

# ESG 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 Environmental, Social and Governance Committee (“the Committee”) as stipulated in 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 (Functions)**

The Committee shall review and analyze strategic and major matters concerning the environmental matters, social values and corporate governance of the Company as a body formed for deliberation of the Company’s major decisions under the Company’s BoD-centered management principles for the Company’s long-term sustainable growth.

## **Article 3 (Composition)**

The Committee shall be composed of three or more directors and the majority of its members shall be outside directors.

## **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 may ask the Chair to convene a session of the Committee by informing the Chair of the contents of the matter.
- 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)**

- ① 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.
- ② The Committee may allow some or all of its members to take part in a resolution by video conferencing without attending the meeting in person. In such a case, the relevant members shall be deemed to be personally present at the meeting.

#### **Article 7 (Pre-deliberation/review)**

- ① The Committee shall review the following matters before submitting its report on them to the BoD.
  1. The Company's mid- and long-term strategy (including the Financial Story and the ESG promotion strategy);
  2. Formulation and evaluation of the Company's annual management plan.
- ② The Committee shall deliberate the following matters before the BoD makes a decision on them.
  1. Matters pertaining to the Company's merger or split etc.

2. Comprehensive swap or transfer of stocks;
  3. Dissolution or continuance of the Company;
  4. Investment in new facilities, expansion of existing facilities or construction of a new factory for an amount equal to or exceeding 1.5% of the Company's equity capital;
  5. Investment in another corporation or disposition of equity investment in an amount equal to or exceeding 1.5% of the Company's equity capital;
  6. Acquisition or disposition of property in an amount equal to or exceeding 1.5% of the Company's equity capital;
  7. Business takeover or handover in an amount equal to or exceeding 1.5% of the Company's equity capital;
  8. A matter requiring a change of more than 20% of the amount reviewed by the Committee and approved by the BoD as per the foregoing 4 through 7, or a matter requiring a change of more than 1.5% of the Company's equity capital amount (regardless of the margin of change in the amount reviewed by the Committee and approved by the BoD);
  9. Issuance of new stocks;
  10. Matters pertaining to the issuance of new stocks to non-shareholders as per the Articles of Incorporation, Article 9(2);
  11. Acquisition, disposition, or write-down of treasury stocks or signing/termination of a trust agreement or such like for the said;
  12. Issuance of convertible bonds and bonds with warrants.
- ③ The Committee may deliberate in advance any management matters that may have an important impact on the Company's strategy or evaluation among the matters requiring a decision by the BoD.

## **Article 8 (Discussion)**

The Committee may discuss the following matters:

1. Strategies for promoting the Company's major businesses;
2. Activities designed to promote the Company's sustainable growth;
3. The Sustainable Management Report and Governance Structure Report published by the Company;
4. Management matters that may have an important impact on the Company's strategy or evaluation.

### **Article 9 (Communication with the stakeholders)**

The Committee shall support the Company's communication with its shareholders, potential investors or other stakeholders.

### **Article 10 (Request for submittal of relevant materials, etc.)**

- ① The Committee may request 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 expert consultation as and when required.

### **Article 11 (Secretary)**

- ① The position of the Committee's secretary shall be assumed by the Head of the BM Innovation Promotion Corps(BM혁신추진단장)
- ② The Secretary shall assist the Chair and the Committee's business in general as per the Chair's instructions.

### **Article 12 (Meeting minutes)**

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

- ② The meeting minutes shall record the details of the proceedings of the Committee's sessions, and shall be signed by all those present.

### **Article 13 (Amendment)**

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

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

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