Age of Safety and Security

"Creation of Housing that the Times Demand"

—Histories of Housing Complexes and Haseko—

The Haseko Group has been endeavoring to provide safe, secure and comfortable housing by constantly responding to social challenges, which change with the times. Going forward, we will continue to aim to deliver a better life to the people.



For details, please visit our website: ww.haseko.co.ip/hc/english/company/history.h



1937

Founding of Hasegawa Komuten in Amagasaki, Hyogo

Needs

The intensification of the war boosted demand for the construction of munitions facilities After the war, the number of construction works for schools and other public buildings increased rapidly

Haseko's response

- Before the war, Haseko developed its business as a constructor of wooden factory and office buildings by securing contracts mainly from the private sector.
- In the immediate postwar period, it worked on many public building projects, such as school construction Afterwards the Company won a contract for its first reinforced concrete construction of an apartment building, which led to a leap in



Founder Takehiko Hasegawa standing in front of the company building at the time

1960s-

Popularization of Condominiums and Upcoming Age of Diversification

With the total population reaching over 100 million, there was growing demand for housing complexes amid the high-growth period of the Japanese economy. The establishment of the Act on Building Unit Ownership, etc. in 1962 led to the introduction of a new form of residence, for-sale condominium, and the government's home ownership scheme also brought about a quantitative expansion.

Haseko's response

- In 1968, the Company embarked on the construction of its first condominium, working on the streamlining of production technologies and research and development thereof, including after-sales complaints handling.
- The development of Haseko's **proprietary mass** housing supply system "CONBUS (Condominium Building System)" for standardized houses contributed to the quantitative spread of condominiums as well as to the improvement of housing standards.



Ashiya Matsuhama Heights, the first condominium



1980s-

Age of Diversified Needs for Condominiums

Changes in lifestyle and family structure and an increase in investment properties diversified the needs for condominiums. In the wake of the introduction of the Warranty Program for Houses for for-sale condominiums in 1993 and the Great Hanshin-Awaji Earthquake in 1995, people began to place greater emphasis on the basic performance of condominiums.

Haseko's response

- A technical research institute, the industry's first software-tech think tank, and a multidisciplinary laboratory (currently, Haseko Research Institute, Inc.) were established to drive the research and development of products and technologies that reflect the market needs
- We put our efforts into visualizing the basic performance of condominiums that had **not been visible before** by utilizing the Housing Performance Indication Mark, a proprietary indication mark that we had introduced ahead of the industry and by installing the industry's first Naked Room.





2000s-

Following a succession of scandals in the construction industry, including the earthquake-resistance data falsification scam, compliance came to assume more importance. Furthermore, frequent natural disasters, including the Great East Japan Earthquake in 2011, brought about an age where people became more conscious of the safety and security of condominiums.

Haseko's response

- Following the enforcement of the Act for Promotion of Long-Life Quality Housing in 2009, we were **accredited with** Japan's first Long-Life Quality Housing certification for for-sale condominium.
- We developed and commercialized a next-generation condominium archetype "Be-Next," which allows both enhanced basic performance and customizability.
- We also promoted the construction of disaster-resilient condominiums by taking disaster control measures from both the hardware and software perspectives.





aseko Technical Center and Hasek Condominium Museum, newly established as part inniversary since its founding

Branchera Urawa, Japan's first condominiun certified as Long-Life Quality Housing

2020s-**Age of Sustainability**

Recently, consumer behavior has changed significantly in the face of the COVID-19 pandemic. We have also entered an age where companies are required to respond to climate change, harmonize with the environment, and respect diversity so as to achieve sustainable growth. We expect to see significant changes in the condominium market along with the changes in social conditions.

Haseko's response

- We are promoting sustainability-conscious business, such as constructing longer-life condominiums and environmentally friendly condominiums.
- We will drive digital transformation (DX) to aim for the further improvement of quality and the provision of new
- We are currently promoting the construction of condominiums that respond to changing needs during the COVID-19 pandemic.



Renai Yokohama Totsuka, condominium for the ne



Kinki region

300,000

Tokyo metropolitan area

1968 1980 1990 2000 2010 2021

Ordinary income ¥0.02 billion

¥0.73 billion

FY1979

Ordinary income \\ \pm20.5 \text{ billion}

¥161.1 billion

FY1995

¥495.0 billion Ordinary income ¥(118.0) billion

FY2018

Ordinary income ¥100.4 billion

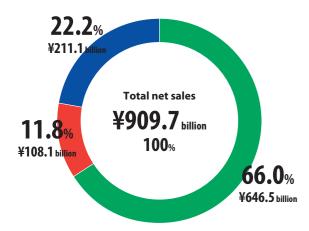
¥909.7 billio Ordinary income ¥81.9 billio

e: The figures for the fiscal years 1959 and 1979 are non-consolidated data of Hasegawa Komuten (currently, Haseko Corporation).

