

June 22<sup>nd</sup>,2023

## **Analysis and Evaluation of the Effectiveness of the Board of Directors**

Summary of the Results of the Evaluation of the Effectiveness of the Company's Board of Directors in Fiscal Year 2022

### Description

#### 1. Method of Analysis and Evaluation

From February to March 2023, we distributed the "Self-Evaluation Form" prepared by the Board of Directors Secretariat to all directors and obtained their responses.

Based on the responses, the Chairman of the Board of Directors and others conducted the analysis and evaluation.

The main items of the "Self-Evaluation Report" are as follows.

#### (1) Composition of the Board of Directors

- Is the number of directors appropriate?
- Are there a sufficient number of qualified independent outside directors?

#### (2) Operation of the Board of Directors

- Is the scope of matters to be discussed at the Board of Directors meetings appropriate?
- Are sufficient matters of sufficient scope and content reported to the Board of Directors?
- Do the Board of Directors' meeting materials cover all necessary and sufficient information?
- Are board meetings managed in such a way that open and active discussion takes place?

#### (3) Provision of information to outside officers (directors and corporate auditors)

- Are agenda items for deliberation explained in advance of Board of Directors meetings?
- Are sufficient information on management issues and compliance problems of the Company and the Group provided?
- Are the contents and volume of such information appropriate?
- Is cooperation between outside directors and each audit department ensured?

#### (4) Status of improvement from the previous year

- What is the status of improvement with respect to issues requiring improvement and subsequent actions?

(5) Overall evaluation

- Is the Company's Board of Directors as a whole fulfilling its roles and responsibilities in a practical manner?

2. Summary of Analysis and Evaluation Results

Although some items were pointed out as requiring improvement for greater effectiveness, the overall rating was "generally appropriate," which is almost the same as the previous year.

We will shorten the time required for resolutions and reports, increase the opportunities for each director to speak more than before as a forum for discussion of management issues, and improve the diversity of the Board of Directors to stimulate discussion.

As a result of our review of the matters pointed out, we intend to make the following improvements to further enhance the effectiveness of the Board of Directors meetings.

3. Future actions based on the analysis and evaluation

- (1) Continue to review the number and composition of the Board of Directors from the viewpoint of improving effectiveness.
- (2) Examine matters to be resolved or reported at the Board of Directors meetings so that sufficient time can be allocated for necessary discussions.
- (3) Encourage the active exchange of opinions among individual directors on Group issues, measures to enhance corporate value, and improvements to ensure diversity.