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Overview of the Evaluation Results of the Effectiveness of Our Board of Directors

Syuppin Co., Ltd. (“the Company”) announces that it has analyzed and evaluated the effectiveness of its Board of Directors for the fiscal year ended March 31, 2024 with the aim of further improving the functions of the Board of Directors in accordance with the Corporate Governance Code established by the Tokyo Stock Exchange. Details are as follows.

1. Method of analysis and evaluation

In analyzing and evaluating the effectiveness of the Board of Directors, 2-directors and 3-corporate auditors, including those from outside the Company, conducted self-evaluations based on the self-evaluation questionnaire. At the regular meeting of the Board of Directors held in May 2024, the results of the self-evaluation were reported, the current evaluation results were analyzed and issues recognized were shared. The Company discussed and verified future efforts to realize a more effective Board of Directors.

[Evaluation items]

The evaluation items (major items) in the self-evaluation questionnaire are as follows.

1. Composition and administration of the Board of Directors
2. Monitoring of management strategies and operating results
3. Corporate ethics
4. Risks and crisis management
5. Evaluation and remuneration of the management team
6. Collaboration and support with outside directors
7. Other (Optional comments)

* The Company conducts multifaceted surveys with detailed subcategories under the above major items.

While certain questions in the self-evaluation questionnaire are the same each time to allow for continuous annual measurement, the questionnaire is reviewed annually to improve the quality of the evaluation. In addition, many free-entry columns are provided so that a variety of opinions and suggestions can be received without being restricted by the survey items.

For the major items 1-6 above, self-evaluation scoring was conducted on a 5-point scale, with each question asking for comments on points that are commendable and points that need to be considered for improvement.

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2. Overview of analysis and evaluation results

As a result of the evaluation and analysis based on the above evaluation items, the Company's Board of Directors was assessed as fulfilling its roles and responsibilities appropriately and effectively in terms of size and composition, agenda items and deliberations, the state of active discussion, and reflection on management, and the effectiveness of the Board of Directors is sufficiently ensured.

3. Future initiatives

The Company's Board of Directors will implement the necessary initiatives to further improve the effectiveness of the following issues identified in the Board of Directors evaluation, and will strive to make improvements.

The medium- to long-term management strategies are extremely important as they indicate the company's direction and strategies for the future. The Board of Directors will continue to examine and discuss the contents of the reports on an ongoing basis. On May 9, the Company disclosed a three-year Medium-term Management Plan starting from the fiscal year ending March 31, 2025 after deliberation and resolution at a meeting of the Board of Directors.

- (1) Conduct discussions with an awareness of cost of capital and return on capital in mid- to long-term management strategies, and stimulate discussions on mid- to long-term issues
- (2) Enhance discussion on ESG, SDGs, and other initiatives to improve sustainability
- (3) Conduct discussions of human capital policies and initiatives
- (4) Enhance discussion on risk control and robustness of the Company's EC-systems and Mission-critical systems