Business Overview of the Haseko Group

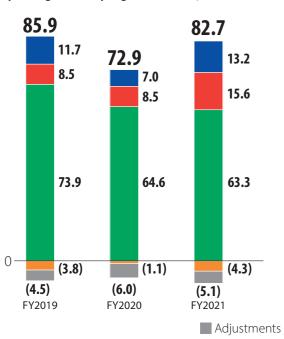
Net Sales Breakdown by Segment (FY2021)

- Construction-Related Business
- Real Estate-Related Business
- Service-Related Business
- Overseas-Related Business



Adjustments: **¥(56.0)** billion

Operating Income by Segment (billions of yen)



Key Consolidated Data for FY2021

Net sales	¥909.7 billion
Operating income	¥82.7 billion
Ordinary income	¥81.9 billion
Net income	¥54.5 billion

Construction-Related Business

Haseko Corporation (or the "Company") is engaged in comprehensive construction services for condominiums and apartments, from planning and design to construction.

Fujikensetsu Co., Ltd., Hasec Inc., and Foris Corporation, subsidiaries of the Company, etc. are engaged in the contract construction services and the sales and lease of construction materials and equipment, etc. The Company places orders for part of its operations and construction works; planning, design, and supervision of condominiums, office buildings, and other properties; and construction materials and equipment, etc. to its subsidiaries and affiliates.

Hosoda Corporation, a subsidiary of the Company, is engaged in construction and sales of detached houses etc.

Real Estate-Related Business

Haseko Real Estate Development Holdings Inc., a subsidiary of the Company, supervises the sales of condominiums and the for-sale condominium business.

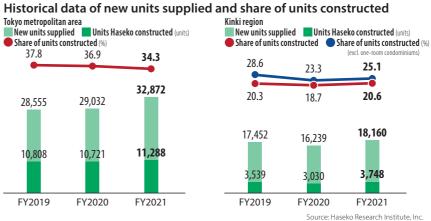
Haseko Real Estate Development, Inc. and Sohgoh Real Estate Co., Ltd., subsidiaries of the Company, are engaged in the sales and lease of condominiums.

Haseko Home, Co.,Ltd. a subsidiary of the Company, has been newly established to engage in the sales of houses.

Tokyo metropolitan area New units supplied Units Haseko constructed (units) Share of units constructed (%) 34.3 32,872 29,032 28,555

FY2020

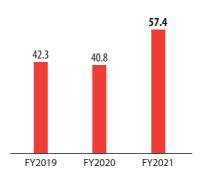
FY2021



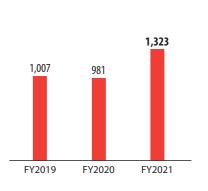


Net sales (billions of yen)

FY2019



Number of units sold (units)





Service-Related Business

Haseko Reform Inc., a subsidiary of the Company, engages in large-scale repair work and interior remodeling.

Haseko Livenet, Inc., a subsidiary of the Company, etc. are engaged in the operation and management of rental condominiums and other properties.

Haseko Business Proxy, Inc., a subsidiary of the Company, provides corporate housing management agency services.

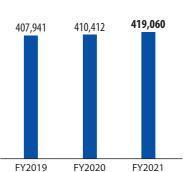
Haseko Urbest Inc., a subsidiary of the Company, is engaged in the consigned sales of for-sale condominiums.

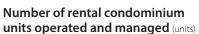
Haseko Real Estate, Inc., a subsidiary of the Company, engages in real estate brokerage operations as well as condominium renovation operations.

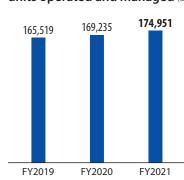
Haseko Community, Inc., a subsidiary of the Company, etc. are engaged in for-sale condominium building management.

Haseko Senior Well Design Co., Ltd., a subsidiary of the Company, operates paid care facilities for the elderly and engages in the nursing-care insurance business.

