

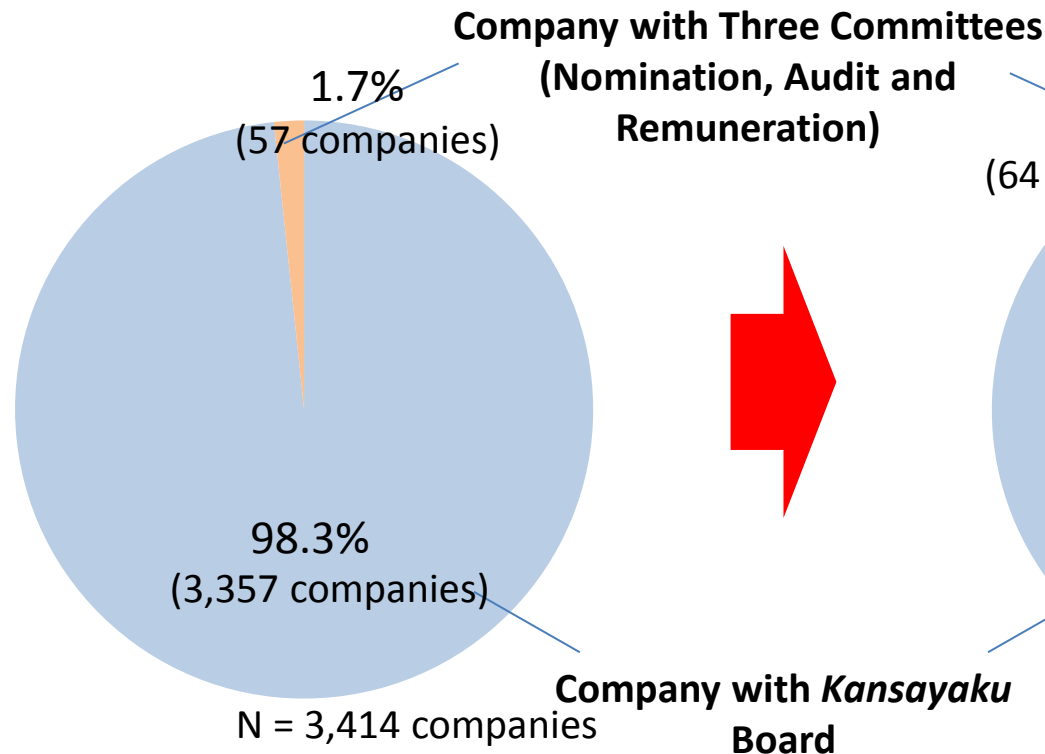
# Reference Data on the Board of Directors

October 20, 2015  
Tokyo Stock Exchange, Inc.

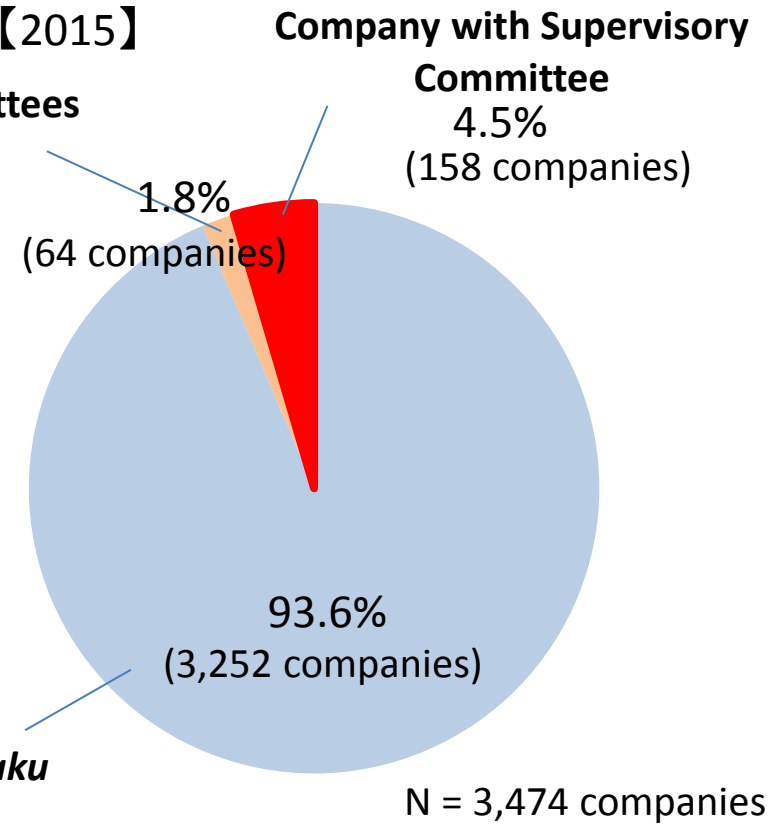
# Choice of Forms of Corporate Organization under the Companies Act

- The revised Companies Act (in effect on May 1, 2015) allows the adoption of “Company with Supervisory Committee” as a form of corporate organization
- 158 companies (4.5% of all listed companies) already adopted this new form

