



SpencerStuart

2022 Japan

Spencer Stuart
Board Index

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Japan Spencer Stuart Board Index 2022

The *Japan Spencer Stuart Board Index* is an annual report which surveys and analyzes trends among Japanese companies and the issues faced by boards. The first issue, *Japan Spencer Stuart Board Index 2012*, was launched in 2013 to reflect growing interest in corporate governance. The *Japan Spencer Stuart Board Index 2022* is the eleventh issue.

The COVID virus continued its global spread in 2022, and in February Russia launched its invasion of Ukraine. Other events such as the severing of supply chains, energy supply shortages and resulting inflation greatly affected people's lives around the world. Japanese companies were impacted by the upheavals in the external environment and also had to deal with domestic regulations. In April 2022, following on from the June 2021 revision of the Corporate Governance Code (CG Code), the Tokyo Stock Exchange reorganized its market segmentation to prepare for sudden changes in the global business environment and to more quickly achieve sustainable growth and medium- to long-term corporate value enhancement.

Several trends emerged in Japanese company behavior, notably rapid progress in the release of non-financial information such as ESG (environment, society and governance) and DE&I (diversity, equity and inclusion). It goes without saying that sustainability, which covers ESG and DE&I, is an issue of key importance to humanity that is attracting a great deal of attention. Some companies reflected the results of sustainability initiatives in executive compensation. According to a survey by Deloitte Tohmatsu, 24 of 100 major listed companies were doing so in 2020, and this increased to 52 in 2021. Our *Japan Spencer Stuart Board Index 2022* survey also focuses on sustainability, and analyzes the relationship between sustainability and corporate governance.

One of the most important areas of ESG focus is climate change. Climate change has a strong influence over business, and for investors it is a key factor in investment decisions. Companies around the world are increasingly focused on the influence of climate change on business activity, and the release of climate change-related information by listed companies in the West is being made compulsory. In response to these global trends, in Japan, based on the revised CG Code, prime listed companies are being asked to release information within frameworks indicated by international organizations such as the Task Force on Climate-Related Financial Disclosures (TCFD) and similar bodies. The TCFD was established by the Financial Stability Board (FSB) in 2015, and since 2017 it has recommended that companies release information on the impact of climate change on their finances.

In addition, there is increasing interest in "human capital," where a company considers individual capability and knowledge as corporate capital. Western companies are leading the release of information in this

area, but Japanese companies are following with their own initiatives. In May 2022 the Ministry of Economy, Trade and Industry released the *Ito Report for Human Capital Management 2.0*, which includes specific proposals for linking human resources strategy with management strategy. These proposals will boost information disclosure when coupled with the Financial Services Agency's existing policy requiring the release of information on human capital (governance, risk management, strategy, and indicators and targets) in financial reports.

The release of non-financial information is increasing rapidly, but as there is no clear definition yet as to the form the disclosure should take, companies are struggling to respond. When releasing the information, companies must consider the purpose of the disclosure, the form it should take and method used, and to whom it should be addressed. Furthermore, how should companies use this information? It is hoped that addressing these issues will promote discussion between companies and stakeholders, and generate positive outcomes.

The *Japan Spencer Stuart Board Index 2022* provides a clear and detailed picture of the state of corporate governance in Japan. The survey is an overview of the Japanese companies listed on the TOPIX 100 and Nikkei 225 indexes, and the year-by-year data enables comparisons and observations that over time reflect the true state of the Japanese companies surveyed. Both are made up of representative Japanese companies, but those listed on the TOPIX 100 index have a higher market capitalization and liquidity, and those listed on the Nikkei 225 index represent a broader cross-section of industries. We also make comparisons with other countries when needed, to bring a global perspective to the situation in Japan.

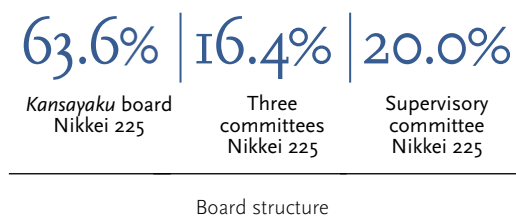
Spencer Stuart takes pride in our Board Service, which reflects the rich knowledge and experience we have accumulated. In addition to executive search, Spencer Stuart supports corporate leadership in a number of ways, the mainstay of which is our Board Service. We conduct board searches and offer consulting services related to board structure, as well as original research in this area. The *Japan Spencer Stuart Board Index 2022* is a compilation of our accumulated knowledge and insight in these areas, and we take great pleasure in being able to share it with you.

For over 30 years Spencer Stuart has published the *Spencer Stuart Board Index*, a survey of companies listed on the U.S. S&P 500 index. The *Spencer Stuart Board Index* is highly regarded by Western companies for the valuable information it provides. Board Index reports are now published annually in more than 20 countries, including Japan.

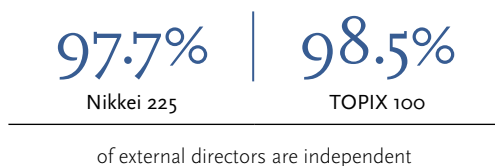
We hope information from the *Japan Spencer Stuart Board Index 2022* will benefit Japanese companies and their stakeholders, and help them focus on the state of corporate governance in Japan and its future direction.

Key Findings

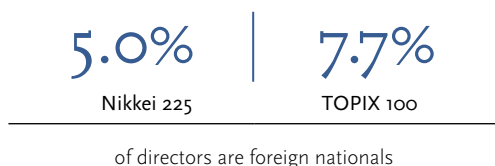
Of the companies surveyed, TOPIX 100 companies are selected for their higher market capitalization and liquidity. In contrast, Nikkei 225 companies are selected for their high liquidity and to establish a balance between industries. Note that 88 of the Nikkei 225 companies are also listed on the TOPIX 100 index. While there are some exceptions, overall, TOPIX 100 companies are slightly ahead of Nikkei 225 companies in each indicator of adoption of Western-style corporate governance initiatives.



The Revised Companies Act of May 2015 introduced a third oversight body, the “company with supervisory committee” for the purpose of enhancing the board supervisory function. Companies now have a choice of three board structures: “company with kansayaku board,” “company with three committees” and “company with supervisory committee.” While there are still a large number of Nikkei 225 and TOPIX 100 companies with kansayaku board structures, 20% of companies have moved to a supervisory committee structure in the seven years since the Revised Companies Act.



There are in total 1,055 external directors on the boards of Nikkei 225 companies, and 522 on the boards of TOPIX 100 companies, and the number is increasing in both indexes. Among the external director group, the ratio of independent directors with no conflict of interest is high, at 97.7% for Nikkei 225 companies, and 98.5% for TOPIX 100 companies. Independent external directors with no conflict of interest are establishing a stronger presence.



Foreign directors have been appointed at 27.1% of Nikkei 225 companies, and at 41.0% of TOPIX 100 companies, both showing an increase over 2021. The ratio of foreign nationals on boards is showing a slight increase over last year, at 5.0% for Nikkei 225 companies and 7.7% for TOPIX 100 companies. However, figures for Japan remain low compared with the United Kingdom and France at 36.0%.

Women are on the boards of 94.2% of Nikkei 225 companies and 93.0% of TOPIX 100 companies. The ratio is increasing steadily each year, and is approaching the almost 100% level for France, the United Kingdom and the United States. However, the ratio of women among all directors is 14.5% for Nikkei 225 companies and 16.4% for TOPIX 100 companies, which is well below 45.4% for France, 39.0% for the United Kingdom and 31.7% for the United States. Furthermore, the ratio of companies whose boards have over 30% female representation is 7.6% of Nikkei 225 companies and 12.0% of TOPIX 100 companies, almost doubling in the past year, but still low compared to the West, where France is at 98.0%, the United Kingdom at 92.0% and the United States at 60.2%.

14.5%	31.7%
Japan	U.S.

of directors are women

When looking at the backgrounds of external directors, around half of the directors on Nikkei 225 and TOPIX 100 companies come from the private sector, and approximately 70% of these directors have business experience as president, chairman or CEO.

69.8%	69.1%
Nikkei 225 (2021)	Nikkei 225 (2022)

of external directors have experience as president, chairman or CEO of a private sector company

Both Nikkei 225 and TOPIX 100 companies hold board meetings on average 14 times per year, or more than once a month. This is a higher frequency than in the United Kingdom, the United States and France, which hold meetings eight to nine times a year.

14.1 meetings	8.3 meetings
Japan	U.S.

board meetings held per year

Average compensation for both external directors and external *kansayaku* is ¥13.43 million for Nikkei 225 companies, and ¥16.03 million for TOPIX 100 companies. This is an increase of 8% over last year for Nikkei 225 companies and an increase of 11% over last year for TOPIX 100 companies.

¥12.44 million	¥13.43 million
Nikkei 225 (2021)	Nikkei 225 (2022)

average compensation paid to external directors (external directors and *kansayaku*)

A note on the data

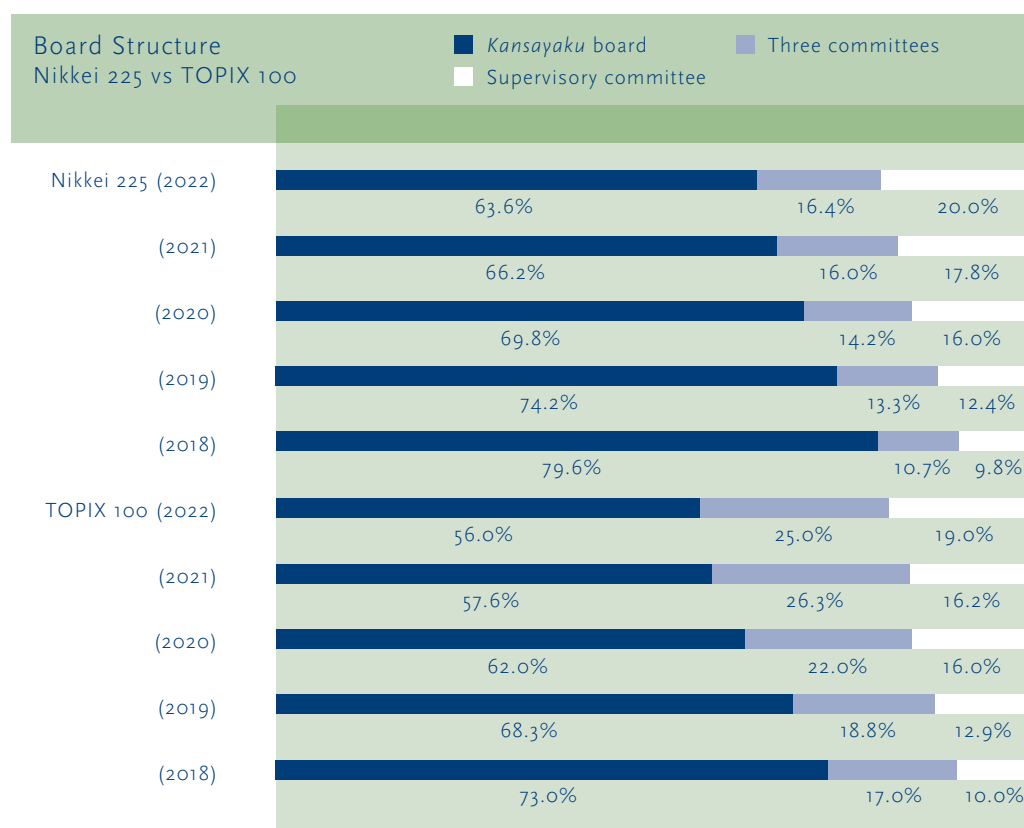
Analysis presented in this document is based on annual reports, corporate governance reports, shareholder meeting notices and other documents that companies make public. In addition to these documents, we have also referred to IR information and data on public companies provided on the Tokyo Stock Exchange website. Data for the Nikkei 225 and TOPIX 100 companies applies to those companies listed as of June 30, 2022. For purposes of international comparison, we have also looked at the United States, the United Kingdom and France. We used 2022 data for the United States' S&P 500; the United Kingdom's FTSE 100 and the top 50 companies on the FTSE 250 for a total of 150 companies; and France's CAC 40. (Numbers are rounded up, and percentages are rounded up to two decimal places. For this reason, graphs and other totals may not equal 100%.)

Board Structure

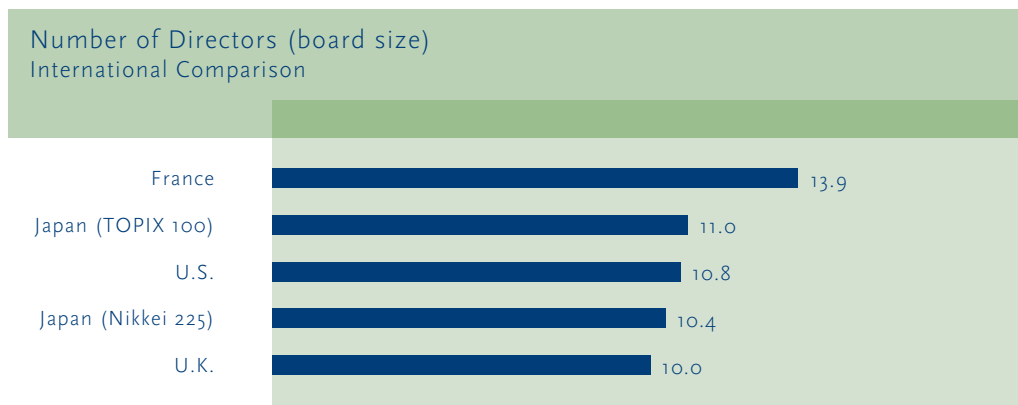
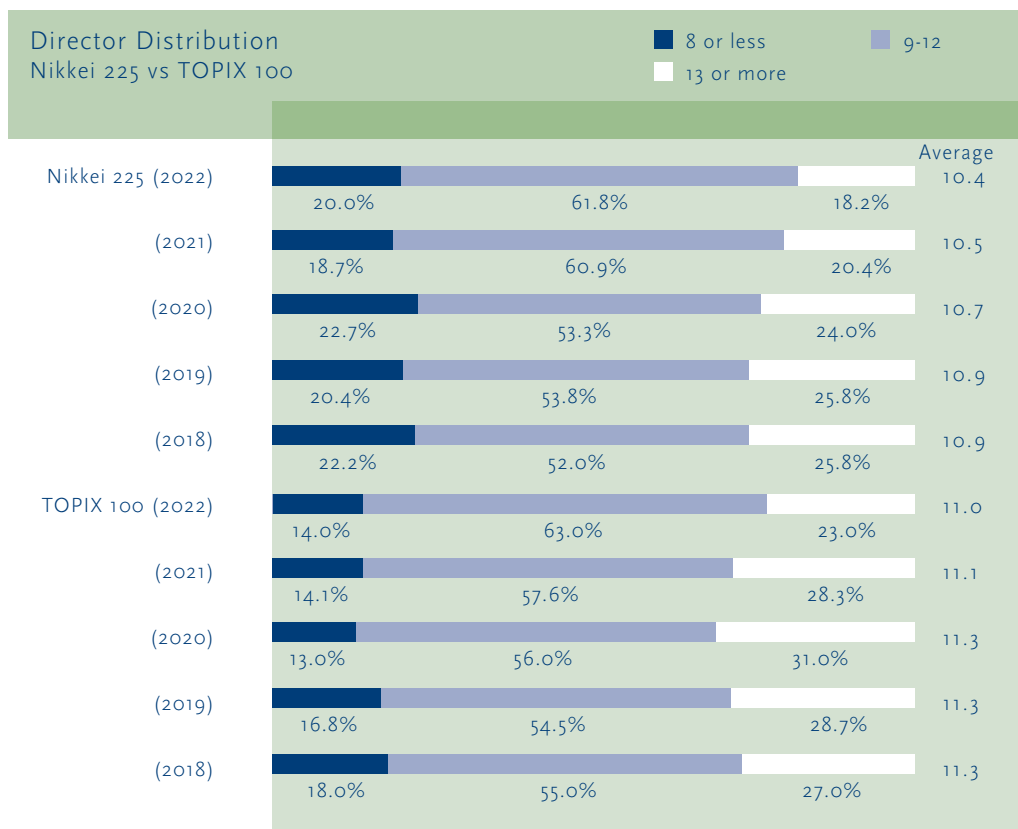
In terms of organizational structure, most companies employ the *kansayaku* board structure. However, with the passing of the Revised Companies Act of 2015 and the strengthened corporate governance system, more companies are moving to a supervisory committee or three committees structure each year. In 2022 the ratio of companies adopting the supervisory committee structure is 20.0% of Nikkei 225 companies (17.8% in the previous year), and 19.0% of TOPIX 100 companies (16.2% in the previous year). The ratio of TOPIX 100 companies with three committee structures has decreased slightly due to the exit of two companies following the restructuring of its listings, but the ratio of Nikkei 225 companies with three committee structures increased over the previous year.

