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NIKKEI

EXCLUSIVE FT BRIEFING

A New Dawn for Corporate Governance in Japan

How reforms are transforming the
outlook for the Nikkei 225

October 22, 2019
The Dominick, New York

An event from **FINANCIAL TIMES LIVE**

AGENDA

8:00am Registration, networking & refreshments

9:00am Opening Remarks

Richard Henderson, US Capital Markets Correspondent, *Financial Times*

9:05am Welcome Remarks

Hidefumi Koshinaka, General Manager, Index Business Office, *Nikkei Inc*

9:10am Opening keynote address: Are Japanese corporate governance reforms a game-changer?

Takatoshi Ito, Professor, School of International and Public Affairs, *Columbia University*

9:40am Dialogue - From policy to practice: Making reforms work for international shareholders and stakeholders

Corporate governance and stewardship reforms in Japan has made great strides in recent years and are having a major impact on the country's corporate culture, and its attractiveness to investors. But are companies doing enough or truly making substantive changes? As shareholder engagement increases, tough questions are being asked of managements as they continue the path towards reform. What are the next steps to see real progress in areas such as increasing the numbers of independent board directors, and in the promotion of gender diversity? To what extent are cross-shareholdings and takeover defence measures being reassessed? How important is it that investors continue to make their voice heard in driving forward change?

Marc Goldstein, Executive Director, Head of US Research, *ISS*

Satoru Murase, Partner, *Mayer Brown*

MODERATOR

Richard Henderson, US Capital Markets Correspondent, *Financial Times*

10:00am Q&A

AGENDA

10:10am Panel Discussion: Capitalising on change - Is now the opportune time to invest in Japanese equities?

As Japan's corporate governance reforms take hold, investor appetite is growing for this traditionally underinvested and undervalued market. Is now the right time to gain exposure and what are the best routes? As the power balance shifts between stakeholder and shareholder, do outcomes now rest on the extent to which investors demand better returns on their holdings? Which sectors and companies show the best potential in the coming year?

Lauren Compere, Managing Director, Director of Shareowner Engagement,
Boston Common Asset Management

Drew Edwards, Founder, CEO and CIO, *Usonian Investments*

Julia Merz, Portfolio Manager, Global Equity Research Analyst, *DWS*

Donna Nairi, Founder and CEO, *ICONICBETA*

MODERATOR

Richard Henderson, US Capital Markets Correspondent, *Financial Times*

10:50am Q&A

11:00am Closing Remarks

Richard Henderson, US Capital Markets Correspondent, *Financial Times*

SUMMARY REPORT

Overview

The Financial Times and Nikkei convened the second in its series of high level gatherings in New York to present expert analysis and case study insights on how corporate governance reforms are redefining the outlook for investing in Japan.

This exclusive breakfast briefing brought together investors, issuers, brokers and advisors for a complete briefing on the structural changes happening in Japan's companies, and how they are impacting equity valuations and investment returns.

Speakers included senior executives from Columbia University, ISS, Mayer Brown, Boston Common Asset Management, Usonian Investment, DWS and ICONICBETA all sharing insights on how the new Stewardship and Corporate Governance codes are driving companies to adapt their behaviour and embrace global standards, introducing independent directors and a reduction in complex cross shareholdings. Chaired by Richard Henderson, the FT's US Capital Markets Correspondent, debate was expert and in-depth, focusing on how higher profit levels and dividend payouts are opening up attractive opportunities for international investors to unlock value in the world's third largest economy.

Proceedings

1. Opening remarks: Are Japanese corporate governance reforms a game-changer?

Hidefumi Koshinaka, General Manager of the Nikkei Index Business Office in Tokyo opened the Briefing, reflecting that the current proceedings, focused on corporate governance reforms in Japan, build on the valuable insights provided in the previous event in the series, held in New York in June. He highlighted that the improvements in governance and stewardship, already well underway in Japan, are expected to contribute to the profitability of companies, enhancing their attractiveness to investors. Mr Koshinaka shared how well-known activists have already increased their share-holdings of Japanese stocks, confident of the progress being made. Noting that Nikkei Inc calculates and provides the Nikkei Stock Average or Nikkei 225, composed of blue-chip stocks, which celebrates its 70th anniversary next year, he invited the audience and US investors to rediscover its value and the opportunities emerging for new products to be developed, linked to the Index.

