Last Update: July 3, 2020

DAITO TRUST CONSTRUCTION CO., LTD.

Katsuma Kobayashi
President and Representative Director, Chief Executive Officer
Contact: Shuji Kawai
Managing Director, General Manager of Corporate Management Headquarters
TEL: +81-3-6718-9068
Securities Code: 1878
https://www.kentaku.co.jp

The corporate governance of Daito Trust Construction Co., Ltd. (the "Company") is described below.

I Basic Views on Corporate Governance, Capital Structure, Corporate Profile, and Other Basic Information

1. Basic Views

The Company's basic views on corporate governance are as follows.

The basic policy and purpose of the Company's corporate governance are to maximize corporate value for shareholders and all other stakeholders and to improve the efficiency and transparency of management. To this end, the Company strives to thoroughly instill corporate ethics and law observance, develop and strengthen its internal control systems, and ensure objectivity and prompt decision-making in management as its main issues.

[Reasons for Non-compliance with the Principles of the Corporate Governance Code] Updated

(Principle 1.4 Cross-Shareholdings)

The Company's basic policy towards shares held for purposes other than investment is to hold such shares within a scope that fulfills all conditions that include 1) the legitimacy of the purpose of holding such as business partnership, the maintenance and strengthening of transactions, and the stability of shares, and 2) such holdings accounting for no more than 5% of total assets on the consolidated balance sheet.

For decisions on the additional purchase or disposal of such shares, reviews will be conducted as appropriate by the responsible Director from the perspective of whether such shares are necessary for the Company's growth, whether there are other effective ways of using funds, etc., subject to discussion by the Board of Directors once a year.

Meanwhile, the Company has not set out specific standards for exercising voting rights of such shares. In the exercise of voting rights for such shares, the Company makes its decision on the approval or disapproval of proposals by scrutinizing each of the proposals from the viewpoints, such as whether the proposal is useful for the efficient and sound management of the issuing company and whether it can be expected for the proposal to help improve corporate value, in addition to whether the proposal is consistent with the Company's holding policy, rather than making automatic decisions based on specific standards.

[Disclosure Based on the Principles of the Corporate Governance Code]

The Company's initiatives and policies towards these initiatives in accordance with the 78 principles (general principles, principles, and supplementary principles) of the Corporate Governance Code, including items for disclosure based on the Code, are posted in "The Company's Initiatives Related to the Corporate Governance Code" on the Company's website indicated below.
An English version of "The Company's Initiatives Related to the Corporate Governance Code" is available on the English-language page of the website.

- "The Company's Initiatives Related to the Corporate Governance Code": https://www.kentaku.co.jp/corporate/ir/governance/top.html
- "The Company's Initiatives Related to the Corporate Governance Code" (English): https://www.kentaku.co.jp/e/ir/library.html

2. Capital Structure

Percentage of Foreign Shareholders	30% or more

[Status of Major Shareholders] Updated

Name/Company Name	Number of Shares Owned (Shares)	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,133,600	7.48
SSBTC CLIENT OMNIBUS ACCOUNT	4,351,534	6.34
Japan Trustee Services Bank, Ltd. (Trust Account)	3,407,100	4.96
Japan Trustee Services Bank, Ltd. (Trust Account 7)	1,836,900	2.68
Sumitomo Realty & Development Co., Ltd.	1,606,700	2.34
Japan Trustee Services Bank, Ltd. (Trust Account 5)	1,531,100	2.23
Daito Trust Construction Cooperative Committee Shareholding Association	1,514,705	2.21
SMBC Trust Bank Ltd. (Sumitomo Mitsui Banking Corporation Retirement Benefit Trust Account)	1,474,800	2.15
THE BANK OF NEW YORK MELLON 140044	1,301,501	1.90
JP MORGAN CHASE BANK 380055	1,182,799	1.72

Controlling Shareholder (Except for Parent Company)	—
Parent Company	None

Supplementary Explanation

—

3. Corporate Profile

Listed Stock Market and Market Section	Tokyo Stock Exchange, First Section; Nagoya Stock Exchange, First Section
Fiscal Year-end	March
Type of Business	Construction
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Sales (Consolidated) for the Previous Fiscal Year	1 trillion yen or more
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 10 to less than 50

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

—

5. Other Special Circumstances Which May Have Material Impact on Corporate Governance

The Company owns Housecom Co., Ltd. as a listed subsidiary.
The Company believes that the realization of the “New Five-year Plan,” its medium-term management plan, will lead to sustainable growth and medium- to long-term increase in the corporate value of the Daito Group, and that the active expansion by Housecom Co., Ltd. of its business domains, focusing on the real estate rental brokerage business, will contribute significantly to realizing the “New Five-year Plan.”
Housecom Co., Ltd., which specializes in real estate rental brokerage, mainly brokers properties that are not managed by the Daito Group and plays an important role in complementing the Daito Group’s rental brokerage business. Furthermore, the Company believes that it could achieve further growth and improvement in corporate value of the Daito Group by sharing the expertise of Housecom Co., Ltd., engaged in advanced initiatives tailored to the needs of society such as the use of PropTech.
Based on the recognition that appropriately protecting the interests of the general shareholders of a listed subsidiary contributes to increasing the corporate value of that subsidiary, and taking into account the risk of structural conflicts of interest between the Company and the general shareholders of a listed subsidiary, the Company respects the independent decision-making of its listed subsidiaries. Moreover, a system is in place at Housecom Co., Ltd. to monitor the risk for conflicts of interest between the Company and the general shareholders of a listed subsidiary, by ensuring that two of the five Directors comprising the Board of Directors are Independent Outside Directors, and that two of the four Audit & Supervisory Board Members are Independent Outside Audit & Supervisory Board Members.
There are no resolution matters that require the advance approval of the Company in the decision-making process of Housecom Co., Ltd.

