

04 Transformation

Evolving as One Group

Innovation and Communication

To bring the future we envision to life,
we choose to keep evolving.

Staying curious.

Exchanging ideas.

Creating something new together.

Taking a step beyond yesterday.

Supporting one another's ambitions.

Turning differences into strengths.

That is what we mean by

Innovation and Communication.



Our Organizational Reform Journey

01 A Turning Point for Sekisui House

In 2018, Sekisui House stood at a turning point. While carrying forward the values built since our founding, we recognized the need to evolve in order to remain relevant to society and realize the future we envisioned. To do so, we first had to ask ourselves a fundamental question: What kind of organization did we want to be?

The seeds of innovation lie with the employees who work closest to our customers. Management's role is to create an environment in which those seeds can flourish. During Japan's period of rapid economic growth, simply following directions from above was often enough to achieve success. Today, however, there is no single formula for growth. Sustainable growth can only be achieved when employees bring their own perspectives, values, and ideas to their work.

That is why, alongside structural reforms such as governance reform, HR system reform, and organizational restructuring, we set out to transform our corporate culture. Our goal was to create an environment where frontline voices could be heard and acted upon. The phrase that came to define this effort was "Innovation and Communication."

At the heart of this initiative was a desire to rediscover a value deeply rooted in our Corporate Philosophy, "Love of Humanity": respecting each individual, wishing for the happiness of others, and creating value together with colleagues. We worked to remove barriers to dialogue, encourage people to take on challenges, and ensure that frontline voices would not be overlooked. Transforming the mindset of management became the starting point of our organizational reform.

02 The Company We Wanted to Build

We wanted to build a company where honest opinions could be exchanged freely across organizational and generational boundaries, where people could take on challenges while enjoying both work and life.

Small ideas inspired by customer interactions would be shared with colleagues and supervisors, refined through dialogue, and eventually reach management. Good ideas would be refined, and even failures would be shared as valuable learning opportunities.

In short, we envisioned a company where Innovation and Communication thrive together. We also aspired to be a company guided by a simple principle: if something contributes to customer happiness, it is worth pursuing. When that shared purpose exists, challenges are no longer constrained by department, function, or role. Whether in technology, sales, service, or new business development, people can take diverse approaches toward the same goal.

That was the vision we set for ourselves, and it remains the direction we continue to pursue.

Message from the CEO

"Innovation and Communication" at Sekisui House

The word *innovation* often brings to mind major inventions or breakthrough technologies. For us, however, innovation means something broader. If a small idea or improvement brings happiness to a customer, it can be a meaningful innovation. Seen this way, every employee can be an innovator. *Communication*, meanwhile, means sharing ideas, perspectives, and aspirations. When employees exchange thoughts and engage in dialogue, new value emerges. Sometimes innovation drives communication, and sometimes

communication drives innovation.

Through Innovation and Communication, we will continue creating new value for our customers and society.



Our Organizational Reform Journey

First, We Changed Our Systems

Innovation and Communication. A phrase alone cannot transform an organization. To create an environment where people could take on challenges, we first needed to address the systems that stood in the way. That is why we began by reforming our HR systems.

We started by reviewing how employees were promoted into management roles. Moving away from the traditional seniority-based approach, we opened a path to promotion in as little as five years after joining the Company, enabling employees to take on challenges based on ability and performance.

Career paths and performance evaluation

At the same time, we introduced multiple career paths for managers. In addition to management positions, we created specialist roles that allow employees to contribute through advanced expertise, giving individuals greater freedom to choose the path that best fits their strengths.

We also redesigned our performance evaluation system. Employees are now assessed from both performance and behavioral perspectives, with results reviewed from multiple viewpoints during evaluation meetings. Behavioral factors such as integrity, grit, and the ability to drive change are reflected in

promotion, compensation, and retirement benefits.

We also placed greater emphasis on processes behind results. Innovation was incorporated into the evaluation framework to ensure creativity is properly recognized and rewarded. In addition, we expanded workplace flexibility, giving employees greater autonomy in how they use leave and arrange work hours.

Putting our values into practice

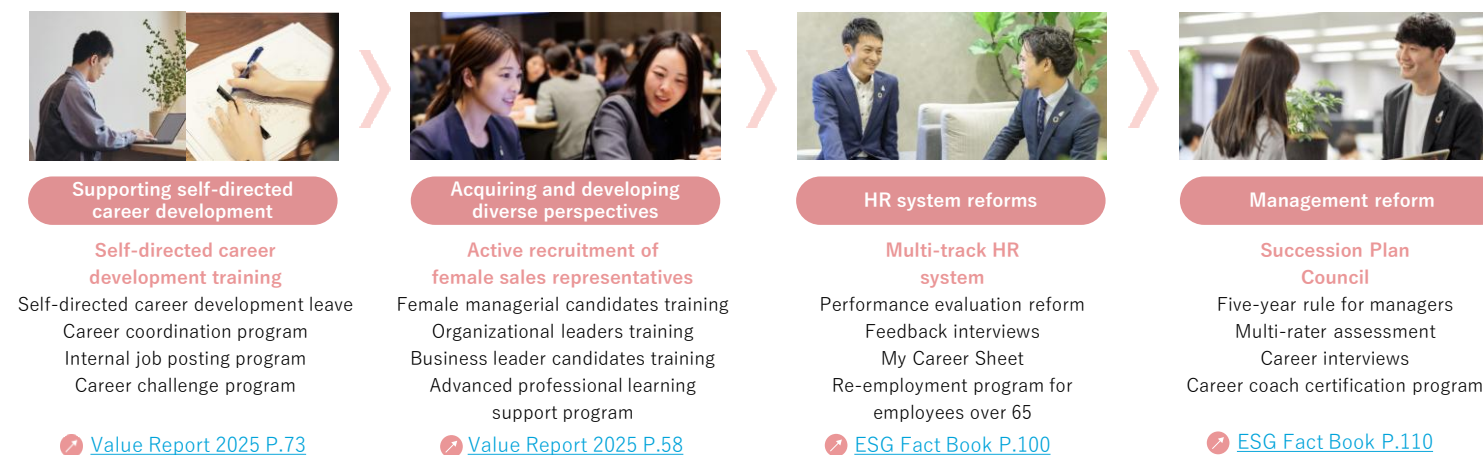
These reforms were designed to create opportunities for those willing to take on challenges, to value both expertise and

leadership, and to place equal importance on results and behavior. In other words, we used our systems to express what we value as a company.

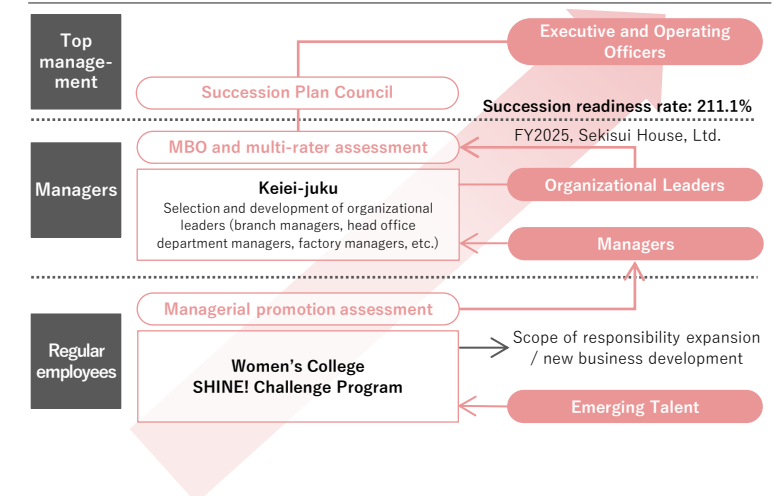
Changing these systems was not about rejecting the past. Rather, it was about choosing a better future. Encouraging people to take on challenges without systems to support them would only have created contradictions within the organization. Likewise, emphasizing dialogue without providing the necessary time or platforms would have been ineffective.

