

# VALUE REPORT 2025

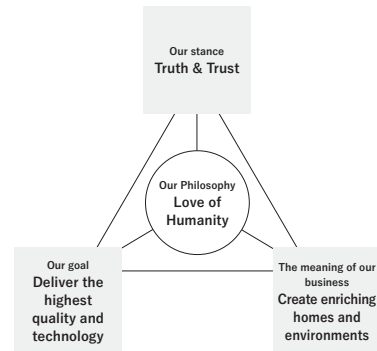
— OUR IMPACT



For the year ended January 31, 2025

SEKISUI HOUSE, LTD.

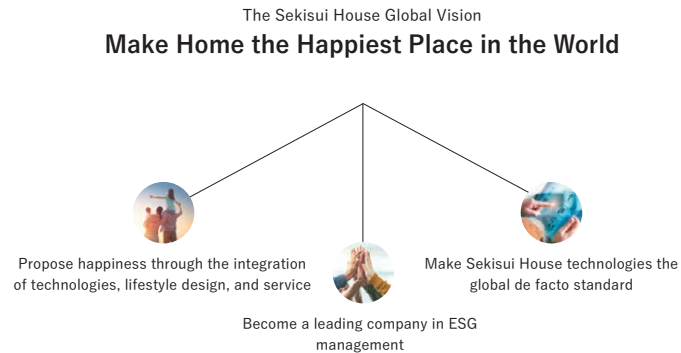
## Corporate Philosophy



### Our Purpose

In 1989, 30 years after our founding, we defined our Corporate Philosophy through discussions with all employees. At the heart of all our business activities lies our fundamental Corporate Philosophy "Love of Humanity," which reflects our desire to bring happiness to others.

## Global Vision



### Our Vision

Established in 2020, the Global Vision and three sub-visions express the Sekisui House Group's aspiration to create new value that contributes to happiness in the era of the 100-year lifespan and represent our promise to the future.

## 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 Identity

SEKISUI HOUSE\_SHIP, established in 2024, defines the kind of group we strive to be in order to realize our Global Vision and serves as a guiding principle for each employee across the Sekisui House Group.

# Message from the CEO

## The Sekisui House Group Creates and Amplifies Happiness through Innovation and Communication.

### Yoshihiro Nakai

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

### Promise to the Future

What can the Sekisui House Group leave for the future? Ultimately, I believe that a company's true purpose is defined by how it confronts this question and brings its answers to life.

Since our founding in 1960, Sekisui House has been committed to contributing to society through housing. Guided by our Corporate Philosophy of "Love of Humanity," we have consistently created value that meets the evolving needs of the future. Over the decades, this journey has deepened our sense of responsibility for what lies ahead.

This commitment is embodied in our efforts to

create beautiful, high-quality housing stock, protect the environment through our "Green First" initiatives, and support the happiness of children—our most precious treasure for the future—through our "Kids First" initiatives. These represent our promises to the future and the responsibilities we are determined to uphold.

Driven by our Global Vision, "Make Home the Happiest Place in the World," we embrace the mission of creating a happier future. As we fulfill these promises, we remain dedicated to creating enduring value by nurturing happiness that begins in our homes and reaches far into the future.



## Message from the CEO

### Creating Beautiful, High-Quality Homes as Social Infrastructure

The value we aim to pass on to the future is high-quality housing stock. Founded with a mission to protect people's lives and property, Sekisui House has continuously advanced its technical expertise and construction capabilities while pursuing ever-greater safety and durability in homes.

I see housing as a vital form of social infrastructure that supports people's lives. To preserve its value over time, proper maintenance is of course essential, but I believe that "beauty" is equally important.

Beautiful homes stay in people's memories, shape the character of neighborhoods, and help nurture culture as they are passed down through generations. Creating this kind of enduring social infrastructure is both our heartfelt aspiration and our mission in homebuilding.

In FY2023, we launched "life knit design," a new system for proposing designs that weaves our customers' sense of beauty into their homes. Going beyond superior functionality and harmony with the surrounding landscape, we aim to deliver living spaces where daily life is woven with lasting fondness, realizing a future where homes themselves create happiness.

Thirty years have passed since the Great Hanshin-Awaji Earthquake and Japan continues to



experience frequent, major earthquakes. Today, we find ourselves at a point where we must once again consider what seismic resistance in housing truly means.

