



# Progress on KPIs ESG-related Topics

(Second Quarter of Fiscal 2021)

On June 10, 2021, we published our Integrated Report 2021 and Sustainability Report 2021 on our website.

In these reports, we focus on topics such as “Addressing five material issues” and “Themes for addressing material issues and KPIs.”

To date, we have disclosed information with the publication of our Integrated Report and our Sustainability Report, which are both published annually. Going forward, as part of our efforts to disclose more transparent information to our stakeholders, we will disclose updates to data such as progress on KPIs and our ESG-related initiatives, instead of on an annual basis.

**[Data Aggregation Period] From February 1, 2021 to July 31, 2021 (2Q FY2021)**

**[Contents of Disclosure] Progress on KPIs, ESG-related topics**

September 10, 2021

**SEKISUI HOUSE, LTD.**

# Themes for addressing material issues and KPIs

As of July 31, 2021

Addressing Material Issues	Themes	No.	KPIs	Unit	FY2020 Results	2Q FY2021 Results	FY2021 Targets	FY2022 Targets
Leading the Way to a Decarbonized Society	Reducing carbon emissions at the residential stage	1	Ratio of detached ZEH homes	%	91%	90%	89%	90%
		2	Number of ZEH units for rent	Housing units	2976	3486	1800	2500
		3	Number of ZEH condominiums for sale	Housing units	32	0	196	540
		4	Number of <i>Idocoro Dan-netsu</i> houses	Housing units	1005	727	1200	1250
		5	Rate of CO <sub>2</sub> emissions reduction from new housing	%	54.7%	*1	45% reduction by 2030	
	Reducing carbon emissions from business operations	6	Rate of CO <sub>2</sub> emissions reduction from business operations	%	19.4%	*1	50% reduction by 2030	
		7	RE100 achievement rate	%	16.4%	*1	25%	35%
	Reducing carbon emissions from the supply chain	8	Supplier science-based target-setting rate	%	18.6%	*1	80% by 2030	
Pursuing the Potential of the Home	The pursuit of customer satisfaction	9	Detached house customer satisfaction rate	%	96.1%	96.1%	95% or higher	95% or higher
		10	Rental housing occupancy rate	%	97.7%	98%	95% or higher	95% or higher
	Proposals of technologies, lifestyle design and services	11	New proposals of technologies, lifestyle design and services	—	"At-home housebuilding" Launched SMART-ECS	*1	—	—
		12	Platform House Concept for homes to bring happiness in the era of the 100-year lifespan	—	Trial implementation of HED-Net	*1	—	—
Coexisting with Local Communities	Regional revitalization Contributing to society	13	Trip Base <i>Michi-no-eki</i> Project, a project for regional revitalization	—	4 prefectures, 8 buildings 596 rooms	5 prefectures, 14 buildings 1053 rooms	5 prefectures, 14 buildings 1053 rooms	7 prefectures, 18 buildings 1410 rooms
		14	Sekisui House Matching Program employee participation rate	%	27%	*1	30%	40%
	Social asset formation	15	Detached house residence evaluation	%	—	65.5%	50% or higher	—
		16	Sha Maison Gardens	%	—	52.5%	50% or higher	—
Bringing Together Diverse Capabilities	Diversity and inclusion	17	Number of female directors*2	Persons	1	3	3	3 or more
		18	Number and percentage of female managers*3	Persons	236	271	240	260
				%	3.79%	4.21%	—	—
	19	Employment rate of persons with disabilities*2	%	2.76%	2.87%	2.61%	2.61%	
	Workstyle reforms	20	Take-up rate for male childcare leave*2	%	100%	100%	100%	100%
		21	Monthly average working hours per person*2	Hours	176.71	181.98	176	175.5
	Health management	22	Rate of employees opting for the secondary medical checkup	%	87%	*1	89%	90%
Occupational health and safety	23	Frequency rate of accidents in the construction division that result in lost worktime	—	2.17	*1	2.15	2.13	
Human rights and workstyle in the supply chain	24	CSR procurement, human rights and labor scores	Points	90.1	*1	90.4	90.9	
Embodying Integrity	Corporate governance	25	Percentage of independent outside directors	%	33.3%	40.0%	40%	40% or higher
	Further enhance the integrity of business management and strengthen the group governance system	26	Integrity training attendance status	—	97% (74 out of 76 persons)	Group executives and managers 36.8% attendance	Group executives and managers Over 50% in attendance	Group executives and managers 100% attendance
		27	Governance Strategy Sheet initiatives	—	Operated by General Affairs chief managers of Sekisui House (121 persons in total)	Operated by General Affairs managers of group companies (228 persons in total)	Operated by General Affairs managers of group companies (223 persons in total)	Percentage of Governance Strategy Sheet initiatives adopted: 90%
Enhance communication among employees	28	Engaging in ESG Dialogue	—	Sekisui House managers	Group managers 100%	Sekisui House employees Group managers	Group employees	

