

■ Developing and providing high quality, safe, and secure products

Concept and Policy

The Group provides safe and secure products and services to realize healthy and comfortable lives for our customers and the users of our products and services.

From development to delivery, we pursue “being complete in small things” to ensure that we not only comply with laws and regulations but also carry out our work responsibly and connect it to the next stages in the process, based on our strong commitment to providing high quality, safe, and secure products.

Since collaboration with our business partners is essential to the provision of our products and services, we also demand high quality from our business partners and have established various support and systems that contribute to quality improvement. We will strive to enhance the trust and satisfaction of our stakeholders through the provision of high-quality products and services.

Management

Quality Assurance System

In our housing business, all related departments pursue quality improvement throughout the production process, from development to design and contract, production and construction, to after-sales service. In the production and construction processes, products must pass a quality inspection at each step before proceeding to the next process.

· Quality improvement activities

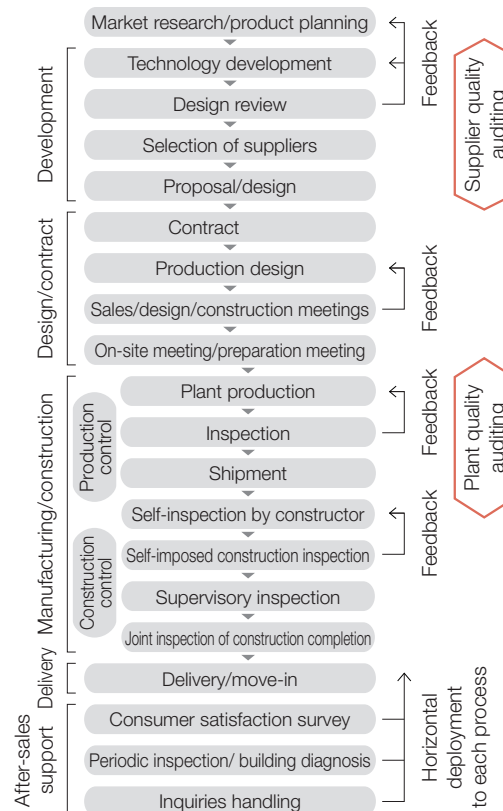
Once a month, we hold interdepartmental discussions on quality-related issues that have arisen, presenting case studies and failures from development through construction, as well as engaging in recurrence prevention activities.

· Quality assurance system in the construction business

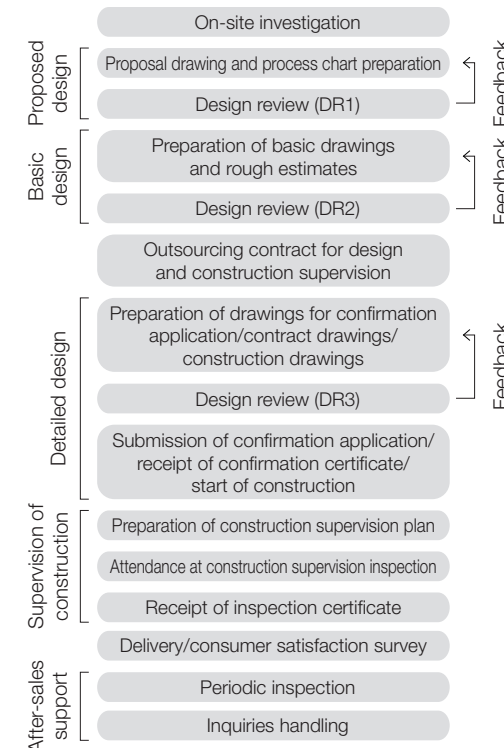
Design reviews (DR) are undertaken at each stage of design for all projects for our general construction and commercial construction businesses. Design reviews are multifaceted, with members with various perspectives, including persons responsible for design, the design support office, the production technology department, and the construction department, confirming laws, regulations, and specifications,

and providing advice on each phase of the project. After the start of construction, construction accuracy is confirmed through self-inspection by the contractor and confirmation by the construction manager. Construction supervisors perform close checks, make reports, and keep records regarding whether construction is in accordance with various drawings.

■ Quality assurance system flow (Housing)



■ Quality assurance system flow (Construction)



■ Developing and providing high quality, safe, and secure products

Ensuring compliance with laws and regulations in design documents

In order to supervise design specifications in our single-family housing business, we conduct design audits and confirm conformity with advancement guidelines to ensure design quality.

・ Design audits

Design auditors are appointed according to internal standards, such as holding architectural qualifications and having at least five years work experience. They examine the final drawings used to commence construction in the previous fiscal year for 5% or more of the properties completed across Japan in that year, to confirm that the design documents are free of legal and model violations based on the standards set by the Ministry of Land, Infrastructure, Transport and Tourism. If any deficiencies are discovered, the design auditors can issue written directives to the design department for the branch office and other related departments requesting steps to correct these deficiencies and prevent any recurrence. They then proceed to confirm that these steps have been implemented.