2. Opening keynote address: Are Japanese corporate governance reforms a game-changer?

Takatoshi Ito, Professor, School of International and Public Affairs, *Columbia University*;

Takatoshi Ito, Professor in the School of International and Public Affairs at Columbia University was the next speaker, providing a high level keynote-address on how the Japanese corporate governance and stewardship codes came to being, the objectives behind them, and the outcomes to date. He was initially involved in the GPIF reform plan in 2013, part of the first phase of Abenomics aimed at increasing returns to capital and reviving the Japanese economy. The plan was to mobilise the US\$1 trillion of the

SUMMARY REPORT

GPIF assets to invest more in Japanese equities than Government Bonds (JGBs), putting pressure on corporations to make higher returns and ultimately enhancing their attractiveness to foreign investors.

Professor Ito and the GPIF Reform Committee which he chaired, published a report which was a catalyst for introduction of the Corporate Governance and Stewardship codes in 2014/2015. Not everyone agreed with the report, with some arguing that JGBs were safer and less risky for retirees. However, the counter argument was that the GPIF was for future generations who were open to more risk. Some also felt that GPIF could not actively know all the 2,000 or more companies they were invested in and this would affect their ability to vote in shareholder meetings. Ultimately however, the Abe administration took leadership to encourage GPIF to lower the JGB benchmark holding from 60% to 35%, allowing for the equity shareholding of GPIF to be increased.

The introduction of the codes, today adopted by 90% of larger companies, with a lower compliance amongst smaller entities, were the catalyst behind the reforms in Japanese corporations who had traditionally focused on stakeholder rather than shareholder benefits, funding through bank borrowings, cross shareholdings and an insider-approach to board members. The outcomes of these practices were often unprofitable divisions and subsidiaries, low dividend payouts, poor return on equity (ROE), oversight from banks rather than shareholders, cross-shareholdings to prevent take-overs, veteran board members and internal promotions only.

The corporate governance reforms, in Professor Ito's view, heralded a focus on higher dividends with ROE significantly increasing between 2013 and 2015 but having plateaued since. Compared with companies in the US, he remarked, there is still a gap in the growth of ROE and definite room to improve. He noted that the introduction of the JPX- Nikkei Index 400, brought in specifically to emphasize ROE, was a good incentive, encouraging a buyback of shares. He felt that a further policy could have been to introduce a "JPX-Nikkei 100", further focused on ROEs and excellence in management, but this has yet to happen.

He noted that while shareholders are not universally welcome, there has been a shift in the balance of power between shareholders and stakeholders, with voting advisory firms – ISS and Glass Lewis – now considered acceptable in engaging with corporations to drive change.

Professor Ito quoted research from Nomura calculating the reduction in cross-share holdings, traditionally used to prevent hostile takeovers, to less than 10%. He sees this as a good sign of a reduced reliance on poison pill measures towards more engagement with shareholders, ensuring corporations are run more efficiently and less at risk of take-over.

Professor Ito shared that he is an Independent Director of a Japanese company and as such sees first-hand the changes that are occurring on Board structures as they include more outsiders, expert and independent than before. He highlighted that now 40% of JPX-Nikkei 400 companies have independent directors who make up one third of the Board. He noted that the ongoing introduction of remuneration committees is transforming the old and potentially corrupt practices regarding compensation and promotion. He additionally highlighted, in Q&A with the audience, the need to have

SUMMARY REPORT

the right people in management, to think strategically for the long-term as well as for day-to-day operations.

Professor Ito concluded by remarking that in his view the corporate governance reforms are half way done. He feels that more initiatives and policies are needed to drive on reforms for a better future. He noted the need for greater capital efficiency in companies, who continue to hold large cash piles. Additionally, he highlighted the evolving labour market in Japan and the challenges of altering the work-force expectation of life-time employment contracts.

