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**Notice Concerning the Summary of Evaluation Results on  
 the Effectiveness of Duskin's Board of Directors**

Duskin Co., Ltd. (the “Company”) hereby announces that it has analyzed and evaluated the effectiveness of its Board of Directors as a whole in order to achieve sustainable growth and stronger corporate value over the medium- to long-term. A summary of the results of this evaluation is provided below.

1. Method of analysis and evaluation

- a. After explaining the purpose of conducting an analysis and evaluation of the effectiveness of the Board of Directors as a whole to all Board Directors and Audit and Supervisory Board Members and gaining their understanding, a questionnaire survey was conducted by a third-party expert.

Survey period	December 23, 2021-January 13, 2022
Period under evaluation	The Board of Directors meetings held between April and December 2021 (13 times in total)
Main items in the questionnaire	Composition, operation and monitoring function of the Board of Directors, deliberations, support system for Board Directors and Audit and Supervisory Board Members, training, dialogue with shareholders (investors), personal initiatives, operation of committees and other meeting bodies

- b. A third party expert collected the answers from the questionnaire and based on the results, the Outside Directors and Audit and Supervisory Board Members Council (consisting of all three Outside Directors and all three Outside Audit and Supervisory Board Members, who are designated as independent directors) analyzed and evaluated from multiple perspectives the Board of Directors’ activities during the period under evaluation. Finally, the Council provided their overall comments on FY2021 performance and made recommendations to the Board regarding the initiatives to undertake in FY2022.
- c. The Board of Directors examined the recommendations of the Outside Directors and Audit and Supervisory Board Members Council to further improve effectiveness.

2. Summary of the evaluation results

Analysis and evaluation period	February 8, 2022-March 23, 2022
Regarding the effectiveness of the Board of Directors	<ul style="list-style-type: none"> <li>Matters of major importance to the management of the Group resolved at the Board of Directors meetings are backed by a sufficient amount of deliberations.</li> </ul>

	<ul style="list-style-type: none"> <li>• In addition to decision-making on important matters, the Board invests a considerable amount of time in discussing management issues and the percentage of such time is increasing.</li> <li>• Moreover, Business Strategy Meetings held to define the Company’s management strategy for the medium and long term enjoy full attendance from their members, who proactively voice their opinions and engage in constructive discussions.</li> <li>• Outside Directors exchange opinions with Internal Board Directors individually within the Outside Directors and Audit and Supervisory Board Members Council to share recognition of the challenges in management.</li> <li>• The effectiveness of the monitoring and supervision of business execution is ensured not only by Board Directors concurrently serving as Operating Officers, but also by Outside Directors who participate as observers and actively express their opinions as necessary in important meetings on business execution, such as the Operating Officers’ Board and Budget Meetings.</li> <li>• All committees and meeting bodies serving as advisory panels for the Board of Directors are transparent, objective and function properly.</li> <li>• Every year, an evaluation of the previous fiscal year is conducted to identify issues and efforts are made to further improve effectiveness.</li> </ul>
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a. Status of initiatives addressing challenges in the previous fiscal year

FY2021 challenges		FY2021 initiatives
Increase effectiveness of supervisory functions and broaden discussions on strategies for enhancing corporate value	Further strengthen the Board of Directors’ supervisory function that would allow us to clarify growth strategies, optimize the business portfolio and steadily implement key measures	<ul style="list-style-type: none"> <li>i. The Business Strategy Meeting supervised portfolios by business.</li> <li>ii. The Board of Directors meetings provided time for discussions and accelerated deliberations on the selection and concentration of businesses from a companywide perspective.</li> </ul>
	Supervise the following: how and in which domains the Company utilizes its strengths to respond to a changing social environment, the implementation of Digital Transformation (DX) and the measures taken to strengthen the entire value chain	<p>Advancing digital transformation (DX)</p> <ul style="list-style-type: none"> <li>i. Decided to make a major investment in introducing RFID electronic tags and the associated transition to smart factories</li> <li>ii. Established a companywide initiative system by setting up a cloud shifting-dedicated structure under the jurisdiction of the Operating Officer in charge of the Corporate Planning Group</li> </ul>

	Accelerate the pace of evaluating, selecting and training future management personnel, including Board of Directors members, and reflect the results in the Company's management structure	<ul style="list-style-type: none"> <li>i. The Director Evaluation Committee, which is an advisory panel to the Board of Directors, conducted a series of discussions on the profiles of the Company's next generation management personnel and on the requirements for the Board Skills Matrix ahead of its publication.</li> <li>ii. Outside Directors exchanged opinions with the Internal Board Directors on the profiles of future management.</li> </ul>
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b. FY2022 initiatives

The Company's Board of Directors will continue to broaden discussions aimed at further enhancing the effectiveness of the Board as a whole. For the fiscal year ending March 31, 2023 (FY2022), we will focus on the following initiatives:

Strengthen business supervision by management as the Board of Directors' monitors measures aligned with strategies and provides prompt and accurate analysis, decision-making and instructions — all in pursuit of greater corporate value	<ul style="list-style-type: none"> <li>i. Reorganize the performance assessment units for a wide range of businesses into units by business groups based on the profit model, competitive environment and value chain to facilitate the PDCA cycle. The utmost goal is to ensure a return to growth.</li> <li>ii. Establish KPIs in line with management strategies and enhance monitoring and discussion</li> </ul>
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