

# Haseko Group's Sustainability Management

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

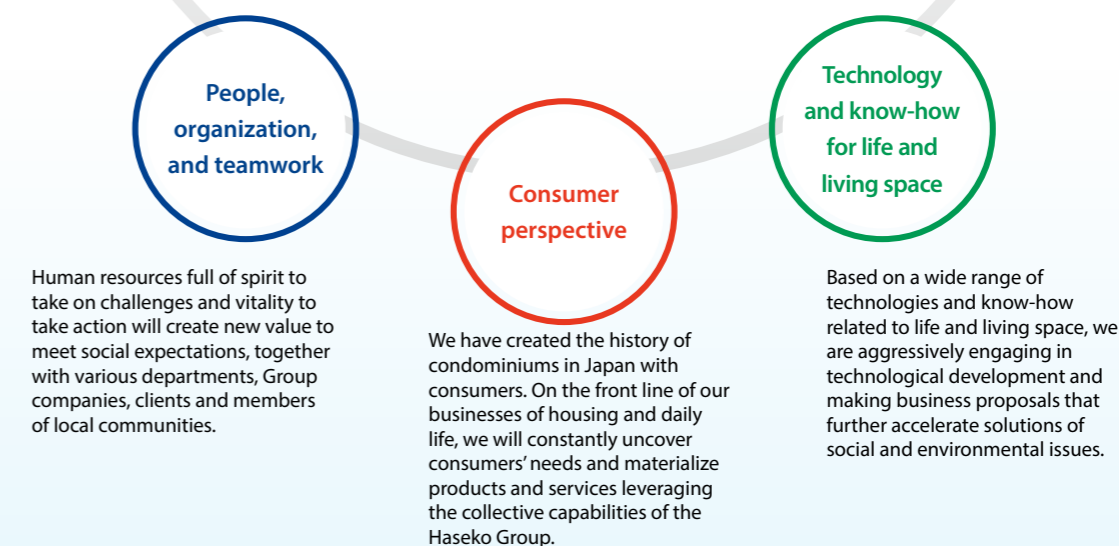
We are committed to CSR management as a means to achieve sustainability within the focused strategies of the medium-term business plan (Plan NS) that entered its final year in 2024.

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



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

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



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

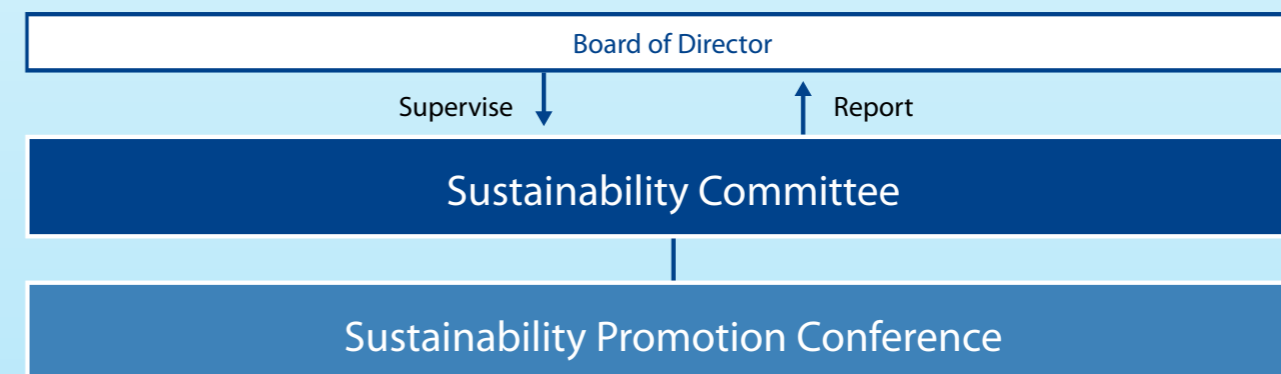
We have identified 10 out of the 17 Global Goals (SDGs) promoted by United Nations with a particular connection to our business. We recognize that the business and operations of the Haseko Group are closely linked to social and environmental challenges, and through solution-oriented business actions,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

## Social issues surrounding our daily lives

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



## CSR Organizational Framework



\*Each of the Group companies also participates in the Sustainability Committee and Sustainability Promotion Conference.

