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To Whom It May Concern

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### **Notice Regarding Expansion of the Company's Shareholder Return Policy under the Medium-Term Management Plan**

In putting in place its long-term vision for the future, HAZAMA ANDO CORPORATION ("HAZAMA ANDO" or "the Company") announced details of its Medium-Term Management Plan ("the Plan"), which covers the three-year period from the fiscal year ended March 31, 2021 ("FY3/21") to the fiscal year ending March 31, 2023 ("FY3/23"), as a first step toward achieving this vision, as well as details of HAZAMA ANDO VISION2030 in February 2020. In addition, the Company has identified its intentions to secure a consolidated ROE of 12% as a financial target and a total return ratio of 50% or more as its shareholders' return policy by FY3/23, the final year of the Plan. At the same time, HAZAMA ANDO has proceeded with a buyback of its own shares ("treasury stock") up to ¥10 billion over a period of one year commencing November 2020.

As the outlook for the global economy becomes increasingly uncertain and the likelihood that conditions surrounding the construction business will experience a significant change, HAZAMA ANDO recognizes the urgent need to further increase the pace of reforms and strongly promote capital-efficient management. Taking into account progress under the Plan, the Company's Board of Directors resolved today to accelerate efforts aimed at improving capital efficiency. At the same time, and to further enhance the stable and continuous return of profits to shareholders, HAZAMA ANDO also resolved to expand its shareholder return policy during the period of the Plan. Brief details are presented as follows.

#### 1. Lifting the total return ratio

HAZAMA ANDO'S total return ratio target for the period of the Plan was set at 50% or more by FY3/23, the final year of the Plan. In this instance, the Company has expanded this target to 100% or more for the cumulative two-year period from FY3/22 to FY3/23. To achieve this target, HAZAMA ANDO plans to provide a cumulative total return to shareholders of ¥35 billion or more over the aforementioned two-year period through the purchase of treasury stock and the payment of cash dividends.

Meanwhile, details of the breakdown of the scheduled return of profits to shareholders by the end of the Plan is presented as follows.

(1) Purchase of treasury stock: ¥20 billion\* (November 2021 to March 31, 2023)

\* Forecast amount in the absence of any large-scale growth investment that exceeds initial investment plans.

(2) Annual dividend: ¥40 per share (up ¥10 per share from ¥30 per share)

#### 2. Retirement of treasury stock

As a part of the Company's capital policy to enhance corporate value, HAZAMA ANDO will retire 19,322,200 shares of treasury stock purchased since February 2020 (9.64% of total shares issued and outstanding before retirement).

○ Shareholder Return Policy from FY3/22 to FY3/23

Item	Details
Total return ratio	Cumulative two-year period: 100% or more (Total amount of return: ¥35 billion or more)
Purchase of treasury stock	Cumulative two-year period: ¥25 billion or more*
Dividends	¥40 (annual) (Up ¥10 per share from the ¥30 per share in FY3/21)
Retirement of treasury stock	19,322,200 shares (9.64% of total shares issued and outstanding before retirement)

\* ¥5.1 billion acquired from April 2021 to October 2021.