

PART

1

OUR VALUE

Introduction
The Sekisui
House Group

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Section 1
Journey of
Value Creation

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Section 2
Future of Value
Creation

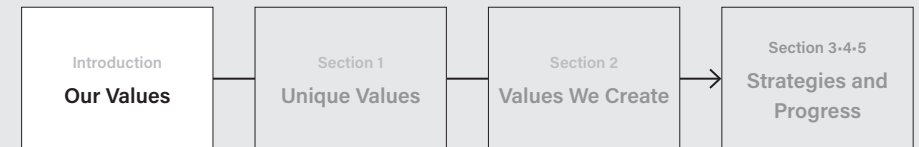
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Introduction

The Sekisui House Group

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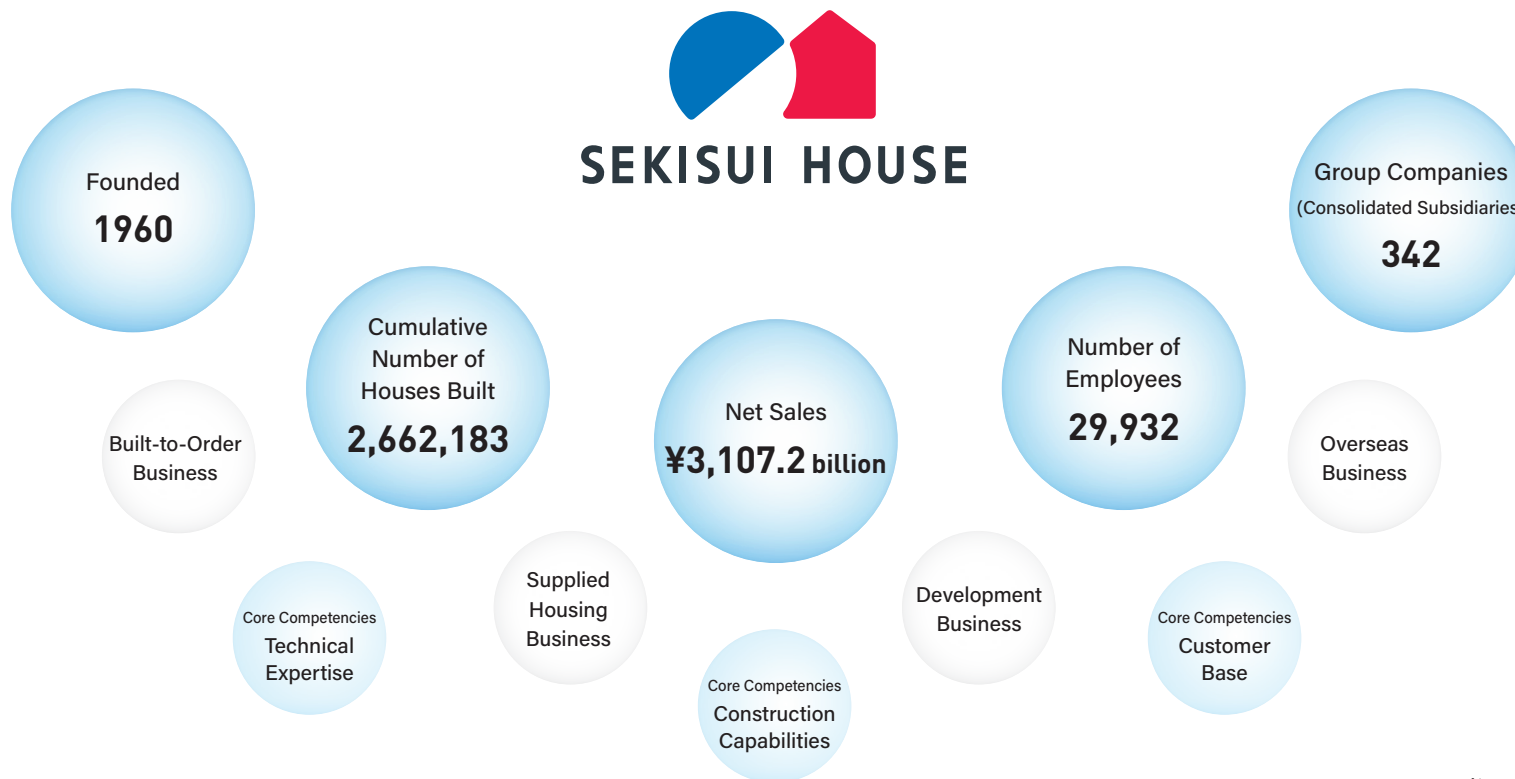
STORYLINE



