

**26th Council of Experts Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Code, Remarks from Kerrie Waring, CEO, ICGN**

31st March 2021

Thank you, Chair Kanda and Fellow Council Members for the opportunity to comment on the revisions to Japan's Corporate Governance Code and the Guidelines for Investor and Company Engagement. (See Annex 1 for ICGN letter).

Both documents promote long-term corporate value and sustainable economic growth by fostering high standards of corporate governance and engagement between companies and investors.

In relation to the Code revisions, ICGN particularly welcomes five key changes.

- 1. Firstly, a new principle (2.4.1) requiring companies to disclose diversity policies including measurable goals and also in relation to human capital management.**

In the future, we recommend adding reference to a period over which diversity goals are achieved, along with a requirement for annual reporting. We also encourage you to consider the importance of both equity and inclusion, alongside diversity, to address social inequalities particularly in relation to racial discrimination and fair representation.

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- 2. Secondly, we welcome the new principle requiring climate change related disclosure based on the TCFD model for Prime Market listed companies (3.1.3).**

In the future, we recommend this is extended to all listed companies. Disclosure should describe the impact of climate change on the company's business model and how it will be adapted to meet the needs of a net zero economy. This includes setting and disclosing targets to reduce carbon emissions and a period for achievement.

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- 3. Third, we welcome the enhanced requirement around the proportion of independent directors on Prime Market listed companies to one-third (4.8). We also welcome the requirement for a majority of independent directors in the case of controlled companies in the Prime Market (4.8.3).**

In the future, we encourage all listed company boards to comprise at least one-third independent directors. For the Prime Market with higher standards of governance - there should be a majority of independent directors.

We also recommend that the Code reference the importance of there being a transparent and rigorous board appointment process led by a Nomination Committee, comprised of a majority of independent directors.

4. Four, we welcome the requirement for boards of companies in the Prime Market to have nomination and remuneration committees, comprised of a majority of independent directors. We also welcome the new requirement for disclosure of the committee composition and mandates.

In the future it would be helpful for this to be expanded to all listed companies, not just Prime Market.

5. Five, we welcome the new principle requiring boards to disclose their policy on the status and review of the company's overall business portfolio (5.2.1).

In the future, we recommend that this principle requires the board to review the business portfolio annually and to disclose a clear policy on the company's approach to capital allocation as a foundation for long-term value creation.

I would add that there are three notable absences in terms of potential Code revisions which we encourage the Council to consider in the future.

- **The first is the location of disclosure.** We welcome the new requirements in the Code for companies to disclose climate-related information, a diversity policy, approach to human capital and committee mandates. But the Code does not specify where this information should be disclosed. ICGN advocates that such information is material to long-term corporate value creation and should therefore be disclosed in the annual securities report (Yuho), in English and prior to the AGM.
 - **The second is in relation to cross-shareholdings where no change to the original code has been made.** This Principle should be strengthened to require companies to provide disclosure around the rationale and nature of the cross-shareholding, for example if it is a parent company, subsidiary, or supplier; and disclosure of a period over which cross-shareholdings will be reduced or eliminated.
 - **The third potential future revision relates to board evaluation.** We recommend that Principle 4.11.3 be expanded to require boards to be periodically evaluated by an external consultant - preferably every three-years. This review of performance would result in long-standing directors to step down, thus unlocking vacancies to enable appropriate board diversity, independence and succession planning.
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In terms of the revisions to the Guidelines on Investor and Company Engagement, I have three points of substance:

- **The first relates to Guideline 3.8 on the appointment of independent directors.** We welcome new reference to whether the Chair of the Board is independent or not. Perhaps in the future this could be strengthened to include questions around whether the Chair was independent on the date of appointment. And can we have disclosure around the job roles of chair, CEO, lead independent director and committee chairs?
- **The second point relates to Guideline 4-1-3. ICGN appreciates the reference to the publication of the annual securities report to be made prior to the AGM.** But this should also be referenced in the Code, specifically in the Supplementary Principle 3.1.2.
- **My third and final point relates to Guideline 4-1-4.** When holding a hybrid or virtual-only AGM, we encourage companies to replicate as best as possible the in-person AGM experience to ensure interactivity with shareholders – this includes allowing shareholders to ask questions or make statements in advance of the AGM and during the meeting proceedings.

