



**ICGN**

International Corporate Governance Network  
*Inspiring good governance & stewardship*

The Listing Department  
Tokyo Stock Exchange  
2-1 Nihombashi Kabutocho  
Chuo-kuo  
Tokyo 103-8224  
Japan

26 March 2024

Dear Sir or Madam,

**Subject: Revision of the Listing Rules in Order to Expand English Disclosure in the Prime Market**

The International Corporate Governance Network (ICGN) appreciates the opportunity to comment on the Tokyo Stock Exchange's (TSE) *Revision of the Listing Rules in Order to Expand English Disclosure in the Prime Market*.

Led by investors responsible for assets under management of US\$77 trillion, ICGN is an authority on global standards of corporate governance and investor stewardship. Headquartered in London, our membership is based in more than 40 countries - largely in Europe and North America, with growing representation in Asia. The ICGN Global Governance Principles and Global Stewardship Principles, written from an investor perspective, are widely used by our members in their company assessments and voting decisions, and by regulators when developing corporate governance rules.<sup>1</sup>

**We welcome the TSE's initiative of making English disclosure of material corporate information, financial results, and timely disclosure information mandatory for companies listed on the TSE Prime Market.** English disclosures will help ensure that all investors have equal access to relevant information, when investing in Japanese companies. In 2022, ICGN published its *Japan Governance Priorities*, and recommended that the company Securities Report (Yuho) be published in English by all JPX Prime Market listed companies.

**We would respectfully ask that the TSE consider these additional points:**

- The TSE could ask companies to reflect the full scope of their material corporate information, financial results, and timely disclosure information in English. The current proposal states that the English disclosure can be either an excerpt or a summary of the Japanese version. Doing so may render the information provided in English incomplete or perhaps misleading, which could negatively impact foreign investors' assessments of companies listed on the TSE.

We recommend that Prime Market listed companies report sustainability information as part of their Corporate Governance Report in both English and Japanese. We note that only 32.5% of Prime Market listed companies disclose Corporate Governance Reports in English, and 24.5% disclose Annual Securities Reports in English (Yuho).<sup>2</sup>

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<sup>1</sup> [ICGN Global Governance Principles \(2021\)](#), [ICGN Global Stewardship Principles \(2020\)](#)

<sup>2</sup> JPX, Summary Report of the English Disclosure Implementation Status Survey as of the end of December 2023, 24 January 2024

- The TSE's proposal states that Japanese and English disclosures must be made simultaneously, apart from in situations when the English disclosure causes a delay in the Japanese disclosure due to incidents requiring "urgent action". In such cases, ICGN recommends that the TSE ask companies to add an English note as part of its Japanese disclosure explaining why the Japanese disclosure is released in advance and clarifying when the English disclosure will be made available.

We support the *Revision of the Listing Rules in Order to Expand English Disclosure in the Prime Market* and look forward to engaging with TSE further on this important matter.

Thank you again for the opportunity to share our perspective. If you would like to follow up with questions or comments, please contact ICGN's Japan Policy Advisor, Amane Fujimoto ([amane.fujimoto@icgn.org](mailto:amane.fujimoto@icgn.org)) or Wendela Rang, Policy Executive ([wendela.rang@icgn.org](mailto:wendela.rang@icgn.org)).

Yours faithfully,



**Kerrie Waring**  
Chief Executive Officer, ICGN