II Business Management Organization and Other Corporate Governance Systems Regarding Decision Making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Structure of Organization	Company with audit & supervisory board members

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	20
Term of Office Stipulated in Articles of Incorporation	2 years
Chairperson of the Board	President
Number of Directors Updated	9
Appointment of Outside Directors	Appointed
Number of Outside Directors	3
Number of Outside Directors Designated as Independent Directors	3

Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Toshiaki Yamaguchi	From another company											○
Mami Sasaki	From another company											○
Takashi Shoda	From another company											○

*** Categories for "Relationship with the Company"**
*** "O" indicates that the director currently falls or has recently fallen under the category, "Δ" indicates that the director fell under the category in the past**
*** "●" indicates that a close relative of the director currently falls or has recently fallen under the category, "▲" indicates that a close relative of the director fell under the category in the past**

a. Executive of the Company or its subsidiaries
b. Executive or non-executive director of a parent company of the Company
c. Executive of a fellow subsidiary company of the Company
d. A party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the Company or an executive thereof
f. Consultant, accountant, or legal professional who receives a large amount of monetary consideration or other property from the Company other than compensation as a director
g. Major shareholder of the Company (or an executive of said major shareholder if the shareholder is a legal entity)
h. Executive of a client or supplier of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
i. Executive of a company, between which and the Company's outside directors/audit & supervisory board members are mutually appointed (the director himself/herself only)
j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
k. Others

Relationship with the Company (2)

Updated

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Toshiaki Yamaguchi	○	Representative Attorney at Yamaguchi Law Office (current position) Outside Audit & Supervisory Board Member of Osaka Metro Co., Ltd. (current position)	[Reason for appointment] The purpose of this appointment is to strengthen the Company's management monitoring function. We appointed Mr. Yamaguchi as director, judging that his advanced expertise and abundant experience as a lawyer familiar with corporate legal affairs, risk management, and corporate governance will be reflected in the Company's management. [Reason for designation as independent director] We have designated Mr. Yamaguchi as an independent director because there are no transactions or other relationships of interest between the Company and Mr. Yamaguchi, the Yamaguchi Law Office, where he serves as Representative Attorney, or the Osaka Metro Co., Ltd., where he serves as an Outside Audit & Supervisory Board Member, and he can therefore maintain independence.
Mami Sasaki	○	External Director of Sumitomo Mitsui Trust Asset Management Co., Ltd. (current position)	[Reason for appointment] The purpose of this appointment is to strengthen the Company's management supervision function. We appointed Ms. Sasaki as director, judging that the abundant experience and insight she has acquired during her many years involving in organizational management in the global financial business will be reflected in her supervision of the Company's management from a global and female perspective. [Reason for designation as independent director] We have designated Ms. Sasaki as an independent director because there are no transactions or other relationships of interest between the Company and Ms. Sasaki, or Sumitomo Mitsui Trust Asset Management Co., Ltd., where she serves as an External Director, and she can therefore maintain independence.

Takashi Shoda	○	Outside Director of Ube Industries, Ltd. (current position)	[Reason for appointment] The purpose of this appointment is to strengthen the Company's management monitoring function. We appointed Mr. Shoda as director, judging that the experience, knowledge and insight he acquired during his many years as a corporate manager engaged in global business development and tackling sustainability issues, including social and environmental matters, will be reflected in the supervision of the Company's management. [Reason for designation as independent director] We have designated Mr. Shoda as an independent director because there are no transactions or other relationships of interest between the Company and Mr. Shoda, DAIICHI SANKYO COMPANY, LIMITED, where he serves as a consultant, or Ube Industries, Ltd., where he serves as an Outside Director, and he can therefore maintain independence.

Establishment of Voluntary Committees Corresponding to Nomination Committee or Remuneration Committee	Established

Establishment of Voluntary Committees, Membership Composition, and Attributes of Chairperson

Updated

	Committee's Name	All Committee Members	Standing Members	Internal Directors	Outside Directors	Outside Experts	Others	Chairperson
Committee Corresponding to Nomination Committee	Governance Committee	7	0	1	3	0	3	Outside Director
Committee Corresponding to Remuneration Committee	Governance Committee	7	0	1	3	0	3	Outside Director

Supplementary Explanation

The Company has established a Governance Committee (chaired by an Outside Director) comprising Representative Directors, all Outside Directors and all Audit & Supervisory Board Members.
The Governance Committee aggregates evaluation results and conducts individual interviews in the evaluation system for Executive Directors, offers opinions in response to inquiries regarding proposals for the management structure for the next year, candidates for Directors, as well as proposals for the performance-linked remuneration for Executive Directors, and considers and offers advice on the corporate governance structure.
The results of mutual evaluation of Executive Directors aggregated and confirmed by the Governance Committee are reflected in remuneration of Directors (excluding Outside Directors).

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	4
Number of Audit & Supervisory Board Members Updated	3

Cooperation among Audit & Supervisory Board Members, Accounting Auditor, and Internal Audit Division

All Audit & Supervisory Board Members attend meetings of the Audit & Supervisory Board, and all Audit & Supervisory Board Members receive an explanation from the Accounting Auditor twice a year on the audit system, audit plan, and implementation status of audits.

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members Updated	4
Number of Outside Audit & Supervisory Board Members Designated as Independent Audit & Supervisory Board Members Updated	3

Relationship with the Company (1) Updated

Name	Attribute	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	l	m
Masayasu Uno	From another company													○
Hideo Hachiya	Lawyer													○
Kazuo Fujimaki	Other													○

* Categories for “Relationship with the Company”
* “O” indicates that the audit & supervisory board member currently falls or has recently fallen under the category, “Δ” indicates that the audit & supervisory board member fell under the category in the past
* “●” indicates that a close relative of the audit & supervisory board member currently falls or has recently fallen under the category, “▲” indicates that a close relative of the audit & supervisory board member fell under the category in the past

a. Executive of the Company or its subsidiaries
b. Non-executive director or accounting advisor of the Company or its subsidiaries
c. Executive or non-executive director of a parent company of the Company
d. Audit & supervisory board member of a parent company of the Company
e. Executive of a fellow subsidiary company of the Company
f. A party whose major client or supplier is the Company or an executive thereof
g. Major client or supplier of the Company or an executive thereof
h. Consultant, accountant, or legal professional who receives a large amount of monetary consideration or other property from the Company other than compensation as an audit & supervisory board member
i. Major shareholder of the Company (or an executive of said major shareholder if the shareholder is a legal entity)
j. Executive of a client or supplier of the Company (which does not correspond to any of f, g, or h) (the audit & supervisory board member himself/herself only)
k. Executive of a company, between which and the Company’s outside directors/audit & supervisory board members are mutually appointed (the audit & supervisory board member himself/herself only)
l. Executive of a company or organization that receives a donation from the Company (the audit & supervisory board member himself/herself only)
m. Others

Relationship with the Company (2) Updated

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Masayasu Uno	○	—	[Reason for appointment] The purpose of this appointment is to strengthen the Company’s management monitoring function. We appointed Mr. Uno as audit & supervisory board member, judging that his expertise in financial accounting as a certified public accountant and abundant experience and insight as a corporate manager will be reflected in the Company’s audits. [Reason for designation as independent audit & supervisory board member] We have designated Mr. Uno as an independent audit & supervisory board member because there are no transactions or other relationships of interest between the Company and Mr. Uno, and he can therefore maintain independence.

