

## Corporate Governance Report

Last Update: December 17, 2018

Nippon Television Holdings, Inc.

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<http://www.ntvhd.co.jp/>

The corporate governance of Nippon Television Holdings, Inc. (the “Company”) is described below.

### **I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information**

#### **1. Basic Views**

The Company and the NTV Group, while fulfilling our social responsibilities as media companies under the Company, a certified broadcasting holding company, continue to be committed to becoming “companies that provide enriching experiences” with the ideal goal of generating new media and content for the future.

Under this management vision, the Company promotes businesses based on management plans to achieve stable growth of business performance over the long term and to enhance our contribution to society with emphasis on relationships with our stakeholders. The Company believes these efforts will lead to an increase in the corporate value of the Company and the NTV Group.

The Company therefore aims to strengthen corporate governance, in order to achieve prompt decision-making and execution of operations in response to changes in the business environment, and to ensure the transparency and soundness of management.

The Company will also make an effort to increase its reliability within the capital markets by providing fair, timely, and appropriate disclosures to shareholders and investors.

#### **[Reasons for Non-Compliance with the Principles of the Corporate Governance Code]**

[Principle 4-10 (1)]

The Company deliberates thoroughly on the appointment of officers and remuneration, etc. at the Board of Directors attended by four outside directors among the ten directors and three outside auditors among the four auditors. Since the current arrangements function appropriately, the Company does not have a voluntary consultative committee, etc. such as a nominating committee or remuneration committee, etc. The Company will continue to consider implementing such committees and consider their merits and demerits as necessary.

#### **[Disclosure Based on the Principles of the Corporate Governance Code]**

[Principle 1-4]

The Company and the NTV Group: regularly verify whether the individual cross-shareholdings are reasonable at the Board of Directors; constantly check the relationship with companies in which the Company and the NTV Group invest, situation of business transactions, opportunities for collaboration, synergies, market trends, and business performances of the companies in which the Company and the NTV Group invest; and review the shares to determine whether the importance of holding such shares has faded. In terms of the exercise of voting rights pertaining to cross-held shares, the Company conducts such exercise appropriately after giving due consideration to whether it will contribute to increasing the corporate value of the subject company, and whether it will contribute to the sustainable growth and the medium and long-term increase in the corporate value of the Company and the NTV Group.

[Principle 1-7]

Regarding related party transactions, the Company makes decisions on whether to approve such transactions at a Board of Directors meeting after excluding the relevant director as a special-interest person from the quorum for passing the relevant resolution. The Company has developed a system for controlling related party transactions by conducting a questionnaire survey each year to check for the presence of related party transactions, with the aim of including information on “Related Party Transactions” in the “Companies Act Financial Statements” and “Annual Securities Report.”

The Company’s Regulations on the Board of Directors stipulate that approval of the Board of Directors is required for engaging in conflict of interest transactions provided for in the Companies Act, such as transactions conducted directly with its directors or other transactions.

The Company obtains approval of the Board of Directors, in principle, if it engages in transactions with its directors or major shareholders, according to the importance and characteristics of transactions, even if such transactions do not fall under the provision of the Act.

[Principle 2-6]

The Company and some members of the NTV Group adopt a Corporate-Type Defined-Contribution Pension System that allows each employee to form assets as such employee desires.

[Principle 3-1]

The Company and the NTV Group strive to enhance information disclosure using various opportunities besides appropriate disclosure in accordance with laws and regulations, from the viewpoint of ensuring the transparency and fairness of the Company’s decision-making process and achieving effective corporate governance.

(i) The Company’s objectives (corporate philosophy, etc.), business strategy, and management plan  
In 1952, the Company became the first authorized commercial television broadcaster in Japan. In 1953, the Company commenced the first commercial television broadcast in Japan. The Company and the

NTV Group set “imagination and ingenuity, eliminate wastefulness, and reward and punish” as the corporate motto. In 2013, the Company reaffirmed its commitment to providing attractive television programs.

The Company and the NTV Group have formulated a management plan covering fiscal years 2016 to 2018, titled “The Nippon TV Group Medium-Term Management Plan 2016-2018 Change65”. For fiscal year 2018, NTV Group companies are working to achieve the following goals: (a) Become the strongest production group, which produces and delivers enriching content; (b) “Destroy and create” businesses to achieve continuous growth; (c) Gain a solid position in overseas markets; (d) Make social contributions that emphasize regions and individuals; and (e) Foster a working environment that nurtures the talents of all the employees in the Nippon TV Group and motivate them to take on greater challenges. Details of the Medium-Term Management Plan are available on the Company’s website at the following URL: <http://www.ntvhd.co.jp/english/pressrelease/2016/20160331.pdf>

(ii) Basic approach to corporate governance and policy based on each principle of the Corporate Governance Code

For details, please refer to the Company’s Corporate Governance Guidelines available at the following URL: <http://www.ntvhd.co.jp/english/ir/governance/pdf/20160316-2.pdf>

(iii) Policy and procedures for the Board of Directors to determine the remuneration of senior management and directors

For details, please refer to Part 1, IV [6. Status, etc. of Corporate Governance] 1 (7) Details of Executive Remuneration, of the Company’s Annual Securities Report submitted on June 29, 2018 and is made available at the following URL:

[http://www.ntvhd.co.jp/ir/data/securities/pdf/valuable\\_securities\\_047.pdf](http://www.ntvhd.co.jp/ir/data/securities/pdf/valuable_securities_047.pdf)

The Company has established Regulations on Remuneration for Directors, and each director’s remuneration is determined each year in accordance with the regulations within the limits on remuneration approved by a General Meeting of Shareholders. Remuneration for Directors is determined by the Representative Director, who is authorized by a resolution of a meeting of the Board of Directors attended by four outside directors among the ten directors and three outside auditors among the four auditors upon considering business conditions and the Company’s performance. Remuneration for full-time directors comprises a fixed component, a performance-linked component, company performance-linked component, and a share price-linked component. The fixed component is proportional to job positions, the performance-linked component is proportional to the performance of individual directors, and the company-performance component is proportional to the Company’s net income. The share price-linked component is a fixed monetary consideration intended for purchasing the Company’s shares, whereby shares of the Company are purchased by full-time directors through an executive stock ownership program. Remuneration for part-time directors, including outside directors, comprises only the fixed component of remuneration.

Remuneration for each Audit & Supervisory Board member is determined through consultations among Audit & Supervisory Board members within limits approved by a General Meeting of

Shareholders.

The Company has not established advisory committees, such as a remuneration committee, because the existing remuneration systems are functioning properly. However, the Company will give consideration to this matter, including the advisability of establishing such a committee.

(iv) Policy and procedures for the Board of Directors to appoint and dismiss senior management and nominate candidates for directors and Audit & Supervisory Board members

#### 1. Policy

The Board of Directors appropriately appoints or dismisses senior management and nominates candidates to become directors and Audit & Supervisory Board members.

The Company considers it necessary that the Board of Directors has a certain number of persons who are well versed in businesses and issues facing the businesses of the Company and the NTV Group as its members in setting the strategic direction of the Company, in order for the Board of Directors to fulfill its roles and responsibilities effectively. In addition, the Company believes that it is important to secure a diversity of knowledge, experience, and abilities of members of the Board of Directors to ensure the independence and objectivity of the Board of Directors.

