



(Translation)

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Name of the Company:	Tokyo Electron Limited
Name of the Representative:	Toshiki Kawai President & CEO (Representative Director) (Code No.8035; TSE Prime Market)
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### **Summary of Results of Evaluation of the Effectiveness of Tokyo Electron's Board of Directors**

To further enhance the governance of Tokyo Electron Limited (“Company”) and the effectiveness of its Board of Directors, the Company discussed and evaluated the effectiveness of the Company’s Board of Directors by reviewing its activities for the period ended March 2023. A summary of the results of this evaluation is provided below.

#### **1. Method of evaluation of effectiveness**

(1) Subject of evaluation

Board of Directors overall (including details of activities of the Nomination Committee and the Compensation Committee)

(2) Evaluation method

We received the support of a third-party external expert organization with professional knowledge to implement and aggregate surveys, implement individual interviews, and analyze those results, and conducted a comprehensive self-evaluation with reference to the results of said analyses, and after deliberations at Board of Directors meetings.

The specific evaluation process was as follows.

① Preliminary discussions with external experts

President and Representative Director, Chairman of the Board of Directors, and the Secretariat of the Board of Directors held individual discussions regarding awareness of problems, and present circumstances and issues, among other matters, with external experts.

② Surveys and individual interviews

Surveys consisting of questionnaires were conducted with respect to all (15) members of the Board of Directors, the Audit & Supervisory Board and Corporate Officers, and

the external experts conducted individual interviews with all of the Board of directors, the Audit & Supervisory Board members and Corporate Officers based on the results of these surveys. We received a report from the external experts on the surveys, individual interviews, and the results of the analyses thereof.

③ Results report and discussions

Based on the results of the analyses performed by the external experts, we held discussions at internal meetings and exchanges of opinions between Outside Directors and Outside Audit & Supervisory Board Members. During the Board of Directors meeting held on April 28, 2023, the Board of Directors received a report on the results of the analyses from the external experts, and, based on said results, held discussions with the members of the Board of Directors and the Audit & Supervisory Board, and conducted a comprehensive self-evaluation.

④ Determination of disclosure details

After deliberation at the Board of Directors meeting held on May 11, 2023, the Board of Directors resolved in the meeting held on May 31, 2023, the disclosure details following deliberations.

(3) Evaluation items

The main items of evaluation of effectiveness are as follows.

- Overall evaluation
- Composition of the Board of Directors
- Preparation in advance of Board of Directors meetings
- Board of Directors operations
- Deliberations by the Board of Directors
- Roles and operational status of the Nomination Committee and Compensation Committee
- Role of Audit & Supervisory Board Members
- Corporate Officer system

**2. State of responses to items that were deemed to be issues during the effectiveness evaluation performed in the previous fiscal year**

The state of responses to each of the items recognized as issues during the effectiveness evaluation last fiscal year are as listed below, and improvements are advancing based on specific measures.

(1) Clarification of roles and decision-making authority between the executive side and the Board of Directors to improve the effectiveness of the Board of Directors

- Implemented a Corporate Officer system, and established Corporate Officers Meeting as the highest decision-making organization of the executive side.
- Revised the criteria for the resolutions of the Board of Directors and delegated a portion of the matters to be resolved to the Corporate Officers Meeting.

- Corporate Officers attended every meeting of the Board of Directors and gave briefings on the contents of any deliberations at the Corporate Officers Meetings and important matters related to the execution of business operations.
  - At off-site meeting, a review of Board of Directors following the introduction of the Corporate Officer system was conducted, and issues to be considered going forward were confirmed.
- (2) Continuous deliberations at Board of Directors meetings to realize medium- to long-term growth and ongoing improvements to corporate value
- The CEO made reports continuously to the Board of Directors on the medium- to long-term growth strategies, including the progress of the Medium-term Management Plan.
  - Off-site meetings were held on two occasions, with discussions of key measures for accomplishing the Medium-term Management Plan and their roadmaps, as well as topics of importance in the medium-to-long term, including strategies such as diversity and other human resources strategies, capital policy, and risk management.
  - The BUGMs (Business Unit General Managers) attended the off-site meeting and exchanged opinions with outside directors and outside Audit & Supervisory Board members on the status of operations executed with a view to achieving medium-to-long-term growth strategies.
- (3) Considerations as to the ideal state of information sharing between members of the Board of Directors, and discretionary committees
- The Nomination Committee reported to the Board of Directors regarding the status of its specific activities, including the progress of discussions regarding the succession plan and how to proceed going forward.
  - Meetings were held outside of the Board of Directors to exchange information between the Chairman of the Board of Directors and outside directors and outside Audit & Supervisory Board members.

### **3. Analysis and evaluation of the effectiveness of the Board of Directors for this fiscal year**

The Company's Board of Directors believes that the Board of Directors is very effectively ensuring that the key roles and obligations of the Board of Directors are being fulfilled, namely, "establishing management strategy and vision," "making major operational decisions based on strategic direction," and "engaging in constructive, open-minded debate" as prescribed in the TEL Corporate Governance Guidelines, and that the Board, including the Nomination Committee and the Compensation Committee are functioning effectively. The results of the analyses and evaluations performed by the external experts also confirmed that the Company's Board of Directors is functioning effectively, supported by its strengths such as "non-hierarchical, open and natural discussion," "agile execution," and "drive in execution and unity of the management."

On the other hand, based on the analysis and evaluation results of external experts, the Board of Directors shared the intention to further enhance strategic discussions with a view to the

future business environment from a longer-term perspective as the importance of semiconductors increases.

#### **4. Future Initiatives Based on the Effectiveness Evaluation Results**

Aiming to become the top company globally in the medium-to-long term, we will continue to work on each of the following matters to further strengthen the supervisory function of the Board of Directors and the management and execution functions of the executive side and will further enhance its effectiveness by regularly reviewing its progress.

- The company will systematically set agendas in line with medium-to-long-term strategies and issues for growth, and will enhance discussions from a long-term perspective
- The company will enhance the effectiveness of the Corporate Officers Meeting, the highest decision-making authority on the executive side.
- The company will conduct an analysis of the decision-making of the Board of Directors, clarify the points of deliberation, and enhance opportunities for sharing information with outside directors and outside Audit & Supervisory Board members on occasions other than board meetings and off-site meetings.