Hideo Hachiya	○	Representative Attorney of HACHIYA LAW OFFICE (current position)	[Reason for appointment] The purpose of this appointment is to strengthen the Company's management monitoring function. We appointed Mr. Hachiya as audit & supervisory board member, judging that his abundant experience and advanced expertise as a lawyer familiar with corporate legal affairs will be reflected in the Company's audits. [Reason for designation as independent audit & supervisory board member] We have designated Mr. Hachiya as an independent audit & supervisory board member because there are no transactions or other relationships of interest that would affect his independence between the Company and Mr. Hachiya or the HACHIYA LAW OFFICE, where he serves as Representative Attorney, and he can therefore maintain independence.
Kazuo Fujimaki	○	Representative of Fujimaki Sogo Consulting (current position)	[Reason for appointment] The purpose of this appointment is to strengthen the Company's monitoring function. We appointed Mr. Fujimaki as audit & supervisory board member, judging that his experience as an outside audit & supervisory board member for a listed company, expertise in international accounting as a certified public accountant in the U.S., and abundant experience and insight regarding management will be reflected in the Company's audits. [Reason for designation as independent audit & supervisory board member] We have designated Mr. Fujimaki as an independent audit & supervisory board member because there are no transactions or other relationships of interest between the Company and Mr. Fujimaki, or Fujimaki Sogo Consulting, where he serves as Representative, and he can therefore maintain independence.

[Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/Audit & Supervisory Board Members Updated	6

Matters Relating to Independent Directors/Audit & Supervisory Board Members

The Company's Outside Directors and Outside Audit & Supervisory Board Members fulfill independence standards established by the Tokyo Stock Exchange and the Nagoya Stock Exchange, as well as "Standards for the Independence of Outside Directors and Audit and Supervisory Board Members of the Company," and all Outside Directors and Outside Audit & Supervisory Board Members are designated as Outside Officers.
"Standards for the Independence of Outside Directors and Audit and Supervisory Board Members of the Company" are stated in "2. Functions of Business Execution, Auditing, Oversight, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)" below.

[Incentives]

Incentive Policies for Directors	Introduction of performance-linked compensation system

Supplementary Explanation

The 45th Ordinary General Meeting of Shareholders held on June 25, 2019 resolved to introduce a stock compensation plan. For details, please refer to "[Remuneration for Directors] Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods" below.
Following the introduction of this plan, new allotment under the stock option scheme as stock-linked compensation will not be made after the 45th Ordinary General Meeting of Shareholders.

Recipients of Stock Options	

Supplementary Explanation

—

[Remuneration for Directors]

Disclosure of Individual Directors' Remuneration	Selected Directors

Supplementary Explanation Updated

Details of remuneration, etc., of the Company's Directors and Audit & Supervisory Board Members (most recent fiscal year)
Directors: 9 persons (excluding Outside Directors); Total amount: 1,410 million yen (basic remuneration 519 million yen, stock options 114 million yen, bonus 777 million yen)
Outside Directors and Audit & Supervisory Board Members: 7 persons; Total amount: 135 million yen (basic remuneration 97 million yen, bonus 38 million yen)
The Securities Report and Business Report with the above information are available on the Company's website.

Consolidated remuneration, etc., of each of the Company's officers (most recent fiscal year)

Katsuma Kobayashi (Director)	Total amount: 176 million yen (basic remuneration 107 million yen, stock options 21 million yen, stock compensation 48 million yen)
Shuji Kawai (Director)	Total amount: 119 million yen (basic remuneration 74 million yen, stock options 18 million yen, stock compensation 26 million yen)
Kei Takeuchi (Director)	Total amount: 106 million yen (basic remuneration 64 million yen, stock options 15 million yen, stock compensation 26 million yen)
Fumiaki Nakagami (Director)	Total amount: 221 million yen (basic remuneration 62 million yen, stock options 5 million yen, stock compensation 152 million yen)
Naomi Kumakiri (Director)	Total amount: 203 million yen (basic remuneration 3 million yen, stock options 199 million yen)

(Note) Amounts are shown only for officers whose consolidated remuneration, etc., is 100 million yen or more.

The percentage of fixed remuneration (basic remuneration) such as consolidated remuneration, etc. and performance-linked remuneration (stock options/bonuses) of the Company's Directors (excluding Outside Directors) based on the payment amount in the most recent fiscal year are as follows:

Representative Director	Fixed remuneration: 61%	Performance-linked remuneration: 39%
Managing Director	Fixed remuneration: 61%	Performance-linked remuneration: 39%
Director	Fixed remuneration: 35%	Performance-linked remuneration: 65%

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

Fixed portion (basic remuneration)
Basic remuneration is determined in consideration of quantitative factors such as company performance, the remuneration of executives in other companies in the industry, rates of employee pay raises, and years of service, as well as qualitative factors such as management ability, achievements, and level of contribution to the Company of each Director/Audit & Supervisory Board Member.
The total amount of basic remuneration for Directors is set at 1.0 billion yen per year (of which, up to 50 million yen for Outside Directors).
The remuneration for Audit & Supervisory Board Members is set at 100 million yen or less per year as approved by the General Meeting of Shareholders.

Performance-linked compensation (bonus)
The total amount of Directors' bonuses is calculated by multiplying a certain ratio determined at the Board of Directors on consolidated net income. Amounts for individual Directors are determined by taking into account their achievements and contribution to the Company during the fiscal year. Bonuses are not paid to Outside Directors.
The maximum total amount of bonuses is set at 1.0 billion yen, and bonuses are not paid if the consolidated net income (profit attributable to owners of the parent) for the current fiscal year is 20.0 billion yen or less.

Performance-linked compensation (stock compensation)
The 45th Ordinary General Meeting of Shareholders resolved to introduce stock compensation to make it clear that the compensation for Directors (excluding Outside Directors and non-residents in Japan) is linked to the Company's business performance and shareholder value, and thereby enhance Directors' awareness of the contribution to improving the medium- to long-term business performance and increasing the corporate value and strengthen the sharing of common interests with shareholders through shareholding by Directors.

This plan covers the three fiscal years (hereinafter referred to as the "Covered Period") from the fiscal year ending March 31, 2020 to the fiscal year ending March 31, 2022 and each consecutive period of three fiscal years thereafter.

The Company will contribute a total amount of up to 1.9 billion yen as compensation to Directors for each Covered Period to establish a trust for a 3-year trust period, the beneficiaries of which are Directors who meet the beneficiary requirements. In addition, during the trust period, the Company will grant points to Directors, and the maximum number of points (number of the Company shares) granted to Directors during the three fiscal years during the Covered Period is 210,000 points (210,000 shares). The points will be granted on the condition that 20% ROE and 50% payout ratio are achieved.