From this viewpoint, the Company takes the basic stance of appointing a certain number of persons who are well versed in businesses and issues facing businesses of the Company and the NTV Group as candidates for senior management and other executive directors, as well as nominating candidates who have extensive knowledge and backgrounds as candidates for outside directors and outside Audit & Supervisory Board members.

In addition, the Company has set forth in its Articles of Incorporation that the number of directors and Audit & Supervisory Board members be 18 or less and five or less, respectively, from the viewpoint of ensuring substantive opportunities for discussions and deliberations at the Board of Directors meetings. Regarding dismissal, the Board of Directors conducts deliberation on dismissal, if it is found that a director or Audit & Supervisory Board member is not fulfilling his/her function, if he/she damages the corporate value due to the neglect of his/her duties, if he/she does not qualify, if it is difficult to continue his/her duties for health reasons, or if he/she engages in any activity that goes against the public orders and morals, etc.

#### 2. Procedures

With regard to the appointment of candidates as directors and Audit & Supervisory Board members, the Board of Directors nominates candidates, in principle, upon receiving recommendations from the Representative Director and after deliberations by the Board of Directors attended by four outside directors among the ten directors and three outside auditors among the four auditors as to whether those recommended are outstanding persons who have appropriate good judgment for directors or Audit & Supervisory Board members, a high level of expertise and a broad range of knowledge, experience, and abilities.

With regard to the dismissal, the Board of Directors attended by the above-mentioned seven outside officers deliberates on such matters.

(v) Explanation of individual appointments or nominations upon nominating directors

Regarding the reasons for appointing candidates as outside directors and outside Audit & Supervisory Board members for the current period, please refer to the “Notice of Convocation of the Ordinary General Meeting of Shareholders,” which is available on the Company’s website at the following URL: [http://www.ntvhd.co.jp/ir/holder/meeting/pdf/85\\_1.pdf](http://www.ntvhd.co.jp/ir/holder/meeting/pdf/85_1.pdf)

Regarding candidates for directors other than the above-mentioned outside directors or outside Audit & Supervisory Board members, the Company appoints such persons as candidates by taking into consideration the background, knowledge, and abilities of individual persons as described in the aforementioned Notice of Convocation of the Ordinary Meeting of Shareholders.

The Company will disclose reasons for appointments or nominations of individual candidates in the Notice of Convocation of the Ordinary General Meeting of Shareholders in the next fiscal year and beyond.

[Supplementary Principle 4-1 (1)]

The Company entrusts decision-making on the execution of operations of the Company to its management team, led by the Representative Director, with the exception of matters for which decision-making by the Board of Directors is required by laws and regulations, the Articles of Incorporation, or the Regulations on the Board of Directors, and other equivalent matters (matters that are deemed to require a resolution of the Board of Directors in light of the importance and nature, etc. of such matters).

[Principle 4-9]

Regarding the independence criteria of independent outside directors, the Company attaches importance to ensuring that independent outside directors have a high level of expertise and extensive experience and achievements, so that they are capable of providing candid and constructive advice at the Company’s Board of Directors meetings and exercising supervision, based on the requirements for “Outside Directors with no potential conflicts of interest with general shareholders” as set forth in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, as well as the concept of the “importance of supervision based on a broad knowledge and high level of acumen, and from an objective viewpoint” as described above in Principle 4-8.

[Supplementary Principle 4-11 (1)]

Regarding members of the Board of Directors, the Company considers it necessary to have a certain number of directors who are promoted internally and are well versed in businesses and issues facing the Company and the NTV Group, and undergo supervision by outside directors based on knowledge in a broad range of fields and a high level of acumen. Accordingly, the Company pays attention to

maintaining a balance within the Board of Directors. Currently, there are no female directors appointed by the Company; however, the Company has appointed female directors in the past and will continue the current policy of achieving both diversity and appropriate scale. For details, please refer to disclosures in accordance with “Principle 3-1 (iv)” and “Principle 4-8.”

[Supplementary Principle 4-11 (2)]

The Company publishes information about the status of concurrent positions of directors and Audit & Supervisory Board members, including outside directors and outside Audit & Supervisory Board members, in the Notice of Convocation of the Ordinary General Meeting of Shareholders, which is posted on the Company’s website at the following URL:

[http://www.ntvhd.co.jp/ir/holder/meeting/pdf/85\\_1.pdf](http://www.ntvhd.co.jp/ir/holder/meeting/pdf/85_1.pdf)

[Supplementary Principle 4-11 (3)]

The Board of Directors Management Office regularly interviews and sends out questionnaires to each director to check (1) whether information regarding the Company’s management, financial conditions, and risk management is being provided appropriately, (2) whether decision-making is being carried out based on business performance, (3) whether supervisory functions are operating properly, (4) whether the contents, numbers, references and explanation of the proceedings of the Board of Directors are appropriate, and (5) which qualifications, etc. are required to successors of the Chief Executive Officer, etc. in order to assess the effectiveness of the Board of Directors with providing sufficient information in advance. As a result of the questionnaires, it was evaluated by internal and external directors that the information on management, financial conditions, and risk management is being provided appropriately, decision-making is being carried out appropriately based on business performance, supervisory functions over each director’s business execution and decision-making process are operating properly, and references and explanations made in the Board of Directors Meeting are sufficiently provided. In addition, the Board of Directors Management Office shared the results with the Chairman of the Board and reported them to the Board of Directors Meeting.

[Supplementary Principle 4-14 (2)]

The Company provides training programs designed to give knowledge related to compliance, such as the roles and responsibilities expected of directors and Audit & Supervisory Board members of a listed company, applicable laws and regulations, and insider trading regulations to directors and Audit & Supervisory Board members who have been promoted internally upon assuming office.

In addition, the Company endeavors to provide workshops, where appropriate, to directors and Audit & Supervisory Board members after taking office on timely themes by inviting external specialists and experts.

For outside directors and outside Audit & Supervisory Board members of the Company who have newly assumed office, the Company provides sufficient explanations about businesses, financial

conditions, and organizational structures of the Company and the NTV Group. In addition, the Company provides follow-ups on information by means such as handing out materials at the occasion of interviews, etc. to facilitate their understanding of the business environment, etc. surrounding the Company and the NTV Group, to ensure they fulfill their roles and responsibilities effectively.

[Principle 5-1]

The Company implements the following measures, with the aim of promoting constructive dialogues with shareholders and to achieve effective corporate governance, in order to increase corporate value in the medium to long term.

(i) Promoting dialogues with shareholders by a Director appointed to take charge of investor relations (IR) with cooperation from a Director in charge of Accounting and a Director in charge of Corporate Administration.

(ii) The Company has established a cross-departmental committee and a working group comprising representatives of relevant internal departments who have close contacts with each other, where appropriate, to conduct activities such as sharing information and creating disclosure materials.

(iii) Besides holding face-to-face meetings with shareholders, the Company provides opportunities for dialogues with shareholders such as holding telephone conferences and briefing sessions on financial results at the time of its quarterly earnings announcement. In addition, the Company posts presentation materials on financial results and webcast briefings on financial results by the management team, etc. on the Company's website to enable individual investors to obtain information equivalent to that received by persons present at such meetings.