Over 90% of the companies with *kansayaku* boards and supervisory committees have appointed voluntary committee members, and are also appointing external directors as committee chairs. In particular, over 80% of compensation committee chairs and over half of the combined nomination/compensation committee chairs are external directors.

Further, approximately 92% of companies with three committee structures have appointed external directors as chairs of all their committees (nomination, compensation, audit).

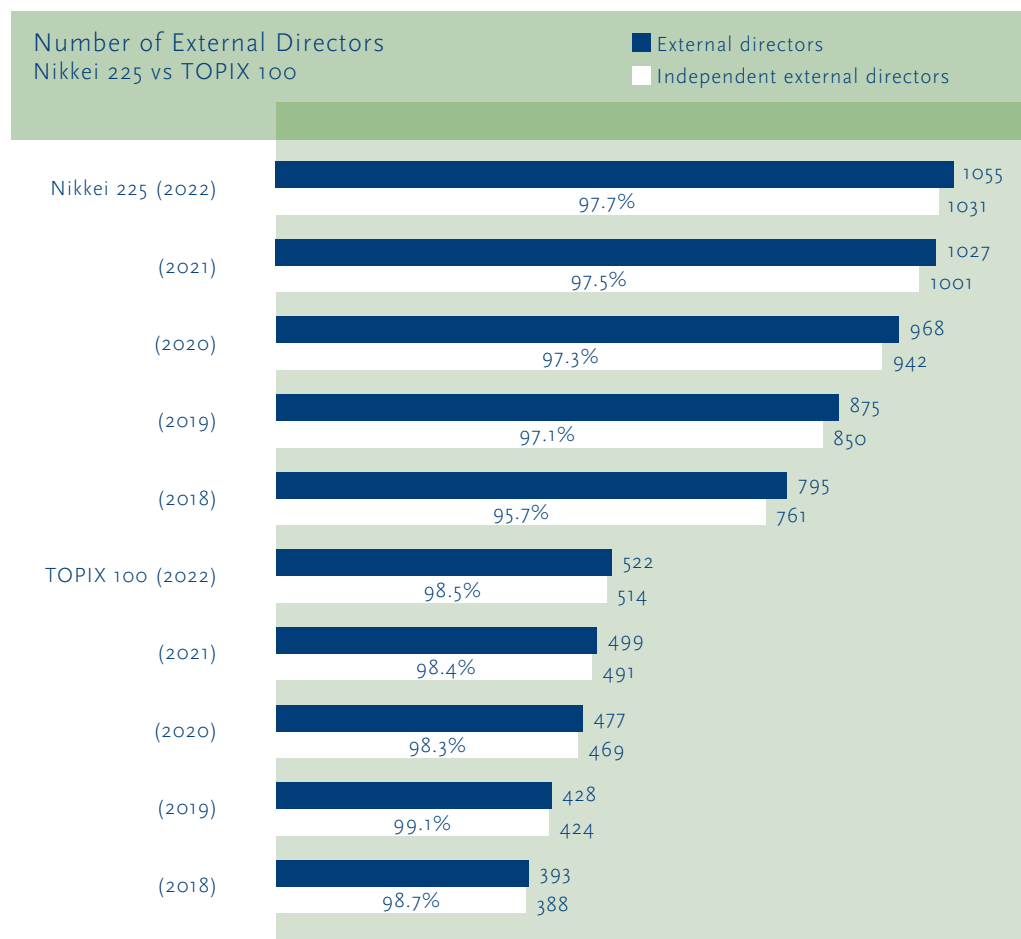


Over 60% of the boards of both Nikkei 225 and TOPIX 100 companies have nine to 12 directors. The average number of directors is 10.4 for Nikkei 225 companies and 11.0 for TOPIX 100 companies. This is the same level as the United States at 10.8, and the United Kingdom at 10.0.

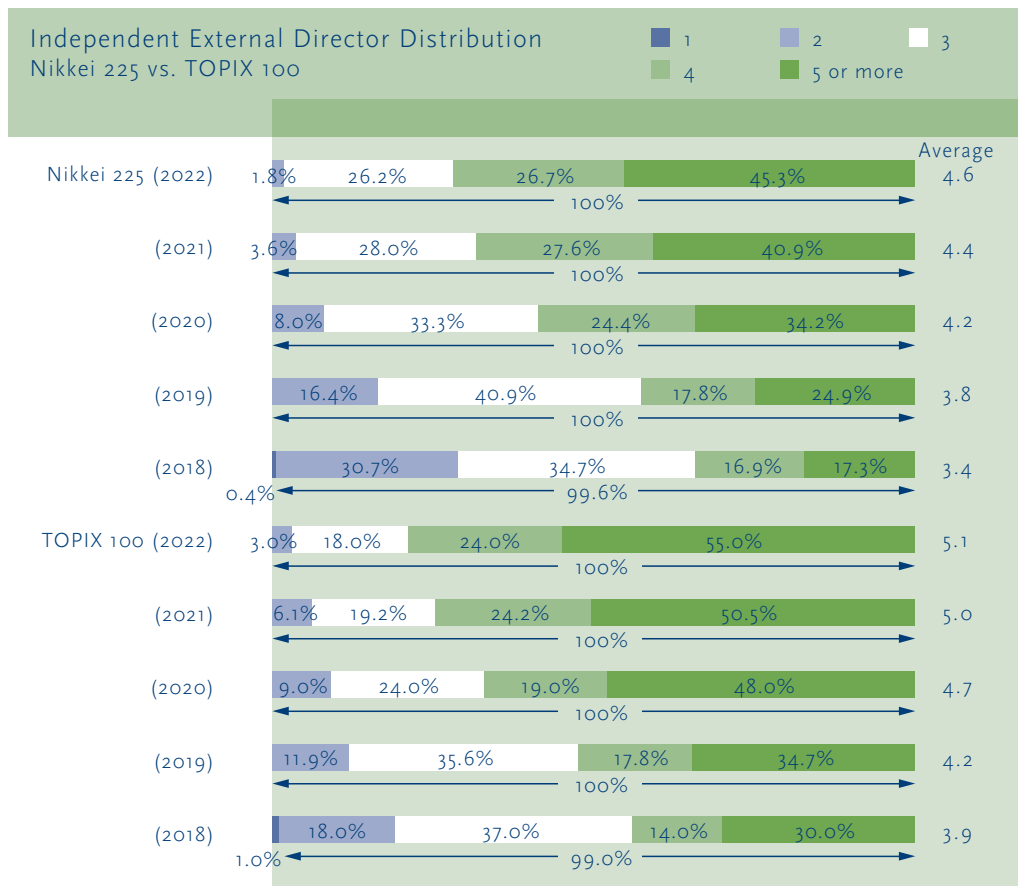


Trends in the number of external directors indicate that, in 2015, when the Revised Companies Act and Corporate Governance Code were introduced, all Nikkei 225 and TOPIX 100 companies had appointed at least one external director to their boards. 2016 saw further improvement, with all Nikkei 225 and TOPIX 100 companies appointing at least one independent external director (a director who did not come from the company concerned, or have any business relationship with the company). In 2019 all companies on the Nikkei 225 and TOPIX 100 indexes had appointed two or more external directors, including at least two independent directors, and in 2020 over 90% of companies had appointed three or more external directors.

Nikkei 225 companies have a total of 1,055 external directors (including those holding multiple directorships), and TOPIX 100 companies have a total of 522 external directors (including those holding multiple directorships), representing an ongoing increase. The average rate of increase over the past five years is 7.9% for Nikkei 225 companies, and 7.3% for TOPIX 100 companies. The ratio of independent directors among external directors is 97.7% for Nikkei 225 companies, and 98.5% for TOPIX 100 companies, representing a steady increase.

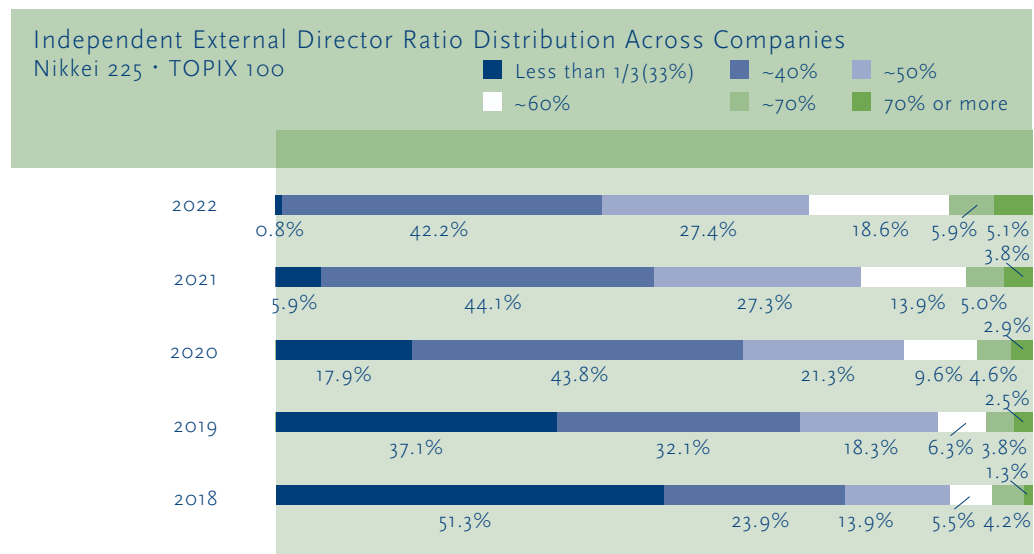


The number of companies appointing three or more external directors continued to increase, to 98.2% of Nikkei 225 companies and 97.0% of TOPIX 100 companies.

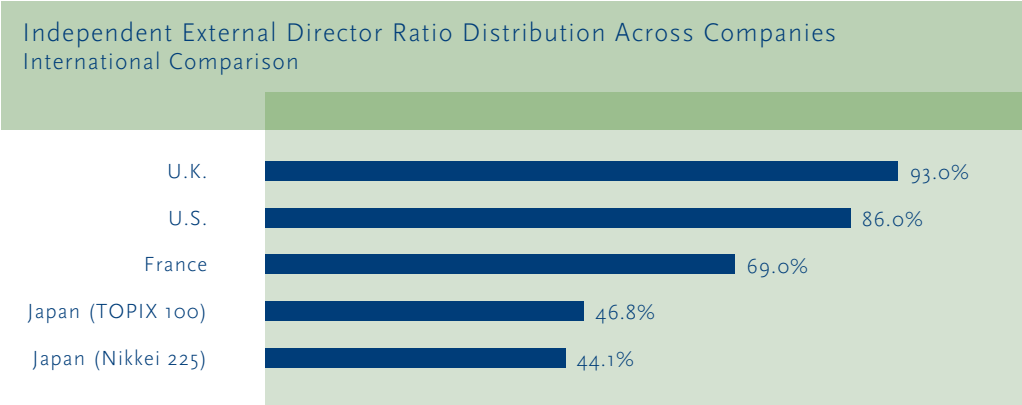


There has not been any major change over the past few years in the total number of directors, although there has been an increase in the number of external directors and independent external directors. The ratio of both types of directors on boards has increased as a result. The ratio of external directors on Nikkei 225 company boards is 45.1% (43.3% in the previous year) and is 47.5% for TOPIX 100 company boards (45.3% in the previous year). The ratio of independent external directors on Nikkei 225 company boards is 44.1% (42.2% in the previous year) and 46.8% (44.6% in the previous year) on TOPIX 100 company boards.

The June 2021 Revised Corporate Governance Code requires that at least one-third of board membership must comprise independent external directors, and that this ratio must be over half for prime companies. In 2022, for both Nikkei 225 and TOPIX 100 indexes, only two companies had fewer than the one-third requirement, and in over 70% of companies independent external directors comprised over half of board membership.



When looking internationally, the ratio of independent external directors on boards is 93.0% for the United Kingdom, 86.0% for the United States and 69.0% for France. The ratio remains low for Japan, with independent external directors making up below 50% of board membership. Many foreign investors are likely therefore to view the level of appointments of independent external directors as inadequate, even when taking the difference in systems into account.



International Comparison I

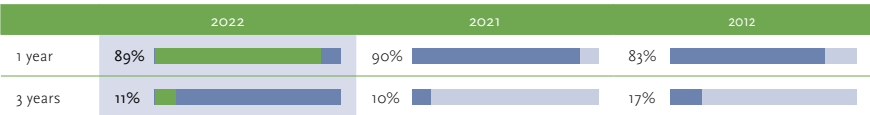
Boards have 10.8 directors on average

- » S&P 500 boards have, on average, 10.8 directors — the same number as in 2021 and 2017 and just fractionally up compared to a decade ago (10.7 in 2012). They range in size from six to 21 members, with 72% in the 9-to-12-member range.
- » Eighty-six percent of all S&P 500 board directors are independent, largely consistent with the past several years. Boards average 9.3 independent directors and 1.5 non-independent directors.
- » The CEO is the only non-independent director on 65% of S&P 500 boards, up one point from 2021 and compared with 59% in 2012 — a 10% shift over the decade.

Nearly 90% of boards have annual director elections and majority voting for directors

- » Over the past decade, most S&P 500 boards have moved to a declassified board structure, where directors stand for election by shareholders annually. Today, 89% of boards have one-year terms — down one point from 2021 and compared with 83% in 2012. The remaining 11% of boards have three-year terms.
- » Eighty-eight percent of boards have policies requiring directors to offer their resignation if they fail to receive a majority vote from shareholders. Boards retain the discretion to accept or decline a director's resignation.

S&P 500 DIRECTORS: TERM LENGTHS



Source: U.S. Spencer Stuart Board Index 2022

<https://www.spencerstuart.com>

Average tenure of current representative directors and chairmen is 3.3 years for Nikkei 225 companies and 3.9 years for TOPIX 100 companies. The longest tenure is held by Kagemasa Kozuki, Chairman of Konami Holdings, at 35 years. All, with the exception of Tomoko Namba, Founder and Executive Chairman of DeNA Co. Ltd., are men, with an average age of 68.5 years for Nikkei 225 companies and 69.5 years for TOPIX 100 companies. The youngest are Ichiro Otsuka, Chairman and Representative Director of Otsuka Holdings, and Hiroshi Mikitani, Chairman and CEO of Rakuten Inc., both aged 56. There are no chairmen in their 40s. The oldest appointment remains Chihiro Kanagawa, Chairman of Shin-Etsu Chemical Co., Ltd., at 96.