The plan is comprised of a performance-linked portion and a non-performance-linked portion. With regard to the performance-linked portion, points to be determined based on job titles are granted every year and are multiplied by 0% to 150% in accordance with the Company's performance targets, etc. after the expiry of the Covered Period. With regard to the non-performance-linked portion, points to be determined based on job titles are granted every year.

The transfer and delivery of the Company shares, etc. and payment of the money equivalent to the amount gained from the sale of the Company shares shall be made to Directors from the trust in accordance with the number of points after the expiry of the Covered Period for the performance-linked portion and upon the retirement of Directors for the non-performance-linked portion.

The Company conducts mutual evaluations each year of the business execution and management supervision of its Directors led by the Governance Committee, which comprises Representative Directors, all Outside Directors and all Audit & Supervisory Board Members. The results of these evaluations are reflected in the management structure and the basic remuneration, bonuses and stock options as stock-linked compensation of Directors (excluding Outside Directors) for the next year, and they are to be reflected in stock compensation as well.

Method of Determining Remuneration
Remuneration of Directors is allocated according to a decision of the Board of Directors, within the total amount of Directors' remuneration approved by the General Meeting of Shareholders.
Remuneration of Audit & Supervisory Board Members is allocated according to a decision based on consultation at the Audit & Supervisory Board, within the total amount of Audit & Supervisory Board Members' remuneration approved by the General Meeting of Shareholders.

[Supporting System for Outside Directors (Outside Audit & Supervisory Board Members)]

(1) Supporting system for Outside Directors
The General Affairs Department, which serves as the secretariat for the Board of Directors, sends out materials and meeting minutes of the Board either in paper or via email. The responsible officer or department, or the General Affairs Department, assists if there are requests for explanations or materials related to proposals or other matters.

(2) Supporting system for Outside Audit & Supervisory Board Members
There are no employees currently assigned exclusively to support duties of Audit & Supervisory Board Members. However, an assistant to Audit & Supervisory Board Members is appointed as a person to assist with the duties of the Standing Audit & Supervisory Board Member, based on a nomination by the Audit & Supervisory Board. The assistant to Audit & Supervisory Board Members takes priority in tasks instructed by the Standing Audit & Supervisory Board Member for the smooth implementation of audits.

[Status of Persons Who Have Retired as President and Representative Director, Chief Executive Officer, etc.]

Name of Consultants, Advisors, etc., Who were Formerly President and Representative Director, Chief Executive Officer, etc.

Name	Title and Position	Description of Business	Form and Conditions of Employment (Full-time, Part-time, Paid or Unpaid, etc.)	Date of Retirement as President, etc.	Term of Office
—	—	—	—	—	—

Total Number of Consultants, Advisors, etc., Who were Formerly President and Representative Director, Chief Executive Officer, etc.	0

Other Matters

The Company has not had consultants or advisors since its founding.
The Company has developed and put in practice a structure so that Directors who retire or resign do not take any positions within the Daito Group including consultants or advisors.

2. Functions of Business Execution, Auditing, Oversight, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) Updated

(1) Corporate management organization related to decision-making, execution and supervision in the company's management, and other corporate governance systems

The Company has adopted a structure with audit & supervisory board members, with an Audit & Supervisory Board comprising three Audit & Supervisory Board Members (all of whom are Outside Audit & Supervisory Board Members).

The Company has introduced an Executive Officer System for the purpose of separating the Board of Directors as the management decision-making and supervision organization and the business execution function based on this decision-making.

In addition, the Company has divided its business areas into the Construction Business Headquarters, the Real Estate Business Headquarters, the Corporate Management Headquarters, and the Subsidiary Business Headquarters and assigned the Chief Operating Officer with the highest level of authority in each business area from among the Board of Directors. By entrusting the Executive Management Meeting with decision-making authority over business execution as necessary, and by having the Board of Directors decide on important management issues, the Company has enabled flexible decision-making.

The Board of Directors, comprising 9 Directors (including three Outside Directors), decides monthly on matters stipulated in laws and regulations and the Articles of Incorporation and other important matters involving the Company and affiliated companies.

The Executive Management Meeting, comprising Directors and members nominated by the Board of Directors from among the Executive Officers who exercise authority based on division of duties, meets twice a month to deliberate and make resolutions regarding discussions on countermeasures to address individual specific problems and issues on business execution.

In addition, all Outside Directors and Audit & Supervisory Board Members, as members of the Governance Committee, are involved in mutual evaluation of management supervision and business execution by Directors and consideration of the management system for the next year, in an effort to curb autocratic decisions by Representative Directors or Directors and strengthen the governance function.

(2) Internal control system, internal audits and audits by Audit & Supervisory Board Members

In order to monitor the effectiveness and efficiency of internal control, the 14 members of the Internal Audit Division conduct business audits of the actual business implementation status at all Daito Group bases based on the annual plan, and the audit results are reported to top management. Also at the departments subject to auditing, the Internal Audit Division not only points out areas for improvement and offers guidance, but also confirms the specific status of business execution and assesses problem areas through interviews with employees, to ensure that highly effective audits are carried out.

The Company has established a Compliance Promotion Department and a Dedicated J-SOX Promotion Department, and is working to prevent the occurrence of risks and conduct risk management. In cooperation with the Internal Audit Division, which checks conformity with in-house standards, the Compliance Promotion Department conducts risk management with regard to respect for laws in management activities. The Compliance Promotion Department also sets forth the code of conduct that should be followed by the Daito Group's employees and works to ensure that it is instilled among all employees. The Dedicated J-SOX Promotion Department monitors the establishment and operations of necessary systems to prevent misstatement of important matters in financial reporting, thus helping ensure credibility in relation to the organization's financial reporting.

The Company has established contact points for the whistleblowing system within the Compliance Promotion Department and strives for early detection and correction of fraudulent acts, etc.

(3) Relationship of Outside Directors and Outside Audit & Supervisory Board Members with Internal Control Department

There are three Outside Directors. The Outside Directors receive reports and offer opinions on compliance and internal control at the Board of Directors. They also arrange opportunities to exchange information and share awareness with the Compliance Promotion Department in a timely manner.