Let me conclude by thanking the Council for considering ICGN opinion as part of this review. ICGN applauds the efforts of the FSA in continuing to reform corporate governance policies and practices in Japan and we recognize the latest revisions to the Code and Guidelines as positive steps forward.

Corporate governance reform is a journey – not a destination. All countries are evolving at different stages taking account of national rules, regulations, corporate culture and share ownership models.

But companies and investors do share a common global responsibility - to preserve and enhance long-term value contributing to economic growth, social prosperity, security, and a healthy environment now and into the future. And it is in this spirit that I offer my remarks to you today.

Thank you.

31st March 2021

Dear Fellow Council Members,

ICGN Response to Revision Draft of Japan’s Corporate Governance Code and the Guidelines for Investor and Company Engagement

On behalf of the ICGN, I am pleased to submit our comment on the Draft Revision of Japan’s Corporate Governance Code (“the Code”) and the Guidelines for Investor and Company Engagement (“the Guidelines”). See Annex for Japanese language translation.

Led by investors responsible for assets under management of USD\$54 trillion, ICGN is a leading authority on global standards of corporate governance and investor stewardship. Our membership includes institutional investors and business leaders who have a shared interest - and thus a shared responsibility - to preserve and enhance long-term corporate value, contributing to economic growth, social prosperity, security, and a healthy environment.

ICGN’s mission supports this shared responsibility, as advocated in the ICGN Global Governance Principlesⁱ which are subject to review this year as part of a three-year cycle. Our commentary draws on some of the potential changes to ICGN’s own Principles subject to ICGN Member approval on 2nd September 2021, and we have provided some examples in this letter (highlighted as underlined text).

We welcome the approach by FSA to convene an Expert Council to deliberate on revisions to the Japan Corporate Governance Code and the Guidelines for Investor and Company Engagement. Both documents serve to help promote long-term corporate value and sustainable economic growth by fostering high standards of corporate governance and encouraging more constructive engagement between companies and investors.

ICGN has participated in every meeting of the Council since the start of this review process and presented letters representing the global investor perspective on priority issues as summarized below:

- COVID 19 impact on corporate governanceⁱⁱ
- Board leadership, diversity, independence, appointments, evaluationⁱⁱⁱ
- AGM format, securities report timing, disclosure of voting results^{iv}
- Capital efficiency, cross-shareholdings and group governance^v
- Sustainability, climate change, social inequality, company and investor dialogue^{vi}
- Risk oversight, audit and key governance priorities for JPX Prime Market^{vii}

We are pleased that many of ICGN’s recommendations have been taken into account in the revisions to the Code and Guidelines. We also note that some of our recommendations have not been included and this letter serves to clarify the areas where we believe further revisions to the Code and Guidelines would be helpful in the future.

1. Draft Revisions to the Corporate Governance Code

General Principle 1.4: Cross shareholdings

The current principle focuses on the need for there to be a policy for cross-shareholdings and the board's role in assessing individual cross-shareholdings. This Principle could be strengthened to require companies to provide:

- Disclosure around the nature of the cross-shareholding, for example if it is a parent company, subsidiary, or supplier.
- Disclosure around the rationale for the cross-shareholdings - notably, companies should not obfuscate cross-shareholdings by recognising them in the pure investment category, which would also increase the weight in the revised TOPIX index.
- Disclosure of the top 60 cross-shareholdings by value as well as the total number, not only in the Annual Securities Report to be published before the AGM, but also on the company's website in English.
- Disclosure of a time period over which non-strategic cross-shareholdings will be reduced or eliminated.