・ Confirmation of conformity with advancement guidelines

In the case of shared rental apartment buildings designed according to the same specifications and constructed based on the same specifications and construction manuals, any deficiencies or violations of laws or regulations in the drawings, manuals, or construction-related documents prepared in advance (hereinafter “common specifications, etc.”) will result in multiple deficiencies and defects with the same cause arising at the same time. Therefore, when we establish or revise common specifications, etc., our engineers who hold architectural qualifications check for conformity with laws and regulations, as well as consistency across various drawings, based on the advancement guidelines established by the Ministry of Land, Infrastructure, Transport and Tourism.

[Housing design] Internal qualifications for the system of type-certified specifications

The Company's Housing Headquarters has an internal qualification system for employees who have obtained the type-certified specifications* and are engaged in design work that uses this specification system. Exams are held internally every year, and those who do not pass the exam are not allowed to carry out design operations that use the system of type-certified specifications. Online training is held to prepare for this exam, allowing for repeated learning.

In addition to the exams, we evaluate each designer's skill proficiency based on a comprehensive assessment of their knowledge and experience in design work. The available tasks are classified into five levels according to proficiency rank, ranging from “design assistance work only” to “design and verification of general building permit applications.” The number of these proficiency rank increases is tallied for each branch office and incorporated into the management soundness assessment.

* An advance assessment and certification of compliance with certain building standards, such as a residence built to standard specifications. If the subject has already obtained the type-certified specifications, then the evaluation at the time of individual building permits will be simplified.

[Construction] Specialized training

Because our Construction Facilities Division handles a wide variety of buildings, including commercial facilities, distribution centers, medical facilities, and food factories, Head Office departments are equipped to follow up with the sales and design staff at each branch office for each building purpose. In addition, as times change and the requirements for buildings evolve, we provide training as needed to input the latest knowledge about construction. In fiscal 2024, our training program covered a wide variety of topics, including carbon neutrality in data centers, semiconductor factories, and buildings. Our branch offices and Head Office departments will continue to work as a single team to provide buildings that are also of value to society.

[Construction design] Certification system for building design

In recent years, due to the increasing size of projects ordered and the use of advanced technology, it has become necessary to strengthen our structural technology capabilities to facilitate our efforts to win orders for buildings such as hospitals, data centers, and precision machine factories. In addition, advanced technical knowledge has become necessary for determining performance when ordering our own development projects.

Therefore, in fiscal 2021, we internally established the Certification System for Structural Specialist, which impartially evaluates and celebrates the technical abilities of structural engineers. The system was created to drive cutting-edge technology, improve foundational technical skills, and motivate structural engineers. Every year, properties utilizing advanced technologies implemented by their designers are evaluated and selected, with the ranking rising according to the number of times they are selected. Employees selected through the Certification System for Structural Specialist will work toward the internal development of advanced technologies through various means, such as in-house design reviews, technical consultations, and expressing their opinions in technical presentations, thereby promoting the enhancement of structural technology capabilities across the entire company.

In addition, for architectural design, we have established a Design Meister and Design Leader Certification System to improve design capabilities from the bottom up and to create further growth opportunities for design leaders. Certified employees will be involved in in-house design education and serve as judges for in-house competitions.

Through these certification programs, we are strengthening our systems for producing better architecture.



The AQURIO welfare building at Kawamura Electric Inc.'s Koriyama Factory (Fukushima Pref.)

■ Developing and providing high quality, safe, and secure products

[Construction] Appointment of solar engineers

In order to promote the installation of solar power generation equipment and improve quality, our construction design divisions have appointed solar engineers to provide proposal, design, and construction support for solar power generation projects. Appointed personnel are actively involved in work related to the construction of solar power generation equipment, providing technical support to improve adoption and installation rates and ensure quality. We have established a system whereby the person in charge at the branch office can consult with the engineer in charge if any questions arise or support is needed regarding solar power equipment construction.

Use of legal consultation case studies, etc.

A wide variety of laws and regulations apply to construction, depending on the construction site. As a result, the building possibilities, construction conditions, and applications necessary for construction can sometimes be complicated. We carefully conduct preliminary investigations from the planning stage to confirm the application period, construction period and whether any ancillary work is needed, as well as to clarify the documents required for the application, so that customers can feel confident in signing a contract.

We also collect information and case studies related to laws and regulations and make them available internally to help improve the skills of our design staff and share know-how.

· Legal consultation service

For general legal consultation, the design staff consult with the in-house legal group and the legal group responds after confirming the opinion of the legal consulting firm. For consultations regarding specific administrative agency permits and to obtain opinions from former building officials, or in special cases, the design staff consult directly with the legal consultancy firm. In each case, a response is provided within three business days, in principle.

