

Enacted on March 24, 2022

# **Regulations on Nomination and Remuneration Committee**

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## **CHAPTER I GENERAL PROVISIONS**

### **Article 1. Purpose**

The purpose of the Regulations on Nomination and Remuneration Committee (the “Regulation”) is to stipulate matters necessary for the efficient operation of the Nomination and Remuneration Committee (the “Committee”) in accordance with the article 48 of the Articles of Incorporation and the article 9 of the Regulations on the Board of Directors.

### **Article 2. Scope of Application**

Matters regarding the Committee shall be proceeded as prescribed by the Regulation, except as otherwise provided in the relevant laws and regulations, the Articles of Incorporation, or the Regulations on the Board of Directors.

### **Article 3. Authority and Function**

- (1) The Committee shall have the authority to recommend candidates for independent directors.
- (2) In deciding the persons to be recommended as the candidates for independent directors, the Committee shall include a candidate recommended by the shareholder who is qualified to exercise the shareholders' rights to make proposals under the article 542-6 (2) of Commercial Act.
- (3) The Committee shall perform the functions to establish remuneration policy and to determine the remuneration level.
- (4) The Committee may deliberate or resolve the matters delegated by the Board of Directors.

### **Article 4. Composition and Chairperson**

- (1) The members of the Committee (the “Members”) shall be elected or dismissed by the Board of Directors.
- (2) The Committee shall consist of three or more directors, and majority of the Members shall be independent directors.
- (3) The Committee shall appoint the chairperson by its resolution.

## **CHAPTER II MEETINGS**

#### **Article 5. Convocation**

- (1) The meetings shall be convened by the chairperson.
- (2) The Committee shall schedule a meeting date for its convocation, and inform each Member of the date and time and place for the meeting three days prior to the meeting date.
- (3) A meeting of the Committee may, with the unanimous consent of all Members, be held at any time without the procedures provided in sub-article (2) above.

#### **Article 6. Method of Resolution**

- (1) Resolutions of the Committee shall require the presence of majority of the Members and the affirmative vote of a majority of the attending Members.
- (2) The Committee may permit all or some of the Members to participate in resolutions through the use of communication means that transmits and receives sounds simultaneously without attending in person. In such cases, the Members shall be deemed to have physically attended the meeting.

#### **Article 7. Matters to be reviewed**

- (1) The Committee shall resolve the following matters:
  1. Recommendation of candidates for an independent director;
  2. A registered director's limit on remuneration to be submitted to a general meeting of shareholders;
  3. Matters to be determined by the Committee in accordance with regulations of directors' remuneration; and
  4. Other matters deemed necessary by the Board of Directors or the Committee.
- (2) The Committee shall deliberate matters set forth below:
  1. Review of performance evaluation and remuneration system of the Company;
  2. Review of executive training program and succession program;
  3. Review of the resources for bonus (incentive) and payment methods;
  4. Review of remuneration plan for retiring executives; and
  5. Other matters deemed necessary by the Board of Directors or the Committee.
- (3) The Committee shall report the followings:
  1. Reporting on payment status of annual remuneration; and
  2. Other matters deemed necessary by the Board of Directors or the Committee.

#### **Article 8. Hearing of Opinions of Related Persons**

If deemed necessary, the chairperson may request executives or employees relevant to the works or external persons to attend a meeting of the Committee and to present their explanation or opinion.

**Article 9. Advice**

The Committee may receive advice from inside and outside experts at the expense of the Company.

**Article 10. Notice Obligation**

The chairperson of the Committee shall notify each director of the resolved matters.

**Article 11. Minutes of Meeting**

- (1) The Committee shall prepare the minutes with regard to matters discussed at the meeting.
- (2) The agenda, substance of proceedings, the results thereof, dissenting Members and the reasons for such dissent shall be recorded in the minutes, and the directors present at the meeting shall write their names and affix their seals or affix their signatures thereon.

**Article 12. Administrative Secretary**

- (1) If deemed necessary, the chairperson may appoint a non-member as an administrative secretary.
- (2) The administrative secretary shall be under the direction of the chairperson, and responsible for handling the overall affairs of the Committee.

**Article 13. Amendment or Abolition**

Amendment or abolition of the Regulation shall be made pursuant to resolution of the Board of Directors.

**ADDENDUM**

- (1) The Regulation shall come into effect as of March 24, 2022.
- (2) With the establishment of the Nomination and Remuneration Committee and enactment of this Regulation, the Regulations on Independent Director Candidate Recommendation Committee and the Remuneration Committee Regulations are abolished and replaced by Regulations on Nomination and Remuneration Committee.