

Corporate Governance Code Implementation Status

We are implementing all corporate governance codes.

Implementation status C: Comply E: Explain

Corporate Governance Code			Implementation status		Basic Policy on Corporate Governance
Principle		Supplementary principle	C	E	
Chapter 1 Ensuring Rights of Shareholders and Equality among Them			-	-	-
Basic principle 1			●	-	Chapter III, Chapter V
1-1	Ensuring the rights of shareholders	-	●	-	Chapter III - Article 20, Article 21 Chapter V - Article 36
		(i)	●	-	Chapter III - Article 21
		(ii)	●	-	
		(iii)	●	-	Chapter III - Article 20
1-2	Exercise of rights at general meetings of shareholders	-	●	-	Chapter III – Article 21
		(i)	●	-	
		(ii)	●	-	
		(iii)	●	-	
		(iv)	●	-	Chapter III – Article 21 Chapter V – Article 36
		(v)	●	-	Chapter III – Article 21
1-3	Basic policy on capital policies	-	●	-	Chapter III – Article 23
1-4	Cross-shareholdings	-	●	-	Chapter III – Article 24
		(i)	●	-	
		(ii)	●	-	
1-5	So-called takeover defense measures	-	●	-	Chapter III – Article 25
		(i)	●	-	
1-6	Capital policies that may harm shareholder interests	-	●	-	Chapter III – Article 26
1-7	Transactions among related parties	-	●	-	Chapter III – Article 27
Chapter 2 Appropriate Cooperation with Stakeholders Other than Shareholders			-	-	-
Basic principle 2			●	-	Chapter I, Chapter II, Chapter IV
2-1	Formulation of a management philosophy that serves as the basis for medium- to long-term improvements in corporate value	-	●	-	Chapter I – Article 1, Article 2 Chapter II – Article 6
2-2	Formulation and implementation of the corporate Code of Conduct	-	●	-	Chapter II – Article 6, Article 13, Article 18
		(i)	●	-	
2-3	Challenges related to sustainability including social and environmental issues	-	●	-	Chapter II – Article 6, Article 18 Chapter IV – Article 28, Article 30, Article 31, Article 33
		(i)	●	-	
2-4	Ensuring diversity within the company including promoting the active participation of women	-	●	-	Chapter IV – Article 33
		(i)	●	-	
2-5	Whistleblowing system	-	●	-	Chapter II – Article 9, Article 18
		(i)	●	-	
2-6	Demonstrating the function as an asset owner of the corporate pension	-	●	-	Chapter IV - Article 34

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Principle		Supplementary principle	C	E	
Chapter 3 Appropriate Information Disclosure and Ensuring Transparency			-	-	-
Basic principle 3			●	-	Chapter II, Chapter III, Chapter IV, Chapter V
3-1	Enhancing information disclosure	-	●	-	Chapter II - Article 6, Article 18 Chapter III - Article 21, Article 22 Chapter V - Article 35
		(i)	●	-	
		(ii)	●	-	Chapter V - Article 36
		(iii)	●	-	Chapter II - Article 16 Chapter III - Article 22 Chapter IV - Article 28, Article 31 Chapter V - Article 35
3-2	External Financial Auditors	-	●	-	Chapter II - Article 7, Article 9, Article 19
		(i)	●	-	
		(ii)	●	-	
Chapter 4 Responsibilities of Board of Directors			-	-	—
Basic principle 4			●	-	Chapter I, Chapter II, Chapter III, Chapter IV, Chapter V
4-1	Roles and responsibilities of Board of Directors (1)	-	●	-	Chapter I - Article 2
		(i)	●	-	Chapter II - Article 4, Article 6 Chapter III - Article 21
		(ii)	●	-	Chapter II - Article 6
		(iii)	●	-	
4-2	Roles and responsibilities of Board of Directors (2)	-	●	-	Chapter II - Article 5, Article 6, Article 10, Article 12
		(i)	●	-	Chapter II - Article 6, Article 16 Chapter IV - Article 28
		(ii)	●	-	
4-3	Roles and responsibilities of Board of Directors (3)	-	●	-	Chapter II - Article 5, Article 6, Article 8, Article 10, Article 11, Article 12 Chapter III - Article 27
		(i)	●	-	Chapter II - Article 5, Article 6, Article 8, Article 16
		(ii)	●	-	
		(iii)	●	-	
4-4	Roles and responsibilities of Auditors and Board of Auditors	-	●	-	Chapter II - Article 6, Article 11, Article 18
		(i)	●	-	Chapter II - Article 5, Article 7, Article 9
4-5	Entrusted responsibilities of Directors and Auditors	-	●	-	Chapter II - Article 5, Article 9
4-5	Entrusted responsibilities of Directors and Auditors	-	●	-	Chapter I - Article 2 Chapter II - Article 6
4-6	Management supervision and execution	-	●	-	Chapter II - Article 4, Article 5
4-7	Roles and responsibilities of independent outside directors	-	●	-	Chapter II - Article 5, Article 7, Article 8 Chapter III - Article 27

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Principle		Supplementary principle	C	E	
4-8	Effective use of independent outside directors	-	●	-	Chapter II - Article 5
		(i)	●	-	Chapter II - Article 7, Article 9
		(ii)	●	-	
		(iii)	N/A		N/A
4-9	Independence standards and qualifications for independent outside directors	-	●	-	Chapter II - Article 5, Article 7 Chapter V - Article 35
4-10	Utilization of voluntary mechanism	-	●	-	Chapter II - Article 4, Article 5
		(i)	N/A		N/A
4-11	Preconditions for ensuring the effectiveness of Board of Directors and Board of Auditors	-	●	-	Chapter II - Article 5, Article 13
		(i)	●	-	Chapter V - Article 35
		(ii)	●	-	Chapter II - Article 5 Chapter III - Article 21
		(iii)	●	-	Chapter II - Article 13
4-12	Activating deliberations by the Board of Directors	-	●	-	Chapter II - Article 6, Article 7
		(i)	●	-	
4-13	Information acquisition and support structure	-	●	-	Chapter II - Article 7, Article 9, Article 13, Article 14, Article 16
		(i)	●	-	
		(ii)	●	-	
		(iii)	●	-	Chapter II - Article 7, Article 9, Article 14, Article 18
4-14	Training for Directors and Auditors	-	●	-	Chapter II - Article 13, Article 15
		(i)	●	-	
		(ii)	●	-	
Chapter 5 Dialogue with Shareholders			-	-	-
Basic principle 5			●	-	Chapter II, Chapter III
5-1	Policy on constructive dialogues with shareholders	-	●	-	Chapter II - Article 6 Chapter III - Article 22
		(i)	●	-	
		(ii)	●	-	
		(iii)	●	-	
5-2	Formulation and publication of management strategies and management plans	-	●	-	Chapter II - Article 6
		(i)	●	-	Chapter III -Article 22, Article 23