In addition, the Company posts shareholder information such as the status of stock information, the ratio of foreign investors, and timely disclosure information on the Company's website. Moreover, the Company publishes Corporate Reports and makes them available on the Company's website at the following URL, and takes care to answer questions meticulously at the Ordinary General Meeting of Shareholders.

<http://www.ntvhd.co.jp/english/ir/annual/index.html>

(iv) Comments, etc. conveyed by shareholders and investors are shared among departments in charge according to the content, and are fed back, where appropriate, to a Director in charge of investor relations.

(v) When engaging in dialogues with shareholders and investors, the Company strives to manage information thoroughly to ensure important information is not provided exclusively to certain shareholders and investors. The Company has established "Regulations on Prevention of Insider Trading" for our directors and employees, etc. and provides warnings about insider trading to directors when they receive training upon assuming office. In addition, the Company provides insider trading prevention training to employees every year. When handling important information internally, the Company strives to manage insider information by implementing integrated information management in accordance with its Regulations on Internal Information Management, by taking measures such as

creating internal information management documents.

## 2. Capital Structure

Foreign Shareholding Ratio	From 10% to less than 20%
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### [Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Yomiuri Shimbun Holdings	37,649,480	14.45
YOMIURI TELECASTING CORPORATION	17,133,160	6.57
The Yomiuri Shimbun Tokyo Head Office	15,939,700	6.11
Japan Trustee Services Bank, Ltd. (Trust Account)	9,845,500	3.77
Teikyo University	9,553,920	3.66
The Master Trust Bank of Japan, Ltd. (Trust Account)	8,913,800	3.42
NTT DOCOMO, INC.	7,779,000	2.98
Recruit Holdings Co., Ltd.	6,454,600	2.47
CBNY-ORBIS SICAV (Standing Proxy: Citi Bank)	5,369,986	2.06
YOMIURI LAND CO., LTD.	5,236,000	2.00

Controlling Shareholder (except for Parent Company)	-
Parent Company	None

### Supplementary Explanation

<Shares subject to adjustment of foreign ownership>  
 The number of shares for which the Company has refused entry in the shareholding registry under the provisions of Article 161 of the Broadcast Act (shares subject to adjustment of foreign ownership) is 13,032,200 (as of September 30, 2018).

## 3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange First Section
Fiscal Year-End	March
Type of Business	Information & Communication



Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	From ¥100 billion to less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 10 to less than 50

**4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder**

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**5. Other Special Circumstances which may have Material Impact on Corporate Governance**

Not applicable.

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

### 1. Organizational Composition and Operation

Organization Form	Company with an Audit & Supervisory Board
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#### [Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	18
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	10
Election of Outside Directors	Elected
Number of Outside Directors	4
Number of Independent Directors	3

#### Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	
Tsuneo Watanabe	From another company								○	○			
Takashi Imai	From another company												
Tadao Kakizoe	Other												
Yasushi Manago	Lawyer												

\* Categories for "Relationship with the Company"

\* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

\* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiaries

b. Non-executive director or executive of a parent company of the Company

c. Executive of a fellow subsidiary company of the Company

d. A party whose major client or supplier is the Company or an executive thereof

e. Major client or supplier of the Company or an executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director

g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)

h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)

i. Executive of a company, between which and the Company outside directors are mutually appointed (the director himself/herself only)

j. Executive of a company or organization that receives a donation from the Company (the director

himself/herself only)  
k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons of Appointment
Tsuneo Watanabe		<p>Representative Director and Chief Editor, The Yomiuri Shimbun Holdings (current)</p> <p>Director, The Yomiuri Shimbun Tokyo Head Office (current)</p> <p>Director, Executive</p>	<p>Tsuneo Watanabe was nominated for Outside Director because it is believed that his highly-specialized knowledge in media and related businesses in general, in addition to his extensive experience as a manager of a newspaper company and an influential figure in the press, will be reflected in the management of the Company.</p> <p>Although Tsuneo Watanabe concurrently serves as a Representative Director of The Yomiuri Shimbun Holdings, which is the Company's largest shareholder, Yomiuri Shimbun Holdings and the Company make decisions independently with regard to financial and business policies. Further, Mr. Watanabe has provided effective and reasonable advice and opinions at the Company's Board of Directors meetings. Therefore, the Company believes Mr. Watanabe can fully perform a supervisory function over the Company's management as an Outside Director.</p>
Takashi Imai	○	<p>Honorary Chairman, Colleague, Nippon Steel &amp; Sumitomo Metal Corporation (current)</p> <p>Outside Director, Japan Securities Finance Co., Ltd. (current)</p> <p>Outside Auditor, Nippon Life Insurance Company</p>	<p>Takashi Imai was nominated Outside Director because it is believed that he can reflect his extensive experience, highly-specialized knowledge and broad insights, which he gained as a corporate executive and business leader, in the management of the Company.</p> <p>There are no special interests between Mr. Imai and the Company, hence it is deemed that there is no potential risk of conflict with</p>

		(current)	<p>general shareholders. Mr. Imai has provided effective and reasonable advice and opinions at the Company's Board of Directors meetings. Accordingly, the Company believes that he can fully perform a supervisory function over the Company's management as a highly independent outside director; therefore, it has designated him as an independent officer.</p>
Tadao Kakizoe	○	Chairman, Japan Cancer Society (current)	<p>Tadao Kakizoe was nominated Outside Director because it is believed that he can reflect his insights and highly-specialized knowledge in a variety of fields, not limited to medical fields, in the management of the Company.</p> <p>There are no special interests between Mr. Kakizoe and the Company, hence it is deemed that there is no potential risk of a conflict with general shareholders. While Mr. Kakizoe does not have experience dealing directly with corporate management, his expertise and experience in serving as Chief Director of the National Cancer Center is applicable to corporate management. He has also provided effective and reasonable advice and opinions, and the Company believes that he can fully perform a supervisory function over the Company's management as an Outside Board Director. As such, the Company has designated him as an independent officer.</p>
Yasushi Manago	○	<p>Lawyer (current)  Visiting Professor,  Graduate School of the  University of Tokyo  (Business Law Center)  (current)  Of Counsel, Nishimura &amp;  Asahi LPC (current)  Corporate Auditor, Mitsui</p>	<p>Yasushi Manago was nominated Outside Director because it is believed that he can reflect his extensive experience and highly-specialized knowledge in government organizations and broad knowledge in the fields of public finance, corporate finance, economics, and law in general in the management of the Company.</p> <p>There are no special interests between Mr.</p>

		Fudosan Co., Ltd. (current) Audit & Supervisory Board Member, Sumitomo Mitsui Asset Management Company, Limited (current) Corporate Auditor, The Yomiuri Giants Co., Ltd. (current)	Manago and the Company, hence it is deemed that there is no potential risk of conflict with general shareholders. Mr. Manago does not have experience dealing directly with corporate management, but given his experience and knowledge as an Administrative Vice Minister of Finance and as a lawyer, and his track record of providing effective and reasonable advice and opinions at the Company's Board of Directors meetings, the Company believes that he can fully perform a supervisory function over the Company's management as a highly independent outside director; therefore, it has designated him as an independent officer.
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Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Not Established
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[Audit & Supervisory Board members]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board members Stipulated in Articles of Incorporation	5
Number of Audit & Supervisory Board members	4

Cooperation among Audit & Supervisory Board members, Accounting Auditors and Internal Audit Departments
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<p>○Status of cooperation between Audit &amp; Supervisory Board members and accounting auditors</p> <p>Audit &amp; Supervisory Board members receive explanations from independent auditors outlining the audit plan before an accounting audit is carried out. Audit &amp; Supervisory Board members also exchange information with accounting auditors on the progress of audit procedures and issues arising during the course of audits performed by the accounting auditors, and they receive explanations on the results of an accounting audit following completion of the audit.</p> <p>○Status of cooperation between Audit &amp; Supervisory Board members and internal audit department</p>
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Audit & Supervisory Board members can order employees of the Audit & Supervisory Board Management Office to investigate matters necessary for auditing duties. Employees working for the Audit & Supervisory Board Management Office concurrently work for the Business Audit Department and assist the Audit & Supervisory Board members with their duties. Audit & Supervisory Board members maintain close contact with members of the Business Audit Committee, which is an internal audit department.

