



**Forestar Group Inc.
Corporate Governance Guidelines
(as amended and restated July 21, 2025)**

The Board of Directors (the "Board" and each director, a "Director") of Forestar Group Inc. ("Forestar" or the "Company") believes that sound corporate governance practices provide an important framework to assist the Board in fulfilling its responsibilities. Accordingly, the Board has adopted the following guidelines relating to its functions, structure and operations. The Nominating and Governance Committee will at least annually review the adequacy of these guidelines and other aspects of Forestar's corporate governance and recommend any desirable changes or actions to the Board, as appropriate, to reflect the evolving nature of governance practices.

I. Stockholder Rights and Proxy Voting:

- A. Stockholder Rights:** It is the firm commitment of the Company and its Board to comply with the laws of the State of Delaware (the State where the Company is incorporated), the securities laws of the United States of America, and the rules of the New York Stock Exchange (the "NYSE") respecting stockholder rights.

II. Role and Function of the Board:

- A. General Roles of Board and Management:** Forestar's business is conducted by its employees under the direction of the Executive Chairman, with the oversight of the Board, to enhance the long-term value of the Company for its stockholders. The Board is elected by the Company's stockholders to oversee management and to assure that the long-term interests of the stockholders are being served.
- B. Functions of Board:** The primary functions of the Forestar Board are to oversee management performance on behalf of stockholders, to monitor adherence to Forestar's standards and policies, to promote responsible corporate practices, and generally to perform the duties and responsibilities assigned to the Board by the laws of the State of Delaware and the United States of America, and the listing standards of the NYSE. In addition to its general oversight of management, the Board as a whole, or through Committees thereof also performs a number of specific functions, including:
1. Establishing, reviewing and ratifying Company policies;
 2. Selecting, evaluating and compensating the executive and other key officers of the Company and planning for senior management succession;
 3. Reviewing, approving and monitoring the implementation of Forestar's financial and business strategic plans;

4. Reviewing and approving significant corporate actions and major transactions;
5. Overseeing the establishment of, and monitoring compliance with, policies and processes designed to ensure the integrity of the Company's actions, including its financial statements and financial reporting, its relationships with customers, subcontractors, suppliers and other constituencies, and its compliance with law and its Standards of Business Conduct and Ethics and Code of Ethics for Senior Financial Officers;
6. Reviewing management's assessments of, and plans with respect to, significant risks facing the Company; and
7. Carrying out the responsibilities set forth in the Company's certificate of incorporation (as amended) (the "Charter"), by-laws (as amended) (the "Bylaws"), and the charters of the Board's Committees.

III. **Selection and Qualifications of Directors:**

- A. **Size of the Board:** It is the opinion of the Board that seven Directors is currently the correct size for the full Board, although consideration may be given to increasing or decreasing the size of the Board (but in no case less than three Directors) by a vote of the majority of the Board, subject to the provisions of the Charter and the Stockholder's Agreement. The Nominating and Governance Committee periodically reviews and recommends to the full Board the size of the Board. Changes in the number of Directors require approval by majority vote of the full Board.
- B. **Independence of Directors:** A majority of Directors shall be independent directors as defined under the listing standards of the NYSE, as they may be amended from time to time.

The Board has established the following additional guidelines to assist it in determining director independence:

1. The Board shall review annually the relationships that each Director has with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Following such annual review, only those directors who the Board affirmatively determines have no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company) will be considered independent Directors, subject to additional qualifications prescribed under the listing standards of the NYSE or under applicable law. The Board may adopt and disclose categorical standards to assist it in determining director independence. In the event that a Director becomes aware of any change in circumstances that may result in such Director no longer being considered

independent under the listing standards of the NYSE or under applicable law, the Director shall promptly inform the Chair of the Nominating and Governance Committee.

2. To serve as a member of any committee of the Board, the Director must meet any additional requirements of independence set forth in the Committee's charter or applicable law or listing standards of the NYSE.

C. Board Membership Qualifications:

1. The Nominating and Governance Committee provides in its charter for an annual review of the structure of the Board to assure that the proper skills and experience are represented on the Board.
2. The Nominating and Governance Committee has adopted guidelines for reviewing prospective Directors. These guidelines have also been adopted by the full Board and are attached as Exhibit A. The guidelines require that a prospective candidate be free from present or potential conflicts of interest with the Company (which excludes consideration of major suppliers or potential suppliers, including suppliers of professional services). The guidelines take into account the Company's business, geographic locations, diversity of backgrounds and skills, personal integrity, and other factors. Directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the stockholders.
3. Directors should also be able and willing to dedicate the time necessary to Board and Committee service. The Board meets at least four times per year, and Directors are expected to attend all scheduled Board meetings and applicable Committee meetings and the annual meeting of stockholders, health permitting. The Directors are also expected to have reviewed all materials provided in advance of all meetings.
4. Directors are re-evaluated by the Nominating and Governance Committee prior to standing for re-election.