· Legal consultation case studies

This is a compilation of advice and recommendations given as answers to past legal consultations regarding the interpretation of ambiguous matters (gray areas) in the Building Standards Act

and related laws and regulations. It contains examples classified into 24 categories. As of June 6, 2025, a total of 687 case studies have been compiled. These will continue to be updated semi-annually and made available internally.

· Database of local laws and regulations

This is a database of ordinances, regulations and the like that have been established by individual local governments in Japan for each specific administrative agency. The database is subject to periodic general checks by Head Office departments. If there are any omissions in the registration of ordinances or regulations that should be included in the database, employees nationwide are notified and the information is updated as soon as possible. The database can also be utilized for projects in unfamiliar construction areas to quickly develop designs that conform to local laws and regulations, due to factors such as the expanding reach of architectural firms.

Implementation of the ISO 9001 Quality Management System Standards at the Production Headquarters

At Daiwa House Industry's plants throughout Japan, we are automating, streamlining, and using more robots to achieve an integrated production system with uniform quality that extends from parts machining to assembly. Our plants nationwide, together with the Production Headquarters and the Procurement Headquarters of the Head Office, have acquired ISO 9001 certification, the quality management systems of the International Organization for Standardization and implemented it as a tool to further promote efforts to enhance and stabilize product quality.

Regarding the implementation of ISO 9001, an external certification body performs annual checks to assure product and service quality and safety.

In addition, we ensure quality when subcontracting the production of the components used in building systems by choosing factories that have acquired a grade certified by the Minister of Land, Infrastructure, Transport and Tourism, and by obtaining a certificate from an inspection company.

Employee training and qualification management in the Production Headquarters

We conduct training each year according to rank for employees involved with the Production Headquarters and those engaged in 20 professional specializations such as disaster prevention and quality. Through this process, we develop human resources with knowledge of product quality, safety in the manufacturing processes, environmental performance, and more, and who are able to put this knowledge into practice.

We also manage how many qualification holders are working at each factory for the purposes of notifying the Japanese government of information on qualification holders, as well as obtaining manufacturer certification and for factory grade certification, which are necessary for factory production. We will work to systematize this management in the future.

In addition, to acquire the knowledge necessary for the Production Headquarters, we encourage employees to obtain the Quality Control (QC) certification and the Non-Destructive Inspection Technician (UT1) certification required for work, and hold in-house study sessions. As of the end of March 31, 2025, the number of QC certification holders totaled 68 for Level 2 and 25 for Level 3, and the number of non-destructive testing technicians was 1 for UT3, 10 for UT2, and 19 for UT1.

[Residential and low-rise rental housing] Conducting inspections of building quality

The inspection system for single-family and low-rise rental housing projects consists of three levels: construction business partners, the Company's construction managers, and the Company's construction supervisors (inspectors from the Construction Supervision Coordination Department). Inspection items are created for each residence based on the Inspection Master, comprising over 4,700 items, which was created by the Head Office departments based on accumulated know-how. Inspection items for each residence are reflected in the inspection system. These items concern seven processes, including reinforcement, concrete placement, and foundation completion (depending on the order status, they are also implemented for the processes of construction, ground reinforcement, fireproofing, and exterior construction). Each inspection is conducted at the three levels of construction business partners, construction

■ Developing and providing high quality, safe, and secure products

managers, and construction supervisors, and the results are entered into the inspection system and centrally managed.

With the goal of improving the efficiency of inspections, since fiscal 2021, we have conducted validation experiments of inspections by personnel equipped with wearable devices capable of both visual and audio communication in collaboration with inspectors at remote locations other than construction sites (offices, satellite offices, etc.) as a way for construction supervisors to carry out inspections. Since the effectiveness of remote inspections was confirmed from the validation experiments, the official operation began within the Housing Construction Supervision Department in fiscal 2024. From fiscal 2025, the scope of operation will be expanded through collaboration between the Construction Supervision Department and the Construction Department to further improve productivity, and veteran Construction Supervision Department personnel will train younger engineers to pass on skills.

Research and development structure that takes social issues as its starting point

Our Central Research Laboratory was established in 1994 with “environmental friendliness” as the basic theme of its research and development activities. Inheriting our founder’s spirit of “continually foreseeing future trends and working to produce the products and services that society needs,” we have conducted diverse technology development activities by utilizing the technological know-how we have accumulated since our founding. In addition to conducting technology development aligning with the strategies and requirements of each division, we also promote technological development with an awareness of social issues. We are engaged in research and development to address issues such as achieving carbon-negative operations, renewable energy, resilience, water and food, and to make the “places we live” more sustainable.