【2014】



【2015】



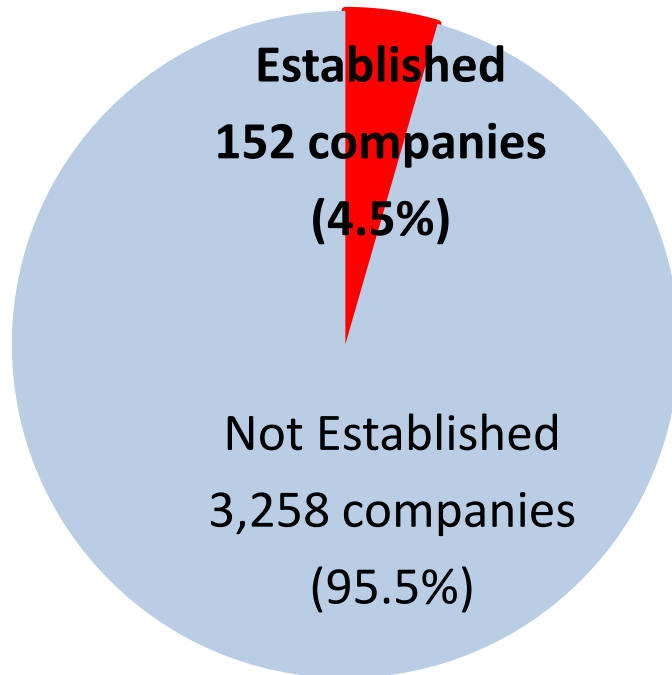
(Prepared based on data from Corporate Governance Reports as of July 14, 2015 (and July 14, 2014))

Hereinafter, unless otherwise specified, the figures are based on data of all domestic companies listed on the TSE (First Section, Second Section, Mothers, and JASDAQ))

# Optional Establishment of Nomination / Remuneration Committee in Companies with *Kansayaku* Board / Companies with Supervisory Committee

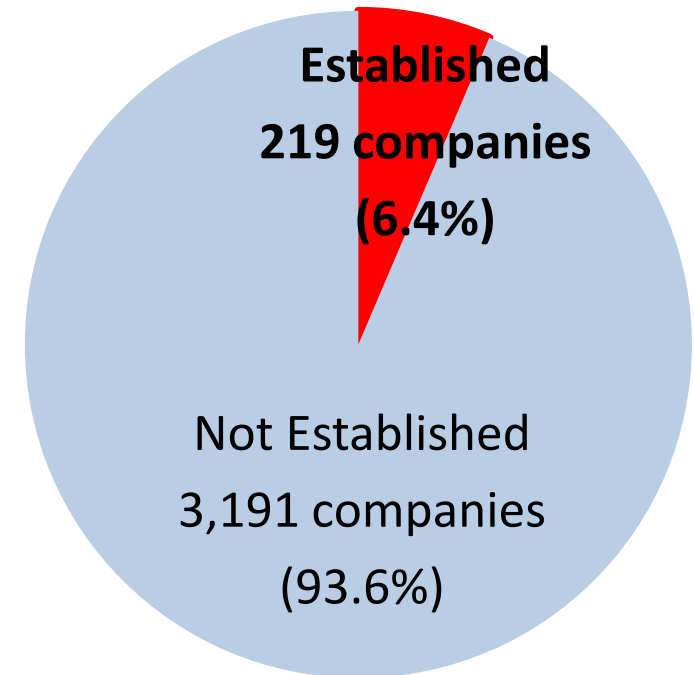
- Some companies use optional approaches concerning nomination and remuneration

【Establishment of committee with functions corresponding to Nomination Committee】



N = 3,410 companies

【Establishment of committee with functions corresponding to Remuneration Committee】

