and nursing care facilities operated by our company		Total	112 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor.
				Urban hotels	102 locations	
				Nursing care facilities	10 locations	
Parking lots	Daiwa House Group	Parking lots operated by our company		Total	2,926 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor.

◇ Scope and calculation criteria (Outside Japan)

Segment	Target	Scope		Calculation criteria
Offices	Daiwa House Group	Offices	130 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption* and multiply it by the respective CO_2 emission factor. * At some sites, based on estimates from amount billed and space in use
Vehicles	Daiwa House Group	Company vehicles	424 vehicles	At each site, we grasp the amount of gasoline used from invoice data or receipts issued at the time of fueling and multiply it by the CO_2 emission factor.
Manufacturing	Daiwa House Group	All production sites	4 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor.
Hotels	Daiwa House Group	All hotels	2 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor.
Construction	Daiwa House Group	Construction sites for new houses and buildings (excluding demolition/renovation)	6 companies	We calculate the total estimate by multiplying the energy consumption per floor space (or per unit of sales) in domestic sample properties for each application by floor space sold for each application (sales amount). The total estimate is then multiplied by the respective CO_2 emission factors
Logistics, delivery centers	Daiwa House Group	All Logistics, delivery centers	3 locations	At each site, we use the monthly invoice from the electric power and fuel suppliers to identify the energy consumption and multiply it by the respective CO_2 emission factor.

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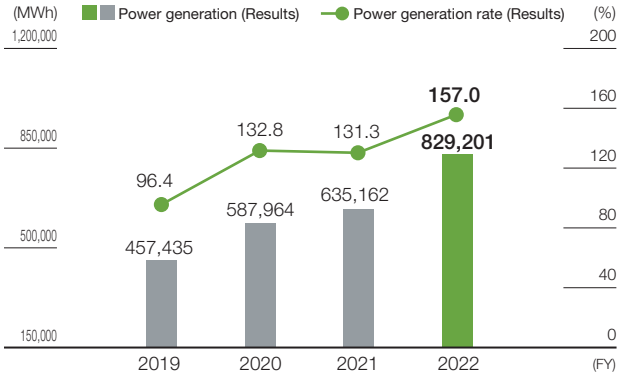
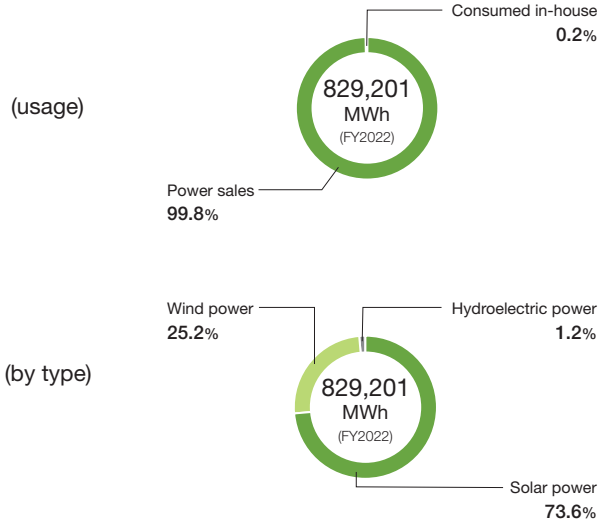
Renewable energy

Renewable energy-based power generation and renewable energy rate



Breakdown of renewable energy-based power generation



Renewable energy-based power generation (usage)

Unit: MWh

	2019	2020	2021	2022
Power sales	456,435	586,889	633,604	**827,276**
Consumed in-house	1,000	1,075	1,558	**1,925**

Renewable energy-based power generation (by type)

Unit: MWh

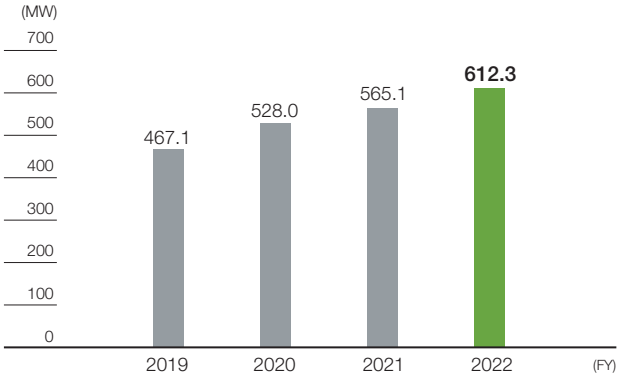
	2019	2020	2021	2022
Solar power	421,017	525,598	574,083	**610,568**
Wind power	30,088	54,013	49,519	**208,855**
Hydroelectric power	6,330	8,353	11,560	**9,779**

Renewable energy-based power generation (Japan, outside Japan)

Unit: MWh

	2019	2020	2021	2022
Japan	457,435	587,964	635,162	**829,201**
Outside Japan	0	0	0	**0**

Installed generation capacity of renewable energy-based power generation equipment



Installed generation capacity of renewable energy-based power generation equipment (usage)

Unit: MW

	2019	2020	2021	2022
Power sales	463.5	524.3	560.9	**601.6**
Consumed in-house	3.6	3.7	4.2	**10.7**

Calculation method and scope of coverage of environmental data

Generated volume and installed capacity of renewable energy-based power generation equipment

◇ Overview

Generated volume and Installed capacity of renewable energy-based power generation equipment is the total of 1) Consumed in-house and 2) Power sales below.

1) The power-generation capacity of equipment for in-house power consumption, as well as the power generated during the fiscal year, with renewable energy power-generation facilities (such as wind power and solar power) held (and operated) by the Group, or within such Group premises, as of the end of the fiscal year.

2) The power-generation capacity of renewable power-generation facilities (wind power, solar power, and hydroelectric power generation) that the Group manages (and operates) as a power producer as of the end of the fiscal year and the amount of power sold (including PPA model) during the fiscal year. The power generation facilities operated by Eneserve Corporation, which sells electricity as a specific Power Producer and Supplier (PPS), are not included.

Renewable energy rate

◇ Calculation formula

Renewable energy rate (%) = renewable energy-based power Generation ÷ electricity consumption

◇ Scope of coverage

All Daiwa House Group companies

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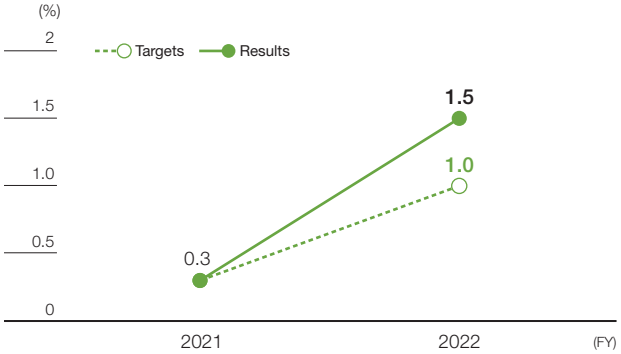
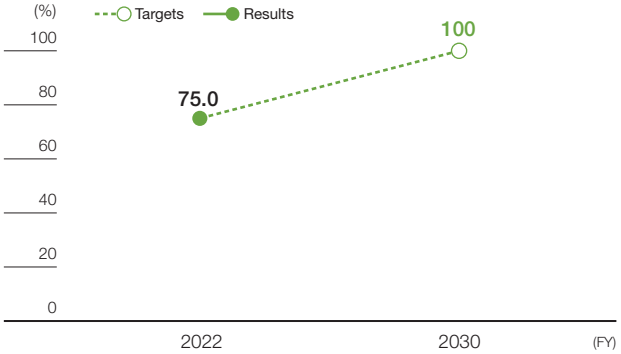
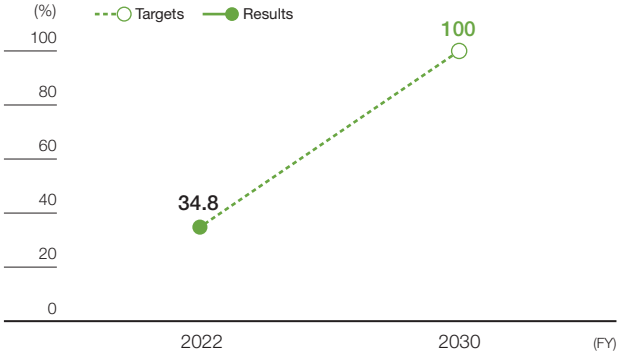
Introduction rate of clean energy cars



ZEB rate for the company's newly constructed facilities



Percentage of the company's newly constructed facilities with solar power generation equipment



ZEB conversion projects at the company and Group facilities (new construction)

Project	Date of construction start	Application	Gross floor space	Number of Stories	Environmental performance
Daiwa House Industry, Chiba Chuo Branch	January 2022	Offices	10,001m²	Twelve floors	BEI:0.46 ZEB Ready BELS ★★★★★ Total heat exchangers, LED sensors (presence detection, perimeter dimming, etc.), ultra-high efficiency transformers, and high thermal insulation Building materials (roofing, exterior walls, and glass)
Daiwa Logistics, Fukushima Distribution Center	August 2022	Logistics centers	11,687m²	Three floors	BEI: 0.32 (excluding PV) ZEB Ready LED and total heat exchangers
Wakamatsu KONPOU UNYU SOKO, Mikawa Joint Distribution Center for Beverages	May 2022	Logistics centers	6,419m²	Two floors	BEI: 0.37 (excluding PV) ZEB Ready LED

Calculation method and scope of coverage of environmental data

Introduction rate of clean energy cars

◇ Overview

The target for the introduction of vehicles fueled by clean energy (clean energy vehicles) is calculated for the 13 domestic companies in our Group that own 30 or more company vehicles.

* Definition of clean energy vehicles: EVs (electric vehicles), PHVs (plug-in hybrid vehicles) and FCVs (fuel cell vehicles). Gasoline-fueled HVs (hybrid vehicles) are not included.

◇ Reporting organizations

Daiwa House Industry and 12 Group companies (Daiwa Lease, DesignArc, Daiwa Logistics, Fujita, Daiwa House Reform, Daiwa Life Next, Daiwa Lantec, Daiwa House Real Estate, Daiwa Living, Daiwa House Parking, Eneserve, and Daiwa House Chintai Reform)

◇ Calculation formula

Clean energy vehicle adoption rate (%) = Number of clean energy vehicles ÷ number of (company vehicles + type 1 privately owned permitted vehicles)

* Type 1 privately owned permitted vehicles: Private vehicles with permission that their owners are able to continuously use them for commuting and work (in case of Daiwa House Industry)

Calculation method and scope of coverage of environmental data

ZEB rate for the company's newly constructed facilities, Percentage of the company's newly constructed facilities with solar power generation equipment

◇ Overview

The term "the Company's facilities" refers to facilities in which the Group conducts business operations (subject to GHG emissions reporting), and includes not only facilities owned and occupied by the Company, but also facilities that the Company rents on its own use or sub-leases to tenants. These facilities do not include asset buildings that are leased to tenants in their entirety, such as whole convenience store buildings leased to their tenants.

