

# Haseko Group's Sustainability Management

We at the Haseko Group aim to achieve sustainability by adopting a long-term perspective and addressing the social issues surrounding our daily lives through business operations.

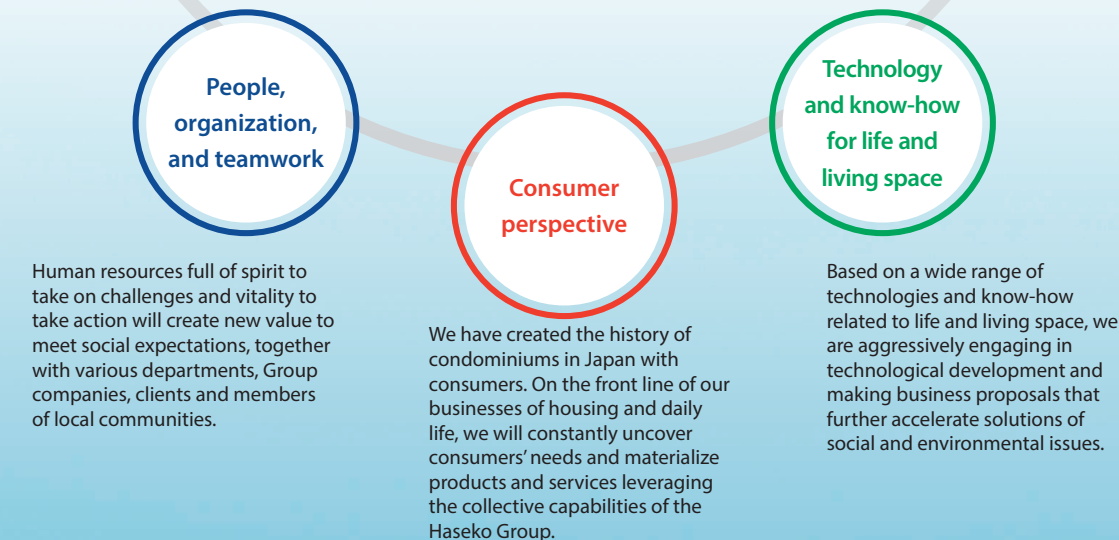
We are committed to CSR management as a means to achieve sustainability within the focused strategies of the medium-term business plan (Plan NS) formulated in 2020.

As a corporate group for housing to create great living, we will continue promoting CSR initiatives based on our CSR vision to fulfill our corporate philosophy and contribute to a sustainable society.



- Based on our CSR vision, we, in the Haseko Group, promote CSR activities in accordance with the following policy items:
1. Through a broad range of businesses related to housing and daily life, we will contribute to the realization of a sustainable society.
  2. In collaboration with our stakeholders, we will take action to integrate social and environmental concerns into our businesses processes.
  3. Utilizing the collective capabilities of our Group, we will strengthen our management ability in order to create new value for society and meet the expectations of our customers and other stakeholders.
  4. In all our business activities, we will comply with the law and act on the basis of high ethical standards.
  5. We will continue to improve our CSR initiatives, proactively disclose information, and aim to raise transparency throughout the organization.

We cherish **the collective capabilities of the Haseko Group**, and they serve as the primary driving force of our CSR initiatives.



