

Message from Outside Directors

Toagosei Group from the Perspective of Outside Directors

Looking forward to Toagosei being a company that grows together with its employees

Nobuhiko Takano Outside Director
(Audit and Supervisory Committee Member)



Responding to changes with outstanding ideas and technology as we aim for even higher growth

Reiko Ishiyama Outside Director



Past experiences

After working in the enforcement of tax administration at the National Tax Agency, I registered as a tax accountant. I currently serve as a tax advisor and outside auditor for several companies listed on the Tokyo Stock Exchange Prime Market.

I personally had no experience in corporate management, but I often had opportunities to exchange opinions with business leaders as part of my role in promoting “tax corporate governance” within companies.

It is also not uncommon for topics such as organizational management, internal controls, and human capital management to arise during consultations with the companies at which I serve as a tax advisor, or during meetings with business owners.

I receive requests for tax-related support from companies considering the formulation of tax policies, in addition to consultations on tax risks relating to overseas expansion, transactions between group companies including overseas entities, organizational restructuring, subsidiary liquidation, and revisions to executive compensation.

Toagosei’s challenges

This year is the final year of the “Leap Forward to the Next 2025” Medium-Term Management Plan that we embarked on in 2023. It is a crucial year, as we formulate our new medium-term management plan, which will begin in 2026.

I think that the content of the new medium-term management plan is likely to be the biggest concern for many stakeholders, including shareholders.

We must thoroughly reflect on the current plan and engage in even deeper discussions concerning potential changes in the business environment in the future.

In doing this, it is important for us to outline our vision for realizing Toagosei’s corporate philosophy and the pathway to achieving it, as well as discuss the management strategies, business strategies, and short-, medium- and long-term management plans necessary to realize that pathway.

We must also invest more than ever in “people” — the employees who will formulate and implement the measures needed to realize these strategies and plans.

We want to be an organization where each employee understands and owns the strategies and plans for realizing our vision, as well as the Group’s medium- to long-term challenges, and does what needs to be done from their own perspective.

In this sense, human capital investment is of utmost importance to boost employee motivation and engagement.

Role as an outside director and changes in governance

I believe that the role of the outside directors is to provide opinions and proposals from various perspectives based on their expertise, knowledge, experience, and values, while also contributing to corporate management and monitoring from an independent, fair, and neutral position.

We have made significant progress in improving Toagosei’s governance. However, we should further strengthen the Company’s management and oversight systems as the parent company of its overseas subsidiaries, taking into account the business environment in each country.

The Board of Directors contains people with expertise in a wide variety of different fields, and this composition also ensures the diversity of the outside directors. I feel that we now engage in the free and active exchange of opinions and discussions more frequently than back when I first joined the Board, and the Board’s effectiveness has also increased.

Message to investors

In corporate management and organizational operations, it is important to reaffirm the indispensable presence of “people.” The costs associated with recruitment, human resources development, work style reforms, enhancing workplace environments, health management, and so on should be viewed as “human capital investments” essential for enhancing corporate value and achieving sustainable growth. Since my appointment, I have met with various individuals in different positions at Toagosei and have witnessed their positive approach to tackling challenges. I believe that the power of these individuals will transform the company in the future.

Recent years have seen more investment in human resources at Toagosei than ever before. By further enhancing the skills and abilities of our employees, we are contributing to the efficiency of operations and productivity improvements. Actively investing in our employees, reforming work styles, and enhancing work environments will help boost employee motivation and engagement. The power of each individual employee will become the power of the organization: the source that drives higher performance Group-wide. I believe that this will lead to an increase in corporate value and sustainable growth in the future.

It takes some time to achieve tangible results from human resource investment, but I hope that Toagosei can become a company that is easy to work for, fulfilling, and makes employees feel it is worth working here — a company that grows together with its employees.

Past experiences

During my career, I have been involved with companies as well as government, education, and research organizations, aiming to address various issues relating to nursing care based on my experience on the nursing front line. In terms of corporate activities, I conducted employee training to support the achievement of management goals at a subsidiary of Tokio Marine Holdings. I was also engaged in creating a personnel system to enhance the effectiveness of this training. In terms of government organizations, I was involved in the amendment of the Long-Term Care Insurance Act and the Act on Childcare Leave/Caregiver Leave at the Ministry of Health, Labour and Welfare. Currently, as well as my role in education and research at the International University of Health and Welfare Graduate School, I am involved in policy formation as a member of several study groups and expert meetings related to nursing care, which are established by various government ministries each year. One example of this is the guidelines regarding unpaid caregivers created by the Ministry of Economy, Trade and Industry. It is estimated that unpaid home nursing care provided by working people will cost Japan almost nine trillion yen by 2030. Today, elderly people make up approximately 30% of the Japanese population. The various issues related to nursing care are important for these people and their families, of course, but they also affect the management of companies that employ workers who provide unpaid nursing care at home. In fact, the provision of nursing care is a matter that directly affects the future of Japan in terms of the well-being of its citizens and the development of its enterprises. Japan is being called upon to respond to this challenge — the first challenge of its kind faced by any society in human history — and the way it adapts has become a focus of attention at international conferences.

Appointment as Outside Director

I believe that the role of outside directors is to enhance governance from a perspective independent of the management team, conduct management supervision and risk management, and make strategic proposals to maximize profits. Corporate management is becoming increasingly difficult by the day due to the rapid changes affecting international relations and economic conditions. In today’s world, even forecasting the near future is not easy. Managers find their ability to swiftly perceive change, adapt flexibly and appropriately, and respond to new situations is being called into question. Careful decision-making is crucial. On the other hand, delaying decisions now could lead to the

worst possible outcomes down the track. Managers are required to make precise decisions at precisely the right timing.

Although I have no direct experience in management, I will leverage the perspectives I have gained from my career experience and my independent position as an outside director to check whether Toagosei’s management system and practices are in line with the times, whether they are reliably implemented, and whether its corporate philosophy adapts to changes in social conditions. If I find that they do not, I will push the executive team to make improvements.

Moreover, as a female director, I will focus on the following points. (1) Cultivating a system that enables more creative and innovative proposals through the promotion of diversity and inclusion; (2) Improving employee satisfaction and productivity by promoting and prioritizing work-life balance; (3) Facilitating growth for the entire Group by supporting women’s careers; (4) Strengthening governance through more comprehensive risk management by deepening our understanding of the unique risks and challenges faced by women; and (5) An increased emphasis on social responsibility. Through these efforts, we will strive to further enhance Toagosei’s corporate value.

To our investors

Since last year, I have been consulted on setting new product development themes, market research, and planning at Aronkasei Co., Ltd., which handles the development and manufacturing of nursing care products. Through these consultations, I have gained a new appreciation for the Group’s outstanding employees — their creativity and sincerity in tackling these themes. If we can establish scenarios that connect the Group’s excellent ideas and technical skills to social value, I am confident that we can stay ahead in the rapidly changing business environment. By doing this, I firmly believe that we can achieve even greater growth. I hope to contribute to enhancing corporate value through discussions with the other outside directors, drawing on their extensive experience, so that Toagosei can meet the expectations of all our shareholders and other stakeholders.