

Dialogue between Chairperson and Directors



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× **Yukio
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× **Satoko
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× **Satoe
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Utilizing the Diversity of the Region to Achieve a Brighter Future Together

The dialogue was held on the theme of the diverse issues faced by local communities and diversity and inclusion (D&I), a key to solving those issues.

Regional Revitalization × D&I

Murase: With the declining birthrate, the question being asked is “how to create an environment that actively welcomes a diverse workforce” in order to revitalize the region.

Ishikawa: Yes, that is correct. In the Company, we encourage our employees to find their own value and grow autonomously while making the most of their individuality in the new HR system that began in April 2023.

Tsuge: Given the growing trend toward human capital management, the new HR system, which embraces diversity and maximizes the value of all employees, will also enhance the medium- to long-term value of the Juroku Financial Group.

Ito: In today’s business scene, “sensitivity” is increasingly required in addition to mere expertise and technical skills. For this reason, I think it is very important to have an environment where people can feel close to “abundant nature, history, and culture.” In that sense, I think there are more opportunities to develop “sensitivity” in rural areas.

Ishikawa: Efforts are being made to combine the unique geographical advantages of this region, with its abundant nature and adjacent major cities, with business. However, we also need to make efforts to improve our “sensitivity” as it is our role to enhance the diversity of the region.

Murase: The environment is becoming more conducive for people to draw on their own strengths even in rural areas. By understanding local culture and values and applying them to business, we can establish “profound connections with local people.” It will also help us provide more effective services.

Ito: That is correct. Recently, there has been a movement among Tokyo-based companies to expand their base of activities to regional areas as well. I believe there is a strong desire to improve the ability to understand and respond to the unique culture and values of the regions. Conversely, a surprisingly large number of people active in Tokyo are also from rural areas, so I feel that the environment in which one was raised is an important factor in one’s ability to succeed in business.

Murase: Previously, many jobs were completed locally, and opportunities to expand business from Gifu to Tokyo or overseas were limited. Advances in technology bring new opportunities to local cities. With fewer geographical constraints, it is easier to bring together diverse perspectives and ideas from people with different backgrounds, and richer, more creative solutions are more likely to emerge.

Tsuge: Since the Juroku Financial Group’s activity area is Aichi and Gifu prefectures, where manufacturing industries are flourishing, it would be a great advantage if we could contribute the different “sensitivities” of each of our employees to the development of local industries.

Ito: Nowadays, we are in an era where consumers demand quality. Since there are a lot of professionals in this region, we believe there is plenty of opportunity if we can link real techniques to sales in line with the consumer mindset.

Murase: Local industry is a symbol of sustainability because it is a form of local tradition. I believe that bringing together young people from the city and people from abroad will make it easier to come up with innovative ideas. As a company that supports the region, we want to actively contribute to its sustainable growth.

Advancement of Women × D&I

Ito: Gifu and Aichi prefectures have excellent manufacturing techniques, but I believe that from now on it will also be necessary to have a service industry perspective as well. I expect that new ideas will be generated through the active participation of women in such workplaces.

Murase: Female involvement is indispensable for the development of local industries. In this context, the World Economic Forum recently released the Gender Gap Index 2023, in which Japan ranked a low 125th among 146 countries. Looking at the content of the index, Japan’s disparities are particularly noticeable in the economic field.

Tsuge: Regarding the economy, while standards are being imposed on listed companies, such as “the ratio of female directors should be 30% or more,” personally, I feel that the political field is still lagging behind. I think that if politics does not change, the whole country will not change.

Ito: It is true that many people do not feel a gender gap when they are students. But as soon as you go out into the world and start working, the reality is that some people will start to think, “What’s wrong? Why is this different?” and feel an inequality between men and women.

Murase: If we look at politics and the economy, it is true that women are still underrepresented, and I think there is an obvious gap that we cannot see.

Ito: Companies should firmly create an environment in which women can develop their careers even after having children. Realistically, however, many companies may find it impossible to



continue the same career as before while raising children. I think we need to improve this perspective somehow.

Murase: Companies must have a solid human resource system in place that does not put women at a career disadvantage once they leave the company for maternity or childcare leave. I think it is also very important to create a system that does not put men at a disadvantage when it comes to parental leave, which will lead to corporate growth and innovation.

Tsuge: While more women are motivated to work these days, I also hear people saying that they do not aspire to higher positions. Rather than feeling the pressure of responsibility, I think many women may imagine a lack of work-life balance, such as “difficulty balancing personal and family life,” from the sight of their bosses working long hours. In order to promote the advancement of women, it may be necessary to educate those in higher positions who have a strong influence within the company to change the way they work.

Ishikawa: Many efforts are being made to promote the advancement of women. I heard that a female employee who had worked in a job that previously had a strong image of being performed by men said, “At first I was worried, but now I am thankful that my future possibilities have expanded.”