There are three Audit & Supervisory Board Members, all of whom are Outside Audit & Supervisory Board Members. One of these is the Standing Audit & Supervisory Board Member, who is on duty full time and fully attends meetings of the Board of Directors under a system that enables the Standing Audit & Supervisory Board Member to carry out checks and controls on the status of business execution as needed in cooperation with the Internal Audit Division, and to monitor the performance of duties by Directors and the implementation status of items decided by the Board of Directors and the Executive Management Meeting. In addition, all Audit & Supervisory Board Members attend meetings of the Audit & Supervisory Board and receive explanations on the audit system, audit plan, and audit implementation status from the accounting auditor.

(4) Status of Outside Directors and Outside Audit & Supervisory Board Members

The Company has appointed three Outside Directors and three Outside Audit & Supervisory Board Members.

The three Outside Directors are comprised of an attorney who is familiar with risk management and corporate governance, an expert experienced in international finance operations, and a manager experienced in management of businesses which operate globally, one of whom is a female Outside Director.

The three Outside Audit & Supervisory Board Members are comprised of certified public accountants, an attorney, and consultants. Two of whom have a wealth of knowledge in finance and accounting as certified public accountants.

There are no personal or capital relationships between the Outside Directors or Outside Audit & Supervisory Board Members and the Company.

(5) Appointment Guidelines for Outside Directors and Audit & Supervisory Board Members of the Company

The Daito Group's Outside Directors and Audit & Supervisory Board Members, and candidates for those positions, shall satisfy the following criteria set forth by the Company.

1. Be able to directly supervise the deliberations and decision-making of the Board of Directors on key issues—for example, issues related to management, corporate law, and governance.
2. Be able to reflect their own knowledge and expertise to formulate growth strategies, determine management strategies, and achieve medium-term management plans.
3. Be able to offer advice and leadership based on their own knowledge, expertise and experience as regards other issues related to corporate management.

(6) Standards for the Independence of Outside Directors and Audit and Supervisory Board Members of the Company

To ensure the independence of Outside Directors and Audit & Supervisory Board Members (or candidates for those positions), those persons must not fall under any of the following categories. The periods for which these criteria apply are: i) from the unlimited past to the present for Category 1 and ii) from the past 10 years to the present for Categories 2 to 5.

1. Daito Group affiliate
   The individual is not a Director (unless an Outside Director), an Audit & Supervisory Board Member (unless an Outside Audit & Supervisory Member), an accounting advisor, an executive officer, or an employee of Daito Trust, one of its subsidiaries (Note 1), or an affiliated company (Note 2).

2. Holder of voting shares
   A. The individual is not a major shareholder (holding a 10% or greater share) of Daito Trust or an executive or employee of any of its major shareholders.
   B. The individual is not an executive or employee of a company for which the Daito Group is a major shareholder (holding a 10% or greater share).
3. Business partner affiliate
   A. The individual is not an executive or employee of a business partner whose transactions with the Daito Group account for 2% or more of consolidated net sales.
   B. The individual is not an executive or employee of a financial institution from which the Daito Group borrows capital amounting to 2% or more of Daito Trust's consolidated gross assets.
   C. The individual is not an executive or employee of the Daito Group's main securities company.
4. Provider of specialized services (lawyer, certified public accountant, consultant, etc.)
   A. The individual is not an employee or a partner of the Daito Group's certified public accountant's firm or of an auditing firm that acts as the independent auditor.
   B. The individual does not receive 10 million yen or more a year from the Daito Group (apart from Director or Audit & Supervisory Board Member compensation) for his/her services as a lawyer, certified public accountant, tax accountant or consultant.
5. Others
   A. The individual is not a relative within two degrees of kinship of persons falling under the Categories 1 to 4 above.
   B. The individual is not an executive or employee of a company that has one or more Directors holding a post in the Daito Group.
   C. The individual is not an executive or employee of a company that holds shares in the Daito Group.

(Note 1) A "subsidiary" refers to a subsidiary company as provided for in Article 8, Paragraph 3 of the Ordinance on the Terminology, Forms, and Preparation Methods of Financial Statements, etc.
(Note 2) An "affiliated company" refers to an affiliated company as provided for in Article 8, Paragraph 5 of the Ordinance on the Terminology, Forms, and Preparation Methods of Financial Statements, etc.

(7) Information disclosure

With regard to information disclosure aimed at ensuring the transparency and objectivity of management, the Company strives to disclose information in a fair and timely manner using various channels, such as posting news releases, holding results briefings and posting monthly financial results, quarterly and full-year results materials and Securities Reports, etc., on the Company's IR website.

In addition, considering the high percentage of foreign holders of the Company's shares, the Company provides English translations of convocation notices for the General Meeting of Shareholders, financial results briefing materials, shareholder notifications, corporate governance reports, integrated reports, etc., as well as carrying out IR measures overseas.

The Company considers information disclosure as one of its most important management responsibilities, and will continue striving to be a company trusted by shareholders and investors.

3. Reasons for Adoption of Current Corporate Governance System

The Company's basically appoints multiple Outside Directors and to have all Audit & Supervisory Board Members outside officers. By inviting Outside Directors and Outside Audit & Supervisory Board Members, the Company aims to reinforce the management supervision function. Furthermore, as members of the Governance Committee, Outside Directors and Outside Audit & Supervisory Board Members participate in evaluations of Directors and the effectiveness of the Board of Directors, the Company believes that this is an appropriate system to help strengthen corporate governance and secure the trust of shareholders and investors, and has therefore adopted the current corporate governance system.

III Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Revitalize the General Shareholder Meeting and Facilitate the Smooth Exercise of Voting Rights Updated

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The convocation notice is sent out at least one week before the date prescribed by law. (The convocation notice of the General Meeting of Shareholders for the fiscal year ended March 31, 2020 was sent 15 days before the meeting due to the COVID-19 disease.)
Scheduling General Shareholder Meeting to Avoid the Peak Day	The general meeting of shareholders is scheduled a day before or earlier of the date on which many shareholders' meetings are anticipated to be held every year. (The General Meeting of Shareholders for the fiscal year ended March 31, 2020 was held on the first peak day due to the COVID-19 disease.)
Allowing the Electronic Exercise of Voting Rights	Exercise of voting rights is enabled via the voting website of the shareholder registry administrator designated by the Company from a computer, smartphone, or mobile phone.
Participation in Electronic Voting Platform and Other Measures to Improve Voting Environment for Institutional Investors	Since the Ordinary General Meeting of Shareholders held in June 2006, the Company has participated in a platform for the digital exercise of voting rights for institutional investors, which is managed by ICJ, Inc., thereby improving the voting environment for institutional investors.
Providing Convocation Notice (Summary) in English	English summaries of convocation notices are posted on the Company's website and the website of the Tokyo Stock Exchange.
Other	Convocation notices in English and Japanese, scheduling, and voting results are posted on the Company's website.

