

Criteria for Appointment and Dismissal of Directors
Company with Audit and Supervisory Committee

1. The Company shall select a candidate for Director from among persons who satisfy statutory and the following requirements.

Directors who are not Audit and Supervisory Committee members

- ① Persons who have a full understanding of the Company's social responsibility and mission and can execute management control and business administration in a fair and accurate manner based on a high level of self-discipline
- ② Persons who have abundant knowledge of and experience in the Company's management control and business administration
- ③ Candidates for Non-Executive Directors shall be persons who have deep insight and capabilities in any of the following fields in order to supervise the execution of duties of Directors:
Expert knowledge in corporate management, the economy, information technology, laws, accounting, tax affairs, personnel affairs, labor affairs, etc.

Director concurrently serving as Audit and Supervisory Committee member

- ① Persons who have a full understanding of the Company's social responsibility and mission and can supervise the execution of duties of Directors based on a high level of self-discipline
- ② Persons who can audit the status of the execution of duties of Directors from a fair and objective standpoint and contribute to the improvement of soundness and transparency of management
- ③ Persons who have deep insight and capabilities in any of the following fields in order to audit and supervise the execution of duties of Directors:
Expert knowledge in corporate management, the economy, information technology, laws, accounting, tax affairs, personnel affairs, labor affairs, audit, etc.

Outside Directors

- ① Candidates for Independent Outside Directors shall be persons who satisfy the requirements under the Company's criteria for determining their independence
- ② Persons who do not fall under any of the following
 - (1) Persons whose term of office as Outside Director exceeds eight years in all (provided, however, in the case where five years or more have passed after retirement as Outside Director, the period in office before the said retirement shall not be aggregated).
 - (2) Persons who concurrently serve as outside director or corporate auditor for no less than five listed companies, in addition to their positions in the Company, and whose attendance at meetings of the Company's Board of Directors was less than 80% in the previous fiscal year.
- ③ A person who runs afoul of any of the preceding items may be selected as a candidate for Outside Director if the Board of Directors recognizes the person as an appropriate candidate for Outside Director based on a comprehensive judgment of his/her independence and whether he/she can fulfill his/her duties and responsibilities required. In that case, the reason, etc. for the selection as Outside Director shall be explained and disclosed at the time of appointment.

2. If a Director of the Company falls under any of the following conditions, procedures for dismissal shall be followed.

- ① The subject person fails to fulfill the criteria for the appointment of Directors
- ② The subject person breaches laws and regulations, the articles of incorporation, public order and morals, etc. and is considered to have significantly impaired the corporate value of the Company.

Established on November 26, 2015

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