

The background features a series of overlapping, wavy bands in shades of light grey, teal, dark blue, and brown. Each band is decorated with a repeating pattern of concentric, semi-circular lines, creating a textured, wave-like effect. The Spencer Stuart logo is positioned in the upper left corner.

SpencerStuart

2023 Japan

Spencer Stuart
Board Index

Contents

Introduction	4
Key Findings	6
Board Structure	8
Board Organization and Processes	28
Compensation	30
Sustainability and Corporate Governance	31
Comparative Data	35

Japan Spencer Stuart Board Index 2023

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 2023* is the 12th issue.

A variety of initiatives have been put in place in Japanese corporate governance since the implementation of the Corporate Governance Code in 2015. For example, the increase in external directors on corporate boards has enabled monitoring of corporate activities from outside and promoted transparency in management. The increasing number of companies shifting to supervisory and other committee formats has strengthened the monitoring of executive officers. In addition, the importance of information disclosure in improving governance has resulted in more companies releasing non-financial, human capital information such as a "skill matrix" of executive experience and capability, and efforts to achieve diversity, etc. Further, the 2022 Tokyo Stock Exchange reorganization that established the Prime index of listed companies has resulted in a demand for even greater improvements in governance.

In 2023, however, there was a spate of corporate misconduct among companies that had not been developing governance initiatives. Big Motor, a major used car dealer, was found to be making fraudulent insurance claims, and the case revealed that its board was not meeting with the frequency required under corporate law, nor did it have an internal reporting system. Years of sexual abuse covered up by Johnny & Associates (currently Smile-Up.), a talent agency, became a human rights issue under the Corporate Governance Code and had a profound impact, not only on the companies it had dealings with in the business community, but on the broader society. Both companies are non-listed, family-run businesses, but regardless of their listing status or size, maintaining stakeholder trust is essential to their operations. We are reminded that actions to strengthen governance are essential to companies of all types.

Expectations are growing year by year as to the role of external directors in preventing this type of corporate misconduct and in enhancing transparency. For example, in cases where misconduct is suspected, external directors can be appointed to investigative committees that operate from an independent position. The number of companies where external directors head boards or committees, or who are involved in setting senior executive compensation, is increasing. Presentations by external directors at shareholder meetings can increase shareholder confidence. In order for external directors to become involved in such

a wide range of activities, it is essential that not only are they present at board meetings but that they read documents and observe activities on the ground to develop a deep understanding of the company's operations. The considerable time and effort required to do this is one factor behind the current shortage of external board directors.

Japanese companies are making steady progress in establishing governance structures, including the appointment of external directors. That said, not only CEOs and board members, but all company employees must be aware of the importance of strong corporate governance in enhancing corporate value and preventing misconduct. We will maintain a close watch on the actions that companies take moving forward.

The *Japan Spencer Stuart Board Index 2023* provides a detailed picture of the current state of corporate governance and trends 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.

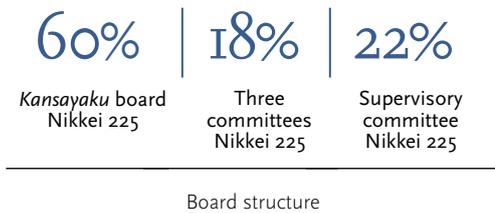
In addition to executive search, Spencer Stuart supports corporate leadership in a number of ways. The mainstay of this support is our Board Service, where we conduct board searches and offer consulting services related to board structure, as well as original research in this area. Spencer Stuart takes pride in our Board Service, which reflects the rich knowledge and experience we have accumulated. The *Japan Spencer Stuart Board Index 2023* 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 that the information on Japanese corporate governance and its direction presented in the *Japan Spencer Stuart Board Index 2023* will provide insight and be of benefit to you.

Key Findings

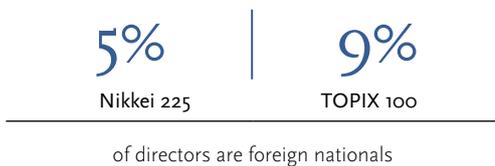
Of the companies surveyed, TOPIX 100 companies are selected for their higher market capitalization and liquidity. In contrast, Nikkei 225 companies are selected for their high liquidity and to establish a balance between industries. Note that 93 of the Nikkei 225 companies are also listed on the TOPIX 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, over 20% of companies have moved to a supervisory committee structure in the eight years since the revised Companies Act.



There are in total 1,102 external directors on the boards of Nikkei 225 companies and 540 on the boards of TOPIX 100 companies, and the upward trend is continuing in both indexes. Among the external director group, the ratio of independent directors with no conflict of interest is high, at 98% for Nikkei 225 companies and 99% for TOPIX 100 companies. Independent external directors are now the mainstream.



Foreign directors are increasing year by year, and now make up 29% of Nikkei 225 company boards and 44% of TOPIX 100 company boards. The ratio of foreign nationals on boards is showing a slight increase over last year, at 5% for Nikkei 225 companies and 9% for TOPIX 100 companies. However, figures for Japan are low compared with the United Kingdom (35%) and France (37%).

Women are on the boards of 98% of Nikkei 225 companies and 99% of TOPIX 100 companies. Representation 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 17% for Nikkei 225 companies and 19% for TOPIX 100 companies, well below France (45%), the United Kingdom (40%) and the United States (33%). Furthermore, the ratio of companies whose boards have over 30% female representation remains low, at 7% of Nikkei 225 companies and 10% of TOPIX 100 companies.



of directors are women

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



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

Nikkei 225 companies hold board meetings on average 13.9 times per year and TOPIX 100 companies 13.1 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 seven to nine times a year.



board meetings held per year

Average compensation for both external directors and external *kansayaku* is ¥14.02 million for Nikkei 225 companies, and ¥16.72 million for TOPIX 100 companies, which is a 4% increase for both Nikkei 225 and TOPIX 100 companies over last year.



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

A note on the data

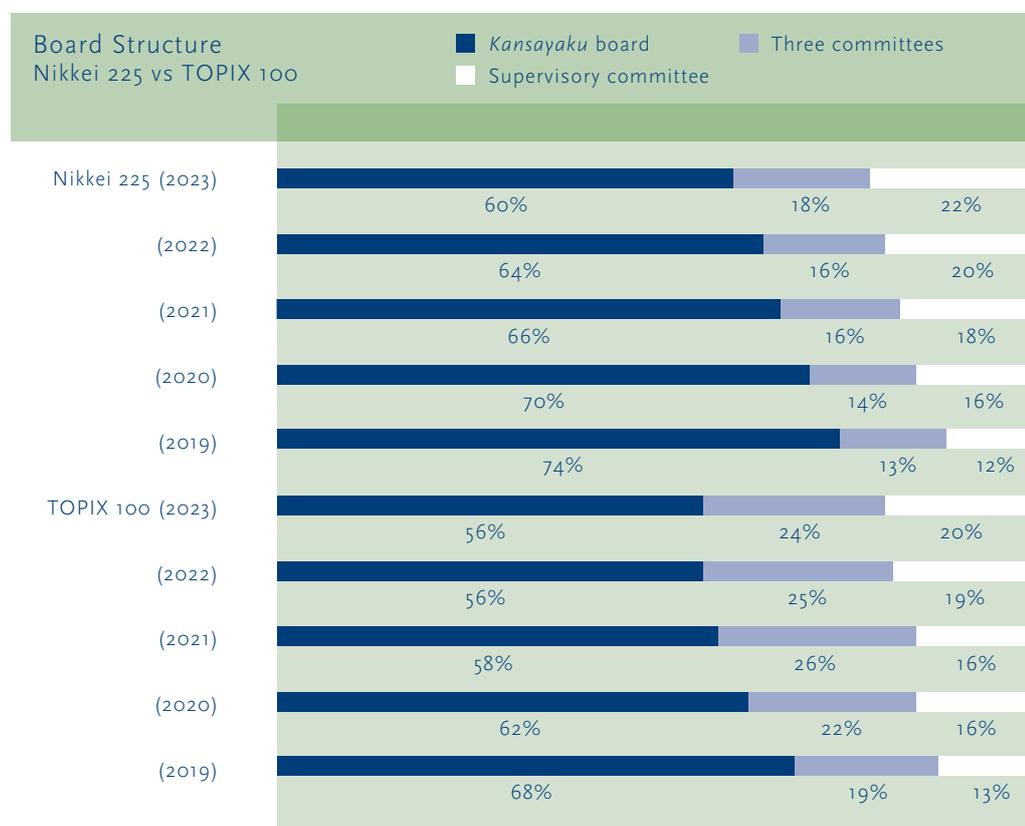
Analysis presented in this document is based on annual reports, corporate governance reports, shareholder meeting notices and other documents that companies make public. In addition to these documents, we have also referred to IR information and data on public companies provided on the Tokyo Stock Exchange website. Data for the Nikkei 225 and TOPIX 100 companies applies to those companies listed as of June 30, 2023. For purposes of international comparison, we have also looked at the United States, the United Kingdom and France. We used 2023 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. (Decimals have been rounded off, therefore graphs and other totals may not equal 100%.)

Board Structure

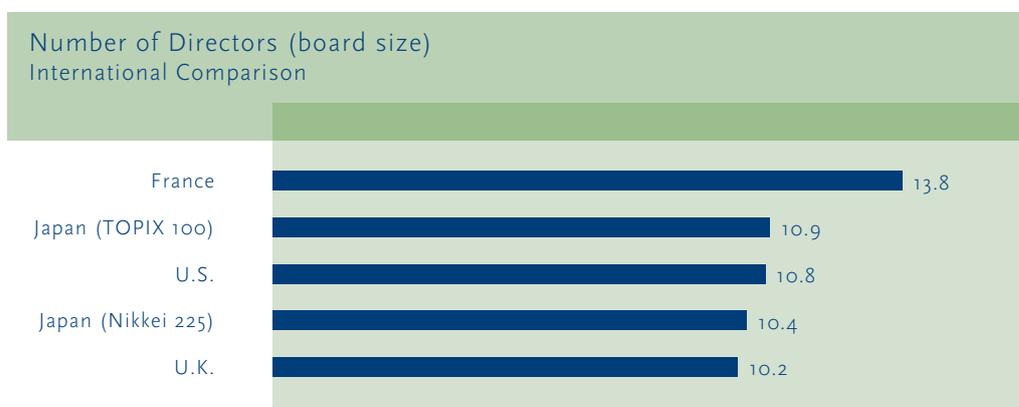
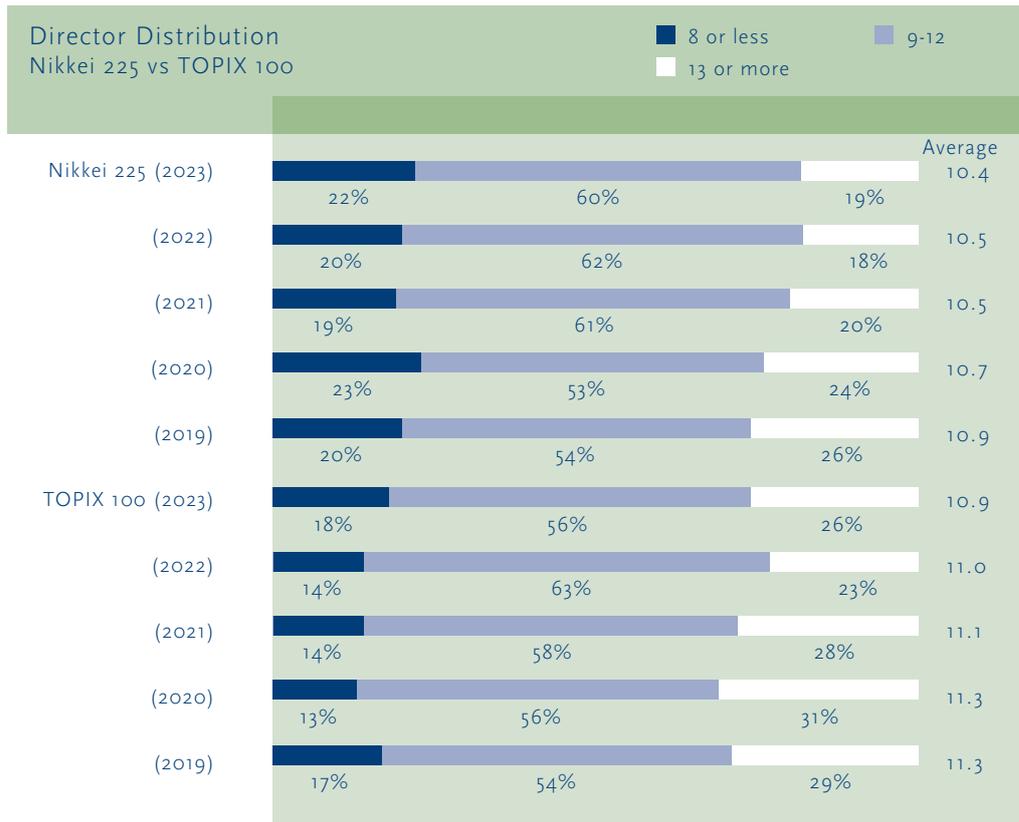
In terms of the board supervisory function, most companies employ the *kansayaku* board structure. However, with the passing of the Revised Companies Act of 2015 and the strengthened corporate governance system, each year more companies are moving to a supervisory committee or three committees structure. In 2023 the ratio of companies adopting the supervisory committee structure is 22% of Nikkei 225 companies (20% last year) and 20% of TOPIX 100 companies (19% last year). The ratio of TOPIX 100 companies adopting the three committees structure has decreased slightly, by one company, following some changes in the listings, whereas the ratio of Nikkei 225 companies with the three committees structure has increased by 2% from last year.

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

Approximately 95% of companies with three committees structures have appointed external directors as chairs of all their committees.



Approximately 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 10.9 for TOPIX 100 companies. This is the same level as the United States at 10.8 and the United Kingdom at 10.2.



International Comparison I

Board committees meet less often than they did a decade ago

- » This year, audit committees met 8.2 times on average. This is the same as last year but slightly less often than a decade ago (8.7 meetings on average). The number of audit committee meetings ranged from one to 32, with a median of eight meetings.
- » Compensation committees averaged 5.8 meetings, compared with 6.0 last year and 6.3 a decade ago. Nominating/governance committees held an average of 4.6 meetings, very slightly down from 4.7 meetings last year and a decade ago.