## SDGs (Global Goals) Closely Related to Our Business Operations

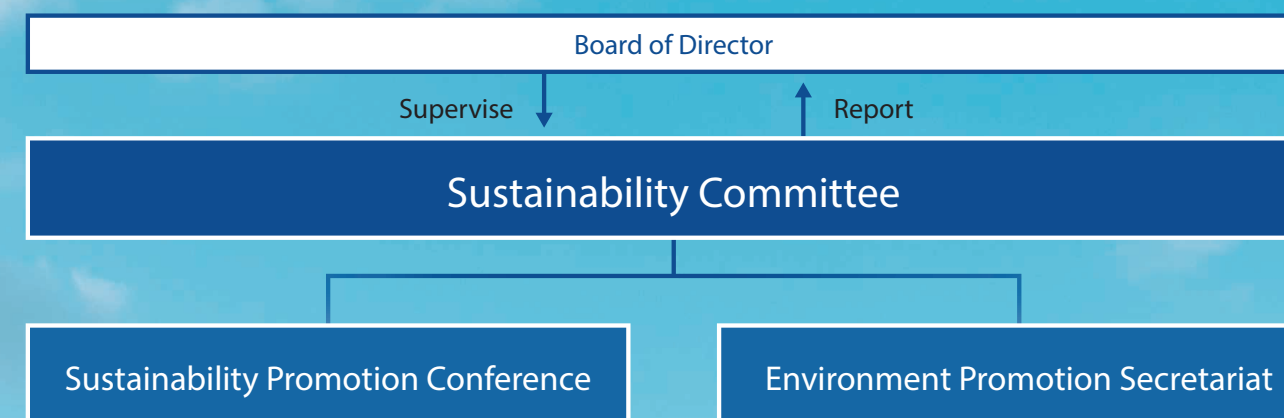
We have identified 10 out of the 17 Global Goals (SDGs) promoted by United Nations with a particular connection to our business. We recognize that the business and operations of the Haseko Group are closely linked to social and environmental challenges, and through solution-oriented business actions, we aim to create synergies between the generation of social value and the growth of the Haseko Group.

## Social issues surrounding our daily lives

- Response to climate change
- Conservation of ecosystem
- Safety and security
- Disaster prevention and disaster response
- Regional revitalization
- Response to demographic changes and aging society
- Diversity promotion
- Active participation of women
- Health, medical care, and nursing care
- Vocational education and creation of employment opportunities
- Childcare and parental care
- Sustainable consumption
- Cyclical resource use



## CSR Organizational Framework



### Toward CSR Management —Group Medium-term Business Plan (HASEKO Next Stage Plan)

In February 2020, we formulated the “Haseko Group Long-Term Vision — What the Company Aims to Be for the Fiscal Year Ending March 2030 —” and medium-term business plan for achieving the vision, “HASEKO Next Stage Plan (Plan NS),” which runs until the fiscal year ending March 31, 2025, with the aim of making a further leap forward as a “corporate group for housing to create great living.”

We will aim to achieve sustainable growth of the Haseko Group by including CSR management initiatives in our focused strategies of Plan NS and promoting further links between corporate management and CSR.

**We are implementing the following initiatives to make a further leap forward as a corporate group for housing to create great living.**

#### Initiatives of CSR management

- (1) Enhance corporate value by both “creating social value” and “growing the Group” through solving problems regarding business
- (2) Incorporate important ESG factors to pursue for long-term growth and the strengths of the Haseko Group into CSR themes, and promote CSR targets

### Our Four Main CSR Themes

We are promoting initiatives toward realization of the four main CSR themes, which is the goal of the Haseko Group’s CSR.

