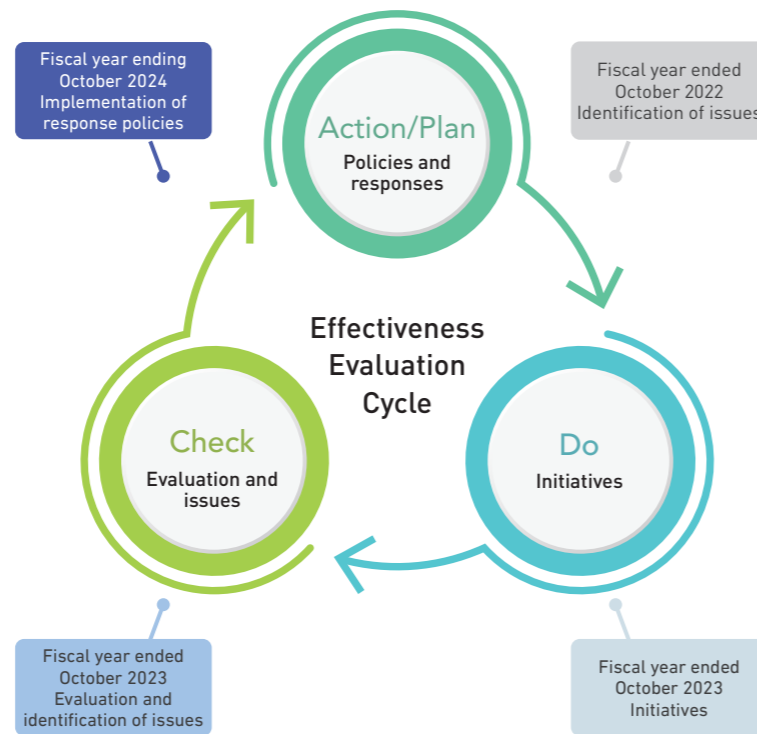


Evaluating the Effectiveness of the Board of Directors

We evaluate the effectiveness of the Board of Directors through a combination of questionnaire surveys of all directors and an interview with all directors which is regularly conducted by a third-party organization. The results are collated and analyzed before being reported to the Board of Directors, which checks progress on responses to issues identified in the previous fiscal year and formulates new policies to address any issues identified in the current fiscal year. The purpose of these effectiveness evaluations of the Board of Directors is to continuously strengthen our corporate governance through the formulation and implementation of specific measures.



Summary of evaluations for the fiscal year ended October 2023

Conducted questionnaire surveys and individual interviews with all nine members of the Board of Directors.

Summary of survey questions

- I Questions related to the items of discussion for Board of Directors' meetings.
- II Questions related to the composition of the Board of Directors.
- III Matters relating to the overall agenda for Board of Directors' meetings.
- IV Questions related to the operational management of the Board of Directors.
- V Questions related to the execution of duties and the support services provided for directors.

Evaluation

While specific issues were again identified, the Board of Directors of PARK24 CO., LTD. was found to be effective, thanks to appropriate administration and proper functioning.

	Medium- to long-term policies	Approach to governance	Succession planning	Parking Business International
Action /Plan Fiscal year ending October 2024 Response policies	<ul style="list-style-type: none"> Deepen debate about the medium- to long-term vision for the PARK24 GROUP. Take specific actions concerning sustainability and human capital management. 	<ul style="list-style-type: none"> Continue to consider the structure, functions, and roles of the Board of Directors, including specific functions, and whether or not there should be a transition to a monitoring board. 	<ul style="list-style-type: none"> We are engaging in discussions about the design of specific succession systems and plans for directors, including the development of a talent pool and appointment processes. 	<ul style="list-style-type: none"> Continue to report and discuss operations as individual agenda items. Quarterly reports are received concerning the internal auditing, risk management, and whistleblowing systems of overseas subsidiaries.
Check Fiscal year ended October 2023 Evaluation and issues	<ul style="list-style-type: none"> Make significant progress in deliberations about TCFD recommendations and human capital disclosure. There is a need for increased opportunities for discussion about actions on sustainability issues and human capital. 	<ul style="list-style-type: none"> We expanded the functions of the Nomination and Compensation Committee, which became the Nomination, Compensation and Governance Committee. There is a need for ongoing debate about the structure, functions, and roles of the Board of Directors with the aim of further strengthening the governance system. 	<ul style="list-style-type: none"> There was a certain amount of discussion, but we need to deepen the debate about design of specific systems and plans. 	<ul style="list-style-type: none"> Inspections of overseas business sites and continuous reporting and discussion of individual agenda items at Board of Directors' meetings have yielded significant benefits. There has not been sufficient discussion about governance and compliance by overseas subsidiaries.
Do Fiscal year ended October 2023 Initiatives	<ul style="list-style-type: none"> Engage in intensive discussions, especially during the business plan review period. Use a wide variety of study sessions and other methods to ensure that policy implementation is linked to management strategies. 	<ul style="list-style-type: none"> Create opportunities outside of director training and official meetings. Clarify the selection process for outside directors as part of their succession plan. 	<ul style="list-style-type: none"> Continue deliberations on measures for specific promotion. 	<ul style="list-style-type: none"> Implement overseas inspections. Continue to report and discuss operations as individual agenda items.
Action /Plan Fiscal year ended October 2022 Issues	<ul style="list-style-type: none"> Expand discussions about forward-looking topics, such as medium- to long-term policies and strategies. Improve the sustainability knowledge of Board members. Expand discussions on human resources strategies, including the recruitment, training, and retention of talent. 	<ul style="list-style-type: none"> Consider the functions and roles of the Board of Directors. Examine the succession process for outside directors, including the need for selection rules, and the need for feedback on expected roles of outside directors. 	<ul style="list-style-type: none"> Lack of specific system designs. Consideration of a skills matrix based on the future role of the Board of Directors. Individual training plans are needed for the talent pool. 	<ul style="list-style-type: none"> Due to a lack of information in comparison to Japan, there is a need to continue to create opportunities for discussions and overseas inspections.