D. Employee Directors: The Executive Chairman shall be a Director of the Company. Any other employee or officer of the Company may serve on the Board as determined and approved by the Board and elected by stockholders.

E. Nominations: The Nominating and Governance Committee identifies and evaluates Director candidates and proposes to the full Board all nominees for Board membership. The full Board is responsible for nominating Director candidates. Under the Company's Bylaws, stockholders may also make nominations of Director candidates.

The Nominating and Governance Committee will consider Director candidates recommended by stockholders. In considering candidates submitted by stockholders, the Nominating and Governance Committee will take into consideration the needs of the Board and the qualifications of the candidate. The Nominating and Governance Committee may establish procedures, from time to time, regarding shareholder submission of candidates.

- F. Director Resignation Policy:** As provided in the Company's Bylaws, candidates for Directors in uncontested elections are elected by a majority vote. An incumbent Director who fails to receive a majority vote in an uncontested election in accordance with the Bylaws shall, within five days following the certification of the election results, tender his or her written resignation to the Executive Chairman for consideration by the Nominating and Governance Committee.

The Nominating and Governance Committee shall consider such resignation and, within 45 days following the date of the stockholders' meeting at which the election of directors occurred, shall make a recommendation to the Board concerning the acceptance or rejection of such resignation. In determining its recommendation to the Board, the Nominating and Governance Committee shall consider all factors deemed relevant by the members of the Nominating and Governance Committee including, without limitation, the stated reason or reasons why stockholders voted against such Director's re-election, the qualifications of the Director (including, for example, whether the Director serves on the audit committee of the Board as an "audit committee financial expert" and whether there are one or more other Directors qualified, eligible and available to serve on the audit committee in such capacity), and whether the Director's resignation from the Board would be in the best interests of the Company and its stockholders.

The Nominating and Governance Committee also shall consider a range of possible alternatives concerning the Director's tendered resignation as the members of the Nominating and Governance Committee deem appropriate, including, without limitation, acceptance of the resignation, rejection of the resignation or rejection of the resignation coupled with a commitment to seek to address and cure the underlying reasons reasonably believed by the Committee to have substantially resulted in such Director failing to receive the required number of votes for re-election.

The Board shall take formal action on the Nominating and Governance Committee's recommendation no later than 90 days following the date of the stockholders' meeting at which the election of directors occurred. In considering the Nominating and Governance Committee's recommendation, the Board shall consider the information, factors and alternatives considered by the Nominating and Governance Committee and such additional information, factors and alternatives as the Board deems relevant.

Following the Board's decision on the Nominating and Governance Committee's recommendation, the Company, within four business days after such decision is made, shall publicly disclose, in a Form 8-K filed with the Securities and Exchange Commission, the Board's decision, together with an explanation of the process by which the decision was made and, if applicable, the Board's reason or reasons for rejecting the tendered resignation.

No Director who, in accordance with this policy, is required to tender his or her resignation, shall participate in the Nominating and Governance Committee's deliberations or recommendation, or in the Board's deliberations or determination, with respect to accepting or rejecting his or her resignation as a Director. If a majority of the members of the Committee fail to receive the required number of votes for re-election, then the independent Directors then serving on the Board who were elected at the stockholders' meeting at which the election occurred, and the independent Directors, if any, who were not standing for election at such stockholders' meeting, will appoint an ad hoc Board committee from amongst themselves (the "Ad Hoc Committee"), consisting of such number of Directors as they may determine to be appropriate, solely for the purpose of considering and making a recommendation to the Board with respect to the tendered resignations. The Ad Hoc Committee shall serve in place of the Committee and perform the Committee's duties for purposes of this policy. Notwithstanding the foregoing, if an Ad Hoc Committee would have been created but fewer than three Directors would be eligible to serve on it, the entire Board (other than the individual Director whose resignation is being considered) shall make the determination to accept or reject the tendered resignation without any recommendation from the Nominating and Governance Committee and without the creation of an Ad Hoc Committee.

This policy, as it may from time to time be amended, will be briefly summarized or included in the Company's proxy statement for each meeting of stockholders (annual or special) at which Directors are to be elected.