Appointment of Outside Audit & Supervisory Board members	Appointed
Number of Outside Audit & Supervisory Board members	3
Number of Independent Officer	1

Outside Audit & Supervisory Board members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*													
		a	b	c	d	e	f	g	h	i	j	k	l	m	
Kojiro Shiraishi	From another company										○	○			
Norio Mochizuki	From another company										○	○			
Toshinori Kanemoto	Lawyer														

\* Categories for "Relationship with the Company"

\* "○" when the Audit & Supervisory Board member presently falls or has recently fallen under the category;

"△" when the Audit & Supervisory Board member fell under the category in the past

\* "●" when a close relative of the Audit & Supervisory Board member presently falls or has recently fallen under the category;

"▲" when a close relative of the Audit & Supervisory Board member fell under the category in the past

a. Executive of the Company or its subsidiary

b. Non-executive director or accounting advisor of the Company or its subsidiaries

c. Non-executive director or executive of a parent company of the Company

d. Audit & Supervisory Board members of a parent company of the Company

e. Executive of a fellow subsidiary company of the Company

f. A party whose major client or supplier is the Company or an executive thereof

g. Major client or supplier of the Company or an executive thereof

h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an Audit & Supervisory Board member

i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)

j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board member himself/herself only)

- k. Executive of a company, between which and the Company outside directors/Audit & Supervisory Board member are mutually appointed (the Audit & Supervisory Board member himself/herself only)
- l. Executive of a company or organization that receives a donation from the Company (the Audit & Supervisory Board member himself/herself only)
- m. Others

Outside Audit & Supervisory Board members' Relationship with the Company (2)

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons of Appointment
Kojiro Shiraishi		<p>Representative Director, Chairman, Executive Editor, The Yomiuri Shimbun Holdings (current)</p> <p>Representative Director, Chairman, The Yomiuri Shimbun Tokyo Head Office (current)</p>	<p>Kojiro Shiraishi was nominated Outside Audit &amp; Supervisory Board Member because it is believed that his insightful opinions, based on his extensive experience as a manager of a newspaper company and an influential figure in the press, serve in supervising the management of the Company.</p> <p>Mr. Shiraishi concurrently serves as a Representative Director of the Yomiuri Shimbun Holdings and the Yomiuri Shimbun Tokyo Head Office, a subsidiary of the Yomiuri Shimbun Holdings, both of which are major shareholders of the Company. However, The Yomiuri Shimbun Holdings, The Yomiuri Shimbun Tokyo Head Office and the Company conduct independent decision-making with regard to financial and business policies. Therefore, from the perspectives of ensuring effectiveness and professionalism, the Company believes Mr. Shiraishi can fully perform an audit function over the execution of business duties by the Company's Directors as an outside Audit &amp; Supervisory Board member.</p>
Norio Mochizuki		<p>Director and Chairman, Yomiuri Telecasting Corporation (current)</p>	<p>Norio Mochizuki was nominated Outside Audit &amp; Supervisory Board Member because it is believed that his insightful opinions, based on his extensive experience as a manager of a broadcaster, serve in supervising the</p>

			<p>management of the Company.</p> <p>Mr. Mochizuki concurrently serves as a Representative Director of Yomiuri Telecasting Corporation, which has business transactions involving the purchase and supply of television programs with the Company. However, Yomiuri Telecasting Corporation and the Company conduct independent decision-making with regard to financial and business policies. Therefore, from the perspectives of ensuring effectiveness and professionalism, the Company believes Mr. Mochizuki can fully perform an audit function over the execution of business duties by the Company's directors as an outside Audit &amp; Supervisory Board member.</p>
Toshinori Kanemoto	○	<p>Lawyer (current) Director, Riken Corporation (current)</p>	<p>Toshinori Kanemoto was nominated Outside Audit &amp; Supervisory Board Member because he possesses a wealth of experience working for government organizations and broad knowledge of compliance and the field of law in general, and the Company would therefore like Mr. Kanemoto to supervise the Company's management.</p> <p>He does not have experience of dealing with corporate management. However, he has sufficient knowledge required for supervising corporate management, based on his experience as former President of ICPO-INTERPOL and as a lawyer. It is deemed, therefore, that he is suitable to properly fulfill his duties as outside Audit &amp; Supervisory Board member of the Company.</p> <p>There are no special interests between Mr. Kanemoto and the Company, hence it is deemed that there is no potential risk of conflict with general shareholders. The Company believes that he can fully perform a</p>



			supervisory function over the Company's management as a highly independent outside Audit & Supervisory Board member; therefore, it has designated him as an independent officer.
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**[Independent Officer]**

Number of Independent Officer	4
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Matters relating to Independent Officer

The Company designates all outside directors who meet the criteria for an independent officer as independent officer.

Regarding descriptions on attribute information of outside directors, descriptions are omitted, in principle, on transactions, etc. that do not require discussion by the Board of Directors because they are deemed unlikely to affect shareholders' decisions on the exercise of voting rights.

**[Incentives]**

Incentive Policies for Directors	Performance-linked Remuneration / Other
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Supplementary Explanation

The Company has established the Regulations on Remuneration for Directors and adopted the concept of a "company performance-linked component" and a "share price-linked component" of remuneration for full-time Directors. The company's performance-linked component of remuneration is linked to net income. The share price-linked component of remuneration is a fixed monetary consideration intended for purchasing the Company's shares, whereby shares of the Company are purchased by full-time directors through an executive stock ownership program.

Recipients of Stock Options	
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Supplementary Explanation

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**[Director Remuneration]**

Disclosure of Individual Directors' Remuneration	No Individual Disclosure
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Supplementary Explanation

Executive remuneration for the Company's Directors and Audit & Supervisory Board Members in the

fiscal year ended March 31, 2018 was as follows.

Total executive remuneration: 324 million yen paid to seven directors (excluding outside directors), 26 million yen paid to one Audit & Supervisory Board member (excluding outside directors) and 108 million yen paid to eight outside directors

Notes: 1. The number of directors as of March 31, 2018 was 10 directors and four Audit & Supervisory Board members.

2. The remuneration amounts listed above do not include the employee portion of salary or bonuses for those directors who also serve as employees.

3. At the 75th Ordinary General Meeting of Shareholders held on June 27, 2008, a resolution was passed that imposed yearly limits on the amount of remuneration to 950 million yen for directors (of which, up to 110 million yen may be paid to outside directors) and 72 million yen for Audit & Supervisory Board members.

