

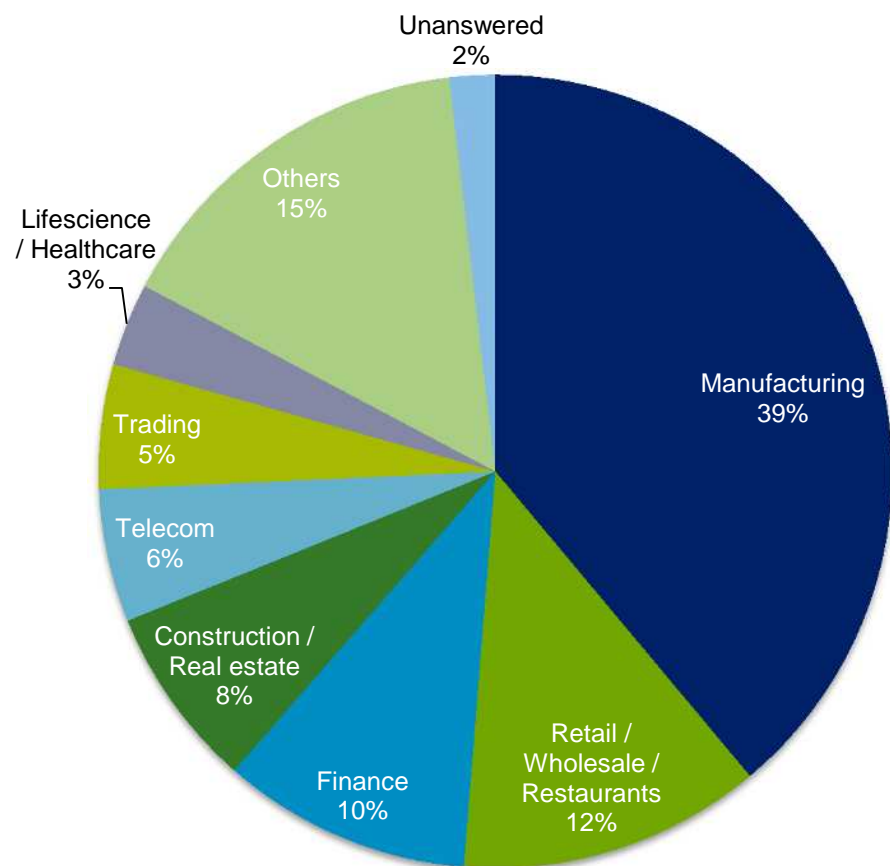
The Second Survey Report of Japan's Corporate Governance Code

**Responses of Japanese companies regarding the 13 principles
(Seminars were held in March and April in 2015)**

Characteristics of Survey Respondents (695 Respondents)

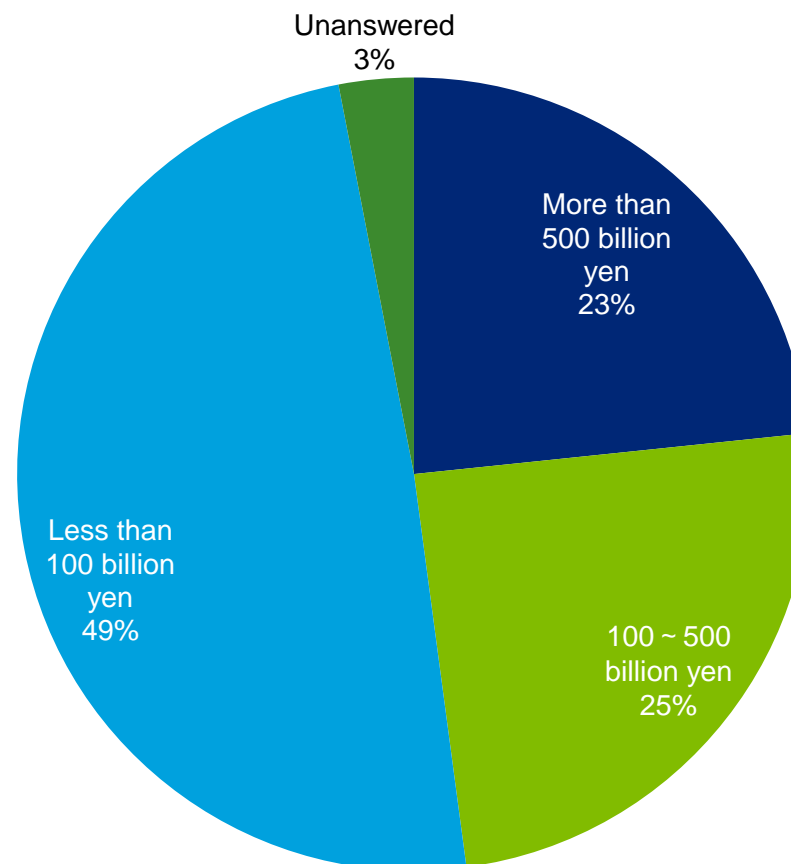
Companies in various sizes and industries showed awareness and interest in complying with the Corporate Governance Code

Industry



“Other” includes aviation, transportation, natural resources, energy, etc.

