

**Contents of the Presentation at the International Seminar
for Tackling Illegal Logging, 2007 II in Yokohama
Sekisui House, Ltd.**

Sekisui House announced in 2005 as the Sustainable Declaration the contribution to the construction of a sustainable society through perceiving the sustainability in 4 values, namely “Environmental Value”, “Social Value”, “Resident Value” and “Economic Value” and maintaining balance among them in its corporate activities. The Wood Procurement Guidelines were announced in April, 2007 as one of the specific activities based on the Sustainable Declaration. Going beyond the formal confirmation of legality, the sustainability of the wood procured is multilaterally assessed with the 10 guidelines for procurement, such as how to conserve the ecological system, whether there are disputes in relation to wood, what the transportation distance is and how to revitalize the domestic forest industry.

The guidelines were studied in a cross-sectional manner by organizations such as the Development Department, Material Procurement Department, Production Department and Environmental Department, with cooperation obtained from FoE Japan, an NGO for international environment for the purpose of securing a fairer point of view.

Levels of wood procurement are determined by the total of the grade points of assessment in accordance with each guideline for procurement in order to reflect the multilateral nature of procurement guidelines, to be classified into 4 ranks, namely S, A, B and C in descending order starting from the highest level. In addition, this method of determining the procurement level on the basis of the total grade points for all assessment items allows a fall in the grade points assessed with a certain procurement guideline to be compensated by the improvement in the points assessed with other guidelines, contributing to the stable supply of wood. However, the level of minimum requirement is established for the “legality” and “endangered species of wood”, regardless of the total grade points. Establishing the guidelines has enabled us to have a better understanding of the level of the wood procured by our company as well as the wood for which study is required. At present, with respect to the wood procured, the work of confirming the legality of the wood that requires study is conducted sequentially, starting from the member accounting for a large percentage of the total quantity procured, and, at the same time, a shift to substitute species of wood is considered. The wood for which the adoption is newly studied is checked at the initial

stage of development in accordance with the guidelines.

In addition, for the purpose of letting general consumers know the unfamiliar content of the procurement guidelines of an enterprise, an illustrated book, positioned as a means of enlightening them for awareness, has been compiled to explain the problems surrounding wood in an easy to understand manner, to be distributed to them.