

Special Interview

With Satoshi Nakajima, External Director

Satoshi Nakajima is in the fourth year since his appointment as an external director, and we asked him to present his impressions of Mandom Corporation and the Mandom Group as someone with experience managing a listed company, and to offer his objective opinions from the perspective of an external director.

Objective View of Mandom Today

My first objective impression is that the Mandom Group is forward looking. It was quick to enter Indonesia more than 40 years ago, and overseas sales now comprise almost 50% of total sales. Initially, the only brands I knew were Gatsby and Lúcido, but the Company has actually developed multiple businesses and brands, and I truly believe that Mandom is a global company, with deep and extensive roots in Southeast Asia. Recently, I sense once more that Mandom's operational foundation is its emphasis on marketing. The product development and idea generation capabilities that spring from this—and its good taste—are its strengths, or rather its defining features. Looking at just one of its TV commercials conveys its innovative spirit.

Meanwhile, in my view, its corporate governance, including internal audits, as well as systems, policies and various initiatives, function very effectively. The Company conducts thorough information disclosure, and the board meetings I attend are extremely open, with the Company proving to be very willing to listen to outside opinions, and these opinions are actively utilized in its operation. Mandom compares very favorably with its competitors, and I have been rather impressed with its high level of transparency. Presently, Mr. Nagao and I serve as external directors, and a previous external director, Mr. Tsukada, is serving as an advisor. The three of us prevent the Company from focusing too much on the short term, and we actively give our opinions and advice—at the very least, I believe we instill a sense of urgency.

Expectations of the Management Team

For Mandom, cultivating the next generation is a key management issue. President Nishimura, the highest-ranking manager and a member of the founding family, is modest but possesses excellent leadership skills, and he is deeply trusted and respected by all employees. In general,

cultivating the next generation is becoming a key management issue for family-run businesses. As external executives, we must consider what is good or bad for the Company's development, including cultivation of the next generation. As external directors, we must hold ourselves accountable and be fair and impartial when offering our observations and advice.

In addition, from the perspective of cultivating human resources, I believe we must work more actively to appoint and empower female managers. Presently, only one of our executive officer is female. The Company established the Diversity Promotion Office in fiscal 2015, and the other external directors and I aim to follow its lead.

Mandom's Future and Challenges in My View

As an Independent Director, when I consider Mandom's future, in addition to expanding I would like the Company to preserve its "Only One" management philosophy. Rather than striving only to achieve the highest sales, to become the type of company we aim for, we will have to harness our own unique development and technological capabilities to develop products that cannot be imitated, and that make it difficult for our rivals to keep up.

In the future, as a company that aims to become a global company it is important for Mandom to train overseas personnel. The domestic and overseas sales ratios are likely to reverse in the near future, and it will be increasingly necessary to recruit these assets. Many of the present executive officers and managers have overseas experience. To also nurture the ambitions of young employees, we need to take a serious look at whether we are training and hiring personnel from a global perspective.

In closing, one final remark. I have great expectations for the future of the Mandom Group as it strives to become an "Only One" company by developing business opportunities in Asia.



Satoshi Nakajima, External Director

Born on December 8, 1953
 April 1976 Joined Osaka Gas Co., Ltd.
 June 2000 Director, OSAKA GAS Security Service Co., Ltd.
 June 2004 General Manager, Secretarial Department, Osaka Gas Co., Ltd.
 June 2007 Executive Officer, Osaka Gas Co., Ltd.
 June 2008 Managing Executive Officer, Osaka Gas Co., Ltd.
 July 2008 Managing Director, The Japan Gas Association
 April 2011 Chairman, OGIS-RI Co., Ltd.
 June 2013 External Director of the Company (current position)
 June 2016 Audit & Supervisory Board Member,
 Osaka Gas Liquid Co., Ltd. (current position)