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

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

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

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

#### Initiatives of CSR management

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

### Our Four Main CSR Themes

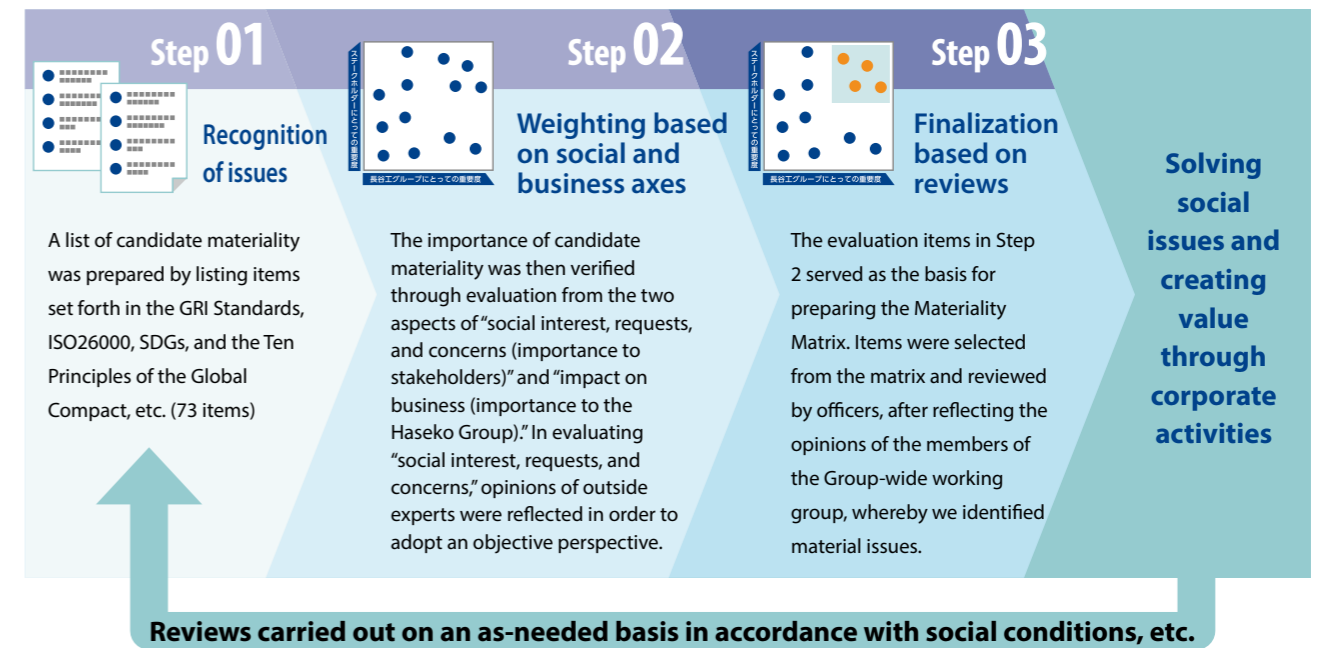
We are promoting initiatives toward realization of the four main CSR themes, which is the goal of the Haseko Group’s CSR.