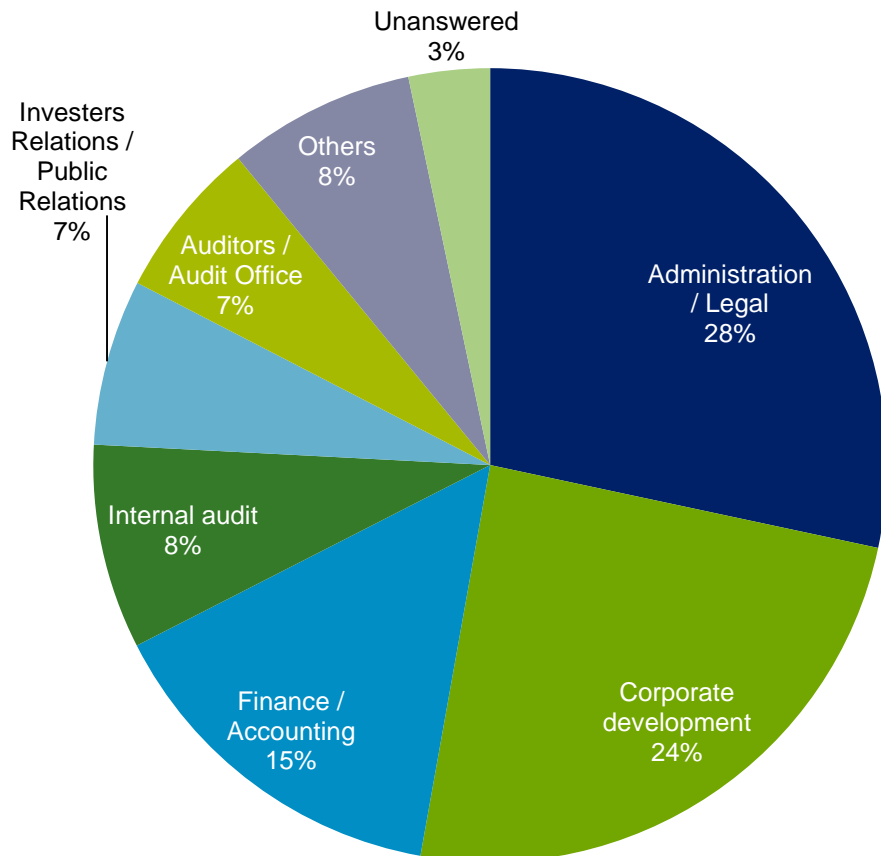
Sales



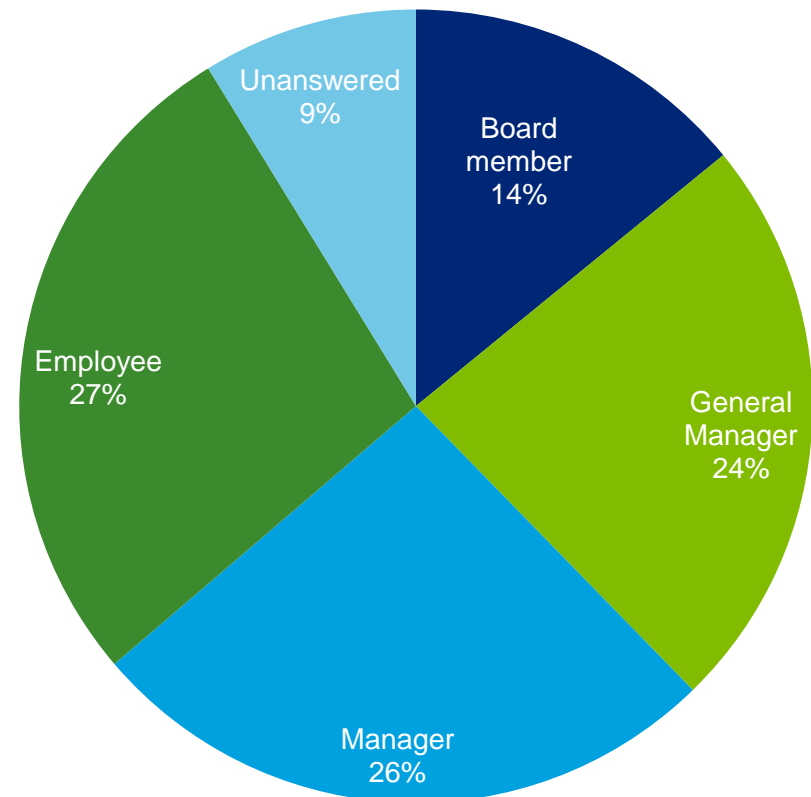
When more than one respondent from a company answered this question, the number of the companies in the result was adjusted accordingly.

Seminar participants were mostly from the administration or legal departments in charge of shareholder meetings and compliance, business development teams who operate cross-departmentally, or from finance and accounting. Over 60% were managers, which indicates a strong interest among management.

