

Messages from the Outside Directors

The Kawasaki Group appoints outside directors who are capable of providing appropriate opinions and advice from an objective perspective independent of the Group's business execution based on abundant experience and specialized knowledge in fields other than those in which the Company operates.

The outside directors strive to strengthen their oversight function by providing opinions and advice that apply this perspective. Furthermore, they proactively take part in governance and provide guidance by such means as serving as the presiding officers of the Compensation Advisory Committee and Nomination Advisory Committee. By including the opinions of outside directors with diverse backgrounds in management, Kawasaki is further strengthening its corporate governance.

Striving to help increase enterprise value by voicing the perspectives of the capital markets and investors

Kawasaki boasts a long tradition of developing businesses backed by strong technological prowess. Today, however, as society changes at an accelerating pace, management decisions must be made faster than ever before. In light of this, Kawasaki is working to build frameworks that will facilitate quicker response to change and promoting innovation in its corporate culture even as it pursues initiatives in new fields, such as robotics and hydrogen. Discussions at Board of Directors meetings are very lively, and we are moving forward with considerations related to enhancing governance, as well. Having been involved during a period of great change in the management of a securities exchange that, like Kawasaki, has a long history, I have seen first-hand the importance of quickly responding to changes in the business environment and how an organization can decline if fails to do so. As such, I commend Kawasaki for its efforts in this area, which represent an effort to adapt to the changing times.

However, I think that reinforcing our ability to effect total optimization, including that achieved by bringing together the technological strengths Kawasaki has in various fields to create synergy, as well as changing frameworks and mindsets to increase earnings power, remain as tasks going forward. These issues are reflected in Kawasaki's stock price, which serves as a mirror for the Company. The Board of Directors discussed these issues at length when formulating the new medium-term business plan, and we were able to include addressing them as major focuses. If Kawasaki can raise profits, create new technologies, and balance the cycle of the two, I am confident that it will be able to fully leverage its conglomerate advantage and grow. Based on my experience in the financial industry, I will do my utmost to avoid being caught up in the conventional wisdom of the manufacturing industry as I proactively voice the perspectives of capital markets and investors with regard to organizational reform and new business development to contribute the improvement of Kawasaki's enterprise value.



Michio Yoneda

Outside Director

Audit & Supervisory Board Member,
Sumitomo Chemical Co., Ltd.
Director (Outside Audit and
Supervisory Committee), Asahi
Broadcasting Corporation

Today, as expanded capitalism and globalism near turning points, the very nature of manufacturing is on the verge of great change. This includes the creation of products and manufacturing processes with a greater focus on sustainability, a growing shift from merely selling products to businesses that also encompass services and operations, and the systemization of value chains via the integration of diverse information. To grow when the future outlook is so unclear, it is important to understand society's needs and leverage a wealth of ideas to find the way forward to dramatic innovation.

At such a time, I believe that companies must deeply examine their purpose in society and use their unique corporate heritage as an important compass in order to move forward. Kawasaki now aims to use the cutting-edge technologies it has honed to create new value and contribute to the development of society. By thus putting into practice its motto of "Changing Forward," Kawasaki seeks to take on major social responsibilities and develop further in the coming era. What is



Yoshiaki Tamura

Outside Director

Director, DIC Corporation