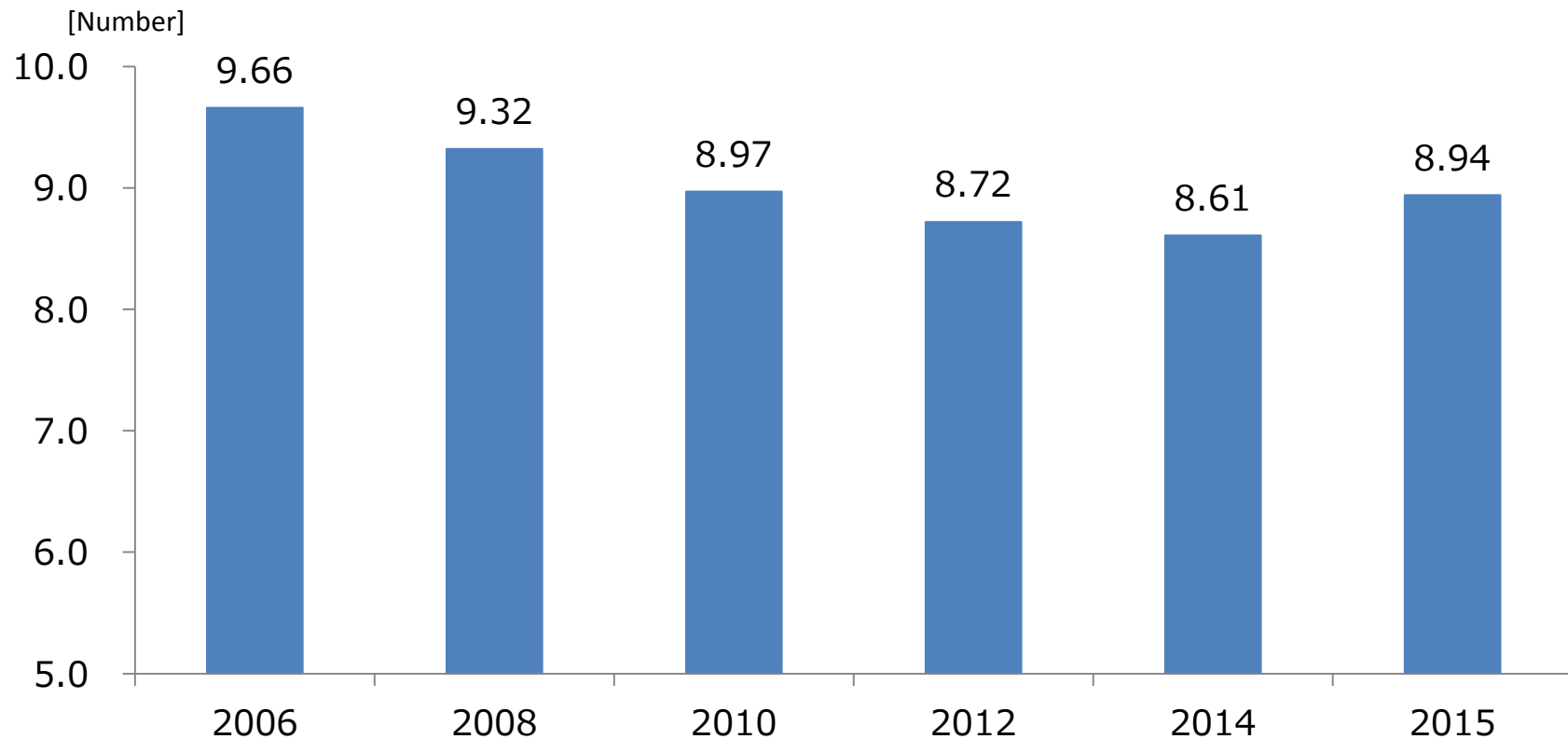


N = 3,410 companies

# Size of the Board

- Declining trend in the average number of the board members
- This year, the average number increased after years of decline, due to an increase in the number of independent directors