Policy on Determining Remuneration Amounts and Calculation Methods	Established
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#### Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

Regarding executive remuneration, according to a resolution of the General Meeting of Shareholders, limits are imposed on the total remuneration respectively for directors and for Audit & Supervisory Board members.

Each director's remuneration is determined each year upon considering business conditions and the Company's performance by the Representative Director, who is duly authorized by a resolution of the Board of Directors meeting attended by four outside directors among the ten directors and three outside auditors among the four auditors.

Remuneration for full-time directors comprises a fixed component, a performance-linked component, a company performance-linked component, and a share price-linked component. The fixed component is proportional to job positions and the performance-linked component is proportional to the performance of the individual directors, whereas the company performance-linked component is proportional to the Company's net income. The share price-linked component is a fixed monetary consideration intended for purchasing the Company's shares, whereby shares of the Company are purchased by directors through an executive stock ownership program. Remuneration for part-time directors, including outside directors, comprises only a fixed component of remuneration.

Remuneration for each Audit & Supervisory Board member is determined through consultations among Audit & Supervisory Board members, with limits imposed according to a resolution of the General Meeting of Shareholders.

#### [Supporting System for Outside Directors and/or Audit & Supervisory Board Members]

The Company has established the Board of Directors Management Office in the Corporate

Administration & Human Resources Division to serve as a point of contact and to provide support to outside directors. In addition, the Company has established the Audit & Supervisory Board Management Office, an independent section that provides assistance to the Audit & Supervisory Board and its members in their duties, and full-time staff are designated to provide that support. The Company strives to ensure systems that enable external supervisory functions over management to operate properly. For instance, the Company's full-time directors provide preliminary explanations, etc., when necessary, on matters to be resolved to outside directors and outside Audit & Supervisory Board members. In addition, relevant departments such as the Corporate Strategy Division, the Corporate Administration & Human Resources Division, the Financial Management Division, and the Audit & Supervisory Board Management Office communicate information to outside directors and outside Audit & Supervisory Board members by means such as providing supplementary explanations and supplying materials where appropriate.

[Situation of those who retired from Representative Directors, etc.]

Names of Counselors, Advisors, etc. who are former Representative Directors and Presidents, etc.

Name	Position	Contents of Work	Forms/ Conditions of Working (Full-time / Part-time, Remuneration, etc.)	Date of Retirement	Term of Office
None	-	-	-	-	-

Total number of Counselors, Advisors, etc. who are former Representative Directors and Presidents, etc.	0
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Other matters

In the Articles of Incorporation Article 28 (Highest Advisor, Advisor and Counselor), it is stipulated that "the Company may have some of the highest counselors, counselors and advisors by resolution of the Board of Directors"; however, there are no such persons at present.

## 2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)

The Company has an Audit & Supervisory Board with a management structure under which the Board of Directors oversees the execution of operations by directors. Meanwhile, Audit & Supervisory Board members and the Audit & Supervisory Board audit the execution of operations by directors.

The Company appoints two or more independent outside directors and outside Audit & Supervisory Board members. The governance framework is designed to ensure effective supervision over the execution of directors' duties through the effective use of the supervisory function of Audit & Supervisory Board members. Outside directors help to provide appropriate supervision, thereby enhancing the management oversight function.

The Company has enhanced the external monitoring of management, incorporating four outside directors pursuant to Article 2, Item 15, of the Companies Act into the 10-member Board of Directors for greater management integrity and more transparent decision-making processes. The four-member Audit & Supervisory Board includes three outside Audit & Supervisory Board members pursuant to Article 2, Item 16, of the Companies Act for greater independence from the Board of Directors and stronger auditing functions related to the execution of duties. Full-time Audit & Supervisory Board member Makoto Yoshida has highly-specialized knowledge in media and related business, as well as achievements as a manager of a Group company, considerable knowledge in finance and accounting, and superior supervisory abilities.

During the previous fiscal year, the Board of Directors met seven times to decide important aspects of the execution of operations and to supervise the execution of directors' duties. The Audit & Supervisory Board met eight times to audit the execution of directors' duties. In conformance with the auditing standards determined by the Audit & Supervisory Board, each Audit & Supervisory Board member attends meetings of the Board of Directors and other important meetings, inspects important end-of period financial documents and carries out investigations into the state of business operations and assets.

The Company has in place a Business Audit Committee to evaluate the internal audit and internal control systems. In addition, the Company set up a Compliance Committee to reinforce corporate governance and ensure thorough compliance with all laws and regulations and various rules, as well as a high degree of transparency of the Company's activities, thus striving to reinforce society's trust and earn its support.

The Company has also put in place an Internal Control Committee, which periodically checks and promotes operational controls of the entire Group.

Concerning third-party contributions to the Company's corporate governance framework, the Company has reinforced its legal risk management system by concluding advisory agreements pertaining to corporate management and daily business tasks with multiple law offices, and seeks advice as necessary. The Company has also concluded audit agreements concerning audits relating to the Companies Act and the Financial Instruments and Exchange Act with audit corporations, which conduct audits from an independent standpoint.

The Company has concluded an audit agreement with audit corporation Deloitte Touche Tohmatsu LLC to have accounting audits carried out pursuant to the Companies Act and the Financial Instruments and Exchange Act.

The accounting audit structure for the previous fiscal year is shown below.

Names of certified public accountants executing operations, number of years continuously involved in audit activities and accounting auditor to which they belong

Names of certified public accountants

Designated and Executive Partners

Tsutomu Hirose, Kenji Akiyama

Accounting auditor to which they belong: Deloitte Touche Tohmatsu LLC

Note: As all of the above certified public accountants have been involved in these operations for seven or fewer years, descriptions of details are omitted here.

Assistants assisting in audit activities:

Certified Public Accountants: 9; Others: 11

### **3. Reasons for Adoption of Current Corporate Governance System**

The Company appoints two or more highly independent outside directors and outside Audit & Supervisory Board members. The governance framework is designed to ensure effective supervision over the execution of directors' duties through the effective use of the supervisory function of Audit & Supervisory Board members. Outside directors support appropriate supervision, thereby enhancing the management oversight function.

### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The convocation notice of the General Meeting of Shareholders held in June 2018 was dispatched twelve days before the statutory dispatch date.
Allowing Electronic Exercise of Voting Rights	Electronic exercise of voting rights was introduced from the General Meeting of Shareholders held in June 2006.
Participation in Electronic Voting Platform	Electronic voting platform is available at the designated website provided by Sumitomo Mitsui Trust Bank, Ltd., which is the Company's Transfer Agent and Registrar.
Providing Convocation Notice in English	We prepared an English translation of the convocation notice and posted it on the websites of the Tokyo Stock Exchange and the Company.
Other	The convocation notice was dispatched twelve days before the statutory dispatch date, and was published in Japanese and English on the websites of the Tokyo Stock Exchange and the Company fourteen days before the statutory dispatch date.

