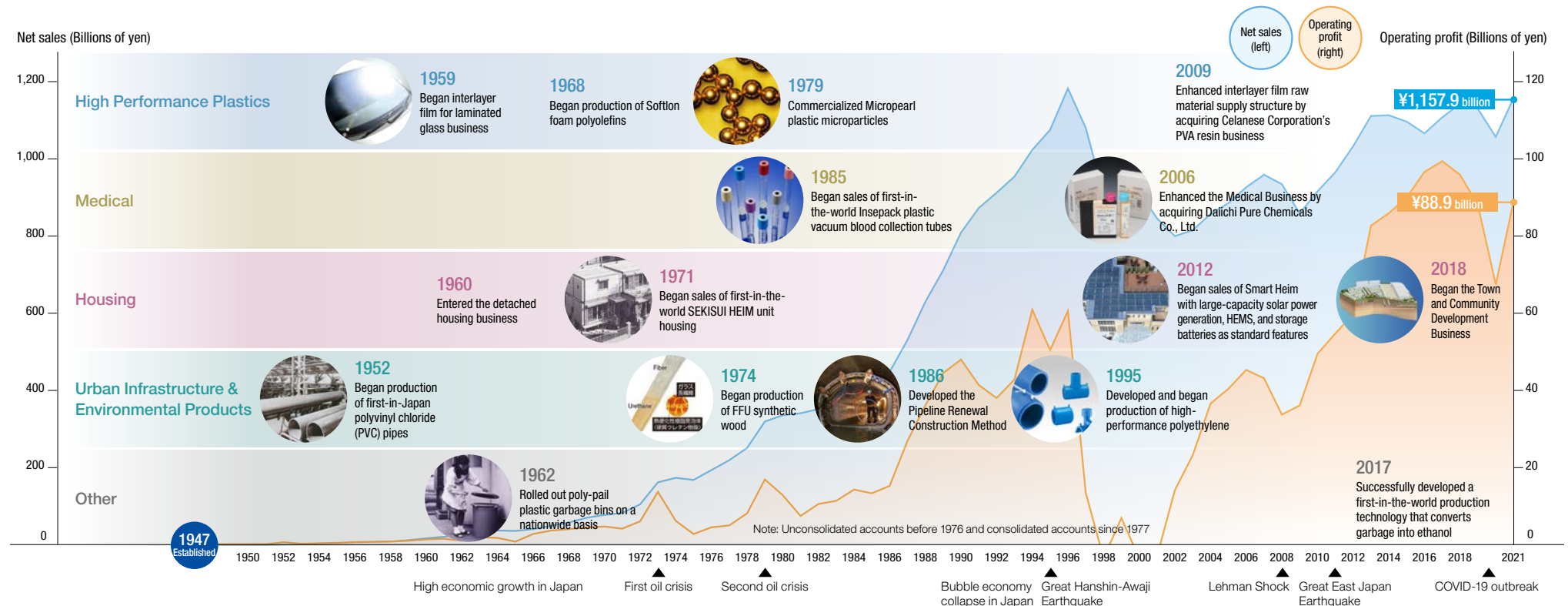


SEKISUI CHEMICAL Group Accomplishments

With its roots in Nippon Chisso Hiryo K.K., founded by Shitagau Noguchi, SEKISUI CHEMICAL Group was established in 1947 by seven young employees aiming to comprehensively launch a business based on plastics, a new miracle material at the time. Guided by our 3S Principles (Service, Speed, Superiority) over the ensuing period, we have dared to challenge new businesses and frontiers while ushering in a new era focusing mainly on plastic-related technologies and products.



1947-: Foundation

Established Process Creation Business as Pioneers in Plastics

SEKISUI CHEMICAL Group took on the challenge of being the first in Japan to engage in plastic processing using domestically produced injection molding machines. We contributed to Japan's postwar reconstruction by bringing new changes to people's lives through plastic products such as daily necessities, tapes and films, PVC pipes, and poly-pail plastic garbage bins. In 1960, SEKISUI House Sangyo Co., Ltd. (now SEKISUI House Co., Ltd.), was spun off as a separate company after we entered the housing field. In 1963, we aggressively expanded operations, which included becoming the first Japanese manufacturer to make a foray into the United States.

1966-: Development

Improved Management Framework and Developed Next-generation Businesses

With high economic growth in Japan drawing to a close, we improved our management framework based on restructuring and our basic philosophy of respecting employees and business partners while contributing to society through plastics. We began Sekisui Heim industrialized modular houses and the Medical Business as the next wave of growth businesses. The Company was awarded the Deming Prize, the highest honor for TQC,* in 1979 for company-wide TQC activities.

