

Enacted on January 4, 2021
Amended on May 27, 2021
Amended on September 28, 2021
Amended on March 24, 2022
Amended on June 29, 2023

ESG Committee Regulations

June 29, 2023



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CHAPTER I

GENERAL PROVISIONS

Article 1. Purpose

The purpose of the ESG Committee Regulations (the “Regulation”) 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 laws and regulations, the Articles of Incorporation, or the Regulations on the Board of Directors.

CHAPTER II

ORGANIZATIONAL STRUCTURE AND DIVISION OF DUTIES

Article 3. Composition and Chairperson

- (1) The members shall be elected and dismissed by the Board of Directors.
- (2) The Committee shall consist of three or more directors, and all directors 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 the business to each member for the efficient operation of the Committee.
- (5) If the chairperson is unable to perform his/her duties, the member designated by the Committee shall act on behalf of the chairperson.
- (6) The term of each member is until the expiration of his/her directorship, and he/she may serve consecutive terms.

Article 4. Authority and Function

- (1) The Committee shall have the authority to deliberate or approve the agenda items prescribed in the article 8 of this Regulation.
- (2) The Committee may be reported the status of internal trading and self-dealing with the affiliates or subsidiaries and the major management matters of the Company significantly affecting

shareholder value, shareholder's rights and interests and ESG activities.

- (3) The Committee may instruct an administrative secretary to submit materials and report about major management matters of the Company significantly affecting internal trading, self-dealing, shareholder value, shareholder's rights and interests 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 the Company regulations.
- (5) The Committee may seek expert assistance 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 is to be reported once or more every quarter from an administrative secretary on the status of the internal trading and deliberate. In the case that the Company has conducted the internal trading violating the relevant laws and regulations, it shall report to the Board of Directors.

CHAPTER III OPERATION

Article 6. Convocation

- (1) In principle, a Committee meeting shall be held once per quarter for the deliberation on large-scale internal trading of the article 26 of Monopoly Regulation and Fair Trade Act. However, the meeting may be held at any time if necessary.
- (2) The chairperson is to convene the Committee meeting.
- (3) In the case of convocation of the Committee meeting, a notice stating the date, time, place and agenda shall be provided in the form of document, e-mail, or the like at least three days prior to the meeting. However, the convocation procedure may be omitted, if there is consent of all Members.
- (4) Each Member may request the chairperson to convene the Committee meeting by informing him/her of agenda and reason.
- (5) In the case that the chairperson does not convene the Committee meeting without good cause, 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, and the procedure for the convocation may be omitted in that case.
- (7) If necessary, the Committee may hold joint meetings with the Board of Directors or other committees, and the procedure for the convocation may be omitted in that case.

Article 7. Method of Resolution

- (1) The resolution of the Committee shall be adopted in the presence of a majority of the Members by the affirmative votes of a majority of the Members present at the meeting.
- (2) All or some of the Members may participate in the resolution through the means of communication simultaneously transmitting and receiving all Members' voices without attending the meeting in person. In such a case, the Members shall be deemed present at the meeting.

Article 8. Agenda Items

- (1) The Committee shall deliberate and resolve on internal trading set out below, and the result is to be notified to each Member and reported to the Board of Directors.
 - ① Large-scale internal trading in the article 26 of Monopoly Regulation and Fair Trade Act; and
 - ② Internal trading that the chairperson has judged as a material internal trading regardless of the amount of the internal trading and then which is presented to the Committee.
- (2) The Committee shall deliberate in advance 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 significantly affecting shareholder value and shareholder's rights and interests:
 - ① Issuance of new share, reduction of capital and share retirement, and stock split and consolidation;
 - ② Merger, division or merger through division of the Company; 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; and
 - ⑥ Other management matters of the Company significantly affecting shareholder value.
- (4) The Committee is to deliberate non-financial major management matters - environment, social and governance, etc. (the "ESG") set out below and resolve:
 - ① Establishment of policy, strategy, etc. for the ESG management - environment-friendly management including climate change performance, social responsibility management, etc.;
 - ② Establishment, amendment and abolishment of regulations or charter, etc. relevant to the ESG activities; and

- ③ Other matters that the committee relevant to the ESG deems necessary.
- (5) Matters relevant to ESG and to be reported the Committee are as follows:
- ① Plan and performance concerning the ESG management activities;
 - ② Matters concerning substantial risk occurrence and response relevant to the ESG; and
 - ③ Other matters that the committee relevant to the ESG deems necessary.

Article 9. Hearing of Opinions of Related Persons

If necessary for the deliberation of agenda, the chairperson may have the executives, employees or external persons relating to the relevant duties attend, and hear their explanation or opinions.

Article 10. Minutes of Meeting

- (1) The minutes is to be prepared with regard to the proceedings of the Committee meeting.
- (2) The agenda, summary of the proceedings, the results thereof, dissenting Members and the reasons for such dissent are to be recorded in the minutes, and all Members present at the meeting are to write their names and affix their seals or affix their signatures.

**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 on agenda.
- (2) Where a pre-deliberated agenda is presented to the Board of directors as agenda item, the Committee shall report the result of its pre-deliberation to the Board of Directors.

**CHAPTER V
SUPPLEMENTARY RULES**

Article 12. Administrative Secretary

- (1) If deemed necessary, the chairperson 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 administrative 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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