

June 2, 2025

# **Initiatives towards improving Board of Directors’ effectiveness.**

OMRON Corporation

## **Contents**

1. Overview of initiatives towards improving the Board of Directors’ effectiveness  
    ... Page 2
  2. Results of evaluation of the Board of Directors’ effectiveness for fiscal 2024  
    ... Page 3
  3. Policy for the operation and focus themes of the Board of Directors for fiscal 2024  
    ... Page 5
  4. Achievements of the Board of Directors  
    ... Page 5
  5. Results of initiatives for increasing effectiveness  
    ... Page 10
  6. Results of initiatives by the Advisory Committees  
    ... Page 12
  7. Policy for the operation and focus themes of the Board of Directors for fiscal 2025  
    ... Page 16
- [Reference] Methods of Evaluation of the Board of Directors’ effectiveness for fiscal 2024  
    ... Page 17

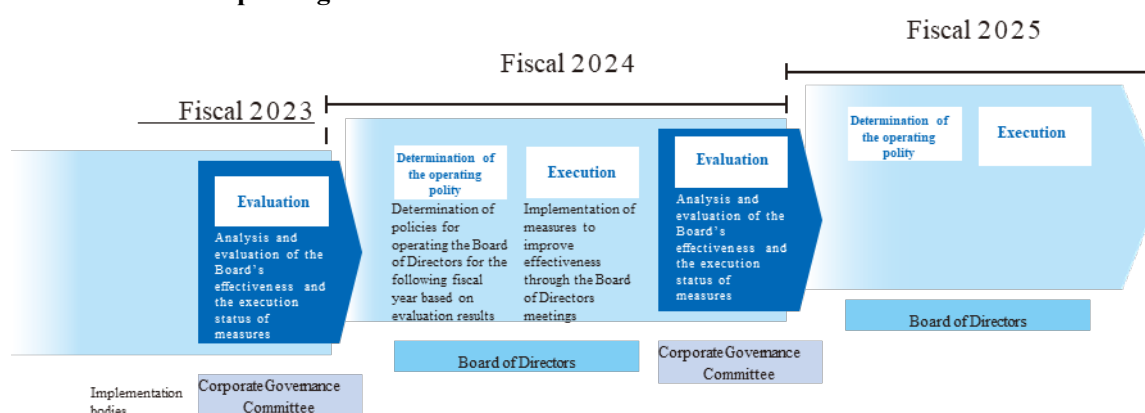
## 1. Overview of initiatives towards improving the Board of Directors' effectiveness

The Company ensures transparency and fairness in business management, speeds up management decisions and practices, and strives to boost the OMRON Group's competitive edge. The ultimate objective is to achieve sustained enhancement of corporate value. To this end, the Company reinforces the supervisory functions of the Board of Directors through initiatives for improving its effectiveness.

The Company performs the evaluation of the Board of Directors' effectiveness for the purpose of examining actual contribution made by the Board of Directors, identifying issues, devising countermeasures and promoting improvement, in order to ensure that corporate governance effectively functions. This evaluation is conducted by the Corporate Governance Committee chaired by an Outside Director and comprising Outside Directors and Outside Audit & Supervisory Board Members (hereinafter "Outside Executives"), as well as non-executive internal Directors. Outside Executives act as members of the Board of Directors while having the perspectives of all stakeholders including the shareholders. The Corporate Governance Committee, which is composed of Outside Executives and non-executive internal Directors, performs evaluations in order to ensure that evaluations are both objective and effective.

Based on the evaluation results by the Corporate Governance Committee and the business environment, etc., the Board of Directors determines the policy for the operation and focus themes of the Board of Directors for the next fiscal year, and formulates and implements annual plans based on this operation policy.

### Initiatives towards improving the Board of Directors' effectiveness



## 2. Results of evaluation of the Board of Directors' effectiveness for fiscal 2024

Given the downward revisions to the financial results made twice in fiscal 2023, the Board of Directors in fiscal 2024 considered monitoring of the progress toward accomplishing Structural Reform Program NEXT2025 to be the most important theme, and strengthened oversight and supervision over the progress of the five Structural Reform measures. In addition, the Board emphasized early information sharing and discussion regarding the status of operations and business environment, to help resolve the following issues identified in fiscal 2023 and to increase predictability in the performance. Moreover, to achieve greater effectiveness of the Board of Directors' activities as a whole, various new initiatives have been introduced. Specifically, we enhanced Informal Meeting and opinion exchanges between Directors and management executives, and increased opportunities for multifaceted discussion with business execution divisions, in order to allow for early deliberation on strategies and issues of each business. As a result, the Corporate Governance Committee commended the Board of Directors for having increased effectiveness in its overall activities, reflecting enhanced related activities other than the Board of Directors meetings.

