

## ■ Enforcing safety and security

### Concept and Policy

Safety management is extremely important for the Group, which is engaged in the construction industry. Therefore, we are working with our business partners to strengthen safety and health systems for people working on our sites with the aim of achieving safety and security. The Daiwa House Group believes that providing job environments where diverse human resources can work with peace of mind helps our business partners secure and retain human resources. As such, we have established the “Daiwa House Group Basic Policy on Safety and Health.” It is reviewed every year and based on this, we advance initiatives of each group companies. We have also established health and safety management regulations in accordance with the Industrial Safety and Health Act. Based on these regulations, the Company sets and reviews the “Basic Guidelines to Promote Safety and Health at Work” every year. We establish a company-wide “Basic Policy to Promote Safety and Health at Work” each year based on these guidelines and efforts taken through the previous year. For safety and health management at each factory and business worksite, the general safety and health manager establishes the “Business Managers’ Policy on Safety and Health Management” every year. Furthermore, to ensure the safety of foreign workers, we are making educational materials and videos available in multiple languages.

### ■ Safety targets for fiscal 2025

Items	Targets
Incidents resulting in death	0
Incidents caused by a third party	0
Slip/fall incidents resulting in an absence of at least four workdays	20% reduction from the previous fiscal year
Heavy machinery-related incidents resulting in an absence of at least four workdays	20% reduction from the previous fiscal year
Heat stroke incidents resulting in an absence of at least four workdays	0
Major accidents (flying or falling objects, collapses, overturned heavy machinery, infrastructure damage)	0
Frequency rate (including heat stroke, workers only, targeted at disasters resulting in an absence of at least four workdays, covered by the Company's workers' compensation)	Less than 0.3



➤ Daiwa House Group Basic Policy on Safety and Health  
(Japanese text only)



P181 Social Data  
Health and safety education

### Management

#### General management of safety and health by the Board of Directors

We have appointed the Executive Vice President as Chair of the Central Occupational Safety and Health Management Committee, at the center of safety and health management. In this way, we ensure the general management of safety by the Board of Directors.

The Company holds regular meetings of the Central Occupational Safety and Health Management Committee, which is composed of company executives of the technology, production, and administrative departments and related division heads. The committee meets to get a solid grasp of the current state of occupational safety and health at the company, and to discuss related issues. The details of the meetings are announced at a joint board of directors’ meeting, with the participation of directors and executive officers, whose viewpoints are incorporated into the process of setting the “Basic Policy to Promote Safety and Health at Work.”

Occupational Safety and Health Management Committees have also been established at each factory and branch office. Important matters reported to these committees are assessed for risks and those deemed “serious” are reported to the Company’s Directors and Audit and Supervisory Board Members via the Central Occupational Safety and Health Management Committee. Through the general management of measures related to safety and health as above, the routes of orders to each factory and branch office are clarified. Each branch has a safety manager and a health manager who have undergone external training such as RST\* and the training for appointed safety managers stipulated by the Minister of Health, Labour and Welfare.

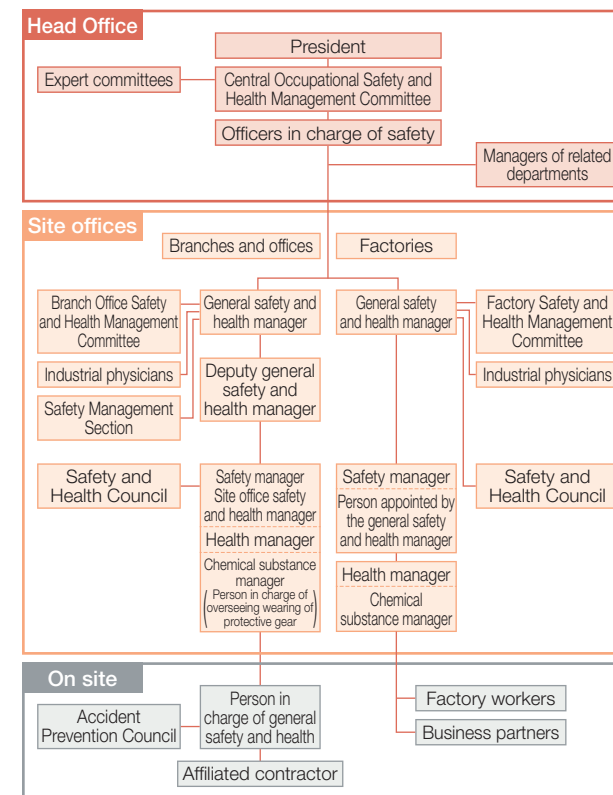
For our business partners, a Safety and Health Council is formed comprising safety managers and those promoting safety and health at branches, employees engaged in construction, and all workers at affiliated business partners. The council meets monthly. Health and safety management is promoted by discussing specific measures against various risks that may be anticipated on sites.