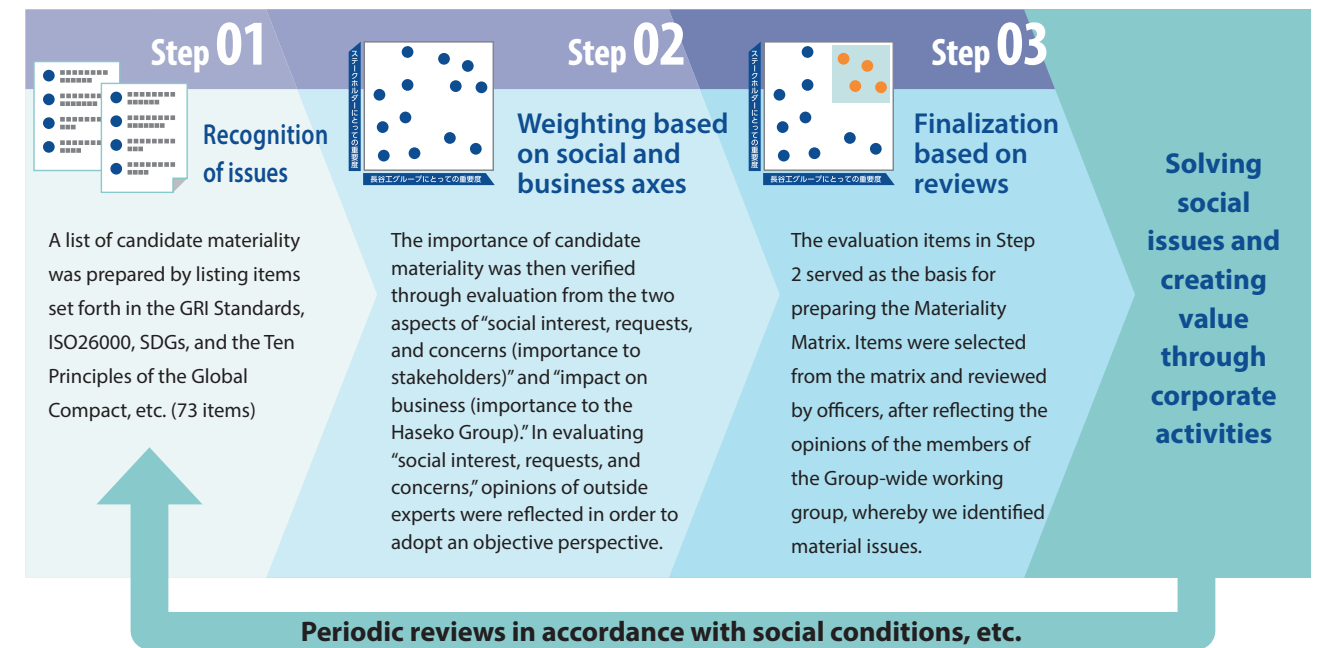
Our Four Main CSR Themes	Related materiality	Nurturing a culture of trust*	ESG
<b>Creating attractive living spaces</b>	<ul style="list-style-type: none"> <li>Sustainable living and sustainable cities</li> <li>Product safety (service safety)</li> <li>Technological development</li> <li>Care of community and engagement</li> </ul>		E/S
<b>Building a company worth working at</b>	<ul style="list-style-type: none"> <li>Human capital (diversity &amp; inclusion, human resources development)</li> <li>A safe and healthy working environment</li> </ul>		S
<b>Protecting the precious environment</b>	<ul style="list-style-type: none"> <li>Response to climate change</li> <li>Consideration for biodiversity</li> <li>Pollution prevention and consideration for the local environment</li> </ul>		E
<b>Nurturing a culture of trust</b>	<ul style="list-style-type: none"> <li>Governance and risk management</li> <li>Information disclosure and stakeholder engagement</li> <li>Respect for human rights</li> <li>Supply chain management</li> </ul>		G

\*SDGs: UN Sustainable Development Goals

### Materiality

Amidst accumulating environmental and social issues, including climate change, energy problems, aging society with fewer children, poverty, and human rights issues, corporations have a growing responsibility to solve such issues. The Haseko Group has identified priority issues to be addressed as materiality (material issues) from the perspective of business and social axes, and has incorporated these issues into our guidelines for promoting CSR. After having first identified the details of material issues in 2017, we subsequently revised these details in April, 2020 and again in May, 2023. We will conduct periodic reviews as necessary from a perspective of consistency with the management policy and social conditions.