◇ Reporting organizations

Daiwa House Industry and 23 Group companies*.

* Refer to p. 139 (Organizations reporting the number of those who acquired the Eco Test certification).

◇ Scope of coverage

Company facilities whose construction started in FY2022 (domestic only)
Properties with a floor area of 300 m² or more

◇ Calculation formula

ZEB rate for the Company's newly constructed facilities (%)
= ZEB property floor area (m²) ÷ Total property floor area (m²)
ZEB judgment: Properties that have achieved the requirements for the definition of ZEB ("ZEB", Nearly ZEB, ZEB Ready, and ZEB Oriented)

Percentage of the Company's newly constructed facilities with solar power generation equipment
= Number of buildings with solar power generation equipment [buildings] ÷ Number of eligible properties with soar power generation equipment [buildings].

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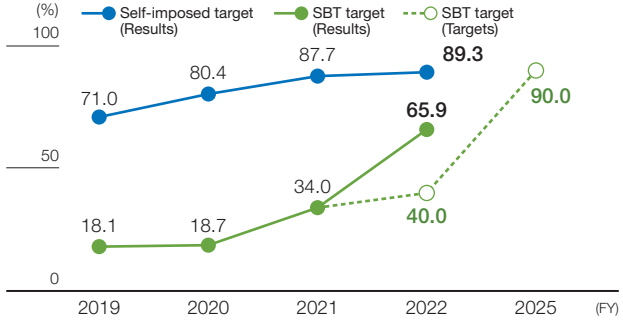
(3) Challenge ZERO for CO_2 in the supply chain

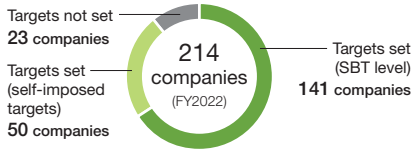
Principal suppliers' GHG emissions reduction

■ Principal suppliers' GHG emissions reduction target setting rate

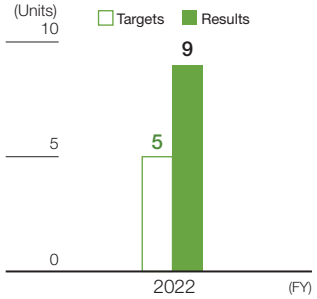


* The target has been set at the 2°C level (reduction of GHG emissions by at least 1.23% annually), but we plan to raise the target to the WB2°C level (reduction of at least 2.5% annually) in FY2023 and beyond (WB2°C refers to the greenhouse gas reduction target to hold the increase in the global temperature to a level well below 2°C above pre-industrial levels).

■ Breakdown of principal suppliers' GHG emissions reduction target



■ The number of contracts for renewable energy and energy-efficiency solutions (The number of cases of support)



Calculation method and scope of coverage of environmental data

■ Setting rate of principal suppliers' SBT standard GHG reduction targets

◇ Overview

The rate of principal suppliers' SBT standard GHG reduction targets is set based on data from the following principal suppliers: the Trillion Club, which supplies our materials, the Setsuwa Club, which supplies our facility equipment, and the Gosen Club, the supply chain organization for Daiwa Lease Co., Ltd., as well as Fujita Corporation's sources of procurement.

◇ Scope of coverage

Reporting organizations	Scope of coverage
Daiwa House Industry (The Trillion Club)	Among sources of centralized purchasing, approx. 90% of companies with the top transaction amounts (78 companies)
Daiwa House Industry (The Setsuwa Club)	Companies with membership in the Setsuwa Club, excluding sales companies and those with less than 100 employees (91 companies)
Daiwa Lease (Gosen Club)	Among companies that are members in the Gosen Club, companies that account for approx. 90% of purchasing amount (20 companies)
Fujita	Companies that account for 2/3 of materials purchases of major construction types (25 companies)

◇ Calculation formula

Setting rate of principal suppliers' SBT standard GHG reduction targets (%) = Number of principal suppliers that have already set a standard SBT targets ÷ Number of principal suppliers

Calculation method and scope of coverage of environmental data

■ The number of contracts for renewable energy and energy-efficiency solutions (The number of cases of support)

◇ Overview

Targeting the members of the Trillion Club, which supplies our materials, and the Setsuwa Club, which supplies our facility equipment, we have proposed solutions to help our principal suppliers, which have set SBT standard GHG reduction targets, to achieve the targets. The number of solutions contracts signed is calculated on a cumulative basis.

◇ Scope of coverage

Reporting organizations	Scope of coverage
Daiwa House Industry (The Trillion Club)	Among sources of centralized purchasing, approx. 90% of companies with the top transaction amounts (78 companies)
Daiwa House Industry (The Setsuwa Club)	Companies with membership in the Setsuwa Club, excluding sales companies and those with less than 100 employees (91 companies)

◇ Calculation criteria

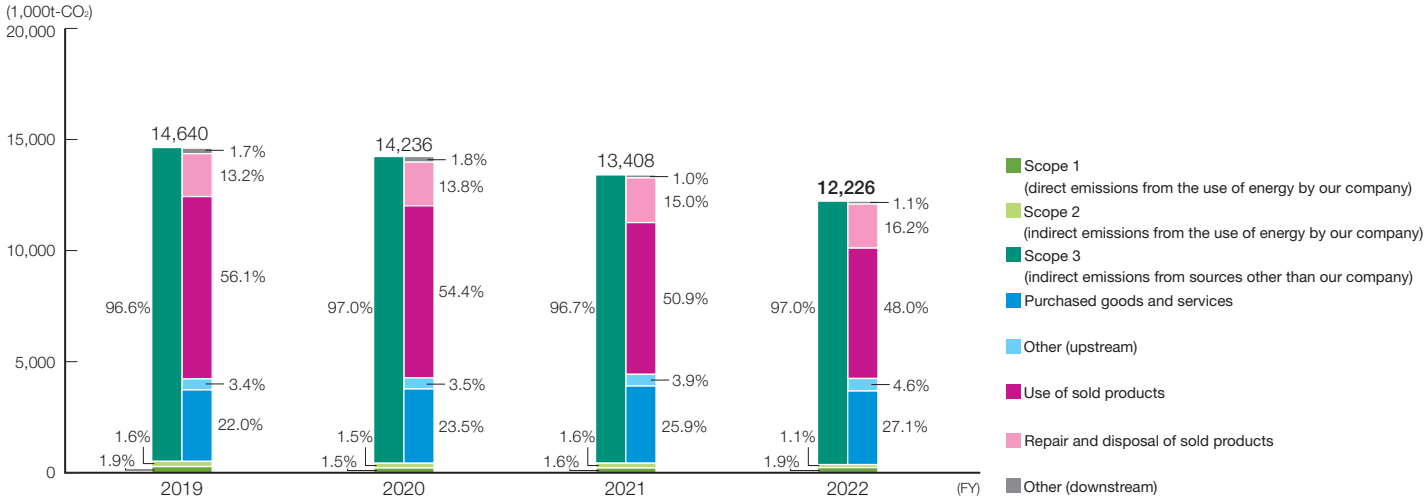
Number of solutions contracts to help principal suppliers to reduce GHG emissions

◇ Management indicators

Cumulative number of contracts (FY2022–FY2026)

Environmental Data | Mitigating and adapting to climate change

Reducing GHG emissions in the value chain Scope 1, 2 & 3 GHG emissions



Unit: 1,000 t-CO₂

Category				FY2019	FY2020	FY2021	FY2022	Percentage of total
Scope 1				274	216	221	**238**	**1.9%**
Scope 2				230	207	218	**131**	**1.1%**
Scope 3				14,136	12,696	12,969	**11,858**	**97.0%**
	Upstream	1	Purchased goods and services	3,227	3,347	3,479	✓ **3,312**	**27.1%**
		2	Capital goods	287	286	301	**368**	**3.0%**
		3	Fuel- and energy-related activities (not included in scope 1 or scope 2)	41	41	43	**41**	**0.3%**
		4	Upstream transportation and distribution	31	31	34	**33**	**0.3%**
		5	Waste generated in operations	130	130	130	**101**	**0.8%**
		6	Business travel	4	4	5	**11**	**0.09%**
		7	Employee commuting	9	9	8	**13**	**0.11%**
		8	Upstream leased assets	0.3	0.3	0.3	**0.3**	**0.003%**
	Downstream	9	Downstream transportation and distribution	—	—	—	—	—
		10	Processing of sold products	—	—	—	—	—
		11	Use of sold products	8,213	7,747	6,830	✓ **5,872**	**48.0%**
		12	End-of-life treatment of sold products	1,939	1,963	2,006	**1,976**	**16.2%**
		13	Downstream leased assets	255	255	133	**131**	**1.07%**
		14	Franchises	—	—	—	—	—
		15	Investments	—	—	—	—	—
Total				14,640	14,236	13,408	**12,226**	**100.0%**

* Since FY2022, the Scope 2 calculation method has been revised to a market-based method. (See p. 148)
* The figures for Scope 3 emissions in FY2021 have been revised due to a minor review of the scope and method of aggregation (Categories 1, 11, and 12).

Environmental Data | Mitigating and adapting to climate change

Calculation method and scope of coverage of environmental data

■ Reducing GHG emissions in the value chain

◇ Overview

As for Scope 1 and Scope 2, refer to pages 150 and 151. Scope 3 is calculated based on the calculation standard shown on the right. Primary data based on actual results of subject companies is used for activity volume, and highly reliable secondary data is used for GHG emissions per activity volume*. The secondary data is the latest version available every year, and no retroactive revisions are made.

* Actual measurement data is used only for Category 13.