General Principle 2: Stakeholders

ICGN welcomes the enhanced explanation in the Notes to the General Principles around the importance of sustainability referenced in supplementary principles 3.1.3 and 4.2.2. ICGN's own Global Governance Principles have also been updated in this regard as indicated below:

ICGN Guidance 1.1 Board responsibility

The board is accountable to shareholders and relevant stakeholders for preserving and enhancing sustainable value over the long-term in alignment with a company's purpose. In fulfilling their role effectively, board members are responsible for:

c) understanding the perspectives of relevant stakeholders and disclosing how their interests are taken into account to foster positive relations;

e) accountability for the governance of sustainability ensuring the integration of human capital (particularly the workforce) and natural capital management in strategy, risk and innovation;

Supplementary Principle 2.4.1: Diversity

ICGN welcomes the addition of Supplementary Principle 2.4.1 to recommend the disclosure of a policy on diversity. We recommend that there is also reference to a period over which diversity goals are achieved. Additionally, this Principle should stipulate the importance of there being annual reporting against the policy including an explanation of how the diversity policy aligns with the company purpose, strategy and succession planning for the board and workforce.

The concept of diversity extends beyond gender and encompasses a range of factors including different nationalities, ethnicities, professional backgrounds, social and economic origins, and personal attributes. We also appreciate that, in addition to diversity, companies

should foster equality and inclusivity to ensure fair and equitable treatment of opportunities across the workforce. We refer you to ICGN's draft Principle on diversity by way of example:

ICGN Guidance 3.1: Diversity

Boards, and the workforce, should comprise a diverse group of individuals to ensure equitable and inclusive decision-making in alignment with the company's purpose and key stakeholders. This includes individuals from different genders, ethnicities (in jurisdictions where it applies), nationalities, social and economic backgrounds, and personal attributes. Boards should disclose and report against the company's policy on diversity which should include measurable targets and periods for achievement. The report should include an explanation of how the diversity policy aligns with the company strategy and succession planning for the board and workforce.

We also welcome reference under Supplementary Principle 2.4.1 to the importance of linking human resources strategies 'to enhancing corporate value.' There is growing consensus amongst investors around how companies should measure human capital management and what should be disclosed.

ICGN encourages companies to provide better disclosure around human capital policies, practices and performance as part of a longer-term strategy for value creation. Disclosure should be tailored to the company's specific human capital management strategy and include information on topics like:

- Investment in training
- Lost-time injury and fatality rates
- Pay ratios (across highest, median and lowest quartiles)
- Turnover (voluntary and involuntary, internal hire rate)
- Compensation and incentive plans
- Workforce demographics (full time, part time, agency)
- Workforce engagement, union representation, work-life initiatives
- Gender, ethnic and racial diversity across different workforce levels particularly in relation to recruitment, retention and promotion

Disclosure should also be supplemented with key performance indicators (KPIs) covering relevant policies and their outcomes. This should include measurable goals and a period over which KPIs are achieved.

Such disclosure should be made in the annual securities report (Yuho) where the information is material to corporate strategy and corporate management, as well as in other voluntary corporate disclosure materials more extensively.

Supplementary Principle 3.1.3: Full disclosure

ICGN welcomes reference to sustainability reporting under Supplementary Principle 3.1.3 We refer you to ICGN's draft principle in this regard which clarifies that sustainability reporting extends to all intangible drivers that impact company performance and long-term value creation, such as human capital and natural capital – as well as financial capital.

ICGN Guidance 7.4: Sustainability reporting

The Board should provide 'sustainability' reporting to reflect the complexities inherent in a contemporary business by blending financial, human and natural capital considerations in the context of a company's current and future strategic direction. Sustainability reporting should support and enhance the information in the financial statements and help investors to form an assessment of the company's long-term strategy and prospects.

ICGN welcomes reference to climate related reporting under Supplementary Principle 3.1.3 and we refer you to the new draft recommendation in the ICGN Principles as follows:

ICGN Guidance: 7.5 Climate related disclosure

The board should assess the impact of climate change on the company's business model and how it will be adapted to meet the needs of a net zero economy as part of a long-term strategy. This includes setting and disclosing targets to reduce carbon emissions and a period for achievement. Disclosure around these actions would help investors understand the resilience of companies facing climate change risks and to assess progress towards achieving net zero targets.

Such information should be disclosed in the annual securities report (Yuho) where the information is material to corporate strategy and corporate management, as well as in other voluntary corporate disclosure materials more extensively.

Principle 4.8: Independent directors

We welcome the increased requirement for companies that will be listed on new Prime Market to appoint at least one-third of the board to be independent directors. This has increased from the previous requirement of just two independent directors, which is retained for the Standard and Growth Market.