Points

- Explaining Sekisui House Group's enduring values, purpose, vision, and unique identity
- Introducing our philosophy of creating new value from housing

About the Sekisui House Group



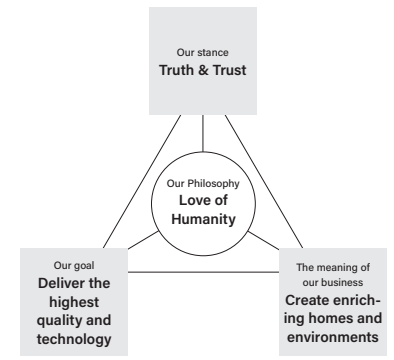
as of January 31, 2024.

Founded in 1960, Sekisui House has been continuously focused on housing development for over six decades, securing a strong and well-established presence in the Japanese market. Today, we have expanded into four primary housing-focused business models: built-to-order, supplied housing, development, and the overseas business. With a proactive presence in global markets, including the United States and Australia, we are actively broadening our international reach.

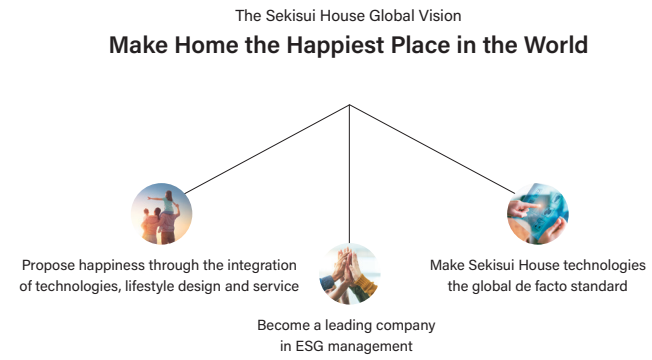
By leveraging technical expertise, construction capabilities, and a solid customer base as our three core competencies, we are forging a path toward unparalleled value creation with our dedicated workforce of over 29,000 employees.

About the Sekisui House Group

Corporate Philosophy



Global Vision



SEKISUI HOUSE-SHIP

- Creating new value through innovation.
- Fostering ideas through effective communication and collaboration.
- Taking proactive and independent action.
- Continually refining our technology and sense of beauty.
- Committing as professionals to making home the happiest place in the world.

Our Purpose

In 1989, 30 years after our founding, we defined our purpose through discussions with all employees. It embodies Sekisui House's identity and guides our collective dedication.