In fiscal 2024, we started Techno Caravan, a technical sales and education program that introduces technologies developed by our laboratories to each division. Techno Caravan was held a total of 61 times throughout Japan in fiscal 2024 and introduced 31 technologies. By directly communicating with front-line personnel about the technologies we have developed, we endeavor to help them understand the attractiveness

and usefulness of the fruits of our development activities and promote uptake by the market. We will continue to deepen our interaction with job sites to achieve more effective R&D.

 [Central Research Laboratory \(Japanese text only\)](#)



Techno Caravan (Osaka Head Office)

Technology Committee

We have established the Technology Committee, including members from all business divisions and the Central Research Laboratory, to develop technologies aimed at expanding existing businesses and strengthening growth areas. The Technology Committee solicits a wide range of requests not only from the Central Research Laboratory members but also from business division and Head Office employees. After reviewing these requests, the Technology Committee selects technology project themes. Selected themes are researched and developed with the target of commencing business operations within three years. The Technology Committee has been effective in making a greater contribution to our business through research and development.

Strategy for intellectual property

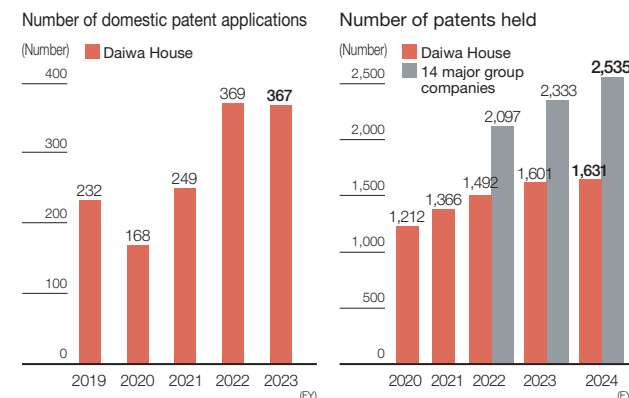
We recognize that intellectual property rights such as patent rights and design rights, which are the results of our research and development, trademark rights, which form the basis of our brand strength, and copyright, which is the result of our intellectual creativity, are important assets of our company. We strictly control all matters regarding their acquisition, maintenance and abdication based on an established flow. We

do not only assert the intellectual property rights of our company, but also respect the rights of other companies. We carry out clearance investigations to ensure the non-infringement of other companies’ patent and trademark rights.

Furthermore, based on the importance of intellectual property information, as well as constructing a system to communicate and gather intellectual property information within the company, by actively carrying out licensing based on patent rights, which are the results of technical development, we are working to utilize our intellectual property rights. To further promote activity related to intellectual property rights, we publish an annual report on our activities related to intellectual property for internal use, pay a bonus for inventions that are implemented, and hold presentations to increase employees’ awareness of intellectual property. The number of domestic patent applications in fiscal 2023 was 367. Regarding the breakdown of fields of those applications, in addition to our core business of housing and construction, in recent years, the ratio of applications related to the fields of IT and IoT, and the environment, are increasing.

As of the end of fiscal 2024, the Company held 1,631 patents (including patents acquired in foreign countries), which is an increase of 30 patents since the end of fiscal 2023. As of the end of fiscal 2024, the 14 major group companies, including the Company, held 2,535 patents (counting only the patents registered in Japan).

■ Number of domestic patent applications over the past five years, number of patents held



■ Developing and providing high quality, safe, and secure products

Bonus for inventions

The Company has established the Regulations for Handling Inventions and Devices and Detailed Regulations for Providing Incentives for Inventions, and pays employees a bonus for inventions as compensation for the enforcement of patent rights on inventions. This is not only a requirement under the Patent Act but is also intended to stimulate intellectual property creation activities, improve employee motivation to develop technologies and inventions, and enhance the Company's technological capabilities.

In addition, the bonus system is designed to evaluate the effectiveness of patent (invention) enforcement, such as cost reductions and construction work savings. For this reason, our researchers use the assessment items as a reference to create inventions with higher added value.

Horizontally deployed measures for quality improvement

・ Feedback sheet system

This system allows all employees and contractors to make suggestions and requests for the improvement of inefficiencies and aspects that lack user-friendliness at any point. The system receives about 100 improvement requests every month, and many of these are being adopted as technical standards and design document improvements. In fiscal 2024, we launched an in-house newsletter, "FB News," with the aim of stimulating improvement activities through the use of feedback sheets. This is a compilation of selected content from the proposals and is utilized by study groups.

・ Quality White Paper

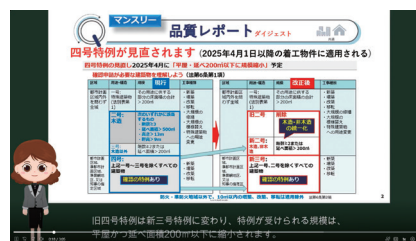
We publish a semi-annual "Quality White Paper" primarily for our technical employees. Its purpose is to provide information on quality, such as lead time and the introduction of best practices in construction supervision records, and to summarize the quality competence values of each business worksite in order to stimulate quality improvement.