However, ICGN maintains that ALL listed (standard and growth markets) companies should comprise at least one-third of the board to be comprised of independent directors, and at least a majority of independent directors should be required for Prime Market listed companies which reflects higher governance standards.

Supplementary Principle 4.8.3

ICGN welcomes reference to the importance of companies with a controlling shareholder to appoint at least one-third independent directors who are independent of the controlling shareholder to the board and for Prime Market companies this requirement increasing to a majority of independent directors.

A majority of independent directors is particularly important in the context of listed subsidiaries to act as a check on the presence of a controlling owner (i.e. the holding company shareholder) to ensure minority shareholder rights are upheld, particularly relating to major decisions which may impact the nature of their investment in the company.

In the future, we suggest that the Code should reference the importance of there being a transparent and rigorous appointment process for independent directors under the responsibility of a Nomination Committee, comprised of a majority of independent directors. In this regard, we refer you to ICGN Guidance 3.4:

ICGN Guidance 3.4: Appointments

There should be a formal approach to the appointment of board directors based on relevant and objective selection criteria, led by the Nomination Committee, to ensure appropriate board independence and refreshment aligned with the company's long-term strategy, succession planning and diversity policy.

Supplementary Principle 4.10.1: Committees

ICGN recommends that corporate boards should establish independent committees to deliberate on issues such as audit, executive and non-executive director remuneration and

director nomination. We welcome the new supplementary principle which references the need for companies to disclose the duties and membership of such committees.

ICGN advocates that the Audit Committee and Remuneration Committees both be comprised of wholly independent directors, while the Nomination Committee should be majority independent. All committees should be chaired by an independent director.

Supplementary Principle 4.11.3: Board evaluation

We recommend that this Principle be expanded to clarify that it is good practice for the board to be periodically (preferably every three years) evaluated by an external consultant. The Principle should also refer to the importance of board committees to be subject to annual evaluation. This review of performance would result in long-standing directors to step down, thus unlocking vacancies to enable appropriate board diversity, independence and succession planning.

Supplementary Principle 5.2.1: Disclosure of business strategies

We welcome the new supplementary principle to require companies to *'clearly present the basic policy regarding the business portfolio decided by the board and the status of the review of such portfolio.'*

We recommend that this principle make clear that the board should disclose a clear policy on the company's approach to capital allocation as a foundation for long-term value creation and that the board review the business portfolio annually. This involves identifying business unit return on invested capital (RoIC) and cost of capital: if a return in excess of the cost cannot be achieved in a reasonable and justified time period, the board should show a plan for exit.

2. Guidelines on Investor and Company Engagement Revision Draft

We understand that the Guidelines are intended to help facilitate dialogue between companies and investors on issues of relevance to preserving and enhancing long-term corporate value and we offer the following recommendations regarding the latest proposed revisions:

Guideline 3.8: Appointment of independent directors

We welcome the inclusion of reference under 3.8 of the Guidelines regarding a question around whether the Chair of the Board is independent however we believe this reference could be strengthened in the future.

ICGN advocates that there should be a clear division of responsibilities between the role of the chair of the board and the CEO to avoid unfettered powers of decision-making in any one individual. The Board should be chaired by an independent director who should be independent on the date of appointment. Should the role of the Chair and CEO be combined, the board should explain the reasons why this is in the best interests of the company in the annual report and keep the structure under review. The responsibilities of the chair, CEO, lead independent director and committee chairs should be clearly described and publicly disclosed.

Guideline 4-1-1: Voting results

ICGN welcomes the reference to encourage companies to demonstrate their accountability to shareholders by providing clarity around how shareholder concerns are addressed,

particularly when there is a significant vote (i.e., 20% or higher) against a particular resolution. We recommend that this principle be strengthened to require disclosures of measures undertaken to address investor concerns within six months after the shareholder meeting.

Guideline 4-1-3: Publication of securities report and date of AGM

ICGN appreciates the reference to the publication of the annual securities reports to be made prior to the annual general meeting to enhance constructive dialogue between investors and companies in the Guidelines. This should also be mentioned in the Code, specifically in the Supplementary Principle 3.1.2 in addition to the disclosure in English by the Prime Market companies.