Currently, around five million of Japan's approximately 29.2 million detached houses were built under outdated, pre-1981 seismic resistance standards. These homes pose a significant risk of collapse in the event of an earthquake. Furthermore, even homes that meet the current seismic resistance standards have limitations. Of the three seismic resistance grades defined in Japan, Seismic Grade 1 represents only the minimum level required to protect life. Past surveys show that approximately 23% of houses suffered major damage or collapse during earthquakes, making continued living impossible and often forcing residents to evacuate or rebuild.

A home that enables daily life to continue even after an earthquake represents true social value. For this reason, I believe that Seismic Grade 3—which represents the highest level of seismic resistance under Japan's building standards, designed to minimize damage and allow residents to remain in their homes—should become the new standard.

We have maintained a record of zero destroyed or damaged homes during major earthquakes and are expanding this proven track record and technical expertise overseas. Additionally, our unique "foundation direct joint construction method," which connects foundations and columns directly, is combined with Seismic Grade 3 and adopted as the standard for houses in our new ready-built detached housing business launching in FY2025. Furthermore, we are making our original seismic resistance technology widely available through our Skeleton and Infill (SI) Business, the industry's first joint construction business. By FY2029, we aim to deliver an annual supply of 1,000 homes by leveraging Sekisui House Construction's high-precision construction

capabilities and collaborating with a total of eight partner companies starting in January 2025.

Creating high-quality housing stock where people can continue to live with safety and peace of mind—while building a legacy of beautiful homes that will be loved for generations—is our responsibility and our approach to value creation.

### Building a Sustainable Future with Green First

Another form of value we hope to pass on to the future is our long-cherished "Green First" initiative. In pursuit of living in harmony with nature, we have worked closely with our customers to deepen understanding and advance housebuilding that combines comfort with environmental consideration.

It all began with a simple yet impactful idea: installing double-glazed windows in the south-facing first-floor living rooms of homes. From there, our technology has evolved to enhance window insulation and improve overall insulation performance, leading to homes capable of reducing CO<sub>2</sub> emissions by 30% and even 50%. This progress has been made possible through the relentless technological innovation of our development teams.

These efforts have led to the development of net zero energy houses (ZEH) that deliver comfort, beautiful landscapes, coexistence with nature, and environmental consideration. In FY2024, we achieved ZEH rates of 96% for detached houses and 77% for rental housing, contributing to broader societal decarbonization.

Launched in 2001, the *Gohon no Ki* Project promotes garden design using tree species native to local regions. With the support of our customers, we have planted a total of 20.69 million trees across Japan. We have also published a "Nature Positive Methodology," a framework for quantitatively evaluating biodiversity conservation outcomes, which is now being used for corporate green space evaluations.



We are also extending the *Gohon no Ki* Project and the concept of *Keinen bika*—creating landscapes that grow more beautiful over time—to our overseas condominium and residential land developments. These initiatives promote greenery and support biodiversity conservation on a global scale.

In December 2024, we announced a new initiative for the future of housing: a commitment to review over 30,000 housing components and achieve homebuilding using only recycled materials by 2050 through our "House to House" project. Under the theme of "Let's remake the way we build," this bold initiative seeks to fundamentally rethink the way homes are constructed. We will work in collaboration with partner companies and stakeholders to transform the future of the housing industry.

### Nurturing Tomorrow's Treasure with "Kids First"

A third value we wish to pass on to the future is the happiness of children.

Children are our greatest treasure for the future. We believe that nurturing this irreplaceable treasure together as a society and contributing to their happiness is one of our important responsibilities. This is why we are committed to actively engaging in our "Kids First" initiative.

## Message from the CEO

Currently, the happiness of children in Japan remains relatively low compared to other developed countries. When I learned this, I found myself reflecting: no matter how beautiful our homes or townscapes may be, if the people living there are not truly happy, can we say we have created lasting value for the future?

“What can we do to ensure people can continue living happily?” By repeatedly asking ourselves this question, we arrived at the idea of nurturing children’s rich emotional and sensory development.