3. Dialogue - From policy to practice:

Making reforms work for international shareholders and stakeholders

Marc Goldstein, Executive Director, Head of US Research, *ISS*

Satoru Murase, Partner, *Mayer Brown*

Following Professor's Ito's insightful address, Chairman Richard Henderson welcomed Marc Goldstein, Executive Director and Head of US Research at ISS, and Satoru Murase, Partner at Mayer Brown to the stage for their dialogue focused on 'Making reforms work for international shareholders and stakeholders'. The speakers opened by providing their assessment of the progress made on governance changes since 2013. Both speakers agreed that though good results have been achieved, there is still some way to go, and that patience is needed, especially as change tends to be slow and gradual in Japan.

The reduction in cross-shareholdings were highlighted as a major step forward. Mr Goldstein noted that it is freeing up capital for better use and that it removes a source of insulation for company management. Mr Murase remarked on the complexity of cross-shareholding, and how they were often institutionalised and linked to historical corporate relationships. Today, there is a growing realisation that there needs to be a strong business case for such cross-shareholdings.

The speakers then briefly discussed the recent strategy espoused by CEOs of The Business Roundtable, broadening the purpose of corporations towards stakeholders rather than shareholders. ISS' Marc Goldstein questioned the motives behind the move, asking if it may be pushback against excessive shareholder pressure on corporate matters. Linking it to corporate culture in Japan, he noted that while the US appears to be moving from the shareholder to the stakeholder, Japan is moving from the stakeholder to the shareholder, and that a common ground will be somewhere in the middle of both.

The next stage of the discussion focused on activism and activist investors, and what both mean for corporate governance in Japan. Mr Murase commented on the different approaches to activism in Japan to that in the US, in that they are less numerous, less obvious and that they use different types of pressure methods to achieve results. He views the corporate governance reforms in Japan as top down, led by the Government rather than private interests or shareholders. He also highlighted the delicate cultural politics of Japanese activism, and mentioning the case of Toshiba, the need

SUMMARY REPORT

for balance in using media and PR to achieve results. Mr Goldstein noted that because Governments and shareholders often advocate for the same outcomes – more efficient use of capital, higher returns and independent directors – that companies can no longer claim that demands are unreasonable or outrageous.

With both GPIF and the Bank of Japan significant shareholders in the Japanese market, their role and influence on corporate governance changes was noted by both speakers as differing from others because of their long-term approach. Mr Goldstein noted that no-one wants to get on the bad side of GPIF as everyone wants to manage their money. Mr Murase said that both organisations are still trying to understand what their role and function is in relation to activism.

The significant role that culture is playing in corporate governance reforms was addressed briefly by both speakers with Mr Goldstein noting the ongoing influence of post-war labour practices such as life-time employment expectations and a lack of outside independent directors. Though the practices have strengths, he noted that their weaknesses, such as insularity and a lack of top down strategic direction have become apparent over time. Mr Murase picked up on this highlighting that not only Japan but US and other countries are operating in a completely new global economy which is forcing management to think more long-term and strategically. He feels that change is coming but would like to see more momentum behind it, noting that a board of directors aged 65 or over is less likely to respond in a timely way to issues such as technological change.

Whether Japan will ever see a hostile takeover brought up some interesting views with Mr Goldstein suggesting that it might happen in a situation where a CEO has unfairly or wrongly lost his job, or by a founding family member who disagrees with the direction of the current company management. In both cases, he remarked that the person would need to have a base of support not just among shareholders but also the broader base of stakeholders. For Mr Murase, a hostile takeover is only a matter of time but he thinks it will happen in a very Japanese way – hostile but not hostile in the traditional sense! In his view, if two or three happen with strategic corporate buyers involved and are positively reported on by media, then investors are likely to see the upside and the strategic investment opportunities take-overs can open up.

The inclusion of non-Japanese individuals on Japanese Boards was discussed following questions from the audience about Nissan's Carlos Ghosn, and the current SoftBank WeWork situation. Mr Goldstein pointed to the risks of investing one person with too much power, regardless of their nationality. Mr Murase noted that while it can be very difficult to diversify Japanese Boards, because of language and other factors, as time goes on it will be needed, to maintain global competitiveness particularly in the area of technology and innovation.

A closing question from the audience referenced Japan's proposed new rules on foreign investment in industries relating to national security. In response Mr Murase remarked that in every country national security provisions are more common and such new rules could put controversial restrictions on free investment in Japan which, in his view, would not be a positive move. He also noted that the Government

SUMMARY REPORT

may adapt the proposed new rules, in response to market feedback.

