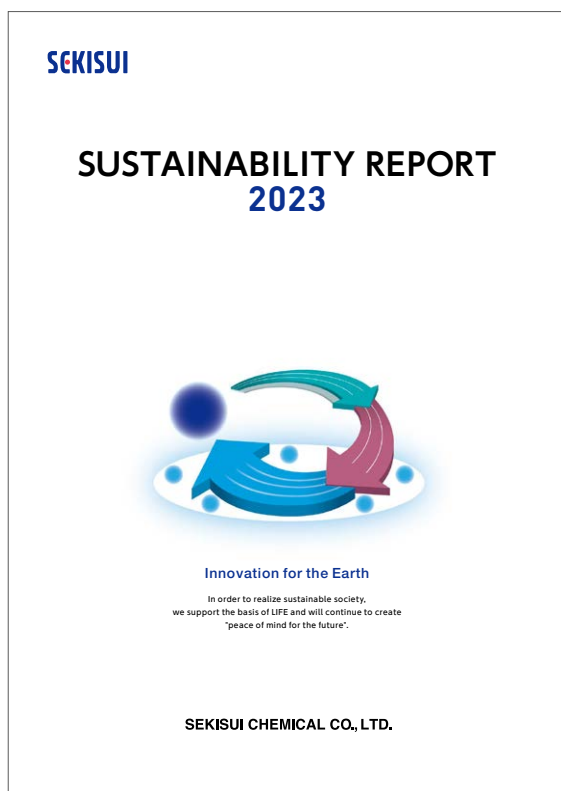


# SUSTAINABILITY REPORT 2023

## Performance Data Book



<b>● Long-term Vision and ESG Management</b>	
Key ESG Management Issues (Materiality) and KPIs	p1
<b>● Products to Enhance Sustainability</b>	
Products to Enhance Sustainability	p3
<b>● Governance (Internal Control)</b>	
Safety Issues	p5
Quality Issues	p11
Legal and Ethical Issues	p14
<b>● Environment</b>	
Integrated Index Sekisui Environment Sustainability Indexs	p16
Major Initiatives	
Climate Change	p24
Realizing Resource Recycling	p34
Reducing Water-related Risks	p38
Addressing Biodiversity	p42
Environmental Accounting	p45
Chemical Substance Mangement	p47
Material Balance	p51
<b>● Human Capital</b>	
Vision Management	
KPI (Employee Challenge Action Rate)	p52
People Management	
Deepening Engagement	p53
Employee Career Development	p53
Human Resources Management	
Shift to a role-based management system for human resources	p55
Training Human Resources	p55
Allowing Diverse Human Resources to Excel (Diversity)	
Allowing Diverse Human Resources to Excel (Gender)	p56
Allowing Diverse Human Resources to Excel (Seniors)	p62
Allowing Diverse Human Resources to Excel (Global)	p63
Allowing Diverse Human Resources to Excel (People with Disabilities)	p64
Support for Balancing Childcare and Work	p65
Work Style Reforms	p68
Health and Productivity Management	p69
<b>● Fusion (Innovation)</b>	
Fusion (Innovation)	p70
<b>● Initiatives to Help Solve Social Issues</b>	
Intellectual Property	p71
Improving CS & Quality	p72
Enhancing the Ability to Contribute to Solving Social Issues through Education	p74
Social and SDGs Contribution Activities	p75
<b>● Foundation Underpinning ESG Management</b>	
Stakeholder Engagement	p76

# Long-term Vision and ESG Management

## Key ESG Management Issues (Materiality) and KPIs

< Current Medium-term Management Plan (FY2020-FY2022) >

Implemented on a consolidated basis (certain items are implemented on a SEKISUI CHEMICAL non-consolidated and domestic consolidated only basis)

Note: Reference page indicates the page of the Sustainability Report 2023 <PDF version>.

		KPIs	Current Medium-term Management Plan Final Fiscal Year (FY2022) Targets	Fiscal 2022 Results	Reference Page(s)	
Outputs	Products to enhance sustainability	Net sales of products to enhance sustainability	¥800 billion	¥908.9 billion <input checked="" type="checkbox"/>	P.36	
		Net sales of products to enhance sustainability that are categorized as Premium	—*1	—*1	P.24	
Key Issues (Materiality)	Risk mitigation/avoidance	<b>Number of serious incidents in the 5 fields</b>	0	—*1	P.40	
		<ul style="list-style-type: none"> <li>Number of workplace accidents resulting in a fatality</li> <li>Number of major quality issues</li> <li>Number (incidence) of serious non-compliance and negligence</li> <li>Cybersecurity incidents*3</li> </ul>	0 0 0 0	0 <input checked="" type="checkbox"/> 2*2 <input checked="" type="checkbox"/> 0 <input checked="" type="checkbox"/> 0 <input checked="" type="checkbox"/>	P.41 P.67 P.72 P.82	
		Safety: Incidences of injuries attributable to machines and equipment	0	4	P.41	
		Quality: Rate of application of measures for development risk prevention*4	100%	100%	P.59	
		Accounting: Preparation for SAP introduction	Completion of the SAP (accounting) design process; begin the development process	Completed the SAP (accounting) design process; began the development process	P.77	
		Accounting: Number of companies incorporating accounting information	Completion of incorporation in Japan; completion of preparations for incorporation overseas	Completed preparations for the incorporation of all consolidated companies		
		Accounting: Number of educational programs implemented to improve accounting skills	4	4		
		Legal/ethics: Deployment rate of important rules at overseas Group companies	100%	96%	P.72	
		Legal/ethics: Number of regions where internal whistleblower systems have been established at overseas Group companies	All overseas regions (10 regions)	Established in 9 regions		
		Information management: Recovery time following incidence occurrence	Ongoing monitoring to set a baseline	Ongoing monitoring	P.82	
		Information management: Formulation and overseas deployment of CSIRT*5 introduction plans	Formulation of detailed plans and the start of deployment	Commenced monitoring and operation at 3 companies*6 in North America		
			<b>BCP operating rate</b>	<b>BCP operating rate 100% (establishment of PDCA)</b>	<b>BCP operating rate 100% (establishment of PDCA)</b>	P.87
	Investment for minimizing future costs (Improving sustainability KPI)	DX	<b>Net sales per direct/indirect employee</b>	<b>Fiscal 2030: Indirect productivity 40% increase; direct productivity 15% increase (compared with fiscal 2019)</b>	—*1	P.98
			Execution status of development for constructing global standard operations and system models	Design and development of a backbone system for global rollout, and preparations for deployment	Completed design work for subject business processes/began development; confirmation of the outline of operations at overseas bases currently underway in preparation for global deployment	P.100
			Progress status of initiatives aimed at indirect materials purchasing (Deployment plans)	Enhancement of Governance (Internal Control) by visualization of transaction status, improvement of efficiency by consolidating purchasing operations	Deployment of an indirect purchasing system to major location in Japan currently underway; preparations completed for the launch of a centralized purchasing organization	
			Progress status of initiatives aimed at sales and marketing reforms (Number of participants and workload shift)	Reduction of steps in inward operations, expansion of steps in sales activities and use of IT to expand sales	Completed introduction of a sales support system to sales bases; development of new data-based business processes currently underway	
Progress and usage status of initiatives for establishing new work styles		Provision of remote-work platforms that balance security and convenience	Completed deployment of secure remote work platform (MobileNET: 6,000 users, Integrated Authentication Platform: 25,000 users), established new work styles			
		<b>Renewable energy ratio of purchased electricity</b>	<b>20%</b>	<b>36.4%</b> <input checked="" type="checkbox"/>	P.149	
Resource recycling: Waste generated; per unit of production		-1% (over the three-year Medium-term Management Plan)	-1.7% (compared with fiscal 2019)	P.156		
Water-related risks: Water intake volume at production sites which use large quantities of water		-10% (over the three-year Medium-term Management Plan)	-7.8% (compared with fiscal 2016)	P.169		
Water-related risks: Total COD volume of river discharge water at production sites with large COD emission volumes	-10% (over the three-year Medium-term Management Plan)	-14.3% (compared with fiscal 2016)				

		KPIs	Current Medium-term Management Plan Final Fiscal Year (FY2022) Targets	Fiscal 2022 Results	Reference Page(s)	
<b>Key Issues (Materiality)</b>	Investment for minimizing future costs (Improving sustainability KPI)	<b>Human capital</b>	■ Degree of challenging behavior expression*7	17%	11% ✓	P.214
			Rate of deployment of the Long-term Vision to each department	Rate of deployment to employees 100% Long-term Vision expansion workshops (for the heads of Group organizations): 100%	Rate of deployment to employees 69% Long-term Vision expansion workshops (for the heads of Group organizations): 88%	P.214
			Transition to the new HR system	Completion of transition to the new HR system (general employees and managerial positions)	Completion of transition to the new HR system (general employees and managerial positions)	P.218
			Rate of career interview implementation between superiors and subordinates for independent career development	Implementation of career interviews (general employees, managerial positions and senior experts) 100%	Implementation of career interviews (general employees, managerial positions and senior experts) 75.4%	P.216
		<b>Fusion (Innovation)</b>	■ Increase in net sales from fusion	Up ¥50 billion (compared with fiscal 2019)	Up ¥46.8 billion (compared with fiscal 2019)	P.243
			Number of new A-type products launched, number of A-type projects*8	— *1	— *1	P.243
			Number of external collaborations	— *1	— *1	

\*1 Undisclosed.

\*2 Based on individual divisional company standards.

\*3 Virus infection, information leakage, backbone system outage, or other incident resulting from cyber attacks that have a significant impact.

\*4 When using methods to prevent development risk at the product development stage

\*5 CSIRT: Abbreviation for Computer Security Incident Response Team. Plays a role in preventing cybersecurity incidents and a role in rapid response and recovery in the unlikely event of a cybersecurity incident.

\*6 Three companies in North America: SEKISUI AMERICA CORPORATION, SEKISUI VOLTEK, SEKISUI DIAGNOSTICS

\*7 Questionnaire survey to measure whether employees actually expressed challenging behaviors to achieve the Long-term Vision. Under the current Medium-term Management Plan, the percentage of respondents who answered "yes" from a 4-answer selection was used as an indicator. (See p. 213)

\*8 New A-type product: Product developed using new technologies with the aim of cultivating new markets and customers. A-type project: Large-scale subdivision project with more than 30 lots.

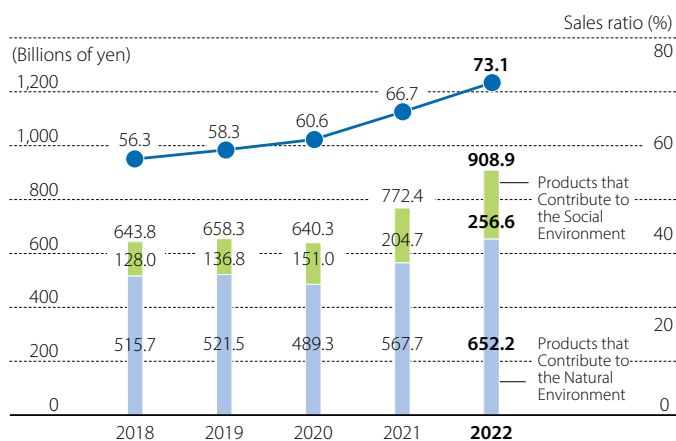
## Products to Enhance Sustainability

Note 1: From fiscal 2019, Medical Business results have been separated from the HPP Company and presented as a total of the Other Business following its separation from the HPP Company as an independent entity.

Note 2: From fiscal 2020, the product system has evolved and renamed Products to Enhance Sustainability.

Note 3: In line with a change in the control of certain businesses in the UIEP and HPP companies implemented from October 2022, net sales for fiscal 2022 of both companies are collated as if the change in control had been initiated from the beginning of fiscal 2022.

### Net Sales / Proportion of Products to Enhance Sustainability



### Trends in Net Sales of Products to Enhance Sustainability

(Unit: Billions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022
Housing Company	364.3	374.0	352.9	393.8	448.6
Urban Infrastructure & Environmental Products Company	97.7	101.5	93.2	101.3	152.1
High Performance Plastics Company	178.9	110.0	121.9	186.9	218.5
Medical, Other*	2.8	72.7	72.2	90.4	89.6
Company-wide total	643.8	658.3	640.3	772.4	908.9

\* Manufacture, sale, and servicing of film-type lithium-ion batteries and other products outside of our four main businesses (Housing Company, UIEP Company, HPP Company and Medical Business)

Index	Calculation Method
Net Sales of Products to Enhance Sustainability	<ul style="list-style-type: none"> <li>Net sales of products to enhance sustainability = Consolidated SEKISUI CHEMICAL Group sales of products internally certified as products to enhance sustainability</li> <li>All businesses of the Group in and outside Japan are subject to assessment</li> </ul> Note: See pages p. 24-28 of Sustainability Report 2023 for a definition of and approach toward products to enhance sustainability.
Proportion of Products to Enhance Sustainability to net sales	<ul style="list-style-type: none"> <li>Proportion of products to enhance sustainability to net sales = Net sales of products to enhance sustainability / Consolidated sales</li> <li>All businesses of the Group in and outside Japan are subject to assessment</li> </ul> Note: See pages p. 24-28 of Sustainability Report 2023 for a definition of and approach toward products to enhance sustainability.

**Number of Products to Enhance Sustainability Newly Registered**

FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Number of registrations as of the end of March 2023
24	18	5	12	28	18	198

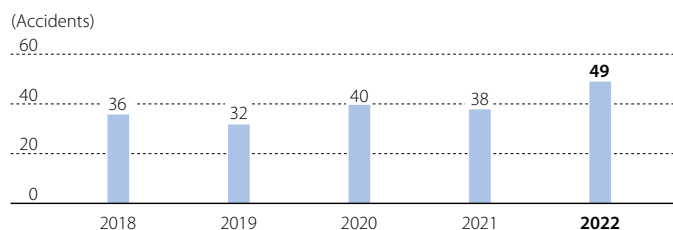
## Safety Issues

### Safety Performance

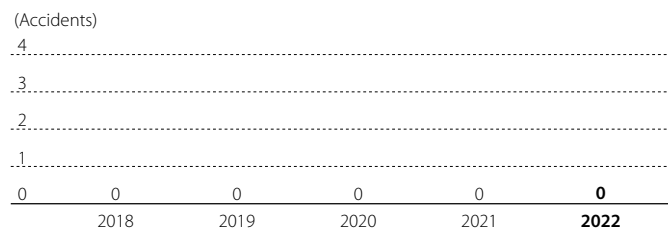
#### Japan

Aggregate scope: 47 production sites and five research institutes in Japan

#### Number of Occupational Accidents



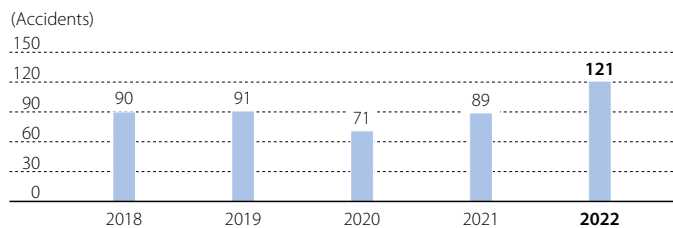
#### Number of Facility Accidents



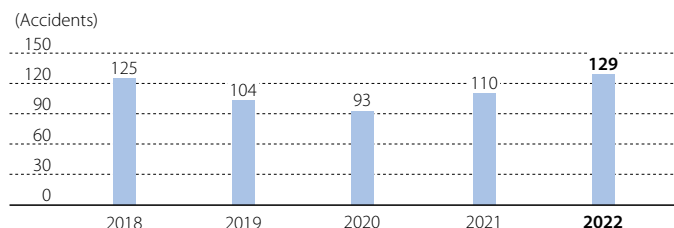
Indicator	Calculation Method
Number of Occupational Accidents	The number of occupational accidents (both those resulting in lost time and those not) occurring during a given fiscal year (April through the following March)

Indicator	Calculation Method
Number of Facility Accidents	The number of incidents where facilities malfunctioned (fires, leaks, etc.) that fulfill at least one of the following criteria (SEKISUI CHEMICAL Group criteria), from (1) to (3), occurring during a given fiscal year (April through the following March) (1) Human harm: An accident causing at least 30 days' lost work (2) Material harm: 10,000,000 yen or greater (3) Opportunity loss: 20,000,000 yen or greater

### Number of Cases of Long-term Sick Leave



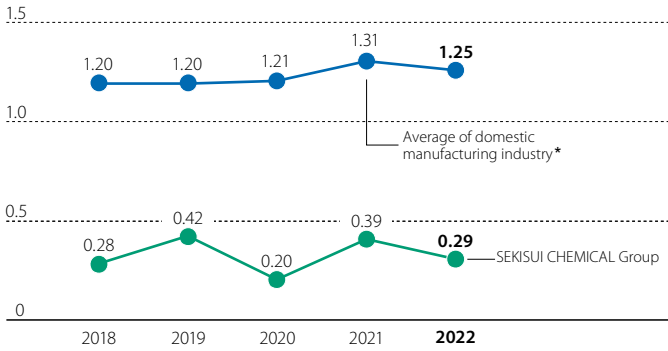
### Number of Commuting Accidents



Indicator	Calculation Method
Number of Cases of Long-term Sick Leave	Describes leave of 30 days or more consecutively for sickness or injury occurring in a Japanese production site or research institute during the given fiscal year (April to the following March), and which is newly-occurring. Recurrences within 6 months of the start of work attendance are not counted. However, leave attributable to an occupational injury is counted as an occupational accident and not classified as long-term sick leave

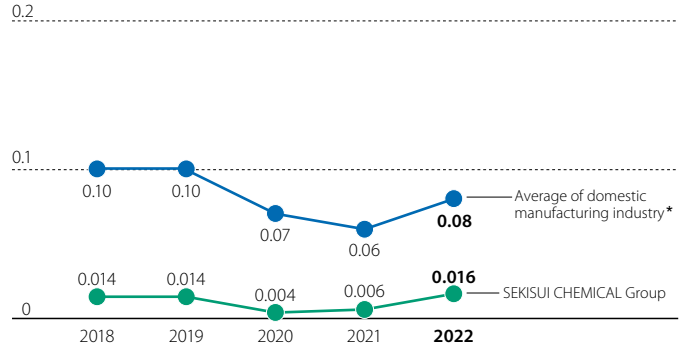
Indicator	Calculation Method
Number of Commuting Accidents	The number of accidents occurring during commutes to Japanese production sites and research institutes during a given fiscal year (April to the following March); counting assault, damage, self-inflicted injury, and accidents; includes accidents while walking

**Frequency Rate Over Time**



\* Source of information for the Japanese manufacturing industry: Ministry of Health, Labour and Welfare, Survey on Occupational Accidents

**Severity Rate Over Time**

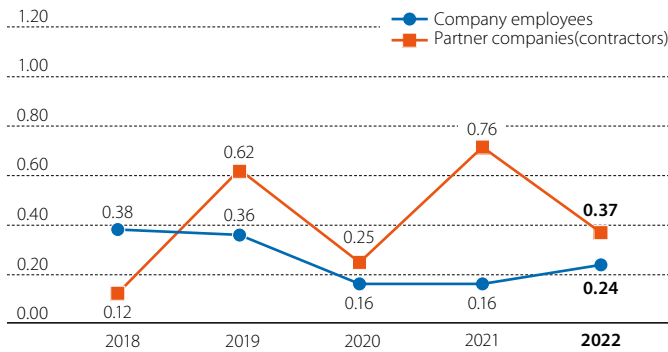


\* Source of information for the Japanese manufacturing industry: Ministry of Health, Labour and Welfare, Survey on Occupational Accidents

Indicator	Calculation Method
Frequency Rate	The total number of injuries, illness and fatalities in occupational accidents with lost time per 1,000,000 hours of total time worked during a given fiscal year (April through the following March) Formula for calculation: (Number of injuries, illness and fatalities in occupational accidents with lost time / total number of man-hours worked) × 1,000,000

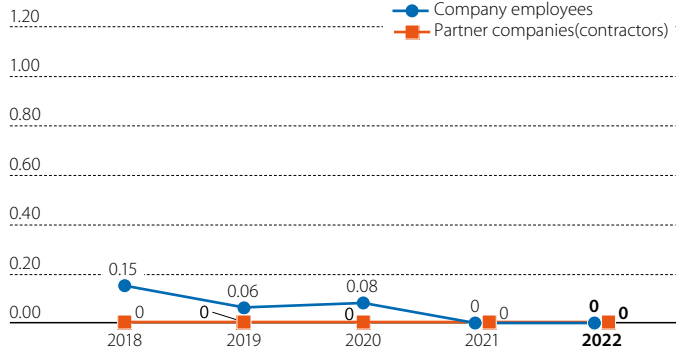
Indicator	Calculation Method
Severity Rate	The total number of days of work lost per 1,000 hours of total time worked during a given fiscal year (April through the following March) Formula for calculation: (Number of days of work lost / total number of man-hours worked) × 1,000

**Lost Time Injury Frequency Rate (LTIFR)**



Indicator	Calculation Method
Lost Time Injury Frequency Rate	(Number of accidents causing sick leave / total number of man-hours worked) × 1,000,000

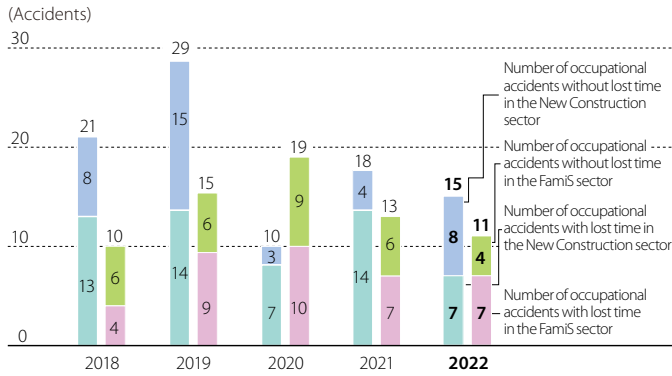
**Occupational Illness Frequency Rate (OIFR)**



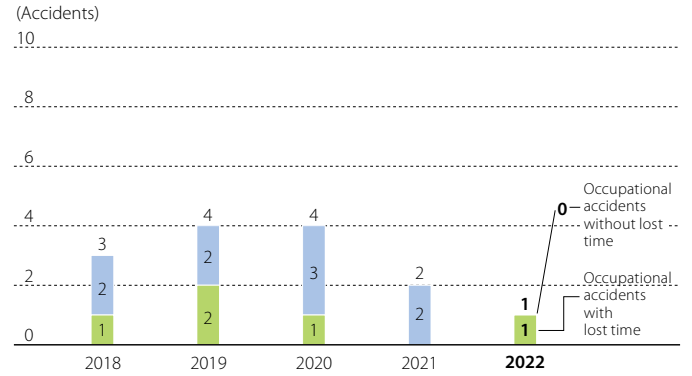
Indicator	Calculation Method
Occupational Illness Frequency Rate	(Occupational illnesses / total number of man-hours worked) × 1,000,000 Occupational illnesses as defined by the Ministry of Health, Labour and Welfare, including heat stroke, lower back pain, and intoxication by chemical substances



