

Supervising Management and Developing Talent for Sustainable Growth



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Representative Director,
Chairman of the Board

Keiji Nishio
Outside Director, Audit and
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Chair of the Nomination
Advisory Committee
Compensation Advisory
Committee Member

In order to ensure sufficient discussion and deliberation at the Board of Directors meetings, Yaskawa Electric has worked to optimize the number of Directors. Since the 2025 General Meeting of Shareholders, the number of Directors has become 8, and the ratio of Outside Directors has reached 50%. The role played by Outside Directors has become more important than ever, and expectations are growing for their management oversight function and strategic advice.

Furthermore, Mr. Nishio, an Outside Director and Audit and Supervisory Committee Member (hereafter, Outside Director), has been appointed Chair of the Nomination Advisory Committee, replacing the previous Internal Director (President). This marks a turning point aimed at enhancing the effectiveness, transparency, and objectivity of executive talent selection and development.

In this dialogue, Mr. Nishio and Mr. Ogasawara discuss the effectiveness of Yaskawa's corporate governance, the strategy for developing executive talent, and the outlook for enhancing long-term corporate value.

Mr. Nishio, this is your third year as an Outside Director. What are your views on Yaskawa's governance system and the role of Outside Directors based on your experience thus far?

Nishio Over the past two years, I have felt that our company's governance system has several characteristics. First of all, our company has adopted a "Company with an Audit and Supervisory Committee," which is characterized by the ability to delegate a great deal of important business execution decisions to the executive side. This enables the executive side to make decisions quickly and flexibly, and creates a sense of speed in the implementation of measures.

However, for this system to function, a certain level of trust is necessary between the outside directors and the executive side. If there is no trust, the outside directors will have to interfere in every detail, and speedy management will suffer. As an outside director, I can freely express my opinions and questions, and I feel that the executive side responds sincerely to questions that are sometimes difficult to answer. I feel that the accumulation of such frank and constructive discussions has fostered a relationship of

trust. At the same time, since the role of the outside directors is to supervise management, we do not simply ratify the proposed measures, but monitor management from an independent standpoint with a certain sense of tension, and always strive to contribute to sound management.

In addition, outside directors have opportunities to exchange opinions with the executive side at various occasions, such as the Board of Directors, the Board of Directors' Opinion Exchange Meeting, and the Sustainability Committee. We also promote sustainability initiatives, including those related to the supply chain, and ERM*¹ while sharing issues with the executive side. The executive side has been confirming the proposals made by the outside directors, and I feel that we are making steady progress in adjusting directions and making efforts to realize them. In addition, after the General Meeting of Shareholders this year, an outside director chairs the Nomination Advisory Committee. I believe this will enhance the objectivity and independence of the committee and further strengthen governance.

*1 Enterprise Risk Management: A method for centrally managing various risks that an organization may face throughout the organization

As an outside director, from what perspective do you express your opinions on Yaskawa's business strategies and business execution?

Nishio As an outside director, I focus on the following three perspectives. While valuing these perspectives, I strive for balanced discussions.

1. A shareholder's perspective

To assess whether measures will lead to increased corporate value, and to conduct necessary questioning and supervision.

2. A broad perspective

To deepen discussions from a broad perspective, including medium- and long-term visions, management plans, business portfolios, corporate governance, sustainability, and risk management, rather than being involved in day-to-day business execution.

3. On-site perspective

As an Audit and Supervisory Committee member, I visit factories, branch offices, subsidiaries, etc. and listen directly to the opinions of people on the front lines, so that I can reflect the actual situation on the front lines in discussions at the Board of Directors meetings.

How do you feel the opinions of outside directors influence the Board of Directors, the Nomination Advisory Committee, and the Compensation Advisory Committee?

Ogasawara The opinions of outside directors have gradually brought about changes in the operations of the Board of Directors and the Nomination and Compensation Advisory Committee. In particular, by receiving opinions from a broad outside perspective, as Mr. Nishio has said, we have been able to see our company's business in a broader context. As a specific example, we have incorporated the views of outside directors into the formulation of our mid-term business plan and long-term vision, which we are currently working on, to narrow down the direction of our business and broaden our perspectives.

In addition, when outside directors once again point out issues that are being discussed within the company, internal action may be accelerated. You may feel that such internal intentions are reflected in the selection of agendas for board meetings and themes for board opinion meetings.

With regard to the Nomination Advisory Committee, the involvement of outside directors has enabled more frank discussions, and I feel that we have established a structure to better shape the direction of the company. With regard to the Compensation Advisory Committee, the inclusion of an outside perspective has enabled deeper discussions on the appropriateness of compensation.

After the General Meeting of Shareholders this year, Mr. Nishio became the chairperson of the Nomination Advisory Committee. Could you tell us about the background and circumstances behind the change?

Ogasawara At Yaskawa, we place importance on internal experience and achievements when it comes to personnel at the top management level, and we focus on appointing people from within the company. We also consider inviting people from outside the company as needed. For this reason, we make a list of candidates for future management personnel, led by the president and chairperson, and examine the structure for the following year from an early stage each year. This process has been carried out cautiously within the company, but we were trying to find the right time to share the details of our deliberations with outside directors. However, now that the structure is in place, we have decided that it is time to share as much information as possible with outside directors and take their opinions into account.

In order to enhance transparency and independence, it is important to share the direction of development and the approach to selection, even if we do not disclose all detailed information about individual candidates. I believe this is not just a change in the structure, but an evolution of the process based on a relationship of trust with outside directors. This is the background to the recent change in the chairpersonship of the Nomination Advisory Committee to an outside director.

Nishio I myself have managed the Nomination Advisory Committee from the executive side, but outside directors do not have sufficient understanding of the characteristics of the industry and internal human resources. Therefore, I believe that the role of outside directors is not to select candidates per se, but to oversee whether the process is sufficiently transparent, reasonable, and fair with respect to succession planning and personnel proposals prepared by the executive side.

In particular, shareholders are increasingly calling for succession planning to begin as soon as possible, and there is a demand for medium- to long-term planning that clarifies the qualifications and direction of development, rather than just naming candidates. It is realistic to proceed in a step-by-step manner, and I would like to ask the executive side to provide certain information about candidates.

Ogasawara Under the previous system, the main focus was on gaining the approval of outside directors, but going forward, we will shift to a system of providing thorough explanations and engaging in discussion. In doing so, we believe that demonstrating the qualities of candidates and our training policies in an objective and transparent manner, without being bound by traditional customs, will lead to the realization of more sound governance.



Nishio Now that the environment is changing rapidly, it is essential to have a succession planning system in place during normal times. I believe that formulating a mid- to long-term development flow, including the Secretariat of the Nomination Advisory Committee, and proceeding in stages will lead to stable management in the future.

What initiatives are important from the perspective of developing the next generation of management personnel from within the company?

