



November 21, 2025

To shareholders,

Company name: BESTERRA CO., LTD  
Representative name: Yutaka Honda  
President and Representative Director  
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**Notice Concerning Summary of Results of the Evaluation of the Effectiveness  
of the Board of Directors**

BESTERRA CO., LTD (the “Company”) announces that it has analyzed and evaluated the effectiveness of its Board of Directors with the aim of further improving the effectiveness of the Board of Directors and enhancing corporate value in accordance with the Corporate Governance Code. The summary of the evaluation results is hereby announced as follows.

1. Evaluation Method

Based on the results of the previous year’s Board of Directors Effectiveness Evaluation (FY2024), the Company implemented a questionnaire and solicited opinions regarding the effectiveness of the Board of Directors. As in FY2024, the questionnaire comprised 40 questions across the five categories of board composition, operational status, agenda deliberation content, support structure, and shareholder dialogue. We confirmed and re-evaluated improvements since FY2024 while conducting this year’s evaluation of each category, thereby analyzing and assessing the effectiveness of the Board of Directors.

2. New Initiatives Created from the Previous Year’s Evaluation (FY2024)

(1) Codifying the corporate culture and Code of Conduct for all employees

We have clearly defined the strategic direction for critical operational decisions by codifying the corporate culture and the Code of Conduct for all employees and establishing them as core values and decision-making criteria.

(2) Disclosure and provision of information in English

In addition to the financial results summary, we have commenced the English translation of timely disclosure documents related to various announcements.

(3) Appointment of a female Director

By appointing Ms. Kana Hikawa, a female Director with extensive expertise in finance and accounting, we have promoted gender diversity on the Board of Directors while achieving a balance of knowledge, experience, and skills to effectively fulfill roles and responsibilities.

(4) Introduction of restricted stock compensation plan and abolition of the executive retirement benefit system for Directors

We introduced a restricted stock compensation plan as an incentive and abolished the previous executive retirement benefit system for Directors to align Directors with shareholders by sharing both the benefits and risks associated with stock price fluctuations and to further strengthen their commitment to enhancing corporate value.

(Reference Materials)

April 2, 2025 Notice of the 52nd Ordinary General Meeting of Shareholders and Informational Materials for a General Shareholders Meeting

3. Summary of Evaluation Results

Based on the above evaluation, the effectiveness of the Board of Directors has been ensured to a certain degree. Furthermore, improvements in line with the Corporate Governance Code have been implemented, resulting in a slight improvement in the evaluation compared to FY2024. In particular, it was confirmed that the evaluation has improved with respect to ensuring diversity among board members, strengthening the structure supporting the Board of Directors, and engaging in dialogue with shareholders. However, the following issues were identified.

- Further enhancement of the Board of Directors' composition, including ensuring diversity in light of overseas expansion
- Ensuring sufficient deliberation time for key agenda items and enhancing the quality of meeting materials
- Further review of executive compensation systems, including performance-linked compensation
- Appropriate discussion and supervision regarding executive succession planning
- Establishing a framework to effectively communicate findings from shareholder dialogue to the Board of Directors

4. Future Measures to Be Implemented

We will continue to focus on the following points based on the results of this evaluation.

- Ongoing review of Board of Directors composition with an emphasis on diversity
- Improving Board of Directors operations to ensure sufficient time for reviewing key agenda items and enhancing the quality of meeting materials
- Succession planning for executives to support medium- to long-term growth and optimization of compensation systems
- Building constructive relationships through dialogue with shareholders and investors

The Company will strive to further strengthen corporate governance and enhance corporate value by continuously implementing necessary initiatives to improve the effectiveness of its Board of Directors.