

May 10, 2024
Takara Holdings, Inc.

Summary of the Fiscal 2024 Evaluation Results of the Effectiveness of the Board of Directors

Each year, Takara Holdings evaluates the effectiveness of the Board of Directors from the perspective of how it functions as a meeting body and how it fulfils its role as an organizing body for improving corporate value over the medium- to long-term. A summary of the results of the evaluation in fiscal 2024 is as follows.

1. Method of Evaluation

We conducted a questionnaire of all the directors and Audit & Supervisory Board members with a five-stage evaluation and free comments on the following areas.

【Matters to be evaluated】

- ① Operation of the Board of Directors as a meeting body
 - Agenda items
 - Notices of convocation
 - Materials
 - Explanations, deliberations, and decision-making, etc.
 - Minutes
 - Annual schedule
- ② The role of the Board of Directors as an organizing body for improving corporate value over the medium- to long-term
 - Discussion concerning management strategies, etc.; Composition of Board of Directors

2. Summary of Evaluation Results

- (1) It was judged that the operation of the Board of Directors overall is largely appropriate and that its effectiveness is secured. On the other hand, we recognize that there are ongoing challenges in providing information to independent outside officers in advance and further deepening discussions at the Board of Directors. Going forward, the Company will continue striving to enhance the effectiveness of the Board of Directors by implementing measures to improve the issues that have been acknowledged, evaluating the results and translating the evaluation into further improvements.
- (2) While there was positive sentiment expressed regarding the contribution of independent outside officers in the process of formulating the Medium-Term Management Plan, ongoing challenges in reflecting a broader range of opinions in the formulation of management strategies, etc. and in further strengthening the supervisory functions of the Board of Directors were identified. Going forward, the Company will give due consideration to the role of the Board of Directors from the aforementioned perspectives and use these considerations to inform efforts to enhance the effectiveness of the Board of Directors.