\* Ministry of Labour (currently Ministry of Health, Labour and Welfare) On-site Health and Safety Education Trainer



➤ Executives

#### ■ Safety and health management organization chart



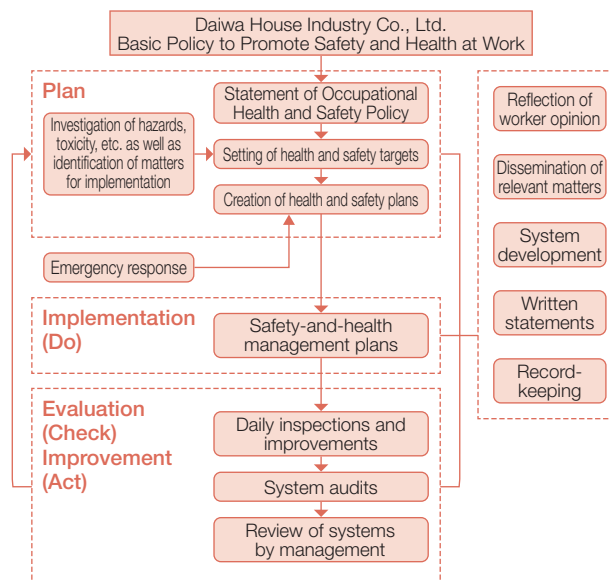
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### Occupational health and safety management system

We have clarified the safety and health management activities to be undertaken. In order to effectively promote safety and health management activities at branch offices, the chair of the Central Occupational Safety and Health Management Committee presents the Basic Policy to Promote Safety and Health at Work concerning safety and health management for the following fiscal year to branch managers (general safety and health managers) and others each March. Based on this policy, each department/division formulates its own policies and targets for health and safety and announces them in April. In addition to these communicated to all relevant personnel within the worksite, safety-and-health management plans are formulated for each fiscal year in accordance with the policy. Specific measures are set out in the plan based on a review of the previous year's plan, and the new plan is disseminated to those associated with our branches, business workplaces, and business partners for implementation. Safety and health management activities aimed at achieving our targets are monitored and improvement instructions are given at regular meetings of the Occupational Safety and Health Management Committee and the Safety and Health Council to manage occupational safety and health throughout the company. The safety-and-health management plans include frequency rates\* that show the frequency of disaster incidents. These are reflected in the branch office evaluations. In addition, not only do we aim to create "zero accident" working environments, but we also seek to make our workplaces highly efficient, by holding monthly "Accident Prevention Council" meetings, including our business partners, to check the safety of all properties under construction.

\* The number of work-related fatalities and injuries per million actual working hours, which represents the frequency of accidents

### ■ Factory occupational health and safety management system flow



### Health and safety training for employees and business partners

In our health and safety management regulations, we stipulate that the general safety and health manager and others formulate an annual safety and health education plan and provide employees with necessary safety and health education, and have them attend necessary external safety and health education as well as training to prevent overwork and health problems. In addition to providing training for employers of business partners, we also provide guidance and assistance in safety and health training for employees and workers of subcontractors.