Representative Director/Chairman		Nikkei 225	TOPIX 100
Tenure (years)	Average	3.3	3.9
	Longest	35	19
Gender	Male	133	63
	Female	1	0
Age	Average	68.5	69.5
	Youngest	56	56
	Oldest	96	96

Average tenure for presidents or representative executive directors (or CEO where the position is vacant) is 4.1 years for Nikkei 225 companies and 5.0 years for TOPIX 100 companies. The longest tenure is held by Masayoshi Son, Chairman and CEO of Softbank Group, at 40 years. All, with the exception of Eva Chen, CEO of Trend Micro Inc., are men. Average age is 61. The youngest is Po-Hsuan Wu, President & CEO of Sharp Corporation, aged 44, and the oldest is Fujio Mitarai, President and CEO of Canon Inc., aged 86.

Representative Director/CEO		Nikkei 225	TOPIX 100
Tenure (years)	Average	4.1	5.0
	Longest	40	40
Gender	Male	224	100
	Female	1	0
Age	Average	61.8	61.8
	Youngest	44	46
	Oldest	86	86

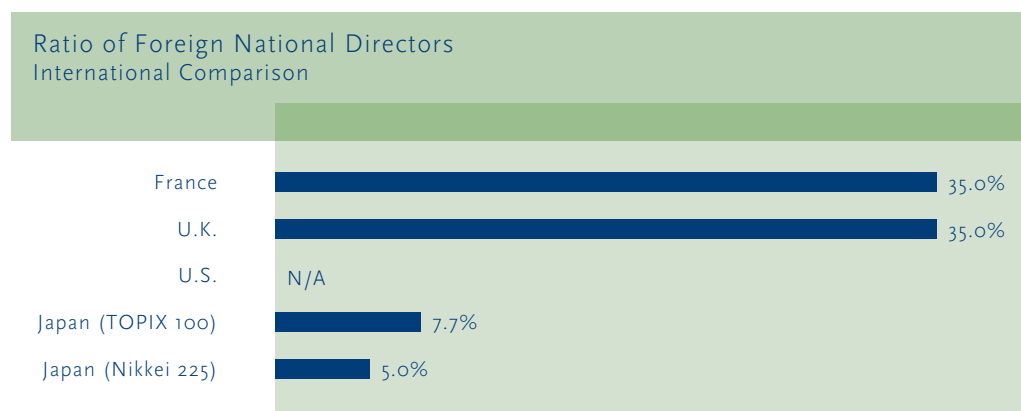
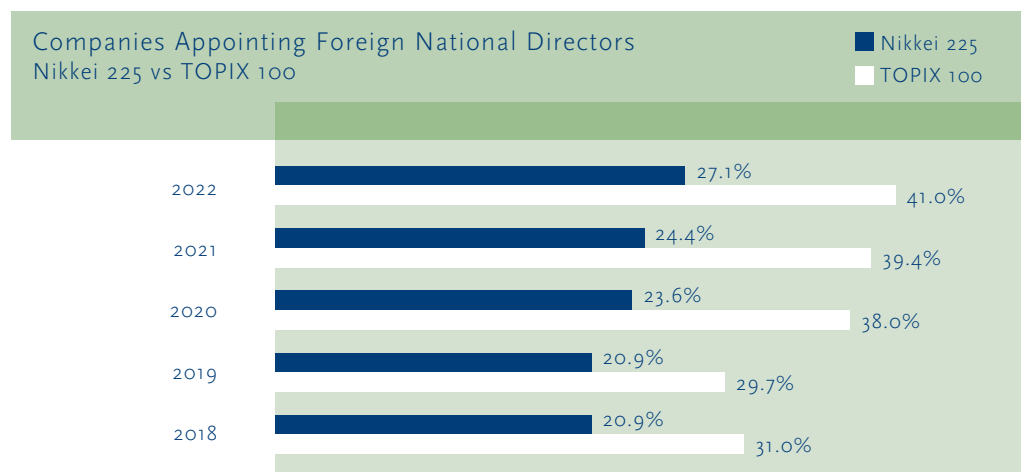
Average tenure for board chairmen is 4.6 years for Nikkei 225 companies and 5.2 years for TOPIX 100 companies. The longest tenure is held by Masayoshi Son, Chairman and CEO of Softbank Group, at 40 years. Last year there were seven female board chairs, and this year there are six. At 188 Nikkei 225 companies and 78 TOPIX 100 companies internal directors act as board chairs. At the remaining companies external directors act as board chairs. Average age of board chairs is 66.3 years for Nikkei 225 companies and 68.1 years for TOPIX 100 companies. The youngest chairman of the board is Po-Hsuan Wu, President & CEO of Sharp Corporation, aged 44, and the oldest is Chihiro Kanagawa, Chairman of Shin-Etsu Chemical Co., Ltd., aged 96.

Chairman of the Board		Nikkei 225	TOPIX 100
Tenure (years)	Average	4.6	5.2
	Longest	40	40
Gender	Male	216	96
	Female	6	2
Status	Internal	188	78
	External	34	20
Age	Average	66.3	68.1
	Youngest	44	47
	Oldest	96	96

*No detailed information has been released regarding the board chairs of three Nikkei 225 companies and two TOPIX 100 companies.

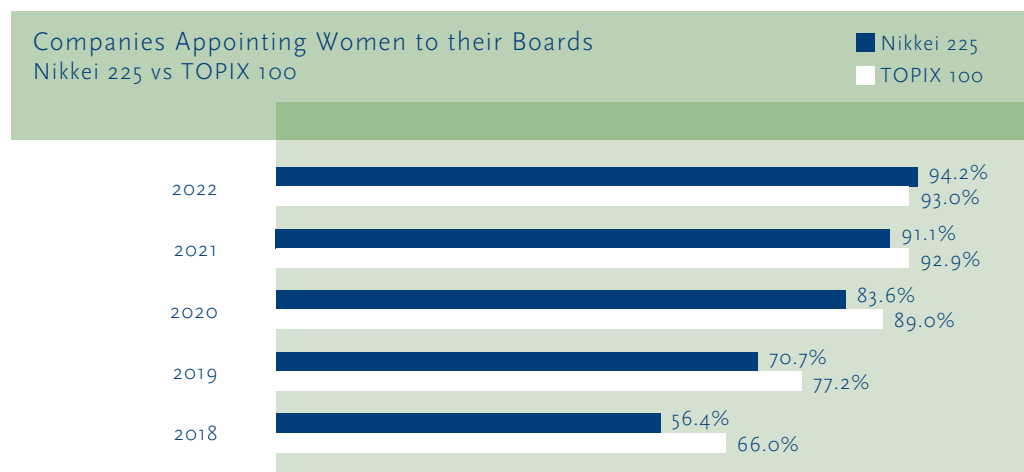
The ratio of companies appointing foreign nationals to their boards is increasing gradually each year. Of Nikkei 225 companies, 27.1%, or 61 companies, have appointed foreign national directors, an increase of six companies over last year. Foreign national directors now number 117 in total (including those who hold multiple directorships), representing 5.0% of all directors. The breakdown is 38 internal, and 79 external (of whom 74 are independent). The figure for TOPIX 100 companies is 41.0%, or 41 companies, appointing a total of 85 foreign national directors, representing 7.7% of all directors. The breakdown is 24 internal and 61 external (of whom 60 are independent).

The ratio of foreign national directors on boards is 35.0% for both France and the United Kingdom. In comparison, as mentioned above, the figures of 5.0% for Nikkei 225 companies and 7.7% for TOPIX 100 companies are low.



*U.S. data for 2022 has not been released.

In 2021 over 90% of Nikkei 225 and TOPIX 100 companies had appointed women to their boards, and this figure increased in 2022. Over 80% of appointments are external directors, but the number of internal director appointments is also increasing. Of Nikkei 225 companies, 94.2%, or 212 companies, have women on their boards. The breakdown is 27 companies with internal directors, 206 with external directors, and 21 companies with both internal and external directors who are women. Directors number 31 internal and 309 external (of whom 305 are independent). For TOPIX 100 companies, 93.0%, or 93 companies, have women on their boards, an increase of one company over last year. Seventeen companies have internal directors, 93 have external directors, and 17 have both internal and external directors who are women. Directors number 20 internal, and 160 external (of whom 157 are independent).



Appointment of Women to Boards

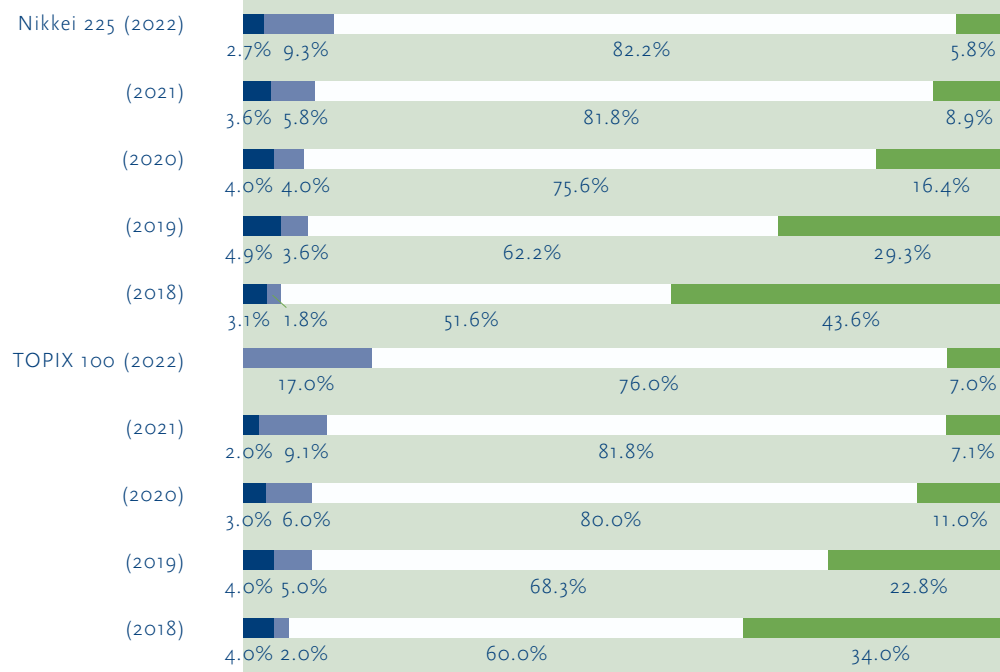
Nikkei 225 vs TOPIX 100

Internal appointments only

Internal and external appointments

External appointments only

No appointments

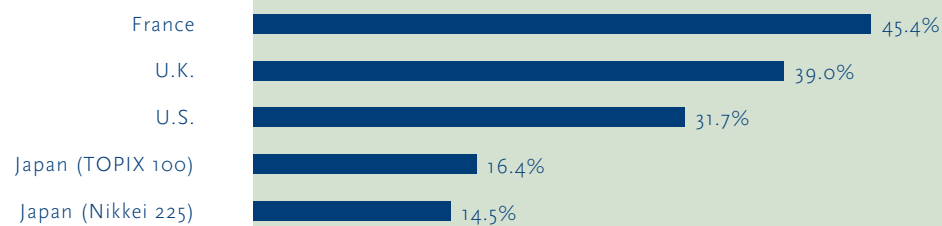


The ratio of European and U.S. companies appointing women to their boards is at or close to 100%. Both Japanese indexes are steadily approaching the European and U.S. levels, at 94.2% of Nikkei 225 companies, and 93.0% of TOPIX 100 companies.

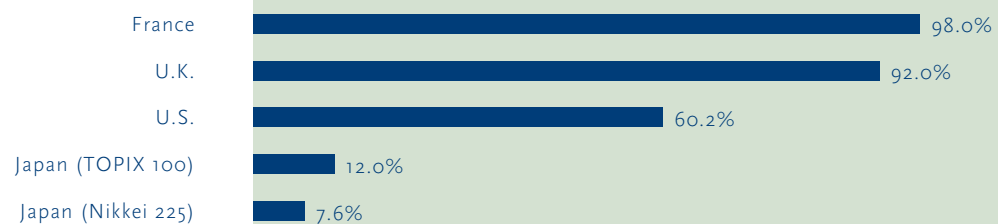
In terms of the ratio of women on boards, France is at 45.4%, the United Kingdom at 39.0% and the United States at 31.7%. In contrast, while increasing, the ratio remains low at around 15% for Nikkei 225 and TOPIX 100 companies.

For Nikkei 225 companies the ratio of companies with over 30% female representation on boards is 7.6%, or 17 companies, and for TOPIX 100 companies it is 12.0%, or 12 companies, which is double last year's figure. However, when compared to Western companies, where France is at 98.0%, the United Kingdom at 92.0% and the United States at 60.2%, Japanese companies remain at a very low level. In April 2022 the United Kingdom's Financial Conduct Authority introduced a rule applying to listed companies, stating that "at least 40% of the board should be women [and] at least one member of the board should be from a non-White ethnic minority background." This has resulted in a rapid increase in the ratio of women on boards from last year's figure of 67%.

Ratio of Women on Boards International Comparison



Ratio of Companies Exceeding 30% Female Representation on Boards International Comparison



International Comparison II

Nearly all boards disclose their racial or ethnic diversity, and appointments from historically underrepresented groups are increasing

- » Ninety-three percent of S&P 500 boards disclosed their racial or ethnic composition, a substantial shift from 2021 (60%). Forty-one percent of those boards identify directors from historically underrepresented groups by name, for those who volunteered to self-identify — up from 28% last year.
- » Ninety-nine percent of S&P 500 boards have at least one director from a historically underrepresented group, defined as a woman, Black or African American, Asian, Hispanic or Latino/a, two or more races or ethnicities, American Indian or Alaska Native and Native Hawaiian or other Pacific Islander, compared with 92% in 2021.
- » Despite the record number of new directors from historically underrepresented groups recruited during the 2022 proxy year, persistent low boardroom turnover means the overall representation of some demographic groups on S&P 500 boards trails their representation in the U.S. population.
- » Twenty-two percent of all S&P 500 directors are from an underrepresented racial or ethnic group, up one percentage point from last year. Forty-six percent of new directors are from such groups, down one point from 2021.
- » Fifty-six (11.5%) S&P 500 boards are led by Black or African American, Hispanic or Latino/a, Asian, American Indian or Alaska Native or multiracial CEOs. Companies led by underrepresented CEOs are more likely to have underrepresented directors on their boards.