Number of for-sale condominium units operated and managed (units)

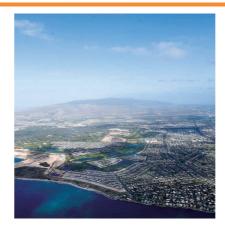


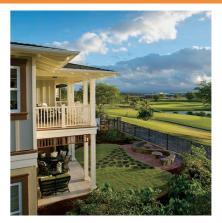




Overseas-Related Business

Haseko America, Inc., a subsidiary of the Company, etc. are engaged in the development and sales of real estate in Hawaii, the United States.







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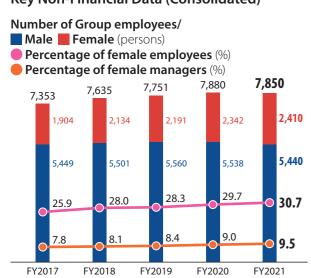
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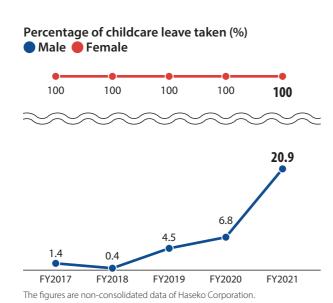
Consolidated Financial and Non-Financial Highlights

Key Financial Data (Consolidated)

Item		FY2011	FY2012	FY2013	FY2014
		95th term	96th term	97th term	98th term
Orders	(millions of yen)	329,229	349,402	442,751	539,642
Net sales	(millions of yen)	500,929	558,919	587,571	642,167
Operating income	(millions of yen)	21,615	24,329	28,838	42,698
Ordinary income	(millions of yen)	18,199	19,976	25,405	41,889
Net income attributable to owners of parent	(millions of yen)	11,242	13,064	24,830	28,542
Comprehensive income	(millions of yen)	10,271	17,346	31,207	38,440
Net assets	(millions of yen)	101,996	113,805	119,472	144,089
Total assets	(millions of yen)	467,075	460,864	457,408	476,914
Net assets per share	(yen)	40.76	259.89	346.17	478.45
Basic net income per share	(yen)	7.05	41.72	81.36	94.64
Diluted net income per share	(yen)	5.29	32.52	67.98	92.90
Equity ratio	(%)	21.8	24.7	26.1	30.2
Return on equity	(%)	11.3	12.1	21.3	21.7
Net cash provided by (used in) operating activities	(millions of yen)	33,711	38,231	55,267	39,984
Net cash provided by (used in) investing activities	(millions of yen)	2,363	14,843	29,395	(4,067)
Net cash provided by (used in) financing activities	(millions of yen)	(28,801)	(24,115)	(65,425)	(40,235)
Cash and cash equivalents at end of the year	(millions of yen)	88,885	118,239	137,689	133,563
Interest-bearing debt	(millions of yen)	198,485	182,430	147,861	128,245

Key Non-Financial Data (Consolidated)





FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
99th term	100th term	101st term	102nd term	103rd term	104th term	105th term
551,445	577,811	558,405	568,931	518,847	483,158	546,537
787,354	772,328	813,276	890,981	846,029	809,438	909,708
68,762	89,032	100,805	98,430	85,925	72,909	82,702
67,327	88,827	100,497	100,369	85,253	71,832	81,871
51,226	58,762	72,289	87,391	59,851	48,258	54,490
44,259	58,116	74,798	86,214	53,040	53,273	57,958
185,374	238,467	296,835	368,051	387,682	394,365	417,667
589,993	630,937	687,706	773,219	799,319	953,659	1,081,907
615.21	791.24	995.44	1,234.13	1,323.51	1,425.93	1,520.73
170.41	195.48	214.98	293.87	201.36	168.62	198.32
_	_	_	_	_	_	_
31.3	37.7	43.0	47.5	48.5	41.4	38.6
31.2	27.8	27.1	26.4	15.9	12.3	13.4
65,590	109,536	56,516	33,064	(15,263)	31,876	65,448
(30,801)	(19,824)	(16,351)	(14,473)	(37,222)	(35,772)	(31,601)
(16,286)	(40,213)	(34,742)	(12,379)	(8,356)	66,799	15,728
152,115	201,456	206,866	212,980	151,754	214,299	264,864
174,721	141,850	125,441	120,404	152,262	267,951	311,841

Education on Personnel Development (Training)

Training hours (hours)

Training expense (millions of yen)



For other non-financial information, please visit the following URL: https://www.haseko.co.jp/hc/english/csr/esg/

The figures are non-consolidated data of Haseko Corporation.

