

# **Audit Committee Regulations**

("these Regulations")

5/7/2021



## **Article 1 (Purpose)**

- ① The purpose of these Regulations is to set forth the matters required for the efficient composition and operation of the Audit Committee (“the Committee”) as stipulated in the law, the Articles of Incorporation, and the Regulations on the Board of Directors (“BoD”).
- ② Matters not stipulated in the laws, the Articles of Incorporation or the BoD Regulations shall follow these Regulations.

## **Article 2 (Principles of independency and objectivity)**

- ① The Committee shall conduct its business independently of any executive bodies, including the BoD and the other departments.
- ② The Committee shall maintain objectivity in carrying out its business.

## **Article 3 (Composition)**

- ① The Committee (“members”) shall be composed of three or more directors, at least two-thirds of whom shall be external directors.
- ② The members shall be recommended by the BoD.
- ③ Matters pertaining to the election and dismissal of the members shall follow the relevant laws.

## **Article 4 (Chair)**

- ① The Committee Chair (“the Chair”) shall be elected by the Committee from among the outside directors. The Chair shall represent the Committee and preside over its meetings.
- ② The Chair shall report the results of the Committee’s review of agenda items or decisions made by the Committee to the BoD.

- ③ In the event that the Chair is unable to perform his/her duties, a member designated by the Committee shall perform them on his/her behalf.

### **Article 5 (Convocation)**

- ① Sessions of the Committee shall be convened by the Chair.
- ② Where it is necessary to review or discuss a matter under these Regulations, the Representative Director shall inform the Committee thereof, along with the reason for such review or discussion.
- ③ A member of the Committee may ask the Chair to convene a session of the Committee by informing the Chair of the contents of the matter.
- ④ When convening a session, the Chair shall inform the members thereof in writing (including email) or verbally at least 3 (three) days in advance. The procedure stated in the foregoing sentence may be omitted when unanimously agreed upon by the members in the event of an emergency.

### **Article 6 (Resolution methods)**

A resolution made by the Committee shall require the presence of the majority of the members in office and the consent of the majority of those present at the meeting.

### **Article 7 (Scope of business; responsibilities)**

- ① The Committee shall engage in the auditing of the Company's accounting and business in general, deliberation of non-financial risks, and the business entrusted to it by the BoD under the relevant law, the Articles of Incorporation, and the BoD Regulations.
- ② The Committee shall have the following rights and duties:
  1. Request the convocation of an extraordinary General Meeting of Shareholders (GMoS);

2. Rights to Injunction concerning directors' illegal acts;
  3. Request the directors to submit a business report;
  4. Represent the Company in a lawsuit between a director and the Company;
  5. Check the status of the Company's property;
  6. Request a business report from a subsidiary in relation to the Committee's execution of its business;
  7. Request the election or dismissal of external auditors;
  8. Receive/assess a report on the operational status of the internal audit management system;
  9. Enact/revise the internal audit management-related regulations;
  10. Consent to the appointment or dismissal of an executive officer in charge of auditing (Compliance Officer);
  11. Ascertain the facts and the steps to be taken concerning the whistleblowing of an accounting irregularity, keep the whistleblower's identity secret, and ensure that the whistleblower suffers no disadvantage or discrimination;
  12. Review the Company's non-financial risks including compliance (anti-corruption, compliance surveillance, transparency in employment, etc.), Security, Health and the environment (SHE), information security, etc. and suggest opinions for improvement of the foregoing;
  13. Ascertain the steps taken regarding its request for remedial measures based on its audit;
  14. Handle other matters stipulated in the law, the Articles of Incorporation and the BoD Regulations; and matters entrusted to it by the BoD.
- ③ The Committee shall carry out the following tasks:
1. Submit audit reports;
  2. Check the agenda items submitted to the GMoS and other relevant documents;

3. Report on the evaluation of the operational status of the internal audit management system;
4. Document the criteria/procedure for the evaluation of external auditor candidates;
5. Conduct face-to-face evaluations of external auditor candidates, and document the results thereof;
6. Evaluate the external auditors' execution of the agreements signed with the Company, and document the results thereof ;
7. Handle other matters stipulated in the law, the Articles of Incorporation and the BoD Regulations.

#### **Article 8 (Listening to the opinions of relevant parties)**

- ① The Committee may ask the relevant employees and outsiders to attend its sessions, submit to it the relevant materials, and express their opinions as and when required for the execution of its business.
- ② The Committee may request an expert consultation as and when required.

#### **Article 9 (Secretary)**

- ① The position of the Committee's secretary shall be assumed by the Head of the Management Support Division (경영지원부문장).
- ② The Secretary shall assist the Chair and the Committee's business in general according to the Chair's instructions.

#### **Article 10 (Meeting minutes)**

- ① The Secretary shall draw up the meeting minutes of each of the Committee's sessions and keep them.

- ② The meeting minutes shall record the details of the proceedings of the Committee's sessions, including those attendees who oppose the items of agenda submitted to a given session and the reasons for their opposition. The minutes shall be signed by all those present at a meeting.

### **Article 11 (Audit minutes)**

- ① The Committee shall draw up the audit minutes concerning its business.
- ② The audit minutes shall record the details of the audit proceedings and be signed by all those present.

### **Article 12 (Amendment)**

These Regulations may be amended as per the BoD's decision.

### **Addendum (April 11, 2006)**

#### **Article 1 (Enforcement date)**

These Regulations shall enter into force on April 11, 2006.

### **Addendum (March 23, 2012)**

#### **Article 1 (Enforcement date)**

These Regulations shall enter into force on March 23, 2012.

### **Addendum (November 1, 2018)**

#### **Article 1 (Enforcement date)**

These Regulations shall enter into force on November 1, 2018.

## **Addendum (May 7, 2021)**

### **Article 1 (Enforcement date)**

These Regulations shall enter into force on May 7, 2021.