**Safety Performance in the Housing Company's Construction Sites**



**Safety Performance with Respect to Construction Sites in the Urban Infrastructure & Environmental Products Company**



Indicator	Calculation Method
Safety performance on the Housing Company's construction sites	The number of occupational accidents (both those resulting in lost time and those not) occurring on construction sites under the jurisdiction of the Housing Company during a given fiscal year (April through the following March)

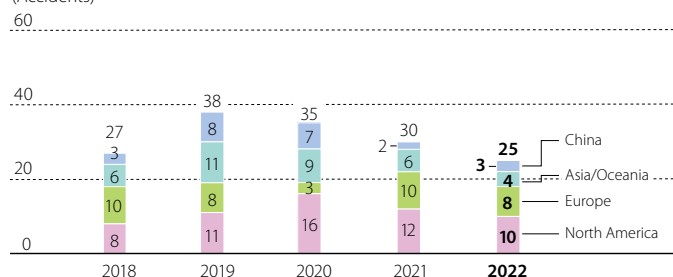
Indicator	Calculation Method
Safety Performance with Respect to Construction Sites in the UIEP Company	The number of occupational accidents (both those resulting in lost time and those not) occurring on construction sites under the jurisdiction of the UIEP Company during a given fiscal year (April through the following March)

## Overseas

Aggregate scope: 47 overseas production sites

### Number of Occupational Accidents

(Accidents)



Indicator	Calculation Method
Occurrence of occupational accidents at overseas production sites and research institutes	The number of occupational accidents (both those resulting in lost time and those not) occurring at overseas production sites and research institutes during a given fiscal year (April through the following March)

## Japan and Overseas

**Aggregate scope:**

**47 production sites, five research institutes, and 31 construction offices in Japan**

**47 production sites and two construction offices overseas**

### Occurrence of fatalities due to occupational accidents

(Number of people)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Employees	0	0	0	0	0
Japan	0	0	0	0	0
Overseas	0	0	0	0	0
Partner Companies (contractors)	0	0	1	0	0
Japan	0	0	1	0	0
Overseas	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

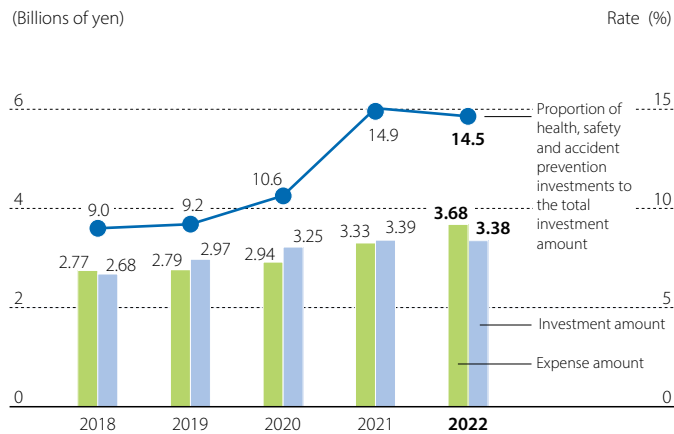
## Health and Safety / Accident Prevention Costs

Aggregate Scope: 46 Production Sites, five Research Institutes, Corporate Headquarters Departments, Back Offices of Divisional Companies in Japan

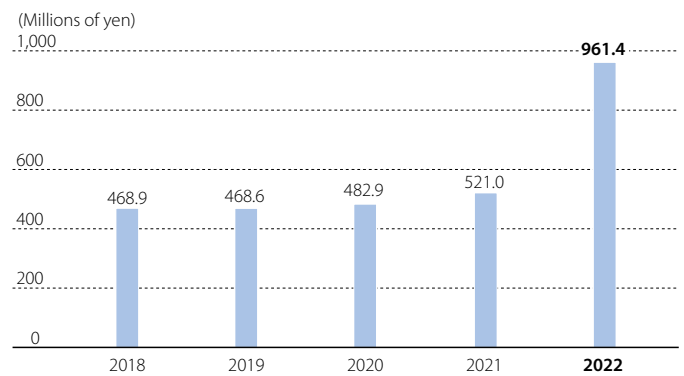
### Accident Prevention Costs (Fiscal 2022)

Classification	Item	SEKISUI CHEMICAL Group	
		Expense amount	Investment amount
1) Costs within business site areas	Health and safety measures, rescue and protective equipment, measurement of work environment, health management, workers' accident compensation insurance, etc.	1,406	3,384
2) Administrative costs	Establishment and implementation of OHSMS, safety education, personnel costs, etc.	2,262	—
3) Other	Safety awards, etc.	9	—
Total		3,676	3,384

### Costs and Investments Over Time



### Loss Costs Over Time



Index	Calculation Method
Costs	Costs associated with health and safety as well as accident prevention activities during a given fiscal year (April through the following March)
Investment amounts	The amount invested in health and safety as well as accident prevention-related measures authorized during a given fiscal year (April through the following March)

Index	Calculation Method
Loss costs	The costs of responding to, and the labor costs incurred due to, occupational accidents, facility accidents, commuting accidents, and long-term sick leave due to illness occurring within a given fiscal year (April through the following March)

Note: Collated after adding maintenance costs (production, logistics, and power transformer facility management) to costs within business site areas from fiscal 2021.

## Business Sites That Have Received Third-party Certification for Their Quality Management Systems

The ratio of SEKISUI CHEMICAL Group production sites that have acquired ISO-9001 or other similar certifications is 99%.

### Housing Company (integrated certification)

Housing Company (integrated certification)  
Development Division  
Residential Stock Business Management Division  
Housing Renovation R&D Department Technology & CS Division  
Manufacturing & Materials Division  
Sekisui Global Trading Co., Ltd.  
Administrative Management & Control Division  
Information Systems Department  
Hokkaido Sekisui Heim Industry Co., Ltd.  
Hoppou Jyubunka Institute Co., Ltd.  
Tohoku Sekisui Heim Industry Co., Ltd.  
Sekisui Heim Industry Co., Ltd.  
Kanto Site  
Tokyo Site  
Chubu Site  
Kinki Site  
Chushikoku Sekisui Heim Industry Co., Ltd.  
Kyushu Sekisui Heim Industry Co., Ltd.  
Sekisui Heim Industry Co., Ltd. Head Office  
Supply Division Technology Department  
Sekisui Board Co., Ltd.

### Corporate Headquarters

SEKISUI CHEMICAL Co., Ltd. New Business Development  
Department LB Business Group  
Sekisui Medical Co., Ltd. (Headquarters)  
Sekisui Diagnostics, LLC.  
Sekisui Diagnostics, LLC San Diego  
Sekisui Diagnostics, LLC P.E.I. Inc.  
Sekisui Diagnostics (UK) Ltd.  
Veredus Laboratories Pte. Ltd.  
Sekisui Medical Technology (China) Ltd.  
Sekisui Medical Technology (Suzhou) Co., Ltd.

### Urban Infrastructure & Environmental Products Company

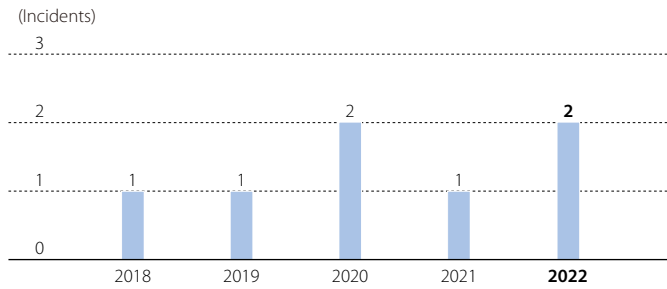
SEKISUI CHEMICAL Co., Ltd. Shiga-Ritto  
Plant  
SEKISUI CHEMICAL Co., Ltd. Gunma  
Plant  
Shikoku Sekisui Industry Co., Ltd.  
Kyushu Sekisui Industry Co., Ltd.  
Sekisui Aqua Systems Co., Ltd.  
Chiba Sekisui Industry Co., Ltd.  
Sekisui Home Techno Co., Ltd.  
Sekisui Chemical Hokkaido Co., Ltd.  
Toto Sekisui Co., Ltd. Ota Plant  
Yamanashi Sekisui Co., Ltd.  
TOKUYAMA SEKISUI CO., LTD.  
Sekisui SoflanWiz Co., Ltd.  
NIPPON INSIEK CO., LTD.  
SEKISUI ESLON B.V.  
Sekisui Chemical G.m.b.H.  
Sekisui Rib Loc Australia Pty. Ltd.  
Sekisui (Wuxi) Plastics Technology Co.,  
Ltd.  
Sekisui Industrial Piping Co., Ltd.  
SEKISUI SPECIALTY CHEMICALS  
(THAILAND) CO., LTD.  
SAND L SPECIALTY POLYMERS CO., LTD.

### High Performance Plastics Company

SEKISUI CHEMICAL Co., Ltd. Shiga-Minakuchi  
Plant  
SEKISUI CHEMICAL Co., Ltd. Musashi  
Plant  
SEKISUI CHEMICAL Co., Ltd. Taga Plant  
Sekisui Fuller Company, Ltd. (integrated  
certification)  
Shiga Plant  
Hamamatsu Plant  
Osaka Office  
Tokyo Office  
Sekisui Techno Molding Co., Ltd. Tochigi  
Plant  
Sekisui Techno Molding Co., Ltd. Aichi  
Plant  
Sekisui Techno Molding Co., Ltd. Mie  
Plant  
Sekisui Material Solutions Co., Ltd.  
Sekisui Nano Coat Technology Co., Ltd.  
Sekisui Chemical Co., Ltd. Tsukuba Site /  
IM Project  
Sekisui Polymatech Co., Ltd  
Sekisui Seikei Co., Ltd.  
Sekisui S-Lec Mexico S.A. de C.V.  
Sekisui S-Lec B.V.  
Sekisui S-Lec Thailand Co., Ltd.  
Sekisui S-Lec (Suzhou) Co., Ltd.  
Sekisui S-Lec America, LLC.  
Sekisui Alveo BS  
Sekisui Alveo G.m.b.H  
Sekisui Alveo S.r.L  
Sekisui Alveo S.A.  
Sekisui Alveo A.G.  
Sekisui Alveo (Benelux) B.V.  
Sekisui Alveo B.V.  
Thai Sekisui Foam Co., Ltd.  
Sekisui Voltek, LLC. Coldwater Plant  
Sekisui Pilon Plastics Pty. Ltd.  
Youngbo Chemical Co., Ltd.  
Sekisui Youngbo HPP (Wuxi) Co., Ltd.  
Sekisui Specialty Chemicals America,  
LLC.  
Calvert City Plant  
Sekisui Specialty Chemicals America,  
LLC.  
Pasadena Plant  
Sekisui Specialty Chemicals America,  
LLC.  
Dallas HQ  
Sekisui Specialty Chemicals Europe, S.L.  
Tarragona Plant  
SEKISUI DLJM MOLDING PVT LTD- CHENNAI-1  
SEKISUI DLJM MOLDING PVT LTD- CHENNAI-2  
SEKISUI DLJM MOLDING PVT. LTD GR. NOIDA  
SEKISUI DLJM MOLDING PVT. LTD TAPUKARA  
SEKISUI DLJM MOLDING PVT LTD GUJARAT  
SEKISUI POLYMATECH (THAILAND) Co., Ltd.  
PT. SEKISUI POLYMATECH INDONESIA  
Sekisui Polymatech (Shanghai) Co., Ltd.  
SEKISUI POLYMATECH EUROPE B.V.  
SEKISUI AEROSPACE CORPORATION  
SEKISUI KYDEX, LLC.

## Data Concerning Major Quality Issues

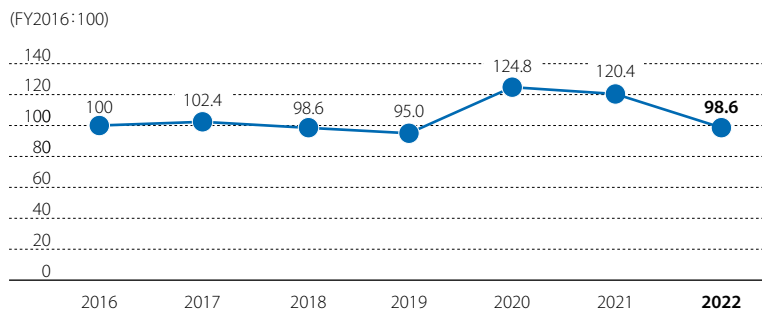
### Number of Major Quality Issues



Indicator	Calculation Method
Major Quality Issues	<p>These refer to product and service quality issues determined by Corporate Headquarters or divisional company presidents, based on evaluations and judgments by the quality assurance manager, which could cause significant damage to customers, society, or SEKISUI CHEMICAL Group and lead to the loss of society's trust in the Group if not thoroughly resolved on an urgent basis including:</p> <ol style="list-style-type: none"> <li>1) Major incidents               <ol style="list-style-type: none"> <li>(1) Of the accidents that threatened user lives or lead to bodily harm, those in which the harm is serious.</li> <li>(2) Product loss or destruction incidents for which there is a risk of severe or fatal user injuries</li> </ol> </li> <li>2) Problems which have serious impacts (cause serious loss) to customers, users, or society</li> <li>3) Compliance (such as complying with related laws and regulations) problems related to product or service quality</li> <li>4) Product recall problems</li> </ol>

## Data Concerning External Failure Costs

### External Failure Costs



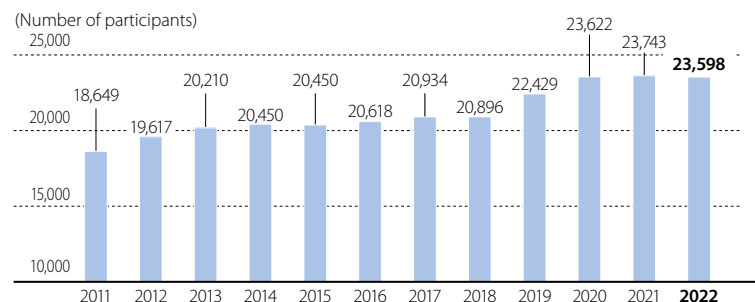
Indicator	Calculation Method
External failure costs	Costs arising from responding to product-related complaints

## Other Data

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Number of participants in the Development Risk Prevention Seminar (cumulative total)	302	418	502	555	604	657	710
Number of participants in the DR Reviewer Training Seminar (cumulative total)	166	259	283	296	349	363	363
Number of participants in the QFD Seminar (cumulative total)	—	—	31	90	188	251	325

## Employees Using the e-learning System Over Time

### Employees Using the e-learning System Over Time



Note 1: Average values for four sessions conducted in each year. However, the third and fourth sessions were underway during fiscal 2022 when this chart was created, so the average value for sessions one and two is provided for that year.

Note 2: With the exception of overseas local hires, all SEKISUI CHEMICAL and SEKISUI CHEMICAL Group employees are required to take part in e-learning programs.

## List of Results Relating to Compliance Training

### Fiscal 2022 List of Results Relating to Compliance Training

Training	Training content	Trainees			Attendance
		SEKISUI CHEMICAL Co., Ltd.	Group companies		
			Domestic	Overseas	
Employee rank-based training	New employee training	✓	✓		497
	Newly appointed deputy (assistant) manager training	✓	✓		101
	Newly appointed manager training		✓		62
	Newly appointed executive officer training	✓	✓		6
	Affiliated company director training		✓		44
	Training for managers in Housing Company		✓		63
	Area-specific training	Compliance training	✓	✓	
Harassment prevention training		✓	✓		79
Export controls training		✓	✓		708
Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors training		✓	✓		3,742
Area-specific training	Anti-monopoly law training	✓			129
	Personal information protection training	✓	✓		43
	Information management training	✓	✓		531
	Affiliated company institutional management training		✓		18
	Industrial waste management training		✓		28
Global training	Startup business collaboration training	✓			56
	Overseas transfer training	✓	✓		25
Compliance Reinforcement Month	Domestic training	✓	✓		3,084
	North America training			✓	3,243
	China training			✓	564
	Southeast Asia training			✓	1,060

## Number of Whistleblowing Cases and Consultations

### Fiscal 2022 Number of Whistleblowing Cases and Consultations

Reports/consultations	Number of cases
Power harassment	25
Working conditions	40
Sexual harassment	4
Workplace environmental concerns	18
Misuse of expenses	4
Sales method related	2
Misrepresentation of work performance	5
Collusive relationship with business partners	1
Others	33
Total number of complaints	132

## Donations to Political Groups

SEKISUI CHEMICAL Group does not make illegal political contributions.

The amount of donations (made by SEKISUI CHEMICAL on a consolidated basis) to political groups that are intended to encourage the formulation of public policies that benefit society as a whole are as follows:

(Unit: thousands of yen)

Fiscal Year	Amount
FY 2018	14,429
FY 2019	16,936
FY 2020	8,705
FY 2021	10,690
FY 2022	12,562



### Integrated Index Sekisui Environment Sustainability Index

---

The Sekisui Environment Sustainability Index reflects the impact on the environment of the activities of SEKISUI CHEMICAL Group companies (the use of natural and social capital) and their degree of contribution to the environment (returns to natural and social capital) as a single indicator.

We have gradually expanded our scope of coverage and awareness of the impact and returns not only on natural capital but also social capital.

The major items for implementation in the Environmental Medium-term Plan - reducing various impacts on the environment, expanding products and services that contribute to the natural and social environments, conserving the environment, and so forth - were integrated into this indicator; the Group has been running preliminary calculations (established in fiscal 2013) since fiscal 2014. From fiscal 2017, this index is being used to monitor the overall progress of Group companies' environmental management.

As far as the Environmental Medium-term Plan from 2020 is concerned, the Group is evaluating its impact on and contribution to not only the natural environment but also the social environment while declaring its intention to contribute to the return of natural and social capital for its Sekisui Environment Sustainability Index.

In 2050, even as we expand our business, we will promote ESG management while maintaining a return of 100% or higher for both natural capital as well as social capital.

## Calculation Results

The results of calculating the Sekisui Environment Sustainability Index, utilizing results from fiscal 2022, are as follows. Setting the use of natural and social capital (the impact on natural and social environment) at 100, the return of natural and social capital (contributions to natural and social environment) was 127.3% (a 9.6 percentage point increase over the 117.7% achieved in fiscal 2021).

Trends in the return rate are analyzed as follows.

(1) Regarding the use (impact) of natural and social capital

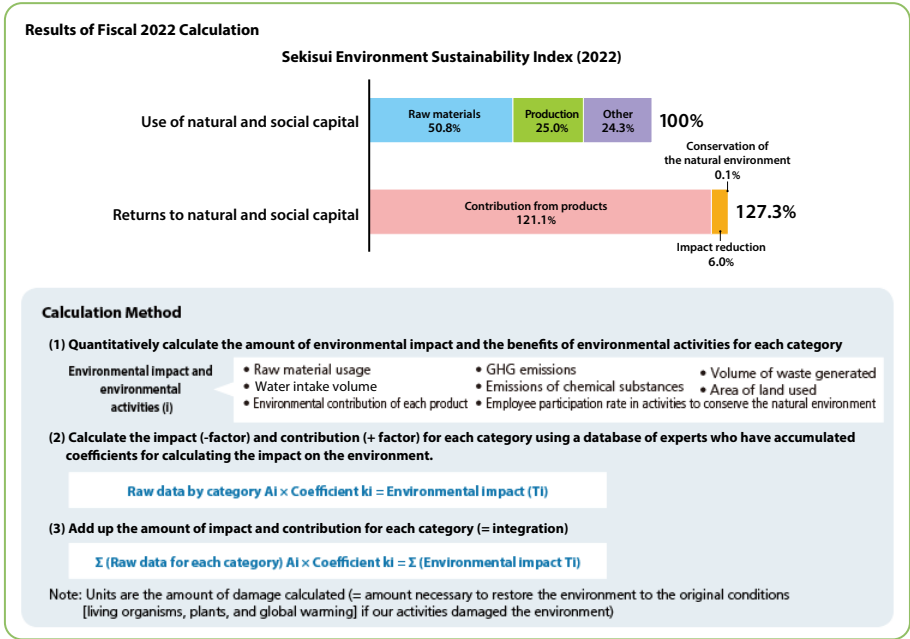
A reduction in the amount of impact is considered to have been made through progress in the conversion of purchased electricity to renewable energy.

(2) Regarding the return (contributions) of natural and social capital

The returns (contributions) due to products to enhance sustainability are steadily increasing. From an environmental conservation activity perspective, while the implementation and content of activities had been limited due to various policies, including efforts to address the further spread of COVID-19 at business sites, the Group's contributions are increasing as conditions gradually become conducive to activities.

Going forward, we will maintain the rate of return to natural and social capital at 100% or higher while growing the company and expanding our businesses. By 2050, we aim to realize the sustainable use of the earth's natural capital and the social capital generated by human society.

In this index, promoting solving issues by means of products will contribute to improving the sustainability of the earth and society. We also believe that bringing about improvements in the returns on natural and social capital will link to improvements in the sustainability of SEKISUI CHEMICAL Group and its products.



After compiling the raw data in (1) above, the damage calculation-based impact assessment method LIME2, developed for use in Japan by Professor Norihiro Itsubo of WASEDA University, was employed for the calculations in stages (2) and (3).

The LCA database IDEA has been updated from ver. 2.3 to ver. 3.1 in the calculation system MiLCA, which uses LIME 2 to calculate the rate of return. We will use the upgraded MiLCA 3.1 from the next medium-term plan.

In MiLCA 3.1, the ascertained data shows that the environmental impact per unit amount is larger, especially in terms of the impact of chemical substances on ecosystems.

Under the Medium-term Management Plan starting from fiscal 2023, we will place even more importance on the impact on biodiversity, and promote activities aimed at shifting from negative to positive aspects. We have determined that our approach is consistent with the direction MiLCA 3.1 upgrades. We will reconfirm the status of current conditions by utilizing the updated calculation system and continue to confirm the progress of activities aimed at addressing environmental issues based on the rate of return from fiscal 2023.

Note: Based on this approach, recalculation yields a rate of return on natural and social capital of 127.3% (using MiLCA ver. 2.1) for fiscal 2022 and a rate of return on natural and social capital of 97.6% (using MiLCA ver. 3.1) for fiscal 2022.