[Issues identified in fiscal 2023]

- The Board of Directors considered insufficient discussions about downward revisions to be an issue. The Board also recognized that it is essential to increase predictability in the performance and make discussions proactively.
- Some agenda items submitted to the Board of Directors meetings lacked pursuit of the root causes of problems.
- Discussions shall be held among members of the Board of Directors (many-to-many discussion), instead of discussions held between an explainer and members of the Board of Directors (one-to-many discussion), to further vitalize discussions.
- In discussions about strategies of each business, there is a need for presenting data clearer than ever, including clarifying the Company's competitive advantages over competitors or achieving uniformity in market analysis data.

### 2-1. Issues in fiscal 2024 and countermeasures

#### ■ Points commended

- Informal Meeting, as well as early sharing of business performance, such as quarterly performance reporting accelerated by one month, functioned effectively and enabled multifaceted discussions at an early phase.
- The Chairman operated the Board of Directors meetings with many-to-many discussion in mind, which vitalized discussions and resulted in business execution divisions explaining points of discussion more clearly than ever. A basis for objective discussion is now ready based on the present state and figures gained through market and competitive analysis.

#### ■ Issues

- To evolve the monitoring function under the scheme of a Company with Audit & Supervisory Board, we must reconsider agenda items and viewpoints (levels) to be discussed by the Board of Directors, so as to enhance discussions on growth strategies toward corporate value enhancement from a medium- to long-term perspective.

#### ■ Points requested

Toward resolving the issues, the Corporate Governance Committee requested to the Board of Directors the following points.

- Discussions on growth strategies shall be strengthened further to increase corporate value.

- Discussions shall be held from a medium- to long-term perspective, on such themes as enhancement of organizational capabilities and sophistication of risk management, instead of being biased toward pursuing causes for individual issues in detail.
- To respond to changes in the operating environment, the Company shall evolve internal controls, and strengthen systems to execute and maintain internal controls. To that end, agenda items submitted to the Board of Directors meetings shall be examined, to determine new items to be discussed and those to be removed.

### 3. Policy for the operation and focus themes of the Board of Directors for fiscal 2024

#### < Board of Directors Operational Policy for Fiscal 2024 >

The Board of Directors will exercise its oversight functions from a medium- to long-term perspective as we move forward to achieving the OMRON Group’s long-term vision, SF2030, and accomplish the Structural Reform Program NEXT 2025. This will be done by recognizing the link between the following focus themes and issues subject to oversight.

#### <Focus Themes>

##### 1) Progress monitoring toward accomplishing the structural reform program (NEXT2025)

#### < Points of oversight>

- Business/regional portfolio optimization
- Organizational capability to realize the above

##### 2) Progress monitoring toward realizing the long-term vision

#### < Points of oversight>

- Issues in achieving growth for the data solution business and countermeasures.
- Global Human Resources strategy

#### **Background of the establishment of the policy for the operation and focus themes of the Board of Directors for fiscal 2024**

The Board of Directors considered monitoring of progress toward accomplishing Structural Reform Program (NEXT2025) to be the most important theme, and indicated that discussions shall be held on the progress of the five Structural Reform measures, in coordination with the business execution division. The Board also confirmed that even during the period of the Structural Reform, monitoring of progress toward realizing the long-term vision is important, and confirmed its continued designation as a focus theme.

### 4. Achievements of the Board of Directors

#### 4-1. Focus themes.

##### **Focus theme 1: Progress monitoring toward accomplishing the structural reform program (NEXT2025)**

##### ■ Main contents of discussions at the meeting of the Board of Directors and Informal Meeting

Agenda items	Contents (reports and discussions)
1) IAB <sup>*1</sup> Revival Plan (IAB Future Reboot)	-The business execution division reported on future directions to be taken, in light of issues for the implementation of IAB Future Reboot (hereinafter, “IFR”). The report explained its policy to recover operating income level through business growth, build a stably growing customer base, and continue and strengthen investments in products and technologies. We also shared the feedback on the video message sent to employees by President of the Business Company (hereinafter “BC”).