◇ Target businesses (Scope 3)

Construction and real estate businesses of the Company and its Group companies

◇ Calculation formula

GHG emissions (t-CO_2) = ∑ {(Amount of activity) × (CO_2 emissions per amount of activity)}

◇ Source (Secondary data used)

① Emission intensity database (ver. 3.3, Ministry of Economy, Trade and Industry, Ministry of the Environment) for calculation of greenhouse gas emissions of the organization throughout its supply chain

② LCI database IDEAv2 (for calculating greenhouse gas emissions in the supply chain) (Sustainable Management Promotion Organization (SuMPO))

③ The Comprehensive Assessment System for Built Environment Efficiency System (CASBEE) Single-family Houses (Newly Built) and Buildings (Newly Built), $LCCO_2$ Calculation Tool, 2021 edition (Japan Sustainable Building Consortium)

◇ Scope and calculation criteria

Category	Scope 3 target categories		Scope [Explanation of non-applicable categories (◆)]	Calculation criteria [Emissions = Activity × CO_2 emissions per activity (intensity)]	
				Activity	Intensity (source)
Upstream	1	Purchased goods and services	Extraction, manufacture, and transportation of materials required for the construction of detached houses, rental housing, condominiums, and non-residential buildings (inside Japan)	Area supplied by use and structure	Specific energy consumption per area by use and structure (Source ③)
	2	Capital goods	Collection, manufacture, and transportation of purchased or acquired capital goods	Capital investment	Intensity per amount of capital investment (Source ①)
	3	Fuel- and energy-related activities (not included in scope 1 or 2)	Collection, production, and transportation of purchased or acquired energy (those not included in scope 1 or 2)	Purchased energy consumption	Intensity per unit of energy used in collection, production, and transportation stages (Source ①, ②)
	4	Upstream transportation and distribution	Procurement and transfer of cargo owned by our company; transportation of waste responsible for emissions (domestic only)	Heat output of fuel related to shipper's transport	Intensity per unit of heat generated (according to Energy Efficiency Act)
	5	Waste generated in operations	Disposal and treatment of industrial waste generated at production sites and construction/demolition sites (domestic only)	Waste emissions per item	Intensity of the disposal/treatment stage by item (Source ①)
	6	Business travel	Employee travel & accommodations for business reasons (inside or outside Japan)	Business trip expenses by means of travel	Intensity per transportation expense by means of travel (Source ①)
	7	Employee commuting	Employee travel between home and work locations	Commuting expenses by means of travel	Intensity per transportation expense by means of travel (Source ①)
	8	Upstream leased assets	Operation of data center and document management warehouse on leased property	Occupation area (warehouse/ data center)	Intensity per area (Source ③)
Downstream	9	Downstream transportation and distribution	◆ Because there is no process of transportation/distribution of products (houses, buildings) sold, there is no CO_2 emission corresponding to this category.	Not applicable	Not applicable
	10	Processing of sold products	◆ Because there is no processing of products (houses and buildings) sold, no CO_2 emissions apply to this category.	Not applicable	Not applicable
	11	Use of sold products	Lifetime use of single-family houses, rental houses, condominiums, and non-residential buildings (inside Japan, Single-family houses/Rental housing/Sale of goods/Food stores/ Factories/Warehouses: 30 years, Other: 60 years) We include the use of products provided together with the lease. CO_2 emissions associated with repair and renovation are included in Category 12.	Design primary energy consumption × CO_2 emission factor for each energy type × useful life * Same as "GHG emissions derived from use of products" on p. 142	
	12	End-of-life treatment of sold products	Repair, renovation, demolition, disposal of single-family houses, rental houses, condominiums, and non-residential buildings in their service life (inside Japan)	Supply area by application	Intensity per area (Source ③)
	13	Downstream leased assets	Operation of rental buildings owned by our Company	Calculated from measured data of electricity and fuel consumption of subject properties	
	14	Franchises	◆ Since we operate no franchising system, no CO_2 emissions correspond to this category.	Not applicable	Not applicable
	15	Investments	◆ In terms of scope 1 and 2 emissions at the investment destination, as a result of estimates based on partial actual data, emissions total a maximum of 2% of total Scope 3 emissions. In light of the difficulty of collecting data, it is determined that the emissions are low enough to disregard.	Not applicable	Not applicable

Environmental Data | Harmony with the natural environment biodiversity Declaration

Biodiversity Declaration
(Adopted October 2010)

Philosophy of Biodiversity

As a global corporate citizen cognizant of the natural blessings granted by biodiversity while remaining committed to eco-friendly business operations, we shall contribute to the sustainable development of society in order to "Co-creating a Brighter Future" for humanity and the natural world.

Biodiversity Action Guidelines

1. **We shall promote business operations that enable people to live in harmony with nature.**
   Recognizing the importance of nature's blessings, we aim to ensure our business operations are in harmony with the air, water, earth, living creatures, and other aspects of nature's circulation functions.
2. **We shall introduce communities co-created by humanity and the natural world.**
   We shall recognize how biodiversity is affected by construction and shall strive to avoid and reduce any damage while proposing ecofriendly city planning.
3. **We shall use natural resources with care, mindful of any impact on the ecosystem.**
   To maintain high ethical standards, we shall collaborate with suppliers to ensure we utilize only sustainable resources and shall not merely comply with laws and regulations concerning biodiversity.
4. **We shall contribute to biodiversity through research and development.**
   We shall promote R&D related to biodiversity preservation from a global perspective and share the results with society.
5. **We shall maintain open communication and collaborate with our stakeholders.**
   We shall broaden the range of initiatives related to biodiversity preservation in terms of both our business operations and social contribution initiatives through communication and collaboration with local government, NGOs, and other stakeholders.

Supply Chain Sustainability Guidelines
(Revised April 1, 2023)

(1) Business Partner Code of Conduct

(2) Corporate Activity Guidelines

(3) Guidelines for Products

- Chemical Substance Management Guidelines [Basics]
- Biodiversity Guideline [Timber Procurement]
  - (1) Confirmation of legality
  - (2) Confirmation of sustainability
- Biodiversity Guideline [Development & Community Creation]

P061 Implementation of the Chemical Substance Management Guidelines

WEB ↗ Supply Chain Sustainability Guidelines

Biodiversity Guideline [Timber Procurement]

"To achieve zero deforestation, we procure timber, whose legality and sustainability are confirmed by us, or 100% recycled timber from suppliers that have a zero-deforestation policy and human rights and labor policies"

(1) Confirmation of legality	(a) Ensure the source of supply has been clearly identified (traceable to the logging site). (b) Confirm that the cutting rights have been secured. (c) Confirm compliance with forestry laws and other relevant rules.
(2) Confirmation of sustainability	(d) The logging method avoids large-scale logging of natural forests. (e) The logged timber is not an endangered species. (f) Endangered species and natural environment in the logging areas and surrounding areas have been considered for conservation. (g) The timber is not produced in a disputed region. (h) Working conditions are in compliance with the local government. (i) The forest reserves can be maintained (j) The timber is Japanese domestic timber.

Biodiversity Guideline [Development & Community Creation]

1. Ascertain the potential of the natural environment
We will identify the local characteristics related to the biological environment, including the site and its surroundings, and will adopt a policy concerning preservation and creation of the biological environment on which it is based.

2. Preserve and plant greenery
We will actively incorporate indigenous species and make efforts to ensure the quantity and quality of greenery, and we will propose the development of green spaces with consideration for the habitat of small wild animals and planting conditions.

3. Be careful to preserve a sufficient natural environment as a habitat for small animals
We will make efforts to consider preserving the habitat and natural environment by improving green spaces and water areas that promote the habitat behavior of small wild animals and other creatures.

4. Take care to create a connected network of habitable environments for the ecosystem
In emphasizing the interconnection of ecosystems, we strive to ensure the continuity of green space arrangements and land use by considering adopting indigenous species in the area and taking the scope of travel of living creatures into account.

5. Take steps to minimize the environmental impact of construction work
We will consider the plants and animals inhabiting the surroundings as we strive to reduce the impact of noise, vibration, exhaust, and other such factors.

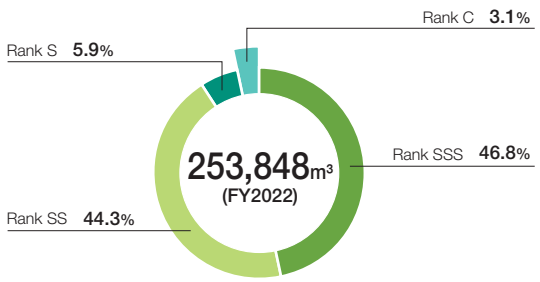
6. Pay adequate consideration to ecological maintenance and management
In order to maintain a good biological environment, we will plan and propose facilities and management policies necessary for maintaining and managing green spaces.

Environmental Data | Harmony with the natural environment

(4) Challenge ZERO Deforestation

Eco-friendly timber procurement

■ Ratio of C-ranked timber in procurement



■ Setting rate of zero deforestation policy

Unit: company

	2021	2022
Eligible primary suppliers	Sharing the zero-deforestation policy	**150**
Primary suppliers with policies in place		**9 (6.1%)**
Primary suppliers with policies in place for secondary suppliers and further		**0 (0%)**

■ Volume of timber procured

Unit: m³

	2019	2020	2021	2022
Single-family housing business	215,372	185,317	172,687	**159,734**
Rental housing business (medium-rise rental houses)	—	—	—	**13,893**
Condominium business	5,533	5,416	13,394	**4,263**
Commercial and office buildings business	27,260	52,629	52,440	**51,245**
Existing homes business	—	—	146	**266**
Other	39,485	39,097	31,148	**24,446**
Total	287,650	282,458	269,815	**253,848**

Calculation method and scope of coverage of environmental data

■ Ratio of C-ranked timber in procurement

◇ Overview

We have established the assessment criteria for legality and sustainability based on the Biodiversity Guideline [Timber Procurement]. Once a year, we conduct a fact-finding survey of delivered timber to our timber suppliers to confirm conformity to the assessment criteria, and rate the timber on four levels: SSS, SS, S, and C grades.

◇ Calculation formula

Composition of C-ranked timber (%) = amount of C-ranked timber procured (m³) ÷ Total amount of timber procured (m³)

Note: Statistics for SSS, SS, and S-ranked timber are also calculated in the same way.

◇ Scope of coverage

Segment	Target	Scope of coverage
Single-family housing business	Daiwa House Industry	Single-family houses constructed (steel frame/wooden construction)
Rental housing business	Daiwa House Industry	Industrialized rental housing constructed (steel frame), medium-rise rental housing (RC/steel frame)
Condominium business	Daiwa House Industry, Cosmos Initia	Condominiums sold
Commercial and office buildings business	Daiwa House Industry, Daiwa Lease, Fujita	Wooden buildings, medical/ nursing care & residential buildings constructed
Existing homes business	Daiwa House Reform	Flooring materials installed
Other	Royal Home Center	Timber products sold
	DesignArc	Wooden building materials manufactured

* Each departmentcovers only domestic operations

Note: Target materials are includes construction materials, framing/crosspieces, wood used below grade, plywood, and flooring.

■ Setting rate of zero deforestation policy

◇ Overview

The rate of zero deforestation policy is calculated for primary suppliers (timber suppliers, general contractors, and builders) with an annual timber procurement volume of 50 m³ or more, and their domestic secondary suppliers and further.

