Value Report 2023
SEKISUI HOUSE

Contents | Long-Term Vision and Material Issues | Mechanisms and Catalysts for Creating Value | Mid-Term Management Plan for Sustainable Growth | ESG Management — G: Governance E: Environment S: Social | Financial Data, Company Information and Share Information | 92
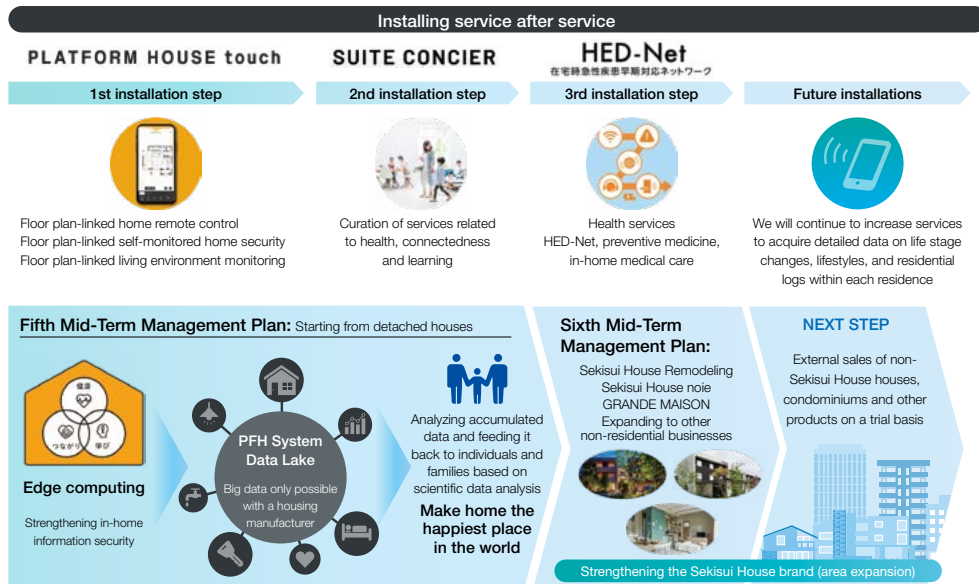
ESG Strategy—DX Strategy

Highlight 2 — Platform House Concept

As a core initiative for our global vision, we are promoting our Platform House Concept to help residents achieve happiness in the era of the 100-year lifespan.

In services focused on connectedness, we offer PLATFORM HOUSE touch, a smart home service installed in housing. Using intuitive controls based on a diagram of the house's floor plan, users can check whether doors and windows are closed and locked to prevent crime, get alerts of heat stroke risk from humidity sensors and respond by remotely operating air conditioners from outside the home, improving living convenience. This service has been well received by customers. In health-focused services, we plan to install HED-Net, an in-home early detection network for acute illnesses, in homes going forward.

Under the Sixth Mid-Term Management Plan, we will provide highly convenient services that connect homes and families by applying IoT and AI functions to our accumulated big data on housing. At the same time, we plan to add such services to the offerings of Sekisui House Remodeling and roll them out to GRANDE MAISON condominiums.
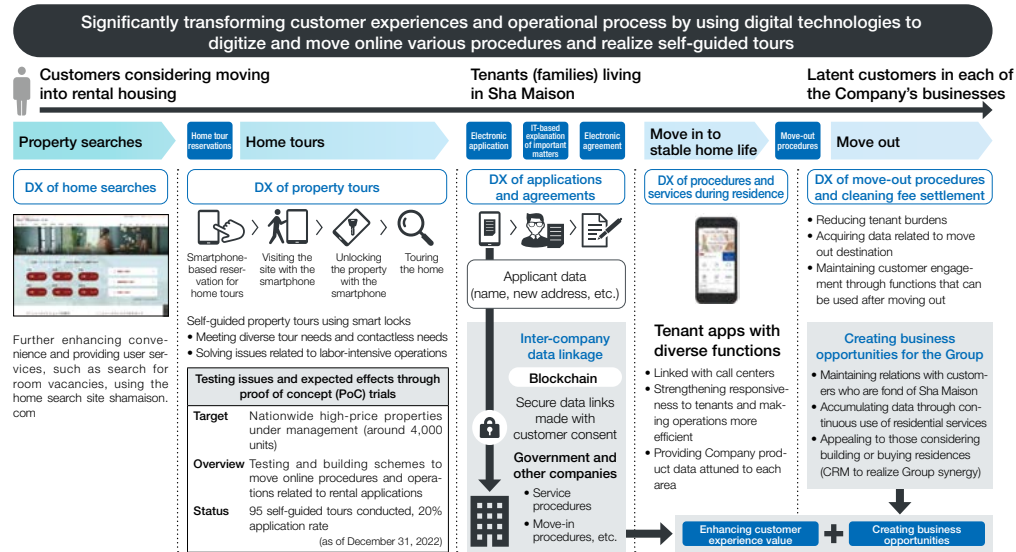
Installing service after service