## 【Average number of the board members (First Section)】

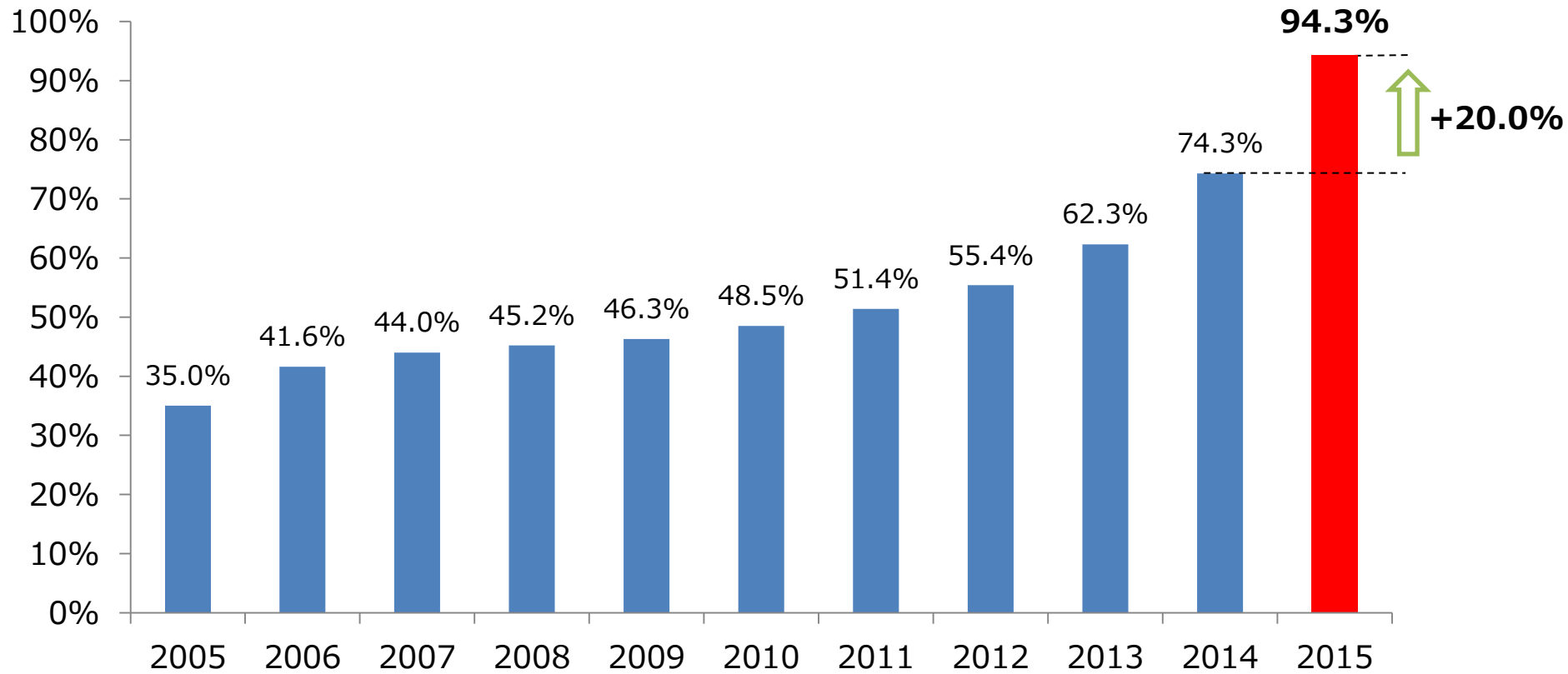


(The figures of 2014 or before are based on “TSE-Listed Companies White Paper on Corporate Governance” (biennial report); the figure of 2015 is based on data from Corporate Governance Reports as of July 14, 2015)

# Appointment of Outside Directors

- 94.3% of the 1st Section appoint outside directors.

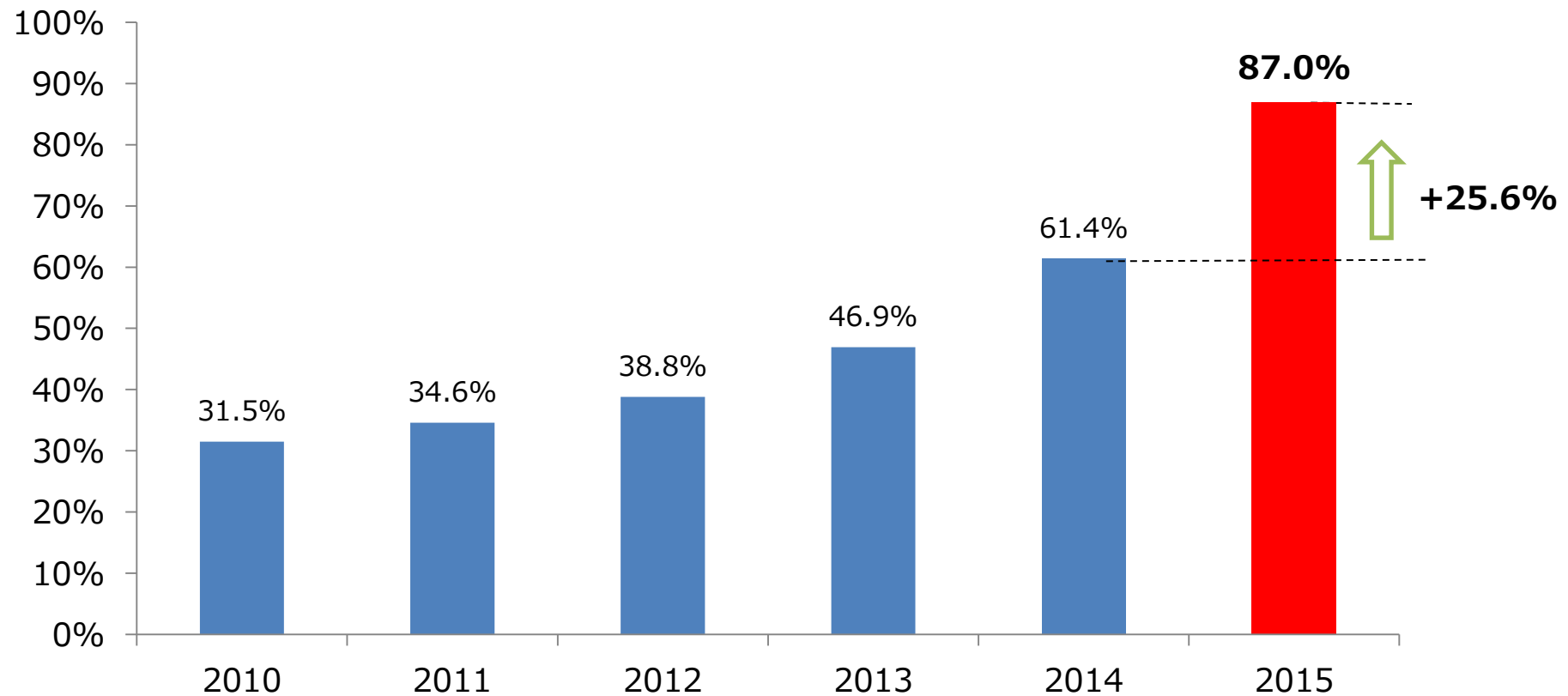
[Ratio of 1<sup>st</sup> Section Companies with Outside Directors]



# Appointment of Independent Directors

- 87.0% of the 1st Section appoint independent directors.