These reforms were one way we sought to align our systems with our aspirations.

Key Initiatives Supporting System Reform



Building a Stronger Business Leader Pipeline



Our Organizational Reform Journey

Next, We Changed Our Management

Changing systems means changing structures. But structure alone is not enough to change an organization. Culture is created by people, and the atmosphere of a workplace is shaped largely by the attitudes of its leaders.

When small ideas and early signs of innovation are dismissed with responses such as “There is no precedent” or “Let’s wait and see,” they quickly fade away.

To change that atmosphere, we reconsidered our approach to management itself. Our goal was to shift from managers who provide answers to leaders who ask questions, and from managing people to supporting them.



The five-year rule for managers

One symbolic change was the introduction of a rule requiring managers to rotate every five years. Employees cannot choose their supervisors. For that reason, we believed it was important to avoid fixed relationships and create an environment where different perspectives and ideas could emerge.

The initiative was driven by a simple idea: changing supervisors for the benefit of their teams.

Redefining the manager’s role

We also introduced career interviews, held five times a year. Supervisors and employees sit side by side, and employees choose the discussion topics themselves.

At first, many supervisors found this unfamiliar. Rather than providing answers, they were expected to listen, wait, and ask questions that encourage employees to develop their own thinking. It required a very different mindset from traditional management.

Open dialogue across hierarchies

To deepen mutual understanding, we also introduced ESG dialogue sessions. Employees discuss specific themes in small groups, exchanging views and listening carefully while respecting different perspectives. We continued these sessions under a simple set of principles.

For an organization previously focused on instructions and oversight, this was not an easy transition. Yet as understanding of different backgrounds and values deepened, employees became more willing to embrace different ideas, gradually changing the atmosphere of the organization.



Managers who could not communicate

The management team took the reform one step further. Managers who were unable to communicate effectively were asked to change. If they could not, they were asked to step away from management roles.

We refused to compromise on managers who could not recognize the seeds of innovation. Through this clear commitment, and the example set by leadership, the importance of both mindset and behavior gradually became embedded across the organization.

Systems and management

System reform changes structures. Management reform changes culture.

Culture does not change overnight, because culture changes only when people change. It was only when system reform and management reform advanced together that the organization truly began to take on a new shape, reinforcing one another every step of the way.

Career Coach Certification Program

Training and certification



Four 7-hour training sessions, including lectures and practical exercises



Written and practical examinations



Certification

Interview analysis



Recorded career interviews



Review of interview and analysis results

Career Interview Survey (July 2025 to January 2026, 8,444 respondents)



95%

Percentage of employees who said their supervisor listened to them:



92%

Percentage of employees who said their supervisor recognized their strengths:

Our Organizational Reform Journey

Then, People Began to Change

The changes brought about through system and management reform gradually began to appear in people's behavior. ESG dialogue expanded across the Group, creating opportunities for discussion across organizational boundaries.

As employees came to understand one another's values and respect different perspectives, a culture emerged where it felt acceptable to be different. People became more willing to share their views and listen to others.

These changes were also reflected in a growing willingness to take on challenges. Since its launch in 2014, every participant in the Sekisui House Women's College has volunteered to join. While the Company creates opportunities, it is employees who take the first step. Their actions gradually shaped a new culture.



- [Value Report 2025 P.58–61 Promoting women's active participation and advancement](#)
- [Promoting D&I](#)

Introducing SHIP: connecting ideas

The Sekisui House Innovation & Performance (SHIP) Awards Program, launched in 2021, became another symbol of this transformation.

Employees post their ideas on an internal platform, attracting colleagues who share an interest. Teams form across departments, generations, and functions, developing ideas through dialogue. Finalists present their ideas and achievements to management and employees across the Group. For the grand prize and runner-up entries, members of management work alongside the teams to help bring ideas to life as businesses or projects.

If the Company's baseball tournament is a tournament of sports, SHIP is a tournament of ideas. A single idea brings together people with different expertise and values. As strengths come together, possibilities and value emerge.



- [Value Report 2025 P.69–72 SHIP Awards Program](#)
- [Supporting self-directed career development](#)

A culture that supports challenges

Just as in a baseball tournament, every challenge has supporters. At the final judging session, colleagues and supervisors who helped develop ideas stand alongside participants. The atmosphere naturally celebrates both those who take on challenges and those who support them along the way.

At the SHIP awards ceremony last year, one award recipient reflected on the experience: "People told me the idea was different from what we had always done and that they did not know how to move it forward. In an environment where a 20-year approach was considered the norm, even recognizing the need for improvement was difficult. At one point, I thought that if this was the reality of the Company, I might leave."

But that was not the end of the story.



Transformation taking shape

"I had a supervisor who opened a path to management. I had a President who backed bold change. I had a Senior Managing Officer who created an environment where I could act freely. Looking back, that may be what makes Sekisui House unique."

Systems create the path. Management provides support. People take on challenges, and the organization celebrates those challenges. When people change, organizations begin to move. When organizations change, new challenges emerge. The phrase we embraced, "Innovation and Communication," is now steadily taking root as part of our culture.

Transformation does not happen in a single moment. It is built through the accumulation of small realizations, challenges, and actions that shape the future.



What Makes Us Sekisui House

The Journey Continues

The transformation we began in 2018 has created real momentum. Our systems evolved, our leadership strengthened, and our people embraced new ways of thinking and working.

Today, we are expanding our business and strengthening our presence across global markets. Our ambition is clear: to bring Sekisui House technologies to the world. At the heart of that ambition is a deep respect for people and an unwavering commitment to our customers. These values are embedded in our technology, craftsmanship, and everything we build. These values have defined who we are for generations, and they enable us to contribute to happier lives around the world.

Redefining who we are

As we continued to evolve, we found ourselves returning to a fundamental question: “Who are we?” To grow as a global company, we needed a shared foundation that could unite us across countries, businesses, and cultures, providing a common compass that would remain constant wherever we operate.

In 2022, we began defining our Corporate Values. We reflected not only on how we want to be seen by our customers and society, but also on who we want to be as the people who make up Sekisui House. Those discussions led to the creation of “SEKISUI HOUSE-SHIP” in 2024. SEKISUI HOUSE-SHIP expresses the values and behaviors that unite us as one team.

It reflects the kind of people we aspire to be and the culture we want to build together. In many ways, it represents the essence of who we are.

In February 2026, we also introduced our Integrity Code. Rather than a rulebook, it serves as a guide for continually asking ourselves a simple question: *What does it mean to act as a member of Sekisui House?*

Neither initiative was imposed from above. Both were shaped through dialogue among employees across the Sekisui House Group. Together, they represent our renewed understanding of what it means to be Sekisui House.

Bringing our values to the world

Our goal is to bring the spirit of “Love of Humanity” that has guided us throughout our history to people around the world. Cultures and histories may differ, but shared values create connections that run deeper than those differences. Before we share our technology and business expertise, we must first share the values that define us.

As one team united by a common purpose, we continue working toward our Global Vision together. No matter where we operate, that foundation remains unchanged.