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

### Materiality

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

#### Materiality Identification Process

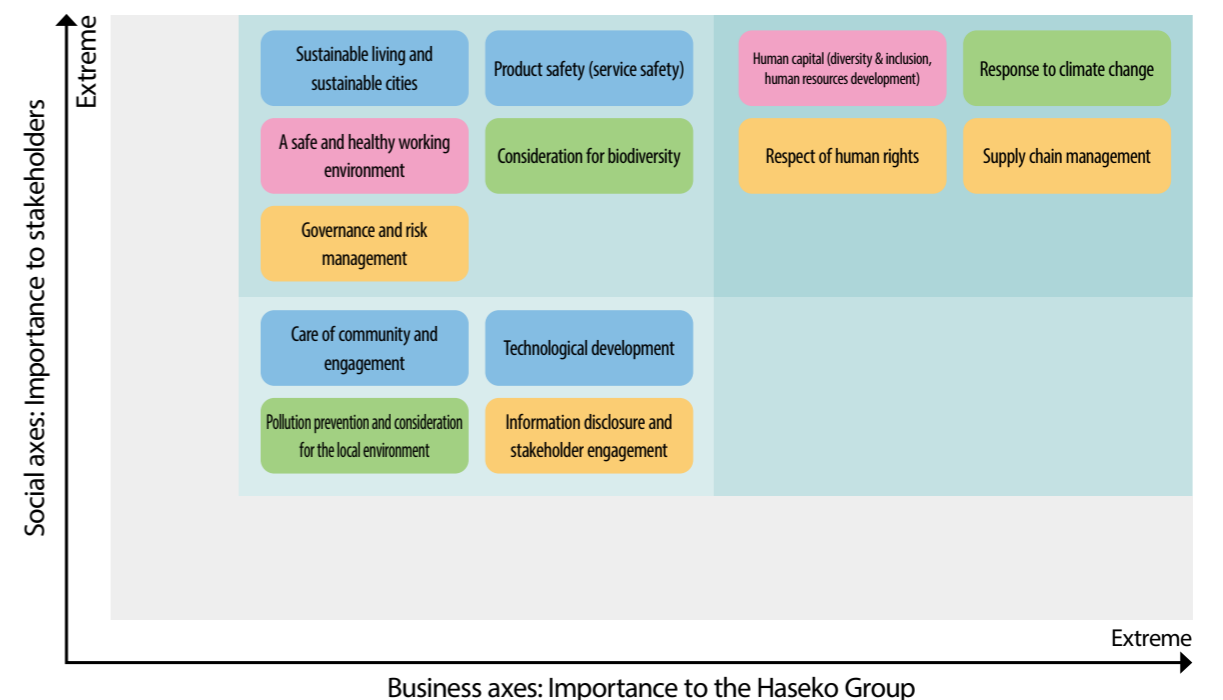


#### Haseko Group’s Materiality



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


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

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



# Haseko Group CSR Action Plan for FY2023

Four main CSR themes	Materiality (material issues)	Vision for 2037 (100th anniversary)	FY2020-2024 Haseko Group initiative items	KPIs/Targets	Results		
<b>Creating attractive living spaces</b> We will create living spaces where people can feel safe, grow, and actively pursue diverse lifestyles. While promoting businesses that enhance the quality of child nursing, education, care, and welfare, we will aim to make safe, secure and environmentally considerate living the new standard. ■ Related SDGs 	<b>Enabling diverse lifestyles</b>	1	Contributing to creating disaster-resilient lifestyles and communities	(1) Promotion of disaster countermeasures for condominiums from the hardware and software perspectives	• 100% adoption of (newly built) "Renai" with the specification for the proposal of hazard-resistant condominium	100%	
		2	Contributing to creating communities with easy access to various services related to people's daily lives, such as childcare, education, nursing care, and welfare services	(1) Promotion of complex development with housing at the core	• Number of initiatives taken	4 in progress (new and ongoing)	
		3	Promoting the revitalization of local communities	(1) Promotion of business development in local communities	• Number of local areas where we operate our business	7 areas	
		4	Presenting our approach to solve social issues to wider society	(1) Contributions to regional revitalization	• Number of projects worked on	6 projects	
		5	Providing the new value of homes and lifestyles to support the diverse lifestyles of people, from children to senior citizens	(1) Provision of buildings and services that respond to diverse lifestyles (2) Development and provision of facilities, housing, and nursing care services for elderly to respond to a super-aging society (3) Promotion of condominium renewals (4) Promotion of the redevelopment business	• Number of projects developed • Number of elderly facilities, housing, and services commercialized • Number of reconstruction projects (cumulative) • Number of redevelopment projects collaborated on (cumulative)	6 projects in progress (new and ongoing) 2 projects 42 projects (completed projects) 17 projects (completed projects)	
	<b>Safety, security and comfort</b>	6	Thoroughly pursuing the supply of safe, secure and conformable buildings and services and providing longer-life housing	(1) Quality maintenance and improvement (2) Introduction of ICT-based security and monitoring systems	• Number of matters pointed out in the external ISO 9001 examination: none • Number of housing units that adopted Haseko's Premium After-sales Service • Continuation of the verification process to establish the BIM & LLM Cloud, a housing and living information platform	None (a cumulative total of 86,924 units) Kansai: 2,880 units (a cumulative total of 36,049 units) Continued the verification	
		7	Providing the new value of homes and lifestyles to support the diverse lifestyles of people, from children to senior citizens	(1) Initiatives to realize DX	• Number of initiatives taken	44 initiatives	
