

Sustainability Committee

I. Authority

The Sustainability Management Committee can deliberate and decide on the power of the board of directors, except for the following items, under the authority of the board of directors.

1. Proposal for matters requiring approval at the general shareholder meeting
2. Appointment and dismissal of the CEO
3. Establishment of the committee and selection/removal of a committee member
4. Matters prescribed by the Articles of Incorporation

The Sustainability Management Committee can deliberate on matters which need to be reviewed in advance in order to appeal to the board of directors, and can deliberate and decide on other daily management matters.

II. Organization

The Sustainability Management Committee member shall be elected and removed from the board of directors and consist of two or more directors.

The Sustainability Management Committee chairman represents the committee to serve as a chairman at the committee meeting. When a chairman fails to deliver his/her duty, a committee member selected by the committee shall take over the chairman's duty.

The meeting shall be held as regular and temporary. The regular meetings shall be held at least once a quarter. However, it can be omitted if there is no resolution. The temporary meeting shall be held as needed.

The Sustainability Management Committee shall be convened by the chairman, and each committee member can request the convocation of the committee by raising an agenda and its reasons. If the chairman does not convene the committee without good cause, the committee member who requested convocation may request the committee to convene.

The resolution shall be composed of the majority of enrolled members and the majority of attendees. The committee may allow all or a part of the audit committee members to participate in the resolution by means of a communication means that simultaneously transmits and receives voices without all or a part of them attending the meeting, where the audit committee member is deemed to have attended the committee.

The following items can be referred in the Sustainability Management Committee.

1. Deliberation and resolution on general management matters
 - Annual or mid- to long-term management policy and strategy
 - Business plan, business restructuring promotion
 - Promote cooperation such as strategic alliances with overseas companies
 - Changes in salary, work system and welfare benefits
 - Technology introduction plan and technology donation policy
 - Annual and mid-long term technology development plan
 - Primary facility replacement plan and new expansion plan
 - Relocation and abolition of branches, factories and offices
 - Installation and withdrawal of overseas branches and local subsidiaries
 - Other important management issues
2. Matters related to finance
 - Investment, capital increase, and disposal of equity of other subsidiaries (Affiliated companies) with less than 2.5% of equity capital
 - Investment of facilities with less than 5% of equity capital, short-term borrowing increase
 - Debt (Payment) guarantee of less than 2.5% of equity capital
 - Acquisition and disposal of tangible assets with less than 5% of total assets
 - Approval of internal transactions (Trade with special parties)
 - Overseas subordination agreement (Extension) approved
 - New loan agreement / Increase limit, extension / Change subject limit within limit
 - Joined for liability insurance
 - Other major issues related to finance / Matters delegated by the board of directors
3. Matters related to risk management throughout management
 - Risk management operation
 - Risk issues requiring decision making
4. Other matters deemed necessary by the chairman/committee

The Sustainability Management Committee can have related employees and outside personnel attend to listen to their opinions if necessary for the performance of business, and shall prepare minutes for the committee's discussion.

The agenda, progress, its result, the objector and the reason for the objection shall be recorded in the minutes, which is signed by the attending member.

The Sustainability Management Committee shall have an executive in charge of financial accounting as a secretary, and serve the general affairs of the committee under the chairman's direction.