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Value Creation of the Haseko Group Strengthening Our Value Creation Foundations

Value Creation Process

We at the Haseko Group adopt a long-term perspective as we aim to address the social issues surrounding our daily lives through business operations.

We will deepen coordination among the Group companies and realize a corporate entity that proves to be worthy of the trust received from urban dwellers.

DX + Challenge of **New Business Areas A Further Leap!**



SUSTAINABLE DEVELOPMENT

Social Issues, Megatrends, and Global Goals

Resolving social issues through our business operations

Human capital

 Percentage of women among new graduates hired · · · · · 37.2% • Percentage of female managers • • 9.5%

Outcomes

- Percentage of childcare leave taken
- by males 20.9% Recognized as a "White 500" company;
- selected for Nadeshiko Brand
- Promotion of foreign national personnel utilization
- Education plans (Business College, DX Academy)

Intellectual capital

- Creation of building and living information database on the BIM & LIM platform
- Development of efficient construction methods and improvement of productivity in cooperation with cooperating companies

Social and relationship capital

- Number of ZEH condominiums and houses · · · · · 6 buildings
- Proposal of Hazard-resistant
- Three-piece set disaster prevention equipment
- Adoption of Smart Water Tank • Creation of new value by means of condominium renewals (rebuilding,
- redevelopment, renovation) Owl 24 Center Number of alarms received
- (responded) • • 49,346 cases

- constructed

- non-detached housing buildings)
- with ABINC Certification •• 2 buildings

- Ordinary income •••••• ¥81.9 billion
- ROE 13.4%

Inputs

Human capital

- Number of employees (consolidated): 7,460 persons

 Number of qualified employees:
- 7,777 persons (total) Registered real-estate brokers, first-class architects, construction management engineers, building managers

Intellectual capital

- Exclusive contracts under which land is provided for project owners
- Construction know-how cultivated through proven experience of achieving Japan's no. 1 position in the cumulative total of
- condominium units constructed Presentation space "LIPS"
- Haseko Technical Center

Social and relationship capital

- Haseko Group's "quaternity" supply chain system
- Real estate information network • Premium After-sales Service:
- 92,324 units (accumulated)* Branchera Club:
- **Cumulative total membership:** 333.000

Natural capital

- Energy usage **Electric power**
- 19,859 thousand kwh Light oil 12,589 kl Kerosene and heavy oil ••• 107 kl Water 975 thousand m

Financial capital

- Total assets •• ¥1,081.9 billion • Equity ¥417.7 billion
- Interest-bearing debt¥311.8 billion

Figures for FY2021 *As of March 31, 2022

Corporate group for housing to create great living Provide safe, secure

and comfortable housing Negotiation with Plan government Design authorities development Land Construction acquisition HASEKO Senior-related **Condominium sales** Remodeling

Sales/brokerage Detached housing Condominium

Services to support residents' lives

management

CSR Management and Materiality (P.16)

Overseas

business

Robust Corporate Governance P.46

The Haseko Group Philosophy P.04

Establish sustainable growth through CSR management

Business Expansion

> Haseko Group Medium-term **Business Plan**

> **HASEKO Next Stage Plan**

> > P.18 ▶

Strengthening **Our Value** Creation **Foundations**

Outputs

Construction-Related Business

 Annual number of units constructed: 15,036 units (Cumulative total: 683,167 units*) **Business Strategy** P.34-35▶

Real Estate-Related Business

• Number of units sold: 1,323 units

Business Strategy P.36-37▶

Service-Related Business

- Number of for-sale condominium units managed: 419,060 units*
- Number of rental cond units managed: 174,951 units*
- Orders received for large-scale repair and interior remodeling:

¥41.4 billion

 Number of for-sale condominium units sold on consignment:

8,724 units • Number of real estate brokerage

- 2,111 units transactions: • Number of paid facilities for the
- elderly operated: 2,759 units Business Strategy

P.38-39▶

Overseas-Related Business

Business Strategy P.40-41▶

Figures for FY2021 *As of March 31, 2022

Growth in capitals

Natural capital

- Number of wooden buildings
- •••• 332 buildings (incl. 12
- Number of condominiums accredited