IV. Director Policies:

- A. New Director Orientation and Continuing Education:** Each new Director of the Board must attend an orientation session prior to attending his or her first Board meeting. At this personal briefing, the new Director is informed about the Company's operations, employees, strategic plans, financial statements, and key policies and practices. The Director also has an opportunity to meet and question key members of the Company's senior leadership team.

Relevant materials are provided to each Director in advance of each Board meeting. The Chief Executive Officer (the "CEO") or his designee reports on the Company's business at each Board meeting as well as annual budget and strategy presentations.

The Company periodically provides materials or briefings to Directors on subjects that will assist them in discharging their duties, and Directors are encouraged to request information on additional topics or agenda items. Directors are also encouraged to attend such educational seminars outside the Company as they find useful or instructive. The Company will reimburse the Directors for their reasonable expenses in attending such seminars. The Company intends to conduct from time-to-time accredited director education courses in connection with some meetings of the Board.

- B. **Stock Ownership:** The Board shall determine grants of equity awards to Directors.
- C. **Director Job Change:** Directors who are also employees of the Company are expected to resign from the Board at the same time they are no longer employed, full or part time, or as a consultant with the Company. A non-employee Director is deemed to tender his or her resignation for consideration by the Nominating and Governance Committee at the next regularly scheduled meeting of the Nominating and Governance Committee in the event of a significant change in job status from the status held at the time of election to the Board. The Nominating and Governance Committee will review whether the new occupation, or retirement, of the non-employee Director is consistent with the needs and composition of the Board at that time. The Nominating and Governance Committee will recommend whether to accept such resignation or take any other action to the full Board based on the results of the review.
- D. **Term Limits:** The Board does not believe in arbitrary term limits on Directors' service. While term limits may help ensure that fresh ideas and viewpoints are available to the Board, they may force the Company to lose the contribution of Directors who, over time, have developed valuable insight into Forestar's business and operations.
- E. **Retirement Age:** Non-Employee Directors must retire no later than the annual meeting of stockholders following their 77th birthday, unless the remaining Non-Employee Directors determine that it would be in the best interests of the Company and its stockholders under the particular circumstances existing at the time for an exception to this policy to be granted. Employee Directors are required to resign from the Board at the time they retire or otherwise terminate employment with the Company, but no later than their 77th birthday, unless otherwise determined by the Board.
- F. **Limitation on Other Board Service:** Non-Employee Directors shall not serve on the boards of more than three public companies, and no member of the Audit Committee may serve on the audit committee of more than two other public companies (unless the Board determines that such simultaneous service would not impair the ability of such Director to effectively serve on the Audit Committee). In selecting Director nominees, both the Board and the Nominating and Governance Committee take into account the other demands on the nominee. A current Director should

consider whether accepting a new directorship would compromise his or her ability to perform his or her present responsibilities.

The Executive Chairman and the Chair of the Nominating and Governance Committee shall be consulted by existing Directors prior to joining another board of directors. The Executive Chairman and the Chair of the Nominating and Governance Committee will together assess whether the new membership would present a conflict or otherwise compromise the ability of that Director to dedicate the time necessary to serve on the Forestar Board.

G. No Loans: It is the policy of the Company not to make loans to its Directors or officers.

H. Ethics: The Board expects all Directors to act ethically at all times and to adhere to the Company's Standards of Business Conduct and Ethics. The Board will report any waiver of the Standards of Business Conduct and Ethics on the Company's website. If an actual or potential conflict of interest arises for a Director, the Director shall promptly inform the Executive Chairman and the Chair of the Nominating and Governance Committee. If a significant conflict exists and cannot be resolved, the Director should resign. All Directors will recuse themselves from any discussion or decision affecting their business or personal interests.

V. Board Leadership:

A. Executive Chairman and Non-Employee Directors Executive Session: The Board shall have an Executive Chairman. The Board believes that the separation of the offices of Chairman and the CEO is in the best interests of the Company and its stockholders at this time. However, should circumstances change in the future, the Board shall be free to choose its Chairman in any way it determines is in the best interests of the Company and its stockholders in accordance with the Company's Charter or Bylaws.

The Board will have regularly scheduled executive sessions with only non-management Directors present. At least once each year, the Board will have an executive session with only independent non-management Directors present. The Director who presides at these meetings will be the Chair of the Nominating and Governance Committee. Interested parties may communicate with the Nominating and Governance Committee Chair by forwarding their written comments to the Committee Chair, with a copy to the Company's Corporate Counsel and Secretary. The name of the Nominating and Governance Committee Chair and their address will be posted on the Company's website.