Ogasawara Our company regularly conducts training camps for prospective executives. The selected candidates receive approximately six months of training in MBA courses and management strategies from outside instructors.

Personnel who have received this training are assigned to positions that take advantage of the results of their training, such as participation in management at affiliated companies. Almost all of our current executive officers have received this training, and those who are posted overseas also receive it after returning to Japan.

We also take the opinions of the division managers into account when selecting participants. We develop a training plan based on a list that excludes information such as age and academic background. This is carefully managed within the company and is not disclosed.

In addition, we determine whether to promote employees who are promoted to the executive level through a job-based or membership-based training system, and whether to make use of their expertise or give them broad management experience. This is an important issue for the president and chairperson of the company when considering how to position the company for the next generation.

Nishio Mr. Ogasawara talked about the selection of general managers and above, but I would like to talk about human resource development from a broader perspective, including those in general positions. When

I was president of MEGMILK SNOW BRAND Co., Ltd., I focused most on career support. I asked staff in the Human Resources Department to obtain career consultant qualifications, and we created a system in which all employees regularly reviewed their careers through career checkups and workshops.

I believe that the foundation of human resource development is for each employee to have a vision of what he or she wants to become. This is because when employees have their own future goals, their motivation for daily work is greatly enhanced, and this motivation is the source of employee growth and corporate growth.

We have also developed a training system to help employees acquire the skills and abilities necessary to realize their career plans. Specifically, we have division-wide leadership programs in areas such as logical thinking, presentation, accounting, coaching, negotiation, facilitation, and project management, as well as specialization programs that specialize in each division. I believe that the interaction between theory and practice, in which theoretical knowledge is put into practice on the job and the results are reviewed theoretically, will help employees acquire skills and abilities in a deep and steady manner.

Given this background, I believe it is extremely important for the entire group to work together to develop human resources.

Given the rapid pace of technological innovation and changes in the external environment, could you tell us about the qualities required of future management personnel?

Nishio First of all, I believe that a person must have a strong passion for Yaskawa Principles and a deep sense of mission, and must be able to communicate this in easy-to-understand terms both inside and outside the company and spread it throughout the company.

In addition, foresight, strategic thinking, high ethical standards, leadership, and communication skills are required. However, these qualities will change depending on the times, the external environment, the growth stage of the company, and the situation in which the company is facing, so the Nomination Advisory Committee will continuously discuss what qualities are necessary for the next generation.

In any case, I think the next generation of managers will need to inherit the strengths of Yaskawa while adopting a new perspective that suits the times.

Ogasawara I agree with you. In addition, I believe that passion and luck are important. Passion goes without saying, but a strong sense of what you want to do with the company. And by luck I mean a person who has the power to be seen as lucky by others.

In fact, I think that a person who not only has luck but

also has the ability to make the most of it is suitable as a management personnel. I think that luck is not an accident, but a result of a combination of ability at work and human strength.

What are your thoughts on the challenges Yaskawa faces in achieving long-term growth?

Nishio There are two main directions for corporate growth. One is “organic growth,” in which we leverage internal resources to strengthen our capabilities. The other is “inorganic growth,” in which we acquire external resources through M & A and buy time.

The latter, in other words, leveraging external resources, will become more important for Yaskawa in the future. In order to grow with a sense of speed, external partnerships and M & A are essential.

However, M & A does not end with acquisitions. Success or failure depends on whether the company has personnel capable of PMI^{*2}. I feel that the future challenge is to increase the number of personnel who have experienced difficulties in the past.

The perspective of the business portfolio is also important. Which businesses should be developed in-house, and which businesses should be partnered with external partners or scaled down? It is necessary to present this company-wide resource allocation policy in an easy-to-understand manner both internally and externally. Of course, it is not necessary to disclose everything, but making the framework of the strategy visible will lead to a relationship of trust with shareholders and investors.

*2 Post Merger Integration: The integration process after an M & A. In order to maximize the expected effects of an M & A, integration is carried out from the three aspects of management, operations, and awareness.

Ogasawara To add to what Nishio-san said, I think it is necessary to ask the question, “First of all, can we really grow organically?”. Inside the company, there may be an atmosphere that is steeped in past successes. Business performance and compensation have changed dramatically from 10 years ago, but that success may have dampened the desire for change.

If we want to change this atmosphere, it is difficult for the president and chairperson to do so alone. In such cases, I feel the need to enlist the help of outside directors. If we continue as we are now, we tend to be insufficiently prepared for the next round of growth.

Do we maintain the company slowly but steadily, or do we challenge ourselves with clear growth goals? When deciding which path to take, it is important to determine the direction of the company while incorporating the perspective of outside directors.

Lastly, from the perspective of the role and responsibilities of the Nomination Advisory Committee, how do you intend to support Yaskawa's growth?

Nishio The growth of a company depends greatly on the quality of its top management. In particular, the ability of top management has a significant impact on business performance. That is why the mission of the Nomination Advisory Committee is to select the most suitable candidate for president and make recommendations to the board of directors. Through this process, we support the sustainable growth of Yaskawa. I believe this is the most important role of the committee. In order to fulfill this responsibility, we will continue to hold thorough discussions on the qualifications and experience of the candidates, as well as the type of leader that is required by the times.

Ogasawara Selecting the president is extremely important in paving the way for the company's future. It is important not only to select the president, but also to strengthen the staff who support and implement the agenda of the company's top management, who speaks strongly and from a broad perspective. I believe that the key to the future is the rapid development and strengthening of staff officers. There are limits to how much this can be achieved by internal efforts alone, so it is essential to actively incorporate external perspectives and stimuli.

I have high expectations for the outside directors, as they can provide such perspectives and insights. I sincerely hope that outside directors' knowledge and experience will become a major driving force for the company's growth.



Enhancing management quality from multiple perspectives and responding flexibly to a changing business environment

Hiroshi Ogasawara

Representative Director, Chairman of the Board



Understanding the medium- to long-term business environment

Our business domain is expected to grow steadily over the medium to long term, and our management team is confident in this direction as discussed in the Board of Directors. While market fluctuations are inevitable, overall growth is anticipated. We are closely monitoring external factors that could significantly impact performance, such as the effects of reciprocal tariffs between the U.S. and other countries, and economic trends in China. In particular, tariffs are more concerning for their potential to cool market sentiment than for their direct financial burden. China's economic and trade policies, as well as tensions in U.S.-China relations, are also being watched as risk factors.

We also recognize the advancement of AI technologies as a critical element directly linked to operational efficiency and enhanced decision-making. The use of generative AI and deep learning is expected to influence corporate competitiveness, and we are positioning these technologies as strategic imperatives, actively pursuing their adoption.

Focusing on essential discussions to improve management quality

In operating our Board of Directors, we emphasize stable decision-making and calm monitoring of execution. Outside directors contribute not by directly

engaging in management decisions, but by offering insights from an outside perspective and advising on legal systems and market changes, thereby enhancing the quality of management. In formulating our new mid-term business plan starting in fiscal 2026, we will leverage the expertise of outside directors to clarify our corporate direction and develop more effective strategies.

