

CHAPTER

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Implementation Report

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■ Cooperating with Third Parties

Cooperating with Third Parties

Policy and concept

The Daiwa House Group believes that it is important to promote initiatives for climate change and biodiversity conservation and other environmental issues as well as communicate with stakeholders and work with organizations to resolve social issues.

Through dialogues and partnerships, we will deepen our understanding of the role that the industry and our Group will play in society and disseminate these efforts both inside and outside the company. Furthermore, by actively participating in validation projects implemented by countries and governments as well as promoting environmental activities and making policy recommendations within industrial organizations, we can fully utilize our leadership with the goal of realizing a sustainable society.

Main Approach

Cooperation in international initiatives

Our Group is working together with companies that have similar goals by actively joining international initiatives to combat international issues.

Signing the United Nations Global Compact (UN Global Compact)

Since April 10, 2018, we have participated in the United Nations Global Compact (UN Global Compact), which is the universal principles on human rights, labor, environment, and anticorruption advocated by the United Nations, and voiced our support for the UN Global Compact Ten Principles. In anticipation of future business expansion abroad, the Company deemed it effective to sign on to an international initiative that is highly compatible with our ideas in order to express and promote understanding of the Group's human rights, labor, environment, and anticorruption policies among people in countries and regions with various cultures and business practices.

In addition, in April 2025, the Company joined Forward

Faster, an SDG-related initiative launched by the UN Global Compact, and the CEO Water Mandate, a water resilience-related initiative. We are committed to achieving our climate change and water resilience goals. For climate change, we aim to achieve carbon neutrality by 2050, and for water resilience, we aim to achieve zero water risk by 2055 and are addressing six areas of water stewardship. We will accelerate initiatives by building networks with experts and others on climate change and water resources issues.

 P026 Mitigating and adapting to climate change

P049 Challenge ZERO Water-Associated Risks

  Participated in Forward Faster and the CEO Water Mandate (Japanese text only)



2025 PARTICIPANT

Our company is committed to upholding the Ten Principles of the **United Nations Global Compact**. Please refer to our **Communication on Progress**.

Participation in environment related initiatives

From March of 2018, we have been part of the Smart Energy Coalition (formerly EP100) and RE100 international initiatives for the promotion of energy efficiency and the use of renewable energy. In August of the same year, the targets relating to mitigating and adapting to climate change decided in our long-term vision for the environment Challenge ZERO 2055 were recognized as scientifically based goals for reducing greenhouse gases emissions, and we were awarded the SBT certification.

In September, we joined the Task Force on Climate-related Financial Disclosures (TCFD) organized by the Financial Stability Board.

In addition, in June 2024, the Company participated in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum and registered as a TNFD Adopter. In nature-related matters, we will work to proactively disclose information, reduce risks and create opportunities, with an aim to resolve issues related to the conservation of biodiversity.

 P056 Response to Task Force on Climate-related Financial Disclosures (TCFD) and Taskforce on Nature-related Financial Disclosures (TNFD)

Joining The Valuable 500

In January 2020, we joined The Valuable 500, an international initiative to promote disability inclusion. The aim of the initiative, launched at the World Economic Forum Annual Meeting in Davos in January 2019, is for business leaders to spearhead reform so that people living with a disability can realize their potential in business, social, and economic spheres.

The promotion of diversity and inclusion by building a flexible workplace for diverse employees is a priority for our Company. We endorse the aims of The Valuable 500, and will work to raise awareness and establish an environment enabling social engagement for all.



 Joined "The Valuable 500", an international initiative to promote the participation of people with disabilities to society. (Japanese text only)



P097 Promoting employment for people with disabilities

■ Cooperating with Third Parties

■ Initiatives in which we participate

Initiatives, etc.	Organizer
- Participation in the Global Compact Network Japan (GCNJ) (Supply Chain Subcommittee, Environmental Management Subcommittee and ESG Subcommittee, etc.) - Forward Faster - The CEO Water Mandate	UN Global Compact
- RE100 - Smart Energy Coalition (formerly EP100)	The Climate Group, CDP
SBT	CDP, World Resources Institute (WRI), World Wildlife Fund (WWF), UN Global Compact
TNFD Forum	The British environmental NGO Global Canopy, the United Nations Development Programme (UNDP), the United Nations Environment Programme Finance Initiative (UNEP FI), the World Wildlife Fund (WWF)
The Valuable 500	—