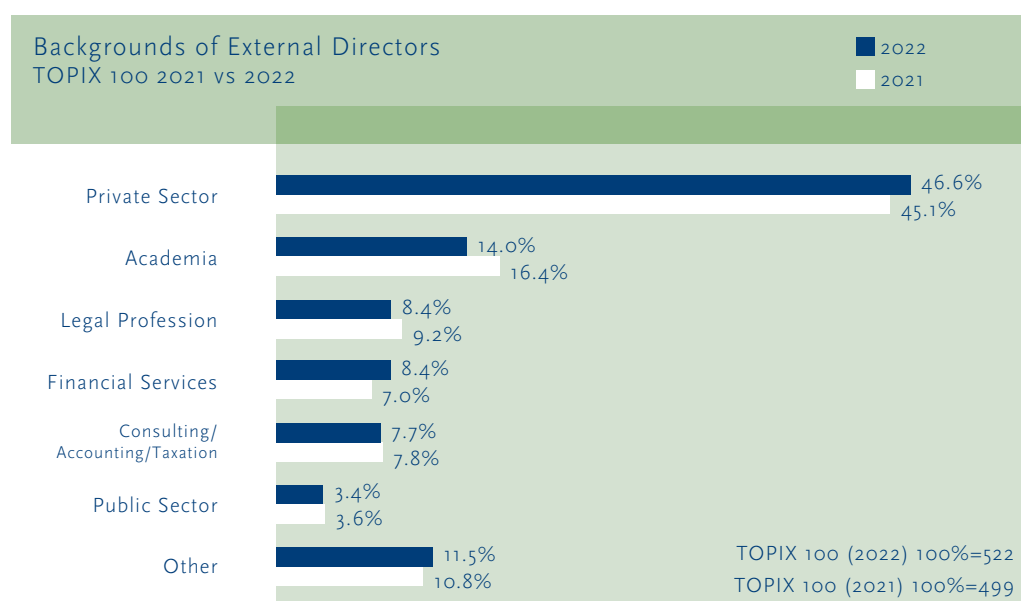
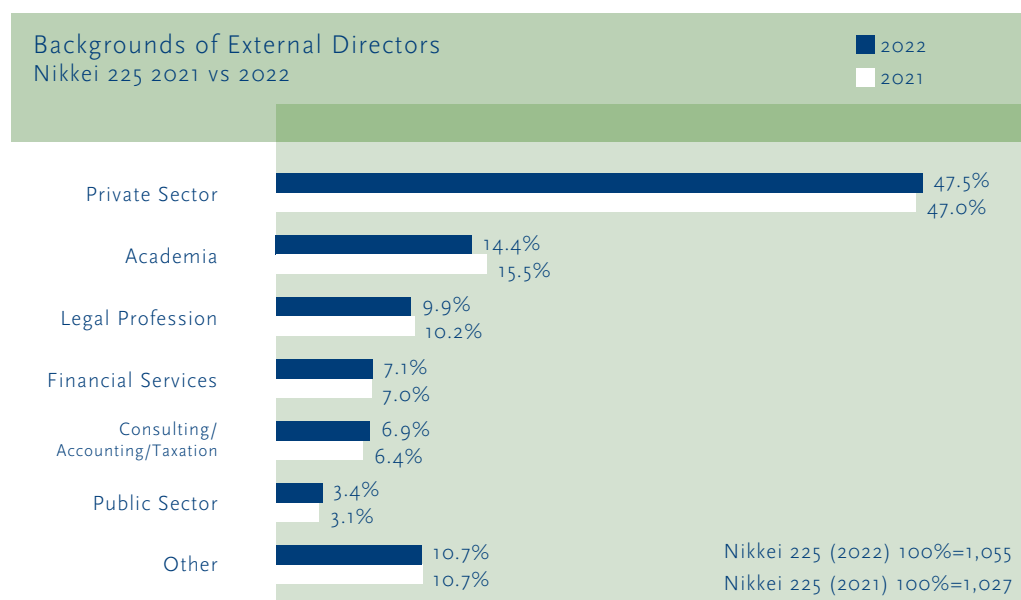
S&P 500 BOARD REPRESENTATION VERSUS U.S. POPULATION

	New S&P 500 directors	All S&P directors	U.S. Census Bureau
% Women	46%	32%	50.8%
% from underrepresented racial or ethnic groups	46%	22%	42%
% Black or African American	26%	11%	13.4%
% Hispanic and/or Latino/a	8%	5%	18.5%
% Asian	10%	6%	5.9%
% American Indian or Alaska Native	0%	1%	1.3%
% Two or more races (multiracial)	1%	1%	2.8%

Source: U.S. Spencer Stuart Board Index 2022

<https://www.spencerstuart.com>

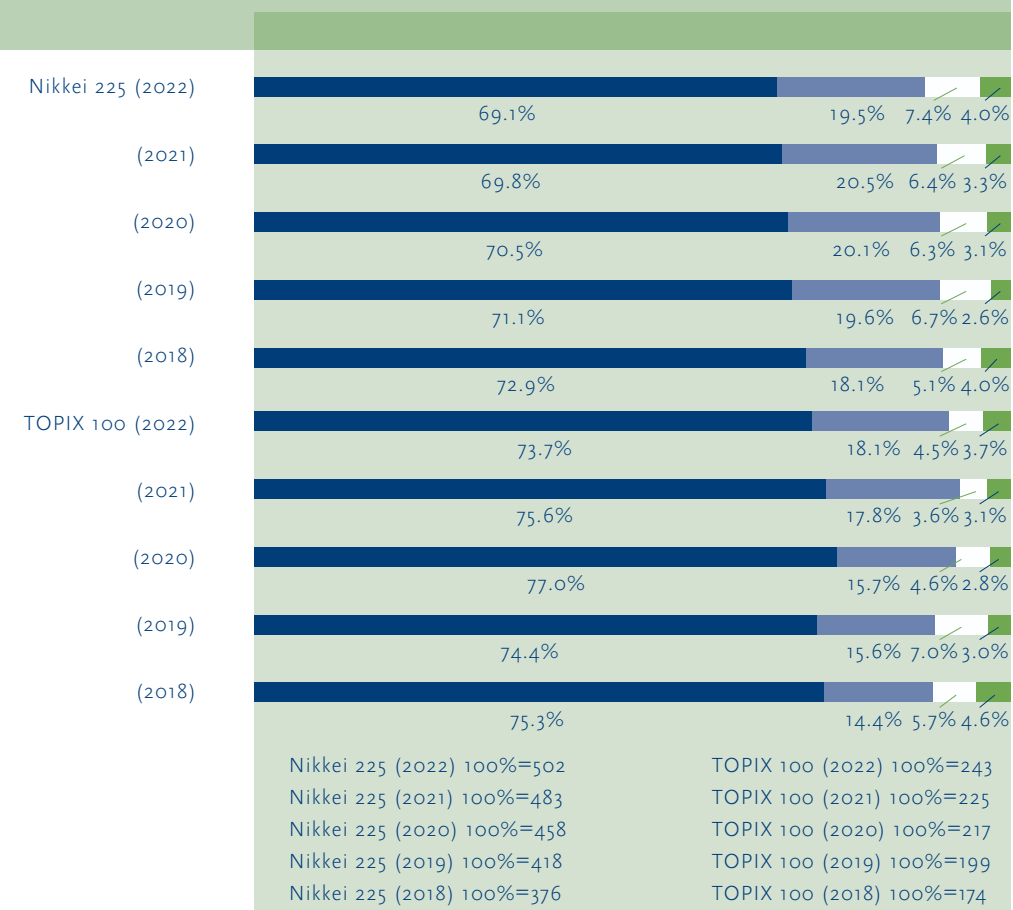
When looking at director backgrounds, in 2022 the majority of external directors came from the private sector. Of the 1,055 directors of Nikkei 225 companies, 47.5% (502 directors) were from the private sector, and of the 522 external directors at TOPIX 100 companies, 46.6% (243 directors) were from the private sector. For both Nikkei 225 and TOPIX 100 companies, the majority of directors from the private sector have held roles as president, chairman or CEO, but the ratio is decreasing slightly. Companies are seeking to increase the number of external directors, but because there is a limit to those with experience as president, chairman or CEO, more directors without this experience are being appointed.



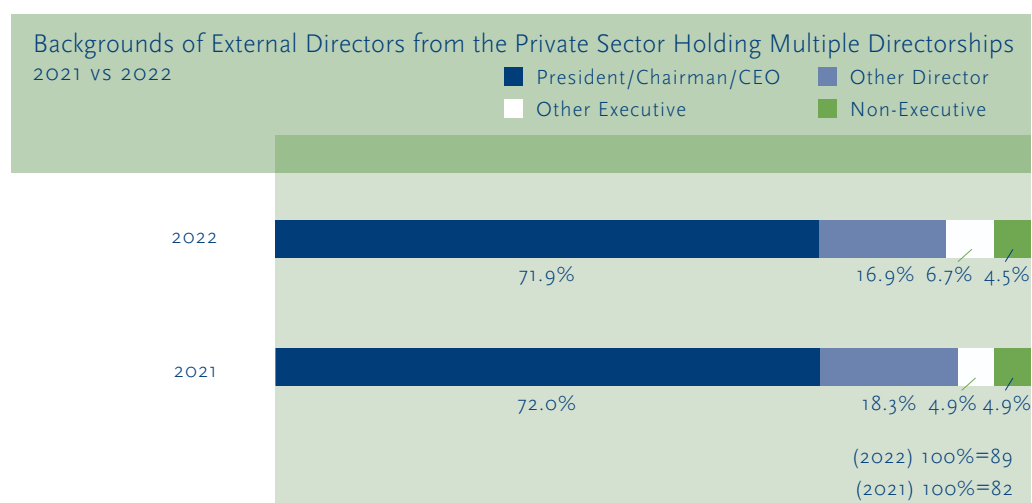
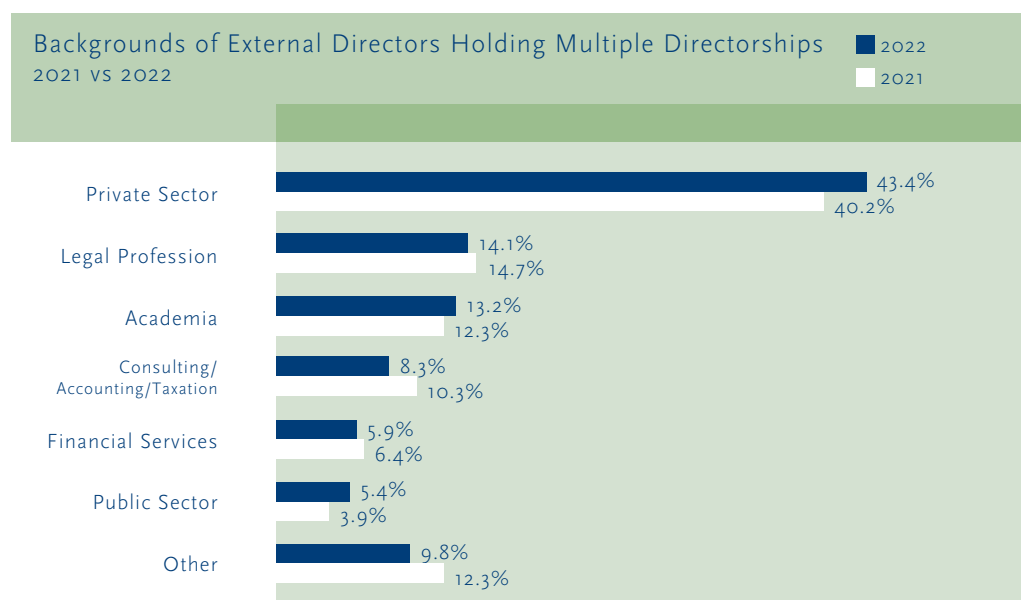
Backgrounds of External Directors from the Private Sector

Nikkei 225 vs TOPIX 100

■ President/Chairman/CEO ■ Other Director
 ■ Other Executive ■ Non-Executive



When looking at both Nikkei 225 and TOPIX 100 companies together, there are 205 external directors and external *kansayaku* who hold directorships with multiple companies. The biggest proportion, 89 directors, or 43.4%, have backgrounds in the private sector. Of these, 71.9% have held positions as president, chairman or CEO, or a combination of these. Of all the 237 companies on the Nikkei 225 and TOPIX 100 indexes, 26 companies list a specific number of multiple directorships in their corporate governance reports. However, of these, 15 companies refer to multiple directorships “in principle” or as an “aim,” suggesting that there may be some exceptions.



International Comparison III

Half of new directors have international experience

- » Fifty percent of new directors have experience working internationally (defined as having spent time working in a non-U.S. location), up from 34% last year.
- » Sixteen percent of new independent directors were born outside the U.S., the same proportion as in 2021.
- » Thirteen percent of new directors born outside the U.S. are active CEOs and another 19% are retired CEOs. A further 19% are division/subsidiary leaders.

NEW DIRECTORS APPOINTED TO S&P 500 BOARDS WITH INTERNATIONAL EXPERIENCE



Functional and division corporate executives are the most common new director backgrounds

- » Active and retired CEOs account for 23% of new directors, slightly up from last year (22%) but down from 30% in 2017 and 37% in 2012.
- » One-third (33%) of new S&P 500 directors are other active and retired corporate executives, excluding CEOs but including functional and division or subsidiary executives — the same number as last year, up from 24% five years ago and 22% a decade ago.
- » Fifty-six percent of new directors today are actively employed, a decline from 62% a decade ago.
- » The technology, consumer and financial services sectors are the largest sources of new directors, accounting for 17%, 13% and 12% of new independent directors, respectively.
- » The top industry destinations for new independent directors in 2022 are the technology and financial sectors, which appointed 17% and 15% of new directors, respectively. The technology sector makes up 15% of all S&P 500 boards and the financial sector 13%.
- » Twenty-one percent of new directors have some experience in the government or the military, compared to 19% in 2021.

S&P 500 DIRECTORS: NEW INDEPENDENT DIRECTORS' FUNCTIONAL BACKGROUNDS

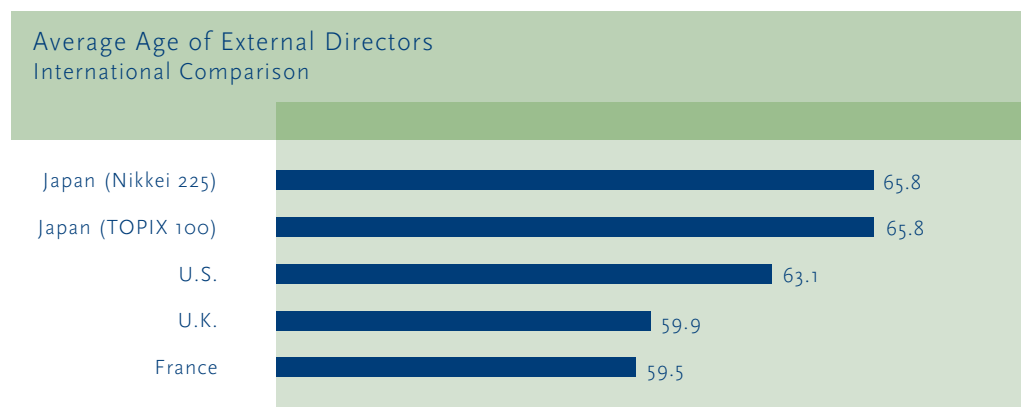
	2022	2021	2017	2012
Active CEOs/chairs/presidents/COOs	14%	14%	18%	25%
Retired CEOs/chairs/presidents/COOs	12%	12%	18%	16%
Divisionary/subsidiary leaders	13%	12%	9%	12%
Line and functional leaders	20%	21%	15%	10%
Financial backgrounds	23%	27%	29%	22%

Source: U.S. Spencer Stuart Board Index 2022

<https://www.spencerstuart.com>

The revised Corporate Governance Code of June 2021 requires the publication of the skills (knowledge, experience, capability) that boards should possess in terms of their corporate strategy, and the particular skills of each director. Our 2021 survey, conducted before these skills were made compulsory, showed that 105 Nikkei 225 and TOPIX 100 companies (44.1%) listed in their shareholder reports the skills held by each director. This number increased markedly in 2022, with 230 companies (97.0%) listing their board members' skills, including those listing on their websites, etc. Last year, 2021, was the trial phase, and some companies only listed the skills of their external directors, but in 2022 almost all companies listed the skills of all their directors. Almost 70% of companies with *kansayaku* structures listed the skills of their board members. Items on the skill matrix differ by company, with some including only specialty skills in business, finance, accounting, legal and risk management, etc., and others including skills such as industry experience. More companies are using the skill matrix to define the skills needed for long-term business strategy, and it is also used as a tool for objectively confirming a board's diversity and effectiveness.

The average age of external directors is 65.8 years for both Nikkei 225 and TOPIX 100 companies, which is slightly higher than for the major Western countries. This is because in Japan many directors take up appointments after they have retired from their former executive positions.



International Comparison IV

Few boards have established director term limits

- » Just 35 S&P 500 boards (7%) report having term limits for non-executive directors, four more than last year. Term limits range from 10 to 20 years, with 24 boards (69% of those with them) setting limits at 15 years or more.
- » Sixty-four percent of boards explicitly state in their corporate governance guidelines that they do not have term limits. Twenty-eight percent do not mention term limits. Four companies (1%) disclose that director terms are not unlimited but do not specify a number.
- » Hybrid tenure policies are emerging. For example, Microsoft's tenure policy targets an average tenure of 10 years or less for the board's independent directors.