2. IR Activities Updated

	Supplementary Explanations	Briefing by Representative in Person
Preparation and Publication of Disclosure Policy	Recognizing information disclosure as one of the most important management issues, the Company complies with all laws and regulations, and strives to promptly disclose information whether positive or negative. The Company works to disclose information broadly and fairly, and avoids selective disclosure of important undisclosed information to particular institutions or individuals.	
Regular Investor Briefings for Analysts and Institutional Investors	Briefings are held once every quarter, with 80 - 120 participants each time.	Held
Regular Investor Briefings for Overseas Investors	The Company makes investor visits and holds briefings at least once a year in the US, Europe, and Asia. (Overseas visits have been postponed since January 2020 due to the COVID-19 disease.)	Held
Posting of IR Materials on Website	IR materials are posted on the Company website, including financial results summaries, news releases, Securities Reports, quarterly reports, financial results briefing materials, shareholder notifications, integrated reports, annual reports, CSR reports, convocation notices for the General Meeting of Shareholders, and notices of resolution of the General Meeting of Shareholders. IR website URL: https://www.kentaku.co.jp/corporate/ir/	
Establishment of Department and/or Appointment of Manager in Charge of IR	The Corporate Planning Division is responsible for IR. Mr. Shuji Kawai, Managing Director, General Manager of Corporate Management Headquarters is the officer responsible for IR.	
Other	The Company launched a page for individual investors on its website in March 2015, where it provides information on the Company's businesses, business performance, etc., to allow individual investors to better understand the Company. URL for website for individual investors: https://www.kentaku.co.jp/corporate/ir/investors/	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The basic policy and purpose of the Company's corporate governance are to maximize corporate value for shareholders and all other stakeholders and to improve the efficiency and transparency of management.
Implementation of Environmental Activities, CSR Activities, etc.	The Company is working actively to preserve the global environment through environmental preservation activities including implementation of the three Rs (reduce, reuse, recycle) in all of its business activities. As a leading land developer, we emphasize harmony with nature and local communities, and continue to propose good residential environments. Our CSR activities include establishing a Dedicated CSR Promotion Department and clarifying the direction of our CSR efforts in order to promote company-wide understanding and penetration of CSR. We will work as one in pursuit of stronger compliance in the form of adherence to laws and regulations, as well as compliance activities such as social contribution.
Development of Policies on Information Provision to Stakeholders	With regard to information disclosure aimed at ensuring the transparency and objectivity of management, the Company strives to disclose information in a fair and timely manner using various channels, such as posting news releases, holding results briefings and posting monthly financial results, quarterly and full-year results materials and Securities Reports, etc., on the Company's IR website. In addition, considering the high percentage of foreign holders of the Company's shares, the Company provides English translations of convocation notices for the General Meeting of Shareholders, financial results briefing materials, shareholder notifications, corporate governance reports, integrated reports, etc., as well as carrying out IR measures overseas. The Company considers information disclosure as one of its most important management responsibilities, and will continue striving to be a company trusted by shareholders and investors.

IV Matters Related to the Internal Control System

1. Basic Views on Internal Control System and Progress of System Development

1) System for the storage and management of information related to execution of duties by the Company's Directors
(1) The Company stores and manages information (including digital records, hereinafter referred to as "information, etc.") related to execution of duties by Directors based on laws and regulations and internal regulations regarding storage and disposal of documents.
(2) Directors and Audit & Supervisory Board Members can view these stored documents according to internal procedures.
(3) The Company ensures the safety of information storage based on internal regulations regarding information security.

2) Regulations and other systems for managing risk of loss at the Company and its subsidiaries
(1) The Company has established a basic policy on risk management in order to create a system for managing the risk of loss.
(2) Based on internal regulations regarding division of duties and authority, the Company places Directors or Executive Officers responsible for Company departments and Group companies to develop systems to manage the risk of loss in the departments and Group companies under their supervision.
(3) The Company has established internal standards for quality control and health and safety management and developed a system to prevent defects and accidents, in which the responsible department supervises employees of the Company and Group companies as well as employees of business partners at work sites to ensure that they comply with these standards.
(4) The Company has established internal standards for protection of personal information, and developed a system to prevent loss, theft, leakage or inappropriate removal from the premises of personal information, in which the responsible department supervises employees of the Company and Group companies to ensure that they comply with these standards.
(5) The Company has established internal standards for ensuring the appropriateness of internal control regarding financial reporting, and the responsible departments monitor the status of internal control and the appropriateness of business, accounting and financial processes across the company, and report the results of evaluations to the responsible Directors and Audit & Supervisory Board Members as necessary.
(6) The Company has developed a system to minimize impact in the event of a major disaster. The Company has established policies, plans and manuals, etc., on disaster countermeasures and business continuity in order to minimize damage to stakeholders, including employees of the Daito Group, and the responsible departments conduct training and drills to ensure that employees of the Company and Group companies act according to these policies, etc.

3) System to ensure that the execution of duties by Directors and employees of the Company and its subsidiaries conforms to laws and regulations and the Articles of Incorporation
(1) The Company reinforces the monitoring and supervision of conformity of the execution of duties by Directors to laws and regulations and the Articles of Incorporation through mutual monitoring by Executive Directors and by appointing multiple Outside Directors and stipulating that all Audit & Supervisory Board Members be Outside Audit & Supervisory Board Members.
(2) Based on laws and regulations, work rules, and internal regulations regarding business ethics, the Company places Directors or Executive Officers responsible for Company departments and Group companies to develop systems to manage compliance in the departments and Group companies under their supervision.
(3) The Company has established a department responsible for internal audits, which conducts business audits in all Company departments and bases to confirm that business is being implemented according to internal standards and to make appropriate corrections where problems exist.
(4) The Director responsible for compliance has established whistleblowing contact points in the department responsible for compliance and in an external lawyer's office, and strives for early detection and correction of fraudulent acts, etc.
(5) The Director responsible for compliance regularly arranges opportunities to provide compliance education and information to Executive Officers and employees and strives to raise awareness of respect for laws.
(6) The Company shall have no business transactions whatsoever with anti-social forces or organizations that pose a threat to the order and safety of society, including the Group. We take a resolute stance as an organization in response to unreasonable demands, based on a response manual and in cooperation with lawyers, the police, and other external professional institutions.

