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November 20, 2026

To shareholders,

Company name:	BESTERRA CO., LTD
Representative name:	Yutaka Honda
	President and Representative Director
Code No.:	1433, TSE Prime Market
Contact:	Shin-ya Ikeda
	Executive Officer and Administrative Department Manager
Phone number:	+81-3-3630-5555

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 (FY2025), the Company conducted a questionnaire and solicited opinions regarding the effectiveness of the Board of Directors. The questionnaire comprised a total of 41 questions: the same 40 questions as in FY2025 across the five categories of board composition, operational status, agenda deliberation content, support structure, and shareholder dialogue, plus one additional question (free description) on how the Board of Directors should exercise oversight in light of the accident that occurred at one of the Company's construction sites in April 2026. We confirmed and re-evaluated improvements since FY2025 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 (FY2025)

(1) Review of the business portfolio through the transfer of shares in consolidated subsidiaries

To concentrate management resources on the plant dismantling business, our core market, we transferred all of the shares we held in two consolidated subsidiaries as part of a review of our business portfolio.

(2) Acquisition of treasury shares

To ease the concentration of the Company's shares held by a specific shareholder, while enhancing shareholder returns and improving capital efficiency, we acquired treasury shares through off-auction own share repurchase trading (ToSTNeT-3).

(3) Establishment of the Recurrence Prevention Committee

In response to the accident that occurred at one of the Company's construction sites in April 2026, we established the "Recurrence Prevention Committee," led mainly by Outside Directors, to re-examine from multiple perspectives the factors that undermine safety and to strengthen safety measures.

(4) Reduction of cross-shareholdings

Based on our policy of reducing cross-shareholdings to a target of 10% or less of consolidated net assets, we continued to sell shareholdings, following on from the previous fiscal year.

(Reference Materials)

December 10, 2025	Notice of Change in Consolidated Subsidiary (Share Transfer)
December 26, 2025	(Change in Disclosure Items) Notice Concerning Change in Share Transfer Date (Completion) and Extraordinary Gain due to Subsidiary Change
January 14, 2026	Notice Regarding Share Buyback and Purchase of Own Shares through Off-Auction Own Share Repurchase Trading (ToSTNeT-3)
June 9, 2026	Apology and Notice Regarding the Accident (Second Report)
June 30, 2026	Notice Regarding the Recording of Gain on Sale of Investment Securities (Extraordinary Income)

3. Summary of Evaluation Results

Based on the above evaluation, although a slight decline was observed compared to FY2025, it was confirmed that the effectiveness of the Board of Directors has been ensured to a certain degree. In particular, evaluations regarding the diversity of board members and the selection and timing of proposals of agenda items have improved, and the culture that enables free and open discussion continues to be highly evaluated. However, the following issues were identified.

- Enhancing board composition in light of diversity and the business execution structure
- Strengthening oversight of the risk management system, including occupational safety and health
- Enhancing board reporting and deliberation, including checks on the execution of resolutions
- Enhancing discussion and oversight of executive succession planning and the compensation system
- Establishing a mechanism to effectively feed back 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 composition, balancing diversity and the business execution structure
- Strengthening the risk management system with safety as the top priority, through regular confirmation of the progress and establishment of recurrence prevention measures
- Improving board operations, including checks on the execution of resolutions
- Developing successors and optimizing compensation to support medium- to long-term growth
- 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.

End