The chairs of board committees are most likely to be retired top executives and financial leaders

- » Sixty-four percent of audit committee chairs have a financial background, with financial executives/CFOs/treasurers comprising the bulk of the category. Another 24% are active or retired CEOs, chairs, presidents, COOs and vice chairs. Twenty-eight percent of all directors are identified as audit committee financial experts.
- » Chairs of compensation and nominating/governance committees are most likely to be retired CEOs, chairs, presidents, COOs and vice chairs: 37% of compensation committee chairs and 33% of nominating/governance committee chairs have these backgrounds.
- » Active CEOs, chairs, presidents and COOs serve as chairs of just 5% of audit committees, 9% of compensation committees and 5% of nominating/governance committees. A decade ago, these leaders were at least twice as likely to hold these roles: working CEOs, chairs, presidents and COOs chaired 10% of audit committees, 20% of compensation committees and 14% of nominating/governance committees.

S&P 500 DIRECTORS: COMMITTEE CHAIRS' PROFESSIONAL BACKGROUNDS

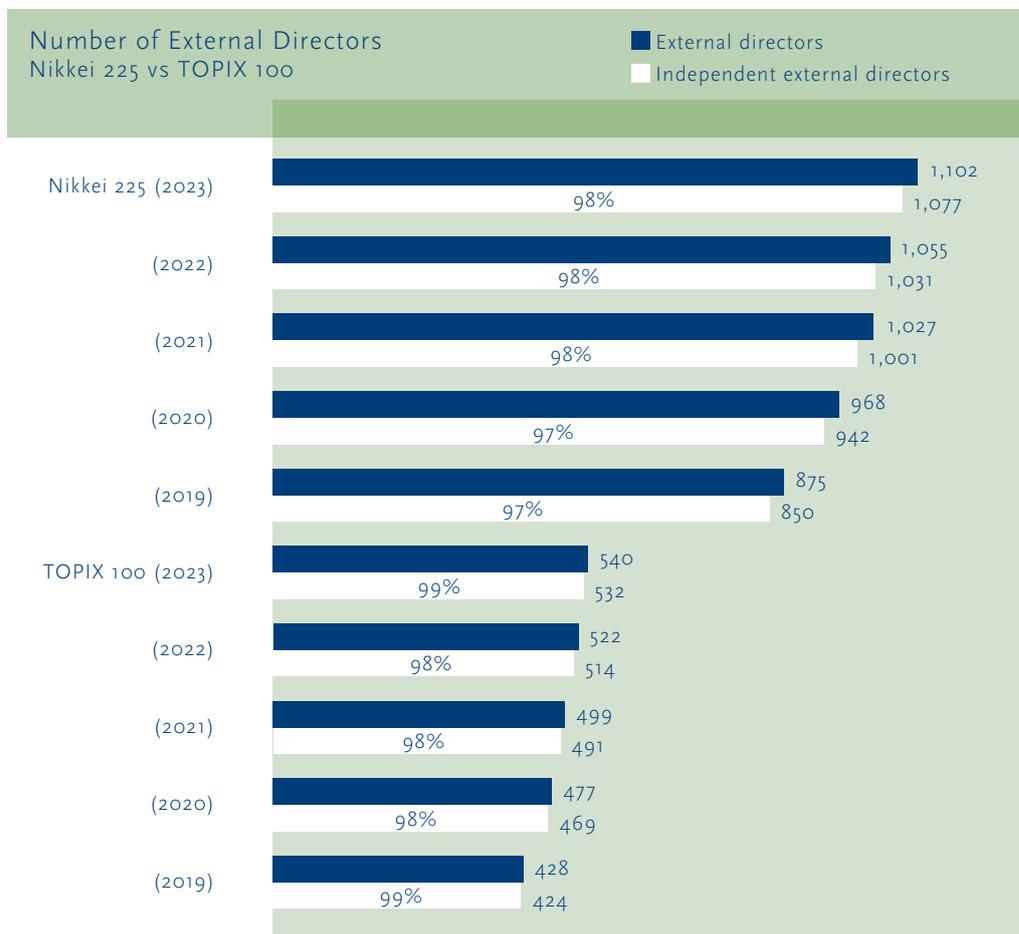
	Audit committee	Compensation committee	Nominating/ governance committee
CEOs/chairs/presidents/COOs	24%	46%	38%
<i>Active</i>	5%	9%	5%
<i>Retired</i>	19%	37%	33%
Financial backgrounds	64%	24%	25%
<i>Financial executives/CFOs/treasurers</i>	40%	6%	3%
<i>Bankers/investment bankers</i>	6%	5%	5%
<i>Investment managers/investors</i>	8%	12%	16%
<i>Public accounting executives</i>	10%	1%	1%
Functional leaders	6%	9%	9%
P&L leaders	3%	12%	8%

Source: U.S. Spencer Stuart Board Index 2023

<https://www.spencerstuart.com>

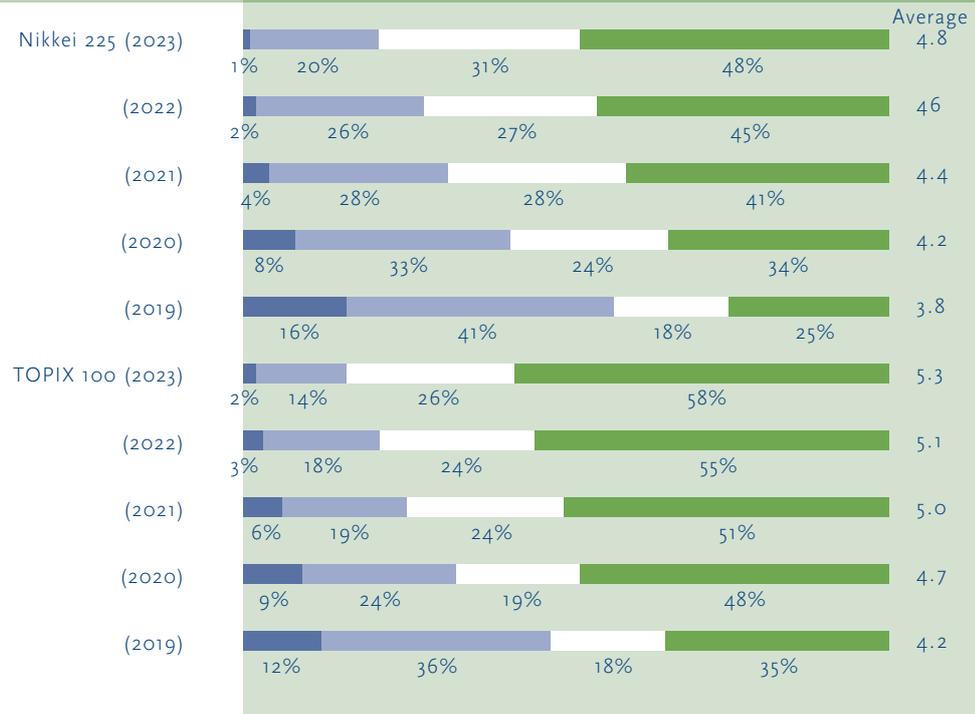
When looking at trends in the number of external directors, in 2015, when the Revised Companies Act and Corporate Governance Code were introduced, all Nikkei 225 and TOPIX 100 companies had appointed at least one external director to their boards. 2016 saw further improvement, with all Nikkei 225 and 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 1,102 external directors (including those holding multiple directorships) and TOPIX 100 companies have a total of 540 external directors (including those holding multiple directorships), representing an ongoing increase. The average rate of increase over the past five years is 6% for both Nikkei 225 and TOPIX 100 companies. The ratio of independent directors among external directors has reached 98% for Nikkei 225 companies, and 99% for TOPIX 100 companies.



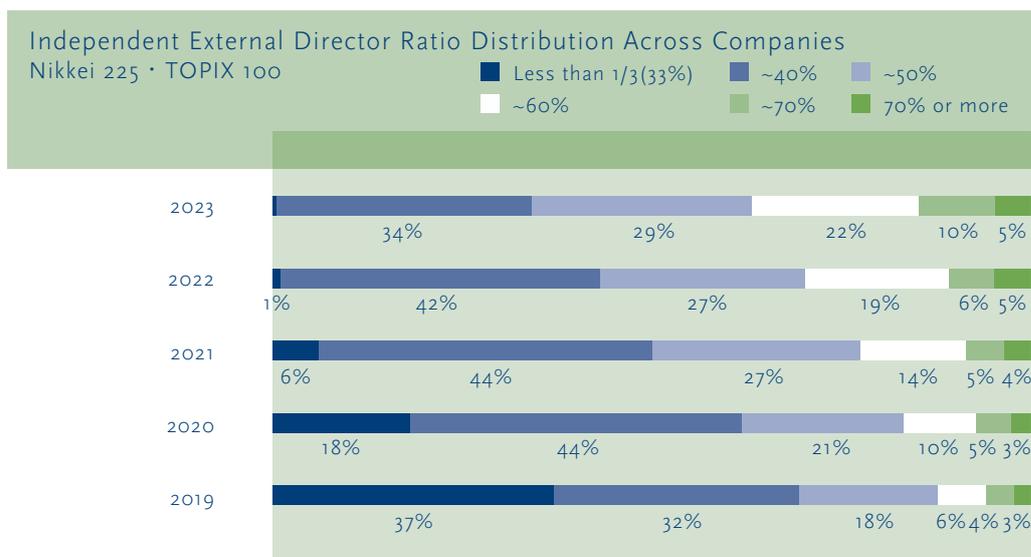
Independent External Director Distribution
Nikkei 225 vs. TOPIX 100

2 3
4 5 or more

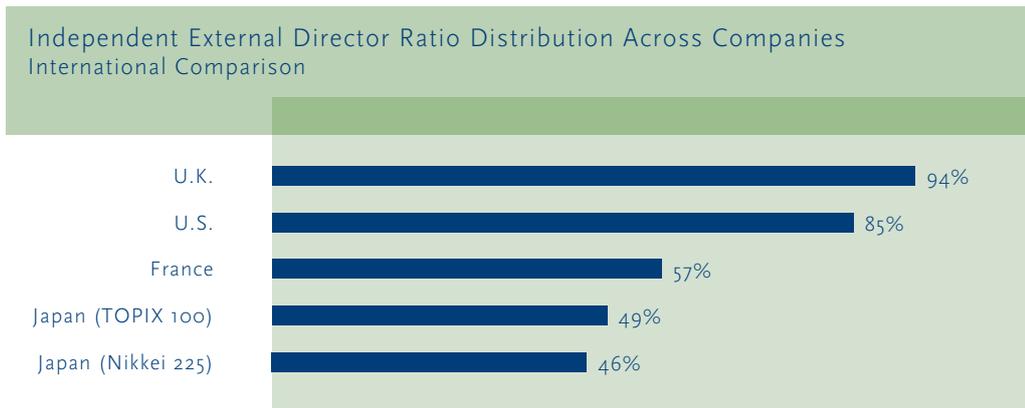


There has not been any major change over the past few years in the total number of directors, although there has been an increase in the number of external directors and independent external directors. The ratio of both types of directors on boards is increasing as a result. The ratio of external directors on Nikkei 225 company boards is 47% (45% last year) and is 50% for TOPIX 100 company boards (47% last year). The ratio of independent external directors on Nikkei 225 company boards is 46% (44% last year) and 49% (47% last 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 2023, for both Nikkei 225 and TOPIX 100 indexes, only one company had fewer than the one-third requirement, and over half had achieved over 30%.



Internationally, the ratio of independent external directors on boards is 94% for the United Kingdom, 85% for the United States and 57% for France. The ratio remains low for Japan, at below 50%. 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.



The average tenure of current representative directors and chairmen is 3.2 years for Nikkei 225 companies and 2.9 years for TOPIX 100 companies. The longest tenure is held by Kagemasa Kozuki, chairman of Konami Holdings, at 36 years. All, with the exception of Tomoko Namba, founder and executive chairman of DeNA Co. Ltd. and Yumiko Takano, chairman and CEO of Oriental Land Co. Ltd., are men, with an average age of 68.2 years for Nikkei 225 companies and 68.1 years for TOPIX 100 companies. The youngest is Kentaro Kawabe, chairperson and representative director of Z Holdings (currently LY Corporation) aged 48. The oldest is Yoshitoshi Kitajima, chairman of Dai Nippon Printing Co., Ltd. aged 89.

Representative Director/Chairman		Nikkei 225	TOPIX 100
Tenure (years)	Average	3.2	2.9
	Longest	36	20
Gender	Male	140	67
	Female	2	1
Age	Average	68.2	68.1
	Youngest	48	48
	Oldest	89	88

Average tenure for presidents or representative executive directors (or CEO where the position is vacant) is 3.8 years for Nikkei 225 companies and 4.4 years for TOPIX 100 companies. The longest tenure is held by Masayoshi Son, chairman and CEO of Softbank Group, at 41 years. All, with the exception of Eva Chen, CEO of Trend Micro Inc., are men, with an average age of 62. The youngest is Po-Hsuan Wu, president & CEO of Sharp Corporation, aged 45, and the oldest is Fujio Mitarai, president and CEO of Canon Inc., aged 87.

Representative Director/CEO		Nikkei 225	TOPIX 100
Tenure (years)	Average	3.8	4.4
	Longest	41	41
Gender	Male	224	100
	Female	1	0
Age	Average	61.9	61.9
	Youngest	45	47
	Oldest	87	87

Average tenure for board chairmen is 4.9 years for Nikkei 225 companies and five years for TOPIX 100 companies. The longest tenure is held by Masayoshi Son, chairman and CEO of Softbank Group, at 41 years. Last year there were six female board chairs, and this year there are four. Internal directors act as board chairs at 187 Nikkei 225 companies and 77 TOPIX 100 companies. External directors act as board chairs at the remaining companies. The average age of board chairs is 66.9 years for Nikkei 225 companies and 68 years for TOPIX 100 companies. The youngest chairman of the board is Po-Hsuan Wu, president & CEO of Sharp Corporation, aged 45, and the oldest are Yuzaburo Mogi, honorary CEO and chairman of the board of Kikkoman Corporation and Noriyuki Inoue, chairman of the board of Daikin Industries, aged 88 years.