We do not view change as the destination. We will continue to challenge ourselves and raise the bar. Our journey continues.



Growth Calls for a Return to Our Roots

Sekisui House began in 1960 with just 34 employees. By 1990, our workforce had grown to more than 10,000 people. As we continued to grow, we believed it was important to revisit the principles on which we were founded. In 1989, we established our Corporate Philosophy, followed by our Code of Conduct the next year. Guided by these shared values and beliefs, we continued our journey of growth.

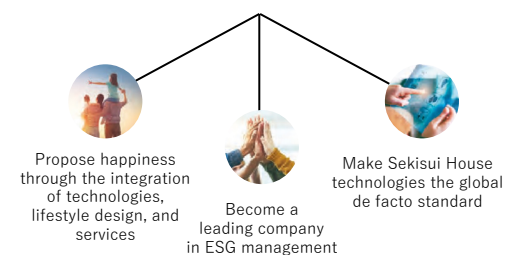
The Beginning of Our Third Phase

Under our NEXT SEKISUI HOUSE 30-Year Vision, we established our Global Vision: “Make Home the Happiest Place in the World.”

As We Prepare for the Next Stage of Growth

Today, nearly 30,000 employees across the Sekisui House Group are working together to build our next chapter of growth. As we expand globally, we believe it is more important than ever to deepen our understanding of the values and culture that define us. This belief led to the creation of our Corporate Values, “SEKISUI HOUSE-SHIP,” and our Integrity Code. By thinking, acting, and making decisions based on these shared principles, each of us plays a role in strengthening what it means to be Sekisui House.

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



What Makes Us Sekisui House

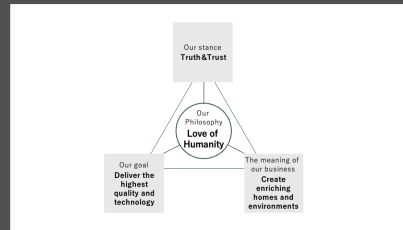
Our Global Vision is supported by our Corporate Philosophy, the aspirations embodied in “SEKISUI HOUSE-SHIP,” and our Integrity Code, grounded in the belief that “each and every one of us is Sekisui House.” Rooted in our enduring philosophy of “Love of Humanity,” we bring the best of

Sekisui House to everything we do. By acting with integrity, upholding the highest ethical standards, and working together with colleagues across the world, we will continue creating value for generations to come.

Our Corporate Philosophy

Our Origin

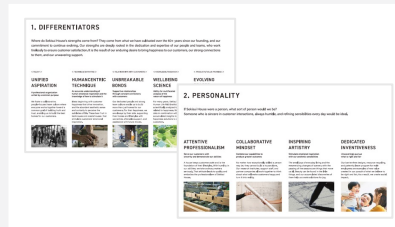
Our purpose, rooted in the fundamental philosophy of “Love of Humanity”



Corporate Values

Our Distinction

The corporate identity we aspire to, expressing what makes us uniquely Sekisui House



SEKISUI HOUSE-SHIP

Our Aspiration

A guide for creating value with pride and responsibility

- 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.

Integrity Code

Our Integrity

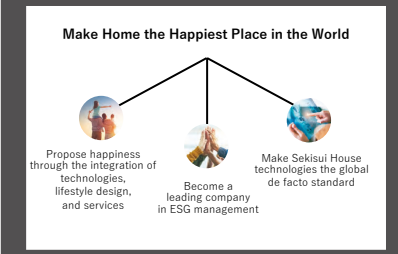
The principles that guide our actions and decisions every day



Global Vision

Our Future

The future we seek to create through our business



The Thinking Behind the Name SEKISUI HOUSE-SHIP

In English, the suffix “-ship” is often attached to a noun to create an abstract noun, with many positive examples such as partnership, leadership, friendship, and sportsmanship. Following this convention, we wanted to create a watchword by combining it with our company name.

“SHIP” expresses the unique identity of the Sekisui House Group, while also evoking the sense of unity of a Group sailing together on the same ship toward the same destination.

SEKISUI HOUSE-SHIP Alignment



87.4% 22,137 employees

Employees who identify with SEKISUI HOUSE-SHIP and work with a strong sense of professionalism



86.9% 21,997 employees

Employees who understand the importance of creating new value through Innovation and Communication

FY2025 Governance Awareness Survey Respondents: 25,323 employees of domestic Group companies % responding “Strongly Agree” or “Agree” [Value Report 2025 P.68–78](#) [SEKISUI HOUSE-SHIP](#)

What Makes Us Sekisui House

Bringing SEKISUI HOUSE-SHIP to Life

SEKISUI HOUSE-SHIP was established in 2024. Since then, we have focused on deepening understanding through dialogue among employees. Values do not take root simply because they are communicated. They become meaningful when each of us reflects on them through our own experiences, puts them into words, and listens to the perspectives of others. Through this process, shared values become more personal and meaningful.

For us, dialogue serves a purpose beyond understanding. It helps turn shared values into empathy, and empathy into action.

It started with ESG dialogue

Our commitment to dialogue began with the ESG dialogue program launched in 2020. Rather than treating ESG as a set of policies, we connected it to our Corporate Philosophy. Through conversations with colleagues, we encouraged employees to reflect on what ESG means in their daily work and how it relates to their own roles.

In 2022, employees took part in a cumulative 42,870 hours of dialogue. Beyond deepening understanding, many participants reported positive workplace changes, demonstrating the power of dialogue in sharing values.

Empathy drives action

Beginning in 2024, our dialogue initiatives focused on SEKISUI HOUSE-SHIP. In 2025, 14,163 employees responded to a post-dialogue survey. Through discussions around the phrases that resonated with them and the perspectives shared by colleagues, many reported changes in their own thinking and behavior.

Our goal is not dramatic transformation. It is the accumulation of small insights and moments of understanding. Over time, these experiences influence individual actions, create positive change in the workplace, and eventually spread throughout the organization.

Strengthening what makes us Sekisui House

The Integrity Code, established in February 2026, will also be brought to life through dialogue across our Group companies around the world.

Looking back, dialogue has deepened our understanding of important themes, including our Corporate Philosophy, ESG initiatives, happiness, and SEKISUI HOUSE-SHIP. As our business and organization continue to grow, the essence of Sekisui House remains unchanged. That continuity is built through dialogue, where our values are shared, strengthened, and passed on to future generations.

FY2022 | Impact of ESG Dialogue



% responding "Agree" or "Somewhat Agree"
Post-dialogue survey,
responses from 580 business locations (cumulative)

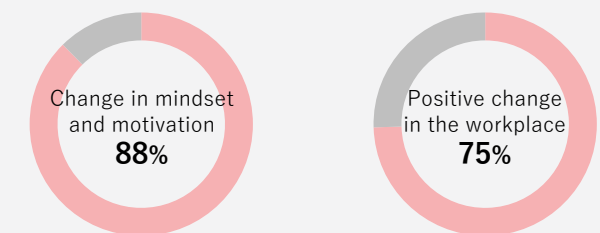
Employees reported positive changes, including: "People have become more willing to share ideas and speak up." "We are making progress toward greater mutual understanding, collaboration, and a more open workplace culture."

FY2025 | Employee Feedback on SEKISUI HOUSE-SHIP Dialogue

- "Our roles may be different, but the dialogue reminded me that we are all contributing to our customers' happiness."
- "I connected with the direction we are pursuing and felt even more proud to be part of Sekisui House."
- "When dialogue sessions are announced, people often wonder who they will talk with and what the conversation will be about. Once the dialogue begins, however, participants engage openly and positively. People genuinely enjoy conversation and communication, and regular opportunities for dialogue help create an environment where innovation can thrive."



