Audit Committee Charter

Article 1

This Charter is adopted pursuant to Article 3 of the 『Regulations Governing the Exercise of Powers by Audit Committees of Public Companies』.

Article 2

Matters concerning the number, term of office, powers, rules of procedure for meetings and resources to be provided by this Corporation when the Audit Committee ("the Committee") exercises its powers shall be handled in accordance with this Charter.

Article 3

The main function of the Committee is to supervise the following matters:

1. Fair presentation of the financial reports of this Corporation.
2. The hiring (and dismissal), independence and performance of certificated public accountants of this Corporation.
3. The effective implementation of the internal control system of this Corporation.
4. Compliance with relevant laws and regulations by this Corporation.
5. Management of the existing or potential risks of this Corporation.

Article 4

The Committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be the convener and at least one of whom shall have accounting or financial expertise.

The independent director members of the Committee shall serve a 3-year term and may be re-elected to further terms. When the number of the independent director members on the Committee falls below that prescribed in the preceding paragraph or in the articles of incorporation due to an independent director's dismissal for any reason, a by-election shall be held at the next shareholders meeting to fill the vacancy.

When the independent directors are dismissed en masse, a special shareholders meeting of the Company shall be called within 60 days from the date of the occurrence to hold a by-election to fill the vacancies.

Article 5

Powers conferred by the Securities and Exchange Act, the Company Act, and any other law to be exercised by supervisors shall be exercised by the Committee.

The provisions of Article 14-4, paragraph 4 of the Securities and Exchange Act, in regard to the Company Act as concerns the actions of supervisors, apply mutatis mutandis to the independent director members of the Committee.

Resolutions at meetings of the Committee shall be adopted with the approval of one half or more of the entire membership. The convener of the Committee shall represent the Committee to the public. Persons to represent the company in matters under Articles 213, 214, and 223 of the Company Act shall be selected by the audit committee by the procedure set out in the preceding paragraph. The audit committee may resolve for members to individually represent or jointly represent the company in such matters. If representatives are not selected by the procedure in the preceding paragraph, the entire membership shall jointly represent the company.

"The entire membership" as used herein, shall be counted as the number of members actually in office at the given time.

Article 6

The powers of the Committee are as follows:

1. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Assessment of the effectiveness of the internal control system.
3. The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
4. Matters in which a director is an interested party.
5. Asset transactions or derivatives trading of a material nature.
6. Loans of funds, endorsements, or provision of guarantees of a material nature.
7. The offering, issuance, or private placement of equity-type securities.
8. The hiring or dismissal of a certified public accountant, or their compensation.
9. The appointment or discharge of a financial, accounting, or internal audit officer.
10. Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
11. Other material matters as may be required by this Corporation or by the competent authority.

The matters under the preceding paragraph shall be subject to the approval of one half or more of the entire membership of the Committee and shall be submitted to the board of directors for a resolution. Any matter in the paragraph 1, with the exception of subparagraph 10, that has not been approved by one half or more of the entire membership of the Committee may be adopted with the approval of two thirds or more of the entire board of directors.

"The entire membership" as used herein, shall be counted as the number of members actually in office at the given time.

The convener of the Committee shall represent the Committee to the public.

Article 7

The Committee shall convene at least once quarterly, and may call a meeting at its discretion whenever necessary.
In calling a meeting of the Committee, a notice of the reasons for convening the meeting shall be given to each independent director member at least 7 days in advance. In emergency circumstances, however, the meeting may be called on shorter notice.
The location and time of the Audit Committee meeting shall be at the Company's location and office hours, or at a location and time that is convenient for Audit Committee members to attend and suitable for the meeting.
A member of the Committee shall be elected as the convener and meeting chair by and from the entire membership of the Committee. When the members of the Audit Committee are unable to elect the convener, the independent director with the most voting rights shall serve as the representative.
When the convener is on leave or unable to convene a meeting for any reason, the convener shall appoint another independent director member on the Committee as acting convener; if the convener does not make such an appointment, one independent director member of the Committee shall be elected by and from the other independent director members of the Committee to serve as convener.
More than half of the independent directors of the Audit Committee may write down the proposed matters and reasons, and request the convener to convene the Audit Committee meeting. If the convener fails to convene the meeting within 15 days of the request, more than half of the independent directors of all members of the Audit Committee may convene on their own.
The Committee may resolve to request the managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of this Corporation to attend the meeting as non-voting participants and provide pertinent and necessary information. But the attendees stated herein shall leave the meeting while discussion and voting.