Agenda items	Contents (reports and discussions)
	<p>-At a Board of Directors meeting, there were comments pointing out the importance of the management team engaged in direct dialogue with customers and building relationships with them at an early phase. We confirmed the need for understanding early the frank voices of the mid-level managers at customer sites, in addition to those of the management of customers. We also confirmed the importance of BC President and other top executives taking the initiative in creating the momentum for a reform across the organization.</p>
<p>2) Headcount and Capacity Optimization</p>	<p>-Regarding the voluntary retirement plan implemented in Japan in April and May 2024, there was a report on the results of applications, including the number of applicants, a change in workforce structure, and the amount of associated extraordinary losses. The progress of workforce optimization at overseas sites was also reported.</p> <p>-The Board of Directors confirmed revisions in business processes in order to maintain operational efficiency in a phase of business recovery. The Board also confirmed the progress of measures for streamlining tasks, and confirmed 10% to 20% reductions achieved in all divisions. We also confirmed preventive measures against the risk of information leakage by retired employees.</p>
<p>3) Progress of NEXT2025 Portfolio Optimization</p>	<p>-With regard to NEXT2025 Portfolio Optimization, it was reported that each BC had completed examination, formulated plans by project and put actions into practice. The progress of specific projects was also reported.</p> <p>-We confirmed details of the estimated costs to be incurred for winding up some businesses, aims of acquirer candidates for these businesses, and the rationality of the judgement that we had made in anticipation of future markets. We confirmed the past background of businesses, and pointed out that understanding the direction sought out by employees would be a key to determine the success or failure of measures, and requested that feasibility of strategies be increased toward securing profitability in the growth areas.</p>

Agenda items	Contents (reports and discussions)
4) Fixed Cost Productivity Improvements	<p>- The report was made regarding the enhancement of BCs' autonomous management at a fixed cost, and issues and future directions for achieving greater efficiency in shared services and CoE*2.</p> <p>- With regard to the delegation of functions to BCs, the Board of Directors expressed concerns about the Company losing a broad, cross-sectional perspective, which may result in decreased opportunities for human resource development. In light of this issue, we confirmed personnel development measures utilizing cross-sectional functions, and our policy to continue exchanging human resources between BCs and ensure opportunities for human resource development.</p>

\*1 IAB: Industrial Automation Business

\*2 CoE: Center of Excellence

## Focus theme 2: Progress monitoring toward realizing the long-term vision

### ■ Main contents of discussions at the meeting of the Board of Directors and Informal Meeting

Agenda items	Contents (reports and discussions)
1) Strategic scenarios under a next Medium-Term Management Plan SF2030 2nd Stage	<p>- With regard to strategic scenarios under a next medium-term management plan after the completion of Structural Reform, a discussion was held based on the status of deliberations shared by the business execution division. The business execution division gave explanations about the rebuilding of portfolios as a strategic scenario toward achieving 2030 targets, along with the strengthening of organizational ability to get that portfolio restructuring done, doubling the speed of decision-making and implementation, and building of an internal mechanism to support sustainable growth. Also, the business execution division presented a policy on formulating a medium-term management plan based on a back-cast approach, with an eye to the corporate value level (a market cap, a target CAGR, etc.) that would live up to the expectations of capital markets as of 2030.</p> <p>- In the discussion, opinions were exchanged from various perspectives on themes such as an ideal state of a corporation in and how to present effective indicators to capital markets, the importance of upfront investments in global human resources, and inter-business cooperation and synergies in generating Data Solution Business. As to strategic regions to be focused, we had an active discussion on our response to North America, as well as investment strategies in China and other regions in Asia.</p>

