

August 25, 2025

TAUNS Laboratories, Inc.

Summary of the Evaluation Results of the Effectiveness
of the Board of Directors for the 10th Fiscal Year

TAUNS Laboratories, Inc. (hereinafter referred to as "TAUNS") periodically conducts an evaluation of the effectiveness of its Board of Directors in order to improve the function of the Board of Directors. The following is a summary of the evaluation results of the effectiveness of the Board of Directors for the 10th fiscal year (ending June 30, 2025).

1. Evaluation Procedure

After the Nomination and Compensation Advisory Committee discussed the contents of the questionnaire for the evaluation of the effectiveness of the Board of Directors for the 10th fiscal year (ending June 30, 2025), a questionnaire was sent to six Directors and three Audit & Supervisory Board Members, with the evaluation categories (main categories) of (1) composition of the Board of Directors, (2) operation and deliberation of the Board of Directors, and (3) support system for the Board of Directors. Based on the results of the questionnaire, the Nomination and Compensation Advisory Committee and the Audit & Supervisory Board each conducted deliberations. Additionally, the Board of Directors Secretariat arranged opportunities for the Board of Directors to exchange opinions with outside directors and outside auditors regarding the operations of the Board of Directors. Taking into account these discussions, the Board of Directors finalized the evaluation of the effectiveness of the Board of Directors at the Board of Directors meeting held on August 25, 2025.

2. Summary of the Evaluation Results

As part of the initiatives for the 10th fiscal year (ending June 30, 2025) in response to the issues identified in the 9th fiscal year (ending June 30, 2024) Board of Directors effectiveness evaluation, we enhanced the quality of deliberations by establishing opportunities for prior information sharing and discussion outside the Board of Directors when formulating the medium-term business plan and making capital investments. Additionally, through the holding of meetings for exchanging opinions among external directors and auditors and factory tours, we worked to enhance information sharing and communication among directors and auditors, as well as to promote a better understanding of our company's organization and business operations. As a result, in the aforementioned questionnaire, each of the evaluation items was rated as "adequate and appropriate" or "generally adequate and appropriate." Additionally, in individual opinions, there were opinions stating that improvements were observed in the issues identified in the previous period following the initiatives implemented in the 10th fiscal year (ending June 30, 2025).

Based on the above results, the effectiveness of the Board of Directors of TAUNS was evaluated

as secured.

3. Issues Enhance the Effectiveness of the Board of Directors in the 11th Fiscal Year

The 11th fiscal year (ending June 30, 2026) marks the first year of the five-year mid-term management plan disclosed on August 20, 2025. Therefore, we will prioritize efforts to establish a Board of Directors operational framework to monitor and provide advice toward the achievement of the five-year mid-term management plan, and to enhance the quality of deliberations.

TAUNS will continue our efforts to improve the function of the Board of Directors, based on the results of this evaluation of the Board's effectiveness.

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