

# Establishment of a Board structure that Enhances Corporate Value

Aiming to accelerate and improve management by thoroughly separating oversight and execution

**Ability to engage in discussions to enhance corporate value**

Establish a governance framework and monitor it appropriately

**Oversight**

## Board of Directors

Determines key management policies after broad discussions  
Delegates most rights to execution teams and focuses on monitoring

### Nominating Committee

CEO succession plan including development of leaders and appointment of directors

### Compensation Committee

Formulates incentive plans to promote healthy risk-taking and determines compensation

### Audit Committee

Supervises the internal control and corporate governance frameworks

**Swift implementation of initiatives to enhance corporate value**

Achieve management quality that enables delegation to reliable personnel

**Business Execution**

## Delegated CEO/Management Team

Swift decision-making by the CEO/management team, enhancing management quality

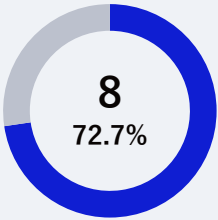
Strengthening governance through the second line (CXOs) and third line (internal audit division) of execution

# Board of Directors

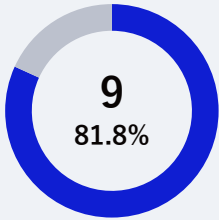
Outside	 <div><b>Masashi Oka</b> Member of the Board Former President &amp; CEO, Representative Director, Sony Financial Holdings Inc. (currently, Sony Financial Group Inc.)</div>	 <div><b>Harufumi Mochizuki</b> Member of the Board Former Vice-Minister of Economy, Trade and Industry of Japan</div>	 <div><b>Joji Okada</b> Member of the Board Former Representative Director, Executive Vice President and CFO, Mitsui &amp; Co., Ltd,</div>	 <div><b>Yoshihito Yamada</b> Member of the Board Chairman of the Board, OMRON Corporation</div>
	 <div><b>Shinjiro Sato</b> Member of the Board Former Representative Director, President and CEO, Terumo Corporation</div>	 <div><b>Shiori Nagata</b> Member of the Board Former Director, Yanmar Holdings Co., Ltd.</div>	 <div><b>Mika Nishimura</b> Member of the Board GILDE HEALTHCARE PARTNERS, Operational Partner</div>	 <div><b>Tomomi Yatsu</b> Member of the Board Representative, Yatsu Law &amp; Accounting Office</div>
Full-time	 <div><b>Takashi Niino</b> Chairman of the Board</div>	 <div><b>Takayuki Morita</b> President and CEO (Representative Executive Officer), Member of the Board</div>	 <div><b>Osamu Fujikawa</b> Corporate Executive Vice President and CFO (Representative Executive Officer), Member of the Board</div>	

## Breakdown of the 11 Board Members

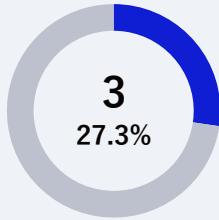
Independent  
Directors



Non-executive  
Directors



Women



\*In the event that the appointment is made at the ordinary general meeting of shareholders in June 2025

# Appointment of a CEO to lead corporate value enhancement

- Collaboration between the Nominating Committee and the CEO

## ◆ Role of the Nominating Committee and CEO

- **Nominating Committee:**

Determining the appropriate time for CEO succession and identifying candidates for the next CEO

(CEO evaluation review)

Support for CEO's development of next generation management personnel

- **CEO:**

Developing candidates for the next CEO and proposing candidates for succession to the Nominating Committee

- **CEO evaluation review (each year)**

Nominating Committee	CEO
<b>Decision on whether to reappoint or dismiss the CEO</b> (Factors for decision) CEO's intentions, business performance, 360-degree evaluation of the CEO, development of successor candidates	<b>Intention and reasons for the change of personnel</b> <b>Presentation of a candidate for succession</b>
<b>Support for the development of next-generation management personnel</b>	
<b>Training and assessment of next-generation management personnel, including candidates for the next CEO position (feedback to the CEO)</b>	<b>Selecting young talent for promotion, promoting diversity</b> <b>Flexible personnel management</b> <b>Training through challenging assignments</b>

- **Support for the development of next-generation management personnel**

# Remuneration as an incentive to enhance corporate value

- Expansion of stock compensation

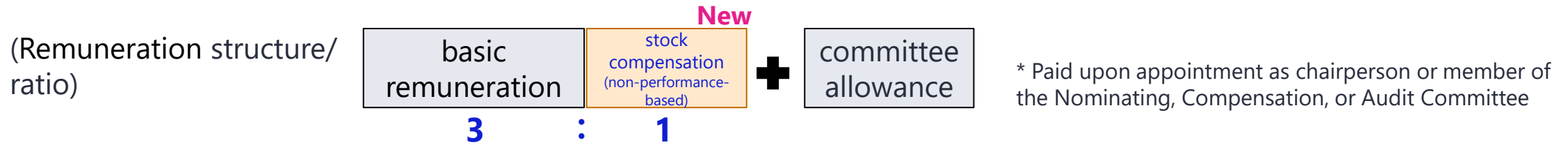
## ◆ Introduction of stock compensation for Outside Directors

### ➡ Introduction of non-performance-based stock compensation (Restricted Stock Unit Remuneration Plan)

(Purpose)

(Introduced in June 2025)

- ✓ Further enhance the sharing of value with shareholders
- ✓ Strengthening awareness of corporate value enhancement



## ◆ Expansion of stock compensation for Executive Officers and others

### ➡ Introduction of non-performance-based stock compensation (Board Incentive Plan Trust)

(Purpose)

(Introduced in April 2025)

- ✓ Further enhance the sharing of value with shareholders
- ✓ Securing of excellent human resources to take on management roles