Half of boards with mandatory retirement set the age at 75 or older

- » Seventy percent of S&P 500 boards disclose that they have a mandatory retirement age for directors, the same as last year. This has declined modestly during the past 10 years — from 73% in 2012.
- » Fifty-three percent of boards with mandatory retirement ages set them at 75 or older.
- » Eighteen percent of boards report not having a mandatory retirement age, while 12% do not discuss mandatory retirement in their corporate governance guidelines.

S&P 500: MANDATORY RETIREMENT AGES AMONG BOARDS WITH RETIREMENT POLICIES

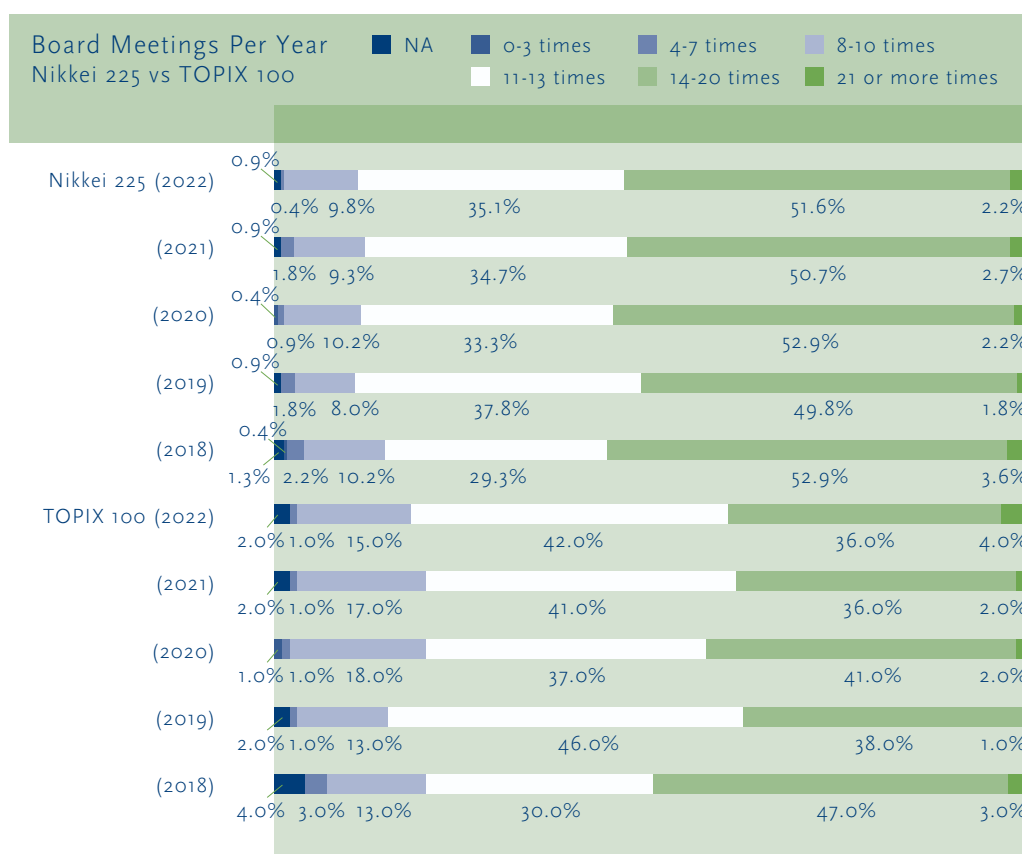
	2022	2017	2012
Boards with retirement policy	70%	73%	73%
70 and younger	3%	4%	14%
71	1%	0%	1%
72	36%	44%	54%
73	3%	4%	5%
74	5%	6%	4%
75 and older	53%	42%	22%

Source: U.S. Spencer Stuart Board Index 2022

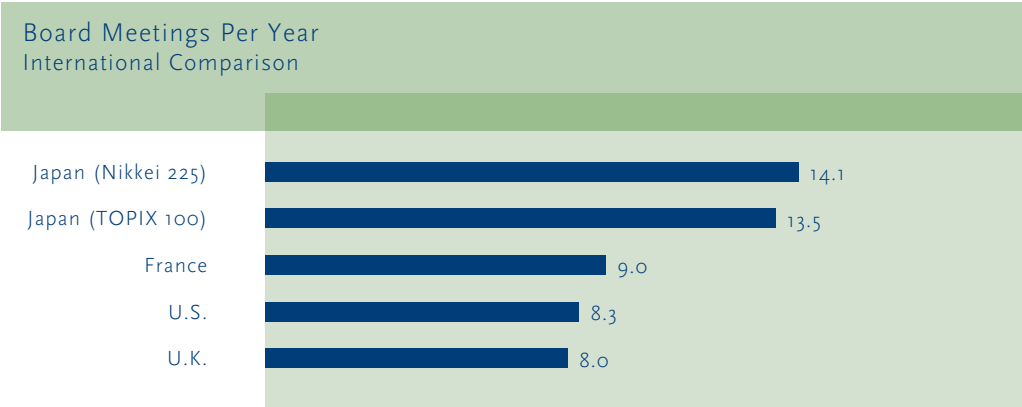
<https://www.spencerstuart.com>

Board Organization and Processes

Nikkei 225 companies hold an average of 14.1 board meetings a year and TOPIX 100 companies hold an average of 13.5 board meetings a year. 53.8% of Nikkei 225 companies hold board meetings more than 14 times a year, a 0.5-point increase over last year, as do 40.0% of TOPIX 100 companies, a 2-point increase over last year. 86.2% of Nikkei 225 companies and 78.0% of TOPIX 100 companies hold board meetings more than once a month. There has been no easing of the legal requirements related to the responsibilities of boards since the enactment of the 2005 Companies Act. The slight increase in the number of meetings per month appears to be due to changes in the index listings.

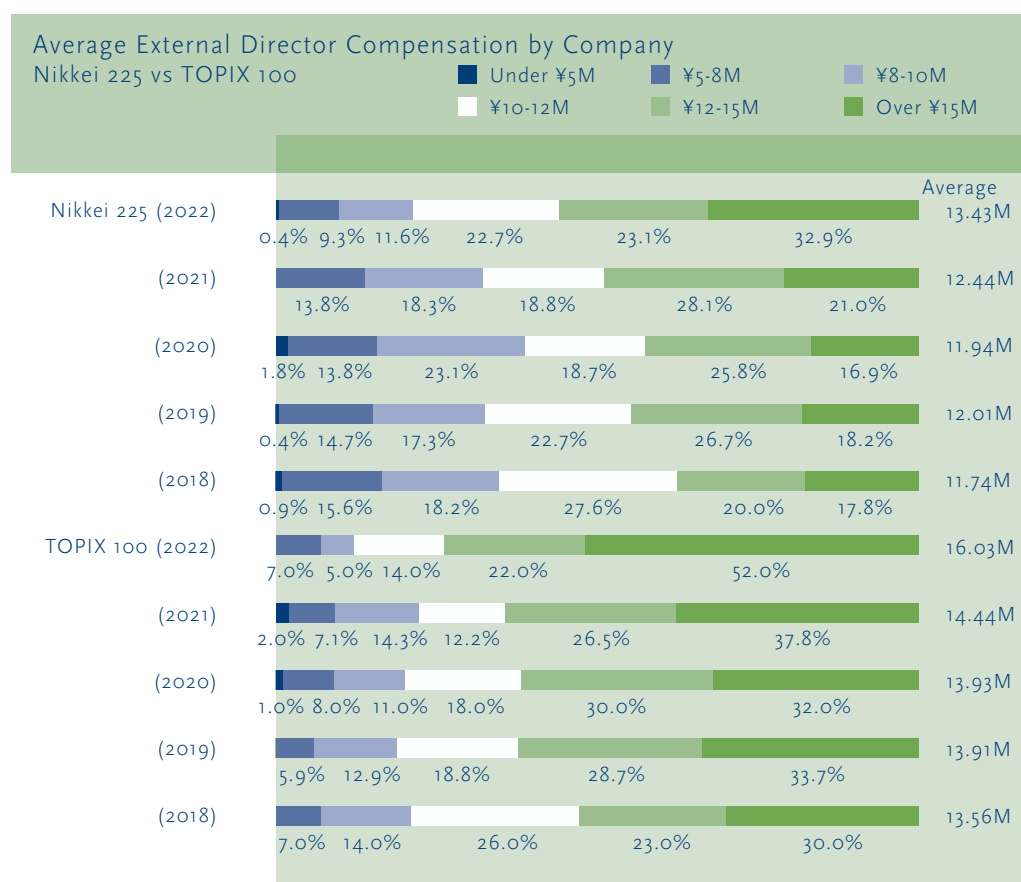


In contrast, last year Western companies increased their meetings in response to COVID 19, but the number has now returned to the normal level of eight to nine meetings a year.



Compensation

Average compensation for external executives (external directors and external *kansayaku*) continues to be higher overall for TOPIX 100 companies than for Nikkei 225 companies. 21.3% of Nikkei 225 companies and 12.0% of TOPIX 100 companies pay an average compensation below ¥10 million. Average compensation for Nikkei 225 companies increased by ¥990,000 to ¥13.43 million, a standard deviation of ¥4.93 million and a variation coefficient of 0.37, still indicating a wide dispersion. The average compensation for TOPIX 100 companies increased by ¥1.59 million over last year, to ¥16.03 million, a standard deviation of ¥6.09 million and a variation coefficient of 0.38, also indicating a wide dispersion. The highest average compensation, ¥40.80 million, is paid by Hitachi Ltd., and the lowest, ¥3.89 million, is paid by Okuma Corporation.



Sustainability and Corporate Governance

The June 2021 Revised Corporate Governance Code requires companies to consider the way in which they address sustainability such as in social and environmental issues, and to disclose details of their responses.

One hundred forty-two Nikkei 225 and TOPIX 100 companies, or 59.9%, have sustainability initiatives including a written “sustainability policy,” or “sustainability vision.” In addition, many companies refer to sustainability in their corporate philosophy or action policies.

To promote these initiatives, 190 Nikkei 225 and TOPIX 100 companies (80.2%) have set up sustainability committees as advisory bodies or other company-wide oversight organizations. Sustainability promotion bodies are, in most cases, composed of the CEO, an executive in charge and representatives of relevant departments. In some companies, however, participants are from outside the company. Twelve companies (5.1%) have external board members on their sustainability committees, 10 companies (4.2%) have outside experts and 3 companies (1.3%) have both external board members and outside experts on their committees.* In addition to internal promotion bodies, 10 companies (4.2%) have advisory committees made up of external experts.

(*Including those acting in an advisory capacity, and those who appear at the company’s invitation as necessary.)

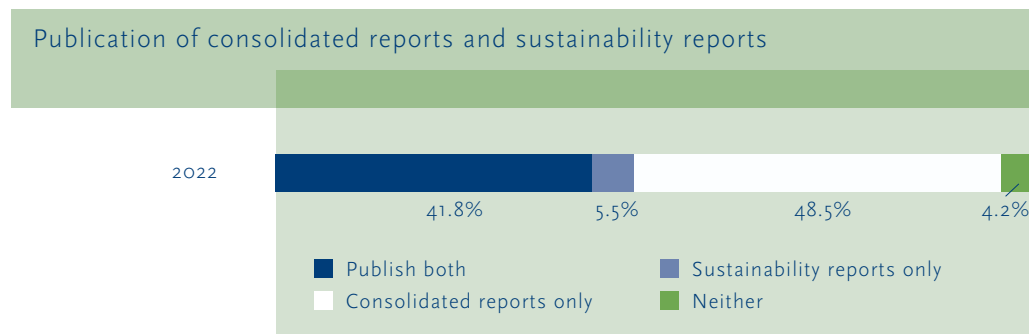


In most cases sustainability committees are chaired by CEOs (58.0%), and just under one-quarter (22.0%) are chaired by another company executive. At 4 companies (1.7%) external board members chair these committees.

Many companies consider sustainability an important management issue, and as such they have set up structures that are headed by company presidents, CEOs or other senior executives. Twenty Nikkei 225 and TOPIX 100 companies (9.7%) have appointed Chief Sustainability Officers (CSOs and similar positions) and of these, 8 companies have dedicated CSOs.

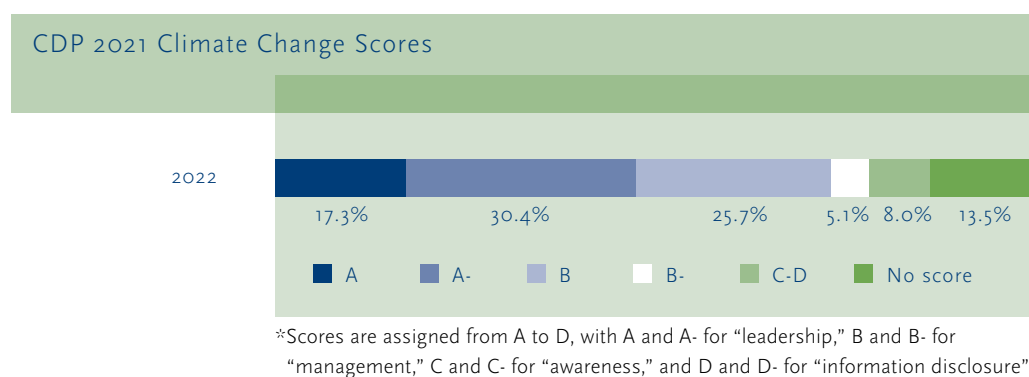
Most companies disclose their sustainability initiatives on their websites. With the exception of one company, 236 Nikkei 225 and TOPIX 100 companies have a web page devoted to the status of their sustainability activities. Details vary, and range from policies, approaches and brief outlines of initiatives to links to consolidated reports, case studies and interviews.

Moreover, 112 Nikkei 225 and TOPIX 100 companies, representing almost half, publish sustainability reports, and 214 Nikkei 225 and TOPIX 100 companies, over 90%, publish consolidated reports. Of the 23 companies not publishing consolidated reports, 13 companies publish sustainability reports only.



Prime listed companies are required under the Revised Corporate Governance Code to follow frameworks for the quality and quantity of sustainability information as designated by international organizations such as the Task Force on Climate Related Financial Disclosures (TCFD). At the time of conducting the surveys for this report, 218 Nikkei 225 and TOPIX 100 companies, over 90%, indicated their intention to disclose information in line with the TCFD framework. These companies are proceeding with their disclosures, and four have published detailed TCFD reports.

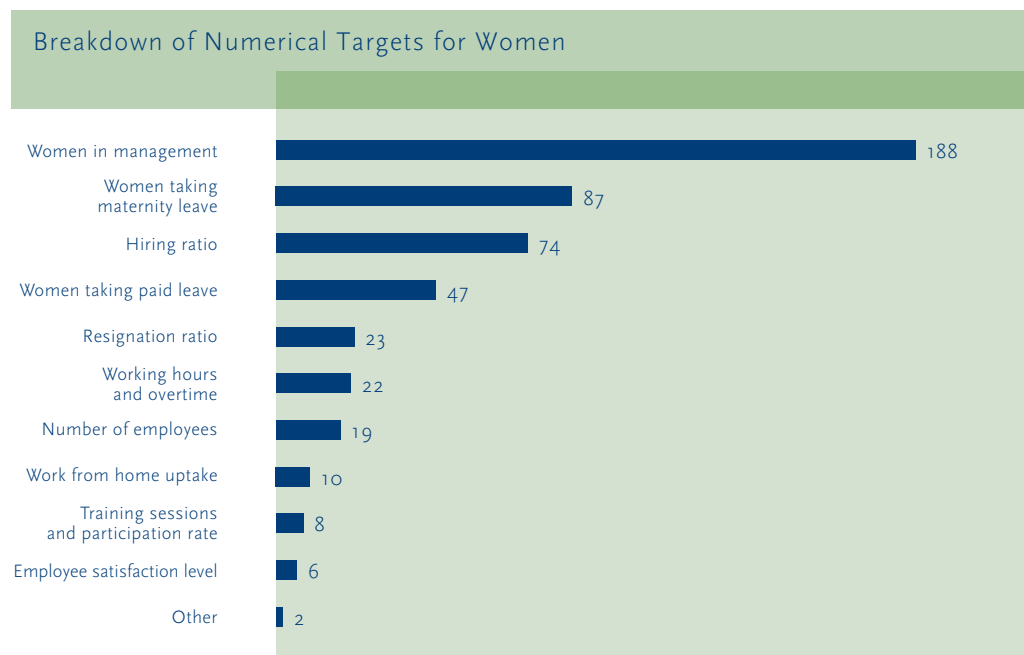
CDP (formerly the Carbon Disclosure Project), an international environmental non-profit organization, provides a system for achieving a global standard in disclosing information within the TCFD framework. CDP sends out questionnaires to companies on their activities in each area, scores each company based on their responses, and uses the results on the ESG investment index, etc. Just under 500 major corporations were the targets of the CDP surveys, but from 2022 all prime listed companies are included. When looking at the initiatives on climate change undertaken by Nikkei 225 and TOPIX 100 companies, of the 205 companies whose information was scored in 2021, 41 companies received a top A rating.