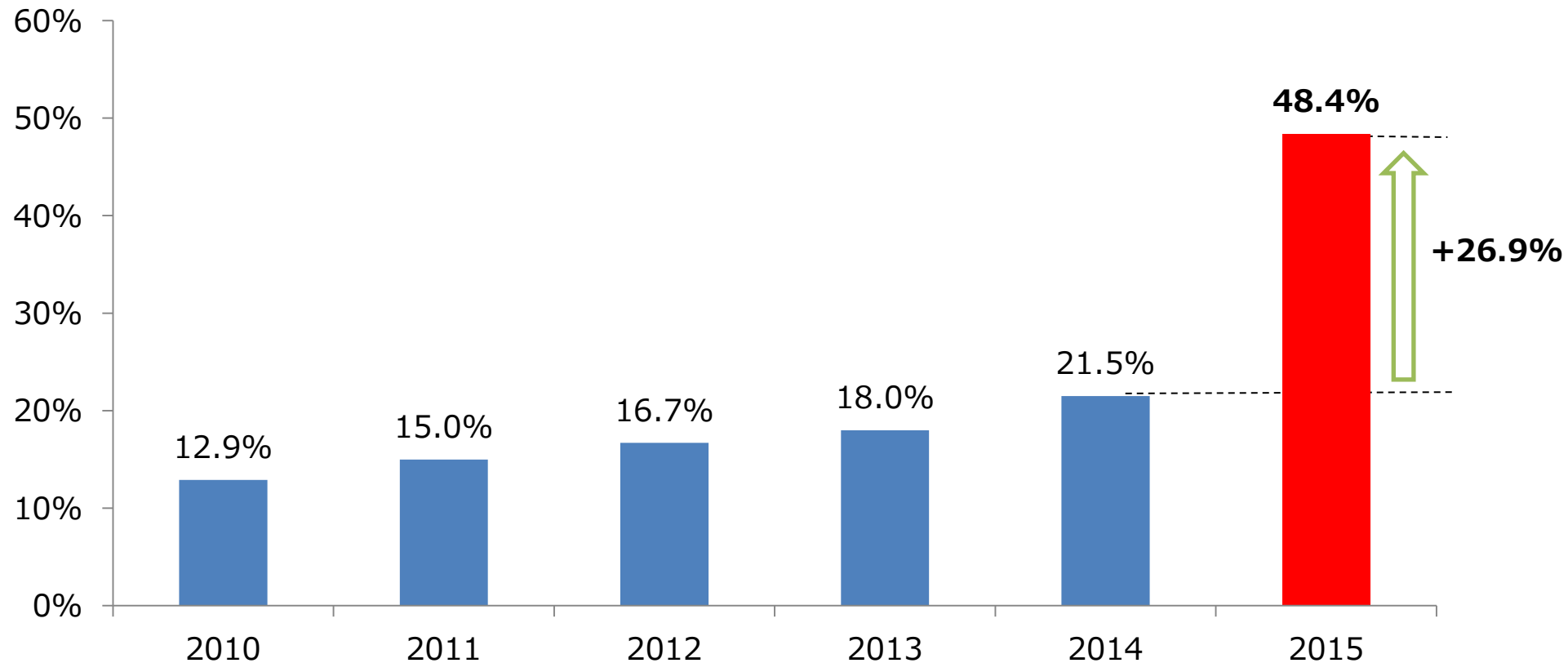
[Ratio of 1<sup>st</sup> Section Companies with Independent Directors]



# Appointment of two or more Independent Directors

- 48.4% of the 1st Section appoint two or more independent directors.

[Ratio of 1<sup>st</sup> Section Companies with two or more Independent Directors]



# Number of Independent Directors

Market Segment	Number of Companies	Average Number of Directors	Number of Companies by Number of Independent Directors (Lower columns show percentages of independent directors in each segment)						
			Average number*	0	1 person	2 persons	3 or more persons	1/3 or more	1/2 or more
TSE First Section	1,887	8.94	1.79	246	728	676	237	230	51
				13.0%	38.6%	35.8%	12.6%	12.2%	2.7%
TSE Second Section	551	7.15	1.34	185	258	95	13	38	3
				33.6%	46.8%	17.2%	2.4%	6.9%	0.5%
Mothers	212	5.45	1.27	86	99	21	6	22	1
				40.6%	46.7%	9.9%	2.8%	10.4%	0.5%
JASDAQ	824	6.39	1.26	407	332	70	15	37	5
				49.4%	40.3%	8.5%	1.8%	4.5%	0.6%
<b>TOTAL</b>	3,474	7.84	1.61	924	1,417	862	271	327	60
				26.6%	40.8%	24.8%	7.8%	9.4%	1.7%
(Ref) JPX-Nikkei Index 400	399	10.50	2.36	26	83	167	123	87	24
				6.5%	20.8%	41.9%	30.8%	21.8%	6.0%
(Ref) Sub-total of TSE First & Second Sections	2,438	8.54	1.71	431	986	771	250	268	54
				17.7%	40.4%	31.6%	10.3%	11.0%	2.2%

