

## **Summary of the Analysis and Evaluation Results of the Overall Effectiveness of the Board of Directors**

Open House Group Co., Ltd (hereafter referred to as "the Company") is committed to ensuring swift and precise decision-making by the Board of Directors, recognizing future challenges for its implementation, and conducting an analysis and evaluation of the overall effectiveness of the Board of Directors in accordance with our Corporate Governance Basic Policy. At the recent Board of Directors meeting, an analysis and evaluation of the overall effectiveness of the Board of Directors for the fiscal year ending in September 2024 (the 28th term, hereinafter referred to as "this fiscal year") was conducted, and have compiled the results. This report provides an overview of the findings and results of this analysis and evaluation.

Information regarding the Company's corporate governance is published on our corporate website:  
[https://openhouse-group.co.jp/ir/en/library/library\\_03.html](https://openhouse-group.co.jp/ir/en/library/library_03.html)

### **1. Method of Analysis and Evaluation**

We conducted a named survey consisting of the following items, including issues recognized during the fiscal year ended September 2023 (27th fiscal year, hereinafter referred to as the "previous year"), for all nine (9) directors and all three (3) auditors. The survey, which consisted of 50 questions on a five-point scale and included open-ended questions, covered a range of topics, including issues identified as challenges in the previous fiscal year. The responses were collected and then analyzed by the Board of Directors. This analysis served as the basis for discussions and a self-evaluation of the effectiveness of the Board of Directors.

#### I. Composition of the Board of Directors etc.

- (1) Role and responsibilities of the Board of Directors
- (2) Composition and scale of the Board of Directors
- (3) Utilization of the Nomination and Compensation Committee

#### II. Status of the Convening and Operation of the Board of Directors

- (1) Advance dispatch and explanation of Board of Directors materials
- (2) Necessity and sufficiency of the information presented
- (3) Number of items for deliberation, frequency of meetings, and planning of schedules
- (4) Duration of deliberation, method of deliberation, attendance and status of officers' remarks

(5) Utilization and support system for Outside Directors

### III. Significant Individual Topics of Discussion

- (1) Company-wide risk management and compliance system
- (2) Initiatives related to sustainability and ESG
- (3) Labor management and improvement of customer satisfaction
- (4) Succession planning

## 2. Overview of Evaluation Results

As a result of the deliberations at the Board of Directors meeting held in December 2024, the evaluation of the survey items was overall high, leading to the conclusion that the effectiveness of the Board of Directors is high. The summary of the evaluation results and reasons for each survey item are as follows.

### I. Composition of the Board of Directors etc.

#### (1) Role and responsibilities of the Board of Directors

##### A. Evaluation result

Good.

##### B. Reason

It was confirmed that the management philosophy under the pure holding company structure has been established, and that the roles and responsibilities of the Board of Directors are clearly shared among the officers. It was also confirmed that the delegation of authority to the management team is being carried out appropriately based on these roles and responsibilities.

In addition, for this item, generally positive opinions were expressed throughout.

Based on these facts, we evaluated this item as good.

#### (2) Composition and scale of the Board of Directors

##### A. Evaluation result

Good.

##### B. Reason

The number of directors, balance of skills and diversity, and the number, ratio, concurrent positions and contributions of outside directors were confirmed to be appropriate.

In addition, for this item, generally positive opinions were expressed throughout.

Based on these facts, we evaluated this item as good.

#### (3) Utilization of the Nomination and Compensation Committee

##### A. Evaluation Results

Good.

## B. Reasons

Regarding the Nomination and Remuneration Committee (\*), a discretionary committee established by the Company, it has been confirmed that the committee is adequately executing its roles and responsibilities, with its assembly and operations being conducted appropriately, and that it contributes to ensuring objectivity and transparency in the process of determining individual directors' compensation.

Additionally, for this item, generally positive opinions were expressed throughout, including comments noting improvements from the previous year.

Based on these facts, we evaluated this item as good.

(\*) The Company operates the Nomination and Remuneration Committee as one of the "optional committees" that constitute the corporate governance structure of the entire Group. This committee has roles and responsibilities such as nomination of key officers and the determination of directors' remuneration amounts.

## II. Status of the Convening and Operation of the Board of Directors

### (1) Advance dispatch and explanation of Board of Directors materials

#### A. Evaluation Results

Good.

#### B. Reasons

It was confirmed that the advance dispatch of the materials for the Board of Directors' meetings is generally appropriate, and the pre-briefing session conducted prior to the board meetings is deemed significant.

In addition, for this item, generally positive opinions were expressed throughout.

Based on these facts, we evaluated this item as good.

### (2) Necessity and sufficiency of the information presented

#### A. Evaluation Results

Good.

