NSG Group Corporate Governance Guidelines

[Structure of the Board and its Committees]

Articles 9.2

The Board of Directors comprises a majority of Independent External Directors referred to in Article 13, Paragraph 1.

[Independent External Director]

Articles 13

Independent External Director refers to External Director who satisfies not only the requirements for external directors stipulated under the Companies Act, but also the independence criteria for Independent Officers set by the Financial Instruments Exchange as well as the independence standards established by the Nomination Committee of the Company. (See Annex 13 for Criteria for Independence of External Directors.)

2. Independent External Directors are tasked to oversee the management of the Group from a position which would not cause any conflict of interest with shareholders in general, thereby enhance the transparency of the decision-making process of the Board and each Committee, and consequently their performance based on those decisions.
3. Independent External Directors shall be kept updated regarding the management status of the Group through the Board Secretariat as well as by Executive Officers.
4. Independent External Directors shall hold meetings at least once a year, including those held as part of the Board effectiveness review referred to in Article 23, primarily for the purpose of exchanging views among themselves on matters relating to the Group's corporate governance, important management issues, and specific important proposals. At such meetings, other Directors and Executive Officers shall provide appropriate support upon request by Independent External Directors.
5. The maximum term of office for Independent External Directors shall be six years in principle.