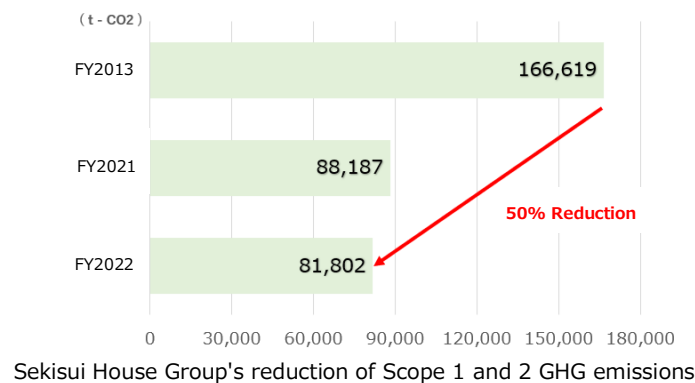


## GHG Emissions from Business Activities Reduced by 50% from FY2013 Levels

Sekisui House, Ltd. has reduced Scope 1 and 2 greenhouse gas (GHG) emissions from group business activities by 50% from FY2013 levels. This level is in alignment with the GHG emissions reduction target required to limit global warming to 1.5°C set by the Intergovernmental Panel on Climate Change (IPCC).



### Scope 1 and 2 GHG emissions in FY2022 50% lower than FY2013 levels

Sekisui House has been implementing a Sekisui House Owner Denki initiative to procure environmentally valuable green electricity generated using renewable energy. The number of house owners to participate in the Sekisui House Owner Denki initiative stood at 53% in FY2022, significantly exceeding the initial target of 30%. In FY2022, the Group's RE100 achievement rate\* was 55%.

Green electricity derived from renewable energy sources now accounts for 78.7% of electricity consumption in Sekisui House's factories in Japan, and by promoting the decarbonization of its business activities, including use of EVs for company vehicles and company buildings that meet net zero energy building (ZEB) specifications, Sekisui House Group's Scope 1 and 2 GHG emissions in FY2022 are 50% lower than FY2013 levels.

Sekisui House continues its ceaseless effort to achieve the 75% reduction by 2030 that aligning with the Paris Agreement target of 1.5°C, and is committed to contributing to the building of sustainable society as a leader in ESG management based on its global vision of making home the happiest place in the world.

\*The ratio of total business activity power consumption accounted for by post-FIT photovoltaic generation purchased under the Sekisui House Owner Denki scheme etc.

Comment from Prof. Yukari Takamura, Institute for Future Initiatives, The University of Tokyo  
Sekisui House has for more than ten years shown strong leadership in decarbonization management, including the reduction of emissions during use of sold products (Scope 3 Category 11) through promoting the uptake of net zero energy housing (ZEH). Its disclosure of emissions associated with business activities (Scope 1 and 2) in its annual securities report and its achievement of a 50% reduction in Scope 1 and 2 emissions in FY2022 compared to 2013 levels also show that it continues to work consistently as a frontrunner in addressing the social issue of decarbonization. Its practices are demonstrating that decarbonization is not only compatible with business, but can also create new business opportunities.

## Key initiatives to reduce CO<sub>2</sub> emissions through business activities

### ■ Disclosure of information in annual securities reports in accordance with TCFD reporting recommendations for climate-related financial disclosure

The Financial Services Agency's Working Group on Corporate Disclosure has advised that to achieve decarbonized society, all companies should disclose information including metrics and targets related to GHG emissions from business activities (Scope 1 and 2) in their annual securities reports in accordance with TCFD recommendations.

Sekisui House has disclosed information in accordance with the TCFD recommendations, including GHG emissions (Scope 1 and 2) from business activities, in the securities report released today.

### ■ Construction of new buildings in line with ZEB specifications

Leveraging knowledge and expertise gained through its net zero energy housing (ZEH) and other housing business, Sekisui House is driving the construction of net zero energy buildings (ZEB) to enhance the comfort, energy efficiency, and disaster resilience of offices and other buildings in the non-residential sector.

In 2018, Sekisui House completed construction of the Sekisui House Construction Tohoku Co., Ltd. office building, the first Sekisui House office building to meet the Nearly ZEB standard (77% reduction of primary energy consumption). Sekisui House committed to meet ZEB standards in principle in all Group buildings newly constructed from June 2021, and as of the end of April 2023, has completed construction of 14 ZEB buildings, with another five such buildings currently being planned.



Sekisui House Construction Tohoku's ZEB office

### ■ Sekisui House Owner Denki

In November 2019, Sekisui House launched its Sekisui House Owner Denki program to purchase surplus electricity from owners whose renewable energy feed-in tariff (FIT) purchase period has expired (post-FIT owners) and use the purchased electricity to meet its business power needs and achieve RE100.

Customer satisfaction has also risen owing to an efficient scheme that enables the company to set the post-FIT electricity purchase price at 11 JPY/kWh, the highest level in the market.

Since the launch of Sekisui House Owner Denki, Sekisui House has received applications from about 50% of post-FIT owners, a much larger number than anticipated. This, combined with the deployment of LED lighting and other means of reducing office power consumption, will likely enable Sekisui House to achieve 100% renewable electricity power in its business activities earlier than its RE100 initiative pledge of 2040.