It is said that everyone possesses an innate sense of beauty, and that through moments that move our hearts, we discover our own path to happiness. One winter morning, I watched as snow settled gently on the trees in my garden, sparkling in the morning light. On another day, I saw a small bird darting among the branches, thinking it was a cuckoo, only to realize with a smile that it was actually a Japanese white-eye. I, too, experience these small, unexpected moments in daily life that quietly move my heart. Such modest surprises and chance encounters remind me, “Perhaps this is what happiness truly is.”

What we can do for children, our greatest treasure for the future, is to create opportunities for emotional and sensory development. Some children imagine stories merely from the patterns they see on a wall, while others feel the world in their own unique rhythm. It is okay for each child’s way of sensing, noticing, and finding joy to be different. What truly matters is that their daily lives include moments that touch their hearts.

To bring this vision to life, we will open JUNOPARK, an experiential housing “edutainment” facility that blends education and entertainment, in August 2025. As the flagship of our “Kids First” initiative, this facility will offer experiences that help children cultivate emotional and sensory development and discover their own happiness.



The experiences children gain here will remain with them as small “dots” that one day connect into “lines,” empowering them to envision and shape their own futures. I sincerely hope that children, enriched by these experiences and a deepened sense of beauty, will enjoy their daily lives and one day become the innovators of tomorrow.

We have also continued efforts to support the happiness of our employees and their families. Our paternity leave program, launched in 2018, has maintained a 100% usage rate for six consecutive years. As part of this initiative, we developed the “Family Meeting Sheet,” which receives over 13,000 annual visits on our website, reflecting growing awareness of a society where taking parental leave is normalized for everyone.

If each of us takes action for the happiness of children, the future will surely become even happier. We sincerely hope to be a trusted partner in creating that “Kids First” future together.

Even in an age of advancing AI technology, moments in everyday life that quietly move our hearts and our inner sense of beauty remain essential to happiness. Precisely because technology is evolving so rapidly, we believe it is more important than ever to stay close to people’s hearts and cherish experiences that nurture this sense of beauty.

## Continuing to Uphold “Love of Humanity”

These promises to the future represent a long-term mission grounded in enduring values that transcend generations. In management, I believe there are things that must change and things that must never change.

No matter how times may change, one thing must remain unchanged: our Corporate Philosophy of “Love of Humanity.” This philosophy, which calls on us to “wish for the happiness of others, make their joy our own, and act with integrity and in the spirit of service,” is the foundation of who we are.

I was not personally present during our founding years, but I have read and reread our “30-Year History,” a book that best captures our founding spirit, so many times that its pages are worn. What it describes is not a smooth, untroubled journey, but the story of our predecessors who held firmly to their beliefs and pursued reforms while confronting harsh realities. The determination behind their decisions, their unwavering integrity, and the joy they found on the other side of those reforms come vividly to life on every page. Each time I read it, I feel a renewed sense of commitment to carrying on their spirit.

Since assuming a management role, I have encountered moments that require deep reflection. At those times, I ask myself: “If we truly understood ‘Love of Humanity,’ would this have been the decision?” Our Corporate Philosophy serves as a compass, guiding us toward the right path, and I am convinced that it holds true meaning only when it is actively put into practice in our daily work.

Last year, an employee who joined Sekisui House with a diverse professional background shared something that truly resonated with me: “Reading the 30-Year History gives me a sense of

the kind of company you want to build.” It gave me confidence that our founding spirit continues to be understood and embraced. What we choose to preserve, what we choose to change, and where we aim to go—if those choices form a clear and coherent direction, I feel confident that the future of the Sekisui House Group is in good hands.

This April, with the hope that all employees would connect with our founding spirit, we created a compact, updated edition of the “30-Year History” and distributed it to all Group employees. We are also preparing an English version to share with our colleagues overseas. I hope that, in their own ways, everyone will be able to connect even a little with the intentions and values of our predecessors.

For me, this “30-Year History” serves as a touchstone for my approach to management, a book that challenges me with the question, “How will you carry this spirit forward to the next generation?” I remain committed to preserving our founding spirit and the ideals our predecessors cultivated.



## Message from the CEO

### What Must Change to Create New Value

While continuing to uphold our Corporate Philosophy of “Love of Humanity,” I believe that creating new value and fulfilling our responsibilities to future generations requires the courage to change what must be changed.