4) System to ensure efficient execution of duties by Directors of the Company and its subsidiaries
(1) The Company holds meetings of the Board of Directors once a month. In addition to deciding matters stipulated in laws and regulations and the Articles of Incorporation and other important matters of policy for the Company and Group companies, the Board also receives reports from each Director in order to supervise their execution of duties.
(2) The Company has divided the business areas of the Company and Group companies into "Headquarters in charge of the Construction Business," "Headquarters in charge of the Real Estate Business," "Headquarters in charge of Corporate Management," and "Headquarters in charge of the Subsidiary Business," and assigns one Director as the Chief Operating Officer responsible for each headquarters.
(3) The Company holds meetings approximately twice a month of a body comprising Executive Officers nominated by the Chief Operating Officer from each headquarters and the Board of Directors to discuss specific implementation of policies and strategies decided by the Board of Directors and issues related to multiple headquarters. Results of the meetings are reported to all Directors and Audit & Supervisory Board Members in an effort to share information, and are submitted to the Outside Directors and Audit & Supervisory Board Members for supervision.
(4) Each headquarters holds regular meetings chaired by the Chief Operating Officer or an Executive Officer within the business area, in order to execute duties under the exclusive authority of each headquarters. If there are important matters among the results of deliberations, they are reported to the Board of Directors or to the meeting body described in (3) above.

5) System to ensure the appropriateness of operations at the company group comprising the Company and its subsidiaries, and system for reporting matters related to execution of duties by directors, executive officers, and employees who execute business at subsidiaries to the Company
(1) The Company has established a basic policy on the management of Daito Group companies.
(2) The Company dispatches officers and employees as necessary, exercises voting rights, receives reports on the status of Group companies and provides instructions on business execution, etc., according to the basic policy on the management of Daito Group companies.
(3) The Company requests timely reports from Group companies regarding monthly, quarterly, interim, and full-year performance and financial results, according to the basic policy on the management of Daito Group companies.

6) Matters regarding employees who support the duties of Audit & Supervisory Board Members when the Audit & Supervisory Board Members request such employees
The Company assigns employees from the Company's departments to provide support as appropriate according to the business needs of Audit & Supervisory Board Members, or appoints an appropriate person from among its employees as a dedicated assistant assigned to assist Audit & Supervisory Board Members in their duties on an ongoing basis.
The Company assigns personnel who are recognized to be qualified based on discussions with Audit & Supervisory Board Members regarding the number of employees and qualities required.

7) Matters regarding the independence of employees who support the duties of Audit & Supervisory Board Members from Directors and ensuring the effectiveness of instructions from the Audit & Supervisory Board Members to such employees
(1) The opinions of Audit & Supervisory Board Members are respected to the greatest extent possible in the appointment and transfer of employees who support the duties of Audit & Supervisory Board Members.
(2) Employees who support the duties of Audit & Supervisory Board Members perform their duties under the direction of the Audit & Supervisory Board Members.
Employees who support the duties of Audit & Supervisory Board Members concurrently with other duties shall give priority to work assigned by Audit & Supervisory Board Members.

8) System for reporting to Audit & Supervisory Board Members and system for ensuring that persons who have made such reports are not treated detrimentally due to such reporting
(1) Directors responsible for Company departments and Group companies, as well as employees, who become aware of matters that must be reported under laws and regulations, work rules, or internal regulations, other matters having a material effect on the Company as a whole, the implementation status of internal audits, or consultations and reports to whistleblowing contact points, etc., shall promptly report such matters to the Standing Audit & Supervisory Board Member.
(2) Audit & Supervisory Board Members shall be able to attend meetings of the Board of Directors and other important meetings regarding management of the Company and Group companies and request explanations from Directors and employees as necessary.
(3) The Company shall establish a mechanism similar to the whistleblowing system to ensure that persons who have made reports to Audit & Supervisory Board Members are not treated detrimentally due to such reporting.

9) Matters regarding policies on treatment of expenses and obligations arising in the execution of duties by Audit & Supervisory Board Members
When Audit & Supervisory Board Members request advance payment or repayment of obligations with regard to expenses arising in the execution of duties by Audit & Supervisory Board Members or employees who support Audit & Supervisory Board Members, the Company shall handle the matter promptly, based on the relevant internal regulations, except in cases where the expenses are not recognized as necessary.

10) Other systems to ensure that audits by Audit & Supervisory Board Members are conducted effectively
(1) Audit & Supervisory Board Members shall exchange opinions with Directors and the accounting auditor as necessary.
(2) Audit & Supervisory Board Members shall not be prevented from attending various meeting bodies related to business execution.
(3) Meetings of the Audit & Supervisory Board are held once a month, and the Standing Audit & Supervisory Board Member reports to non-standing Audit & Supervisory Board Members on the status of business execution in order to increase the effectiveness of audits by Audit & Supervisory Board Members.
(4) The Audit & Supervisory Board comprises entirely of Outside Audit & Supervisory Board Members as a system under which the independence of Audit & Supervisory Board Members is enhanced and appropriate and effective audits can be conducted.

2. Basic Views on Eliminating Anti-social Forces and Progress of System Development

1) Basic views on eliminating anti-social forces
The Company strives to eliminate relationships with anti-social forces, and states in the Daito Group Code of Behavior, which is the code of conduct guiding actions of the Daito Group employees, that it will take a resolute stance against anti-social forces or organizations that pose a threat to the order and safety of society.

2) Progress of system development for the elimination of anti-social forces
(1) Establishment of department in charge of countermeasures and officer responsible for prevention of unreasonable demands
The General Affairs Department is the department in charge of countermeasures. In addition to the General Affairs Department at Head Office, an officer responsible for prevention of unreasonable demands is appointed at each branch nationwide.
(2) Cooperation with external professional institutions
In addition to cooperating with law enforcement authorities, legal counsel, and other external professional institutions, the Company participates in *Tokubouren* (special anti-violence countermeasures council), and cooperates with local communities in efforts to eliminate anti-social forces.
(3) Collection and management of information related to anti-social forces
The Company receives information from law enforcement authorities regarding anti-social forces. In addition, the Company provides appropriate information to Company departments and branches that have received contact or attacks from anti-social forces.
(4) Establishment of response manual
The “Organized Crime Response Manual for Unreasonable Demands” has been prepared as a response manual, and all employees have been made fully aware of the manual.
(5) Implementation of training activities
The Company conducts training on examples of unreasonable demands and how to deal with them as appropriate for officers responsible for prevention of unreasonable demands at all branches. In addition, the General Affairs Department at Head Office and officers responsible for prevention of unreasonable demands from all branches nationwide regularly attend training held by external institutions.

V Other

1. Adoption of Anti-takeover Measures

Adoption of Anti-takeover Measures	Not adopted

Supplementary Explanation

The Company views continuing sustainable growth and improving corporate value to be among its most important management issues in order to meet the mandate of shareholders. Therefore, there are no plans to introduce anti-takeover measures at this point in time.

