

Policies and Procedures for Nominating Director Candidates

In determining candidates for Directors, the Company's policy is to nominate suitable candidates who can responsibly fulfill the management entrusted by shareholders as Directors of the Company and who can responsibly fulfill their duties, giving due consideration to the following selection criteria, including gender, age, nationality, knowledge, experience, and ability.

Criteria for Election of Candidates for Directors

1. Be in good health, both physically and mentally
2. Possess character and insight appropriate for a director
3. Have a strong sense of compliance with laws and regulations
4. Have sufficient experience and knowledge of the Company's business
5. Be capable of making management decisions and executing business operations
6. Candidates for outside directors should have extensive experience as an executive or have a proven track record and insight as a professional expert in law, accounting, finance, etc.
7. Candidates for outside directors must meet the criteria for independence.

Election and Nomination Procedures for Candidates for Directors

- The election of directors shall be made by resolution of the General Meeting of Shareholders. In nominating candidates for directors, the Board of Directors shall decide on the nominated director candidates based on the selection criteria and composition of the Board of Directors, and after receiving reports from the Nomination and Compensation Advisory Committee, consisting of the President and Representative Director and two independent outside directors.

Criteria for Dismissal of Directors

1. When it becomes difficult for the director to continue his/her duties
2. When it is judged that the director does not meet the criteria for election
3. When it is in the event of conduct that offends public order and morals
4. When a company's corporate value is significantly damaged by failing to perform its duties

Dismissal Procedures for Directors

- Dismissal of directors shall be by resolution of the General Meeting of Shareholders. When proposing the dismissal of a director, the Board of Directors shall decide on the proposal after receiving a report from the Nomination and Compensation Advisory Committee, which consists of the President and Representative Director and two independent outside directors, in accordance with the criteria for dismissal of directors.

Procedures for Election and Dismissal of the President and Representative Director

1. The Board of Directors shall decide on the appointment of the President and Representative Director after comprehensively considering the evaluation of the past performance, ability and experience of the candidate for President and Representative Director, and receiving a report

from the Nomination and Compensation Advisory Committee consisting of the President and Representative Director and two independent outside directors.

2. The Board of Directors shall decide on the dismissal of the President and Representative Director based on the evaluation of the Company's performance, etc. and the criteria for dismissal of directors, and after receiving a report from the Nomination and Compensation Advisory Committee consisting of the President and Representative Director and two independent outside directors.

Our Approach to the Composition of the Board of Directors

- The composition of the Board of Directors shall be such that the Board of Directors as a whole fulfills its fiduciary responsibility to shareholders, based on the balance of knowledge, experience, insight, and ability of the Board of Directors as a whole, and the ideas regarding diversity and size as set forth below.
 1. Size: The Board of Directors shall be comprised of 6-12 members to ensure a balance of diversity, knowledge, experience, insight, and ability in order for the Board to fulfill its responsibilities.
 2. Diversity: The composition of the Board of Directors shall take into consideration diversity in terms of new appointments and reappointments, internal and external appointments, gender, internationality, and other factors. At least two independent outside directors shall be appointed to ensure the independence and transparency of supervision by the Board of Directors.

Policies and Procedures for Nominating Candidates for Statutory Auditor

In determining candidates for statutory auditor, the Company's policy is to nominate, with the consent of the Board of Statutory Auditor, suitable candidates who are capable of fulfilling their duties as statutory auditor of the Company, taking into consideration the importance of auditing and the functions of statutory auditors in corporate management, the candidates' character and insight, and the following selection criteria.

Criteria for Election of Candidates for Statutory Auditors

1. Excellent character and insight, a wealth of experience, and a high sense of ethics
2. Have a company-wide perspective and the ability to objectively monitor the company
3. Ability to express their own opinions from a company-wide perspective
4. Ability to accurately identify changes in trends in the external environment, including related regulations
5. At least one of the Statutory Auditors must have considerable knowledge of finance and accounting
6. Candidates for outside statutory auditors must meet the criteria for independence.

Procedures for Election and Nomination of Candidates for Statutory Auditors

- The election of statutory auditors shall be made by resolution of the General Meeting of

Shareholders. In nominating candidates for statutory auditors, the Board of Directors shall decide on the nominated statutory auditor candidates based on the selection criteria and composition of the Board of Statutory Auditors, after receiving reports from the Nomination and Compensation Advisory Committee consisting of the President and Representative Director and two independent outside directors, as well as the consent of the Board of Statutory Auditors.

Concept regarding the composition of the Board of Statutory Auditors

- In order to ensure the Independence of the Board of Statutory Auditors, the majority of the Board of Statutory Auditors shall consist of outside statutory auditors.

Statutory Auditors shall be selected from among experts in finance, accounting, law, management, etc., and those with abundant experience in the Company.