Indicator	Calculation Method
Sekisui Environment Sustainability Index	<p data-bbox="309 192 1473 264">Sekisui Environment Sustainability Index = Group-wide amount of natural and social capital returned / Group-wide amount of natural and social capital used</p> <p data-bbox="309 311 1473 383">Calculating the amount of natural and social capital used and the amount of natural and social capital returned</p> <p data-bbox="309 389 1473 622">Employing LIME 2 (a damage calculation-based impact assessment method developed for use in Japan by Professor Norihiro Itsubo of WASEDA University) and covering all the four criteria for conservation defined by LIME 2, the impacts on each of human health (including the effects of global warming), societal assets (including the effects of global warming), the effects on plants (reducing interference on growth), and the effects on life (restricting the extinction of living species) were evaluated and then made into a single indicator.</p> <p data-bbox="309 629 1473 745">The amount of return to natural and social capital is calculated assuming that the risk of damage to natural capital has been reduced by various environmental contribution efforts of the entire group compared to the case without such efforts.</p> <ul data-bbox="309 752 1473 936" style="list-style-type: none"> <li data-bbox="309 752 1473 786">•Items included in the amount of natural and social capital used</li> <li data-bbox="309 792 1473 864">Direct use: Use of land, greenhouse gases, amounts of emissions into the air of PRTR substances and air pollutants, the COD discharged into bodies of water</li> <li data-bbox="309 871 1473 936">Indirect use: Purchased raw materials*<sup>1</sup>, energy use, water intake volume, amount of waste material emitted, amount of GHGs emitted indirectly in supply chains (Scope 3)</li> </ul> <ul data-bbox="309 943 1473 1126" style="list-style-type: none"> <li data-bbox="309 943 1473 976">•Items included in returns to natural and social capital</li> <li data-bbox="309 983 1473 1126">Amount of contributions to reducing use of natural capital through products to enhance sustainability, the amount of contribution from environmental conservation activities, environment-related donations, mega-solar (solar farms that produce over 1,000 kilowatts (1 megawatt) of energy each year) power generation output</li> </ul> <p data-bbox="309 1133 1473 1339">*1 Until fiscal 2017, the Group gained an understanding of environmental impact, including the volume of greenhouse gasses emitted, by making calculations using MiLCA, the database provided by the Japan Environmental Management Association For Industry. However, from fiscal 2018, the Group is reflecting the actual GHG emissions of its raw material suppliers with regard to four principal resins (PP, PE, PVC and PVA).</p>

Indicator	Calculation Method
Sekisui Environmental Sustainability Index	<p>Scope of Calculation / Listing by category of calculation: Estimated calculations were conducted using the following assumed conditions:</p> <ul style="list-style-type: none"> <li>•Raw materials: Purchased raw materials covered; estimates incorporated into calculations Concerning housing, the calculation includes the constituent raw materials for one structure multiplied by the number of structures manufactured</li> <li>•Manufacturing / Emissions of harmful chemical substances: &lt;Japan&gt; emissions of 1 t per year or more of substances covered under PRTR are included in the calculation. &lt;Overseas&gt; Not included</li> <li>•Manufacturing / Land maintenance: Domestic plants and research facilities were incorporated into the calculation using the area of the premises, generally considered in terms of the land used for buildings*2. The areas of the premises of overseas plants were estimated. The effects of land use are included in the calculation based on the 30-year period after the purchase of the land</li> </ul> <p>*2 Concerning land use, starting with fiscal 2017, improvements to land quality in the JBIB Land Use Score Card® system promoted in Japan were deemed as reductions of the impact of land use, weighted accordingly, and included in the calculation.</p> <ul style="list-style-type: none"> <li>•Others: Capital goods in supply chains, other fuel- and energy-related activities, transport and shipping, waste, business trips, commuting by employees, leased assets (downstream), processing/use/disposal of sold products Business trips and commuting by employees: Covers consolidated numbers of employees and includes some estimation Use of sold products: Covers housing sold during the fiscal year, and included in the calculation with assumed energy use for 60 years into the future. Until fiscal 2017, the Group calculated the amount of greenhouse gas reduction achieved through solar power generation as the amount of reduced environmental impact. From fiscal 2018, however, we are also calculating the effect of reduction in energy used in residences built to net zero energy house (ZEH) specifications. Processing of sold products: Energy use by customers while processing our products anticipated to consume large amounts of energy was estimated and included in the calculation Disposal of sold products: Major raw materials for each fiscal year were covered and included in the calculation based on the assumption that they would be made into products and disposed of during that fiscal year</li> </ul>

Indicator	Calculation Method
Sekisui Environmental Sustainability Index	<p>•Product contributions: (1) The differences in contribution to the environment between the relevant products and previous technologies were evaluated qualitatively for each criterion, based on the contribution to the natural and social environments for each life-cycle (the five stages of procurement of raw materials, manufacturing, distribution, use/maintenance, disposal/recycling) in terms of CO<sub>2</sub> reductions and energy savings, reductions in waste materials, resource savings, water-savings and the water cycle, preventing pollution, direct preservation of biodiversity, QOL improvements, and other factors. For factors for which a significant difference was estimated, data per product unit was investigated.</p> <p>(2) Based on the results*<sup>3</sup> of these investigations, a coefficient for calculating the impact on the environment for each series of data was multiplied by the data, yielding a calculation of the degree of contribution to the environment of each product unit.</p> <p>(3) The sales amount for products in each fiscal year were multiplied by the results found in (2) to calculate the degree of contribution to the environment for each product, and the results were included in the calculation. Trial calculation was performed on the effects of products equivalent to around 52% of products to enhance sustainability.</p> <p>*<sup>3</sup> Based on individual standards of the divisional companies</p> <p>•Direct contribution / Contribution from activities reducing environmental impacts: The effects on the environment relating to production for each fiscal year were compared to [the effects on the environment relating to manufacturing in fiscal 2016 × (revenue in that fiscal year / revenue in fiscal 2016)], and the difference was included in the calculation. There was a proportional relationship between revenue and the effects on the environment relating to manufacturing, based on the idea that the difference was the result of efforts undertaken in the Group's activities.</p> <p>•Direct contribution / Conservation of the natural environment: The Group keeps track of the number of participants and the amount of time spent on each activity. In the case of planting cedar trees, a fixed coefficient of CO<sub>2</sub> (1.1 t-CO<sub>2</sub> / person-hour) was multiplied by the number of people and the amount of time spent and incorporated into the calculation. Regarding activities in cooperation with local communities which were promoted in Japan, because improving the sustainability of activities through local cooperation and making them conduct the activities on their own (autonomous) were made targets from fiscal 2017, the Group's ability to work toward this target was weighted against the growth axis and included in the calculation</p> <p>•Direct contributions / donations: The amount willing to pay for conservation was deemed equal to the amount of money calculated for damage caused and included in the calculation.</p> <p>•Direct contribution / Mega-solar: Amount of electricity generated included in the calculation as generated energy converted to a CO<sub>2</sub> basis</p>

## ● Scope of Tabulation for Environmental Performance Data

Note: Regarding the scope of aggregation for environmental performance data, all SEKISUI CHEMICAL (consolidated) business sites (100% of production sales amounts) are subject to environmental reporting.

### Japan

#### Housing Company

##### R&D institute **One company and one business site**

SEKISUI CHEMICAL Co., Ltd. Tsukuba R&D Site

##### Production plants **Six companies and 10 business sites**

Hokkaido Sekisui Heim Industry Co., Ltd. / Tohoku Sekisui Heim Industry Co., Ltd. / Sekisui Heim Industry Co., Ltd. / Chushikoku Sekisui Heim Industry Co., Ltd. / Kyusyu Sekisui Heim Industry Co., Ltd. / Sekisui Board Co., Ltd., etc.

##### Sales and construction companies **49 companies and 328 business sites**

Sekisui Heim sales companies  
Construction and service companies

**56 companies and 339 business sites in total**

#### Urban Infrastructure & Environmental Products Company

##### R&D institutes **Two companies and two business sites**

Sekisui Chemical Co., Ltd. Kyoto Research & Development Laboratories  
Sekisui SoflanWiz Co., Ltd. R&D Division

##### Production plants **12 companies and 16 business sites**

SEKISUI CHEMICAL Co., Ltd. Shiga-Ritto Plant and Gunma Plant / Higashinohon Sekisui Industry Co., Ltd. / Nishinohon Sekisui Industry Co., Ltd. / Chiba Sekisui Industry Co., Ltd. / Sekisui Chemical Hokkaido Co., Ltd. / Toto Sekisui Co., Ltd. / Shikoku Sekisui Co., Ltd. / Nara Sekisui Co., Ltd. / Yamanashi Sekisui Co., Ltd. / Tokuyama Sekisui Industry Co., Ltd. / Sekisui SoflanWiz Co., Ltd., etc.

##### Sales **14 companies and 99 business sites**

Sekisui Chemical Co., Ltd. Tohoku Sales Headquarters, Higashinohon Sales Headquarters, Chubu Sales Headquarters, Nishinohon Sales Headquarters, Kyushu Sales Headquarters, etc.

**23 companies and 117 business sites in total**

#### Medical Business

##### R&D institutes **One company and one business site**

Sekisui Medical Co., Ltd. Drug Development Solutions Center

##### Production plants and Headquarters **One company and three business sites**

Sekisui Medical Co., Ltd. Iwate Plant, Tsukuba Plant and Ami Site

##### Sales **One company and eight business sites**

Sekisui Medical Co., Ltd. Higashinohon sales office etc.

**Five companies and 16 business sites in total**

#### High Performance Plastics Company

##### R&D institutes **One company and one business sites**

SEKISUI CHEMICAL Co., Ltd. Minase Site

##### Production plants **Six companies and 15 business sites in total**

Sekisui Chemical Co., Ltd. Musashi Plant, Shiga-Minakuchi Plant and Taga Plant / Sekisui Techno Molding Co., Ltd. / Sekisui Nano Coat Technology Co., Ltd. / Sekisui Fuller Company, Ltd. / Sekisui Polymatech Co., Ltd. / Sekisui Seikei, Ltd. etc.

##### Sales **Six companies and 18 business sites**

Sekisui Material Solutions Co., Ltd. etc.

**Eight companies and 34 business sites in total**

#### Headquarters

##### R&D institutes **One company and one business site**

SEKISUI CHEMICAL Co., Ltd. Advanced Technology R&D Center

##### Production plants **Two companies and two business sites**

Sekisui LB Tec Co., Ltd. Chubu Plant  
Research Laboratory of Plastics Technology Co., Ltd.

##### Sales **Three companies and seven business sites**

SEKISUI CHEMICAL Co., Ltd. Osaka Headquarters and Tokyo Headquarters etc.

**Three companies and 10 business sites in total**

Note: The total number of companies and business sites do not match, since some companies have two or more business sites, and some business sites are shared by two or more companies.

**Housing Company**

**Production plants**

Sekisui-SCG Industry Co., Ltd.

**One business site in total**

**Sales and construction companies**

Sekisui (Dalian) Housing Technology Co., Ltd.

**One business site in total**

**High Performance Plastics Company**

**Production plants**

Sekisui S-Lec America, LLC.  
 Sekisui S-Lec Mexico S.A. de C.V.  
 Sekisui S-Lec B.V. Film Plant  
 Sekisui S-Lec B.V. Resin Plant  
 Sekisui S-Lec (Thailand) Co., Ltd.  
 Sekisui S-LEC (Suzhou) Co., Ltd.  
 Sekisui Specialty Chemicals America, LLC. Pasadena Plant  
 Sekisui Specialty Chemicals America, LLC. Calvert City Plant  
 Sekisui Specialty Chemicals Europe S.L.  
 Sekisui Voltek, LLC, Coldwater Plant  
 Sekisui-Alveo B.V.  
 Sekisui Alveo BS G.m.b.H.  
 Sekisui Pilon Pty. Ltd.  
 Youngbo Chemical Co., Ltd.  
 Youngbo HPP (Langfang) Co., Ltd.  
 Sekisui Youngbo HPP (Wuxi) Co., Ltd.  
 Sekisui DLJM Molding Private Ltd. Greater Noida Plant  
 Sekisui DLJM Molding Private Ltd. Tapukara Plant  
 Sekisui DLJM Molding Private Ltd. Chennai Plant  
 Sekisui DLJM Molding Private Ltd. Chennai Factory 2  
 Sekisui DLJM Molding Private Ltd. Gujarat  
 Sekisui Polymatech (Thailand) Co., Ltd.  
 PT. Sekisui Polymatech Indonesia  
 Sekisui Polymatech (Shanghai) Co., Ltd.  
 SEKISUI AEROSPACE CORPORATION, Renton  
 SEKISUI AEROSPACE CORPORATION, Sumner  
 SEKISUI AEROSPACE CORPORATION, ORANGE CITY  
 Sekisui KYDEX, LLC. Bloomsburg-North Campus  
 Sekisui KYDEX, LLC. Bloomsburg-South Campus  
 Sekisui KYDEX, LLC. Holland Plant  
 Thai Sekisui Foam  
 Polymatech EU

**32 business sites in total**

**Sales**

Sekisui Products, LLC. etc.

**45 business sites in total**

**Urban Infrastructure & Environmental Products Company**

**Production plants**

Sekisui Eslon B.V.  
 Sekisui Industrial Piping Co., Ltd.  
 Sekisui Rib Loc Australia Pty. Ltd.  
 Sekisui (Wuxi) Plastics Technology Co., Ltd.  
 Sekisui (Shanghai) Environmental Technology Co., Ltd.  
 Sekisui Specialty Chemicals (Thailand) Co., Ltd.  
 S and L Specialty Polymers Co., Ltd.

**Seven business sites in total**

**Sales**

Sekisui SPR Americas, LLC. etc.

**10 business sites in total**

**Headquarters**

**Regional headquarters**

Sekisui Europe B.V.  
 Sekisui America Corporation  
 Sekisui Southeast Asia Co, Ltd  
 Sekisui Chemical(China) Co., Ltd. etc.

**Seven business sites in total**

**Medical Business**

**Production plants**

Sekisui Diagnostics, LLC. San Diego  
 Sekisui Diagnostics (UK) Ltd.  
 Sekisui Diagnostics P.E.I. Inc.  
 Sekisui Medical Technology (China) Ltd.  
 Sekisui Medical Technology (Suzhou) Ltd.  
 Veredus Laboratories Pty. Ltd.

**Six business sites in total**

**Sales**

Sekisui Diagnostics, LLC. etc

**26 business sites in total**

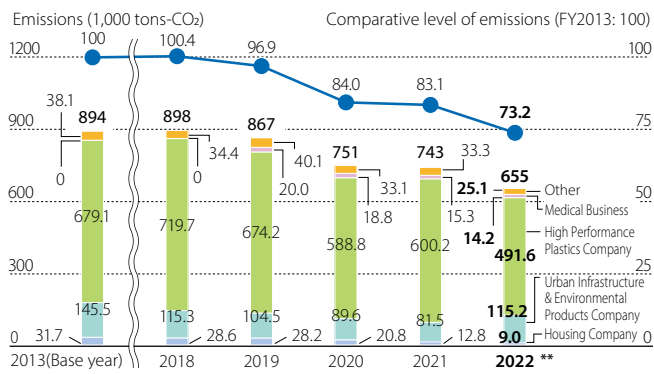


## ● Climate Change

Note 1: From fiscal 2019, Medical Business results have been collated separately following its independence from the HPP Company and the presentation of Headquarters results reclassified as Other.

Note 2: In line with a change in the control of certain businesses in the UIEP and HPP companies implemented from October 2022, the data of both companies for fiscal 2022 is collated as if the change in control had been initiated from the beginning of fiscal 2022.

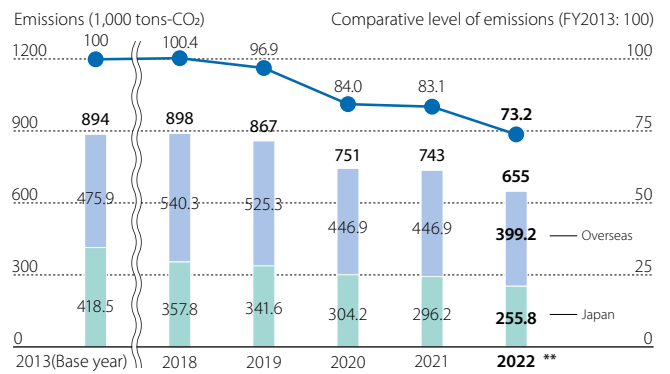
### SCOPE1+2 (By Divisional Company)



Note: Some past figures have been revised due to improvements in precision.

\*\* Data after deducting 44 thousand tons of CO<sub>2</sub> equivalent to non-fossil certificates.

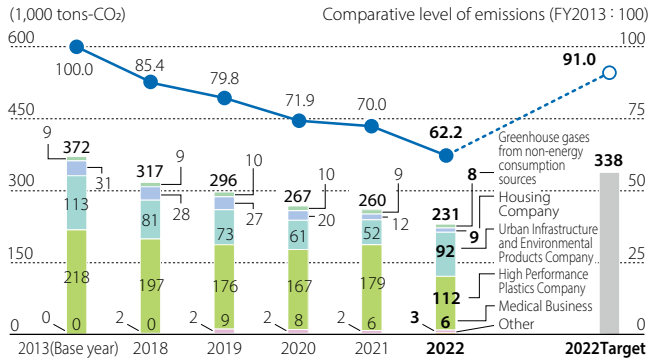
### SCOPE1+2 (By Japan and overseas)



Note: Some past figures have been revised due to improvements in precision.

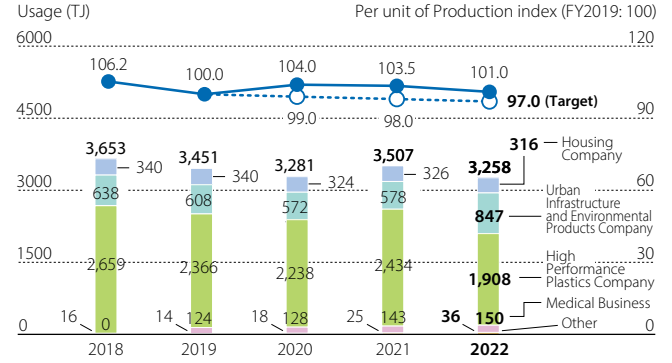
\*\* Data after deducting 44 thousand tons of CO<sub>2</sub> equivalent to non-fossil certificates.

### Greenhouse Gas (GHG) Emissions during Manufacturing / Japan



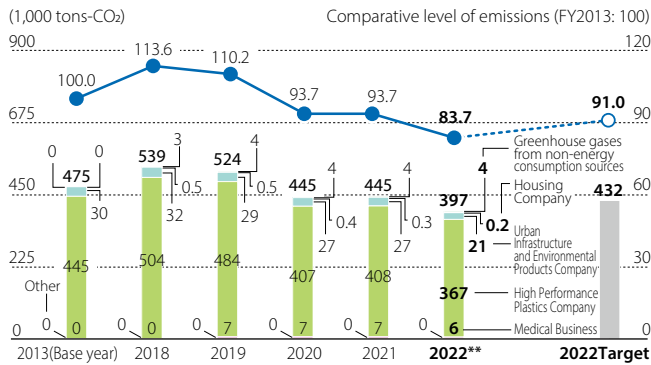
Note: Some past figures have been revised due to improvements in precision.

### Energy Use and per Unit of Production\* (Index) during Manufacturing / Japan



\* Energy consumption per unit of production weight  
 Note: Some past figures have been revised due to improvements in precision.

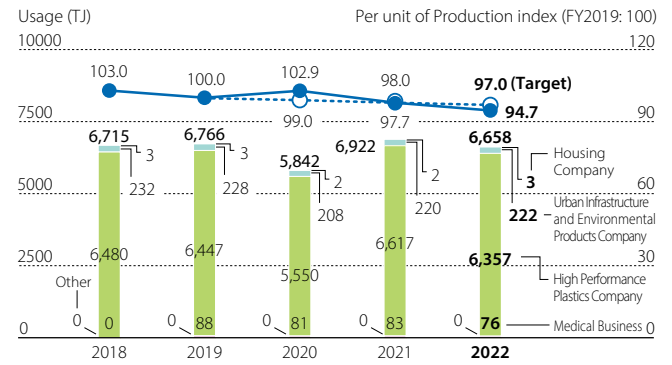
### Greenhouse Gas (GHG) Emissions during Manufacturing / Overseas



Note: Some past figures have been revised due to improvements in precision.

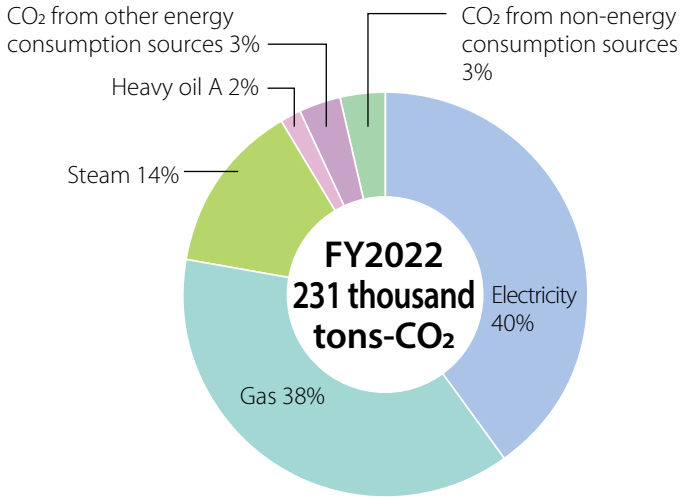
\*\* Data after deducting the equivalent non-fossil certificate of 44 thousand tons of CO<sub>2</sub>.

### Energy Use and per Unit of Production\* (Index) during Manufacturing / Overseas

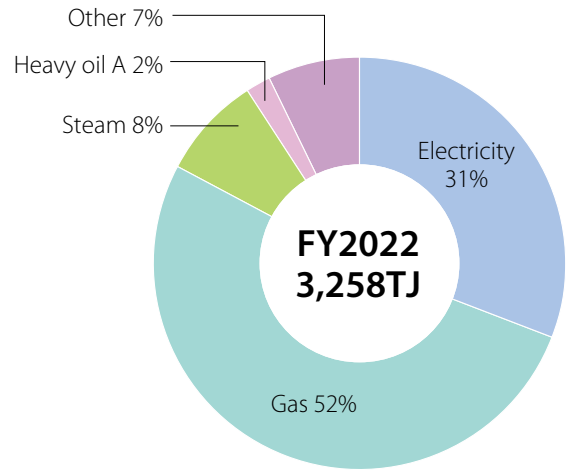


\* Energy consumption per unit of production weight  
 Note: Some past figures have been revised due to improvements in precision.

