

## ANNEXES

### [Annex 1] Core Principles of Corporate Governance

[March 9, 2017]

#### Core Principles of Corporate Governance

Classification		Core Principles
Shareholders	Shareholders' Rights	① Shareholders shall be able to receive sufficient and timely information, which is necessary to exercise their rights, and to exercise their rights through appropriate procedures.
	Equitable Treatment of Shareholders	② Shareholders shall hold fair voting rights according to the class and number of shares owned; and the corporation shall make efforts to be equipped with a system that provides corporate information to the shareholders in a fair manner.
Board of Directors ("the Board")	Functions of the Board	③ The Board shall establish the business objectives and strategies in the best interests of the corporation and its shareholders, and effectively supervise the activities of the management.
	Composition of the Board	④ The Board shall be composed so as to facilitate effective decision-making and supervision of management; and the directors shall be appointed through a transparent process, which reflects the diverse opinions of shareholders.
	Responsibilities of Outside Directors	⑤ Outsider directors shall be able to independently participate in important corporate management decision-making, and to supervise and support the management as board members.
	Evaluation of Outside Directors' Activities	⑥ To promote active performance of duties by the outside directors, their activities shall undergo fair evaluation; and the decisions on their remuneration and reappointment shall be made on the basis of the outcomes of such evaluation.
	Operation of the Board	⑦ The Board shall be operated efficiently and rationally to ensure that the management decisions are made in the best interests of the corporation and shareholders.
	Committees of the Board	⑧ For an efficient operation, the Board shall establish internal committees which are responsible for the performance of specific functions and roles.
Audit Systems	Internal Auditing Bodies	⑨ Internal auditing bodies, such as the audit committee and auditors, shall perform their auditing duties faithfully by maintaining independence from the management and controlling shareholders, and the details of key activities of internal auditing bodies shall be disclosed.
	External Auditors	⑩ In order to make certain that the shareholders and other users have confidence in the corporate financial information, an external auditor must perform his/her auditing tasks fairly and independently from the corporation audited, including its management and controlling shareholders.