

# **Regulations of the Board of Directors**

## **CHAPTER 1. GENERAL PROVISIONS**

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

The purpose of these regulations is to set forth the matters necessary for efficient management of the Board of Directors of the Company.

### **Article 2 (Scope)**

Any matters related to the Board of Directors other than those determined in accordance with the laws or the Articles of Incorporation shall be in compliance with these regulations.

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

- (1) The Board of Directors shall vote on matters determined in accordance with the laws or the Articles of Incorporation, matters delegated by the general shareholders' meeting, fundamental policies of the Company's management, and important matters relating to the performance of duties.
- (2) The Board of Directors shall supervise the performance of the directors' duties.

## **CHAPTER 2. COMPOSITION**

### **Article 4 (Composition)**

The Board of Directors shall be comprised of all directors (including outside directors and other non-standing directors).

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

The chairperson of the Board of Directors shall be appointed by the resolution of the Board of Directors. Provided, however, if the chairperson is unable to perform his duties for unavoidable circumstances such as accident, the representative director shall perform the duties in lieu of the chairperson, and if there is an unavoidable circumstance such that the representative director as well may not perform such duties, the special chairperson appointed by the resolution of the Board of Directors shall perform the duties.

### **Article 5-2 (Term of Outside Director)**

The term of office of an outside director shall not be more than six (6) years, and the total term of office of an outside director at the Company or its affiliates may not exceed a total of nine (9) years.

## **CHAPTER 3. MEETING**

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

- (1) The Board of Directors meeting shall be comprised of a regular Board of Directors meeting and a special Board of Directors meeting.
- (2) The regular Board of Directors meeting shall be held once every quarter.
- (3) The special Board of Directors meeting shall be held anytime if necessary.

### **Article 7 (Person Who Convenes the Meeting)**

- (1) The Board of Directors meeting shall be convened by the chairperson of the Board of Directors.
- (2) Each director may request the chairperson of the Board of Directors to convene the Board of Directors meeting by indicating the agenda and the grounds for request. If the chairperson of the Board of Directors does not convene a Board of Directors meeting for no justifiable grounds or there is an unavoidable circumstance which prevents the meeting from being convened, the director who requested for convening of the meeting may directly convene the Board of Directors meeting.

### **Article 8 (Process of Convening the Meeting)**

- (1) In convening the Board of Directors meeting, the date of the meeting shall be determined and notified to each director three (3) days in advance.
- (2) The Board of Directors may convene the meeting without the process stated in Paragraph (1) above if there is unanimous consent of the Board of Directors.

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

- (1) The resolution of the Board of Directors shall be adopted by a majority of all directors in office being present and a majority of the directors present at the meeting. Provided, however, for certain matters, such requirements may be aggravated pursuant to the Articles of Incorporation.

- (2) Any director who has a special interest in the Board of Directors' resolution shall not be able to exercise the voting right pursuant to the Articles of Incorporation.
- (3) The number of directors who shall be prohibited from exercising the voting right pursuant to Paragraph (2) shall not be included in the number of directors present.
- (4) The outside director will be entitled to seek advice from outside experts at the Company's cost, if necessary.

#### **Article 10 (Matters of Resolution)**

- (1) The following matters shall be submitted to the Board of Directors meeting for resolution:
  - 1. Matters related to the general shareholders' meeting
    - ① Convening of a general shareholders' meeting
    - ② Approval of business reports
    - ③ Approval of financial statements
    - ④ Amendment of the Articles of Incorporation
    - ⑤ Capital reduction
    - ⑥ Dissolution, merger, split-up and merger, split-up, and continuation of the business after dissolution of the Company
    - ⑦ Retirement of shares
    - ⑧ Transfer of all or substantial parts of the business of the Company and acquisition of all of the business of a different company
    - ⑨ Execution, amendment or termination of any agreement entailing lease of the entire business, delegation of management, or sharing of entire business profit or loss with another person, or any agreement equivalent thereto
    - ⑩ Appointment or discharge of director
    - ⑪ Issuance of shares short of par value
    - ⑫ Exclusion of director's liability for the Company
    - ⑬ Determination of stock dividend
    - ⑭ Granting of stock option
    - ⑮ Compensation of directors
    - ⑯ Approval of transaction between the Company and the Company's largest shareholder under Article 542-9 (including its specially related person) of the Commercial Act
    - ⑰ Approval of transaction between the Company and the Company's specially related person under Article 542-9 of the Commercial Act

- ⑮ Any other agenda to submit and report to the general shareholders' meeting

## 2. Matters related to management

- ① Determination and change of the fundamental policies of the Company management
- ② Appointment and discharge of the representative director
- ③ Appointment and discharge of the chairperson of the Board of Directors
- ④ Determination of the co-representatives
- ⑤ Establishment, operation and abolishment of a committee within the Board of Directors
- ⑥ Appointment and discharge of a committee within the Board of Directors
- ⑦ Separate resolution on resolutions adopted by a committee within the Board of Directors
- ⑧ Resolution on matters submitted by a committee within the Board of Directors
- ⑨ Decision to seek expert cooperation of directors
- ⑩ Appointment and discharge of registration manager
- ⑪ Relocation or closure of a branch, factory, office or business premise
- ⑫ Decision on simplified merger, simplified merger after split-up, small-scale merger and small-scale merger after split-up
- ⑬ Reporting of merger or consolidation
- ⑭ Acquisition of shares in another company in excess of 50% of its total shares, or execution of a material joint venture or partnership agreement with another company, in each case whose contract value is 1% or more of the Company's equity capital as of the end of the latest fiscal year
- ⑮ In case the Company disposes of the shares in its affiliate of which it owns more than 50% of the total shares at a value of 1% or more of the Company's equity capital as of the end of the latest fiscal year, and as a result, the Company owns less than 50% of the total shares in such affiliate
- ⑯ Review of plan and performance of ESG tasks

## 3. Matters related to finance

(Hereinafter, assets, equity capital, turnovers and liabilities shall be based on the consolidated financial statements in the business report as of the end of the latest fiscal year.)

