November 13, 2015

[Delayed] Notice concerning the formulation of *PRONEXUS Guidelines on Corporate Governance*

TOKYO, JAPAN, November 13, 2015 – PRONEXUS Inc. announced today that a resolution was passed at the Board of Directors' meeting held on November 13 in which approval was given for the formulation of the *PRONEXUS Guidelines on Corporate Governance* as follows.

1. Reason

Based on the Tokyo Stock Exchange's Corporate Governance Code that took effect on listed companies in June 2015, PRONEXUS formulate the Guidelines in order to further enhance corporate governance by setting forth behavioral guidelines for executive officers and employees as well as clearly defining its approach and framework for corporate governance to shareholders and other stakeholders

2. Structure of the Guidelines

The Guidelines contain the following chapters in order to systemize PRONEXUS' basic approach to corporate governance and related initiatives.

Chapter 1 Basic Approach to Corporate Governance
Chapter 2 Engagement with Shareholders and Other Stakeholders
Chapter 3 Appropriate Information Disclosures and Ensuring Transparency
Chapter 4 Board of Directors
Chapter 5 Board of Corporate Auditors
Chapter 6 Directors and Corporate Auditors

PRONEXUS will work to further enhance corporate value over the medium to long term in a sustainable manner and earn the trust and respect of shareholders and other stakeholders through its efforts under the Guidelines.

For further details, please refer to the *PRONEXUS Guidelines on Corporate Governance*.

PRONEXUS Corporate Governance Guidelines

Established November 13, 2015

The purpose of these Guidelines is to demonstrate the views on and framework of corporate governance of PRONEXUS Inc. (“PRONEXUS” or the “Company”) to maximize shareholder value and receive recognition from shareholders and other stakeholders with the aim of continuing sustainable development and growth. These Guidelines serve as guidelines for action for PRONEXUS's Directors, Audit & Supervisory Board Members and employees bearing in mind the significance of our social mission―contribution to the development of capital markets―to further enhance PRONEXUS's corporate governance.

Chapter 1. Basic Views on Corporate Governance

1-1 Basic Policies

PRONEXUS strives to continually revise and improve its business management structure in view of effectiveness in order to enhance management efficiency and fulfill its management accountability in an appropriate and fair manner, with the aim of sustainable growth and increase of corporate value over the medium to long term, in consideration of the perspectives of its stakeholders including customers, shareholders, employees, local communities and parties involved with capital markets.

In addition, we make every effort to disclose accurate management information in a timely manner, while strengthening our monitoring and checking functions, improving transparency, and comprehensively monitoring compliance and risk management.

In this regard, we fully recognize that one of our top management priorities is the enhancement of corporate governance.

1-2 Management Philosophy and Code of Conduct

PRONEXUS has established a management philosophy that represents our social mission and actions that will help us attain this mission.

Management Philosophy:

1. We will aspire to be a group of professionals.
2. We will aspire to be a trusted partner to our clients.
3. We will pursue best practices in legal compliance and information security.
4. We will continually produce high-caliber services with a global perspective.
5. We are fully aware of our responsibility as a corporate citizen and will aspire to realize sustainable growth.

In addition, based on the above management philosophy, we have established two codes of conduct that outline how each employee should conduct themselves. The contents of these codes are fully disseminated to PRONEXUS's Directors, Audit & Supervisory Board Members and employees, while the status of implementation is monitored through reports to the Board of Directors and Executive Officer Meeting and other similar means.

- PRONEXUS Code of Conduct: Code of conduct in executing our business as an operating company
- Social & Environmental Code of Conduct: Code of conduct toward the environment and society as a corporate citizen

1-3 Internal Control Systems

PRONEXUS has established an organization in charge of promoting company-wide compliance, has created related rules and compliance manuals, and continually trains all employees on compliance matters, based on the "PRONEXUS Internal Control System Basic Policy." In accordance with the "PRONEXUS Risk Management Rules," we strive to prevent risks that would have a significant effect on management and their recurrence, and speedily respond to such risks in cases of occurrence.

We have also established an internal audit department, which is directly controlled by the President and Representative Director. The department regularly conducts audits for organizations including business departments, plants and Group companies to examine and check various management statuses including compliance with laws and regulations, operating effectiveness and efficiency of internal controls, proper disclosure of financial position and risk management, and thereafter provides follow-up instructions. The department is working closely with Audit & Supervisory Board Members including the sharing of information.