#### 2. IR Activities

	Supplementary Explanations	Explanation by Representative
Preparation and Publication of Disclosure Policy	The Company's disclosure policy is published on the company's website.	
Regular Investor Briefings for Individual Investors	Quarterly financial results briefing materials and webcast of explanations by representatives, etc. at the financial results briefing sessions are made available on the Company's website to enable individual investors to obtain information equivalent to that received by persons present at such meetings.	Yes
Regular Investor Briefings for Analysts and Institutional Investors	The Company conducts briefing sessions on financial results at the time of its quarterly financial results announcement, in which the Representative Director, etc. provide explanations to investors and analysts in Japan and overseas. In the fiscal year ended March 31, 2018, the Company conducted a briefing on the results on a quarterly basis for the second quarter and thereafter. The Company conducts the same in the fiscal year ending March 31, 2019.	Yes

Regular Investor Briefings for Overseas Investors	The Company strives to obtain the understanding of overseas investors by actively holding face-to-face meetings and participating in conferences organized by securities companies.	Yes
Posting of IR Materials on Website	The Company provides investor relations information such as quarterly financial results, briefing materials on financial results, shareholder information, including the status of stock information and the ratio of foreign investors, financial reports (interim and year-end), Corporate Reports and the latest IR information, and timely disclosure information on the Company's website at the following URL: <a href="http://www.ntvhd.co.jp/english/ir/index.html">http://www.ntvhd.co.jp/english/ir/index.html</a> In addition, the Company publishes press release materials and posts important corporate information that may affect investment decisions on the Company's website at the following URL: <a href="http://www.ntvhd.co.jp/english/pressrelease/index.html">http://www.ntvhd.co.jp/english/pressrelease/index.html</a>	
Establishment of Department and/or Manager in Charge of IR	Employees of the Corporate Strategy Division, Investor Relations Department, are in charge of IR activities on a full-time basis.	

### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The Company, conscious of the public nature of a media company with a great influence in society, endeavors to produce high-quality content to fulfill our responsibility to our viewers and advertisers. For shareholders and investors, the Company endeavors to make prompt decisions and execute operations in response to changes in the business environment, in order to achieve sustainable improvements of corporate value. In July 2004, the Company established and enforced the "Nippon TV Holdings Compliance Charter." The charter sets forth services to viewers and the Japanese people, maintenance of sound and amicable relationships with business partners, and maintenance of safe and healthy working environments, etc. as provisions of the Code of Conduct.
Implementation of Environmental Activities,	The Company continuously contributes to a society that is closer to the

CSR Activities, etc.	<p>region and individuals by broadcasting television programs, such as <i>24-Hour Television</i> which has 40 years of history as well as by holding “Yomihito Shirazu”, a workshop program in which announcers and newscasters from Nippon TV and network stations visit schools and assembly facilities in temporary houses, etc. in the areas of Asakura City, Fukuoka Prefecture which were affected by the heavy rain last July, with the theme of Japanese language. The Company also continuously visits schools to foster media literacy and the ability of children to identify information, to have classes such as “How to swim in the sea of information”. In addition, the Company conducts activities such as: the “Mother and Child Initiative (<i>mama mo como</i>),” an activity borne out of the voluntary activities of child-rearing employees, which has developed into an initiative for conducting events and providing television programs for parents and children; and the “Nippon TV Experience Classroom”, a hands-on workshop for elementary school children to learn broadcast techniques. Further, the Company is working towards the development of culture and art, and has established and maintained a partnership for over 20 years with the Louvre Museum in Paris, and has agreed to hold a large-scale Louvre Museum exhibition in Japan every four years during the period from 2018 to 2034.</p>
Development of Policies on Information Provision to Stakeholders	<p>The Code of Conduct, set under the Nippon TV Holdings Compliance Charter established and enforced in July 2004, stipulates that “We will disclose legitimate information to the public in a timely and appropriate manner and conduct our business activities fairly and transparently.”</p>
Other	<p>The Company has been striving to increase the diversity of employees, including female employees. For instance, the average ratio of female employees among our newly graduated employees has been nearly 35% for the past 5 years. In addition, the Company has set an objective to increase the promotions of female employees to managerial positions by 2% within 5 years from 2015. The Company has also been striving to provide a better working environment and enhance various work-life balance campaigns. The Company has introduced systems of childcare leave and short-time work for periods longer than legally mandated. Moreover, the Company’s disabled employee ratio is higher than the legally required ratio.</p>



## IV. Matters Related to the Internal Control System

### 1. Basic Views on Internal Control System and the Progress of System Development

1. System to ensure that the execution of directors' and employees' duties conform to laws and regulations and the Articles of Incorporation

The Company has formulated the Nippon TV Holdings Compliance Charter, to which all full-time directors and employees pledge, in order to ensure that corporate activities conform to laws and regulations, the Articles of Incorporation, and corporate ethics. Furthermore, with this objective in mind, the Company conducts employee education centered on the Corporate Strategy, Corporate Administration & Human Resources, and Financial Management Divisions. The Company promotes compliance with laws and regulations, the Articles of Incorporation, and corporate ethics, as well as highly transparent corporate activities, by establishing a Compliance Committee consisting of directors and outside professionals such as lawyers to serve as observers.

In addition to having conventional reporting routes in place, the Company has established the "Nippon TV Holdings Hotline", which serves as a reporting hotline to enable employees of the Company and the NTV Group to report directly on legally doubtful acts inside the Company and request an investigation.

To ensure the compliance of directors in the execution of duties, the Company emphasizes the supervisory function of outside directors and outside Audit & Supervisory Board members, and works to activate the Board of Directors to pursue higher levels of corporate governance.

The Company has established a Business Audit Committee to conduct internal audits of corporate activities and verify corporate governance.

Furthermore, the Company resolutely confronts any anti-social forces and ensures that such forces play no part in our business relationships or transactions, and that there shall be no offers of illegal profits: any unjust demands or wrongful intervention shall be reported to the police and other authorities concerned as part of an organized response by relevant departments based on close liaison with such agencies.

2. System relating to retention and management of information concerning the execution of directors' duties

Pursuant to document-handling regulations, information related to the execution of directors' duties is recorded in writing or via electromagnetic media (hereinafter, "documents, etc.") and retained for a specified period. Under the supervision of the Corporate Administration & Human Resources Division, such documents, etc., are retained at each division, at which a person in charge of managing information assets and a person responsible for information asset operations are designated.

The directors and Audit & Supervisory Board members are able to inspect such documents, etc. at any time.

3. Regulations and other risk management systems for losses

The Company has established an Internal Control Committee to manage risk on a companywide basis and a Risk Management Committee to manage newly emerging risks promptly, with each committee being chaired by the Representative Director.

Various cross-organizational committees have been set up within the NTV Group to address risks related to disasters, information management, program production, copyright contracts, broadcasting, and fraudulent acts, thereby improving various systems and updating regulations.

Broadcasters such as the Nippon TV Holdings Group have a special obligation to conduct emergency broadcasts following occurrences of earthquakes and other disasters. The Company thus maintains equipment and systems to enable uninterrupted broadcasting after such emergencies and conducts practical training sessions that comply with the Metropolitan Area Disaster Manual, which it has instituted.

#### 4. System to ensure efficient execution of directors' duties

The Company maintains a system to ensure that directors execute their duties appropriately and efficiently by clarifying their administrative authority and establishing decision-making rules based on internal regulations on the division of duties and rules for *ringi* (circulating agendas and seeking approval before or without holding a meeting).

The Company also strives to enhance corporate governance by having outside directors, who have no interest-based relationships with the Company, supervise the execution of directors' duties in a working system of checks and balances.