Guideline 4-1-4: Shareholder interaction

When holding a hybrid or virtual-only AGM, we strongly encourage companies to ensure interactivity with shareholders and to replicate as best as possible the in-person AGM experience. Companies should allow shareholders the opportunity to submit questions/ make statements in advance of the shareholder meeting date and during the meeting proceedings.

Thank you for this opportunity to provide commentary for the Council meeting. We applaud the efforts of the Council, and the FSA particularly, in continuing to reform corporate governance policies and practices in Japan and we recognize the latest revision to the Code and the Guidelines as positive steps forward. Should you have any questions or would like to discuss our comments in more detail, please contact me or colleagues noted below. We hope our comments are helpful and we look forward to the continued deliberations.

Yours faithfully,



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Annex 1: スチュワードシップ・コード及びコーポレートガバナンス・コードのフォローアップ会議（第26回）

2021年3月31日

フォローアップ会議メンバーの皆様へ

日本コーポレートガバナンス・コード（以下、コード）及び投資家と企業の対話ガイドライン（以下、ガイドライン）の改訂案へのICGN意見書

私は、ICGNを代表して、日本コーポレートガバナンス・コード（以下、コード）及び投資家と企業の対話ガイドライン（以下、ガイドライン）の改訂案についてICGNの意見書を送りできることをうれしく思います。

ICGNは、54兆米ドルの資産を運用する投資家に率いられ、コーポレートガバナンスと投資家のスチュワードシップのグローバルな基準についての主導的な専門機関であります。長期的な企業価値を維持・向上させ、経済成長、社会的繁栄、安全保障、健全な環境に貢献するという責任を共有する機関投資家やビジネスリーダーがICGNのメンバーとなっています。

本年が3年毎の見直し周期にあたっておりますICGNグローバル・ガバナンス原則において提唱されているように、ICGNの使命はこの共有された責任を支援することです。私たちのコメントは、2021年9月2日のICGNメンバーの承認次第で、ICGN自身の原則に変更が加えられる可能性がございますが、この手紙の中でいくつかの例を紹介しています（下線箇所）。

我々は、コードおよびガイドラインの改訂を審議するために、金融庁がフォローアップ会議を開催することを歓迎します。両文書は、コーポレートガバナンスの水準を高め、企業と投資家のより建設的な対話を促進することにより、長期的な企業価値と持続的な経済成長の促進に寄与するものです。

ICGNは、今回の検討プロセスの開始以来、すべての会議に参加し、優先的な課題について世界の投資家の視点から以下のような意見書を提出してきました。

- コロナ感染症のコーポレートガバナンスへの影響
- 取締役会のリーダーシップ、多様性、独立性、選任、評価
- 年次株主総会の形式、有価証券報告書の公表時期、議決権行使結果の開示
- 資本効率、政策保有株式、グループガバナンス
- サステナビリティ、気候変動、社会的不平等、企業と投資家の対話
- リスクの監督・監査、東証プライム市場に対して鍵となるガバナンスの優先事項

ICGNの提言の多くが、コードとガイドラインの改訂において考慮されたことを嬉しく思います。また、私たちの提言の一部が盛り込まれていないことも踏まえ、この意見書では、将来的にコードとガイドラインの更なる改訂が有用であると私たちが考える分野を明確にいたします。

1. コーポレートガバナンス・コードの改訂案

原則 1—4. : 政策保有株式

現行の原則は、政策保有株式に関する方針の必要性と、個々の政策保有株式を評価する際の取締役会の役割に焦点を当てていますが、企業に以下を提供するよう当該原則を強化することが考えられます。

- 親会社なのか、子会社なのか、サプライヤーなのか等、政策保有株式の性格に関する情報開示。
- 政策保有株式を保有することの合理的な根拠の開示。特に、企業は政策保有株式を純投資のカテゴリーで認識することによって、政策保有株式を曖昧にはなりません。これは、改訂後の TOPIX のウェイトを高めることにもなります。
- 年次総会前に発行されるべき有価証券報告書だけでなく、企業のウェブサイトでも英語にて、金額ベースで上位 60 位までの政策保有株式の状況とその総数を開示する。
- 非戦略的な政策保有株式が減少または解消されるまでの期間の開示

