

## Summary of Board of Directors' Effectiveness Evaluation

Each year MODEC, Inc. ("MODEC")'s Board of Directors Meeting ("BOD") conducts an annual evaluation of the effectiveness of BOD. The evaluation and opinions expressed by each director are compiled to verify whether the BOD as a whole functioning appropriately, and to continuously verify the status of improvement of issues identified, thereby aiming to continuously improve its effectiveness. The outline of the evaluation results of the effectiveness for FY2024 is disclosed as follows.

### 1 Evaluation Method

- (1) Distribute a questionnaire to each director and obtain their anonymous responses (51 questions in total).
- (2) Individual interviews with six independent external directors and four internal directors (about one hour each).
- (3) Appointment of an external third-party organization for the implementation of (1) and (2) above
- (4) Based on the results of the questionnaire and interviews, discussions by the BOD.
- (5) Main contents of the questionnaire

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|---|---|
| • How BOD should be   | • Performance of external directors                       |
| • Composition of BOD  | • Support system for directors                            |
| • Management of BOD   | • Training  |
| • Discussions of BOD  | • Dialogue with shareholders (investors)                  |
| • Monitoring function of BOD  | • Directors' own efforts                                  |
| • Performance of Internal directors (excluding member of the Audit and Supervisory Committee) | • Management of the Nomination and Remuneration Committee |

### 2 Summary of analysis and evaluation results

In general, it is confirmed that BOD is functioning effectively. However, it is recognized that actions for improvement are required in the following aspects.

- To enhance the Board of Directors' function as a monitoring board by placing greater emphasis on discussions regarding medium- to long-term management strategies and critical issues.

### 3 Future issues and responses taking into account analysis and evaluation

- To enhance the Board of Directors' function as a monitoring board by increasing the focus on broad discussions of medium- to long-term management strategies and critical issues, utilizing opportunities such as free discussions both within and outside the Board.

(End)