

Enacted on January 4, 2021
Amended on May 27, 2021
Amended on September 28, 2021
Amended on March 24, 2022

ESG Committee Regulations

March 24, 2022



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CHAPTER I GENERAL PROVISIONS

Article 1. Purpose

The purpose of these Regulations is to set forth matters necessary for the efficient operation of the ESG Committee (the “Committee”) in accordance with the article 48 of the Articles of Incorporation and the article 9 of the Regulations on the Board of Directors.

Article 2. Scope of Application

Matters regarding the Committee shall be proceeded as prescribed by the Regulations, except as otherwise provided in the relevant laws and regulations, the Articles of Incorporation, or the Regulations on the Board of Directors.

CHAPTER II ORGANIZATION STRUCTURE AND DIVISION OF DUTIES

Article 3. Composition and Chairperson

- (1) The Members shall be elected or dismissed by the Board of Directors.
- (2) The Committee shall consist of three or more members, and all members shall be independent directors.
- (3) The Committee shall appoint its chairperson by its resolution.
- (4) The chairperson shall manage the business of the Committee in the whole, and may assign business to each member for the efficient operation of the Committee.
- (5) If the chairperson is unable to perform his/her duties, a member designated by the Committee shall act on behalf of the chairperson.
- (6) The term of each member is until the completion of his/her term of the office, and he/she may serve consecutive term.

Article 4. Authority and Function

- (1) The Committee shall have the authorities to review and approve the matters to be discussed prescribed in the article 8 of these Regulations.
- (2) The Committee may be reported the status of internal trading and self-transaction with the affiliates or subsidiaries and the major management matters of the Company significantly affecting shareholder value, his/her right and ESG activities.
- (3) The Committee may instruct an administrative secretary to submit materials or report matters of internal trading and self-transaction, and major management matters of the Company significantly affecting shareholder value, his/her right and ESG activities.
- (4) The Committee may recommend the Board of Directors corrective measures regarding the internal trading materially violating the laws and regulations or regulations of the Company.
- (5) The Committee may receive the service of experts at the expenses of the Company.

Article 5. Duties

- (1) The members of the Committee (the “Members”) shall execute their duties with fiduciary duties and duties of loyalty.
- (2) The Committee shall be reported from the administrative secretary on the status of the internal trading once or more than once every quarter and deliberate. It shall report the internal trading of the Company violating the relevant laws and regulations to the Board of Directors.

CHAPTER III OPERATION

Article 6. Convocation

- (1) In principle, a meeting shall be held once per quarter for deliberation on large-scale internal trading provided at the article 26 of Monopoly Regulation and Fair Trade Act. However, if deemed necessary, the meeting may be held at any time.
- (2) The chairperson shall convene the meetings.
- (3) When convening a meeting of the Committee, a notice stating the date, time, place and agenda shall be provided by a document, e-mail, or the like at least three days prior to the meeting. However, a meeting of the Committee may, with the unanimous consent of all Members, be held at any time without the aforementioned procedure.
- (4) Each Member may request the chairperson to convene a meeting of the Committee with the notice of agenda and reason.
- (5) In the event that chairperson fails to convene the meeting without justifiable reason, it may be convened by the member who has requested the meeting.
- (6) The Committee may resolve the postponement or the continuation of the meeting. In this case, the procedure for the convocation may be omitted.
- (7) If necessary, the Committee may hold joint meetings with the Board of Directors or other committees. In this case, the procedure for the convocation may be omitted.

Article 7. Method of Resolution

- (1) The resolution of the Committee shall be made with the presence of majority of the Members and the affirmative vote of a majority of the Members in attendance at such meeting.
- (2) The meeting relating to the resolution may be held with all or some of the Members’ participation in resolutions through the use of communication means that transmits and receives sounds simultaneously. In such cases, such Members shall be deemed to have physically attended such meeting.

Article 8. Matters to be Discussed

The matters to be discussed at the Committee are as follows:

- (1) The Committee shall deliberate and resolve on internal trading set out below, and the result shall be notified to each member and reported to the Board of Directors.
 1. Large-scale internal trading provided in the article 26 of Monopoly Regulation and Fair Trade Act.
 2. Internal trading presented to the Committee which has been assessed as material internal trading by the chairperson regardless of the amount of the internal trading.
- (2) The Committee shall in advance deliberate the transaction between the director, etc. and the Company in accordance with the article 398 of Commercial Act.

- (3) Among the following matters requiring a resolution of the Board of directors, the results of the review by the Committee shall be reported to the Board of Directors after prior deliberation on major management matters of the Company that have a significant impact on shareholder value and shareholders' rights.
 1. Issuance of new shares, reduction of capital and share retirement, or stock split or consolidation.
 2. Merger, division, merger through division, comprehensive exchange/transfer of shares.
 3. Assignment of all or any substantial part of the Company's business, and taking over all of the business of other company.
 4. Acquisition and disposal of treasury stock.
 5. Issuance of bonds relevant to shares (convertible bonds, bonds with warrant, or exchangeable bonds) for others except shareholders.
 6. Other management matters of the Company significantly affecting shareholder value.
- (4) The results of the review by the Committee shall be reported to the Board of Directors after prior deliberation on non-financial major management matters of the Company including environmental, social and governance, and the like (the "ESG") set out below:
 1. Matters concerning establishment and management of policy relevant to the ESG.
 2. Establishment, amendment and abolishment of regulations or charter, etc. relevant to the ESG activities.
 3. Planning and performance management of major activities relevant to the ESG.
 4. Other matters that a committee relevant to the ESG deems necessary.

Article 9. Hearing of Opinions of Related Persons

If deemed necessary for the deliberation, the chairperson may request related executives or employees or external persons to attend a meeting of the Committee, and to present their explanation or opinions.

Article 10. Minutes of Meeting

- (1) The Committee shall prepare the minutes with regard to matters discussed at the meeting.
- (2) The agenda, substance of proceedings, the results thereof, dissenting Members and the reasons for such dissent shall be recorded in the minutes. All Members present at the meeting shall write their names and affix their seals or affix their signatures thereon.

CHAPTER IV REPORT AND MEASURE

Article 11. Report to the Board of Directors

- (1) The Committee shall report the resolution to the Board of directors where there is any resolution.
- (2) Where a pre-deliberated agenda is presented to the Board of directors for its deliberation, the Committee shall report the result of its deliberation to the Board of directors.

CHAPTER V SUPPLEMENTARY RULES

Article 12. Administrative Secretary

- (1) If deemed necessary by the chairperson, the Committee may appoint a non-member as an administrative secretary.
- (2) The administrative secretary shall be under the direction of the chairperson, and responsible for handling the overall matters of the Committee.

Article 13. Expenses

The expense for meetings and others necessary for operation shall be borne by the Company.

Article 14. Amendment or Abolition

Amendment or abolition of this Regulation shall be made pursuant to the resolution of the Board of Directors.

ADDENDUM

This Regulation shall come into force on January 4, 2021.

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