Chairman of the Board		Nikkei 225	TOPIX 100
Tenure (years)	Average	4.9	5.0
	Longest	41	41
Gender	Male	218	95
	Female	4	2
Status	Internal	187	77
	External	35	20
Age	Average	66.9	68.0
	Youngest	45	48
	Oldest	88	88

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

International Comparison II

Less than half of S&P 500 CEOs also serve as chair

- » Over the past decade and more, the U.S. Spencer Stuart Board Index has reported that a growing number of S&P 500 boards have separated the chair and CEO roles. After a small reversal last year, that trend is re-established: 59% of boards now report that the chair and CEO roles are separate — up from 57% last year, 45% in 2013, 39% in 2008 and only 16% in 1998.
- » The average age of S&P 500 CEOs is 58.5 years. This is unchanged from 2022 but is nearly one year older than five years ago and two years older than 10 years ago (57.6 and 56.7, respectively).
- » The average company tenure of sitting S&P 500 CEOs is 19.5 years, slightly lower than in 2022 or 2018 (19.8 years), but nearly two years longer than a decade ago (17.8 years) and five years longer than in 2003 (14.7 years). The average tenure as CEO is 7.2 years — slightly less than in 2022 (7.3 years) and 2018 (7.5 years), but the same as a decade ago.
- » Thirty-nine CEOs of S&P 500 companies are women (7.9%) — up from 34 last year (6.8%) and 22 in 2013 (4.4%). In 2003, there were just nine women CEOs; in 1998, there were four.
- » Sixty-one S&P 500 CEOs (12%) self-identify as underrepresented minorities, as defined by Nasdaq.

Independent chairs continue to increase in number

- » Independent chairs — directors who meet the applicable NYSE or Nasdaq rules for independence — continue to increase in prevalence. Thirty-nine percent of S&P 500 boards have an independent chair today — up from 36% last year. In 2013, 25% of boards had an independent chair; in 2008, it was just 16%.
- » Fifteen percent of boards have an “executive chair” (a non-CEO who is considered a company executive). Another 6% of S&P 500 boards are chaired by non-independent directors, with 3% chaired by the former CEO and the other 3% chaired by directors who are not considered independent under relevant listing rules.
- » Among the 101 boards where the chair is separate but not independent, 95 boards (94%) have identified a lead or presiding independent director.
- » Six boards do not report having any form of independent board leadership, neither as a chair nor as a lead or presiding director.

S&P 500 DIRECTORS: CHAIR'S RELATIONSHIP WITH THE COMPANY

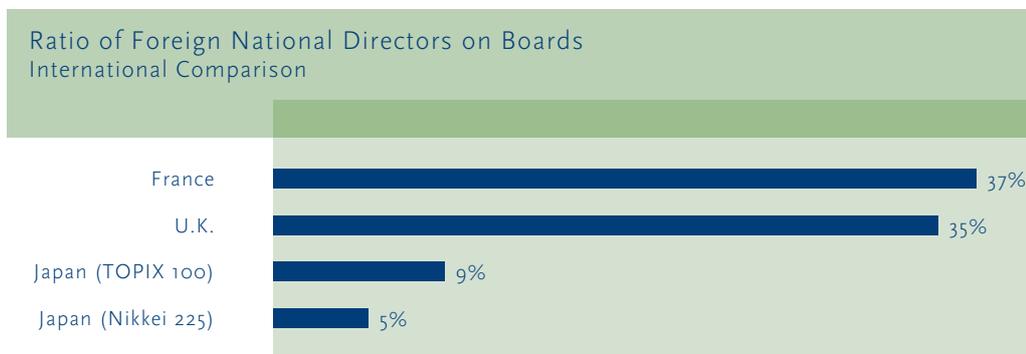
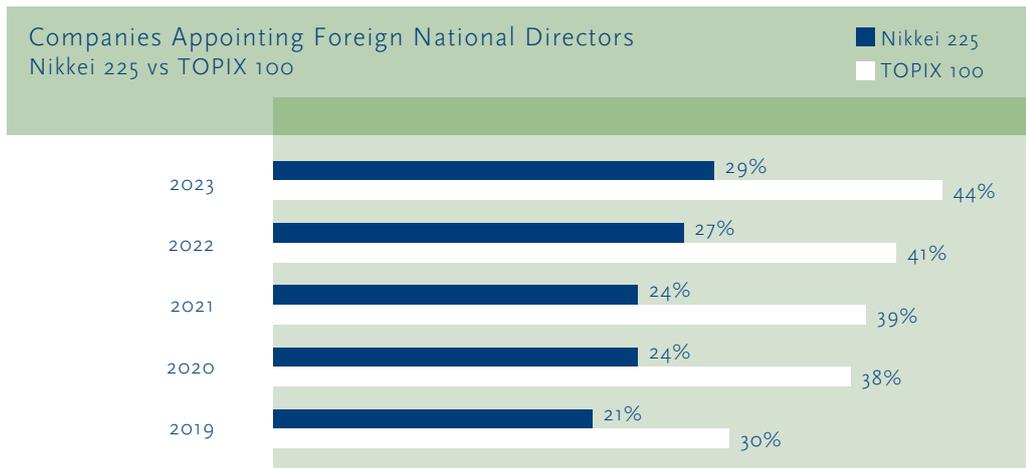
	2023	2022	2018	2013
Current CEO	41%	43%	50%	55%
Executive (not CEO)	15%	15%	11%	14%
Independent director	39%	36%	31%	25%
Former CEO (non-executive)	3%	4%	6%	5%

Source: U.S. Spencer Stuart Board Index 2023

<https://www.spencerstuart.com>

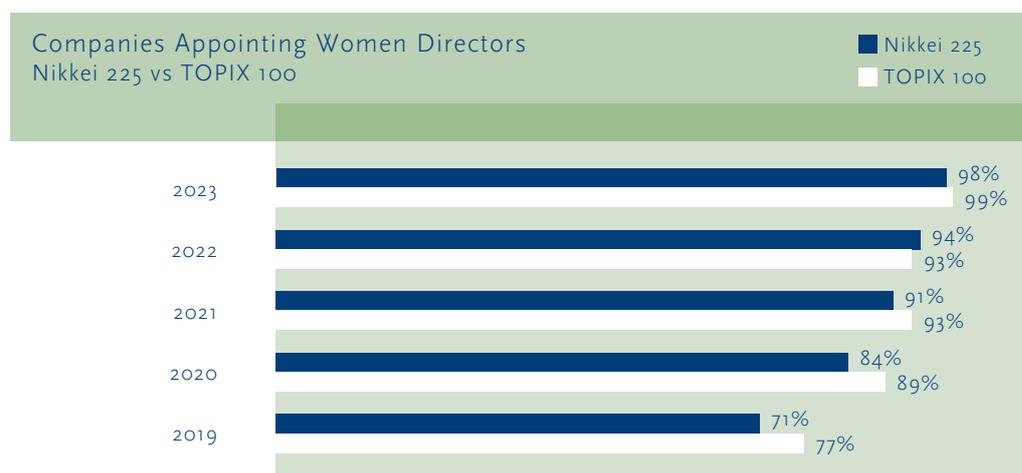
The ratio of companies appointing foreign nationals to their boards is gradually increasing. Of Nikkei 225 companies, 29%, or 66 companies, have appointed foreign national directors, an increase of five companies over last year. Foreign national directors now number 128 in total (including those who hold multiple directorships), representing 5% of all directors. The breakdown is 37 internal and 91 external (of whom 87 are independent). The figure for TOPIX 100 companies is 44%, or 44 companies, appointing a total of 93 foreign national directors, representing 9% of all directors. The breakdown is 23 internal and 70 external (of whom 69 are independent).

The ratio of foreign national directors on boards is 37% for France and 35% for the United Kingdom. In comparison, as mentioned above, the figures for Japan are low, at 5% for Nikkei 225 companies and 9% for TOPIX 100 companies.



In 2021, over 90% of Nikkei 225 and TOPIX 100 companies had appointed women to their boards. Currently, 220 Nikkei 225 companies (98%) and 99 TOPIX 100 companies (99%) have appointed women to their boards.

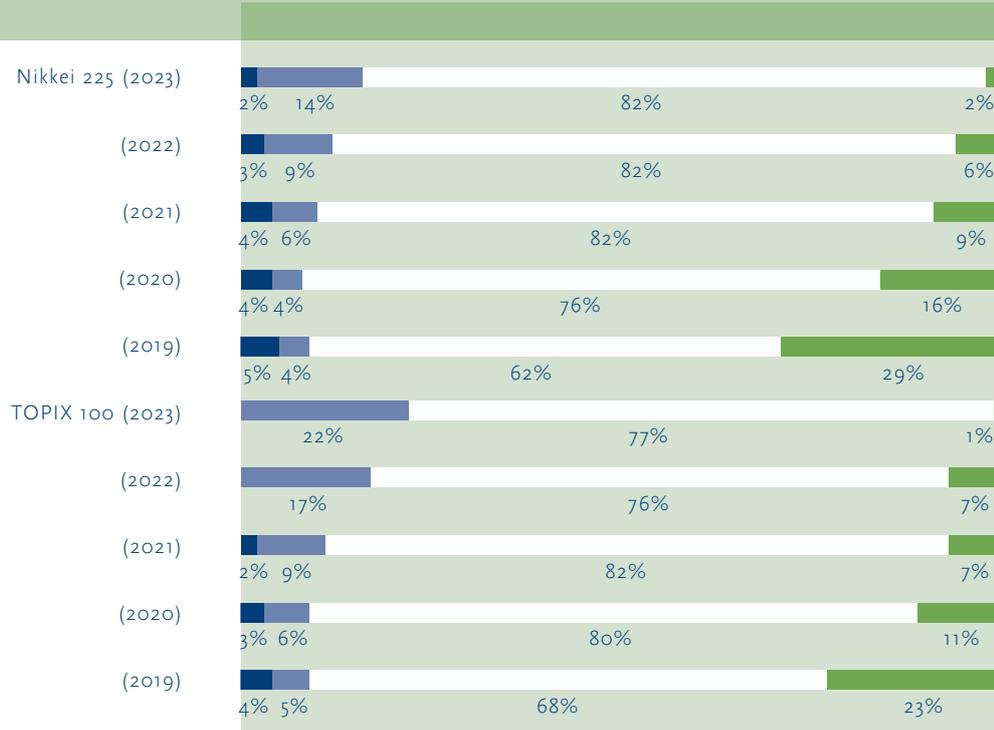
The breakdown is 36 Nikkei 225 companies, or 16%, with internal directors, and 216 companies, or 96%, with external directors, and 32 companies, or 14%, having both internal and external directors. The total number of women directors is 39 internal and 355 external (of whom 351 are independent). Twenty-two TOPIX 100 companies have internal directors, 99 companies have external directors, and 22 companies have both internal and external directors. Twenty-four directors are internal and 181 are external (179 of whom are independent).



Appointment of Women to Boards

Nikkei 225 vs TOPIX 100

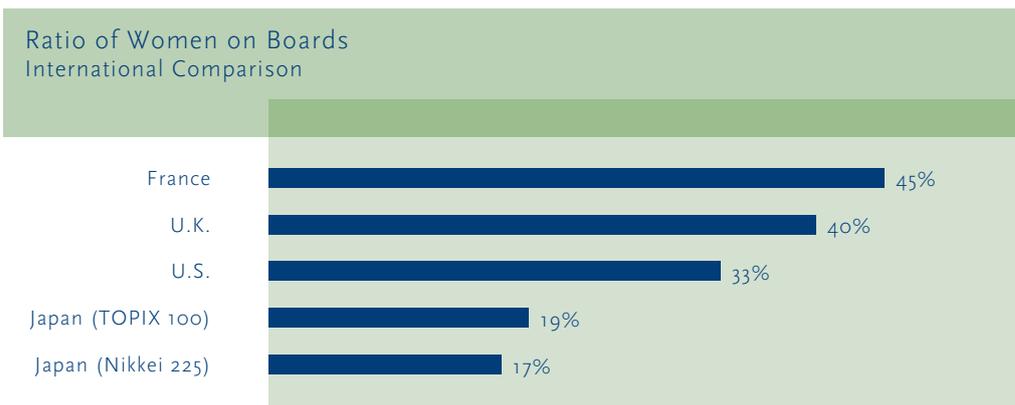
■ Internal appointments only
 ■ Internal and external appointments
 ■ External appointments only
 ■ No appointments



Almost 100% of European and U.S. companies have appointed women to their boards. As mentioned above, both Japanese indexes are steadily approaching the European and U.S. levels.

In contrast, there is a big difference in the ratio of women on boards. France is at 45%, the United Kingdom at 40% and the United States at 33%, but while increasing, the ratio for Nikkei 225 and TOPIX 100 companies remains low at around 20%.

Prime listed companies are expected to make serious efforts to achieve a ratio of over 30% female representation on their boards by 2030. While 15 companies, or 7%, of Nikkei 225 companies and 10 TOPIX 100 companies have already achieved over 30% female representation, the numbers are extremely low.



International Comparison III

Board leadership is still lagging when it comes to diversity

- » Diversity in board leadership continues to climb, albeit less steeply compared with previous years.
- » In particular, the representation of women is marginally increasing on all counts. The same is true for the representation of underrepresented minorities in board leadership, which improved a few points from last year in all categories but one — only 8% of S&P 500 independent board chairs self-identify as underrepresented minorities, a decrease of one point from last year.

S&P 500 BOARD AND COMMITTEE LEADERSHIP ROLES

	Underrepresented minorities		Women	
	2023	2022	2023	2022
Independent board chair	8%	9%	18%	14%
Lead director	12%	10%	15%	14%
Audit committee chair	14%	14%	34%	32%
Compensation committee chair	17%	15%	36%	33%
Nominating/governance committee chair	19%	18%	39%	34%

Boards are more transparent about diversity

- » Nearly all S&P 500 boards disclose their gender balance (98%) and composition relating to underrepresented minorities (97%).
- » More boards this year — 56%, up from 50% last year — report implementation of a policy like the Rooney Rule for candidate pools.

