

G7 High-Level Corporate Governance Roundtable

Opening remarks by Mr. Suzuki, Minister of
Finance and Minister of State for Financial
Services

(Thursday, 11 May 2023)

Good afternoon everyone, I'm Shunichi Suzuki,
Minister of Finance and Minister of State for
Financial Services.

Thank you so much for coming to Niigata today.
On behalf of Japan's G7 Presidency, we are very
pleased to welcome all of you.

I hope that this G7 High-Level Corporate
Governance Roundtable will provide a good
opportunity to have a candid and open discussion
about various initiatives in corporate governance.

Let me briefly talk about corporate governance
reforms in Japan. We have strived to lead
corporate governance reforms to enhance long-term
corporate value.

As part of the reforms, we introduced the
national corporate governance code, which refers

to the G20/OECD Principles of Corporate Governance. We have also promoted companies' efforts through two revisions to the corporate governance code.

Through these efforts, recent years have brought significant progress on corporate governance. Our next challenges include how to ensure effective corporate governance is attained.

In September last year, in his speech delivered at the New York Stock Exchange, Prime Minister Kishida highlighted that "we will accelerate and further strengthen Japan's corporate governance reforms."

Since then, the Financial Services Agency has arranged several consultation meetings to get input from investors and other market participants. Last month, we published the Action Program for Corporate Governance Reform.

The Action Program pulls together a broad set of policy measures, mainly from two perspectives:

- First, it is important to change the mindset

of companies and investors in a sustainable way in order to raise corporate value.

- Second, management and boards should be mindful of sustainability as well as profitability and growth potential.

When it comes to sustainability-oriented management, the disclosure of sustainability, including of human capital, is a priority on the G7 agenda. We, in our G7 Presidency role, will take the lead in advancing this discussion.

Going forward, it will be important to implement each measure of the Action Program in a steadfast manner. The Japanese Government will deepen dialogue with companies and investors and push forward initiatives for corporate governance reforms.

In addition, Japan will continue to actively participate in the global agenda for corporate governance reforms.

As Secretary-General Cormann may mention, the OECD Corporate Governance Committee, chaired by

Japan's Vice Minister of Finance for International Affairs Kanda, is currently working to review the G20/OECD Principles of Corporate Governance.

We will also continue to contribute to corporate governance reforms in Asia, including through the OECD-Asia Roundtable, which has a solid track record of more than 20 years.

Last but not least, I would like to conclude my remarks by expressing my best wishes for your continued prosperity and development.

Thank you very much for your attention.