Responding to diverse perceptions of quality

Our group's solution concept, "i³-Mechatronics," embodies Total Quality Management (TQM) itself, and through its global deployment, we aim to continue contributing to the advancement of quality management.

At the same time, customer perceptions of quality are evolving, and we must recognize that expectations vary by market. While Japanese companies tend to pursue uniformly high quality, Chinese companies prioritize speed and practicality to enhance competitiveness. Our company must also respond flexibly to balance quality and speed.

In this way, redefining the role of outside directors and leveraging AI to elevate operations will become increasingly important. By adapting flexibly to a changing business environment and enhancing management quality from diverse perspectives, we aim to realize greater corporate value.

Basic approach to corporate governance

Yaskawa Electric recognizes the importance of corporate ethics based on compliance with laws and regulations and considers it an important issue to enhance corporate value by speeding up management decision-making in response to changing social and economic environments and improving management soundness.

To achieve this, we will build good relationships with our stakeholders, including shareholders, customers, business partners, local communities, and employees. We will also further strengthen our current institutions, including

the General Meeting of Shareholders, Board of Directors, Audit and Supervisory Committee, and Accounting Auditor, while enhancing corporate governance.

For our shareholders and investors, we will strive to disclose information promptly and accurately, and at the same time, enhance management transparency by disclosing a wide range of information.

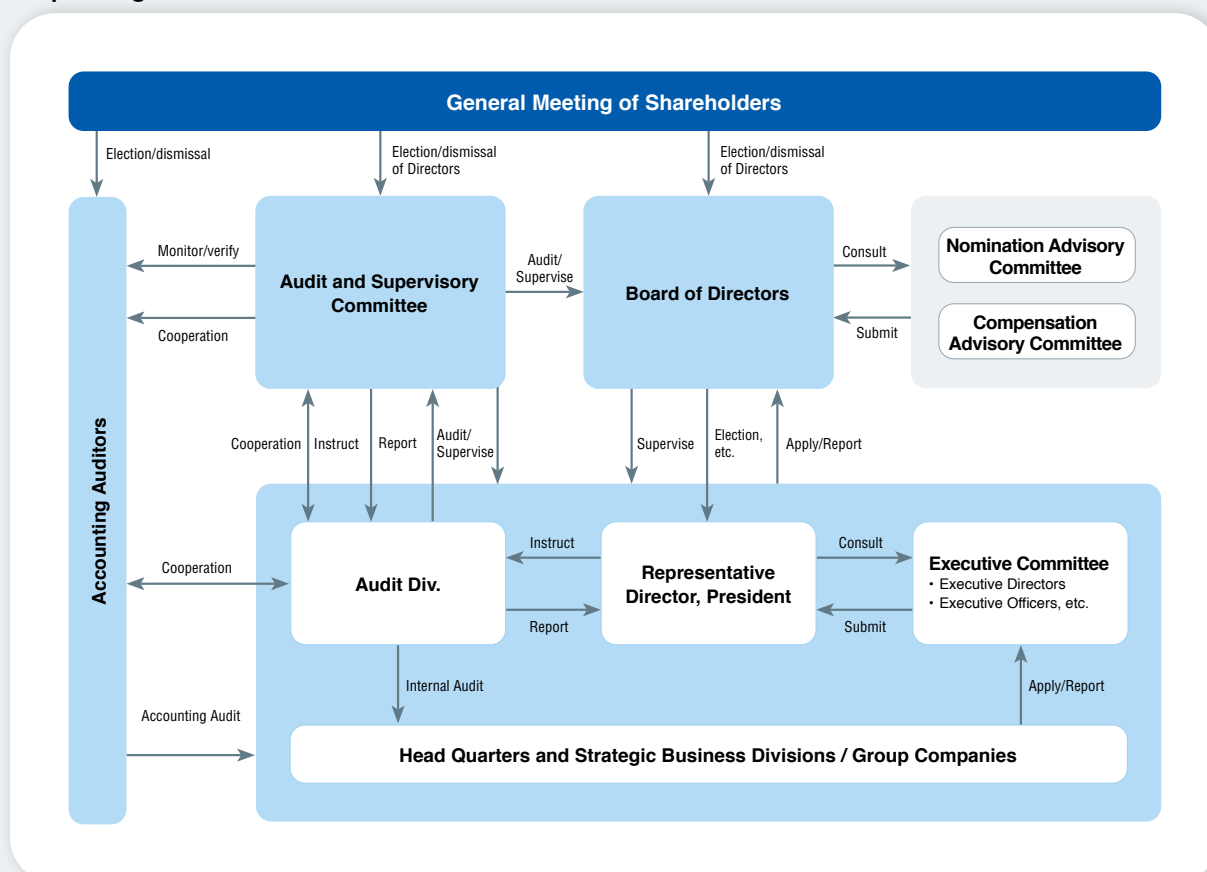
Yaskawa has established the Yaskawa Electric Corporate Governance Policy, which sets forth its basic views on corporate governance, and discloses it on the website.

Corporate governance system

Yaskawa Electric has adopted a corporate structure with an Audit and Supervisory Committee in order to further strengthen the oversight function of the Board of Directors over management and corporate governance, as well as to enhance the soundness and efficiency of management. The Company believes that the supervisory function of the Board of Directors will be further enhanced by utilizing the legal functions of Audit and Supervisory Committee Members, such as the ability of Audit and Supervisory Committee Members as directors to exercise voting

rights at the Board of Directors on important matters of the Company, such as the appointment and dismissal of Representative Directors, and the ability to examine the results of the execution of business by Executive Directors and to express opinions at the General Meeting of Shareholders on the appointment, dismissal and remuneration of Executive Directors. In addition, the Company has introduced an executive officer system to separate management decision-making and business execution functions, enhance each function, and speed up business execution.

Corporate governance structure



Board of Directors

In addition to the regular meetings of the Board of Directors, the Board of Directors convenes extraordinary meetings as necessary to decide on important matters related to management and matters stipulated by laws and regulations, and to supervise the status of business execution on an ongoing basis.

In deliberations by the Board of Directors, Outside Directors fully understand the current status of Yaskawa based on information submitted or reported by the Internal Audit and Control Division, Corporate administration operations and other functions, and the Accounting Auditor provide advice and proposals based on their respective knowledge, thereby fulfilling appropriate supervisory functions.

Activities of fiscal 2024

The Board of Directors met 13 times in fiscal 2024. As the second year of the mid-term plan “Realize25,” based on the long-term plan “Vision 2025,” the Board of Directors monitored and discussed the progress of the plan, thereby accelerating its execution and addressing important issues.