		<b>Technological development</b>	8	Being a leading company in environmental technologies for housing and living.	(1) Development and adoption of technologies that minimize environmental burden stemming from condominiums (2) Development of disaster countermeasure technologies	• Number of environmental burden reduction technologies developed • Number of local environment-conscious technologies developed (Haseko Corporation) ISO 14001 target • Adoption rate of environment-conscious designs • Number of disaster countermeasure technologies developed (for earthquakes [seismic isolation, vibration control, anti-seismic], typhoons, etc.)	3 projects completed; 8 ongoing projects 1 completed Tokyo: 98.0%; Kansai: 99.3% 2 projects completed; 3 ongoing projects
			9	Contributing to local community formation	(1) Setting up of the environment to form a community through interaction among residents in the same local community or condominium.	• Holding of events at properties managed by Haseko Community, Inc. (held once a year at properties with 300 or more units for which Haseko Community, Inc. provides comprehensive management services)	229 events
		10	Providing support for the restoration of daily lives in the event of disaster	(1) Maintenance of facilities that will lead to restoration support	• Number of three-piece set disaster prevention equipment adopted —WELL UP (emergency potable water generation system) —Benches that convert into cooking stoves —Emergency manhole toilets	43 systems 88 benches 137 toilets	
<b>Building a company worth working at</b> We will nurture a workplace where a diversity of employees can flourish, and where safety and productivity are high. Employees with advanced technological skill and know-how in the field of housing and living will work in passionate teamwork, and in collaboration with our cooperating companies, to create communities today and in the future. ■ Related SDGs 	<b>Human capital (diversity &amp; inclusion, human resources development)</b>	Having put in place an environment where all employees can play an active role by fully demonstrating their capabilities and skills with a rewarding sense of satisfaction while accepting each other's diverse individuality and values.	(1) Promotion of workstyle reform	• Promotion of MOST Activities* *Activities aimed at improving the working environment across the Group • Promotion of telework (work-from-home, etc.) • Promotion of the appointment of female managers (more than the previous year)	Implemented as planned. Continued the initiative. Percentage of female managers: 10.2% Not yet certified. 31.7%		
			(2) Promotion of the appointment of and the active participation of women in various workplaces	• Eruboshi certification • Percentage of female employees: 30% or higher (Haseko Corporation) • Percentage of women among new graduates hired: 30% • Annual turnover ratio of female employees of 3% or less • Kurumin certification (Haseko Corporation)	21.6% 5.3% Not yet certified.		
			(3) Reinforcement and promotion of childcare and nursing care support systems	• Percentage of spouse maternity leave taken: 80% • Percentage of childcare leave taken (male): 50% • Percentage of children leave taken (male): 50%	64.0% 36.0% 46.7%		
			(4) Realization of a workplace where persons with or without disabilities work together	• Percentage of disabled persons employed: 2.3%	2.38%		
			(5) Support for active participation of senior personnel	• Number of participants in Training Workshops for 60-year-old employees • Number of re-employed retirees	139 persons 327 persons (as of March 31, 2024)		
