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To Whom It May Concern,

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Notice: The Evaluation of the Effectiveness of the Board of Directors

Insource Co., Ltd. (the “Company”) hereby announces that with the aim of enhancing the effectiveness of the Board of Directors and improving corporate value, the Company conducted a questionnaire on the effectiveness of the Board of Directors and received responses from all directors and corporate auditors, including outside directors and outside corporate auditors. Based on the responses, the Company conducted an analysis and evaluation of the effectiveness of the Board of Directors and discussed the results.

1. Method of the analysis and evaluation

Persons subject to evaluation	Total of 10: Directors (including outside directors) and corporate auditors (including outside corporate auditors)
Period	Mid - late November, 2021
Evaluation method	5-Point rating scale and free writing
Evaluation point	(1) Ensuring the rights and equality of shareholders (2) Appropriate collaboration with stakeholders other than shareholders (3) Ensuring appropriate information disclosure and transparency (4) Responsibilities of the Board of Directors, etc. (5) Dialogue with shareholders (6) Management of the Board of Directors (7) Size (number of employees) and members of the Board of Directors (8) System to support the Board of Directors (9) Communication among officers (directors and corporate auditors)

2. Results of the evaluation

The Board of Directors considered that the effectiveness of the Board of Directors is generally ensured for the following reasons.

- (1) Active collaboration with stakeholders other than shareholders (such as local communities, etc.)
- (2) Development of systems and initiatives to promote dialogue with institutional investors and other shareholders
- (3) Timely and accurate disclosure of not only financial statements but also non-financial information (monthly KPIs, etc.) and other information with high added value for users.
- (4) Sufficient discussion of important themes (management strategy, governance, risk management, etc.) at Board of Directors meetings

On the other hand, we identified the following issues to be addressed to continuously enhance the effectiveness of the Board of Directors.

- (1) Improvement of the system to support the Board of Directors
- (2) Further activation of communication among officers

3. Actions to be taken for future issues

Based on the results of this evaluation, the Company will focus on the following points.

- (1) Accelerate the timing of the provision of information necessary for resolutions and ensure sufficient time for explanations (including advance explanations).
- (2) Establishing opportunities for continuous dialogue between inside and outside officers.

The Company will continue to make efforts to further enhance the deliberations and effectiveness of the Board of Directors and to further strengthen corporate governance.

END