#### Materiality Identification Process

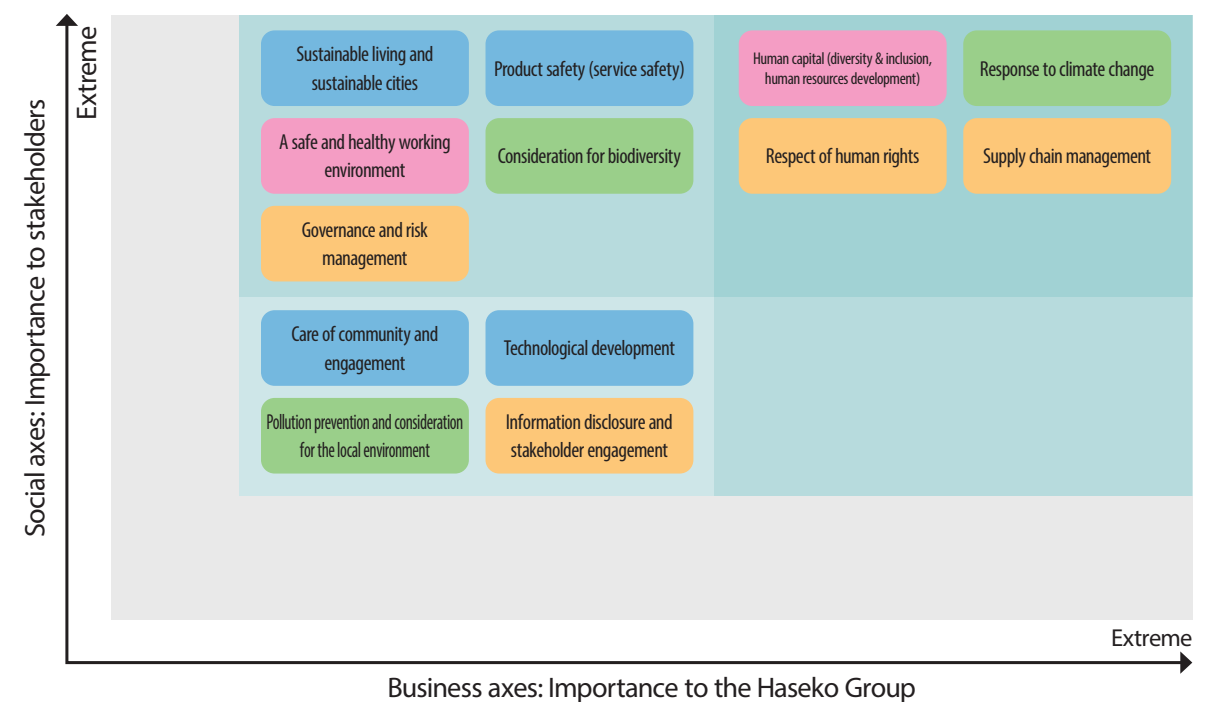


### Haseko Group’s Materiality

All of the materiality topics identified have been incorporated as components of our four main CSR themes.



#### Relationship with the four main CSR themes:


■ Creating attractive living spaces ■ Building a company worth working at ■ Protecting the precious environment ■ Nurturing a culture of trust