FY2025 | Impact of SEKISUI HOUSE-SHIP Dialogue



% responding "Significant Change" or "Some Change"
Post-dialogue survey, 14,163 respondents

Employees reported positive changes, including: "The shared desire to improve has encouraged more open and active discussion." "We are seeing more thoughtful interactions, whether it is a word of encouragement or simply asking a colleague, 'What do you think?'"

What Makes Us Sekisui House

Building the Integrity Code Together

The Integrity Code, established in February 2026, serves as a guide for putting our Corporate Philosophy of “Love of Humanity” and “Truth & Trust” into practice every day. It defines the principles we uphold as members of the Sekisui House Group. From the beginning, we believed that the Integrity Code should not simply be issued by management. It should be shaped by the people who bring it to life through their daily work. In August 2025, we deliberately shared a draft version before it was finalized.

Through a dedicated intranet site, company publications, workplace discussions, and workshops across our global Group companies, employees were encouraged to reflect on what integrity means in their own work and decision-making. Their feedback helped us improve the content by simplifying the language, reducing the volume of text, adding practical examples, and incorporating diverse perspectives from across the Group. This page highlights the development process, how employee perspectives evolved over time, and our initiatives from 2026 onward to deepen understanding and encourage practical application.

[Sekisui House Group Integrity Code](#)

Developing the Integrity Code

Embedding the Integrity Code

August 2025

Completed in February 2026

Dedicated intranet site
Internal newsletter communications

Employee feedback and consultation
Workplace discussions across domestic and international Group companies

Responses to employee questions through intranet FAQs
Revisions based on employee feedback

2026 and beyond
From awareness to understanding to action



Sekisui House branch offices



Sekisui House Construction

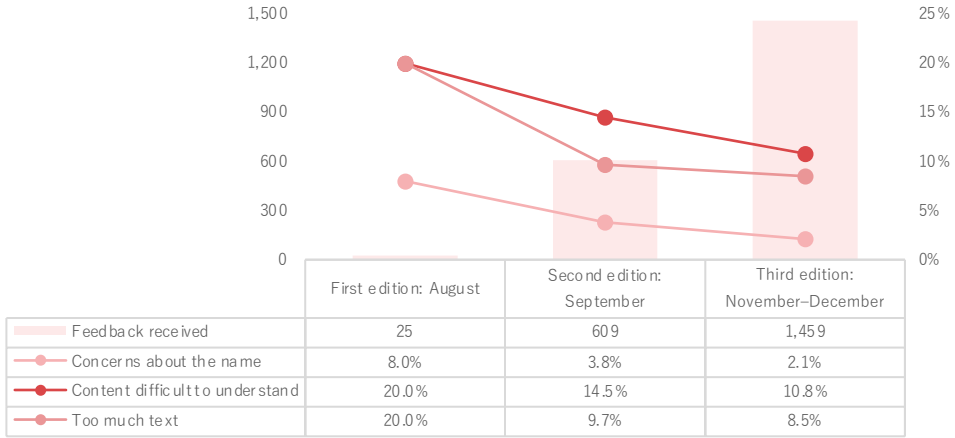


Sekisui House Support Plus



NORTH AMERICA
SEKISUI HOUSE

Employee feedback during the development of the Integrity Code



- Explanatory videos for all employees
- Mobile app access for all employees
- Executive dialogue sessions on the Integrity Code and Corporate Philosophy
- Integrity-focused human rights and compliance training for all employees
- Integrity dialogue sessions for all employees
- Integration of the Integrity Code into leadership and career development programs
- Group-wide employee awareness survey

What Makes Us Sekisui House

Every Voice Helps Shape the Future



Keiko Yaguchi
Operating Officer in
Charge of Human Rights
and Compliance
Promotion,
Sekisui House, Ltd.

The Integrity Code began with a simple idea. As the Sekisui House Group continues to grow around the world, we wanted a guide that is clear, practical, and easy to relate to, something that anyone can turn to when faced with a difficult decision, rather than a complicated set of rules.

What matters most for our future is not a set of rules imposed by the company. It is a

shared commitment built by people who choose the kind of company they want to be part of. That is why we placed such importance on ensuring that everyone could participate in the process.

By keeping the process open and transparent, we received far more feedback than expected. We welcomed not only positive comments but also candid criticism. Based on employee feedback, we revised the draft repeatedly, improving its clarity and message with each version. As a result, the Integrity Code became easier to understand and more meaningful.

We hope employees can see their own ideas reflected in the Integrity Code and how it evolved through their contributions. Above all, we hope it is seen as something that belongs to all of us.

Employee Comments



Learning that the Integrity Code was not something decided by a few people, but something shaped through the participation of employees across the Group, encouraged me to think more personally about what it means to be a member of Sekisui House. By acting with integrity toward both our customers and our colleagues, we can come together to realize our Global Vision.



I strongly identify with the idea of “Our Integrity” and “Our Commitment to One Another,” especially as sources of strength when we face difficult decisions or uncertainty. Because the Integrity Code grew out of employee involvement, I hope we can make it something familiar and meaningful by approaching workplace culture with the mindset that each of us is Sekisui House.



I joined Sekisui House because I was inspired by our Corporate Philosophy of “Love of Humanity.” I feel both a strong sense of pride and responsibility in helping carry that philosophy forward through an Integrity Code that evolves alongside society and our Group. The opportunity for employees to contribute to its development makes that responsibility even more meaningful.

An external perspective on the Integrity Code

I had the opportunity to work with employees across the Sekisui House Group in developing the Integrity Code. What stood out most was the highly participatory process and the strong sense of ownership it inspired across the organization.

Equally impressive was the commitment to the enduring philosophy of “Love of Humanity.” Rather than treating it as a historical principle, employees explored how it should guide decisions and behavior today.

The concept of integrity is deeply aligned with “Love of Humanity.” Looking ahead, I hope three principles become defining characteristics of what it means to be Sekisui House: “focus on what is right, not who is right,” “build long-term relationships based on trust,” and “learn and grow from failure.”

By continually measuring progress, encouraging dialogue, and translating principles into action, the Integrity Code can become a powerful force in supporting the organization’s continued evolution.



Daisuke Fukamizu
Attorney,
Nagashima Ohno &
Tsunematsu

Human Capital Strategy

Human Capital Strategy in the Seventh Mid-Term Management Plan

Sekisui House has grown as an organization where people grow and create value. Under the Seventh Mid-Term Management Plan, we will further evolve the principle that underpins this growth: Employee Autonomy × Aligned Efforts.

To strengthen employee autonomy, we will expand opportunities for learning, growth, and global challenges across four key areas while fostering a culture where employees can practice Innovation and Communication with confidence. To create aligned efforts, we will strengthen our leadership pipeline, advance strategic talent development and deployment, and deepen alignment around our philosophy and values across the Group.

As employees proactively shape their own careers and fully apply their abilities, the insights and ideas they generate will be nurtured by the organization and translated into value creation. We will continue strengthening this cycle as a driver of sustainable growth.