◇ Scope of coverage

Same as the scope of coverage for the ratio of C-ranked timber

◇ Calculation formula

Setting rate of zero deforestation policy (primary suppliers) (%)
= Number of primary suppliers that have established a zero-deforestation policy with minimum procurement of 50 m³/year ÷ Number of primary suppliers with minimum procurement of 50 m³/year

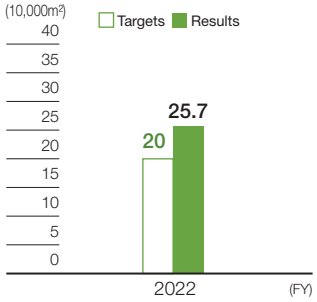
Setting rate of zero deforestation policy (secondary suppliers and further) (%)
= Number of primary suppliers that have completed the formulation of zero deforestation policy for their secondary suppliers and further ÷ Number of primary suppliers with minimum procurement of 50 m³/year

Environmental Data | Harmony with the natural environment

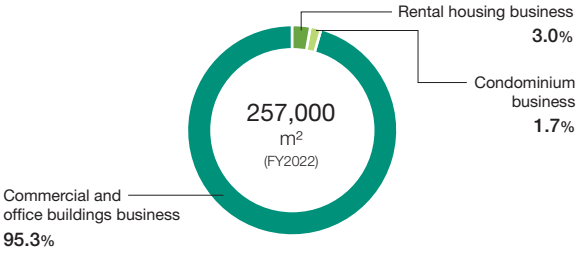
(5) Challenge ZERO Harm to Biodiversity

Preservation of biodiversity in development and community development

■ Eco-friendly surface area of green spaces (cumulative)



■ Breakdown of Eco-friendly surface area of green spaces



Calculation method and scope of coverage of environmental data

■ Eco-friendly surface area of green spaces (cumulative)

◇ Overview

Eco-friendly surface area refers to the total green spaces, where more than half of the new trees (tall trees and shrubs) are planted with indigenous species that match the nature of each region, or the horizontal crown projection area of indigenous tree species, in the greening of the outer structures that the Company Group conducts in conjunction with the sale of built-for sale houses and implementation of construction contracts.

◇ Calculation formula

Eco-friendly surface area of green spaces (m²)
= ∑ (Eco-friendly surface area of green spaces of target properties in each project (m²))

◇ Scope of coverage

Segment	Target	Scope of coverage*
Single-family housing business	Daiwa House Industry	All unit sales of built-for-sale houses
Rental housing business	Daiwa House Industry	[With greening regulations] All new buildings [Without greening regulations] Site area of at least 1,000 m²
Condominium business	Daiwa House Industry	All construction starts (excluding JV non-managed units)
	Cosmos Initia	All construction starts (excluding JV non-managed units)
Commercial and office buildings business	Daiwa House Industry	[With greening regulations] All construction starts [Without greening regulations] Site area of at least 3,000 m²
	Daiwa Lease	[With greening regulations] All construction starts
	Fujita	[With greening regulations] All construction starts
Urban development business	Daiwa House Industry	All construction starts

* Domestic properties only

Environmental Data | Harmony with the natural environment

(5) Challenge ZERO Harm to Biodiversity

■ Initiatives for significant sites at Company facilities

	Number of locations	Surface area (ha)
Business activity area	869	5,190
Biodiversity impact evaluation	88	4,321
Sites in close proximity to important biodiversity	17	641
Sites that have biodiversity management plans	2	149

Calculation method and scope of coverage of environmental data

■ Initiatives for significant sites at Company facilities

◇ Overview

We have conducted self-evaluations to determine the degree of impact on biodiversity in our business activity areas* and it's impacts.

* Business activity areas include the Company's offices, factories, research centers, and training centers, as well as all sites owned by the Company and forest housing under sale by the Company at the end of FY2021, and hotels, golf courses, and other business sites operated by the Group.

◇ Scope of coverage

Target	Scope of coverage*
Daiwa House Group	Segments/companies that own large-scale properties such as company-owned forests or factories (10,000 m² or more)

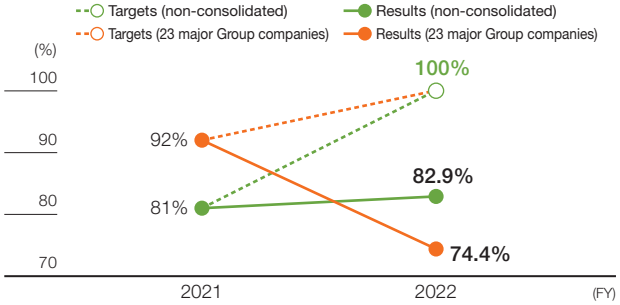
* Domestic business sites only

The following are subject to evaluation regardless of requirements

Target company	Application
Daiwa House Industry	Factories, forest housing, company-owned forests, solar power generation plants
Fujita	Technological Center
Daiwa Lease	Factories, commercial facilities, solar power generation plants
DesignArc	Factories
Daiwa Resort	Hotel sites
Daiwa Energy	Solar power generation plants
Daiwa Royal Golf	Golf courses
Daiwa Logistics	Logistics facilities

Promotion of the Daiwa Plastics Smart Project

■ Rate of replacement of plastic goods for distribution (offices, etc.)



■ Plastics Usage Guidelines

1	Daiwa House Group companies shall, in principle, not use disposable plastics for office supplies, sales promotion items, bags for catalogs, cutlery, toiletries, etc. Also, the currently used disposable plastics shall be promptly replaced or reduced, and this shall be completed by the end of FY2021.
2	In cases where it is difficult to replace disposable plastics due to functional restrictions, environmentally friendly materials such as biomass plastic, recycled plastic, and biodegradable plastic will be considered as much as possible.
3	As for office supplies used repeatedly in the company, environmentally friendly products such as green procurement will be adopted, and efforts will be made to use them carefully for a long period of time, and when disposing of them, they will be sorted and disposed of in a manner that ensures recycling.
4	The department that adopts or purchases such products shall take the lead in promoting the replacement or reduction of disposable plastics.

Supplementary information

○ Disposable plastics are those that are not designed for repeated use, or those that are discarded after one or a few uses, or those that the Company distributes only once, leaving the repeated use to the user, and have a high risk of being released at the distribution site.

○ If it is difficult to replace or reduce the use of environmentally friendly materials, efforts to reduce the use of such materials as much as possible are also acceptable.

○ Items that fall under the Containers and Packaging Recycling Law (plastic bags, lunch box containers, polyethylene terephthalate (PET) bottles, etc.) should be collected appropriately so that they are not released into the environment, and efforts should be made to recycle them according to the sorted collection system of each municipality. In addition, the company will encourage resource recycling and weight reduction efforts for containers and packaging, etc., in response to societal demands.

Calculation method and scope of coverage of environmental data

■ Rate of replacement of plastic goods for distribution (offices, etc.)

◇ Overview

We surveyed 15 single-use plastic products that are expected to be provided free of charge to customers at domestic sites in four sectors (offices, restaurants, stores, and hotels) to determine if they are replaced with plastic-free ones in accordance with the Plastics Usage Guidelines.

◇ Scope of coverage

Target	Scope of coverage
Daiwa House Industry and 23 major Group companies*.	15 single-use plastic products provided free of charge to customers. (1) Vinyl cases for company use (2) Paper bags for company use (3) Window envelopes (4) Vinyl envelopes for DM (5) Clear folders (6) Slide bar files for proposals (7) Transparent bags for flyers, etc. (8) Single-use ballpoint pens/pencils (9) Character balloons (10) Insert cups and holders (11) Plastic lids for hot beverages (12) Forks, spoons, and table knives (13) Plastic stirrers (14) Plastic straws (15) Laundry bags * Not applicable in the office and restaurant sectors

* Refer to p. 139 (Organizations reporting the number of those who acquired the Eco Test certification).

◇ Calculation formula

· Daiwa House Industry

Rate of replacement of plastic goods for distribution with plastic-free materials (%)
= Σ (number of items with completed replacement per site)
÷ Σ (number of target items per site)

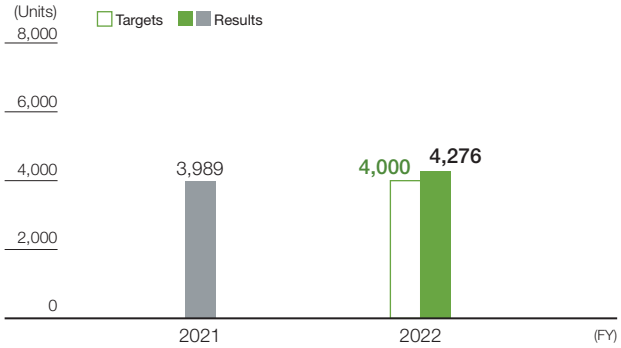
· 23 major Group companies

Rate of replacement of plastic goods for distribution with plastic-free materials (%)
= Σ (number of items with completed replacement per company)
÷ Σ (number of target items per company)
* Four sectors

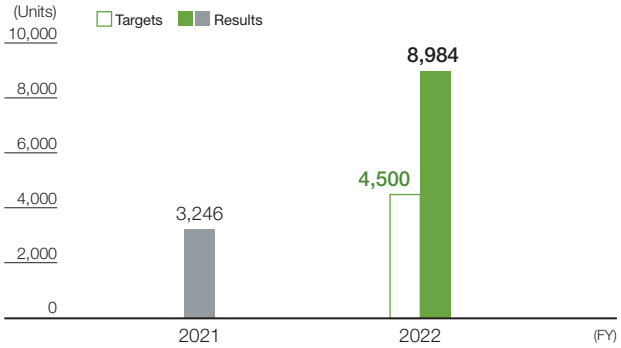
Environmental Data | Closed-loop resource sourcing and conservation of aquatic environments

(6) Challenge ZERO Waste and Reuse

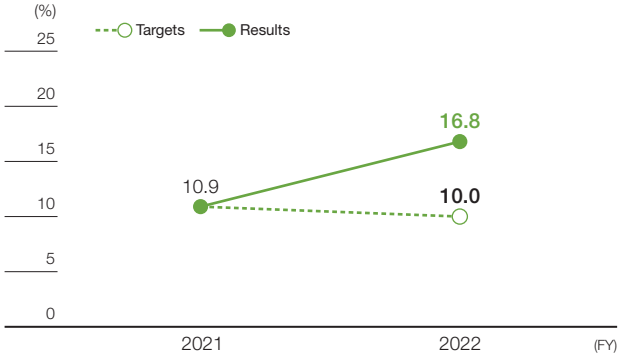
■ Number of assets subject to effective use



■ Number of buildings subject to durability extension



■ Recycling rate of waste plastics material (Manufacturing)



Calculation method and scope of coverage of environmental data

■ Number of assets subject to effective use

◇ Overview

The number of buying single-family houses and rental houses for resale and reselling them and mediating purchase and sales of them in Japan is calculated.

◇ Scope of coverage

Target	Scope of coverage
Daiwa House Industry	The number of buying single-family houses and rental houses for resale and reselling them and mediating purchase and sales of them in Japan
Daiwa House Real Estate	
Daiwa LifeNext	
Cosmos Initia	

◇ Calculation formula

Number of assets subject to effective use (No.)
= Purchase for resale and resale (No.) + Mediating purchases and sales (No.)

■ Number of buildings subject to durability extension

◇ Overview

We calculate the number of construction projects required to extend the warranty periods with respect to “structural strength,” “prevention of rainwater infiltration,” and “termite protection” for domestic single-family houses and rental housing constructed by the Company, as well as the number of other domestic seismic reinforcement and waterproofing projects.