# Haseko Group CSR Action Plan for FY2022

Four main CSR themes	17 priority sub-themes	Vision for 2037 (100th anniversary)	FY2020–2024 Haseko Group initiative items	KPIs/Targets	Results
<b>Creating attractive living spaces</b> We will create living spaces where people can feel safe, grow, and actively pursue diverse lifestyles. While promoting businesses that enhance the quality of child nursing, education, care, and welfare, we will aim to make safe, secure and environmentally considerate living the new standard. ■ Related SDGs 	<b>Safety, security and comfort</b> 1 Thoroughly pursuing the supply of safe, secure and conformable buildings and services and providing longer-life housing	(1) Quality maintenance and improvement (2) Promotion of condominium renewals (3) Promotion of the redevelopment business (4) Introduction of ICT-based security and monitoring systems (5) Continuation of the 24-hour emergency response system	• Number of matters pointed out in the external ISO 9001 examination: none • Number of housing units that adopted Haseko's Premium After-sales Service • Number of technologies developed	None Tokyo: 7,634 units (a cumulative total of 79,447 units) Kansai: 3,750 units (a cumulative total of 33,169 units) 4 projects completed; 5 ongoing projects	None
			• Number of new initiatives • Number of new initiatives	11 initiatives (Tokyo and Kansai regions) 8 initiatives (Tokyo and Kansai regions)	Continued the verification (8 ICT condominiums in operation) • Number of alarms received by the Owl 24 Center; alarms responded 100%
	2 Contributing to creating disaster-resilient lifestyles and communities	(6) Promotion of disaster countermeasures for condominiums from the hardware and software perspectives	• 100% adoption of "Renai" with the specification for the proposal of hazard-resistant condominium • Number of disaster countermeasure technologies developed (for earthquakes [seismic isolation, vibration control, anti-seismic], typhoons, etc.) • Implementation rate of drills for checking disaster damage to properties and facilities managed by the Group	100% 4 ongoing projects 100% (three times annually)	None
			(1) Provision of buildings and services that respond to social needs (2) Initiatives to realize DX (3) Development and provision of facilities, housing, and nursing care services for elderly to respond to a super-aging society	• Number of the new normal measures taken • Number of initiatives taken • Number of elderly facilities, housing, and services commercialized • Number of consultations handled by the senior life consultation service	Proposed to some project owners. 43 initiatives 2 cases None
	<b>Enabling diverse lifestyles</b> 3 Providing the new value of homes and lifestyles to support the diverse lifestyles of people, from children to senior citizens	(1) Promotion of complex development with housing at the core (2) Promotion of business development in local communities (3) Promotion of Asuka Village projects	• Number of associations participated in the "Mission Uchimizu (Water Sprinkling)" at condominiums • Holding of events at properties managed by Haseko Community, Inc. (held once a year at properties with 100 or more units for which Haseko Community, Inc. provides comprehensive management services)	Not held because of the COVID-19 pandemic. Not held because of the COVID-19 pandemic.	None
			(4) Setting up of the environment to form a community through interaction among residents in the same local community or condominium.	• Number of collective ZEH projects adopted • Number of environmental burden reduction technologies developed (Haseko Corporation) • Reduction based on the ISO 14001 targets • CO <sub>2</sub> reduction rate: 10% or higher (design) • Adoption rate of environment-conscious designs	1 project 4 ongoing projects Tokyo 19.8%; Kansai 22.94% Tokyo 97.6%; Kansai 98.5%
	<b>Community</b> 4 Contributing to creating communities with easy access to various services related to people's daily lives, such as childcare, education, nursing care, and welfare services	(1) Development and adoption of technologies that minimize environmental burden stemming from condominiums	• Promotion of telework (work-from-home, etc.) • Promotion of the appointment of female managers • Eruboshi certification • Percentage of female employees: 30% or higher (Haseko Corporation) • Percentage of women among new graduates hired: 30% • Kurumin certification (Haseko Corporation)	Implemented as planned. Continued the initiative. Percentage of female managers 9.8% Not yet certified. 30.5% 24.2% Not yet certified.	None
