

January 25, 2017  
Financial Services Agency

## The Council of Experts on the Stewardship Code

### 1. Purpose

The Japan Revitalization Strategy 2016 (approved at a cabinet meeting on June 2, 2016) states, *“The corporate governance reforms continue to be one of the top agenda of Abenomics, and the first priority issue is to deepen those reforms from ‘superficial’ to ‘substantial.’ To this end, it is effective to raise the effectiveness of pressures from institutional investors on listed companies.”*

From this point of view, the “Council of Experts Concerning the Follow-up of Japan’s Stewardship Code and Japan’s Corporate Governance Code,” of which the Financial Services Agency and the Tokyo Stock Exchange act as joint secretariat, discussed constructive dialogue between companies and institutional investors. Last November 30, the council published an opinion statement titled “Effective Stewardship Activities of Institutional Investors,” which recommends revising the Stewardship Code. Following the opinion statement, we intend to hold meetings of the Council of Experts on the Stewardship Code (the “Council”) with the aim of revising the Stewardship Code.

### 2. Structure

- (1) The constituents of the Council shall be as noted in the Appendix.
- (2) The Council shall be chaired by Professor Hiroyuki Kansaku of the University of Tokyo.
- (3) The Council chairman can ask for the attendance of related parties as needed.
- (4) The Council shall be open to the public in principle.
- (5) The general affairs of the Council shall be handled by the Corporate Accounting and Disclosure Division of the Planning and Coordination Bureau, Financial Services Agency.