* TQC: Total Quality Control

1980-: Growth

Launched High-performance Products and Expanded the Housing Business

With commercialization of next-generation products progressing since the late 1970s, we saw growth particularly in the social infrastructure, housing, and medical fields. We implemented organizational reforms to enhance our ability to meet customer needs, while launching new materials, technologies, and products to address more sophisticated user needs and social issues. We expanded after-sales services in the Housing Business, through which strong growth has driven earnings. In 1997, we began selling houses equipped with solar-power generation systems.

1999-: Resurgence

Adopted a Three Company System and Initiated CSR Management

The Company reorganized from a seven-division to a three-company system, engaged in business selection and concentration, and pursued globalization to overcome the business crisis following the collapse of the bubble economy in Japan. At the same time, we promoted CSR management under the Three Prominences: Environment to achieve sustainable growth by balancing the economy and ecology; CS & Quality to improve CS (customer satisfaction) together with enhancing quality; and Human Resources to support the growth of employees to maximize their strengths.

2008 onward: Transformation

Proactively Pursuing Strategic Investment and Evolving from CSR to ESG Management

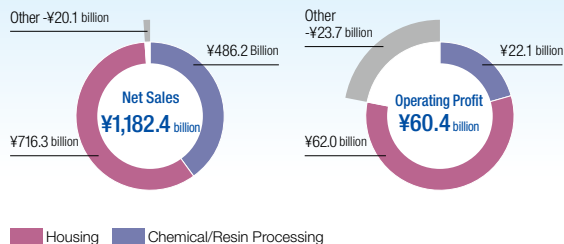
We are improving profitability along with expanding our businesses by pursuing investment strategies that clarify strategic fields and by enhancing our business structure. We have significantly increased sales of the high-performance plastics company by expanding our lineups of high-performance products. In 2020, we formulated our new Long-term Vision. As part of this, we are pursuing the evolution of CSR management—an integral part of our operations—into ESG management to realize social and corporate sustainability by taking a more strategic approach to environmental and social issues.

SEKISUI CHEMICAL Group Accomplishments

Performance Changes by Segment

Seven Business Divisions System

Fiscal 1996



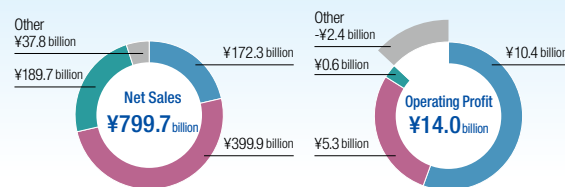
Housing Business led the Group to record high sales

Housing Business
Chemical/Resin Processing Business

Began transformation to overcome the business crisis following the collapse of Japan's bubble economy
March 2001
Introduced a Divisional Company System

Post-introduction of the Divisional Company System

Fiscal 2002



Identified, selected, and concentrated on core competencies ahead of changes in society and business. Transformed the business portfolio to achieve growth (adaptability)

Business domain per company (Strategic fields)

Housing Company ▶ Housing

UIEP Company ▶ Water infrastructure

HPP Company ▶ AT/IT/MD¹

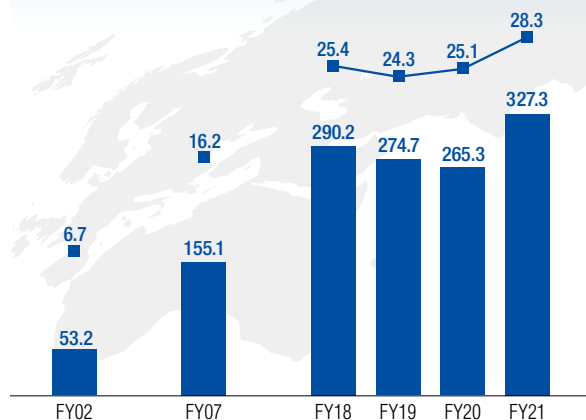
▶ Housing/Stock (Renovation, Real estate)/Town and Community Development, etc.
▶ Piping and Infrastructure/Building and Living Environment/Advanced Materials
▶ Electronics/Mobility/Building and Infrastructure
Medical Business²

¹ AT (automotive materials), IT (IT-related materials), MD (medical products) ² The Medical Business was spun off from the High Performance Plastics Company in fiscal 2019 as new company candidate to accelerate growth.

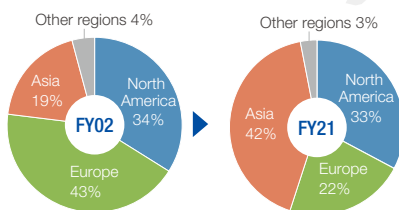
Global Expansion

Overseas Sales/Overseas Sales Ratio

Overseas Sales (Billions of yen)
Overseas Sales Ratio (%)



Overseas Sales Ratio by Region



HPP Company Housing Company UIEP Company Medical Business Other