Main deliberations at the Board of Directors are as follows:

- Reports and deliberations on the progress of the mid-term plan “Realize25” throughout the Company and at major divisions
- Reports and deliberations on the status of business execution during the current fiscal year

Composition of the Board of Directors, Audit and Supervisory Committee, and Nomination/Remuneration Advisory Committee, and field of capability that Yaskawa expect each Director to demonstrate

Name	Position	Years served as a Director ^{*1}	Gender	Attributes	Structure				
					Board of Directors	Audit and Supervisory Committee	Nomination Advisory Committee	Compensation Advisory Committee	
Hiroshi Ogasawara	Representative Director, Chairman of the Board	18	Male		Chairperson		Member		
Masahiro Ogawa	Representative Director, President	6	Male		Member		Member	Member	
Yasuhiko Morikawa	Director, Senior Executive Officer	4	Male		Member				
Hisanori Makaya	Outside Director	–	Male	Outside Independent	Member		Member	Member	
Takeshi Ikuyama	Director and Member of the Audit and Supervisory Committee	2	Male	Audit and Supervisory Committee Member	Member	Chairperson			
Kaori Matsuhashi	Outside Director, Member of the Audit and Supervisory Committee	3	Female	Audit and Supervisory Committee Member Outside Independent	Member	Member	Member	Chairperson	
Keiji Nishio	Outside Director, Member of the Audit and Supervisory Committee	2	Male	Audit and Supervisory Committee Member Outside Independent	Member	Member	Chairperson	Member	
Yaeko Hodaka	Outside Director, Member of the Audit and Supervisory Committee	2	Female	Audit and Supervisory Committee Member Outside Independent	Member	Member	Member	Member	

Male : Male Female : Female

Chairperson : Chairperson Member : Member

Outside : Outside Director as provided in Article 2-15 of the Companies Act

Independent : Designated Independent Director as stipulated by the Tokyo Stock Exchange

^{*1} As of May 28, 2025, at the 109th Annual General Shareholders Meeting.

^{*2} The table above does not cover all the expertise each Director possesses.

- Reports and deliberations on the status of operation of the internal control system, including the effectiveness and efficiency of operations, compliance with laws and regulations, information management, and crisis management
- Reports and deliberations on the status of initiatives to address sustainability issues, including environmental initiatives
- Reports and deliberations on the effectiveness evaluation of the Board of Directors

Requirements and composition of directors

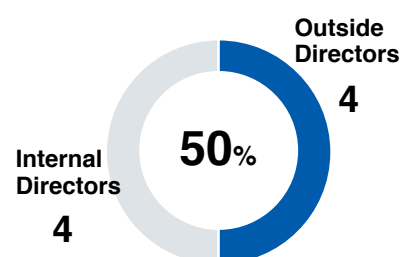
The Nomination Advisory Committee, which consists of a majority of Independent Outside Directors, deliberates on candidates for Director, taking into account the diversity as well as the fields our company expects each Director to possess in relation to the experience, knowledge and abilities that the Board of Directors should possess in order to execute and supervise business in light of the distinctive nature and circumstances of our group's business. Then, the Board of Directors makes resolutions on candidates for Director and submits them to the General Meeting of Shareholders as proposals.

The following "field of capability that Yaskawa expect each director to demonstrate" are important fields in which we expect each director to demonstrate his or her abilities in deliberating our company's medium- to long-term business strategies, goals, policies, and measures at the Board of Directors, etc.

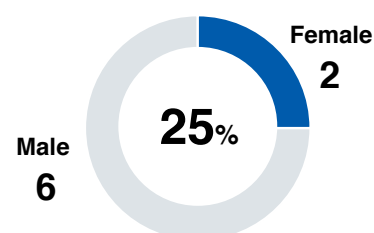
With regard to the succession plan, the Nomination Advisory Committee will proceed with the selection of candidates while deepening discussions on the overall policy.

	Field of capability that Yaskawa expect each director to demonstrate ⁴²						
	Corporate management/ Business strategy	ESG/ Sustainability	Finance Accounting	Legal affairs	Sales Marketing	Manufacturing R&D/DX	Global
	○	○			○	○	○
	○	○			○	○	○
	○	○	○	○			○
	○	○			○	○	○
	○	○					○
	○	○	○				○
	○	○			○	○	○
	○	○		○			○

Ratio of outside directors



Ratio of female directors



► Evaluation of the effectiveness of the Board of Directors

(1) Methods of analysis and evaluation

To ensure the effectiveness of the Board of Directors, the Company annually analyzes and evaluates the effectiveness of the Board of Directors.

In fiscal 2024, a questionnaire survey was conducted with all directors by a third-party organization.

The questionnaire consists of evaluation items related to overall management, such as the size, structure, and operating method of the Board of Directors, the functioning of the Board of Directors, management of business plans, support systems for outside directors, and management issues and strengthening of systems.

(2) Overview of the evaluation results and future initiatives

As a result of the questionnaire, more than 70% of the answers were affirmative, and less than 10% of the answers were negative. In particular, the following points are highly evaluated, and our company judges that the effectiveness of the Board of Directors is generally ensured.

- The Board of Directors resolves and approves proposals submitted to it after thorough discussion.
 - A forum is set up for outside directors to properly understand the status of each division.
- At the same time, the Company also attaches importance to the matters listed below that require improvement.

- ① Enhancement of discussion on allocation of management resources
- ② Enhancement of deliberations by the Nomination Advisory Committee and the Compensation Advisory Committee

In regard to ①, we will make improvements so that discussions can be conducted based on the content and approach of business strategies and measures, and as for ②, we will make improvements so that both committees can deliberate on important themes.

► Fiscal 2024 activities of Audit and Supervisory Committee, Nomination Advisory Committee, and Compensation Advisory Committee

Audit and Supervisory Committee

The Audit and Supervisory Committee fully understands the current status of Yaskawa Electric based on information reported by the Internal Control Division, the Internal Audit Division, and the head office business divisions, while full-time Audit and Supervisory Committee Members conduct audits based on actual inspections. In addition, the Audit and Supervisory Committee carries out duties in cooperation with the Accounting Auditor, and monitors and verifies the duties of the Accounting Auditor.

The Audit and Supervisory Committee met 14 times in fiscal 2024. The following resolutions, discussions, and reports were made.

Resolutions:

Audit Committee audit policy, audit plan, division of duties, activity budget, audit report, evaluation and decision regarding dismissal and reappointment of accounting auditors, approval of accounting auditors' remuneration, prior approval of non-assurance services provided by accounting auditors, etc.

Discussions:

Draft audit implementation report of the Audit and Supervisory Committee, matters related to proposals and documents to be submitted to the regular shareholders' meeting, compensation amounts for directors serving as members of the Audit and Supervisory Committee, etc.

Reports:

Status of audit implementation by the Audit and Supervisory Committee, audit plans and implementation status by the Audit Department, audit reports and interim (quarterly) review reports by the accounting auditor, etc.