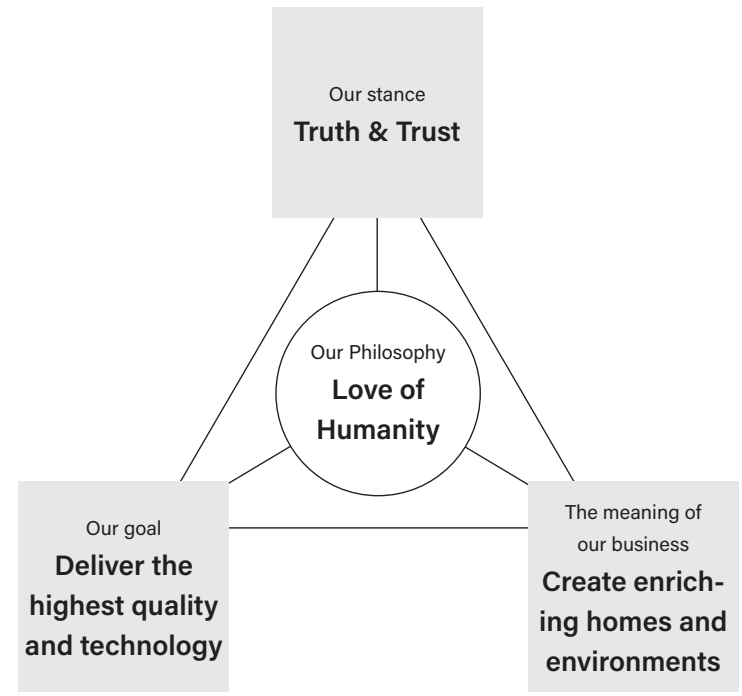
Our Vision for 2050

In 2020, anticipating future global shifts, we established our 30-year long-term vision as the "Global Vision," along with three ancillary objectives, our "sub-visions."

Our Identity

We introduced SEKISUI HOUSE-SHIP as a guiding light for Sekisui House Group employees to navigate their actions with pride and responsibility.

Corporate Philosophy



Love of Humanity

Our Philosophy

With an awareness that each and every human being is precious and irreplaceable, we will wish for the happiness of others, make their joy our own, and act with integrity and in the spirit of service.

At the heart of our foundation is the principle of "Love of Humanity," which is the fundamental philosophy of our Corporate Philosophy. Originally established to protect lives and homes during Japan's post-war reconstruction, this guiding principle continues to be embraced today as we evolve into a global company. It serves as a universal ethos, actively practiced by all employees within the Sekisui House Group.

Our Corporate Philosophy acts as a perpetual legacy, providing more than just a management or business plan—it is a compass guiding our actions and decisions with clear intentions.

Embedding our Corporate Philosophy

A unique aspect of our Group is that all employees have a deep-rooted understanding of our Corporate Philosophy. Executives and managers lead by example, incorporating the philosophy into their daily work and clearly communicating their ideas and visions. This approach helps employees naturally embrace and practice our Corporate Philosophy, allowing it to gradually take root across the organization.

Each year, we conduct a Governance Awareness Survey where all employees participate anonymously. This survey includes questions about awareness of the Corporate Philosophy and their respective actions, enabling us to measure how well it is understood and practiced within the organization.

Aspirations Embedded in Our Global Vision

Every person seeks happiness, which can take various forms and evolve over time.

At Sekisui House, we harness our aesthetic sensitivity and technical expertise to create homes that serve as the happiest places for those who live in them.

In fact, beyond living spaces, we cultivate peace of mind, joy, and well-being.

We foster human connections, instill a sense of security, and inspire hope for the future—values fundamental to all people.

Each home we build is unique and beautiful, designed to fill people with joy whenever they return, be it minutes, days, or years later.

Make home the happiest place in the world

The future we envision is one where everyday life is filled with happiness for everyone. This is why we are passionate about crafting an individual sense of happiness for each person.

The Global Vision we set forth in 2020 embodies these aspirations of the Sekisui House Group.

Sekisui House Group's Identity

Defining SEKISUI HOUSE-SHIP

Creating new value through innovation.

Fostering ideas through effective communication and collaboration.

Taking proactive and independent action.

Continually refining our technology and sense of beauty.

Committing as professionals to making home the happiest place in the world.

As we strive to create even greater value, the phrase "SEKISUI HOUSE-SHIP" will be a new guidepost for each of us. Along with Sekisui House Group employees worldwide, we will continue creating value while delving even deeper into this new philosophy.

The Concept Behind the Name

The English suffix "-ship" is often added to a noun to create an abstract noun. Words such as "partnership," "leadership," and "sportsmanship" are excellent examples of words created in this way that convey both meaning and a clear image. We wanted to do something similar and create a motto with our own Company name. While we use the suffix "-ship" to express the essence of Sekisui House, as a word, it symbolizes our cohesion as a group of diverse individuals uniting on a single vessel, sailing together towards a common destination.