Many Nikkei 225 and TOPIX 100 companies publish their human resources and management approaches on human resources-related web pages. Many others position this information as part of their corporate philosophy and action guidelines. In recent years some companies have begun to include “Human Resources Vision” or “Human Resources Policy” in their corporate governance reports and financial statements, and at present 38 Nikkei 225 and TOPIX 100 companies (16.0%) are doing so.

In addition to approaches to ensure diversity, the Revised Corporate Governance Code requests the disclosure of independent, measurable targets.

The 2015 Act on Promotion of Women's Participation and Advancement in the Workplace requires the formulation and release of action plans that incorporate numerical targets, and now, with some exceptions, almost all companies are releasing specific numerical targets.* The largest number, 188 companies, publish the ratio of women in management positions; the next biggest group, 87 companies, publish the ratio of women taking maternity leave; 74 companies publish the ratio of women hires; 47 publish the ratio of women taking paid leave, and so on. (*Some holding companies have not set action plans or numerical targets for their group as a whole, as they consider it the role of individual group companies. For that reason, 14 Nikkei 225 and TOPIX 100 companies have not released action plans or numerical targets.)



Many companies also release the current status of their mid-career and foreign-national hiring and promotion activities. However, a considerable number list “hiring the right person for the right position,” “no attribute classification,” etc., rather than a specific number of hires.

More companies are incorporating executive compensation calculations in sustainability-related performance indicators (ESG indicators) as one of their governance initiatives. Ninety-seven Nikkei 225 and TOPIX 100 companies (40.9%) specified their use of ESG indicators in annual securities reports and corporate governance reports (including those employing them from 2022). ESG indicators were most often used to calculate performance-linked stock-based compensation, but there were also companies who used them to determine their annual bonuses and base compensation. The main ESG indicators are the reduction amount and ratio of CO₂ emissions and employee engagement indicators.

Comparative Data

Company Information				Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & Kansayaku				
Name	Nikkei 225 Index-100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Age	Average Age External	Average Age Internal	Average Tenure (*)	Average Tenure External (*)	Average Tenure Internal	Board Meetings Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)	
Nippon Suisan	N	693,682	Kansayaku Board	6	3	3	9	1	3	3	4					1	4	2	2	62	63	63	20	9.0	7.6	8.2		
Maruha Nichiro	N	866,702	Kansayaku Board	4	3	3	7	1	4	4	5					1	8	6	6	65	68	68	18	9.0	13.0	11.5		
Inpex	N	1,244,369	Kansayaku Board	7	5	5	12	1	4	4	5					1	6	3	3	65	69	69	14			15.9		
Comsys Holdings	N	589,028	Supervisory Com.	9	5	5	14					1	5	6		1	4	3	3	62	65	65	10	5.7		5.7		
Taisei	N	1,543,240	Kansayaku Board	8	4	4	12	2	4	4	6					1	6	4	4	66	71	71	14	15.5	13.5	14.5		
Obayashi	N	1,922,884	Kansayaku Board	7	5	5	12	2	3	3	5					1	8	2	2	66	65	65	15	10.2	11.0	10.4		
Shimizu	N	1,482,961	Kansayaku Board	8	4	4	12	2	3	3	5					1	6	2	2	65	65	65	17			11.0		
Haseko	N	909,708	Kansayaku Board	8	5	5	13	2	3	3	5					1	7	3	3	64	63	63	13			7.6		
Kajima	N	2,079,695	Kansayaku Board	8	5	5	13	2	3	3	5					1	7	4	4	67	75	75	14			16.3		
Daiwa House Industry	N/T	4,439,536	Kansayaku Board	10	5	5	15	3	3	3	6					1	5	2	2	63	67	67	17			12.3		
Sekisui House	N/T	2,589,579	Kansayaku Board	5	5	5	10	2	3	3	5					1	4	2	2	61	62	62	12			19.0		
JGC Holdings	N	428,401	Kansayaku Board	4	4	4	8	2	3	3	5					1	6	5	5	65	68	68	15			9.4		
Nisshin Seifun Group	N	679,736	Supervisory Com.	8	6	6	14					1	3	4		1	4	3	3	62	72	72	13	10.0		10.0		
Meiji Holdings	N	1,013,092	Kansayaku Board	5	4	4	9	2	2	2	4					1	7	2	2	66	63	63	19	9.0	14.0	10.4		
NH Foods	N	1,174,389	Kansayaku Board	5	3	3	8	2	3	3	5					1	5	2	2	60	64	64	18			13.0		
M3	N/T	208,159 (*)	Supervisory Com.	5	4	3	9					0	3	3		1	8	8	3	54	56	54	11	5.7		5.7		
DeNA	N	130,868 (*)	Kansayaku Board	4	3	3	7	0	4	4	4					1	6	2	2	51	61	61	17			11.7		
Sapporo Holdings	N	437,159 (*)	Supervisory Com.	5	5	5	10					1	2	3		1	2	1	1	58	67	67	13	8.0		8.0		

Company Information			Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & Kansayaku					
Name	Nikkei 225/TOPIX 100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Tenn (years)	Average Age Internal	Average Age External	Average Age External Independent	Average Tenure (*) Internal	Average Tenure (*) External	Average Tenure (*) External Independent	Board Meeting Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)		
Asahi Group Holdings	N/T	2,236,076 (*1)	Kansayaku Board	5	3	3	8	2	3	3	5					1	5	1	1	60	66	66	66	12			15.2	
Kirin Holdings	N/T	1,821,570 (*1)	Kansayaku Board	5	7	7	12	2	3	3	5					1	6	2	2	63	67	67	67	15	15.9	18.0	16.5	
Takara Holdings	N	300,918	Kansayaku Board	4	3	3	7	2	3	2	5					1	7	4	4	59	58	58	58	13			10.0	
Sojitz	N	2,100,752 (*7)	Kansayaku Board	4	4	4	8	2	3	3	5					1	3	2	2	61	64	64	64	16	12.8	8.0	10.4	
Kikkoman	N	516,440 (*1)	Kansayaku Board	8	4	4	12	2	2	2	4					1	12	6	6	68	78	78	78	11	12.0	10.0	11.3	
Ajinomoto	N/T	1,149,370	Three Com.	5	6	6	11									1	2	2	2	60	67	67	67	17	12.9	3.7	10.1	
Nichirei	N	602,696	Kansayaku Board	6	4	4	10	2	3	3	5					1	3	1	1	56	64	64	64	19	10.0	10.7	10.3	
Japan Tobacco	N/T	2,324,838 (*1)	Kansayaku Board	6	4	4	10	2	3	3	5					1	4	3	3	58	67	67	67	13			19.0	
J. Front Retailing	N	331,484 (*1)	Three Com.	4	6	6	10									1	8	2	2	64	69	69	69	15	12.8		12.8	
Isetan Mitsukoshi Holdings	N	418,338	Three Com.	4	6	6	10									1	3	2	2	62	67	67	67	12	12.7		12.7	
Toyobo	N	375,720	Kansayaku Board	5	5	5	10	2	2	2	4					1	3	3	3	62	67	67	67	19			8.4	
Unitika	N	114,713	Kansayaku Board	5	3	3	8	2	2	2	4					1	6	3	3	63	66	66	66	16			7.4	
Tokyu Fudosan Holdings	N	989,049 (*4)	Kansayaku Board	8	5	5	13	2	2	2	4					1	5	2	2	64	65	65	65	12			6.9	
Seven & i Holdings	N/T	8,749,752 (*4)	Kansayaku Board	6	9	9	15	2	3	3	5					1	9	2	2	64	62	62	62	16	17.6	14.3	16.4	
Teijin	N	926,054	Kansayaku Board	6	4	4	10	2	3	3	5					1	3	3	3	60	70	70	70	12	17.8	13.0	15.7	
Toray Industries	N/T	2,228,523 (*1)	Kansayaku Board	8	4	4	12	2	3	3	5					1	5	5	5	66	73	73	73	14	12.0	12.0	12.0	
Kuraray	N	629,370	Kansayaku Board	7	4	4	11	2	3	3	5					1	4	3	3	62	66	66	66	15			12.0	
Asahi Kasei	N/T	2,461,317	Kansayaku Board	6	3	3	9	2	3	3	5					1	3	4	4	63	66	66	66	15	12.3	15.0	13.4	

Company Information				Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & Kansayaku						
Name	Nikkei 225 Index	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Age	Average Age	Average Age	Average Age	Average Age	Average Age	Internal	External	External Independent	Board Meetings Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)
Sumco	N	335,674	Supervisory Com.	5	5	5	10					1	4	5		1	5	4	4	65	65	65	16	9.6		9.6				
Nexon	N	274,462 (*1)	Supervisory Com.	3	4	3	7					0	3	3		1	7	5	7	51	61	66	10	15.7		15.7				
Oji Holdings	N	1,470,161	Kansayaku Board	8	4	4	12	2	3	3	5					1	4	3	3	62	64	64	14			11.5				
Nippon Paper Industries	N	1,045,086	Kansayaku Board	6	3	3	9	2	2	2	4					1	5	4	4	62	69	69	13			10.4				
Showa Denko	N	1,419,635	Kansayaku Board	6	4	4	10	2	3	3	5					1	2	4	4	57	70	70	14	14.5	12.0	13.4				
Sumitomo Chemical	N	2,765,321 (*1)	Kansayaku Board	8	4	4	12	2	3	3	5					1	5	4	4	64	70	70	13	20.0	14.0	17.4				
Nissan Chemical	N	207,972	Kansayaku Board	6	4	4	10	1	3	3	4					1	5	3	3	61	71	71	12			15.6				
Tosoh	N	918,580	Kansayaku Board	5	4	4	9	1	3	3	4					1	3	3	3	61	67	67	16			12.4				
Tokuyama	N	293,830	Supervisory Com.	5	4	4	9					1	4	5		1	4	3	3	62	67	67	17	13.0		13.0				
Denka	N	384,849	Supervisory Com.	5	4	4	9					1	3	4		1	3	3	3	64	64	64	13	6.4		6.4				
Shin-Etsu Chemical	N/T	2,074,428	Kansayaku Board	6	5	5	11	2	3	3	5					1	25	8	8	79	78	78	13			19.0				
Kyowa Kirin	N	352,246 (*1)	Kansayaku Board	4	5	5	9	2	3	2	5					1	4	2	2	62	66	66	13	12.4	15.0	13.6				
Mitsui Chemicals	N	1,612,688 (*1)	Kansayaku Board	5	3	3	8	2	3	3	5					1	3	1	1	61	66	66	16			11.3				
Mitsubishi Chemical Group	N/T	3,976,948 (*1)	Three Com.	4	5	5	9									1	4	3	3	61	62	62	9	14.3		14.3				
Ube	N	655,265	Supervisory Com.	5	5	5	10					1	3	4		1	4	1	1	63	65	65	14	10.4		10.4				
Dentsu Group	N	5,256,492	Supervisory Com.	8	5	5	13					1	5	6		1	3	0	0	55	59	59	16	15.0		15.0				
Kao	N/T	1,418,768	Kansayaku Board	5	4	4	9	2	3	3	5					1	6	3	3	62	66	66	15	18.8	10.0	15.0				
Takeda Pharmaceutical	N/T	3,569,006 (*1)	Supervisory Com.	4	11	11	15					0	4	4		1	7	4	4	56	64	64	8	39.6		39.6				

Company Information			Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors										Avg. Compensation for External Directors & Kansayaku				
Name	Nikkei 225/TOPIX 100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Average Internal Tenure (*)	Average External Tenure (*)	Average Internal Tenure (**)	Average External Tenure (**)	Average Age	Average Age	Average Age	Average Age	Board Meeting Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)	External Directors (¥M)
Astellas Pharma	N/T	1,296,163 (*1)	Supervisory Com.	3	7	7	10					1	3	4		1	3	2	2	60	63	63	13	19.0			19.0		
Sumitomo Pharma	N	560,035 (*1)	Kansayaku Board	5	4	4	9	2	3	2	5						1	4	2	2	62	63	63	22			10.6		
Shionogi	N/T	335,138 (*1)	Kansayaku Board	2	3	3	5	2	3	3	5						1	14	4	4	65	63	63	14			18.5		
Chugai Pharmaceutical	N/T	999,759 (*1)	Kansayaku Board	6	3	3	9	2	3	3	5						2	2	5	5	60	74	74	10	15.0	12.0	13.5		
Eisai	N/T	756,226 (*1)	Three Com.	4	7	7	11										1	11	3	3	66	64	64	11	11.4		11.4		
Ono Pharmaceutical	T	361,361 (*1)	Kansayaku Board	5	3	3	8	2	2	2	4						1	11	2	2	59	65	65	15	12.5	13.0	12.7		
Terumo	N/T	703,303 (*1)	Supervisory Com.	6	5	4	11					1	2	3			1	4	3	3	61	64	66	12	13.0		13.0		
Daiichi Sankyo	N/T	1,044,892 (*1)	Kansayaku Board	5	4	4	9	2	3	3	5						1	3	4	4	62	69	69	17	24.0	15.5	19.8		
Otsuka Holdings	N/T	1,498,276 (*1)	Kansayaku Board	8	5	5	13	1	3	2	4						1	7	3	3	60	68	68	15			10.3		
DIC	N	855,379	Kansayaku Board	6	3	3	9	2	2	2	4						1	6	4	4	62	68	68	16	14.3	9.7	12.0		
Oriental Land	T	275,728	Kansayaku Board	7	4	4	11	1	3	3	4						1	12	6	6	64	79	79	12	12	15.7	14.2		
Z Holdings	N/T	1,567,421 (*1)	Supervisory Com.	6	4	4	10					0	4	4			1	2	2	2	48	56	56	17	23.8		23.8		
Trend Micro	N	190,359	Kansayaku Board	4	2	2	6	0	4	4	4						1	21	8	8	63	80	80	9	8	6.8	7.2		
CyberAgent	N	666,460	Supervisory Com.	4	4	4	8					1	2	3			1	17	3	3	47	56	56	13	10.0		10.0		
Rakuten Group	N	1,681,757 (*1)	Kansayaku Board	4	5	5	9	1	2	2	3						1	11	6	6	58	66	66	15			16.6		
FUJIFILM Holdings Corporation	N/T	2,525,773	Kansayaku Board	7	4	4	11	2	2	2	4						1	3	2	2	63	65	65	14			9.2		
Konica Minolta	N	911,426	Three Com.	4	5	5	9										1	8	2	2	63	65	65	14	10.7		10.7		
Shiseido	N/T	1,035,165	Kansayaku Board	4	4	4	8	2	3	3	5						1	3	3	3	57	64	64	13	13.8	13.0	13.4		