B. Agenda: The Executive Chairman establishes the agenda for each Board meeting with input from the Directors.

VI. Board Committees:

A. Number, Structure and Independence of Committees: The Board periodically evaluates its Committee structure and revises it when

appropriate. The current Committees of the Board are: Audit, Compensation, Nominating and Governance and the Executive Committee.

- B. **Assignment and Rotation of Committee Members:** The Nominating and Governance Committee is responsible for recommending Committee assignments, which are reviewed annually and voted upon by the full Board. Memberships may be rotated periodically as determined by the Nominating and Governance Committee.
- C. **Frequency and Length of Committee Meetings:** The Chair of each Committee, in consultation with Committee members, determines the frequency and length of Committee meetings. Meetings are normally scheduled to occur at set times during the year to coincide with Board meetings. The Chair of a Committee may call a special meeting at any time.
- D. **Committee Agenda and Background Materials:** Each Committee's agenda is developed as a joint effort by the Executive Chairman, management, and the Chair of the Committee. Each Committee has a schedule of recurring agenda items to be discussed at specific meetings during the year. Nonrecurring topics are scheduled as appropriate. The Nominating and Governance Committee annually reviews the work plans of all committees together as a whole to ensure that no items are overlooked. Relevant materials are provided to each committee member in advance of each Committee meeting.
- E. **Committee Charters:** Each of the Audit, Compensation, and Nominating and Governance Committees has a charter that is consistent with these governance guidelines and that articulates the roles and responsibilities of the relevant Committee. Each Charter has been approved by the full Board and is reviewed regularly by the relevant Committee to assure that it reflects developments in corporate governance and the practices of the Committee.
- F. **Committee Reports to the Board:** Each Committee Chairman reports to the full Board on the activities of his or her Committee.

VII. Board Access to Management and Outside Advisors:

- A. **Access to Management:** Management of the Company is present for discussion and formal, as well as informal, interaction with the Directors at each quarterly Board meeting. Directors and management communicate between Board and Committee meetings to share information and ideas. In between Board and Committee meetings, the Directors regularly receive reports from the CEO. Members of the Board and members of management also communicate with each other verbally or in writing from time to time as items of interest arise. These nonscheduled communications may be initiated by either party. This direct contact is considered mutually beneficial to the Board members and the members of management and results in improved communication between the two.

B. Executive Sessions of the Committees: From time to time as determined by the Audit Committee Chair, the Audit Committee may have separate sessions in which it meets privately with (i) management outside the presence of the internal auditor or the external auditor, (ii) the internal auditor outside the presence of management or the external auditor, (iii) the Corporate Counsel and Secretary of the Company outside the presence of management or the external auditor, (iv) the external auditor outside the presence of management, and (v) the Committee itself outside the presence of management or the external auditor. The Compensation Committee has executive sessions at which members of management are not present whenever it considers the performance or compensation of the Executive Chairman, CEO or other executive officers. The Nominating and Governance Committee may also meet in executive sessions during which members of management are not present. Likewise, other Committees may meet in executive session at any time upon the request of any member of the Committee.

C. Access to Outside Advisors: As set forth in their charters, each of the Audit Committee, the Compensation Committee, and the Nominating and Governance Committee has the sole authority to retain and terminate any consultants, attorneys, accountants, or other professional advisors to assist it, in each case including sole authority to approve the advisors' fees and other retention terms. In addition, each Committee has authority to retain legal counsel. The Company shall provide appropriate funding, as determined by the applicable Committee, for payment of compensation to such auditors, advisors or counsel.

VIII. Assessing the Board's Performance: The Board and each of the Committees perform an annual self-evaluation. Each year, the Directors will be requested to provide their assessments of the effectiveness of the Board as a whole, as well as the individual Committees on which they serve. The individual assessments will be organized and summarized by the Corporate Secretary. Each Committee will discuss the results of its own evaluations, with a follow-up report to the full Board by the Chair of that Committee. The Nominating and Governance Committee will review the results of all Committee evaluations and also of the Board as a whole and present a report to the full Board by the Chair of the Nominating and Governance Committee. Each Director is also asked to review his or her own performance annually.

IX. Director Compensation: The Board is responsible for setting compensation for Non-Employee Directors; Employee Directors do not receive compensation for service on the Board. In discharging this duty, the Board is guided by three goals: the compensation should be sufficient to assist in the recruiting of the highest caliber Directors to the Board; the compensation should align Directors' interests with the long-term interests of Forestar stockholders; and the compensation should fairly pay Directors for work required to diligently serve the interests of stockholders in a company of Forestar's size and scope.