Department



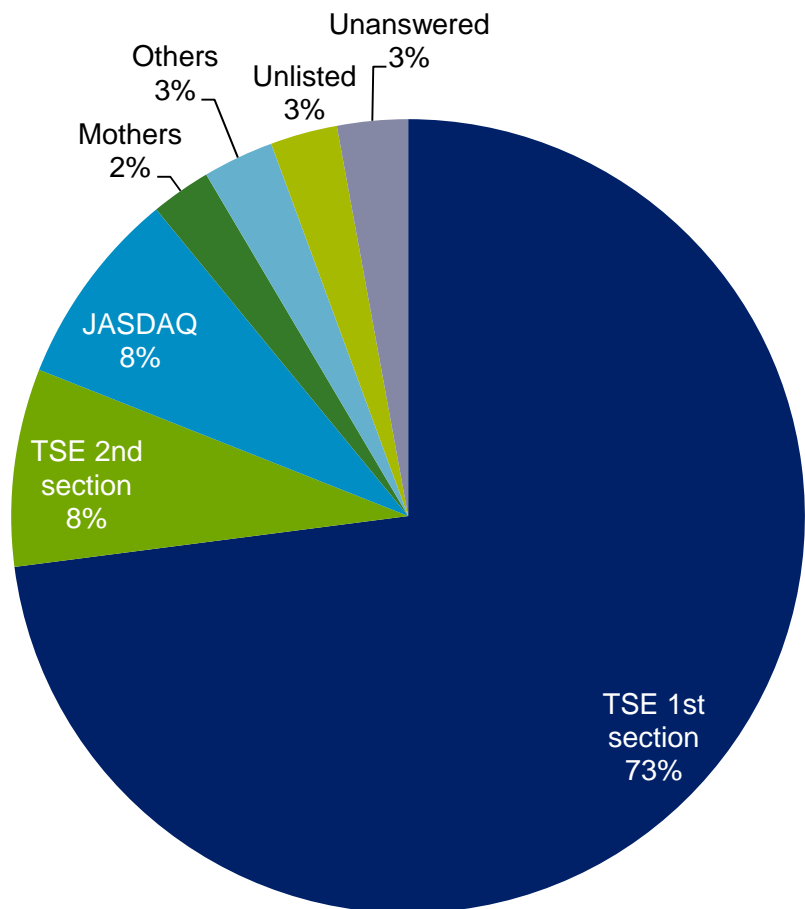
Position



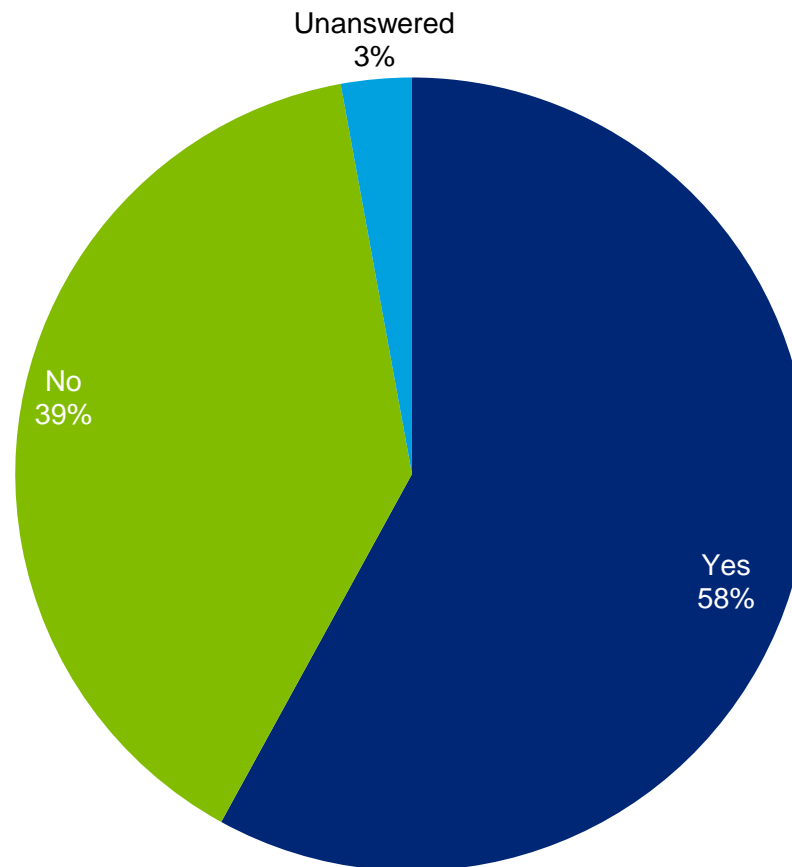
“Other” includes risk management, human resources, etc.

60% of the participants were in charge of implementing the Code in their company, which implies that more companies started reviewing the Code

Market



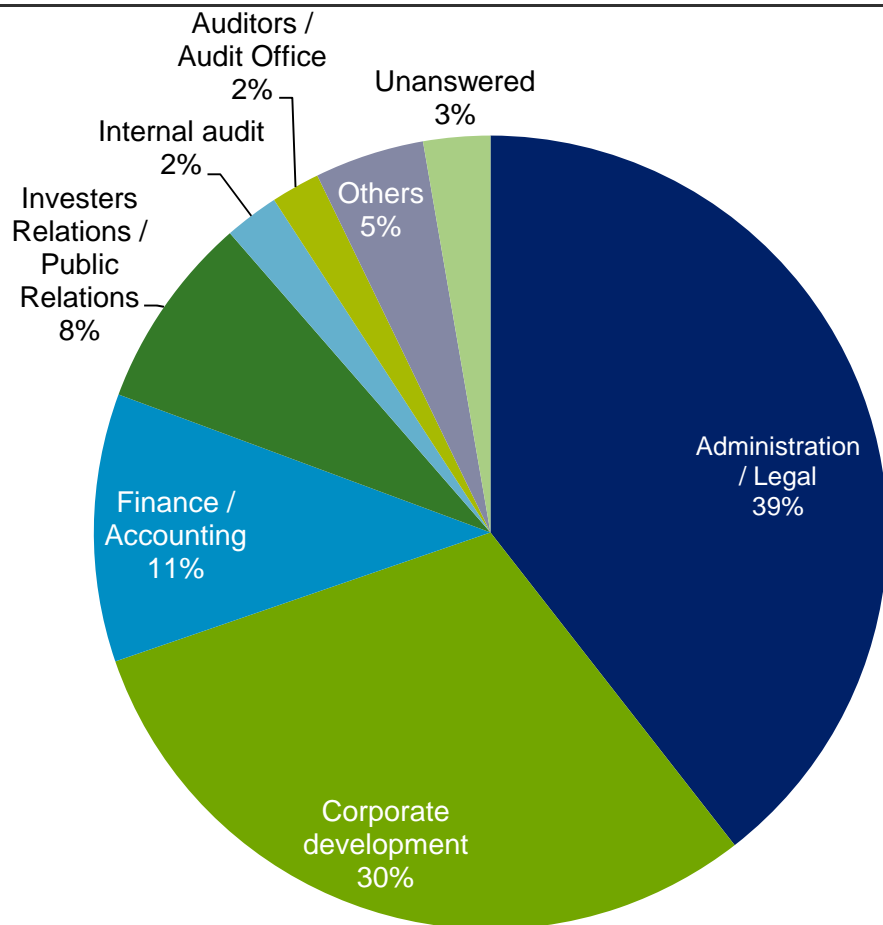
Are you in charge of the Code?