 **P056** Response to Task Force on Climate-related Financial Disclosures (TCFD) and Taskforce on Nature-related Financial Disclosures (TNFD)

Active participation in leading national programs and validation projects conducted by the government

Daiwa House Industry continuously participates in leading government programs aimed at the future institutionalization, dissemination, and establishment of solutions for social issues such as decarbonization, biodiversity conservation, and resource recycling. In the GX Future Consortium promoted by the Ministry of Economy, Trade and Industry, we achieved the Gold grade for the GX Acceleration Declaration. Through public-private partnership frameworks, we aim to strengthen our medium-to-long-term competitiveness and sustainably improve corporate value by accurately capturing policy trends and aligning our business and technologies with societal demands.

In addition, in validation projects, we utilize actual businesses and facilities to verify the effectiveness and challenges of new technologies and initiatives. By accumulating data and insights obtained in real-world environments and feeding these results

back into policy formulation, we contribute to the construction of highly effective social systems. Through these efforts, we are promoting action-oriented sustainability management.

■ Major programs the Group participates in

Organizer	Program, etc.
Cabinet Office	Leaders Coalition for Empowerment of Women
Ministry of Economy, Trade and Industry	- Smart Community Alliance - Association on the Promotion of Standards for Long-Term Use of Housing Materials - GX Future Consortium - ZEH and ZEH-M Committee
Ministry of the Environment	- Eco First Program Promotion Council - Decokatsu (National Movement for New and Prosperous Lifestyles toward Decarbonization) - Green Value Chain Promotion Network - J-GBF Nature-Positive Declaration - Mori Sato Kawa Umi Project 30by30 Alliance for Biodiversity - Natural Symbiosis Sites - Plastic Smart - Water Cycle ACTIVE Company
Ministry of Land, Infrastructure, Transport and Tourism	- Review Committee on Airtightness Guidelines for Non-Residential Buildings - Japan-Ukraine Platform on Infrastructure Technology for Recovery and Reconstruction (JUPITeR)

■ Main validation projects

Validation project name	Organizer
Production, Building and Provision of Prefabricated Housing for Ukrainian Public Housing Feasibility Study Demonstration	Ministry of Economy, Trade and Industry
Validation Experiment for Commercialization of Grid Power Storage Plant Business at Kyushu Factory	Ministry of Economy, Trade and Industry
Technical Development and Validation Project for the Social Implementation of Perovskite Solar Cells, Conducted by a Consortium Consisting of Ricoh, Daiwa House Industry, and NTT Anode Energy	Ministry of Economy, Trade and Industry (NEDO Green Innovation Fund)

 **➤** Selected for the Ministry of Economy, Trade and Industry's FY2024 supplementary budget project, "Subsidy for Global South Future-Oriented Co-Creation Projects (Ukraine Reconstruction Support and Strengthening Cooperation with Central and Eastern European Countries, etc.)" (Japanese text only)

➤ Validation experiment for a grid power storage plant business launched at the Company's Kyushu Factory (Japanese text only)

 **➤** Consortium of Ricoh, Daiwa House, and NTT Anode Energy selected for NEDO Green Innovation Fund Joint project to develop and demonstrate perovskite solar cell technology for real-world deployment (Japanese text only)

Leadership among industry organizations and policy proposals

Daiwa House Industry has joined various economic organizations and industrial groups, and we participate in various committees related to economic, environmental and social aspects. Industrial organizations will work together to provide leadership that will formulate and promote activity policies that will propel initiatives to address important environmental and social issues and also provide information for policy proposals and advice for policy from the standpoint of sales and development.

In particular, the Company's Representative Director and Chairman Yoshii, serves as the chairman of the Japan Prefabricated Construction Suppliers and Manufacturers Association; policy proposals through this association have led to pioneering initiatives for climate change and decarbonization, as well as the realization of support measures for housing acquisition. In addition, we played a leading role as the chair* in the formulation of the "Environmental Vision" and "Decarbonization Roadmap" announced in November 2021 by the association, and through applying our views to the setting of targets concerning ZEH adoption rates and renewable energy usage rates, we are aligning our Group's strategy with the climate change strategy of the industry association.