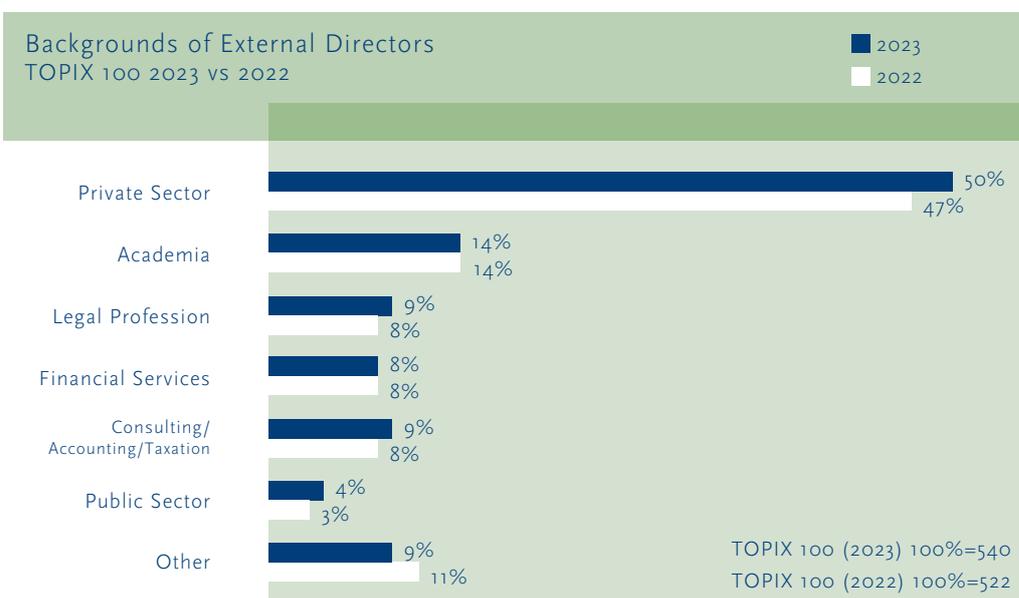
DISCLOSING DIVERSITY ON S&P 500 BOARDS

	2023	2022	2021
Boards disclosing the gender of directors by name	50%	39%	28%
Boards disclosing gender diversity stats at board level	48%	56%	n/a
Boards disclosing their racial or ethnic composition	97%	93%	60%
Former CEO (non-executive)	47%	41%	28%
Boards making a general statement on LGBTQ+ composition	19%	15%	6%
Boards identifying LGBTQ+ directors by name	7%	6%	n/a
Boards with a policy like the Rooney Rule	56%	50%	39%

Source: U.S. Spencer Stuart Board Index 2023

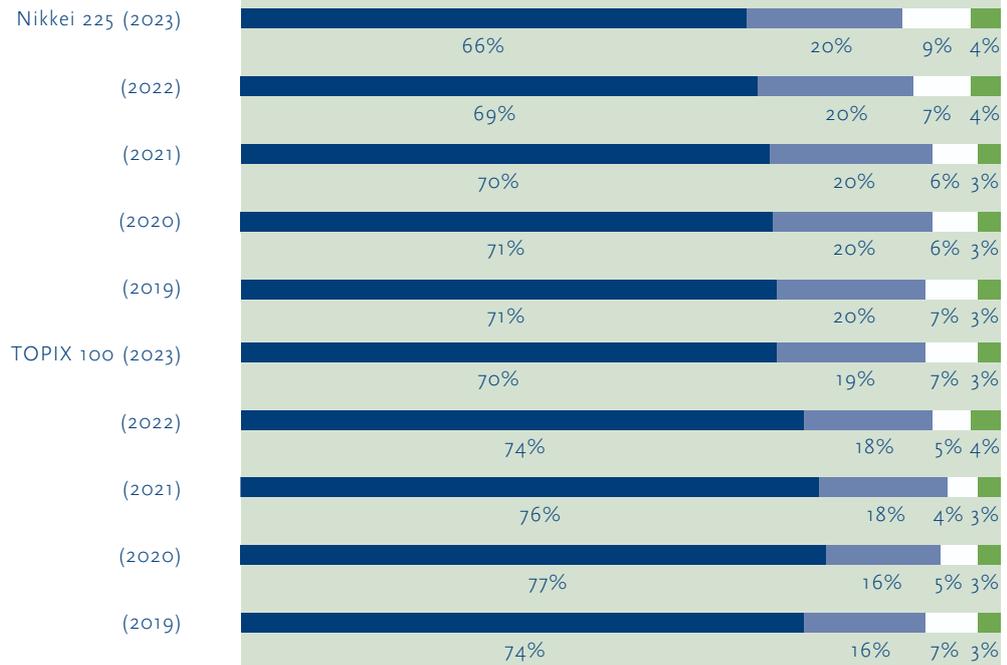
<https://www.spencerstuart.com>

When looking at director backgrounds, in 2023 close to half of external directors came from the private sector. Of the 1,102 directors of Nikkei 225 companies, 548 were from the private sector, and of the 540 external directors at TOPIX 100 companies, 268 were from the private sector. Most 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



Nikkei 225 (2023) 100%=548
 Nikkei 225 (2022) 100%=502
 Nikkei 225 (2021) 100%=483
 Nikkei 225 (2020) 100%=458
 Nikkei 225 (2019) 100%=418

TOPIX 100 (2023) 100%=268
 TOPIX 100 (2022) 100%=243
 TOPIX 100 (2021) 100%=225
 TOPIX 100 (2020) 100%=217
 TOPIX 100 (2019) 100%=199

When looking at Nikkei 225 and TOPIX 100 companies together, 218 of the external directors and external *kansayaku* hold directorships with multiple companies. The biggest proportion, 101, or 46%, have backgrounds in the private sector. Of these, 72% have held positions as president, chairman or CEO, or a combination of these.

While all the 232 companies on the Nikkei 225 and TOPIX 100 indexes have external directors, 28 companies list in their corporate governance reports an upper limit to the number of directorships that can be held. However, of these, 15 companies have added appendices referring to multiple directorship figures “in principle” or as an “aim,” suggesting that there may be some exceptions.



International Comparison IV

Most boards limit additional board activity by directors and CEOs

- » Eighty-one percent of S&P 500 boards report that they have some limit on directors accepting other public company directorships — slightly up from 80% last year and 76% a decade ago. Limits take different forms: some apply to all directors, while others apply only to audit committee members or directors who are public company CEOs/executives.
- » Seventy-two percent of boards report having a numerical limit for public corporate directorships applicable to all directors — up from 70% in 2022. Most of these policies limit directors to three or four additional public directorships.
- » Forty-four percent of boards restrict the number of other public company audit committees on which their audit committee members can serve, with nearly all setting a limit of no more than two other audit committees. This is unchanged from last year.

S&P 500 DIRECTORS: BOARDS WITH LIMITS ON ADDITIONAL CORPORATE DIRECTORSHIPS

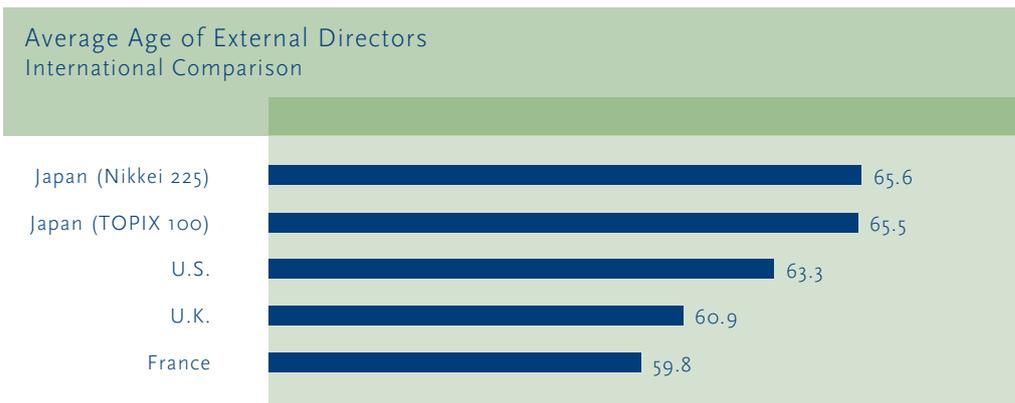
Number of additional corporate directorships allowed	All or retired directors	Full-time employed	Audit committee
1	0%	24%	0%
2	2%	19%	44%
3	44%	1%	1%
4	23%	0%	0%
5	2%	0%	0%
6	0%	0%	0%
Total	72%	44%	44%

- » A quarter of S&P 500 boards (25%) report having a specific limit on the number of outside public boards on which their CEOs can serve. Nearly all of these limit CEOs to one or two outside public boards. Two boards allow their CEOs to serve on three outside public corporate boards.
- » Ninety-two boards do not report specific limits on additional board service, compared with 98 last year. Of those 92 boards, 98% require directors to notify the board chair before accepting an invitation to join another company board or encourage directors to “reasonably limit” their other board service commitments.

Source: U.S. Spencer Stuart Board Index 2023

<https://www.spencerstuart.com>

The average age of external directors is 65.6 years for Nikkei 225 companies and 65.5 years for 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.

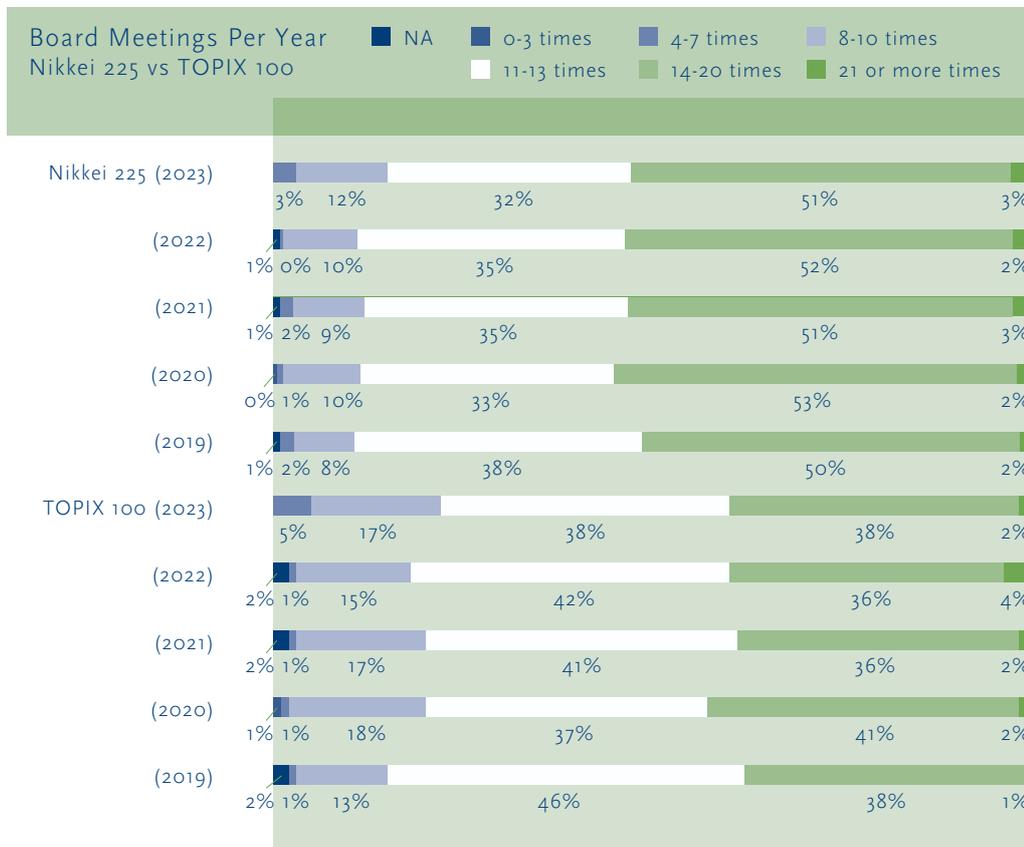


The revised Corporate Governance Code of June 2021 requires the publication of the skills (knowledge, experience, capability) that boards should possess in terms of their corporate strategy, and the particular skills of each director. Our 2021 survey, conducted before these skills were made compulsory, showed that 105 Nikkei 225 and TOPIX 100 companies (44%) listed in their shareholder reports the skills held by each director. This number increased markedly in 2023, with 228 companies (98%) listing their board members' skills, including those listing these on their websites, etc. In the trial phase in 2021, 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.

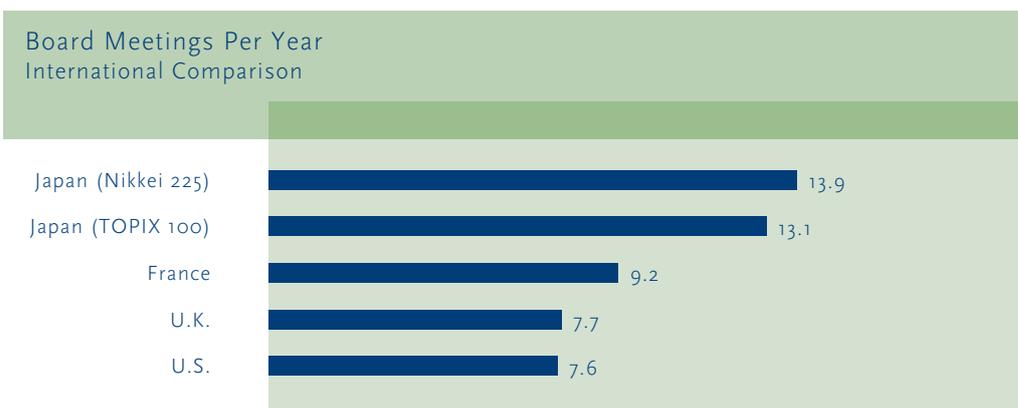
Items in the skill matrix differ by company, with some including only specialty skills in business, finance, accounting, legal and risk management, etc., and others including skills such as industry experience. More companies are using the skill matrix to define each skill item and their reasoning, and the skills needed for long-term business strategy. It is also used as a tool for objectively confirming a board's diversity and effectiveness.