2. Other Matters Concerning the Corporate Governance System

(Overview of System for Timely Disclosure)

1) Basic policy

Recognizing information disclosure as one of the most important management issues, the Company complies with all laws and regulations, and strives to promptly disclose information whether positive or negative. The Company works to disclose information broadly and fairly, and avoids selective disclosure of important undisclosed information to particular institutions or individuals.

2) Standards for timely disclosure

The Company discloses information in accordance with “Rules on Timely Disclosure of Corporate Information by Issuers of Listed Securities” prescribed by the Financial Instruments and Exchange Act and the Tokyo Stock Exchange.
In addition, the Company proactively discloses matters even if they are not required by these laws and regulations or rules when deemed useful for increasing the transparency of management and enhancing understanding of the Company. However, we refrain from disclosing trade secrets and other matters that are deemed not suitable for disclosure from the point of view of competition with other companies.

3) Person responsible for information and department responsible for timely disclosure

The officer responsible for IR is in charge of handling information at the Company.
The Corporate Planning Division is in charge of timely disclosure at the Company.

4) Method and procedures for timely disclosure

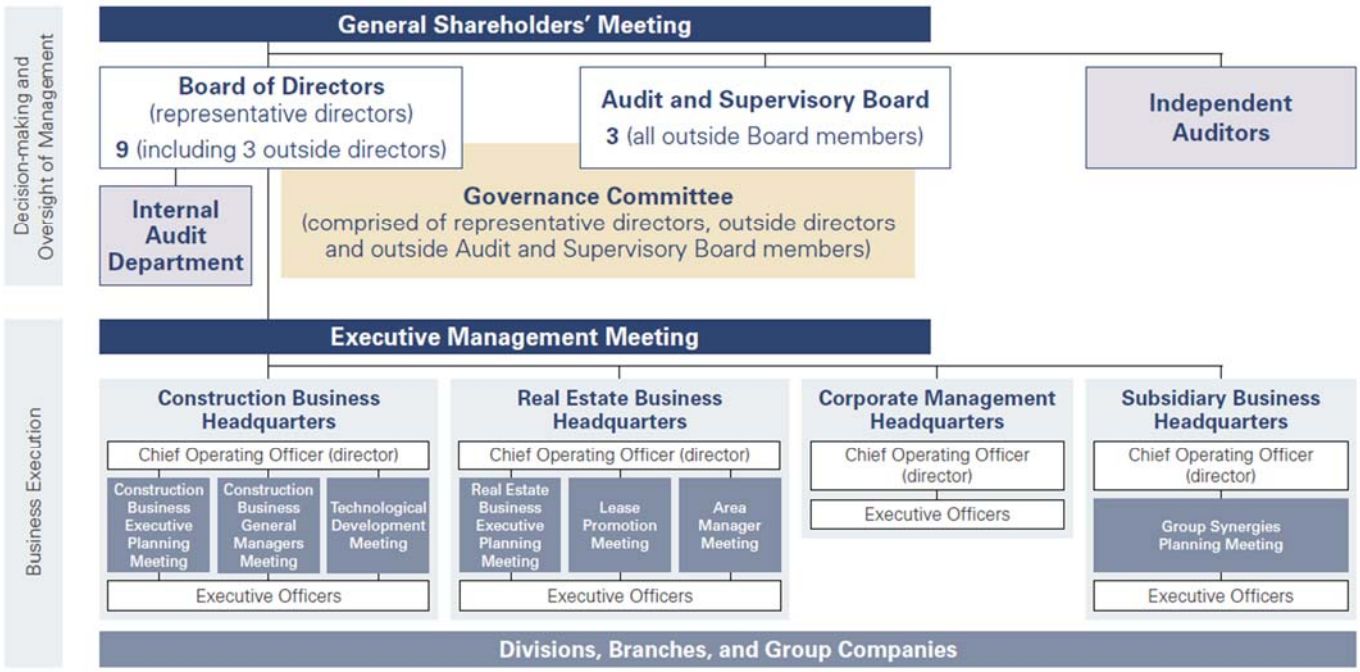
(1) Reporting to department responsible for timely disclosure and consideration of timely disclosure
The person responsible for handling information and the Corporate Planning Division request reports from the Board of Directors, departments and subsidiaries regarding information that may be subject to disclosure. In consultation with the person responsible for handling information, the Company considers whether the reported information is subject to timely disclosure or not, based on the rules for timely disclosure, etc.

(2) Preparation and announcement of timely disclosure materials
If it is deemed that the information must be disclosed in a timely manner, the Corporate Planning Division prepares disclosure materials. The person responsible for handling information confirms the materials, and, if necessary, the person responsible for information management reports to the Board of Directors. After confirmation, the Corporate Planning Division makes timely disclosure of the information via the TDnet (Timely Disclosure network) of the Tokyo Stock Exchange.
In addition, the following information is made available on the Company’s website in the interests of broad and fair disclosure of information.

- Important facts disclosed on the Tokyo Stock Exchange TDnet
- Regularly prepared materials
  - Securities Reports (quarterly reports)
  - Financial results summaries (quarterly results summaries)
  - Shareholder notifications
  - Integrated reports (annual reports)
  - Monthly reports
  - Financial results briefing materials (quarterly results briefing materials)
- News releases
  - Materials provided to media organizations or distributed at press clubs

5) Quiet periods

The Company observes quiet periods from the closing date to the results announcement date (for quarterly results, one week before the announcement date) in order to eliminate the possibility of leaks of information that could influence the share price immediately before the announcement of results, and refrains from commenting on financial results during this period. However, we respond to questions related to information already announced whether or not during the quiet period.


Decision-making and Oversight of Management
General Shareholders' Meeting
Board of Directors
(representative directors)
9 (including 3 outside directors)
Audit and Supervisory Board
3 (all outside Board members)
Independent Auditors
Internal Audit Department
Governance Committee
(comprised of representative directors, outside directors and outside Audit and Supervisory Board members)
Business Execution
Executive Management Meeting
Construction Business Headquarters
Chief Operating Officer (director)
Construction Business Executive Planning Meeting
Construction Business General Managers Meeting
Technological Development Meeting
Executive Officers
Real Estate Business Headquarters
Chief Operating Officer (director)
Real Estate Business Executive Planning Meeting
Lease Promotion Meeting
Area Manager Meeting
Executive Officers
Corporate Management Headquarters
Chief Operating Officer (director)
Executive Officers
Subsidiary Business Headquarters
Chief Operating Officer (director)
Group Synergies Planning Meeting
Executive Officers
Divisions, Branches, and Group Companies