

# **REGULATIONS OF THE AUDIT COMMITTEE**



**TYM CORPORATION**

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## **CHAPTER I. GENERAL PROVISIONS**

### **Article 1 (Purpose)**

The purpose of the Regulations is to specify the guidelines for the performance of the duties of the Audit Committee (the "Committee") and requirements for its operation such that the Committee can perform its duties in an appropriate and efficient manner.

### **Article 2 (Scope of Application)**

The matters related to the Committee shall be handled in accordance with the Regulations, unless otherwise specified by the laws, the Articles of Incorporation or Regulation of the Board of Directors.

### **Article 3 (Authority)**

- (1) The Committee shall audit the accounting of the Company and the conditions of the Company's business.
- (2) The Committee may request the directors to report on the business and investigate business and property status of the Company.
- (3) The Committee approves appointment and change or dismissal of an external auditor.
- (4) In addition to paragraphs (1) to (3) above, the Committee shall handle matters provided for by laws or Articles of Association and matters delegated by the Board of Directors.

## **CHAPTER II. ORGANIZATION**

### **Article 4 (Organization)**

- (1) Members of the Committee (the "Member") shall be appointed at a general meeting of shareholders.
- (2) The Committee shall be composed of three or more directors, at least 2/3 of which must be outside directors.
- (3) At least one (1) Member shall be an accounting or financial expert as set forth in Article 542-11 (2) of the Commercial Act; and the Members who are not outside directors shall satisfy the requirements set forth in Article 542-11 (3) of the Commercial Act.
- (4) If the Committee fails to satisfy the requirement of the proportion of the outside director specified in Paragraph (2) above or the requirement of the composition of the Committee specified in Paragraph (3) above due to resignation/death of a Member who is an outside director, the Committee shall be reorganized to satisfy the composition requirements at the first meeting of the shareholders after the occurrence of such event.

### **Article 5 (Chairperson)**

- (1) The Committee shall designate the Chairperson who represents the Committee and presides over its meetings.
- (2) The Chairperson shall supervise the overall duties of the Committee and may assign separate duties to each Member in order to increase efficiency of operation of the Committee.
- (3) If the Chairperson is absent or unable to execute his/her duties, a Member designated by the Committee shall perform the Chairperson's duties.

## **CHAPTER III. MEETING**

### **Article 6 (Types)**

- (1) The Committee's meeting shall be classified into ordinary and extraordinary meetings.
- (2) The ordinary meeting of the Committee shall be held quarterly.
- (3) The extraordinary meeting of the Committee shall be convened, as necessary from time to time.

### **Article 7 (Person Authorized to Convene a Meeting)**

- (1) The Committee's meeting shall be convened by the Chairperson.
- (2) Any Member may request the convening of a meeting by notifying the Chairperson of the agenda and the reason for convening the meeting. If the Chairperson denies such request without any reasonable ground, the Member who has made such request may convene the meeting.

#### **Article 8 (Convocation Procedure)**

- (1) In convening a meeting, the date of meeting shall be decided and notified to each Member no later than one week before the date of the meeting.
- (2) The Committee, with the consent from all the Members, may have a meeting at any time without following the procedures under Paragraph (1) above.

#### **Article 9 (Method of Resolution)**

- (1) A resolution by the Committee shall be adopted by the majority of the Members present at a meeting where the majority of the incumbent Members are present.
- (2) The Committee may allow all or part of the Members to participate in resolutions by means of telecommunication that simultaneously transmits and receives voices of all the Members, without attending the meeting in person. In this case, such Members shall be deemed to be present in person at the meeting of the Committee. However, in cases where a face-to-face meeting is required by the External Audit Act, notwithstanding the aforementioned paragraph, participation in the resolution may be permitted only through the remote video conferencing method with devices that simultaneously transmit and receive videos and voices.

#### **Article 10 (Agenda to be Submitted)**

Below is a list of agenda to be submitted to the Committee:

1. General meeting of shareholders
  - 1) Request to convene an extraordinary general meeting of shareholders
  - 2) Statement on the documentation and agenda of the general meeting of shareholders
2. Directors and the Board
  - 1) Duty to report to the Board
  - 2) Preparation and submission of the audit report
  - 3) Claim for an injunction regarding any illegal act on the part of a director
  - 4) Request for a business report to the directors
  - 5) Matters delegated by the Board
3. Auditors
  - 1) Investigation into business and assets
  - 2) Investigation of subsidiaries
  - 3) Receiving the director's report
  - 4) Representation of the director and the company at the time of dispute
  - 5) Determination on filing of a lawsuit when minority shareholders request a lawsuit against the director
  - 6) Audit plan and results
  - 7) Review on the adequacy of the important accounting principles and validity of the change in accounting estimate
  - 8) Evaluation of the Internal Control System (including Internal Accounting Control System)
  - 9) Confirming the measures on the matters which need to be remedied as a result of the audit
  - 10) Appointment and dismissal of external auditors
  - 11) Establishment and amendment of standards and procedures necessary for the selection of external auditors
  - 12) Post-evaluation of selected external auditors
  - 13) Receiving reports of the company's violation of accounting standards for accounting accounting, etc. from an external auditor, investigating the relevant violation, and requesting corrective action from the CEO.
  - 14) Other matters deemed necessary by the Audit Committee.

#### **Article 11 (Attendance of Related Persons, etc.)**

- (1) The Committee may request related executives and employees and external auditors to attend the meeting, if necessary for the performance of its duties.
- (2) If the Committee deems it necessary, it may seek advice from experts, etc. at the Company's expense.

#### **Article 12 (Meeting Minutes)**

- (1) Minutes of every meeting of the Committee shall be recorded.
- (2) The meeting minutes shall include the agenda, proceedings, result of the meeting, names of the Members against each resolution, and the reason for their objection thereto, and the Members present at the meeting shall sign or affix their seals on the minutes.

#### **CHAPTER IV. SUPPLEMENTARY PROVISIONS**

##### **Article 13 (Revision of Regulations)**

Amendments to these regulations shall be subject to a resolution of the Board of Directors.

##### **ADDENDA**

The Regulations shall become effective from 7 April 2021