We will continue to work on quality improvement so that we can provide outstanding products to our customers.

・ Monthly Quality Report

We distribute the Monthly Quality Report to our technical employees. The report comprises a three-minute video each month containing fixed-point data on construction-related laws and regulations and quality, as well as information on seasonal technology. Detailed information can be viewed by clicking on links in the report. Through these efforts, we are increasing opportunities to check quality information, improve operations, enhance quality, and comply with laws and regulations.

In fiscal 2024, the report gave considerable attention to work cases and qualifications, including legal consultation cases, design audit cases, and architectural qualification information.



Monthly Quality Report screen

[Housing] Use of Inspection and Diagnosis Manual and Renovation and Repair Manual

At the time of periodic inspections after delivery, our professionally trained inspectors visit the property to check and make decisions based on the Inspection and Diagnosis Manual, which is a compilation of our know-how.

For areas determined to require renovations or repairs, the person in charge of construction, the person in charge at the Customer Consulting Center, or the person in charge of renovation will discuss ways to address these requirements based on the Renovation and Repair Manual.

This allows us to provide a high level of uniformity in inspections and renovations anywhere in the country.

These manuals are also used to reduce customer concerns by ensuring that construction personnel, Customer Consulting Center personnel, and renovation personnel understand their contents and explain to customers in advance about issues that may occur over time.

Main approach

Development of comprehensive disaster monitoring system "DoKo-moni"

Using technology from Knowledge Foresight, Inc., we have developed "DoKo-moni," a comprehensive disaster monitoring system for logistics facilities as well as general buildings such as offices and stores. The system can centrally manage information relating to building safety in the event of natural disasters such as earthquakes, strong winds, and heavy rain, and remotely monitor information from multiple buildings. This system continuously monitors building conditions using acceleration sensors, weather sensors, and cameras installed in buildings. In the event of an earthquake, it determines the degree of damage within approximately one minute after the event. These data can be viewed anytime, anywhere on the "DoKo-moni" system screen.

Utilizing the system for first checks in the event of a large-scale natural disaster will enable faster initial responses. Going forward, we will propose this system as a BCP measure in the future.



Developed "DoKo-moni," a comprehensive disaster monitoring system (Japanese text only)

■ Developing and providing high quality, safe, and secure products (business partners)

Follow-up evaluation of factory business partners

We have established standards for quality, management, delivery, safety, morale, and the environment for our business partners in our factories, and conduct evaluations annually based on their performance. Based on the results of the evaluation, we grade them into four levels from A to D. Business partners ranked B and C are asked to submit an implementation plan for improvement. Results of improvements are confirmed in reports regarding matters pointed out for improvement. When two consecutive C evaluations are received or a score of D is given to a business partner, a corrective action letter is issued and instructions are given for improvements. If, after confirming the effectiveness of the improvement, the business partner is again ranked D in a special follow-up evaluation, we will meet with the relevant business owner and work together to implement improvements.

Cooperation with business partners

Daiwa House Industry assists three member organizations in its supply chains, which comprise contractors, manufacturers and material suppliers. Through these organizations, we learn of demands and issues our business partners have with us and inform them occasionally of business process issues we want them to respect through closely knit communications.

• The Confederation of Partner Companies (4,257 companies): Composed of manufacturing and construction companies

The Confederation of Partner Companies, an organization of partner subcontractors and factory business partners, has 71 branches nationwide and focuses on improving safety, quality, technology, and work efficiency, as well as promoting environmental conservation. Officers of the Company participate in each subcommittee as Executive Advisors, while the Company handles the role of secretariat. Confederation members share ideas and knowledge through the information site run by the Company "D-PC/WEB Ren" to ensure smooth communication and collaboration.

• The Trillion Club (234 companies): Composed of material suppliers

The Trillion Club helps improve the finances of both member

businesses and Daiwa House Industry by enhancing material quality, respecting delivery schedules, developing new construction materials, and innovating technologies. Focusing on these promotional activities, we are deepening mutual development and friendship.

• The Setsuwa Club (162 companies): Composed of equipment manufacturers and sales companies

The Setsuwa Club enhances cooperation and collaboration regarding equipment technology through the planning and operation of product and technology exhibitions by the Exhibition Subcommittee, and through the activities of the Technical Information Subcommittee, Public Relations Subcommittee, Introduction Promotion Subcommittee, and other subcommittees. The Club has a branch in each of the Kansai, Kanto, Chubu, and Kyushu regions.