Sekisui House Group's Identity

Process of Establishing SEKISUI HOUSE-SHIP



Returning to roots for growth

Starting with 34 colleagues in 1960, Sekisui House expanded to over 10,000 employees by 1990. It was during these times of prosperous growth that we decided to reflect on our roots. Together with our employees, we established a Code of Conduct rooted in our Corporate Philosophy. By formally identifying our shared mindsets and attitudes, we outlined behavioral expectations, standards, and values that would guide the development of our people and the enhancement of our workplaces. Since then, we have experienced exponential growth.

As we strive for further growth

In 2024, with over 29,000 employees globally, the Sekisui House Group is continuing our journey toward greater growth. By deepening our understanding of our distinct values and cultural pillars, and cherishing each individual's identity and strengths, we aim to evolve the way Sekisui House Group operates. With these aspirations, we have articulated what makes us unique and established SEKISUI HOUSE-SHIP.

Valuing our employees' aspirations

In formulating SEKISUI HOUSE-SHIP, we placed utmost importance on the leadership and active participation of our employees. After extensive discussions with top management, we refined our enduring mission and values into five essential components. These components reflect over six decades of pride and culture, encapsulating our approach and mindset, and setting the stage for our actions and decisions. By incorporating these components into individual actions, we believe we can further deepen the unique identity of the Sekisui House Group.



Beginning of a new phase

In 2020, which marked our 60th anniversary, we established the NEXT SEKISUI HOUSE 30-year vision. With a focus on housing, we unveiled the Global Vision, "Make Home the Happiest Place in the World," aspiring to become a global company that offers integrated technologies, lifestyle designs, and services. This began our journey into a new phase and our quest to create new value by the year 2050.

Articulating our vision for the future

We reassessed the role the Sekisui House Group plays in society and the values we have cherished. We considered our unique strengths, how they can be best utilized, and what we aspire to be in the future. These elements were then articulated as our corporate values, defining our vision for the future.

→ P14 Aspirations Embedded in Our Global Vision

Defining individual aspirations

Between October 2022 and May 2024, collaborative discussions among Group employees and executive management led to the clear articulation of individual aspirations and cherished elements, aligning personal goals with our collective vision.

