

# JVCKENWOOD Integrated Report 2022

# JVCKENWOOD





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## Corporate Vision

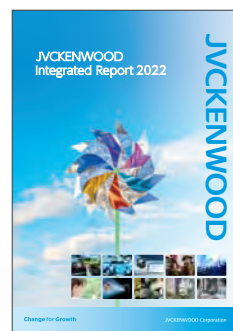
Creating excitement and peace of mind for the people of the world



## Sustainability Awards & Recognitions

We aim for the sustainable improvement of our corporate value by incorporating external evaluation indicators and strengthening ESG.

- Selected for the ESG Index "FTSE Blossom Japan Index" for the second consecutive year
- Selected for the ESG Index "FTSE Blossom Japan Sector Relative Index"
- Received an overall rating of 3.5 stars in the 3rd Nikkei SDGs Management Survey
- Received an overall rating of 3 stars in the 5th Nikkei Smart Work Management Survey
- Selected for the "2021 Certified Health & Productivity Management Outstanding Organizations Recognition (Large Enterprise Category) Program" for the fifth consecutive year, and the fourth time for the "White 500"
- Received the highest rank of "Eruboshi" certification under the Act on the Promotion of Female Participation and Career Advancement in the Workplace
- Received a "Gold" ranking in the PRIDE index, an evaluation index for initiatives related to LGBT and other sexual minorities
- Received a Commendation Award in the Daiwa IR's Internet IR Award 2021 for the third consecutive year



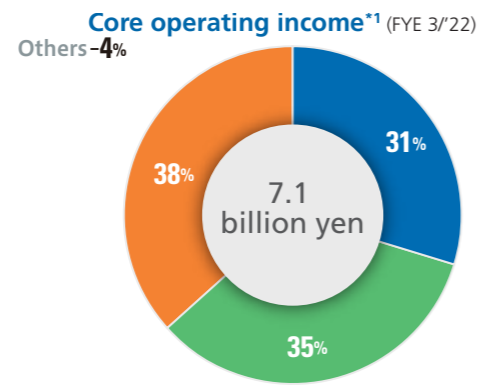
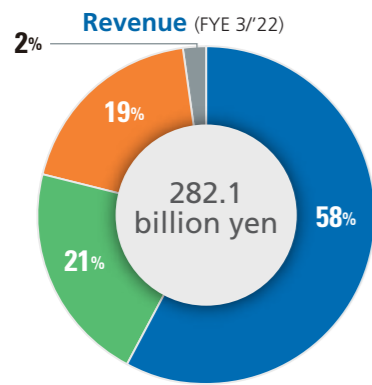
## About the cover design

The cover design is based on the JVCKENWOOD's mid-term management plan VISION 2023 which was formulated in fiscal year 2021. The design expresses the company's commitment to solving social issues by utilizing diverse values and resources, and to creating new value for a sustainable society.

\*FTSE Russell confirms that JVCKENWOOD has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index. Created by the global index and data provider FTSE Russell, the FTSE Blossom Japan Index is designed to measure the performance of companies demonstrating strong Environmental, Social, and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

\*\*FTSE Russell confirms that JVCKENWOOD has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.





■ Mobility and Telematics Services Sector  
■ Public Service Sector  
■ Media Service Sector  
■ Others

\*1: Operating profit less primarily temporary factors -net of other income, other expenses, and foreign exchange losses (gains)

## The Three Brands Familiar to Customers

**JVC** **KENWOOD** **Victor**  
"HIS MASTER'S VOICE"

The JVCKENWOOD Group promotes a multi-brand strategy with multiple product brands under the corporate umbrella. Our three product brands, KENWOOD, JVC, and Victor\*2, have long been popular with customers. Even today, with AI and the IoT having become cutting-edge technologies, we flexibly respond to the changing times while providing products and services that meet and exceed our customers' expectations. The three brands will continue to evolve through Monozukuri.

\*2: Victor brand is available only in Japan.

## Mobility & Telematics Services Sector

The Mobility & Telematics Services Sector offers solutions that contribute to a comfortable, safe, and secure cabin space, including car navigation systems, car audio systems, speakers, amplifiers, dashcams (including connected-type), antennas, cables, alcohol detectors, and sterilization/deodorization equipment.