We define the first 30 years since our founding as Phase 1, a period in which we provided the value of “safety and peace of mind” in housing. Phase 2, starting in 1990, focused on enhancing “comfort and environmental consideration.” Since 2020, we have entered Phase 3, guided by our Global Vision to “Make Home the Happiest Place in the World.” In this phase, we are working to create new forms of value for the era of the 100-year lifespan, with a focus on “health, connectedness, and learning.”

To realize this Global Vision, we are advancing a range of reforms. At the heart of these efforts are three essential forces: employee autonomy, strengthened expertise, and enhanced collaboration across the Group.

#### Employee Autonomy, a Vital Driver of Change

The first key component is employee autonomy. When I refer to “autonomy,” I mean something very



simple: making decisions about yourself and taking full responsibility for those choices. Taking an extended leave to be with family or choosing flexible working hours to care for loved ones—these choices are excellent examples of true autonomy.

Back in 2003, although I was not in an executive role, I felt a strong sense of urgency that “We cannot continue this way.” I believed that the Company could not remain competitive if employees simply followed instructions without developing a sense of ownership. With that belief, I initiated our self-directed career development training.

At the time, the concept of “autonomy” was not widely recognized, and there were concerns such as, “If we offer this kind of training, employees will leave the Company.” But culture cannot be built by systems alone. Establishing a new norm requires time, consistency, and ongoing practice.

Twenty years have passed since then and the seeds we planted are beginning to flourish and becoming embedded in our corporate culture. I witnessed this firsthand at the FY2024 Women’s Sales Representative Conference. Each participant spoke in their own words about their careers, their passion for their work, and the time they spend with family. Their ability to choose their own workstyles while also delivering strong performance reflected a deep sense of confidence and fulfillment in “choosing their own path.” It was a moment that affirmed our culture of autonomy is truly taking root.

I also recall a male employee at one of our branches who approached me and said, “I took childcare leave. Thank you for this great system.” His words conveyed not only appreciation but also a sense of reassurance that his personal choice was respected and supported within the workplace.

There was a time when simply following the Company’s instructions and staying in step with those around you was enough for growth. However, in today’s dynamic environment, where societal



norms and values are rapidly evolving, it is increasingly essential for employees to act autonomously in their roles and share ideas based on their individual sense of beauty and values.

Our sustained efforts over the past 20 years—including self-directed career development training, initiatives to advance women’s careers, and managerial mindset transformations—have become a source of strength for the Sekisui House Group. Today, the vision of the Company we have long aspired to build is beginning to take shape as a tangible reality. This past year, I truly felt a clear and encouraging sense of progress toward that goal.

#### Strengthening Expertise to Deepen Core Competencies

The second key component is strengthening expertise. To achieve this, we have established specialized companies within the Group, giving each the independence to take on new challenges. By enabling these companies to deepen their knowledge and experience in their respective domains, we are steadily enhancing the overall competitiveness of the Group.

For example, Sekiwa Construction, Ltd., established in 1973, has supported our high-quality construction by developing a unique system of responsible construction. Having an in-house Group

company specialized in foundations and framing is a distinctive strength unique to Sekisui House.

The company was reorganized into Sekisui House Construction Holdings, Ltd. in 2023, strengthening its construction capabilities. This transformation included welcoming a large number of skilled housing technicians, known as “crafters,” enabling us to maintain a stable and reliable construction workforce aligned with our domestic order volume. These robust construction capabilities were the key factor in realizing the previously mentioned Skeleton and Infill (SI) Business. Furthermore, in our U.S. homebuilding business, under the SHAWOOD and New 2x4 brands, we are transferring the highly precise construction systems developed in Japan.

The core competencies we have inherited from our predecessors—technical expertise, construction capabilities, and customer base—remain our enduring strengths, and it would be a missed opportunity not to fully leverage them. I speak about these core competencies at every opportunity, both in Japan and overseas. This is because our strengths represent truly “unparalleled value”—exceptionally rare even on a global level. Our approach to value creation is to build strategies based on core competencies we have continuously refined under the founding spirit, and further evolving them to create new value.

In FY2025, we are implementing various reforms to further strengthen our customer base of over 2.7 million homes, developed through our 98% custom-built homes and condominium business.

In February 2025, we established Sekisui House Support Plus as a separate entity, establishing a framework that enhances regular inspections and after-sales services in addition to delivering new service proposals.

We also launched Sekisui House Sha Maison PM to strengthen asset management for property owners and improve services for residents, with

## Message from the CEO

the goal of becoming Japan's top property management company.

