

Message from the Chairman of the Board



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Director, Chairman

Enhancing Board effectiveness from both “offense” (growth) and “defense” (oversight) perspectives toward realizing Our FY2031 Vision

For the Board of Directors to fulfill its role effectively

For the Board of Directors (hereinafter the “Board”) to fulfill its role in enhancing the corporate value of the Group, it is important that the executive team provide the Board with necessary input in a timely and appropriate manner and that discussions at Board meetings be free and open. Regarding the former, I draw on my past experience leading business execution as CEO to stay alert to matters the Board should be aware of and matters that warrant thorough discussion, and I request the executive team to take necessary actions as appropriate. Regarding the latter, I strive to run meetings in an open manner so that outside directors can fully leverage their expertise—streamlining where possible while securing sufficient time to deliberate the agenda items that call for deeper discussion.

I also make it a priority to continually enhance Board effectiveness by incorporating the opinions received from each director at every Board meeting and through the annual Board effectiveness evaluation. In this evaluation, we conduct a survey of all directors. This fiscal year, to conduct a more multifaceted evaluation, we also carried out individual interviews with outside directors, as well as separate discussions involving the CEO, myself, and each outside director. By steadily reflecting the opinions and proposals received from each director to date, the Company’s governance has

evolved year by year. Matters requiring revisions to rules and other internal regulations, such as reviewing the criteria for matters to be submitted to the Board, were addressed by the end of the previous fiscal year. Building on these efforts, we have received new opinions for further improving Board operations, and we will therefore continue to address each of these matters carefully and continuously to enhance Board effectiveness.

Looking back on FY2025

The most important theme in FY2025 was the formulation of the new medium-term management plan (the 2028 MTMP). Based on opinions received through the previous fiscal year’s effectiveness evaluation and at Board meetings, we aligned with the executive team in advance on the schedule for discussions throughout the year. At the beginning of the fiscal year, we conducted an assessment of the Company’s current situation, including analyses of the internal and external environment and capital market perspectives, as well as the direction of the business portfolio in light of those analyses. Subsequently, during the summer, we discussed the overall picture of the 2028 MTMP, including measures to improve ROE with a view to enhancing corporate value over the medium to long term. From the end of the year, discussions expanded to include more specific matters, leading to formal approval this April. At Board meetings, directors actively expressed views on proposals presented by the executive team, and I believe we were able to discuss them so thoroughly that the originally planned timing of formal approval had to be postponed.

During this period, when deliberating on individual matters, we also held meaningful discussions from the perspective of “defense” (oversight) aimed at enhancing corporate value, such as by utilizing insights gained from follow-ups on matters that presented challenges in subsequent decision-making.

Priority themes for FY2026

This fiscal year is the first year of the 2028 MTMP. At Board meetings, we will proactively monitor our progress, primarily in relation to the four key elements of the 2028 MTMP, and support steady implementation of the plan. In addition, likely from the second half of the fiscal year onward, taking into account opinions received through the effectiveness evaluation, I would like to begin discussions on a new long-term vision for the next decade, looking beyond the 2028 MTMP.

Going forward, the Board will continue to fully exercise its functions from both the “offense” (growth) and “defense” (oversight) perspectives to meet the expectations of shareholders, investors, and other stakeholders.