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Notice Concerning Overview of Results of Evaluation as to Effectiveness of the Board of Directors

Komatsu Wall Industry Co., Ltd. (the "Company") conducted the evaluation as to the effectiveness of the Board of Directors in the fiscal year 2024, with the aim of enhancing the effectiveness of the Board of Directors and further improving its function. Accordingly, the Company hereby announces the overview of the results as follows.

1. Method of analysis and evaluation

At a meeting of the Board of Directors held in March 2025, the Board examined the status of implementation of initiatives for issues identified by the evaluation as to the effectiveness in the fiscal year 2023, as well as deliberated the matters related to the evaluation of the effectiveness in the fiscal year 2024 such as its implementation method and contents of questions. As a result of the above, the Board determined that a five-tiered grading scale should be used in evaluating items in questions, questions to answer with free comments should be increased to capture more qualitative information, and a survey questionnaire should be changed from a paper-based to a web-based one.

The survey in the fiscal year 2024 was conducted targeting nine Directors (including four Outside Directors) on an anonymous basis with a web-based questionnaire and it received the responses from all Directors. The secretariat office compiled and analyzed the answers to the questionnaire and reported the result of its compilation and analysis to the Board of Directors held in April 2025. The direction of future initiatives was discussed at a meeting of the Board of Directors held in May 2025, and based on discussions and other considerations so far, the plan for future initiatives was determined at a meeting of the Board of Directors held in June 2025.

[Evaluation items]

The questionnaire includes, in addition to the evaluation of each item, sections of free comments for reasons of the evaluation, matters where improvements need to be considered, and other matters, to take up their concrete opinions.

- (1) Structure of the Board of Directors
- (2) Operation of the Board of Directors
- (3) Agendas of the Board of Directors
- (4) System to support the Board of Directors

- (5) Matters related to the Corporate Governance Code
- (6) Other matters

2. Initiatives in the fiscal year 2024 based on the results of the evaluation as to the effectiveness in the fiscal year 2023

The following is the status of the implementation of initiatives in the fiscal year 2024 based on the results of the evaluation as to the effectiveness of the Board of Directors in the fiscal year 2023.

Main issues identified in the fiscal year 2023	Initiatives in the fiscal year 2024
Substantial discussions by the Board of Directors regarding cost of capital, return on capital, and long-term growth strategies	The Board made reports and conducted discussions regarding cost of capital and return on equity five times at its meetings in the fiscal year 2024, resulting in the disclosure of “Notice Concerning Action to Implement Management That Is Conscious of Cost of Capital and Stock Price” on April 28, 2025.

3. Overview of the evaluation as to the effectiveness in the fiscal 2024

It was evaluated that, in light of its duties and responsibilities, the Board of Directors of the Company was generally functioning appropriately and its effectiveness was generally ensured.

4. Initiatives to further enhance the effectiveness

The Company set future initiatives as follows to further enhance the effectiveness of the Board of Directors, comprehensively considering the quantitative evaluation results and the qualitative comments.

Main issues identified in the fiscal year 2024	Initiatives in the fiscal year 2025
Provision of opportunities for Outside Directors to understand the details of businesses	Executive Officers have regularly held meetings with Outside Directors to report on their businesses, which are appreciated by Outside Directors to a certain extent. The Company will consider improving the contents of such reports or creating opportunities such as site visits.
Revision of the standard for items to be submitted to meetings of the Board of Directors	The Company will review the standard for items to be submitted to meetings of the Board of Directors and other standards to allow the Board to focus on discussions regarding medium- to long-term growth strategies at its meetings.
Continuous discussions by the Board of Directors regarding medium- to long-term growth strategies	The Board of Directors will receive a regular report from the strategic planning team, supervise the progress, and engage in discussions regarding the strategies.
Sharing of matters related to compliance and misconducts with the Board of Directors at an early stage	The Company will work on enhancing the effectiveness of the Compliance and Risk Management Committee and deepening discussions at the committee, as well as timely sharing the details of its deliberation with the Board of Directors.
Substantial discussions by the Board of Directors regarding nomination and compensation	The Company will work on enhancing the effectiveness of the Nomination and Compensation Committee and deepening discussions at the committee, as well as sharing the details of its deliberation with the Board of Directors. The Board will deliberate on a proposal for revising the compensation plan for officers.

The Company will work on realizing even more substantial discussions at meetings of the Board of Directors,

further strive to ensure the effectiveness of the Board of Directors, and aim for enhancing corporate governance and sustainably increasing corporate value.