4. Panel Discussion:

Capitalising on change - Is now the opportune time to invest in Japanese equities?

Lauren Compere, Managing Director, Director of Shareowner Engagement, *Boston Common Asset Management*

Drew Edwards, CEO and Chief Investment Officer, *Usonian Investments*

Julia Merz, Portfolio Manager and Global Equity Research Analyst, *DWS*

Donna Nairi, Founder and Chief Executive, *ICONICBETA*

This panel covered a wide range of issues impacting on the attractiveness of Japanese equities to US and international investors.

The extent to which ESG – Environmental, Social and Governance – issues are being integrated into companies was addressed in some detail, with Lauren Compere commenting that more and more Japanese asset managers and asset owners are asking ESG related questions of their target companies. Environmental issues are of more concern to Boards of Directors now but this is relatively new. She remarked that a trip to Japan in 2018 revealed a lack of awareness around the work of the Task Force on Climate Related Financial Disclosures (TCFD) but two years on, much has changed with the establishment of a TCFD Japan Consortium and a focus by Financial Services Agency on climate related risks.

Additionally it was noted that social issues are increasingly being factored into supply chain management and the broader strategic focus of companies. Diversity on Boards and across companies is progressing and this was commented on positively by both Donna Nairi and Lauren Compere. The establishment of a 30% Club in Japan was viewed as real momentum but for Ms Compere, more pressure needs to come from asset managers and asset owners to achieve not only gender diversity but also diversity of opinion across organisations. She commented that Japan has a long way to go to catch up to other G7 countries when discussing diversity. Rakuten and Shiseido were mentioned as a progressive companies who promotes diversity and immigration, and could serve as examples to other Japanese organisations.

For Julia Merz from DWS, corporate governance reforms are a positive development for Japanese equity markets. It has always been an important factor in DWS' investment decisions but growing pressure from their client base, as well as external rating by Morningstar on ESG integration, mean that the focus is now more important than ever. She echoed Professor Ito's remarks around the opportunities that governance reforms can create for companies in terms of increasing return on equity.

The extent to which Japan has opened up was touched on by Donna Nairi who highlighted that the country is home to the third largest stock exchange in the world, with 30% of Japanese equities owned by foreign investors and 70% of trading volumes also coming from foreign investors. Her company,

SUMMARY REPORT

IconicBeta, are focused on retail investors and how they are engaging with Japan both now and into the future. Using alternative data points like the increased in tourism numbers (from 5 million to 30 million in the last 15 years) they assess the extent to which investors, or potential investors are interested in and relate to Japan. She believes that people don't trust what they don't understand. As such, in her view, the more that people interact with the country, the more likely they are to appreciate the quality of Japanese products and services – and in turn may go back home and seek out these products and, potentially, investments – all positive signs for a strong foreign investment appetite into the future.

How the proposed new rules on foreign investment might impact on the attractiveness of Japanese equities - also covered at the close of the previous session - was tackled on by Drew Edwards of Usonian Investments. He can sympathise with the Government's stated objective of limiting the extent to which technology and other companies fall into the hands of China and/or other nations. However, the question is about process. If the regulators develop a process that is too burdensome, there is concern that the proposed regulation would reverse the progress made in corporate governance reforms. Mr Edwards, remarked that the initiative seems somewhat rushed and noted that some of the initial plans have already been revised or clarified due to the anticipated burden on market participants.

The evolution of the corporate landscape in Japan was discussed in some detailed, referencing in particular the prospect for an increased number of mergers and acquisitions. Drew Edwards reflected that a growing move to put latent capital to better use has seen a doubling of M&A over the Abenomics period. A shortage of targets willing to sell however is, in his view, a challenge for the domestic market. He also noted the initiative of the METI – the Ministry of Economy, Trade and Industry, to encourage companies not only to acquire assets, but also to divest non-core assets.

Julia Merz from DWS views the growth in M&A, and non-core divestments as a positive sign that companies are heeding the views of their independent directors, and the soundings from outside the company. In her opinion, this will all serve to create value and allocate capital more efficiently.