基本原則 2 : ステークホルダー

ICGNは、補充原則 3—1 ③と 4—2 ②で言及されているサステナビリティの重要性について、基本原則の「考え方」において説明が強化されたことを歓迎します。ICGNのグローバル・ガバナンス原則も、この点について以下のように更新されています。

ICGN ガイダンス 1.1 取締役会の責務

取締役会は、株主および関係ステークホルダーに対して説明責任を負い、企業の目的と整合しながら、長期にわたる持続可能な価値を守り高める責任がある。その役割を実効的に果たすため、取締役は以下のことを行うべきである。

c) 関連するステークホルダーの視点を理解し、良好な関係を築くためにステークホルダーの利益がどのように考慮されているかを開示すべきである。

e) 人的資本（特に就業者）と自然資本管理の戦略、リスク、イノベーションとの統合を確保したサステナビリティに関するガバナンスについて説明責任を負うべきである。

補充原則 2—4 ① : 多様性

ICGN は、補充原則 2—4 ①に多様性に関する方針の開示を推奨する項目が追加されたことを歓迎します。また、多様性の目標を達成するための期間についても言及することを推奨します。さらに、この原則では、多様性の方針が企業の目的、戦略、取締役会や就業者の後継者計画とどのように整合するかの説明を含む、方針に対し年次で報告することの重要性も規定すべきです。

多様性の概念は、性別にとどまらず、国籍や民族、職歴、社会的・経済的背景、個人の属性など、さまざまな要素を含んでいます。また、企業は、多様性に加えて、平等性と包摂性を育み、就業者全体の機会の公平・公正性を確保すべきであると考えます。例として、ICGNの多様性に関する原則案を紹介します。

ICGN ガイダンス 3.1 多様性

取締役会及び就業者は、企業の目的および主要なステークホルダーと整合した公平かつ包摂的な意思決定を確保するために、多様な個人のグループで構成されるべきである。これには、性別、民族（適用される法域では）、国籍、社会的・経済的背景、および個人の属性が異なる個人が含まれる。取締役会は、測定可能な目標と達成のための期間を含む多様性に関する企業の方針を開示し、それに対して報告すべきである。報告書には、多様性の方針が企業の戦略や取締役会や就業者の後継者育成計画とどのように整合しているかの説明が含まれるべきである。

また、補充原則2-4①において、人材戦略を「企業価値の向上」に結びつけることの重要性に言及されていることを歓迎します。企業が人的資本管理をどのように測定し、何を開示すべきかについて、投資家の間でのコンセンサスが形成されつつあります。

ICGNは、企業が価値創造のための長期的な戦略の一環として、人的資本の方針や実践、実績に関するより良い情報開示を行うことを奨励します。情報開示は、企業の具体的な人的資本経営戦略に合わせ、以下のようなトピックに関する情報を含むべきです。

- 教育への投資
- 休業を伴う傷害および死亡率
- 経営者と従業員の報酬比率（最高、中央、最低の各階層に対する）
- 離職率（自発的および非自発的、社内雇用率）
- 報酬とインセンティブプラン
- 就業者の属性（フルタイム、パートタイム、派遣）
- 就業者とのエンゲージメント、組合の存在、ワーク・ライフ・バランスへの取り組み
- 就業者のさまざまな階層、特に採用、定着、昇進における性別、民族、人種の多様性

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関連するポリシーとその成果を示す重要な業績評価指標（KPI）も開示されるべきです。これには、測定可能な目標と、KPIを達成するための期間も含めるべきです。

このような内容は、企業戦略や企業経営にとって重要な情報である場合には有価証券報告書で開示すべきであり、また、その他の任意的な企業開示資料にも幅広く記載すべきです。

補充原則3-1③：全文開示

ICGNは、補充原則3-1③におけるサステナビリティに関する開示への言及を歓迎します。この点については、ICGNの原則案を参照していただきたいのですが、この原則案ではサステナビリティに関する開示は、金融資本だけでなく、人的資本や自然資本など、企業のパフォーマンスや長期的な価値創造に影響を与えるすべての無形の推進要因が含まれることを明確にしています。

