

Message from Outside Director

Exploring what a board of directors should be like and applying this within the Company as an academic researcher studying the Companies Act

Five years after being appointed, the Board of Directors has changed and so did the degree of my expectation of the Company

My relationship with the Company dates back to 2014, when I was appointed to be a member of the Independent Committee. Then I was an auditor for two years starting in 2019 and I became an outside director in 2021.

I study commercial law, including the Companies Act, the Insurance Act and other laws related to companies at the College of Law of Nihon University. I fulfill my duties as an outside director by stating my opinions on ESG, compliance, risk management and other issues chiefly from a legal perspective.

As artience operates B2B businesses, I did not know the details of its businesses before I began to work for them. Its staff clearly explained the businesses before I started working. Before I started, I was given opportunities to visit plants and other facilities.

The content of the discussions of the Group Management Committee are always explained to me, including the background behind the matters that are discussed. Any matters where I have questions or ask for clarification are appropriately explained. This allows me to fully understand the situation before attending Board of Directors meetings.

I feel that the atmosphere at the meetings of the Board of Directors has changed dramatically over the five years since I became an auditor. Since then, the Company has been proactively appointing outside officers and actively discussing issues to listen to the opinions of people who have a perspective that is outside the company. Of course, I never felt any pressure making me hesitate to speak up because I am a woman.

I feel that the change of the Company's name in 2024 improved shareholders' impression of the Company. At the recent general meeting of shareholders, one shareholder asked, "The Company intends not only to operate the ink business but also to expand into new fields?" The president replied, "The new company name shows our determination." I understood that this question implied shareholders' hopes for the future of the Company and their support for the Company. I found the meeting fulfilling.

Appreciating the Company's perspective on social contribution, and what I expect from the Company

Businesses have the responsibility to society to create and maintain employment. I feel that the Company's low turnover is one of the points that it can be proud of. The Company's corporate culture embodies its viewpoint as a manufacturer. I applaud the Company for approach-

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Independent Outside Director



ing its business operations with a strong aspiration to contribute to society. In addition, I feel that it is increasing its engagement in dialogue with stakeholders. I hear that it will continue to actively organize briefings for institutional investors and provide meeting opportunities for personal investors.

On the other hand, let me mention some management issues. The Company uses different management indicators in its business. I think that the Company should have stronger attachment on each number and that a sense of urgency is essential in its attitude for achieving those numbers.

The artience's Corporate Philosophy is *People-oriented Management*. I suppose that there is room for improvement for the Company to seek a system that makes the most of its human capital. Each generation has different strengths. So it is necessary to coordinate the values of the different generations of people, and I think this is a way to maximize the Company's human capital.

My mission to apply my expert knowledge within the Company

When I look back at my own performance, I wonder if I have been able to thoroughly oversee operating companies overseas. The artience Group operates globally. As overseas businesses are drawing attention these days, the officers of the Group's holding company should broadly monitor the Group's overseas subsidiaries as well. Going forward, I should have a broader perspective and oversee their operations while paying attention to the balance between the businesses in Japan and overseas.

As a legal scholar who studies corporate law, I am in a position to explore a more desirable form for the organization. I look at how the Board of Directors should be, including such aspects as highly transparent management, responsible decision-making, a contribution to society and improved dialogue with stakeholders. I hope to incorporate, into artience, the ideal form for companies. For this, the mindset reflecting that ideal form needs to be shared among members of the Board of Directors.