

June 20, 2008
(updated June 25, 2008)

**Sekisui House first in industry
to make the Ministry of Environment's *Eco First Promise***

Sekisui House, Ltd. (Sekisui House) has become the first company in the housing and construction industry to receive approval as an Eco First company under the Eco First System* created by the Ministry of the Environment. Sekisui House chairman and CEO Isami Wada will make the Eco First Promise to the Minister of the Environment Ichiro Kamoshita on Tuesday, June 24, as part of measures to advance Sekisui House initiatives in areas such as CO₂ emissions reduction, ecological networks revitalization, and resource recycling. Please refer to the attached paper for details.

***Eco First System:** A system under which, in order to further advance their actions toward environmental conservation, leading businesses in industry make a promise to the Minister of the Environment that they will conduct their own initiatives in environmental preservation, including global warming prevention measures toward achievement of the targets of the Kyoto Protocol.

Eco First Promise

Our initiatives as a leading company in environmental conservation

June 24, 2008

Mr. Ichiro Kamoshita
Minister of the Environment

Sekisui House, Ltd. (Sekisui House) and Sekisui House Group companies, in recognition of our shared corporate social responsibility as the largest provider of residential housing in Japan, will, in addition to implementing strict compliance with laws and regulations, work to protect the environment and actively contribute to society by advancing the following initiatives.

1. We will actively work to reduce CO₂ emissions in both the construction and occupancy of our buildings.

- To improve CO₂ emissions reductions in the residential sector, an area in which progress has been slow, we will adhere to specifications designed to achieve a 6% reduction in CO₂ emissions from 1990 levels, based on *Action Plan 20*, Sekisui House's commitment—groundbreaking among Japan's top industry participants—to comply with the Kyoto Protocol, and part of our Declaration of Sustainability, through standardizing next-generation energy saving specifications, superior air tightness and insulation, and high-efficiency hot water supply systems in all new residential housing that we sell.
- We will actively promote the spread of solar power generation systems, which contribute substantially to CO₂ emission reduction, offering special discount prices under which Sekisui House subsidizes part of the expenses. We will give careful consideration to the aesthetics of each building in relation to its surroundings, using mainly roof tile-type solar cells.
- We will actively promote our innovative Carbon Neutral House, which combines energy conservation with energy generation in a comfortable living environment to achieve net CO₂ emissions of close to zero, toward helping to achieve the national target of a 60% to 80% reduction in Japan's CO₂ emissions by 2050.
- We will actively promote the spread of fuel cells, including the development of fuel cell towns in which every house is fitted with a fuel cell, aiming to help develop a hydrogen society sustained by natural energy.
- We will actively promote energy saving remodeling (installation of multi-layer thermal barrier insulation glass, etc.) of the approximately 500,000 homes that, out of the total 800,000 homes that Sekisui House has constructed to date, were constructed prior to the introduction of next-generation energy saving standards.
- We will actively foster, through educational seminars for both adults and children, people's awareness of energy conservation as it relates to their lifestyles.
- We will endeavor to surpass the manufacturing-related CO₂ emissions reduction targets set by the housing industry, in particular the Japan Prefabricated Construction Suppliers & Manufacturers Association.

2. We will actively promote ecological networks and bio-diversity revitalization.

- We will actively promote our *Gohon no ki* gardening concept, which uses carefully selected species of trees that are native to Japan and local to each region and therefore attract birds and butterflies. We have set a target of planting 1 million trees in fiscal 2008, and aim to continue tree planting on this scale in the future.
- By adhering to our own Urban Development Charter, we will actively promote the development of energy-efficient housing and environmentally friendly towns that are full of green.
- We will actively promote the preservation of biodiversity and ecosystems through a range of initiatives that encourage people to take an interest in the ecology of birds and butterflies.
- We will actively engage in forest conservation initiatives.
- By adhering to the ten principles of our Wood Procurement Guidelines, we will act to prevent illegal logging and damage to ecosystems. Together with our suppliers, we will adopt an unbiased stance in taking into account the regional economies of wood producing countries in order to ensure that our use of wood is carried out in a sustainable way.

3. We will strictly implement resource recycling.

- We will continue to maintain zero emissions (zero landfills, zero use of incineration processes that do not involve thermal recycling) in our production, construction, after-sales service and remodeling, and strictly adhere to a 90% rate of material recycling. In the demolition work involved in remodeling, we will endeavor to maintain zero emissions and thereby minimize our impact on the environment.
- We will actively promote zero emissions of waste material in the demolition of wooden housing.
- We will actively introduce next-generation zero emissions systems through the use of IC tags and JWNET and other means. We aim to

achieve 100% adoption of JVNET during 2010.

- We will maintain our own extended warranty system, which enables the long-term use of housing, and actively promote *EVERLOOP*, Sekisui House' revitalized housing, developed from operations in which homes are purchased from previous owners and rejuvenated so that future generations can continue to live in them.

Sekisui House, Ltd. will monitor the progress of the above initiatives, report the results to the Ministry of the Environment, and publish annually the results in its Sustainability Report (Sekisui House's environmental and CSR report).

Isami Wada
Chairman and CEO
Sekisui House, Ltd.



Ichiro Kamoshita, Minister of the Environment, and Isami Wada, Chairman and CEO of Sekisui House, Ltd., at the Ministry of the Environment on June 24