

Hyosung Corporation

Charter of Corporate Governance

Preamble

Hyosung Co., Ltd. (hereinafter referred to as the "Company") promotes sustainable growth through responsible management based on the principle of "creating a better life for humankind by utilizing the best technology and management capabilities."

By doing so, the Company creates value for customers, members, and shareholders and strives to play a pivotal role in social and economic growth.

The Company adopts this Charter of Corporate Governance in the belief that establishing sound and transparent corporate governance is essential to gaining the trust of all stakeholders and advancing as a global blue-chip corporation. Accordingly, the Company endeavors to implement fair, transparent, and accountable management under the direction and supervision of an independent board of directors.

CHAPTER I SHAREHOLDERS

Article 1 [Rights of Shareholders]

- ① Shareholders possess fundamental shareholder rights.
- ② Any significant changes to shareholder rights shall be decided at the annual general meeting (hereinafter referred to as the "AGM") in a manner that maximizes the protection of shareholder rights.
- ③ The Company shall provide shareholders with information regarding the time, location, and agenda of AGMs in a timely manner, and the time and location of AGMs shall be set to maximize shareholder participation.
- ④ Shareholders may, in accordance with applicable laws, propose agendas for AGMs and may inquire about the agenda and request explanations at AGMs.
- ⑤ The Company shall consider the ease with which shareholders can exercise their voting rights.

Article 2 [Fair Treatment of Shareholders]

- ① A shareholder shall have one vote for each share of common stock, and shareholders' fundamental rights shall not be violated. In addition, as required by law, restrictions on voting rights for specific shareholders shall be strictly enforced.
- ② Shareholders shall be able to obtain the necessary information from the Company in a timely, adequate, and fair manner, and the Company shall treat all shareholders equally

when disclosing information with no disclosure obligation.

- ③ The Company shall not provide shareholders with preferential treatment during transactions.

Article 3 [Shareholder Responsibilities]

- ① Shareholders shall be aware that the exercise of their voting rights may impact the Company's management and shall strive to exercise their voting rights actively for the Company's growth.
- ② Controlling shareholders who can exert influence over the Company's management shall act in the Company's best interests.

CHAPTER II BOARD OF DIRECTORS

Article 4 [Roles of the Board of Directors]

- ① The Board of Directors shall be responsible for overseeing the Company's decision-making and management.
- ② The Board of Directors may delegate authority to the CEO or an affiliated committee to the extent permitted by applicable laws and the Company's Articles of Incorporation.

Article 5 [Composition of the Board of Directors and Appointment of Directors]

- ① The Board of Directors shall be of a size that allows for effective and efficient deliberation and decision-making, and it shall contain enough directors to operate committees.
- ② The Board of Directors shall have outside directors who can operate independently of management and controlling shareholders, and the board's independence shall be ensured by a majority of outside directors.
- ③ The Board of Directors shall be comprised of directors with expertise to contribute to management, and the terms of office of each director shall be guaranteed barring exceptional circumstances.
- ④ The Company shall provide shareholders with sufficient information and time to exercise their voting rights for director candidates.

Article 6 [Outside Directors]

- ① Outside directors shall have no significant relationship with the Company, such as contracts or transactions of a certain level or higher, and shall be able to make decisions independently from the Company's management and controlling shareholders.
- ② Selection criteria such as expertise, commitment, management mindset, independence, social reputation, integrity, and diversity shall be considered when selecting candidates for

outside director positions.

- ③ Outside directors may, if necessary, request the Company to provide information necessary for the performance of their duties, and the Company shall provide adequate information necessary for the performance of those duties.
- ④ Outside directors may, if necessary, receive assistance from the Company's employees or external experts through appropriate procedures, and the Company may cover the associated costs.
- ⑤ Outside directors shall devote adequate time to their responsibilities.

Article 7 [Operation of the Board of Directors]

- ① In general, the Board of Directors shall meet once every three months and may hold ad hoc meetings when necessary.
- ② To ensure the effective operation of the Board of Directors, its authority and responsibilities, operating procedures, and other matters shall be specified in detail.
- ③ The Company shall prepare, maintain, and store the minutes of each meeting.
- ④ The Company shall disclose information about board activities, such as the attendance rate and the approval rate for agenda items subject to disclosure.
- ⑤ If necessary, directors can participate in board meetings via remote communication.