### OEM Business

- Dealer-installed products: Automobile manufacturers and dealers
- Factory-installed products: Automobile manufacturers and component manufacturers

### Aftermarket Business

Mass merchandisers, distributors

### Telematics Service Business

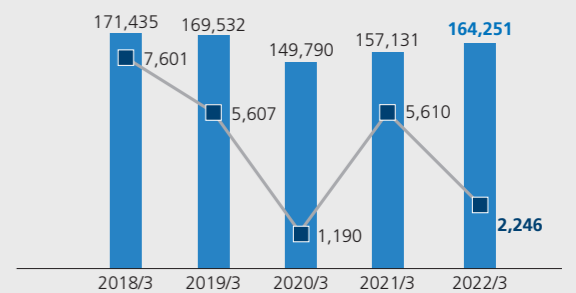
Auto insurance companies, ride-sharing service companies, taxi and transportation companies

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### Mobility and Telematics Services Sector

Revenue and core operating income (million yen)



## Public Service Sector

The Public Service Sector provides solutions that protect people's lives and livelihoods and contribute to the creation of safe and secure cities through professional radio systems, wireless broadband solutions, security systems, professional broadcasting systems, and medical image display monitors.

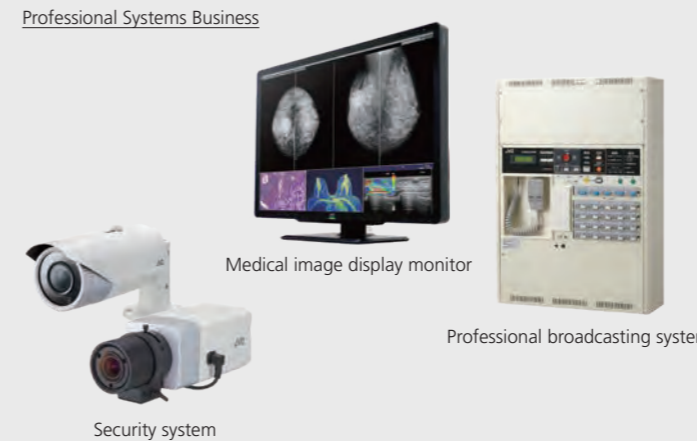
### Communications Systems Business

- Police, fire department, ambulance services, providers of electricity/water/gas, hotels, retailers, event companies, etc.

### Professional Systems Business

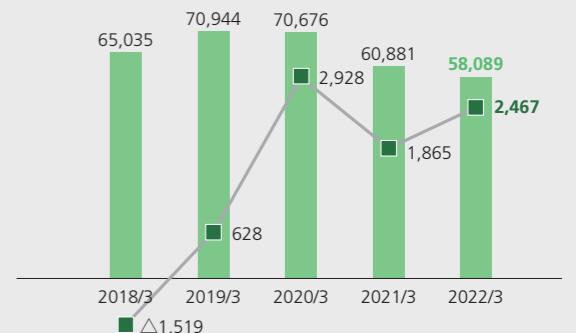
- JVCKENWOOD Public & Industrial Systems Corporation: Companies, education, public services, distribution, social infrastructure, amusement facilities, etc.
- Healthcare: Medical and research institutes

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### Public Service Sector

Revenue and core operating income (million yen)



Received the iF DESIGN AWARD 2022 in the Product Category, a world-renowned prize, for the VP8000, a new product in the Viking series of multi-band P25 digital professional radios for the public safety market.

## Media Service Sector

We have developed a wide range of products in the Media Service Sector to meet demand for home entertainment, remote workers, and increased awareness of natural disasters and pandemics. In the Entertainment Business, we are working with a number of popular artists to expand our share of the packaged and distributed music business and to strengthen our non-music business.