ICGN ガイダンス 7.4 : サステナビリティ報告

取締役会は、企業の現在および将来の戦略的方向性との関連において、財務、人的および自然資本の考慮事項を統合させることにより、現代のビジネスに内在する複雑性を反映する「サステナビリティ」報告を提供すべきである。サステナビリティ報告は、財務諸表の情報をサポートし、強化するものであり、投資家が企業の長期的な戦略と見通しに関する評価を形成するのに役立つものでなければならない。

ICGN は、補充原則 3-1③の気候関連報告への言及を歓迎するとともに、以下の ICGN 原則の新しい推奨案を参照頂きたいです。

取締役会は、長期的な戦略の一環として、気候変動が会社のビジネスモデルに与える影響と、ネット・ゼロ・エコノミーのニーズにどのように適応させるかを評価すべきである。これには、炭素排出量を削減するための目標と達成期間の設定・開示が含まれる。これらの行動に関する開示は、投資家が気候変動リスクに直面している企業の回復力を理解し、ネット・ゼロ目標の達成に向けた進捗を評価するのに有用である。

このような開示は、企業戦略や企業経営にとって重要な情報である場合には、その他の自主的な企業開示資料にもより広く記載されると同時に、有価証券報告書に記載されるべきです。

原則 4.8 : 独立取締役

我々は、プライム市場へ上場する会社に対して、取締役の3分の1以上を独立取締役とするよう求めることを歓迎します。これは、2名以上の独立取締役を求める従前の要件（スタンダード市場及びグロース市場には引き続き適用されます）を強化するものです。

ただし、ICGN は、スタンダード市場及びグロース市場も含めて、全上場会社が取締役会の3分の1以上を独立取締役とすべきだと引き続き考えています。また、プライム市場上場会社においては、一段高いガバナンスの水準を反映して、取締役の過半数を独立取締役とするよう求めるべきであると考えます。

補充原則 4-8③

ICGN は、支配株主を有する会社において、支配株主から独立した独立取締役を3分の1以上（プライム市場上場会社においては過半数）とすることの重要性に言及した点を歓迎します。

独立取締役を過半数とすることは、上場子会社において、支配権を持つオーナー（持株会社の株主）の存在を牽制し、特に会社への投資内容に影響を与える可能性のある重要な意思決定に関して、少数株主の権利が守られるようにする上で、特に重要となります。

将来的には、過半数の独立取締役で構成される指名委員会の責任の下で、透明性のある厳格な独立取締役の選任プロセスを設けることの重要性について、コードで言及することを提案します。この点に関連して、ICGN のガイダンス 3.4 をご紹介します。

ICGN ガイダンス 3.4：指名

適切な取締役の独立性と会社の長期戦略に沿った再活性化、後継者計画、多様性の方針を確保するために、指名委員会により主導される、関連性のある客観的な選択基準に基づいて取締役を任命する正式なアプローチが必要です。

補充原則 4-10①：委員会

ICGN は、企業の取締役会が、監査、経営陣および非業務執行取締役の報酬、取締役の指名などの問題を審議する独立委員会を設置することを奨励しています。我々は、企業がこのような委員会の任務とメンバーを開示する必要性に言及した新しい補充原則を歓迎します。

ICGN は、監査委員会と報酬委員会は独立取締役のみにより構成され、指名委員会の過半数は独立取締役とすることを提唱しています。これらの委員会は、すべて独立取締役を議長とすべきです。

補充原則 4-11③：取締役会評価

私達は、この原則を拡大し、取締役会が定期的に（できれば3年ごとに）外部コンサルタントによる評価を受けることが良い慣行であることを明確化することを推奨します。また、この原則において取締役会の委員会の年次評価の重要性についても言及すべきです。このようなパフォーマンスの見直しにより、長年にわたり在籍している取締役が退任し、空席が生まれることで、適切な取締役会の多様性、独立性、後継者計画の実現が可能となります。

