



News Release

Notice Regarding Decision on Policy for Shortening of the Term of Office of Directors and Abolishment of the Executive Advisor System

September 5, 2019 – Sekisui House, Ltd. (the “Company”) hereby announces that, at the meeting of the Board of Directors held today, it decided to submit to the 69th Ordinary General Meeting of Shareholders scheduled in April 2020 (the “General Meeting of Shareholders”) a “proposal for partial amendments to the Articles of Incorporation” regarding a shortening of the term of office of Directors and the abolishment of the Executive Advisor system, as described below. The details of the proposal to be submitted to the General Meeting of Shareholders will be discussed at a meeting of the Board of Directors and announced publicly in March 2020.

1. Shortening of the term of office of Directors

In order to further define the management responsibility of Directors, increase opportunities for gaining the confidence of shareholders and build a management structure for responding promptly to changes in the business environment, the Company will shorten the term of office of Directors from two years to one year and make the necessary amendments to Article 21 (Term of Office of Directors) of the current Articles of Incorporation.

2. Abolishment of the Executive Advisor system

For the purpose of increasing transparency in the management system and defining accountability in order to further strengthen corporate governance, the Company will abolish the Executive Advisor system and make the necessary amendments to Article 23 (Directors with Executive power and Executive Advisors) of the current Articles of Incorporation.

The proposed abolishment of the Executive Advisor system does not preclude the appointment of persons who have served in the executive posts to assume a special position with specific roles. In cases where the Company delegates such special position to a person who has served in the executive posts, the prior resolution of the Board of Directors shall be required as to his or her role, term of office and treatment.

There is currently no Executive Advisor within the Company, and the Company has delegated the position of Advisor to a person who has retired from the post of Executive Officer (term of office: until March 2020). The Company will also abolish the system of delegating the positions of Advisor, etc. to people who have served in the executive posts.

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