Article 8

When a meeting of the Committee is held, an attendance book shall be made available for signing-in by the independent director members in attendance, and thereafter made available for reference.
Independent director members shall attend meetings of the Committee in person; if an independent director member is unable to attend in person, the independent director member may appoint another independent director member as proxy to attend the meeting. Attendance via telecommunications is deemed as attendance in person.
A member of the Committee that appoints another independent director member as proxy to attend a meeting of the Committee shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda.
Resolutions at meetings of the Committee shall be adopted with the approval of one half or more of the entire membership. The result of a vote shall be made known immediately and recorded in writing.

If for a legitimate reason it is impossible to hold a meeting of the Committee, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire board of directors. Nevertheless, a written opinion indicating approval shall be obtained from each independent director member with respect to the matters under Article 6, paragraph 1, subparagraph 10. The proxy under paragraph 2 may accept a proxy from one person only.

Article 8-1

At the current meeting time, if less than half of the members of the Audit Committee are present, the chair may announce a postponement of the meeting on the same day, with a maximum of two postponements. If the amount is still insufficient after two postponements, the chair may convene a new meeting in accordance with the procedures stipulated in Article 7, paragraph 2.

Article 8-2

The Audit Committee shall conduct its proceedings in accordance with the procedures set out in the meeting notice. However, if more than half of the members of the Committee agree, it may be changed.

The chair shall not announce the adjournment of the meeting without the consent of more than half of the members of the Audit committee.

During the proceedings of the Audit Committee meeting, if the number of present members does not reach half of all members, the chair shall announce the suspension of the meeting upon the proposal of the independent directors present, and apply the provisions of the preceding article.

During the proceedings of the Audit Committee meeting, if the convener is unable to preside over the meeting due to unforeseen circumstances or the chair fails to announce the adjournment of the meeting in accordance with the provisions of the paragraph 2, the appointment of the proxy shall be subject to the provisions of Article 7, paragraph 5.

Article 9

Discussions at a meeting of the Committee shall be included in the meeting minutes, which shall faithfully record the following:

1. The session, time and place of the meeting.
2. The name of the meeting chair.
3. Attendance by the independent director members, including the names and the number of members present, excused and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: For each proposal, the method of resolution and the result; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting, the name of Independent Director who involved with the interested party, an explanation of the important contents of the interested party in accordance with the provisions

of Paragraph 1 of Article 11 shall be evaded or avoided,; and any objections or reservations expressed.
8. Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; , the name of Independent Director who involved with the interested party, an explanation of the important contents of the interested party in accordance with the provisions of Paragraph 1 of Article 11 shall be evaded or avoided, and any objections or reservations expressed.
9. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee and shall be preserved in the continuous period of the Company. .

The minutes of a Committee meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of this Corporation.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 10

The Committee's meeting agenda shall be drafted by the convener. Other members may also put forward proposals for discussion by the Committee.

Article 11

An independent director member of the Committee shall recuse himself or herself when they are an interested party with respect to a given agenda item and give an explanation of the important content of the interested party, the Independent Director is unable to join the discussion and voting and shall avoid while discussion and voting when such a relationship is likely to prejudice the interests of this Corporation.

Where the spouse, a blood relative within the second degree of kinship of a independent director, or any company which has a controlling or subordinate relation with a independent director has interests in the matters under discussion in the meeting of the preceding paragraph, such independent director shall be deemed to have a personal interest in the matter.

If, for the reason stated in the paragraph 1, an agenda item cannot be resolved at a meeting of the Committee, it shall be reported to the Board of Directors, which shall resolve on the item.

Article 11-1

The Company shall record the entire process of recording or recording of the proceedings of the Committee and shall keep it for at least five years, the record could be kept in electronic form.

If the occurrence of the litigation proceedings in respect of the relevant matters of the Committee before the expiry of the preceding term, the relevant recording or videotaping information shall be kept to the end of the litigation proceedings.

If the Committee held up by video conference, the video information is a part of the meeting minute and should be kept during the period of existence of the Company.

Article 12

The Committee may resolve to retain the service of an attorney, certified public accountant, or other professionals to provide advice with respect to matters in connection with Article 6. The costs of their services shall be borne by this Corporation.

Article 13

The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in this Charter; they shall be accountable to the Board of Directors and shall submit their proposals to be resolved by the board.

Article 14

The Committee shall conduct periodic reviews of matters relating to this Charter and present the results for amendment by the Board of Directors.
The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.

Article 15

This Charter and any amendments hereto shall come into in force after adoption by the Board of Directors.