### Media Business

- Solution: Companies, local governments, broadcasting stations, distributors
- Lifestyle: Mass merchandisers, distributors
- Imaging Device: Video equipment manufacturers, optical communication system vendors
- Brand License: Mass merchandisers, TV and audio manufacturers overseas
- Contract production business: Record companies, movie companies, publishing companies in Japan

### Entertainment Business

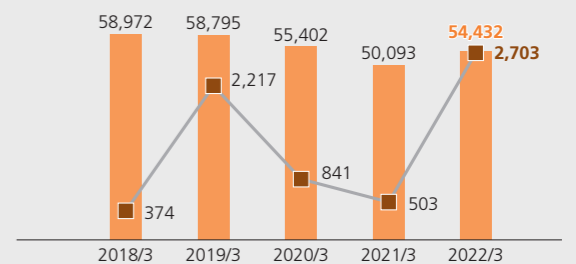
CD shops, EC sites, music distribution sites, etc. in Japan

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### Media Service Sector

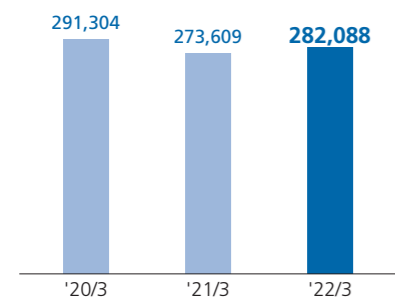
Revenue and core operating income (million yen)



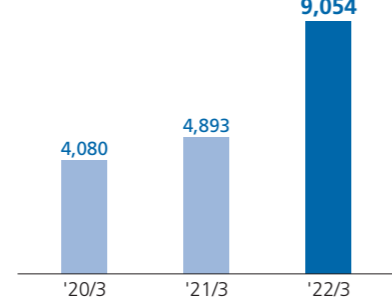
Three products from the Victor brand received the Good Design Award 2021: HA-FW1000T wireless stereo headset, EX-D6 compact component system, and "EXOFIELD THEATER" wireless theater system XP-EXT1

# Financial and Non-Financial Highlights

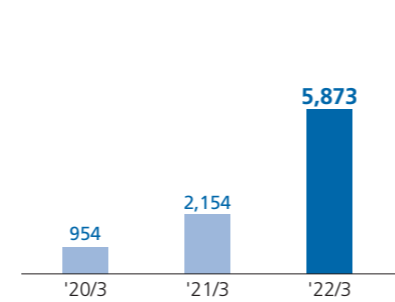
## Revenue (million yen)



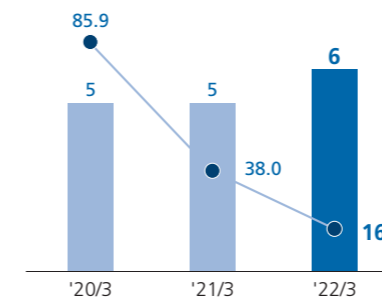
## Operating profit (million yen)



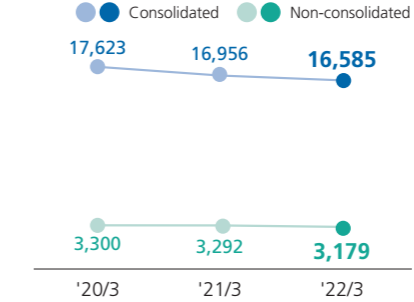
## Equity attributable to owners of the parent company (million yen)



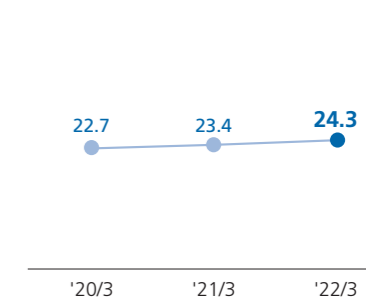
## Dividend (yen), payout ratio (%)



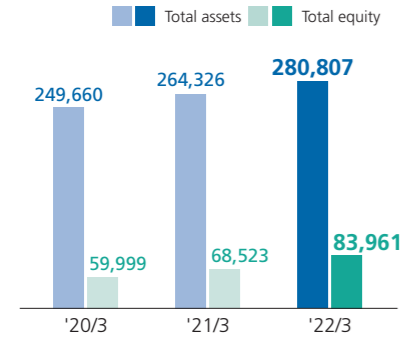
## Number of employees (consolidated/non-consolidated) (persons)



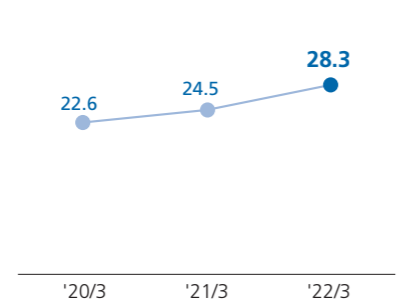
## Average years of service (non-consolidated) (years)