Board Organization and Processes

Nikkei 225 companies hold an average of 13.9 board meetings a year and TOPIX 100 companies hold an average of 13.1 board meetings a year. There has been no change over the past year, with 54% of Nikkei 225 companies holding board meetings more than 14 times a year, and 40% of TOPIX 100 companies doing so. Eighty-three percent of Nikkei 225 companies and 74% 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.



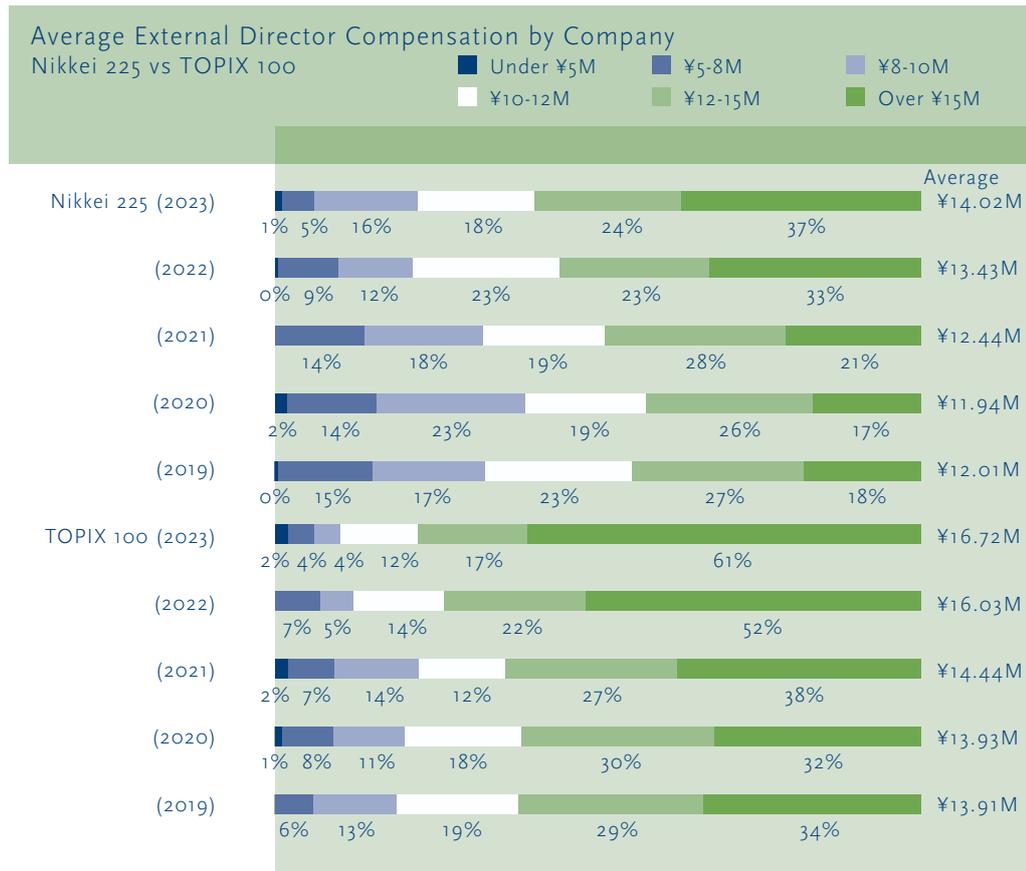
In contrast, European and U.S. companies hold fewer board meetings than Japanese companies, at 9.2 for France, 7.6 for the U.S. and 7.7 for the U.K.



Compensation

Average compensation for external executives (external directors and external *kansayaku*) continues to be slightly higher overall for TOPIX 100 companies than for Nikkei 225 companies. Twenty-two percent of Nikkei 225 companies and 11% of TOPIX 100 companies pay an average compensation below ¥10 million. Average compensation for Nikkei 225 companies increased by ¥590,000 to ¥14.02 million, a standard deviation of ¥4.85 million and a variation coefficient of 0.35, still indicating a wide dispersion. The average compensation for TOPIX 100 companies increased by ¥690,000 over last year, to ¥16.72 million, a standard deviation of ¥5.95 million and a variation coefficient of 0.36, also indicating a wide dispersion.

The highest average compensation, ¥50 million, is paid by Toyota Motor Corporation, and the lowest, ¥4.3 million, is paid by M3.



Sustainability and Corporate Governance

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

A Cabinet Office amendment added a new section to companies' securities reports entitled "Approaches and Activities Related to Sustainability," effective from March 2023, and each company is to list "strategy" and "indicators and targets" if necessary. The number of companies with written provisions on "sustainability policy," "sustainability vision" and other basic sustainability policies has increased from 142 companies last year (60%) to 153 companies (66%).

To promote these activities, 201 Nikkei 225 and TOPIX 100 companies, or 87% (190 companies, 80%, last year), have established company-wide organizations such as sustainability committees to act as board advisory bodies. Many of them are staffed by the CEO and the chief sustainability officer and leaders in other related areas. While outsiders participate at some companies, the ratio of companies with dedicated appointments is increasing. The number of outside executives who are participating increased from 12 companies (5%) last year to 22 companies (9%), and outside executives and outside experts increased from two companies (1%) to eight companies (3%). The number of companies where only outside experts are participating decreased slightly from 10 companies (4%) last year to eight companies (3%).* In addition, companies that have established advisory committees with outside experts as part of their internal promotion organizations have increased from 10 companies (4%) to 15 (6%). (*Including advisory participation or where it was considered necessary to invite participation.)

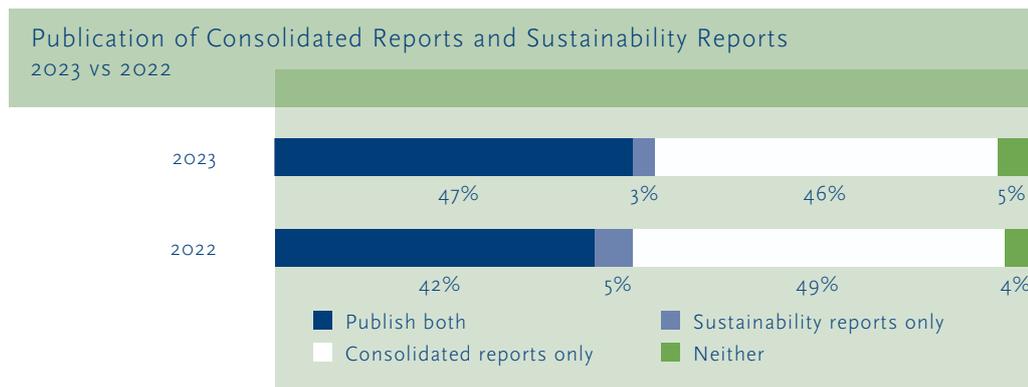


In most cases, sustainability promotion committees are chaired by CEOs (61%), and those chaired by another company executive increased from 22% last year to 28%. External board members chair these committees at six companies (3%).

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. On the other hand, 24 Nikkei 225 and TOPIX 100 companies have appointed CSuOs (or equivalent), a slight increase over last year's 20 companies. Many of these officers are from the executive class, but in some cases companies have invited specialists or division managers as fellows.

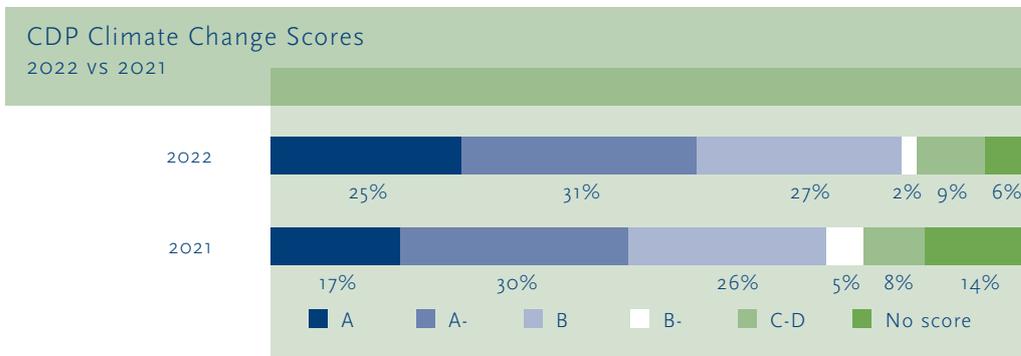
Most companies disclose their sustainability initiatives on their websites. With the exception of one company, 231 Nikkei 225 and TOPIX 100 companies have a web page devoted to their sustainability activities. Details vary, and range from policies, approaches and outlines of initiatives to links to consolidated reports, case studies and interviews.

Moreover, 115 Nikkei 225 and TOPIX 100 companies, representing almost half, publish sustainability reports. Incidentally, 214 Nikkei 225 and TOPIX 100 companies, over 90%, publish consolidated reports. Of the 18 companies not publishing consolidated reports, seven 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, 220 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 33 have published detailed TCFD reports.

CDP is an international environmental nonprofit organization that 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, for example, the ESG investment index. Just under 500 major corporations were included in the CDP surveys, but from 2022 all Prime listed companies have been added. When looking at the initiatives on climate change undertaken by Nikkei 225 and TOPIX 100 companies, of the 217 companies whose information was scored in 2022, 57 companies received a top A rating.

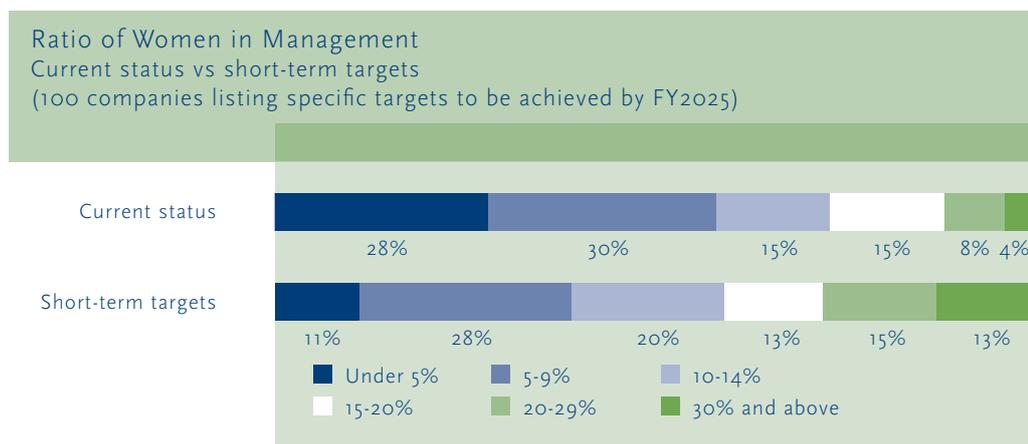


*Scores are assigned from A to D, with A and A- for "leadership," B and B- for "management," C and C- for "awareness" and D and D- for "information disclosure."

Many Nikkei 225 and TOPIX 100 companies publish their human resources and management approaches on human resources-related web pages. Many companies position this information as part of their corporate philosophy and action guidelines. Because the sustainability information published in securities reports must include policies related to human resources development and the corporate environment, there has been a large increase from 38 (16%) to 80 (34%) Nikkei 225 and TOPIX 100 companies that are listing "Human Resources Vision," "Human Resources Policy," etc., in their corporate governance and securities reports.

In order to ensure diversity, the Revised Corporate Governance Code requires, in addition to the company's thoughts on the issue, the disclosure of independent, measurable targets.

One hundred and seventy-five Nikkei 225 and TOPIX 100 companies (75%) are including independent and measurable ratios or numbers of women in management positions in their corporate governance reports and other documents. Of the 100 companies that were publishing short-term targets for the ratios of women in management by FY2025, 12% of companies have already exceeded 20%, while just under 60% of companies are still below a 10% ratio. The majority of companies, 28%, have set realistic targets of 5-9%, and around 30% of these have set targets above 20%.



Many companies release their current mid-career and foreign-national hiring and promotion figures. However, a considerable number list “hiring or promoting the right person for the right position,” “no attribute classification,” etc., rather than specific targets.

More companies are incorporating executive compensation calculations in sustainability-related performance indicators (ESG indicators) as one of their governance initiatives. The number of Nikkei 225 and TOPIX 100 companies that are including ESG indicators (including hiring from FY2023) in their annual securities and corporate governance reports has increased greatly, from 97 companies (47%) last year to 122 companies (53%), or over half, this year. ESG indicators are most often used to calculate performance-linked stock-based compensation, but there are also companies that use them to determine annual bonuses and base compensation. ESG indicators currently used are the reduction amount and ratio of CO2 emissions, employee engagement, etc. In some cases, a company's presence on the Dow Jones, MSCI or other sustainability index is factored into the calculation of executive compensation.

