

Environmental Commitments

Sekisui House Group is committed to realizing its long-term vision, Sustainability Vision 2050, through the following initiatives:

Environmental Management Systems and Compliance

- We conduct due diligence and regular monitoring of environmental performance across all business activities, including assessments at the planning stage, and disclose key indicators periodically.
- We implement pollution prevention measures that exceed environmental regulations in the countries where we operate.
- We comply with international environmental declarations such as Paris agreement, treaties, national and regional regulations, and industry guidelines, and respond appropriately.
- We actively participate in industry associations and global environmental initiatives.
- We actively engage with stakeholders to address material environmental issues.
- We are committed to the ongoing reduction of hazardous waste emissions from our production sites and have established robust spill prevention protocols to ensure zero discharge, including during emergency situations.

Leading the Way to a Decarbonized Society

- We aim to achieve net-zero emissions across our entire value chain by 2050.
- We contribute to climate change mitigation and adaptation by developing and offering products and services that reduce greenhouse gas emissions.
- We promote the efficient and sustainable use of energy in our business operations and in the products and services we develop and sell.
- We will source 100% of electricity used in our operations from renewable energy by 2040.
- We will transition to low-carbon and decarbonization technologies and refrain from new investments that expand fossil fuel use.
- We will not provide financial support to organizations that oppose climate action, nor to those that engage in lobbying against climate-related regulations.
- We support capacity building across the value chain through engagement and assistance to suppliers and other stakeholders.
- We endorse international climate disclosure frameworks such as the TCFD recommendations and IFRS S2, and strive for appropriate disclosure.
- We monitor and respond to government standards related to green buildings.

Leading the Way to Society in Which Humans and Nature Coexist (Nature-Positive)

- We assess and disclose our impacts and dependencies on natural capital across the value chain.
- We respect the rights of Indigenous peoples and local communities in sourcing regions and uphold FPIC (Free, Prior and Informed Consent) for all stakeholders.
- We are committed to achieving a Deforestation and Conversion Free (DCF) value chain by 2030, in accordance with our Wood Procurement Policy and Guidelines.

- We support capacity building throughout the value chain by facilitating educational initiatives and promoting knowledge exchange on sustainable resource utilization and biodiversity restoration among stakeholders, including employees, suppliers, and customers.
- We avoid and minimize ecosystem loss from business activities by understanding local ecosystems and implementing The *Gohon no Ki* (“five trees”) planting initiative to promote nature-positive outcomes.
- We respect the global 30by30 target to conserve at least 30% of terrestrial and marine areas by 2030, and promote ecosystem conservation in urban green spaces, including corporate green areas.
- We strive to prevent the unintentional introduction of invasive alien species (IAS) in our business activities.
- For greenfield developments, we assess land suitability based on our internal standards to minimize environmental loss and implement ecosystem-conscious planning.

Leading the Way to a Circular Economy

- Toward realizing the “*House to House*” circular housing concept by 2050, we collaborate with stakeholders across the supply chain and promote industry-wide expansion of sustainable resource use.
- We continue to achieve zero emissions during production, construction, and after-sales maintenance, and aim to further develop our advanced resource circulation system based on the Sekisui House Zero Emission System through supplier collaboration and industry partnerships.
- We continue initiatives for 100% plastic recovery and improved material recycling at factories and new construction sites.

Conservation and Effective Use of Water Resources

- We reduce water usage through efficient utilization, prevent and eliminate water pollution through proper water quality management, and strive to conserve limited water resources.
- We provide safe water, sanitation, and hygiene (WASH) services to all employees as part of a healthy working environment.
- We establish and comply with internal standards that are stricter than regulatory requirements related to water.
- We manage water intake and discharge appropriately and work to conserve freshwater ecosystems around production sites.

Yuki Isaka

Chairperson of the Environmental Subcommittee

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