

Policy on Cross-Shareholdings

[Principle 1.4 Cross-Shareholdings]

When companies hold shares of other listed companies as cross-shareholdings, they should disclose their policy with respect to doing so, including their policies regarding the reduction of cross-shareholdings. In addition, the board should annually assess whether or not to hold each individual cross-shareholding, specifically examining whether the purpose is appropriate and whether the benefits and risks from each holding cover the company's cost of capital. The results of this assessment should be disclosed.

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The Company maintains cross-shareholdings with the aim of fostering relations and strengthening ties with other companies. Each year, the Board of Directors examines the medium- to long-term economic rationale of each of its cross-shareholdings, and discloses the result of this examination. Furthermore, the Board of Directors strives to reduce cross-shareholdings by, among other efforts, selling shares deemed to no longer be necessary to hold.

(Corporate Governance Guidelines Article 5.2)