◇ Scope of coverage

Target	Scope of coverage
Daiwa House Reform	Work to extend the warranty periods on existing single-family houses and rental housing constructed by the Company in Japan, and other work related to seismic reinforcement and waterproofing of existing single-family houses and rental housing in Japan
Daiwa House Chintai Reform	
Daiwa House Real Estate	
Daiwa LifeNext	

◇ Calculation formula

Number of buildings subject to durability extension (No.)
= Number of construction projects for warranty extension (No.)
+ Number of other construction projects than those for warranty extension related to seismic reinforcement and waterproofing (No.)

■ Recycling rate of waste plastics material (Manufacturing)

◇ Overview

The recycling rate of waste plastics material byproducts from the manufacturing sector is calculated on a weight basis. RPF (Refuse derived paper and plastics densified fuel) is not considered recycled waste plastics material.

◇ Scope of coverage

Target	Scope of coverage
Daiwa House Industry	Waste plastics discharged in the production process at domestic factories and waste plastics discharged at construction sites of new single-family houses and apartment complexes (collected by the Factory Depot system)
Daiwa Lease	Waste plastics discharged in the production process of domestic factories
DesignArc	Waste plastics discharged in the production process of domestic factories

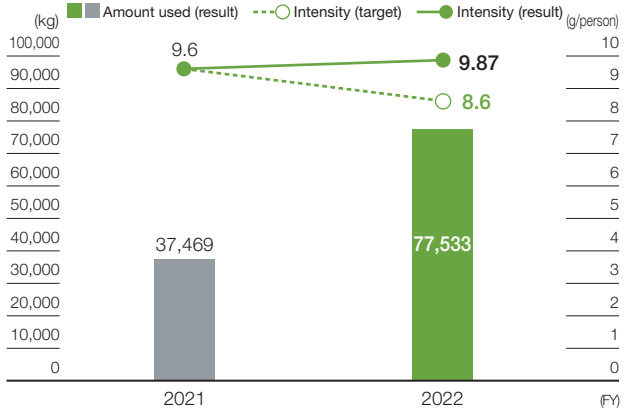
◇ Calculation formula

Recycling rate of waste plastics material (%)
= Amount of recycled plastic waste and valuable resources (kg)
÷ Total amount of discharged plastic waste and valuable resources (kg)

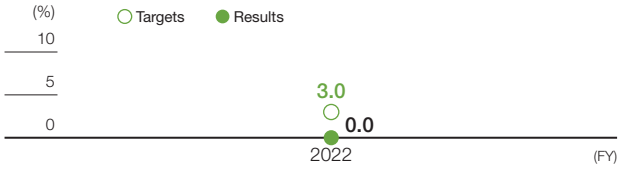
Environmental Data | Closed-loop resource sourcing and conservation of aquatic environments

(6) Challenge ZERO Waste and Reuse

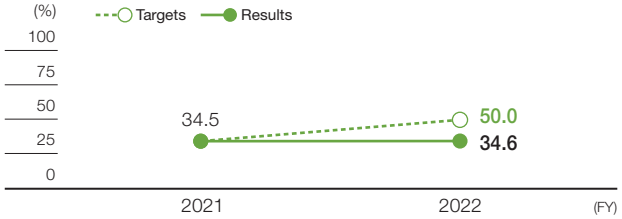
Purchase amount and intensity of amenities that are plastic-containing products specified in law



Recycling rate of amenities that are plastic-containing products specified in law (hotels)

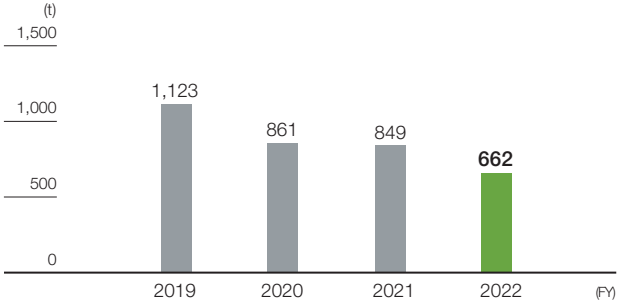


Setting rate of zero waste emissions targets by principal suppliers



Materials

Paper consumption



Steel consumption

Unit: t

	2019	2020	2021	2022
Daiwa House Industry	187,963	171,024	177,438	**179,566**

Calculation method and scope of coverage of environmental data

Reduction rate of amenities that are plastic-containing products specified in law (hotels)
Recycling rate of amenities that are plastic-containing products specified in law (hotels)

◇ Overview

Of the five single-use plastic amenity products that are designated as specified plastic products for the lodging industry under the Plastic Resource Circulation Act, we calculated the intensity reduction rate per guest (compared to FY2021) and the recycling rate for the products that are distributed free of charge at our domestic sites.

◇ Scope of coverage

Target	Scope of coverage
Nishiwaki Royal Hotel	Single-use products among the five products (hairbrushes, combs, razors, shower caps, and toothbrushes) designated as products using specified plastics, which will be distributed free of charge at domestic bases.
Daiwa House Realty Management	
Cosmos Initia	
Housing Complex Business Division (Daiwa Living)	

◇ Calculation formula

Annual usage intensity of amenities that are plastic-containing products specified in law (g/person)
= ∑ (annual purchases of amenities that are plastic-containing products specified in law) ÷ ∑ (annual number of overnight guests)

Recycling rate of amenities that are plastic-containing products specified in law (%)
= ∑ (weight of recycled waste plastic material) ÷ ∑ (weight of the 5 distributed items)

Setting rate of zero waste emissions targets by principal suppliers

◇ Overview

The zero waste emission target rates by principal suppliers are set based on data from the following principal suppliers: The Trillion Club, which supplies our materials, the Setsuwa Club, which supplies our facility equipment, and the Gosen Club, the supply chain organization for Daiwa Lease Co., Ltd., a Group company, as well as Fujita Corporation's sources of procurement.

◇ Scope of coverage

Target	Scope of coverage
Daiwa House Industry (The Trillion Club)	Among sources of centralized purchasing, approx. 90% of companies with the top transaction amounts (78 companies)
Daiwa House Industry (The Setsuwa Club)	Companies with membership in the Setsuwa Club, excluding sales companies and those with less than 100 employees (91 companies)
Daiwa Lease (Gosen Club)	Among companies that are members in the Gosen Club, companies that account for approx. 90% of purchasing amount (20 companies)
Fujita	Companies that account for 2/3 of materials purchases of major construction types (25 companies)

◇ Calculation formula

Zero waste emissions target setting rate (%)
= Number of principal suppliers that have set zero emission targets*
÷ Number of principal suppliers

* Target of zero emissions or recycling rate of 99% or higher

Paper consumption

◇ Overview

Regarding our paper consumption, we calculate the actual value of the paper purchased (m^2) using the weight conversion method.

◇ Calculation formula

Paper consumption (t)
= ∑ (Purchased paper per type (m^2) × weight per unit area (t/m^2))

◇ Scope of coverage

Segment	Target	Scope of coverage (Number of locations as of end- March, 2022)	
Office work	Daiwa House Industry	All offices (Head Office, branches, offices, sales offices) and research centers in Japan	159 locations in total

Steel consumption

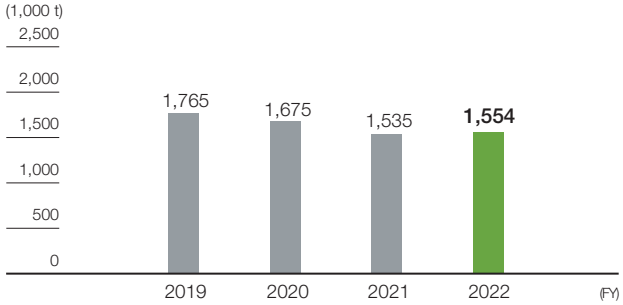
◇ Scope of coverage

Segment	Target	Scope of coverage
Manufacturing	Daiwa House Industry	All production sites in Japan

Environmental Data | Closed-loop resource sourcing and conservation of aquatic environments

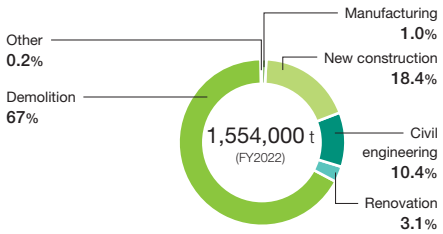
Waste emissions / Recycling rates of waste

Overall Construction/demolition waste emissions

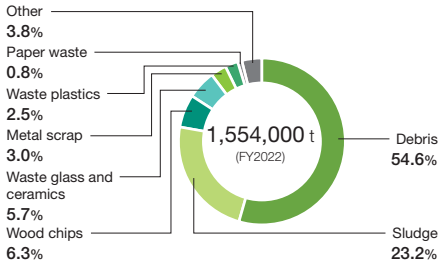


Overall Breakdown of construction/demolition waste emissions

(by process)



(by item)



Overall Construction/demolition waste emissions (by process)

Unit: t

	2019	2020	2021	2022
Manufacturing	11,793	10,094	10,339	**14,931**
New construction	129,386	126,601	112,770	**286,103**
Civil engineering	214,366	243,384	208,700	**160,886**
Renovation	51,014	52,009	46,393	**48,591**
Demolition	1,103,062	883,764	995,697	**1,040,338**
Other	255,568	359,515	161,155	**2,762**

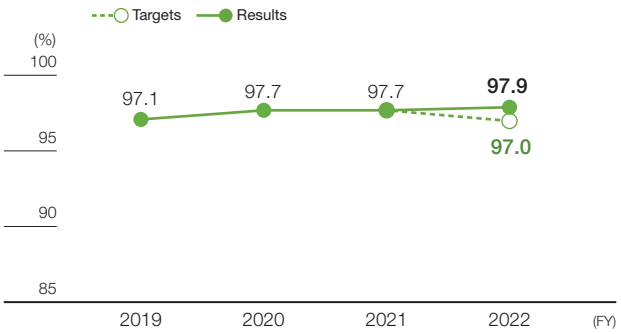
* The classification method per stage was partly changed in FY2022.