PLATFORM HOUSE touch — 1st installation step
Floor plan-linked home remote control
Floor plan-linked self-monitored home security
Floor plan-linked living environment monitoring

SUITE CONCIER — 2nd installation step
Curation of services related to health, connectedness and learning

HED-Net 在宅時急性疾患早期対応ネットワーク — 3rd installation step
Health services
HED-Net, preventive medicine, in-home medical care

Future installations
We will continue to increase services to acquire detailed data on life stage changes, lifestyles, and residential logs within each residence

Fifth Mid-Term Management Plan: Starting from detached houses

Edge computing
Strengthening in-home information security

PFH System Data Lake
Big data only possible with a housing manufacturer

Analyzing accumulated data and feeding it back to individuals and families based on scientific data analysis
Make home the happiest place in the world

Sixth Mid-Term Management Plan:
Sekisui House Remodeling
Sekisui House noie
GRANDE MAISON
Expanding to other non-residential businesses

NEXT STEP
External sales of non-Sekisui House houses, condominiums and other products on a trial basis

Strengthening the Sekisui House brand (area expansion)

Highlight 3 — DX for Rental Housing

Our DX for rental housing refers to the use of digital technologies across all processes related to the Sha Maison rental housing customer experience from move in to move out in order to enhance resident experience value and improve operational efficiency.

For the property search phase, we will reinforce DX for the Sha Maison property information site for prospective tenants to improve convenience. For the subsequent property tour phase, we are implementing proof-of-concept trials of self-guided tours to better meet the diverse needs of prospective tenants. For move in, we aim to shift all procedures online, including allowing customers to apply electronically, using IT to provide legally required explanations of important matters, and signing agreements electronically. In addition, we will promote inter-company data linkages using blockchain technologies for utility and IT infrastructure service applications, such as water, gas and Internet, to realize fully online, one-stop procedures. After move in, we will offer a range of procedures and services through tenant apps. Finally, for move out, we will enable tenants to handle all move-out procedures online.

By thus advancing DX across all processes from move in to move out, we will further enhance the Sha Maison brand.

Significantly transforming customer experiences and operational process by using digital technologies to digitize and move online various procedures and realize self-guided tours

Customers considering moving into rental housing | Tenants (families) living in Sha Maison | Latent customers in each of the Company's businesses

Property searches → Home tour reservations → Home tours → Electronic application → IT-based explanation of important matters → Electronic agreement → Move in to stable home life → Move-out procedures → Move out

DX of home searches
Further enhancing convenience and providing user services, such as search for room vacancies, using the home search site shamaison.com

DX of property tours
Smartphone-based reservation for home tours → Visiting the site with the smartphone → Unlocking the property with the smartphone → Touring the home
Self-guided property tours using smart locks
• Meeting diverse tour needs and contactless needs
• Solving issues related to labor-intensive operations

Testing issues and expected effects through proof of concept (PoC) trials
Target: Nationwide high-price properties under management (around 4,000 units)
Overview: Testing and building schemes to move online procedures and operations related to rental applications
Status: 95 self-guided tours conducted, 20% application rate (as of December 31, 2022)

DX of applications and agreements
Applicant data (name, new address, etc.)

Inter-company data linkage
Blockchain
Secure data links made with customer consent
Government and other companies
• Service procedures
• Move-in procedures, etc.

DX of procedures and services during residence
Tenant apps with diverse functions
• Linked with call centers
• Strengthening responsiveness to tenants and making operations more efficient
• Providing Company product-attuned to each area

DX of move-out procedures and cleaning fee settlement
• Reducing tenant burdens
• Acquiring data related to move out destination
• Maintaining customer engagement through functions that can be used after moving out

Creating business opportunities for the Group
• Maintaining relations with customers who are fond of Sha Maison
• Accumulating data through continuous use of residential services
• Appealing to those considering building or buying residences (CRM to realize Group synergy)

Enhancing customer experience value + Creating business opportunities

We participate in inter-company data linkage using blockchains and work to create new value through open innovation with different industries.