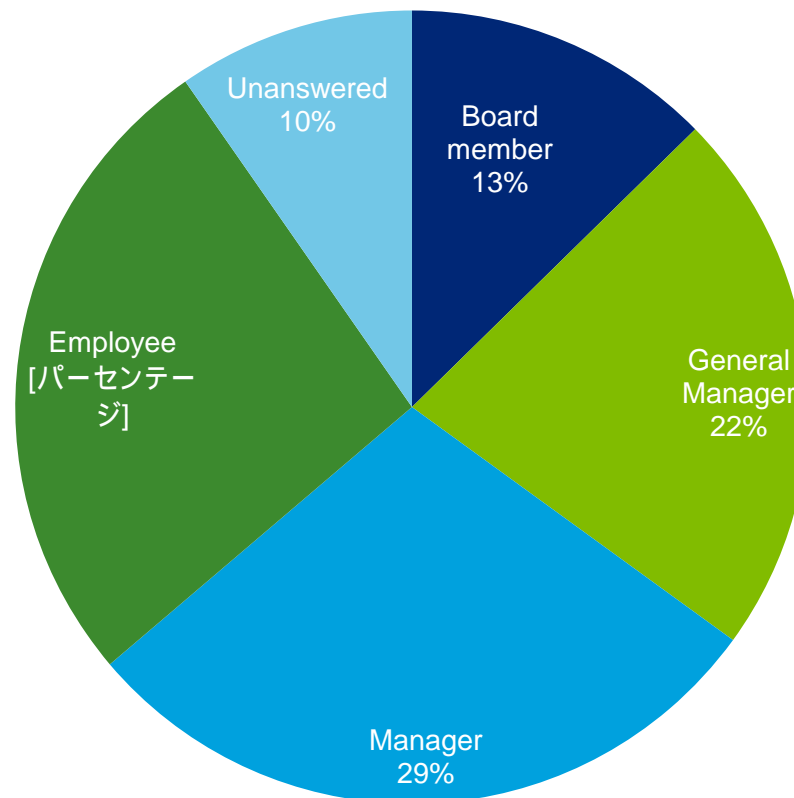
41% answered "Yes" at the first seminar in Tokyo in January.

Administration, legal, or business development teams are often in charge of implementing the Code

Team in charge of the Code



Position of the person in charge of the Code

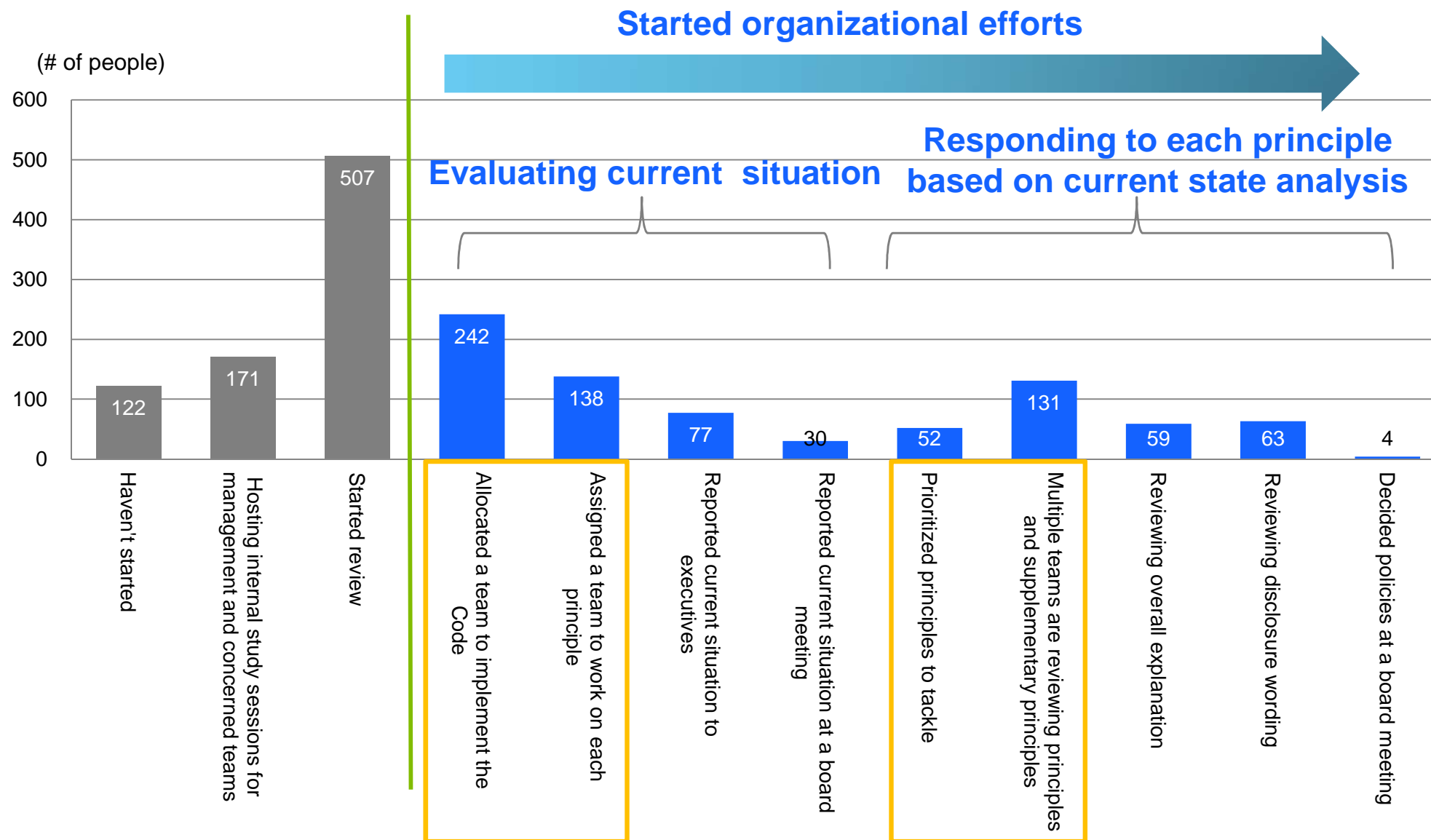


This question was asked exclusively to the respondents who identified that they were in charge of implementing the Code in their company.

