

[Supplementary Principle 4.3.2 Roles and Responsibilities of the Board(3) Appointment of CEO]

[Supplementary Principle 4.3.3 Roles and Responsibilities of the Board(3) Dismissal of CEO]

## **Policy and Procedure on Appointment and Dismissal of Executive Management**

### **Definition**

"Executive Management Member of the Group" stands for aggregate references to (i) Executive President, Representative Executive Officers and Executive Officers, and (ii) CEO, COO, CFO, CAO and any such other office or role of the Group as is close or only next to those officers in its significance and requires a resolution of the Board of Directors in relation to any such appointment or dismissal.<sup>1</sup>

### **Details**

The Nomination Committee provides recommendation and/or advice to the Board on such appointments, dismissals and/or assignments prior to relevant resolutions of the Board.

Prior to the appointment and/or assignment and/or dismissal of each candidate, a comprehensive review of the candidate's proven performance to date, potential caliber as a leader, and commitment to the Group's future direction, "Our Vision" (\*), the principles for Stakeholders Communication, code of conduct and Competencies is completed.

The term of office of Executive Officers is one year. Election or re-election of all Executive Officers shall be reviewed annually on the basis of the above standards. As regards the other senior management, individual performance reviews will also be carried out annually within the appraisal process.

The Group, as a global company, recognizes that we face retention risks with management talent, while the Group seeks to maintain highly transparent process in relation to policy and procedures of such appointments, dismissals and/or assignments. The Group aims to minimize such risks through the annual review of succession plans implementing talent development activities in a planned manner and offering challenging career development opportunities.

(\* ) This stands for our management principles composed of "Our Mission", "Aspiration" and "Core Values".

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<sup>1</sup> Those who report directly to CEO should be normally included in this category.