

June 26, 2025

Secretariat of the Board of Directors

To the Board of Directors

Evaluation of the Board of Directors

As outlined in the Company's "Approach to the Corporate Governance Code" submitted on November 16, 2021, the Company will evaluate the Board of Directors and disclose the evaluation results.

Each year, the Board of Directors itself conducts an evaluation of the overall effectiveness of the Board of Directors with the purpose of reviewing how the Board is contributing, identifying issues, and making improvements. We are pleased to disclose our assessment of the effectiveness of our Board of Directors for the fiscal year 2024 as follows.

1. Evaluation method

During April and May, we asked each director and auditor to complete a questionnaire, and the results were tabulated and analyzed. In the questionnaire, each director and auditor was also asked to provide comments. The assessment was conducted with the cooperation of an independent external organization to identify issues from a third-party perspective.

2. Evaluation results and analysis

The questionnaire results showed that most questions received predominantly positive evaluations; however, the following were identified as key issues: "the role and effectiveness of outside directors," "transparency of the nomination and compensation processes," and "discussions on sustainability."

3. Application of evaluation results

We will continue working to address the identified issues and further enhance the effectiveness of the Board of Directors.

- **Role and effectiveness of outside directors**

We will more clearly communicate the specific roles expected of outside directors to all board members. To foster greater engagement, we will also create an environment that supports their active participation by organizing study sessions to enhance their understanding of the business, offering site visit opportunities, and providing executive training.

- **Transparency of the nomination and compensation processes**

We will enhance transparency by clearly outlining specific evaluation criteria for nominations and compensation to the Board of Directors and by providing regular updates on the discussions held within the relevant committees.

- **Discussions on sustainability**

We will dedicate more time to sustainability discussions during board meetings and provide materials that clearly highlight key topics to facilitate meaningful dialogue. In addition, we will incorporate feedback from outside

directors shared during these deliberations and develop it into actionable plans.

4. Description of questionnaire items and results

Major items and number of questions

- (1) Composition and operation of the Board of Directors (9 questions)
- (2) Management and business strategies (7 questions)
- (3) Corporate ethics and risk management (5 questions)
- (4) Management evaluation and compensation (4 questions)
- (5) Dialogue with shareholders, etc. (2 questions)

Response Method: 5-point scale

5: Effective and appropriate

4: Somewhat effective, appropriate

3: Can't say either

2: Some room for improvement

1: Needs improvement, inappropriate

We requested comments and suggestions for each major item. Additionally, we asked for feedback regarding the effectiveness of the Board of Directors and expectations related to the planned transition to a company with an Audit and Supervisory Committee in June 2025.

Major topics:	Number of Questions	Average Score
1. Composition and operation of the Board of Directors	9 questions	3.8
2. Management and business strategies	7 questions	3.7
3. Corporate ethics and risk management	5 questions	4.1
4. Management evaluation and compensation	4 questions	4.0
5. Dialogue with shareholders	2 questions	3.9
Total	27 questions	3.9

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