

Message from the Chairperson of the Board



Shinichiro Omori

Chairperson of the Board

The Hitachi Metals Group would first like to report that Koji Sato assumed the position of Representative Executive Officer, President and Chief Executive Officer in April 2019, at the start of the Fiscal Year 2021 Medium-Term Management Plan. With the change of the President and Chief Executive Officer, renewal of the executive officer system, and implementation of organizational reforms, we aim to grow as a high-performance materials company supporting sustainable societies. President Sato has deep knowledge of trends in technology and experience as the head of the Technology, Research & Development Division, as well as experience as a corporate manager, including as President of the Specialty Steel Company and President of Group companies. Deeming him the most appropriate person to carry out the Fiscal Year 2021 Medium-Term Management Plan, the Board of Directors appointed him to the position of President and Chief Executive Officer. Furthermore, in terms of organizational reforms, we transitioned from the previous four internal company system to a two business division system in order to further bolster synergies between businesses that share markets, customer needs, and elemental technologies, as well as to enhance our cross-sectional functions, and strengthen both strategy and governance. This major change in the business execution system has made the role played by the Board of Directors even more important.

Corporate governance is the foundation for realizing our Corporate Creed of being “the best enterprise,” and we recognize this as an important management issue. We have, therefore, built an organizational system in which the supervisory function of management by the Board of Directors and the business execution function by the executive officers are each performed effectively and are well balanced. The analysis of the effectiveness of the Board of Directors conducted in May 2019 concluded that the selection of agenda items for the Board of Directors was appropriate, that vigorous discussion was carried out on business strategy and management issues, that important items were discussed sufficiently in advance, and that the effectiveness of the Board of Directors as a whole was ensured. However, it was also reported that the evaluation results showed a further need for timely follow-up on the progress of measures to carry out strategy and solutions to management issues, further expansion of opportunities for Directors to acquire the information needed to perform their roles, and enhancement of the governance system for the Group and all its bases. Going forward, we will provide comprehensive backup for bold and speedy execution of measures relating to management, including business restructuring and strategic investments, by promoting efforts to increase the effectiveness of the Board of Directors and actively incorporating the wide-ranging knowledge and diverse perspectives of Outside Directors.

We will continue to disclose high-quality information to all of our stakeholders in a timely manner and reflect in our corporate activities the objective evaluation and perspectives regarding our management that we receive through constructive dialogue, in an effort to achieve sustainable growth and increase our corporate value.