			(6) Development and promotion of a working environment and infrastructure where foreign national employees can play an active role	• Development of relevant systems	Continued the promotion initiative		
	<b>A safe and healthy working environment</b>	12	Providing a variety of education programs to develop personnel involved in businesses related to future housing and living	(1) Development of human resources and organizations that continue to grow, evolve, and take on challenges autonomously Systematic development of candidates for senior management positions Nurturing human resources to implement the new strategies (2) Technology and skill succession	• Number of employees who participated in self-learning support programs provided by the Haseko Business College • Number of career training course participants • Number of Executive Leader Development Program participants • Number of DX Academy participants • Number of English language education program participants • Construction career advancement system registration rate • Haseko Group technical training course participants	2,243 persons 153 persons 120 persons 708 persons 44 persons Tokyo 79%; Kansai 72% 227 persons	
		13	Providing places and opportunities for learning about life and living to a wide range of people from children to adults	(1) Strengthening of external communications (2) Enlightenment through events, etc.	• Number of visitors to the Haseko Condominium Museum • Number of events held; number of participants • Meetings of the Safety and Health Central Committee (once a year) (Haseko Corporation)	4,157 persons 1 event; 757 persons Held once a year.	
		14	Having realized a safe and healthy working environment at all workplaces	(1) Development of a working environment and ensuring of a thorough safety and health management system	• Zero fatal and serious accidents/disasters • Frequency of occupational accidents: 0.60% or less • Severity of occupational accidents: 0.01% or less • Meeting of the Haseko Group Health Management Promotion Committee (once a year) • Certification under the Health & Productivity Management Outstanding Organizations Recognition Program	2 incidents 0.14 0.51 Held once a year.	
		15	Providing support for better physical and mental health to each and every employee	(1) Implementation of health management (2) Promotion of physical and mental health among employees	• Percentage of employees undergoing health checks: 100% • Implementation rate of the specific health guidance: 50% • Percentage of employees taking stress checks: 100%	100% 44.1% 98.2%	
<b>Building a company worth working at</b>	<b>Human capital (diversity &amp; inclusion, human resources development)</b>	Having realized a safe and productive workplace in cooperation with cooperating companies	(1) Strengthening and continuation of promotion of cooperation with cooperating companies (continuation of value enhancement activities)	• Debriefing Session on Value Enhancement Activities/general meetings of respective organizations of cooperating companies (once a year)	Held once a year.		
			(2) Promotion of DX and development of construction automation technologies in cooperation with cooperating companies	• Number of development themes	2 themes		
			(3) Risk management measures taken by cooperating companies	• Implementation of an awareness-building activity at a general meeting (once a year)	Held once a year.		
17	Leading the utilization of advanced technologies that improve operational efficiency and productivity	(1) Labor productivity improvement through the promotion of DX	• Number of measures taken to improve business operations	3 measures			