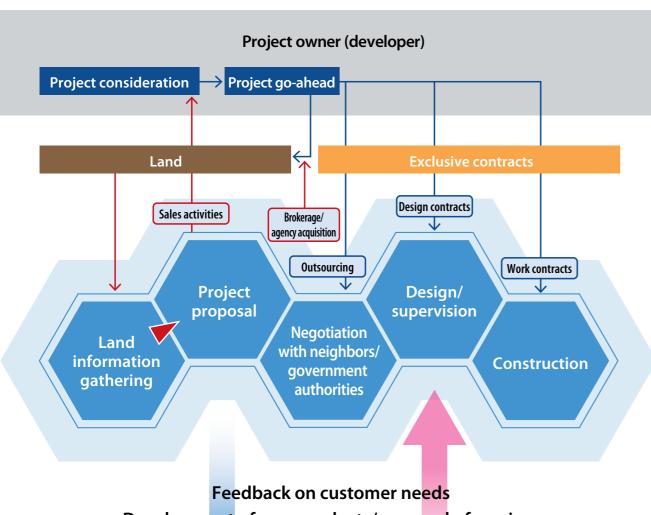
Financial capital (consolidated)

- Net income •••••• ¥54.5 billion
- Payout ratio ••••••• 40.3%

(Figures for FY2021)

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Business Model of the Haseko Group



Development of new products/proposal of services



Core Competence

1 Business model

As a general construction company with a focus on for-sale condominiums, Haseko Corporation is engaged in various businesses including land information collection, project planning, neighborhood negotiations, permit acquisition, design, and construction. In addition, Group companies mainly provide housing-related services such as Condominium sales, sales/ brokerage, condominium management, remodeling, and seniorrelated services. In 2020, Hosoda Corporation joined the Group, and as a result, we now also offer detached residences. Synergies have already emerged, an example being our tapping of Hosoda's technical prowess to incorporate wooden materials in the shared

2 Quaternity

We are endeavoring to enhance quality through the integrated operation of four bodies, (quaternity), consisting of the construction divisions, architecture & engineering divisions, technological promotion divisions, and Ken-ei-kai (an organization of over 200 of our main cooperating companies). We have enjoyed a strong relationship of trust with the Ken-ei-kai for more than 25 years, and this quality control framework by quaternity is a strength that no other company has. Since 1991, we and the Ken-ei-kai have been pursuing Autonomous Management Activities, striving to ensure high levels of construction precision and quality control. In 2016, these activities marked their 25th anniversary, and were reinvented as Haseko Value Enhancement Activities. We are aiming to take a further leap forward by utilizing the combined strength of all workers and five subcommittees grouped by type of construction, namely building frame, facilities, external structures, interior works, and exterior works, type of construction. The outcomes of these activities are conveyed to work sites and relevant departments, and also shared at the "Debriefing Session on Value Enhancement Activities" held once a year, with the goal being to achieve "succession," "widespread acceptance," and "collaboration" at a deeper level.

areas of condominiums. While leveraging these collective capabilities, the Haseko Group aims to create optimal environments as it responds to various changes in society such as the greater emphasis on consideration for the environment, natural disasters, aging buildings, and diversifying lifestyles. By utilizing the technical abilities and strong track record we have built up over our many years in condominium construction, we are also striving to take a further leap forward to take on the challenge of new construction fields such as rental condominiums, condominiums for students and senior citizens, hotels, office buildings, and logistics facilities, and to create proposals for new services and products.

3 DX and new initiatives

The value, technology and innovation division, which was transferred from Haseko Corporation to Haseko Anesis in April 2020, is playing the central role in pushing ahead with the utilization of advanced technology and the construction of a DX infrastructure, with the aim of creating and field testing new business models, ensuring that existing services remain competitive, and raising productivity. Recently, the COVID-19 pandemic has brought great changes and diversification to the nature of homes and ways of working, and ingenuity in various forms is now required when deciding on the layouts of units and the fixtures to be installed. By proactively moving forward with DX in our own unique way, such as through the use of BIM & LIM, we aim to create new business models by boosting the competitiveness of our products and services and enhance our productivity in innovative ways. To that end, we launched the DX Academy during the previous term, and are focusing on the development of specialist personnel.

Risks for the Haseko Group

Here we present key matters that we believe could materially affect decision-making by investors. We recognize that the Haseko Group is exposed to various other risks besides these, and strive to do our best to ensure that they do not materialize and to mitigate them through diversification or avoid them altogether.

Nevertheless, it is possible that the Group's operating performance and financial position could be adversely affected as a result of external factors beyond the Group's control or events that are at the present time deemed unlikely to occur.

Key matters that could materially affect decision-making by investors

- Dependence on the condominium business
- Construction market trends
- Legal and administrative regulations, etc.
- Relationships with local residents
- Liability for noncompliance with contracts
- Accidents and other incidents in the construction business
- Credit risk of clients
- Owned real estate
- Corporate acquisitions, etc.