P016 Supply chain management (Environment)

P031 Establishing a cross-departmental timber survey system

Support aimed at technical improvement of partner subcontractors

The internal Certification System for Skilled Engineers and Technicians* certifies engineers and technicians with outstanding skills to secure technicians and improve the technical capabilities of construction companies, improve the production systems of factory business partners and enhance their quality, and raise the motivation of technicians. The system is organized by job classification, including worker, technician, advanced technician, and skilled technician, and clearly defines the skills required for each job class. In addition, allowances are paid to business partners in accordance with rank as payment for skill transferring and training. Payment by the business partner to the subject individual is at the discretion of each business partner. Of our skilled technicians, seven were selected for the Minister of Land, Infrastructure, Transport and Tourism Award for Excellence in Construction (Construction Master), setting a good example for other technicians.

As for its initiative to support the improvement of its business partners' skills, the Company has established regulations for financial assistance to train technicians for housing constructors with financial support to train the young technicians of our construction business partners, providing

financial assistance for training to building contractors. In the following year, eligible participants of this support were able to satisfy the requirements established by the Ministry of Land, Infrastructure, Transport and Tourism in the system to achieve Level 2 certification (mid-level technicians), by undertaking the Training Program for New Housing Technicians, apart from the required number of working days (645 days).

We will continue to work together with our business partners through support to improve quality, secure human resources, and strengthen our management base by increasing productivity.

* From fiscal 2025, construction business partners will transition to the Technician Career Up System



➔ [MLIT \[CCUS Portal\]: About the Skills Evaluation System](#)
(Japanese text only)

■ Educational support programs

Development measure	Target	Details
Technical improvement training	Factory business partners	Skill transfer from excellent technicians to other technicians
Skills contest (qualifying round)	Factory business partners	Competing in skills such as welding, woodworking, exterior work, painting, forklift operation, and information processing. Judging performed by the Company
Nationwide building skills contest	Factory business partners	Certification of winners as "excellent technicians" and "senior technicians"
Supervisor training	Factory business partners Supervisors	Training to improve on-site management skills. Training on safety, quality, and environmental issues
National improvement contest	Various factories and factory business partners	Case studies of cost reductions, productivity improvements, and other improvements at various factories. Qualifying sessions held at each factory
Training for new housing technicians	Nominees among new technicians (foundation, interior, exterior)	Behavioral and safety training, explanations regarding benefits of working at our sites
Certification of chief construction technicians (new and renewal)	Technicians (foundation, interior, exterior)	Safety summary lecture, explanation of technical bulletins, certification tests, etc.
Full-time supervisor training	Supervisors of building contractors	Lectures on safety, quality and environmental management, CS improvement, use of construction DX, etc.
Training for prospective applicants for deputy full-time supervisor	Lectures on safety, quality and environmental management, CS improvement, use of construction DX, practical training for foundation and erection inspection, etc.	Training for owners of semi-comprehensive building contractors
Training for owners of semi-comprehensive building contractors	Owners of building contractors	Lectures on safety, quality and environmental management, CS improvement, use of construction DX, etc.
Certification of chief construction technicians (new and renewal)	Technicians (foundation, interior, exterior)	Safety summary lecture, explanation of technical bulletins, certification tests, etc.
Financial assistance for technician training	New technicians	Limited-time subsidies to help building contractors train technicians

■ Developing and providing high quality, safe, and secure products (business partners)

Supporting skill improvement and skill transfer at factory business partners

・ Nationwide factory skills contest

The aim of the nationwide factory skills contest is to improve the skills required in factory production activities by having representatives from different factories compete in terms of safety, quality, and productivity. Participants compete in ten events testing the seven skills of welding, woodwork, exterior wall, painting, crane, forklift, and information processing. They are assessed not only in terms of construction techniques and quality but also whether construction is performed safely. After the competition, contestants have the opportunity to exchange information about their skills while viewing the works they have created. Through this competition, we seek to improve technical skills, raise motivation, and transfer skills.



Exterior wall skills, Nationwide factory skills contest



Participants sharing tips and the like

Issuance of mutual aid certificates for the Kentaikyo System

The Kentaikyo System (construction industry retirement allowance system) is a scheme established under the Small and Medium-sized Enterprise Retirement Allowance Cooperative Act for those who work at construction sites. No matter where or when a construction site worker works in Japan, a mutual aid certificate (payable) corresponding to the number of days worked are affixed in a worker's Mutual Aid Guide, and a retirement allowance corresponding to the number of the certificates is paid upon retirement from the construction industry. This is a national system involving the entire industry. Employers hiring workers bear the expense of these payments. Since 1988, as a means of supporting compensation for construction workers and technicians, the Company has been issuing mutual aid certificates on behalf of contractors in cases that meet our own internally determined rules.

Establishment of Technician Career Up System

With the Construction Career Up System (CCUS), a Japanese government initiative, now in full swing, the Company has established a new "Technician Career Up System" for construction business partners in order to ensure an all-encompassing scheme in line with the intent of the CCUS. The new system will be combined with the existing Certification System for Skilled Engineers and Technicians, and launch in fiscal 2025. Through this, we strive to ensure a healthy working environment and attractive construction industry by improving the efficiency of on-site management and optimizing working hours through improved compensation according to worker level and a record of the work history of technicians.