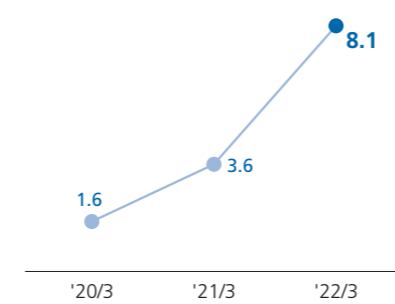
## Total assets/total equity (million yen)



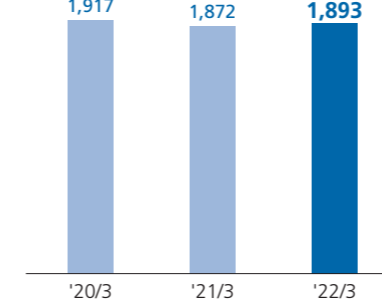
## Ratio of equity attributable to owners of the parent company<sup>\*1</sup> (capital ratio) (%)



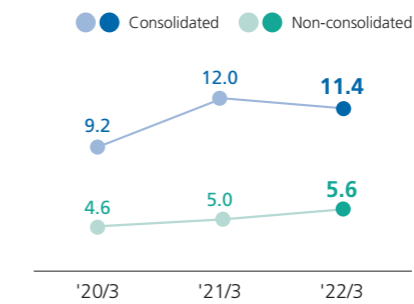
## Ratio of profit (loss) attributable to owners of the parent company (ROE)<sup>\*2</sup> (%)



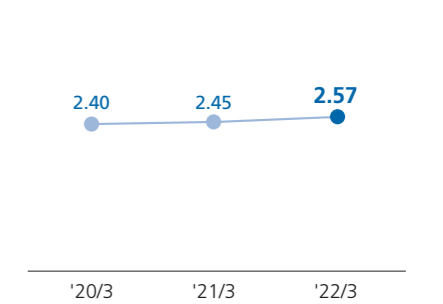
## Total actual hours worked per year (non-consolidated) (hours)



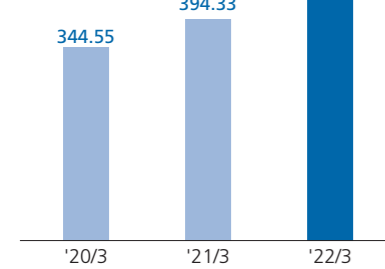
## Ratio of female executives (consolidated and non-consolidated) (%)



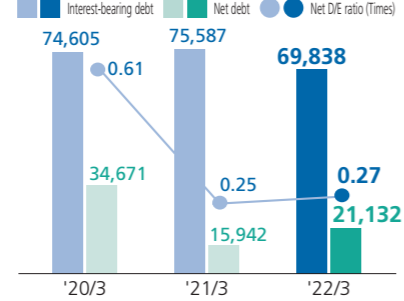
## Ratio of employees with disabilities (non-consolidated) (%)



## Equity attributable to owners of the parent company per share<sup>\*3</sup> (yen)



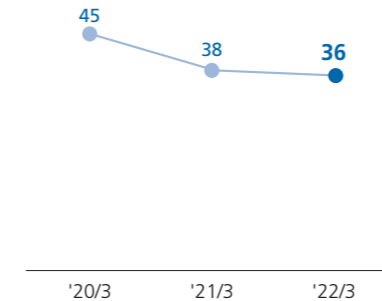
## Interest-bearing debt<sup>\*4</sup> (million yen), net debt<sup>\*5</sup> (million yen), net D/E ratio<sup>\*6</sup> (times)



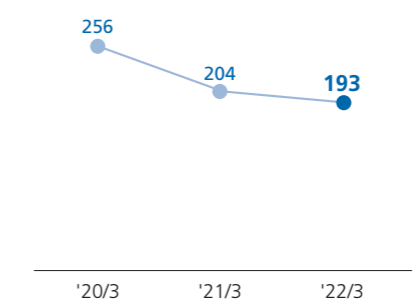
## Cash flows (million yen)