Nomination Advisory Committee

The Nomination Advisory Committee, of which the majority are independent outside directors, has been established under the Board of Directors to ensure the transparency and fairness of the nomination of director candidates, the selection process of representative directors and officers, etc., and to ensure a forum for outside directors to obtain sufficient information and discuss to form opinions on the nomination of director candidates, etc. When submitting proposals regarding the nomination, etc. of director candidates, etc. to the Board of Directors, the details thereof shall be fully reflected upon the report of the Committee.

The Nomination Advisory Committee met 3 times in fiscal 2024.

- ① The structure of the next Board of Directors and the appointment of executive officers (1 meeting)
- ② Succession planning, candidates for directors and executive officers, and recommendations for the appointment of representative directors and executive directors (2 meetings)

Compensation Advisory Committee

The Compensation Advisory Committee consisting of a majority of independent outside directors is established under the Board of Directors to ensure the appropriateness and transparency of the remuneration of directors (excluding directors who are Audit and Supervisory Committee Members) and executive officers through fair deliberations, and to ensure a forum for outside directors to obtain sufficient information and discuss the remuneration in order to form opinions. When submitting a proposal on remuneration for directors and officers to the Board of Directors, the Company deliberates on the remuneration for directors and officers calculated in

accordance with the remuneration rules and other matters necessary for remuneration for directors and officers from the viewpoint of appropriateness, and after receiving a report from this Committee, fully reflects the contents of the proposal.

The Compensation Advisory Committee met 2 times in fiscal 2024.

- ① Remuneration for directors and executive officers calculated based on the Executive Compensation Regulations, etc.
- ② Future remuneration system for directors and executive officers

▶ Directors' compensation

Basic policy on Directors' compensation

With the aim of continuously increasing corporate value and strengthening competitiveness, directors' compensation at Yaskawa is designed to maintain a level of compensation that secures talented human resources and provides incentives for short-term, medium- to long-term performance improvement.

Basic policy for performance-linked compensation

i) Single-year compensation

In order to raise awareness of the continuous improvement of profits as a whole, compensation will be paid according to the profit performance of the previous year.

ii) Medium- and long-term compensation

Raise awareness of improving corporate value over the medium to long term and share benefits with stakeholders.

Composition of Directors' compensation

Directors (excluding directors who are Audit and Supervisory Committee members)

a. Directors (excluding outside directors)

It consists of basic remuneration, which is fixed remuneration, performance-linked remuneration (single-year remuneration) and stock remuneration (medium- to long-term remuneration), which are linked to business performance. The setting of this index for stock-based compensation incorporates the Company's TSR relative to TOPIX and ESG targets, in addition to business performance.

b. Outside Directors

It consists of basic compensation and stock compensation.

Directors who are Audit and Supervisory Committee members

It consists of basic compensation and stock compensation.

Remuneration to Directors (Excluding Audit and Supervisory Committee members)

1. Basic compensation

At the 99th Ordinary General Meeting of Shareholders held on June 18, 2015, a resolution was passed to set a fixed limit of 430 million yen or less for the basic remuneration of Directors. Details are as follows.

Directors (excluding outside directors)

As directors assume the responsibility of improving corporate value, a certain amount will be paid according to the performance evaluation and position of each Director.

Outside directors

Outside directors are responsible for supervising the execution of duties, so an amount fixed in advance is paid.

2. Performance-linked compensation

The maximum amount of performance-linked remuneration (single-year remuneration) for directors was resolved as follows at the 99 Annual General Meeting of Shareholders held on June 18, 2015.

Directors (excluding outside directors)

In order to clarify the linkage with consolidated business results, the amount shall be no more than 1.0% of profit attributable to owners of the parent company of the previous fiscal year of the general meeting of shareholders elected or reappointed. The amount of remuneration for each director is calculated by taking into account the relative results to Yaskawa's business results from the standard deviation based on operating profit rate, operating profit growth rate and ROA of other companies in the same industry.

Outside directors

Performance-linked compensation is not provided.

4. Policy on the proportion of each remuneration

Directors (excluding outside directors)

Performance-linked compensation (single-year compensation) and stock compensation (medium- to long-term compensation) are designed so that any improvement in performance is returned as compensation without any upper limit. For this reason, if the performance of the indicators used as the basis for calculation is good, the ratio of basic compensation is relatively small. On the other hand, if the performance of the indicators used as the basis for calculation is poor, the ratio of basic compensation is relatively large.

Outside directors

From the perspective of independence, performance-linked compensation will not be paid, and base compensation as well as non-performance-linked stock compensation only when performance targets are achieved will be paid. The proportion of outside directors' remuneration shall be as follows.

(a) In the event that stock compensation does not accrue

Basic compensation: Stock-based compensation = 100%: 0%

(b) When stock compensation is generated (when stock compensation is maximum)

Basic compensation: Stock-based compensation = 75%: 25%

Remuneration of Audit and Supervisory Committee members

1. Basic compensation

The maximum amount of basic remuneration for Directors who are the members of the Audit and Supervisory Committee was fixed at a maximum of 150 million yen per year and resolved at the 104th Ordinary General Meeting of Shareholders held on May 27, 2020.

2. Stock compensation

The Board Benefit Trust (BBT) for Directors who are Audit and Supervisory Committee Members is a stock compensation paid based on the assumption that mid-term business plan goals are achieved, in light of the fact that Directors who are Audit and Supervisory Committee Members perform monitoring functions such as management performance in order to ensure the achievement of mid-term business plan in addition

to the functions of supervising business execution. In order to share value with shareholders, this remuneration is paid as a stock remuneration. The number of shares to be paid to Directors who are Audit and Supervisory Committee Members is not linked to business performance, and the value of the remuneration is linked only to Yaskawa's stock price, thereby eliminating the impact on the functions of supervising business execution of Directors who are Audit and Supervisory Committee Members.

The following resolution was adopted at the 105th Annual General Meeting of Shareholders held on May 26, 2021.

- A predetermined number of points will be awarded on the assumption that mid-term business plan goals are achieved (not linked to performance).

Methods of determining Directors' compensation

The maximum amount of total remuneration for Directors (excluding directors who are Audit and Supervisory Committee Members. Hereinafter referred to as "Directors") and Directors who are Audit and Supervisory Committee Members (hereinafter referred to as "Audit and Supervisory Committee Members".) is determined by resolution of the General Meeting of Shareholders. The remuneration of each Director is determined by the Board of Directors after deliberation by the Compensation Advisory Committee on the amount of remuneration calculated in accordance with the Officers' Compensation Regulations, etc. The remuneration of each Audit and Supervisory Committee Member

is determined through consultation with the Audit and Supervisory Committee.

In addition, Yaskawa has established the Compensation Advisory Committee, of which the majority are independent outside directors, under the Board of Directors to ensure the appropriateness and transparency of compensation for directors and executive officers through fair deliberation.

With regard to the stock compensation system for Directors and Audit and Supervisory Committee Members, shares are scheduled to be paid to Eligible Directors upon retirement in accordance with the Officers' Share Benefit Rules.

