November 16, 2022

To whom it may concern:

Company name:	Shinnihonseiyaku Co., Ltd.
Representative name:	Takahiro Goto, President & Representative Director of the Board and Chief Executive Officer (Securities Code: 4931, TSE Prime)
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Notice Concerning Summary of Results of the Evaluation of the Effectiveness of the Board of Directors

Based on the "Corporate Governance Code" established by Tokyo Stock Exchange, the Board of Directors of Shinnihonseiyaku Co., Ltd. (the Company) analyzed and evaluated the effectiveness of the Board of Directors with the aim of improving the functions of the Board of Directors. The following is the method and a summary of the results of the evaluation of the effectiveness of the Board of Directors for the fiscal year ended September 2022.

1. Methods of analysis and evaluation

The Board of Directors of the Company conducted analysis and evaluation in accordance with the following steps (1) to (3). In this analysis and evaluation, the Board of Directors adopted a self-evaluation method in order to collect candid opinions from the evaluation subjects and to conduct prompt and flexible analysis and evaluation by persons who were familiar with the actual conditions of the Company. All Directors of the Board and Outside Audit & Supervisory Board Members became involved in this analysis and evaluation. In the process, Outside Directors too actively took part in discussions.

(1) A questionnaire for the evaluation of effectiveness was conducted with all Directors of the Board (seven) and all Outside Audit & Supervisory Board Members (three) in September 2022.
(2) A summary of the results of the questionnaire for the evaluation of effectiveness was reported at a meeting held in October 2022 in which Directors of the Board and Outside Audit & Supervisory Board Members attended. An overview of the results and future issues were discussed.
(3) The evaluation of the effectiveness of the Board of Directors for the fiscal year ended September 2022 was confirmed at the Board of Directors meeting held in November 2022.

2. Questions in the questionnaire for the evaluation of effectiveness

The main questions in the questionnaire for the evaluation of effectiveness for the fiscal year ended September 2022 are as follows. Each question is evaluated on a 3-point or 4-point scale, and free space is provided to describe the reasons for the evaluation and opinions, such as points to be improved, concerning the questions. The questionnaire conducted was anonymous.

(1) Questions on the composition of the Board of Directors (7 questions)
- Appropriateness of the number of members of the Board of Directors and fullness of diversity

- Appropriateness of the status of execution of duties by Directors of the Board
- Adequacy of knowledge and capabilities, the status of concurrent positions, appropriateness of the term of office, etc. of Outside Directors

(2) Questions on the operation of the Board of Directors (9 questions)
- Appropriateness of the schedule and frequency of Board of Directors meetings
- Appropriateness of the content and volume of materials about agenda for Board of Directors meetings, and sufficiency of the time spent on prior consideration and deliberation of agenda items
- Appropriateness of the proceedings of Board of Directors meetings, and the status of opinions expressed, the atmosphere, etc. at meetings

(3) Questions on the agenda for Board of Directors meetings (12 questions)
- Appropriateness of agenda for Board of Directors meetings, the timeliness of proposals, and appropriateness of deliberated content
- Appropriateness, sufficiency, etc. of discussions on successor development plans, the compensation, appointment and dismissal of officers, mid-term management plans, etc.

(4) Questions on the system that supports the Board of Directors (8 questions)
- Sufficiency of providing information to Outside Directors and Outside Audit & Supervisory Board Members
- Sufficiency of cooperation between Directors of the Board and Outside Audit & Supervisory Board Members
- Appropriateness of members, operation, reports, etc. of the Nomination and Compensation Committee

3. Summary of the results of analysis and evaluation

In the questionnaire for the evaluation of effectiveness for the fiscal year ended September 2022, the answer of "Sufficient" or "Appropriate" accounted for a high percentage of all answers. All Directors of the Board and all Outside Audit & Supervisory Board Members answered "Generally appropriate" concerning (1) Questions on the composition of the Board of Directors, (2) Questions on the operation of the Board of Directors and (4) Questions on the system that supports the Board of Directors.

On the other hand, concerning (3) Appropriateness of agenda for Board of Directors meetings, some people expressed opinions that it was desirable to have more lively discussions about subjects, such as corporate strategies and medium-term management plans, at Board of Directors meetings. Based on these opinions, the Board of Directors will further improve the situation through measures for spending more time on strategic and broad discussions.

In the evaluation of the effectiveness for the fiscal year ended September 2021, the securing of further diversity of members was set as an issue concerning (1) the composition of the Board of Directors, and further discussion of successor development plans was set as an issue regarding (3) agenda for Board of Directors meetings. As a result of sharing the status of progress in adding members to Outside Directors and the formulation and discussions of successor development plans, the answer "Discussed appropriately" comprised most of the answers, and as such the Board of Directors was able to confirm that improvement was underway.

Taking the above results into comprehensive consideration, the Board of Directors believes that the effectiveness of the Board of Directors for the fiscal year ended September 2022 has been appropriately secured.

The Board of Directors of the Company will fulfill its roles and responsibilities and further improve its effectiveness, including working on the issues above-mentioned. By doing so, the Board of Directors aims to further enhance corporate governance and thereby raise corporate value continuously.