(2) Development and promotion of a working environment and infrastructure where foreign national employees can play an active role			• Percentage of spouse maternity leave taken: 80% • Percentage of childcare leave taken (male): 20% • Percentage of children leave taken (male): 50%	44.0% 40.7% 45.4%	None
<b>Environmental consideration in daily life</b> 7 Being a leading company in environmental technologies for housing and living.	(1) Ensuring a thorough safety and health management system (2) Development of a working environment	• Meeting of the Haseko Group Health Management Promotion Committee • Certification under the Health & Productivity Management Outstanding Organizations Recognition Program • Percentage of employees undergoing health checks: 100% • Implementation rate of the specific health guidance: 45% • Percentage of employees taking stress checks: 100%	Held once a year. Certified under the program. 100% 52.3% 97.2%	None	
		(3) Implementation of health management	• Number of measures taken to improve business operations	3 measures	None
<b>Building a company worth working at</b> We will nurture a workplace where a diversity of employees can flourish, and where safety and productivity are high. Employees with advanced technological skill and know-how in the field of housing and living will work in passionate teamwork, and in collaboration with our cooperating companies, to create communities today and in the future. ■ Related SDGs 	<b>Enabling the flourishing of diverse talent</b> 8 Having put in place an environment where all employees can play an active role by fully demonstrating their capabilities and skills with a rewarding sense of satisfaction while accepting each other's diverse individuality and values.	• Continuation of Training Workshops for 60-year-old Employees • Number of re-employed retirees	Held in August. 299 persons	None	
		(6) Development and promotion of a working environment and infrastructure where foreign national employees can play an active role	• Development of relevant systems	Continued the promotion initiative.	None
<b>A safe and healthy working environment</b> 9 Having realized a safe and healthy working environment at all workplaces	(1) Ensuring of a thorough safety and health management system (2) Development of a working environment	• Zero fatal and serious accidents/disasters • Frequency of occupational accidents: 0.60% or less • Severity of occupational accidents: 0.01% or less • Meeting of the Safety and Health Central Committee • Continuation of the promotion of COVID-19 prevention measures	Zero 0.28 0.00 Held once a year. Continued the promotion initiative.	None	
		(3) Implementation of health management	• Meeting of the Haseko Group Health Management Promotion Committee • Certification under the Health & Productivity Management Outstanding Organizations Recognition Program • Percentage of employees undergoing health checks: 100% • Implementation rate of the specific health guidance: 45% • Percentage of employees taking stress checks: 100%	Held once a year. Certified under the program. 100% 52.3% 97.2%	None
<b>Human resources development and technology succession</b> 10 Providing support for better physical and mental health to each and every employee	(1) Development of human resources and organizations that continue to grow, evolve, and take on challenges autonomously (2) Technology and skill succession	• Meeting of the Haseko Group Health Management Promotion Committee • Certification under the Health & Productivity Management Outstanding Organizations Recognition Program • Percentage of employees undergoing health checks: 100% • Implementation rate of the specific health guidance: 45% • Percentage of employees taking stress checks: 100%	Held once a year. Certified under the program. 100% 52.3% 97.2%	None	
		(4) Promotion of physical and mental health among employees	• Number of measures taken to improve business operations	3 measures	None
<b>Supply chain</b> 14 Having realized a safe and productive workplace in cooperation with cooperating companies	(1) Development of human resources and organizations that continue to grow, evolve, and take on challenges autonomously (2) Technology and skill succession	• Number of employees participated in self-learning support programs provided by the Haseko Business College	1,397 persons	None	
		(3) Strengthening of external communications	• Number of visitors to the Haseko Condominium Museum	6,136 persons (a cumulative total of 15,517 persons)	None
<b>Supply chain</b> 14 Having realized a safe and productive workplace in cooperation with cooperating companies	(3) Risk management measures taken by cooperating companies	• Number of events held; number of participants	2 events; 667 persons	None	
		(4) Enlightenment through events, etc.	• Number of events held; number of participants	2 events; 667 persons	None