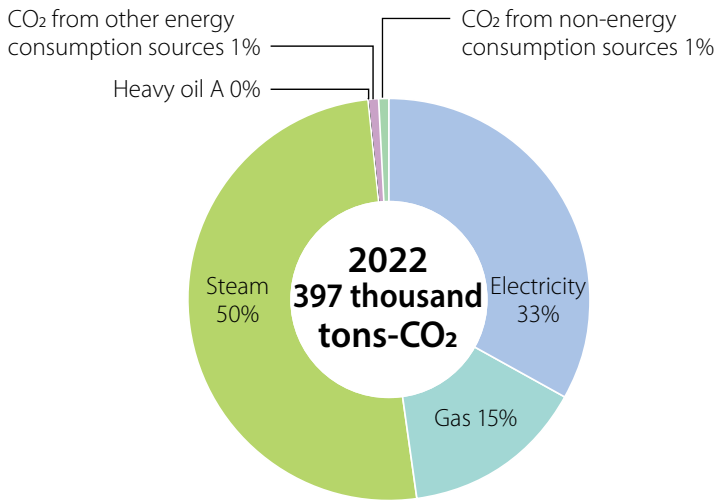
**Breakdown of Greenhouse Gas (GHG) Emissions during Manufacturing / Japan**



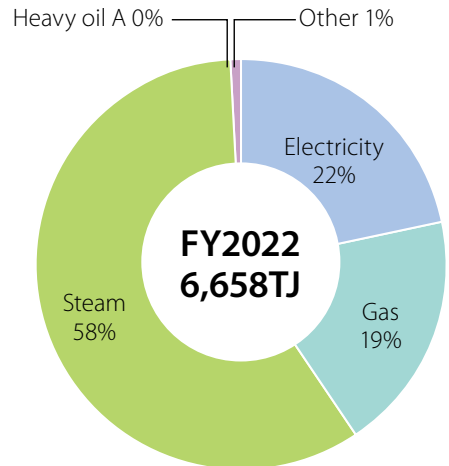
**Breakdown of Energy Use during Manufacturing / Japan**



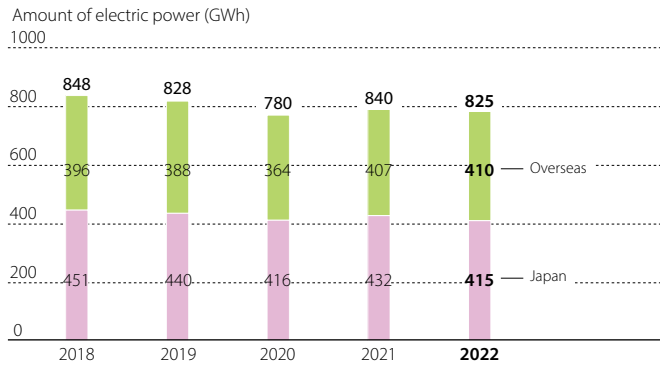
**Breakdown of Greenhouse Gas (GHG) Emissions during Manufacturing / Overseas**



**Breakdown of Energy Use during Manufacturing / Overseas**

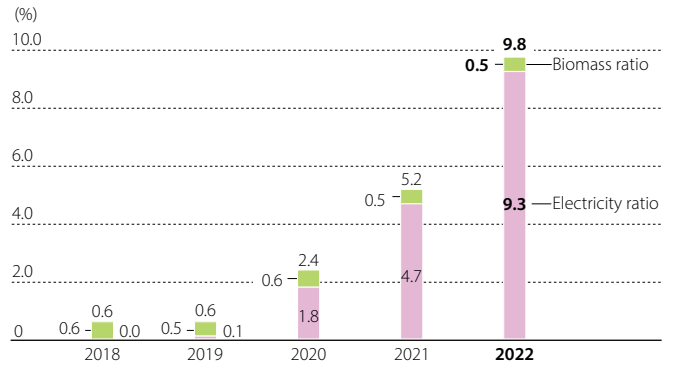


### Electricity Consumption in Japan and Overseas



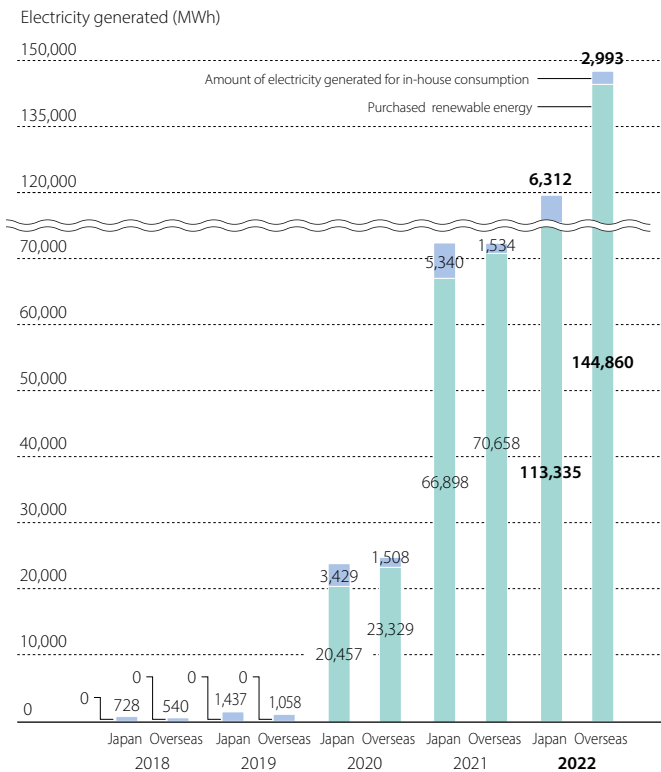
Note: Some past figures have been revised due to improvements in precision.

### Ratio of Renewable Energy to Total Energy Consumption / Electricity, Biomass Boilers



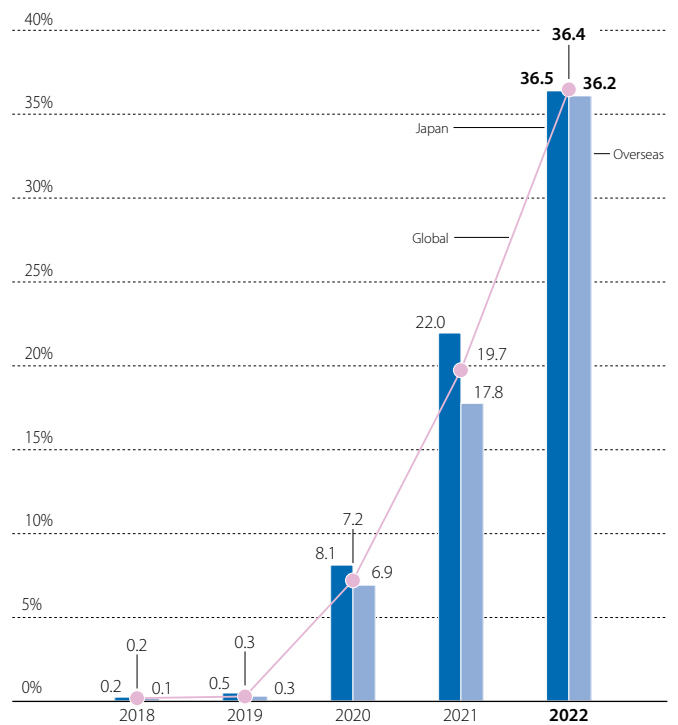
Note: Some past figures have been revised due to improvements in precision.

### Energy generated for in-house consumption, amount of purchased electricity derived from renewable energy sources / Japan and overseas \*excluding co-generation



Note: Some past figures have been revised due to improvements in precision.

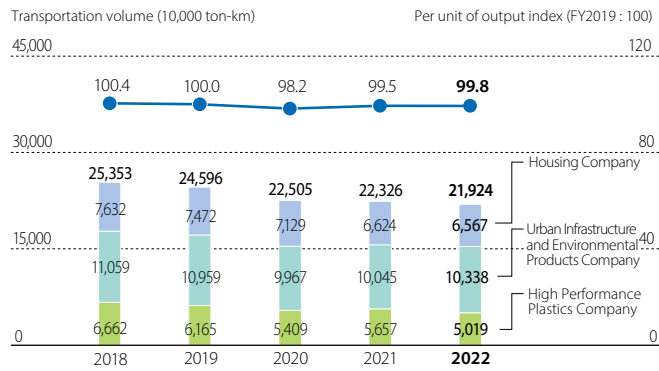
### Ratio of electricity derived from renewable energy sources / Japan and overseas \*excluding co-generation



Note: Some past figures have been revised due to improvements in precision.

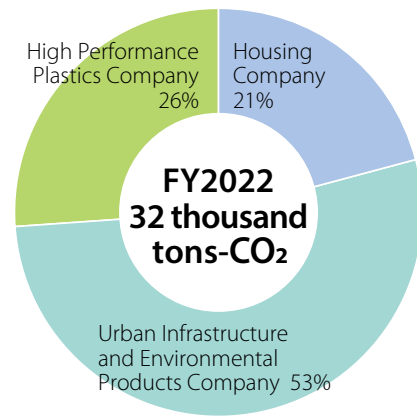
Indicator	Calculation Method
Greenhouse Gas Emissions	<p>GHG emissions = <math>\Sigma</math>[fuel use, purchased electricity, purchased steam <math>\times</math> CO<sub>2</sub> emissions coefficient] + greenhouse gas emissions from non-energy consumption sources</p> <p>Greenhouse gas emissions from non-energy consumption sources = CO<sub>2</sub> emissions not arising from energy consumption* + <math>\Sigma</math>[emissions of non-CO<sub>2</sub> greenhouse gases <math>\times</math> global warming potential]</p> <p>*Includes CO<sub>2</sub> emissions from burning of non-fuel gases based on local laws related to countermeasures on global warming, both inside Japan and overseas [CO<sub>2</sub> Emissions Coefficient]</p> <p>Purchased Electricity: In Japan, the coefficient provided in notices pursuant to the Act on Promotion of Global Warming Countermeasures is applied to the latest data at the start of each fiscal year. In case the purchased electricity for which the emission factors are set for each menu, the adjusted emission coefficient applies.</p> <p>For overseas data, the latest coefficient data obtained from local power suppliers as of the beginning of each fiscal year is applied. When unavailable, data from the GHG Protocol and EPA eGRID 2019 were used.</p> <p>City Gas / Natural Gas and Purchased Steam: Coefficients obtained from suppliers are applied to the latest data at the start of each fiscal year.</p> <p>If a coefficient cannot be obtained in this manner, it is based on local laws related to countermeasures on global warming.</p> <p>Fuel Other than the Above: Based on local laws related to countermeasures on global warming.</p> <p>Global warming potential: Emissions coefficients determined based on greenhouse gas emission calculations, reports, and official disclosures.</p> <p>Fuels that corresponds to energy sources is calculated based on local laws related to countermeasures on global warming both in Japan and overseas.</p>
Energy Use	<p>Energy use = <math>\Sigma</math>[amount of fuel used, amount of electricity purchased, amount of solar power generation for in-house use, and amount of steam purchased <math>\times</math> unit calorific value] [Unit Calorific Value]</p> <p>Purchased Electricity: 3.60 MJ/kWh</p> <p>(Amount of solar power generation for in-house use and amount of purchased electric power from renewable energy sources are included in the energy use)</p> <p>Fuel, Purchased Steam: Based on the Act on the Rational Use of Energy</p>

## Transportation Volumes and Energy per Unit of Transportation (Index)\* / Japan



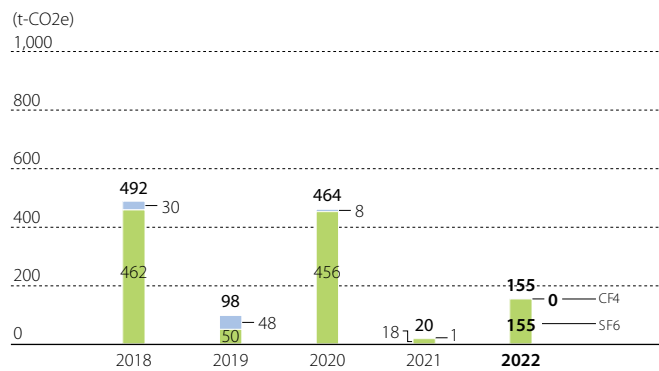
\* Energy consumption per unit of transportation volume

## CO<sub>2</sub> Emissions during the Transportation Stage / Japan



Indicator	Calculation Method
CO <sub>2</sub> Emissions during the Transportation Stage	<p>The calculation is made by combining the fuel consumption method (transport of housing units, etc.) and the improved ton-kilometer method (other than transport of housing units, etc.)</p> $\text{CO}_2 \text{ emissions} = \sum[\text{fuel use} \times \text{CO}_2 \text{ emissions coefficient}] + \sum[\text{amount transported (metric tons)} \times \text{distance transported (km)} \times \text{fuel use per unit of transportation} \times \text{CO}_2 \text{ emissions coefficient}]$ <p>Fuel use per unit of transportation is the value used in the reporting system for specified freight carriers under the Act on the Rational Use of Energy</p> <p>Major domestic distribution (shipment of products) is covered</p>

## Emissions of Non-CO<sub>2</sub> Greenhouse Gases (Global Production, Laboratories)



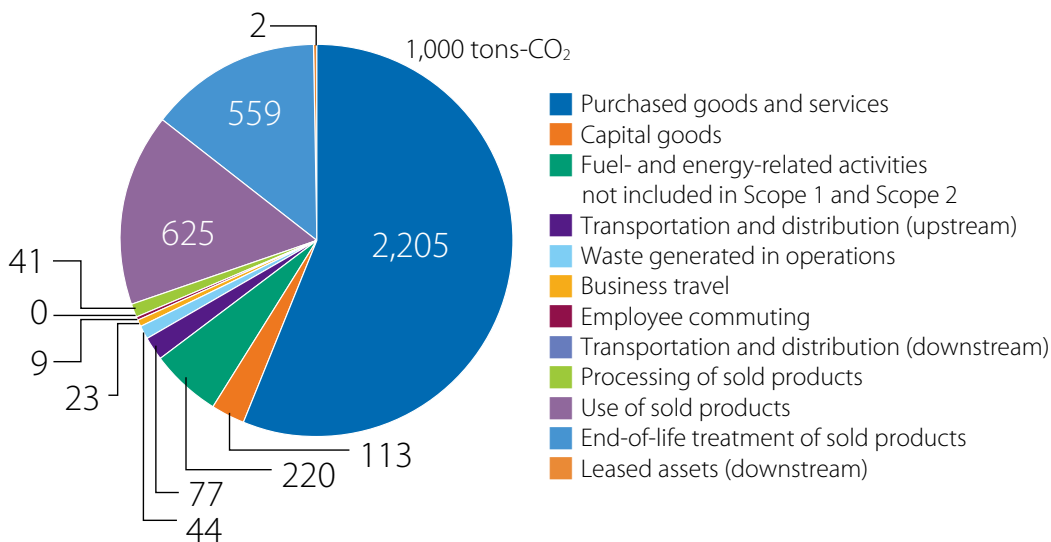
### Greenhouse Gas Emissions throughout Our Supply Chain (SCOPE 3)

Estimated emissions (1,000 tons-CO<sub>2</sub>)

Category		FY2018	FY2019	FY2020	FY2021	FY2022
Upstream	Purchased goods and services	2,457	2,352	2,282	2,445	2,205
	Capital goods	123	96	80	74	113
	Fuel-and energy related activities not included in Scope 1 and Scope 2	129	127	198	226	220
	Transportation and Distribution (Upstream) (Transportation of major raw materials)	97	95	86	93	77
	Waste generated in operations	44	44	37	41	44
	Business travel	27	24	7	6	23
	Employee commuting	6	6	5	4	9
Downstream	Transportation and Distribution (Downstream) (Transportation of products)	0	0	0	0	0
	Processing of sold products	48	45	39	41	41
	Use of sold products	940	772	708	810	625
	End-of-life treatment of sold products	560	558	481	601	559
	Leased assets (downstream)	1	2	1	1	2
	<b>Total(upstream / downstream)</b>	<b>4,433</b>	<b>4,119</b>	<b>3,923</b>	<b>4,343</b>	<b>3,917</b>

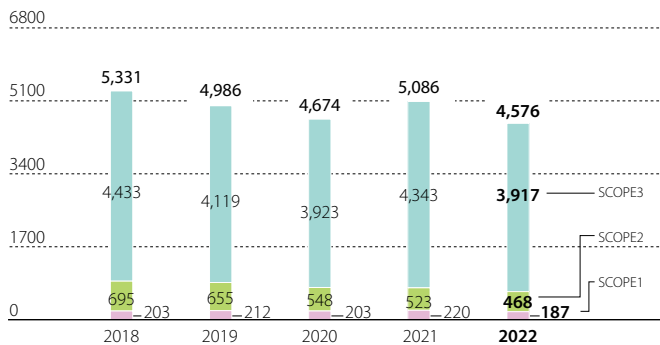
Note 1: Past figures have been retroactively revised due to the change in collation classification. (Past emissions from transportation and distribution (downstream) were added to transportation and distribution (upstream))

Note 2: From fiscal 2018, emissions related to "Use of sold products" were reduced by including the effect of reducing energy consumption in ZEH specification houses.



### Greenhouse Gas Emissions throughout Our Supply Chain as a Whole (Classified by SCOPE)

(1,000 tons-CO<sub>2</sub>)



Note 1: From fiscal 2018, emissions related to "Use of sold products" were reduced by including the effect of reducing energy consumption in ZEH specification houses.

Note 2: Some past figures have been revised due to improvements in precision.

Indicator	Calculation Method	
Greenhouse Gas Emissions throughout Our Supply Chain	Purchased Goods and Services	<p><math>CO_2 \text{ emissions} = \sum[(\text{amount of major raw materials used (excluding substances subject to regulation by the PRTR Law) as listed in Material Balance section of this report} + \text{estimated values for other raw materials}) \times \text{emission coefficient (Inventory Database for Environmental Analysis (IDEA) Ver.3.1 (the world's largest GHG emissions database developed by the National Institute of Advanced Industrial Science and Technology (IDEA v.3.1)))]</math></p> <p>Up to and including fiscal 2017, the Group gained an understanding of environmental impact, including the volume of greenhouse gases emitted, by making calculations using MiLCA, the database furnished by the Japan Environmental Management Association for Industry. However, from fiscal 2018, the Group is reflecting the actual emissions of its raw material suppliers with regard to four principal resins (PP, PE, PVC and PVA).</p>
	Capital Goods	<p><math>CO_2 \text{ emissions} = \sum[(\text{amount of spending on capital expenditures authorized for the given fiscal year for buildings, structures, mechanical equipment, and transport vehicles}) \times \text{emissions coefficient (per unit emissions database for calculating organizational greenhouse gas emissions, etc., arising from supply chains (Ver. 3.3) (Ministry of the Environment and Ministry of the Economy, Trade and Industry)))]</math></p>
	Fuel- and Energy-related Activities not Included in SCOPE 1 and SCOPE 2	<p><math>CO_2 \text{ emissions} = \sum[(\text{fuel use, amount of purchased electricity, and amount of purchased steam}) \times \text{emissions coefficient}]</math></p> <p>The emissions coefficients used are as follows. For fuel IDEA v.3.1 For purchased electricity and steam, per unit emission database for calculating greenhouse gas emissions by organizations, etc., arising from supply chains (Ver. 3.3) (Ministry of the Environment and Ministry of the Economy, Trade and Industry).</p> <p>Applicable to production sites, laboratories, and offices both inside Japan and overseas.</p>
	Transportation and Distribution (Upstream) (Transportation of major raw materials)	<p><math>CO_2 \text{ emissions} = \sum[\text{amount of major raw materials used (excluding substances subject to regulation by the PRTR Law) as listed in the Material Balance section of this report} \times \text{transport distance} \times \text{emission coefficient (IDEA v.3.1)}]</math></p> <p>(Calculated assuming that the transport distance was uniformly 200 km)</p>
	Transportation and Distribution (Downstream) (Transportation of products)	<p>The calculation is made by combining the fuel consumption method (transport of housing units, etc.) and the improved ton-kilometer method (other than transport of housing unit, etc.)</p> <p><math>CO_2 \text{ emissions} = \sum[\text{fuel use} \times CO_2 \text{ emissions coefficient}] + \sum[\text{amount transported (metric tons)} \times \text{distance transported (km)} \times \text{fuel use per unit of output} \times CO_2 \text{ emissions coefficient (value used in the reporting system for specified freight carriers under the Act on the Rational Use of Energy)}]</math> (Estimates used for overseas)</p> <p>Covers shipments of products by Group companies in Japan and overseas.</p>



Indicator	Calculation Method	
	Waste Generated in Operations	<p>CO<sub>2</sub> emissions = <math>\Sigma</math>[amount of waste materials generated (by type) × emission coefficient (IDEA v.3.1)]</p> <p>Scope: Major production sites and research facilities in Japan and overseas.</p>
	Business Travel	<p>CO<sub>2</sub> emissions = <math>\Sigma</math>[transportation costs by method of transport × emissions coefficient (per unit emissions database for calculating organizational greenhouse gas emissions, etc., arising from supply chains (Ver. 3.3) (Ministry of the Environment and Ministry of the Economy, Trade and Industry))]</p> <p>(Includes estimates of transportation costs for group companies)</p> <p>Group companies in Japan and overseas all covered.</p>
Greenhouse Gas Emissions throughout Our Supply Chain	Employee Commuting	<p>CO<sub>2</sub> emissions = <math>\Sigma</math>[amount spent on commuting allowance × emissions coefficient (per unit emissions database for calculating organizational greenhouse gas emissions, etc., arising from supply chains (Ver. 3.3) (Ministry of the Environment and Ministry of the Economy, Trade and Industry))]</p> <p>(Calculated based on the assumption that all commuting is done by passenger train)</p> <p>(Group company commuting costs include estimates)</p> <p>Group companies in Japan and overseas all covered.</p>
	Processing of Sold Products	<p>CO<sub>2</sub> emissions = <math>\Sigma</math>[production volume of relevant products × emission coefficient at the time of processing the relevant products (IDEA v.3.1)]</p> <p>Covers products for the automotive industry by Group companies in Japan and overseas.</p>
	Use of Sold Products	<p>CO<sub>2</sub> emissions = <math>\Sigma</math>[number of structures sold as housing during the relevant fiscal year × amount of electricity purchased from power companies throughout a year × 60 years × electricity-based emissions coefficient], including the effect of the solar power generation system.</p> <p>The amount of electricity purchased from power companies throughout a year is based on the Electricity Income and Expenditure Home Survey of Houses with Built-In Solar Power Generation Systems (2018). The electricity-based emissions coefficient employed is the emissions coefficient from the fiscal 2022 report produced by the Act on Promotion of Global Warming Countermeasures reporting system (alternate value), equal to 0.453 metric tons-CO<sub>2</sub> /MWh. The calculation is performed under the assumption that housing will be used for 60 years. Housing sold within Japan for the fiscal year relevant to the calculation is covered. Up to and including fiscal 2017, the Group calculated the amount of greenhouse gas reduction achieved through solar power generation as the amount of reduced environmental impact. From fiscal 2018, however, we are also calculating the effect of reduction in energy used in residences built to zero energy house (ZEH) specifications.</p>

Indicator	Calculation Method	
Greenhouse Gas Emissions throughout Our Supply Chain	End-of-life Treatment of Sold Products	<p><math>CO_2 \text{ emissions} = \sum[\text{amount of major raw materials used in the products sold during the relevant fiscal year} \times \text{emission coefficient (IDEA v.3.1)}]</math></p> <p>The calculation assumes that products sold during a given fiscal year are disposed of during the same fiscal year.</p>
	Leased Assets (Downstream)	<p>Calculated for construction work carried out using machinery leased by SEKISUI CHEMICAL.</p> <p><math>CO_2 \text{ emissions} = \sum[\text{relevant installation units} \times \text{fuel usage per unit} \times CO_2 \text{ emissions coefficient (emissions coefficient determined based on a system of greenhouse gas emission calculations, reports, and official disclosures)}]</math></p>

# Realizing Resource Recycling

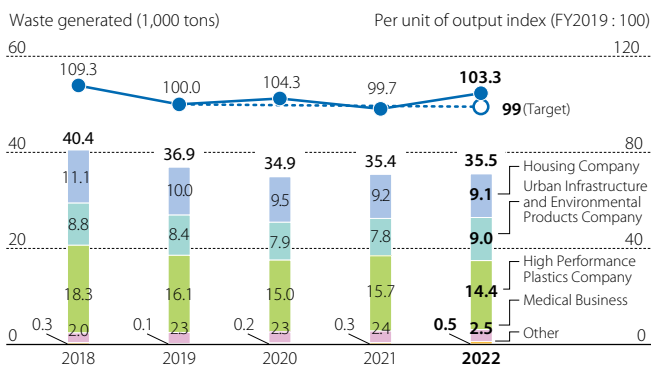
## Waste Generated by Production Sites

Note 1: Some past figures have been revised due to improvements in calculation precision.