Company Information				Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & Kansayaku				
Name	Nikkei 225 Index-100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Age	Average Age External	Average Age Internal	Average Tenure (*)	Average Tenure External (*)	Average Tenure Internal	Board Meetings Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)	
Idemitsu Kosan	N	6,686,761	Kansayaku Board	7	4	4	11	2	2	2	4						1	3	3	3	59	63	63	15			10.8	
ENEOS Holdings	N/T	10,921,759	Supervisory Com.	11	6	6	17					2	3	5			1	2	3	3	61	67	67	14	11.9		11.9	
Yokohama Rubber	N	670,809 (*1)	Kansayaku Board	6	5	5	11	2	3	2	5						1	3	4	4	56	68	68	14			9.3	
Bridgestone	N/T	3,246,057 (*1)	Three Com.	4	8	8	12										1	2	6	6	64	63	63	16	17.4		17.4	
AGC	N	1,697,383	Kansayaku Board	4	3	3	7	1	3	3	4						1	6	2	2	63	63	63	14	18.7	21.3	20.0	
Nippon Sheet Glass	N	600,568	Three Com.	3	5	4	8										1	2	2	2	55	65	65	10	12.0		12.0	
Nippon Electric Glass	N	292,033	Kansayaku Board	6	4	4	10	2	2	2	4						1	8	3	3	62	66	66	14			7.4	
Sumitomo Osaka Cement	N	184,209	Kansayaku Board	6	3	3	9	2	3	3	5						1	6	2	2	63	60	60	16			7.7	
Taiheiyo Cement	N	708,201	Kansayaku Board	6	3	3	9	2	2	2	4						1	4	3	3	64	71	71	15			12.6	
Tokai Carbon	N	258,874	Kansayaku Board	5	3	3	8	2	2	2	4						1	7	2	2	61	66	66	15			10.0	
TOTO	N	645,273	Supervisory Com.	10	5	5	15					1	3	4			1	5	1	1	59	66	66	12	12.0	12.0	12.0	
NGK Insulators	N	510,439	Kansayaku Board	6	3	3	9	2	2	2	4						1	5	6	6	61	71	71	13	13.7	13.5	13.6	
Nippon Steel	N/T	6,808,890 (*1)	Supervisory Com.	9	5	5	14					2	3	5			1	3	1	1	62	69	69	13	14.4		14.4	
Kobe Steel	N	2,082,582	Supervisory Com.	7	6	6	13					2	3	5			1	4	2	2	62	64	64	15	14.2		14.2	
JFE Holdings	N	4,365,145 (*1)	Kansayaku Board	5	3	3	8	2	3	3	5						1	4	4	4	64	67	67	15			15.3	
Pacific Metals	N	57,129	Kansayaku Board	6	3	3	9	1	3	3	4						1	4	6	6	60	62	62	23			5.8	
Japan Steel Works	N	213,790	Kansayaku Board	5	3	3	8	2	2	2	4						1	2	3	3	61	69	69	18			10.6	
Nippon Light Metal Holdings	N	486,579	Kansayaku Board	9	5	5	14	3	3	3	6						1	4	5	5	61	68	68	13			6.8	

Company Information				Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors										Avg. Compensation for External Directors & Kansayaku				
Name	Nikkei 225/TOPIX 100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Average Age Internal	Average Age External	Average Age External Independent	Average Tenure (*) Internal	Average Tenure (*) External	Average Tenure (*) External Independent	Board Meeting Held Per Year	Average Age External Independent	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)			
Mitsui Mining & Smelting	N	633,346	Kansayaku Board	5	3	3	8	2	2	2	4						1	2	3	3	60	68	68	15				11.3		
Toho Zinc	N	124,279	Supervisory Com.	3	3	3	6					1	2	3			1	9	2	2	65	61	61	26	8.5			8.5		
Mitsubishi Materials	N	1,811,759	Three Com.	3	7	7	10										1	7	3	3	63	66	66	19	18.5			18.5		
Sumitomo Metal Mining	N/T	1,259,091	Kansayaku Board	5	3	3	8	2	2	2	4						1	6	4	4	61	69	69	18	14.0	8.0		11.0		
Dowa Holdings	N	831,794	Kansayaku Board	6	3	3	9	1	3	3	4						1	3	7	7	61	70	70	16				11.1		
Furukawa Electric	N	930,496	Kansayaku Board	6	5	5	11	3	3	3	6						1	4	3	3	60	68	68	16	10.6	9.0		10.0		
Sumitomo Electric	N/T	3,367,863	Kansayaku Board	10	5	5	15	2	3	3	5						1	6	3	3	65	73	73	13				17.0		
Fujikura	N	670,350	Supervisory Com.	6	5	5	11					1	5	6			1	2	2	2	60	66	66	15	8.4			8.4		
Recruit Holdings	N/T	2,871,705 (*1)	Kansayaku Board	4	3	3	7	2	2	2	4						1	6	3	3	49	63	63	13	26.0	14.0		20.0		
Okuma	N	172,809	Kansayaku Board	7	4	4	11	2	2	2	4						1	9	2	2	61	70	70	12				3.9		
Amada	N	312,658 (*1)	Kansayaku Board	5	4	4	9	2	2	2	4						1	4	5	5	60	71	71	8				7.2		
Japan Post Holdings	N/T	11,264,774 (*6)	Three Com.	4	9	9	13										1	3	4	4	67	65	65	15	10.0			10.0		
SMC	T	727,397	Kansayaku Board	8	4	4	12	1	2	2	3						1	5	4	4	58	66	66	10	11.8	7.5		10.3		
Komatsu	N/T	2,802,323	Kansayaku Board	5	4	4	9	2	3	3	5						1	5	1	1	63	68	68	15	17.0	18.3		17.6		
Sumitomo Heavy Industries	N	943,979	Kansayaku Board	6	3	3	9	2	2	2	4						1	3	6	6	62	70	70	13				8.0		
Hitachi Construction Machinery	N	1,024,961 (*1)	Three Com.	5	5	4	10										1	3	3	4	61	63	63	16	11.8			11.8		
Kubota	N/T	2,196,766	Kansayaku Board	6	4	4	10	3	3	3	6						1	5	5	5	64	69	69	13	15.8	10.8		13.3		
Ebara	N	603,213 (*1)	Three Com.	3	7	7	10										1	5	3	3	63	66	66	15	15.4			15.4		

Company Information			Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & Kansayaku				
Name	Nikkei 225 Index	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Age	Average Age	Average Age	Average Age	Average Age	Average Age	Board Meetings Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)
Daikin Industries	N/T	3,109,106	Kansayaku Board	7	4	4	11	2	2	2	4						1	13	4	4	71	73	73	15			14.1
NSK	N	865,166	Three Com.	4	5	5	9										1	6	1	1	61	70	70	10	12.3		12.3
NTN	N	642,023	Three Com.	6	6	6	12										1	4	3	3	63	63	63	15	16.4		16.4
JTEKT	N	1,428,426 (*1)	Kansayaku Board	3	3	2	6	2	2	1	4						1	3	4	4	61	67	64	14			11.3
Minebea Mitsumi	N	1,124,140	Kansayaku Board	6	5	5	11	1	3	3	4						1	10	5	5	63	64	64	13			11.0
Hitachi	N/T	10,264,602 (*1)	Three Com.	3	9	9	12										1	4	5	5	66	63	63	9	40.8		40.8
Toshiba	T	3,336,967	Three Com.	2	10	10	12										1	0	1	1	56	59	59	27	29.8		29.8
Mitsubishi Electric	N/T	4,476,758	Three Com.	5	7	7	12										1	1	5	5	60	69	69	20	15.8		15.8
Fuji Electric	N	910,226	Kansayaku Board	6	4	4	10	2	3	3	5						1	6	4	4	64	69	69	13			8.3
Yaskawa Electric	N	479,082 (*1)	Supervisory Com.	8	5	5	13					2	4	6			1	7	2	2	61	55	55	13	15.2		15.2
Makita	T	739,260 (*1)	Supervisory Com.	10	5	5	15					1	3	4			1	11	2	2	64	68	68	12			5.0
Nidec	T	1,918,174	Supervisory Com.	5	6	6	11					2	3	5			1	11	2	2	68	64	64	22	7.0		7.0
Omron	N/T	762,927	Kansayaku Board	5	3	3	8	2	2	2	4						1	11	2	2	64	64	64	13	16.0	15.0	15.6
GS Yuasa	N	432,133	Kansayaku Board	4	3	3	7	2	2	2	4						1	3	4	4	60	67	67	19			7.3
NEC	N	3,014,095 (*1)	Kansayaku Board	5	5	5	10	2	3	3	5						1	5	2	2	61	68	68	14			15.2
Fujitsu	N/T	3,586,839 (*1)	Kansayaku Board	4	5	5	9	2	3	3	5						1	5	4	4	62	66	66	NA	12.8	15.0	13.4
Oki Electric Industry	N	352,064	Kansayaku Board	5	4	4	9	2	3	3	5						1	4	4	4	60	67	67	14	13.3	8.0	11.0
Seiko Epson	N	1,128,914 (*1)	Supervisory Com.	5	5	5	10					1	3	4			1	10	5	5	61	70	70	13	15.4		15.4

Company Information			Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors										Avg. Compensation for External Directors & Kansayaku								
Name	Nikkei 225/TOPIX 100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Average Age Internal	Average Age External	Average Age External Independent	Average Tenure (*) Internal	Average Tenure (*) External	Average Tenure (*) External Independent	Board Meeting Held Per Year	Average Age External Independent	Average Age External Independent	Average Age External Independent	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)	External Directors (¥M)	External Directors (¥M)	External Directors (¥M)	
Panasonic Holdings	N/T	7,388,791	Kansayaku Board	7	5	5	12	2	3	3	5						1	4	4	4	61	63	63	13	15.7	13.0	14.9						
Sharp	N	2,495,588	Supervisory Com.	2	5	3	7					0	3	3			1	0	3	2	54	65	70	14	18.0		18.0						
Sony Group	N/T	9,921,513 (*11)	Three Com.	3	7	7	10										1	7	3	3	60	62	62	10	20.6		20.6						
TDK	N	1,902,124	Kansayaku Board	4	3	3	7	2	3	3	5						1	3	1	1	59	64	64	14	12.0	12.0	12.0						
Alps Alpine	N	802,854	Supervisory Com.	7	5	5	12					2	3	5			1	7	3	3	62	62	62	13	12.2		12.2						
Yokogawa Electric	N	389,901	Kansayaku Board	4	5	5	9	2	3	3	5						1	8	3	3	60	67	67	14	12.0	11.3	11.8						
Advantest	N	416,901	Supervisory Com.	6	5	5	11					1	2	3			1	5	4	4	61	68	68	13	13.8		13.8						
Keyence	N/T	755,174	Kansayaku Board	6	3	3	9	0	3	3	3						1	12	1	1	54	54	54	11			5.7						
Sysmex	T	363,780	Supervisory Com.	7	5	4	12					1	2	3			1	8	3	2	62	65	67	15	6.8		6.8						
Denso	N/T	5,515,512 (*1)	Kansayaku Board	5	3	3	8	2	2	2	4						1	3	2	2	61	62	62	12	16.0	12.5	14.6						
Lasertec	T	70,248	Kansayaku Board	5	4	4	9	1	2	1	3						1	15	6	6	57	71	71	12	10.0	6.6	8.5						
Casio Computer	N	252,322	Supervisory Com.	6	3	3	9					1	2	3			1	5	3	3	60	65	65	14	11.0		11.0						
Fanuc	N/T	733,008	Supervisory Com.	5	6	6	11					2	3	5			1	10	3	3	64	68	68	12	12.5	4.7	10.4						
Kyocera	N/T	1,838,938	Kansayaku Board	6	3	3	9	2	2	2	4						2	9	3	3	62	58	58	12	9.8	11.0	10.2						
Taiyo Yuden	N	349,636	Kansayaku Board	4	3	3	7	2	2	2	4						1	8	4	4	62	66	66	17	8.3	15.0	11.0						
Murata Manufacturing	N/T	1,812,521	Supervisory Com.	5	5	5	10					1	3	4			1	11	3	3	61	65	65	12	15.0		15.0						
Nitto Denko	N	853,448 (*1)	Kansayaku Board	4	6	6	10	2	3	3	5						1	7	5	5	60	67	67	12	15.8	14.7	15.4						
Mitsui E&S Holdings	N	579,363	Kansayaku Board	4	3	3	7	2	2	2	4						1	2	3	3	60	69	69	19			9.3						

Company Information				Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & Kansayaku			
Name	Nikkei 225 Index-100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Age	Average Age	Average Age	Average Age	Average Age	Board Meetings Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)	
Hitachi Zosen	N	441,797	Kansayaku Board	6	3	3	9	2	2	2	4						1	6	5	5	64	71	71	14		8.5	
Mitsubishi Heavy Industries	N/T	3,860,283 (*1)	Supervisory Com.	6	6	6	12					2	3	5			1	4	4	4	64	68	68	14	10.9	10.9	
Kawasaki Heavy Industries	N	1,500,879	Supervisory Com.	6	6	6	12					2	3	5			1	4	2	2	64	63	63	13	13.3	13.3	
IHI	N	1,172,904 (*1)	Kansayaku Board	8	4	4	12	2	3	3	5						1	3	1	1	61	63	63	17		9.3	
Concordia Financial Group	N	286,979 (*9)	Kansayaku Board	4	3	3	7	2	3	3	5						1	1	2	2	55	64	64	14		9.1	
Nissan Motor	N/T	8,424,585	Three Com.	5	7	7	12										1	2	3	3	62	63	63	14	24.4	24.4	
Isuzu Motors	N	2,514,291	Supervisory Com.	8	5	5	13					2	3	5			1	4	2	2	63	67	67	15		14.8	
Toyota Motor	N/T	31,379,507 (*4)	Kansayaku Board	6	3	3	9	3	3	3	6						1	9	4	4	61	64	64	14	49.3	18.0	33.7
Hino Motors	N	1,459,706	Kansayaku Board	5	3	3	8	2	2	1	4						1	2	3	3	60	71	71	12	9.0	6.3	7.9
Mitsubishi Motors	N	2,038,909	Three Com.	2	11	5	13										1	2	3	3	62	65	67	15	15.0	15.0	
Mazda Motor	N	3,120,349	Supervisory Com.	10	6	6	16					2	4	6			1	4	4	4	61	68	68	15	13.7	13.7	
Honda Motor	N/T	14,552,696 (*1)	Three Com.	6	5	5	11										1	4	2	2	60	65	65	10	17.6	17.6	
Suzuki Motor	N/T	3,568,380	Kansayaku Board	6	3	3	9	2	3	3	5						1	6	1	1	63	57	57	15	12.0	12.0	12.0
Subaru	N/T	2,744,520 (*1)	Kansayaku Board	6	3	3	9	2	3	3	5						1	2	3	3	61	69	69	13		11.8	
Yamaha Motor	N	1,812,496	Kansayaku Board	5	5	5	10	2	2	2	4						1	3	3	3	59	62	62	14	16.5	11.0	14.1
Shimano	T	546,515	Kansayaku Board	5	3	3	8	2	2	2	4						2	17	8	8	64	70	70	13		10.0	
Nikon	N	539,612 (*1)	Supervisory Com.	6	5	5	11					2	3	5			1	5	1	1	64	67	67	18	15.0	15.0	
Olympus	N/T	868,867	Three Com.	3	9	9	12										1	5	3	3	62	61	61	12	13.8	13.8	

