



July 5, 2024

For Immediate Release

Company Name: NIKKON Holdings Co., Ltd.
Representative: Masakatsu Kuroiwa, President
and Representative Director
(Securities Code: 9072, TSE Prime Market)
Contact: Hidehiro Motohashi, Director,
Executive Officer
TEL +81-3-3541-5330

Overview of the Evaluation Results of the Effectiveness of Our Board of Directors

NIKKON Holdings Co., Ltd. (the “Company”) evaluates the overall effectiveness of the Board of Directors every fiscal year, for the purpose of verifying the current status of the Board’s functions and improving its effectiveness. The evaluation method and a summary of the results for the fiscal year ended March 31, 2024 are as follows.

I. Evaluation method

For the fiscal year ended March 31, 2024, a self-evaluation was conducted in the form in which Directors answered 30 questions based on a five-level evaluation and offered comments in the free opinion columns. To ensure objectivity in the evaluation, the Company also uses external institutions for an analysis of their answers. Based on the results of analysis, the ideal image and current situation of the Board of Directors are clarified. Issues that had manifest and progress in efforts to address them were reported at the meeting of the Board held on July 5, 2024.

[Evaluation category in the questionnaire]

1. Composition and administration of the Board of Directors (6 questions)
2. Management strategies and business strategies (9 questions)
3. Corporate ethics and risk management (7 questions)
4. Evaluation and remuneration of the management team (5 questions)
5. Dialogue with shareholders, etc. (3 questions)

II. Results of evaluation

As a result of a comprehensive analysis and assessment of the results of the evaluation of the Board of Directors’ effectiveness in the fiscal year ended March 31, 2024, it was confirmed that the overall effectiveness of the Board of Directors of the Company was generally secured. Areas receiving a high evaluation included verifications for reducing cross-shareholdings, the roles of the Group headquarters, value-sharing with stakeholders, the establishment and monitoring of a code of conduct, and the establishment, monitoring and supervision of the operation of internal control systems. However, issues were



recognized with an eye to further improving the Board's effectiveness, in terms of reviewing the succession plan, promoting DX, providing training for Directors and providing information to the Board. The evaluation also found that discussions on sustainability strategies were insufficient.

III. Issues identified and direction of efforts for improvement

Based on the evaluation results for the fiscal year ended March 31, 2024, the Company will take steps to further improve the effectiveness of the Board of Directors in the fiscal year ending March 31, 2025, working to improve information provision regarding issues and management strategies amid a rapidly changing business environment. It will also hold discussions on management policy from medium- to long-term perspectives and institute measures to strengthen the Board's supervisory functions in the direction described below.

Issues of evaluation results	Direction of efforts for improvement
Clarification of succession plan Cultivation of candidates in line with plans	<ul style="list-style-type: none"> ➤ Review of succession plan on the executive side ➤ Strengthening discussions at the Nomination and Remuneration Committee
Issues of evaluation results	Direction of efforts for improvement
Improvement of tools for effective use of DX	<ul style="list-style-type: none"> ➤ Enhancement of supervision by the Board of Directors in line with the Digital Governance Code 2.0
Issues of evaluation results	Direction of efforts for improvement
Training for officers	<ul style="list-style-type: none"> ➤ Provision of training to fill gaps in skills and knowledge
Issues of evaluation results	Direction of efforts for improvement
Insufficient prior explanations to Outside Directors, insufficient communication outside meetings of the Board of Directors	<ul style="list-style-type: none"> ➤ Improvements to advance briefings ➤ Verification of whether or not an expansion of communication opportunities is required
Issues of evaluation results	Direction of efforts for improvement
Insufficient discussions on strategies for sustained growth	<ul style="list-style-type: none"> ➤ Periodic monitoring of initiatives on the executive side ➤ Discussions on sustainability measures at meetings of the Board of Directors
Issues of evaluation results	Direction of efforts for improvement
Improvements to the internal whistleblowing system	<ul style="list-style-type: none"> ➤ Confirmation of the status of supervision with respect to the internal whistleblowing system ➤ Improvements to reporting of status by the executive side
Issues of evaluation results	Direction of efforts for improvement
Delegation of authority	<ul style="list-style-type: none"> ➤ Review of standards for determining matters to be submitted to the Board of Directors and streamlining matters to be submitted