

Summary of Board of Director Effectiveness Evaluation

To enhance the effectiveness of its Board of Directors and further strengthen its functioning, the Company has been evaluating the overall effectiveness of the Board since fiscal 2016. The following summarizes the results of the fiscal 2022 evaluation.

1. Evaluation method

A questionnaire on the effectiveness of the Board of Directors was distributed to all Directors (including Audit and Supervisory Committee Members), and each of them responded anonymously. Based on the responses, each of the respondents was interviewed by a chief evaluator (officer in charge of the Board Secretariat). The Board then analyzed and evaluated its effectiveness.

Subjects:	All 10 Directors
Respondents:	All 10 Directors (including 4 External Directors)
Evaluation term:	March–May, 2023
Questionnaire items:	Main questionnaire items are as follows. <ul style="list-style-type: none"> (1) Composition of the Board of Directors (2) Operation of the Board of Directors (3) Agenda of the Board of Directors (4) System for supporting the Board of Directors (5) Response to shareholders and stakeholders
Other:	In fiscal 2022, we reviewed the implementation status of the measures to address the issues based on the opinions of each Officer in the effectiveness evaluation conducted last year. In June 2018, the Company changed its organization structure to a company with audit and supervisory committee. Accordingly, the effectiveness of the Audit and Supervisory Committee was also evaluated.

2. Results of the analysis and evaluation of the effectiveness of the Board of Directors

In fiscal 2022, the evaluation results showed improvements in four of the five categories. In the overall evaluation interviews, all Officers stated that improvements have been made in the way the Board of Directors is held, the transition to paperless system, the timing of the distribution of agenda items, etc., and many commented that the effectiveness of the Board has been improving year by year.

As a result of discussions based on the analysis of these self-evaluation results, the Board of Directors of the Company concluded that “the effectiveness of the Board of Directors is functioning effectively.”

3. Future actions based on the evaluation results concerning the effectiveness of the Board of Directors

Following on from last year, the Company will make an annual improvement plan for the points to be improved suggested by each Director, keep working on improvements this fiscal year again, and further enhance the effectiveness of the Board of Directors of the Company. At the same time, it will build a more extensive corporate governance system.