Murase: Going forward, I would like to see both local communities and companies actively involved in creating an environment conducive to raising children, such as by “improving childcare systems and childcare support facilities and reviewing work systems,” so that local residents and employees can easily make these choices.

Ito: In order to create an environment where women can work comfortably, I feel the need to change men’s sense of values. Even if a workplace environment is created, it will be meaningless without men’s understanding of housework and childcare. Therefore, it is necessary for companies to consider that even if men are actively involved in housework and childcare, it will not hinder their career development.

Tsuge: That is correct. In terms of supporting women’s activities, it is meaningful to increase the rate at which men take childcare leave.

Murase: In the “FY2023 Survey of New Employees’ Attitudes,” conducted by Juroku Research Institute Co., Ltd., respondents were asked about “What kind of place is a company?” Among women, the most common response was “a place to contribute to society.” This accounted for 32% of the female responses, far more than the 21% of the male responses.

Tsuge: I really feel that there are a lot of ambitious women these days. At a gathering I recently attended to discuss diversity, I was very encouraged by the participation of high school and college women who were highly aware of the issue.

Ito: Many respondents answered “a place to earn income” to the same question, 33% of men and 28% of women, which is a very practical answer. Under traditional values, there was a strong tendency for “men to earn money and women to take care of the home,” and men felt pressured to do so. However, in an age where women are working as hard as men, if they can support each other and not just men, they will be able to secure a decent income. I think that kind of life is ideal.

Governance × D&I

Tsuge: Japanese corporate culture has long been shaped by male leadership. There is an emphasis on homogeneity, such as not saying what you think, not questioning, as well as the customary rules that have been in place for a long time, which is said to be a cause of injustice. In this sense, the mandatory appointment of outside directors is a very good thing for Japanese companies. When you look at something with an outsider’s eye, you might notice things and think, “Why are you doing this?” While learning about the role of outside directors, I was taught that it is important to speak without reading the room, and since then I have been conscious of this when attending board meetings. I also think that increasing the number of female directors would be very meaningful, as it would help revitalize the Board of Directors in terms of diverse opinions being



expressed. It is wonderful to see the appointment of the first female executive officer at the Juroku Financial Group.

Murase: From now on, I would like to abandon the homogeneity and taciturnity that are peculiar to Japan and encourage outside directors such as Ms. Ito and Ms. Tsuge to speak more freely.

Ishikawa: The first step is for individuals to express their own ideas. Then, through repeated discussions, diversity will be created in individuals and in the organization.



Ito: Embracing diversity means that an individual must have a certain level of self-improvement, or he or she will not have the ability to recognize diversity. First, we must look at ourselves and grow fully. Self-improvement is important as I believe that diversity can be recognized precisely because I myself have grown.

Ishikawa: Each individual’s increased autonomy and uniqueness will also help to enhance corporate governance. Ms. Tsuge and Ms. Ito, how did you enhance your human skills?

Tsuge: The people and senior staff at my current audit firm have great human qualities, and I have had the opportunity to listen to lectures and have discussions with them about what I should focus on to improve my human skills, which I think has been very beneficial. I have also been interested in many things myself and have made an effort to learn not only in my field of expertise, but also by attending seminars and reading books in other fields. I believe that I have been greatly influenced in many ways by the wonderful people I have met in the process.

Ito: In my professional life, I was employed in a job that allowed me to meet people from many different industries, so I spent my days experiencing first-hand the diverse ways of thinking through my work. I believe this has resulted in my current diversity. If you have the opportunity to meet people in different fields, you should meet them, and I feel that nothing is ever wasted, and that if you seek and gain experience yourself, you will inevitably connect with what you need.

Tsuge: As someone in a position to nurture young people, I think it is important to support employees by providing them with the necessary information and opportunities and encouraging and supporting them if they are not able to keep up.

Ito: Ultimately, it is very important to enhance one’s own skills or attractiveness in order to become someone who people want to work with. To achieve this, I must do my best to do what is given to me and become a person who can be trusted. I believe that the accumulation of these efforts will lead to diversity as all kinds of people become more accepting of each other.

Murase: Professor Ichijo of IMD, who has been our Executive Advisor since last May, told us in his lecture that the IMD Business School for Management and Leadership Courses, where European executives attend, has a two-hour cocktail reception in the evening curriculum every day. Here, they are trained to be able to communicate with people of different religions, cultures, and countries even when they meet them for the first time, and they use all their knowledge and experience to build relationships with people they have never met before.

Tsuge: To do that, you would have to have a variety of topics to draw from on a regular basis in order to keep the conversation going.

Murase: I also need such study to improve my human skills. I hope that the officers and employees of the Group will experience their own growth first-hand through the development of their human skills, and realize a productive life as a member of the same company and community. I also hope that each of them will make the most of their individualities to help the people of this region and demonstrate the presence of the Group.