🔗 [ESG Fact Book P.78 Enhancing human capital value](#)

🔗 [ESG Fact Book P.161–162 Indicators and progress](#)

2026–2028 Seventh Mid-Term Management Plan Human Capital Strategy

Maximizing Value Creation by Enhancing Human Capital Value



The Sekisui House Group: Where Innovation and Communication Thrive

Supporting Self-Directed Career Development An environment where employees can shape their own careers through learning and challenges.	Building a Foundation for Well-Being An organization that supports well-being and empowers employees to perform at their best.	Creating Contact Points with Diverse Sensibilities A culture where diverse perspectives and values are respected and strengthened through open dialogue.	Creating Places for Value Creation A framework that connects ideas and aspirations with business activities and value creation.	Aligned Efforts Aligning aspirations and strategy to unlock the full strength of the organization.
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Human Capital Strategy

Our Journey and the Value We Create

Building on these initiatives, under the Seventh Mid-Term Management Plan we will further evolve our model to help employees continue creating value through autonomy. Related indicators will be updated periodically on our website.

	1960–1990 Developing Technical Experts	1990–2020 Promoting Diversity	2020–2050 Employee Autonomy	2026–2028	Value Created	Amplified Impact
Employee Autonomy	 1982: Vocational training school  1987: Training guidelines established  1987: Design Dojo established	 2003: Self-directed career development training 2004: Internal job posting program 2006: Career Challenge Program 2006: Established the Interior Dojo 2006: Technical Specialist Certification Program	2021: Multi-track HR system 2023: Advanced Professional Learning Support Program 2023: Self-directed career development leave 2023: Career coordination program 2024: Welcome Home program	Career Autonomy Support Individual	Creating an environment where employees can learn, grow, and take on challenges while building diverse expertise.	Building a workforce that adapts to change, supports sustainable growth, and enhances corporate value.
	 1967: "Community of Shared Destiny" philosophy  1967: Introduced Wednesday as a regular day off  1972: Sekisui House Association established	 2018: Paternity leave program 2004: Volunteer leave program 2014: Expanded nursing care support program 2017: Remote work program 2018: Flexible work hours program 2019: Cancer treatment and fertility support leave program	2020: Well-Being Survey 2021: Happiness and Health Project 2020: Re-employment program for employees over 65 2022: Child support leave program 2023: Expanded support for relocation and solo assignments	Building a Foundation for Well-Being Individual and Family	Creating a workplace where employees can thrive through health and well-being support.	Enhancing happiness and productivity while strengthening a sustainable employment foundation.
	Progress in advancing women through FY2025 192 Graduates of Women's College Of whom, 146 promoted to management positions	 2005: Active recruitment of female sales representatives 2006: Human Resources Sustainability Declaration 2007: National Networking Event for Female Sales Representatives 2014: Women's College 2015: Female site supervisors support program 2015: Diversity Networking Event	2020: ESG Dialogue 2020: Sekisui House Construction Women's College 2022: Sekisui House Reform Leaders College 2024: Networking Event for Women in Technical and Production Roles	Creating Contact Points with Diverse Sensibilities Colleagues	Building a culture where diverse perspectives are valued through respect and open dialogue.	Applying diverse perspectives to decision-making and expanding value creation across society.
	 1988: "My Idea" suggestion program "My Idea": 60,147 submissions (1988–2025) Idea proposal program for improving construction methods and quality	  2018: Keiei-juku (Management School) established 2019: SHINE! Challenge Program	2021: Career interviews 2021: Sekisui House Innovation & Performance (SHIP) Awards Program 2023: SHIP Academy 2023: Social contribution program reform 2024: InnoCom Square	Creating Places for Value Creation Value to Society	Creating opportunities that connect diverse ideas and insights directly to business outcomes.	Accelerating business innovation while delivering new value and impact to society.
Aligned Efforts	Investment in human capital development: training expenses FY2025: ¥2.207 billion +¥213 million year on year		2021: Succession Plan Council 2021: Multi-rater assessment 2021: Introduced talent management system	Aligned Efforts Direction of the Organization	Developing leaders who share a common vision and strategic direction across the organization.	Strengthening organizational capability to support sustainable growth and competitiveness.

Human Capital Strategy

Human Capital Strategy to Strengthen Human Capital Value



Junji Takeuchi

Executive Officer in Charge
of Human Resources and
General Affairs
Head of Human Resources
Development Department,
Sekisui House, Ltd.

The foundation of our human capital strategy lies in aligning individual autonomy with the direction the organization seeks to pursue. Thinking, choosing, and acting for oneself. The accumulation of these actions drives personal growth and moves the organization forward. By respecting and supporting each individual's aspirations and actions, we aim to create an environment where autonomous employees inspire one another and generate new value.

At the same time, we continue to rethink not only how to unlock individual potential, but also the organization itself. By reexamining talent allocation, leadership development, and management practices, we are working to enhance human capital value. We believe these efforts will serve as the source of value creation and a driver of positive impact on society.

Diverse experiences that support growth

Personal growth does not come from work experience alone. It is nurtured through everyday life and engagement with society. Experiences gained through community involvement, exposure to different cultures, overseas assignments, childcare, caregiving, and relationships with family and friends all broaden perspectives and deepen understanding.

Each of these experiences fosters richer sensibilities and more diverse values, creating new perspectives and ideas.

People think and act for themselves

Organizations focused solely on short-term results cannot unlock the full potential of their people. We not only support individual growth, but also place importance on creating environments where employees can act autonomously. It is not enough to simply express ideas. We encourage people to

experiment, involve others, and turn ideas into action. We believe organizations thrive when such efforts are recognized and rewarded fairly.

Building the foundation for value creation

When one person's aspirations connect with another person's capabilities, new value is created. To support this process, we are strengthening three key foundations.

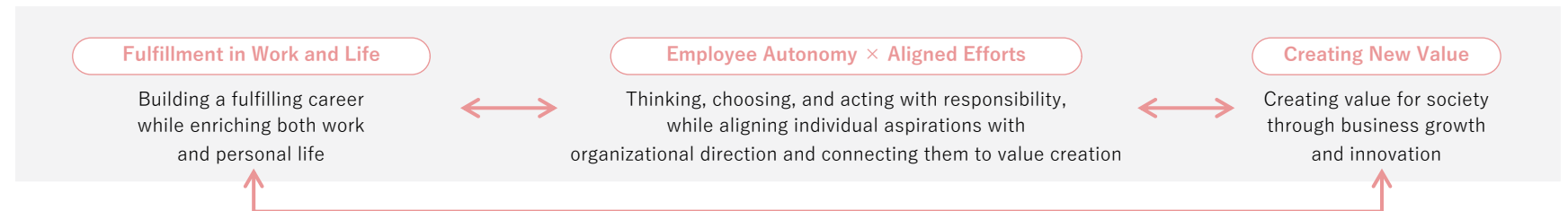
The first is recruitment. We are reviewing recruitment processes across the Group and strengthening recruiting capabilities on a Group-wide basis. Rather than simply increasing hiring numbers, we carefully consider what kind of people can help create the future together, based on the principle of "Employee Autonomy × Aligned Efforts," and continue strengthening the foundations that support talent acquisition across the organization.

The second is making learning and strengths visible. By better understanding the

experiences, capabilities, strengths, and value-creation potential of each individual, we can foster stronger connections not only between people, but also between people and their work. This enables new collaboration, creates opportunities for synergy, and helps unlock new value across the organization.

The third is talent development in digital technologies. We are focused on developing two types of talent: digitally fluent people who can bridge business and technology, and highly specialized professionals with deep technical expertise in fields such as AI and digital technologies. At the same time, we are strengthening the core expertise that underpins these capabilities and supports decision-making and business execution.