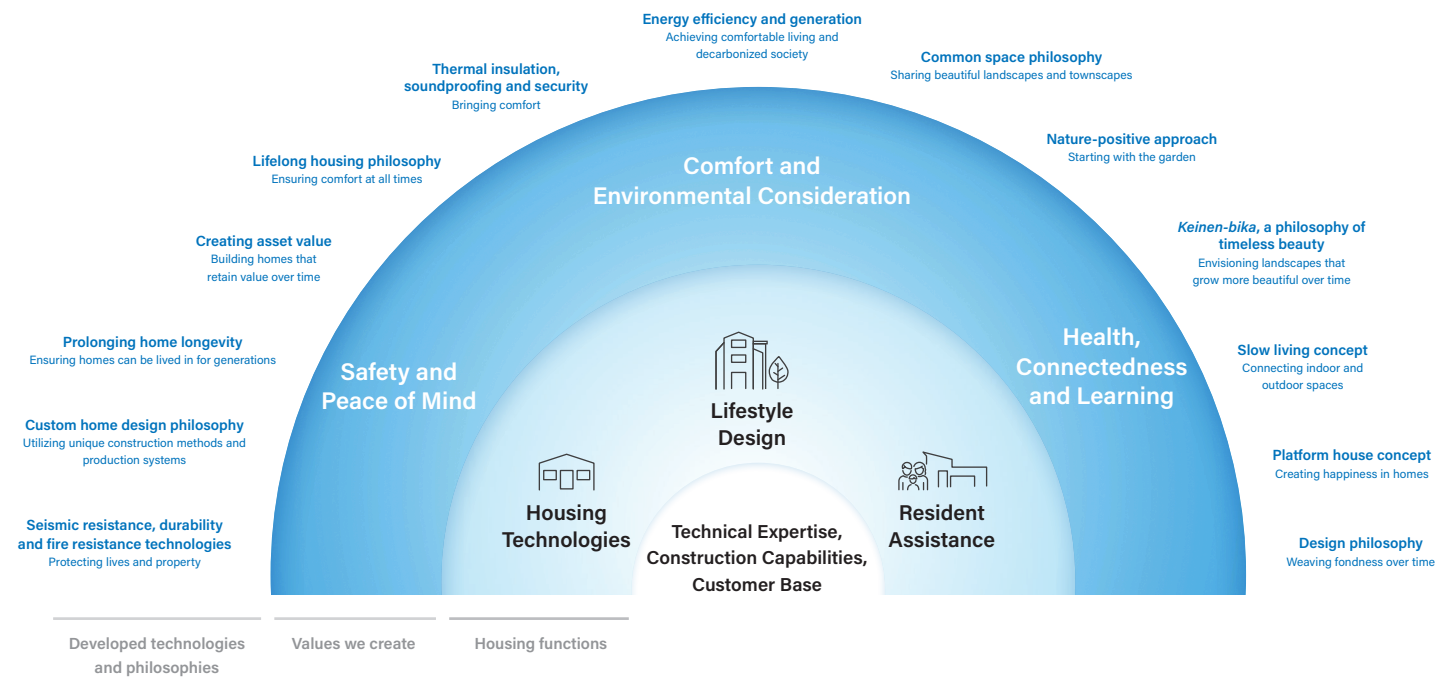


Group discussions

The Sekisui House Global Vision Make Home the Happiest Place in the World



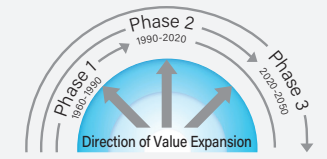
Value Creation Inspired by the Home



Our approach to value creation at the Sekisui House Group begins with reimagining housing. We construct homes that ensure safety and protect property, while fostering environmental responsibility and comfort. Now, we are elevating these values to new levels by enhancing well-being through supporting health, encouraging connections, and enabling continuous learning, all contributing to residents' happiness.

Understanding the Diagram

This diagram illustrates the Sekisui House Group's journey and strategic direction in value creation. By leveraging our three core competencies—technical expertise, construction capabilities, and a robust customer base—we develop advanced technologies and ideas to pioneer new housing concepts, thereby expanding values that contribute to society.



Value Creation Inspired by the Home

Happiness in the era of the 100-year lifespan

We are entering an era where people may live for 100 years. Accordingly, the values people hold are diversifying, while issues facing our customers and society, such as the declining birth rate, aging population, and climate change, are becoming more complex. Moreover, after a period of rapid economic growth in Japan and other developed countries, there is a growing focus on both emotional and lifestyle fulfillment.

To live happily for 100 years, people need to be healthy, maintain close connections with family and friends, constantly learn new ideas, develop new skills, and accumulate meaningful experiences and memories. We believe that these intangibles, which add color to everyday life, are crucial for creating happiness. This is why we strive to create housing that nurtures happiness in the era of the 100-year lifespan.

Creating More Than Just Houses

We envision a future where everyone's daily life is filled with happiness. Moments of enjoyment, beauty, and happiness vary for each individual. Consequently, we strive to create happiness tailored to each person's unique definition.

Founded with the mission of creating new social value through housing, Sekisui House has consistently led the way in value creation and innovation through extensive research and technological development. Our journey goes beyond constructing living spaces; we are pioneering the future of housing culture and shaping the lives of residents. We will continue to create new value by enhancing housing performance and developing advanced technologies.

→ P.21 Our Corporate Story

Building a Happier Future

Creating happiness means fostering a brighter future. In essence, it involves building a sustainable society. Our goal is to pass on beautiful homes and townscapes where residents can live happily. With this vision, we are dedicated to creating value that looks to the future.

