

The Board Director Training Institute of Japan and Hitotsubashi ICS Joint Seminar:
(in [English](#), but simultaneous translation into Japanese will be provided)

Comparing Audit Committees to *Kansayaku* Boards

(Subject to possible change)

Over the past several decades, most countries have adopted the “Audit Committee” style of financial and risk oversight in their corporate governance structures. However, Japan has chosen to refine its somewhat unique framework for oversight of the audit function and directors’ duties, which utilizes a separate board known as the “*Kansayaku Board*”. This is the predominant form of governance and audit review in Japan, as it employed by approximately 98% of Japanese listed companies.

For many years, discussion and debate about corporate governance in Japan has been greatly complicated by the fact that the two systems differ in important respects. The *kansayaku* system is not fully understood by foreign investors or even by many Japanese persons, while many observers in Japan do not understand how Audit Committees operate in developed markets in Asia and the West, nor how they should be distinguished from *Kansayaku Boards*, or indeed from “audit committees” in Japanese “committee –style” companies.

To help clear the confusion, the Asian Corporate Governance Association (ACGA) (www.acga-asia.org/) published a paper late last year comparing these audit oversight systems. The paper addressed not only their legal and expected “best practice” roles, but also how they function in practice, their respective strengths and weaknesses, and enforcement issues. To our knowledge, this is the first time such a comparison has been made in such detail and from a practitioner’s perspective. Published in English as well as Japanese, the paper can be downloaded (in both languages) at one of the following URLs:

“*The Roles and Functions of Kansayaku Boards Compared to Audit Committees*”
<http://bit.ly/1lRsHHw> (English) <http://bit.ly/1feHYV2> (Japanese)

In this seminar, ACGA Secretary General, Jamie Allen, will explain the key points of the report and the conclusions that ACGA has reached. Next, Bruce Aronson, Professor of Law at Hitotsubashi ICS, will summarize the findings of a useful survey of *kansayaku* done by the *Kansayaku Kyokai* (Japan Audit and Supervisory Board Members Association) to document real-life examples of the role and concrete actions that *kansayaku* are taking in Japanese companies. In the last phase of the seminar, a panel including experienced directors and *kansayaku* will make comments on the findings and views expressed, the pros and cons of each system, and ways in which each might be improved.

Simultaneous interpretation into Japanese will be provided. BDTI and Hitotsubashi ICS are grateful to ACGA for funding this cost.

Please sign up early, as we expect this to be a well-attended event. (Use the link below.)

Date and time: Thursday, March 6th, 2014 at 15:00 – 17 : 30 (doors open at 14:30)

Translation: Simultaneous interpretation into Japanese will be provided.

Place: 3rd Floor, Kioicho Building, 3-12, Kioicho, Chiyoda-ku
Tokyo 102-0094, Japan

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Map: <http://www.noandt.com/en/summary/location.html>

Pre-registration required via: <http://bdti.or.jp/english/registration>

Charge: No charge to registered parties.

Maximum capacity: 100 participants

Jamie Allen

Founding Secretary General, Asia Corporate Governance Association (ACGA)

Since 1999, Mr. Allen has responsible for overall management of the ACGA, as well as directing its research, advocacy and educational work in 11 Asian markets. He is also a published author and has more than 25 years experience as a writer, editor and analyst covering the economies of Greater China and East Asia from Hong Kong. Prior to the establishment of ACGA, Mr. Allen ran his own consulting firm and carried out economic research on mainly finance-related topics, including corporate governance, for multinational clients in Asia. From 1992-95 he worked for the Economist Intelligence Unit (EIU). Over 2001 to 2007, Mr. Allen was a member of the Public Shareholders Group, a committee formed by the Hong Kong Securities and Futures Commission to advise it on shareholder rights and corporate governance matters in Hong Kong. From May 2006 to June 2010, Mr. Allen served on the Listing Committee of the Stock Exchange of Hong Kong (SEHK). In July 2013, Mr. Allen was appointed to the Financial Reporting Review Panel of the Financial Reporting Council (FRC) in Hong Kong for a period of three years. In October, he also joined the Operations Oversight Committee of the FRC. He is a graduate of the Australian National University, Canberra, where he received a BA (Honours) in political science and Chinese language.

