

April 16, 2020

**Statement of Concern about the Venue Change and Entry Restriction  
at the Sekisui House Shareholders' Meeting**

Shareholders' Board Slate Nominees

We have been pointing out the lack of governance at Sekisui House and have pursued to replace the entire management of Sekisui House by way of a shareholder proposal. The current management team is conspiring to take reckless actions that completely ignore corporate governance even in the operation of a general meeting of shareholders ("AGM") under the Declaration of Emergency due to Coronavirus Disease 2019 (COVID-19).

On April 15, 2020, only a week before the AGM, the current management team suddenly announced that the venue of the AGM would be changed from the second floor of a hotel to the 35th floor of Sekisui House's head office building. It also announced that there is a possibility of restricting admission to the AGM venue because of COVID-19.

The new venue is almost the same as the original venue in terms of area, but is on a vacant floor of a building owned by Sekisui House's affiliate company. The original hotel venue was easy to come in, but the new venue is on the 35th floor of a building. The current management could easily order Sekisui House employee shareholders occupy the venue and stop the elevators, thereby preventing the rest of the shareholders to enter the venue.

The AGM is the supreme decision-making body of a company. Members of the press and media have already been reporting on Sekisui House's involvement with suspicious transactions in the 2017 Tokyo land fraud case and the cover-up by the current management team. During a critical time when a shareholder proposal seeking to replace the entire board is being organized, the decision made by the current management to set barriers for AGM admission through the venue change is clearly displaying a governance breakdown in Sekisui House. An AGM is an important place for shareholders to make informed decisions and exercise their voting rights by

freely interacting with Sekisui House management. The venue change made at this moment reveals the ignorance of the current management on corporate governance and shareholder voices, as well as its pattern of covering up material information. This incident has demonstrated an urgent need of replace the entire management of Sekisui House in the following aspects:

1. It is unlikely that the company was informed by the hotel of the need for venue change very recently. The current management, who changed the venues shortly before the AGM, is neglecting the importance of AGM where the management is supposed to fulfill its accountability for shareholders.
2. Securing an AGM venue is one of the most essential tasks for the management, and therefore the ability of directors must be challenged in terms of business operations as well.
3. The company should secure a much spacious space for the AGM in the midst of COVID-19 to accommodate social distancing guidelines. Nevertheless, the current management has changed the venue to a 35th floor, lower-ceiling conference room of a building which shareholders must use elevators to get to. The venue change poses even greater risk of COVID-19 infection among shareholders.
4. The fact that the current management team changed the venue to a venue with a higher risk of infection and with the possibility of restricting admission reveals the company's intention to exclude shareholders interested in the shareholder proposal and the Sekisui House's suspicious transactions.
5. The decision to convene an AGM requires a resolution by the Board of Directors, and a resolution by the Board of Directors is also required to change an AGM venue. However, the Board of Directors has not resolved to change the venue. We know this because, Mr. Suguro, a current board member, only just learned of the venue change by a notice.

The above clearly shows that the current management team is blatantly ignoring the importance of corporate governance, by hiding the truth and disrespecting its shareholders. Clearly, an AGM should not take place on the 35th floor of a building with respect of the likelihood of restricted access for shareholders and the increased risk of COVID-19 infection.

We respectfully request that the company arrange for an AGM venue where shareholders can

come without any concern on the risk of COVID-19 infection, and otherwise postpone the AGM. Therefore, we will make a request to the Osaka District Court not to allow the AGM to take place as currently planned.

Even if the AGM is enforced on April 23, 2020, we would request the shareholders, in exercising voting rights, to take into consideration the governance failure exhibited by the current management as described above.

Sincerely yours,

SHAREHOLDERS' BOARD SLATE NOMINEES

Christopher Douglas Brady

Pamela Fennel Jacobs

Yasushi Okada

Terumichi Saeki

Jiro Iwasaki

Makoto Saito

Hitomi Sato

Fumiyasu Suguro

Motohiko Fujiwara

Koji Yamada

Isami Wada