* While the formulation of the "Environmental Vision" and "Decarbonization Roadmap" was led by the Environment Subcommittee, as of April 2025, the role of chair for the Environment Subcommittee has changed from the Company to another company.

■ Major organizations of which we are a member, and activities we participate in

Industry organization	Committees, etc.
Japan Business Federation	Committee on Labor Act
Japan Federation of Housing Organizations (As of March 2026, the Company's Chairman serves as Vice Chairman)	- Building Regulatory Rationalization Committee - Housing Performance Improvement Committee - Housing Stock Committee, etc.
Japan Prefabricated Construction Suppliers and Manufacturers Association (As of March 2026, the Company's Chairman serves as Chairman)	- Environment Subcommittee (Housing Committee) - Technology Subcommittee (Housing Committee) / Energy Saving WG, etc.
Housing History Information Accumulation and Utilization Promotion Council	Project Steering Committee, etc.

■ Cooperating with Third Parties

Dialogue and cooperation with government agencies and their affiliate organizations

We participate not only in public relations activities via industry organizations but also in various committees and workshops of government agencies and their affiliate organizations. We take these opportunities to promote dialogues and cooperation to avoid business risks and create business opportunities through discussions on policies regarding environmental and social issues, and by sharing information and exchanging opinions on efforts made by non-governmental organizations.

■ Membership of key committees, study groups

Organizer	Committees, etc.
OSAKA Zero Carbon Foundation	—
Japan Sustainable Building Consortium	- Research Committee on Environmental Assessment Methods - LCCM (Life Cycle Carbon Minus) Housing Certification Working Group - SDGs Smart Wellness Housing Research Planning Committee, etc.
Environmentally Symbiotic Community Development Association	- Steering Committee - Subcommittee, etc.
Smart Wellness Community Council	Community Development Subcommittee, etc.
Consortium for Building Research & Development	- Research and Development Promotion Committee, etc. - Consortium for Building Research & Development Study Group, etc.
Provision of Quality Housing Stock Association (As of March 2026, the Company's Chairman serves as Chairman)	- Planning & Administration Committee - Assessment Training Committee, etc.
Senior Housing Association (As of March 2026, the Company's Chairman serves as Chairman)	Research Committee on Circular Use of Housing Assets for the Elderly, etc.

Cooperation with NGOs, NPOs and other local and citizens' groups

We build partnerships with NGOs and NPOs that have extensive knowledge and expertise about environmental issues and have innovative experience in environment and social issues. We cooperate with them while complementing each other's knowledge to promote the efforts toward solving environmental and social issues.

■ Key partners and activities

Collaboration partner	Major activities
Japan Climate Leaders Partnership (JCLP)	Collaboration in decarbonization business and aspiring policy recommendations by enterprises, etc.
Japan Climate Initiative (JCI)	Strengthening of measures against climate change in Japan
Institute for Built Environment and Carbon Neutral for SDGs	Promoting the SDGs in the housing and building fields, including reducing CO ₂ emissions throughout the lifecycle of buildings
Association for Business Innovation in Harmony with Nature and Community	Promotion of biodiversity-aware land use
World Wide Fund For Nature (WWF) Japan	Implementation of the Timber Procurement Guidelines, sharing of information on risk areas, etc.
Reforestation Commercialization Research Group, Japan Project-Industry Council (JAPIC)	Reforestation Commercialization Research Group (industrialization of new forestry system, proposals on community revitalization, etc.)
Green Purchasing Network	Dissemination of green purchase and Sustainability procurement
Japan Healthy House Association	Research concerning healthy housing and dissemination and awareness raising concerning healthy living style
Nara Industry-Region-Academia-Government Collaboration Platform Task Force "Nature Positive Nara Circle (Harmony)"	Building a network with practitioners of natural capital and Nature Positive to create cross-industry collaborative initiatives within Nara Prefecture that will serve as a model for the rest of the country
NPO Chotto Shizen	Promoting biodiversity conservation activities in the regulating pond at our Mie Factory
Local incorporated administrative agency Research Institute of Environment, Agriculture and Fisheries, Osaka Prefecture, Biodiversity Center	Promoting biodiversity activities in Osaka Prefecture
Japan Forest-Volunteer Association	Conservation activities for Mt. Rokko
Yoshinoyama Hoshokai	Cherry tree conservation activity at Mt. Yoshino
Osaka Gender Equality Foundation	Promotion of Gender Equal Community Development (Our employee participates as a director)
Fair Recruitment and Human Rights Center	Ensuring fair hiring practices and promoting in-house human rights training
Buraku Liberation and Human Rights Research Institute	Elimination of all racism and realization of a society with established human rights
Multi-Ethnic 'Human Rights' Education Center for Pro-existence	Realizing a co-created society, promoting human rights education