Agenda items	Contents (reports and discussions)
2) Free discussion on Data Solution Business	<p>- We had a free discussion led by Outside Executives twice, regarding business strategies of the Data Solution Business. In the first discussion, directions to be taken by the Data Solution Business, its mid- to long-term targets by 2030, and challenges in achieving the targets were explained. In particular, from the perspective of corporate value enhancement, we discussed important measures that would drive “creation and expansion of new growth businesses” and “the evolution to a data-driven, solution business model across the Company.”</p> <p>- In the second discussion, we discussed more in depth the acceleration of alliance with JMDC, Inc. and creation of synergies therefrom, and the strategic positioning of corporate health-related investments.</p> <p>- Through these discussions, we exchanged multifaceted opinions and deepened understanding on the Data Solution Business’s current issues and future prospect.</p>
3) Human resource strategies	<p>- The business execution division reported on the key initiatives in fiscal 2024: “Reforming the quality of leadership to accelerate growth” and “Fostering a culture that encourages self-initiative.” The Board of Directors confirmed again the importance of sharing with all employees the results of an employee engagement survey, understanding correctly the issues varying by organization, and executing concrete actions through a concerted effort by managers and members.</p>

#### **4-2. Important items other than focus themes**

Agenda items	Contents (reports and discussions)
1) Sustainability promotion activities	<p>- To increase effectiveness of sustainability promotion through practicing a PDCA cycle at a higher speed, we resolved to make Sustainability Office a department under the direct control of the President, which had been under the control of the Board of Directors [See Figure 1]. From the fiscal year under review, an annual summary and action plans for the next fiscal year were reported to the Board of Directors prior to the finalization of the Short-Term Management Plan, and policies for the next fiscal year were discussed, in order for the Board of Directors to make important decisions regarding sustainability at an earlier phase and to increase consistency and effects of company-wide initiatives.</p>

Agenda items	Contents (reports and discussions)
2) Progress of OMRON's intellectual property activities in SF2030	<ul style="list-style-type: none"> <li>The business execution division reported on the business model-oriented intellectual property strategies with reference to DSB*<sup>3</sup>, pertaining to a wide range of intangible assets, including data. The business execution division also reported on issues in the intellectual property activities for protecting technologies intended to achieve functionality and performance of the Company's products. A discussion was held on how to resolve those issues.</li> </ul>
3) Progress of construction of the Corporate IT System	<ul style="list-style-type: none"> <li>Regarding the status of ERP*<sup>4</sup> deployment, the business execution division reported on issues found during the deployment in Europe, where the system had been introduced in advance, and the progress of deployment in Japan advancing according to the plan. The Board of Directors confirmed the appropriateness of the current plan, from such aspects as the degree of impact of issues found in Europe and the possibility of the same issues occurring in Japan.</li> </ul>

\*3. DSB: Data Solution Business

\*4. ERP: Enterprise Resources Planning

[Figure 1] Structure of the Company-wide sustainability management



## 5. Results of initiatives for increasing effectiveness

In the fiscal year under review, we have actively set up an Informal Meeting, to bring active discussions between the Board of Directors and the business execution division from an early phase, over the themes of business strategies and important Structural Reform measures. We also provided to Outside Executives more opportunities for exchanging opinions with President of each BC, to help them better understand the strategies and initiatives of each business.

Informal Meeting	
Purpose	The meeting was set up as a forum to discuss on business strategies and business issues, etc. in an early phase or to consult on specific themes. Moreover, meetings are held as an opportunity for sharing latest case studies and trends that the Board of Directors must be aware of, helping Outside Executives to deepen their understanding and the business execution division to resolve their issues.
Structure	Determined depending on themes; some meetings are attended by all Directors and Audit & Supervisory Board Members, while others may be attended only by Outside Executives.
Number of meetings held	6
Major initiatives	<ul style="list-style-type: none"> <li>• IFR is one of the important measures in the Structural Reform. An opportunity was held for the business execution division to explain about details of the measures, along with challenges in promoting them, and to have a free discussion with all Directors and Audit &amp; Supervisory Board Members.</li> <li>• We invited an external lecturer to provide a seminar themed on “Hard law and soft law relating to takeover bids of nowadays” for all Directors and Audit &amp; Supervisory Board Members.</li> <li>• We invited an external lecturer to bring discussions among all Directors and Audit &amp; Supervisory Board Members on the theme of “Trends in the global economy surrounding Japan.”</li> <li>• All Directors and Audit &amp; Supervisory Board Members engaged in discussion on the theme of “Strategic scenarios for the next Medium-Term Management Plan SF2030 2nd Stage.”</li> </ul>