Survey Results

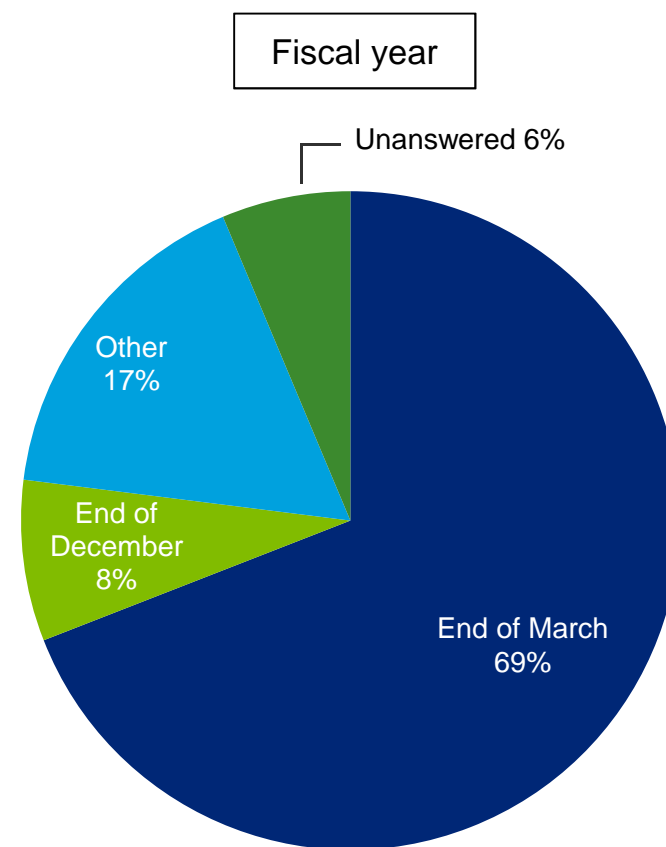
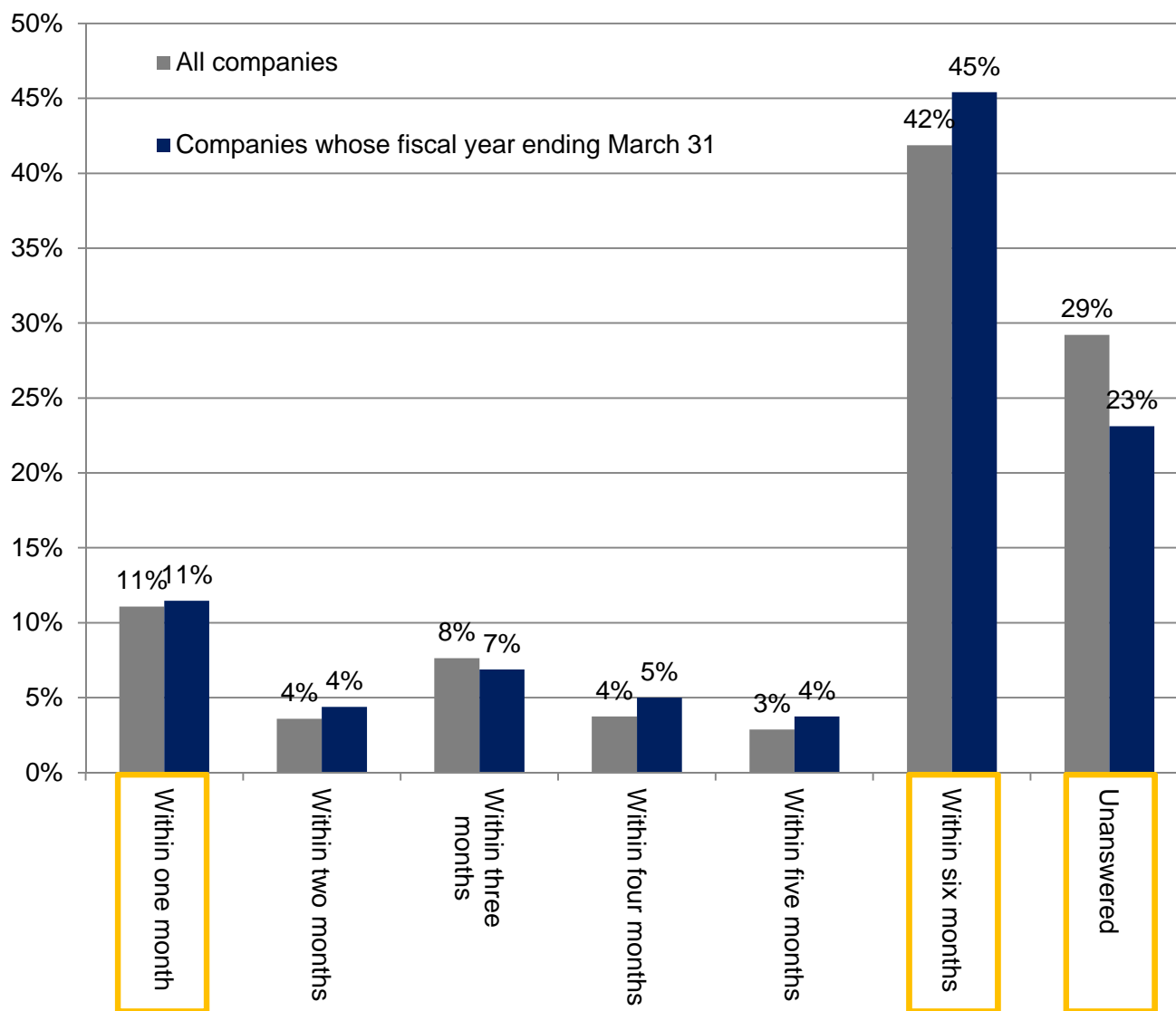
Many companies began organizational efforts by allocating a team in charge of the Code. Some finished evaluating the current situation and started reviewing each of the principles.