- Unbalanced business areas
- Overseas business risks
- Operational risks
- Management of personal information, etc.
- Fund procurement and interest payments
- Stock market trends
- About the Medium-term Business Plan
- Response to COVID-19 pandemic
- Climate change risk

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CSR Management and Materiality

Toward CSR Management—Group Medium-term Business Plan (HASEKO Next Stage Plan)

In February 2020, we formulated the "Haseko Group Long-Term Vision — What the Company Aims to Be for the Fiscal Year Ending March 2030 —" and medium-term business plan for achieving the vision, "HASEKO Next Stage Plan (Plan NS)," which runs until the fiscal year ending March 31, 2025, with the aim of making a further leap forward as a "corporate group for housing to create great living."

We will aim to achieve sustainable growth of the Haseko Group by including CSR management initiatives in our focused strategies of Plan NS and promoting further links between corporate management and CSR.

We are implementing the following initiatives to make a further leap forward as a corporate group for housing to create great living.

Initiatives of CSR management

- (1) Enhance corporate value by both "creating social value" and "growing the Group" through solving problems regarding business
- (2) Incorporate important ESG factors to pursue for long-term growth and the strengths of the Haseko Group into CSR themes, and promote CSR targets

Our Four Main CSR Themes

We are promoting initiatives toward realization of the four main CSR themes, which is the goal of the Haseko Group's CSR

Four main CSR themes	17 key sub-themes	Related SDGs*	ESG
Creating attractive living spaces	 Safety, security and comfort Enabling diverse lifestyles Community Environmental consideration in daily life 	3 GOOD RELITH AND WILL-STRICE THEOGRAPH AND WILL-STRICE TO CLUB FORMER TO C	E/S
Building a company worth working at	 Enabling the flourishing of diverse talent A safe and healthy working environment Personnel development and technology succession Supply chain 	5 COMMENT TOURISMS AND TOURISMS AND TOURISMS AND THE CONTROL PROPERTY. THE CONTROL AND THE CON	S
Protecting the precious environment	 Cyclical resource use Energy & CO₂ Pollution prevention and consideration for the local environment 	7 AFFRENCE AND CLEAN HOLDER CONCAPATION OF PROTOCOLOR OF P	E
Nurturing a culture of trust	 Corporate ethics and compliance with the law Respect of human rights Information disclosure and stakeholder engagement CSR education and training Promotion of social contribution activities Supply chain management 		G

*SDGs: UN Sustainable Development Goals

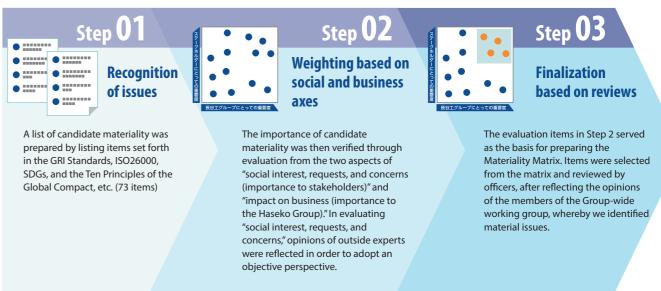
Materiality

Amidst accumulating environmental and social issues, including climate change, energy problems, aging society with fewer children, poverty, and human rights issues, corporations have a growing responsibility to solve such issues. The Haseko Group identified priority issues to be addressed as materiality (material issues) in 2017 and incorporated these issues into our guidelines for promoting CSR.

The details of materiality were revised in April 2020 with the start of the medium-term business plan, "HASEKO Next Stage Plan." When undertaking the review, our investigation was made from the perspective of business and social axes considering factors such as the mediumterm business plan, social conditions, and opinions of outside experts. The decision was made through a review by officers in March 2021 and we have taken initiatives in line with the materiality since April that year.

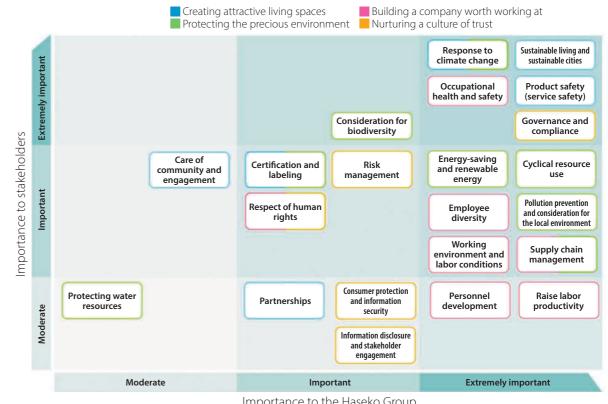
We will conduct periodic reviews as necessary from a perspective of consistency with the management policy and social conditions.