Overall Construction/demolition waste emissions (by item)

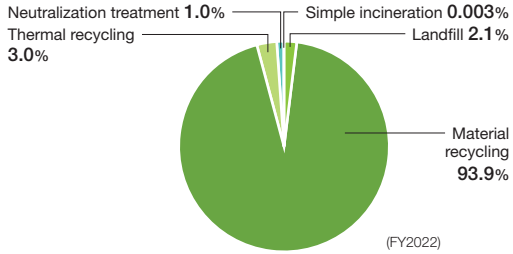
Unit: t

	2019	2020	2021	2022
Debris	984,097	848,000	878,828	**848,063**
Sludge	422,100	513,241	328,146	**360,323**
Wood chips	94,522	86,008	88,090	**98,440**
Waste glass and ceramics	96,191	92,473	89,304	**88,217**
Metal scrap	57,214	53,631	46,658	**47,280**
Waste plastics	37,263	35,166	35,527	**39,248**
Paper waste	11,482	12,657	12,417	**13,014**
Other	62,322	34,179	56,084	**59,025**

Overall Recycling rate of construction waste



Overall Breakdown of construction waste (by treatment)



Overall Recycling rate of construction waste (by treatment)

Unit: %

		2019	2020	2021	2022
Recycling	Material recycling	95.2	95.9	95.2	**93.9**
	Thermal recycling	1.8	1.6	2.1	**3.0**
	Neutralization treatment	0.2	0.1	0.4	**1.0**
Final disposal	Simple incineration	0.016	0.004	0.003	**0.003**
	Landfill	2.9	2.3	2.3	**2.1**

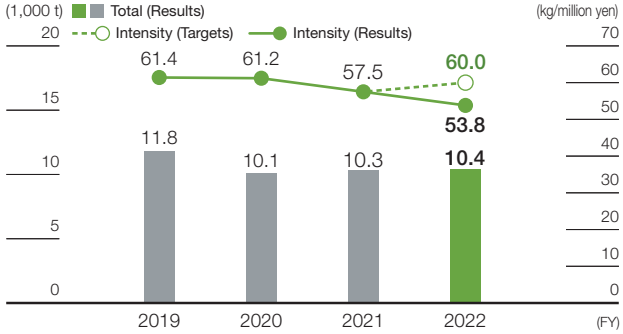
Overall Specially controlled industrial waste emissions (Daiwa House Industry)

Unit: t

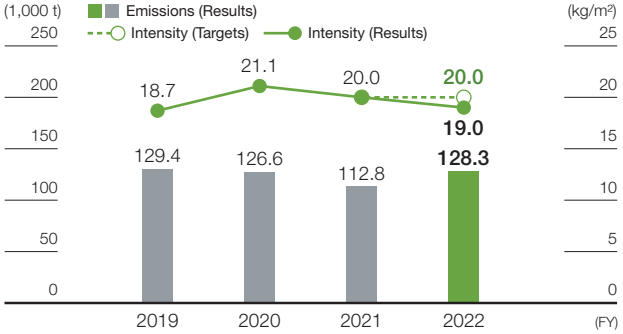
	2019	2020	2021	2022
Combustible waste oil	158.6	128.0	110.6	**118.67**
Corrosive waste acid, waste alkali	76.4	26.7	23.9	**32.84**
Specified hazardous industrial waste (e.g. waste asbestos, waste PCB, waste mercury)	96.0	252.9	197.9	**95.38**

Environmental Data | Closed-loop resource sourcing and conservation of aquatic environments

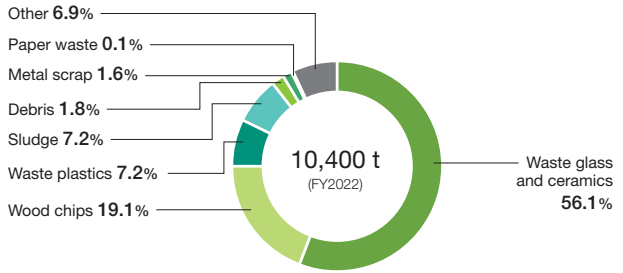
Manufacturing Waste emissions and intensity



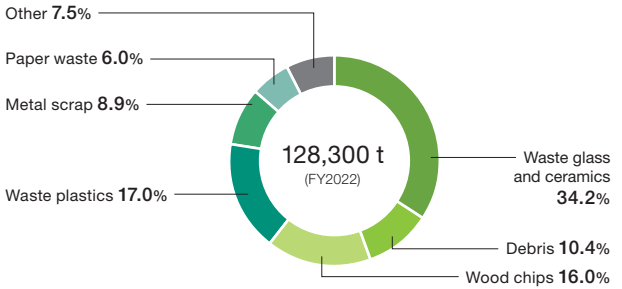
New construction Waste emissions and intensity



Manufacturing Breakdown of waste emissions (by item)



New construction Breakdown of waste emissions (by item)



Calculation method and scope of coverage of environmental data

Waste generation & recycling rate related to construction

◇ Overview

Construction byproducts generated in factories and at construction sites, excluding those that have been sold as valuable resources, are defined as "construction waste." Construction waste is defined as waste generated from the start of construction to the completion of the projects that were completed during the fiscal year. Moreover, even at the same construction site, waste associated with demolition is distinguished as "demolition waste." Furthermore, "construction-generated soil" and "construction sludge" accompanying ground preparation are excluded from calculations of "construction waste."
In addition, the total "sales" of each factory are used as the intensity denominator of the production division of the manufacturing segment, and the total "sales area" of each site is used as the basic denominator of the construction segment.

◇ Calculation formula (Emissions)

Manufacturing Construction waste emissions (t)
= (Construction byproducts generated (t)
– Sales of valuable resources (t)
New construction Construction waste emissions (t)
= Construction byproducts generated (t)
– Sales of valuable resources (t)
– Construction sludge generated (t)

◇ Calculation formula (Intensity)

Manufacturing Intensity (kg/million yen)
= Construction waste emissions (kg) ÷ Factory sales (million yen)
New construction Intensity (kg/million yen)
= Construction waste emissions (kg) ÷ Floor area (m²)

◇ Calculation formula (Recycling rate)

Recycling rate of construction waste (%)
= {Amount of material recycled (t) + Amount thermally recycled (t)
+ Neutralization treatment amount (t)} ÷ Construction waste emissions (t)
Note: Construction sludge is included in the calculation of the recycling rate.

◇ Scope of coverage

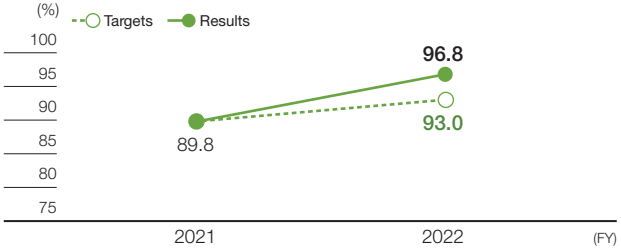
Segment	Target	Scope of coverage
Manufacturing	Daiwa House Group	All production sites in Japan
New construction	Daiwa House Group	All new construction sites in Japan
Civil engineering	Fujita	All civil engineering sites in Japan
Renovation	Daiwa House Group	All renovation sites in Japan (except for some small-scale sites)
Demolition	Daiwa House Group	All demolition sites in Japan

Environmental Data | Closed-loop resource sourcing and conservation of aquatic environments

(7) Challenge ZERO Water-Associated Risks

Water-saving device adoption rate

■ Water-saving device adoption rate



■ Adoption rate by department (FY2022)

Department	Adoption rate
Single-family housing business	100.0%
Rental housing business	98.4%
Existing homes business	99.7%
Condominium business	99.1%
Commercial and office buildings business	75.5%

* Only the hotel business and residential care facilities

Calculation method and scope of coverage of environmental data

■ Water-saving device adoption rate

◇ Overview

We consider the adoption rate to be the rate of water-saving devices installed in the bathroom showers, kitchens and toilets of the single-family housing, rental housing, condominiums, hotels, residential care facilities, and existing homes business we have provided to customers.

◇ Calculation formula

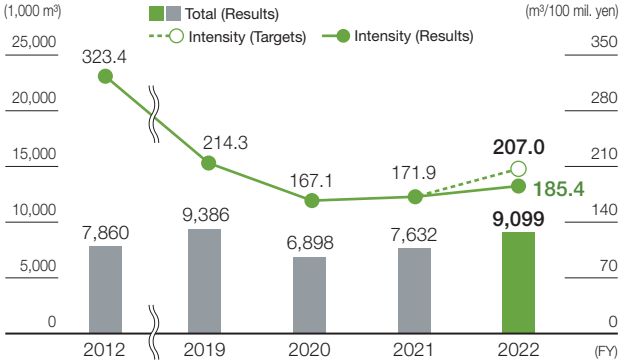
Water-saving equipment adoption rate (%)
= ∑ {No. of installed water-saving equipment (showers + kitchen faucets + toilets)}
÷ ∑ {No. of relevant facilities installed (showers + kitchen faucets + toilets)}

Water-saving equipment: Building energy consumption performance standards: Hot water-saving A1, Hot water-saving B1
The Japan Valve Manufacturers' Association's voluntary standards: Hot water-saving A, Hot water-saving B
Water-saving faucets in the low-carbon building certification standards

Segment	Target	Scope of coverage
Single-family housing business	Daiwa House Industry	All properties in Japan
Rental housing business	Daiwa House Industry	All properties in Japan
Condominium business	Daiwa House Industry, Cosmos Initia	All properties in Japan
Commercial and office buildings business	Daiwa House Industry, Fujita	Only for hotels and residential care facilities in Japan
Existing homes business	Daiwa House Reform	All properties in Japan

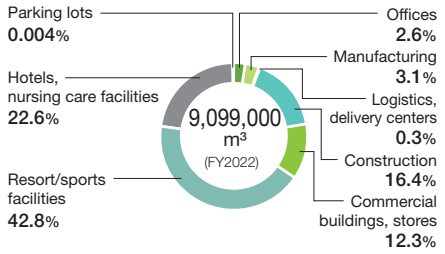
Water consumption

■ Trend in water consumption (water intake) and intensity

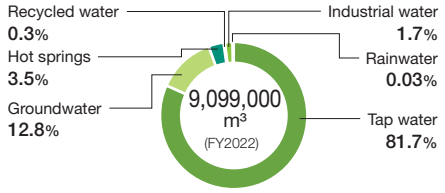


■ Breakdown of water consumption (water intake)

(by segment)



(by type)



■ Water consumption (water intake) (by segment)

Unit: 1,000 m³

	2019	2020	2021	2022
Offices	292	276	284	**266**
Manufacturing	283	273	288	**292**
Logistics, delivery centers	46	46	38	**31**
Construction	1,573	1,706	1,376	**1,587**
Commercial buildings, stores	1,132	858	1,029	**1,090**
Resort/sports facilities	4,458	2,886	3,354	**3,826**
Hotels, nursing care facilities	1,603	853	1,264	**2,007**
Parking lots	0.3	0.3	0.3	**0.4**

■ Water consumption (water intake) (by type)

Unit: 1,000 m³

	2019	2020	2021	2022
Tap water	7,593	5,607	6,092	**7,458**
Groundwater	1,230	809	994	**1,138**
Hot springs	359	291	324	**309**
Recycled water	33	26	55	**31**
Industrial water	168	161	164	**161**
Rainwater	3	3	3	**3**

■ Water consumption (water intake) (Japan, outside Japan)

Unit: 1,000 m³

	2019	2020	2021	2022
Japan	9,143	6,678	7,416	**8,900**
Outside Japan	243	220	217	**199**

Calculation method and scope of coverage of environmental data

■ Water consumption

◇ Overview

This represents the total annual water consumption from the water supply, groundwater, hot springs, industrial-use water, recycled water and rainwater, and is calculated based on purchasing data at each location (from measurements when purchasing data is unavailable). For the construction segment, we estimate the total consumption by multiplying the water usage for the sales floor area as determined by a sample survey of the sales floor area during the counting period.