Outside Executives' and top Executives' opinion exchange meeting	
Purpose	Opportunities are provided for the exchange of opinions between Outside Executives and top Executives, which leads to an improvement in understanding of the Company's business and organizational culture.
Number of meetings held	10
Major initiatives	<ul style="list-style-type: none"> <li>An opinion exchange meeting among President of each BC, Outside Directors and Outside Audit &amp; Supervisory Board Members was held individually, to have a free discussion on business strategies of BCs.</li> </ul>

Interviews by the Chairman of the Board of Directors	
Purpose	The Chairman of the Board of Directors holds individual interviews with Directors and Audit & Supervisory Board Members once a year to discuss improvement plans related to the operation of the Board of Directors.
Number of meetings held	1 for each (for a total of 11) *Individual interviews with all Directors and Audit & Supervisory Board Members

Board of Directors review	
Purpose	Outside Executives conduct a review of the Board of Directors immediately after meetings of the Board of Directors. Outside Executives sharing amongst themselves what they felt, issues and improvements immediately following meetings of the Board of Directors leads to the improvement of the evaluation of the Board of Directors.
Number of meetings held	12

Observation of Executive Committee meetings	
Purpose	Outside Executives may observe Executive Committee meetings (management meetings by Executives), as fully understanding the situation of the business execution division will lead to the expansion of the breadth and depth of discussions at the Board of Directors meetings.
Initiatives	<ul style="list-style-type: none"> <li>Agenda of Executive Committee Meeting is sent to Outside Executives before the meeting every month. Outside Executives monitor online the agenda item they want to observe.</li> <li>Meeting minutes are sent to members of the Board of Directors every month.</li> </ul>

On-site visits	
Purpose	Opportunities are provided for Outside Executives to visit major bases, exhibitions, etc. and participate in in-house events, which leads to an improvement in understanding of the Company's business and organizational culture.
Number of meetings held	2
Initiatives	<ul style="list-style-type: none"> <li>• Visited Yasu Office, the major base of OMRON SOCIAL SOLUTIONS Co., Ltd.</li> <li>• Visited a base that serves as the operation center of OMRON FIELD ENGINEERING Co., Ltd.</li> </ul>

## 6. Results of initiatives by the Advisory Committees

In the fiscal year under review, the Corporate Governance Committee stipulated explicitly the roles of each Director and performed self-evaluations based thereon, as part of an effort to enhance governance. The Compensation Advisory Committee held a discussion on the overall picture of a desirable compensation scheme that would contribute to increasing corporate value over the medium to long term, upon expiration of the current stock compensation plan.

The Corporate Governance Committee commended the operations of the Advisory Committees for ensuring an objective and transparent process and operating properly.

CEO Selection Advisory Committee	
Members	Five members (three Outside Directors and two internal Directors)
Chair	Mr. Takehiro Kamigama, the lead Outside Director
Committee composition	<ul style="list-style-type: none"> <li>• The majority shall be Outside Directors</li> <li>• The two internal Directors shall be non-executive internal Directors (the President and CEO is not a member of the committee)</li> </ul>
Number of meetings held	1
Attendance rate	100%
Matters deliberated and matters reported	<ul style="list-style-type: none"> <li>• Deliberation on candidates for CEO</li> <li>• Deliberation on a CEO successor candidate in the event of a crisis in fiscal 2025</li> </ul>
Evaluation	<ul style="list-style-type: none"> <li>• The Committee evaluated the performance of the President and CEO in an appropriate process.</li> <li>• Regarding President and CEO succession planning, the Committee selected and evaluated candidates from a medium- and long-term perspective, and monitored the progress of a development plan on an ongoing basis.</li> </ul>
Comments from the chair	In the second year in office as the President, Mr. Tsujinaga is in a difficult period of the structural reform, but we would like to ask him for continued efforts. We performed evaluation on the performance of the President and CEO and also held fruitful discussions on succession planning for the future.