■ Cooperating with Third Parties

Daiwa House Ventures Creating new value through investment in startup companies

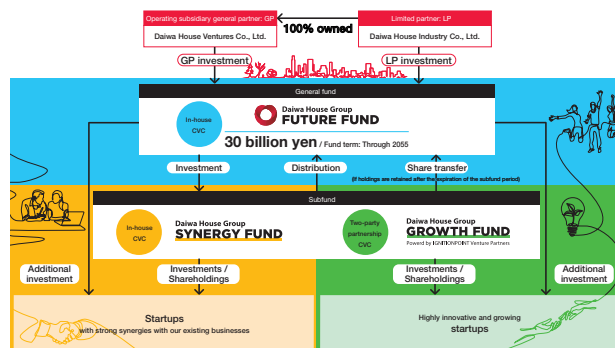
Daiwa House Ventures, a Daiwa House Group company, was established in 2023 as a specialized organization to manage CVC activities* of our Group companies. In addition to the hardware aspects of architecture and housing, which are at the heart of our business, it helps drive the realization of the Group's "Our Hopes for the Future" (Purpose) by expanding our range of software solutions. We plan to invest a total of approximately 30 billion yen in venture companies through 2055, our 100th anniversary.

Based on the premise of strengthening both social and economic value, which are key to realizing our purpose, we select investees from two perspectives: "evolution and expansion of core businesses," where synergies with our construction and housing business areas are expected, and "social issues/new technologies," which may fall outside our current business domains but are expected to create a social impact on community development in the future.

We will monitor business progress through participation in investees' shareholder briefings, board meetings, and individual meetings. We provide ongoing support to portfolio companies and help them create social value as they grow. While focusing primarily on Japan, we will also consider investment opportunities in regions where the Group operates, such as Northern Europe, Europe, and Southeast Asia.

* Corporate venture capital (CVC) activities refers to activities where a business company invests in and supports unlisted startups or venture companies with the aim of creating synergies with its own core business.

■ Fund overview



Main portfolio companies

When forming our funds, Daiwa House Ventures focuses on the synergy between the Group's extensive customer networks, value chains, and business models and the innovative technologies and exceptional speed of startup companies. In our quest to create businesses that will be indispensable for tomorrow's society, we invest across a wide range of sectors, including seven key areas: Safety & Security, Speed & Stock, Welfare, Environment, Health, Telecommunications, and Agriculture.

■ Main portfolio companies and activities

Fund	Portfolio company	Business and reasons for investment
Social issues and new technologies	SORA Technology Co., Ltd.	Combating malaria and other infectious diseases as well as addressing agricultural challenges utilizing air mobility such as drones, satellites, and AI. Supporting the improvement of quality of life in Africa while exploring business opportunities for the Daiwa House Group in developing countries.
	Oishii Farm Corporation	Developing plant factories driven by sustainability and automation. Collaborating with our Construction Division on providing support related to site selection and construction.
	GO Job Inc.	Developing and operating a career-change website specializing in drivers, as well as providing recruitment services. Supporting logistics tenants in resolving labor shortages and partnering with facility management services.
Evolution and expansion of core businesses	Polyuse Inc.	Developing technology and providing services specialized for the construction industry, including construction 3D printers. Leveraging their existing track record in civil engineering public works to expand into the construction field; considering providing them with our know-how and access to construction sites.
	RUTILEA, Inc.	Developing industry-specific AI services and providing computing resources via the cloud through data center development. Collaborating on site selection, construction, and operation to meet the rising demand for data centers driven by the rapid advancement of AI.
	Spacely, Inc.	Operating VR and spatial data platforms. Utilizing in logistics facilities and the sale of built-for-sale houses at housing sales offices nationwide. Supporting customers' spatial perception through AI-powered virtual furniture placement, among other services.



