Human Rights Policy of Daiwa House Group

Daiwa House Group wishes to be with the society through our business, and to be with the people who live there through our products and services. We believe that it is important to maintain this "co-creation/co-existence" posture and to face the society sincerely. The Human Rights Policy of Daiwa House Group (hereinafter called "Policy") expresses our responsibility on the respect for human rights based on this idea, and shall complement the CSR Guideline, the Corporate Ethics Principles, and the Code of Conduct of Daiwa House Group.

Our Commitment to the Respect for Human Rights

As the "group to co-create values of people, towns and living", Daiwa House Group shall contribute through our business to the realization of the society where human rights are respected.

Compliance with the Laws and Norms pertaining to Human Rights

Daiwa House Group shall support and respect international norms for human rights, such as the "International Bill of Human Rights <u>*1</u>" that stipulates the basic human rights that should be enjoyed by every person of the world, and the "ILO Declaration on Fundamental Principles and Rights at Work" of the International Labour Organization (ILO) that stipulates the basic rights at work. And, in accordance with the "Guiding Principles on Business and Human Rights" of the United Nations, we shall strive to discharge our responsibility on the respect for human rights through our response to negative impacts against human rights that may occur in our business operations and transactions.

Daiwa House Group shall observe the laws of each country and region in which we operate our business activities. Whenever there is a contradiction between the laws of such country and region and the human rights as recognized internationally, we shall pursue the way to respect the international principles of human rights, while observing the local laws.

This Policy shall apply to all officers and employees of Daiwa House Group (Daiwa House Industry and its consolidated subsidiaries). We also expect our business partners and other related parties to observe the Policy while working with Daiwa House Group.

<u>Approach on the Promotion of Respect for Human Rights</u> Continuous Execution of Due Diligence on Human Rights

Daiwa House Group shall continuously pursue our commitment to the respect for human rights, based on the "Guiding Principles on Business and Human Rights" of the United Nations, by incorporating the due diligence on human rights in our business activities as their essential process.

As such, whenever we discover that Daiwa House Group directly caused negative impact on human rights, or indirectly get involved therein, we shall adequately undertake the remedial and correctional actions through appropriate procedures in and out of the company. As to the effects of our undertaking, we shall continuously review the same and announce them.

Daiwa House Group shall be executing the due diligence on human rights by utilizing the formats based on each of the existing policies and guidelines regarding our business activities, and shall respect the human rights of stakeholders.

[Respect for Human Rights of our Customers]

Daiwa House Group is providing buildings and a variety of merchandise. Buildings are the ones to protect people's life, health, assets and comfortable living, and it is our duty to provide safe and secure buildings. Therefore, we strive to provide conforming articles by performing strict quality control for the safety of our merchandise. We also shall not engage in any discrimination in our sales activities and business operations, nor any conduct to facilitate discrimination. We shall cultivate a better understanding through dialogues with our customers, and have it reflected on improvement of our merchandise, services and communications.

[Respect for Human Rights of our Employees]

Daiwa House Group shall always aim to be a company where everyone can work having a high desire, with his/her human rights respected, by stipulating the prohibition of discrimination, respect for diversity, and safe labor environment in the various policies and code of conduct about employees, and thereby realizing the responsible labor practice.

[Respect for Human Rights of our Business Partners]

Daiwa House Group considers trading counterparts such as suppliers and construction companies as our important business partners, and respects the rights of workers.

We shall also require our business partners to respect the human rights of those who are influenced in the supply chains, and not to infringe upon the rights.

[Respect for Human Rights of the People in the Community]

Daiwa House Group shall engage in business activities towards the realization of the society that respects human rights, with the understanding that the company itself can make a contribution as a member thereof, and shall aim at coexistence with the local community. And, beyond ourselves, when our business partners should cause negative impacts on the human rights of the people of the local community, we shall require these partners to respect human rights and not to infringe upon them, by properly mobilizing the influence that our Group has.

Dialogue and Consultation with Stakeholders

Daiwa House Group shall strive to have dialogues and consultations with the stakeholders so as to understand the influence that our business activities may bear upon human rights from the viewpoint of those who receive the influence and to deal with it and improve it. Also, by setting up a channel through which various stakeholders can consult and report, we shall try to grasp the negative impacts on human rights.

Education

Daiwa House Group shall be conducting adequate education and training so that all relevant parties involved in the business activities understand this Policy and human rights are effectively observed throughout our business activities.

Report

Daiwa House Group shall be reporting our engagement in respecting human rights in our website and sustainability report.

Enacted on January 1, 2018

*1: the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights