SEKISUI

CSR Report 2021

Corporate Social Responsibility Report

Performance Data Book

SEKISUI	
CSR 2021 Corporate Social Responsibility Report	
SEKISUI CHEMICAL CO., LTD.	

SEKISUI CHEMICAL CO., LTD.

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Crucial Items Concerning ESG Management

Key Themes Crucial Items		Crucial Items	Medium-term Targets (2020-2022)	FY2020 Targets	FY2020 Results	FY2020 Self-evaluation	Reference pages	
Products to enhance sustainability and the premium framework		Expansion of net sales of products to enhance sustainability		Net sales of products to enhance sustainability: ¥800 billion	¥710 billion	¥640.3 billion	×	P40
				Net sales of products to enhance sustainability that are in the premium framework: ¥440 billion	* ²	¥312.0 billion		P35
	Workplace accidents resulting in a fatality	Implement	ation of Group-wide	Workplace accidents resulting in a fatality 0	0	1	×	P91
	Major quality issues	risk reducti strengthen	on measures aimed at ing the management	Major quality issues 0	0	2*4	×	P95,100
Governance (internal control)	Serious non-compliance and negligence	foundation		Serious non-compliance and negligence 0	0	0	~	P102
controly	Risk management (BCP)	Preparation of a functional BCP; establishment of a BCM (PDCA cycle)		100% target organization BCP document preparation and operating rate (establishment of PDCA)	Commencement of BCP promotion project (promote formulation preparations)	 Determination of Group-wide organizational framework formulation (143 organizations) Preparation of a standard template Review of BCM guidelines 	~	P115
DX		Global management foundation innovation		Completion of a backbone system for global rollout	Determination of all measures for reform of the management base, SAP usage contract execution	Preparation of various measures and roadmaps, determination of the scope for introduction of SAP and conclusion of licensing agreement	~	P126
Environment		Climate change response	Renewable energy ratio of purchased electricity increase (Amount of renewable energy/Amount of purchased energy Group-wide(%))	20%	5%	7.2%	~	P172
Human Resources		Degree of challenging behavior expression ^{*1}		*2	*2	<u>*</u> 2		P221
Fusion		Number of new A-type products launched, number of A-type projects ^{*3} Increase in net sales from fusion		*2	*2	<u>*</u> 2		P260
				Up ¥50 billion (vs. fiscal 2019)	*2	Up ¥12.4 billion (vs. fiscal 2019)		FZOS

*1 Percentage of respondents taking concrete actions to realize the long-term vision

*2 Undisclosed/undetermined

*3 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.

*4 Based on individual standards of divisional company



✓: Targets Achieved in Fiscal 2020 ×: Targets Not Achieved in Fiscal 2020

Products to Enhance Sustainability Contributing to the resolution of social issues through products and services

Note 1: From fiscal 2019, Medical Business results are collated and presented with Headquarters results following its separation from the High Performance Plastics Company as an independent entity.

Note 2: From fiscal 2020, the product system has been evolved and renamed "products to enhance sustainability"



Net Sales / Proportion of Products to Enhance Sustainability

Net Sales of Products to Enhance Sustainability Over Time

(Unit: Billions of yen)

	FY2016	FY2017	FY2018	FY2019	FY2020
Housing Company	290.9	317.6	364.3	374.0	352.9
Urban Infrastructure & Environmental Products Company	90.3	93.7	97.7	101.5	93.2
High Performance Plastics Company	99.4	142.2	178.9	110.0	121.9
Headquarters	0.6	2.4	2.8	72.7	72.2
Company-wide total	481.2	555.9	643.8	658.3	640.3

Index	Calculation Method
Net sales of Products to Enhance Sustainability	Net sales of Products to Enhance Sustainability = Consolidated sales across SEKISUI CHEMICAL Group of products internally certified as Products to Enhance Sustainability All businesses of the Group in and outside Japan are subject to assessment Note: See pages P 35~36 of the CSR Report 2021 for a definition of Products to Enhance Sustainability and the way of thinking behind them.
Proportion in net sales of Products to Enhance Sustainability	Proportion in net sales of Products to Enhance Sustainability = Net sales of Products to Enhance Sustainability / Consolidated sales All businesses of the Group in and outside Japan are subject to assessment Note: See pages P 35~36 of the CSR Report 2021 for a definition of Products to Enhance Sustainability and the way of thinking behind them.

Number of Products to Products to Enhance Sustainability Newly Registered

FY2017-FY2019	FY2017	FY2018	FY2019	FY2020	Number of registrations as of the end of March FY2021
47	24	18	5	12	168



Main social contribution activities to conduct or participate in during fiscal 2020 and their environment (excerpt)

Domestic

Domestic workplaces (plants, research centers and residential sales companies)

Business site involved in the activities	Activity program contents	Coordination / cooperation
Sekisui Heim Industry Co., Ltd. Kanto Site	Kasama Children's Nature Academy (observation of organisms in waterfront areas)	Kasama Municipal Minami Gakuen Compulsory Education School
Chushikoku Sekisui Heim Industry Co., Ltd.	Forest conservation activities in the city of Akaiwa	Akaiwa City (Forest creation agreement in coordination with businesses)
Chiba Sekisui Industry Co., Ltd.	"Moist Forest" mountain ecosystem-building project (nature observation event)	lchihara Municipal Urutsu Elementary School
Nishinihon Sekisui Industry Co., Ltd. SEKISUI CHEMICAL CO., LTD. Shiga-Ritto Plant	Yurikago Rice Paddy Project	Agricultural and Rural Development Promotion Division, Department of Agriculture and Fisheries, Shiga Prefecture; Kurimidezaike-cho, Higashiomi, Shiga
Shikoku Sekisui Co., Ltd.	Non-native aquatic plant removal activities on the Shinmachi River	Saijo Nature School
Kyushu Sekisui Industry Co., Ltd.	Kyusyu Sekisui Children's Nature Academy (observation of biotope organisms)	Kanzaki Municipal Chiyoda Tobu Elementary School
Tokuyama Sekisui Co., Ltd.	"Sekisui Forest" forest management activities	Forestry Division, Agriculture, Forestry, and Fisheries Office, Shunan City, Yamaguchi Prefecture, etc.
Sekisui Medical Co., Ltd. Iwate Plant	Tree-planting activities at the site of the former Matsuo Mine ruins	Forest People Project Organization
SEKISUI CHEMICAL CO., LTD. Kyoto R & D Laboratories	Higashiyama forest conservation activities	Council for Kyoto Traditional Forest Culture in the city of Kyoto
Sekisui Heim Tohoku Group	Tohoku coastal forest restoration / coastal forest tree-planting activities with children	Disaster Area Uncultivated Land Relief and Regional Seedling Production Network
Sekisui Heim Chubu Group	Conservation of human settlement-adjacent mountain ecosystems in the Higashiyama neighborhood of Nagoya (support for the children's project)	Nagoya Higashiyama Forest Creation Association

Note: Due to the impact of the COVID-19 pandemic in fiscal 2020, the majority of our domestic business sites stopped their social contribution activities.



Overseas

Overseas production sites and research centers

In normal years, overseas workplaces also conduct social contribution activities. In fiscal 2020, however, many overseas workplaces suspended deployment of social contribution activities, to prevent the spread of the COVID-19 pandemic.

Programs	FY2020 Results				Achieve	ments Up Until Now		
Heart+Action (Implemented from 2012)	Number of implementations	One times	Number of participants	Eight	Total number of times implemented	61	Total number of participants	1,067
TABLE FOR TWO (Introduced from	DR TWO Number of 11 Number of school Number of 11 ced from implementing business lunches provided to 18,048 implementing business		Number of 11 implementing business	11 business	Total number of school lunches provided to developing countries	263,406		
2008)	business sites sites developing countries business sites sites	sites	Tohoku food assistance*	649,910 yen				
TABLE FOR TWO vending machines (Introduced from 2013)	Number of implementing business sites	Two business site	Number of school lunches provided to developing countries	5,964	Number of implementing business sites	Two business site	Number of school lunches provided to developing countries	36,931
Houses and the Environment Learning Program (Implemented from 2007)	Number of implementing schools	Three schools	Number of participating students	260	Total number of implementing schools	191	Total number of participating students	Approximately 21,887
Chemistry Classroom (Implemented from 2008)	Number of implementations	Four times	Number of participating students	401	Total number of times implemented	311	Total number of participating students	33,437
BOOK MAGIC (Implemented from 2009)	Number of implementations	15 times	Donation amount	105,047 yen	Total number of times implemented	120	Amount of donation	1,324,352 yen

Major Activities Contributing to Society During Fiscal Year 2020 ("Next-generation" and "Local Communities")

* Tohoku food assistance was provided from April 2013 to December 2014.



Details of Donation Activities in Fiscal 2020 (SEKISUI CHEMICAL Group)

Type of Donation	Total Amount
Donations	218,126
Employee volunteers	17,905
Donations of goods	1,342
Administrative costs	6,333

(Unit: thousands of yen)

Breakdown of Cash Donations in Fiscal 2020





Governance (Internal Control)

Safety

Safety Performance

Japan

Aggregate scope: 47 production sites and 5 research institutes in Japan

Number of Occupational Accidents



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

Number of Facility Accidents



Indicator	Calculation Method
Number of Facility Accidents	The number of incidents of malfunctioning (fires, leaks, etc.) at facilities 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
Accidents	 (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 Long-term Sick Leave



Indicator	Calculation Method
Number of Cases of Long-term Sick Leave	Calculation Method 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

Number of Commuting Accidents



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 injury toothers, injury to the commuter, self- inflicted damage and accidents; includes accidents while walking



Frequency Rate Over Time



*Source of information for 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

Severity Rate Over Time



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

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

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Safety Performance in the Housing Company's Construction Sites



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)

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

(Accidents)



Indicator	Calculation Method
Safety Performance with Respect to Construction Sites in the Urban Infrastructure & Environmental Products Company	The number of occupational accidents (both those resulting in lost time and those not) occurring on construction sites under the jurisdiction of the Urban Infrastructure & Environmental Products Company or the Sekisui Chemical company headquarters during a given fiscal year (April through the following March)



Overseas

Aggregate scope: 48 production sites overseas

Number of Occupational Accidents



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

Japan and Overseas

Aggregate scope:

47 production sites, 5 research institutes and 34 construction offices in Japan 48 production sites overseas

Occurrence of fatalities due to occupational accidents

(Number of people)

		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Employees		0	0	0	0	0
	Japan	0	0	0	0	0
	Overseas	0	0	0	0	0
Partner Companies (contractors)		0	0	0	0	1
	Japan	0	0	0	0	1
	Overseas	0	0	0	0	0
Total		0	0	0	0	1

Health and Safety / Accident Prevention Costs

Aggregate Scope: 47 Production Sites, 5 Research Institutes, Headquarters, Back Offices of

Divisional Companies in Japan

Accident Prevention Costs

			(Millions of yen)
ltem		SEKISUI CHEM	MICAL Group
Classification	Details	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.	991	3,247
2) Administrative costs	Establishment and implementation of OHSMS, safety education, personnel costs, etc.	1,938	-
3) Other	Safety awards, etc.	7	-
Total		2,936	3,247



Costs and Investments Over Time

Indicator	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)

Loss Costs Over Time



Indicator	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)



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

Housing Company (integrated certification)

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

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 Nishinihon Sekisui Industry Co., Ltd. Okayama Plant Sekisui Chemical Co., Ltd. Gunma Plant East Japan Sekisui Industry Co., Ltd. Hanyu Site Shikoku Sekisui Industry Co., Ltd. Kyushu Sekisui Industry Co., Ltd. Sekisui Aqua Systems Co., Ltd. Plant **Engineering Division** Sekisui Agua Systems Co., Ltd. Water Supply & Drainage Division Chiba Sekisui Industry Co., Ltd. Sekisui Home Techno Co., Ltd. Sekisui Chemical Hokkaido Co., Ltd.

Toto Sekisui Co., Ltd. Headquarters, Ota Plant Yamanashi Sekisui Co., Ltd. Sekisui Seikei, Ltd. NIPPON INSIEK CO., LTD. Sekisui Eslon B.V. Sekisui Chemical GmbH Sekisui Rib Loc Australia Pty. Ltd. Sekisui (Shanghai) Environmental Technology Co., Ltd. Sekisui (Wuxi) Plastics Technology Co., Ltd. Sekisui (Qingdao) Plastic Co., Ltd. Sekisui Industrial Piping Co., Ltd. Sekisui KYDEX, LLC. (Bloomsburg Plant) Sekisui KYDEX, LLC. (Holland Plant)

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. Tokuyama Sekisui Co., Ltd. Sekisui Chemical Co., Ltd. Tsukuba Site / IM Project Sekisui Polymatech Co., Ltd. Sekisui SoflanWiz 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 GmbH Sekisui Alveo GmbH 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 Pty. Ltd. Youngbo Chemical Co., Ltd. Sekisui Youngbo HPP (Wuxi) Co., Ltd. Sekisui High Performance Packaging (Langfang) Co., Ltd. Sekisui Specialty Chemicals America, LLC. Calvert City Plant Sekisui Specialty Chemicals America, LLC. Pasadena Plant Sekisui Specialty Chemicals America, 110 Dallas HQ Sekisui Specialty Chemicals Europe, S.L. Tarragona Plant Sekisui Specialty Chemicals(Thailand) Co., Ltd. S and L Specialty Polymers Co., LTD SEKISUI DLJM Molding Pvt. Ltd Chennai SEKISUI DLJM Molding Chennai2 SEKISUI DLJM Molding Pvt. Ltd Gr. Noida SEKISUI DLJM Molding Pvt. Ltd Tapukara SEKISUI Polymatech (Thailand) Co., LTD. PT. SEKISUI Polymatech Indonesia Sekisui Polymatech (Shanghai) Co., Ltd. Sekisui Aerospace Corporation



Data Concerning Major Quality Issues

Number of Major Quality Issues



Indicator	Calculation Method
Major Quality Issues	 These refer to product and service quality issues determined by Headquarters or the 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: Major incidents Of the accidents that threatened user lives or lead to bodily harm, those in which the harm is serious. Product loss or destruction incidents for which there is a risk of severe or fatal user injuries Problems which have serious impacts (cause serious loss) to customers, users, or society Compliance (such as complying with related laws and regulations) problems related to product or service quality Product recall problems

Data Concerning External Failure Costs





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



Other Data

	FY2016	FY2017	FY2018	FY2019	FY2020
Number of participants in the Development Risk Prevention Seminar (cumulative total)	302	418	502	555	604
Number of participants in the DR Reviewer Training Seminar (cumulative total)	166	259	283	296	349
Number of participants in the QFD Seminar (cumulative total)	_	_	31	90	188

	FY2016	FY2017	FY2018	FY2019	FY2020
Number of people with QC Certification	4,103	4,228	4,337	4,626	4,571





Employees Using the e-learning System Over Time



Employees Using the e-learning System Over Time

List of Results Relating to Compliance Training

Fiscal 2020 List of Results Relating to Compliance Training

		Trainees					Т				
Training	Training content	Sekisui Chemical	Group co	ompanies	Attendance	Training	Training content	Sekisui Chemical	Group co	ompanies	Attendance
		Co., Ltd.	Domestic	Overseas				Co., Ltd.	Domestic	Overseas	1
	Training for new employees	~	~		59		Labor law training	~	~		31
Training for specific employee ranks	Newly appointed senior management training	~			228		Personal information protection training	✓	~		500
	Newly appointed executive officer training	✓			3	Area-specific	Information management training	✓	✓		306
	Training for executives at		4		250	training	Accounting training	✓			138
	affiliated companies Training for new auditors at affiliated companies		• •		19		Non-disclosure agreement (NDA) training	~			360
	Training for those responsible for	✓	~		65		Information security training	~			29
	Training for those					Global training	Training for prior to overseas transfers	✓	~		10
	responsible for compliance	~	~		67		Domestic training	~	~		1863
	Compliance training	✓	✓		1645	Compliance	North America training			✓	1605
	Harassment preventing training*		~		17	Month	China training			✓	349
Area specific	Export controls training	✓	✓		274		Southeast Asia training			✓	149
Area-specific . training	Act against Delay in Payment of Subcontract Proceed, etc. to Subcontractors training	~	~		472						
	Anti-monopoly law training		~		80						

* Training on harassment includes some content related to discrimination.

Number of Whistleblowing Cases and Consultations

Fiscal 2020 Number of Whistleblowing Cases and Consultations

Reports/consultations	Number of cases
Power harassment	39
Working conditions	29
Sexual harassment	2
Workplace environmental concerns	11
Misuse of expenses	3
Sales methods related	2
Misrepresentation of work performance	3
Collusive relationship with business partners	0
Others	22
Total number of complaints	111



Progress under the Environmental Medium-term Plan

Environmental Medium- to Long-term Plan and Fiscal 2020 Actual Results

						Medium- to long-term target		Target and results for FY2020				Target					
	ltem	Aim	Indicator	Base year	Medium-term target (FY2020-FY2022)	FY2030 Target	FY2050 Target	FY2020 Target	FY2020 Results	Self- evaluation	Reference page	Domestic production sites	Research facilities	Domestic offices	Overseas production sites	Overseas offices	Other
Rate natu socia	of return on ral resource and al capital	Achieving "Earth with Maintained Biodiversity" through corporate activities	Sekisui Environment Sustainability Index Rate of return to natural capital	-		Maintain 100% or more		Maintain 100% or more	121.9 %	~	P145	~	~	~	~	~	~
nce sustainability	Improve economic value Maximize value (social and eco		Sales of products to enhance sustainability (growth rate (compared with 2019))	_	800.0 billion yen, 22% growth rate (compared to 2019), 63% sales ratio	Expand sales of problem- solving products(maintain 60% ratio)	Drive sustainable corporate growth thorough products	710.0 billion yen (sales ratio equivalent of 60%)	640.3 billion yen (sales ratio equivalent of 60.6%)	×	P40	~	~	~	✓	✓	√
Products to enha		Maximize value (social and economic)	Number of new registered products	_	6 per year	6 per year	environmental and social sustainability.	6 per year	12 per year	~	P41	~	✓		✓		
	CHC	Decarbonization: Zero CHC omissions	Renewable energy ratio of purchased electricity	-	20%	100%	Maintain 100%	5%	7.2%	~	P172	\checkmark	~	~	~	~	~
	Gng	Decarbonization: Zero GHG emissions	GHG emissions	FY2013	▲9%	▲26%	▲100%	▲7%	▲ 19.3 %	~	P170	\checkmark	~	~	~	~	~
	Reduce energy usage volume	Improve energy efficiency and reduce energy expenses during production	Energy consumption for unit of output	FY2019	▲3%	▲ 10 %	-	▲1%	▲0.4%	×	P170	1			1		
			Waste generated per unit of output	d per unit of output FY2019 Waste per unit of output down		Waste per unit of output down 1% over a 3-year period	▲ 0.8 %	×	P185	~			~				
al impact	Resource circulation	Promotion of resource reuse	Copier Paper use per unit of output	FY2019	▲3%	-	Achieve a circular economy	▲1%	▲31.1%	~	P187		~	~		~	
environment			Waste generated per building	FY2019	▲ 6%	_		▲2%	4.6 %	×	P186						~
Reduce	Materialia		Water intake volume at production sites which use large quantities of water	FY2016	▲10%	_	_	▲ 10 %	▲10.5%	~	P195	~					
	water risks	Maintain water resources	Total COD volume of river discharge water at production sites with large COD emission volumes	FY2016	▲10%	-	-	▲ 10 %	▲ 15.5%	~	P198	~					
	Reduce the impact of chemical substances	Reduced chemical emission and transport volumes	VOC emissions (Japan)	FY2019	▲3%	-	-	▲1%	7.7 %	×	P202	~			~		
	Ecosystem	Ecosystem impact: Minimize risks of ecosystem deterioration	JBIB Land Use Score Card® points	FY2019	+3 points over a 3-year period	Promote ecosystem consideration * at all business sites *Ecosystem consideration: Increased quantitative evaluation of biodiversity	Maintain ecosystem consideration at all business sites	+1 point	+1.3 points	~	P213	~	✓				
Education and development	Education for Enhancing the Ability to Contribute to Solving Social Issues	Improve employees' ability to contribute to solving social problems (employee education)	Problem-solving capability indicators for personnel	FY2020	Implement education and human resource index checking to develop the skills needed by human resources with excellent problem- solving abilities (ESG human resources). Achieve FY2020 benchmarks and set goal values.	Level up as human resources with excellent problem-solving ability	Take a leading role in society as human resources with excellent problem-solving ability	Target-setting with a sense of benchmarks	Setting target values	1	P42	1	✓	1	1	1	



✓: FY2020 target achieved

x: FY2020 target not achieved

Calculation Results

The results of calculating the Sekisui Environmental Sustainability Index, utilizing results from fiscal 2020, are as follows. Setting the use of natural and social capital (the impact on the environment) at 100, the return of natural and social capital (contributions to the environment) was 121.9% (17.4-point increase over the 104.5% achieved in fiscal 2019).

There are two reasons why our return rates improved.

- (1) Regarding the use of natural and social capital, burdens on the environment were mitigated by reducing the volume of raw materials and electricity used in the production process.
- (2) Although the impacts of the COVID-19 pandemic caused reduction in product sales for the individual fiscal year, which partially reduced our level of contribution in terms of returns on natural and social capital, in the automotive and housing fields, our product stock continued to contribute through effects such as reduced greenhouse gas emissions in usage due to its long working life.

Going forward, we will sustain the rate of return to natural and social capital at 100% or higher while growing as a company and expanding our business. 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, boosting problem solving by means of products will contribute to improving the sustainability of the earth and society. At the same time, we 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 Tokyo City University, was employed for the calculations in stages (2) and (3).

Indicator	Calculation Method
	Sekisui Environmental Sustainability Index: Overall volume of returns of natural capital by the Group / Overall volume of usage of natural capital by the Group
	Calculating the usage and return volumes of natural capital Employing LIME2 (a damage calculation-based impact assessment method developed for use in Japan by Professor Norihiro Itsubo of Tokyo City University) and covering all the criteria for conservation defined by LIME2, 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
Sekisui Environmental	The amount of return to natural capital was calculated as the reduction in the risk of harm to natural capital because of the whole Group's various initiatives that contribute to the environment, relative to if these initiatives had not been implemented.
Sustainability Index	 Items included in the calculation of the amount of natural capital used Direct usage: Use of land, greenhouse gases, amounts of emissions into the air of PRTR substances and air pollutants, the COD volume of discharges into bodies of water Indirect usage: Purchased raw materials^{*1}, energy use, water intake volume, amount of waste material emitted, amount of GHGs emitted indirectly in supply chains (Scope 3)
	 Items included in the calculation of returns to natural capital Amount of contributions to reducing usage of natural capital through Environment-contributing Products, the amount of contribution from environmental conservation activities, environment- related donations, mega-solar power generation output *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 furnished 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).



Indicator	Calculation Method
	Scope of Calculation / Listing by category of calculation: Trial calculations were conducted using the following assumed conditions:
Sekisui Environmental Sustainability Index	 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 Manufacturing / Emissions of harmful chemical substances: ⟨Japan⟩emissions of 1 t per year or more of substances covered under PRTR are included in the calculation. ⟨Overseas⟩Not included 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 usage are included in the calculation based on the 30-year period after the purchase of the land *2 Concerning land usage, starting with fiscal 2017, improvements to soil quality in the "JBIB Land Use Score Card®" system promoted in Japan were deemed as reductions of the impact of land usage, weighted accordingly, and included in the calculation.
	 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 usage 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 zero energy house (ZEH) specifications. Processing of sold products: Energy usage by customers while processing 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



Indicator	Calculation Method
Sekisui Environmental Sustainability Index	 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, usage/maintenance, disposal, and recycling) in terms of CO, 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. (2) Based on the results** 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. (3) The sales results for products in each fiscal year were multiplied by the results found in (2) to calculate the degree of contribution to the environment of each product, and the results were included in the calculation. Trial calculation was performed on the effects of products. *3 Based on individual standards of divisional company Direct contribution / Contribution from activities reducing environmental impacts: 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. Direct contribution / Conservation of the natural environment: The Group keeps track of the number of participants and the amount of time spent and incorporated into 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 calculation in the group's activities. <

Scope of Tabulation for Environmental Performance Data

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One company and one business site

26 companies and 141

business sites

Note: Regarding the scope of aggregation for environmental performance data, environment reports from all business sites of SEKISUI CHEMICAL (consolidated) are included (100% of produced sales amounts).

Japan

Housing Company

R&D institute

Sekisui Chemical Co., Ltd. Tsukuba R&D Site

Production plants Seven 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

Sekisui Heim sales companies

Construction and service companies

34 companies and 152 business sites in total

Orban Infrastructure & Environmental Products Company	

R&D institutes One company and one business site

Sekisui Chemical Co., Ltd. Kyoto Research & Development Laboratories

Production plants 21 companies and 20 business sites

Sekisui Chemical Co., Ltd. Shiga-Ritto Plant and Gunma Plant / Higashinihon Sekisui Industry Co., Ltd. /Nishinihon 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. / Sekisui Seikei, Ltd. / Sekisui Hinomaru Co., Ltd.

Sales One company and nine business sites

Sekisui Chemical Co., Ltd. Tohoku Sales Headquarters, Higashinihon Sales Headquarters, Chubu Sales Headquarters, Nishinihon Sales Headquarters, Kyushu Sales Headquarters, etc.

21 companies and 30 business sites in total

High Performance Plastics Company

R&D institutes	Two companies and two business sites
Sekisui Chemical Co., Ltd. Minas	e Site

Sekisui SoflanWiz Co., Ltd. R&D Division

Production plants	12 companies and 14 business sites

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. / Tokuyama Sekisui Industry Co., Ltd. / Sekisui Polymatech Co., Ltd. / Sekisui SoflanWiz Co., Ltd., etc.

12 companies and 16 business sites in total

Headquarters			
R&D institutes	Two companies and two business sites		
Sekisui Chemical Co., Ltd. A Sekisui Medical Co., Ltd. Dr	dvanced Technology R&D Center ug Development Solutions Center		
Production plants and headquarters	Three companies and seven business sites		
Sekisui Chemical Co., Ltd. (Osaka headquarters and Tokyo headquarters		
Sakicui I B Tac Co. 1td Chu	ibu Plant		

Sekisui Medical Co., Ltd. Iwate Plant, Tsukuba Plant and Ami Site Research Laboratory of Plastics Technology Co., Ltd.

Five companies and nine business sites in total

Total: 68 companies and 207 business sites

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

Sekisui-SCG Industry Co., Ltd.

One business site

Urban Infrastructure & Environmental Products Company

Sekisui KYDEX, LLC. Bloomsburg-North Campus Sekisui KYDEX, LLC. Bloomsburg-South Campus Sekisui KYDEX, LLC. Holland Plant 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.

Eight business sites in total

High Performance Plastics Company

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 Specialty Chemicals (Thailand) Co., Ltd. S and L Specialty Polymers Co., Ltd. Sekisui Voltek, LLC, Coldwater Plant Sekisui-Alveo B.V. Sekisui Alveo BS G.m.b.H. Thai Sekisui Foam Co., Ltd. Sekisui Pilon Pty. Ltd. Youngbo Chemical Co., Ltd. Youngbo HPP (Langfang) Co., Ltd. Sekisui Youngbo HPP (Wuxi) Co., Ltd. Sekisui High Performance Packaging (Langfang) Co., Ltd. Sekisui DLJM Molding Private Ltd. Greater Noida Plant Sekisui DLJM Molding Private Ltd. Tapukara Plant Sekisui DLJM Molding Private Ltd. Chennai Plant PT. Sekisui Techno Molding Indonesia Sekisui Polymatech (Thailand) Co., Ltd. PT. Polymatech Indonesia Sekisui Polymatech (Shanghai) Co., Ltd.

27 business sites in total

Headquarters

Sekisui Xenotech, LLC. 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 Pte. Ltd.

Seven business sites in total

Business Sites that Have Received Third-party Certification for Their Environment Management Systems

Housing Company

Sekisui Chemical Co., Ltd. Tsukuba R&D Site* Hokkaido Sekisui Heim Industry 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 Board Co., Ltd. Minakuchi Plant Sekisui Board Co., Ltd. Gunma Plant Sekisui-SCG Industry Co., Ltd. SCG-Sekisui Sales Co., Ltd.

Urban Infrastructure & Housing Company Environmental Products Company

Sekisui Chemical Co., Ltd. Shiga-Ritto Plant Sekisui Chemical Co., Ltd. Gunma Plant Sekisui Chemical Co., Ltd. Kyoto R & D Laboratories Chiba Sekisui Industry Co., Ltd. Sekisui Chemical Hokkaido Co., Ltd. Toto Sekisui Co., Ltd. Ota Plant Nishinihon Sekisui Industry Co., Ltd. Okayama Plant Shikoku Sekisui Co., Ltd. Kyushu Sekisui Industry Co., Ltd. Nara Sekisui Co., Ltd. Higashinihon Sekisui Industry Co., Ltd. Hanyu Site [Higashinihon Sekisui Industry Co., Ltd. Watari Site] Yamanashi Sekisui Co., Ltd. Sekisui Seikei, Ltd. Chiba Plant Sekisui Seikei, Ltd. Kanto Plant Sekisui Seikei, Ltd. Hyogo Plant Sekisui Seikei, Ltd. Hyogo-Takino Plant Sekisui Seikei, Ltd. Izumo Plant Sekisui Hinomaru Co., Ltd. Tosu Plant Sekisui Hinomaru Co., Ltd. Kanto Plant Sekisui Home Techno Co., Ltd. Sekisui Polymer Innovations, LLC. Bloomsburg Plant Sekisui Polymer Innovations, LLC. Holland Plant Sekisui Eslon B.V. Sekisui Rib Loc Australia Pty. Ltd. Sekisui Refresh Co., Ltd. Sekisui Industrial Piping Co., Ltd. Sekisui (Wuxi) Plastics Technology Co., Ltd. Sekisui (Qingdao) Plastic Co., Ltd. Sekisui (Shanghai) Environmental Technology Co., Ltd.

Headquarters

Sekisui Chemical Co., Ltd. R&D Center* Sekisui Medical Co., Ltd. Drug Development Solutions Center $\stackrel{\wedge}{\asymp}$ Sekisui LB Tec Co., Ltd. Chubu Plant Sekisui Medical Co., Ltd. Iwate Plant Sekisui Medical Co., Ltd. Tsukuba Plant Sekisui Medical Co., Ltd. Tsukuba Plant and Ami Site Sekisui Diagnostics (UK) Ltd. Sekisui Diagnostics, LLC, San Diego Sekisui Diagnostics P.E.I. Inc. Sekisui Medical Technology (China) Ltd.

Sekisui Chemical Co., Ltd. Shiga-Minakuchi Plant [Sekisui Fuller Company, Ltd. Shiga Plant] Sekisui Chemical Co., Ltd. Taga Plant Sekisui Chemical Co., Ltd. Minase Site Sekisui Techno Molding Co., Ltd. Tochigi Plant Sekisui Techno Molding Co., Ltd. Mie Plant Sekisui Techno Molding Co., Ltd. Aichi Plant Sekisui Fuller Co., Ltd. Hamamatsu Plant Sekisui Nano Coat Technology Co., Ltd. Tokuyama Sekisui Industry Co., Ltd. Sekisui Polymatech Co., Ltd. Sekisui SoflanWiz Co., Ltd. [Sekisui SoflanWiz Co., Ltd. Iwaki Plant, Atsugi Plant, Akashi Plant and R&D Division] Sekisui S-Lec B.V. Film Plant Sekisui S-Lec B.V. Resin Plant Sekisui-Alveo B.V. Sekisui Alveo BS G.m.b.H. Sekisui Specialty Chemicals Europe, S.L. Sekisui S-Lec America, LLC. Sekisui Votek, LLC. Lawrence Plant Sekisui Votek, LLC. Coldwater Plant Sekisui Specialty Chemicals America, LLC. Pasadena Plant Sekisui Specialty Chemicals America, LLC. Calvert City Plant Sekisui S-Lec Mexico S.A. de C.V. Sekisui S-Lec Thailand Co., Ltd. Thai Sekisui Foam Co., Ltd. Sekisui Specialty Chemicals (Thailand) Co., Ltd. S and L Specialty Polymers Co., Ltd. Sekisui Polymatech (Thailand) Co., Ltd. PT. Polymatech Indonesia Sekisui Pilon Pty. Ltd. Sekisui DLJM Molding Private Ltd. Great Noida Plant Youngbo Chemical Co., Ltd. Youngbo HPP (Langfang) Co., Ltd. Sekisui High Performance Packaging (Langfang) Co., Ltd. Sekisui S-LEC (Suzhou) Co., Ltd. Sekisui Polymatech (Shanghai) Co., Ltd.

High Performance Plastics Company

Sekisui Chemical Co., Ltd. Musashi Plant

[]: Organizations in square parentheses are included in the scope of certification. Some sites not shown above may include related sections that have attained ISO 14001 certification. ☆ Eco Action 21; others ISO 14001

The Sekisui Chemical Co., Ltd. Tsukuba R&D Site and Development Center share a single certification

Indicator	Calculation Method
Number of EMS-certified business sites	Number of business sites that have received external EMS certification External EMS certification: ISO 14001, Eco-Action 21, etc.
The proportion of all production sites and research facilities within SEKISUI CHEMICAL Group that have received external EMS certification	The proportion of all EMS-certified business sites within SEKISUI CHEMICAL Group = The number of all production sites and research facilities that have received external EMS certify cation / The number of all production sites and research facilities within SEKISUI CHEMICAL Group

Environment-related Accidents, Complaints, etc.

	Content	Response
Accident (Leak)	Hydraulic oil leaked into the waste water drains and was collected at the site.	A shield valve was installed in the waste water channels.
	Stored waste resin liquid generated heat through a chemical reaction, causing the discharge of waste liquid and gas.	Storage rules for reactive materials were revised and made common knowledge. An abnormal temperature detection de- vice was installed inside the storage cabi- net.
Complaints	No complaints occurred.	

In fiscal 2020, there were two environmental accidents which occurred. In both cases, we identified the cause and carried out permanent recurrence prevention measures.



Summation period	April 1, 2020 to March 31, 2021
Scope of tabulation	Domestic production sites, research facilities, housing sales company sites, and headquarters departments.
Calculation Method	Based on the Ministry of the Environment's "Environmental Accounting Guidelines 2005 Edition"
Approach toward summation	 Depreciation and amortization are excluded from environmental conservation costs because they overlap with investment costs. Investment amounts are based on budget approvals during the summation period. Expenditures and investments that contain other than environmental conservation activities are distributed pro-rata in 10% increments. Disclosure categories have been revised, environmental conservation costs subcategorized, and the economic effects of environmental conservation measures limited to effects on an actual basis, excluding deemed effects from fiscal 2020. The environmental conservation effects of physical quantity are shown in each performance data chapter.

4

Environmental Conservation Costs

Environmental Conservation Costs (Millions of yen)					
Items			FY2	FY2020	
Category		Description of main activities	Costs	Investments	
		a. Air	369	62	
		b. Water	130	77	
		c. Soil	0	7	
		d. Noise	12	1	
	(1) Pollution prevention costs	e. Vibration	0	0	
		f. Unpleasant smells	255	0	
		g. Ground	106	3	
		h. Others	304	8	
		Subtotal	1,176	157	
1) Costs within business areas	(2) Countermeasures against global warming	a. Global warming (including energy saving)	686	588	
		b. Ozone layer	100	18	
		c. Others	0	4	
		Subtotal	786	611	
		a. Effective utilization of resources	63	17	
		b. Water conservation, utilization of rainwater, etc.	4	4	
	(3) Resource recycling costs	c. Waste volume lightening, reduction, recycling, etc.	176	93	
		d. Waste processing, disposal, etc.	6,293	4	
		e. Others	18	1	
		Subtotal	6,553	119	
2) Upstream/downstream costs	Cost increases due to recycling of products such as those manufactured and sold, greener purchasing, etc.		113	0	
3) Administrative costs	Environmental education, EMS maintenance, running costs for green action organization, information disclosure, etc.		2,385	12	
4) Research & development costs	Research and development on environmental conservation			313	
5) Social activities costs	Social contributions, etc.		112	98	
6) Environmental damage costs	Nature restoration, etc.		30	2	
	Total		14,896	1,311	

Substantive Economic Benefits of Environmental Conservation Measures

(Millions of yen)

Description of effects		FY2020	Remarks
Devenue	(1) Profit on sales of valuable resources	176	Profit on sales of valuable resources from promotion of waste segregation and recycling
Revenue	(2) Revenues from sale of electricity	402	Revenues from sale of electricity generated by megasolar facilities
Castaniana	(3) Cost savings through energy-saving activities	1,311	Including savings through utilization of co-generation
Cost savings	(4) Cost savings through waste-reduction activities, etc.	502	Reductions through optimization, reuse, and zero emissions activities
	Total	2,392	



Climate Change

- Note 1: Since the calculation method for energy usage was changed from fiscal 2020, figures from past years have been revised.
- Note 2: From fiscal 2019, Medical Business results are collated and presented with Headquarters results following its separation from the High Performance Plastics Company as an independent entity.

Greenhouse Gas (GHG) Emissions That Arise from Business Activities



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

Greenhouse Gas (GHG) Emissions during Manufacturing / Japan



Greenhouse Gas (GHG) Emissions during Manufacturing / Overseas



Energy Usage and per Unit of Output* (Index) during Manufacturing / Japan



* Energy consumption per unit of production weight

Energy Usage and per Unit of Output* (Index) during Manufacturing / Overseas



* Energy consumption per unit of production weight

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



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



Breakdown of Energy Usage during Manufacturing / Japan



Breakdown of Energy Usage during Manufacturing / Overseas





Electricity Consumption in Japan and Overseas/ Domestic Production Laboratories, Overseas Production Facilities, Domestic and Overseas Offices

Amount of electric power (GWh)



Amount of electricity generated for in-house consumption, amount of purchased electricity derived from renewable energy sources and the ratio of electricity derived from renewable energy sources/Domestic and Overseas Note: Co-generation excluded



Ratio of renewable energy to total energy consumption/ electricity, biomass boilers





GHG Emissions at Research Facilities



Energy Usage and per Unit of Output* (Index) at Research Facilities



* Energy consumption per employee

Energy Usage and per Unit of Output* (Index) at Offices



* Amount of energy used per unit of exclusive-use area Note: For Japan, electricity and fuel for company cars are tabulated, while only electricity is tabulated for overseas.

GHG Emissions at Offices





Indicator	Calculation Method		
Greenhouse Gas Emissions	GHG emissions = \sum [fuel usage, purchased electricity, purchased steam × CO ₂ emissions coefficient] + greenhouse gas emissions not arising from energy consumption Greenhouse gas emissions not arising from energy consumption = CO ₂ emissions not arising from energy consumption* + \sum [emissions of non-CO ₂ greenhouse gases × global warming coefficient] *Includes CO ₂ emissions from the burning of non-fuel matter based on the Act on Promotion of Global Warming Countermeasures, both inside Japan and overseas [CO ₂ Emissions Coefficient] 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 cases where the Company purchases power with the emission coefficient set by menu, the adjusted emission coefficient applies. For overseas data, the latest coefficient data as of the start of each fiscal year acquired from suppliers is applied. When no data is available, the data is complied with the GHG Protocol and EPA eGRID 2016 for determinations. City Gas and Purchased Steam: Coefficients obtained from suppliers are applied to the latest data at the start of each fiscal year If a coefficient cannot be obtained in this manner, it is based on the Act on Promotion of Global Warming Countermeasures Fuel Other than the Above: Based on the Act on Promotion of Global Warming Countermeasures Global warming coefficient: An emissions coefficient determined based on a system of greenhouse gas emission calculations, reports, and official disclosures		
Energy Usage	Energy usage = Σ [amount of fuel used, amount of electricity purchased, amount of self- consumption-type solar power generation, and amount of steam purchased x amount of heat generated per unit] [Amount of Heat Generated per Unit] Purchased Electricity: 3.60 MJ/kWh (Amount of self-consumption-type solar power generation and amount of purchased electric power from renewable energy sources are included in the energy usage) Fuel, Purchased Steam: Based on the Act on the Rational Use of Energy		



Transportation Volumes and Energy per Unit of Output (Index) during Transportation / Japan

Transportation volume (10,000 ton-km) Per unit of output index(FY2019:100) 45,000 120 101.2 101.0 100.4 100.0 98.2 C • . • 30,000 80 22,505 Housing Company 25,398 25,499 25.353 24,596 7,165 7,248 7,632 7,472 7,129 Urban Infrastructure and Environmental .40 Products Company 15,000 11,630 11,431 11,059 10,959 9<mark>,96</mark>7 - High Performance Plastics Company 6<mark>,70</mark>4 6<mark>,71</mark>9 6<mark>,66</mark>2 6<mark>,16</mark>5 5<mark>,40</mark>9 0 2016 2017 2020 2018 2019

0



Indicator	Calculation Method
CO ₂ Emissions during the Transport	The calculation is the CO ₂ emissions yielded by combining the fuel method (transport of housing units, etc.) and the metric ton-kilo method (other than transport of housing units, etc.) CO_2 emissions = Σ [fuel usage × CO ₂ emissions coefficient] + Σ [amount transported (metric tons) × distance transported (km) × fuel usage per unit of output × CO ₂ emissions coefficient] Fuel usage per unit of output is the value used in the reporting system for specified freight carriers under the Act on the Rational Use of Energy Domestic distribution (shipment of products) is covered

Emissions of non-CO₂ greenhouse gases (global production, laboratories)



CO₂ Emissions during the Transport Stage / Japan

Greenhouse Gas Emissions throughout Supply Chain (SCOPE 3)

		Estimated emissions (1,000 tons-CO ₂)				
	Category	FY2016	FY2017	FY2018	FY2019	FY2020
	Purchased goods and services	2,180	2,336	2,457	2,352	2,282
	Capital goods	37	171	123	96	80
<u>_</u>	Fuel-and energy related activities not included in Scope 1 and Scope 2	127	131	129	127	198
Transportation and distribution (upstream)		37	46	48	48	43
B Waste generated in operations		46	42	44	44	37
Business travel		26	30	27	24	7
	Employee commuting	5	6	6	6	5
Transportation and distribution (downstream)		45	45	50	47	43
Do	Processing of sold products		46	48	45	39
wnstr	Use of sold products		1,554	940	772	708
eam	End-of-life treatment of sold products		529	560	558	481
Leased assets(downstream)		1	1	1	2	1
Total(upstream/downstream)		4,400	4,937	4,433	4,119	3,923

Note: After including the effects of reducing energy consumption, emission volumes related to the "use of sold products" declined, and SCOPE3 decreased compared to the previous fiscal year for ZEH specification housing from fiscal 2018.



Greenhouse Gas Emissions Throughout Supply Chain as a Whole (Classified by SCOPE)



Note: Since fiscal 2016, transport energy accuracy has improved and the scope of tabulation of purchased products and services has been expanded in relation to SCOPE3; this resulted in the emissions known increasing substantially from the previous fiscal year.

After including the effects of reducing energy consumption, emission volumes related to the "use of sold products" declined, and SCOPE3 decreased compared to the previous fiscal year for ZEH specification housing from fiscal 2018.

Indicator	Calculation Method		
	Purchased goods and services	CO_2 emissions = Σ [(amount of major raw materials used as listed in Material Balance section of this report + estimated values for other raw materials) × emission coefficient (IDEA v 2.3 (a GHG emissions database by the National Institute of Advanced Industrial Science and Technology and the Japan Environmental Management Association for Industry))] Up to and including fiscal 2017, the Group gained an understanding of environ- mental 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).	
	Capital goods	CO_2 emissions = Σ [(amount of spending on capital expenditures authorized for the given fiscal year for buildings, structures, mechanical equipment, and transport vehicles) × emissions coefficient (per unit emissions database for calculating organizational greenhouse gas emissions, etc., arising from supply chains (Ver. 3.0) (Ministry of the Environment and Ministry of the Economy, Trade and Industry))]	
Greenhouse Gas Emissions throughout Supply Chain	Fuel-and energy related activities not included in Scope 1 and Scope 2	CO_2 emissions = Σ [(fuel usage, amount of purchased electricity, and amount of purchased steam) × emissions coefficient] The emissions coefficients used are as follows. For fuel, IDEA v 2.3 (a GHG emissions database by the National Institute of Advanced Industrial Science and Technology and the Japan Environmental Management Association for Industry); for purchased electricity and steam, per unit emission database for calculating greenhouse gas emissions by organizations, etc., arising from supply chains (Ver. 3.0) (Ministry of the Environment and Ministry of the Economy, Trade and Industry). Applicable to production sites, laboratories, and offices both inside Japan and overseas	
	Transportation and distribution (upstream)	CO_2 emissions = Σ [amount of major raw materials used as listed in the Material Balance section of this report × transport distance × emission coefficient (IDEA v 2.3 (a GHG emissions database by the National Institute of Advanced Industrial Science and Technology and the Japan Environmental Management Association for Industry))] (Calculated assuming that the uniform transport distance was 200 km)	
	Waste generated in operations	CO_2 emissions = Σ [amount of waste materials generated (by type) × emission coefficient (IDEA v 2.3 (a GHG emissions database by the National Institute of Advanced Industrial Science and Technology and the Japan Environmental Management Association for Industry))] Covers major production sites and research facilities in Japan and overseas	
	Business travel	CO_2 emissions = Σ [transportation costs by method of transport × emissions coefficient (per unit emissions database for calculating organizational greenhouse gas emissions, etc., arising from supply chains (Ver. 3.0) (Ministry of the Environment and Ministry of the Economy, Trade and Industry))] (Includes estimates of transportation costs for group companies) Covers group companies in Japan and overseas	

Indicator	Calculation Method		
	Employee commuting	CO_2 emissions = Σ [amount spent on commuting assistance × emissions coefficient (per unit emissions database for calculating organizational greenhouse gas emissions, etc., arising from supply chains (Ver. 3.0) (Ministry of the Environment and Ministry of the Economy, Trade and Industry)] (Calculated based on the assumption that all commuting is done by passenger train) (Group company commuting costs include estimates) Group companies in Japan and overseas all covered	
Greenhouse Gas Emissions throughout Supply Chain	Transportation and distribution (downstream)	The calculation is the total amount of CO ₂ emissions yielded by combining the fuel method (transport of housing units, etc.) and the metric ton-kilo method (other than transport of housing unit, etc.) CO ₂ emissions = Σ [fuel usage × CO ₂ emissions coefficient] + Σ [amount transported (metric tons) × distance transported (km) × fuel usage per unit of output × CO ₂ emissions coefficient (value used in the reporting system for specified freight carriers under the Act on the Rational Use of Energy)] (Estimates used for overseas) Covers shipments of products by group companies in Japan and overseas	
	Processing of sold products	CO_2 emissions = Σ [production volume of relevant products × emission coefficient at the time of processing the relevant products (IDEA v 2.3 (a GHG emissions database by the National Institute of Advanced Industrial Science and Technology and the Japan Environmental Management Association for Industry))] Covers products for the automotive industry by group companies in Japan and overseas	
	Use of sold products	CO_2 emissions = Σ [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] 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 2020 report produced by the Act on Promotion of Global Warming Countermeasures reporting system (alternate value), equal to 0.488 metric tons-CO ₂ /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.	

Indicator		Calculation Method
Greenhouse Gas	End-of-life treatment of sold products	CO_2 emissions = Σ [amount of major raw materials used in the products sold during the relevant fiscal year × emission coefficient (IDEA v 2.3 (a GHG emissions database by the National Institute of Advanced Industrial Science and Technology and the Japan Environmental Management Association for Industry))] The calculation assumes that products sold during a given fiscal year are disposed of during the same fiscal year
Emissions throughout Supply Chain	Leased assets (downstream)	Calculated to cover construction related to the installation of machinery leased by Sekisui CO_2 emissions = Σ [relevant installation units × emission coefficient (IDEA v 2.3 (a GHG emissions database by the National Institute of Advanced Industrial Science and Technology and the Japan Environmental Management Association for Industry))]



Waste Generated by Production Sites

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

Note 2: From fiscal 2019, Medical Business results are collated and presented with Headquarters results following its separation from the High Performance Plastics Company as an independent entity.

Waste Generated by Production Sites and per Unit of Output (Index) / Japan

Per unit of output index Waste generated (1,000 tons) (FY2019: 100) 60 120 108.0 103.7 103.8 102.0 100.0 40.5 40 80 38.3 36.8 37.5 Housing Company 34.7 11.1 11.2 10.0 Urban Infrastructure 10.9 9.5 and Environmental Products Company 7.8 7.9 7.6 7.8 20 40 7 2 High Performance Plastics Company 17 9.4 74 15.5 Headquarters 0 2018 2019 2020 2016 2017

Waste Generated by Production Sites and per Unit of Output (Index) / Overseas



Production Site Waste Generation and Disposal Conditions / Japan and Overseas

(unit: tons)

	Total Waste	Recycled Waste	Unrecycled Waste
FY2016	66,940	62,113	4,827
FY2017	68,777	63,654	5,123
FY2018	72,631	67,332	5,298
FY2019	69,767	63,844	5,922
FY2020	61,303	54,955	6,348

Fiscal 2020 Annual Production Site Waste Generation and Disposal Conditions / Japan and Overseas



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

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Breakdown of Waste Generated at Production Sites / Japan

Breakdown of Waste Generated at Production Sites / Overseas



Generated waste amount	Amount of waste generated = Amount of waste disposal outsourced + Amount recycled (use of incineration heat + materials recycling + sold at a price) + Amount incinerated in the Company;						
	the items below are excluded:						
	waste generated by demolition of old houses of the clients, left-over materials at construction						
	sites, disposal of facilities, OA equipment, etc., infectious waste generated during medical						
	consultations / medical practices						

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	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 Amount of waste generated per building during construction of new housing = Amount of waste generated during construction of new housing / Number of buildings sold Target: housing business in Japan

Waste Related to Office Work

Amount of Copy Paper Used at Offices per Unit of Output (Index)



Attainment of Zero Waste Emissions Activity Targets

Production sites	42 plants in Japan and 11 plants overseas, including those of affiliated companies, achieved the target (of these, 1 plant in japan and 5 plants overseas achieved the target in fiscal 2015)
Research institutes	All research institutes achieved the target by fiscal 2012
Construction of new housing	All production sites achieved the target by fiscal 2003
Remodeling work	All production sites achieved the target by fiscal 2004
Corporate headquarters buildings in Osaka/Tokyo	Achieved the target by fiscal 2005
Demolition work	Specified construction materials for fiscal 2018 Recycling rate (of concrete, wood offcuts, etc.): 99%

Indicator	Calculation Method
Number of production sites that achieved zero emissions	Number of production sites that achieved zero emissions in that year

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

Note 2: From fiscal 2019, Medical Business results are collated and presented with Headquarters results following its separation from the High Performance Plastics Company as an independent entity.

Water Intake Volume at Production Sites / Japan



Wastewater Volume at Production Sites / Japan



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

Water Consumption at Production Sites / Japan



improvements in precision.

Water Intake Volume at Production Sites / Overseas

(thousands of m³)



Wastewater Volume at Production Sites / Overseas

(thousands of m³) 6,000



Note: We have been improving the accuracy of our wastewater volume from fiscal 2019.

Water Consumption at Production Sites / Overseas



Note: Water consumption increased to improve the accuracy of wastewater volumes from fiscal 2019.

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Water Intake Volume at Production Sites by Water Source Type

(thousands of m³)

Water course	Area of base	All areas						Areas with water stress					
water source	Area of base	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020		
	Japan	696	1,086	197	726	129	0	0	0	0	0		
	China	0	0	0	0	0	0	0	0	0	0		
	The Rest of Asia and Oceania	0	0	0	1	3	0	0	0	1	3		
Surface water	Europe	0	0	0	0	0	0	0	0	0	0		
	North and Central America	0	0	0	0	0	0	1	0	0	0		
	Total	696	1,086	197	727	131	0	1	0	1	3		
	Japan	2,604	2,624	2,632	2,517	2,340	0	0	0	0	0		
	China	0	0	0	0	0	0	0	0	0	0		
Groundwater	The Rest of Asia and Oceania	103	120	144	111	121	25	26	35	16	22		
Ground water	Europe	0	0	0	0	0	0	0	0	0	0		
	North and Central America	4	0	0	0	0	0	0	0	0	0		
	Total	2,710	2,745	2,776	2,628	2,461	25	26	35	16	22		
	Japan	0	0	0	0	0	0	0	0	0	0		
	China	0	0	0	0	0	0	0	0	0	0		
Societor	The Rest of Asia and Oceania	0	0	0	0	0	0	0	0	0	0		
Seawater	Europe	0	0	0	0	0	0	0	0	0	0		
	North and Central America	0	0	0	0	0	0	0	0	0	0		
	Total	0	0	0	0	0	0	0	0	0	0		
	Japan	12,086	11,969	12,389	10,903	11,250	0	0	0	0	0		
	China	273	298	324	265	247	236	288	311	256	241		
Third-party	The Rest of Asia and Oceania	896	1,097	966	1,093	957	18	46	72	80	55		
water*	Europe	1,943	1,883	1,866	1,960	1,674	1,857	1,799	1,805	1,887	1606		
	North and Central America	2,042	2,209	2,732	3,092	3,165	10	81	156	141	94		
	Total	17,241	17,456	18,278	17,313	17,293	2,121	2,213	2,344	2,365	1,996		
	Japan	15,386	15,679	15,218	14,146	13,719	0	0	0	0	0		
	China	273	298	324	265	247	236	288	311	256	241		
Total volume	The Rest of Asia and Oceania	999	1,217	1,110	1,204	1,081	44	72	107	97	80		
withdrawn	Europe	1,943	1,883	1,866	1,960	1,674	1,857	1,799	1,805	1,887	1,606		
	North and Central America	2,046	2,209	2,732	3,092	3,165	10	81	156	141	94		
	Total	20,646	21,286	21,250	20,668	19,885	2,146	2,239	2,379	2,382	2,021		

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

Wastewater Volume at Production Sites by Discharge Destination

(thousands of m³)

Discharge	Area of baca	All areas						Areas with water stress				
destination	Area or base	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020	
	Japan	11,219	11,627	11,353	10,680	10,179	0	0	0	0	0	
	China	0	0	0	0	0	0	0	0	0	0	
C C C C C C C C C C	The Rest of Asia and Oceania	22	26	20	43	18	2	2	0	22	4	
Surface water	Europe	0	0	0	0	0	0	0	0	0	0	
	North and Central America	0	0	0	0	0	0	0	0	0	0	
	Total	11,241	11,653	11,372	10,722	10,197	2	2	0	22	4	
	Japan	0	0	0	0	0	0	0	0	0	0	
	China	0	0	0	0	0	0	0	0	0	0	
Croundwater	The Rest of Asia and Oceania	0	0	0	0	0	0	0	0	0	0	
Ground water	Europe	0	0	0	0	0	0	0	0	0	0	
	North and Central America	0	0	0	0	0	0	0	0	0	0	
	Total	0	0	0	0	0	0	0	0	0	0	
	Japan	2,892	2,503	2,277	2,160	2,293	0	0	0	0	0	
	China	0	0	0	0	0	0	0	0	0	0	
Convetor	The Rest of Asia and Oceania	0	0	0	0	0	0	0	0	0	0	
Seawater	Europe	0	0	0	0	0	0	0	0	0	0	
	North and Central America	0	0	0	0	0	0	0	0	0	0	
	Total	2,892	2,503	2,277	2,160	2,293	0	0	0	0	0	
	Japan	591	614	636	567	515	0	0	0	0	0	
	China	272	287	308	255	237	235	277	296	246	232	
Third-party	The Rest of Asia and Oceania	679	867	830	860	790	26	55	103	60	54	
water*	Europe	1,930	1,874	1,860	1,944	1,664	1,857	1,799	1,805	1,875	1,601	
	North and Central America	1,585	1,571	1,981	2,060	2,012	9	62	79	81	62	
	Total	5,057	5,213	5,615	5,685	5,219	2,127	2,193	2,283	2,262	1,949	
	Japan	14,703	14,744	14,266	13,407	12,987	0	0	0	0	0	
	China	272	287	308	255	237	235	277	296	246	232	
Total volume	The Rest of Asia and Oceania	701	893	850	902	809	29	57	103	83	58	
withdrawn	Europe	1,930	1,874	1,860	1,944	1,664	1,857	1,799	1,805	1,875	1,601	
	North and Central America	1,585	1,571	1,981	2,060	2,012	9	62	79	81	62	
	Total	19,190	19,370	19,265	18,567	17,709	2,129	2,195	2,283	2,285	1,952	

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

Water Consumption at Production Sites

(thousands of m³)

			All areas			Areas with water stress						
	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020		
Japan	683	935	952	739	732	0	0	0	0	0		
China	1	11	16	10	10	1	11	16	10	10		
The Rest of Asia and Oceania	298	324	260	302	272	15	15	4	15	22		
Europe	13	9	6	17	9	0	0	0	13	5		
North and Central America	461	638	751	1,032	1,153	1	19	77	60	33		
Total	1,456	1,916	1,985	2,101	2,176	17	45	97	98	69		

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 volume	Wastewater volume = Total wastewater volume = (The sum of wastewater from surface water, ground water, seawater, and third-party water)
Water consumption	Water consumption = Water intake volume - wastewater
Areas with water stress	Areas where baseline water stress is ranked as high or extremely high under the WRI Aqueduct TM Water Risk Atlas (Aqueduct 3.0) evaluation system

COD Emission Volume / Japan



Index	Calculation Method
COD emission volume	Emission volume = Σ [COD concentration (annual average of measured value) x Drain- age volume]

Note: From fiscal 2019, Medical Business results are collated and presented with Headquarters results following its separation from the High Performance Plastics Company as an independent entity.

Aggregated Results Based on the PRTR Law (Substances Handled at Business Sites Subject to Assessment with a Handling Volume 1 Ton or More Are Aggregated) (Tons)

_	_									(10115)
	Govt.	Emission		Emissior	n volume			Transfer volume		-
Substance	notification no.	volume	Atmospheric	Public water areas	In-house soil	In-house Iandfill	Sewage system	Transfer in waste disposal	Transfer in waste recycling	Detoxification
Ethyl acrylate	[4]	1.3	0.082	0	0	0	0	0.12	0	1.1
n-Butyl acrylate	[7]	246.9	2.0	0	0	0	0	1.4	3.0	241
Acrylonitrile	[9]	413.6	3.4	0	0	0	0	0	0.0080	410
Acetaldehyde	[12]	166.7	0.12	0	0	0	0	0	0	167
Acetonitrile	[13]	83.0	6.6	0	0	0	0	0	76	0
2,2'-Azobisisobutyronitrile	[16]	5.0	0	0	0	0	0	0	0	5.0
Antimony and its compounds	[31]	7.2	0	0	0	0	0	0	0.72	0
Isobutyraldehyde	[35]	44.0	1.1	0	0	0	0	0	0	43
2-Ethylhexanoic acid	[51]	5,320.6	0	0	0	0	0	0	4.5	5,308
Ethylbenzene	[53]	1.7	1.7	0	0	0	0	0	0	0
Ethylenediamine	[59]	4.8	0.46	0	0	0	0	0	0	4.4
ε-Caprolactam	[76]	25.7	0	0.0080	0	0	0	0	0	26
Xylene	[80]	22.7	2	0	0	0	0	0.036	0	21
Hexavalent chromium compounds	[Special 88]	2.1	0	0	0	0	0	0	0.0045	0
Vinyl chloride	[Special 94]	116,165.2	3.9	0.11	0	0	0	0	0	116,161
Chloroform	[127]	5.3	0.28	0	0	0	0	0	3.1	0.53
Cobalt and cobalt compounds	[132]	1.1	0	0.096	0	0	0	0	0	1.0
Vinyl acetate	[134]	48.4	4.6	0	0	0	0	2.9	0	41
Inorganic cyanide compounds (not including complex salts and cyanate)	[144]	13.3	0	0	0	0	0	0	0	13
Cyclohexylamine	[154]	5.5	0.31	0	0	0	0	0	0	5.2
Methylene chloride	[186]	420.6	5.5	0	0	0	0	0	0	415
Divinylbenzene	[202]	2.2	0	0	0	0	0	0	0	2.2
2,6-di-t-butyl-4-cresol	[207]	9.1	0	0	0	0	0	0	0	9.1
N,N-dimethylacetamide	[213]	2.4	0	0	0	0	0	0	2.4	0
N,N-dimethylformamide	[232]	1.1	0	0	0	0	0	0	1.1	0
Organic tin compounds	[239]	138.1	0	0	0	0	0	0.077	1.2	2.3
Styrene	[240]	1,076.6	23	0	0	0	0	11	0.017	451
n-dodecyl alcohol	[273]	7.5	0	0	0	0	0	0	0	7.5
1,2,4-Trimethylbenzene	[296]	1.2	1.2	0	0	0	0	0	0	0
Tolylene Diisocyanate	[298]	12.8	0	0	0	0	0	0	0	0
Toluene	[300]	820.4	346	0	0	0	0	23	93	358
Lead compounds	[Special 305]	519.3	0	0.0022	0	0	0	0.27	4.2	46
Nickel compound	[Special 309]	1.0	0	0	0	0	0	0.32	0	0
Bis-(2-ethylhexyl) phthalate	[355]	3.4	0	0	0	0	0	1.7	0	0
n-Hexane	[392]	248.0	235	0	0	0	0	0.35	7.3	5.3
Boron and its compounds	[405]	33.1	0	0	0	0	0	0	0	0
Poly (oxyethylene) = alkyl = ether (C = 12-15 and other blends)	[407]	15.4	0	0	0	0	0	0	0	13
Manganese and its compounds	[412]	4.2	0	0	0	0	0	0	4.2	0
Methacrylate	[415]	249.9	1.4	0	0	0	0	0	0.0060	248
Methyl methacrylate	[420]	165.8	1.4	0	0	0	0	0	0	164
Methylnaphthalene	[438]	1.5	0.0074	0	0	0	0	0	0	1.5
Methylenebis (4,1-phenylene) = diisocyanate	[448]	1,637.9	0	0	0	0	0	2.1	0	1,629
		127,955.8	640	0.22	0	0	0	44	201	125,801

Index	Calculation Method
Volume of chemical substances handled	Volume of handling of substances subject to regulation by the PRTR Law [Production sites and research institutes in Japan are subject to assessment]
Volume of	Volume of emission / transfer of chemical substances subject to regulation by the PRTR Law:
emissions /	Volume of emissions = Volume of emissions into the air + Volume of emissions into public
transfer of	waters + Volume of emissions into the soil on-site + Volume disposed by burial on-site
chemical	Transfer volume = Volume transferred to sewers + Volume transferred as waste material
substances	[Covers production sites and research facilities in Japan]
Volume of chemical	Volume of chemical substances subject to regulation by the PRTR Law subjected to detoxication:
substances	Amount detoxified = Amount consumed in reaction + Amount consumed through combustion,
subjected to	etc.
detoxication	[Covers production sites and research facilities in Japan]

Chemical Substance Emission and Transfer Volumes (PRTR Law) / Japan



Index	Calculation Method
Volume of emission / transfer of chemical substances	Volume of emission / transfer of chemical substances subject to regulation by the PRTR Law Volume of emission = Volume of emission into the atmosphere + Volume of emission into the public waters + Volume of emission into the soil on site + Volume disposed of as landfill; Volume of transfer = Volume discharged into sewage systems + Volume discharged as waste elsewhere Production sites and research institutes in Japan are subject to assessment

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



Index	Calculation Method						
VOC emissions	Volume of emission into the atmosphere of volatile organic compounds (VOC) among the substances subject to regulation by the PRTR Law and Japan Chemical Industry Association						

NOx Emissions / Japan



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

Index	Calculation Method
NOx emissions	NOx emissions = Σ (Amount of exhaust gas airflow per year x NOx concentration x 46/22.4)

SOx Emissions / Japan



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

Index	Calculation Method
SOx emissions	SOx emissions = Σ (amount of SOx per year x 64/22.4)

Soot and Dust Emissions / Japan



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

Index	Calculation Method
Soot and Dust emissions	Soot and Dust emissions =∑ (amount of exhaust gas airflow per year x soot concentration)

SEKISUI CHEMICAL Group releases information on the resources and energy used in its business activities (inputs) and on the impact on the environment of substances generated by those activities (outputs).

Material balance (Japan and overseas total) Fiscal 2020 Results



* 1 The scope of tabulation for environmental performance data in Japan has been set as only those domestic business sites listed as falling within that scope. * 2 The following overseas business sites have been excluded from the scope of tabulation for environmental performance data. Sekisui-SCG Industry Co., Ltd.

S and L Specialty Polymers Co., Ltd.

Sekisui Specialty Chemicals (Thailand) Co., Ltd.

Youngbo HPP (Langtang) Co., Ltd.

Sekisui High Performance Packaging (Langfang) Co., Ltd.

Sekisui Medical Technology (China) Ltd.

Sekisui Xenotech, LLC.

Sekisui Diagnostics, LLC. San Diego

- Sekisui Diagnostics (UK) Ltd.
- Sekisui Diagnostics P.E.I. Inc.

Sekisui DLJM Molding Private Ltd. Greater Noida Plant

Sekisui DLJM Molding Private Ltd. Tapukara Plant Sekisui DLJM Molding Private Ltd. Chennai Plant

PT. Adyawinsa Sekisui Techno Molding

Sekisui Polymatech (Thailand) Co., Ltd.

PT. Polymatech Indonesia

Sekisui Polymatech (Shanghai) Co., Ltd.



Results from the JBIB Land Use Score Card®

	FY2020				
JBIB Land Use Score Card [®]	Increased by 1.3 points				
Index	Calculation Method				
Points of JBIB Land Use Score Card®	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 sheet for evaluation of every business site regarding the size and quality of its greenspace, management system, etc. on a scale from 0 to 100. 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 value of the points increase of all business sites.				

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Employee Career Development

Results of Intra-Group Job Postings

	FY2016	FY2017	FY2018	FY2019	FY2020	Cumulative Total since FY2000
Number of recruitment cases	44	49	44	45	31	386
Number of employees recruited	149	130	140	62	54	1,334
Number of applicants	83	99	115	135	155	1,163
Number of employees transferred	12	19	26	28	28	233

Career Path Support System

(Number of people) FY2018 FY2019 FY2016 FY2017 FY2020 7 14 9 10 14 Men Course conversion system 2 Women 2 2 1 2 5 3 2 Men 1 1 Permanent, full-time employee conversion system 5 11 7 Women 11 14

Average Hours per FTE of Training and Development (Sekisui Chemical)

	FY2017	FY2018	FY2019	FY2020
Average hours per FTE of training and development (hours)	9.9	9.4	9.4	6.3

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

Training Programs Common to Entire Company to Improve Group-wide Human **Resources Capabilities**

	FY2017	FY2018	FY2019	FY2020
New employee induction training	223	251	243	101*
Training for newly appointed managers	245	210	252	220

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

Results from Main Recruitment-type Training Programs

Name of Training Program	Numbers of Attendees in FY2016	Numbers of Attendees in FY2017	Numbers of Attendees in FY2018	Numbers of Attendees in FY2019	Numbers of Attendees in FY2020
The Saijuku School	33	37	27	Not implemented	Not implemented
Innovation School	72	58	86	69	Not implemented



Allowing Diverse Human Resources to Excel (Gender)

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 Women in Management Positions and Ratio of Women to Total Hires

Number of Women Directors and Managers

	Directors (Outside Directors)		Audit and Supervisory Board Members (Outside Audit and Supervisory Board Members)		Executive Officer	
FY2020 Number of Women Directors (Sekisui Chemical)	1		1		1	
	FY2017 F		FY2018 FY2019		Э	FY2020
Number of women directors (Sekisui Chemical Group)	2		2 2			2
Number of women in management positions (Sekisui Chemical Group in Japan)	138		156	185		187

Career Development Program for Women

		FY2016	FY2017	FY2018	FY2019	FY2020
Number of	Women	90	58	35	39	52
attendees	Superiors	77	44	31	24	46

Sekisui Chemical

		FY2016	FY2017	FY2018	FY2019	FY2020	
	Men (number of people)	3,239	3,290	3,331	3,327	3,308	
Employees*1	Women (number of people)	490	533	587	629	652	
	Ratio of women (%)	13.1	13.9	15.0	15.9	16.5	
	Men (number of people)	2,955	3,005	3,072	3,073	3,060	
employees* ²	Women (number of people)	441	483	532	570	601	
	Ratio of women (%)	13.0	13.8	14.8	15.6	16.4	
Average years of	Men (number of people)	18.1	17.7	17.3	17.2	17.2	
continuous employment* ²	Women (number of people)	14.3	13.7	13.2	12.6	12.4	
	Men (number of people)	77	90	114	96	96 83	
New graduates hired* ³	Women (number of people)	35	39	39	35	43	
	Ratio of women (%)	31.3	30.2	25.5	26.7	34.1	
	Men (number of people)	39	70	44	29	21	
Employees hired mid- career* ³	Women (number of people)	5	6	9	4	2	
	Ratio of women (%)	11.4	7.9	17.0	12.1	8.7	
	Men (number of people)	696	689	685	678	672	
	Women (number of people)	24	27	30	41	44	
(managers)	Ratio of women (%)	3.3	3.8	4.2	5.7	6.1	
Managerial positions	Men (number of people)	597	612	637	642	649	
(department managers and	Women (number of people)	11	14	14	15	16	
general managers)	Ratio of women (%)	1.8	2.2	2.2	2.3	2.4	
	Men (number of people)	1,293	1,301	1,322	1,320	1,321	
Managerial positions	Women (number of people)	35	41	44	56	60	
	Ratio of women (%)	2.6	3.1	3.2	4.1	4.3	
Employees newly	Men (number of people)	46	53	63	68	58	
appointed to managerial	Women (number of people)	1	6	3	14	6	
positions	Ratio of women (%)	2.1	10.2	4.5	17.1	9.4	

*1 Workers with direct employment relationships with the Group (including permanent, full-time employees and non-regular 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). In addition, average years of continuous employment were corrected by going back to data from last year (fiscal 2019).

*3 Number of employees, who joined the Group from April to March of the following year (Employees with no determined period of employment)

All Consolidated Subsidiaries in Japan

		FY2015	FY2016	FY2017	FY2018	FY2019
	Men (number of people)	15,619	15,684	16,136	16,362	16,360
Employees	Women (number of people)	4,313	4,394	4,702	5,048	5,149
	Ratio of women (%)	21.6	21.9	22.6	23.6	23.9
	Men (number of people)	453	395	486	572	427
New graduates hired	Women (number of people)	176	145	211	251	176
	Ratio of women (%)	28.0	26.9	30.3	30.5	29.2
	Men (number of people)	2,763	2,843	2,922	2,926	2,924
Managerial positions	Women (number of people)	84	92	118	130	158
(managers)	Ratio of women (%)	3.0	3.1	3.9	4.3	5.1
Managerial positions	Men (number of people)	1,512	1,520	1,534	1,588	1,595
(department managers	Women (number of people)	18	23	22	26	24
and general managers)	Ratio of women (%)	1.2	1.5	1.4	1.4	1.5
	Men (number of people)	4,275	4,363	4,456	4,514	4,519
Managerial positions	Women (number of people)	102	115	140	156	182
	Ratio of women (%)	2.3	2.6	3.0	3.3	3.9
	Men (number of people)	204	167	167	204	206
(frontier leaders)	Women (number of people)	1	4	5	5	4
	Ratio of women (%)	0.5	2.3	2.9	2.4	1.9
Employees newly	Men (number of people)	160	180	215	211	241
appointed to	Women (number of people)	15	7	29	20	38
managerial positions	Ratio of women (%)	8.6	3.7	11.9	8.7	13.6

Note: The above table was prepared based on the results of the survey conducted in July Note: As of June 2021, data for fiscal 2020 is currently being calculated.



Age Composition of Permanent, Full-time Employees* in Fiscal 2020 (SEKISUI CHEMICAL)

		Less than 30 years old	30 to 39 years old	40 to 49 years old	50 to 59 years old	60 and above
Number of permanent,	Men	454	591	848	1,132	35
age	Women	189	125	138	144	5

Note: 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)

Employee turnover (Sekisui Chemical)

		Men	Women	Total
EV2010	Employee turnover (number of people)		10	73
F12019	Employee turnover rate (%)	2.0	1.7	2.0
EV2020	Employee turnover (number of people)	48	26	74
F T 2020	Employee turnover rate (%)	1.6	4.3	2.0

Indicator	Calculation method		
Employee turnover rate	(Annual employee turnover (number of people) /Number of employees as of April of the subject year) x 100		

Note: Excluding those who retired after reaching the mandatory retirement age and those who moved to another company of the Group

Note: 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)

Allowing Diverse Human Resources to Excel (Seniors)

Number of Elderly Employees Reemployed and Reemployment Rate (Sekisui Chemical)

	FY2016	FY2017	FY2018	FY2019	FY2020
Number of elderly employees reemployed	65	21	49	46	77
Reemployment rate (%)	83.3	63.6	76.6	85.2	83.7

Note: The reemployment rate for applicants is 100%.

Indicator	Calculation method
Reemployment of elderly employees	(Number of reemployed elderly employees ÷ number who have reached mandatory retirement age) × 100 (Number who have reached mandatory retirement age includes those who do not wish to be reemployed)

Human Resources 55



Allowing Diverse Human Resources to Excel (Global)

Breakdown of Number of Employees (SEKISUI CHEMICAL Group)

(Number of people)

Number of employees		26,577
Breakdown by region		
	Japan	19,800
	The Americas	1,744
	Europe	1,014
	Asia/Pacific	4,019

Number of Japanese Global Talent Employees



Indicator	Calculation method
Global talent employees	Japanese employees with overseas
Global talent employees	assignment experience

Number of Participants in the Global Trainee Program

	FY2017	FY2018	FY2019	FY2020
Number of participants	10	21	15	1



Allowing Diverse Human Resources to Excel (People with Disabilities)

Employment Ratio of People with Disabilities (Sekisui Chemical)*



* Including Special Provision Subsidiary (as of March 2021)

Indicator	Calculation method
Employment ratio of	(Number of regular workers who have physical or
people with disabilities	mental disabilities ÷ Number of regular workers) ×100



Allowing Diverse Human Resources to Excel (Balanced Support)

Main Systems Allowing Various Workstyles and Their Use

(Number of people)

Name of system	Main content		FY2016	FY2017	FY2018	FY2019	FY2020
	Can be taken until the end of the month in which the	Women	22	30	32	45	51
Childcare leave	child reaches three years of age. (The statutory	Men	14	20	28	44	49
	end date is until the child reaches two years of age.)	Total	36	50	60	89	100
Chartened	Can be taken up to the	Women	30	34	41	55	67
working hours	school. (The statutory end date is until the child	Men	0	0	2	2	1
	reaches three years of age.)	Total	30	34	43	57	68
	Times of starting and finishing work may be	Women	6	8	9	10	6
Use of flexible working hours	moved earlier or later by up to 60 minutes until the	Men	1	6	4	7	4
	child reaches junior high school age.	Total	7	14	13	17	10
	Up to a total of 93 days for each individual eligible for	Women	0	1	0	1	0
Nursing care leave	care (Up to a maximum of one	Men	2	3	4	4	1
	year for the first individual eligible for care)	Total	2	4	4	5	1
	Two days per week or	Women	0	0	0	0	0
working hours	4.5 nours per day for a maximum of three years for each individual eligible for	Men	1	2	2	4	1
for hursing care	care	Total	1	2	2	4	1
	Three days of special care	Women	43	48	62	62	51
Family leave	leave per year granted until the child or grandchild	Men	77	101	146	193	126
starts high school.		Total	120	149	208	255	177

(Number of people)

		FY2017	FY2018	FY2019	FY2020
	Women	16	21	20	27
Employees with newly born babies	Men	101	111	101	104
	Total	117	132	121	131
	Women	13	14	19	23
Employees with newly born babies who took childcare leave	Men	17	25	39	36
	Total	30	39	58	59
Ratio of those who took childcare leave (excludes	Women	100	100	100	95.8
those who are taking maternity leave) (%)	Men	16.8	22.5	39	34.6
Average number of childcare leave acquisition	Women	165.5	167.4	259.2	270.3
days (days)	Men	9.9	14.2	24.7	43.3
	Women	12	15	22	21
Employees who returned to work after childcare leave	Men	19	26	39	46
	Total	31	41	61	67
Ratio of those who returned to work after	Women	92.3	100	100	95.5
childcare leave	Men	100	100	100	100
Retention rate after one year of those who	Women	100	100	100	100
leave (%)	Men	100	94.7	96.2	97.4



Allowing Diverse Human Resources to Excel (Entrenching Support)

Follow-up Training for New, Mid-career Employees

	FY2016	FY2017	FY2018	FY2019	FY2020
Number of training participants	45	87	60	43	42

Employee Turnover Rate in First Three Years of Employment (Sekisui Chemical)

	Entered	Entered	Entered	Entered	Entered
	in FY2014	in FY2015	in FY2016	in FY2017	in FY2018
Employee turnover rate in first three years of employment (%)	7.4	8.0	1.8	9.4	11.4

Indicator	Calculation method
Employee turnover rate in first three years of employment	Employee turnover rate in first three years of employment for each fiscal year



Amount of Overtime Work* (Sekisui Chemical)

	FY2016	FY2017	FY2018	FY2019	FY2020
Monthly average per employee (hours)	19.2	19.9	19.9	19.1	16.8

* Calculated on the basis of a prescribed number of working hours of 7.5 hours.