#### 5. System to ensure the appropriateness of duties conducted by the corporate group consisting of the Company and its subsidiaries

The Company has established the Nippon TV Group Strategy Planning Department, which handles overall activities related to complying with laws and the Articles of Incorporation, formulating and implementing general management and operational business strategy, and improving the efficiency of operations and execution of duties within the NTV Group. The department administers group-wide compliance with laws and regulations and the Articles of Incorporation, and establishes a risk management system and efficient operational execution system.

The Company has established the Nippon Television Holdings Group Management Regulations and the Group Companies Management Regulations, which include basic provisions concerning risk management systems for losses at Group companies, and set up a system through which Group companies report to the Company on important matters.

The Company regularly holds Group Management Council meetings—consisting of representatives, etc. of the Group companies—to ensure the appropriate execution of operations, share information, and improve the efficient execution of duties.

The Company provides compliance-related training to directors and employees of the Group companies as necessary.

6. Matters concerning employees who assist Audit & Supervisory Board members at the request of Audit & Supervisory Board members

Upon request by the Audit & Supervisory Board members, employees who will assist the Audit & Supervisory Board members shall be deployed to the Audit & Supervisory Board Management Office and perform duties compliant with the directions given by the Audit & Supervisory Board members. In such cases, directors shall not give any instructions contrary to those of the Audit & Supervisory Board members.

Audit & Supervisory Board members may order employees who belong to the Audit & Supervisory Board Management Office to investigate matters necessary for auditing duties.

Such employees shall assist the Audit & Supervisory Board members with their auditing duties and work concurrently for the Business Audit Departments.

7. Matters concerning independence from directors of employees who assist Audit & Supervisory Board members

Employees who assist the Audit & Supervisory Board members shall not concurrently handle any duties pertaining to the business operations of the Company or its Group, and the personnel evaluations of such employees shall be conducted by the Audit & Supervisory Board members. Transfers and disciplinary actions involving such employees shall be subject to the approval of the Audit & Supervisory Board members.

8. System for directors and employees to report to Audit & Supervisory Board members and other system to report to Audit & Supervisory Board members

The Company's directors shall report to the Audit & Supervisory Board members on matters that may have a substantial impact on the Company or its Group based on the status of independent auditing.

In the event that the Company's employees find matters that may have a material impact on the Company or its Group, or facts that violate laws and regulations or the Articles of Incorporation, they may, in addition to using normal reporting lines, report such instances directly to the Audit & Supervisory Board members or the Financial Management Division through the "Nippon TV Holdings Hotline", the reporting system. This shall also apply to Group companies' directors, Audit & Supervisory Board members, and employees, as well as those who receive such reports.

The Business Audit Committee shall regularly report to the Audit & Supervisory Board members on matters reported by the Company's employees or Group companies' directors, Audit & Supervisory Board members, or employees, as well as the results of internal audits.

The Company's directors and employees, as well as Group companies' directors, Audit & Supervisory Board members, and employees who have made said reports, or those who receive such reports, shall not be subject to any disadvantageous treatment on the grounds of their having made such reports.

#### 9. Other systems to ensure effective audits by Audit & Supervisory Board members

Full-time Audit & Supervisory Board members shall attend meetings of the Full-Time Directors' Council and exchange opinions with full-time directors.

Audit & Supervisory Board members may attend meetings of the Group Management Council, comprising representatives, etc. of Group companies.

Audit & Supervisory Board members may receive advice regarding auditing duties from lawyers, certified public accountants, and other professionals, if necessary, and require the Company to pay in advance or reimburse expenses incurred by them with respect to the performance of their duties, including expenses for receiving said advice. Upon receiving such a request, the Company shall, respecting their decision, pay in advance or reimburse said expenses.

## 2. Basic Views on Eliminating Anti-Social Forces

### 1. Basic policy for eliminating anti-social forces

The Company resolutely confronts any antisocial forces and ensures that such forces play no part in our business relationships or transactions. There shall be no offers of illegal profits: any unjust demands or wrongful intervention shall be reported to the police and other authorities concerned as part of an organized response by relevant departments based on liaison with such agencies.

### 2. Development of a framework for eliminating anti-social forces

The Nippon TV Compliance Charter defines basic internal standards that must be observed by all directors, executive directors, and employees of the Group to act in accordance with laws and regulations, the Articles of Incorporation, and corporate ethics. Under this compliance charter, the Company has laid down a code of conduct that sets forth the principle that "We prohibit relations with anti-social groups and individuals" and declares that "We will always confront anti-social groups and individuals with a resolute attitude and never engage in any offer of illegal profits under any circumstances." All full-time directors and employees pledge that they will comply with the charter. To further promote compliance with the charter, the Company conducts employee education centered on those of the Corporate Strategy and Corporate Administration & Human Resources Divisions.

The Corporate Administration & Human Resources Division is in charge of actions against anti-social forces and makes organized responses in cooperation with external agencies, such as the police and our corporate lawyer. In addition, the Company has become a member of the Anti-Social Forces Prevention Measures Association under the control of the Metropolitan Police Department (*Tokuboren*) to collect and manage information relating to anti-social forces.

Further, the Company actively promotes employee participation, centered on employees in the Corporate Administration & Human Resources Division, in seminars on anti-social forces held by the police and related agencies, and communicates the information obtained across the department.

## V. Other

### 1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Adopted
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#### Supplementary Explanation

The Company decided at its Board of Directors meeting held on May 13, 2016 and the 83rd Ordinary General Meeting of Shareholders held on June 29, 2016 to renew its plan for countermeasures to large-scale acquisitions of shares in the Company (takeover defense measures) with necessary amendments as a measure (as provided in Article 118, Item 3 (b) (ii) of the Ordinance for Enforcement of the Companies Act) to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate under the basic policy regarding persons who control decisions on the Company's financial and business policies (as provided in Article 118, Item 3, of the Ordinance for Enforcement of the Companies Act; the "Basic Policy"). For details of the plan, please refer to the press release titled "Renewal of Countermeasures to Large-Scale Acquisitions of Nippon Television Shares (Takeover Defense Measures), which is available on the Company's website at the following URL:

<http://www.ntvhd.co.jp/english/pressrelease/2013/20130509-2.pdf>

### 2. Other Matters Concerning the Corporate Governance System

The Company has established the following internal system for the timely disclosure of corporate information

(1) Initiatives to improve the transparency of management, including establishment of the Business Audit Committee

The Company has been proactive in enhancing corporate governance, on which ensuring management transparency is predicated, and appointed three outside directors in 2001. As of June 28, 2018, we have four outside directors among the 10-member Board of Directors.

The four-member Audit & Supervisory Board includes three outside Audit & Supervisory Board members to ensure greater independence from the Board of Directors and stronger auditing functions related to executing directors' duties. Besides the above-described systems to ensure external management supervision, the Company has established the Business Audit Committee, which evaluates the internal audit and internal control systems. The Business Audit Committee is chaired by a full-time director and has dedicated employees and staff in the Business Audit Department to check the execution of daily operations.

The Company put in place "Nippon TV Holdings Whistle," an internal reporting system under the direct control of the Board of Directors, in 2002. The internal reporting hotline is designed to ensure the protection of whistle-blowers and establish a process for investigating and confirming information.

Further, the Company implemented the reporting system “Nippon TV Holdings Hotline” in 2002 and has systematized procedures that protect the reporter and provide investigations and confirmations.