Additionally, we established Sekisui House Real Estate to further strengthen expertise as a real estate company strong in housing. In addition to existing services such as brokerage, sales, and inheritance support, we will introduce high-quality land to customers seeking to build new homes.

### Enhancing Group Collaboration

While strengthening expertise enhances competitiveness, it also carries the risk of creating organizational silos and weakening collaboration. Today, the Sekisui House Group comprises 376 companies in Japan and overseas, each continuously refining its specialized expertise while enhancing its agility and responsiveness as a professional organization.

However, because we specialize in housing-centered business domains, I am confident that strengthening the expertise of each company will not lead to divisions. Instead, the diverse expertise across our companies connects organically, like forming a cohesive circle, aligning their efforts toward a shared future.

I have pursued organizational restructuring and the establishment of specialized entities that leverage this structural strength to create synergies where 1+1+1 becomes 5 or even 6. Specialization and collaboration are not in conflict but mutually reinforcing. This is precisely the kind of approach that only the housing-centered Sekisui House Group can achieve.

Accordingly, we have positioned “Group collaboration” as one of our key strategic themes. By bringing together each company's strengths, understanding one another's capabilities, and combining them effectively, we will further accelerate value creation across the entire Group.

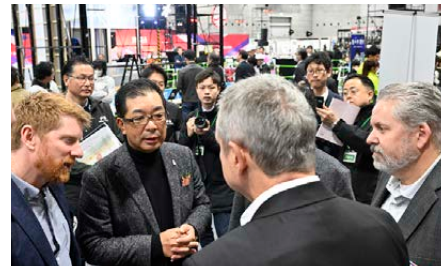
## Aligned Efforts: The Strength of the Sekisui House Group

Something happened recently that made me genuinely pleased. It was during the visit to Japan by the new CEO and other senior executives of M.D.C. Holdings, Inc. (MDC), a U.S. homebuilder that joined our Group through M&A last year.

The post-merger integration (PMI) aimed at unifying our four U.S. companies into “One Company” has been progressing remarkably well. Reflecting on why these four companies have been able to communicate actively and work together so effectively, I was reminded that it ultimately comes down to having an alignment of efforts.

“We want to firmly establish Japanese technology in the United States.” “We want to deliver high-quality homes that bring happiness to our customers.” This common aspiration is what truly connects our four U.S.-based companies and serves as a powerful driving force. As a result, positive ideas continue to emerge and a stronger sense of unity is taking shape across the team.

What stood out to me was the mindset of MDC's CEO. He shared that he keeps a broom in his car when heading to sites so he can personally clean up whenever he sees something that needs attention.



He told me, “I learned from Japan the importance of maintaining clean job sites, so that's where I start.”

The core objective of our M&A strategy in the overseas business is to transfer Sekisui House technology internationally and create high-quality housing stock. In pursuing M&A, we have placed great importance on a shared commitment to housing quality, technological expertise, the values embedded in our work, and a deep empathy for our “customer-first” philosophy rooted in our Corporate Philosophy.

Hearing this story reaffirmed that the four U.S. companies we have welcomed through M&A truly meet the standards we value, and that our decision was indeed the right one. At the same time, it was also a moment that gave me a strong sense that genuine “integration” is steadily progressing.

Of course, there are challenges as well. In February 2025, we assigned about 20 technical personnel from Japan to the United States to begin activities aimed at ensuring design and construction quality. Bridging the gap between U.S. practices, which lack certain standards, and Japan's strict, millimeter-level quality benchmarks is the first step in transferring Sekisui House technology. Our colleagues in the U.S. are also approaching this initiative with dedication, and departments across our Japan head office are actively contributing. As a Group, we are truly advancing together into a new stage.

## A Company Where Innovation and Communication Thrive

Our slogan for creating new value is “Innovation and Communication.”

When we hear the word “innovation,” we often think of major inventions or technological breakthroughs. But I believe it truly begins in more familiar, everyday places. It starts with reexamining

how we work, questioning assumptions and habits, and asking whether there's a better way to serve our customers and society. From my own experience, I am convinced that employees who remain alert and curious each day are best positioned to discover the seeds of innovation.