Mr Edwards picked up on a point made earlier by Mr Murase on how the market for corporate control is also undergoing change in Japan, a move which he sees as very healthy. Though starting from a low base, he remarked on the significant increase in transactions entailing competition for corporate control, referencing about five in the past year, with particular examples of the H.I.S./Unizo/Fortress/Blackstone situation, Sakura, and ShinMay.

Looking ahead, the panel shared their insights on what the next steps are, generally, for corporate reforms to really take effect. Drew Edwards commented on the need to codify and regulate the current guidelines to tackle capital efficiency, particularly, in the context of cross shareholdings, or what he described as a broader issue of 'allegiance shareholdings'. In his view, the statistics of only 9% cross shareholdings understates the actual magnitude of Japan's allegiant shareholding problem and does not reflect the reality in Japan where corporate balance sheets can, in general terms, be weighed down

SUMMARY REPORT

by counterproductive cross holdings which lead to not only poor capital efficiency but also corporate governance, and possibly anti-trust considerations. For him, the next step is to move from guideline to hard-law which will ensure compliance, rather than just an effort at compliance.

Lauren Compere echoed this, indicating that voluntary guidance should perhaps move to hard-law to address the ambiguity and answer questions around issues remuneration and other corporate governance concerns.

Commenting on the outlook for interest rates in Japan, Julia Merz remarked that the Government faces a choice of either going lower with rates, or staying as they are. In her view, the lower interest rates of recent years have not created as much growth as was hoped and perhaps now it is time for policy makers to focus on other areas, such as addressing the tight labour market by encouraging immigration, especially in the context of an ageing population. As an aside, she also noted that many Japanese companies are innovating and developing new products specifically targeted to the ageing population – building a potential growth sector and export market for the future!

For DWS many of the most attractive Japanese companies are those that have exposure outside Japan, as domestic growth is muted. Ms Merz sees that valuations for Japanese equities remain attractive compared to other geographies. She noted that many companies hold a lot of cash, some even more than their market capitalisation. With this they may engage in M&A, and also share buybacks, the latter of which would like prove attractive to potential investors.

Donna Nairi is enthusiastic about Japanese equities and the important role entrepreneurship can play, highlighting Prime Minister Abe's agenda to create 20 Unicorns by 2023. Looking ahead, she sees Japan expanding its position as a global innovation powerhouse, noting that there is still a wealth of intellectual property still to be commercialised in the country. Further, Ms Nairi sees tremendous potential in the ways that companies are thinking about globalising themselves, noting the Panasonic-Tesla relationship where Panasonic provides the batteries for Tesla's commercial engine. Other sectors ripe for growth, in her view, are in the payments space as Japan moves from being primarily a cash economy, and in the music industry – she noted that 70% of music sales in Japan are still in physical format! Who the entrepreneurs will be is up for debate – will they come from outside or inside Japan?

Ms Nairi also talked about the role that business organisations such as the Japanese Business Federation (or Keidanren) and the new Japan Association of New Economy (JANE), first founded by technology leaders, are playing in helping to globalise their organisations. She questioned whether the companies represented by JANE may outperform the others because of their forward thinking, technological nature? Ms Nairi views technology as critical going forward, not least in attracting new US, international, and domestic equity investors to the Japanese market. She noted that though now it is very expensive for domestic retail investors to access the Japanese market, that change will come and potentially the next big asset manager in Japan could be a tech company!

In Ms Nairi's view, Japanese equity markets are likely to shift from the way they are structured now. She sees that ETF providers from around the world are watching Japan to see where the

SUMMARY REPORT

opportunities exist. She predicts a growing demand for Japanese equities, particularly from US investors and especially among retail investors and cites the role of popular culture and Marie Kondo as helping to put Japan on people's radar!

In discussing the outlook for active vs passive investing in Japan, Julia Merz sees space for both in the market. Drew Edwards commented on the significant growth in ETFs in Japan driven by the Bank of Japan, and the surprisingly positive impact that this has had on shareholder voting and governance.

For Lauren Compere, the next steps to achieve more progress include companies being more focused in aligning with the Sustainable Development Goals. She sees the need for sustainability management to become more institutionalised, more strategic, really improving performance around sustainability by linking it to board oversight, compensation, and team and individual performance goals. And while she cited the positive example of one company that is establishing ESG sub committees that are charged with issues like reviewing the recommendations of the TCFD, she noted that Japan is some way behind the US, Europe and indeed other parts of Asia in achieving progress in this area.