補充原則 5-2①：経営戦略の開示

私達は、取締役会の決定した事業ポートフォリオに関する基本方針と、その見直し状況を明確に示すことを企業に求める新たな補充原則を歓迎します。

私達は、この原則で、長期的な価値の創造の基盤となる資本配分に関する会社のアプローチについて、取締役会が明確な方針を開示すべきこと、および取締役会が事業ポートフォリオを毎年見直すべきだと明確にすることを推奨します。これには、事業単位の投下資本利益率（RoIC）と資本コストを特定することが含まれます。コストを上回る利益を合理的かつ正当な期間で達成できない場合、取締役会は退出の計画を示すべきです。

2. 投資家と企業との対話ガイドラインの改訂案

私達は、本ガイドラインが、長期的な企業価値の維持・向上に関連する問題について、企業と投資家の対話を促進することを目的としていると理解し、今回の改訂案について以下の提言を行います。

ガイドライン 3.8：独立取締役の選任

私達は、取締役会議長が独立取締役であるかについての質問への言及がガイドラインの 3.8 項に含まれていることを歓迎しますが、将来的にはこの言及を更に強化することができると思っています。

ICGN は、ある個人に自由な意思決定権が与えられることを避けるために、取締役会の議長の役割と CEO との間で明確な責任分担を行うことを提唱します。取締役会の議長は、任命日

時点で独立している独立取締役が務めるべきです。議長と CEO の役割を兼任する場合、取締役会は、そのことが会社にとって最善の利益となる理由を年次報告書の中で説明し、その構成を常に見直すべきです。議長、CEO、筆頭独立取締役、委員会委員長の責任は明確に説明され、公表されるべきです。

4.1.1：議決権の行使結果

ICGN は、特定の議案に対して相当数（20%以上等）の反対票があった場合に、株主の懸念にどのように対処したかを明確にすることで、株主に対する説明責任を果たすよう奨励する言及を歓迎します。私達は、この原則を強化して、株主総会后 6 ヶ月以内に投資家の懸念に対処するために実施された措置を開示するよう求めることを提案します。

ガイドライン 4.1.3：有価証券報告書の公表および株主総会の日程

ICGN は、投資家と企業との建設的な対話の強化のための、株主総会開催日よりも前における有価証券報告書の公表についてのガイドラインでの言及を歓迎します。この内容は、コードの補充原則 3-1 ②において、プライム市場上場会社による英文開示とあわせて言及されるべきです。

ガイドライン 4.1.4：株主への対応

ハイブリッド型バーチャル総会またはバーチャル・オンリー総会を開催する場合には、株主との間で双方向性を確保し、リアル開催の株主総会の経験を可能な限り再現することを、会社に強く推奨します。会社は、株主総会の開催日の前や株主総会の進行中に、株主が質問を提出したり、意見を述べたりする機会を設けるべきです。

フォローアップ会議へコメントを提供する機会をいただき、ありがとうございました。日本のコーポレートガバナンスの政策と実務の変革へ向けた、フォローアップ会議そして金融庁における継続的な努力を、私達は称賛します。今回のコード及びガイドラインの改訂は前向きなステップであると認識しております。ご質問がある場合や、私たちのコメントについてより詳細に議論したい場合は、私または下記の同僚までご連絡ください。私たちのコメントがお役に立てれば幸いです。引き続きのご議論を待ち望んでおります。

- 敬具
- ケリー・ワリング
- 最高経営責任者
- (省略)

ⁱ ICGN Global Governance Principles

ⁱⁱ 20th October 2020, ICGN Statement to the 20th Council of Experts for the Follow-up of Japan's Stewardship Code and Corporate Governance Code

ⁱⁱⁱ 18th November 2020, ICGN Statement to the 21st Council of Experts for the Follow-up of Japan's Stewardship Code and Corporate Governance Code

^{iv} 8th December 2020, ICGN Statement to the 22nd Council of Experts for the Follow-up of Japan's Stewardship Code and Corporate Governance Code

^v 26th January 2021, ICGN Statement to the 23rd Council of Experts for the Follow-up of Japan's Stewardship Code and Corporate Governance Code

^{vi} 15th February 2021, ICGN Statement to the 24th Council of Experts for the Follow-up of Japan's Stewardship Code and Corporate Governance Code

^{vii} 9th March 2021, ICGN Statement to the 25th Council of Experts for the Follow-up of Japan's Stewardship Code and Corporate Governance Code