Through these initiatives, we aim to enhance both individual and organizational capabilities, ultimately transforming stronger human capital value into greater value creation and sustainable growth.



Topic | Happiness and Value Creation

New Value Through Diverse Perspectives

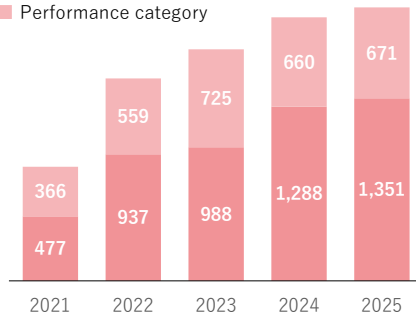
The Sekisui House Innovation & Performance (SHIP) Awards Program, launched in 2021, brings together employees across departments and functions to generate new ideas and turn them into new businesses.

One example is “Gardens That Last 100 Years,” which received the runner-up prize in June 2023. Beginning that November, specialists from exterior design, related departments, and management joined the project team and worked in multiple working groups to develop the idea into a business.

Through the process, diverse perspectives and expertise came together, helping transform the idea into a new business and creating new value.

SHIP Idea Submissions

■ Innovation category
■ Performance category



How Ideas Become Businesses

Expanding Into a New Business

Green Maintenance Visits* were launched as a new service for homeowners after handover, creating a new business opportunity centered on long-term garden care and maintenance. (*1,804 visits conducted between August and December 2025)

From Award-Winning Ideas to Business

Following the award, project teams worked on service design, talent development, maintenance support systems, pruning quality standards, and contractor selection criteria to prepare the business for launch.



Winning idea: “Gardens That Last 100 Years”

An initiative that helps preserve beautiful gardens for generations by preventing neglected trees and supporting happy, fulfilling lives through ongoing care.



Our landscaping initiatives originated with the *Gohon no Ki* Project, but maintaining those landscapes is just as important as creating them. Customer Service Centers receive around 7,600 inquiries each year related to trees and garden care. Since launching Green Maintenance Visits in August 2025, we have confirmed customer satisfaction in every case. The question is not simply how to plant trees, but how to care for them over the long term. This is a challenge shared across the housing industry, and we are working closely with our partners and contractors to improve our capabilities. This marks a new beginning, and we will continue advancing the initiative across the Group.

Hiroyuki Kitamura Managing Director, Sekisui House Support Plus, Ltd.



I believe this business expansion was made possible by repeatedly validating data and confirming conditions in the field, allowing us to identify challenges one by one. Going forward, we will continue working closely with relevant companies and departments to deliver services that bring even greater satisfaction to our customers.

Naoko Yano Fellow, R&D Division, Sekisui House, Ltd.



- Conducted Green Maintenance Visit training for approximately 1,000 employees nationwide through online and in-person programs
- Established service workflows, operational manuals, inspection standards, reporting procedures, and customer support materials
- Developed service branding, brochures, and communication materials while expanding awareness through websites and catalogs
- Analyzed visit results and identified design and construction improvement opportunities
- Identified shortages of pruning contractors and expanded the network through new partnerships and certification initiatives

Topic | Happiness and Value Creation

InnoCom Square:

Where People and Organizations Connect

The diverse perspectives fostered through Innovation and Communication, and the value they create, are extending beyond the boundaries of the Group and into society. As new connections form among people, organizations, and ideas, opportunities for co-creation continue to expand.

In February 2024, we established Sekisui House Innovation & Communication, Ltd. (*Sekisui House InnoCom*) to advance open innovation. In April, we launched the corporate venture capital (CVC) fund, Sekisui House Investment Limited Partnership, and in September opened InnoCom Square as a hub for open innovation and value co-creation, bringing together people and organizations from inside and outside the Group.



A hub for co-creating new value

InnoCom Square brings together researchers and developers from the Sekisui House Group, as well as companies, government agencies, universities, and other external partners.

Centered on the themes of “housing and living,” the facility aims to generate new synergies, address social challenges, and create new value through continuous dialogue and collaboration across disciplines, organizations, and areas of expertise.

Expanding co-creation through action

At InnoCom Square, we are advancing practical co-creation, including reverse-pitch events in which we present challenges and invite proposals from startups and other partners. Collaboration is underway in areas such as inclusive living, art-enriched lifestyles, healthy sleep, the circular economy, construction innovation, and housing DX, helping create business opportunities, accelerate collaboration, and generate social value.

Advancing value creation through CVC

Since April 2024, we have invested in nine companies through our CVC fund (as of the end of July 2026). In addition to DX and business-process innovation in construction and real estate, our investments span a wide range of fields, including next-generation mobility, energy, AI, ESG management, crisis management, certification infrastructure, regional revitalization, and talent development.

Guided by the concept of “Business Areas for Synergy,” we pursue investments that deepen and expand existing businesses while creating new ones. By supporting social implementation and fostering collaboration both inside and outside the Group, we aim to generate business synergies, contribute to partners’ growth and human capital development, and expand social impact centered on “housing and living.” Through these partnerships, we seek to expand opportunities for co-creation and broaden our impact.

 [Sekisui House InnoCom](#)

A culture shaped by diverse knowledge and perspectives

InnoCom Square is an open innovation hub where people and organizations from inside and outside the Company connect and collaborate. By combining the Sekisui House Group’s core competencies with expertise from different fields and technologies such as AI, we turn social challenges into business opportunities. Through dialogue across disciplines and organizational boundaries, ideas are developed, tested, refined, and transformed into new businesses. We believe this process cultivates the knowledge, perspectives, and creativity of those involved. Through innovation and collaboration, we aim to foster a culture where diverse ideas and experiences create new value.



Nobuhiro Tatsui

President and Representative
Director, Sekisui House
Innovation & Communication, Ltd.

Topic | Happiness and Value Creation

Creating Value With Colleagues

The ideas generated through SHIP share a common thread: value is created through the accumulation of dialogue, collaboration, and shared understanding. Exposure to diverse perspectives, combined with encouragement and recognition from colleagues, gives employees the confidence to take on new challenges.

We believe this kind of value creation emerges when autonomous individuals engage with diverse perspectives and continue challenging themselves. The results of the reforms we have pursued under the shared concept of “Innovation and Communication” are also reflected in our Well-Being Survey, which has been conducted annually since 2020.

Well-Being Survey Insights

- Happiness scores among Sekisui House Group employees have remained above the national average for six consecutive years
- Employees who feel they work autonomously tend to report higher levels of happiness and stronger performance evaluations
- The relationship between happiness and performance appears stronger in the direction of “happiness leading to performance” than “performance leading to happiness”
- Employees involved in idea creation are more likely to report personal growth, recognition from others, and a workplace culture that encourages challenge and supports new initiatives

Value Report 2025 P.84–88 [Employee happiness](#)

A Workplace Culture That Supports New Challenges



Shared happiness

I believe that working with the goal of bringing happiness to others ultimately leads to my own happiness. At SHIP, daily improvements and challenges are recognized, inspiring us to take the next step. What stands out most to me is seeing everyone involved actively engaged and energized.



Ideas connect people

Being able to present my ideas to so many people is incredibly rewarding. I am grateful for colleagues who collaborate as a team and engage in meaningful discussions to improve ideas. Whether great ideas emerge from dialogue or dialogue deepens through ideas, both are equally important.



Messages of appreciation

Wanting to recognize the good in one another and make our workplace more enjoyable, we created opportunities for employees to share messages of appreciation. The joy of being recognized inspires the next action, creating a positive cycle that spreads throughout the workplace.