The Certification System for Skilled Engineers and Technicians will continue to operate as before for factory business partners, since they are not eligible for the CCUS.

In addition, starting in April 2020, we began managing the entry and exit of construction technicians at construction sites with face recognition so that work history information can be stored on the CCUS. We used various means to encourage others to register with the system, such as by creating a tool that makes it easy to apply for registration, even for those who are not familiar with operating computers. As a result, 87% have joined the CCUS as of fiscal 2024. Construction business partners that register with the CCUS become eligible to receive various subsidies from the Company in line with their CCUS level and the number of days worked at our sites.

[Housing] New award system for quality building contractors

In fiscal 2023, the Company established a new award system for quality building contractors to express our gratitude to those building contractors who maintain a high level of accuracy in construction quality and contribute to the Company, as well as to realize further quality improvement. Award recipients are selected from each of the 11 areas in Japan based on the designated assessment items for a total of six categories, three each for the single-family housing and rental housing businesses.

In fiscal 2024, six best-quality building contractors and 59 quality building contractors were selected from among 279 companies nominated from all over Japan, and were honored at the general meeting of the Confederation of Partner Companies, safety conventions and other forums.

Main approach

Received the Minister of Land, Infrastructure, Transport and Tourism Award in the 3rd Awards for Excellence in Construction Human Resource Development

The Company received the Minister of Land, Infrastructure, Transport and Tourism Award in the 3rd Awards for Excellence in Construction Human Resource Development sponsored by the Ministry of Land, Infrastructure, Transport and Tourism and the Construction Industry Human Resource Development Promotion Council. The award recognized the Company's 100% onsite work history accumulation environment for CCUS, the establishment of a new internal, proprietary skill evaluation system, Technician Career Up System (operating since April 2025), which provides allowances according to the level of ability, and various initiatives such as company-wide common education and specialized training by job category aimed at retaining female employees.

■ Providing high quality, safe, and secure products (customer service)

Concept and Policy

The Daiwa House Group aims to be an enduring partner that can respond to all kinds of building inquiries from customers under our customer service philosophy of “being a company that is loved and trusted by our customers.” We are taking the same approach to the construction of large-scale commercial and logistics facilities by leveraging our core competencies in single-family housing to meet the needs of each and every customer. We believe that our mission is not only to provide safe and secure buildings but also to ensure that these buildings remain in good condition and continue to have value as assets for many years, so that they can be used by coming generations.

Management

Post-delivery customer support system

We have established a system whereby the Daiwa House Support Desk handles all post-delivery problems for housing business customers, while the CS Center is the single point of contact for construction business customers. The service is available 24 hours a day, 365 days a year, and the details received are communicated to the person in charge at each branch, who takes over the handling of the case. In addition to providing information on periodic inspections and support for safe maintenance for customers in normal times, the support desks and branch offices work in unison to respond even in times of disaster.

The Daiwa House Support Desk also functions as a desk to handle queries regarding houses, rental houses, and condominiums from owners. The system enables the Daiwa House Group offers a wide variety of services ranging from house cleaning



Daiwa House Support Desk (illustration only)

to renovation, the buying and selling of houses, leasing, and moving services.

To ensure that these initiatives proceed smoothly, the division in charge of CS within the Head Office provides support in system development, education, and other areas.



➤ [Daiwa House Support Desk \(Japanese text only\)](#)

➤ [24-hour call center \(Japanese text only\)](#)

Long-term quality assurance

In our single-family houses business, the company has established a system for long-term guarantees and after-sales service tailored to the structure of buildings and circumstances of the customer. We offer an industry-leading initial guarantee period of 30 years for building structures and waterproofing, and also provide a periodic building diagnostic service, with free inspections from the first month through the 30th year. A timely response helps to reduce maintenance costs. We visit individual customers and conduct maintenance work to repair areas requiring improvement identified in the building diagnosis, thereby maintaining and improving the value of housing as an asset.

If a customer sells their home in the future, the Provision of Quality Housing Stock Association*, a general incorporated association, conducts an appraisal based on established criteria to appropriately determine the value of the property.

In the construction business, we propose maintenance and management that enhance buildings into quality assets from a long-term perspective. Facilities are designed with maintenance in mind at the planning stage, and regular visits are conducted at the sixth month, 1st year, and 2nd year after construction is completed.

* An association established by 10 major home builders with the aim of boosting the liquidity of quality housing stock and market formation.