(2) Initiatives for disclosing corporate information under the Compliance Charter

The Company established the Compliance Committee in December 2003 and has since been working to promote compliance with laws and regulations, as well as highly transparent corporate activities.

In July 2004, we formulated the Nippon TV Holdings Compliance Charter, under which we set forth the Code of Conduct that defines our approach to the disclosure of corporate information. In accordance with this, all of the Company’s full-time directors and employees pledged as follows.

“(Omitted) (Disclosure of Corporate Information) With the exception of confidential and sensitive information (including news sources), we will disclose legitimate information to the public in a timely and appropriate manner, and conduct our business activities fairly and transparently.”

In order to reflect such active efforts for information disclosure in concrete action, the Company’s Board of Directors periodically holds training programs intended to raise awareness and deliver the latest information on disclosure of corporate information.

(3) Initiatives for operations of information disclosure

The Company’s main divisions and/or departments involved in the disclosure of information related to the settlement of accounts are Corporate Administration & Human Resources Division, Corporate Administration Department (stock-related services), Corporate Strategy Division, Investor Relations Department (IR operations and timely disclosure of management information), and Financial Management Division, Accounting Department (operations related to settling accounts and preparing annual securities reports, etc.).

Aiming to promote the disclosure of information related to financial results, we established the Inter-departmental Committee on the Disclosure of Financial Results in March 2005. This permanent committee, centered on persons in charge of operations related to the financial closing process in the above-mentioned divisions, carries out operations for the appropriate disclosure of financial information in an integrated manner.

For each accounting period, the committee checks and confirms the information to be disclosed and looks for potential problem points, etc. prior to disclosure. The committee also consults closely with the stock transfer agency, when necessary.

Moreover, the committee consults with the independent auditors, where appropriate, on matters requiring a decision by the latter. In addition, the committee requests the independent auditors to continue to submit checkpoints and check items to thoroughly strengthen the internal control function. The committee holds meetings with the independent auditors, not only during audits but also on a daily basis, to work collaboratively to prevent omissions in the financial closing process and information disclosure.

The committee also deals with the disclosure of generally determined facts and their occurrence, which

are not financial information. It has established a communication system that enables guidance and information from the Kanto Finance Bureau, the Tokyo Stock Exchange and the Ministry of Internal Affairs and Communications, which is our supervisory agency, to be promptly shared equally among all members of the committee.

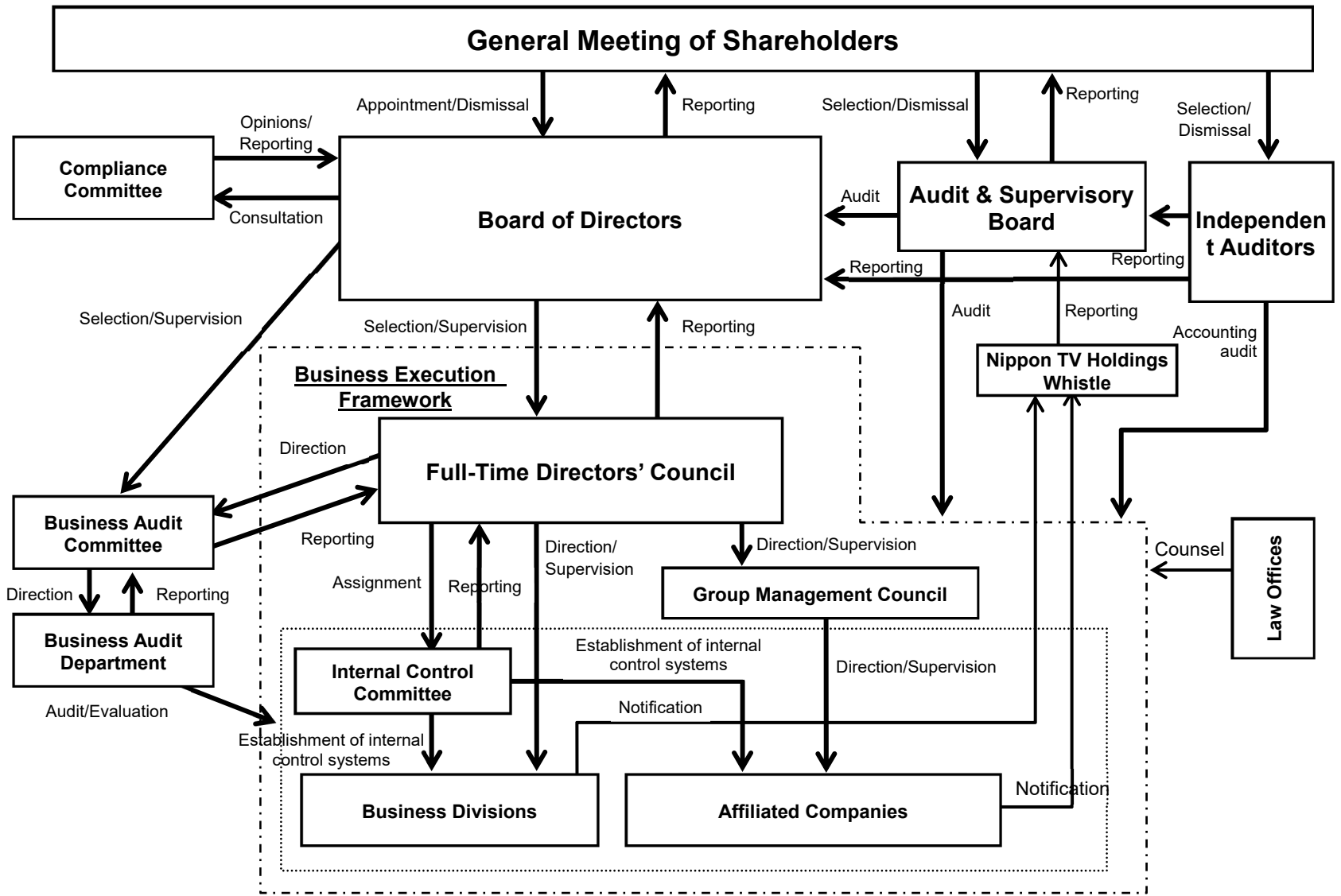
We periodically set up study groups, led by employees who are certified public accountants, to keep employees in information disclosure-related departments informed of the latest information to enhance their business operations skills.

(4) Framework for information disclosure by the parent company, etc.

The Company's "non-public parent company or the equivalent" (the parent company or the company if the Company is its affiliated one) is The Yomiuri Shimbun Holdings. The Company's framework for reporting The Yomiuri Shimbun Holdings' financial as well as other timely information is as follows.

With regards to financial closing information, staff in the Financial Management Division, Accounting Department of the Company communicate with staff in the Accounting Division of The Yomiuri Shimbun Holdings and obtain information on the financial statements and status of owners of shares in the parent company, etc., status of major shareholders and status of directors to meet the timing requirements for disclosure. Note that The Yomiuri Shimbun Holdings does not create an annual securities report.

Concerning other disclosure items for a non-public parent company, etc., staff in the Company's Corporate Administration & Human Resources Division, Corporate Administration Department, contact, where appropriate, staff in relevant departments of The Yomiuri Shimbun Holdings to check the contents.





[Overview of Timely Disclosure Systems]

