

REGULATIONS OF THE ESG COMMITTEE

April 1, 2021



Article 1 (Purpose)

- ① The purpose of these regulations is to set forth the matters necessary for efficient composition and operation of the Environmental, Social and Governance Committee (the "Committee") as prescribed under the Articles of Incorporation and the Regulations of the Board of Directors.
- ② These regulations shall apply with respect to any matters not prescribed in the relevant laws and regulations, the Articles of Incorporation, or the Regulations of the Board of Directors.

Article 2 (Function)

The Committee, a preliminary deliberation body on major matters to be decided by the Company in accordance with management principles centered on the Board of Directors, shall review and analyze strategies and major matters concerning the environment, social values and corporate governance to help the Company achieve long-term sustainable growth.

Article 3 (Composition)

- ① The Committee shall be comprised of all outside directors in office and one (1) director who is not an outside director.
- ② The term of office of the members (the "member(s)") shall be the same as that of the directors.

Article 4 (Chairperson)

- ① The chairperson shall be appointed at the Committee meeting, and the chairperson shall represent the Committee and preside at all of its meetings.
- ② In case the Committee reviews or discusses any agenda to be submitted to the Board of Directors, the chairperson shall report the result thereof to the Board of Directors.
- ③ In case the chairperson is absent or unable to serve, a member designated by the Committee shall perform the duties in place of the chairperson and a meeting for appointment of such member shall be

presided by the eldest of the present members.

Article 5 (Convening of Meeting)

- ① The meetings of the Committee shall be convened by the chairperson.
- ② Any member may request the chairperson to convene the Committee meeting by submitting the agenda and grounds therefor.
- ③ In convening the Committee meeting, the chairperson shall give notice to each member of the date, time, place and agenda of the meeting, at least two (2) days prior to the date set for such a meeting; provided, however, that in case of emergency, such notice may be given by the date immediately preceding the date of such meeting.
- ④ The Committee meeting may be held without following the procedure prescribed in paragraph 3 upon unanimous consent of all members.

Article 6 (Method of Adopting Resolutions)

- ① Any resolution of the Committee shall be adopted by the presence of a majority of the members in office and a majority of the votes of the members present.
- ② The Committee may permit all or some of the members to participate in the meeting by means of communication that allow simultaneous audio transmission, in lieu of attending such meeting in person and such members shall be deemed to have attended the meeting in person.

Article 7 (Matters subject to Preliminary Review)

- ① The Committee shall review any of the following matters related to strategy and management plan prior to reporting to the Board of Directors:
 1. Mid- to long-term strategies; and
 2. Establishment and assessment of annual management plan of the Company.
- ② The Committee shall review any of the following matters related to investment, planning and management prior to resolution by the Board

of Directors:

1. Incorporation, merger, division, dissolution, listing of stock and KOSDAQ listing of a company in which the Company owns more than 50% interest in the total issued and outstanding shares, where the amount of investment is equivalent to 1% or more of the Company's equity capital;
2. Investment or disposal of investment shares in another company at a value of 1% or more of the Company's equity capital;
3. Acquisition of assets at a value of 1% or more of the Company's equity capital;
4. Investment in new facilities, facility expansion or construction of a separate factory at a value of 1% or more of the Company's equity capital;
5. Matters related to merger or division, etc. of the Company;
6. Dissolution or continuation of the Company; and
7. Business transfer exceeding 1% of the Company's equity capital.

③ The Committee shall review any of the following matters related to accounting and financial management prior to resolution by the Board of Directors:

1. Interim dividend, stock dividend;
2. Capitalization of reserves;
3. Issuance of new shares;
4. Matters related to issuance of new shares to any person(s) other than the shareholders pursuant to the Articles of Incorporation;
5. Handling of forfeited shares or fractional shares;
6. Capital reduction;
7. Stock split or consolidation;
8. Purchase or disposal of treasury stocks, or execution or termination of a trust agreement, etc. for such purpose;
9. Comprehensive swap or transfer of shares;

10. Decision to issue special bonds such as convertible bond, bond with warrant, participating bond or exchangeable bond;
 11. Provision as security or disposal of major assets (i.e., assets with book value or appraisal value in excess of KRW 30 billion) of the Company; provided, however, that disposal of the Company's equity capital shall be subject to paragraph 2, subparagraph 2;
 12. Domestic or overseas loan agreement exceeding KRW 30 billion (excluding short-term loans for the term of up to one year) and guarantee of indebtedness exceeding KRW 30 billion for another person; and
 13. Retirement of shares up to the amount of dividend limitation.
- ④ The Committee shall review the following matter related to internal trading prior to resolution by the Board of Directors.
1. Preliminary deliberation on transactions with specially related persons, which require approval of the Board of Directors under the Monopoly Regulation and Fair Trade Act and the Commercial Act; provided, however, that matters delegated to the Audit Committee shall be excluded under Article 13(2) of the Regulations of the Board of Directors.
- ⑤ The Committee may review managerial matters of the Company that may have a material effect on the Company's strategy and assessment, etc., among other matters subject to resolution of the Board of Directors, prior to submission to the Board of Directors.

Article 8 (Matters subject to Discussion)

The Committee may discuss any of the following matters:

1. Principal management strategies of the SK Group ("SK Group" herein refers to the group of companies which have agreed to share management philosophy based on SKMS and to mutually cooperate in the management activities according to its own necessity and judgment);
2. Business promotion strategies of the Company by industry;

3. Activities to increase the social value of the Company; and
4. Other managerial matters of the Company having a material effect on the Company's strategy and assessment, etc.

Article 9 (Right to Request Submission of Documents, etc.)

- ① If necessary for performance of duties, the Committee may require the relevant officers, employees and outside personnel to attend the meeting and submit relevant information and/or state their opinion.
- ② The Committee may seek expert advice, etc. at the expense of the Company by resolution of the Committee, if necessary.

Article 10 (Secretariat Organization)

- ① The secretariat organization of the Committee shall refer to the [PM Division].
- ② The secretariat organization shall assist the chairperson and handle the affairs of the Committee.

Article 11 (Meeting Minutes)

- ① The secretariat organization shall record and keep minutes regarding the proceedings of the Committee.
- ② The agenda, summary of proceedings, resolutions adopted at the meeting, names of the directors who have voted against such resolutions, and the reason for objections thereto shall be recorded in the minutes, on which all members present at the meeting shall sign their names or affix their seal impressions.

Article 12 (Amendment)

Any amendment to these regulations shall be made by the resolution of the Board of Directors.

Addendum (March 30, 2021)



These regulations shall enter into force on April 1, 2021.