\* Average number per company among listed companies which appointed independent directors

(From TSE "Appointment of Outside Directors by TSE-Listed Companies [Final Report]" (published on July 29, 2015))

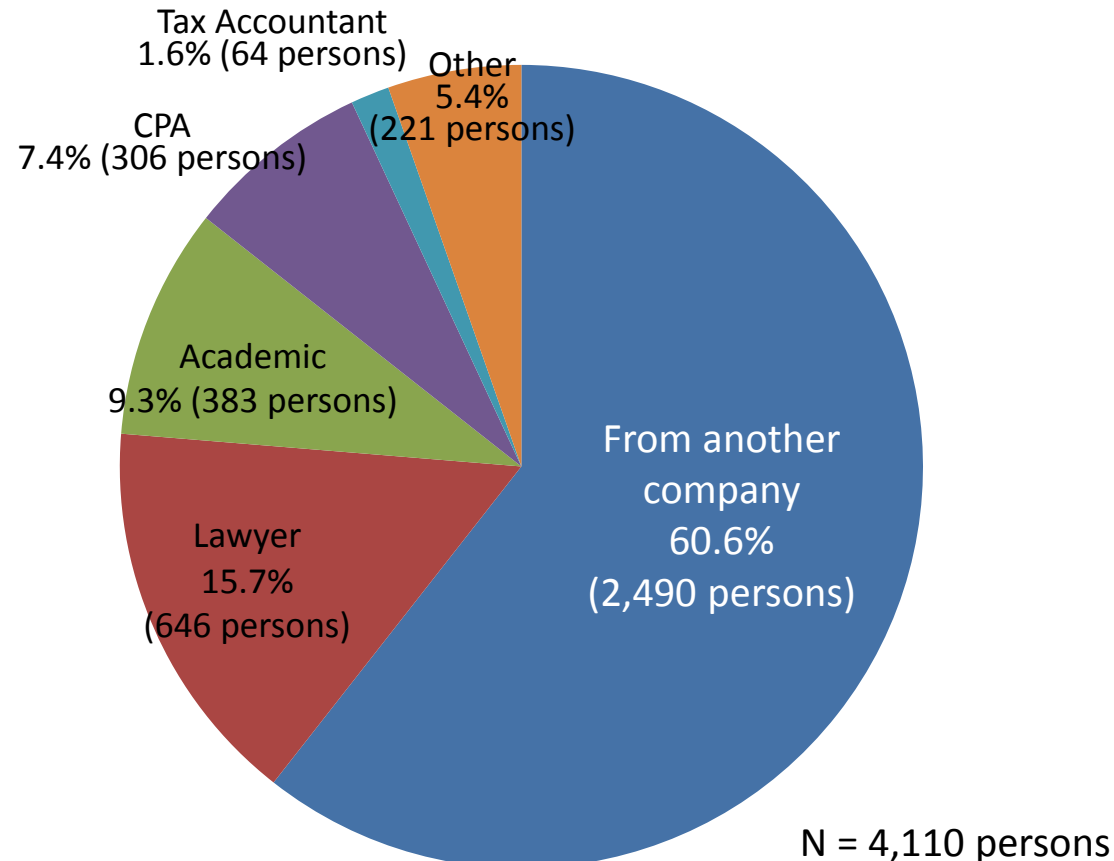
\* A person serves as an independent director of a maximum of 5 companies