In fiscal 2024, four online courses were offered to employees and business partners, including on the prevention of fall incidents and prevention of incidents caused by machinery, with over 22,000 registrants from business partners. Courses can

be taken as needed. In fiscal 2025 (as of end-February 2025), we plan to create a course that summarizes the differences in customs and culture and communicate styles and other points that should be considered when employing foreign workers, as well as a course in five languages to communicate the basics of safety for foreign workers. Creating a course in five languages means that it can be used by 97% of our foreign workers.

### ■ Specific measures for safety and health education (excerpts from the Basic Guidelines to Promote Safety and Health at Work)

#### (1) Job level-specific training for our employees (by the Safety Coordination Department and external training organizations)

- 1) Training of new employees and career hires at start of employment
- 2) Skills training (safety training about heavy equipment incidents, collapses, public disasters, accidents caused by slips/falls, etc.)
- 3) Education on prevention of overwork and health problems (mental health stress check)

#### (2) Job level-specific education for business partners (conducted at business sites)

- 1) Support plans developed by the Safety, Health and Environment Subcommittee of the Confederation of Partner Companies and their implementation
- 2) Assist in the implementation of training for new site workers
  - (i) Implement on a site-by-site basis for designated sites
  - (ii) For non-designated housing sites, implement training at least once at the start of every six month period. Provide additional training for those who have not yet taken courses
- 3) Support training conducted by employers when workers start at sites

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### Risk management at factories in cooperation with business partners

The Company's factories array the various factory-specific committees (Safety and Health Committee, Quality Committee, Environment Committee, etc.) around the factory's Factory Risk Management Committee, which acts as a conduit for sharing information and coordinating operations with departments and divisions at the Head Office. The Factory Risk Management Committee also immediately shares with factory business partners information about risk events that have occurred and that are foreseen at other plants. The Factory Risk Management Committees at Daiwa House Industry's factories are instrumental in reducing risks and solving issues, uniting the Company and factory business partners in efforts to manage risks. Factories have manuals regarding communication systems in the event of fires and for initial fire extinguishing. To ensure action in accordance with these manuals, we conduct annual fire drills together with our factory business partners.

In addition, monthly working hours are capped to be below the legal limit, and the factory business partner's employees' overtime work must be reported to the Company.

We also make arrangements with our business partners to handle the busy season by planning production process and volume, taking into account the problems (financial conditions, production capacities, etc.) identified through hearings and visits to factory business partners.



P117 Formulation of business continuity plans (BCP) in the supply chain

### Voluntary factory health and safety audits

We carry out our own audits based on Occupational Safety and Health Management System (OSHMS) certification. In addition, we continually list near-misses in factories and implement countermeasures, beginning with those that have the highest risk level. When we request our factory business partners to take preventive measures to address the issues reported as near-misses, we audit the status of such measures once every six months.

### Safety and health management activities at construction sites

In order to achieve the targets in our health and safety plans, we undertake various measures, as well as providing improvement guidance and education for employees of the Company and business partners.

#### ■ Main approach

##### · Work plans and procedure manuals

Prior to the start of construction on all properties, including individual new construction and renovation projects, the operating routes for machinery and work methods and procedures are confirmed at the site. Later, a meeting is held to discuss construction methods for ensuring safety, and a work plan and procedure manuals are prepared for each project. Construction is started only after receiving approval from the construction manager.

##### · Safety patrols

We hold meetings of the Safety and Health Council, bringing together employees in charge of safety management, the managers of each branch, sales managers, construction managers, and business partners, and regular and special patrols are conducted monthly on an unannounced basis to determine whether work on sites is progressing in accordance with work plans. When poor safety is a concern, the situation is pointed out and corrected on the spot, and is also checked during the next month's patrol. In addition, participation in safety patrols is reflected in the branch office evaluations.

##### · Distribution of the “D-st” hazard prediction video in multiple languages

At each construction site, a video providing precautions on unsafe behaviors to be avoided based on each day's work is shown on a large screen at the work site during the morning meeting or on worker's own smartphones. The video is translated into five languages so that foreign workers can also understand these precautions.

##### · Confirmation of training when workers start at sites

In order to ensure the safety of our workers, when workers start work at our sites, we ensure that a report is received stating whether the employer has properly provided training on safety and health conditions, along with the content of the training.

