

Explanations for the Individual Appointments, Dismissals and Nominations of Candidates for Directors and Audit & Supervisory Board Members

[Principle 3.1 Full Disclosure]

In addition to making information disclosure in compliance with relevant laws and regulations, companies should disclose and proactively provide the information listed below (along with the disclosures specified by the principles of the Code) in order to enhance transparency and fairness in decision-making and ensure effective corporate governance:

- v) Explanations with respect to the individual appointments/dismissals and nominations based on iv)

<Appointments and Nominations>

At the 85th Ordinary General Meeting of Shareholders (held on June 27, 2024), the Board of Directors of the Company submitted proposals to elect 14 Directors (including 6 outside Directors) and 1 outside Audit & Supervisory Board Member. All candidates for Directors and Audit & Supervisory Board Member fulfill the selection criteria of candidates for Directors and Audit & Supervisory Board Members, and individual appointments were made in consideration of the composition for the necessary number and diversity to ensure the effectiveness of the Board of Directors and the Audit & Supervisory Board as a whole.

Specifically, individual appointments were made in the expectation that the diversified experiences and backgrounds possessed by each candidate will give positive impact on the management of the Company and mutually supplement experiences and wisdom, and thereby provide the balance to the Board of Directors and the Audit & Supervisory Board as a whole as well as enhance each function.

Information Disclosure in accordance to the Corporate Governance Code

[Directors] (As of January 1, 2025)

	Name	Reason for nomination of the person as Director	Position
1	Keiichi Yoshii	Since assuming the position of Representative Director and President, he has expanded the Company's business performance, achieving record-high sales and operating income, as well as promoting the strengthening of the management base through measures including governance enhancement. In the Seventh Medium-Term Management Plan, the Company set its purpose as "Our Future Landscape—Celebrating the Joys of Life" and is actively working to further accelerate the growth of its overseas businesses and achieve carbon neutrality. The Company expects that he will demonstrate managerial skills and leadership to build the Group's sustainable growth model.	Representative Director and President, CEO
2	Takeshi Kosokabe	He has accumulated experience from working in the accounting department and as Representative Director of a group company, and after assuming the position of Representative Director of the Company, he has been mainly serving as CFO and General Manager of Management Administration Headquarters, strengthening governance and striving to improve the corporate value of the Company Group. Accordingly, the Company expects that he will continue exercising managerial skills by utilizing his broad knowledge and experience in the future.	Representative Executive Vice President, CFO
3	Yoshiyuki Murata	After serving as a manager supervising the technology division of a major construction company, he has served as Representative Director of the same company. Accordingly, the Company expects that he will utilize his abundant knowledge of the industry based on his professional career and exercise managerial skills to achieve further improvement of technical capabilities and sustainable growth of the Group.	Representative Executive Vice President

Information Disclosure in accordance to the Corporate Governance Code

	Name	Reason for nomination of the person as Director	Position
4	Keisuke Shimonishi	He has accumulated experience from working in the marketing department, and after assuming the position of Director of the Company, he has been mainly in charge of Commercial Construction Headquarters, striving to improve the corporate value of the Company Group. Accordingly, the Company expects that he will exercise managerial skills by utilizing his broad knowledge and experience to further improve the corporate value.	Director and Senior Managing Executive Officer
5	Hirotsugu Otomo	He has accumulated experience from working in the marketing department. After assuming the position of Director of the Company, he has mainly been in charge of general housing business and Livness business, and is striving to improve the corporate value of the Company Group as Head of Overseas and Head of Management Strategy Planning Headquarters. Accordingly, the Company expects that he will exercise managerial skills by utilizing his broad knowledge and experience in the future.	Director and Senior Managing Executive Officer
6	Yoshinori Ariyoshi	He has accumulated experience from working in the technology department, and after assuming the position of Director of the Company, he has been mainly in charge of Compliance and Quality Assurance Promotion Division striving to improve the corporate value of the Company Group. Accordingly, the Company expects that he will continue exercising managerial skills by utilizing his broad knowledge and experience in the future.	Director and Managing Executive Officer
7	Toshiya Nagase	He has accumulated experience from working in the marketing department. After assuming the position of Director of the Company, he has mainly been in charge of Single Family Housing Business, striving to improve the corporate value of the Company Group. Accordingly, the Company expects that he will continue exercising managerial skills by utilizing his broad knowledge and experience in the future.	Director and Managing Executive Officer

