

Governance Committee Regulations

Enacted on March 22, 2018

Amended on March 12, 2020

Amended on May 11, 2020

Amended on January 4, 2021

January 4, 2021



Governance Committee Regulations

CHAPTER I GENERAL PROVISIONS

Article 1. Purpose

The purpose of these Regulations is to set forth matters necessary for the efficient operation of the Governance Committee (the “Committee”) in accordance with Article 41 of the Articles of Incorporation and Article 8 of the Regulations on the Board of Directors.

Article 2. Scope of Application

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

Article 3. Authority and Function

- (1) The Committee shall have the authorities to review and approve the matters requiring resolution prescribed in Article 8 of these Regulations.
- (2) The Committee may receive reports on the status of internal trading with the affiliates, and the Company’s major managerial matters that materially affect the shareholder value and rights and interests of shareholders.
- (3) The Committee may instruct an administrative secretary to investigate the detailed status of the internal trading, and the Company’s major managerial matters that materially affect the shareholder value and rights and interests of shareholders.
- (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 4. 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.

Article 5. Composition and Chairman

- (1) The Members shall be elected or dismissed by a resolution of the Board of Directors.
- (2) The Committee shall consist of three or more Members, and all Members shall be outside directors.
- (3) The Committee shall appoint its chairman by its resolution.

CHAPTER II MEETINGS OF THE COMMITTEE

Article 6. Convocation

- (1) A meeting shall be held at least once per quarter. However, if deemed necessary, a meeting may be held at any time.
- (2) The chairman shall convene the meetings.
- (3) When convening a meeting of the Committee, a written 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 procedures.

Article 7. Method of Resolution

- (1) Resolutions of the Committee shall require the presence of majority of the Members and the affirmative vote of a majority of the Members in attendance at such meeting.
- (2) The Committee may permit all or some of the Members to participate in resolutions through the use of communication means that transmits and receives sounds simultaneously without attending in person. In such cases, such Members shall be deemed to have physically attended such meeting.

Article 8. Matters Requiring Resolution

- (1) The resolution of the Committee is required for the following:
 1. Large-scale internal transactions under Article 11-2 of the Monopoly Regulation and Fair Trade Act; and
 2. Internal transactions that the committee deems important even though the transaction amount is less than the standard for that of large-scale transactions set forth in the preceding item, and thus, referred to the committee .
- (2) The Committee shall, among the items requiring resolutions of the Board of Directors, deliberate in advance on the Company's major managerial matters that materially affect the shareholder value and rights and interests of shareholders, and report the results thereof to the Board of Directors.
 1. Issuance of new shares, reduction of capital and retirement of shares, stock split and combination;
 2. Merger, division, merger through division, comprehensive share exchange and transfer of the Company;
 3. Assignment of all or any substantial part of the Company's business, or take over all of the business of other company;
 4. Acquisition and disposal of treasury stock;
 5. Issuance of equity related bonds (convertible bonds, bonds with warrants and exchange bonds) to a third party other than shareholders; and
 6. Other managerial matters of the Company that materially affect the shareholder value.

Article 9. Hearing of Opinions of Related Persons

If deemed necessary, the Committee may request related executives or employees or external persons to attend a meeting of the Committee, and to present their opinion thereat.

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, and shall be affixed with the names and seal impressions or signatures of the Members present at the meeting.

Article 11. Administrative Secretary

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

Article 12. Amendment or Abolition

Amendment or abolition of these Regulations shall be made pursuant to the resolution of the Board of Directors.

ADDENDUM

These Regulations shall come into force on March 22, 2018.

ADDENDUM

These Regulations shall be amended and come into force on March 12, 2020.

ADDENDUM

These Regulations shall be amended and come into force on May 11, 2020.

ADDENDUM

These Regulations shall be amended and come into force on January 4, 2021.