Ms Compere also commented on Japan's demographics and the extent to which the labour market will have to become more flexible, promoting millennials over contract workers. Climate change will also force innovation, in her view, around energy transition and alignment with a 1.5 degree Celsius world. Julia Merz from DWS also commented here on the frequency of natural disasters that occur in Japan, and awareness that exists across the market of the very real risks of climate change.

The session concluded with a brief discussion on activism and a prediction on where Japanese corporate governance will be in five years. For Drew Edwards, the impact of activism has been positive, bringing more ideas and dialogue with companies. He sees that much of the buyback activity has been driven by initiatives from activist investors who are sometimes speaking for those who may be hesitant to share their thoughts. On governance he views it as a slow moving process, continuing in its current trajectory and progressing all the time.

The event closed with the Chairman, Richard Henderson, expressing his thanks to Nikkei, to the speakers and to all the attendees for their invaluable contribution to the discussion. An opportunity for all to network followed, before guests departed.

BIOGRAPHIES

CHAIR

Richard Henderson

US Capital Markets Correspondent

Financial Times



Richard Henderson is the FT's New York-based US Capital Markets Correspondent. He covers equity markets and asset management across the Americas. Before that he was Associate Editor of FundFire, the FT Group's investment management news service.

BIOGRAPHIES

KEYNOTE SPEAKER

Takatoshi Ito

Professor, School of International and Public Affairs

Columbia University



Takatoshi Ito joined the faculty of the School of International and Public Affairs at Columbia University as a Professor of International and Public Affairs in 2015. An internationally renowned economist, Professor Ito is an expert on international finance, macroeconomics and the Japanese economy who served from 2006 to 2008 as a member of the Prime Minister’s Council on Economic and Fiscal Policy. He also held senior positions in the Japanese Ministry of

Finance and at the International Monetary Fund. He served as Dean of the University of Tokyo’s Graduate School of Public Policy for the past two years, and as Professor at Japan’s National Graduate Institute for Policy Studies. He has served as a Visiting Professor at both Columbia and Harvard and has taught at other institutions. He holds his PhD in Economics from Harvard University. Professor Ito has held distinguished academic and research appointments and has authored many studies, books and articles.

BIOGRAPHIES

SPEAKERS

Lauren Compere

Managing Director, Director of Shareowner Engagement

Boston Common Asset Management



Lauren Compere is a Managing Director and the Director of Shareowner Engagement at Boston Common Asset Management, a majority-employee-owned and woman-led investment management firm specializing in US and international responsible investing. Ms Compere heads Boston Common's shareholder engagement program. She has worked in the responsible investment industry for 30 years and has 17 years of experience in global responsible investing.

Ms Compere sits on the Governing Board of the Interfaith Center on Corporate Responsibility (ICCR) and previously served as Treasurer. She also sits on the board of the Access to Nutrition Foundation (Netherlands). In addition, she serves on the Steering Committee for the Investor Alliance for Human Rights (an ICCR project), the Business Ethics and Systemic Risk Committee for the International Corporate Governance Network (ICGN) and was previously a board-alternate for the Global Network Initiative. Ms Compere was Co-Chair of the Emerging Markets Disclosure Project (EMDP) and co-lead for the EMDP Korean team (2009-2012). Since 2014 Ms Compere has led a multi-year global investor engagement "Banking on a Low Carbon Future" which has benchmarked the performance of 60 banks on climate risk, strategy, and funding climate adaptation and mitigation through the creation of new metrics, reports, and active engagement. Lastly she sits on the Strategy and Design Team of the Climate Safe Lending Network.

