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#### **Revision of Stewardship Code and Institutional Investor Response toward Further Progress of Corporate Governance Reform** .....

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The focus of Japan's corporate governance reform is shifting from the "formal aspect", such as the number of outside directors, to the "substantial aspect" that raises corporate value by revealing the potential value of Japanese companies. In that process, attention is focused on deepening constructive dialog between companies and investors who want to fill the recognition gap between institutional investors and corporations and aim to improve corporate value. To deepen dialog with companies, institutional investors are expected to utilize the voting result of individual disclosure by institutional investors that started with revision of the stewardship code.

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