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To whom it may concern,

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Japan Lifeline Announces Evaluation Summary on the Effectiveness Regarding the Board of Directors

Japan Lifeline Co., Ltd. (“the Company”) has conducted analyses and evaluations on the effectiveness of the Board of Directors since fiscal year 2017 to improve its functionality. The following shows a summary of the latest results of the analysis and evaluation as in fiscal year 2021.

1. Outline of the evaluation method

The Company conducted a questionnaire survey for directors and corporate auditors to analyze and evaluate the effectiveness of the Board of Directors. In the questionnaire, each member reviewed the evaluation items considering the internal or external business environment. To ensure objectivity in the evaluation, the Company requested outside experts to advise on the design of the questionnaire, collect the answers, and analyze the results.

(1) Subject members

All 15 directors including Audit and Supervisory Committee Members, of whom six are outside directors

(2) Evaluation method

All the members discussed the effectiveness status based on the results of the self-evaluation questionnaire at a Board of Directors meeting

Major items of the self-evaluation questionnaire

- ① Composition and operation of the Board of Directors
- ② Management strategy and business strategy
- ③ Corporate ethics and risk management
- ④ Evaluation on business performance and evaluation on each member’s performance and their remuneration
- ⑤ Dialogue with shareholders, etc.

2. Outline of the analysis and evaluation results

The Company has confirmed that the Board of Directors as a whole is appropriately fulfilling its roles and functions in all evaluation items after discussions on the analysis of the self-evaluation questionnaire at the Board of Directors meeting.

Regarding each evaluation item, the Company analyzed that the number and composition of the Nomination and Remuneration Advisory Committee received high ratings. This is likely due to the fact that the Company appointed a new independent outside director to the committee last April, making the majority of the committee

independent outside directors. The Company also confirmed that there has been a significant improvement in the evaluation of its efforts to promote constructive dialogue with shareholders (like institutional investors), which was identified as an issue in last year's effectiveness evaluation. On the other hand, the Company agreed that there is still a need for further enhancement of director training (providing training opportunities when directors take office and continuously afterwards) to further improve the effectiveness of the board of directors.

The Company will continue its regular analysis and evaluation of the board of directors and further improve its effectiveness for the medium to long-term growth.