

## Japan Investor Relations Association Announces 2022 IR Award Winners

The Japan Investor Relations Association (JIRA, Chairman: Naoki Izumiya, Honorary Advisor, Asahi Group Holdings, Ltd.), the only privately-run non-profit organization working for the proliferation and improvement of investor relations (IR) activities in Japan, has announced the 2022 IR Award winners.

The IR Award (Committee Chairman: Tetsuo Kitagawa, Ph.D., Emeritus Professor of Aoyama Gakuin University and Professor of Tokyo Metropolitan University) is designed to recognize companies which have been highly accredited in the investment community for their understanding and promotion of IR activities. This year marks the 27<sup>th</sup> year since the first IR Award. The 2022 IR Award winners have been selected with an emphasis on the following initiatives.

- **[Execution of management strategy in light of changes in the environment]** Execution of management strategy and timely disclosure of information in light of factors such as price rises, foreign exchange rate fluctuation (depreciation of the yen), monetary policy (zero interest rate), and the situation in Ukraine. Initiatives to increase corporate value by incorporating wage increases, supply chain management, and digital transformation (DX)
- **[Business portfolio reform and constructive dialogue]** Initiatives to reform the business portfolio based on the long-term vision (purpose), and to enhance the feasibility of the business portfolio by setting up opportunities for dialogue with business division managers, outside directors, and outside Audit & Supervisory Board members
- **[Enhanced information disclosure regarding sustainability]** Initiatives to enhance information disclosure and engage in dialogue concerning sustainability, such as responses to climate change and investment in human capital
- **[Connecting shareholders and investors with stakeholders]** Initiatives to explain and engage in dialogue with stakeholders on ways to improve corporate value through quantitative indicators and examples of activities
- **[Development of a new shareholder base by instilling investment behavior]** Initiatives to develop a new shareholder base by instilling investment behavior of individuals who are interested in investing and by meeting the information needs of institutional investors
- **[Early recognition of and response to risks]** Initiatives to promptly indicate awareness of and responses to potential risks despite difficulty in forecasting outlooks

Committee Chairman Tetsuo Kitagawa commented: "The companies selected for the IR Award this year are disclosing information in a timely manner even in the midst of changes in the business environment that could affect their management, and top management is embarking on growth

strategies. It is also evident that they have set KPIs for business structural reform and capital productivity improvement, and are trying to deepen dialogue based on these KPIs. Not only management but also independent directors are particularly highly evaluated, as they have become involved in dialogue with the capital market. Explanations regarding initiatives related to sustainability issues and their links to management strategies for improving corporate value are also based on materiality and are easy to understand. An increasing number of companies are highly recognized for their collaboration with stakeholders. The winners of the Best IR Award for Encouragement also have management actively engaged in dialogue with the capital market. The companies' efforts such as those to reflect investors' perspectives obtained through dialogue in their briefing materials appeared to indicate their desire to enhance the feasibility of improving corporate value."

Of the JIRA member companies, 344 publicly-traded companies applied for the 2022 IR Award and a total of 13 companies were selected and received awards: the IR Grand Prix was given to two companies, the Best IR Awards to six, the IR Special Awards to three, and the Best IR Awards for Encouragement to two. The major reasons for the selection with previous award records for each winner are stated in the Supplementary Information.

**IR Grand Prix** (Listed in the order of the Japanese syllabary; the same applies hereafter)

Asahi Group Holdings, Ltd.

Nippon Telegraph and Telephone Corporation

**Best IR Award**

Ajinomoto Co., Inc.

Ebara Corporation

TechnoPro Holdings, Inc.

Hitachi, Ltd.

Fuji Electric Co., Ltd.

Mitsui Chemicals, Inc.

**IR Special Award**

Advantest Corporation

Murata Manufacturing Co., Ltd.

Yokogawa Electric Corporation

**Best IR Award for Encouragement**

Shin Nippon Biomedical Laboratories, Ltd.

Tokyo Electron Device Limited

## **Details of each award**

### **Best IR Award**

This is the annual award given to the publicly traded companies with best IR practices among members of the Japan Investor Relations Association (JIRA).

### **IR Grand Prix**

This award, introduced in 2005, is given to companies that have been awarded the Best IR Award twice in the last 10 years, and are worthy of being selected for a third time. The award winners are excluded from consideration for the Best IR Award for two years from the year they receive an award.

### **IR Special Award**

Companies selected for this award are given from among applicants for the Best IR award. They include companies that take on a leadership role in IR activities in their respective industry, consistently improve IR practices and are highly regarded for promoting their IR to individual investors. This award was introduced in 2005.

### **Best IR Award for Encouragement**

Out of the applicants for the Best IR Award, the companies selected in this award category are: companies listed on the TSE Standard Market or the TSE Growth Market; companies listed on other emerging markets; companies that are listed on the TSE Prime Market but have been within ten years of their initial public offering; or small and midcap companies which apply for the Best IR Award for the first time. This award was launched in 2002.