Total amount of compensation, etc. by Director category, total amount of compensation, etc. by type, and number of applicable directors (Fiscal 2024)

Director category	Number of directors	Total amount of compensation (millions of yen)			
			Monetary compensation		Non-monetary compensation
			Basic compensation	Performance-linked compensation	Stock-based compensation
Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors)	4	515	224	245	45
Directors who are Audit and Supervisory Committee Members (excluding Outside Directors)	2	38	38	—	—
Outside Directors	4	63	63	—	—

(Note) The above includes 1 Director who was an Audit and Supervisory Committee Member retired at the conclusion of the 109th Annual General Shareholders Meeting held on May 29, 2024.

▶ Risk management policies and systems

Yaskawa monitors risks related to management performance, including economic and market conditions, at the management committee and the Board of Directors. In addition, Yaskawa has established the basic rules for crisis management to promptly and accurately deal with risks that may directly or indirectly hinder the management or business operations of the Yaskawa Group. In accordance with these rules, Yaskawa has established the Risk Management Committee, which is operated by the Chairperson of the Risk Management Committee appointed by the President, and its specialized committees. The Risk Management Committee takes appropriate measures such as matters related to the development of the risk management system, planning and promotion of risk management education, risk assessment, and the establishment of countermeasures headquarters according to the level of occurrence. The condition of risk management is regularly reported to the management committee, Board of Directors, and the Sustainability Committee to supervise and monitor company-wide risk management and strengthen risk management.

Risk management structure



Definition and classification of risks

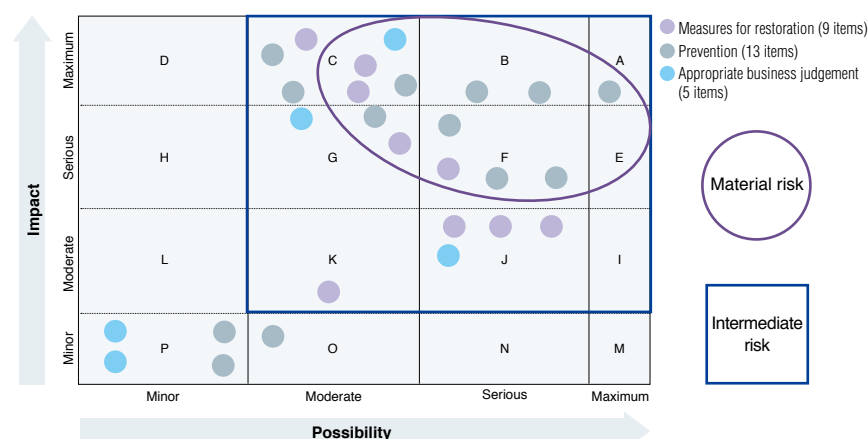
The Yaskawa Group classifies risks into three categories: (1) risks such as natural disasters that are beyond human control, (2) risks that have internal causes, such as compliance issues, and (3) risks that should be taken as management decisions, such as investments in new businesses. The

Yaskawa Group then identifies 27 risk items, visualizes them in the risk map (below), classifies them in terms of their impact and possibility, and implements appropriate measures for each item.

	Examples	Number of items	Measures
① External risk	Natural disasters, terrorism, conflicts, infectious diseases, accidents, etc.	9	Measures for restoration
② Internal risk	Compliance risks such as information leaks, quality issues and cartels	13	Prevention
③ Risks associated with the conduct of business	Expansion into new fields, investment in R & D, etc.	5	Appropriate business judgement



Risk map (Classification of 27 risk items)



A part of material risks in the risk map, including countermeasures against them, are described on pages 30-33 of The 109th Securities Report for Fiscal Period Ended February 2025 (in Japanese) as important risks that may affect the Yaskawa Group's business performance, financial status, etc.. In addition, compliance, quality issues, natural disasters (such as earthquakes and floods), terrorism/disputes, and legal regulations are recognized as risks and measures are being taken.

