

Eco-First Promise

Sekisui House was certified as an Eco-First Company by the Japanese Minister of the Environment in June 2008 for making three promises (Eco-First Promise)—global warming prevention, ecosystem preservation, and resource recycling. We have been conducting environmental activities with a view to fulfilling these promises. In 2012 and 2016, we updated our Eco-First Promise within the broad frameworks of the three promises while incorporating changes in social environment and the progress in our initiatives. In 2020, we updated our commitments and are continuing to expand our efforts.

Sekisui House, Ltd. and the Sekisui House group companies have adopted the following initiatives to ensure thorough legal compliance and are actively contributing to society through environmental considerations, based on our social responsibility as the largest supplier of housing units.

1 Proactive reduction of CO₂ emissions in the residential sector and business activities

In order to achieve a 39.3% reduction in CO₂ emissions in the residential sector by 2030, which is Japan's target under the Paris Agreement, we will work to reduce CO₂ emissions from Sekisui House's custom detached houses and rental housing by at least 45% by 2030 relative to 2013 levels.

- In our custom detached housing business, we aim to achieve a ZEH (Net-Zero Energy House) ratio of at least 85%, which would enable us to significantly reduce CO₂ emissions while enabling residents to live healthy and comfortable lives.
- In our rental housing business, we aim to create a market by promoting ZEH-standard rental housing that balances improved residential comfort with consideration for the environment.
- In our remodeling business, we will promote energy-efficient remodeling of custom detached houses through the partial ZEH standard through installation of *Idocoro Dan-netsu* facilities while aiming to reduce CO₂ emissions from existing houses.
- In the housing for sale business, we will promote development of disaster-resilient urban areas with low energy consumption throughout by using advanced technologies such as solar power generation, storage batteries, and private line networks.
- In our condominium business, by 2025 we will build more than 540 ZEH-standard condominiums incorporating high levels of thermal insulation and energy-efficient and energy-generating equipment while working to reduce the energy consumption of our newly built condominiums.
- Even in our non-residential business, we will promote energy efficiency and disaster resilience by adopting the ZEB (Net-Zero Energy Building) standard.
- In our overseas business, we will take into account the situations in the various countries in which we operate as we promote buildings with high environmental value incorporating Japan's excellent environmental technologies.

By fiscal 2030, we will reduce CO₂ emissions from the business operations (design, sales, etc.) of the entire group by at least 50% compared to fiscal 2013 levels.

- Sekisui House Owner Denki, which purchases post-FIT electricity from homeowners, will undertake the conversion from commercial electricity to renewable energy.
- We are promoting the introduction of hybrid cars and LED lighting fixtures in our offices.

2 Proactive revival of ecosystem network

We seek to contribute to a society in which people can live affluent and comfortable lives by sustainably using natural capital while protecting the natural circulation and ecosystems.

- In an effort to conserve biodiversity, we will actively promote the *Gohon no ki* Project to create residential gardens and urban development. This initiative focuses on tree-planting centered on native species rooted in the region, which are preferred by birds and butterflies. By 2025, we aim to achieve a cumulative total of 20 million plantings since the start of the project in 2001.
- We will promote the introduction of FairWood sustainable wood, including certified timber, in collaboration with suppliers and NGOs while preventing illegal logging and loss of natural ecosystems according to the 10 Wood Procurement Guidelines. We will also consider the independence of the local economies in which it is produced.

3 Proactive promotion of resource recycling activities

- We will strive to increase the value of social assets by suggesting renovations that improve quality of life and enhancing the value of housing while revitalizing towns and communities.

- In order to accelerate the achievement of Zero Emissions group-wide, we will promote the development of a new collection system that utilizes our Recycling Centers.
- We will continue to maintain Zero Emissions during production, construction, and after-sales maintenance (zero landfilling and zero incineration without heat recovery) and aim for a material recycling rate of 90%. We will also aim for a material recycling rate of 70% for waste associated with the renovation of existing houses, which is a trend likely to increase in the future.
- We will utilize IT to predict the amount of waste generated by a Zero Emissions system and will promote efforts for proper and smooth waste disposal and reduction.

4 Working to popularize environmental education

- We will continue to operate Eco First Park, where visitors can experience the three Eco-First initiatives, and will popularize environmental education in the home.
- We will strive to spread environmental literacy through *Sumufumulab* and other initiatives.
- We will actively promote environmental awareness and surveys through initiatives such as our environmental education programs, "A Letter from Dr. Forest," "Survey of flora and fauna," and "le-cology."