The Sekisui House Group takes a leading role in addressing the escalating social issues of our time. We focus on the value that is needed, rather than just what we want to provide. Guided by this perspective, we engage in business activities that enhance the happiness of our customers, society, and employees. We are committed to expanding values that benefit society, with the aim of realizing a happier future for all.

→ P.41 Promise for the Future

Our Ancillary Objectives, "Sub-Visions"

Propose happiness through the integration of technologies, lifestyle design and service

Our founding mission has always been to provide housing that protects people's lives and property through advanced technologies, enhance living through innovative lifestyle design, and strengthen services that support residents. By integrating these elements, we aim to create new values that contribute to happiness.

→ P.79 Business Strategy



Becoming a leading company in ESG management

The ESG management of the Sekisui House Group embodies our Corporate Philosophy in action. By integrating our business activities with ESG principles and ensuring their proper implementation, we create values that contribute to solving social issues. This approach aims to realize a sustainable society and continuous growth for our Group.

→ P.91 ESG Management



Make Sekisui House technologies the global de facto standard

Since our founding, we have developed and enhanced technologies and lifestyle proposals that incorporate safety, peace of mind, comfort, and environmental consideration. We aim to bring these Sekisui House technologies to the world, delivering new value and expanding our global impact.

→ P.86 Overseas Business



Aligning Efforts to Create New Value

Sekisui House Group's Leadership

A Message from the CEO to Sekisui House Group Employees

"I want all employees to make full use of Sekisui House Group resources."

The title "CEO" might represent an image of someone who builds a company. But, together with all of you, I am constantly thinking about how we can create new value for our customers. The concept of "new value" might seem challenging, but I believe that even a small idea—if it brings happiness to our customers—is meaningful innovation.

Our Global Vision, "Make Home the Happiest Place in the World," might sound simple, but it is a vision only the Sekisui House Group can achieve thanks to our decades of dedication and the close connection we maintain with our customers.

When I talk to new employees, I often explain that "becoming a working member of society" means taking a position where you "provide value to society." Since they have chosen the Sekisui House Group to start their professional journey, I believe it is much more fulfilling to use the company's resources to create value.

I encourage all employees to always think about what value they want to provide and to choose their own path in doing so. If we focus on creating happiness for our customers, there is no limit to what we can achieve!



Employees share and communicate their ideas. New innovations can also emerge from communication. This is the kind of company I aspire to create.

Yoshihiro Nakai
Representative Director of the Board
President, Executive Officer, CEO

"Our Leadership" as Seen by Sekisui House Group Employees

"A leader is someone who creates opportunities for employees to take the first step."

A great leader inspires team members with a clear vision and creates an environment where they have opportunities to grow as individuals. Great leaders also align organizational efforts, set boundaries, and provide support so that each employee can discover their own path. In doing so, these leaders bring out the unique talents and abilities of their team members, offering advice and feedback whenever necessary.

Our CEO is like the captain of a ship, steering the organization safely to its destination. A ship captain is responsible not only for guiding the ship, but also for considering the safety and happiness of their crew. To navigate through stormy seas, the captain must make calm and rational decisions and demonstrate leadership. Similarly, our CEO guides the organization to success by providing clear direction, instilling a sense of security in employees, and aligning everyone toward common goals.

A distinctive aspect of leadership at the Sekisui House Group is

their proactive stance in challenging the status quo. Leadership actively supports and backs up ideas that face opposition within departments by encouraging, "Please drastically change the way things have always been done", ensuring these ideas come to life. They urge supervisors to consider and engage with employees who may struggle with communication. To mid-career hires, they say, "Please do not change who you are," fostering an environment where expressing opinions and sharing different viewpoints is welcomed. They lead initiatives to transform management's mindset and create an environment where team members can excel. Furthermore, they are committed to developing employees who will eventually surpass them.

Having leaders who embrace unpredictability and create opportunities to take the first step is crucial for employees who are deeply dedicated to creating happiness. It is precisely this kind of environment that allows us to confidently use the Sekisui House Group as a platform and enjoy taking on new challenges.

→ P.30 Our Foundational Values