Situation of each company (multiple answers allowed)



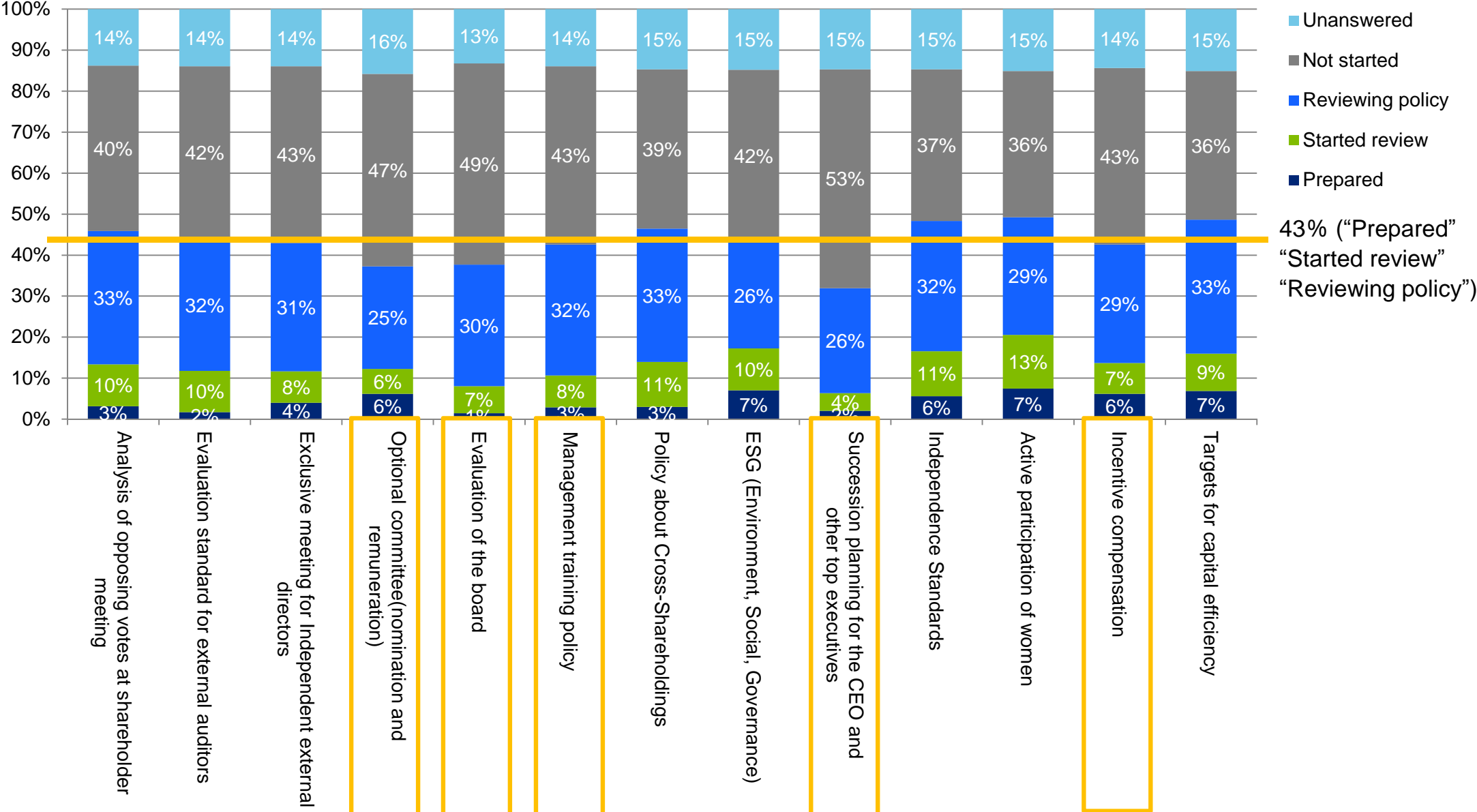
There is a polarization in submission period – 11% of the companies plan to submit a report immediately after a shareholder meeting, while over 40% plan to do so in six months. Over 20% have not decided.