1-4 Medium- to Long-term Management Strategy, Etc.

The medium-term management plan and an annual plan are formulated by the Board of Directors to clearly show our company-wide goals and achievement targets for each business department for which each executive officer is responsible. Progress is reported periodically to the Executive Officer Meetings to monitor the performance of duties of executive officers.

Chapter 2. Relations with Shareholders and Other Stakeholders

2-1 Securing the Rights and Equal Treatment of Shareholders

PRONEXUS takes the following actions to secure shareholder rights and ensure that they are exercised effectively. We give consideration to the equal treatment of all shareholders, including minority and foreign shareholders. We take appropriate actions to ensure shareholders' effective exercise of voting rights at general meetings of shareholders.

(1) We provide accurate information to shareholders in order to facilitate appropriate decision-making to exercise their voting rights.
(2) When proposing to shareholders that certain powers of the general shareholder meeting be delegated to the Board of Directors or proposing capital policies that may have a significant effect on shareholders, the Board of Directors carefully examines the necessity and rationale.

2-2 Developing Environment for Exercising Shareholder Rights at General Meetings of Shareholders

PRONEXUS recognizes that the general meeting of shareholders will serve as a place for constructive dialogue with shareholders. We take the following actions to give shareholders sufficient time to consider the agenda and develop an environment in which shareholders can exercise their rights appropriately.

(1) In principle, notice of convocation is dispatched not later than three weeks prior to the date of the general meeting of shareholders, and is disclosed on the Company's website by the date of such dispatch.
(2) PRONEXUS strives to ensure that the contents of the notice of convocation are easy to read by using plain words and incorporating visuals. An English translation is provided for the summary of the notice including the contents of proposals. The translation is disclosed by the date of dispatch as described in Item (1).
(3) In order to ensure that institutional investors and foreign investors will be able to exercise voting rights smoothly, PRONEXUS will develop an appropriate environment such as an Internet environment and other necessary services, and apply to use the platform for electronic exercise of voting rights.
(4) In cases where institutional investors who hold shares in the name of a trust bank or custodial institutions express an interest in advance in exercising voting rights at the general meeting of shareholders, PRONEXUS considers such possibility through prior consultations with the trust bank and/or custodial institutions.

2-3 Dialogue with Shareholders

Through constructive dialogue with shareholders, PRONEXUS seeks the understanding of shareholders of its management strategy and other matters, and strives to take appropriate actions based on the “PRONEXUS IR Policy.”

2-4 Capital Policy and Policy on Return of Profit

PRONEXUS strives to enhance earnings power and capital efficiency with the aim of realizing sustainable growth and increase of corporate value over the medium to long term. From this standpoint, we have made the commitment as a key business objective to achieve operating margin of 10% or higher and ROE (return on equity) of 8% or higher to establish steady earnings power and a strong financial base.

PRONEXUS also recognizes the return of profit to shareholders as an important managerial issue. The Company’s basic dividend policy is to conduct the stable, continuous payment of dividends, taking a comprehensive evaluation of business performance and the business environment into account, and the basic consolidated dividend payout ratio is set at 30% or more.

2-5 Cross-Shareholdings

PRONEXUS does not hold shares of other companies as cross-shareholdings unless doing so is considered to contribute to increase corporate value over the medium to long term in view of maintaining and strengthening steady and long-term business relationships with such stakeholders as customers and suppliers. With regard to exercising voting rights relating to cross-shareholdings, we determine the option in consideration of various aspects including the condition of the relevant company and business relationships therewith.

Reports are made periodically to the Board of Directors on shares held by cross-shareholdings to determine the appropriateness of investment and economic rationale.

2-6 Building Appropriate Collaborative relationships, etc. with Stakeholders Other than Shareholders

PRONEXUS's sustainable growth and increase of corporate value over the medium to long term are realized through the contributions of stakeholders such as customers, employees, local communities and parties involved with capital markets. In performing its management activities, PRONEXUS strives to build appropriate collaborative relationships with each of its stakeholders.

In addition, we have established the "Social & Environmental Code of Conduct" in accordance with the management philosophy so as to address issues regarding sustainability on social and environmental matters. We respond to these issues proactively while fully disseminating the Code to all employees.