Personnel Advisory Committee	
Members	Five members (three Outside Directors and two internal Directors)
Chair	Ms. Izumi Kobayashi, Outside Director
Committee composition	<ul style="list-style-type: none"> <li>· The majority shall be Outside Directors</li> <li>· The Chairman of the Board of Directors and the President and CEO are not members of the committee</li> </ul>
Number of meetings held	6
Attendance rate	100%
Matters deliberated and matters reported	<ul style="list-style-type: none"> <li>· Deliberation on appointment/dismissal of Senior Executive Officers and reporting on selection of Executive Officers</li> <li>· Deliberation on Director candidates, Audit &amp; Supervisory Board Member candidates, and Executive Officer candidates</li> <li>· Reporting on succession planning for management executives</li> <li>· Reporting on the list of candidates for Outside Director and Outside Audit &amp; Supervisory Board Member</li> <li>· Determination of the members of each Advisory Committee</li> </ul>
Evaluation	<ul style="list-style-type: none"> <li>· Regarding development of management executives, the Committee engaged in appropriate and continuous discussion with reference to the report on succession planning based on Core Position Strategy and the status of human resource pipelines.</li> <li>· The Committee deliberated the composition of the Board of Directors, in light of the mid- to long-term business portfolios, and reflected them in the talent pool.</li> </ul>
Comments from the chair	In the fiscal year under review, incorporating the opinions of Committee members, we had discussions and made decisions that would contribute to enhancing effectiveness of the Board of Directors in the future, such as the partial delegation of authorities to CEO, a policy making regarding the composition of the Board of Directors based on business portfolios, and creation of a talent pool in line with that policy.

Compensation Advisory Committee	
Members	Five members (three Outside Directors and two internal Directors)
Chair	Mr. Yoshihisa Suzuki, Outside Director
Committee composition	<ul style="list-style-type: none"> <li>· The majority shall be Outside Directors</li> <li>· The Chairman of the Board of Directors and the President and CEO are not members of the committee</li> </ul>
Number of meetings held	7
Attendance rate	97%
Matters deliberated and matters reported	<ul style="list-style-type: none"> <li>· Discussion and deliberation on a new compensation plan</li> <li>· Deliberation of compensation levels and tables for Directors and Executive Officers</li> <li>· Deliberation of compensation for foreign Executive Officers</li> <li>· Deliberation of evaluation criteria and payment amounts for Director bonuses and stock compensation</li> <li>· Determination of evaluation criteria and payment amounts for Executive Officer bonuses and stock compensation</li> <li>· Determination of a stock compensation plan for Directors and Executive Officers</li> </ul>
Evaluation	<ul style="list-style-type: none"> <li>· Upon the expiration of the current stock compensation plan, the Committee advanced active discussions on how an entire compensation scheme should be to increase corporate value over the medium to long term.</li> <li>· Taking into account the period of Structural Reform, the Committee appropriately analyzed issues of the current scheme and made improvement. In light of the latest market trends and benchmarking results from other companies, the Committee built a new compensation system through an appropriate process.</li> </ul>
Comments from the chair	In designing a transitional compensation plan suitable for the Structural Reform period, we discussed a constructive scheme from the perspectives of keeping executives motivated and giving them a long-term incentive. Going forward, we intend to discuss the design of a new compensation plan toward further increasing OMRON's corporate value.

	Corporate Governance Committee
Members	Seven members (three Outside Directors, two Outside Audit & Supervisory Board Members and two non-executive internal Directors)
Chair	Mr. Takehiro Kamigama, the lead Outside Director
Committee composition	<ul style="list-style-type: none"> <li>· The majority shall be Outside Executives (Outside Directors and Outside Audit &amp; Supervisory Board Members)</li> <li>· Directors engaged in business executions are not members of the committee</li> </ul>
Number of meetings held	7
Attendance rate	98%
Matters deliberated and matters reported	<ul style="list-style-type: none"> <li>· Discussion on the roles of each Director</li> <li>· Report on actions taken against matters pointed out at Board of Directors meetings</li> <li>· Discussion on Directors' self-evaluation, mutual evaluation, and third-party evaluation</li> <li>· Deliberation of evaluation of the Board of Directors' effectiveness in fiscal 2024</li> <li>· Discussion on the compilation of a fact book on the Board of Directors</li> </ul>
Evaluation	In order for each Director to demonstrate higher effectiveness, the Committee explicitly defined the roles of each Director and started self-evaluation of each Director from the fiscal year under review, to strengthen governance.
Comments from the chair	We deepened discussions on how to sophisticate the method for evaluating effectiveness of the Board of Directors during the fiscal year under review, and introduced self-evaluation of each Director. In the next fiscal year, we continue discussions on an optimal governance system for the Company, taking into account the mid-to long-term growth strategies and changes in the business environment.