Company Information				Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors										Avg. Compensation for External Directors & Kansayaku			
Name	Nikkei 225/TOPIX 100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Tenn (years)	Average Internal	Average External	Average External	Average Internal	Average External	Average Internal	Average External	Board Meeting Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)		
SCREEN Holdings	N	411,865	Kansayaku Board	4	4	4	8	2	2	2	4						1	6	4	4	63	63	63	14			10.7		
Hoya	T	661,466 (*1)	Three Com.	2	6	6	8										1	0	4	4	50	67	67	9	20.8		20.8		
Canon	N/T	3,513,357	Kansayaku Board	3	2	2	5	2	3	3	5						1	24	5	5	80	73	73	12	16.0	19.3	17.7		
Ricoh	N	1,758,587	Kansayaku Board	3	5	5	8	2	3	3	5						1	5	3	3	63	67	67	12	14.2	12.0	13.4		
Citizen Watch	N	281,417	Kansayaku Board	6	3	3	9	1	2	2	3						1	6	2	2	61	66	66	17			10.6		
Bandai Namco Holdings	N/T	889,270	Supervisory Com.	9	5	5	14					1	3	4			1	4	2	2	59	59	59	18			12.1		
Toppan	N	1,547,533	Kansayaku Board	6	3	3	9	2	3	3	5						1	10	7	7	64	57	57	18			13.3		
Dai Nippon Printing	N	1,344,147	Kansayaku Board	8	4	4	12	2	3	3	5						1	12	3	3	67	68	68	12			15.2		
Yamaha	N	408,197 (*1)	Three Com.	2	6	6	8										1	8	3	3	62	62	62	14	11.1		11.1		
Nintendo	N/T	1,695,344	Supervisory Com.	6	4	3	10					1	3	4			1	8	3	4	59	60	61	12	9.0		9.0		
Itochu	N/T	12,293,348 (*7)	Kansayaku Board	6	4	4	10	2	3	3	5						1	6	4	4	64	66	66	15	16.2	15.0	15.7		
Marubeni	N/T	8,508,591 (*7)	Kansayaku Board	4	6	6	10	2	3	3	5						1	4	3	3	64	68	68	17	16.8	17.0	16.9		
Toyota Tsusho	N	8,028,000 (*7)	Kansayaku Board	4	4	3	8	2	3	3	5						1	2	5	5	61	63	62	13			14.3		
Mitsui & Co.	N/T	11,757,559 (*7)	Kansayaku Board	9	5	5	14	2	3	2	5						1	2	5	5	58	67	67	15	20.8	20.0	20.5		
Tokyo Electron	N/T	2,003,805	Kansayaku Board	3	3	3	6	2	3	3	5						1	6	3	3	60	59	59	12	26.0	14.3	21.0		
Sumitomo Corp.	N/T	5,495,015 (*7)	Kansayaku Board	6	5	5	11	2	3	3	5						1	4	3	3	62	71	71	22	19.0	13.5	16.6		
Mitsubishi Corp.	N/T	17,264,828 (*7)	Kansayaku Board	6	5	5	11	2	3	3	5						1	1	3	3	61	65	65	11	30.0	21.0	26.6		
Unicharm	T	782,723	Supervisory Com.	4	2	2	6					1	2	3			1	11	2	2	65	65	65	9	6.7		6.7		

Company Information			Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & Kansayaku				
Name	Nikkei 225 Index	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Age	Average Age External	Average Age Internal	Average Tenure (*)	Average Tenure (*) External	Average Tenure (*) Internal	Board Meetings Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)
Takashimaya	N	761,124 (*4)	Kansayaku Board	8	4	4	12	2	2	2	4					1	6	3	3	64	63	63	14			9.3	
Marui Group	N	209,323 (*1)	Kansayaku Board	3	3	3	6	2	2	2	4					1	13	3	3	55	56	56	10			9.1	
Credit Saison	N	299,017 (*10)	Kansayaku Board	6	3	3	9	1	3	3	4					1	12	4	4	58	57	57	19	8.0	12.0	10.0	
Aeon	N/T	8,715,957 (*4)	Three Com.	3	4	4	7									1	11	4	4	62	67	67	7	15.0		15.0	
Aozora Bank	N	134,737 (*9)	Kansayaku Board	4	4	4	8	1	2	2	3					1	3	6	6	58	72	72	15	14	12	13.3	
Mitsubishi UFJ Financial Group	N/T	6,075,887 (*9)	Three Com.	7	9	9	16									1	2	3	3	60	67	67	10	21.5		21.5	
Resona Holdings	N/T	844,700 (*9)	Three Com.	3	7	7	10									1	2	3	3	56	69	69	18	12.9		12.9	
Sumitomo Mitsui Trust Holdings	N/T	1,401,091 (*9)	Three Com.	8	7	7	15									1	4	3	3	60	70	70	16	11.4		11.4	
Sumitomo Mitsui Financial Group	N/T	4,111,127 (*9)	Three Com.	8	7	7	15									1	5	6	6	62	70	70	10	19.7		19.7	
Chiba Bank	N	236,092 (*9)	Kansayaku Board	6	3	3	9	2	3	3	5					2	6	5	5	59	64	64	16			12.8	
Fukuoka Financial Group	N	280,427 (*9)	Supervisory Com.	8	4	4	12					1	2	3		1	3	4	4	60	63	63	13	10.3		10.3	
Shizuoka Bank	N	241,600 (*9)	Kansayaku Board	5	4	4	9	2	3	3	5					1	8	4	4	59	66	66	12			8.7	
Mizuho Financial Group	N/T	3,963,091 (*9)	Three Com.	6	6	6	12									1	2	4	4	57	72	72	24	17.7		17.7	
Orix	N/T	2,520,365 (*4)	Three Com.	5	6	6	11									1	5	2	2	61	63	63	9	15.1		15.1	
Daiwa Securities Group	N/T	619,471 (*4)	Three Com.	7	7	7	14									1	7	4	4	58	67	67	10	20.1		20.1	
Nomura Holdings	N/T	1,593,999 (*8)	Three Com.	4	8	8	12									1	3	3	3	59	66	66	12	16.6		16.6	
Matsui Securities	N	30,616 (*4)	Supervisory Com.	9	6	6	15					0	3	3		1	7	2	2	48	67	67	17			8.7	
Sompo Holdings	N/T	4,167,496 (*6)	Three Com.	4	10	10	14									1	3	3	3	61	60	60	13	14.0		14.0	

Company Information				Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors										Avg. Compensation for External Directors & Kansayaku					
Name	Nikkei 225/TOPIX 100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Average Internal	Average External	Average External	Average Internal Tenure (*)	Average External Tenure (*)	Average External Tenure (*)	Average Age	Average Age	Average Age	Board Meeting Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)		
Japan Exchange Group	N/T	135,432 (*4)	Three Com.	5	9	9	14										1	4	5	5	65	70	70	12	16.4			16.4			
MS&AD Insurance Group Holdings	N/T	5,132,042 (*6)	Kansayaku Board	6	5	5	11	2	2	2	4						1	5	3	3	64	63	63	12				13.5			
Dai-ichi Life Holdings	N/T	8,209,708 (*6)	Supervisory Com.	8	7	7	15					2	3	5			1	5	4	4	58	65	65	12	16.7			16.7			
Tokio Marine Holdings	N/T	5,863,770 (*6)	Kansayaku Board	8	6	6	14	2	3	3	5						1	3	5	5	60	67	67	10	16.3	17.0	16.6				
T&D Holdings	N	2,614,377 (*6)	Supervisory Com.	7	6	5	13					2	3	5			1	2	2	3	60	58	61	17	11.4			11.4			
Mitsui Fudosan	N/T	2,100,870	Kansayaku Board	8	4	4	12	2	3	3	5						2	8	3	3	65	71	71	12				15.3			
Mitsubishi Estate	N/T	1,349,489 (*4)	Three Com.	8	7	7	15										1	6	5	5	62	69	69	10	15.4			15.4			
Tokyo Tatemono	N	340,477 (*4)	Kansayaku Board	8	4	4	12	2	2	2	4						2	6	2	2	59	65	65	15				6.8			
Sumitomo Realty & Development	N/T	939,430	Kansayaku Board	7	2	2	9	2	2	2	4						2	13	3	3	63	77	77	NA				18.0			
Tobu Railway	N	506,023 (*4)	Kansayaku Board	7	4	4	11	2	3	3	5						1	7	3	3	61	67	67	12				8.4			
Tokyu	N	879,112 (*4)	Kansayaku Board	8	4	4	12	2	2	2	4						1	7	3	3	66	64	64	13	7.0	9.0	7.5				
Odakyu Electric Railway	N	358,753 (*4)	Kansayaku Board	6	4	4	10	2	3	3	5						1	5	3	3	60	71	71	13				10.4			
Keio	N	299,872 (*4)	Supervisory Com.	10	5	5	15					1	3	4			1	3	5	5	59	69	69	11	14.2			14.2			
Keisei Electric Railway	N	214,157 (*4)	Kansayaku Board	8	4	4	12	1	4	4	5						1	4	4	4	57	70	70	10				8.0			
East Japan Railway	N/T	1,978,967 (*4)	Kansayaku Board	8	4	4	12	1	4	4	5						1	6	4	4	60	68	68	16				17.0			
West Japan Railway	N/T	1,031,103 (*4)	Supervisory Com.	9	8	8	17					1	3	4			1	3	1	1	59	65	65	16	9.4	12.7	10.6				
Central Japan Railway	N/T	935,139 (*4)	Kansayaku Board	8	4	4	12	1	4	4	5						1	8	1	1	63	66	66	12				20.6			
Yamato Holdings	N	1,793,618 (*4)	Kansayaku Board	4	5	5	9	2	3	3	5						1	2	3	3	61	67	67	18	14.6	11.0	13.3				

Company Information			Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & Kansayaku			
Name	Nikkei 225/TOPIX-100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Age	Average Age	Average Age	Average Age	Average Age	Board Meetings Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)
Nippon Yusen	N	2,280,775	Kansayaku Board	5	3	3	8	2	2	2	4					1	6	5	5	62	68	68	18	19.0	13.5	16.8
Mitsui O.S.K. Lines	N	1,269,310	Kansayaku Board	5	3	3	8	2	2	2	4					1	4	5	5	62	69	69	18	13.7	12.0	13.0
Kawasaki Kisen	N	756,983	Kansayaku Board	5	4	3	9	2	2	2	4					1	4	2	2	62	62	68	18			9.3
Nippon Express Holdings	N	1,763,282	Kansayaku Board	6	3	3	9	2	3	3	5					1	0	0	0	63	67	67	13			7.3
ANA Holdings	N/T	1,020,324	Kansayaku Board	7	4	4	11	2	3	3	5					1	4	5	5	62	66	66	14			15.8
Mitsubishi Logistics	N	257,230 (*4)	Kansayaku Board	8	5	5	13	2	3	3	5					1	4	2	2	61	68	68	12	9.2	14.0	11.0
Nippon Telegraph and Telephone	N/T	12,156,447 (*4)	Kansayaku Board	5	5	5	10	2	4	4	6					2	4	1	1	61	68	68	15			17.3
KDDI	N/T	5,446,708	Kansayaku Board	6	6	4	12	2	3	3	5					1	8	2	1	61	65	66	12	16.8	13.3	15.2
SoftBank	N/T	5,690,606	Kansayaku Board	7	6	5	13	2	2	2	4					1	12	3	3	60	61	64	12	12.5	14.5	13.0
Tokyo Electric Power Company Holdings	N	5,309,924	Three Com.	7	6	5	13									1	2	3	4	58	68	71	18	9.3		9.3
Chubu Electric Power	N	2,705,162 (*3)	Kansayaku Board	5	4	4	9	2	3	3	5					1	4	3	3	62	64	64	16			13.7
Kansai Electric Power	N	2,851,894 (*3)	Three Com.	5	8	8	13									1	2	3	3	62	72	72	12	16.5		16.5
Tokyo Gas	N	2,145,197	Three Com.	3	6	6	9									1	7	2	2	66	64	64	12	12.7	3.0	9.4
Osaka Gas	N	1,586,879	Kansayaku Board	6	4	4	10	2	3	3	5					1	6	4	4	62	71	71	13	11.0	11.7	11.3
Toho	N	228,367 (*5)	Supervisory Com.	6	3	3	9					1	3	4		1	11	4	4	61	61	61	10	6.7		6.7
NTT Data	N	2,551,906	Supervisory Com.	5	8	7	13					0	4	4		1	4	2	2	63	63	63	16	22.3		22.3
Secom	N/T	1,049,859	Kansayaku Board	6	4	4	10	2	3	3	5					1	8	6	6	63	71	71	13	10.0	8.3	9.3
Konami Group	N	299,522 (*2)	Supervisory Com.	5	3	3	8					0	3	3		1	12	10	10	57	70	70	9	6.3	3.5	5.2

Company Information			Number of Directors				Number of Kansayaku				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & Kansayaku				
Name	Nikkei 225/TOPIX 100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Term (years)	Average Tenure (Internal)	Average Tenure (External)	Average Tenure (External Independent)	Average Age (Internal)	Average Age (External)	Average Age (External Independent)	Board Meetings Held Per Year	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M) + External Kansayaku (¥M)	External Directors (¥M)	External Kansayaku (¥M)
Nitori Holdings	T	811,581	Supervisory Com.	8	5	5	13					1	2	3	1	12	1	1	64	71	71	71	13	9.7		9.7	
Fast Retailing	N/T	2,132,992 (*1)	Kansayaku Board	4	5	5	9	2	3	3	5					1	15	8	8	55	64	64	13	10.0	1.0	6.0	
SoftBank Group	N/T	6,221,534	Kansayaku Board	4	5	4	9	0	4	3	4					1	19	2	2	61	62	62	14			23.9	

*Nikkei 225/TOPIX 100: N=company listed on Nikkei 225; T=company listed on TOPIX 100; N/T=company listed on both Nikkei 225 and TOPIX 100

*Information not listed in the company's securities report was sourced from the Tokyo Stock Exchange's Listed Company Information, Notice of AGM and attachments on the company's website, or from Independent Director Reports. NA indicates that the information was unable to be confirmed from any of these sources.

*Left blank when category is not applicable

*Tenure is listed as "0" years where the appointment was made in the current year.

*Supervisory Committee terms are two years.

*Sales notes

*1: Sales

*2: Sales and operating income

*3: Sales (operating revenue)

*4: Operating revenue

*5: Operating income

*6: Ordinary revenue

*7: Revenue

*8: Total revenue

*9: Consolidated ordinary revenue

*10: Net Income

*11: Sales and financial services revenue

About Spencer Stuart

Spencer Stuart is a global leadership advisory firm with offices in more than 70 cities in over 30 countries. We recruit senior executives and board directors, conduct internal assessments to identify next-generation corporate leaders and offer leadership consulting services. Since our founding in 1956, we have been providing a broad range of services to meet the needs of client companies, based on the extensive network of senior executives we have built around the world. Spencer Stuart established its Japan office in 1985.

About Our Board Services

Structuring boards and ensuring their effectiveness are key themes in corporate governance for all types of organizations around the world. All boards are exploring ways to reform their operations by hiring external directors with greater independence and introducing new management monitoring methods as new laws are passed, regulations change and investors call for better governance. Spencer Stuart's Board Practice supports our clients in addressing these issues through the recruitment of board directors, through consulting services and by assisting our clients in strengthening their board structures and establishing better governance. For over 35 years in Japan, Spencer Stuart has served a variety of clients including multinational corporations, start-ups, private companies and non-profit organizations by conducting board searches and providing counseling services. As we continue to expand our Board Service, we hope to contribute to stronger corporate governance in Japan.

Our Expertise

- External director and *kansayaku* recruitment.
- Our local experience and insight is built into our global Board Practice to provide consulting services related to board* structure and operation. (*Including the various committees functioning under the *kansayaku*, three committees and supervisory committee board structures.)
- Board member assessment and board evaluation that considers the inherent characteristics of each organization and business.
- Studies of Japanese board trends and best practice, including publication of a compilation of these findings in the *Japan Spencer Stuart Board Index* and other reports.
- Round-table discussions and seminars for directors and *kansayaku*.

For further information, please see our website:

<https://www.spencerstuart.jp/what-we-do/our-capabilities/board-services>

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