◇ Scope of coverage

Same as the scope of coverage of "GHG Emissions, Energy Use, and Electricity Consumption" on p. 151.

Environmental Data | Closed-loop resource sourcing and conservation of aquatic environments

Water conservation measures at each facility (FY2022)

Segment	Company name	Scale	Water conservation
Resort facilities	Nishiwaki Royal Hotel	6 rooms	Replaced bathroom faucet with single lever
Sports facilities	Sports Club NAS	2 stores	Installed water-saving devices for showers
	Sports Club NAS	7 stores	Installed water-saving devices in toilets
	Sports Club NAS	1 store	Installed waterless toilets
	Daiwa Royal Golf	2 Golf courses	Newly installed water-saving toilets and updated existing toilets to water-saving ones
	Daiwa Royal Golf	1 Golf course	Replaced with water-saving dishwashers
	Daiwa Royal Golf	1 Golf course	Installed ball washers
	Daiwa Royal Golf	7 Golf courses	Installed water-saving showerheads and water-saving equipment in bathrooms and water-saving equipment in kitchens
Nursing care facilities	Daiwa House Life Support	6 facilities	Installed water-saving device in bathroom shower
Manufacturing	Daiwa Lease	1 factory	Replaced with dry paint booths
	Daiwa Lease	2 factories	Installed rainwater tanks
Commercial buildings, stores	Royal Home Center	19 stores	Changed the faucet in the bathroom to an automatic faucet
Offices	Daiwa House Industry	1 office	Changed the faucet in the bathroom to an automatic faucet

Drainage discharge

Drainage discharge (by point of discharge) (Japan)

Unit: 1,000 m³

	2019	2020	2021	2022
Rivers and lakes	972	701	762	**900**
Brackish water intake source/sea	398	205	253	**360**
Sewer system	5,875	3,861	4,566	**5,603**
Discharge to other areas	0	0	0	**0**

Drainage discharge (by point of discharge) (Outside Japan)

Unit: 1,000 m³

	2019	2020	2021	2022
Rivers and lakes	0	0	0	**0**
Brackish water intake source/sea	0	0	0	**0**
Sewer system	15	33	40	**40**
Discharge to other areas	0	0	0	**0**

Water data for key sites located in water risk areas (FY2022)

		Unit	Daiwa House Industry		
			Tochigi Ninomiya Factory	Nara Factory	Osaka Head Office
Water intake	Total amount	m³	74,131	25,536	27,224
Drainage discharge	Total amount	m³	25,016	24,806	19,744
Wastewater concentration (maximum value for the current FY)	pH		7.2	7.6	—
	BOD	mg/L	2.5	26	—
	COD	mg/L	7.2	12	—
	Suspended solids	mg/L	5.6	18	—
	Normal hexane extracted substance content [mineral Oil]	mg/L	ND	ND	—
	Normal hexane extracted substance content [animal and vegetable oils]	mg/L	ND	0.8	—
	Phenols content	mg/L	ND	—	—
	Copper content	mg/L	ND	—	—
	Zinc content	mg/L	0.11	0.13	—
	Soluble iron content	mg/L	0.03	0.03	—
	Soluble manganese content	mg/L	ND	0.03	—
	Chromium content	mg/L	ND	—	—
	Coliform group count	pcs/cm³	120	—	—
	Nitrogen content	mg/L	15.7	28	—
	Phosphorus content	mg/L	1.1	0.86	—
	Boron and its compounds	mg/L	—	ND	—
	Fluorine and its compounds	mg/L	ND	0.09	—
	Ammonia, ammonium compounds, nitrite compounds, nitrate compounds	mg/L	13.6	15	—
	Lead	mg/L	ND	—	—
	Arsenic	mg/L	ND	—	—
	Hexavalent chromium	mg/L	ND	—	—

—: No measurement is required.
ND: Below the lower limit of determination

Calculation method and scope of coverage of environmental data

Drainage discharge

◇ Overview

The total annual wastewater discharged to rivers and lakes, blackish water intake sources/seas, sewers, and other organizations. The amount is calculated based on measured data at each site, purchasing data, and, in the absence of data, estimates based on water intake. For the construction segment, all water used is assumed to evaporate or percolate into the ground, and the amount of wastewater discharged is assumed to be zero.

◇ Scope of coverage

Same as the scope of coverage of "GHG Emissions, Energy Use, and Electricity Consumption" on p. 151.

Water data for key sites located in water risk areas

◇ Overview

We measure water intake, wastewater discharge, and wastewater concentration at each site (the maximum value for the current FY) at our factories and the Osaka Head Office building located in water risk areas.

◇ Scope of coverage

Daiwa House Industry (Tochigi Ninomiya Factory, Nara Factory, Osaka Head Office)

Environmental Data | Closed-loop resource sourcing and conservation of aquatic environments

Water recycling

Water recycling in each facility (FY2022)

Facility name	Recycling method	Recycled water volume (Recycling rate)
Daiwa House Industry Osaka Head Office	Reusing wastewater from air conditioners, etc. and rainwater for washing toilets after treating them for recycling.	3,573m³ (13.1%)

Number of regulatory violations concerning water

Number of regulatory violations concerning water

	2019	2020	2021	2022
Number of violations	0	0	0	**0**

Calculation method and scope of coverage of environmental data

Number of regulatory violations concerning water

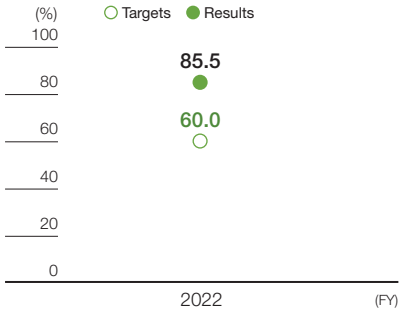
◇ Overview

Wastewater is regularly measured for its quality at Daiwa House Industry factories.
The results state the number of cases that exceeded the control values for laws and bylaws.

◇ Scope of coverage

Segment	Target	Scope of coverage
Manufacturing	Daiwa House Industry	Total of 9 production sites in Japan

Implementation rate of water risk surveys by principal suppliers



Calculation method and scope of coverage of environmental data

Implementation rate of water risk surveys by principal suppliers

◇ Overview

In order to identify water risks (water depletion, water pollution, water damage, etc.) in the supply chain and implement countermeasures, the following are surveyed
[Survey targets]
Water intake, wastewater discharge, water-related issues, legal compliance status, water targets, results of hazard map checks at suppliers' domestic plants and status of water damage and countermeasures, results of assessment by the assessment tool Water Risk Filter for overseas plants, water-related issues, and improvement plans

◇ Scope of coverage

Target	Scope of coverage
Daiwa House Industry (The Trillion Club)	Among sources of centralized purchasing, approx. 90% of companies with the top transaction amounts (78 companies)
Daiwa House Industry (The Setsuwa Club)	Companies with membership in the Setsuwa Club, excluding sales companies and those with less than 100 employees (91 companies)
Daiwa Lease (Gosen Club)	Among companies that are members in the Gosen Club, companies that account for approx. 90% of purchasing amount (20 companies)
Fujita	Companies that account for 2/3 of materials purchases of major construction types (25 companies*) * Surveyed are 15 companies because 10 companies are overlapping within the Group.

◇ Calculation formula

Percentage of principal suppliers subject to water risk survey (%)
= Number of suppliers that responded to the water risk survey
÷ Number of principal suppliers.

Results of Water Risk Assessment at Group Facilities

Unit: locations

Segment	Country	(Low) Risk*1 (High) 1	2	3	4	5
Factories	Japan	4	21	—	—	—
Golf courses	Japan	—	10	—	—	—
Resort facilities	Japan	—	23	1	—	—
Total water consumption for each risk level		5,000 m³	1,259,000 m³ *2	50,000 m³	—	—

*1 Risk levels. 1: Very low risk, 2: Low risk, 3: Moderate risk, 4: High risk, 5: Very high risk
*2 As of end- March, 2022

Water risk assessment results in timber-producing countries

		Japan	China	U.S.A.	Finland	Indonesia	Sweden	Other 17 countries	Other 4 countries	Unknown (recycled materials, etc.)
Ratio of procured timber		24.9%	14.7%	14.2%	9.8%	6.2%	4.4%	11.1%	0.3%	14.4%
Risk level	2020	1.66	2.40	3.17	0.54	2.07	1.60	—	—	—
	2030	2.31	3.29	3.24	1.72	2.96	1.62	Less than 3	3 or more	—
	2040	2.24	3.30	3.32	1.86	3.26	1.63			—

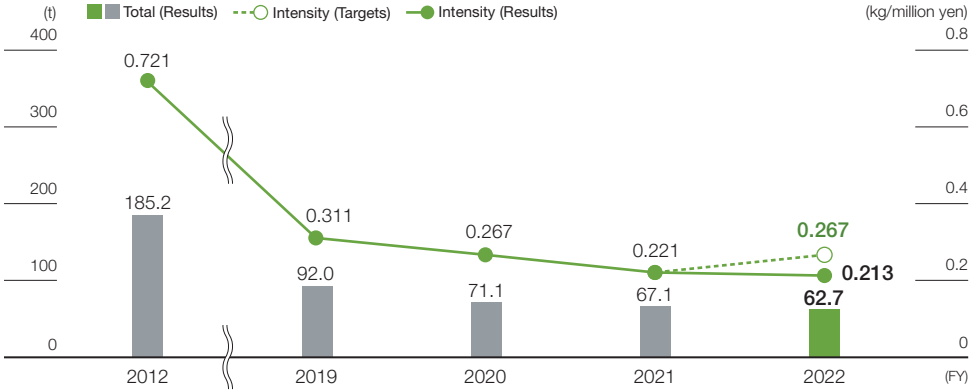
Risk levels 0 –1: low, 1–2: low to medium, 2–3: medium to high, 3–4: high, 4–5: very high
Source: Aqueduct Projected Water Stress Country Rankings

Environmental Data | Prevention of chemical pollution

Business operations

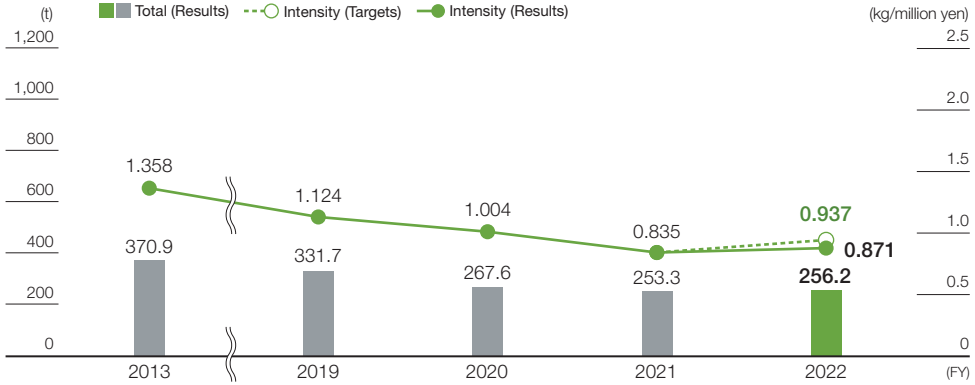
Release and transfer of PRTR-listed substances

■ Release and transfer of PRTR-listed substances and intensity



VOC emissions

■ VOC emissions and intensity



* Past results figures have been revised to reflect changes in the scope of VOC emissions.