#### B. Reasons

It was confirmed that the content and volume of materials presented to the Board of Directors are generally appropriate, that a system for officers to smoothly access additional information and materials is generally well-established, and that by providing opportunities for prior explanations, sufficient information necessary for deliberation of important matters at Board meetings is provided to officers.

In addition, for this item, generally positive opinions were expressed throughout, including comments noting improvements from the previous year.

Based on these facts, we evaluated this item as good.

### (3) Number of items for deliberation, frequency of meetings, and planning of schedules

#### A. Evaluation result

Good.

B. Reason

It was confirmed that the number of items for discussion at the Board of Directors' meeting, the frequency of meetings, the planning of the annual schedule, and the timing of agenda items were appropriate. In addition, overall positive opinions were expressed on this item.

Based on these facts, we evaluate this item as good.

(4) Duration of deliberation, method of deliberation, attendance and status of officers' remarks

A. Evaluation result

Generally good.

B. Reason

It was confirmed that the deliberation time of the board of directors' meeting, the status of discussions, and the creation of the minutes were appropriate.

Although there were opinions expressed expecting further improvements in the organic connection between the pre-briefing session and the Board of Directors meeting, as well as further invigoration of Board discussions. As a result, this point was recognized as an issue for future consideration. However, including this item, no specific problems are currently arising in this regard, and the majority of opinions were positive.

Based on these facts, we evaluate this item as generally good.

(5) Utilization and support system for Outside Directors

A. Evaluation result

Good.

B. Reason

It was confirmed that opportunities and systems for Outside Directors to obtain necessary information are appropriately secured, and the connection between outside directors and Audit & Supervisory Board Members/internal audit departments is appropriately secured. In addition, overall positive opinions were expressed on this item.

Based on these facts, we evaluated this item as good.

III. Significant Individual Topics of Discussion

(1) Company-wide risk management and compliance system

A. Evaluation result

Good.

B. Reason

It was confirmed that the Board of Directors conducts necessary discussions and supervision regarding major business risks and company-wide risk management systems, that the Board provides necessary oversight of conflicts of interest and related party transactions, that an appropriate system is in place for

the internal audit department to report directly to the Board of Directors, and that internal controls for overseas subsidiaries have been enhanced.

Additionally, regarding this item, generally positive opinions were expressed throughout, including comments noting improvements from the previous year.

Based on these facts, we evaluated this item as good.

(2) Initiatives related to sustainability and ESG

A. Evaluation result

Generally good.

B. Reason

It was confirmed that the Board of Directors is conducting necessary discussions and supervision regarding sustainability and ESG-related basic policies, as well as initiatives related to human capital management and gender, and information disclosure on sustainability and ESG.

Opinions were expressed expecting further discussion and supervision on group-wide initiatives related to sustainability and ESG, including efforts to respect human rights in the supply chain. As a result, this point was recognized as an issue for future consideration. However, including this point, the majority of opinions on this item were positive, indicating that no specific problems are currently occurring in the current situation.

Based on these facts, we evaluate this item as generally good.

(3) Labor management and improvement of customer satisfaction

A. Evaluation results

Generally good.

B. Reason

It was confirmed that the Board of Directors is conducting necessary discussions and supervision regarding group-wide labor management, prevention of misconduct and scandals by employees, and improvement of customer satisfaction.

Opinions were expressed expecting further discussion and supervision on responses to employee misconduct and scandals, customer disputes, and complaints. As a result, this point was recognized as an issue for future consideration. However, including this point, the majority of opinions on this item were positive, indicating that no specific problems are currently occurring in the current situation.

Based on these facts, we evaluate this item as generally good.

(4) Succession Plan

A. Evaluation Result

No significant issues.

B. Reason

It was confirmed that the Board of Directors is conducting a certain level of discussion and supervision regarding succession planning for important officers and employees, and that improvements have been

seen from the previous year, such as the promotion of young talent to executive management positions.

However, there were opinions pointing out the need for further discussion and supervision by the Board of Directors regarding the formulation and involvement in succession planning.

Based on these factors, it has been recognized that there are no significant issues in this item at present, but it has been recognized as an item for the future.

### **3. Status of Initiatives Based on the Results of the Previous Fiscal Year**

The Company conducted a survey on the effectiveness evaluation of the Board of Directors in the previous fiscal year as well. The evaluation of the survey items was generally high, and no significant problems were identified. However, some items were recognized as challenges, or opinions were presented to expect improvements. In this fiscal year, the Company has carried out initiatives to enhance and review these matters. The results of the survey on the status of these initiatives are as described in the aforementioned "2. Overview of Evaluation Results".

### **4. Future Challenges and Responses**

Based on the above evaluation results, the Board of Directors will continue to have discussions aimed at improving the identified challenges and will strive to further strengthen corporate governance.