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To Whom It May Concern,

Corporate Name: TechnoPro Holdings, Inc.
(Code:6028, TSE First Section)
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Summary of the Results of Analysis and Evaluation of the Effectiveness of the Board of Directors

The TechnoPro Holdings, Inc. board of directors conducted an analysis and evaluation of its effectiveness for the fiscal year ended June 2020 based on the Corporate Governance Code of the Tokyo Stock Exchange and the TechnoPro Group Corporate Governance Guidelines. The goal of this initiative, the results of which are provided below, is to improve the function of the board of directors.

1. Methodology and Process of the Analysis and Evaluation

The board has analyzed and evaluated its effectiveness once a year starting in the fiscal year ended June 2016, and has provided a summary of these results for the fifth consecutive year.

Analysis and evaluation methods are as follows.

Evaluation method	Self-evaluation questionnaire (registered form)
Evaluators	All Directors and Audit & Supervisory board members
Questionnaire Items Evaluated (Major topics)	(1) Size and composition of the board of directors (2) Operation of board of director meetings (3) Information and support provided to outside directors and/or outside Audit & Supervisory board members (4) Board member roles and responsibilities (5) Relationships with shareholders, investors, and other stakeholders (6) Individual contributions (as director and/or Audit & Supervisory board member) (7) Nomination and Compensation Committee operations
Collection of opinions and proposals	The questionnaire included standard evaluation topics, as well as space requesting comments related to board strengths and areas for improvement. The directors and members of the Audit & Supervisory Board were also asked to provide candid opinions and suggestions.
Analysis method	Based upon the results of the self-evaluation questionnaire, discussions are held in the Meeting of the Board of Directors, with its effectiveness confirmed at issues identified.

All directors and members of the Audit & Supervisory Board, including outside directors, answered self-assessment questionnaires for the fiscal year ended June 2020. The results of the self-assessments were reported at the July 2020 meeting of the board of directors, who conducted an analysis of the results and shared the issues identified. Directors entered an active discussion of issues, etc., toward becoming an even more effective board in the future.

2. Analysis and Evaluation Results

As a result of the evaluation and analysis in 1., above, the TechnoPro Holdings board of directors has concluded that the board performs its roles and responsibilities appropriately and effectively overall. The board identified the following particular strengths that should be continued.

Particular Strengths

(1) Through appropriate conduct of board meetings, the board chair has continued to foster an atmosphere in participants can express themselves freely from their own professional viewpoints.

(2) A continuing high level of organization, including the Independent Executive Committee, the selection of lead independent outside director, the establishment of the Nomination and Compensation Committee, the appointment of supporting staff for Audit & Supervisor board members, etc.

(3) The Audit & Supervisory Board takes the initiative in selecting its member candidates without recommendation from the executive management, and the outside Audit & Supervisory Board members, in addition to the outside directors, serve on the Nomination and Compensation Committee, thereby the Audit & Supervisory Board fully demonstrates its monitoring function in the corporate governance system

The board confirmed the following progress and improvements for the fiscal year ended June 2020, in its efforts to enhance board of director effectiveness (Furthermore, for reference the following table shows items that have advanced and improved up until that point).

Progress and Improvements during the Fiscal Year Ended June 2020

(1) Carried out deliberations based on cost of capital across various aspects, including assessments of acquired subsidiaries and investee performance, implementation of measures, etc.

(2) Updated cash flow simulations on a timely basis to prepare against worsening/prolonged recessions; discusses possible measures

(3) Created a skills matrix for the board of directors and Audit & Supervisory Board subsequent to discussions in board of director meetings and the Nomination and Compensation Committee

(4) Began discussions toward greater objectivity and transparency in director compensation plans

(5) Improved the effectiveness and function of prior explanations of board of director agenda items by calling outside directors and members of the Audit & Supervisory Board together to explain the important agenda items selected for upcoming deliberation

(6) Noted the details of questions and answers in board meeting minutes to show that board meetings involve practical discussions, rather than serve merely as pro-forma meetings

(Reference: Main progress and improvement items in view of the analysis and evaluation in the previous period)

FY ended June 2020	・Established cost of capital as a reference in business management, strategy reviews, investment decisions, etc. ・Updated cash flow simulations assuming worsening business conditions ・Created a skills matrix for the board of directors and the Audit & Supervisory Board ・Began discussions to revise director compensation plans ・Endeavored in prior expansions of agenda items, improved board meeting minutes reflecting details of deliberations
FY ended June 2019	・Decided upon “Standards and Procedures for Appointment and Dismissal of CEO” ・Carried out more in-depth discussions and sharing of important company issues and strategies, etc. (work style reform in Japan and improvements to employee satisfaction, global strategies, business process innovation, etc.) ・Reports on performance of acquired subsidiaries and investees, and discussions on usage of cost of capital as KPI
FY ended June 2018	・Limited attendees in principle to directors and Audit & Supervisory Board members in order to conduct more in-depth discussions on management issues and strategies, etc. ・Shared and explained agenda items before meetings with not only outside directors, but also executive directors, and Audit & Supervisory Board members ・Annual agenda of business reports and discussion topics set in advance ・Introduced an online systems allowing outside directors and outside Audit & Supervisory Board members to view materials and minutes, etc. ・Ensured cooperation with not only the Audit & Supervisory Board, but also the board of directors and accounting auditor (Implemented reporting by outside accounting auditor)

FY ended June 2017	・Number of female outside directors increased by one, ensuring diversity in the composition of the board of directors ・Multiple discussions by the board of directors into the process of formulating a new medium-term management plan ・Regular prior explanations of board of director agenda items to outside directors ・Start of discussions in the Nomination and Compensation Committee addressing the process for nominating a successor to the chief executive officer

The following issues represented areas in which the board recognizes room for improvement and/or need for greater efforts to improve board of director effectiveness.

Issues to Address

(1) Hold extensive discussions regarding CEO succession plans, director compensation, number and structure of the board of directors, etc., in parallel with deliberations about the new medium-term management plan, delayed due to the impact of the spread of COVID-19

(2) Conduct thorough deliberations of matters regarding internal controls, risk management structure development and operations

(3) Recognize various risks surrounding and within the company from the Enterprise Risk Management perspectives, holding more extensive deliberations to manage risks comprehensively and strategically, including aspects of opportunity

(4) Consider reducing the number of agenda items through a review of the criteria for proposals to devote more time on board meeting days to strategic and policy discussions as a holding company; at the same time, use prior explanations and modify meeting management according to agenda items to continue efforts and improvements in board meetings

3. Future Initiatives

In the context of this Analysis and Evaluation of the Effectiveness of the Board of Directors, the TechnoPro Holdings board of directors will strive for greater board effectiveness, aiming for best practices in corporate governance and further growth in corporate value by reviewing and reporting in a focused way to Section 2., Issues to Address, above.

At the 15th Annual General Meeting of Shareholders, scheduled for September 29, 2020, the board intends to ask for approval of the new appointment of a female outside member of the Audit & Supervisory Board. Once approved, this new appointment should ensure progress in advancing gender diversity in the board of directors and Audit & Supervisory Board.

See the TechnoPro Holdings website for more about the TechnoPro Group Corporate Governance Guidelines:
https://www.technoproholdings.com/en/

Note on translation
This is a translation of the original Japanese document and provided for informational purpose only. If there are any discrepancies between this and the original, the original Japanese document prevails.