➤ Daiwa House Ventures (Japanese text only)

➤ Daiwa House Group "Our Hopes for the Future" Fund (Japanese text only)

■ Cooperating with Third Parties

Social Contribution Activities

Concept and Policy

For our Group, which operates branch offices and conducts business across the country, it is indispensable to build good relationships with local communities by addressing local issues and characteristics. Therefore, each branch has formulated the Miraimachi Sengen (Futuretown Declarations) which materializes the Group's Purpose "Our Hopes for the Future", the world we want to create by our 100th anniversary in 2055, at a local level, and is carrying out initiatives based on the declaration throughout Japan.

Based on these declarations, social contribution activities conducted at the regional level are called "community co-creation activities," and are carried out by each branch office. We deploy a wide range of local community contribution activities, primarily focusing on three areas: youth development, environmental conservation, and welfare support.

Promotion system for community co-creation activities at branch offices

Together with stakeholders at our branch offices and factories nationwide, we have come up with a vision of the towns we want to create for 2055, the 100th anniversary of our founding, and formulated the Miraimachi Sengen (Futuretown Declarations), to encapsulate our policies aimed at the towns of the future. In order to realize these declarations, we are planning and carrying out community co-creation activities aimed at addressing local issues throughout Japan. These activities will be spearheaded by the Community Co-Creation Promotion Committee at each branch office. Via interviews, dialogues, and collaboration with the civic activity departments of local governments and NPOs, committee members are working to improve activities.

In fiscal 2025, we conducted community co-creation activities at 183 locations, including our Yamaguchi Branch and Tohoku Factory.

 [Miraimachi Declaration \(Futuretown Declarations\)](#)
(Japanese text only)

 P198 [Social Data](#)
[Achievements related to community co-creation activities](#)
(FY2025)

DPL Community Connection Projects

The Company and our Group company, Daiwa House Property Management, have launched the "DPL Community Connection Project," which carries out community co-creation activities at "DPL" logistics facilities developed by the Company.

To date, we have concluded disaster prevention agreements with 20 local governments (as of March 2026) and have promoted the creation of facilities that coexist with the community by providing temporary evacuation sites for local residents, opening cafeterias to the public, installing community halls and playgrounds, and hosting events. Moving forward, this project will host disaster prevention events as well as festivals, sporting events, facility tours, and workplace experience programs. By making our logistics facilities open to local residents, we aim to deepen community understanding of logistics hubs and further promote community co-creation activities.

 [DPL Community Connection Projects \(Japanese text only\)](#)
[Official YouTube channel > Survidol Kahonan goes undercover!](#)
[The inner workings of disaster prevention in a large logistics center \(Japanese text only\)](#)

Endless Donations and Heart Donations Program

Through the Group's in-house donation programs, we support organizations that assist disaster-affected areas and work to solve local issues. Through our Endless Donations Program, we support organizations that address social issues, while through our Heart Donations Program, we collect donations following natural disasters and give them to the affected areas.

In fiscal 2025, through the Endless Donations program, a total of approximately 3.5 million yen was donated to eight organizations dedicated to solving social issues, selected by the Sustainability Management Department at the Head Office. In addition, to raise employees' awareness of social issues, we held four online sessions featuring updates on disaster relief efforts, as well as introductions to children's cafeterias, refugee support activities, and childcare and parenting support programs.

Furthermore, as emergency support for the great earthquake in Myanmar in 2025, and the heavy rain disasters centered on

the Kyushu region and the earthquake in Afghanistan in August, we implemented the Heart Donations program. Approximately 3 million yen was contributed by employees, and a total of 6 million yen, including a matching gift from the Company, was donated to NPO Japan Heart and NPO Japan Platform.