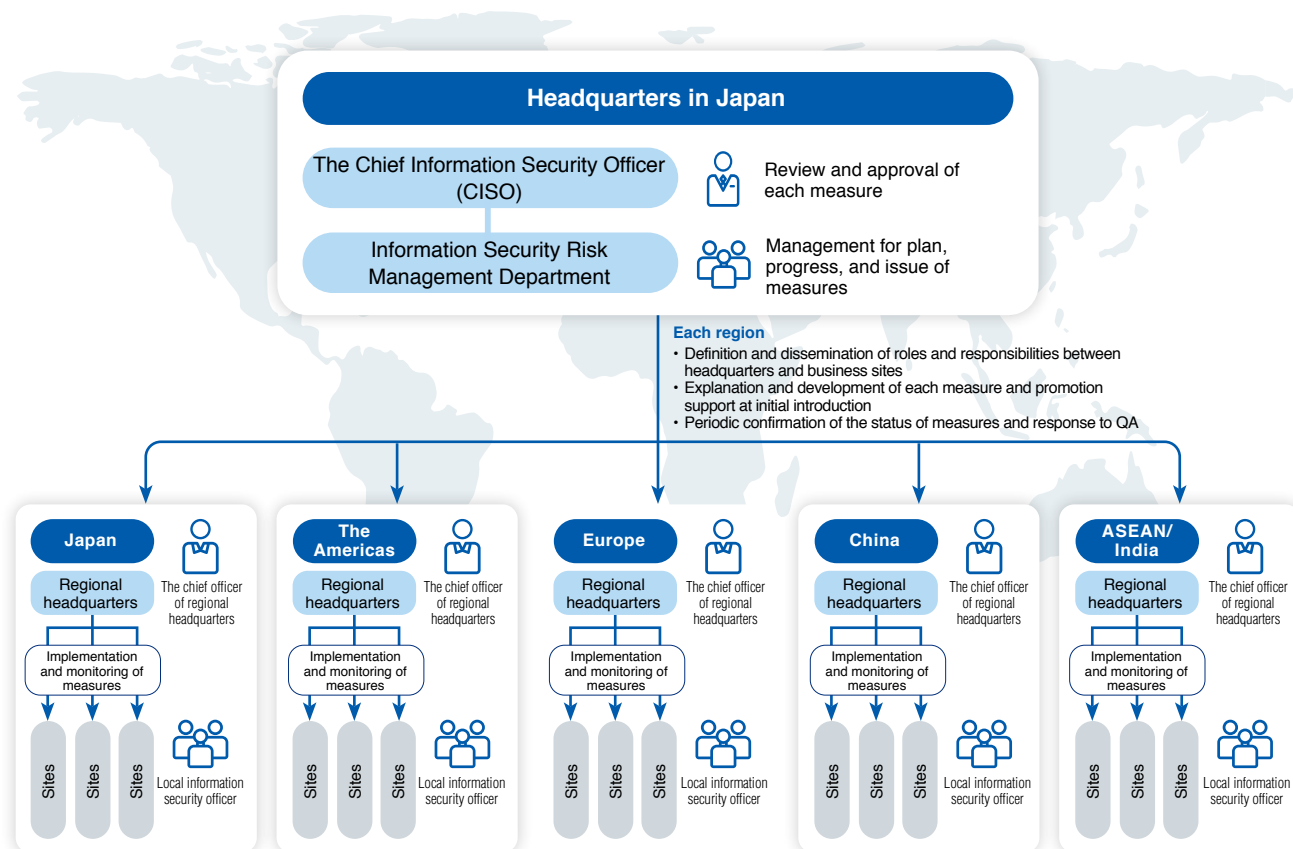
Measures for Information Security

With “zero trust security,” Yaskawa Group information security basic policy, in mind, we will carry out robust information security management activities that are not affected by the external environment of the entire global Yaskawa Group. Specifically, in our YASKAWA Digital Transformation (YDX) promotion activities centered on i³-Mechatronics, we will appropriately implement security measures and emergency responses for the YASKAWA Data Lake, the storage location of our management and customer information assets, and our internal systems, while strengthening threat intelligence monitoring and response globally. Taking data and information as management resources, we will work to protect and continuously maintain our management and customer information assets from threats such as accidents, disasters, and crimes.

Information security system

Under the Chief Information Security Officer (CISO), the information security system is managed by security officers who are assigned to global bases, business divisions, and subsidiaries to systematically respond. The internal organization oversees the entire system through the Information Security Committee, and has incorporated an external SOC (Security Operation Center) into the three-line defense system to ensure routine monitoring of the risk management division and close cooperation with the CSIRT (Computer Security Incident Response Team). Please see [here](#) for the security operation system.

Global information security management system



Security education for employees

Yaskawa has established the Company Information Management Rules to ensure the safe management of information assets, including personal information. These regulations stipulate guidelines for information security action to be observed by officers and employees (including subcontractors), and we have prepared a Company Information Management Manual in accordance with these guidelines and provide training. Yaskawa classifies data received from business partners and internal data according to the level of confidential information, and appropriately implements the business processes from creation, acquisition, management of the scope of disclosure, and disposal. We also conduct an information security e-learning program for the group employees every year as part of internal education, and provide regular reminders to raise the awareness of individual employees about information security.



Hiroshi Ogasawara

Date of birth: September 19, 1955

Representative Director, Chairman of the Board

Number of shares of the Company held: 617 hundred shares

[Past experience, positions and responsibilities]

March 1979	Joined the Company
June 2006	Director; Deputy General Manager, Motion Control Div.
March 2007	Director; General Manager, Drives Div.
March 2011	Director; General Manager, Motion Control Div.
June 2012	Managing Executive Officer; General Manager, Motion Control Div.
June 2013	Director; Managing Executive Officer; General Manager, Motion Control Div.
March 2014	Director; Managing Executive Officer; General Manager, Corporate Technology Div.
March 2015	Representative Director; Senior Managing Executive Officer; General Manager, Corporate Technology Div.
March 2016	Representative Director, President; General Manager, Corporate Technology Div.
March 2017	Representative Director, President; Manager, Diversity Management Div.
March 2018	Representative Director, President; Manager, ICT Strategy Div.
March 2022	Representative Director, Chairman of the Board; President
March 2023	Representative Director, Chairman of the Board (to present)



Masahiro Ogawa

Date of birth: August 25, 1964

Representative Director, President

Number of shares of the Company held: 245 hundred shares

[Past experience, positions and responsibilities]

March 1987	Joined the Company
December 2010	Regional Manager, The Americas; Director and Chairman, YASKAWA AMERICA, Inc.
June 2012	Executive Officer; Regional Manager, The Americas; Director and Chairman, YASKAWA AMERICA, Inc.
March 2016	Executive Officer; General Manager, Robotics Div.
May 2019	Director; Executive Officer; General Manager, Robotics Div.
March 2020	Director; Managing Executive Officer; General Manager, Robotics Div.
March 2022	Representative Director; Senior Managing Executive Officer; General Manager, Robotics Div.
March 2023	Representative Director, President; In charge of Human Resources Development; In charge of ICT Strategy; General Manager, Corporate Technology Div. (to present)



Yasuhiko Morikawa

Date of birth: June 11, 1962

Director, Senior Executive Officer

Number of shares of the Company held: 180 hundred shares

[Past experience, positions and responsibilities]

April 1985	Joined The Dai-Ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.)
April 2008	Corporate Officer, Corporate Planning Group, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)
April 2010	General Manager, Gotanda Branch, Mizuho Bank, Ltd.
April 2012	General Manager, Financial Institutions Banking Division No. 1, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)
April 2013	Executive Officer, Mizuho Corporate Bank, Ltd.
May 2015	Joined the Company, Associate Director
March 2016	Executive Officer; General Manager, Tokyo Branch, Corporate Marketing Div.
March 2017	Executive Officer; General Manager in Finance, Corporate Planning & Finance Div.
March 2020	Executive Officer; Deputy General Manager, Corporate Planning & Finance Div.
March 2021	Senior Executive Officer; Deputy General Manager, Corporate Planning & Finance Div.
May 2021	Director; Senior Executive Officer; Deputy General Manager, Corporate Planning & Finance Div.
September 2021	Director; Senior Executive Officer; General Manager, General Affairs & Risk Management Div.
March 2022	Director; Senior Executive Officer; In charge of Compliance; General Manager, General Affairs & Risk Management Div.
March 2024	Director; Senior Executive Officer; General Manager, Tokyo Branch (to present)



Hisanori Makaya

Date of birth: May 2, 1958

Outside Director

Number of shares of the Company held: 10 hundred shares

[Past experience, positions and responsibilities]

April 1982	Joined Fuji Photo Film Co., Ltd. (currently FUJIFILM Holdings Corporation)
June 2015	Corporate Vice President and General Manager, Graphic Systems Division, FUJIFILM Corporation and President and Representative Director, FUJIFILM Global Graphic Systems Co., Ltd. (currently FUJIFILM Graphic Solutions Corporation)
December 2016	Director and Corporate Vice President, FUJIFILM Corporation
June 2017	Director and Senior Vice President, Fuji Xerox Co., Ltd. (currently FUJIFILM Business Innovation Corp.)
June 2019	Director and Executive Vice President, Fuji Xerox Co., Ltd.
April 2021	President and CEO, Representative Director, FUJIFILM Business Innovation Corp.
April 2022	Chairman and Director, FUJIFILM Business Innovation Corp.
June 2024	Outside Director, Niterra Co., Ltd. (to present)
May 2025	Outside Director of the Company (to present)
June 2025	Outside Director, ENEOS Holdings, Inc. (to present)



