

Message from the Outside Directors

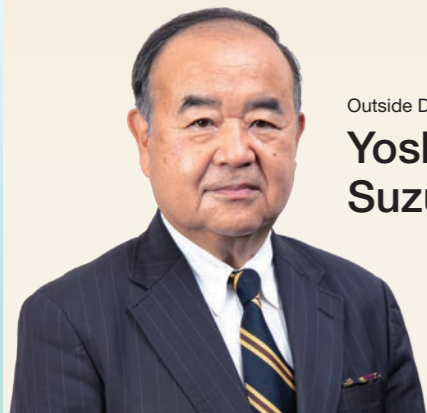
With the switch to our new medium-term management plan, One2025, begun in fiscal 2023, the Group's outside directors speak about how they see their roles, and plan to help with the Company's mission, and decision-making.

With an Understanding of the Company's Public Interest Mission

A corporation is a member of society that earns profits by contributing to society through its business activities. Its directors must represent the common interests of all stakeholders—shareholders, employees, and society at large. That is the basis for how I see my role in the Company and my ultimate mission—making suggestions to influence the Company's executives. With this role in mind, I take special care to look into the heart of matters in day-to-day business and education and use numerical quantifiers to provide others with a basis for understanding what I see. On this Board of Directors, I will do my best to ask questions, discuss ideas, and provide advice on matters of business strategy to determine whether or not we are fulfilling our public interest mission on various issues.

The Company's corporate value has more than doubled over the last three-year term as the Group took advantage of an opportunity in a highly unpredictable market environment bolstered by good management and a strong employee effort. I feel that the driving force behind this success was the solidarity among the many people involved. I also see the accomplishment as a high expectation for the further building of corporate value going forward.

The new medium-term management plan, One2025, was set up to meet such expectations. As the Company works to achieve the four "Ones," I will fulfill my responsibilities as an outside director to make sure it fully responds to the public interest on its path ahead.



Outside Director
Yoshinori Suzuki

Aiming to Contribute to Society Over the Long Term

Recent years have brought a flood of information through the spread of social media, combined with rapid technological development and many crisis events that all together have thrown society into a state of near-chaos. As corporate management struggles with this situation, on top of advocacy for sustainable development goals and compliance principles, the difficulties seem only to be coming faster, and I feel a heavy responsibility in my role as an outside director.

My own career started out in a major general trading firm and I was involved in the management of manufacturing companies both domestic and foreign, after which I served as a non-executive director of several companies and organizations. Over my career, I developed the principle of taking in a broad range of information to sift through and employ judiciously, followed by action rooted in the broad-minded idea of contributing to society rather than the short-sighted view of profit-and-loss calculations. I plan to update my information and empirical knowledge and invigorate the Board of Directors with constructive opinions to help the company achieve growth in the medium to long term.

With my own experience on the engineering side of manufacturing for over 20 years, I understand the importance of the PDCA cycle as a management method. And though I respect this as a principle, I feel that the concept of OODA (Observation, Orientation, Decision, Action) is more in line with my own principles and can serve the company better, much as a seismic isolator for withstanding a major earthquake.



Outside Director
Junichi Komamura

A Shift from Past to Future-Oriented Information

I am a certified public accountant and a partner in an auditing firm, where I perform audits and serve as an outside director.

There used to be a close focus on the financial reports of a company, with their accurate calculation of business performance and determination of payouts to investors. The information was all about past performance. However, the type of information that investors and other stakeholders today want for making decisions is no longer the standard financial data of the past but has shifted to information that gives greater weight to the future, including non-financial information that does not need to conform to standard reporting categories. Investors seek corporate value not in how much the Company has contributed to date but how much it will contribute going forward. Such information is more important.

A company must disseminate information about its future activities appropriately in response to such demands. The information also needs to be accurate and easy to understand and utilize.

I will use my experience in accounting audits to help the Company disseminate future-oriented information that is more value-added and useful to investors.

Outside Director
(Audit & Supervisory Committee member)

Kazumitsu Takaya



For Sound Governance

In more than 20 years of legal practice, I have provided legal advice and handled incoming lawsuits for companies in a range of industries. That included a five-year stint as in-house counsel, dealing with legal and compliance matters. Compliance is sometimes seen as an impediment to doing business, but nowadays, noncompliance can damage corporate value and even threaten a company's existence, not to mention the potential damage that the falsification of quality data can incur.

Outside directors are free to express their opinions without the constraints or influence of relationships within the Company. One important role of ours is to provide information on initiatives at other companies or in other industries that the Company can use for reference. The Company has been in business for a long time, celebrating its 100th anniversary in 2024, but there is no resting on laurels here. Top management is not content with their past knowledge and experience, but is eager to listen to outside opinions and incorporate new insights. I also feel that the Board of Directors listens well to the reasoning of outside directors and responds accordingly.

A sound structure for governance is essential for the Company to develop further, and active discussions at the Board of Directors meetings will support this. Based on the knowledge and expertise I have built through my career as an attorney, I will not hesitate to express my opinions honestly with a keen awareness of issues from a compliance and legal perspective.

Outside Director
(Audit & Supervisory Committee member)

Kyoko Kobayashi