Paid Vacation Day Utilization Rate (Sekisui Chemical)

	FY2016	FY2017	FY2018	FY2019	FY2020
Average per employee (%) (Excluding managers)	45.9	51.1	64.0	71.4	58.2

Average Number of Paid Vacation Days Taken (Sekisui Chemical)

	FY2016	FY2017	FY2018	FY2019	FY2020
Average per employee (days) (Excluding managers)	8.7	9.6	12.1	13.6	11.2



Companies receiving certification	Name of company certified together with the Company described on the left
	SEKISUI MEDICAL CO., LTD.
	Hokkaido Sekisui Heim Industry Co., Ltd.
	Sekisui Heim Tohoku Co., Ltd.
	SEKISUI FAMIS TOHOKU Co., Ltd.
	Tohoku SEKISUI HEIM Real Estate Co., Ltd.
	Sekisui Heim Industry Co., Ltd.
	Tokyo Sekisui Heim Co. Ltd.
	Tokyo Sekisui Famis Co., Ltd.
	Sekisui Heim Chubu Co., Ltd.
	SEKISUI FAMIS CHUBU Co., Ltd
	Sekisui Heim Kinki Co., Ltd.
	Sekisui Famis Kinki Co., Ltd.
	Sekisui Heim Chushikoku Co., Ltd.
	Sekisui Famis Chushikoku Co., Ltd.
Sakisui Chamical Caultd	Chushikoku SEKISUI HEIM Real Estate Co., Ltd.
Sekisul Chemical CO., Ltu.	Chushikoku Sekisui Heim Industry Co., Ltd.
	Sekisui Heim Kyushu Co., Ltd.
	Sekisui famis kyusyu Co., Ltd.
	Kyusyu SEKISUI HEIM Real Estate Co., Ltd.
	Kyushu Sekisui Heim Industry Co., Ltd.
	Chiba Sekisui Industry Co., Ltd.
	Nishinihon Sekisui Industry Co., Ltd.
	Sekisui Home Techno Co., Ltd.
	Sekisui Seikei, Ltd.
	Shikoku Sekisui Co., Ltd.
	Kyushu Sekisui Industry Co., Ltd.
	Sekisui Hinomaru Co., Ltd.
	SEKISUI MUSASHI KAKO CO., LTD.
	Sekisui Material Solutions Co., Ltd.
	Sekisui Fuller Company, Ltd.

Note: From the list of corporations certified as 2020 Health and Productivity Management Organizations in the Large Enterprises ("White 500") category

Stress-check Examination Rate

	FY2016	FY2017	FY2018	FY2019	FY2020
Examination Rate (%)	72.0	81.9	87.1	92.5	93.9

Note: Scope of stress-check implementation: Companies that are members of the Sekisui Health Insurance Association (including some affiliates)



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Key	Themes	Cruc	cial and Major Items	Medium-term Targets (2020-2022)	FY2020 Targets	FY2020 Results	FY2020 Self	f- Reference pages
Products	to enhance	nhance Expansion of net sales of products to enhance sustainability		Net sales of products to enhance sustainability: ¥800 billion	¥710 billion	¥640.3 billion	Х	P40
sustainability fran	and the premium nework	Expansion of net sales of contributing products		Net sales of products to enhance sustainability that are in the premium framework: ¥440 billion	*4	¥312.0 billion	—	P35
	Safety, quality,			Workplace accidents resulting in a fatality 0	0	1	×	P91
	accounting, legal/ethical, information	Implementation of Group-wic strengthening the manageme	de risk reduction measures aimed at ent foundation	Major quality issues 0	0	2*6	Х	P95,100
	management			Serious non-compliance and negligence 0	0	0	\checkmark	P102
	Safety	Incidences of injuries attribut	table to machines and equipment 0	0	4 or less	7	Х	P79,83,87
	Quality	Rate of application of measures for development risk prevention *1		100%	90%	94%	\checkmark	P95
		Accounting system standardiz	zation	Completion of preparations for introduction to companies using major accounting systems in Japan	Confirmation of specifications of major items in ERP introduction	Confirmation of specifications of major items	\checkmark	
	Accounting	Enhanced monitoring by unifying consolidated accounting information		Completion of installation of major accounting systems in Japan and overseas	Completion of installation of main domestic accounting systems	Completion of acquisition of major domestic accounting systems	\checkmark	
Governance		Conducting of educational pr accounting skills	rograms/workshop meetings to improve	Ensuring completeness of accounting information by holding of educational programs/workshop meetings and conducting training	Held four educational programs (including e-learning)/workshop meetings	Four educational programs (including e-learning) and workshop meetings, enhanced methods to improve attendance rate (Implementation of online education programs/video distribution, work in conjunction with accounting authorities)	k ✓ P106	
control)	Legal/ethical	Strengthen overseas control		Introduction of rules to prevent violations to antimonopoly laws, bribery and other serious offenses at overseas Group companies	100% installed (57 companies)	Installation 63% completed (36 out of 57 companies)	×	- P104-108
				Construct an internal whistleblower system in which anyone can easily report improper activity	Whistleblower system introduced in South Korea	Installation completed	\checkmark	
	Information	Prevention of cyber security incidents		Operation of endpoint/boundary security integrated monitoring system (24 hours a day, 365 days a year)	Establishment of implementation system	Integrated endpoint/boundary security monitoring launch	\checkmark	_
	management	Rapid response in the event of a cyber security incident		Domestic CSIRT* ² operation established	blished Implement training according to incident response flow Preparation of incident response flow		\checkmark	✓ P111
	Overseas deployment of CSIRT		T	Ascertain current conditions – preparations for deployment	Ascertain current conditions	Implementation of security assessments at overseas business sites	\checkmark	
	Risk management (BCP)	Preparation of a functional BCP; establishment of a BCM (PDCA cycle)		100% target organization BCP document preparation and operating rate (PDCA establishment)	BCP promotion project launch (promotion of formulation preparation)	 Determination of Group-wide organizational framework formulation (143 organizations) Preparation of a standard template Review of BCM guidelines 	\checkmark	P115
	(301)	Deployment of risk managem wide including overseas	ent organization-specific activities Group-	Consolidated sales composition ratio 100%	Consolidated sales composition ratio 93%	Consolidated sales composition ratio 93%	\checkmark	
		Global management foundati	ion innovation	Completion of a backbone system for global rollout	Determination of overview of measures to reform the management base, conclusion of SAP user agreements	Formation of various measures and roadmaps, determination of scope for introduction of SAP, conclusion of SAP licensing agreements	\checkmark	
	DX	Reform of global indirect purc	chasing	Enhancement of Governance (Internal Control) by visualization of transaction status, improvement of efficiency by consolidating purchasing operations	Configuration of purchasing systems for verification purposes, implementation at three plants in Japan	Configuration and preparation for introduction of purchasing system, start of strategic purchasing function preparations	\checkmark	— P126
		Enhancement and improveme duties	ent of efficiency of sales and marketing	Reduction of steps in inward operations, expansion of steps in sales activities and use of IT to expand sales	Configuration and verification of new work processes	Initiated demonstration at representative base	\checkmark	
		Promotion of remote work		Provision of remote-work platforms for which security measures have been implemented	Construction of MobileNET remote work bases	Use by 1,200 people (Approximately 9,200 people can work remotely, including the conventional RemoteView platform)	\checkmark	
		Climate change response	Renewable energy ratio of purchased electricity increase (Amount of renewable energy/Amount of purchased energy Group-wide (%))	20%	5%	7.2%	\checkmark	P172
Envir	onment	Realization of resource recycling	Generated waste amount Reduction of unit of output	▲1%/ for three years	▲1.0%	▲0.8%	×	P185
		Reduction of water risks	Reduction of water intake volume at production sites which use large quantities of water	▲10%	▲10.0%	▲10.5%	\checkmark	P195
		Degree of challenging behavi	ior expression *3	*4	*4	*4	—	P221
Human	Resources	Deployment of long-term visi	ion throughout Group	Rate of deployment of Long-Term Vision to each department 100%	Implementation rate for long-term vision expansion workshops for heads of Group organizations in Japan 100%	Implementation rate for long-term vision expansion workshops for heads of Group organizations in Japan 100%	\checkmark	P222
		Change to a challenging orga	nizational culture	Progress toward revision of HR system 100%	Completion of examination of HR system (general employees)	Completion of examination of HR system (general employees)	\checkmark	P230
		Changes to human resource m	nanagement	Rate of career interview implementation between superiors and subordinates for independent career development 100%	Completed examination of career interview system	Completed examination of career interview system	\checkmark	P227
		Number of new A-type produc	cts launched, number of A-type projects*5	Number of new A-type products launched, number of A-type projects Up 10% (vs. FY2020)	*4	*4	_	
Fu	ision	Increase in net sales from fusion	ion	Up ¥50 billion (vs. FY2019)	*4	Up ¥12.4 billion (vs. FY2019)	_	P269
		Number of external collaboration	ons in new areas gained (new business bases)	10% increase in number of external collaborations (vs. FY2020)	Setting of business results for fiscal 2020 as the reference value	Setting of business results for fiscal 2020 as the reference value	_	

*1 Rate of application of methods to prevent development risk at the product development stage (number of themes for implementation of methods to prevent development risk/number of development themes) *2 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.

*3 Percentage of respondents taking concrete actions to realize the long-term vision

*4 Undisclosed/undetermined

*5 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.

*6 Based on individual divisional company standards

Blue lines of text indicate the crucial items in each key theme. ✓: FY2020 targets achieved ×: FY2020 targets not achieved

Key Issue Initiatives CS & Quality

Data Related to Support Improvement at the Customer Consultation Office



Number of Incoming Calls, etc., from Customers

Indicator	Calculation Method
Number of incoming calls, etc.	Number of inquiries by telephone, email, letters, faxes, and other means

Breakdown of incoming calls (Sekisui Chemical)



Indicator	Calculation Method		
Breakdown of incoming calls	 The subjects of incoming calls are recorded on "Insider Net" and categorized as follows: General inquiries: questions about SEKISUI CHEMICAL Group product specifications, how to use products, construction methods, stores selling the products, and services such as repairs Complaints and dissatisfactions: Incidents during which customers expressed their dissatisfaction or lodged rebukes concerning SEKISUI CHEMICAL Group products or services Compliments: Calls during which praise was received for satisfaction with the SEKISUI CHEMICAL Group's products or services Needs and 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 Note: "Insider Net": A SEKISUI CHEMICAL Group intranet site on which details of incoming calls to the Customer Consultation Office are released in real-time. 		



Data Relating to Employee CS & Quality Assessments

	Total Number of Responses	Number of Feedback Visit Sites
FY2012	8,399	_
FY2014	8,957	63
FY2016	16,243	94
FY2018	19,765	99
FY2020	17,633	39

Overview of Domestic Employee CS & Quality Assessments

• Implemented for domestic employees once every two years.

• In fiscal 2020, visits (including online visits) were carried out for specific purposes with the assessment results in mind.

• The number of visit sites counts each address as one site, with the exception of headquarters and research institutes.

Example: Since Hokkaido Sekisui Heim and Hokkaido Sekisui Fami S have the same address, they are counted as a single visit.

Data Relating to Customer Surveys

CS Questionnaire 7-Step Evaluation (Housing Company)





Number of patent application filings







Donations Relating to Governmental Policies

Donations (made by SEKISUI CHEMICAL non-consolidated) to industry bodies and political groups for fiscal 2016 to fiscal 2020 are as follows: (Unit: thousands of yen)

FY2016	FY2017	FY2018	FY2019	FY2020
19,050	22,909	23,596	25,448	17,828



Initiatives That Underpin Support for ESG Management

Stakeholder Engagement Initiatives

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Active Engagement Between Investors and Management

	FY2017 Results	FY2018 Results	FY2019 Results	FY2020 Results
Number of engagements*	88	87	67	54

* 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 based on GRI Standards

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

FY2018	FY2019	FY2020
20.615	22 /01	22 102

(Unit: Millions of yen)

Stakeholders	Method of Calculating Amounts	FY2018	FY2019	FY2020
Shareholders	Dividends	20,615	22,401	22,193
Business partners	Cost of Sales, Selling Costs / General Administrative Costs (Excluding Personnel Costs)		829,809	778,554
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
Local communities	Donations	165	158	218
Global environment	Environmental conservation costs	21,882	17,850	16,207
Government and administrative bodies	Corporate taxes, local taxes, business taxes	22,261	22,619	19,902
Creditors	Interest paid as part of costs apart from sales	480	695	861

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