Comparative Data

Company Information			Number of Directors				Number of <i>Kansayaku</i>				Number of Supervisory Committee Members				Directors						Avg. Compensation for External Directors & <i>Kansayaku</i>									
Name	Nikkei 225/TOPIX-100	Sees (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Tenure (*)	External	Average Age	Internal	Average Age	External	Average Age	External Independent	Board Per Year	External Meetings Held	External Directors (¥M)	External <i>Kansayaku</i> (¥M)	External Directors + External <i>Kansayaku</i> (¥M)
Nissui	N	768,181	<i>Kansayaku</i> Board	6	3	3	9	1	3	3	4						1	5	2	2	63	66	66	22	12.0	12.7	12.3			
INPEX	N	2,324,660	<i>Kansayaku</i> Board	7	5	5	12	1	4	4	5						1	5	4	4	65	70	70	15						15.0
COMSYS Holdings	N	563,295	Supervisory Com.	6	4	4	10					1	4	5			1	3	2	2	61	59	59	9	8.0					8.0
TAISEI	N	1,642,712	<i>Kansayaku</i> Board	8	4	4	12	2	4	4	6						1	2	4	4	64	70	70	13	13.5	14.3	13.9			
Obayashi	N	1,983,888	<i>Kansayaku</i> Board	6	5	5	11	2	3	3	5						1	10	3	3	66	66	66	15	10.2	6.8	8.6			
SHIMIZU	N	1,933,814	<i>Kansayaku</i> Board	7	4	4	11	2	3	3	5						1	5	3	3	64	66	66	17						12.3
HASEKO	N	1,027,277	<i>Kansayaku</i> Board	9	5	5	14	2	3	3	5						1	6	4	4	63	64	64	14						8.4
KAJIMA	N	2,391,579	<i>Kansayaku</i> Board	7	5	5	12	2	3	3	5						1	6	2	2	68	71	71	14						16.1
Daiwa House Industry	N/T	4,908,199	<i>Kansayaku</i> Board	8	5	5	13	3	3	3	6						1	7	3	3	64	68	68	16						11.1
Sekisui House	N/T	2,928,835	<i>Kansayaku</i> Board	5	5	5	10	2	3	3	5						1	4	3	3	60	63	63	12						21.7
JGC HOLDINGS	N	606,890	<i>Kansayaku</i> Board	4	3	3	7	2	3	3	5						1	7	6	6	66	69	69	16						9.9
Nisshin Seifun Group	N	798,681	Supervisory Com.	8	6	6	14					1	3	4			1	3	3	3	61	71	71	13	7.5					7.5
Meiji Holdings	N	1,062,157	<i>Kansayaku</i> Board	5	4	4	9	2	2	2	4						1	8	3	3	67	64	64	19	15.5	14.5	15.2			
NH Foods	N	1,259,792	<i>Kansayaku</i> Board	5	3	3	8	2	3	3	5						1	4	3	3	60	65	65	18						9.8
M3	N/T	230,818 (*)	Supervisory Com.	7	5	4	12					0	3	3			1	7	7	3	54	54	52	12	4.3					4.3
DeNA	N	134,914 (*)	<i>Kansayaku</i> Board	4	3	3	7	0	4	4	4						1	7	2	2	52	61	61	17						10.7
Sapporo Holdings	N	478,422 (*)	Supervisory Com.	5	6	6	11					1	2	3			1	3	2	2	59	68	68	16	7.6					7.6
Asahi Group Holdings	N/T	2,511,108 (*)	<i>Kansayaku</i> Board	4	4	4	8	2	3	3	5						1	7	2	2	62	68	68	12						11.1

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 Independent	Grand Total	Term (years)	Average Tenure (Internal)	Average Tenure (External)	Average Tenure (External Independent)	Average Age	Average Age	Average Age	External Independent	Board Per Year	External Directors Head	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M)	External Kansayaku (¥M)
Kirin Holdings	N/T	1,989,468 (*1)	Kansayaku Board	5	7	6	12	2	3	3	5					1	6	3	3	64	67	67	13	19.7	14.3	17.7		
TAKARA HOLDINGS	N	350,665	Kansayaku Board	4	3	3	7	2	3	2	5					1	8	3	3	60	58	58	14				11.3	
Sojitz	N	2,479,840 (*7)	Kansayaku Board	4	5	5	9	2	3	3	5					1	3	2	2	61	65	65	17	10.8	8.0	9.6		
Kikkoman	N	618,899 (*1)	Kansayaku Board	7	4	4	11	2	2	2	4					1	13	7	7	69	79	79	11	11.0	11.5	11.1		
Ajinomoto	N/T	1,359,115	Three Com.	5	6	6	11									1	1	2	2	59	68	68	18	15.1		15.1		
Nichirei	N	662,204	Kansayaku Board	6	4	4	10	2	3	3	5					1	3	2	2	56	65	65	19	7.7	10.7	8.7		
Japan Tobacco	N/T	2,657,832 (*1)	Kansayaku Board	5	4	4	9	2	3	3	5					1	4	4	4	58	68	68	13			21.1		
J. FRONT RETAILING	N	359,679 (*1)	Three Com.	4	7	7	11									1	9	3	3	65	68	68	15	17.3		17.3		
Isetan Mitsukoshi Holdings	N	487,407	Three Com.	3	6	6	9									1	1	2	2	58	68	68	12	12.3		12.3		
Tokyu Fudosan Holdings	N	1,005,836 (*4)	Kansayaku Board	8	5	5	13	2	2	2	4					1	5	3	3	64	66	66	12			8.4		
Seven & i Holdings	N/T	11,811,303 (*4)	Kansayaku Board	6	9	9	15	2	3	3	5					1	10	2	2	65	62	62	17	17.3	18.7	17.6		
TEIJIN	N	1,018,751	Kansayaku Board	4	4	4	8	2	3	3	5					1	2	3	3	58	68	68	13	14.4	13.7	14.1		
Toray Industries	N/T	2,489,330 (*1)	Kansayaku Board	8	5	5	13	2	3	3	5					1	5	5	5	65	74	74	15	14.0	12.0	13.1		
Kuraray	N	756,376	Kansayaku Board	7	4	4	11	2	3	3	5					1	5	4	4	63	67	67	14			13.6		
Asahi Kasei	N/T	2,726,485	Kansayaku Board	6	4	4	10	2	3	3	5					1	3	4	4	62	65	65	15	17.7	13.3	15.1		
SUMCO	N	441,083	Supervisory Com.	5	5	5	10					1	4	5		1	6	5	5	66	66	66	16	8.8		8.8		
NEXON	N	353,714 (*1)	Supervisory Com.	4	4	3	8					0	3	3		1	6	6	7	50	62	67	9	24.3		24.3		
Oji Holdings	N	1,706,641	Kansayaku Board	8	4	4	12	2	3	3	5					1	5	4	4	63	65	65	15			11.0		

Company Information			Number of Directors				Number of <i>Kansayaku</i>				Number of Supervisory Committee Members				Directors							Avg. Compensation for External Directors & <i>Kansayaku</i>								
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 Tenure (*)	External	Average Age	Internal	Average Age	External	Average Age	External Independent	Board Per Year	External Directors Held	External Directors (¥M)	External <i>Kansayaku</i> (¥M)	External Directors + External <i>Kansayaku</i> (¥M)
Nippon Paper Industries	N	1,152,645	<i>Kansayaku</i> Board	6	3	3	9	2	2	2	4						1	5	5	5	63	70	70	13						10.6
Resonac Holdings	N	1,392,621	<i>Kansayaku</i> Board	5	4	4	9	2	3	3	5						1	3	3	3	58	70	70	14			16.3	12.7	14.7	
SUMITOMO CHEMICAL	N	2,895,283 (*1)	<i>Kansayaku</i> Board	8	4	4	12	2	3	3	5						1	5	5	5	64	71	71	16			13.2	14.3	13.6	
Nissan Chemical	N	228,065	<i>Kansayaku</i> Board	6	4	4	10	1	3	3	4						1	6	2	2	62	64	64	12					16.9	
Tosoh	N	1,064,376	<i>Kansayaku</i> Board	5	4	4	9	1	3	3	4						1	2	4	4	60	67	67	15					13.3	
Tokuyama	N	351,790	Supervisory Com.	5	4	4	9					1	4	5			1	5	2	2	62	63	63	17		14.0			14.0	
Denka	N	407,559	Supervisory Com.	5	4	4	9					1	3	4			1	3	4	4	63	65	65	15		12.0			12.0	
Shin-Etsu Chemical	N/T	2,808,824	<i>Kansayaku</i> Board	4	5	5	9	1	3	3	4						1	19	6	6	74	74	74	13					20.6	
Kyowa Kirin	N	398,371 (*1)	<i>Kansayaku</i> Board	4	5	5	9	2	3	2	5						1	3	2	2	62	68	68	13			16.8	15.5	16.2	
Mitsui Chemicals	N	1,879,547 (*1)	<i>Kansayaku</i> Board	5	3	3	8	2	3	3	5						1	4	2	2	62	67	67	13					11.3	
Mitsubishi Chemical Holdings	N/T	4,634,532 (*1)	Three Com.	4	4	4	8										1	4	5	5	62	65	65	7			18.2		18.2	
UBE	N	494,738	Supervisory Com.	5	5	5	10					1	3	4			1	3	1	1	63	64	64	13			8.7		8.7	
Dentsu Group	N	1,243,883 (*7)	Three Com.	4	6	6	10										1	6	1	1	57	60	60	15			8.4		8.4	
Kao	N/T	1,551,059	<i>Kansayaku</i> Board	5	5	5	10	2	3	3	5						1	4	3	3	63	66	66	14			15.0	14.3	14.8	
Takeda Pharmaceutical	N/T	4,027,478 (*1)	Supervisory Com.	3	12	12	15					0	4	4			1	7	4	4	55	65	65	8			32.6		32.6	
Astellas Pharma	N/T	1,518,619 (*1)	Supervisory Com.	4	7	7	11					1	3	4			1	3	1	1	59	62	62	14			18.6		18.6	
Sumitomo Pharma	N	555,544 (*1)	<i>Kansayaku</i> Board	5	4	4	9	2	3	2	5						1	5	3	3	63	64	64	18					9.8	
Shionogi	N/T	426,684 (*1)	<i>Kansayaku</i> Board	2	4	4	6	2	3	3	5						1	15	4	4	66	66	66	12					18.5	

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 Tenure (Internal)	Average Tenure (External)	Average Tenure (External Independent)	Average Age	Average Age (External)	Average Age (External Independent)	Board Per Year	External Directors Head	External Directors (¥M)	External Kansayaku (¥M) + External Kansayaku (¥M)	External Directors (¥M)
Chugai Pharmaceutical	N/T	1,259,946 (*1)	Kansayaku Board	6	3	3	9	2	3	3	5						2	3	1	1	60	70	70	10	16.0	12.7	14.3
Eisai	N/T	744,402 (*1)	Three Com.	4	7	7	11										1	12	2	2	67	62	62	10	10.8		10.8
ONO PHARMACEUTICAL	T	447,187 (*1)	Kansayaku Board	4	3	3	7	2	2	2	4						1	6	3	3	59	66	66	12	19.3	14.5	17.4
Terumo	N/T	820,209 (*1)	Supervisory Com.	6	5	5	11					1	2	3			1	4	4	4	62	65	65	12	15.6		15.6
DAIICHI SANKYO	N/T	1,278,478 (*1)	Kansayaku Board	5	4	4	9	2	3	3	5						1	4	2	2	63	67	67	13	19.0	15.3	17.3
Otsuka Holdings	N/T	1,737,998 (*1)	Kansayaku Board	8	5	5	13	1	3	2	4						1	8	4	4	61	69	69	12			8.3
DIC	N	1,054,201	Kansayaku Board	6	3	3	9	2	2	2	4						1	7	3	3	63	67	67	15	14.3	14.5	14.4
Oriental Land	N/T	483,123	Kansayaku Board	7	4	4	11	1	3	3	4						1	13	7	7	65	80	80	10	11.0	16.7	13.6
Z Holdings	N/T	1,672,377 (*1)	Supervisory Com.	6	4	4	10					0	4	4			1	3	3	3	49	57	57	15	20.5		20.5
Trend Micro	N	223,795	Kansayaku Board	4	2	2	6	0	4	4	4						1	22	3	3	64	70	70	9	8.0	8.3	8.2
CyberAgent	N	710,575	Supervisory Com.	4	4	4	8					1	2	3			1	18	4	4	48	57	57	13	9.4		9.4
Rakuten Group	N	1,927,878 (*1)	Kansayaku Board	5	7	7	12	1	3	3	4						1	7	5	5	60	63	63	13	12.2	9.5	11.0
FUJIFILM Holdings	N/T	2,859,041	Kansayaku Board	6	4	4	10	2	2	2	4						1	3	3	3	61	66	66	14			10.9
KONICA MINOLTA	N	1,130,397	Three Com.	4	5	5	9										1	2	2	2	60	65	65	13	13.2		13.2
Shiseido	N/T	1,067,355	Kansayaku Board	5	5	5	10	2	3	3	5						1	3	3	3	58	65	65	13	11.2	13.0	11.9
Idemitsu Kosan	N	9,456,281	Kansayaku Board	7	4	4	11	2	2	2	4						1	4	3	3	60	63	63	15			13.1
ENEOS Holdings	N/T	15,016,554	Supervisory Com.	10	6	6	16					2	3	5			1	2	3	3	61	66	66	14	14.1		14.1
The Yokohama Rubber	N	860,477 (*1)	Supervisory Com.	8	8	7	16					2	3	5			1	2	2	3	56	64	66	17	8.9		8.9