## **7. Policy for the operation and focus themes of the Board of Directors for fiscal 2025**

The Board of Directors held discussions regarding operational policy for fiscal 2025 and focus themes. These were based on the results of an evaluation conducted by the Corporate Governance Committee. The discussions led to the Board of Directors operational policy and focus themes being decided at the Board of Directors meeting held on May 8th as follows:

### **<Board of Directors Operational Policy for Fiscal 2025>**

The Board of Directors will intensify discussions regarding OMRON's growth strategy, aiming to enhance corporate value from a medium-to-long term perspective.

### **<Focus Themes>**

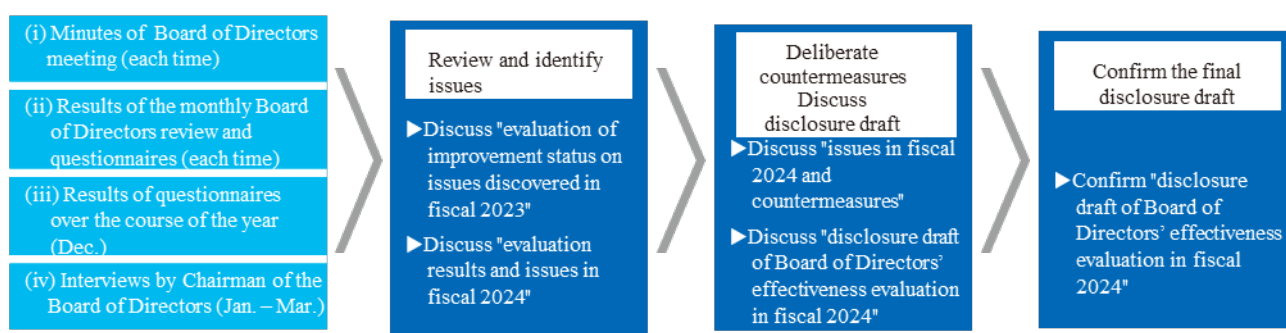
- Drawing a roadmap leading to realizing the long-term vision and enhancing execution ability
- Strengthening the ability to respond to change associated with geopolitical risks and opportunities
- Accomplishing structural reforms

## [Reference] Methods of Evaluation of the Board of Directors' effectiveness for fiscal 2024

The process of the evaluation of the Board of Directors' effectiveness and the evaluation items for fiscal 2024 are as described below.

### (1) Summary of evaluation process

Effectiveness of the Board of Directors of the Company is evaluated based on the results of items (i) to (iv) that are performed over the course of the year, and then discussed by the Corporate Governance Committee, which evaluates the status of improvement on issues discovered in the previous fiscal year and identifies issues and countermeasures for the current fiscal year.



- (i) Minutes of each Board of Directors meeting
- (ii) Results of the Board of Directors review conducted by Outside Executives immediately after meetings of the Board of Directors, and results of self-evaluation based on questionnaires answered by all Directors and Audit & Supervisory Board Members.
- (iii) Results of self-evaluations on the operation, etc. of the Board of Directors meetings answered by all Directors and Audit & Supervisory Board Members over the course of the year.
- (iv) Results of individual interviews to all Directors and Audit & Supervisory Board Members conducted by the Chairman of the Board of Directors

### (2) Evaluation items

[Board of Directors review<sup>\*1</sup> performed immediately following each meeting of the Board of Directors and self-evaluation<sup>\*2</sup>]

\*1 Board of Directors review: A forum for reviewing the overall meeting of the Board of Directors by Outside Executives, for sharing issues and improvements.

\*2 Self-evaluation: Performed by completing questionnaires. For each evaluation item, answers are provided using five-point scales and free comment fields.

- (i) Contents of discussions at the meeting of the Board of Directors
- (ii) Extent of oversight functions exercised by the Board of Directors

[Self-evaluations for the entire year, performed at the end of the fiscal year]

- (iii) Discussion based on the operational policy and extent of oversight functions exercised
- (iv) Extent of improvement made to the issues found in the effectiveness evaluation in fiscal 2023
- (v) Operation of each Advisory Committee
- (vi) Extent of Directors roles fulfilled
- (vii) Other items concerning the Board of Directors as a whole