Submission period (Number of months after the shareholder meeting that companies plan to submit a report)



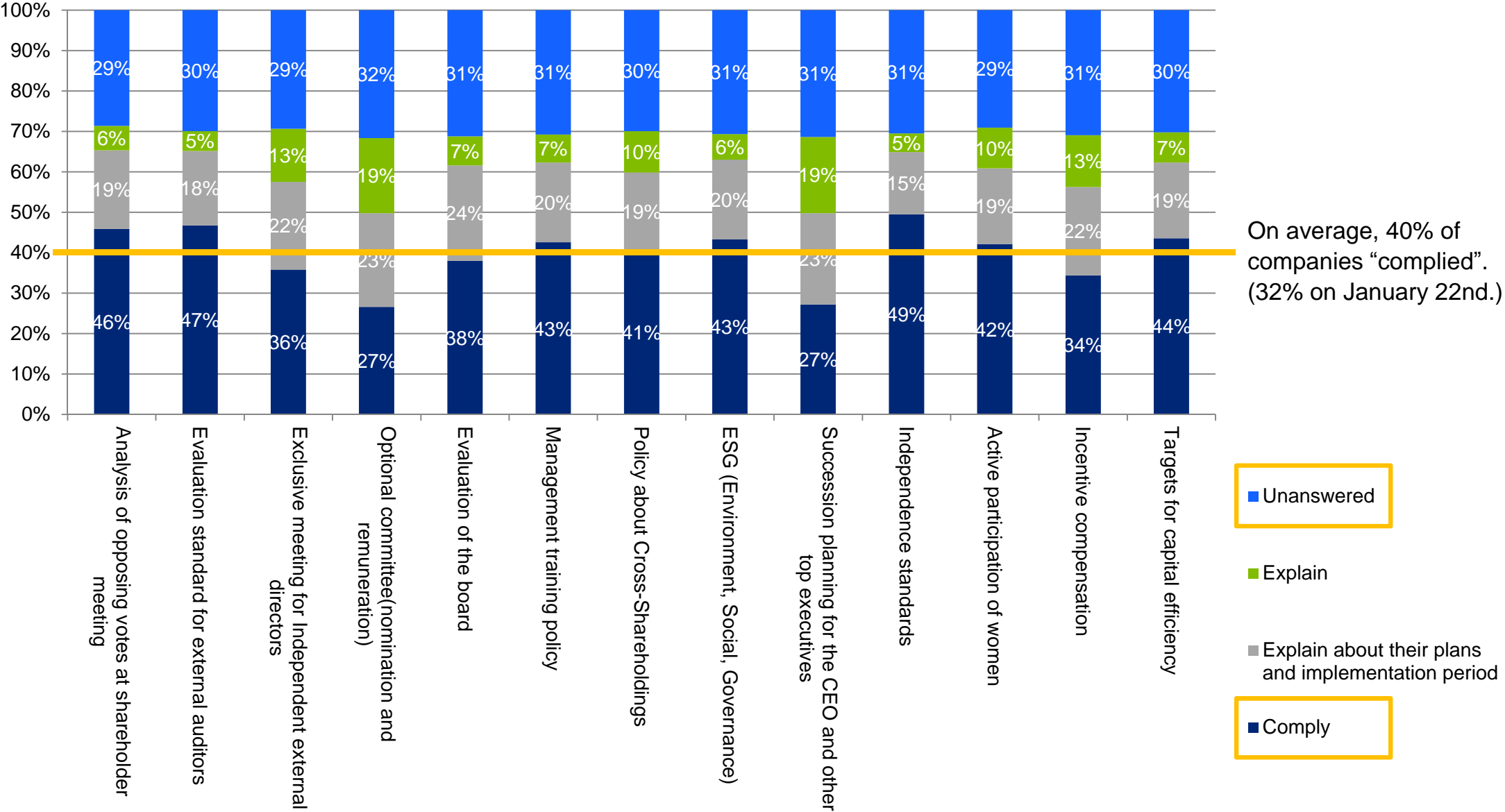
Over 40% of companies have at least started reviewing their policies, but very few companies have looked into principles related to Management

Current situation of the 13 principles



In comparison to the survey results from January where many respondents answered “explain,” 40% of companies answered "comply" in this survey. Companies under 1bln USD sales tend to remain unanswered.

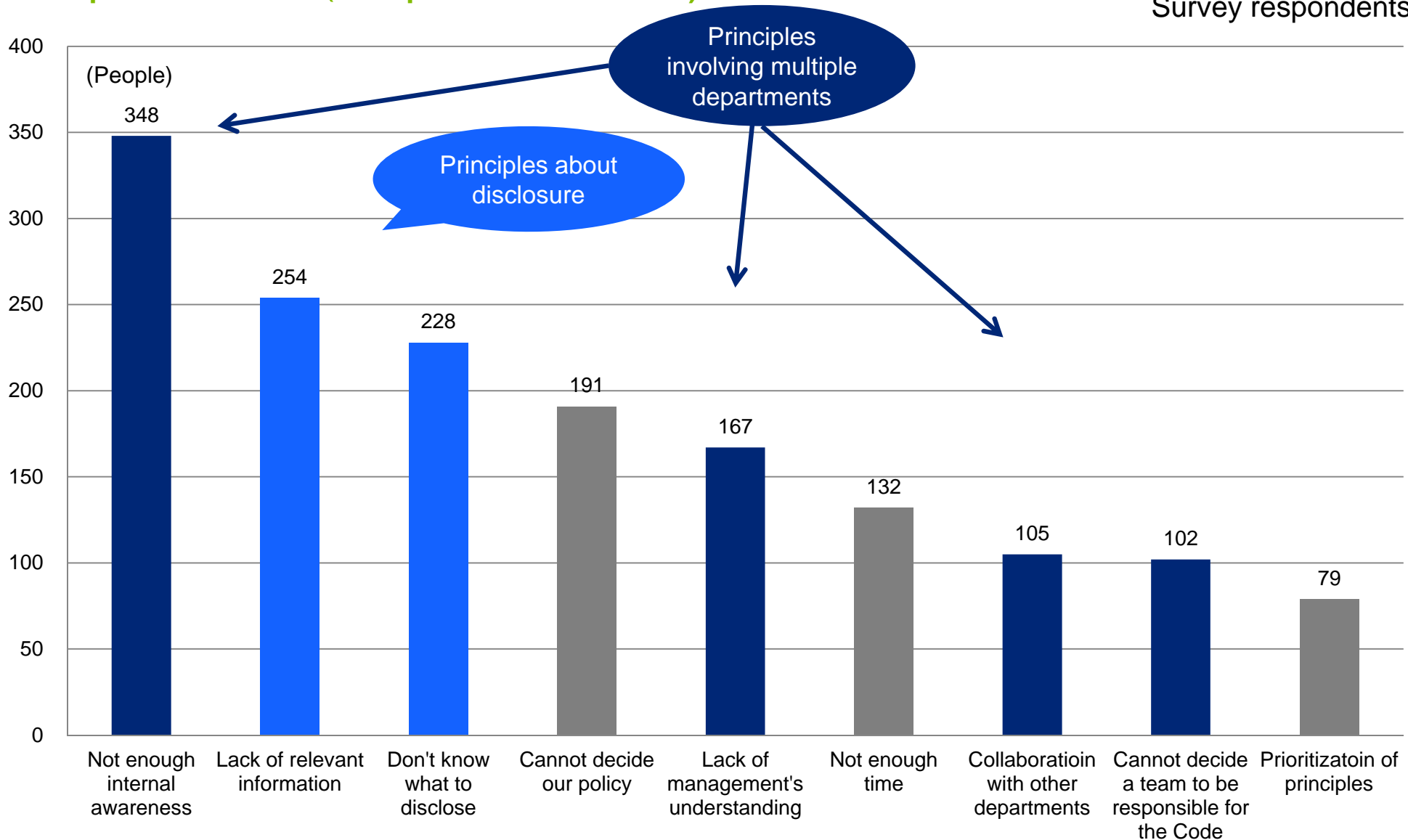
Survey respondents’ opinions about the 13 principles



