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Listed company name: Nitto Denko Corporation

Stock exchange listing: Tokyo, Prime Market

Code number: 6988

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Findings on the Nitto Board Effectiveness Evaluation

Nitto Denko Corporation (hereinafter “Nitto”) conducted an effectiveness analysis and evaluation of its Board of Directors for the fiscal year 2022 (FY2022), which confirmed that the Board is effective. The following shows a summary of the evaluation process and findings.

1. An outline of the evaluation process

Nitto engaged a third party organization to conduct a survey of all its Directors and Corporate Auditors. And based on the results of this survey, it analyzed and evaluated the effectiveness of its Board of Directors, following discussions at the Board. In this survey, to stimulate discussions at the Board of Directors, the number of items presented in a five-point scale was reduced while the number of items requesting free statements was increased.

2. Questions

The current state of the Board of Directors, the composition of the Board, the operations of the Board, discussions at the Board meetings, monitoring functions of the Board, the performance of internal and outside directors, officer training, dialogues with shareholders (investors), an overview

3. Overview of the analysis/evaluation results

Nitto has confirmed that the strength of its Board of Directors is the open and robust discussions it has on all management issues, which was also found in the FY2021 evaluation.

The following was confirmed concerning efforts by the Board to address the challenges recognized in the FY2021 evaluation.

Under the slogan, “Place ESG at the core of our management,” the Board had extensive and detailed discussions on measures such as the medium-term management plan and certification schemes for products that contribute to the environment and humankind. In addition, it was confirmed that the Board made efforts to leave no issues unaddressed; for instance, the skills matrix was disclosed, and there were more discussions on human resources at its meetings.

For its challenge for FY2023, it was suggested that the Board should have more in-depth discussions on human resources (especially on the appointment and development of management executives).

4. Future actions

With the above analysis/evaluation findings in mind, Nitto’s Board of Directors will remain committed to further enhancing the effectiveness of the entire Board.