Company Information			Number of Directors				Number of <i>Kansayaku</i>				Number of Supervisory Committee Members			Directors						Avg. Compensation for External Directors & <i>Kansayaku</i>								
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 Tenure (*)	External	Average Age	Internal	Average Age	External	Average Age	Board	External Directors (¥M)	External <i>Kansayaku</i> (¥M)	External Directors (¥M)
Bridgestone	N/T	4,110,070 (*1)	Three Com.	4	8	8	12										1	2	6	6	62	62	62	14	21.1		21.1	
AGC	N	2,035,874	<i>Kansayaku</i> Board	4	3	3	7	1	3	3	4						1	7	3	3	64	64	64	14	14.3	16.0	15.1	
Nippon Sheet Glass	N	763,521	Three Com.	1	6	5	7										1	1	2	2	50	66	65	12	11.3		11.3	
Nippon Electric Glass	N	324,634	<i>Kansayaku</i> Board	5	3	3	8	2	2	2	4						1	4	3	3	60	65	65	14			6.7	
Sumitomo Osaka Cement	N	204,705	<i>Kansayaku</i> Board	6	3	3	9	2	3	3	5						1	7	3	3	64	61	61	16			9.5	
TAIHEIYO CEMENT	N	809,542	<i>Kansayaku</i> Board	6	3	3	9	2	2	2	4						1	5	4	4	65	72	72	15			13.4	
TOKAI CARBON	N	340,371	<i>Kansayaku</i> Board	5	3	3	8	2	2	2	4						1	6	3	3	61	67	67	21			9.0	
TOTO	N	701,187	Supervisory Com.	10	5	5	15					1	3	4			1	6	2	2	60	67	67	12	10.0	3.0	8.3	
NGK Insulators	N	559,240	<i>Kansayaku</i> Board	6	3	3	9	2	2	2	4						1	6	7	7	62	72	72	14	14.0	9.3	11.7	
NIPPON STEEL	N/T	7,975,586 (*1)	Supervisory Com.	10	5	5	15					2	3	5			1	3	2	2	63	70	70	14	10.0		10.0	
Kobe Steel	N	2,472,508	Supervisory Com.	7	6	6	13					2	3	5			1	3	3	3	60	65	65	16	10.6		10.6	
JFE Holdings	N	5,268,794 (*1)	<i>Kansayaku</i> Board	5	3	3	8	2	3	3	5						1	5	5	5	65	68	68	15			13.1	
PACIFIC METALS	N	34,852	<i>Kansayaku</i> Board	6	3	3	9	1	3	3	4						1	5	7	7	61	63	63	21			6.2	
The Japan Steel Works	N	238,721	<i>Kansayaku</i> Board	5	4	4	9	2	2	2	4						1	3	2	2	61	68	68	18			10.6	
MITSUI MINING & SMELTING	N	651,965	<i>Kansayaku</i> Board	6	3	3	9	2	2	2	4						1	3	4	4	59	69	69	13			15.6	
Mitsubishi Materials	N	1,625,933	Three Com.	4	7	7	11										1	6	4	4	64	67	67	19	15.3		15.3	
Sumitomo Metal Mining	N/T	1,422,989	<i>Kansayaku</i> Board	5	3	3	8	2	2	2	4						1	7	3	3	62	66	66	17	14.3	12.0	13.4	
DOWA HOLDINGS	N	780,060	<i>Kansayaku</i> Board	6	3	3	9	1	3	3	4						1	4	3	3	62	65	65	15			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 Tenure (Internal)	Average Tenure (External)	Average Tenure (*)(*)	Average Age (Internal)	Average Age (External)	Average Age (External Independent)	Board Per Year	External Directors Head	External Directors (¥M)	External Kansayaku (¥M)	External Directors + External Kansayaku (¥M)	External Directors (¥M)
Furukawa Electric	N	1,066,326	Kansayaku Board	6	5	5	11	3	3	3	6						1	3	4	4	59	69	69	17	14.8	12.0	13.8	
Sumitomo Electric Industries	N/T	4,005,561	Kansayaku Board	9	5	5	14	2	3	3	5						1	8	4	4	67	74	74	15			18.0	
Fujikura	N	806,453	Supervisory Com.	5	4	4	9					1	4	5			1	2	3	3	60	66	66	15	13.4		13.4	
Shizuoka Financial Group	N	287,386 (*9)	Supervisory Com.	5	5	5	10					1	3	4			1	0	0	0	60	66	66	5	11.0		11.0	
Recruit Holdings	N/T	3,429,519 (*1)	Kansayaku Board	4	4	4	8	2	2	2	4						1	7	3	3	50	58	58	8	26.0	15.5	21.8	
Okuma	N	227,636	Kansayaku Board	7	4	4	11	2	2	2	4						1	10	2	2	62	69	69	12			6.5	
AMADA	N	365,687 (*1)	Kansayaku Board	5	4	4	9	2	2	2	4						1	5	5	5	61	69	69	8			7.5	
JAPAN POST HOLDINGS	N/T	11,138,580 (*6)	Three Com.	5	10	10	15										1	3	2	2	67	65	65	12	10.4		10.4	
SMC	N/T	824,772	Kansayaku Board	8	4	4	12	1	2	2	3						1	6	5	5	59	67	67	7			11.5	
Komatsu	N/T	3,543,475	Kansayaku Board	5	4	4	9	2	3	3	5						1	5	2	2	63	69	69	15	16.6	15.8	16.2	
Sumitomo Heavy Industries	N	854,093	Kansayaku Board	7	4	4	11	2	2	2	4						1	2	4	4	62	68	68	13			8.4	
Hitachi Construction Machinery	N	1,279,468 (*1)	Three Com.	3	7	5	10										1	3	2	2	59	63	64	13	12.2		12.2	
Kubota	N/T	2,678,772	Kansayaku Board	6	5	5	11	3	3	3	6						1	3	4	4	63	69	69	12	19.3	12.3	15.8	
EBARA	N	680,870 (*1)	Three Com.	3	8	8	11										1	6	3	3	64	66	66	14	16.3		16.3	
Daikin Industries	N/T	3,981,578	Kansayaku Board	6	4	4	10	2	3	3	5						1	16	5	5	72	74	74	16			17.5	
NSK	N	938,098	Three Com.	4	5	5	9										1	5	1	1	60	70	70	10	12.3		12.3	
NTN	N	773,960	Three Com.	6	5	5	11										1	3	2	2	64	61	61	15	15.5		15.5	
JTEKT	N	1,678,146 (*1)	Kansayaku Board	3	3	2	6	2	2	1	4						1	4	3	5	62	63	65	13			7.5	

Company Information			Number of Directors				Number of <i>Kansayaku</i>				Number of Supervisory Committee Members				Directors								Avg. Compensation for External Directors & <i>Kansayaku</i>								
Name	Nikkei 225/TOPIX-100	Size (M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Tenure (*)	External	Average Age	Internal	Average Age	External	Average Age	External Independent	Average Age	Board Members Per Year	External Directors Held	External Directors (M)	External <i>Kansayaku</i> (M)	External Directors (M)
MINEBEA MIYSUMI	N	1,292,203	<i>Kansayaku</i> Board	7	5	5	12	1	3	3	4						1	8	6	6	63	65	65	16							9.9
Hitachi	N/T	10,881,150 (*1)	Three Com.	3	9	9	12										1	4	6	6	67	64	64	9	38.2					38.2	
Toshiba	T	3,361,657	Three Com.	1	10	10	11										1	1	2	2	56	60	60	20	36.7					36.7	
Mitsubishi Electric	N/T	5,003,694	Three Com.	5	7	7	12										1	2	4	4	60	67	67	13	17.4					17.4	
FUJI ELECTRIC	N	1,009,447	<i>Kansayaku</i> Board	6	4	4	10	2	3	3	5						1	7	2	2	65	66	66	13						10.0	
YASKAWA Electric	N	555,955 (*1)	Supervisory Com.	6	4	4	10					2	4	6			1	8	1	1	62	60	60	13	15.8					15.8	
NIDEC	N/T	2,242,824	Supervisory Com.	4	6	6	10					2	3	5			1	14	1	1	71	58	58	26	4.6					4.6	
OMRON	N/T	876,082	<i>Kansayaku</i> Board	5	3	3	8	2	2	2	4						1	4	3	3	59	65	65	14	12.5	16.0	13.7				
GS Yuasa	N	517,735	<i>Kansayaku</i> Board	4	3	3	7	2	2	2	4						1	4	5	5	61	68	68	17						8.6	
NEC	N	3,313,018 (*1)	Three Com.	5	7	7	12										1	5	1	1	62	67	67	14	12.6	12.5	12.5				
Fujitsu	N/T	3,713,767 (*1)	<i>Kansayaku</i> Board	4	5	5	9	2	3	3	5						1	6	5	5	63	66	66	13	15.8	13.7	15.0				
Renesas Electronics	N/T	1,500,853 (*1)	<i>Kansayaku</i> Board	1	4	4	5	1	3	3	4						1	5	3	3	50	62	62	6	25.0	5.7	16.7				
Seiko Epson	N	1,330,331 (*1)	Supervisory Com.	4	6	6	10					1	3	4			1	11	3	3	62	68	68	13	15.6					15.6	
Panasonic	N/T	8,378,942	<i>Kansayaku</i> Board	7	6	6	13	2	3	3	5						1	5	4	4	62	63	63	12	15.8	9.6	13.0				
Sharp	N	2,548,117	Supervisory Com.	2	5	4	7					0	3	3			1	1	3	2	55	62	63	13	17.5					17.5	
Sony Group	N/T	11,539,837 (*11)	Three Com.	2	8	8	10										1	7	3	3	61	61	61	9	28.6					28.6	
TDK	N	2,180,817	<i>Kansayaku</i> Board	4	3	3	7	2	3	3	5						1	4	2	2	60	65	65	14	13.0	14.0	13.4				
ALPS ALPINE	N	933,114	Supervisory Com.	5	6	6	11					1	3	4			1	7	3	3	62	63	63	12	11.5					11.5	

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 Tenure (Internal)	Average Tenure (External)	Average Tenure (External Independent)	Average Age (Internal)	Average Age (External)	Average Age (External Independent)	Board Per Year	External Directors Headed	External Compensation (¥M)		
																									External Kansayaku	External Directors	+ External Kansayaku
Yokogawa Electric	N	456,479	Kansayaku Board	3	5	5	8	2	3	3	5					1	8	3	3	60	66	66	14	11.2	11.7	11.3	
ADVANTEST	N	560,191	Supervisory Com.	4	5	5	9					1	2	3		1	6	2	2	62	63	63	14	14.4	14.4		
KEYENCE	N/T	922,422	Kansayaku Board	6	3	3	9	0	3	3	3					1	13	2	2	54	55	55	12		6.2		
SYSMEX	T	410,502	Supervisory Com.	7	5	4	12					1	2	3		1	9	4	3	62	66	68	18	7.2	7.2		
DENSO	N/T	6,401,320 (*1)	Kansayaku Board	5	3	3	8	2	2	2	4					1	3	3	3	62	63	63	13	12.3	13.0	12.5	
Lasertec	T	90,378,818	Kansayaku Board	3	3	3	6	1	2	1	3					1	17	1	1	63	67	67	12	14.7	10.8	13.4	
CASIO COMPUTER	N	263,831	Supervisory Com.	6	4	4	10					1	2	3		1	6	3	3	61	68	68	15	11.0	11.0		
FANUC	N/T	851,956	Supervisory Com.	5	6	6	11					1	3	4		1	10	1	1	58	62	62	12	15.4	15.4		
KYOCERA	N/T	2,025,332	Kansayaku Board	6	3	3	9	2	2	2	4					2	10	2	2	63	62	62	12	13.7	11.0	12.6	
TAIYO YUDEN	N	319,504	Kansayaku Board	4	3	3	7	2	2	2	4					1	9	5	5	63	67	67	18	12.7	18.0	14.8	
Murata Manufacturing	N/T	1,686,796	Supervisory Com.	5	5	5	10					1	3	4		1	12	4	4	62	66	66	12	13.5	13.5		
Nitto Denko	N	929,036 (*1)	Kansayaku Board	5	5	5	10	2	3	3	5					1	8	2	2	66	60	60	12	17.2	16.0	16.8	
MITSUI E&S	N	262,301	Supervisory Com.	4	3	3	7					1	2	3		1	1	0	0	60	64	64	19		9.0		
Hitachi Zosen	N	492,692	Kansayaku Board	4	4	4	8	2	2	2	4					1	6	2	2	62	68	68	14		10.6		
Mitsubishi Heavy Industries	N/T	4,202,797 (*1)	Supervisory Com.	6	6	6	12					2	3	5		1	5	3	3	65	68	68	14	16.7	16.7		
Kawasaki Heavy Industries	N	1,725,609 (*1)	Supervisory Com.	6	7	7	13					2	3	5		1	5	2	2	65	63	63	16	10.4	10.4		
IHI	N	1,352,940 (*1)	Kansayaku Board	8	4	4	12	2	3	3	5					1	2	2	2	61	64	64	18		12.0		
Concordia Financial Group	N	312,983 (*)	Kansayaku Board	5	3	3	8	2	3	3	5					1	1	3	3	54	65	65	14		10.8		

Company Information			Number of Directors				Number of <i>Kansayaku</i>				Number of Supervisory Committee Members			Directors							Avg. Compensation for External Directors & <i>Kansayaku</i>								
Name	Nikkei 225/TOPIX-100	Sales (¥M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External Independent	Grand Total	Term (years)	Internal	Average Tenure (*)	External	Average Age	Internal	Average Age	External Independent	Average Age	Board	Per Year	External Meetings Held	External Directors (¥M)	External <i>Kansayaku</i> (¥M)	External Directors + External <i>Kansayaku</i> (¥M)
Nissan Motor	N/T	10,596,695	Three Com.	4	6	6	10									1	3	4	4	65	63	63	13	24.4			24.4		
Isuzu Motors	N	3,195,537	Supervisory Com.	8	5	5	13					2	3	5		1	5	2	2	63	67	67	15	18.8			18.8		
Toyota Motor	N/T	37,154,298 (*4)	<i>Kansayaku</i> Board	6	4	4	10	3	3	3	6					1	5	3	3	61	64	64	18	50.0	11.2	25.8			
Hino Motors	N	1,507,336	<i>Kansayaku</i> Board	3	4	4	7	2	2	1	4					1	1	3	3	57	68	68	16	11.3	6.3	8.8			
MITSUBISHI MOTORS	N	2,458,141	Three Com.	2	11	5	13									1	3	3	3	63	66	67	15	15.8			15.8		
Mazda Motor	N	3,826,752	Supervisory Com.	9	6	6	15					1	4	5		1	3	3	3	60	66	66	17	16.0			16.0		
Honda Motor	N/T	16,907,725 (*1)	Three Com.	6	5	5	11									1	3	3	3	60	66	66	10	18.0			18.0		
SUZUKI MOTOR	N/T	4,641,644	<i>Kansayaku</i> Board	5	3	3	8	2	3	3	5					1	7	1	1	63	63	63	15	6.0	9.0	7.3			
SUBARU	N/T	3,774,468 (*1)	<i>Kansayaku</i> Board	5	3	3	8	2	2	2	4					1	2	2	2	61	67	67	13			11.2			
Yamaha	N	2,248,456	<i>Kansayaku</i> Board	5	5	5	10	2	3	3	5					1	4	4	4	60	63	63	13	18.0	19.0	18.3			
SHIMANO	T	628,909	<i>Kansayaku</i> Board	5	4	4	9	2	2	2	4					2	18	7	7	65	69	69	13			10.0			
NIKON	N	628,105 (*1)	Supervisory Com.	6	6	6	12					2	3	5		1	6	2	2	65	67	67	18	10.7			10.7		
Olympus	N/T	881,923	Three Com.	3	10	10	13									1	5	3	3	61	62	62	16	17.5			17.5		
SCREEN Holdings	N	460,834	<i>Kansayaku</i> Board	4	4	4	8	2	2	2	4					1	7	3	3	64	64	64	14			13.5			
HOYA	N/T	723,582 (*1)	Three Com.	2	5	5	7									1	1	2	2	51	65	65	10	21.1			21.1		
Canon	N/T	4,031,414	<i>Kansayaku</i> Board	3	2	2	5	2	3	3	5					1	25	6	6	81	74	74	10	24.5	19.7	21.6			
Ricoh	N	2,134,180	<i>Kansayaku</i> Board	3	5	5	8	2	3	3	5					1	4	1	1	62	65	65	15	13.0	12.0	12.7			
Citizen Watch	N	301,366	<i>Kansayaku</i> Board	5	3	3	8	1	2	2	3					1	7	3	3	62	67	67	17			9.2			