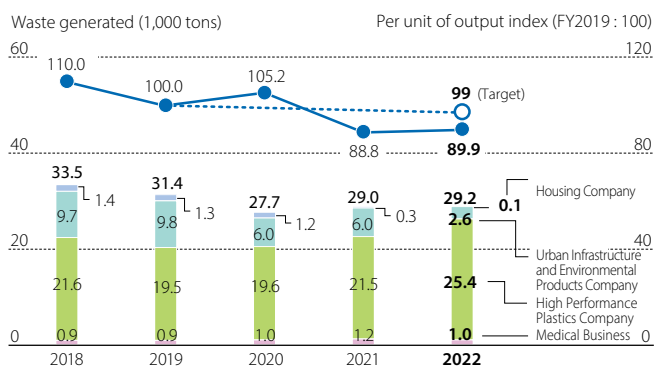
Note 2: From fiscal 2019, Medical Business results have been collated separately following its independence from the HPP Company and the presentation of Headquarters results reclassified as Other.

Note 3: In line with a change in the control of certain businesses in the UIEP and HPP companies implemented from October 2022, the data of both companies for fiscal 2022 is collated as if the change in control had been initiated from the beginning of fiscal 2022.

### Waste Generated by Production Sites, per Unit of Production (Index) / Japan



### Waste Generated by Production Sites, per Unit of Production (Index) / Overseas



Note: Amount of waste generated: Only focusing on waste responsible by the production site is considered.

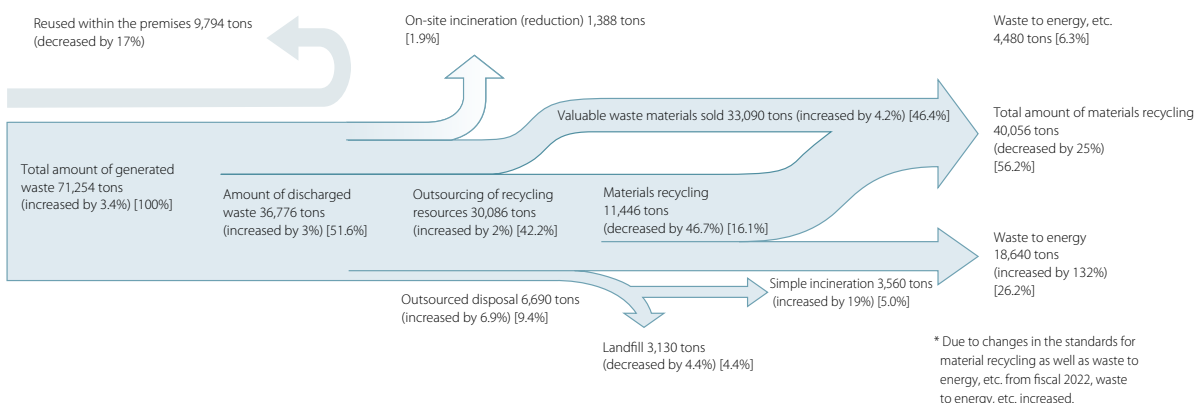
Prototypes and inventory disposal due to the responsibility of the Divisional Companies are not included.

### Production Site Waste Generation and Disposal / Japan and Overseas

(tons)

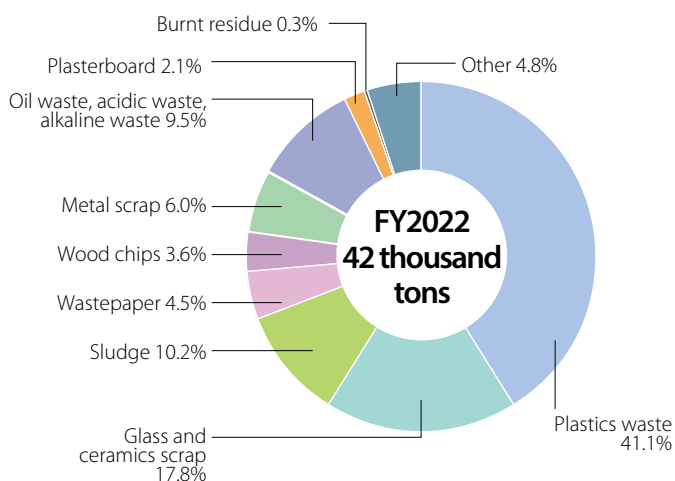
	Total Waste	Recycled Waste	Unrecycled Waste
FY2018	76,249	65,525	10,724
FY2019	70,947	61,928	9,020
FY2020	67,555	58,435	9,120
FY2021	68,939	63,243	5,696
FY2022	71,254	63,176	8,078

### Fiscal 2022 Annual Production Site Waste Generation and Disposal / Japan and Overseas

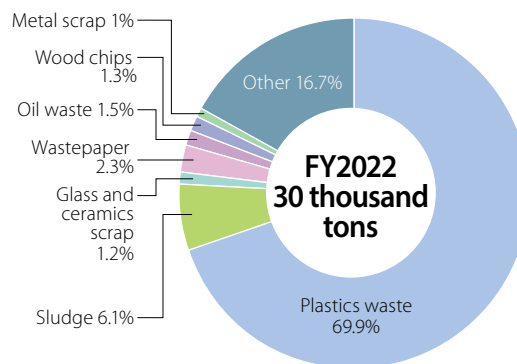


Note: Change over previous year is in ( ) and proportion of total waste generation is in [ ].

### Breakdown of Waste Generated at Production Sites / Japan



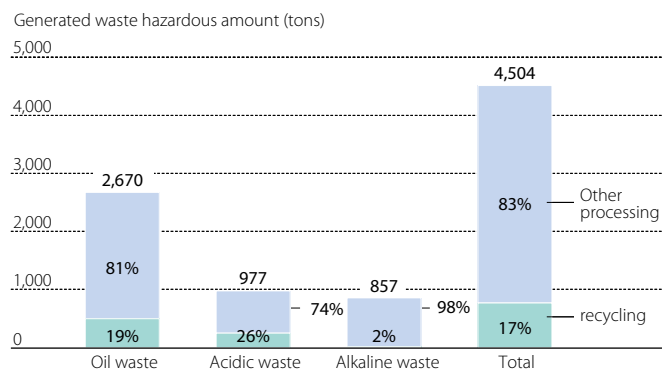
### Breakdown of Waste Generated at Production Sites / Overseas



Index	Calculation Method
Generated Waste Amount	<p>Amount of waste generated = Amount of waste collection outsourced + Amount recycled (incinerated waste to energy + recycled back to materials + recyclable waste sold) + Amount incinerated in-house; the items below are excluded:</p> <p>Waste generated by demolition of customers' old houses, remains of construction work at our sites, disposal of machinery, office equipment, etc., medical waste from medical treatment in-house clinics</p>

### Amount of Hazardous Waste Generated / Recycling rate (Japan and Overseas)

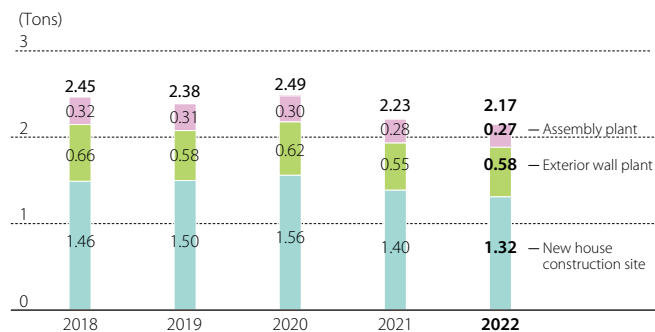
#### Fiscal 2022



Index	Calculation Method
Amount of Hazardous Waste Generated and Recycling Rate	<p>Recycling rate = Amount of recycled waste / Amount of hazardous waste generated</p> <p>Hazardous substance: Oil waste, acidic waste, alkaline waste</p> <p>Recycling: Material recycling</p>

## Waste Generated on Construction Sites of New Housing

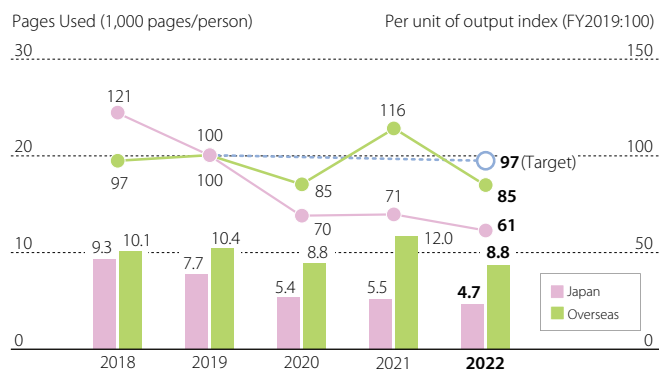
### Amount of Waste Generated on Construction Sites of New Housing (per Building) / Japan



Index	Calculation Method
Amount of Waste Generated on Construction Sites of New Housing	<p>Amount of waste generated on construction sites of new housing = Amount of waste generated during construction of outer walls (at factory) + Amount of waste generated during assembly (at factory) + Amount of waste generated at construction site of new housing</p> <p>Amount of waste generated per building during construction of new housing = Total amount of waste generated on construction sites of new housing / Number of new houses sold</p> <p>Scope: Housing business in Japan</p>

## Waste Generated in Offices

### Amount of Copy Paper Used at Offices per Person (Index)



Note: Some past figures have been revised due to improvements in precision.

Indicator	Calculation Method
Amount of Copy Paper Used at Offices per Unit of Output	Amount of Copy Paper Used at Offices per Unit of Output = Amount of Copy Paper Used at Offices / Office Personnel

## Disclosure of the Recycling Status of Waste Plastics in accordance with the Law Concerning the Promotion of Resource Recycling of Plastics.

### (Status of Fiscal 2022 Emissions and Recycling)

	Disclosure according to the Act on Promotion of Resource Circulation for Plastics				Recycling as the Management Indicator for SEKISUI CHEMICAL Group (including waste sold as raw materials)			
	Waste emissions (ton)	Rate of recycling	Rate of thermal recycling	Rate of recycling (broad)	Waste emissions (ton)	Rate of recycling	Rate of thermal recycling	Rate of recycling (broad)
Sekisui Chemical Co., Ltd.	4,487	9.5%	83.4%	92.9%	9,995	58.4%	37.5%	95.8%
Hokkaido Sekisui Heim Industry Co., Ltd.	48	0.0%	100.0%	100.0%	48	0.0%	100.0%	100.0%
Tohoku Sekisui Heim Industry Co., Ltd.	21	0.0%	100.0%	100.0%	28	24.4%	75.6%	100.0%
Sekisui Heim Industry Co., Ltd.	358	2.5%	97.5%	100.0%	486	17.0%	83.0%	100.0%
Chushikoku Sekisui Heim Industry Co., Ltd.	80	0.0%	100.0%	100.0%	84	5.4%	94.6%	100.0%
Kyushu Sekisui Heim Industry Co., Ltd.	75	0.0%	100.0%	100.0%	75	0.0%	100.0%	100.0%
Sekisui Board Co., Ltd.	67	0.0%	100.0%	100.0%	67	0.0%	100.0%	100.0%
Higashinohon Sekisui Industry Co., Ltd.	2	0.0%	100.0%	100.0%	10	84.5%	15.5%	100.0%
Nishinohon Sekisui Industry Co., Ltd.	153	0.0%	100.0%	100.0%	157	2.2%	97.8%	100.0%
Sekisui Chemical Hokkaido Co., Ltd.	277	68.1%	31.9%	100.0%	370	76.0%	24.0%	100.0%
Chiba Sekisui Industry Co., Ltd.	128	16.7%	68.9%	85.6%	166	36.0%	52.9%	88.9%
Toto Sekisui Co., Ltd.	284	0.0%	100.0%	100.0%	758	62.5%	37.5%	100.0%
Yamanashi Sekisui Co., Ltd.	115	78.7%	21.3%	100.0%	389	93.7%	6.3%	100.0%
Nara Sekisui Co., Ltd.	247	1.0%	6.8%	7.8%	266	8.0%	6.3%	14.3%
Shikoku Sekisui Co., Ltd.	300	0.0%	95.0%	95.0%	685	56.3%	41.6%	97.8%
Kyushu Sekisui Industry Co., Ltd.	96	65.0%	35.0%	100.0%	840	96.0%	4.0%	100.0%
Sekisui Techno Molding Co., Ltd.	73	3.0%	53.3%	56.3%	469	78.8%	14.5%	93.2%
Sekisui Fuller Company, Ltd.	94	0.0%	75.9%	75.9%	136	30.8%	52.6%	83.3%
SEKISUI MEDICAL CO., LTD.	66	0.0%	98.6%	98.6%	66	0.0%	98.6%	98.6%
Sekisui Nano Coat Technology Co., Ltd.	79	0.0%	96.2%	96.2%	79	0.0%	96.2%	96.2%
Tokuyama Sekisui Industry Co., Ltd.	252	0.0%	55.6%	55.6%	427	41.0%	32.8%	73.8%
Sekisui Polymatech Co., Ltd.	230	0.0%	98.8%	98.8%	230	0.0%	98.8%	98.8%
Sekisui SoflanWiz Co., Ltd.	70	0.0%	83.4%	83.4%	70	0.0%	83.4%	83.4%
Sekisui Seikei, Ltd.	188	15.3%	84.7%	100.0%	1,201	86.7%	13.3%	100.0%
Sekisui LB Tec Co., Ltd.	100	8.9%	0.0%	8.9%	100	8.9%	0.0%	8.9%
Research Laboratory of Plastics Technology Co., Ltd.	7	0.0%	100.0%	100.0%	7	0.0%	100.0%	100.0%
<b>Group Total</b>	<b>7,897</b>	<b>10.7%</b>	<b>78.5%</b>	<b>89.2%</b>	<b>17,208</b>	<b>57.9%</b>	<b>36.5%</b>	<b>94.4%</b>

Note: Rate of recycling: Material recycling and Chemical recycling

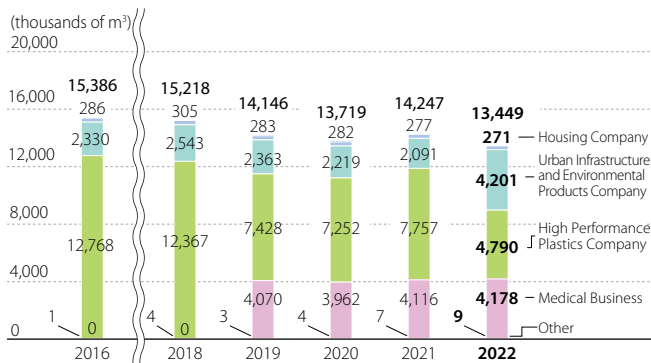
Rate of recycling (broad): Material recycling, chemical recycling, and thermal recycling

# ● Reducing Water-related Risks

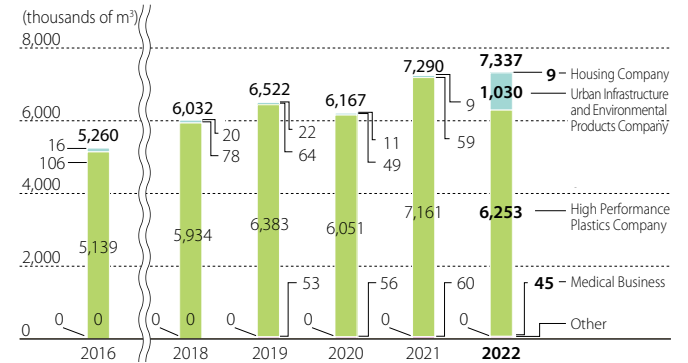
Note 1: From fiscal 2019, Medical Business results have been collated separately following its independence from the HPP Company and the presentation of Headquarters results reclassified as Other.

Note 2: In line with a change in the control of certain businesses in the UIEP and HPP companies implemented from October 2022, the data of both companies for fiscal 2022 is collated as if the change in control had been initiated from the beginning of fiscal 2022.

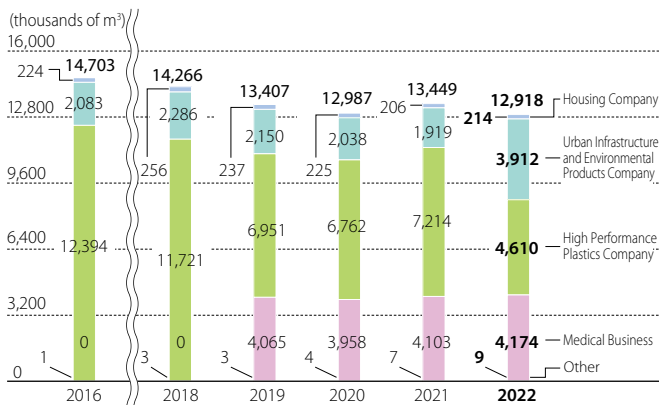
**Water Intake Volume at Production Sites / Japan**



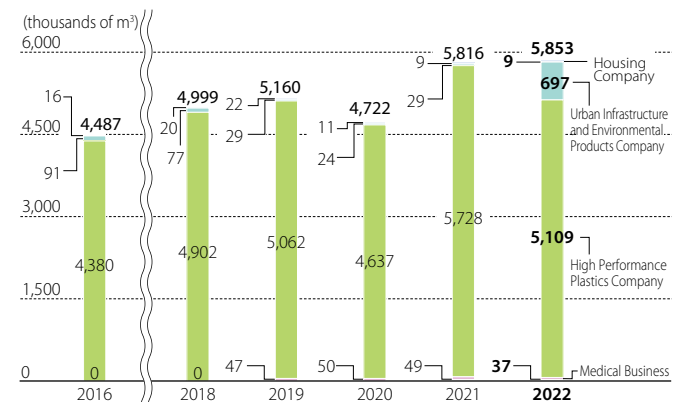
**Water Intake Volume at Production Sites / Overseas**



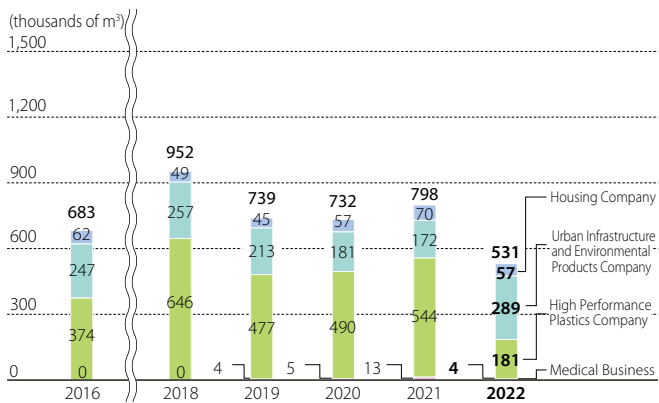
**Wastewater Discharge at Production Sites / Japan**



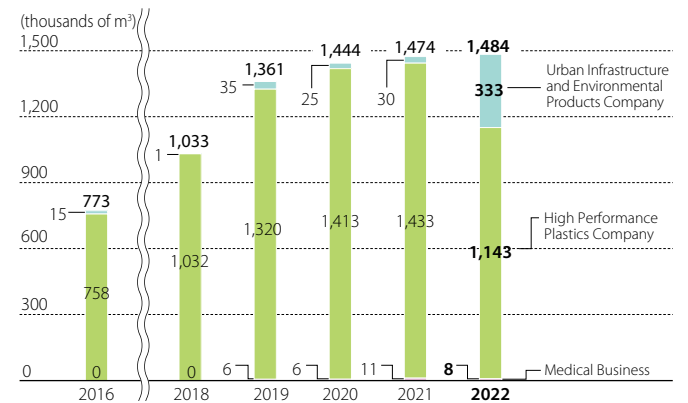
**Wastewater Discharge at Production Sites / Overseas**



**Water Consumption at Production Sites / Japan**



**Water Consumption at Production Sites / Overseas**



**Water intake volume at Production Sites by Water Source (Base year = 2016)**

 (thousands of m<sup>3</sup>)

Water source	Regions	All regions						Areas in regions with water stress						
		2016	2018	2019	2020	2021	2022	2016	2018	2019	2020	2021	2022	
Surface water	Japan	696	197	726	129	185	18	0	0	0	0	0	0	0
	China	0	0	0	0	0	0	0	0	0	0	0	0	0
	Southeast Asia and Oceania	0	0	1	3	0	0	0	0	1	3	0	0	0
	Europe	0	0	0	0	0	0	0	0	0	0	0	0	0
	North and Central America	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>696</b>	<b>197</b>	<b>727</b>	<b>131</b>	<b>185</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>
Ground water	Japan	2,604	2,632	2,517	2,340	2,238**	2,232	0	0	0	0	0	0	0
	China	0	0	0	0	0	0	0	0	0	0	0	0	0
	Southeast Asia and Oceania	103	144	111	121	132	125	25	35	16	22	24	29	
	Europe	0	0	0	0	0	0	0	0	0	0	0	0	0
	North and Central America	4	0	0	0	5	21	0	0	0	0	0	0	0
	<b>Total</b>	<b>2,710</b>	<b>2,776</b>	<b>2,628</b>	<b>2,461</b>	<b>2,375**</b>	<b>2,378</b>	<b>25</b>	<b>35</b>	<b>16</b>	<b>22</b>	<b>24</b>	<b>24</b>	<b>29</b>
Seawater	Japan	0	0	0	0	0	0	0	0	0	0	0	0	0
	China	0	0	0	0	0	0	0	0	0	0	0	0	0
	Southeast Asia and Oceania	0	0	0	0	0	0	0	0	0	0	0	0	0
	Europe	0	0	0	0	0	0	0	0	0	0	0	0	0
	North and Central America	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Third-party water*	Japan	12,086	12,389	10,903	11,250	11,824**	11,199	0	0	0	0	0	0	0
	China	273	324	265	247	243	226	236	311	256	241	235	222	
	Southeast Asia and Oceania	896	966	1,093	957	1,087	1,168	18	72	80	55	42	79	
	Europe	1,943	1,866	1,960	1,674	2,527	2,603	1,857	1,805	1,887	1,606	2,444	2,527	
	North and Central America	2,042	2,732	3,092	3,165	3,297	3,194	10	156	141	94	121	132	
	<b>Total</b>	<b>17,241</b>	<b>18,278</b>	<b>17,313</b>	<b>17,293</b>	<b>18,977**</b>	<b>18,390</b>	<b>2,121</b>	<b>2,344</b>	<b>2,365</b>	<b>1,996</b>	<b>2,842</b>	<b>2,959</b>	
Total volume of water withdrawn	Japan	15,386	15,218	14,146	13,719	14,247	13,449	0	0	0	0	0	0	0
	China	273	324	265	247	243	226	236	311	256	241	235	222	
	Southeast Asia and Oceania	999	1,110	1,204	1,081	1,219	1,292	44	107	97	80	65	107	
	Europe	1,943	1,866	1,960	1,674	2,527	2,603	1,857	1,805	1,887	1,606	2,444	2,527	
	North and Central America	2,046	2,732	3,092	3,165	3,301	3,216	10	156	141	94	121	132	
	<b>Total</b>	<b>20,646</b>	<b>21,250</b>	<b>20,668</b>	<b>19,885</b>	<b>21,537</b>	<b>20,785</b>	<b>2,146</b>	<b>2,379</b>	<b>2,382</b>	<b>2,021</b>	<b>2,866</b>	<b>2,988</b>	

\* Third-party water: Water withdrawn from local government water suppliers (public water systems, water systems for industrial use)

\*\* Some past figures have been revised due to improvements in precision.