Chapter 3. Ensuring Appropriate Information Disclosure and Transparency

3-1 Basic Policies for Information Disclosure

With the aim of ensuring that stakeholders evaluate PRONEXUS based on a proper understanding, we ensure transparency in information disclosure through appropriate disclosure of financial information such as information on our financial position and operating results, and non-financial information regarding management strategy, efforts to improve corporate governance and risk management.

3-2 Efforts for Appropriate Information Disclosure

PRONEXUS discloses information promptly, accurately and fairly in accordance with the "Disclosure Policy" and the "IR Policy" through the following activities:

(1) From the perspective of ensuring the fairness and soundness of the securities market, we recognize the importance of managing the security of undisclosed material information that would have an impact on investment decisions and practice strict information security.
(2) Bearing in mind the equal treatment of foreign shareholders, we provide the English versions of major disclosure materials including financial results reports and materials for earnings briefing.

3-3 Securing Proper Execution of Audit

PRONEXUS considers the timelines for preparation of disclosure documents to ensure high quality audits performed by the external accounting auditor. The Company also strives to increase the reliability of financial reporting through the accounting auditor's regular meetings with the President and Representative Director and cooperation with Audit & Supervisory Board Members on quarterly reviews.

Chapter 4. Board of Directors

4-1 Roles and Responsibilities of the Board of Directors

Given its fiduciary responsibility and accountability to shareholders, the Board of Directors makes deliberations and decisions on important matters relating to PRONEXUS's corporate management, and supervises the Company's business and overall management with the aim of increasing corporate value over the medium to long term.

4-2 Composition of the Board of Directors

The Board of Directors has an appropriately balanced composition as a whole that provides a deep understanding of PRONEXUS Group's business and diverse insight and expertise on finance and accounting, risk management, legal compliance and other related matters. The Board of Directors has no more than ten members.

4-3 Scope of Matters Delegated to the Management Team by the Board of Directors

The Board of Directors makes decisions on matters left solely thereto as stipulated by laws and regulations as well as PRONEXUS's "Rules of the Board of Directors." With respect to decisions on the execution of other main businesses, the scope of delegation is stipulated in PRONEXUS's "Rules of Authority of Management."

In addition, PRONEXUS has adopted an executive officer system in order to separate the management responsibility from the execution of corporate affairs. Each executive officer executes business of the relevant business department in charge in accordance with the "Rules of Executive Officers," "Organizational Rules" and "Rules of Authority of Management."

4-4 Active Deliberations at Board of Directors Meetings

In order to ensure that the Board of Directors will be a place where free, open and constructive discussions and exchanges of views take place, including the raising of concerns, PRONEXUS takes the following actions to ensure the smooth operation of Board meetings:

(1) We establish a Secretariat of the Board of Directors to provide adequate information to Directors and Audit & Supervisory Board Members and correspond and coordinate with outside Directors and outside Audit & Supervisory Board Members.

(2) The Secretariat determines the schedule of meetings of the Board of Directors for each year, organizes anticipated agenda items, and gives notice of the same to Directors and Audit & Supervisory Board Members.
(3) As a basic rule, documents describing proposals to the Board of Directors are distributed in advance of the meeting date.
(4) We continuously provide information regarding PRONEXUS`s business description and management environment when outside Directors and outside Audit & Supervisory Board Members are newly appointed and thereafter in order to ensure that they will obtain necessary information in addition to the agenda items of meetings of the Board of Directors.

4-5 Related Party Transactions

When making any transactions involving a conflict of interest between PRONEXUS and its officers (meaning Directors and Audit & Supervisory Board Members; hereinafter the same) or other related parties, PRONEXUS verifies that these transactions will not risk becoming detrimental to the Company and common interests of shareholders in accordance with the “Rules of the Board of Directors,” and obtain prior approval of the Board of Directors. After making these transactions, we report important facts regarding these transactions to the Board of Directors.

4-6 Analysis and Evaluation of Effectiveness of the Board of Director

PRONEXUS regularly conducts analysis and evaluation of the effectiveness of the Board of Directors to maintain and enhance the board's effectiveness and thereafter discloses the overview of the results.

Chapter 5. Audit & Supervisory Board

5-1 Roles and Responsibilities of Audit & Supervisory Board Members and the Audit & Supervisory Board

Audit & Supervisory Board Members and the Audit & Supervisory Board assume responsibility for conducting audits on the Directors' performance of duties as an independent organization entrusted by shareholders, in order to ensure sound and sustainable corporate growth and establish a high-quality corporate governance system that merits social trust.