Four main CSR themes	17 priority sub-themes	Vision for 2037 (100th anniversary)	FY2020–2024 Haseko Group initiative items	KPIs/Targets	Results
<b>Protecting the precious environment</b> We will promote environmental consideration throughout the process of providing living spaces and services related to daily life. We are considerate about our impact on the ecosystem, and will pursue further improvements of resource and energy efficiency working with cooperating companies to realize construction sites and workspaces that help protect the natural environment. ■ Related SDGs 	<b>Cyclical resource use</b> 15 Thoroughly practicing the 3Rs (Reduce, Reuse, Recycle) in all of our business activities	(1) Continuous management and improvement of the environmental management system (2) Promotion of the reduction of construction waste (3) Enhancement of the 3Rs at offices and construction sites	• Number of matters pointed out in the external ISO 14001 examination: none • Number of external awards received (Haseko Corporation) • Reduction based on the ISO 14001 environmental targets • Mixed waste: 5 kg/m <sup>2</sup> or less • Recycling of mixed waste: 80%	None 2 awards Tokyo 2.4 kg/m <sup>2</sup> ; Kansai 3.1 kg/m <sup>2</sup> Tokyo 91.8%; Kansai 84.7%	
			(1) Continuous management and improvement of the environmental management system (2) Continuation of responses in accordance with the Climate Change Response Policy	• Number of matters pointed out in the external ISO 14001 examination: none • Same as the SBT targets (refer to 16-4) below).	None Same as on the left
	<b>Energy &amp; CO<sub>2</sub></b> 16 Realizing high energy efficiency and high utilization of renewable energy sources in all of our business activities	(4) Setting of the SBT targets and reduction initiatives (5) Promotion of energy and power saving at construction sites, offices, etc. (6) Active utilization of solar power and other renewable energy sources in our business activities (7) Biodiversity conservation activities (Haseko no Mori)	• SBT targets (base fiscal year: FY2020) Scope 1 + Scope 2 FY2030: -42%, FY2050: -100% Scope 3 FY2030: -13%, FY2050: -37%	Promoted the reduction initiatives.	None
			(8) Wood use in construction of housing complexes	• Number of projects utilizing wood for the main structure of condominiums	1 project
	<b>Pollution prevention and consideration for the local environment</b> 18 Giving thorough consideration for the local environment in all of our business activities	(1) Compliance with environmental regulations, etc. (2) Consideration for biodiversity (3) Consideration for residents living near the construction site (4) Development of local environment-conscious technologies	• Zero serious soil, water, dust, and other pollution incidents • Number of external awards received (incl. ABINC Certification) • Awareness-building through the value enhancement activities	None 4 projects Implemented.	None
			(1) Reinforcement of risk management including environmental and social risk management (2) Thorough compliance (3) Strengthening of the governance structure	• Meeting of the Risk Management Committee including operational of the BCP (incl. disaster response and prevention measures for infectious diseases) • Percentage of internal audit coverage • Compliance lecture participation rate • Meeting of the Compliance Committee • 100% participation in the e-learning course	Held four times. Continued the operation. 100% Held six times. 100%
	<b>Nurturing a culture of trust</b> In order to remain a corporate group co-creating value with stakeholders based on strong trust from them, we will implement the required organizational measures rigorously. We will strengthen management that harnesses our collective capabilities as a group, and while staying alert to new social and environmental issues in housing and living, we will constantly expand our ability to contribute to society through our business.	<b>Corporate ethics and compliance with the Law</b> 19 Ensuring thorough practice of corporate ethics and compliance with the law as a company with integrity	• Outside directors comprising at least one third of the total number of directors	38.5% (5 out of 13 directors)	None
(1) Formulation of the Human Rights Policy and development of the human rights due diligence (2) Enhancement of education and mechanisms for eliminating harassment			• Promotion of human rights due diligence	Formulated a human rights agenda	None
<b>Information disclosure and stakeholder engagement</b> 21 Carrying out the CSR management by using information obtained from diverse stakeholders	(1) Implementation of conversations with stakeholders (2) Proactively disclosing information to stakeholders	• Communication activities with institutional investors, analysts, media, end users, etc.	Implemented 212 times in total.	None	
		(1) Implementation of internal dissemination measures by systematically providing CSR education, and surveys on employees' understanding	• Timely update of our corporate website • Periodical publication of reports • Improvement of the results of an external ESG disclosure evaluation	Timely updated. Published. Improved.	None
<b>CSR education and training</b> 23 Providing individual employees with CSR education required for their position or level and implementing the CSR management	(1) Contribution to the revitalization of Asuka Village (2) Promotion of social contribution activities	• CSR lecture participation rate; number of participants • 100% participation in the CSR e-learning course	80.1%; 872 persons 99.46%	None	
		(3) Consideration and establishment of the disaster assistance system and policy	• Holding of events • Number of participants in social contribution activities • Formulation of the Social Contribution Activities Policy	Held. 728 persons Continued the formulation.	None
<b>Promotion of social contribution activities</b> 24 Presenting our approach to solve social issues to wider society	(3) Consideration and establishment of the disaster assistance system and policy	• Questionnaire surveys	Implemented.	None	
		(1) Putting CSR Procurement Guidelines into action	• Questionnaire surveys	Implemented.	None

10 SDGs closely related to Haseko Group CSR initiatives

