November 16, 2023

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)
Contact:	Tetsuya Ono, Corporate Officer, General Manager, Finance & Accounting Department (TEL) +81-92-720-5800

Notice Concerning Summary of Results of the Evaluation of the Effectiveness of the Board of Directors

Based on the "Corporate Governance Code" established by the 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 2023.

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 (six) and all Outside Audit & Supervisory Board Members (three) in September 2023.
(2) A summary of the results of the questionnaire for the evaluation of effectiveness was reported at a meeting held in October 2023 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 2023 was confirmed at the Board of Directors meeting held in November 2023.

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 2023 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 2023, 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 (2) Questions on the operation of the Board of Directors, (3) Questions on the agenda for the Board of Directors meetings and (4) Questions on the system that supports the Board of Directors.

On the other hand, regarding (1) Questions on the composition of the Board of Directors, there were opinions on the number of members of the Board of Directors and its diversity and that it was necessary to strengthen the system of the execution side including Directors of the Board and to develop professional human resources and Corporate Officers. Based on these opinions, the Board of Directors will make further enhancements by the development of professional human resources and Corporate Officers through the promotion of the successor development plan formulated last year.

In the evaluation of the effectiveness for the fiscal year ended September 2022, the creation of a system that enables strategic and broad discussions at the Board of Directors meetings was set as an issue concerning (3) the agenda for the Board of Directors meetings. For that issue, the Board of Directors examined the contents of the deliberation at the Board of Directors meetings, and increased and created opportunities for Directors of the Board to have discussions. As a result, the answer "Discussed appropriately" comprised most of the answers to the questionnaire for the evaluation of effectiveness for the fiscal year ended September 2023, 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 2023 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.