Article 8 [Committees]

- ① Committees comprised of the appropriate number of individuals shall be established and managed to carry out specific duties and responsibilities under the direction of the Board of Directors.
- ② Whenever possible, the chairperson of each committee shall be selected from among outside directors.
- ③ Each committee's structure, operation, and authority shall be specified in detail.
- ④ Each committee shall be formed considering the expertise of individual directors, and by utilizing the expertise of each committee, board resolutions shall be reviewed in advance and the results shall be reported to the Board of Directors.

Article 9 [Director Obligations]

- ① Directors shall fulfill their duty of care as competent managers. Directors shall invest time and effort in making rational decisions based on sufficient information
- ② Directors shall pursue results that are in the best interest of the Company and shareholders and shall not use their authority for their own or a third party's benefit.
- ③ Directors shall be prohibited from disclosing trade secrets learned in the course of their

duties or using such information for their own or a third party's benefit.

Article 10 [Director Responsibilities]

- ① If a director violates the law or the Articles of Incorporation or neglects his or her duties, he or she may be liable for damages to the Company, and a director who acted with malice or gross negligence may also be liable for damages to a third party.
- ② If a director has fulfilled his or her duty of care and loyalty during the decision-making process, such director's decision shall be respected.
- ③ The Company purchases liability insurance for directors at its own expense in order to protect against liability for damages that may arise in connection with the performance of duties and to attract competent individuals to the board.

Article 11 [Evaluation and Compensation]

- ① The management's activities shall be evaluated fairly, and the Company shall disclose the remuneration and compensation standards of key executives in accordance with the law.
- ② Directors shall be compensated within the parameters approved at AGMs.

CHAPTER III AUDITING ORGANIZATION

Article 12 [Audit Committee]

- ① The Audit Committee shall be comprised of at least three outsider directors to ensure its independence, and at least one member shall be an accounting or finance expert in accordance with applicable laws and regulations.
- ② The Audit Committee shall audit the Company's accounting and business in accordance with applicable laws, the Articles of Incorporation, and the BoD Regulations, and shall handle matters assigned by the board.
- ③ The Audit Committee shall have unfettered access to audit-related information and, if necessary, may seek advice from external organizations and experts at the expense of the Company.
- ④ The Audit Committee shall meet at least once every quarter in principle and shall have the right to convene additional meetings as needed. During these meetings, the committee can invite relevant executives or external auditors.
- ⑤ The Audit Committee shall record each meeting's minutes.

Article 13 [External Auditors]

- ① The Audit Committee shall appoint external auditors and guarantee their independence

from the Company.

- ② The Company may invite external auditors to an AGM to answer shareholders' questions about audit reports.
- ③ External auditors shall conduct audits objectively and independently of the Company, its management, and controlling shareholders, among others.
- ④ The Company shall have external auditors evaluate its financial viability in accordance with applicable laws and regulations.
- ⑤ The Company shall have external auditors report to the Audit Committee on significant issues identified during auditing activities.

CHAPTER IV STAKEHOLDERS

Article 14 [Protection of Stakeholder Rights]

- ① The Company shall strive for the happiness of its various stakeholders, prioritize social responsibility, and simultaneously increase both economic and social value.
- ② The Company shall respect the rights of its members and strive to enhance their quality of life.
- ③ The Company shall protect the legal and contractual rights of stakeholders, comply with labor-related laws such as the Labor Standards Act, and strive to maintain and improve working conditions.
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Article 15 [Ethical Management]

- ① The Company shall establish and disclose its code of ethics.
- ② The Company shall encourage its employees to make correct and ethical decisions in accordance with its code of ethics in order to establish a clean corporate culture and fulfill their social roles and responsibilities as global corporate citizens.

CHAPTER V DISCLOSURE

Article 16 [Disclosure]

- ① The Company shall promptly make the required disclosures. In addition to legal requirements, the Company shall disclose matters that have or may have a substantial impact on shareholders' and stakeholders' decision-making.

- ② Where the Company decides on significant matters that are not routinely disclosed, it shall disclose the information promptly and accurately.
- ③ The Company shall strive to make the disclosure content simple for stakeholders to use and comprehend.
- ④ The Company shall appoint a disclosure officer and have an internal information delivery system that expeditiously delivers vital company information to the designated individual.