

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 82nd Ordinary General Meeting of Shareholders (held on June 29, 2021), the Board of Directors of the Company submitted proposals to elect 14 Directors (including 5 outside Directors) and 2 Audit & Supervisory Board Members (including 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]

	Name	Reason for nomination of the person as Director	Position
1	Keiichi Yoshii	Subsequent to his appointment as Director, he has striven to expand business activities, primarily while in charge of overseas business, and to expand business operations as General Manager of Marketing Headquarters. After assuming the position of Representative Director and President, he has promoted the policies of “Strategy for No. 1 share in each business,” “Further promotion of overseas businesses,” and “human resource development” and worked tirelessly to build a foundation for future growth. Accordingly, the Company expects that he will continue demonstrating managerial skills and excellent leadership.	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 serving as CFO and in charge of Administrative Division 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 Company Group.	Executive Vice President

Information Disclosure in accordance to the Corporate Governance Code

	Name	Reason for nomination of the person as Director	Position
4	Hirotsugu Otomo	He has accumulated experience from working in the marketing department, and after assuming the position of Director of the Company, he has been mainly serving as Deputy General Manager of Marketing Headquarters and in charge of general 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
5	Tatsuya Urakawa	He has accumulated experience from working in the marketing department, and after assuming the position of Director of the Company, he has been in charge of General Construction Operations, striving to improve the corporate value of the Company Group. Accordingly, the Company expects that he will continue exercising managerial skills as Director by utilizing his broad knowledge and experience in the future.	Director and Managing Executive Officer
6	Kazuhito Dekura	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 Tokyo Head Branch Manager and Deputy General Manager of Marketing Headquarters, striving to improve the corporate value of the Company Group. The Company expects that he will strive to further promote overseas businesses by utilizing his abundant knowledge and experience based on his career in the future.	Director and Managing Executive Officer
7	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 General Manager of Central Research Laboratory and been in charge of Housing Product Development, striving to develop new products and improve quality. The Company expects that he will work to strengthen the quality assurance function of the whole manufacturing process and legal compliance by utilizing his knowledge and experience in the	Director and Managing Executive Officer

Information Disclosure in accordance to the Corporate Governance Code

	Name	Reason for nomination of the person as Director	Position
		future.	
8	Keisuke Shimonishi	He has accumulated experience from working in the marketing department, and has striven, mainly as a General Manager of Commercial Construction Promotion Department, to improve the corporate value of the Company Group. Accordingly, the Company expects that he will exercise managerial skills as Director by utilizing his broad knowledge and experience in the future.	Director and Managing Executive Officer
9	Nobuya Ichiki	He has accumulated experience from businesses overseas at globally operating companies, and after joining the Company, he has been in charge of Overseas Division. Accordingly, the Company expects that he will strive to further promote overseas businesses by utilizing his abundant knowledge and experience based on his career in the future.	Director and Managing Executive Officer
10	Kazuyoshi Kimura	Utilizing his extensive knowledge of corporate business cultivated over many years through his abundant experience as a business manager, he has played an important role in strengthening governance by providing opinions and remarks from various perspectives. Accordingly, the Company expects that he will continue supervising the Company's management from an independent standpoint.	Outside Director Independent Executive
11	Yutaka Shigemori	Utilizing his extensive knowledge of corporate business cultivated over many years through his abundant experience as a business manager, he has played an important role in strengthening governance by providing opinions and remarks from various perspectives. Accordingly, the Company expects that he will continue supervising the Company's management 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	Yukiko Yabu	Utilizing her abundant experience in planning, development, market research, etc., of general consumer merchandise over many years, she has played an important role in strengthening governance by providing useful advice from the perspective of consumers. Accordingly, the Company expects that she will continue supervising the Company's management from an independent standpoint. She has never in the past been involved in the management of a company except as an outside officer. However, the Company judges she will appropriately fulfill her duties as an Outside Director in the manner that the Company expects, based on the reason described above.	Outside Director Independent Executive
13	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 (Building Information Modeling) and DX (Digital Transformation) from an executive point of view. Accordingly, the Company expects that he will continue supervising the Company's management from an independent standpoint.	Outside Director Independent Executive
14	Miwa Seki	She has entrepreneurial experience and has worked as a branch manager at a foreign financial institution. The Company expects that she will supervise the Company's management from an independent standpoint through providing opinions and remarks from not only an investor's viewpoint but also various perspectives by utilizing her extensive global knowledge cultivated through her experience as an educator and as a translator at present.	Outside Director Independent Executive

Information Disclosure in accordance to the Corporate Governance Code

[Audit & Supervisory Board Members]

	Name	Reason for nomination of the person as Audit & Supervisory Board Member	Position
1	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.	Full-time Audit & Supervisory Board Member
2	Tatsuji Kishimoto	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. 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.	Outside Audit & Supervisory Board Member Independent Executive

Information Disclosure in accordance to the Corporate Governance Code

[Audit & Supervisory Board Members appointed at the 79th, 80th and 81st Ordinary General Meetings of Shareholders]

	Name	Reason for nomination of the person as Audit & Supervisory Board Member	Position
1	Tomoyuki Nakazato	Having abundant knowledge of finance and accounting from his long-term experience of accounting operations, the Company expects that he will execute highly effective audits. 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.	Full-time Audit & Supervisory Board Member
2	Shonosuke Oda	He has provided accurate auditing using his familiarity of overall management and this industry, and has not only given proposals and recommendations, but also his opinion in order to solve problems using his deep understanding of the state of the industry due to his many years of experience as a corporate manager, extensive knowledge related to overall management, in addition to his experience in the housing and construction industries. Accordingly, the Company judges he will appropriately fulfill his duties and proposes his reappointment as Audit & Supervisory Board Member.	Outside Audit & Supervisory Board Member Independent Executive
3	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. 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 Independent Executive

<Dismissals>

Presently, there is nothing to disclose about dismissals.