Our Priority: Employee Happiness

Employee happiness is a core value at Sekisui House. While it ultimately contributes to customers and society, its starting point is simple: our genuine wish for every employee to be happy.

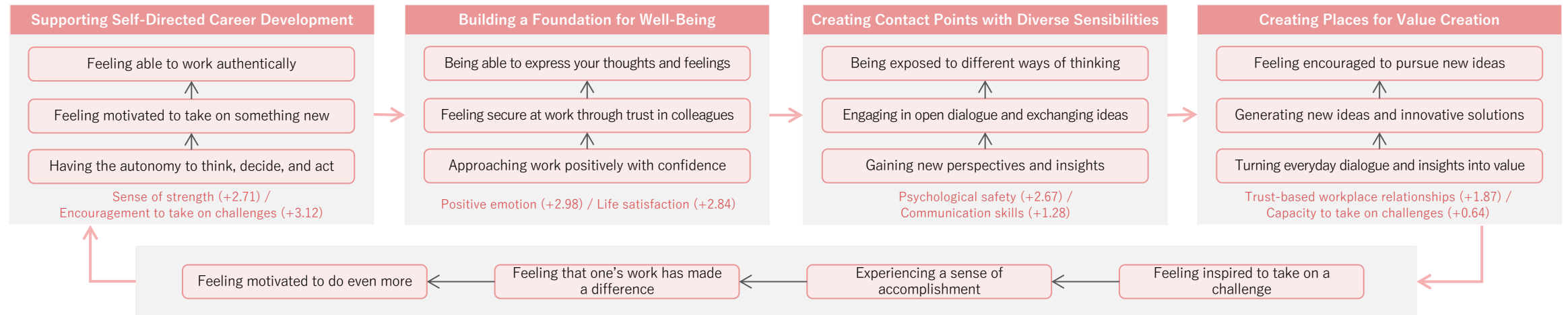
To better understand happiness from an objective and scientific perspective, we have conducted a Well-Being Survey of all employees since 2020. Unlike engagement surveys, which primarily measure commitment and enthusiasm for work, this survey takes a broader view, examining personal growth, physical and mental well-being, and relationships within the workplace.

We position the survey as an opportunity for employees to reflect on their conditions, recognize changes, and reconsider their careers and work. While transparency is important, we carefully evaluate how results are disclosed and used, sharing trends that can be meaningfully communicated.

The survey consists of the “Well-Being Circle Assessment” (72 questions) and the “Workplace Happiness/Unhappiness Assessment” (42 questions), and is conducted under the supervision of Professor Takashi Maeno, Dean of the Faculty of Well-being at Musashino University and Professor Emeritus at Keio University.

Topic | Happiness and Value Creation

The Path from Individual Growth to Value Creation



How Innovation and Communication Create Value: Insights from the Well-Being Survey

How do changes experienced by individuals translate into value creation? This model illustrates that connection. Results from our Well-Being Survey show significant improvement over the past six years in employees' sense of strength and encouragement to take on challenges. At the same time, positive emotion and life satisfaction have also increased, creating a stronger foundation for confident and optimistic engagement at work. The survey findings also indicate growth in psychological safety, communication skills, and trust-based workplace relationships. Together, these factors foster an environment where ideas are exchanged freely and dialogue flourishes.

Within this environment, employees become more willing to take on challenges, and behaviors that drive value creation spread across the organization. Autonomy and well-being foster dialogue and connection, sparking new challenges and creating value. Innovation and Communication are now taking shape as measurable organizational change.

Key Well-Being Survey Indicators * Difference from the general average	2020*	2021*	2022*	2023*	2024*	2025*	Change from 2020 to 2025
Sense of personal strength	3.03	3.82	4.31	4.69	6.10	5.74	+ 2.71
Encouragement to take on challenges	0.06	1.47	1.83	1.91	3.20	3.18	+ 3.12
Positive emotion	0.71	1.89	2.67	3.43	3.98	3.69	+ 2.98
Life satisfaction	4.38	5.01	5.46	6.00	6.82	7.22	+ 2.84
Psychological safety	0.29	1.15	1.53	1.84	2.77	2.96	+ 2.67
Communication skills	1.86	2.45	2.89	2.80	3.32	3.14	+ 1.28
Trust-based workplace relationships	2.34	2.75	2.88	3.15	4.01	4.21	+ 1.87
Capacity to take on challenges	1.48	1.42	1.48	1.45	2.10	2.12	+ 0.64

Topic | Happiness and Value Creation

Taking Ownership of Your Life and Career

New value is created by our people. At the heart of that value creation is autonomy, a principle Sekisui House has fostered for over 20 years.

For us, autonomy means owning one's choices and actions, making decisions independently, and accepting responsibility for the outcomes.

Autonomy cannot be imposed. The Company's role is to continue supporting employees who aspire to work autonomously.

In 2003, before self-directed careers were widely recognized in Japan, we introduced a career development program to help employees envision their future and make career choices. Despite initial skepticism, the program has continued for over 20 years and remains a cornerstone of our approach.

Value creation through alignment

Our approach to human capital can be expressed as: Employee Autonomy × Aligned Efforts.

Alignment does not mean having everyone follow the same path. Rather, it means sharing a common direction while allowing individuals and business units the freedom to determine how best to contribute.

The Mid-Term Management Plan and annual policies provide a shared direction for the organization. Within that framework, each business division develops its own strategies and initiatives, and each employee chooses how to contribute.

When autonomy and alignment coexist, employees can fully apply their strengths while moving toward a common goal. Neither alone is

sufficient. Autonomy without alignment may not create organizational value, while alignment without individual initiative cannot generate meaningful results.

As employees continually reflect on what they want to achieve and align those aspirations with the Company's direction, autonomy becomes a driver of value creation and helps shape the future of the organization.

The impact of this approach is also reflected in our Well-Being Survey. Between 2024 and 2025, the number of employees who reported working with both autonomy and alignment increased. The trend is evident across career stages, including new graduates and mid-career hires, suggesting that this mindset is becoming increasingly embedded throughout the Group.

How autonomy creates well-being and value

The Well-Being Survey shows that employees who feel empowered to work autonomously report higher well-being, while gains are more modest when autonomy is limited.

These findings suggest that autonomy fundamentally changes how people experience work. When employees think, choose, and act on their own initiative, work becomes a source of personal purpose rather than something simply assigned. This creates a sense of ownership, achievement, and purpose.

Autonomy also strengthens dialogue and relationships, encourages new challenges, and ultimately contributes to value creation. Well-being is reinforced through everyday actions, choices, and interactions.

Employee Voices

Why Autonomy Matters to Me

Choosing for myself how I work is essential to my well-being. For me, autonomy is not simply about working hours or flexibility. It means understanding what others need, taking initiative, and creating value in a way that benefits both them and me.

I value customers' needs and preferences that are not always expressed in words. When a proposal aligns with their expectations and earns their appreciation, it gives me a strong sense of fulfillment.

Working overseas, where conventional assumptions do not always apply, reinforced the importance of staying true to myself and acting on what I believe is right. It reminded me of the value of taking ownership and acting on my convictions.

During a discussion with my manager, I was asked what I wanted to achieve and how I envisioned my future. Having the opportunity to express my own aspirations and perspectives, which I had rarely shared before, encouraged me to think more consciously each day about what I can do, how I want to contribute, and what role I can play in the Company's future.