Materiality Identification Process



Haseko Group's Materiality

All of the materiality topics identified have been incorporated as components of our four main CSR themes.



Importance to the Haseko Group

Progress on the Medium-term Business Plan (HASEKO Next Stage Plan)

In 2020, the Haseko Group formulated the Haseko Group Long-Term Vision—What the Company Aims to Be for the Fiscal Year Ending March 2030. Toward achieving the Long-Term Vision, we have embarked on a five-year medium-term business plan, HASEKO Next Stage Plan ("Plan NS"), and are executing growth strategies based on the premise that conditions in society will change.

Basic po	licy	and focused strategies under the current	me	edium-term business plan			
Name of plan	HASEKO Next Stage Plan (Plan NS)—Aiming for growth to the Next Stage						
Period of plan	fisc	fiscal year ending March 31, 2021–2025 (five years)					
	1	Strengthen corporate management that builds on both the Construction-Related Business, which primarily targets the market	4	Establish a stable profit base through growth strategy investment			
		for new housing supply, and the Service-Related Business, which is centered on the market related to existing residences etc.		Maintain a strong financial base and enhance shareholder returns			
Basic policy	2	Deepen coordination among the Group companies and realize a corporate entity that proves to be worthy of the	6	Challenge for new endeavors from a medium- to long-term perspective			
	2	trust received from urban dwellers	7	Focus on establishing CSR management			
	3	Provide safe, secure and comfortable housing and urban environment					
Focused strategies	1	Strengthen competitiveness of core businesses Expansion of domain of the Construction-Related Business Expansion of redevelopment and reconstruction business/response to compact cities Continuation and strengthening of the Service-Related Business					
	2	Expansion of investment in Real Estate-Related Business Expansion of business areas for condominium sales business Rental properties holding and development business					
	3	Initiatives for future growth Investment for realizing digital transformation (DX) Investment for introducing advanced technologies by the value, technology and innovation division Investment in overseas business New investment Investment in human assets					
	4	Investment plan					
	5	Financial strategy and shareholder returns					
	6	Action for CSR management					

Numerical targets and investment plan

Numerical targets

fiscal year ending March 31, 2025

Consolidated ordinary income

100.0 billion yen

Ordinary income of consolidated subsidiaries 30.0 billion yen or more

fiscal year ending March 31, 2021–2025

Five-year total consolidated ordinary income 400.0 billion yen

Investment plan

Category	Investment amount (five-year total)		
Condominium sales business	50.0 billion yen	 Expanding business areas 	
Rental properties holding/ development business	70.0 billion yen	 Holding rental properties to raise stable revenue sources Establishing private placement REIT 	
Overseas business	60.0 billion yen	 Re-establishing profit base in the United States (Hawaii) Establishing a design and construction production system in Southeast Asia Participation in real estate development projects 	
Advanced technology investment	20.0 billion yen	 Fundamental innovation of existing business productivity Creation of new business models 	
New businesses, M&A, etc.	40.0 billion yen	 Development of new products and services M&A focusing on improving services of existing businesses and expanding business areas with growth potential 	
Five-year investment amount (total)	240.0 billion yen		

What the Company aims to be for the fiscal year ending March 2030

A further leap forward in a corporate group for housing to create great living

Long-Term Vision Target profit level: Consolidated ordinary income of 150.0 billion yen FYE Mar. Provide safe, secure and comfortable housing 2030 Rental Environmentally- Redevelopment condominiums friendly housing and reconstruction Medium-term Challenge of entering new business plan business fields/M&A Housing for the Commercial Detached housing facilities **FYE Mar.** Design/construction 2025 Used housing Brokerage Management High-quality and Provide services to support lives of residents high-added-value condominiums Nursing care Childcare Health Medical care Education Extensive refurbishment Sale Establish sustainable growth

Progress on the current medium-term business plan (consolidated ordinary income) (billions of yen)

100.0

81.9

71.8

FYE Mar. 31, 2021 FYE Mar. 31, 2022 FYE Mar. 31, 2023 (forecast) FYE Mar. 31, 2025 (target)