5-2 Composition of the Audit & Supervisory Board

The Audit & Supervisory Board has a balanced composition as a whole that provides the knowledge, experience and capabilities of the entire board to fulfill expected roles and responsibilities in an effective manner. The Audit & Supervisory Board has no more than four members, including one or more persons having in-depth insight of finance and accounting.

5-3 Appointment of Outside Accounting Auditor

The Audit & Supervisory Board appoints an outside accounting auditor candidate from a comprehensive viewpoint by judging many different points including the audit system of the accounting auditor candidate, independence pursuant to the “Guidance on Independence” as provided for by the Japanese Institute of Certified Public Accountants, and reports on efforts regarding maintenance of quality.

Chapter 6. Directors and Audit & Supervisory Board Members

6-1 Policies and Procedures for Nomination of Candidates for Directors and Audit & Supervisory Board Members

(1) Directors

PRONEXUS nominates candidates who do not only have sufficient knowledge, experience and capabilities on the Company's broad business fields but who also have excellent management judgment capability and are expected to contribute to its sustainable growth and increase of corporate value over the medium to long term. Thereafter, the Board of Directors makes a decision about the candidates.

(2) Audit & Supervisory Board Members

PRONEXUS nominates candidates who can properly express opinions regarding the Directors' performance of duties from an independent standpoint and have the personality, discernment and sense of ethics as Audit & Supervisory Board Members. Thereafter, the Board of Directors makes a decision about the candidates after obtaining the consent of the Audit & Supervisory Board.

PRONEXUS nominates candidates for outside officers who hold a high level of fine discrimination and extensive experience in corporate management, finance and accounting, legal matters and IT. Such candidates are qualified to enhance the activities of the Board of Directors by supervising the Directors' performance of duties from an objective standpoint and expressing constructive opinions and proposals sincerely and actively based on the above description as well as on the independence criteria prescribed in the following paragraph.

6-2 Independence Criteria

When appointing outside Directors and outside Audit & Supervisory Board Members, PRONEXUS selects candidates who are not likely to cause any conflict of interest between the candidates and any general shareholder, and will be able to execute their roles in performing supervision and audits from an objective and appropriate standpoint by utilizing their professional knowledge, in accord with the independence criteria as stipulated in the Companies Act and the Code of Corporate Ethics issued by the Tokyo Stock Exchange.

6-3 Remuneration of Directors and Audit & Supervisory Board Members

As a basic rule, PRONEXUS determines an amount of remuneration, etc. for Directors by combining several types of remuneration that are calculated based on (1) the Director's professional responsibility and

contribution to management, (2) the Director's job title, and (3) the Company's business results and the Director's performance. The method of calculating the remuneration, etc. is determined with the approval of the Board of Directors.

Amounts of remuneration for Audit & Supervisory Board Members are determined within the limits of total remuneration approved at a general meeting of shareholders through consultation between Audit & Supervisory Board Members in consideration of many factors such as whether they are full-time or part-time Audit & Supervisory Board Member, internal or outside Audit & Supervisory Board Member, and job assignment.

We have also established the Stock Ownership Program for Officers to encourage officers to acquire shares. This program helps clarify officer's responsibilities for corporate performance and promote their contribution to improving corporate performance.

6-4 Concurrent Positions of Directors and Audit & Supervisory Board Members

A Director or Audit & Supervisory Board Member may concurrently serve as a director, corporate auditor, corporate executive officer or executive officer at a company other than a PRONEXUS Group company only to the extent that such Director/Audit & Supervisory Board Member is able to commit sufficient time as required to appropriately fulfill his/her duties as a Director/Audit & Supervisory Board Member of PRONEXUS, such as understanding the business and other necessary matters of the PRONEXUS Group. The Director/Audit & Supervisory Board Member shall report periodically to the Board of Directors on the status of such concurrent positions.

6-5 Training for Directors and Audit & Supervisory Board Member

PRONEXUS provides Directors and Audit & Supervisory Board Members with the training and information necessary to assume their roles and responsibilities. In addition, PRONEXUS organizes tours of its major business locations and plants, and briefing sessions to provide opportunities for newly appointed outside Directors and outside Audit & Supervisory Board Members to learn about the business and the financial and organizational profile of the PRONEXUS Group. Through these events and sessions, the Company helps them deepen their knowledge and understanding of the PRONEXUS Group.