**Wastewater Discharge at Production Sites by Discharge Destination (Base year = 2016)**

 (thousands of m<sup>3</sup>)

Discharge destination	Regions	All regions						Areas in regions with water stress					
		2016	2018	2019	2020	2021	2022	2016	2018	2019	2020	2021	2022
Surface water	Japan	11,219	11,353	10,680	10,179	10,623	10,183	0	0	0	0	0	0
	China	0	0	0	0	0	0	0	0	0	0	0	0
	Southeast Asia and Oceania	22	20	43	18	13	22	2	0	22	4	1	8
	Europe	0	0	0	0	0	0	0	0	0	0	0	0
	North and Central America	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>11,241</b>	<b>11,372</b>	<b>10,722</b>	<b>10,197</b>	<b>10,636</b>	<b>10,205</b>	<b>2</b>	<b>0</b>	<b>22</b>	<b>4</b>	<b>1</b>	<b>8</b>
Ground water	Japan	0	0	0	0	0	0	0	0	0	0	0	0
	China	0	0	0	0	0	0	0	0	0	0	0	0
	Southeast Asia and Oceania	0	0	0	0	0	0	0	0	0	0	0	0
	Europe	0	0	0	0	0	0	0	0	0	0	0	0
	North and Central America	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Seawater	Japan	2,892	2,277	2,160	2,293	2,205	2,149	0	0	0	0	0	0
	China	0	0	0	0	0	0	0	0	0	0	0	0
	Southeast Asia and Oceania	0	0	0	0	0	0	0	0	0	0	0	0
	Europe	0	0	0	0	0	0	0	0	0	0	0	0
	North and Central America	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>2,892</b>	<b>2,277</b>	<b>2,160</b>	<b>2,293</b>	<b>2,205</b>	<b>2,149</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Third-party water*	Japan	591	636	567	515	622	586	0	0	0	0	0	0
	China	272	308	255	237	233	218	235	296	246	232	226	214
	Southeast Asia and Oceania	679	830	860	790	881	883	26	103	60	54	37	59
	Europe	1,930	1,860	1,944	1,664	2,511	2,592	1,857	1,805	1,875	1,601	2,439	2,521
	North and Central America	1,585	1,981	2,060	2,012	2,177	2,138	9	79	81	62	62	73
	<b>Total</b>	<b>5,057</b>	<b>5,615</b>	<b>5,685</b>	<b>5,219</b>	<b>6,424</b>	<b>6,417</b>	<b>2,127</b>	<b>2,283</b>	<b>2,262</b>	<b>1,949</b>	<b>2,764</b>	<b>2,867</b>
Total Volume of Wastewater	Japan	14,703	14,266	13,407	12,987	13,449	12,918	0	0	0	0	0	0
	China	272	308	255	237	233	218	235	296	246	232	226	214
	Southeast Asia and Oceania	701	850	902	809	895	904	29	103	83	58	38	66
	Europe	1,930	1,860	1,944	1,664	2,511	2,592	1,857	1,805	1,875	1,601	2,439	2,521
	North and Central America	1,585	1,981	2,060	2,012	2,177	2,138	9	79	81	62	62	73
	<b>Total</b>	<b>19,190</b>	<b>19,265</b>	<b>18,567</b>	<b>17,709</b>	<b>19,265</b>	<b>18,770</b>	<b>2,129</b>	<b>2,283</b>	<b>2,285</b>	<b>1,952</b>	<b>2,765</b>	<b>2,874</b>

\* Third-party water: Wastewater (sewer systems) discharged to wastewater treatment facilities of local governments, etc.

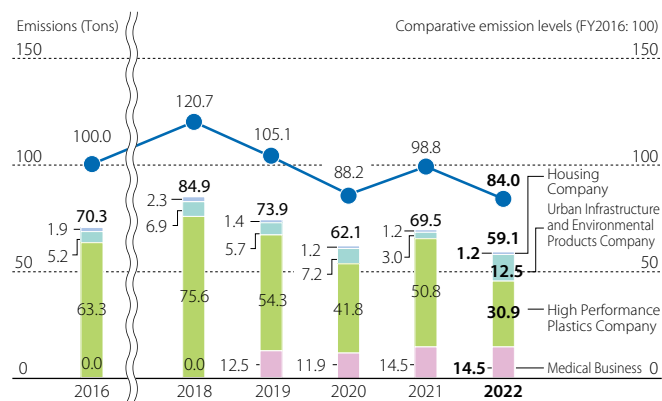
**Water Consumption at Production Sites (Base year = 2016)**

(thousands of m<sup>3</sup>)

Regions	All regions						Areas in regions with water stress					
	2016	2018	2019	2020	2021	2022	2016	2018	2019	2020	2021	2022
Japan	683	952	739	732	798	531	0	0	0	0	0	0
China	1	16	10	10	9	8	1	16	10	10	9	8
Southeast Asia and Oceania	298	260	302	272	324	388	15	4	15	22	27	41
Europe	13	6	17	9	16	11	0	0	13	5	6	6
North and Central America	461	751	1,032	1,153	1,125	1,078	1	77	60	33	59	59
<b>Total</b>	<b>1,456</b>	<b>1,985</b>	<b>2,101</b>	<b>2,176</b>	<b>2,272</b>	<b>2,015</b>	<b>17</b>	<b>97</b>	<b>98</b>	<b>69</b>	<b>101</b>	<b>114</b>

Indicator	Calculation Method
Water intake volume	Water intake volume = Total Water intake volume = (The sum of water intake from surface water, ground water, seawater, and third-party water)
Wastewater discharge	Wastewater discharge = Total wastewater discharge = (The sum of wastewater discharged to surface water, ground water, seawater, and third-party wastewater)
Water consumption	Water consumption = Water intake volume - wastewater discharge
Areas in regions with water stress	Areas where Baseline Water Stress is ranked as High or Extremely High under the WRI Aqueduct™ Water Risk Atlas (Aqueduct 3.0) Evaluation System

**COD Discharge / Japan**



Indicator	Calculation Method
COD Discharge	Discharge = Σ[COD concentration (annual average of measured values) × Water discharge volume]

## ● Addressing Biodiversity

### ■ Assessment of Impact on Biodiversity (Natural Capital)

Under its SEKISUI Environment Sustainability Vision 2050, the Group is working to realize an earth with maintained biodiversity. To that end, we are promoting activities that incorporate a net-positive approach toward ecosystems. As previously mentioned, the Sekisui Environment Sustainability Index is used as an integrated indicator to confirm the degree of progress toward realizing the Group's environmental vision, and is calculated as the rate of return to natural and social capital, which can be considered an assessment of the degree of impact on overall biodiversity.

Furthermore, going forward we will also take steps to identify and monitor the impact of two aspects on plants (primary growth of plants) and biodiversity (rate of extinction of living species).

For some time, SEKISUI CHEMICAL Group has recognized that the use of raw materials, emissions of chemical substances, and disposal of products sold place a serious burden on biodiversity. Due to the greater understanding of the unique effects of these chemical substances in recent years as part of LCA databases used to monitor impact, the impact per unit amount of chemical substances has been increasing. In response, we intend to update the databases we use, reconfirm the benchmarks, and expand our return starting with the next Medium-term Management Plan.

## Trends in Rates of Return to Biodiversity and Plant Primary Production

(%)

	2016	2017	2018	2019	2020	2021	2022
Biodiversity aspects	41.0	38.3	39.4	43.1	40.8	49.7	38.0
Plant Biomass aspects	34.2	35.0	35.1	34.9	38.2	41.0	67.8

In regard to the two aspects of plants (primary production of plants) and biodiversity (rate of extinction of living species), we will confirm the rate of return for each, and adopt these as verification indicators to enable the Group to have a positive direct impact. The above indicates that trend. Although the return rate for both aspects remains below 100%, by engaging with climate change, resource circulation, and other environmental issues going forward, we will promote corporate activities that move steadily toward nature positivity.

Among the raw materials used by the Group, we understand that paper derived from biomass and materials derived from petroleum have a major impact.

In a bid to reduce this impact, we recognize the importance of strengthening procurement that takes into account sustainability also with respect to non-fossil resources as identified in our resource recycling policy. With the aim of strengthening sustainable procurement, SEKISUI CHEMICAL Group is reviewing consideration items pertaining to supplier management and conducting activities aimed at reducing environmental impact and corporate risks in cooperation with suppliers based on guides.

Meanwhile, products that contribute significantly to biodiversity include, for example, products that contribute to the reduced use of mineral, fossil, and forest resources. These products are used in a wide range of areas and include products that contribute to resource recycling by reducing energy consumption during the use of vehicles and transportation, improving durability, and promoting a shift in raw materials. Examples of the former include KYDEX, LLC products for aircrafts and railroads. Examples of the latter include products related to the SPR method for sewage pipe rehabilitation. Products that contribute significantly to the primary growth of plants include, for example, products that reduce global warming and products that can reduce waste. Once again in the case of the former, an example is Sekisui Heim's housing equipped with solar power generation system panels. In the case of the later, examples include Kraft tape, which enables the use of a thinner paper core than previously possible.

To expand these contributions, we are developing products and technologies that contribute to decarbonization while working to reduce waste from products sold. We also acknowledge the importance of putting in place services and technologies that promote recycling. With this in mind, we are looking to achieve each of the aforementioned goals by expanding our lineup of products to enhance sustainability.

The rate of return to plant biomass increased in fiscal 2022. We believe this increase can be attributed to a variety of factors, including the reduced use of raw materials that have a negative impact, improvements in the quality of green spaces at production sites, and contributions from products that have a positive impact on the land used.

As far as biodiversity is concerned, we also recognize that increases in the impact of chemical emissions and the decrease in sales of products that contribute to biodiversity have led to a decline in the rate of return.

SEKISUI CHEMICAL Group will continue to promote manufacturing while considering the direction of trends from these rates of return in order to engage in nature positive corporate activities.

## Results from the JBIB Land Use Score Card®

	FY2022
JBIB Land Use Score Card®	Increased by 4.9 points (compared with fiscal 2019)

Index	Calculation Method
Points of JBIB Land Use Score Card®	<p>JBIB Land Use Score Card® is a tool promoted by JBIB, which evaluates the level of effort to preserve biodiversity with respect to the land owned by the Company. It is a calculation sheet to evaluate every business site regarding the size and quality of its greenspace, management system, etc. on a scale from 0 to 100.</p> <p>We implement assessments of every business site for the fiscal year using the JBIB Land Use Score Card® and calculate the increase from the number of points it had in fiscal 2019. The index is the average increase of the points across all business sites.</p>

## ● Environmental Accounting

<b>Summation period</b>	April 1, 2022 to March 31, 2023
<b>Scope of summation</b>	Production sites, research facilities, housing sales company sites, and Corporate Headquarters departments in Japan.
<b>Calculation Method</b>	Based on the Ministry of the Environment's Environmental Accounting Guidelines 2005 Edition
<b>Approach toward summation</b>	<ul style="list-style-type: none"> <li>• Depreciation and amortization are excluded from environmental conservation costs because they overlap with investment costs.</li> <li>• Investment amounts are based on budget approvals during the summation period.</li> <li>• Expenditures and investments that contain other than environmental conservation activities are distributed pro-rata in 10% increments.</li> <li>• Disclosure categories have been revised, environmental conservation costs are subcategorized, and the economic effects of environmental conservation measures are limited to effects on an actual basis, excluding deemed effects from fiscal 2020.</li> <li>• The environmental conservation effects of physical quantity are shown in environmental performance data disclosed in Major Initiatives.</li> </ul>

## Environmental Conservation Costs

(Millions of yen)

Category	Items	Description of main activities	FY2020		FY2021		FY2022	
			Costs	Investments	Costs	Investments	Costs	Investments
1) Costs within business areas	(1) Pollution prevention costs	a. Air	369	62	319	98	355	16
		b. Water	130	77	85	68	110	198
		c. Soil	0	7	0	4	0	7
		d. Noise	12	1	1	0	2	0
		e. Vibration	0	0	0	0	0	0
		f. Odor	255	0	242	4	235	0
		g. Ground	106	3	105	0	102	0
		h. Others	304	8	307	29	315	5
		<b>Subtotal</b>	<b>1,176</b>	<b>157</b>	<b>1,058</b>	<b>202</b>	<b>1,118</b>	<b>226</b>
	(2) Countermeasures against global warming	a. Global warming (including energy saving)	686	588	114	833	132	510
		b. Ozone layer	100	18	6	33	6	4
		c. Others	0	4	0	55	0	14
		<b>Subtotal</b>	<b>786</b>	<b>611</b>	<b>120</b>	<b>921</b>	<b>138</b>	<b>528</b>
	(3) Resource recycling costs	a. Effective utilization of resources	63	17	6	31	10	12
		b. Water conservation, utilization of rainwater, etc.	4	4	7	28	8	6
		c. Waste volume lightening, reduction, recycling, etc.	176	93	177	76	180	362
		d. Waste processing, disposal, etc.	6,293	4	6,477	106	4,878	1
		e. Others	18	1	1	6	19	14
<b>Subtotal</b>		<b>6,553</b>	<b>119</b>	<b>6,668</b>	<b>246</b>	<b>5,095</b>	<b>394</b>	
2) Upstream/downstream costs	Cost increases due to recycling of products such as those manufactured and sold, greener purchasing, etc.		113	0	109	28	161	0
3) Administrative costs	Environmental education, EMS certification, running costs for green action organization, information disclosure, etc.		2,385	12	2,206	1	1,624	2
4) Research & development costs	Research and development on environmental conservation		3,740	313	15,009	813	16,128	760
5) Social activities costs	Social contributions, etc.		112	98	78	0	128	0
6) Environmental damage costs	Nature restoration, etc.		30	2	57	5	63	8
<b>Total</b>			<b>14,896</b>	<b>1,311</b>	<b>25,306</b>	<b>2,216</b>	<b>24,455</b>	<b>1,918</b>

## Substantive Economic Effects of Environmental Conservation Measures

(Millions of yen)

Description of effects		FY2020	FY2021	FY2022	Remarks
Revenue	(1) Profit on sales of valuable waste resources	176	139	116	Profit on sales of valuable waste resources from promotion of waste segregation and recycling
	(2) Revenues from sale of electricity	402	334	348	Revenues from sale of electricity generated by megasolar facilities
Cost savings	(3) Cost savings through energy-saving activities	1,311	256	420	Including savings through utilization of co-generation
	(4) Cost savings through waste-reduction activities, etc.	502	463	522	Reductions through optimization, reuse, and zero emissions activities
<b>Total</b>		<b>2,392</b>	<b>1,191</b>	<b>1,407</b>	

## ● Chemical Substance Management

Note 1: From fiscal 2019, Medical Business results have been collated separately following its independence from the HPP Company and the presentation of Headquarters results reclassified as Other.

Note 2: In line with a change in the control of certain businesses in the UIEP and HPP companies implemented from October 2022, the data of both companies for fiscal 2022 is collated as if the change in control had been initiated from the beginning of fiscal 2022.

### Aggregated results based on the PRTR Law (substances handled at business sites subject to assessment with a handling volume of 1 ton or more are aggregated).

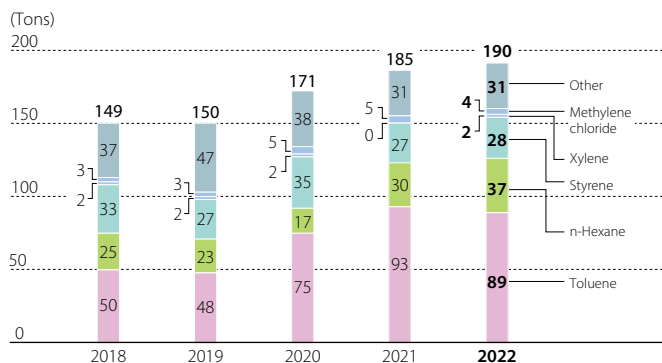
(Tons)

Substance	Govt. ordinance notification no.	Handled volume	Emission volume				Transfer volume			Detoxification
			Atmospheric	Public water areas	In-house soil	In-house landfill	Sewage system	Transfer in waste disposal	Transfer in waste recycling	
Ethyl acrylate	[3]	30	-	-	-	-	-	-	3.0	27
n-Butyl acrylate	[7]	195	1.6	-	-	-	-	1.2	0.0020	193
Acrylonitrile	[9]	526	3.2	-	-	-	-	-	0.0060	523
Acetaldehyde	[12]	203	0.18	-	-	-	-	-	-	203
Acetonitrile	[13]	62	4.9	-	-	-	-	-	57	-
2,2'-Azobisisobutyronitrile	[16]	6.1	-	-	-	-	-	-	-	6.1
Antimony and its compounds	[31]	9.1	-	-	-	-	-	-	0.91	-
Isobutyraldehyde	[35]	50	1.4	-	-	-	-	-	-	49
2-Ethylhexanoic acid	[51]	5,799	-	-	-	-	-	-	5.9	5,786
Ethel Benzene	[53]	1.5	1.5	-	-	-	-	-	-	-
Ethylenediamine	[59]	1.6	0.15	-	-	-	-	-	-	1.4
ε-Caprolactam	[76]	42	-	0.014	-	-	-	-	-	42
Xylene	[80]	1.5	1.5	-	-	-	-	-	0.016	-
Chromium and trivalent chromium compound	[87]	4.3	-	-	-	-	-	0.028	0.0066	-
Vinyl chloride	[Special 94]	116,160	3.8	0.10	-	-	-	-	-	116,156
Chloroform	[127]	5.3	0.28	-	-	-	-	-	3.1	0.53
Cobalt and its compounds	[132]	3.5	-	0.12	-	-	-	-	-	3.4
Vinyl acetate	[134]	52	5.4	-	-	-	-	3.7	-	43
"Inorganic cyanide compounds (not including complex salts and cyanate)"	[144]	15	-	-	-	-	-	-	-	15
Cyclohexylamine	[154]	6.4	0.36	-	-	-	-	-	-	6.1
Methylene chloride	[186]	320	4.2	-	-	-	-	-	-	316
Divinylbenzene	[202]	1.7	-	-	-	-	-	-	-	1.7
2,6-di-t-butyl-4-cresol	[207]	49	-	-	-	-	-	-	-	49
N,N-dimethylformamide	[232]	1.7	-	-	-	-	-	-	1.7	-
Organic tin compounds	[239]	128	-	0.0000	-	-	-	0.067	0.51	2.8
Styrene	[240]	1,286	28	-	-	-	-	-	0.012	516
n-dodecyl alcohol	[273]	16	-	-	-	-	-	-	-	16
Toluene Diisocyanate	[298]	6.5	-	-	-	-	-	-	-	-
Toluene	[300]	711	34	-	-	-	-	55	228	274
Lead compounds	[Special 305]	487	-	0.0002	-	-	0.0000	0.38	16	6.1
Nickel compound	[Special 309]	1.0	-	-	-	-	-	0.32	-	-
Bis-(2-ethylhexyl) phthalate	[355]	8.4	-	-	-	-	-	-	2.2	4.0
n-Hexane	[392]	240	7.9	-	-	-	-	29	203	-
Boron and its compounds	[405]	24	-	-	-	-	-	-	-	-
"Poly (oxyethylene) = alkyl = ether (C = 12-15 and other blends)"	[407]	3.6	-	-	-	-	-	-	-	-
Manganese and its compounds	[412]	4.9	-	-	-	-	-	-	4.9	-
Methacrylate	[415]	289	1.6	-	-	-	-	-	0.0070	288
Methyl methacrylate	[420]	173	0.90	-	-	-	-	-	-	172
Methylnaphthalene	[438]	1.3	0.006	-	-	-	-	-	-	1.2
Methylenebis (4,1-phenylene) = diisocyanate	[448]	1,534	-	-	-	-	-	-	0.010	1,531
		128,458	101	0.24	-	-	0.0000	89	527	126,229



Index	Calculation Method
Amount of Chemical Substances Handled	Amount of substances subject to regulation by the PRTR Law handled [Scope: Production sites and research facilities in Japan]
Amount of Emissions / Transfer of Chemical Substances	Amount of emissions / transfer of chemical substances subject to regulation by the PRTR Law: Amount of emissions = Amount of emissions into the air + Amount of emissions into public waters + Amount of emissions into the soil on-site + Amount disposed of by landfill on-site Transfer amount = Amount transferred to sewers + Amount transferred as waste material [Scope: Production sites and research facilities in Japan]
Amount of Chemical Substances Subject to Detoxication	Amount of chemical substances subject to regulation by the PRTR Law subject to detoxication: Amount detoxified = Amount consumed in reaction + Amount consumed through combustion, etc. [Scope: Production sites and research facilities in Japan]

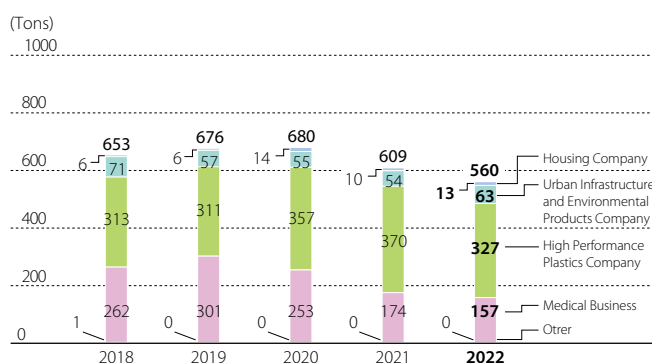
### Amount of Chemical Substance Emission and Transfer (PRTR Law) / Japan



Note: Past figures have been retroactively revised due to changes in aggregate scope.