- ① Matters relating to the issuance of stocks
- ② Disposal of deficits
- ③ Matters relating to the issuance of bonds including subscription of bonds, convertible bond, and bond with warrant
- ④ Matters relating to acquisition, disposal or retirement of treasury stock
- ⑤ Capitalization of reserves
- ⑥ Acquisition and disposal of tangible and intangible assets equivalent to 2.5% or more of the assets as of the end of the latest fiscal year
- ⑦ Investment or disposal of investments in another company at a value of 2.5% or more of the Company's equity capital as of the end of the latest fiscal year
- ⑧ Loan in an amount equivalent to 5% or more of the Company's equity capital as of the end of the latest fiscal year
- ⑨ Acquisition or transfer of business with asset value of 10% or more of the total assets of the Company as of the end of the latest fiscal year
- ⑩ Acquisition or transfer of business with turnover of 10% or more of the turnover of the Company as of the end of the latest fiscal year
- ⑪ Transfer of business with liabilities equivalent to 10% or more of the total liabilities of the Company as of the end of the latest fiscal year
- ⑫ Provision of security interest, guarantee for liabilities, takeover/waiver of liabilities for others equivalent to 2.5% or more of the Company's equity capital as of the end of the latest fiscal year
- ⑬ Provisional payment of cash, cash loan or loan of securities to others equivalent to 2.5% or more of the Company's equity capital as of the end of the latest fiscal year (other than loans to employees or the employee stock ownership association)
- ⑭ In case the Company intends to conduct a large-scale internal trading as defined in Article 11-2 of the Monopoly Regulation and Fair Trade Act and Article 17-8 of its Enforcement Decree with or for a specially related person as defined by the said Act

#### 4. Matters related to directors

- ① Approval of transaction between director and the Company
- ② Simultaneously holding an executive position of a different company

#### 5. Miscellaneous

- ① Cancellation of stock option

- ② Other matters determined pursuant to other laws or Articles of Incorporation, matters delegated by the general shareholders' meeting and matters approved to be necessary by the representative director
- (2) The following matters shall be reported to the Board of Directors meeting.
  - 1. Result of processing the matters delegated to a committee within the Board of Directors
  - 2. Matters acknowledged by the audit committee to have been in violation of the laws or the Articles of Incorporation by a director or are at risk of such
  - 3. Other matters relating to the performance of duties important to management

#### **Article 11 (Committee within the Board of Directors)**

- (1) The Board of Directors may establish all types of committees within the Board of Directors in accordance with the Articles of Incorporation for a quick and efficient decision making.
- (2) The Board of Directors may delegate its authority to such committees except for the following:
  - 1. Proposal of matters requiring approval of the general shareholders' meeting
  - 2. Appointment and discharge of the representative director
  - 3. Appointment and discharge of the chairperson of the Board of Directors
  - 4. Establishment of committee and appointment and discharge of such committee
  - 5. Other matters required by the Articles of Incorporation to be determined directly by the Board of Directors
- (3) The committee shall be comprised of at least two (2) directors. Provided, however, the audit committee shall be comprised of at least three (3) directors.
- (4) The committee shall appoint its representative through its resolution.
- (5) Matters regarding the detailed operation of the committee shall be separately determined by the Board of Director.

#### **Article 12 (Attendance of Related Persons)**

The chairperson, if acknowledged as necessary, may require related officers and employees or outsiders to attend and provide their opinion.

#### **Article 13 (Right to Supervise Director's Performance of Duties)**

- (1) As each director performs the responsible duties, the Board of Directors may request the submission, investigation or explanation of the relevant materials of the director, if the Board of Directors acknowledge that such director has violated the laws or the Articles of Incorporation, handled the tasks in a substantially unlawful manner, or there is a risk of such handling.
- (2) In case of Paragraph (1), the Board of Directors may request the suspension or change of performance of the relevant duty.

#### **Article 14 (Meeting Minutes)**

- (1) Meeting minutes shall be prepared with respect to the Board of Director's meeting.
- (2) In the meeting minutes, the agenda of the meeting, the summary of proceedings, resolutions adopted at the meeting, names of the directors who have voted against such resolutions and the grounds of objections thereto shall be recorded in the minutes, on which the directors present at the meeting shall sign their names or affix their seal impressions.
- (3) Shareholders may request for access or a duplicate of the Board of Director's meeting minutes during business hours.
- (4) The Company may reject a request in Paragraph (3) for a reason. In this case, the shareholder may access or make a duplicate of the Board of Director's meeting minutes upon obtaining approval from the court.

#### **Article 15 (Secretary)**

- (1) The Board of Directors shall have a secretary.
- (2) The secretary shall be responsible for handling the affairs of the Board of Directors pursuant to the chairperson's order.

### **ADDENDA**

These regulations shall enter into force on February 2, 2004.

These regulations shall enter into force on May 11, 2007.

These regulations shall enter into force on March 28, 2008.

These regulations shall enter into force on March 4, 2011.

These regulations shall enter into force on October 1, 2014.

These regulations shall enter into force on December 22, 2015.

These regulations shall enter into force on February 25, 2020.

These regulations shall enter into force on March 25, 2020.

These regulations shall enter into force on January 12, 2021.