Cherry tree conservation activity at Mt. Yoshino

Due to the connection of Yoshino District in Nara Prefecture as a place associated with our founder, and upon request from the local community, we have been cultivating Shiroyamazakura cherry trees, which have been passed down in Yoshino since ancient times, by collecting seeds from parent trees in the mountains since 2008. Together with Yoshinoyama Hoshokai, we learned how each individual task helps foster the cherry trees through a year-round cycle: from seed sowing and planting in February, soil improvement work in May, and seed collection in June, to grass cutting in July and September, and sapling transplanting in December. In fiscal 2025, following the discovery of the red-necked longhorn beetle, an invasive alien species, in Mt. Yoshino, we also carried out extermination activities. In fiscal 2025, a total of 187 current and former employees participated as volunteers.

 [Daiwa Sakura Aid](#)

 P198 [Social Data](#)
[Achievements related to community co-creation activities](#)
(FY2025)



Extermination activities of the red-necked longhorn beetle



■ Cooperating with Third Parties / Assessment by Third Parties

Main certifications and awards

Daiwa House Group Holding “Construction College”

The Company, along with Group companies Daiwa Lease and Fujita, jointly held initiatives to promote the appeal of the construction industry as a whole, in response to the aging workforce and the decreasing number of new entrants in the sector. In August 2025, we held “Construction College” at Congrès Square Haneda Hall for students interested in architecture (including university, college of technology, and vocational school students). A total of 108 students participated. Technical employees from the Group, involved in design and construction (single-family housing, rental housing, medium and high-rise, commercial and business facilities), structural design, facilities, estimates, R&D, urban development, and other areas, set up booths by job category to provide fun and concrete introductions to the appeal of the construction industry, specific job duties, the rewards of the work, and typical daily routines. We conveyed the appeal and fulfillment of the construction industry through Q&A sessions with students and by showing them actual CAD screens. Participating students shared feedback such as, “Seeing how what I am learning in school is reflected in BIM made me realize the value of studying 3D,” and “By experiencing new technologies like quadruped robots and VR presentation gateways, I was able to learn about various initiatives within the construction industry.” By having our technical employees personally promote the appeal of the industry, we aim to create opportunities for students to recognize construction as a viable career option, thereby contributing to the revitalization of the entire industry.



Scene at “Construction College”

Selected as an “A List Company” (highest rating) in CDP Climate Change, CDP Forest, and CDP Water Security

The Company was selected as an “A List Company,” achieving the highest rating across all three areas of CDP Climate Change, CDP Forest, and CDP Water Security, resulting in a comprehensive evaluation of our environmental initiatives and information disclosure. This marks eight consecutive years on the A List for CDP Climate Change and four consecutive years for CDP Water Security.

CDP collaborates with institutional investors and other parties to encourage companies to disclose and manage their environmental information. In 2025, more than 22,100 companies disclosed their information through CDP. CDP evaluates environmental initiatives by companies and governments. In the CDP questionnaires on climate change (for reduction of greenhouse gases emissions), water security (protection of water resources), and forests (conservation of forest resources), companies are scored on an 8-point scale (A, A-, B, B-, C, C-, D and D-), and companies with particularly outstanding efforts are selected for the A List.

The Company also received the CDP’s highest Supplier Engagement Rating, listing on the Supplier Engagement Leaderboard for seven years running.



➤ Selected as an “A List Company” (highest rating) across all categories: CDP Climate Change, CDP Forest, and CDP Water Security (Japanese text only)

➤ Awarded the highest rating in the CDP Supplier Engagement Rating for seven consecutive years (Japanese text only)

Company receives Bronze EcoVadis sustainability rating

The Company was awarded a Bronze rating in 2025 in the sustainability review by EcoVadis (headquarters: France), an international rating organization.

EcoVadis evaluates corporate sustainability across entire supply chains in four areas (environment, labor and human rights, ethics, and sustainable procurement), covering more than 150,000 companies across over 250 industries in more than 185 countries.

The Company received a Bronze rating for its Group sustainability activities, which places it in the top 35% of companies assessed.

Received the Minister of the Environment Award (Silver Prize) in the Category for Environmentally Sustainable Companies of the 7th ESG Finance Awards Japan

The Company received the Minister of the Environment Award (Silver Prize) in the Category for Environmentally Sustainable Companies of the 7th ESG Finance Awards Japan organized by the Ministry of the Environment. This marks the fourth time we have received an award at this event, following the Bronze Prize in 2021, the Silver Prize in 2024, and the Gold Prize in 2025.