Index	Calculation Method
Amount of Emissions / Transfer of Chemical Substances	<p>Amount of emissions / transfer of chemical substances subject to regulation by the PRTR Law:                      Amount of emissions = Amount of emissions into the air + Amount of emissions into public waters + Amount of emissions into the soil on-site + Amount disposed by landfill on-site                      Transfer volume = Amount transferred to sewers + Amount transferred as waste material                      Scope: Covers production sites and research facilities in Japan</p>

### Discharge of Volatile Organic Compounds (VOCs) into the Atmosphere / Japan

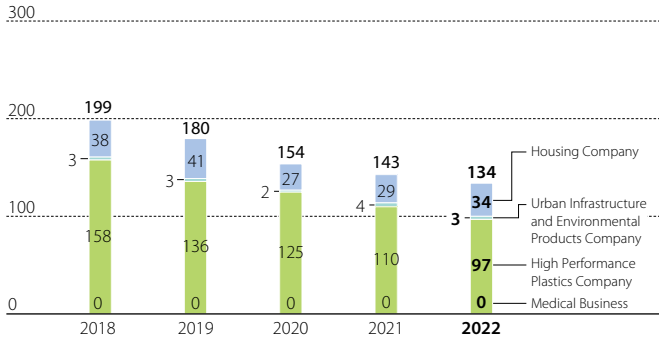


Note: Past figures have been retroactively revised due to changes in aggregate scope.

Index	Calculation Method
VOC Emissions	<p>Amount of emissions into the atmosphere of volatile organic compounds (VOC) among the substances subject to regulation by the PRTR Law and Japan Chemical Industry Association</p>

### NOx Emissions / Japan

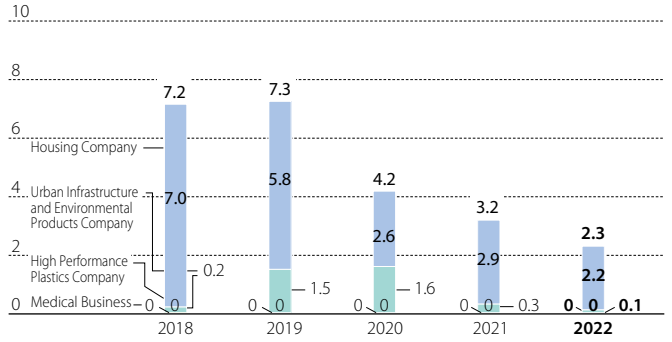
Emissions (Tons)



Index	Calculation Method
NOx Emissions	NOx emissions = $\sum$ (Amount of exhaust gas airflow per year $\times$ NOx concentration $\times$ 46 / 22.4)

### SOx Emissions / Japan

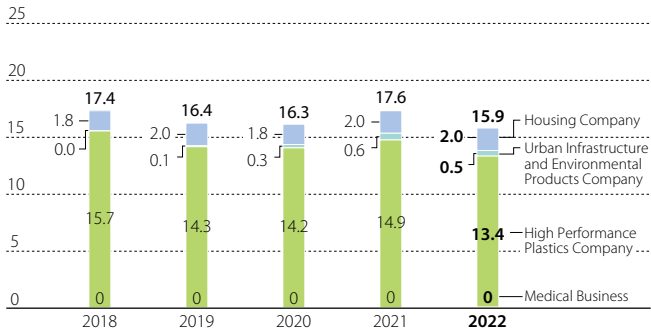
Emissions (Tons)



Index	Calculation Method
SOx Emissions	SOx emissions = $\sum$ (amount of SOx per year $\times$ 64 / 22.4)

### Soot and Dust Emissions / Japan

Emissions (Tons)

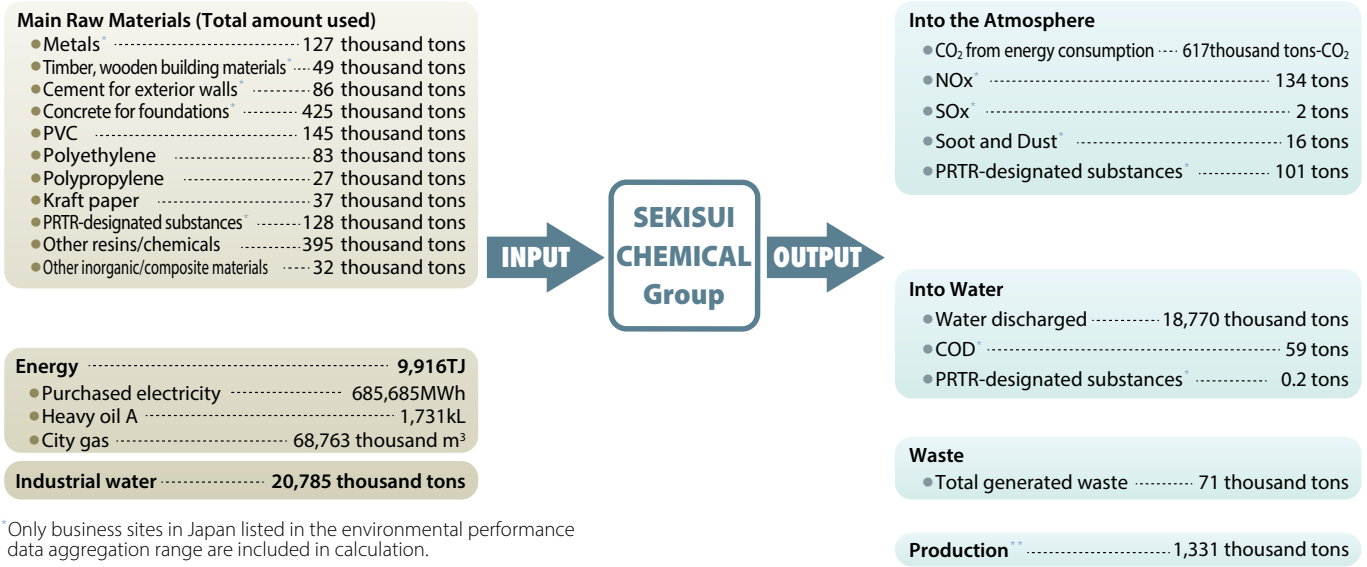


Index	Calculation Method
Soot and Dust Emissions	Soot and Dust emissions = $\sum$ (amount of exhaust gas airflow per year $\times$ soot concentration)

# ● Material Balance

SEKISUI CHEMICAL Group releases information on the resources and energy used in its business activities (input) and on the substances that have an environmental impact generated by those activities (output).

## Material balance (Japan and overseas total) Fiscal 2022 Results



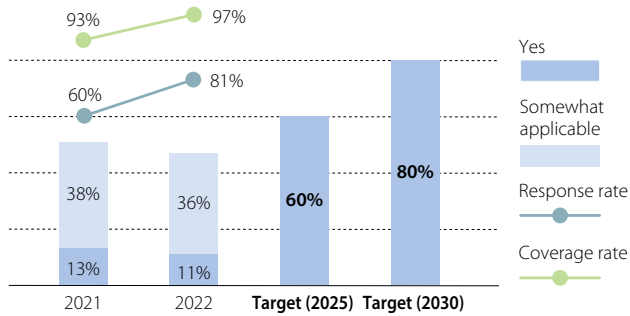
\*Only business sites in Japan listed in the environmental performance data aggregation range are included in calculation.

\*\*Not covered by third-party assurance.

## Vision Management

### ● KPI (Employee Challenge Action Rate)

#### Results of Employee Challenge Action Rate Survey



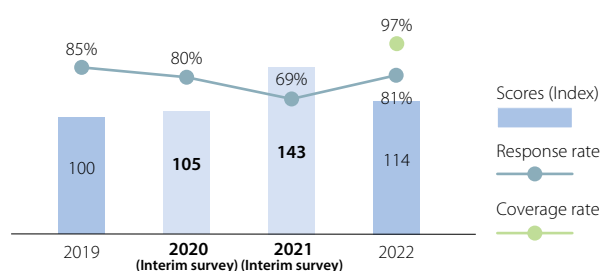
•KPI: Percentage of respondents who answered "Yes" to the question "I am taking concrete actions to engage in challenging behavior to realize Vision 2030" in fiscal 2021 and fiscal 2022.

Percentage of respondents who answered "Yes" or "Somewhat applicable" from fiscal 2023.

- Survey scope: All employees (including full-time, non-full-time, and dispatch employees) of 160 of the 165 Group companies surveyed.
- Coverage rate: Percentage of companies surveyed among Group companies
- Response rate: Employees who responded to the survey as a percentage of all employees of the companies where the survey was conducted.

## ● Deepening Engagement

### Engagement score



- Scores are calculated with fiscal 2019 as 100.
- Survey scope: All employees (including full-time, non-full-time, and dispatch employees) of 160 of the 165 Group companies surveyed.
- Coverage rate: Percentage of companies surveyed relative to the number of Group companies in Japan and overseas
- Response rate: Percentage of employees who responded to the survey relative to the total number of employees of the companies where the survey was conducted.
- Interim surveys were conducted by the organization of choice in fiscal 2020 and fiscal 2021 (reference data).

## ● Employee Career Development

### ■ Career Interview implementation rate (SEKISUI CHEMICAL)

Fiscal 2022 75.4%

Note: Number of career interview records entered into the system / number of employees covered (employees including managers, senior partners)

### Career Training Results (SEKISUI CHEMICAL)

Training Program Name	FY2021	FY2022
Career autonomy supervisor training (persons)	393	252
Career plan basic training (persons)	—	77
Career planning training for newly appointed managers (persons)	—	203
Career planning training for those being promoted to Advanced Level (non-managerial) (persons)	—	89
Career planning training for new employees (persons)	—	78

In addition, women's career seminars (see p. 56) and career seminars for employees who have chosen to extend their retirement age (see p. 62).

## Career Path Support Results (SEKISUI CHEMICAL)

		FY2018	FY2019	FY2020	FY2021	FY2022
No. of employees who have changed career courses	Men	9	10	14	2	6
	Women	2	1	2	4	3
No. of employees who have converted to permanent, full time employment	Men	3	2	1	4	3
	Women	7	11	14	10	11

## Results of Intra-Group Job Postings

	FY2018	FY2019	FY2020	FY2021	FY2022
Number of postings	44	45	31	55	56
Number of employees recruited	140	62	54	80	101
Number of applicants	115	135	155	236	159
Number of employees transferred	26	28	28	70	45

## Results of Training for Major Intra-Group Job Postings

Name of Training Program	FY2018	FY2019	FY2020	FY2021	FY2022
Innovation School (persons)	86	69	Not implemented	102	102

## Training Results Common throughout the Group

	FY2018	FY2019	FY2020	FY2021	FY2022
No. of New employees receiving induction training	251	243	101*	150	152
No. of newly appointed managers receiving training	210	252	220	199	213

\* Since this training was urgently converted to an online format due to the COVID-19 pandemic, trainees from Group companies are not included.

● **Shift to a role-based management system for human resources**

**Evaluator Training Results (SEKISUI CHEMICAL)**

Training Program Name	FY2021	FY2022
Evaluator Training A (understanding the evaluation system) (persons)	941	75
Evaluator Training B (basics of evaluation + understanding the evaluation system) (persons)	493	—
Training to strengthen evaluation skills (1) (basics of evaluation + goal setting) (persons)	—	146
Training to strengthen evaluation skills (2) (daily management + interview training) (persons)	—	148

● **Training Human Resources**

**Hours of Training and Development per FTE (SEKISUI CHEMICAL)**

	FY2018	FY2019	FY2020	FY2021	FY2022
Average hours of training and development per FTE	9.4	9.4	6.3	7.1	6.1

Note: Educational programs held at SEKISUI CHEMICAL's Human Resources Department at Corporate Headquarters

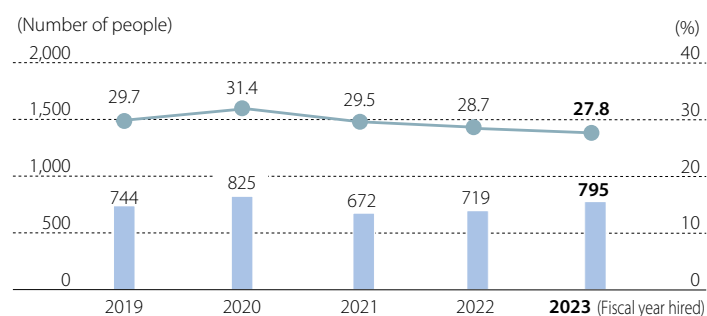


● Allowing Diverse Human Resources to Excel (Gender)

Training Results for Women

		FY2018	FY2019	FY2020	FY2021	FY2022
Career Development Program for Women (selected participants)	Women (persons)	35	39	52	58	49
	Superiors (persons)	31	24	46	55	46
Women's career seminar (open participation)	Young employees (persons)	–	–	–	–	55
	While raising children (persons)	–	–	–	–	73
	All women employees (persons)	–	–	–	–	67

Number of New-graduate Hires / Ratio of Women among New-Graduate Hires (SEKISUI CHEMICAL Group in Japan)



Note :Includes certain affiliates accounted for by the equity method and non-consolidated subsidiaries.

**Number of Female Directors, Female Ratio (SEKISUI CHEMICAL)**

	Directors		Audit and Supervisory Board Members		Total	Executive Officers
	Inside Directors	Outside Directors	Corporate Audit and Supervisory Board Members	Outside Audit and Supervisory Board Members		
Women	0	3	0	1	4	2
Men	7	2	2	2	13	22
Ratio of women (%)	0.0	60.0	0.0	33.3	23.5	8.3

**Number of Female Directors and Managers (SEKISUI CHEMICAL Group)**

	FY2018	FY2019	FY2020	FY2021	FY2022
Number of Female Directors (SEKISUI CHEMICAL Group)*	2	2	2	2	3
Number of Women in Managerial positions (SEKISUI CHEMICAL Group in Japan)	156	185	187	195	208

\* Excluding SEKISUI CHEMICAL

## Composition of SEKISUI CHEMICAL Personnel

		FY2018	FY2019	FY2020	FY2021	FY2022
Employees* <sup>1</sup>	Men (persons)	3,331	3,327	3,308	3,250	3,226
	Women (persons)	587	629	652	652	661
	Ratio of womens (%)	15.0	15.9	16.5	16.7	17.0
Permanent, full-time employees* <sup>2</sup>	Men (persons)	3,072	3,073	3,060	3,023	3,032
	Women (persons)	532	570	601	607	627
	Ratio of womens (%)	14.8	15.6	16.4	16.7	17.1
Average years of continuous employment* <sup>2</sup>	Men (persons)	17.3	17.2	17.2	17.6	17.9
	Women (persons)	13.2	12.6	12.4	12.9	13.1
Managerial positions (managers)	Men (persons)	685	678	672	700	790
	Women (persons)	30	41	44	45	47
	Ratio of womens (%)	4.2	5.7	6.1	6.0	5.6
Managerial positions (department managers and general managers)	Men (persons)	637	642	649	635	558
	Women (persons)	14	15	16	15	17
	Ratio of womens (%)	2.2	2.3	2.4	2.3	3.0
All managerial positions	Men (persons)	1,322	1,320	1,321	1,335	1,348
	Women (persons)	44	56	60	60	64
	Ratio of womens (%)	3.2	4.1	4.3	4.3	4.5
Employees newly appointed to managerial positions	Men (persons)	63	68	58	54	70
	Women (persons)	3	14	6	3	6
	Ratio of womens (%)	4.5	17.1	9.4	5.3	7.9
Deputy (Assistant) Manager / Supervisor level* <sup>3</sup>	Men (persons)	806	810	796	795	827
	Women (persons)	71	84	96	113	127
	Ratio of womens (%)	8.1	9.4	10.8	12.4	13.3

\*1 Workers with direct employment relationships with the Group (including permanent, full-time employees and non-full-time employees as well as workers on loan from the Group to other companies but excluding workers on loan from other companies to the Group)

\*2 Employees with no determined period of employment (including workers on loan from the Group to other companies but excluding workers on loan from other companies to the Group).

\*3 Employees who are Advanced Level in the Business Career Course

### Age Composition of Permanent, Full-time Employees\* and Ratio of Women in Fiscal 2022 (SEKISUI CHEMICAL)

	Under 30 years old	30 to 39 years old	40 to 49 years old	50 to 59 years old	60 years old and above
Men (persons)	386	614	739	1,142	151
Women (persons)	147	170	133	164	13
Ratio of women (%)	27.6	21.7	15.3	12.6	7.9

\* Employees with no determined period of employment (including workers on loan from the Group to other companies but excluding workers on loan from other companies to the Group)

### Gender Wage Disparity for Fiscal 2022 (SEKISUI CHEMICAL)

Permanent, full-time employees	Non-permanent, non-full-time employees	Overall
67.6%	101.2%	68.6%

Indicator	Calculation method
Gender Wage Disparity	Average annual wage for women / Average annual wage for men × 100

Note 1: Including workers on loan from the Group to other companies.

Note 2: There is no wage disparity in the human resources system; based on the labor composition (age and qualifications) ratio

### Retention Rate (SEKISUI CHEMICAL)

		FY2018	FY2019	FY2020	FY2021	FY2022
Employee turnover (Number of people who left employment )	Men	42	63	48	74	85
	Women	13	10	26	20	25
	Total	55	73	74	94	110
Retention rate (%)	Men	98.6	98.0	98.4	97.6	97.2
	Women	97.6	98.3	95.7	96.8	96.1
	Total	98.5	98.0	98.0	97.5	97.0

Indicator	Calculation method
Retention rate	$(1 - (\text{Number of employees who left employment} / \text{Number of employees as of April of the fiscal year})) \times 100$

## Hires (SEKISUI CHEMICAL)

		FY2018	FY2019	FY2020	FY2021	FY2022
New-graduate hires* <sup>1</sup>	Men (persons)	114	96	83	63	64
	Women (persons)	39	35	43	18	25
	Ratio of women (%)	25.5	26.7	34.1	22.2	28.1
Mid-career hires	Men (persons)	44	29	21	19	51
	Women (persons)	9	4	2	3	9
	Ratio of women (%)	17.0	12.1	8.7	13.6	15.0
	Recruitment ratio of mid-career appointments (%) <sup>*2</sup>	25.7	20.1	15.4	21.4	40.3

\*1 New-graduate hires: Employees who joined the Company for the first time after graduation (undergraduate degree, graduate school, etc.) with no working experience

\*2 Mid-career hires (experienced personnel hires) ratio: Ratio of mid-career hires to all hires

## Retention Rate at Three Years After Employment (SEKISUI CHEMICAL)

	Joined FY2016	Joined FY2017	Joined FY2018	Joined FY2019	Joined FY2020
Retention rate three years after employment (%)	98.2	90.6	88.6	93.1	89.6

Indicator	Calculation method
Retention rate three years after employment (%)	Percentage of new-graduate hires in April of each fiscal year retained after three years of employment

## Results of Training for New, Mid-career Hires (SEKISUI CHEMICAL)

	FY2018	FY2019	FY2020	FY2021	FY2022
Number of Program Attendees	60	43	42	35	58

In line with the increase in mid-career hires (experienced personnel hires), SEKISUI CHEMICAL Group is conducting training for newly hired mid-career hires to learn about the Company's history, culture, policies, etc.

## Composition of consolidated Group Personnel in Japan

		FY2018	FY2019	FY2020	FY2021
Number of employees	Men (persons)	16,362	16,360	16,062	15,857
	Women (persons)	5,048	5,149	5,100	5,069
	Ratio of womens (%)	23.6	23.9	24.1	24.2
Number of new graduates hired	Men (persons)	572	427	483	405
	Women (persons)	251	176	209	150
	Ratio of womens (%)	30.5	29.2	30.2	27.0
Number of managerial positions (managers)	Men (persons)	2,926	2,924	2,847	2,865
	Women (persons)	130	158	160	168
	Ratio of womens (%)	4.3	5.1	5.3	5.5
Number of managerial positions (department managers and general managers)	Men (persons)	1,588	1,595	1,570	1,533
	Women (persons)	26	24	28	27
	Ratio of womens (%)	1.4	1.5	1.8	1.7
Number of total managerial positions	Men (persons)	4,514	4,519	4,417	4,398
	Women (persons)	156	182	188	195
	Ratio of womens (%)	3.3	3.9	4.1	4.2
Number of management personnel (Global leader)	Men (persons)	204	206	193	183
	Women (persons)	5	4	3	3
	Ratio of womens (%)	2.4	1.9	1.5	1.6
Number of employees newly appointed to managerial positions	Men (persons)	211	241	205	191
	Women (persons)	20	38	12	22
	Ratio of womens (%)	8.7	13.6	5.5	10.3

Note 1: The above table is based on the results of the survey conducted in July 2022.

Note 2: Data for fiscal 2022 currently being compiled in July 2023

## ● Allowing Diverse Human Resources to Excel (Seniors)

### Training Results for individuals who have extended mandatory retirement age (SEKISUI CHEMICAL)

	FY2021	FY2022
Employees in management positions who took the career plan training after selecting to extend their mandatory retirement age (persons)	51	35
General employees who took the career plan training after selecting to extend their mandatory retirement age (persons)	27	34
Employees of Group companies who took the career plan training after selecting to extend their mandatory retirement age (persons)	–	50
[Required] Employees at age 57 who took the required career plan training before selecting to extend their mandatory retirement age (persons)	–	94
[Elective] Employees between the ages 50 and 56 who took the elective career plan training before selecting to extend their mandatory retirement age (persons)	–	60

### Number of Senior Employees Re-employed and Rate of Senior Employee Continued Employment (SEKISUI CHEMICAL)

	FY2018	FY2019	FY2020	FY2021	FY2022
Number of Senior Employees Re-employed	49	46	77	0	0
Rate of Senior Employee Continued Employment (SEKISUI CHEMICAL) (%)	76.6	85.2	83.7	97.5	87.2

Note1: Abolished the rehiring system from the second half of fiscal 2021 due to the extension of the mandatory retirement age. All applicants extended their retirement age in fiscal 2022 (75 applicants).

Note2: Some past figures have been revised.