## **Three-step selection process**

- 1) The first screening was based on the surveys filled out and submitted by applicant companies. (300 companies were selected for advancement to the second screening.)
- 2) The second screening was conducted by 14 selected committee members, comprising of securities analysts, institutional investors, journalist and others. They closely examined 227 candidate companies for the IR Grand Prix, Best IR Awards and IR Special Awards, and 73 candidate companies for the Best IR Award for Encouragement.
- 3) The final (third) screening was conducted by all committee members, including academics, attorneys and other experts in addition to the above select members.

## **Selection of the “Most Liked!” IR Award winners**

Commemorating the 25th anniversary of the Best IR Award, the “Most Liked!” IR Award has been newly created in 2020. Going forward, winners will be selected when appropriate. Its objectives are to reflect the viewpoints of companies that applied for the IR Award based on their voting, share their proactive IR experiences, and realize best practices. The theme for 2022 is "IR activities that are specially devised to collaborate with stakeholders." Please see the details and selected companies on the website of the Japan Investor Relations Association.

<https://www.jira.or.jp/english/index05.html>

**For inquiries:**

Japan Investor Relations Association (JIRA) Secretariat

Tel: +81-3-5259-2676; Fax: +81-3-5259-2677

E-mail: [free@jira.or.jp](mailto:free@jira.or.jp) Website: <https://www.jira.or.jp/english/index.html>

**About the Japan Investor Relations Association (JIRA):**

JIRA, founded in 1993, is a non-profit organization which promotes IR practices in Japan. It has 647 members as of October 1, 2022. Its major activities include IR education, surveys and research, and hosting opportunities for interchanges among member companies.

## **[Supplementary Information]**

### **Major Reasons for the Selection of Awards and Previous Award Records for Each Winner**

(Listed in the order of the Japanese syllabary; the same applies hereinafter)

#### **IR Grand Prix**

##### **Asahi Group Holdings, Ltd.**

(Received the IR Grand Prix in 2014, the Best IR Award in 2004, 2010, 2019 and 2021, and the IR Special Award in 2013)

Asahi Group has been engaged in high-level IR activities for many years. The new CEO who took office in March 2021 is actively engaged in dialogue with investors and has disclosed even the succession plan for the CEO. Asahi Group's efforts to explain the impact of the COVID-19 pandemic and the invasion of Ukraine on their business performance have been especially noted. At the business briefing, top executives from each region took the stage and discussed the themes of measures to cope with high costs and business strategies in response to market trends. The company's sustainability management is conducted with the understanding of the market, such as narrowing down materiality by reflecting investors' opinions.

##### **Nippon Telegraph and Telephone Corporation**

(Received the Best IR Award in 2015 and 2020, and the IR Special Award in 2014 and 2019)

NTT's top management is involved in IR activities and clearly explains growth strategies including group restructuring. NTT has reflected investors' perspectives in setting targets for their management plan, and their attitude toward achieving the targets and the disclosure of results have contributed to raising their credibility. NTT's Investor Relations Office actively creates opportunities for dialogue. NTT's newly announced green strategy, based on its ESG vision, is easy to understand, while their integrated report is rich in content. The reduction of greenhouse gas (GHG) emissions through the reduction of power consumption and the use of technological capabilities is also attracting attention.

#### **Best IR Award**

##### **Ajinomoto Co., Inc.**

(Received the IR Grand Prix in 2015 and the Best IR Award in 2012, 2014 and 2021)

Ajinomoto has been leading the food industry in IR activities. Top management has been actively involved in IR activities. The new CEO, who took office in April 2022, attracted attention when he explained the results of the 100-Day Plan and growth strategies. The Investor Relations, Global Finance Department is engaged in IR activities with a good understanding of the needs of the capital market. The Department is forthcoming in showing the link between financial and non-financial issues, which has been highly praised by investors as simple and easy to understand. Plenty of opportunities for dialogue, such as business briefings and the IR Day, are provided and their integrated report is rich in content.

### **Ebara Corporation**

(First time recipient)

Ebara's top management is strongly involved in IR activities and conveys clear messages. The investment community has evaluated Ebara more highly because of their steady improvement in disclosure materials and opportunities for dialogue year by year. The content of the IR Day and ESG briefings has also been enriched. As part of corporate governance reform, Ebara is making efforts to host meetings between independent directors and people in the capital market. The investors who participated in the meeting highly praised it as a good opportunity to better understand the contributions of independent directors to the enhancement of corporate value.

### **TechnoPro Holdings, Inc.**

(Received the Best IR Award in 2021 and the Best IR Award for Encouragement in 2019)

The IR attitude of TechnoPro's management has been highly evaluated. Management seeks to directly explain matters to investors and to incorporate their opinions. The IR Department is good at explaining issues and flexible in preparing the content of IR materials to reflect investors' perspectives. The disclosure of KPIs is extensive, and it is easy to understand the factors behind changes in business performance, etc. Discussions using KPIs, which have been used as drivers of corporate value, and efforts to explain not only the company but also the overall picture of the industry are also favorably recognized. Another highlight is meetings with independent directors, as diverse independent directors participate in these meetings.