The Company has established its Environmental Action Plan “Endless Green Program 2026” to achieve its Long-Term Environmental Vision “Challenge ZERO 2055,” and is promoting environmental management integrated with the Medium-Term Management Plan and business strategies. The Company was recently recognized not only for its advanced efforts to achieve zero environmental impact, including the reduction of greenhouse gases emissions, greening activities, building longevity, and waste reduction, but also for its disclosure of financial information related to climate change and the natural environment.



➤ Received the Minister of the Environment Award (Silver Prize) in the Category for Environmentally Sustainable Companies of the 7th ESG Finance Awards Japan (Japanese text only)

■ Assessment by Third Parties

Selected for “Excellent Sustainability Disclosure” by GPIF

The Company was selected for “Excellent Sustainability Disclosure” from a Materiality Perspective, chosen by asset managers handling domestic equities for the Government Pension Investment Fund (GPIF) in fiscal 2025.

To evaluate corporate sustainability disclosures, this survey involved 23 asset managers commissioned by GPIF; as a result, 89 companies were selected for “Excellent Sustainability Disclosure” and 66 for “Highly Improved Sustainability Disclosure.”

As disclosure systems become more integrated and sophisticated with the introduction of Sustainability Standards Board of Japan (SSBJ) standards, we will continue to further enhance our sustainability information disclosures and take proactive initiatives.



➤ Selected by GPIF’s Japanese equity asset managers for “Excellent Sustainability Disclosure” and “Highly Improved Sustainability Disclosure” from a Materiality Perspective (Japanese text only)

Received a 4.5-star rating in the Seventh Nikkei SDGs Management Survey within the Comprehensive Sustainability Survey 2025

In the seventh Nikkei SDGs Management Survey, the Company’s rating was 4.5 stars (overall score from 65 to under 70) out of a maximum of 5 stars.

This survey is a rating of efforts toward the SDGs (Sustainable Development Goals) conducted by Nikkei Inc. for 830 Japanese companies, including listed firms, evaluating four areas: “SDGs Strategy/Economic Value,” “Social Value,” “Environmental Value,” and “Governance.” We will continue to further advance our initiatives toward solving social issues through our business activities.



➤ Comprehensive Sustainability Survey 2025
Seventh Nikkei “SDGs Management” Survey
Overview of the Ninth Nikkei Smart Work Management Survey (Japanese text only)

12th in CSR Corporate Ranking 2026 (20th edition) (2nd in the construction industry)

Toyo Keizai Inc.’s CSR Corporate Directory (Employment/Human Capital Utilization Edition and ESG Edition) covers hundreds of Japanese companies. Firms are rated in CSR categories such as human resource utilization (100 points), environment (100 points), corporate governance and societal impact (100 points combined), and financial categories (profitability, soundness, and scale; 100 points each) for a possible maximum 600 points and ranked accordingly.

Daiwa House Industry was ranked 2nd in the construction industry and 12th overall in the 2026 edition published in February 2026.