Current medium-term business plan

Perception of business environment

Outlook for business environment

- Lower levels of supply of new condominium units
- Regional core cities becoming "compact cities"
- Increased awareness of the importance of natural disaster preparedness
- Increase in condominium stock and expansion of needs for renovation, rebuilding, and redevelopment
- Response to labor shortage and workstyle reform

Condominium market expected to see significant changes

Accelerated evolution of technology

condominium construction

- Number-one condominium builder in Japan
 Integrated service for condominium businessAccumulated technical know-how from specialization in
- Quality control framework based on strong relationships of trust with cooperating companies

Strengths of the Haseko Group

Land information gathering capabilities

- Unique-to-Haseko "exclusive contracts under which land is provided for project owners"
- Response to needs for land other than as sites for condominiums

through CSR management

Collective capabilities of the Haseko Group

- Providing a wide range of services in the real estate stock business
- Feedback of information from Group companies to end-users

Business model needs rebuilding

To respond with precision to changes in societal conditions and achieve sustainable growth, we will be aiming to make a further leap forward as a "corporate group for housing to create great living," both in terms of physical products and services and knowhow

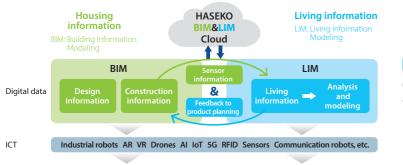
Progress on the Medium-term Business Plan (HASEKO Next Stage Plan)

Execution status of focused strategies

Aims and

1. Investment in advanced technology —Establishment and utilization of HASEKO BIM & LIM Cloud

BIM & LIM Cloud: Haseko's unique building information and living information platform



Create high-added value condominiums by gathering, accumulating, and analyzing living information such as sensor data and life log data

Devise new services in the condominium management, real estate distribution, and senior businesses

Development of ICT condominiums: Deploying ICT to offer a new approach to buildings

Our third ICT condominium: ComRezi Akabane

Utilization of non-contact authentication technology, congestion monitoring technology, and environmental monitoring technology





Development of ICT condominiums for homes for the elderly and for-sale condominiums

2. Current progress and future plans for DX initiatives



3. Expansion of investment in the Real Estate-Related Business





Real estate information provided by Haseko Real Estate Development (available only in Japanese): ➡ https://www.branchera.com

4. Launch of private placement REIT

Haseko Corporation established Haseko Residential Private Investment Corporation, and the private placement REIT was launched on February 1, 2022. For the expansion of investment in Real Estate-Related Business, which is one of the focused strategies of our current medium-term business plan, the private placement REIT will serve as a means of strengthening the Haseko Group's stock business.

Investment corporation schematic diagram Main rental properties owned by Haseko Corporation Institutional Financial investors institutions

Strengthening Our Value Creation Foundations



5. Establishment of Haseko Group climate change response policy: **HASEKO ZERO-Emission**

As part of our efforts aimed at achieving carbon neutrality by fiscal 2050, we established a climate change response policy, HASEKO ZERO-Emission.

ZEH-M Oriented

condominiums

constructed

We have also set targets for reducing CO₂ emissions based on the SBT* and publicly endorsed the TCFD recommendations.

Key initiatives for achieving carbon neutrality

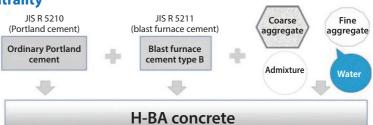
(1) Promotion of adoption of H-BA concrete, an environmentconscious concrete

A general-purpose concrete that reduces CO₂ emissions

Can be produced in the normal way

(2) Transition to net-zero energy housing (ZEH) for condominiums developed in-house

Push forward with projects that ensure that all forsale condominiums and rental condominiums developed primarily by the Haseko Group meet the ZEH-M Oriented standard.







6. Initiatives for CSR management: External evaluations

Selected for inclusion in FTSE Blossom Japan Index



FTSE Blossom Japan Index

Haseko Corporation has been selected for inclusion in the FTSE Blossom Japan Index, which comprises Japanese companies demonstrating excellence in ESG (Environmental, Social and Governance).

Other certification, selection, etc.

SBT certification





Selected as Nadeshiko Brand

• Recognized as a White 500 enterprise (large enterprise category) in 2022 under the Certified Health and Productivity Management* Outstanding Organizations Recognition Program

*The term "Health and Productivity Management" is a registered trademark of the NPO Kenkokeiei (Workshop for the Management of Health on Company and Employee)



Haseko Group Integrated Report 2022