There is a memorable story involving Soichiro Honda and the U.S. launch of the Super Cub. In Japan, the motorcycle was used for deliveries and commuting, but in the U.S., it was embraced as a weekend leisure vehicle. By keeping the technology unchanged but redefining its “usability value,” they created an entirely new market and culture.

This kind of shift in thinking aligns with the concept of “Creative Destruction,” which I personally find compelling. The term may sound a bit harsh, but I am drawn to its positive meaning. It is not about destruction for its own sake, but about having the courage to boldly reassess and, when necessary, break free from existing frameworks.

We are beginning to see these mindsets take root across our Group. Through the Sekisui House Innovation & Performance (SHIP) Awards Program, launched in FY2021, a number of employee ideas have already been realized as new businesses or systems. We have also launched a new initiative that combines employee ideas with joint donations from employees and the Company, turning those ideas into meaningful social contribution projects. Seeing our employees ask questions, think deeply, experiment, and bring their ideas to life gives me tremendous hope.

Of course, not all ideas are accepted immediately. But having colleagues and supervisors who are willing to listen and engage in open dialogue is a powerful source of encouragement.

An organization that fosters innovation requires both those who generate ideas and those who receive and help cultivate them. I have personally experienced many moments when conversations with others led to breakthroughs I could never

## Message from the CEO



have reached on my own.

When autonomous employees share their ideas and engage in open dialogue, that very communication can become the spark for innovation. That is why our slogan, “Innovation and Communication,” expresses a relationship where the two are inseparable—each fueling and strengthening the other. I am committed to building a company where innovation and communication thrive, and to delivering new value together with all of you.

## Steadily Achieving Our Mid-Term Management Plan Over Three Years

Under the Sixth Mid-Term Management Plan, launched in FY2023, we adopted the fundamental policy of “stable growth in Japan and proactive growth overseas.” Over the past two years, we have consistently delivered strong results. In FY2024, we achieved record-high net sales of ¥4,058.5 billion and operating profit of ¥331.3 billion. I have long promised our stakeholders that we would achieve our targets over the full three-year period, and we are steadily progressing toward that goal by responding effectively to changes in the business environment.

In Japan, despite ongoing challenges such as

rising prices and material costs, we have maintained solid performance, particularly in our built-to-order and supplied housing businesses, achieving stable growth. This domestic stability forms the foundation of our business and supports future expansion. Our business portfolio, organically centered around housing, is rare even by global standards. It is this strong domestic foundation that gives us the confidence to pursue overseas expansion with conviction.

In the U.S., our first SHAWOOD lots-for-sale development, Sommers Bend, was honored with Gold Awards in four categories at The Nationals 2025, hosted by the National Association of Home Builders (NAHB) in March 2025. We are deeply pleased that our pursuit of “happiness”—through excellence in technology, design, townscapes, and lifestyles—was so highly recognized.

While the U.S. housing market continues to face uncertainties such as high interest rates and potential policy shifts, a persistent housing shortage and strong demand for high-quality homes remain. By carefully managing the timing of sales and development, we aim to supply approximately 15,000 units in FY2025 and 20,000 units annually by FY2031, as we work to firmly establish the Sekisui House brand.

We have now begun our discussions on our next Mid-Term Management Plan. For us, the plan is more than a roadmap—it is a shared language that aligns all employees toward common goals. Each three-year cycle strengthens our foundation for sustainable corporate growth and reinforces our commitment to the future. The key to enhancing both the effectiveness and realism of the plan lies in how much insight and passion we are able to invest in it. We will work together to identify the areas where swift change is needed, and those where continuity is essential, as we shape the next three years.

## A Future Where Our Contribution Adds Enduring Value to Society

At the Sekisui House Group, our identity is shaped by three guiding pillars: Corporate Philosophy, Global Vision, and SEKISUI HOUSE\_SHIP. Each holds distinct meaning and importance, yet together they form an integrated framework that naturally guides our actions and decisions.

I am sometimes asked why these principles are not arranged in a hierarchical structure, such as a pyramid. The reason is that they are not meant to be imposed from the top down. Rather, they are values to be embraced and expressed by each individual, guided by their own sense of purpose and judgment.

With our Corporate Philosophy, “Love of Humanity” as an enduring foundation, we think independently, make choices, and take actions that embody the unique characteristics of Sekisui House in pursuit of our Global Vision. Rather than following someone else’s instructions, we shape our careers through our own will, connecting our Corporate Philosophy and Global Vision to our individual actions. As we strive to build an organization made up of such individuals, we value the genuine internalization of these principles far more than the convenience of “imposing order through structure.”

