

Sustainable Growth

Messages from the Outside Directors



Left to right, Makoto Kaiami, Koichi Iki, Saeko Arai, and Michiaki Ogasawara

Fostering the Future-Oriented “Outsider” and Creating a Climate of Free and Open Discussion

Koichi Iki Outside Director (Independent Officer)

As someone involved in management, I’ve come to emphasize the importance of forward thinking that anticipates the future. Japan is in a whirlwind of change, including the approaching not-too-distant future of 2025 when the Baby Boomers become elderly aged 75 or over. Thinking about what the corporation or business should look like while looking over the mid-to-long term and executing plans is crucial for continued corporate growth. But I get the sense that the Group is still weak with these kinds of actions. It is necessary to draw up strategies that weren’t mere expansion of the past business, while predicting technological innovations and looking firmly into the future of each business, taking intangible risks, and exposing problems.

This is why it’s important to create a climate that allows open and natural discussion. However, upon surveying the Company, I get the impression that it is a group that somewhat lacks aggressiveness. If everyone has the same way of thinking, discussions can never go deep. The Group ought to create an environment of discipline that, for

example, has a network outside the Company and fosters the “outsider” who shakes up the organization. I am also urging all employees in the Company whenever I connect with one of you to be aware of long-term perspectives.

For the Board of Directors, I expect more active statements from the inside directors, and through further increasing the proportion of outside directors, the Company ought to become a place of even greater fruitful discussion. As my duty as an outside director who has worked in this company for about 5 years, I plan to offer even more active statements than in previous years, supporting the activation of discussion and growth of the Group.

PROFILE Worked as an executive vice president, working in real estate development, personnel, and more at The Dai-ichi Life Insurance Company. After resigning and working at asset management and other companies, he took on his current role in 2014. He has had the longest career out of all the current outside directors. He makes active statements, making use of his abundant knowledge and experience in management.

Using Experience from the Legal World to Contribute to Compliance and Diversity

Makoto Kaiami Outside Director (Independent Officer)

Discovering social problems, one after the next, and connecting those problems to the business through participating in various assets and connecting with diverse customers are the strengths of this Group. Another strong point is the way that awareness of the Group’s position of sincerely going head to head with societal problems – with the Senior Life business as an example – and compliance with laws and regulations has taken root. If this can be maintained, we will produce results as a corporate group that contributes to society in the mid-to-long term, even when challenges arise.

However, I feel like we have recently become a bit settled in relation to bold business development ideas, for example, the starting of TOKYU HANDS INC. in the past. I want the Group to rise to the occasion more, including industrial-academic initiatives and in the use of women’s opinions. I hope we can create an environment where many different people can be active through my suggestions based on experience in

the legal world where women are highly active.

What I have come to feel as a member of the Board of Directors is that it is hard to see what kind of opinions were brought up inside the Company since opinions had been screened or filtered through the thorough discussion at the management meeting and the like. Up until now, I have made statements focusing on compliance about the significance of an internal reporting system and the importance of clarifying policies that do not create disadvantages for whistleblowers. I hope to contribute to the development of this Group as I increase the number of statements like these that make use of knowledge and actively discuss and exchange opinions with internal directors.

PROFILE Worked as a judge at district courts in Tokyo, Hiroshima, etc., family courts, and the high court. Retiring from the courts after experience as a chief judge at the Tokyo District Court and others, he became a registered lawyer. He became an outside director in 2018. He mainly advocates for governance and compliance, making use of his legal expert knowledge and experience in the legal world.

Increasing the Group’s Value to Society from the Viewpoint of Accounting and Sustainability

Saeko Arai Outside Director (Independent Officer)

Our Group, which provides diverse services and assets for every life stage, is promoting urban development that proposal new lifestyles. I visited the Setagaya Nakamachi Project, selected as the first project of the Serviced Development Project for Seniors Together with General Housing initiative in Tokyo, and I felt like it was a good example of demonstrating this strength. Implementing the ESG management-conscious Medium-Term Management Plan and our reliability and dependability that meets goals ahead of schedule will also improving the Tokyu brand are some of the merits of this Group.

Since becoming an outside director here in 2018, I have tried to act based on our fundamental problems from a different viewpoint from others. For example, in addition to requesting the establishment of a comparable KPI from a mid-to-long range perspective, I also have spoken about the considerations needed in introducing IT systems for accounting. From the viewpoint of furthering inclusion, strengthening

our governance, and activating discussion, I feel like we ought to increase the number of women and outside personnel that are directors, and I hope to speak about that, as well.

From a mid-to-long range standpoint, the key to growth will be drawing up business strategies while watching the changes in the Japanese economy and increasing our value to society. It is also important to aim for the creation of explosive innovation that reacts to the changes in the real estate industry. This is where I stand, striving to enable more beneficial discussions through remembering to integrate the perspective of myself as the consumer together with the perspectives of accounting and sustainability.

PROFILE Worked as a certified public accountant on audits and more. Later, she became a co-founder of an IT company, becoming Japan’s first female CFO, and also had experience in management at an American corporation. She became an outside director in 2018. She also teaches at a university. She works in management in the Group while incorporating consumer’s viewpoint, aided by her knowledge from her experience and work in management.

Responding to Technical Innovations for Corporate Value and National Development

Michiaki Ogasawara Outside Director (Independent Officer)

Lately, I get the sense that the hopes and requests from society for outside directors are progressively increasing. As a new outside director, I hope to appropriately carry out my role to realize highly-effective corporate governance in the Group.

Corporate survival and development depends on whether the corporation can flexibly respond to what is being sought after by the society in which the corporation belongs. How will we create a society that allows people of varying ages, nationalities, and genders to comfortably live together under the large constraints of the simultaneous progression of a declining population and an aging society – problems that our country is facing now? How will we foster new businesses and create an environment that allows new businesses to successfully become independent? I feel that society is seeking further Group initiatives that develop a wide range of businesses.

At the same time, I think it is essential to have an attitude of promptly changing in response to the rapid progression of technology

and the changes in the competitive environment based on these technological advances. I think that our ability to respond to changes is a strength of this Group – a Group that has striven to continuously create new value since our founding.

I spent many years in government, thinking about measures from a long-term perspective that could allow Japanese society to smoothly utilize the results of developing information and communications technologies. It is my intention to contribute to the establishment of suitable governance based on this experience that will allow the Group’s efforts to lead to an increase in our corporate value and to national development.

PROFILE Worked in information and communication administration, etc., at the Ministry of Internal Affairs and Communications, taking on the role of Vice-Minister for Internal Affairs and Communications in 2012. During his tenure there, he oversaw the restructuring of NTT, the digitalization of broadcasts, and more. After leaving the Ministry, he worked as a director, etc., at a stock brokerage group before assuming the role of outside director in 2019. He offers statements utilizing his experience as a government administrator and his expert knowledge.