# Attributes of Independent Directors

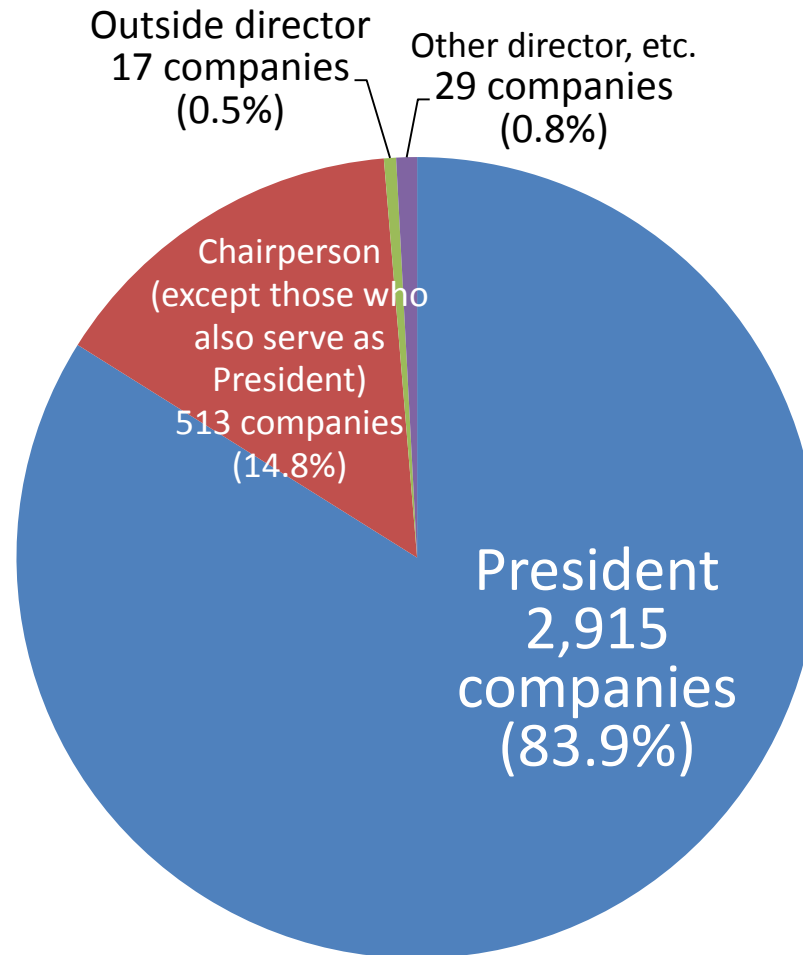
- In their Corporate Governance Reports, listed companies specify an attribute of each independent director by choosing one of the following categories: “from another company”, “Lawyer”, “Academic”, “Certified Public Accountant (CPA)”, “Tax Accountant” and “Other”
- The majority of independent directors are from another company

## 【Attributes of Independent Directors】



# Attributes of the Board Chair

- In most companies, either President or Chairperson of the company serves as the chairperson of the board

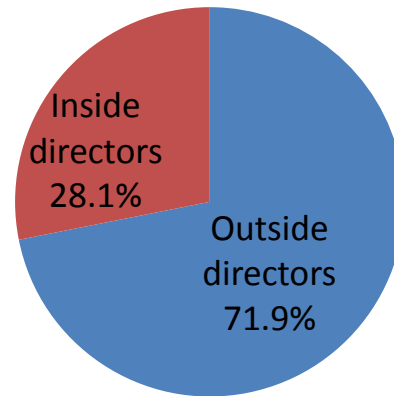


# Nomination Committee

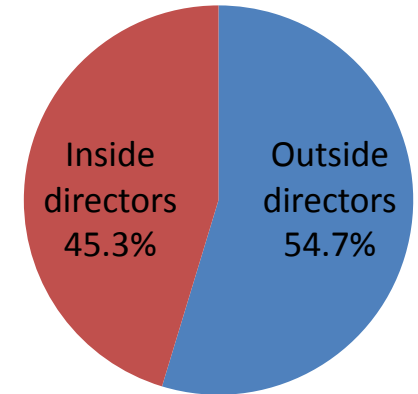
## Nomination Committee of Company with Three Committees (Nomination, Audit and Remuneration)

【Committee composition】

	Average #
Total # of members	4.00
# of outside directors	2.88
# of inside directors	1.13



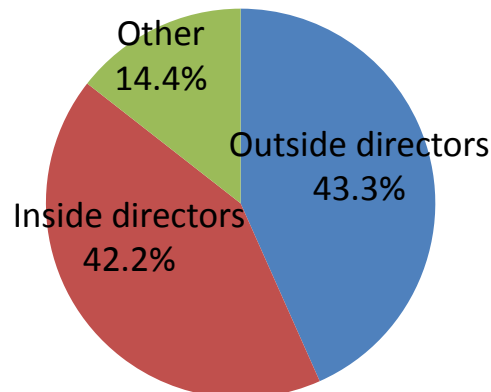
【Attributes of chairperson】



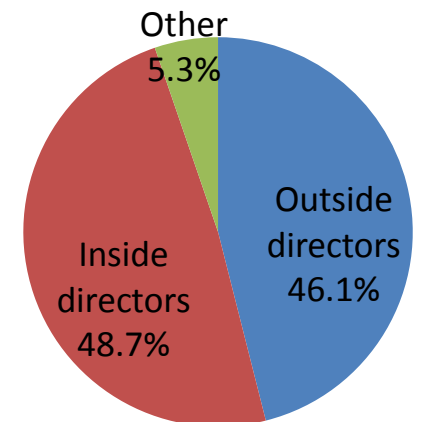
## Optional Nomination Committee of Company with *Kansayaku* Board / Company with Supervisory Committee

【Committee composition】

	Average #
Total # of members	4.68
# of outside directors	2.03
# of inside directors	1.98
# of other members	0.68