To support these values, we revised our compensation structure this fiscal year. While maintaining the annual performance bonus, we transitioned the two semiannual bonuses to a fully performance-based model. This more differentiated approach is designed to foster a fair and motivating environment where employees can perform at their best.

In recent years, we have increasingly heard that the Sekisui House Group is “leading the times.” I believe this recognition stems not from high-profile achievements, but from our consistent

efforts to listen closely to our customers and identify the value they truly need.

Today, we are living in an era where people are redefining happiness, workstyles, and the meaning of home based on their own values. We envision homes that promote health, foster human connection, and support lifelong learning. Our mission is to discover and shape these new forms of value for the era of the 100-year lifespan.

“I’m so glad I met Sekisui House.” We strive to create as many moments as possible where people genuinely feel this way. To that end, we are expanding our business both in Japan and overseas by evolving our core competencies and strengthening collaboration across the Group. To remain a valued presence in society, we will continue to lead with initiatives that anticipate future needs and help shape the next era across various fields.

Driven by “Innovation and Communication,” we are committed to creating happiness and amplifying its reach. Together with all Sekisui House Group employees, our trusted partner building constructors in the Sekisui House Association who support our highest quality standards, and all our stakeholders, we will continue to move forward with confidence and strength.

We sincerely invite you to look forward to the continued growth and evolution of the Sekisui House Group.



## Foreword

The Sekisui House Group has delivered more homes than any other company in the world. However, what we value most is not the number of homes, but how each and every home has contributed to happiness and created lasting value. Looking ahead, we are focused on expanding that value and bringing even greater happiness to more people.

To reflect this focus, we have renamed this report from “Value Report – Our Engagement” to “Value Report – Our Impact.” In previous reports, we have shared how we have been involved in value creation.

Going forward, we want to highlight the “positive change” that results from our efforts—the “impact” our homes have on people’s lives and the future. This is the message behind the new title.

We believe a company’s purpose is to create value for society and bring happiness to both current and future generations. For us, this belief is rooted in our Corporate Philosophy, “Love of Humanity,” and expressed in our Global Vision of “Make Home the Happiest Place in the World.”

Since our founding in 1960, we have remained deeply committed to homes, building knowledge, developing technologies, and working closely with our customers, communities, and colleagues across the Sekisui House Group. The many stories of happiness we have created together are the true value of the Sekisui House Group and the driving force behind our ability to shape the future.

Rather than focusing on formality, we want to share these stories and align our vision for what lies ahead. We hope this report encourages open dialogue and becomes a platform for imagining a happier future together. Our goal is not only to “create” happiness, but to “amplify” its impact. We sincerely look forward to continuing this journey with all of you.

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#### Title Concept

#### Creating and Amplifying Happiness


Guided by our Global Vision to “Make Home the Happiest Place in the World,” the Sekisui House Group is dedicated to creating value that brings happiness to our customers, society, and employees. This report communicates two core ideas: “Creating happiness,” representing the value we create and “Amplifying happiness,” reflecting the impact we deliver.

#### Editorial Policy

Since FY2022, we have been publishing the “Value Report,” which combines our Integrated Report and the Sustainability Report to provide a comprehensive view of value creation from both financial and non-financial perspectives.

The FY2025 edition highlights our initiatives to achieve the Global Vision, along with the values and intentions that drive them. For detailed information on ESG initiatives and data, please refer to the separate booklets.

 ESG Fact Book

 ESG Data Book

## STORYLINE

### Our Purpose and Vision

We share the values we have created and the future we aim to build.

### Our Strengths and Activities

We highlight how our core competencies and business activities create happiness.

### Our Long-Term Contribution

We explain how the happiness we create supports a better future.

### Our People and Organization

We introduce the individuals and teams driving happiness creation.

### Our Business Foundation

We present our business strategies and governance that support sustainable growth.

#### Design Intent Behind the Cover

The Sekisui House Group creates a rich tapestry of values through “housing,” supporting happiness that gently flows into the future like a soft breeze. This sense of calm and graceful expansion is captured through delicate circles painted in softly blended watercolor tones, expressing the beauty of that journey.