

Minutes of the 5th Council of Experts Concerning the Japanese Version of the Stewardship Code

1. Time and date: 2:00–2:30 pm, December 26 (Thursday), 2013
2. Place: Financial Services Agency

[Kansaku, Chairman] I would like to start the 5th Meeting of the Council of Experts Concerning the Japanese Version of the Stewardship Code (the Council).

Today's meeting will start with the secretariat's explanation of the draft Japan's Stewardship Code (the Code), followed by free discussion among council members based on the secretariat's explanation. We would then like to finalize the exposure draft.

Let's start with the secretariat's explanation.

[Yufu] Upon completion of the exposure draft today, we are calling for public comments on it.

I will read out the draft.

[Refer to the Exposure Draft of the Japan's Stewardship Code](#)

[Kansaku] Thank you.

Let's move on to the discussion based on the secretariat's explanation. Please discuss freely.

[Eguchi, member] Not a request for a revision, but I would like to make a comment.

Principle 7, which was said to be a principle unique to the Code, contains the following statement: "Exchanging views with other investors and having a forum for the purpose may help institutional investors engage better with investee companies ..." (Guidance 7-3). At the last meeting, I mentioned the importance of creating a forum for exchanging views among investors, and I appreciate that my comments were reflected in the preliminary draft.

However, realistically, such a forum cannot be created so easily. Therefore, in order to further the spirit of the stewardship code, I think it is an important future task to discuss more about the specifics of this forum, including such points as its desirable form, how to organize it, who should facilitate its formation, and the range of parties that should participate in it.

[Kansaku] Thank you. I believe that the draft is supported by all council members, and I would thus like to finalize the exposure draft as presented.

We will publish the exposure draft completed today on the FSA's website for a period of one month to ask for comments from a broad range of related persons. Similarly, an English version of the exposure draft will also be published for public comments.

Thereafter, we are aiming to hold the final council meeting in February to finalize the Code reflecting the results of public comments.

To conclude today's meeting, I would like to ask the secretariat if there is any closing message.

[Yufu] The secretariat will fix the date of the next meeting following the end of the period of public consultation to fit in with council members' schedules.

[Kansaku] Thank you very much.

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