

## Keidanren Releases “Results of the ‘Disclosure of the Annual Securities Report Before the General Meeting of Shareholders’ Survey”

✓ Considering effective usage by investors, there remains potential for further improvement

Japan Business Federation (Keidanren) released “Results of the ‘Disclosure of the Annual Securities Report Before the General Meeting of Shareholders’ Survey” on July 15th, 2025.

The July 10th, 2025 issue of the Nikkei newspaper reported that 1,310 companies, amounting to approximately 58% of listed companies with a fiscal year ending in March, disclosed their FY2025 Annual Securities Report by the day before the General Meeting of Shareholders. According to documents released by the Financial Services Agency on June 11th, 1,241 companies out of the 2,262 listed companies with a fiscal year ending in March 2025 planned to disclose their Annual Securities Report before the General Meeting of Shareholders. Therefore, it can be seen that around 70 companies advanced their timing of the disclosure of the Annual Securities Report from FSA’s initial confirmation.

In relation to this initiative, Keidanren conducted a survey from May to June 2025 regarding the “disclosure of the Annual Securities Report before the General Meeting of Shareholders” targeting member companies that have released their Annual Securities Report and summarized the findings based on responses from 260 companies (205 of which have a fiscal year ending in March). According to survey results, 181 companies (amounting to approximately 70%) have either conducted or plan to conduct early disclosure of their Annual Securities Report this fiscal year (March 31, 2025–March 30, 2026).

The survey results indicate that the main driving factor for listed companies that disclosed their Annual Securities Report earlier was the request made by the Minister of Finance. On the other hand, in an interview conducted by a member company to a prominent institutional investor, it has been pointed out that the timing of disclosure of the Annual Securities Report most commonly adopted by companies with a March fiscal year-end this year (1–3 days before the General Meeting of Shareholders) had limited effectiveness in proxy voting. In addition, the free comment section included remarks noting that multiple institutional investors mentioned it was difficult to incorporate the information into proxy voting decisions when the disclosure is done several days prior to the General Meeting of Shareholders.

The following is the summary and some excerpts from the survey results.

### ☐ Question: Please select the option that describes your motivation for disclosing the Annual Securities Report before the General Meeting of Shareholders. (Multiple answers allowed, 204 responses)

- |   |                      |
|---|----------------------|
| • The announcement of the ministerial request   | 79.9%(163 responses) |
| • Actual requests from investors, etc.  | 1.5%(3 responses)    |
| • Although no actual requests were made by investors, etc., potential investor needs were perceived | 15.2%(31 responses)  |
| • Other   | 3.4%(7 responses)    |

- ☐ **Question: Please select the option that best describes the burden of disclosing the Annual Securities Report before the General Meeting of Shareholders. (161 companies)**
- Already disclosed the Annual Securities Report before the General Meeting of Shareholders prior to the ministerial request 8.7%(14 companies)
  - A significant amount of effort was required 20.5%(33 companies)
  - A certain level of effort was required, but no major operational disruptions occurred 64.6%(104 companies)
  - The issue was handled relatively easily 6.2%(10 companies)

Relating to the question above, the following factors are raised as contributing to the increased burden: ①additional staffing, ②schedule coordination with the audit firm, ③adjustment of the Annual Securities Report preparation schedule, ④adjustment of the internal approval process (including the board of directors), and ⑤handling of English disclosures.

- ☐ **Question: Please select the option that best describes the investor response to the disclosure of your Annual Securities Report before the General Meeting of Shareholders(129 companies)**
- Received a significant amount of positive feedback 1.6%(2 companies)
  - Received some positive feedback 9.3%(12 companies)
  - Received negative feedback, such as comments that the initiative was not very helpful 1.6%(2 companies)
  - Received little to no response 87.6%(113 companies)

In the free comment section related to the above question, the following responses regarding investor reactions were received:

- Upon inquiry with one of the world’s largest institutional investors, we received the following comment: “Disclosing the report just a day or two before the General Meeting does not allow for sufficient analysis, and is neither meaningful nor appreciated”. Regarding the recent ministerial request to disclose the Annual Securities Report shortly before the General Meeting of Shareholders, we found little practical value and felt it merely increased the administrative burden on companies.
- Although we have been disclosing the report prior to the General Meeting of Shareholders for some time, we have not received any particularly positive feedback.
- Although we disclosed the Annual Securities Report the day before the General Meeting of Shareholders this fiscal year, there were no related questions raised during the meeting and we did not receive any positive feedback from investors either. We are still unsure for what purpose those resources were spent.
- Several institutional investors provided the following comments:
  - There is no information essential for making proxy voting decisions that can only be found in the Annual Securities Report.
  - Disclosure just a few days before the General Meeting of Shareholders makes it difficult to reflect the information in proxy voting decisions.

For further details, please refer to the URL below:  
•Results of the “Disclosure of the Annual Securities Report Before the General Meeting of Shareholders” Survey (in Japanese only)  
<https://www.keidanren.or.jp/policy/2025/048.pdf>