##### · Near-miss reports

We have adopted a system that enables employees to report near-misses at construction sites via smartphones and other devices. Reports include not only examples of failures but also the successful avoidance of incidents. As of the end of fiscal 2024, we have collected information on more than 110,000 incidents. By narrowing down searches to work to be performed on a particular day, the employer and foreman communicate during morning meetings and at other times regarding the precautions to be taken for to all workers to prevent hazards.

##### · Accident case studies

We use industrial accidents that have actually occurred as case studies. Immediately after occurrence, a common company-wide form is used to report the details of the industrial accident. The Accident Prevention Council discusses causes and laws in depth based on the content of each report, evaluates risk hazards, determines countermeasures, and calls on the entire company to prevent recurrence by sending out notices and conducting special patrols.

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### ・ Support for safety activity expenses

The Company offers safety training in collaboration with the Confederation of Partner Companies and helps to cover the related expenses. In fiscal 2024, 24 activities were conducted, including special training on scaffolding assembly and disassembly.

### ・ Designation of branch offices requiring safety management improvement guidance

If the direct cause of an accident is analogous to past cases designated by the Company, the branch office in question will be designated as a “branch office requiring safety management improvement guidance” and placed under the supervision of the officer in charge of safety and receive direct guidance. The branch office in question must define indicators for improvement based on the results of the analysis of the accident case study and prepare a remedial action plan based on these indicators. The branch must then work intensively for about three months to improve its facilities and raise awareness in accordance with the action plan. After that, the Safety Management Department at the Head Office and the officer in charge of safety will check whether these initiatives have become established and then make a decision on whether to remove the designation.

□ P181 Social Data  
Health and safety education

### Publication of the safety management newsletter

For all Company employees and all workers at our sites, we publish a single page of key points to be aware of in terms of safety management each month in order to raise safety awareness.

Each newsletter has its own theme, providing examples as well as explanations for causes and countermeasures. This safety management newsletter is posted at construction sites and communicated via signage to ensure that all employees at the site are aware of the importance of safety management.



Safety management  
newsletter

### Main approach

#### Number of construction site industrial accidents and their countermeasures

In fiscal 2024, there were two industrial accidents (heat stroke) at a construction site resulting in an absence of at least four workdays for an employee of the Company. There were 32 industrial accidents involving employees of business partners. Of these 32 accidents, 11 were slips/falls. We have therefore issued a notice calling for measures to prevent heat stroke, slips, and falls, and are working to ensure awareness of these issues.

#### ■ Number of industrial accidents (construction sites; workers)

Type	Number
Slips/falls	11
Flights and drops	5
Trips	5
Getting caught in machinery	4
Cut/scratch	2
Toxic substance	2
Collapse	1
Crashes	0
Heat stroke	2

□ P181 Social Data  
Number of construction site industrial accidents

#### Subsidies for heat stroke-prevention items for business partners (construction and production divisions) and new technicians

Amid increasingly harsh summers each year, we have continued to subsidize the purchase of heat stroke-prevention products for all business partner technicians as heat stroke countermeasures at construction sites and factory workplaces to provide a safer working environment as the prime contractor. A subsidy of 10,000 yen is provided, depending on conditions, for heat stroke-prevention items, such as vest-type and short-sleeved fan-equipped work clothes and cool vests, by combining the subsidy from the Confederation of Partner Companies with the Company's subsidy.

□ P027 Working to prevent heatstroke on construction sites

#### Online course on preventing slip accidents

Employees working on our construction sites and workers of our construction business partners undertake safety and health courses. In fiscal 2024, we provided two courses on preventing slip accidents from tall heights and on preventing slip accidents from low heights. The videos show how human behavior is characterized by reflexive movement, that human attention is limited, and that even when aware of a gap nearby, humans are unable to pay attention to it when concentrating on our work. This is discussed while showing reenactments of slip accidents. The videos are short and work-specific. They are used in conjunction with study sessions as well as with work to be performed on the day and reviewed on smartphones during morning meetings at work sites before starting work.