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Message from Former Outside Director

“Edgy Company” Spirit and Evolving Board of Directors

Asahi Intecc has continued to evolve, including in terms of the structure of its Board of Directors, based on the philosophy of “being an edgy company,” as articulated by former Outside Director, Kiyomichi Ito. Mr. Ito, who was deeply involved in this process as an outside director for more than a decade, had made tremendous contributions to the company, including expressing frank opinions from time to time and leading discussions. Mr. Ito’s perspective has been a great asset to Asahi Intecc, as he frankly raised issues that could only be seen from an independent standpoint and continued to refine the way the Board of Directors operates. Please find below Mr. Ito’s message, based on his more than 10 years of experience as an outside director, about the challenges the Board of Directors faced, the path of evolution, and expectations for the future.



Kiyomichi Ito

Former Outside Director
Asahi Intecc Co., Ltd.

In 1974, he joined Toyota Motor Corporation and served as president of its overseas subsidiaries. After his retirement, he worked as a professor at Chukyo University School of Management. He served as outside director of the company from 2013 to September 2025 and retired in September 2025.

I served as an outside director of Asahi Intecc for over a decade.

I am proud to say that I contributed to the enhancement of Asahi Intecc’s value, albeit in a small way, by being involved in the strengthening of governance and the advancement of decision-making from diverse perspectives from an independent standpoint. On the other hand, I realized that the system of outside directors has some structural issues.

One of them is the issue of “building a roof atop the roof (doing something useless),” meaning that a large number of outside directors causes the Board of Directors to repeat discussions that have been accumulated by the executive team, resulting in slower decision-making.

Another is the issue of “being isolated without help” of outside directors, which cannot be ignored. Conversations and information that comes to our eyes and ears during our daily work are more useful than we can imagine in making decisions. However, because outside directors have limited opportunities to interact with the people within the company on a daily basis, it is difficult for them to have access to information that can be used to make decisions. At times, outside directors find themselves in a situation where they are almost isolated without any help. In addition, compared to the company’s

internal staff who have been involved in the industry for many years, outside directors inevitably have a certain amateurish side. This is an issue that needs to be addressed honestly. At Asahi Intecc, rather than denying these issues, we faced them head-on and engaged in a series of discussions and practices to utilize the strengths of outside directors to make improvements.

I think that the clear division of duties, with the Board of Directors responsible for setting the medium- to long-term direction and monitoring progress, and the executive team responsible for carrying out day-to-day operations, is one solution to the issue of “building a roof atop the roof.” By narrowing down the scope of coverage, information provision and prior lectures have been well aligned for each theme, and a system has been steadily established to supplement the “amateurish side” of outside directors.

In addition, efforts have been made to create an environment that avoids the issue of being isolated without help, and opportunities for non-formal dialogue have increased, such as meetings with outside directors and director training camps. As a result, the chemistry of diverse opinions has grown into a place and opportunity for new suggestions and ideas.

Of course, Board of Director’s innovation is only halfway there. The current medium- to long-term plan, which serves as the core of the reform of the Board of Directors, focuses on earnings targets, but it is expected to clarify specific measures in a more easily understandable manner. I also believe that it is necessary for the company to more clearly and flexibly incorporate in the Medium-Term Management Plan the direction and goal setting of the soft aspect of what kind of company it wants to be, and the strengthening of human resource development, which is the key to achieving its goals.

As the business environment changes on a daily basis, the ideal form of the Board of Directors must evolve accordingly. I sincerely hope that Asahi Intecc will always face these challenges head-on and, by making use of the frank viewpoints of outside directors, continue to move forward steadily toward a better Board of Directors and, ultimately, a better company.