

Dear Sir / Madam

Response to consultation on proposed changes to disclosure of corporate information by the Financial System Council's Working Group on Corporate Disclosure

I am writing on behalf of the Universities Superannuation Scheme (USS), which is the principal final salary pension scheme provided for academic and senior administrative staff in UK universities and other higher education and research institutions. The fund is one of the largest pension schemes in the UK, with assets of over £8,000bn. The majority of assets are managed in-house by USS Investment Management, a wholly owned subsidiary of USS, authorised and regulated by the FCA.

As a long-term responsible investor with significant investment in Japanese equities, we pay considerable interest to the regulatory development in the Japanese market. In this respect, we welcome the opportunity to comment on the proposal of the Disclosure Working Group, and are writing to you in order to express our concerns about the proposed changes to the disclosure of corporate information.

We are supportive of the objective of the Working Group to reform the disclosure of corporate information and to make it more relevant for investors and less burdensome for companies. However, we also believe that the proposed change underestimates the importance of the financial statement supplementary document for investors, regardless of their investment time horizon.

In our view, the financial statement supplementary document provides a useful backdrop to the quarterly earnings digest and is an important part of the earnings release in analysing companies' ongoing fundamentals. We would therefore not be supportive of the proposal which would allow companies to release the document later than the earnings digest and for companies to be given the discretion to present only the summary information.

We also have a concern that the earnings digest without the financial statement supplementary document might potentially encourage trading on superficial numbers, which often tends to be short-term trading, rather than investment based on a full understanding of companies' fundamentals. This could create unintended volatility during the period around the earnings releases by companies.

We hope that this letter will be helpful and that due consideration will be given to our concerns. We would be happy to have a discussion if that is helpful. Please contact Dr Daniel Summerfield for any questions or to arrange a conference call at dsummerfield@uss.co.uk

Yours sincerely,



Matthew Clark
Co-Head of Global Developed Markets