Sekisui House Group Employees Working Autonomously



Employees who report working with autonomy



Employees who report working with both autonomy and alignment

Source: FY2025 Well-Being Survey (23,985 respondents)

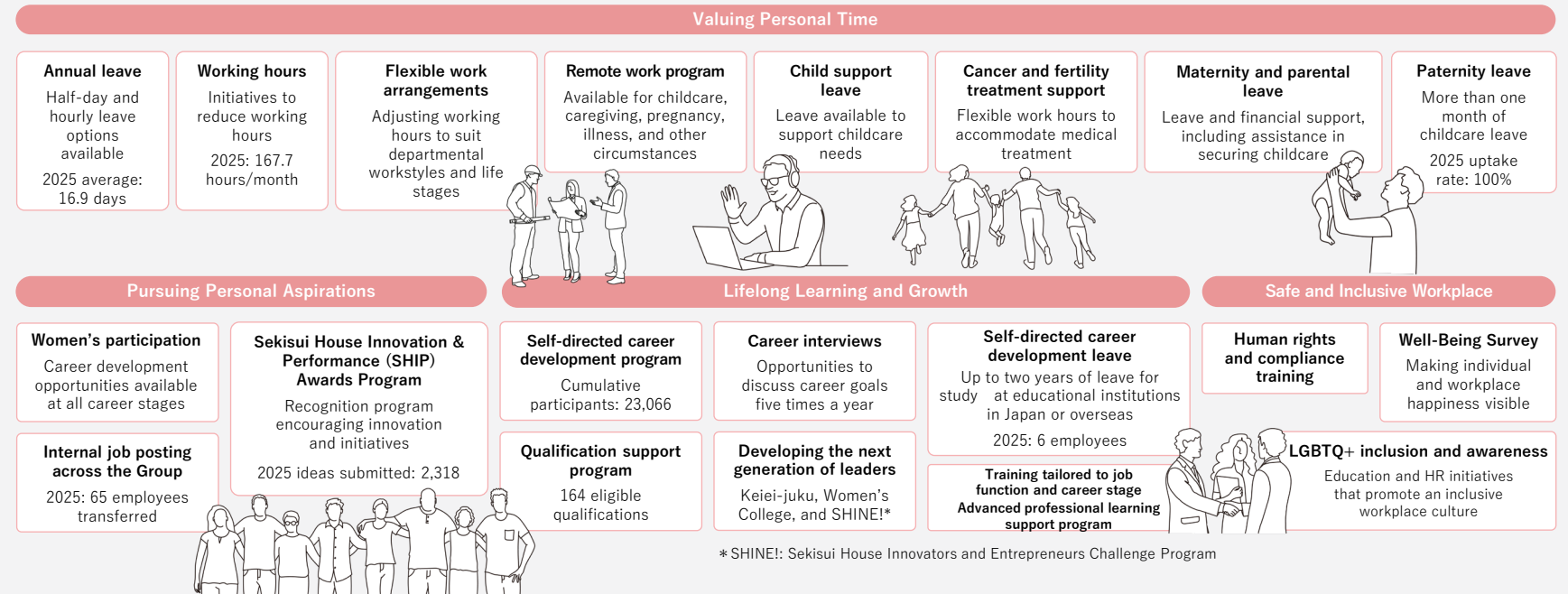
Topic | Happiness and Value Creation

Individual Paths to Autonomy

At the Sekisui House Group, supporting employees in building self-directed careers is fundamental to our approach to human capital. Autonomy means making choices that reflect individual priorities and circumstances while making full use of the Group's opportunities and resources.

Whether arranging work around family caregiving responsibilities, spending more time with children, or taking extended leave for further education, we believe these choices are expressions of autonomy. Our programs and systems support employees in making decisions that align with their aspirations and way of life.

🔗 [ESG Fact Book P.78-113 Details of initiatives](#)



Message from the CEO

A professional creates value for society

What does it mean to be a professional? I often tell employees of the Sekisui House Group that a professional is someone who creates value for society. A professional athlete inspires people through performance, and a musician moves people through music. In the same way, professionals create value through their unique capabilities.

Those of us at the Sekisui House Group contribute to society through housing, enriching people's lives and creating happiness through the value we provide.

When individuals choose to join the Sekisui House Group, they also choose to take ownership of the role they wish to play. Our Group offers a broad range of capabilities that contribute to society, including our brand, design expertise, lifestyle proposal capabilities, technical knowledge, and customer trust built through decades of homebuilding.

By making full use of these strengths, I hope our employees will continue to thrive in an environment they have chosen for themselves while creating value for society.



Topic | Happiness and Value Creation

Where New Value Begins

For many years, “Womenomics” positioned women’s advancement as a driver of Japan’s economic growth. The underlying idea was that enabling diverse talent to thrive would strengthen the creativity and competitiveness of both businesses and society.

At the Sekisui House Group, we have promoted women’s advancement and supported self-directed career development for more than 20 years. Yet our goal has never been the success of any particular group. Instead, we seek to create an environment that reflects the diversity of society itself, where each individual can pursue their own aspirations naturally and authentically, in a way that reflects who they want to be.

Rather than asking people to conform to a single model or work solely for the benefit of the Company, we want every employee to thrive

as the person they choose to be. To support that goal, we have continued to build programs and systems that empower individual choice.

Guided by this philosophy, our Well-Being Survey has revealed an important insight: happiness is not simply an outcome. It emerges through action and, in turn, encourages further action. We call this concept “Wellnomics.”

Traditionally, happiness has been viewed as something that follows achievement. Yet in an era where uniform ways of working no longer generate sustainable value, people must act autonomously and engage with perspectives different from their own. Happiness often arises through these interactions and differences, providing the energy to take on new challenges, build new connections, and create new value.

At the Sekisui House Group, we are already beginning to see this cycle take shape.

How Well-Being Shapes the Future

Research suggests that people with higher levels of happiness tend to demonstrate greater productivity and creativity. Happiness encourages people to embrace challenges, while a sense of security fosters connection and openness to new ideas.

As these interactions spread, they create a chain reaction of challenges, support, and collaboration. A society where more people are happy has the potential to generate new ideas and new forms of value continuously. People become more willing to take on challenges, support one another, and embrace perspectives and differences that enrich their thinking.

Our Global Vision, “Make Home the Happiest Place in the World,” seeks to give shape to a form of happiness that is often overlooked: the comfort of home, family connections, children’s smiles, and the small joys found in everyday life.

If happiness has the power to influence how

people think, act, and create, then the values nurtured within a single happy home may ultimately help shape the future of society itself. One home may change how people act, and the accumulation of such changes can create new value throughout society.

Just as Womenomics highlighted the link between women’s advancement and economic growth, Wellnomics points to a broader possibility: a society where more people act autonomously while experiencing genuine well-being will become more creative, innovative, and better positioned for sustainable growth. Such a society can unlock new forms of creativity and contribute to social progress.

An organization where such people come together naturally creates new value. That is the organization we aspire to be at the Sekisui House Group.

Autonomous individuals who experience well-being connect with colleagues who bring diverse perspectives, continue taking on new challenges, and create new value. We aspire to be an organization where Innovation and Communication thrive.



04 Transformation

Summary | Choosing to evolve

To bring the future we envision to life,
we choose to keep evolving.
Not by relying on yesterday's success,
but by looking toward a shared future.
Thinking for ourselves.
Taking new steps forward.
It is through these collective efforts that
the Sekisui House Group moves forward.

Reflection | 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.

These five principles show who we aspire to be.

Their meaning is shaped by each of us, every day.