Information Disclosure in accordance to the Corporate Governance Code

	Name	Reason for nomination of the person as Director	Position
8	Yukinori Kuwano	Utilizing his extensive knowledge of corporate management cultivated over many years through his abundant experience as a corporate manager, he has played an important role in strengthening governance by providing opinions and remarks from various perspectives. Moreover, he has supervised the progress of initiatives for BIM and DX from an executive point of view. Accordingly, the Company expects that he will continue providing managerial supervision and advice from an independent standpoint.	Outside Director Independent Executive
9	Miwa Seki	Having entrepreneurial experience and work experience as a branch manager at a foreign financial institution, she has utilized her extensive global knowledge cultivated in part through her experience as a General Partner at an investment fund, her present job, to provide opinions and remarks from not only an investor's viewpoint but also diverse perspectives. Accordingly, the Company expects that she will continue providing managerial supervision and advice from an independent standpoint.	Outside Director Independent Executive
10	Kazuhiro Yoshizawa	He served as Representative Member of the Board of Directors of a major telecommunications company. Accordingly, the Company expects that he will utilize his abundant knowledge based on his professional career and continue to provide the Group with managerial supervision and advice for further development of information technology and sustainable growth of the Group from an independent standpoint.	Outside Director Independent Executive
11	Yujiro Ito	He served as Representative Director of a major financial institution. Accordingly, the Company expects that he will utilize his abundant knowledge based on his professional career and continue to provide the Group with managerial supervision and advice to further strengthening corporate governance of the Group from an independent standpoint.	Outside Director Independent Executive

Information Disclosure in accordance to the Corporate Governance Code

	Name	Reason for nomination of the person as Director	Position
12	Toshikazu Nambu	He served as Representative Director of a major general trading company after having worked overseas. Accordingly, the Company expects that he will utilize his abundant knowledge based on his professional career and provide the Group with managerial supervision and advice to further promote the overseas business and DX and strengthen corporate governance of the Group from an independent standpoint.	Outside Director Independent Executive
13	Tomomi Fukumoto	She has extensive experience mainly in the sustainability division of a major beverage company and management experience in of the beverage company's group companies. Accordingly, the Company expects that she will utilize her abundant knowledge based on her professional career and provide the Group with managerial supervision and advice for Sustainable growth of corporate value of the Group from an independent standpoint.	Outside Director Independent Executive

[Audit & Supervisory Board Member]

	Name	Reason for nomination of the person as Audit & Supervisory Board Member	Position
1	Tomoyuki Nakazato	He has abundant knowledge of finance and accounting from his long-term experience in accounting operations and has contributed to improving the effectiveness of audits and other activities of the Audit & Supervisory Board as a whole through means such as providing appropriate advice in line with on-site audits as a full-time Audit & Supervisory Board Member. Accordingly, the Company judges he will appropriately fulfill his duties as an Audit & Supervisory Board Member, and proposes his reelection.	Audit & Supervisory Board Member
2	Tadatoshi Maeda	Having served for many years as a manager responsible for design division of Branch and Head Office, he has abundant knowledge regarding construction technologies. The Company expects that he will conduct highly effective audits with his profound knowledge of frontline operations of both technical and sales departments. Accordingly, the Company judges he will appropriately fulfill his duties as an Audit & Supervisory Board Member, and proposes his appointment as Audit & Supervisory Board Member.	Audit & Supervisory Board Member

Information Disclosure in accordance to the Corporate Governance Code

	Name	Reason for nomination of the person as Audit & Supervisory Board Member	Position
3	Yoshinori Hashimoto	He has abundant knowledge and insight of management of branches and offices from his long-term experience as the manager of branches and offices. The Company expects that he will contribute to improving the effectiveness of audits of the Audit & Supervisory Board as a whole through means such as providing appropriate advice in line with on-site audits as a full-time Audit & Supervisory Board Member. Accordingly, the Company proposes his election as Audit & Supervisory Board Member.	Audit & Supervisory Board Member

[Audit & Supervisory Board Members appointed at the 82nd, 84th and 85th Ordinary General Meetings of Shareholders]

	Name	Reason for nomination of the person as Audit & Supervisory Board Member	Position
1	Akihisa Watanabe	He has been engaged in auditing at an audit corporation as a certified public accountant for many years, and has abundant experience as a specialist in financial accounting. The Company expects that he will conduct highly effective audits by utilizing his extensive knowledge based on his career. Accordingly, the Company proposes his appointment as Audit & Supervisory Board Member. He has never in the past been involved in the management of a company. However, the Company judges he will appropriately fulfill his duties as an Outside Audit & Supervisory Board Member in the manner that the Company expects, based on the reason described above.	Outside Audit & Supervisory Board Member

Information Disclosure in accordance to the Corporate Governance Code

	Name	Reason for nomination of the person as Audit & Supervisory Board Member	Position
2	Tatsuji Kishimoto	<p>He has been serving as an attorney at law for many years, and has expertise and abundant knowledge of corporate legal affairs. The Company expects that as an Outside Audit & Supervisory Board Member who is a legal expert, he will play an important role in auditing the compliance of business execution by the Company's Directors and improving the internal control system. Accordingly, the Company proposes his appointment as Audit & Supervisory Board Member.</p> <p>He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an Outside Audit & Supervisory Board Member in the manner that the Company expects, based on the reason described above.</p>	Outside Audit & Supervisory Board Member
3	Takashi Maruyama	<p>He has long-term experience in corporate management at corporate groups with diverse business operations. The Company expects that he will audit the overall management of the Company and provide useful advice from an independent standpoint by utilizing his abundant knowledge based on his career. Accordingly, the Company proposes his election as Audit & Supervisory Board Member.</p>	Outside Audit & Supervisory Board Member

<Dismissals>

Presently, there is nothing to disclose about dismissals.