



Joint Press Release

Influential Business and Investor Groups Commit to Framework of Co-operation

Tokyo, Japan, 21 June 2019 – Two influential organisations signed a Memorandum of Understanding (“MoU”) today to foster mutual understanding between Japan’s corporate leadership and overseas institutional investors around high standards of corporate governance and investor stewardship practices.

Leaders of the International Corporate Governance Network (ICGN), a global investor body, and Keidanren, Japan’s business federation, committed to help support companies and investors in their mutual pursuit to promote long-term successful companies, generating sustainable value creation upon which economic growth and social welfare relies, and in pursuit of realizing Society 5.0, which is a vision of a future society which utilizes the leading technologies and innovations of Japanese companies to solve social issues, aligned with the UN Sustainable Development Goals.

The announcement comes along with Keidanren’s Symposium taking place on 21 June in Tokyo to share views on corporate governance practices of leading companies in Japan and major investor priorities. On signing the MoU on behalf of Keidanren, Mr Takeshi Kunibe, Vice Chair of Keidanren, Chair of Keidanren’s Committee on Financial and Capital Markets and Chairman of the Board of Sumitomo Mitsui Financial Group said:

“In Japan, the government has worked to develop the environment for companies to proceed with corporate governance reforms, with such measures as introduction of the Stewardship Code and Corporate Governance Code. Keidanren, however, has been encouraging each of its members not just to respond to the Codes but to build a higher level of governance according to its business, and aims to promote investment into Japan to accelerate the realization of Society 5.0 for SDGs. We wish this MoU with ICGN will further facilitate the dialogue with global investors, increase the value of Japanese businesses and contribute to Society 5.0 for SDGs.”

ICGN’s Chief Executive, Ms Kerrie Waring, will make Guest Remarks at Keidanren’s Symposium and said:

“Around 30% of shares in JPX listed companies are held by overseas investors, many of whom are ICGN Members who collectively represent assets under management in excess of US\$ 34 trillion. This MoU signifies a new era for constructive engagement between companies and investors around corporate governance policies and practices. The aim of the MoU is to help build understanding and a common sense of purpose to preserve and enhance long term corporate value for sustained economic growth upon which society and future generations depend.”

Next month, the ICGN Annual General Meeting (AGM) and Conference will be hosted by the Japan Exchange Group / Tokyo Stock Exchange at the New Otani Hotel. The holding of ICGN’s AGM in Tokyo is symbolic of the great strides and leadership shown by authorities towards corporate governance, investor stewardship and corporate reporting in the course of Japan’s economic revitalisation strategy. This is evident in the increased number of independent non-executive directors on boards, revisions to the Japan Corporate Governance Code and public commitment from investors to the Japan Stewardship Code.

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Notes to Editors

Keidanren (Japan Business Federation)

Keidanren is a comprehensive economic organization with a membership comprised of more than 1,500 representative companies, nationwide industrial associations, and regional economic organizations of Japan. Keidanren's mission is to draw upon the vitality of corporations, individuals and local communities to support corporate activities which contribute to the self-sustaining development of the Japanese economy and improvement in the quality of life for the Japanese people.

International Corporate Governance Network (ICGN)

Led by investors responsible for assets under management in excess of \$US 34 trillion, ICGN is a leading authority on global standards of corporate governance and investor stewardship. ICGN promotes high standards of professional practice among companies and investors alike in their pursuit of long-term value creation contributing to sustainable economies worldwide communicated by the ICGN [Global Governance Principles](#) and ICGN [Global Stewardship Principles](#).

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