	2020/3	2021/3	2022/3
Cash flows from operating activities	21,642	35,829	7,059
Cash flows from investing activities	△19,675	△11,804	△9,804
Cash flows from financing activities	△1,665	△5,342	△11,273
Free cash flows	1,966	24,024	△2,744

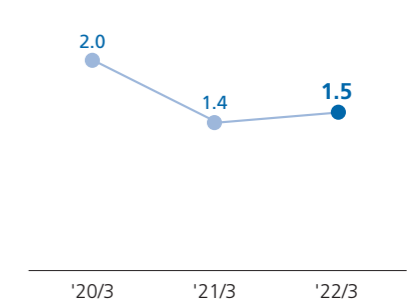
## CO<sub>2</sub> emissions (scope 1+2) (non-consolidated) (thousand tons)



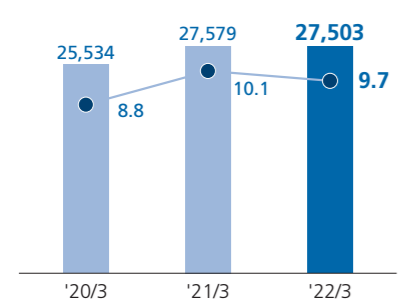
## Water usage (non-consolidated) (thousand tons)



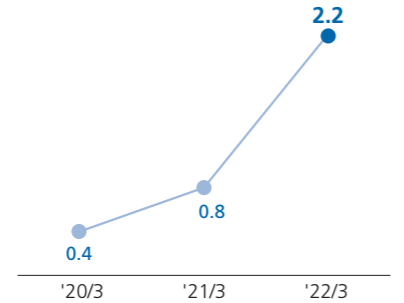
## Total waste (non-consolidated) (thousand tons)



## EBITDA<sup>\*7</sup> (million yen), EBITDA margin (%)



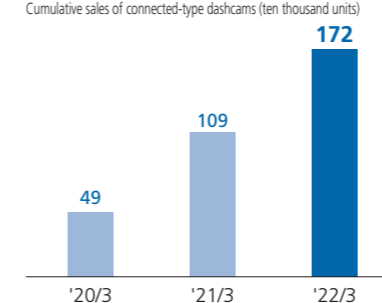
## Return on assets before tax (ROA)<sup>\*8</sup> (%)



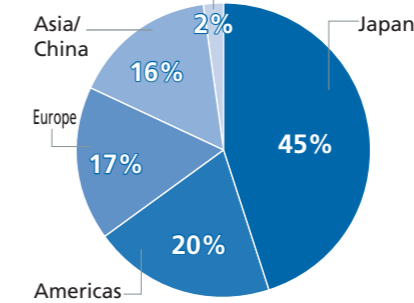
## Capital investment<sup>\*9</sup>, depreciation expenses, research and development expenses (million yen)

	2020/3	2021/3	2022/3
Capital investment <sup>*9</sup>	11,837	10,268	12,354
Depreciation expenses	20,199	19,316	17,120
Research and development expenses	17,445	15,720	15,871

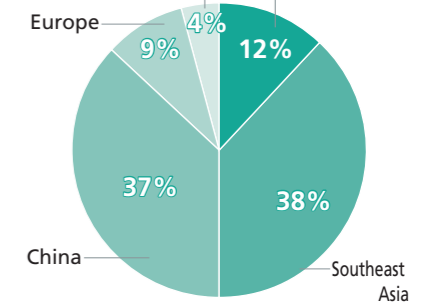
## Telematics services contributing to the prevention of traffic accidents



## Revenue composition ratio by region (FYE 3/'22)



## Production ratio by region (FYE 3/'22)



\*1: Equity attributable to owners of the parent / Total assets x 100  
 \*2: Profit (loss) attributable to owners of the parent company / Average equity attributable to owners of the parent for the fiscal year x 100  
 \*3: Total equity attributable to owners of the parent / Number of shares issue  
 \*4: Interest-bearing debt does not include lease liabilities

\*5: Interest-bearing debt – Cash and cash equivalents at the end of the fiscal year  
 \*6: Net Debt / Shareholders' Equity  
 \*7: Profit before tax + Interest expenses + Depreciation expenses + Impairment losses  
 \*8: Equity attributable to owners of the parent company / Total assets x 100  
 \*9: Tangible fixed assets only