Four main CSR themes	Materiality (material issues)	Vision for 2037 (100th anniversary)	FY2020-2024 Haseko Group initiative items	KPIs/Targets	Results	
<b>Protecting the precious environment</b> We will promote environmental consideration throughout the process of providing living spaces and services related to daily life. We are considerate about our impact on the ecosystem, and will pursue further improvements of resource and energy efficiency working with cooperating companies to realize construction sites and workspaces that help protect the natural environment. ■ Related SDGs 	<b>Response to climate change</b>	Realizing high energy efficiency and high utilization of renewable energy sources in all of our business activities	(1) Continuous management and improvement of the environmental management system	• Number of matters pointed out in the external ISO 14001 examination: none	None	
			(2) Reduction initiatives aimed at achieving SBT targets	• SBT targets (base fiscal year: FY2020) Scope 1 + Scope 2 FY2030: -42%, FY2050: -100% Scope 3 FY2030: -13%, FY2050: -37%	Promoted the reduction initiatives.	
			(3) Reduction of CO <sub>2</sub> emissions in the design and construction stages	(Haseko Corporation) Reduction based on the ISO 14001 environmental targets • CO <sub>2</sub> reduction rate: 10% or higher (design)	Tokyo 25.2%; Kansai 20.2% (design)	
			(4) Promotion of energy and power saving at construction sites, offices, etc.	• Reduction of CO <sub>2</sub> emissions intensity to 8.5 t-CO <sub>2</sub> /¥100 mil. or below (construction activities)	Tokyo 8.0 t-CO <sub>2</sub> /¥100 mil.; Kansai 6.6 t-CO <sub>2</sub> /¥100 mil. (construction activities)	
			(5) Active utilization of renewable energy sources in our business activities	(Haseko Corporation [ISO 14001 locations]) Reduction based on the ISO 14001 environmental targets • Reduction of electricity consumption to a level below the actual consumption in FY2022	-7.2%	
			(6) Promotion of ZEH business	• 100% adoption rate in workites *Including purchases of Non-Fossil Certificates • Number of collective ZEH projects	100% *Haseko Corporation only Condominiums: 50; Detached houses: 3 (properties on which construction was begun during the current fiscal year) 100%	
	<b>Nurturing a culture of trust</b> In order to remain a corporate group co-creating value with stakeholders based on strong trust from them, we will implement the required organizational measures rigorously. We will strengthen management that harnesses our collective capabilities as a group, and while staying alert to new social and environmental issues in housing and living, we will constantly expand our ability to contribute to society through our business.	<b>Consideration for biodiversity</b>	Promoting advanced initiatives for wood use in construction of housing complexes	(1) Wood use in construction of housing complexes	Number of projects utilizing wood for the main structure of condominiums (more than the previous fiscal year)	None (construction started on 1 project)
				(1) Promotion of the reduction of construction waste	• Number of external awards received (Haseko Corporation) Reduction based on the ISO 14001 environmental targets • Mixed waste: 5 kg/m <sup>2</sup> or less • Recycling of mixed waste: 83% or more	Tokyo 2.2 kg/m <sup>2</sup> ; Kansai 2.2 kg/m <sup>2</sup> Tokyo 93.4%; Kansai 90.2%
		<b>Pollution prevention and consideration for the local environment</b>	Thoroughly practicing the 3Rs (Reduce, Reuse, Recycle) in all of our business activities	(2) Enhancement of the 3Rs at offices and construction sites	(Haseko Corporation [ISO 14001 location]) Reduction based on the ISO 14001 environmental targets • Reduction of copy paper consumption (number of sheets consumed) to a level below the actual consumption in FY2022	-6.9%
				(1) Biodiversity conservation activities (Haseko no Mori)	• 4 or more events; 250 or more total participants	4 events; 200 persons
<b>Respect for human rights</b>	<b>Supply chain management</b>	Having realized CSR procurement	(1) Complete dissemination of the CSR Procurement Policy to the supply chain	• Number of external awards received (incl. ABINC Certification)	13 awards	
			(1) Compliance with environmental regulations, etc.	• Zero violations of laws and regulations concerning soil, water, dust, etc.	1 violation (measures to prevent recurrence already implemented)	
	<b>Governance and risk management</b>	Ensuring through practice of corporate ethics and compliance with the law as a company with integrity	(1) Implementation of human rights due diligence	• Outside directors comprising at least one third of the total number of directors • Evaluation of the effectiveness of the Board of Directors	100% Implemented.	
			(2) Enhancement of education and mechanisms for eliminating harassment	• Harassment training course participation rate: 100%	100%	
	<b>Information disclosure and stakeholder engagement</b>	Carrying out the CSR management by using information obtained from diverse stakeholders	(1) Strengthening of the governance structure	• Questionnaire survey implementation rate: 100% (organizations of cooperating companies of the Construction work-related group companies)	100%	
			(2) Thorough compliance	• Compliance lecture participation rate • Meeting of the Compliance Committee • 100% participation in the e-learning course	100% Held 16 times per year 100%	
	<b>Information disclosure and stakeholder engagement</b>	Providing individual employees with CSR education required for their position or level and implementing the CSR management	(1) Implementation of internal dissemination measures by systematically providing CSR education, and surveys on employees' understanding	• Meeting of the Risk Management Committee (4 times per year) • Continued operation of the BCP (incl. disaster response and prevention measures for infectious diseases) • Implementation rate of drills for checking disaster damage to properties and facilities managed by the Group: 100%	4 times per year Continued the operation. 100%	
			(1) Stakeholder engagement	• CSR lectures held (once a year) • 100% participation in the e-learning course	Not held. 99.6%	
<b>Information disclosure and stakeholder engagement</b>	Proactively disclosing information to stakeholders	(1) Stakeholder engagement	• Communication activities with institutional investors, analysts, media, end users, etc.	Interviews held with a total of 213 companies		
		(1) Promotion of information disclosure to meet the expectations of stakeholders and their needs for information relevant to their identified issues	• Timely update of our corporate website • Publication of the integrated report • Improvement of the results of an external ESG disclosure evaluation	Timely updated. Published. No change		

10 SDGs closely related to Haseko Group CSR initiatives

