Our Founder's Spirit

Don't do things because they will make a profit, but because they will be of service to society.



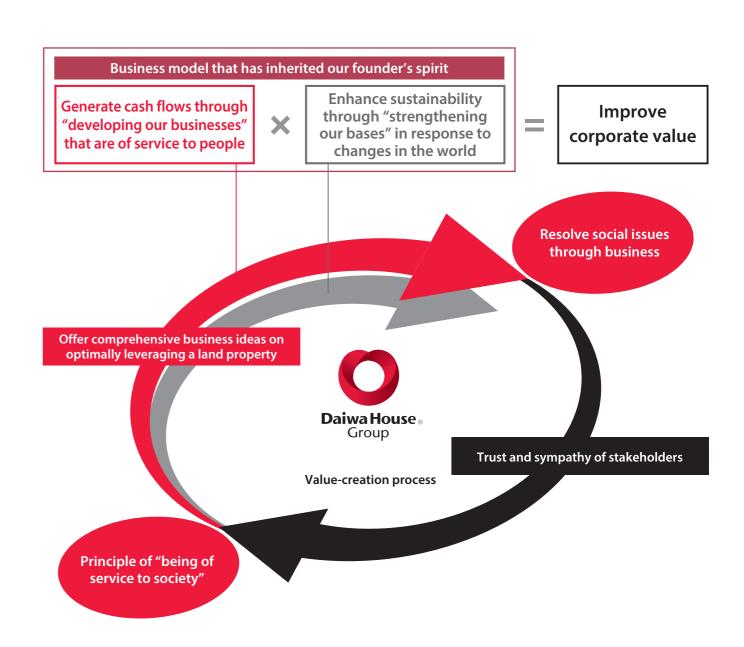
"Don't start off from the thought: 'What can I do that will make a profit?' A company is a public organ of society, and we must ask ourselves what kind of product – or what kind of business – will be of use to the world around us and make people happy."

The above is what Nobuo Ishibashi, the founder of Daiwa House Industry, often used to say to the Company's employees. With this concept as a starting point, Daiwa House Industry has always been offering new value to society ever since its founding in 1955.

Views on value creation

(Basic stance of the Daiwa House Group)

Creating Dreams, Building Hearts



In 2005, we adopted the Endless Heart—the Daiwa House Group symbol—to mark our 50th anniversary.

The spirit of "Creating Dreams, Building Hearts" is a basic aim of the Daiwa House Group, which represents its views on how it should create value.

Leveraging our capacity to offer comprehensive business ideas on optimally utilizing a land property, we devise solutions to social issues with our business model that embodies the spirit of our founder. By so doing, we earn trust and sympathy of stakeholders, which leads to improved corporate value.













Advancing societal aging Regional depopulation

Climate change and natural disasters

Advance of climate change; More frequent and ntensifying natural

Intensifying social issues

Diversification of values

Changes in ways people work ind live; Growing demand for and recycling-oriented



—Approaching *living* with sincerity and humility to create new value—











The Daiwa House Group's Core Philosophy

Company Philosophy Corporate Creed **Management Vision Employees' Charter**

- Develop people through business
- A company's progress depends directly on ensuring a good working environment for
- Products created in good faith by honest labor through modern facilities will contribute to society in general
- •Our Company will develop thanks to the complete solidarity and tireless efforts of all
- $\hbox{-} Through mutual trust and cooperation, by always reflecting deeply on past mistakes, }$ valuing responsibility, and actively engaging in mutual criticism, we will advance along the road to growth and success

Connecting Hearts

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

Employees' Charter

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

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

Editorial policy

This report has been produced for our shareholders, investors and other stakeholders. In the Story of the Daiwa House Group's Value Creation, we integrate financial information on our business and financial strategies and non-financial information about what we see as our primary corporate value. We also introduce the three management bases essential for such processes (our human resources, customer, and technology and manufacturing) and our strengths (comprehensive business proposals), summarizing how we pursue our management vision that embodies the spirit of our founder.

In the production of this document, we have referenced the International Integrated Reporting Framework (IIRC), as well as the Guidance for Collaborative Value Creation issued by the Japanese Ministry of Economy, Trade and Industry.

Scope of this report

Industry Co., Ltd.

for FY2020 or as of March 31, 2021, unless otherwise specified.

Forward-looking statements

This Integrated Report contains future estimates, targets, plans and strategies of the Daiwa House Group. These are based on judgments employing information available at the time of writing. For various reasons, actual results may differ substantially from these estimates.

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This report provides information on the Daiwa House Group overall (381 consolidated subsidiaries, 61 equity method affiliated companies, and 1 affiliated company not accounted for by equity method as of March 31, 2021), with a focus on Daiwa House

Notice regarding financial data (numerical data in graph form or otherwise)

Amounts less than one unit are omitted in this report. Figures in the financial data are

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