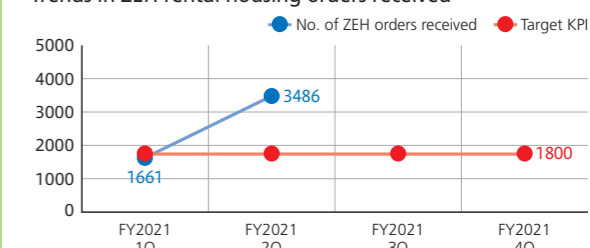
\*1 To be aggregated and disclosed on a full-year basis \*2 Non-consolidated \*3 Groupwide

## [Leading the way to a decarbonized society through the promotion of ZEH rental housing]

As part of our initiatives for leading the way to a decarbonized society, we are promoting the construction of ZEH rental housing. Compared to the target of 1,800 dwelling units for fiscal 2021, we received orders for 3,486 dwelling units in the first half year, exceeding those received in the previous year.

The comfort resulting from high levels of thermal insulation, reduced utility costs, and the availability of reliable electricity in the event of a disaster are all advantages for residents of ZEH rental housing, and these benefits also serve to increase the asset value for building owners. We will emphasize the significance of the benefits of ZEH rental housing, which can contribute to reductions in CO<sub>2</sub> emissions.

### Trends in ZEH rental housing orders received



## [Promoting the active participation of women; making use of diverse capabilities to bring happiness]

To facilitate the active participation of women and to promote the diversification of our human resources, in February 2021, we formulated Sekisui House's Action Plan for the Promotion of Active Participation by Women. By following the steps in this plan, we aim to appoint more than 310 female managers by fiscal 2025 on a group basis. In addition, Sekisui House Women's College, which was established in 2014 to train management candidates, started the curriculum for the eighth class of trainees in June 2021. The outcome of these efforts is reflected in our progress on KPIs. To provide our customers with a happy living, we will enhance the value of all our human resources, including women, especially those with diverse capabilities.

	FY2020 Results	2Q FY2021 Results
Number of female directors	1	3
Number and percentage of female managers	236 3.79%	271 4.21%

# ESG-related News Summary (Second Quarter of Fiscal 2021)

E (Environmental)

S (Social)

### The 4th ESG Promotion Committee

[Agenda]

- Reporting in advance of the publication of our Integrated Report and Sustainability Report
- Governance reform initiatives
- Efforts to improve external evaluations
- Reform of the Matching Program, a joint donation system
- Health management initiatives

... and other items

### Integrated Report 2021 Sustainability Report 2021

### The 5th ESG Promotion Committee

[Agenda]

- Creating a mechanism for an emergent organization
- Employee well-being survey implementation report
- Efforts to decarbonize our supply chain
- Integrated Report and Sustainability Report for the next fiscal year

... and other items

Year 2021

Feb. 12

ESG

**Awarded the highest Gold Class 2021 Sustainability Award from S&P Global**



Feb. 25

E

**Full-scale construction of ZEH rental housing, an ethical housing option that contributes to a decarbonized society, under our Sha Maison brand**



Mar. 4

S

**Recognized as a Certified Health and Productivity Management Organization 2021 (White 500)**



Mar. 22

S

**Selected as a Nadeshiko Brand 2021 for the sixth time**

Achieved our target of doubling the number of female managers to 200 by fiscal 2020 ahead of schedule.



Apr. 26

E

**Built 91% of new detached houses to ZEH standards in fiscal 2020**

Led the industry in attaining the national target of a 46% reduction in greenhouse gases.



May 26

Jun. 3

S

**SMART-ECS, a next-generation indoor environmental system**

Achieved our annual sales target of 2,400 buildings six months after launch.



Issued on June 10

Jul. 3

S

**Held a special exhibition 'ARS VITA ESTA—Art is Life' to follow the path of Koji Kinutani**

At the hands-on Koji Kinutani Tenku Art Museum where visitors can enjoy 3D VR.



Jul. 8

ESG

**Ranked first in Institutional Investor's 2021 All-Japan Executive Team**



Jul. 12

S

**Supported a programming educational measure for children—creators of the future**

Participated in the Minecraft Cup 2021 National Tournament, an educational and programming event, as a tournament partner to support the development of computational thinking in children.



July 13

ESG

**Continued to be a component of the FTSE Blossom Japan Index**

Sekisui House continues to be a component of all four GPIF-selected ESG indicators since the announcement of the selection.