➤ [Long-term warranty and after-sales support \(Japanese text only\)](#)

➤ [SumStock \(Japanese text only\)](#)

Customer satisfaction surveys and long-term communication to earn trust

In our housing business, to ensure we develop, design, manufacture, and build good, high-quality products according to company standards that lead to customer satisfaction, we conduct customer satisfaction surveys. Questionnaire surveys are conducted periodically after customers take up residence to confirm customer satisfaction.

For the general construction business, we also conduct surveys at the time of delivery to confirm customer satisfaction. Our Daiwa Family Club website for the owners of single-family houses and condominiums provides customer communication functions such as Messenger, in addition to maintenance notices and Web-based questionnaire surveys.

In the rental housing business, we run a membership organization for owners, Daiwa House Owners Clubs, that serves as a forum for information exchange and friendship among building owners throughout Japan. Seminars and consultations are held by experts in asset utilization; members gain access to the latest information; and owners receive assistance with the maintenance of buildings they own or asset utilization of apartments they manage, for example. The commercial facilities business also has an Owners Clubs. Owners socialize with one another through organized trips and social events, and communication with them gives us insights into customer satisfaction over the long term following building delivery.

Furthermore, in the construction business, we operate the “Good Relations System,” which is aimed at creating better long-term relationships with both the customer and the building, even after delivery. In addition to two-year periodic inspections, we also provide a 24-hour call center to respond to emergencies and disasters, hold seminars for customers who have chosen us for construction, and publish a biannual magazine with information on our customers’ business areas to help our customers to establish new businesses. By facilitating these interactions, we are also fostering their relationships with the Company.



➤ [Good Relations System \(Japanese text only\)](#)

■ Providing high quality, safe, and secure products (customer service)

Training to improve service quality

In our single-family houses business, we hold training seminars around twice per year according to rank for employees who communicate directly with customers to go a step beyond a textbook customer-oriented approach to make sure they get to know each individual's way of thinking and see things from each customer's perspective. In addition to lectures, the training includes the sharing of know-how and work efficiency improvements based on case studies from our own business worksites.

We will continue to enhance our training programs to provide higher quality services.

Sanction measures due to a violation of law and litigation (including ESG-related issues)

The company may be led to make an estimate at the year-end for payment of fines or settlements highly likely to occur in the future due to an event that took place in the previous fiscal year or earlier, and book these under provision for warranties for completed construction. Details of these are contained in securities reports.

At the end of fiscal 2024, there were no significant provisions.



➔ Securities Reports and Quarterly Reports

Main approach

“Dai-Bo-Ken” housing disaster preparedness events

In March 2024, the Group and the Daito Trust Construction Group signed a disaster cooperation and support agreement, paving the way for disaster awareness activities and rapid disaster response for residents and owners of rental housing managed by companies in the two groups.

The first disaster preparedness event under normal conditions was held in Yokohama in July 2024, followed by events in Nagoya in September and Osaka in November.

More than 1,000 people attended each venue, including

the tenants and owners of both groups' rental housing, as well as local residents. At each site, children enjoyed making newspaper slippers, playing a target shooting game using a water fire extinguisher, and experiencing CPR and AED, while adults had the opportunity to experience disaster preparedness, raising awareness of disaster prevention.

We will continue to ensure the safety and security of the community by holding disaster prevention events in various locations and jointly conducting disaster coordination drills in preparation for emergencies.



Hands-on CPR and AED experience



Newspaper slippers

Awarded Grand Prize for second consecutive year in the staff hospitality category (100 or more units) under the condominium management company section in the SUUMO AWARD 2024 (Tokyo metropolitan area) (Daiwa LifeNext)

Daiwa LifeNext, a member of the Daiwa House Group, was awarded the Grand Prize in the staff hospitality category (100 or more units) under the condominium management company section in the SUUMO AWARD 2024 (Tokyo metropolitan area), sponsored by Recruit Co., Ltd. Companies were ranked based on the results of a survey of people who purchased new condominiums in the Tokyo metropolitan area (Tokyo, Kanagawa, Chiba, Saitama, and Ibaraki prefectures), asking them about satisfaction with condominium developers, condominium sales companies, and management companies in terms of quality, price, initiatives, and various other factors. Encouraged by this award, we will continue to strive to further improve our services and provide our customers with a more comfortable condominium life.

Relationship magazine “Kurashi Tanoshi”

We publish our relationship magazine “Kurashi Tanoshi” twice each year in March (spring/summer issue) and September (fall/winter issue) to encourage owners of our single-family houses, condominiums, and commercial facilities to enrich and enjoy their lives. The magazine includes case studies of owners enjoying life in our homes, tips on everyday foods, health, storage and care, travel plans utilizing our Group's hotels, and information on upgrading, renovations, and after-sales services.

We have published approximately 460,000 copies of the magazine in March 2025 and provide a digital version on our exclusive website for owners, as a communication tool for maintaining long-lasting relationships with the owners who have contracted with us.



Cover of “Kurashi Tanoshi”



Inside the magazine