X. Leadership Development:

- A. Executive Chairman Evaluation:** The Board reviews annually the performance of the Executive Chairman.
- B. Compensation Review:** The Compensation Committee annually reviews, and reports to the Board its recommendations with respect to, the compensation of the Executive Chairman and the CEO and other senior executives.
- C. Succession Planning:** The Board is responsible for reviewing the CEO succession plan as applicable (including policies regarding succession in the event of an emergency or the retirement of the CEO). The Board is also responsible for reviewing all other executive officer succession and development plans.

XI. Communications: These guidelines, as well as the Charters of the Audit, Compensation and Nominating and Governance Committees of the Board, the Standards of Business Conduct and Ethics, and the Code of Ethics for Senior Financial Officers, are to be posted on the Company's web site, and copies are to be available upon request to the Corporate Secretary of the Company.

Stockholders who have questions or comments about the Company are encouraged to contact the Company's Executive Chairman.

Exhibit A

Guidelines for Director Qualifications

The Board of Directors (the “Board”) of Forestar Group Inc. is selected to (1) represent the stockholders and (2) provide guidance and oversight to Forestar Group Inc. in a variety of areas of business responsibility. The Nominating and Governance Committee of the Board is charged with the responsibility of reviewing qualifications of potential directors and presenting its recommendations of candidates for director service to the Board. In view of these responsibilities, the Nominating and Governance Committee of the Board has adopted the following basic guidelines to provide an overview for qualifications of candidates to serve as members of the Board. The Board, in approving these guidelines, acknowledged and affirmed that no individual candidate would likely possess all qualifications, and that from time-to-time particular business situations could dictate variances from these guidelines in order to provide the best qualified candidate to serve Forestar Group Inc. and its stockholders as a member of its Board.

The following qualifications and guidelines should be considered in reviewing director candidates:

- Relevant business experience would include:
 - An understanding of, reputation, or experience in the relevant lines of business of the company.
 - Significant reputation or presence in geographic locations where the company owns or operates assets.
 - Corporate finance, accounting and/or mergers and acquisitions experience and expertise.
 - An understanding of the duties and responsibilities of serving on the board of a public company.
- Independence consistent with the requirements of the New York Stock Exchange:
 - The director may not have a material relationship with the company.
 - The director, or an immediate family member, may not have been an executive officer of the company in the past three years.
 - The director, or an immediate family member, may not have received more than \$120,000 per year in direct compensation from the company (other than director and committee fees and pension or other forms of deferred compensation for prior service) in the past three years.
 - The director, or an immediate family member, may not be affiliated with or employed in the past three years in a professional capacity by a present or former internal or external auditor of the company.

- The director, or an immediate family member, may not be employed in the past three years as an executive officer of another company where any of the company's present executives serve on that company's compensation committee or have served on that committee in the past three years.
- A director, or an immediate family member, may not be an executive officer of a company that in the past three years made payments to, or received payments from, the company for property or services in an amount that, in any single fiscal year, exceeds the greater of \$1 million, or 2% of such other company's consolidated gross revenues.
- Diverse background, perspective, skills and substantive pertinent experience should be considered.
- No independent candidate may have a prohibited conflict of interest or ownership with any aspect of the company's business. Accordingly, independent candidates from major suppliers, including professional services, should not be considered. This should include potential suppliers, and in broad categorization, would encompass lawyers, commercial bankers, investment bankers, and management consultants.
- Diversity among directors as a whole is encouraged.
- Board members should present a balance of age.
- Directors should possess the following personal characteristics:
 - An ability to articulate ideas and command respect from peers and to be able to express knowledgeable viewpoints.
 - A progressive attitude with maturity to understand risk.
 - A high level of integrity and moral values.
 - An analytical ability with incisiveness and willingness to ask discerning questions.
 - Sound judgment and recognition of fiduciary responsibility.
 - An ability to commit sufficient time and resources to be an active director.
 - An ability to interact with the other directors and add to the Board's quality and functioning.
 - Reputation and accomplishments that will be an asset.
- Additional qualifications for Audit Committee membership:

- Each member of the Audit Committee must be financially literate, as such qualification is interpreted by the Board in its business judgment or must become financially literate within a reasonable period of time after appointment to the Audit Committee.
- At least one member of the Audit Committee must satisfy the definition of an “audit committee financial expert” as defined in Item 407 of Regulation S-K.

The Nominating and Governance Committee and the Board of Forestar Group Inc. may from time to time consider in the director selection process and may revise or supplement these guidelines for consideration of qualifications for directors.