Takeshi Ikuyama

Date of birth: July 29, 1963

Director and Member of the Audit and Supervisory Committee

Number of shares of the Company held: 18 hundred shares

[Past experience, positions and responsibilities]

March 1986 Joined the Company
 March 2013 Executive Officer; General Manager, Human Resources & General Affairs Div.
 March 2017 Executive Officer; Chairman of the Board of Directors, YASKAWA ELECTRIC (CHINA) CO., LTD.
 March 2019 President, Bestact Solutions Inc.
 March 2023 Executive Officer; Audit Div.
 May 2023 Director and Member of the Audit and Supervisory Committee (full-time) (to present)



Kaori Matsuhashi

Date of birth: June 7, 1969

Outside Director, Member of the Audit and Supervisory Committee

Number of shares of the Company held: 11 hundred shares

[Past experience, positions and responsibilities]

April 1993 Joined Toyo Information Systems Co., Ltd. (currently TIS Inc.)
 October 2002 Joined KPMG Tokyo Office (currently KPMG AZSA LLC)
 April 2006 Registered as a Certified Public Accountant
 July 2006 Joined Asset Investors Co., Ltd. (currently Merchant Bankers Co., Ltd.)
 November 2007 General Manager, Corporate Planning Division, Asset Investors Co., Ltd.
 March 2008 Joined MK Capital Management Corporation (currently IDERA Capital Management Ltd.), Executive Officer
 May 2009 Established Luminous Consulting Co., Ltd. Representative Director (to present)
 Representative, Matsuhashi Kaori Certified Public Accountant Office (to present)
 January 2014 External Auditor, NTS Holdings Co., Ltd.
 June 2014 External Director, Spiber Inc. (to present)
 June 2017 Outside Audit & Supervisory Board Member, Kakaku.com, Inc.
 May 2019 Outside Audit & Supervisory Board Member, Seven & i Holdings Co., Ltd. (to present)
 May 2022 Outside Director; Member of the Audit and Supervisory Committee of the Company (to present)



Keiji Nishio

Date of birth: February 19, 1959

Outside Director, Member of the Audit and Supervisory Committee

Number of shares of the Company held: 2 hundred shares

[Past experience, positions and responsibilities]

April 1981 Joined Snow Brand Milk Products Co., Ltd. (currently Megmilk Snow Brand Co., Ltd.)
 June 2003 Executive Officer; General Manager, Dairy, Grocery Foods & Wine Marketing Dept., Snow Brand Milk Products Co., Ltd.
 June 2004 Managing Executive Officer; Chief Operations Officer, Kanto Regional Sales Div., Snow Brand Milk Products Co., Ltd.
 October 2009 Director; Executive Officer; General Manager, Sales Promotion Dept.; Chief Operations Officer, Kanto Regional Sales Div., Snow Brand Milk Products Co., Ltd.
 April 2011 Executive Officer; General Manager, Marketing Control Dept., Megmilk Snow Brand Co., Ltd.
 June 2013 Director; Executive Officer, Megmilk Snow Brand Co., Ltd.
 April 2015 Representative Director; President, Megmilk Snow Brand Co., Ltd.
 April 2022 Director; Senior Adviser, Megmilk Snow Brand Co., Ltd.
 June 2022 Senior Adviser, Megmilk Snow Brand Co., Ltd.
 May 2023 Outside Director; Member of the Audit and Supervisory Committee of the Company (to present)
 June 2025 Outside Director, KUREHA CORPORATION (to present)



Yaeko Hodaka

Date of birth: March 20, 1966

Outside Director, Member of the Audit and Supervisory Committee

Number of shares of the Company held: 3 hundred shares

[Past experience, positions and responsibilities]

April 1992 Registered as an Attorney
 Joined Ishii Law Office
 January 2005 Joined Morrison & Foerster, Partner
 January 2011 Joined Baker & McKenzie (Gaikokuho Joint Enterprise), Partner
 September 2020 Fellow, Centre for the Fourth Industrial Revolution Japan, World Economic Forum
 June 2021 Outside Corporate Auditor, Sumitomo Heavy Industries, Ltd.
 April 2023 Joined Isshiki & Partners, Partner (to present)
 May 2023 Outside Director; Member of the Audit and Supervisory Committee of the Company (to present)
 June 2023 Outside Corporate Auditor, Santen Pharmaceutical Co., Ltd. (to present)
 March 2024 Outside Director, Sumitomo Heavy Industries, Ltd. (to present)

Senior managing executive officer



Shuji Murakami

Regional Manager, China

Senior executive officers



Michael Knappek

Regional Manager, the Americas
Chairman & CEO, Yaskawa
America, Inc.



Nobuaki Jinnouchi

Regional Manager, Asia
Chairman & CEO, Yaskawa Asia
Pacific Pte. Ltd.



Kenji Ueyama

General Manager, Motion Control
Div.



Tatsuya Yamada

In charge of Compliance;
General Manager, General Affairs
& Risk Management Div.
General Manager, Import & Export
Administration Div.



Hiroshi Takata

General Manager, Corporate Sales
& Marketing Div.
Department Manager, CRM
Strategy Promotion Dept.
Corporate Sales & Marketing Div.



Ayumi Hayashida

General Manager, Corporate
Branding Div.
General Manager, Human
Resources Dept., Corporate
Branding Div.



Manabu Okahisa

General Manager, Robotics Div.
Department Manager, Robotics
Technology Dept., Robotics Div.



Yasushi Ichiki

In Charge of Administration,
In Charge of ESG.
General Manager, Corporate
Planning & Finance Div.



Kozo Ide

General Manager, Drives Div.

Executive officers



Masahiko Okura

General Manager, Production Management Div.



Takenori Otsuka

General Manager, Quality & Service Div.
General Manager, West Japan Service Dept., Quality Service Div.



Michiaki Higuchi

General Manager, Procurement Div.



Shunrin Mizutani

Director, President, Yaskawa Tsusho (Shanghai) Co., Ltd.



Shoichiro Shimoike

General Manager, ICT Div.



Yasuo Adachi

Director, President, Yaskawa Electric (China) Co., Ltd.



Toshio Kawasaki

Deputy General Manager, Corporate Planning & Finance Div.
General Manager, Accounting & Finance Dept., Corporate Planning & Finance Div.



Yumie Kubota

General Manager of AI Robotics Div., Corporate Technology Div.
Representative Director, President, AI Cube Inc.



Hideaki Yoshimatsu

General Manager, Industrial Marketing Div.
General Manager, Central Japan Sales Branch
Global Market Manager, Secondary Battery Market, Industrial Marketing Div.



Seigo Yamada

President, Yaskawa Electric Korea Corp.



Marcus Mead

Regional Manager, Europe
Chairman & CEO, Yaskawa Europe GmbH



Tetsuyoshi Yamamoto

Deputy General Manager, Production Management Div.



Takahiro Uchiyama

Director, Yaskawa Europe GmbH



Hidenori Hara

Director, Yaskawa America, Inc.