Many companies anticipate difficulties in internal communication across departments and foresee issues regarding disclosure

Anticipated difficulties (multiple answers allowed)

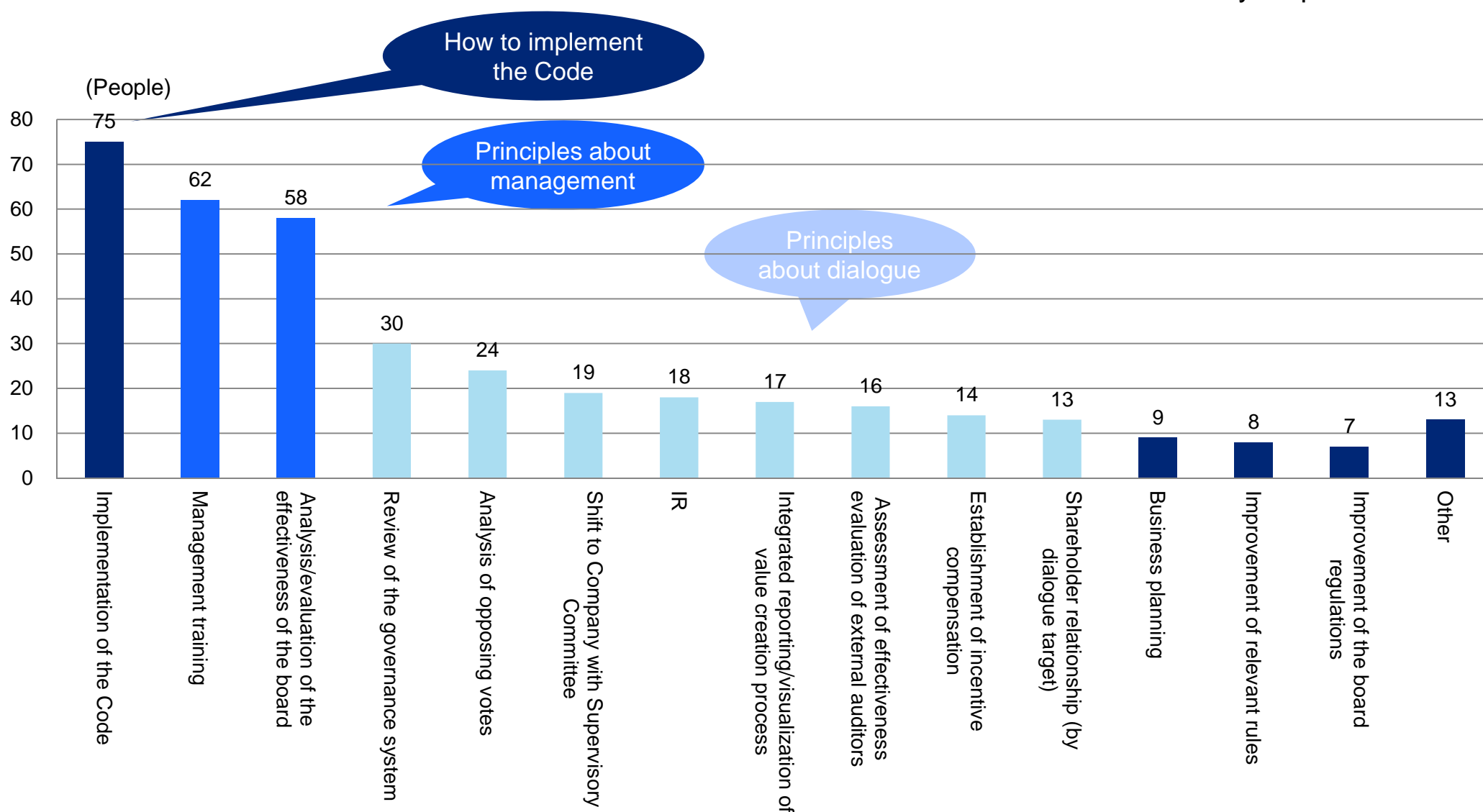
Survey respondents: 695



Many companies consider getting external support on how to implement the Code and on the principles related to Management

Possible demand for external support

Survey respondents: 695





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