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		Grand Total		Internal		External		Grand Total		Term (years)	Average Tenure (*)		Average Age		Board Per Year	External Directors Headed by Non-Executives	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M)		
				Supervisory Com.	Kansayaku Board	Three Com.	Supervisory Com.	Kansayaku Board	Three Com.	Internal	External	Internal	External	Internal	External		Internal	External	Internal	External							
Bandai Namco Holdings	N/T	990,089	Supervisory Com.	9	5	5	14			1	3	4	1	5	3	3	58	60	60	19	9.2			9.2			
TOPPAN	N	1,638,833	Kansayaku Board	6	3	3	9	2	3	3	5						1	7	8	8	64	58	58	18		11.4	
Dai Nippon Printing	N	1,373,209	Kansayaku Board	8	4	4	12	2	3	3	5						1	11	4	4	67	69	69	12		14.4	
YAMAHA	N	451,410 (*1)	Three Com.	2	6	6	8										1	9	3	3	63	61	61	13	14.7	14.7	
Nintendo	N/T	1,601,677	Supervisory Com.	6	4	3	10			1	3	4	1	9	4	5	60	61	62	12	10.0			10.0			
ITOCHU	N/T	13,945,633 (*7)	Kansayaku Board	6	4	4	10	2	3	3	5						1	7	3	3	65	66	66	15	20.3	20.0	20.1
Marubeni	N/T	9,190,472 (*7)	Kansayaku Board	4	6	6	10	2	3	3	5						1	5	3	3	65	67	67	16	14.9	17.0	15.5
Toyota Tsusho	N	9,848,560 (*7)	Kansayaku Board	4	4	3	8	2	3	3	5						1	3	3	3	62	64	64	13		12.5	
MITSUI & CO.	N/T	14,306,402 (*7)	Kansayaku Board	9	6	6	15	2	3	3	5						1	2	2	2	59	66	66	15	21.8	15.5	19.0
Tokyo Electron	N/T	2,209,025	Kansayaku Board	3	3	3	6	2	3	3	5						1	7	4	4	61	60	60	11	22.0	14.3	18.7
Sumitomo Corporation	N/T	6,817,872 (*7)	Kansayaku Board	6	5	5	11	2	3	3	5						1	4	3	3	63	69	69	18	17.3	19.7	18.1
Mitsubishi Corporation	N/T	21,571,973 (*7)	Kansayaku Board	5	4	4	9	2	3	3	5						1	2	3	3	62	65	65	10	25.0	15.8	21.3
Unicharm	T	898,022	Supervisory Com.	4	2	2	6			1	2	3	1	8	1	1	65	58	58	10	10.5			10.5			
Takashimaya	N	443,443 (*4)	Kansayaku Board	8	4	4	12	2	2	2	4						1	5	4	4	64	64	64	15		8.1	
MARUI GROUP	N	217,854 (*1)	Kansayaku Board	3	3	3	6	2	2	2	4						1	14	4	4	56	57	57	10		11.8	
Credit Saison	N	322,638 (*10)	Kansayaku Board	8	4	4	12	1	2	2	3						1	10	4	4	58	57	57	20	8.0	12.0	10.0
AEON	N/T	9,116,823 (*4)	Three Com.	3	4	4	7										1	12	4	4	63	66	66	7	15.0	15.0	
Aozora Bank	N	183,292 (*9)	Kansayaku Board	4	4	4	8	1	2	2	3						1	3	3	3	59	69	69	15	11.2	12.0	11.4

Company Information			Number of Directors				Number of <i>Kansayaku</i>				Number of Supervisory Committee Members			Directors						Avg. Compensation for External Directors & <i>Kansayaku</i>										
Name	Nikkei 225/TOPIX 100	Size (MM)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Tenure (*)	External	Average Age	Internal	Average Age	External	Average Age	External Independent	Board Per Year	External Meetings Held	External Directors (MM)	External <i>Kansayaku</i> (MM)	External Directors + External <i>Kansayaku</i> (MM)
Mitsubishi UFJ Financial Group	N/T	9,281,027 (*9)	Three Com.	7	8	8	15										1	3	3	3	61	67	67	10	27.1			27.1		
Resona Holdings	N/T	867,974 (*9)	Three Com.	4	8	8	12										1	2	2	2	57	69	69	16	14.9			14.9		
Sumitomo Mitsui Trust Holdings	N/T	1,819,060 (*9)	Three Com.	8	7	7	15										1	3	3	3	61	69	69	16	17.7			17.7		
Sumitomo Mitsui Financial Group	N/T	6,142,155 (*9)	Three Com.	8	7	7	15										1	4	5	5	61	67	67	13	NA			NA		
The Chiba Bank	N	278,377 (*9)	<i>Kansayaku</i> Board	6	3	3	9	2	3	3	5						2	5	6	6	59	65	65	16				17.3		
Fukuoka Financial Group	N	331,323 (*9)	Supervisory Com.	7	4	4	11					1	2	3			1	4	5	5	61	64	64	11	10.0			10.0		
Mizuho Financial Group	N/T	5,778,772 (*9)	Three Com.	6	8	8	14										1	3	2	2	58	70	70	24	21.2			21.2		
ORIX	N/T	2,666,373 (*4)	Three Com.	5	6	6	11										1	6	3	3	61	64	64	8	18.0			18.0		
Daiwa Securities Group	N	866,090 (*4)	Three Com.	7	7	7	14										1	8	4	4	59	68	68	10	20.9			20.9		
Nomura Holdings	N/T	2,486,726 (*8)	Three Com.	4	9	9	13										1	4	3	3	60	65	65	11	24.6			24.6		
Matsui Securities	N	31,071 (*4)	Supervisory Com.	10	5	5	15					1	2	3			1	8	3	3	49	63	63	17	8.3			8.3		
Sompo Holdings	N/T	4,607,134 (*6)	Three Com.	3	9	9	12										1	5	4	4	61	61	61	14	18.7			18.7		
Japan Exchange Group	N/T	133,991 (*4)	Three Com.	6	10	10	16										1	2	4	4	63	69	69	11	18.4			18.4		
MS&AD Insurance Group Holdings	N/T	5,251,271 (*6)	<i>Kansayaku</i> Board	6	5	4	11	2	2	2	4						1	6	3	4	64	62	62	12				13.1		
Dai-ichi Life Holdings	N/T	9,519,445 (*6)	Supervisory Com.	8	7	7	15					2	3	5			1	3	5	5	58	66	66	18	16.9			16.9		
Tokio Marine Holdings	N/T	6,648,600 (*6)	<i>Kansayaku</i> Board	8	7	7	15	2	3	3	5						1	4	2	2	61	65	65	10	16.7	17.0	16.8			
T&D Holdings	N	3,214,110 (*6)	Supervisory Com.	7	5	4	12					2	3	5			1	2	4	4	60	59	63	16	8.4			8.4		
Mitsui Fudosan	N/T	2,269,103	<i>Kansayaku</i> Board	8	4	4	12	2	3	3	5						2	3	3	3	62	68	68	12				18.7		

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 Tenure (Internal)	Average Tenure (External)	Average Tenure (External Independent)	Average Age	Average Age (External)	Average Age (External Independent)	Board Per Year	External Directors Head	External Directors (¥M)	External Kansayaku (¥M)	External Directors (¥M)	External Kansayaku (¥M)
Mitsubishi Estate	N/T	1,377,827 (*4)	Three Com.	7	7	7	14										1	4	3	3	60	68	68	9	17.9			17.9
Tokyo Tatemono	N	349,940 (*4)	Kansayaku Board	8	4	4	12	2	2	2	4						2	5	3	3	59	66	66	14				9.0
Sumitomo Realty & Development	N/T	939,904	Kansayaku Board	6	3	3	9	2	2	2	4						2	13	3	3	64	77	77	7	24.0	13.0	18.5	
TOBU RAILWAY	N	614,751 (*4)	Kansayaku Board	5	4	4	9	2	3	3	5						1	8	4	4	64	68	68	12				8.4
TOKYU	N	931,293 (*4)	Kansayaku Board	7	4	4	11	2	2	2	4						1	9	4	4	67	65	65	14	7.4	6.0	6.9	
Odakyu Electric Railway	N	395,159 (*4)	Kansayaku Board	6	4	4	10	2	3	3	5						1	6	4	4	61	72	72	14				9.5
Keio	N	347,133 (*4)	Supervisory Com.	10	5	5	15					1	3	4			1	4	3	3	60	62	62	12	14.2			14.2
Keisei Electric Railway	N	252,338 (*4)	Kansayaku Board	10	5	5	15	1	4	4	5						1	4	4	4	58	69	69	9				9.4
East Japan Railway	N/T	2,405,538 (*4)	Supervisory Com.	8	7	7	15					1	3	4			1	6	3	3	63	68	68	16				16.0
West Japan Railway	N/T	1,395,531 (*4)	Supervisory Com.	9	8	8	17					1	3	4			1	4	2	2	59	66	66	15	8.4			8.4
Central Japan Railway	N/T	1,400,285 (*4)	Kansayaku Board	8	5	5	13	1	3	3	4						1	7	2	2	62	66	66	13				17.0
YAMATO HOLDINGS	N	1,800,668 (*4)	Kansayaku Board	3	5	5	8	2	3	3	5						1	3	4	4	60	68	68	18	12.7	11.0	12.1	
Nippon Yusen	N/T	2,616,066	Supervisory Com.	6	6	6	12					2	3	5			1	3	2	2	62	66	66	20	19.0	13.5	16.8	
Mitsui O.S.K. Lines	N	1,611,984	Kansayaku Board	5	4	4	9	2	2	2	4						1	4	5	5	61	69	69	15	15.0	8.7	11.8	
Kawasaki Kisen Kaisha	N	942,606	Kansayaku Board	4	5	4	9	2	2	2	4						1	5	2	2	62	59	62	19				10.0
NIPPON EXPRESS HOLDINGS	N	2,618,659 (*1)	Kansayaku Board	3	3	3	6	2	3	3	5						1	1	1	1	65	66	66	17				12.0
Japan Airlines	N	1,375,589 (*1)	Kansayaku Board	6	3	3	9	2	3	3	5						1	4	3	3	62	69	69	18				10.5
ANA HOLDINGS	N/T	1,707,484	Kansayaku Board	7	4	4	11	2	3	3	5						1	4	6	6	63	67	67	15				16.3

Company Information			Number of Directors				Number of <i>Kansayaku</i>				Number of Supervisory Committee Members			Directors						Avg. Compensation for External Directors & <i>Kansayaku</i>											
Name	Nikkei 225/TOPIX-100	Size (#M)	Structure	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Internal	External	External Independent	Grand Total	Term (years)	Internal	Average Tenure (*)	External	Average Age	Internal	Average Age	External	Average Age	External Independent	Board Members Per Year	External Directors Held	External Directors (#M)	External <i>Kansayaku</i> (#M)	External Directors + External <i>Kansayaku</i> (#M)	External Directors (#M)
Mitsubishi Logistics	N	300,594 (*4)	<i>Kansayaku</i> Board	7	5	5	12	2	3	3	5						1	4	3	3	61	69	69	12	10.4	14.0	11.8				
NIPPON TELEGRAPH AND TELEPHONE	N/T	13,136,194 (*4)	<i>Kansayaku</i> Board	5	5	5	10	2	3	3	5						2	5	2	2	62	69	69	14	10.8	22.0	14.4				
KDDI	N/T	5,671,762	<i>Kansayaku</i> Board	6	6	4	12	2	3	3	5						1	7	3	1	60	68	70	11	15.1	21.7	17.1				
SoftBank	N/T	5,911,999	<i>Kansayaku</i> Board	6	5	5	11	2	2	2	4						1	14	4	4	64	63	63	13	14.0	10.0	12.7				
Tokyo Electric Power Company Holdings	N	7,798,696	Three Com.	7	6	5	13										1	2	2	2	58	67	69	19	13.3		13.3				
Chubu Electric Power	N	3,986,681 (*3)	<i>Kansayaku</i> Board	5	4	4	9	2	3	3	5						1	5	4	4	63	65	65	25			14.0				
The Kansai Electric Power	N	3,951,884 (*3)	Three Com.	5	8	8	13										1	2	3	3	62	70	70	14	16.8		16.8				
TOKYO GAS	N	3,289,634	Three Com.	3	6	6	9										1	3	2	2	62	65	65	13	11.1		11.1				
Osaka Gas	N	2,275,113	<i>Kansayaku</i> Board	6	4	4	10	2	3	3	5						1	7	2	2	63	66	66	13	12.0	9.0	10.5				
TOHO	N	244,295 (*5)	Supervisory Com.	6	3	3	9					1	3	4			1	12	5	5	62	62	62	9	7.3		7.3				
NTT DATA	N	3,490,182	Supervisory Com.	5	8	7	13					0	4	4			1	3	2	2	63	63	63	19	17.6		17.6				
SECOM	N/T	1,101,307	<i>Kansayaku</i> Board	5	3	3	8	2	3	3	5						1	9	7	7	65	70	70	12	9.3	9.0	9.1				
KONAMI GROUP	N	314,321 (*2)	Supervisory Com.	5	3	3	8					0	3	3			1	13	5	5	58	65	65	9	13.0		13.0				
Nitori Holdings	T	948,094	Supervisory Com.	8	5	5	13					1	3	4			1	13	1	1	65	70	70	14	7.0		7.0				
FAST RETAILING	N/T	2,301,122 (*1)	<i>Kansayaku</i> Board	4	6	6	10	2	3	3	5						1	16	6	6	56	65	65	13	11.7	14.3	12.6				
SoftBank Group	N/T	6,570,439	<i>Kansayaku</i> Board	4	5	4	9	0	4	3	4						1	20	3	3	65	63	63	9			28.3				

- **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 "o" 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 optimize governance and reform their operations in response to investor demands by hiring external directors with greater independence, and by introducing new management monitoring methods as new laws are passed and regulations change. 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 nonprofit 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.
- Roundtable discussions and seminars for directors and *kansayaku*.

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