### **Hitachi, Ltd.**

(Received the Best IR Award in 1996 and 2020)

Hitachi's CEO places importance on dialogue with investors and he himself discusses the company's growth strategies. Investors can see that the company is fully conscious of the enhancement of corporate value in its business strategy. The continued holding of the IR Day and the enriched segment information are among factors that have been highly evaluated. Videos of the briefings are simultaneously streamed on YouTube in both Japanese and English, giving consideration to fair disclosure to a wide range of investors, including overseas institutional investors and individual investors. Hitachi also uses integrated reports and other means to earnestly explain non-financial topics, including investment in human capital.

### **Fuji Electric Co., Ltd.**

(First time recipient)

In recent years, Fuji Electric has raised the level of its IR activities by energetically providing opportunities for dialogue and holding briefings with top management. The materials for financial results briefings have become more extensive than before, and the content is easier to understand. Fuji Electric's business briefings have been highly rated, boosting the expectations of investors. ESG initiatives are unique, and the company is highly conscious of linking business strategies with environmental contributions. In addition to disclosing a GHG emission reduction plan, Fuji Electric provides the degree of contribution of its products to GHG reduction and a convincing explanation

that the plan is a pillar of its business strategy.

### **Mitsui Chemicals, Inc.**

(Received the Best IR Award in 2014 and the IR Special Award in 2013)

Mitsui Chemicals' CEO earnestly speaks at briefings and provides opportunities for dialogue with investors. At the financial results briefing, the company made a convincing argument by specifically showing the factors that caused fluctuation in business performance, etc. based on an analysis of the external environment. The materials contain information and data that investors want to know, and the IR Department keeps abreast of internal information and engages in dialogue. Mitsui Chemicals is making efforts in ESG management and clearly shows its objectives and progress. ESG briefings and business status briefings are also provided, and the company's integrated financial and non-financial management system is attracting the attention of investors.

### **IR Special Award**

#### **Advantest Corporation**

(First time recipient)

It is clear that Advantest actively listens to investors' views and is improving its IR activities. Management is forthcoming in embarking on strategies to increase corporate value, and the IR Department carefully explains the progress through investor visits. "Balance sheet KPIs", which were set as the foundation for further growth and shareholder returns, attracted attention. Amid the uncertain market environment, Advantest's commitment to quantitatively disclose risks that may affect business performance is highly commendable. ESG initiatives are also incorporated in management strategies and are thoroughly explained in integrated reports and other documents.

#### **Murata Manufacturing Co., Ltd.**

(First time recipient)

Murata Manufacturing has enhanced its IR activities and has reflected investors' perspectives in its presentations and dialogue. The message from top management is clear and they are actively engaged in dialogue with investors. In the Mid-term Direction 2024, announced in 2021, Murata presented its capital allocation policy and disclosed even the level of liquidity. Seizing such an opportunity, discussions on medium- to long-term improvements in capital productivity and shareholder returns have developed real depth. Investors have seen an increase in opportunities for dialogue with the IR Department and their willingness for improvement. Murata's integrated report has been favorably evaluated and topics such as the value creation process are particularly noted.

#### **Yokogawa Electric Corporation**

(Received the IR Special Award in 2019)

Yokogawa Electric has continued to conduct IR activities even when the business environment has been severe and has fostered credibility in its information disclosure. The company has been vigorously holding business briefings and ESG briefings and has enhanced their content. The

company's efforts to devise ways to better explain difficult-to-understand business fields, such as the solution business, have also been highly evaluated. Top management emphasizes IR and is increasing opportunities for dialogue with institutional investors. Yokogawa Electric's activities to increase the number of long-term investors as fans of the company, such as holding briefings for individual investors at the headquarters and factories, are also noted.

#### **Best IR Award for Encouragement**

##### **Shin Nippon Biomedical Laboratories, Ltd.**

(First time recipient)

Shin Nippon Biomedical Laboratories has been working to improve its IR and has enhanced the ability to explain matters. There is a high level of awareness, especially among the Director in charge of IR and others, of the need to enhance the content of information disclosure and link it to meaningful dialogue. The IR Department actively visits institutional investors and analysts to explain management policies and the business environment. Their thorough explanations have been highly praised as being helpful in better understanding the status of orders received in major businesses and producing estimates of business performance. Shin Nippon Biomedical Laboratories' efforts to raise its reputation in the capital market through IR activities that reflect investors' perspectives have attracted attention.

##### **Tokyo Electron Device Limited**

(First time recipient)

Tokyo Electron Device is continuously engaged in IR activities and is striving to explain the company better. In recent years, business strategies have been clearly communicated, and the evaluation from the capital market has been raised. Both top management and the IR Department are sincerely engaged in IR, leading to a sense of stability in their activities. Tokyo Electron Device's information disclosure has been recognized as appropriate, unbiased and reliable. The company has made improvement in describing the characteristics of major businesses and their products. They are also proactive in holding events such as facility tours of promising businesses, which are identified as a potential contributor to profit growth.

End