

Translation

Note: This document is a translation of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.



March 29, 2024

To whom it may concern

Company name: KOHOKU KOGYO CO.,LTD.

(Code: 6524, TSE Standard Market)

Contact: Director and Executive Officer

Hiroyuki Kunitomo, in charge of General

Affairs Department, Public Relations and IR Office

(TEL. 0749-85-3211)

**Summary of the evaluation results regarding the effectiveness
of the Company's Board of Directors**

In order to enhance the effectiveness of the Board of Directors and increase corporate value, the Company conducted an analysis and evaluation of its effectiveness and confirmed the results of the evaluation at the Board of Directors meeting held on March 28, 2024. We are pleased to provide a summary of the evaluation results.

1. Background to the implementation and publication of the Board of Directors evaluation

In order to achieve effective corporate governance, we established the "Basic Policy on Corporate Governance" in November 2021. On Article 19 of the Basic Policy, "Evaluation of the Effectiveness of the Board of Directors," stipulates that in order to ensure the effectiveness of the Board of Directors, we will regularly analyze and evaluate it and appropriately disclose the results.

2. Methods of analysis and evaluation

Target Group	9 directors (including 3 outside directors) 3 Auditors (including 2 outside auditors)
Applicable period	Board of Directors meetings held from January 2023 to December 2023
Method of implementation	Conduct a survey of the subjects

Contents of question	The major items are as follows: (1) Scale and composition of the Board of Directors (2) The operation of the Board of Directors (3) The agenda of the Board of Directors (4) The support system for the Board of Directors
Evaluation method	The secretariat tabulates the responses of the target respondents, and the results are analyzed and evaluated by the Board of Directors.

3. Summary of the results of the analysis and evaluation of the effectiveness of the Board of Directors

Based on the following evaluation, the Company's Board of Directors has determined that its effectiveness is generally ensured.

Survey results improved 12% from last year.

- ✓ Considering the nature and scale of the Company's business, the Board of Directors has an appropriate structure, including a balanced composition of three directors and two outside auditors.
- ✓ The frequency of Board of Directors meetings, the duration, method of proceeding, deliberation time, etc. are generally appropriate.
- ✓ The agenda for the Board of Directors meetings is generally appropriately selected, with discussions on medium-term management plans and risk-taking, etc.
- ✓ Cooperation between directors and auditors has been ensured, and an appropriate system for providing information and support has been established.
- ✓ Information is regularly exchanged among outside officers.

On the other hand, the following points were identified as issues that need to be improved.

- ✓ Some of the materials presented to the board of directors could be improved.
- ✓ In some cases, there is insufficient time for prior consideration of matters to be brought before the Board of Directors.
- ✓ Although sustainability efforts have improved, further discussion is needed.

4. Future actions

Based on the issues raised in this evaluation, the Company's Board of Directors will continue to hold further discussions and make continuous efforts to improve its effectiveness.

We have established a basic sustainability policy and a sustainability committee, and have set materiality, and will continue to discuss KPIs going forward.

We will continue to regularly evaluate the effectiveness of its Board of Directors in order to build a more robust corporate governance system and improve its corporate value over the medium to long term.

that's all