BIOGRAPHIES

SPEAKERS

Drew Edwards

Founder, CEO and CIO

Usonian Investments



Drew Edwards is Founder, CEO and CIO of Usonian Investments, LLC, an independent investment advisory firm with offices in Chicago and Tokyo. The firm launched in 2017 when Drew completed his buyout from Advisory Research Inc, the asset management subsidiary of Piper Jaffray & Company. Usonian's AUM exceeds \$1 billion invested in Japanese equities. Usonian's governance focused investment approach calls for engagement with

management to enhance corporate value and influence outcomes. Prior to founding Usonian, Drew was Managing Director and Portfolio Manager of international equities at Advisory Research. Before joining Advisory Research, he was an investment professional at Taiyo Pacific Partners, and an investment banker at Lehman Brothers. He also has held management positions at McKesson Corporation and Pfizer Pharmaceuticals. Drew holds a BA in International Business from Sophia University in Tokyo and an MBA and JD from Kellogg School of Management at Northwestern University. He was admitted to The State Bar of California and is a Director and Officer of the Japan American Society of Chicago, where he also serves on the Executive Committee.

BIOGRAPHIES

Marc Goldstein

Executive Director, Head of US Research

ISS



Marc Goldstein is Head of US Research at ISS with responsibility for ensuring high-quality and timely analyses for ISS clients with exposure to the US equity market. Over a tenure spanning two decades, Marc has held various roles within the research organization, including most recently as Head of the US Energy & Industrial sector. Marc also served as Head of the ISS Policy Steering Committee where he was responsible for the company's benchmark voting policy

development process, coordinating the activities of the ISS Policy Board and managing the global policy interpretation group. Prior to that, Marc coordinated engagement between ISS research analysts and external constituents, including corporations, shareholder resolution proponents, and business organizations. A fluent Japanese speaker, Marc served as ISS' Head of Japan Research, based in Tokyo, before joining the US research team. Marc is a frequent commentator on governance, shareholder activism, issuer-shareholder engagement, and related matters with appearances before audiences at academic and trade conferences. He is widely quoted in the business media on the rights of shareholders at US and Japanese companies and other topics affecting the corporate governance landscape. Marc holds a BA in East Asian Studies from Wesleyan University, an MA in Economics from the University of Maryland and a JD from the University of Michigan Law School.

BIOGRAPHIES

SPEAKERS

Hidefumi Koshinaka

General Manager, Index Business Office

Nikkei Inc.



Hidefumi Koshinaka is General Manager in the Index Business Office of Nikkei Inc. He was formerly Deputy Managing Editor and Chief Editor of the Nikkei Editorial Bureau for four years. Before that he held the position of Editor in Chief of Nikkei Veritas from 2011, and previously served as Chief Correspondent in New York from 1998. Mr Koshinaka joined Nikkei in 1986 and covered financial and capital markets news in Tokyo and Osaka. He holds a BA in Economics from Waseda University.

Julia Merz

Portfolio Manager, Global Equity Research Analyst

DWS



Julia Merz is a Portfolio Manager and Global Equity Research Analyst at DWS, based in New York. She has responsibility for stock selection and sector and country positioning for non-US names. Prior to joining DWS she completed a PhD in Economics at the University of Cologne and was a guest researcher at UC Berkeley. She holds a Master's degree in Finance and Japanese studies from the University of Mannheim, Germany.

BIOGRAPHIES

SPEAKERS

Satoru Murase

Partner

Mayer Brown



Satoru Murase is a partner at the law firm of Mayer Brown LLP. He advises global corporations regarding cross-border investments and disputes in the United States, Asia, Europe and the Middle East. Satoru advises extensively on major Japanese corporate governance and shareholders matters. Satoru is identified in The Best Lawyers in America (2012–2019) and The Best Lawyers in Japan (2012–2019) and as one of the BTI Client Service All-Stars. He has represented clients facing international trade disputes before the US Trade Representative, Department of Treasury, ITC and Department of Commerce. He is a graduate of Harvard College and Georgetown University Law Center.

Donna Nairi

Founder and CEO

ICONICBETA



Donna Nairi is an entrepreneur, the Founder and CEO of ICONICBETA, a financial products innovator. ICONICBETA develops thematic investment strategies in collaboration with “iconic”, highly motivated and respected individuals and organizations, focusing on the field in which their expertise is acknowledged. Donna’s mission is to encourage engagement of a wider circle of investors with public equity markets - including Japanese equity markets - and open investment horizons to the next generation of global investors. She is a former investment banking structurer at RBS Securities and Sempra Energy Trading, in Hong Kong, London and New York. She holds an MA in Economics from the University of Dundee and Stevens Institute of Technology, USA.

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