■ Change in release of PRTR-listed substances (by company/segment)

Unit: t

Breakdown by segment	2019	2020	2021	2022
Daiwa House Industry (housing)	23.3	17.0	16.9	**17.6**
Daiwa House Industry (construction)	15.5	11.1	11.0	**8.7**
Daiwa Lease	33.9	24.7	17.8	**16.6**
DesignArc	4.7	4.0	4.7	**5.6**

■ Change in transfer of PRTR-listed substances (by company/segment)

Unit: t

Breakdown by segment	2019	2020	2021	2022
Daiwa House Industry (housing)	9.0	7.9	11.3	**9.1**
Daiwa House Industry (construction)	4.8	5.8	4.9	**4.7**
Daiwa Lease	0.8	0.7	0.5	**0.4**
DesignArc	0.01	0.002	0.004	**0.002**

■ Change in release of VOC emissions (by company/ segment)

Unit: t

Breakdown by segment	2019	2020	2021	2022
Daiwa House Industry (housing)	155.2	128.3	130.7	**118.4**
Daiwa House Industry (construction)	30.5	20.6	26.6	**32.0**
Daiwa Lease	138.7	112.5	88.4	**96.7**
DesignArc	7.4	6.2	7.6	**9.1**

■ NOx and SOx emissions in the manufacturing phase

Unit: t

	2019	2020	2021	2022
NOx emissions	0.15	0.20	0.15	**0.14**
SOx emissions	0.01	0.02	0.02	**0**

Environmental Data | Prevention of chemical pollution

Material balance of chemical substances subject to PRTR

■ Release and transfer of PRTR-listed substances (by type)

Unit: kg

Target chemical substance	Amount handled	Amount consumed	Amount transferred			Emissions			Amount subjected to chemical removal processes
			Total transferred to sewer	Amount of (waste) transferred out of our worksites	Total amount transferred	Emissions into the atmosphere	Discharged to public water bodies	Total emissions	
Manganese and its compounds	39,015	27,518	0	10,158	10,158	1,339	0	1,339	0
Xylene	17,263	0	0	225	225	16,951	0	16,951	87
Ferric chloride	17,006	0	0	0	0	0	0	0	17,006
Methylenebis (4,1-phenylene) = diisocyanate	15,342	15,251	0	91	91	0	0	0	0
Ethylbenzene	11,407	0	0	153	153	11,247	0	11,247	7
Toluene	9,118	0	0	109	109	8,918	0	8,918	91
Water-soluble zinc compounds	6,813	5,339	21	1,313	1,333	0	141	141	0
1,2,4-trimethylbenzene	6,702	0	0	96	96	6,532	0	6,532	74
Molybdenum and its compounds	3,158	1,866	0	1,293	1,293	0	0	0	0
1,3,5-trimethylbenzene	2,083	0	0	30	30	2,053	0	2,053	0
39 other substances	3,827	1,411	0	740	740	1,270	0	1,270	406
Grand total	131,734	51,386	21	14,207	14,228	48,310	141	48,451	17,670

WEB ↗ Supply Chain Sustainability Guidelines

Calculation method and scope of coverage of environmental data

■ Release and transfer of PRTR-listed substances and intensity

◇ Overview

Purchasing data at each site is used to calculate the amount released/transferred of 462 Class-I Designated Chemical Substances prescribed by the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (PRTR Law).

◇ Scope of coverage

Segment	Target	Scope of coverage
Manufacturing	Daiwa House Group	All production sites in Japan (Total 29 locations*)

* Factories that are required to make release and transfer registration according to the PRTR law

■ VOC emissions and intensity

◇ Overview

Emissions of 100 volatile organic compounds selected by the Ministry of the Environment and calculated based on purchasing data at each site.

◇ Scope of coverage

Segment	Target	Scope of coverage
Manufacturing	Daiwa House Group	All production sites in Japan (Total 29 locations*)

* Factories that are required to make release and transfer registration according to the PRTR law

■ NOx emissions/ SOx emissions

◇ Overview

Calculated based on “Environmental Report Guidelines (2018 edition)” by the Ministry of the Environment.

◇ Scope of coverage

Segment	Target	Scope of coverage
Manufacturing	Daiwa House Industry	All production sites in Japan (Total 4 locations*)

* Factories that are included in soot generation facilities specified in the Air Pollution Control Act

Environmental Data | Flow of materials imparting environmental load

INPUT

❶ Research and development ❷ Sales and design

Energy consumption ··· 699,681 GJ

Breakdown

Gasoline	320,691
Electricity	273,441
City gas	66,531
Renewable energy (consumed in-house)	5,608
Other	33,410

Water consumption ···· 166,800 m³

Breakdown

Tap water	148,400
Groundwater	10,700
Industrial water	5,000
Rainwater	2,700

❹ Manufacturing

Energy consumption ···· 513,023 GJ

Breakdown

Electricity	393,639
LP gas	69,640
Kerosene	109
City gas	38,799
Light oil	8,957
Renewable energy (consumed in-house)	1,778
Other	101

Water consumption ···· 255,000 m³

Breakdown

Tap water	96,000
Groundwater	159,000

Amount of steel purchased ··· 180 t

Breakdown

Housing	116
Architecture	64

Amount of timber purchased ··· 75,340 m³

❻ Construction

Energy consumption ···· 807,444 GJ

Breakdown

Electricity	138,477
Light oil	655,448
Kerosene	11,665
No. 2 fuel oil	1,855

Water consumption ··· 822,700 m³ (Tap water)

❶ Research and development ▶ ❷ Sales and design ▶ ❸ Procurement ▶ ❹ Manufacturing ▶ ❺ Transport ▶ ❻ Construction ▶ ❼ Inhabitance

OUTPUT

❶ Research and development ❷ Sales and design

CO_2 emissions ····· 26,900 t-CO_2

❹ Manufacturing

CO_2 emissions ····· 6,700 t-CO_2
NOx emissions ····· 0.14 t
SOx emissions ····· 0.00 t
Valuable resources discharged ····· 11,000 t

Waste emissions ····· 12,300 t

Breakdown

Metal scrap	100
Waste glass and ceramics	6,200
Wood chips	3,200
Waste plastics	900
Sludge	800
Other	1,100

❻ Construction

CO_2 emissions ····· 45,900 t-CO_2
Valuable resources discharged ··· 1,900 t

Construction waste emissions (new construction) ····· 124,400 t

Breakdown

Metal scrap	9,200
Waste glass and ceramics	34,700
Wood chips	17,200
Waste plastics	17,800
Sludge	38,300
Paper waste	5,700
Other	1,500

Construction waste emissions (demolition) ····· 638,400 t

Breakdown

Metal scrap	22,500
Waste glass and ceramics	17,200
Wood chips	45,800
Waste plastics	5,800
Sludge	107,900
Debris	427,300
Paper waste	2,600
Other	9,300

Environmental Data | Environmental accounting

❶ Environmental preservation costs (Amount invested)

Unit: 1,000 yen

Item	Major content	FY2019	FY2020	FY2021	FY2022
		Amount invested			Amount invested
Cost within business area	Cost of measures to control pollution related to air, water, and noise	205,182	51,719	6,215	**12,244**
	Cost of prevention of global warming (energy efficiency)	60,366	163,427	154,457	**32,629**
	Cost of waste reduction measures	60	4	2,038	**2,237**
	Cost of reducing water consumption	5,553	1,885	1,175	**3,345**
Upstream/downstream costs	Green purchasing fees, cost of purchasing returnable boxes	3,467	4,230	115,923	**88,067**
Administrative costs	Environmental education costs, EMS maintenance expenses, etc.	108	376	11	**0**
Total		274,736	221,641	279,819	**138,522**

❷ Environmental preservation effect

Effect		Item	Unit	FY2019	FY2020	FY2021	FY2022
Business area	Effect on input resources	Energy consumption, calorie equivalent (production system)	GJ	516,665	480,196	506,958	**513,023**
		Energy consumption, calorie equivalent (distribution system)	GJ	570,623	453,484	501,727	**476,951**
	Effect on environmental load and waste	Waste generated	t	12,104	10,243	10,547	**12,260**
		CO_2 emissions (production system)	t-CO_2	26,559	23,964	24,572	**6,674**
		CO_2 emissions (distribution system)	t-CO_2	39,106	31,082	34,379	**32,665**
		Water resource consumption	m^3	252,235	246,981	253,559	**255,004**

❸ Economic effects of environmental preservation

Unit: 1,000 yen

Content		FY2019	FY2020	FY2021	FY2022
Revenue	Sales of valuable resources*	260	1,436	1	**5,764**
Cost savings	Cost savings from energy-efficiency efforts	29,713	58,858	54,825	**16,736**
	Cost savings from waste-reduction efforts	12,259	12,615	16,067	**13,858**
	Cost savings from water resource reduction efforts	9	3,382	69	**5,451**
Total		42,241	76,291	70,961	**41,809**

* Revenue obtained from effects of environmental conservation implemented during the fiscal year

Calculation method and scope of coverage of environmental data

■ Flow of materials imparting environmental load

◇ Report period
April 1, 2022 to March 31, 2023

◇ Reporting organizations
Daiwa House Industry Co., Ltd. (Non-consolidated): Inside Japan only

◇ Scope of coverage
① Research and development: All offices (Head Office, affiliates, branches and sales offices), research labs, training centers and housing exhibition
② Sales and design: All company vehicles and privately owned permitted vehicles
④ Manufacturing: All production sites
⑥ Construction (energy & water): Construction sites of housing/buildings (new construction)
Construction (construction waste): Construction sites of housing/buildings (new construction/demolition)

◇ Calculation criteria
In addition to "Calculation and Reporting of Environmental Data" on P134 and the calculation methods of environmental data in the previous sections, the criteria include values that are not subject to target management in the Endless Green Program 2026.

■ Environmental accounting

◇ Report period
April 1, 2022 to March 31, 2023

◇ Reporting organizations
Daiwa House Industry Co., Ltd. (Non-consolidated): Domestic only

◇ Scope of coverage
9 factories in total

◇ Referential guidelines
"Environmental Accounting Guidelines 2005 Edition" by the Ministry of the Environment