■ Assessment by Third Parties

■ Major ESG-related awards

Awarded category	Award name	Organizer	Reason for the award
ESG management	CDP Climate Change 2025 A (highest rating)	CDP	Climate change strategies and initiatives to reduce greenhouse gases emissions
	CDP Water Security 2025 A (highest rating)		Protection of water resources
	CDP Forest 2025 A (highest rating)		Conservation of forest resources
	CDP Supplier Engagement Rating Supplier Engagement Leader (highest rating)		Evaluates corporate initiatives on climate change in the four areas of governance, targets, Scope 3 emissions, and value chain engagement
	Received the Minister of the Environment Award (Silver Prize) in the Category for Environmentally Sustainable Companies of the 7th ESG Finance Awards Japan	Ministry of the Environment	Companies that incorporate “significant environmental opportunities and risks” into their business strategies aiming for the improvement of “corporate value” to create positive environmental benefits while also increasing corporate value.
	Selected as 2026 Certified Health & Productivity Management Outstanding Organizations engaging	Nippon Kenko Kaigi	Implementation of excellent health and productivity management in collaboration with health insurance associations (35 Group companies received awards)
	Received Gold in PRIDE Index 2025	Voluntary organization work with Pride	Initiatives to cultivate a workplace culture where diverse talent, including women, people with disabilities, seniors, and LGBTQ+ individuals, can realize their full potential
	Received the Minister of Education, Culture, Sports, Science and Technology Award at the Excellent Company Taiken Award (Award for Excellence for Companies Promoting Youth Experiential Activities)	Ministry of Education, Culture, Sports, Science and Technology	Companies that have implemented particularly outstanding social contribution activities aimed at promoting experiential activities for youth
Products and services	Received the Special Award at the 4th ABINC Award	Association for Business Innovation in harmony with Nature and Community (ABINC)	Initiatives regarding biodiversity, water circulation, and community collaboration at the Mie Asahi Logistics Center (Joint award with Japan Transcity Corporation)
	Received the Good Design Award 2025	Japan Institute of Design Promotion	Daiwa House Group received awards for eight projects, including the “Kyuetsukaen” condominium
	Received the Japan Wood Design Award 2025	Japan Wood Design Association	Three works received awards: the “Kawamura Electric Inc.’s Tsukuba Plant Cafeteria Building,” the “Expo Bus Stop Architecture Project East Gate South Stop (known as ‘wavy’),” and the thinned wood fire-resistant exterior wall “Kantai Panel” (the Kantai Panel was jointly developed by Haganuma Manufacturing Co., Ltd., the Company, and Group company Fujita)
	Received the Gold Prize in the Large Enterprise Category of the KANSAI DX AWARD 2025	Kansai Digital Month Executive Committee	Utilization of BIM and advanced initiatives toward construction DX

■ Assessment by Third Parties

Inclusion in main ESG indices

The Company has been selected as a constituent of five out of the six ESG indices (domestic Japanese stocks) adopted by the Government Pension Investment Fund (GPIF), as of the end of March 2026. In addition to inclusion in indices, it selects the ESG ratings that are highly valued by investors and other stakeholders. The results are reported to management and the responsible departments to drive continuous improvement.

FTSE JPX Blossom Japan Index

This index is created by FTSE Russell, a global index provider. It is designed to measure the performance of companies demonstrating specific Environmental, Social and Governance (ESG) practices, and is widely used in the creation and evaluation of sustainable investment funds and other financial products.

FTSE Russell evaluations are based on performance in areas such as Corporate Governance, Health & Safety, Anti-Corruption and Climate Change. Businesses included in the FTSE JPX Blossom Japan Index meet a variety of environmental, social and governance criteria.



[FTSE Blossom Index Series](#)



FTSE JPX Blossom Japan Index

FTSE JPX Blossom Japan Sector Relative Index

This index is created by FTSE Russell, a global index provider. This index reflects the performance of Japanese companies demonstrating specific Environmental, Social and Governance (ESG) practices relative to their respective sectors and is designed to be sector-neutral. Furthermore, to promote the transition to a low-carbon economy, for companies with particularly high greenhouse gases emissions, only those whose improvement efforts are recognized are included in the index.



[FTSE Blossom Index Series](#)



FTSE JPX Blossom Japan Sector Relative Index

MSCI Japan ESG Select Leaders Index

This index is created by Morgan Stanley Capital International (MSCI). It is constructed by selecting companies with excellent ESG ratings from the constituents of the parent index (MSCI Japan IMI Index), with a target of including 50% of the number of stocks in each GICS® industry classification.

2026 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

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Morningstar Japan ex-REIT Gender Diversity Tilt Index

This index is created by Morningstar. Utilizing data and evaluation methodologies provided by Equileap, it is designed to enable investment focused on companies where established gender diversity policies are embedded in corporate culture, as well as companies that guarantee equal opportunities for employees regardless of gender.

S&P/JPX Carbon Efficient Index

This index was jointly developed by the Japan Exchange Group and S&P Dow Jones Indices. Using TOPIX, a representative stock index reflecting trends in the Japanese market, as the universe, it determines the weighting of constituent stocks based on the status of environmental information disclosure and the level of carbon efficiency (carbon emissions per revenue).



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