

Independent Director Nomination Committee

Terms of Reference

Chapter 1. General Rules

Article 1(Objective) Pursuant to Article 37 (2) of the articles of incorporation and Article 12 of the Board of Directors(the “Board”) policy, this Terms of Reference(TOR) stipulates rules necessary for an efficient operation of the Independent Director Nomination Committee(the “Committee”).

Article 2(Scope) Other than what’s stated in the applicable laws, the articles of incorporation or the Board policy, matters concerning the Committee are decided based on this TOR.

Article 3(Power) ① The Committee reserves the right to nominate an independent director who would be appointed at the general shareholders’ meeting. The Committee shall nominate only those who can commit themselves to at least 75% of the Board meetings.

② When deciding the nominations, the Committee shall include candidates recommended by shareholders qualified to exercise the rights described by Article 363-2, Section 1, and Article 542-6, Section 1 and 2 of the Commercial Act.

Chapter 2. Composition

Article 4(Composition) ① Appointments and dismissals of the Committee member(the “member”)s are made by the Board.

② The Committee shall comprise at least two(2) directors, and a majority of the members shall be independent non-executive directors.

Article 5(Chairman) ① The Committee shall appoint the chairman based on the agreement pursuant to Article 8 of the TOR.

② The chairman represents the Committee and presides over the meetings.

③ In the absence of the Committee chairman, [the member elected by remaining members] shall chair the meeting.

Chapter 3. Meeting

Article 6(Called by) ① Meetings shall be called by the chairman. However, in the absence of the chairman, an acting chairman is elected pursuant to Article 5-3 of the TOR.

② Any member may ask to call a meeting after communicating the agenda and purpose to the chairman. Should the chairman fail to call a meeting without a justifiable reason, the member who requested for a meeting can directly organize the meeting.

Article 7(Procedure) ① Notice of each meeting confirming the date shall be forwarded to each member of the Committee no later than [one week] before the date of the meeting.

② When there is a unanimous agreement among members, a meeting can be called anytime without going through the procedure as requested by Article 7-1.

Article 8(Attendance & Agreement) An agreement is deemed to be reached when a majority of the members are in attendance and a majority of those in attendance concur. All or part of the members may not be physically present but can be in attendance if they attend the meeting via communications channels that transmit and receive both image and voice. In this case, those members are deemed to be in attendance.

Article 9(Agenda) The agenda put to discussion at a meeting is as follows:

1. Nominating independent directors
2. Other matters necessary to discuss for the nominations

Article 10(Input Collection) The Committee is authorized to invite relevant employees or outside people to the meeting and obtain their inputs as and when appropriate and necessary.

Article 11(Notice) The Committee shall notify what has been agreed at the meeting to each director in less than two(2) days.

Article 12(Minute) ① The Committee shall minute the proceedings and resolutions of all committee meetings.

② The minute shall include the agenda items, proceedings, results, yeas and nays, and reasons for nays with the name stamp and seal, or signature by members in attendance.

Chapter 4. Supplementary Rules

Article 13(Secretary) ① The Committee shall appoint a secretary.

② A financial executive or a department head in charge of the Board operation shall serve as secretary to the Committee appointed by the chairman.

Article 14(Outside Advice, etc) The Committee is authorized to obtain advice or support from relevant employees or outside legal or other professionals as and when necessary to conduct their business, at the Company's expense as long as it remains within a reasonable scope.

Article 15(Activation & Closure) Activation or closure of these TOR shall be decided by the Board resolution.

Rider

These TOR shall come into effect starting from January 15, 2004.

Rider

These TOR shall come into effect starting from May 3, 2018.