Sumitaka Fujita

Chairman, Japan Association for CFOs,

Former Vice Chairman, ITOCHU Corporation,

Former Kansayaku, Nipponkoa Insurance Co., Ltd.;

Outside Director (current): Nippon Sheet Glass Co., Ltd. (Chairman of the Audit Committee), Furukawa Electric Co., Ltd., Olympus Corporation

Sumitaka Fujita joined Itochu Corporation in 1965 and has held a number of positions. He was Director ('95-'96), Managing Director in charge of Corporate Planning ('97-'99), Senior Managing Director, CFO ('99-'00), Executive Vice President ('01-'06) and Chief Financial Officer, Chief Information Officer and Chief Compliance Officer. He was appointed Vice Chairman of Itochu Corp. in 2006 and retired from the Board Member in '08 and served as Special Advisor to the President & CEO ('08-'11). He also served as an outside kansayaku at Nipponkoa Insurance Co., and serves or has served as an outside director of Nippon Sheet Glass Co., Ltd. (chairman of the audit committee), Furukawa Electric Co., Ltd., NKSJ Holdings, and other companies. He was appointed as an outside director of Olympus Corporation in April of 2012. He also serves as Chairman of the Japan Association for Chief Financial Officers.

Soichiro Uno

Partner, Nagashima Ohno & Tsunematsu

Kansayaku, Softbank Corporation

Soichiro Uno joined Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu) in 1988 and has been a partner of this firm since 1997. He graduated with an LL.B. from Hitotsubashi University in 1986 and with an LL.M. from Harvard Law School in 1993, and passed the New York bar examination in 1993. He was admitted to practice law in Japan in 1988. From 1993 to 1994 he worked at Gibson, Dunn & Crutcher LLP in Los Angeles as a visiting attorney.

Mr. Uno's practice focuses on corporate legal matters, especially M&A transactions, corporate governance/compliance issues and overseas transaction support services, representing international and domestic clients. He is a kansayaku at Softbank Corporation.

Nicholas Benes

Representative Director, The Board Director Training Institute of Japan (BDTI)

Nicholas Benes leads The Board Director Training Institute of Japan (BDTI), a non-profit “public interest organization” which provides training and seminars about corporate governance, global compliance, and related management topics. He is also an Adjunct Professor at the International University of Japan, and Chair of the Growth Strategy Task Force at the American Chamber of Commerce in Japan (ACCJ), where he was a twice-elected Governor and a leader of two other Task Forces. Mr. Benes has seven years of experience as an external board member at different Japanese companies, including at Livedoor Holdings after the scandal and Cecile, Ltd. He previously was an investment banker at JP Morgan for 11 years, after which he founded JTP Corporation, K.K., a path-breaking M&A advisory boutique in Tokyo. Mr. Benes has served as a member of the FSA’s Corporate Governance Liaison Committee, and on the Experts Committee of the Japan Investment Council. He has written many articles in both Japanese and English in leading media such as the Wall Street Journal and Japanese newspapers, on topics related to corporate law and governance, Japan’s economy and capital markets, and M&A and investment. He is an inactive member of the bar in California and New York, and received his B.A. from Stanford University and a JD-MBA degree from UCLA.

Bruce Aronson (Master of Ceremonies)

Professor of Law, Hitotsubashi Graduate School of International Corporate Strategy

Professor Aronson is a professor of law at Hitotsubashi University’s Graduate School of International Corporate Strategy. He received his undergraduate degree from Boston University and his J.D. from Harvard Law School in 1977. Professor Aronson was a corporate partner at the law firm of Hughes Hubbard & Reed LLP in New York (1989-2000) and a professor of law at Creighton University (2004-2013). His experience in Japan includes research at the University of Tokyo (2000-2002, 2004), the Bank of Japan (2010), and Waseda University (2011-2013). His main area of research is comparative corporate governance with a focus on Japan. He also acts as an advisor to the law firm of Nagashima Ohno & Tsunematsu.

■Please direct all inquiries about this seminar to the Board Director Training Institute of Japan.

本セミナーに関するお問い合わせ先:

公益社団法人会社役員育成機構 (BDTI) の事務局までお願い致します。

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