



ESG Data (Additional Disclosure)

Introduction

With the aim of being a leader in ESG management, Sekisui House regularly discloses information to its stakeholders as releases entitled “Progress on KPIs/ESG-related Topics,” which it has issued twice, in September and December 2021.

This year, in addition to continuing these releases, we will also disclose related environmental and social data for the Sekisui House Group.

This additional disclosure includes newly disclosed information and some updates on information in Sekisui House’s *Integrated Report 2021* and *Sustainability Report 2021*, which were published in June 2021.

January 25, 2022

SEKISUI HOUSE, LTD.

Ratio of Buildings with Green Certification

The green certification ratio of Sekisui House's real estate portfolio is zero.

However, the Company has received CASBEE for Real Estate Certification (Rank S) for Akasaka Garden City, which is included in the Company's portfolio (ratio of right of site: 34.55% of 662,768/1,000,000 (approximately 66.3%)).

Acquisition of Environmental Management System Certification

Sekisui House has obtained certification for and maintains the ISO 14001 international standard for environmental management systems as part of production process management at its production plants in Japan and overseas that manufacture and ship pre-engineered housing materials (Tohoku Factory, Kanto Factory, Shizuoka Factory, Hyogo Factory, Yamaguchi Factory and Ingleburn Factory (Australia)) (Factory certification rate: 100%).

Acquisition of Environmental Certification by Suppliers

Sekisui House is conducting initiatives based on its recognition of the need to work with suppliers in promoting reduction of CO₂ emissions from the material and raw material procurement stage. In October 2021, it held a study session with its suppliers to promote decarbonization.

According to the results of a questionnaire given at the study session, 71.6% of the Company's suppliers (based on annual purchase amount) have obtained ISO 14001 environmental certification.

Urban Brownfield Redevelopment

Target	Zero serious risk when purchasing land
Fiscal 2020 results	No purchases or sales occurred involving land contaminated in excess of legal standards, including redeveloped brownfield,* or unremediated land.

* Brownfield: Land not currently in use due to the existence or possibility of contaminated soil caused by industrial activity or other reason.

Volatile Organic Compound (VOC) Reduction Targets/Atmospheric Emissions

Target	60% decrease from fiscal 2010 levels
Fiscal 2020 results*	78% decrease

* Aggregated figures for the administrative fiscal year from April 1, 2020 to March 31, 2021

	(t/year)		
	FY2018	FY2019	FY2020
VOCs subject to the PRTR Law	35.5	30.5	24.4
VOCs not subject to the PRTR Law	82.9	110.5	82.2
Total	118.4	141.0	106.6

Based on the VOC target substances for which atmospheric emissions monitoring is required according to the Eco Action 2020 Target Management Survey of the Japan Prefabricated Construction Suppliers and Manufacturers Association

Violations of Permits, Standards, Laws or Regulations Related to Water Quality/Water Consumption

Utilization of Water Resources

The Sekisui House Group has been striving to use its water resources efficiently through water conservation measures. Total water intake in fiscal 2020 was 1,086,000 m³ (a reduction of 2.3% from the previous fiscal year) and the total amount of wastewater discharged was 788,000 m³ (a reduction of 1.1% from the previous fiscal year). There were no violations of laws or regulations, and no cases of nonconformance with voluntary standard values.

Accidents Resulting in Lost Worktime and Occupational Illness Frequency Rates (Total of one or more days of lost worktime)

Division		Frequency rate of accidents resulting in lost worktime			Frequency rate of occupational illnesses		
		FY2018	FY2019	FY2020	FY2018	FY2019	FY2020
Administration (Employees)		0.19	0.42	0.45	0.03	0.07	0.32
Production	Employees	0.00	0.45	0.00	0.00	0.00	0.00
	Contractors	0.00	0.27	1.59	0.00	0.00	0.00
Construction (Contractors only)		2.42	2.92	2.17	0.63	0.43	0.35

〈Calculation standards〉

Lost worktime injury frequency rate: Number of fatalities and injuries due to lost worktime injuries per million total working hours

Occupational illness frequency rate: Number of occupational illnesses per million total working hours

Scope of data collection:

FY2018, FY2019: Employees and contractors of Sekisui House

FY2020: Administration and production divisions: Employees or contractors of Sekisui House (non-consolidated)

Construction division: Contractors of Sekisui House, Sekisui House noie, and Konoike Construction Co., Ltd.

Total working hours:

The total working hours of Sekisui House employees and contractors in the administration and production divisions are calculated based on actual working hours.

Total working hours of contractors of Sekisui House and Sekisui House noie of the construction division were calculated as 8 hours per man per day.

The total working hours of Konoike's contractors in the construction division were calculated as 9 hours per man per day.

[Reference] Comparison with Industry Average*

The following statistics from the Ministry of Health, Labour and Welfare are presented for comparison with industry averages, although the criteria for calculation of frequency rate differ from those of Sekisui House.

Frequency rate of occupational accidents		2018	2019	2020
Manufacturing		1.20	1.20	1.21
General construction		1.09	1.69	1.30
Contract amount	¥1 billion or more	1.00	1.65	1.29
	¥500 million- Less than ¥1 billion	1.46	1.61	1.70
	Less than ¥500 million	1.13	2.06	0.97

* Source: Survey on Industrial Accidents, Ministry of Health, Labour and Welfare

Occupational Health and Safety Activities at Construction Sites

Sekisui House considers ensuring the occupational health and safety of all its construction workers to be its social responsibility and a priority matter for the Group. The Sekisui House Group conducts activities that enable construction workers to work safely and with peace of mind. “All its construction workers” refers mainly to contractors working on construction for which the Sekisui House Group is the prime contractor.

Basic Personnel Data

Sekisui House additionally discloses the following basic personnel data.

Main data	KPI	Unit	FY2020
			Results
Basic personnel data	Employee turnover ¹	%	3.14
	Of which, percentage of employees who voluntarily left the Company ^{1,2}	%	2.92
	Percentage of temporary employees ^{1,3}	%	2.07
	Percentage of temporary and part-time employees ^{1,3}	%	10.09

1. Fiscal 2020 results for Sekisui House only (non-consolidated)
2. Percentage during fiscal 2020
3. Percentage as of the end of fiscal 2020

Overview of the Verification with Regard to Cross-shareholdings

At the meeting of the Board of Directors held in September 2021, the members analyzed all listed stocks it holds as cross-shareholding (for 24 different companies excluding Sekisui House Reit, Inc. and equity-method affiliates) in terms of the status of shareholding, risk and return (deviation rate of stock price, dividend yield, ROE, credit ratings and others) and importance of transactions and overall significance of owning them.

Furthermore, from the perspective of increasing capital efficiency, the Company has adopted a policy to reduce cross-shareholdings in phases and set specific targets, namely to reduce the ratio* of cross-shareholdings to consolidated net assets to 5% or less during the period of the Fifth Medium-Term Management Plan (to January 31, 2023). The Company intends to further reduce cross-shareholdings during the period of the Sixth Medium-Term Management Plan and beyond, considering the market environment and other factors.

* Refers to the ratio of the “balance sheet amount of stocks for investment held for purposes other than pure investment,” stated in the annual securities report, to consolidated net assets.

Stocks Sold during the Fiscal Year Ended January 31, 2021

Of the 32 companies analyzed, the Company has sold all shares of 8 companies and a portion of shares of 1 company.