Indicator	Calculation method
Rate of Senior Employee Continued Employment (SEKISUI CHEMICAL) (%)	$\frac{((\text{Number of employees who have extended their mandatory retirement ages} + \text{Number of senior employees re-employed}) / \text{Number who have reached the age of 60}) \times 100}{}$

## ● Allowing Diverse Human Resources to Excel (Global)

### Breakdown of the Number of Employees (SEKISUI CHEMICAL Group)

Number of employees	26,838
Breakdown by region	
Japan	20,015
North America/Latin America	1,989
Europe	1,051
Asia/Pacific	3,783

### Number of Japanese Employees Stationed Overseas (SEKISUI CHEMICAL Group)

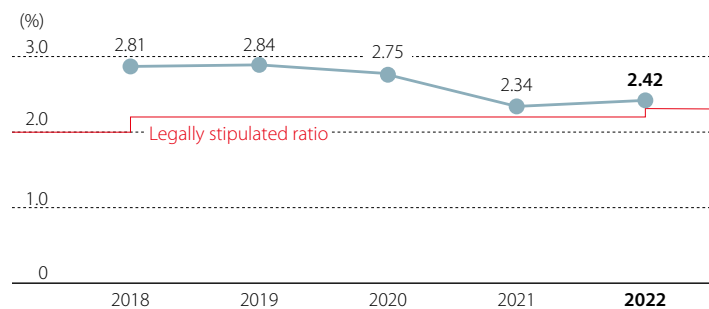
Breakdown by region	
North America/Latin America	44
Europe	32
Asia/Pacific	83

Note: Number of expatriates as of March 31,2023 (Including engineers dispatched overseas and trainees)



## ● Allowing Diverse Human Resources to Excel (People with Disabilities)

### Employment Ratio of People with Disabilities (SEKISUI CHEMICAL)



Note: Including Special Provision Subsidiary (as of March 2022)

Indicator	Calculation method
Employment ratio of people with disabilities	$(\text{Number of permanent workers who have physical, intellectual, or mental disabilities} / \text{Number of permanent workers}) \times 100$

## ● Support for Balancing Childcare and Work

### Use of childcare-related systems (SEKISUI CHEMICAL)

		FY2018	FY2019	FY2020	FY2021	FY2022
Employees with newly born babies (persons)	Women	21	20	27	31	21
	Men	111	101	104	129	94
	Total	132	121	131	160	115
Employees with newly born babies who took childcare leave (persons)	Women	14	19	23	25	19
	Men	25	39	36	61	64
	Total	39	58	59	86	83
Ratio of those who took childcare leave (%) <sup>*1</sup>	Women	100	100	95.8	100	100
	Men	22.5	39.0	34.6	47.3	68.1
Employees on childcare leave in the applicable fiscal year (persons) <sup>*2</sup>	Women	32	45	51	55	61
	Men	28	44	49	67	89
	Total	60	89	100	122	150
Average number of childcare leave acquisition days (days) <sup>*3</sup>	Women	167.4	259.2	270.3	293.8	358.0
	Men	14.2	24.7	43.3	38.8	29.1
Employees who returned to work after childcare leave (persons)	Women	15	22	21	22	32
	Men	26	39	46	59	81
	Total	41	61	67	81	113
Ratio of those who returned to work after childcare leave (%)	Women	100	100	95.5	91.7	100
	Men	100	100	100	100	100
Retention rate after one year of those who returned to work after having taken childcare leave (%)	Women	100	100	100	88.2	94.6
	Men	94.7	96.2	97.4	98.0	96.4

\*1 Ratio of those who took childcare leave: Excludes those who are taking maternity leave

\*2 Employees on childcare leave in the applicable fiscal year: Employees who took childcare leave in the subject fiscal year, regardless of the fiscal year of the child's birth (childcare leave is available until the end of the month after the child reaches 3 years of age)

\*3 Average number of childcare leave acquisition days: The average number of days of childcare leave taken by employees who completed the period during which they were eligible to take childcare leave in the subject fiscal year in fiscal 2022.

## Usage Results for the Balanced Support Policies (SEKISUI CHEMICAL)

(Number of people)

Policy	Main content		FY2018	FY2019	FY2020	FY2021	FY2022
Shortened working hours for childcare	Can be taken up to the child enters junior high school. (The statutory end date is until the child reaches three years of age.)	Women	41	55	67	64	70
		Men	2	2	1	0	0
		Total	43	57	68	64	70
Use of flexible working hours	Times of starting and finishing work may be moved earlier or later by up to 60 minutes until the child reaches junior high school age.	Women	9	10	6	4	0
		Men	4	7	4	3	1
		Total	13	17	10	7	1
Family leave	Three days of special care leave per year granted until the child or grandchild starts high school.	Women	62	62	51	54	68
		Men	146	193	126	156	152
		Total	208	255	177	210	220
Nursing care leave	Up to a total of 93 days for each individual eligible for care. (Up to a maximum of one year for the first individual eligible for care.)	Women	0	1	0	1	1
		Men	4	4	1	2	1
		Total	4	5	1	3	2
Shortened working hours for nursing care	Two days per week or 4.5 hours per day for a maximum of three years for each individual eligible for care.	Women	0	0	0	0	2
		Men	2	4	1	1	1
		Total	2	4	1	1	3

## Usage Results for the Balanced Support Policies (SEKISUI CHEMICAL)

(Number of people)

Policy	Main content		FY2018	FY2019	FY2020	FY2021	FY2022
Accumulated annual leave (for raising children)	Acquired on an hourly basis for children up to the age of 18	Women	44	57	39	37	52
		Men	23	28	21	13	32
		Total	67	85	60	50	84
Accumulated annual leave (for personal injury or illness)	Acquired on a daily basis (10 or more consecutive business days) or hourly basis	Women	5	2	9	13	46
		Men	25	17	25	35	58
		Total	30	19	34	48	104
Accumulated annual leave (for care giving)	Acquired for care giving on a daily or hourly basis for spouses, parents, children, etc.	Women	13	16	10	12	20
		Men	14	9	6	2	10
		Total	27	25	16	14	30
Accumulated annual leave (for health nursing)	Acquired for health nursing on a daily or hourly basis for spouses, parents, children, etc.	Women	19	28	14	24	38
		Men	21	21	14	11	37
		Total	40	49	28	35	75
Accumulated annual leave (for fertility treatment)	Acquired on a daily or hourly basis	Women	1	2	1	1	4
		Men	0	0	0	0	0
		Total	1	2	1	1	4
Accumulated annual leave (for volunteering)	Acquired on a daily or hourly basis	Women	1	3	1	0	0
		Men	4	5	1	0	1
		Total	5	8	2	0	1

Note 1: Accumulated annual leave can be accumulated up to 40 days per year from the expired annual paid leave, and can be taken on a daily or hourly basis depending on the purpose.

Note 2: See page 68 for the status of taking annual paid leave.

## Work Style Reforms

### Training Results (SEKISUI CHEMICAL Group)

Training Program Name	FY2022
Training for managers to coach employees' self-support (persons)	202

### Hours worked and paid vacation days taken (SEKISUI CHEMICAL)

	FY2018	FY2019	FY2020	FY2021	FY2022
Monthly average number of overtime hours for per employee (hours)	19.5	18.0	15.6	18.2	19.0
Annual average number of total man-hours worked for per employee (hours)	1,943	1,914	1,903	1,925	1,932
Percentage of paid vacation days taken per person (%)	64.0	71.4	58.2	64.9	66.6
Average number of paid vacation days taken for per employee (days)	12.1	13.6	11.2	12.5	12.8

Note 1: Excluding managers and workers on loan from other companies.

Note 2: The average number of overtime hours per person per month is calculated based on the prescribed working hours of 7.5 hours.

Note 3: Percentage of paid vacation days taken per person (%)

= Total number of paid vacation days taken ÷ Available paid vacation days × 100

Note 4: total man-hours worked = 1,800 hours + Average monthly overtime hours × 12 months - Average number of paid vacation days taken × 7.5 hours

## Health and Productivity Management

### Ratio of employees on prolonged absence due to mental health issues

	FY2019	FY2020	FY2021	FY2022
Ratio of employees on prolonged absence due to mental health issues (%)	0.77	0.98	1.02	1.13

Note: Number of employees who were absent from work for more than one consecutive month due to mental health issues / number of employees covered by health management at SEKISUI CHEMICAL Group domestic business sites

### Stress-check Assessment Rate

	FY2018	FY2019	FY2020	FY2021	FY2022
Assessment rate (%)	87.1	92.5	93.9	95.2	95.5

Note: Companies subject to stress check: Companies that are members of the Sekisui Health Insurance Society (excluding some affiliated companies)

### Primary KPIs (seven indicators) (see the aforementioned ratio of employees on prolonged absence due to mental health issues)

	FY2020	FY2021	FY2022
Implementation of four or more of the seven health habits (%)	59.0	54.0	63.9
Implementation ratio of workplace environment improvements (%)	64.3	65.5	55.0
Presenteeism (%)	65.5	64.7	57.6
Absenteeism (days)	1.27	1.31	2.29
Employees in an ideal health condition (%)	–	–	33.1
Work engagement (points)	–	–	3.05

Note 1: Presenteeism: The University of Tokyo version one-question-type survey in fiscal 2019 and WHO-HPQ survey from fiscal 2020 and beyond.

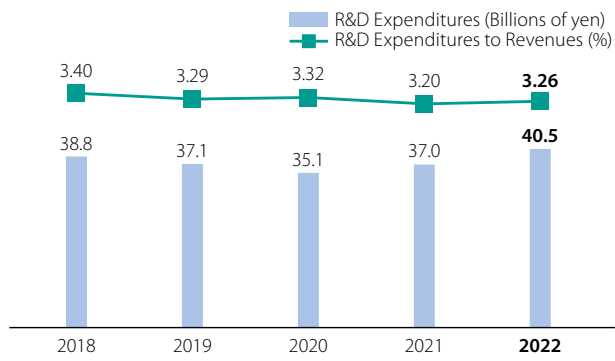
Note 2: Absenteeism: Actual calculation from fiscal 2022.

Note 3: Employees in an ideal health condition: Percentage of respondents who answered that their usual subjective mental and physical health was “very good” or “good” based on the survey with questions referenced from the OECD (BLI: Better Life Index).

Note 4: Work engagement: The nine-item average, of the nine-item version of the Utrecht Work Engagement Scale, the most widely used work engagement measurement.

## Fusion (Innovation)

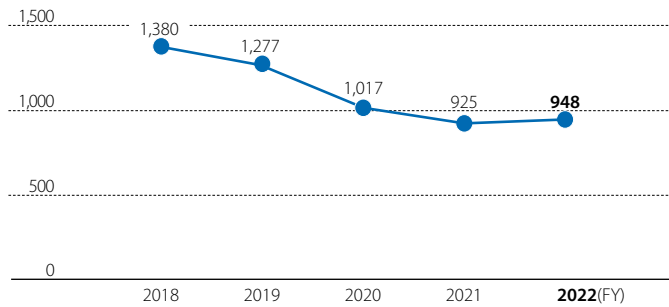
### R&D Expenditures / R&D Expenditures to Revenues



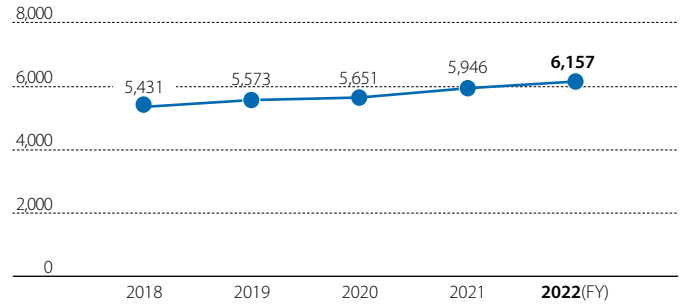
# Initiatives to Help Solve Social Issues

## Intellectual Property

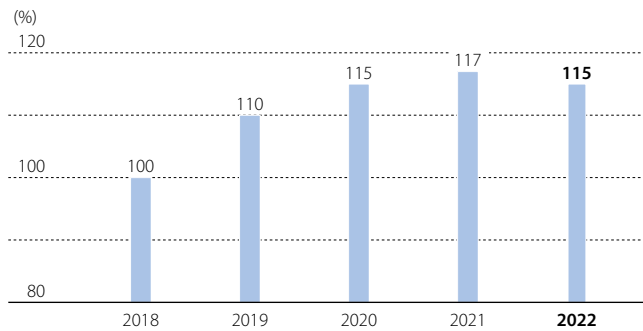
Number of patent application filings



Number of patents held



Patent Asset Index™ growth rate



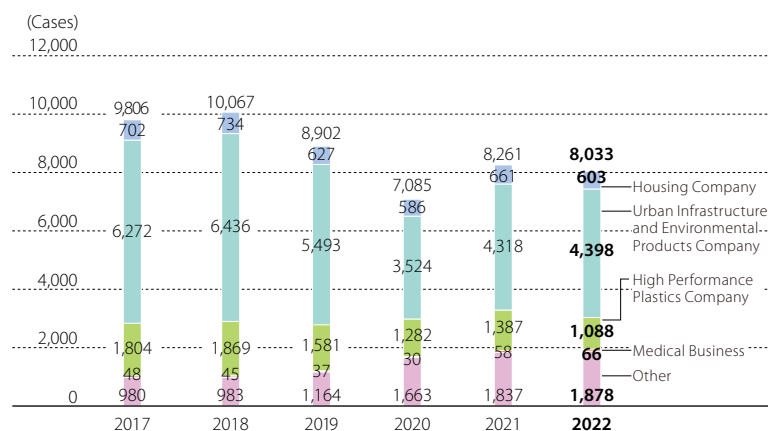
Note 1: Patent Asset Index™ growth rate calculated using LexisNexis' PatentSight® patent analysis tool over the past five years.

Note 2: The Patent Asset Index™ is a comprehensive evaluation index of patents that multiplies the technical value calculated based on the number of citations and the market value calculated based on the country of application for each patent with valid legal status, and adds them together to show the asset value of the patent.



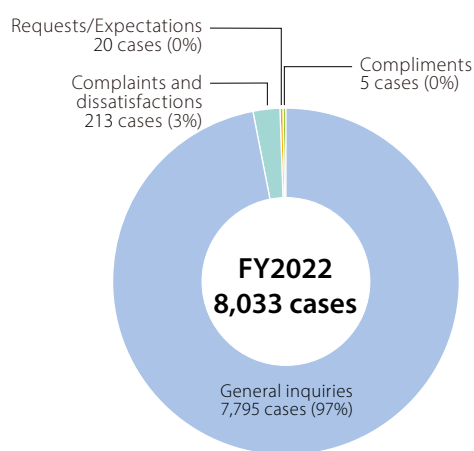
## Data Related to Improvements in the Ability of the Customer Consultation Office to Address Customer Feedback

### Incoming Contacts Received by the Customer Consultation Office in Fiscal 2022



Indicator	Calculation Method
Incoming Contacts Received by the Customer Consultation Office	Number of inquiries by telephone, e-mail, letters, and other means

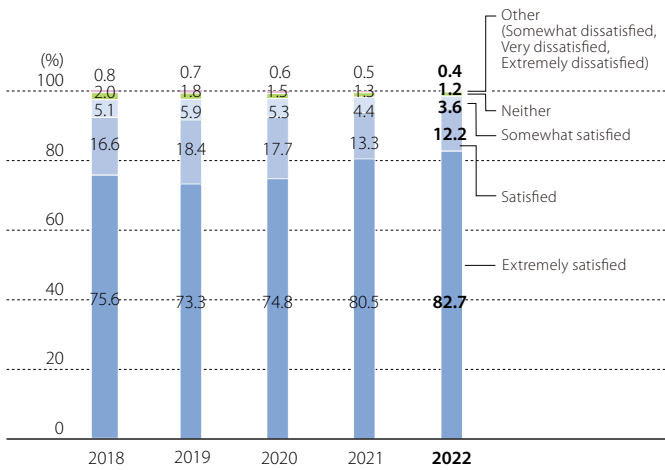
### Breakdown of incoming contacts (SEKISUI CHEMICAL)



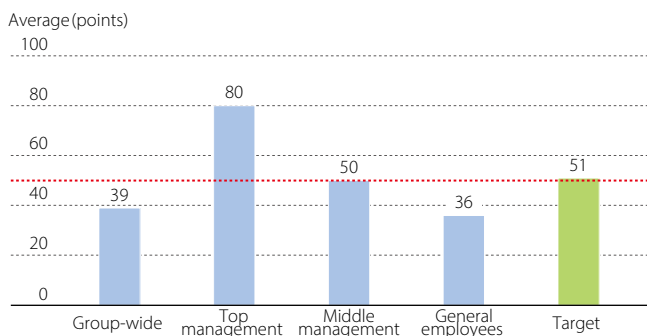
Indicator	Calculation Method
Breakdown of incoming contacts	<p>Incoming contacts are recorded on Insider Net and categorized as follows:</p> <ul style="list-style-type: none"> <li>• General inquiries: Questions about SEKISUI CHEMICAL Group product specifications, how to use products, construction methods, stores selling the products, and services such as repairs</li> <li>• Complaints and dissatisfaction: Incidents in which customers expressed their dissatisfaction or lodged complaints concerning SEKISUI CHEMICAL Group products or services</li> <li>• Compliments: Calls during which praise was received for satisfaction with SEKISUI CHEMICAL Group’s products or services</li> <li>• Requests/Expectations: What customers require of SEKISUI CHEMICAL Group products and services (product improvements and new products, etc.), and inquiries relating to business activities, or comments on what is expected of SEKISUI CHEMICAL Group</li> </ul> <p>Note: Insider Net: A SEKISUI CHEMICAL Group intranet site on which details of incoming contacts to the Customer Consultation Office are released in real-time.</p>

## Data Relating to Customer Surveys

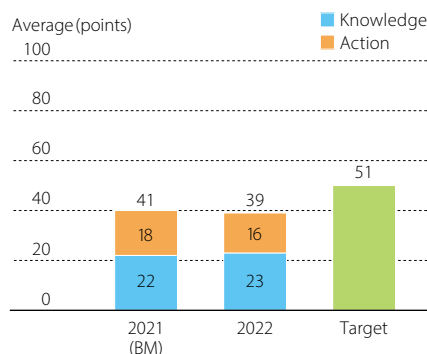
### CS Questionnaire 7-Step Evaluation (Housing Company)



## Ability to Contribute to Solving Social Issues Review Average in Fiscal 2022



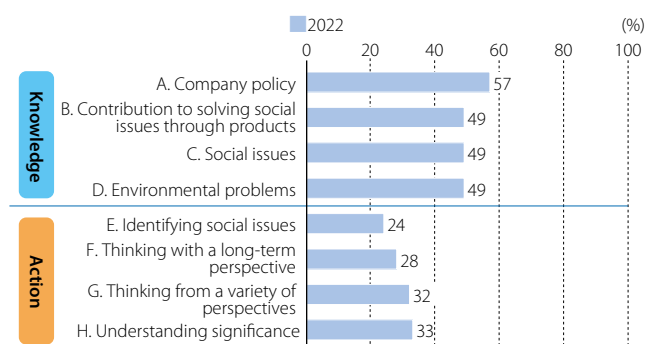
## Group-wide average (knowledge, action)



## Criteria for Calculating Points for the Ability to Contribute to Solving Social Issues Review

<b>Definition</b>	Calculated the response results of employees who responded to the questionnaire survey out of all SEKISUI CHEMICAL Group employees in Japan. Responsibilities were tabulated after classifying into Top management (directors and executive officers), Middle management, and General employees, based on personnel information.
<b>Calculation Method</b>	Knowledge, action: Points allocated to each question selection by weighting The total score for each respondent is calculated and averaged.
<b>Scope of calculation</b>	Employees who responded to the questionnaire survey out of all SEKISUI CHEMICAL Group employees in Japan

## Level of achievement by category



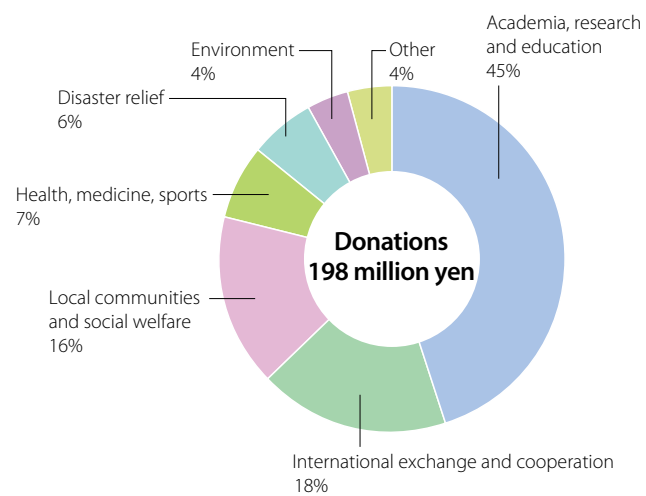
## Social and SDGs Contribution Activities

### Details of donation activities in fiscal 2022 (SEKISUI CHEMICAL Group)

(Unit: Thousands of yen)

Type of Donation	Total Amount
Donations	198,356
Employee volunteers	47,007
Donations of goods	3,982
Administrative costs	361

### Breakdown of Cash Donations in fiscal 2022



## Foundation Underpinning ESG Management

### Stakeholder Engagement

#### Number of Times Active Engagement Conducted Between Investors and Management

	FY2018 Results	FY2019 Results	FY2020 Results	FY2021 Results	FY2022 Results
Number of engagements*	87	67	54	82	74

\* The number of engagements represents the number of times the Company president and executives in charge of specific areas had dialogues with investors.

### Distributing Value to Stakeholders

SEKISUI CHEMICAL Group calculates distribution status based on financial statements by stakeholder, using GRI and other standards as a reference.

(Unit: Millions of yen)

Stakeholders	Method of Calculating Amounts	FY2018	FY2019	FY2020	FY2021	FY2022
Shareholders	Dividends	20,615	22,401	22,193	23,177	25,100
Business partners	Cost of Sales, Selling Costs / General Administrative Costs ( Excluding Personnel Costs )	840,514	829,809	778,554	858,944	926,822
Employees	Labor costs, Salaries and allowances as part of sales costs and general administrative costs, Provisions for bonuses, Provisions for retirement pay	206,511	211,675	210,705	210,122	224,034
Local communities	Donations	165	158	218	198	198
Global environment	Environmental conservation costs	21,882	17,850	16,207	27,522	26,373
Government and administrative bodies	Corporate taxes, local taxes, business taxes	22,261	22,619	19,902	31,099	28,727
Creditors	Interest paid as part of costs apart from sales	480	695	861	774	871

# SEKISUI CHEMICAL CO., LTD.

**Head Office:**

2-4-4 Nishitemma, Kita-ku, Osaka 530-8565 Japan (Dojima Kanden Building)  
Corporate website <https://www.sekisuichemical.com/>

**For further information contact:**

ESG Management Department  
2-10-4 Toranomom, Minato-ku, Tokyo 105-8566 Japan  
E-mail: [esg@sekisui.com](mailto:esg@sekisui.com)

Date of issue: July 2023 (annual)

(Previous report published July 2022 / Next report scheduled to be published in July 2024)