【Attributes of chairperson】

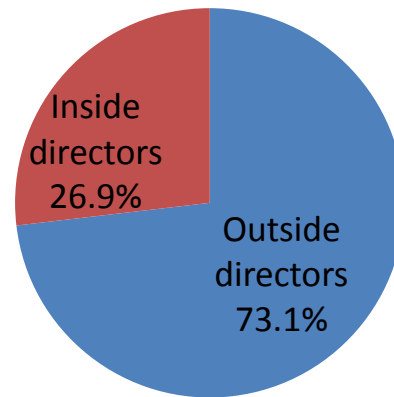


# Remuneration Committee

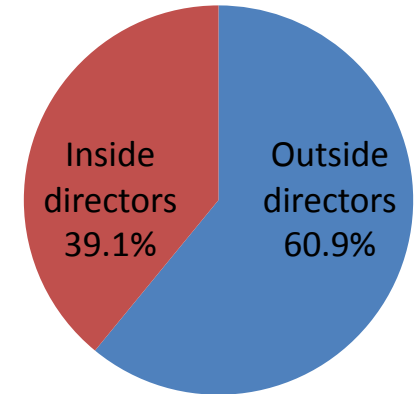
## Remuneration Committee of Company with Three Committees (Nomination, Audit and Remuneration)

【Committee composition】

	Average #
Total # of members	3.78
# of outside directors	2.77
# of inside directors	1.02



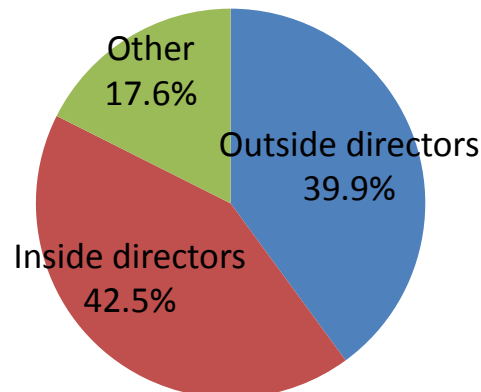
【Attributes of chairperson】



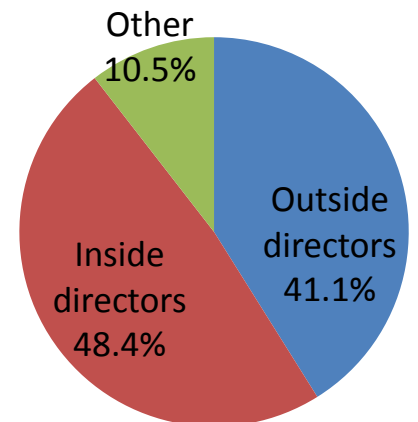
## Optional Remuneration advisory Committee of Company with *Kansayaku* Board / Company with Supervisory Committee

【Committee composition】

	Average #
Total # of members	4.49
# of outside directors	1.80
# of inside directors	1.92
# of other members	0.79



【Attributes of chairperson】

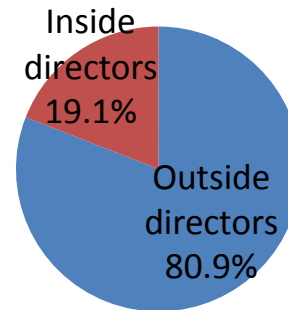


# Audit Committee / *Kansayaku* Board

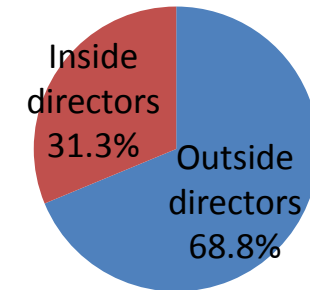
## Audit Committee of Company with Three Committees (Nomination, Audit and Remuneration)

### 【Committee composition】

	Average #
Total # of members	3.77
# of full-time members	0.69
# of outside directors	3.05
# of inside directors	0.72



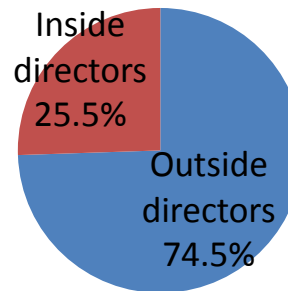
### 【Attributes of chairperson】



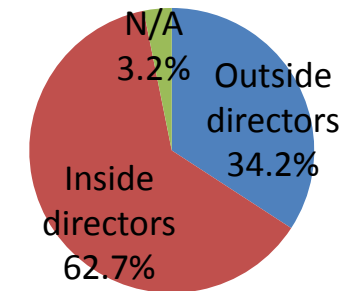
## Supervisory Committee of Company with Supervisory Committee

### 【Committee composition】

	Average #
Total # of members	3.35
# of full-time members	0.92
# of outside directors	2.49
# of inside directors	0.85



### 【Attributes of chairperson】



## *Kansayaku* Board of Company with *Kansayaku* Board

### 【*Kansayaku* board composition】

	Average #
Total # of <i>kansayaku</i>	3.55
# of outside <i>kansayaku</i>	2.45
# of inside <i>kansayaku</i>	1.10

